

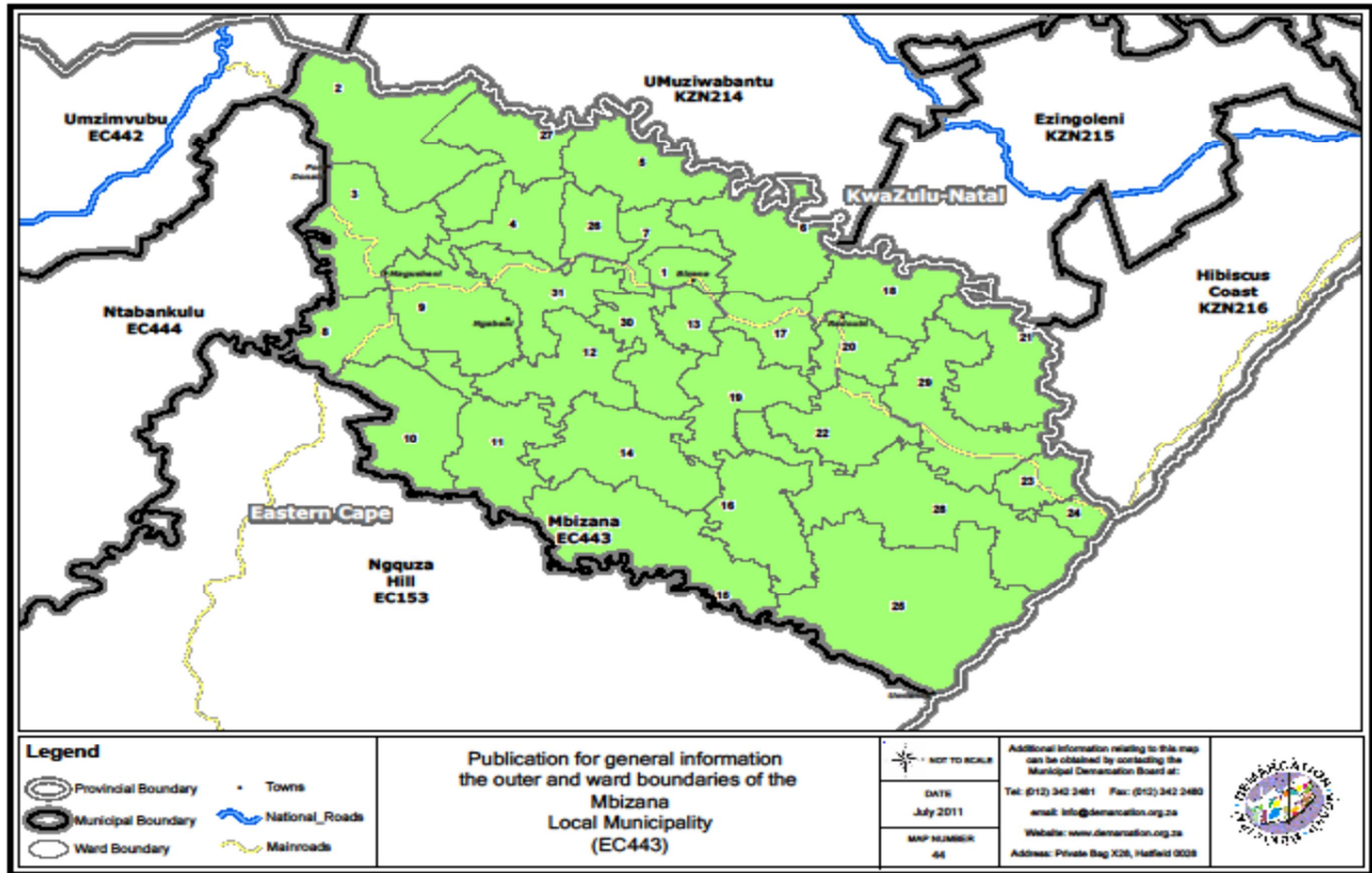
MBIZANA LOCAL MUNICIPALITY



FINAL INTEGRATED DEVELOPMENT PLAN

2018/2019 REVIEW





Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

1.	FOREWORD BY THE MAYOR	11
2.	THE EXECUTIVE SUMMARY	13
3.	INTRODUCTION – BACKGROUND & PURPOSE	17
3.1	IDP Objectives	17
3.2	Legislative Framework.....	18
3.2.1	Constitution of the Republic of South Africa Act 108 of 1996	18
3.2.2	Local Government: Municipal Systems Act 32 of 2000.....	19
3.2.3	Local Government: Municipal Finance Management Act 56 of 2003	19
3.2.4	Local Government: Municipal Planning and Performance Management Regulations (2001)	19
3.2.5	Local Government: Municipal Structures Amended Act 117 of 1998	19
3.2.6	Municipal Property Rates Act 6 of 2004	19
3.2.7	The Strategic Agenda of the Municipality	19
3.2.8	National Development Plan, Vision 2030	20
3.2.9	Sustainable Development Goals	20
3.2.10	Delivery Agreement: Outcome 9	21
3.2.11	National Spatial Development Perspective (NSDP)	22
3.2.12	Back to Basics – COGTA Programme for change	22
3.2.13	Provincial Development Plan, 2030 Vision for the Eastern Cape	22
3.2.14	Powers and Functions	23
4.	THE IDP FOCUS AREAS	24
4.1	Updating the planning data	24
4.2	Previous IDP Assessments by the MEC	25
4.3	IDP ASSESSMENT FINDING SCORECTIVE ACTION PLAN	26
4.4	The IDP Process Plan	27
4.5	The roles and Responsibilities in the IDP Processes	34
4.6	Public Participation Mechanisms and Procedures and Mechanisms for this IDP.....	36
4.7	Community Participation and Community Issues	36
5.	SITUATIONAL ANALYSIS	41
5.1	The Municipal Context and Demographic Profile	41
5.1.1	Population Trend and Concerns.....	41
5.1.2	Gender Distribution.....	42
5.1.3	Population Distribution by Race.....	44
5.1.4	Population Distribution by age groups.....	44

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

5.1.5	Educational Profile and Literacy Levels	45
5.1.6	Employment Profile	46
5.1.7	Tenure Status	47
5.1.8	Household Access to infrastructure services	47
5.2	ENGINEERING SERVICES	49
5.2.1	Water Services.....	49
5.2.2	Sanitation Infrastructure	51
5.2.3	Current Project and Planned Projects FOR 2017/2018	51
5.2.4	Roads and storm water drainage.....	52
5.2.5	Municipal Financial Years (July – June).....	53
5.2.6	Road Maintenance.....	54
5.2.7	Operations and Maintenance Projects	55
5.2.8	Ongoing projects utilizing own plant.....	55
5.2.9	Ongoing Projects from 2015 / 2016 Financial Year	56
5.2.10	Outstanding Projects for 2014 / 2015 Financial Year	57
5.2.11	MIG 2016/2017 Project Implemented in 2017//18 Financial Year	57
5.2.12	Project Carried Out from 2017 / 2018	57
5.2.13	Ongoing Projects from 2017-2018 still to be implemented in 2018/2019	58
5.2.14	Prioritized Infrastructure Projects for Financial Year 2018/2019 - Roads	59
5.2.15	2018/2019 Early Childhood Development Centres	59
5.2.16	Civic Centre or Town Hall	60
5.2.17	Sport Facility	60
5.2.18	Prioritized Projects for 2019/2020	60
5.2.19	Prioritized Projects for 2020/2021	61
5.2.20	2013-2018 Summary of Prioritized Community Halls.....	61
5.2.21	Building Maintenance and Repairs.....	61
5.2.22	Energy Supply.....	62
5.2.23	2017/18 Ongoing Electrification projects (OTP Funded).....	63
5.2.24	Electrification projects for 2017/18 (DoE funded)- Eskom and Municipality	64
5.2.25	Planned Electrification projects by Mbizana municipality for 2018/19.....	64
5.2.26	Proposed Plan by Eskom for 2018/19 Depending on DoE Funding	64
5.3	COMMUNITY AND SOCIAL SERVICES	66
5.3.4	Environmental Management	66
5.3.5	Biophysical Environment	66
5.3.6	Biodiversity Management	66

5.3.7 Alien Plants Encroachment	67
5.3.8 Climate Change Response	68
5.3.9 Coastal Management.....	68
5.3.10 Integrated Coastal Management Programme	69
5.3.11 Working for the Coast Project	69
5.3.12 Marine Resource Management.....	70
5.3.13 Mbizana Estuaries and their Challenges	70
5.3.14 Waste Management.....	72
5.3.15 Recycling initiatives, Training and Awareness.....	73
5.3.16 Overall Environmental Management Challenges:	73
5.3.17 Current and Planned Interventions to overcome Environmental backlogs:	74
5.3.18 Disaster Management	75
5.3.19 Summary of Disaster Management Plan Objectives	75
5.3.20 Community Facilities.....	76
5.3.21 Free Basic Energy (FBE)	77
5.3.22 Free Basic Alternative Energy (FBAE).....	77
5.3.23 Indigent Register.....	77
5.3.24 Library Services	77
5.3.25 Protection Services.....	79
5.3.26 Safety and Security Services	79
5.3.27 Driving License Testing Centre.....	79
5.3.28 Public Safety and Security Services.....	80
5.3.29 Enforcement of Municipal By - laws	81
5.3.30 Municipal Pound	81
5.4 LOCAL ECONOMIC DEVELOPMENT & SPATIAL PLANNING	81
5.4.1 LOCAL ECONOMIC DEVELOPMENT.....	81
5.4.1.1 Contractor Development Programme (CDP)	81
5.4.1.2 RED HUB	82
5.4.1.3 STORAGE SILOS & MILLING PLANT.....	83
5.4.1.4 Community Works Program.....	84
5.4.1.5 Agriculture	84
5.4.1.6 Income & Poverty Distribution.....	84
5.4.1.7 Tourism	85
5.4.1.8 Tourism Marketing	85
5.4.1.9 Formal and Informal Business Licensing System.....	85

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

5.4.1.10	Anchor & SMME project funding.....	85
5.4.1.11	OTHER FUNDED LED PROJECTS FOR THE 2017/18 FINANCIAL YEAR.....	86
5.4.1.12	FUNDED ANCHOR PROJECT	86
5.4.1.13	Exploit comparative and competitive advantage for industrial activities	86
5.4.1.14	SMME Benefits on R61	86
5.4.1.15	Wild Coast Development.....	87
5.4.2	SPATIAL PLANNING AND LAND USE.....	87
5.4.2.1	Land Issues - Settlement Patterns	87
5.4.2.2	Settlement Pattern - Urban Centre (Bizana Town).....	88
5.4.2.3	Available Land for Development.....	89
5.4.2.4	Mbizana Land Claims	90
5.4.2.5	Resolved Land Claims	94
5.4.2.6	Pockets of Land Still in other Spheres of Government Possession	94
5.4.2.7	Land Owned by Government.....	94
5.4.2.8	Dwelling Types.....	95
5.4.2.9	Housing Projects Currently Underway	95
5.4.2.10	Pockets of Land under Communal Possession	96
5.4.2.11	Percentage of land available for development.....	97
5.4.2.12	Percentage of land available and classified for farming.....	98
5.4.2.13	State of Availability of Land for Residential Against Commercial	98
5.4.2.14	Commercial, Business and Retail Uses	99
5.4.2.15	Implementation of SPLUMA (Spatial Planning and Land Use Management Act)	100
5.4.2.16	SPLUMA Implementation Readiness	101
5.4.2.17	Human Capacity Audit.....	101
5.4.2.18	Valuation Roll.....	101
5.5	INSTITUTIONAL TRANSFORMATION AND HUMAN RESOURCE DEVELOPMENT	103
5.5.2	Overview	103
5.5.3	Political Structure.....	103
5.5.4	Administration Structure	103
5.5.5	Municipal Offices	104
5.5.6	Organizational Structure.....	104
5.5.7	Populated Staff Establishment.....	104
5.5.8	Municipal Manager S56 Managers and Line Managers.....	105
5.5.9	Skills Development, Training and Capacity Building	106
5.5.10	Experiential Training/Learner ship and Internships	107

5.5.11	Labour Relations.....	107
5.5.12	Employment Equity Plan	108
5.5.13	Performance Management System	109
5.5.14	Fleet Management Unit.....	109
5.5.15	House Keeping Unit.....	109
5.5.16	Records Management	109
5.5.17	Staff Retention	110
5.5.18	Succession Plan	110
5.5.19	Employee Health and Well – being	111
5.5.20	Leave Management.....	111
5.5.21	Information and Communication Technology	112
5.5.22	Municipal Licenses and SLAs	112
5.5.23	Procurement of Hardware	112
5.5.24	ICT Governance and Compliance	113
5.5.25	Municipal Website.....	113
5.5.26	Web Content Management	114
5.5.27	Functionality and Compliance.....	114
5.5.28	Disaster Recovery	114
5.6	FINANCIAL VIABILITY	115
5.6.2	Overview of the Municipal Financial Management	115
5.6.3	Financial Viability Overview	115
5.6.4	Funding Streams	117
5.6.5	Auditor General's Concerns.....	117
5.6.6	Filing System and the Audit File	118
5.6.7	Financial Plans.....	118
5.6.8	Grant Usage.....	118
5.6.9	Debtors' and Creditors turnover rate	119
5.6.10	Internal Controls	120
5.6.11	Municipal Asset Register.....	122
5.6.12	Revenue Enhancement and Collection Strategy	122
5.6.13	Financial Recovery Plan to address cash flow problems.....	123
5.6.14	Valuation Roll.....	123
5.6.15	Supply Chain Management.....	124
5.6.16	Preparation of Annual Financial Statements Plan	125
5.7	GOOD GOVERNANCE AND PUBLIC PARTICIPATION.....	125

5.7.1	Council Structures	126
5.7.2	Municipal Public Accounts Committee (MPAC)	127
5.7.3	Public Participation	127
5.7.4	Functioning of Ward Committees	128
5.7.5	Community Development Workers (CDW's).....	128
5.7.6	Integrated Service Delivery Model: Operation Masiphathisane.....	128
5.7.7	Traditional Leadership Partnerships.....	128
5.7.8	Risk Management.....	129
5.7.9	Fraud and Corruption	129
5.7.10	Internal Audit / Audit committee and Compliance.....	129
5.7.11	Effectiveness of Internal and External Auditors	130
5.7.12	Audit Action Plan 2016 - 2017	132
5.7.13	State of Litigations	138
5.7.14	Municipal By-Laws.....	138
5.7.15	Focus On Special Groups	138
5.7.16	People with disability	139
5.7.17	Children	139
5.7.18	Women	140
5.7.19	Elderly.....	140
5.7.20	Youth	140
5.7.21	Sport Development.....	141
5.7.22	O.R. Tambo Commemoration.....	141
5.7.23	INKCIYO Programme	141
5.7.24	Performance Management System.....	142
5.7.25	Legislative Rationale	142
6.	INSTITUTIONAL SWOT ANALYSIS	145
7.	FORWARD PLANNING.....	149
7.1	Municipal Vision	149
7.2	Municipal Mission Statement	149
7.3	Municipal Values.....	150
7.4	Institutional Score Card and Broad Development Priorities and Targets for 2017/ 2022.....	150
7.5	Municipal Partnerships	151
8.	MUNICIPAL OBJECTIVES, STRATEGIES AND PROJECT IMPLEMENTATION PLANS FOR 28/19....	153
9.	COMMITMENT BY SECTOR DEPARTMENT AND PARASTALS.....	187

10. INTEGRATION AND ALIGNMENT OF THIS IDP WITH NATIONAL, PROVINCIAL AND DISTRICT PLANS / STRATEGIES.....	191
10.1 National Development Plan, Vision 2013.....	191
10.2 Delivery Agreement: Outcome 9.....	192
10.3 National Spatial Development Perspective (NSDP).....	192
10.4 Back to Basics – COGTA Programme for Change.....	192
10.5 Local Government: Municipal Planning and Performance Management Regulations, 2001.....	193
10.6 Disaster Management Act, No 57 of 2002.....	193
10.7 Municipal Finance Management Act (MFMA), No 56 OF 2003.....	193
10.8 Provincial Development Plan, 2030 Vision for the Eastern Cape.....	194
10.9 Municipal Systems Act, No 32 OF 2000.....	194
10.10 LOCAL STRATEGIES AND PLANS.....	195
10.10.1 Spatial Development Framework.....	195
10.10.2 Local Economic Development Strategy.....	195
10.10.3 Housing Sector Plan.....	196
10.10.4 Mbizana Tourism Master Plan.....	196
10.10.5 Integrated Waste Management Plan.....	198
10.10.6 Climate Change Strategy.....	199
10.10.7 Coastal Management Programme (ICMP).....	199
10.10.8 Mbizana Disaster Risk Management Plan.....	199
10.10.9 Ensure effective and appropriate disaster response and recovery.....	200
10.10.10 Human Resources Development Plan / Strategy.....	201
10.10.11 Employment Equity Plan.....	201
10.10.12 Staff Retention Policy.....	202
10.10.13 Revenue Enhancement Strategy.....	202
10.10.14 HIV and AIDS Strategy.....	204
10.10.15 Public Participation Policy.....	205
11. ASSESSMENT METRIX.....	205
12. FINAL MUNICIPAL ANNUAL BUDGET2018/19 TO 2020/21.....	208
12.1 Mayor’s Report.....	208
12.2 Council Resolutions.....	214
12.3 Executive Summary.....	215
12.4 Previous years audit outcomes.....	215
12.5 mSCOA Implementation.....	216
12.6 The impact of mSCOA on the virements policy.....	216

12.7	Clarification of core and non-core functions.....	216
12.8	Budget Assumptions.....	217
12.9	The Public Consultations.....	217
12.10	Policy Review.....	218
12.11	Measureable Performance Objectives and Indicators.....	218
12.12	Operating Revenue Framework.....	222
12.13	Reconciliation of grants allocations.....	223
12.14	Property Rates.....	228
12.15	Sale of Electricity and Impact of Tariff Increases.....	229
12.16	Waste Removal and Impact of Tariff Increases.....	232
12.17	Operating Expenditure Framework.....	245
12.18	Capital expenditure.....	248
12.19	Annual Budget Tables.....	250
13.	Part 2 – Supporting Documentation.....	264
13.1	Overview of the annual budget process.....	264
13.2	Overview of budget related-policies.....	264
13.2.1	Review of credit control and debt collection policy.....	264
13.2.2	Supply Chain Management Policy.....	265
13.2.3	Budget Policy.....	266
13.2.4	Cash Management and Investment Policy.....	266
13.2.5	Tariff Policies.....	266
13.2.6	Property rates policy.....	267
13.2.7	Asset management policy.....	267
13.2.8	SCM Policy for Infrastructure Procurement and Delivery Management.....	267
13.22	Overview of budget assumptions.....	270
13.22.1	Councilor and employee benefits.....	271
13.22.2	Expenditure on grants and reconciliations of unspent funds.....	273
	274	
13.22.3	Monthly targets for revenue, expenditure and cash flow.....	276
13.22.4	Contracts having future budgetary implications.....	283
13.22.5	Capital Expenditure details.....	284
13.22.6	Legislation compliance status.....	286
14.	COUNCIL APPROVED ORGANISATIONAL STRUCTRE.....	288
15.	APPROVAL.....	298

1. FOREWORD BY THE MAYOR

The Integrated Development Plan (IDP) as developed for the 2017 - 2022 Municipal Council term of office has been reviewed during the 2017/2018 financial year. This review process (2018/19) took into consideration the comments of the MEC for Co-operative Governance & Traditional Affairs, the service delivery performance status and the changing needs of the communities we serve. The reviewed and thereafter revised IDP is hereby presented as a product of robust consultative engagements and interactions with the communities in all our 31 Wards, development role-players in the public & private sectors, and civil society stakeholders. This review consolidates the development plans to be implemented in the thirty one (31) wards of Mbizana.

The communities through the consultative processes conducted throughout the municipality made it clear that ensuring increased access to electricity, water supply and roads maintenance are still the top basic service priorities the municipality and government must focus on. These mentioned top community priorities are raised in full awareness of the need to reduce the general basic services backlogs and economic growth. There was a sharp focus on the need to ensure improved monitoring during projects implementation and improved operations and maintenance on existing projects. The key to achieving service delivery needs presented by communities requires improved cooperation and collective response by government spheres in partnership with the private sector.

It is further acknowledged that a sustainable solution to the high levels of poverty, inequality and unemployment is to build a flourishing local economy that ensures inclusive ownership and employment. We have realised that the building of sustainable solutions require partnerships with the community and stakeholders. The municipality through the assistance of South African Local Government Association (SALGA) entered into a partnership with the City of Strathroy-Caradoc in Canada. This partnership is under a programme called Building Inclusive Green Municipalities (BIGM) with a special focus on building local economic development in order to fight unemployment and poverty. This project is now firmly part of our reviewed IDP. The agricultural and tourism sectors still continue to occupy our attention in order to fight hunger and poverty whilst we grow our local economy. We are mindful of the threats caused by climate change to the agricultural sector and the community well-being, we have adopted a comprehensive climate change strategy in order to mitigate negative effects and improved adaptation.

This IDP continues to advance radical social and economic transformation era as espoused in the National Development Plan, the Eastern Cape Growth and Development Plan and the 2016 Local Government election manifesto. Mbizana guided by the 2016 Local government's electoral mandate vision: ***"Together advancing people's power in every community" "Local government is in your hands"***.

Our Integrated Development Plan puts more focus and emphasis on the following priorities:

⇒ Together we shall build on the achievements made in the delivery of basic services;

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A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

- ⇒ Together we shall improve access to municipal services and reduce outsourcing;
- ⇒ Together we shall continue to improve public participation and accountability;
- ⇒ Together we shall improve and enhance institutional capacity;
- ⇒ Together we shall develop and strengthen local economy, create jobs and promote job placements, especially for the youth.

The above will be done within the scope of the prescribed five (5) Local Government Key Performance Areas. The municipality will enhance the implementation of second phase of Back to Basics programme as launched by the President of the Republic during the 3rd Presidential Local Government Summit. The additional pillars of focus during the 2nd phase of B2B are the following: Addressing spatial injustice and spatial dislocation which continue to impact on the lives of our people; Building resilient communities; and implementing ways in which social and economic transformation can best be achieved at a local level.

We have included more focused measures of improving revenue collection as stated in our revenue enhancement strategy. This we do in order to have the much needed financial resources for continued service delivery. On the one hand, we have agreed on cost containment measures in order to reduce our expenditure. These measures are being implemented as a response to the economic circumstance our government faces against the heightened demand for services.

Therefore, the implementation of this integrated development plan enjoys the support of Back to Basic programme and Operation *Masiphathisane*. These programmes put more emphasis on putting people first, public accountability and effective & efficient provision of services to the people and improved management of municipal resources. Allow me to say “*Together moving Mbizana forward*”, indeed “*Umanyano ngamandla*”.

Yours truly,

**CLLR. T D MAFUMBATHA
MAYOR**

2. THE EXECUTIVE SUMMARY

Pre-Planning

In accordance with Section 28 of the Municipal Systems Act, a process plan was developed, agreed and adopted by Mbizana council to guide the planning and drafting of this review IDP. This document takes into consideration the five year IDP (2012 – 2017) and focuses on 4 key areas viz, response to MEC & AG comments, Updating of information and restricting of the report to make it more accessible. It is based on a process plan which was adopted by council on August 2017.

Municipal Overview

Mbizana covers an area of 2806 km² with 31 wards. Mbizana Local Municipality falls under the Alfred District Municipality in the Eastern Cape Province. This is a very rural Municipality with a population that is 281 905 (StatsSA: CS: 2016). The Municipality is characterized by youthfulness of its population with 47% of the total population less than 35 years of age and 48% of the population economically active. Consistent with the national trends 55% of the population is women. The statistics tell us that we have to develop policies and programmes that will address the plight of the young people and women in the main. Mbizana is 98% rural.

Local Economic Development

The preplanning phase of this IDP formulation involved a gap analysis. Key indicators show that:-

- ⇒ Unemployment is high at about 56%, poverty widely spread with dependency ratio of 99% for children to economically active,
- ⇒ Government services and domestic (55%) as well as retail account for the majority of jobs in the market (19%) followed by finances (11%)
- ⇒ An HDI of 0.35 indicates very poor lifestyles across the municipality

The key economic drivers as prioritised in the LED strategy are agriculture, tourism and mining and are said to be underdeveloped. The municipality supports SMME development and has invested in establishing the LED forum, Local Tourism Organisation and Contractor development programme for information sharing, capacity development and marketing. The Municipality in collaboration with other key stakeholders have supported SMMES in almost all sectors on various aspects which amongst them include training, funding, marketing, and creating access to markets and information. The Municipality has also developed and adopted Agricultural development plan to ensure the development of the sector is appropriately guided and to transform subsistence agricultural practise to commercial practise. The tourism plan was adopted and is currently under implementation and the mining potential assessment was done for the local investors to tap into available opportunities. These plans also

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seek to attract investors to invest in Mbizana for sustainable job creation and further develop the area as an economically viable region. There are compounding environmental challenges coupled with lack of internal capacity to undertake key responsibilities in terms of our powers and functions;

Institutional Development & Transformation

The municipality operates within a Collective Executive System combined with a ward participatory system. It has 31 wards and 62 Councillors with an Executive Committee consisting of 10 members. There are 12 Traditional Leaders participating in the council. Ward Councillors are chairpersons of ward committees which are responsible for discussing local development issues and concerns. The Council meets once a quarter to consider recommendations from the Executive Committee and/or the Standing Committees through a report from the Honourable Mayor. The Executive Committee meets on a monthly basis to consider matters tabled to it by the Municipal Manager with the management team.

The organisational structure was designed to achieve the strategic objectives of Council and was reviewed and adopted by council in August of the 2017/18 financial year with a total of 227 positions and 235 positions filled and 42 vacant positions. The administration is clustered into six areas of service delivery or departments. There are 5 Section 56 Managers and the Municipal Manager who have been recently appointed all were appointed on a fixed term performance based contract to lead the Municipal Administration as indicated below:-

- ⇒ Office of the Municipal Manager;
- ⇒ Budget & Treasury Office;
- ⇒ Engineering Services;
- ⇒ Development Planning;
- ⇒ Community Services; and
- ⇒ Corporate Services

The municipality has developed, adopted and is implementing a skills plan and an equity plan to guide our capacity building and training interventions. All the necessary policies to guide the functioning of the municipality and its employees were developed and adopted by council.

Financial Viability

The demographics of the Mbizana Local Municipality make it clear that it is a rural municipality, with only a small urban area comprising its town and surrounding settlements. This means that the municipality has a limited revenue generating base where it can levy rates and other taxes. The reliance on grant funding then becomes

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unavoidable. The 2017/18 Annual adjusted budget was funded by both grant and own generated funding. The point about a limited revenue base is then demonstrated by the fact that of the funding, only 24% of this was own funding and the remaining 76% was grant funding.

The municipality has reliable accounting systems that are able to produce reports as and when they are needed. These systems are yet to translate into positive audit outcomes as improvements are done consistently. The improvements are both on accounting systems as well as the operational systems within the Budget and Treasury Office. The department is well established and satisfactory staffed, and efforts are made to ensure that the finance personnel are trained on a regular basis to ensure that they are always informed of the changes that are happening within the accounting framework. Our audit outcomes have been improving from 2014/15 financial year which was a qualified into unqualified consistently.

Service Delivery

Backlogs for services are generally high and efforts to provide such needed services are in place. The District municipality as a water services Authority has revised most of the water schemes in rural areas and plans are in place to reticulate water from the big dam. Though Water backlog is at 92% while that of sanitation improved to 64% with only 34% unserved households.

Only 3% households receive refuse collection from the municipality. Others use their own means while an estimated 21% does not have any means. Electricity back lock is currently sitting at 9701 (20%) households pending completion of the current running projects, however municipality is estimating 16000 growth of households still in need of electricity this is due to new developing households and new locations. About 28% of households have no access to telephones. Those who have access are largely assisted by cell phone connectivity which is often hampered by poor network and signal coverage's in especially rural areas.

Approximately 315.8km of road has been created using MIG funding by end June 2017 from 2013/2014 and 30km is targeted for the current financial year 2017/18 with a budget of R 23 Million. In road maintenance the municipality due to its terrain has a recurring need for road maintenance to the extent that sets of yellow machine has been purchased to withstand the need.

Amenities, community services, education, health, road network, transport, social development services have drastically improved where in most of the wards community halls and others have under construction and the municipality has planned to implement the ISDM to utilise all the services and resources available in its area of jurisdiction. The municipality does involve all sector departments on the IDP REP Forum so that they can submit their infrastructure plans this has proven to be a challenge as not all of them attend the IDP REP Forum. The

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current situation is that the municipality does not have a Comprehensive Infrastructure Plan as not all sector departments are included only the municipality has got its own detailed plans. However the office of the Mayor has been mandated to improve IGR relations with sector departments so as to provide the municipality with sector departments infrastructure plans. The Alfred Nzo District Municipality is both the WSA and WSP, there is also no SLA that has been entered into between District & LM.

Spatial Development Framework

The council reviewed and adopted its SDF during 2015/16 financial year. It identifies rural service centres that will be used to reach-out to rural communities as we expand service delivery. We embrace the call of the 3rd Presidential Local Government Summit theme: **“Transforming Municipal Spaces for radical social and economic development”** as a programme towards the realisation of the objectives of the Second Phase of Back to Basics programme.

Planning for the future

The vision, mission and values have been amended in the 2017/2022 review reading as a vibrant socio economic growing municipality that creates sustainable communities with equal opportunities for all.

Conclusion

This document represents the first review of 2017 – 2022 five year IDP, it will be implemented from 01 July 2018 as adoption by council and will be monitored in terms of our annual PMS and SDBIP.

MR. L. MAHLAKA
MUNICIPAL MANAGER

3. INTRODUCTION – BACKGROUND & PURPOSE

Section 34 of the Local Government: Municipal Systems Act provides for the annual review of the IDP in accordance with an assessment of its performance measurements and to the extent that changing circumstances so demands. As such, this document represents the fourth comprehensive Integrated Development Plan (IDP) for the Mbizana Local Municipality since the establishment of the municipality. The IDP document aims to:-

- ⇒ Link, integrate and co-ordinate all development plans within the municipality
- ⇒ Align the resources and capacity of the municipality with the implementation plan.
- ⇒ Form policy frameworks which constitute the general basis on which the annual budget must be based
- ⇒ well-match the National and Provincial development plans and with the municipal plans

The strategic objectives and targets contained in this document were reached subsequent to extensive systematic and structured internal and external consultation through various public participation mechanisms with the community and stakeholders within the Mbizana Municipal area of jurisdiction.

Section 35 of the MSA clearly states that an Integrated Development Plan adopted by the Council of a municipality is the principal strategic planning instrument, which guides and informs all planning and development, and all decisions with regard to planning, management and development, in the municipality. It binds the municipality in the exercise of its executive authority, except to the extent of any inconsistency between a municipality's Integrated Development Plan and national or provincial legislation, in which case such legislation prevails. Section 36 furthermore stipulates that a municipality must give effect to its integrated development plan and conduct its affairs in a manner that is consistent with its integrated development plan.

3.1 IDP Objectives

Integrated development planning is a process whereby municipalities prepare strategic development plans for a five-year period. These plans should inform planning, decision making, budgeting, land management, promotion of local economic development, and institutional transformation in a consultative systematic and strategic manner.

The main objective of developing an IDP is the promotion of developmental local government, through the following:-

- ⇒ Institutionalizing performance management in order to ensure meaningful, effective and efficient delivery (monitoring, evaluation and review) -Speed up service delivery through making more effective use of scarce resources
- ⇒ Enabling the alignment and direction of financial and institutional resources towards agreed policy objectives and programs.

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

- ⇒ Ensure alignment of local government activities with other spheres of development planning through the promotion of intergovernmental co-ordination.
- ⇒ Assist the municipality to focus on environmentally sustainable development strategies and delivery
- ⇒ Assist in the development of a holistic strategy for local economic development and job creation in the context of a strong poverty alleviation focus.
- ⇒ Strengthen democracy and institutional transformation
- ⇒ Attracting additional funds from private investors and sector departments as the IDP indicates a developmental direction.

A critical concept in the development of an IDP is ensuring that integration takes place. The IDP process and development of plans amounts to an advantage to ensure alignment of all the plans with the IDP. This will ensure that consolidated and integrated sectoral programmes will be developed and that aspects, both horizontally and vertically, ranging from spatial, economic, environmental and social impacts are completely connected.

This IDP also aims to:-

- ⇒ Create a higher level of focus and thereby improve the strategic nature of the document;
- ⇒ Align this strategic document with the limited financial and human resources
- ⇒ Align the IDP with the activities of the municipality's departments and other social partners in other spheres of government
- ⇒ Align the IDP with the various sector and management plans of the municipality.

4. Legislative Framework

The following legislation defines the nature of the IDP:-

4.1.1 Constitution of the Republic of South Africa Act 108 of 1996

Sections 152 and 153 of the Constitution stipulate that a municipality must give priority to the basic needs of its communities and promote their social and economic development to achieve a democratic, safe and healthy environment.

4.1.2 Local Government: Municipal Systems Act 32 of 2000

Sections 28 and 34 of the Act stipulate the need for each and every municipality to develop and adopt an IDP, which should be reviewed annually. In addition, it outlines the IDP process and components.

4.1.3 Local Government: Municipal Finance Management Act 56 of 2003

Section 21 of the Act makes provision for alignment between the IDP and the municipal budget. The Service Delivery and Budget Implementation Plan is an annual contract between the Municipality's administration, Council and the community, which ensures that the IDP and the Budget are aligned.

4.1.4 Local Government: Municipal Planning and Performance Management Regulations (2001).

These Regulations make provision for the inclusion in the IDP of the following:-

- ⇒ The institutional framework for the implementation of the IDP;
- ⇒ Investment and development initiatives in the Municipality;
- ⇒ Key performance indicators and other important statistical information;
- ⇒ A financial plan of a municipality; and
- ⇒ A spatial development framework.

4.1.5 Local Government: Municipal Structures Amended Act 117 of 1998

This Act provides for the establishment of municipalities and defines the various types and category of municipality. It also regulates the internal systems, structures and office-bearers of municipalities and provides for appropriate.

4.1.6 Municipal Property Rates Act 6 of 2004

The objective of this Act is to regulate the power of a municipality to levy rates on property. Rates represent a critical source of own-revenue for municipalities in order to achieve their constitutional development objectives.

4.1.7 The Strategic Agenda of the Municipality

The people-driven IDP and Budget of the Municipality takes place within the context of the Intergovernmental Relations Framework and therefore takes into account global, national and provincial perspectives. The IDP is therefore a government-wide expression of developmental commitments. Within the multitude of government

policy frameworks, legislation, guidelines and regulations that seek to advocate for the path, pace and direction for the country's socio-economic development agenda, the section below focuses on National Development Plan Vision 2014; Popular Mandate across Spheres of Government; Government Outcomes; Medium Term Strategic Framework (MTSF); the National Spatial Development Perspective (NSDP); Millennium Development Goals.

4.1.8 National Development Plan, Vision 2030

The National Development Plan (NDP) 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 NDP aims to eliminate poverty and reduce inequality by 2030. According to the plan, South Africa can realize these goals by drawing on the energies of its people, growing an inclusive economy, building capabilities, enhancing the capacity of the state, and promoting leadership and partnerships throughout society. The Diagnostic Report of the National Planning Commission, released in June 2011, sets out South Africa's achievements and its shortcomings since 1994. The Vision Statement of the NDP is a step in the process of charting a new path for our country. The NDP has the following objectives:-

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

4.1.9 Sustainable Development Goals

On September 25th 2015 countries adopted a set of goals to end poverty, protect the planet and to ensure prosperity for all as part of a new sustainable development agenda. Each of these goals has its own targets that are to be achieved over the next 15 years. For the goals to be reached everyone needs to do their part government, private sector civil society. This therefore means even this municipality has the role to play in realising these development goals.

These seventeen (17) goals mainly focus on human and social development, infrastructure investment and economic development as well as environment management and sustainability for the benefit of the continent. Each of these goals consists of quantified measurable targets that are meant to address these areas of focus. The identified sustainable development goals include the following:

- ⇒ Ending poverty in all its forms and everywhere.

- ⇒ End hunger, achieve food security and improved nutrition and promote sustainable agriculture.
- ⇒ Ensure healthy lives and promote well-being for all at all ages.
- ⇒ Quality education: Ensure inclusive and quality education for all and promote lifelong learning.
- ⇒ Achieve gender equality and empower al women and girls
- ⇒ Ensure access to water and sanitation for all
- ⇒ Affordable and clean energy: ensure access to affordable reliable sustainable and modern energy for all
- ⇒ Promote inclusive and sustainable economic growth, employment and decent work for all
- ⇒ Build resilient infrastructure, promote sustainable industrialization and foster innovation.
- ⇒ Reduce inequality within and among countries
- ⇒ Make cities inclusive , safe , resilient and sustainable
- ⇒ Ensure sustainable consumption and production patterns
- ⇒ Take urgent action to combat climate change and its impacts.
- ⇒ Conserve and sustainably use oceans, seas and marine resources
- ⇒ Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss.
- ⇒ Promote just, peaceful and inclusive societies
- ⇒ Revitalize the global partnership for sustainable development.

This therefore suggests that all development plans should be settled around these goals so as to ensure that the aspirations of the united nations of saving the world are fulfilled.

4.1.10 Delivery Agreement: Outcome 9

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

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

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A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

⇒ A single window of coordination.

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

4.1.11 National Spatial Development Perspective (NSDP)

The NSDP's objective is to promote informed economic investment profiling to guide regional growth and development planning within a socio-economic framework. The National Spatial Development Perspective also informs the Spatial Development Framework of the Municipality.

4.1.12 Back to Basics – COGTA Programme for change

The programme is a national initiative aimed at ensuring that municipalities perform their core mandate of delivering basic services to local communities, as enshrined in Chapter seven (7) of the Constitution of South Africa. The Back to Basics approach is based on five principles which are:-

- ⇒ Putting people first and engaging with the community;
- ⇒ Delivering basic services;
- ⇒ Good governance ;
- ⇒ Sound financial management; and
- ⇒ Building capabilities.

⇒

4.1.13 Provincial Development Plan, 2030 Vision for the Eastern Cape

The National Development Plan as explained above sets out a vision for South Africa – a prosperous country with no poverty or inequality. The Eastern Cape's Provincial Development Plan (PDP) plan aims to provide creative responses to the province's challenges. A sustainable future for the Eastern Cape rests on people-centred development to achieve five related goals:

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

These goals will be pursued with a focus on rural development to address serious inherited structural deficiencies – the legacy of apartheid has left the rural regions of the Eastern Cape underdeveloped, with an urban economy

that is unduly stressed and experiencing slow growth. Addressing this spatial unevenness in endowment and development will take time and hard work, but it can be done. The PDP's design and implementation planned to shift discriminatory attitudes towards women and other vulnerable sectors of society.

4.1.14 Powers and Functions

The municipality's mandate stems from the section 152 and 156 of the constitutions (Act 108 of 1996) coupled with the assigned powers and functions drawing from the schedules 4b & 5b. The Constitution indicates that the objects of local government are:-

- ⇒ To promote democratic and accountable government for local communities;
- ⇒ To ensure the provision of services to communities in a sustainable manner;
- ⇒ To promote social and economic development;
- ⇒ To promote a safe and healthy environment; and
- ⇒ To encourage the involvement of communities and community organizations in the matters of local government.
- ⇒ Within this Constitutional role, powers and functions have been defined in terms of the Local Government: Municipal Structures Act as amended. Mbizana Municipality should be undertaking all powers and functions listed under column three; however, the main challenge is that the municipality does not have sufficient capacity to undertake all the assigned powers and functions.

FUNCTION	ANDM	MLM
SCHEDULE 4 PART B		
Air pollution	X	
Building regulations		X
Child care facilities		X
Electricity reticulation	X	X
Firefighting Services	X	X
Local tourism	X	X
Municipal airports		
Municipal planning	X	X
Municipal Health Services	X	
Municipal Public Transport		
Pontoons and Ferries		
Storm water		X
Trading regulations		X
Water (potable)	X	
Sanitation	X	
SCHEDULE 5 PART B		
Beaches and amusement facilities	X	
Billboards and the display of adverts in public places		X
Cemeteries, Crematoria and funeral parlours		X
Cleansing		X
Control of public nuisances		X
Control of undertakings that sell liquor to the public		X
Facilities for the accommodation, care and burial of animals		X

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

Fencing and fences	X	
Licensing of dogs		X
Licensing and control of undertakings that sell food to the public		X
Local amenities		X
Local sport facilities		X
Markets		X
Municipal abattoirs		X
Municipal parks and recreation		X
Municipal roads		X
Noise pollution		X
Pounds		X
Public places		X
Refuse removal, refuse dumps and solid waste disposal		X
Street trading		X
Street lighting		X
Traffic and parking		X
Disaster Management	X	X (Devolved Function)

5. THE IDP FOCUS AREAS

5.1 Updating the planning data

As the municipality, we have collected better information to update our planning baseline. The information changes relate to inputs by desktop statistical research, ward consultations and sector departmental engagements. Local government operates in an ever-changing environment. The dynamic nature of local, national and global environments constantly presents local government with new challenges and demands. Similarly, the needs of the communities of Mbizana continuously change.

This IDP is not only a good corporate governance requirement only; it is also a Legislative requirement in terms of the Local Government: Municipal Systems Act 32 of 2000. The focus of this IDP has therefore been on aligning municipal programmes, projects, strategies and budgets with:-

- a) Community needs and priorities;
- b) Updated statistical information;
- c) Expanding and improving the situational analysis;
- d) More outcomes orientated targets, to make them realistic and measurable;
- e) The revised Spatial Development Framework and related sector plans;
- f) Outcome 9 outputs;
- g) Integrated and sustainable human settlements, as envisaged in Outcome 8;
- h) More integrated funding streams;
- i) The prioritization of job creation and poverty eradication.

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

5.2 Previous IDP Assessments by the MEC

The municipality's five year IDP for 2017 - 2022 was assessed by MEC for Local government as mandated by S32 of the Municipal Systems Act (Act No 32 of 2000) as amended. The municipality managed to obtain High ratings in all the assessed KPAs in the previous three financial years, the details are as follows:-

KPA	2015 / 2016	2016/2017	2017/2018
Spatial Planning Framework	High	High	High
Service Delivery	High	High	High
Financial Viability	High	High	High
LED	High	High	High
Good Governance & Public Participation	High	High	High
Institutional Arrangements	High	High	High
Overall Rating	High	High	High

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

5.3 IDP ASSESSMENT FINDING SCORECTIVE ACTION PLAN

KEY PERFORMANCE AREA	FOCUS AREA	SPECIFIC FINDING	IMPROVEMENT MEASURE	TIME FRAME	RESPONSIBLE DIRECTORATE
SERVICE DELIVERY & INFRASTRUCTURE	SDF	Planning tribunal has not yet established and adopted by council	Facilitate the advert of municipal planning tribunal members in order to make you are appointed by the council	30 May 2018	Development Planning
	Natural Environment Analysis	IDP reflects that the function of Air Quality is of DM, however, Mbizana LM is in the process of developing the EMF which will contain the issues pertaining to Air Quality.	The municipality is finalising the EMF and will be adopted by June 2018.	30 June 2018	Community Services
	Roads & Storm water management	The municipality does not have an approved storm water management plan, it should consider developing it as a matter of urgency	Facilitate planning and sourcing of funds for the roads and storm water management plan	01 March 2020	Engineering Services
	Public Transport	The municipality does not have municipal coastal committee, It should be established	The Local Coastal committee was established and it is reflected in the IDP.		Community Services
	Waste Management	The municipality do not have a ring fenced budget for operations and maintenance. There is no indication of an existence of Trade influence policy. The municipality is advised to develop the policy and reflect its existence in the IDP review	Waste management budget for 2018/19 has included operations and rehabilitation/maintenance of waste site. The municipality is in talks with ANDM regarding the Trade Effluent Policy.	30 May 2018	Community Services
	Safe & Secured Environment	The municipality has not reflected neither the existence of Integrated Community Forum nor availability of Safety Community Plan	Both the Community Safety forum and Community Safety Plan are reflected in the IDP.	30 May 2018	Community Services
	Disaster Management / Emergency and fire services	The Municipality is not operating fire services fulltime, the fire services are provided by the District Municipality using the tariffs of the district municipality. The Municipality is advised to make provision for a formal establishment of its own fire services.	The municipality in partnership with ANDM is currently developing a Fire Management Plan and preparing to sign a memorandum of understanding with ANDM for the Fire service they are rendering in the municipality.	30 May 2018.	Community Services
FINANCIAL VIABILITY	Valuation	There is no mention in the IDP document whether the municipality had published and gazetted Section 6 and 14 of MPRA	Publication and gazetting will be reflected on the IDP	30 May 2018	Development Planning
	Supply Chain	The municipality failed to reflect on the functionality of contract management in the IDP document	Contract management action plan is being prepared after a report was prepared through a service provider that was appointed by the municipality to perform contract management review by the municipality and these will be reflected on the final IDP.	30 April 2018	Budget and Treasury.

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

5.4 The IDP Process Plan

This five-year IDP will be reviewed annually, so that the Municipality can always be confident that it addresses the real and relevant needs and concerns of local communities and stakeholders. Annually, an Integrated IDP Process Plan is formulated to guide the review processes. These processes enhance integration and alignment between the IDP and Budget, thereby ensuring the development of an IDP-Based Budget. The 2018 /2019 IDP process was developed as expected with scheduled activities and time frames and was adopted by council on the **29th August 2017**. It's worth mentioning though that adherence to the plan still needs improvement as some of the activities had to be rescheduled due to non-availability of role players, reference can be made mostly to the IDP technical meetings. IGR has greatly assisted in trying to change this situation as commitment in these meetings has been pledged by most role players in participating in all IDP processes.

PHASE	PROCESS	ACTIVITIES	TIMEFRAMES	RESPONSIBLE PERSON
Q1 JULY – SEPTEMBER 2017				
PLANNING PHASE	IDP	Preparation of the Draft IDP / Budget and PMS Process Plan. Section 27, 28 & 29 of MSA No.32 of 2000 and Section 21 of MFMA No.56 of 2003	July 2017	IDP Coordinator
		Special Exco - consideration of draft IDP, PMS & Budget Process Plan.	24 August 2017	OM & AO
		Tabling of the IDP, PMS & Budget Process to Council for adoption. Section 28 of MSA No.32 of 2000	31 August 2017	The Mayor
		Submission of IDP, PMS and Budget Process Plan to the District Municipality and DLGTA. Section 27 of MSA N. 32 of 2000	4 September 2017	IDP Coordinator
		Advertise IDP, PMS and Budget Process Plan in Municipal Website and in local newspapers. Section 28 of MSA No.32 of 2000	8 September 2017	IDP Coordinator
		Consolidation of Situational Analysis Reports	1-29 September 2017	All Senior Managers & Sector Departments
		IDP Steering Committee- Presentation of IDP Process Plan and MEC's Comments on the Previous IDP	13 September 2017	Municipal Manager
		IDP Representative Forum – Presentation of IDP Process Plan and MEC's Comments on the Previous IDP	20 September 2017	The Mayor
		Mayoral Imbizos - Feedback on IDP Implementation, Data Collection & Analysis continues	26 – 29 September 2017	The Mayor, Exco, MM & All Senior Managers
	PMS	Signing of new performance contracts for Section 57 Managers and submission to EXCO. Section 69 of the MFMA and Section 57 of the MSA	28 July 2017	AO
	Submission of Q4 SDBIP Reports (for last quarter of 16 /17) .	31 August 2017	OM & AO	
	Submission of the Annual Performance Reports to Council for Adoption Section 46 of MSA 2000 to Council			
	Submission of Annual Performance Report to Auditor General			
	BUDGET	Submission of Section 71 Report to Provincial & National Treasuries Section 71(1) –The accounting officer of a municipality must by no more than 10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget.	14 July 2017	CFO and Manager: Budgeting & Reporting
	Submission of Section 52 (d) Report to council Section 52(d) –The Mayor must ,within 30 days of the end of each quarter ,submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality	28 July 2017	Executive Mayor	
	Develop process and timetable for the 2018/19 Budget Section 21(1)(b -)At least 10 months before the start of the budget year the mayor of the Municipality must table in the municipal council a time schedule outlining key deadlines for the preparation , tabling and approval of the annual budget ; annual review of the integrated development plan in terms of section 34 of the Municipal Systems Act and the budget related policies ; the tabling and adoption of any amendments to the integrated development plan and the budget related policies and any consultative processes forming part f the processes	21 July 2017	CFO and Manager: Budgeting & Reporting	
	Submission of Section 71 Report to Provincial & National Treasuries	15 August 2017	CFO and Manager: Budgeting & Reporting	

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

MLM – EC 443 Integrated Development Plan – 2018/2019 Review

PHASE	PROCESS	ACTIVITIES	TIMEFRAMES	RESPONSIBLE PERSON
		Section 71(1) –The accounting officer of a municipality must by no more than 10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget.		
		Council adopts Budget process plan Section 21(1)(b -)At least 10 months before the start of the budget year the mayor of the Municipality must table in the municipal council a time schedule outlining key deadlines for the preparation, tabling and approval of the annual budget; annual review of the integrated development plan in terms of section 34 of the Municipal Systems Act and the budget related policies; the tabling and adoption of any amendments to the integrated development plan and the budget related policies and any consultative processes forming part of the processes	31 August 2017	Executive Mayor
		2016/17 Financial Statements submitted to Auditor-General	31 August 2017	MM & CFO
		Submission of Section 71 Report to Provincial & National Treasuries. Section 71(1) –The accounting officer of a municipality must by no more than 10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget.	14 September 2017	CFO and Manager: Budgeting & Reporting
Q2 OCTOBER - DECEMBER 2017				
SITUATIONAL ANALYSIS		Consolidation of situational analysis report	2-31 October 2017	IDP Unit & All Senior Managers
		Review of, objectives, strategies, programmes, KPI's, targets (operational plans)	01 – 30 November 2017	All Internal Depts. & Sector Depts.
		IDP Steering Committee Meeting to present consolidated situational analysis report	28 November 2017	MM, All Senior Managers & Sector Departments
		IDP Rep Forum Meeting to present consolidated situational analysis report	6 December 2017	The Mayor
	PMS	Compilation of First Quarter Performance Report	16 October 2017	MM Office
		Finalize the draft 2016/2017 annual report incorporating financial and Non-financial on performance, audit reports and annual financial statements.	11 December 2017	Senior Managers & Operations Manager
	BUDGET	Submission of Section 71 Report to Provincial & National Treasuries Section 71(1) –The accounting officer of a municipality must by no more than 10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget	13 October 2017	CFO and Manager: Budgeting & Reporting
		Submission of Section 52 Report to council Section 52(d) –The Mayor must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality	30 October 2017	Executive Mayor
	Submission of D-Form to NERSA Section 43 of the MFMA: Applicability of Tax and Tariff capping on Municipalities	30 October 2017	CFO, Manager: Revenue & Expenditure and Electrical Superintendent Engineer	

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

MLM – EC 443 Integrated Development Plan – 2018/2019 Review

PHASE	PROCESS	ACTIVITIES	TIMEFRAMES	RESPONSIBLE PERSON
		Submission of Budget Request Forms General Expenses-Capital outlay ,Capital Budget ,Operating Projects and Review of Tariffs Section 21 of the MFMA 56 of 2003:Budget Preparation Process	06-17 November 2017	All Directorates
		Check with National, Provincial Governments and District Municipalities for any information in relation to budget and adjustment budget to projected allocations for the next three years.	06-30 November 2017	Manager: Budgeting & Reporting /CFO
		Submission of Section 71 Report to Provincial & National Treasuries Section 71(1) –The accounting officer of a municipality must by no more than10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget.	13 November 2017	CFO & Manager: Budgeting & Reporting
		Submission of Section 71 Report to Provincial & National Treasuries Section 71(1) –The accounting officer of a municipality must by no more than10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget.	14 December 2017	CFO & Manager: Budgeting & Reporting
Q3 JANUARY - MARCH 2018				
PROJECTS PRIORITISATION	IDP	Prioritization of IDP projects	January 2018	The Mayor & EXCO
		Integration & alignment of projects and programmes of LM, DM, sector departments and parastatals.	February 2018	IDP Coordinator & OM
		IDP Steering Committee sit to discuss prioritized projects for 2018 / 2019 period	28 February 2018	AO & OM
		Consolidation of draft IDP Document	01– 16 March 2018	IDP Coordinator
		IDP Steering Committee - presentation of draft IDP 2017/2018	22 March 2018	Municipal Manager
		Draft IDP & Budget adopted by Council	30 March 2018	The Mayor
	PMS	Senior Managers to submit Mid - year Assessment Report (Q2 reports)	08 January 2018	Senior Managers & Operations Manager
		Strategic Planning Session for Mid – year assessment report. Refining objectives and strategies	January 2018	Municipal Manager
		Municipal Manager submits Midterm/Midyear Report to the Mayor		Municipal Manager
		Revise SDBIP in accordance with adjusted budget	February 2018	
		Submit report to AG, Provincial Treasury and DLGTA.	February 2018	
		2016/2017 Oversight report on the Annual Report	February 2018	MO
		Council adopts the 2016/17 Annual report with the comments of the Oversight Committee.	31 March 2018	
	BUDGET	Obtain any projected adjustment allocations from National, Provincial Governments & District Municipality for the next three years. Section 21 of the MFMA 56 of 2003:Budget Preparation Process	11-15 Jan 2018	Manager: Budgeting & Reporting /CFO
		Submission of Section 71 Reports to Provincial & National Treasuries Submission of Mid-year assessment report to council	15 January 2018	CFO and Manager: Budgeting & Reporting

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

MLM – EC 443 Integrated Development Plan – 2018/2019 Review

PHASE	PROCESS	ACTIVITIES	TIMEFRAMES	RESPONSIBLE PERSON
		Section 71(1) –The accounting officer of a municipality must by no more than 10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget.		
		Special Council Meeting – Table in to the Council an annual report, the audit report for 2013/2014, and Mid –year report 2014/2015 Section 72 (1) of the MFMA: The Accounting Officer of a Municipality must by 25 January of each year assess the performance of the Municipality during the first half of the financial year.	25 Jan 2018	Executive Mayor
		Section 121 of the MFMA: Preparation and adoption of the annual report		
		Submission of Section 52 Report to council Section 52(d) –The Mayor must ,within 30 days of the end of each quarter ,submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality	30 January 2018	Executive Mayor
		Budget adjustment Consultation Process begins Section 28 of the MFMA the Municipality May revise an approved annual budget though an adjustment budget	01-09 February 2018	Manager: Budgeting & Reporting/CFO
		Submission of 71 Report to Provincial & National Treasuries Section 71(1) –The accounting officer of a municipality must by no more than 10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget.	14 February 2018	CFO and Manager: Budgeting & Reporting
		Budget Steering Committee - To discuss the and Finalize the Draft MTREF Budget and Adjustment Budget Section 21 of the MFMA 56 of 2003: Budget Preparation Process	16 February 2018	Executive Mayor and Municipal Manager
		Council to approve Adjustment Budget Section 28 of the MFMA the Municipality May revise an approved annual budget though an adjustment budget and read together with Section 72(3) The Accounting Officer must as part of the review make recommendations as to whether an adjustment budget is necessary and recommend revised projection of revenue and expenditure to the extent that this may be necessary	28 February 2018	Executive Mayor and Municipal Manager
		Consultation with departments for submission of 2018/2021 First Draft Budget Section 16(2) Annual Budget: The Mayor of a Municipality must table the annual budget at a council meeting 90 days before the start of the budget year Section 43 of the MFMA	05 - 09 March 2018	CFO, all Heads of departments and Manager: Budgeting & Reporting
		2017/2020 First Draft Budget to Budget Steering Committee Section 16(2) Annual Budget: The Mayor of a Municipality must table the annual budget at a council meeting 90 days before the start of the budget year Section 43 of the MFMA	16 March 2018	Portfolio Head: Finance
		Approval of Electricity Tariffs by NERSA Section 16(2) Annual Budget: The Mayor of a Municipality must table the annual budget at a council meeting 90 days before the start of the budget year Section 43 of the MFMA	05-30 March 2018	Manager: Revenue & Expenditure, CFO and Electrical Superintendent Engineer
		Council adopts First Draft Budget for 2017/2020 Section 16(2) Annual Budget: The Mayor of a Municipality must table the annual budget at a council meeting 90 days before the start of the budget year Section 43 of the MFMA	30 March 2018	Executive Mayor

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

MLM – EC 443 Integrated Development Plan – 2018/2019 Review

PHASE	PROCESS	ACTIVITIES	TIMEFRAMES	RESPONSIBLE PERSON
		Submission of Section 71 Report to Provincial & National Treasuries Section 71(1) – The accounting officer of a municipality must by no more than 10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget.	14 March 2018	CFO and Manager: Budgeting & Reporting
Q4 APRIL – JUNE 2018				
APPROVAL PHASE	IDP	Publicise / advertise the IDP & Budget Road - show schedule.	06 April 2018	IDP Coordinator
		Submission of Draft IDP documents, Provincial Treasury and the MEC for Local Government and Traditional Affairs	19 April 2018	IDP Coordinator
		Draft IDP advertised for public reviewing & comments	06 – 11 May 2018	IDP Coordinator
		IDP & Budget Road-shows	17-20 April 2018	Local & DM Mayors
		IDP Steering Committee – consideration and incorporation of public comments in the IDP & Budget	26 April 2018	The Mayor & Municipal Manager
		Incorporation of community inputs into the IDP	11 - 17 May 2018	IDP Coordinator
		Draft IDP Presented to the IDP Representative forum	29 May 2018	The Mayor & Municipal Manager
		Mayor tables 2018/2019 IDP and Budget to Council for final adoption.	31 May 2018	The Mayor & Municipal Manager
		Public notices on approval of the final IDP 2018/2019	08 June 2018	IDP Coordinator
		Uploading the adopted IDP and Budget to the Municipal Website	08 June 2018	
		Submission of the final IDP to COGTA	20 June 2018	
	PMS	Submit Annual report to AG, Provincial Treasury, Legislature and DLGTA.	April 2018	MO
		Compilation of Third Quarter Performance Reports	16 April 2018	
		Drafting of new scorecards by s56 managers	18 June 2018	All Senior Managers
		Draft SDBIP & Performance Agreements to the Mayor 14 days after adoption of IDP & Budget	20 June 2018	MM, All Senior Managers & All Managers
		The Mayor approves Institutional SDBIP within 28 days of Budget approval	June 2018	Operations Manager
		Submit Approved SDBIP to National & Provincial Treasury	June 2018	Operations Manager
	BUDGET	Submit to National Treasury, Provincial Treasury and the MEC responsible for Local Government Draft Annual Budget Regulation 15(4)a: The Municipal Manager must send copies of the annual budget and supporting documentation as tabled in the Municipal Council in both printed and electronic form	02 April 2018	Municipal Manager

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MLM – EC 443 Integrated Development Plan – 2018/2019 Review

PHASE	PROCESS	ACTIVITIES	TIMEFRAMES	RESPONSIBLE PERSON
		Budget advertised for public comments, Public Meetings & Consultation Section 22(a) after an annual budget is tabled in the municipal Council ,the Accounting Officer must make public the annual budget and documents referred to in section 17(3) and invite the local Community to submit representation in connection with the budget	12 April 2018	Municipal Manager /CFO
		Submission of Section71 Report to Provincial &National Treasuries Section 71(1) –The accounting officer of a municipality must by no more than10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget.	13 April 2018	CFO and Manager: Budgeting & Reporting
		Section 23(1)a when the annual budget has been tabled the Municipal council must consider views of local community	03-27 April 2018	Executive Mayor and All Councilors
		Section 71(1) –The accounting officer of a municipality must by no more than10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget the start of the budget year consider approval of the annual budget Submission of Section 71 Report to Provincial & National Treasuries	15 May 2018	CFO & GM : Budget & Accounting
		2018/2021 Final Draft Budget to IDP, Budget and PMS Steering Committee Section 24(1) the Municipal Council must at least 30 days before the start of the budget year consider approval of the annual budget	17 May 2018	Portfolio Head Finance
		Council consider adoption of Final Draft Budget for 2017/2020 Section 24(1)-The municipal council must at least 30 days before the start of the budget year consider approval of the annual budget	31 May 2018	Executive Mayor and Municipal Manager
		MTREF Budget, Budget related policies, annual report published on Council website. Section 75(1)(a,b)The Accounting Officer of a Municipality must place on the website referred to in section 21Aof the systems Act the following documents: Annual and Adjustment budget and all related policies	14 June 2018	Manager: Budgeting & Reporting and Manager: ICT
		Annual Budget Reports to National & Provincial Treasury. Regulation 20(1) The Municipal Manager must comply with section 24(3) of the Act within 10 working days after the council has approved the annual budget ,The Municipal Manager must submit to National Treasury and relevant provincial Treasury in both electronic and printed form	14 June 2018	CFO and Manager: Budgeting & Reporting
		Submission of Section 71 Report to Provincial & National Treasuries Section 71(1) –The accounting officer of a municipality must by no more than10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget.	14 June 2018	CFO and Manager: Budgeting & Reporting

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5.5 The roles and Responsibilities in the IDP Processes

STAKEHOLDER	COMPOSITION AND RESPONSIBILITY
Mbizana Local Council	<p>The Mbizana Municipal Council is the ultimate political decision-making body of the municipality and the Council has the responsibility to:</p> <ul style="list-style-type: none"> • consider and adopt the IDP Process Plan & time schedule for the preparation, tabling & approval of the annual budget; • consider and adopt the IDP and annual Budget; • ensure the municipal budget is coordinated with and based on the IDP; • adopt a Performance Management System (PMS) • Monitor progress and IDP implementation
The Executive Committee of Mbizana Local Municipality	<p>The Executive Committee of Mbizana Local Municipality have the ultimate responsibility for the preparation and implementation of the IDP, Budget & Performance Management. The EXCO is responsible for:</p> <ul style="list-style-type: none"> • for the overall oversight, development and monitoring of the process or delegate IDP & PMS responsibilities to the Municipal Manager; • ensure that the budget, IDP & budget related policies are mutually consistent & credible; • Submit the revised IDP & the Annual Budget to the municipal Council for adoption.
Ward Councillors, Traditional & Ward Committees	<p>Ward Councillors are the major link between the municipal government and the residents. As such, their role is to:</p> <ul style="list-style-type: none"> • link the planning process to their constituencies and/or wards; • ensure communities understand the purpose and the key mechanisms of the IDP, Budget process, Performance Management and are motivated to actively participate; • facilitate public consultation and participation within their wards. • provide feedback to their communities on the adopted IDP and Budget.
The IDP, PMS & Budget Steering Committee	<p>The IDP/PMS Steering Committee will be established to provide technical guidance over the IDP/Budget & PMS review</p> <p>An IDP Steering Committee that would function, as a technical working team shall be composed of the following members:</p> <ul style="list-style-type: none"> • Municipal Manager (Chairperson) • Municipal Management Team • Senior Managers from Sector Departments • Secretariat from IDP & PMS Unit

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The Municipal Manager	The Municipal Manager has the responsibility to provide guidance and ensure that the administration actively participates and supports the development and review of the IDP and Budget and works towards its implementation.
Directorates & Departments	<p>Directorates and Departments are responsible for sector planning and for the implementation of the IDP. The participation of all Departments is thus critical and they :</p> <ul style="list-style-type: none"> ▫ provide technical / sector expertise and information, throughout the IDP Budget process; ▫ ensure that the review process is participatory, integrated, strategic, implementation-oriented, budget linked and aligned with and satisfies sector planning requirements;
Representative Forum and Community Stakeholders	<p>The IDP/ PMS/ Budget Representative Forum constitutes the structure that institutionalizes sectoral participation in the IDP Process. The members of the IDP Representative Forum include Business, Traditional leaders Government & NGO sectors (as well as political and technical leaders of the IDP Clusters)</p> <p>The Mayor or her nominee chairs the Forum. The Forum has the following functions and duties:</p> <ul style="list-style-type: none"> • represents the interests of their constituents in the IDP
<p>Budget Steering Committee: Shall be constituted as follows:</p> <ul style="list-style-type: none"> • The Mayor • The Chairperson – Finance Standing Committee • The Municipal Manager • All Senior managers • Managers IDP & PMS 	<p>The primary aim of the Budget Steering Committee is to ensure:</p> <ul style="list-style-type: none"> • that the process followed to compile the budget complies with legislation and good budget practices; • that there is proper alignment between the policy and the service delivery priorities set out in the municipality's IDP and the budget, taking into account the need to protect the financial sustainability of the municipality; • that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and • that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

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5.6 Public Participation Mechanisms and Procedures and Mechanisms for this IDP

As required by the Municipal Systems Act No. 32 of 2000, one of the main features about integrated development planning and budget process is the involvement of community and stakeholder organizations in the IDP processes. Community involvement is to ensure that the IDP addresses the real issues that are experienced by the citizens. The Constitution stipulates that one of the objectives of municipalities is “to encourage the involvement of communities and community organizations in the matters of local government”. The White Paper on Local Government also put emphasis on public participation. Through the Municipal Systems Act participation in the decision making processes of the municipality is determined to be a right of communities, residents and ratepayers. Integrated development planning is emphasized as a special field of public participation.

The main feature of the IDP process is the involvement of communities and all interested parties / stakeholders to ensure that the IDP addresses the real issues that are experienced by the citizens within the jurisdiction of the municipality. Public Participation will then occur in the following manner as outlined below:-

- ⇒ IDP Representative Forum;
- ⇒ Mayor’s conversations with different stakeholders;
- ⇒ Ward Community & Ward Committee meetings convened by Councillors;
- ⇒ Published annual reports on municipal progress;
- ⇒ Newspaper advertisements and notices;
- ⇒ Making the IDP document available to all members of the public;
- ⇒ Outreaches by Mbizana Municipality to communities and Stakeholders;
- ⇒ Information dissemination through the MLM quarterly newsletter;
- ⇒ Sector specific for a, namely, LED Forums, Local Communicators Forum.

5.7 Community Participation and Community Issues

Community Based Planning (CBP) is a tool that is used to enhance participation of communities in developmental programs and process. It was introduced to encourage ownership of government developmental initiatives by communities. With the introduction of the Masiphathisane campaign by the Premier (War rooms) the municipality will be in the position of fully implementing the community based planning approach. Below is the consolidated list of needs as raised by communities during the Mayor’s IDP outreach held in November - December 2017 and are consistent with those of community based planning conducted in 2013 with the funding assistance from COGTA EC. The municipality has also planned to undertake the process of reviewing this ward based plans in the 18/19 financial year war rooms will be the centre of the whole process.

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WARD NO.	SERVICE DELIVERY NEEDS / PRIORITIES
01	<ul style="list-style-type: none"> △ Maintenance of access road in highland streets △ Dustbins in highland needed △ Construction of bridge in highland △ RDP houses △ Access road in down town △ RDP houses in downtown △ The construction of the Sport field is needed urgently.
2	<ul style="list-style-type: none"> △ Mkhambathi to Sinyameni access road need maintenance and water pipes need to be replaced. △ The construction of new Police station. △ Access road from the T-Junction needs maintenance. △ RDP houses requested
3	<ul style="list-style-type: none"> △ Water was requested as urgently needed △ RDP toilets are needed △ The maintenance of Izibanzini to Mwelili Access Road. △ Potholes from Ndindini to X and Tshangase access road need maintenance △ Infills that are not more than 60KM △ Access Road from R61 to Qabangeni need maintenance △ Water taps △ Qabangeni Village requested water △ Construction of Dumsi Community hall
04	<ul style="list-style-type: none"> △ No Electricity in Mazweni Village △ Access Road from Diphini to Krestu need to be constructed. △ Request for Scholar Transport for High School learners. △ No water in Mabutho village △ Access roads needs to be maintained for the whole ward △ Deep and camps for Cattles was requested
5	<ul style="list-style-type: none"> △ The ward must be provided with permanent structures for destitute households. △ Mmangweni Access Road needs to be maintained. △ A clinic and a community hall is needed. △ Infills are needed in new sites at Gwala and Dlungwana.
6	<ul style="list-style-type: none"> △ Water was requested for all Villages △ Access road to Isinuka △ Bridge to Stheto village for school kids △ Access road from Labane to Mhlanga △ Potholes in Mhlanga access road to Bargain wholesale needs maintenance

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	<ul style="list-style-type: none"> △ Infills △ RDP houses in all villages
07	<ul style="list-style-type: none"> △ Permanent structures for destitute households are needed at this ward △ Government should build formal houses for the people who are living in temporal structures which are in a very bad condition citing two terrible cases of an old woman living alone in a dilapidated informal structure and orphans who are living in a temporal structure. △ Skotoyi Village must be provided with toilets △ Ndunge must be provided with housing and electricity. △ Infills must be provided with electricity.
08	<ul style="list-style-type: none"> △ A bridge is requested towards Camagu School. △ Ntshikitshane to Bukuveni road needs a slab urgently.
9	<p>The following projects were requested by community</p> <ul style="list-style-type: none"> △ RDP houses in Mphetshwa △ Toilets △ Access road from Mphetshwa to Bonda need Maintenance △ Access road from Envis to Nqabeni △ Construction of access road to Ndela △ Bonda toilets △ Access road from Magusheni to Mkhahlwini needs maintenance △ Infills in Ndayini village
10	<ul style="list-style-type: none"> △ Ntshikitshane to Bukuveni road is in need of a slab △ Plan needed for water provision in the whole ward
11	<ul style="list-style-type: none"> △ Supply and fast tracking of water in the following villages: Mdikiso, Sigodlweni & Pele pele Villages. △ Homes for the destitute project is moving at a very slow pace in Lukhalweni, Cwaba, Dingiswayo and Nokhala Villages.
12	
13	<ul style="list-style-type: none"> △ Infills at Matwebu village △ Electrification of Masimeni village △ Road from R61 to Matwebu JSS need maintenance △ Water at Matwebu village △ Matwebu road drainage pipe need to be constructed in a right place
14	<ul style="list-style-type: none"> △ Need for destitute houses
15	<ul style="list-style-type: none"> △ Destitute homes must be prioritised in Lusindisweni Village.
16	<ul style="list-style-type: none"> △ No Electricity in Dangeni village △ There is a need of a Community Hall at Mthayise Village
17	<ul style="list-style-type: none"> △ Access road from R61 to Ntlakhwe J.S.S. need urgent maintenance is not usable △ Access road from Qandashe to Mpfana via Somi need maintenance

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	<ul style="list-style-type: none"> △ Destitute houses at Mbenya village △ Bridge at Mbhodla
18	<p>The following requests were made by community: -</p> <ul style="list-style-type: none"> △ Clinic △ Construction of Mbodla Access Road △ Bridge for Greenville access road △ Plangeni to Mpunzi Tarr road △ Sports field △ Pumlani to Emalawini access road △ Street Lights △ Mqutsalala access road to Londobesi
19	<ul style="list-style-type: none"> △ Infills at Vuyisile village △ Access road in all villages △ T-Road from town to Ntlozelo need maintenance △ RDP houses in all villages but now only Thokozani.
20	<p>The following was requested by community</p> <ul style="list-style-type: none"> △ RDP Houses △ Street Lights △ Mbhase access road with a bridge △ Re-construction of Houses which collapsed during heavy rains △ Mfuneli Bridge
21	<ul style="list-style-type: none"> △ Street Lights requested
22	<ul style="list-style-type: none"> △ Access road to Kananda needs maintenance as stones were put aside and were later removed. △ Request for RDP Houses. △ Request for Toilets for the whole ward.
23	<ul style="list-style-type: none"> △ Access road from Diphini need maintenance, △ RDP Houses in all villages △ Access road from Lucingweni to R61 and Bridge △ Sea view access roads bridge is needed and maintenance △ All V drainages need proper maintenance. △ Plangweni access road need to be constructed △ Water in area of sea view △ Infills at Plangweni village △ RDP houses △ Access road from Ntlazi to Plangweni
24	<ul style="list-style-type: none"> △ Grass cutting in sport fields by the municipality

25	<ul style="list-style-type: none"> △ Jama access road need to be maintained. △ Access road at Gcinisizwe village need to be constructed as the contractor had not done any work there. △ A slab is requested for Matshezi access road in Maqongwana village. △ Ward 25 Sport Field still need to be constructed.
26	<ul style="list-style-type: none"> △ Water must be provided to schools within the ward. △ Infills at Zamokuhle and Nompumalanga must be provided with electricity.
27	<ul style="list-style-type: none"> △ No water and no taps in Clarkville village △ They request water truck to deliver water for them △ Access road from Cabana to Krestu not yet constructed. △ No RDP Houses △ Request of Community Hall in Nkantswini Village △ No water: request water truck to deliver water for them.
28	<ul style="list-style-type: none"> △ No RDP Houses in Mngugu village △ No RDP Houses and no Electricity in Baleni Village △ Access road from Gumzana to Ntlozelo village is in bad condition. △ No water at Mdatya village
29	<ul style="list-style-type: none"> △ Varasi to Diya access road
30	<ul style="list-style-type: none"> △ There is a need of water, Access roads as well as maintenance of existing roads. △ RDP Houses and toilets are needed in this ward.
31	<ul style="list-style-type: none"> △ No RDP Houses △ No water △ Maintaining of access road from Siwisa join Bholorhweni to Nkantswini Village △ No water in Mdozingana Village

CHAPTER TWO

6. SITUATIONAL ANALYSIS

Situational Analysis provides an overview of the composite development challenge facing Mbizana Municipality based on its own self-assessment and analysis. It gives a brief overview of Mbizana demographic profile and illustrates the composition of Mbizana population considering key indicators such as: population numbers; racial make-up, house hold income, employment and education. In the end a number of pertinent issues shall be drawn from the demographic profile, and it is these issues that shall inform the strategies which shall be presented in later chapters.

The statistics information included in this section comes from the 2011 census and Community Survey 2016. It also highlights key issues and challenges relating to municipal demographics profile, Institutional Transformation and Development, Financial Viability, Local Economic Development, Service Delivery profiles and Spatial Development Framework.

6.1 The Municipal Context and Demographic Profile

Mbizana Local Municipality (EC443) was established in terms of Section 155 (1) (b) of the Constitution of the Republic of South Africa. Mbizana LM is one of the four category B municipalities falls within the Alfred Nzo District Municipality (DC44). It is located within the Wild Coast Region of the Eastern Cape Province along R61 connecting kwaZulu Natal South coastal boundary to the N2 highway. To the west and south the municipality shares common boundaries with the Umzimvubu, Ntabankulu and Ngquza Hill local municipalities. The Mtamvuna and Mtentu rivers form the northern and southern boundaries of the municipality. Dominant land users within Mbizana Municipality are mostly rural with a large emphasis on subsistence agriculture in the interior and some tourism development along the coast. The natural environment in the coastal belt of the area is in an unspoiled condition and has exceptionally high conservation value. The conservation value of the inland areas is significantly lower than the coastal areas due to human activities.

6.1.1 Population Trend and Concerns

The total population of Mbizana municipality has increased from 281 905 in 2011 to 319 948, living in 61, 383 households which represent an estimated household's average of 5.2 persons per household (**CS: 2016**). MLM accounts above 35% of the total district population which makes it the largest in population size within ANDM

Population by Households Census 2011 – CS 2016			
2011		2016	
Total Households	48, 447	Total Households	61, 383
Average Household size	5,8	Average Household size	5,2

There are also factors such as migration of people into the municipality particularly in the urban area of Bizana for better employment opportunities and services this exerts pressure to the municipality as it has to increase its budget for service provision in town and mainly for indigent households. As the municipality is a border municipality there has been also a great noticeable migration of young people to Kwazulu Natal for employment some drop out of school this also affects education levels of the municipality. The municipality also experiences high HIV/AIDS prevalence rate due to migration of teenagers from Kwazulu Natal. Interventions have been developed by the municipality and NGOs to overcome this strategy.

The table below illustrates population growth between 2011 Census and 2016 Community survey:-

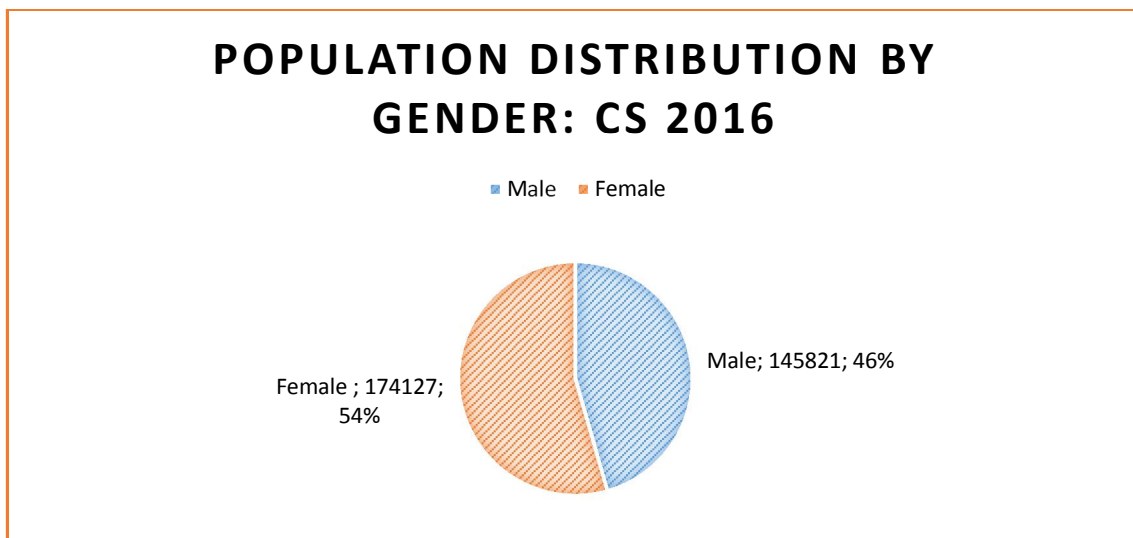
Population Trends Census 2011 – CS 2016													
Census 2011					Community Survey 2016								
Total Population		Total (15-34years)		Youth Proportion	Persons aged 20 years completed grade 12	Total Population		Youth (15-34years)		Youth Proportion	Sex ratio	Total Population intercensal	Persons aged 20 years completed
Male	128332	Male	43053	32,9	21278	Male	145821	Male	57176	38,6	83,7	0,029	28996
Female	153573	Female	4979			Female	174127	Female	66390				
Total Population	281 905	Total Youth	92842			Total Population	319 948	Total Youth	123 567				

6.1.2 Gender Distribution

The **Census 2011 and 2016 Community survey by Stats SA** simultaneously indicates the population of Mbizana is dominated by females at about 54% of the total population compared to 46% of males. The table below shows that about 174 127 (54%) of the total population of Mbizana is women against 145 821 (46%) which are males: CS 2016.

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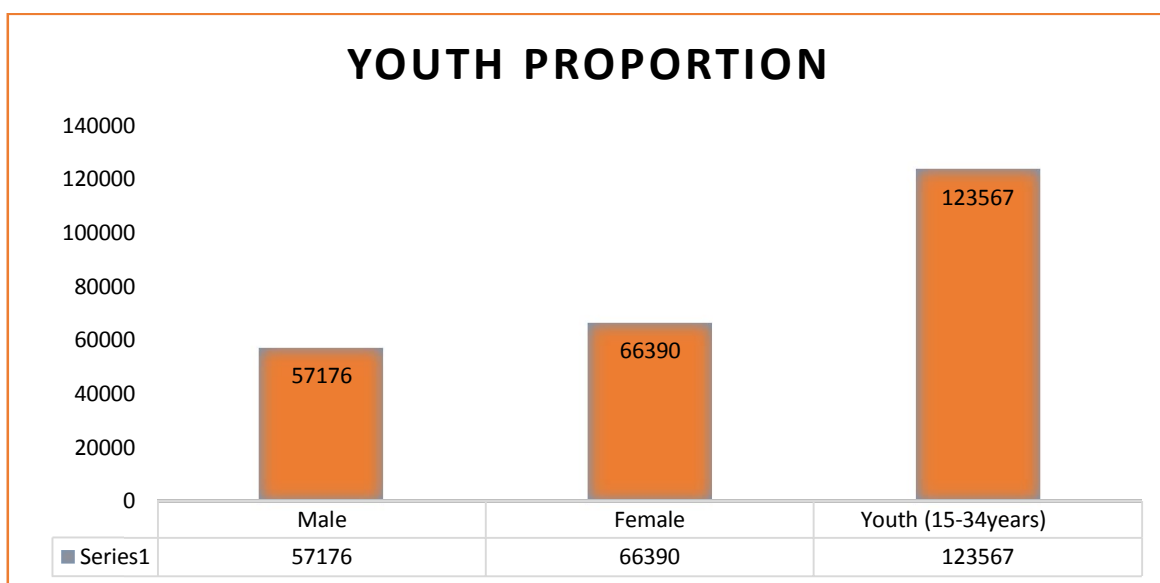
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This indicates that there should be dedicated programs of integration and incorporation of women in key planning and decision making roles of the municipality. Moreover there is need for consideration of the following

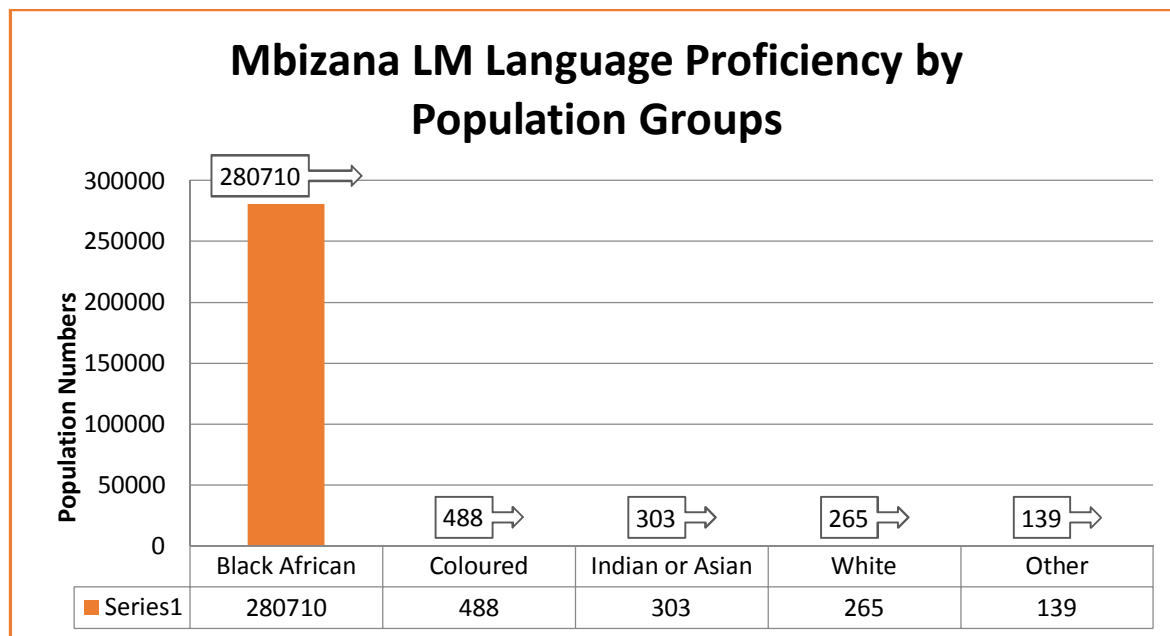
- ⇒ Promoting participation of women in policy making and development.
- ⇒ Ensure involvement of women in economic development activities.
- ⇒ Improving women’s earning power and reducing vulnerability of women to poverty.

The following table indicates that the according to Community Survey of 2016 by Stats SA about 123 567 of the total population is the youth ages between 15 to 34 years, of which 66 390 are women against 57 176 which are male.



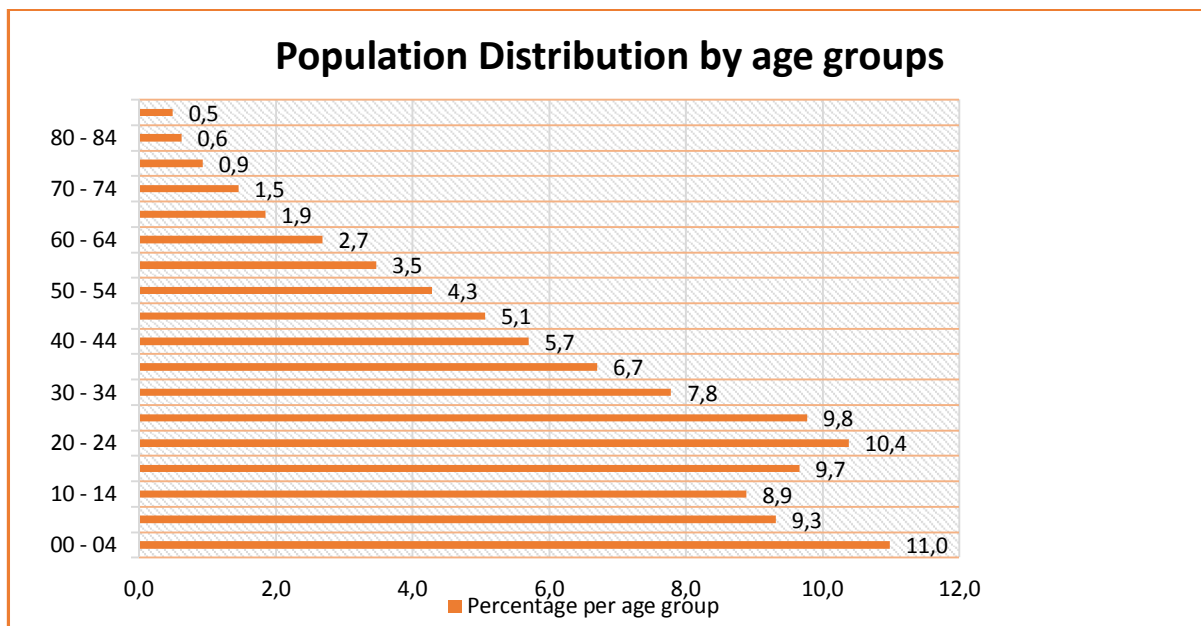
6.1.3 Population Distribution by Race

The largest population group in Mbizana is Black Africans at 99, 58% of the total population followed by Coloureds at 0, 17%, Indians / Asians at 0, 11%, Whites at 0, 09% and others at 0, 04% as demonstrated in the chart below:-



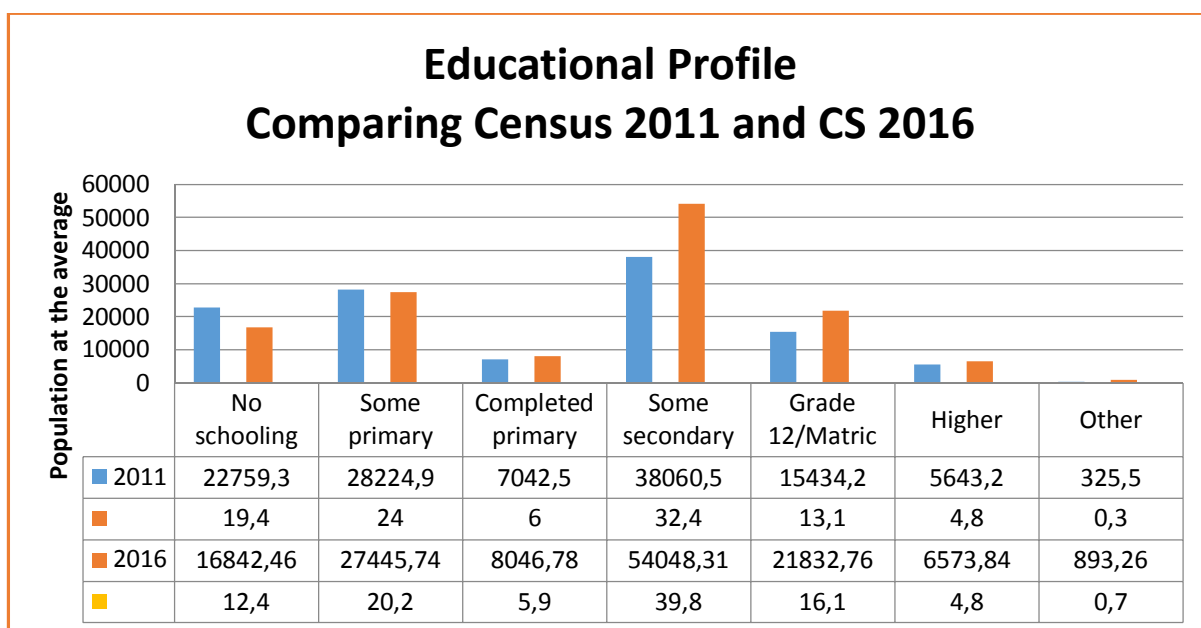
6.1.4 Population Distribution by age groups

The age profile below shows that approximately 66% of Mbizana population is young people between 0 to 34 years old. These population trends oblige government in all levels to ensure that a large percentage of the budget is allocated to youth development and learner support programmes in order to deal with the needs of this majority section of our populations. The elderly people age group 60 and over accounts for 8% of the total population.



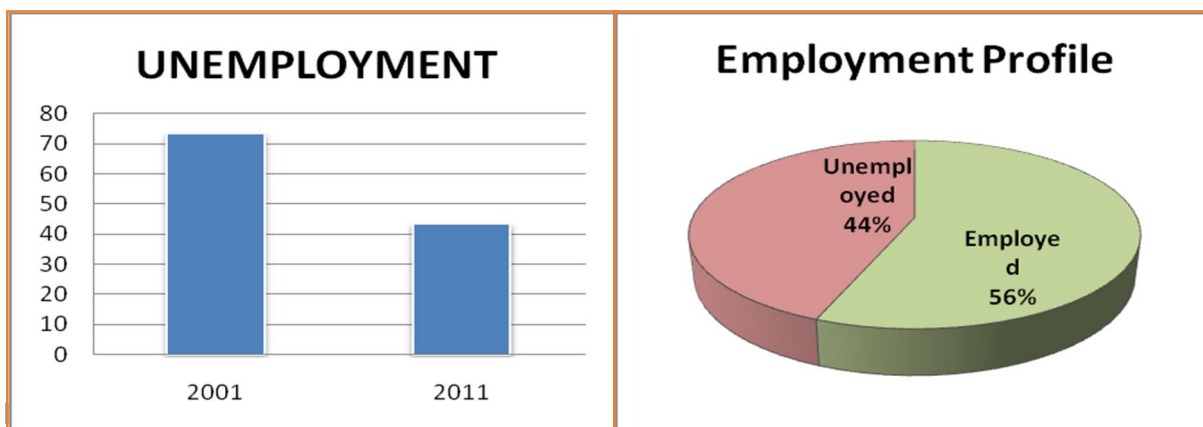
6.1.5 Educational Profile and Literacy Levels

Education plays a fundamental role in community development as it provides a set of basic skills for development, creativity and innovative abilities within individuals. The South African Constitution states that everyone has a right to education. Educational levels for Mbizana are low with less than 50% of people attending at pre-school, primary schools and secondary school level. Only few people attend post matric studies and that calls for the government to have enough resources allocated for education as primary factor.

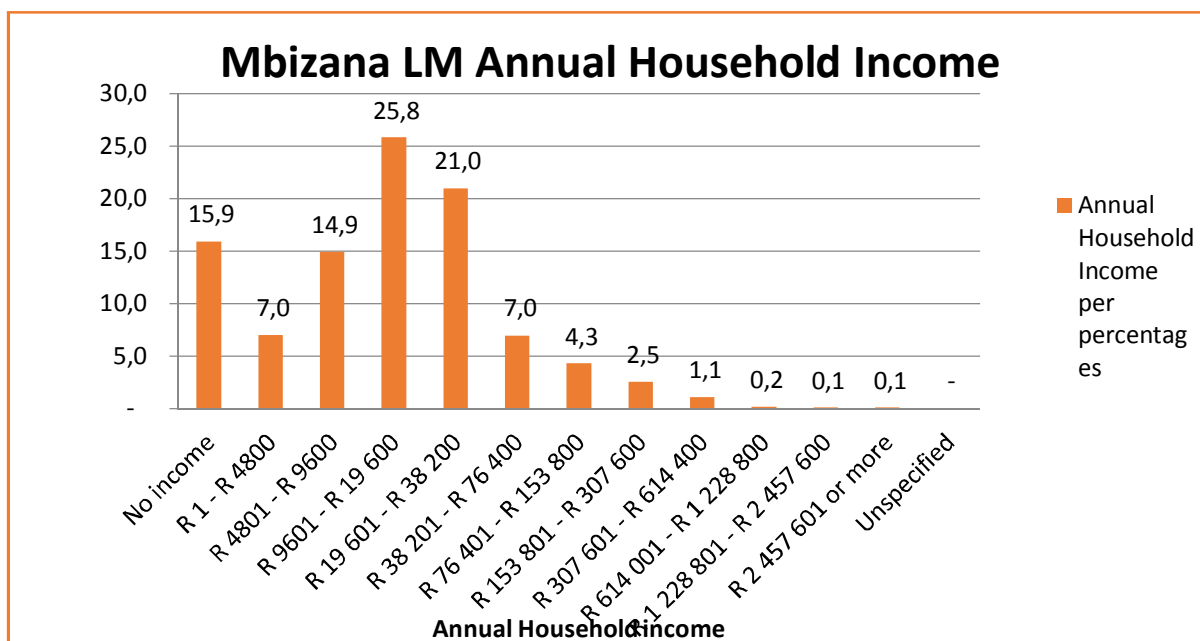


6.1.6 Employment Profile

The employment profile of Mbizana Local Municipality shows that unemployment rate declined between 2001 and 2011. In 2001 unemployment was 73.5% which dropped to 44% in 2011. Likewise, figure shows that people who were employed in 2011 were 56% compared to 44% of unemployed. This indicates that Mbizana has made significant strides in creating new job opportunities.

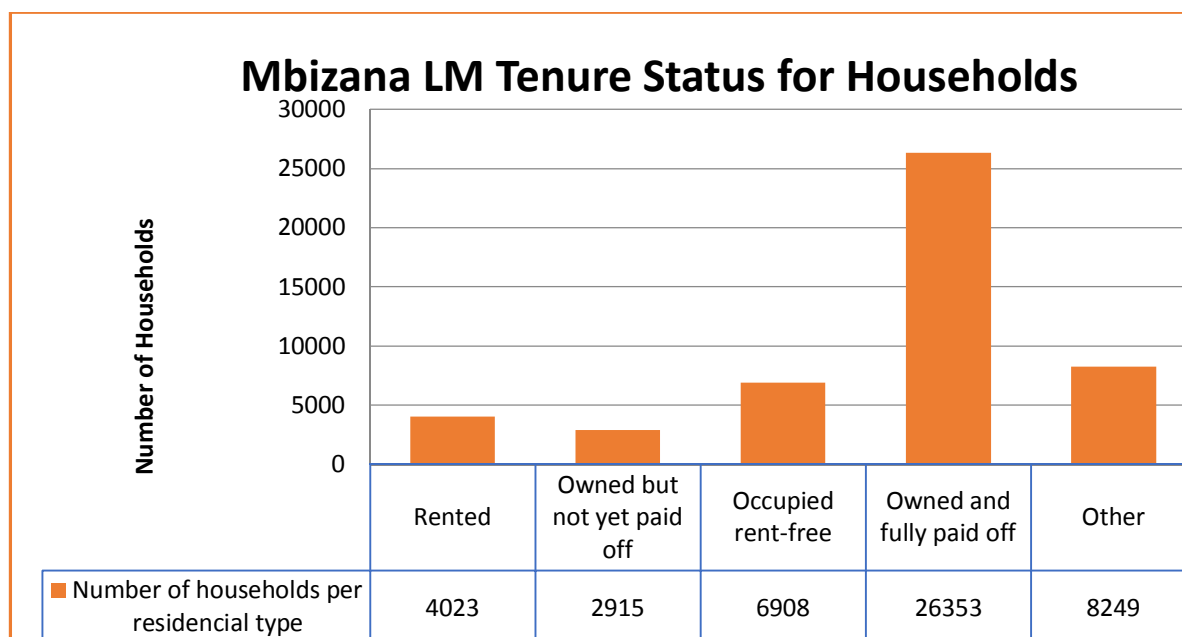


According to Census 2011 by Statistics South Africa, approximately only 15,9% of people have no income and that shows another improvement as compared to 2007 community survey where 76% of the total population had no income. As shown in chart below the highest number of population which is at 25,8 is earning between R9 601 – R19 600 and the lowest number of population which is 0,1% is earning R2 457 601 or more .



6.1.7 Tenure Status

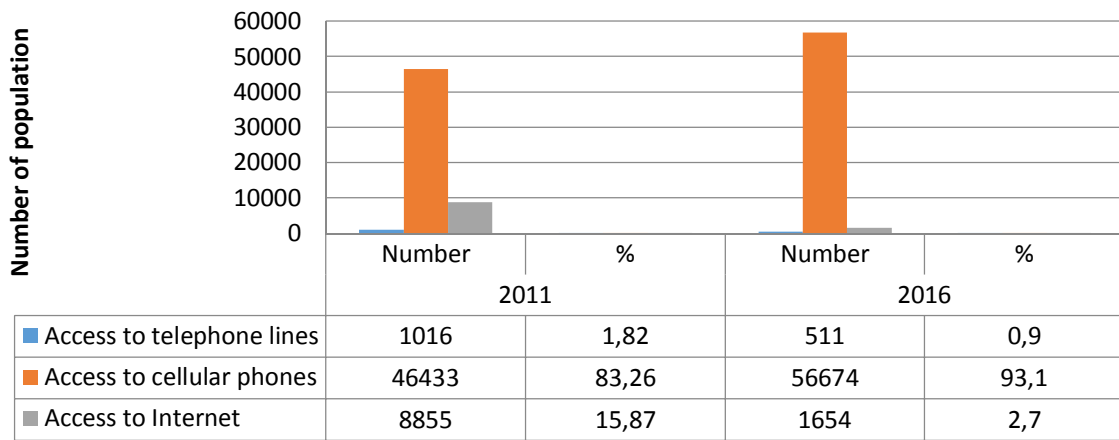
There are different tenures within the municipality. However it is encouraging that the majority of households either own or have paid off their houses. By 2011, the number of households that owned and fully paid off their houses were 54, 4%. This is encouraging houses are regarded as an asset for households.



6.1.8 Household Access to infrastructure services

According to 2016 CS, the majority of the total population of Mbizana depends on cellular phones for tele – communication and internet access as only 0,9% of the population have access to telephone lines and only 2,7% have access to internet services. The graph below illustrates the comparison between 2011 Census and 2016 CS.

Access to Infrastructure Comparing Census 2011 & CS 2016



KPA 1: BASIC SERVICE DELIVERY

6.2 ENGINEERING SERVICES

The main mission of existence of engineering services unit is to deliver sustainable services to our constituent communities. Service delivery is therefore the highest priority in Mbizana Local Municipality. We provide services directly in all the areas of functions that are assigned to us and indirectly (via coordination and facilitation) in other areas of development for which authority reside elsewhere (either in the DM, Sector departments etc). We also partner with agencies in the non-governmental sector to ensure holistic and integrated delivery of development.

Currently the municipality receives infrastructure funding from MIG, INEP, EPWP, Office of the Premier, DBSA & the Equitable Share, however source of funding for infrastructure development needs to be diversified through funding applications to all public & private agencies who might willing to support infrastructure investment so as not to heavily rely on grants such as MIG, INEP, and EPWP), OTP, DBSA & the Equitable Share as mentioned above. The department has managed to get the infrastructure plans from other sector departments within its area of Jurisdiction. The Municipality is currently in the process of consolidating all the sector plans so as to have one infrastructure master plan.

Previously the municipality used to prioritize projects for both MIG and Maintenance on a yearly basis but that has since changed now as projects are now prioritized for a period of three years. During the 2016/17 financial year we have managed to compile a roads maintenance plan which will now be submitted to council for approval which we will use hand in hand with the maintenance policy that was recently adopted by the council. The municipality is also consolidating all the projects that other departments are coming to implement within its area of jurisdiction. This is done with the aim of ensuring that the local contractors are well informed of Job opportunities so that they can grow in their business and also to ensure that any challenges encountered are dealt with.

6.2.1 Water Services

Water Service delivery is one of the primary functions of the District Municipality (Alfred Nzo District Municipality). Currently there is no service level agreement between the MLM and the DM about the provisioning of water. Primary discussions have started about this matter of the SLA through the District Wide Engineering Forums and should be sorted before the end of the financial year. With regard to provision of water services in Mbizana community, our analysis indicates that backlogs for water services remain high. The estimated backlog for water service delivery is 44 479 (92%) households with no access to tap water, and 5% have access to tap water below RDP standard while 3.1% households have access to water on RDP standard and above. The District Municipality (Alfred Nzo DM) is in a process of developing the following plans:-

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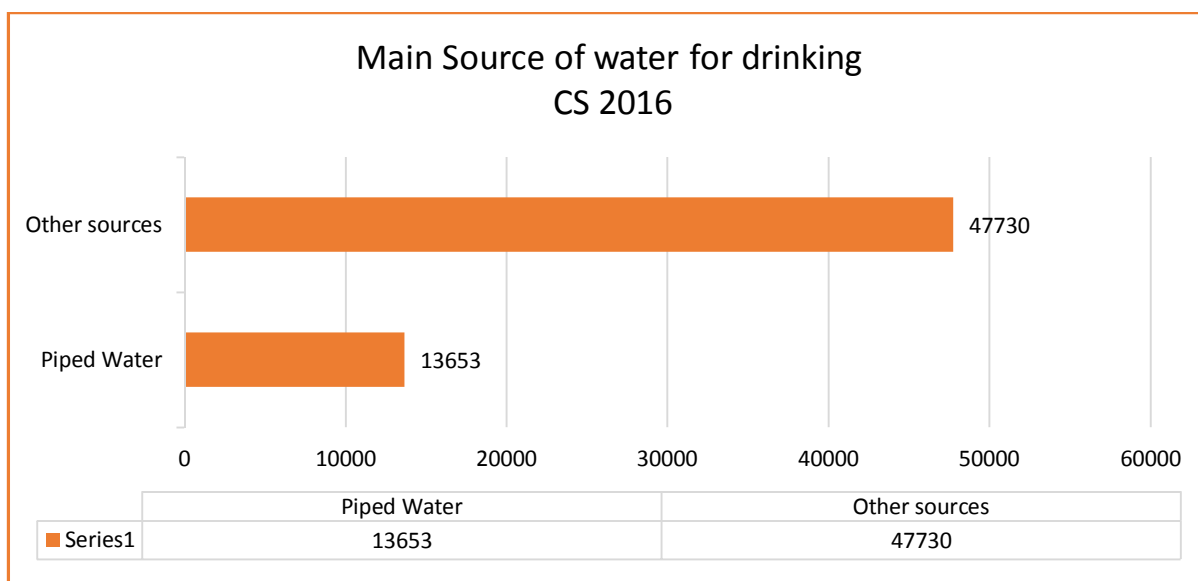
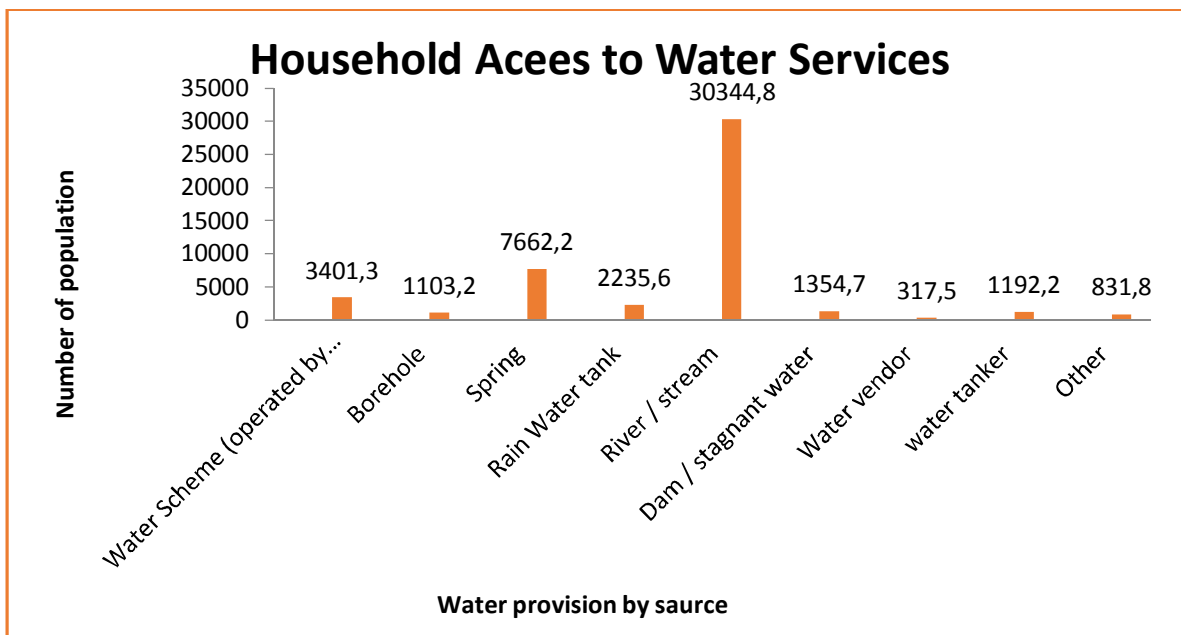
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Water services Master plan: - this will be in line with the Regional bulk Water Implementation readiness study that is currently being conducted by the DM.

Ground water management plan.

In Mbizana, the current implementation of the Greater Mbizana Regional scheme will take care of at least 85% backlogs after completion and connection to the existing infrastructure.

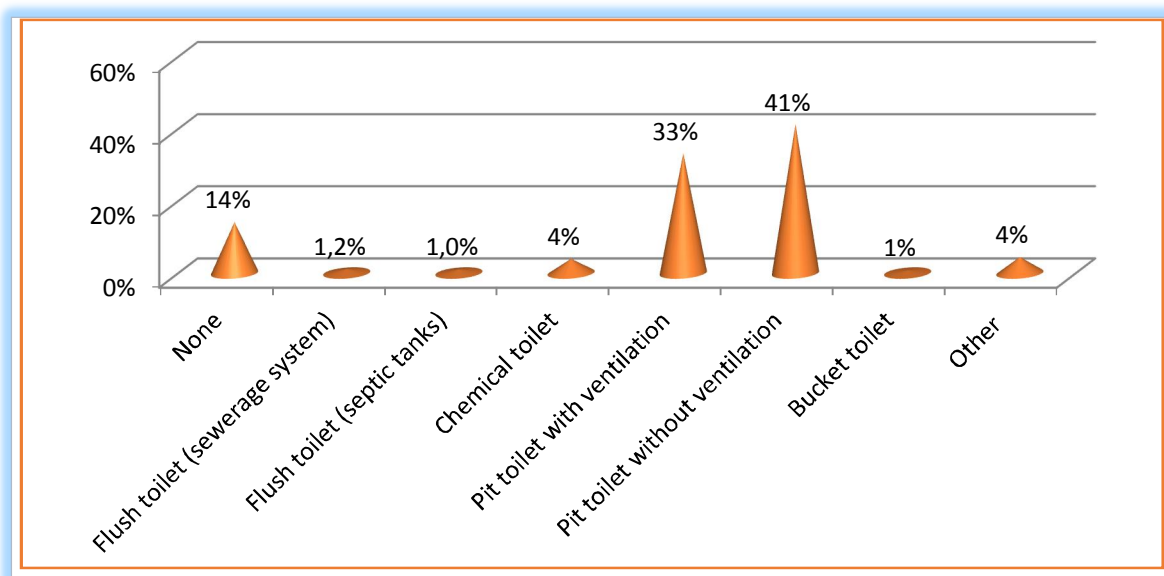
Household access to water services



6.2.2 Sanitation Infrastructure

Sanitation service delivery is the competence of the District Municipality (Alfred Nzo DM, the local municipality is mainly the beneficiary of the services. The estimated backlog for RDP sanitation service delivery is 17423 (36 %) households with no access RDP Sanitation, and 31146(64%) have access to RDP Sanitation (Ventilated Improved Pit-latrines (VIP Toilets)). Out of 31 wards only 8 wards with no sanitation services. Even though the MLM is neither a WSA nor a WSP we still keep in contact with the DM about all the sanitation projects so that we can be able to update our communities about the sanitation projects.

However there is also another major role to be played the District Municipality in ensuring that at least every household have access to VIP toilet. The District Municipality (Alfred Nzo DM) is in a process of developing the Sanitation Master Plan. The municipality also engages the district municipality through the district wide infrastructure forum to get information about the infrastructure projects.



6.2.3 Current Project and Planned Projects FOR 2017/2018

Project Name	Description of the Contract/ Scope of work	Award Value	Start Date	Targeted/ End Date	Status
Greater Mbizana Water Supply Ward 5	Construction of the Bulk PipeLine, Reservoir, Reticulation Pipe Line and	R 31 273 560,08	01-Mar-17	28-Jan-18	Construction

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	Stand Pipe to cover the whole villages of Ward 5.				
Greater Mbizana Water Supply - Ward 4 & 27	Construction of the Bulk PipeLine, Reservoir, Reticulation Pipe Line and Stand Pipe.	Planning	Planning	Planning	Planning

6.2.4 Roads and storm water drainage

The powers and function of transport planning in the municipalities is the jurisdiction of public works. The municipality is working on the programme to provide access roads and transport network plan from the District Municipality. Roads in the municipality are classified as Provincial, District & Access roads. Provincial & District roads are managed & maintained by the province while access roads are MLM's responsibilities. The Municipality has developed an Asset register during the 2014/15 financial year and this deal with information showing the numbers, extent and asset value of the existing access road infrastructures. This asset register together with the maintenance plan will go a long way in ensuring the maintenance of gravel access roads is done systematically with baseline information available.

The department of development planning is in the process of finalising the Geotechnical Information System (GIS) implementation project. GIS will be used to locate and asses roads utilising the latest methods. The Alfred Nzo District Municipality and the Department of Transport recently completed Roads Asset Management System, (RAMS) which covers all the roads that are within the municipal area with details about the status of each roads. RAMS indicates the backlog studies of all the roads and storm water drainage as well as the current status of all the roads within our municipality including the access roads. RAMS will also be included on the consolidated infrastructure master plan which will also include all the information from other sector departments. The information in the asset register will be incorporated into the master plan to have a comprehensive master plan that talks to the existing roads and storm water drainages as well as the roads and storm water drainages that still need to be done. The Municipality has also started the ward based backlog studies which will also confirm the roads and storm water backlogs per ward.

This information will also be aligned to the GIS information that the municipality is currently in the process of compiling. In the long run it is the plan of the Municipality to have a Comprehensive Investment Infrastructure Master plan which will talk to the infrastructure that will attract more investors to invest within our local municipality. This investment infrastructure plan will be started once the backlog studies have been completed and it will be more a phase 2 project. For the purpose of identification of access roads, Operations & Maintenance and subsequent valuation an electronic Access Road Management System that creates various interfaces and

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consolidates information on a desktop has been proposed and is due for implementation during the coming financial year.

Establishing a local transport forum which informs district and provincial forum is vital to streamline the realizing of an integrated transport plan and its subsequent implementation. Mbizana Municipality is responsible for the construction, maintenance and upgrading of access roads within the municipality. The Municipality also plays an active role in the coordination of infrastructure delivery and maintenance between the communities and the departments of roads, transport and public works. The Roads forum is active within our municipality and sits frequently.

As a strategy to cater for non-motorized transport the Municipality has recently adopted a policy on Walkways. Our studies indicate that non-motorized transport in our municipality is close to none-existent but these studies will be reviewed annually so that this type of transport can be catered for if there is a demand for it. Approximately 315.8km of road has been created using MIG funding by end in June 2017 from 2013/2014 and 30km is targeted for the current financial year 2017/18 with a budget of R 23 Million. The following are the municipal MIG allocations for the municipality since the 2013/14 financial year to the 2019/20 financial year. The allocations also indicate the amounts that the municipality has set aside for the road construction which also include the storm water drainage.

6.2.5 Municipal Financial Years (July – June)

- ⇒ 2013/14: R 40 297 000.00 about 68.5% R 27 600 000.00 was meant for roads equivalent to ±36.8km.
- ⇒ 2014/15: R 44 992 000.00 about 80.73 % R 36 406 807.73 was meant for roads equivalent to ±53.5 km.
- ⇒ 2015/16: R 47 216 000.00 about 60% R 28 329 600.00 was meant for roads equivalent to ± 40km.
- ⇒ 2016/17: R 46 159 000.00 about 64 % R 29 551 800.00 was meant for roads equivalent to ± 39.4km.
- ⇒ 2017/18: R 61, 178,000.00 about 39 % R 23,535, 624 is meant for roads equivalent to ±30km.
- ⇒ 2018/19: R 47,416,000.00 about 53 % R 25,252,647.70 is meant for roads equivalent to ±33.4km.
- ⇒ 2019/20: R 48,632,000.00 about 32 % R 15,728,461.00 is meant for roads equivalent to ±23.5km

The intention is to strive for a manageable balance between the need to create new infrastructure and maintain existing ones. In addition, we aim to mobilize more resources to expand coverage through working closely with EPWP and other relevant agencies responsible for road infrastructure development.

A special attention will be given to maintenance and improvement of urban storm water infrastructure which has been badly affected by siltage, clogged culverts and excessive intrusion by flood-transported debris & irresponsible people dumping foreign objects into our system. In the 2015/16 financial year the municipality allocated an amount of 2 million to ensure that the storm water drainage in town is upgraded. This assisted with a longer life span of

our town internal streets. Special attention will be given to needs that advance the goal of achieving the following IDP intentions:-

- ⇒ Creative provision of road infrastructure that support socio-economic objectives such as improving linkages and accessibility of amenities, schools, clinics, community halls etc
- ⇒ Effective rehabilitation and revitalization of urban economic hubs through road and storm water drainage infrastructure delivery in our core urban centre of Bizana.
- ⇒ Continuous engagement of other delivery agencies to take note of the need to ensure adequate provision for functional storm water drainage when designing and developing road networks in all our areas.

The CBP demonstrates that approximately 133 (54.5%) villages have no access to roads whereas 111 (45.5%) have access roads. About 379kms of gravel roads have been maintained from the 2013/14 financial year. Roads are provided with storm water drainage pipes and culverts to allow for surface run off flow without affecting road surfaces. Nine river crossings have been constructed and a plan to construct 3 more bridges is on planning stage.

Major challenges with regard to road maintenance services

- ⇒ Poor conditions of infrastructure; especially roads
- ⇒ Lack of sufficient funds to construct and maintain roads.
- ⇒ Most of access roads are not tarred.
- ⇒ Availability of borrow pits

High backlog of construction of bridges, as detailed by the Ward Based Plan

- ⇒ Ward 3 from Dumsi road to Yange S.PS
- ⇒ Ward 6 Mhlanga to Sontsele
- ⇒ Ward 10 Rockville bridge
- ⇒ Ward 8 Dudumeni bridge
- ⇒ Ward 17 from Mbenya to Ntsingizi
- ⇒ Ward 29 Mntuwenzeni bridge (Cwaka and Phathekile and Mfolozi J.S.S.)

During the 2017/18 financial year the municipality has prioritised the construction and completion of the KwaNdele Bridge.

6.2.6 Road Maintenance

Due the bad conditions of access roads in entire municipal jurisdiction, the municipality has set aside amount of R 8 000 000.00 for rehabilitation of gravel access roads for the 2017/18 financial year. The municipality has purchased internal plant consisting of Grader, Roller and Water Cart with the available budget for the year.. This

new plant is an addition to the existing plant that the municipality already has. The municipality already has a fully-fledged construction plant (Grader, Roller, water cart, Excavator and tipper trucks).

EPWP contract labourers are also utilised to maintain the storm water drainage and also to fix the small to medium potholes within our CBD roads. It is planned that a total of 150m² of pothole patching will be completed by the end of the current financial year.

6.2.7 Operations and Maintenance Projects

Name Of The Project	Ward	Length	Budget	Status
Guqa Access Road	6	1.7	R 625 300,83	Completed
Mfuneli Access Road	18	6.8	R 2 228 365,52	Completed
Extension of Mkhandlwini Access road	2	2.1	R 608 045,71	Completed
Jama Access Road	25	5.0	R 1 925 353,98	Completed
Camagu Access Road	8	0.4	R 197 000,00	Completed
CBD – Pot hole patching	01	192 m ²	R1 000 000.00	Completed
Nyanisweni - Kwambuzi	30&7	8.9Km	R 1986 562.97	In progress
TOTAL		16	R5 584 066.04	

6.2.8 Ongoing projects utilizing own plant

Ward	Project Name	Length	Status
18	Mpondombini Access Road	4.0km	On tipping done
8	Maphakathi Access Road	800m	Completed
18	Mbandana Access Road	600m	Dry Blading completed
29	Mbongwana – Kwa Mditshwa Access Road	7km	Dry Blading completed
20	Madadana – Lindokuhle Access Road	7.0km	Blading done tipping & processing on progress
13	Ngcingo Access Road	800m	Dry blading completed
13	Didi School Access Road	700m	Blading completed
08	Galatyeni Access Road	1.5km	Completed but need skimming
09	Gwabeni Access Road	4.0km	Completed but need skimming

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Ward	Project Name	Length	Status
08	Dudumeni Access Road	200m	Completed
10	Ntlenzi Access Road	4.0km	Incomplete
06	Dindini Access Road	2.3km	Dry blading completed
11	Giniswayo Access Road	1.8km	Blading done
11	Mandlobe Access Road	2.4km	Blading done
08	Ku –Bha Access Road	2.0km	Blading & tipping done, processing on progress
09	Zanokhanyo School via Nqabeni School – Clinic Access Road	3.8km	Blading completed Tipping and processing not yet done
09	Ntlanzwe School – Clinic Access Road	3.8km	Blading completed Tipping and processing not yet done
12	Ndinomntu Access Road	6km	Tipping and processing completed
26	Water House (Nomlacu) Access Road	2.6km	Processing still to be done
2	Ntamonde Access Road	5.0km	Blading done , tipping & processing not yet done
06	Dindini to Mjanyelwa	2,3km	Dry Blading completed
01	Highland EXT4	500m	Dry blading completed
02	Goxe JSS -Nokhatshile via Chibini church	5 km	Virgin road(Measured)
21	Dotye to Greenville	20km	Road bed formation completed
25	Gcinisizwe Access Road	9km	Measured

6.2.9 Ongoing Projects from 2015 / 2016 Financial Year

WARD	PROJECT NAME	SCOPE	BUDGET	STATUS
18	Nyaka Community Hall	300m ²	R2,765,334.00	Hall completed & under construction for toilets.
25	Khumbuza Community Hall	300m ²	R2,812,803.00	Hall completed & under construction for toilets.

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6.2.10 Outstanding Projects for 2014 / 2015 Financial Year

Ward	Project Name	KM	Budget	Status
12	Mntomkhulu to Gxeni Access Road	3.2km	R 1 874 667,25	Contractor back on site. However, the project will be split into phase-1 and 2. The bridge, concrete slab and 1.7km to be done in Phase-2.

6.2.11 MIG 2016/2017 Project Implemented in 2017//18 Financial Year

Ward	Project Name	Scope	Budget	Status
02	Esinyameni to Mkhambathi Access road	9.1km	R 6,328,210.00	Under Construction
31	Zindleleni via Groundini Access Road	10.1km	R 5,459,837.85	Completed
23	Marina to voting station Access Road	2.4km	R 3,028,683.74	Completed
29	Mkhungo to Nkuzi Access Road	4.1km	R4,363,230.30	The project will be split into Phase-2 to complete the low-level crossing
09	Nqabeni Community Hall	300m ²	R2,498,803.00	Hall completed & under construction for toilets.
29	Ward -29 Community Hall	300m ²	R2,423,324.10	Hall completed & under construction for toilets.

6.2.12 Project Carried Out from 2017 / 2018

Ward	Project Name	SCOPE	BUDGET	STATUS
16&19	Mngomazi Access Road	4.7km with a 2.1km concrete slab within the 4.7km	R 10,530,121.34	Under construction
25	Sikhombe Access Road	TBA	TBA	Under Design
11	Nggindilili Access Road	1.8km with concrete slabs on 2 steep areas	R 2,779,875.52	Under construction

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Ward	Project Name	SCOPE	BUDGET	STATUS
5	Nonqulana Monument Access Road	8km	R 4 449 094,00	Under construction
28	Sigidini to the Beach Access Road	3.8km	TBA	Consultant Appointed
24	Ebenezer Via former ward councillor Gwala access road	TBA	TBA	To be done by SANRAL
12	KwaNdela Bridge	1km and a bridge	R 7 178 145.66	Contractor appointed and awaiting EIA approval for the bridge.
1	Surfacing of Bizana Internal Streets Phase in Town	1.5km	R 9,112,588.86	Under Construction
1	Mbizana Town Hall in Ward- 1	2 455.24m ²	R 83 412 759,95	Contractor Appointment
14	Ward-14 Luthulini ECDC	200m ²	R2 278 378,00	Under Construction
15	Ward-15 Labane ECDC	200m ²	R 2,492,564.00	Under Construction
1	Mphuthumi Mafumbatha Sport Field	29 702m ²	R 12,000,000.00	Under Construction

6.2.13 Ongoing Projects from 2017-2018 still to be implemented in 2018/2019

WARD	PROJECT NAME	SCOPE	BUDGET	STATUS
12	Mntomkhulu to Gxeni Access Road Phase-2	1.7m, concrete slab on steep section and a bridge	R 4 291 222,57	To be registered with MIG.
1	Mphuthumi Mafumbatha Sport Field	29 702m ²	R 11 678 640.30	Under Construction
1	Mbizana Civic Centre		R 6 007 711,60	Contractor Appointment
14	Ward 14 ECDC at Luthulini Village	200 m ²	R 2 100 000,00	Contractor Appointed
8	Ward-8 Ndakeni ECDC	200m ²	R 381 359.06	Under Construction
16	Ward-16 Mhlwazini ECDC	200m ²	R 686 810.14	Under Construction

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20	Ward-20 Lindokuhle ECDC	200m ²	R 306 437.17	Under Construction
1	Surfacing of Bizana Internal Streets-Phase 1	TBA	R 5 215 200,80	Under Construction
29	Mkhungo to Nkuzi Access Road Phase-2	Completion of the low-level crossing	R 1 750 055,81	To be registered with MIG.
25	Sikhombe Access Road	TBA	R 5 062 223,35	Under Design
5	Nonqulana Monument Access Road	8km	R 1 912 275,29	Under Construction
28	Sigidini to the Beach Access Road	3.8km	R 2 443 522,69	Consultant Appointment
12	Kwa Ndela Bridge	1km and a bridge	R 4 438 542,18	Contractor Appointed and awaiting EIA Approval for the bridge
2	Esinyameni to Mkhambathi Access Road	Close-out report	R47 710,50	Currently under construction at completion stages.
16&19	Mngomazi Access Road	Close-out report	R 41 410,50	Currently under construction at completion stages.

6.2.14 Prioritized Infrastructure Projects for Financial Year 2018/2019 - Roads

These projects might be moved to 2019/2020 due to current commitments

Ward	Name Of The Project	Length (Km)	Preliminary Estimate	Status
4	R61 to Mazweni Primary School access road	2.8km	R 1,961,321.46	Under Design
10	Mgodini to Mpondo Village access road	5.1km	R 2,247358.92	Under Design
25	Bazana Access roads	9.1km	R7,098,421.34	Consultant appointed
30	Mpenkulu to Tulufa Village Access road	6.5km	R 4,421,359.33	Under Design

6.2.15 2018/2019 Early Childhood Development Centres

The following projects might be moved to 2019/2020 due to current commitments

Ward No	Name Of The Project	Area (M ²)	Tech Report Estimate	Status
1	Early Childhood Development Centre (Ward-1)	TBA	TBA	Planning

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Ward No	Name Of The Project	Area (M ²)	Tech Report Estimate	Status
5	Early Childhood Development Centre (Ward-5)	TBA	TBA	Planning
7	Early Childhood Development Centre (Ward-7)	TBA	TBA	Planning
12	Early Childhood Development Centre (Ward-12)	TBA	TBA	Planning
17	Early Childhood Development Centre (Ward-17)	TBA	TBA	Planning

6.2.16 Civic Centre or Town Hall

Ward	Name Of The Project	Area (M ²)	Award Value	Status
1	Mbizana Town Hall in Ward-1	2 455.24m ²	R 83 412 759,95	Contractor Appointed

6.2.17 Sport Facility

WARD NO	NAME OF THE PROJECT	LENGTH/AREA (km)/m ²	TOTAL AWARD VALUE	STATUS
1	Mphuthumi Mafumbatha Sport Field	29 702m ²	R61 862 554,68	Under construction

6.2.18 Prioritized Projects for 2019/2020

The following projects might be moved to 2020/2021 due to current commitments

WARD	PROJECT NAME	SCOPE	BUDGET	STATUS
13	Early Childhood Development Centre (Ward-13)	TBA	TBA	Planning
23	Early Childhood Development Centre (Ward-23)	TBA	TBA	Planning
25	Early Childhood Development Centre (Ward-25)	TBA	TBA	Planning
28	Early Childhood Development Centre (Ward-28)	TBA	TBA	Planning
30	Early Childhood Development Centre (Ward-30)	TBA	TBA	Planning
01	Extension-4 Bridge (Ward-1)	TBA	TBA	Planning
5	Sijingi to Mangunga Access Road via Methodist Church Voting Station (Ward-5)	TBA	TBA	Planning
9	Ebumnandini to Nqabeni S.S.S Access Road (Ward-9)	TBA	TBA	Planning
15	Gabisa via Makhosonke Access Road (Ward-15)	TBA	TBA	Planning
18	Mqonjwana to Greenville Access Road (Ward-18)	TBA	TBA	Planning
25 & 28	Lubekelele Access Road (Ward-28 & 25)	TBA	TBA	Planning

6.2.19 Prioritized Projects for 2020/2021

The following projects might be moved to 2021/2022 due to current commitments

WARD	PROJECT NAME	SCOPE	BUDGET	STATUS
9	Early Childhood Development Centre (Ward-9)	TBA	TBA	Planning
10	Early Childhood Development Centre (Ward-10)	TBA	TBA	Planning
18	Early Childhood Development Centre (Ward-18)	TBA	TBA	Planning
19	Early Childhood Development Centre (Ward-19)	TBA	TBA	Planning
26	Early Childhood Development Centre (Ward-26)	TBA	TBA	Planning

6.2.20 2013-2018 Summary of Prioritized Community Halls

Ward	NAME OF THE PROJECT	Size (m ²)	STATUS	YEAR
28	Lundini(Ward-28) Community Hall	300	Completed	2013-2014
10	Newtown Community Hall	300	Completed	2013-2014
15	Makhosonke Community Hall	300	Completed	2014-2015
7	Mzamba Community Hall	300	Completed	2014-2015
12	Mhlabi Community Hall	300	Completed	2014-2015
7	Majazi Community Hall	200	Completed	2014-2015
25	Khumbuza Community Hall	300	Under Construction	2015-2016
18	Nyaka Community Hall	300	Under Construction	2015-2016
17	Ward-17 Community Hall	300	Completed	2015-2016
9	Nqabeni Community Hall	300	Under Construction	2016-2017
31	Esizityenani Community Hall	300	Completed	2016-2017
29	Ward -29 Community Hall	300	Under Construction	2016-2017
1	Mbizana Town Hall in Ward-1	2 455.24m ²	Contractor Appointment	2017-2018

6.2.21 Building Maintenance and Repairs

The Maintenance and Repairs unit is new in the department of Corporate Services; it was initially under Engineering Services and later transferred to Corporate Services department with its budget. The unit is operating without any man-power, however inputs to review the structure were submitted for consideration to leadership. The unit is responsible for maintenance of all Municipal buildings including Community Halls, Sportfields and Municipal offices.

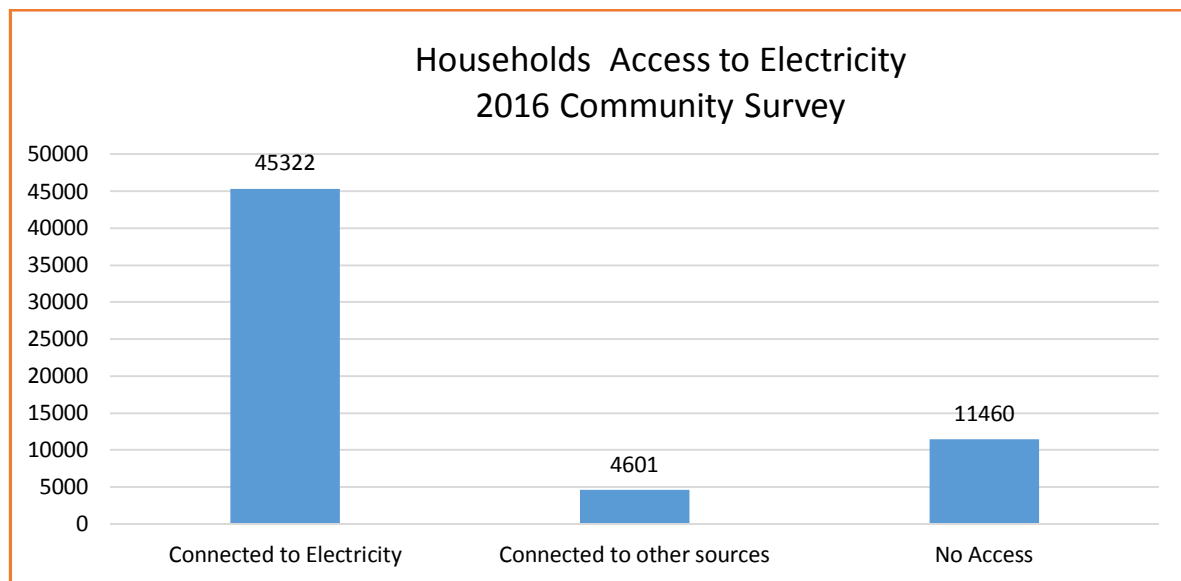
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6.2.22 Energy Supply

The Mbizana Local Municipality is responsible for the provision and maintenance of electricity to the residents of the town which is the seat of the local municipality and Eskom provides the service of electricity to the rest of the municipal area starting from the outskirts of the town to the municipal boundary. The municipality also receives funds from the department of Energy through schedule 5b and we do electrification on the rural areas. The municipality and Eskom did a 5 year electrification master plan which when completed the municipality would have reached a universal access within its area of Jurisdiction.

This electrification master plan has been adopted by council though the numbers per village are reviewed before the implementation of the project. There is a general increase of electricity demand in Mbizana as new households are constructed. In conjunction with Eskom. According to 2016 community survey 45322 households are connected to electricity ,Municipality has managed to reduce electricity backlogs from 19000 (39 %) households in 2011 to 17% which is 8268 households in 2018.. This backlog will further reduce once the on-going projects are completed. The Municipality has also received an amount R21.6 Million from the office of the premier for electrification projects.



The above chart shows that most households have access to electricity. Once the projects that are currently under implementation are completed the municipality will be left with a backlog figure of approximately 16 671 households with no electricity. In areas where the electricity will not be provided soon the municipality is currently providing solar system for these areas through assistance from Department of energy. An amount of R 34 million has been approved as the INEP allocation for 2017/18 financial year. This amount will be utilised to complete the ongoing electrification projects. The Municipality received an amount of R40.4 million from DBSA through front loading to

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speed up the provision of electricity. The INEP allocation is utilised to pay back this loan from the DBSA. The following table indicates the Electrification Projects that are currently being implemented by the Municipality through the INEP and DBSA Front Loading.

WARD	PROJECT NAME	SCOPE / HH	STATUS
19	Monti/Ntlozelo Electrification	1343	Project on hold with challenges causing delays in completion. Contract terminated and advert will be out for the appointment of other contractor.
18 & 22	Mqonjwana/Lugwijini	548	Project completed and 533 households energised. The 15 extra households are awaiting meters.
28	Gumzana	411	Completed and energised , 7 extra households to be connected under infills project.

During the 2017/18 financial year the municipality will also implement a project for household connection in the Mpindweni Village which was left during the electrification of Tsawana Village. This village has a total number of 29 Houses but the high cost is mainly due to the terrain and long MV and LV lines that must be constructed.

Mbizana Local Municipality received R 25 030 000.00 INEP allocation for the FY 2018/19 and 2 174 connections will be achieved utilising the allocated funding.

6.2.23 2017/18 Ongoing Electrification projects (OTP Funded)

Ward number	Name of the Project	Number of connections	Project Status
27 & 4	Qungebe /Ludeke village	285	Completed and energised .(Qungebe village 3 households left)
25	Jama village	244	Completed and energised.
14	Mpetsheni village	220	Completed and energized
16	Mpsi village	205	Completed and energized (2 transformers awaiting outage).
1	5 Mva backbone line	N/A	Under pre-engineering stage.
TOTAL		1 360	

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6.2.24 Electrification projects for 2017/18 (DoE funded)- Eskom and Municipality

Project Name	Project Type	Planned connections 17/18	Link Line Length	Project Status
Mpetsheni (Qadu)	Household	406		Complete and energized
Mpindweni	Household	29		Complete and energized
Monti/Ntlozelo link line	Infrastructure		32 KM	Completed and Energized
Mpetsheni Link Line	Infrastructure		5 km	Complete and energized
Mgungu	Household	209		Complete and 209 households energized.
Mgungu Link Line	Infrastructure		5 km	Complete and energized
Tshemese 01	Household	472		Complete with 400 households energized
Tshemese 01 Link Line	Infrastructure		4 km	Complete and energized
Mpetsheni (Luthulini, Lumphondweni)	Household	482		Complete and 452 households energized.
Mpetsheni Link Line	Infrastructure		4	Complete and energized
Lukhanyisweni (Mncwati, Ngojane)	Household	400		Under construction with 58 households energized
Lukhanyisweni Line	Infrastructure		8	Under construction
Mbizana Infills	Infills	400		

6.2.25 Planned Electrification projects by Mbizana municipality for 2018/19

Project Name	Ward Number	Project Cost(subject to change)	Planned H/H	Actual H/H
Giniswayo , Mampingeni , Swane , Lucwaba	10 & 11	R 13 972 987.50	676	754
Mdikisweni , Ukhalo , Pele-Pele	11	R 11 096 491,20	525	788
Diphini , Mandlobe , Madada, Sigodlweni	11	R 10 492 192.50	553	632
TOTAL		R 35 561 671.20	1 754	2 174

6.2.26 Proposed Plan by Eskom for 2018/19 Depending on DoE Funding

Project Name	Project Type	DoE TOTAL Planned CAPEX Excl VAT 2017/2018	DoE TOTAL Planned CAPEX Incl VAT 2017/2018	TOTAL Planned Connections 2017/2018	Beneficiaries (Projects/Areas Benefiting from Infrastructure Project)
Lukhanyisweni Link line	Infrastructure	R 1 120 000.00	R 1 276 800.00	4 km	

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Project Name	Project Type	DoE TOTAL Planned CAPEX Excl VAT 2017/2018	DoE TOTAL Planned CAPEX Incl VAT 2017/2018	TOTAL Planned Connections 2017/2018	Beneficiaries (Projects/Areas Benefiting from Infrastructure Project)
Christlow	Household	R 7 567 000.00	R 8 626 380.00	325	Chitwayo, Ngojane (Christlow , Mission)
Mabhengutini Link line	Infrastructure	R 1 120 000.00	R 1 276 800.00	4 km	
Makhwantini	Household	R 4 216 944.45	R 4 807 318.00	250	Dangeni , Maqongwana, Phandulwazi,Gcinisizwe
Mgungu	Household	3 373 555,55	3 845 852.00	200	Hlanathi , Mgwede, Mahaha
Mkhwantini Link line	Infrastructure	R 840 000.00	R 957 600.00	3 km	
Mbizana Type 1 Infills	Households	R 6 016 000.00	R 6 858 240.00	118	Various Wards
Mbizana Pre engineering	Households	R 3 130 565.79	R 3 568 845.00		Various Wards
		R39 702 631.58	R45 261 000.00	1618	

NB: Prioritization for the two outer years (2019/20 & 2020/2021) has not been done for both Eskom and Municipality.

KPA 1: BASIC SERVICE DELIVERY**6.3 COMMUNITY AND SOCIAL SERVICES****6.3.4 Environmental Management**

The municipality has improved its functional capacity for undertaking environmental planning and management ever since the establishment of the environmental management unit. The municipality has made a tremendous improvement in performing impact assessments for its projects and general performing environmental tasks associated with our principal responsibilities as per the Constitution.

6.3.5 Biophysical Environment

The natural area and vegetation is 65 %, with 12 vegetation dominant types, wetlands that exist are 523 ha, out of 33066 ha. There is a very small portion of protected area (marine protected area); however the municipality has initiated some projects to improve this poor conservation of natural areas. The Biodiversity patterns across this region have been categorized as per the EC Biodiversity Plan into 3 levels of priority; these 3 Critical Biodiversity Areas are CBA's 1, 2 and 3.

The ECBP which is currently under review included an assessment of the importance of various aquatic ecosystems and the catchments required to sustain them. Catchments were classified into CBAs reflecting their importance. The coastal strip of Bizana is categorized under CBA 1. The other assessments which categorize the Aquatic CBA's of Bizana prove that the area stands out as being classified as CBA 1 as these rivers and their catchments support estuaries that are considered national and provincial priorities (ANDM EMF, 2012).

6.3.6 Biodiversity Management

This area is rich in medicinal plants and as such exploitation is also high, the medicinal plants like *Helichrysum petiolare* (Imphepho) have been identified as the most exploited medicinal plant as they harvest this plant in tons for commercial use in KZN. The municipality further established the Planting of Indigenous trees to schools program as a response strategy towards climate change. The program is normally linked with celebrations of the Arbor Week and serves as one of the municipal strategies towards climate change resilience.

The municipality is currently in the process of Proclamation of Mthamvuna Nature Reserve Project, funded by DEA. The process is meant to assist the community in creating a tourist attraction/leisure spot, thereby creating job opportunities to the locals of the area. The aim of establishing the nature reserve is also meant to preserve the

natural state of the area as it is rich in biodiversity hence the fencing of the area and establishment of a medicinal nursery which will avoid the overharvesting of a medicinal plants in the area. The nursery is planned to be operated in partnership with the community trust and local traditional healers (Amagqirha) will advise on which plants need to be planted.

6.3.7 Alien Plants Encroachment

Alien invasive plants pose one of the biggest and most problematic threats to the environment of Mbizana. Not only may their effects be latent and sometimes difficult to detect and assess in extent, but they may just as easily be explosive and overwhelming. Similarly new areas have been invaded that were previously considered “clean” and safe from immediate threat. Within the Mbizana coastal terrain there is a high invasion currently at a tough and challenging pivot point as alien species are arriving and reproducing at an alarming and increased rate, driven b In Mbizana, the invasion of alien grasses has dramatically increased the frequency and intensity of fires in dry forests y a combination of natural and man-made factors (such as floods and inappropriate land use practices).

The municipality has thus prioritized alien species removal for addressing present and future problems of alien plant control in Mbizana inland and coastal areas, through sourcing of funding from various potential funders i.e. DEDEAT, DEA etc. The program has always been intended for protection, preservation, management, or restoration of natural environments and the ecological communities that inhabit them.

- ⇒ Increased water security with enhanced stream flow and improved water quality.
- ⇒ More productive wetlands, estuaries and water tables.
- ⇒ Rehabilitation of degraded land with a strong emphasis on Land Care to secure the sustainable productivity of land.
- ⇒ Conservation of biodiversity and catchment integrity and the reduction in the frequency and intensity of fires and floods.
- ⇒ Inappropriate farming methods on commercial farms have given rise to severe land degradation and soil erosion. Environmental management policies and practices remain sectoral and fragmented.
- ⇒ Inadequate resources that can assist in fostering sustainable and integrated environmental management practices to improve the life of Mbizana citizens.
- ⇒ Poor skill development in the aspect of environmental management, hence there is less development.
- ⇒ Inappropriate development due to shortage of lands in area/lands that need to be protected, e.g. Wetlands.

6.3.8 Climate Change Response

The Mbizana Local Municipality in 2014 had adopted a climate change strategy which had been included in the IDP. The strategy was developed in 2014 and the responses outlined are aligned with the ANDM Vulnerability Assessment which states that our region is increasingly recognized as one of the areas in South Africa that will be hardest hit by climate change & represents significant **opportunities** for adaptation and building local community resilience against extreme hazards and adverse **climate change impacts** due to its natural biodiversity and ecosystems resource base. The climate change response strategy aimed to:-

- ⇒ Ensure that the municipality is consistent with national priorities, including poverty alleviation, access to basic amenities including infrastructure development, job creation, rural development, foreign investment, human resource development and improved health, leading to sustainable economic growth;
- ⇒ Ensure alignment with the need to consistently use locally available resources;
- ⇒ Ensure compliance with international obligations;
- ⇒ Recognize that climate change is a cross cutting issue that demands integration across the work programmes of other departments and stakeholders, and across many sectors of industry, business and the community;
- ⇒ Focus on those areas that promote sustainable development;
- ⇒ Promote programmes that will build capacity, raise awareness and improve education in climate change issues;
- ⇒ Encourage programmes that will harness existing national technological competencies;
- ⇒ Review the strategy constantly in the light of national priorities and international trends;
- ⇒ Recognize that South Africa's emissions, Provincial and Local emissions will continue to increase as development is realised.
- ⇒ Ensure that Mbizana Local municipality IDP prioritizes building climate resilience through planning human settlements and urban development; provision of municipal infrastructure and services; water and energy demand management; and local disaster response, amongst others.

7. Coastal Management

The coastal belt, approximately 30kms wide forms part of the areas of high conservation value and is ranked second highest floristic region in terms of species richness in a coastal area. Therefore it is important to ensure that this area is protected and conserved when making recommendations for future developments.

The municipality as a coastal municipality has a responsibility to develop an Integrated Coastal Management Program (ICMP) which has currently been developed adopted by the councils, both Mbizana LM and ANDM.

8. Integrated Coastal Management Programme

Mbizana Local Municipality is known for its beautiful and diverse coastline, which is part of the captivating Wild Coast of the Eastern Cape. In the past, South Africa's coastline has not always been utilized and managed in an appropriate manner, resulting in the degradation of significant portions of this valuable national asset. In response, the Integrated Coastal Management Act No. 24 of 2009 as amended by Act No. 36 of 2014 (ICM Act) was developed to promote ecologically, socially and economically sustainable coastal development and resource use, as well as to control inappropriate development along our coast. In respect to coastal management tools, Chapter 6 of the ICM Act mandates all three spheres of Government to prepare Coastal Management Programs (CMPs). A CMP, in general terms, is a policy or strategy document that contains vital coastal management objectives, which serve as a system of principles to guide decisions and achieve rational outcomes relating to the coastal environment.

The situational analysis provides a review and interpretation of existing information on the biophysical and socio-economic characteristics and management context of the Mbizana coastal area in order to identify and describe emergent and recurrent coastal issues, constraints and opportunities. The intention of this component of the CMP is not to re-sample the social, economic or ecological situation of the area but rather to synthesise the numerous existing documents, reports and publications that have done so previously.

The primary objective of the situational analysis is therefore to integrate the findings of the relevant Spatial Development Frameworks (SDF.s), Environmental Management Framework, numerous documents and plans for the Wild Coast and other information that is relevant to coastal management within the region. In so doing, this CMP component highlights issues of priority or concern that require specific attention. Emergent and recurring environmental and socio-economic issues of the Mbizana coastal area are summarized in the document.

The inventory analysis on the entire Mbizana coastal belt is as follows:

- ⇒ Land use is dominated by natural areas, scattered agriculture / plantations, rural settlements and limited tourism development.
- ⇒ Shoreline is very diverse with estuaries, sandy beaches, pebble/shingle beaches and wave cut platforms.
- ⇒ Vegetation Types comprises of coastal sourveld (grass land) & dune forest
- ⇒ Estuaries – critical and need an proper management plan.

9. Working for the Coast Project

A prominent program (Working for the coast Project) has pioneered Coastal management in our coast for many years, through dune rehabilitation, alien plant removal, cleaning of 5 beaches, construction & installation of beach

facilities. Also the municipality has applied and received Pilot blue flag status in Mzamba beach and Mtentu beach. The Pilot Blue flag status prioritizes critical areas in which the municipality needs to improve:-

- ⇒ Improved road infrastructure to the beaches.
- ⇒ Signage leading to all tourism attractions spots needs to be clearly indicated
- ⇒ Improved beach management in terms of life guards in all beaches, especially those which host a number of people during holiday seasons.
- ⇒ Alien removal and creation of walking paths and boardwalks in sensitive areas programme along the 1 km zone.
- ⇒ An informative mapping of the area which is inclusive of topographic, biodiversity, land-use and all other critical aspects.
- ⇒ Ablution facilities in all the 5 beaches including parking space, clearly demarcated and camping spots which are clearly demarcated.

10. Marine Resource Management

In the management of the Marine resources, there are two governmental departments operating in the Mbizana coast:-

- ⇒ DAFF (Fisheries) - operates from a high-water mark towards the sea. Its function is to ensure compliance from all fishers.
- ⇒ DEDEAT- Responsible for monitoring activities within the 1 km zone from the high water mark towards inland.
- ⇒ DEA – Assist in management of the Coast through The Working for the Coast Project, which mainly focuses on cleaning of the beaches and maintenance/installation of beach facilities.
- ⇒ DAFF (Forestry)- manages the indigenous forests in the coastal dunes, development of a policy regarding small scale fisheries is soon to be adopted, which will assist small scale fishers.

Fishing activities are mainly happening in the estuaries. Estuaries serve as a nursery home for marine species; however agricultural practices seem to play a role in interfering with this habitat. Due to inappropriate agricultural practices close to the estuaries siltation causes blockage hence a habitat for marine species is disrupted. ECPTA extended the conservation area and hired rangers to oversee the area. The programme is funded by the Wild Coast Project.

11. Mbizana Estuaries and their Challenges

Estuary	Features	Challenges	Opportunities
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Mtentu Estuary	<p>It is a protected area</p> <p>Fishing is prohibited</p> <p>Boats with engines are prohibited</p> <p>It is a nursery for marine species</p> <p>It is a perennial river</p> <p>Considered to be one of the two biggest and longest protected estuaries in the Eastern Cape.</p>	<p>Illegal fishing by nearby communities</p> <p>Jet skis enter the estuary illegally</p>	<p>Fly fishing can be successfully done</p> <p>Influx of seasonal king fish hence fishing is possible</p> <p>Canoeing</p> <p>Beautiful cliffs that can be viewed by tourists</p> <p>Indigenous forests, hence it falls on the Wild Coast strip</p> <p>Campsite next to the estuary for accommodating tourists</p> <p>It forms division from the Mkhambathi nature reserve</p>
Skhombe	<p>No activities are done in this estuary</p> <p>Non-perennial</p>	<p>Agricultural practice on the river banks causes degradation then the sand is eroded to the estuary hence a build-up of silt in the estuary</p> <p>Sand dunes not covered by vegetation</p> <p>Illegal cottages that are in a very close proximity to the estuary which somehow interferes with the marine habitat.</p>	Canoeing
Khwanyana Estuary	<p>The Khwanyana camp is no longer in existence, hence there are no more activities done such as horse hiking trails</p>	<p>There is a lot of sand build-up that has almost clogged the river hence there is agricultural practice next to the estuary.</p> <p>It is surrounded by bare sand dunes (without vegetation)</p>	

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Mnyameni Estuary	Perennial rivers Fishing is good Campsite next to the estuary is currently operated by DEA, however it is supposed to be operated by the Municipality and the community	Agricultural practice next to the river which may affect the estuary	There is a proposed accommodation development
Mzamba	Fishing is good Proposed boat launching site Used as a film production area due to it's extraordinary natural features Perennial river It is supposed to have a management plan The Wild Coast Sun uses the river as their main water supply Registered launching site (not functional)		
Mtamvuna	Boats are permitted Host for boat competitions and jet ski's Fishing is not that good hence there are a lot of activities in the river.		

12. Waste Management

The Council has a responsibility to:

- ⇒ Provide equitable waste collection to all households within its jurisdiction.
- ⇒ Achieve integrated waste management reporting and planning.
- ⇒ Encourage separation of waste at source especially domestic waste generated by households.
- ⇒ Encourage community involvement in recycling programs.
- ⇒ Ensure that health and safety, communication, awareness creation and complaints are addressed.
- ⇒ That such collection, disposal or recycling take account of the waste management hierarchy.

Integrated Waste Management Plan was completed and adopted by Council in 2014 and had been sent to MEC for approval. The municipality gazetted refuse Removal & sanitary by-laws regulating waste management and currently being reviewed as per the NEMWA. There are a number of noticeable waste hotspot in town and surrounding. These hotspots are being managed by utilising our EPWP employees to work on them, and there is a huge improvement on that. Non-implementation of By-laws to deal with waste hotspots is hindering progress in limiting the number of hotspots in Mbizana. These hotspots are highly catalyzed by low levels of waste management service in most areas. Waste management service is being provided in businesses at an interval of

3 days a week, and a total of 204 small businesses, 49 large businesses, and in 1234 households collection done once a week. The services has also been extended to outside the CBD i.e. in Governmental institutions, Greenville hospital, Mzamba Police Station, Ku-bha Service Station, Seaview business hub, Wild Coast taxi rank, and Zamokuhle Special school. There are also plans in place to extend our services to Nompumalanga Special School, Vukuzenzela Special School, all 22 clinics around Mbizana, Formal businesses outside the CBD, and Residences which are running businesses (those who have tenants).

There is 1 legally compliant landfill site which is currently under construction; a temporal dumping site without is operated by the municipality. The municipality has compiled a rehabilitation plan with financial projections in preparation for closure of the EXT 3 dumping site. The plan aims at minimizing the environmental and social impacts caused by the illegal dumping site and to follow legal processes to closing down the site. The municipality is currently in negotiations with Department of Environmental Affairs to finalize construction of the Majazi landfill site.

13. Recycling initiatives, Training and Awareness

There are informal recycling initiatives in Bizana town (Re-claimers), Sasuka Recyclers an Impact paper funded company specializing in Cardboard, paper and plastics. This company has employed 10 Women and a metal re-claiming company which has just established itself in town, metal is collected from all 31 wards and most of the collectors sell their recyclables in KZN (Port Shepstone and Durban). 2 Cooperatives (Mvelase recyclers and Yona Yethu recyclers) have been established by the municipality for glass, plastics, paper and cardboard recycling is done by informal recyclers.

The municipality deals with general lack of awareness by public and 3 waste management awareness are conducted per year. These awareness's have played a major role in minimizing waste around town and there has been an increase in number of recyclers around town.

14. Overall Environmental Management Challenges:

- ⇒ Over exploitation of natural resources due to extraction and changes in land use which result in loss of bio diversity through sand mining, unmanaged harvesting of species and unmanaged harvesting of mangrove forest and other forest stands.
- ⇒ Soil erosion leading to siltation of rivers and estuaries, and loss of valuable agricultural land.
- ⇒ The spread of invasive alien species which in turn has the potential to disrupt natural ecosystem functioning. Removal of aliens is being currently carried out by our EPWP employees.
- ⇒ Poor reporting rate of environmental damage such as degradation due to illegal sand mining which usually occurs in wards 16,22, 25, 28, 29; borrow pits that are used without permits and have been left

thereafter without being rehabilitated and natural causes like sinkholes in areas like ward sixteen (16) and ward three (3).

- ⇒ Increased urbanization in river catchments.
- ⇒ Inadequate, overloaded or defective sewage treatment infrastructure which leads to environmental and health risks.
- ⇒ Limited storm water management
- ⇒ Pathogenic contamination of inland waters due to poor sewage treatment and disposal.
- ⇒ Habitat degradation. Restoration of plants in their habitats by replanting them.
- ⇒ Loss of arable land to housing developments
- ⇒ Lack of awareness of environmental principles and relevant environmental and planning legislation and policy.
- ⇒ Environmental non-compliances, lack of prioritization of environmental issues.
- ⇒ No management of wild animals/ problematic animals, causing risks to human lives more especially in rural areas
- ⇒ No legal operational dumpsite/ landfill. Majazi land fill site still under construction.
- ⇒ No slipway/launching site for boats to fish offshore.
- ⇒ A growing number of illegal cottages seem to be a challenge along the coast. These cottages are established by tourists in rural homesteads along the coast.
- ⇒ Limited land for extension of cemetery.
- ⇒ Few wards have demarcated land for cemetery.
- ⇒ No proper cemetery register in place and no records from previous years.
- ⇒ Limited space for urban green space in Mbizana.
- ⇒ Littering in green spaces such as wetland.

15. Current and Planned Interventions to overcome Environmental backlogs:

- ⇒ Drafting of Environmental Management Framework.
- ⇒ Sittings of a Local Coastal Committee to address all coastal issues and create good working relations amongst all governmental departments and parastatals / organizations
- ⇒ Ward based Environmental and Waste Management awareness's.
- ⇒ Removal of Alien Plants in various areas and rehabilitation of wetlands
- ⇒ Working on Fire program
- ⇒ Greening of open spaces in town and surrounding areas.
- ⇒ Adopt a river program by Department of Water Affairs.
- ⇒ Planting of Indigenous Trees in various schools and other public places.

- ⇒ Working for the Coast Project
- ⇒ Proclamation of Mthamvuna Nature Reserve
- ⇒ Construction of Majazi Landfill site
- ⇒ Establishment and support of recycling initiatives
- ⇒ Environment and Culture sector – EPWP
- ⇒ By-law for the control of the seashore and the sea
- ⇒ Review of Recreational Facilities Policy
- ⇒ Review Cemeteries and crematoria by-laws

16. Disaster Management

Mbizana Local Municipality is not immune to emergencies and disasters and annually suffer the impact of various human-induced and natural hazards that have the potential to kill, injure, destroy and disrupt. The local authority is committed to ensuring the safety of its inhabitants and the sustainability of its communities, economy and environment and therefore intends to effectively manage disaster risks.

In terms of the Disaster Management Act, 2002 (Act 57 of 2002), municipalities are required to compile municipal disaster management plans.

The key intended outcomes of this plan are the integration of Disaster Risk Management into the strategic and operational planning and project implementation of all line functions and role players within the municipality, the creation and maintenance of resilient communities within the area and an integrated, fast and efficient response to emergencies and disasters by all role-players. The municipality has thus developed and adopted a level 1 disaster risk management plan with the following objectives:

17. Summary of Disaster Management Plan Objectives

The overall objective of this document is to define and describe the essential elements and procedures for preventing and mitigating major incidents or disasters, but also to ensure rapid preparedness and effective response and aspect specific contingency planning in case of a major incident or disaster that will:-

- ⇒ Save lives; Reduce risk exposure; Reduce suffering; Protect property; Protect the environment; Reduce economic and social losses; and Provide for the safety and health of all responders.
- ⇒ Establish integrated institutional capacity within the municipality to enable the effective implementation of disaster risk management policy and legislation i.e. a series of workshops and awareness campaigns was conducted.

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- ⇒ Establish a uniform approach to assessing and monitoring disaster risks that will inform disaster risk management planning and disaster risk reduction undertaken by the municipality and other role-players.
- ⇒ Develop and implement integrated disaster management plans and risk reduction programmes in accordance with approved frameworks.
- ⇒ Ensure effective and appropriate disaster response and recovery.
- ⇒ prevention and reduction of disaster risks;
- ⇒ mitigation of impacts; preparedness for effective response to disasters;
- ⇒ minimize loss and property damage; and quick recovery from the impacts.
- ⇒ To establish Disaster Local Advisory Forum.

18. Community Facilities

⇒ Cemeteries

The municipality is currently operating 1 cemetery in Ward 1 using the cemeteries and crematoria by-laws. The by-laws are currently being reviewed and amended. A plan to fence rural existing cemeteries is also in place and conduct cemetery awareness campaigns.

⇒ Park & Heritage sites

The municipality received funding from Department of Environmental Affairs for the development of a community park of Mbizana in ward 1, close to extension 3. The municipality maintains 4 heritage sites within the municipals jurisdiction which include, Khananda, O.R. Tambo monument, Winnie Madikizela and Ndlovu heritage site. The purpose of having the community park is for recreational benefit, aesthetic benefit as well as ecological benefits. The municipality is also currently reviewing a policy relating to Parks and Municipal Facilities.

⇒ Community Halls

There are 32 functional community halls ward 29 and 18 community halls under construction. The operation of the halls is done through the adopted policy: Hire of Recreational facilities policy which is currently being reviewed, Hall Management Committees and EPWP.

Social Programmes

The municipality will be reviewing a Social Relief of Distress Policy and has drafted a Pauper Burial Policy.

Fire and Rescue

Municipality Conducted Veld Fire awareness in various wards of Mbizana and planning to engage Working on fire and ANDM so as to establish a fully fledged Fire and Rescue Services in future.

18.1.1 Free Basic Energy (FBE)

Mbizana municipality is subsidizing free basic energy to the indigent communities both in urban and rural people. In urban we are providing about **207** indigent people through the municipality since we have our own vending machine and in rural we have 1460 indigent people receiving free tokens on a monthly basis through Eskom. According to our target per the SDIP we have 1708 indigent people (set as a target) both in urban and rural and as such we have already exceeded the target.

18.1.2 Free Basic Alternative Energy (FBAE)

The municipality has been implementing the solar energy project funded by the Department of Energy since 2011; this solar energy project is mainly used as our alternative energy source. The municipality is currently providing assistance to about 4554 installed customers in the following wards: 11, 14, 15, 16, 25 & 28. The municipality has requested the department for additional funding to accommodate applicants that still need to get the solar.

18.1.3 Indigent Register

The municipality has developed and adopted an indigent register in June 2017. The review process is a yearly program. The municipality have an adopted indigent policy and it was reviewed. This policy is a guiding document which determines how the institution can provide the Free Basic Services. It is taken from the National Indigent Policy framework and also some of the legislative frameworks like:

- ⇒ The constitution of the RSA (Act. 108 1996)
- ⇒ The Municipal Systems Act. 2000 (Act 32 of 2000)
- ⇒ The Municipal Finance Management Act 2003 (Act 56 of 2003)
- ⇒ The promotion of Administrative Act; 2000 (Act 3 of 2000)
- ⇒ The promotion of access to information Act 2000 (Act 2 of 2000)
- ⇒ The municipal Property Rates Act; 2004 (Act 6 of 2004)

18.1.4 Library Services

Mbizana Local Municipality through the assistance of DSRAC has three libraries: Mbizana Public Library situated in town (Ward 01), Nkantolo Modular Library placed at Oliver Reginald Tambo Technical School (ward27) and Dudumeni Modular Library (Ward 08) placed at Dudumeni Community Hall. There are plans with DSRAC for

Classroom library at Ebenezer J.S.S. DSRAC has provided with support staff to work in our libraries. Schools with active libraries are as follows:-

Plangeni J.S.S., Lingeletu J.S.S, Mfolozi J.S.S, Intsingizi J.S.S, Qandashe J.S.S, Ngcingo J.S.S, Sontsele S.P.S, Zamokuhle J.S.S, Ezizityaneni J.S.S, Baleni S.S.S, Ntlalontsha J.S.S, Didi S.P.S, Stanford S.P.S, Ebenezer J.S.S, Nonkqubela J.S.S, Ncura J.S.S, Dudumeni CHS, Mdatya SPS, Ethridge JSS, Qadu JSS, Critchlow JSS, Lindokuhle JSS, Ndunge JSS, Mzamba CHS. Taking libraries to people through outreach/awareness programs which are conducted throughout Mbizana communities:

- ⇒ South African Library week,
- ⇒ World Book & Copyright Day,
- ⇒ International Literacy Day,
- ⇒ Holiday programs,
- ⇒ Establishment of Book Clubs,
- ⇒ National Book Week.

South African Library for the Blind has managed to place a Minilib section for the visually impaired individuals through funding from DSRAC and we are working closely with Zamokuhle Special School as our targeted school. Statistics of the number of people using the library has increased and also the membership. Libraries functions with Library Committee. Library committee is responsible for the promotion of readership, supporting literacy projects, effectiveness & efficiency of library services, provision of support and establishment of other libraries, mobilization of resources for libraries, represent community library related matters, library advocacy, organizing the events for library promotion.

The municipality has developed and adopted a Library policy addressing the following:

- ⇒ Legislative Mandates which governs the library
- ⇒ Appropriate library behavior
- ⇒ Library materials and building
- ⇒ Noise
- ⇒ Children facilities
- ⇒ Food and drinks
- ⇒ Computer usage policy
- ⇒ Patron comments and suggestion policy
- ⇒ Library program policy
- ⇒ Library membership

DSRAC and the Municipality have signed the memorandum of agreement which is to ensure the provision of an effective and efficient library and information services for the benefit of the communities of Mbizana Local Municipality. We also receive yearly funding from DSRAC which is R350 000 to assist in all our library needs, as we have done general maintenance to Mbizana Public Library and also signage. DSRAC responsible for capacity building programs, co-ordination and support establishment of library structures, provision of security services and Monitoring and evaluation.

18.1.5 Protection Services

Protection Services is subdivided into four units viz; Traffic law enforcement, Security & VIP unit, driving license Testing Centre and Vehicle licensing. The Entity is guided by the following regulations: National Road Traffic Act 93/96, Administration Adjudication Road Traffic Offences, National Land Transitional Transportation Act, Private Security Industrial Regulation Act, Municipal Bylaws, Municipal Policies, Pound Act, Animal Act (SPCA)

18.1.6 Safety and Security Services

Mbizana Municipality has approximately eleven sites that should be taken care of, amongst others is the Institution (Mbizana Municipality) with all the resources which is human and assets. The Institution permanently employed seventeen security officers working from Monday to Friday, covering mornings and afternoons. Weekends and public holidays as well as night duties are covered by private security services (Pro-secure security services). This section is responsible to create safe working environment and for ensuring safety of the municipal properties, assets and staff

18.1.7 Driving License Testing Centre

Mbizana Local Municipality built phase one of a fully-fledged driving license testing Centre where we produce credible learner's license, Professional driving licenses and renewal of driving license cards. Second phase was completed for testing of drivers and the Centre was upgraded to Grade B of fully fledged testing Centre, was fully operating in November 2015 and the official opening was done by department of Transport MEC on the 10th March 2016. This infrastructure will benefit the community of Mbizana and the South Africa at large and that promotes service delivery which is mission and the vision of Mbizana local municipality. In 2014/ 15 financial the Driving License Testing Centre manage to produce 960 driving license, 133 Professional Driving License and 1860 learner's license. The centre is there to produce credible learner's license, Professional driving licenses, renewal of driving license cards and driving licences and to renew motor vehicle licenses and registration of new vehicles from the system.

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18.1.8 Public Safety and Security Services

Mbizana Local Municipality have four police stations situated within the Municipal Jurisdiction, Mzamba, Mpsi and Ndengane. The above is contrary to the policy provision which states that a new police station may be required when there is a new settlement, drastic increase in population density, increase in crime rate as well as travelling distance and per capita costs to access police stations. This in effect means that on average, 1 Police Station is serving an area of 701.5 km² and 58 831 people. Therefore it is evident that the provision of security services is inadequate in the Mbizana Municipality and in pursuit to reduction of crime, the establishment new additional police stations need to be area of focus.

The department has identified housebreaking, assault, stock theft, rape and armed robbery crimes as its priorities in all the police stations due to increased number of cases reported. The department has established a maximum of 22 Community Policing Forums in all the stations i.e. 15 structures under Mbizana police station, 4 structures under Mzamba police station, 2 structures under Mpsi and 1 structure under Ndengane satellite station.

Despite the shortage of human resources and mobile resources, the department has undertaken cluster operations and station operations conducted to reduce crime and as result there is a general decrease in crime levels by 7% in terms of contact crimes and property. The department has planned some intervention to further reduction of crime levels which include:-

- ⇒ Motivation of communities to cooperate with Community Policing For a and police in reporting crime and identifying offender
- ⇒ Encouraging communities to register as police informers.
- ⇒ Conducting operations and increase police visibility.

Apart from the four existing stations additional two Satellite stations were proposed and sod turning at the two Municipal wards been done (Ward 11 Qhasa and Ward 2 Ntamonde villages). Saps and Mbizana Protection Services in a combined effort launched 67 Community Policing Fora set according to villages.

Mbizana Community Safety Forum:

District Community Safety Forum was launched in 2013 thus forth while Mbizana Community Safety forum launched and came into existence led and championed by the Portfolio head of Community Services. Mbizana Community Safety Forum reports quarterly in a bigger Forum at a district level - ALFRED NDZO. This forum has a focal point on Awareness campaigns after it had been established that people in Mbizana are most vulnerable

due to ignorance. Identified critical areas in terms of crime rate receive serious attention from the Forum and the plan for the forum is to conduct awareness campaigns to all identified hotspots.

18.1.9 Enforcement of Municipal By - laws

Mbizana Municipality currently has 38 gazetted bylaws, a number of these bylaws are actively served by Protection Services – law enforcement unit trained as Peace Officers (Peace Officers are designated to enforce any piece of Legislation whether Traffic bylaw, Building regulations, Waste management bylaws, Municipal Policies etc). Mbizana municipality further took initiative to employ additional four Enforcement officers to specifically deal with Bylaw enforcement and issues around the matter. Mbizana Municipality has an operating landing- strip, an accredited infrastructure by the South African Aviation Board. The infrastructure had been operating for some ages situated in an open space with loitering stray animals as it currently coincidentally serve as an unauthorized grazing land.

18.1.10 Municipal Pound

Mbizana Local Municipality has established a pound which has started its operations. The pound is situated at Ext 4 in Highland view at terrain morphological unit 3. The pound aims at implementing the legal processes of impounding stray and trespassing animals within the CBD, public roads, and private properties within Mbizana Local Municipality jurisdiction thus fostering to communities a sense of responsibility for their livestock and also enforcing municipal bylaws. Currently there is no Policy in place that speaks to the actual auctioning of Animals as the office is still working and getting the information on that. The functions that are presently conducted at Mbizana Pound is the collection and keeping of stray and trespassing animals within the CBD and Mbizana communities.

Challenges

- The challenge that is prominent is the shortage of staff for Pound.
- No water infrastructure.
- Carrying capacity of enclosures is not enough for number of animals kept.

KPA 2: LOCAL ECONOMIC DEVELOPMENT & SPATIAL PLANNING

18.2 LOCAL ECONOMIC DEVELOPMENT & SPATIAL PLANNING

18.2.1 LOCAL ECONOMIC DEVELOPMENT

18.2.1.1 Contractor Development Programme (CDP)

The LED Department in executing the Contractor Development programme as part of SMME development engaged various stakeholders who amongst them included: CIDB, Department of Public works, District Municipality and local contractor forums. The municipality enrolled a total of 40 local emerging contractors into this programme. A total of 16 enrolled contractors have been provided with job opportunities. All 40 contractors in the programme have been trained in Project management and quality management system. All enrolled Contractors (40) were trained on Tendering processes, Contracts management and Project management.

The Municipality on its own cannot provide sufficient job opportunities for the 40 contractors. The Municipality has therefore partnered with R61 main contractors in the form of Murray & Roberts and Rumdel. The Municipality consolidated a local contractor database and submitted the database which includes CDP contractors to both Murray & Roberts and RUMDEL CAPE. Approximately 201 SMMEs have benefitted from projects within the R61 with a total expenditure of R23 403 321.84. Engagements with SANRAL who are custodians of the N2 toll road are currently underway to further ensure that local SMMES benefit from the N2 toll road construction. There is a need for a mentor on Flagship Construction projects to give hands on support to emerging Contractors

18.2.1.2 RED HUB

The Municipality has been supported by Eastern Cape Rural Development Agency and Alfred Nzo District Municipality in implementing Rural Economic Development Hub (RED- Hub) which is a simple concept linking the three market elements of *production, processing and marketing* in order to boost competitiveness for the targeted communities. The RED Hub is focusing on agricultural transformation and commercialization of agriculture to. Enable to create markets and employment opportunities. The concept envisaged on a 10km radius collection hub zones with RED Hub main mill in the centre.

“ ECRDA & DRDAR has conducted crop yield estimate

“ HARVESTED MAIZE VS INCOME

Primary Co-op Name	Village Name	No. of Beneficiaries	Harvested Maize (50 kg bag)	Damaged Maize (50 kg bag)	Qty Delivered to Mqanduli (50 kg bag)	Total Maize Income
Makukhanye	Emazweni	59	1384	0	462	R 43 890.00
Masithandane	Ludeke	55	0	0	0	0

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Ndayini	Ndayini	35	167	0	167	R 15 865.00
Tsweleni	Mdikisweni	45	0	0	0	0
Makusetyenzwe	Majazi	69	2223	148	2075	R 253 378.74
Magqabasini	Magqabasini	76	10	0	0	0
Ntshikintshane	Dudumeni	35	0	0	0	0
Gwabeni	Gwabeni	153	0	0	0	0
Gxothindlala Lubala	Lubala	87	2020	679	1341	R 153 147.06
Okwethu Doborasi	Doborasi	36	0	0	0	0
Ilinge Surejoy	Ilinge	49	210	26	184	R 17 480.00
World Focus	Siwisa	24	310	10	300	R 28 500.00
Masizondle Ezityaneni	Zityaneni	36	10	0	0	0
	Total	759	6334	863	4529	R 512 260.80

18.2.1.3 STORAGE SILOS & MILLING PLANT

- ⇒ The installation of two new 1000 ton silos and conveying equipment is complete but still to be sealed.
- “ The weighbridge has been installed and calibrated.
 - “ Construction of milling shed was completed and toilet block with septic tank.
 - “ The milling plant with 1 ton capacity has been installed and waiting for testing and commissioning.
 - “ The new generator was installed and connected to the trading shed, mechanization shed & mill shed.
 - “ AGES has been appointed to drill borehole and has completed the work.

The Red Hub was launched by the President Jacob Zuma by the end of March 2017 and the staff was employment which includes;

1. The General Manager
2. Admin Clerk
3. Milling Operator
4. Milling Supervisor
5. Mechanization Supervisor
6. Cleaners

ECRDA and The Secondary Cooperative are currently looking at appointing the General Manager for the RED hub as the former GM has resigned. The hub have signed the Supplier agreement with Spar supermarket in Bizana for maize meal supply.

18.2.1.4 Community Works Program

The CWP programme is implemented in 19 wards with 1564 participants and the funding allocated for this programme was R16 518 296.00. The following wards (04,05,06,07,08,12,13,15,17,18,19,20,22,23,26,27,29,30 and 31) have Agriculture , construction and social sectors.

- “ Approximately 1476 permanent jobs created in informal trading
- “ 200 permanent jobs created by other sectors (Agriculture ,Mari culture, Manufacturing &Entrepreneur development)

18.2.1.5 Agriculture

The Municipality developed and adopted the Agricultural plan in July 2016 and its implementation has commenced. As part of executing the Agricultural plan, the Municipality funded 6 projects in the 2016/ 17 under Farmer development programme.

No.	Project Name	Ward	Activities	Village	Amount
01	Amandlentombi project	24	Poultry farming	Mzamba	R98 500
02	L. L. Heavens Pty Ltd	Ward 18	Poultry project	Mbandane	R99 500
03	Azuko Project	22		Lukholo	R98 800
04	Njilo Ka Balisa Agric	8	Vegetable production	Ntlenzi	R99 500
05	Sweet Matat Electrical & Projects	7	Vegetable production	Ndunge location	R100 000

18.2.1.6 Income & Poverty Distribution

No.	Project Name	Ward	Activities	Inputs & Quantities
02	Zenzele project	28	Crop production	30 Bags Fertiliser

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03	Xholobeni Project	25	Crop Production	30 Bags Fertiliser
04	Sigidi project	28	Crop Production	30 Bags Fertiliser
05	Siphenathi Poultry Project	7	Poultry	40 bags Poultry feed (20 starter & 20 Finisher)
06				40 Bags poultry feed (20 starter & 20 Finisher)
07	Ngutyana Household Garden	14	Crop Production	2000 Cabbage seedlings, 500 Seedlings of Spinach
09	Sizolwethu Support Group	Nokhatshile	Not specified	1000 Cabbage seedlings

18.2.1.7 Tourism

The tourism development plan is in place and its execution has commenced. The implementation of the Heritage and tourism route has been completed. The Municipality has purchased paddle boats and mountain bikes for Mzamba Ndkini tours. The Municipality has partnered with the Department of Tourism to celebrate tourism month and the theme is about promoting domestic tourism during centenary year.

18.2.1.8 Tourism Marketing

The Municipality has attended the tourism Indaba which is an international trade show to market its products and expose the Product owners to the trade travel show. Training has been done prior the tourism Indaba and the Municipality exhibited packaged brochure for the Municipality.

18.2.1.9 Formal and Informal Business Licensing System

- ⇒ The Municipality has developed the manual for formal business licensing system as part of revenue generation. The
- ⇒ system will link the licensing system from the application process up to the issuing stage. Formal businesses have been consulted in a workshop regarding the licensing as this will also regulate the services and goods sold within the jurisdiction. The system has not been procured though the manual has been developed. Business licensing has commenced and the formal businesses in town are currently registering with the Municipality.

18.2.1.10 Anchor & SMME project funding

The Municipality has funded 2 Anchor project with equipment and machinery.

1. Voli Petroleum project – R289 000.00
2. Luvolwam Steel project R287 675 .00

18.2.1.11 OTHER FUNDED LED PROJECTS FOR THE 2017/18 FINANCIAL YEAR

Project Name	Ward	Amount	Activity
Ntez Projects	24	R200 000.00	Livestock and Vegetable
Amahomba	05	R200 000.00	Crop production
Sinozinto Multipurpose Primary Cooperative Ltd	27	R133 333.00	Vegetables
Sydtab Trading Enterprise	23	R133 333.00	Vegetables
Chicken Tougheror Project	14	R133 333.00	Poultry/Layers

18.2.1.12 FUNDED ANCHOR PROJECT

Project name	Ward	Amount	Activity
Kati Kabizwayo PTY LTD	15	R600 000.00	Upholstery

18.2.1.13 Exploit comparative and competitive advantage for industrial activities

Mbizana municipality is prerogative to be situated in the border of Eastern Cape and KwaZulu Natal. It is endowed with pristine beaches and appealing scenery. Mbizana coast is known for its internationally acclaimed biodiversity hotspot hence it's called Pondoland centre of endemism. The Wild coast sun resort with various amenities and activities contributes positively in the attraction of tourists to the destination. The coastal area makes Mbizana the best tourist destination, a must see precinct to invest also. The expansion of Wild Coast sun resort heightens the economy of Mbizana and created more sustainable job opportunities.

The political and natural heritage also makes Mbizana unique from other tourist's destination Mbizana prides itself as the birthplace of the anti-apartheid leader Oliver regional Tambo and Mamu Winnie Madikizela Mandela to the region. Political heritage throughout the country has been underexploited and these initiatives seek to exploit the intrinsic natural, political and historical heritage of Mbizana.

With the approved N2 toll road development and R61 that is under execution, the road network will be improved and that will attract investment in the region.

18.2.1.14 SMME Benefits on R61

The Municipality has collaborated with the Department of Public works to ensure SMMEs benefits on R61 road construction. Contractors have been trained and the technical committee was established to monitor SMME beneficiation and transformation in the Construction sector. The Municipality is working on collaboration with

SANRAL on Haul road construction that have just been approved and as such SANRAL appointed Academy for the Construction Skills (ACS) to recruit contractors that will be on learnership program for a period of two years. This is a strategy of developing Contractors and equip them with relevant construction skills that will benefit them on N2 toll road development.

18.2.1.15 Wild Coast Development

The National Road Agency is under the process of constructing the N2 toll road from Durban to East London via Wild Coast area (Greenfields). The road will have the distance saving of 85Km and time saving of approximately 3 hours. The new EIA commenced in 2005/6 was submitted in December 2009. Record of Decision (ROD) was received in April 2010 though it was upheld by the Minister of Environmental Affairs; the positive ROD following the appeals process was confirmed in July 2011.

The project is one of the Anchor projects with ripple effects within the Wild Coast region as it will provide enhanced access to basic facilities such as health care and education. It will provide mobility, access to economic activities, job creation and SMME development within the Wild Coast region as well as Mbizana. The new regional multiplier effect of the project is estimated at 13 575 million with job creation of 6800 direct jobs and 28 100 indirect jobs. During operation phase 900 direct and 1800 indirect opportunities will be created. Accelerated Business income is estimated at R15 829 Million and the net regional Economic developmental benefits estimated at 29 404 million. It is against the above mentioned background that the Municipalities within the Mpondoland region (Port St John's, Ingquza hill Municipality and Mbizana local Municipality) committed to facilitate the project as it has economic spin offs for the area.

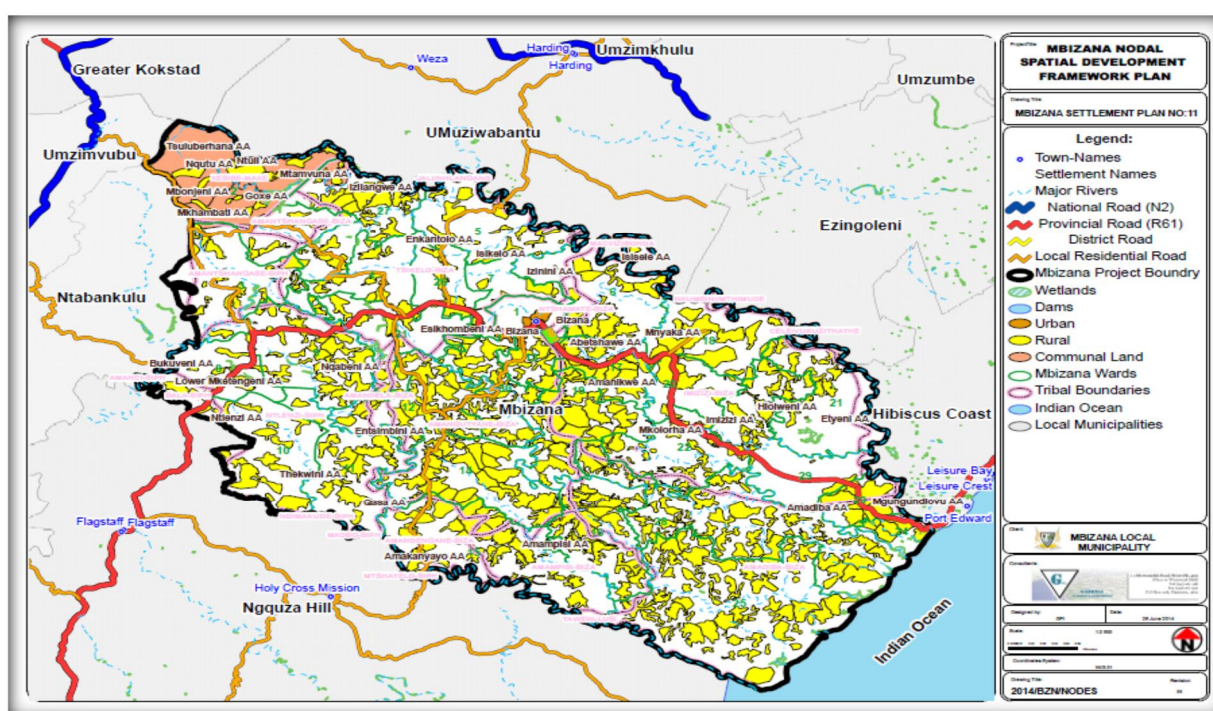
18.2.2 SPATIAL PLANNING AND LAND USE

18.2.2.1 Land Issues - Settlement Patterns

For the most part, Mbizana municipality is predominantly rural and consists of scattered low density rural settlements which are surrounded by communal grazing and arable land. Settlement densities appear to be directly correlated with accessibility. Over recent years a considerable number of people have crowded settlements along the R61 and other arterial commuter routes and in close proximity to urban centres in search of better services and economic/employment opportunities. This has resulted in uncontrolled occupation of valuable agricultural land, which is contributing to eroding the remaining resources available for people to sustain their rural livelihood. These areas of higher settlement density, being situated on the main route through the area (R61) and in close proximity to the urban centres of Bizana Town and Port Edward, can be classified as peri-urban. Peri-Urban Settlements of Sirhasheni and Ebenezer (at Mzamba near Port Edward), Ngcingo and Didi (near Bizana Town).

Settlement patterns in Mbizana still reflect, to a large extent, spatial planning of the Apartheid past. The current structure and spread of rural settlements and households therein makes it difficult for the municipality to provide services in an effective and efficient manner. Furthermore, sprawling settlements are also located along steep sloping terrain on the crests of hills which further puts more strain on the limited resources the municipality has in terms of providing services to its communities. However, the municipality has made strides in redressing the imbalances of Apartheid spatial planning in identifying and providing basic services in those areas that were ignored in the past.

Map: Illustrating Settlement Pattern within Mbizana



18.2.2.2 Settlement Pattern - Urban Centre (Bizana Town)

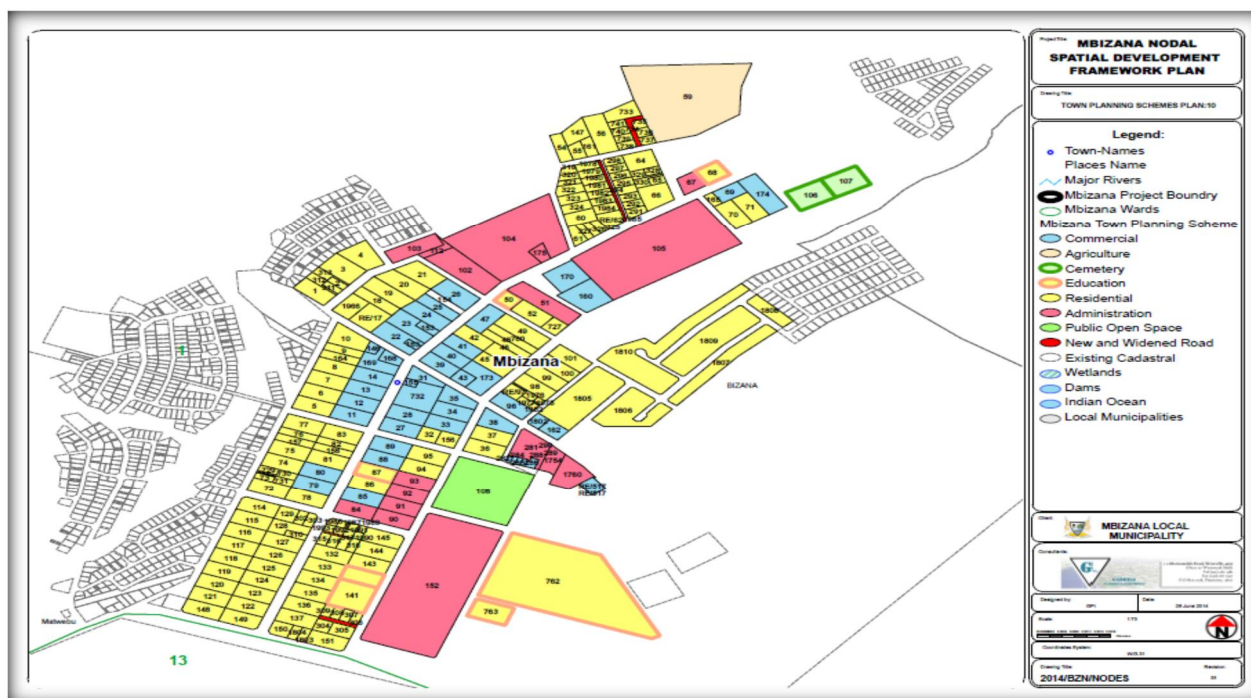
The main urban centre in Mbizana municipality is Bizana town. According to the Mbizana Nodal Development Framework (2013) the town serves as an administrative centre for the municipality with several other land uses such as residential, retail, commercial, and service industry, civic facilities and limited light industrial.

Generally, residential activity in the town is scattered and isolated. The main residential suburb is located east of the town. It is characterized by low density units with a height of 2 storeys. To the north of Bizana town is a mix of informal settlements and low cost housing. To the east is also low cost housing and to the south of the town are low density rural settlements.

Map: Illustrating –Urban Centre Settlement Pattern

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18.2.2.3 Available Land for Development

Apart from small pockets of privately owned land in the urban centre and land around within municipal, the balance of land in the Mbizana Municipal area is mainly state land held in trust by the Minister of Rural Development and Land Reform. Individual use right and “ownership” is held in terms of lesser forms of tenure. Procedures to unlock the potential of this land and its resources are both complex and time consuming.

Various other communities in the MLM have lodged land claims in terms of the Restitution of Land Rights Act 22 of 1994. Almost 80% of land within Bizana Urban Area is subjected to land claims. The table and diagram below indicate private, municipal and state land ownership within the urban centre of Bizana.

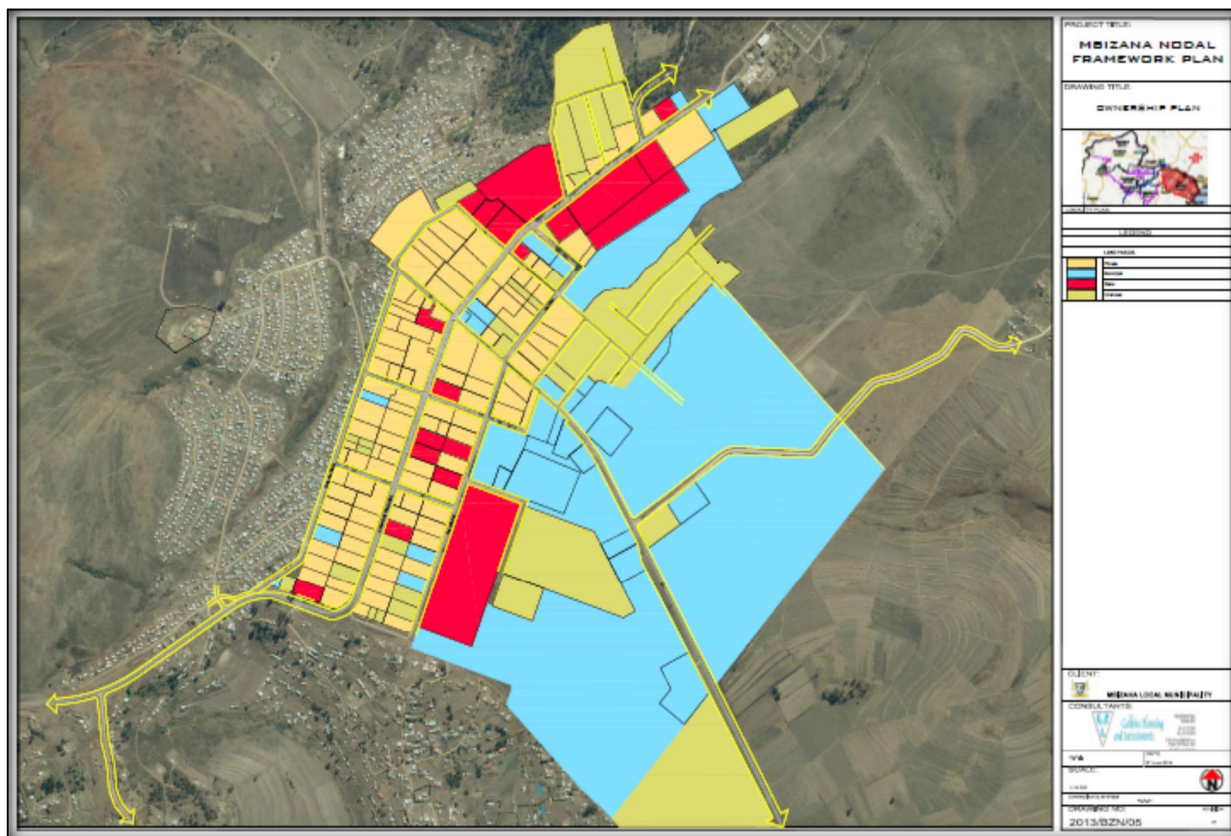
Ownership Type	No. of land parcels	Total Area	Percentage of Area
Municipal	5	2059.8	90.1%
Private	154	65.3	2.9%
State	13	62.4	2.7%
Unknown	1213	99.3	4.3%
Total	1385	2287	100.0%

The unknown parcels appear to relate to Erven that form part of a housing project. The reason for this could be that the transfers have not been completed.

Map illustrates the type of ownership that exists in Bizana town.

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18.2.2.4 Mbizana Land Claims

A number of erven in the town are subject to land claims. In terms of Section 11 (7) (A) of the Restitution of Land Rights Act (Act 22 of 1994 – as amended) – no person may sell, lease, donate, subdivide or develop land that is the subject of a land claim. This, as a result, is preventing much needed development of land within the town. It is therefore of extreme importance that land claims be resolved, or where land is required for essential facilities and services, the commissioner grant permission for such development applications to proceed. There are number of land claims lodged in MLM during the past years.

Various individuals, groups and communities lodged restitution claims for various portions of land around within the municipal area. The nature of these claims vary from one claim to another, most of them are community claims which involve large portions of land. Some of these land claims fall within the Sustainable Rural Development Program (ISDRP) nodal point. They are as follows:-

- ⇒ Betterment claims
- ⇒ Commonage claims
- ⇒ Forestry claims

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- ⇒ Conservation claims
- ⇒ Sugar cane claims

The table below shows 25 rural and urban restitution claims that were lodged and registered with the Land Claims Commission within MLM:

Project Name	Reference	Status	Location
Mhlanga Community/ Chief MandlenkosiSontsele	6/2/2/D/967/0/0/12	Research	Mhlanga Section A locality no. 13 at Ntshamathe A/A in Bizana
NdabakheMnisi/Ncura Community	6/2/2/D/974/0/0/7	S 42D	Ncura, Bukweni AA
VuyaniMabude	6/2/2/D/967/0/0/22	Research	Esikhumbeni A/A
Nkosiphendule Wiseman Mqhaka/Nomlacu Community	6/2/2/D/967/0/0/23	Research	Nomlacu Section A
MakhaolaBolofo	6/2/2/D/967/0/0/1		Lot 161
Peter Pretorius	6/2/2/D/967/0/0/2	Research	Mngungu Trading store
Mgungundlovu Community	6/2/2/D/967/0/0/3	Court Referral	Farm 1 - D.T.
Mfolozi Community	6/2/2/D/967/0/0/4	Settled	Mfolozi Location No.16
Hloweni Community/Mfolozi Community	6/2/2/D/967/0/0/5	Settled	Hlolweni Lot 18
Izinini Community	6/2/2/D/967/0/0/6	Settled	Part of erf 110
ZeblonMhlongo	6/2/2/D/967/0/0/14		Mgungundlovu No. 24
GrettaPholo	6/2/2/D/967/0/0/16	Research	Ntshangese A/A Dumsi locality.
Pieter-Johannes, Christian Pretorius	6/2/3/D/967/2108/195/2		Erf 93; Erf 94 and Mngungu Trading site in Madiba AA
BelinaGasa	6/2/2/D/967/0/0/21	Research	Trust land - Mfolozi Area
Etyeni Community	6/2/2/D/967/0/0/20		Etyeni Location 19
MuziwandileTobo	6/2/2/D/967/0/0/19	Research	MzambaSikelweni A/A
Willie Smith	6/2/2/D/967/0/0/18	Court referral	Umngungundlovu A/A Fram D Location 24
Herbert Tshutsha	6/2/2/D/967/0/0/17	Research	Lorolweni 124 Amadiba A/A
Nomlacu Community	6/2/2/D/967/0/0/15	Research	Nomlacu Section A

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Project Name	Reference	Status	Location
MahlubandileMsalela	6/2/2/D/967/0/0/13	Verification	Unspecified Land
Esikhumbeni Community	6/2/2/D/967/0/0/7	S 42D	Unspecified Land
Mhlanga Community	6/2/2/D/967/0/0/8	Research	NtshamateLoc 13
Mzamba Community	6/2/2/D/967/0/0/10	S 42D	Sikhumbeni Admin
Winfred Sogoni	6/2/2/D/967/0/0/9	S (6) (2) B	Amantshangase Location No. 25
Zolile H Sikotoyi	6/2/2/D/967/0/0/11	Verification	Unspecified Land

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18.2.2.5 Resolved Land Claims

There have been difficulties in mapping all areas subject to land claims within Mbizana. The Department of Rural Development and Land Reform in the Eastern Cape has not managed to map such areas due to the ongoing processes. Mapping of these areas will follow once all the processes have been completed. As it stands, there are three land claims which have been settled. These fall within the following communities:

- ⇒ Mgungundlovu
- ⇒ Mfolozi
- ⇒ Izinini
- ⇒ Mzamba (Wild Coast Sun) which forms part of a successful land claim.

18.2.2.6 Pockets of Land Still in other Spheres of Government Possession

The majority of land in Mbizana is mainly state land held in trust by the Minister of Land Affairs. Some state land (former commercial farms) has been surveyed and registered, however much, particularly communal land, has only recently been surveyed and is still unregistered in the Deeds Registry.

The municipality is restricted in terms of identifying land for development since most of the land in the municipal area is subject to land claims. However there are small pockets of land that is privately owned in the urban centre and around Mzamba (Wild Coast Sun) which forms part of a successful land claim. The following table represents land earmarked for development that is owned by the Department of Public Works within Bizana town:-

18.2.2.7 Land Owned by Government

KH	Property Type	Property use	Extent	Description of property	Intended land use
27	Commercial	Commercial	0.4461	R61 Bizana main road	Office Park
76	Residential	Vacant	0.2231	R61 Bizana main road	
86	Residential	Institutional	0.4561	R61 Bizana main road	Business
87	Educational	Educational	0.4561	R61 Bizana main road	Business
102	Government	Government	1.2059	R61 Bizana main road	
103	Government	Government	0.5968	R61 Bizana main road	
104	Government	Old buildings	4.6156	R61 Bizana main road	Offices & Housing
105	Government	Government	6.6841	R61 Bizana main road	Subdivide and do housing development
111	forestry	forestry	2.7269	R61 Bizana main road	
112	Prison	Government	0.1674	R61 Bizana main road	
152	Government	Government	10.5091	R61 Bizana main road	

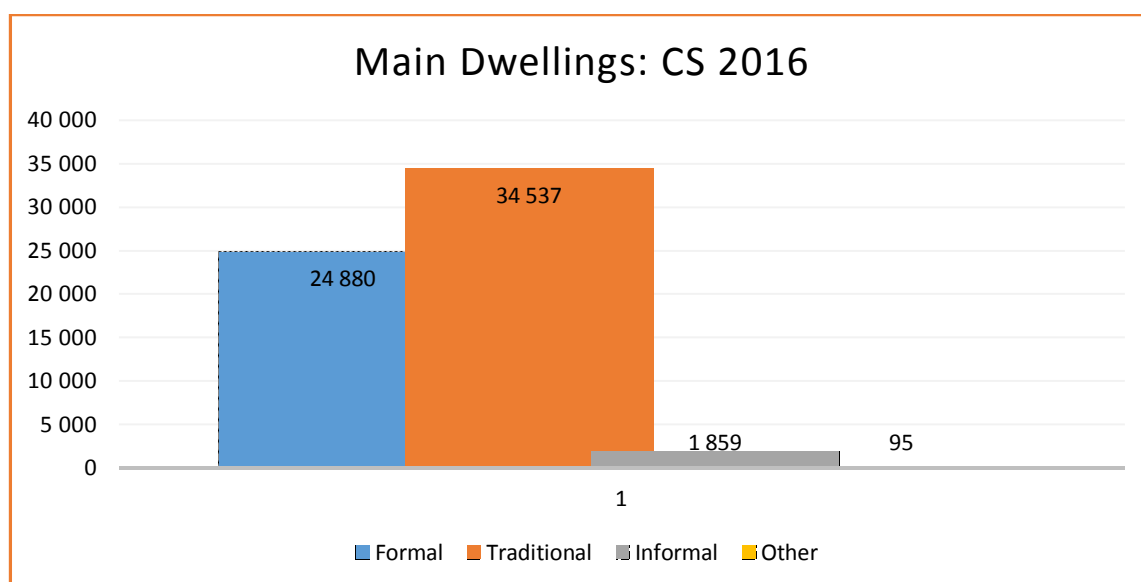
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169	Commercial	Commercial	0.4292	R61 Bizana main road	
170	Commercial	Bottle store	0.6703	R61 Bizana main road	Bus Rank
173	Commercial	Post Office	0.5799	R61 Bizana main road	
175	Government	Government	0.1877	R61 Bizana main road	

18.2.2.8 Dwelling Types

According to Stats SA, the majority of households in Mbizana municipality reside in traditional dwellings. However there was a decline in traditional dwellings since in 2001 there were 32 803 households living in traditional dwellings compared to 26 218 households in 2011. In 2011 there were 21 173 households with formal dwellings, an increase between 2001 and 2011. Informal dwellings are occupied by 476 households.



18.2.2.9 Housing Projects Currently Underway

The municipality has identified as part of this IDP's project list, a need to develop a sector plan for guiding our role in facilitating the implementation of sustainable housing and settlement development. Alfred Nzo Region has planned to develop Projects in Mbizana Local Municipality (MLM). The Department plays the role of a Developer in all the above mentioned projects' under Mbizana Local Municipality, the backlog is just above 20540 beneficiaries waiting for the housing subsidy. This is informed by the number of units on Running Projects, Projects at Pre-Planning and Projects at Feasibility Study Stages

Main Challenges

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- ⇒ No controls in place to deal with land invasions and contraventions
- ⇒ Unresolved land claims retarding development within Bizana
- ⇒ Unmonitored Invasions of communal land and the supply of services
- ⇒ No housing register and policy owned by the municipality that addresses the backlog of Bizana as a town in its entirety.

18.2.2.10 Pockets of Land under Communal Possession

Mainly, rural settlements in MLM fall within the jurisdiction of Traditional Councils. In terms of the Guidelines issued by the MEC for Local Government and Traditional Affairs in 2011, there are currently 12 Traditional Councils which are operational. Due to the rural nature of the Mbizana Municipality, the participation of and cooperation with Traditional Leaders is critical for the success of the municipality's development programs. Communal land is held in trust by the Minister of Rural Development and Land Reform.

Map: Illustrating the areas under the Traditional Authorities.



Formerly registered in the name of the state, it is occupied by individuals members of the respective communities under Permission to Occupy (PTO) and/or customary tenure commonly referred to as beneficial occupation rights. Individual's rights on the land are protected in terms of the Interim Protection of Informal Land Rights Act, ActNo.31of1996 also known as IPILRA.

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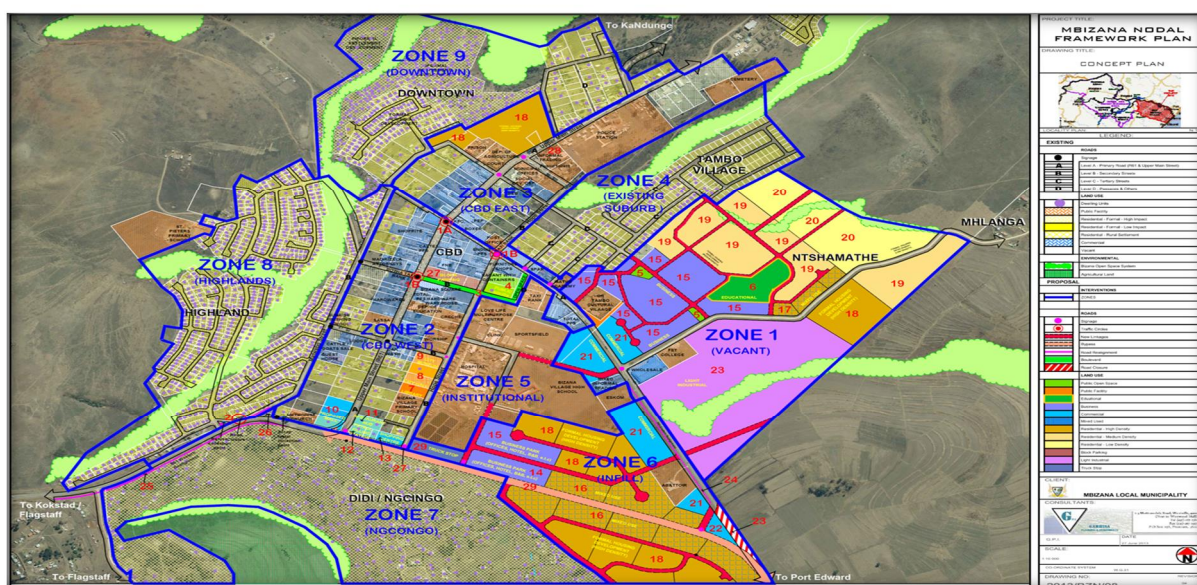
Through the municipal ward demarcation prior the 2011 municipal election resulted in re-demarcation included lot of wards that were demarcated and the *re-changing* of the municipality to other district municipality. Surveyed/demarcated boundaries of municipal wards of all traditional authority areas within the municipal jurisdiction, except urban centre ward one. Although most of the boundaries follow natural features such as rivers, valleys and hills, all of them symbolize a set of values, customs and habits that are common among the members, and serve to create a sense of belonging.

In addition to traditional leadership functions, traditional authorities are also responsible for land use management within their areas of jurisdiction. They allocate sites and regulate the relationship between the neighbours Mbizana municipality has 31 municipal wards with the majority being resident within traditional authorities and one ward out of 31 is urban. The traditional leaders are still responsible for the land use in rational land and development approvals granted in land use development practices.

18.2.2.11 Percentage of land available for development

Currently there are few informal manufacturing uses within the CBD. It has already been established in this report that light industry should be identified within the CBD. It is proposed that light industry be promoted within Zone 1. This zone is located along the main corridor should integrate with the proposed uses. As depicted in the below plan, indicated desired spatial development within the commonage land, characterised as zones. Refer to the plan showing land available for development in the below precinct.

Map: Illustrating percentage of land available for development



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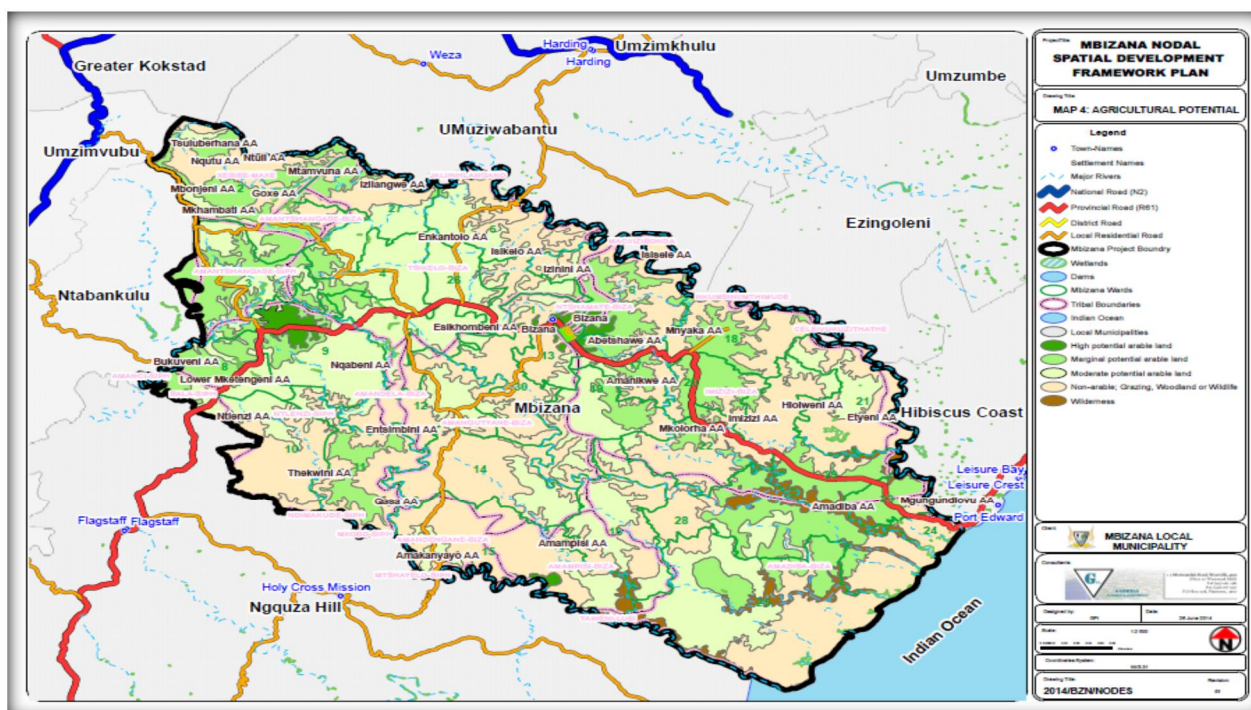
18.2.2.12 Percentage of land available and classified for farming

Agriculture is regarded as the primary sector of opportunity in Mbizana. Presently, it is however poorly developed and consists mainly of subsistence activities. Issues raised in the analysis so far, which are regarded as having an impact on the potential of this sector include:

- ⇒ The present land tenure system is regarded as hampering investment in agricultural production.
- ⇒ Sprawl of low-density rural settlements is regarded as one of the leading factors in the loss of high potential productive agricultural land.

Agricultural potential for any given land area is generally classified into eight potential ratings as: very high, high, good, moderate, restricted, very restricted, low, and very low potential. Agricultural potential within the Mbizana Municipality falls within 4 of the eight potential ratings namely: High potential, Marginal potential, moderate potential and non-arable (very low potential) areas. Mbizana Municipality occupies large areas of land of relatively poor agricultural productivity. As can be seen in the map below, only two small areas have high has only moderate to marginal agriculturally productive land or is not productive at all.

Map: Illustrating Agricultural Potential Land



18.2.2.13 State of Availability of Land for Residential Against Commercial

Generally, residential activity in the town is scattered and isolated. The main residential suburb is located east of the town. It is characterized by low density units with a height of 2 story's. To the north of Bizana town is the mix

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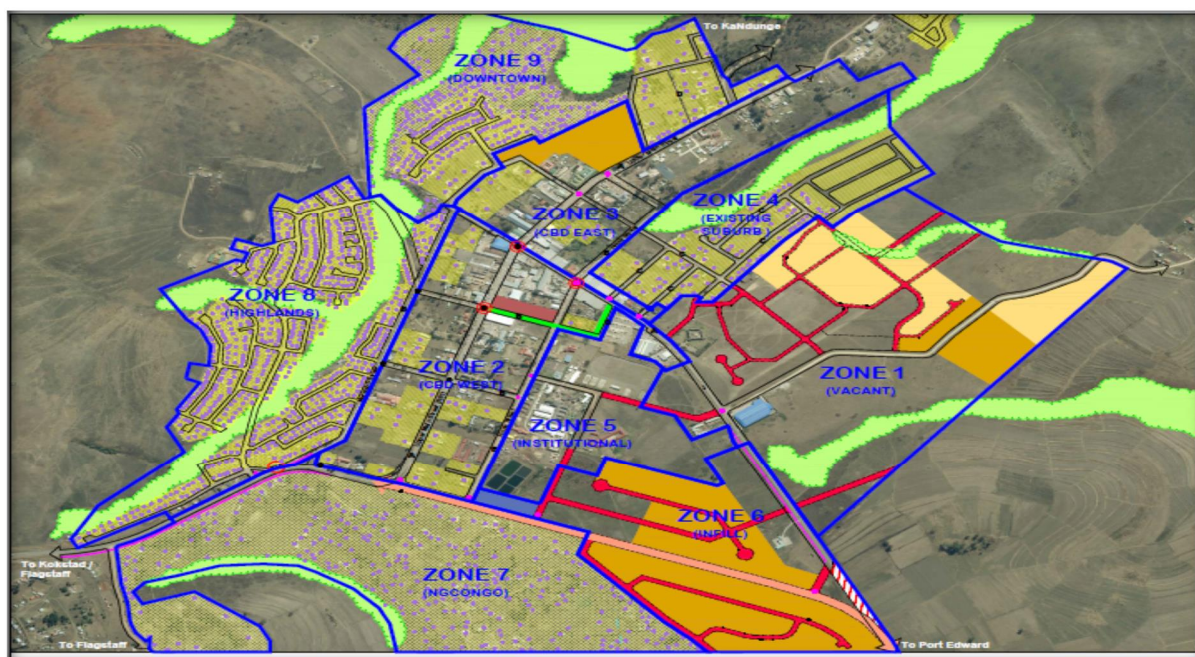
of informal settlements and low cost housing which is low density. To the east is also low cost housing and to the south of the town are low density rural settlements. There are various accommodation activities in the town such as the guest house along Matwebu road. The spatial development framework classifies settlement areas according to their intensity of development that could be undertaken in such areas e.g.

- ⇒ Existing townships
- ⇒ High density areas
- ⇒ Medium density
- ⇒ Low density – rural areas

The following map illustrates the existing residential settlements within the CBD.

- ⇒ Zone 7 is Ngcingo / Didi rural settlements which is approximately 6du/ha.
- ⇒ Zone 8 is Highlands Township which is approximately 10-15du/ha.

Map: Illustrating availability of land for Residential against commercial



18.2.2.14 Commercial, Business and Retail Uses

Most commercial and retail activities in Bizana town are developed along R61/Upper Main Street. This development spine caters for both vehicular and pedestrian movement. The land use arrangement in Bizana CBD is predominantly mixed use comprising of retail, commercial, and service industry, civic facilities and limited light industrial. These uses are distributed as follows:

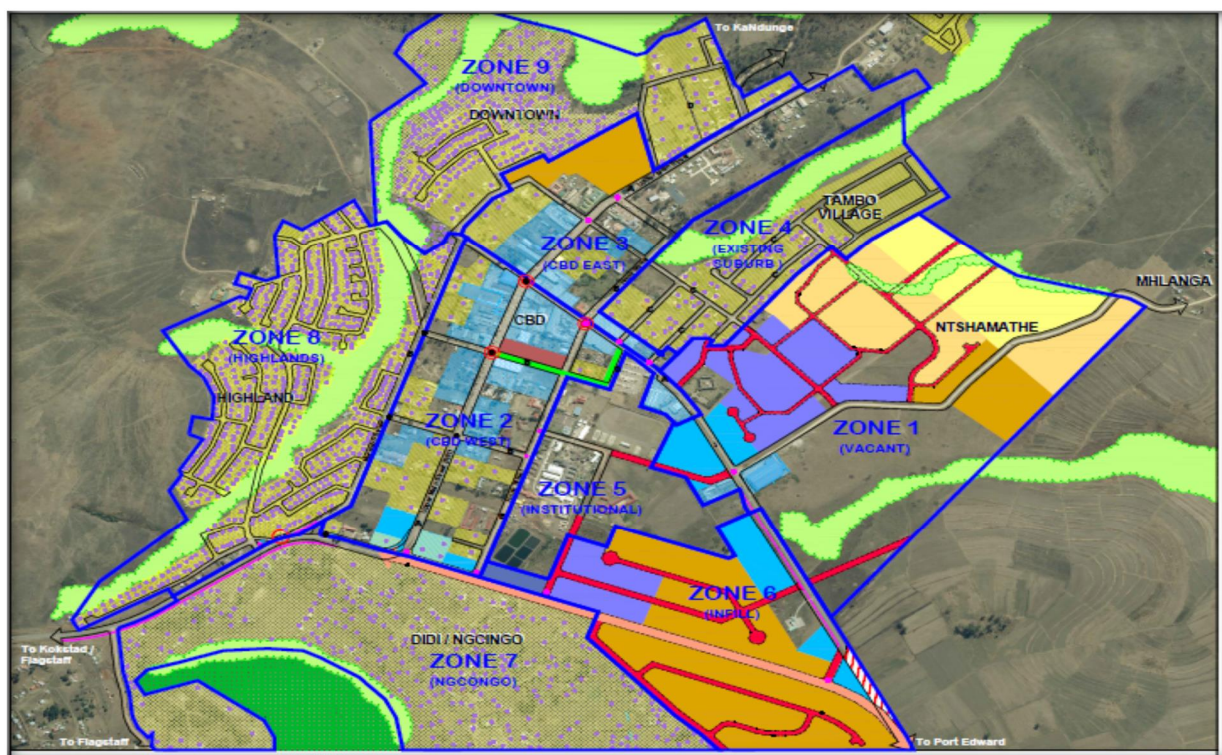
- ⇒ The core of Bizana Town comprises of retail and commercial uses which are located mainly along R61.

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- ⇒ Mixed uses, offices and service uses are concentrated north easterly. These include municipal offices, magistrate court, bed and breakfast and retail. This area can also be regarded as an administrative precinct.
- ⇒ Commercial, business and retail uses are to be located outside the existing commercial, business and retail core in Zone 1, 2 and 6.
- ⇒ The current CBD structure suggests that the space to allocate commercial, business and retail services will be limited. It is important to allocate land for such activities.
- ⇒ Commercial, business and retail activities are to be located along corridors.
- ⇒ The proposed bypass might have economic implications in that vehicles will no longer be passing through the town and utilizing existing retail and commercial.

Map: Illustrating Commercial, Business and Retail Uses



18.2.2.15 Implementation of SPLUMA (Spatial Planning and Land Use Management Act)

The municipality developed the wall to wall scheme that was adopted by the municipal council. The scheme is in operation as from 1 July 2017. The Spatial Planning and Land Use Management Bylaw was also developed and adopted by council with the scheme. The municipal council took resolutions for the implementation of SPLUMA (Spatial Planning and Land Use Management Act), below is the status of the municipality on the implementation of the said act.

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18.2.2.16 SPLUMA Implementation Readiness

ITEM	STATUS
By-law gazetted	Gazetted as per the council resolution
Authorised Official Appointed	Appointed as per the council resolution
MPT members appointed?	Not appointed, the advert was non –responsive, in the process of re-advertising
MPT members appointment gazetted?	Not
Appeal Authority established?	Appointed as per the council resolution
Delegations in place	Yes, adopted as per the council resolutions
SPLUMA tariffs approved by Council?	Tariffs approved and reviewed by council prior exisance of SPLUMA but aligned with SPLUNA Tarrifs

18.2.2.17 Human Capacity Audit

Personnel	No of posts required
Registered Planner	4
Non Registered Planner	0
Planning Interns?	0
GIS professional	1
Non Professional GIS	0
Administrative Staff	1

The municipality also budgeted the amount of R700 000 for the running cost of the municipal planning tribunal. The municipality developed the ward based zoning maps as part of the scheme and also developed the rural land audit and is in the process of implementing it.

18.2.2.18 Valuation Roll

The municipality has developed and adopted the valuation implementation plan for the third cycle valuation roll in terms of the Municipal Property Rates Act (MPRA) as amended. The plan was adopted by municipal council on the council meeting of the 28 June 2017 and informed the office of the Member of the Executive (M.E.C) as required. The council allocated the budget of conducting the third cycle valuation roll that will be implemented as from 1 July 2019. The council also reviewed the municipal rates policy as it is done on annual basis with the bylaws inclusive of tariffs that are advertised and gazetted by law. The rates policy was adopted by the council and the bylaws that give effect to rates policy along with the resolutions to levy rates and are in the process of being gazetted.

The municipality is in the process of implementing the final supplementary valuation roll an update in the general valuation of 2014, which is updated annually in the form of supplementary valuation rolls as contained in the IDP. The valuation roll is further available in the municipal website for public viewing. The council also advertised the 2012 valuation roll that was implemented on the 01 July 2014 for the period of four years ending in 2018. The valuation roll was gazetted in the provincial gazette of 30 September 2014, No 3278. The advert was for the call of the inspection of the general valuation roll by the rates payers as required in terms of the act as amended. The municipality also conducted the valuation workshop on the 24 of August 2017 on the new valuation roll and is in the process of advertising for the appointment of the Municipal Valuer as per the project plan adopted by council.

KEY PERFORMANCE AREA NO. 3**18.3 INSTITUTIONAL TRANSFORMATION AND HUMAN RESOURCE DEVELOPMENT****18.3.2 Overview**

This section deals with analysis of our state of readiness to deliver on our assigned constitutional as well as powers and functions mandate. It analyses the extent to which we have put in relevant systems, processes and tools to ensure smooth operations and development of the municipal organization. In order to give effect to the implementation and operations of the above mandate it is both necessary and imperative to put in place a relevant institutional structure and administration.

18.3.3 Political Structure

Political Structure is led by the Honourable Mayor as the political head of the institution. The structure is composed of six directorates and each directorate is led by political head and is illustrated below:-

- ⇒ Good Governance : Part time Councillor
- ⇒ Corporate Services : Full time Councillor
- ⇒ Budget and Treasury : Full time Councillor
- ⇒ Community Services : Part time Councillor
- ⇒ Development Planning : Full time Councillor
- ⇒ Engineering Services : Full time Councillor

18.3.4 Administration Structure

Administration is led by the Municipal Manager as the principal accounting administrative officer. The Municipality is composed of six directorates and each directorate is managed by section 56 managers and is illustrated below as reflected to the Organizational Structure:-

- ⇒ Office of the Municipal Manager
- ⇒ Corporate Services
- ⇒ Budget and Treasury
- ⇒ Community Services
- ⇒ Development Planning
- ⇒ Engineering Services

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18.3.5 Municipal Offices

The Mbizana Local Municipality has the main office, one satellite office (DLTC) and two sites utilised for Municipal activities. The main office is the nerve centre of all operations in the municipality; the following departments are allocated space in the main offices:

- ⇒ Municipal Office
- ⇒ Budget and Treasury office
- ⇒ Corporate Services
- ⇒ Engineering Services
- ⇒ Community Services
- ⇒ Development Planning

Offices for Political office bearers are situated in the main office.

Multi-Purpose Youth Centre: The concept of a Multi-Purpose Youth Centre has been broadly accepted as an effective means of drawing together youth specific service in a local community setting. It accommodates a range of youth related activities and the location is central and accessible. Educational programmes are also done for career guidance and assistance in completing tertiary application forms. Library services are also offered in this satellite office and information for job seekers is also available in the form of newspapers. The office is in the process of being renovated as it is not in good condition and it also requires internet connections and installation of more telephone lines that will be linked to the mother office.

Traffic Offices (DLTC): All services related to licensing, car registration and protection services are performed on this site. Learners and driver's license renewal services are also issued on this site. The construction of license testing centre is completed and functional.

18.3.6 Organizational Structure

The municipality has reviewed its organisation structure and was adopted by Council on the 04th August 2017. The total number of approved positions in the Organizational Structure is 277 with 249 filled positions and 28 vacant positions. Due to budget constraints the Municipality is planning to fill all positions within 2016/17 financial year.

18.3.7 Populated Staff Establishment

Departments	Number and budgeted posts	Filled posts	Vacant posts
Municipal Manager	44	34	8

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Departments	Number and budgeted posts	Filled posts	Vacant posts
Corporate Service	37	33	4
Budget & Treasury	28	24	4
Community Services	117	88	29
Engineering Services	34	26	8
Development Planning	19	13	6
Total	279	218	14

18.3.8 Municipal Manager S56 Managers and Line Managers

The Mbizana Municipality has employed Municipal Manager and signed a contract of five years effective from the 10th August 2017. All other 5 Section 56 Managers positions have been recently filled and all have signed employment contracts and performance agreements. There is one vacancy at the level of section 56 managerial positions which is Manager - Corporate Strategy & Good Governance in the office of Municipal Manager and plans are to fill this critical position in the next financial year.

Post Description	Date Appointment	Of	Nature Of Employment	Duration of Contract
Municipal Manager	26 August 2017		Contract	5 years
Chief Financial Officer	01 October 2017		Contract	5 years
Sen. Manager Corporate Service	1 st March 2018		Contract	5 years
Sen. Manager Engineering Services	1 st March 2018		Contract	5 years
Senior Manager Development Planning	1 st March 2018		Contract	5 years
Senior Manager Community Services	1 st March 2018		Contract	5 years
Manager corporate strategy & Good Governance	Vacant		Contract	

The status of the following middle managers has been converted from contract to permanent with effect from the 1st July 2017.

Post Description	Date Of Appointment	Nature Of Employment
Manager Human Resource	1 July 2017	Permanent
Manager Administrative Support & Auxiliary Services	1 July 2017	Permanent
Manager Information & Communication Technology	1 July 2017	Permanent
Manager Budgeting and Reporting	1 July 2017	Permanent

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Post Description	Date Of Appointment	Nature Of Employment
Manager Expenditure and Revenue	1 July 2017	Permanent
Manager Supply Chain Management	1 July 2017	Permanent
Manager Planning and Land Use	1 July 2017	Permanent
Manager Law Enforcement	1 July 2017	Permanent
Manager: Public Participation & Council support	1 July 2017	Permanent
Manager Communication	1 July 2017	Permanent
Manager Municipal Operations	1 July 2017	Permanent
Manager Internal Audit	1 July 2017	Permanent
Manager Legal Services	1 July 2017	Permanent
Manager Project Management Unit	1 July 2017	Permanent
Manager Electricity Services	1 July 2017	Permanent

18.3.9 Skills Development, Training and Capacity Building

In terms of Government Gazette No 27801 of 18 July 2005 every Municipality is obligated to submit the Workplace Skills Plan and its Annual Training implementation Report to the LGSETA every 30 April. Employees are nominated for training according to the Workplace Skill Plan (WSP) which is informed by skill gaps in the Municipality. The following is the progress report for the reporting period:

- ⇒ 95% of newly employee were inducted;
- ⇒ 100% of Councillors attended the induction training;
- ⇒ Policy on Training and development and Bursaries were reviewed;
- ⇒ 92 students issued with registration assistance;
- ⇒ 10 students are registered with experiential training with the Municipality;
- ⇒ 03 Interns employed in the Municipality;

Forty percent (40% of Employees trained in the following programmes):

- ⇒ Performance Management System;
- ⇒ GRAP Compliance;
- ⇒ MSCOA;
- ⇒ Shooting range

Fifteen (15) Middle Managers trained in CPMD/MFMP Programme; 60% of Councillors were trained on Records Management, LED Strategy, SPLUMA and Climate Change; three (3) Officers registered for CPMD/ MFMP; 31 Ward Committees were inducted.

18.3.10 Experiential Training/Learner ship and Internships

Municipality has received eight (8) Learners from Alfred Nzo through Service Seta. The recruitment and selection process was done by Alfred Nzo district and their contracts expire in September 2018. The Municipality advertised ten (10) positions of experiential training for a period of twelve (12) months and they were placed in all departments within the Municipality. All learners are receiving a stipend from Service SETA budget. The Municipality has three (3) finance interns on a programme funded by National Treasury. They are receiving stipends from the National Treasury department. They are also furthering their education with the municipality registering all of them with reputable Educational Institutions doing Municipal Finance Management Programme. The Municipality was granted discretionary grant for Learnership to make a provision for the following programmes:

- ⇒ Bursaries issued to two (2) community member to study Human Settlement Course with one of the registered Universities;
- ⇒ Five (5) Interns were issued with bursaries to register Human Resource, Public Administration, Environmental Studies and Information Technology courses through registered Universities;

Six (6) Interns were issued with bursaries to register Management Assistant and Public Relations courses through registered FET Colleges.

18.3.11 Labour Relations

Local labour forum is functional and has been convening meetings on a monthly basis to discuss issues affecting employees and employer. The Local Labour Forum (LLF) has established sub-committees in terms of main collective agreement (SALGBC) as follows:-

- ⇒ Employment Equity Committee;
- ⇒ Training & Education Committee;
- ⇒ Restructuring of Service Committee;
- ⇒ Basic Condition of Employment Committee;
- ⇒ Occupational Health & Safety Committee

The aforementioned sub-committees should directly report to the Local Labour Forum. Disciplinary Code and Procedure and Grievance policy were developed and adopted by council and are implemented. The Corporate Service department has schedules the Awareness workshop for all policies that were adopted by the Council. The reason for this exercise is to Conscientise employees about all policies and prescripts that govern the Municipality

to ensure that there is discipline in the Municipality. Employees and Councillors have signed Code of Conduct as prescribed in the Municipal Systems Act. Workshop was conducted and was in a language understood by all employees in order to ensure that what is required of them as employees and Municipal Council of Mbizana Municipality in terms of ethical conduct.

18.3.12 Employment Equity Plan

The Municipality has an adopted Employment Equity plan and Policy drawn in line with the Act and reports are submitted to the Department of Labour on set timeframes. The municipality is complying as per the Employment Equity Act on its staff recruitment. The plan provides for the tracking of council intensions for employment equity and reporting on performance against set targets.

Currently, there are 2 females in section 56 managerial positions out of six managers and none of them is disabled. The required 2% employment of people living with disability has been attained. The intention of the council is to utilize the human resource recruitment vehicle to ensure transformation of the current employment demographics in line with its targets. The following is the status of Employment Equity in the Mbizana Municipality:-

Departments	Number of Posts Filled	E.D. Males	E.D. Females	E.D Disabled	Total
Municipal Manager	34	17	17	0	34
Corporate Service	33	14	19	0	33
Budget & Treasury	22	10	11	1	22
Community Services	88	49	35	4	88
Engineering Services	26	20	5	1	26
Development Planning	13	7	5	1	13
Total	216	117	92	7	216

Key objectives of the Employment Equity Plan

These are based on the implementation of the affirmative action measures, elimination of unfair discrimination in employment policies, practices and working environment.

- ⇒ Improve the gender representation at senior management up to lower levels from 20% to 50%;
- ⇒ Improve the over/under-representation of people from different designated groups in all occupational levels within MLM;
- ⇒ Eliminate barriers identified in employment policies and the working environment;
- ⇒ Compliance with the requirements of the Employment Equity Act.

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18.3.13 Performance Management System

Performance Management System is implemented to Section 56 Managers. During the reporting year (2016/17) PMS system was cascaded to Middle Managers: The policy was developed and approved by Council. Workshops were conducted, supported by South African Local Government & Association.

18.3.14 Fleet Management Unit

The Municipality has 23 vehicles on site and are allocated to departments/ sections but managed by Fleet Management section. The twenty three (23) vehicles mentioned above are an inclusive total of plant (utilised by Engineering Services), 12 Seater Toyota Quantum and 23 Seater Mini bus. Each vehicle has fuel card that enables them to function daily. Those fuel cards are also used for toll-gates and minor repairs.

The above vehicles are used for transporting Councillors and officials to their respective areas of council businesses. Quantum and Mini-bus are usually utilised for transporting large number of people when attending council businesses or sport activities. Municipal vehicles are permitted to leave the municipal site only if there is a signed trip authority and only the authorised people who are permitted to use the municipal vehicles. All employees who receive travelling allowance are not permitted to use municipal vehicles. All Municipal vehicles are installed with tracking devices in order to track movement of vehicle and eliminate abuse of Municipal Vehicles.

18.3.15 House Keeping Unit

The House Keeping unit is responsible for ensuring that Municipal building and offices are clean at all times. The unit is operating with seven (7) Housekeepers who are employed permanent, nine (9) Housekeepers employed temporary and the unit is in the process of filling six (6) Housekeepers positions on a permanent basis.

18.3.16 Records Management

The main purpose to established records management system was to centralise document information in order to manage the inflow and outflow of information. The unit is operating with Records Management Officer and two (2) Registry Clerks. The following has been achieved during the reporting year:

- ⇒ The file plan was developed, approved by Provincial Archiving in Mthatha and adopted by the Municipal Council;
- ⇒ The Records Management Policy adopted, approved by Provincial Archiving in Mthatha and adopted by Municipal Council;
- ⇒ Procedure Manual was drafted approved and adopted by Municipal Council;

- ⇒ Records Control Sheet drafted approved and adopted by Municipal Council;
- ⇒ The Registry space identified and in the process of renovation;
- ⇒ Records from Development Planning, Budget and Treasury Office were taken and placed at Registry Office;
- ⇒ Records ready for archiving were identified and reported to Provincial Archive in Mthatha;
- ⇒ Records qualifying for disposal were identified and reported;
- ⇒ Disposal Committee is appointed and functional

Inspection or feasibility study was conducted by Department of Sport, Arts and Recreation in order to determine a need to centralise Registry and the report indicated that there is an urgent need to centralise documents in the Municipality. The first phase project started by retrieving documents such as maps, contracts, SCM documents etc, and centralised in the Registry unit. Workshops were conducted to Councillors, Employees and Management of the Municipality to educate them about the Policy, Procedure Manual and File Plan that governed the record management.

18.3.17 Staff Retention

The MLM Employee Retention Policy is developed and adopted by Municipal Council to provide guidance and information to Council, Management and Labour in order to effectively implement all approved employee retention strategies so as to promote the retention of staff. The following are the key policy highlights which influence the successful implementation of this strategy. Currently the Municipality has achieved the following:

- ⇒ Retained six (6) people by means of promoting the employee to the higher position.

18.3.18 Succession Plan

The plan is in place and implemented. It is implemented on regular basis in collaboration with departmental heads and Human Resource officials by:-

- ⇒ Examining the Organizational Structure to establish posts that are likely to become vacant over the next five years owing retirement;
- ⇒ Provision should also be made for cases of possible termination due to the resignations, deaths, dismissals etc.
- ⇒ To earmark employees that are ready for promotion and prepare them to contest for promotional positions;
- ⇒ Encourage potential employee who are not in possession of formal academic qualification to register to Universities and Technicon's;
- ⇒ Nominate employees for trainings considering the skills gaps and the plan.

18.3.19 Employee Health and Well – being

The Mbizana Local Municipality is committed to promoting equal opportunities and fair treatment in employment for all its employees, through the elimination of unfair discrimination and integrated wellness programmes and policies. The Municipality has adopted a holistic approach to address social and work related problems through awareness programmes for its employees on the issues of HIV and AIDS, Chronic illnesses, Disability, Occupational Health and Safety as well as Sport and Recreation for its employees.

The section is functional and the following was achieved during the reporting year: Sport Committee is in place and functional directed by Employee Wellness under Corporate Services. It focuses on sporting codes such as soccer, netball and darts. The Mbizana Local Municipality has competed with other Municipality on the sporting codes such as soccer, netball and darts. The Municipality has received trophies for all three sporting codes during 2016/17 financial year. Sports took place in the following areas:

- ⇒ Wellness activity was conducted as part of motivating staff and 240 employees participated in the event.
- ⇒ 15 employees attended Medical Check-ups organized by Occ-Care to fulfill Occupational Health and Safety standards
- ⇒ The municipal teams attended SALGA game held at ALICE
- ⇒ The Municipality competed with other Local Municipalities under Alfred Nzo District Municipality including Alfred Nzo District Municipality.
- ⇒ Site inspection conducted
- ⇒ The awareness programme was conducted, facilitated by a delegate from Department of Labour

18.3.20 Leave Management

The Municipality has started the process to identify and correcting discrepancies pertaining to employee's leaves. The process will incorporate the upgrading of VIP system. The following are the issues that require correction:

- ⇒ The system to make a provision to carry over leave credits;
- ⇒ To correct date of engagement;
- ⇒ To find measure in communicating leave credits or compulsory leaves to employees and Managers of department, by making sure that Managers are encouraged to allow employees to take their compulsory leaves before the end of the cycle;
- ⇒ To Conscientise employees about the Municipal leave policy.

The Municipality was utilizing VIP Premier System has been upgraded to People Management system. The advantage about the system is that the Municipality will be able to retrieve number of reports for example:-

- ⇒ Skill Development Reports;
- ⇒ Employment Equity Reports;
- ⇒ It will assist Job description for employees;
- ⇒ It will assist with SALGA reports;
- ⇒ Tables to calculate medical aid, long service bonus, pension fund, annual salary increment etc.
- ⇒ Date of engagements for employees.

18.3.21 Information and Communication Technology

Information technology (IT) has become a vital and integral part in all government spheres in introducing efficiencies and ensuring data integrity. Simply said, the IT section is responsible for providing the infrastructure for automation. It implements the governance for the use of network and operating systems, and it assists the operational units by providing them the functionality they need. The municipality is working towards improving access and also providing ease of access on multiple devices that need to connect to the network. The other consideration is to maximise on continuity solutions to minimise impact in instances or occurrences of disaster. Lastly but not least, the municipality is also improving the municipal brand and reach through maximum utilisation of web and social media platforms.

18.3.22 Municipal Licenses and SLAs

The Municipal Licenses and Service Level Agreements (SLAs) are well monitored to ensure maximum benefit to the municipality. This process includes ensuring that all service related contracts are kept within agreed upon binding terms of contract. Licences are also up-to-date to ensure that they are within support. During the 2016/17 financial year the municipality reviewed and renewed all licences and SLAs that were due in this financial year. This is generally done so on an annual bases to ensure accountability, performance monitoring, and effective support from service providers.

18.3.23 Procurement of Hardware

The municipality is mandated by the Government gazette to provide tools of trade for all Councillors serving in the Mbizana Municipality council. The municipality provided all councillors including traditional leaders, laptops, mobile data and cell phones. Small scale project were further done to add more access points and also added central printing devises to improve access to municipal resources. The municipality's plan is to upgrade the entire network to accommodate wireless access points and improved voice quality over the network.

18.3.24 ICT Governance and Compliance

The Western Cape Department of Local Government in collaboration with the Department of Cooperative Governance (DCoG), the Department of Public Service and Administration (DPSA), the South African Local Government Association (SALGA), and the Western Cape Provincial Treasury, developed the Municipal Corporate Governance of ICT Policy for application in the Local Government sphere and was adopted in early 2015 for implementation by Municipalities.

In municipal operating environment the corporate governance of ICT places a very specific responsibility on the Council and Management within a municipality to ensure that the decision making process for ICT related investments and the operational efficiencies of the municipalities ICT environments remain transparent and accountability is strengthened. This accountability enables the municipality to align the delivery of ICT services with the municipality's Integrated Development Plans and strategic goals.

The Council and Management of municipalities need to extend their governance functions to include the Corporate Governance of ICT. In the execution of the Corporate Governance of ICT (CGICT), the Governance structures should provide the necessary strategies, architectures, plans, frameworks, policies, structures, procedures, processes, mechanisms, controls, and culture which is in compliance with the best practise in relation to the ICT Governance Frameworks.

To strengthen the Corporate Governance of ICT further, responsibility for the decision making of ICT programmes and projects should be placed at a strategic level in the municipality. The Corporate Governance of ICT is a continuous function that should be embedded in all operations of a municipality, from Council and Management level to all areas within a municipality including ICT service delivery.

18.3.25 Municipal Website

This website serves as an integral part of Mbizana Local Municipality's communication infrastructure and strategy. It allows easy access to relevant information, serves as a tool for community participation, improves stakeholder involvement and facilitates stakeholder monitoring and evaluation of municipal performance.

Mbizana Local Municipality website is up and running, URL: <http://www.mbizana.gov.za>. Information and Communication Technology is responsible for compliance on the website in terms legislations and laws applicable to municipal websites. Mbizana Local Municipality website was developed in terms of s21 A and B of MSA No. 32 of 2000.

18.3.26 Web Content Management

ICT is responsible for uploading compliance documents in terms of s75 of the Municipal Finance Management Act No. 56 of 2003 and all applicable laws of the republic of South Africa.

18.3.27 Functionality and Compliance

Information and Communication Technology section continuously uploads advertisement and compliance documents with an intention to invite public comments. Supply Chain processes from a particular value are all advertised on the website for certain period of time as per the SCM policy. All vacancies are advertised on the website for the benefit of the community of Mbizana and the rest of the interested people. All performance agreements signed by s56 managers also posted on the website. IDP/Budget and process plan, final IDP/Budget and PMS, SDBIP and quarterly reports are posted on the website and they can be accessed at any time.

18.3.28 Disaster Recovery

The Municipality adopted a new Disaster Recovery Plan (DRP) and Business Continuity Plan to ensure smooth recovery and very minimum impact when a disaster occurs. The Plan is supported by a Backup and recovery solution that is hosted in a data centre managed by Munsoft \ ITNA and as well as a Replication that is done on site using VEEAM for Hyper-V.

KEY PERFORMANCE AREA NO. 4

18.4 FINANCIAL VIABILITY

18.4.2 Overview of the Municipal Financial Management

Mbizana Local Municipality has established a Budget and Treasury Office in terms of section 80 of the Municipal Finance Management Act No. 56 of 2003. The department is tasked with overseeing the financial management of a municipality and is focused on the following four areas: - revenue management, expenditure management, budgeting and reporting and supply chain management. This municipality has managed to be financially viable over the past years as it has managed to fulfil its obligations as they fall due. This means that there has been no need for a financial bailout as the municipality has been able to settle its creditors as they fall due, paid for the construction of assets like roads, and has been able to pay for all operational requirements ranging from salaries to repairs and maintenance and others.

18.4.3 Financial Viability Overview

Mbizana Local Municipality is predominantly rural, and currently only derives revenue from the town area for service charges and property rates. There are properties in the rural areas though that the municipality charges property rates as per the Municipal Property Rates Act. These are properties owned by government and other qualifying properties like, in our case, the Wild Coast Sun Hotel and Casino.

To counter this, the municipality has developed a Revenue Enhancement and Debt Collection Strategy that was approved by council. Management is currently engaged with the implementation of the same strategy. The emphasis of the strategy is on providing quality services to the communities served and providing information early whilst it is still relevant. Whilst identifying new revenue streams, the strategy also emphasizes maximising on the already existing streams. Management has also identified that it needs to work closely with businesses as they are the ones who have more capability to settle their debts, all that needs to be improved is the willingness to settle.

Apart from the strategy, the municipality has already made some inroads in ensuring that the revenue generating capacity is improved. A new Drivers' License Testing Station was completed and has been operating for a year now. This has ensured that Mbizana communities have easier access to the service whilst improving the revenue generation capacity of the municipality. A significant part of the municipality's revenue is from the grants received from the National Treasury for various activities and service delivery objectives. The table below gives a list of the grants that the municipality receives:-

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Description	2017/18 Budget	2018/19 Budget	2019/20 Budget	2020/21 Budget
Equitable Shares	R 197 681 000	R 230 525 000	R 254 380 000	R 275 837 000
Financial Management Grant	R 2 145 000	R 2 215 000	R 2 215 000	R 2 215 000
MIG	R 61 178 000	R 47 416 000	R 48 362 000	R 50 979 000
Electrification Grant	R 34 000 000	R25 030 000	R 21 700 000	R 19 200 000
MSIG	R -	R -	R -	R -
DEDEAT Grant - Alien Plants	R -	R -	R -	R -
EPWP Grant	R 1 704 000	R 2 335 000	R -	R -
DSRAC Library Subsidy	R 350 000	R 448 000	R 391 000	R 413 000
Total	R 297 058 000	R 307 969 000	R 327 048 000	R 348 231 000

The District Municipality also makes some transfers to the local municipality for specific purposes or interventions. A higher percentage of the total budget is always set aside for the capital projects as the municipality has a responsibility of delivering services to the people in the form of Infrastructure assets like roads, community halls, sport fields electrification and other projects. As mentioned earlier, Mbizana Local Municipality also generates its own revenue from the following sources:-

- ⇒ Municipal Property Rates : for ratable properties both in town and rural areas, including government properties
- ⇒ Refuse Collection : for the town area and
- ⇒ Electricity Distribution for the town area as well.

⇒

Although these streams produce revenue for the municipality, it is not nearly enough as to cover all responsibilities that the municipality is required to undertake. The municipality also receives other income and this is not in the main functioning of the municipality. These include interest on investments, Leasehold fees, Advertising, Hall hire, Traffic fines, funeral fees, tender fees, agency fees and a few other revenue streams. New initiatives have been made to ensure that cash that is not immediately required is invested on short terms portfolios that have high returns whilst the initial capital amounts are guaranteed. The collection rate for the municipality is currently just above 80%. This is below the revenue collection norms by the National Treasury and needs to be turned around urgently. As mentioned earlier, the revenue enhancement and debt collection strategy are key to ensuring that this is realised.

Electricity sales still pose a challenge due to illegal connections, meter tempering, distribution losses and ageing electricity infrastructure. The Mbizana Local Municipality has implemented projects that are meant to turn the situation around. These include the changing of meters to split meters to reduce the tempering of meters, meter audits, to determine the status of the meters as currently used by consumers. There has also been a targeted effort at the large users of electricity like businesses and other institutions. The meters in these businesses have

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been replaced with modern ones that can be monitored and irregularities can be identified early. These initiatives have started to yield results, but need to be given time to ensure that the desired outcomes are realised.

18.4.4 Funding Streams

The municipal operations and capital projects are funded largely from grants and to a lesser extent from own revenue. The grant funding, is to a larger extent, conditional, and this means the grants can only be utilized for the purpose for which they have been made available. The grant funds are utilized as follows:

- ⇒ Equitable Share: is utilized mainly for funding operations and could also be used for a smaller portion of capital expenditure.
- ⇒ Municipal Infrastructure Grant: is a conditional grant for the funding of municipal infrastructure developments.
- ⇒ Municipal Systems Improvement Grant: is a conditional grant for institutional development, installation of systems and improvement of governance systems. This has since been placed on hold for the 2017/18 financial year.
- ⇒ Financial Management Grant: is aimed at building the financial management capacity as well as for the procurement and maintenance of financial systems. This includes ensuring that mSCOA, as introduced by the National Treasury is appropriately implemented.
- ⇒ District Municipality Transfers: is funding received from the District Municipality for planning and implementation of functions that we undertake on their behalf and for the compilation of the Integrated Development Plan of the local municipality.
- ⇒ Other grants: these are received at various intervals for Library subsidies, for the EPWP and for other specific adhoc purposes.

18.4.5 Auditor General's Concerns

The Auditor General of South Africa has audited the 2016/17 Annual Financial Statements and an audit opinion has been issued with the municipality obtaining Unqualified. The table below indicates the outcomes that the municipality has received in the past financial periods. The audited results of the municipality have been as follows for the past four years:-

	2013/14	2014/15	2015/16	2016/17
Audit Outcomes	Adverse	Qualified	Unqualified	Unqualified

An audit action plan was developed for the 2016/17 financial year's findings. The action plan addresses all the findings by the Auditor General and all the findings are addressed as we progress with the 2017/18 financial year. Some of the findings can only be addressed when the 2017/18 annual financial statements are prepared.

18.4.6 Filing System and the Audit File

One of the requirements of the audit by the Auditor General is that a municipality should be able to produce supporting documentation for the transactions that have occurred. Central to this, is the safe keeping of the documents for the audit and for future reference. The municipality currently experiences a challenge with this because we do not have central and functional archives that can accommodate all municipal documents. Above that, there is limited space on which files are kept and this result sometimes in documents being misplaced.

The municipality is currently considering alternative means that it can do to avoid the loss of documents and thereby limiting the scope of auditing and lacking reference documents in future. The alternative means include purchasing of park homes to open space at the youth center for archives function to utilise. This is whilst the Corporate Services and Engineering Services departments finalize on long term plans to address the issue of lack of filing space.

18.4.7 Financial Plans

The municipality prepares a budget that takes into consideration operational and capital expenditure over a period of 3 years. A budget process plan was adopted that would look at the compilation of the 2017/18 adjustments budget as well as the compilation of the 2018/19 annual budgets and the MTERF. These budgets or financial plans form part of this IDP document. It is important to note that a significant change has happened in the preparation of the 2017/18 budget as it was required to be mSCOA compliant.

Municipal Standard Chart of Accounts (mSCOA) is a business reform that all municipalities were required to comply with and transact on from July 01, 2017. This reform has brought about uniformity amongst all municipalities in terms of reporting as the chart of accounts is the same for all. Municipal manager through a council resolution delegated the function of championing the whole process to the Chief Finance Officer. Significant work including setting up committees made up of senior managers and managers has been carried out in terms of ensuring that the set target date is achieved and our municipality is also able to transact on a mSCOA compliant platform.

18.4.8 Grant Usage

The municipality receives a number of conditional grants as stated earlier. Conditional grants are utilized only for the purposes for which they were intended in line with their conditions. These funds are ring-fenced for the specific conditions for which they are meant. The funds are both ring-fenced within the accounting system such that they

have specific ledger accounts assigned to them, but at the same time, specific banking call accounts have been opened for each conditional grant as required by the funders. This makes it easy in the event of unspent grants to prove to the National Treasury that these funds are actually available and set aside in the bank accounts of the municipality.

As per the table shown below, the Municipal Infrastructure Grant had an unspent balance of R23 096 of which a roll-over was applied for as the funds are committed to identifiable projects. The Integrated National Electrification Programme has been fully spent and no roll over was applied for in the 2016/17 financial year. The plan is that all these capital grants are all spent in the 2017/18 financial year. It is important to note the INEP Allocation for 2016/17 and part of 2017/18 will be utilised to settle the front loading loan arrangement with the Development Bank of Southern Africa.

Description	2016/17 Adjusted Budget	2016/17 Expenditure	2017/18 Budget
Equitable Shares	R 175 910 000	R 175 910 000	R 197 681 000
Financial Management Grant	R 2 217 848	R 2 217 848	R 2 145 000
MIG	R 46 159 000	R 46 135 904	R 61 178 000
Electrification Grant	R 25 003 550	R 25 002 542	R 34 000 000
MSIG	R -	R -	R -
DEDEAT Grant - Alien Plants	R 211 314	R 211 314	R -
EPWP Grant	R 1 084 000	R 1 084 000	R 1 704 000
Total	R 250 585 712	R 250 561 608	R 296 708 000

18.4.9 Debtors' and Creditors turnover rate

Our municipality bills consumers for property rates, solid waste removal and electricity. Consumers are then expected to settle their debts by the 7th of each month after they have been billed. The debtors' turnover rate, which is basically the number of days it takes our consumers to settle their debts is more than 30 days. This is more than the expected norm and could have a negative effect on the municipality's cash flow. The efforts directed towards the improvement of the collection rate need to be intensified and this should start to yield results in the 2017/18 financial year and subsequent years. Suppliers and creditors, by law, should be paid within 30 days after the receipt of an invoice.

The municipality has a creditors turnover rate, which is the number of days it takes the municipality to pay its creditors, of more than 30 days. The municipality still has creditors that get settled beyond the 30 days that are legislated. Efforts have been made to change this around. The SCM processes have been centralized to ensure

that all processes and documents are dealt with and followed up at one place. This has shown some improvements in the turnaround times but there is still a lot to improve to ensure that service delivery reaches the communities.

The implementation of new tax verification laws by SARS and the introduction of the central supplier database by National Treasury have proven to be one of the challenges that have led to some payments staying over 30 days before they are settled. These reforms require that every time payments are processed, the municipality verifies the creditors' tax matters with either SARS or on the central supplier database. In some instances creditors would go beyond the 30 days without sorting their tax matters which affects their payments.

18.4.10 Internal Controls

In the 2014/15 financial year, a training initiative was undertaken for all Budget and Treasury Officials to ensure that the level of understanding of financial procedures and controls is enhanced. This was also done with the intention of increasing the level of understanding of internal controls and what the implications of GRAP standards application are. There has been an increased understanding of the internal controls, but management of budget and treasury office continues to emphasize on the importance of internal controls. These processes and procedures are then reviewed annually to check as to whether they still achieve the intended outcomes.

The Budget and Treasury has policies in place from which procedures are derived for the daily running of the department. The policies are reviewed annually to consider their relevance and to ensure that they comply with updates that take place in legislation and National Treasury regulations and other developments. The latest review happened at the end of 2016/17 financial year and these were ultimately approved by Council on 30 May, 2017. The review ensured that policies are updated and new ones were introduced. Some of these policies however require an annual review as they form part of the budgeting process and usually there are changes that need to be effected in each one of them. The Mbizana Local Municipality has the following financial policies that have been adopted but have not as yet been promulgated into by-laws but process of promulgation has been started by our legal section-;

- ⇒ Cash Management and Investment Policy: - deals with investment of monies that are not immediately required. This is in accordance with the framework prescribed by the minister in concurrence with the cabinet member responsible for local government and consistent with Municipal Cash Management and Investments. This policy also takes into consideration the handling of borrowing by the municipality, how it is approved and items that can be funded using borrowed funding. It also takes into consideration the borrowing of funds from finance institutions, how these are approved and who decides to enter into a borrowing arrangement.

- ⇒ Supply Chain Management Policy:- seeks to comply with the constitutional requirements that the procurement of goods and services is conducted through a system that is fair, equitable, transparent, competitive, and cost effective. Amendments have been effected to the policy but it has emerged from the audit by the Auditor General that there are still some gaps that need to be closed in terms of having this policy complying to all the legislations of the country.
- ⇒ Asset Management Policy:- deals with the way in which the municipality manages its fixed as well as moveable assets. The policy deals with the accounting treatment of all infrastructure assets, categorization, depreciation, useful lives of assets in line with the provisions of GRAP.

The following are the policies that the municipality currently has and are being reviewed regularly:-

- ⇒ Tariff Policy: this policy deals with processes and guidelines that need to be followed in adjusting tariffs, taking into consideration the changes in the Consumer Price Index and inflation. This also takes into consideration the Valuation roll, that is the values of properties that determine the Property Rates which consumers will be expected to pay. This policy is reviewed annually and forms part of the budgeting process.
- ⇒ Rates Policy: guides the municipality on how Property Rates will be charged and who will be charged and is informed by the Municipal Property Rates Act. It determines the minimum value of properties that are subject to property rates. The policy also determines the properties that will be exempt from the levying of property rates.
- ⇒ Supply Chain Management Policy: This outlines the processes and procedures that need to be followed in the acquisition and disposals by the municipality.
- ⇒ Supply Chain Management Policy for Infrastructure Procurement and Delivery: The National Treasury has introduced a guide for the development of this policy, whose intention is to ensure effective and efficient procurement and delivery of infrastructure assets. The policy introduces controls that ensure accountability various levels of the procurement process.
- ⇒ Credit Control and Debt Management Policy: This policy guides the municipality on how debtors to the municipality should be dealt with, how long outstanding debts should be collected.
- ⇒ Budget Policy: This guides the municipality on how and when municipal annual budgets and adjustments budgets should be compiled. It gives guidance on how to do virements and transfers and who has the authority to do those.
- ⇒ Petty Cash Policy: This policy gives guidance on how transactions that are within the Petty Cash threshold are handled. It outlines the documents that need to be attached as supporting evidence as well as authorization of such transactions.

- ⇒ Accounts Payables Policy: This is a new policy to the municipality and it deals with procedures that need to be followed to ensure that creditors and all service providers are paid within the stipulated time periods and the documents that need to be attached as source documents.
- ⇒ Irregular, Unauthorized, Fruitless and Wasteful Expenditure Policy: This also is a new policy to the Municipality and it outlines processes that need to be followed to prevent the instances of such expenditure. Where these expenditures have occurred, the policy gives guidance on how they can be recovered, and the disciplinary action that should follow these instances.
- ⇒ Debtors impairment policy: This is a new policy to address the specific issues relating to management of debtors and also setting parameters for the impairment of debtors whose behavior indicates a possible non-collectability. This is also in response to the new dynamic added by the recognition of revenue from traffic fines and the general behavior of those debtors to settle these debts.

18.4.11 Municipal Asset Register

The municipality maintains a GRAP Compliant asset register. This enables us to keep track and have a record of what assets we have, both moveable and immovable, the value of the assets, the depreciation thereof as well as any additions that may have taken place during a financial period. The register is maintained through the course of the year with all the additions and disposals as they occur. This register was presented to the Auditor General for the 2015/16 financial year a couple of findings were made. During the audit, adjustments were made to the asset register and agreed upon with the auditors. The GRAP compliant 2016/17 register was presented to the AG for audit and no findings were made.

It is the plan of the management team that an asset register is compiled and updated regularly to meet with the requirements of GRAP and is able to be used as a monitoring and accounting tool for all the financial years.

18.4.12 Revenue Enhancement and Collection Strategy

As indicated on the overview of the financial viability, our municipality is largely rural and as such has a limited base from which to derive revenue. This implies that the municipality comes up with innovative and robust strategies to ensure that the revenue is enhanced. A revenue enhancement strategy has been developed and approved by Council. The management of the municipality is currently implementing the recommendations of the strategy which are categorised into short, medium and long term goals. These strategies need to be implemented swiftly so as to realise better revenue generating capacity.

The strategy encompasses some revenue sources that the municipality already has like the Vehicle and license testing station which has just been completed. Other alternatives include enhancing revenue related to natural and heritage resources that the municipality is endowed with. The municipality is seeing a lot of development of businesses and residences around town. This has a positive impact on the revenue that the municipality is able to generate. Efforts are also placed at making sure that the electricity department, which has a potential to provide profits to the municipality, is run efficiently and optimally.

18.4.13 Financial Recovery Plan to address cash flow problems

Mbizana Local Municipality has not put together a financial recovery plan. This is mainly due to the fact that it has not experienced any problems with cash flow as it currently has a healthy liquidity that is it is able to meet its obligations as they fall due. Assessments are carried out on a regular basis to consider whether the financial recovery plan would be required. Having said this, the municipality is actively engaged with efforts to ensure that this status is maintained. This includes, as mentioned earlier, active investment of cash not immediately needed, soliciting funding for infrastructure projects and ensuring prudent budgeting and spending practices.

It is important to note as well that the municipality has committed itself on electrification projects, which in turn are handed over to ESKOM. This means that the cash reserves of the municipality have been seriously tapped into, and from the 2016/17 financial, and going forward, there needs to be a serious cut back on non-essential spending, what is normally referred to as 'nice to haves'. There is no need for alarm bells, but emphasis is made on the fact that the municipality needs to be vigilant in terms of taking decisions that could be far reaching and committing financial resources.

18.4.14 Valuation Roll

The municipality has developed and adopted the valuation implementation plan for the third cycle valuation roll in terms of the Municipal Property Rates Act (MPRA) as amended. The plan was adopted by municipal council on the council meeting of the 28 June 2017 and informed the office of the Member of the Executive (M.E.C) as required.

The council allocated the budget of conducting the third cycle valuation roll that will be implemented as from 1 July 2019. The council also reviewed the municipal rates policy as it is done on annual basis with the bylaws inclusive of tariffs that are advertised and gazetted by law. The rates policy was adopted by the council and the bylaws that give effect to rates policy along with the resolutions to levy rates on 22 August 2016, No 3723. The municipality is in the process of implementing the final supplementary valuation roll an update in the general valuation of 2014,

which is updated annually in the form of supplementary valuation rolls as contained in the IDP. The valuation roll is further available in the municipal website for public viewing.

The council also advertised the 2012 valuation roll that was implemented on the 01 July 2014 for the period of four years ending in 2018. The valuation roll was gazetted in the provincial gazette of 30 September 2014, No 3278. The advert was for the call of the inspection of the general valuation roll by the rates payers as required in terms of the act as amended.

18.4.15 Supply Chain Management

The Municipal Finance Management Act No 56, of 2003, section 80, deals with the establishment of a Budget and Treasury Office by all municipalities. The established Budget and Treasury Office must then be headed by the Chief Financial Officer with a number of responsibilities assigned to him/her. One of the responsibilities assigned to the Chief Financial Officer also include supply chain management. Mbizana Local Municipality has established the Budget and Treasury Office, within which a Supply Chain Management Unit has further been established. This unit is responsible for all demand management, procurement, logistics and disposals within the municipality.

The unit is headed by a Supply Chain Management Manager, who reports directly to the Chief Financial Officer. In turn, there are two Supply Chain Management Officers who report to the manager. Further to this, there are two SCM Clerks who report to the officers, and this total to a unit with five personnel. These personnel are further enhanced by financial management interns who rotate and therefore, as part of rotation form part of the SCM Unit team. All the SCM officials meet the minimum competency levels required for SCM officials.

As part of the section 71 reports that are tabled to committees and then to council, SCM issues are also reported. This means that there are twelve (12) reports that are tabled to council on an annual basis. The supply chain management policy is reviewed on a yearly basis and forms part of the budget related policies. This review therefore also happened for the 2017/18 financial period. The following thresholds are outlined in that policy:-

STRUCTURE OF APPROVAL		
Goods/Service Value	Procurement Method Minimum	Approval Authority
R0 – R2 000	Petty Cash: One Quote	Head of Department
R2 001 – R10 000	Three Quotations	Head of Department
R10 001 – R30 000	Three Quotations	Head of Department
R30 001 – R200 000	7 days advert Notice Board via Website; Three Quotations	Accounting Officer or delegated

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R200 001 – R2 Million	Competitive Bidding Process	Accounting Officer
R2 Million – R10 Million	Competitive Bidding Process	Accounting Officer
Above R10 Million	Competitive Bidding Process	Accounting Officer

The bid committees are appointed for specific projects with the following principle applied at all times:

- ⇒ The Bid Evaluation Committee is composed of managers reporting to senior manager, and each committee always has a SCM practitioner.
- ⇒ The Bid Adjudication Committee is composed of Senior Managers and is chaired by the Chief Financial Officer

The committees have performed at acceptable levels although and improvement would be welcome to ensure that there are no delays experienced.

18.4.16 Preparation of Annual Financial Statements Plan

The municipality has from the 2015/16 financial year decided to compile its financial statements using the internally employed officials. This has meant that there is a significant saving on the amounts that are spent on consultants to prepare the same. In doing this, the municipality prepares an annual financial statements preparation plan that looks into all the components of the financial statements, due dates, as well as responsible officials. This plan also looks into more immediate and regular timelines for tasks to be performed daily, monthly and quarterly. The plan then looks into the year-end processes with key deadlines which are usually set as follows for all financial years:

Draft AFS and Submit to the CFO	28 July
Draft AFS and submit(with the audit file) to Internal Audit for review and external reviewer if available	31 July
Draft AFS and submit to Audit Committee	20 August
Draft AFS submit to Executive Committee	23 August
Compile the final audit file	29 August
Finalise AFS and Submit to MM for Approval	29 August
Submit AFS to AG	31 August

KEY PERFORMANCE AREA NO. 5

18.5 GOOD GOVERNANCE AND PUBLIC PARTICIPATION

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Good Governance and Public Participation is a key priority for the municipality. On good governance and public participation the emphasis of the municipality will be on following:-

- ⇒ Implementing democracy through investment in public participation and ward capacity building programmes.
- ⇒ Fighting tendencies of corruption in our system
- ⇒ Increasing trust and support from our communities and also ensuring the maintenance of a good image and profile for the municipality
- ⇒ Implementing community outreach initiatives such as those activities undertaken in the special programmes unit (focusing on youth, women and disabled)
- ⇒ Attainment of a clean audit outcome within two prior to installation of the next council
- ⇒ Putting in place effective systems and processes for improving council oversight and administrative accountability through implementation of functional PMS and SDBIP regular reporting.
- ⇒ Intensive capacity building of ward committees.
- ⇒ Ensuring functionality of the audit committee

18.5.1 Council Structures

The Council has been fully functional with 62 councillors and 12 traditional leaders and has an Executive Committee comprised of 10 members where there are four fulltime Councillors heading the following departments: Engineering Services, Corporate Services, Budget and Treasury as well as Development Planning. Currently there are six (6) committees, namely:-

- ⇒ Budget and Treasury;
- ⇒ Corporate Services;
- ⇒ Good Governance, IGR, PP & SPU
- ⇒ LED & Spatial Planning;
- ⇒ Engineering Services;
- ⇒ Community Services.

The council has established two Section 79 committees which are MPAC and Public Participation and Petitions Committee. The Executive Committee and the Mayor are responsible for overall management, coordination, monitoring of performance of administration and drafting of policies and by-laws. Some members of executive committee are heading standing committees which then reports to the Executive Committee. The following is the Council Mandate:

- ⇒ The passing of by-laws and formulation of policies;
- ⇒ The oversight of the executive and administration;
- ⇒ The approval and amendment of budgets;

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- ⇒ The imposition and amendment of rates and other taxes, levies and duties;
- ⇒ The approval or amendment of the Municipality's Integrated Development Plan;
- ⇒ The setting of tariff charges;
- ⇒ The entering into Municipal Service Partnerships; and the appointment of the Municipal Manager and Sec 56 Senior Managers.

18.5.2 Municipal Public Accounts Committee (MPAC)

The council has formally established a Municipal Public Accounts Committee (MPAC) in order to meaningfully play the oversight & progress monitoring role over municipal performance in the implementation of the IDP. The committee is functioning well and submitted to council its 2017/2018 annual work plan for adoption. Upon the oversight of the council reports, findings with remedial recommendations are tabled to council on quarterly basis. The committee comprises of seven members and The Department of Cooperative Governance & Traditional Affairs, Provincial Treasury, Provincial Legislature (Scopa) and SALGA are providing necessary support and capacitating MPAC members.

18.5.3 Public Participation

Public Participation is enhanced through Imbizo's, road - shows and other consultative meetings with the assistance of ward committees (308), Councillor Support Assistants (31) and 21 CDW. Mayoral Imbizos Annual Report road shows are held to report on the Municipality's progress in terms of service delivery and also the progress in attending to the issues that were raised by communities in the previous IDP sessions. Suggestions on how to improve service delivery and some complaints regarding the current services were put forward. Community education was conducted to all 31 wards (clustered) as part of capacity building of the local community to enable the community to participate in the affairs of the municipality and also enable them to know the roles and responsibilities of other sector departments.

Challenges prevalent in public participation include the following:-

- ⇒ Geographic spread of the area implies that the Municipality cannot reach each and every person;
- ⇒ Poor roads infrastructure impedes people's mobility;
- ⇒ Poor communications infrastructure makes it difficult to disseminate information;
- ⇒ Lack of structured or organized civil society;
- ⇒ Poor coordination of ward war rooms

- ⇒ Non-attendance of field officers and departmental reps

18.5.4 Functioning of Ward Committees

In terms of Section 72 – 78 of the Municipal Structures Act, the Council has established ward committees in each of the 31 wards which are chaired by their respective Ward Councillors. Ward committee meeting sits on a monthly basis. Office of the Speaker has managed to conduct Induction workshop and provision of working tools to all ward committees. The ward committees are consultative community structures without any formal powers accorded to them. Issues raised by communities in the ward committee meetings are added to the IDP as critical issues needing urgent attention. All their monthly reports are submitted to the office of the Speaker and they form part of the Speaker's report for discussion and resolutions by council.

18.5.5 Community Development Workers (CDW's)

Mbizana has 21 Community Development Workers and the Department of CoGTA has started the process of further recruitment filling the vacant 10 wards. They have also been quite active in the Municipal programs like Mayoral Imbizos, IDP road shows, Annual Report road shows and Community Education and serves as secretaries of ward war rooms.

18.5.6 Integrated Service Delivery Model: Operation Masiphathisane

The programme of Operation Masiphathisane" was received and started operating in 31 wards of Mbizana local municipality and so far we have established and launched the following ward war rooms; Ward 01,02,03,04, 05, 08, 10, 11,12,13,14,19,31,14,15,17,19,23,24,27and 31. Ready to be launched war rooms are ward: 06,07,09,15,16,18,20,21,22,25,26,28,29 and 30. All wards have developed the monthly sitting schedule and are using the community halls and schools as venues and the compiled list of stakeholders is available at the war room.

18.5.7 Traditional Leadership Partnerships

Office of the MEC for Corporate Government and Traditional Affairs issued a gazette with list of (12) appointed traditional leaders to serve in the new term of 2016- 2021. Traditional Leaders sits in the Municipal Council and its Committees as they form part of the critical stakeholder of the municipality. Due to the rural nature of the Mbizana Municipality, the participation of and cooperation with Traditional Leaders is critical for the success of the municipality's development programs. They play a fundamental role in the IDP and Budget processes, Public Consultative Meetings on IDP, Budget, Annual Report and SPLUMA. The other critical role that is played by our traditional leaders is that of managing the initiation programme in the previous financial year we recorded zero deaths as a result of their commitment and full involvement in the programme.

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18.5.8 Risk Management

The risk management of Mbizana Municipality is under the internal audit unit. Risk management policy was adopted by the Council. Internal Audit Unit facilitates the risk assessment on a regular basis together with the management. The internal audit unit has conducted the municipal wide risk assessment during the year. Risk registers are developed for all departments within the municipality detailing the risks identified on all the strategic objectives as per Integrated Development Plan, root causes and by rating the effectiveness of the existing internal controls for the risks identified. This strengthens the risk management within the organisation and mechanisms to mitigate those risks that are contained to an acceptable level. The top ten (10) risks faced by the municipality were identified.

18.5.9 Fraud and Corruption

Mbizana Local Municipality has the Anti-Corruption Policy and implementation plan which encompasses the whole range of activities. The objective of this policy is to ensure that all fraudulent activities are discouraged, fought and defeated, mitigated and attended to in a coherent and integrated manner, and promoting ethical conduct or behaviour. An approved fraud & Anti-corruption strategy is in place.

Mbizana Local Municipality is committed to fighting fraudulent behaviour at all levels within the organisation for the promotion of ethical conduct and early warnings of fraud and corruption. All fraud and corruption will be investigated and followed up by the application of all remedies available within the full extent of the mighty law and the implementation of appropriate prevention and detection controls.

The scope of the Anti-Corruption policy applies to all fraud, corruption, theft, maladministration or suspected irregularities involving the following persons or entities:-

- ⇒ All employees of the municipality;
- ⇒ Consultants, suppliers, contractors and other providers of goods or services to the Municipality; and any other parties receiving benefits from the Municipality.

The Mbizana Municipality Fraud Prevention Plan comprises of five pillars, namely;

- ⇒ Prevention of Fraud and Corruption;
- ⇒ Detection of Fraud and Corruption;
- ⇒ Investigation of Fraud and Corruption;
- ⇒ Resolution of Fraud and Corruption; and
- ⇒ Maintenance and evaluation of the Fraud Prevention Plan.

18.5.10 Internal Audit / Audit committee and Compliance.

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The audit committee; an independent advisory committee is required in terms of s166 of the Municipal Finance Management Act; MFMA s56 of 2003, to, among others, perform functions required by the Act in line with the terms of reference; the audit Committee Charter.

As provided for in terms of section 166(2) of the MFMA, the municipality had an audit committee established to address matters relating to the municipality. These matters include, amongst others, the following:

- ⇒ Governance; Ethics; and policies and procedures
- ⇒ Assessment of the effectiveness of Internal Controls;
- ⇒ Performance management
- ⇒ Risk Management

18.5.11 Effectiveness of Internal and External Auditors

The Council appointed five independent members. Audit Committee is functional with 5 independent members selected from different areas of expertise to enhance the audit committee's overall knowledge of the municipality or entity and the ability to discharge its obligations and provide appropriate recommendations to the council.

Mbizana local municipality Audit Committee members acquired the following skills:

- ⇒ Financial Management
- ⇒ Legal
- ⇒ Admin and Governance (i.e. Internal Audit, Risk Management, IT, Human Resources, Planning, etc.
- ⇒ Performance Management
- ⇒ Medical practitioner,

Audit Committee terms of reference was adopted by Council and Audit committee is executing their responsibilities as set in the approved Audit Committee Charter. The municipality has managed to maintain over the past 2 years an unqualified opinion. After the final audit report received from the Office of the Auditor General, follow up procedures were implemented by internal audit to ensure the implementation of action plans prepared to address issues raised by Auditor General and the audit committee played a major role in this regard.

Municipality is required to have an internal audit function in terms of section 165 (1) of the Municipal Finance Management Act no 56 of 2003 ("MFMA"). This requirement is re-enforced by the recommendations of the King IV Report on Corporate Governance. Mbizana Local Municipality has functional Internal Audit unit. Internal Audit Risk based Audit coverage plan was approved together with Internal Audit charter. The Internal Audit structure has three warm bodies being the Manager and two Senior Internal Auditors. Audit report showed positive results in these areas, performance information, compliance with laws and regulations as well as improved operations within the municipality. It is further noted that there is a significant decrease in Auditor General's findings compared to

previous years. The unit is short-staffed after the co-sourced wing exhausted the budget early in the previous financial year that resulted many projects to be executed internally by the three personnel.

18.5.12 Audit Action Plan 2016 - 2017

MBIZANA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2016/17										
No	Finding	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)
Pre-Determined Objectives										
	The following deficiencies were identified when the systems and portfolio of evidence for program 3 was inspected for quarter 1 and quarter 2 of 2016/17:	Low	TIDs were not included in the SDBIP file	Management should ensure adequate and appropriate documents are retained to support the reported performance. Management should also ensure that TIDs are sufficient documented for each indicator so that the sets that produce the reported performance can be verified by an independent person	management will ensure that TIDS file will be submitted with SDBIP to Auditors	Manager Municipal Operations	Internal Audit	31-01-2018	TIDs file was submitted to auditors later	
	When testing Measurability of KPI, it was noted that the following indicators were not clearly defined and verifiable, as required by FMPP. This was due to a lack of technical indicator descriptions, it was therefore impossible to test whether the indicators are clearly defined and verifiable	Low	TIDs were not included in the SDBIP file	Management should use Framework for Managing of Programme Performance Information when documenting the indicators and technical indicator description so as to ensure that their indicators are measurable.	management will ensure that TIDS file will be submitted with SDBIP to Auditors	Manager Municipal Operations	Internal Audit	31-01-2018	TIDs file was submitted to auditors later	
	The completeness of the following reported performance indicator could not be verified		Insufficient POE was submitted to substantiate the reported performance	Management should review the annual performance report before it is completed so as to ensure accuracy and completeness of the information reported. This will ensure that there is consistency on the disclosure of performance information	Management will ensure that POE file is complete .	Manager Municipal Operations		31-01-2018	Annual report was adjusted	

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MBIZANA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2016/17										
No	Finding	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)
	Number of jobs created adjusted	Low	Insufficient POE was submitted to substantiate the reported performance		Management will ensure that POE file is complete .	Manager Municipal Operations	Internal Audit	31-01-2018	Annual report was adjusted	
Contingent Liabilities										
	Contingent Liabilities included at incorrect values on the AFS	High	Legal representatives providing two different amounts on cases and not indicating the probability of the municipality winning or losing the case	Management should review the contingent liability disclosure and ensure that it is consistent with information received from the legal counsel.	To develop a new questionnaire to ask all relevant questions when doing these confirmations	CFO	Internal Audit	31-Jan-18		
	There were contingent liabilities that were not included in the municipality's annual financial statements but were confirmed by the municipality's legal council	High	Legal representative that did not respond to the municipality's request for information	Management should keep a record of all claims against the municipality which should be reviewed on a monthly basis and updated with information received from the lawyers.	To request legal council to co-operate with the municipality during this period and include sanctions for legal representatives who do not confirm cases	Legal Services manager	Internal Audit	31-Jan-18		
Irregular, Fruitless, Unauthorised and Wasteful Expenditure										

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MBIZANA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2016/17										
No	Finding	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)
	During the auditors' verification of the comparatives balances in the current year financials the noted the opening balances were changed without showing any movement.	Medium	It is due to a lack of adequate reviews by management to ensure that reasonable steps are taken to avoid irregular, unauthorised and wasteful expenditure.	Management should ensure that the Annual Financial Statements are reviewed and checked for accuracy prior to submission. All movements in the form of written off balances must be adequately authorised by council	Management will prepare an action plan for the compilation of Annual Financial Statements with all the review processes and dates clearly stated. This should prevent the omission or incorrect capturing of information. The review process must include senior management, Internal Audit, External Reviewer, and the Audit Committee	CFO/ Manager: Budgeting and Reporting	Internal Audit	28-Feb-18		
	Expenditure relating to the Khumbuza Community Hall that was relocated was not disclosed in the AFS	Medium	Management did not apply the definition of fruitless and wasteful expenditure correctly	Management must ensure that control measures are in place to ensure that no fruitless and wasteful expenditure occur year on year	To create a fruitless expenditure evaluation checklist and register	CFO	Internal Audit	2018-02-28		
Operating Expenditure										

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MBIZANA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2016/17										
No	Finding	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)
	The asset register were not properly prepared during the budget process resulting in the correct expenditure amounts not being available for budget purposes	Medium	"No information was provided on the electrification projects that would be completed during the year.	Management should formulate a plan of action in order to avoid the recurrence of unauthorised expenditure year on year.	To request all information relevant from departments during the adjustment budget	Manager: Budgeting and Reporting	Internal Audit	16-Feb-18		
	"Reasonable steps were not taken to prevent unauthorised expenditure, as required by section 62(1) (d) of the MFMA. The non-compliance finding is evident in that the:	Medium	The cause of this finding is lack of review of financial statements disclosure by management.	The management should implement controls over the review of financial statements submitted for audit.	A detailed list of information required during the adjustment budget will be distributed to all heads of departments to ensure all relevant information is considered during the process	CFO	Internal Audit	16-Feb-18		
Commitments										
	There were commitments where amounts per the appointment letter did not agreeing to the amount awarded per the schedule of commitments.	High	Management did not perform proper reviews of the commitments register and the supporting information	Management should ensure that correct amounts are recorded on the register and since the register is manually compiled, proper review needs to be done to detect errors	Commitment register to be distributed to all Senior Managers to confirm correctness and completeness of captured commitments	SCM Manager	Internal Audit	20-Jul-18		

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MBIZANA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2016/17										
No	Finding	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)
	There were commitments that were not included in the commitment register	High	Management did not perform proper reviews of the commitments register and the supporting information	Management should ensure that there is reconciliation between commitment register and contract register to ensure the completeness of commitments disclosure.	Monthly update of the commitment register	SCM Manager, Revenue & Expenditure Manager	Internal Audit	15th Day of Each Month		
	The following suppliers with director/founders in the service of the state were found to have made false declarations of interest (MBD) as they stated no for the question relating to whether they are employed by the state	High		Management should follow up on the issues and actions should be taken against the suppliers as per the allowable prescripts of legislation	Service of the state verification to be done through the DPSA function before each appointment and payment processing. All these companies placed on hold	SCM Manager	Internal Audit	31-Dec-17	Being Implemented	Attached on each payment voucher
	The following employee within the municipality has been identified to have interest in a supplier that traded with the municipality, but nor the supplier or the employee has declared such interest:	High		Management should follow up on the issues and actions should be taken against the suppliers as per the allowable prescripts of legislation	All companies placed all hold and all employees to sign declarations	SCM Manger	Internal Audit			
	1. The listed fixed assets were not depreciated using the useful life as per the policy for fixed assets. This is not the entire list of the assets not depreciated	High	Lack of management review of the supporting	The municipality should ensure that it uses the calculation of depreciation is based on the selected accounting policy and the useful lives of the assets	The FAR project to be started in time to allow proper and thorough	CFO	Internal Audit	31-Mar-18		

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MBIZANA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2016/17										
No	Finding	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)
	<p>using the stated policy, please refer to the fixed asset register for the full extent.</p> <p>2. The useful lives of the fixed assets do not appear to be reliable as they seem to be understated. This understates the carrying value of the fixed assets at year-end. Per the accounting policy the roads average useful life is determined at 5 to 100 years (60 months to 1200 months). Per the table below roads useful life is determined over 48 months, therefore inconsistent with the said accounting policies. "</p>		information to the AFS	are assessed for reasonableness at year end	reviews before submission to AG					

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18.5.13 State of Litigations

The municipality developed and adopted legal risk management policy and has a functional legal section, the department is functioning with one legal advisor one admin clerk, one legal intern and there is still a vacant position of a legal office in the approved municipal organisational structure which the municipality plans to fill during 2018/19 financial year. Municipality appointed a panel of legal experts specialising in various fields and most cases faced by the municipality are outsourced to them.

The municipality currently has 6 cases on its case register two of those are favourable to the municipality and 4 are unfavourable. There has been a great reduction of litigation in the current financial year considering that in the last financial year our case register had 54 cases.

18.5.14 Municipal By-Laws

The municipality has 41 gazetted by-laws that are being implemented. The municipality is also in the process of gazetting mostly finance and budget related polices and some polices relating to public participation and council support. Two by-laws relating to buildings and cemetery management were revised as loop holes and omissions were identified upon implementation. One by- law relating to control of animals is still to be developed and will be gazetted in the following financial year.

18.5.15 Focus On Special Groups

Special groups refer to the previously marginalise and discriminated members of our society. During the apartheid regime, they were infringed from accessing their basic need and rights. They were suppressed into feeling of inferiority, regret and shame. South African prides itself on having one of the most progressive Constitutions in the world in which the Bill of Rights dictates and it is this Constitution along with various legislative frameworks and Chapter Nine Institutions which protect the rights of vulnerable groups and provides for community participation in decision making at municipal level.

As part of the South African legislation the Municipal Systems Act (Act no 32 of 2000), Section (2) states that “a municipality must establish appropriate mechanisms, processes and procedures to enable the local community to participate in the affairs of the municipality”; Section (3) of the same Act states that, when establishing mechanism, processes and procedures in terms of Section (2) the municipality must take into account the special needs of:

- ⇒ People with disability
- ⇒ Children

- ⇒ Women
- ⇒ Elderly
- ⇒ Youth

The new democratic South Africa recognised the unjust treatment towards special groups. All sectors of governance were instructed to lobby and advocate for the realisation of the rights of the special groups of people. All municipalities were instructed to set aside resources for the mainstreaming of special groups of people. Mbizana Local Municipality has budget set aside for the mainstreaming of special groups and a unit dedicated to coordinate the mainstreaming of special groups. Currently there are four officials working in the Special Programmes Unit, Special Programmes Unit Coordinator, Children, Elderly and PWD Officer, Outreach Officer, Youth and Career Guidance Officer as well as Gender Officer.

18.5.16 People with disability

Mbizana Local Municipality has made remarkable progress in developing Policies, transforming the institution and forming PWD Structures to be representative and responsive to the developmental needs of the People with Disabilities. However, People with Disabilities still face extreme social, economic and political levels of inequality and discrimination in our society. In the Alfred Nzo District the disability prevalence rate is at 8.66 % on male and 11.6 % on female according to census 2011. Currently, Mbizana Local Municipality has gone this far in mainstreaming people with disability:

- ⇒ Supported functionality of PWD Forum
- ⇒ Maintain Functionality of PWD Forum Office (all office requirement e.g stationary)
- ⇒ Initiated Mr. and Miss Personality in an effort to eradicate self-shame, self-doubt and low self-esteem amongst disabled youth.
- ⇒ Initiated and conducted campaigns to promote the rights.

18.5.17 Children

Mbizana Local Municipality has to ensure the wellbeing and protects the rights of children as provided by the bill of rights. Today's Mbizana children are exposed to so many social ill and difficult circumstances (drug and substance abuse, HIV and AIDS sexual harassment and rape, teenage pregnancy, parent negligence etc.). Mbizana Local Municipality has set aside resource to combat and protect the rights of children. Currently, Mbizana Local Municipality has managed;

- ⇒ Supported functionality of Children Advisory Council
- ⇒ Supported child headed household and vulnerable children with uniform, shelter and grocery
- ⇒ Conduct awareness campaigns and dialogue in promoting the rights of children(Child Labour)
- ⇒ Supported early childhood development centre with educational material

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18.5.18 Women

- ⇒ Women are influenced by the historical conditions that have shaped the country, and its democratic goals. In addressing the impact of historical conditions, our municipality is dedicated in promoting principles of social injustice and economic justice, human rights, active participation of women, the promotion of women benefit and liberal values.
- ⇒ According to Stats SAs gender analysis of Mbizana 45.5% is towards males with a shocking 64 % being females. This is therefore suggesting that municipality and all other stakeholders must have a biased planning towards programmes assisting women. Mbizana Local Municipality managed to:
 - ⇒ Launch functional Women's Forum to represent the interest and developmental agenda of women.
 - ⇒ Launched Women's Caucus
 - ⇒ Conduct awareness campaigns and dialogue in promoting the rights of women and prevention of women abuse

18.5.19 Elderly

Elderly person remains one of our crucial social strata in this democratic society. Their experience and knowledge of the world are the basic founding ideas of today world. Their role in society in shaping the society we live in has a meaningful contribution to the future we want to see. Currently, Mbizana Local Municipality has managed to:

- ⇒ Supported functionality of Older Persons Forum
- ⇒ Establish 9 more elderly centres making the total of 42 elderly centres in Mbizana.
- ⇒ Supported Golden Game
- ⇒ Conduct awareness campaigns and dialogue in promoting the rights of older persons and abuse of older persons.

18.5.20 Youth

- ⇒ Mbizana Youth Development is influenced by the historical conditions that have shaped the country, and its democratic goals. In addressing the impact of historical conditions, our municipality is dedicated in promoting principles of social injustice and economic justice, human rights, active participation of youth, the promotion of women benefit and liberal values.
- ⇒ Young people in Mbizana Local Municipality has the population majority of 75% of which 81.5% of them are unemployed, 42.6% of them are school dropout, 6.3% are attending high school and only 3.1 % possess a university degree according to census 2011. Mbizana Local Municipality has put aside resource and develop strategies for youth development. These strategic interventions were:
 - ⇒ Supported functionality of Mbizana Youth Council to voice out the needs and want of young people in Mbizana.

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- ⇒ Initiated programmes with the purpose to develop career management skill, Career Awareness and skills development.
 - Career Exhibition
 - Mayors Schools Achievement Awards
 - Assist youth with access to tertiary applications and funding.
 - Assist youth with job hunting skills, Entrepreneur skills and personal development.
- ⇒ Conduct awareness with the objective to develop education and training, safe male traditional circumcision, and also initiatives to reduce the consumption of substance and drug abuse, and sexually transmitted diseases.

18.5.21 Sport Development

Sport is an essential and important aspect of Mbizana society. It attempts to define the morals and ethics attributed not only to athletes, but the totality of society as a whole. It brings together people of different ages, sex, religion and politics affiliation, it promote social cohesion, stability and peace. As Mbizana we believe sport is what binds us together in unity in diversity. In promoting sport development, Mbizana Local Municipality has;

- ⇒ Establish Mbizana Sport and recreational Council which is an umbrella body for all sport codes
- ⇒ Has a continuous Steve Tshwete games for under 19 years old only.
- ⇒ Has supported Football Teams at Vodacom Level.

18.5.22 O.R. Tambo Commemoration

As means of preserving OR Tambo legacy Mbizana municipality council resolved to annually commemorate the life and the legacy of our own legend. This is done to ensure that generations to come will benefit in this rich history. The year 2017 has been nationally declared as the centenary year in honour of OR Tambo as he will be 100 years this year if he was still alive. The celebrations are not only event driven but departments are pledging and committing service delivery projects in honour of this legend and improving lives of people of Mbizana. The Council of Mbizana has also committed funds to honour his life.

18.5.23 INKCIYO Programme

In response to high prevalence of teenage pregnancy and a spread of sexually transmitted diseases among teenagers, Mbizana Local Municipality as adopted Inkciyo as a strategic intervention in combating mentioned challenges. Mbizana Local Municipality working together with Traditional Councils facilitate and monitor young girl's sexual behaviour and prevent them from engaging in sexual activities at young age.

As we speak, we have 6000 girls participating in the programme being inspected every Saturdays in various inspection centres in all wards.

1. Number of girls participating – 6000
2. Number of Inspection Centre – 42
3. Number of Inspectors – 82

There are programmes that stimulate and motivate these young girls. These are:

1. Umkhosi Womhlanga
2. Indoni Miss Culture
3. Mbizana Inkciyo Celebration

18.5.24 Performance Management System

Performance Management Systems is a system of setting and measuring desired outcomes and activities of a municipality - its individual components as well as its staff who contribute to the achievement of the strategic vision of the municipality. It is a multilevel process that starts with an overall strategy and cascades to individual performance management and appraisal. Performance Management systems enables the municipality to track and monitor the performance of individual employees, departments, and the overall municipality. Performance management systems is a key tool that provides assurance on the use of municipal resources to achieve certain objectives. Performance management systems can also contribute to the identification of value for money opportunities. By setting performance measurements that specify economy, efficiency and outputs and outcomes (effectiveness), value for money savings may be identified.

18.5.25 Legislative Rationale

Section 45 of the Municipal Systems Act No. 32 of 2000 read in conjunction with Section 121(3) (d) of the Municipal Finance Management Act No. 56 of 2003 state that each municipality must have a performance management system, which sets out appropriate key performance indicators. Municipalities are required to also monitor their performance against the key performance indicators and importantly measure and review performance at least once per year.

The Act requires that a municipality must prepare for each year a performance report reflecting the performance of the municipality and of each external service provider during that financial year, a comparison with the targets set and measures taken to improve performance. This performance report must be included in the municipality's annual report. The performance of the municipality must be audited as part of the municipality's internal auditing processes. It also appears that the achievement of performance measurements, that will be included in the performance report and the annual report, must be audited annually by the Auditor-General.

The performance management Unit managed to craft the Service Delivery and Budget Implementation Plan for the 2017/2018 Financial Year that was adopted and signed by the Honourable Mayor just before the start of the financial year. Further to that and as legislated, Performance Agreements of Senior Managers were crafted, signed and submitted to relevant government departments. The Unit also managed to deliver in its objective of mandated reporting as it managed to produce all four projected quarterly reports and their submission to Council.

The Unit further compiled the Annual Performance Report for 2016/2017 FY and had it submitted to the Office of the Auditor-General for auditing purposes as legislated. The Unit is currently compiling the legislated 2016/2017 FY Draft Annual Report within the confines of MFMA's Circular No. 63. These deliverables were realised through the on-going support from Internal Audit & IDP Units and their relentless endeavours in ensuring that alignment and compliance are not compromised at all material times. Further co-operation was further solicited from user departments from within the municipality as they went out of their way to ensure that they provide whatever performance information requested by the Unit. The Unit was also entrusted with the responsibility of Back to Basics Monthly reporting to COGTA and this was done as mandated and is on-going.

Activity	Definition	Who	How	Mechanism	Report to	Time
Monitoring	Tracking the performance of KPIs on a continuous basis through data processing and analysis. Detect early indicators of under-performance.	HoD Int. Audit	Monthly Report Quarterly – composite report Regular Performance Audit	Monthly and quarterly report Computerized system Capturing data on performance and producing exception reports.	Executive Committee (Half-yearly) Council (Half-yearly)	Monthly Quarterly Half-yearly
Review	Assessment of the performance of the system itself, and the organization against KPIs at regular intervals. Performance measurement against KPI's. Compliance with legislation. Indicate corrective measures where under-performance was identified.	HoD	Monitoring Reports SWOT Analysis (PMS) Internal Audit Reports. External Audit Reports.	Use monthly monitoring reports – officials. Use half-yearly audit reports – officials / audit committee. Annual Reports	Municipal Manager Management Council Community MEC Auditor General	Half-yearly

Activity	Definition	Who	How	Mechanism	Report to	Time
Measurement	Collecting of data	HoD	Measure performance	Officials regularly monitoring reports	Management	As part of monitoring.
	Comparing with baseline data	PMS	against targets and compare with standards.	Experts appointed to develop measurement criteria.		
	Comparison with previous period	Councilors Aud. General Int Auditor	Productivity measurement Economic measurement Efficiency Effectiveness Community Satisfaction.			

19. INSTITUTIONAL SWOT ANALYSIS

Strengths	Weaknesses
<p>Development of credible IDP for the institution</p> <ul style="list-style-type: none"> ⇒ Formulation of by-laws ⇒ Relations with traditional councils and stakeholders ⇒ Formulation of policies ⇒ Management of municipal litigations ⇒ Monitoring of municipal service delivery by Exco ⇒ Public participation mechanisms ⇒ SPU programmes ⇒ Law enforcements by traffic section ⇒ Improved socio-economic growth in town and rural areas ⇒ Improved internal hr capacity of municipal employees ⇒ Current staff complement and the development of interns within the department ⇒ Internally produced Annual Financial Statements ⇒ Financial Accounting IT systems that are reliable and can withstand the day to day requirements of the municipality 	<p>Pace Of Gazzettig By-laws</p> <ul style="list-style-type: none"> ⇒ Monitoring The Implementation Of Promulgated By-laws ⇒ Slow Recovery Of Costs On Litigation Cases Of Municipality ⇒ Publicity Of Municipal Activities / Program To Our Communities ⇒ Communication Of Spu Activities Within The Institution ⇒ Igr Coordination ⇒ Inadequate Risk Management ⇒ Internal Customer Care/ Premises Not User Friendly ⇒ Non Functionality Of Arbattor In Mbizana ⇒ Growth Of Tourism Opportunities ⇒ Payment of creditors beyond 30 days ⇒ Customer care – relationships with service providers and consumers ⇒ Cash flow management and handling of receipted cash

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<ul style="list-style-type: none"> ⇒ Adopted and reviewed policies ⇒ Accountability and Reporting ⇒ IMFO Award – most improved municipality ⇒ Expenditure of both the MIG and INEP Allocations within the financial year. No roll over applications ⇒ A number of virgin roads constructed ⇒ Availability of the fully-fledged Construction plant to assist with Maintenance of gravel access roads. ⇒ Improved households electrification. Backlog reduced from 19000 households in 2011 to approximately 7000 households in 2016. ⇒ Improved communication lines with the Department of Energy on the electrification program. ⇒ Construction of the Drivers License Testing Station which has increased the revenue collection. ⇒ Fully capacitated department with few vacancies (27 %) ⇒ Non-signing of the councilors on the payment certificates ⇒ Construction of Community Halls which has improved drastically. ⇒ Competent Staff ⇒ Strong partnership with management and staff ⇒ Explore ideas thoroughly and analytically ⇒ Willingness to make unpopular decision <ul style="list-style-type: none"> ⇒ Settlement density appears to be associated with accessibility, with higher densities in areas of high accessibility. ⇒ SPLUM Bylaws have been gazette and are ready for implementation. ⇒ Agriculture is the primary sector within the municipality. Agricultural initiatives include Maize and vegetable production including mushrooms, Indian potato, and a number of vegetables as well as high crops like sugar cane, hemp and Soya 	<ul style="list-style-type: none"> ⇒ Maintenance of Community halls (Though its not within our department, This is hindering the process and should be within our department) ⇒ Negotiation skills with the Big companies working within our sphere to plough back to the communities when they have worked on a particular ward. ⇒ Unavailability of consolidated infrastructure master plan for both storm water and roads. ⇒ Lack of proper monitoring of contractors (Quality) ⇒ Lack of security for completed infrastructure. ⇒ Maintenance of Municipal Buildings that is within the Corporate Services though the skill to do that is within the Engineering Services. This should be brought back to Engineering Services. ⇒ Availability of the Borrow pits during the construction of the Infrastructure Projects. ⇒ No annual plan for the Internal Plant detailing the roads that will be done per financial year. ⇒ No supervisor for the Internal Plant. ⇒ None-engagements of the local traditional leaders by the EXCO on the issue of Borrow pits. ⇒ Creation of Islands during the electrification program. Program should be that the whole ward is electrified instead of particular villages. ⇒ Limited budget to fund projects & vacant positions ⇒ Lack Monitoring and evaluation ⇒ Hard to anticipate termination ⇒ Settlement patterns reflect the rural nature of the municipality, with scattered low density rural settlements surrounded by communal grazing and arable land. ⇒ Generally there is little sign of economic activity outside of the urban areas. ⇒ Mining sector is underexploited ⇒ Unresolved land claims retarding development within Bizana tow impeding development and in the rural parts of the municipality. ⇒ No control in place to deal with land invasions and contraventions. ⇒ Overexploitation of natural resources due to extraction and changes in land use which result in loss of biodiversity through sand mining,
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<p>beans. Livestock production includes poultry, goat, beef and piggery and farming.</p> <ul style="list-style-type: none"> ⇒ Retail sector flourishing and creating job opportunities with huge investment attraction in Bizana town ⇒ Informal trading in town is regulated and the growth is monitored through licence renewals and registration of hawkers in the municipal database. ⇒ Available cultural and heritage assets for tourism. ⇒ The municipality has developed the Integrated Land Use Scheme in terms of the Spatial Planning and Land Use Management Act. ⇒ The municipality adopted the Spatial Development Framework and is being implemented and its implementation is monitored. ⇒ The municipality is implementing SPLUMA as part of addressing the past spatial imbalances and council took the resolution as part of implementing the act. <p>⇒</p>	<p>unmanaged harvesting of species etc. There are no protected areas within the municipality.</p> <ul style="list-style-type: none"> ⇒ Spatial Fragmentation, due to dispersed settlement pattern resulting in high cost to deliver services in rural parts. ⇒ Rural settlement areas fulfil mainly a residential function with little economic activity. ⇒ Narrow ribbon development along main movement routes such as the R61 should be discouraged.
<p>Opportunities</p> <ul style="list-style-type: none"> ⇒ Intervention at Wild Coast Sun on job opportunities - Tourism ⇒ Partnership with the district in improvement of Communication ⇒ Partnership with better Audit outcome ⇒ Responsive Public Participation through community education program ⇒ Utilization of Information Technology in relation to revenue collection – use of mms, sms, emails and possibly social media 	<p>Threats</p> <ul style="list-style-type: none"> ⇒ Service delivery complaints and protests which causes distraction ⇒ Usage and presidential hotline ⇒ Compliance – readiness on mSCOA should fully comply ⇒ Poor communication of projects to be implemented from upper structures ⇒ Reputational threat on poor service delivery associated with fraud and corruption at local government

<ul style="list-style-type: none"> ⇒ Positive engagement with stakeholders to encourage payment for services and to gain trust amongst all stakeholders ⇒ Use of already available platforms for the payment of services – Pay Easy, EFT's Debit Orders, etc ⇒ Collection of revenue from extensions that are currently not being billed for refuse collection ⇒ Construction of the vehicle testing Centre to improve revenue collection. ⇒ Construction of a weigh bridge. ⇒ Increased area of electricity supply (License area) to include Ngcingo and Didi ⇒ Improved CBD Infrastructure to attract more investors. ⇒ Utilize the availability of heritage sites to maintain our infrastructure around the sites. ⇒ Lots of upcoming competent employees ⇒ Better monitoring processes ⇒ New systems introduced will be bringing new ideas and perspective ⇒ Potential partnership with government sectors ⇒ The location of the municipality is in close proximity to centres of economic opportunity such as Port Edward, Kokstad and Mount Ayliff. ⇒ The municipality is endowed with pristine beaches and appealing scenery that can be explored for economic growth ⇒ The expansion of the Wild coast sun heightens the economy of the municipality. ⇒ Tourism Plan is in place and currently under implementation ⇒ Forestry has huge potential for employment creation but is however underutilized. Approximately 450ha of plantations require rehabilitation. ⇒ Policy in place that regulates informal trading as the municipality currently supports informal trading as part of the revenue generation. 	<ul style="list-style-type: none"> ⇒ Illegal connections for electricity that threaten the revenue generation of the municipality ⇒ Cash flow management – There needs to be appropriate management of the cash flows to ensure that the little reserves available are not depleted – avoid spending on nice to haves ⇒ Service Delivery Protest due to high demand of Infrastructure Projects. ⇒ Collection lower than Eskom payments on electricity. ⇒ Damage to existing infrastructures due to service delivery needs. ⇒ Land Claims. ⇒ Corruption due to tendering. ⇒ Construction of Link lines on electrification projects. ⇒ TFC Processes that have not been completed yet. ⇒ Over-Commitments from the previous financial years. ⇒ Lack in generating revenue to increase budget ⇒ Physical constraints of current facilities ⇒ Institutional memory and skill drain ⇒ Poor road infrastructure impedes on the mobility of people and goods. ⇒ Unused agricultural land and forestry land ⇒ Limited skills to pursue business opportunities ⇒ The town does not have enough land to expand upon due to land claims. ⇒ Soil erosion has impact on the flow of rivers, existence of estuaries and loss of agricultural land. ⇒ Settlement density appears to be directly correlated to accessibility (higher accessibility – higher density) i.e. the further the location from the main R61 (the main North West / south east axis and its feeder roads), the lower the density ⇒ Increased urbanization in river catchments ⇒ Unauthorised cottage / coastal developments ⇒ Illegal mining ⇒ Increasing residential settlement expansion in the rural areas and poor planning of the past ⇒ There has been a serious threat to the development of agriculture in Mbizana.
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| <ul style="list-style-type: none"> ⇒ Provision of trading bays and market place to informal traders. ⇒ Growth in Tourism sub-sectors such as hospitality with the spiraling of B&B around Bizana town. ⇒ Availability of water (rivers) to support agricultural and industrial development | |
|---|--|

CHAPTER THREE

20. FORWARD PLANNING

This chapter outlines the desired future for the development of Mbizana through determination of a strategic developmental Vision, Mission and Values of the municipality. It also sets clear developmental objectives, strategies as well as approved projects to be implemented in 2017 / 2018.

20.1 Municipal Vision

Mbizana aims to be a vibrant socio economic growing municipality that creates sustainable communities with equal opportunities for all.

20.2 Municipal Mission Statement

The mission for Mbizana Local Municipality is to be a well governed municipality committed to discharging its legislative and constitutional mandate through:-

- ⇒ Investing in its people to fight poverty
- ⇒ Providing affordable, equitable and sustainable services
- ⇒ Facilitating a people-driven economy
- ⇒ Building sustainable communities
- ⇒ Protecting and preserving its environment to the benefit of its people
- ⇒ Strengthening a culture of performance excellence, public participation and clean administration.

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20.3 Municipal Values

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

- ⇒ Good governance
- ⇒ Accountability
- ⇒ Public participation
- ⇒ People Development
- ⇒ People driven
- ⇒ Integrity
- ⇒ Tolerance
- ⇒ Responsibility

20.4 Institutional Score Card and Broad Development Priorities and Targets for 2017/ 2022

The Council of Mbizana Local Municipality have committed themselves to working towards the realization of the following priorities which have been aligned to the Vision, Mission and Key Performance Areas of the Municipality:-

Development Priorities	Development Targets
Service Delivery 40%	
<ul style="list-style-type: none"> ⇒ Water and Sanitation ⇒ Roads, Storm water & Transport Infrastructure ⇒ Electrification ⇒ Housing and land use management ⇒ Educational Facilities ⇒ Community services and related matters (refuse, waste, disaster management, pounding, cemeteries, libraries, fire fighting, traffic & safety etc) ⇒ Recreational facilities 	<ul style="list-style-type: none"> ⇒ To construct and maintain roads and related storm water; ⇒ To ensure that all households have access to a reliable electricity network; ⇒ To ensure that all waste sites operate according to license conditions; ⇒ To ensure that all urban households have access to refuse removal services according to predetermined schedule; ⇒ To ensure that all citizens in MLM have access to well-maintained public amenities; ⇒ To provide a safe and secure environment for all citizens; ⇒ To facilitate provision of housing for all qualifying beneficiaries
Local Economic Development & Spatial Planning	
25%	
<ul style="list-style-type: none"> ⇒ Agriculture & Farming ⇒ Forestry ⇒ Tourism Development ⇒ SMME Support ⇒ Business, Trade & Manufacturing 	<ul style="list-style-type: none"> ⇒ To grow and strengthen the agricultural sector to contribute 10% in the local economy by 2017 ⇒ To promote sustainable use of marine resources for the benefit of the local community and meaningful contribution in the local economy

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Development Priorities	Development Targets
	⇒ To promote enterprise development to contribute 3% to the local economy by 2017.
Financial Viability 15%	
<ul style="list-style-type: none"> ⇒ Revenue Management ⇒ Budget & Expenditure Management ⇒ Financial reporting ⇒ Supply Chain Management ⇒ Asset Management ⇒ Financial policies and management 	<ul style="list-style-type: none"> ⇒ To obtain a clean audit by 2017 ⇒ To improve financial management and financial viability linked to the Local Government financial bench-mark standard by 2017; ⇒ To improve the revenue collection rate to 80% by 2015 ⇒ To have a complete asset management unit ⇒ To have a GRAP Compliant asset register ⇒ To compile credible Annual Financial Statements
Good Governance and Public Participation	
10%	
<ul style="list-style-type: none"> ⇒ IDP & Performance Management ⇒ Internal audit ⇒ Communication & IGR ⇒ Public participation and ward planning ⇒ Special Programmes ⇒ Customer care relations ⇒ Legal Services ⇒ By-laws and policies ⇒ Council support 	<ul style="list-style-type: none"> ⇒ To promote participation and effective communication with communities and stakeholders; ⇒ To promote efficiency and compliance within the municipality; ⇒ To promote equity and inclusiveness of vulnerable focus groups such as youth, women, people with HIV& AIDS and people with disabilities; ⇒ To obtain a clean audit by 2017 ⇒ To address all matters as per the audit action plan; and ⇒ To mitigate risk to an acceptable level based on the risk model adopted.
Municipal Transformation & Institutional Development	
10%	
<ul style="list-style-type: none"> ⇒ Organizational Administration & Development (Organogram + EEP) ⇒ HR development ⇒ Training and capacity building ⇒ ICT infrastructure 	<ul style="list-style-type: none"> ⇒ To ensure a competent workforce to achieve organizational objectives; ⇒ To contribute towards the improvement of skills and education levels in MLM ⇒ To create a safe and healthy working environment. ⇒ To ensure compliance with relevant legislation and to promote high standards of professionalism, and efficient use of resources as well as accountability. ⇒ To provide a secure ICT infrastructure which delivers appropriate levels of data confidentiality ,integrity and availability

20.5 Municipal Partnerships

The situational analysis has demonstrated that most of the development initiatives that the municipality would like to see being implemented in its municipal are a competency of other role – players and in particular the District

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Municipality and Provincial Government. In some cases the resources for implementation are in the hands of Parastatals, such as ESKOM and private sector. There is also an issue of working in partnership with Traditional Leaders especially with regard to issue of rural development planning such as allocation of land for residential and agricultural purpose.

CHAPTER FOUR

21. MUNICIPAL OBJECTIVES, STRATEGIES AND PROJECT IMPLEMENTATION PLANS FOR 28/19

KPA N0 1: BASIC SERVICE DELIVERY (ENGINEERING SERVICES)

Outcome 9 Objective: Improved Access to Basic Services

Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
PMU	Improved Access to Basic Services	To facilitate the planning, monitoring and evaluation of MIG Funded Projects over the period ending June 2019	1.1	By ensuring that there is functional PMU for implementation, monitoring & evaluation of MIG funded projects.	100% Expenditure by end June 2019	74.1 % Expenditure by end April 2018	PMU Administration	Amount spent on PMU administration by end June 2019.	2 370 800,00	2 418 100,00	2 548 950,00	N/A	MIG	MLM
Roads	Improved Access to Basic Services	To reduce access roads backlog by constructing 33,4kms by June 2019	1.2	By constructing 33,4km of gravel access roads and surfacing of Mbizana internal streets by using services of consultants & contractors.	4,7km road (2,6km gravel & 2,1km concrete slab)	680km in place.	Construction of Mngomazi Access Road (2,6km gravel & 2,1km concrete slab)	Completed 4,7kms-length of Mngozi Access Roads by June 2019	1 336 533,64	NIL	NIL	N/A	MIG	MLM
Roads	Improved Access to Basic Services				Closeout Report	680km in place.	Construction of Nggindilili Access Road close out report	Closeout Report submitted by Professional Service Provider	50 484,00	NIL	NIL	N/A	MIG	MLM
Roads	Improved Access to Basic Services				8 km	680km in place.	Constructions Nonqulana Monument Access Road (8 km gravel)	Completed 8kms- length of Nonqulana Access Roads by June 2019.	2 847 117,17	NIL	NIL	N/A	MIG	MLM

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MLM – EC 443 Integrated Development Plan – 2018/2019 Review

KPA NO 1: BASIC SERVICE DELIVERY (ENGINEERING SERVICES)														
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Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Roads	Improved Access to Basic Services				Closeout Report	680km in place.	Qadu School to Mnyameni Access Road	Closeout Report submitted by Professional Service Provider	27 000,00	NIL	NIL	N/A	MIG	MLM
Roads	Improved Access to Basic Services				9,4km	680km in place.	Construction of Sikhombe Access Road(9,4km gravel)	Completed 9,4kms-length of Sikhombe Access Roads by June 2019	5 898 346,29	NIL	NIL	N/A	MIG	MLM
Roads	Improved Access to Basic Services				3,8km	680km in place.	Sigidi to the Beach Access Road(3.8km gravel)	Completed 3,8kms-length of Sigidi to the beach Access Roads by June 2019	2 847 117,17	NIL	NIL	N/A	MIG	MLM
Roads	Improved Access to Basic Services				1km & low level crossing		KwaNdela Bridge Access Road(1km & Low level crossing)	Completed 1kms- length of KwaNdela Bridge Access Road by June 2019	5 171 652,65	NIL	NIL	N/A	MIG	MLM
Roads	Improved Access to Basic Services				5km	680km in place.	Mntomkhulu to Gxeni Access Road(5km gravel)	Completed 5kms- length of Mntomkhulu to Gxenii Access Road by June 2019.	5 0000 000,00	NIL	NIL	N/A	MIG	MLM

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									Yr 1	Yr 2	Yr 3	Internal	External	
Roads	Improved Access to Basic Services				Completed 1.5km blacktop layer.	680km in place.	Surfacing of Bizana Internal Streets-Phase 1(1.5km surfacing)	Completed 1.5km of Bizana Internal Street-Phase1 by June 2019	2 115 000.00	R -	R -	N/A	MIG	MLM
Buildings	Improved Access to Basic Services	To construct one Civic centre / town hall in Bizana by June 2022	1.3	By constructing platforms and foundations for Civic Centre/Town Hall by using services of consultants & contractors.	Excavation for platform preparations and foundations	Youth Centre Hall	Construction of platforms and foundations for Mbizana Civic Centre / Town hall	Completed platforms and foundations for Mbizana Civic Centre / Town hall by June 2019	7 000 000,00	21 213 355,95	22 274 023,75	N/A	MIG	MLM
Buildings	Improved Access to Basic Services	To construct 1 Early Childhood Development Centres in Bizana by end June 2019	1.4	By constructing 1 Early Childhood Development Centres (ECDC) by using services of consultants & contractors.	1 Early Childhood Development Centres completed at ward 14 (ECDC)	4 currently under construction	Construction of ward 14 Early Childhood Development Centre (ECDC)	Completed ward 14 ECDC	2 100 000,00	2 211 300,00	2 328 498,90	N/A	MIG	MLM
Buildings	Building infrastructure not into accepted standards	To maintain, rehabilitate and repair building structures and related infrastructure by June 2019	1.5	By employing services of service providers for maintaining, rehabilitating and repairing municipal structural buildings and	MPYC, Main Municipal building, DLTC & Cultural Village periodically repaired and maintained	Painting of love life centre and maintenance of MPYC	Periodic repairs and maintenance of MPYC, Main Municipal building, DLTC & Cultural Village	Number of municipal building infrastructure repaired and maintained	3 159 000.00					

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Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
				related infrastructure										
Sport Fields	Improved Access to Basic Services	To provide access to sporting facilities for the community by June 2022	1,6	By constructing Phase-1 of Mphuthumi Mafumbatha Sport field by using services of consultants & contractors.	Start of Construction for Phase-1, Excavations for platform.	Only 1 under developed sport ground in the CBD	Construction of Mphuthumi Mafumbatha Sport Field – phase 1	Completed construction of phase 1 of Mafumbatha sports field.	13 607 590,96	24 370 544,05	21 967 071,25	N/A	MIG	MLM
Roads-Maintenance	Pothole Patching	To routinely maintain a better standard of our CBD Roads by June 2019	1,7	By appointing service providers to maintain CBD Roads and acquisition of small tools and equipment for maintenance	150m ² potholes patched	450m ² potholes patched	CBD Maintenance and acquisition of small tools and acquisition	Completed 150m ² of pothole patching and small tools and equipment purchased.	1 500 000,00	2 000 000,00	2 000 000,00	Equitable Share	N/A	MLM
Roads-Maintenance	Roads Maintained	To maintain 40km of Gravel Access roads by June 2019	1,8	By utilization of the internal plant and machinery and by employing services from service providers for plant and	40kms Maintained by June 2019	200km Maintained	40kms of Access roads to be Maintained by the end of June 2019	Completed maintenance of 40km of gravel access roads.	1 500 000,00	15 000 000,00	15 750 000,00	Equitable Share	N/A	MLM

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Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
				machinery management.										
Roads-Maintenance	Roads Maintained	To routinely maintain a better standard of Access Roads by June 2019	1,9	By acquisition of plant and machinery.	1 Trailer low bed, 6000 Diesel tanker, 10 cubes Tipper truck.	Plant and Machinery	Acquisition of Plant and Machinery for maintenance access road	Acquired Trailer low bed, 6000 Diesel tanker, 10 cubes Tipper truck.	3 000 000,00	NIL	NIL	Equitable Share	N/A	MLM
Electricity	Insufficient Capacity in Town	To ensure that there is enough capacity for the fast developing town of Bizana by June 2019	1,10	By upgrading and energising of 2,5km 8 Mva backbone line.	2,5km 8 Mva backbone line upgraded and energised by June 2019	3Mva capacity available to town.	Upgrade and energising of 2,5km 8 Mva backbone line.	Upgraded and energised 2,5km 8 Mva backbone line.	2 600 000,00	NIL	NIL	Equitable Share	N/A	MLM
Electricity	Ageing electricity Infrastructure	To ensure reliable provision of electricity to the residents and businesses of the municipality by June 2019	1.11	Replacement of (Medium Voltage) MV infrastructure including poles, conductors and transformers.	6,5Km of MV lines replaced	4,5 KM of MV lines replaced and 3 transformers replaced	Mbizana-Urban Area Infrastructure Upgrade (6,5 km of MV)	Renewed poles and conductors for 6,5km length.	3 000 000,00	NIL	NIL	Equitable share	N/A	MLM

Municipal Vision:

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Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Electricity	Infrastructure bulk services not available and infills not addressed	To ensure reliable provision of electricity to the rural community of Bizana by June 2019	1.12	By facilitating the bulk infrastructure supply and connections to rural households	676 households connected in Giniswayo, Swane, Mampingeni & Lucwaba by June 2019	41 363 households with electricity	Giniswayo, Swane, Mampingeni & Lucwaba (676hh) Connection	Number of households connected in Giniswayo, Swane, Mampingeni & Lucwaba	9 000 000,00	4 972 987,50	NIL	N/A	INEP	MLM
Electricity	Infrastructure bulk services not available and infills not addressed			By facilitating the bulk infrastructure supply and connections to rural households	525h/h	41 363 households with electricity	Electricity connections of 525 households at (Diphini, Mandlobe, Madada & Sigodweni)	Number of households connected	8 015 000,00	2 477 197,50	NIL	N/A	INEP	MLM
Electricity	Infrastructure bulk services not available and infills not addressed			By facilitating the bulk infrastructure supply and connections to rural households	553 h/h connected	41 363 households with electricity	Electricity connections of 553 households at Mdikisweni, uKhalo & Pelepele	Number of households connected	8 015 000,00	3 081 491,20	NIL	N/A	INEP	MLM
Electricity	Infrastructure bulk services not available and infills not addressed			By facilitating the bulk infrastructure supply and connections to rural households	1052 hh connected	41 363 households with electricity	Completion of Monti / Ntlozelo electrification project	Number of households connected	4 257 431.11	0	0	YES		
EPWP	High Unemployment rate	To provide 450 EPWP jobs to reduce unemployment by 2019	1.13	By facilitating recruitment of EPWP workers from all wards in Bizana.	450 jobs created by June 2019	440 Jobs Created by end December 2017	Creation of 450 EPWP workers by June 2019	Number of Jobs Created	2 335 000,00	2 000 000,00	2 100 000,00	N/A	EPWP	MLM

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

MLM – EC 443 Integrated Development Plan – 2018/2019 Review

KPA NO.1 : BASIC SERVICE DELIVERY (COMMUNITY SERVICES)														
Outcome 9 Objective		Improved Access to Basic Services												
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output – KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Free Basic Services	High number of indigent households	To ensure subsidization of poor households in order to receive basic service by 2022	1.14	By providing 1800 beneficiaries with free grid electricity & 4500 with FBAE.	Subsidize 1800 qualifying beneficiaries with grid electricity & 4500 with FBAE	Subsidize 1470 beneficiaries with grid electricity. Subsidize 4554 beneficiaries with FBAE. Subsidized 180 with Refuse bins	Subsidize qualifying beneficiaries with 1800 grid electricity & 4500 with FBAE	Number of beneficiaries receiving free basic services subsidy.	9 297 265.54			Yes	n/a	MLM
Free Basic Services	Inconsistent indigent register			By facilitating process of application for reviewal of indigent register	1 Reviewed credible indigent register and 2 community indigent awareness campaigns conducted.	Adopted credible Indigent register and conduct 10 indigent awareness campaigns.	Reviewal indigent register and conduct 2 awareness campaigns	Reviewed adopted credible indigent register and number of indigent awareness conducted	1 562 656.21			Yes	n/a	MLM
Disaster Management	Lack of Systematic approach in responding to disasters	To establish a uniform approach in monitoring disaster risks by 2022.	1.15	By Implementing Council approved disaster management plan	Assess & respond within 72 hours to all recorded disaster incidences and conduct 4 awareness campaigns.	Council approved disaster management pla. Responded to all reported disaster incidences, four awareness campaigns	Record & Assess all reported disaster management incidences & respond within 72 hours .And conduct four awareness campaigns.	Number of reported and recorded incidents responded to within 72 hours. Number of awareness campaigns conducted.	958 213.15			Yes	n/a	MLM

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

MLM – EC 443 Integrated Development Plan – 2018/2019 Review

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Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output – KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Parks, Cemetery, and Municipal facilities	Irregular management of Parks, cemeteries and other municipal facilities	To provide sustainable services of municipal facilities to the communities by 2022	1.16	By maintaining proper functioning of cemetery and municipal facilities by June 2019	50 Municipal facilities maintained & operational	operational & maintained cemetery and 41 municipal facilities	Maintenance 50 municipal facilities.	Number of municipal facilities maintained	1 048 100.8 8			Yes	n/a	MLM
Library services	High rate of illiteracy	To facilitate provision of library services to Mbizana Community by 2022	1.17	By instilling a culture of reading and lifelong learning and upgrading the existing libraries	4 Library Awareness campaigns conducted.	Conducted 4 library awareness campaigns	Conduct 4 library awareness campaigns	Number of Library Awareness campaigns conducted,	861 960.2 3			Yes	n/a	MLM
					3 libraries maintained.	Installed and operational Wi Fi for 1 Mbizana Library, Library signage and Library system	Maintenance of 3 libraries, Provision of 5088 periodicals	Number of libraries maintained						
					5088 periodicals provided.			Number of periodicals provided.						
Environmental Management	Inadequate legal environmental tools &	To ensure conservation and management of natural resources for sustainable use by 2022	1.18	By reviewing Environmental Management tools, conduct awareness campaigns and facilitate piloting of blue flag beaches.	1 Adopted IWMP, 2 awareness campaigns conducted.	Council adopted Climate Change strategy, & IWMP	Review of IWMP, conduct 2 awareness campaigns.	Council adopted IWMP, number of awareness campaigns,	557 479.2 3			Yes	n/a	MLM
	Required continuous maintenance of beaches.				2 pilot blue flag beaches facilitated.	Facilitated maintenance of 5 beaches	Facilitate application for 2 pilot blue flag beaches.	Number of applications submitted 2 pilot blue flag beaches						

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

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Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output – KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Waste Management	Poor Provision of measures to remediate contaminated land	To collect, manage and dispose waste in an acceptable and responsible manner by 2022	1.19	By Remediating land where contamination presents a significant risk of harm to health and the environment	12 Routine rehabilitation of EXT3 dumping site, 1 financial projection report compiled.	5 routine rehabilitation of the dumping site done in 2017/2018 FY	12 routine rehabilitation of extension 3 dumping site, compilation of extension 3 dumping site financial projection report.	Number of Routines rehabilitations of EXT3 dumping site. Number of financial projection reports compiled	462 010,07			Internal	n/a	MLM
				By Removing environmental threatening obstacles.	Number of reported and recorded environmental threatening obstacles attended to.	5 environmental threatening obstacles attended.	To attend to all environmental threatening obstacles reported and recorded.	Number of environmental threatening obstacles attended to.						
				By conducting waste education programmes, supporting waste minimization programs and providing resources to employee and beneficiaries by June 2019	3 awareness campaigns conducted and provision cleaning resources	Conducted 3 waste management awareness campaigns and provide resources.	To Conduct 3 waste management campaigns and provide cleaning resources	Number of campaigns conducted, and number of employees and beneficiaries receiving resources.						

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

MLM – EC 443 Integrated Development Plan – 2018/2019 Review

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Outcome 9 Objective		Improved Access to Basic Services												
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output – KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Security Services	Vulnerability of municipal properties due to vandalism.	To ensure safety and security of municipal key points, assets and resources by 2022	1.20	By ensuring that relevant infrastructure and systems for safeguarding municipal key points and assets.	13 Municipal sites guarded for 24 hours and 15 CCTV cameras installed	43 private security personnel. Main building and DLTC installed with CCTV cameras'	Provision of security services to 13 Municipal Sites and install 15 CCTV Cameras	Number of Sites safeguarded and number of CCTV cameras installed	5 732 507.5 7			Yes		SM Community services
Traffic Services	Road users disobey rules of the road that contribute to road carnages.	To ensure consistent safety of road users and improved by-law enforcement by 2022	1.21	By ensuring general law enforcement, provision of equipment & resources and improve road signage	2100 traffic fines, conduct 20 road blocks, erection of 08 traffic sign and renewal of 22 kilometres road markings and resources	2049 Traffic fines issued 19 road blocks conducted and 88 cases of by - law enforcement opened.	Issuing of 2100 traffic fines and 20 road blocks conducted, ,road signage installed, renewed road markings and acquisition of 2 motor vehicles, equipment & resources	No. of traffic fines issued, Road blocks conducted, road signage installed and renewed and number motor vehicles purchased & number of equipment & resources purchased	2 489 636. 04			Yes		SM Community service
				By facilitating registration & licencing of motor vehicles, application of learners licences,	registration and licencing of 1800 vehicles, 2000 learners licences, 2000 driving	540 registrations and licencing of motor vehicles,	registration and licencing of 1800 motor vehicles,	Number of registration and licencing, Number of learners	464 373,0 0					SM Community service

Municipal Vision:

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Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output – KPI	Budget: MTREF			Budget Source		Responsible Agency/s	
									Yr 1	Yr 2	Yr 3	Internal	External		
				driving licences, PrDP's and provision of resources	licences, 100 PrDPs and supply of DLTC stationery		2000 Learners licence, 2 000 driving licence ,100 PrDPs issue and provision of resources	licence driving licence , PrDPs issued and number of resources purchased							
				By Facilitating community education programs and regulating pay parking metres.	4 awareness campaign and installation of parking meters	4 Community safety awareness campaigns conducted and four pay parking metres reports produced	4 Community Safety Awareness campaigns and monitoring of pay parking metres	Number of community safety awareness campaigns conducted and number of pay parking metres reports produced.	482 274.0 0						SM Community service
Pound	Uncontrolled stray animals	To control stray animals both in the CBD and public roads by 2022	1.22	By upgrading the pound, daily operations to comply with required laws and provision equipment of resources	1 Established feedlot, 300 feed,25ltrs of remedies purchase and 1 motor vehicle purchased and equipment. 72 Animals impounded	Incomplete animal pound	Feedlot establishment, purchase of 300 feed, 25ltrs of remedies, acquisition of 1 motor vehicle and equipment. Collection of trespassing & stray animals	Number established feedlot, number of feed & remedies purchased and number of vehicles and equipment purchased. Number of trespassing and stray animals impounded	1 504 200.0 0			Yes		SM Community service	

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

MLM – EC 443 Integrated Development Plan – 2018/2019 Review

KPA NO.: 2 SPATIAL PLANNING AND LOCAL ECONOMIC DEVELOPMENT														
Outcome 9 Objective														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Spatial Development Framework	Redressing past spatial development framework	To Implement municipal SDF that will guide development programmes and projects by June 2019	2.1	By implementing municipal SDF adopted by the council	1 Council adopted Local SDF	Council adopted SDF adopted 2014/2015	Develop and adopt local SDF	Council adopted SDF	R500 000	R527 000,00	R555 985,00	N/A	Yes	MLM
Integrated Land Use Scheme	Non zoning scheme regulations in areas outside the urban edge	To regulate the use of land in an integrated manner within the municipal jurisdiction by June 2019	2.2	By implementing the council adopted integrate land use scheme	30 Zoning scheme maps compiled in areas that were previously not regulated in terms of land usage by June 2019	Council adopted Integrated Land Use Scheme adopted 2015/2016	Compilation of zoning scheme maps in areas that were previously not regulated in terms of land usage	Number of zoning scheme maps compiled	Nil	Nil	Nil	Yes	Yes	MLM
Land Use Management System	Non-Conforming land uses, encroachments and land invasions	To ensure controlled land use management, development control and enforcement by June 2019	2.3	By zoning scheme regulations and enforcing development controls by June 2019	4 land use workshops conducted and 4 notices issued on non-confirming uses and serving of notices to affected owners	Council adopted land use management system adopted 2015/2016	Conducting land use workshops ,Issuing of notice to non-conforming uses and processing of submitted land use applications	Number of workshops conducted, number of notice issued to non-conforming uses and number of processed in the zoning register	Nil	Nil	Nil	Yes	Yes	MLM

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A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

MLM – EC 443 Integrated Development Plan – 2018/2019 Review

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Outcome 9 Objective														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Land Audit	Non registered, surveyed properties and land ownership	To ensuring that properties are registered and surveyed of, and to maintain and update the register of properties within municipal jurisdiction by June 2019	2.4	By implementing municipal land audit	59 Subdivision and Surveying of municipal land, sport fields and community halls	Council land audit for urban and rural areas adopted 2014/2015 and 2015/2016	Subdivision and surveying of municipal land, sport fields and community halls	Number of approved subdivisions and number surveyed municipal halls and sport fields	400 000.00			Yes	Yes	MLM
Valuation Roll	Unavailability of property values to enable billing for property rates	To develop a credible valuation roll by June 2019	2.5	By formulating valuation, supplementary valuation roll to improve revenue collection	One Valuation Roll General roll by June 2019	Valuation roll adopted May 2013	Compilation of General, valuation rolls	Council adopted general valuation roll	R800 000	R843 200	R889 576	Yes	N/A	MLM
Provision of human settlements	Housing backlog	To guide human settlements in ensuring access to housing is achieved by June 2019	2.6	By providing land, beneficiary administration and applications for funding	One Updated need register and signed happy letters	Council approved Municipal Housing Sector Plan	Development of housing needs register. Facilitation of houses construction and on preplanning	Council approved housing needs register, happy letter from beneficiaries.	R368 550	388 451. 70	409 816, 54	Yes	Yes	MLM

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									Yr 1	Yr 2	Yr 3	Internal	External	
Building control	Illegal building construction	To ensure compliance with National Building Regulations by June 2019	2.7	By updating building plan register and conducting inspections on submitted building plans	2 registers one for building plan and other for routine inspections.	Updated building plans register	Daily update of the building plans register. Conduct site inspections	Number of updated building plans and number of site inspections conducted	R63 180	R66 591.72	R70 254.70	N/A	Yes	MLM
Geographic Information Systems	Un updated geospatial information	To ensure management and update of municipal geospatial information by June 2019	2.8	By implementation of GIS strategy as a tool to enhance service delivery.	updated GIS database fixed asset	GIS System, Council adopted GIS strategy of 2016 financial year	Data collection and capturing of municipal fixed assets and update of Geo Spatial Information	Updated spatial information,	R473 850	499 437.90	R363 825.00	Yes		MLM
Implementation of SPLUMA	Past Spatial Imbalances	To ensure compliance with SPLUMA by June 2019	2.9	By facilitate the implementation of the SPLUMA	4 Conducting of workshops with the tribal authorities and stakeholders on the implementation of the act	Spatial Planning and Land Use Management by – law of 2015 / 2016	Conducting workshops with tribal authorities and stakeholders on implementation of the Act.	Number of workshops conducted on SPLUMA implementation	R 400 070.00	R421 673,78	R444 865,84		Yes	MLM
Land acquisition and disposal	undeveloped land	To facilitate acquisition of well-located state land and disposal of council land by June 2019	2.10	By ensuring maximum utilisation of prime land	6 sites municipal sites disposed and 2 business plans developed	Municipal Land Audit of 2014/1015	disposal of municipal land and development and submission of bankable business	Number of land portions disposed and number of business plans developed and submitted for				Yes	N/A	MLM

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

MLM – EC 443 Integrated Development Plan – 2018/2019 Review

KPA No.: 2 SPATIAL PLANNING AND LOCAL ECONOMIC DEVELOPMENT														
Outcome 9 Objective														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
					and submitted for land Acquisitions		plans for land acquisition	land acquisitions						
Town Establishment	Inadequate land parcels for development	To facilitate creation of land portions for township establishment application by June 2019	2.11	By employing the services of service providers for development of general plan.	One submitted draft general Plan	Draft layout plan	Acquisition of service provider for development General Plan for township establishment	Signed SLA for development of General Plan for township establishment and draft General Plan submitted to Surveyor General for approval	R450 000	R474 300	500 386 50	Yes	N/A	MLM
Economic Development Plan	Inadequate resources for implementation of the LED strategy	To grow the local economy to 20 % by 2030	2.12	By facilitating integrated implementation of the LED strategy with other key stakeholders and Wild Coast Development plan	1 Adopted SMME development Plan & Policy ,number 20 SMMEs capacitated and 4 SMMEs supported and 20 SMMEs benefited on N2 Wild Coast development	The LED Strategy has been reviewed and adopted in May 2016	Facilitate SMME development plan and policy, Implement Capacity development programs. Involvement of Private sector on LED programs through business formation.. Facilitate N2 Wild Coast Development	Council adopted SMME development plan and policy. Number of SMMES trained & supported, operational business formation. Number of SMMES benefitted on Wild coast beneficiation	R470 000.00	R517 000.00	R568 700.00	Yes	n/a	MLM

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

MLM – EC 443 Integrated Development Plan – 2018/2019 Review

KPA No.: 2 SPATIAL PLANNING AND LOCAL ECONOMIC DEVELOPMENT														
Outcome 9 Objective														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Tourism	Outed tourism plan and inaccurate tourism statistics	To grow the tourism industry & increase the number of tourists by 10% in 2030	2.13	By facilitating reviewal of tourism plan and involvement of the private sector and other key stakeholders for integrated implementation of the Tourism plan	1 tourism plan reviewed, three product owner supported with branding and marketing material, tourism awareness programme and attend one trade show to market Mbizana as a place of investment and destination	The Tourism plan under implementation is outdated	Facilitating reviewal tourism plan, Support three product owners with branding and marketing, attend exhibitions and investment attraction and conduct one awareness show to market Mbizana as a place of investment	Reviewed tourism plan, Three supported with branding & marketing material. Number of tourists visiting the destination and a number of awareness shows conducted to market Mbizana as a place of investment	R 1 410 222,56	R933 024,58	R984 340,93	Yes	ECPTA	MLM
Agriculture	Anti-climax transformation of agricultural sector from subsistence to commercial farming	To grow and strengthen the agricultural sector by supporting local farmers by June 2019	2, 14	Integrated Farmer support. Integrated support with access to markets for farmers.	3 Farmers or Entities Supported in collaboration with DRDAR, 4 AWG meetings and Support Red Hub	The Agricultural plan was adopted	Support small scale farmers support program. Farmer's development program. Operation of Agricultural working group. Support RED HUB	Number of Small and large famers supported. Number of meetings for AWG. One RED HUB supported	R687 859,21	R398 263,61	R420 168,11	Yes	DRDLR, DRDAR, ECRDA, ECDC	MLM

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

MLM – EC 443 Integrated Development Plan – 2018/2019 Review

KPA NO.: 2 SPATIAL PLANNING AND LOCAL ECONOMIC DEVELOPMENT														
Outcome 9 Objective														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Mariculture	Anti-climax transformation from subsistence to commercial fishing	To promote sustainable use of marine resources to contribute in the local economy by June 2019	2.15	By ensuring support of small scale fishers with licenses and access to markets	1 small scale fishing project supported and 1 Commercial fishing project supported.	There are only two Fishing projects with Commercial licenses and small scale fishers	Providing support to Small scale and Commercial fishers through assistance with other stakeholders	Number of small scale fishing project supported and number Commercial fishing project supported.	R264 000.00			Yes	DRDLR,	
Enterprise Development	Limited job opportunities for contractors in the contractor development programme and limited resources for SMME support	To promote enterprise development to contribute 10% to the local economy by 2030	2.16	By facilitating integrated SMME support.	10 CDP members, and 5 SMM, Cooperative and anchor projects funded.	CDP and funding policies are in place although SMME development plan is not yet developed	10 CDP members in the program capacitated, and provide funding to 5 SMME & Cooperative, Anchor. SMME capacity development	Number of CDP Members upgraded in grading and capacitated. 5 projects supported with funding and Training	R2 520 460.00	2 603 864.84	R2 747 077, 41	YES	SEDA	
Stakeholder Consultative	Lack of stakeholder integration	To revive structures to contribute to local economic development initiatives by June 2019	2.17	By capacitating and working in collaboration with Structures in all sectors	1 Business breakfast hosted, 1 information sharing sessions held and 2 workshops held	There are number of local formations and structure that are not fully operational and too much contestations in formations	Facilitate Local Tourism Organisation ,LED Forum and Business Associations & Capacity development	Number of Business breakfast hosted, number of information sharing sessions held and number of workshops held	R66 000.00	R69 564.00	R73 390.02	Yes	Partners	
Mining	Mining Initiatives not are fully supported	To coordinate Mining activities by June 2019	2.18	By facilitating integration of key industry players for	One support of mining initiative support	The proposed mining initiatives	Providing support to Sand, aggregate	Number of Mining Activities supported	N/A	N/A	N/A			

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

MLM – EC 443 Integrated Development Plan – 2018/2019 Review

KPA NO.: 2 SPATIAL PLANNING AND LOCAL ECONOMIC DEVELOPMENT														
Outcome 9 Objective														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
				mining activities		have not yet taken off	and titanium Mining initiatives							

KPA NO 3: INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION														
Outcome 9 Objective														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Employee Wellness	Low Staff Moral	To ensure that Employee Wellness is effective by 30 June 2019	3.1	By developing and implementing Employee Wellness programmes.	Two team buildings sessions held, medical check – ups conducted to 45 employees, 4 sport recreation programs conducted and 4 site inspection conducted.	Four Wellness Programmes have been implemented .	To conduct two teambuilding sessions , to conduct medical check – up to 45 general workers, 4 sport & recreation programs, 4 site inspection	Number of teambuilding sessions held, number of medical check – ups conducted, number of sport & recreation programs conducted and number of site inspections conducted	285 363	532 400		Internal		SM CORPORATE SERVICES
Institutional Policies	Non alignment of municipal policies with amended legislation and collective agreements	To develop and review Institutional policies	2.2	By reviewing existing Policies and Developing new critical Policies	5 Completed Policies by June 2019	3 critical policies developed and 5 existing policies reviewed.	Develop 3 critical policies and reviewal of 5 existing policies	Number of critical policies developed and number existing policies reviewed	210 004	399 300	400000	Internal		SM CORPORATE SERVICES

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

MLM – EC 443 Integrated Development Plan – 2018/2019 Review

KPA N0 3: INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION														
Outcome 9 Objective														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Performance Management System	Instil a culture of proper performance management	To development of a functional and effective Performance Management System (PMS)	2.3	By cascading PMS to lower level employees through signing of performance agreements	1 workshop for TG 16 to TG 12 ,PMS and 20 performance Agreements and work plans for TG 16 & TG12 employees developed and signed	PMS policy in place	Conduct PMS workshop for TG 16 to TG 12, PMS; development & signing of performance Agreements and work plans for TG 16 & TG12 employees.	Number of workshops conducted and number of performance agreements signed for TG16 and TG12 employees	200 000	Nil	Nil	Internal		SM CORPORATE SERVICES
Human Capital Development	Continuous capacity building for employees	To provide comprehensive education, training and human resource development by June 2019	2.4	By Capacitating Councillors, Employees and indigent learners through skills Development programs by June 2019	9 adhoc trainings for councillors. 15 study assistance for internal staff. 10 indigent learners assisted with registration fees. 10 learners and internships provided with in house experiential training.	WSP Submitted to LGSETA	To conduct adhoc trainings for councillors. To provide study Assistance for internal staff To assist indigent Learners with registration fees To provide in house experiential training to learners & Internship.	Number of adhoc trainings for councillors conducted Number internal staff provided with study assistance Number indigent learners assisted with registration fees Number learners and internships provided with in house experiential training.	2 002 797.58	2.2 m		Internal		SM CORPORATE SERVICES

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

MLM – EC 443 Integrated Development Plan – 2018/2019 Review

KPA N0 3: INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION														
Outcome 9 Objective														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Labour relations	To instil a culture of discipline in the work place	To ensure sound labour relations in the Municipality by June 2019	3.5	By ensuring effective & efficient management of labour relation in the institution through functional LLF	4 LLF meetings	4 LLF meetings convened in 2017/2018	Quarterly LLF Meetings	number of LLF meeting convened	521 230.79	360 000		Internal		SM CORPORATE SERVICES
	Ageing Municipal Fleet.	To ensure that there is sufficient and roadworthy municipal fleet by June 2019	3.6	By procuring new vehicles, installation of tracking devices and roll out fleet management policy	Procurement of 3 Vehicles	Six pool vehicles installed with tracking devices and Fleet management Policy in place	Procurement of 3 Vehicles;; install information management system	Number of vehicles procured	2 250 000.00	1,5m		Internal		SM CORPORATE SERVICES
					Four new vehicles installed with tracking devices		Installation of tracking devices in four vehicles	Number of new vehicles installed with tracking devices						SM CORPORATE SERVICES
				One fleet management policy awareness campaign conducted		Conduct one Fleet Management Policy awareness campaign	Number of Fleet Management Policy awareness campaign conducted							
Records Management	Incoherent and inappropriate records keeping	To centralize and archive municipal records by June 2019	3.7	By sourcing the services of a service provider towards centralization & archiving of municipal records	Centralized and archived Corporate Services and Budget & Treasury Office records	20% centralized and 5% archived.	Centralization and archiving of Corporate Services & Budget & Treasury Office records	Centralized and archived Corporate Services and Budget & Treasury Office records	Nil	Nil	Nil	Internal		SM CORPORATE SERVICES

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

MLM – EC 443 Integrated Development Plan – 2018/2019 Review

KPA NO 3: INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION														
Outcome 9 Objective														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Municipal ICT Systems And Infrastructure	Ineffective systems to support Municipal objectives.	To ensure maximum availability of efficient ICT Services by June 2019	3.9.	By Improving Standard Operational Processes and procedures	3 approved SLAs and Licences by June 2019	ICT Systems in Place	Renewal and Maintenance of 3 Service level Agreements and Licences	Renewed and signed 3 SLA and Licences	R 2 552 472,00	R 2 592 528,75	R 2 592 528,75	Yes	n/a	SM CORPORATE SERVICES
Municipal ICT Systems and Infrastructure	Ineffective systems to support Municipal objectives.	To ensure maximum availability of efficient ICT Services by June 2019	3.9	By continuity in municipal ICT operations by June 2019	1 reviewed and adopted DRP	Cloud Disaster Recovery Site in Place	Reviewal of DRP	Council approved DRP	210 604.21	R 275 625,00	R 275 625,00	Yes	n/a	SM CORPORATE SERVICES
Municipal ICT Systems and Infrastructure	Ineffective systems to support Municipal objectives.	To ensure maximum availability of efficient ICT Infrastructure by June 2019	3.9	By Improving access to the Municipal ICT Infrastructure	3 municipal sites installed with Wi-Fi	Network Access in place	Installation of a Wi-Fi access Network in 3 municipal sites	Installed fixed and wireless access point in 3 municipal sites	R 1 066 950,00	R 1 102 500,00	R 1 102 500,00	Yes	n/a	SM CORPORATE SERVICES
Municipal Corporate Governance Of ICT	Compliance with ICT governance and MFMA(regular updates of information in municipal website)	To ensure that Corporate Governance of ICT is implemented by June 2019	3.10	By maintaining the Municipal website through regular updates of the website content.	Compliance documents uploaded to the municipal website	Municipal Website in place	Quarterly Updates of Municipal Compliance Documents on municipal website	Number of compliance document loaded in the municipal websites	R 94 770,00	R 110 250,00	R 110 250,00	Yes	n/a	SM CORPORATE SERVICES
Municipal Corporate Governance Of ICT	Compliance with ICT governance	To ensure that Corporate Governance of ICT is implemented by June 2020	3.10	By reviewing of ICT policies by June 2019	1 ICT framework and 1 ICT strategy adopted by council by June 2019.	Policies in Place	Review of ICT framework, ICT strategy by June 2019	Council approved ICT framework and strategy	R 260 091,00	R 330 750,00	R 330 750,00	Yes	n/a	SM CORPORATE SERVICES

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

MLM – EC 443 Integrated Development Plan – 2018/2019 Review

KPA NO. 4: FINANCIAL VIABILITY															
Outcome 9 Objective			Improving Municipal Financial Administrative Capacity												
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s	
									Yr 1	Yr 2	Yr 3	Internal	External		
Revenue Management	There is no certainty as to whether all properties and accounts for services that should be billed are billed	To achieve 100% billing for all services that are to be billed by June 2019	4,1	Maintain a credible consumer and properties database. Utilise and maintain effective and efficient billing system	100% Billing of all properties and services accounts	90% Billing on Rates and 60% billing on Electricity	Maintain a customer accurate and complete consumer data	Reduced Customer queries -100% of consumers in the billing database billed -100% of consumers in the billing database	R1 000 000.00	R1 034 333,00	R1 091 221,00	Internal		Chief Financial Officer	
								Metering of electric consumption and prepaid electricity							Debtor Age Analysis is reflecting a 10% owed on billing
								Payment of all licensing fees for the year							Licensing fees for the prepaid vending system/hosting of data
	The desired collection rate or norm has never been achieved	To achieve 95% collection on all consumers billed by June 2019	4,2	Enforce credit control and debt management policy Implement the Revenue Enhancement Strategy	95% Collection rate	85% Collection Rate	Implementation of the Credit Control and Debt Collection measures	Debtors Age Analysis reflecting a 10% owed on billing	R178 028,00	R187 642,00	R197 962,00	Internal		Chief Financial Officer	
								Distribution of booklets to consumers							Compilation of a Policy & procedures booklet for consumers

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

MLM – EC 443 Integrated Development Plan – 2018/2019 Review

KPA NO. 4: FINANCIAL VIABILITY														
Outcome 9 Objective			Improving Municipal Financial Administrative Capacity											
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Expenditure Management	Invoices are settled beyond 30 days of receipt at the Budget and Treasury Office	To pay creditors within 30 days in compliance with the MFMA by June 2019	4,3	Review the system description for the payment of creditors to ensure that it achieves the payment of Creditors within 30 days	Settlement of all invoices presented for payment at Budget and Treasury Office within 30 days	Some payments made beyond 30 days	Develop a tracking and monitoring of the invoices presented for payment	Monthly Reports	R0,00	R0,00	R0,00	Internal		Chief Financial Officer
Supply Chain Management	A Supply Chain Management system that is not capable of achieving value for expenditure	To have an effective and efficient Supply Chain management System by June 2019	4,4	Develop and monitor effective and efficient SCM systems	delivery of goods and services to the desired locations efficiently and effectively	Non-adherence to the procurement processes and timelines	Development of systems to address the four pillars of SCM, Demand, Acquisition, Logistics and Disposal management	Approved Procurement plan	710600	R221 972,00	R234 180,00	Internal		Chief Financial Officer
								Contract management review	210 600					
	Bid committee and disciplinary board consisting of new	To have an effective and efficient Supply Chain Management	4.5	Capacitate Bid Committees to make sure they are up to date with the new laws	Fully competent Bid committees	Committees that are producing reports using different templates and different	Development of Bid evaluation templates and training of Bid committees	Standardised Bid Committee Reports	300 000			Internal		Chief Financial Officer

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

MLM – EC 443 Integrated Development Plan – 2018/2019 Review

KPA NO. 4: FINANCIAL VIABILITY														
Outcome 9 Objective			Improving Municipal Financial Administrative Capacity											
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
	members coming from a non-municipal environment	Committee System			Fully functional disciplinary board	application of laws	Training of the newly established disciplinary board	Competent disciplinary board	R200 000	Nil	Nil	Internal		Chief Financial Officer
	Inadequate filing space and system for the volume of documents in the budget and treasury office	To have an effective and reliable filing system for SCM and all financial documents of the department	4.6	Conversion of Budget and Treasury filing to electronic	Electronic filing of system and loading of Treasury documents	Paper based and physical filing	Procurement of electronic filing system and conversion of information into electronic documents	Electronic filing for Budget and Treasury documents	R1 900 000	Nil	Nil	Internal		Chief Financial Officer
Asset Management	All Assets of the Municipality must be accounted for in terms of their value, state and location	To accurately account for the value and location of all Municipal Assets by June 2019	4,7	Annual Review of the asset management policy -Timely update of the Fixed Asset Register to be correct as at the end of a financial year	GRAP compliant Asset Register as at year end	FAR Correct as at 30 June 2017, with findings	To have a GRAP Compliant Asset Register	Monthly Reports	R800 000	R1 809 857,56	R1 870 899,73	Internal		Chief Financial Officer

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

MLM – EC 443 Integrated Development Plan – 2018/2019 Review

KPA NO. 4: FINANCIAL VIABILITY														
Outcome 9 Objective			Improving Municipal Financial Administrative Capacity											
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Financial Reporting	Annual Financial Statements that are not fully GRAP compliant	To compile Annual Financial statements that comply with all requirements by June 2019.	4,8	Develop Sound, Strict and Effective procedures for the compilation of AFS	Credible and fully compliant Annual Financial Statements	Audited AFS for 2016/17 with findings	Development of processes and procedures for compilation of Compliant annual financial statements-purchase of case ware licenses	Credible Annual Financial Statements submitted on 31 August of each year, and quarterly financial statements	R415 000	R5 603 422,00	R5 911 611,00		External	Chief Financial Officer
					Credible and fully compliant Annual Financial Statement	Audited AFS for 2016/17 with findings	Implementation of mScoa until AFS are produced	Report from Treasury indicating Mscosa compliance	R358 296	Nil	Nil		External	Chief Financial Officer
					Manage Audit and ensure audit readiness, Unqualified Audit Opinion	Audited AFS for 2016/17 with findings	Manage the external audit by the Auditor General	Audit Report	R4 579 240			Internal		Chief Financial Officer
	To compile Annual Financial statements that comply with all requirements by June 2019.	4,8	Develop Sound, Strict and Effective procedures for the compilation of AFS	Professional Review of AFS by qualifying institutions	Audited AFS for 2016/17 with findings	Review of Annual Financial Statements	Audit Report	R200 000			Internal		Chief Financial Officer	

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

MLM – EC 443 Integrated Development Plan – 2018/2019 Review

KPA NO. 4: FINANCIAL VIABILITY																	
Outcome 9 Objective			Improving Municipal Financial Administrative Capacity														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s			
									Yr 1	Yr 2	Yr 3	Internal	External				
Budgeting	None Compliance with statutory reporting requirements	Adhere to compliance in terms of management and reporting by June 2019	4,9	Preparation and submission of in-year statutory reports	Submission of all statutory reports as required	Reports submitted on time	Full compliance with the reporting dates	Email confirmations and signed reports	-	R1 035 470,00	R1 036 596,00		External	Chief Financial Officer			
	None Compliance with statutory reporting requirement	Adhere to compliance in terms of management and reporting by June 2019	4,9	Preparation and submission of in-year statutory reports	Monthly reconciliation of all ledger accounts	Reports submitted on time	Reconciliation of all general ledger accounts on a monthly basis including ensuring that debit orders are accounted for	Monthly reports	Nil	Nil	Nil			Chief Financial Officer			
									Training of all management interns and provision of working tools for them	Appointed interns	Training of financial management interns, payment of stipends	Appointed interns and progress report on training	R500 000			External	Chief Financial Officer
									Membership to professional bodies by all officials	Appointed officials	Membership fees to professional bodies for BTO Staff	Number of affiliated members and progress report	R19 422.00			Internal	Chief Financial Officer

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

MLM – EC 443 Integrated Development Plan – 2018/2019 Review

KPA NO. 4: FINANCIAL VIABILITY														
Outcome 9 Objective			Improving Municipal Financial Administrative Capacity											
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
	None Compliance with statutory reporting requirements	To timely produce budgets in line with the National Treasury Guidelines by June 2019	4,10	Develop and monitor processes to ensure timely and credible budgets are prepared	Approved Budgets	Adjustments budget adopted by 28 February of each year and annual budgets by 31 May of each year	Compile budgets to be adopted by Council	Council resolution adopting the budget	Nil	R55 498,00	R58 549,00		External	Chief Financial Officer
					Publication of approved budgets	Adjustments budget adopted by 28 February of each year and annual budgets by 31 May of each year	Advertisement of approved budgets and tariffs	Advertised Budget and tariffs	R113 926.00			Internal		Chief Financial Officer

KPA NO. 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION														
Outcome 9 Objective			Deepen Democracy through a refined ward committee model											
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Integrated Development Planning	To comply with Section 32 of the Municipal Systems Act	To ensure development of a credible IDP - aligned with PMS & Budget by May 2019	5.1	By developing an IDP process plan. By conducting public participation processes	Council Approved IDP Review for 2018/2019 by May 2018	Assessed credible IDP document adopted by council May 2017.	Reviewal of the IDP for 2019/20 which must be adopted by the council by May 2019	Council resolution on adoption of the IDP Review for 2018/2019	1 811 535,58	2 3 11170,04	2 416 284,39	Yes	n/a	MLM

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

MLM – EC 443 Integrated Development Plan – 2018/2019 Review

KPA NO. 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION														
Outcome 9 Objective		Deepen Democracy through a refined ward committee model												
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
				By ensuring alignment of budget to the IDP										
Integrated Development Planning	To comply with Section 32 of the Municipal Systems Act	To ensure IDP alignment with vision 2030 by June 2019	5.1.1	By creating an environment for MLM communities to contribute to the drafting of MLM vision 2030	31 Ward based Priorities and inputs	N/A	Development of terms of reference and appointment of service provider to conduct ward based priorities and inputs on MLM vision 2030	consolidated and validated community inputs and Priorities	1 000 000.00	400 000	400 000,00	yes		
Performance Management Systems	To comply with Performance planning, implementation, monitoring and reporting regulations	To ensure compliance with laws and regulations and ensure a culture of accountability , performance excellence & monitoring by June 2019	5.2	By Facilitating and monitoring periodic reporting	Four Performance Reports submitted to Council and its structures for the 2018/2019 Financial Year	Four reports submitted to council for consideration	Quarterly performance reports tabled to council.	Number of quarterly performance submitted to council and its structures for consideration	2 163 500	2 271 675	2 385 258.75	MLM	N/A	MLM
				By facilitating formal performance appraisals	Bi-annual Performance Appraisals conducted during the 2018/2019 Financial Year	Two performance appraisals	Biannual performance appraisals	Number of performance appraisals conducted	Nil	Nil	Nil	N/A	N/A	MLM

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

MLM – EC 443 Integrated Development Plan – 2018/2019 Review

KPA NO. 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION														
Outcome 9 Objective		Deepen Democracy through a refined ward committee model												
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
				By Facilitating compilation of the 2017/18 annual report	1 annual report adopted by council by March 2019	1 annual report adopted by council by March 2019	Compilation of 2016/17 annual report	Oversight report on 2016/17 annual report	299820.00	316010.28	333074.84	MLM	N/A	MLM
				By reviewing the current PMS Policy and Procedure Manual so as to align it with relevant legislative prescripts	Nil	PMS Policy and Procedure Manual adopted by Council in 2015/2016 FY.	To review the existing PMS Policy and Procedure Manual.	Council Adopted PMS Policy and Procedure Manual by June 2019.	Nil	Nil	Nil	N/A	N/A	MLM
Internal Audit	To comply with section 165 of the Municipal Finance Management Act	To strengthen and advocate good governance by June 2019.	5.4	Evaluating the adequacy, effectiveness and design of internal controls for the operations, compliance with laws and regulations applicable to the municipality.	Eleven (11) Internal Audit Reports submitted to the audit committee	Implementation of internal audit plan.	Audit Committee approval of the Internal Audit Plan for 2018/19	Audit Committee approved Internal Audit Plan for 2018/19	R 3 255 000,00	R 341 775,00	R 358 863,75	Yes		

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

MLM – EC 443 Integrated Development Plan – 2018/2019 Review

KPA NO. 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION														
Outcome 9 Objective		Deepen Democracy through a refined ward committee model												
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTRF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Risk Management	To comply with section 165 of the MFMA	To improve Risk Management to an acceptable levels by June 2019	5.5	By conducting municipal wide risk management workshops. By developing participatory risk management process plan. Implementable risk management plan. Risk Management Policy Reviewal of Risk Management Plan and policy	Risk Management Plan. Audit Committee approved Internal Audit Plan for 2018/19	Implementable risk management plan and Risk Management Policy	Reviewal of Risk Management Plan and policy	Audit Committee approval of the Risk management plan for 2018/19	710,00	451 474 295,00	498 009,75	Yes		
Fraud and Corruption	To comply with Prevention and Combating of Corrupt activities Act 12 of 2004	To combat and defeat the fraud and corruption within Mbizana Municipality by June 2017/18	5.6	By implementation of the Fraud and Anti-Corruption policy. By conducting awareness campaigns with all relevant stakeholders	Council approved Fraud and Anti-Corruption Policy Review for 2018/20	Anti-Corruption marketing material as well as Fraud and Anti-Corruption Policy	Awareness campaigns and Reviewal of Policy	Council resolution on adoption of the Fraud and Anti-Corruption Policy Review for 2018/2019	500,00	265 275 625,00	289 406,25	Yes		

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

MLM – EC 443 Integrated Development Plan – 2018/2019 Review

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Outcome 9 Objective		Deepen Democracy through a refined ward committee model												
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Audit Committee	To comply with section 166 of the Municipal Finance Management Act	To advise the municipal council on the adequacy and effectiveness of the systems of internal control	5.7	By reporting on risks, financial, internal controls matters and Annual Financial Statements as well as policies.	Council accepted audit committee's report for 2018/2019	2 advisory reports relating to the effectiveness of risk management and internal controls as well as Annual Financial Statements	Annual Report relating to the effectiveness of risk management and internal control and review of Annual Financial Statements	Council Resolution on adoption of Audit Committee's report for 2018/2019	436275	458089	480993,45	Yes		
Special Programmes	To improve participatory democracy and inclusiveness	To coordinate mainstreaming of special groups & support by June 2019	5.7	BY coordinating Special Groups Forums, Internal & Sector departments to contribute towards mainstreaming of special groups in all programmes	Ten Council approved special groups activities for 2018/19	Council approved special groups policies. Launched special groups forums i.e. Youth Council, Elderly Forum, People with Disabilities Forum, Children's Advisory council	11 Council approved programmes targeting and in support of special groups	Number of council approved special programmes activities implemented	1 914 625	2 010 536,25	2 110 874.06	Yes	n/a	MLM

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

MLM – EC 443 Integrated Development Plan – 2018/2019 Review

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Outcome 9 Objective		Deepen Democracy through a refined ward committee model												
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTRF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Sport Development	Promotion of community participation in organised sport by June 2019	To coordinate organised sport & improve community participation in sport by 2019	5.8	By supporting Sport & Recreational Council programmes	4 approved sport and recreational programmes	Four sport and recreational programmes supported	4 sport and recreational programmes supported by June 2019	Number of sport and recreational programmes supported	490 000	514 500	540 225	Yes	n/a	Municipality / DSRAC
O.R. Tambo Legacy	Preserve O. R. Tambo Legacy	To commemorate O.R. Tambo Legacy by June 2019	5.9	By implementing council approved OR Tambo legacy programmes/ activities	6 legacy commemoration programmes	4 legacy programmes implemented	6 legacy commemoration programs	number of legacy projects implemented	267691.97	2823910.03	2979225.08	Yes		
Customer Care	Lack of awareness and commitment on customer care relations	To minimize customer care related complaints and create a customer friendly environment June 2022	5.10	By enhancing capacity within the customer care function.	8 Customer care programmes	Customer Care register, Complaints book and Customer Care Policy and a Customer Care Satisfaction Survey.	Implementing Customer Care Policy.	Number of resolved complaints received.	504 960.00	532 732.80	562 033.10	Yes	N/A	MLM
Communications	Ineffective communication	To improve sound communication and public liaison by June 2022	5.11	By implementing various mechanism of communications within council approved communication strategy	1 council approved communication strategy and implementation	2 Newsletter production	Reviewal and implementation of communication Strategy.	Council minutes on approval of communication strategy	3 297 245	3 462 107	3 635 212	Yes	N/A	MLM

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

MLM – EC 443 Integrated Development Plan – 2018/2019 Review

KPA NO. 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION														
Outcome 9 Objective		Deepen Democracy through a refined ward committee model												
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Intergovernmental Relations	Fragmented coordination of government services	To improve coordination of service delivery amongst spheres of government by 2022	5.12	By implementing IGR Terms of reference	4 Quarterly meetings	Adopted IGR framework and terms of reference and 2 IGR meetings	4 Quarterly IGR meetings	Number of IGR meetings	Nil	Nil	Nil	N/A	N/A	MLM
HIV and AIDS	increasing HIV and AIDS pandemic	To reduce the rate of HIV and AIDS prevalence by 2019	5.13	By reviewing and implementation of HIV and AIDS strategy	1 review & 6 support programs	10 council approved programs	Reviewal of HIV & Aids Strategy and implementation of 06 council approved support programmes	Council minutes on approval of HIV / AIDS strategy and number of support programs implemented	710 272	749 337	790 550.03	Internal		MLM
Litigations	centralisation of legal matters	To ensure proper management of municipal legal matters by June 2019	5.14	By implementing council adopted legal risk management and litigation policy	management of municipal legal matters	109 cases on court roll	Attending to municipal cases on the court roll	Number of cases attended to and resolved	4 313 200.00	4 55042.00	4 800699.43	Internal		MLM
		To ensure proper regulation of municipal powers and functions by June 2019	5.15	By facilitating the development of 4 by-laws	Four by-laws submitted for gazetting	51 by-laws in place	Promulgation of 4 by-laws	Number of completed by-laws						
Public Participation	Improve performance of public participation structures	To strengthen and enhance public participation mechanisms by June 19	5.16	By building capacity and support to public participation structures	Providing training and support of public participation structures	308 Ward Committee members, 21 CDW's and 29 ward war rooms	Providing training and support of public participation structures	Number of training conducted and support provided to public participation strategy	8 127 423	8 533 794	8 960 484	Internal		MLM

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

MLM – EC 443 Integrated Development Plan – 2018/2019 Review

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Outcome 9 Objective		Deepen Democracy through a refined ward committee model												
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
	Compliance with section 73 of MSA	To ensure coordinated public participation in all municipal programmes by June 2019	5.17	By facilitating consultative sessions with communities to ensure public involvement in all municipal programmes	3 consultative session with communities.	1 Mayoral Imbizo, Budget & 1 IDP Roadshow, 1 Annual Report Consultation meetings held.	To facilitate 4 consultative session with communities.	Number of consultative session conducted	410 280.00	432 845.40	456 651.90	Internal		MLM
Council Support	Comply with Sec 18(1) and (2) of Municipal Structures Act	To ensure proper sitting of Council & council committees by June 2019	5.18	By adhering to council adopted schedule of council meetings	Adoption of schedule of council meetings and its committees, co-ordinate sitting of four council meetings and twelve council committee meetings by June 2019	Adopted schedule of council meetings and number of council meetings and its committees.	Coordinate sitting of 04 Council meetings and 36 council committees meetings by June 2019	04 council meetings convened and thirty six council committees	731 518.72	771 752.25	814 198.62	Yes	n/a	MM

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

CHAPTER FIVE

22. COMMITMENT BY SECTOR DEPARTMENT AND PARASTALS

Department	Programme	Project	Locality	Budget
Human Settlements	Housing Delivery Projects in progress	Bonda 1000	3,9	R 12,153,560.00
		Didi 1000	13	R 10,014,407.00
		Izibanzini 300	03	R 8,766,242.00
		Kwa-Mpisi 500	16	R 14,286,780.00
		Mdikisweni 500	11	R 12,246,780.00
		Nkantolo(Silangwe) 500	27	R 19,811,300.00
		Nkantolo 30	27	R 580,000.00
		Xholobeni/Mgungu 500	25 & 28	R 10,536,800.00
		Mbizana 486	8, 26, 08 & 02	R 16,745,157.00
		Social Development	HIV/AIDS	Sinosizo support group
Sizophila Community and Child Help Forum	18			R266 500
Ixabiso Lomntu HIV/AIDS	8			R266 500
Family resource centre	BZA Masincedane family preservation programme		14	R65 000
White door Centre	Mzamba Victim Support Center		24	R150 000
	Bhekizizwe White Door Centre		16	R150 000
	Khuseleka White Door Centre		31	R150 000
Disability	Masakhane project for the disabled		26	R200 000
Substance abuse	Imizizi Youth Advocates		18	R100 000
	Bizana community based treatment service Centre		1	R250 000
Service centres	Lukhanyo old age project		17	R72 000
	Khananda Old Age Project		22	R72 000
	Suthu service center		03	R60 000
	Abadala Nkantolo project		27	R48 000
	Ncedisizwe Service Centre		22	R60 000
	Ikhethelo service Centre		08	R48 000
	Mgcinephila Service Centre		23	R48 000
	Khanyisa Service Centre		18	R48 000
	Sophumelela old age project		31	R60 000
	Simanye Service Centre		29	R60 000
	Zamukulungisa Service Centre		20	R48 000
	Nikolo Old Age Project		28	R48 000
	Ncedisa Service Centre		10	R60 000
	Mhlabeni Service Centre		29	R48 000
	Sakhubom Service Centre		26	R48 000
	Mthayise Old Age Project		16	R48 000
	Ncedo Service Centre		20	R48 000
	Luhle old age		15	R48 000
	Senzokwethu old age		25	R48 000
	Ilinge old age		30	R48 000
Siwisa old age	31		R48 000	

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

		Ntola old age	03	R48 000
	Pre-School	Intsingizi	17	R132 000
		Horeni	26	R115500
		Lukholo	22	R198000
		Jakuja	13	R198000
		Amadiba	24	R108900
		Ekuzameni	05	R198000
		Mtenjwa	17	R198000
		Thokozani	19	R198000
		Niniva	05	R138600
		Magusheni	03	R132000
		Mbobeni	05	R198000
		Manundu	26	R132000
		Boyce	06	R141900
		Bizana village	01	R99000
		Hambanathi	05	R165000
		Siyabulela	07	R198000
		Siyakhula	31	82500
		Dlangezwa	16	R181500
		Mabhula	22	R141900
		Mthayise	16	R198000
		Ilitha	13	R122100
		Critchlow	15	R171600
		Zamokuhle	26	R115500
		Mretshi	06	R198000
		Nokhanyo	21	R198000
		Bagcine	22	R99000
		Laleni	02	R99000
		Xholobeni	25	R99000
		Mabhodweni	16	R99000
		Rock-star	10	R132000
		Ntlenzi-star	10	R148500
		Zamukwenyuka	08	R148500
		Kantolo	27	R99000
		Malihambe	05	R99000
		Zamokuhle No. 2	26	R115500
		Khotsho	13	R99000
		Lusindisweni	19	R115500
		Pelepele	11	R99000
		Lubala	19	R99000
		Mthombo Wolwazi	03	R115500
		Happy Hearts	06	R101 325.00
		Siyaphambili	07	R101 325.00
		Gwabeni	09	R101 325.00
		Chief Mthenjwa	31	R101 325.00
		Mbabazo	17	R 87 750
		Ngcingo	22	R 87 750
		September	22	R 87 750
		Nceduluntu	13	R 87 750

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

MLM – EC 443 Integrated Development Plan – 2018/2019 Review

		Zamani	14	R 87 750
		Mtamvuna	24	R 87 750
	Soup Kitchen	Mavenu CNDC Project	14	R 505 200.
	House Hold Garden	Monti House Hold gardens	19	R25 000
		Nonkqubela House Hold Gardens	13	R25 000
	Performing Art and Event Management	Masizalane Youth Enhancement	4	R50 000
	Bags manufactures	Bags R Us Cooperative LTD	4	R216 473.00
Department of Education	Full Scope	Mqhokweni	02	R35 959 563.53
		Thembamizizi	18	R40'000,000.00
		O.R Tambo Technical High School	27	R 39,945,319.88
		Ntukayi SSS	7	R 3,631,969.45
		Mgomanzi SPS	16	R 3,700,886.56
		Cangci Comtech.	16	
		Kwa-Nikwe JSS	17	
	District Offices	Alfred Nzo East Relocation (Temporary Structures)	01	R28 000000
	Mobile structure	Esimnyameni JPS	02	R 1,307,622.02
		Vukayibambe SSS	11	R 10'000'000.00
		Kopana SPS	30	R2 019 750.09
		Ntamonde SPS	02	R2 731 877.03
		Nkantolo JSS	27	
		O.R Tambo technical high school	27	
		Green Ville SSS	21	
	Disaster school	Madikizela SSS	30	R443'410.61
		Zinini JSS	07	R116'784.04
	Water Projects	Izibanzini JSS	3	R373 309 .64
		Dlungwana SPS	5	
		Somsetu	8	R1835 730.64
		Stanford SPS	20	
		Lindokuhle JSS	20	
		Thembalesizwe Comtech.	21	
		Etaleni SPS	27	R357 740.42
		Sigidi	28	R1 016 866.30
		Sijadu	28	R726 832.25
		Dangeni	28	R482 592.42
		Cwaka JSS	29	
		Kwa-Ndela	31	R1 191 747.19
		Electrification	Mdelwa JSS	19
	Ntlozelo JSS		22	
	Lundini SPS		28	R1 229 136.76
	ECD Centers	Silangwe SPS	5	R10 179 725.12
Sontsele		6		
Emhlanga JSS		6		

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

MLM – EC 443 Integrated Development Plan – 2018/2019 Review

		Zanokhanyo	9	R 9,580,458.63
		Dumile SPS	12	
		Vayi SPS	12	
		Mbabazo SPS	19	
		Stanford SPS	20	R 4,678,473.02
		Lingelethu SPS	23	
		Sijadu SPS	25	
Department of Agriculture	Siyazondla Maize production	1000 Beneficiaries for 31 wards		R265 000.00 R3200.00 subsidy per hectare for farmers from DRDAR
	DIP	Dutyini	30	
		Dumse	03	
		Mpeni	02	
		Kwajali	06	
		Zangotshe	16	
		Sirhatsheni	23	
		Mxinga	30	
		Zanokhanyo	12	

Municipal Vision:

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CHAPTER SIX

23. INTEGRATION AND ALIGNMENT OF THIS IDP WITH NATIONAL, PROVINCIAL AND DISTRICT PLANS / STRATEGIES

The strategic approach to the development of the Municipality's integrated development plan is underpinned by policies and strategies of the national and the provincial government and as well as District Plans. The development objectives of these policies have influenced the development of the strategic direction that the Municipality has identified. This phase aims to ensure internal strategic consistency with regards to the municipality's identified strategic vision and objectives, financial and institutional resource contexts as well as compliance with policy and legal requirements.

The relevant government strategies and policies which this IDP has been aligned to are National strategic Infrastructure Projects, Millennium Development Goals, Service Delivery Agreement Outcome 9, National Government Programme of Action 2009 – 2014, the Provincial Government Development priorities and district policies & strategies. The section will also list the sector strategies that led the strategic direction of the municipality

23.1 National Development Plan, Vision 2013

The National Development Plan (NDP) 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 NDP aims to eliminate poverty and reduce inequality by 2030. According to the plan, South Africa can realize these goals by drawing on the energies of its people, growing an inclusive economy, building capabilities, enhancing the capacity of the state, and promoting leadership and partnerships throughout society

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

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

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

23.2 Delivery Agreement: Outcome 9

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

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

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

23.3 National Spatial Development Perspective (NSDP)

The NSDP's objective is to promote informed economic investment profiling to guide regional growth and development planning within a socio-economic framework. The National Spatial Development Perspective also informs the Spatial Development Framework of the Municipality.

23.4 Back to Basics – COGTA Programme for Change

The programme is a national initiative aimed at ensuring that municipalities perform their core mandate of delivering basic services to local communities, as enshrined in Chapter seven (7) of the Constitution of South Africa. The Back to Basics approach is based on five principles which are:-

- ⇒ Putting people first and engaging with the community;
- ⇒ Delivering basic services;
- ⇒ Good governance ;

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

- ⇒ Sound financial management; and
- ⇒ Building capabilities.

23.5 Local Government: Municipal Planning and Performance Management Regulations, 2001

To develop further guidelines and clarity in the issues of IDP, regulations were issued in 2001. The Municipal Planning and Performance Management Regulations set out in detail the requirements for IDPs and Performance Management System.

23.6 Disaster Management Act, No 57 of 2002

The Disaster Management Act, aimed to provide integrated and coordinated disaster management policy, in which the main features of disaster management are described as preventing or reducing the risk of disasters, mitigation the severity of disasters, emergency preparedness, rapid and effective response to disasters and post disaster recovery and rehabilitation. The Disaster Management Act provides for the declaration of disasters through national, provincial and local government spheres. In the case where Provincial and Local authorities have determined that a disastrous drought occurred or threatens to occur, the disaster management centers of both the province and municipality must immediately:

- ⇒ Initiate efforts to assess the magnitude and severity or potential magnitude and severity of the disaster;
- ⇒ Inform the national centers of the disaster and its initial assessment of the magnitude and severity or potential magnitude and severity of the disaster;
- ⇒ alert disaster management role-players in the province that may be of assistance in the circumstances and;
- ⇒ Initiate the implementation of any contingency plans and emergency procedures that may be applicable in all circumstances.

23.7 Municipal Finance Management Act (MFMA), No 56 OF 2003

Section 21 of the MFMA stipulates that the mayor of a municipality must coordinate the processes for the annual budget and for reviewing the municipality's IDP and budget – related policies to ensure that the tabled budget and any revisions of the IDP and budget related policies are mutually consistent and credible. At least 10 months before the start of the budget year, table in the municipal council a time schedule outlining key deadlines for-:

- ⇒ The preparation, tabling and approval of the annual budget;
- ⇒ The annual review of –
 - The IDP in terms of section 34 of the Municipal Systems Act (MSA) and

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

- The budget related policies.
- ⇒ The tabling and adoption of any amendments to the IDP and budget related policies and
- ⇒ Any consultative process forming part of the processes referred to in subparagraph (i), (ii) and (iii) above.

23.8 Provincial Development Plan, 2030 Vision for the Eastern Cape

The National Development Plan as explained above sets out a vision for South Africa – a prosperous country with no poverty or inequality. The Eastern Cape’s Provincial Development Plan (PDP) plan aims to provide creative responses to the province’s challenges. A sustainable future for the Eastern Cape rests on people-centred development to achieve five related goals:

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

These goals will be pursued with a focus on rural development to address serious inherited structural deficiencies – the legacy of apartheid has left the rural regions of the Eastern Cape underdeveloped, with an urban economy that is unduly stressed and experiencing slow growth. Addressing this spatial unevenness in endowment and development will take time and hard work, but it can be done. The PDP’s design and implementation planned to shift discriminatory attitudes towards women and other vulnerable sectors of society.

23.9 Municipal Systems Act, No 32 OF 2000

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

Each Municipal Council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality which:-

- ⇒ links, integrates and co-ordinates plans and takes into account proposals for the development of the municipality;
- ⇒ aligns the resources and capacity of the municipality with the implementation of the plan;
- ⇒ forms the policy framework and general basis on which annual budgets must be based;
- ⇒ complies with the provisions of Chapter 5 of this Act;
- ⇒ is compatible with national and provincial development plans and planning requirements binding the municipality in terms of the legislation.

Municipal Vision:

A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

As far as the status of an IDP is concerned Section 35 states that an IDP adopted by the council of a municipality is the principal strategic planning instrument which guides and informs all planning and development as well as 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 a municipality's integrated development plan and national or provincial legislation, in which case such legislation prevails and binds all other persons to the extent that those parts of the IDP that impose duties or affect the rights of those persons have been passed as a "by-law".

23.10 LOCAL STRATEGIES AND PLANS

Mbizana Local Municipality has all necessary strategies and plans in place that are essential in determining the economic edges that are ready to exploitation in order for the LM to seize competitive and comparative advantage. The strategies and plans are briefly discussed hereunder.

23.10.1 Spatial Development Framework

The municipality reviewed and adopted the spatial development framework in the 2014/15 for the period of five years. The approved spatial development framework will be due for another review in the 2019/2020 financial year. As part of implementing the approved spatial development framework, the municipality is in the process of developing the local spatial development framework of the identified nodes. In this current financial year, the municipality is in the process of developing the coastal spatial development framework to guide the development in the fast growing Mzamba node and the incorporation of N2 construction that is underway. The municipality intend to develop the N2 corridor development plan with the intension of promulgating a town along the coast.

23.10.2 Local Economic Development Strategy

Mbizana Local Municipality has identified Local economic development (LED) Strategy as one of the most important ways of decreasing poverty in the Mbizana juristic area. The MLMLEDS aims to create jobs by making the local economy grow, increase investor confidence and bring together LED stakeholders. This means that more businesses and factories should and can be started in the municipal area. The LED forum was established in 2010, currently not operating well and it needs to be strengthened. The LED forum is a platform for all the stakeholders that have a role to play in economic development to engage each other in programmes of Local Economic Development.

The National government policies, funds, research and other support for local economic development has been considered in the development on the MLM LED Strategy and a specific reference to the DTI Enterprise development programme and COGTA support that the strategy aims to consolidate and align programmes to these department's initiatives. Mbizana Local Municipality has decided on LED strategies and the process of arriving at a LED strategy that has become part of the Integrated Development Planning (IDP) process (MLMLEDS has been incorporated into the IDP). The MLMLEDS is based on the overall vision outlined in the LED Strategy and IDP and has taken into account the result of the analysis done to identify problems and prioritize development projects. MLMLEDS has also considered integrating building development corridors between areas and supporting the economy with public infrastructure. The following are some key strategies that the Mbizana Local Municipality put in place to meet its goals:-

- Developing the infrastructure of the municipality to make it easier for businesses to operate. This is mainly addressed in the IDP of the municipality.
- Providing better living conditions it also creates an environment that promotes economic growth.
- Promoting tourism, which currently is one of the biggest growth industries in South Africa. This includes developing local tourist sites and facilities, improving security and ensuring that all residents are welcoming of tourists.

23.10.3 Housing Sector Plan

The municipality reviewed and adopted the housing sector plan for the five year horizon. The plan was adopted in the 2010/2011 financial year. The department of human settlements within the province, appointed the consultants to review and update the 2011 plan. In this financial year, the municipality appointed the service provider to review the housing sector plan, the plan will be completed t in the coming financial year in order to be adopted by municipal council. The purpose of the review is to develop a strategic document to inform and guide the Mbizana Local Municipality in the allocation of resources with regards to housing, access to services, administration, and socio economic realities. The plan will incorporate the municipal housing need register, determine the backlogs, infrastructure and Spatial Illustration of projects, demand and backlogs in ward based approach

23.10.4 Mbizana Tourism Master Plan

Mbizana Local Municipality has identified tourism as one of the pillars for local economic development hence embarking on a tourism development framework to address the poverty and unemployment challenges. The Tourism Development Framework will address the unemployment challenges that face the region. The development plan also seeks to exploit the intrinsically underdeveloped tourism sector. The development of the tourism framework is aligned with millennium

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development goals (MDG), LED framework and other legislative frameworks that aim at reducing poverty and creating job opportunities.

Existing tourism opportunities

Mbizana is a developing rural tourism region with unique cultural attributes, natural attractions and layers of heritage. Dominant land uses in Mbizana are mostly rural with a large emphasis on tourism along the coast and a bit in the interior. Mbizana Local Municipality covers approximately 40km stretch of the Wild Coast including the Wild Coast Sun Hotel (WCSH).

It prides itself as the home to the legend Oliver Reginald Tambo. It is known as the internationally acclaimed biodiversity hotspot hence it was named “Pondoland centre of endemism” It is endowed with pristine beaches, petrified forests, ancient archaeological sites, rugged coastline and scenic estuaries. Mbizana’s locality on the boarder of the Eastern Cape and KwaZulu Natal Province, whose tourism sector is vibrant, gives it an advantage as a tourist destination

Challenges Facing Mbizana Tourism

As part of the situational analysis for the Tourism Framework, the following challenges hindering the development and growth of the tourism industry in MLM were identified. These challenges, if addressed, will pave a foundation for the development of tourism and attract investment in the municipal area. The challenges are as follows:

- ⇒ Illegal cottages – Although the numbers of illegal cottages were not physically counted, many were identified throughout the coast. These are stand-alone illegal cottages. The other cottages could be difficult to term “illegal” because they have been built in the existing footprint of families that are living on the coast.
- ⇒ Planning the plans - there are several concepts which date back to 2003. Other examples are projects which were presented to investors in the OR Tambo Investment Conference in 2009. Three years later, no action has been taken. This indicates that the municipality is constantly planning but not implementing.
- ⇒ Land claim processes- A few investors were eager to invest in the Wild Coast, but due to the issue of land claims, it was difficult. This is an indication that the environment is not conducive for investment.
- ⇒ Internal fighting- there are community structures such as the crisis management that are interested only in mining versus the community trust that is interested in tourism. These structures are fighting about two different sectors and there is no solution as to which sector can be prioritized and how to strike a balance on both sectors.

MLM – EC 443 Integrated Development Plan – 2018/2019 Review

- ⇒ “We chew more than we can swallow”- there are many projects that were proposed and it is assumed that the approach of attempting to implement all project at the same time could be the reason for failure of most projects.
- ⇒ Plan against each other- planning internally has to be integrated amongst all departments within the municipality. The same should apply to local, provincial and national government. Projects that are planned by national and provincial government departments should be integrated to the framework of MLM.

Proposed projects:-

- ⇒ Mtamvuna Nature Reserve: Section B – Proposed tented camp at Mtamvuna
- ⇒ Mtentu tented camp – Proposed expansion of Mtentu tented camp
- ⇒ Skhombe Campsite- proposed camp site at Skhombe
- ⇒ Hiking trail development
- ⇒ OR Tambo Heritage Route
- ⇒ Wild Coast Timeshare Resort
- ⇒ Ingeli tourism development
- ⇒ Wild Coast Fishing Village
- ⇒ Skhombe Tourist Chalets
- ⇒ Mnyameni Tourism Development

23.10.5 Integrated Waste Management Plan

An Integrated Waste Management Plan has been adopted by council. The main objective of an IWMP is to integrate waste management within, and where possible, with services of adjacent municipalities, in order to:

- ⇒ To identify and plan future waste management needs and requirements;
- ⇒ Minimise waste management costs by optimising the efficiency of the waste management system, in terms of usage of infrastructure, labour and equipment; and
- ⇒ Minimize adverse social and environmental impacts related to waste management and thereby improve the quality of life for all citizens.

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23.10.6 Climate Change Strategy

Sections 152 and 156, and schedule 4b and 5b of the Constitution (Act No. 108 of 1996) mandate all local government amenities, inclusive of Mbizana Local Municipality, to promote socio-economic development, and establish a safe and healthy environment for communities. As means of aligning to this obligation for sustainable development, Mbizana Local Municipality appropriated an initiative to develop a climate change adaptation strategy. Through the process of developing this strategy, secondary data was utilized as provided by Mbizana Local Municipality, relevant policy documents and other researched information sources, and most importantly site visits and interviews in order to assess the status quo for areas of vulnerability. Key performance areas identified to impact on the area's climate change for this strategy were economic, natural and social drivers, and through them thirteen elements were acknowledged, of which seven came out as overarching. These drivers were assessed using vulnerability matrixes in order to bring forth strategies of adaptation to climate change in the seven prominent indicators.

23.10.7 Coastal Management Programme (ICMP)

Mbizana Local Municipality is known for its beautiful and diverse coastline, which is part of the captivating Wild Coast of the Eastern Cape. In the past, South Africa's coastline has not always been utilised and managed in an appropriate manner, resulting in the degradation of significant portions of this valuable national asset. In response, the Integrated Coastal Management Act No. 24 of 2009 as amended by Act No. 36 of 2014 (ICM Act) was developed to promote ecologically, socially and economically sustainable coastal development and resource use, as well as to control inappropriate development along our coast. In respect to coastal management tools, Chapter 6 of the ICM Act mandates all three spheres of Government to prepare Coastal Management Programmes (CMPs).

A CMP, in general terms, is a policy or strategy document that contains vital coastal management objectives, which serve as a system of principles to guide decisions and achieve rational outcomes relating to the coastal environment. A CMP must include a public participation process and is to be reviewed every 5 years. Alfred Nzo Municipality embarked on this process in March 2014 by appointing coastal management consultants at Royal HaskoningDHV to prepare the inaugural Mbizana Local Municipality CMP. The Mbizana Local Municipality CMP consists of three core components, these being a status quo assessment, vision and objectives (which includes public consultation), as well as a programme of implementation.

The situational analysis of the Mbizana Local Municipality CMP provides a review and interpretation of existing information on the biophysical and socio-economic characteristics and management context of the Mbizana Local Municipality coastal area in order to identify and describe emergent and recurrent coastal issues, constraints and opportunities. The intention of this component of the CMP is not to re-sample the social, economic or ecological situation of the Mbizana Local Municipality area but rather to synthesise the numerous existing documents, reports and publications that have done so previously. The primary objective of the situational analysis is therefore to integrate the findings of the relevant Integrated Development Plans (IDPs), Spatial Development Frameworks (SDFs), Environmental Management Framework, numerous documents and plans for the Wild Coast and other information that is relevant to coastal management within the district municipality. In so doing, this CMP component highlights issues of priority or concern that require specific attention. Emergent and recurring environmental and socio-economic issues of the Mbizana Local Municipality coastal area are summarized in the image overleaf.

23.10.8 Mbizana Disaster Risk Management Plan

Mbizana Local Municipality developed and adopted a Disaster Risk Management Plan in 30th May 2016 and its due for review in 2021. The local authority is committed to ensuring the safety of its inhabitants and the sustainability of its communities, economy and environment and therefore intends to effectively manage disaster risks. In terms of the Disaster Management Act, 2002 (Act 57 of 2002), municipalities are required to compile municipal disaster management plans.

The key intended outcomes of this plan are the integration of Disaster Risk Management into the strategic and operational planning and project implementation of all line functions and role players within the municipality, the creation and maintenance of resilient communities within the area and an integrated, fast and efficient response to emergencies and disasters by all role-players. This level 1 Disaster Risk Management Plan must enable Mbizana Local Municipality to adhere to the requirements of a level 1 Plan as per section 3.1.1.2 of the National Disaster Management Framework.

Disaster is defined as progressive or sudden, widespread or localized, natural or human caused occurrence which causes or threatens to cause death, injury or disease, damage to property, infrastructure or the environment, disruption of the life of a community. The municipality has established mechanisms to ensure integration and joint standards of practice in the execution of disaster risk management policy throughout its jurisdiction.

According to the risk prioritization results conducted during November 2015, which indicated the following hazards as being rated as the highest 'total risk' hazards range: Severe storms (strong winds, tornadoes), Motor vehicle accidents, Veld fires, Human diseases, Rough Sea/Tides and Deforestation. The action needed for the above mentioned risks is risk reduction and preparedness planning. During a stakeholder consultation session, stakeholders were required to identify hazards perceived to be a concern in the Mbizana Local Municipality. This was part of obtaining indigenous and specialist knowledge from stakeholders and verifying/updating current identified disaster risk assessment results.

23.10.9 Ensure effective and appropriate disaster response and recovery

A number of risk reduction measures are identified related to the highest rated identified risks. These measures were decided upon in consultation with the relevant responsible departments. There are certain responsibilities that the municipal departments must partake on, in disaster management. Each stakeholder has identified its own role in disaster risk management and in its own plans and provide for such information.

Whilst the Disaster Management Functions are cutting across all departments, Integration and Co-ordination will be done by Community Services Department, the municipal department will be assisting with prevention/mitigation, response and recovery actions. The communities will also assist with disaster risk reduction and co-operation as community leaders e.g. Ward Councillors, Traditional leaders assist with community liaison.

Mitigation activities have been considered to include components such as Preparedness, Recovery and Reconstruction. Mitigation activities generally grouped into two levels, namely structural and non-structural. Structural measures refer to any physical construction to reduce or avoid possible impacts of hazards, which include engineering measures and construction of hazard-resistant and protective structures and infrastructure. Non-structural measures refer to policies, awareness, knowledge development, public commitment, and methods and operating practices, including participatory mechanisms and the provision of information, which can reduce risk and related impacts. In terms of logistical systems in support of mitigation activities, and in line with the above mentioned definition, the aim of mitigation logistics will be to ensure appropriate mitigation related supplies or goods, in good condition, in the quantities required, are available at the place and time they are needed in order to implement preparedness, recovery and reconstruction activities. This plan is due for review during the 2021/2022 financial year.

23.10.10 Human Resources Development Plan / Strategy

Mbizana Local Municipality has developed its Human Resource Development Strategy for the period 2010 – 2014 and was adopted by council in 2010, the HRD strategy has been reviewed and awaiting adopting by council before end December 2015. The strategy is based on this background that Mbizana Local Municipality has considered it necessary to re-look at its work processes. It is further necessary to take stock of what has been achieved and how council would want to impact on service delivery using its strategic trajectories. This strategy sets out the results of a situational analysis, performance and municipal capacity assessment conducted by the Municipal Manager and Senior Managers.

The Service Delivery strategies had undertaken a quick overall scan identifying critical areas of focus. In conducting this scan a diagnostic approach was adopted (service delivery and budget implementation plan) focusing on all the areas as indicated in this report. This was coupled with sessions held with both the administration and political structures of the municipality on various occasions.

23.10.11 Employment Equity Plan

The Mbizana Municipality is operating with Employment Equity Policy and Employment Equity Plan which expired in 2014. The plan and policy had been reviewed and submitted to the Department of Labour for compliance. The Employment Equity Plan and Policy were both accepted and acknowledged by the department of Labour. The plan and policy were presented to almost all stakeholders it only awaits adoption by the Council. The main purpose of the Employment Equity Act, No 55 of 1998, is to promote equal opportunities in the workplace by eliminating unfair discrimination in employment policies and practices.

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23.10.12 Staff Retention Policy

The MLM Employee Retention Policy has been developed and adopted by council on the 30 June 2014 to provide guidance and information to Council, Management and Labour in order to effectively implement all approved employee retention strategies so as to promote the retention of staff. The following are the key policy highlights which influence the successful implementation of this strategy:

- ⇒ The policy purpose puts emphasis on comprehensively addressing all the soft and hard staff issues which include the environmental, technical and social staff needs for effective employee retention.
- ⇒ The policy applies to all Council employees irrespective of occupational level, grades, categories and demographics.
- ⇒ The policy highlights a variety of tools and techniques to be implemented in order to effectively achieve and maintain long-term employee retention.
- ⇒ The policy briefly outlines specific roles and responsibilities assigned to the Municipal Management and Leadership.

The policy specifies key methods for monitoring and evaluating the retention process.

23.10.13 Revenue Enhancement Strategy

In many developing countries, including South Africa, the capacity of local government to give effect to its fiscal power is a serious limitation. In South Africa this problem is compounded by the integration of previously disadvantaged communities into municipal boundaries, a culture of non-payment, and poor administrative systems, all of which it has manifested itself as staggeringly high levels of debt. On paper the solutions are easy: increase revenue; reduce expenditure; or do a combination of both. However, in reality the challenge is more complex and multi-faceted – there are political and socio-economic facets as well as institutional aspects, including shortages of skills, performance-orientation of staff and adequate physical resources. Implementing revenue enhancement strategies can only be achieved by critically reviewing the current revenue management processes, policies and procedures being applied by the municipality.

To effectively deal with the current challenges, the municipality must plan and implement effective and integrated revenue enhancement strategies. The need for an integrated approach should not be taken lightly.

The Mbizana Local Municipality (MLM) sustainability should be based on the following critical elements:-

- ⇒ Development and implementation of an effective communication strategy;

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- ⇒ Strengthening of the provision of metered services;
- ⇒ Strengthening of accurate billing process; and
- ⇒ Improving Debt and Credit Management.

The MLM revenue business model needs to focus on maximizing revenue collection, reducing inefficiency and costs, and reducing uncollectible debt. A holistic approach to local government sustainability is crucial to ensuring that all the above mentioned critical elements are simultaneously addressed, which encompasses the following elements:

⇒ **Effective Communication Strategy**

A sound communication strategy is a critical element to building local government long term sustainability. Therefore, a sound communication strategy should be one of the cornerstones upon which MLM sustainability should be built upon. It is only through a sound communication that customer and municipal expectations are being clearly articulated and understood by all relevant parties. Communication is a two-way process and involves community participation, which is enshrined in our constitution and Municipal Systems Act 32 of 2000. The communication process should facilitate alignment between municipal goals and community expectations. Furthermore, it is also only through this communication that the relationship between the municipality and its customer can be enhanced.

⇒ **Provision of Metered Services**

Accurate consumption information is the key to reducing service delivery losses. The technical component is predominantly focused on the efficient delivery of services to customers and meeting customer expectations. The benefits of managing this aspect of service delivery are the reduction of losses of electricity. This element involves the meter management which addresses the supply losses incurred through the service meter and includes illegal connections and faulty meters.

⇒ **Strengthening the Accurate Billing Process**

Accurate billing for services is a critical element of the MLM Revenue Management Business Model. Due to poor billing and revenue collection, MLM is becoming increasingly dependent on intergovernmental funding to balance its budget. This component specifically focuses on billing integrity as the basis of municipal revenue.

If the customer information and billing information is incorrect the municipality has no basis to effectively collect revenue. The key elements to emphasis accuracy include:

- ⇒ Billing – Immediately and regularly billing the customer for the services provided;

- ⇒ Customer Information Auditing – processes and activities of ensuring that customer information is valid, accurate and complete; and
- ⇒ Data Cleansing – processes and activities of ensuring the credibility of customer data maintained by the municipality.
- ⇒ Revenue Collection (Debt and Credit Management)

Revenue collection is based on the integrity of the Metered Service Management and Accurate Billing process. This is a critical element which includes collection of revenue, customer service management, debt & credit management and indigent management. A large portion of MLM customers are indigent and therefore cannot afford to pay for services provided by the municipality and this has to be factored into financial planning and strategy development. It is critical for the municipality to understand its customer profile and to differentiate between those customers who can pay and who cannot afford. It is based on this customer profile that one can start planning strategies for free basic services implementation, indigent subsidization, LED, indigent management, service delivery and services rollout, billing and revenue collection strategies and debt collection. All these aspects will affect the municipal budget and the budgeting process.

⇒ **Revenue Enhancement Framework**

The revenue enhancement framework for the revenue enhancement strategy, taking into account the unique requirement of the MLM will comprise a phased approach. The timeframe for the implementation of the strategy intervention has been divided between:

- ⇒ **Quick wins** strategic interventions that can be implemented within 6 months.
- ⇒ **Medium –term** strategic interventions which focus on strategic intervention to be implemented between 6 to 18 months.
- ⇒ **Long term interventions**, which focuses on strategic interventions that will take longer than 18 months to be implemented.

23.10.14HIV and AIDS Strategy

MLM is experiencing high levels of HIV/Aids prevalence this is mainly caused by the fact that the municipality is in the boarder of KZN, the municipality continues to partner with the Department of Health in the province towards reduction of the levels of infections. In addressing the HIV/AIDS, MLM adopted its HIV/AIDS s in 2014; the strategy will be reviewed in 2018/19 financial year.

23.10.15 Public Participation Policy

The Mbizana Local Municipality has developed the policy in compliance with the provisions of the Municipal Structures Act and the Municipal Systems Act in order to provide for the establishment of appropriate mechanisms, processes and procedures to create conditions for the local community to participate in the affairs of the municipality. The policy aims at promoting the culture of municipal governance that complements formal representative government with a system of participatory governance as well as to give effect to the requirements of the legislation in terms of establishing mechanisms and processes for community participation.

In making effective public participation the policy give details of key policy guidelines and general principles as well as structures and key role players that assist in ensuring effective participation in the affairs of the municipality and other stakeholders and culture of creating conducive environment, openness, accountability and transparent system of governance.

24. ASSESSMENT METRIX

Department	Sector Plan / Policy	Plan / Policy Statuses	Date Of Adoption By Council
Community Services			
Community Services	Integrated Waste Management Plan	Adopted, being reviewed	30 June 2015
	Disaster Management Plan	Adopted	30 May 2016
	Indigent Register	Adopted	
	FBS Policy	Adopted	29 May 2017
	EPWP Policy	Adopted	30 June 2014
	Climate Change Response Strategy	Adopted	
	EPWP Policy	Adopted	June 2014
	Pound Policy	Adopted	June 2014
	Public Library Policy	Adopted	June 2014
	Indigent Policy	Adopted	June 2014
	Recreational Facilities Policy	Adopted	June 2014
	Coastal Management Plan	Adopted	30 May 2016
Engineering services			
Engineering Services	Roads Master Plan	On planning stage	
	Storm Water Management Plan	On planning stage	

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MLM – EC 443 Integrated Development Plan – 2018/2019 Review

	Comprehensive Infrastructure Plan	On planning stage	
	Integrated transport Plan	Done by the district	
	Operations & Maintenance	Adopted	30 June 2014
	Foot ways Policy	Adopted	30 June 2014
	Foot ways Policy	Adopted	30 June 2014
Budget & Treasury			
Budget & Treasury	Revenue Enhancement Strategy	Adopted	
	Asset Management & Disposal Policy	Adopted being implemented	29 May 2017
	Supply Chain Management Policy	Adopted being implemented	29 May 2017
	Municipal Annual Budget 2016/2017	Adopted	29 May 2017
	Irregular, Unauthorized, Fruitless and Wasteful Expenditure.	Adopted	30 May 2016
	Cash Management and Investment Policy	Adopted	29 May 2017
	Accounts Payables Policy.	Adopted	30 May 2016
	Budget and IDP Policy	Adopted	29 May 2017
	Petty Cash Policy	Adopted	30 May 2016
	Credit Control & debt management Collection Policy	Adopted	29 May 2017
	Tarrifs Policy	Adopted	29 May 2017
	Property rates	Adopted	29 May 2017
	Development Planning		
Development Planning	Spatial Development Framework	Adopted	June 2015
	LED Strategy	Adopted	30 May 2016
	Housing Sector Plan	Adopted	2014 / 2016
	Tourism Sector Plan	Adopted	2013
	Contractor Development Policy	Adopted	2014/2015
	Funding Policy	Adopted	2014/2015
	Housing Policy	Adopted	2014 / 2015
	Land Policy	Adopted	2014/ 2015
	Geographic Information System Strategy	Adopted	30 May 2016
	Integrated Land Use Scheme	Adopted	30 May 2016
	Land Use Management System	Adopted	30 May 2016
Corporate Services			
Corporate Services	Human Resource Plan	Reviewed not Adopted	N/A
	Employment Equity Plan	Adopted being reviewed	N/A
	Workplace Skills Plan	Adopted & Implemented	30 April 2014.
	Staff Retention Policy	Developed not Adopted	30 June 2014
	Recruitment Policy	Adopted	30 June 2014
	Organisational Structure	Adopted	September 2014
	Human Resource Development Strategy	Reviewed not Adopted (it is part of HR Plan)	N/A
	Disciplinary Code & Procedure	Adopted	30 April 2014.

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A vibrant socio – economic growing municipality that creates sustainable communities with equal opportunities for all

MLM – EC 443 Integrated Development Plan – 2018/2019 Review

	Fleet Management Policy	Adopted	30 April 2014.
	Recruitment & Selection Policy	Adopted	30 April 2014.
	Grievance Policy & Procedure.	Adopted	30 April 2014.
	Benefits and Conditions Policy	Adopted	30 April 2014.
	Overtime Policy	Adopted	30 April 2014.
	Standby Allowance Policy.	Adopted	30 April 2014.
	Attendance & Punctuality Policy	Adopted	30 April 2014.
	Organisational Design Policy.	Adopted	30 April 2014.
	Retention Policy	Adopted	30 April 2014.
	Migration & Placement Policy	Adopted	30 April 2014.
	Employee Wellness Policy.	Adopted	30 April 2014.
	PMS Policy	Adopted	30 April 2014.
	Job Evaluation Policy	Adopted	30 April 2014.
	Training & Development Policy.	Adopted	30 April 2014.
	Induction and Orientation Policy.	Adopted	30 April 2014.
	Councillors Special Risk Insurance Policy.	Adopted	30 April 2014.
	ICT Access Control Policy.	Adopted	30 April 2014.
	ICT Governance Framework.	Adopted	30 April 2014.
	ICT Asset Management Policy.	Adopted	30 April 2014.
	ICT Service Management Policy.	Adopted	30 April 2014.
	ICT Governance Policy.	Adopted	30 April 2014.
	ICT Security Policy	Adopted	30 April 2014.
	Password Policy	Adopted	30 April 2014.
Municipal Manager			
Municipal Manager	Fraud Prevention Strategy	Adopted	30 May 2016
	Risk Management Policy	Adopted	30 May 2016
	Performance Management Policy	Adopted	30 May 2016
	Public Participation Policy	Adopted	June 2014
	Communication Strategy	Adopted	June 2014
	Stakeholder Mobilization Strategy	Adopted	June 2014
	Legal Risk Management and Ligation Policy	Adopted	June 2014
	Audit Charter	Adopted	July 2014
	System of Delegations	Adopted	
	Standing Rules / Orders for Council	Adopted	
	Anti – Corruption Strategy	Adopted	June 2014
	Audit Action Plan	Adopted	January 2016
	HIV/Aids Strategy	Adopted	2010
	Elderly Policy	Adopted	30 April 2014.
	Gender Policy	Adopted	30 April 2014.
	Children Policy	Adopted	30 April 2014.
	Youth Policy	Adopted	27 May 2015
	Customer Care Policy	Adopted	30 April 2014.
	IGR Terms of Reference	Adopted	30 April 2014.

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CHAPTER SEVEN

25. FINAL MUNICIPAL ANNUAL BUDGET 2018/19 TO 2020/21

25.1 Mayor's Report

The council of Mbizana Local Municipality, as elected by the communities, has a responsibility of ensuring that basic service delivery is provided for all within its jurisdiction. This is the provision of the Constitution of the Republic of South Africa which is the supreme law of the land. The Municipal Finance Management Act No. 56 of 2003, section 16, provides that a municipality must compile an annual budget before the start of the financial year. A draft budget was tabled and adopted in council on the 29th of March 2018 which is at least 90 days before the start of the budget year, which means that for a 2018/19 Annual Budget. The draft budget was in response and compliance to the aforementioned prescripts. The draft budget was taken to communities for consultation and comments solicited and incorporated in the final budget prepared for council to approve at least 30 days before the start of the budget year.

The municipality's development priorities are basic service delivery (Roads, storm water drainage, transport infrastructure, electrification, housing and land use management, educational facilities, community services and related

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matters, and recreational facilities) and Local Economic Development (agriculture and farming, forestry, tourism development, SMME support, Business, trade and manufacturing).

a) Water and sanitation backlogs

In Mbizana, the current implementation of the Greater Mbizana Regional scheme will take care of at least 85% backlogs after completion and connection to the existing infrastructure. According to the District Municipality, Mbizana has a total backlog of 31 146 households with no access to Sanitation which translates to 64.34 %. The estimated backlog for RDP sanitation service delivery is 17423 (36 %) households with no access RDP Sanitation, and 31146(64%) have access to RDP Sanitation (Ventilated Improved Pit-latrines (VIP Toilets)). Out of 31 wards only 8 wards with no sanitation services.

b) Road Maintenance backlogs

Due the bad conditions of access roads in entire municipal jurisdiction, the municipality set aside amount of R 3 million for the purchase of municipal plant for rehabilitation of gravel access roads for the 2018/19 financial year. This will bring the investment into R11 million over a two year period which is expected to show a greater saving into the input costs for road maintenance. The municipality has purchased internal plant consisting of Grader, Roller and Water Cart that will be utilised for the rehabilitation and maintenance of existing gravel access roads.

This new plant was an addition on the existing plant that the municipality already has .The municipality already has a fully-fledged construction plant (Grader, Roller, water cart, Excavator and tipper trucks). EPWP contract labourers to maintain the storm water drainage and also to fix the small to medium potholes within our CBD roads will be utilised. It is planned that a total of 150m² of pothole patching will be completed by the end of the current financial year as the service provider was appointed earlier in the financial year. In 2018/19 financial year, 190m² is planned to be maintained using both service providers and internal plants.

c) Environmental, coastal and waste management

The municipality as a coastal municipality has a responsibility to develop an Integrated Coastal Management Program (ICMP) has been developed and adopted by the councils, both Mbizana Local Municipality and Alfred Nzo District Municipality.

Integrated Waste Management Plan was completed and adopted by Council and has been sent to MEC for approval. The municipality gazetted refuse Removal & sanitary by-laws which are currently being reviewed as per the NEMWA. The Mbizana Local Municipality has adopted a climate change strategy which has been included in the IDP.

Municipality provide this service to 1234 households in town, 204 small businesses and 49 big businesses including government departments. The service has been extended to few businesses and institutions outside town. There is 1 licensed landfill site (GSB type) which is still under construction. Dumping site which will be rehabilitated for closure

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as soon as the Majazi landfill site is operational. The municipality supports recycling initiatives in town while the refuse and sanitary by-laws are under review

d) Local economic development

The following plans were developed, adopted by council and are being implemented:

- LED strategy
- Tourism Plan
- Agricultural Plan
- Spatial Development Framework.

The municipality also initiated Contractor Development programme which has proven to be fruitful and helpful to the emerging contractors. A total of 16 enrolled contractors have been provided with job opportunities, 12 contractors have graduated from Grade 1 to different grades up to Grade 6, 40 contractors have been trained on Project Management, Tendering Processes, Quality Management Systems, Occupational Health and Safety, and Contracts Management

The Municipality had funded 2 Anchor projects with equipment and machinery and are still fully functional and operating.

- Voli Petroleum project –
- Luvolwam Steel project

WILD COAST N2 TOLL ROAD

SANRAL appointed Academy for the Construction Skills (ACS) to recruit contractors that will be on learner ship program for a period of two years.

LTA Grinaiker JV STRABAAG have been appointed and introduced to execute Mtentu bridge construction.

R61 ROAD CONSTRUCTION

Approximately 201 SMMEs have benefitted from R61 road construction with a total expenditure of R23 403 321.84

e) Tourism and Agriculture

The tourism plan was developed and currently under execution.

Mbizana Municipality in partnership with ECPTA, Wild Coast Sun and South Coast Tourism have signed an MOU for the promotion and marketing of tourism.

The Municipality has purchased paddle boats and mountain bikes for Mzamba Ndkini tours which is operating in Mzamba area as part of tourism development

RED HUB:

⇒ Funded by ECRDA and Facilitated by the Local Municipality and the DM.

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- ⇒ Agro- processing business that has 14 primary Cooperatives and one secondary with 759 Beneficiaries.
- ⇒ The RED Hub has employed 54 people in various Departments.
- ⇒ 5 small scale farmers have been funded with an amount not exceeding R100 000 per project.
- ⇒ 8 Income Generating Projects have been supported with Agricultural Inputs.
- ⇒ The CWP programme is implemented in 19 wards with 1564 participants and the funding allocated for this programme was R16 518 296.00.
- ⇒ The following wards (04,05,06,07,08,12,13,15,17,18,19,20,22,23,26,27,29,30 and 31) have Agriculture , construction and social sectors

f) Land use and spatial planning

Settlement patterns in Mbizana still reflect, to a large extent, spatial planning of the Apartheid past.

The current structure and spread of rural settlements and households therein makes it difficult for the municipality to provide services in an effective and efficient manner.

The municipality has made strides in redressing the imbalances of Apartheid spatial planning in identifying and providing basic services in those areas that were ignored in the past

Land claims still poses a challenge in development of some areas in town but municipality is in talks with CPAs to resolve those issues.

The Mbizana Local Municipality has in the recent past endeavoured to ensure that electricity is rolled out to a number of villages. This has seen the electrification of the following villages in the 2016/18 financial period which are nearing completion and some been completed already:

Name of Project	Budgeted Amount	Funding Source
Monti-Ntlozelo Linkline	R 9 556 515	INEP
Electrification of Mpetsheni	R 10 748 945	INEP and Provincial Grant
Electrification of Jama Village	R 4 744 544	Provincial Grant
Electrification of Mpisi Village	R 5 295 250	Provincial Grant
5 MVA Backbone line	R 500 000	Provincial Grant
Electrification of Qungebe-Ludeke	R 4 786 906	Provincial Grant
Electrification of Mpindweni	R 4 648 840	INEP

These were funded the R21 million allocation from the Provincial Department of CoGTA and the remainder of the INEP allocation that will not be used to repay the loan with DBSA.

For the next three years the municipality has no additional funding to use in the electrification related projects other than the indicated INEP allocations which stand at R25 million for the 2018/19 financial year from which the following projects will be implemented:

Project Name	Allocated amount	Funding Source
Mampingeni, Swane Giniswayo, Lucwaba	R 9000 000	INEP
Diphini, Mandlobe, Madada, Sgodlweni	R 8 015 000	INEP
Mdikisweni, Ukhalo, Pelepele	R 8 015 000	INEP
TOTAL	R 25 030 000	

This will result in the electrification of 1800 households when the project is completed.

The municipality also receives a Municipal Infrastructure Grant for the construction of infrastructure assets that enhance service delivery to all communities. The total amount to be received of just above R48 million has been allocated as follows:

NAME OF PROJECT	BUDGETED AMOUNT	
Mphuthumi Mafumbatha Stadium	R 7 000 000,00	MIG
Ward 14 ECDC	R 2 100 000,00	MIG
Mbizana Civic Center	R 13 607 591,00	MIG
Purchase of IT equipment	R 532 441,00	MIG
Sigidi to the beach Access Road	R 2 847 117,00	MIG
Tarring of internal Streets	R 115 000,00	MIG
Kwandela bridge	R 5 171 652,00	MIG
Nonqulana Monument Access Road	R 1 912 275,00	MIG
Ngqindilili Monument Access Road	R 50 484,00	MIG
Mgomazi Access Road	R 1 336 534,00	MIG
Mntomkhulu to Gxeni Access Road	R 5 000 000,00	MIG
Sikhombe Access Road	R 5 898 346,00	MIG
	R 45 571 440,00	

The compilation of the 2018/19 annual budget has also taken into consideration the following imperatives that impact directly on our communities:-

Repairs and Maintenance of Infrastructure Assets: The municipality has an understanding that at least 8% of its budget must be set aside for the repairs and maintenance of the existing infrastructure. As part of its drive to ensure that road infrastructure assets are maintained adequately, an amount of R3.2 million has been set aside for the purchase of earthmoving plant so that the municipality would be able to carry out its own repairs and maintenance and R 1.5 million to outsource CBD maintenance. A further R3.1 million has been set aside for the maintenance of municipal buildings and another R2.1 million for the maintenance of municipal vehicles and plant.

OR Tambo Month and Nelson Mandela centenary : As it was declared nationally that 2017 is OR Tambo centenary and 2018 the centenary of Nelson Mandela as the home of these legends, council takes pride in being part of

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celebrating the life and time of OR Tambo. It is a live conviction of this council to ensure that his legacy lives for the generations to come. It is not the wish of this council to only celebrate through events but tangible legacy projects that will ensure that our claim and ownership of this international icon is validated. A budget allocation of R2,6 million has been provided for this important activity.

Public participation: Municipality will embark on community education program in all wards in order to capacitate our communities on their role during public participation/ hearings on municipal documents. Also will capacitate ward committees in ensuring coordinated servicing of our communities and as structures closer to people. Program of establishment, launch and support of ward war rooms will continue this financial year as part of strengthening community and stakeholder involvement on government programs. An amount of R3,1 million has been set aside for this.

IDP and performance management: Council will continue to ensure that our IDP maintains its high credibility status through enhancing maximum public participation of all role players. We will continue to ensure that our mission of promoting and ensuring a culture of performance excellence is achieved at all costs. Although resources are very limited, these important planning and monitoring tools have been budgeted for at R1,8 million.

Special Programs and Sport Development: Council will always contribute in changing lives of our special groups, our focus will be towards improving education in our region through supporting educational improving initiatives, will also be strengthening capacity to community based structures that assist particularly in fighting violence and crimes targeting our elderly, children and women. We will continue to ensure that our council educate our communities on rights of people with disabilities and support initiatives that combats discrimination against them. An amount of just above R2 million has been set aside for these special groups.

Implementation of SPLUMA: Implementation of the act and running of the municipal tribunal and payment of the members to sit in the tribunal. The tribunal will consider development applications that will in turn increase the revenue base. We trust that the R400 000 set aside as well for this purpose will be sufficient.

Geographic Information System (GIS): Acquisition tool to assist to improve the immovable asset. It is the compliance issue for spatial analysis. This will also assist in the identification of municipal assets and their locations. An amount of just above R474 has been set aside for this.

The Annual Budget as compiled by the municipality seeks to address the imperatives as set out in the Integrated Development Plan and the indicated Delivery Agreement – outcome 9, which is to ensure a responsive, accountable, effective and efficient local government system so as to restore the confidence of citizens in the local government sphere. As such municipalities need to ensure that the basic needs of communities are met; build clean, effective, efficient, responsive and accountable local government; improve performance and professionalism and strengthen partnerships between local government, communities and civil society. The Outcome consists of seven outputs which need to be achieved, viz.

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

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- A single window of coordination.

The Mbizana Local Municipality annual budget and the Integrated Development Plan therefore seeks to ensure that the service delivery priorities as mandated by the constitution like electricity, roads, solid waste removal are provided to the communities. This is done at the same time whilst ensuring co-ordination of other organs of state like the District Municipality for the provision of water and sanitation and other provincial departments for respective services to the communities.

25.2 Council Resolutions

The Council of Mbizana Local Municipality met on the 29th of March 2018 to consider the annual budget tabled by the Mayor at least 90 days before the start of the financial year 2018/19 and the Medium Term Revenue and Expenditure Framework. The council must then consider the following resolutions which will become final when the budget is approved.

The council of Mbizana Local Municipality, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts:

- a. The annual budget of the municipality for the financial year 2018/19 and the multi-year and single-year capital appropriations as set out in the following tables:
 - i) Budgeted Financial Performance (revenue and expenditure by standard classification);
 - ii) Budgeted Financial Performance (revenue and expenditure by municipal vote) ;
 - iii) Budgeted Financial Performance (revenue by source and expenditure by type); and
 - iv) Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source.

- b. The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are adopted as set out in the following tables:
 - i. Budgeted Financial Position;
 - ii. Budgeted Cash Flows;
 - iii. Cash backed reserves and accumulated surplus reconciliation;
 - iv. Asset management; and
 - v. Basic service delivery measurement.

- c. The Council of Mbizana Local Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) adopts the following proposed tariffs with effect from 1 July 2018:
 - i) the tariffs for property rates
 - ii) the tariffs for electricity
 - iii) the tariffs for solid waste services

- d. The Council of Mbizana Local Municipality, acting in terms of 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts the proposed tariffs with effect from 1 July 2018, as set out in the paragraphs on tariffs;
- e. To give proper effect to the municipality's annual budget, the Council of Mbizana Local Municipality approves:
 - i) That cash backing is implemented through the utilisation of a portion of the revenue generated from property rates to ensure that all capital reserves and provisions, unspent long-term loans and unspent conditional grants are cash backed.
- f. To enable the proper implementation of the municipality's budget, the council of Mbizana Local Municipality adopts the following budget related policies;
 - i) The Budget Policy
 - ii) Credit control and debt collection policy
 - iii) Property Rates Policy
 - iv) Supply Chain Management Policy
 - v) Tariff Policy
 - vi) Asset Management Policy
 - vii) Supply Chain Policy for Infrastructure Procurement and Delivery Management
 - viii) Cash Management and Investment Policy
 - ix) Contract Management policy
 - x) Debtors write-off policy
 - xi) Apportionment for monthly payments of Eskom
 - xii) Investment Management policy
 - xiii) Borrowings policy

25.3 Executive Summary

As mentioned in the earlier paragraphs, the municipality prioritizes the delivery of basic services to the communities. The addressing of backlogs, especially electrification, roads and community facilities has forced the municipality to utilize its cash reserves which lead to them being depleted. This means that for the current financial year being budgeted for, and the medium term, the municipality has had to perform a delicate balancing act by ensuring provision of basic services to the communities using the limited resources in a way that ensures that the municipality remains financially viable.

25.4 Previous years audit outcomes

The municipality has, in the recent past, ensured that there are improved audit outcomes. This has been a concerted effort between the municipality's council and the management in ensuring that there are improved internal controls, historical issues and disparities in the reported information are dealt with and cleared, and that accounting records and procedures are carried out at appropriate intervals. This has seen the municipality receiving unqualified audit opinions

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for the 2015/16 and 2016/17 financial years respectively. The municipality intends to improve on these achievements and avoid regression at all costs.

25.5mSCOA Implementation

The National Treasury issued a gazette in 2014, directing that a Municipal Standard Chart of Accounts – mSCOA – would be used by all municipalities from July 01, 2017. This meant that all municipalities will have a common set of accounts from which to choose from, instead of each municipality having its own chart of accounts. This will result in a seamless reporting regime where information from all municipalities can be compared. The introduction of the business reform has meant that management needed to acquaint itself with the requirements and legislations that were meant to ensure implementation of mSCOA by July 01, 2017. The municipality complied with this requirement and the migration from the old system to the new system was done seamlessly with the assistance of the municipality's system vendors.

It is important to note that this did not represent a new system, but rather an introduction of a more detailed and streamlined way of doing business, starting from planning, where it guides you to do proper planning, informed by adequate costing. mSCOA also encourages revenue and expenditure items to be identified for what they really are and not grouped together with no detailed planning and calculation behind. We will now be able to identify the true cost of the projects that the municipality engages on, and be able to identify, from early on, the communities that stand to benefit from those projects.

Mbizana Local Municipality is no different and has ensured that measures are put in place to ensure compliance. It is therefore important to note that we have made all efforts to ensure that the budget that will be approved is mSCOA compliant.

25.6The impact of mSCOA on the virements policy

Earlier treasury circulars highlighted the principles that must be incorporated into municipal virement policies. Those principles are still applicable and relevant. The only difference is that a transaction in mSCOA relates to six regulated segments, therefore all segments must be considered when making a virement. As a result of this we have had to review and update our reference to "vote" to align to the function segment and indicate the funding applicable to the item being transferred in relation to the funding segment. This therefore means that with the implementation of mSCOA, virements can only take place within a function or sub-function and the same source of funding. The creation of new projects and savings across functions can only take place through an adjustment budget. Virements are not permitted from the repairs and maintenance project in the project segment.

25.7Clarification of core and non-core functions

Core functions provides for the matters in terms of section 156 (1) of the Constitution. These are functions performed by local government and constitutionally assigned to local government in terms of Part B of Schedule 4 and Part B of Schedule 5. Non-core functions performed by local government that are constitutionally assigned to provincial government in terms of section 156(4) of the Constitution. Local government are compensated for delivering these functions on behalf of provincial government and typically receive a management fee from the provincial department.

25.8 Budget Assumptions

As the municipality provides services to the communities, a significant amount of costs are incurred and these must be recovered somehow from the consumers. This is where the issue of tariff setting comes in, and we have in this regard been guided by the municipality's performance in the previous financial years, and the guidelines set by the National Treasury in numerous circulars, last of which was MFMA Treasury Circular No. 89 and 91. According to this circular, municipalities must consider the following consumer price index or inflationary indications:

Fiscal year	2017/18 Estimate	2018/19	2019/20 Forecast	2020/21 Forecast
Consumer Price Inflation - CPI	5.3%	5,3%	5,4%	5,5%

This means that any increase in the tariff increases and expenditure forecasts beyond the 3 - 6% need to be comprehensively motivated and explained. This means that to a large extent, some trading services remain heavily subsidized by other sources of revenue, a situation which needs to be changed as the council and management comes up with strategies of addressing this. It is clear for example that the solid waste removal is still heavily subsidized by other sources of revenue and the tariffs for this service cannot just be shot up as this would be inconsiderate and unaffordable for the communities served by the municipality.

The following are the key budget assumptions used to prepare the draft budget with the guidance of National Treasury, NERSA, and SALGBC –

- a) 6,84% increase on electricity tariffs
- b) 7,32% increase on Electricity purchases
- c) 6,3% provision for employee costs until a formal communication has been received from SALGBC
- d) 5,3% for all other expenses and municipal Tariffs

25.9 The Public Consultations

As detailed in the later paragraphs, the municipality will consult with the communities in relation to this budget and their inputs incorporated before finalization and final approval by council. The draft annual budget as compiled for the 2018/19 financial year and the MTREF therefore addresses priorities as per the IDP consultation processes, bearing in mind the limited resources that the municipality has at its disposal. As indicated in earlier paragraphs, the leading need by the communities is electrification and access roads, the budget is biased towards these. The budget also endeavors to allocate resources for construction and maintenance of access roads that ensure communities have access to schools, clinics and other basic necessities. Sport development is crucial for social cohesion, and central to this is the construction of infrastructure that would ensure that youths in the communities have access to sporting facilities. The budget therefore allocates resources to such, as prioritized by communities.

25.10 Policy Review

The municipal council has reviewed a number of policies, proposing amendments to these policies and these are detailed in the later paragraphs in more detail. Most of the adjustments that have been proposed are necessitated by developments and changes in the requirements of key regulatory institutions like the National Treasury and the South African Revenue Services. This includes the requirements of the central supplier database where all service providers in South Africa must be registered before they can do business with the organs of state. The South African Revenue service introduced new ways of tax compliance status verification and new procedures were also issued to deal with service providers who are not tax compliant.

These development therefore necessitated improvements or changes to the Supply Chain Management Policy. The National Treasury also introduced a guide for municipalities to develop a Supply Chain Management Policy for Infrastructure Procurement. This policy, as the name indicates, is meant to be specific on the procurement of infrastructure, and that the designed gates, at which there needs to be appropriate approval are set and understood. The preparation of the budget has relied mainly on the statistics as provided in the Census of 2011 and the recent release. Although this has been the basis, we have kept in mind the growth of communities we serve within the municipality. The assumptions utilized in the compilation of this budget have also been based on the guidance provided by the National Treasury on the inflationary indicators to be utilized. The guidance has also touched on the requirements and expectations from the National Energy Regulator of South Africa (NERSA) on the percentage increase that can be effected on electricity tariffs.

25.11 Measureable Performance Objectives and Indicators

As part of the IDP and budget compilation process, management has identified the strategic objectives and performance indicators that would enable the municipality to achieve on the mandated powers and functions. These have been set out in the IDP with measureable performance indicators, and the budgeted amounts for the 2018/19 financial year and the two outer years. This information has further been detailed more in the draft Service Delivery Budget Implementation Plan for the 2018/19 financial year which must be approved by the Mayor at least 28 days after the adoption of the budget. The objectives have further been provided with projects that will be implemented to achieve the set targets and these projects have been supported by project implementation plans for each of the projects. In view of the aforementioned, the following table is a consolidated overview of the proposed 2018/19 Medium-term Revenue and Expenditure Framework:

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MLM – EC 443 Integrated Development Plan – 2018/2019 Review

Table 1 Consolidated Overview of the 2018/19 MTREF

EC443 Mbizana - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue By Source											
Property rates	2	15 554	16 511	20 256	22 342	22 342	22 342	22 342	23 571	24 843	26 210
Service charges - electricity revenue	2	17 598	20 805	28 611	29 562	30 024	30 024	30 024	35 076	37 475	40 037
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	1 033	1 008	1 143	2 123	1 294	1 294	1 294	2 365	2 495	2 632
Service charges - other			29	6	11	-	-	-	-	-	-
Rental of facilities and equipment		609	608	470	765	856	856	856	903	952	1 005
Interest earned - external investments		7 619	6 028	7 796	6 159	7 528	7 528	7 528	7 942	8 371	8 831
Interest earned - outstanding debtors		968	2 415	2 758	1 775	3 797	3 797	3 797	4 006	4 222	4 454
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		1 271	1 659	1 297	823	1 925	1 925	1 925	2 031	2 140	2 258
Licences and permits		1 823	2 442	2 555	2 372	2 174	2 174	2 174	2 294	2 418	2 551
Agency services				943	863	1 169	1 169	1 169	1 233	1 300	1 371
Transfers and subsidies		151 593	189 891	182 912	204 939	202 480	202 480	202 480	235 075	256 595	277 215
Other revenue	2	1 059	1 109	1 085	1 078	1 476	1 476	1 476	2 005	2 032	2 144
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		199 128	242 504	249 832	272 812	275 064	275 064	275 064	316 501	342 843	368 709
Expenditure By Type											
Employee related costs	2	59 634	71 790	80 378	107 442	102 519	102 519	102 519	107 802	113 310	119 542
Remuneration of councillors		17 895	18 956	19 649	21 502	22 422	22 422	22 422	24 091	25 392	26 788
Debt impairment	3	3 480	4 569	1 110	1 995	1 995	1 995	1 995	2 101	2 214	2 336
Depreciation & asset impairment	2	38 360	37 992	39 229	46 011	46 011	46 011	46 011	48 449	51 065	53 874
Finance charges		456	547	2 168	1 575	1 575	1 575	1 575	400	422	445
Bulk purchases	2	22 310	24 528	27 606	31 303	31 303	31 303	31 303	33 594	36 054	38 693
Other materials	8	-	-	-	882	7 056	7 056	7 056	8 311	8 759	9 240
Contracted services		-	-	-	35 119	38 412	38 412	38 412	50 671	51 039	53 824
Transfers and subsidies		-	-	4 491	11 209	2 380	2 380	2 380	2 158	1 764	1 861
Other expenditure	4, 5	69 757	159 469	96 054	44 471	52 714	52 714	52 714	66 393	69 652	73 483
Loss on disposal of PPE		-	19 236	7 676	-	38 694	38 694	38 694	-	-	-
Total Expenditure		211 892	337 088	278 361	301 509	345 081	345 081	345 081	343 970	359 671	380 087
Surplus/(Deficit)		(12 764)	(94 583)	(28 529)	(28 697)	(70 017)	(70 017)	(70 017)	(27 469)	(16 828)	(11 378)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		67 644	69 511	72 645	113 800	116 859	116 859	116 859	72 446	70 062	70 179
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Transfers and subsidies - capital (in-kind - all)	6	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		54 880	(25 073)	44 116	85 104	46 842	46 842	46 842	44 977	53 234	58 801
Taxation											
Surplus/(Deficit) after taxation		54 880	(25 073)	44 116	85 104	46 842	46 842	46 842	44 977	53 234	58 801
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		54 880	(25 073)	44 116	85 104	46 842	46 842	46 842	44 977	53 234	58 801
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		54 880	(25 073)	44 116	85 104	46 842	46 842	46 842	44 977	53 234	58 801

The table above shows the summary of the draft budget for the 2018/19 financial period with the outer years. The table shows that the expected revenue for the 2018/19 financial year adds up to just above R388 million. The revenue is mainly expected from grant funding to the value of R307 million and this forms about 79% of the total revenue budget.

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MLM – EC 443 Integrated Development Plan – 2018/2019 Review

The municipality has seen a slight improvement in the 2017/18 financial year in the revenue generated from electricity. We have a strong belief that a lot more still needs to be done to ensure that there are surpluses realized from this trading service and we are able to augment and improve on the current service delivery to the communities. We forecast that an amount of R35 million will be generated from this revenue source.

The employee related costs show a significant increase as a result of percentage increase resulting from the anticipated agreements in the Bargaining Council. The basis of the budgeted amount for employee related costs is on the approved organizational structure which should enable the municipality to achieve its objectives. The employee related costs are at 32% of the budgeted operational expenditure excluding remuneration of councillors which make up 7% of the operating expenditure.

EC443 Mbizana - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue by Vote	1									
Vote 1 - EXECUTIVE & COUNCIL		-	-	532	-	-	-	-	-	-
Vote 2 - BUDGET & TREASURY		172 896	209 138	210 049	231 157	235 088	235 088	269 941	295 805	318 582
Vote 3 - CORPORATE SERVICES		195	237	100	220	112	112	119	125	132
Vote 4 - COMMUNITY & SOCIAL SERVICES		4 911	9 253	3 850	7 799	9 150	9 150	10 742	8 782	9 266
Vote 5 - ENGINEERING SERVICES		88 504	93 237	107 698	147 219	147 398	147 398	108 067	108 111	110 822
Vote 6 - DEVELOPMENT PLANNING		279	149	246	218	174	174	78	82	87
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	266 784	312 015	322 476	386 612	391 923	391 923	388 947	412 905	438 888
Expenditure by Vote to be appropriated	1									
Vote 1 - EXECUTIVE & COUNCIL		51 011	55 781	62 135	67 426	69 788	69 788	81 218	84 689	89 325
Vote 2 - BUDGET & TREASURY		65 394	81 451	68 227	68 840	107 802	107 802	75 087	78 087	82 381
Vote 3 - CORPORATE SERVICES		23 343	29 423	36 624	45 223	44 761	44 761	47 144	49 664	51 986
Vote 4 - COMMUNITY & SOCIAL SERVICES		26 362	36 973	39 991	54 871	51 308	51 308	59 618	62 637	64 344
Vote 5 - ENGINEERING SERVICES		38 119	120 717	57 358	49 603	55 776	55 776	60 056	63 943	68 116
Vote 6 - DEVELOPMENT PLANNING		7 674	12 743	14 026	15 546	15 646	15 646	20 848	20 652	23 935
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	211 904	337 088	278 361	301 509	345 081	345 081	343 970	359 671	380 087
Surplus/(Deficit) for the year	2	54 880	(25 073)	44 116	85 104	46 842	46 842	44 977	53 234	58 801

a. REVENUE

Anticipated revenues look to have decreased compared to the 2017/18 budget and this is due to the decrease in capital grants as we may recall that we had an allocation of R21 million for electrification from the province which was not

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allocated this year. There was also a decrease in both the MIG and INEP allocations for the year. These have resulted in a decrease in overall revenue anticipated even though some revenue items have increased.

b. EXPENDITURE

MM's Office and Council expense

This is one of the departments that has made submissions and these have been taken into account using the set limits of 5,3% for the overall expenditures and then using those to reprioritise.

Budget and Treasury

The major contributors are depreciation, external audit fees. Significant projects in the department are those of the review of the infrastructure fixed assets register, implementation of the contract management findings and action plan thereof. A lot of trainings will also need to be conducted to get all members who sit in BID committees acquainted with the new regulations.

Corporate Services

The major expenditures relate to repairs of municipal vehicles, telephone and fax, purchase of municipal vehicles which are centralised.

Development Planning

The department has made provisions for general valuation, Spluma, Tourism, agricultural events and development of SMME's including any support that is provided by the municipality to those. There are also provisions for surveying of municipal properties including the legal fees involved in the process.

Community and Social Services

The department has made provision for the rehabilitation of the landfill site, purchase of Majazi Landfill site equipment, provision of security services, public safety awareness campaigns, the operation and maintenance of the municipal pound. The department on top of the EPWP grant funded casuals has made a provision for more casual labour to assist in the refuse removal services of the municipality. They have also requested overtime to be allocated more funds amounting to R3 million.

Road Engineering

The allocations made relate to the day to day operations of the department. There are also allocations for fuel and oil for the municipal plant which will be used to maintain some of the roads within the municipality. A provision of R4 million has been made to cater for external road maintenance and CBD maintenance.

Electricity

The department's biggest allocation has gone to the electricity purchases which is paid to Eskom for the supply of electricity. There are also allocations of over R2,6 million that are made for purchase of electrical material.

25.12 Operating Revenue Framework

Mbizana Local Municipality strives to provide its communities with the required services and for it to succeed in doing that, it has to ensure that it has an operating revenue framework that ensures that it is able to fund its operations. This talks to the fact that there must be strategies in place to maximize the collection of revenue from the streams that already exist, but as well identify new revenue streams to augment the existing ones. A revenue enhancement strategy was approved by the council and management is currently busy with the implementation of that plan.

The municipality's revenue strategy is built around the following key components:

- É National Treasury's guidelines and macroeconomic policy;
- É Growth in the Municipal area and continued economic development;
- É Efficient revenue management;
- É Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- É Achievement of full cost recovery of specific user charges especially in relation to trading services;
- É Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- É The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA) as amended;
- É Increase ability to extend new services and recover costs;
- É The municipality's Indigent Policy and rendering of free basic services; and
- É Tariff policies of the Municipality.

In preparing the budgets, realistically anticipated revenues have been considered, and as has been indicated several times earlier, the tough economic conditions reflect on the reduced anticipated revenues. The property rates, electricity all show a slight increase and the main consideration has been the declining trend over the past few years, coupled with the weak performance of the said items.

25.13 Reconciliation of grants allocations

Reconciliation of Mbizana Local Municipality allocations for 2018 MTREF					
	2017/18	% increase/ decrease	2018/19	2019/20	2020/21
National Allocations					
<i>Operational</i>	204 588 900,00	16,06	237 445 800,00	259 013 100,00	280 600 950,00
Equitable Share	197 681 000,00	16,61	230 525 000,00	254 380 000,00	275 837 000,00
Financial Management Grant	2 145 000,00	3,26	2 215 000,00	2 215 000,00	2 215 000,00
Expanded Public Works Programme	1 704 000,00	37,03	2 335 000,00	-	-
Municipal Infrastructure Grant	3 058 900,00	-22,50	2 370 800,00	2 418 100,00	2 548 950,00
<i>Capital</i>	92 119 100,00	-23,93	70 075 200,00	67 643 900,00	67 630 050,00
Municipal Infrastructure Grant	58 119 100,00	-22,50	45 045 200,00	45 943 900,00	48 430 050,00
Integrated National Electrification	34 000 000,00	-26,38	25 030 000,00	21 700 000,00	19 200 000,00
TOTAL NATIONAL ALLOCATIONS	296 708 000,00	3,64	307 521 000,00	326 657 000,00	348 231 000,00
					50 979 000,00
Provincial Allocations					
<i>Operational</i>			448 000,00	391 000,00	413 000,00
Library Subsidy			448 000,00	391 000,00	413 000,00
<i>Capital</i>	0	0	0	0	0
TOTAL PROVINCIAL ALLOCATIONS	-	-	448 000,00	391 000,00	413 000,00
TOTAL ALLOCATIONS	296 708 000,00	3,64	307 969 000,00	327 048 000,00	348 644 000,00

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Table 2 Summary of revenue classified by main revenue source

EC443 Mbizana - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue By Source											
Property rates	2	15 554	16 511	20 256	22 342	22 342	22 342	22 342	23 571	24 843	26 210
Service charges - electricity revenue	2	17 598	20 805	28 611	29 562	30 024	30 024	30 024	35 076	37 475	40 037
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	1 033	1 008	1 143	2 123	1 294	1 294	1 294	2 365	2 495	2 632
Service charges - other			29	6	11	-	-	-	-	-	-
Rental of facilities and equipment		609	608	470	765	856	856	856	903	952	1 005
Interest earned - external investments		7 619	6 028	7 796	6 159	7 528	7 528	7 528	7 942	8 371	8 831
Interest earned - outstanding debtors		968	2 415	2 758	1 775	3 797	3 797	3 797	4 006	4 222	4 454
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		1 271	1 659	1 297	823	1 925	1 925	1 925	2 031	2 140	2 258
Licences and permits		1 823	2 442	2 555	2 372	2 174	2 174	2 174	2 294	2 418	2 551
Agency services				943	863	1 169	1 169	1 169	1 233	1 300	1 371
Transfers and subsidies		151 593	189 891	182 912	204 939	202 480	202 480	202 480	235 075	256 595	277 215
Other revenue	2	1 059	1 109	1 085	1 078	1 476	1 476	1 476	2 005	2 032	2 144
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		199 128	242 504	249 832	272 812	275 064	275 064	275 064	316 501	342 843	368 709

- Table 3 Percentage growth in revenue by main revenue source

EC443 Mbizana - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				% Growth	2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome		Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue By Source												
Property rates	2	15 554	16 511	20 256	22 342	22 342	22 342	22 342	5%	23 571	24 843	26 210
Service charges - electricity revenue	2	17 598	20 805	28 611	29 562	30 024	30 024	30 024	17%	35 076	37 475	40 037
Service charges - water revenue	2	-	-	-	-	-	-	-	0%	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	0%	-	-	-
Service charges - refuse revenue	2	1 033	1 008	1 143	2 123	1 294	1 294	1 294	83%	2 365	2 495	2 632
Service charges - other			29	6	11	-	-	-	0%	-	-	-
Rental of facilities and equipment		609	608	470	765	856	856	856	6%	903	952	1 005
Interest earned - external investments		7 619	6 028	7 796	6 159	7 528	7 528	7 528	6%	7 942	8 371	8 831
Interest earned - outstanding debtors		968	2 415	2 758	1 775	3 797	3 797	3 797	6%	4 006	4 222	4 454
Dividends received		-	-	-	-	-	-	-	0%	-	-	-
Fines, penalties and forfeits		1 271	1 659	1 297	823	1 925	1 925	1 925	6%	2 031	2 140	2 258
Licences and permits		1 823	2 442	2 555	2 372	2 174	2 174	2 174	5%	2 294	2 418	2 551
Agency services				943	863	1 169	1 169	1 169	5%	1 233	1 300	1 371
Transfers and subsidies		151 593	189 891	182 912	204 939	202 480	202 480	202 480	16%	235 075	256 595	277 215
Other revenue	2	1 059	1 109	1 085	1 078	1 476	1 476	1 476	36%	2 005	2 032	2 144
Gains on disposal of PPE		-	-	-	-	-	-	-	0%	-	-	-
Total Revenue (excluding capital transfers and contributions)		199 128	242 504	249 832	272 812	275 064	275 064	275 064	15%	316 501	342 843	368 709

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In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

The own revenue generation of the municipality is pillared mainly by electricity distribution and levying of property rates. Although the municipality to a larger extent relies on grants, these own revenue sources remain very important and all efforts need to be made to ensure that maximum returns are realized on them.

Property Rates depend on the availability of the updated valuation roll to be levied. A valuation roll that has been finalized is coming to an end of its validity although it is under constant challenge from the rate payers. The availability of the valuation roll has meant that a detailed and involved process is followed to determine the tariff to be levied instead of using unreliable methods of calculations. The latest valuation roll, updated with the supplementary valuations was utilized in arriving at the possible amounts that can be raised out of property rates.

Electricity distribution forms a significant part of the own funding by the municipality. The performance of this stream of revenue has been under considerable strain over the past few years, and it has become difficult to expect an immediate change out of it, however measures implemented over the past financial year and during the year have begun to show some positive results which still need to be monitored closely.

MLM – EC 443 Integrated Development Plan – 2018/2019 Review

Table 4 Operating Transfers and Grant Receipts

EC443 Mbizana - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		173 185	209 919	203 804	235 530	235 530	235 530	260 105	278 295	296 415
Local Government Equitable Share		145 251	181 314	175 910	197 681	197 681	197 681	230 525	254 380	275 000
Finance Management		1 600	1 675	1 810	2 145	2 145	2 145	2 215	2 215	2 215
Municipal Systems Improvement		934	930	-	-	-	-	-	-	-
EPWP Incentive		1 000	1 000	1 084	1 704	1 704	1 704	2 335	-	-
Integrated National Electrification Programme		24 400	25 000	25 000	34 000	34 000	34 000	25 030	21 700	19 200
LED Assistance Grant										
Provincial Government:		400	250	350	350	350	350	448	391	413
Sport and Recreation		-	250	350	350	350	350	448	391	413
LED Assistance Grant		400	-	-	-	-	-	-	-	-
District Municipality:		-	100	-	-	-	-	-	-	-
Integrated Development Planning		-	100	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total Operating Transfers and Grants	5	173 585	210 269	204 154	235 880	235 880	235 880	260 553	278 686	296 828
Capital Transfers and Grants										
National Government:		44 992	46 783	46 159	61 178	61 178	61 178	47 416	48 362	50 979
Municipal Infrastructure Grant (MIG)		44 992	46 783	46 159	61 178	61 178	61 178	47 416	48 362	50 979
Other capital transfers/grants [insert desc]										
Provincial Government:		-	-	-	21 681	21 681	21 681	-	-	-
Electrification Assistance		-	-	-	21 681	21 681	21 681	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Integrated Development Planning										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total Capital Transfers and Grants	5	44 992	46 783	46 159	82 859	82 859	82 859	47 416	48 362	50 979
TOTAL RECEIPTS OF TRANSFERS & GRANTS		218 577	257 052	250 313	318 739	318 739	318 739	307 969	327 048	347 807

Table 4 shows the operating grants that the municipality has been allocated for the 2018/19 financial period and the MTREF. The Equitable Share has increased to R230,5 million and the municipality revenue has grant funding in the excess of R307 million. It is important to note though that INEP and MIG have also decreased putting more pressure on the municipal resources when it comes to funding of the capital budget.

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- **Financial Management Grant (FMG):** This grant is meant to assist in ensuring that financial management systems of the municipality are functioning and that the staff complement at the Budget and Treasury Office is adequately capacitated in terms of skill and understanding of accounting and municipal finance.
- **Municipal Infrastructure Grant (MIG) (Operational):** The MIG is meant for the development of infrastructure within the municipality, but then 5% of that is utilized for project management, payment of salaries of specific staff members and planning for those infrastructure projects.
- **Department of Sport and Culture – Library:** The grant is meant to assist in the running of the library, including ensuring that the library is appropriately stocked with books.

- **Tariff Setting for the 2018/19 and MTREF Period**

As part of generating own revenue, the municipality needs to set tariffs for the revenue streams for which it has been made responsible for in terms of various legislations. For example the Municipal Property Rates Act empowers the municipality to levy rates on all ratable properties. A number of considerations have been taken into consideration in setting up the tariffs to be utilized from July 01, 2018 as indicated in earlier paragraphs. The municipality has not been immune to the adverse economic conditions that are currently experienced throughout the country. These conditions have been taken into consideration as the tariffs were being set and all the input costs that go into providing the specific services.

25.14 Property Rates

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process. In determining the tariff, the municipality has considered the values of properties on which the municipality will levy rates, the amounts desirable from rates for budget purposes, and the historic tariffs of the previous financial years. The Property Rates policy is one of the most important documents that we utilise in the determination of property rates. It should be kept in mind though that the Municipal Property Rates Act remains the reference point for this policy. The following stipulations in the Property Rates Policy are highlighted:

- É The first R15 000 of the market value of a property used for residential purposes is excluded from the rateable value (Section 17(h) of the MPRA). In addition to this rebate, a further R40 000 reduction on the market value of a property will be granted in terms of the municipality's own Property Rates Policy. This is maintained from the previous financial year as there has not been any significant changes to the values of the properties;
- É Details of further rebates and reductions are provided in the municipality's Property Rates Policy and the Indigent Policy.

The tariff structure has remain basically unchanged for residential properties as shown in the table below. However, it was brought into our attention by the National CoGTA that we had in the previous financial years unfairly charge government departments a higher rate than all other properties whilst these are not in the business of making profits. The vacant land has been raised higher to discourage hoarding of pieces of land that have not been developed. We have therefore taken these into consideration in arriving at the tariff as shown below

Table 5 Comparison of proposed rates to be levied for the 2018/19 financial year

PROJECTED TARIFFS	2018/19	2019/20	2020/21
	c/R	c/R	c/R
Residential	0,0060	0,0060	0,0060
Business And Commercial	0,0120	0,0120	0,0120
State Owned	0,0090	0,0090	0,0090
Vacant Land	0,0090	0,0090	0,0090

25.15 Sale of Electricity and Impact of Tariff Increases

The municipality distributes electricity in the town area of Mbizana and to do this, a service charge must be levied in order to recover the costs incurred. There has been a noticeable increase in the revenue generated from electricity as a result of projects undertaken that has seen losses reduced. However there is still a lot of work to be done to ensure that this service is at least able to sustain itself, and at some point be able to provide enough revenue for other service delivery imperatives. As guided by National Treasury Circular 91, there has been very minimal increase in the electricity tariffs and this is informed by the percentage increase that has been considered for Eskom by NERSA. We have therefore applied a 6,84% increase as directed. We however received another guide from the National Energy Regulator of South Africa (NERSA) indicating a guide of 6,84% increase on electricity tariffs. This is what has been factored in and the tariffs are as follows:- Registered indigents will again be granted 50 kWh per 30-day period free of charge.

ELECECRICITY TARRIFS	2016/2017	2017/2018	2018/2019
DOMESTIC TARIFFS			
DOMESTIC PREPAID			
TARIFF BLOCK			
Block 1 (0-50 KWh)	R 0,85	R 0,86	R 0,91
Block 2 (51-350 KWh)	R 1,08	R 1,10	R 1,17
Block 3 (351-600 KWh)	R 1,53	R 1,55	R 1,66
DOMESTIC CONVENTIONAL (c/KWh)			
TARIFF BLOCK			
Block 1 (0-50 KWh)	R 0,85	R 0,86	R 0,91
Block 2 (51-350 KWh)	R 1,08	R 1,10	R 1,17
Block 3 (351-600 KWh)	R 1,53	R 1,55	R 1,66
Block 4 (>600 KWh)	R 1,80	R 1,83	R 1,96
Basic Charge (R/ Month)	R 169,45	R172,64	R 184,45
COMMERCIAL TARIFFS	2016/2017	2017/2018	2018/2019
COMMERCIAL SINGLE PHASE CONVENTIONAL			
Basic Charge (R/ Month)	R 358,46	R 365,20	R 390,18
Energy Charge (c/KWh)	R 1,57	R 1,60	R 1,71
COMMERCIAL SINGLE PHASE PRE-PAID			
Basic Charge (R/ Month)	R 358,46	R 365,20	R 390,18
Energy Charge (c/KWh)	R 1,57	R 1,60	R 1,71

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ELECECRICITY TARRIFS	2016/2017	2017/2018	2018/2019
COMMERCIAL THREE PHASE	2016/2017	2017/2018	2018/2019
COMMERCIAL THREE PHASE - CONVENTIONAL			
Basic Charge (R/ Month)	R 666,54	R 679,07	R 725,52
Energy Charge (c/KWh)	R 1,57	R 1,60	R 1,71
COMMERCIAL THREE PHASE - PRE-PAID			
Basic Charge (R/ Month)	R 666,54	R 679,07	R 725,52
Energy Charge (c/KWh)	R 1,50	R 1,60	R 1,71
INDUSTRIAL TARIFFS			
LARGE POWER USER (More than 100KVA Maximum Demand)			
Basic Charge (R/ Month)	R1 127,52	R1 148,72	R 1 227,29
Demand Charge (per KVA)	R 194,78	R 198,44	R 212,01
Energy Charge (c/KWh)	R 0,74	R 0,75	R 0,80

Other Electricity Related Tariffs

OTHER ELECTRICITY RELATED TARIFFS	2016/17	2017/18	2018/19
Connection Fees			
20 AMPS (Single Phase prepaid)	R 872,12	R 924,32	R 1 950,00
60 AMPS (Single Phase Prepaid)	R 2 858,44	R 3 032,80	R 2 430,00
100 AMPS (Prepaid/Conventional – 3Phase)	R 3 334,84	R 3 538,27	R 4 130,00
kVa	R 1 786,52	R 1 842,45	R 5 922,00
Temporal connection fee	R 381,12	R 404,37	R 428,63
Key pad replacement		R 404,37	
Reconnection Fees	R 381,12	R 404,37	R 428,63
Meter movement fee	R 393,26	R 417,25	R 442,29
Meter Replacements			
20 AMPS (Single Phase)	R 460,70	R 488,80	R 1 950,00
60 AMPS (Single Phase)	R 506,92	R 537,84	R 2 430,00
100 AMPS (Prepaid/Conventional – 3Phase)	R 1 866,02	R 1 979,85	R 4 130,00

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OTHER ELECTRICITY RELATED TARIFFS	2016/17	2017/18	2018/19
Direct Tempering Fine			
First tamper	R 6 000,00	R 6 366,00	R 7 000,00
Second Temper	R 7 500,00	R 7 957,50	R10 000,00
Third Temper	R 9 000,00	R 9 549,00	R15 000,00
Fourth Temper (Permanent Disco	R 11 000,00	R 11 671,00	R 25 000,00
Indirect Tempering Fine			
Failure to report a free electricity dispensing unit will be regarded as direct tempering	R 3 500,00	R 3 713,50	R 7 000,00

25.16 Waste Removal and Impact of Tariff Increases

Currently solid waste removal is operating at a deficit. It is widely accepted that the rendering of this service should at least break even, which is currently not the case. The Municipality will have to implement a solid waste strategy to ensure that this service can be rendered in a sustainable manner over the medium to long-term. The main contributors to this deficit are repairs and maintenance on vehicles, increases in general expenditure such as petrol and diesel and the cost of remuneration. Considering the deficit, it is recommended that a comprehensive investigation into the cost structure of solid waste function be undertaken, and that this include investigating alternative service delivery models. The outcomes of this investigation will be incorporated into the next planning cycle.

The following table compares current and proposed amounts payable from 1 July 2018:

Table 6 Comparison between current waste removal fees and increases

REFUSE REMOVAL TARIFFS			
	AMOUNTS 2018/19	AMOUNTS 2019/20	AMOUNTS 2020/21
Clearing of sites	R13.19 per m ² – travelling per km more than 10 km from town charged using Dep. Of Transport rates	R14.38 per m ² – travelling per km more than 10 km from town charged using Dep. Of Transport rates	R15.67 per m ² – travelling per km more than 10 km from town charged using Dep. Transport rates
Grass cutting	R3.82 per m ² – travelling per km more than 10 km from town charged using Dep. Of Transport rates	R4.18 per m ² – travelling per km more than 10 km from town charged using Dep. Of Transport rates	R4.57 per m ² – travelling per km more than 10 km from town charged using Dep. Transport rates
Refuse removal			
AREAS ZONED AS BUSINESSES			
CATERGORY 1 (up to 1 bin liner per day)			
Mini offices	2018/19	2019/2020	2020/2021
Book shops	R308.31	R324.65	R341.86
Banks			
Surgeries			

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Funeral Parlours			
CATERGORY 2 (up to 2 bin liners per day)			
Fast foods	2018/2019	2019/2020	2020/2021
Saloons			
Mini supermarkets	R400.00	R421.20	R443.52
Electric appliances shops			
CATERGORY 3 (up to 4 bin liners per day)			
Clothing shops	2018/2019	2019/2020	2020/2021
Bottle store	R1200.00	R1263.60	R1330.57
CATERGORY 4 (up to 6 x240 wheelie bins per day)			
Restaurants	2018/2019	2019/2020	2020/2021
Taverns/Pub/Shisanyama	R1500.00	R1579.50	R1663.21
CATERGORY 5.1 (Bulk collection)			
Wholesalers	2018/2019	2019/2020	2020/2021
	R3500.00	R3685.50	R3880.83
CATERGORY 5.2 (Bulk collection)			
Supermarkets	2018/2019	2019/2020	2020/2021
Hardware			
Furniture shops	R2500.00	R2632.50	R2772.02
CATERGORY 5.3 (Bulk collection)			
Max Offices/ Government Institutions i.e. Hospitals, Schools, Clinics, Correctional Services, Office Complex	2018/2019	2019/2020	2020/2021
	R2000.00	R2106.00	2217.62
CATERGORY 5.4 (Bulk collection)			
Bad & Breakfast, Lodge,	2018/2019	2019/2020	2020/2021
	R600.00	R631.80	R665.29

Hotels, Garages with other businesses			
AREAS ZONED AS RESIDENTIAL/GENERAL			
CATEGORY 1			
2 Bin liners/1X240l Bin Per Week, 1 Electricity meter			
House only	2018/2019 R142.03	2019/2020 R149.56	2020/2021 R157.48
CATEGORY 2			
4 bin liners/ 2x240l bins per week, 2 or more electricity meters			
House with tenants in flats/caravans (domestic use) with 5 or less rooms	2018/2019 R284.06	2019/2020 R299.12	2020/2021 R314.97
CATEGORY 3			
4 bin liners/ 2x240l bins per week, 2 or more electricity meters			
House with tenants in flats/caravans (domestic use) with 5 or less rooms and other businesses	2018/2019 R355.06	2019/2020 R373.88	2020/2021 R393.69
CATEGORY 4			
(5 or more than 10 bin liners 5 or more electricity meter)			
House with tenants in flats/caravans (domestic use) with 5 or more rooms	2018/2019 R568.12	2019/2020 R598.23	2020/2021 R629.94
CATEGORY 5			
(5 or more than 10 bin liners 5 or more electricity meter)			
House with tenants in flats/caravans (domestic use) with 5 or more rooms & with other business	2018/2019 R638.12	2019/2020 R671.94	2020/2021 R707.55
CATEGORY 6			

(5 or more than 10 bin liners 5 or more electricity meter)			
House with flats/caravans for businesses	2018/2019	2019/2020	2020/2021
	R426.09	R448.67	R472.45
R			
NGO's Churches Day care Hospice	2018/2019	2019/2020	2020/2021
	R142.03	R149.56	R157.48
CATEGORY 8			
(4 to 5 bin liners/240 wheelie bin)			
NGO's with house or flats for tenants	2018/2019	2019/2020	2020/2021
	R284.06	R299.12	R314.97
Refuse Removal- vacant plots	R69.35	R75.59	R82.39
Refuse removal – Special event	R1942.54 Travelling per km more than 10 km from town charged using Dep. Of Transport rates	R2117.37 Travelling per km more than 10 km from town charged using Dep. Of Transport rates.	R2307.93 Travelling per km more than 10 km from town charged using Dep. Of Transport rates
Waste Disposal Bakkie per load	R74.80	R81.53	R88.87
Waste Disposal Truck per load	R129.50	R130.67	R131.85
Penalties			
Illegal Dumping -General waste	R388.50	R423.47	R461.58
Illegal Dumping - Rubble	R906.52	R988.11	R1077.04
Waste Disposal Bakkie per load	R74.80	R81.53	R88.87
Penalties			
Illegal Dumping -General waste	R388.50	R423.47	R461.58

Illegal Dumping - Rubble	R906.52	R988.11	R1077.04
Refuse Removal- vacant plots	R69.35	R75.59	R82.39
Refuse removal – Special event	R1942.54 Travelling per km more than 10 km from town charged using Dep. Of Transport rates	R2117.37 Travelling per km more than 10 km from town charged using Dep. Of Transport rates.	R2307.93 Travelling per km more than 10 km from town charged using Dep. Of Transport rates
Waste Disposal Bakkie per load	R74.80	R81.53	R88.87
Waste Disposal Truck per load	R129.50	R130.67	R131.85
Penalties			
Illegal Dumping -General waste	R388.50	R423.47	R461.58
Illegal Dumping - Rubble	R906.52	R988.11	R1077.04
Illegal Dumping – Hazardous waste	R1225.02	R1335.27	R1455.44

TARRIFS	AMOUNTS			
	2017/18	2018/19	2019/20	2020/21
Hall Hire -town				
Meetings & Churches (hourly rate)	R124,10	R131,54	R139,43	R147,80
Entertainment & Workshops	R310,29	R328,90	R348,63	R369,55
Security Fees	R1 079,72	R1 144,50	R1 213,17	R1 285,96
Hall Hire - Villages				
Hall Hire	R276,17	R292,74	R310,30	R328,92
Security Fees	R552,33	R585,46	R620,59	R657,82
Sports Field/Stadium				

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TARRIFS	AMOUNTS			
	2017/18	2018/19	2019/20	2020/21
Special letting	R1 797,96	R1 905,84	R2 020,19	R2 141,40
Practices or Matches per 2 hours	R127,20	R134,83	R142,92	R151,50
Security Fees	R1 079,72	R1 144,50	R1 213,17	R1 285,96
Community Park & Open Spaces				
Group Entertainment	R474,32	R502,78	R532,95	R564,92
Security Fees	R1 079,72	R1 144,50	R1 213,17	R1 285,96
Cemetery				
Adults	R640,38	R678,80	R719,53	R762,70
Children	R322,02	R341,34	R361,82	R383,53
Stillborn	R126,25	R133,83	R141,85	R150,37
Grave digging	R1 235,96	R1 310,12	R1 388,72	R1 472,05
Library fees				
Photocopy (<i>B&W per page</i>)	R0,63	R1,00	R1,00	R1,00
Colour (<i>per page</i>)	R1,06	R2,00	R2,00	R2,00
Lost book	<i>Market value of the book</i>	<i>Market value of the book</i>	<i>Market value of the book</i>	<i>Market value of the book</i>
Overdue returns (<i>per day</i>)	R76,22	R80,79	R85,64	R90,78
Book Tempered with	R37,87	R40,14	R42,55	R45,10
Library membership				

TARRIFS	AMOUNTS	AMOUNTS	AMOUNTS	AMOUNTS
	2017/18	2018/19	2019/20	2020/21
Lost membership cards Adults – per annum	R63,12	R66,90	R70,91	R75,17
Children (12 years & older)- per annum	R35,75	R37,89	R40,16	R42,57

	AMOUNTS 2018/19	AMOUNTS 2019/20	AMOUNTS 2020/21
Taxi/Bus Rank facilities			
Taxi rank permit (Taxis)	R480	R	R
Bus rank Permit (buses)	R960	R	R
Bus rank Permit (Taxis)	R480	R	R

Storage at the Pound			
NB: Where there are more than five animals impounded, from the sixth animal, 50% of the daily rate will be charged. This charge will apply for animals belonging to one owner.			
	2017/18	2018/19	2019/20
Cattle, Horses, Donkeys and any other animal of similar size per day	R63.12 per night	63,12	R66,90
Goats, sheep and other animals of the same size per day	R37.64 per night	37,64	R39,89
If captured by SAPS(e.g. recovered stolen animals)	R25.25 per night	37,64	R39,89
Motor vehicles	R250.56 per night	R265,60	R281,54
Other goods	R44.94 per night	R47,65	R47,65
Admission of guilt/Animal (large stock)	R337,08	R250,00	R265,00
Admission of guilt/Animal (small stock)	R337,08	R100,00	R106,00

25.16.1.1 Other Municipal Tariffs

The municipality has other tariffs that are proposed to increase as follows:

Development Planning Tariffs

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BUSINESS LICENSING FEES FORMAL INFORMAL BUSINESS TARIFF			
VENDING AND HAWKING TARRIFS	2016/17	2017/18	2018/19
Registration for permit	R 138,10	R 146,52	R 155,31
Hawker with stall renewal	R 265,00	R 281,17	R 298,04
Hawker without stall renewal	R 106,00	R 112,47	R 119,22
Registration of permit for bakkies	R 330,00	R 350,13	R 371,14
Renewal of permit for bakkies	R 550,00	R 583,55	R 618,56
Hawkers outside of town without stall (once off)	R 53,00	R 56,23	R 59,60
Registration for hawkers with stalls outside town	R 106,00	R 112,47	R 119,22
Renewal for hawkers with stalls outside town	R 106,00	R 112,47	R 119,22
BUSINESS LICENSING FEES FORMAL BUSINESS TARIFF			
Registration fee (once off) for the above items shall be as follow			
	2016/17	2017/18	2018/19
1. Sale and supply of meals	R -	R 25,00	R 26,50
2. Health and entertainment	R -	R 25,00	R 26,50
3. Mechanical electrical apparatus or devices (games) 3 or more	R -	R 25,00	R 26,50
NOTE: These fees are only registration fee and not the license fee,			
<i>Increase is based on the average increase as per NT 18/19 MTREF circular 91 guideline</i>			
Annual License fees (One year fee)			
	2016/17	2017/18	2018/19
1. Sale and supply of meals	R -	R 225,00	R 238,50
2. Health and entertainment	R -	R 225,00	R 238,50
3. Mechanical electrical apparatus or devices (games) 3 or more	R -	R 225,00	R 238,50
<i>Increase is based on the average increase as per NT 18/19 MTREF circular 91 guideline</i>			

Town Planning Tariffs

ACTIVITY	2017/18 @6.1%	2018/19 @ 6%	PROJECTED 2019/20 @ 5.3%	PROJECTED 2020/21 @ 5.3%
News paper(s) and government gazette Advertising	Daily dispatch or Gov Gazette Tariff to be borne by the applicant	Daily dispatch or Gov Gazette Tariff to be borne by the applicant	Daily dispatch or Gov Gazette Tariff to be borne by the applicant	Daily dispatch or Gov Gazette Tariff to be borne by the applicant
Rezoning Application per m ²				
Erven 0 – 2500m ²	R2 091,87	R2 217,38	R2 350,43	R2 491,45
Erven 2501 – 5000m ²	R3 891,32	R4 124,80	R4 372,29	R4 634,62
Erven 5001 0 – 1 Ha	R7 661,17	R8 120,84	R8 608,09	R9 124,58
Erven 1, 0001Ha – 5Ha	R10 076,95	R10 681,57	R11 322,46	R12 001,81
Erven over 5Ha	R13 788,33	R14 615,63	R15 492,57	R16 422,12
Special Consent / Temporary Departure Application m ²				
Erven 0 – 2500m ²	R1 698,24	R1 800,13	R1 908,14	R2 022,63
Erven 2501 – 5000m ²	R3 497,69	R3 707,55	R3 930,00	R4 165,80
Erven 5001 0 – 1 Ha	R7 320,95	R7 760,21	R8 225,82	R8 719,37
Erven 1, 0001Ha – 5Ha	R9 908,25	R10 502,75	R11 132,91	R11 800,88
Erven over 5Ha	R13 057,30	R13 840,74	R14 671,18	R15 551,45
Subdivision Application				
Erven 1-2	R2 192,08	R2 323,60	R2 463,02	R2 610,80

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ACTIVITY	2017/18 @6.1%	2018/19 @ 6%	PROJECTED 2019/20 @ 5.3%	PROJECTED 2020/21 @ 5.3%
Erven 1-3	R2 922,87	R3 098,24	R3 284,14	R3 481,18
Erven 1-4	R3 653,57	R3 872,78	R4 105,15	R4 351,46
Erven 1-5	R4 132,30	R4 380,24	R4 643,05	R4 921,64
Erven 1-6	R5 114,02	R5 420,86	R5 746,11	R6 090,88
Erven 1-7	R5 845,64	R6 196,38	R6 568,16	R6 962,25
Erven 1-8	R6 576,45	R6 971,04	R7 389,30	R7 832,66
Erven 1-9	R7 307,14	R7 745,57	R8 210,30	R8 702,92
Erven 1-10	R8 037,83	R8 520,10	R9 031,31	R9 573,18
Erven more than 10	R14 614,17	R15 491,02	R16 420,48	R17 405,71
Departure Application from the scheme (Building Lines, height, coverage etc)				
Erven 0 – 530m ²	R1 376,14	R1 458,71	R1 546,23	R1 639,00
Erven 531– more	R2 064,20	R2 188,05	R2 319,34	R2 458,50
Application for the Removal of Restrictions	R10 403,00	R11 027,18	R11 688,81	R12 390,14
Zoning Certificate	R134,96	R143,06	R151,64	R160,74
Town Planning Scheme	R337,40	R357,64	R379,10	R401,85
Spatial Development Framework	R562,33	R596,07	R631,83	R669,74
Application for Consolidation of Erven	R2 249,32	R2 384,28	R2 527,34	R2 678,98
SG Diagram	R1 124,66	R1 192,14	R1 263,67	R1 339,49
Amendment of the Subdivisional Plan	R2 900,50	R3 074,53	R3 259,00	R3 454,54
Extension of Validity	R4 956,59	R5 253,99	R5 569,22	R5 903,38

ACTIVITY	2017/18 @6.1%	2018/19 @ 6%	PROJECTED 2019/20 @ 5.3%	PROJECTED 2020/21 @ 5.3%
Sale or Lease of Land(Application fees)	R5 000,24	R5 300,25	R5 618,27	R5 955,37

NATIONAL BUILDING REGULATIONS AND BUILDING STANDARDS ACT, 103 OF 1977

OFFENCE CODE	NUMBER OF SECTION	DESCRIPTION OF OFFENCE	FINE 2018/2019	FINE 2019/2020	FINE 2020/2021
	4(4)	Building without approved building plan.	R1000	R 1060	R 1124.66
	10(2)	Building in contravention of a notice prohibiting any building work.	R1000	R 1060	R 1124.66
	12(6)	Failure to demolish, alter or safeguard.	R500	R 530	R 562.33
	14(3)	Submit false certificate or issuing thereof.	NAG		
	14(4) (a)	Occupy or use of building without occupation certificate.	R1000	R 1060	R 1124.66
	15(2)	Preventing a building control officer in the execution of his/her duties.	R1500	R 1590	R 1686.99
	19(2)	Prohibition on the use of certain building methods and materials.	R500	R 530	R 562.33
	A2 (3) (f)	Submit false or misleading information .	NAG		

	A15 (5)	Failure to maintain, safeguard or service installation.	R500	R 530	R 562.33
	A17 (4)	Illegal or withdrawn certificate of identity.	NAG		
	A18 (5)	Failure to supervise and/or control plumbing work.	R500	R 530	R 562.33
	A22 (4)	Failure to give notice of intention to commence erection or demolition of a building.	R1000	R 1060	R 1124.66
	A25 (2)	Use of a building for a purpose other than the purpose shown on approved plans.	R1000	R 1060	R 1124.66
	A25 (5)	Deviation from approved building plan.	R1000	R 1060	R 1124.66
	A25 (11)	Failure to comply with any provision of or any notice issued in terms of Regulation A25 General Enforcement.	R1000	R 1060	R 1124.66
	D4 (2)	Failure to safeguard a swimming pool.	R1000	R 1060	R 1124.66
	E1 (1)	Failure to apply for written permission for demolition.	R1000	R 1060	R 1124.66
	E1 (3)	Failure to safeguard demolition work.	R1500	R 1590	R 1686.99
	F1 (6)	Failure to comply with any provision of or any notice issued in terms of Regulation F1 Protection of the public.	R1500	R 1590	
	F6 (3)	Failure to control dust and noise.	R500	R 530	R 562.33
	F7 (5)	Failure to comply with any provision of or any notice issued in terms of Regulation	R500	R 530	R 562.33

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		F6 regarding the Cutting into, laying open and demolishing certain work.			
	F8 (2)	Failure to comply with a notice to remove waste material on site.	R500	R 530	R 562.33
	F9 (2)	Failure to comply with any provision of or any notice issued in terms of Regulation F9 Cleaning of site.	R500	R 530	R 562.33
	F10 (7)	Failure to comply with any provision of or any notice issued in terms of Regulation F10 Builder's sheds.	R1000	R 1060	R 1124.66
	F11 (2)	Failure to comply with any provision of or any notice issued terms if Regulation F11 Sanitary facilities.	R500	R 530	R 562.33
	P1 (5)	Failure to comply with any provision of or any notice issued in terms of Regulation P1 Compulsory drainage building.	R500	R 530	R 562.33
	P3 (5)	Failure to comply with any provision of or any notice issued in terms off Regulation P3 Control of objectionable discharge.	R500	R 530	R 562.33
	P4 (2)	Failure to comply with any provision of or any notice in terms of Regulation P4 Industrial effluent.	R1000	R 1060	R 1124.66
	P5 (4)	Failure to comply with any provision of or any notice in terms of Regulation P5 Disconnections.	R500	R 530	R 562.33
	P6 (2)	Failure to comply with any provision of or any notice	R1000	R 1060	R 1124.66

		issued in terms of Regulation P6 Unauthorized drainage work.			
	P7 (4)	Failure to comply with any provision of or any notice issued in terms of Regulations P7 Inspection and testing of drainage installations.	R1000	R 1060	R 1124.66
	T2 (1)	Failure to make and maintain adequate provision in terms of the requirements of Regulation T1 (1) (e) or failure to comply with relevant SABS specifications.	R1000	R 1060	R 1124.66
	T2 (2)	Obstructing or causing to be obstructed of an escape route.	R1000	R 1060	R 1124.66

GIS Tariffs

Size of Paper	Full Ink	2018/19	Line Map	2019/20
A2	R50.00	R53.05	R25.00	R26.53
A1	R75.00	R79.58	R40.00	R42.44
A0	R100.00	R106.10	R50.00	R53.05

25.17 Operating Expenditure Framework

The Municipality's expenditure framework for the 2018/19 budget and MTREF is informed by the following:

- É Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- É Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- É The capital programme is aligned to the asset renewal strategy and backlog eradication plan;
- É Operational gains and efficiencies will be directed to funding the capital budget and other core services; and
- É Strict adherence to the principle of *no project plan no budget*. If there is no business plan no funding allocation can be made.

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The following table is a high level summary of the 2018/19 budget and MTREF (classified per main type of operating expenditure):

EC443 Mbizana - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Expenditure By Type											
Employee related costs	2	59 634	71 790	80 378	107 442	102 519	102 519	102 519	107 802	113 310	119 542
Remuneration of councillors		17 895	18 956	19 649	21 502	22 422	22 422	22 422	24 091	25 392	26 788
Debt impairment	3	3 480	4 569	1 110	1 995	1 995	1 995	1 995	2 101	2 214	2 336
Depreciation & asset impairment	2	38 360	37 992	39 229	46 011	46 011	46 011	46 011	48 449	51 065	53 874
Finance charges		456	547	2 168	1 575	1 575	1 575	1 575	400	422	445
Bulk purchases	2	22 310	24 528	27 606	31 303	31 303	31 303	31 303	33 594	36 054	38 693
Other materials	8	-	-	-	882	7 056	7 056	7 056	8 311	8 759	9 240
Contracted services		-	-	-	35 119	38 412	38 412	38 412	50 671	51 039	53 824
Transfers and subsidies		-	-	4 491	11 209	2 380	2 380	2 380	2 158	1 764	1 861
Other expenditure	4, 5	69 757	159 469	96 054	44 471	52 714	52 714	52 714	66 393	69 652	73 483
Loss on disposal of PPE		-	19 236	7 676	-	38 694	38 694	38 694	-	-	-
Total Expenditure		211 892	337 088	278 361	301 509	345 081	345 081	345 081	343 970	359 671	380 087

The budgeted allocation for employee related costs for the 2018/19 financial year totals R108.8 Million. Based on the guidelines on circular 89 and 91, salaries are factored into this budget at average CPI between (January 2017 and February 2018) plus 1 percent which was calculated to 6.3 percent for the 2018/19 financial year. An annual increase of 5.4 per cent has been included in the two outer years of the MTREF. As part of the planning, all departments have been requested to submit their personnel requirements for the years budgeted for. This includes existing positions that are currently filled, vacant positions that will be filled and as such should be budgeted for.

The cost associated with the remuneration of Councillor's is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the Municipality's budget. Bulk purchases are directly informed by the purchase of electricity from Eskom. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. Other expenditure comprises of various line items relating to the daily operations of the municipality. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved.

- **Free Basic Services: Basic Social Services Package**

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the Municipality's Indigent Policy.

The cost of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act. The municipality has set aside R4.6 million for the free basic energy and services for the 2018/19 financial period.

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Table 9 Summary of operating expenditure by functional classification item

EC443 Mbizana - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue - Functional										
Governance and administration		172 875	209 376	210 682	231 376	235 200	235 200	270 060	295 930	318 714
Executive and council		-	-	532	-	-	-	-	-	-
Finance and administration		172 875	209 376	210 150	231 376	235 200	235 200	270 060	295 930	318 714
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		326	367	1 412	424	763	763	884	851	898
Community and social services		338	334	296	424	587	587	698	655	691
Sport and recreation		-	-	0	-	-	-	-	-	-
Public safety		-	-	1 107	-	177	177	186	196	207
Housing		(12)	33	8	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		48 883	54 107	50 117	65 230	66 363	66 363	52 781	54 016	56 944
Planning and development		351	88	246	102	334	334	247	260	274
Road transport		48 533	50 941	49 660	65 128	66 029	66 029	52 534	53 756	56 670
Environmental protection		-	3 079	211	-	-	-	-	-	-
Trading services		44 688	48 086	60 266	89 458	89 596	89 596	65 222	62 108	62 332
Energy sources		42 634	46 078	58 039	85 593	86 061	86 061	60 482	59 571	59 655
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		2 054	2 008	2 227	3 865	3 536	3 536	4 740	2 537	2 677
Other	4	-	79	-	123	-	-	-	-	-
Total Revenue - Functional	2	266 772	312 015	322 476	386 612	391 923	391 923	388 947	412 905	438 888
Expenditure - Functional										
Governance and administration		136 840	167 959	166 986	188 427	229 120	229 120	211 624	221 135	232 866
Executive and council		51 663	55 781	62 135	54 571	55 301	55 301	64 471	67 038	70 703
Finance and administration		85 177	112 178	104 851	130 744	170 706	170 706	143 842	150 608	158 482
Internal audit		-	-	-	3 112	3 112	3 112	3 311	3 489	3 681
Community and public safety		14 229	16 658	23 734	13 604	14 858	14 858	15 555	16 085	17 379
Community and social services		14 156	16 505	18 396	10 991	12 170	12 170	12 695	13 149	12 134
Sport and recreation		73	153	220	584	584	584	732	693	731
Public safety		-	-	5 118	948	1 023	1 023	1 091	1 149	1 213
Housing		-	-	-	1 080	1 080	1 080	1 037	1 093	3 301
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		22 521	32 708	26 642	30 374	38 379	38 379	50 396	52 501	55 388
Planning and development		8 517	12 328	14 026	18 758	18 992	18 992	23 583	24 320	25 658
Road transport		12 939	16 081	10 788	9 612	17 553	17 553	24 861	26 124	27 560
Environmental protection		1 065	4 299	1 828	2 004	1 834	1 834	1 952	2 057	2 170
Trading services		38 047	119 763	60 999	60 114	60 021	60 021	63 375	67 320	71 679
Energy sources		27 809	110 424	46 571	43 829	42 673	42 673	47 092	50 280	53 702
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		10 238	9 339	14 429	16 286	17 348	17 348	16 283	17 040	17 977
Other	4	255	-	-	8 990	2 703	2 703	3 021	2 631	2 775
Total Expenditure - Functional	3	211 892	337 088	278 361	301 509	345 081	345 081	343 970	359 671	380 087
Surplus/(Deficit) for the year		54 880	(25 073)	44 116	85 104	46 842	46 842	44 977	53 234	58 801

The table above gives an overview of the operational expenditure per functional classification or by functional areas within the municipality.

- **Priority given to repairs and maintenance**

Aligned to the priority being given to preserving and maintaining the Municipality's current infrastructure, the 2018/19 budget and MTREF provide for extensive growth in the area of asset maintenance. In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services.

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MLM – EC 443 Integrated Development Plan – 2018/2019 Review

Considering these cost drivers, the following table is a consolidation of all the expenditures associated with repairs and maintenance:

Table 10 Operational repairs and maintenance

Repairs and Maintenance	8										
Employee related costs		-	-	-	-	-	-	-	-	-	-
Other materials		-	-	-	200	200	200	200	300	316	333
Contracted Services		-	-	-	5 607	6 292	6 099	6 099	12 414	13 005	13 720
Other Expenditure		3 328	5 292	5 017	-	-	-	-	137	144	152
Total Repairs and Maintenance Expenditure	9	3 328	5 292	5 017	5 807	6 492	6 299	6 299	12 851	13 465	14 205

An amount of R11.8 million has been set aside in the 2018/19 financial period for the maintenance of municipal assets. The amount is lower than the proposed treasury percentages, the municipality has taken a decision to rather purchase municipal plant and machinery which will be used to repair road infrastructure. This will ensure that there is improved access to all the wards in the municipality. There is also an increased need to repair other infrastructure assets like the municipal offices, community halls and the municipal vehicles.

Table 11 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation**EC443 Mbizana - Table A8 Cash backed reserves/accumulated surplus reconciliation**

Description	Ref	2014/15			2015/16			2016/17			Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21					
Cash and investments available																
Cash/cash equivalents at the year end	1	85 835	96 914	67 026	63 525	41 526	41 526	41 526	43 362	46 512	59 000					
Other current investments > 90 days		(0)	(7)	-	(0)	-	-	-	0	0	0					
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-					
Cash and investments available:		85 835	96 907	67 026	63 525	41 526	41 526	41 526	43 362	46 512	59 000					
Application of cash and investments																
Unspent conditional transfers		5 064	-	-	-	-	-	-	-	-	-					
Unspent borrowing		-	-	-	-	-	-	-	-	-	-					
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-					
Other working capital requirements	3	25 421	14 162	(2 807)	(4 423)	(3 752)	(3 752)	(3 752)	(21 157)	(30 072)	(40 341)					
Other provisions		-	-	-	-	-	-	-	-	-	-					
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-					
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-					
Total Application of cash and investments:		30 485	14 162	(2 807)	(4 423)	(3 752)	(3 752)	(3 752)	(21 157)	(30 072)	(40 341)					
Surplus(shortfall)		55 350	82 745	69 833	67 948	45 278	45 278	45 278	64 519	76 584	99 341					

The table above shows the budgeted cash reserves and these are based on the current cash reserves in the municipality. As indicated by the table, there is a need to ensure that these reserves are preserved and built up again. This is after these reserves have been made available for infrastructure development within the municipality.

25.18 Capital expenditure

The following table provides a breakdown of budgeted capital expenditure by vote:

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EC443 Mbizana - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - EXECUTIVE & COUNCIL		-	-	-	-	-	-	-	-	-	-
Vote 2 - BUDGET & TREASURY		-	-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 4 - COMMUNITY & SOCIAL SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 5 - ENGINEERING SERVICES		-	-	-	23 551	23 551	23 551	23 551	20 608	40 218	42 349
Vote 6 - DEVELOPMENT PLANNING		-	-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	23 551	23 551	23 551	23 551	20 608	40 218	42 349
Single-year expenditure to be appropriated	2										
Vote 1 - EXECUTIVE & COUNCIL		-	-	452	-	-	-	-	-	-	-
Vote 2 - BUDGET & TREASURY		-	4 415	-	80	100	100	100	1 900	2 001	2 107
Vote 3 - CORPORATE SERVICES		9 862	-	5 605	4 460	4 860	4 860	4 860	5 318	5 599	5 896
Vote 4 - COMMUNITY & SOCIAL SERVICES		3 010	-	-	2 468	1 880	1 880	1 880	4 132	4 350	4 581
Vote 5 - ENGINEERING SERVICES		145 779	95 103	77 560	84 243	108 746	108 746	108 746	61 294	50 732	47 102
Vote 6 - DEVELOPMENT PLANNING		-	-	-	400	300	300	300	440	463	488
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		158 651	99 518	83 617	91 651	115 886	115 886	115 886	73 083	63 146	60 174
Total Capital Expenditure - Vote		158 651	99 518	83 617	115 202	139 437	139 437	139 437	93 691	103 364	102 523

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Table 12 2018/19 Medium-term capital budget by vote, functional classification and funding

EC443 Mbizana - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Capital Expenditure - Functional	1	9 862	4 415	6 057	4 876	4 960	4 960	4 960	8 058	8 485	8 934
Governance and administration		9 862	4 415	6 057	4 876	4 960	4 960	4 960	8 058	8 485	8 934
Executive and council		-	-	452	-	-	-	-	-	-	-
Finance and administration		9 862	4 415	5 605	4 876	4 960	4 960	4 960	8 058	8 485	8 934
Internal audit		-	-	-	-	-	-	-	-	-	-
Community and public safety		-	-	-	800	1 085	1 085	1 085	2 885	3 038	3 199
Community and social services		-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	800	1 085	1 085	1 085	2 885	3 038	3 199
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		111 554	70 196	48 906	68 513	91 148	91 148	91 148	52 011	70 653	71 072
Planning and development		-	-	-	36 377	39 017	39 017	39 017	23 680	43 453	45 756
Road transport		111 554	70 196	48 906	32 036	52 101	52 101	52 101	28 331	27 200	25 316
Environmental protection		-	-	-	100	30	30	30	-	-	-
Trading services		37 236	24 907	28 653	41 013	42 244	42 244	42 244	30 737	21 188	19 318
Energy sources		34 225	24 907	28 653	40 281	41 779	41 779	41 779	30 630	21 076	19 200
Water management		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		3 010	-	-	732	465	465	465	107	112	118
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	158 651	99 518	83 617	115 202	139 437	139 437	139 437	93 691	103 364	102 523
Funded by:											
National Government		67 644	54 540	43 423	76 719	76 739	76 739	76 739	70 075	67 644	67 630
Provincial Government		-	-	-	21 681	21 681	21 681	21 681	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	67 644	54 540	43 423	98 400	98 420	98 420	98 420	70 075	67 644	67 630
Public contributions & donations	5	-	-	-	-	-	-	-	-	-	-
Borrowing	6	8 983	17 067	28 653	-	-	-	-	-	-	-
Internally generated funds		82 024	27 911	11 540	16 802	41 017	41 017	41 017	23 615	35 720	34 893
Total Capital Funding	7	158 651	99 518	83 617	115 202	139 437	139 437	139 437	93 691	103 364	102 523

For the 2018/19 Annual budget, there is a decrease in the capital budget of the municipality. This accounts for about R88,6 million of the budget and this is mainly funded from the MIG for roads, community facilities and Sport facilities and INEP for electrification with the remainder funded from own funds.

25.19 Annual Budget Tables

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MLM – EC 443 Integrated Development Plan – 2018/2019 Review

The following pages present the main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2018/19 budget and MTREF as approved by the Council. Each table is accompanied by *explanatory adopts* on the facing page.

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MLM – EC 443 Integrated Development Plan – 2018/2019 Review

Table 13 MBRR Table A1 - Budget Summary

EC443 Mbizana - Table A1 Budget Summary

Description	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Financial Performance										
Property rates	15 554	16 511	20 256	22 342	22 342	22 342	22 342	23 571	24 843	26 210
Service charges	18 631	21 842	29 760	31 696	31 317	31 317	31 317	37 441	39 970	42 670
Investment revenue	7 619	6 028	7 796	6 159	7 528	7 528	7 528	7 942	8 371	8 831
Transfers recognised - operational	151 593	189 891	182 912	204 939	202 480	202 480	202 480	235 075	256 595	277 215
Other own revenue	5 730	8 233	9 108	7 677	11 397	11 397	11 397	12 472	13 064	13 783
Total Revenue (excluding capital transfers and contributions)	199 128	242 504	249 832	272 812	275 064	275 064	275 064	316 501	342 843	368 709
Employee costs	59 634	71 790	80 378	107 442	102 519	102 519	102 519	107 802	113 310	119 542
Remuneration of councillors	17 895	18 956	19 649	21 502	22 422	22 422	22 422	24 091	25 392	26 788
Depreciation & asset impairment	38 360	37 992	39 229	46 011	46 011	46 011	46 011	48 449	51 065	53 874
Finance charges	456	547	2 168	1 575	1 575	1 575	1 575	400	422	445
Materials and bulk purchases	22 310	24 528	27 606	32 185	38 359	38 359	38 359	41 905	44 813	47 933
Transfers and grants	-	-	4 491	11 209	2 380	2 380	2 380	2 158	1 764	1 861
Other expenditure	73 237	183 274	104 840	81 585	131 815	131 815	131 815	119 165	122 905	129 643
Total Expenditure	211 892	337 088	278 361	301 509	345 081	345 081	345 081	343 970	359 671	380 087
Surplus/(Deficit)	(12 764)	(94 583)	(28 529)	(28 697)	(70 017)	(70 017)	(70 017)	(27 469)	(16 828)	(11 378)
Transfers and subsidies - capital (monetary alloc	67 644	69 511	72 645	113 800	116 859	116 859	116 859	72 446	70 062	70 179
Contributions recognised - capital & contributed a	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	54 880	(25 073)	44 116	85 104	46 842	46 842	46 842	44 977	53 234	58 801
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	54 880	(25 073)	44 116	85 104	46 842	46 842	46 842	44 977	53 234	58 801
Capital expenditure & funds sources										
Capital expenditure	158 651	99 518	83 617	115 202	139 437	139 437	139 437	93 691	103 364	102 523
Transfers recognised - capital	67 644	54 540	43 423	98 400	98 420	98 420	98 420	70 075	67 644	67 630
Public contributions & donations	-	-	-	-	-	-	-	-	-	-
Borrowing	8 983	17 067	28 653	-	-	-	-	-	-	-
Internally generated funds	82 024	27 911	11 540	16 802	41 017	41 017	41 017	23 615	35 720	34 893
Total sources of capital funds	158 651	99 518	83 617	115 202	139 437	139 437	139 437	93 691	103 364	102 523
Financial position										
Total current assets	121 131	142 261	123 287	91 444	69 445	69 445	69 445	102 087	109 522	128 444
Total non current assets	607 451	582 555	616 609	687 627	711 862	711 862	711 862	757 394	809 992	858 950
Total current liabilities	64 194	69 876	57 580	20 832	20 832	20 832	20 832	36 049	31 552	27 709
Total non current liabilities	4 301	20 325	3 585	6 766	6 766	6 766	6 766	3 227	3 066	2 912
Community wealth/Equity	660 088	634 615	678 731	751 474	753 709	753 709	753 709	820 204	884 897	956 773
Cash flows										
Net cash from (used) operating	108 357	79 197	77 835	128 794	129 136	129 136	129 136	95 527	106 514	115 011
Net cash from (used) investing	(157 657)	(99 535)	(83 597)	(115 202)	(139 237)	(139 237)	(139 237)	(93 691)	(103 364)	(102 523)
Net cash from (used) financing	8 983	31 417	(24 126)	(15 399)	(15 399)	(15 399)	(15 399)	-	-	-
Cash/cash equivalents at the year end	85 835	96 914	67 026	63 525	41 526	41 526	41 526	43 362	46 512	59 000
Cash backing/surplus reconciliation										
Cash and investments available	85 835	96 907	67 026	63 525	41 526	41 526	41 526	43 362	46 512	59 000
Application of cash and investments	30 485	14 162	(2 807)	(4 423)	(3 752)	(3 752)	(3 752)	(21 157)	(30 072)	(40 341)
Balance - surplus (shortfall)	55 350	82 745	69 833	67 949	45 278	45 278	45 278	64 519	76 584	99 341
Asset management										
Asset register summary (WDV)	600 262	494 059	501 633	711 862	711 862	711 862		757 394	809 992	858 950
Depreciation	-	36 659	39 229	46 011	46 011	46 011		48 449	51 065	53 874
Renewal of Existing Assets	-	-	-	7 370	7 370	7 370		-	-	-
Repairs and Maintenance	3 328	5 292	5 017	5 807	6 492	6 299		12 851	13 465	14 205
Free services										
Cost of Free Basic Services provided	-	-	-	150	150	150	165	165	198	267
Revenue cost of free services provided	-	-	-	-	-	-	-	-	-	-
Households below minimum service level										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-
Energy:	6	6	-	6	6	6	5	5	4	3
Refuse:	48	48	-	48	48	48	49	49	49	51

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Explanatory adopts to MBRR Table A1 - Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts for possible approval by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasizes the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
 - a. The operating surplus/deficit (after Total Expenditure) is positive over the MTREF
 - b. Capital expenditure is balanced by capital funding sources, of which
 - i. Transfers recognized is reflected on the Financial Performance Budget;
 - ii. Borrowing is incorporated in the net cash from financing on the Cash Flow Budget
 - iii. Internally generated funds is financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains positive, and is improving indicates that the necessary cash resources are available to fund the Capital Budget.
4. Efforts have been made in compiling the budget to ensure that the budget is cash backed. This is reflected by the positive cash flows that the municipality has. This requires the municipality to maintain its prudence to ensure that positive cash flows are maintained over the long term whilst ensuring that there is spending on projects that make a difference to people's livelihoods.
5. Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this is not being done at the expense of services to the poor. The section of Free Services shows that the amount spent on Free Basic Services and the revenue cost of free services provided by the municipality continues to increase. In addition, the municipality continues to make progress in addressing service delivery backlogs.

Table 14 MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by functional classification)

EC443 Mbizana - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
					Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast
Revenue - Functional	1									
Governance and administration		172 875	209 376	210 682	231 376	235 200	235 200	270 060	295 930	318 714
Executive and council		-	-	532	-	-	-	-	-	-
Finance and administration		172 875	209 376	210 150	231 376	235 200	235 200	270 060	295 930	318 714
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		326	367	1 412	424	763	763	884	851	898
Community and social services		338	334	296	424	587	587	698	655	691
Sport and recreation		-	-	0	-	-	-	-	-	-
Public safety		-	-	1 107	-	177	177	186	196	207
Housing		(12)	33	8	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		48 883	54 107	50 117	65 230	66 363	66 363	52 781	54 016	56 944
Planning and development		351	88	246	102	334	334	247	260	274
Road transport		48 533	50 941	49 660	65 128	66 029	66 029	52 534	53 756	56 670
Environmental protection		-	3 079	211	-	-	-	-	-	-
Trading services		44 688	48 086	60 266	89 458	89 596	89 596	65 222	62 108	62 332
Energy sources		42 634	46 078	58 039	85 593	86 061	86 061	60 482	59 571	59 655
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		2 054	2 008	2 227	3 865	3 536	3 536	4 740	2 537	2 677
Other	4	-	79	-	123	-	-	-	-	-
Total Revenue - Functional	2	266 772	312 015	322 476	386 612	391 923	391 923	388 947	412 905	438 888
Expenditure - Functional										
Governance and administration		136 840	167 959	166 986	188 427	229 120	229 120	211 624	221 135	232 866
Executive and council		51 663	55 781	62 135	54 571	55 301	55 301	64 471	67 038	70 703
Finance and administration		85 177	112 178	104 851	130 744	170 706	170 706	143 842	150 608	158 482
Internal audit		-	-	-	3 112	3 112	3 112	3 311	3 489	3 681
Community and public safety		14 229	16 658	23 734	13 604	14 858	14 858	15 555	16 085	17 379
Community and social services		14 156	16 505	18 396	10 991	12 170	12 170	12 695	13 149	12 134
Sport and recreation		73	153	220	584	584	584	732	693	731
Public safety		-	-	5 118	948	1 023	1 023	1 091	1 149	1 213
Housing		-	-	-	1 080	1 080	1 080	1 037	1 093	3 301
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		22 521	32 708	26 642	30 374	38 379	38 379	50 396	52 501	55 388
Planning and development		8 517	12 328	14 026	18 758	18 992	18 992	23 583	24 320	25 658
Road transport		12 939	16 081	10 788	9 612	17 553	17 553	24 861	26 124	27 560
Environmental protection		1 065	4 299	1 828	2 004	1 834	1 834	1 952	2 057	2 170
Trading services		38 047	119 763	60 999	60 114	60 021	60 021	63 375	67 320	71 679
Energy sources		27 809	110 424	46 571	43 829	42 673	42 673	47 092	50 280	53 702
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		10 238	9 339	14 429	16 286	17 348	17 348	16 283	17 040	17 977
Other	4	255	-	-	8 990	2 703	2 703	3 021	2 631	2 775
Total Expenditure - Functional	3	211 892	337 088	278 361	301 509	345 081	345 081	343 970	359 671	380 087
Surplus/(Deficit) for the year		54 880	(25 073)	44 116	85 104	46 842	46 842	44 977	53 234	58 801

Explanatory adopts to MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by functional classification)

The above table shows the allocations made by the municipality to the different classes or functions within the municipality and the contributions that will be made per standard class. It is pleasing to note that the table shows that

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MLM – EC 443 Integrated Development Plan – 2018/2019 Review

the municipality's bigger share is allocated to service deliver functions as well as governance and administration. These are complementary in nature hence the allocations.

Table 15 MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

EC443 Mbizana - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue by Vote	1									
Vote 1 - EXECUTIVE & COUNCIL		-	-	532	-	-	-	-	-	-
Vote 2 - BUDGET & TREASURY		172 896	209 138	210 049	231 157	235 088	235 088	269 941	295 805	318 582
Vote 3 - CORPORATE SERVICES		195	237	100	220	112	112	119	125	132
Vote 4 - COMMUNITY & SOCIAL SERVICES		4 911	9 253	3 850	7 799	9 150	9 150	10 742	8 782	9 266
Vote 5 - ENGINEERING SERVICES		88 504	93 237	107 698	147 219	147 398	147 398	108 067	108 111	110 822
Vote 6 - DEVELOPMENT PLANNING		279	149	246	218	174	174	78	82	87
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	266 784	312 015	322 476	386 612	391 923	391 923	388 947	412 905	438 888
Expenditure by Vote to be appropriated	1									
Vote 1 - EXECUTIVE & COUNCIL		51 011	55 781	62 135	67 426	69 788	69 788	81 218	84 689	89 325
Vote 2 - BUDGET & TREASURY		65 394	81 451	68 227	68 840	107 802	107 802	75 087	78 087	82 381
Vote 3 - CORPORATE SERVICES		23 343	29 423	36 624	45 223	44 761	44 761	47 144	49 664	51 986
Vote 4 - COMMUNITY & SOCIAL SERVICES		26 362	36 973	39 991	54 871	51 308	51 308	59 618	62 637	64 344
Vote 5 - ENGINEERING SERVICES		38 119	120 717	57 358	49 603	55 776	55 776	60 056	63 943	68 116
Vote 6 - DEVELOPMENT PLANNING		7 674	12 743	14 026	15 546	15 646	15 646	20 848	20 652	23 935
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	211 904	337 088	278 361	301 509	345 081	345 081	343 970	359 671	380 087
Surplus/(Deficit) for the year	2	54 880	(25 073)	44 116	85 104	46 842	46 842	44 977	53 234	58 801

Listed in the table above are the revenue and expenditure classifications for all the departments within the municipality.

Explanatory adopts to MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

1. Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organizational structure of the Municipality. This means it is possible to present the operating surplus or deficit of a vote.

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Table 16 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)

EC443 Mbizana - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
					Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome
Revenue By Source											
Property rates	2	15 554	16 511	20 256	22 342	22 342	22 342	22 342	23 571	24 843	26 210
Service charges - electricity revenue	2	17 598	20 805	28 611	29 562	30 024	30 024	30 024	35 076	37 475	40 037
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	1 033	1 008	1 143	2 123	1 294	1 294	1 294	2 365	2 495	2 632
Service charges - other			29	6	11	-	-	-	-	-	-
Rental of facilities and equipment		609	608	470	765	856	856	856	903	952	1 005
Interest earned - external investments		7 619	6 028	7 796	6 159	7 528	7 528	7 528	7 942	8 371	8 831
Interest earned - outstanding debtors		968	2 415	2 758	1 775	3 797	3 797	3 797	4 006	4 222	4 454
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		1 271	1 659	1 297	823	1 925	1 925	1 925	2 031	2 140	2 258
Licences and permits		1 823	2 442	2 555	2 372	2 174	2 174	2 174	2 294	2 418	2 551
Agency services				943	863	1 169	1 169	1 169	1 233	1 300	1 371
Transfers and subsidies		151 593	189 891	182 912	204 939	202 480	202 480	202 480	235 075	256 595	277 215
Other revenue	2	1 059	1 109	1 085	1 078	1 476	1 476	1 476	2 005	2 032	2 144
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		199 128	242 504	249 832	272 812	275 064	275 064	275 064	316 501	342 843	368 709
Expenditure By Type											
Employee related costs	2	59 634	71 790	80 378	107 442	102 519	102 519	102 519	107 802	113 310	119 542
Remuneration of councillors		17 895	18 956	19 649	21 502	22 422	22 422	22 422	24 091	25 392	26 788
Debt impairment	3	3 480	4 569	1 110	1 995	1 995	1 995	1 995	2 101	2 214	2 336
Depreciation & asset impairment	2	38 360	37 992	39 229	46 011	46 011	46 011	46 011	48 449	51 065	53 874
Finance charges		456	547	2 168	1 575	1 575	1 575	1 575	400	422	445
Bulk purchases	2	22 310	24 528	27 606	31 303	31 303	31 303	31 303	33 594	36 054	38 693
Other materials	8	-	-	-	882	7 056	7 056	7 056	8 311	8 759	9 240
Contracted services		-	-	-	35 119	38 412	38 412	38 412	50 671	51 039	53 824
Transfers and subsidies		-	-	4 491	11 209	2 380	2 380	2 380	2 158	1 764	1 861
Other expenditure	4, 5	69 757	159 469	96 054	44 471	52 714	52 714	52 714	66 393	69 652	73 483
Loss on disposal of PPE		-	19 236	7 676	-	38 694	38 694	38 694	-	-	-
Total Expenditure		211 892	337 088	278 361	301 509	345 081	345 081	345 081	343 970	359 671	380 087
Surplus/(Deficit)		(12 764)	(94 583)	(28 529)	(28 697)	(70 017)	(70 017)	(70 017)	(27 469)	(16 828)	(11 378)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		67 644	69 511	72 645	113 800	116 859	116 859	116 859	72 446	70 062	70 179
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Transfers and subsidies - capital (in-kind - all)	6	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		54 880	(25 073)	44 116	85 104	46 842	46 842	46 842	44 977	53 234	58 801
Taxation											
Surplus/(Deficit) after taxation		54 880	(25 073)	44 116	85 104	46 842	46 842	46 842	44 977	53 234	58 801
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		54 880	(25 073)	44 116	85 104	46 842	46 842	46 842	44 977	53 234	58 801
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		54 880	(25 073)	44 116	85 104	46 842	46 842	46 842	44 977	53 234	58 801

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Table 17 MBRR Table A5 - Budgeted Capital Expenditure by vote, functional classification and funding source

EC443 Mbizana - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - EXECUTIVE & COUNCIL		-	-	-	-	-	-	-	-	-	-
Vote 2 - BUDGET & TREASURY		-	-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 4 - COMMUNITY & SOCIAL SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 5 - ENGINEERING SERVICES		-	-	-	23 551	23 551	23 551	23 551	20 608	40 218	42 349
Vote 6 - DEVELOPMENT PLANNING		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	23 551	23 551	23 551	23 551	20 608	40 218	42 349
Single-year expenditure to be appropriated	2										
Vote 1 - EXECUTIVE & COUNCIL		-	-	452	-	-	-	-	-	-	-
Vote 2 - BUDGET & TREASURY		-	4 415	-	80	100	100	100	1 900	2 001	2 107
Vote 3 - CORPORATE SERVICES		9 862	-	5 605	4 460	4 860	4 860	4 860	5 318	5 599	5 896
Vote 4 - COMMUNITY & SOCIAL SERVICES		3 010	-	-	2 468	1 880	1 880	1 880	4 132	4 350	4 581
Vote 5 - ENGINEERING SERVICES		145 779	95 103	77 560	84 243	108 746	108 746	108 746	61 294	50 732	47 102
Vote 6 - DEVELOPMENT PLANNING		-	-	-	400	300	300	300	440	463	488
Capital single-year expenditure sub-total		158 651	99 518	83 617	91 651	115 886	115 886	115 886	73 083	63 146	60 174
Total Capital Expenditure - Vote		158 651	99 518	83 617	115 202	139 437	139 437	139 437	93 691	103 364	102 523
Capital Expenditure - Functional											
Governance and administration		9 862	4 415	6 057	4 876	4 960	4 960	4 960	8 058	8 485	8 934
Executive and council		-	-	452	-	-	-	-	-	-	-
Finance and administration		9 862	4 415	5 605	4 876	4 960	4 960	4 960	8 058	8 485	8 934
Internal audit		-	-	-	-	-	-	-	-	-	-
Community and public safety		-	-	-	800	1 085	1 085	1 085	2 885	3 038	3 199
Community and social services		-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	800	1 085	1 085	1 085	2 885	3 038	3 199
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		111 554	70 196	48 906	68 513	91 148	91 148	91 148	52 011	70 653	71 072
Planning and development		-	-	-	36 377	39 017	39 017	39 017	23 680	43 453	45 756
Road transport		111 554	70 196	48 906	32 036	52 101	52 101	52 101	28 331	27 200	25 316
Environmental protection		-	-	-	100	30	30	30	-	-	-
Trading services		37 236	24 907	28 653	41 013	42 244	42 244	42 244	30 737	21 188	19 318
Energy sources		34 225	24 907	28 653	40 281	41 779	41 779	41 779	30 630	21 076	19 200
Water management		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		3 010	-	-	732	465	465	465	107	112	118
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	158 651	99 518	83 617	115 202	139 437	139 437	139 437	93 691	103 364	102 523
Funded by:											
National Government		67 644	54 540	43 423	76 719	76 739	76 739	76 739	70 075	67 644	67 630
Provincial Government		-	-	-	21 681	21 681	21 681	21 681	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	67 644	54 540	43 423	98 400	98 420	98 420	98 420	70 075	67 644	67 630
Public contributions & donations	5	-	-	-	-	-	-	-	-	-	-
Borrowing	6	8 983	17 067	28 653	-	-	-	-	-	-	-
Internally generated funds		82 024	27 911	11 540	16 802	41 017	41 017	41 017	23 615	35 720	34 893
Total Capital Funding	7	158 651	99 518	83 617	115 202	139 437	139 437	139 437	93 691	103 364	102 523

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Explanatory adopts to Table A5 - Budgeted Capital Expenditure by vote, functional classification and funding source

The table above shows capital expenditure by vote and functional classification as well as funding for the expenditure forecasted.

This shows how the municipality's capital budget funding is highly dependent on grant funding. There is also a portion on the funding of electricity infrastructure that will be going to the repayment of the front loading arrangement that was made for the year under implementation. This reduces the amount available for capital budget funding.

Table 18 MBRR Table A6 - Budgeted Financial Position

EC443 Mbizana - Table A6 Budgeted Financial Position

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
ASSETS											
Current assets											
Cash		2 269	4 708	1 623	2 241	2 241	2 241	2 241	1 947	1 850	1 665
Call investment deposits	1	83 566	92 199	65 403	61 284	39 285	39 285	39 285	41 415	44 662	57 335
Consumer debtors	1	3 606	24 591	31 180	15 214	15 214	15 214	15 214	28 062	25 255	22 730
Other debtors		29 230	18 779	23 425	11 141	11 141	11 141	11 141	29 281	36 602	45 752
Current portion of long-term receivables		1 593	1 406	1 184	1 237	1 237	1 237	1 237	994	835	702
Inventory	2	867	579	472	326	326	326	326	387	318	260
Total current assets		121 131	142 261	123 287	91 444	69 445	69 445	69 445	102 087	109 522	128 444
Non current assets											
Long-term receivables		-	-	-	-	-	-	-	-	-	-
Investments		-	-	-	-	-	-	-	-	-	-
Investment property		6 356	5 662	5 794	6 957	6 957	6 957	6 957	7 165	7 380	7 602
Investment in Associate		-	-	-	-	-	-	-	-	-	-
Property, plant and equipment	3	598 499	574 812	608 116	678 900	703 134	703 134	703 134	748 376	800 675	849 324
Agricultural		-	-	-	-	-	-	-	-	-	-
Biological		-	-	-	-	-	-	-	-	-	-
Intangible		2 596	2 081	1 469	1 771	1 771	1 771	1 771	1 852	1 937	2 025
Other non-current assets		-	-	1 231	-	-	-	-	-	-	-
Total non current assets		607 451	582 555	616 609	687 627	711 862	711 862	711 862	757 364	809 992	858 950
TOTAL ASSETS		728 582	724 816	739 896	779 072	781 307	781 307	781 307	859 481	919 514	987 394
LIABILITIES											
Current liabilities											
Bank overdraft	1	-	-	-	-	-	-	-	-	-	-
Borrowing	4	8 983	23 850	16 274	-	-	-	-	-	-	-
Consumer deposits		434	441	459	263	263	263	263	463	468	473
Trade and other payables	4	52 727	44 461	38 442	19 332	19 332	19 332	19 332	33 060	28 432	24 451
Provisions		2 050	1 125	2 406	1 237	1 237	1 237	1 237	2 526	2 652	2 785
Total current liabilities		64 194	69 876	57 580	20 832	20 832	20 832	20 832	36 049	31 552	27 709
Non current liabilities											
Borrowing		-	16 550	-	-	-	-	-	-	-	-
Provisions		4 301	3 775	3 585	6 766	6 766	6 766	6 766	3 227	3 066	2 912
Total non current liabilities		4 301	20 325	3 585	6 766	6 766	6 766	6 766	3 227	3 066	2 912
TOTAL LIABILITIES		68 494	90 200	61 166	27 598	27 598	27 598	27 598	39 276	34 617	30 621
NET ASSETS	5	660 088	634 615	678 731	751 474	753 709	753 709	753 709	820 204	884 897	956 773
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		660 088	634 615	678 731	690 189	714 424	714 424	714 424	778 790	840 235	899 438
Reserves	4	-	-	-	61 284	39 285	39 285	39 285	41 415	44 662	57 335
TOTAL COMMUNITY WEALTH/EQUITY	5	660 088	634 615	678 731	751 474	753 709	753 709	753 709	820 204	884 897	956 773

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Explanatory adopts to Table A6 - Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
3. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
4. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition the funding compliance assessment is informed directly by forecasting the statement of financial position.

Table 19 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

EC443 Mbizana - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Cash and investments available											
Cash/cash equivalents at the year end	1	85 835	96 914	67 026	63 525	41 526	41 526	41 526	43 362	46 512	59 000
Other current investments > 90 days		(0)	(7)	-	(0)	-	-	-	0	0	0
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		85 835	96 907	67 026	63 525	41 526	41 526	41 526	43 362	46 512	59 000
Application of cash and investments											
Unspent conditional transfers		5 064	-	-	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	25 421	14 162	(2 807)	(4 423)	(3 752)	(3 752)	(3 752)	(21 157)	(30 072)	(40 341)
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		30 485	14 162	(2 807)	(4 423)	(3 752)	(3 752)	(3 752)	(21 157)	(30 072)	(40 341)
Surplus(shortfall)		55 350	82 745	69 833	67 949	45 278	45 278	45 278	64 519	76 584	99 341

Explanatory adopts to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

The above table shows how the municipality's funding will be applied and the targets set for cash backed reserves over the medium. This is informed by anticipated year end targets as well as the plans to be implemented over the medium-term, especially on the revenue management, debt collection as well as expenditure management.

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Table 19 MBRR Table A7 – Budgeted Cash Flows

EC443 Mbizana - Table A7 Budgeted Cash Flows

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		5 499	5 157	9 702	18 991	18 991	18 991	18 991	23 571	24 843	26 210
Service charges		16 776	21 842	29 904	31 272	30 892	30 892	30 892	37 441	39 970	42 670
Other revenue		4 762	5 548	5 056	5 363	7 097	7 097	7 097	8 466	8 842	9 329
Government - operating	1	153 625	185 410	181 492	204 939	202 380	202 380	202 380	235 075	256 595	277 215
Government - capital	1	67 644	71 883	72 645	113 800	116 859	116 859	116 859	72 446	70 062	70 179
Interest		8 588	8 443	10 554	7 934	11 300	11 300	11 300	11 948	12 593	13 285
Dividends		-	-	-	-	-	-	-	-	-	-
Payments											
Suppliers and employees		(148 082)	(215 082)	(224 860)	(240 719)	(254 427)	(254 427)	(254 427)	(290 862)	(304 206)	(321 570)
Finance charges		(456)	(547)	(2 168)	(1 575)	(1 575)	(1 575)	(1 575)	(400)	(422)	(445)
Transfers and Grants	1	-	(3 455)	(4 491)	(11 209)	(2 380)	(2 380)	(2 380)	(2 158)	(1 764)	(1 861)
NET CASH FROM/(USED) OPERATING ACTIVITIES		108 357	79 197	77 835	128 794	129 136	129 136	129 136	95 527	106 514	115 011
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		978	110	20	-	-	-	-	-	-	-
Decrease (Increase) in non-current debtors		-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
Payments											
Capital assets		(158 635)	(99 645)	(83 617)	(115 202)	(139 237)	(139 237)	(139 237)	(93 691)	(103 364)	(102 523)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(157 657)	(99 535)	(83 597)	(115 202)	(139 237)	(139 237)	(139 237)	(93 691)	(103 364)	(102 523)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		8 983	23 850	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	24 526	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-
Payments											
Repayment of borrowing		-	(16 959)	(24 126)	(15 399)	(15 399)	(15 399)	(15 399)	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		8 983	31 417	(24 126)	(15 399)	(15 399)	(15 399)	(15 399)	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD		(40 317)	11 079	(29 888)	(1 808)	(25 500)	(25 500)	(25 500)	1 836	3 150	12 488
Cash/cash equivalents at the year begin:	2	126 152	85 835	96 914	65 333	67 026	67 026	67 026	41 526	43 362	46 512
Cash/cash equivalents at the year end:	2	85 835	96 914	67 026	63 525	41 526	41 526	41 526	43 362	46 512	59 000

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MLM – EC 443 Integrated Development Plan – 2018/2019 Review

Table 20 MBRR Table A10 – Basic Service Delivery Measurement

EC443 Mbizana - Table A10 Basic service delivery measurement

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Household service targets	1									
Water:										
Total number of households	5	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:										
Total number of households	5	-	-	-	-	-	-	-	-	-
Energy:										
Electricity (at least min.service level)		200	200	-	287	287	287	290	325	330
Electricity - prepaid (min.service level)		22 346	22 346	-	22 346	22 346	22 346	23 886	25 531	27 290
<i>Minimum Service Level and Above sub-total</i>		22 546	22 546	-	22 633	22 633	22 633	24 176	25 856	27 620
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		6 000	6 000	-	6 000	6 000	6 000	5 000	4 200	3 150
<i>Below Minimum Service Level sub-total</i>		6 000	6 000	-	6 000	6 000	6 000	5 000	4 200	3 150
Total number of households	5	28 546	28 546	-	28 633	28 633	28 633	29 176	30 056	30 770
Refuse:										
Removed at least once a week		800	800	-	800	800	800	850	880	900
<i>Minimum Service Level and Above sub-total</i>		800	800	-	800	800	800	850	880	900
Removed less frequently than once a week		157	157	-	157	157	157	169	172	180
Using communal refuse dump		250	250	-	250	250	250	260	280	290
Using own refuse dump		-	-	-	-	-	-	-	-	-
Other rubbish disposal		3	3	-	3	3	3	3	3	3
No rubbish disposal		47 480	47 480	-	47 480	47 480	47 480	48 480	48 499	50 123
<i>Below Minimum Service Level sub-total</i>		47 890	47 890	-	47 890	47 890	47 890	48 912	48 954	50 596
Total number of households	5	48 690	48 690	-	48 690	48 690	48 690	49 762	49 834	51 496
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free minimum level service)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per household per month)		-	-	-	287	287	287	290	325	330
Refuse (removed at least once a week)		-	-	-	-	-	-	-	-	-
Cost of Free Basic Services provided - Formal	8									
Water (6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free sanitation service to indigent household)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per indigent household)		-	-	-	150	150	150	165	198	267
Refuse (removed once a week for indigent household)		-	-	-	-	-	-	-	-	-
Cost of Free Basic Services provided - Informal Form										
Total cost of FBS provided		-	-	-	150	150	150	165	198	267

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Part 2 – Supporting Documentation

26.1 Overview of the annual budget process

A budget and IDP process plan was tabled to the municipal council 10 months before the start of the 2018/19 financial year as required by the Municipal Finance Management Act. The process plan sets out a road map with timeframes and tasks clearly set with responsible officials or institutions. The process plan in part of the IDP document and efforts have been made to ensure that these timelines are adhered to the latter. The process involves the consultation with the communities which was done during November and December 2017. These consultations inform the inputs into the IDP and the Budget.

A draft budget will be tabled to council before 31 March 2018. Inputs will then be sought from all stakeholders within the communities and therefore community consultations will be carried out in April and May 2018. The final budget adoption will have to take into consideration these inputs.

Other inputs were received from the Provincial Treasury after having received the draft, and an engagement between the Provincial Treasury and the Municipality took place. A review document was produced by the Provincial Treasury and concerns raised in this document and the engagement have been, as far as possible, taken into consideration in the final compilation.

26.2 Overview of budget related-policies

The budget preparation process cannot be separated from the review of related policies that enable the implementation of the budget. The following is a brief look at the budget related policies and where applicable, changes that have been proposed during the budget review:-

26.2.1 Review of credit control and debt collection policy

- It is vital to the long term financial viability of the Mbizana Local Municipality that it collects the revenues (such as service charges, rates and taxes) due to it for services rendered. In terms of s96 of the Systems Act, a municipality:
- must collect all money that is due and payable to it subject to this Act and any other applicable legislation; and
- For this purpose, must adopt, maintain and implement a credit control and debt collection policy, which is consistent with rates and tariff policies and complies with the provisions of this Act. This means that appropriate credit control and debtors mechanisms must be maintained. The services provided by the Mbizana Local Municipality include electricity, refuse removal and other municipal services.

26.2.2 Supply Chain Management Policy

The SCM policy aims to ensure that Mbizana Local Municipality procures goods and services in a manner that is efficient, timely and cost-effective, ensures customer satisfaction, pursues socio-economic objectives through a preference system and demonstrates compliance with the constitution and all relevant legislation.

A few changes have been proposed to the SCM Policy and these have been necessitated mainly by changes introduced by the National Treasury as well as the South African Revenue Services.

Central Supplier Database: The National Treasury has introduced a requirement that all service provider purporting to do business with government institutions must be registered in a central database maintained by the National Treasury. Important information that relates to the registration of all companies and compliance with various requirements of various institutions is monitored through this database. Our policy should therefore make reference to this.

SARS Pin: The SARS has in the past made use of the tax clearance certificate, valid for a year, to confirm the good standing of companies that do business with the municipality. All companies have now been issued with a SARS pin which enables organs of state to directly enquire on the status of the companies at any given time. This has made the submission of the tax certificate not compulsory, but that of the SARS Pin. This development must again be reflected in the SCM policy of the municipality.

Preferential Procurement Regulations, 2017: The Minister of Finance, in terms of section 5 of the Preferential Procurement Policy Framework Act, 2000, made the regulations set out in the schedule, and issued in terms of a government gazette in January 2017. The Preferential Procurement Regulations 2017 therefore set out a number of regulations that must be implemented by all organs of the state from April 01, 2017. Some of the regulations set out affect the municipality's Supply Chain Management policy, and as such the policy must be amended to give effect to those.

The following are some of the major changes that the regulations present:-

- **Pre-qualification criteria for preferential procurement:** Where an organ of state decides to apply pre-qualification criteria to advance certain designated groups, an organ of state must advertise the tender with specific tendering condition that one or more of the type of tenderers may respond. These include amongst others:-
 - A tenderer having a stipulated minimum B-BBEE status level of contributor;
 - An EME (exempt micro enterprise) or QSE (qualifying small business);
 - A tenderer subcontracting a minimum of 30% to:-
 - An EME or QSE which is at least 51% owned by black people;
 - An EME or QSE which is at least 51% owned by black people who are youth;
 - An EME or QSE which is at least 51% owned by black people who are women; and a number of other criteria as stated in the regulations.
- **80/20 preference point system for acquisition of goods or services for Rand value equal to or above R30 000 and up to R50 million:** This point scoring system is now applicable to all procurement from R30 000 to R50 million where as it before only up to R1 million.

- **90/10 preference point system for acquisition of goods or services for Rand value above R50 million:** The point scoring system that used to be applicable from the Rand value of R1 million is now only applicable from a Rand value of more than R50 million.
- **Subcontracting after award of tender:** The regulations make specific considerations relating to subcontracting after the award and the following points are important:
 - A person awarded a contract may only enter into a subcontracting arrangement with the approval of the state;
 - A person awarded a contract may not subcontract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level of contributor than the person concerned, unless the contract is subcontracted to an EME that has the capability and ability to execute the subcontract.

26.2.3 Budget Policy

The objective of the budget policy is to set out:

- The principles which the municipality will follow in preparing each medium term revenue and expenditure framework budget,
- The responsibilities of the mayor, the accounting officer, the chief financial officer and other senior managers in compiling the budget, and
- To establish and maintain procedures to ensure adherence to Mbizana's IDP review and budget processes.

This policy also needs to see a number of changes which are necessitated by the introduction of mSCOA. The various segments introduced with mSCOA have meant that the levels of authority cannot be left unchanged as some transfers and virements require a higher level of authorization, up to a level where council must take a decision.

26.2.4 Cash Management and Investment Policy

An Accounting Officer has an obligation to ensure that cash resources are managed as effectively, efficiently and economically as possible. Effective cash management and competitive investment ensures both short-term and long-term viability and sustainability of the municipality. Hence, it is critical for the Mbizana Local Municipality to have its own Cash Management and Investment Policy located within the local government legislative framework.

The primary and ultimate goal of the investment of funds is to secure the safety, integrity and wholeness of the invested capital, managing liquidity requirements and ensuring the earning of the highest possible return on invested capital at minimum risk (i.e. whilst not risking the partial or total loss of invested capital), within the parameters of authorised instruments as per the MFMA.

26.2.5 Tariff Policies

In terms of section 62 (1) of the Local Government: Municipal Finance Management Act (MFMA), Act no 56 of 2003, the Accounting Officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure that, inter alia, the municipality has and implements a tariff policy referred to in section 74 of the Local Government: Municipal Systems Act (MSA), Act no 32 of 2000 as amended. In terms of section 74 of the Municipal Systems Act the municipal council hereby adopts a tariff policy on the levying of fees for municipal services provided by the municipality itself or by way of service delivery agreements.

26.2.6 Property rates policy

This policy guides the annual setting (or revision) of property rates tariffs. It does not necessarily make specific property rates tariff proposals. Details pertaining to the applications of the various property rates tariffs are annually published in the Provincial Gazette and the municipality's schedule of tariffs, which must be read in conjunction with this policy. In imposing the rate in the rand for each annual operating budget component, the municipality shall grant exemptions, rebates and reductions to the categories of properties and categories of owners as allowed for in this policy document.

26.2.7 Asset management policy

The objective of this Asset Management Policy is to ensure that the municipality:

- has consistent application of asset management principles;
- implements accrual accounting;
- complies with the MFMA and other related legislation;
- correctly accounts for Assets under the GRAP accounting framework;
- safeguards and controls the assets of the municipality; and
- Optimizes asset usage.

During the review it was identified that the Asset Management committee did not include the councillors responsible for asset management and this was the proposed change to the policy.

26.2.8 SCM Policy for Infrastructure Procurement and Delivery Management

The National Treasury issued a circular in October 2015 in relation to the introduction of this policy. The intention of the circular was to a policy that would enable a municipality to separate the supply chain management requirements for general goods and services from those for infrastructure delivery. The infrastructure delivery encompasses a whole range of competencies including planning, technical, administrative and managerial actions associated with the construction, supply, renovation, rehabilitation, alteration, maintenance, operation or disposal of infrastructure.

The circular has two attachments or annexures to it, which are,

- Model SCM Policy for Infrastructure Procurement and Delivery Management; and
- National Treasury Standard for Infrastructure Procurement and Delivery Management (SIPDM)

The model SCM Policy is intended to give a guide to the municipality as to what the contents of the policy should be, while the Standard for Infrastructure provides standards that must be complied with in the implementation of the policy.

Council must then consider the model policy, make its own inputs and approve it for implementation from July 01, 2018.

The policy is structured in the following way:-

General Requirements

- Delegations
- Implementation of SIPDM
- Supervision of the Infrastructure delivery management unit – BTO and ES

MLM – EC 443 Integrated Development Plan – 2018/2019 Review

- Objections and Complaints
- Resolution of Disputes

Control Framework

- Gateway reviews
- General
- Stages and End-of-Stages deliverables

Infrastructure Delivery Management

- Institutional arrangements
- Acquisition management
- Reporting

Infrastructure Procurement

- Procurement Documents
- Developmental procurement policy
- Payment of creditors
- Approval to utilize specific procurement procedures
- Receipt and safeguarding of submissions
- Opening of submission

Stage		End-of-Stage deliverables
No.	Name	
0	Project Initiation	An initiation report which outlines the high-level business case together with the estimated project cost and proposed schedule for a single project or a group of projects having a similar high-level scope
1	Infrastructure Planning	An infrastructure plan which identifies and prioritizes projects and packages against a forecasted budget over a period of at least five years
2	Strategic Resourcing	A delivery and/or procurement strategy which, for a portfolio of projects, identifies the delivery strategy in respect of each project

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			or package and, where needs are met through own procurement system, a procurement strategy
3	Pre-feasibility		A prefeasibility report which determines whether or not it is worthwhile to proceed to the feasibility stage
	Preparation and brief		A strategic brief which defines project objectives, needs, acceptance criteria and client priorities and aspirations, and which sets out the basis for the development of the concept report for one or more packages
4	Feasibility		A feasibility report which presents sufficient information to determine whether or not the project should be implemented
	Concept and viability		A concept report which establishes the detailed brief, scope, scale, form and control budget, and sets out the integrated concept for one or more packages
5	Design Development		A design development report which develops in detail the approved concept to finalize the design and definition criteria, sets out the integrated developed design, and contains the cost plan and schedule for one or more packages
6	Design Documentation	6A Production information	Production information which provides the detailing, performance definition, specification, sizing and positioning of all systems and components enabling either construction (where the constructor is able to build directly from the information prepared) or the production of manufacturing and installation information for construction
		6B Manufacture, fabrication and construction information	Manufacture, fabrication and construction information produced by or on behalf of the constructor, based on the production information provided for a package which enables manufacture, fabrication or construction to take place
7	Works		Completed works which are capable of being occupied or used
8	Handover		Works which have been taken over by the user or owner complete with record information
9	Package Completion		Works with notified defects corrected, final account settled and the close out report issued

26.22 Overview of budget assumptions

The budget compilation has been driven by a few assumptions based on the information available to the municipality. As indicated in the earlier paragraphs, the MFMA Treasury Budget Circulars have been used as a basis for the assumptions made. The inflationary outlook as per the circulars is as follows:

Fiscal year	2017/18 Estimate	2018/19	2019/20 Forecast	2020/21 Forecast
Consumer Price Inflation – CPI	5,3%	5,3%	5,4%	5,5%

The National Energy Regulator of South Africa has indicated a proposed increase at about 6,84% for Municipalities and it doesn't seem likely that any different would be approved for the municipalities. This assumption was therefore applied in the adjustment of tariffs.

The employee related costs increments are still being negotiated and 2018/19 will see the first year of the implementation of that agreement. The budgetary provision of the 2018/19 financial year should then be provided for as follows:-

- **2018/19 Fin Year – average CPI + 1%**

26.22.1 Councilor and employee benefits

Table 21 MBRR SA22 - Summary of councilor and staff benefits

EC443 Mbizana - Supporting Table SA22 Summary councilor and staff benefits

Summary of Employee and Councilor remuneration	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		11 967	12 101	12 761	12 237	13 157	13 157	14 343	15 118	15 950
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		3 839	4 273	4 431	4 888	4 888	4 888	5 142	5 420	5 718
Cellphone Allowance		1 323	1 329	1 585	1 445	1 445	1 445	1 520	1 602	1 691
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		767	1 253	872	2 933	2 933	2 933	3 085	3 252	3 431
Sub Total - Councillors		17 895	18 956	19 649	21 502	22 422	22 422	24 091	25 392	26 788
% increase	4		5,9%	3,7%	9,4%	4,3%	-	7,4%	5,4%	5,5%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		4 248	4 371	4 657	4 577	4 577	4 577	4 989	5 258	5 542
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3	-	1 259	1 339	-	-	-	-	-	-
Cellphone Allowance	3	-	-	-	204	204	204	-	-	-
Housing Allowances	3	-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	2 184	892	947	2 345	2 345	2 345	2 695	2 840	2 994
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		6 432	6 522	6 943	7 126	7 126	7 126	7 684	8 099	8 536
% increase	4		1,4%	6,5%	2,6%	-	-	7,8%	5,4%	5,4%
Other Municipal Staff										
Basic Salaries and Wages		33 640	46 585	53 504	67 417	62 494	62 494	66 431	70 018	73 799
Pension and UIF Contributions		3 402	4 462	5 142	6 295	6 295	6 295	6 691	7 052	7 433
Medical Aid Contributions		2 572	3 252	3 749	4 751	4 751	4 751	5 051	5 323	5 611
Overtime		388	411	91	1 171	1 171	1 171	1 244	1 311	1 382
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3	4 407	4 872	5 506	8 301	8 301	8 301	8 824	9 300	9 802
Cellphone Allowance	3	530	620	506	432	432	432	459	484	510
Housing Allowances	3	2 132	2 435	2 895	3 645	3 645	3 645	3 874	4 084	4 304
Other benefits and allowances	3	6 131	2 631	5 909	8 305	8 305	8 305	7 544	7 638	8 163
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		53 202	65 268	77 302	100 315	95 393	95 393	100 118	105 211	111 005
% increase	4		22,7%	18,4%	29,8%	(4,9%)	-	5,0%	5,1%	5,5%
Total Parent Municipality		77 529	90 746	103 894	128 944	124 941	124 941	131 893	138 702	146 330
			17,0%	14,5%	24,1%	(3,1%)	-	5,6%	5,2%	5,5%

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EC443 Mbizana - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Speaker	4		491 946		258 031			749 977
Chief Whip			461 201		244 855			706 056
Executive Mayor			527 087		351 391			878 478
Deputy Executive Mayor								–
Executive Committee			3 079 247		2 052 832			5 132 079
Total for all other councillors			9 783 951		6 840 323			16 624 274
Total Councillors	8	–	14 343 433	–	9 747 432			24 090 865
Senior Managers of the Municipality	5							
Municipal Manager (MM)			960 169	–	476 561			1 436 729
Chief Finance Officer			692 300		557 158			1 249 458
Senior Manager - Engineering			692 300		557 158			1 249 458
Senior Manager - Corporate Services			692 300		557 158			1 249 458
Senior Manager - Community Services			692 300		557 158			1 249 458
Senior Manager - Development Planning			692 300		557 158			1 249 458
Total Senior Managers of the Municipality	8,10	–	4 421 667	–	3 262 351	–		7 684 018
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	–	18 765 100	–	13 009 784	–		31 774 883

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26.22.2 Expenditure on grants and reconciliations of unspent funds

Table 22 MBRR SA19 – Expenditure on transfers and grant programmes

EC443 Mbizana - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants:										
National Government:		173 161	209 159	204 212	235 530	235 530	235 530	260 105	278 295	296 415
Local Government Equitable Share		145 251	181 314	175 910	197 681	197 681	197 681	230 525	254 380	275 000
Finance Management		1 606	1 268	2 218	2 145	2 145	2 145	2 215	2 215	2 215
Municipal Systems Improvement		890	579	–	–	–	–	–	–	–
EPWP Incentive		1 021	1 000	1 084	1 704	1 704	1 704	2 335	–	–
Integrated National Electrification Programme		24 393	24 998	25 000	34 000	34 000	34 000	25 030	21 700	19 200
LED Assistance Grant										
Provincial Government:		564	240	548	–	–	–	448	391	413
Sport and Recreation		–	240	263	–	–	–	448	391	413
LED Assistance Grant				167						
LED Assistance Grant		564		118	–	–	–	–	–	–
District Municipality:		–	–	400	–	–	–	–	–	–
Integrated Development Planning				100	–	–	–	–	–	–
				300						
Other grant providers:		–	–	100	–	–	–	–	–	–
GIS Shared Services				100	–	–	–	–	–	–
Total operating expenditure of Transfers and Grants		173 725	209 399	205 260	235 530	235 530	235 530	260 553	278 686	296 828
Capital expenditure of Transfers and Grants										
National Government:		45 424	46 783	46 159	61 178	61 178	61 178	47 416	48 362	50 979
Municipal Infrastructure Grant (MIG)		45 424	46 783	46 159	61 178	61 178	61 178	47 416	48 362	50 979
Other capital transfers/grants [insert desc]										
Provincial Government:		–	–	–	21 681	21 681	21 681	–	–	–
Electrification Assistance		–	–	–	21 681	21 681	21 681	–	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
Integrated Development Planning										
Other grant providers:		–	–	–	–	–	–	–	–	–
[insert description]										
Total capital expenditure of Transfers and Grants		45 424	46 783	46 159	82 859	82 859	82 859	47 416	48 362	50 979
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		219 149	256 182	251 419	318 389	318 389	318 389	307 969	327 048	347 807

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MLM – EC 443 Integrated Development Plan – 2018/2019 Review

Table 23 MBRR SA20 – Reconciliation of transfers, grant receipts and unspent funds

EC443 Mbizana - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
					Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		735	45	803	-	-	-	-	-	-
Current year receipts		148 785	184 919	179 212	235 530	235 530	235 530	260 105	278 295	296 415
Conditions met - transferred to revenue		149 474	184 161	180 015	235 530	235 530	235 530	260 105	278 295	296 415
Conditions still to be met - transferred to liabilities		45	803	-	-	-	-	-	-	-
Provincial Government:										
Balance unspent at beginning of the year		1 632	4 860	1 791	-	-	-	-	-	-
Current year receipts		3 540	250	350	350	350	350	448	391	413
Conditions met - transferred to revenue		312	3 319	2 141	350	350	350	448	391	413
Conditions still to be met - transferred to liabilities		4 860	1 791	-	-	-	-	-	-	-
District Municipality:										
Balance unspent at beginning of the year		7	157	357	-	100	100	-	-	-
Current year receipts		150	200	-	-	-	-	-	-	-
Conditions met - transferred to revenue		-	-	357	-	100	100	-	-	-
Conditions still to be met - transferred to liabilities		157	357	-	-	-	-	-	-	-
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Total operating transfers and grants revenue		149 787	187 480	182 513	235 880	235 980	235 980	260 553	278 686	296 828
Total operating transfers and grants - CTBM	2	5 062	2 951	-	-	-	-	-	-	-
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		420	2	4	-	-	-	-	-	-
Current year receipts		69 392	71 783	71 159	61 178	61 178	61 178	47 416	48 362	50 979
Conditions met - transferred to revenue		69 811	71 781	71 163	61 178	61 178	61 178	47 416	48 362	50 979
Conditions still to be met - transferred to liabilities		2	4	-	-	-	-	-	-	-
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts		-	-	-	21 681	22 181	22 181	-	-	-
Conditions met - transferred to revenue		-	-	-	21 681	22 181	22 181	-	-	-
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Total capital transfers and grants revenue		69 811	71 781	71 163	82 859	83 359	83 359	47 416	48 362	50 979
Total capital transfers and grants - CTBM	2	2	4	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE		219 597	259 261	253 675	318 739	319 339	319 339	307 969	327 048	347 807
TOTAL TRANSFERS AND GRANTS - CTBM		5 064	2 955	-	-	-	-	-	-	-

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Table 24 MBRR SA24 – Summary of personnel numbers

EC443 Mbizana - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2016/17			Current Year 2017/18			Budget Year 2018/19		
		Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		61	4	57	61	4	57	61	4	57
Board Members of municipal entities	4									
Municipal employees	5									
Municipal Manager and Senior Managers	3	6		6	7		6	7		6
Other Managers	7	16	3	13	16	3	13	16	3	13
Professionals		-	-	-	-	-	-	-	-	-
Finance										
Spatial/town planning										
Information Technology										
Roads										
Electricity										
Water										
Sanitation										
Refuse										
Other										
Technicians		53	50	2	53	50	2	53	50	2
Finance		11	10	-	11	10	-	11	10	-
Spatial/town planning										
Information Technology										
Roads										
Electricity										
Water										
Sanitation										
Refuse		42	40	2	42	40	2	42	40	2
Other										
Clerks (Clerical and administrative)		97	67	31	97	67	31	97	67	31
Service and sales workers										
Skilled agricultural and fishery workers										
Craft and related trades										
Plant and Machine Operators		4		4	4		4	4		4
Elementary Occupations		83	83		83	83		83	83	
TOTAL PERSONNEL NUMBERS	9	320	207	113	321	207	113	321	207	113

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26.22.3 Monthly targets for revenue, expenditure and cash flow

EC443 Mbizana - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand													1		
Cash Receipts By Source															
Property rates	3 785	4 010	1 010	810	1 110	790	2 010	130	2 010	2 350	3 010	2 550	23 571	24 843	26 210
Service charges - electricity revenue	3 508	1 754	2 806	4 209	3 437	2 034	6 314	2 455	2 034	4 034	1 754	737	35 076	37 475	40 037
Service charges - water revenue															
Service charges - sanitation revenue															
Service charges - refuse revenue	237	118	189	284	232	137	426	166	137	272	118	50	2 365	2 495	2 632
Service charges - other															
Rental of facilities and equipment	90	45	72	108	89	52	163	63	52	104	45	19	903	952	1 005
Interest earned - external investments	794	397	635	953	778	461	1 430	556	461	913	397	167	7 942	8 371	8 831
Interest earned - outstanding debtors	401	200	320	481	393	232	721	280	232	461	200	84	4 006	4 222	4 454
Dividends received															
Fines, penalties and forfeits	203	102	162	244	199	118	366	142	118	234	102	43	2 031	2 140	2 258
Licences and permits	229	115	184	275	225	133	413	161	133	264	115	48	2 294	2 418	2 551
Agency services	123	62	99	148	121	72	222	86	72	142	62	26	1 233	1 300	1 371
Transfer receipts - operational	94 339					71 368			69 368				235 075	256 595	277 215
Other revenue	200	100	160	241	196	116	361	140	116	231	100	42	2 005	2 032	2 144
Cash Receipts by Source	103 910	6 902	5 638	7 752	6 779	75 513	12 423	4 179	74 733	9 003	5 902	3 765	316 501	342 843	368 709
Other Cash Flows by Source															
Transfer receipts - capital	28 978					21 734			21 023			711	72 446	70 062	70 179
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)															
Proceeds on disposal of PPE															
Short term loans															
Borrowing long term/refinancing															
Increase (decrease) in consumer deposits															
Decrease (increase) in non-current debtors															
Decrease (increase) other non-current receivable															
Decrease (increase) in non-current investments															
Total Cash Receipts by Source	132 888	6 902	5 638	7 752	6 779	97 247	12 423	4 179	95 756	9 003	5 902	4 476	388 947	412 905	438 888
Cash Payments by Type															
Employee related costs	8 941	8 941	8 941	8 941	8 941	8 941	8 941	8 941	8 941	8 941	8 941	9 450	107 802	113 310	119 542
Remuneration of councillors	1 666	1 766	1 666	1 766	1 766	1 766	1 766	2 566	2 166	2 166	2 266	2 768	24 091	25 392	26 788
Finance charges		170									138	92	400	422	445
Bulk purchases - Electricity	2 800	2 900	2 700	2 600	2 400	2 900	2 300	2 200	2 900	3 200	3 300	3 400	33 594	36 054	38 693
Bulk purchases - Water & Sewer															
Other materials	643	643	643	643	643	643	643	643	643	643	643	1 232	8 311	8 759	9 240
Contracted services	7 025	1 025			5 025	6 025	9 025	8 025	1 025	7 025	4 025	2 445	50 671	51 039	53 824
Transfers and grants - other municipalities															
Transfers and grants - other	180	180	180	180	180	180	180	180	180	180	180	180	2 158	1 764	1 861
Other expenditure	9 419	5 419	9 419	8 519	9 419	4 419	1 449	4 219	3 419	2 419	1 419	6 857	66 393	69 652	73 483
Cash Payments by Type	30 674	21 044	23 548	22 648	28 374	24 874	24 304	26 774	19 274	24 574	20 912	26 424	293 420	306 392	323 877
Other Cash Flows/Payments by Type															
Capital assets	9 391	8 391	6 391	5 391	5 391	9 391	7 391	7 391	7 391	7 391	7 391	12 391	93 691	103 364	102 523
Repayment of borrowing															
Other Cash Flow s/Payments															
Total Cash Payments by Type	40 064	29 435	29 939	28 039	33 764	34 264	31 694	34 164	26 664	31 964	28 303	38 814	387 111	409 756	426 400
NET INCREASE/(DECREASE) IN CASH HELD	92 824	(22 532)	(24 301)	(20 287)	(26 985)	62 983	(19 271)	(29 985)	69 091	(22 962)	(22 400)	(34 338)	1 836	3 150	12 488
Cash/cash equivalents at the monthly year begin:	41 526	134 350	111 817	87 516	67 229	40 244	103 226	83 956	53 971	123 062	100 100	77 700	41 526	43 362	46 512
Cash/cash equivalents at the monthly year end:	134 350	111 817	87 516	67 229	40 244	103 226	83 956	53 971	123 062	100 100	77 700	43 362	46 512	59 000	

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Table 25 MBRR SA25 – Budgeted monthly revenue and expenditure

EC443 Mbizana - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue By Source																
Property rates		1 964	1 964	1 964	1 964	1 964	1 964	1 964	1 964	1 964	1 964	1 964	1 964	23 571	24 843	26 210
Service charges - electricity revenue		2 673	2 673	2 673	2 673	2 673	2 673	2 673	2 673	2 673	2 673	2 673	5 673	35 076	37 475	40 037
Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		114	114	114	114	114	114	114	114	114	114	114	1 115	2 365	2 495	2 632
Service charges - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		75	75	75	75	75	75	75	75	75	75	75	75	903	952	1 005
Interest earned - external investments		662	662	662	662	662	662	662	662	662	662	662	662	7 942	8 371	8 831
Interest earned - outstanding debtors		334	334	334	334	334	334	334	334	334	334	334	334	4 006	4 222	4 454
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		169	169	169	169	169	169	169	169	169	169	169	169	2 031	2 140	2 258
Licences and permits		191	191	191	191	191	191	191	191	191	191	191	191	2 294	2 418	2 551
Agency services		103	103	103	103	103	103	103	103	103	103	103	103	1 233	1 300	1 371
Transfers and subsidies		19 824	19 824	19 824	19 824	19 824	19 824	19 824	19 824	19 824	19 824	19 824	17 006	235 075	256 595	277 215
Other revenue		130	130	130	130	130	130	130	130	130	130	130	578	2 005	2 032	2 144
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		26 239	26 239	26 239	26 239	26 239	26 239	26 239	26 239	26 239	26 239	26 239	27 870	316 501	342 843	368 709
Expenditure By Type																
Employee related costs		8 941	8 941	8 941	8 941	8 941	8 941	8 941	8 941	8 941	8 941	8 941	9 450	107 802	113 310	119 542
Remuneration of councillors		1 966	1 966	1 966	1 966	1 966	1 966	1 966	1 966	1 966	1 966	1 966	2 468	24 091	25 392	26 788
Debt impairment		175	175	175	175	175	175	175	175	175	175	175	175	2 101	2 214	2 336
Depreciation & asset impairment		4 037	4 037	4 037	4 037	4 037	4 037	4 037	4 037	4 037	4 037	4 037	4 037	48 449	51 065	53 874
Finance charges		-	170	-	-	-	-	-	-	-	-	138	92	400	422	445
Bulk purchases		2 800	2 800	2 800	2 800	2 800	2 800	2 800	2 800	2 800	2 800	2 800	2 800	33 594	36 054	38 693
Other materials		643	643	643	643	643	643	643	643	643	643	643	1 232	8 311	8 759	9 240
Contracted services		4 025	4 025	4 025	4 025	4 025	4 025	4 025	4 025	4 025	4 025	4 025	6 395	50 671	51 039	53 824
Transfers and subsidies		180	180	180	180	180	180	180	180	180	180	180	180	2 158	1 764	1 861
Other expenditure		5 419	5 419	5 419	5 419	5 419	5 419	5 419	5 419	5 419	5 419	5 419	6 787	66 393	69 652	73 483
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		28 186	28 356	28 186	28 186	28 186	28 186	28 186	28 186	28 186	28 186	28 324	33 616	343 970	359 671	380 087
Surplus/(Deficit)																
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		(1 947)	(2 117)	(1 947)	(1 947)	(1 947)	(1 947)	(1 947)	(1 947)	(1 947)	(1 947)	(2 085)	(5 746)	(27 469)	(16 828)	(11 378)
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		5 840	5 840	5 840	5 840	5 840	5 840	5 840	5 840	5 840	5 840	5 840	8 210	72 446	70 062	70 179
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		3 893	3 723	3 893	3 893	3 893	3 893	3 893	3 893	3 893	3 893	3 755	2 464	44 977	53 234	58 801
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	3 893	3 723	3 893	3 893	3 893	3 893	3 893	3 893	3 893	3 893	3 755	2 464	44 977	53 234	58 801

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Table 26 MBRR SA26 – Budgeted monthly revenue and expenditure (municipal vote)

EC443 Mbizana - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue by Vote																
Vote 1 - EXECUTIVE & COUNCIL		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 2 - BUDGET & TREASURY		20 623	20 623	20 623	20 623	20 623	20 623	20 623	20 623	20 623	20 623	20 623	43 085	269 941	295 805	318 582
Vote 3 - CORPORATE SERVICES		10	10	10	10	10	10	10	10	10	10	10	10	119	125	132
Vote 4 - COMMUNITY & SOCIAL SERVICES		805	805	805	805	805	805	805	805	805	805	805	1 888	10 742	8 782	9 266
Vote 5 - ENGINEERING SERVICES		8 753	8 753	8 753	8 753	8 753	8 753	8 753	8 753	8 753	8 753	8 753	11 789	108 067	108 111	110 822
Vote 6 - DEVELOPMENT PLANNING		–	–	–	26	–	–	–	26	–	–	–	26	78	82	87
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue by Vote		30 191	30 191	30 191	30 217	30 191	30 191	30 191	30 217	30 191	30 191	30 191	56 798	388 947	412 905	438 888
Expenditure by Vote to be appropriated																
Vote 1 - EXECUTIVE & COUNCIL		6 768	6 768	6 768	6 768	6 768	6 768	6 768	6 768	6 768	6 768	6 768	6 768	81 218	84 689	89 325
Vote 2 - BUDGET & TREASURY		6 079	6 079	6 079	6 079	6 079	6 079	6 079	6 079	6 079	6 079	6 079	8 220	75 087	78 087	82 381
Vote 3 - CORPORATE SERVICES		3 929	3 929	3 929	3 929	3 929	3 929	3 929	3 929	3 929	3 929	3 929	3 929	47 144	49 664	51 986
Vote 4 - COMMUNITY & SOCIAL SERVICES		4 943	4 943	4 943	4 943	4 943	4 943	4 943	4 943	4 943	4 943	4 943	5 249	59 618	62 637	64 344
Vote 5 - ENGINEERING SERVICES		4 863	4 863	4 863	4 863	4 863	4 863	4 863	4 863	4 863	4 863	4 863	6 558	60 056	63 943	68 116
Vote 6 - DEVELOPMENT PLANNING		1 742	1 742	1 742	1 742	1 742	1 742	1 742	1 742	1 742	1 742	1 681	20 848	20 652	23 935	
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure by Vote		28 324	28 324	28 324	28 324	28 324	28 324	28 324	28 324	28 324	28 324	28 324	32 404	343 970	359 671	380 087
Surplus/(Deficit) before assoc.		1 866	1 866	1 866	1 892	1 866	1 866	1 866	1 892	1 866	1 866	1 866	24 393	44 977	53 234	58 801
Taxation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Attributable to minorities		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of surplus/ (deficit) of associate		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	1	1 866	1 866	1 866	1 892	1 866	1 866	1 866	1 892	1 866	1 866	1 866	24 393	44 977	53 234	58 801

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Table 27 MBRR SA27 – Budgeted monthly revenue and expenditure (standard classification)

EC443 Mbizana - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue - Functional																
<i>Governance and administration</i>		22 508	22 508	22 508	22 508	22 508	22 508	22 508	22 508	22 508	22 508	22 508	22 471	270 060	295 930	318 714
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance and administration		22 508	22 508	22 508	22 508	22 508	22 508	22 508	22 508	22 508	22 508	22 508	22 471	270 060	295 930	318 714
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		67	67	67	67	67	67	67	67	67	67	67	150	884	851	898
Community and social services		58	58	58	58	58	58	58	58	58	58	58	58	698	655	691
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		9	9	9	9	9	9	9	9	9	9	9	92	186	196	207
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		4 398	4 398	4 398	4 398	4 398	4 398	4 398	4 398	4 398	4 398	4 398	4 398	52 781	54 016	56 944
Planning and development		21	21	21	21	21	21	21	21	21	21	21	21	247	260	274
Road transport		4 378	4 378	4 378	4 378	4 378	4 378	4 378	4 378	4 378	4 378	4 378	4 378	52 534	53 756	56 670
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		5 102	5 102	5 102	5 102	5 102	5 102	5 102	5 102	5 102	5 102	5 102	9 102	65 222	62 108	62 332
Energy sources		4 790	4 790	4 790	4 790	4 790	4 790	4 790	4 790	4 790	4 790	4 790	7 790	60 482	59 571	59 655
Water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management		312	312	312	312	312	312	312	312	312	312	312	1 312	4 740	2 537	2 677
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Functional		32 075	32 075	32 075	32 075	32 075	32 075	32 075	32 075	32 075	32 075	32 075	36 121	388 947	412 905	438 888
Expenditure - Functional																
<i>Governance and administration</i>		17 412	17 412	17 412	17 412	17 412	17 412	17 412	17 412	17 412	17 412	17 412	20 088	211 624	221 135	232 866
Executive and council		5 649	5 649	5 649	5 649	5 649	5 649	5 649	5 649	5 649	5 649	5 649	2 338	64 471	67 038	70 703
Finance and administration		11 764	11 764	11 764	11 764	11 764	11 764	11 764	11 764	11 764	11 764	11 764	14 440	143 842	150 608	158 482
Internal audit		-	-	-	-	-	-	-	-	-	-	-	3 311	3 311	3 489	3 681
<i>Community and public safety</i>		248	248	248	1 637	1 637	1 733	1 733	1 733	1 733	1 733	1 733	1 140	15 555	16 085	17 379
Community and social services		-	-	-	1 485	1 485	1 485	1 485	1 485	1 485	1 485	1 485	813	12 695	13 149	12 134
Sport and recreation		61	61	61	61	61	61	61	61	61	61	61	61	732	693	731
Public safety		91	91	91	91	91	91	91	91	91	91	91	91	1 091	1 149	1 213
Housing		96	96	96	-	-	96	96	96	96	96	96	175	1 037	1 093	3 301
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		4 046	4 046	4 046	4 046	4 046	4 046	4 046	4 046	4 046	4 046	4 046	5 889	50 396	52 501	55 388
Planning and development		1 926	1 926	1 926	1 926	1 926	1 926	1 926	1 926	1 926	1 926	1 926	2 393	23 583	24 320	25 658
Road transport		1 957	1 957	1 957	1 957	1 957	1 957	1 957	1 957	1 957	1 957	1 957	3 334	24 861	26 124	27 560
Environmental protection		163	163	163	163	163	163	163	163	163	163	163	163	1 952	2 057	2 170
<i>Trading services</i>		4 894	4 894	4 894	4 894	4 894	4 894	4 894	4 894	4 894	4 894	4 894	9 544	63 375	67 320	71 679
Energy sources		3 537	3 537	3 537	3 537	3 537	3 537	3 537	3 537	3 537	3 537	3 537	8 186	47 092	50 280	53 702
Water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management		1 357	1 357	1 357	1 357	1 357	1 357	1 357	1 357	1 357	1 357	1 357	1 358	16 283	17 040	17 977
<i>Other</i>		239	239	239	239	239	239	239	239	239	239	239	390	3 021	2 631	2 775
Total Expenditure - Functional		26 839	26 839	26 839	28 228	28 228	28 324	28 324	28 324	28 324	28 324	28 324	37 052	343 970	359 671	380 087
Surplus/(Deficit) before assoc.		5 236	5 236	5 236	3 847	3 847	3 751	3 751	3 751	3 751	3 751	3 751	(931)	44 977	53 234	58 801
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	5 236	5 236	5 236	3 847	3 847	3 751	3 751	3 751	3 751	3 751	3 751	(931)	44 977	53 234	58 801

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Table 28 MBRR SA28 – Budgeted monthly capital expenditure (municipal vote)

EC443 Mbizana - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	
Multi-year expenditure to be appropriated	1																
Vote 1 - EXECUTIVE & COUNCIL																	
Vote 2 - BUDGET & TREASURY																	
Vote 3 - CORPORATE SERVICES																	
Vote 4 - COMMUNITY & SOCIAL SERVICES																	
Vote 5 - ENGINEERING SERVICES		2 061	3 091	3 915	5 152	3 194	3 194								20 608	40 218	42 349
Vote 6 - DEVELOPMENT PLANNING																	
Vote 7 - [NAME OF VOTE 7]																	
Vote 8 - [NAME OF VOTE 8]																	
Vote 9 - [NAME OF VOTE 9]																	
Vote 10 - [NAME OF VOTE 10]																	
Vote 11 - [NAME OF VOTE 11]																	
Vote 12 - [NAME OF VOTE 12]																	
Vote 13 - [NAME OF VOTE 13]																	
Vote 14 - [NAME OF VOTE 14]																	
Vote 15 - [NAME OF VOTE 15]																	
Capital multi-year expenditure sub-total	2	2 061	3 091	3 915	5 152	3 194	3 194	-	-	-	-	-	-	20 608	40 218	42 349	
Single-year expenditure to be appropriated																	
Vote 1 - EXECUTIVE & COUNCIL																	
Vote 2 - BUDGET & TREASURY													1 900	1 900	2 001	2 107	
Vote 3 - CORPORATE SERVICES		443	443	443	443	443	443	443	443	443	443	443	443	5 318	5 599	5 896	
Vote 4 - COMMUNITY & SOCIAL SERVICES		311	311	311	311	311	311	311	311	311	311	311	711	4 132	4 350	4 581	
Vote 5 - ENGINEERING SERVICES		5 108	5 108	5 108	5 108	5 108	5 108	5 108	5 108	5 108	5 108	5 108	5 108	61 294	50 732	47 102	
Vote 6 - DEVELOPMENT PLANNING		37	37	37	37	37	37	37	37	37	37	37	37	440	463	488	
Vote 7 - [NAME OF VOTE 7]																	
Vote 8 - [NAME OF VOTE 8]																	
Vote 9 - [NAME OF VOTE 9]																	
Vote 10 - [NAME OF VOTE 10]																	
Vote 11 - [NAME OF VOTE 11]																	
Vote 12 - [NAME OF VOTE 12]																	
Vote 13 - [NAME OF VOTE 13]																	
Vote 14 - [NAME OF VOTE 14]																	
Vote 15 - [NAME OF VOTE 15]																	
Capital single-year expenditure sub-total	2	5 899	5 899	5 899	5 899	5 899	5 899	5 899	5 899	5 899	5 899	5 899	8 199	73 083	63 146	60 174	
Total Capital Expenditure	2	7 959	8 990	9 814	11 050	9 093	9 093	5 899	5 899	5 899	5 899	5 899	8 199	93 691	103 364	102 523	

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Table 29 MBRR SA29 – Budgeted monthly capital expenditure (functional classification)

EC443 Mbizana - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Capital Expenditure - Functional	1															
Governance and administration				4 029				2 256	443	443	443	443		8 058	8 485	8 934
Executive and council																
Finance and administration				4 029				2 256	443	443	443	443		8 058	8 485	8 934
Internal audit																
Community and public safety				2 885										2 885	3 038	3 199
Community and social services																
Sport and recreation																
Public safety				2 885										2 885	3 038	3 199
Housing																
Health																
Economic and environmental services		6 372	7 600	8 784	7 600	8 586	4 488	8 584						52 011	70 653	71 072
Planning and development		2 324	3 552	4 736	3 552	4 538	440	4 538						23 680	43 453	45 756
Road transport		4 048	4 048	4 048	4 048	4 048	4 048	4 046						28 331	27 200	25 316
Environmental protection																
Trading services		5 105	5 105	5 105	5 105	5 105	5 105						107	30 737	21 188	19 318
Energy sources		5 105	5 105	5 105	5 105	5 105	5 105							30 630	21 076	19 200
Water management																
Waste water management																
Waste management													107	107	112	118
Other																
Total Capital Expenditure - Functional	2	11 477	12 705	20 802	12 705	13 691	9 593	10 840	443	443	443	443	107	93 691	103 364	102 523
Funded by:																
National Government		9 153	9 153	9 153	11 190	13 691	9 153	8 584						70 075	67 644	67 630
Provincial Government																
District Municipality																
Other transfers and grants																
Transfers recognised - capital		9 153	9 153	9 153	11 190	13 691	9 153	8 584						70 075	67 644	67 630
Public contributions & donations																
Borrowing																
Internally generated funds		2 324	3 552	11 650	1 514		440	2 256	443	443	443	443	106	23 615	35 720	34 893
Total Capital Funding		11 477	12 705	20 802	12 705	13 691	9 593	10 840	443	443	443	443	106	93 691	103 364	102 523

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MLM – EC 443 Integrated Development Plan – 2018/2019 Review

Table 30 MBRR SA30 – Budgeted monthly cash flow

EC443 Mbizana - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Cash Receipts By Source														1		
Property rates	3 785	4 010	1 010	810	1 110	790	2 010	130	2 010	2 350	3 010	2 550	23 571	24 843	26 210	
Service charges - electricity revenue	3 508	1 754	2 806	4 209	3 437	2 034	6 314	2 455	2 034	4 034	1 754	737	35 076	37 475	40 037	
Service charges - water revenue																
Service charges - sanitation revenue																
Service charges - refuse revenue																
Service charges - other	237	118	189	284	232	137	426	166	137	272	118	50	2 365	2 495	2 632	
Rental of facilities and equipment	90	45	72	108	89	52	163	63	52	104	45	19	903	952	1 005	
Interest earned - external investments	794	397	635	953	778	461	1 430	556	461	913	397	167	7 942	8 371	8 831	
Interest earned - outstanding debtors	401	200	320	481	393	232	721	280	232	461	200	84	4 006	4 222	4 454	
Dividends received																
Fines, penalties and forfeits	203	102	162	244	199	118	366	142	118	234	102	43	2 031	2 140	2 258	
Licences and permits	229	115	184	275	225	133	413	161	133	264	115	48	2 294	2 418	2 551	
Agency services	123	62	99	148	121	72	222	86	72	142	62	26	1 233	1 300	1 371	
Transfer receipts - operational	94 339					71 368			69 368				235 075	256 595	277 215	
Other revenue	200	100	160	241	196	116	361	140	116	231	100	42	2 005	2 032	2 144	
Cash Receipts by Source	103 910	6 902	5 638	7 752	6 779	75 513	12 423	4 179	74 733	9 003	5 902	3 765	316 501	342 843	368 709	
Other Cash Flows by Source																
Transfer receipts - capital	28 978					21 734			21 023			711	72 446	70 062	70 179	
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)																
Proceeds on disposal of PPE																
Short term loans																
Borrowing long term/refinancing																
Increase (decrease) in consumer deposits																
Decrease (Increase) in non-current debtors																
Decrease (increase) other non-current receivable																
Decrease (increase) in non-current investments																
Total Cash Receipts by Source	132 888	6 902	5 638	7 752	6 779	97 247	12 423	4 179	95 756	9 003	5 902	4 476	388 947	412 905	438 888	
Cash Payments by Type																
Employee related costs	8 941	8 941	8 941	8 941	8 941	8 941	8 941	8 941	8 941	8 941	8 941	9 450	107 802	113 310	119 542	
Remuneration of councillors	1 666	1 766	1 666	1 766	1 766	1 766	1 766	2 566	2 166	2 166	2 266	2 768	24 091	25 392	26 788	
Finance charges		170									138	92	400	422	445	
Bulk purchases - Electricity	2 800	2 900	2 700	2 600	2 400	2 900	2 300	2 200	2 900	3 200	3 300	3 400	33 594	36 054	38 693	
Bulk purchases - Water & Sewer																
Other materials	643	643	643	643	643	643	643	643	643	643	643	1 232	8 311	8 759	9 240	
Contracted services	7 025	1 025			5 025	6 025	9 025	8 025	1 025	7 025	4 025	2 445	50 671	51 039	53 824	
Transfers and grants - other municipalities																
Transfers and grants - other	180	180	180	180	180	180	180	180	180	180	180	180	2 158	1 764	1 861	
Other expenditure	9 419	5 419	9 419	8 519	9 419	4 419	1 449	4 219	3 419	2 419	1 419	6 857	66 393	69 652	73 483	
Cash Payments by Type	30 674	21 044	23 548	22 648	28 374	24 874	24 304	26 774	19 274	24 574	20 912	26 424	293 420	306 392	323 877	
Other Cash Flows/Payments by Type																
Capital assets	9 391	8 391	6 391	5 391	5 391	9 391	7 391	7 391	7 391	7 391	7 391	12 391	93 691	103 364	102 523	
Repayment of borrowing																
Other Cash Flows/Payments																
Total Cash Payments by Type	40 064	29 435	29 939	28 039	33 764	34 264	31 694	34 164	26 664	31 964	28 303	38 814	387 111	409 756	426 400	
NET INCREASE/(DECREASE) IN CASH HELD	92 824	(22 532)	(24 301)	(20 287)	(26 985)	62 983	(19 271)	(29 985)	69 091	(22 962)	(22 400)	(34 338)	1 836	3 150	12 488	
Cash/cash equivalents at the month/year begin:	41 526	134 350	111 817	87 516	67 229	40 244	103 226	83 956	53 971	123 062	100 100	77 700	41 526	43 362	46 512	
Cash/cash equivalents at the month/year end:	134 350	111 817	87 516	67 229	40 244	103 226	83 956	53 971	123 062	100 100	77 700	43 362	43 362	46 512	59 000	

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26.22.4 Contracts having future budgetary implications

In terms of the municipality's Supply Chain Management policy, no contracts are awarded beyond the medium-term revenue and expenditure framework (three years). In ensuring adherence to this contractual time frame limitation, all reports submitted to either the Bid Evaluation and Adjudication Committees must obtain formal financial management comments and budget confirmation from the Budget and Treasury office.

26.22.5 Capital Expenditure details

Table 31 MBRR SA34a – Capital expenditure on new assets by asset class

EC443 Mbizana - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		124 659	85 817	67 747	57 246	79 491	79 491	55 461	44 591	43 961
Roads Infrastructure		50 845	55 706	39 094	16 165	37 518	37 518	24 831	23 515	24 761
Roads		50 845	55 706	39 094	16 165	37 518	37 518	24 831	23 515	24 761
Electrical Infrastructure		34 225	24 907	28 653	40 281	41 779	41 779	30 630	21 076	19 200
MV Networks		34 225	24 907	28 653	40 281	41 779	41 779	30 630	21 076	19 200
Solid Waste Infrastructure		3 010	5 204	–	–	200	200	–	–	–
Landfill Sites		3 010	5 204	–	–	200	200	–	–	–
Information and Communication Infrastructure		36 578	–	–	800	(6)	(6)	–	–	–
Data Centres		36 578	–	–	200	–	–	–	–	–
Core Layers										
Distribution Layers					600	(6)	(6)	–	–	–
Capital Spares										
Community Assets		4 073	9 286	9 813	18 803	20 895	20 895	2 540	2 675	2 816
Community Facilities		4 073	6 932	9 813	18 803	20 895	20 895	2 540	2 675	2 816
Halls		4 073	6 932	9 813	7 843	9 213	9 213	–	–	–
Centres		–	–	–	10 560	11 383	11 383	2 100	2 211	2 328
Markets		–	–	–	400	300	300	440	463	488
Sport and Recreation Facilities		–	2 353	–	–	–	–	–	–	–
Indoor Facilities										
Outdoor Facilities			2 353							
Capital Spares										
Heritage assets		–	–	452	–	–	–	–	–	–
Monuments				452						
Other assets		16 507	507	965	400	400	400	–	–	–
Operational Buildings		16 507	507	965	400	400	400	–	–	–
Municipal Offices		16 507	82	965	200	200	200	–	–	–
Pay/Enquiry Points										
Building Plan Offices										
Workshops										
Yards			425		200	200	200	–	–	–
Intangible Assets		2 767	–	–	–	–	–	–	–	–
Servitudes										
Licences and Rights		2 767	–	–	–	–	–	–	–	–
Computer Software and Applications		2 767								
Computer Equipment		–	–	–	2 374	2 694	2 694	3 907	4 114	4 332
Computer Equipment					2 374	2 694	2 694	3 907	4 114	4 332
Furniture and Office Equipment		2 596	3 909	1 982	500	500	500	2 433	2 562	2 698
Furniture and Office Equipment		2 596	3 909	1 982	500	500	500	2 433	2 562	2 698
Machinery and Equipment		3 551	–	165	9 478	8 355	8 355	3 692	3 887	767
Machinery and Equipment		3 551		165	9 478	8 355	8 355	3 692	3 887	767
Transport Assets		4 499	–	2 492	2 850	3 550	3 550	5 050	5 318	5 599
Transport Assets		4 499		2 492	2 850	3 550	3 550	5 050	5 318	5 599
Total Capital Expenditure on new assets	1	158 651	99 518	83 617	91 651	115 886	115 886	73 083	63 146	60 174

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Table 32 MBRR SA34b – Capital Expenditure on renewal of Existing Assets by asset class

EC443 Mbizana - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand	1									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		-	-	-	7 370	7 370	7 370	-	-	-
Roads Infrastructure		-	-	-	7 370	7 370	7 370	-	-	-
Roads					7 370	7 370	7 370			
Road Structures										
Road Furniture										
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals										
Total Capital Expenditure on renewal of existing assets	1	-	-	-	7 370	7 370	7 370	-	-	-

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Table 33 MBRR SA34c – Repairs and maintenance by asset class

EC443 Mbizana - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Repairs and maintenance expenditure by Asset Class/Sub-class	1									
Infrastructure		3 328	5 292	5 017	1 208	1 802	1 802	6 076	6 526	6 884
Roads Infrastructure		3 328	5 292	5 017	1 050	1 640	1 640	5 987	6 432	6 785
Roads		3 328	5 292	5 017	1 050	1 640	1 640	5 987	6 432	6 785
Electrical Infrastructure		-	-	-	158	162	162	89	94	99
MV Switching Stations					85	89	89	89	94	99
MV Networks										
LV Networks										
Capital Spares					74	74	74			
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	143	233	90	267	281	296
Community Facilities		-	-	-	-	90	90	116	122	129
Cemeteries/Crematoria						90	90	116	122	129
Sport and Recreation Facilities		-	-	-	143	143	-	151	159	167
Indoor Facilities										
Outdoor Facilities					143	143		151	159	167
Capital Spares										
Heritage assets		1	1	1	1	1	1	1	1	1
Other assets		-	-	-	2 355	2 355	2 355	3 796	3 799	4 008
Operational Buildings		-	-	-	2 355	2 355	2 355	3 796	3 799	4 008
Municipal Offices					2 230	2 230	2 230	3 589	3 783	3 991
Pay/Enquiry Points					125	125	125	207	17	18
Intangible Assets		-	-	-	-	-	-	337	355	374
Servitudes										
Licences and Rights		-	-	-	-	-	-	337	355	374
Computer Software and Applications								337	355	374
Computer Equipment		-	-	-	50	50	-	53	55	59
Computer Equipment					50	50		53	55	59
Machinery and Equipment		-	-	-	51	51	51	217	229	242
Machinery and Equipment					51	51	51	217	229	242
Transport Assets		-	-	-	2 000	2 000	2 000	2 106	2 220	2 342
Transport Assets					2 000	2 000	2 000	2 106	2 220	2 342
Total Repairs and Maintenance Expenditure	1	3 328	5 292	5 017	5 807	6 492	6 299	12 851	13 465	14 205

26.22.6 Legislation compliance status

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

- **In year reporting**
Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) is improving.
- **Internship programme**

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The Municipality is participating in the Municipal Financial Management Internship programme and has employed five interns undergoing training in various divisions of the Financial Services Department. Of the interns trained over the years 5 were absorbed within the municipality's budget and treasury office while 2 have found employment in other municipality's and are now at managerial level. Since the introduction of the Internship programme the Municipality has successfully employed and trained 14 interns through this programme.

- **Budget and Treasury Office**

The Budget and Treasury Office has been established in accordance with the MFMA.

- **Audit Committee**

An Audit Committee has been established and is fully functional. This is despite resignations that have happened in recent times, but the council has been able to appoint other members within reasonable periods of time.

- **Service Delivery and Implementation Plan**

The detail SDBIP document is at a draft stage and will be finalized after approval of the 2018/19 MTREF in May 2018 directly aligned and informed by the 2018/19 MTREF.

- **Annual Report**

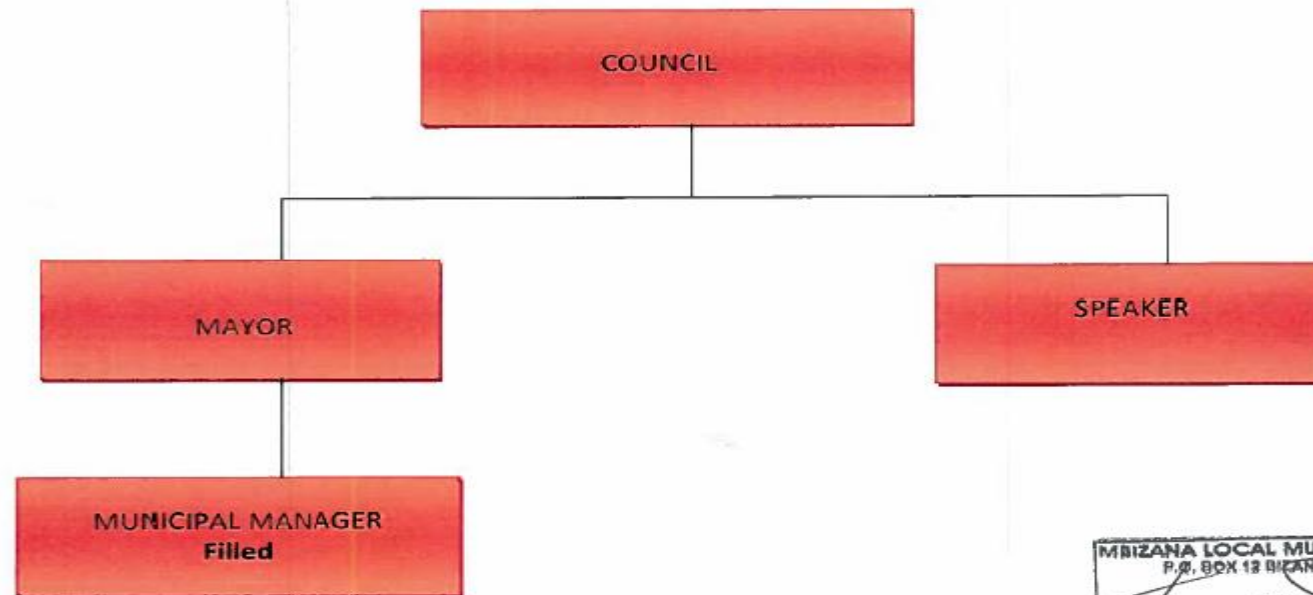
Annual report is compiled in terms of the MFMA and National Treasury requirements.

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27. COUNCIL APPROVED ORGANISATIONAL STRUCTRE

ORGANISATIONAL STRUCTURE
MACRO ORGANISATIONAL STRUCTURE



Organisational Structure adopted by the Council on the 04th August 2017

Page 1

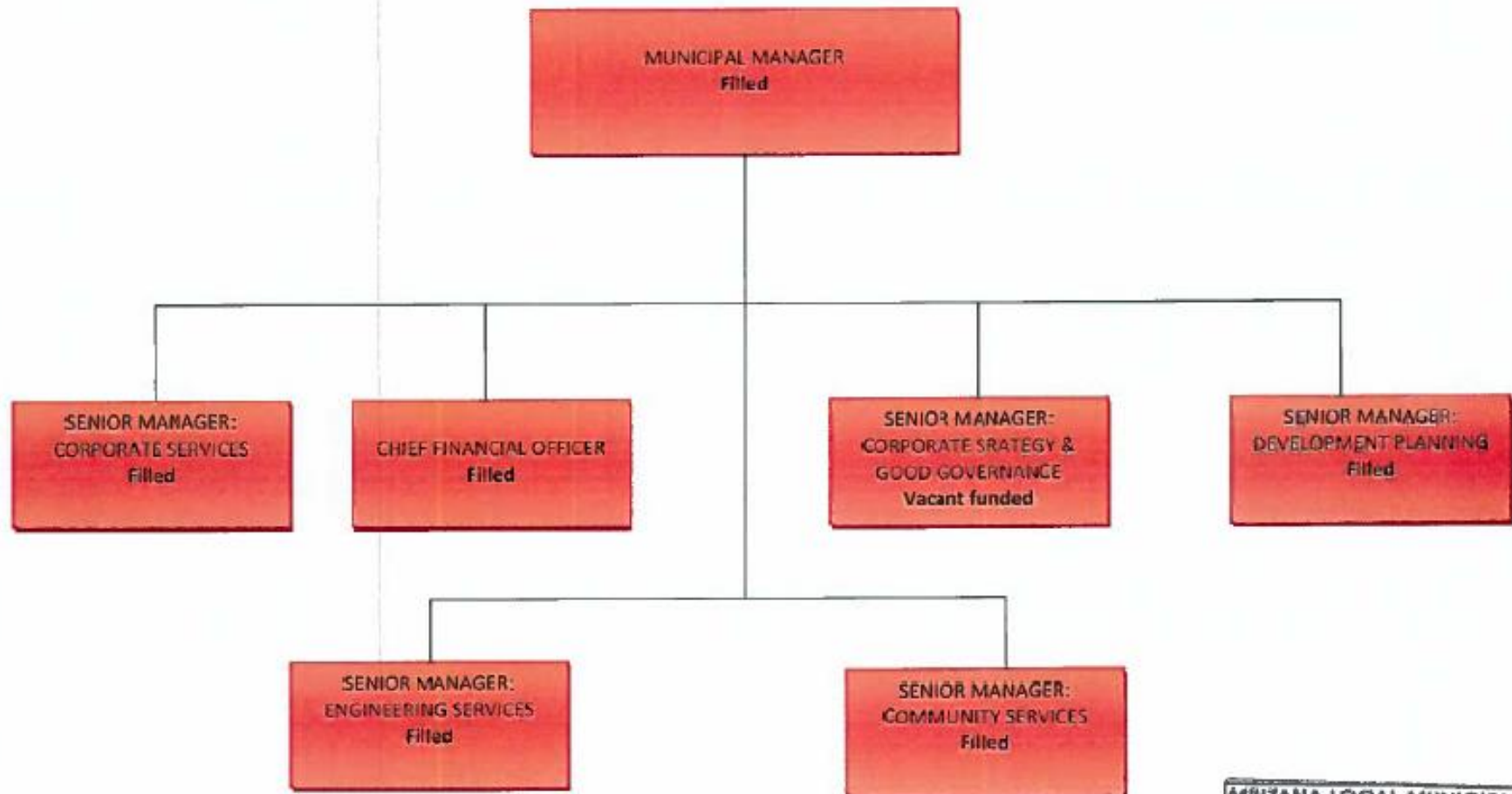
Mbizana Local Municipality



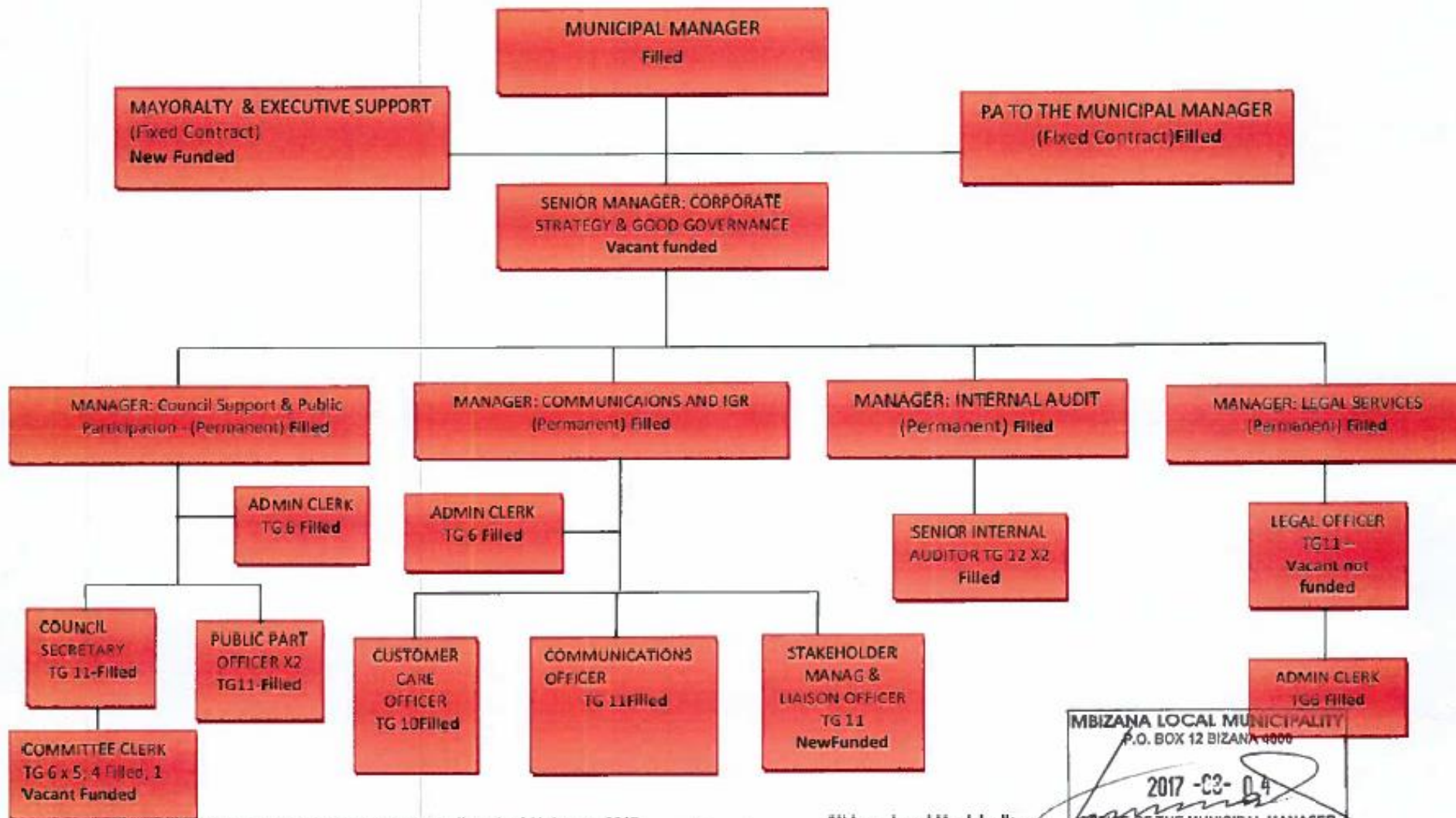
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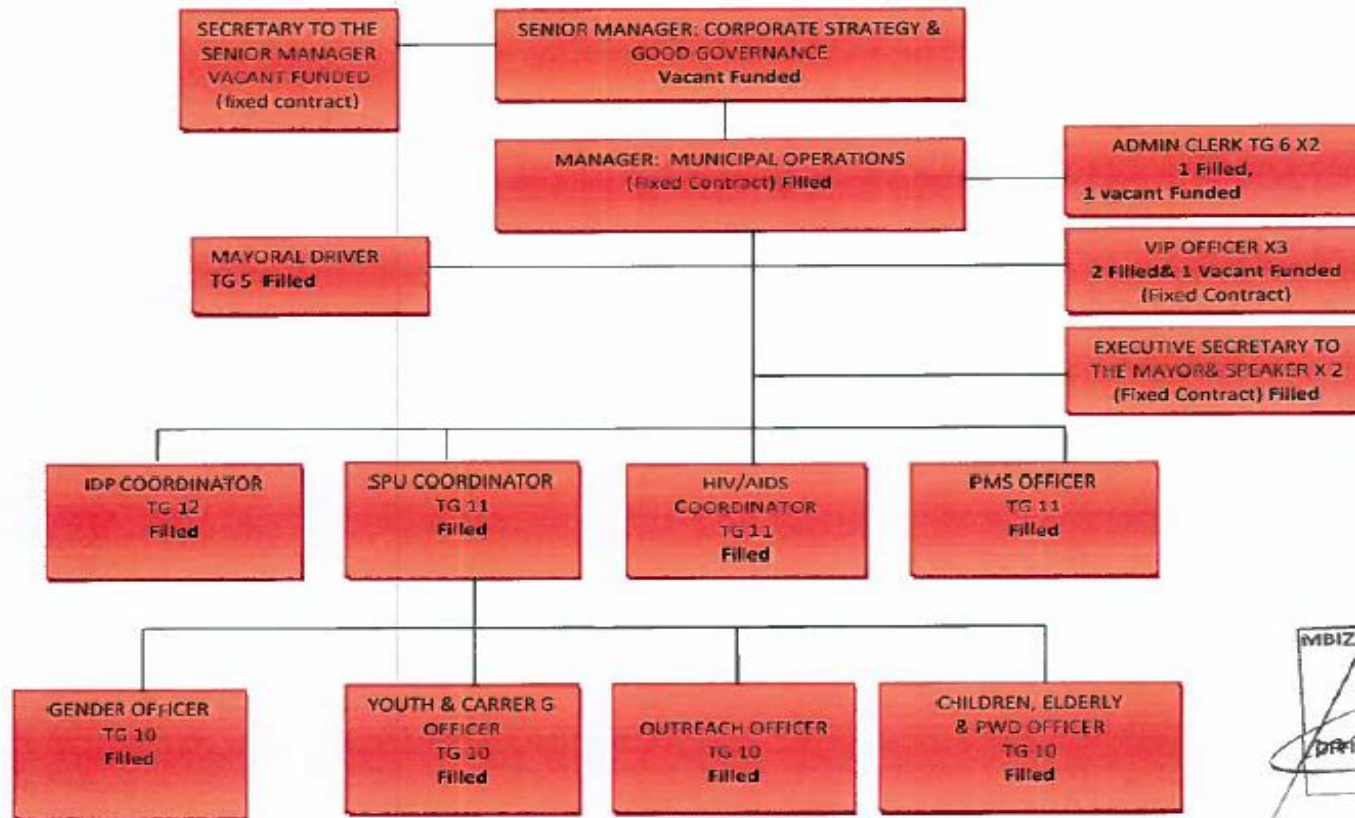
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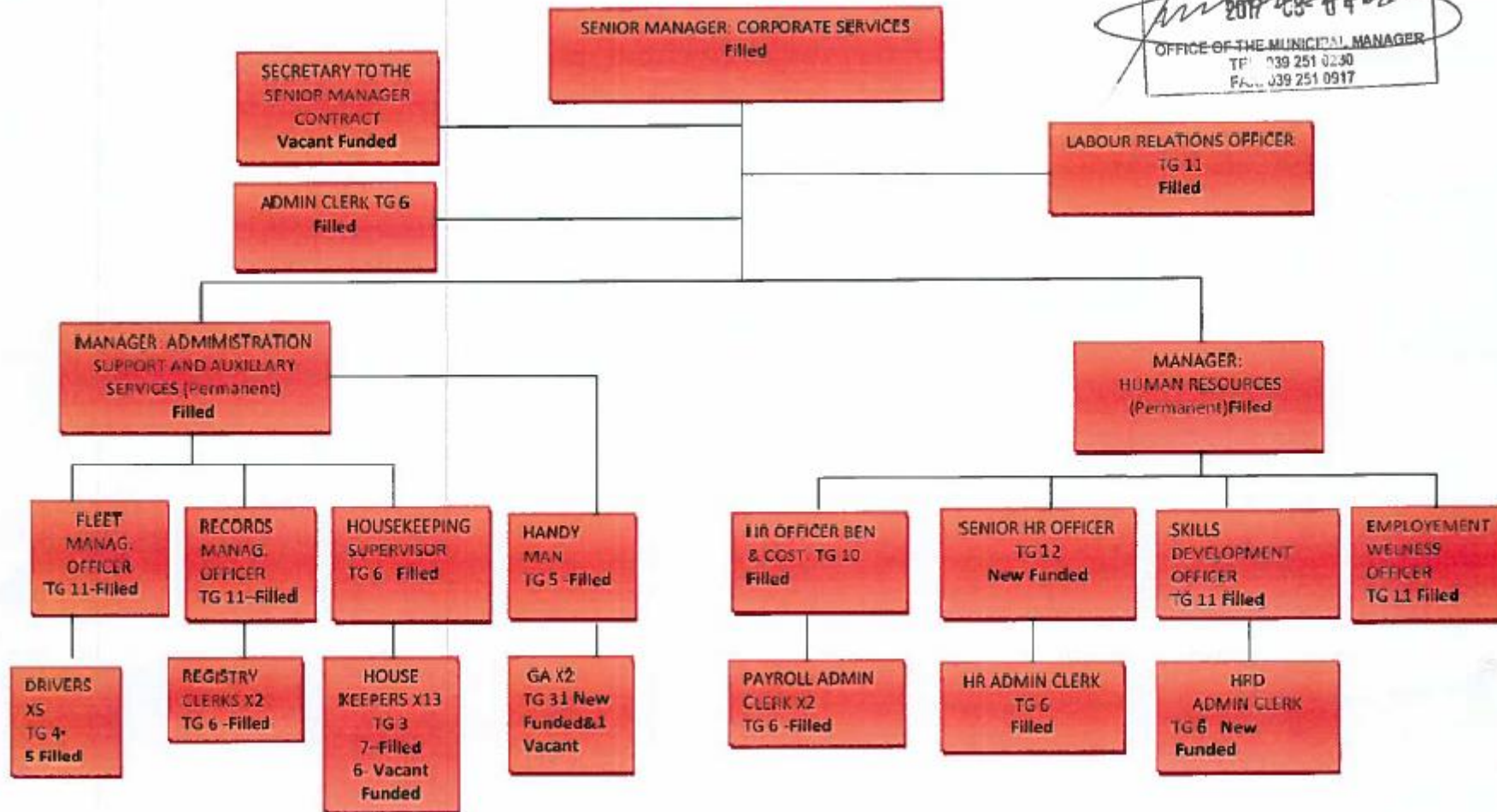
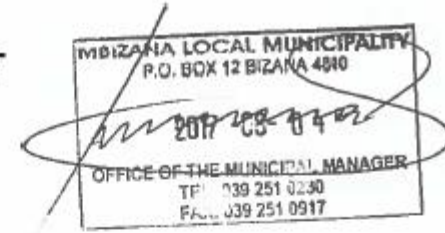


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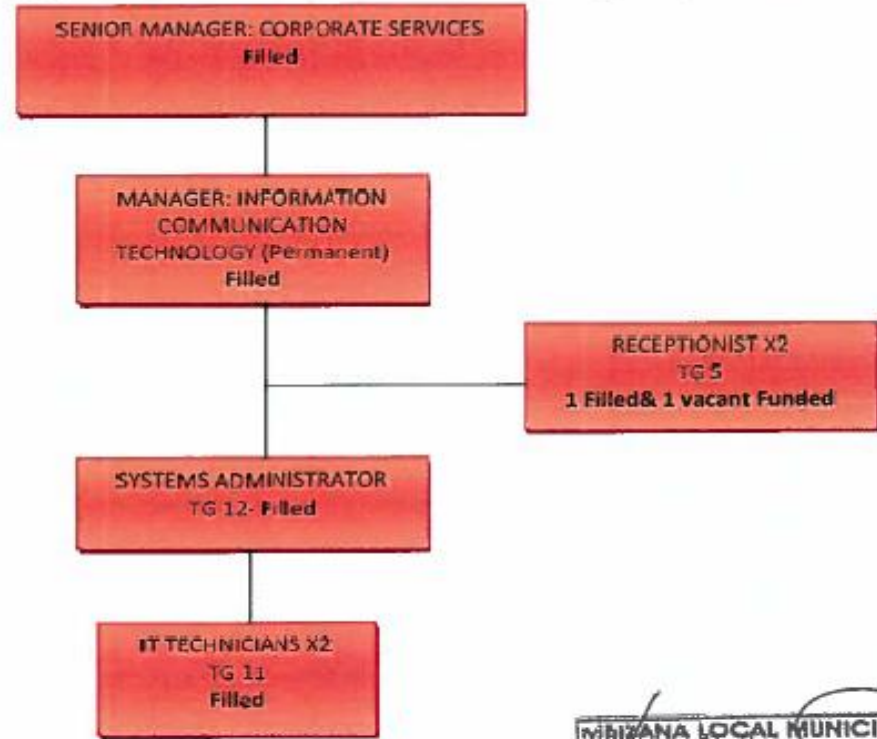
CORPORATE SERVICES DEPARTMENT



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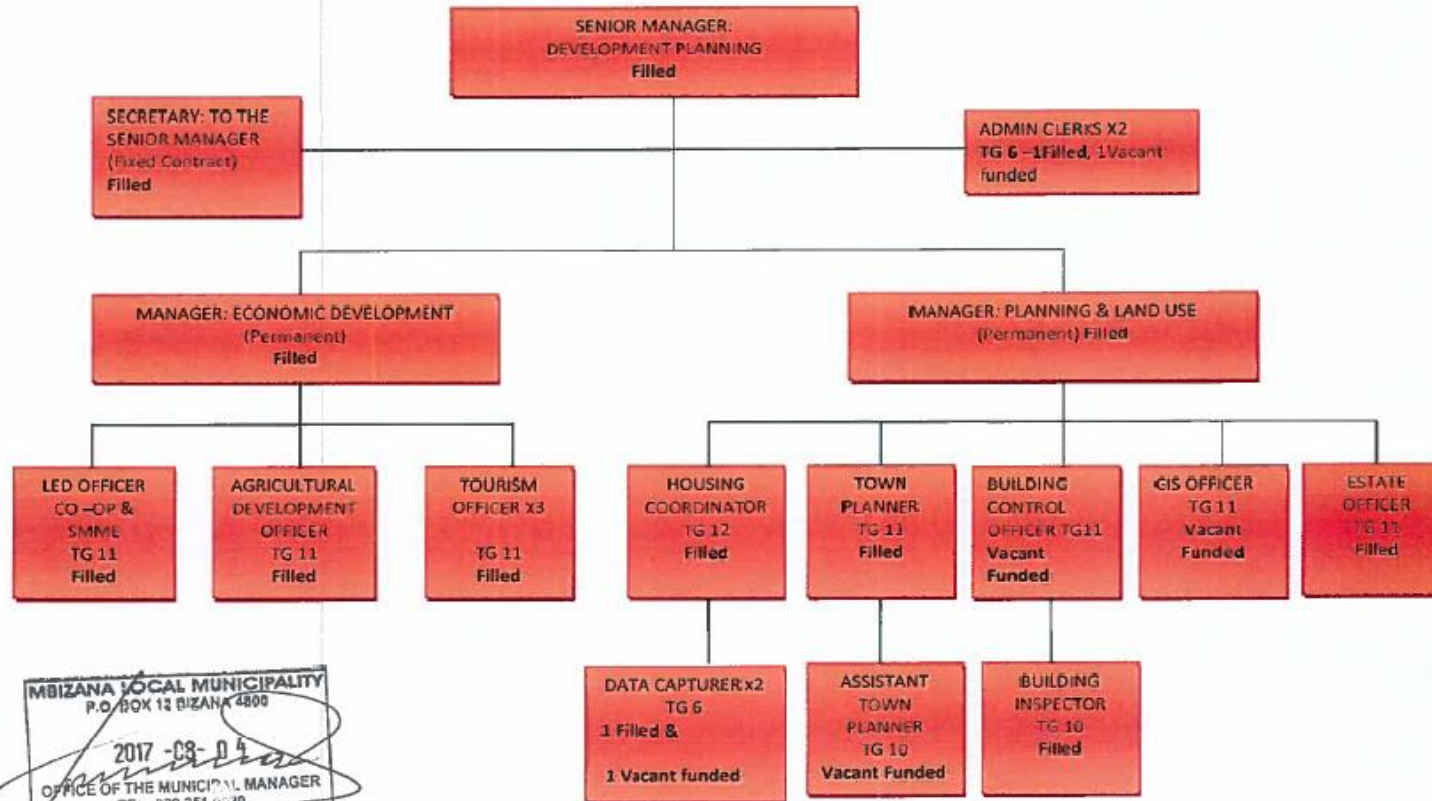


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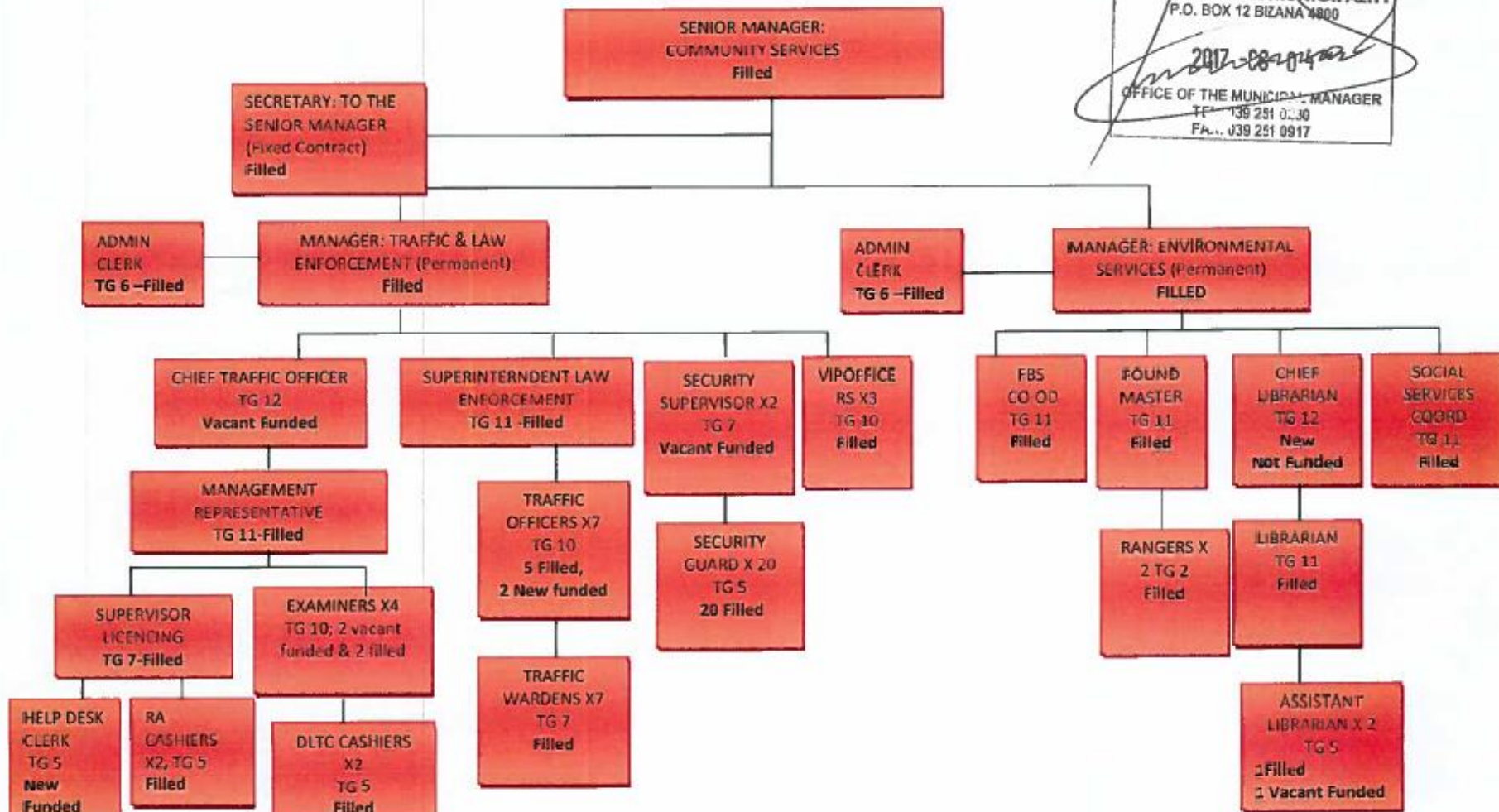
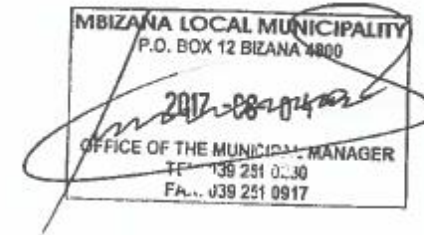
DEVELOPMENT PLANNING DEPARTMENT



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COMMUNITY SERVICES DEPARTMENT

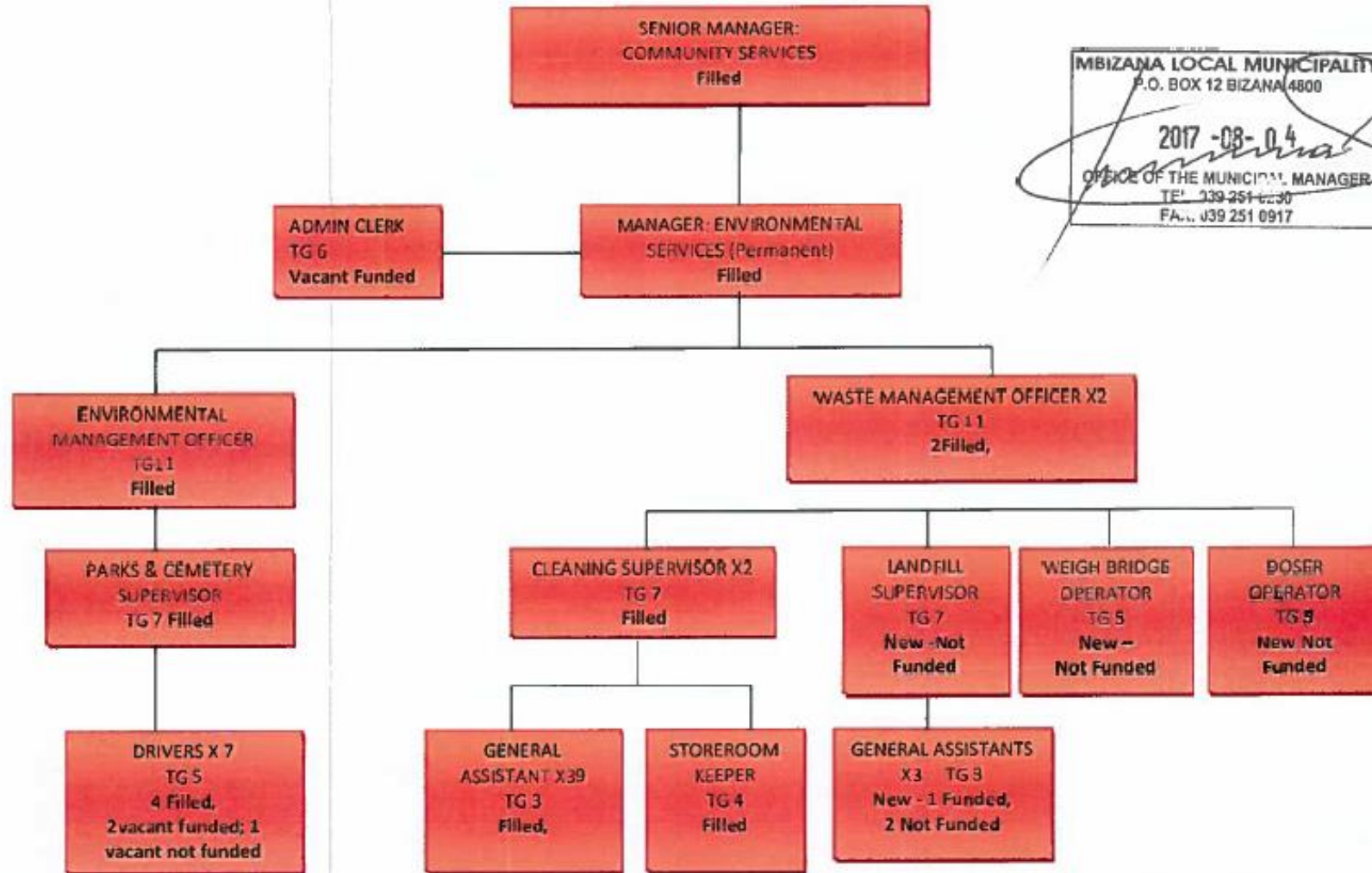


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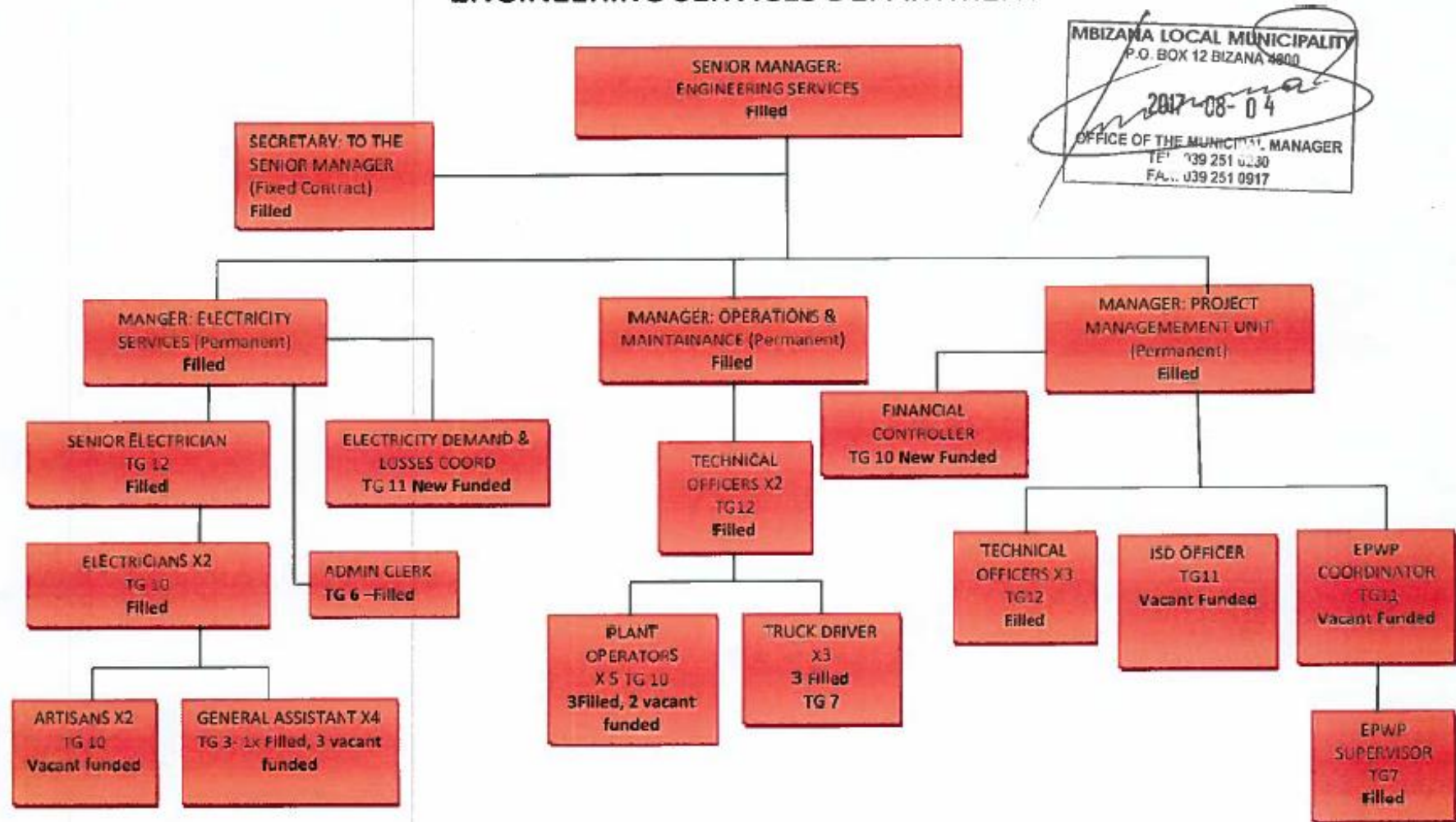
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COMMUNITY SERVICES DEPARTMENT



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ENGINEERING SERVICES DEPARTMENT



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CHAPTER NINE

28. APPROVAL

This is the final IDP review of Mbizana Local Municipality for 2018 / 2019 that has tabled to council for adoption on the council meeting held on the 30th May 2018. Copies of this document available in key strategic accessible points for all interested stakeholders to read, make comments while invitations for comments were also advertised in the local newspapers including local radio stations and in our website.

The inputs were received from communities, sector departments, internal municipal departments and other relevant stakeholders of the municipality. All received inputs have been considered and consolidated into this final document.

The Mbizana Municipal council is satisfied that all necessary planning activities as envisaged in the IDP review process plan were carried out accordingly and therefore **RESOLVED** to adopt this document as its final reviewed IDP for 2018/2019.

DECLARATION OF ADOPTION

SIGNATURES

MR L. MAHLAKA
MUNICIPAL MANAGER

DATE

CLLR T. D. MAFUMBATHA
THE MAYOR

DATE

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