

INTSIKA YETHU LOCAL
MUNICIPALITY
INTEGRATED DEVELOPMENT PLAN
2012-2017

Foreword by the Mayor

To the people of Intsika Yethu, I wish to present this Integrated Development Plan (IDP) as our strategy for service delivery and development over the next five (5) years. I'd like to take this opportunity to further affirm our commitment to meeting your needs, as mandated to this Council. As we fully embrace the national outcomes of developmental local government, we shall strive to put you first in all our endeavours. This IDP will be the guiding spirit behind our efforts for the next five years. And to the public, it is an opportunity to hold us accountable for what we have set out to achieve.

Having said this, our region is plagued by ills such as high unemployment, low income levels, a high learner dropout rate and HIV and AIDS. Stimulation of the local economy is therefore of paramount importance in addressing some of our major challenges. Not uniquely a challenge to IYLM is the issue of lower than desired revenue, as a result of our significantly high indigent base. This remains a systematic and structural weakness for the Municipality, but it also reminds us of the immense challenge of poverty and the hardship it brings to people. This reinforces in us the need to work even harder with an undying commitment to improved service delivery and sustainable development.

Our collective efforts across Intsika Yethu must seek to bring meaningful and real improvements to the lives of our people. As the Council of IYLM, we believe that our people want tangible things that improve the quality of their lives and advance a brighter future for them and their children. In striving towards this noble cause we hold to the words of Samora Machel, a true son of Africa, when he spoke about the reasons people support post-liberation movements, he noted: 'Our people support tangible things, not abstractions or theories, a school or a hospital, clinics and roads are all tangible things.'

In the same vain I wish to indicate that this IDP serves as the strategy by which we intend to deliver tangible outputs informed by the needs of our people. We are satisfied that the people of Intsika Yethu have fully participated in the identification of their development needs, in the construction of this IDP. This has seen contributions from wards as part of the initial ward based planning processes across the municipality, and subsequent presentations and interactions through our IDP representatives' forum and council.

I hereby present to you the IDP 2012-2017 for Intsika Yethu Local Municipality.

Sincerely,



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Acronym List

ABET	Adult Basic Education and Training
AIDS	Acquired Immune Deficiency Syndrome
ASGISA	Accelerated and Shared Growth Initiatives for South Africa
BOP	Best Operating Practices
CBP	Community Based Plan
CDW	Community Development Worker
CFO	Chief Financial Officer
CFO	Chief financial Officer
CHDM	Chris Hani District Municipality
CIP	Comprehensive Infrastructure Plan
COGTA	Department of Corporative Governance and Traditional Affairs
CPF	Community Policing Forum
DBSA	Development Bank of Southern Africa
DGDS	District Growth and Development Strategy
DLA	Department of Land Affairs
DLGTA	Department of Local Government and Traditional Affairs
DWAF	Department of Water and Forestry
EAP	Employee Assistance Programme
EC	Eastern Cape
EC-DoE	Eastern Cape Provincial Department of Education
ECSECC	Eastern Cape Social and Economic Consultative Council
EHP	Environmental Health Practitioners
FBS	Free Basic Services
FET	Further Education and Training
FMG	Financial Management Grant
FS	Free State
GP	Gauteng Province
GRAP	Generally Recognised Accounting Practice
GVA	Gross Value Added
HDI	Human Development Index
HIV	Human Immune Deficiency Virus
HOD	Head of Department
HV	High Voltage
IDP	Integrated Development Plan
IeC	Integrated Energy Centre
IGR	Intergovernmental Relations
ISD	Integrated Service Delivery
IYLM	Intsika Yelthu Local Municipality
KPA	Key Performance Area
KPI	Key Performance Information
KZN	Kwa-Zulu Natal
LAC	Local Aids Council
LED	Local Economic Development
LRAD	Land Redistribution for Agriculture Development
LTO	Local Tourism Organisation
MDG	Millennium Development Goals
MEC	Member of the Executive Committee
MFMA	Municipal Finance Management Act
MHS	Municipal Health Service
MIG	Municipal Infrastructure Grant
MM	Municipal Managers
MoU	Memorandum of Understanding
MP	Mpumalanga
MPAC	Municipal Public Accounts Committee
MPRA	Municipal Property Rates Act
MSA	Municipal Systems Act

MSIG	Municipal Systems Improvement Grant
MTEF	Medium Term Expenditure Framework
MTREF	Medium Term Revenue and Expenditure Framework
NC	Northern Cape
NP	Northern Province
NSDP	National Spatial Development Plan
NW	North West
OHS	Organisational Health and Safety
PDP	Personal Development Plan
PMS	Performance Management System
PSDV	Provincial Spatial Development Plan
RBIG	Regional Bulk Infrastructure Grant
RED	Regional Electricity Distribution
RSA	Republic of South Africa
SALGA	South African Local Government Associations
SANAC	South African National Aids Council
SARS	South African Revenue Services
SCCIP	School Community Co-operative Ilima Programmes
SCM	Supply Chain Management
SDBIP	Service Delivery Budget Implementation Plan
SDF	Spatial Development Framework
SDL	Skills Development Levies
SETA	Sector Education and Training Facilities
SLA	Service Level Agreement
SMME	Small Medium and Micro Enterprise
SPU	Special Programmes Unit
SWOT	Strengths, Weaknesses, Opportunities and Threats
TADA	Treatment Against Drugs and Alcohol
UIF	Unemployment Insurance Fund
VAT	Value Added Tax
VIP	Ventilated Improvement Pit (dry sanitation facility)
WC	Western Cape
WSA	Water Service Authority
WSP	Water Service Provider

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Executive Summary

Intsika Yethu Local Municipality (IYLM) has undertaken a consultative and responsive planning process in the development of the Integrated Development Plan (IDP) 2012-2017. The municipality has developed a credible strategic document as the basis for development within the municipal area over the medium term. The following overview includes a brief on the process followed, a summary of the municipal status quo, the high level strategic intentions of the municipality, some of the financial and operational considerations going forward, as well as the role of performance management within IYLM.

The Process Plan

In line with Section 28 and Section 29 of the Municipal Systems Act (MSA) of 2000, IYLM adopted a process plan on 17 August of 2011 which outlined the programme, processes, and institutional arrangements for the development of the IDP 2012-2017. In line with statutory requirements, provision was made for public participation and community commentary and was considered integral to the development of the document. Community identified priority issues are the point of departure for this document and as such, a presentation of those issues and their comparative weighting is presented at the end of the section on process.

Situational Analysis

The IDP 2012-2017 includes an in depth assessment of IYLM's current situation with regards to both the institutional arrangements of the municipality and the socio-economic profile of its inhabitants. The objective of a comprehensive situational analysis in an IDP is to give a clear picture of the prevalent circumstances in the municipality which in turn assists with the identification of priorities, opportunities or short-comings in the municipality on both an institutional and societal level.

Institutional Review

The situational analysis elaborates on the institutional profile of the local municipality through presenting a breakdown of the municipal powers and functions of the municipality as informed by The Constitution of the Republic of South Africa (Act 108 of 1996), Section 156, Section 229 and the Municipal Structures Act (Act 117 of 1998, Section 84). The situational analysis further presents a breakdown of the powers and functions of the Local Municipality in relation to the District Municipality.

The situational analysis also gives information regarding the organisational structure of IYLM, including the Municipal Managers office, the Corporate Services Directorate, the Finances Directorate, Local Economic Development Directorate, Community Services Directorate, as well as the Technical Services Directorate and Water and Sanitation Provisioning Services are presented. Brief consideration of the municipality's financial position and performance, as well as key considerations relating to vacancy and funding are included. In addition, a list of institutional policies and manuals in IYLM is presented in the chapter. Issues pertaining to human resources such as Employment Equity and Skills Development are also briefly touched on in this section. The institutional review is considered representative of the institution's Finance, Governance and Administration cluster.

The Development Context and Socio-Economic Profile

The socio-economic profile of IYLM forms an integral part of the situational analysis; the profile provides a detailed analysis of the population of IYLM and further provides some key insights into demographics, socio-economic conditions, infrastructural service levels in the Municipal area and environmental issues. The analysis lends weight to prioritisation of identified issues in IYLM and conveys some urgency with regards to what needs to be done first.

The socio-economic profile elucidates many of the social issues which characterise IYLM. The data demonstrates that IYLM has a relatively young and rural population which is characterised by high levels of poverty and relatively low levels of literacy. The people of IYLM are also generally low income earners with many of them having no regular income at all. The data further shows population decreases in recent years which point to the possible outward migration of many people in search of better employment and education opportunities in more urbanised areas outside of the region. IYLM performs poorly in terms of the Human Development Index (HDI) measures of life expectancy, literacy and education. Thus the demographic profile of the municipality highlights a number of social-economic issues which hamper the overall development of the IYLM community and must be considered as part of evidence-based planning for the municipality.

Economic indicators in the situational analysis illustrate that IYLM has considerable potential for economic growth. The tertiary sector is the biggest sector in terms of employment and economic output with the secondary and primary sectors producing significantly less. This is problematic since it is the latter sectors that tend to drive economic growth in poorly developed rural municipalities such as IYLM. Chapter 3 of the IDP later elaborates further on the specific projects undertaken by the municipality that seek to rectify the imbalances between economic sectors through stimulating growth in both the primary and secondary sectors.

Spatial Analysis and Rational

The spatial analysis reflects the strategies, policies and maps that assist the municipality to plan strategically in terms of the implementation of projects. The spatial analysis adds detail to the situational analysis through presenting a geographical outline of the situation in the municipality. To this end the Spatial Development Framework (SDF) for IYLM is currently under review and will be adopted by the Council in the 2012/2013 financial year.

The following are regarded as key issues of spatial development within IYLM:

- Dispersed settlements patterns and pockets of development at urban centres surrounded by scattered underdeveloped rural villages, which implies great costs to achieve access to basic services and infrastructure;
- Need to systematically address the fragmented nature of development to promote the integration of urban and rural areas over time (phased development approach which will optimise on existing capacity and resources to generate the most spin-off effects from investment);
- Prioritisation of different levels of investment to ensure ongoing sustainable development and spin-off effects for continued economic growth in the IYLM area; and
- Limited economic activity outside of urban centres.

The Service Delivery Profile

The service delivery profile of IYLM takes a clustered approach in considering the municipal status quo with regards to existing backlogs, levels of service provision, and institutional arrangements within the District and Local Municipality. Service delivery is differentiated between that of Technical Services, Social Needs, Economic Planning and Development, and the Finance, Governance and Administration clusters. Each cluster is examined in depth, considering the municipality's position in relation to services aligned to each cluster, as well as those areas where the municipality faces specific challenges, such as financing the requisite backlogs eradication within Technical Services. Other challenges related to Disaster Management arrangements with the District Municipality and considerations related to environmental health are also noted.

Development strategies, projects and programmes

As part of the IDP process Council undertook an exercise to develop a vision for its current term of office. A product of the political leadership of the municipality, the following Vision was formulated:

“A people centred, developmentally focused rural local municipality in which all of its inhabitants have access to quality service delivery and participate in vibrant and well-balanced social and economic development”.

This institutional Vision was supported with the institutional *raison d’être*, its Mission for being. That Mission is as follows:

“Endeavours to advance its developmental local government mandate through a sustained focus on sound and accountable governance, physical and social infrastructure appropriate for sustainable development in our Municipal area”.

IYLM adopts the “Batho Pele Principles”, together with other underlying principles aligned to this value framework, which include the following: Democracy, as realised through consultation, transparency, and accountability; Respect & Courtesy; Responsiveness; Quality Services; Redress; and Value for Money.

These strategic intentions are supported by a clear alignment between organisational goals and objectives, and service delivery targets across each of the five key performance areas of local government. This section provides a detailed breakdown of the high-level service delivery targets and is substantiated with a list of funded and unfunded projects over the Medium Term Expenditure Framework (MTEF) to advance these objectives. It also represents the integration of various National, Provincial, District, and Local imperatives in that Provincial projects within the municipal area are also clearly identified. The formulation of strategic objectives in particular takes cognisance of those priorities and strategies already being advanced across the three spheres of government and reinforces them.

Performance Management System

The IDP 2012/2013-2016/2017 includes Performance Management System (PMS) requirements applicable to IYLM. These are derived from legislation relevant to the local municipality and with consideration of the service level outputs prioritised annually by the municipality.

In this chapter the current IYLM PMS is assessed. Through this process, it is established that IYLM seeks to review its current PMS and develop a new system during the 2012/2013 financial year. A framework for the development of a comprehensive PMS is consequently included, which covers issues such as: roles of stakeholders, performance indicators, performance targets, publishing of performance reports and the PMS in relation to the IDP.

A first draft of the performance information component of the Service Delivery Budget Implementation Plan (SDBIP) is also provided as these service delivery targets broken down over four quarters provide the basis for Section 57 Performance Agreements, as per the MSA.

Financial Plan and Budget

The Municipality has developed a financial strategy in order to respond to the various priorities and initiatives which are budgeted for as part of the IDP process. The council’s overall Financial Strategy is structured into the following core components to allow for a clearer understanding of the overall task:

- Revenue enhancement and maximisation strategies;
- Asset management strategies;

- Financial management strategies;
- Capital financing strategies;
- Operational financing strategies;
- Strategies to enhance cost-effectiveness; and
- Free Basic Services and indigent support.

IYLM has recognised that there are other factors that could impact on the success of their financial strategy such as financial risks which can be summarised as follows:

- Limitation on revenue raising capacity due to high poverty indices;
- Growth within debt composition associated with low level service offerings;
- Financial distress- ratio analysis- specific on working capital elements;
- Containment of personnel costs within set benchmarks as established within the budget process;
- Governance and administration costs as a percentage of own revenue;
- Increases associated with deferred maintenance and backlog eradication.

The section ends with a breakdown of the municipal budget over the MTEF and a brief overview of the organisations audit history.

Overall, the IDP 2012/2013-2016/2017 represents the collective efforts of IYLM staff, Council, and citizens in the crafting of a strategic plan for the development of the municipal area, responsive to the needs and aspirations of its citizens, informed by the technical skills and abilities of the administration, and within the limitations of the scarce resource available to it.

Chapter 1: Introduction and Planning Process

(Part A) Introduction

The IDP is the key planning instrument available to local government in the pursuit of decentralised, strategic, participatory, implementation-orientated, coordinated and integrated development. Preparing an IDP is not only a legal requirement in terms of the legislation but it is an imperative towards realising the municipality's major developmental responsibility to improve the quality of life of its citizens. The IDP process creates platforms to enhance service delivery by securing the buy-in of all relevant role-players and provides government departments and other social partners with a clear framework for realising the municipality's developmental goals and objectives.

Section 25 of the Municipal Systems Act, No 32, 2000 prescribes the following:

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

- (a) Links, integrates and co-ordinates plans and takes into account proposals for the development of the municipality;
- (b) Aligns the resources and capacity of the municipality with the implementation of the plan;
- (c) Forms the policy framework and general basis on which annual budgets must be based;
- (d) Complies with the provisions of this Chapter; and
- (e) Is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation.”

In accordance with the aforementioned prescript, Intsika Yethu Local Municipality (IYLM) has compiled an Integrated Development Plan (IDP) in document form. This document is the sum of all the various plans, strategies and goals that IYLM shall pursue over the next five years. The document takes into consideration pertinent issues within the municipality and plots a way forward in terms of responding to these issues which are of paramount importance to the well-being of the IYLM community.

IYLM therefore seeks to present in this document an integrated plan that will:

- Link all of the municipal plans across the sectors in a coherent and effective manner;
- Present the way forward through outlining the municipality's goals, strategies, and objectives over the next five years;
- Be a source of information regarding the current situation in the municipality especially with regard to the social circumstances of the municipality's inhabitants and the institutional situation within the municipal structures; and
- Link the municipality's plans and strategies to provincial and national mandates.

Ultimately the IDP of IYLM should act as the pillar upon which the municipality's developmental approach rests. The plan should inform and guide all projects that are focused on improving the lives of the community; this is in keeping with national government's “Batho Pele” approach of putting people first.

(Part B) The Planning Process

1. The IDP Process Plan

In order to ensure certain minimum quality standards and proper coordination between and within spheres of government in development of Integrated Development Plan (IDP), Section 28(1) and 29(1) (a) and (b) of Municipal Systems Act of 2000 prescribes that the Council of the municipality must within the prescribed period after the start of its elected term, “adopt a process set out in writing to guide the planning, drafting, adoption and review of its IDP. This plan must include the following:

- A programme specifying the time frames for the different planning steps;
- Appropriate mechanisms, processes and procedures for consultation and participation of local communities, organs of state, traditional authorities and other role players in the IDP drafting process;
- An indication of the organisation arrangements for the IDP process;
- Mechanisms for integration and alignment.”

In compliance with the provisions of the Act as stipulated above, the LED and Planning Department of IYLM submitted the following breakdown as part of the preparation for the crafting of the Integrated Development Plan of the new Council for their term of office.

Table 1: Distribution of Roles and Responsibilities in the IDP process

Actors	Role and Responsibilities
Executive Committee	<ul style="list-style-type: none"> • Recommends the Process Plan to Council; • Overall management, coordination and monitoring of process and drafting of IDP; • Approves nominated persons to be in charge of the different roles, activities and responsibilities; • Overall management and coordination of planning process; • Public Participation; and • Ensures the annual business plans, budget and land use management decisions are linked to and based on the IDP
Municipal Council	<ul style="list-style-type: none"> • Political decision making body; • Oversees the development and review of the IDP; • Considers, adopts and approves process plan and IDP; and • Adopts the Integrated Development Plan, Budget and SDBIP.
Municipal Manager (MM)	<ul style="list-style-type: none"> • The MM utilized the Section 59 provisions of the Municipal Systems Act to delegate the responsibility to the Economic Development and Planning Director. • In terms of the process plan the IDP Manager was

Actors	Role and Responsibilities
	<p>tasked to:</p> <ul style="list-style-type: none"> ▪ Prepare the Process Plan for adoption by the Municipal Council; ▪ Manage the local municipal IDP by ensuring that all daily planning activities were performed within an efficient and effective consideration of available time, financial and human resources; ▪ Encourage an inclusive participatory planning process and compliance with the action programme; ▪ Facilitate the horizontal and vertical alignment of the various internal and external departmental programmes; ▪ Ensure that the planning process outcomes were properly documented; ▪ Manage service providers engaged in the municipal IDP process; ▪ Chair the IDP Steering Committee; ▪ Nominate persons in charge of different roles; ▪ Respond to comments on the draft reviewed IDP from the public; ▪ Adjust the IDP in accordance with the comments of the MEC for Local Government & Traditional Affairs; and ▪ Coordinate with various government departments and other HODs to ensure that all the projects, strategies and objectives of the local municipality are shared and distributed amongst government departments so that they might incorporate them in their planning process and vice versa.
Chris Hani District	<ul style="list-style-type: none"> • Participate in the IYLM IDP Representative Forum; and • Provide relevant documentation and budget information for planned projects and locations within Intsika Yethu Municipal Area for the IDP 2012-2017.
Councillors/Ward Committees and CDWs	<ul style="list-style-type: none"> • Major link between municipal government and residents; • Link the planning process to their wards or constituencies; • Set out a Municipal Vision, Mission, and Values; • Contribute to the Goal and Strategic Objective formulation for the term of office; • Organise public consultation and participation; • Coordinate participation of Ward Committees in the IDP Representative Forum; • Ensure proper documentation of the results of the planning of the IDP document; and • Adjust the IDP in accordance with the MEC for Local Government's proposals.

Actors	Role and Responsibilities
Municipal and Government officials	<ul style="list-style-type: none"> • Provide relevant technical, sector and financial information for analysis for determining priority issues; • Contribute technical expertise in the consideration and finalisation of Strategic Objectives, Strategies, Performance Indicators, and identification of Projects; • Provide departmental operational and capital budgetary information; • Responsibility for the preparation of project proposals, the integration of projects and sector programmes; • Responsibility for preparing amendments to the draft IDP for submission to the municipal Council for approval and the MEC for Local Government for alignment; and • Preparation of all business plans for different programmes and Projects for the IDP 2012-2017.
Community at large	<ul style="list-style-type: none"> • Represent their interests, contribute knowledge and ideas (Rep forum); • Inform interest groups, communities and organisations; • Analyse issues, determine priorities, and reach consensus; • Participate in designing project proposals; • Discuss and comment on the draft IDP; • Monitor performance in implementation; and • Conduct meetings with groups, other communities, and Traditional Leaders to prepare for follow up on relevant planning activities.

The IYLM Process Plan was presented and approved by Council on the 19 August 2011 and submitted to the Department of Local Government and Traditional Affairs. Although there has been considerable deviation from the adopted process plan, the following presents the schedule applied to the drafting of the Integrated Development Plan, and continues to apply to the public consultation process going forward. The details of the activities for the Process Plan are included in the table below.

Table 2: IYLM IDP Action Plan

Item	Activities	Deliverables	Responsible person	Dates
PLANNING PHASE				
1.	Develop draft IDP Process Plan guiding the planning, drafting, adoption and review of the IDP	Table IDP and Budget Process Plan to the Executive Committee	IDP Manager/MM	August 2011
2.	Presentation of IDP Process Plan and Budget Plan to Council	Adoption by the Council	MM	24 August 2011
3.	Notice to local community	The Advert was issued	MM	September

Item	Activities	Deliverables	Responsible person	Dates
	of particulars of the Process Plan	first week of September 2011.		2011
4.	Consider comments/proposals received from MEC DPLGTA, and any other comments received from Councillors, Ward Committees and other various role players	IGR cluster meeting	LED Coordinator	30 th September 2011
ANALYSIS PHASE				
5.	Hold a self assessment dialogue to review performance of municipality and determine shortcomings and weaknesses	Identification and plugging of gaps as identified by Auditor General and Internal Audit Committee.	IDP Manager, Chief Financial Officer (CFO) and MM	19 th September 2011
6.	Public consultation (visits) to all wards to collect information i.e. community needs and their expectations	Community needs identified and ranked.	IDP Manager/ MM	17 th - 25 st October 2011
7.	HODs to present strategic agendas in light of the focus of the new term of the Council and also taking into account community needs	Refined planning of the IDP development.	All Cluster Heads(HODs)	30 October 2011
8.	Establish Budget Steering Committees and Consultation Forum	Budget steering committee and consultation forum in place	CFO/ MM	31 st October 2011
9.	Assess provincial strategic plans as well as sector plans	Steering Committee Meeting	MM HODs	31 st October 2011
STRATEGIES PHASE (REVIEW OF VISION, MISSION, STRATEGIC OBJECTIVES AND PROGRAMMES/ PROJECTS)				
10.	Executive Committee/ Council lekgotla to review and update the Vision, Mission, Objectives and Strategies for the new Council	New strategic agenda for IDP of the new Council set.	Mayor/Speaker through Representative Forum / Workshop	22 February 2012
11.	Refining municipal strategies, objectives, KPAs, KPIs and targets so as to influence the budget.	Projects, Strategies, KPAs and KPIs in place.	MM CFO HOD	March 2012

Item	Activities	Deliverables	Responsible person	Dates
	Set and agree on IDP priority programmes/projects			
12.	IDP technical committee and budget steering committee to determine revenue projections and proposed rates , service charges for municipal services	Review of budget policies and rates.	CFO and IDP Manager	March 2012
13.	IDP Representative Forum	Present IDP Draft Situational Analysis	IDP Manager & CFO	12 March 2012
14.	Draft IDP and Budget presentation to Council	Draft budget/IDP in place	IDP Manager/CFO	27 March 2012
ALIGNMENT & INTEGRATION PHASE				
	Horizontal and Vertical alignment with District, Province, National projects and programmes	Integration and alignment	IDP Manager	March 2012
15.	Tabling and adoption of Draft IDP by Council	Draft IDP in place	Mayor/MM	30 March 2012
REVIEW OF THE DRAFT IDP (Integration of projects programmes from Provincial/National departments)				
16.	Publication of the draft IDP/Budget and invitation to local community and stakeholders for comments and inputs and submission to Provincial Treasury	Draft IDP/Budget advertised for public comment for 21 days	IDP Manager/CFO	02 April 2012
17.	IDP/Budget Road shows-public hearings	Engage Communities	Mayor/Executive Committee	April 2012
18.	IDP and Budget steering committee meeting to consider the revisions and amendments to IDP and Budget	IDP Rep Forum meeting	MM/IDP Manager	May 2012
19.	Council Meeting to adopt final Budget and IDP	Table to the council for adoption.	Mayor	30 May 2012
20.	Submission of IDP to Office of MEC		IDP Manager	4 th June 2012
21.	IDP Steering Committee	Finalise Draft Budget	Municipal Manager	June 2012
SDBIP and PMS Plan				

Item	Activities	Deliverables	Responsible person	Dates
22.	Submit to the Mayor a draft of the SDBIP and annual performance agreements within 14 days after approval of budget	Final Submission	Municipal Manager	June 2012
23.	Approval of SDBIP within 28 days after approval of the budget and ensure that annual performance contracts are concluded and are linked to the measurable performance objectives approved with the budget and SDBIP	SDBIP and PMS	Mayor	July 2012
24.	Public awareness within 14 days after approval	Advertisement notice	Municipal Manager	July 2012

The above process plan is in compliance with the provision of Chapter 4 of the MSA, as amended, and allows for meaningful participation in IDP processes via the established forums. In terms of Section 32(2) of the MSA, the Provincial MEC for Local Government and Traditional Affairs is authorised to provide suggestions and advice based on the findings of the IDP analysis. In this regard MEC comments for 2011/12 IDP have been instrumental in guiding the planning process in writing up the 2012/13-2016/17 IDP. The MEC comments received by IYLM on 17 August 2011 were helpful in addressing gaps during the drafting of the IDP. The municipality has considered the comments, although the specific municipal responses were not necessarily captured in the IDP. Accordingly the IDP has been prepared in accordance with the assessment of IYLM as required in terms of Section 41 of the MSA.

1.1 Mechanisms and Procedures for Public Participation

One of the most exciting opportunities of the planning and budgeting process is the potential for involvement of community and stakeholder organisations in the process. This insures that the IDP addresses the real issues that are experienced by the citizens of IYLM. The Constitution stipulates that one of the objectives of the municipality is “to encourage the involvement of communities and community organisations in the matters of local government”. The White Paper on Local Government also puts emphasis on the role and significance of public participation. Participation varies from internal to external stakeholders inclusive of IGR clusters (various municipal departments) Portfolio Committees, Community Development Workers, Ward Councillors, Ward Committees, Local Tourism Organisation, the Executive Committee and Council, Traditional Councils, IDP Representatives Forums, etc. Regardless of the stakeholder, the engagement and participation creates an opportunity for more robust engagement, ownership, and ultimately a more credible IDP going forward.

The aforementioned stakeholders have already interacted with the document and will continue to be engaged in the process of refining the draft IDP in the following manner:

- Use the IDP Representative Forum to critique, verify, and add additional information;
- Use the IDP Representative Forum to ensure that community priorities are adequately reflected in the IDP;
- Engage Councillors’ and Community Development Workers to call meetings to keep communities informed on the IDP processes;
- Request feedback on municipal progress;
- Use newspaper advertisements to inform communities of the process;
- Distribute pamphlets/summary books on IDP’s & budget;
- Make the IDP & budget available for public comment; and
- Make the IDP & budget documents accessible to all members of the public.

The following table provides an overview of the various participation mechanisms employed across the different phases of the IDP process.

Table 3: Participation mechanisms for different Phases

Planning Phase	Participation Mechanism
Analysis	Community meetings Stakeholder meetings CBP/ward committees
Strategies	Technical committee craft strategies
Project	Technical committees with selected representatives of stakeholder organisation
Integration	IDP Representative Forum
Approval	IDP Representative Forum Public discussion, consultation process Community meetings

Planning Phase	Participation Mechanism
	Stakeholder meeting Opportunity for comments from the public
Monitoring of implementation	IDP representative Forum Community meetings Stakeholder meetings

The municipality's Community Participation Strategy has informed this process and provided for the involvement of the public in identification of key issues that inform the resources the production of a credible IDP. Furthermore, public comment and engagement on the draft document has further enhanced its credibility in this regard.

1.1.1 Ward committees and CDWs

One of the intrinsic features of the Integrated Development Planning process undertaken by the IYLM is the involvement of community and stakeholder organisations in the process. Participation of affected and interested parties ensures that the Integrated Development Plan (IDP) addresses the core developmental issues experienced by the citizens of a municipality. To further strengthen community engagement the municipality has in collaboration with its constituencies established 21 Ward Committees of ten members each, with Ward Councillors acting as Chairpersons.

Through the engagements with the Ward Councillors, Ward Committee members and CDWs, the following issues were identified as having the potential to negatively affect their functionality:

- Lack of understanding and clarity on the roles and responsibilities;
- The different literacy levels and the general understanding of Local Government between Ward Committees, CDWs and Ward Councillors;
- Poor coordination of Ward Committees and community meetings;
- Lack of commitment of some of the Ward Committee members and support staff; and
- Lack of reports and/or attendance registers.

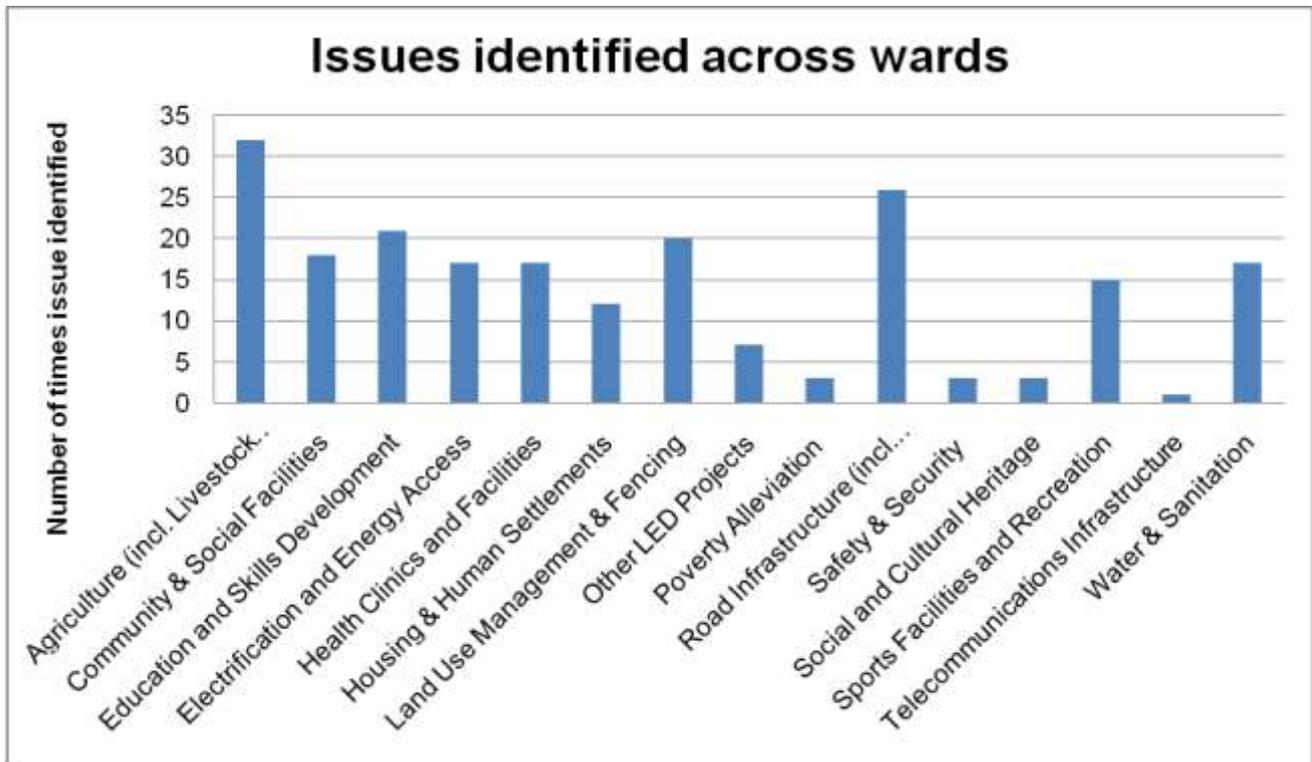
Ward Committees are central to the IDP planning process, as supported by legislation. As representatives of the developmental aspirations and needs of the Wards, they also form an information assimilation/dissemination mechanism between a municipal Council and the community. The Ward Committees are also crucial to the development, implementation, monitoring and reporting of municipal performance on the service delivery targets and planned interventions as presented in the municipal IDPs.

1.1.2 Issues identified by Wards within IYLM

This section of the Situational Analysis is required by Chapter 4 of the Municipal Systems Act of 2000. IYLM has been actively involved in the community participation meetings and has considered all the needs identified in previous IDP Reviews and consultation at various ward level. The Municipality is in a process of preparing local area plans (Ward Based Plans) which serve as a good base for the IDP and helps the municipality in making well informed planning and budget decisions. The local area plan is the process of facilitation where communities are assisted in developing plans. This process serves to enhance the public participation in the IDP process; hence the plans are articulated in the IDPs of the municipalities. The following graph reflects the community identified issues as reflected by frequency of identification across the 21 Wards.

Chart 1 identifies the frequency with which an issue was identified across IYLM’s twenty-one (21) Wards. During the process of community consultation, each Ward could identify up to ten issues, as well as proposed projects, and rank the issues on a scale of one (1) to ten (10), as presented in Chart 2. These issues were then consolidated into discrete, mutually exclusive groups. The frequency with which each issue was cited across the Wards was then collated into a table, and graphically presented above to identify the issues most commonly cited across IYLM’s Wards.

Chart 1: Frequency of issues identified across Wards



Agriculture (including Livestock Development) was the most commonly cited issue, occurring 32 times, and on average appearing more than once within each Ward’s needs identification. Key considerations and proposals in this regard were related to crop irrigation, livestock dipping tanks and shearing sheds, as well as stock dams for animal access to water.

This issue was closely followed by Road Infrastructure, cited twenty-six (26) times, which was inclusive of bridges as well as storm water drainage. Commonly proposed projects and suggestions included internal street access, bridges, as well as traffic calming and storm water drainage facilities.

Education and Skills Development was the third most cited issue, identified twenty-one (21) times, effectively once across all of the Local Municipality’s Wards. Specifically, the construction and renovation of existing schools was a key proposal emanating from the community consultations, as well as emphasis on the need for early childhood development facilities in the way of pre-schools for learners prior to entering primary school.

Issues that only received passing and limited mention during the Ward consultations included telecommunications, mentioned only once. Safety and Security, with specific requests for mobile or permanent police stations, was identified as an issue in three (3) Wards. Similarly, Social and Cultural Heritage was only identified in three (3) Wards, where requests for the construction of a cultural village within the communities were made.

Chart 2: Ward issues identified with weighting by rank

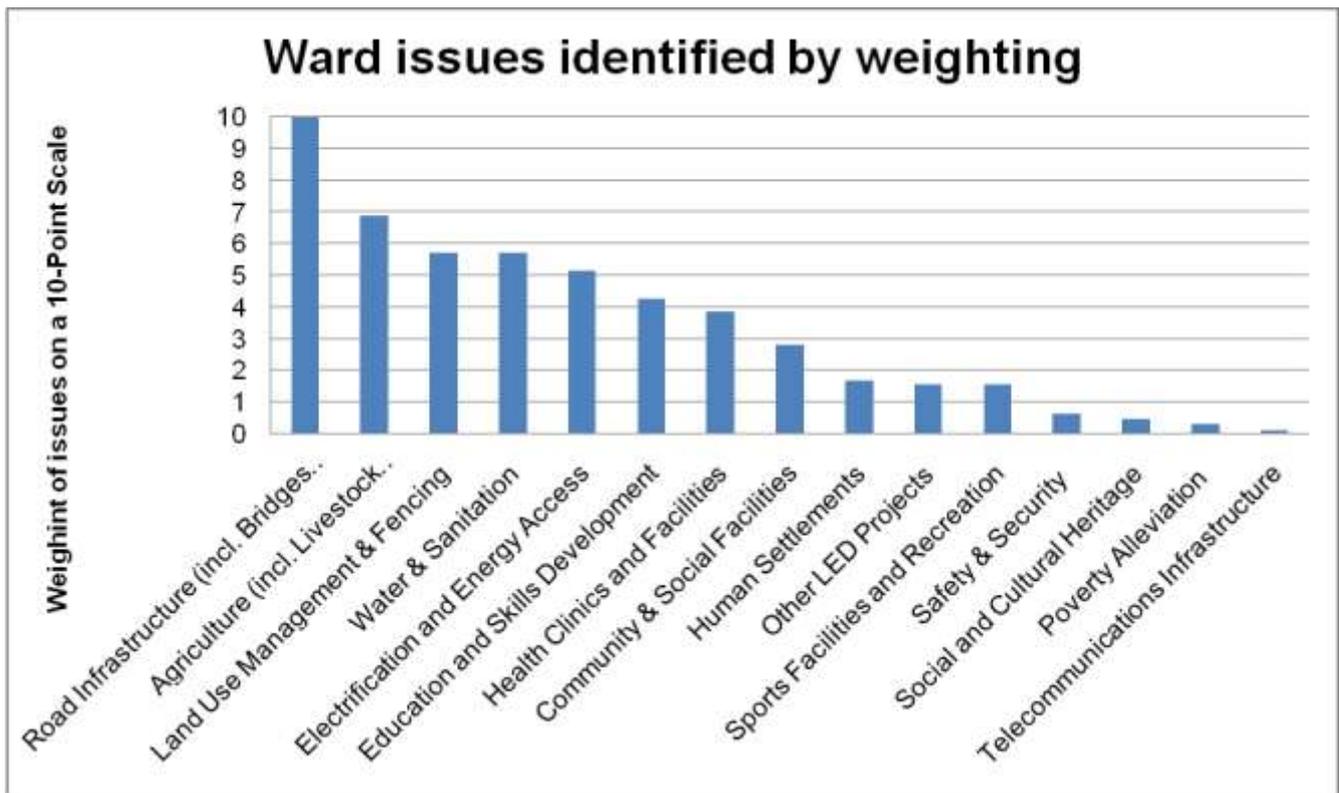


Chart 2 represents the weighting of issues identified in the Ward consultations based upon their frequency and ranking by community members. In order to weight the rankings, a scale was applied from 1-10, with 10 representing the greatest prioritisation of the issue, and 1 the issue of least prioritisation. Thus, if a community ranked Health Clinics and Facilities as their first priority, it received a weighting of 10. The total weighting for the issue was then the sum of its ranked weights across the twenty-one (21) Wards, divided by the maximum weighting score achieved for a given issue (different aspects of the same issue were sometimes identified multiple times within the same ward, thus meaning certain issues appeared more than twenty-one times), and adjusted to a 10-point scale. In this way, the issue with the greatest weighting based upon its rank and frequency, was the only issue identified as achieving a 10 on the weighting of issues.

Based on the 10-point scale devised for issues identified across Wards, Road Infrastructure (inclusive of Bridges and Stormwater Drainage) was weighted as the greatest priority across the Wards, despite Agriculture (including Livestock Development) being more frequently cited. It therefore received a ranking of 10, with Agriculture and Livestock Development falling behind with a ranking of 6.88, and those trailed by Land Use Management and Fencing, which was tied for third priority with Water & Sanitation, both receiving a weighting of 5.71. This was closely followed by Electrification and Energy Access, which was ranked as the fifth priority overall, and received a weighting of 4.24.

In terms of issues given the least priority emanating from Wards, Telecommunications Infrastructure, Poverty Alleviation, and Social and Cultural Heritage, were the three issues of least weighting. Surprisingly, the issue of Human Settlements was of a relatively low weighting, despite the high percentage of residents within IYLM that live in traditional housing. Other issues such as Education and Skills Development, Health Clinics and Facilities, as well as Community Facilities were of medium-level priority based across wards when considering their ranked weighting.

These issues identified by IYLM communities provide a firm starting point for a more robust examination of the developmental status quo as part of the Situational Analysis of the IDP 2012-2017.

Chapter 2: Situational Analysis

(Part A) An Institutional Review

Introduction

This section of the Integrated Development Plan provides an overview of the current status quo within IYLM. The section is aimed at painting a picture of the current situation in IYLM that has assisted in the identification of key issues to be addressed over the medium term as well as their prioritisation. The Situational Analysis covers information such as demographics, employment information, socio-economic data, economic data, governance and organisational information, and service delivery. In addition, this section elaborates upon crucial spatial considerations identified within IYLM's Spatial Development Framework (SDF). It is hoped that after reading this section the reader will have gained a comprehensive understanding of the current situation in IYLM and the challenges and opportunities facing the municipality.

It should be noted that comprehensive information about rural municipalities such as IYLM is often quite scarce, and as a result much of the information which is publicly available is slightly outdated. The data used in this Situational Analysis is sourced primarily from the Eastern Cape Social and Economic Consultative Council (ECSECC) Statistics Database. This data was collected up until 2009 and uses forecasted estimates for 2010 and at times 2011, and is particularly useful for trend analysis. For more recent data, *Gaffney's Local Government in South Africa – Official Yearbook 2011-2013* has been utilised to provide the most updated projections regarding key social and service delivery considerations. While there are minor discrepancies between the two data sources, where substantial contradictions existed data has been omitted and the situation presented is mutually reinforced by the two data sources. But before going into further detail of socio-economic status quo, it is important to contextualise the municipality's situation by presenting the various municipal powers and functions.

2. Institutional Profile

2.1 Municipal Powers and Functions

In order to develop a fully functional Municipality in line with the developmental mandate of Local Government, it is necessary to be aware of the municipal powers and functions as they were Gazetted, and directed by the MEC of Local Government and Traditional Affairs in the Eastern Cape Province.

The Constitution of the Republic of South Africa (Act 108 of 1996), Section 156, Section 229 and the Municipal Structures Act (Act 117 of 1998, Section 84) provides a broad framework for the allocation of powers, duties and functions between District and Local Municipalities. Since a Municipality has executive authority in respect of, and has the right to administer the local government matters listed in Part B of Schedule 4 and Part B of Schedule 5. Much confusion still prevails regarding which of the two tiers of Local Government is responsible for various functions. This confusion not only lies between the District Municipality and Local Municipality, but also between the District Municipality and Provincial and National Departments.

Firstly, the powers of municipalities as institutions of Local Government, one of the three spheres of government, are recognized and protected in the Constitution. Secondly, the exercise of municipal legislative power is no longer a delegated function subject to administrative review, but a political process, influenced by the considerations and input of elected Councillors, representing the will of the municipal residents. The Constitution provides that municipalities have legislative and executive powers over the functional areas listed in Schedules 4B and 5B of the Constitution. Section 156(1) and (2) and the two lists of functional areas in Schedules 4B and 5B constitute the primary source of power for Local Government.

The constitutional allocation of ‘original powers’ to Local Government produces at least two areas of overlap, namely supervisory overlap and overlap between matters listed in the Schedules. The Constitution does not allocate the matters in Schedule 4B and 5B exclusively to Local Government; National and Provincial Government may also regulate those matters. The Local Government matters listed in Schedule 4B are part of the concurrent provincial and national legislative competence “to the extent set out in section 155(6) (a) and (7)”. Similarly, the Local Government matters listed in Schedule 5B are part of the exclusive provincial competence “to the extent set out for provinces in section 155(6) (a) and (7)”. National and Provincial Governments have the authority to ensure that municipalities adequately perform in respect of these matters. The Constitution provides that, subject to section 151(4), a by-law that conflicts with national or provincial legislation is invalid.

Section 155(6) (a) of the Constitution states that Provincial Government has a duty to monitor and support Local Government in its jurisdiction. The Province must assert legislative and executive power in order to promote the development of local government’s capacity to perform its functions and manage its affairs and they may do so by regulating municipal executive authority, thus ensuring the municipalities’ effective performance of their functions in respect of listed local government matters. Taken together, these competencies are considerable and facilitate a measure of Provincial Government control over the manner in which municipalities administer those matters in Part B of Schedules 4 and 5. This control is not purely administrative. It could encompass control over municipal legislation to the extent that such legislation impacts on the manner of administering Local Government matters.

Another consideration relates to the role and function of traditional leaders and how they are to be incorporated into the Local Government structures and procedures in future. The Traditional Leadership and Governance Framework Act (Act 41 of 2003) provides that the MEC for Local Government and Traditional Affairs appoint representatives of traditional leaders to participate in the Council as provided in the Municipal Systems Act (Act 32 of 2000). In this regard the issue of land administration between the Municipality and the traditional leaders is a challenge that needs to be addressed. The challenge arises when traditional leaders continue to allocate land to communities without engaging the municipality to ascertain issues relating to township establishment and land development requirements generally. This may result in communities occupying sites in which no services have been provided and where no formal procedures are followed.

This situation leads to a host of other challenges which including health related problems, occupation of land not suitable for human settlement, compounding existing challenges of poverty eradication. IYLM and relevant traditional leadership structures must devise a system of engagement and cooperation in order to address this challenge.

It is obvious that without clarity on power, duties and functions (responsibilities) between these institutions it becomes very difficult to design strategies and formulate projects and budget accordingly. This has been a significant problem in the IYLM IDP development process in the past. It is in this regard that, this issue is identified by IYLM and is essential that a concerted effort be sustained in order to resolve matters pertaining to the allocation of powers, duties and functions pertaining to all disciplines.

As far as powers and functions are concerned, CHDM performs certain functions within IYLM. Additionally, due to existing low capacity in some areas, CHDM will, in consultation with Local Municipalities, enter into a contract with the external service provider to supplement capacity. It remains a two-way commitment between a Local Municipality and the District Municipality to build adequate capacity for accelerated service delivery. Below is a table of the Powers and Functions distributed between CHDM and IYLM as authorised, and as per the status quo.

Table 4: Division of Powers and functions between CHDM and IYLM

	Services	CHDM authorised powers	IYLM authorised powers	IYLM Quo	Status
Part B of Schedule 4 of the Constitution of RSA	Air Pollution	No	Yes	No	
	Building regulation	No	Yes	Yes	
	Child care facilities	No	Yes	Yes	
	Electricity and gas reticulation	Yes	No	No (Eskom)	
	Fire fighting	Yes	Yes	No	
	Local Tourism	Yes	Yes	Yes (Resolve w/ CHDM)	
	Municipal Airports	Yes	Yes	No	
	Municipal Health	Yes	Yes	No SLA	
	Municipal planning	Yes	Yes	Yes	
	Municipal Public Works	Yes	Yes	Yes	
	Pontoons and Ferries	No	Yes	Yes	
	Municipal public transport	Yes	Yes	Yes (only Infra. Provision)	
	Sanitation	Yes	Yes	Yes (SLA)	
	Storm water	No	Yes	Yes	
	Trading regulation	No	Yes	Yes	
	Water	Yes	Yes	Yes (SLA)	
	Part B of Schedule 5 of the Constitution of RSA	Beaches & amusement facilities	No	Yes	No
Billboards & advertisements		No	Yes	Yes	
Cemeteries, parlours & crematoria		No	Yes	Yes	
Cleansing		No	Yes	Yes	
Control of public nuisance		No	Yes	Yes	
Control of undertakings that sell liquor		No	Yes	Yes	
Facilities for accommodation, care & burial of animals		No	Yes	Yes	
Fences & Fencing		No	Yes	Yes	
Licensing and controlling of undertakings that sell food to the public		No	Yes	Yes	
Licensing of dogs		No	Yes	No	
Local amenities		No	Yes	Yes	
Local Sports facilities		Yes	Yes	Yes	
Markets		Yes	Yes	Yes	
Municipal abattoirs		Yes	Yes	No	

	Services	CHDM authorised powers	IYLM authorised powers	IYLM Quo	Status
	Municipal parks & recreational facilities	No	Yes	Yes	
	Municipal roads	Yes	Yes	Yes	
	Noise pollution	No	Yes	Yes	
	Pounds	No	Yes	Yes	
	Public places	No	Yes	Yes	
	Refuse removal dumps & solid waste disposal	Yes	Yes	Yes	
	Street lighting	No	Yes	Yes	
	Street trading	No	Yes	Yes	
	Traffic and parking	No	Yes	Yes	
From Section 84(1) of Municipal Structures Act of 1998	Receipt, distribution and allocation of grants	Yes	No	No	
	Imposition and collection of taxes, levies, and duties	Yes	No	Yes	

The above table illustrates the powers and functions that IYLM is authorised to perform (in the second column) against the functions and responsibilities actually performed (in the third column) the last column present a status quo, the CHDM functional responsibilities are shown in first column. Where a yes appears in both columns, it means that the function is shared between District and Local municipality.

2.2 Municipal Council and institutional governance

The Local Government Elections of May 2011 saw the African National Congress (ANC) retain its control of the Intsika Yethu Municipal Council, receiving nearly 90% of the total votes cast in the election. Of the 72,149 registered voters, 43,716 turned out for the election across all 21 wards, a total of 60.59% of the potential electorate. Twenty-one Councillors were elected to represent their Wards while another twenty-one were elected from a Proportional Representation ballot, bringing the Municipal Council to 42 in total.

Table 5: Voting results of the Local Government Elections of May 2011 for IYLM

Leading parties	Ward votes and %	Party votes and %	Ward	Prop. Rep	Total
1st ANC	37165 87.83%	37956 88.35%	21	16	37
2nd COPE	1908 4.51%	1958 4.56%	-	2	2
3rd UDM	1656 3.91%	1466 3.41%	-	2	2
4th PAC	517 1.22%	555 1.29%	-	1	1
Others	1068 2.52%	1025 2.39%	-	-	-
Total	42314 100.00%	42960 100.00%	21	21	42

Within the Municipal Council, Councillors elected from the Proportional Representation list make-up the Executive Committee of Municipality and hold various portfolio positions to which they apply political leadership and guidance towards the delivery of services to the citizens of IYLM.

The following positions are currently held within IYLM:

Mayor: Ms K Vimbayo

Speaker: Mr AZ Mbotoloshi

Mayoral Executive Committee Members-

Infrastructure, Development & Planning: Mr S Myataza

Community Services: Ms NA Tshangana-Nkota

Local Economic Development: Mr W Mdwayingana

Corporate Services: Ms N Ntsaluba

Treasury & Budget: Ms K Mdleleni

Special Programmes: Mr J Cengani

In addition to the 8 Councillors above, 34 other Councillors make-up the Intsika Yethu Local Municipal Council. The total list of Ward and Proportional Representation Councillors follows below.

Table 6: Municipal Councillors for IYLM

Ward Councillors	Wards	Proportional Councillors	Representation
Cllr Holta Mhlaweyoti Hew	1	1	Cllr Koliswa Vimbayo
Cllr Neliswa Portia Gadeni	2	2	Cllr Anderson Zukile Mbotoloshi
Cllr Madoda Lawrence Papiyana	3	3	Cllr Ntombazipheli Nkota-Tshangana
Cllr Manyewu Shasha	4	4	Cllr Noloyiso Kolosa Ntsaluba
Cllr Dudu Kaspile	5	5	Cllr Jongumzi Cengani
Cllr Mahkwenkwane Henry Mahali	6	6	Cllr Kanyiswa Florence Mdleleni
Cllr Nophelo Magaga	7	7	Cllr Saziso Myataza
Cllr Nozuko Sygnoria Mafanya	8	8	Cllr William Ndamthini Mdwayingana
Cllr Monde Armon Mbotshane	9	9	Cllr Bongolethu Mboniswa
Cllr Mwezi Innocent Bikitsha	10	10	Cllr Noloyiso Ntloko
Cllr Zweloxolo Mxi	11	11	Cllr Zonwabele Shepher Matshikiza
Cllr Vuyokazi Gladys Matomela	12	12	Cllr Mandisi Merryman Mbebe
Cllr Siphwiwo Mkunyana	13	13	Cllr Phumzile Nqandela
Cllr Malibongwe Gulubela	14	14	Cllr Nobom Bani
Cllr Albertinah Nokwetu Royi	15	15	Cllr Edth Nonkoliseko Matshukula-Stata
Cllr Noloyiso Mto	16	16	Cllr Nokwakha Jada
Cllr Noxolo Faith Nowandile Dangazela	17	17	Cllr Nayisile Headman Mgodeli
Cllr Noxolile Mavis Hexana	18	18	Cllr Nomgcobo Albertina Somdyala
Cllr Mayenzeke Yamile	19	19	Cllr Monwabisi Zulu
Cllr Zukiswa Qayiya	20	20	Cllr Humphrey Sangolibanzi Nobongoza
Cllr Nolundi Gertrude Futiso	21	21	Cllr Sizwe Tame

Supportive of the good governance function within IYLM are a number of structures and positions that fulfil a variety of roles and functions. An overview of these bodies and groups will also highlight some of the achievements of the previous term.

2.3 Committees of Council

IYLM has both Section 79 and Section 80 Committees established as per legislative requirements to support the good governance function of Council. Within the municipality Section 79 Committees fall under the Speaker's Office and fulfil key governance functions of predominantly an administrative oversight nature, whereas Section 80 Committees are standing committees aligned to the various functional areas for service delivery within the municipality under the Mayor's office. In the previous term

some of the Section 79 Committees were unable to fulfil their duties adequately, in part because of a failure to delegate responsibilities adequately as required in Section 79 of the Municipal Finance Management Act (MFMA).

2.4 Community Development Workers (CDWs)

CDWs within IYLM are the foot-soldiers for service delivery and accountable governance. Based within the Local Municipality's LMs 21 wards, these workers compile monthly reports for submission to the Speaker's Office and to the Department of Local Government and Traditional Affairs detailing the conditions on the ground.

In the previous term, CDWs played an instrumental role in the identification of service delivery shortcomings and assisted in ensuring a number of interventions were carried out to address these issues. They also played a prominent role in publicising and mobilising residents to target part in government sector gatherings and meetings.

2.5 Ward Committees

Following the re-demarcation process conducted by the Demarcation Board during the previous term, IYLM saw its Ward composition change from 23 Wards to the current 21 Wards. Each Ward has representation of ten committee members of which the Ward Councillor acts as Chairperson at meetings and is responsible for holding meetings within their respective Wards.

Every Ward Committee within Intsika Yethu Municipal Area is considered functional and active, partially due to the successes of the previous term in which each Ward had its own programme of action. Ward Councillors regularly furnish reports on meetings and service delivery progress to the Speaker's Office to keep the municipality informed and ensure accountability.

2.6 Finances and Financial Management

Given the poverty rate within the municipality and the high grant dependency of many IYLM citizens, the municipality is not yet financially viable in terms of a local revenue base, and remains reliant upon its Equitable Share allocations and MIG funding to undertake its core functions in the area of basic services and infrastructure provision. Capital expenditure has remained a priority within IYLM and has been bolstered in recent years by a growing and increasingly capable staffing complement.

The information provided below gives an overview of IYLM's finances over the previous two years as well as a projection for 2012/2013. It details a considerable increase in operational expenditure while showing a relatively stable allocation for capital projects.

Table 7: IYLM Budget Allocations 2010-2013

Budget 2010/2011		
Capital	Operating	Total
R 22,796,000	R 90,349,000	R 113,145,000
Budget 2011/2012		
Capital	Operating	Total
R 20,270,000	R 114,374,000	R 134,644,000
Budget 2012/2013		
Capital	Operating	Total
R 22,500,000	R 118,974,000	R 141,474,000

Source: *Gaffney's Local Government in South Africa Yearbook 2011-2013*, p. M134

Over the previous term IYLM experienced some challenges in effectively applying the funds available to it in a transparent and accountable manner. Nevertheless, IYLM has been proactive in its approach to dealing with graft and fraud by developing a Fraud Prevention Policy that seeks “the ultimate eradication of fraud, corruption, theft and maladministration by means of the application of the full spectrum of both pro-active and re-active measures at their disposal.”¹

Performance in terms of a clean administration fluctuated considerably. After beginning the term with an Adverse audit opinion for 2006-2007, the LM regressed before improving to a qualified audit opinion in 2008/2009 and regressing again to a Disclaimer the following year.

Table 8: Audit outcomes for IYLM from 2006-2011

2006/2007	2007/2008	2008/2009	2009/2010	2010/2011
Adverse	Disclaimer	Qualified	Disclaimer	Disclaimer

Source: *Auditor General Local Government Annual Reports 2006-2011*

At the close of the 2010/2011 financial year, IYLM was the last of all Eastern Cape municipalities to finalise its Annual Financial Statements, delaying the findings of the Auditor General, and eventually receiving a Disclaimer. It has subsequently engaged on the findings identified by the Auditor General and taken proactive steps to rectifying some of the issues raised.

Prior to the release of the 2010/2011 audit findings of the Auditor General, IYLM had already compiled an Audit Turnaround Action Plan for the financial year ended 30 June 2012. The plan provides a detailed breakdown of the Auditor General’s findings, management comments in response, along with a stated plan of action and the status of that plan of action, including a date by which the action should be completed. This document forms the basis of the municipality’s response to the Auditor General’s findings and is evidence of the due consideration given.

One of the challenges IYLM faces in this regard is that it does not have a standalone audit committee within the municipality, but instead enjoys a shared service provided by CHDM. Despite the existence of Section 79 and Section 80 committees, and an Internal Audit section, IYLM has struggled in its efforts to achieve a clean administration. Support in preparation of the compilation of its Annual Financial Statements is an area the municipality still requires assistance in.

¹ IYLM, *Fraud and Prevention Policy*, 2009, p. 2

As the municipality forges onwards into the new term, the failure to comply and continued maladministration will be a focal area requiring sustained effort to ensure improvement towards the achievement of a clean audit for 2014, as per the national target of COGTA.

Table 9: Financial Policies of IYLM

Financial Policies	
Title	In existence
Tariffs Policy	Yes
Rates Policy	Yes
Credit Control and Debt Collection	Yes
Borrowing Policy	No
Funding and Reserves Policy	No
Long-Term Financial Plan	No
Fraud Prevention Policy	Yes
Supply Chain Management Policy	Yes
Asset Management and Disposal Policy	Yes
Indigent Support Policy	Yes
Infrastructure Investment and Capital Projects	No

The table of policies above identifies those financial policies currently in existence. Crucially, despite a clear Supply Chain Management Policy and a functional unit comprising 8 permanent staff members, compliance to the MFMA has proved elusive and remains a priority for IYLM going forward. IYLM's three Bid Committees (Specification, Adjudication, and Evaluation) will face the enduring challenging of managing procurement as per the letter of the law and the municipality's internal policy.

In other areas, the municipality has improved its implementation of policy in pursuit of a clean administration. The municipal efforts to update its valuation roll are evidence of such as the municipality completed the valuation update in July of 2011 and has since undertaken two supplementary valuations. In the absence of a Land Asset Register, the valuation roll has proven useful to the municipality in considering the acquisition of property for developmental purposes.

2.7 Human resources

Given the various developmental challenges facing IYLM, a robust and capacitated human resource base is a necessity for driving local government's developmental mandate. In this respect, IYLM has shown considerable progress over the previous term, positioning the municipality well for the 2012-2017 period ahead. As a recipient of two VUNA Awards for its success and professionalism in hiring and retaining skilled staff, the municipality has made remarkable progress towards making capacity shortcomings a thing of the past.

Table 10: Approved posts per Department circa 2010

Administration	Community Services	LED	Finances	Corp. Services	Planning & Infrastructure	Total
15	96	15	29	30	67	252

Source: IYLM HR Strategy 2009-2010

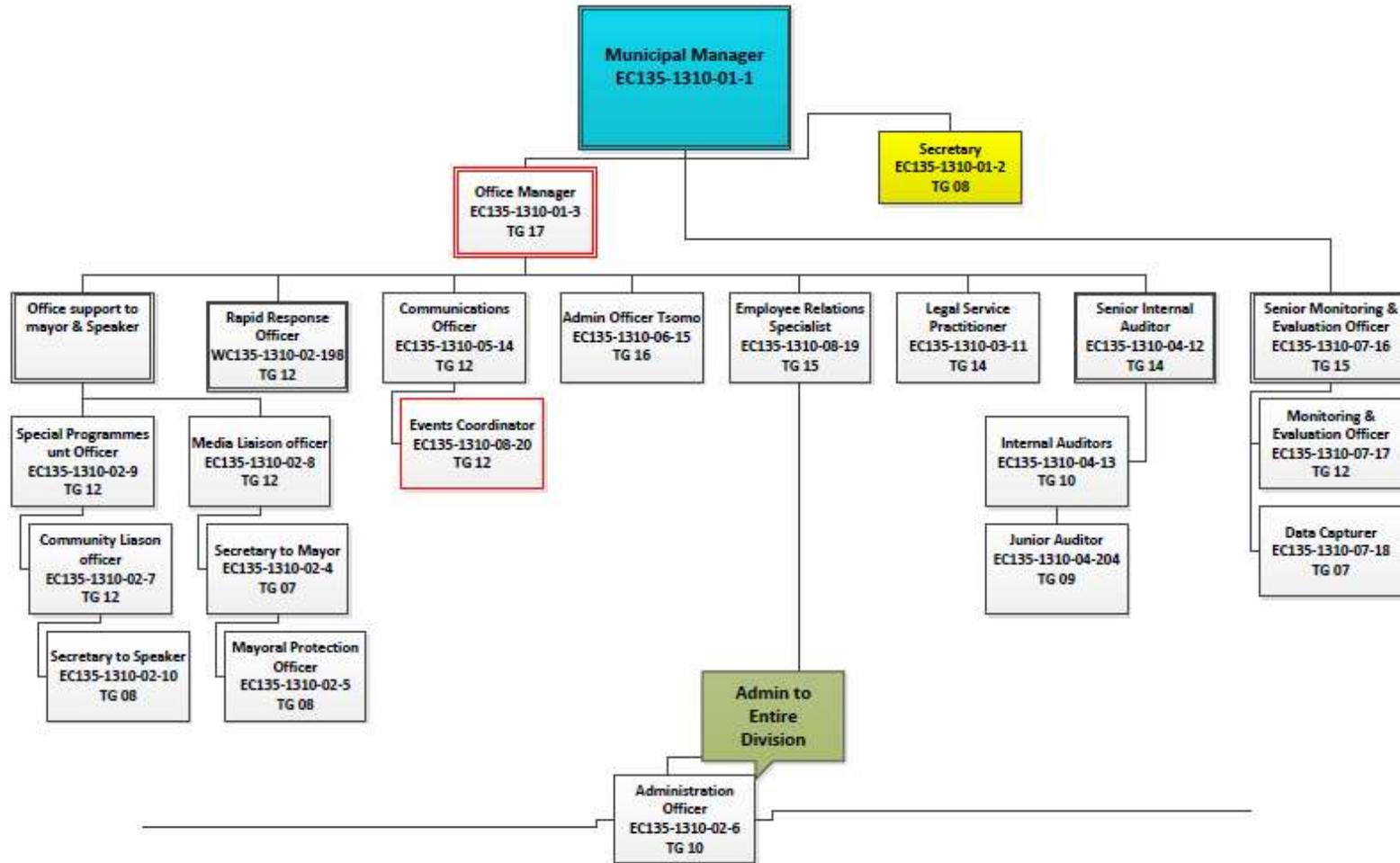
In 2010 IYLM had a vacancy rate of 27%, and it has since made considerable progress in filling posts through an annual prioritisation process that identifies key vacancies within the institution for recruitment. This approach has yielded considerable successes for the organisation as it has continuously increased its staffing complement in scarce skills areas and prioritised functional areas such as Technical Services. On an annual basis IYLM considers the funded vacancies within the organisation and prioritises critical posts for service provision before advertising posts and embarking on a planned recruitment process. However, given the current employee expenses, no new posts have been prioritised for the 2012/2013 financial year.

Despite these achievements, the Technical Services directorate (inclusive of Water & Sanitation Provisioning) held the highest vacancy rate within the organisation, with 46% of all approved posts left vacant in 2010. Subsequently, this vacancy rate has been lowered to approximately 25%, attributed to the post prioritisation process undertaken by Corporate Services, with only one critical post appointment still outstanding for the new term of Council. Recent progress in appointing staff will assist this crucial Directorate in carrying out its key powers and functions more effectively, so as to avoid the shortfall in spending of MIG allocations that has been a challenge for the department in the past.

At present, IYLM's Human Resource Strategy 2009/2010 is currently under review for updating and revision. It is anticipated the revised strategy will go to Council within the 2012/2013 financial year so that the organisation's HR plans are more closely reflective of the current developmental trajectory of IYLM. This revised document, coupled with the extensive policies and manuals already established by the Corporate Services Directorate, will provide a firm basis for a responsive and critical post- prioritised, recruitment of staff.

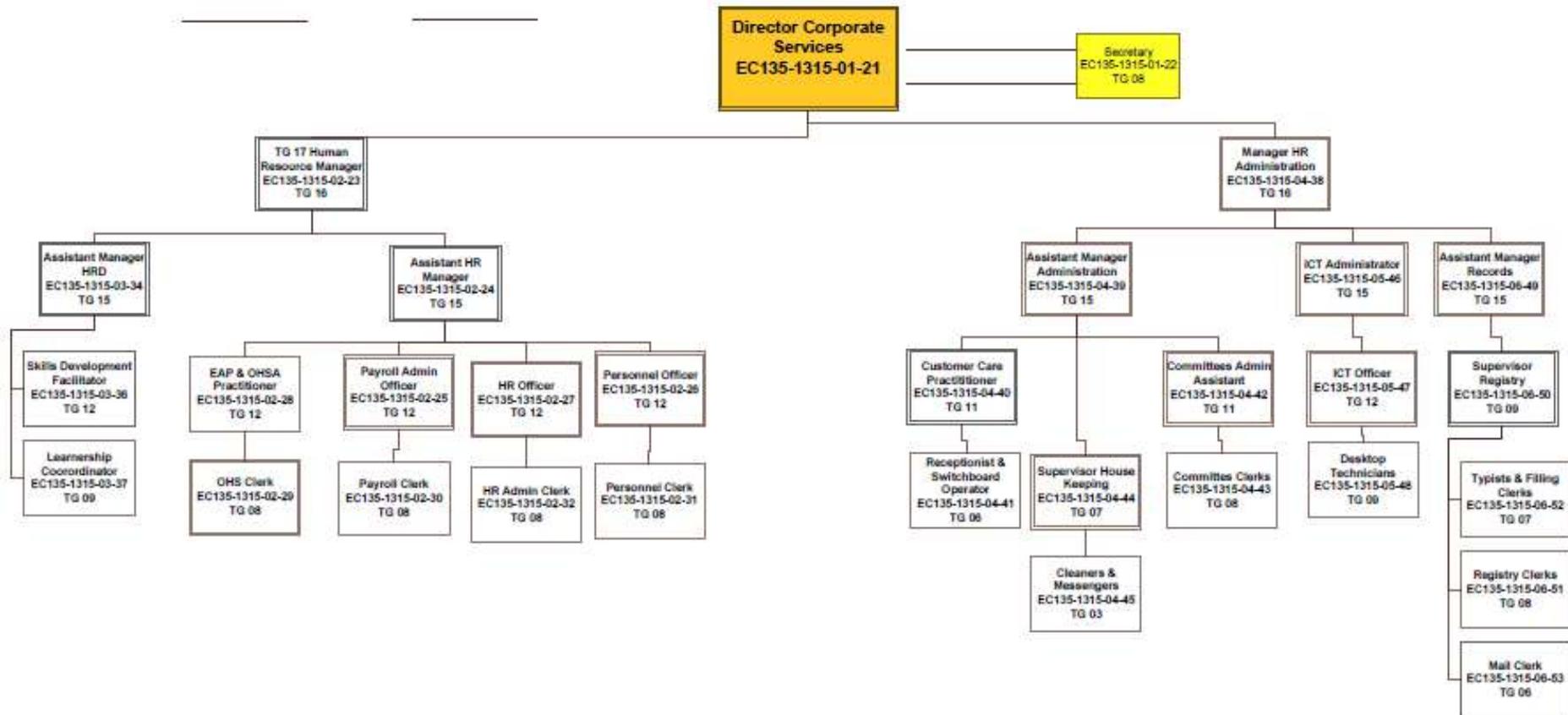
The following figures provide a representation of the existing organisational structures within IYLM per Directorate. The following provides a visual representation and breakdown of the posts, as well as some brief narrative speaking to the functions and responsibilities that the two highest levels of management within the municipality are responsible for.

Figure 1: Municipal Manager’s Office organisational structure



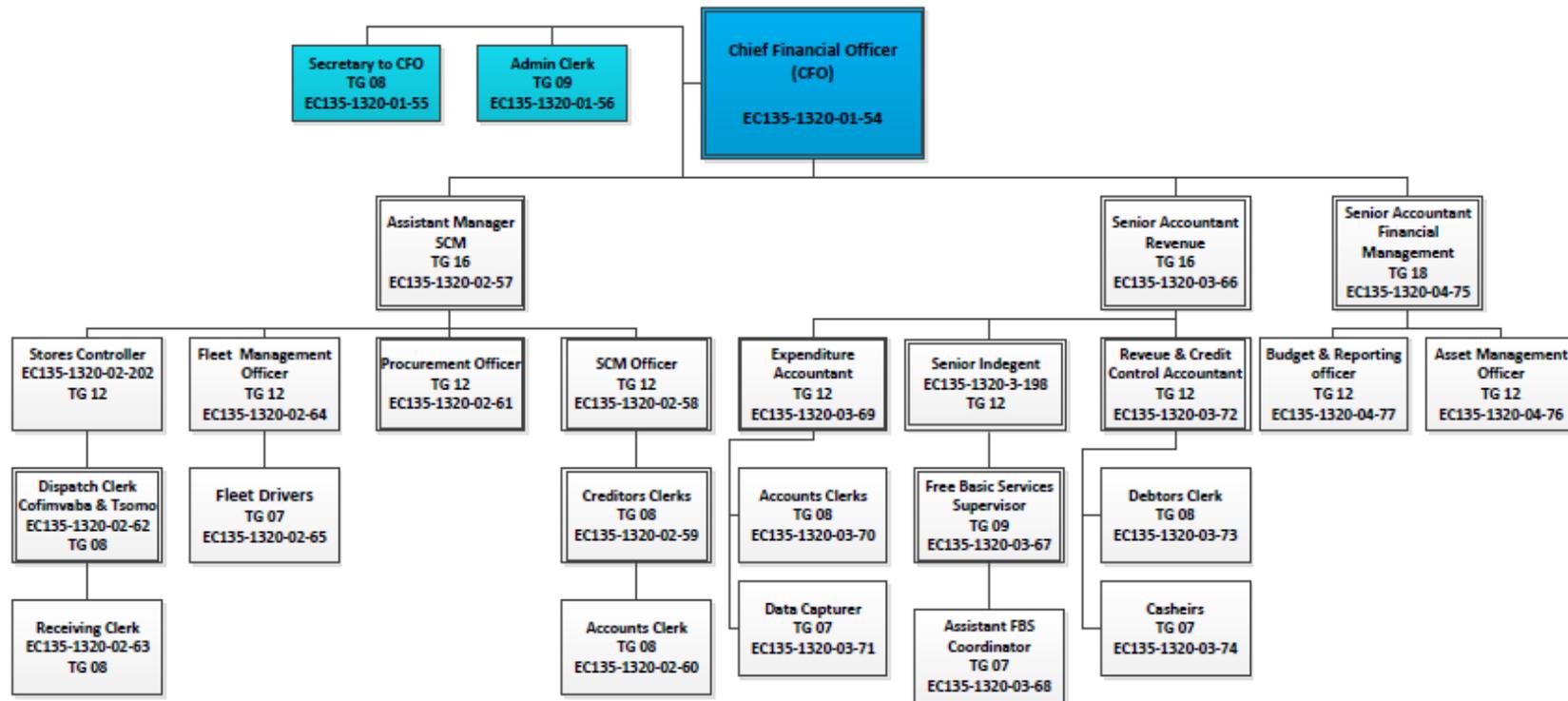
The organisational structure provided above shows the Municipal Manager’s responsibilities within IYLM inclusive of oversight for institutional Communications, Internal Audit, Monitoring and Evaluation, as well as the Special Programmes Unit and Mayoral support.

Figure 2: Corporate Services' organisational structure



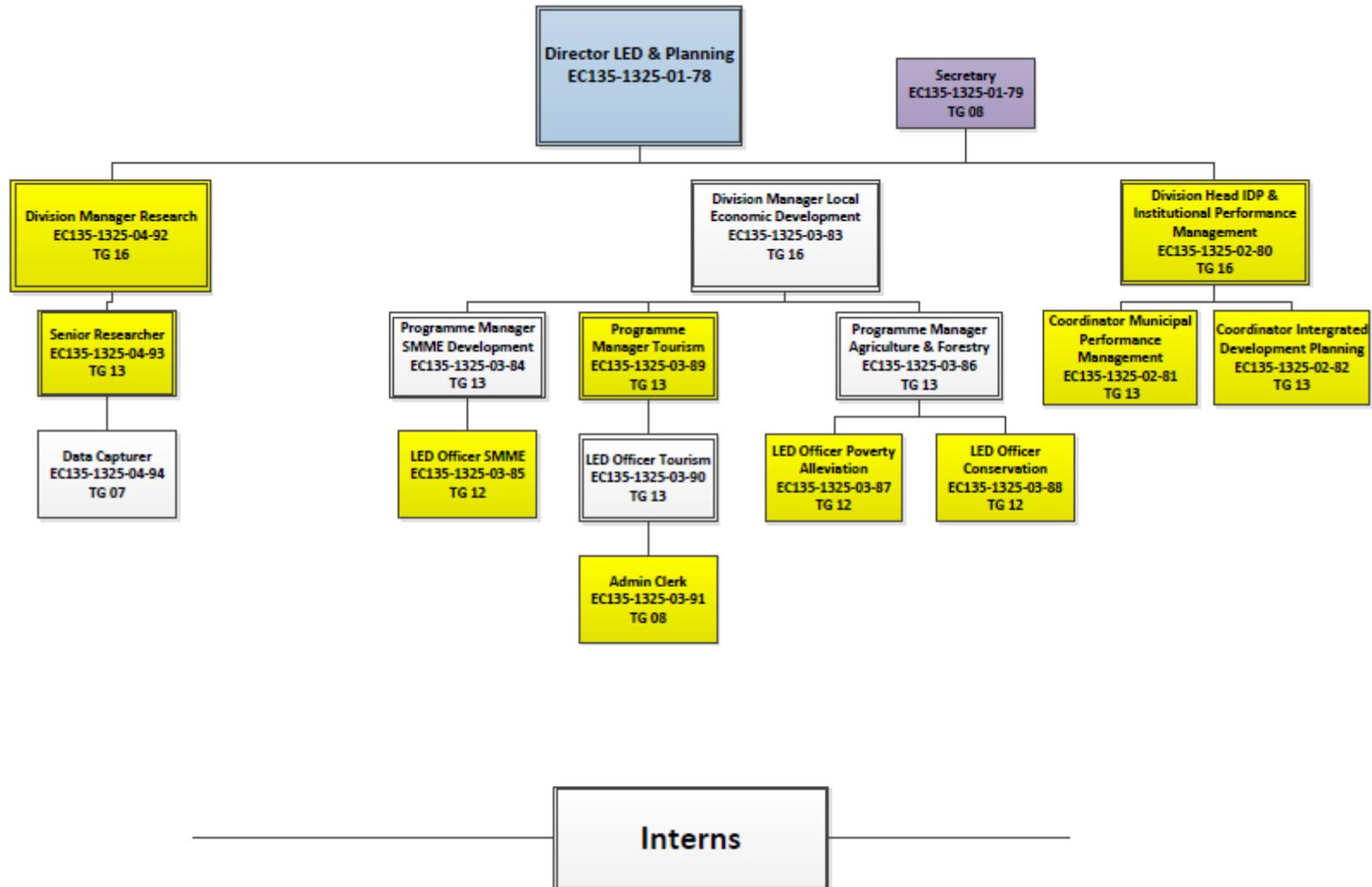
The Director of Corporate Services is the technical head of two divisional functions, namely human resource management and administration, inclusive of Information and Communication Technology, Council Committee Administration, as well as Customer Care and Records Management.

Figure 3: Finances organisational structure



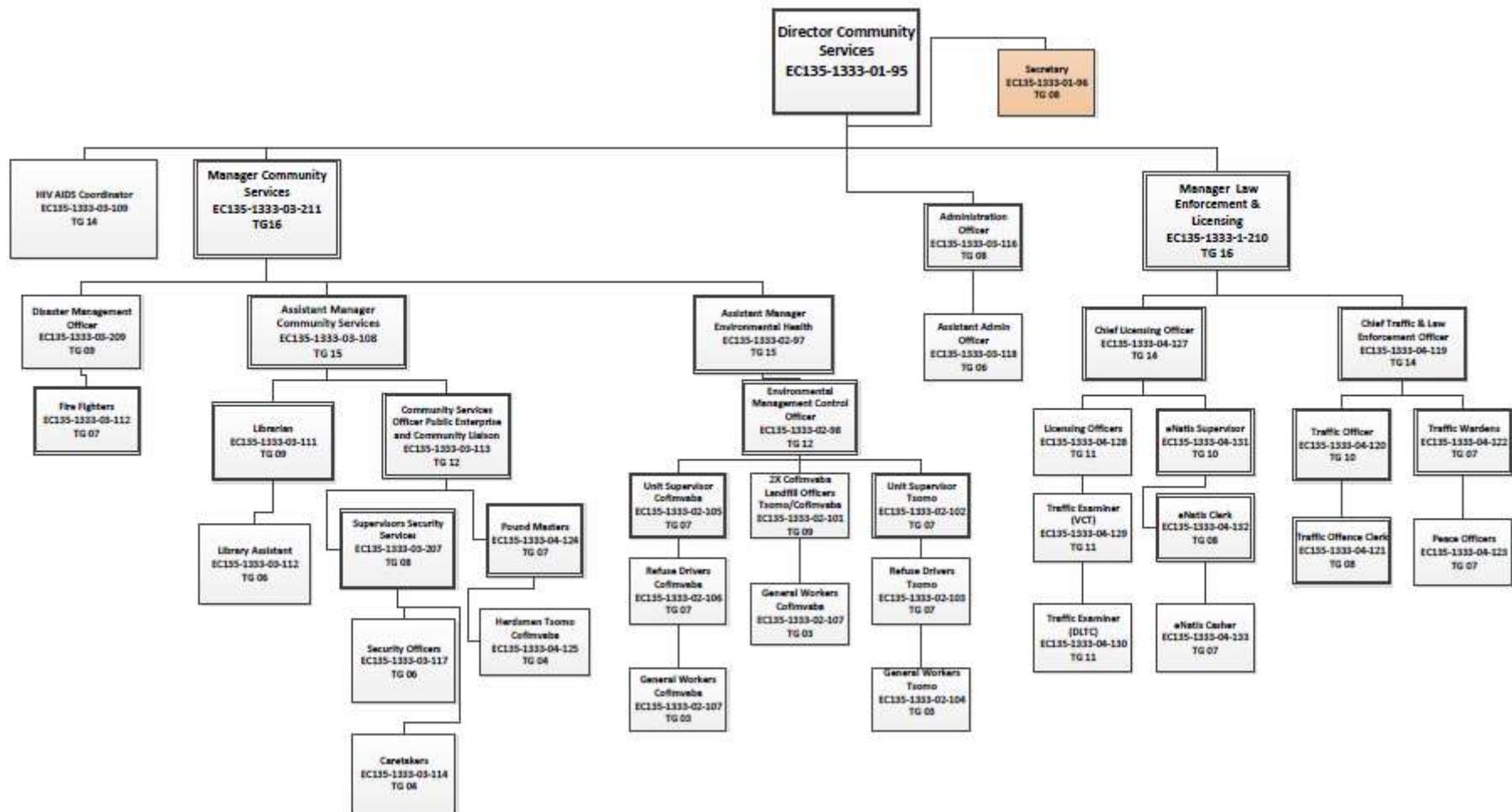
The following organisational structure shows the Chief Financial Officer as the senior manager responsible for the collection and management of organisational revenue, as well as tasked with the responsibility of overseeing the financial arrangements for the provisioning of Free Basic Services to indigent households. In addition, the CFO oversees all Supply Chain Management within IYLM and is responsible for the registry of institutional assets and fleet management. The CFO is also responsible for five internships that are not currently provided for within the above organisational structure.

Figure 4: Local Economic Development organisational structure



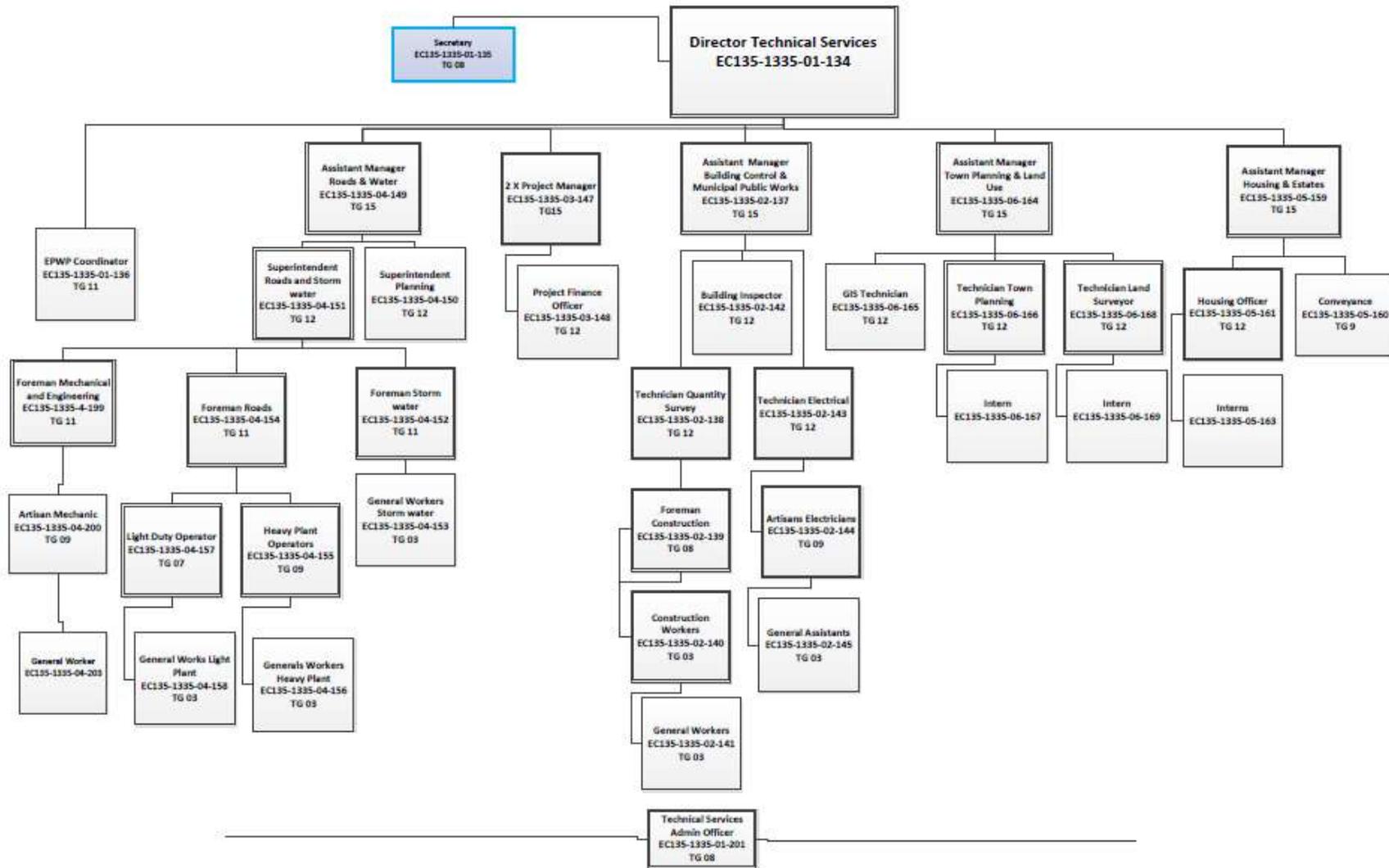
The Director of Local Economic Development has responsibilities inclusive of the Integrated Development Plan formulation and consultation process, as well as some performance management responsibilities. LED related projects and programmes focus upon Agriculture, Forestry, Tourism, and Enterprise Development, while the directorate also has some research capabilities and functions, as well as includes some interns.

Figure 5: Community Services organisational structure



The Director of Community Services oversees a broad set of services aimed at addressing social needs within the Intsika Yethu Municipal area. Responsibility for Traffic Safety and enforcement is one of the key responsibilities, along with management of Environmental Health and Waste Removal services. Further functions and services are include a special coordinator for HIV/AIDS, Fire and Disaster Management, as well as responsibilities for Pounds and Animal Control.

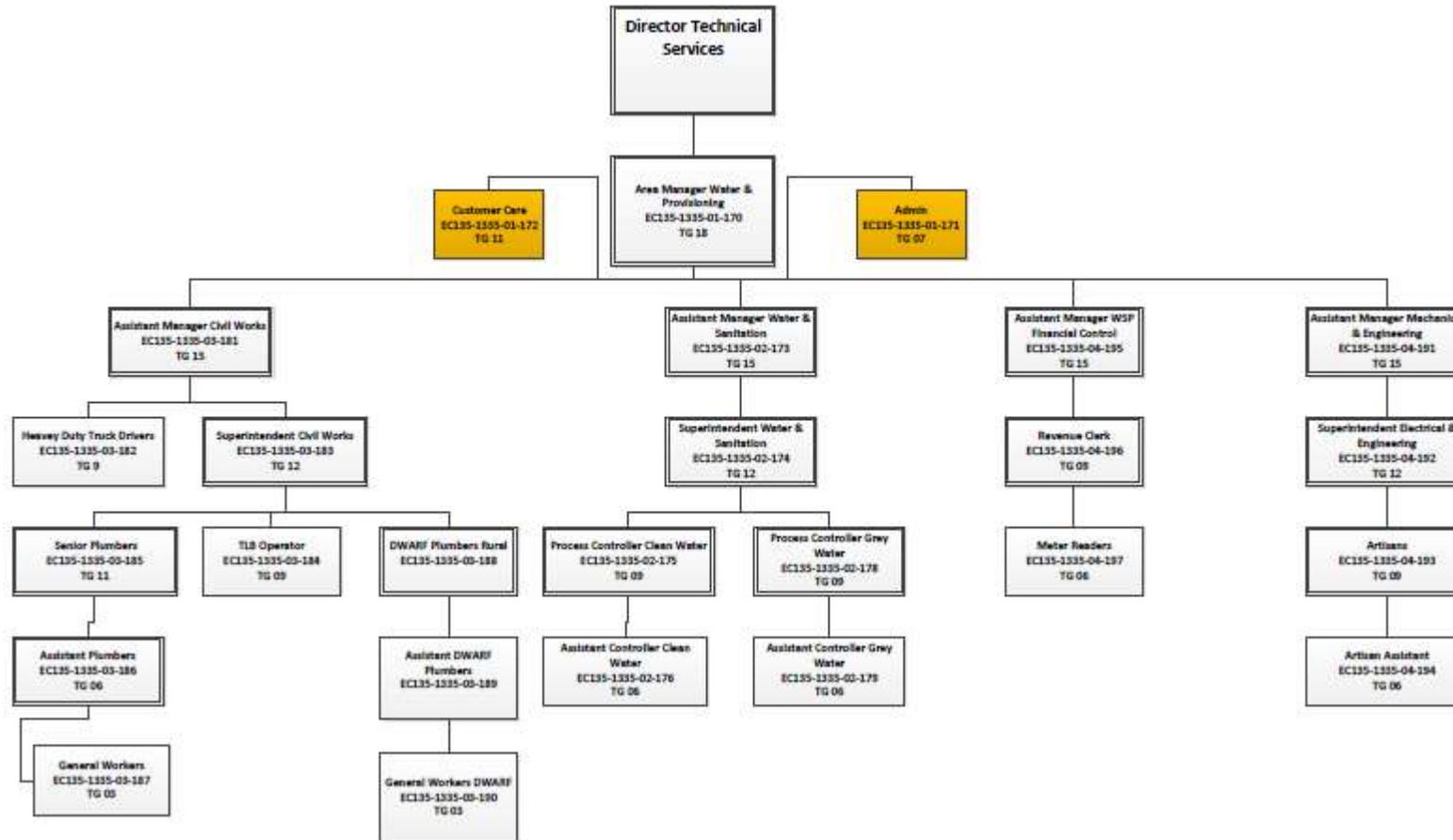
Figure 6: Technical Services organisational structure



The following shows the range of positions and functions which the Director of Technical Services oversees. This is inclusive of Electricity and Energy Access, construction and maintenance of IYLM's built infrastructure, including Community Facilities, Public Works, and Integrated Human Settlements. At the time of

compilation of the IDP, the Directorate was only challenged with the filling of one critical post and considered itself relatively capacitated, given the approximate 25% vacancy rate.

Figure 7: Water and Sanitation Provisioning organisational structure



The Director Technical Services is also the head of the IYLM’s Water & Sanitation Provisioning, which has infrastructural responsibilities specifically addressing water and sanitation, in close cooperation with CHDM, which is the Water Services Authority.

Throughout IYLM’s back-offices, a range of well-developed institutional policies inform and prescribe key organisational processes and functions crucial to its successful operations. This extensive policy set, entailing more than 27 policies and 2 manuals, and the manner in which the policies are implemented and adhered to, provides some explanation as to how the municipality has been so successful of late in this regard.

Table 11: Existing Manuals of IYLM

Existing Manuals		
Number	Titles	Year
IYLM-MAN 1	Delegation of Power Manual	2008/2009
IYLM- MAN 2	Access to Information Manual	2008/2009

The table on the following page provides an overview of all of the institutional policies for IYLM. Despite this extensive list, there continue to be some policy gaps for consideration in the 2012-2017 period of the IDP. Possible policies for consideration based on a benchmarking with other municipalities include:

- Relocation Policy;
- Private Work and Business Policy;
- Job Evaluation Policy;
- Sexual Harassment Policy;
- Scarce Skills Policy; and
- Succession Planning for Critical Posts Policy.

Notable in this list of potential policies is that of planning for the succession of critical posts. IYLM has had the good fortune of relative stability amongst its senior management, but planning for the eventuality of succession is inevitable to ensure a smooth administrative transition at the end of a contract or following the departure of a Section 57 Manager.

Table 12: Existing Institutional Policies of IYLM

Existing Institutional Policies		
Policy Number	Policy	Year
IYLM-HR 1	Recruitment Policy	2008/2009
IYLM-HR 2	Code of Conduct Policy	2008/2009
IYLM-HR 3	Draft Acting Policy	2008/2009
IYLM-HR 4	Subsistence and Travel Policy	2008/2009
IYLM-HR 5	Performance Management Policy	2008/2009
IYLM-HR 6	Remuneration Policy	2008/2009
IYLM-HR 7	Reward and Recognition Policy	2008/2009
IYLM-HR 8	Overtime and Work on Sundays Policy	2008/2009
IYLM-HR 9	Standby Policy	2008/2009
IYLM-HR 10	Training and Development Policy	2008/2009
IYLM-HR 11	Leave of Absence Policy	2008/2009
IYLM-HR 12	Integrated Disciplinary and Grievance Policy	2008/2009
IYLM-HR 13	Staff Movement Policy	2008/2009
IYLM-HR 14	Employee Assistance Programme Policy	2008/2009
IYLM-HR 15	Occupational Health and Safety Policy	2008/2009
IYLM-HR 16	Housing Policy	2008/2009
IYLM-HR 17	Telephone Usage Policy	2008/2009
IYLM-HR 18	HIV/AIDS Policy	2008/2009
IYLM-HR 19	Motor Vehicle Policy	2008/2009
IYLM-HR 20	Abscondment Policy	2008/2009
IYLM-HR 21	Attraction and Retention Strategy	2008/2009
IYLM-HR 22	Smoking Policy	2008/2009
IYLM-HR 23	Transport Policy	2008/2009
IYLM-HR 24	Funeral Policy	2008/2009
IYLM-HR 25	Records Management Policy	2008/2009
IYLM-HR 26	Farewell's Policy	2008/2009
IYLM-HR 27	Night Work and Shift Policy	2008/2009

2.8 Employment Equity

In terms of Employment Equity, IYLM boasts Senior Management and a staffing complement consistent with its organizational Employment Equity Plan, with only an under-representation of people with disabilities, whereby there are currently not any within the organizational structure. There is also a slight gender imbalance within the organization, with 59% of all staff male and 41% female. IYLM is currently addressing employment equity through awareness raising initiatives including: formal written communication, a policy statement including reference to employment equity, a summary of the Employment Equity Act publically displayed, Employment Equity training, diversity management programmes and discrimination awareness programmes. An existing Employment Equity and Skills Development Forum within IYLM is the ideal and appropriate route to allow support from the management to monitor the municipality's status in this regard. The table below provides an organizational snap-shot of the Employment Equity status quo within IYLM.

Table 13: Employment equity* within IYLM as at 13 January 2012

OCCUPATIONAL LEVELS	MALE					FEMALE					TOTAL
	A	C	W	I	PWD	A	C	W	I	PWD	
Top Management	1	0	0	0	0	0	0	0	0	0	1
Senior Management	3	0	0	0	0	2	0	0	0	0	5
Professionally qualified and experienced specialists and mid-management	19	0	0	0	0	17	0	0	0	0	36
Skilled technical and academically qualified workers, Jnr. Management; Superintendents and Supervisors	22	0	0	0	0	25	0	0	0	0	47
Semi-Skilled & Discretionary Decision making	55	0	0	0	0	33	0	0	0	0	88
Unskilled and defined decision making	59	0	0	0	0	30	0	0	0	0	89
TOTAL PERMANAENT	159	0	0	0	0	107	0	0	0	0	266
Temporary employees	31	0	0	0	0	26	0	0	0	0	57
GRAND TOTAL	190	0	0	0	0	133	0	0	0	0	323

*A denotes African; C denotes Coloured; W denotes White; I denotes Indian; and PWD denotes People With Disabilities.

2.9 Skills development

Another strong point for IYLM over the previous term was its skills development and training programmes, as informed by its Training and Development Policy (IYLM-HR 10/08-09). In this area, the municipality has set out on developing of its human resources component through the establishment of structures and procedures enabling the realisation of staff and Council's innate potential.

A Municipal Skills Development Forum exists to assist and advise the organisation on human resource related matters, including skills auditing and monitoring of training. Furthermore, the municipality has provided for extensive skills development opportunities that include: in-service training; experiential training and internships; learnerships; Adult Basic Education and Training (ABET); and undertaking further studies. It also provides study assistance for staff as well as bursaries for both undergraduate and postgraduate studies on the condition of returning for service as equivalent to the duration of the studies.

(Part B) The Development Context and Socio-Economic Profile

3. Socio-Economic Profile

3.1 Demographic Profile

This section provides a detailed analysis of the population of IYLM and provides some key insights into demographics, socio-economic conditions, infrastructural service levels within the Municipal area and environmental issues. The analysis lends weight to prioritisation of identified issues within the IYLM and conveys some urgency with regards to what needs to be done first.

The primary source of information is the Eastern Cape Social and Economic Consultative Council (ECSECC). This information was selected due to its comprehensive nature, free access and availability for public scrutiny. Global Insight, Census 2001 and Community Survey data is also utilised particularly where CHDM used this information or collected new information regarding the water and sanitation backlogs that exist in the District Municipal area.

Table 14: IYLM population estimates over the previous term with forecasts for 2010/11

Population distribution over the previous term				Population estimates		
Area	2006	2007	2008	2009	2010	2011
Inxuba Yethemba	56,354	54,562	52,750	52,079	51,782	51,236
Tsolwana	31,554	30,871	30,206	30,023	29,982	29,846
Inkwanca	18,230	17,413	16,615	16,350	16,265	16,059
Lukanji	202,209	206,154	209,803	211,921	213,234	215,084
Intsika Yethu	184,308	185,211	185,843	186,044	185,934	186,031
Emalahleni	129,197	128,921	128,506	128,366	128,208	128,062
Engcobo	147,131	144,962	142,658	141,707	141,149	140,329
Sakhisizwe	60,505	59,243	58,017	57,710	57,686	57,473
Chris Hani DM	829,646	827,491	824,545	824,346	824,383	824,263
Eastern Cape	6,627,460	6,669,749	6,703,452	6,728,955	6,743,823	6,765,781

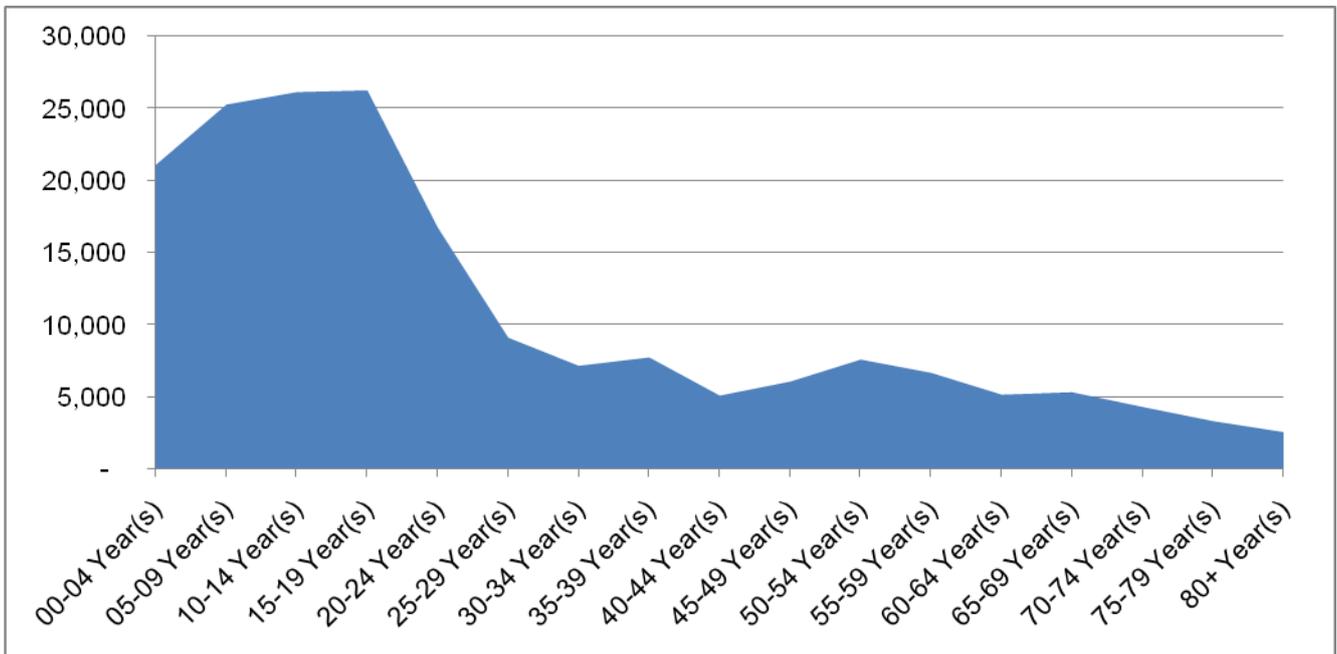
Source: ECSECC, Statistics Database, 2011.

The table above shows us IYLM's total population in relation to other LMs in the Chris Hani District (CHDM) and the greater Eastern Cape Province. IYLM is the second largest LM in CHDM following the Lukanji LM in terms of the size of its population. The table illustrates a marginal growth in the total population of IYLM from 2006 to 2009. As a district CHDM seems to be experiencing a decline in the total number of inhabitants. Apart from IYLM, only Lukanji seems to be growing in terms of population size (albeit very marginal growth). In 2009, Lukanji and IYLM combined constituted 48% of the entire population of CHDM. IYLM therefore remains a relatively highly populated LM in a District which is characterised by small and declining populations.

Residents of IYLM are predominantly rural, living in small villages which cluster around the relatively larger towns such as Cofimvaba and Tsomo. isiXhosa is the most spoken language as a mother tongue within the municipality; in 2009 surveys showed that around 87% of the people in the municipality were Xhosa 1st language speakers. IYLM is an almost racially homogenous municipality; ECSECC estimates for

2011 put the percentage of Blacks/Africans in IYLM at 99%. IYLM has a higher female than male population, as is the case with the most other LMs in CHDM. The larger female population may be attributed to the general tendency of males of working age to migrate to other areas where employment opportunities are more available. Further research is required before we can conclude that the disparities between the male and female populations of IYLM and CHDM are due to outward migration of males, but such a trend is widely acknowledged throughout rural municipalities.

Chart 3: Age Distribution within IYLM (2011 Forecast)



Source: ECSECC, Statistics Database, 2011.

The above graph demonstrates that IYLM has a relatively young population with the majority of inhabitants falling under the age of 30. The graph shows a very sharp dip in numbers after the teens with very few people falling in the middle age category. For example the number of people aged 15-19 is roughly 5 times larger than the number of people in the 40-44 category. There are a number of factors that can be associated with the youthful population of IYLM including high mortality rates amongst middle-aged people caused by diseases such as HIV/AIDS and the out-migration of working age adults out of the area in search of employment opportunities elsewhere. These factors are recognizable in many other municipalities that have similar demographics to IYLM; however, there is no conclusive research within IYLM to explain the youth bulge.

3.2 Poverty Rate in IYLM

The level of poverty in IYLM remains worryingly high. The table below, taken from ECSECC data, shows us that the majority of people in the municipality can be classified as poor or living in poverty. The table shows that the percentage levels of poverty in IYLM have decreased over time, and this is a trend that is visible not only in IYLM but also in CHDM and the Eastern Cape province as a whole. Poverty in the municipality seems to have been at its most acute point in the year 2000 when South Africa was experiencing significant economic problems. The poverty rate then dropped after the country had recovered to reach its lowest rate of since the democratic transition.

Table 15: Poverty rates from 1995-2010

Poverty rates from 1995-2010				Estimate
YEAR	1995	2000	2005	2010
Eastern Cape Province	50%	58.03%	56.26%	53.48%
Chris Hani District Municipality	57%	64%	60.26%	57.03%
Intsika Yethu Local Municipality	63.3%	68.8%	61.6%	56.4%

It is extremely important to note that measurements and perceptions of what poverty is vary from source to source thus another source may see far more or far less poverty in the same area based on the normative judgment which is driven by a certain understanding of what constitutes poverty. In addition there are always various levels of poverty. The most severe level of poverty in South Africa is known as “indigent”, this refers to a person who lacks the most basic necessities of a decent life such as:

- Water;
- Sanitation;
- Energy;
- Refuse removal;
- Food and clothing; and
- Housing.

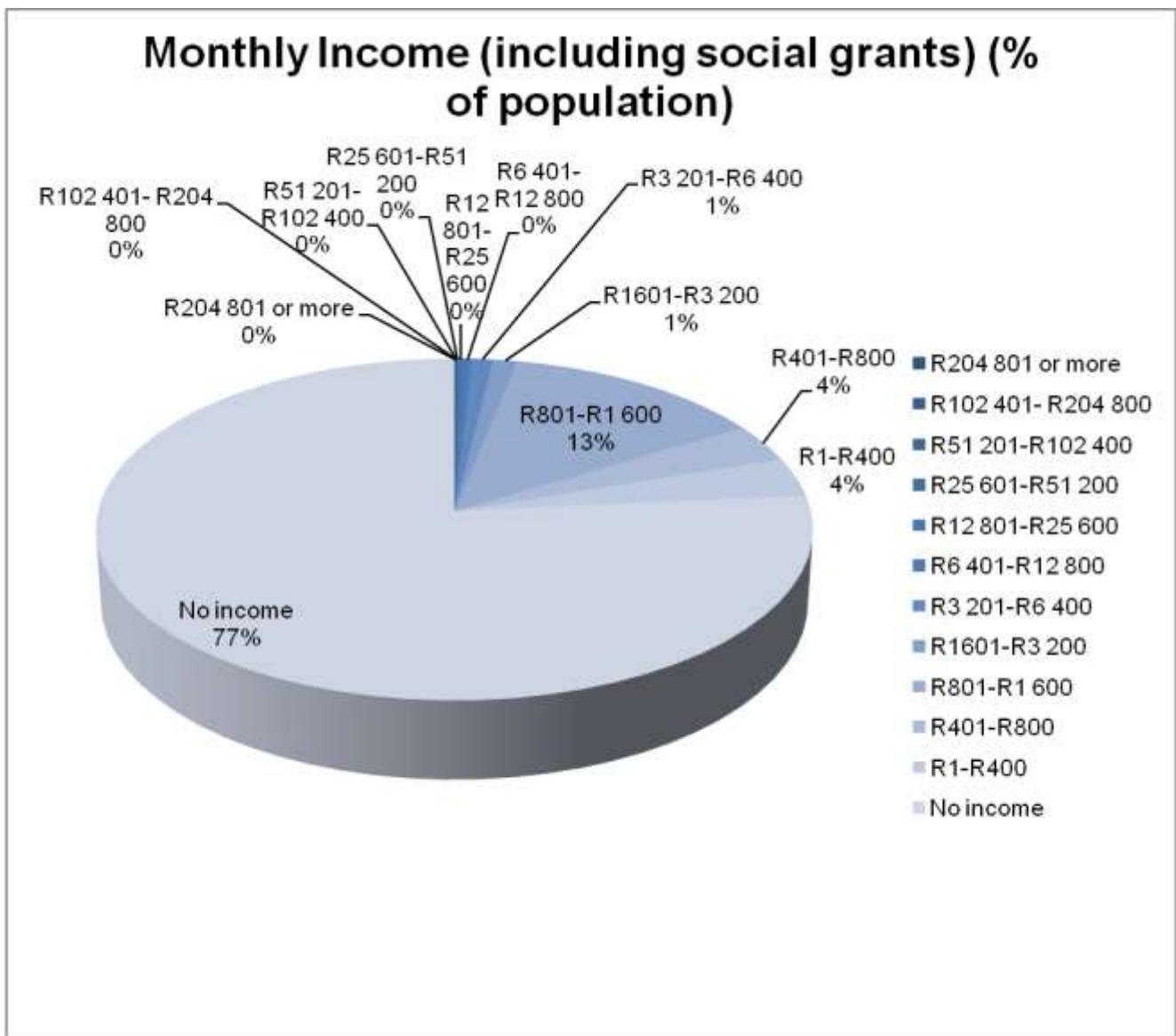
IYLM maintains an Indigent Policy from 2009 which aims to ensure that households that cannot afford municipal services are given access to the most basic municipal functions. The policy elaborates upon what exactly constitutes an indigent household in the IYLM context. Given the historical legacies of underdevelopment from the pre-democratic era, IYLM carries a heavy burden in terms of an indigent population. Further socio-economic analysis provides more insights into the dynamics of IYLM.

3.3 Income and Employment data

The tables and graphs provided below tell us that the majority of people within IYLM do not receive any income at all. However, this could be misleading because youth of school going age are also included in the measurement and they generally do not receive income. Of those who do receive an income, most receive between R801 to R1 600. This is considered to be very low income by national standards.

IYLM is a low income area; however, income levels alone do not sufficiently convey the full range of social circumstances that people are facing. It should also be noted that many of the people listed as having an income in this graph are not formally employed but receive government grants which are classified as income.

Chart 4: Proportion of monthly income of IYLM residents by income bracket



Source: Gaffney's Local Government in South Africa Yearbook 2011-2013, p. M134

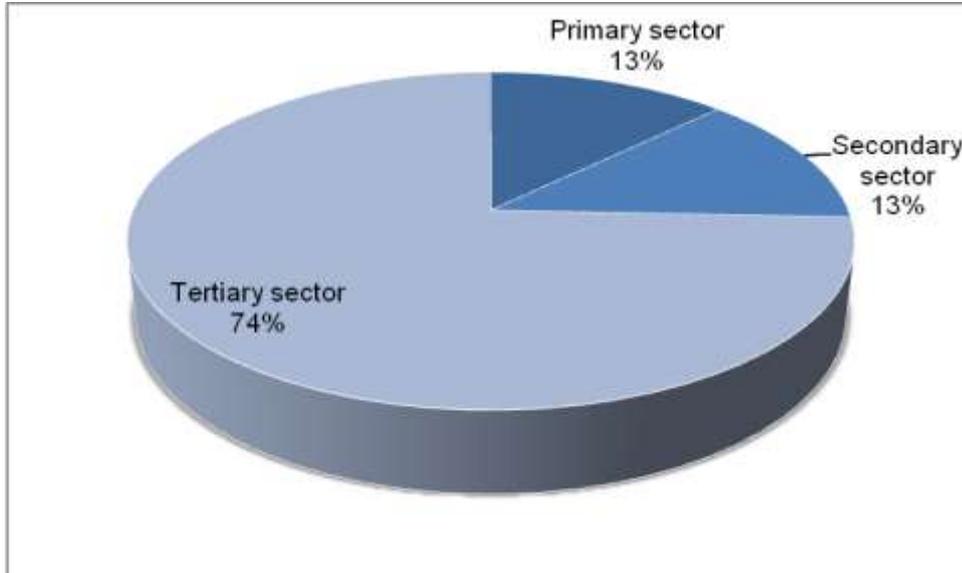
Table 16: Social Grants recipients as a percentage of total population

Type of grant	No. of recipients	% of total population
Old age pension	8420	5.60%
Disability Grant	2922	1.75%
Child support grant	21 767	13.80%
Care dependency grant	540	0.32%
Foster care grant	34	0.02%
Grant in aid	99	0.05%
Social relief	2	0.00%
Multiple social grants	0	0%
Institutions	331	19%

Source: Gaffneys Local Government in South Africa-Official Yearbook, 2011-2013. Pg: M135

The number of people who receive grants in IYLM is substantial, even considering the extent of IYLM's indigent population. The table above tells us that the largest grant is the Child support grant which covers 21 767 people or 13.80% of IYLM's entire population. Although there is a heavy concentration of youth across the country's age distribution, the distribution of grants suggests that fewer of these households receive social welfare support than one would be inclined to believe. However, updated information from the South African Social Security Agency indicates that more than 51,000 people receive grants within IYLM, meaning more than a quarter of the population is grant dependent.

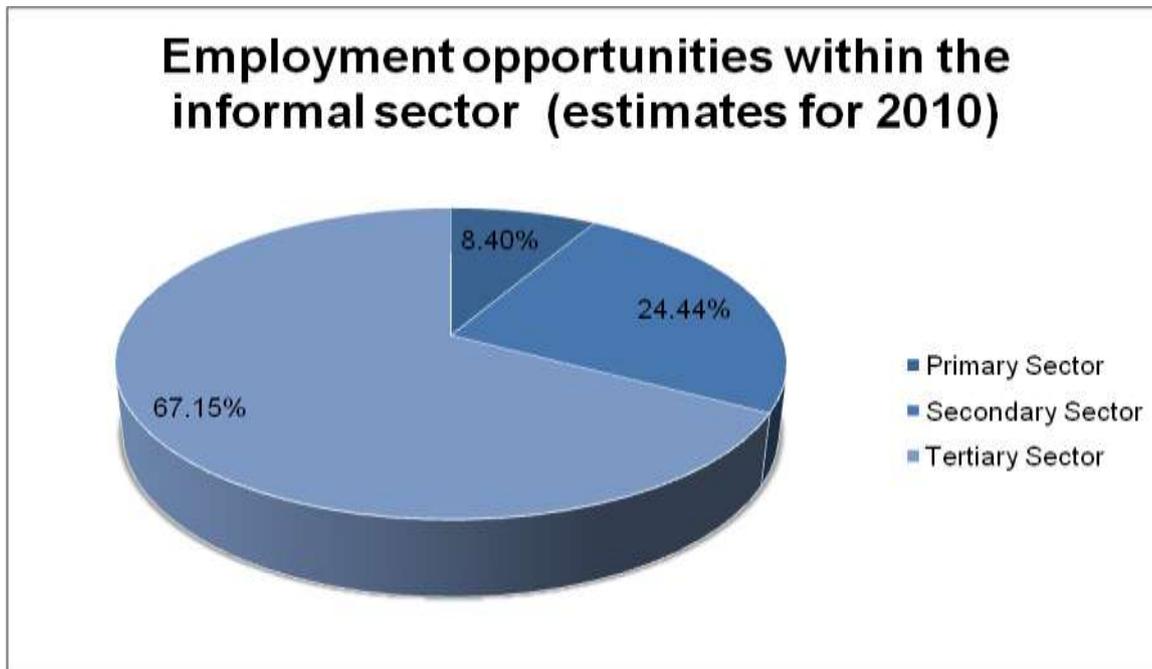
Chart 5: Employment opportunities across economic sectors



Source: ECSECC, Statistics Database, 2011

IYLM is characterised by high unemployment rates with 44% of the working population being officially unemployed in 2009, as in seeking work opportunities but unable to find them. ECSECC estimated that this number would decrease slightly in 2010 to around 42%. There has been a reasonable drop in the rate of unemployment over the last 10 years since 2002 when unemployment stood at 54%. The largest employment sector in IYLM is the tertiary sector which employs 74% of all employed people within the formal sector. The largest numbers of people employed within the tertiary sector are involved in general government. ECSECC estimated that there would be about 4263 people working in general government in 2010.

Chart 6: Employment opportunities within the informal sector



Source: ECSECC, Statistics Database, 2011.

When looking at employment figures in the South African context one should always consider analysis of the informal sector. In IYLM, the informal sector remains a significant source of income for many of the residents and therefore deserves to be mentioned in any analysis of income and employment within the IYLM. According to Chart 6, the tertiary sector is the biggest source of income within the informal sector. ECSECC explains that the majority of individuals earning an income from the tertiary sector of the informal sector in IYLM are involved in the wholesale and retail trade 61%. The secondary sector accounted for an estimated 24.44% of employment within the informal sector, the biggest industry within this sector is the construction industry which accounts for 67% of all employment within the secondary sector of the informal economy.

The primary sector accounted for only 8.40% of all employment within the informal sector. Agriculture and fishing accounted for 100% of all employment opportunities within the primary sub-sector of the informal sector. It is interesting to note that the informal sector mirrors the formal sector in terms of the predominance of the tertiary sector as a means of employment and the inability of the 2nd and especially the 3rd sectors to create employment. Furthermore ECSECC data shows that primary sector industries such as agriculture and fishing have been contracting in terms of their ability to create employment. In 1995 the agriculture and fishing industry employed 30% and 25% of all working people in IYLM within the formal and informal sectors respectively; in 2010 ECSECC data forecasted that this industries share of the workforce would fall to 8% in the formal sector and 13.8% in the informal sector. This is problematic in that IYLM has not seen convincing growth in any other sector that could supplement the decline in the agricultural and fishing industries.

3.4 Human Development Index

The level of development is a complex measure to capture in any society. Indeed much of the data previously presented in this situational analysis speaks to aspects of development. Nevertheless there are important internationally recognised indicators of development that should be looked at in order for one to gain a good understanding of what kind of society is being analysed. The Human Development Index (HDI) is possibly the most internationally recognised measure of a society's standards of living. This is a comparative measure which looks at indicators such as life expectancy, literacy and education.

Table 17: HDI for the Eastern Cape, District and IYLM

	FORECAST			
	1995	2000	2005	2010
Eastern Cape Province	0.4757	0.4968	0.5171	0.4828
Chris Hani District Municipality	0.4156	0.4296	0.4512	0.4126
Intsika Yethu Local Municipality	0.3712	0.3891	0.4123	0.3731

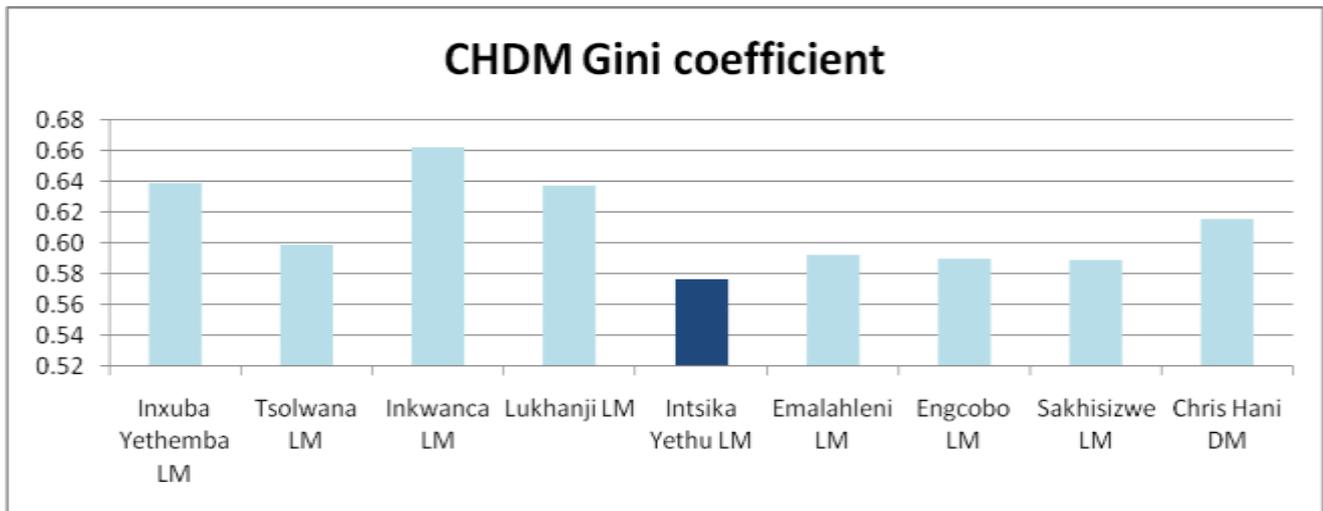
Source: ECSECC, Statistics Database, 2011

The HDI of a particular group is displayed by a measurement between 1 and 0, the closer to 1 a society is, the higher the level of development on the other groups that measure closer to 0 are classified as less developed. The HDI looks specifically at life expectancy, education and income per capita in order to calculate the level of development of a given society or group.

The table above presents development indicators spanning over a number of years for IYLM, CHDM and the Eastern Cape Province. The ECSECC data shows that IYLM maintains a relatively low HDI, well beneath the national average. In 2010 ECSECC forecasted that IYLM's HDI would be 0.3731 which is below the national and the provincial averages of 0.5501 and 0.4828 respectively. This means that IYLM is a poorly developed society by local and international standards.

3.5 Inequality

Chart 7: Inequality within CHDM with special focus on IYLM

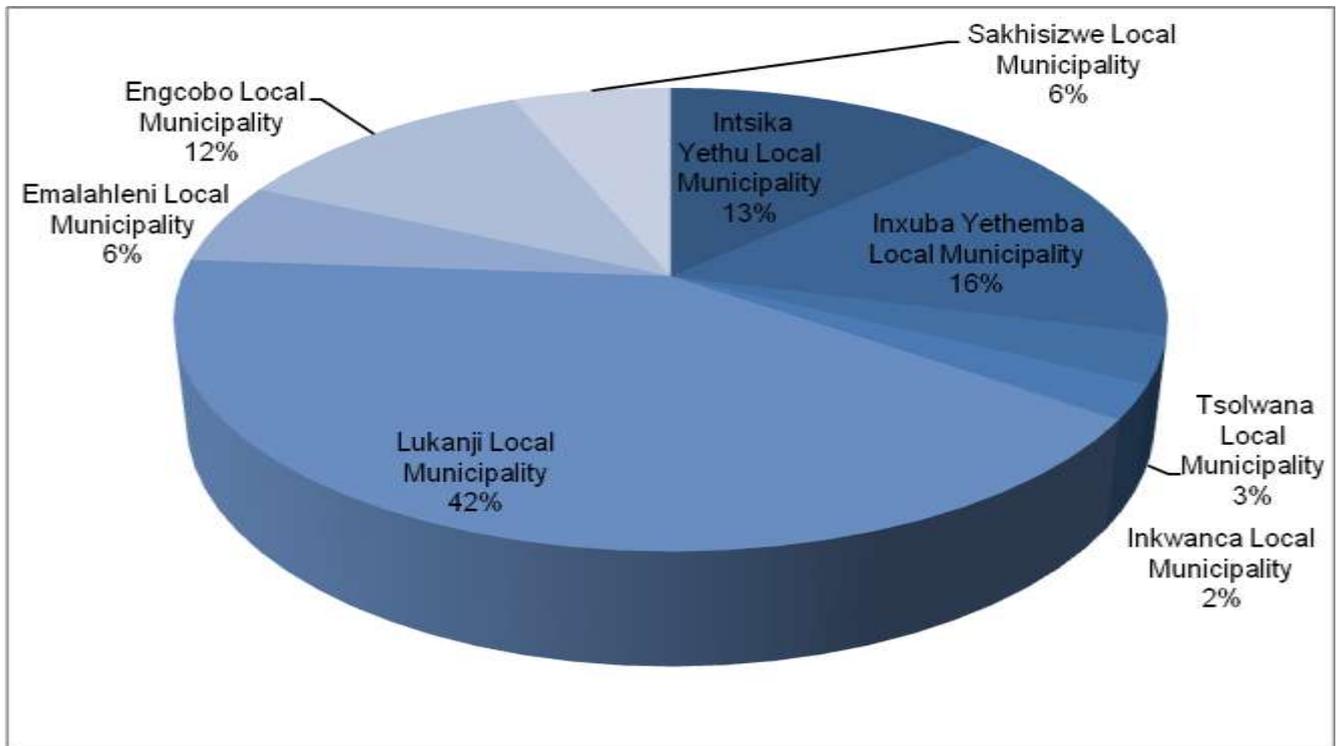


Source: Chris Hani Municipality Demographic Profile, 2009

The Gini Coefficient is a statistic which measures inequality in a society. The measurement varies from “0” (a perfectly equal society) to “1” a society in which one household or individual possesses complete wealth whilst everyone else earns nothing. In reality there are no completely equal or unequal societies i.e. “0” or “1”. Most societies will have a measurement ranging between 0.25 (fairly equal) and 0.75 (highly unequal). Nationally South Africa ranks as one of the most unequal societies on earth with a gini co-efficient score of 0.67 according to the World Bank. IYLM has a gini co-efficient of 0,58 which could be considered fairly unequal by international standards but is rather low by national standards, indeed IYLM is the least unequal municipality within CHDM. Whilst the relatively lower levels of inequality in IYLM may be interpreted as positive in the sense that higher inequality has the potential to cause social instability, it is important to remember that lower levels of inequality in IYLM could be caused by general poverty, in other words many people are equally poor.

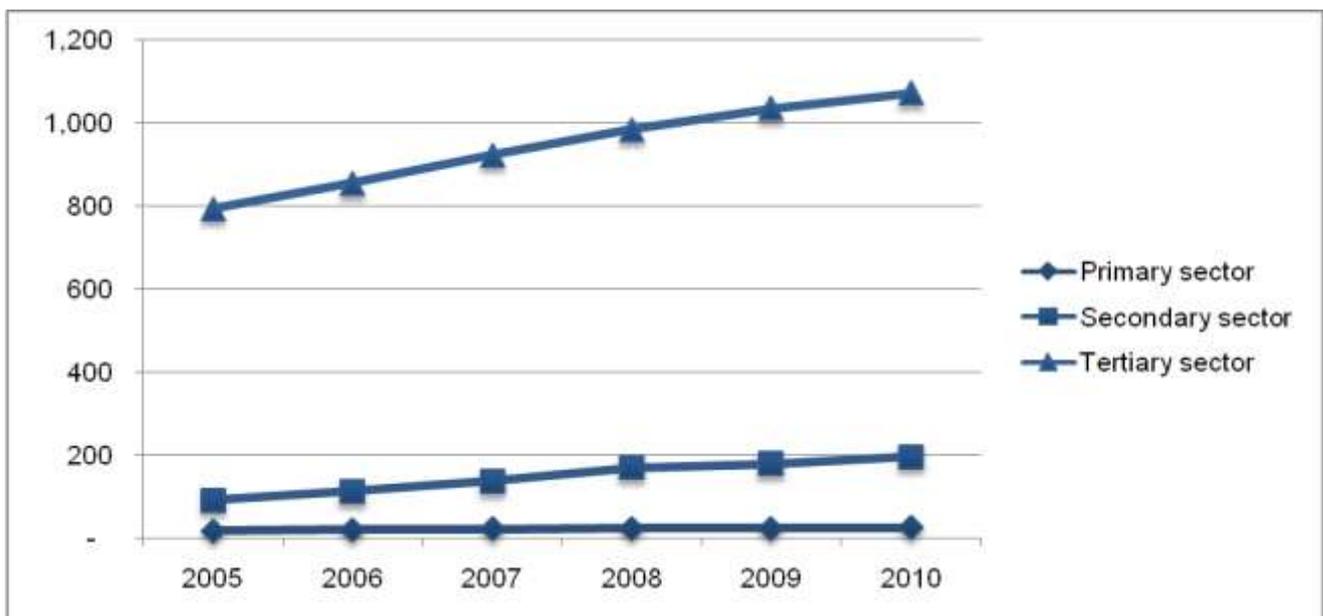
3.6 Economic Data

Chart 8: Gross Value Added contribution (2010) as a percentage per Local Municipality within Chris Hani District



Source: ECSECC, Statistics Database, 2011.

Chart 9: GVA contribution of IYLM across economic sectors



Source: ECSECC, Statistics Database, 2011.

The above graphs illustrate the Gross Value added (GVA) with regards to IYLM. GVA basically refers to the measure of the value of goods and services in a certain area. Chart 8 illustrates the GVA contribution of the different local municipalities to the CHDM whilst Chart 9 shows IYLM GVA across different economic

sectors: namely primary, secondary and tertiary sectors. The primary sector of an economy includes all economic activities that are concerned with extracting or harvesting products from the earth. In IYLM these products include primarily the following:

- Agriculture;
- Fishing and forestry; and
- Mining and quarrying.

The secondary sector of an economy includes all those activities concerned with manufacturing finished goods. Prominent IYLM secondary economic activities include the following:

- Food;
- Beverages and tobacco;
- Textiles;
- Clothing and leather goods;
- Wood;
- Paper;
- Publishing and printing;
- Petroleum products;
- Chemicals;
- Rubber and plastic;
- Metals, metal products;
- Machinery and equipment;
- Electrical machinery and apparatus, Radio and TV, instruments, watches and clocks;
- Transport equipment, Furniture and other manufacturing, Electricity;
- Water; and
- Construction.

The tertiary sector of the economy is concerned with providing services. The tertiary sector of IYLM includes the following:

- Wholesale and retail trade;
- Catering and accommodation services;
- Transport and storage;
- Communication;
- Finance and insurance;
- Business services;

- Community;
- Social and personal services; and
- General government.

Notably, Chart 9 illustrates that the tertiary sector is the primary contributor in terms of GVA of IYLM with the secondary and primary sectors contributing significantly less. Such a bias towards the tertiary sector hinders economic growth in an area such as IYLM because it is the primary and secondary sectors that should drive the growth of the local economy since they are far more labour intensive and have far greater capacity to stimulate beneficiation. This is not to say that the tertiary sector is not important however it is the primary and particularly the secondary sectors that can grow the economy.

(Part C) Spatial Orientation

4. Spatial Analysis and Rationale

This section necessitates that, the strategies, policy and maps reflect spatial implication with regard to ward investment in urban and rural setting. It is inherent therefore that, the principles of the National Spatial Development Planning (NSDP) and Provincial Spatial development Planning (PSDP) be applied to ensure sustainable planning e.g. densification, mixed use as well as mitigation and adaption strategies relating to climate change.

The Spatial Development Framework for IYLM is being reviewed and will be adopted by the Council in 2012. This is in response to requirements of Section 26 (e) of the Municipal Systems Act, 2000 (Act No 32 of 2000), that requires every municipality to formulate a spatial development framework (SDF) as part of the contents of its IDP to provide basic guidelines for a land use management systems of the municipality. This further necessitates that, the spatial analysis must consider the broad economic sectors and key structuring elements (nodes & corridors) since it is important that areas of need, potential (existing and latent) and decline are shown spatially. The IYLM's Reviewed SDF: 2009/2010 illustrates future development perspectives and desired growth, direction and pattern of spatial development and growth in the municipality.

There are two types of settlement patterns in IYLM, namely rural and urban, with urban centres in Cofimvaba and Tsomo. These urban centres possess a relative level of urban sprawl. Within IYLM there are approximately 213 rural settlements which are sparsely scattered all over the 21 wards within the municipal area with the largest concentration pockets found along the main access routes.

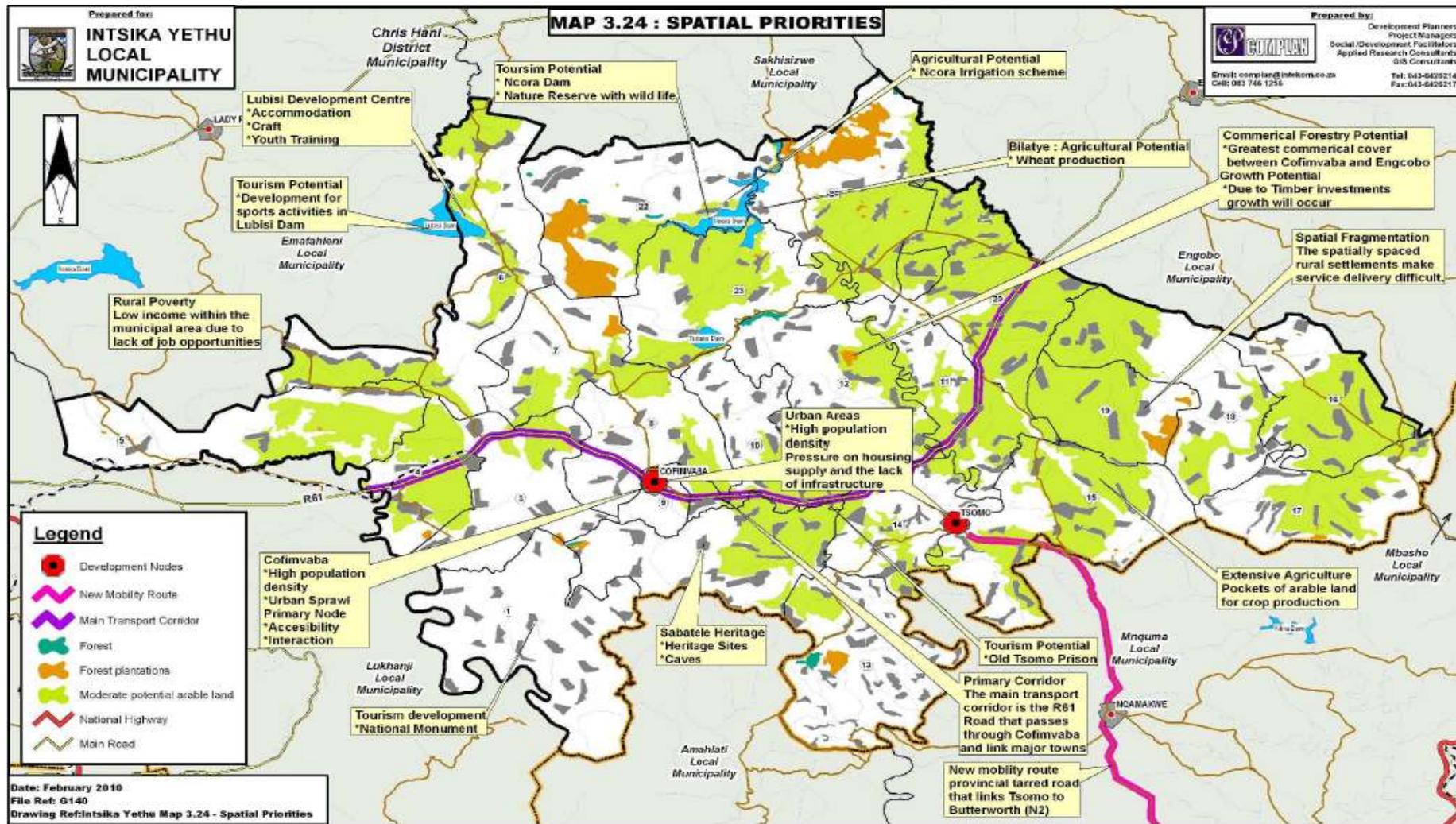
4.1 Spatial Overview

There are several issues that relate to IYLM with regard to spatial development, the following are regarded as key issues:

- Dispersed settlements patterns and pockets of development at urban centres surrounded by scattered underdeveloped rural villages, which implies great costs to achieve access to basic services and infrastructure;
- Need to systematically address the fragmented nature of development to promote the integration of urban and rural areas over time (phased development approach which will optimise on existing capacity and resources to generate the most spin-off effects from investment);
- Prioritisation of different levels of investment to ensure ongoing sustainable development and spin-off effects for continued economic growth in the IYLM area; and
- Limited economic activity outside of urban centres.

There is a need to build on the agricultural and tourism potential of the area and target investment to other LED related initiatives and programmes taking place outside of the urban centres that have potential for growth and to generate economic spin-off.

Map 1: Spatial Priorities

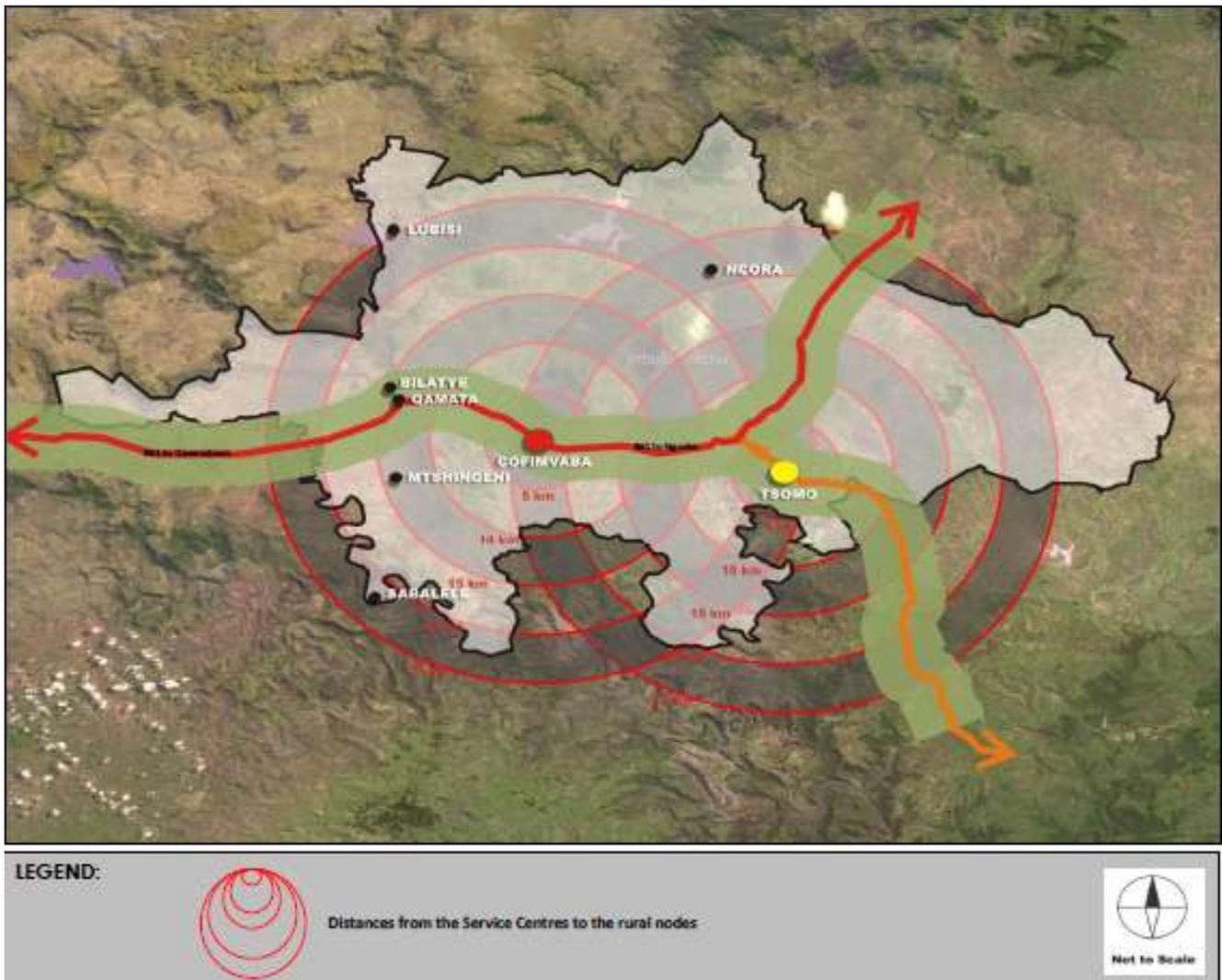


Source: IYLM Spatial Development Framework Review, 2010/11

4.2 Prioritized Secondary Nodes

IYLM has rural nodes that are the focus for development planning of the livelihoods support in agricultural development. These rural nodes are forming a key target area for land reform and rural housing development projects. It is reported that, the rural settlements were not formally planned and the need for rationalisation has been identified.

Map 2: Key nodes and corridors of IYLM



According to the IYLM the SDF identifies Cofimvaba and Tsomo as special development areas or most important development nodes that are to receive attention for development given their roles as service centres to 327 rural settlements within 23 wards. The two towns are to be complemented by prioritised secondary nodes spread across the local municipality. These are rural nodes, which will be the focus for promoting sustainable livelihoods; agricultural development, land reform and rural housing development.

Development issues identified in relation to the rural secondary nodes relate to the densification of these areas to create the economies that will make it possible to provide services in these areas. The economic sectors identified critical to stimulating economic development in these areas are agriculture and tourism.

Within proximity to Cofimvaba the following rural nodes have been identified: Qamata, Bilatye, Sabalele and Lubisi. These areas are within reasonable travelling distance from Cofimvaba, with Qamata and Bilatye being only 15 km away, Sabalele 20 km away and Lubisi 25 km away. Ncora is the only rural node identified in the SDF which is within 20 km from Tsomo and just more than 20 km from Cofimvaba

Table 18: Prioritised Secondary Nodes

NCORA	QAMATA	BILATYE	SABALALE	LUBISI
<ul style="list-style-type: none"> ① The area has history and is being earmarked for agricultural development ① There is a need for funding of irrigation schemes ① There is existing infrastructure which could be improved and utilized for training and development of skills for the nearby communities ① There is a need for funding to improve existing irrigation schemes ① Fish farming will have to be investigated 	<ul style="list-style-type: none"> ① The area has a lot of agricultural potential and will be developed for maize production ① Construction of shearing sheds ① Piggery ① Establish of community gardens ① The need for Environmental Impact Assessment as part of planning for all proposed developments which have potential to change the current land uses as well as upgrading of infrastructure ① Protection and preservation of natural vegetation is suggested ① There is also a need to investigate possibly of a game reserve coupled with proper management and fencing 	<ul style="list-style-type: none"> ① The area has been earmarked for wheat production and development of an agricultural village ① Other projects like construction of dipping tanks and piggery will add value to the livelihood of the community. The following has to be considered; <ul style="list-style-type: none"> Assessment of the available resources like dams and making proper use for the proposed development Investigations of possible land suitable for wheat production 	<ul style="list-style-type: none"> ① This area has a potential for tourism development but it needs to be improved through the proposed national Monument. ① Other tourist attractions areas will have to be identified and developed to ensure a holistic tourism route 	<ul style="list-style-type: none"> ① There provisions for all relevant environmental legislation would have to be complied with

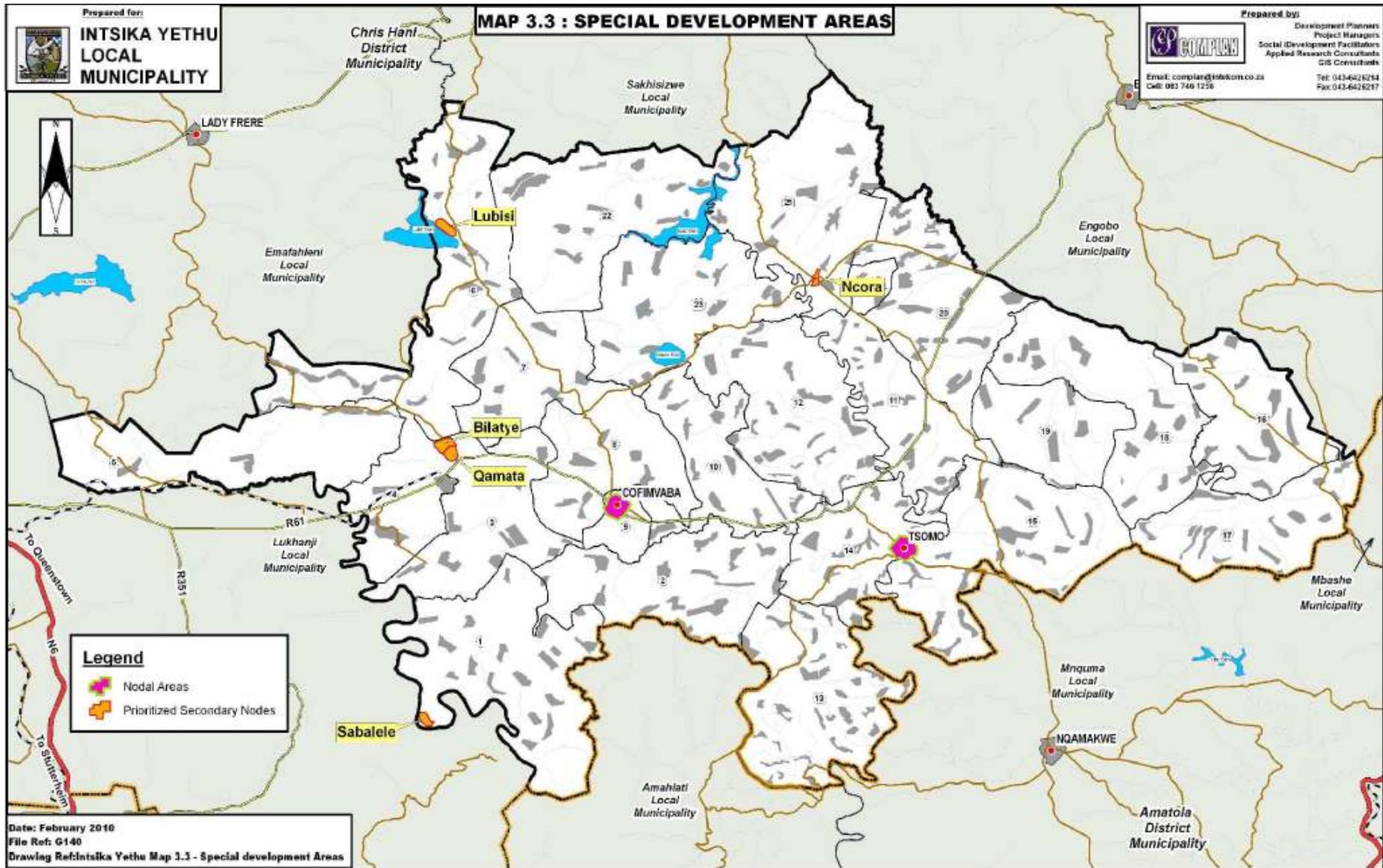
Source: IYLM Spatial Development Framework Review, 2010/11

4.3 Development Corridors

Development corridors are characterized by higher order ribbon-like development along routes that would otherwise be classified as movement corridors. Different types of corridors can be distinguished such as development corridors, movement corridors, and activity corridors. The R61 from Queenstown through Cofimvaba, Ngcobo to Mthatha has been identified as the East Corridor, one of the four major development corridors in the Chris Hani District SDF.

This section deals with the synopsis of key issues contained within the IYLM SDF. The municipality has resolved to make use of the cluster approach to the implement and facilitate the Integrated Development Plan, through the utilisation of the following clusters; Technical Service Cluster, Social Needs Cluster, Economic Development Cluster and Finance, Governance and Administration Cluster. The later cluster is cuts across all other clusters thus ensuring the effective and efficient operation over the cluster system. The development nodes approach links to the small towns' development strategy.

Map 3: Special Development Areas



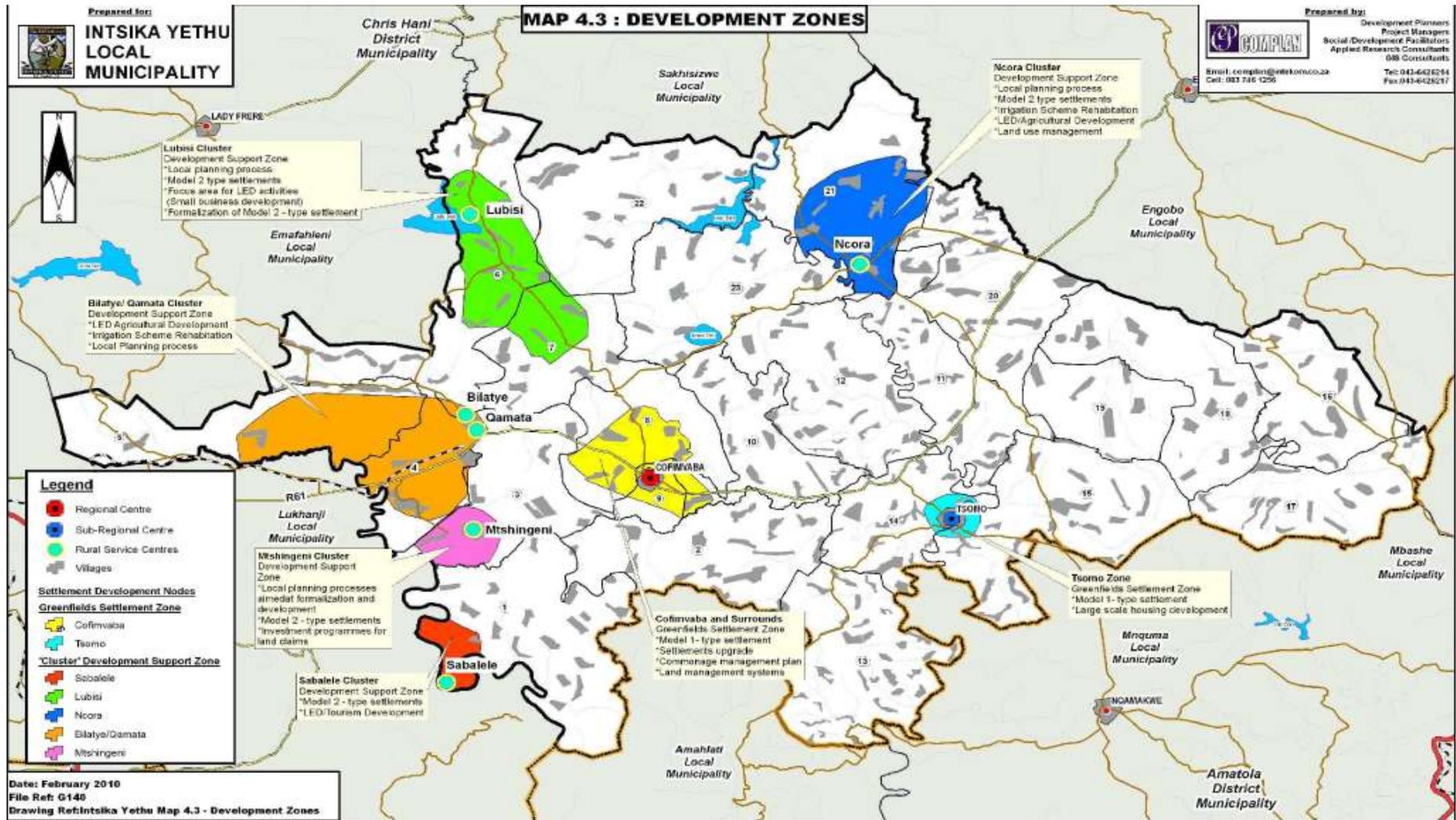
Source: IYLM Spatial Development Framework Review, 2010/11

Table 19: Development Zones

Settlement Zone Type	Locality and description	Rational for Zone Development	Key proposal
Cofimvaba and Surrounds (Formalisation/Densification Settlement Zone)	Located at Cofimvaba town and surrounds, the area encompasses some 8 settlements including Cofimvaba town and houses about 16 000 people.	<p>The zone is identified to emphasize the strategic objective of concentrating new settlement development in a planned and formalized fashion within the urban precincts of the existing town.</p> <p>Greenfields development as well as upgrading of informal settlements.</p>	<p>Formalisation and development of Model 1-type settlement in areas outwards from the central urban precincts of Cofimvaba as guided by the Municipal SDF.</p> <p>Local planning processes (formalization / institutional upgrade) are proposed to accommodate growing pressures and institute land use management system.</p> <p>Formulation of a Commonage Management Plan is prioritized.</p>
Tsomo (Formalisation/Densification Settlement Zone)	Located at Tsomo town.	<p>Tsomo town is to provide a spatial indication that formal urban settlement should be prioritised in the existing urban centres.</p> <p>Note that little or no demand for residential units is registered at Tsomo town and the area should not be developed prior to efforts being concentrated at Cofimvaba in the short medium term (5-year planning period) unless a specific need arise.</p>	<p>Formalization and development of small-scale Model 1-type settlement in suitable areas outwards from the central urban precincts of Tsomo as guided by the Municipal SDF.</p> <p>Little pressure for growth is identified at Tsomo, therefore should continue as a minor service centre with no large scale housing development.</p>
Mtshingeni Area (Development Support Zone)	Located at Mtshingeni area, which encompasses 2 rural settlements, accommodating about 4,000 people.	<p>Area is identified as a Development Support Zone as it has been gazetted as a valid restitution claim.</p> <p>Zone identified to receive Local Planning Processes in collaboration RLCC for appropriate investment of development funds in the area.</p>	<p>Need for development planning to direct capital investment programmes for local development based on the gazetted land claim.</p> <p>Local planning processes aimed at formalization and development of existing Model 2 type settlement.</p>

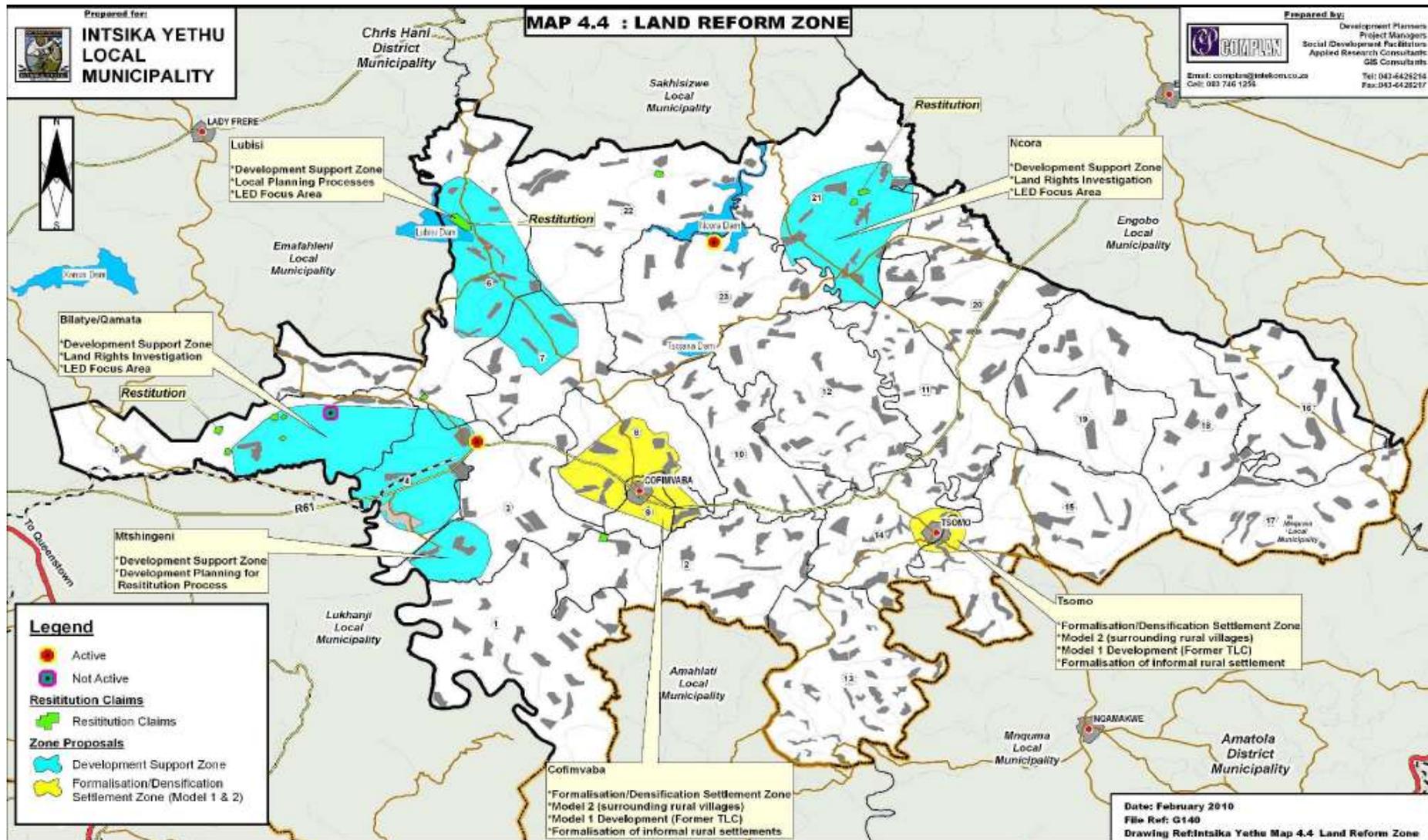
Settlement Zone Type	Locality and description	Rational for Zone Development	Key proposal
		Area to support settlement, rural livelihood initiative, tourism and agricultural development.	
Bilatye and Qamata (Development Support Zone)	Located in portions of Wards 4 and 5, in the irrigation scheme areas of Bilayte and Qamata and includes some 4 settlements with an estimated population of 13 000 people.	Area is identified as a Development Support Zone because of the importance of the irrigation schemes of Bilatye and Qamata, which represent areas of significant investment in infrastructure over a period of time to realize commercial benefit from agriculture. Revitalisation of these irrigation schemes is a priority development initiative and the resolution of land rights issues in these areas is of great importance in achieving sustainable development outcomes.	Local planning processes aimed at investigating land rights. The area is a LED/agricultural development focus area and the realisation of the value of investments in infrastructure in the Zone is linked to the resolution of land rights issues in the local areas.
Lubisi “cluster” (Development Support Zone)	Portions of Wards 6 and 7, and encompassing the Lubisi Dam and some 13 settlements, which house 15 000 people.	IYLM identified this area as where LED initiatives have been prioritized. Lubisi is identified to support Local Planning Processes in the area, aimed at integrating with LED initiatives (tourism potential) and enhancing development outcomes.	Local planning processes aimed at the formalisation of Model 2- type settlements and the resolution of land rights issues. The area has been identified by the LM as a focus area for LED activities, including Small Business Development.

Map 4: Development Zones



Source: IYLM Spatial Development Framework Review, 2010/11

Map 5: Land Reform Zone



Source: IYLM Spatial Development Framework Review, 2010/11

(Part D) Service Delivery Profile

5. Service Delivery Profile and the Clusters

This section provides an analysis of the service delivery profile of IYLM with specific reference to the backlogs facing the municipality. The National government has set out the National target for eradication of service delivery backlogs. These targets are aligned to Millennium development goals (MDG's) and outcomes approach targets, hence a consistent effort should be made to achieving the targets. Access to social and economic services enables people to participate more meaningfully in their economy.

5.1 Cluster Model integration and coordination

The municipality has resolved to make use of the cluster approach to the implement and facilitate the Integrated Development Plan, through the utilisation of the following clusters; (1) Technical Service Cluster, (2) Social Needs Cluster, (3) Economic Development Cluster and (4) Finance, Governance and Administration Cluster. The latter cluster cuts across all other clusters thus ensuring the effective and efficient operation over the cluster system. It is recommended that all these clusters have a programme of action which culminates into the Performance Score Card and SDBIP. Cluster system can allow more involvement of (s57 Managers), Portfolio Committee Members of the municipality who are responsible for the availability of quality and relevance of information provided under their respective Key Performance Areas in the IDP. Consequently the cluster system allows the (s57 Managers) to prioritise the support to the IDP and increase efforts towards improving the quality of information and input to the IDP regarding their KPAs. It is through the improvement on individual KPAs that the quality of IDPs will improve and enhanced by the same commitment from Council Portfolio Committees. Such commitment should be present throughout the duration of the IDP-Cycle since the ultimate quality of forward planning (IDP) is best informed by the situational analysis which is the mirror of the municipality in as far as its existing conditions is concerned.

The cluster approach in this regard deals with the following issues:

Table 20: Cluster approach

Technical Service Cluster	Social Needs Cluster	Finance, Governance & Admin Cluster	Economic Development and Planning Cluster
Infrastructure Planning & Development Senior Manager	Community Service Senior Manager	Municipal Manager	Economic Development & Planning Senior Manger
<ul style="list-style-type: none"> • Water supply provision • Sanitation service provision • Electricity • Street lighting • Roads and Storm Water • Land Administration and Housing • Municipal Public 	<ul style="list-style-type: none"> • Education (early childhood & adult learning programmes) • Municipal Health (Health) & Hygiene promotion) • Special Programmes (including Aids, Disabled, Youth 	<ul style="list-style-type: none"> • Functional Administration/ Administration oversight • Intergovernmental Relations • Policies & By laws • Public Participation • Support to Council political leadership and 	<ul style="list-style-type: none"> • Local Economic Development (Agriculture, Forestry, Tourism, SMME's) • Poverty alleviation • Markets • Street trading • Local Tourism • Environmental Management • Municipal planning (IDP, SDF, PMS,SDBIP & LED)

Technical Service Cluster	Social Needs Cluster	Finance, Governance & Admin Cluster	Economic Development and Planning Cluster
Works • Facilitation of EPWP implementation	&Women) • Public Safety & Traffic (Safety and Security) • Public space and Parks • Disaster Management-Fire fighting • Waste Management • Refuse Removal & transfer stations • Public Transport • Community Facilities • Cremation and Cemeteries • Cleansing • Pound Management • Licensing of liquor selling outlets • Licensing of dogs • Control and inspection of food & beverage outlets	CDWs • Financial viability • Budgeting • Financial reporting and credit control • Property Valuation and billing systems • Risk & Asset Management Plan • Equity Plan and Transformation • Telecomm nation	

5.2 Technical Service Cluster

5.2.1 Free Basic Services and Social Infrastructure

In the provision of basic services and social infrastructure IYLM has increased its capacity and staffing complement steadily over the years, expanding the breadth and depth of its service delivery. However, serious gaps remain in the integration of its infrastructure provision. At this time the municipality does not have an Integrated Service Delivery (ISD) Unit, nor does it have a Comprehensive Infrastructure Plan (CIP) outlining the institutional requirements and financial viability of service delivery at this time. However, it does have a Community Liaison Office tasked with interfacing with the public around service delivery matters and it has initiated the process to engage a service provider to assist in the development of a CIP for the municipality. It is expected that such a plan will be adopted by Council over the new term. For the time being, IYLM takes an issue-to-issue approach to addressing its service delivery backlogs and challenges. The following is an overview of the municipality's status quo in this regard.

Water and Sanitation: IYLM has not yet assumed its position as a Water Service Authority, hence it has appointed an external service provider for rural water scheme maintenance and provides water supply services to the towns of Cofimvaba and Tsomo.

IYLM has ongoing concerns regarding the water and sanitation backlogs of CHDM which invariably affect it. Consequently within IYLM there are villages that do not have bulk services and schemes for basic supply forcing the municipality to cart water from the centres to these villages and that remains to be a costly exercise. This challenge is exacerbated by challenges to provide adequate funding for bulk services for infrastructure.

Sanitation backlogs: High backlogs exist in the rural areas. Regarding the service level provision, 0, 9% of the households have access to full waterborne and sanitation, with only 53.2% from peri-urban and informal settlements. Rural villages have access to dry on site sanitation services in the form of VIP. Approximately 0, 2% of the households depend on the bucket systems while 4.7% have no proper sanitation. Where household access to sanitation by type is observed the following is evident: waterborne 0.9%, VIP 53.2%, Bucket 0.2%, non services access 45.7%. According to the CHDM’s Water Services Development Plan (2010), estimates are that a total amount of R32.1 million is needed to address the current sanitation backlogs.

Refusal Removal or disposal: The provision of the refuse removal is only provided in the urban areas of Cofimvaba and Tsomo and is collected on weekly basis. Only 2% of households have access to weekly refuse removal services, and only 1% receives regular or ad-hoc collection from the municipality. Another 1% is reported to be using communal dumps while 36% is underserved. About 60% in mostly rural areas burn their waste or dispose it within their yards.

Roads and Transport: IYLM’s road network is mainly made of gravel roads which need upgrading and maintenance services. Tarred roads are found along the R61 linking major Towns of Queenstown and Mthatha through Tsomo to the N2 in the East London direction. The municipality is also conscious of the number of citizens that rely on walking and has undertaken an expansion and upgrading of walkways throughout public areas and along certain public paths, complete with the expansion of community lighting, as provided for under the Projects and Programmes section of this document. IYLM currently makes use of the CHDM Integrated Transport Plan (ITP) in supporting transport service provision throughout the municipal area. The municipality currently lacks a Roads Master Plan but is giving due consideration to the development of such a plan for the new term. A Storm Water Management Plan is currently in draft, and still being revised before being submitted to Council in the new term.

5.2.1.1 Summary of existing backlogs within IYLM circa 2010

Table 21: Progress against backlogs within IYLM

Type of backlog	Backlogs Census 2001	Backlogs eradicated up to 2008/2009	Remaining backlogs	Backlogs eradicated at the end of 2008/2009	Backlogs at the start of 2009/2010
Road infrastructure (incl. Storm Water)	1320 kms	85 kms	1235 kms	40 kms	1195 kms
Refuse Removal	23 Wards	2 Wards	21 Wards	0 Wards	21 Wards
Street Lighting	240 Villages	1 Village	239 Villages	1 Village	238 villages
Community facilities	56 buildings	12 buildings	44 buildings	0 buildings	44 buildings

The above table indicates the existing infrastructure backlogs within IYLM and considers a backlog to be any infrastructure needs that were there before 1994.

Municipal service delivery on these issues is challenged by the low revenue base of the municipality from which it finances the provision of these services. At this time, approximately 20% of IYLM's own revenue is used to fund capital projects and infrastructure developments, with the remainder financed by government grants. However, given the backlogs detailed above, IYLM will need to expand its revenue base while increasing and effectively applying all government grants if it seeks to make a serious indent into the extensive backlogs it faces over the new term. At this time, the municipality does not have any other sources of infrastructure investment but the potential to pursue the possibility of public/private partnerships remains.

Table 22: Funding sources for addressing service delivery backlog

SOURCE OF FUNDING	2009/2010	2010/2011	2011/2012	TOTAL AVAILABLE	FUNDING REQUIRED	SHORTFALL/ Surplus
MIG	R 18,586,171	R 21,563,804	R 25,934,894	R 66,085,000	R 1,471,751,360	R 1,405,666,360
DWAF	R 26,000,000	R 27,000,000	R 28,000,000	R 81,000,000		
MUNICIPAL	R 10,400,000	R 12,000,000	R 15,000,000	R 37,400,000		
TOTAL	R 54,986,000	R 60,564,000	R 68,935,000	R 184,485,000	R 1,471,751,360	-R 1,287,266,360

Electricity: IYLM receives the supply of electricity through Eskom; the major towns of Cofimvaba and Tsomo are served with electricity. The High Voltage (HV) Electrical Power line extends from Komani/Qamata 1132KV to Qolweni/Manzana 166KV. Another power line extends from Cala/Elliot 166kv to Butterworth/Noora 166kv. About 66% households have access to electricity. According to RSS (2006) surveys the electricity backlog amounted to 44% of total demand, which has subsequently declined. The municipality is challenged in this area in that it is not the authority, nor the provider, and therefore it remains reliant on Eskom for the provision of electricity rollout to villages. This is further challenged by a funding shortage to address the existing backlogs.

Housing: In terms of IYLM Housing Sector Plan (2008-2012) the area has municipal commonage land which is available for future housing developments. The sites are well located in relation to work opportunities and social services. IYLM is currently in the process of drafting a new Housing Sector Plan which will provide a more updated and comprehensive outline of the trajectory of the municipality in this regard. In particular, informal settlements were previously omitted from the Housing Sector Plan, but are now being duly considered along with the migratory patterns of the municipal area which has seen at worst, a considerable out-migration of young people, and at best, a stasis in population growth. A Migration Plan is also proposed for consideration as part of Annexure A to this document.

One of the bigger challenges in this regard is in the implementation of housing provision which IYLM does not have the power to do. Municipal capacity is said to be sufficient to support the provision and expansion of most bulk services in this regard, but the onus for actual implementation of housing provision rests with the Provincial Department of Human Settlements. For example, the municipality currently has plans for approximately 1500 households submitted to the provincial department (608 in Joe Slovo, 283 in Tsomo, 400+ in Cofimvaba, etc). It has made financial provision for the roll-out and extension of bulk services to these areas but remains reliant on approval from the Provincial Department in order to proceed.

Land reform: The existence of communal and informal land ownership systems in some rural areas is a major challenge to development because it locks land which is needed for improving the lives of rural people. There is a commitment by the Department of Land Affairs to transform land tenure so that rural households living on traditional or communal lands can have access to land ownership.

Without a credible Land Asset Register IYLM has relied on its valuation roll to identify land potentially available for development throughout the municipal area. A recent valuation in July of 2011 and two subsequent supplementary valuations have provided a credible basis for which IYLM has been considering future land development. The imminent completion of a more updated SDF will further inform the municipality in this regard.

With regards to addressing land degradation and revitalisation, the municipality currently lacks an existing plan in this regard, but is undertaking work to address this issue. It has been prioritised and provided for as part of the high-level service delivery targets identified later in this document. Consideration is being given towards the development of a plan in this regard.

One of the challenges in this regard has been that of land invasion, of which the municipality has experienced at least one incident recently. Although IYLM does not have any formal mechanisms in place in the event of land invasions, its past experience has made it familiar with the process of approaching the Courts and following due process of the law prior to enforcing removals from illegally occupied land. As a result of this process IYLM has identified alternative housing but the relocation of households from invaded land to alternative accommodation has yet to be finalised.

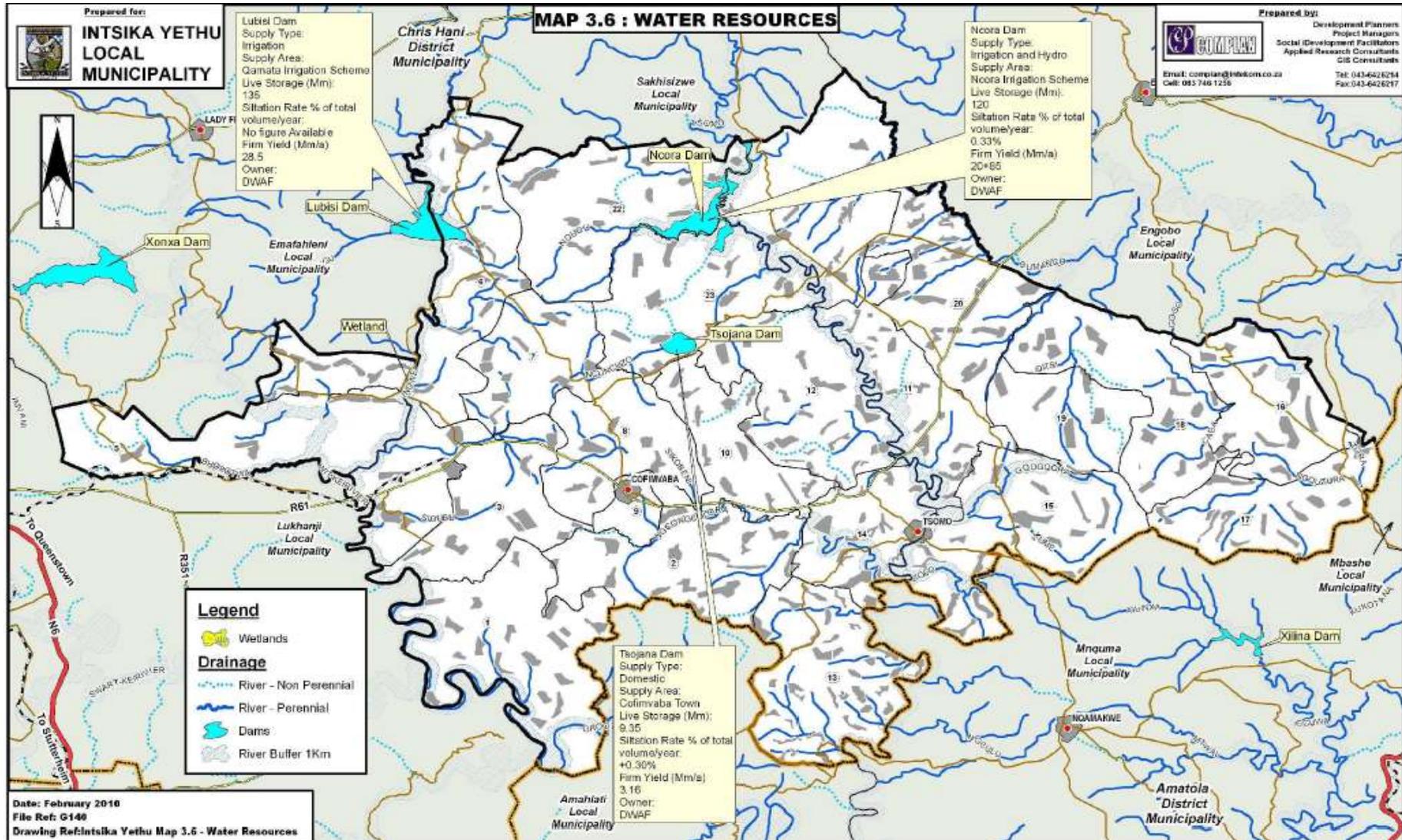
In relation to Land Reform, Section 10 (1) (c) of Land and Assistance Act, 1993 (126 of 1993), as amended, provides that the Minister may, from money appropriated by parliament, on such conditions as she/he may determine, grant an advance or subsidy to municipalities to acquire land to be used as a commonage or extent an existing commonage.

Following from the above background it is suggested that the municipality should consider the following issue:

- Identification and purchase of private agricultural land within the area of municipal jurisdiction for commonage purposes;
- Identification of all state land (SADT farms, RSA farms and National Government of SA farms) within the area of municipal jurisdiction for redistribution purposes;
- Creation of mechanisms through which both commonage and land reform (LRAD projects in particular) beneficiaries could access support such as provision of necessary farm infrastructure, training and capacity building, marketing and business development, and information and knowledge management; and
- Establishment of leasehold or freehold small family farms (as opposed to large farms) to enhance access and security of tenure to land for the majority of those who have interest in farming in order to ensure secured and increased household food production and production for local markets.

The Department of Land Affairs (DLA) has also stated that, “In terms of the policy framework document for the Land Redistribution for Agriculture Development (LRAD), it is crucial that municipalities should create mechanisms within its programmes to allow rural communities to express their needs for land reform (LRAD in particular), and to respond to these demands. It further provides that the local Department of Agriculture in collaboration with the District and Local Municipalities should ensure the congruence of LRAD projects with the IDPs. DLA is expected to expand support services to emerging farmers who are mainly characterised as being resource poor farmers. The services that are rendered by the Department to farmers that are engaged primary in subsistence farming on communal land will also continue to receive attention. The communal lands of the Province contribute significantly to the social safety net in food security and village survival strategies.

Map 6: Water Resources



Source: IYLM Spatial Development Framework Review, 2010/11

The availability of services such as water, energy and transport allow people to become more profitable in their work, while communication establishes a vital link between people and the outside world. One of the Millennium Development Goals (MDG) is to halve the proportion of the population who have no sustainable access to safe drinking water and basic sanitation by 2015.

Table 23: Household access to water within IYLM

Household access to water from 2005-2010						Projection
Type of access to water	2005	2006	2007	2008	2009	2010
Basic access (In home, yard, or within 200m)	7,819	7,733	7,624	7,996	8,040	8,084
Piped water on community stand (distance greater than 200m from dwelling)	4,931	4,898	4,846	6,198	6,544	6,890
Borehole/rain-water tank/well	2,440	2,415	2,382	2,644	2,700	2,755
Dam/river/stream/spring	23,206	22,853	22,428	22,130	21,808	21,486
Water-carrier/Tanker/Water vendor	229	227	224	201	194	186
Other/Unspecified	514	509	501	538	545	551
Total	39,139	38,636	38,005	39,707	39,830	39,953

Source: ECSECC, Statistics Database, 2011.

Table 22 presents data regarding IYLM's resident's access to water from 2005 to 2009 with the estimate for 2010 according to ECSECC. The data shows that the majority of IYLM (53%) residents still obtained their water from Dam/river/stream/spring sources in 2010. Only 20% of residents in the area had basic access in to water in 2010 (by basic access we refer to households that have access to piped water in their homes or on a community stand within 200m from the place of dwelling). The basic access figure has remained fairly constant since 2005 when 19.97% of residents had basic access to water. The number of households using dam/river/stream/spring sources of water has fallen since 2005 when 59.29% of the population used this method to obtain water.

It is important to remember that it is the district and not IYLM which bears primary responsibility to ensure that people have access to water. In terms of the water supply arrangements in the Intsika Yethu the district has appointed rural water scheme maintenance contractor – Maluti GSM – to operate and maintain rural schemes while the DM provides on its own in the town areas of Cofimvaba and Tsomo.

Table 24: Household access to energy within IYLM

Household access to energy 2005-2010						Projection
Access to energy	2005	2006	2007	2008	2009	2010
Solar/other/unspecified	389	393	396	359	351	344
Electricity	10,687	10,560	10,391	12,959	13,571	14,184
Gas	167	163	158	119	106	92
Paraffin	18,063	17,767	17,417	15,907	15,295	14,684
Candles	9,833	9,753	9,643	10,363	10,507	10,650
Total	39,139	38,636	38,005	39,707	39,830	39,953

Source: ECSECC, Statistics Database, 2011.

IYLM remains behind much of the province and the rest of the country with regards to electrification. Only 35.50 % of households were estimated to be using electrical energy in 2010. This falls well below the district level of electrified households which was 52.55 for the same period. Paraffin remains the most

used form of energy in IYLM with an estimated 36.75% of households using it for energy. It is also noteworthy that 26% of households use candles as a main source of lighting.

Eskom is the only electricity provider in IYLM. In the table solar energy which is an alternative energy source supported by IYLM is categorized together with “unspecified” and “other” forms of energy. The municipality’s role is currently to facilitate the implementation and communicate with Eskom regarding areas of priority for connections. Backlogs in electricity connections remain high for most areas in the municipality.

Table 25: Household access to refuse removal within IYLM

Household access to refuse removal 2005-2010						Projection
Means of refuse removal	2005	2006	2007	2008	2009	2010
Removed by local authority at least once a week	814	807	796	882	901	921
Removed by local authority less often	239	235	231	206	197	187
Communal refuse dump	246	244	241	237	235	233
Own refuse dump	22,370	22,062	21,678	23,963	24,373	24,783
No rubbish disposal	15,373	15,195	14,973	14,446	14,185	13,925
Unspecified / other	97	92	87	83	78	73
Total	39,139	38,636	38,005	39,707	39,830	39,953

Source: ECSECC, Statistics Database, 2011.

Table 24 shows that 62% of households in IYLM reported having to dump their refuse themselves instead of it being removed by authorities. 34% of households reported having no rubbish dumping facilities at all. Only 2% reported having their refuse removed on a weekly basis by a local authority. Such a situation has serious implications for the overall hygiene of residents in the area, especially because table 22 shows us that many people use river and dams as their only source of water, therefore posing a great health risk since water which is used for drinking and cooking could become exposed to harmful substances associated with refuse.

IYLM is responsible for providing refuse removal services to its areas of jurisdiction. Since the establishment of IYLM municipality in 2000, this service has generally been provided to the urban areas of Cofimvaba and Tsomo only. Rural areas generally use a range of temporary mechanisms such as their own dumps within the yard, illegal dumping sites and mobile tankers.

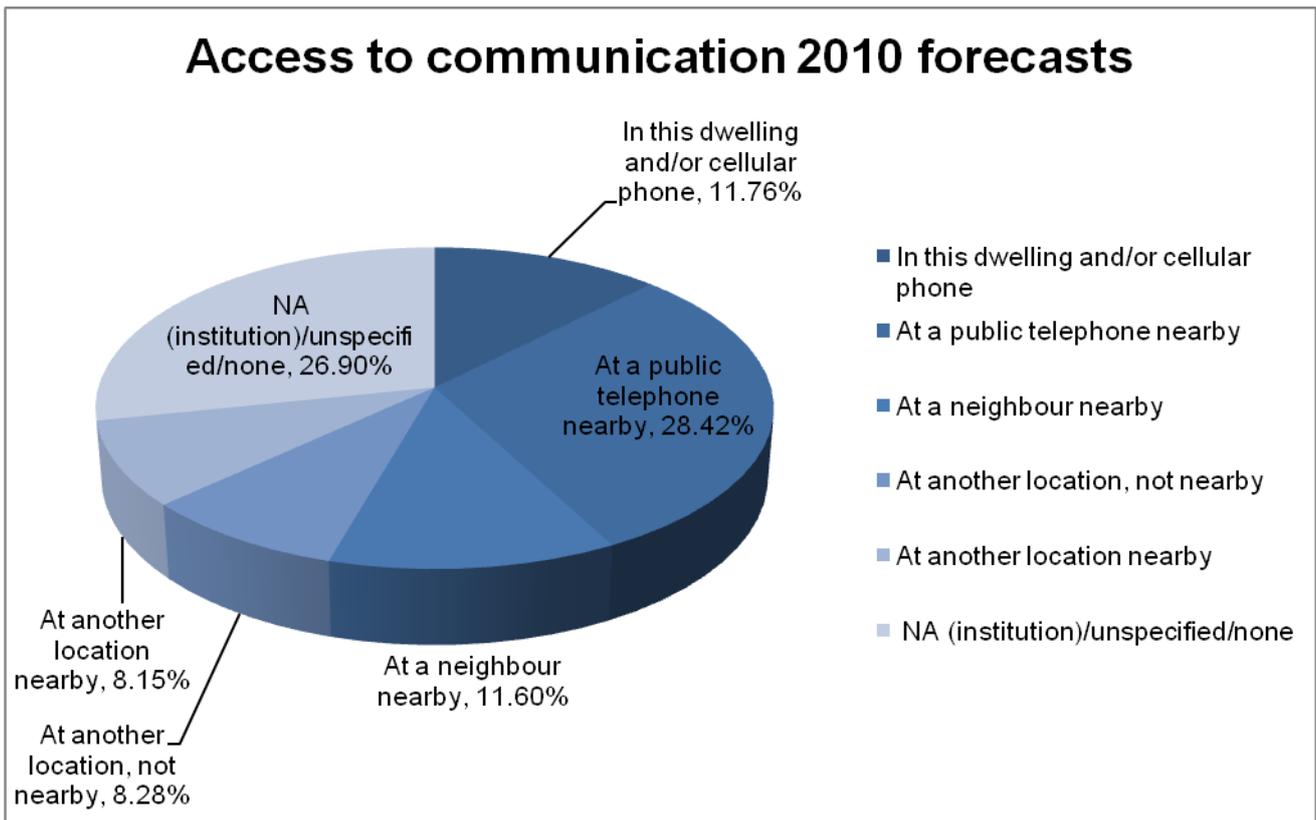
Table 26: Household access to sanitation in IYLM

Household access to sanitation 2000-2010			Projection
Means of household sanitation	2000	2005	2010
Flush or chemical toilet	1,382	1,468	1,795
Pit latrine	14,490	13,786	13,260
Bucket latrine	381	343	270
None of the above	23,404	23,491	22,144
Unspecified	99	52	39
Total	39,755	39,139	39,953

Source: ECSECC, Statistics Database, 2011

The table above gives a breakdown of the situation in IYLM regarding sanitation. The table expands on the various types of sanitation being used by residents over three years namely 2000, 2005 and the estimated forecasts for 2010. Unfortunately this data lacks conclusiveness since the largest category over all three years is the “none of the above” category which does not explain in enough detail what kind of sanitation is actually being used for that group of households. Looking at the 2010 estimates we can see that the second largest group is the pit latrine category which accounted for 33.18% of the toilets in use. Only 4.49% of people were believed to be using flush or chemical toilets by 2010 estimates. While there has been a steady decrease in the proportionate numbers of people using bucket latrines from 0.95% in 2000 to an estimated 0.67 in 2010.

Chart 10: Access to Communication (2010 forecasts)



Source: ECSECC, Statistics Database, 2011

According to the ECSECC data, only 11% of residents in IYLM had access to a telephone in their own home or access to their own cell phone. The largest proportion of households in IYLM (28%), rely on using a nearby public phone for communication. Interestingly, 26% of households could only be categorised as “unspecified” or “not applicable”, meaning that there is no information on what mode of communication these households use. Either way what is striking about these statistics is the fact that an estimated 56% of households in IYLM were still believed to be leaving their houses in order to communicate with others far away because they have no other access within their houses e.g. cell phones, telephones etc.. Communication has become a vital part of life and business and a lack thereof easily impedes not only the quality of life but also inhibits the ability of entrepreneurs, students, and other working professionals to maximise opportunities that may come their way.

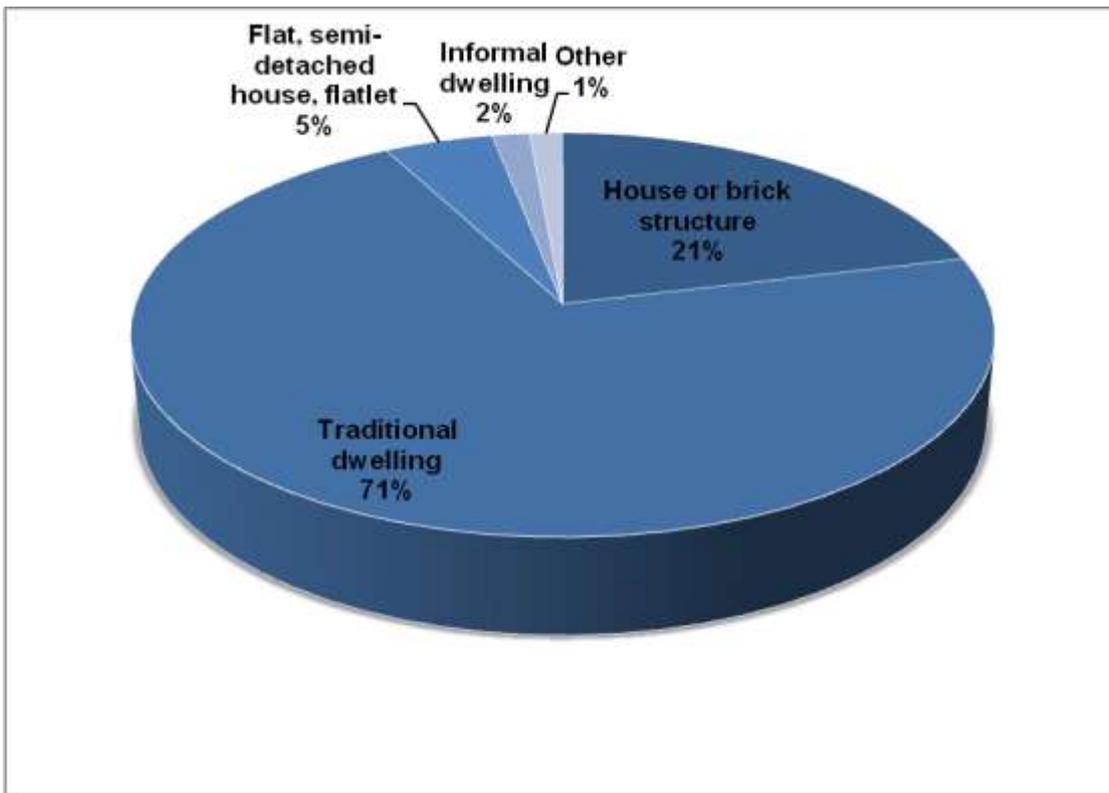
5.2.2 Human settlements

The Chart below illustrates that 71% of houses in IYLM are Traditional dwellings. Only 21% of houses in the municipality are brick structures. It is important to remember that many households in areas such as IYLM prefer traditional dwellings rather than formal brick structures for cultural reasons. The

municipality maintains a formal housing waiting list which indicates that there are in excess of 2000 families which require housing in IYLM. Just what role the municipality will play in meeting the demand for housing is yet to be clarified since IYLM is not a housing authority. The municipality is yet to formalise Land Administration and Housing function.

Settlements in IYLM are typically clustered on ridges and along the roads with a variety of housing structures built out of mud brick, block and brick walls. Roofing varies from thatch to tiles or to corrugated iron. In the two towns of Tsomo and Cofimvaba, there are informal structures and back yard shacks behind larger houses built from brick and blocks.

Chart 11: Distribution of housing across IYLM



Source: ECSECC, Statistics Database, 2011.

5.3 Social Needs Cluster

5.3.1 Education levels

In terms of Stats SA (2001) National Census education IYLM fairs very poorly in terms of education. About 36, 7% of the population has no formal education while 24% have some primary schooling and 7% have completed their primary schooling. About 23% are recorded to have secondary schooling and only 9% of the population have completed matric (Std.10 / Grade 12) and Higher education. There are a number of reasons for the low levels of education in IYLM which include:

- Parents lack the money to send children to school;
- Lack of scholar transport (which is critical in providing mobility to scholars to access their educational institutions) this results in poor scholar attendance and increased dropout rates in many remote rural areas;
- Regarding Scholar Transport Assistance, the policy guidelines from the Eastern Cape Provincial Department of Education stipulates that public school learners who stay 5km (grade 4-12) as well as 2,5km (grade R-3 and physically challenged learners) or more away from nearest and appropriate school should be provided with a subsidized transport to attend school, priority should be given to learners in the most disadvantaged communities; and
- Another dimension of the problem relates to inadequate School Nutrition program in rural schools and farm schools and possible expansion to cater for all needy learners. According to MEC's School Community Co-operative Ilima Programmes (SCCIP), "learners who are hungry do not have equal access to high quality education, and do not have access to opportunities for equal education achievement and will ultimately not have access to further education and employment opportunities that will change their social and economic circumstances".

It should be acknowledge that in terms of Schedule 4 Part A of the Constitution, education at all levels, excluding tertiary education falls under function areas of concurrent National and Provincial legislative competence. This implies that all education related issues in the CHDM are dealt with by the Eastern Cape Provincial Department of Education (EC-DoE). In recognising that education is a means of promoting good citizenship as well as preparing our people for needs of a modern economy and democratic society, the government must ensure progressive realisation of universal schooling, improving quality education and eliminating disparities and inequalities. This requires a major renewal of schooling and education system, by taking the following steps:

- Work together with educators, learners, parents, school governing bodies and other stakeholders, to make education the priority for all;
- Making education free and compulsory for all children as well as ensuring increase in no-fee schools particularly in impoverished areas;
- Introduce a sustainable Early Childhood Education system that spans both public and private sectors and gives children a head start on numeracy and literacy as well as strengthen support for crèches and pre-schools in rural villages and urban centres;
- Improve the quality of schooling, particularly performance in mathematics, science and technology and language development. Measures should include provision of incentives for mathematics and science teachers;
- Promote the status of teachers, ensuring the employment of adequate numbers, and improving their remuneration and training, as an important part of the drive to ensure that quality teaching becomes the norm;

- Increase graduate output in areas of skills shortages. This must include measure to streamline Sector Education and Training Authorities (SETAs), Further Education and Training (FET's) and other institutions to address existing and forecast skills shortages;
- Place Further Education and Training colleges at the centre of a popular drive to transfer skills;
- Encourage government to embark on the re-opening of teacher training colleges within the District or where appropriate in IYLM;
- Revive the role of state owned enterprises in skills development to support the economy;
- Extend School feeding schemes to all poor primary and high schools, particularly in the remote rural impoverished areas, provision of scholar transport and exemption of school fees to needy children;
- Conducting vigorous education and awareness programme to tackle the HIV and AIDS pandemic;
- Profile new education facilities in the growth points of the IYLM;
- Engage private sector to be more involved in ABET; and
- Strengthen safety and security at schools.

Judging from the above, it is clear that, lack of facilities and basic services at schools may have significant negative impact on the development of learners at schools, which could be partly manifest in low pass rates. Thus, for these challenges to be adequately addressed there needs to be greater alignment, coordination and support between Local Municipality, District and EC-DoE.

Chart 12: Educational levels of over-21 year olds

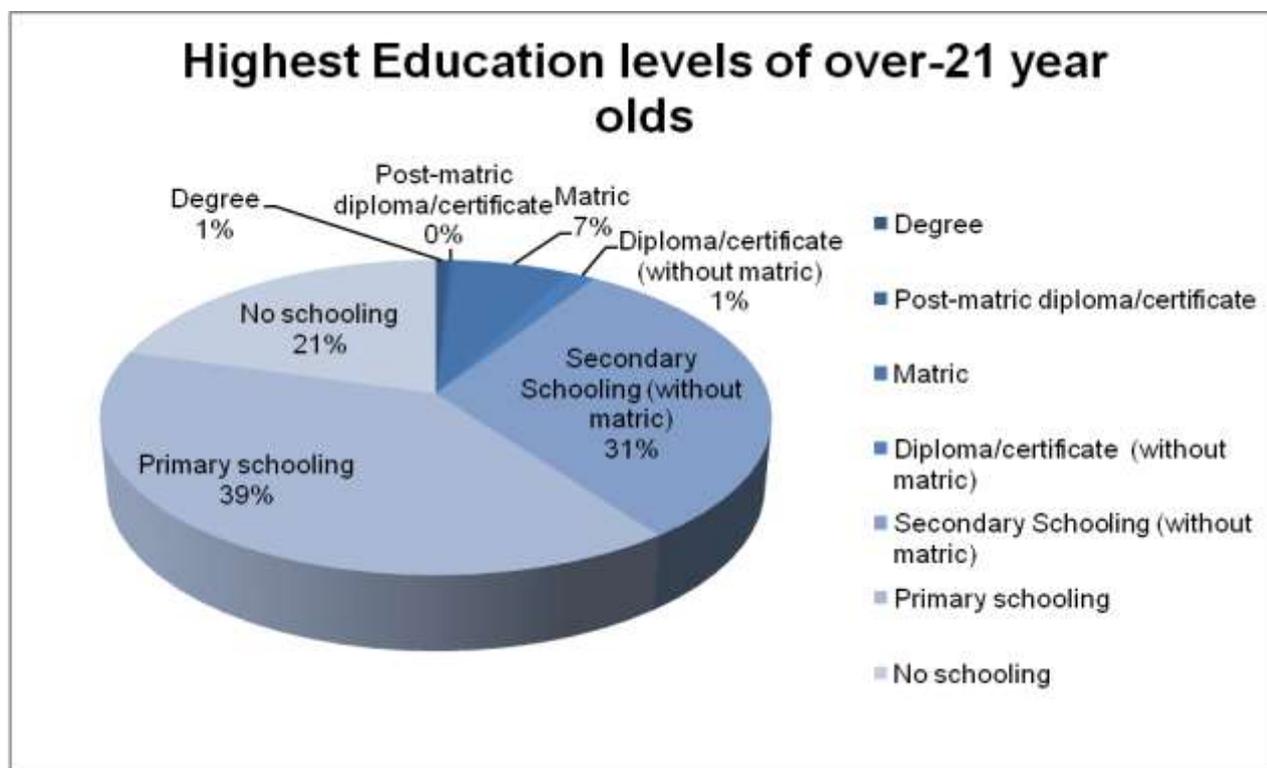


Chart 12 gives the percentage breakdown of the level of education of over 21 year olds. From the information we can see that the biggest portion (39%) of over-21 year olds in IYLM have gone only as far as primary school whilst 31% have gone as far as secondary school. 21 % of over 21 year olds have no formal schooling, these individuals together with those who have not completed primary school would be viewed as functionally illiterate (functional literacy in South Africa is often viewed as the ability to read

and write in an everyday context, an ability that one usually obtains at grade 7 level under normal circumstances). The high levels of illiteracy and low levels of educational achievement in IYLM have an impact upon the kind and nature of employment that the potential workforce aims to find. Generally poorly educated and uneducated people will seek lower skilled jobs especially in the primary sector, this is problematic in an area such as IYLM where we have learnt from previous graphs that it is in fact the tertiary sector and not the primary sector which is offering the most jobs (these jobs tend to be higher skilled jobs).

Table 27: Educational qualification levels within IYLM

Qualification	Number of individuals
Degree	508
Post-matric diploma/certificate	242
Matric	4860
Diploma/certificate (without matric)	1078
Secondary Schooling (without matric)	22,818
Primary schooling	29164
No schooling	15160

Source: Gaffney's Local Government in South Africa Yearbook 2011-2013, p. M134

5.3.2 Health Care Issues

According to CHDM: IDP Review 2010/11 and in reference to Global Insight (2007), a graph depicting a population growth trends during 1996 to 2007 where population with and without HIV and AIDS reflects a decline in HIV/AIDS infection rate and anticipated mortality rates. The CHDM: IDP Review 2010/11 further provides that, the epidemiological analysis conducted reflects that, "Gastrointestinal diseases are most prevalent for which adult patients are admitted to hospitals, making up some 20% of the cases followed by respiratory conditions, which contribute 18%". In terms of health care capacity the National norm is one clinic per 10 000 people and the national average figure for nurses per 100 000 people is 12 nurses. Within IYLM there is are 2.7 nurses per 100 000 people which is well below the adequate ratio. Furthermore the analysis of available beds per 1000 population indicates that IYLM (1:1482) is below the national average of 1:750. This indicates a low bed occupancy rate. Regarding the access to emergency services, IYLM experiences serious problems in transporting urgent patients, it is reported that it takes more than 3 hours to secure transport.

The area is adequately served with primary health care facilities as per RSS (2006) survey. 72.3% of the households have access to clinics. There are 37 clinics, 4 mobile service points supporting 86 points and a single district hospital. The main challenge is to improve the quality of specialist doctors and reliable supply of medication.

Irrespective of the above status quo, the government is determining to end the huge inequalities that exist in public and private sector by making sure that these sectors work together. It should be mentioned that, as promulgated in the Constitution, Schedule 4 Part A, and the health service is a functional area of National and Provincial legislative competence. In terms of Section 155 (6) (a) the Provincial government must provide for the monitoring and support of local government in the Province, this function can be assigned to a municipality in terms of Section 156 of the Constitution. The District municipalities have a function of rendering Municipal Health Services (MHS) traditionally known as Environmental Health Services) in the areas of their jurisdiction as promulgated in the Municipal Structures Act of 1998 and National Health Act 2003. According to the CHDM IDP Review 2010/11, there is an uneven distribution of environmental health services in the District, this situation is expected to be addressed when the power

and function of Municipal Health Service (MHS) becomes a District power and function. It is reported that, the MHS-devolution processes is currently under way in CHDM as envisaged by the Section 78 Investigation and the developed Strategic Plan in respect of the provision of the Municipal Health Services in the district will result into the transfer of the provincially employed Environmental Health Practitioners (EHP) to CHDM. The major challenge confronting South Africa, CHDM and IYLM, today is the scourge of HIV/AIDS epidemic, which is likely to pose a severe challenge for development for many years to come. In the on-going attempts to actively manage the HIV/AIDS pandemic, the CHDM has facilitated the support and strengthening of the Local AIDS Councils (LACs). IYLM should consider eliminating risks associated with their high water quality degradation in streams and rivers. This can constitute an influencing factor in the spread of cholera epidemic or infection hence sanitation and water projects should be augmented by Assessment studies of quality and condition. This brings us to the dire need to monitor the quality of both water and sewerage treatment works discharges to main water course.

Again the government has identified the following priorities that must inform a major improvement in the health care system:

- Reduce the impact of HIV/AIDS on individual, families, communities and society by expanding access to appropriate treatment, care and support;
- Strengthen fight against AIDS through collaboration with partners at all levels of society and accelerate implementation of HIV and AIDS and STI plans;
- Strengthen formal partnership against AIDS at all levels of our society including the strengthening the South African National AIDS Council (SANAC);
- Improve quality of health services and physical infrastructure revitalization; and
- Increase the employment of community health workers, which will be linked to improvement of the district health system.

In relation to health issues within IYLM it is evident that, in order to effectively and equitably provide the Municipal Health Services (MHS) the CHDM will have to sign Service Level Agreements (SLA) and Memorandum of Agreement (MoU) with the municipality and the Eastern Cape Department of Health (EC-DoH) in reference to the Section 78 investigation that is underway. In return the CHDM will also, have to find funding sources towards performing functions assigned to it, of which one of those functions will be the development, implementation and monitoring of MHS by-laws.

5.3.3 Community Facilities

According to IYLM SDF, IYLM has 16 community halls but the quality of some of the facilities needs to be improved and maintained. The Municipality intends to provide each ward with a community hall. Intsika Yethu is in great need of library facilities. There are currently no library facilities for the community to access important information. Provision of these libraries is vital and should be considered. There are sports and recreation grounds in the Intsika Yethu area but majority of the sports fields are in a poor state and need to be renovated. Community halls provides local communities with recreational facilities and may be used as pension payouts, while libraries enables learners to access important information required for their studies. Sport and recreation facilities promote the health and welfare of the people living in an area.

5.3.4 Safety and Security

According to IYLM SDF, there are 3 police stations to look after the safety and security of the community. These are located in Bolotwa, Cofimvaba and Tsomo. The municipality participates in local Community Policing Forums aimed at mobilizing all affected stakeholders against incidences of crime. In terms of

policing facilities there are three 3 police station in IYLM located in Cofimvaba, Tsomo and Bolotwa. The Municipality participates in community policing forums aimed at mobilising all affected stakeholders against incidents of crime. In order to maintain low levels of crime in IYLM, more safety and security services such as mobile police services need to be provided. In this regard the Eastern Cape Provincial Crime Prevention Strategy has a key focus area which is strengthening Communities against crime through community- based, primary prevention approaches: e.g. Innovative public education “messaging” strategies, community-based interventions programmes and community-based activities aimed at increasing the strength, capacity and resilience of individuals, families and communities in relation to the known risk factor for crime.

5.3.5 Cremation and Cemeteries

According to Intsika Yethu SDF: May 2010, There are a total of 146 unlicensed/ unregistered cemeteries distributed within the wards of the municipal area which need some improvement and re-organization to ensure effective delivery. It should be acknowledged that most of these cemeteries have not undergone geo-technical investigation to avoid the likelihood to underground water contamination.

5.3.6 Waste Management

Waste is an undesirable or superfluous by-product, emission, or residue of any process or activity, that has been discarded, accumulated or been stored for the purpose of discarding or processing. Waste products may be gaseous, liquid or solid or any combination thereof and may originate from domestic, commercial or industrial activities and include sewage sludge, radioactive waste. In this regard the municipality must put measures in place to ensure that all the landfill sites are equipped with facilities such as weigh bridges and other data capturing equipments, security and other essentials, this is in compliance with the Department of Water and Forestry (DWAF) minimum standards. In relation to economic development through waste management a Waste Recycling projects has potential economic impact i.e. whilst reducing the amount of municipal solid waste generated and disposed off at the municipal waste disposal sites by encourage waste avoidance, minimizing reclamation and recycling.

According to IYLM’s Integrated Waste Management Plan (2005) it was reported that waste generation growth estimates should be linked to economic growth, population wealth and population growth, thus population dynamics determines a waste generation growth patterns.

The table below indicates population growth trends in relation to Waste Generation Rate (Kgs per person) in IYLM. The Municipality is also considering the alignment of its Integrated Waste Management Plan and Waste Management Strategy with that of the CHDM, this is currently underway.

Table 28: IYLM Waste Generation Rates in relation to population growth trends

Expected population growth trends						
Area	2006	2007	2008	2009	2010	2011
IYLM	184,308	185,211	185,843	186,044	185,934	186,031
Growth Rate (1.40%)	184,308	185,211	185,843	186,044	185,932	186,031
Expected waste generation rates in IYLM						
Area	2006	2007	2008	2009	2010	2011
IYLM	147869.8	150087.8	152339.1	154624.2	156943.6	159297.7
Generation Rate (0.75%)	147869.8	150087.8	152339.1	154624.2	156943.6	159297.7
TOTAL	147870	150088	152339	154624	156944	5159298

Source: IYLM Integrated Waste Management Plan, 2005.

In light of the above reflection of waste generation trends, it is clear that IYLM needs to better differentiate its approach to waste management in order to provide information on the types of waste disposed and track the volumes of waste recycled in the area. The main challenge in this regard is the management of the illegal dumping activities and enforcement of by-laws. Currently IYLM is facilitating a waste recycling co-opt project in its attempt to minimize waste and stimulate local economic development.

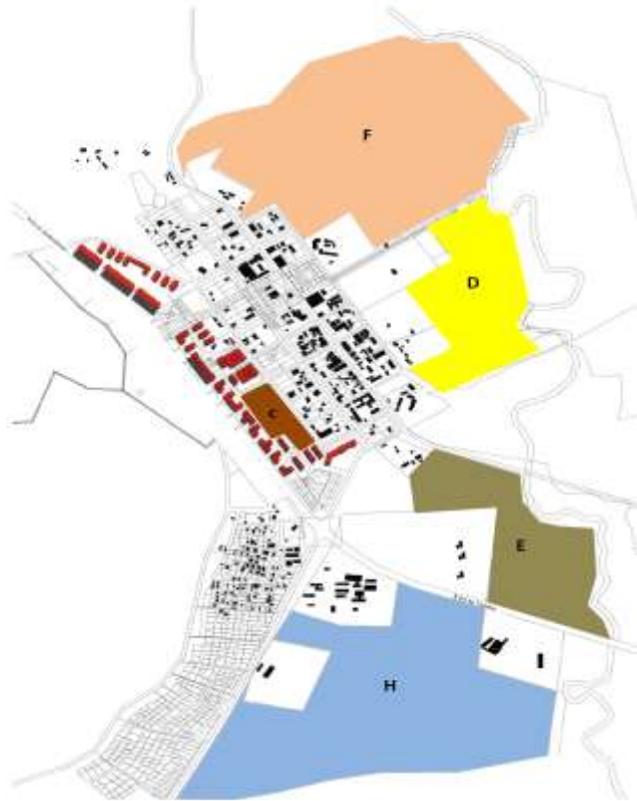
The municipality is operating a licensed landfill site, licensed number: EC/CH/A/15/001-2011, located in Cofimvaba and used for waste disposal. The license of the landfill site was granted in terms of Section 49(1) (a) of the National Environmental Management: Waste Act, Act no. 59 of 2008. Furthermore, there are clear regulations regarding the kind waste which may not be accepted on the landfill site. IYLM has developed an environmental by-law relating to Dumping, Littering and Waste Collection. The by-law regulates all “waste-management activities,” that involves the generation, reduction and minimisation of waste and waste handling. This includes the separation, storage, collection, and transfer of waste, and waste treatment. Waste treatment includes the recovery of waste, recovery being the recycling, reclamation and re-use of waste, and disposal of waste. The by-law further provides for the separation of waste into different kinds determined by the nature of the waste. It also allows for charges to be made payable for the removal of waste from premises or dumping of waste at a disposal site under the control of the Municipality. The by-law further regulates potential illegal dumping through the control of all dumping, littering, and other pre-determined contraventions. The by-law provides various offences clauses which can result in financial penalties and in the most extreme instances, convictions. The by-law is further enhanced by the existence of the Peace Officers employed by the municipality in order to enforce it and ensure citizens act within the parameters of the law.

5.3.7 Disaster Management

Disaster Management remains a District Municipality function as per provision of the section 156, section 229 and the Municipal Structures Act (Act 117 of 1998), however IYLM is operating a disaster management centre within the municipality.

Map 7: Overviews of empty land and flood lines within IYLM

Densification of Empty Land and Dilapidated Buildings



Strategic Density Increases:

- Densification and infill development at strategic points provide the opportunity of ensuring increased activity in the centre and ensure that necessary thresholds to support business activity is present in the centre.
- New developments of various income levels must therefore be promoted in area C,D and E.

Natural Environment and Flood Lines



Flood Line Protection:

- The protection of the flood line is critical for safety reasons and for protecting the river and maximising the tourism opportunities that can be realised for the rivers natural value.

IYLM is not immune to emergencies and disasters and occasionally suffers the impact of various human-induced and natural hazards that have the potential to kill, injure, destroy and disrupt. In terms of Section 54 (1) b of the Disaster Management Act, “the council of Chris Hani District Municipality, acting after consultation with the relevant Local Municipality, is primarily responsible for the co-ordination and management of local disasters that occur in its area”. Furthermore, Section 54 (2) states that a District Municipality and the relevant Local Municipality may, despite subsection 54 (1) (b), agree that the Council of the Local Municipality assumes primary responsibility for the coordination and management of a local disaster that has occurred or may occur in the area of the Local Municipality”. Within the region, the primary responsibility of coordination rest with local municipalities.

Regarding a Disaster Management Centre, Section 43 of the Disaster Management Act of 2002 states that “each District municipality must establish in its administration a disaster management centre for its municipal area in consultation with and operate such a centre in partnership with local municipalities”. In this respect IYLM is reliant primarily on CHDM in the event of a disaster for managing the rollout of disaster relief and mitigation.

IYLM has initiated the development of a Fire Response Plan and Fire and Emergency Guide Plan that will assist in the overall preparation and management of fires. Primarily, the plans aim:

- To prevent and combat veld, forest, mountain and chemical fires throughout the municipality;
- To minimize the impact of veld fires where occurrences cannot be prevented;
- To determine the various role players in cases of veld fires;
- Determine a practical approach to be adopted by the municipality in endeavour of minimizing fires through prevention, including early warning systems, mitigation and response strategies;
- To provide guidance on the provision of fire fighting services including fighting of specialized fires such as mountain, veld and chemical fires; and
- To provide a standard regulation through by-laws for the prevention, management and controlling of fires in the region.

However, there are considerable impediments for IYLM in the total preparation for fire and emergency eventualities. These challenges include:

- Building sufficient fire fighting and rescue capacity;
- Improving the response time;
- Establishing a local Disaster Management Centre;
- Capacitating the Fire Protection Associations; and
- Identification of suitable land in the event of temporary or permanent relocations.

IYLM currently has a central database for the tracking of fires across locations, dates and times. The main challenge in this regard in the prevention and mitigation of veld fires as they remain the most serious threat in this regard.

5.3.8 Environmental Management

IYLM has a functional environmental unit in place lead by the Assistant Manager: Environmental Management and an Environmental Management Officer, dealing with environmental challenges within the municipal area. Currently the Environmental Management Unit is implementing a R5 million Greening and Beautification Project within Tsomo and Cofimvaba. The project is sponsored by the Department of Economic Development Environmental Affairs and Tourism.

In addition to these specific initiatives, IYLM is also cognisant of the global issue of climate change which may have important implications on all climatic variables, especially temperature and rainfall. Although the direction and degree of climate change and its impact at municipal level is still unknown, it is expected that temperatures may increase and while rainfalls may become less frequent, yet more intense, leading to a greater frequency and intensity of draughts and floods. Given the rural nature of the municipality, climate change has a potentially serious impact on agricultural activities. IYLM's proactive role in local economic development thus means that drought resistant crops may need to be investigated in mitigation of the potential effects of climate change. Consequently a disaster management plan for the municipality will also have to respond to severe climate conditions e.g. thunder storms, lightning and hail.

A Climate Change Strategy has become a necessity in IDPs for the category A (Metros) and C (District Municipalities). It is however advisable that category B (Local Municipalities) also adopt the District Climate Change Strategy Framework and determine exactly how they integrate into the District's plans. Climate change is however defined in the National Climate Change Response Policy as an ongoing trend of changes in the earth's general weather conditions because of an average rise in the temperature of the earth's surface often referred to as global warming. This rise in the average temperature is due, primarily, to the increased concentration of gases known as greenhouse gases (GHG) in the atmosphere that are emitted by human activities. These gases intensify a natural phenomenon called the "greenhouse effect" by forming an insulating layer in the atmosphere that reduces the amount of the sun's heat that radiates back into space and therefore has the effect of making the earth warmer.

5.4 Economic Development and Planning Cluster

5.4.1 Local Economic Development

Local Economic development (LED) occurs when communities, government and the business sector act in partnership to engage in local activities to improve local social-economic conditions by making use of local resources and opportunities. In the MFMA Municipal Budget Circular No.58 for 2012/13, for the Medium Term Revenue and Expenditure Framework, it suggests that municipalities focus on maximizing their contribution to job creation by supporting labour intensive LED projects. This necessitates that, the municipality plays a critical role in creating an enabling environment for investments and other activities that lead to job creation: This can be obtained by;

- Ensuring that service providers use labour intensive approaches;
- Ensuring that service delivery and capital projects use labour intensive methods wherever appropriate;
- Participating fully in the Expanded Public Works Programme; and
- Implementing interns programmes to provide young people with on-the-job training.

IYLM and all its stakeholders and civil society have commitment in creating an enabling environment for local economic; this is captured in the LED Strategy and Implementation Plan: 2020 has a Vision for the municipal area.

The Vision for LED:

‘A vibrant developmental municipality that seeks to provide sound governance and ensure sustainable development of its economy and people in an effective and efficient manner.’

The following are the *strategic pillars* for driving economic development within IYLM:

- Coherent agrarian system that promotes agro-processing;
- Institutional innovation and good governance that is complimentary to economic growth and development;
- Promote SMME development biased towards rural industrialisation;
- Increased forestry productivity and creation of processing hubs; and
- Develop human capability through training and skills development.

The following are the Anchor Projects identified within the Local Economic Development Strategy for implementation within the Municipal area:

- High value crop production and processing;
- Livestock (Beef & sheep) Improvement and commercialisation;
- Fruit(Stone Fruit) production, processing and packaging;
- Furniture Incubator;
- Promotion of cultural activities utilising available indigenous knowledge; and
- Develop and market tourist destination.

5.4.2 Chris Hani Growth and Development Summit

As part of the National Growth and Development Summit Agreement provinces and district municipalities were tasked with convening inclusive district and provincial summits. CHDM was the first to hold its summit in the Eastern Cape Province. The CHDM identified six priority sectors, namely: a) *Agriculture and Agro-processing*; b) *Forestry and wood processing*; c) *Tourism*; d) *Construction*; e) *Manufacturing; Trade and Business Services*. These sectors are consistent with the sectors that the Intsika Yethu LED Strategy has identified.

The priority actions identified in the District Growth and Development Strategy (DGDS) include the following: Land and Agrarian Reform, Forestry, Timber and Wood Processing, Tourism Development, Exploitation of Mining Resources, Manufacturing, Construction, Trade Services, Enabling Business Environment

5.4.3 Economic opportunities within IYLM

Beside the recommendations indicated in the Intsika Yethu LED Strategy 2020 concerning institutional arrangements, the municipality should explore the rich tourism potential by developing of priority tourism clusters, which could become the key journey components in the IYLM LED Strategy 2020 action plan.

5.4.4 Tourism

According to the White paper on Development and Promotion of Tourism in South Africa (1996), Local Municipality has the responsibility of planning, development and maintenance of Tourism product in their areas of Jurisdiction. In line with this principles, the Tourism plan for IYLM, Responsible Tourism Sector Plan (2008). The vision for tourism development in the IYLM area is:

Vision for Tourism

‘A responsible and sustainable tourism destination of choice for historical and adventurous experiences in the Eastern Cape’

Mission for Tourism

‘To become a responsible and sustainable tourism destination of choice in the Eastern Cape, providing historical and adventurous experiences by 2020 to benefit the local communities’.

The focus of the strategy is on marketing, product development, infrastructure development, human resource development and an appropriate institutional framework that will support tourism development in the area. This is achieved through the following Strategic goals and objectives:

Goal 1: To develop new tourism products to grow the destination;

Goal 2: To increase the participation of Local Communities in the tourism industry of the IYLM;

Goal 3: To ensure a high quality visitor experience in the IYLM; and

Goal 4: To extensively market IYLM as a tourism destination.

The following table details the tourism offerings, location, and type to provide an overview of tourism within IYLM.

Table 29: Tourism Facilities in IYLM

Number	Facility Name	Town	Sector/Type of Product
1	St Marks Town Centre	Cofimvaba	Historical
2	Lumanyano Cultural Group	Cofimvaba	Cultural Group
3	Old St Marks Church	Cofimvaba	Old Church Building 152 years old
4	Lumanyano Sewing Project	Cofimvaba	Sewing Project
5	Mava's Pottery	Cofimvaba	Pottery Art & Design
6	Nobandla Gospel Group	Cofimvaba	Music Entertainment & Gospel music
7	Nomayisi Project	St Marks	Sewing, beading & clay pots
8	Sijongile Adult Project	Tsomo	Traditional Garments
9	Vuyisile Mini Youth Dev Forum	Tsomo	Woodwork, furniture manufacturing
10	Vukani Catering & Baking Co-op LTD	Qwili Location/Tsomo	Catering, cultural dancers, traditional healers, gospel choir
11	Sijongile Adult Project	Mtshabe/Tsomo	Cultural Group
12	Someleze Sewing Project	Tsomo	Cultural, Heritage, Historical
13	Mzamomhle Gospel Group	Tsomo	Gospel Group & Carpentry
14	St Joseph Apostolic Church of SA	Tsomo	Historical church
15	Qwili Ilitha Sewing Co-operative	Tsomo	Cultural &
16	Masizakhe Boomplas	Cofimvaba	Cultural
17	Qamata Irrigation Canals	Qamata	Agricultural
18	Zanoxolo	Bolotwa	Cultural
19	Zenzeleni Cultural Group	Bolotwa	Cultural
20	Siyavuya	Bolotwa	Cultural
21	Zimele Rural Development	Qamata	Cultural & Heritage
22	Ndungwana Vukani Arts & Craft	Qutsa	Cultural
23	Amigo Catering	Cofimvaba	Cultural
24	Cultural activities & moral regeneration	Komkhulu Location/Tsomo	Cultural
25	Qamata Tourism Centre	Cofimvaba	Historical
26	Qamata Traditional Council	Qamata	Cultural, heritage
27	Masakhane Project	Cofimvaba	Cultural
28	Nosilence Tonjeni	Tsomo	Cultural
29	Mr Zamide Nyeka	Tsomo	Cultural
30	Mpakamisi Kunene	Tsomo	Cultural
31	Nosimo Crafters	Tsomo	Cultural
32	Nothembile Mdlekeza	Tsomo	Cultural
33	Nothusile Jam-Jam	Tsomo	Cultural
34	Nothembile Sonyabashe	Tsomo	Heritage
35	Mateke Mazomba	Tsomo	Cultural
36	Mbulukweza Crafters	Tsomo	Cultural
37	Mncedi Kunene	Tsomo	Cultural
38	Qwili Junior Secondary School	Tsomo	Cultural, heritage
39	St Marks Town Centre	Cofimvaba	Historical
40	Lumanyano Cultural Group	Cofimvaba	Cultural Group

Source: IYLM TSP: 2008

5.4.4.1 Tourism sector SWOT analysis

This section discusses the strengths, weaknesses, opportunities and threats (SWOT) of the tourism sector of Intsika Yethu identified as critical in transforming the local economy. The information below has been extracted from the Responsible Tourism Sector Plan.

Table 30: Tabulation of strength, weaknesses, opportunities and threats

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Heritage sites • Rich political history • Availability of human capacity • Government support 	<ul style="list-style-type: none"> • Poor marketing of the area • Lack of product development • Unavailability of tourism statistics • Lack of adequate infrastructure to promote sports and recreation • Lack of adequate skills for tourism management, tour guiding, tour operation, sport management and promotion of cultural activities Limited Access to funds • Lack of Infrastructure • Lack of Co-ordination & Integration
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Hiking and horse trails • Events • Fishing opportunities in the major dams (Lubisi and Ncora) • Lubisi dam provide opportunities for development of water sports • R61 • Linkages with the liberation route 	<ul style="list-style-type: none"> • Crime levels poses a huge threat to potential tourists • Global change

The potential tourism cluster's to be identified in IYLM will be aimed at improving tourism spread within the area. The potential clusters are; Mining Cluster (show casing local mining activities & tours), Eco-Nature Cluster (enhancing Nature Reserve and surrounding s areas), Cultural, Historical & Political cluster and utilization of heritage sites: and Rural Conference facility Cluster (exploiting potential of conference market, team building exercise venues logistically positioned around Cofimvaba and Tsomo.

5.4.4.2 Tourism demand

The demand side of tourism focuses on those needs and motivations that drive individuals to become tourists, how these needs and motivations are shared by other people and how this becomes the basis for defining tourist segments and markets, and how these tourist segments ultimately drive the movements of tourists from one country and region to the next. Tourists take holidays in the hope that these holidays will satisfy, either partially or wholly, various needs and desires. It is the task of the marketer to transform needs into desires by making the individual aware of the various ways in which his or her needs can be satisfied.

The following diagram indicates the specific interests of international visitors to South Africa from Europe, Asia and the USA with regards to tourism.

Figure 8: Availability of activities within Provinces

Specific Interest In Activities In South Africa				Availability of Activities Within Provinces ¹								
Attribute / Activity	Europe	US	Asia	KZN	GP	FS	EC	NC	NP	NW	WC	MP
Natural beauty	●	●	●	✓	✓	✓	✓	✓	✓	✓	✓	✓
Exploring the culture	●	●	◐	✓	✓	✓	✓	✓	✓	✓	✓	✓
Viewing wildlife	●	◐	●	✓	✓	✓	✓	✓	✓	✓	✓	✓
Visiting the big cities	◐	◐	◐	✓	✓	✗	✗	✗	✗	✗	✓	✗
Going to the wine region	◐	◐	◐	✗	✗	✗	✗	✗	✗	✗	✓	✗
History of Apartheid	◐	◐	◐	✓	✓	✓	✓	✓	✓	✓	✓	✓
Visiting the mountains	●	○	◐	✓	✗	✗	✓	✗	✓	✗	✓	✗
Relaxing on the beach	◐	◐	◐	✓	✗	✗	✓	✗	✗	✗	✓	✗
Adventure sports	◐	◐	◐	✓	✓	✓	✓	✓	✓	✓	✓	✓
Shopping	◐	◐	○	✓	✓	✓	✓	✓	✓	✓	✓	✓

● = highest importance ○ = lowest importance ✓ = presence ✗ = absent

Existing tourism facilities are currently under-utilized and under-developed, the upgrading of the associated infrastructure, revitalization and expansion of tourism facilities, enhancing economic development with regional significance and relevance, especially for the previously disadvantaged community areas. This can be achieved through development of Tourism Belt- development as one of the anchor projects of the LED Strategy development aimed at unlocking the tourism development potential of the area. The following table indicates heritage tourism initiatives within IYLM.

Table 31: Heritage Tourism initiatives

Programme Name	Location (Ward & Village)	Nature of Activities
Lubisi Development Centre	Lubisi (Ward 6)	Accommodation Craft Youth Training
Sabalele Heritage	Sabalele (Ward 2)	Heritage Site Caves
Tsomo Old Prison	Tsomo Town	Tourist Centre
St Marks Anglican Church	St Marks	
Ngcongcolorha Falls		
Chris Hani Memorial lane & Statue		

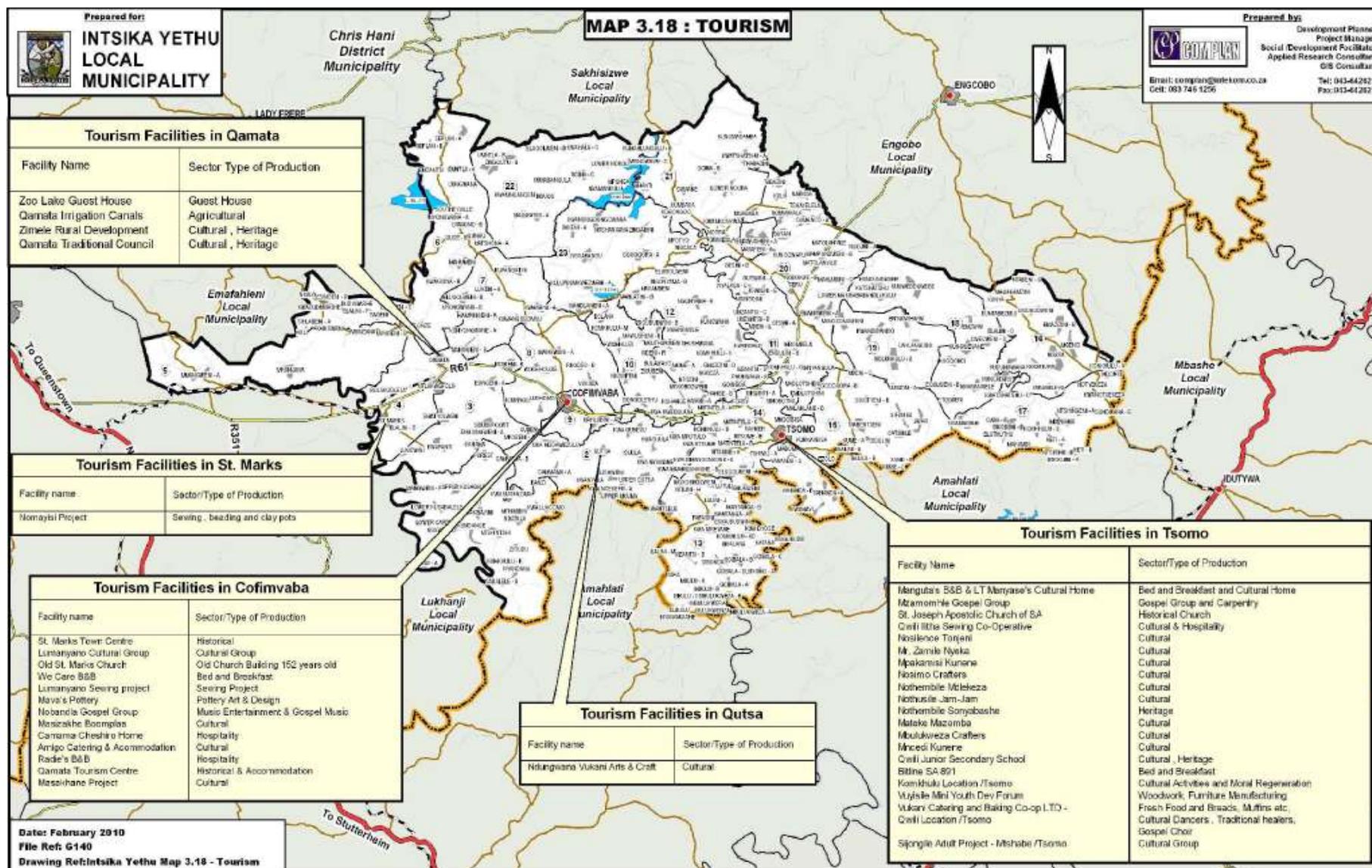
In addition to tourism initiatives, IYLM boasts a strong range of sports and recreational tournaments and events. The following table provides a brief overview of annual events and activities, including the infamous Mayor’s Cup.

Table 32: Sports and Recreation

Programme Name	Location (Ward & Village)	Nature of Activities
Mayor's Cup	Wards 1 – 23	Netball Soccer
Sport Hubs	Magwala	All Codes
Traditional Dance & Music	Wards 5, 6 & 13	Traditional Dance Indigenous / Traditional Music

The existing tourism initiatives have a potential in creating jobs, and can be seen as integral to the existing Tourism Strategy. The upgrading of the associated infrastructure has a potential to unlock the Small Medium and Micro Enterprise (SMMEs), which have a massive potential where cooperative formations are a form of economic emancipation.

Map 8: Tourism



Source: IYLM Spatial Development Framework Review, 2010/11

5.4.5 Agriculture

Agriculture is the largest industry within the primary sector in IYLM. However this industry remains small and underdeveloped when compared to the entire economy of the municipality. What is most notable about the Agricultural sector in IYLM is the fact that as an industry, agriculture is decreasing in terms of the absolute size that it contributes to the IYLM economic output. In 1996, The Agricultural sector contributed 18.6% to the local economy; this figure had fallen to 14.6 by 2005. Subsequently the Agriculture industry is also offering fewer employment opportunities in recent years. Currently only around 0.4% of employed individuals in IYLM are employed in the Agricultural industry.

Opportunities in the agricultural sector are prevalent despite the fact that the industry continues to perform poorly. As stated in the SWOT analysis, IYLM has good grazing land and soil which is suitable for intense commercial grazing. There are a number of projects that have been embarked upon by the IYLM with the intension of harnessing the potential of the agriculture industry. These include:

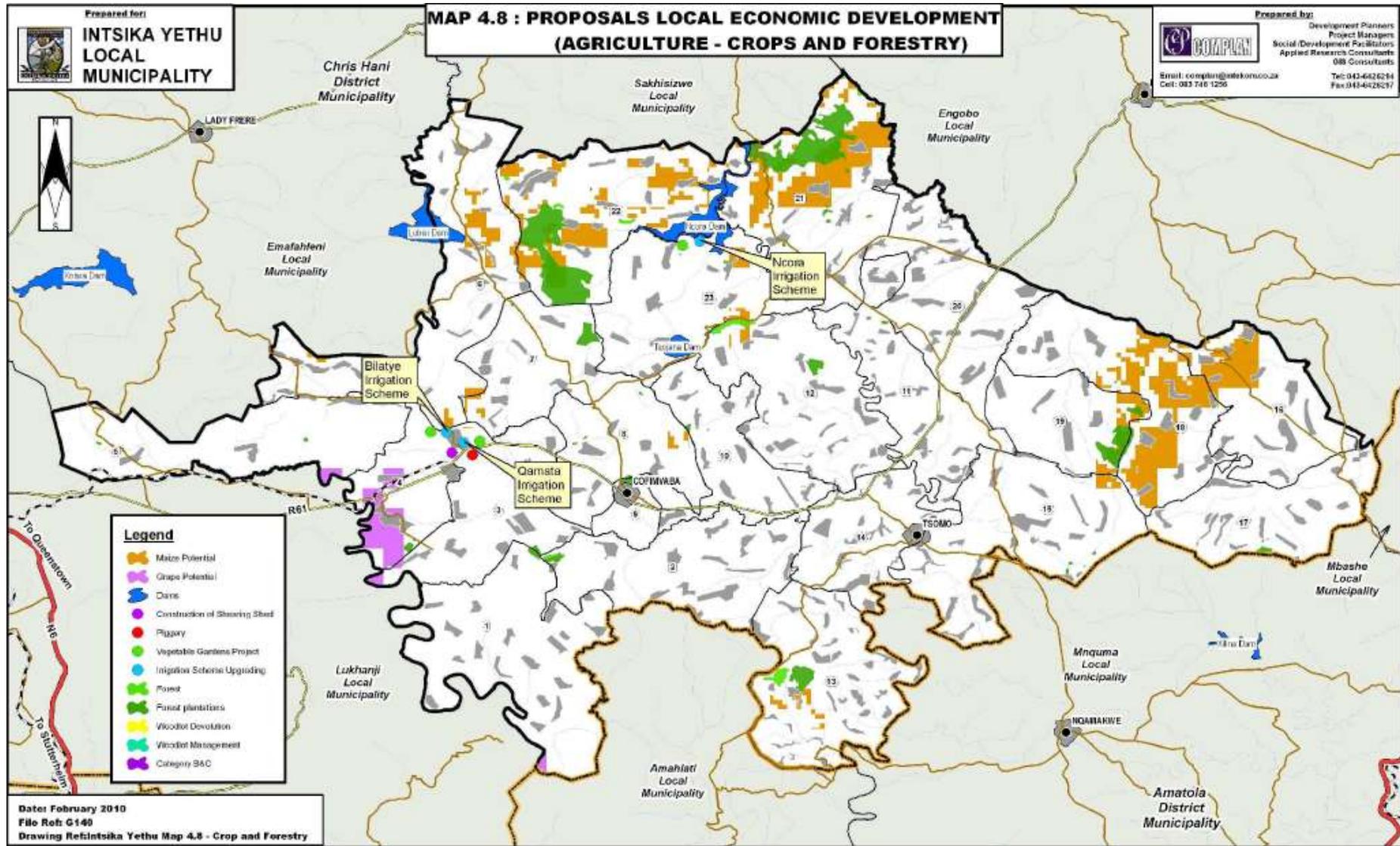
- Irrigation and agricultural projects from Lubisi to Ncora Dams; and
- ASGISA driven agricultural projects, projects, fruit growing (peaches/plums nectarines) in Cofimvaba.

Table 33: Agriculture SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Organised farmers union • Support System from government • Expertise within government and private sector • Availability of land for various agricultural commodities • Established irrigation infrastructure 	<ul style="list-style-type: none"> • Lack of Information • Lack of Integration towards agricultural development • Poor co-ordination amongst the various role players • Poor planning • Poor infrastructure
Opportunities	Threats
<ul style="list-style-type: none"> • High potential soils and grazing land for intensive commercial farming systems; • Value addition • Market Linkages • Job Creation • Partnerships (PPP) • Stone Fruit • Intensive Goat Production Programme 	<ul style="list-style-type: none"> • Natural disasters (Veld Fires, Storm, Dry spells);

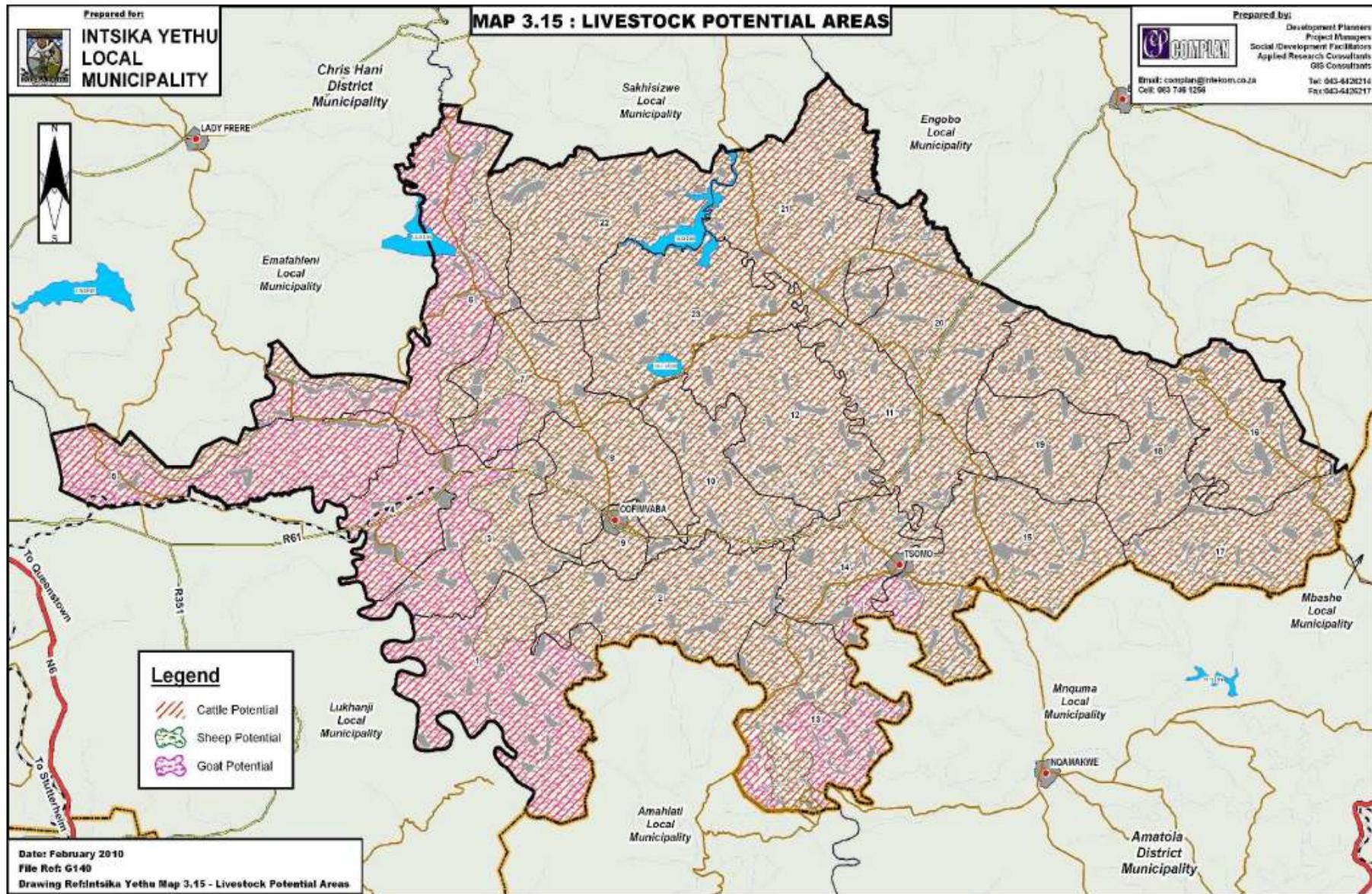
Source: IYLM 2020 LED Strategy and Implementation Plan, 2007

Map 9: Proposals Local Economic Development (Agriculture – Crops and Forestry)



Source: IYLM Spatial Development Framework Review, 2010/11

Map 10: Livestock Potential Areas



Source: IYLM Spatial Development Framework Review, 2010/11

5.4.6 Forestry

Forestry is the second largest industry within the primary sector after agriculture in IYLM. According to ECSECC data, forestry is an industry that has been declining over the past 10 years; this reflects a general trend of economic contraction within the primary sector. Just as with Agriculture, there is great potential within the forestry industry despite the fact that it continues to perform poorly in terms of economic output. IYLM has available natural forests which could be utilised for forestry. Furthermore there is also open land that could be used for expansion of current forests. As an industry, forestry has the potential to stimulate growth of secondary sector industries such as furniture manufacturing.

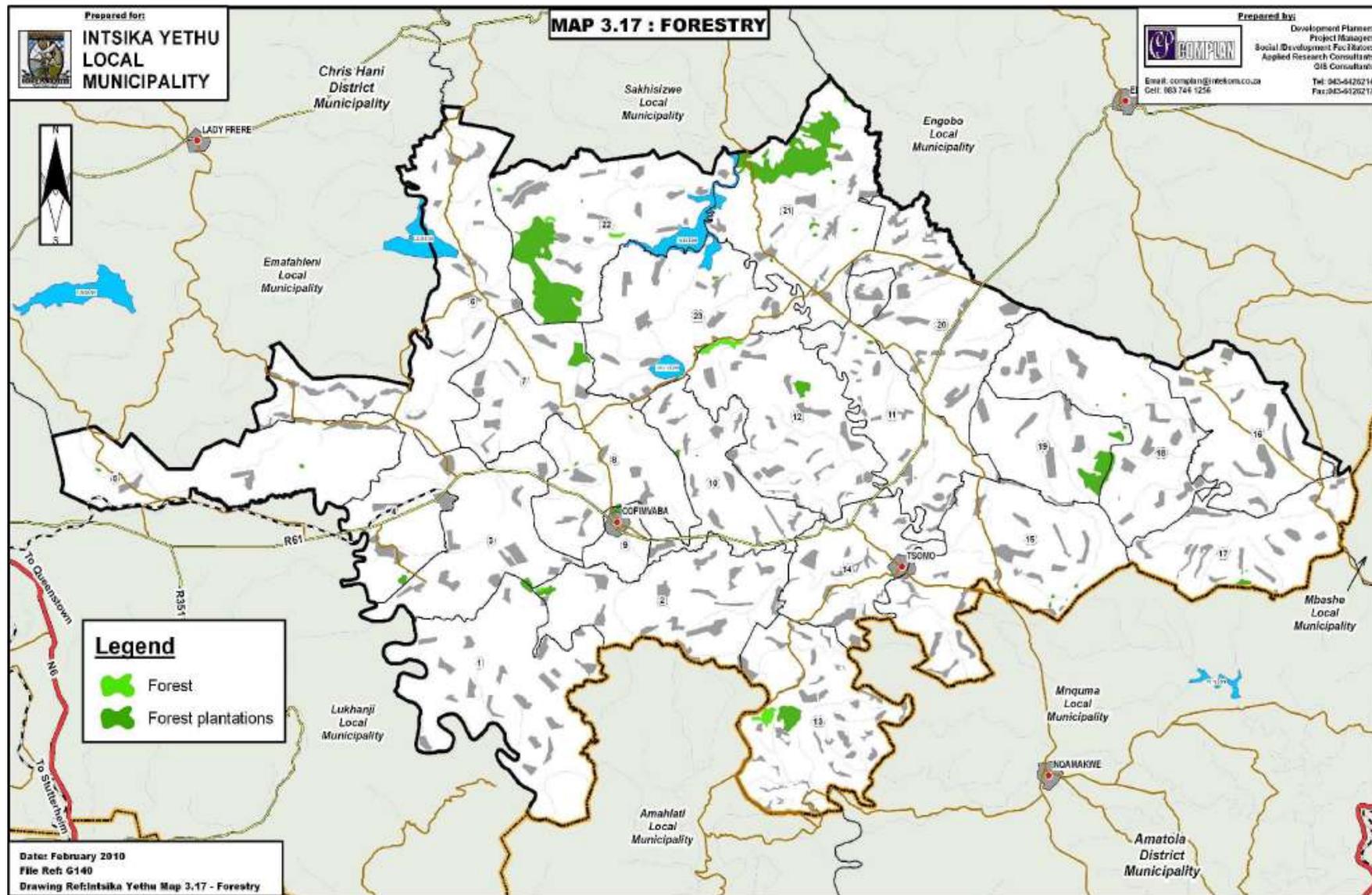
The potential of IYLM to develop a flourishing forestry industry is something which has been recognised not only by the local municipality, but also by the District Municipality. CHDM has categorised the growth of a forestry, timber and wood processing industry as one of its priorities in terms of the Growth and development summit. Forestry within IYLM features prominently within CHDM plans for the district, for example CHDM plans to establish medium size sawmill to benefit Intsika Yethu and Engcobo Municipalities. The district also plans to facilitate afforestation in IYLM among other areas.

Table 34: Forestry SWOT analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Availability of Natural forests • Availability of land for forestry expansion purposes • Pro-poor biased government legislation and policies; • Availability of labour force • Private sector interest in partnering with communities 	<ul style="list-style-type: none"> • Lack of information and knowledge of government policy on forestry expansion, transfer of Category B and C plantations • No clearly defined role of the municipality in forestry development including woodlots and commercial plantations • Poor road network and other infrastructure; • Lack of funding to expand current production scale; • Shortage of appropriate skills; • Poor co-ordination resulting in lack of implementation • Poor leadership in forestry development by the municipality • Complex land tenure system
Opportunities	Threats
<ul style="list-style-type: none"> • Furniture manufacturing • DWAF programmes to support community afforestation initiatives • Willingness of well-established forestry companies to enter into partnerships and invest in community afforestation programmes • Integration of forestry development into agriculture • Increasing forestry market 	<ul style="list-style-type: none"> • Natural disasters • Manmade disasters such as fires, arson • Environment hazards • Complex tenure arrangements

Source: IYLM 2020 LED Strategy and Implementation Plan, 2007

Map 10: Forestry



Source: IYLM Spatial Development Framework Review, 2010/11

5.4.7 Environment Management

It is essential that, the District Municipality assist the municipality in both technical and financially to develop and implement the environmental management function, the state of air, water, waste, biodiversity and land are some of the key elements in determining the state of environment. Linked to tourism potential of the area, endangered areas are even spread throughout the Municipality as the original ecosystem has been reduced and that the functioning or existence is under threat land cannot withstand loss of natural area through disturbance or development. The following wards have been earmarked as some of endangered areas in IYLM: Ward; 1, 13, 14, 16, 17, and 18.

Environmental Sensitivity areas: IYLM has least areas covered by sensitive landscape compared with other local municipality in the District Municipality area. This results into priority environmental management issues within the municipal area to cover slope gradient, vegetation, conservation and degraded land. There are factors which identify the sensitivity of the environment as prescribed are (areas of with sheet erosion and gully erosion present, degraded land, wetlands (including dams), vegetation types sensitive to development (e.g. South Eastern Mountain Grassland and sub-arid Thorn Bushveld) The need for development of environmental management policy is:

- To enhance a safe and healthy environment;
- To direct sustainability and responsible planning decision-making;
- To spearhead sustainable development;
- To improve environmental governance throughout the Municipality; and
- To create environmental awareness and commitment within the Municipality.

Chapter 3: Development Priorities, Strategic Objectives, Strategies and Projects

6. Vision, Mission, and Key Performance Areas

This chapter of the IDP provides an overview of the strategic intentions of IYLM and presents prioritised issues which the municipality seeks to address over the medium term. This section therefore systematically prioritizes all the issues that have surfaced from the situational analysis and community consultations and presents what the organisation seeks to achieve in relation to these issues over the next five years.

Although local government is the sphere closest to communities at the heart of government's development agenda, the Constitution requires that governance at the local level be subject to national and provincial legislation. Section 25 (1) (e) of the Municipal Systems Acts clearly states that an IDP adopted by a Municipal Council must be compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation. The synergy, alignment and coordination between the various development plans and strategic imperatives of the three spheres of government (i.e. IDP, PGDP, NSDP, National Outcomes Approach, etc) is vital in order to achieve proper coordination and alignment of development initiatives within the region and locality.

In order to ensure that local government interventions drive the desired socio-economic changes in line with government's development agenda, integrated planning, monitoring and reporting of municipal initiatives is crucial. Government's emphasis upon an outcomes orientation for all interventions, inclusive of projects implemented by Sector Departments, necessitates that strategic considerations regarding the allocation of scarce resources are made to best address prioritised issues. This section contributes towards a shared understanding of the priority issues of communities, and how this has informed the broader strategic developmental trajectory of the municipality, ultimately in pursuit of better coordination, alignment of programmes and improved impact on the ground.

As the Council elected in May 2011 has sought to ensure direction and guidance in driving local development, it has produced a renewed Vision, Mission, and Values for the IYLM. But in order to ensure these strategic intentions translate into the achievement of outcomes on the ground for citizens, it needs to be clear how Council's political directions cascade through a clear organisational logic towards the realisation of IYLM's constitutional mandate of developmental local government.

The figure below provides a visual representation of the logic that informs how the strategic direction of IYLM, as formulated by Council, finds expression from the Vision statement of the municipality, down to the Projects on the ground. The apex strategic statement is that of the Vision of IYLM, derived from the shared Values of its people and political leadership, and articulating a future in which the Priority Issues have been sufficiently addressed. Institutional purpose in relation to the stated Vision is expressed through the organisation's Mission, articulating what shall be done towards the realisation of that desired future. This Mission is then supported by a set of Goals, roughly aligned to the Key Performance Areas of local government. These Goals are unpacked and expressed at a lower level as Strategic Objective statements, identifying the intended benefits of IYLM's course of action over the medium term, as informed by the Priority Issues identified by communities, staff, Council, and through compilation of the Situational Analysis. These Priority Issues emanate from the ground up, and are addressed through all levels of the organisation's strategic intentions, although most directly at the Strategic Objectives level. How the Strategic Objectives are realised is thereby dependent upon the Strategies employed by the

municipality, and specifically the Projects through which these Strategies are operationalised and implemented on the ground. In this manner, a clear logic of strategic intention flows from the top of the organisation down, all along the way informed by other practical, legislated, and political imperatives ranging from broader policy positions to budget and financial considerations.

Figure 9: A visual representation of the hierarchy of strategic intent of IYLM



6.1 Vision and Mission

The Vision:

“A people centred, developmentally focused rural local municipality in which all of its inhabitants have access to quality service delivery and participate in vibrant and well-balanced social and economic development”.

The Mission:

“Endeavours to advance its developmental local government mandate through a sustained focus on sound and accountable governance, physical and social infrastructure appropriate for sustainable development in our Municipal area”.

6.2 Principles and Values of IYLM

IYLM adopts the “Batho Pele Principles”, together with other underlying principles aligned to this value framework, which include the following: Democracy, as realised through consultation, transparency, and accountability; Respect & Courtesy; Responsiveness; Quality Services; Redress; and Value for Money.

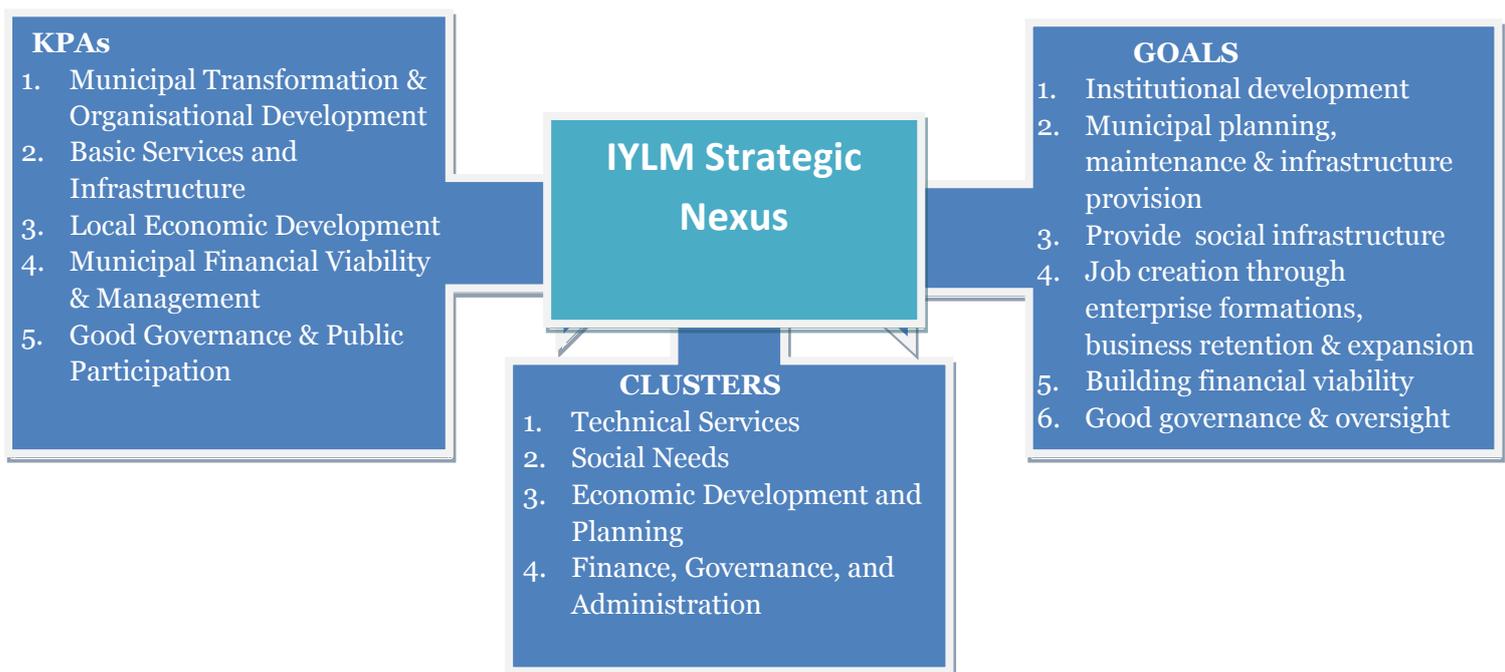
The IYLM in consultation with its local communities, as part of its Council and IDP representative processes, adopted the following set of values, in line with the above. These values are to guide how the Municipality performs its mandate, as well as how it interacts with those who remain the owners of development (*i.e. its inhabitants as the beneficiaries of development and service delivery*).

- To be responsive to the needs of citizens and partner-local municipalities.
- To be transparent, accountable and participative in our dealings with each other and our partners.
- To cultivate a work ethic focused on performance, achievement and results.
- To promote and pursue key National, Provincial and local development goals.
- To ensure a representative organisation.
- To be democratic in the pursuance of our objectives.
- To show mutual respect, trust and ensure high levels of co-operation and discipline in our dealing with one another.

6.3 Key Performance Areas, Clusters, and Goals

The clustering within the Situational Analysis distinguished between external service provision across three clusters, that of Technical Services; Social Needs; and Economic Development and Planning. These externally oriented clusters are intersected by the fourth cross-cutting cluster, that of the Finance, Governance, and Administration Cluster, which has a more inward orientation. These clusters are consistent with the five Key Performance Areas of local government, with the caveats that Municipal Transformation, Finance, and Good Governance are within one cluster together, whereas Social Needs and Technical Services represent the separation of the Basic Service Delivery Key Performance Area into two distinct clusters.

Figure 10: The convergence of KPAs, Clusters, and Goals for the IDP 2012-2017



In terms of alignment and addressing priority issues identified across the five (5) KPAs and four (4) Clusters, IYLM set six (6) Goals consistent with each of its main administrative functions over the medium term. These Goals are aligned to each of the 5 KPAs, except where Basic Services and Infrastructure is separated into two distinct Goals, one addressing Social Needs and the other addressing Infrastructure and Technical Services. Meanwhile, Finance, Governance and Administration all have their own respective Goals, within this single Cluster. IYLM therefore presents in subsequent sections of this chapter details of how its organisational Goals and Strategic Objectives will address Priority Issues through the implementation of specific Strategies and the tracking of progress via performance indicators. In order to focus on a developmental trajectory that will ensure progressive realization of the Vision of the Council as stated above, and derived from the institutional Mission, the Council has resolved to focus on six (6) Goals as follows:

- To provide effective and efficient human resource and administrative services within IYLM towards institutional development and good governance, supported by enhanced information and communication technology;
- To provide sound municipal planning, maintenance, and infrastructure provision that delivers for the needs and aspirations of IYLM citizens;
- To provide quality social services and social infrastructure for the communities of IYLM, while ensuring public safety, promoting improved public health, and supporting sustainable environmental management;
- To support enterprise formations, retention and expansion of businesses and initiatives that provides job opportunities and income to the people of IYLM;
- To build the financial viability of IYLM through integrated planning, management, and good governance for a clean administration; and
- To ensure good governance and effective oversight within IYLM.

6.4 Goals and Strategic Objectives

6.4.1 Institutional development

Goal- To provide effective and efficient human resource and administrative services within IYLM towards institutional development and good governance, supported by enhanced information and communications technology.

This Goal will be realised through the achievement of the following Strategic Objectives within the Key Performance Area of Municipal Transformation and Organisational Development and the Finance, Governance and Administration Cluster:

- To improve the skills sets of IYLM Council and staff in line with their Personal Development Plans (PDPs).
- To improve the well-being of IYLM staff and Council for better service delivery.
- To improve the institutional performance of IYLM through the cascading of the institutional performance management system.
- To improve access to information for Council, staff, and citizens of IYLM.

- To increase the satisfaction levels of citizens with regards to IYLM services.
- To enhance governance through application of standing rules and orders of IYLM.
- To increase the organisational capacity of IYLM in annual prioritised work areas.
- To achieve equitable representation of Municipal staff in line with organisation's transformation agenda.

6.4.2 Municipal planning, maintenance & infrastructure provision

Goal – To provide sound municipal planning, maintenance, and infrastructure provision that delivers for the needs and aspirations of IYLM citizens.

This Goal will be realised through the achievement of the following Strategic Objectives within the Key Performance Area of Basic Services & Infrastructure and the Technical Services Cluster:

- To improve road infrastructure networks within IYLM for greater mobility of people, goods, and services.
- To achieve integrated land-use for sustainable human settlements within IYLM.
- To improve access to basic water & sanitation to citizens of IYLM.
- To improve access to electricity to citizens of IYLM.

6.4.3 Provide social infrastructure and quality social services

Goal- To provide quality social services and social infrastructure for the communities of IYLM, while ensuring public safety, promoting improved public health, and supporting sustainable environmental management.

This Goal will be realised through the achievement of the following Strategic Objectives that fall with the Key Performance Area of Basic Services & Infrastructure and the Social Needs Cluster:

- To improve the well-being of vulnerable groups within IYLM.
- To reduce HIV/AIDS related mortalities within IYLM.
- To reduce the incidence of road accidents within IYLM.
- To increase household access to refuse removal services within IYLM.
- To limit the risk of fires and disasters to communities within IYLM.
- To improve the environmental sustainability of IYLM.
- To improve access to public amenities and recreational facilities for people within IYLM.
- To improve the security and care of all animals within IYLM.
- To reduce the incidence of crime within IYLM.

6.4.4 Job creation, enterprise formation, business retention and expansion

Goal- To support enterprise formations, retention and expansion of businesses and initiatives that provides job opportunities and income to the people of IYLM.

This Goal will be realised through the achievement of the following Strategic Objectives that fall within the Key Performance Area of Local Economic Development and the Economic Development and Planning Cluster:

- To improve the agricultural sector contribution to the local economy of IYLM.
- To improve the forestry sub-sector's contribution to the local economy of IYLM.
- To enhance tourism sector's contribution to the local economy of IYLM.
- To grow enterprises involved in beneficiation and value-addition within IYLM.
- To increase employment opportunities (temporal and permanent) within IY Municipal area.
- To contribute to the environment sustainability of Instika Yethu through prevention of soil erosion and removal of alien species.

6.4.5 Building financial viability

Goal- To build the financial viability of IYLM through integrated planning, management, and good governance for a clean administration.

This Goal will be realised through the achievement of the following Strategic Objectives that fall within the Key Performance Area of Financial Management and Viability and the Finance, Governance, and Administration Cluster:

- To improve the accuracy of the IYLM's financial planning and reporting.
- To achieve best value for money through effective supply chain management within IYLM.
- To improve financial management capacity within IYLM.
- To strengthen the governance and control environment over all financial matters within IYLM.
- To achieve an unqualified audit opinion in the Municipality by 2014 and beyond.
- To increase revenue generation within IY Municipal area.

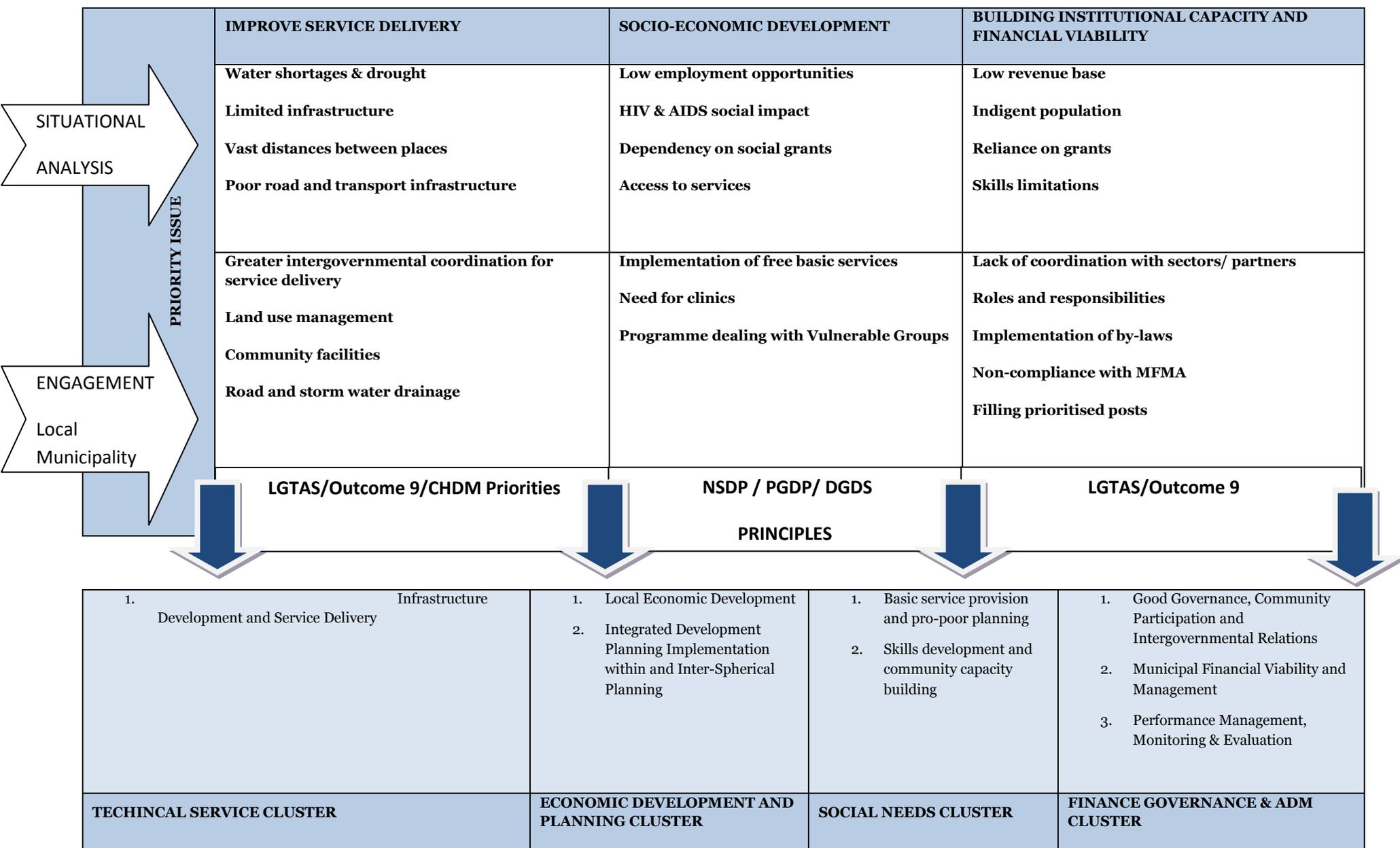
6.4.6 Good governance and oversight

Goal- To ensure good governance and oversight within IYLM.

This Goal will be realised through the achievement of the following Strategic Objectives within Good Governance and Public Participation Key Performance Area and the Finance, Governance and Administration Cluster:

- To strengthen the functionality of Ward Committees within IYLM.

- To improve communication within the IYLM.
- To improve Council Oversight and support to the political leadership within IYLM.
- To ensure codification, implementation of the by-laws, powers and functions.
- To ensure effective Integrated Development Planning within the Municipality.
- To ensure the participation of traditional leaders in service delivery.



6.5 The Five Year Implementation Plan

This section of the Integrated Development Plan outlines detailed Strategic Objectives, Strategies and Performance Indicators meant to track progress in addressing Priority Issues and realising the Goals across, and within, each of the Key Performance Areas over the next five years. The targets set over the medium term become the strategic basis for later cascading into the organisations Performance Management System (PMS). Furthermore, these indicators and their targets are specifically informed by existing District, Provincial, and National imperatives and considerations. Some of the indicators included are taken directly from the Local Government Performance Management Regulations, Schedule to the Municipal Systems Act. Also, note there is a distinction between the Technical Service Cluster and the Social Needs Cluster within the Basic Services & Infrastructure Key Performance Area, as both Clusters have their own respective Goals.

The Five Year Implementation Plan is then followed by the Projects and Programmes section, which provides a brief breakdown of the different projects and programmes planned for the Medium Term Expenditure Framework (MTEF). This section presents an integrated presentation of all of the scheduled projects and programmes to be implemented, including their spatial distribution, cost and source of funding, as well as duration over the next three years. In instances where funding was unavailable for some projects, but their potential to address an identified issue in line with organisational Goals and Strategic Objectives, these projects were included under the banner of 'Unfunded'. These project tables represent an attempt to integrate and align all planned initiatives within IYLM in terms of addressing the issues identified as part of the Situational Analysis, and emanating from the public participation.

6.5.1 KPA 1: Municipal Transformation and Organisational Development

Cluster: Finance, Governance and Administration

Goal- To provide effective and efficient human resource and administrative services within IYLM towards institutional development and good governance, supported by enhanced information and communications technology.

Strategic Objective: To improve the skills sets of IYLM Council and staff in line with their Personal Development Plans (PDPs).

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
Skills limitations	Skills development	Number of staff completed a training programme or course as per their PDPs	50 staff trained within 2011/2012	65 staff trained	50 staff trained	100 staff trained	50 staff trained	100 staff trained	Dir. Corp. Services
		Number of Councillors completed a training programme or course as per their PDPs	15 Councillors trained within 2011/2012	15 Councillors trained	15 Councillors trained	30 Councillors trained	15 Councillors trained	30 Councillors trained	Dir. Corp. Services
		Percentage of municipality's budget spent on implementing workplace skills plan	0.44% (R450000 out of R102189738 in 2011/2012)	0.50% (R650 000 of 2012/2013 budget)	0.50%	0.50%	0.50%	0.50%	Dir. Corp. Services

Strategic Objective: To improve the well-being of IYLM staff and Council for better service delivery.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
Employee Assistance	Health and awareness sessions	Average utilisation rate of Sick Leave	New indicator	26 days or less	Dir. Corp. Services				

Strategic Objective: To improve the institutional performance of IYLM through the cascading of the institutional performance management system.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
Organisational performance	Reviewing and cascading the PMS	Level of staff to which the PMS is cascaded	Section 57 Manager Level	Assistant Managers	Supervisors	General Staff	All Staff	All Staff	Dir. Corp. Services

Strategic Objective: To improve access to information for Council, staff, and citizens of IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
Information and Knowledge Management	Utilising and upholding existing policies and procedures	Average turnaround time for resolving request to access information	Within 24 hours	Dir. Corp. Services					

Strategic Objective: To enhance governance through application of standing rules and orders of IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
Council and committees services	Monitoring and enforcement of standing rules and orders	Number of Councillors signed for receipt of all Council Agendas seven days in advance	42 Councillors signed for receipt of all Council Agendas seven days in advance	42 Councillors signed for receipt of all Council Agendas seven days in advance	42 Councillors signed for receipt of all Council Agendas seven days in advance	42 Councillors signed for receipt of all Council Agendas seven days in advance	42 Councillors signed for receipt of all Council Agendas seven days in advance	42 Councillors signed for receipt of all Council Agendas seven days in advance	Dir. Corp. Services

Strategic Objective: To increase the organisational capacity of IYLM in annual prioritised work areas.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
Organisational capacity	Recruitment and retention as per IYLM Policies	Organisational vacancy rate	20% vacancy rate in 2011/2012	17%	14%	11%	8%	5%	Dir. Corp. Services
		Number of funded vacancies filled as per identification in annual prioritised work areas	15 prioritised posts filled in 2011/2012	15 prioritised posts filled	Dir. Corp. Services				

Strategic Objective: To increase the satisfaction levels of citizens with regards to IYLM services.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
Employee awareness	Organisational Culture Survey	Organisational Culture Assessment	80% satisfaction rating	84% satisfaction rating	88% satisfaction rating	92% satisfaction rating	96% satisfaction rating	100% satisfaction	Dir. Corp. Services

Strategic Objective: To achieve equitable representation of Municipal staff in line with organisation's transformation agenda.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
Employment equity	Affirmative Action as per IYLM's Recruitment Policy	Number of people from employment equity target groups employed in three highest levels of management in compliance with municipality's employment equity plan	20 people from employment equity target groups employed in three highest levels of management	20 people from employment equity target groups employed in three highest levels of management	20 people from employment equity target groups employed in three highest levels of management	20 people from employment equity target groups employed in three highest levels of management	20 people from employment equity target groups employed in three highest levels of management	20 people from employment equity target groups employed in three highest levels of management	Dir. Corp. Services

6.5.2 KPA 2: Basic Services and Infrastructure

Cluster: Technical Services Cluster

Goal- To provide sound municipal planning, maintenance, and infrastructure provision that delivers for the needs and aspirations of IYLM citizens.

Strategic Objective: To improve road infrastructure networks within IYLM for greater mobility of people, goods, and services.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
Roads infrastructure (including Storm Water Drainage)	Accelerate infrastructure provision and utilise all available funding	Kms of road constructed	Backlog of 1195kms at the end of 2009/2010	70 kms	80 kms	80 kms	80 kms	80 kms	Dir. Plan. & Infra.

Strategic Objective: To achieve integrated land-use for sustainable human settlements within IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
Land use planning and management	Land reform	Number of Wards surveyed	1 Ward surveyed	0 Wards surveyed	4 Wards surveyed	4 Wards surveyed	4 Wards surveyed	4 Wards surveyed	Dir. Plan. & Infra.
Integrated human settlements	Strengthen coordination across spheres	Percentage housing needs met according to the Housing Sector Plan	New indicator	90%	90%	90%	90%	90%	Dir. Plan. & Infra.
	Infrastructure provision	Number of sports facilities upgraded	None	1 sports facility (Cofimvaba)	1 sports facility (Tsono)	1 sports facility	1 sports facility	1 sports facility	Dir. Plan. & Infra.
		Number of community facilities built	2 community facilities built	0 new community facilities	2 community facilities built	Dir. Plan. & Infra.			

Strategic Objective: To improve access to basic water & sanitation to citizens of IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
Water	New water connections from sustainable sources	Number of villages received reticulation extensions	13 villages (Drought relief fund)	8 villages	20 villages	20 villages	20 villages	20 villages	Dir. Plan. & Infra.
Sanitation	New sanitation connections	Number of locations connected to the waterborne sewerage systems	1 location connected (approx. 400 households)	1 location connected	Dir. Plan. & Infra.				

Strategic Objective: To improve access to electricity to citizens of IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
Electricity & Energy Access	New electrical connections	Number of extensions received street lighting	25 extensions (approximately)	100 extensions	50 extensions	50 extensions	50 extensions	50 extensions	Dir. Plan. & Infra.

Cluster: Social Needs Cluster (within the Basic Services & Infrastructure KPA)

Goal- To provide quality social services and social infrastructure for the communities of IYLM, while ensuring public safety, promoting improved public health, and supporting sustainable environmental management.

Strategic Objective: To improve the well-being of vulnerable groups within IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
Special Programmes (Vulnerable Groups)	Community capacity development	Number of designated vulnerable individuals participated in IYLM programmes	840 individuals approximately in 2011/2012	1000 individuals	1250 individuals	1500 individuals	1750 individuals	2000 individuals	Special Programmes Unit (SPU) Head & Municipal Manager
	Develop & capacitate vulnerable groups	Number of vulnerable groups capacitated	New indicator	5 groups	SPU Head & Municipal Manager				
Special Programmes	Establish SPU-Strategy Plan, Structure, Programmes, Projects	SPU Strategic Plan adopted by the Council	New indicator	1 Strategic Plan	SPU Head & Municipal Manager				
	Mainstreaming of Special programmes	Number of mainstreaming SPU programmes completed across departments	2 programmes	3 programmes	6 programmes	6 programmes	6 programmes	6 programmes	SPU Head & Municipal Manager
Special Programmes (Youth)	Recreational Tournament	Mayor's Cup Tournament	1 tournament	1 tournament	1 tournament	1 tournament	1 tournament	1 tournament	SPU Head & Municipal Manager
Special Programmes (Heritage)	Celebration of National Days	Number of special day celebrations	1 celebration	6 celebrations	SPU Head & Municipal Manager				

Strategic Objective: To improve the well-being of vulnerable groups within IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
Indigent households	Provide free basic services	Number of households earning less than R1100 per month receiving free services	500 households approximately	750 households	1000 households	1250 households	1500 households	1750 households	CFO; MM; and Dir. Com. Services

Strategic Objective: To reduce HIV/AIDS related mortalities within IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
HIV/AIDS	By providing education	Number of participants of IYLM coordinated HIV/AIDS forums and support groups	420 participants	500 participants	700 participants	980 participants	1380 participants	1932 participants	Dir. Com. Services

Strategic Objective: To reduce the incidence of road accidents within IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
Traffic Safety	Education & awareness training to upgrading of infrastructure relevant to traffic safety	Reported incidence of road accidents on municipal roads	265 accidents	230 accidents or less	195 accidents or less	160 accidents or less	125 accidents or less	90 accidents or less	Dir. Com. Services

Strategic Objective: To increase household access to refuse removal services within IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
Waste Management	Refurbishment of disposal site; Strengthen waste management cooperation; Community education for cleaning campaigns	Number of households with access to refuse removal services	1396 households	1626 households	1856 households	2086 households	2316 households	2546 households	Dir. Com. Services

Strategic Objective: To limit the risk of fires and disasters to communities within IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
Fire-fighting and disaster management	Fire prevention and mitigation as per CHDM Disaster Management Plan	Incidence of Fire	22 fires in first half of 2011/2012	36 fires or less	30 fires or less	30 fires or less	20 fires or less	20 fires or less	Dir. Com. Services

Strategic Objective: To improve the environmental sustainability of IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
Environmental management	Enforcing and maintaining environmental standards	Number of Environmental Impact Assessments completed prior to Project initiation	2 EIAs	4 EIAs	4 EIAs	2 EIAs	2 EIAs	3 EIAs	Dir. Com. Services

Strategic Objective: To improve the security and care of all animals within IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
Livestock and animal care	By complying with set standards of National animal care	Number of all animals impounded	240 animals	300 animals	350 animals	400 animals	450 animals	500 animals	Dir. Com. Services

Strategic Objective: To reduce the incidence of crime within IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
Public safety	To have functionality of police forum Municipal enforcement	Number of Community Policing Forums (CPFs) attended by at least one Councillor or Sect. 57 Manager	12 CPFs	12 CPFs	12 CPFs	12 CPFs	12 CPFs	12 CPFs	Dir. Com. Services

Strategic Objective: To improve access to public amenities and recreational facilities for people within IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
Community facilities	Upgrade existing and establish new facilities	Number of new community facilities opened	Backlog of 44 community facilities at the end of 2009/2010	4 community facilities	4 community facilities	6 community facilities	6 community facilities	4 community facilities	Dir. Com. Services

6.5.3 KPA 3: Local Economic Development

Cluster: Economic Development and Planning

Goal- To support enterprise formations, retention and expansion of businesses and initiatives that provides job opportunities and income to the people of IYLM.

Strategic Objective: To improve the agricultural sector contribution to the local economy of IYLM

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
Agriculture	Targeted support and market access for all IYLM farmers	Number of IYLM farmers that receive financial support, training, and market access support	100 farmers	200 farmers	300 farmers	400 farmers	500 farmers	600 farmers	Dir: LED

Strategic Objective: To improve the forestry sub-sector's contribution to the local economy of IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
Forestry	Facilitate funding and partnerships for forestry development	Number of communities supported before entering agreements with Private Investors	New indicator	1 community	1 community	1 community	1 community	1 community	Dir: LED
	Development of Forestry Value Adding activities	Number of furniture incubators (Cumulative over the term)	New indicator	1 furniture incubator	2 furniture incubators	3 furniture incubators	4 furniture incubator	5 furniture incubators	Dir: LED

Strategic Objective: To enhance tourism sector's contribution to the local economy of IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
Tourism	Promote IYLM as a Heritage, Sports and Recreation destination	Number of visitors to Local tourism sites in IYLM	New indicator	Establish baseline	10% annual increase	10% annual increase	10% annual increase	10% annual increase	Dir: LED

Strategic Objective: To grow enterprises involved in beneficiation and value-addition within IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
SMMEs	Greater retention and circulation of local currency support of Local SMMEs	Number of SMMEs registered within IYLM	204 SMMEs	214 (>5%)	224 (>5%)	236 (>5%)	247 (>5%)	260 (>5%)	Dir: LED

Strategic Objective: To increase employment opportunities (temporal and permanent) within IY Municipal area.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
Job creation	Maximise expanded public works and LED employment opportunities	Number of jobs created through municipal LED initiatives (including capital projects)	662	1362	1430 (>5%)	1498 (>5%)	1566 (>5%)	1634 (>5%)	Dir: LED

Strategic Objective: To contribute to the environmental sustainability of Instika Yethu through prevention of soil erosion and removal of alien species.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
Conservation of natural resources	Arrest land degradation	Number of Wards in which land is rehabilitated against soil erosion	4 Wards	9 Wards	14 Wards	17 Wards	21 Wards	21 Wards	Dir: LED
	Clear alien species	Number of hectares of land cleared of alien species of plant and tree	1200 hectares	1800 hectares	2400 hectares	3000 hectares	3600 hectares	4200 hectares	Dir: LED

6.5.4 KPA 4: Financial Management and Viability

Cluster: Finance, Governance, and Administration

Goal- To build the financial viability of IYLM through integrated planning, management, and good governance for a clean administration.

Strategic Objective: To improve the accuracy of the IYLM's financial planning and reporting.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
Inter-departmental integration and communication	Build internal capacity	% spending variance between approved budget and actual expenditure	10%	5%	5%	5%	5%	5%	CFO
		% of IYLM Capital expenditure on projects identified for the financial year within the IDP	New indicator (prescribed as schedule to the MSA)	100%	95%	95%	95%	95%	CFO

Strategic Objective: To achieve best value for money through effective supply chain management within IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
Value for money	Vetting of all suppliers	Percentage of all suppliers vetted	New indicator	100% (1 annual data cleansing)	CFO				

	Training of all suppliers	Number of local suppliers workshopped on procurement procedures	50 service providers	100 service providers	CFO				
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Strategic Objective: To improve financial management capacity within IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
Capacity limitations	Build internal capacity	Number of interns completed annual internship with Finance Dept.	5 for 2011/2012	5 interns completed internship	CFO				

Strategic Objective: To strengthen the governance and control environment over all financial matters within IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
Legislative compliance	Build SCM credibility	R-value of all fruitless, wasteful, unauthorised, and irregular expenditure	R2 million	R 0	R 0	R 0	R 0	R 0	CFO

Strategic Objective: To achieve an unqualified audit opinion in the Municipality by 2014 and beyond.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
Clean audit challenges (GRAP-17 standards)	Build internal controls	Auditor General Audit Opinion	Disclaimer (2010/2011)	Unqualified	Unqualified	Unqualified	Unqualified	Unqualified	CFO

Strategic Objective: To increase revenue generation within the Intsika Yethu Municipal area.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
Low revenue base	Implementation of Municipal Property Rates Act (MPRA); Review of existing leases; VAT Reviewal	R-value of all revenue generated within IYLM (excluding grants)	R10 million (approximately)	R15 million	R 18 million	R21 million	R 24 million	R 27 million	CFO

6.5.5 KPA 5: Good Governance and Public Participation

Cluster: Finance, Governance, and Administration

Goal- To ensure good governance and oversight within IYLM.

Strategic Objective: To strengthen the functionality of Ward Committees within IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
Ward Committees & Community Participation	Capacitation of Ward and community members	Number of Ward Committee Clusters trained	1 training completed	6 Clusters trained	Municipal Manager				

Strategic Objective: To improve communication within the IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
Local Government Communication	Conduct survey for citizen feedback	Customer care survey rating	55% approval rating	60%	65%	70%	75%	80%	Municipal Manager

Strategic Objective: To improve Council Oversight and support to the political leadership within IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
Council Support and Oversight	Regular reporting to all Section 79 Committees	Number of reports tabled to Municipal Public Accounts Committee	2 reports for 2011/2012	4 reports	4 reports	4 reports	4 reports	4 reports	Municipal Manager

		(MPAC)							
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Strategic Objective: To ensure codification, implementation of the by-laws, powers and functions.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
Effective Legislation, By-laws, Powers and functions	Tracking of resolutions and by-laws	Number of new by-laws adopted by Council	3 by-laws in 2011/2012	3 by-laws	2 by-laws	2 by-laws	2 by-laws	2 by-laws	Municipal Manager
	Compliance with statutory planning and reporting	Annual Report	1 Annual Report	1 Annual Report	1 Annual Report	1 Annual Report	1 Annual Report	1 Annual Report	Municipal Manager

Strategic Objective: To ensure effective Integrated Development Planning within the Municipality.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
Integrated Development Planning	Compliance with statutory planning and reporting	Rating of the MEC's IDP Assessment	High	High	High	High	High	High	Municipal Manager

Strategic Objective: To ensure the participation of traditional leaders in service delivery.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	
Participation and Cooperation with Traditional Leadership	Formalise involvement of Traditional Leaders	Attendance rate of traditional leaders at meetings of Council	8 leaders in attendance per quarter	5 leaders in attendance per quarter	Municipal Manager				

6.6 Projects and Programmes

The projects and programmes provided below are planned initiatives that will be undertaken within the municipal area within the MTEF. They represent the vehicles which will drive the progress towards those service delivery targets set in the previous section, as well as give a clear indication of which Provincial Departments plan to implement programmes or projects within the area. Financial allocations and budgets for the MTEF are provided for those projects that have been prioritised and identified for IYLM, whereas other projects and programmes that do not yet have funding are noted in the next section.

6.6.1 KPA 1: Municipal Transformation and Organisational Development

KPA: Municipal Transformation & Organisational Development								
Dept.	Issue	Project/Programme	Financial Years & Estimated Costs			Source of Funding	Ward/Locations	Staff Responsible
			2012/2013	2013/2014	2014/2015			
IYLM Corporate Services								
Skills development								
		Training Expense	2,010,000	2,122,560	2,237,178	Municipal Systems Improvement Grant (MSIG)	N/A	Dir. Corp Services
Staff well-being								
		Organisational Health and Safety (OHS) & Employee Assistance Programme (EAP)	200,000	211,200	222,605	MSIG	N/A	Dir. Corp Services
		Wellness	200,000	211,200	222,605	MSIG	N/A	Dir. Corp Services
		Human Resources Systems (includ. Organisational Culture Survey and Organisational Impact Analysis)	300,000	316,800	333,907	Internal funding, equitable share	N/A	Dir. Corp Services

KPA: Municipal Transformation & Organisational Development

Dept.	Issue	Project/Programme	Financial Years & Estimated Costs			Source of Funding	Ward/Locations	Staff Responsible
			2012/2013	2013/2014	2014/2015			
IYLM Municipal Manager's Office								
Performance Management								
		Performance Man.System	400,000	422,400	445,210	MSIG	N/A	MM

6.6.2 KPA 2: Basic Services and Infrastructure

KPA: Basic Services and Infrastructure (Technical Cluster)

Dept.	Issue	Project/Programme	Financial Years & Estimated Costs			Source of Funding	Ward/Locations	Staff Responsible
			2012/2013	2013/2014	2014/2015			
Chris Hani District Municipality								
Water								
		Tsomo RDP 2 Water supply	3,000,000	1,000,000	N/A	MIG	N/A	N/A
		Tsomo RDP 3	1,000,000	0	N/A	MIG	N/A	N/A
		Cofimvaba Ward 15 - Water Reticulation Phase 2	1,500,000	0	N/A	MIG	Ward 15	N/A
		Luthuli water supply	1,500,000	0	N/A	MIG	N/A	N/A
		Qamata water Project(877)	10,000,000	8,000,000	6,500,000	MIG	N/A	N/A
		Intsika Yethu Ward (6,9,12,21 old phase 2) Water Supply	1,000,000	4,000,000	3,000,000	MIG	Ward 6,9,12,21 old phase 2	N/A
		Cofimvaba water reticulation	2,000,000	0	0	MIG	N/A	N/A
		Cluster 2 Water backlog(Ward1,4,5,6,7)	9,000,000	13,000,000	15,000,000	MIG	Ward1,4,5,6,7	N/A
		Cluster 4 Water backlog(Ward 21,22)	5,000,000	6,106,000	10,000,000	MIG	Ward 21,22	N/A
		Cluster 9 Water backlog (Ward	4,500,000	7,000,000	13,000,000	MIG	Ward 13	N/A

KPA: Basic Services and Infrastructure (Technical Cluster)

Dept .	Issue	Project/Programme	Financial Years & Estimated Costs			Source of Funding	Ward/Locations	Staff Responsible
			2012/2013	2013/2014	2014/2015			
		13)						
		Upgrading of Tsojana Treatment Works and Bulkline	0	0	0	MIG	N/A	N/A
		Tsomo Bulk Services(New Housing Development In Tsomo)	8,000,000	6,000,000	6,000,000	MIG	N/A	N/A
		Cluster 9 Water backlog (Ward 13)	35,200,000	35,000,000	35,000,000	Regional Bulk Infrastructure Grant (RBIG)	Ward 13	N/A
		Cluster 4 Water Backlog	20,000,000	20,000,000	32,000,000	RBIG	N/A	N/A
		Refurbishment of Pump station	3,000,000	N/A	N/A	CHDM Equitable Share	N/A	N/A
		Refurbishment of Tsojana wtw	2,000,000	N/A	N/A	CHDM Equitable Share	N/A	N/A
		Augmentation of water line from landfill site	1,200,000	N/A	N/A	CHDM Equitable Share	N/A	N/A

Sanitation

	Cofimvaba Sewer (Bulk line and treatmworks)	5,000,000	500,000	0	MIG	N/A	N/A
	Ward 8 Sanitation	2,000,000	500,000	1,000,000	MIG	Ward 8	N/A
	Ward 3 Sanitation	2,000,000	500,000	1,000,000	MIG	Ward 3	N/A
	Intsika Yethu Sanitation Ward 4, 7,8 & 23-Amanzabantu	2,000,000	500,000	0	MIG	Ward 4, 7,8 & 23	N/A
	Cluster 6 Sanitation (Wards 1,2,3,6,9&22)	9,500,000	13,000,000	15,000,000	MIG	Wards 1,2,3,6,9&22	N/A
	Cluster 7 Sanitation (Wards 10,11,12,14 & 20)	10,500,000	13,000,000	15,000,000	MIG	Wards 10,11,12,14 & 20	N/A
	Cluster 8 Sanitation (Wards 15,16,17,18,19)	12,000,000	13,000,000	15,000,000	MIG	Wards 15,16,17,18,19	N/A

Roads and Stormwater

	Cofimvaba - Roads in Wards 7, 9, 12, 14(528)	1,000,000	0	N/A	MIG	Wards 7, 9, 12, 14	N/A
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KPA: Basic Services and Infrastructure (Technical Cluster)

Dept	Issue	Project/Programme	Financial Years & Estimated Costs			Source of Funding	Ward/Locations	Staff Responsible
			2012/2013	2013/2014	2014/2015			

ESKOM

Electrification

Mcambalala/Bolotwa 2a (736h/h)	11,776,000	N/A	N/A	ESKOM	Mcambalala/Bolotwa 2a	N/A
Mcambalala/Bolotwa 2a (600h/h)	9,600,000	N/A	N/A	ESKOM	Mcambalala/Bolotwa 2a	N/A
Tsomo Rural Ph 3A (794h/h)	12,711,000	N/A	N/A	ESKOM	Tsomo rural	N/A
Tsomo Rural Ph 3B (576h/h)	9,218,900	N/A	N/A	ESKOM	Tsomo rural	N/A

IYLM Municipal Manager's Office

Electrification

Free Basic Services -Electricity	2,000,000	2,112,000	2,226,048	Internal funding from Equitable Share	All Wards	MM & CFO
Free Basic Services - Alternative energy	4,000,000	4,224,000	4,452,096	Internal funding from Equitable Share	All Wards	MM & CFO

IYLM Planning and Infrastructure

Roads and Stormwater

Upgrading Gravel Roads to Surface (Cofimvaba Stormwater)	6,000,000	0	0	MIG	Ward 14 (Joe Slovo)	Dir. Plan. & Infra.
Upgrading Gravel to Surface (Tsomo and Cofimvaba Roads)	2,000,000	2,112,000	2,226,048	MIG	Cofimvaba Ext 1 (Blacktop); Tsomo Ext 1 (Blacktop)	Dir. Plan. & Infra.

Sports and recreational facilities

Cofimvaba Stadium	4,461,000	N/A	N/A	MIG	Comfivaba	Dir. Plan. & Infra.
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Town Planning and Land Use

KPA: Basic Services and Infrastructure (Technical Cluster)

Dept .	Issue	Project/Programme	Financial Years & Estimated Costs			Source of Funding	Ward/Locations	Staff Responsible
			2012/2013	2013/2014	2014/2015			
		Street scapping and furniture	1,000,000	1,056,000	1,113,024	MIG	Ward 14 and Tsomo Town	Dir. Plan. & Infra.
		Town planning and land use	600,000	633,600	667,814	MIG	Ward 14 and Tsomo Town	Dir. Plan. & Infra.

Road construction submissions

MIG Access Roads(In house plant)Rehabilitation of Bolana Access Road , Lubisi to Mampondweni Access Road, Ndlunkulu to Ntwashini Access Roads, Rehabilitation of Daza Access Road, Holi Access Road, Sikhobeni Access Road	21,000,000	Matanga Access Road,Mampungutye ni, T544 Nqumakala, Mangunkone Access Road, Sikhobeni Access Road, Ntshingeni - Camama Access Road, T48- Mission Access Road, Lower Seplan Access Road	N/A	MIG	Ward 16, Ward 20, Ward 11, Ward 08, Ward 04, Ward 15	Dir. Plan. & Infra.
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KPA: Basic Services and Infrastructure (Social Needs Cluster)

Dept.	Issue	Project/Programme	Financial Years & Estimated Costs			Source of Funding	Ward/Locations	Staff Responsible
			2012/2013	2013/2014	2014/2015			

Eastern Cape Department of Social Development

Vulnerable Groups (Youth Development)

Imizamo Yethu Youth Project	500,000	N/A	N/A	EC Dept. Social Development	Qombolo, Ward 10	N/A
Imizamo Yethu Youth Project	119,000	N/A	N/A	EC Dept. Social Development	Qombolo, Ward 10	N/A

Vulnerable Groups (Women Development)

Masinedane Poultry Project	500,000	N/A	N/A	EC Dept. Social Development	Rwantsana, Ward 20	N/A
Siphamandla Poultry Project	500,000	N/A	N/A	EC Dept. Social Development	Woodhouse, Ward 15	N/A
Laphumilang Project	250,000	N/A	N/A	EC Dept. Social Development	Qombolo, Ward 13	N/A
Mzingisi Project	250,000	N/A	N/A	EC Dept. Social Development	Qutsa, Ward 7	N/A

HIV/AIDS

Uncedo HCBC-Mcambala, Cofimvaba	N/A	N/A	N/A	EC Department of Social Development, subject to availability of operational funds	Ward 21	N/A
Masibambane Women's Organisation-Qumanco, Cofimvaba	N/A	N/A	N/A	EC Department of Social Development, subject to availability of operational funds	Ward 17	N/A
Malibongwe Consortium of Women Trust- Lower Woodhouse, Cofimvaba	N/A	N/A	N/A	EC Department of Social Development, subject to availability of operational funds	Ward 15	N/A

KPA: Basic Services and Infrastructure (Social Needs Cluster)

			Financial Years & Estimated Costs					
Dept.	Issue	Project/Programme	2012/2013	2013/2014	2014/2015	Source of Funding	Ward/Locations	Staff Responsible
Vulnerable Groups (VEP & Families)								
		Bholothwa Domestic Violence Project, Comfimvaba	N/A	N/A	N/A	EC Department of Social Development, subject to availability of operational funds	Ward 3	N/A
		Masiphuthane Single Parents Association-Mdletyeni, Tsomo	N/A	N/A	N/A	EC Department of Social Development, subject to availability of operational funds	Ward 13	N/A
		Tsomo Family Resource Centre- Tsomo Town	N/A	N/A	N/A	EC Department of Social Development, subject to availability of operational funds	Ward 8	N/A
Crime Prevention								
		Crime Prevention Support Programme	N/A	N/A	N/A	EC Department of Social Development, subject to availability of operational funds	N/A	N/A
		Diversion Programme	N/A	N/A	N/A	EC Department of Social Development, subject to availability of operational funds	N/A	N/A
		Ex-Offenders Mediation Programme	N/A	N/A	N/A	EC Department of Social Development, subject to availability of operational funds	N/A	N/A

Substance Abuse Programme

KPA: Basic Services and Infrastructure (Social Needs Cluster)

			Financial Years & Estimated Costs					
Dept.	Issue	Project/Programme	2012/2013	2013/2014	2014/2015	Source of Funding	Ward/Locations	Staff Responsible
		Treatment Against Drugs and Alcohol (TADA)	N/A	N/A	N/A	EC Department of Social Development, subject to availability of operational funds	N/A	N/A

Vulnerable Groups (Care for Older Persons)

		Sinenjongo Adult Association- Mablubini, Tsomo	N/A	N/A	N/A	EC Department of Social Development, subject to availability of operational funds	Ward 10	N/A
		Sinako Adult Association- Upper Woodhouse, Cofimvaba	N/A	N/A	N/A	EC Department of Social Development, subject to availability of operational funds	Ward 5	N/A
		Tsomo Elderly- Mzomhle, Tsomo	N/A	N/A	N/A	EC Department of Social Development, subject to availability of operational funds	Ward 8	N/A
		Nonkathalo Service Centre- Xume, Tsomo	N/A	N/A	N/A	EC Department of Social Development, subject to availability of operational funds	Ward 8	N/A
		Makukhanye Service Center- Sgubudwini, Tsomo	N/A	N/A	N/A	Applications for funding still awaiting approval	Ward 6	N/A
		Masithembe Service Center- Tsojana, Tsomo	N/A	N/A	N/A	Applications for funding still awaiting approval	Ward 10	N/A
		Ncedolwethu Service Center- Hoita, Cofimvaba	N/A	N/A	N/A	Applications for funding still awaiting approval	Ward 1	N/A
		Sikhulile Service Center- Tyelerha, Cofimvaba	N/A	N/A	N/A	Applications for funding still awaiting approval	Ward 2	N/A

KPA: Basic Services and Infrastructure (Social Needs Cluster)

Dept.	Issue	Project/Programme	Financial Years & Estimated Costs			Source of Funding	Ward/Locations	Staff Responsible
			2012/2013	2013/2014	2014/2015			
		Masakhane Service Center- Elalini, St Marks, Cofimvaba	N/A	N/A	N/A	Applications for funding still awaiting approval	Ward 2	N/A
		Masinedane Service Center- Maya, Cofimvaba	N/A	N/A	N/A	Applications for funding still awaiting approval	Ward 4	N/A
		Sikhanyisel Service Center- Lower Woodhouse, Cofimvaba	N/A	N/A	N/A	Applications for funding still awaiting approval	Ward 15	N/A

Vulnerable Groups (Care and support to people with disabilities)

		Masinedane Mawushe Disabled Project- Mawusheni, Cofimvaba	N/A	N/A	N/A	EC Department of Social Development, subject to availability of operational funds	Ward 13	N/A
		Camama Cheshire Home- Camama, Cofimvaba	N/A	N/A	N/A	Applications for funding still awaiting approval	Ward 1	N/A

South African Social Security Agency

Vulnerable Groups

	Social Grants Recipients (51,645 people)	518,528,544	N/A	N/A	SASSA	All Wards	N/A
	Social relief and distress food parcels	426,000	N/A	N/A	SASSA	All Wards	N/A
	Counter Services	N/A	N/A	N/A	SASSA	Bolotwa; Lubisi; Qitsi; Xolobe; Zigudu	N/A

Eastern Cape Department of Education

Learner Performance

	Autumn School (470 learners)	N/A	N/A	N/A	DoE/DLGTA	N/A	N/A
	Incubation (300 learners)	N/A	N/A	N/A	DoE	N/A	N/A

KPA: Basic Services and Infrastructure (Social Needs Cluster)

			Financial Years & Estimated Costs					
Dept.	Issue	Project/Programme	2012/2013	2013/2014	2014/2015	Source of Funding	Ward/Locations	Staff Responsible
		Syllabus Coverage Camps (450 learners)	N/A	N/A	N/A	DoE/Schools	N/A	N/A
		Winter Schools (650 learners)	N/A	N/A	N/A	IYLM/DoE	N/A	N/A
		Revision Camps (867 learners)	N/A	N/A	N/A	DoE	N/A	N/A
		Ilima Camps (1608 learners)	N/A	N/A	N/A	IYLM/Ilima/DoE/Church	N/A	N/A
Educational infrastructure								
		Eradication of unsafe schools	N/A	N/A	N/A	ASIDI	N/A	N/A
		Water and Sanitation	N/A	N/A	N/A	DoE	N/A	N/A
		Electrification	N/A	N/A	N/A	ESKOM	N/A	N/A
		Access roads to schools	N/A	N/A	N/A	IYLM/Dept. Public Works	N/A	N/A
		ICT and Telecommunications	N/A	N/A	N/A	DoE	N/A	N/A
		Safety and Security	N/A	N/A	N/A	DoE	N/A	N/A
		ECD Classes	N/A	N/A	N/A	Dept. Public Works/DoE	N/A	N/A
		Sporting Fields	N/A	N/A	N/A	IYLM/Dept. Public Works/Dept. Sports, Recreation, Arts, and Culture	N/A	N/A
		Office Block	25000000 (over MTEF)			DoE/ Dept. Public Works	N/A	N/A
School Nutrition								
		GET Q1-3 Schools	N/A	N/A	N/A	DoE	N/A	N/A
		FET Q1-3 Schools	N/A	N/A	N/A	DoE	N/A	N/A
School Transport Program								
		20 Schools Transport Project (1943 leaners)	N/A	N/A	N/A	DoE	N/A	N/A

KPA: Basic Services and Infrastructure (Social Needs Cluster)

			Financial Years & Estimated Costs					
Dept.	Issue	Project/Programme	2012/2013	2013/2014	2014/2015	Source of Funding	Ward/Locations	Staff Responsible
IYLM Community Services								
Waste management								
		Waste Equipment	150,000	158,400	166,954	MIG	N/A	Dir. Com Services

6.6.3 KPA 3: Local Economic Development

KPA: Local Economic Development								
Dept.	Issue	Project/Programme	Financial Years & Estimated Costs			Source of Funding	Ward/Locations	Staff Responsible
			2012/2013	2013/2014	2014/2015			
Eastern Cape Department of Rural Development and Agrarian Reform								
Agriculture								
		Lukhanji Poultry Project (Siyazondla Project)	60,000	N/A	N/A	EC Dept. Rural Development and Agrarian Reform	Qamata	N/A
		Siyazama Agricultural Co-operative (Siyazondla Project)	100,000	N/A	N/A	EC Dept. Rural Development and Agrarian Reform	St Marks	N/A
		Thaleni Poultry Project (Siyazondla Project)	60,000	N/A	N/A	EC Dept. Rural Development and Agrarian Reform	Ncora Flats	N/A
		Fameni Vegetable Project (Siyazondla Project)	100,000	N/A	N/A	EC Dept. Rural Development and Agrarian Reform	Fameni	N/A
		Lingelethu Poultry Project (Siyazondla Project)	60,000	N/A	N/A	EC Dept. Rural Development and Agrarian Reform	Mthigwewu	N/A
		Isolomzi Vegetable Project (Siyazondla Project)	100,000	N/A	N/A	EC Dept. Rural Development and Agrarian Reform	Ndlunkulu	N/A
		Khanyisa Yase Qwini (Siyazondla Project)	100,000	N/A	N/A	EC Dept. Rural Development and Agrarian Reform	Tsojana	N/A
		Ekuphumleni Poultry Project (Siyazondla Project)	60,000	N/A	N/A	EC Dept. Rural Development and Agrarian Reform	Gqoquora	N/A

KPA: Local Economic Development

			Financial Years & Estimated Costs					
Dept.	Issue	Project/Programme	2012/2013	2013/2014	2014/2015	Source of Funding	Ward/Locations	Staff Responsible
		Nqumakalala Maize Project (Siyakhula Project)	25,579	N/A	N/A	EC Dept. Rural Development and Agrarian Reform	Ward 21- Nqumakala	N/A
		Hoyana Maize Project (Siyakhula Project)	140,459	N/A	N/A	EC Dept. Rural Development and Agrarian Reform	Lower Mncuncuzo (formerly Ward 23)	N/A
		Nyoka Maize Project (Siyakhula Project)	109,985	N/A	N/A	EC Dept. Rural Development and Agrarian Reform	Ward 2- Nyoka Village	N/A
		Mhlahlana Maize Project (Siyakhula Project)	255,612	N/A	N/A	EC Dept. Rural Development and Agrarian Reform	Ward 11- Mhlahlane	N/A
		Mgxobozweni Maize Project (Siyakhula Project)	37,870	N/A	N/A	EC Dept. Rural Development and Agrarian Reform	Ward 12- Mgxobhozweni	N/A
		Gcibhala Maize Project (Siyakhula Project)	25,561	N/A	N/A	EC Dept. Rural Development and Agrarian Reform	Ward 12- Mgxobhozweni	N/A
		Luthuli Maize Project (Siyakhula Project)	22,720	N/A	N/A	EC Dept. Rural Development and Agrarian Reform	Ward 12- Mgxobhozweni	N/A
		Ngceza Landcare Project	100,000	N/A	N/A	EC Dept. Rural Development and Agrarian Reform	Nqceza	N/A
		Bolotwa Landcare Project	100,000	N/A	N/A	EC Dept. Rural Development and Agrarian Reform	Bolotwa	N/A
		Ncora Irrigation Scheme (Letsima Project)	2,000,000	N/A	N/A	EC Dept. Rural Development and Agrarian Reform	Ncora	N/A
		Qamata Irrigation Scheme (Letsima Project)	2,000,000	N/A	N/A	EC Dept. Rural Development and Agrarian Reform	Qamata	N/A

KPA: Local Economic Development

Dept.	Issue	Project/Programme	Financial Years & Estimated Costs			Source of Funding	Ward/Locations	Staff Responsible
			2012/2013	2013/2014	2014/2015			

Eastern Cape Department of Social Development

Sustainable Livelihoods

Hluthamhlali (Legacy for the District)	1,000,000	N/A	N/A	EC Dept. Social Development	Ngceza, Ward 13	N/A
Mtyhintyini Project	1,500,000	N/A	N/A	EC Dept. Social Development	Mtyhintyini A/A, Ward 4	N/A
Masiphuhle Development Project	750,000	N/A	N/A	EC Dept. Social Development	Mkhwinti A/A, Ward 13	N/A
Lutholoncedo Women in Agriculture	375,000	N/A	N/A	EC Dept. Social Development	Qamata, Ward 4	N/A

IYLM Local Economic Development

Agriculture

Wool Improvement Project	650,000	686,400	723,466	Internal funding, equitable share	N/A	Dir. LED
Dryland crop production project	2,000,000	2,112,000	2,226,048	Internal funding, equitable share	N/A	Dir. LED
Intsika Yethu Egg Producers	300,000	316,800	333,907	Internal funding, equitable share	N/A	Dir. LED
Information Day	40,000	42,240	44,521	Internal funding, equitable share	N/A	Dir. LED
Income Generating Programme	100,000	105,600	111,302	Internal funding, equitable share	N/A	Dir. LED
Feasibility study for wool Improvement	100,000	105,600	111,302	Internal funding, equitable share	N/A	Dir. LED
CWP Programme	11, 000,000	N/A	N/A	Dept. Corporate Governance and Traditional Affairs, Dept. Local Government & Traditional Affair	All Wards	Dir. LED

KPA: Local Economic Development

			Financial Years & Estimated Costs					
Dept.	Issue	Project/Programme	2012/2013	2013/2014	2014/2015	Source of Funding	Ward/Locations	Staff Responsible
		Soil Rehabilitation	18,000,000	N/A	N/A	Environmental Affairs	6,9,18,20	Dir. LED
		Eradication of Alien Species	8,000,000	N/A	N/A	Environmental Affairs	2,3,5	Dir. LED
		Technology for Rural Enovation & Education Development (Arthur Mfebe SSS)	6,000,000	N/A	N/A	National Department of Science & Technology	1,2,4,5	Dir, LED
Tourism								
		Local Tourism Organisation (LTO)	120,000	126,720	133,563	Internal funding, equitable share	N/A	Dir. LED
		Lubisi Dam Development Project	400,000	422,400	445,210	Internal funding, equitable share	N/A	Dir. LED
		Feasibility study for Heritage Route	100,000	105,600	111,302	Internal funding, equitable share	N/A	Dir. LED
		Tourism SMME Support	100,000	105,600	111,302	Internal funding, equitable share	N/A	Dir. LED
		Tourism development & Marketing	200,000	211,200	222,605	Internal funding, equitable share	N/A	Dir. LED
		Mnqanga/ Ntlonze Heritage Project	170,000	N/A	N/A	National Heritage Council	Ward 4	Dir.LED
SMMEs and Cooperatives								
		Hawkers Stalls	100,000	105,600	111,302	Internal funding, equitable share	N/A	Dir. LED
		Integrated Energy Centre (IeC)	300,000	316,800	333,907	Internal funding, equitable share	N/A	Dir. LED
Forestry								
		Tree Nursery Project	100,000	105,600	111,302	Internal funding, equitable share	N/A	Dir. LED

6.6.4 KPA 4: Financial Management and Viability

KPA: Financial Management and Viability								
			Financial Years & Estimated Costs					
Dept.	Issue	Project/Programme	2012/2013	2013/2014	2014/2015	Source of Funding	Ward/Locations	Staff Responsible
IYLM Finance								
Revenue generation								
		Valuation Roll	1,200,000	1,267,200	1,335,629	MSIG	All Wards	CFO
Internal capacity								
		Training of Ward Committes(Support)	0	0	0	Unfunded	All Wards	CFO
		Interns (Training & Salaries)	1,140,000	1,203,840	1,268,847	Finance Management Grant	N/A	CFO
Audit outcomes								
		Asset Register (Revaluation of assets & asset register)	1,200,000	1,267,200	1,335,629	MSIG	All Wards	CFO
		Financial Statements	550,000	580,800	612,163	Finance Management Grant	N/A	CFO

6.6.5 KPA 5: Good Governance and Public Participation

KPA: Good Governance and Public Participation								
			Financial Years & Estimated Costs					
Dept.	Issue	Project/Programme	2012/2013	2013/2014	2014/2015	Source of Funding	Ward/Locations	Staff Responsible
IYLM Finance								
Council committees and support								
		Advance Councillor Training	200,000	211,200	222,605	Internal funding from Equitable Share	All Wards	CFO
IYLM Municipal Manager's Office								
Communication and public participation								
		Annual Report	100,000	105,600	111,302	Internal funding from Equitable Share	All Wards	MM
		National day Celebration	100,000	105,600	111,302	Internal funding from Equitable Share	All Wards	MM
		Mayors Cup	350,000	369,600	389,558	Internal funding from Equitable Share	All Wards	MM
		Corporate Branding	30,000	31,680	33,391	Internal funding from Equitable Share	All Wards	MM
		Imbizo	200,000	211,200	222,605	Internal funding from Equitable Share	All Wards	MM
IYLM Local Economic Development								
Credible Integrated Development Planning								
		IDP	200,000	211,200	222,605	Internal funding, equitable share	N/A	Dir. LED

6.7 Unfunded Projects and Programmes

The following section provides a breakdown of those proposed projects and their locations currently without budget allocations or secured funding. Despite the absence of funding, these projects represent an expressed interest and possible project for inclusion and funding in the outer years of the MTEF.

6.7.1 KPA 1: Municipal Transformation & Organisational Development

KPA: Municipal Transformation & Organisational Development

Dept.	Issue	Project/Programme	Ward/ Locations	Staff Responsible
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IYLM Corporate Services

Performance Management

Cascading of PMS and capacity building to lower levels (performance recognition and rewards)	N/A	Dir. Corp Services
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Access to information

Development of Master System plan	N/A	Dir. Corp Services
Archive centre	N/A	Dir. Corp Services
Electronic document management system	N/A	Dir. Corp Services

Organisational capacity

Job description reviews and job evaluations	N/A	Dir. Corp Services
Recruitment of staff	N/A	Dir. Corp Services
Attraction and retention strategy to draw diverse staff to IYLM	N/A	Dir. Corp Services

Skills development

Organisational development plan implementation (training etc.)	N/A	Dir. Corp Services
Skills audit	N/A	Dir. Corp Services

Staff well-being

Wellness centre	N/A	Dir. Corp Services
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IYLM Municipal Manager's Office

Customer care and satisfaction

Customer care survey (asses the satisfaction of the customers)	N/A	MM & Dir. Corp Services
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6.7.2 KPA 2: Basic Services and Infrastructure

KPA: Basic Services and Infrastructure (Technical Cluster)

Dept.	Issue	Project/Programme	Ward/ Locations	Staff Responsible
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IYLM Planning and Infrastructure

Road construction submissions

Upgrading Gravel Roads to Surface	Nyanisweni and Nyanisweni Ext; Ext 2; Polly; Thabo Village; Ext 1; Tsomo Ext 2; Mzomhle Bridge; Tsomo Town; Main Street to Landfill Site (Cofimvaba); Tsomo Internal Facilities; Bholility Access Road/Bridge; From 40 to Mawusheni; Mthwaku Bridge; Rehabilitation of Stormwater Infrastructure; Mdlokolo to Sijugongolweni	Dir. Plan. & Infra.
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Building Control and Municipal Public Works

Tsomo Offices	N/A	Dir. Plan. & Infra.
Paving of Urban Centres	N/A	Dir. Plan. & Infra.
Restoration of Cofimvaba Community Hall	N/A	Dir. Plan. & Infra.
Provision of Community Halls	N/A	Dir. Plan. & Infra.
St. Marks Community Lighting	N/A	Dir. Plan. & Infra.

Housing and Estate

Nyanisweni Extension Lighting	N/A	Dir. Plan. & Infra.
Thabo Village Community Lighting	N/A	Dir. Plan. & Infra.
Street Lights along R61 (Traffic Dep to Town)	N/A	Dir. Plan. & Infra.
Nyanisweni Extension and Nyanisweni	N/A	Dir. Plan. & Infra.
Joe Slovo	N/A	Dir. Plan. & Infra.
Ext 7 (Cofimvaba)	N/A	Dir. Plan. & Infra.
Land Fill Site	N/A	Dir. Plan. & Infra.
Ext 4 & Section C	N/A	Dir. Plan. & Infra.

KPA: Basic Services and Infrastructure (Technical Cluster)

Dept.	Issue	Project/Programme	Ward/ Locations	Staff Responsible
	Town Planning and Land Use			
		Rural Housing (Voucher)	N/A	Dir. Plan. & Infra.
		Rural Housing (Veteran)	N/A	Dir. Plan. & Infra.
		Planning and Survey Rural Roads	N/A	Dir. Plan. & Infra.
		Emergency Housing	N/A	Dir. Plan. & Infra.
		Project Management Unit	N/A	Dir. Plan. & Infra.
	Water & Sanitation			
		Ext 4 & Section C (Water & Sewer)	N/A	Dir. Plan. & Infra.
		Upgrading Sewer Plant (Cofimvaba & Tsomo)	N/A	Dir. Plan. & Infra.
		Nyanisweni Ext Internal Services (Water & Sewer)	N/A	Dir. Plan. & Infra.
		Extension 7	N/A	Dir. Plan. & Infra.
		Thabo Village Sewer Reticulation	N/A	Dir. Plan. & Infra.
		Augmentation of Water & Sewer from Landfill Site to Water Reticulation Cofimvaba	N/A	Dir. Plan. & Infra.
		Alternative Waterline from Tsjoana to Cofimvaba Town	N/A	Dir. Plan. & Infra.
		Tsomo (Mzomhle Water & Sewer) Reticulation	N/A	Dir. Plan. & Infra.
		Tsomo Ext 2 to Tsomo Town (Bulk Line)	N/A	Dir. Plan. & Infra.
		Rehabilitation of Road to Tsojana Water Treatment Plant	N/A	Dir. Plan. & Infra.
		Surfacing of Road from Town to Water Treatment Plant	N/A	Dir. Plan. & Infra.
		Tshacana Water Scheme	N/A	Dir. Plan. & Infra.
		Mtingweni Water Scheme	N/A	Dir. Plan. & Infra.
		Eradication of Backlog Sanitation & Water	N/A	Dir. Plan. & Infra.
	Electrification			
		Electrification of Wards	Ward 3; Ward 9; Ward 11; Ward 19; Ward 20; Ward 21; Ward 8; Ward 6; Ward 14	Dir. Plan. & Infra.
		Electrification Extensions	All Wards	Dir. Plan. & Infra.
	Clinics			
		Tsomo Town	Ward 8	Dir. Plan. & Infra.
		Qwili	Ward 11	Dir. Plan. & Infra.
		Mhlahlane	Ward 10	Dir. Plan. & Infra.

KPA: Basic Services and Infrastructure (Technical Cluster)

Dept.	Issue	Project/Programme	Ward/ Locations	Staff Responsible
	Road construction submissions			
		Ward 1 (6 km)	Ngxwashu=3km; Mmnqweni/Banzi=3km	Dir. Plan. & Infra.
		Ward 2 (11km)	Bolokoldlela=4km; Nomphingelo to Mpomvane= 4km; Mr Samfumfu to Graveyard= 3km	Dir. Plan. & Infra.
		Ward 3 (13km)	Mtwaku= 3km; Bolotwa=5km; Bilatye= 5km	Dir. Plan. & Infra.
		Ward 4 (14km)	Ntlonze= 3km; Holi= 11km	Dir. Plan. & Infra.
		Ward 5 (30km)	Deckets Hills to Cube=8km; Qamata Basin to Mampingweni=10km; Jarha Access Road=12km	Dir. Plan. & Infra.
		Ward 6 (13km)	Mbulukweza Clinic to J.S.S.=3km; Mphathiswa Shop to Emarahleni= 5km; Pagel Shop to Mtshanyane	Dir. Plan. & Infra.
		Ward 7 (7km)	Lower Qutsa to Mdenne=3km; Kwebulana from Tar Road via Clinic to Kwebulana J.S.S.=3km; Camama Ceshire Home=1km	Dir. Plan. & Infra.
		Ward 8 (19km)	Maduma to Frystad= 16km; Miya Access Road= 3km	Dir. Plan. & Infra.
		Ward 9 (38,5km)	Xume to Mobhokwe= 19,5km; Catshile to Diphini= 19km;	Dir. Plan. & Infra.
		Ward 10 (63km)	Nomfenazana to Bolitye=20km; Mnyangule to Mfihlaneni=20km; Ngozini=4km; From Tar Road to Bishop Mboniswa= 19km	Dir. Plan. & Infra.
		Ward 11 (22km)	Somawala via Sgubudinini to Ntabeni=4km' Ndwamkulu via Khekhe to Mdibaniso=3km; Makwababa to Kose=15km	Dir. Plan. & Infra.
		Ward 12 (13km)	Ngqwara to Zwelixolile=3km; Barrini to Kose Bridge=7km; Ephikweni to Malalane= 3km	Dir. Plan. & Infra.
		Ward 13 (45km)	Zicubeni Access Road=4km; Nkomfeni Access Road= 4km; From forty to Mawusheni then Branch Turn-off to Lukhanyisweni S.S.S.=30km; Hange to Chiteka= 7km	Dir. Plan. & Infra.
		Ward 14 (7km)	Ezintlanti=1km; Polly=3km; Nyanisweni=3km	Dir. Plan. & Infra.
		Ward 15 (12km)	Isikhoba=5km; Cube=4km; Qolweni=3km	Dir. Plan. & Infra.

KPA: Basic Services and Infrastructure (Technical Cluster)

Dept.	Issue	Project/Programme	Ward/ Locations	Staff Responsible
		Ward 16 (45km)	Ncunguzo S.S.S. & J.S.S.=3km; Mahlatini Access Road= 3km; Nqcaza Access Road=4km; From T255 Tsojana to R61 Qombolo= 30km; Ngonyama= 5km	Dir. Plan. & Infra.
		Ward 17 (13km)	Qumanco Access Road=4km; Sgangezi Access Road=3km; Matafeni to Ndenna= 6km	Dir. Plan. & Infra.
		Ward 18 (13km)	Ndmanambe Access Road=5km; Lower Neora Access Road=4km; Kulongqayi Access Road=4km	Dir. Plan. & Infra.
		Ward 19 (19km)	Mission Access Road=8km; Dikeni Access Road=6km; Mnqanqeni Access Road= 5km	Dir. Plan. & Infra.
		Ward 20 (16km);	Mtetuvumile Access Road=7km; Lower Seplan to Emhlonyaneni=5km; Lubisi to Mampondweni=4km	Dir. Plan. & Infra.
		Ward 21 (55km)	Mcambalala Access Road= 15km; Nxelesa to Mtshanyane= 10km; Ngxabangu to Nongqongwana=5km; Hoyana Access Road=5km	Dir. Plan. & Infra.

KPA: Basic Services and Infrastructure (Social Needs Cluster)

Dept.	Issue	Project/Programme	Ward/ Locations	Staff Responsible
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IYLM Community Services

Vulnerable Groups

Public-private partnerships	N/A	Dir. Com Services
Food Security Projects	N/A	Dir. Com Services

Traffic Safety

Traffic Equipment	N/A	Dir. Com Services
Vehicle Pound	N/A	Dir. Com Services
Traffic learning centre	N/A	Dir. Com Services
Vehicle Testing Centre	N/A	Dir. Com Services
By-law development	N/A	Dir. Com Services

KPA: Basic Services and Infrastructure (Social Needs Cluster)

Dept.	Issue	Project/Programme	Ward/ Locations	Staff Responsible
		Properly marked signs and roads	N/A	Dir. Com Services
Waste management				
		Establish a buy-back centre	N/A	Dir. Com Services
		Upgrade waste disposal site infrastructure	N/A	Dir. Com Services
		Waste processing plant	N/A	Dir. Com Services
Environmental management & municipal health				
		Regular checks and sampling of businesses	N/A	Dir. Com Services
		SLA with the District	N/A	Dir. Com Services
Fire and Disaster Risk Management				
		Fire committee capacity building	N/A	Dir. Com Services
		Acquire new fire and disaster resources	N/A	Dir. Com Services
		Establishment of a satellite disaster and fire station	N/A	Dir. Com Services
Public amenities				
		Community and Sport Committee briefings and fora	N/A	Dir. Com Services
		Upgrade existing halls	N/A	Dir. Com Services
		ECD Centres	N/A	Dir. Com Services
		New sports facilities	N/A	Dir. Com Services
		Upgrade public amenities	N/A	Dir. Com Services
		Clean and Green Cofimvaba	N/A	Dir. Com Services
Public safety				
		Functional Community Safety Forums	N/A	Dir. Com Services
		Street lighting in urban areas	N/A	Dir. Com Services
		Fully equipped security and response unit	N/A	Dir. Com Services
		By-law development	N/A	Dir. Com Services
Animal care				
		Outreach	N/A	Dir. Com Services

KPA: Basic Services and Infrastructure (Social Needs Cluster)

Dept.	Issue	Project/Programme	Ward/ Locations	Staff Responsible
		New sites and re-location of existing Pounds	N/A	Dir. Com Services
		Place of safety for stray animals	N/A	Dir. Com Services

Eastern Cape Department of Health
Community facilities

Community Hospitals (2)	Ncora & Tsomo	N/A
Clinics (3)	Mahlubini; Ntshingeni; Ngxabanyu	N/A

6.7.3 KPA 3: Local Economic Development

KPA: Local Economic Development

Dept.	Issue	Project/Programme	Ward/ Locations	Staff Responsible
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IYLM Local Economic Development

Agriculture

Expansion of Nguni Beef Production Programme	N/A	Dir. LED
Goat Improvement Project	N/A	Dir. LED
Support to poultry and piggery projects with processing potential	N/A	Dir. LED
Feedlot establishments and marketing/auction pans	N/A	Dir. LED
High Value Crop Production Programmes (at Qamata, Ncora, Bilatye)	Qamata, Ncor, and Bilatye	Dir. LED
Massive Food Production Programmes(Maize and Sorghum in almost all wards)	N/A	Dir. LED
Intensive Cash Crop Production Programme under dryland conditions(e.g Potatoes, Butternuts, Pumpkins, Beans)	N/A	Dir. LED

KPA: Local Economic Development

Dept.	Issue	Project/Programme	Ward/ Locations	Staff Responsible
		Establishment of the Fruit Cluster (Stone Fruit) with processing and Packaging plants.	N/A	Dir. LED
		Related Value-adding Programmes for all the above i.e Agro-processing plants (Milling Plants, Wool processing plants, etc)	N/A	Dir. LED
		Farmer's Day	N/A	Dir. LED

SMME and Cooperative Support

SMMEs and Cooperative Information and Support Programme	N/A	Dir. LED
Business Information Centre	N/A	Dir. LED
Feasibility Study and Development of an Incubator and/or Local Industrial Park	N/A	Dir. LED
Refurbishment and proper management of former TRANSIDO Units	N/A	Dir. LED
Develop a Small Mining Support programme in partnership with DME	N/A	Dir. LED
Market development for various goods and services produced at Intsika Yethu.	N/A	Dir. LED

Tourism

Tourism information centre	N/A	Dir. LED
Craft development	N/A	Dir. LED
Mbulu waterfalls	N/A	Dir. LED

Forestry Development

Dissemination of information to communities on Forestry Protocols	N/A	Dir. LED
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KPA: Local Economic Development

Dept.	Issue	Project/Programme	Ward/ Locations	Staff Responsible
		Mapping of potential areas and issuing of licenses to communities	N/A	Dir. LED
		Facilitate funding and partnerships for forestry development	N/A	Dir. LED
		Facilitate transfer of Categories B & C Plantations	N/A	Dir. LED
		Development of forestry value adding activities:	N/A	Dir. LED
		Charcoal Production	N/A	Dir. LED
		Small scale furniture making ventures	N/A	Dir. LED

6.7.4 KPA 4: Financial Management and Viability

KPA: Financial Management and Viability				
Dept.	Issue	Project/Programme	Ward/ Locations	Staff Responsible
IYLM Finance				
Revenue generation				
		Lease review	N/A	CFO
		VAT Review	N/A	CFO
Customer care and service				
		Data cleansing	N/A	CFO
Supply Chain Management				
		Credible Supplier Database	N/A	CFO
		Suppliers Training	N/A	CFO
Legislative compliance				
		Review and Document Internal Controls	N/A	CFO
		Review of all finance and related policies for MFMA and GRAP 17 alignment	N/A	CFO
		Development of a procedure manual	N/A	CFO

6.7.5 KPA 5: Good Governance and Public Participation

KPA: Good Governance and Public Participation

Dept.	Issue	Project/Programme	Ward/ Locations	Staff Responsible
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IYLM Corporate Services

Council committees and support

	Reviewal of standing rules and standing rules of order	N/A	Dir. Corp Services
	Reviewal of all workshops and by-laws	N/A	Dir. Corp Services
	Councillor workshops on policies	N/A	Dir. Corp Services

IYLM Finance

Audit outcomes

	Operation Clean Audit	N/A	CFO
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IYLM Municipal Manager's Office

Heritage

	Vulnerable Groups Project	N/A	SPU Head & Com. Serv
	Media Management and Liaising	N/A	MM

Chapter 4: Performance Management System

7. Introduction

According to the Municipal Planning and Performance Management Regulations (2001), a Performance Management System (PMS):

“entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role-players”.

PMS is therefore integral to the realisation of the IDP's strategic objectives since it elaborates upon the level of performance that will be required in order for the municipality to reach its objectives. In addition to this, the PMS also inculcates better performance into the organisation. The practice of using performance information to identify shortcomings in a municipality's strategy and doing regular and continual reporting becomes central to the municipal functioning when done regularly and comprehensively. A PMS therefore has other positive spin-offs such as promoting a culture of performance management among the municipality's office bearers and councillors and in its administration of affairs in a manner that is economical, efficient, effective and accountable (this according to Section 38 of the Municipal Systems Act). This chapter seeks to give a broad overview of the performance management framework currently in place in IYLM.

Some of the issues that will be covered in this chapter include different roles and responsibilities of the council and the municipal manager in terms of the PMS. The chapter shall also look at the various core components of the PMS which include institutional performance management framework on the one hand and individual performance model on the other. The chapter shall also cover key concepts relating to PMS such as performance indicators and targets and expand on why these concepts are so important to a comprehensive PMS. Possibly the most important aspect that this chapter will cover will be the link between PMS and the IDP. This chapter will demonstrate how the PMS in IYLM will help to better realise the strategic objectives and goals that have been discussed in other chapters of this IDP.

It is important that the reader notes the fact that IYLM has plans to develop a new comprehensive PMS. This new PMS will be an improvement on the current performance management framework which emerges from the Performance Management Policy of 2008/09.

Before presenting IYLM performance management framework it is important that the reader gains a sense of the importance of PMS for all municipalities. This shall be done by briefly giving a legislative background to PMS which is the foundation upon which performance management within local government rests.

7.1 Legislative background

The importance of PMS for local government is important to the point that government has adopted legislation making it part and parcel of governance at the local level. The two main pieces of legislation that shall be presented in this regard are the:

- Municipal Systems Act No 32 of 2000; and
- The Municipal Planning and Performance Management Regulations of 2001 (Schedule to the MSA).

These two pieces of legislation are what informs IYLM performance management framework from which the new PMS will eventually emerge. Throughout this chapter reference will be made to these two pieces of legislation in order to motivate IYLM's stance on PMS. In addition to legislation, IYLM has produced the Performance Management Policy of 2008/09 which in itself references the two aforementioned legislation as a source of opinion.

In accordance with section 38 of the Municipal Systems Act 32 of 2000, "A municipality must establish a Performance Management System". Section 39 dictates further that "The executive committee or executive mayor of a municipality must:

- a) Manage the development of the municipality's Performance Management System;
- b) Assign responsibilities in this regard to the municipal manager; and
- c) Submit the proposed system to the municipal council for adoption.

In order to monitor its PMS, a municipality should implement a number of activities. The Municipal Systems Act sets out a number of activities that would assist the municipality in achieving this end. These activities are referred to as core components and are located in section 49 of the act. Beneath is a summary of these core components.

IYLM is expected to set appropriate key performance indicators as a yardstick for measuring performance, including outcomes and impact, with regard to the municipality's development priorities and objectives set out in its IDP.

- a) Set measurable performance targets with regards to each of those development priorities and objectives;
- b) Monitor performance, and measure and review performance at least once a year;
- c) Take steps to improve performance with regards to those priorities and objectives where performance targets are not met; and
- d) Establish a process of reporting.

The Municipal Planning and Performance Management Regulations of 2001 elaborates on the details of what the Performance Management System should entail. According to these regulations "A municipality's performance management system entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role-players".

The Municipal Planning and Performance Management Regulations provide for the following requirements that a Performance Management System should meet in order for it to be credible. The following are listed as primary requirements of the regulations:

- a) PMS complies with all the requirements set out in the Act
- b) Demonstrates how it is to operate and be managed from the planning stage up to the stages of performance and reporting;

- c) Clarifies the roles and responsibilities of each role-player, including the local community, in the functioning of the system;
- d) Clarifies the processes of implementing the system within the framework of the Integrated Development Planning process;
- e) Determines the frequency of reporting and the lines of accountability for performance;
- f) Relates to the municipality's employee performance management processes; and
- g) Provides for the procedure by which the system is linked to the municipality's integrated development planning processes.

7.2 IYLM's Performance Management System

IYLM has an existing Performance Management System policy which was developed in the 2008/09 financial year. It should be noted that the municipality seeks to review its PMS and develop a new system during the 2012/13 financial year. This section shall amongst other things seek to craft a framework that shall be used as a base for the development of a comprehensive PMS. The council has committed itself to prioritising the development of the new comprehensive PMS in the current financial year. Performance Management is already taking place within IYLM as will become apparent in the following section.

7.2.1 Role of the Council

In line with the Municipal Systems Act (Act No. 32 of 2000), the Municipal Council commits to participating in the development of its performance management system through the Executive Committee and shall:

- a) Oversee the development of the municipality's performance management system.
- b) Assign responsibilities in this regard to the Municipal Manager who shall submit the proposed system to the Municipal Council for adoption, and establish mechanisms to monitor and review the performance management system.

Through the development of the new PMS, the Municipal council will set out clear roles and responsibilities with regard to the key elements of a sound PMS which are planning, monitoring, measurement, review, reporting and performance assessment. The council, The Municipal Manager, section 57 managers and the audit committee shall all have distinct roles in terms of the key elements given above.

7.2.2 Role of the community

In addition to developing distinct responsibilities for officials, IYLM also envisages a key role for the community to play in terms of the development process of the PMS. Measures shall be put in place in order to allow the community to have a role in terms of setting performance indicators and targets. Community involvement is in keeping with section 42 of the Municipal Systems Act which stipulates the following:

“A municipality, through appropriate mechanisms, processes and procedures established in terms of Chapter 4, must involve the local community in the development, implementation and review of the municipality's performance, management system. 30 and, in particular, allow the community to participate in the setting of appropriate key performance indicators and performance targets for the municipality.”

One of the key challenges moving forward will be for the IYLM to develop a comprehensive mechanism for distinguishing between different roles and responsibilities of the municipality within its PMS. The table beneath aims to give a broad outline of what a more comprehensive take on role and responsibilities would look like.

Table 35: Comprehensive table displaying the different roles in the PMS process

Actor	Roles and Responsibilities
Role of the council	Participates in strategic planning and agenda setting, endorses targets, and reviews reports.
Role of the Municipal manager	Plans, monitors, reviews, reports, and ensures effective performance assessments.
Role of the s57 managers	Plans, sets targets, signs agreements, implements, reports, and assessed, learning from the review.
Role of the Audit Committee	Quality assures and monitors the planning, reporting, verification, and assessments.
Role of the community	Contributes to identification of issues and receives reports back on progress made.

As you can see from the table above, the roles responsibilities have not yet been fully defined. The table thus presents a broad framework for the manner in which roles and responsibilities will be organised when the comprehensive PMS is operational.

7.2.3 Performance Indicators

The regulations inform us that performance indicators should be set by the council within the PMS. These indicators should be derived from the priorities and objectives of the municipality as stated in the IDP. The performance indicators in question should be measurable, relevant, objective and precise. The council shall ensure that the performance indicators apply to all its units and all service providers that it enters into a service delivery agreement with. As mentioned earlier the council also has a responsibility to ensure that the performance indicators used shall also reflect the input of the community. The council shall comply with all these requirements stated above in accordance with section 9 of the Municipal Planning and Performance Management Regulations, 2001. Section 9 goes further to inform us that all municipalities should be cognisant of the General Key indicators which apply to all municipalities, they are listed beneath:

The following general key performance indicators are prescribed in terms of section 43 of the Act:

- a) The percentage of households with access to basic level of water, sanitation, electricity and solid waste removal.
- b) The percentage of households earning less than R1100 per month with access to free basic services
- c) The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan.
- d) The number of jobs created through municipality's local economic development initiatives including capital projects.
- e) The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan.

- f) The percentage of a municipality's budget actually spent on implementing its workplace skills plan; and
- g) Financial viability as expressed by the following ratios:

(i)
Where-

$$A = \frac{B-C}{D}$$

'A' represents debt coverage
 'B' represents total operating revenue received
 'C' represents operating grants
 'D' represents debt service payments (i.e. interest + redemption) due within the financial year

(ii)
Where-

$$A = \frac{B}{C}$$

'A' represents outstanding service debtors to revenue
 'B' represents total outstanding service debtors
 'C' represents annual revenue actually received for services

(iii)
Where-

$$A = \frac{B+C}{D}$$

'A' represents cost coverage
 'B' represents all available cash at a particular time
 'C' represents investments
 'D' represents monthly fixed operating expenditure.

After considering the general performance indicators as stated above, the council shall formulate a number of performance indicators for its PMS based on inputs that they have received from the community regarding issues which are of paramount importance to them. Performance indicators shall be reviewed on an annual basis.

7.2.4 Performance Targets

After developing a set of performance indicators, the council shall develop relevant targets for those indicators. Performance targets should have the following qualities according to section 12 of the Municipal Planning and Performance Management Regulations, 2001:

- (a) Be practical and realistic;
- (b) Measure the efficiency, effectiveness, quality and impact of the performance of the municipality, administrative component, structure, body or person for whom a target has been set;
- (c) Be commensurate with available resources;
- (d) Be commensurate with the municipality's capacity; and
- (e) Be consistent with the municipality's development priorities and objectives set out in its integrated development.

The setting of targets shall assist the municipality in terms of measuring performance because these targets shall be audited annually as part of the municipality's internal auditing processes determined by the Auditor-General.

7.2.5 Publishing of Performance Reports and the Annual Reports

IYLM acknowledges the importance of publishing the results of its performance to the broader public. This is not only a democratic imperative but also a healthy tool for performance management since it facilitates accountability and builds a culture of performance drives work into the organisation. A number of different platforms shall be used in order to bring performance management closer to the broader community. Publicising performance information is also a legal requirement and is clearly stated in the Municipal Systems act section 41 (e), which stipulates:

A Municipality must-establish a process of regular reporting to:

- a) The council, other political structures, political office bearers and staff of the municipality; and
- b) The public and appropriate organs of state.

An annual report of PMS should also be compiled and made available to the general public. The annual report should include a detailed report of the municipality's performance and the performance of any service provider that was contracted to the municipality during the financial period under scrutiny. The annual report also gives details regarding performance indicators to be set for the following year. Lastly the annual report will highlight all those areas in which the municipality is in need of improvement. In addition to the annual report are quarterly reports which IYLM compiles and releases which support the findings of the annual report. These key documents ensure that continuous monitoring of performance is taking place. Ideally the annual report which reflects performance management should not stand alone but should rather form part of the overall municipal annual report so that it may gain centrality and be seen as crucial to the municipality's strategy.

7.2.6 The PMS in relation to the IDP

Any credible PMS should be based on the IDP of that same municipality. As mentioned before, the performance indicators that are formulated within a municipality's PMS should be based on the priorities and objectives that emerge from that same municipality's IDP or SDBIP. Thus the council's PMS shall be informed by the IDP. In other words, if the IDP fulfils the planning role, then the PMS fulfils implementation and monitoring role.

The table beneath is an example of how Key Priority Areas have been classified in IYLM's IDP we can see from the table that from each priority emerges an objective and a strategy to achieve that objective. From the objectives emerge indicators which are given details in terms of time and amount under the targets. The indicators and targets are the responsibility of the accounting officer whose duties it is to ensure that the targets are met. The table therefore demonstrates the link between the IDP and the PMS. This link is created through the progression from the key elements of integrated planning i.e. prioritising, strategic objectives, and setting strategies to the key elements of performance management i.e. indicators, measurement, performance targets and detailing roles and responsibilities.

Table 36: Integration of the strategic planning with the PMS

STRATEGIC PLANNING (IDP)		PERFORMANCE MANAGEMENT (PMS)			
Strategic Objective	Strategic Objective is a statement of intention that seeks to identify the intended benefit and beneficiaries within IYLM in relation to the organisation's functions and provision of services.				
Priority Issue	Strategy	Indicator	Baseline	Annual Targets	Staff responsible
				2012/13	
				2013/14	
				2014/15	
				2015/16	
2016/17					
The Priority Issues are those issues identified through the Situational Analysis and community consultations to ensure responsive planning that provides a common basis for action.	The strategy represents how the municipality is going to achieve the objective in relation to the identified priority.	The measurement of performance that is used to track progress towards achieving an objective.	Refers to the status quo of the given indicator, prior to the beginning of the new IDP cycle, usually an approximation for the financial year 2011/2012 or most recent available data.	This is the expression of the specific level of performance that an institution or individual aims to achieve on a year by year basis, and can be further broken down into quarterly targets within a given financial year.	The post responsible for ensuring that the performance indicators are tracked and the targets are achieved.

7.3 Institutional Performance Management

At the beginning of every financial year IYLM shall compile a balanced scorecard which will be specifically meant for assessing the performance of the municipality as an organisation. The balanced scorecard shall be reviewed by the municipality's Balanced Scored Card Review Forum/Structure. This structure shall sit quarterly to assess the progress of the municipality in terms of reaching its targets. The institutional performance management approach is important because it allows for an overall picture of the municipality and how managers are working together as an organisation in order to reach their targets. The challenge for IYLM is to develop a comprehensive mechanism that will allow for the entire institution to be properly assessed on a continuous basis in a manner that will provide credible information that can be used to improve the municipality's all-round performance. At present the municipality uses a method that ranks the municipality's performance according to three levels. As seen from the table beneath municipal performance can fall under the "RED" bracket which represents poor performance that needs urgent attention; The "AMBER" bracket which represents delivery that is only just meets the needs of the municipality and is therefore close to poor performance; or the green bracket which bracket represents satisfactory performance.

One should bear in mind that the table in question is a simplification of the actual process which in reality would involve the assessment of many indicators and targets based on the municipality's strategic objectives and KPA's.

Table 37: Institution Performance Achievement Rating

KEY ROBOT LIGHT	ACHIEVEMENT PERCENTAGE	PERFORMANCE DESCRIPTION
RED	50% and Lower	Problem Area - Delivery below par (Needs urgent attention)
AMBER	Lower than 100% but Higher than 50%	Delivery borders on danger area - If performance does not improve will turn red
GREEN	100% and Above	Delivery levels acceptable - keep momentum, sustain and improve where there is room

7.4 Individual Performance Management

Assessing individual performance is an integral part of performance managements as it presents details about a municipality's performance that may not necessarily be visible from an institutional perspective. Individual performance management elucidates upon specific areas of excellence, competence and shortfalls within the municipality. IYLM uses a performance agreement to document the agreement between the employee of the municipality and the manager on behalf of the municipality. The performance agreement document possesses the details of what exactly is expected of the employee for the financial year in question. It is also an opportunity for the strategic objectives and goals as stated in the IDP of the municipality to be cascaded into the actual work of officials and managers.

The core components of a performance agreement include the following:

- **Output Plan:** details the outputs which the employee has to deliver upon. Targets are crafted in relation to the performance indicators that will demonstrate the employees progress in terms of achieving his/her outputs.
- **Competency plan:** this refers to the skills and knowledge that an employee should acquire in order to achieve the outputs as set out in the output plan.

- Personal Development plan: these are the interventions that are needed to reduce or eliminate the shortfall between the skills and knowledge that the employee possesses and the skills and knowledge needed to dispense his/her duties in such a way that the outputs of the position in question are met.

7.4.1 The Performance Assessment process

This section highlights the current performance process which is being utilised within the IYLM institution. The current process should be seen as a benchmark for the planned comprehensive PMS that is going to be realised in the coming term.

According to the Performance management policy, quarterly performance appraisals are conducted for all contracted staff of the municipality. The table beneath is a representation of the schedule of when the appraisals take place throughout the year. The table shows us that the appraisal schedule will be set in accordance with schedule that the municipality uses. Appraisals shall be conducted for all staff members by their immediate superiors, and will be based on the performance indicators as explained in the output plan of the employee.

Table 38: Appraisal schedule of the IYLM PMS

INTERVAL	PERIOD	EVALUATION DEADLINE
First quarter	(July – September)	2 nd week of October
*Second quarter	(October – December)	2 nd week of January
Third quarter	(January – March)	2 nd week of April
*Fourth (last) quarter	(April – June)	2 nd week of July

A rating scale is used to show the employees performance in terms of the indicators. The table beneath is an example of how an employee would be rated.

Table 39: Performance Rating Scale of the IYLM PMS

PERFORMANCE RATING SCALE (score)	Rating (%)	Rating Definition
1	0 – 49	Unacceptable Performance
2	50 – 99	Performance NOT fully effective
3	100 – 149	Fully Effective
4	150 – 199	Performance Significantly above expectation
5	200 +	Outstanding Performance

The table demonstrates how an employee is rated on a score of 1 to 5. A score of 1 is the lowest score and thus is categorised as unacceptable performance on the part of the employee. This indicates that the employee has failed to satisfy the requirements for his or her duties as outlined by the indicators attached to the performance agreement which the employee signed. In most cases managers will have to take action to try and motivate the employee to improve performance because it is well below an acceptable standard.

A score of 5 is indicative of outstanding or excellent performance. As a percentage this score is represented by 200% which is well above what is expected from the employee. Technically speaking a score of 5 means that the employee went beyond what was expected of him or her in terms of the Performance Agreement. In such cases managers will usually reward the employee for such outstanding performance in order to incentivise the sustenance of the high work standards that the employee has demonstrated.

7.4.2 Rewarding and correcting good and poor performance

This is an important step in terms of maintaining good performance on the one hand and eliminating poor performance on the other. Currently, IYLM has a number of performance incentives for good performance. A performance bonus ranging from 5% to 14% of the all-inclusive remuneration package may be paid to a Municipal Manager and Managers directly accountable to him or her. The breakdown according to performance is as follows:

- A score of 130% to 149% shall be awarded a performance bonus ranging from 5% to 9%.
- A score of 150% and above shall be awarded a performance bonus ranging from 10% to 14%.

In terms of poor performance the council will usually implement training in order to get the employees performance to the necessary levels, assistance shall be given to the employee with the intention of imparting the necessary skills and knowledge so that the employee could be able to meet the objectives as set out in his or her performance agreement. Where performance is consistently poor to the point of being unacceptable, council will have to take stronger measures. These actions may include, invoking an incapacity clause against the employee which could result in the employee being relieved of some duties or in the total termination of contract.

7.5 Performance Audit

After completing the performance measurements (both institutional and individual), the results should be audited. IYLM will do an internal audit of the results and also avail the results to the Auditor-General to review on an annual basis as this is in keeping with the Municipal Systems Act which states the following in section 45:

“The results of performance measurements in must be audited-
(a) As part of the municipality’s internal auditing process: and
(b) Annually by the Auditor-General”

7.6 First Draft High Level Service Delivery Budget Implementation Plan (SDBIP)

The SDBIP is an important tool as IYLM moves from conceptualising the strategic delivery of services to the application of those ideas and intentions in the tangible development of communities. In line with MFMA Circular 13, this first draft of the SDBIP takes a high level approach and includes only the first three of five components of the SDBIP. These include: monthly projections of revenue to be collected from each source; monthly projections of expenditure for each vote; and quarterly projections of service delivery targets and performance indicators for each vote.

This information is still in an early stage of development and therefore still lacks: the ward information for expenditure and service delivery; as well as a detailed capital works plan broken down over three years. Furthermore, the performance information component only addresses quarterly projections for the annual targets derived from the 5 Year Implementation Plan, and does not provide for allocations per vote yet.

Nevertheless, the SDBIP is a vital tool for IYLM in monitoring in year performance and reporting. Crucially, it represents a draft of the contract between the Mayor, Councillors, IYLM administration, and the broader community that will be developed and finalised within a month of the approval of the budget. The following is a credible first draft of the expected revenue, expenditure, and service delivery targets. This first draft will form the basis for further refinement and development of the SDBIP 2012/2013.

Table 40: Monthly revenue projections by source 2012/2013

MONTHLY CASH FLOWS	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<u>Cash Receipts By Source</u>													1			
Property rates			900	900	900	900	900						-	4,500	4,739	4,971
Property rates - penalties & collection charges													-			
Service charges - electricity revenue													-			
Service charges - water revenue													-			
Service charges - sanitation revenue													-			
Service charges - refuse revenue		9	9	9	9	9	9	9	9	9	9	9	100	105	110	
Service charges - other		454	454	454	454	454	454	454	454	454	454	907	5,442	5,730	6,011	
Rental of facilities and equipment		27	27	27	27	27	27	27	27	27	27	27	300	316	331	
Interest earned - external investments		27	27	27	27	27	27	27	27	27	27	27	300	316	331	
Interest earned - outstanding debtors		9	9	9	9	9	9	9	9	9	9	9	100	105	110	
Dividends received													-			
Fines		55	55	55	55	55	55	55	55	55	55	55	600	632	663	
Licences and permits													-			
Agency services		109	109	109	109	109	109	109	109	109	109	109	1,200	1,264	1,326	
Transfer receipts - operational		40,191				37,892				37,892			35,050	151,026	94,601	99,331
Other revenue		796	796	796	796	796	796	796	796	796	796	796	8,761	9,225	9,677	
Cash Receipts by Source	-	41,678	2,386	2,386	40,279	2,386	2,386	1,486	39,379	1,486	1,486	36,989	172,329	117,033	122,862	

Table 41: Monthly revenue projections by source 2012/2013 continued

MONTHLY CASH FLOWS	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Other Cash Flows by Source																
Transfer receipts - capital			10,487				10,487				10,487			31,461	33,269	34,932
Contributions recognised - capital & Contributed assets																
Proceeds on disposal of PPE																
Short term loans																
Borrowing long term/refinancing																
Increase (decrease) in consumer deposits																
Decrease (increase) in non-current debtors																
Decrease (increase) other non-current receivables																
Decrease (increase) in non-current investments																
Total Cash Receipts by Source		-	52,165	2,386	2,386	40,279	12,873	2,386	1,486	39,379	11,973	1,486	36,989	203,790	150,302	157,794

Table 42: Monthly expenditure projections by type of payment 2012/2013

MONTHLY CASH FLOWS	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Cash Payments by Type																
Employee related costs	3,166	4,963	4,963	4,963	4,963	4,963	4,963	4,963	4,963	4,963	4,963	6,760	59,555	62,711	65,784	
Remuneration of councillors	1,051	984	984	984	984	984	984	984	984	984	984	917	11,807	12,433	13,042	
Finance charges													-			
Bulk purchases - Electricity													-			
Bulk purchases - Water & Sewer													-			
Other materials													-			
Contracted services													-			
Transfers and grants - other municipalities													-			
Transfers and grants - other													-			
Other expenditure	2,510	4,480	4,480	4,480	4,480	4,480	4,480	4,480	4,480	4,480	4,480	12,471	59,785	62,953	66,038	
Cash Payments by Type	6,727	10,427	10,427	10,427	10,427	10,427	10,427	10,427	10,427	10,427	10,427	20,147	131,147	138,097	144,864	
Other Cash Flows/Payments by Type																
Capital assets													-			
Repayment of borrowing													-			
Other Cash Flows/Payments													-			
Total Cash Payments by Type	6,727	10,427	10,427	10,427	10,427	10,427	10,427	10,427	10,427	10,427	10,427	20,147	131,147	138,097	144,864	
NET INCREASE/(DECREASE) IN CASH HELD	(6,727)	41,737	(8,041)	(8,041)	29,851	2,446	(8,041)	(8,941)	28,951	1,546	(8,941)	16,842	72,643	12,204	12,930	
Cash/cash equivalents at the month/year begin:		(6,727)	35,010	26,969	18,928	48,780	51,226	43,185	34,244	63,195	64,741	55,801	-	72,643	84,847	

Cash/cash equivalents at the month/year end:	(6,727)	35,010	26,969	18,928	48,780	51,226	43,185	34,244	63,195	64,741	55,801	72,643	72,643	84,847	97,777
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7.6.1 Quarterly service delivery targets of the SDBIP 2012/2013

7.6.1.1 KPA 1: Municipal Transformation and Organisational Development

Cluster: Finance, Governance and Administration

Goal- To provide effective and efficient human resource and administrative services within IYLM towards institutional development and good governance, supported by enhanced information and communications technology.

Strategic Objective: To improve the skills sets of IYLM Council and staff in line with their Personal Development Plans (PDPs).

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets				Annual Target	Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)		
Skills limitations	Skills development	Number of staff completed a training programme or course as per their PDPs	50 staff trained within 2011/2012	16 staff trained	16 staff trained	17 staff trained	17 staff trained	65 staff trained	Dir. Corp. Services
		Number of Councillors completed a training programme or course as per their PDPs	15 Councillors trained within 2011/2012	3 Councillors trained	4 Councillors trained	4 Councillors trained	4 Councillors trained	15 Councillors trained	Dir. Corp. Services
		Percentage of municipality's budget spent on implementing workplace skills plan	0.44% (R450000 out of R102189738 in 2011/2012)	0.125%	0.125%	0.125%	0.125%	0.50% (R650000 of 2012/2013 budget)	Dir. Corp. Services

Strategic Objective: To improve the well-being of IYLM staff and Council for better service delivery.

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets					Annual Target	Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)			
Employee Assistance	Health and awareness sessions	Average utilisation rate of Sick Leave	New indicator	26 days or less	26 days or less	26 days or less	26 days or less	26 days or less	Dir. Corp. Services	

Strategic Objective: To improve the institutional performance of IYLM through the cascading of the institutional performance management system.

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets					Annual Target	Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)			
Organisational performance	Reviewing and cascading the PMS	Level of staff to which the PMS system is cascaded	Section 57 Manager Level	N/A	N/A	N/A	Assistant Managers	Assistant Managers	Dir. Corp. Services	

Strategic Objective: To improve access to information for Council, staff, and citizens of IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets					Annual Target	Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)			
Information and Knowledge Management	Utilising and upholding existing policies and procedures	Average turnaround time for resolving request to access information	Within 24 hours	Within 24 hours	Within 24 hours	Within 24 hours	Within 24 hours	Within 24 hours	Dir. Corp. Services	

Strategic Objective: To enhance governance through application of standing rules and orders of IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets					Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)	Annual Target	
Council and committees services	Monitoring and enforcement of standing rules and orders	Number of Councillors signed for receipt of all Council Agendas seven days in advance	42 Councillors signed for receipt of all Council Agendas seven days in advance	42 Councillors signed for receipt of all Council Agendas seven days in advance	42 Councillors signed for receipt of all Council Agendas seven days in advance	42 Councillors signed for receipt of all Council Agendas seven days in advance	42 Councillors signed for receipt of all Council Agendas seven days in advance	42 Councillors signed for receipt of all Council Agendas seven days in advance	Dir. Corp. Services

Strategic Objective: To increase the organisational capacity of IYLM in annual prioritised work areas.

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets					Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)	Annual Target	
Organisational capacity	Recruitment and retention as per IYLM Policies	Organisational vacancy rate	20% vacancy rate in 2011/2012	20%	19%	18%	17%	17%	Dir. Corp. Services
		Number of funded vacancies filled as per identification in annual prioritised work areas	15 prioritised posts filled in 2011/2012	0 prioritised posts filled	5 prioritised posts filled	15 prioritised posts filled			

Strategic Objective: To increase the satisfaction levels of citizens with regards to IYLM services.

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets					Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)	Annual Target	
Employee awareness	Organisational Culture Survey	Organisational Culture Assessment	80% satisfaction rating	N/A	N/A	N/A	84% satisfaction rating	84% satisfaction rating	Dir. Corp. Services

Strategic Objective: To achieve equitable representation of Municipal staff in line with organisation's transformation agenda.

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets					Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)	Annual Target	
Employment equity	Affirmative Action as per IYLM's Recruitment Policy	Number of people from employment equity target groups employed in three highest levels of management in compliance with municipality's employment equity plan	20 people from employment equity target groups employed in three highest levels of management	20 people from employment equity target groups employed in three highest levels of management	20 people from employment equity target groups employed in three highest levels of management	20 people from employment equity target groups employed in three highest levels of management	20 people from employment equity target groups employed in three highest levels of management	20 people from employment equity target groups employed in three highest levels of management	Dir. Corp. Services

7.6.1.2 KPA 2: Basic Services and Infrastructure

Cluster: Technical Services Cluster

Goal- To provide sound municipal planning, maintenance, and infrastructure provision that delivers for the needs and aspirations of IYLM citizens.

Strategic Objective: To improve road infrastructure networks within IYLM for greater mobility of people, goods, and services.

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets					Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)	Annual Target	
Roads infrastructure (including Storm Water Drainage)	Accelerate infrastructure provision and utilise all available funding	Kms of road constructed	Backlog of 1195kms at the end of 2009/2010	10 kms	20 kms	20 kms	20 kms	70 kms	Dir. Plan. & Infra.

Strategic Objective: To achieve integrated land-use for sustainable human settlements within IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets					Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)	Annual Target	
Integrated human settlements	Strengthen coordination across spheres	Percentage annual housing needs met according to the Housing Sector Plan	New indicator	Finalised Housing Sector Plan (0%)	30%	60%	90%	90%	Dir. Plan. & Infra.
	Infrastructure provision	Number of sports facilities upgraded	None	N/A	N/A	N/A	1 sports facility (Cofimvaba)	1 sports facility (Cofimvaba)	Dir. Plan. & Infra.

Strategic Objective: To improve access to basic water & sanitation to citizens of IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets					Annual Target	Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)			
Water	New water connections from sustainable sources	Number of villages received reticulation extensions	13 villages (Drought relief fund)	2 villages	2 villages	2 villages	2 villages	8 villages	Dir. Plan. & Infra.	
Sanitation	New sanitation connections	Number of locations connected to the waterborne sewerage systems	1 location connected (approx. 400 households)	N/A	N/A	N/A	1 location connected	1 location connected	Dir. Plan. & Infra.	

Strategic Objective: To improve access to electricity to citizens of IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets					Annual Target	Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)			
Electricity & Energy Access	New electrical connections	Number of extensions received street lighting	25 extensions (approximately)	25 extensions	25 extensions	25 extensions	25 extensions	100 extensions	Dir. Plan. & Infra.	

Cluster: Social Needs Cluster (within the Basic Services & Infrastructure KPA)

Goal- To provide quality social services and social infrastructure for the communities of IYLM, while ensuring public safety, promoting improved public health, and supporting sustainable environmental management.

Strategic Objective: To improve the well-being of vulnerable groups within IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets					Annual Target	Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)			
Special Programmes (Vulnerable Groups)	Community capacity development	Number of designated vulnerable individuals participated in IYLM programmes	840 individuals approximately in 2011/2012	250 individuals	250 individuals	250 individuals	250 individuals	1000 individuals	SPU Head & Municipal Manager	
	Develop & capacitate vulnerable groups	Number of vulnerable groups capacitated	New indicator	1 group	2 groups	1 group	1 group	5 groups	SPU Head & Municipal Manager	
Special Programmes	Establish SPU-Strategy Plan, Structure, Programmes, Projects	SPU Strategic Plan adopted by the Council	New indicator	N/A	N/A	N/A	1 Strategic Plan	1 Strategic Plan	SPU Head & Municipal Manager	
	Mainstreaming of Special programmes	Number of mainstreaming SPU programmes completed across departments	2 programmes	1 programme	1 programme	1 programme	N/A	3 programmes	SPU Head & Municipal Manager	
Special Programmes (Youth)	Recreational Tournament	Mayor's Cup Tournament	1 tournament	N/A	Road shows for tournament registration	1 tournament	Presentation of the Mayor's Cup	1 tournament	SPU Head & Municipal Manager	

Special Programmes (Heritage)	Celebration of National Days	Number of special day celebrations	6 celebrations	N/A	1 celebration	N/A	N/A	1 celebration	SPU Head & Municipal Manager
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Strategic Objective: To improve the well-being of vulnerable groups within IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets					Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)	Annual Target	
Indigent households	Provide free basic services	Number of households earning less than R1100 per month receiving free services	500 households approximately	750 households	750 households	750 households	750 households	750 households	CFO; MM; and Dir. Com. Services

Strategic Objective: To reduce HIV/AIDS related mortalities within IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets					Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)	Annual Target	
HIV/AIDS	By providing education	Number of participants of IYLM coordinated HIV/AIDS forums and support groups	420 participants	460 participants	500 participants	500 participants	500 participants	500 participants	Dir. Com. Services

Strategic Objective: To reduce the incidence of road accidents within IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets					Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)	Annual Target	

Traffic Safety	Education & awareness training to upgrading of infrastructure relevant to traffic safety	Reported incidence of road accidents on municipal roads	265 accidents	45 accidents or less	70 accidents or less	65 accidents or less	50 accidents or less	230 accidents or less	Dir. Com. Services
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Strategic Objective: To increase household access to refuse removal services within IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets					Annual Target	Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)			
Waste Management	Refurbishment of disposal site; Strengthen waste management cooperation; Community education for cleaning campaigns	Number of households with access to refuse removal services	1396 households	1396 households	1456 households	1506 households	1626 households	1626 households	Dir. Com. Services	

Strategic Objective: To limit the risk of fires and disasters to communities within IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets					Annual Target	Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)			
Fire-fighting and disaster management	Fire prevention and mitigation as per CHDM Disaster Management Plan	Incidence of Fire	22 fires in first half of 2011/2012	10 fires or less	12 fires or less	8 fires or less	6 fires or less	36 fires or less	Dir. Com. Services	

Strategic Objective: To improve the environmental sustainability of IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets					Annual Target	Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)			
Environmental management	Enforcing and maintaining environmental standards	Number of Environmental Impact Assessments completed prior to Project initiation	2 EIAs	1 EIA	1 EIA	1 EIA	1 EIA	4 EIAs	Dir. Com. Services	

Strategic Objective: To improve the security and care of all animals within IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets					Annual Target	Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)			
Livestock and animal care	By complying with set standards of National animal care	Number of all animals impounded	240 animals	70 animals	90 animals	80 animals	60 animals	300 animals	Dir. Com. Services	

Strategic Objective: To reduce the incidence of crime within IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets					Annual Target	Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)			
Public safety	To have functionality of police forum Municipal enforcement	Number of Community Policing Forums (CPFs) attended by at least one Councillor or Sect. 57 Manager	12 CPFs	3 CPFs	3 CPFs	3 CPFs	3 CPFs	12 CPFs	Dir. Com. Services	

Strategic Objective: To improve access to public amenities and recreational facilities for people within IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets					Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)	Annual Target	
Community facilities	Upgrade existing and establish new facilities	Number of new community facilities opened	Backlog of 44 community facilities at the end of 2009/2010	1 community facility	1 community facility	1 community facility	1 community facility	4 community facility	Dir. Com. Services

7.6.1.3 KPA 3: Local Economic Development

Cluster: Economic Development and Planning

Goal- To support enterprise formations, retention and expansion of businesses and initiatives that provides job opportunities and income to the people of IYLM.

Strategic Objective: To improve the agricultural sector contribution to the local economy of IYLM

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets					Annual Target	Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)			
Agriculture	Targeted support and market access for all IYLM farmers	Number of IYLM farmers that receive financial support, training, and market access support	100 farmers	80 farmers	60 farmers	40 farmers	20 farmers	200 farmers	Dir: LED	

Strategic Objective: To improve the forestry sub-sector's contribution to the local economy of IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets					Annual Target	Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)			
Forestry	Facilitate funding and partnerships for forestry development	Number of communities supported before entering agreements with Private Investors	New indicator	N/A	N/A	N/A	1 community	1 community	Dir: LED	
	Development of Forestry Value Adding activities	Number of furniture incubators (Cumulative over the term)	New indicator	N/A	N/A	N/A	1 furniture incubator	1 furniture incubator	Dir: LED	

Strategic Objective: To enhance tourism sector's contribution to the local economy of IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets					Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)	Annual Target	
Tourism	Promote IYLM as a Heritage, Sports and Recreation destination	Number of visitors to Local tourism sites in IYLM	New indicator	Establish baseline	Establish baseline	Establish baseline	Establish baseline	Establish baseline	Dir: LED

Strategic Objective: To grow enterprises involved in beneficiation and value-addition within IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets					Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)	Annual Target	
SMMEs	Greater retention and circulation of local currency support of Local SMMEs	Number of SMMEs registered within IYLM	204 SMMEs	204 SMMEs	206 SMMEs	210 SMMEs	214 SMMEs	214 SMMEs	Dir: LED

Strategic Objective: To increase employment opportunities (temporal and permanent) within IY Municipal area.

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets					Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)	Annual Target	
Job creation	Maximise expanded public works and LED employment opportunities	Number of jobs created through municipal LED initiatives (including capital projects)	662 jobs created	802 jobs created	922 jobs created	1265 jobs created	1362 jobs created	1362 jobs created	Dir: LED

Strategic Objective: To contribute to the environmental sustainability of Instika Yethu through prevention of soil erosion and removal of alien species.

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets					Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)	Annual Target	
Conservation of natural resources	Arrest land degradation	Number of wards in which land is rehabilitated against soil erosion	4 wards	1 wards	3 wards	3 wards	2 wards	9 wards	Dir: LED
	Clear alien species	Number of hectares of land cleared of alien species of plant and tree	1200 hectares	300 hectares	600 hectares	500 hectares	400 hectares	1800 hectares	Dir: LED

7.6.1.4 KPA 4: Financial Management and Viability

Cluster: Finance, Governance, and Administration

Goal- To build the financial viability of IYLM through integrated planning, management, and good governance for a clean administration.

Strategic Objective: To improve the accuracy of the IYLM’s financial planning and reporting.

Priority Issue	Strategy	Performance Indicator	Baseline	Annual Targets					Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)	Annual Target	
Inter-departmental integration and communication	Build internal capacity	% spending variance between approved budget and actual expenditure	10%	1%	2%	3%	5%	5%	CFO
		% of IYLM Capital expenditure on projects identified for the financial year within the IDP	New indicator (prescribed as schedule to the MSA)	25%	55%	85%	100%	100%	CFO

Strategic Objective: To achieve best value for money through effective supply chain management within IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets					Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)	Annual Target	
Value for money	Vetting of all suppliers	Percentage of all suppliers vetted	New indicator	N/A	N/A	N/A	100% (1 annual data cleansing)	100%	CFO

	Training of all suppliers	Number of local suppliers workshopped on procurement procedures	50 service providers	100 service providers	N/A	N/A	N/A	100 service providers	CFO
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Strategic Objective: To improve financial management capacity within IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets					Annual Target	Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)	Annual Target		
Capacity limitations	Build internal capacity	Number of interns completed annual internship with Finance Dept.	5 for 2011/2012	N/A	5 interns completed internship	5 interns begin internship (0 interns completed internship)	N/A	5 interns completed internship	CFO	

Strategic Objective: To strengthen the governance and control environment over all financial matters within IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets					Annual Target	Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)	Annual Target		
Legislative compliance	Build SCM credibility	R-value of all fruitless, wasteful, unauthorised, and irregular expenditure	R2 million	R 0	R 0	R 0	R 0	R 0	CFO	

Strategic Objective: To achieve an unqualified audit opinion in the Municipality by 2014 and beyond.

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets					Annual Target	Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)	Annual Target		
Clean audit challenges (GRAP-17 standards)	Build internal controls	Auditor General Audit Opinion	Disclaimer	N/A	N/A	N/A	Unqualified	Unqualified	CFO & Municipal Manager	

Strategic Objective: To increase revenue generation within the Intsika Yethu Municipal area.

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets					Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)	Annual Target	
Low revenue base	Implementation of MPRA; Review of existing leases; VAT Reviewal	R-value of all revenue generated within IYLM (excluding grants)	R10 million (approximately)	R15 million	R 18 million	R21 million	R 24 million	R 27 million	CFO

7.6.1.5 KPA 5: Good Governance and Public Participation

Cluster: Finance, Governance, and Administration

Goal- To ensure good governance and oversight within IYLM.

Strategic Objective: To strengthen the functionality of Ward Committees within IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets				Annual Target	Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)		
Ward Committees & Community Participation	Capacitation of Ward and community members	Number of Ward Committee Clusters trained	1 training completed	2 Clusters trained	1 Cluster trained	2 Clusters trained	1 Cluster trained	6 Clusters trained	Municipal Manager

Strategic Objective: To improve communication within the IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets				Annual Target	Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)		
Local Government Communication	Conduct survey for citizen feedback	Customer care survey rating	55% approval rating	N/A	N/A	N/A	60%	60%	Municipal Manager

Strategic Objective: To improve Council Oversight and support to the political leadership within IYLM.

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets				Annual Target	Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)		
Council Support and Oversight	Regular reporting to all Section 79 Committees	Number of reports tabled to MPAC	2 reports for 2011/2012	1 report	1 report	1 report	1 report	4 reports	Municipal Manager

Strategic Objective: To ensure codification, implementation of the by-laws, powers and functions.

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets					Annual Target	Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)			
Effective Legislation, By-laws, Powers and functions	Tracking of resolutions and by-laws	Number of new by-laws adopted by Council	3 by-laws in 2011/2012	Preparation (No by-laws yet adopted)	Public consultations (No by-laws yet adopted)	Public consultations (No by-laws yet adopted)	3 by-laws adopted	3 by-laws	Municipal Manager	
	Compliance with statutory planning and reporting	Annual Report	1 Annual Report	N/A	N/A	First draft Annual Report presented to Council	1 Annual Report adopted by Council	1 Annual Report adopted by Council	Municipal Manager	

Strategic Objective: To ensure effective Integrated Development Planning within the Municipality.

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets					Annual Target	Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)			
Integrated Development Planning	Compliance with statutory planning and reporting	Rating of the MEC's IDP Assessment	High	N/A	N/A	N/A	High	High	Municipal Manager & LED	

Strategic Objective: To ensure the participation of traditional leaders in service delivery.

Priority Issue	Strategy	Performance Indicator	Baseline	Quarterly Targets					Annual Target	Staff Responsible
				Quarter 1 (Jul-Sep)	Quarter 2 (Oct- Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)			
Participation and Cooperation with Traditional Leadership	Formalise involvement of Traditional Leaders	Attendance rate of traditional leaders at meetings of Council	8 leaders in attendance per quarter	5 leaders in attendance on average annually	Municipal Manager					

Chapter 5: Financial Plan and Budget

8. Financial Viability

In accordance with the outcomes of the latest assessment conducted on the financial position, the IYLM remains financially sustainable and is able to meet its financial commitments.

Significant reforms within the adoption of new accounting standards, being Generally recognised Accounting Practice (GRAP), coupled with significant reforms within Municipal Budgeting and Reporting Regulations has significantly enhanced the credibility, sustainability, transparency, accuracy and reliability of financial planning, management and reporting within the IYLM

In meeting the demands associated with modernised practices towards sustaining and enhancing financial viability; and addressing the specific needs of Intsika Yethu LM within the context of limited resources and mounting service delivery expectations, has necessitated that a comprehensive integrated approach towards financial sustainability be developed.

In terms of the approach adopted, the report will clearly define financial risks which have been identified as being a financial threat to the long termed sustainability of the organisation, linked to key challenges, with a detailed focus on effective strategies employed to mitigate against financial threats and weaknesses, concluded by a detailed analysis of the service delivery package and associated financial implications on the operations, statement of financial position and cashflows for the MTREF 2012/2013- 2014/2015 which collectively aim to position Intsika Yethu LM on a sustainable approach to service delivery.

8.1 Financial risks

In order to maintain and improve on the financial efficiencies and position of Intsika Yethu LM, certain risks need to be managed, while financial management practices need to be continuously improved.

The key financial risks confronting the Municipality can be summarised as follows:

- Limitation on Revenue Raising Capacity due to high poverty indices;
- Growth within Debt Composition associated with Low level Service Offerings;
- Financial Distress- ratio analysis- specific on Working capital elements;
- Containment of personnel costs within set benchmarks as established within the budget process;
- Governance and Administration costs as a percentage of own revenue;
- Increases associated with deferred maintenance and backlog eradication.

8.2 Key Challenges

- Achieving an unqualified audit report;
- Affordability of a desired Organisational Structure;
- The need to improve customer care;
- The need to ensure legal compliance through all procedures and programmes.

8.3 Financial Strategies

The Financial Strategy has been formulated to ensure that the IYLM maximises all available opportunities that would enhance Councils financial strength especially considering the cost-shift environment that has been created with the implementation of assigned powers and functions.

Council's overall Financial Strategy is structured into the following core components to allow for a clearer understanding of the overall task:

- Revenue enhancement and maximisation Strategies;
- Asset Management strategies;
- Financial Management Strategies;
- Capital Financing Strategies;
- Operational Financing Strategies;
- Strategies to Enhance Cost- effectiveness; and
- Free Basic Services and indigent Support.

These segments are intended to provide operational guidance to staff to assist them in achieving identified objectives and goals.

Importantly the Strategies formulated are deemed to be primary mitigating tool against the financial risks identified, and giving effect to the objectives of the Integrated Development Plan, through ensuring that the performance targets as per the Budget underlying the IDP are achieved.

The strategies are premised on ensuring compliance with adopted financial policies, modelled on modernised reform practices applicable to Local Government.

8.3.1 Revenue Enhancement and Maximisation Strategy

The purpose of this strategy is to ensure that all possible avenues are explored to maximise the receipt of any monies available to Council by way of intergovernmental transfers and Grants or Donations, including expanding the billing database and maximising income opportunities on every registered serviced site within the LM's jurisdiction.

The second component of this strategy focuses on strengthening and building capacity within credit control and debt management practices and processes of Council, ensuring the attainment and exceeding of collection rates in line with key budgetary requirements.

The third component of the strategy focuses on maximising the registration of households eligible for participation within the Free Basic Services (FBS) programme of Council, this component is aimed at arresting spiralling debts associated with this user group, and limiting consumption of services in line with the FBS allocation threshold.

In line with the strategy employed, Council has formalised the appointment of a debt collection agency on a contingency arrangement over the next three years to undertake revenue enhancement and debt reduction, with a special focus on skills transfer to a dedicated internal unit.

8.3.2 Subsidies and Grants

In order for Intsika Yethu LM to obtain maximum benefit from external monies available, a policy laying out the relevant procedures has been put in place within the Institution to ensure that all grants,

donations and subsidies are investigated, applied for and received at the appropriate times. The policy will ensure that Council receives maximum benefit from external funding available.

8.3.3 Credit Control and Debt Collection Policy

The Policy sets out to control and manage the recovery of outstanding debt due to Council. This policy is in place and is subject to regular updates. The policy lays down the basis for distribution of accounts, collection procedures, interest and penalties to be charged in the event of non-payment, with strong focus on management reporting requirements pursuant of key legislative requirements and performance management.

Giving effect to the administration of this policy, Council through the appointment of a revenue accountant has invested in a Revenue Management and Debt collection System fully compliant with Municipal Bylaws and objects of the policy framework, the system effects have result in macro approach to debt management and collection being effected, in an effective and efficient manner, maximise the return on investment and per household.

8.3.4 Tariff Policy

This policy sets key guidelines on what should be considered when pricing services and guiding principles for the compilation of water, sanitation, solid waste and other services. This policy is subject to constant review, given significant reforms within the water sectors, which impact on the price cost of services rendered, and ultimately on the sustainability of trading services.

8.4 Asset Management

8.4.1 Asset Management Strategies

The purpose of the strategy is to optimise the use of all assets under the control of IYLM, given the financial exposure and the revenue streams earned by the Municipality in the rendering of services to the community.

8.4.2 Asset Management Policy

This policy is deemed necessary in order to facilitate the effective management, control and maintenance of the assets. The policy is in place and is subject to regular review. The prime objectives of the policy are to ensure that the assets of Intsika Yethu are properly managed and accounted for by:

- Ensuring the accurate recording of asset information;
- The accurate recording of asset movements;
- Exercising strict control over all assets;
- Providing correct and meaningful management information;
- Compliance with Council's Insurance Policy and Payment Procedure;
- Effecting adequate insurance of all assets; and
- Maintenance of Council's Assets.

The implication of this policy on the administration and planning of assets has been profound, in that the organisation has a comprehensive understanding of all assets under the Management Control of the Municipality, has an acute understanding of the conditions and remaining lifespan etc of the asset base, all

of which are aimed at ensuring that sound financial planning occurs, especially around investment choices and reserve creation to safe guard against ageing infrastructure; the Funding and Reserves policy is directly influenced through the outcomes of the annualised conditional assessment on all infrastructural assets.

It is envisaged that strict adherence to policy framework will continue to be applied in order to protect the resource of the community, and ensure the continued viability of the Municipality.

8.4.3 Asset Movement System

At the time of commissioning a GRAP compliant Asset Register, an asset tracking system using bar-coded discs and scanners was put in place. With the completion of the Asset Register, the asset tracking system is now fully operational.

The system allow for regular audits of all assets to be completed in a shorter time frame and therefore allowing for more regular updates of the register.

8.5 Financial Management Strategies

The purpose of this strategy is to ensure that the Financial Systems in place at IYLM are of such quality to allow for the generation of accurate and timely reporting at all times.

The Strategy has culminated in the institution being able to effectively make informed decisions around service delivery, identify financial risks and impeding financial problems, through having an acute understanding of the financial affairs of the Municipality, through a simplified qualitative analysis being provided based on the in year reports focusing on budgeted performance(revenue, expenditure, capital); impact of the trading activity on the financial position and cashflows within the Organisation, this is in compliance with international standards on in year reporting.

8.5.1 Budget and Finance Reform

A considerable amount of time and effort has been expended on ensuring that IYLM has the capacity to deliver on the finance and budget reporting requirements as prescribed by National Treasury. The institution has reaffirmed its commitment to the development of capacity to service local government interest within financial management and administration and as such has invested huge amount towards this program over the 2012/2013- 2014/2015 MTREF.

The process is being overseen by a Finance Standing committee and significant progress has been made in some areas. Specific tasks being performed are:

- Employment of interns and short term contract workers;
- Reconciliation of assets;
- Training;
- Supply Chain Management;
- Liability Management;
- Revenue Management; and
- Financial Systems Reporting.

8.5.2 Operational Financing Strategies

The purpose of this strategy is to assess the viability (IA) of any association or alliance or partnership that may arise from time to time. IYLM has been assigned various functions and authorities by the MEC for Local Government, Housing and Traditional Affairs or Structures Act. .

8.5.3 Strategies to Enhance Cost Effectiveness

The purpose of this strategy is to ensure that IYLM employs the most cost effective operating practices.

Importantly, this strategy is driven on the principles enshrined within the Costing policy, which amongst other things advocates that the sustainability of IYLM is not primarily driven on resource generation capacity, rather a combination of effective resource utilisation, premised on cost conscious decision making practices and processes.

8.5.4 Benchmarking and Performance Indicators

A set of performance indicators will be developed and implemented to test the effectiveness and efficiency of the Municipality. Benchmarking these against similar organisations will allow for regular internal assessment and upgrading.

These bench mark indicators will supplement the battery of indicators that have been developed as part of the new budget reporting formats and regulations, aimed at gauging the efficacy of financial performance and management.

8.5.6 Training and Development of Staff

Training sessions and courses are continually being planned to ensure that all financial as well as non-financial, senior staff and councillors will be in a better position to evaluate the financial position of the Municipality. The Council also has an approved skills development plan, which is being implemented and is used to guide training of both Councillors and Officials.

8.5.7 Cost Effectiveness

All departments of the IYLM are challenged continually with identifying the most cost effective means of operating by employing the methods commonly associated with BOP (Best Operating Practices).

8.6 Free Basic Services

8.6.1 The indigent support policy

The basic principles of this policy are captured by indicating that the policy is to ensure that poor households are not denied their constitutional right of access to services, the Intsika Yethu LM is required to implement an indigent support policy that makes adequate financial provision to ensure the provision of efficient and sustainable services to all residents within the area of jurisdiction.

The indigent support policy is an integral part of the Intsika Yethu's tariff policy that is developed and implemented in a transparent manner to ensure the sustainability of local public services to all of its citizens at an affordable cost.

The indigent policy is intended to provide poor households ongoing access to a specified level of service.

The subsidies contained in the policy should not compromise the quality or efficiency of service delivery.

Critically as part of Intsika Yethu LM commitment to improve continued access to service and provide a basket of free services as part of the poverty alleviation programme.

8.7 Actual expenditure and revenue for 2010/2011

The following tables provide an overview of IYLM's actual expenditure and revenue over the last financial year audited, 2010/2011. From the tables provided it is clear that IYLM's challenges remain with the cost of employing staff. Unlike in previous years, the municipality has been particularly effective in utilizing the grants allocated to it for infrastructure development. Furthermore, it has also managed to collect more revenue than was originally planned.

Table 43: IYLM budgeted expenditure versus actual expenditure 2010/2011

	Budget 2010/11	Actual 2010/2011	Variance
PERSONNEL COSTS			
Employee costs-Salaries	33,757,486	42,290,417	125.28%
Executive Committee and Council costs- Salaries	11,467,812	10,877,367	94.85%
SUB-TOTAL	45,225,298	53,167,784	
GENERAL EXPENDITURE			
Repairs and maintenance of infrastructure	3,415,000	8,422,481	246.63%
SUB-TOTAL	39,288,279	41,385,038	
CAPITAL PROJECTS			
	29,863,850	34,358,293	115.05%
TOTAL EXPENDITURE	114,377,427	128,911,115	112.71%

An area of concern lies with the municipality over-spending of its budget by more than 12%, whereas revenue only increase by less than 2%. In the future the municipality will need to ensure there are stricter controls in place to avoid over-spending on employee costs.

Table 44: IYLM budgeted revenue versus actual revenue 2010/2011

REVENUE BUDGET	Budget 2010/11	Actual 2010/2011	Variance
EQUITABLE SHARE	66,271,000	66,271,000	100.00%
MIG	21,564,000	21,564,000	100.00%
FMG	1,250,000	1,250,000	100.00%
MSIG	750,000	750,000	100.00%
OTHER INCOME	24,542,427	26,368,872	107.44%
TOTAL REVENUE	114,377,427	116,203,872	101.60%

8.9 Financial Plan and Budget Statement

This plan is prepared in terms of Section 26 (h) of the *Local Government: Municipal Systems Act*, as amended, which stipulates that a financial plan must be prepared as part of the Integrated Development Plan.

The three year financial plan includes an Operating Budget and Capital Budget informed by the IDP priorities. It takes into account the key performance areas of the IDP. All programmes contained in the budget are reflected in the IDP. The review of the Municipality's IDP has a ripple effect on the budget.

In addition to being informed by the IDP, the municipal fiscal environment is influenced by a variety of macro-economic control measures. National Treasury determines the ceiling of year-on-year increases in the total Operating Budget. Various government departments also affect municipal service delivery through the level of grants and subsidies.

Table 45: Indicative 3 Year MTEF Budget for IYLM

PERSONNEL/PROJECT/ PROGRAMME	BUDGET 2012/13	BUDGET 2013/14	BUDGET 2014/15
Basic Salary Councillors	8,386,200	8,855,827	9,334,042
Travelling allowance Councillors	2,794,998	2,951,518	3,110,900
Cellphone Allowance Councillors	625,970	661,025	696,720
Total Package - Senior Managers	5,737,893	6,059,215	6,386,412
Basic Salary Employees	33,007,708	34,856,140	36,738,371
Medical Aid Employees	2,062,982	2,178,509	2,296,148
Vehicle allowance	1,750,932	1,848,984	1,948,829
Cellphone Allowance employees	270,000	285,120	300,516
Pension Fund employees	5,899,556	6,229,931	6,566,347
Housing Subsidy	340,200	359,251	378,651
Skills Development Levies(UIF/SDL)	660,154	697,123	734,767
Bargaining Council Levies	293,843	310,298	327,054
Relief Personnel	0	0	0
Long Service Bonus	2,099	2,216	2,336
Basic Salary-CSP,s	4,800,000	5,068,800	5,342,515
Bonus CSP,s	600,000	633,600	667,814
Casual Workers	600,000	633,600	667,814
Relief Personnel	110,000	116,160	122,433
Annual Bonus	2,750,642	2,904,678	3,061,531
SALGA Levies	0	0	0
Shift Allowance	151,111	159,574	168,191
Allowances S& T	60,000	63,360	66,781
Overtime	347,746	367,219	387,049
Night Shift Allowance	110,368	116,549	122,842
TOTAL	71,362,401	75,358,695	79,428,065
GENERAL EXPENSES			
Accommodation & Meals	1,660,500	1,753,488	1,848,176
Advertising Fees	250,000	264,000	278,256
Annual Report	100,000	105,600	111,302
Annual Audit Committee fee	70,000	73,920	77,912
Audit Fees	2,000,000	2,112,000	2,226,048

PERSONNEL/PROJECT/ PROGRAMME	BUDGET 2012/13	BUDGET 2013/14	BUDGET 2014/15
Bank Charges	102,000	107,712	113,528
Books & Publication	65,000	68,640	72,347
Catering	650,000	686,400	723,466
Chemicals	500,000	528,000	556,512
Cleaning Material	180,000	190,080	200,344
Conference Fees(Strat Plan)	290,000	306,240	322,777
Consulting Fees & Prof Fees	2,150,000	2,270,400	2,393,002
Conveyance expenses	20,000	21,120	22,260
Electricity	560,000	591,360	623,293
FMG			
Financial Statements	550,000	580,800	612,163
Intergrated IT System (eVenus)	650,000	686,400	723,466
CPMD Programme	1,050,000	1,108,800	1,168,675
Interns (Training & Salaries)	1,140,000	1,203,840	1,268,847
MSIG			
Asset Register (Revaluation of assets & asset register)	1,200,000	1,267,200	1,335,629
Valuation Roll	1,200,000	1,267,200	1,335,629
Public Participation (IDP & BUDGET)	0	0	0
Training of Ward Committes(Support)	0	0	0
Fuel & Oil(Motor Vehicles)	1,220,000	1,288,320	1,357,889
Fuel & Oil(Plant & Mach)	2,500,000	2,640,000	2,782,560
Hire of Equipment & Vehicles	670,000	707,520	745,726
ICT Networks	1,598,000	1,687,488	1,778,612
Insurance	800,000	844,800	890,419
Kitchen Utensils & Engraving	45,000	47,520	50,086
Legal Fees	1,200,000	1,267,200	1,335,629
Licence & Registration	350,000	369,600	389,558
Loan Repayment to Development Bank of Southern Africa (DBSA)	950,000	1,003,200	1,057,373
Material & Stores	1,980,000	2,090,880	2,203,788
Membership Fees (Membership Fees)	42,000	44,352	46,747
Office Equipment Rental (Leased equipment)	600,000	633,600	667,814
Office Equipment Repairs	100,000	105,600	111,302
Office furniture & equipment	310,000	327,360	345,037
Camping equipment and accomodation	10,000	10,560	11,130
Postage	17,000	17,952	18,921
Pound Costs	60,000	63,360	66,781
Printing & Stationery	280,000	295,680	311,647
Protective Clothing	1,365,000	1,441,440	1,519,278

PERSONNEL/PROJECT/ PROGRAMME	BUDGET 2012/13	BUDGET 2013/14	BUDGET 2014/15
Provision for Depreciation of Assets	200,000	211,200	222,605
Provision for Bad Debts	600,000	633,600	667,814
Repairs & Mantainance Buildings	2,150,000	2,270,400	2,393,002
Repairs and Maintanance	7,270,000	7,677,120	8,091,684
Community Lighting maintanance	600,000	633,600	667,814
Security Services/System	150,000	158,400	166,954
Social needs	160,000	168,960	178,084
Software Licence & Registration	0	0	0
Subsistance & Travelling	500,000	528,000	556,512
Telephone	1,100,000	1,161,600	1,224,326
Transport cost	120,000	126,720	133,563
Training Expense	2,010,000	2,122,560	2,237,178
Uniform	60,000	63,360	66,781
Vehicle Repairs & Mantainance	2,600,000	2,745,600	2,893,862
Corporate Branding	30,000	31,680	33,391
Traffic Equipment	0	0	0
OHS & EAP	200,000	211,200	222,605
Disaster	250,000	264,000	278,256
Perfomance Man.System	400,000	422,400	445,210
HIV/AIDS	250,000	264,000	278,256
Human Resources Systems	300,000	316,800	333,907
Clocking System	0	0	0
Wellness	200,000	211,200	222,605
Secretaries Day	0	0	0
Perfomance Awards	0	0	0
TOTAL	47,634,500	50,302,032	53,018,342
FREE BASIC SERVICES			
Free basic services-electricity	2,000,000	2,112,000	2,226,048
Free basic services-alternative energy	4,000,000	4,224,000	4,452,096
MAYORAL POLITICAL FUND		0	0
Vehicles	0	0	0
Entertainment	500,000	528,000	556,512
Imbizo	200,000	211,200	222,605
Mayor's Cup	350,000	369,600	389,558
National day Celebration	100,000	105,600	111,302
EWP	1,000,000	1,056,000	1,113,024
Offical Activities	500,000	528,000	556,512
Pauper Burial	30,000	31,680	33,391
SPU	250,000	264,000	278,256
Twinning Arrangments	50,000	52,800	55,651
TOTAL	8,980,000	9,482,880	9,994,956

PERSONNEL/PROJECT/ PROGRAMME	BUDGET 2012/13	BUDGET 2013/14	BUDGET 2014/15
SPEAKER'S POLITICAL FUND			
Advance Councillor Training	200,000	211,200	222,605
Capacity Building	100,000	105,600	111,302
Ward Committees	2,520,000	2,661,120	2,804,820
Corporate Identity	50,000	52,800	55,651
Public Participation	200,000	211,200	222,605
Moral regeneration	100,000	105,600	111,302
TOTAL	3,170,000	3,347,520	3,528,286
TOTAL GENERAL EXPENSES	59,784,500	63,132,432	66,541,583
TOTAL OPERATING EXPENDITURE	131,146,901	138,491,127	145,969,648
CAPITAL EXPENDITURE			
MIG Committed Projects			
MIG Access Roads(In house plant)	21,000,000		
Cofimvaba Storm water	6,000,000		
Cofimvaba Stadium	4,461,000	33,269,000	33,269,000
Waste Equipment	150,000	158,400	166,954
Land fill and Transfer(maintenance & operation)	2,045,711	2,160,271	2,276,925
Road block trailer	120,000	126,720	133,563
DEA Project	0	0	0
Street Sweeper	0	0	0
Construction of Dipping Tanks	0	0	0
Business & Co-operation Forum	100,000	105,600	111,302
Goat Improvement Project	0	0	0
Wool Improvement Project	650,000	686,400	723,466
Dryland crop production project	2,000,000	2,112,000	2,226,048
Hawkers Stalls	100,000	105,600	111,302
Intsika Yethu Egg Producers	300,000	316,800	333,907
Farmer's Day	0	0	0
Information Day	40,000	42,240	44,521
Income Genetating Progamme	100,000	105,600	111,302
LTO	120,000	126,720	133,563
Lubisi Dam Development Project	400,000	422,400	445,210
Tree Nursery Project	100,000	105,600	111,302
Tourism SMME Support	100,000	105,600	111,302
Tourism development & Marketing	200,000	211,200	222,605
IDP	200,000	211,200	222,605
Feasibility study for Heritage Route	100,000	105,600	111,302
Feasibility study for wool Improvement	100,000	105,600	111,302

PERSONNEL/PROJECT/ PROGRAMME	BUDGET 2012/13	BUDGET 2013/14	BUDGET 2014/15
Intgrated Energy Centre (IeC)	300,000	316,800	333,907
Rehabilitation of Storm water structures	2,000,000	2,112,000	2,226,048
Refuse Compactor	0	0	0
Padfoot roller x 2	0	0	0
1 Tonne Bakkie's x 2	300,000	316,800	333,907
Tipping and Processing-20km	1,000,000	1,056,000	1,113,024
Inter modal facilities	1,000,000	1,056,000	1,113,024
Street scapping and furniture	1,000,000	1,056,000	1,113,024
Blading(Wet/Dry)-50km	0	0	0
Dezzi Water Tank(Trailer)	450,000	475,200	500,861
Tsomo Offices	2,000,000	2,112,000	2,226,048
Conversion of truck to flatbed	350,000	369,600	389,558
Trailer for tractor	0	0	0
Tsomo and Cofimvaba Roads and Stormwater	2,000,000	2,112,000	2,226,048
Town Planning and Land Use	600,000	633,600	667,814
WATER SERVICES PROJECTS			
Umzomhle (water and sewer line desing)	13,000,000	13,728,000	14,469,312
Melika (water and sewer line desing)	9,000,000	9,504,000	10,017,216
Parckage of plant	2,000,000	2,112,000	2,226,048
Upgrading of Tsojona Plant (Generator)	800,000	844,800	890,419
Installation and convection	500,000	528,000	556,512
Upgrading of Tsomo WTW(Sump)	500,000	528,000	556,512
Access road to pump station	4,000,000	4,224,000	4,452,096
Upgrading of Tsomo Plant pumps(sewer)	500,000	528,000	556,512
Tsakana(water and sewer line design)	2,500,000	2,640,000	2,782,560
WATER QUALITY MANAGEMENT			
Health Safety	50,000	52,800	55,651
Water Purification	150,000	158,400	166,954
Water Sampling,Testing and Treatment	750,000	792,000	834,768
CUSTOMER CARE MANAGEMENT			
Establishment of call center	800,000	844,800	890,419
Water campaigns and awareness (water week)	250,000	264,000	278,256
Water demand management	700,000	739,200	779,117
REFURBISHMENT OF WATER SCHEMES			

PERSONNEL/PROJECT/ PROGRAMME	BUDGET 2012/13	BUDGET 2013/14	BUDGET 2014/15
Drilling and Testing	6,800,000	7,180,800	7,568,563
CHDM ASSETS			
Building and Containers	300,000	316,800	333,907
Office Furniture and Equipment	200,000	211,200	222,605
Vehicle Plant And Machinery	300,000	316,800	333,907
Mayoral Car	0	0	0
TOTAL CAPITAL EXPENDITURE	92,486,711	97,712,151	101,192,081
TOTAL EXPENDITURE	223,633,612	236,203,278	247,161,729
REVENUE			
Business Licence	80,000	84,480	88,704
Cemetery	10,000	10,560	11,088
Equitable Share/Fund	88,676,000	92,256,000	96,868,800
FMG	1,500,000	1,500,000	1,575,000
Interest on Rates	100,000	105,600	110,880
Interest Received	300,000	316,800	332,640
Savings - Internal Sources	4,000,000	4,224,000	4,435,200
MIG	31,461,000	33,269,000	34,932,450
MSIG	800,000	844,800	887,040
Plan Approval Fees	20,000	21,120	22,176
Pound Fees	150,000	158,400	166,320
Pound Auction Charges	100,000	105,600	110,880
Rates Receipt	4,500,000	4,752,000	4,989,600
Rental	300,000	316,800	332,640
Receipt of Licences & Reg (Agency Fees)	1,200,000	1,267,200	1,330,560
Refuse Receipt	100,000	105,600	110,880
SARS	8,760,511	9,251,100	9,713,655
Sports field	7,000	7,392	7,762
Town Hall Hire Receipt	50,000	52,800	55,440
Traffic Fines	600,000	633,600	665,280
CHDM Subsidies /Grant	79,894,101	84,368,170	88,586,579
Connection fees Water and Sanitation	0	0	0
Septic Tank & Blokages	0	0	0
Sundry Income	1,000,000	1,056,000	1,108,800
VAT REFUND - SARS	0	0	0
Vending & Hawkers	25,000	26,400	27,720
Other Income	0	0	0
TOTAL	223,633,612	234,733,422	246,470,093
NET PROFIT(DEFICIT)	0	-1,469,856	-691,636

8.10 Financial Policies

8.10.1 Amendments to Budget Related Policies

The MFMA and the Budget and Reporting Regulations require budget related policies to be reviewed, and where applicable, be updated on an annual basis.

A review of the existing budget related policies indicated that significant changes are required at this stage. The following amended budget related policies are submitted herewith for final adoption:

- Rates Policy
- Supply Chain Management Policy
- Cash and Investment Policy
- Fleet Management Policy

8.10.2 New Policies proposed

- Borrowing Policy
- Funding and Reserves Policy
- Policy related to long term financial plan
- Policy relating to infrastructural investment and capital projects
- Budget Implementation Plan
- Policies related to Management of losses
- Policy on Pauper Burials
- Policy on Lease of Property
- Policy on Unauthorized/irregular and wasteful expenditure
- Policy on Contingent Liabilities
- Policy on Related Party Disclosures
- Policy on VAT
- Policy on GRAP Disclosures
- Policy on Journal Entries
- Policy on Capital Commitments

8.11 History of Audit Reports

- Qualification 2008/2009

- Disclaimer 2009/2010
- Disclaimer 2010/2011

IYLM has developed an action plan to address all the audit queries and has strengthened the internal audit unit for the better monitoring of the implementation of this plan.

Chapter 6: Approval

The Draft IDP 2012-2017 was tabled to Council for adoption on 29 March 2012 and thereafter, comments were invited from affected and interested parties via an advert in local papers.

Following receipt of comments from various interests groups and local communities via ward consultative engagements and Mayoral Imbizos, inputs were considered and drafted into the final document.

A separate sector departmental engagement was organised during this comments period in order to invite and discuss their comments on the draft in terms of their planned 2012/13 commitments in IYLM.

Thereafter, the drafting team produced this, the Final IDP 2012-2017 document which will be tabled to Council together with the Budget for adoption and implementation with effect from July 2012.

The final document will be reproduced and marketed to all relevant audiences to ensure continuous buy-in and support for the IDP 2012-2017 implementation.

Copies will also be forwarded to relevant authorities such as the MEC for Local Government and Traditional Affairs in the province, the District Municipality and other development agencies that will be lobbied to contribute to the development agenda of municipality.

DECLARATION OF ADOPTION

The final IDP document was adopted by the council on:

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SIGNATURES

.....

Z. Shasha

MUNICIPAL MANAGER

.....

K. Vimbayo

MAYOR

.....

DATE

.....

DATE

Annexure A: Strategy and Sector Plan Overview

The following provides an overview of plans and strategies currently in existence with IYLM and indicates the year in which they were adopted. Where plans and strategies are in existence, they were considered and informed the compilation of the IDP 2012-2017.

Table 1: Existing Strategies and Plans

Existing Strategies and Plans	
Title	Financial Year Adopted
Human Resource Strategy	2009/2010
Fire Response Plan	2008/2009
Fraud and Prevention Plan	2009/2010
HIV/AIDS Strategy	2009/2010
Tourism Strategy	2008/2009
LED Strategy	2007/2008
Small Towns Development Plan	2010/2011
Spatial Development Framework	2008/2009
Workplace Skills Plan	2008/2009
Employment Equity Plan	2008/2009
Audit Turnaround Plan	2011/2012 (March)
Waste Management Plan	2011/2012
Ward AIDS Council Plan	2011/2012

The table below gives an overview of those plans or strategies currently under development within IYLM or currently in existence with the District Municipality. Where a document is in progress, it could not be said to have an influence on the content of the document, whereas plans that were with CHDM were implicitly considered in the compilation of the IDP.

Table 2: Current Plans with CHDM or Reviews in Progress

Current Plans with CHDM or Reviews in Progress	
Title	Status
Housing Sector Plan	In progress
SDF Review	In progress
Waste Water Treatment Plan	CHDM
Sanitation Implementation Plan	CHDM
Water Services Development Plan	CHDM
Storm Water Management Plan	In progress
Environmental Management Plan	In Progress
Fire and Disaster Management Framework	CHDM

The table below provides an overview of all the potential strategies and plans currently under consideration by IYLM for the new term of Council. Of priority in this regard are the Comprehensive Infrastructure Plan and the Road Master Plan as these are crucial to effective and efficient service delivery within the municipal area. Review and consideration of the implications of plans and strategies on these issues is a useful point of departure for the municipality going forward.

Table 3: Additional Strategies and Plans for consideration in 2012-2017

Additional Strategies and Plans for consideration in 2012-2017	
Title	
Stakeholder Mobilisation Strategy	
Community Participation Strategy	
Complaints Management System	
Traditional Leadership Strategy	
Community Safety Plan	
Air Quality Management Plan	
Trade Effluent Policy	
Leachate Management Plan	

Additional Strategies and Plans for consideration in 2012-2017

Title

Integrated Transport Plan

Roads Master Plan

Migration Plan

Land Degradation and Revitalisation Plan

Land Asset Register

Comprehensive Infrastructure Plan
