



# 2012-2017

# FINAL IDP

**The Executive Mayor  
Chris Hani District Municipality  
15 Bells Road  
Queenstown  
5319  
[www.chrishanidm.gov.za](http://www.chrishanidm.gov.za)**

**Tel: 045 808 4600**

**Fax: 045 838 1556**

## **Table of Contents**

*FOREWORD & MESSAGE OF SUPPORT*

*THE EXECUTIVE SUMMARY*

*CHAPTER 1: THE PLANNING PROCESS*

*CHAPTER 2: THE SITUATIONAL ANALYSIS*

*2.1 ANALYSIS OVERVIEW*

*2.2 DEMOGRAPHIC OVERVIEW*

*2.3 ECONOMIC OVERVIEW*

*2.4 OVERVIEW OF KEY PERFORMANCE AREAS (KPA)*

*2.4.1 LOCAL ECONOMIC DEVELOPMENT*

*2.4.2 SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT*

*2.4.3 MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT*

*2.4.4 MUNICIPAL FINANCIAL VIABILITY and MANAGEMENT*

*2.4.5 GOOD GOVERNANCE AND PUBLIC PARTICIPATION*

*CHAPTER 3: OBJECTIVES, STRATEGIES AND PROJECTS*

*CHAPTER 4: SPATIAL DEVELOPMENT FRAMEWORK ANALYSIS*

*CHAPTER 5: SECTOR PLANS*

*CHAPTER 6: FINANCIAL PLAN*

*CHAPTER 7: PERFORMANCE MANAGEMENT SYSTEM*

*GLOSSARY*

*ANNEXURES*

*1. ORGANOGRAM*

**FOREWORD BY EXECUTIVE MAYOR OF CHDM**

**May 2011** Local Government Elections ushered in the new administration which had to take forth the mandate to plan for the communities with the communities.

With this in mind we have developed our five year Integrated Development Plan which seeks to help the municipality focus on the most important needs of the communities and strengthen democracy. The document contains key information identifying our priorities, vision, mission, strategic objectives, identification of projects that will address our challenges and available resources. It is our belief that the concerted efforts by all role players towards the realization of our developmental goal will assist us to move progressively towards the social and economic upliftment of our communities and provision of basic services to all our people.

We hosted a widely representative strategic session which, amongst others, unleashed our new vision, mission and values; and launched the Chris Hani DM Development agenda for the next five years. All these have found expression in our 2012-2017 IDP.

It is our wish that our communities and citizens of Chris Hani District Municipality take note of the contents of the IDP because it is through their active participation that a decision was made on the priorities, programs, affirming our commitment to democratic and transparent processes.

We concur with the view that the success of any plan depends on the implementation of its aspects. We believe that the calibre of our staff, supported by the communities and all role players, will guarantee the successful implementation of our IDP and the realization of the ideals of Chris Thembisile Hani who stood on the side of the poor, the marginalised and the oppressed and made it known that he fought for a better life for all.

We appreciate the contribution of all role players including the support from the Department of Local Government and Traditional Affairs which ensured that the document is within legal parameters.

**EXECUTIVE MAYOR**

**CLR MXOLISI KOYO**

**MESSAGE BY THE ACTING MUNICIPAL MANAGER**

As indicated by the Executive Mayor, Cllr Mxolisi Koyo, the release of this 3rd Generation IDP is indeed a milestone of note; the culmination of many months of consultation involving many, many, concerned residents of our district, directly and through their representative bodies.

It is a milestone because this release doesn't mean, in any way, that we have arrived at our destination and reached the end of the road.

While this document is informed by a series of macro-economic considerations at national and provincial levels, it also takes into consideration the state of district economic development as the core of our strategic focus.

I acknowledge the leadership provided by everyone who made it possible for us to reach this important stage, from our Political Leadership, who determined the vision to be accomplished during this term, to relevant employees of the Chris Hani District Municipality, who drove the process from within by providing all the necessary resources and logistics, as well as all of our contributing socio-economic partners.

A municipality is defined in the Municipal Structures Act as the structure, political office bearers and administration of the municipality. Our organisational mission manifests in the CHDM endeavours:

“To co-ordinate governance for quality service and better communities through socio-economic development, integrated development planning, sustainable and accountable utilization of resources”

This Integrated Development Plan is our key guiding document in our struggle to improve the economy of our district by creating an environment conducive for attracting investments, including Foreign Direct Investments, and allocating resources in identified areas in order to optimise economic growth and reduce poverty and unemployment levels.

Mindful of the rather dull economic environments in some of the key parts of the District, important sources of tourism and investments for our own economy we, in the Chris Hani District Municipality, remain determined to continue seeking new sources of investment and new avenues of intervention to help us minimise possible effects of negative trends elsewhere.

Importantly, we remain positive that the process that informed the development of this IDP is solid and that we can now be firmly on a road to implement the actions that have been documented in order to achieve our strategic objectives.

**ACTING MUNICIPAL MANAGER**

**MRS NOXOLO NQWAZI**

## **THE EXECUTIVE SUMMARY**

### **Background to this Document**

This document represents the Integrated Development Plan (IDP) as prepared by the Chris Hani District Municipality (CHDM) for a period of 5 years 2012-2017 financial years as 1<sup>st</sup> Draft was adopted on the 27<sup>th</sup> March 2012, and the final Adopted on the 30<sup>th</sup> May 2012. It is submitted and prepared in fulfilment of the Municipality's legal obligation in terms of Section 32 of the Local Government: Municipal Systems Act 32 of 2000. Comments from the MEC of Local Government had been taken into consideration and inputted.

In addition to the legal requirement for every Municipality to compile an Integrated Development Plan, the Municipal Systems Act 32 of 2000 also requires that:

- the IDP be implemented;
- the Municipality monitors and evaluates its performance with regards to the IDP's implementation;
- the IDP be reviewed annually to effect improvements.

Section 25 of the Municipal Systems Act deals with the adoption of the IDP and states that:

“Each municipal council must adopt a single, inclusive and strategic plan for the development of the municipality which –

- links, integrates and co-ordinates plans and takes into account proposals for the development of the municipality;
- aligns the resources and capacity of the municipality with the implementation of the plan;
- Forms the policy framework and general basis on which annual budget must be based.”

### **CHDM's Broad Strategic Objectives**

In an effort to realise the institutional vision, CHDM has developed 5 Broad Strategic Objective as aligned to the National KPA. These are a way of responding to key issues confronting the municipality and as said are aligned to the 5 National KPA's (5 year Local Government Strategic Agenda).

## **Report outline**

The report is structured as follows:

### **Chapter 1: The Planning Process**

This section of the IDP will outline the planning process with specific reference to the IDP process, and organisational arrangements. This chapter provides the reader with an understanding of the process followed by the Chris Hani District Municipality in compiling the Integrated Development Plan of 2012-2017 financial years which for the term of Council.

### **Chapter 2: The Situational Analysis**

This section will provide a detailed situational analysis of Chris Hani District Municipality.

### **Chapter 3: Objectives, Strategies and Projects**

This section will provide a concise summary of the municipal vision, mission and values, and a detailed breakdown of objectives, strategies and project programmes.

### **Chapter 4: Spatial Development Framework Analysis**

This section will provide a detailed analysis of the District Spatial Framework

### **Chapter 5: Sector Plans**

This section will provide a list of all CHDM sector plans and their status together with new ones.

### **Chapter 6: Financial Plan**

This section will provide the district municipality's financial strategies, the proposed budget for the 2012 and the following two outer years, as well as the 3 Year Financial Plan.

### **Chapter 7: Performance Management System**

This section will provide the legal context of the municipality's performance management system, an overview of the monitoring and evaluation process, a background to the CHDM Performance Management Framework as well as the Municipal Scorecard model adopted by the district municipality.

# **CHAPTER 1:**

## **THE PLANNING PROCESS**

### **The IDP Process**

Prior to the commencement of the IDP, CHDM prepared and adopted a District IDP Framework Plan that served as a guide to the overall process throughout the district, as well as the CHDM IDP/Budget Process Plan. The Council resolutions for the adoption of the District IDP Framework Plan and the IDP/Budget Process Plan as well as for 2012-2017 IDP are attached as Annexures respectively.

#### **□ District IDP Framework Plan**

A District Framework Plan was formulated and adopted by Council on 27 July 2011 to serve as a guide to all of the local municipalities within the CHDM area of jurisdiction, in the preparation of their respective Process Plans. In brief, the District Framework Plan outlines the time frames of scheduled events/activities, structures involved and their respective roles and responsibilities.

#### **□ CHDM IDP/Budget Process Plan**

The IDP/Budget Process Plan was also formulated and adopted by CHDM Council on 27 July 2011. The IDP/Budget Process Plan outlines in detail, the way in which the CHDM embarked on its IDP and Budget processes from its commencement in August 2011 to its completion in June 2012. In brief, the Process Plan outlines the time frames of scheduled events, structures involved and their respective roles and responsibilities.

On 27 July 2011, the Chris Hani District Municipality adopted a framework plan for the IDP throughout its area of jurisdiction, followed by a Process Plan. These plans were adopted in accordance with the relevant legal prescripts and have dictated the process to be followed for developing the IDP.

Organisational arrangements were put in place as per the Process Plan and all legislative prescripts were adhered to. Of particular note have been the effective and efficient operations of structures such as the Technical IGR Mangers Forum, District Mayors Forum (DIMAFO), IDP Representative Forum and the IDP Steering Committee. These have executed their mandates in terms of the adopted Process Plan and ensured the achievement of key milestones and deliverables.

During this 5 year IDP development, particular attention was paid to institutional issues, IDP-budget linkage, the new CHDMs Vision and Mission as well as new Values as crafted on our Strategic Planning Session and given blessings by our communities as these were presented on various platforms and communities given platform to comment and advise on these.. An analysis was conducted in respect of various sector plans attached to the CHDM's IDP and some were found to be still relevant and required minor update, others required a reviewal, whilst new ones were developed. Strict compliance with Regulation 3(5) has been ensured through an ongoing

process of consultation between the CHDM and all local municipalities through the operations of the said structures.

### **Organizational Arrangements**

❑ **CHDM IDP Structures:-** Structures guided the IDP Process within the CHDM:

- IDP/Budget/PMS Steering Committee
- IDP/PMS/Budget Representative Forum
- Technical IGR Managers' Forum
- District Mayors Forum (DIMAFO)

❑ **Roles and Responsibilities**

A number of role-players participated in the IDP Process. The role-players together with their respective roles and responsibilities are outlined in the table below.

PERSON/STRUCTURE	ROLES AND RESPONSIBILITIES
<b>Executive Mayor</b>	<ul style="list-style-type: none"> <li>▪ Manage the drafting of the IDP;</li> <li>▪ Assign responsibilities in this regard to the Municipal Manager;</li> <li>▪ Submit the draft Framework Plan and Process Plan to the Council for adoption;</li> <li>▪ Submit the draft IDP to the Council for adoption and approval;</li> </ul> <p>The responsibility for managing the drafting of the IDP was assigned to the Municipal Manager, assisted by the IDP Manager.</p>
<b>Municipal Manager / IDP Manager</b>	<p>The Municipal Manager had the following responsibilities, assigned to the IDP manager:</p> <ul style="list-style-type: none"> <li>▪ Preparation of Framework Plan;</li> <li>▪ Preparation of the Process Plan;</li> <li>▪ Day-to-day management and coordination of the IDP process in terms of time, resources and people, and ensuring:               <ul style="list-style-type: none"> <li>➢ The involvement of all relevant role-players, especially officials;</li> <li>➢ That the timeframes are being adhered to;</li> <li>➢ That the planning process is horizontally and vertically aligned and complies with national and provincial requirements;</li> <li>➢ That conditions for participation are provided;</li> <li>➢ That the outcomes are documented; and</li> <li>➢ Chairing the IDP Steering Committee;</li> </ul> </li> </ul>
<b>District Mayors Forum (DIMAFO)</b>	<p>The DIMAFO is the institutional structure to monitor alignment and integration of the IDP process between CHDM, its local municipalities, sector departments and parastatal bodies.</p> <p><b>Chairperson:</b></p> <p>The Executive Mayor of Chris Hani District Municipality</p>

	<p><b>Secretariat:</b></p> <p>The secretariat for this function is provided by the Mayors office</p> <p><b>Members:</b></p> <p>Chairpersons of the IDP Representative Forums from the:</p> <ul style="list-style-type: none"> <li>• Eight local Municipalities;</li> <li>• Chairpersons of the IDP Steering Committees, (Municipal, Strategic Manager/IDP Manger CHDM and LM’s IDP Managers) all eight Local Municipalities.</li> <li>• Representatives from sector departments and parastatals.</li> </ul> <p>The DIMAFO is responsible for co-ordinating roles regarding district municipality and local municipalities by:</p> <ul style="list-style-type: none"> <li>• Ensuring horizontal alignment of the IDPs of the local municipalities in the district area of jurisdiction;</li> <li>• Ensuring vertical alignment between district and local planning;</li> <li>• Facilitation of vertical alignment of IDPs with other spheres of government; and</li> <li>• Preparation of joint strategy workshops with local municipalities, provincial and national role-players.</li> </ul> <p>DIMAFO meetings are always preceded by IGR technical committee meetings</p>
<p><b>Technical IGR Forum</b></p>	<p>The Technical IGR Forum is the institutional structure to monitor alignment and integration of the IDP process between CHDM, its local municipalities, sector departments and parastatal bodies.</p> <p><b>Chairperson:</b></p> <p>The Municipal Manager of Chris Hani District Municipality</p> <p><b>Secretariat:</b></p> <p>The secretariat for this function is provided by the Municipal Managers office.</p> <p><b>Members:</b></p>

	<ul style="list-style-type: none"> <li>• Municipal Managers of local Municipalities;</li> <li>• Chairpersons of the IDP Steering Committees, (Municipal/IDP Managers) from the eight Local Municipalities.</li> <li>• District Managers within Chris Hani Region from sector departments and parastatals.</li> </ul> <p>The Technical IGR is responsible for co-ordinating roles regarding district municipality and local municipalities by:</p> <ul style="list-style-type: none"> <li>• Ensuring horizontal alignment of the IDPs of the local municipalities in the district area of jurisdiction;</li> <li>• Ensuring vertical alignment between district and local planning;</li> <li>• Facilitation of vertical alignment of IDPs with other spheres of government; and</li> <li>• Preparation of joint strategy workshops with local municipalities, provincial and national role-players.</li> </ul>
<p><b>IDP Steering Committee</b></p>	<p>The IDP Steering Committee comprised of a technical task team of dedicated officials who supported the Municipal Manager to ensure a smooth planning process. The Municipal Manager was responsible for the process but often delegated functions to the officials that formed part of the Steering Committee.</p> <p><b>Chairperson:</b></p> <p>Municipal Manager (or Strategic Manager)</p> <p><b>Secretariat:</b></p> <p>The secretariat for this function is provided by the Planning Unit</p> <p><b>Members:</b></p> <p>Heads of Departments (HODs)          CHDM Management at large          Project Managers          Internal audit          Communication</p> <p>The IDP Steering Committee is responsible for the following:</p> <ul style="list-style-type: none"> <li>▪ Commission research studies;</li> <li>▪ Consider and comment on:             <ul style="list-style-type: none"> <li>▪ Inputs from subcommittee(s),</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>▪ Inputs from provincial sector departments and support providers.</li> <li>▪ Process, summarise and draft outputs;</li> <li>▪ Make recommendations to the Representative Forum;</li> <li>▪ Prepare, facilitate and minute meetings</li> <li>▪ Prepare and submit reports to the IDP Representative Forum</li> </ul>
<b>IDP/PMS/Budget Representative Forum</b>	<p>District-wide participation took place through a number of related structures. The Rep Forum which was formed in the previous years was resuscitated. The Representative Forum comprised of CHDM Councillors and staff and its local municipalities, representatives from sector departments, parastatal bodies, NGOs, business fraternity, traditional leaders, and other interested organized bodies.</p> <p><b>Chairperson:</b> The Executive Mayor or a nominee</p> <p><b>Secretariat:</b> The secretariat for this function is provided by the Planning Unit and Mayors Office</p> <p><b>Membership:</b> Invitations were submitted to the same members as the previous year, including the representatives of the consultative fora.</p>
<b>Service Providers</b>	<p>Service providers were not utilised for this IDP, instead the IPED Planning Unit provided support for the following:</p> <ul style="list-style-type: none"> <li>▪ Methodological/technical support on the development of objectives, strategies, projects and programmes.</li> <li>▪ Budget alignment and other ad hoc support as required;</li> <li>▪ Coordination of planning workshops as required.</li> </ul>

In addition to the structures reflected in the table above, the following structures were also involved:

## 1.2 Schedule of Meetings

The outline of the public participation process with specific reference to meetings and workshop dates of the various role players are reflected in the table below.

<b>CHDM ACTION PLAN</b>	
<b>PARTICIPATION STRUCTURES &amp; MEETING DATES</b>	
IDP Support Meeting with EC-	29 July 2011
IDP Steering Committee (pre-planning and review implementation)	02 August 2011
IDP/PMS/Budget Representative Forum	
Technical IGR Meeting	06 September 2011
IDP Steering Committee on Situational Analysis	
DIMAFO	15 September 2011
IDP/PMS/Budget Representative Forum [district-wide development priorities]	29 September 2011
IDP Steering Committee Meeting Presenting Situational Analysis	06 October 2011
District Wide IDP Engagements	25 October 2011
Technical IGR	09 November 2011
IDP Steering Meeting	14 November 2011
DIMAFO	17 November 2011
IDP Rep Forum	22 November 2011
Special IDP Steering Meeting	12 January 2012
Strategic Planning session (mid-year term review and strategic goals)	05- 09 February 2012
IDP Steering Committee Workshop (refine objectives, strategies and draft projects)	21 February 2012
IDP Representative Forum (present draft objectives and strategies)	23 February 2012
Budget Session HOD's	
Technical IGR with Sector Depts Managers	01 March 2012
DIMAFO	02 March 2012
IDP Steering Meeting	
Council approval of the draft IDP & Budget	27 March 2012
IDP/ Budget road shows (public presentation hearings at LMs)	10-13 April 2012
IDP Steering Committee to incorporate inputs into the IDP Roadshows	15 May 2012
Technical IGR	15 May 2012
DIMAFO	22 May 2012
State of the District Address (present final IDP/Budget)	30 May 2012
Council Meeting (Final Adoption of IDP & Budget)	30 May 2012

### 1.3 **Community Involvement**

The outline of the Public Participation Process with specific reference to transparency and community involvement during the 2012- 2017 IDP development process.

Date	Venue - Municipality	Event	Participants
	INTSIKA YETHU	EXCO OUTREACH	EC EXCO
12 April 2012	Tsolwana	Roadshow	CHDM, LM, Sector Departments
12 April 2012	Emalahleni	Town Hall	CHDM, LM, Sector Departments
13 April 2012	Inkwanca	Masakhe Community Hall	CHDM, LM, Sector Departments
07 March 2012	Engcobo	CHDM Mayoral Committee Meeting with Communities and Relevant Stakeholders	CHDM, LM, Sector Departments
13 April 2012	Inxuba Yethemba	Town Hall	CHDM, LM, Sector Departments,
13 April 2012	Lukhanji		CHDM, LM, Sector Departments,
	Intsika Yethu Local Municipality	CHDM Mayoral Committee Meeting	CHDM, LM, Sector Departments,
13 April 2012	Sakhisizwe	Cala Pass Community Hall	CHDM, LM, Sector Departments,
	Local Municipality		CHDM &Sector Depts

### 1.4 **Relevant Documents**

The following documentation should be read with the IDP:

- Municipal Systems Act and relevant regulations
- IDP Guide Pack, with specific reference to Guide 3 and Guide 6
- District IDP Framework Plan
- CHDM IDP/Budget Process Plan
- CHDM IDP (2006 - 2011) and 2009/2010, Reviewed IDPs
- Various sector plans and programmes
- Category B IDP's (2007 - 2012) and 2009/2010, 2010/2011 Reviewed IDPs
- Performance Management Framework (2010)
- Provincial Growth and Development Plan (2004-2014)

### 1.5 **Alignment with National and Provincial Programs**

The following National programs informed the IDP Process:

- State of the Nation Address (SONA)
- Green Paper on National Planning Commission (revised).
- National Development Planning 2030
- State of Local Government in South Africa

- Municipal Demarcation Board Reports 2010/2011
- COGTA : Local Government Turnaround Strategy (LGTAS)
- COGTA : Operation Clean Audit 2014
- Powers & Functions :
  - Municipal Demarcation Board
  - Local Government MEC
- ANC Manifesto (2009, 2011)
- ANC January 8<sup>th</sup> Statement (2011)
- KingIII Report & Code on Good Governance for South Africa-2009

During the last IDP review process, CHDM has noted that 2011/12 has been declared a “Job Creation Year” through EPWP. CHDM acknowledged that though we work ‘Harder’, we don’t work ‘Smarter’. CHDM thus concur with the observations depicted in the LGTAS about municipalities in general.

The following table depicts how CHDMs 5 key performance areas are aligned with the national and provincial programs:

<b>Key Performance Areas</b>	<b>Manifesto 2009</b>	<b>10 National Priorities</b>	<b>8 Provincial Priorities</b>	<b>12 Outcomes</b>
Good Governance and Public Participation	5. Fight against crime and corruption	Intensifying the fight against crime and corruption	Intensify the fight against crime and corruption	7. Vibrant, equitable, sustainable rural communities contributing towards food security for all
		Build cohesive, caring and sustainable communities	Building cohesive and sustainable communities	9. Responsive, accountable, effective and efficient Local Government system
		Pursuing African advancement and enhanced international co-operation		12. An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship
		Building a developmental state including improvement of public services and strengthening democratic institutions		11. Create a better South Africa, better Africa and a better world
Municipal Financial Viability and Management	5. Fight against crime and corruption	Intensifying the fight against crime and corruption	Intensify the fight against crime and corruption	9. Responsive, accountable, effective and efficient Local Government system
Municipal Transformation and Institutional Development	5. Fight against crime and corruption	Strengthen skills and human resource base	Strengthen education, skills and human resource base	1. Quality basic education
	2. Education	Pursuing African advancement and enhanced international co-operation		5. Skilled and capable workforce to support an inclusive growth path
		Building a developmental state including improvement of public services and strengthening democratic institutions		3. All people in SA are and feel safe
Basic Service Delivery and Infrastructure Investment	3. Health	Improve health profile of the nation	Improve the health profile of the province	6. An efficient, competitive and responsive economic infrastructure network
		Comprehensive rural development strategy linked to land and agrarian reform & food security	Rural development, land and agrarian transformation, and food security	2. A long and healthy life for all South Africans
		Massive programme to build economic and social infrastructure	Massive programme to build social and economic and infrastructure	8. Sustainable human settlements and improved quality of household life

		Sustainable resource management and use	Building a developmental state	10. Protect and enhance our environmental assets and natural resources
Local Economic Development	1. Creation of decent work and sustainable livelihoods	Speeding up economic growth & transforming economy to create decent work and sustainable livelihoods	Speeding up growth & transforming the economy to create decent work and sustainable livelihoods	4. Decent employment through inclusive economic growth
	4. Rural development, food security and land reform	Comprehensive rural development strategy linked to land and agrarian reform & food security	Rural development, land and agrarian transformation, and food security	6. An efficient, competitive and responsive economic infrastructure network
			Massive programme to build social and economic and infrastructure	7. Vibrant, equitable, sustainable rural communities contributing towards food security for all
			Building cohesive and sustainable communities	8. Sustainable human settlements and improved quality of household life
			Building a developmental state	10. Protect and enhance our environmental assets and natural resources

---

# **CHAPTER 2**

---

This chapter provides a detailed summary of the Chris Hani District Municipality Situational Analysis.

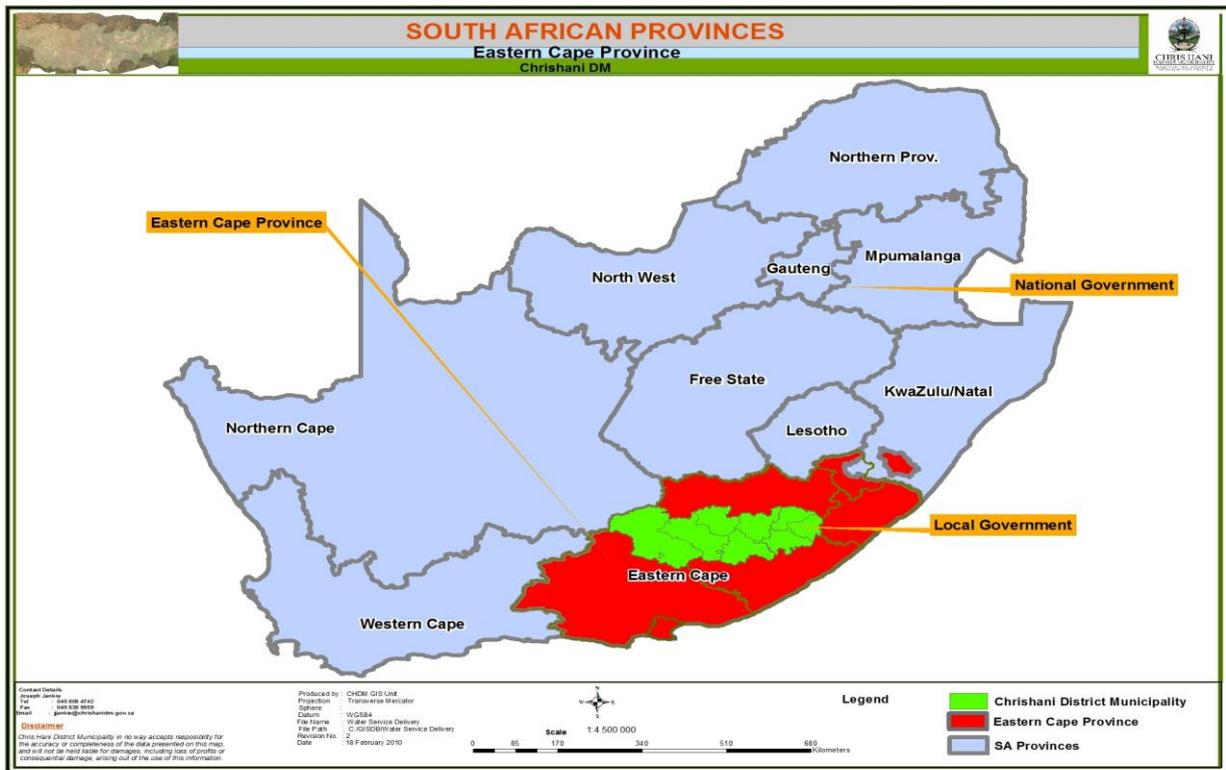
## **2.1 ANALYSIS OVERVIEW**

### **2.1.1 Introduction**

Chris Hani District Municipality is located within the centre of the Province of the Eastern Cape surrounded by the district municipalities of Amatole, Cacadu, Joe Gqabi and OR Tambo. It is made up of the following eight local municipalities: Emalahleni, Engcobo, Inkwanca, Intsika Yethu, Inxuba Yethemba, Lukhanji, Sakhisizwe and Tsolwana.

- Lukhanji local municipality, comprising of Queenstown which is a main town and small town of Whittlesea and numerous peri-urban and rural settlements. This is the home to the District administrative centre.
- Sakhisizwe local municipality, comprising of Cala and Elliot and numerous peri-urban and rural settlements.
- Emalahleni local municipality, comprising of Lady Frere, Dodrecht and Indwe and numerous peri-urban and rural settlements.
- Intsika Yethu local municipality, comprising of Cofimvaba, Tsomo and numerous peri-urban and rural settlements.
- Tsolwana local municipality, comprising of Tarkastad and Hofmeyer and surround rural settlements.
- Inkwanca local municipality, comprising of Molteno and Sterkstroom and surrounding peri-urban and rural settlements.
- Inxuba Yethemba local municipality, comprising of Cradock, Middleburg and numerous peri-urban and rural settlements.
- Engcobo local municipality, comprising of Ngcobo and numerous peri-urban and rural settlements.

Chris Hani District Municipality covers an area of 36 558 km<sup>2</sup>, a change from its previous size of 36, 561 square kilometres in extent due to the changes in demarcation.. Inxuba Yethemba is the largest single municipality (32%) in the district, followed by Tsolwana (16%); Sakhisizwe and Engcobo are the smallest in terms of size (6% each).



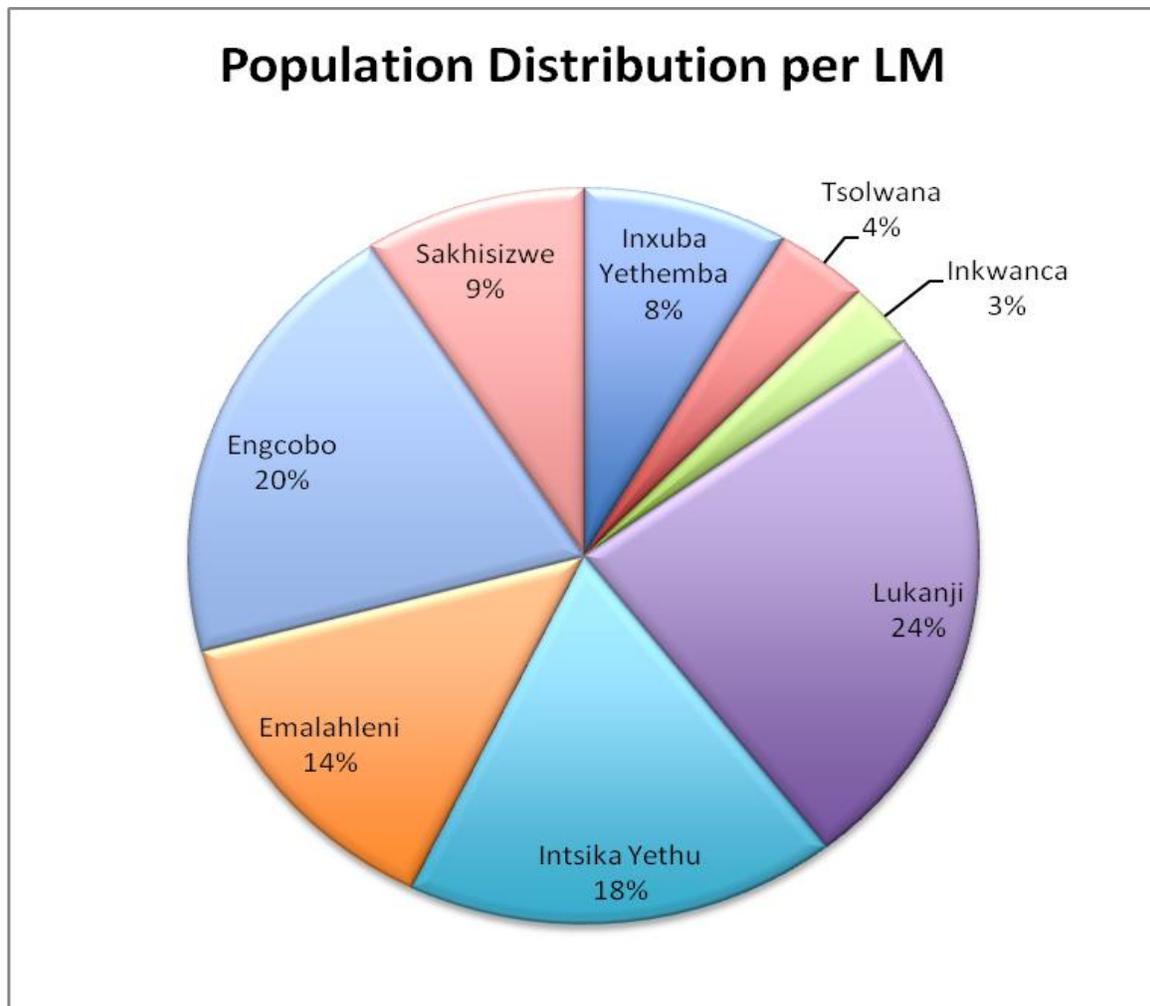
## 2.2 DEMOGRAPHIC OVERVIEW

### 2.2.1 Population

Estimates from the 2001 Census and the 2007 Community Survey indicate that the South African population increased from approximately 44.8 million in 2001 to 48.5 million in 2007. This represented a total increase of 3.7 million. Over the same period, the Eastern Cape population is estimated to have increased by 200 thousand from 6, 3 million to 6, 5 million. However the provincial share of the national population has shrunk from 14 percent in 2001 to 13.5 per cent in 2007. This makes the Eastern Cape to be the third most populous province in the country after Gauteng (21.5 percent) and KwaZulu-Natal (21.2 percent)

According to Statistics South Africa (Community Survey of 2007) the population of CHDM show a decrease in population from 809 581 in 2001 to 798 597 in 2007. Global Insight statistics/update of 2011 which is unofficial shows that the total population for Chris Hani is 809 459 which does not differ much with Community Survey that was conducted in 2007 which reflect 798 597 and as well as with National Stats that was in 2001 which reflect 809 581.

The graph below depicts/shows the population per local municipality in percentages.

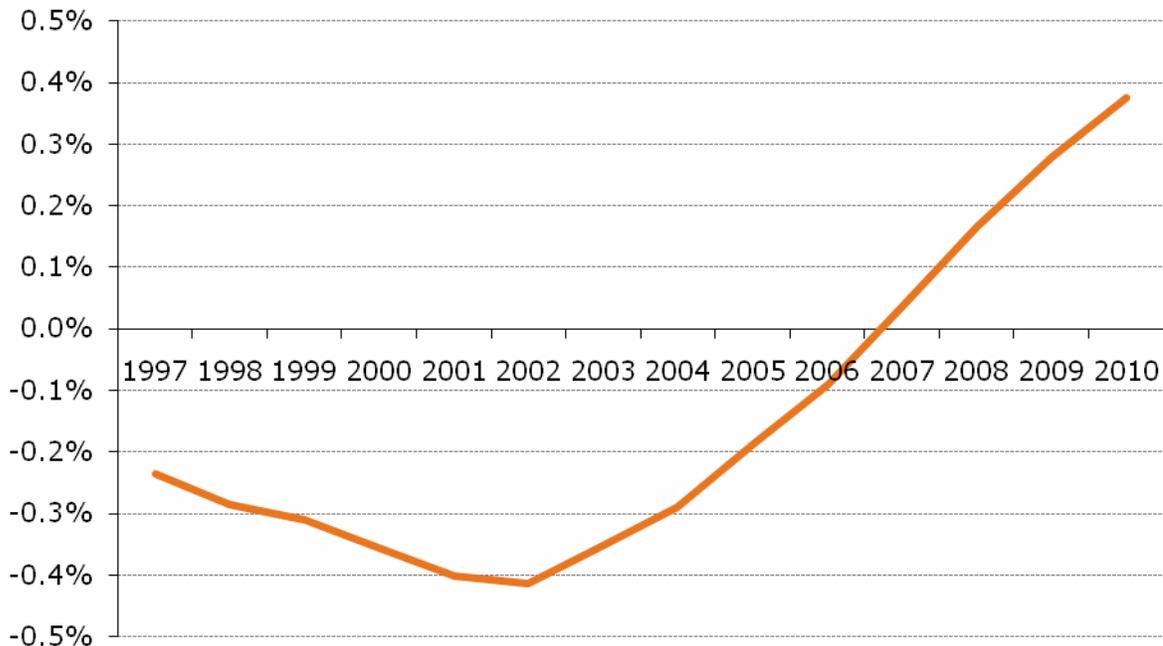


The above pie chart depict that the largest population in the district utilising the data resides in Lukhanji municipality with a total population of **197 767** and with a percentage of 24% of the CHDM total population.

One may interpret this number of population to migration and to people coming closer to employment opportunities and to job seekers. The new demarcation boundaries have led to a population shift, with Engcobo LM gaining resulting in it having the second highest population of **162 568 (20% of DM population) while** Intsika Yethu, decreasing in numbers having a total population of **143 329** (18% of DM population).. Emalahleni’s has a total population of **110 436** and a percentage of 14% from the district total percentage. Sakhisizwe has a total number of **73 493** and a percentage of 9% from the district percentage. Inxuba Yethemba is population is at 68 144 with a percentage of 8% from the district total percentage. Tsolwana at 30 842 and a percentage of 4% and Inkwanca at **22 911** with a percentage of 3%.

Referring to the graph below, the average population growth rate calculated using Global insight figures from 1996 to 2010 is -0.14%. This means that our population is experiencing on average a negative population growth, this is due to negative that was occurring in the period of 1996-2006 there has been positive growth improve2ment from 2007 to present meaning there is are more people deciding to reside within our area. There are several factors which contribute to this but the most important are increase in education level and urbanisation. The impact of this on planning is that we will have an increase in the number of households that are smaller in size.

### Population Growth: Total EC - DC13 Chris Hani District Municipality

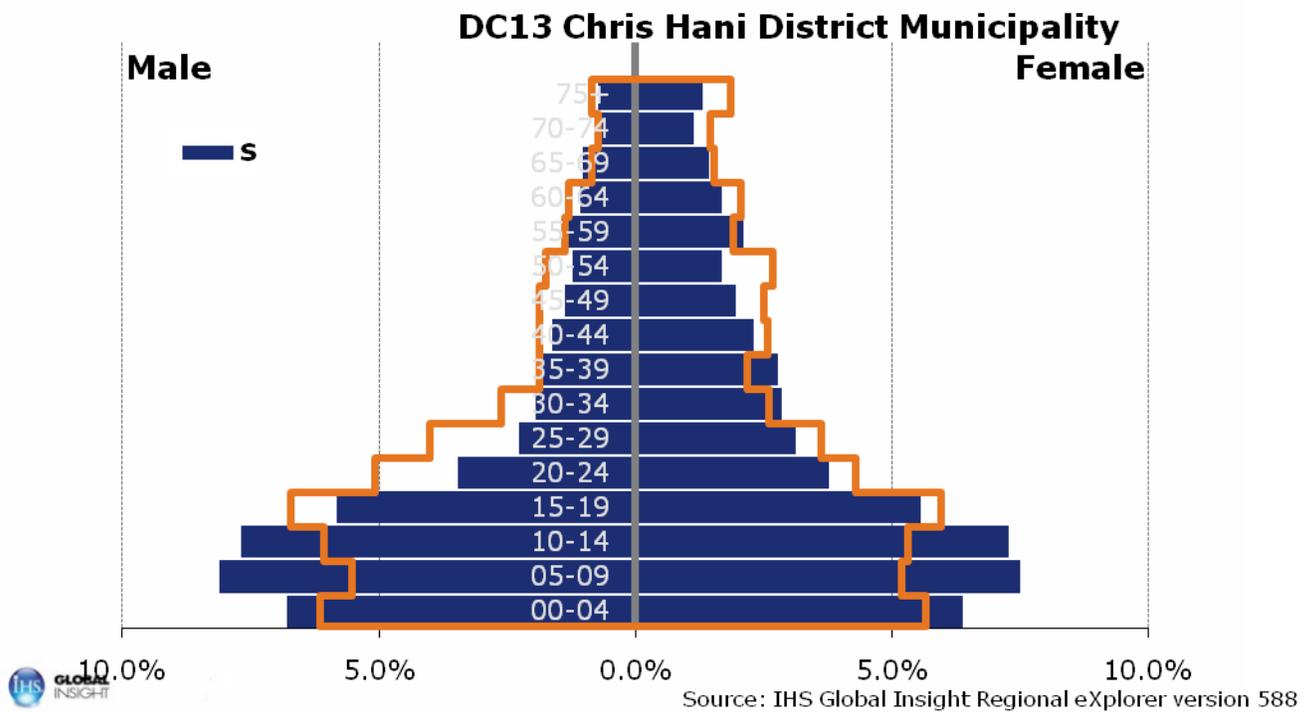


Source: IHS Global Insight Regional eXplorer version 574

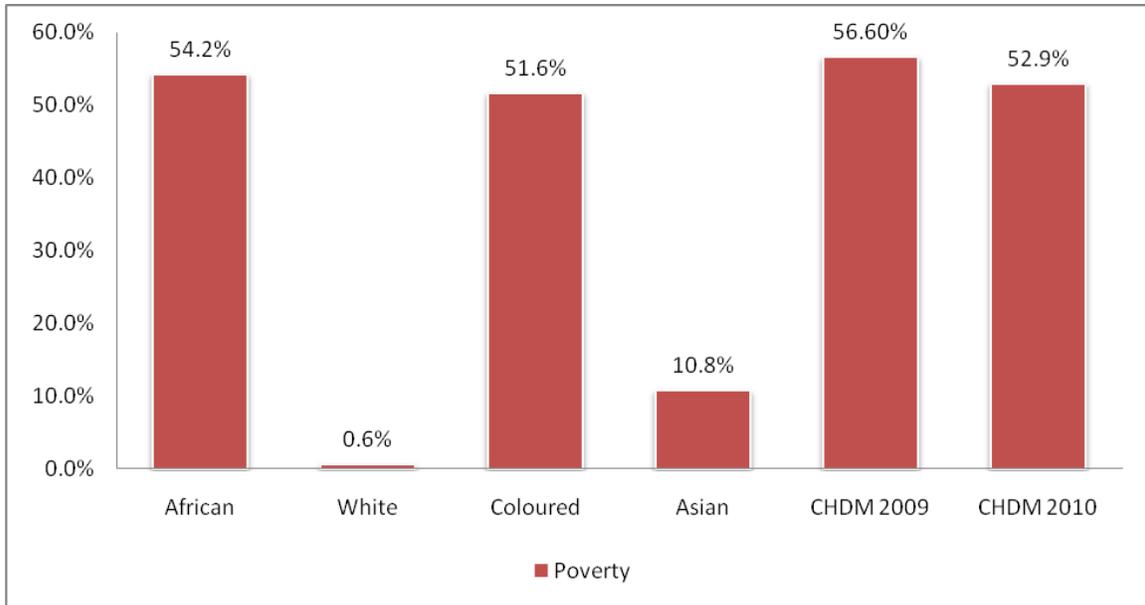
The decrease in annual population growth rate is in line with the situation at national level which shows a significant decline in the Asian, white and black population. However the increase in the Coloured population growth rate is not mirrored on a national scale.

The population pyramid below shows the 1996 population in orange versus the 2010 population in blue. It shows a significant decline in male and female aged 15 – 19 and a decline in males 15 – 34. One of the factors for this could be due to out migration for employment and schooling. The decrease in females between the ages of 40 to 54 is worrying as this is the stage when women are still looking after their teenage children.

### Population structure, Total, 1996 vs. 2010

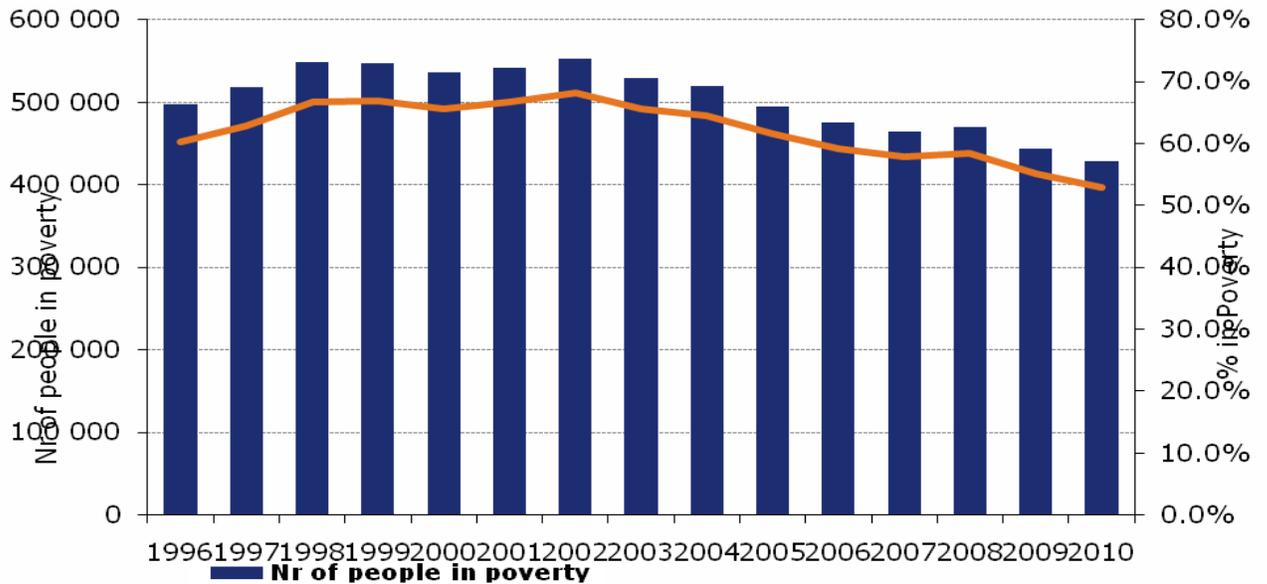


The majority of the population are young people of the ages 0 to 24 (55.9%). These are largely children who are of school going ages and therefore, it is necessary for the district to lobby for improved access to schooling infrastructure and resources in their engagement with the Department of Education.



Looking at Percentage of People in Poverty within the district the Bar Graph shows that the Total people living in Poverty in percentages within the district is standing at 52,9%, a decrease from the previous year's 56,6%. This shows that the CHDM with sector departments is making inroads in the fight against poverty. The African segment of the DM population is the most affected by poverty, with 54,2% living in poverty, followed by the coloured population at 51,6%, Asians at 10,8 and whites at 0,6%.

### Poverty Overview Chris Hani District Municipality



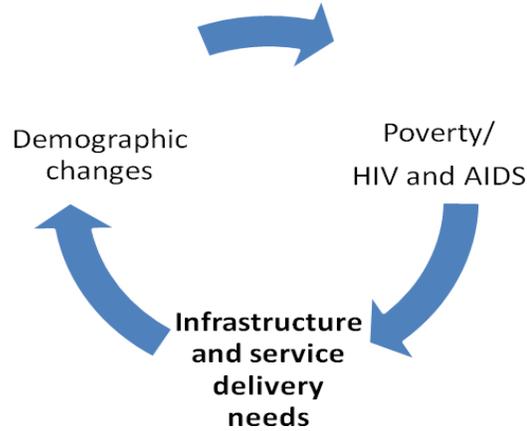
Source: IHS Global Insight Regional eXplorer version 588

The graph above depicts the scinerio of poverty within the area/district as from 1996 up until 2010 and had shown that there is a notable decline on poverty as it currently stands at 52,9%.

The district continues to take up the challenge to fight poverty within its given powers and functions, to ensure a better life for its communities.

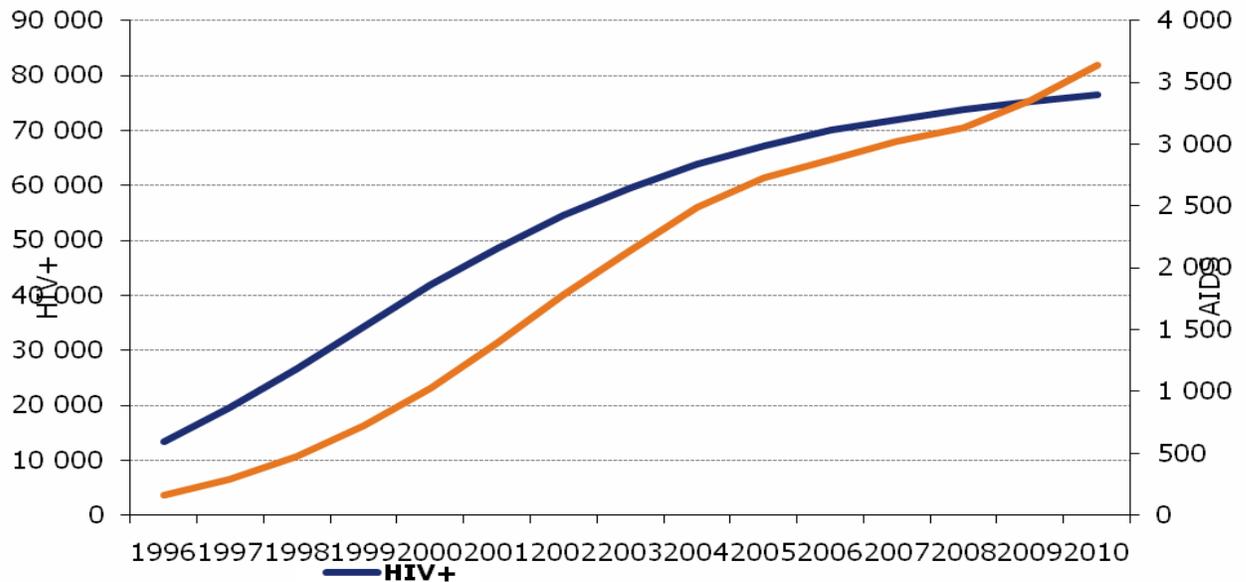
The impact of HIV and AIDS within the District

HIV and AIDS affect local economic development as well as health and all other infrastructure and service delivery. HIV and AIDS affects all community members through illness and death associated with the disease. Key community members become ill or spend time in caring for others resulting in the household composition changes with women, youth and elderly assuming even greater burdens. The District may also provide infrastructure that will be redundant in the future as the demand decreases because of the impact of HIV and AIDS. Therefore, if the impact of HIV and AIDS is not addressed in all municipal programmes and services, its effects on the population will result in further poverty which may lead again in an increase of infected and affected people. The circle below clearly demonstrates the linkages between the demographic structure of the population (age and gender), poverty and infrastructural needs and service delivery mechanisms.



Recent studies undertaken in the District Municipality show that HIV and AIDS infection rates have declined as it can be seen from the graph below, and the anticipated mortality rates are not as high as was anticipated in the previous years.

### HIV+/AIDS profile DC13 Chris Hani District Municipality



Source: IHS Global Insight Regional eXplorer version 588

Global Insight 2011

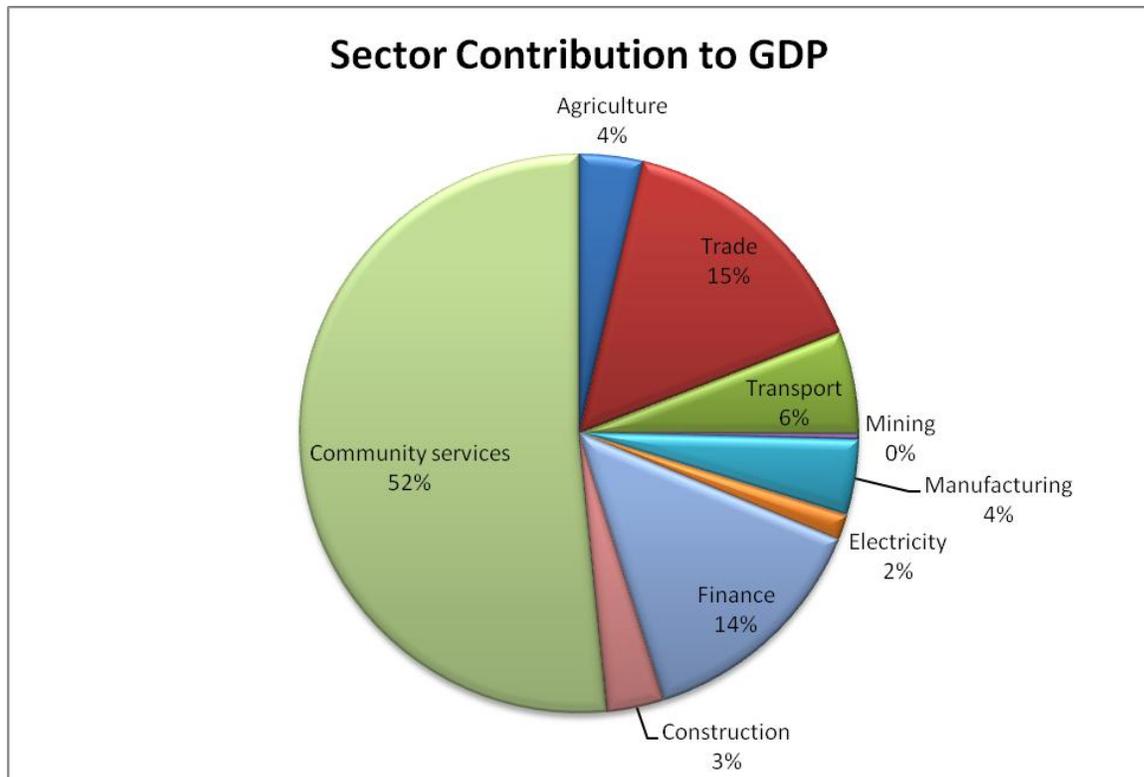
The graph starts to show that the HIV/ AIDS initiatives are being driven throughout the district are starting to slowly turn the tide against the HIV/ AIDS pandemic. The graph shows the decrease in HIV infection rate, and during the same period the rate of people acquiring AIDS has increased.

The decrease in infection rate is due to many factors but the most important of these is increased access to health facilities, increase in education and lastly an increase in nutrition. The food parcels and gardens planted by many departments in various programmes have ensured that people have more access to proper nutrition. In addition people have greater knowledge of safe reproductive practices and thereby STI's are greatly reduced.

The factors that contribute to the increase in the number of people having AIDS may relate to poor nutrition, poor accesses to or education on ARV, people developing unhealthy behavior as a result of knowing their positive status. This means that greater focus has to placed on educating and providing support to people after they have been infected / affected by HIV.

## 2.3 ECONOMIC OVERVIEW

The Chris Hani District economy is heavily reliant on Community Services. In other words in Chris Hani district area without the employment opportunities offered by Government, the economy would be in decline.



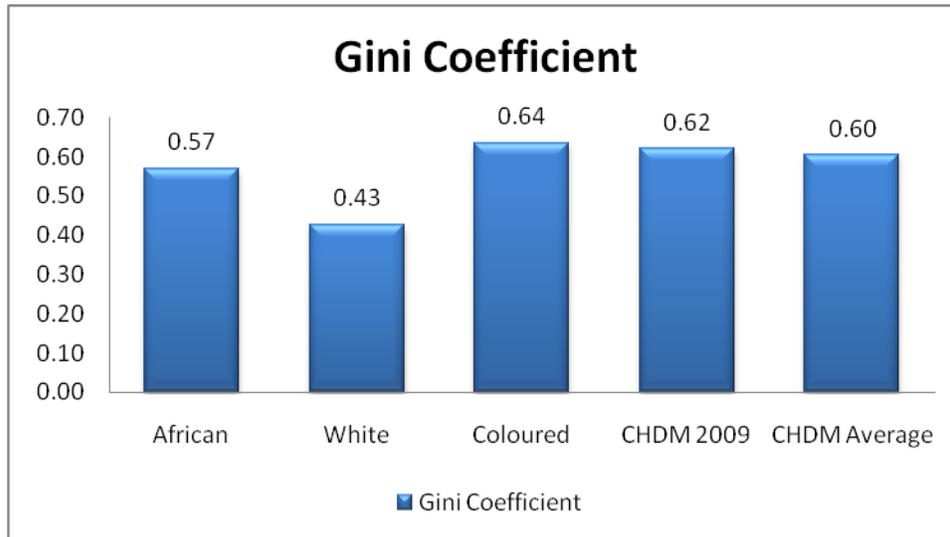
The CHDM has placed itself as an rural area characterized by agricultural activities, but the biggest contributors to the economy are the government (community services 52%) and other service sectors (Trade 15%, Finance 14%), these are support sectors to the main economic activities of an area. Due to the underdeveloped nature of our main economic activity, agriculture, the government has become the key economic driver in the area.

This means that the CHDM needs to facilitate the development of the entrepreneur driven sectors; such as agriculture, construction and manufacturing as they have the greatest employment potential for the people of the area. That is why the CHDM has placed emphasis on the Local Economic Development, especially SMME development and support to help develop future entrepreneurs.

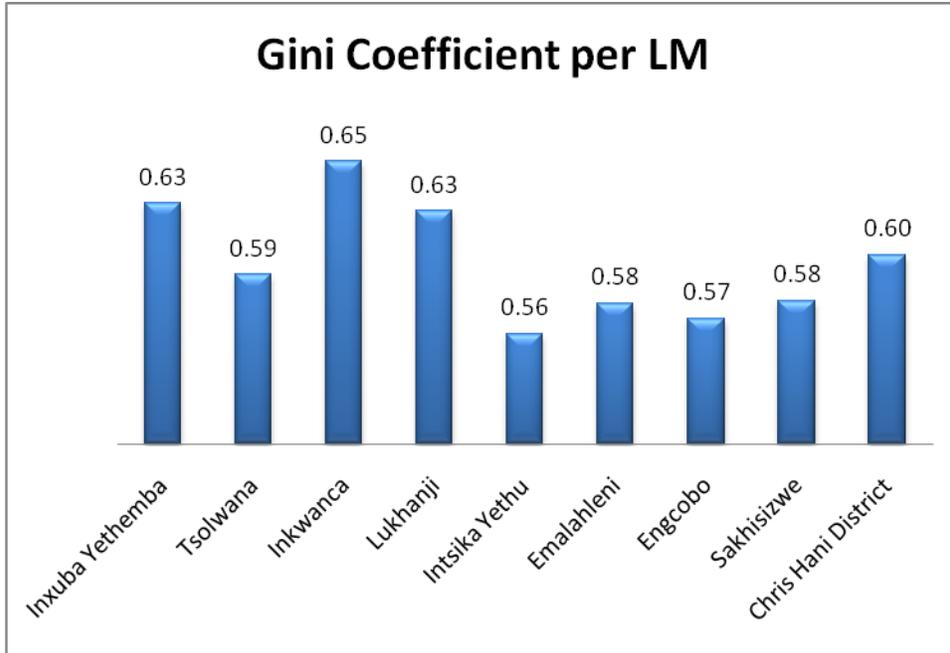
### 2.3.1 Gini Coefficient Development

The Gini coefficient is a summary statistic of Income Inequality, which varies from 0 (in the case of perfect equality where all households earn equal income) to 1 (in the case where one household earns all the income and other households earn nothing). In practice the coefficient is likely to vary from approximately 0, 25 to 0, 70. The graph for Chris Hani indicates that inequality is there between Africans, Whites and Coloureds within the district. Inequality is more pronounced in the black community.

The total Gini Coefficient for the CHDM stands at 0,60 for 2010 indicating that inequality is existing within the district. The graph below shows that Africans are at 0, 57 and Coloureds at 0, 64 and whites are at 0, 43. The graph also illustrates that there has been a year-to-year improvement in the gini coefficient within the municipality, showing that there are strides being made in trying to address the present inequalities. It is clear though that a lot still needs to be done towards addressing these inequalities.

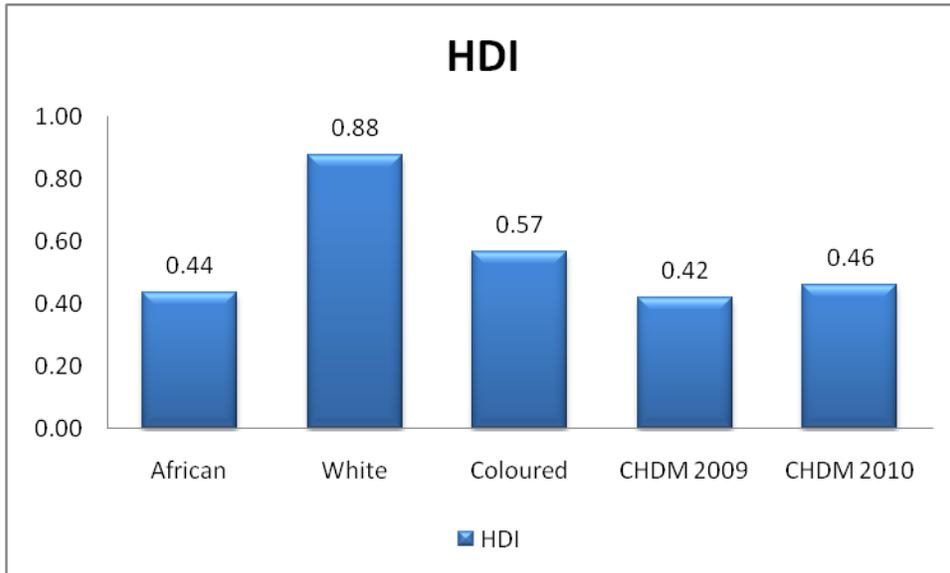


To further highlight the above as the CHDM is made up of eight (08) local municipalities the graph below show the picture per local municipality and reflects that municipalities varies.



### 2.3.2 Human Development Index

The Human Development Index (HDI) is an indicator which measures development. It measures life expectancy, literacy and income of a particular district. It is measured on a scale of 0 to 1 and an HD should preferably be above **0.50** to represent an acceptable level of development.



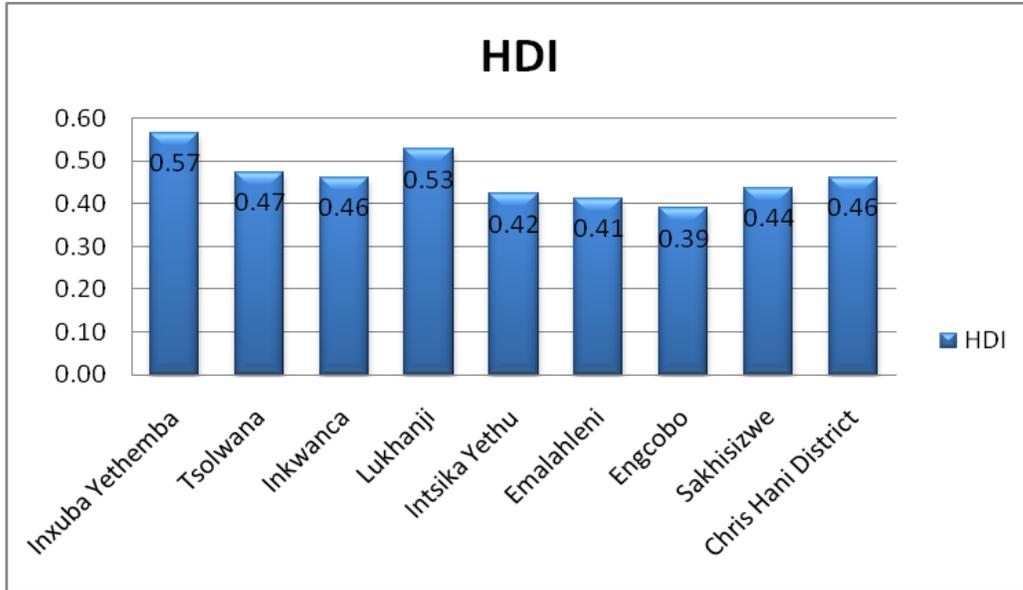
The above graph indicates that the HDI of the district is standing at 0, 46 and with whites within the district at 0,88 and Coloureds at 0, 57 and least being Africans at 0, 44.

This means from a development point of view the Human Development Index within the district is just not acceptable as it is below 0,50 which is an accepted figure, there is year-on-year improvement as the graph shows a 0,04 positive change.

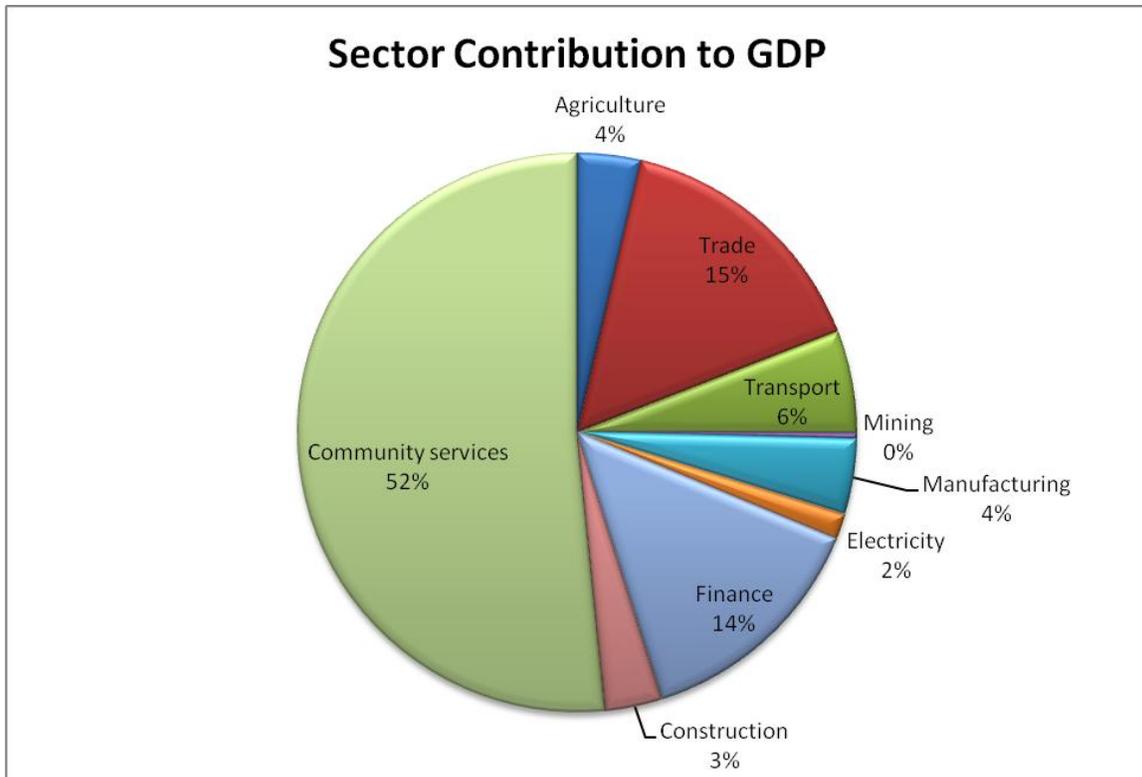
**These may be caused by many factors that include the following:**

- The region is challenged with a higher demand for Basic services as well as housing/Infrastructure etc.
- The area is largely Rural which negatively influences the health as to some services are sparsely dispersed within the district.
- Services such as Education, Reproductive Health, Youth development and development projects to address poverty remain a challenge for local government and government departments.
- The District Municipality has former Homelands areas where limited or no development has taken place over a number of years. This has translated in Chris Hani District experiencing high levels of poverty across the District.
- The public sector dominates the region's economy, which indicates the challenge of a limited production base in the area, and limited private investment growth into the CHDM economy.  
Economic situation in terms of lack of income and unemployment of the population is increasing.

The graph below indicates that the life expectancy, literacy and development within the local municipalities that are in the district are below 0,50 and are therefore not accepted with the exception of Inxuba Yethemba and Lukhanji LM. Tsolwana is at 0,47; Inkwanca at 0,46; Intsika Yethu at 0,42; Emalahleni at 0,41; Engcobo at 0,39; Sakhisizwe at 0,44, with Inxuba Yethemba at 0,57 and Lukhanji at 0,53 which is at an acceptable norm. These local municipalities make an average of 0,46 for the district.



### 2.3.3 Employment

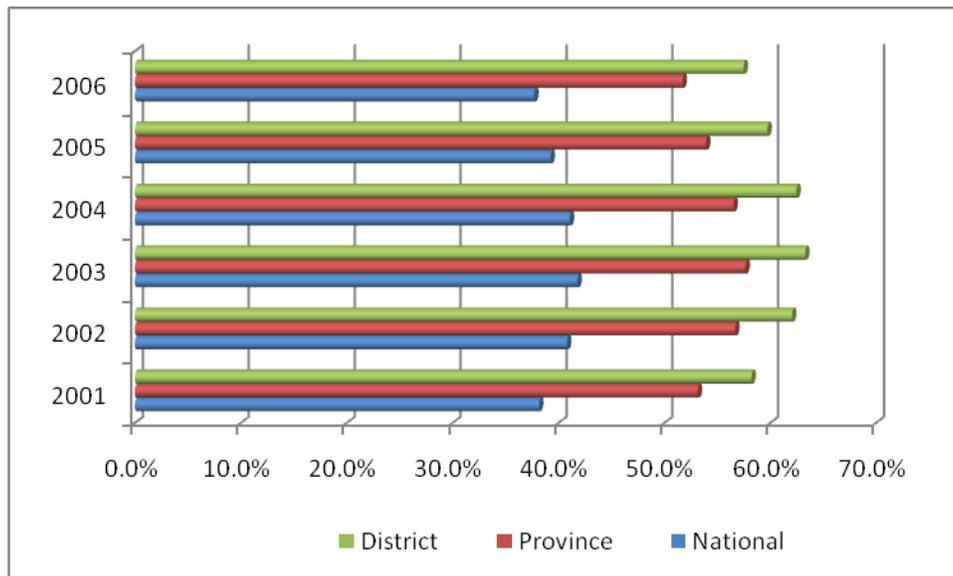


The majority of persons in CHDM are employed in the Community Services (52%) as previously stated with Community services as biggest employer followed by Trade (15%). It is interesting to note the percentage of persons employed in households, this can be both as domestic and self employed.

The high percentage employed in agriculture, Finance and trade shows that the economy is still relatively underdeveloped. A more developed economy should show higher percentages employed in the manufacturing, electricity, finance and construction industries. The reason for the high employment in trade and agriculture could be due to the fact that these industries are reliant on unskilled labour of which the large majority of the labour force is unskilled.

Unemployment is a major challenge in our economy. It is estimated to be about 57% and currently higher than that of the country at 37% and that of the EC Province at 51%.

The figure below shows a comparative perspective of our unemployment challenge. The figure below compares the CHDM rate of unemployment with that of the EC province and country based on Global Insight statistics which uses the expanded definition.



Due to high rates of unemployment there is generally high dependence on grants and remittance (monies sent home by sons and daughters working in urban centres) as the main sources of household incomes in especially the poor areas in our district. In general most people get their money from social grants especially in Emalahleni. Many especially in municipalities like Tsolwana and Engcobo depend on remittances whilst close to half in Inxuba Yethemba and Sakhisizwe get their income from wages (FIVIMS Report).

In the above figure, it is also shown that while the unemployment rate went even higher than 60% at the beginning of 2002, our various interventions (EPWP, Agric scheme revitalization and others) have started to show some results as the trends reflect a declining rate since about 2005.

**2.3.4 Poverty Alleviation and Food security**

The CHDM has a very high malnutrition and hunger index. It has the second highest level of chronic malnutrition amongst the ISRDP nodes. The municipalities of Engcobo, Sakhisizwe and Intsika Yethu are the worst affected according to FIVIMS Report as shown in the table below.

Municipality	Chronic Malnutrition	Underweight Children	Acute Malnutrition
Inxuba Yethemba	1.09	0.69	0.0
Inkwanca	1.16	0.68	0.04
Lukhanji	1.20	0.77	0.06
Emalaheni	1.24	0.78	0.08
Intsika Yethu	1.30	0.88	0.11
Sakhisizwe	1.29	0.81	0.10
Engcobo	1.36	0.96	0.14
Tsolwana	1.16	0.72	0.04

*Source FIVIMS*

In addition CHDM has the second highest concentration of people going hungry. Intsika Yethu is the worst affected municipality. In fact Intsika Yethu is one of the identified 11 poorest municipalities in the Eastern Cape.

<b>Municipality</b>	<b>H/holds experiencing chronic hunger</b>
Engcobo	11357
Inkwanca	603
Intsika Yethu	25043
Inxuba Yethemba	1869
Lukhanji	7135
Sakhisizwe	5969
Tsolwana	848

*Source FIVIMS*

With acute concentration of hunger poor households are forced to spend the greatest percentage of their income on food. People in five out of eight municipalities spend more than half of their income on food. This happens even in municipalities with high cultivation rates which suggesting that farming is not a major source of food. The relatively high spending on housing and transport suggests that food costs are high due to the distance from the markets (FIVIMS Report). However a recent study undertaken by the Department of social development suggests that these figures might be inflated due to a poor understanding of how the rural economy operates.

The study indicates that in the ISRDP nodes of which the DM is one there has been a decrease in the inability of households to feed children due to the child support grant. However not enough people are taking advantage of the grant and instead rely more on the old age pension grant.

## **2.4 OVERVIEW OF KEY PERFORMANCE AREAS (KPA)**

### **2.4.1 LOCAL ECONOMIC DEVELOPMENT**

#### **2.4.1.1 Introduction**

The White Paper on Local Government<sup>1</sup> (1998) introduces the concept of “developmental local government” which is defined as: “Local government committed to working with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs, and improve the quality of their lives.” However the same document makes it clear that:

*“Local Government is not directly responsible for creating jobs. Rather, it is responsible for taking active steps to ensure that the overall economic and social conditions of the locality are conducive to the creation of employment opportunities.”*

“LED is the process by which public, business and NGO sector partners work collectively to create better conditions for economic growth and employment generation. The aim is to improve the quality of life for all.”  
World Bank Definition

Thus, local economic development is about creating a platform and environment to engage stakeholders in implementing strategies and programmes. The White Paper goes on to state that:

- *“The powers and functions of local government should be exercised in a way that has a maximum impact on the social development of communities – in particular meeting the basic needs of the poor – and on the growth of the local economy.”*

The **National Framework for LED** then sets out a clear framework and specific objectives to guide Local Economic Development.

#### **a. Economic Development Principles**

There are various different approaches to local economic development

*The position taken by the Chris Hani Regional Economic Development Strategy is that the government, unless it expands the public service, does not create jobs and that government’s primary responsibility is to:-*

- ✓ *Improve the socio-economic support to prepare people to take up economic opportunities;*
- ✓ *continuously improve the enabling environment by minimising red tape and the transaction cost of doing business, and*
- ✓ *Create an enabling environment for new investment as well as the retention and expansion of existing business.*

#### **b. Drivers of economic growth in our province**

Our economic development planning is informed partly by the NSDP (National Spatial Development Perspective) which advocates the following expenditure principles:

- Focus economic growth and employment creation in areas where this is most effective and sustainable as economic growth is a prerequisite for the achievement of other policy objectives, key among which would be poverty alleviation.

- Foster development on the basis of local potential by ensuring that government spending on fixed investment, beyond the constitutional obligation to provide basic services to all citizens (such as water, electricity as well as health and educational facilities) is focused on localities of economic growth and/or economic potential in order to attract private-sector investment, stimulate sustainable economic activities and/or create long-term employment opportunities.
- Address past and current social inequalities by focusing on people not places so that in localities where there are high levels of poverty and development potential capital investment expands beyond basic service provision to exploit the potential. In localities with low development potential, government spending, beyond basic services, should focus on providing social transfers, human resource development and labour market intelligence to enable people to become more mobile and migrate, if they choose to, to localities that are more likely to provide sustainable employment or other economic opportunities.
- Overcome the spatial distortions of apartheid by channeling future settlement and economic development opportunities into activity corridors and nodes that are adjacent to or link the main growth centres to create regional gateways to the global economy.

The NSDP categorization gives Chris Hani District Municipality low to medium resource potential, low human need and low economic activity thereby implying that the District should focus on the provision of basic infrastructure but increase expenditure on social infrastructure and particularly on human resource development.

The Provincial Growth and Development Plan (PGDP) advocates the “Systematic eradication of poverty through a holistic, integrated and multi-dimensional approach to

- Pro-poor programming.
- Agrarian transformation and strengthening of household food security.
- Consolidation, development and diversification of the manufacturing base and tourism potential”.

These objectives are realised through the support of the three foundation objectives of infrastructure development, human resource development and public sector and institutional transformation. The PGDP goes further to highlight areas of potential developmental activity in the Eastern Cape Provincial Spatial Development Plan (PSDP) which in the Chris Hani District Municipality are the:

- Friendly N6 and Maluti routes
- Conservation of Forests in Engcobo Local Municipality
- Potential for Coal Mining at Indwe, Emalahleni Local Municipality
- Industrial potential of Queenstown
- Karoo heartland i.e. Cradock and Middelburg
- Potential for Agriculture

The Province has since identified the following High Impact Priority Projects (HIPPs).

Economic growth and Infrastructure cluster.

- Infrastructure development
- Umzimvubu Catchment Basin
- Agricultural beneficiation & forestry

Social Needs Cluster.

- Scaling-up Prevention and Treatment of HIV/AIDS
- Community Mobilisation Against Crime

Governance and administration Cluster

- Strategic skills Project (NSF)
- Financial Viability for local government
- Planning , monitoring and evaluation

**c. Regional Economic Development Strategy in the Chris Hani District Municipality**

The CHDM Local and Regional Economic Development Strategy was developed in 2009, the Strategy has been reviewed together with the 2012/17 IDP, and tabled in Council, through an intensive consultative process with the participation of key stakeholders from the public and private sectors and civil society informed by current agreements, District, Provincial and National policy positions and plans, and relevant legislation. The strategy is reviewed annually so as to conform to changing circumstances. Particular emphasis has been placed in the 2006 Growth and Development Summit (GDS) agreement in the formulation of this strategy. The strategy acknowledges our rural situation and therefore advocates for promotion of rural urban equity in infrastructure development, services expansion and stimulation of economic opportunities.

The strategy provides focused areas around which resources can be leveraged and mobilised in order to contribute to the broad overall objective of ensuring that all people in the district are able to benefit from the economy.

**i. Agricultural Sector as Competitive Advantage of the District**

The achievement of sustained economic growth and development and the creation of a competitive advantage for the District rely absolutely on the prioritisation of interventions which will have the greatest impact both socially and economically. The Competitive Advantage therefore for the district points to the broadly defined agricultural sector as the one with the most potential to contribute to job creation, promoting of livelihoods opportunities and contributing to sustained social and economic growth and development.

The prioritisation of a particular sector implies:

- Dedicated allocation of resources
- Strategic decisions on the distribution of limited resources and funds
- Clear publicly stated focus
- Spin off benefits for other sectors
- Prioritisation within the sector

The two sub-sectors within the broadly defined Agriculture sector that have the strongest comparative advantage and which are best positioned to result in job creation and improvement in livelihood opportunities are:

- Timber production and processing
- Livestock production and processing



Whilst crop production and agro-processing sector remain important areas of intervention within the District, the present cost of transport to high volume markets will most likely render local production uncompetitive until substantial economies of scale and consistent quality can be achieved.

Furthermore, the current business model of irrigations schemes is being reviewed (CHDM, in partnership with the Provincial Department of Agriculture and Rural Development and ASGISA\_EC is in the process of developing comprehensive business plans for the irrigation schemes) in order to ensure the establishment of professional management, encouragement of entrepreneurship, and inclusion of integrated business development support. This sector is of political significance and has the potential to contribute to regional food security, service local markets and social development. This remains an important strategic area of focus for the CHDM and requires a detailed and specific intervention.



The **timber and livestock production** and processing sub-sectors are **already positioned** to significantly contribute to the economic growth and development of the District. These two sub-sectors **require “special” attention** and are to become the focus of a special purpose vehicle or a **regional economic development agency**.

ii. Corridors, value chain integration and cluster development

The CHDM REDS has adopted a specific approach which is integral to its regional economic development. The first component of this approach is that of **Corridor Development**. The second component is that of **Value Chain Integration**, and the third that of **Cluster Development**. It is important to recognise how these approaches differ and how these relate to one another.

#### **2.4.2 CORRIDOR DEVELOPMENT**

The Concept Paper on LED Multi-Sector Based Corridor and Value Chain Addition which was developed in 2009. It has been able to come up with a contextual definition of the Corridor Development and Value Chain Addition where it has defined as: “The LED corridor plans is based on ward profiles that identify communities with common synergies, relation and connection or similarities of economic activities in terms of sector programmes which cut across from ward to ward, wards to local municipalities, Local Municipalities to District Municipalities and District Municipalities to the Province. The LED Corridor Multi-Sector approach is expected to be supported by Value Chain Addition Programmes aimed at creating marketing edge with sound Corridor Projects”

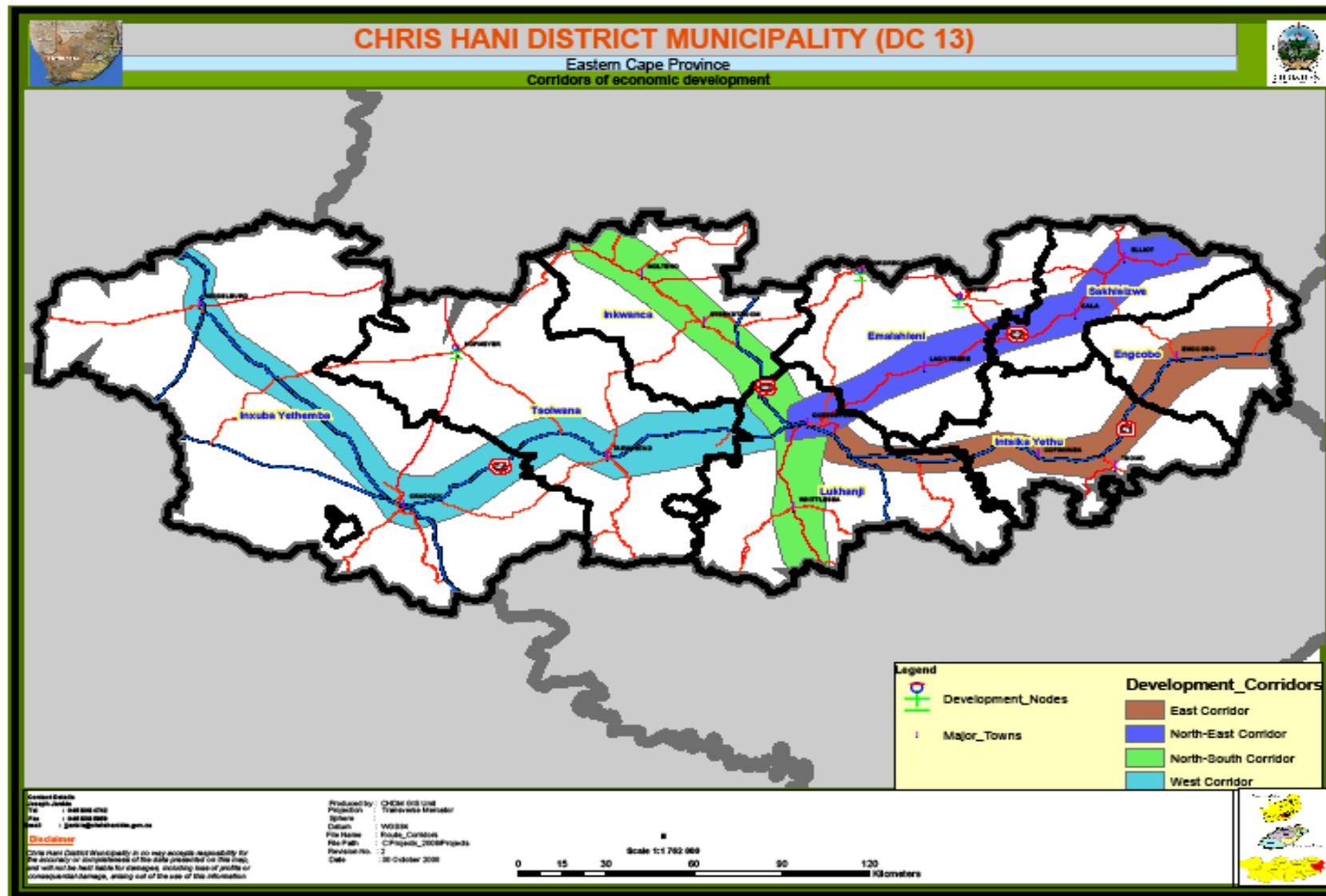
However the concept document has also managed to further define the approach makes it clear that:

“The purpose of the LED Multi-Sector Based Corridors approach is to support CHDM, during IDP processes, REDS and LEDS in their endeavors to facilitate an enabling socio-economic environment for the eight local municipalities that will unlock the economic potential of the communities or wards within the District. This will go a long way in income generation and job creation, premised on changing the lives of the citizens for better.”

CHDM is committed to a corridor development approach. Integral to this approach is a focus on geographic and spatial initiatives and interventions which link the node towns and small towns surrounding these nodes in an integrated economic development process. Small town regeneration initiatives are central to this approach.

The Walter Sisulu (**East**) Corridor outlined in brown on the map below runs along the R 61 and links Ngcobo, Cofimvaba and Tsomo to Queenstown. The Bathandwa Ndong (North-East) Corridor links Elliot, Cala and Lady Frere to Queenstown. The Calata (**West**) Corridor links Middelburg to Cradock along the N10 and then links Cradock, Tarkastad to Queenstown along the R61. The Friendly N6 (**North –South**) corridor links Whittelsea to Queenstown and Molteno.

One of the main objectives of the corridor development approach is to ensure integration and alignment of economic development plans with spatial development plans, land use plans, infrastructure development plans and other relevant sector plans. It allows CHDM to implement a wide range of generic and routine LED initiatives, whilst simultaneously focusing on the defined area of strategic differentiation and the concept of value chain integration.



#### 2.4.2.1 Value Chain Integration

Value chain integration implies looking at all the components of a particular sector and subsector and identifying what can be done or put in place to add value to what already exists, and in doing so, promote job creation and provide more livelihood opportunities.

The timber production value chain is predominantly located within the North Eastern Corridor and the North West Corridor. Timber value adding activities are predominantly located in Queenstown, with potential for early gaps in the value chain (e.g. sawmills, treatment, processing of waste, etc) to be strengthened and/or established within towns along the two defined corridors.

The livestock value chain extends across all corridors in the District, with particular points of focus around the strengthening / establishment of strategically located public goods investments (e.g. abattoirs, tanneries and other value adding facilities).

Value chain analysis can be used to identify “gaps” in a locality or along a corridor in order to make strategic decisions about what interventions to implement (or what not to implement).

The value chain integration approach is particularly important in the development of a competitive advantage for the district and in the understanding of the need to make strategic decisions to allow the district to competitively position itself nationally and globally. Choices then arise as to whether to focus on trying to develop all the components of all the value chains or to focus on part of those value chains where one has a comparative advantage with the most potential to be converted into a competitive advantage.

#### 2.4.2.2 Cluster Development

In order to build a regionally or globally competitive position it is necessary to determine in which part of each value chain one can compete and then relentlessly cluster in all the resources, competencies and technology that will be demanded from everyone who can add value or influence moving forward to achieving the strategic intent. The cluster approach to develop focused and strategically located value chains may well provide the momentum needed to begin the rebuilding and rejuvenating of small towns within these municipalities.

### **2.4.3 CHDM Regional Economic Development Strategy**

The overall responsibility for the facilitation of economic development lies with the District Municipality. The key issues as identified by the REDS were identified through a consultative process include:

- i. Building on sector specific comparative advantages
- ii. Creation of an enabling environment
- iii. Corridor development
- iv. Regular, mandatory and opportune economic development functions

#### CHDM Regional Economic Development Agency

The CHDM council took a resolution to drive for the establishment of a development agency, its function would be to drive economic development within the district by playing a private partner role in sourcing funding, undertaking and owning financially viable projects for the betterment of the district.

Council decided to establish the agency because of the limited role CHDM can play in using private sector resources to drive the economy and ensure greater participation by private business investors in the CHDM area.

The primary focus of the Economic Development Agency will be:

- *Targeted resource mobilisation and the management of ring-fenced funds*
- *Access to financing*
- *Sub-sector value chains and clusters development*
- *Targeted skills development*
- *Institutional framework for formal collaboration*
- *Commercialisation of underutilised public assets*
- *Holding strategic interest on behalf of future beneficiaries*

The council's decision to establish a development agency was based on an investigation of the feasibility and/or viability of establishing the CHDM Development Agency. This was done by looking at the lessons learnt from the development agencies that are doing well in the Province to those that are not performing well. The investigation was completed and led to the recommendation to the Council for the establishment of a Development Agency as an option to assist in fast tracking economic development in the area. .

#### **2.4.4 SMALL MEDIUM AND MICRO ENTERPRISES**

A Stats-SA Survey (March 2001) found that about 9% (209 000) of all businesses in SA, mostly black or PDI are in the Eastern Cape. The survey further uncovered that women entrepreneurs in the EC outnumbered men by almost three to one in the province – a figure well above the national average. The survey's findings also confirmed that of the 209 000 small businesses, 126 000 were based in rural areas of the Eastern Cape (Programme of Support for LED in the Eastern Cape, 2004).

Small and medium enterprises have a significant contribution (collectively 29%) to the provincial economy as opposed to informal and micro businesses (collectively 6%) in the Eastern Cape. The same scenario prevails in terms of employment contribution by both the small and medium-sized enterprises (collectively 37%).

Estimates suggest that there could well be more than 30 000 small business operators. The majority of businesses are owner-managed or sole proprietors with few business partnerships particularly in the rural areas (ECMAC Database 2005). However, there has been an increase in the number of cooperatives being established as part of government's drive to promote the cooperatives movement. More than 50% of the small businesses have been in existence for more than 5 years which demonstrates resilience by local enterprises.

More than half of the enterprises are in the trade sector, followed by community, social and personal services sector businesses. Catering and accommodation represents a third sector with a relatively high level of commercial activity in terms of district entrepreneurship.

Few enterprises are involved in commercial agriculture despite the numerous agriculturally based poverty alleviation projects being supported by the ISRD programme. The majority of businesses fall within the micro and small business categories in terms of turnover levels and employ an average of 7.5% employees (Local Business Enabling Environment Study 2007). 37% of business owners are between the age group of 30 – 39 years with those under 30-years only making 13% of local businesses (Local Business Enabling Environment Study 2007).

#### 2.4.4.1 The SMME business environment within Chris Hani

In general the area lacks business support services. Business people have to either travel to Queenstown or outside the municipal area to access business support services.

Lukhanji has the most developed business environment. The area is the main urban centre of the district and its primary economic node.

SMMEs face a swathe of constraints related to the legal and regulatory environment; market access; access to finance and suitable business premises; the acquisition of skills and managerial expertise; access to appropriate resources and technology; the quality of infrastructure, especially in poverty and rural areas; bureaucratic hurdles; and in some cases, the tax regime (Annual Small Business Review, 2001). The District developed its own SMME Development Strategy in 2007 in an attempt to address the mentioned constraints which was last reviewed in 2010. The SMME Strategy is currently being developed from scratch as we feel it does not address the current issues of the area.

The District's Growth and Development Summit (**GDS**) was held in November 2006 as a historic milestone to strengthen private-public dialogue and commitment to a shared pro-poor economic and investment growth path for the district. One of the key and relevant resolutions taken at the GDS relate to the establishment of a fully representative district-wide business forum, with various local business forums in each local municipality set up to allow dialogue between the public and private sectors that would act as a single interface to lobby advice and partner government to further common course. To further strengthen the GDS the municipality is planning to conduct the follow up session on GDS resolution taken so as to track commitments made. The Chris Hani District Business Forum has been established as that structure with seven local business forums out of the eight local municipalities in the District.

The government identified the development of cooperatives as one of its flagship programmes to develop the second economy that supports the majority of the population in as far as creating jobs, increasing household income, reducing poverty, and improving the overall standard of living is concerned. It was for this reason that the District actively supported and facilitated the establishment of the Chris Hani District Cooperative Forum in November 2008 and by extension the eight local cooperative forums that exist in the district. The District also assisted with strong financial support in the coordination of a three day cooperative indaba that was held in June 2009. The indaba was characterized by interactive seminars and commissions on a variety of subjects affecting the development of cooperatives. The cooperatives were also exposed to a variety of funding, procurement, marketing, networking and other opportunities.

The SMME and Cooperatives Business Development programmes were created to, among other things, promote the development of sustainable SMMEs and Cooperatives, thereby increasing the number and variety of economic enterprises operating in the formal economy and to create jobs. To this end, R2 425 494.00 was granted to SMMEs and cooperatives and 120 jobs were created during the period 2008/9 and 2009/10 financial years (2 years).

The Chris Hani District Municipality (CHDM) has partnered with the Metropolitan SMME Portal which is involved in the development of SMMEs. This organization has hosted annual SMME business imbizo in the district since 2009. The District sees these Business Imbizos as an opportunity to showcase the existing opportunities, while further capitalising on network vehicles to unleash the economic potential of the District. Through information dissemination at various fora, the District is ably positioned to promote strategic support to the business fraternity under its jurisdiction.

These SMME Portal Business Imbizos have been portrayed as a vehicle that promotes dialogue between business and government, the private sector, parastatals and linking SMMEs to opportunities and development agencies. The CHDM has always viewed itself as an important node to synergising, coordinating, and aligning with various actors who invest and contribute in other ways to business development efforts. This is the main reason for CHDM's participation in these Imbizos. It is hoped that the Imbizos, amongst other things, will address the poor economic activity within the District. They will also assist in strengthening the skills and business structures of the SMMEs, allowing them to become sustainable and in a better position to tender on private sector and public sector contracts.

CHDM together with the Border Kei Chamber of Business got into a joint initiative in late 2009 to establish the Chris Hani Enterprise Propeller (CHEP) with financial support from Thina Sinako. This came after the realization that in the District more than R2.5 billion is spent annually on goods and services but 80% of this amount is estimated to be leaving the District. This is due to the fact that local suppliers, possibly, do not have the relevant skills or are inadequately capacitated to successfully apply for tenders. CHEP is there to support emerging and established enterprises in the District to compete more effectively for tenders by providing them with quality business advice, information and mentoring services, and facilitating more effective linkages between them.

#### **2.4.5 AGRICULTURAL DEVELOPMENT**

Agriculture forms one of the key potential growth sectors in the CHDM. The Integrated Agricultural Strategy was adopted by Council but hence it's a bit outdated it has to be developed from scratch, it prioritised the following sectors for investment:

- Agro – processing e.g. cheese production
- Livestock farming particularly Goats and Cattle
- High Value crop production e.g. hydroponics and bio-fuels

Livestock farming is an important source of income for both commercial and communal farming. The western part of the region is increasingly turning to game farming especially in the areas around Queenstown, Cradock, Tarkastad and Molteno. The District Municipality has engaged in partnerships with National Wool Growers Association (NWGA) to improve the quality of wool sheep, develop wool growers associations, train farmers on livestock and veld management and build appropriate infrastructure such as shearing sheds and fences. In the past financial year a number of Shearing sheds were built and completed at Intsika Yethu LM, Lukhanji and Engcobomunicipalities.

Further partnerships with the Agricultural Research Council and Department of Agriculture and Rural Development have resulted in the construction of livestock handling facilities. ASGISA-EC and TEBA Development are assisting with development of the livestock improvement programme by introducing the concept of Village Link Persons (VLPs) where community members received training in livestock handling and treatment, in certain areas where infrastructure is in good condition animals are introduced with the main aim of improving livestock quality (goats, sheep and cattle), quality rams and provision of veterinary services.

The District Municipality has in the past financial year formed partnership with Zulukama Investment Trust, a community owned organisation with the main aim of improving livestock quality in 5 Villages in Hewu area. The programme was planned to run for a long period as the affected Institutions are expected to provide after care support.

The greatest challenge to livestock production remains low skills level, access to land, poor veld and livestock management, limited access to market, limited access to financial and credit access by emerging farmers due in part to insecure land tenure, limited mentoring and information from DoA and dilapidated and insufficient infrastructure such as roads, fencing, stock dams and dipping tanks.

Dryland cropping is only feasible in small parts of CHDM within the Intsika Yethu, Sakhisizwe and Engcobo municipalities. The District Municipality in collaboration with both the DARD and Emalahleni Local Municipality is involved in the Sorghum production programme in Emalahleni LM the main aim of this undertaking is to provide adequate raw material to the Mill Plant so as to maintain the project sustainability, DoA have prioritised these areas under the Massive Food Programme. The Siyazondla homestead food production programme assists with improving household food security. Under High Value Crop Production, the DM supported the pilot project for Hazel Nuts production at Glenbrook irrigation, partnering with ECDC and an Italian Company. The project was initiated by Agrisudafrica and Eastern Cape Development Corporation (ECDC) as a Community Development Project with contributions by various other role players including the Department of Agriculture and Rural Development (DARD).

The project is a pilot project for the evaluation of hazelnut production viability in the area with added value in the form of a successful vegetable business and training programme.

There is presently 8000 ha under irrigation with CHDM containing two of the largest irrigation schemes in the Eastern Cape i.e. Ncora and Qamata. A further 7600 ha could be placed under irrigation if the large Gariiep Transfer Project were to be implemented. However there are vast areas of underutilised land within the existing schemes such as Shiloh where only 40% of the scheme is currently utilised. In addition to these schemes there are several large scale commercial farming enterprises.

Any future irrigation development must consider the recommendations from the District's WSDP (Water Services Development Plan) that CHDM should not consider developing any more irrigation schemes apart from the already established schemes and must look at other methods of irrigation such as drip irrigation which ensure that water evaporation is minimised.

CHDM and DoA have prioritised irrigation schemes under their respective revitalisation and resuscitation programmes. Their collaborative efforts are focussed towards attracting investors to run the schemes under private, public partnerships. Funding has been provided for setting up the correct institutions to run the schemes, building of lay dams, centre pivots and irrigation systems, upgrading of office facilities, seed, planting and harvesting operations as well as equipment such as tractors, ploughs and trailers. However due to the complex community structures residing within the schemes, the effort of the District and its partners has not yet resulted in independent and financially sustainable irrigation schemes although considerable progress has occurred.

There is a clear development approach being followed by CHDM and DARD in developing the irrigation schemes. The developments have started at Shiloh Irrigation Scheme (where a Dairy Enterprise has been established). The CHDM and DARD have co-funded the project in the 2009/10 financial year. The focus for 2010/11 Financial year was on developing Ncora Irrigation Scheme. The focus for the coming years will be Qamata and Bilatye Irrigation Schemes. CHDM and DARD are also facilitating the development of comprehensive business plans (commissioned by ASGISA-EC) for Ncora, Qamata and Bilatye Irrigation Scheme. The plans will assist in directing future developments in the schemes.

#### **2.4.6 FORESTRY, TIMBER AND WOOD PRODUCTION**

The Chris Hani District Municipality is richly endowed with a number of forest plantation resources. Most of these forest plantations are found in Intsika Yethu and Engcobo Local Municipalities and are owned by DAFF. There are also some woodlots and few hectares of category A plantations (Pine stands) in Sakhisizwe Municipality. The Forestry development in the district is informed by the Regional Development Strategy which highlights matters around forestry.

Despite the existence of raw material, land for afforestation and market opportunities, the forestry sector in Chris Hani District Municipality remained uninspiring, with very little significance to and impact on the economy of the region. In order to address this and to take advantage of a number of opportunities that the sector presents, specifically in relation to SMME promotion and community empowerment, Chris Hani Municipality and the Local Municipalities have prioritized forestry as one of the sectors that are key to economic development of the region. The Wood Cluster programme was then proposed in the 2003-2004 financial year.

The situational analysis of the forest plantations and woodlots in Chris Hani District Municipality revealed that their management is poor. The operational costs of the forest plantations and woodlots far outweigh the income generated by these plantations. This, in other words, means that these forests are operated at a loss. The quality that is produced is not good. In order to address these issues, the strategy with the following components was proposed:

- Proper management of forest plantations
- Value adding processes.
- Investment promotion
- Meaningful empowerment of communities
- Continued monitoring and evaluation of the process to address the problem areas.
- Capacitation of the existing small sawmillers

The DTI co-funded the Sawmill project for the implementation plan development. A challenge of inadequate supply of raw material for this project is being investigated. The DTI conducted a special study on the sawmillers around Chris Hani on aspects of productivity, yields, issues of safety, technology and skills. Through the study it has been discovered that there is a need for skills development and technology upgrading to improve the productivity and competitiveness. Since the DTI is starting a National Training Programme on small-scale sawmilling, the district municipality has been chosen as a pilot. The dti approached SEDA to conduct training for the Sawmillers on Co-operatives core principles and Business plan development. Training started in May 2010. SEDA is assisting on the registration of the sawmillers as primary Co-operatives.

A skills development programme was conducted by Forestry SETA at Engcobo charcoal project. The training started on 01 March 2010. The SETA introduced a New Venture Creation project (Business skills development programme). The CHDM has also piloted the project at Lukhanji Local Municipality since March 2010.

A number of projects were identified as the key pillars of the Forestry Strategy. Interventions in the form of feasibility studies, business plan development, skills development, workshops and establishment of Project steering committee have all been the build up to the implementation of the Chris Hani Forestry strategy, which together with the business plan were endorsed by the Council.

The local Municipalities have been consulted and brought on board in terms of the projects identified for their areas and programme to unfold in respect of the implementation of the projects.

Project beneficiaries and other relevant stakeholders have been brought on board and roles and responsibilities are outlined on individual projects.

Suppliers of services and products for the implementation of the projects have also been identified and some already approached to commence delivery. The projects that were identified are as follows:

- Sawmill project
- Aforestation programme
- Pole treatment plant
- Engcobo Charcoal Manufacturing project
- Sakhisizwe Charcoal manufacturing project
- Tree Nursery Project

Current progress on Charcoal Projects:

- (a) Engcobo Charcoal Manufacturing project :

Project has been registered as Spring Forest Trading cc. Two charcoal kilns have been installed, fencing of the site is still in progress, offices, stores and ablution structures have been ordered. Project is operational as from 09 February 2009. 32 people are employed (Beneficiaries) and 1 project coordinator employed on 6 months contract for infrastructural development and skills transfer. Sasol has been brought on board to assist on market identification, skills development and value-chain establishment. Charcoal tests were done by SASOL and the results were 82% compliant. Training for the beneficiaries was conducted by the Forestry SETA on Charcoal production.

- ( b) Sakhisizwe Charcoal Manufacturing Project

The project has been started in August 2010. The purpose of the project is to fight alien vegetation. This in turn creates job opportunities through the Charcoal project. The Sakhisizwe project is still on the initial stages. It is not as fully functional as in the case of Engcobo project. However, the project will take the same form of Engcobo project in terms of operation and institutional arrangements.

#### **2.4.7 CONSTRUCTION AND COAL MINING**

The District has a high development profile in terms of the ISRDP nodal status. Its high infrastructure budget allocation presents opportunities for the establishment of a local construction industry and may enhance competitiveness by addressing critical shortcomings in economic infrastructure. The strong growth and development in public housing and construction comes with a huge demand for construction material such as clay and cement bricks. At present illegal brick making activities are prevalent throughout the district mainly to fulfill the demand of private construction needs. Due to low quality and illegal operations, these bricks cannot be used for public sector construction.

The PGDP has identified coal mining at Indwe and Molteno as a HIPPS project. The exploitation of the Molteno/Indwe coalfields is currently being investigated to access their viability. A public private partnership company has been established with Elitheni. Prospective rights for the Indwe Coal Mines have begun and the results look promising.

#### **2.4.8 MANUFACTURING**

Manufacturing represents a significant proportion of the CHDM economy at 8 % GGP and 5 % employment. Lukhanji municipality especially Queenstown has a small furniture, dairy processing and wood products industry and operates as the prime manufacturing centre of the District. Middelburg and Cradock have food processing activities. Manufacturing mainly takes place in Queenstown and the major activities are furniture making, food processing and pressed metal. The three biggest employers in Queenstown are manufacturers' viz. Seating, Twizza, Crickley Dairy and Stateline Pressed Metal. Other manufacturing industries are biltong processing, cheese making, Ouma rusks, leather processing and bone meal production.

#### **2.4.9 AGRO-PROCESSING**

While the districts' agricultural potential is obvious, primary agricultural projects have had a minimal impact on unemployment. This situation necessitates strategies to increase value-added production by exploiting opportunities that exist along the various crop and livestock value chains.

Particular advantages lie in food-processing based on resource and crop availability, existing factory infrastructure, as well as relatively well developed road infrastructure when compared to other rural districts.

The bulk of the districts' farm output goes for processing outside the district e.g. milk, beef, wool (as shown in the photograph above), fruit etc which regulates the district to the bottom of the value chain. Opportunities exist in food-processing especially in the areas on convenience food, specialty foods and organic foods. Beside food –processing the District can promote high value crops such as cotton as well as bio-diesel. Bio-diesel initiatives present huge opportunities especially around the existing sugar-beet project near Cradock where Sugarbeet SA, Central energy Funds and the IDC have entered into a partnership that will see 6000ha of sugarbeet planted, construction of ethanol production plant and buying of the ethanol by PetroSA to blend into their stock. It is estimated that this project will create up to 2000 temporary jobs and 500 permanent jobs only in the ethanol plant construction phase.

#### **Trade and Services**

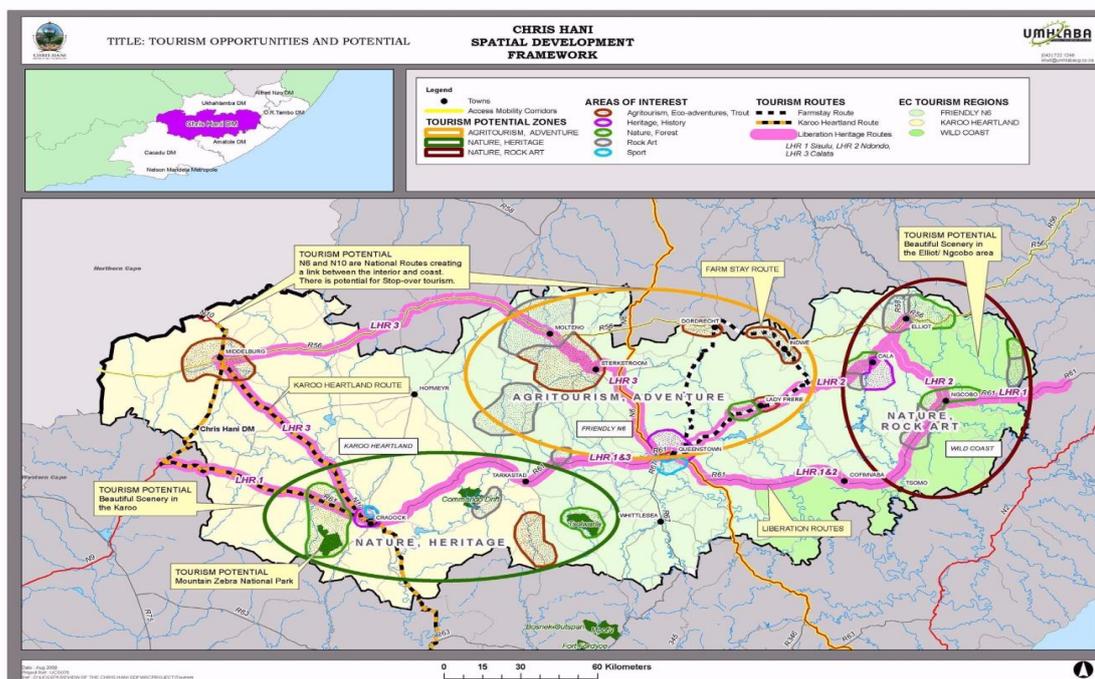
Trade and services contributes in total between 16 % to the District GGP in 2000 and 22 % employment in 2004. The majorities of SMME's are found in the retail and service sector (73%). It is the predominant form of economic activity in CHDM.

#### **2.4.10 TOURISM & HERITAGE DEVELOPMENT**

The CHDM has a rich history and natural resources that can promote tourism development in the region. These resources are untapped and are not adequately budgeted for within the District and local municipalities. The District has access to a number of major routes, the friendly N6 and the N10 which link the District with East London, Bloemfontein and Port Elizabeth and the R61 linking Queenstown with Mthatha and the Wild Coast. The region's emergence as a malaria free game farming and nature reserve location has contributed to tourism revenue, a trend that looks set to continue. The growth of this sector may crowd in private sector investment and support the emergence of supporting industry and services.

The District offers a variety of tourism experiences ranging from wildlife (MT. Zebra National Park game, game or nature reserves, game farm etc); Adventure activities e.g. Fish River Canoe Marathon, Hiking trails, abseiling, Fishing etc.: Historical buildings, battle sites, Rock Art, Anglo- Boer War Memorials to

Liberation Struggle Icons i.e. Chris Hani, Vuyisile Mini, Cradock Four, Walter Sisulu, DR AB. XuMa, Rev. James Calata etc.



The CHDM Tourism Integrated Master Plan as adopted by council in 2010/11 and cites that Chris Hani District Municipality has a total of 204 tourist accommodation establishments, providing 3,409 tourist beds.

Using the total number of beds and the average occupancy of the accommodation aggregated from the individual Tourism Sector Plans, the total number of tourist bednights sold per annum (calculated for the over 2008/9 year) is calculated to be 339,810 (see table below), at an overall average bed occupancy of 27.31%.

<b>CHRIS HANI DISTRICT MUNICIPALITY TOURIST ACCOMMODATION OCCUPANCIES &amp; BEDNIGHTS SOLD</b>			
<b>Accommodation Type</b>	<b>Number of Beds in Chris Hani</b>	<b>Average bed occupancy in Chris Hani</b>	<b>Bednights Sold per annum 2007/8</b>
Backpacker & Hostelling	0	0.00%	0
Bed & Breakfast	819	37.79%	112,973
Guest houses & Guest farms	1187	30.60%	132,595
Country House	47	25.32%	4,344
Hotels	298	18.06%	19,640
Lodge	294	17.83%	19,133
Self-Catering	332	23.12%	28,021
Caravan parks and camping sites	432	14.65%	23,105
<b>TOTAL</b>	<b>3,409</b>	<b>27.31%</b>	<b>339,810</b>

*(Compiled by Kyle Business Projects)*

The average bed occupancies of the different types of accommodation in the Chris Hani District Municipality, and the derived total number of bednights sold per annum for 2008/9.

The average bed occupancies are calculated as a weighted average of the bed occupancies in each Local Municipality.

Economic Impact of Tourism

The economic value of tourism to the Chris Hani area is derived from the direct spend of tourists in the area, and from the jobs supported by tourism. The direct contribution to GDP is calculated from the total tourist bed nights sold in the area, and the average daily spend of tourist. From this data, the projected economic impact of tourism is calculated using the international simulated Tourism Satellite Accounting (TSA) system developed by the World Travel & Tourism Council / Accenture, in conformance with the conceptual structure of the WTO/UN TSA. This model calculates the economic impact of tourism on a geographic economy using the basic direct spend of tourists into the tourism industry, and a system of economic multipliers which define how that direct spend recirculates in the economy.

In the model used in the current study, current TSA multipliers are calculated from the WTTC / Accenture 2007 Report on South Africa. From this base, the economic impact of tourism in the Chris Hani District Municipality has been calculated over the forecast period 2008 to 2016, and is shown in Figure 1, Figure 2, Figure 3, Figure 4, and Figure 5. The potential growth of these economic contributions is also calculated, in four scenarios: Expected natural growth in demand – this growth is driven by the anticipated growth in tourism demand in the Eastern Cape (i.e. the baseline); Impact of additional 1% growth in demand; Impact of additional 3% growth in demand; Impact of additional 5% growth in demand.

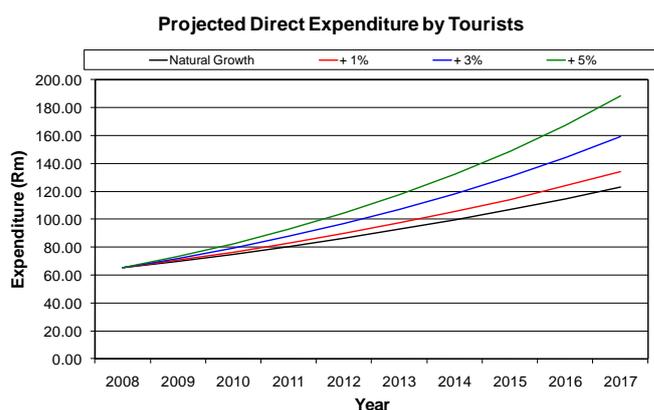


Figure 1: Economic impact of tourism: the projected direct expenditure by tourists in the Chris Hani District Municipality in 4 growth scenarios over the period 2008 to 2017.

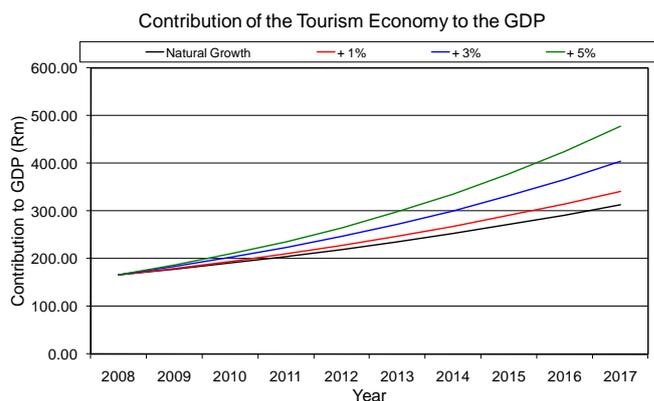


Figure 2: Economic impact of tourism: the projected contribution by the tourism economy to the GDP in the Chris Hani District Municipality in 4 growth scenarios over the period 2008 to 2016.

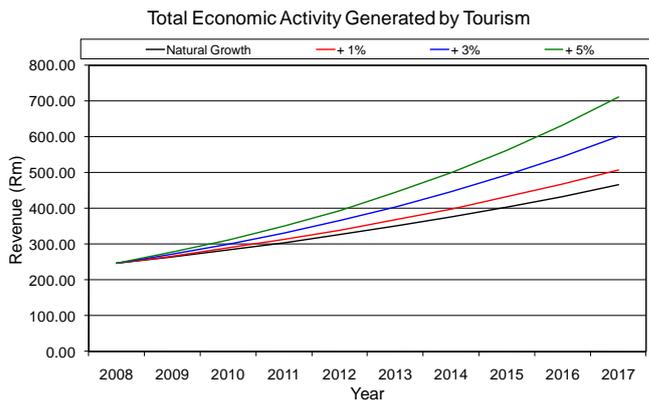


Figure 3: Economic impact of tourism: the projected total economic activity generated by tourism in the Chris Hani District Municipality in 4 growth scenarios over the period 2008 to 2016.

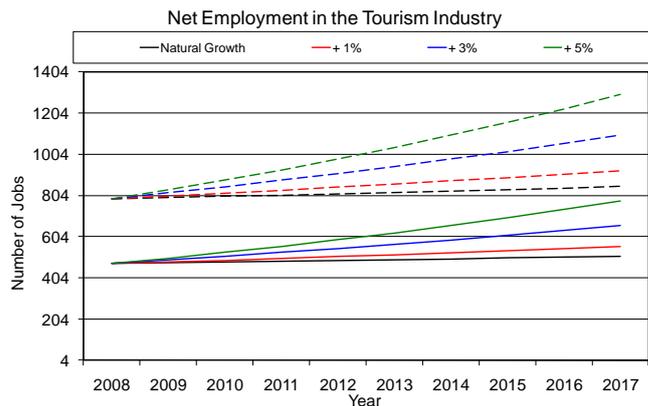


Figure 4: Economic impact of tourism: the projected net contribution of the tourism industry to employment in the Chris Hani District Municipality in 4 growth scenarios over the period 2008 to 2016. (Solid lines - WTTC / Accenture TSA average cost of creating a job; Dashed lines - cost which is 30% lower).

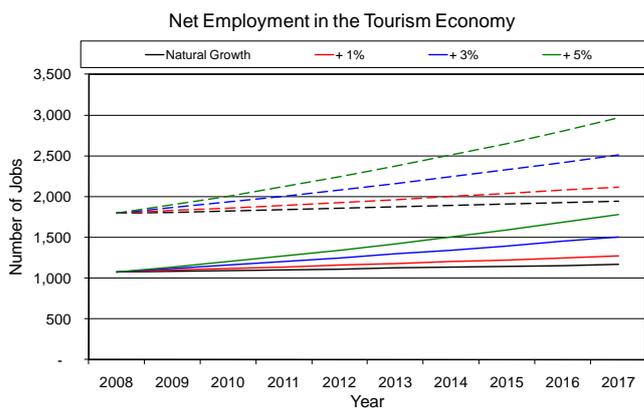


Figure 5: Economic impact of tourism: the projected total contribution of the tourism economy to employment in the Chris Hani District Municipality in 4 growth scenarios over the period 2008 to 2016. (Solid lines - WTTC / Accenture TSA average cost of creating a job; Dashed lines - cost which is 30% lower).

From the model it is calculated that tourism currently contributes as follows to the local economy of Chris Hani:

- R65.3m in direct tourism spend;
- R166.1m contribution to the GDP by the tourism economy;
- R247.2m total economic activity generated by tourism (i.e. total demand);
- supports 473 jobs in the tourism industry;
- supports a total of 1,078 jobs in the tourism economy (including the tourism industry);
- supports the equivalent of 72 SMMEs in the tourism economy, outside the tourism industry.

**Progress Made so Far in Tourism Development**

The District is currently focusing its tourism activities on branding and marketing the various activities available. In addition cultural and heritage sites are being marketed through the implementation of a Chris Hani Liberation Heritage route. The Chris Hani Liberation Heritage Route Icon Site Guide has been developed, launched and distributed nation-wide including the development of marketing materials for each of the individual routes; Sisulu, Ndondo and Calata.

A tourism centre has been developed in Queenstown and is operational. The District has developed Tourism Integrated Plan and ensured the revival of local tourism structures such as the Intsika Yethu Local Tourism Organization, Middleburg Karoo Tourism, Cradock Karoo Tourism, Lukhanji Tourism and the District Tourism organisation.

### **Liberation Heritage Route Initiative**

The Liberation Heritage Route (LHR) was started by the National Heritage Council, the Eastern Cape Department of Arts and Culture, and the Nelson Mandela National Museum in the beginning of 2006. The LHR is about the reconstruction of the history of the liberation struggle and the exploration of this history starting from the Eastern Cape. The key objectives of the Liberation Heritage Route include the reinforcement of a national integrative identity whilst accepting cultural uniqueness and diversity, and to translate the wealth of heritage knowledge and resources into economic capital. It is about the narrative of events as part of the preservation of national memory for continuity and national identity. The Liberation Heritage Route will interpret the past to serve the needs of the present and the future. Chris Hani district municipality has embarked on a tourism development initiative of promoting tourism through the identification of heritage sites such as the liberation routes, places of importance, tombs, caves, and places with special, aesthetic, historic, scientific and environmental values.

#### **Achievements of CHDM LHR Heritage Route to Date**

- 56 Icons identified and described in Icon Site Guide
- In addition to the Icon Site Guide, a Site Inventory of all Heritage Sites, including non-Liberation Heritage Sites has been developed and is currently in circulation
- Mapping of Icon Sites has been done
- Three Routes defined and described: Sisulu, Calata and Nondo
- Institutional Framework put in Place (Reference Group at District Level; 8 Steering Committees at Local Municipality level.)
- Heritage Awareness enhanced at grass-roots level through processes of Icon identification, prioritisation and documentation.
- Community Facilitators have been trained, and are thoroughly familiar with the Heritage processes generally and the Heritage resources of the LMs more specifically
- Promotional DVD Has been developed and distributed
- 56 Information sign boards for Icon Sites been developed and erected
- Directional Signage for 40 Icon sites have been erected
- Directional Signboards – 9 National Sites; 13 Provincial Sites
- Training of Tour Guides and Tourism Personnel
- Promotional Material for Tour Guides (One-Day Packages)

### **Chris Hani Month Celebrations**

The CHDM Council resolved to declare the month of April as “**Chris Hani Month**” and be celebrated annually. In order to commemorate this month a number of events are held at various municipalities that constitute the greater CHDM. The events range from launching of projects at local municipalities, sport activities, delivering of Chris Hani Memorial lectures with various themes promoting Local Economic Development through Tourism. The events are structured in such a way that they are inline with government priorities.

#### **OBJECTIVES**

- To honour and commemorate the life and death of Chris Hani
- To preserve and conserve Social Memory
- To increase Tourism products(Event s Tourism)cultural industries within the District

- To promote the Local Economic Development of the area
- To educate and create awareness on youth about significance of the Liberation Struggle and the Liberation Icons
- To profile and Market CHDM as a liberation heritage tourist destination
- To promote and market CHDM LHR
- To promote social cohesion, fight against crime and drug abuse within communities

#### Achievements of Chris Hani Month to Date

- Construction of fully equipped Library at Zigudu High and purchasing of sport equipment for the school
- Purchasing of fully equipped Mobile office at Gqoboza Jss, purchasing of sport equipment for the same school
- Donation of study material to schools( Bathandwa Ndongdo High School, Gqoboza and Zigudu Combined School
- Profiled and Marketed CHDM as a liberation heritage tourist destination
- Education and awareness( 4 Memorial Lectures have been conducted) on the significance of Liberation Struggle and Icons
- Unveiling of tombstones for the graves of parents of Comrade Chris Hani
- Guided tours of the Liberation sites and other sites of interests have been done
- Entertainment of locals
- Emergence of the Chris Hani Jazz Festival
- Local Economic Development of the area

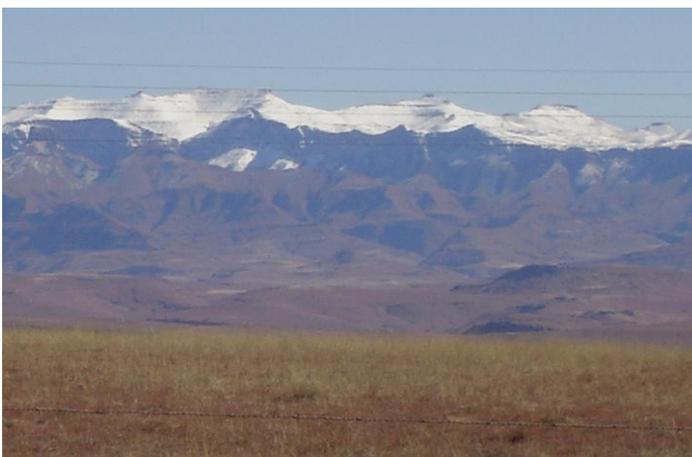
## 2.5 ENVIRONMENT & TOPOGRAPHY

### Climate

The climate varies from Arid to very cold high veld and falls mainly into 2 climatic zones according to the “Agricultural Development Programme for the Eastern Cape’ – 1986, namely:- Arid and Semi-Arid Moderate Midlands, and Arid and Semi-Arid Cold high lying land.

### Rainfall

The rainfall varies dramatically over the area depending mostly on altitude and distance from the coast. In the western arid areas, the average annual precipitation is between 200mm and 300mm whereas in the eastern high lying areas of Cofimvaba it is 700-800 mm. The greater part of the area is, however, arid to semi-arid and receives less than 400mm per annum.



Rainfall distribution is poor and dry spells are a frequent occurrence. In his study, J.H van Wyk comes to the conclusion that the rainfall of the former Transkei shows little variation and can therefore be classified as reliable.

He points out, however, that the variation of rainfall during the early summer months makes early planting of agronomic crops risky. (*Wood & van Schoor, 1976*).

It is a summer rainfall area with 70% - 80% of the precipitation occurring during the summer months in the form of thunderstorms. These storms are often of high intensity and are sometimes accompanied by hail. Only 20 - 30% of the rainfall occurs during the winter month, which usually results in snowfalls on the Chris Hani District Municipality plateau and the high lying mountainous areas of the Compassberg and Winterberg. The further west, the poorer the rainfall distribution, with severe droughts occurring fairly frequently. The rainfall in the eastern area (Cofimvaba and Ngcobo) is more evenly spread, except for the early summer months when "dry" spells can be expected, which makes the early planting of agronomic crops risky (*Wood & van Schoor, 1976*).

#### Evaporation

Evaporation in the District is much higher than the average annual rainfall. The area thus experiences a negative water balance. The evaporation in the arid western area is 2 146 mm per annum, whereas it is approximately 1 700 mm per annum in the Lady Frere and Cofimvaba Districts. This phenomenon complicates crop production as it requires moisture conservation for dry land cropping and sophisticated irrigation management.

#### Temperatures

The temperature is characterised by extremes during the summer months, the maximum temperature often exceeds 40°C in the lower lying areas in the western (arid) section of the study area. Minimum temperatures in the winter months in the high lying areas are often well below zero and frost and snow is a common occurrence throughout the area. The average commencing date for frost in most of the area is the Mid April and the average last date for frost is the Mid October. Frost can, however, occur at any time of the year in the Molteno District. This area experiences the largest inter-diurnal variation (change from one day to the next) in temperature. (*A.J. Roets & Associates, 1999*).

The temperature in the eastern part of the District is a bit more moderate with frost occurring from Mid May to Mid September.

#### Prevailing winds

During the summer months, the prevalent wind direction in the study area is north-westerly (berg winds) whereas south-easterly to south-westerly winds prevail during the winter months. Wind, however, is not regarded as a limiting factor in the study area.

#### Geology & Soils

The District consists mainly of Beaufort sediments intruded by Dolerite. These comprise Shale, Mudstone and Sandstone. The soils in the District area are mainly from the Beaufort and Molteno series of the Karoo sequence. As a result, the soils are poorly developed, shallow or duplex (rocky), which are mostly not suitable for crop production. In the valleys, however, deeper soils do occur. In the Fish River Valley as an example, there are 15 soil forms of which the Hutton, Clovelly and Oakleaf forms (Binomial Classification) are dominant.

Soil salinity is, however, a major problem in the irrigation areas in the Cradock, Hofmeyr and Tarkastad Districts.

The soils of the more arid areas of the study area are generally shallow and consist mainly of the Mispah, Glenrosa and Swartland forms. In the flood plains, watercourses and plains, deeper soils of the Oakleaf, Dundee and Valsrivier form are more common.

#### Topography, drainage and vegetation

The District is part of what is described as gradual “step” topography. The “steps” are formed by the Winterberg mountain range in the south and the Stormberg range north of Sterkstroom.

The Stormberg Mountain range runs from east to west dividing the area into the high lying Stormberg plateau in the north and the generally lower altitude area in the south.

The Winterberg range with an altitude of 2 370 m above sea level extends into the southernmost section of the area. The altitude of the Compassberg to the west of the Stormberg range is 2 502 m, whereas the Stormberg plateau is  $\pm 1\ 800$  m above sea level. The altitude of the lower lying area in the Cofimvaba District is  $\pm 600$  m above sea level. The greater part of the area, however, lies between 500 m and 1000 m above sea level.

The main drainage systems are the tributaries of the Great Fish, Great Kei Rivers and Mbashe river systems, which drain into the Indian Ocean. The western section of Chris Hani District Municipality consists mostly of mixed Nama Karoo veld whilst the eastern section consists mostly of moist upland grassland. What is important from a conservation aspect is the valley thicket occurring along the Kei and Mbashe River systems and the pockets of afro-montane forest occurring north of Ngcobob.

#### Conservation Areas within CHDM

The known conservation areas in the Chris Hani District Municipality are listed in the table below. Only two of these conservation areas are under the direct control of the municipality, namely Lawrence de Lange and Longhill (Lukhanji). In addition, a National Park (Mountain Zebra National Park), a number of private nature reserves (i.e. Blanco) and three natural heritage areas (i.e. Benghoil & Bushy Park, Carnarvon and Mhoge) are located, at least in part, within the Municipality.

The formal protected area network is relatively extensive with the Mountain Zebra National Park (SANP) and the Commando Drift and Tsolwana provincial reserves. The early selection of protected reserves in the CHDM was based on ad hoc decisions to protect specific mammals rather than objective criteria based on biodiversity mapping. Control of all indigenous forests in the Eastern Cape including the CHDM, was handed over to the Directorate of Nature Conservation of the Eastern Cape Province authorities in 1996, and management plans for all forests are still in preparation. Formally protected water sources include a number of large water catchments, including the dams: Grassridge, Lake Arthur, Commando Drift, Xonxa, Lubisi and Ncora.

#### Water Resources

The CHDM falls within four river systems:

- The Great Fish River draining the central / western area southwards;
- The Kei River draining the central / eastern area southwards;
- The Mbashe River draining the eastern area southwards;
- The Orange River draining to the North.

Of these the Fish and Kei Rivers are the most significant rivers in terms of the catchment areas in the CHDM. The total surface water available in the district has been estimated from the Eastern Cape Water Resources Assessment as follows:

- Potential maximum yield (including dams and transfers) = 1013.5 Mm<sup>3</sup> / annum
- Probable total consumption and losses = 775.8 Mm<sup>3</sup> / annum
- Available surface water resource = 237.7 Mm<sup>3</sup> / annum

It is clear that across the whole district, there is a positive surface water balance and that approximately 23,4% of the potential yield is still available for use, providing drought conditions do not exist.. It is however worth noting that the resource is concentrated at the major dams and rivers and as would be expected is not readily or cheaply accessible to all potential users located a distance from these resources.

#### DAMS, WETLANDS AND SPRINGS

Chris Hani is characterized by a number of major dams, which serve the towns and the various irrigation schemes.

The major dams in Chris Hani are:

- The Grassridge Dam between Cradock and Middelburg used as a balancing dam
- The Lake Arthur and Commandodrift Dams near Cradock used for irrigation
- The Xonxa, Lubisi and Ncora Dams between Lady Frere and Ngcobo used for irrigation.
- 

Most of the wetlands occur in the Inxuba Yethemba municipality followed by the Emalahleni and Tsolwana municipalities (4 each). The Engcobo, Inkwanca and Lukhanji municipalities only have one listed wetland. Wetlands occur in the catchments above the Commando Drift, Elands drift, Grassridge, Lake Arthur and Xonxa Dams.

A number of wetlands are located upstream of the dam immediately west of Dordrecht and above what appears to be the Thrift Dam on the Black Kei, although not marked as such on the topographical map (3226BC). All the riparian wetlands are located within Eastern Mixed Nama Karoo vegetation, with the exception of three found within Moist Upland Grassland (Lemoenfontein, Qumanco and Snowdale-Success) and four within South-eastern Mountain Grassland (Clarke's Siding, Dordrecht Town, Driefontein 188 and Geluksvlei).

Springs are an important source of water in the district. They are also used for recreational purposes such as at the Cradock Spa. A number of endorhic pan wetlands occur in the district, two each in the Inkwanca (Coldstream pan, Die Pan wetland complex) and Inxuba Yethemba (Helderwater pan, Rooikop) municipalities and one in the Tsolwana municipality (Rotterdam wetland complex). The Helderwater pan, Rooikop wetland and Rotterdam wetland complex are located within Eastern Mixed Nama Karoo, whereas the Coldstream pan and Die Pan wetland complex are found within South-eastern Mountain Grassland.

Artificial Wetlands in the form of dams, excavations, solar salt extraction works and wastewater treatment works occur to varying extents throughout the district. Solar salt extraction works have the most restricted distribution, being limited to an area west of Hofmeyr. They are all therefore located within the Tsolwana municipality. All these salt works are located within Eastern Mixed Nama Karoo. Although they have been classified here as artificial wetlands they are largely based on existing features, namely Landpan, Middelpaan and Soutpan.

## Heritage Sites

One hundred and two sites were identified in the Chris Hani District Municipal area, categorized according to their nature, namely whether they are human generated structures or natural artifacts. Out of these, the Chris Hani Liberation heritage route has identified iconic sites and a booklet has been printed containing these sites.

Number of sites in each category.

Category	Number of sites
Human Generated Artifacts	
Historical buildings	25
Monuments and memorials	6
Museums	9
Graves	5
Rock Art	6
Living Heritage	7
Open Land	7

## Environmental Challenges

Government and the District Municipality have long neglected environmental protection. This has led to many environmental disasters in the past, which could have been avoided if environmental policies had been in place and enforced.

Lack of clean and unpolluted water is a major environmental problem in Tsolwana in particular Thornhill area. Limited access to clean water affects mainly Emalaheni, Intsika Yethu, Sakhisizwe, Engcobo and Lukhanji. Inkwanca and Inxuba Yethemba suffer from lack of a guaranteed water supply, which should be rectified in the near future. Limited access to water impacts upon the ability of people to practice good personal and food hygiene. The old and people with disabilities are particularly affected as they have difficulty in gaining access to water. The growing of crops is limited as there is no water to spare for the crops, which creates many nutritional problems. Stock farming may also be limited due to insufficient water being available that has a notable impact upon people's livelihoods.

Limited and poor sanitation creates numerous environmental problems, such as water pollution due to the waste being washed into the rivers by rain. Such water pollution is often directly attributable to a variety of diseases which children playing in these contaminated areas pick up. The smell from improper sanitation also affects quality of life for residents.

The greatest challenge facing government and local government in particular is how to minimise harmful environmental practises that contribute to global warming and ultimately climate change. A summit was recently held on this topic in the District to promote awareness of the problems created by global warning.

Chris Hani District Municipality has produced an Environmental Management Plan (EMP) which has been adopted by Council in order to point out areas of concern, the plan is reviewed for compliance and alignment annually so as to address current situation. The plan highlights areas of the environment which should be conserved and protected.

Animal and vegetation species and cover are mapped and identified. In addition present and future environmental problems are identified per local municipality as well as all renewable resources. It recommends that:

- The DM appoint dedicated environmental staff
- The DM develop an integrated environmental management system
- The DM implement pollution control measures such as air pollution monitoring stations
- The DM assist to develop the capacity of its LM's to deal with environmental issues
- The DM undertake environmental impact assessments (EIA's) for all of its current and future project

However the District Municipality is struggling to finance the implementation of this plan especially regarding pollution control mechanisms.

## **2.4.2 SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT**

### **2.1 Water Services & Sanitation**

The Chris Hani District Municipality is a Water Services Authority in all local Municipalities within the district in terms of powers and functions as developed by Municipal Structures Act, 117 of 1998. It therefore tasked with addressing a water services backlog. Water supply in larger towns is treated and subject to operational and compliance monitoring while there are small and remote rural communities whose supplies are seldom monitored.

The DM is a legislated WSA for its entire area of jurisdiction hence it has completed an assessment of alternative water service provision mechanism, as required by Section 78 of Municipal Systems Act.

All its 8 local municipalities are Water Service Providers. Strong and healthy relationships with the LMs have resulted in the appointment of 42 critical and technical staff that are deployed to different LMs. These people have assisted in strengthening LM's water service provider staff and also ensured that staff inherited from Department of Water Affairs is managed at the LM level. This has also resulted in the improvement of the operational budget expenditure and vehicles and trucks amounting to R27 million were purchased. As a result an improved customer care relation and limited downtime has been observed.

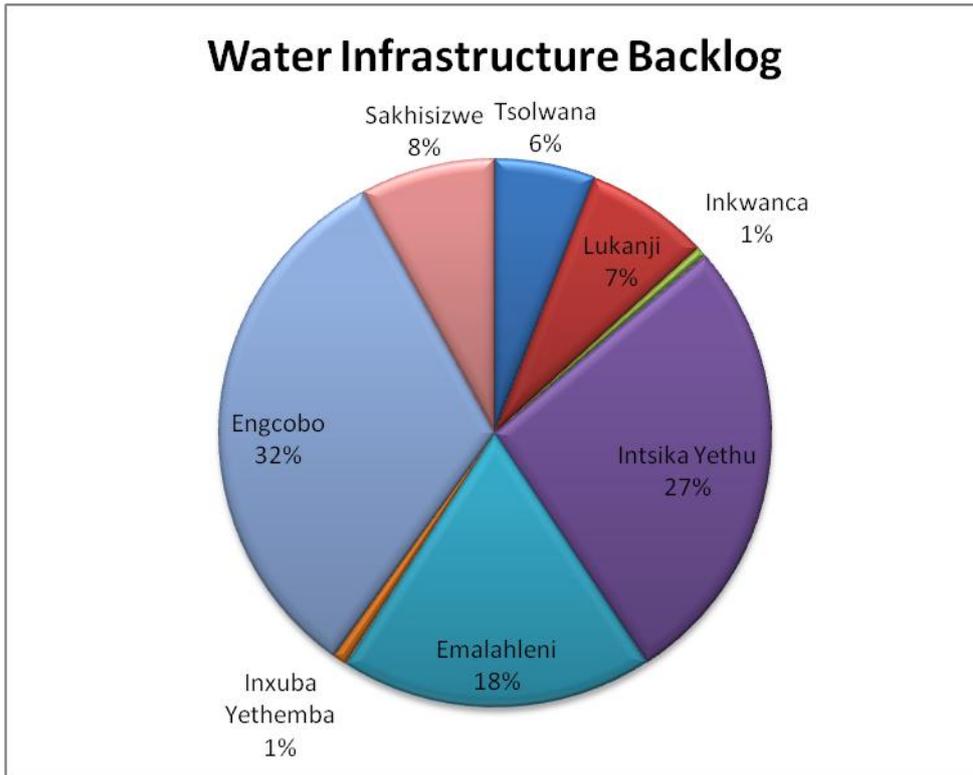
### **2.2 Water Services Development Plan**

With the publication of the *Water Services Act* (Act 108 of 1997), all South African water services authorities were required to prepare a Water Services Development Plan (WSDP). The WSDP is a business plan setting out the way in which a specific Water Services Authority delivers water services to individuals and businesses in its area of jurisdiction. It also describes the current and future consumer profile, the types of services that are provided, the infrastructure requirements, a water balance, organisational and financial arrangements to be used, an assessment of the viability of the approach, and an overview of environmental issues. Following these analyses, important issues that may impact on the provision of effective and sustainable water and sanitation services need to be identified and strategies must be formulated to improve service provision.

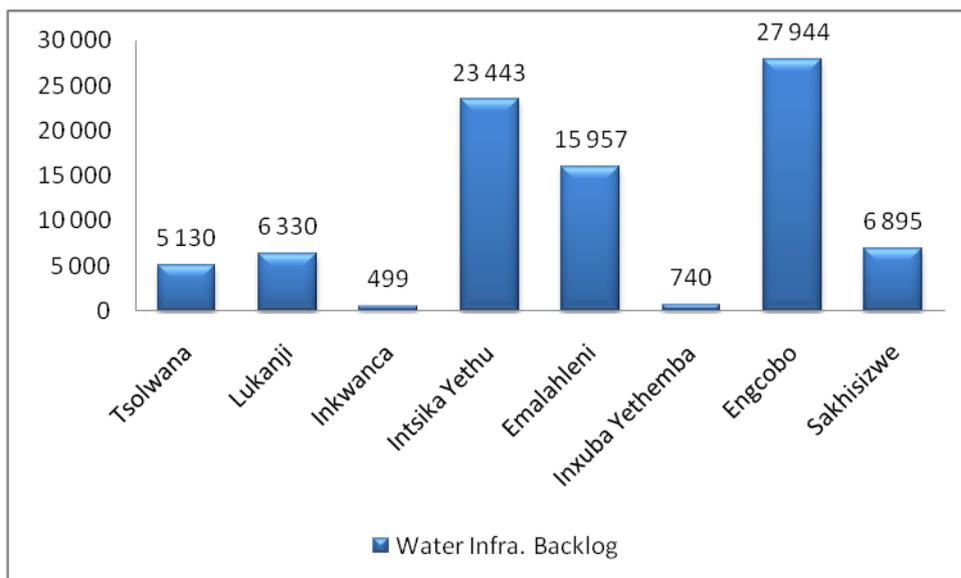
As a WSA the Water Services Development Plan has to be reviewed and was lastly reviewed in 2011/12 financial year. The 2012/2013 Draft WSDP development is being developed the following would be addressed on the WSDP which will be submitted to Council and be adopted together with IDP of 2012/17.

- Service Level Objectives
- Water Resources
- Water Conservation and Demand Management
- Bulk Infrastructure
- Institutional Arrangements
- Organisational Support
- Financial Management
- Tariff Policy

**Water and Sanitation Service Backlogs**



The above Pie Chart shows the percentage of water infrastructure backlog within the district as information and research conducted by Global Insight Rex 2011. It depicts that Engcobo has more backlog followed by Intsika Yethu Municipality with Inkwanca being the least with water backlog. The overall figure of the backlog has not changed significantly year-on-year, what has changed is the distribution of the backlog between municipalities due to the demarcation boundary changes. This means that most of the CHDM water infrastructure backlog has shifted to Engcobo Local Municipality area. This means that there is a need to review our WSDP to reflect these changes and to speak to how best to address the backlog going forward. Below are the water backlog figures per municipality sourced from Global Insight:



The Water Services Development Plan (WSDP) which is under review currently utilises Statssa figures from the 2007 Community Survey estimate that currently 76% of the total population of Chris Hani District Municipality (CHDM) is served with water services, whilst 55% are served with sanitation services.

However the WSDP of 2008 relies on household figures instead and based on an extrapolation of the 2007 Statssa figures delivers the following figures contained in the table below.

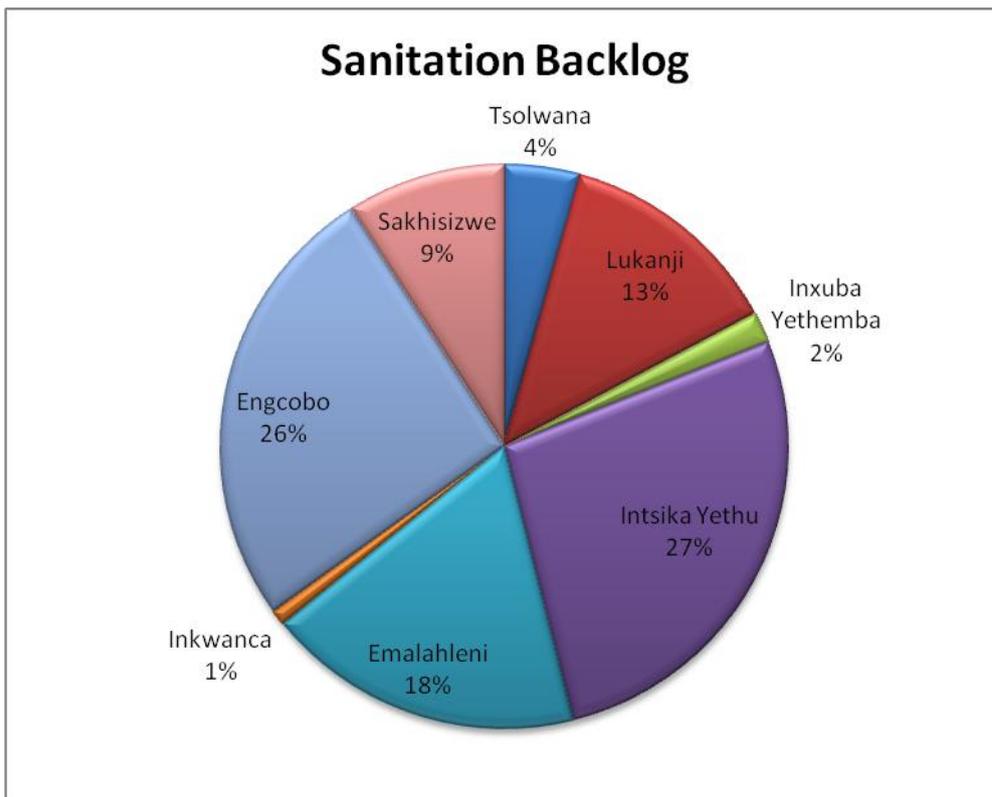
#### Water and Sanitation Services Delivery Profile

Municipality	Population Served		Population Not Served	
	Water	Sanitation	Water	Sanitation
Emalahleni	29,352	13,108	2,962	19,206
Inkwanca	3,694	2,413	-	1,271
Intsika Yethu	24,491	18,543	23,310	29,258
Inxuba Yethemba	12,483	12,483	-	-
Lukhanji	46,094	14,270	7,571	39,396
Engcobo	15,690	8,540	19,380	26,530
Sakhisizwe	10,589	4,057	3,201	9,734
Tsolwana	7,134	5,142	-	1,992
DMA	23	23	-	-
TOTAL	149,539	78,578	56,425	127,387
PERCENTAGE	73%	38%	27%	62%

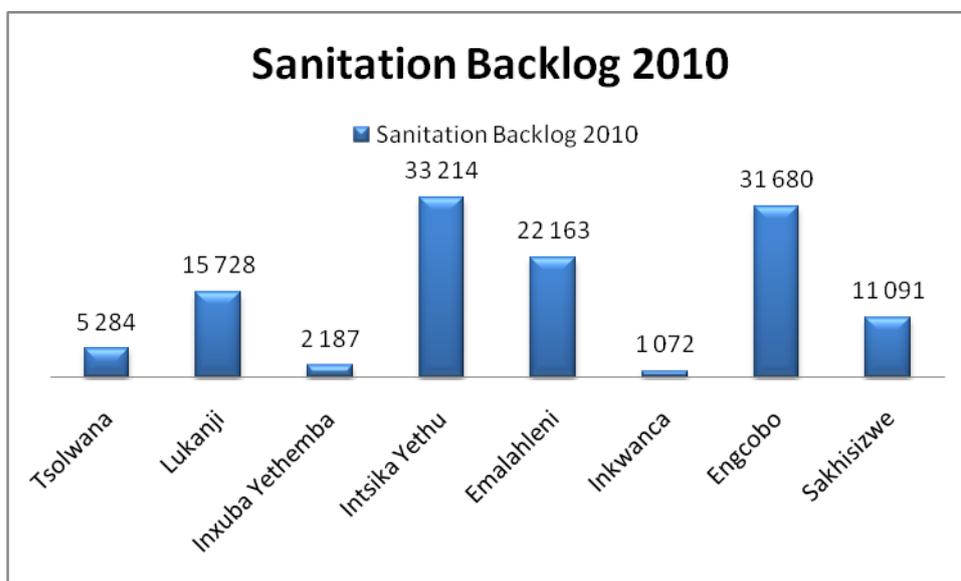
Source: CHDM Water Services Development Plan: 2008

The major challenge is meeting the backlog targets as set out by the national government due to the insufficient capital funds (i.e. MIG allocations). The collapsing infrastructure in towns is not included in the backlog.

Looking at the Sanitation Backlog Global Insight also didn't differ much with community survey as conducted in 2007. The below Pie Chart shows Intsika Yethu again as one municipality within the district with more/high backlog and the least being Inkwanca Municipality.



Actual figures are depicted by a graph below:



The CHDM has identified and quantified all villages with water and sanitation backlogs within their area of jurisdiction and put them into clusters. The District Municipality could not meet the targets it set of eradicating buckets due to financial and capacity constraints and as a result has committed itself in ensuring that it provides free basic services to its communities. Due to the allocated powers and functions the provision of basic level of services is limited to water and sanitation.

Backlogs have made it difficult to provide these services in areas which do not have infrastructure especially in the former Ciskei and Transkei areas. The funding with respect to MIG falls short in eradicating the backlog.

## Funding required for backlog eradication

The WSDP presents a number of possible developmental scenarios. Given the available and potential resources and capacity, the most viable scenario envisages increasing resources so that the backlogs are addressed by 2014.

Chris Hani DM has also developed a Water Services Backlog Eradication Strategy, whereby all areas with backlogs have been identified and quantified up to the village level. The affected villages have been grouped into nine clusters (i.e regional schemes. Estimated Funding requirement to Address Water and Sanitation Backlog (WSDP 2008)

Clusters	No of Villages	Households	Total Cost	Urban/Rural
1	17	1653	R 102,594,230	Rural
2	38	3919	R 129,726,695	Rural
3	11	2427	R 58,714,048	Rural
4	36	3173	R 162,209,630	Rural
5	37	3146	R 204,188,946	Rural
6	108	4669	R 520,089,290	Rural
7	37	4843	R 213,727,017	Rural
8	34	3055	R 174,996,766	Rural
9	9	593	R 50,425,300	Rural
Xonxa Bulk Supply	-	-	R 80,000,000	Rural
Other areas	-	-	R 1,691,782,787	Rural
<b>TOTAL</b>		<b>56,245</b>	<b>R 3,388,454,710</b>	

It is noted that there is a need to find alternate sources of funding if we are to increase our rate of delivery.

More investment is required in utilising surface water resources. In addition the monitoring of the usage of groundwater requires improvement. A worrying challenge is the minimal pollution contingency measures in place in the district. In addition far more attention has to be paid towards ensuring and implementing water conservation and demand management.

Some of the greatest challenges in eradicating the backlogs are:

- MIG Allocated funds do not roll over to the next financial year
- MIG Funds not spent are forfeited
- MIG Funds are strictly to be spent only on approved projects that meet the MIG conditions
- MIG Projects must also be recommended by the respective sector departments
- Contravention of MIG conditions are regarded as unauthorized expenditure and are not reimbursable by MIG unless approved by MIG
- Serious drought conditions
- Limited staff with technical expertise wanting to work in the rural areas of Chris Hani District Municipality

#### State of District Raw Water Situation within the District

The majority of the towns in the DM are supplied from surface water sources. Exceptions are the towns of Hofmeyr, Middleburg, Sterkstroom, Tarkarstad, and Cala (partly), which rely on groundwater (boreholes) supplies. Communities in the rural areas generally rely on unprotected springs, streams and boreholes for their water supply. Commercial farms are usually supplied by groundwater from boreholes.

#### **Blue Drop Drinking Water and Green Drop Wastewater Quality Assessment and Compliance**

Regular water quality testing at each of the water treatment works in the District is completed by operators as part of their daily routine. The results are recorded at each plant and are forwarded to the District for processing, interpretation and remedial action taken (if required). Monitoring of water quality at the point of consumption is undertaken by Environmental Health Practitioners (EHPs) employed by each municipality in the District.

These EMPs sample water at a number of sampling points throughout each municipality and measure a number of water quality parameters.

- EColi
- pH
- Turbidity
- Total Dissolved Solids (TDS)
- Conductivity
- Free Chlorine
- Nitrates
- Sulphate
- Flouride

In the event that a sample fails to comply with the required standards, it is retested before remedial action is taken. For the eColi test, water is taken from an unsterilized tap and after it has been burned to sterilise the tap. This will give an indication if any pollution enters the water at the tap or prior to the tap.

#### **Comments by 2011 Green Drop Inspectors:**

“The Green Drop assessment revealed that wastewater management within this municipality ranges from acceptable to entirely unacceptable.

Management of the Queenstown wastewater system proved to be promising; within this system relatively good scores were achieved across the board accept for incident management, treatment capacity and asset management. A far less convincing performance was recorded at each of the remaining systems. This poor performance necessitates the Department to require the Water Services Authority to provide an explanation together with a turn-around plan within 30 days subsequent to the release of this report. (This to inform the appropriate intervention)

Special attention is required at Tsomo, Cradock, Lady Frere, Middelburg and Comfimvaba since all of these systems reached the undesirable maximum risk rating.

This means that it is squarely within the critical risk category; the situation will not turn around without a concerted planning and implementation effort from municipal decision makers and management.

Green Drop Findings:

A lack of operational information indicates ineffective management of the wastewater systems in general; this severely compromised the Green Drop performance of Chris Hani District Municipality and Water Service Providers (Local Municipalities):

Officials indicated a budget for operations and maintenance but could not produce any evidence of expenditure. This prevented the assessors of having complete confidence in the efficacy levels of asset management.

The general lack of information bar one of the systems Chris Hani is responsible for, it is recommended that the compilation of asset registers and investment in operational monitoring will be prioritised, together with process optimisation in a serious endeavoured required for effluent quality compliance with authorization limits”

Conclusion:

“The Regulator is not satisfied with the overall performance of wastewater services management in Chris Hani DM. The WSA has to submit a Corrective Action Plan to DWA within 30 days of release of the Green Drop Report.”

**Comments by 2011 Blue Drop Inspectors:**

“Chris Hani DM is another Eastern Cape Water Services Authority that impresses with its drive to improve drinking water quality management. An overall score improvement from 53.1% to 73.5% speaks volumes of the officials’ commitment in this regard. This is sincerely a commendable performance under challenging circumstances.

Nevertheless there would remain areas with dreadful microbiological compliances i.e. in systems such as Cala and Elliott. Compliance percentages in these two systems are well below 50% and it can be expected that these communities are at risk. The municipality is required to inform the Department’s regional office within 30 days as from the release of this report on an action plan for urgent improvement of treatment efficiency levels in these areas.

The Blue Drop inspectors noted: “The Water Services Providers responded very well to the deficiencies identified during the Blue Drop Assessment and come well prepared for the Confirmation Interviews. The WSPs were strongly supported by the ChrisHaniDistrictMunicipality. The District Director personally led the interviews and made sure that each of his WSPs was represented in large numbers. This illustrates the commitment of the District towards the Blue Drop Certification Programme.”

Findings:

The worst performing systems would be the Rural Systems within the jurisdiction of Intsika Yethu Local Municipality.

**Interventions required to address identified ‘Blue Drop’ compliance gaps**

It is clear from the Blue Drop Assessment that, while the Municipality has made great progress in improving its water quality monitoring system; specific areas that require additional interventions include:

- Drinking Water Quality testing and compliance in rural areas (especially Intsika Yethu)

- Water Safety Plans in some areas (i.e. rural areas)
- Implementation of the comprehensive testing programme that will fully comply with SANS 241
- Build Capacity and reduce reliance on service providers for support and testing

### **Roads and Stormwater**

The road network in the Chris Hani District consists of a hierarchy of national, provincial and municipal roads. Two national routes pass through the Chris Hani District in a north-south direction i.e. the N10 and N6. The local Trunk and Main roads link the larger towns and villages and mostly run in an east-west direction. The best example is the R61, which runs from Cradock in the west through Queenstown to Mthatha in the east. The total length of the provincial road network amounts to approximately 43 465km. This is made up of approximately 5 102 km (12%) of surfaced roads and 38 363km (88%) of gravel roads. Only 707 km of the total network of nearly 8 900 km in Chris Hani is surfaced.

The overall condition of the road network in the Province and in the Chris Hani District has not improved, mainly due to insufficient funds for maintenance and inherited backlogs. Gravel roads require regular maintenance especially with heavy rains and high traffic volumes as can be seen in the photograph above. From an economic point of view, gravel roads suppress economic development since they lead to high vehicle operating costs and often lead to the damage of crops transported.

The District is responsible for maintaining identified roads in the Inxuba Yethemba area on an agency basis if the Department of Roads and Transport. As the custodian of the secondary roads in the North Western side of the district. It has met this responsibility in a stalwart manner with the Department of Roads & Public Works and is firmly recognized in the Office of the Premier as one of the trendsetters in Road Construction and Maintenance.

The District Municipality (DM) in particular the Roads Section team managed to successfully secure a new 3 year Service Level Agreement (Road Maintenance Contract) with the Department of Roads & Public Works starting from the beginning of April 2009. The Contract is limited to Provincial Proclaimed Roads within the Inxuba Yethemba Area. The project started with a budget of 67.5 Million. An allocation of R22,5 Million was committed for the 2011/12 financial year, continuing with R25 Million for the 2012/13 and 2013/14 fiscal years respectively.

The Roads Staff has been commended by DRPW, the Agricultural Union and the Roads Forum for their professional implementation of the programme as their roads are of a high quality and are maintained on par with the private sector. The program is aimed at all road users particularly the local communities, tourists/visitors, Agriculture and National and provincial funded projects to cater for an Ethanol factory in Cradock. Municipalities that are not part of the Service Level Agreement are serviced by the Department of Roads & Public Works.

### **OPERATION & MAINTENANCE WITHIN CHDM**

The unit is tasked with maintaining the infrastructure within the dsitric of which some of the functions of the unit includes:

- Routine Operation and Maintenance Procedures
- Start and Daily Operations
- Emergency flags
- Equipment Inventory

- Spare parts Inventory
- Equipment repair and Supply information
- Emergency Response and Action Plans
- Water Quality Monitoring
- Water Quality and Regulations Violation response Procedures
- Employee Training
- Monthly Inspection Reports and Observation Report
- System Description which includes
  - (a) Source
  - (b) Treatment
  - (c) Distribution
  - (d) Storage

The technical guidelines assisting in the development of Operation and Maintenance Plans (O & M) for Water and Sanitation are still in the process of development so that they are in conjunction with conservation and demand management as they are in the course of development, but have not yet been approved. The O & M Plan will be developed to satisfy the Licensing of Water Supply and Wastewater Treatment system operator Regulations including the development of reporting all daily procedures of maintenance done on each and every Municipal asset and also a description of water supply source, treatment, storage and distribution. This plan is intended to ensure that the system operates in a manner that satisfies all laws, rules and regulations and that all employees are acquainted with their individual responsibilities.

#### Climate Change and Drought Mitigation

After CHDM was declared as a drought affected District, the Department of Water Affairs allocated a Drought Relief Funding and the District Council adopted an action plan to address the crisis in 2010/11. Subsequent to that the Municipality has developed a Climate Change Strategy which is to be adopted by Council together with Final IDP for 2011/12. Some of actions taken by council include the following decisions:

- That to allocate the funds per Local Municipality.
- Funds have been utilised to test, drill and equip boreholes and also to protect the springs.
- Ground water protocol has to be conducted in all 8 local municipalities.
- WSPs were required to use the existing CHDM tender for ground water protocol to fast-track the drought action plan implementation process.
- CHDM to purchase 12 water carts for water supply which where needed
- Springs are to be protected as alternative water supply.
- The Drought Relief Programme is to continue throughout.

The drought situation was further elevated on the 2010 Water and Rural Development Summit. By the month of March 2012 the institution conducted a Climate Change Summit so as to discuss climate change issues.

## Education

Education levels are low throughout the District, as indicated in the Table below.

Municipalities	No schooling	Some primary	Complete primary	Some secondary	Grade 12	Higher
EC131:Inxuba Yethemba	5 786	9 068	3 152	10 023	4 886	2 099
EC132: Tsolwana	4 841	4 148	1 181	3 645	1 749	747
EC133: Inkwanca	2 641	3 251	943	2 511	1 044	590
EC134: Lukhanji	18 018	20 186	7 689	30 033	14 744	8 238
EC135: Intsika Yethu	30 798	20 167	6 206	18 992	4 521	3 217
EC136: Emalahleni	20 436	12 018	3 197	10 997	2 963	2 384
EC137: Engcobo	25 974	13 660	3 556	12 997	3 499	2 267
EC138: Sakhisizwe	5 824	6 575	1 794	7 048	2 507	1 640
<b>DC 13 Chris Hani DM</b>	<b>114 318</b>	<b>89 073</b>	<b>27 718</b>	<b>96 246</b>	<b>35 913</b>	<b>21 182</b>

The table indicates that in fact the majority of Chris Hani residents are functionally illiterate. The resulting high number of undereducated people entering the workforce places significant demand on the economy to provide unskilled jobs. As no economy can provide for such a large unskilled labour force, it stands to reason that there will be high rates of unemployment which is indeed the case.

A number of reasons contribute to the low levels of education such as:

- Parents lack the money to send children to school
- Limited number of school facilities, and a significant number of poorly constructed and maintained schools without water, sanitation and electricity
- Lack of adequately trained and motivated educators
- Lack of pre-primary, secondary and tertiary institutions in the region
- Lack of educational equipment
- Lack of adult literacy programmes
- High rate of teenage pregnancies

The Departments of Education and Social development, in conjunction with local municipalities and the District Municipality, must, therefore, concentrate on a two pronged approach: (1) whereby learners have access to well equipped and maintained school buildings, crèches and pre-primary facilities as many of these facilities are inadequate for their function, and (2) the necessary funds being made available to encourage learners to complete their high school education.

## Libraries

There is a significant lack of libraries within the District, resulting in school children and other learners being unable to access information they require for their studies. It is noted, however, that some progress is being made in this regard. Intsika Yethu Municipality with DSRAC are building the library in Cofimvaba for the purposes of assisting learners with information.

### Sports & Recreation Facilities



The District offers a wide display of sports from the more adventurous such as white water rafting, horse endurance trails to the more sedate such as bowls. Indigenous sporting activities such as horse races and stick fighting are promoted and competitions held throughout the rural areas.

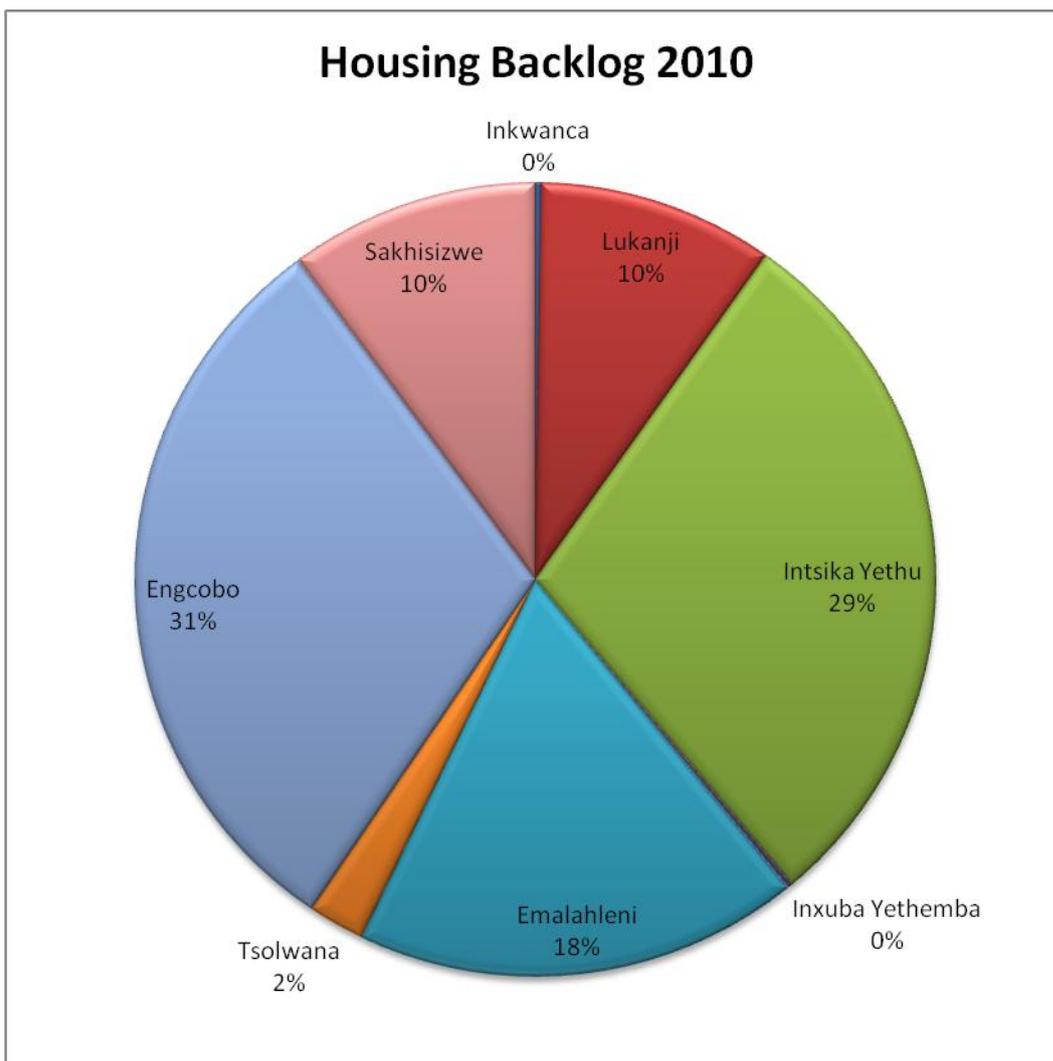
Many sport clubs and codes have a proud tradition and have been going for many years. However, there is a significant lack of sports and recreational facilities within the District, especially in the former homeland areas. This may be directly attributed to the policies of the former government, which did not take into cognisance the health and welfare of people living in the then homelands. As a result many schools do not have their own playgrounds or sporting facilities.

### Community Halls

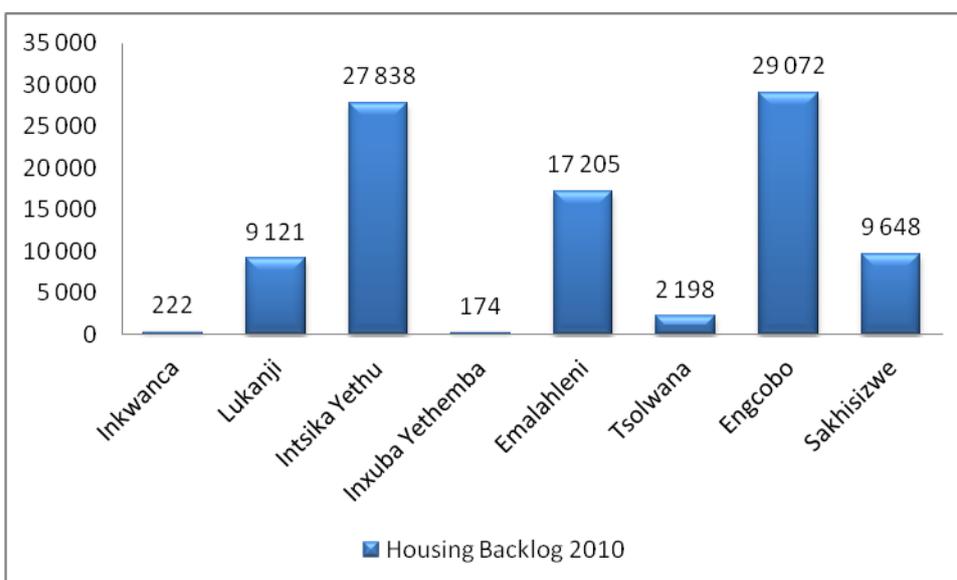
Community halls provide multiple opportunities, including a place for people to gather for meetings, a place from which information may be disseminated, and a place from which services (such as pension payouts) may be provided. The lack of community halls means that local communities have no place to gather, partake in recreational and educational activities, and receive pensions or pertinent community information

### **HOUSING DEVELOPMENT WITHIN THE DISTRICT**

In terms of the Municipal Structures Act 1998 no 117 a district municipality is expected “to build the capacity of local municipality in its area to perform their functions and exercises their powers where such capacity is lacking.” Chris Hani District Municipality serves to Coordinate; Support; Guide and to facilitate the process of housing development within its jurisdiction.



Global Insight research data/tool of 2010 shows that Intsika Yethu and Engcobo municipalities are the most locals within the district with more housing backlogs as the two graphs and a pie chart depict.



## STATUS CORE OF THE HOUSING IN THE DISTRICT

One of the key responsibilities of the Housing Unit in the district is to providing support and guidance to local municipalities that are faced with capacity challenges and financial constraints in housing delivery; to co-ordinate infrastructure projects that are directly affecting housing (sanitation and water) etc, to eliminate duplications; to assist in the monitoring of housing project etc.

In trying to address those local challenges that are facing the District in terms of housing development, CHDM ensures that housing forums are coordinated every quarter and it is chaired by the portfolio council responsible for housing in the district. The forum is comprised of portfolio heads and officials that deals with housing; infrastructure and town planning in the district and all its 8 local Municipalities; the Department of Human Settlement in the Province and the Region; Sector departments are also invited to form part of the forum.

Chris Hani District Municipality has been granted a Developer Status for the construction of permanent emergency houses in the entire district by the Department of Human Settlement. There is currently a backlog of 1300 disaster houses to be developed in the district, of that 427 have been approved for this financial year as follows:-

- Intsika Yethu LM = 67
- Lukhanji LM = 75
- Emalahleni LM = 49
- Sakhisizwe LM = 65
- Engcobo LM = 73
- Tsolwana LM = 44
- Inkwanca LM = 24
- Inxuba Yethemba LM = 30

CHDM Council took a resolution that CHDM be one of the municipalities that gets the accreditation status. The assignment for accreditation relates to transfer of a function which includes the transfer of the authority role and the right to receive directly the funds and the assets necessary to perform the Human Settlement function. CHDM is busy with the preparatory work that needs to be done for assessment of compliance and capacity for Municipal Accreditation. It appears that CHDM is in a state to apply for Level Two, the level that deals with full programme management and administration of all housing instruments/ programmes;

## KEY ISSUES OF THE HOUSING DEVELOPMENT PLAN:

### Skills Development

CHDM has signed a Service Level Agreement with Coega Development Corporation on Advanced Socio Economic Development and Transformation through Infrastructure Development which includes Skills Development to local labour including internship programmes, emerging enterprise development including Cooperatives. The scope of work includes, but no limiting construction of emergency house. Majority of contractors in the district are in lower grades between 1 and 3 which need support in order for them to deliver on time, at quality and cost. During the construction of emergency houses Coega will play a big role on monitoring those local emerging contractors.

### Capacitating of LMs

To provide capacity and support to LMs and other stakeholders with regard to housing delivery in line with Housing Act. Guide LMs on how to develop their Housing Sector Plans, assist in the monitoring of housing projects, give support on planning and implementation of subsidy projects towards integrated settlements, Coordinating the formulation and review of housing policy and legislation.

CHDM plan will address the following issues; ensure that housing project benefit the local economy through all the housing programmes in the district. It will ensure that local people are the first preference in terms of employment in the housing project and that building material for the projects is purchased on the local suppliers of the district.

These housing programmes are all driven by an existing Housing Steering Forum which involves all Local municipalities in the district: -Housing Portfolio Heads; Municipal Housing Managers/officials; Department of Housing in the district and other stakeholders are invited when it's necessary.

Main functions of the HSCF

- To discuss housing challenges and housing demands as to get solutions
- To discuss progress reports submitted by the LMs on their housing projects.
- Identify ways of providing capacity to those LMs that are lacking and also discuss other related housing issues.

Subsequent to the role that the district will play on housing development the CHDM in partnership with Coega Development Corporation intends signing an Agreements on Advanced Socio Economic Development and Transformation through Infrastructure Development which includes Skills Development to local labour including internship programmes, emerging enterprise development including Cooperatives. As well as growing local Manufacturing especially Concrete and Timber Products, Cooperative Forum is mostly targeted in the CHDM area.

Telecommunication

Telkom is currently expanding its public phone infrastructure in the rural homeland areas with the result that the majority of Chris Hani residents do have access to some sort of telephones. Cellular phones cannot be used in all areas of the District due to the mountainous terrain, which disrupts television, radio and cell phone reception. The investment into telecommunications infrastructure is further hindered by vandalism and theft. Cellular and television providers should be lobbied to increase their network coverage in these areas so that consumers can experience a more satisfactory service.

There is still very limited access to fax and computer / internet facilities. GCIS has recently completed a survey whereby they wish to install a multi-purpose facility that will give community members access to all tele-communication facilities in each municipality. The only existing facilities of this nature are currently located at the Qamata Great Place in the Intsika Yethu Local Municipal area, Thusong Centres and at Ngcobo town.

Transport

When considered from a transport perspective, the Chris Hani District is of importance not only to the local socio-economic climate, but also to the country as a whole. There are two national roads passing through the district in a north-south direction i.e. the N10 and N6 as well as two rail lines. The two rail routes links Port Elizabeth and East London to the interior.

The main east-west road corridors are along the R61 from Cradock, through Queenstown and beyond, the R359 from Queenstown through Lady Frere and Cala to Elliot and the R56 from Queenstown through Sterkstroom, Molteno and Steynsburg to Middelburg.

### OVERVIEW OF CHDM TRANSPORT MASTER PLAN

The CHDM Transport Master plan has been carried out to prepare the District meet the demand for safe transport services and facilities. The Master plan positions the District to offer maximum accessibility to the amenities offered in cities and towns throughout the District and the many tourist facilities in the neighborhood. The Master plan intends to provide guidance on the infrastructure requirements to improve major roads and key facilities in towns, signage to guide visitors and public transport services and facilities.

The district is currently committed to the implementation of the Transport Master plan. Therefore the intention will be a joint effort with local Municipalities contributing to implementation in their areas.

The structure of the CHDM Transport Master plan includes the following chapters:

- Travel Demand and Situational Analysis
- Data Collection and Assessment
- Transport Operational Plan:
  - Infrastructure Plan
  - Public Transport Plan
  - Aviation Plan
  - Rail Plan
  - Local Mobility Plan
  - Information and Signage Plan
  - Safety and Security Plan
  - Transport Management Plan
- Branding and Marketing
- Contingency Plans
- Implementation and Evaluation Plan

The CHDM Transport Master plan also contains a clear set of recommendations to prepare the District to compliment the transportation services. By preparing this Master plan, the District shows its commitment and pursues the implementation of the Plan as a matter of priority.

#### Taxi services

There are 21 registered taxi associations operating in the 16 towns situated within the Chris Hani District. According to the Registrar there are approximately 1 600 active members in the different associations. This figure excludes operators who are using sedans and bakkies/LDV. It is evident that there are some differences between the Registrar and Taxi Associations due to the frequency of the update of the Registrar's database.

From the records of the Registrar, there are currently 304 registered taxi routes in the Chris Hani District. Bakkie taxis comprise a significant percentage on the routes i.e. +/- 60 % and are dominant in Engcobo, Cofimvaba, Cala and Tsomo. The sedan operation is largest within the Lukhanji Municipality and particularly Queenstown.

Due to the large number of passengers using taxis in the District, as well as the flexibility of the taxi industry, taxis are the most prominent form of local public transport. The type of vehicles operating in the field varies from the typical minibus, to light delivery vehicles (LDVs) and sedan or passenger cars. There are also many more routes between settlements than there are within settlements. This can be

explained by the fact that most of the settlements in Chris Hani are small and thus there is not a great demand for motorised travel within the settlement boundaries. Most daily activities can be accomplished on foot since the distance to be travelled is relatively small in comparison to the greater distances between settlements.

#### Bus Services

There are currently 31 bus operators in CHDM according to the local ECDRT office but only 11 of these have operating permits and the buses only operate in four of the eight district municipalities. The buses operate on 49 routes of which nine are subsidised. Operations on the subsidised routes were suspended due to feasibility and/or un-roadworthy vehicles. Africa's Best 350 scheme has brought 16 new buses to the CHDM routes.

#### Long distance travel

There are marked increases in the number of long distance journeys undertaken during holiday periods such as Christmas (December-January) and Easter (April school holidays), whereas during out-of season times there may be no services on those routes, depending on the mode. Long distance routes include a number of important destinations and include both road and rail based services. There is a close relationship between local and long distance public transport services – passengers from outlying areas would be transported on a local service to reach a main settlement and from there transfer onto a long distance service.

Even though long distance travel in Chris Hani resembles a corridor and feeder system, there is little coordination between and within the schedules and frequencies of modes and equally little consolidated information available on long distance travel.

#### Freight Transport

In Chris Hani, the main freight movement corridors are mainly along the national routes. Cargo is transported nationally through the district from/to the coastal towns of East London and Port Elizabeth primarily to/from Gauteng. The freight is moved by either road or rail. There are no major freight generators within the Chris Hani District other than the typical economic activities in the larger urban area, such as Queenstown.

The movement of freight has become more and more road based in the past few decades. The busiest route being the N10 carries more than 100 long/large heavy vehicles per day. This amount to approximately 10 interlinks per hour along the route.

#### Rail freight

There are two primary railway lines passing through the Chris Hani District in a north-south direction. They are the East London – Bethulie route (passing through Queenstown, Sterkstroom and Molteno) and the Port Elizabeth – Cradock – Carlton route. There were also a number of other lines in the district but these are not in use or the lines have been lifted.

#### Rail Services

The Shosholozha Meyi operated by Transnet Freight Rail operates along two north-south routes through the municipality. The two routes are the following:

- Johannesburg – Bloemfontein – Cradock – Port Elizabeth
- Johannesburg – Bloemfontein – Cradock – Port Elizabeth
- Johannesburg – Bloemfontein – Molteno – Sterkstroom – Queenstown –
- Cape Town – Colesberg – Molteno - Sterkstroom – Queenstown – East London

The area is served well with rail service. These services are mostly passenger services but carry limited freight.

#### Air Services

There are not scheduled air services to and from any airports/airfields in the Chris Hani District. There are several airstrips near the larger towns. All the airstrips are unsurfaced, except the Queenstown airfield, which has one surfaced runway. There are a total of 10 airfields/airstrips located in Chris Hani. The airfields are mostly used for recreational and tourism activities.

#### Non-motorised Transport

Planning for non-motorised transport (NMT) has historically been neglected even though it is an important method of transport. The main issues witnessed during the assessment process were the unavailability of safe pedestrian facilities, such as walkways and shelters, and accommodation for people with disabilities.

Walking is a major mode of transport in the CBD areas. The surveys indicated that the highest numbers of pedestrians are found in the CBD's of Queenstown, Cofimvaba, Engcobo, Lady Frere and in Cradock and Middelburg. Pedestrians face many problems due to the limited availability of pedestrian facilities.

#### Scholar Transport

The importance of intervention in a scholar transport system has its roots in the fact that education levels are low throughout the District, with a literacy rate of 47.1%. It has been found that one of the reasons that contribute to the low levels of education is the lack of convenient access to schools resulting in long travel times, mostly by walking to school.

The issues that the Chris Hani District faces with respect to public transport are the following:

- Multiple small taxi operators that are tied to geographical locations are inflexible and are difficult to coordinate and integrate in a larger system
- Buying power of individual taxi operators is very low.
- Vehicle capacities are not necessarily suited to the demand
- Rail and subsidised buses operated at regional level and are not integrated into local planning
- Operator and regulatory fixation with vehicle type and layout discriminates against passenger volumes / needs and does not provide operational flexibility
- The overloading of heavy vehicles is a major contributor to the premature failure of road pavements .
- Gravel roads often become impassable in wet weather, isolating settlements that can only be reached by such means. .
- The large number of stray livestock on roads.
- Poor management and supply of transfer facilities.
- Derelict passenger rail lines and stations
- Insufficient vehicle testing and licensing facilities
- Unavailability of public transport facilities (including for the disabled)
- Lack of cooperation between Public Transport Operators and the Municipal Authorities
- Lack of Institutional capacity at Local and District level to manage transport planning and implementation.
- Insufficient supply of taxi related information, especially bakkie and sedan operations.
- Outdated information at the Taxi Registrar
- Lack of pedestrian and non-motorised transport facilities
- Lack of accident database for the Chris Hani District
- Lack of District Road Maintenance Programme

- Inadequate pedestrian signs and markings and off loading areas especially within CBD areas
- Limited traffic calming measures within areas of high accidents
- Low visibility of traffic officials and law enforcement
- Insufficient supply of taxi related infrastructure
- Public transport in the rural areas is reliant on bakkies
- By-laws limiting the operation of hawkers on side-walks are not implemented or proclaimed.

#### Recommendations

- Public transport should provide connectivity where private transport is unfeasible
- Each settlement condition requires a particular development and transport approach
- Strong land use management should be accompanied by integrated transport provision to achieve more compact, efficient settlements and transport services
- Tourism potential should not be ruined by uncontrolled settlement growth or insensitive transport connections

#### 2.6.6 MUNICIPAL HEALTH SERVICES

Municipal Health encompass the following services as detailed in the Constitution of the RSA, part B of schedule 4, and National Health Act, 61 of 2003:

##### (1) Water

- (a) Monitoring water quality and availability, including mapping of water sources.  
Enforcement of laws and regulations related to water quality management.
- (b) Ensuring water safety and acceptability in respect of quality (microbiological, physical and chemical), and access to an adequate quantity for domestic use as well as in respect of the quality of water for recreational, industrial, food production and any other human and animal use.
- (c) Ensuring that water supplies are readily accessible to communities and to the planning, design, management and health surveillance.
- (d) Ensuring monitoring of and effective waste water treatment and water pollution control, including the collection treatment and safe disposal of sewage and other water borne waste and surveillance of the quality of surface water (including the sea) and ground water.
- (e) Advocacy on proper and safe water usage and waste water disposal.
- (f) Water sampling and testing in the field and examination and analysis in a laboratory.

##### (2) Food Control

- (a) Food safety in respect of acceptable microbiological and chemical standards and quality of all food for human consumption and optimal hygiene control throughout the food supply chain from the point of origin, all primary ground, or raw products production up to the point of consumption.
- (b) Food inspection at production, distribution and consumption area.
- (c) Informal Street trading monitoring.
- (d) Food premises inspection and control of statutory nuisances.
- (e) Enforcement of food legislation and Codex Alimentarius.
- (f) Food quality monitoring programmes and principles through various techniques e.g HACCP audits.

- (g) Promote the safe transportation, handling, storage and preparation of foodstuffs used in the Primary School Nutrition programme (NSNP), Prisons and Health establishments, Airports etc.
  - (h) Promote safe handling of meat and meat products including meat inspection and examination at abattoirs.
  - (i) Promote the safe handling of milk and milk products
- 3) Waste Management
- (a) Waste management and general hygiene monitoring including:
  - (b) Ensuring proper refuse storage, collection, transportation and transfer, processing and materials recovery and final disposal.
  - (c) Liquid waste management including sewage and industrial effluents.
  - (d) Ensuring the proper storage, treatment collection, transportation, handling and disposal of health care waste and hazardous waste.
  - (e) Sampling and analysis of any waste or product (sewage) refuse or other wastes.
  - (e) Investigations and inspections of any activity relating to the waste stream or any product resulting there from.
  - (f) Advocacy on appropriate sanitation.
  - (g) Control of the handling and disposal of diseased animal tissue.
  - (h) Ensuring safe usage of treated sewage sludge and the health and safety of reclaimed waste.
  - (i) Ensuring waste management including auditing of waste management systems and ensuring the “cradle to grave” approach is adhered to.
- (4) Health Surveillance of Premises and these includes -
- (a) Environmental Health Impact Assessment including housing projects and indoor air quality monitoring.
  - (b) Assessment of factors including ventilation, lighting, moisture-proofing, thermal quality, structural safety and floor space.
  - (c) Assessment of an overcrowded, dirty or unsatisfactory condition in any residential, commercial, industrial or other occupied premises.
  - (d) Monitoring all buildings and all other temporary or permanent physical structure for residential, public or institutional use (including health care and other care, detainment, work and recreation including travel, tourism, holiday resorts and camping sites) as well as the facilities in connection therewith and the immediate precincts thereof.
  - (e) Ensuring the urban and rural land-use planning and practices that are conducive to sustainable development through sound environmental health impact and other assessments.
  - (f) Ensuring prevention and abatement of any condition on any premises which is likely to constitute a danger to health.
  - (g) Ensuring the health safety of the public passenger transportation facilities such as busses, trains, taxis, boats and aeroplanes as well as all other facilities in connection therewith.
  - (h) Ensuring compliance with the principles of agenda 21, Healthy Cities approach to integrated service rendering and the practical minimizing of any detrimental environmental health risk.
- (5) Surveillance and prevention of Communicable diseases which excludes Immunizations.
- (a) Health and hygiene promotion aimed at prevention of environmentally induced diseases related communicable diseases
  - (b) Collection, analysis and dissemination of epidemiological data and information.

- (c) Use of Participatory Hygiene and Sanitation Training (PHAST) approaches for effective control measures at community level.
  - (d) Epidemiological surveillance of diseases.
  - (e) Establishment of effective Environmental Health Surveillance and Information System at different spheres of governance.
  - (f) Develop environmental health measures with protocols with reference to epidemics, emergencies, diseases and migrations of populations.
- (6) Vector control monitoring which includes: -
- (a) Identification of vectors, their habitats and breeding places.
  - (b) Vector control of public health interest including the control of arthropods, molluscs, rodents and other alternative hosts of diseases.
  - (c) Removal or remedying of conditions resulting in or favouring the prevalence or increase of rodents, insects, disease carriers or pest.
  - (d) Residual spraying of premises and surrounds.
  - (e) Investigate zoonotic diseases and other vector borne diseases in the working and living environment.
  - (f) Surveillance of imported cargo and livestock for the prevalence of disease vectors.
  - (g) Serological tests of rodents, dogs and other pets.
- (7) Environmental Pollution Control
- Including: -
- (a) Ensuring hygienic working, living and recreational environments.
  - (b) Identification of polluting agents and their sources, like air, land and water.
  - (c) Conducting environmental health impact assessment of development projects and policies, including Major Hazardous Installations.
  - (d) Identifying environmental health hazards and conduct risk assessment and mapping.
  - (e) Accident prevention e.g. paraffin usage.
  - (f) Approval of environmental health impact reports and commenting on Environmental Impact Assessment applications.
  - (g) Ensuring clean and safe air externally (ambient and point sources), including emission inventories monitoring, modeling and toxicological reports reviews and complaint investigations.
  - (h) Control and prevention of vibration and noise pollution.
  - (i) Prevention and control of land pollution detrimental to human, animal or plant life.
  - (j) Ensuring compliance with the provisions of Occupational Health and Safety Act and its regulations including anticipation, identifying, evaluating and controlling of occupational hazards.

- (k) Preventative measures required to ensure that the general environment is free from risk health.
  - (l) Ensuring the registration, permitting, monitoring and auditing of all industries, activities, trade, etc, which involves the control of internal impacts on the worker and external impacts on the community and the environment.
  - (m) Infrastructure integrity management including pipelines and tankage.
  - (n) Ensuring emergency preparedness under abnormal operating conditions and disasters jointly with other role players.
  - (o) Develop sustainable indicators appropriate for monitoring the effectiveness of environmental management systems of industry.
- (8) Disposal of the Dead
- (a) Control, restriction or prohibition of the business of an undertaker or embalmer, mortuaries and other places or facilities for the storage of dead bodies.
  - (c) Regulating, control and prohibition of graves, cemeteries/ crematoria and other facilities for the disposal of dead bodies.
  - (d) Manage, control and monitor exhumations and reburial or disposal of human remains.
- (9) Chemical Safety
- Including: -
- (a) Listing of all operators, fumigation firms, formal and informal retail premises, which deal with the manufacturing, application, transport and storage of chemicals.
  - (b) Permitting and auditing of premises e.g. Scheduled Trade permit.
  - (c) Facilitating pesticides and/or chemical safety advice, education and training.
- (10) Noise Control
- (a) Assessment of the extent of noise pollution and its effect on human health.
  - (b) Facilitate noise control measures.
  - (c) Measuring of ambient sound and noise levels.
- (11) Radiation (Ionizing and Non Ionizing) Monitoring and Control
- Including: -
- (a) Ensuring that ionising and non-ionising radiation sources are registered with Department of Health.
  - (b) Ensuring that the registered ionising and non-ionising radiation sources meet the license conditions.
  - (c) Monitoring the safe transportation of radioactive material to ensure compliance.
  - (d) Ensuring that radioactive sources are licensed with the Nuclear Energy Council of South Africa.

- (e) Ensuring that all radiation material wastes from hospitals and other licensed establishments are properly disposed of.
- (f) Ensuring safety against any form or sources of electro-magnetic radiation.

**(12) Control of Haradious Substances**

In terms of control/monitoring the following is undertaken by the district:-

- (a) Ensure that substances are correctly labeled.
- (b) Ensure that all active ingredients are indicated.
- (c) Ensure that warning signs are indicated.
- (d) Ensuring that precautions are taken during storage/transportation and appropriate protective gear is utilized during handling.
- (e) Ensure that all substances are registered with the Departments of Agriculture and Environmental Affairs.
- (f) To ensure control of substances to prevent injury, ill-health or death by reason of their toxic, corrosive, irritant or flammable nature.
- (g) To control the importation, manufacture, sale, operation, application, modification or dumping of such substance.
- (h) To undertake licensing and registration of premises.
- (i) Inspection of premises to ensure safety, storage, compliance, precaution measures, etc.
- (j) Ensure sampling is done according to approved procedure.
- (k) Ensure that all labeling regulations are complied with.
- (l) Check on all stock records and ensure hazardous substance register is up-dated.
- (m) Ensure that empty containers are disposed of according to statutory requirements.

**Background and Status of Municipal Health Services in the District Municipal area**

The significant role that Environmental Health Services play in the economy and health systems of South Africa has been overlooked for many years and we hope that this process will open more doors for dialogue to promote and develop the service and the profession to serve its purpose to ensure that our communities live, work and recreate in accordance with their constitutional right, in a healthy and safe environment.

Environmental Health Services were in the past and in some cases still are fragmented with the different service providers such as local, district and metropolitan municipalities as well as the provincial department of health that rendered the services in the same areas, everybody mainly focusing in another angle of environmental health. Governments aim was to rationalise the health services and therefore they introduced a local government based District Health System as the vehicle to render Primary Health Care services to the communities. Therefore the Constitution made mention of the term municipal health services as a local government function. The latest developments in the delivery of environmental health service by local authorities are influenced and directed therefore, by the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996), that first promulgates three categories of municipalities, namely A – metropolitan municipalities, B – local municipalities and C – district municipalities.

It also makes mention of municipal health services under Part B of Schedule 4 of the Constitution, which is a responsibility of the Metropolitan and District Municipalities in accordance with section 84(1) of the Municipal Structures Act, 1998 (Act 117 of 1998) and section 32(1) of the National Health Act, 2003 (Act 61 of 2003). Municipal health services are also included in the term health services in the last mentioned act.

Nevertheless, the term municipal health services that are allocated to metropolitan and district municipalities, includes a list of selected environmental health services (EHS) activities and aspects. Therefore, the metropolitan and district municipalities are the authorities to implement and render municipal health services. In view of the latter, our Council had in 2006 conducted section 78 assessment in order to fully inform the process of transferring municipal health services from category B municipalities and the Province back to where they belong in terms of the afore mentioned pieces of legislation. Since that time, to date, this process presented a number of financial and human capital challenges. As a result, the transfer of staff never materialised at the intended time. The process is now set to be concluded before the end of 2011/2012 financial year.

#### Staff Distribution within the DM area

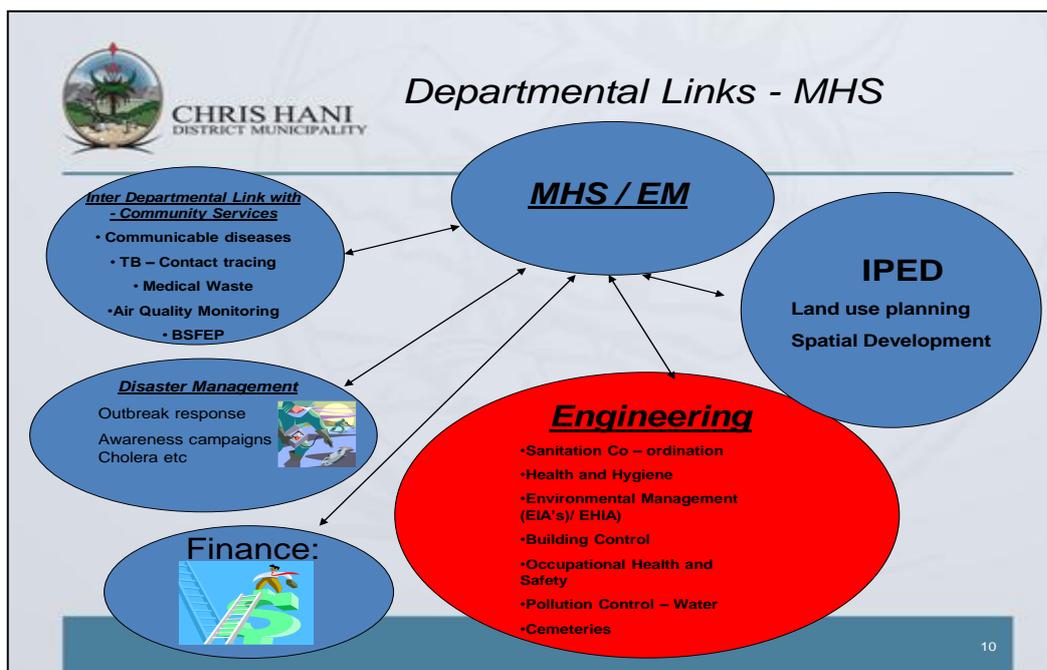
The following structure seeks to illustrate the current number of staff within municipal health and the number of staff to be transferred from Province to the District

<b>CHDM</b>	Assistant Director	SEHP]	[EHP]	Environmental Health Assistant(s)
<b>Current No. of staff</b>	1	3	15	1
<b>No. of staff to be transferred</b>	1	3	7	6

The matrix above will take cognisance of the population ratio as dictated by the national norms and standards, which categorically states that one (1) EHP per 15 000 population.

#### Internal stakeholder relations

The diagram below shows the relationship this unit has with other departments within CHDM that continuously support this unit in an endeavour to achieve its fundamental objectives and goals. This relationship is existing despite challenges that are however manageable.



**Sanitation Resource Centre**

The main purpose of the centre is to promote safe sanitation within the district and also educate communities on health and hygiene practices.

**2.6.7 ENVIRONMENTAL MANAGEMENT**

This unit is legislatively informed by the National Environmental Management Act 107 of 1998 wherein its function is to address environmental management and climate change related issues. Critical to this unit is the development of a district wide climate change response strategy. This will be done in collaboration with all other interested and affected stakeholders. The strategy will address adaptation and mitigation measures in an attempt to conserve the natural resources that exist within the district.

**CLIMATE CHANGE**

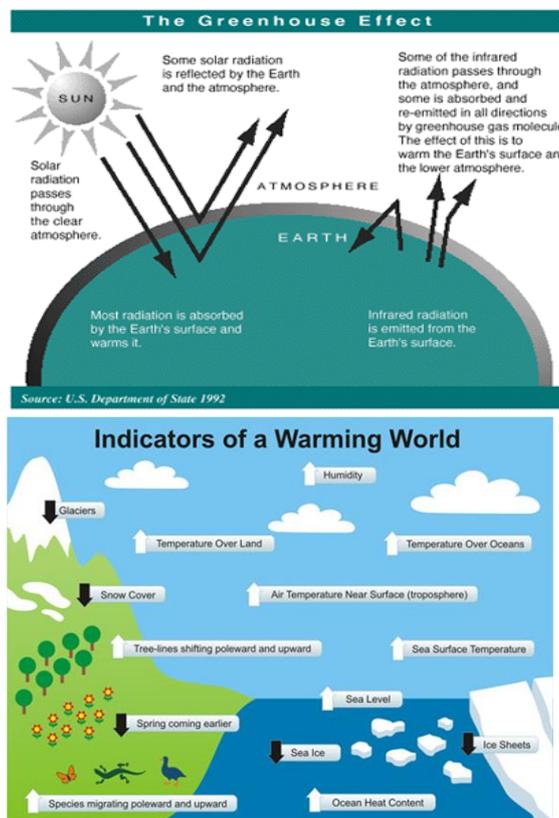
Climate change is defined as the statistical significant and lasting change in the characteristics of the climate system. Besides natural processes, climate change may result from human activities, as is the case with the current climate change concerns. The major concern as a significant of climate change is the increased emission of greenhouse gases, e.g. Carbon Dioxide, Methane, Nitrous oxide and Halocarbon gases that contain fluorine, chlorine and bromine – mainly used in aerosols.

**The Impact of Climate Change and International Efforts to deal with the Challenge:**

A key characteristic of the current climate change is global warming which refers to the general increase in surface temperatures across the world. The main concern and urgency about dealing with climate change is that the process is irreversible. Scientific evidence gathered from different research activities around the world strongly indicate that the climate is changing and the main contributor to these changes are human activities.

The use of fossil fuel, e.g. coal, in energy generation is one of the major producers of greenhouse gases which are destroying the atmosphere resulting in the increase in surface temperature due to ozone depletion. Other factors that contribute to the climate change include the use of aerosols, cement manufacture, animal agriculture and deforestation.

The international community is alarmed by the current rapid change in climate, which is leading to **global warming**, and this has led to international consultation and attempts to reach consensus on measures that need to be adopted to reduce the impact of climate change, at forums such as **the United Nations Framework Convention on Climate Change (UNFCCC)**, the **Kyoto Protocol (1997)** and **COP-17** which was held in South Africa in 2011 has not really yielded the intended results.



Some of the noticeable effects from climate change in South Africa include the change in the type, distribution and coverage of vegetation which has affected agricultural activities, especially in rural areas like Chris Hani District Municipality (CHDM) and areas with semi-desert especially the Eastern Cape Province. South Africa is already experiencing some effects of change in climate such as the recent extreme weather patterns e.g. very hot and cold seasons and heavy rains and flooding, with droughts hitting other parts of the country, these do not follow the known or anticipated climatic conditions.

### **The Need to Urgently Adapt and Mitigate the Impact of Climate Change:**

Climate change requires that all nations, act now and together without exception. The impact of changes to the climate stretches beyond territorial boundaries. There is consensus among researchers that, adaptation policies and programmes need to be implemented without delay on a multi-scale level to reduce the envisaged crisis and disasters that are associated with climate change. According to some experts the projected climatic changes for Africa suggest a future of increasingly scarce water, collapsing agricultural yields, encroaching desert and damaged coastal infrastructure.

South Africa is a water scarce country, and this natural resource is seriously threatened by the current global warming that characterizes climate change. At provincial and local government levels including District like CHDM, this will require more collaboration in seeking solutions and adapting so that the contributing factors to this phenomenon are reduced.

It is envisaged that the impacts of climate change ‘will be magnified or moderated by underlying conditions of governance, poverty and resource management, as well as the nature of climate change impacts at local and regional levels’.

In 2008, the Secretary General of the Organisation for Economic Cooperation and Development (OECD), Angela Guirra, made the following statement, during a Conference on “Competitive Cities and Climate Change”,

“In our cities, citizens, industries and institutions must respond to the challenges of technological change and globalisation. In our cities, as elsewhere, we must deal with the social implications of change (...) Urban areas could (also) play a central role in successfully addressing global environmental challenges (...) Cities generate almost 70% of total gas emission. **There is no doubt that improvements in urban design, housing stock, traffic congestion and accessibility, disaster prevention and waste management, are crucial component of a strategy to combat global warming.** If cities fail to deal effectively with environmental challenges, our planet is in serious trouble”. - Competitive Cities and Climate Change. OECD Conference Proceedings, 9-10 October 2008, Milan, Italy.

The relevance of this statement can never be under estimated as we see the urgency of the need for all of us to act decisively in dealing with what has been described as one of the man-made security threats of this century. Experts gathered at the OECD 2008 Conference proposed that:

“Strong and effective urban policies that enable cities to benefit from globalising processes require flexible, multi-level forms of inter-governmental joint action. The need for a multi-level governance framework for urban development policies is particularly critical for addressing climate change. City and regional leaders are generally best suited to design strategies for addressing their own local climate change risks. Likewise, local governments are needed as partners to implement nation-wide climate change response policies, while at the same time designing their own policy responses that are tailored to local contexts.”

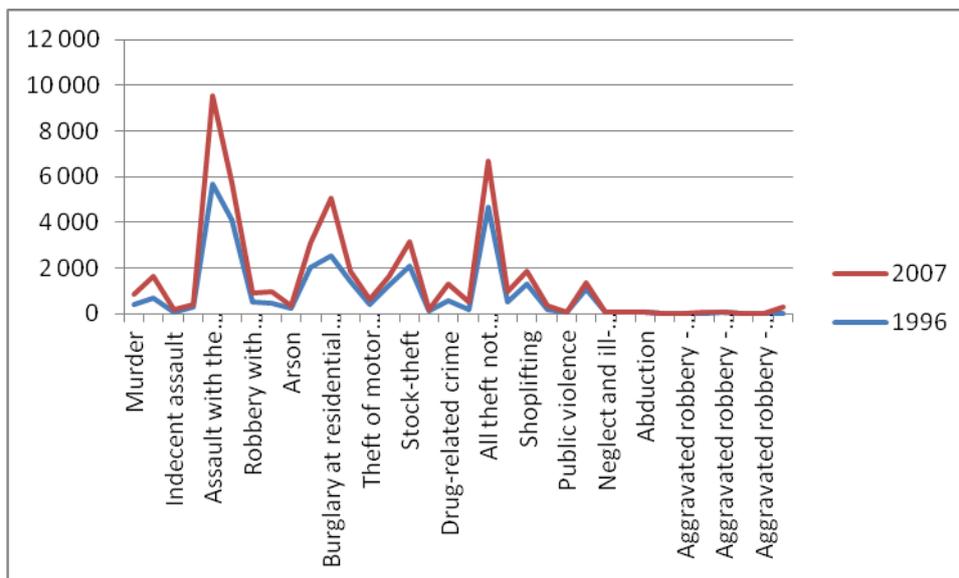
It is within this background and within the context of South Africa’s experiences and unique conditions that it has been deemed fit to develop and spearhead the programme on Climate Change within our CHDM, as part of a District wide adaptation strategy.

In February 2012, CHDM hosted a District Wide Institutional Strategic planning session in preparation for a 5 year IDP (2012 – 2017), wherein climate change was prioritised by all Departments in the name of mainstreaming. Subsequently, a climate change summit was convened on 27<sup>th</sup> – 29<sup>th</sup> February 2012 with the following resolutions:

- That a District Wide climate change adaptation strategy be developed.
- That a District Wide Environment and Climate Change Forum be resuscitated and be conclusive of all stakeholders.
- That a three(3) crowns sustainability commons project which is now a provincial flagship project be replicated to the villages, this will deal with water conservation project, food security projects, waste management projects and any projects that seek to reduce the impact of climate change.

### 2.6.7 Safety and Security

Whilst crime remains a serious issue within the District, the SAPS are undertaking numerous strategies through which to combat crime. SAPS records the incidence of crime on a daily basis, and utilises this information to manage the crime situation in the region. The most significant rises in crime as indicated by the chart below are in indecent assault, residential burglary and theft not covered in other categories. A study done by the department of Social development have indicated that there is a rise in the gender based violence index from 0.16 in 2006 to 0.29 which is worrying and can be linked to the rise in assaults on women.



Some of the key challenges faced by SAPS in addressing crime relate to the poor quality of some roads which lead to police stations. This is most notable in rural areas. The result is such that it is difficult for the residents of the area to access police stations. In addition, infrastructure capacity – particularly with regards to the holding cells is an issue. There is currently insufficient jail accommodation in the area. As a result, many convicted prisoners are kept in holding cells.

It is noteworthy that the SAPS boundaries and those of the Local and District Municipalities do not coincide. As a result, the coordination of activities is often a challenge.

### 2.6.8 Disaster Management

CHDM has a well established Disaster Management Centre which was officially opened in 2005. It operates with minimal staff and very limited resources, especially on the communication side which is quite critical when dealing with disasters in terms of issuing of early warnings, receiving calls and dispatching response vehicles and making Incidents Reports. This challenge will therefore be addressed in the coming financial year 2012/2013. There are six satellite centres in the district that are located in strategic municipalities which are operating with three officials each.

These satellite centres are also lacking proper infrastructure and district is making in-roads in terms of addressing the bottlenecks. The officials in those satellite centres are responsible for educating the communities on disaster management risk reduction practices as embodied in the Disaster Management Act 57 of 2002 and Disaster Management Framework of 2005 respectively. In response to the climate change challenges, the district will conduct a scientific risk assessment in the next financial year that will inform the development of a Disaster Management Plan.

### **Fire Fighting Services**

Fire fighting services are located at the Disaster management centre. Though the district is responsible for hazardous and veld fires it has also extended its services to the local municipal areas where resources are not available or insufficient to perform the services effectively.

The district is on a mission of determining the rules and responsibilities of this function between category B municipalities and Chris Hani DM. this will give effect to formalization of working relations between these spheres of government. Chapter 3 of this IDP indicates how this process will unfold.

### **HIV & AIDS EPIDEMIC**

The issue of HIV&AIDS Coordination needs to be clearly articulated as contained in the National Strategic Plan on HIV and AIDS, STIs and T.B., DPLG framework and SALGA country plan of HIV&AIDS within the local government environment.

### **HIV AND AIDS PREVALENCE WITHIN CHRIS HANI DISTRICT MUNICIPALITY**

Antenatal Sentinel HIV and Syphilis Prevalence Survey for Chris Hani District Municipality show that HIV and AIDS prevalence was 27.1% in 2006, then increased to 30.2% in 2007, then decreased to 27.0% in 2008 and remained at 27.0% in 2009 but increased to 30.1% in 2010.

HIV and AIDS prevalence among CHDM employees and councilors was found to be 16% in the baseline survey conducted by Epicentre in February 2009.

CHDM continues to invest in its communities and its workplaces through implementation of community and workplace HIV&AIDS programmes. In the workplace programmes within CHDM education and awareness programmes are conducted internally at departmental and at institutional level. HIV and AIDS workplace committees within CHDM and in the local municipalities have been established and they assist in planning and implementing HIV and AIDS workplace programmes. Peer educators as part of internal programs also assist in identifying departmental needs and implementation of departmental HIV and AIDS programmes. Peer educators also capacitated to provide counseling and support to their peer within the departments. They also assist in condom distribution and monitoring of consumption of condoms. The prevention programmes are aimed at preventing new HIV, STI and T.B. infections and re-infections to those already infected HIV Testing and Counseling Services are continually offered to the employees and councilors in line with programmes and events conducted to encourage employees and councilors to know their health status which includes HIV, STI's and T.B.

The education programmes also focus on the human rights and as well as responsibilities of employees. Employees are informed about policies and other legislations to empower them to know their rights and responsibilities and to be able to exercise these in the context of HIV and AIDS. Other programmes which are conducted are care and support programmes which are aimed at providing support to the employees and councilors infected and affected by HIV and AIDS. These programmes are implemented in partnership with internal and external stakeholders such as Wellness programme, Special Programmes Unit and other stakeholders. Individual employees are able to access individual counseling from HIV and AIDS section or Wellness Programme. Referrals are also made to external services. National and International calendar events are also commemorated however the focus is more on implementing programmes for maximum impact.

Chris Hani District Municipality HIV and AIDS unit also provides technical guidance and support to the Local Municipalities and other stakeholders within the district for the implementation of internal and external HIV and AIDS programmes. Partnerships have been made with all the local municipalities

within Chris Hani District Municipality for both internal and external HIV and AIDS programmes in implementing programmes such as Sexually Transmitted Infections and Condom use promotion, Candlelight memorial and World AIDS day. A policy for Mainstreaming of HIV and AIDS by all departments within Chris Hani District Municipality, its local municipalities and district wide is in the process of being developed and all stakeholders will be involved in the process and they will be capacitated for its implementation. All these programmes are aimed at reducing the impact of HIV and AIDS within the district.

CHDM also coordinates implementation of integrated HIV and AIDS programmes within the communities through forums such as District AIDS Council, Local AIDS Councils and Ward AIDS Councils. LACs have been established and inducted in all local municipalities. Ward AIDS Councils have been established and inducted in six local municipalities. These forums ensure integrated planning and implementation of HIV and AIDS programmes within the communities. Some of the programmes of DAC are research conducted during door to door campaigns which is aimed at identifying service delivery needs of communities as well as educating household on a numbers of issues such as health and social issues, HIV and AIDS, social grants and other issues. The District AIDS Council (DAC) has conducted door to door campaigns in the seven local municipalities. DAC also provides capacity building for its stakeholders on identified capacity needs. As part of DAC programmes, partnerships have been held with various stakeholders such as Chris Hani Choral Music Society, Chris Hani Council of Churches, Department of Sport, Recreation, Arts and Culture and Walter Sisulu University.

Policies and Strategies developed to address and mitigate impact of HIV/AIDS within the district and these were adopted by council.

- HIV and AIDS Workplace Policy adopted in 2007.
- HIV and AIDS Strategic Plan Document for Workplace Programme developed in 2010, adopted by council.
- District HIV and AIDS Strategy Document 2008 – 2011 has been reviewed in 2012 and its in the process of finalisation and to be adopted by council.
- Mainstreaming of HIV and AIDS Policy is currently being developed.

Key issues within HIV and AIDS Workplace Strategic Plan developed in 2010 are:

Levels of HIV infection among the participants, according to five-year age bands, are listed below. HIV infection levels were highest among employees below age 50 years.

- a. Age 26–30 years – 25% infected
- b. Age 31–35 years – 19% infected
- c. Age 36–40 years – 24% infected
- d. Age 41–45 years – 5% infected
- e. Age 46–50 years – 29% infected
- f. Age 51–55 years – 11% infected
- g. Age 56 + – 5% infected.

Due to the fact that the Chris Hani District Municipality has a relatively older workforce (with about 60% of the employees tested being over age 40 years) it can be expected that many employees with HIV infection may be moving into the later stages of infection and that increasing numbers will be getting sick.

Stigma levels are high, with 99% of the employees surveyed believing that they will lose their job if they disclose their HIV status. This means that the municipality's HIV and AIDS policy needs to be better

communicated, and that there is a need for HIV and AIDS-related training among management personnel in order to enable communication and implementation of the policy.

The employees appear to face high levels of exposure to HIV; 2 out of 3 of those surveyed reported that they had nursed a person with HIV. Thus, there is a need for more HIV and AIDS-related training for municipal employees.

Among the municipality's employees, the peer educators are not effectively training their peers, and meanwhile they require tool kits to training their peers. This is a serious gap in the current peer education programme.

The employees generally believe that the municipality's HIV and AIDS workplace programme is of value, but they would like it to focus more on HIV and AIDS-related treatment and life skills.

About 50% of the employees surveyed knew their HIV status. Overall, the employees would like VCT offered annually through the workplace. Several other health problems were reported by the employees: 88 reported having high blood pressure, 17 had asthma, 20 had diabetes, and 54 said they had symptoms of TB. Mental illness is perhaps the fastest-growing disability problem. The survey found significant levels of mental illness among the municipal staff who participated. A large number of employees reported symptoms of stress and depression. About 70 employees said they suffered from stress, did not sleep well at night, have headaches, or are tired all the time. About 30 employees said they were depressed. More than 50% of the employees reported money problems and consequently needed financial training. The results also indicate that gambling is a problem as a large percentage of the employees reported that they gamble.

#### CHRIS HANI DISTRICT HIV AND AIDS STRATEGY DOCUMENT of 2008

This has been reviewed in 2011-2012, as a strategic Plan 2008 – 2011 this has been reviewed in March 2012 and a process of finalizing the review and developing a strategy going forward is undertaken. The strategic plan document guides Multisectoral coordination of HIV and AIDS programmes within the district through the District AIDS Council (DAC). The DAC is a multisectoral, multi-stakeholder structure that is coordinated within the CHDM. It is located in the office of the Executive Mayor, Chaired by the Portfolio Councilor for SPU, Public Participation and HIV and AIDS and administratively coordinated within the office of the Director, Health and Community Services by the HIV and AIDS unit. The DAC has subcommittees that are formulated according to the priority areas mentioned above. The sub-committees ensure the implementation of the council programmes and projects that are related to HIV and AIDS within the entire district.

The Strategic Plan Document 2008- 2011 focused on 8 Priority areas in response to HIV & AIDS within the Chris Hani District Municipality area of jurisdiction.

*Priority 1: Prevention, Education, Awareness and Condom distribution*

*Priority area 2: Care and support for people living with HIV and AIDS (PLWHA)*

*Priority area 3: Care and Support for orphans and vulnerable children (OVC)*

*Priority Area 4: Circumcision*

Priority area 5: Access to Human Rights and Justice

Priority area 6: Research, Monitoring and Evaluation

### **Expanded Public Works Programme**

#### Learnership

From the programme 23 learner contractors had been appointed for the next intake of learnership on EPWP. These contractors are appointed for the period of three years working in different project i.e. water and sanitation.

The project Intsika Yethu Sanitation has been identified as one of the labour intensive project that will be done by these learner contractors. Learner contractors were awarded the project Intsika Yethu Sanitation in May 2011. There were challenges with suppliers who do not trust contractors but 16 of them manage to finish the project in time. The other 7 are still busy on site. The contract duration for the project is 6 months which was suppose to end in February 2012. Due to the delays the contract duration is extended to end March 2012. Since learnership involve labour intensive and training, contractors will resume with classroom training from the 2<sup>nd</sup> of April 2012 for them to qualify for NQF Level 4. The training will take 8 weeks and after that they will be working on another Sanitation project under Cemforce construction.

#### Job creation

Under the EPWP the municipality has also been allocated R16.4million incentive grant for 2011/12 financial year. To earn this allocation, three directorates/ departments within the institution, IPED, Technical Services and Municipal Health Services, are participating on EPWP. CHDM has a target of creating 3750 work opportunities and 709 Full Time Equivalent (FTE's) for 11/12 FY. A total number of 6127 work opportunities have been achieved and 612 FTE's achieved in all EPWP projects as was reported to the Department of Public Works. Further than that the municipality has earned an amount of R5, 413 million from July 2011 to December 2011 for the job creation programme.

Since there are Municipalities that are failing to achieve their target due to limited funding, the Department of Public Works has diverted from the Schedule 8 (performance based) to Schedule 5/6 (conditional) grant, starting from 1 July 2012. Municipalities will be given 40% of their allocation upfront and for them to claim the rest they are expected to spend the 40% first.

For 12/13 FY our allocation is R9 million with a target of 1200 FTE's.

### **2.7 SPATIAL ANALYSIS and RATIONALE (Refer to Chapter 4 detailed analysis of SDF)**



These initiatives have are new to our district but are evidence of the district and its LMs' commitment to the spatial coherent development within the district, ensuring that the developmental nature of the urban environment thrives to ensure economic growth that benefits the residents, the business environment and the Local municipalities.

### **2.7.2 Small Town Development**

In its endeavour to define the district's spatial rationale, the CHDM Spatial Development framework focuses on the strengthening of linkages between the different centres within the CHDM area and their relationship with centres outside the boundaries of CHDM. This led the CHDM adopting the Small Town Development approach that is aimed at accelerating development through alignment of economic activities to ensure value chain addition. The Small Towns Development approach looks at the redesigning of the town layout with the aim of ensuring the potential of the space in and around the town are fully realised.

The Chris Hani Regional Economic Development Strategy highlighted the need to identify and prioritise small towns along the economic corridors that have the potential to participate actively in the value chain of the differentiated sector and implement small town development initiatives.

Cofimvaba was identified as one of the towns that had the potential to grow as it is one of the main service centres on the R61 east corridor, this culminated in CHDM and Intsika Yethu local municipality with the assistance of Local Government and traditional affairs embarking on the Small town Development plan for Cofimvaba and Tsomo town.

The Small Town Regeneration concept is aimed at create a development plan with a 30 year future outlook of its growth potential and creating a plan that seeks to realise that potential. The plan does not place the district and IYLM as the sole role players in the realising the developmental objectives of the Cofimvaba and Tsomo towns but instead looks at creating plans to be used as a spatial guiding foundation that assists stakeholders/ investors to define their role in the overall growth/development of these towns.

The following reflect the aim behind Small Town Development:

- Strengthen the retail, business, industrial and employment role of the Town Centres.
- To develop the community, civic and educational roles of the two Centres as key attributes of vibrant Town Centres.
- Build on the unique function of each of the sub-centres serviced by these major Centres as a defining characteristic of these areas and a contribution to the Corridor Development initiative in the District.
- Improve connections between the sub-centres and encourage activities adjoining access routes between the major Centres and the sub-centres to create a more physically contiguous and integrated Town Centre service area.
- Consolidate the individual roles of the Centres so that they can better serve the sub-centres, and act as destinations for sub-centre communities by providing an extensive and unique range of retail, community and leisure opportunities.
- Encourage new housing in and around the Town Centres that increases the range of housing choices.
- Create an attractive and distinctive built environment that supports the range of activities of the Town Centres.
- Create a positive urban image for each part of the Town Centres through the design of buildings and spaces.

COFIMVABA Small Town development Conceptual framework



Source: Cofimvaba Small town Development plan

### **2.7.3 Land restitution and redistribution**

The Land Reform Area Based Plan is a sector plan of the Municipality, to be implemented in partnership with the Department of Rural Development and Land Reform, the Department of Agriculture, and Chris Hani District Municipality. The Area Based Plan is a plan aimed at ensuring the achievement of local land reform objectives and targets in a coordinated and integrated manner with other development initiatives.

The Land Reform ABP Vision is:

#### ***A transformed farming community that is:***

- *Reflective of a racially diverse rural population living in harmony, with tenure, social and economic security;*
- *Agriculturally productive in all municipal areas, producing food for the population in an economic and environmentally sustainable manner.*

#### ***Transformed communal settlement and land areas that are:***

- *Reflective of households with secure and defined tenure rights, which are protected by law;*
- *Reflective of an efficient and effective system of administration of the land and the management of the use of the land;*
- *Agriculturally productive, with allotments and commonages producing food for the household and, and where appropriate, on a commercial basis, in an economic and environmentally sustainable manner.*

Objectives and Targets for the Municipal ABP are:

#### **REDISTRIBUTION**

- a. In terms of the national policy objective of achieving a 30% redistribution of white owned farmland:
- b. In terms of the national policy objective of productivity on redistributed farms: Farms redistributed achieve at least 80% of envisaged production output estimated in the Project Business Plan, and generate at least 75% of envisaged beneficiary income estimated in the Project Business Plan within 5 years from land occupation by the beneficiaries, with output and income steadily increasing from its baseline in year one.

#### **COMMUNAL LAND MANAGEMENT**

The key Focus Areas for land reform in the communal land areas have been identified as:

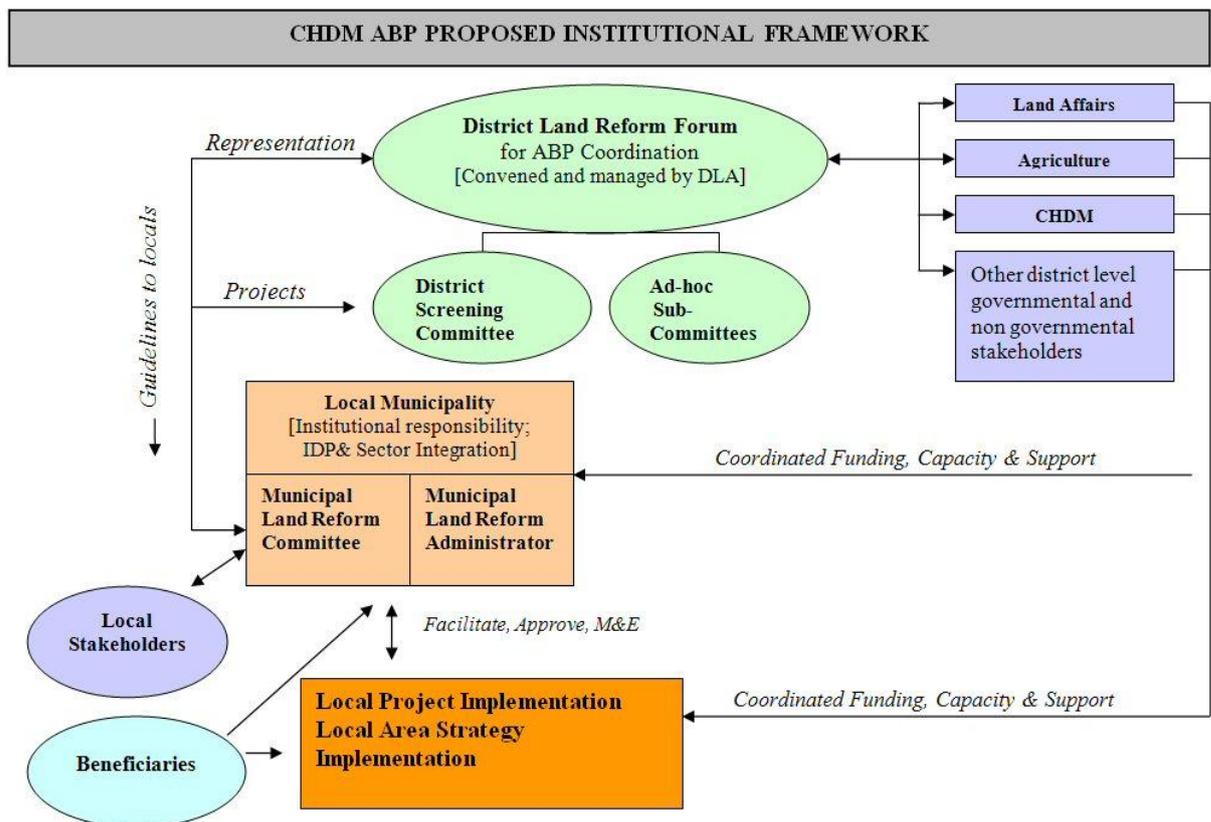
1. Land Administration (by which is meant, in this ABP, dealing with the key issues of land allocations, and recording and managing land rights in communal land areas);
2. Tenure reform or, more specifically, land rights clarification, upgrading or formalization (achieving recognized security of tenure); and
3. Dealing with issues of settlement planning and land use management (for example, to better permit natural resource utilisation for economic development and/or manage such natural resources to ensure appropriate land use and prevent resource degradation).

Strategies applied to deal with these focus areas are:

1. To implement a targeted programme of Local Planning Processes in areas prioritized by local municipalities.
2. To secure management support from the District Municipality and the Department of Rural Development and Land Reform for Local Planning Processes projects.
3. To establish a capacity building programme in support of local planning projects being implemented.

The Institutional Framework for Implementing the ABP is:

- a. Establish local land reform offices with a Land Reform Administrator
- b. Establish and convene the local Land Reform Committee
- c. Participate in the District Land Reform Forum
- d. Implement and manage the Small-Scale Farmer Support Programme



All programme institutional and projects are subject to implementation funding from the Department of Rural Development and Land Reform, and (for relevant aspects) from the Department of Agriculture or other Departments.

**Programme Institutional Costs:**

The cost of the project is enormous (table below) in light of budget constraints. It is however obvious that the District will not meet the target under present conditions and that the timeframes for the plan need to be extended if the target of 30% is to be met.

Annual Programme Targets/Ha Enterprises		Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Municipality	Cost Item	2008/9	2009/10	201/11	2011/12	2012/13	2013/14	
Chris Hani	Land price	63,869,550	184,038,580	285,374,152	356,786,936	419,411,652	474,303,060	1,783,930
	Enterprise cost	17,246,767	53,748,383	80,800,565	101,036,662	118,207,573	132,376,979	503,416,949
	Planning Costs	3,715,000	11,340,000	17,089,400	21,315,600	25,053,600	28,126,000	106,648,600
	Support costs	13,920,000	41,990,430	63,475,200	79,161,600	93,139,200	104,832,000	396,518,400
	<b>Total</b>	<b>98,751,317</b>	<b>291,117,363</b>	<b>446,748,337</b>	<b>558,300,798</b>	<b>655,812,025</b>	<b>739,638,039</b>	<b>2,790,367,879</b>

The high costs are due to the amount of land which needs to be redistributed contained in the table below.

Annual Programme Targets (ha/enterprise)		Year 0 (pre-ABP iniation)	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Municipality	Ha/enterprise	2008/9	2009/10	2010/11	2011/12	2012/13	2013/14	
Emalahleni	Hectares	748	2,444	3,936	4,581	4,577	4,577	20,861
	Projects	2	7	11	12	13	13	58
Inkwanca	Hectares	3,166	11,298	16,156	17,630	20,059	21,642	89,951
	Projects	4	14	20	22	25	27	112
Inxuba Yethemba	Hectares	15,550	37,400	52,900	62,250	71,500	79,250	318,850
	Projects	11	28	38	45	50	55	250
Lukhanji	Hectares	3,415	8,430	10,460	12,490	12,980	14,270	62,045
	Projects	5	12	15	18	19	21	90
Sakhisizwe	Hectares	0	460	460	460	460	460	2,300
	Projects	0	1	1	1	1	1	5
Tsolwana	Hectares	7,481	19,095	27,949	33,538	36,877	36,653	161,953
	Projects	7	17	25	30	33	33	145
<b>Total Hectares</b>		<b>30,718</b>	<b>79,127</b>	<b>111,861</b>	<b>130,949</b>	<b>146,453</b>	<b>156,852</b>	<b>655,960</b>
Total Projects		29	79	110	128	141	150	660

#### **2.7.4 Land Administration Concerns**

There is much concern about land administration in terms of land allocation, the recording of issued land rights, the management of land use processes in rural settlement areas, in the former Ciskei and Transkei area. This result from the breakdown of formal system in the communal land areas which has resulted in informalisation of practices whereby various role-players like, traditional Authorities, Department of Agriculture, ward Councillors, allocate land and record such allocations. The problem of land administration has repercussion on land management because it results in conflict between land uses in the rural areas. The issues are further clarified in the attached SDF.

##### Development issues

All the land for development in the urban areas is owned by the Municipality and private individuals whilst the State owns the rural land in the former Transkei and Ciskei. Whilst land is available for development, it is not quantified, ownership issues are unclear and zoning schemes and spatial development frameworks are outdated and inadequate in providing direction for future and current development needs.

Land tenure issues whereby ownership of land in the urban areas and former CPA areas is held by free-hold Title Deeds but in the rural areas is generally communal is creating tension and delays in development projects. This current fragmented land tenure system and the different planning legislation aligned to it creates difficulty in:

- accessing of land for development, primarily for housing, grazing or farming
- more effective utilization of existing land, addressing land rights, provision of title deeds and management and rights on the municipal commonage.
- Developing an effective land administration system

### **2.4.3 MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT**

People focused municipal transformation and organisational development is central to service delivery hence the emphasis on the implementation of Batho Pele principles in all municipal structures, systems, procedures, policies and strategies. The continuous development of the Municipality's human resources is key in this regard. Furthermore, the Municipality needs to constantly review and improve the way in which it delivers services and develops appropriate methods and mechanisms. Importantly, the Municipality is entrenching itself as a learning organisation, with the emphasis on knowledge management. The institutional analysis and structure of the Chris Hani District Municipality is as stated below. The structure provides for accountability and transparent governance, in addition to enhancing legislative compliance.

People focused municipal transformation and organisational development is central to service delivery hence the emphasis on the implementation of Batho Pele principles in all municipal structures, systems, procedures, policies and strategies. The continuous development of the Municipality's human resources is key in this regard. Furthermore, the Municipality needs to constantly review and improve the way in which it delivers services and develops appropriate methods and mechanisms. Importantly, the Municipality is entrenching itself as a learning organisation, with the emphasis on knowledge management. The institutional analysis and structure of the Chris Hani District Municipality is as stated below. The structure provides for accountability and transparent governance, in addition to enhancing legislative compliance.

**POLITICAL GOVERNANCE**

## Council

The Council has 42 Councillors of which 17 of them are Proportional Representation (PR) and 25 Councillors are representatives from Local Municipalities within the District. The composition of the directly elected Councillors or 17 PR Councillors is as follows:

POLITICAL PARTY	NUMBER
ANC	14
UDM	1
DA	1
COPE	1

Out of 17 PR Councillors seven of them are Members of Mayoral Committee.

The Speaker is the Chairperson of Council. The party political and demographic representation of Councillors is reflected in the table below:

## Party-political and demographic representation of Councillors

POLITICAL PARTY	NO OF COUNCILLORS	GENDER DISTRIBUTION	
		MALE	FEMALE
ANC	35	20	15
DA	3	3	-
UDM	3	2	1
COPE	1	1	-

## Executive Mayoral System

The Executive Mayor governs together with a team of Chairpersons of Standing Committees within an Executive Mayoral Committee system. The following Committees of Council have been established in terms of Section 79 of Municipal Structures Act 117 of 1998 as amended for the effective and efficient performance on any of its function or exercise its powers.

- (a) Finance & Fiscal
- (b) Governance & Institutional
- (c) Infrastructure
- (d) Health & Community Services
- (e) Integrated Planning and Economic Development

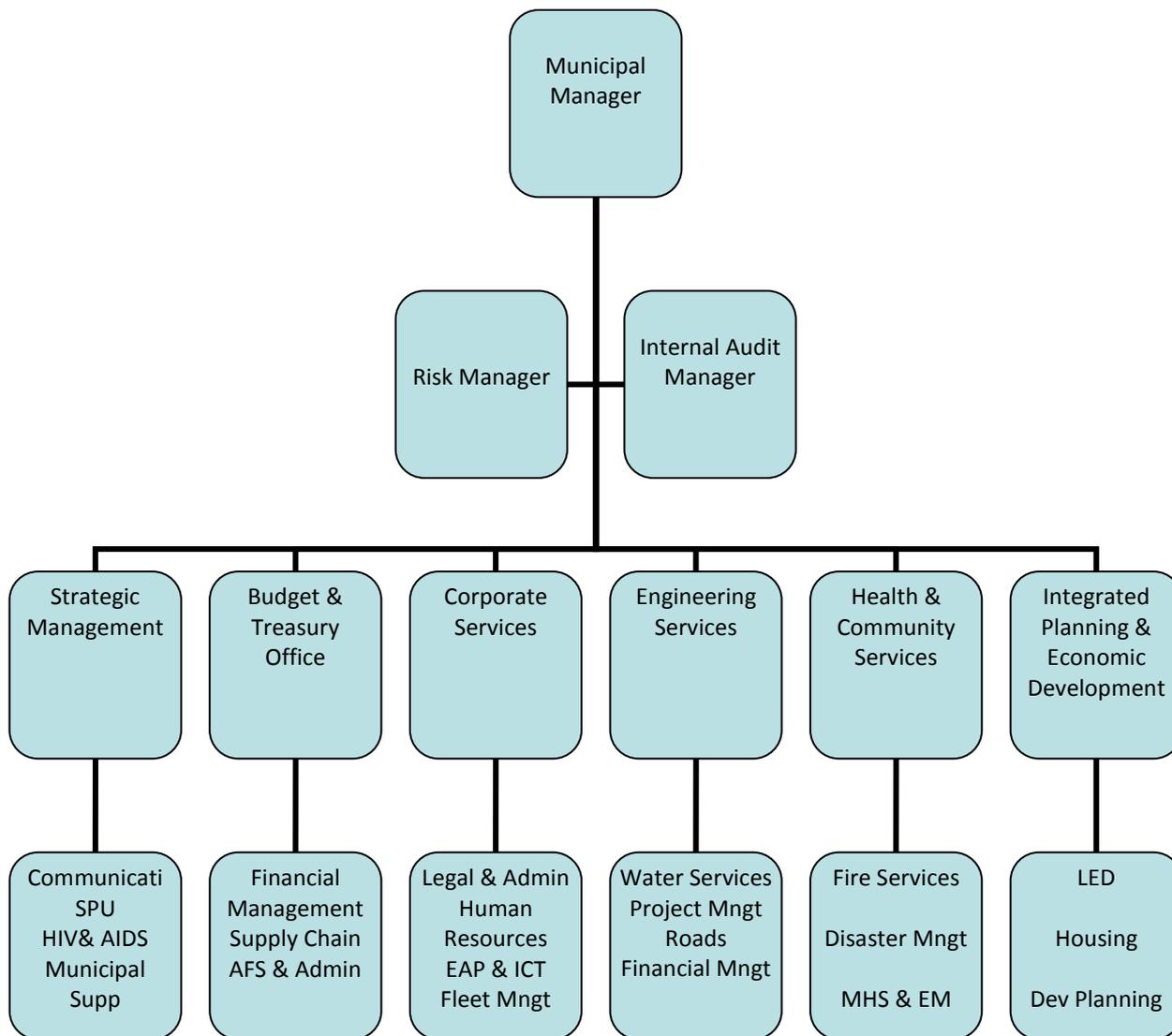
The Standing Committees are permanent committees, established to deal with Council-related matters. They have some delegated functions and are required to submit reports to Council. Councillors chair all Standing Committees, except the Audit Committee and Performance Audit Committee, which is chaired by an independent person in line with the prescriptions of the Municipal Finance Management Act No 56 of 2003(MFMA).

In addition to the above committees, Council has established the Municipal Public Accounts Committee.

**ADMINISTRATION**

The Municipal Manager is the Head of the administration and Accounting Officer as defined in the Municipal Structures Act 117 of 1998. The responsibilities of the Municipal Manager include managing the financial affairs and service delivery in the municipality and is assisted and supported by the Chief Financial Officer and the Directors of respective departments. The political leadership and the administration complement each other to achieve the objectives of the IDP.

The diagrams below reflect the administrative structure of the institution.



**HUMAN RESOURCE**

The Municipality is committed to an efficient human resources system and has reviewed a number of policies to ensure the effective development, compliance and welfare of employees. Currently, the municipality has in its employment 379 workforce of whom 286 are employed in the core departments which are Engineering Services, Health and Community Services and Integrated Planning and Economic Development. The municipal organogram is reviewed annually as informed by objectives of the municipality within that financial year.

The current approved organizational structure together with the proposed positions that will ensure attainment of the objective entailed in the IDP is attached at the back of the document for ease of reference. The process of prioritization, engagement, alignment and integration will be embarked on with all the relevant stakeholders.

#### Employment Equity

The Municipality strives to meet the Employment Equity targets to comply with the Employment Equity Act and redress past imbalances. 100 % of Section 57 employees are black (inclusive of African and Coloured) and 50 % of Section 57 employees are female.

The Council of the Municipality has further adopted an Employment Equity Plan for implementation in the financial year 2010 -2011 and 2011 - 2012 with clear numeric targets to be achieved in each year of the plan. The process of reviewing the existing plan has commenced so as to ensure alignment with the IDP for the period of five years July 2012 – June 2017. The reviewed plan is planned to be adopted by Council before end June 2012 for implementation in the next financial year. Current demographics of the workforce in terms of gender representation are as follows: Males 232 and Females 147

#### Human Resources Policy Review

Human resources policies were approved by Council and are being implemented. Some of them are due for review due to operational requirements and legislative imperatives. The need for development of new human resources policies has also been identified. The related policies include:

- Subsistence & Travelling Policy
- Recruitment and Selection Policy
- Bereavement Policy
- Fleet Management Policy
- Scarce Skills Policy

It is anticipated that the reviewed policies and new policies will be adopted by Council before the end of this financial year.

Work Place Skills Development Plan was adopted by Council for the current financial year and is currently being implemented.

The Municipality also implemented a number of skills development-related programmes, which include:

- Implementation of the Workplace Skills Plan 2011/12;
- Internships Programme
- Study Assistance Programme;
- National Treasury Minimum Competency Requirement

The Internships programme provided graduates with practical learning experience from communities within Chris Hani area of jurisdiction. The Internship programme was made possible by the Engineering Department through the Expanded Public Works Programme.

The municipality has implemented its approved Workplace Skills Plan in the previous financial year. Eighty one employees have received trainings within this financial year at a cost of R 285 115.00 during the mid year. A total of eleven [11] training interventions were implemented.

In line with the Government Gazette No 29967 on Minimum Competency Level, the municipality has commenced with the implementation of the regulations in that:

- Five senior managers, eight managers have been capacitated through Wits Business School
- Two accountants have completed the Municipal Finance Management Programme with University of Pretoria and the other accountant is currently participating in the programme. The programme is at NQF Level 6 and is sponsored by the LGSETA & ABSA.
- 36 employees from both the District and Local municipalities were part of the Local Government Accounting Certificate Learnership on NQF Level 3. The aim of the learnership is to meet the minimum competency levels as set to ensure effective service delivery. Municipalities that are currently participating are Tsolwana, Lukhanji, Sakhisizwe, Intsika Yethu and CHDM. 75% of the learners are female and 100% from designated groups in terms of Employment Equity. The learners graduated in October 2011.

#### Internships, Learnership and Experiential Training

Hundred and sixty one [161] unemployed graduates are currently participating in an internships programme in various field within the municipality. 42 of them have since terminated their services due to other employment prospect. Currently there are 119 active interns within the institutions and are receiving exposure in the working environment and provide assistance in service delivery. Five [5] Financial Interns were appointed in collaboration with the Provincial Treasury for a duration of two years.

Three students received experiential training for the duration of 3 months in the following fields as part of their curriculum. The fields are public management, agricultural business studies and communications.

#### Study Assistance for Employees

As part of building capacity of the workforce the District is providing study assistance to those employees who wish to further their studies. The above is of assistance to both the employee and the organization in that when the skills of employees are enhanced also the level of performance or productivity is also improved. Within this current financial year twenty four [24] employees have received assistance to further their studies in the following fields:

- Environmental Health
- Financial Field
- Engineering
- Administration

#### **EMPLOYEE ASSISTANCE PROGRAMME**

The Employee assistance programme is designed to assist/ help employees and councillors on how to deal with personal, family, social, work-related challenges that may have a negative effect on their performance and well-being. Currently there are two employees within the unit. The programme guarantees confidentiality to the employees and councillors accessing the programme

EAP is based on the following legislative framework:

- The Constitution of the Republic of South Africa, Act 108 of 1996
- Occupational Health and Safety Act 85 of 1993
- The Basic Conditions of Employment Act, Act 75 of 1997,
- Compensation for Occupational Injuries and Diseases Act, Act 130 of 1993 as amended
- The Employment Equity Act, Act 55 of 1998,
- The Labour Relations Act, Act 66 of 1995,

#### SERVICES OFFERED BY THE EMPLOYEE ASSISTANCE PROGRAMME

- Therapeutic services: counselling and after care groups
- Disease management and awareness programmes: education and awareness on terminal illness such as diabetes, hypertension and healthy lifestyle programmes
- Lifeskills : financial wellness, substance abuse, stress management, relationships, marriages, parenting, anger and conflict management, self awareness and motivational programmes
- Organizational development: team building, healthy retirement, change management, performance recognition and awards programmes
- Mentorship and coaching programme: the programme provides advice and capacity to managers/supervisors & union shop stewards on how to deal with employees with personal challenges
- Technical support to LM on how to establish wellness programmes

#### PROCEDURES FOR THE REFERRAL AND TREATMENT OF EMPLOYEES

Employees and councillors can access the programme through voluntary/self referral, peer referral and supervisor referral.

#### ACHIEVEMENTS

- Increased number of employees and councillors accessing Counselling and therapeutic services
- Employee wellness strategy has been developed and adopted by the council
- Employee wellness calendar in place and aligned to institutional calendar
- Outpatient rehabilitative programmes are implemented on substance abuse
- Educational and awareness programmes on substance and alcohol abuse, cancer, healthy lifestyle-diet and nutrition, financial management, relationship and marriage building were implemented.
- Organizational development programmes such as change management, team building and healthy retirement
- Technical support on establishment and strengthening of wellness programmes to 6 LM's has been provided.

#### CHALLENGES

- Office space not conducive for implementation of counselling services and other wellness programmes

#### OCCUPATIONAL HEALTH AND SAFETY

The OHS programmes are guided by the Act which mandates the employer to provide safe and healthy working environment for employees. There is one coordinator for the OHS programmes.

#### LEGISLATIVE FRAMEWORK GUIDING THE PROGRAMME

- The Constitution of the Republic of South Africa, Act 108 of 1996
- Occupational Health and Safety Act 85 of 1993
- The Basic Conditions of Employment Act, Act 75 of 1997,
- Compensation for Occupational Injuries and Diseases Act, Act 130 of 1993 as amended
- The Employment Equity Act, Act 55 of 1998,
- The Labour Relations Act, Act 66 of 1995,

#### SERVICES PROVIDED

- Inspection and monitoring of building, equipment in compliance with the Act
- Formulation of Health and Safety committees

- Nomination, appointment and Capacity building of Safety and Health environment representatives, first aiders, incident investigators
- Advise management and council on health and safety issues
- Provide medical and administrative support to employees and councillors incurred injuries /disease at work
- Provide technical support to LM on OHS programmes
- Conduct educational and awareness programmes on OHS
- Provide guidance on installation of Health and safety signage

#### ACHIVEMENTS

- Safe Health Environment plan in place
- OHS committee formulated
- SHE reps capacitated
- Technical support provided to 5 LM'S
- Education and awareness programmes on Health and Safety
- Signage has been done in some building
- Assistance provided to employees incurred injuries on duty.

#### CHALLENGES

- Delays in the Compensation fund in registering the claims for Occupational injuries
- Insufficient personnel to implement the programme

## **2.4.4 MUNICIPAL FINANCIAL VIABILITY and MANAGEMENT**

The Municipal Finance Management Act 56 of 2003 (MFMA) prescribes that the Council of a municipality must for each financial year approve an Annual Budget for the municipality before the start of that financial year. Section 16 (2) of the same Act stipulates that in order for the municipality to perform what is prescribed, the Mayor of the municipality must table the Annual Budget at a Council meeting at least 90 days before the start of the financial year. The processes involved during the 90 day period enable transparent engagements amongst the Communities, Councillors, the Executive and Administration to finalise the budget. The consultative and Public Participation processes also promote oversight over the adoption and implementation of the budget. The departmental budget statements provide Council with information on how different departments within Chris Hani District Municipality (CHDM) intend to spend the funds that will be appropriated by Council, to enable Council and communities keep departments accountable for their delivery commitments contained in the Service Delivery Budget Implementation Plans (SDBIP) and to ensure that Council Committees effectively perform their oversight functions.

#### BUILDING & MAINTAINANCE INFRASTRUCTURE

Present MTEF budgets reflect large increases in fiscal allocations for public infrastructure. These can be used to create employment and incomes through EPWP, and thereby further stimulating chains of employment creation and income generation multiplier reactions. It has been repeatedly suggested that one of the major factors contributing to the low level of economic competitiveness, and the failure to exploit economic potential, has been the poor state of infrastructure and infrastructure-related services.

The CHDM is clearly grappling with very entrenched problems of poverty & unemployment, and progress seems to have been quite slow so far in addressing these problems. It is of concern that while public investment in the investment in the District is increasing, there seem to be very few substantial private sector projects in the pipe-line.

## 1. REVENUE MANAGEMENT

Chris Hani District Municipality is almost 100% Grant-funded. The major sources of funding consist of:

- Equitable Share (which makes up most of the Grant)
- MSIP
- MIG
- Water services operating subsidy,
- Free Basic services
- Environmental Health Subsidy
- Primary Health Subsidy
- Roadwork's Contribution
- Loc. Gov. Finance Management Grant
- Disaster Risk Management Subsidy
- Water Services Operating Subsidy (Dwaf)
- Disaster Risk Management Subsidy
- Intergrated Development Planning(IDP)/LGTA
- Municipal Performance Management Systems
- Local Economic Development Capacity
- Local Economic Development Profiling.

There are other incomes these are listed below:

INTEREST AND INVESTMENT INCOME:

- Interest on debtors,
- Interest on Investment

OTHER INCOME (OPERATING):

- Commission on Collection,
- Water service fees,
- Rental-External staff housing,
- Other sundry income,
- Contribution from accumulated surplus.

Capital Programs are funded by:

- MIG,
- Regional Bulk Infrastructure Grant,
- MSIG, Equitable share contribution,
- Rural Transport services & infrastructure,

CHDM also perform agency work for the Province such as Roadworks contribution, Subsidy for Library Services, LED funding/DEDEA

EQUITABLE SHARE DISTRIBUTION:

The Equitable share is nationally collected revenue, this revenue is from the National fiscas to the Provincial and local spheres of Government. The Equitable share is determined based on a formular with the following variables:

Unemployment rate, populations size (STATSSA), poor households & number of councillors.

Allocation of Equitable Share forms a major part for Water and Sanitation Services.

An SLA has been agreed upon and signed by both district and local municipalities within the district local municipalities to be Water Service Provider, therefore the district concedes the water income to the municipalities.

## FINANCE REPORTING

Financial Reporting is a financial requirement that happens on a monthly basis internally to the Finance, Audit, Mayoral and Council Committees, externally the finance reporting is made to various funders of programmes such as Department of Sports, Department of Water Affairs, National Treasury, Department of Roads, MSIG, MIG for which we perform agency work.

However there have been challenges with regard to Finance Reporting, the following challenges have been encountered:

- ❖ Due to staff turnover there's a need to for training with treasury, in order to meet the minimum competency standards.
- ❖ Bringing up to date outstanding reports. A staff member has been appointed to correct these challenges.

## 2. ASSET MANAGEMENT

An asset register is in place and is updated on a monthly basis to keep record of all the municipalities' current assets. Asset Management Policy has been adopted by council and it provides guidelines on the use and handling of the municipal assets. The Council has approved and ensures the implementation of the asset management policy, which is adhered to at all times. In the event of loss and stolen assets is reported to the asset manager and the asset register is updated. This is a plan to unify the asset management function and financial management system. All the District Municipality's assets are bar-coded; the person for whom the asset is bought for signs the asset list form to acknowledge receipt of the asset, then that person has the responsibility of safeguarding the asset. Chris Hani District Municipality endeavours for more stock counts.

## 3. SUPPLY CHAIN MANAGEMENT

The unit is the custodian of the institution's Supply Chain Management Policy which has been adopted by Council and ensures its implementation in its procurement processes at all times. The policy itself is in line with Treasury Guidelines and is renewable annually.

The unit has the following key priority areas:

- To ensure that the municipality has and implements a supply chain management policy, this gives effect to the provisions of the act.
- To ensure procurement of goods and services in a fair, equitable, transparent, competitive and cost effective and comply with the prescribed regulatory framework
- That all reasonable steps are taken to ensure that proper mechanisms are in place and separation of duties in the supply chain management system is implemented to minimise likelihood of fraud, corruption, favouritism and unfair and irregular practises.
- To ensure that all contracts/agreement are in writing and are procured in line with the Supply Chain Management
- To ensure that the supply chain management delegations are properly enforced and managed
- That the municipal bid structures are in place and effective, to ensure competitive bidding process.
- Ensure submission of proper, accurate and applicable reports as per MFMA
- To ensure the disposal of municipal assets in accordance with the applicable legislation.
- Ensure that municipal inventory levels are kept at an acceptable levels as per the Municipal SCM policy

The institution is implementing a database rotation system for the procurement for goods and services for the operational budget depending on delegation as per legislation, and is using an electronic order system for purchases.

Also the bidding system is followed as per legislation in terms of capital appointments and according to the delegations. There are three bid committee structures that are active and have own set of dates that they normally follow to attend to matters.

The Bid Committees are: the Adjudication Committee *that* is comprised of Senior Managers, SCM Manager and is chaired by the CFO of the institution, the Bid Evaluation & Specification Committees. That is comprised of project managers and SCM officials.

CHDM has the following elements of SCM that are fully functional:-

**Demand management:** This is the beginning of the supply chain, and must begin with a needs assessment, to ensure that goods or services are required in order to deliver the agreed service, that specifications are precisely determined, that requirements are linked to the budget and that the supplying industry has been analyzed.

**Acquisition management:** It is the management of procurement by the municipality to decide on the manner in which the market will be approached; to establish the total cost of ownership of a particular type of asset; to ensure that bid documentation is complete, including evaluation criteria.

**Logistics management:** This aspect addresses the setting of inventory levels, placing of orders, receiving and distribution of material and goods, stores, warehouse and transport management, expediting orders, the review of vendor performance, maintenance and contract administration.

**Disposal management:** A supply chain management policy must provide for an effective system of disposal or letting of assets no longer needed, including unserviceable, redundant or obsolete assets, subject to sections 14 and 90 of the MFMA.

**Contract Management:** this section addresses the validity of our contracts in terms of compliance and applicable deliverables. It also monitors any variations that may be incurred.

**Risk management:** risk management is maintained in all elements of SCM by putting in place proper controls. Risk management includes identification of risks on a case-by-case basis;

**Performance management:** This is a monitoring process, undertaking a retrospective analysis to determine whether the desired objectives were achieved. Some of the issues that may be reviewed are: compliance to norms and standards; cost efficiency of procurement process (i.e. the cost of the process itself).

#### 4. ACCOUNTING SYSTEMS ADMINISTRATION

- Objective
  - To maintain the financial management systems for the District Municipality and its Local Municipalities.
  - Integration of data and or information between the systems that the district municipality use.
- Systems on hand
  - eVenus
    - This is Financial Management System that we use for:-
      - Processing of payments
      - General Ledger
      - Bank control
      - Assets and Fleet management
  - Cashdrawer
    - For receipting all income received and general enquiries.
  - Pay Day Software

- The system helps us with Payroll, Human resources, Posts, Equity, Skills.
- Bankit
  - We use the system for uploading payments for creditors and salaries to our FNB account. Collection of money from our debtors and down loading the bank statements.
- ESS Pay Day
  - This system gives access to employees to be able to view and print their payslips, IRP5. Apply for leave and overtime online.
- Supplier Database(Saratoga)
  - This system does supplier database management including rotation of suppliers.
- TRU Reports
  - This tool assists us with reporting to National Treasury i.e section 71 reports and Budget forms.
- Future Systems
  - Asset tracking and Management
  - Workflow and Notifications
  - Business Intelligence
- Support to LM
  - The following local municipalities are using the same accounting packages that are used by the district municipality. They get shared support, skills transfer and systems administration on the systems above with district municipality.
    - Lukhanji Local Municipality
    - Intsika Yethu Local Municipality
    - Inkwanca Local Municipality

## **5. FINANCIAL PLANNING/BUDGETING.**

Municipal budget is the annual financial plan of revenue and expenditure of local government units, revenues and expenditures of budgetary establishments, auxiliary units, etc. It is passed in the form of a budget resolution. Construction of the contents of the budget is determined by a team of budgetary principles, among which the most important are the principles: unity, transparency, anteriority, balance, detail.

There are 5 Directorates (Budget & Treasury, Technical Services, Primary Health, Environmental Health & Disaster Management) within the District Municipality. Each Directorate is allocated funds in the budget, the Directors are responsible to manage their allocated funds and accuracy is maintained. Currently there is a Virement Policy which is in draft and be tabled to council for adoption. The virement policy is a financial requirement to regulate the number of virements. There's a substantial number of virements which indicates financial planning weakness.

### **LINKAGE OF BUDGET TO IDP (LINKAGE AND ALIGNMENT)**

Operations budget: the linkage between Budget & IDP is almost 100% as the committees are in place as the Steering committee it's called IDP/PMS/Budget Steering cause the three go together. All operationals are incurred in terms of IDP. The capital allocation is mainly for the Water & Sanitation services as informed by Powers and Functions. Capital expenditure consists of MIG, RBIG, which is 100% aligned to IDP as it spent on water & sanitation services. CHDM Municipal IDP gives attention to building its own delivery capacities and IDP's have improved over the last few years and are generally aligned to PGDP in terms of agrarian transformation, human resource development, economic diversification and tourism, infrastructure provision, and fighting poverty. However, there are some important gaps in the context of provincial alignment (e.g housing, EPWP, malnutrition).

The Chris Hani IDP devotes considerable attention to building its own capacity and that of the local municipalities. Perhaps more attention could be given to how to improve co-operation with other arms of Government.

#### AG'S OPINION AND AUDIT ACTION PLAN

Issues that were raised by AG are being attended to and there's an ongoing process to rectify these issues. An action plan has been drawn up by the directorates of Budget and Treasury to achieve a clean report from AG. A Disclaimer of opinion was expressed over the years by AG due to our approach to provision of water services. The District has pronounced as a Water Services Authority (WSA), however control and handling of water is completely under the control of Local Municipalities. Local Municipalities have autonomy thus handle water services independently. Any weakness in accounting of water places a negative impact on CHDM and to address such challenges Service Level Agreements are to be redesigned.

#### MIG FUNDING MANAGEMENT

Management of MIG is solely done fully at Technical Services directorate. There are Project Managers, Project Area Managers to manage & ensure proper utilisation of the MIG Funding. The budget & Treasury office has a role to ensure funds are properly recorded, the claims are correctly recorded. MIG funders also give specification as to how the funds will be utilised. The use of MIG Funds creates an asset; therefore the asset register is updated. MIG funds are used for Primary healthcare, Roads, Library services.

Coming to Donor management the municipality does not have a donor strategy as yet however there is a need for CHDM to have a Donor Management strategy. Current practise is that the municipality adheres to conditions specifically attached to programmes by the funders (Library services, Primary healthcare, Department of Roads). CHDM is embarking on strategy for other programmes to be done via donor funding.

#### WATER AND SANITATION TARIFFS

CHDM have inherited tariffs as charged by local municipalities. The tariffs are based on the cost of the service- a cost recovery methodology. Cost recovery analysis still has to be conducted at Local Municipalities to determine the non-affordability of tariffs. Meter reading is done at the Local Municipality in terms of water services service level agreement. Meter reading is done monthly; statements are released to consumers monthly and are linked to a billing system. Directors/Councils annually review all fees, service charges and other charges to be included in the operating budget in such a way that:

- Users and consumers are treated fairly, equitably and without bias in application of tariffs;
- The amount of a user-pay for services is in proportion to the use of that service;
- Tariffs reflect the cost of the service;
- Tariffs are set at levels that secure the financial sustainability of the service;
- It encourages and promotes the efficient use of scarce resources.

The CFO must calculate property rates and levies to balance the budget and to ensure the credit worthiness of the municipality is maintained by providing for: Bad debts

Working capital  
Debt servicing costs  
Provisions and reserves.

## **6. CREDIT CONTROL POLICY, REVENUE ENHANCEMENT**

Chris Hani District Municipality has a finance department and has established an Internal Audit function responsible for Monitoring financial and other controls. In addition, Council is committed to sound financial management and the maintenance of a sound economic base with Chief Finance Officer (CFO) and Deputy who heads the Budget and Treasury Office.

The District Municipality has implemented a new electronic financial system e-Venus that has enabled it to become GAMAP compliant. Financial management policies and procedures for the entire municipality will be implemented as follows:

- Cash forecasts and cash flow monitoring against forecasts
- Budgeting methods
- Management reporting
- Credit risk management
- Credit policies with emphasis on minimum debtors
- Supply chain management policies
- Supplier selection and monitoring procedures
- Supplier payment periods
- Investment policies

Council has approved the following Policies to guide the financial procedures and operations. These policies include a reviewed - SupplyChain Management policy,

Tariff Policy,  
Indigent Policy,  
Financial Codes and By-laws,  
Credit Control and Debt collecting policy.

To combat crime and fraud the municipality has a Fraud Prevention plan, which aims to discourage fraudulent/corrupt activities in the municipal order of business. The need to strengthen fraud prevention plan must be a priority as part of our normal business. In the event where there are allegations which is substantiated by evidence such issues will be investigated. The municipality subscribe to obligation to report suppliers who get business fraudulently, and are also reported to Treasury. Adherence to the fraud policy must be continuously monitored.

### **BLIC PARTICIPATION ON MUNICIPAL BUDGET PROCESSES**

A public participation process that involves all Local Municipalities is drafted and teams are constituted which consists of political office bearers and budget issues are presented to municipalities and the communities of that municipality including Traditional Houses. Issues are looked at and dealt with in terms of the draft budget. This current financial year the municipality also intends to visit some recognised Traditional leaders and present Budget and IDP on roadshows.

### **INDIGENT POLICY ISSUES**

Indigent Policy implementation takes place at Local Municipality as local municipalities are WSP for water & services. Local Municipalities have their Indigent Policies, however there are commonalities but they are not the same. Indigent Policies are reviewed annually. Indigent Policies are based on remuneration per household. The Indigent Policy in the Municipality is a subsidy against charges for Municipal services. People are requested to register annually as indigent. Other relief programs are linked to people that qualify as indigent.

#### DATA CLEANSING

Data cleansing is the verification of the consumer details, on the billing system. Data that warrants cleansing is under local municipality control. Changes in households, change of homeowners, change of occupants, warrant data cleansing exercise to be conducted. The municipality aims to assist Local Municipality with their data cleansing exercises as the debtors also a negative impact on the District Municipality. Data cleansing provides an assurance that the debtors and amounts disclosed to District Municipality is correctly stated. The data needs to be monitored and updated as an ongoing process. Changes in households, change of homeowners, change of occupants, warrant data cleansing exercise to be conducted.

#### DISTRICT TARIFFS COLLECTION RATE

Collection rate at each municipality is not conducive for financial viability and sustainable services. Municipality has conducted an internal study to address the Viability of institution where a strategy on Revenue Enhancement has been developed. This will inform the municipality on ways of addressing recovery and enhancing revenue through collection, billing etc.

#### OWN REVENUE

Allocation of funds is from savings account, from prior years. No own revenue exist to project. Revenue consists of interest on investment, the revenue relates to the provision of water services. Water revenue is conceded to the Local Municipality and set-off against their water expenditure.

## **2.4.5 GOOD GOVERNANCE and PUBLIC PARTICIPATION**

Good corporate governance underpins all the programmes and projects presented in this IDP. Good governance dictates that the Municipality should conduct its business in an open, transparent and accountable manner. For this to be realised, community participation is essential. The establishment of a caring environment requires emphasis not only on community participation, but also on customer care and responsiveness. With regard to customer care, the Municipality has embarked on a programme to engage customers with regard to their level of satisfaction with municipal services and the development of a new Customer Care Framework. In the current IDP review period, foundational work has been done in terms of the completion of a comprehensive survey of all types of customers. Soon thereafter, the focus will shift to embedding a robust system of customer relations management, anchored in clear service standards, customer responsiveness, and the monitoring and evaluation of ongoing customer perceptions and feedback. The revival of the Batho Pele Campaign will complement this effort and galvanise the institution to embrace a culture of putting people first.

### **1. COMMUNICATIONS**

The Communications unit was established in order to provide a link between the municipality and the community, providing communication service for all CHDM Directorates. The communication function is politically accountable to the Executive Mayor and the unit of communication is at the Strategic Directorate. This function of communication is a legislative requirement as guided by The Constitution of the Republic of South Africa, Act 108 of 1996, Section 32 that gives a right to every citizen to Right to Access any information held by the state. The Municipal Systems Act 32 of 2000 Chapter 4, which requires Public Participation of communities and stakeholders in decisions of councils. The Promotion of Access to Information Act No. 14 of 2000 which indicates how communities can access information at any given time. The Municipal Finance Management Act 56 of 2003 which encourages publication of information and consultation with communities. The District IDP which seeks to achieve the prescripts of the mission and vision and further the National Government Communications Plan which provides framework for government communication and the SALGA National Communications Conference Resolutions of May 2006.

The Unit is guided by the following Strategic Objectives

- To strategize for municipal communication per communication challenges of the District
- To regulate municipal communication
- To maintain uniform corporate identity and image that promotes the municipal vision, mission and values
- To facilitate a coordinated two way flow of communication between municipality and its internal and external publics
- To provide communication support to all Directorates

#### Communication Strategy

Communication Strategy has been developed and approved by Council in 2011/12 financial year, so that the unit would develop and implement a responsive communication strategy with a programme of action that is aligned to the municipal IDP, to guide communication activities of the municipality and should be linked to the term of Council. The strategy is to be reviewed annually and adopted by Council after a consultative process with relevant stakeholders.

The objectives of the strategy are : To encourage meaningful public participation through promotion of government programmes; To promote and articulate CHDM plans, policies and achievements.

To facilitate proactive communication on matters of disaster risk management, health and environmental issues; To strengthen and improve internal communication systems;

To reinforce intergovernmental relations through coordination of communication programmes and activities amongst the three spheres of government and to create and maintain sound relations with the media. Communication Policy was further developed and this has to be developed and implementation of a communication policy had to set out clear regulations and procedures for communication in the municipality. The policy is currently incorporated in the Communication Strategy and is reviewed annually.

Communication Structures are in place to ensure establishment of vibrant communication structures within the district to ensure smooth flow of information and alignment of programmes. A District Communication Forum chaired by the Manager Communications has been established, Local Communication Fora are established and the Manager of Communications participate in the Municipal Managers' Forum, an IGR structure that includes government departments and parastatals. A Communication Task Team (CommTask) is also established as an internal communication structure.

#### Marketing and Branding

The unit develops and implements a marketing plan that seeks to ensure promotion of the municipality and its activities and programmes for the benefit of its publics, tourists and investors. This function requires maximum utilisation of various platforms in the print, electronic media arenas and exploitation of unmediated opportunities. The unit further develops marketing material such as banners, posters, leaflets, booklets and any promotional material.

The unit also develops and oversee implementation of Branding Guidelines which regulate use of the municipal symbol, playing a leading role in the production of all branded material such as name tags, business cards, stationery, corporate wear, corporate gifts, vision and mission statements, also maintaining brand visibility through office and boundary signage.

#### Website content authoring

The District Web site is a marketing, public participation and information dispensing tool. The unit is therefore responsible to constantly update the website with relevant content while the ICT section is responsible for the technical side.

#### Advertising

The unit is responsible for all advertising pertaining to: Council meetings, council announcements / messages, events, project launches, annual reports, budget processes, IDP etc.

#### Media Liaison and Monitoring

The unit liaise with various media houses (radio, television and newspapers) for the purposes of disseminating information to the public and responding to media queries, record and keep track of what is publicized about the municipality and any news relating to local government and report to council.

#### News letters

The unit publishes a quarterly newsletter called "**Uphuhliso**", currently in two languages (isiXhosa and English). The main objective of the publication is to disseminate information, encouraging public participation in the process. The content is sourced from various directorates.

An internal news letter "InnerView", is also published to keep internal stakeholders informed of Council business also affording them a platform to air their views. The publication is done in house and produced monthly.

### ***Presidential Hotline Queries***

The unit is also charged with monitoring and coordination of hotline queries on line, facilitate responses and report.

#### Events

The unit plays a prominent role in the coordination of ALL Council events by providing communication support, such as media liaison, branding, photography etc. The events range from Outreach, IDP Road shows, Chris Hani Month, Tourism / Heritage month, Institutionalized days such as Womens' Day, ISDR etc. Production of Annual Report, the unit is responsible to produce a compliant annual report: this involves sourcing of information from Directorates, collating and editing and ensure commissioning of printing services.

## **2. SPECIAL PROGRAMMES UNIT**

The Special Programmes Unit (SPU) is a developmental office coordinating the upliftment of designated groups (i.e. Gender, Youth, and People with Disabilities, Children and The Elderly) and ensures that all CHDM Directorates mainstream their programmes. The Special Programmes Unit is located in the Strategic Directorate.

This function is a legislative requirement guided by The Constitution of the Republic of South Africa, Act 108 of 1996, Section 9 that declares everyone is equal before the law and has the right to equal protection and benefit of the law. The Local Government Municipal Systems Act 32 of 2000 Chapter 4 which requires public participation of communities and Municipalities to take into account the special needs of designated groups. The Promotion of Equality and Prevention of Unfair Discrimination Act 4 of 2000 and South Africa's National Policy Framework for Women's Empowerment and Gender Equality of 2000 that promote and protect women's rights towards achieving gender equality.

The Integrated National Disability Strategy of 1997 requires us to drive the government's equity, equality and empowerment agenda in terms of those living with disabilities. The National Youth Policy of 2008 is a framework for youth development across the country which endeavours to ensure that all young women and men are given meaningful opportunities to reach their full potential, both as individuals and as active participants in society.

The Constitution of the Republic of SA, The South African Children's Charter, and Children's Act 38 of 2005 encourages government to develop a non-sexist, discrimination-free, equitable and inclusive society that protects and develops the human potential of its children. The Older Persons Act 13 of 2006 seeks to promote the rights, prevent and combat the abuse of older persons. The District IDP which seeks to obtain the vision, mission and promote the values of a caring society.

#### STRATEGIC OBJECTIVES OF THE SPU

- To assist CHDM in monitoring and evaluation of the integration and mainstreaming of Special Programmes in the IDP and sector plans.
- To facilitate and coordinate the development of District Gender Policy, District Integrated Disability Strategy, District Youth Strategy and Coordinate and Monitor the implementation of Children's and Older Persons Rights Strategies.
- To coordinate the participation of vulnerable groups in development through their designated forums.
- To capacitate designated groups forums in order to manage their programmes and projects effectively.
- To promote civic education on legislation, policies and programmes affecting designated groups to strengthen social cohesion.
- To coordinate the commemoration of institutionalised days.

The unit develops a holistic policy that responds to the changing conditions of vulnerable groups in partnership with other stakeholders to ensure that they grow, develop and prosper as fully engaged responsive and productive citizens.

It shall articulate the values of respect, participation, access, equity, diversity, redress, responsiveness, transparency, gender sensitive, team work and ubuntu.

The unit shall develop and implement a responsive special programmes strategy with a clear programme of action that is aligned to the district IDP linked to the term of council. The strategy must be reviewed by all relevant stakeholders annually and be adopted by council.

The strategy highlights priority targets and interventions to be actioned for the betterment of the vulnerable groups in areas such as education and skills development, employment and economic development, health and wellbeing, social cohesion and public participation, information and communication, violence and abuse against women and children, access and integration of people with disabilities, arts, sports and culture.

The unit intends to establish the District Special Programmes Unit Forum to support, coordinate and mainstream the programmes in the departments and the IDP. This forum shall be made up by representatives from all local municipalities and the district. The district technical task team shall be established to support the local municipalities to plan and integrate their programmes adequately. The Special Programmes shall have the requisite personnel to attend to the challenges of the designated as recommended by SALGA and COGTA.

The unit shall support and advise the local municipalities, monitor the implementation of the strategy, liaise with Chapter 9 institutions, advise and brief the political and administrative heads respectively on all matters affecting designated groups.

The SPU Section has identified areas which need to be resolved to ensure that youth, people with disabilities, the elderly, children and gender issues are addressed within the institution:

- Strategic focus responds to a need for skills development through education and training.
- Demographic analysis does not provide accurate picture about youth. It provides no information about the levels and types of disability. It provides no information about children. This unclear picture compromises targeted programming, impact benchmarking and evaluations.
- IDP does not provide a district skills profile. It only assumes the need for education and training on the basis of high number of youth in the district, without even quantifying that number. Information is neither disaggregated according to gender nor disability. In the absence of such skills profile training interventions are compromised in terms of impact benchmarking and evaluation.
- It is not clear how the 26% youth ownership of SMMEs is distributed across economic sectors in the district. The same is not said about women ownership, except that their dress-making enterprises make up 44% of the manufacturing sector. Nothing is said about disability. The determination of any support for promotion of enterprise development would be compromised if based on such inadequate planning information.
- IDP emphasizes the lack of recreational facilities for youth especially in former homeland areas. It is silent on recreational needs of women and people with disabilities, children and the elderly.
- Need to focus on land tenure is limited only to youth and women, to the exclusion of people with disabilities. This may lead to this group being excluded from housing beneficiation as well as land for commercial purposes.
- IDP silent on HIV/Aids and disability, children and the elderly. This may lead to inappropriate strategies and resource misallocation.
- IDP acknowledges need for appropriate baseline information for proper planning. It acknowledges need for policies, mechanisms, processes and procedures for mainstreaming. It acknowledges need for improving coordination.

### **3. Inter-Governmental Relations (IGR)**

The function of the structure is to align the planning cycles of the different spheres of government to ensure that IDP is a reflection of national plans at a local level.

The Executive Mayor of the CHDM is convening the DIMAFO of the District. It is composed of : -

- All Mayors in 8 municipalities
- The Departmental officials in the District

The Technical IGR Forum also is operational as chaired by Municipal Manager of CHDM, this forum seats quarterly and is attended by all senior management of the institution as well as all sector departments senior management. This forum discusses service delivery issues and issues discussed are alleviated to the District Mayors Forum for endorsement and for political buy-in, meaning it further informs the agenda of the DIMAFO.

- Technical advise on policy / program debate
- Develop an agenda
- Report on progress

The Executive Mayor attends the Premier's Co-ordinating Forum to raise issues that talk to Strategic positioning of the CHDM in the fight against poverty. The MM attends the Technical Forum with the Director General of the Province. SALGA is an integral part of all these processes as the organized body of the local government

#### Challenges

- Failure by government structures to utilise Intergovernmental Relations as a planning tool;
- Lack of joint implementation of projects by government structures;

#### **Risk Management**

The District has developed and adopted annual risk management plan and the unit manages the process and the Municipal Manager assesses the implementation of risk management plans. The progress on the implementation of risk management plans is monitored by the performance audit committee.

#### **Internal Audit Function**

The Internal Audit Unit of the Chris Hani District Municipality was established in terms of the Municipal Finance Management Act, Act 56 of 2003 ('MFMA') which states that Accounting Officer is responsible for managing the financial administration of the municipality and that the municipality has and maintains, effective and transparent systems of internal audit, operating in accordance with any prescribed norms and standards. The internal audit activity evaluates risk exposures relating to the organization's governance, operations and information systems, in relation to:

- Effectiveness and efficiency of operations.
- Reliability and integrity of financial and operational information.
- Safeguarding of assets.
- Compliance with laws, regulations, and contracts.

Based on the results of the risk assessment, the internal auditors evaluate the adequacy and effectiveness of how risks are identified and managed in the above areas. They also assess other aspects such as ethics and values within the organization, performance management, communication of risk and control information within the organization in order to facilitate a good governance process.

The internal auditors provide recommendations for improvement in those areas where opportunities or deficiencies are identified. While management is responsible for internal controls, the internal audit activity provides assurance to management and the audit committee that internal controls are effective and working as intended.

The internal audit activity is led by the Internal Audit manager and the Manager delineates the scope of activities, authority, and independence for internal auditing in a written charter that is approved by the audit committee and adopted by Council

The Internal Audit Activity is manned by six capable Internal Audit practitioners who are members of the Institute of Internal Auditors. The IIA is the primary body for the internal audit profession; it maintains the International Standards for the Professional Practice of Internal Auditing and the profession's Code of Ethics. IIA members are required to adhere to the Standards and Code of Ethics.

#### The Audit Committee

The Audit Committee is established in terms of Section 166 of the Municipal Finance Management Act, Act 56 of 2003 ('MFMA') which states that "Each Municipality and each municipal entity must have an audit committee." The purpose of the Committee is to assist and advise the Council in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control over financial reporting, the audit process, performance management and evaluation, Council's process for monitoring compliance with laws and regulations and Council's code of conduct.

The Chris Hani District Municipality's audit committee is shared amongst the three Municipalities i.e. CHDM, Intsika Yethu Local Municipality and Engcobo Local Municipality; the committee is constituted by three highly qualified professionals who are neither members of management nor members of Council

An audit committee typically serves as the liaison among the Council, external auditors, internal auditors, and financial management. Generally, the audit committee's purpose is to assist the Council in overseeing the:

- Reliability of the entity's financial statements and disclosures.
- Effectiveness of the entity's internal control and risk management systems
- Compliance with the entity's code of business conduct, and legal and regulatory requirements
- Independence, qualifications, and performance of the external auditors and the performance of the internal audit activity.

#### The Performance Audit Committee

Section 195 of the Constitution established the promotion of the efficient, economic and effective use of resources as one of the democratic values and principles of public administration and for this reason the Chris Hani District Municipality established a Performance Audit Committee.

A performance audit is an independent auditing process aimed at ensuring that satisfactory management measures have been instituted to confirm that resources are both acquired economically as well as used efficiently and effectively. Essentially, it entails "optimal (best) use of available resources", "to achieve the stated goals", in the "least expensive way" The Performance Audit Committee is constituted by three independent individuals who are not employees of the Chris Hani District Municipality, with appropriate business, financial, academic credentials and with suitable leadership skills. These three independent individuals are deemed voting members.

The Performance Audit Committee meets at least four times during a financial year (one meeting per quarter).

The Chairperson convenes any additional meetings, as deemed necessary, at his/her own volition or upon the request of the internal and/or external auditors, the Accounting officer and/or any Performance Audit Committee member.

## Functions of the Performance Audit Committee

More and above the provision of credible view of the efficiency and effectiveness of the performance management of the municipality this Committee facilitates consideration of the annual report in its entirety and also performs the following functions:

Review quarterly reports, the Annual Financial Statements (AFS) and any other reports deemed necessary, regarding the performance of management of the CHDM;

Review quarterly reports of Internal Audit regarding auditing of performance measurements;

Reviewing significant differences of opinion between management and the internal audit function;

Review the Municipality's performance management system and make recommendations in this regard to Council; and,

In reviewing the performance management system, the committee focuses on economy, efficiency, effectiveness and impact in so far as the key performance indicators and performance targets set by the municipality are concerned; In this regard it is provided with the relevant Integrated Development Plan (IDP) and Service Delivery and Budget Implementation Plans (SDBIP).

### Accountability

- (i) The Chairperson of the Performance Audit Committee accounts to Council and the Executive Mayor, via the Municipal Manager.
- (ii) The Chairperson of the Performance Audit Committee submits an annual report to the Council after the Management Letter has been received from the Auditor-General.
- (iii) The Chairperson of the Performance Audit Committee prepares a statement, for inclusion in the annual report, commenting on performance management and performance evaluation.
- (iv) The Chairperson reports and makes recommendations of any material findings to the Executive Mayor via the Municipal Manager.
- (v) The Chairperson of the Performance Audit Committee serves on the Assessment Panel for Section 57 Employees according to the performance regulations.

## 4. Public Participation

A recent study by the Department of Social Development has indicated that residents in ISRDP nodes rate their local authorities higher than other spheres of government but cynicism is beginning to increase. There is a growing perception that all spheres are not doing anything to improve the lives of residents. In addition there is a growing sense of alienation i.e. that a person has no influence on their surrounds or community and a growing lack of apathy towards attending community participation programmes like the IDP. It is therefore even more important that CHDM increases its public participation and feedback mechanisms. Public Participation Strategy is in draft form

CHDM currently runs IDP and Budget roadshows on a yearly basis in all municipalities. In addition it hosts several public knowledge sharing days on health issues, hygiene, water and sanitation usage, supply chain management, disaster and fire prevention strategies and fire, occupational health and safety, LED, GIS and Planning. To strengthen the relations with Traditional Leadership the House of Traditional Leadership of the region is a stakeholder that sits on our Representatives Forum. In accordance with the Local Government Municipal Systems Act, the CHDM holds regular Integrated Development Plan (IDP) Representative Forum meetings in drafting its IDP. At the beginning of the planning cycle, advertisements are placed in the local newspapers calling for interested parties to contact the CHDM.

Once the IDP and budget have been drafted and tabled at Council, the CHDM places another advertisement calling for public comments. Copies of the document are lodged at all the Libraries within the district and at Local Municipalities. After this process, the CHDM further embarks upon IDP and Budget Roadshows to the communities' at all local municipalities.

This is done in conjunction with the support and assistance of the local municipalities who assist the CHDM's officers, through their Ward Councillors, to mobilize the ward community members to attend the roadshow events. The Draft IDP is summarized and presented to communities in English and isiXhosa for comment and discussion.

Records of these meetings are kept and a document is drafted to keep track of the responses and to disseminate to other government departments for follow up and actioning, where necessary, through intergovernmental forum meetings and Rep Forum. Once all the comments and discussions have been taken into consideration towards an amended IDP and Budget, the above process is followed up by a Council Open Day, where Committees and members of the community are invited to a Council meeting. The amended/Draft IDP and Budget is again presented for the last time before they are submitted to Council for adoption. Council procedures are relaxed for the Council Open Day to allow the communities to speak and voice their comments after the presentations have been made. These comments are again collated into a document.

The IDP/Budget Road-shows are conducted annually and all Local Municipalities with the district are visited, the mayoral committee champions the initiative. Below is a time schedule to be followed per LM.

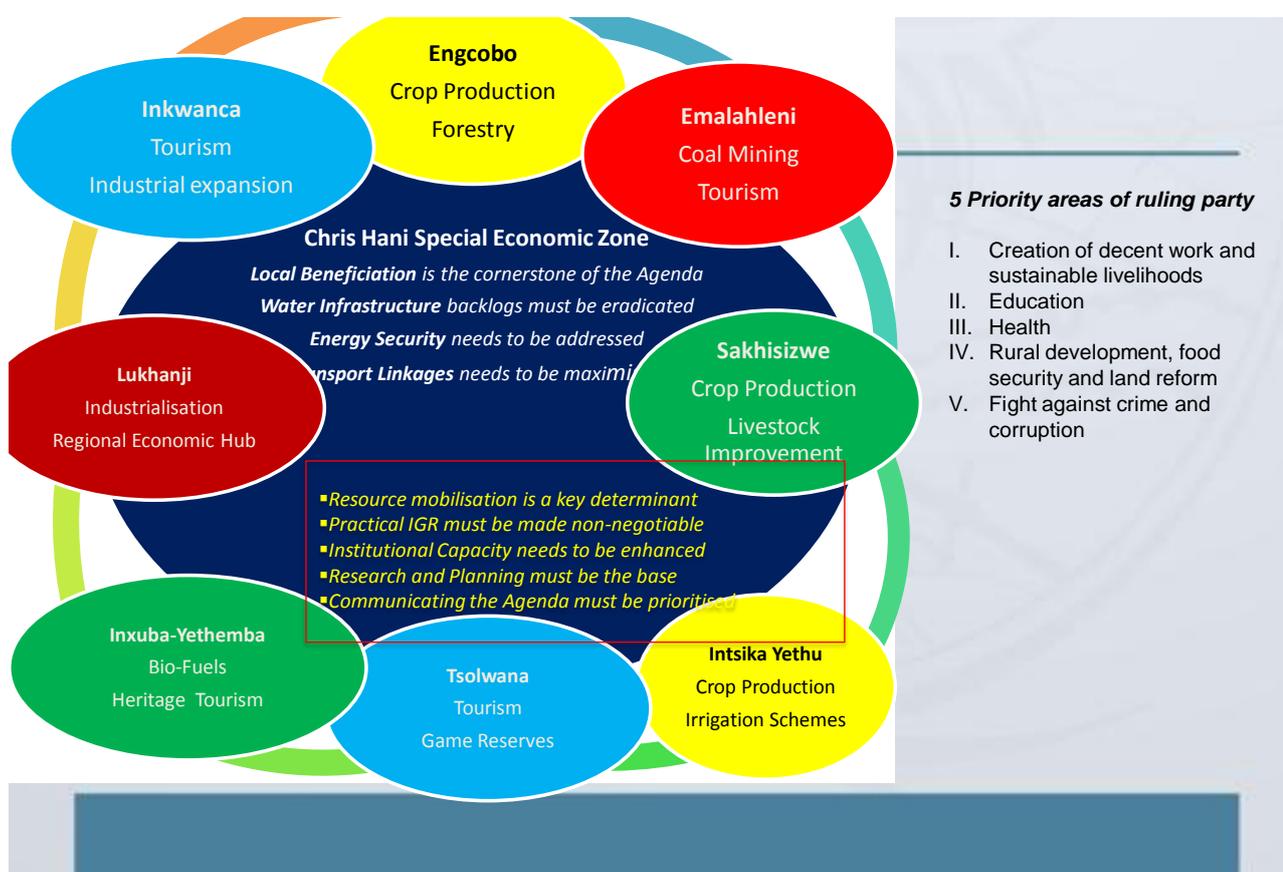
<b>MUNICIPALITY/AREA</b>	<b>VENUE</b>	<b>DATE</b>	<b>TIME</b>
1.Engcobo Local Municipality	Town Hall	12 April 2012	10h00
2. Nkwanca Local Municipality	13 April 2012	Masakhe Community Hall	10h00
3.Tsolwana Local Municipality	12 April 2012	Tendergate Community Hall	10h00
4. Sakhisizwe Local Municipality	13 April 2012	Cala Pass Community Hall	10h00
5.Inxuba Yethemba Local Municipality	13 April 2012	Town Hall Cradock	10h00
6. Emalahleni Local Municipality	12 April 2012	Lady FrereTown Hall	10h00
7. Intsika Yethu Local Municipality	11 April 2012	Zimele Community Hall	10h00
8. Lukhanji Local Municipality	13 April 2012	----	10h00

# CHAPTER 3

## CHDM BROAD STRATEGIC OBJECTIVES

CHDM long term vision has been born out of Analysis of the Chris Hani Status Quo and developed through intensive participatory processes. Our Vision and Mission as well as Objectives, Strategies and Programmes are informed by the Development Agenda of the district. This is explained through a programme that CHDM Council together with its Councils of Local Municipalities have committed to follow.

### CHDM Developmental agenda



### Vision:

Flowing from our Strategic Planning Session and some consultations which were conducted for the period of development of this 5 year IDP, the municipality came out with a new vision for the municipality. Consultations were done on all platforms.

**“A people-centred developmental rural district municipality”**

## **Mission:**

**"To co-ordinate governance for quality service and better communities through co-operative governance, socio-economic development, integrated development planning, and sustainable utilization of resources"**

## **Values:**

**C=Commitment**

**H=Humanity**

**R=Respect**

**I=Integrity**

**S=Sincerity**

**H=Honesty**

**A=Accountability**

**N=Nurturing**

**I=Innovative**

In an effort to realise the institutional vision, CHDM has developed 5 Broad Strategic Objective as aligned to the National KPA. These are a way of responding to key issues confronting the municipality and as said are aligned to the 5 National KPA's (5 year Local Government Strategic Agenda).

## **CHDM 5 KEY BROAD STRATEGIC OBJECTIVES**

1. Ensuring an Effective, Efficient and Co-ordinated Financial Management that enables CHDM to deliver its mandate.
2. To consistently create an enabling environment for Economic Growth, Rural Development and Employment opportunities.
3. Ensuring provision of Basic Services in a well structured, efficient and integrated manner.
4. To encourage the involvement and collaboration of Communities and Stakeholders through working together to achieve good governance in an integrated manner.
5. To establish and maintain a skilled labour force guided by policies to function optimally towards the delivery of services to communities.

KPA									Service Delivery : Health, Waste, Disaster, Fire, HIV and AIDS												
Broad IDP strategic Objective									To provide, support and coordinate effective and sustainable community and health services by 2016 and beyond												
Priority area: 1									Disaster Management												
Measurable objectives			Baseline			Indicator			Strategies			5 year targets									
									1 <sup>st</sup> year		2 <sup>nd</sup> year		3 <sup>rd</sup> year		4 <sup>th</sup> year		5 <sup>th</sup> year				
To prevent, mitigate and respond to the effects of			The existing Disaster Management Plan			% Progress towards review of the disaster management plan			Develop district wide disaster management plan			-Conduct scientific risk assessment (40%)  -Implement disaster management programmes		-Develop disaster management plan (60%)  -Implement disaster management programmes		Implement disaster management plan and programmes		Implement disaster management plan		-Review disaster management plan  -Implement disaster management programmes	
			<ul style="list-style-type: none"> <li>19 Awareness Campaigns</li> <li>4 Training Programmes</li> </ul>			<ul style="list-style-type: none"> <li>No. Of Disaster Management Awareness Campaigns Conducted</li> <li>Number of training programmes on disaster management conducted</li> </ul>			Facilitate education and training on disaster management			Train councillors, managers and community members		Train councillors, managers and community members		Train councillors, managers and community members		Train councillors, managers and community members		Train councillors, managers and community members	

disasters and facilitate post disaster recovery.	0	% Progress towards the development of communication systems	Develop disaster management information and communication system	Equip disaster management centres with information and communication system (20%)	Install repeaters and acquisition of two way radio system on site 1 (20%)	Install repeaters and acquisition of two way radio system on site 2 (20%)	Install repeaters and acquisition of two way radio system on site 3 (20%)	Install repeaters and acquisition of two way radio system on site 4 (20%)
	12	No. Of awareness programmes conducted	Conduct community awareness programmes on disaster management	Awareness programmes	Awareness programmes	Awareness programmes	Awareness programmes	Awareness programmes
	8 Fire Fighters and 8 Local Municipalities	% Progress towards devolution of fire services	Devolution of fire services to Local Municipalities and capacity building	Develop devolution process plan and implementation (20%)	Finalise process of devolution and capacity building (20%)	Capacity building and sign off Service Level Agreement (SLA) (60%)	-	-
	1 Existing Disaster Management Forum	Milestones towards strengthening the disaster management advisory forum	Strengthen capacity of disaster management advisory forum	Capacity building, (Meetings & Workshops) monitoring and evaluation	Capacity building, (Meetings & Workshops) monitoring and evaluation	Capacity building, (Meetings & Workshops) monitoring and evaluation	Capacity building, (Meetings & Workshops) monitoring and evaluation	Capacity building, (Meetings & Workshops) monitoring and evaluation

Priority area: 2	Municipal Health and Environmental Management Services							
Measurable objectives	Baseline 11/12	Indicator	Strategies	1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
To provide quality municipal health and environmental management services	<ul style="list-style-type: none"> <li>9840 water samples (Blue drop)</li> <li>192 waste water samples (green drop)</li> </ul>	<ul style="list-style-type: none"> <li>No of water and waste water samples taken on the blue &amp; green drop</li> <li>No of water and waste water complying with the national targets (blue &amp; green drop system)</li> </ul>	Drinking water and waste water quality monitoring	Water quality monitoring and evaluation	Water quality monitoring and evaluation	Water quality monitoring and evaluation	Water quality monitoring and evaluation	Water quality monitoring and evaluation
	3 municipalities were financially and technically supported (Lukhanji, Emalahleni and Inkwanca)	No of Local Municipalities supported (financially / technically) towards waste reduction initiatives	Support Local Municipalities on waste management programmes	Waste management programmes	Waste management programmes	Waste management programmes	Waste management programmes	Waste management programmes
	The existing Climate Change Framework	% Progress towards development and implementation of climate change adaptation strategy and programmes	District wide Climate change adaptation strategy	<ul style="list-style-type: none"> <li>Develop climate change adaptation strategy (100%)</li> <li>Implementation of climate change reduction programmes</li> </ul>	Implementation of climate change programmes including mainstreaming programmes (100%)	Implementation of climate change programmes including mainstreaming programmes (100%)	Implementation of climate change programmes including mainstreaming programmes (100%)	Implementation of climate change programmes including mainstreaming programmes (100%)

	900 Food Samples	No of food samples taken	Food quality control	Food quality monitoring and evaluation	Food quality monitoring and evaluation	Food quality monitoring and evaluation	Food quality monitoring and evaluation	Food quality monitoring and evaluation
	The existing Environment and Climate Change Forum	Milestones towards strengthening of environment and climate change forum	Strengthen capacity of the environment and climate change forum	Capacity building, (Meetings & Workshops) monitoring and evaluation	Capacity building, (Meetings & Workshops) monitoring and evaluation	Capacity building, (Meetings & Workshops) monitoring and evaluation	Capacity building, (Meetings & Workshops) monitoring and evaluation	Capacity building, (Meetings & Workshops) monitoring and evaluation
	The existing District Health Consultative Forum and District Health Council	Milestones towards strengthening of the District Health Consultative Forum and District Health Council	Strengthen capacity of the District Health Consultative Forum and District Health Council	Capacity building, (Meetings & Workshops) monitoring and evaluation	Capacity building, (Meetings & Workshops) monitoring and evaluation	Capacity building, (Meetings & Workshops) monitoring and evaluation	Capacity building, (Meetings & Workshops) monitoring and evaluation	Capacity building, (Meetings & Workshops) monitoring and evaluation
Priority area: 3	HIV AND AIDS MANAGEMENT							
Measurable objectives	Baseline	Indicator	Strategies	1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
To manage	The existing HIV/AIDS Strategic Plan	% Progress towards reviewal of HIV/AIDS Strategic plan	Develop district wide HIV and AIDS, STI's and TB Strategic plan 2012-	Review and develop HIV and AIDS, STI's and TB strategic plan and implementation of programme (100%)	Implementation of HIV and AIDS, STI and TB strategic plan and programmes	Implementation of HIV and AIDS, STI and TB strategic plan and programmes	Implementation of HIV and AIDS, STI and TB strategic plan and programmes	Review of HIV and AIDS, STI and TB strategic plan and implementation of programmes

implementation of integrated HIV and AIDS programmes			2016					
	0	% Progress towards the development of HIV/AIDS Mainstreaming Policy	Develop district wide HIV and AIDS mainstreaming policy	Develop HIV and AIDS mainstreaming policy and implementation of mainstreaming programmes	Implementation of HIV and AIDS mainstreaming policy programmes	Implementation of HIV and AIDS mainstreaming policy programmes	Implementation of HIV and AIDS mainstreaming policy programmes	Review of HIV and AIDS mainstreaming policy programmes
	6 Multisectoral Capacity Building Programmes • 0 Workplace Capacity Building Programmes	Number of training programmes on HIV/AIDS and STI's and TB Conducted	Facilitate capacity building programmes on HIV and AIDS, STI's and TB	Conduct training; monitoring and evaluation	Conduct Training; monitoring and evaluation	Conduct Training; monitoring and evaluation	Conduct Training; monitoring and evaluation	Conduct Training; monitoring and evaluation
	The existing HIV/AIDS Baseline Survey	Number of Baseline Survey Conducted	Reduce HIV prevalence in the workplace	Conduct repeat HIV prevalence survey and reduce prevalence by 1% of the sampled population	Reduce prevalence by 1% out of the surveyed population	Reduce prevalence by 1% out of the surveyed population	Reduce prevalence by 1% out of the surveyed population	Reduce prevalence by 1% out of the surveyed population
Existing DAC, LAC, WAC and Workplace Committee	Milestones towards strengthening the functionality of DAC, LAC, WACs and Workplace Committee	Strengthen functionality of DAC, LAC's, WAC's and workplace committees	Capacity building, (Meetings & Workshops) monitoring and evaluation	Capacity building, (Meetings & Workshops) monitoring and evaluation	Capacity building, (Meetings & Workshops) monitoring and evaluation	Capacity building, (Meetings & Workshops) monitoring and evaluation	Capacity building, (Meetings & Workshops) monitoring and evaluation	

Broad IDP strategic Objective		TO CONSISTENTLY PLAN AND CREATE AN ENABLING ENVIRONMENT FOR SUSTAINABLE ECONOMIC GROWTH, RURAL DEVELOPMENT AND EMPLOYMENT OPPORTUNITIES						
Priority area: 1		SPECIAL ECONOMIC ZONE						
Measurable objectives	Strategies	Baseline	KPI	5 year targets				
				1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
To develop Lukhanji to an Economic Hub for the District as informed by the Special Economic Zone Policy.	Develop a long term (20 year) plan for develop Queenstown as an Industrial & Logistics Hub Area.	Nil	Implementable LED Strategy, infrastructure and transport plan.	Review of SDF to align to LED strategy, transport plan, infrastructure plan to inform investment. Development of a Transport plan linking Agricultural, Mining and Forestry hubs also linked to the National Transport Plan Establish a Development Agency to identify and package catalytic projects	Facilitate the development of requisite infrastructure logistic to connect the product to markets. Explore the establishment of a power plant Lobby for resources for commercialisation of catalytic projects	Implementation of an infrastructure plan focusing on ensuring the provision of services to complement development in the mining and industrial hubs.	Implementation of an infrastructure plan focusing on ensuring the provision of services to complement development in the mining and industrial hubs	Implementation of an infrastructure plan focusing on ensuring the provision of services to complement development in the mining and industrial hubs
To ensure establishment of Development Agency	Development of Development Agency	Nil	Established Development Agency	Established Development Agency	Fully Fledged Development Agency	Fully Fledged Development Agency	Fully Fledged Development Agency	Fully Fledged Development Agency

--	--	--	--	--	--	--	--	--

Priority area: 2		FORESTRY DEVELOPMENT							
Measurable objectives		Strategies	Baseline	KPI	5 year targets				
					1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
		Development of Forestry strategy that focuses on value addition	N/A	Developed Forestry Strategy	Development of & implementation of Forestry Strategy	Implementation of Forestry Strategy	Review and Implementation of Strategy	Implementation of Forestry Strategy	Implementation of Forestry Strategy

1. To prioritise Forestry as a sector that contributes to reduction of unemployment and economic development.	Continuos Support to existing Charcoals	2 Charcoal projects	No of Charcoal Projects supported	Support to Charcoal Manufactures	Support to Charcoal Manufactures	Commercialise Charcoal & Tree Nursery projects, Continue afforestation	Commercialise Charcoal & Tree Nursery projects, Continue afforestation	Commercialise Charcoal & Tree Nursery projects, Continue afforestation
	Continuos Support to Tree Nursery	1	No of Tree Nursery Projects Supported	Support to Tree Nursery Projects	Support to Tree Nursery Projects	Commercialise Tree Nursery projects, Continue afforestation	Commercialise Tree Nursery projects, Continue afforestation	Commercialise Tree Nursery projects, Continue afforestation

Priority area: 2		TOURISM PROMOTION AND DEVELOPMENT						
Measurable objectives	Strategies	Baseline	KPI	5 year targets				
				1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
1. To ensure promotion and development of Tourism within the district	Implementation of Tourism Integrated Plan	Tourism Master Plan is in place	Implementation of Tourism integrated plan	Review & implement tourism integrated plan	Implement a Tourism Calendar (Chris Hani Month etc) Upgrading of facilities Development of Partnership model for operating the facilities Strengthen & Develop skills of LTO's and tour operators	Implement a Tourism Calendar(Chris Hani Month etc) Implement District marketing plan Implement Partnership model Support, monitor and evaluate LTO's and LM's. Implement marketing plan	Implement a Tourism Calendar(Chris Hani Month etc) Implement marketing plan Support, monitor and evaluate LTO's and LM's.	Implement a Tourism Calendar(Chris Hani Month etc) Implement marketing plan. Support, monitor and evaluate LTO's and LM's.

					Implement marketing plan			
--	--	--	--	--	--------------------------	--	--	--

Priority area: 3		HERITAGE DEVELOPMENT						
Measurable objectives	Strategies	Baseline	KPI	5 year targets				
				1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
1. To Ensure preservation of Heritage Resources	Registration, maintenance and marketing of historical and Heritage Sites	2 Annual heritage events	Number of Heritage initiatives and events developed and supported	Development & implementation of Heritage strategy. Annual Heritage Celebrations Liberation route programs	Implementation of Heritage strategy. Annual Heritage Celebrations, Liberation route programs	Implementation of Heritage strategy Annual Heritage Celebration, Liberation route programs	Review and Implementation of Heritage strategy. Annual Heritage Celebration, Liberation route programs	Implementation of Heritage strategy Liberation route programs

Priority area: 4		SMME DEVELOPMENT						
Measurable objectives	Strategies	Baseline	KPI	5 year targets				
				1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
1. To create an enabling environment for sustainable business	Facilitate support and develop enterprises within the district	SMME Support programmes being	SMME & Cooperative Strategies Implemented	Implementation of SMME strategy Development and implementation of	Implementation of SMME strategy	Implementation of SMME strategy Implementation	Implementation of SMME strategy Implementation	Review and Implementation of SMME strategy Implementation

development		implemented. Cooperative Development Centre		District Retail Industry plan Development and Implementation of Co-operative strategy Establish an SMME support centre Development and implementation of a mining beneficiation plan for the establishment of secondary level service to compliment the mining industry.	Implementation of co-op strategy  Implement & monitoring the programme	of retail industry plan Implementation of co-op strategy Implement & monitoring the programme Implement plan and monitor beneficiation and job creation.	of retail industry plan Implementation of co-op strategy Implement & monitoring the programme	of retail industry plan Implementation of co-op strategy Implement & monitoring of programme
-------------	--	---	--	---	--	---	---	--

Priority area: 5	LIVESTOCK DEVELOPMENT
------------------	-----------------------

Measurable objectives	Strategies	Baseline	KPI	5 year targets				
				1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
1. To increase contribution of livestock to the district economy	Improving the condition of livestock through capacity building, medication and value addition.	Livestock Improvement Programmes implemented in partnership with TEBA	District Agriculture Master plan Improved livestock condition and value chain	Development & implementation of Master plan. Review and implementation of Teba MOU Develop and implement	Implementation of Master plan Implementation of Teba MOU and monitoring Implementation of operational plan and	Implementation of Master plan Implementation of Teba MOU and monitoring Implementation of operational plan and monitoring.	Implementation of Master plan Implementation of Teba MOU and monitoring Implementation of operational plan and monitoring	Implementation of Master plan Implementation of Teba MOU and monitoring Implementation of operational plan and

			initiatives	partnership and operational plan between CHDM and Ikhephu i.n.o. Cala Abattoir	monitoring			monitoring
--	--	--	-------------	--	------------	--	--	------------

CROP PRODUCTION AND AGRO PROCESSING								
Priority area: 6								
Measurable objectives	Strategies	Baseline	KPI	5 year targets				
				1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
To increase contribution of Agriculture to the district economy	Improving crop production through introduction of new cultivars and supply of production inputs Establishment of village clusters Production of sorghum for biofuel and food security	Sorghum production at Emalahleni and Dryland maize production at Engcobo	Increased Yield from crop produced 5 Commercialised clusters	Development and implementation of rotational plan for all identified areas. Identification of Clusters and development of plan for the clusters Development and implementation of operational plan for massive sorghum production.	Crop production and rotation  Commercialisation of clusters and monitoring  Implementation of massive sorghum production	Crop production and rotation  Commercialisation of clusters and monitoring  Roll out of massive sorghum production	Crop production and rotation  Commercialisation of clusters and monitoring  Roll out of massive sorghum production	Crop production and rotation  Commercialisation of clusters and monitoring  Roll out of massive sorghum production

Priority area: 7	REVITALISATION OF IRRIGATION SCHEME							
Measurable objectives	Strategies	Baseline	KPI	5 year targets				
				1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
To revitalise the infrastructure in the irrigation schemes for contribution to economic growth.	Revitalisation of infrastructure	Infrastructure revitalisation at Ncorha, Qamata and Bilatye and Shiloh	New and revalled infrastructure at Ncora, Qamata and Bilatye Dairy production at Ncora. Large scale Piggery at Bilatye	Implementation of revitalisation business plans Development and Implementation of Agriculture Master plan Facilitation of partnerships Partnership agreement with private partners	Revitalisation of infrastructure Production of Crops in the irrigation schemes.  Facilitate Partnership and mentorship programmes	Revitalisation of infrastructure Continue with crop production. Facilitate Partnership and mentorship programmes	Revitalisation of infrastructure Continue with crop production. Facilitate Partnership and mentorship programmes	Revitalisation of infrastructure Continue with crop production. Facilitating Exit plans and sustainability plans. Monitoring and evaluation

Priority area: 8		SMALL TOWN REGENERATION/REVITALISATION						
Measurable objectives	Strategies	Baseline	KPI	5 year targets				
				1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
To promote Urban / Rural renewal to attract investors for Economic Development	Develop strategies to revitalise small towns within the District			Implementation of Strategy & Identify individual Town niches	Implementation of Strategy & Identify individual Town niches	Implementation of Strategy & Identify individual Town niches	Implementation of Strategy & Identify individual Town niches	Implementation of Strategy & Identify individual Town niches
		2	No of Small Town strategies developed	Development of Small Town Development Plan for LM within the district	Development of Small Town Development Plan for LM within the district	Development of Small Town Development Plan for all LM's within the district	Development of Small Town Development Plan for all LM's within the district	Development of Small Town Development Plan for all LM's within the district

Priority area: 9		SPATIAL DEVELOPMENT FRAMEWORK						
Measurable objectives	Strategies	Baseline	KPI	5 year targets				
				1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
To ensure compliance in relevant spatial planning and land use management legislation	Development and Review of Spatial Development Framework	1	Reviewed SDF					
	Providing hands on support in ensuring compliance of land use management within the district	8	No of municipalities supported	Support on Land Use Management				

KPA		GOOD GOVERNANCE AND PUBLIC PARTICIPATION							
Broad IDP strategic Objective		To encourage the involvement and collaboration of Communities and Stakeholders through working together to achieve good governance in an integrated manner.							
Priority area: 1		IGR Single window of coordination							
Measurable objectives	Strategies	Baseline	KPI	5 year targets					
				1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year	
1. Enhance Intergovernmental relations within the district through effective and efficient IGR Structures	<p>Development/ review and implement a district wide IGR strategy and structure</p> <p>Facilitate establishment of clusters and their effectiveness at a district level and ensure availability of clear terms of reference. (<i>Baseline: Strategy makes provision for 4 clusters, economic and infrastructure, social development, skills development, governance</i>)</p>	Baseline: IGR Strategy adopted in 2006	Availability of a district wide IGR strategy	<p>Review and implement a district wide IGR strategy and structure</p> <p>Coordinate establishment of Social transformation, Economic growth and infrastructure and governance and administration cluster. Coordination development of clear terms of reference and reporting</p>	<p>Review and implement a district wide IGR strategy and structure</p> <p>Review of cluster functionality</p> <p>Facilitate review of terms of reference and ensure reporting</p>	<p>Review and implement a district wide IGR strategy and structure</p> <p>Review of cluster functionality</p> <p>Facilitate review of terms of reference and ensure reporting</p>	<p>Review and implement a district wide IGR strategy and structure</p> <p>Review of cluster functionality</p> <p>Facilitate review of terms of reference and ensure reporting</p>	<p>Review and implement a district wide IGR strategy and structure</p> <p>Review of cluster functionality</p> <p>Facilitate review of terms of reference and ensure reporting</p>	<p>Review and implement a district wide IGR strategy and structure</p> <p>Review of cluster functionality</p> <p>Facilitate review of terms of reference and ensure reporting</p>

Priority area: 2		Customer Care						
Measurable objectives	Strategies	Baseline	KPI	5 year targets				
				1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
Ensure a functional and institutional customer care services	Facilitate establishment of functional institutionalised customer care services	departments are performing their own customer care services embedded in their functions, engineering has customer care officers approx 8)	Existence of institutionalized customer care services	Coordinate consultations with relevant stakeholders to enable integration of customer care services Develop customer care strategy, structure and implementation plan	Review and implementation	Review and implementation	Review and implementation	Review and implementation

Priority area: 3		Clean administration						
Measurable objectives	Strategies	Baseline	KPI	5 year targets				
				1.	Ensure effectiveness of risk management and internal audit function	(Riskmanagement strategy adopted 2006, risk based audit plan not inclusive of all risks ( operational, strategic and fraud), AG action plan available)	Existence of functional and effectiveness of risk management and internal audit function	Review and implement Risk management strategy Develop and implement a risk based audit plan  Monitor implementation of AG Action plan by departments

Priority area: 4		Fight against crime and corruption						
Measurable objectives	Strategies	Baseline	KPI	5 year targets				
				1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
1. Eradicate crime and corruption	Mitigate risk of fraud and corruption through availability and implementation of policies	Fraud prevention plan available 2008, never reviewed nor implemented)	Availability and implementation of fraud prevention plan	Review fraud and corruption policy and plan Implementation of fraud prevention plan	Review fraud and corruption policy and plan Implementation of fraud prevention plan	Review fraud and corruption policy and plan Implementation of fraud prevention plan	Review fraud and corruption policy and plan Implementation of fraud prevention plan	Review fraud and corruption policy and plan Implementation of fraud prevention plan

Priority area: 5		Strengthening of Oversight Effectiveness						
Measurable objectives	Strategies	Baseline	KPI	5 year targets				
				1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
1. Ensuring effective and efficient CHDM Oversight function	Facilitating the effectiveness of oversight functions within the municipality through availability and implementation of roles and responsibilities policy	Roles and responsibilities policy available)	Availability of effective oversight function through implementation of policy	Review and implementation of roles and responsibilities policy	Review and implementation of roles and responsibilities policy	Review and implementation of roles and responsibilities policies	Review and implementation of roles and responsibilities policy	Review and implementation of roles and responsibilities policy

Priority area: 6		Special Programmes						
Measurable objectives	Strategies	Baseline	KPI	5 year targets				
				1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
1. Coordinate special programme of CHDM	Development of special programmes strategy and implementation plan  Ensure inclusion and reporting by	No adopted strategy in place	Availability and implementation of Special Programmes Strategy  Reports reflecting	Develop and implement special programmes strategy and structure  Facilitate	Review and implement special programmes strategy and structure  Facilitate	Review and implement special programmes strategy and structure  Facilitate	Review and implement special programmes strategy and structure  Facilitate	Review and implement special programmes strategy and structure  Facilitate

	departments on mainstreamed projects and programmes		mainstreamed projects by departments	submission of reports by departments on mainstreamed programmes	submission of reports by departments on mainstreamed programmes	submission of reports by departments on mainstreamed programmes	submission of reports by departments on mainstreamed programmes	submission of reports by departments on mainstreamed programmes
Priority area: 7		War on Poverty						
Measurable objectives	Strategies	Baseline	KPI	5 year targets				
				1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
1. Reduction of poverty levels within the district through implementation of programmes and projects	Development of a district wide anti-poverty strategy and implementation plan  Coordinate mainstreaming of vulnerable groups and reporting by departments on anti-poverty projects and programmes	the strategy is not available, though there are programmes implemented at departmental level  Coordination has been minimal and unstructured	Availability and implementation of district wide anti poverty strategy  Reports by departments mainstreaming of anti poverty projects	Develop a district wide anti poverty strategy and implementation plan  Facilitate submission of reports by departments on anti poverty projects mainstreaming vulnerable groups	Review a district wide anti poverty strategy and implementation plan  Facilitate submission of reports by departments on mainstreamed programmes	Review a district wide anti poverty strategy and implementation plan  Facilitate submission of reports by departments on mainstreamed programmes	Review a district wide anti poverty strategy and implementation plan  Facilitate submission of reports by departments on mainstreamed programmes	Review a district wide anti poverty strategy and implementation plan  Facilitate submission of reports by departments on mainstreamed programmes

Priority area: 8		Public participation						
Measurable objectives	Strategies	Baseline	KPI	5 year targets				
				1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
1. Enhance public participation within the District	Development of public participation strategy and implementation plan	Baseline: no public participation strategy	Availability and implementation of public participation strategy	Develop a district wide public participation strategy, structure and clear implementation plan/ work programme	Review of district wide public participation strategy, structure and clear implementation plan/ work programme	Review of district wide public participation strategy, structure and clear implementation plan/ work programme	Review of district wide public participation strategy, structure and clear implementation plan/ work programme	Review of district wide public participation strategy, structure and clear implementation plan/ work programme
Creation of enabling environment which will allow for facilitation, encouragement and co-ordination of programmes/ of every sector in society in working towards restoring the moral fibre, co-ordination of activities in the District.	Development of a plan of moral regeneration programmes		Availability and implementation of plan	Develop and implement a plan on moral regeneration programmes	Review and implemental a plan on moral regeneration programmes	Review and implemental a plan on moral regeneration programmes	Review and implemental a plan on moral regeneration programmes	Review and implemental a plan on moral regeneration programmes

Priority area: 9		Performance Management system						
Measurable objectives	Strategies	Baseline	KPI	5 year targets				
				1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
1. Strengthen institutional performance, planning, monitoring and evaluation	Coordination and facilitation of performance planning monitoring and evaluation	Performance planning, monitoring, and evaluation in process	Existence of functional performance management system	Facilitate performance planning through ensuring development of a credible SDBIP and performance plan, quarterly reviews and annual evaluation	Facilitate performance planning through ensuring development of a credible SDBIP and performance plan, quarterly reviews and annual evaluation	Facilitate performance planning through ensuring development of a credible SDBIP and performance plan, quarterly reviews and annual evaluation	Facilitate performance planning through ensuring development of a credible SDBIP and performance plan, quarterly reviews and annual evaluation	Facilitate performance planning through ensuring development of a credible SDBIP and performance plan, quarterly reviews and annual evaluation

Priority area: 10		Communication and marketing						
Measurable objectives	Strategies	Baseline	KPI	5 year targets				
				1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
1. Enhance communication with stakeholders and uphold municipal identity and image internally and externally	Development and implementation of integrated institutional Communication and Marketing Strategy	Communication and marketing strategy in place though institutional marketing activities not integrated (tourism)	Implementation of Institutional wide communication and marketing strategy	Develop and implement Communication and marketing strategy				

Priority area: 11		Skills development						
Measurable objectives	Strategies	Baseline	KPI	5 year targets				
				1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
Improve leadership capacity through implementation of clear capacity development programmes	Enhancement of capacity for political and administrative leadership	no clear competence based programmes aimed at enhancing leadership capacity both at political and admin level	Availability and implementation of competency based capacity programme for political and administrative leadership	Implement leadership development programmes to enhance both political and administrative capacity	Review and implementation	Review and implementation	Review and implementation	Review and implementation

Priority area: 12		Council Support						
Measurable objectives	Strategies	Baseline	KPI	5 year targets				
				1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
Strengthen Council business through ensuring effectiveness and efficiency of council committees	Effective facilitation and coordination of council committee meetings, reporting and implementation of resolutions/ recommendations	No clear instrument on implementation of council resolutions	Existence of effective and efficient council committees	Coordinate effective sittings of council committees, reporting and implementation of council resolutions	Coordinate effective sittings of council committees, reporting and implementation of council resolutions	Coordinate effective sittings of council committees, reporting and implementation of council resolutions	Coordinate effective sittings of council committees, reporting and implementation of council resolutions	Coordinate effective sittings of council committees, reporting and implementation of council resolutions

Priority area: 13		Municipal support						
Measurable objectives	Strategies	Baseline	KPI	5 year targets				
				1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
Improve capacity and delivery of support services to Local municipalities through central coordination, monitoring and evaluation	Coordination, monitoring and evaluation of municipal support	no monitoring and evaluation of support to LM's and there is no central coordination	Improved municipal capacity through co-ordination , monitoring and evaluation of support	Coordinate monitoring and evaluation of council support services	Coordinate monitoring and evaluation of council support services	Coordinate monitoring and evaluation of council support services	Coordinate monitoring and evaluation of council support services	Coordinate monitoring and evaluation of council support services
	Assessment of LM's capacity which will inform clear support programme	no clear programme of support based on capacity assessment	Assessment reports	Assess capacity of LM's ; develop and implement a clear support programme	Evaluate and review support programmes for further implementation	Evaluate and review support programmes for further implementation	Evaluate and review support programmes for further implementation	Evaluate and review support programmes for further implementation

Priority area: 14		International Relations						
Measurable objectives	Strategies	Baseline	KPI	5 year targets				
				1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
Enhance relationship with other countries through implementation of clear policies and twinning/partnership arrangements	Development and implementation of a policy that will guide IR in the District	: no policy in place)	Availability and implementation of policy	Develop and implement IR policy	Review and implement IR Policy	Review and implement IR Policy	Review and implement IR Policy	Review and implement IR Policy
	Ensuring establishment of relationship through twinning and partnership arrangements with other countries on specific areas	current twinning arrangements with Germany (Diepholtz municipality)	Availability and implementation of twinning arrangements	Facilitate identification of twinning and partnership arrangements	Review twinning and partnership arrangements			

Broad IDP strategic Objective		To encourage the involvement and collaboration of Communities and Stakeholders through working together to achieve good governance in an integrated manner.						
Priority area:		Integrated Development Planning						
Measurable objectives	Strategies	Baseline	KPI	5 year targets				
				1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
1. To ensure development of a People Centred 5 Year Credible IDP	Development and Review of 5 yr Integrated Development Plan	5 yr IDP	Adopted IDP	Review & Implementation of IDP	Review of IDP Implementation of IDP	Review of IDP Implementation of IDP	Review of IDP Implementation of IDP	Implementation of IDP Development of Next 5 Year Councils IDP

KPA		Institutional transformation and organisational development					
Broad IDP strategic Objective		To establish and maintain a skilled workforce guided by relevant policies geared towards optimal service delivery to communities					
Priority area: 1		POLICIES AND HR SYSTEMS					
Measurable objectives		Strategies	5 year targets				
			1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
1. To develop, maintain, review and ensure effective implementation of policies and HR systems		Analyse, research and consult on policies with all relevant stakeholders	Develop, review, and ensure effective implementation				
		Improve internal controls through HR systems	Strengthen HR systems	Strengthen HR systems	Strengthen HR systems	Strengthen HR systems	Strengthen HR systems

KPA		Municipal Transformation and organisational development					
Broad IDP strategic Objective		To establish and maintain a skilled workforce guided by relevant policies geared towards optimal service delivery to communities					
Priority area: 2		SKILLS DEVELOPMENT					
Measurable objectives		Strategies	5 year targets				
			1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
1. To Develop and empower workforce to enhance their skills and competencies so as render services to communities effectively		Develop and implement an HRD strategy	Develop an HRD strategy Implement learnerships, internship, skills	Implement bursary schemes Implement of learnerships, internship, skills	Conduct competency based skills audit Implement learnerships, internship, skills	Implement learnerships, internship, skills programmes	Implement learnerships, internship, skills programmes

		programmes and minimum competencies	programmes and study assistance	programmes		
--	--	-------------------------------------	---------------------------------	------------	--	--

KPA	Institutional transformation and organisational development					
Broad IDP strategic Objective	To establish and maintain a skilled workforce guided by relevant policies geared towards optimal service delivery to communities					
Priority area: 3	Organizational structure					

Measurable objectives	Strategies	5 year targets				
		1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
1. To review and maintain an organisational structure that responds to service delivery imperatives	Align human capital to the strategic objectives of the municipality	Reviewal of structure Fill vacant posts	Reviewal and Fill vacant posts	Conduct organisational work study and fill vacant posts	Implement outcome of work study & Fill vacant posts	Fill vacant posts
	Profile and evaluate all approved positions	Benchmarking and Job grading of transferred, devolved staff to CHDM and new positions	job evaluation of new positions	Review of job descriptions and evaluation	Implement of job evaluation outcomes	Uniform conditions of service and pay scales. Implement job evaluation outcomes

KPA	Institutional transformation and organisational development					
Broad IDP strategic Objective	To establish and maintain a skilled workforce guided by relevant policies geared towards optimal service delivery to communities					
Priority area: 4	Human resource transformation					

Measurable objectives	Strategies	5 year targets				
		1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
1. To ensure compliance with Employment Equity Act	Implement Employment Equity Plan	Implement Equity Targets for top, senior and professionally qualified	Implement Equity Targets for top, senior and professionally qualified	Implementation of Equity targets in other occupational levels	Implementation of Equity targets in other occupational levels	Implementation of Equity targets in other occupational levels

KPA		Institutional transformation and organisational development				
Broad IDP strategic Objective		To establish and maintain a skilled workforce guided by relevant policies geared towards optimal service delivery to communities				
Priority area: 5		SOUND LABOUR RELATIONS				
Measurable objectives		Strategies	5 year targets			
To promote and maintain labour stability within the workplace	Compliance with collective agreement and conditions of service and adherence to Organisational Rights Agreement	1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
		Functioning LLF and resolution of dispute as per collective agreement	Capacitation of LLF in handling dispute resolution matters	Functioning LLF and resolution of dispute as per collective	Functioning LLF and resolution of dispute as per collective	Functioning LLF and resolution of dispute as per collective
Priority area: 6		PERFORMANCE MANAGEMENT				
To encourage an institutional culture of quality performance	Institutionalise and implement a performance management and development system	Cascade performance management to managers below section 56	Cascade performance management to managers below section 56	Cascade performance management to level below management	Cascade performance management to level below management	Monitoring and evaluation

KPA		Institutional transformation and organisational development					
Broad IDP strategic Objective		To establish and maintain a skilled workforce guided by relevant policies geared towards optimal service delivery to communities					
Priority area: 7		EMPLOYEE WELLNESS					
Measurable objectives		Strategies	5 year targets				
To develop and implement an institution-wide employee wellness programme		Develop, review and implement an integrated wellness strategy	1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
			Review the strategy. Provide therapeutic services, counselling and educational programmes	Provide therapeutic services, counselling and educational programmes Conduct impact assessment and trend analysis	Implement an integrated wellness programmes	Implement an integrated wellness programmes	Monitoring and evaluation
KPA)		Institutional transformation and organisational development					
Broad IDP strategic Objective		To establish and maintain a skilled workforce guided by relevant policies geared towards optimal service delivery to communities					
Priority area: 8		Occupational Health and Safety					
Measurable objectives		Strategies	5 year targets				
To ensure a healthy and safety workplace environment		Develop and implement an integrated Occupational Health and Safety Strategy	1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
			Develop and implement strategy	Implementation of the OHS strategy	Implementation of the OHS strategy	Implementation of the OHS strategy	Implementation and review of the OHS strategy

KPA	Institutional transformation and organisational development
Broad IDP strategic Objective	To establish and maintain a skilled workforce guided by relevant policies geared towards optimal service delivery to communities
Priority area: 9	INTEGRATED SECURITY SYSTEM

Measurable objectives	Strategies	5 year targets				
		1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
1.To provide integrated security system that will ensure safety of information and assets of the Municipality	Implement systems, processes and procedures to ensure ICT security	Conduct ICT network Audit and constant updates Review of Network Security and Patch management Policies	Implement systems and processes	Implement systems and processes	Implement systems and processes	Monitor and review
	To develop a disaster recovery plan	Develop and implement DRP (including backup policy)	Implement and review policy			
	Develop and implement a comprehensive security system	Develop and implement an integrated security plan	implement integrated security plan	implement integrated security plan	implement integrated security plan	implement and review integrated security plan

Priority area: 10	ICT GOVERNANCE
-------------------	----------------

Measurable objectives	Strategies	5 year targets				
		1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
To develop an ICT strategy	Develop an Enterprise Architecture	Development of Enterprise Architecture (phase one) Functioning ICT Steering Committee	Develop and implement Enterprise Architecture (phase 2)	Develop and implement Enterprise Architecture (phase 3)	Review of Enterprise Architecture (phase 1 & 2)	ICT aligned to the rest of the organisation

KPA	Institutional transformation and organisational development					
Broad IDP strategic Objective	Establishing and maintain a skilled workforce guided by relevant policies geared towards optimal service delivery to communities					
Priority area: 11	CREATING ACCESS TO INFORMATION					
Measurable objectives	Strategies	5 year targets				
To provide secure , reliable and consistent platform for information accessibility	Monitor and upgrade the network (website, intranet, internet, network availability) to meet industry standards	1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
		Review and implement ICT usage policy Constant update and/or upgrade of ICT systems	Implement ICT usage policy Constant update and/or upgrade of ICT systems	Implement ICT usage policy Constant update and/or upgrade of ICT systems	Implement ICT usage policy Constant update and/or upgrade of ICT systems	Implement ICT usage policy Constant update and/or upgrade of ICT systems
	Implement an integrated Information and Knowledge Management System	Adopt a system for information and Knowledge management	Implement the IKM system	Implement the IKM system	Implement the IKM system	Review and strengthen the IKM System

KPA		Institutional transformation and organisational development				
Broad IDP strategic Objective		To establish and maintain a skilled workforce guided by relevant policies geared towards optimal service delivery to communities				
Priority area: 12		ASSET MANAGEMENT				
ASSET MANAGEMENT						
Measurable objectives	Strategies	5 year targets				
Effective management and maintenance of municipal assets	Development of fleet management and maintenance plan	1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
		Implement & review fleet management and maintenance plan	Implement & review fleet management and maintenance			
	Maintenance of all municipal buildings and infrastructure	Maintenance of Municipal building	Maintenance of Municipal building	Maintenance of Municipal building		

KPA		Institutional transformation and organisational development				
Broad IDP strategic Objective		Establishing and maintain a skilled workforce guided by relevant policies geared towards optimal service delivery to communities				
Priority area: 13		ARCHIVES AND REGISTRY				
Measurable objectives	Strategies	5 year targets				
To develop a document management system for the municipality	Automate and centralise document management	1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
		Develop a Document Management System system	Implement the system	Implement the system	Implement the system	Implement the system
To develop a policy on archiving in line with the relevant legislation	Develop an archives policy	Develop, adopt and implement the policy	Implement the policy	Implement the system	Implement the system	Implement the system

KPA		Institutional transformation and organisational development				
Broad IDP strategic Objective		Establishing and maintain a skilled workforce guided by relevant policies geared towards optimal service delivery to communities				
Priority area: 14		COUNCIL SUPPORT				
Measurable objectives		Strategies	5 year targets			
To provide an effective and efficient council support service to all Councillors, Council and standing committees	Provide an efficient council support service	1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
		Provide an efficient council support service	Provide an efficient council support service	Provide an efficient council support service	Provide an efficient council support service	Provide an efficient council support service

KPA		SERVICE DELIVERY					
Broad IDP strategic Objective		ENSURING PROVISION OF BASIC SERVICES IN A WELL STRUCTURED EFFICIENT AND INTERGRATED MANNER					
Priority area: 1		HOUSING DEVELOPMENT					
Measurable objectives		Strategies	5 year targets				
			1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	
1.To ensure development of Quality houses within the district		Establishment of a Section 21 company to deliver housing development	Engaging of all stakeholders (Labour Union and affected)	Establishment of the company	Have a fully ledged staff complement at the district level	Implementation	
		Capacitation and support of Brick Makers and Emerging Contractors	Skills and Capacity Development	Skills and Capacity Development	Skills and Capacity Development	Skills and Capacity Development	Skills and Capacity Development
		Replacement of Emergency Temporal Shelters by Permanent shelters	Replacement of Emergency Shelters	Replacement of Emergency Shelters	Replacement of Emergency Shelters	Replacement of Emergency Shelters	Replacement of Emergency Shelters

--

KPA		SERVICE DELIVERY				
Broad IDP strategic Objective		ENSURING PROVISION OF BASIC SERVICES IN A WELL STRUCTURED EFFICIENT AND INTERGRATED MANNER				
Priority area: 2		PROVISION OF BASIC WATER SERVICES INFRASTRUCTURE				
Measurable objectives	Strategies	5 year targets				
		1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
1. To ensure universal coverage with respect to water services by 2014	Through acquiring of necessary resources	Continuous lobbying for more resources and implementation	Continuous lobbying for more resources and implementation	Continuous lobbying for more resources and implementation	Continuous lobbying for more resources and implementation	Continuous lobbying for more resources and implementation

REPORTING TEMPLATE						
KPA		SERVICE DELIVERY				
Broad IDP strategic Objective		ENSURING PROVISION OF BASIC SERVICES IN A WELL STRUCTURED EFFICIENT AND INTERGRATED MANNER				
Priority area: 3		WATER SERVICES PROVISION				
Measurable objectives	Strategies	5 year targets				
		1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
1. To ensure continuous supply of water services	To explore and implement the most viability water services provision model	Embark in a municipal entity viability study	Embark in a municipal entity viability study	Implementation of the results of the study	Implementation of the results of the study	Implementation of the results of the study

REPORTING TEMPLATE						
KPA	SERVICE DELIVERY					
Broad IDP strategic Objective	ENSURING PROVISION OF BASIC SERVICES IN A WELL STRUCTURED EFFICIENT AND INTERGRATED MANNER					
Priority area: 4	ROADS MAINTAINANCE					
Measurable objectives	Strategies	5 year targets				
		1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
1. To provide well maintained and accessible roads	To explore and implement the viability of combining all existing roads units within the district	Embark in a single roads unit viability study	Implementat ion of the results of the study	Implementat ion of the results of the study	Implementat ion of the results of the study	Implementation of the results of the study

REPORTING TEMPLATE						
KPA	SERVICE DELIVERY					
Broad IDP strategic Objective	ENSURING PROVISION OF BASIC SERVICES IN A WELL STRUCTURED EFFICIENT AND INTERGRATED MANNER					
Priority area: 5	INFRASTRUCTURE PLANS COORDINATION					
Measurable objectives	Strategies	5 year targets				
		1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
1. To ensure services delivery is integrated	Ensuring development and coordination of infrastructure plans	Develop and review infrastructure plans	Develop and review infrastructure plans	Develop and review infrastructure plans	Develop and review infrastructure plans	Develop and review infrastructure plans

Broad IDP strategic Objective						
Priority area: 6	EPWP					
Measurable objectives	Strategies	5 year targets				
		1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
1. To maximise job creation through EPWP	Implementation of EPWP principles	All programmes comply to EPWP principles				

KPA		FINANCIAL MANAGEMENT AND VIABILITY				
Broad IDP strategic Objective						
Priority area: 1		Financial Viability mechanism of LM's				
KPA		Financial Management and Viability				
Broad IDP Strategic Objective	Build clean, effective, efficient, responsive, accountable and sustainable municipality					
Measurable objectives	Strategies	5 year targets				
		1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year

To enhance the revenue of the LM and DM	Develop a CHDM Revenue Enhancement Strategy ( process started)	Ensure adoption of the strategy, customise the strategy to suite respective LM's	Implementation ( LM's)	Implementation ( LM's)	Implementation ( LM's)	Implementation ( LM's)
	Adopt & Implement Credit Control Policies and By-Laws (Guided by analysis done by CHDM)	Customise & Adopt (LM's)	Implement & Monitor ( LM's)	Implement & Monitor ( LM's)	Implement & Monitor ( LM's)	Implement & Monitor ( LM's)
	Develop a Tariff Policy	Develop & Adopt (CHDM &LM's)	Implement & Monitor ( LM's)	Implement & Monitor ( LM's)	Implement & Monitor ( LM's)	Implement & Monitor ( LM's)
	Ensure data integrity through Data Cleansing	Plan , Recognise work already done & Implement in (LM's)	Implement & Monitor ( LM's)	Implement & Monitor ( LM's)	Implement & Monitor ( LM's)	
	Refine Billing systems , (Indigent Register)	Develop, Review & Implement (LM's)	Implement & Monitor ( LM's)	Implement & Monitor ( LM's)	Implement & Monitor ( LM's)	Implement & Monitor ( LM's)
Implement effective Financial Management Systems	Develop, Review and adopt financial policies	Develop / review, adopt, workshop and implement policies	Review, adopt and implement and monitor (Development in LM)	Review, adopt and implement and monitor	Review, adopt and implement and monitor	Review, adopt and implement and monitor
		Develop policies in relation to delegations, fruitless,wastefull, irregular and unauthorised expenditure	Review, adopt and implement and monitor	Review, adopt and implement and monitor	Review, adopt and implement and monitor	Review,adopt & implement and monitor
		Strengthen awareness on the policies, risks and consequences of non compliance	Monitor and enforce implementation of policies	Monitor and enforce implementation of policies	Monitor and enforce implementation of policies	Monitor and enforce implementation of policies

Integrate and improve on finance systems (including capacity building)	Work-study on status quo, workshop & implementation plan	Implementation and monitoring( Development in LM's)	Implementation and monitoring ( Development in LM's)	Implementation and monitoring ( Development in LM's)	Implementation and monitoring ( Development in LM's)
Improve the control environment (procedures, geographical setting of council offices)	Work-study on status quo, workshop & implementation	Implementation and Monitoring	Implementation and Monitoring	Implementation and Monitoring	Implementation and Monitoring
Automate business processes	Work-study on identification of gaps, develop strategies/procedures to address the same	Monitoring	Monitoring	Monitoring	Monitoring
	Analysis of current status and development of action plans	Investigate and adopt an appropriate system	Implement & Monitor	Implement & Monitor	Implementation and Monitoring
Disaster Recovery Plan - system	Integration of financial systems (Supplier database, asset register, CA helpdesk and contract management systems into e-Venus, Caseware)	Monitoring & Review	Monitoring & Review	Monitoring & Review	Monitoring & Review
Alignment, coordination and implementation of SDBIP and IDP	Develop, adopt and implement a recovery plan	Ensure alignment of IDP, Budget and SDBIP ( Draft by 31 March)	Ensure alignment of IDP, Budget and SDBIP ( Draft by 31 March)	Ensure alignment of IDP, Budget and SDBIP ( Draft by 31 March)	Ensure alignment of IDP, Budget and SDBIP (Draft by 31 March)

	Performance Management	Review of current SDBIP (end Feb) Monitor the implementation of the SDBIP quarterly and report to council	Develop and monitor the implementation of the departmental score card & SDBIP quarterly and report to council	Develop and monitor the implementation of the departmental score card & SDBIP quarterly and report to council	Develop and monitor the implementation of the departmental score card & SDBIP quarterly and report to council	Develop and monitor the implementation of the departmental score card & SDBIP quarterly and report to council
Ensure Demand Management Planning	Develop, adopt and implement a demand management plan	Develop, adopt and implement demand management plan in line with SDBIP	Develop, adopt and implement demand management plan in line with SDBIP	Develop, adopt and implement demand management plan in line with SDBIP	Develop, adopt and implement demand management plan in line with SDBIP	Develop, adopt and implement demand management plan in line with SDBIP
Establish credible SCM Information Systems	Eliminate deviations from the SCM policy	Investigate and implement systems that can detect, alert and control deviations	Review, Implement & Enforce discipline			
	Strengthen the Contract Management system	Review and implement an effective contract management system	Monitor, update and implement			
Implement a Proper Inventory Management System	Centralise the management and physical location of Stores	Develop inventory management plan				
	Improve the control environment (procedures, geographical setting of council offices)	Activate the inventory module on the accounting system, conduct training and	Review, Monitor and report on implementation			

		implement				
to update and ensure the compliance of the Asset Register	Develop and implement Asset Management Strategy	Develop and implement asset management strategy	Monitor & Review Implementation			
		Consolidate and maintain GRAP Compliant fixed Asset Register	Update and Maintain Asset Register	Update and Maintain Asset Register	Update and Maintain Asset Register	Update and Maintain Asset Register
Implement Operation Clean Audit 2014	WSA / WSP Contract Reviewal and alignment.	Review the WS Model to address long-term issues	Review the WS Model to address long-term issues	Review the WS Model to address long-term issues	Review the WS Model to address long-term issues	Review the WS Model to address long-term issues
	Develop, Implement and monitor a Project Plan on Clean Audit 2014	Develop and implement an audit action plan that covers issues raised in the management report	Develop and implement an audit action plan that covers issues raised in the management report	Develop and implement an audit action plan that covers issues raised in the management report	Develop and implement an audit action plan that covers issues raised in the management report	Develop and implement an audit action plan that covers issues raised in the management report
		Full implementation of the action plan				
		Include the audit issues on the performance contracts and quarterly report(to all managers)	Include the audit issues on the performance contracts and quarterly report(to all managers)	Include the audit issues on the performance contracts and quarterly report(to all managers)	Include the audit issues on the performance contracts and quarterly report (to all managers)	Include the audit issues on the performance contracts and quarterly report (to all managers)

		Ensure Operation Clean Audit and the Project plan be a standing item in the council and its committees, and report on the internal controls in place	Ensure Operation Clean Audit and the Project plan be a standing item in the council and its committees, and report on the internal controls in place	Ensure Operation Clean Audit and the Project plan be a standing item in the council and its committees, and report on the internal controls in place	Ensure Operation Clean Audit and the Project plan be a standing item in the council and its committees, and report on the internal controls in place	Ensure Operation Clean Audit and the Project plan be a standing item in the council and its committees, and report on the internal controls in place
		Ensure that the Audit Steering Committee is functional and effective	Ensure that the Steer Com meetings form part of the institutional calendar	Functional Steer Com as per the calendar/schedule of its meetings	Functional Steer Com as per the calendar /schedule of its meetings	Functional Steer Com as per the calendar /schedule of its meetings
Review of structural arrangement	Contract Management to be separated from logistics	Conduct a work study that will result in clear task and post level determinations. Revise departmental organogram and make appointments.				
	Asset management unit to be a separate unit					
	Skilled Personnel in the Financial Statements section					

Accelerate infrastructure Infrastructure Spending	Enhance the Effectiveness of Bid Committees	Schedule of meetings to be included in the council calendar	Schedule of meetings to be included in the council calendar	Schedule of meetings to be included in the council calendar	Schedule of meetings to be included in the council calendar	Schedule of meetings to be included in the council calendar
	Contract Management ( Monitoring and evaluation of service providers)	Improve contract management systems for Infrastructure projects	Improve contract management systems for Infrastructure projects	Improve contract management systems for Infrastructure projects	Improve contract management systems for Infrastructure projects	Improve contract management systems for Infrastructure projects
Strengthen the Budgeting, Compliance & Statutory Reporting systems	Ensure Accurate and Compliant Budgeting & Reporting	Enforce Internal Controls in terms of reporting	Review and Monitor	Review and Monitor	Review and Monitor	Review and Monitor
		Compliance with all internal and external reporting requirements	100% compliance immediately and report to council committees	100% compliance and report to council committees	100% compliance and report to council c	100% compliance and report to council committees
		Formation of budget steering committee, chaired by the Executive mayor ( 28 Feb 2012)	Ensure that the budget committee is functional			

		Implement budget process plan ( as contained in the plan)	Implement budget process plan ( as contained in the plan)	Implement budget process plan ( as contained in the plan)	Implement budget process plan ( as contained in the plan)	Implement budget process plan ( as contained in the plan)
Develop a Leadership & Management Capacity development programme for BTO	Implement a responsive capacity building programme for BTO	Conduct skills audit, and develop capacity development plan for BTO by June 2012	Review skills gaps, and recommend proper placement			
Mainstream women, youth and people with disabilities and climate change in the BTO programmes	Create awareness about the need to integrate the needs of the vulnerable groups	Enhancing awareness on vulnerable groups.	Enhancing awareness on vulnerable groups			
	Reconfigure planning to accomodate climate change	Engage respective directorates on budget planning considering climate effects.	Engage respective directorates on budget planning considering climate effects.	Engage respective directorates on budget planning considering climate effects.	Engage respective directorates on budget planning considering climate effects.	Engage respective directorates on budget planning considering climate effects
Contribute to Poverty alleviation and Job Creation	Align policies to respond to Poverty & Job creation initiatives	Review and align procurement policies so as to promote job creation and poverty alleviation	Review and align procurement policies so as to promote job creation and poverty alleviation	Review and align procurement policies so as to promote job creation and poverty alleviation	Review and align procurement policies so as to promote job creation and poverty alleviation	Review and align procurement policies so as to promote job creation and poverty alleviation
Contribute to the fight against HIV/Aids	Participate on HIV / Aids initiatives	Enhance awareness on HIV/Aids matters.	Enhance awareness on HIV/Aids matters			

## **COMMITMENTS FROM GOVT DEPTS AND PARASTATALS & PROJECTS 2012/13 FINANCIAL YEAR**

### **1. SANRAL Projects**

- N6 Cathcart to Queenstown resurface
- N6 Penhoek pass upgrade
- N9 upgrade Middelburg to Carlton heights
- R61 upgrade Conway/S to N10
- R61 upgrade Cradock to Tarkstad
- R61 upgrade Qumanco river to Ngcobo

### **2. DEPARTMENT OF RURAL DEVELOPMENT & AGRARIAN REFORMS**

#### **A. CASP PROJECTS**

Project Name	Municipality / Region	Type of Infrastructure		Budget (000)
		Irrigation scheme; borehole; storage and marketing facility; fencing; animal facility	Units (i.e. facilities or square meters/kilometers)	
Ngcobo Rural development Pilot sites	Chris Hani: Engcobo	Fencing & Stock water	14 km & stock water system	1000
Ithango Coop	Chris Han: Emalahleni	Fencing	40 km	1000
Xhashimaba	Chris Hani: Lukhanji	Abattoir	NO.1	7675
Elliot VMB	Chris Hani: Sakhisizwe	Diptank	No.1	110
Manzimahle AA	Chris Hani: Sakhisizwe	Diptank	No.1	200

Cicira Ntungelo	Chris Hani: Sakhisizwe	Fencing	40 km	1000
Siviwe independent farm	ChrisHani: Inxuba-Yethemba	Fencing & Multipurpose shed	9 km fencing, Multipurpose shed	1105
Phambili farmers	Chris Hani: Inxuba-Yethemba	Fencing	10	420
Zola Wool Growers	Tsolwana	Shearing shed	No.1	750
Bambanani Youth Dev.Coop	Tsolwana	Repairing of irrigation wear	No.1	305
Xhashimba Abbatoir	Lukhanji	Building Infrastructure		
Sugar Beet	Inxuba Yethemba			R1 Billion
Guba Farms	Emalahleni			

#### B. LAND CARE PROJECTS

Project name	Municipality	Type of infrastructure	Budget (000)
Sidindi	Engcobo	Infrastructure,Awareness and Land rehabilitation	700
Macubeni	Emalahleni	Infrastructure,Awareness and Land rehabilitation	700
Imbumba	Sakhisizwe	Infrastructure,Awareness and Land rehabilitation	700
Total			2,100

**C. LETSEMA PROJECTS**

Gwatyu Farm	Lukhanji	Maize &Vegetable production	30 ha	300
Ncora & Qamata	IntsikaYethu	Maize production	8273 ha	4,000
Upper Indwana		Maize production	100ha	876
Lahlangubo community	Sakhisizwe	Maize & beans	60 ha	600
Total				4,900

**3. Department of Rural Development & Land Reform****Projects 2012/13**

- Tyldendale , Lukhanji, 967.8906 ha, R4.8 ml, transferred
- Klipkraal, Inkwanca, 949.9054 ha, R3 799 600, transferred
- Latetia, Inkwanca 1498.3229 ha, R5 ml, transferred
- Braakleegte, Tsolwana 1713.0640 ha, R3.5 ml, transferred
- Modderfontein, Inkwanca, 1795.6136 ha, R5.4 ml, transferred
- Glen Kobus & Weltevreden, Emalahleni, 1376.2240 ha, R3.2 ml, transferred, Commonage

LOT 46 REDLANDS	Emalahleni	PLAS	R 1,000,000.00	Conveyancing
HUGHENDEN ANNEX / KLEINVLEY	Inkwanca	PLAS	R 10,000,000.00	Negotiation
BROOKFIELD	Inxuba Yethemba	PLAS	R 13,400,000.00	SUGAR BEET
PERDENE &SURPRISE	Inxuba Yethemba	PLAS	R 9,500,000.00	SUGAR BEET
GLEN ALDER	Inxuba Yethemba	PLAS	R 10,000,000.00	SUGAR BEET
HILLSIDE	Inxuba Yethemba	PLAS	R 3,000,000.00	SUGAR BEET

VISCH	Inxuba Yethemba	PLAS	R 2,500,000.00	SUGAR BEET
Avelon	Inxuba Yethemba	PLAS	R 12,600,000.00	SUGAR BEET
Steenbosvlakte	Inxuba Yethemba	PLAS	R 8,000,000.00	SUGAR BEET
Steenbok Trust	Inxuba Yethemba	PLAS	R 18,500,000.00	SUGAR BEET
Bergendal	Inxuba Yethemba	PLAS	R 18,930,000.00	SUGAR BEET
Rynlands/Retreat	Inxuba Yethemba	PLAS	R 7,380,000.00	SUGAR BEET
Easterstead	Inxuba Yethemba	PLAS	R 7,650,000.00	SUGAR BEET
Rockwood	Inxuba Yethemba	PLAS	R 4,700,000.00	SUGAR BEET
Vorentoe:	Inxuba Yethemba	PLAS	R 5,000,000.00	SUGAR BEET
Helvitio/Hillcrest/	Inxuba Yethemba	PLAS	R 8,883,000.00	SUGAR BEET
Fairfield	Tsolwana	PLAS	R 8,000,000.00	
Ougood Farm	Inkwaca	PLAS	R1,200,00.00	

LOT 46 REDLANDS	Emalahleni	PLAS	R 1,000,000.00	Conveyancing
HUGHENDEN ANNEX / KLEINVLEY	Inkwanca	PLAS	R 10,000,000.00	Negotiation
BROOKFIELD	Inxuba Yethemba	PLAS	R 13,400,000.00	SUGAR BEET
PERDENE & SUPRISE	Inxuba Yethemba	PLAS	R 9,500,000.00	SUGAR BEET
GLEN ALDER	Inxuba Yethemba	PLAS	R 10,000,000.00	SUGAR BEET

HILLSIDE	Inxuba Yethemba	PLAS	R 3,000,000.00	SUGAR BEET
VISCH	Inxuba Yethemba	PLAS	R 2,500,000.00	SUGAR BEET
Avelon	Inxuba Yethemba	PLAS	R 12,600,000.00	SUGAR BEET
Steenbosvlakte	Inxuba Yethemba	PLAS	R 8,000,000.00	SUGAR BEET
Steenbok Trust	Inxuba Yethemba	PLAS	R 18,500,000.00	SUGAR BEET
Bergendal	Inxuba Yethemba	PLAS	R 18,930,000.00	SUGAR BEET
Rynlands/Retreat	Inxuba Yethemba	PLAS	R 7,380,000.00	SUGAR BEET
Easterstead	Inxuba Yethemba	PLAS	R 7,650,000.00	SUGAR BEET
Rockwood	Inxuba Yethemba	PLAS	R 4,700,000.00	SUGAR BEET
Vorentoe:	Inxuba Yethemba	PLAS	R 5,000,000.00	SUGAR BEET
Helvitio/Hillcrest/	Inxuba Yethemba	PLAS	R 8,883,000.00	SUGAR BEET

GWATYU	Lukhanji	State Land	R 7,000,000.00
Zikhali Farming Cc	Lukhanji	Private	R1 500 000.00
Ncora	Intsika Yethu	Irrigation	R 20,100,000.00
Stapelberg Farms	Emalahleni	PLAS	R 131,018.14
Tynuilt	Inkwanca	LRAD	R 198,677.68
Carsparksop	Inkwanca	LRAD	R 182,822.40
Khulanathi Kuyasa	Sakhisizwe	PLAS	R 317,897.96
Middelkraal	Tsolwana	PLAS	R 1,008,611.88
Jacobs Family	Inkwanca	LRAD	R 365,389.20
Qamata	Intsika Yethu	Irrigation	R 50,000,000

Gakrishe	Tsolwana	LRAD	R 378,420.02
Kuyasa Farming- Gagela	Emalahleni	LRAD	R 161,799.00
Khanya Farming	Sakhisizwe	LRAD	R 37,207.75
Kuyasa Farming - Soboyisi	Tsolwana	PLAS	R 803,416.03
Magobotiti	Lukhanji	LRAD	R 323,610.00
Carnarvon Estate	Lukhanji/Emalahleni/Inkwanca	PLAS	R 2,500,000.00
Khepu Bese	Emalahleni	LRAD	R 337,124.02
Zanemtlutha	Sakhisizwe	LRAD	R 48,000.00
Mangali	Inkwanca	LRAD	R 229,418.00
Amandlane	Emalahleni	PLAS	R 193,000.00
Yangaphi	Inkwanca	LRAD	R 93,236.00
Bilatye	Intsika Yethu	Irrigation	R34 950,000.00
Glenmilner	Inkwanca	LRAD	R 171 145.00
Mokoena Trust	Inkwanca	LRAD	R 520 006.00
Tyhila	Inkwanca	LRAD	R 434 516.00
Amsterdam & Hillview	Inkwanca	LRAD	R 823 316.00
Hofmeyr farms	Tsolwana	PLAS	R 993,318.28
Bulumko	Inxuba Yethemba	LRAD	R 420,528.00
Xashimba Abattoir	Lukhanji	LRAD	R6 000 000.00

**DEPARTMENT OF SOCIAL DEVELOPMENT & SPECIAL PROGRAMMES****CHRIS HANI DISTRICT MASTER-LIST 2012-13 FINANCIAL YEAR****YOUTH DEVELOPMENT**

No.	Local Municipality	Project Name	Location/ village	Ward	Nature of funding	Beneficiaries	Budget
1.	Emalahleni	Sinako Youth Project	Dordrecht	14	Strengthening	6	204 000.00
2.	Instika Yethu	Imizamoyethu Youth Project	Qombolo	13	Strengthening	10	215 250.00
<b>TOTAL</b>							<b>419 250.00</b>

**SUSTAINABLE LIVELIHOODS**

No.	Local Municipality	Project name	Location/ Village	Ward	Nature of funding	Bene-ficiaries	Budget
3	Intsika Yethu	LuthoLoncedo	Qamata	4	Strengthening	10	471 000.00
4.	Ngcobo	GobotiSizakhe	Manzana	9	Strengthening	15	519 000.00
5.	Sakhisizwe	Masisebenze Food Security Project	Gubenxa	1	Strengthening	12	395 200.00
6.	Emalahleni	Siyakhana eGlen Grey	Glen Grey	4	New Project	7	426 700.00
7.	Emalahleni	Masilime Women Project	Eskwanqeni	2	Strengthening	12	490 200.00
8.	Lukhanji	Thandisizwe Vegetable	Kolomane	5	Strengthening	13	274 800.00
9.	Lukhanji	Phakamani Food Security	Tambo	17	Strengthening	17	263 200.00
10.	ECDC						250 000.00
11.	HCB						100 000.00
<b>TOTAL</b>							<b>3 190 100.00</b>

<b>CHRIS HANI DISTRICT PROJECTS</b>
-------------------------------------

**SUSTAINABLE LIVELIHOODS**

No.	Local Municipality	Project name	Location/Village	Ward	ACTIVITY	Budget
1	Emalahleni	Bengu Irrigation Scheme	Bengu	2	Crop Production	750 000.00
2	Emalahleni	Siyavuya Lower Mkhaphusi	Mkhaphusi	12	Crop Production	750 000.00
3	Emalahleni	Vukuzenzele Garden Project	Xonxa	1	Crop Production	750 000.00
4	Emalahleni	Sisiqalo Esitsha Food Security	Wolvass Farm	11	Crop Production	750 000.00
5	Emalahleni	Gubahoek Cooperative	Gubahoek	16	Crop Production	750 000.00
6	Emalahleni	Mabhabhela Project	Lanti	2	Crop Production	750 000.00
7	Emalahleni	Mtsheko Siyazondla project	Mtsheko	5	Crop Production	750 000.00
8	Emalahleni	Qolweni Community Project	Ngqanda	12	Crop Production	750 000.00
9	Emalahleni	Khuluphambene	Zwaartwater	9	Crop Production	750 000.00
10	Emalahleni	Mount Arthur Development Organization	Mount Arthur	12	crop Production	375 000.00
11	Emalahleni	Nceduluntu Development Project	Cumakala	5	Crop Production	500 000.00
12	Emalahleni	Siyasebenza Lower Mgwalana Development Coop	Umhlanga	14	Crop Production	750 000.00
13	Emalahleni	Dubeni irrigation scheme	Dubeni	7	Crop Production	375 000.00
14	Sakhisizwe	Nonzima	Lower cala	4	Crop production	750 000.00
15	Sakhisizwe	Masibambane	Manzimahle	8	Crop production	750 000.00
16	Sakhisizwe	Azakha	Ngqanqundu	3	Crop production	750 000.00
17	Sakhisizwe	Sondlisizwe	Mhlazi	1	Crop production	750 000.00
187	Sakhisizwe	Mzomomhle Project	Nyalisa A/A	9	Crop production	750 000.00
19	Sakhisizwe	Malowa Project	Sifonondile	4	Crop production	750 000.00
20	Sakhisizwe	Khulani Project	Upper Langanci	8	Crop production	750 000.00

21	Sakhisizwe	Eluxolweni Project	Mbewula A/A	9	Crop production	750 000.00
22	Sakhisizwe	Sinethemba	Manzimdaka A/A	4	Crop production	750 000.00
23	Intsika Yethu	Kwakhanya Development Project	Matshona	15	Crop production	750 000.00
24	Intsika Yethu	Mahlubi Agricultural Project	Eskhobeni	10	Crop production	750 000.00
25	Intsika Yethu	Nobhokwe Agricultural Project	Nobhokwe	10	Crop production	750 000.00
26	Intsika Yethu	Masikhulisane Development Association	Mjulwa	8	Crop production	750 000.00
27	Intsika Yethu	Madiba Agricultural Project	Xume	8	Crop production	750 000.00
28	Intsika Yethu	Masimanyane Development Project	Ntsume	8	Crop production	750 000.00
29	Intsika Yethu	Siyaqhuba Community Garden	Tsojana	10	Crop production	750 000.00
30	Intsika Yethu	Luthoncedo Project	Qamata	4	Crop production	750 000.00
31	Intsika Yethu	Masiphuhle Project	Mkhwinti	13	Crop production	750 000.00
32	Intsika Yethu	SPY Project	St'Marks	4	Crop production	750 000.00
33	Intsika Yethu	Siyamover Project	Ncorha	18	Crop production	750 000.00
34	Intsika Yethu	Mthyintyini Project	Mthyintyini	4	Crop production	750 000.00
35	Intsika Yethu	Hlutha Mhlali Project	Ngceza	13	Crop production	1 000 000.00
36	Intsika Yethu	Masiphuhle Project	Mkhwinti	13	Crop production	750 000.00
37	Ngcobo	Masilime Nkwenkwana	Nkwenkwana	2	Crop production	692 729.00
38	Ngcobo	Goboti Sizakhe	Goboti	9	Crop production	750 000.00
39	Ngcobo	Masihluthe	Madotyeni	15	Crop production	750 000.00
40	Ngcobo	Nceduluntu	Silindini	13	Crop production	750 000.00
41	Ngcobo	Masakhane Gubenxa	Gubenxa	14	Crop production	750 000.00
42	Ngcobo	Phakamani	Zabasa	19	Crop production	750 000.00
43	Ngcobo	Masikhulenathi	Lower Qebe	13	Crop production	750 000.00
44	Ngcobo	Qingqa Yawa	Kwayawa	19	Crop production	750 000.00
45	Ngcobo	Siyazama Mgudu Food Security	Mgudu	19	Crop Production	675 000.00
46	Lukhanji	Ncedabantu Food Security	Slovo Village	14	Food roduction	750 000.00

47	Lukhanji	Phakamani Food Security	Tambo village	17	Food roduction	750 000.00
48	Lukhanji	Thandisizwe vegetable project	Kolomane	5	Food roduction	750 000.00
49	Lukhanji	Zizamele gallawater irrigation scheme project	Gallawater, whittlesea	5	Food roduction	750 000.00
50	Lukhanji	Birchfarm Food security Project	Birchfarm	1	Food roduction	750 000.00
51	Inkwanca	Molteno Community	Molteno	5	Food roduction	750 000.00
52	Lukhanji	Ethembeni	Merino Walk	19	Food roduction	750 000.00
53	Tsolwana	Sakhisizwe food security	Ntabethemba	3	Crop Production	375 000.00
54	Inxuba Yethemba	Masizakhe Agriculture Project	Lingelihle	1	Crop Production	375 000.00
55	Tsolwana	Masikhule food security	Tarkastad	4	Crop production and Poultry	375 000.00

**TOTAL INVESTMENT****39 242 29.00****YOUTH  
DEVELOPMENT**

No .	Local Municipality	Project name	Location/ Village	Ward	ACTIVITY	Budget ALLOCATION
1	Emalahleni	Indwe Auto styling	Indwe	16	Carwash	500 000.00
2	Emalahleni	Sinako Youth Project	Dordrecht	14	internet café and photo studio	500 000.00
3	Emalahleni	Ukhanyiso Development Project	Lady Frere	5	Lifestyle	500 000.00
4	Sakhisizwe	Nceduluntu	Cala Town	5	Bakery	500 000.00
5	Sakhisizwe	Zenzeleni Youth Project	Cala Town	4	Carpentry	500 000.00
6	Intsika Yethu	Masiphakame Youth Project	Hoita	1	Crop Production	500 000.00
7	Intsika Yethu	Imizamo Yethu Youth Project	Qombolo	13	Crop Production	500 000.00
8	Ngcobo	Qebe Youth Project	Qebe	15	Tent hiring	500 000.00

9	Ngcobo	Mgudu Charcoal	Mgudu	19	Charcoal	500 000.00
10	Ngcobo	Thuthukani	Icwecwe	8	Crop Production	500 000.00
11	Ngcobo	Sakhisizwe Baking Project	Masonwabe	10	Baking	500 000.00
12	Ngcobo	Siyakhula Quluqu	Quluqu	4	Tent hiring	500 000.00
13	Inkwanca	Ucoceko laundry and dry cleaner Project	Molteno	2	laundry and dry cleaner	500 000.00
14	Lukhanji	Ithemba Gymnasium	Whittlesea	16	Lifestyle	300 000.00
<b>TOTAL INVESTMENT 2008-2011</b>						<b>6 800 000.00</b>

**Identified for strengthening this Financial Year**

	Allocation
Sinako Youth Project	204 000.00
Imizamo Yethu Youth Project	215 250.00

**4. ESKOM 2012/13 GAZZETTED PROJECTS**

Municipality	Project Name	CAPEX	H/H Connections
Emalahleni	Lady Frere Ph 8A2	R5,472,000.00	342
	Lady Frere Ph 8B2	R6,400,000.00	400
	Lady Frere Extensions	R348,499.35	0
<b>Sub-Total</b>		<b>R12,220,499.00</b>	<b>742</b>
Engcobo	Engcobo Rural Exts	R390,000.00	0
	Xonya Electrification	R24,976,000.00	1561
<b>Sub-Total</b>		<b>R25,366,000.00</b>	<b>1561</b>
Intsika Yethu	Mcambalala/Bolotwa 2A	R11,776,000.00	736
	Mcambalala/Bolotwa B	R9,600,000.00	600
	Tsomo Rural Ph 3A	R12,711,000.00	794

	Tsomo Rural Ph 3B	R9,218,900.00	576
<b>Sub-Total</b>		<b>R43,305,900.00</b>	<b>2706</b>
Lukanji	Hewu Rural Ph 5	R2,848,000.00	178
Sakhisizwe	Sakhisizwe Exts Ph 2	R4,800,000.00	300
<b>TOTAL</b>		<b>R88,520,399.00</b>	<b>5487</b>

Municipality	2013/14 Projection	2014/15 Projection	2015/16 Projection	2016/17 Projection
Emalahleni	1957	1130	1367	New Housing & future exts
Inkwanca	0	0	0	New Housing
Intsika Yethu	1900	1500	2500	2187
Inxuba Yethemba	0	0	0	New Housing

Lukanji	0	0	0	New Housing & future exts
Ngcobo	300	300	550	“ “
Sakhisizwe	350	930	330	257
Tsolwana	0	0	0	New Housing
Total	4507	3159	3480	2187

**5. DEPARTMENT OF ROADS AND PUBLIC WORKS 2012/ 2013 PROJECTS**

- Inkwanca Paving R 3m = 109 beneficiaries
- Komani Hospital Conversion R 23m
- Cala Convent R 25 m
- Education Offices Lady Frere 25m
- Agriculture offices R2,5m
- Ngcobo Transport offices R 2,5
- Renovations DRPW offices R 7,5m
- 2013
- Cala Convent 4,5m
- Education Offices Lady Frere R 19m
- Planning Education Offices QTN R 50m
- Roads Infrastructure 2012--2015
- Routine Roads maintenance

Inxuba Yethemba SLA	R 23m
Lukhanji	R 5,2m
Intsika Yethu	R 4,5m
Emalahleni	R 4.5m
Tsolwana	R 6,2m
Ngcobo	R 2,1m
Sakhisizwe	R 2,5m
Inkwanca	R 3,4m

## 6. DEPARTMENT OF HUMAN SETTLEMENTS

Proj. Name	Target Size	Planning Instrument	Land Identification	Bulk Availability	12/13 TARGETS	ESTIMATED BUDGET	13/14 TARGETS	ESTIMATED BUDGET	14/15 TARGETS	ESTIMATED BUDGET	15/16 TARGETS	ESTIMATE D BUDGET
<b>EMALAHLENI</b>												
Sinako Zwelethemba 289	289	Integrated Residential Development Programme	Yes	No	planning	R 1 158 211.00	89 Houses	R 21 964 000.00	200 houses	R 15 000 000.00	R 0.00	R 0.00
Mavuya 462	462	Integrated Residential Development Programme	Yes	No	280 houses	R 10 732 000.00	0	R 0.00	0	R 0.00	182 houses	R 13 650 000.00
Lady Frere 564	564	People's Housing process	yes	yes	100 Transfers	R 80 000.00	100 Transfers	R 80 000.00	321 Transfers	R 256 000.00	R 0.00	R 0.00
Lady Frere Ext5 RL2 700	700	People's Housing process	Yes	yes	258 Transfers	R 206 400.00	0	R 0.00	0	R 0.00	R 0.00	R 0.00

Proj. Name	Target Size	Planning Instrument	Land Identification	Bulk Availability	12/13 TARGETS	ESTIMATED BUDGET	13/14 TARGETS	ESTIMATED BUDGET	14/15 TARGETS	ESTIMATED BUDGET	15/16 TARGETS	ESTIMATED BUDGET
Zwartwater 1000	1000	Integrated Residential Development Programme	Yes	N/A	40% Planning and Designs	R 250 000.00	60 % Planning ,designs and 50 houses	R 3 750 000.00	200 houses	R 15 000 000.00	250 houses	R 18 750 000.00
Indwe Westgate 160	160	Integrated Residential Development Programme	Yes	No	10% Planning	R 40 000.00	90% Planning and 50 Houses	R 3 750 000.00	110 Houses	R 8 250 000.00	R 0.00	R 0.00
Lady Frere Ext5 RL2 700	715	Rectification process	Yes	Ye	50 repairs	R 6 800 000.00	100 repairs	R 8 000 000.00	100 Repairs	R 8 000 000.00	100 repairs	R 8 000 000.00
Dordrecht 2000	2000	Rectification process	yes	yes	50 repairs	R 6 800 000.00	100 repairs	R 9 500 000.00	100 repairs	R 9 500 000.00	100 repairs	R 9 500 000.00
Indwe 500	513	Rectification process	yes	yes	Assessments	R 0.00	50 repairs	R 2 250 000.00	100 repairs	R 2 500 000.00	100 repairs	R 2 500 000.00
<b>NGCOBO</b>												
Engcobo Consolidation 952 (104 blocked)	104	Integrated Residential Development Programme	Yes	Yes	104 Houses	R 9 131 900.00	0	R 0.00	0	R 0.00	R 0.00	R 0.00
Engcobo Ext-11 1854	1854	Integrated Residential Development Programme	Yes	No	20% Planning and Designs	R 60 000.00	800 Full Services	R 1 017 279.00	1054 Full Services	R 23 188 000.00	1854 Houses	R 1 204 550.00
Deberha 706	706	Integrated Residential Development Programme	Yes	N/A	40% Planning and Designs	R 317 000.00	60 % Planning, designs & 50 houses	R 3 750 000.00	200 houses	R 15 000 000.00	250 houses	R 18 750 000.00

Proj. Name	Target Size	Planning Instrument	Land Identification	Bulk Availability	12/13 TARGETS	ESTIMATED BUDGET	13/14 TARGETS	ESTIMATED BUDGET	14/15 TARGETS	ESTIMATED BUDGET	15/16 TARGETS	ESTIMATED BUDGET
Mntutloni 1500 rural	1500	Integrated Residential Development Programme	Yes	No	30% Planning	R 500 000.00	70% Planning and 50 houses	R 3 750 000.00	200 houses	R 15 000 000.00	250 houses	R 18 750 000.00
Inkwekwezi 300 rural	300	Integrated Residential Development Programme	Yes	No	10% Planning	R 40 000.00	90% Planning and 50 Houses	R 3 750 000.00	100 houses	R 7 500 000.00	150 Houses	R 11 250 000.00
Nkondlo 500 rural	500	Integrated Residential Development Programme	Yes	No	10% Planning	R 40 000.00	90% Planning and 50 Houses	R 3 750 000.00	100 houses	R 7 500 000.00	150 Houses	R 11 250 000.00
All Saints 700 rural	700	Integrated Residential Development Programme	Yes	No	10% Planning	R 40 000.00	90% Planning and 30 Houses	R 2 250 000.00	200 houses	R 15 000 000.00	250 houses	R 18 750 000.00
Cefane Hook 350 rural	350	Integrated Residential Development Programme	Yes	No	10% Planning	R 40 000.00	90% Planning and 30 Houses	R 2 250 000.00	110 Houses	R 8 250 000.00	210 Houses	R 15 750 000.00
Goboti 300 rural	300	Integrated Residential Development Programme	Yes	No	10% Planning	R 40 000.00	90% Planning and 50 Houses	R 3 750 000.00	100 houses	R 7 500 000.00	150 Houses	R 11 250 000.00
Engcobo 288 (Vulnerable/Destitute)	288	Integrated Residential Development Programme	Yes	yes	100% Planning & 44 houses	R 1 950 000.00	100 houses	R 7 500 000.00	100 houses	R 7 500 000.00	44 houses	R 6 600 000.00
Engcobo Consolidation	952	Rectification process	yes	yes	28 repairs	R 3 740 000.00	50 Full services and 50 repairs	R 4 850 000.00	50 Full services and 50	R 4 850 000.00	50 Full services and 50	R 4 850 000.00

Proj. Name	Target Size	Planning Instrument	Land Identification	Bulk Availability	12/13 TARGETS	ESTIMATED BUDGET	13/14 TARGETS	ESTIMATED BUDGET	14/15 TARGETS	ESTIMATED BUDGET	15/16 TARGETS	ESTIMATED BUDGET
									repairs		repairs	
<b>LUKHANJI</b>												
New Rathwick 3000	3000	Integrated Residential Development Programme	Yes	No	40%Planning and Designs	R 1 585 000.00	40%Planning and Designs	R 1 585 000.00	20%Planning and Designs	R 792 500.00	100 services	R 2 200 000.00
Lukhanji 200 Housing Project	200	Integrated Residential Development Programme	Yes	yes	Completing Planning and 50 Houses	R 7 496 000.00	150 houses	R 11 250 000.00	0	R 0.00	R 0.00	R 0.00
Quality Coffins 18	18	Integrated Residential Development Programme	Yes	yes	Completing Planning , 18 services and 18 Houses	R 1 661 890.00	0	R 0.00	0	R 0.00	R 0.00	R 0.00
Braakloof 281	281	Integrated Residential Development Programme	Yes	N/A	281 Partial Services	R 2 375 630.00	0	R 0.00	0	R 0.00	R 0.00	R 0.00
Nomzamo 337 (Blocked Project)	337	Integrated Residential Development Programme	Yes	yes	40 Houses	R 1 500 000.00	100 houses	R 7 500 000.00	18 houses	R 1 350 000.00	R 0.00	R 0.00
Thambo Village 990	990	Integrated Residential Development Programme	Yes	N/A	350 Transfers	R 360 000.00	350 services	R 360 000.00	290 services	R 323 000.00	R 0.00	

Proj. Name	Target Size	Planning Instrument	Land Identification	Bulk Availability	12/13 TARGETS	ESTIMATED BUDGET	13/14 TARGETS	ESTIMATED BUDGET	14/15 TARGETS	ESTIMATED BUDGET	15/16 TARGETS	ESTIMATED BUDGET
Toisekraai 1364	364	Integrated Residential Development Programme	Yes	N/A	116 partial services and 170 houses	R 9 903 197.63	248 Partial services and 113 Houses	R 13 000 000.00	0	R 0.00	R 0.00	R 0.00
Xuma 126	126	Integrated Residential Development Programme	Yes	N/A	126 Partial Services	R 3 214 504.00	0	R 0.00	0	R 0.00	R 0.00	R 0.00
Zola 225	225	Integrated Residential Development Programme	Yes	N/A	116 partial services	R 3 214 504.00	119 Partial Services	R 2 400 000.00	0	R 0.00	R 0.00	R 0.00
Sada Wooden/Zinc 1000	1000	Integrated Residential Development Programme	Yes	No	10% Planning	R 1 089 300.00	90% Planning and 50 Houses	R 3 750 000.00	200 houses	R 15 000 000.00	250 houses	R 18 750 000.00
Lessynton 400 Rural	400	Integrated Residential Development Programme	Yes	No	10% Planning	R 250 000.00	90% Planning and 50 Houses	R 3 750 000.00	150 Houses	R 11 250 000.00	200 houses	R 15 000 000.00
POLAR PARK 143	143	Integrated Residential Development Programme	yes	yes	100% Planning	R 500 000.00	50 houses	R 3 750 000.00	50 houses	R 3 750 000.00	43 Houses	R 3 225 000.00
Imvani 145	145	Rectification process	Yes	No	71 repairs	R 6 800 000.00	74 repairs	R 7 087 323.00	0	R 0.00	R 0.00	R 0.00
Ilinge 1012 Pre-94	1012	Rectification process	Yes	yes	70 repairs	R 6 800 000.00	100 repairs	R 7 500 000.00	100 repairs	R 7 500 000.00	100 repairs	R 7 500 000.00

Proj. Name	Target Size	Planning Instrument	Land Identification	Bulk Availability	12/13 TARGETS	ESTIMATED BUDGET	13/14 TARGETS	ESTIMATED BUDGET	14/15 TARGETS	ESTIMATED BUDGET	15/16 TARGETS	ESTIMATED BUDGET
Ezibeleni 1226	1226	Rectification process	yes	yes	64 repairs	R 4 352 000.00	100 repairs	R 9 500 000.00	100 repairs	R 9 500 000.00	100 repairs	R 9 500 000.00
Whittlesea 754	754	Rectification process	yes	yes	64 repairs	R 4 352 000.00	100 repairs	R 9 500 000.00	100 repairs	R 9 500 000.00	100 repairs	R 9 500 000.00
<b>SAKHISIZWE</b>												
Elliot Old Location 1000	1000	Integrated Residential Development Programme	Yes	No	70% Planning and Designs	R 677 000.00	30% Planning and 50 Services	R 1 100 000.00	500 Services	R 11 000 000.00	450 services	R 9 900 000.00
Cala Ward 2 - 2693	2693	Integrated Residential Development Programme	yes	N/A	70% Planning and Designs	R 500 000.00	30% Planning and 50 houses	R 3 750 000.00	200 houses	R 15 000 000.00	350 Houses	R 26 250 000.00
Cala Ward 4 - 2662	2662	Integrated Residential Development Programme	yes	n/a	80% Planning and Designs	R 500 000.00	20% Planning and 50 Houses	R 3 750 001.00	200 houses	R 15 000 001.00	350 Houses	R 26 250 000.00
Cala Ext 13& 14	1545	Integrated Residential Development Programme	yes	yes	316 Houses	R 6 500 000.00	0	R 0.00	0	R 0.00	500 Full Services	R 11 000 000.00
Cala Ext 15	1070	Integrated Residential Development Programme	yes	yes	199 Houses	R 6 500 000.00	0	R 0.00	0	R 0.00	500 Full Services	R 11 000 000.00
Elliot 800	800	Integrated Residential Development Programme	yes	yes	155 Houses	R 1 000 000.00	0	R 0.00	0	R 0.00	R 0.00	R 0.00
Cala 420	420	Rectification process	yes	yes	61 repairs	R 4 150 000.00	61 repairs	R 3 500 000.00	100 repairs	R 5 600 000.00	420 Full Services and 198 repairs	R 9 240 000.00

Proj. Name	Target Size	Planning Instrument	Land Identification	Bulk Availability	12/13 TARGETS	ESTIMATED BUDGET	13/14 TARGETS	ESTIMATED BUDGET	14/15 TARGETS	ESTIMATED BUDGET	15/16 TARGETS	ESTIMATED BUDGET
Elliot 302	302	Rectification process	yes	yes	20 repairs	R 960 000.00	62 repairs	R 5 890 000.00	0	R 0.00	R 0.00	R 0.00
<b>TSOLWANA</b>												
Thornhill 1400	1400	Integrated Residential Development Programme	Yes	yes	100% Planning	R 0.00	100% Planning % designs for Roads & Stormwater	R 500 000.00	300 Roads & stormwater	R 2 000 000.00	300 Roads & stormwater	R 20 000 000.00
Khayaletu Tendegate 1101	1101	Integrated Residential Development Programme	Yes	N/A	550 Partial Services	R 12 563 511.00	551 Partial Services	R 12 000 000.00	0	R 0.00	R 0.00	R 0.00
Khwezi Village 512	512	Integrated Residential Development Programme	Yes	N/A	512 Partial Services	R 8 552 192.00	0	R 0.00	0	R 0.00	R 0.00	R 0.00
Mitford 700	700	Integrated Residential Development Programme	Yes	N/A	700 Partial Services	R 10 308 810.00	0	R 0.00	0	R 0.00	R 0.00	R 0.00
Rocklands Baccles 688	688	Integrated Residential Development Programme	Yes	N/A	688 Partial Services	R 11 461 248.00	0	R 0.00	0	R 0.00	R 0.00	R 0.00
Springgrove Thembelethu 535	535	Integrated Residential Development Programme	Yes	N/A	535 Partial Services	R 5 080 000.00	0	R 0.00	0	R 0.00	R 0.00	R 0.00

Proj. Name	Target Size	Planning Instrument	Land Identification	Bulk Availability	12/13 TARGETS	ESTIMATED BUDGET	13/14 TARGETS	ESTIMATED BUDGET	14/15 TARGETS	ESTIMATED BUDGET	15/16 TARGETS	ESTIMATED BUDGET
Homeyer-twinsville youth 500	500	Integrated Residential Development Programme	yes	yes	500 Partial Services	R 3 707 817.00	0	R 0.00	0	R 0.00	R 0.00	R 0.00
Barcelona 1000	1000	Integrated Residential Development Programme	Yes	No	10% Planning	R 216 000.00	90% Planning and 50 Houses	R 3 750 000.00	200 houses	R 15 000 000.00	250 houses	R 18 750 000.00
Tarkastad 61 Middle Income	61	Integrated Residential Development Programme	Yes	YES	100% Planning	R 2 100 000.00	61 Services	R 1 342 000.00	61 Houses	R 4 575 000.00	R 0.00	R 0.00
Tarkastad Foster Care 08 units	8	Integrated Residential Development Programme	Yes	yes	100% Planning & 08 houses	R 446 000.00	0	R 0.00	0	R 0.00	R 0.00	R 0.00
Thornhill 1400	1400	Rectification process	Yes	yes	100% Planning	R 0.00	50 repairs	R 3 000 000.00	100 repairs &	R 2 000 000.00	300 Roads& stomwater	R 6 000 000.00
Hofmeyer 301	301	Rectification process	yes	yes	Assessments	R 0.00	50 repairs	R 2 250 000.00	100 repairs	R 2 500 000.00	151 repairs	R 5 000 000.00
Tarkastad 1671	1671	Rectification process	yes	yes	Assessments	R 0.00	50 repairs	R 2 250 000.00	100 repairs	R 2 500 000.00	150 repairs	R 5 100 000.00
<b>INKWANCA</b>												
Masakhe Sterkstroom 164	164	Integrated Residential Development Programme	Yes	No	100% Planning and Design	R 310 000.00	64 houses	R 4 800 000.00	100 houses	R 7 500 000.00	R 0.00	R 0.00

Proj. Name	Target Size	Planning Instrument	Land Identification	Bulk Availability	12/13 TARGETS	ESTIMATED BUDGET	13/14 TARGETS	ESTIMATED BUDGET	14/15 TARGETS	ESTIMATED BUDGET	15/16 TARGETS	ESTIMATED BUDGET
Molteno Airstrip 1127	1127	Integrated Residential Development Programme	Yes	yes (can accommodate 500 units only)	100 Houses	R 5 925 600.00	200 Houses	R 15 000 000.00	200 Houses	R 400 000.00	627 Houses	R 0.00
Molteno Nomonde 136 (Blocked Project)	136	Integrated Residential Development Programme	yes	yes	50 Houses	R 2 635 522.00	0	R 0.00	0	R 0.00	R 0.00	R 0.00
Molteno 907	907	Rectification process	yes	yes	50 repairs	R 3 740 000.00	100 repairs	R 9 500 000.00	100 repairs	R 9 500 000.00	100 repairs	R 9 500 000.00
Sterkstroom 1214	1214	Rectification process	yes	yes	50 repairs	R 6 800 000.00	100 repairs	R 9 500 000.00	100 repairs	R 9 500 000.00	100 repairs	R 9 500 000.00
<b>INTSIKA YETHU</b>												
Cofimvaba Enyanisweni 431	431	Integrated Residential Development Programme	yes	yes	293 Full services	R 7 517 000.00	100 houses	R 7 500 000.00	100 houses	R 7 500 000.00	100 houses	R 7 500 000.00
Tsomo Ext2 263	263	Integrated Residential Development Programme	Yes	No	20% Planning and Designs	R 610 000.00	50 houses	R 3 750 000.00	100 houses	R 7 500 000.00	113 houses	R 8 475 000.00
Joe Slovo 608	608	Integrated Residential Development Programme	Yes	yes	608 Full Services	R 13 329 000.00	100 houses	R 7 500 000.00	100 houses	R 7 500 000.00	100 houses	R 7 500 000.00

Proj. Name	Target Size	Planning Instrument	Land Identification	Bulk Availability	12/13 TARGETS	ESTIMATED BUDGET	13/14 TARGETS	ESTIMATED BUDGET	14/15 TARGETS	ESTIMATED BUDGET	15/16 TARGETS	ESTIMATED BUDGET
Vuyisile Mini 1000	1000	Integrated Residential Development Programme	Yes	N/A	40% Planning and Designs	R 500 000.00	60 % Planning ,designs and 50 houses	R 3 750 000.00	200 houses	R 15 000 000.00	250 houses	R 18 750 000.00
Lubisi 1000	1000	Integrated Residential Development Programme	yes	n/a	completing planning and 30 Houses	R 4 500 000.00	50 houses	R 3 750 000.00	200 houses	R 15 000 000.00	250 houses	R 18 750 000.00
Chris Hani Heritage 1000	1000	Integrated Residential Development Programme	yes	n/a	60% Planning and Designs	R 500 000.00	40 % Planning ,designs and 50 houses	R 3 750 000.00	200 houses	R 15 000 000.00	250 houses	R 18 750 000.00
Ntsongeni 130 rural	130	Integrated Residential Development Programme	Yes	No	30% Planning	R 472 030.00	70% Planning and 30 Houses	R 2 250 000.00	100 houses	R 7 500 000.00	R 0.00	R 0.00
Intsikayethu 117	117	Rectification process	yes	yes	117 repairs	R 7 956 000.00	0	R 0.00	0	R 0.00	R 0.00	R 0.00
<b>INXUBA YETHEMBA</b>												
Middleburg Lusaka 595	595	Integrated Residential Development Programme	Yes	yes	completing planning and 80 houses	R 5 600 000.00	50 houses	R 3 750 000.00	100 houses	R 7 500 000.00	100 houses	R 7 500 000.00
Rosemead 493	493	Integrated Residential Development Programme	Yes	No	30% Planning and Design	R 948 820.00	70% Planning and 50 houses	R 3 750 000.00	120 Houses	R 9 000 000.00	100 houses	R 7 500 000.00

Proj. Name	Target Size	Planning Instrument	Land Identification	Bulk Availability	12/13 TARGETS	ESTIMATED BUDGET	13/14 TARGETS	ESTIMATED BUDGET	14/15 TARGETS	ESTIMATED BUDGET	15/16 TARGETS	ESTIMATE D BUDGET
Midrose 493	493	Integrated Residential Development Programme	Yes	No	70% Planning and Designs	R 1 025 000.00	30% Planning and 50 houses	R 3 750 000.00	93 Houses	R 6 975 000.00	350 Houses	R 26 250 000.00
Motimer and Fish river 60	60	Integrated Residential Development Programme	Yes	No	10% Planning	R 40 000.00	90% Planning and 60 Houses	R 4 500 000.00	0	R 0.00	R 0.00	R 0.00
Kwanomzamo 1000	1000	Integrated Residential Development Programme	Yes	No	10% Planning	R 100 000.00	90% Planning and 50 Houses	R 3 750 000.00	200 houses	R 15 000 000.00	250 houses	R 18 750 000.00
Cradock 2700	2700	Rectification process	yes	yes	50 repairs	R 6 800 000.00	100 repairs	R 9 500 000.00	100 repairs	R 9 500 000.00	100 repairs	R 9 500 000.00
Middleburg 1628	1628	Rectification process	yes	yes	50 repairs	R 6 800 000.00	100 repairs	R 9 500 000.00	100 repairs	R 9 500 000.00	100 repairs	R 9 500 000.00

### **7. Department of Environmental Affairs 2012-2013/14 Projects**

<b>Chrishani District Municipality</b>	<b>Local Municipality</b>	<b>Name of the Project</b>	<b>Project description</b>	<b>Budget</b>
CHDM	Intsika Yethu	Intsika yethu Cleanup Project	Cleaning, greening and beautification of the Intsika Yethu Municipality in Tsomo and Cofimvaba towns. Also construction of paving , parkways and recreational parks	5,000. 000.00.
CHDM	Intsika Yethu	Eradication of Alien Species	Control of alien invasive and land rehabilitation	8, 000,000.00
CHDM	Intsika Yethu	Soil Rehabilitation	Rehabilitation of soil and protection of soil against degradation	18, 000.000.00
CHDM	Tsolwana LM	Greening Project	Cleaning, greening and beautification of towns and public places in Tarkastad and Hofeyer	7,000.000.00
CHDM	Emalahleni	Eradication of Alien Species	Removal of Alien invasive and fencing off where radication has taken place	18,000,000,00
CHDM	Inkwanca	Creation of community park	Creation of community park which has ablutions, a picnic site and fencing off in the area of Nomonde	2,800.000.00
CHDM	Engcobo LM	(Town) Engcobo public space	Beautification and re-designing an eco-park linked to open space	8,000.000.00

		<b>design, street tree planting</b>	<b>management and environmental education in High school</b>	
<b>CHDM</b>	<b>Engcobo LM</b>	<b>Engcobo Alien Vegetation Removal and Conservation</b>	<b>Alien removal, wetland rehabilitation and conservation of Olea Africana</b>	<b>18,000,000,00</b>

<b>CHDM</b>	<b>Lukhanji LM (Queenstown, Wheatlesea, Lessyton, Linge, Ezibeleni)</b>	<b>EC - Komani River Clean-up and Greening</b>	<b>Cleaning of Komani River, cleaning, greening and beautification of illegal dump sites, fencing of Ezibeleni dam as well as construction of safety and recreational parks, environmental awareness and development of open space management plan for Lukhanji Local municipality.</b>	<b>19,000,000,00</b>
<b>CHDM</b>	<b>Inxuba Yethemba Local Municipality (Middelburg)</b>	<b>EC- Middleburg Waste Management</b>	<b>Renovation of the office, strong room and three warehouses (Buy-back Centres).Construction</b>	<b>9,500,000</b>

			of entrance gate and guard house. Removal of existing fence and erection of fence. Purchase of a bigger and faster bailing machine, fencing and landscaping.	
CHDM	Engcobo Local Municipality (Ngcobo)	EC - Ngcobo Waste / Alien Species Removal Project – Phase 2	Construction of a waste buy- back centre made of steel structure with the all the required equipment for recycling .i.e fork lift, trolley jack, scale, can bailer and provision of a weigh bridge. Removal of alien plants. Provision of refuse bins and signage for no dumping sites, creation of a co-operative as a business entity to manage waste together with the municipality and construction of security guard house	9,500, 000

			<b>with a parking for the landfill site.</b>	
<b>CHDM</b>	<b>Engcobo Local Municipality (Gubenxa AA)</b>	<b>EC - KwaNota Land Rehabilitation and Greening</b>	<b>Land rehabilitation and greening of KwaNota through: Establishment of food gardens. Erection of gabion structures Erection of Concrete Structures General Landscaping Tree planting Signage</b>	<b>R 7,600,000</b>

**8. DSRAC**

2012/13 Operational Costs in respect of Chris Hani Multipurpose Centre at Sabalele (Museum, Library and Craft Centre)	R800,000
Liberation Heritage Centenary Celebrations - 2012/13 Construction of Ngcobo Wall of Remembrance with sculptures of Walter Sisulu and Dr AB Xuma	R1m
Interpretational signage on key iconic heritage sites.	
Repatriation of human remains and other heritage objects	

- An amount of R5,987million has been budgeted for Chris Hani District Municipality ( 8 local municipalities ).

- An amount of R2.994m has already been transferred
- Thobi Kula Sport Complex : R3,5m at QT
- Whittlesea Sport Stadium R3m
- Magwala Stadium Cofimvaba – R2m
- Cofimvaba Stadium – R2m
- Tsomo Stadium – R2m
- Ngcobo Stadium R2m
- Lingelihle Stadium Cradock – R3m
- Lady Frere Stadium R2.2m
- Cala Indoor & Outdoor Stadium – R3m
- Hofmeyer Stadium (incomplete – R1,5m
- Molteno Stadium R2m

**(B) INTERNALLY FUNDED PROJECTS****1. MUNICIPAL WATER SERVICES REFURBISHMENT PROJECTS**

Municipality	Project Name	2012/2013
<b>Emalahleni Municipality</b>		
	Upgrading of Indwe Waste Water	2 000 000.00
	Upgrading of Dodrecht Waste Water Plant	2 000 000.00
	Refurbishment of Leaking reservoir in Mt Arthur	250 000.00
<b>Total Emalahleni</b>		<b>4 250 000.00</b>
<b>Inkwanca Municipality</b>		
	Refurbishment of Sewer Pump- Molteno	2 000 000.00
	Refurbishment of Sewer Pump- Sterkstroom	1 000 000.00
	Upgrading of Sewer Ponds	1 000 000.00
<b>Total Inkwanca</b>		<b>4 000 000.00</b>
<b>Sakhisizwe</b>		
	Upgrade of WTW in Cala	1 000 000.00
	Upgrading of Elliot WTW	1 000 000.00
	Installation of level indicators in rural reservoir	1 200 000.00
	Installation of Chlorine Gas Equipment in Cala and Elliot	250 000.00
<b>Total Sakhisizwe</b>		<b>3 450 000.00</b>
<b>Engcobo Municipality</b>		
	Construct a bulk line and reservoir in Mnyolo	1 650 000.00
	Augmentation of Engcobo Water Scheme	600 000.00
	Construction of storage tanks in Nkobongo	1 000 000.00
<b>Total Engcobo</b>		<b>3 250 000.00</b>
<b>Lukhanji</b>	Extensions in Tembani Water Scheme	1 350 000.00

	Construction of storage reservoir in Braakloof WS	800 000.00
	New extensions in Endsome Water Scheme	850 000.00
<b>Total Lukhanji</b>		<b>3 000 000.00</b>
<b>Inxuba Yethemba</b>	Refurbishment of Biofilter	1 500 000.00
	Upgrade of Cradock WTW	1 500 000.00
	Primary Clear Water Tank ( Zinc Tank ) WTW	1 500 000.00
<b>Total Inxuba Yethemba</b>		<b>4 500 000.00</b>
<b>Tsolwana Municipality</b>	Upgrade of electric panels	200 000.00
	Changing of Ntabethemba diesel to electric pump	400 000.00
	Removal of Sewer Sludge	350 000.00
	Upgrading of Pump station in Zola 1 and 2	400 000.00
<b>Tsolwana Municipality</b>		<b>1 350 000.00</b>
<b>Instika Yethu Municipality</b>	Refurbishment of Pump station	3 000 000.00
	Refurbishment of Tsojana wtw	2 000 000.00
	Augmentation of water line from landfill site	1 200 000.00
<b>Total Instika Yethu</b>		<b>6 200 000.00</b>
<b>Grand Total</b>		<b>30 000 000.00</b>

**2. MUNICIPAL INFRASTRUCTURE GRANT PROJECTS**

Project Number (1)	Jobs 2010/2011	Project Name				
			<b>Funder</b>	<b>2012/2013</b>	<b>2013/2014</b>	<b>2014/2015</b>
		-	-			
<b>EMALAHLENI MUNICIPALITY</b>						
232	M080027	Indwe Rehabilitation of Rds &S/water	<b>MIG</b>	R 6 100 000	R 0	R 0
294	M080029	Cacadu Villages Water	<b>MIG</b>	R 500 000	R 0	R 0
	M080030	Mackay's Nek Sanitation	<b>MIG</b>	R 4 000 000	R 0	R 0
	M080033	Vukani Bulk Services water & roads	<b>MIG</b>	R 250 000	R 0	R 0
1208	M080031	Qoqodala Access Road	<b>MIG</b>	R 0	R 0	
1067	M080032	Dubeni Access Road	<b>Epwp</b>	R 0	R 0	
	M080034	Cluster 1 Waterbacklog (Wards 7,8 ,10,13,14)	<b>MIG</b>	R 14 000 000	R 13 000 000	R 14 000 000
	M080036	Cluster 2 Water Backlog (Wards 1,2,4&6)	<b>MIG</b>	R 5 000 000	R 8 000 000	R 10 000 000
	M080042	Cluster 4 Water Backlog	<b>MIG</b>	R 11 000 000	R 13 000 000	R 10 000 000
	M080044	Cluster 4 sanitation (Wards 2,3,4,5,15,16,Vukani Guba,& Percy Villages)	<b>MIG</b>	R 11 000 000	R 20 000 000	R 16 000 000
	M080043	Cluster 3 Sanitation( Wards 7,8,9,10,11,12,13& 14)	<b>MIG</b>	R 9 000 000	R 12 000 000	R 12 000 000
	M080040	Dodrecht Bucket Eradication	<b>MIG</b>	R 3 800 000	R 2 000 000	R 12 000 000
<b>TOTAL: EMALAHLENI LM</b>				<b>64 650 000.00</b>	<b>68 000 000.00</b>	<b>74 000 000.00</b>
<b>INKWANCA MUNICIPALITY</b>			<b>Funder</b>	<b>2012/13</b>	<b>2013/2014</b>	<b>2014/2015</b>
	M060008	Molteno Oxidation Ponds	<b>MIG</b>	R 2 500 000	R 2 800 000	R 1 500 000
		Bulk Services Water and Sanitation Molteno ( WWTW, WTW)	<b>MIG</b>	R 500 000	R 500 000	R 1 500 000

		Bulk Services Water and Sanitation Sterkstroom ( WWTW, WTW)	<b>MIG</b>	R 300 000	R 500 000	R 1 500 000
		Molteno Low Level Bridge	<b>MIG</b>	R 200 000	R 0	R 0
	M060009	Molteno Sport Complex	<b>MIG</b>	R 1 000 000	R 500 000	R 0
<b>TOTAL: INKWANCA LM</b>				<b>R 4 500 000</b>	<b>R 4 300 000</b>	<b>R 3 000 000</b>
<b>INTSIKA YETHU MUNICIPALITY</b>				<b>2012/13</b>	<b>2013/2014</b>	<b>2014/2015</b>
106	M100010	Cofimvaba Sewer (Bulk line and treatmworks)	<b>MIG</b>	R 5 000 000.00	R 500 000.00	R 0.00
821	M100011	Tsomo RDP 2 Water supply	<b>MIG</b>	R 3 000 000.00	R 1 000 000.00	
282	M100012	Tsomo RDP 3	<b>MIG</b>	R 1 000 000.00	R 0.00	
716	M100014	Cofimvaba Ward 15 - Water Reticulation Phase 2	<b>MIG</b>	R 1 500 000.00	R 0.00	
528	M100016	Cofimvaba - Roads in Wards 7, 9, 12, 14(528)	<b>MIG</b>	R 1 000 000.00	R 0.00	
507	M100019	Luthuli water supply	<b>MIG</b>	R 1 500 000.00	R 0.00	
718	M100020	Ward 8 Sanitation	<b>MIG</b>	R 2 000 000.00	R 500 000.00	R 1 000 000.00
715	M100021	Ward 3 Sanitation	<b>MIG</b>	R 2 000 000.00	R 500 000.00	R 1 000 000.00
877	M100023	Qamata water Project(877)	<b>MIG</b>	R 10 000 000.00	R 8 000 000.00	R 6 500 000.00
	M100027	Intsika Yethu Ward (6,9,12,21 old phase 2) Water Supply	<b>MIG</b>	R 1 000 000.00	R 4 000 000.00	R 3 000 000.00
	M100032	Kuluqolo Access Roads	<b>MIG</b>	R 0.00	R 0.00	R 0.00
	M100025	Intsika Yethu Sanitation Ward 4, 7,8 & 23- Amanzabantu	<b>MIG</b>	R 2 000 000.00	R 500 000.00	R 0.00
	M100008	Cofimvaba water reticulation	<b>MIG</b>	R 2 000 000.00	R 0.00	R 0.00
	M100035	Cluster 6 Sanitation (Wards 1,2,3,6,9&22 )	<b>MIG</b>	R 9 500 000.00	R 13 000 000.00	R 15 000 000.00
	M100036	Cluster 7 Sanitation (Wards 10,11,12,14 & 20)	<b>MIG</b>	R 10 500 000.00	R 13 000 000.00	R 15 000 000.00
	M100037	Cluster 8 Sanitation (Wards 15,16,17,18,19)	<b>MIG</b>	R 12 000 000.00	R 13 000 000.00	R 15 000 000.00
	M100038	Cluster 2 Water backlog(Ward1,4,5,6,7)	<b>MIG</b>	R 9 000 000.00	R 13 000 000.00	R 15 000 000.00
	M100039	Cluster 4 Water backlog(Ward 21,22)	<b>MIG</b>	R 5 000 000.00	R 6 106 000.00	R 10 000 000.00

	M100009	Cluster 9 Water backlog (Ward 13)	MIG	R 4 500 000.00	R 7 000 000.00	R 13 000 000.00
	M100040	Upgrading of Tsojana Treatment Works and Bulkline	MIG	R 0.00	R 0.00	R 0.00
	M100042	Tsomo Bulk Services( New Housing Development In Tsomo)	MIG	R 8 000 000.00	R 6 000 000.00	R 6 000 000.00
<b>TOTAL: INTSIKA YETHU LM</b>				<b>R 90 500 000</b>	<b>R 86 106 000</b>	<b>R 100 500 000</b>
		-	-			
<b>INXUBA YETHEMBA MUNICIPALITY</b>				<b>2012/13</b>	<b>2013/2014</b>	<b>2014/2015</b>
	M050007	Rosmead Rural Water	MIG	R 7 000 000	R 3 000 000	R 3 000 000
		Lingelihle Sewer Pump Station	MIG	R 500 000	R 500 000	R 3 000 000
		Cradock Water Treatment Works	MIG	R 500 000	R 3 500 000	R 2 000 000
		Cradock Clear Water Reservoir	MIG	R 500 000	R 1 900 000	R 1 000 000
<b>TOTAL: INXUBA YETHEMBA LM</b>				<b>R 8 500 000</b>	<b>R 8 900 000</b>	<b>R 9 000 000</b>
<b>LUKHANJI MUNICIPALITY</b>				<b>2012/13</b>	<b>2013/2014</b>	
	M040018	RA 60 Hewu Bulk Water Supply (Reticulation)	MIG	R 4 000 000	R 5 000 000	R 5 000 000
	M040001	Rathwick Water and Sanitation	MIG	R 5 000 000	R 6 000 000	R 10 000 000
		Upgrading Whittlesea/Sada WTW	MIG	R 1 000 000	R 1 000 000	R 1 000 000
		Ilinge Bulk Services	MIG	R 1 000 000	R 1 000 000	R 4 000 000
	M040028	Cluster 1 Water backlog (ward 27)	MIG	R 9 000 000	R 9 000 000	R 8 000 000
	M040025	Cluster 3 water backlog (Ward 1 )	MIG	R 9 000 000	R 9 000 000	R 7 000 000
	M040029	Cluster 1 Sanitation (Wards 5,11,12,13,14,18,27)	MIG	R 6 000 000	R 6 000 000	R 6 000 000
	M040030	Cluster 2 Sanitation (Wards 1,2,3,4,6,23,19,20,23,24,25,26,	MIG	R 6 000 000	R 6 000 000	R 6 000 000
<b>TOTAL: LUKHANJI LM</b>				<b>R 41 000 000</b>	<b>R 43 000 000</b>	<b>R 47 000 000</b>

NGCOBO MUNICIPALITY				2012/13	2013/2014	2014/2015
269	M090009	Nkondlo/Gqobonco water supply (Bulk supply)	MIG	500 000.00	-	-
690	M090011	Bojane Skobeni Water Supply	MIG	500 000.00	-	-
1031	M090012	Engcobo treatment works	MIG	8 000 000.00	10 000 000.00	10 000 000.00
	M090023	Extension 11 Bulk Services	MIG	3 000 000.00	6 000 000.00	8 000 000.00
	M090024	Augmentation of Nkobongo Water Scheme	MIG	2 000 000.00	-	-
	a	Cluster 6 Water Backlog(Ward 9,13,15,16))	MIG	15 000 000.00	15 000 000.00	14 110 000.00
	M090018	Cluster 5 Water Backlog(Ward6'12,13,14)	MIG	5 000 000.00	10 000 000.00	13 000 000.00
	M090017	Cluster 7 Water Backlog(Ward 7,8,9,10,11,15)	MIG	12 000 000.00	17 500 000.00	13 500 000.00
	M100007	Cluster 8 Water backlog(Ward 16,17,18)	MIG	R 9 593 000.00	R 15 384 000.00	R 20 000 000.00
	M090027	Cluster 9 Sanitation (Wards 1,2,3,4 & 6)	MIG	12 500 000.00	12 500 000.00	12 000 000.00
	M090028	Cluster 10 Sanitation ( Wards 7,8,9,10,11 &12)	MIG	12 000 000.00	12 000 000.00	13 000 000.00
	M090029	Cluster 11 Sanitation ( Wards 13,15 & 16)	MIG	12 000 000.00	12 000 000.00	12 000 000.00
<b>TOTAL: NGCOBO LM</b>				<b>R 92 093 000</b>	<b>R 110 384 000</b>	<b>R 115 610 000</b>
SAKHISIZWE MUNICIPALITY				2012/13	2013/2014	2014/2015
	M070016	Elliot Waste Water Treatment Works	MIG	10 800 000.00	500 000.00	500 000.00
	M070021	Cluster 5 Sanitation (Wards 2,3,4,7 and Taleni )	MIG	5 000 000.00	10 500 000.00	15 000 000.00
	M070012	Cluster 4 waterbacklog(Wards 6,7,& 4)	MIG	6 800 000.00	8 000 000.00	7 500 000.00
	M070022	Cala Bulk Water and Sanitation Services	MIG	3 000 000.00	8 000 000.00	6 000 000.00
	M070018	Xalanga Ward 4 Water Supply	MIG	R 200 000	R 0	R 0
<b>TOTAL: SAKHISIZWE LM</b>				<b>R 25 800 000</b>	<b>R 27 000 000</b>	<b>R 29 000 000</b>
		-	-			
TSOLWANA MUNICIPALITY				2012/13	2013/2014	2014/2015
	M030015	Cluster 1 Sanitation (Ward 2 & 3	MIG	R 8 500 000	R 8 500 000	R 9 000 000

	M030011	Tarkastad Bucket Eradication	<b>MIG</b>	R 1 200 000	R 500 000	R 0
		Rehabilitation of Sewer Ponds-Hofmeyer	<b>MIG</b>	R 500 000	R 2 000 000	R 1 500 000
		Rocklands Water Project	<b>MIG</b>	R 1 000 000	R 300 000	R 1 000 000
	M030016	Hofmeyer Pump station	<b>MIG</b>	R 1 500 000	R 2 200 000	R 3 000 000
				<b>R 12 700 000</b>	<b>R 13 500 000</b>	<b>R 14 500 000</b>
<b>TOTAL: TSOLWANA LM</b>		<b>CHRIS HANI DISTRICT MUNICIPALITY</b>				
		PMU Operational Budget 0910	<b>MIG</b>	<b>R 3 000 000</b>	<b>R 3 000 000</b>	<b>R 3 000 000</b>
<b>GRAND TOTAL: MIG PROJECTS</b>				<b>R 342 743 000</b>	<b>R 364 190 000</b>	<b>R 395 610 000</b>
				<b>2012/13</b>	<b>2012/14</b>	
<b>SOURCE OF FUNDING</b>						
MIG ALLOCATION (MTEF)						
<b>TOTAL FUNDING - MIG PROJECTS</b>						

### 3. CHDM MUNICIPAL INFRASTRUCTURE GRANT & REGIONAL BULK INFRASTRUCTURE GRANT

MUNICIPALITY	MIG	RBIG	REFURBISHMENT	TOTAL
Inxuba Yethemba	8 500 000.00	8 800 000.00	4 500 000.00	21 800 000.00
Tsolwana	R 12 700 000	R 9 665 000	1 350 000.00	23 715 000.00
Inkwanca	R 4 500 000	-	4 000 000.00	8 500 000.00
Lukhanji	R 41 000 000	R 65 740 000	3 000 000.00	109 740 000.00
Intsika Yethu	90 500 000.00	55 200 000.00	6 200 000.00	151 900 000.00
Emalahleni	64 650 000.00	-	4 250 000.00	68 900 000.00

Engcobo	92 093 000.00	30 000 000.00	3 250 000.00	125 343 000.00
Sakhisizwe	R 25 800 000	-	3 450 000.00	29 250 000.00
	<b>339 743 000.00</b>	<b>169 405 000.00</b>	<b>30 000 000.00</b>	<b>539 148 000.00</b>

#### 4. BULK INFRASTRUCTURE GRANT PROJECTS

Project Number (1)	Project Name				
		<b>Funder</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/13</b>
		-			
<b>INTSIKA YETHU MUNICIPALITY</b>		<b>Funder</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/13</b>
ECR023	Cluster 9 Water backlog (Ward 13)	<b>BIG</b>	R 35 200 000.00	R 35 000 000.00	R 35 000 000.00
	Cluster 4 Water Backlog	<b>BIG</b>	R 20 000 000	R 20 000 000	R 32 000 000
<b>TOTAL: INTSIKA YETHU LM</b>			<b>R 55 200 000</b>	<b>R 55 000 000</b>	<b>R 67 000 000</b>
		-			
<b>INXUBA YETHEMBA MUNICIPALITY</b>		<b>Funder</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/13</b>
ECR005a	Middleburg Water Provision	<b>BIG</b>	R 8 800 000	R 0	R 0
<b>TOTAL: INXUBA YETHEMBA LM</b>			<b>R 8 800 000</b>	<b>R 0</b>	<b>R 0</b>
<b>LUKHANJI MUNICIPALITY</b>		<b>Funder</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/13</b>
	Augment Queenstown water supply(Xonxa)	<b>BIG</b>	R 65 740 000	R 60 000 000	R 68 672 000
<b>TOTAL: LUKHANJI LM</b>			<b>R 65 740 000</b>	<b>R 60 000 000</b>	<b>R 68 672 000</b>
<b>NGCOBO MUNICIPALITY</b>		<b>Funder</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/13</b>
ECR025b	Cluster 6 Water Backlog(Ward 9,13,15,16))	<b>BIG</b>	30 000 000.00	30 000 000.00	35 000 000.00

<b>TOTAL: NGCOBO LM</b>			<b>R 30 000 000</b>	<b>R 30 000 000</b>	<b>R 35 000 000</b>
	-	-			
<b>TSOLWANA MUNICIPALITY</b>		<b>Funder</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/13</b>
ECRO05b	Hofmeyer Water Supply	<b>BIG</b>	R 9 665 000	R 30 024 000	R 0
			<b>R 9 665 000</b>	<b>R 30 024 000</b>	<b>R 0</b>
<b>TOTAL: TSOLWANA LM</b>	<b>CHRIS HANI DISTRICT MUNICIPALITY</b>				
<b>GRAND TOTAL: BIG PROJECTS</b>			<b>R 169 405 000</b>	<b>R 175 024 000</b>	<b>R 170 672 000</b>
<b>SOURCE OF FUNDING</b>					

## 5. RURAL ROAD ASSET MANAGEMENT

PROGRAMME	Project Name	2012/2013	2013/2014	2014/2015
<b>DEPERTMENT OF ROADS AND TRANSPORT</b>	Road Asset Management	1 776 000.00	1 865 000.00	1 973 000.00
		<b>1 776 000.00</b>	<b>1 865 000.00</b>	<b>1 973 000.00</b>

## 6. EPWP

Project Name	Department	2012/2013
Kuluqolo Access Roads	Enginnering	3 000 000.00
Dubeni Access Roads	Enginnering	3 000 000.00
EPWP Learners	Enginnering	2 000 000.00
Cleaning Champaign	Environmental Health	3 400 000.00
Land Care Programmes	Environmental Health	3 000 000.00

<b>Animal Health Improvement</b>	<b>LED</b>	2 000 000.00
<b>Total</b>		<b>16 400 000.00</b>

## 7. LOCAL ECONOMIC DEVELOPMENT & DEVELOPMENT PLANNING PROJECTS FOR 2012/13

Project Description		Budget 2012/13
<b>LOCAL ENONOMIC DEVELOPMENT UNIT</b>		
LED Support Fund		
<b><u>Forestry Programmes</u></b>		
Wood Cluster	Tree Nursery	
	Charcoal Manufacturing – Sakhisizwe	
	Charcoal Manufacturing - Engcobo	
<b><u>SMME Programmes</u></b>		
SMME Support and Development Programmes		
Cooperatives Support		
<b><u>Heritage Development</u></b>		
Sabalelel Multi Purpose		
Liberation Heritage Route		
Chris Hani Month		
<b><u>Tourism Planning</u></b>		
Destination Management & Marketing		
Tourism SMME Support		
Tourism Institutional Framework		
<b><u>Livestock Improvement &amp; Marketing</u></b>		
Livestock Improvement & Marketing Programmes	Teba Partnership	
	Zulukama Partnership	
	Shearing Sheds	
	Handling Facility	
	Auction Pans	
<b>Irrigation Schemes</b>		

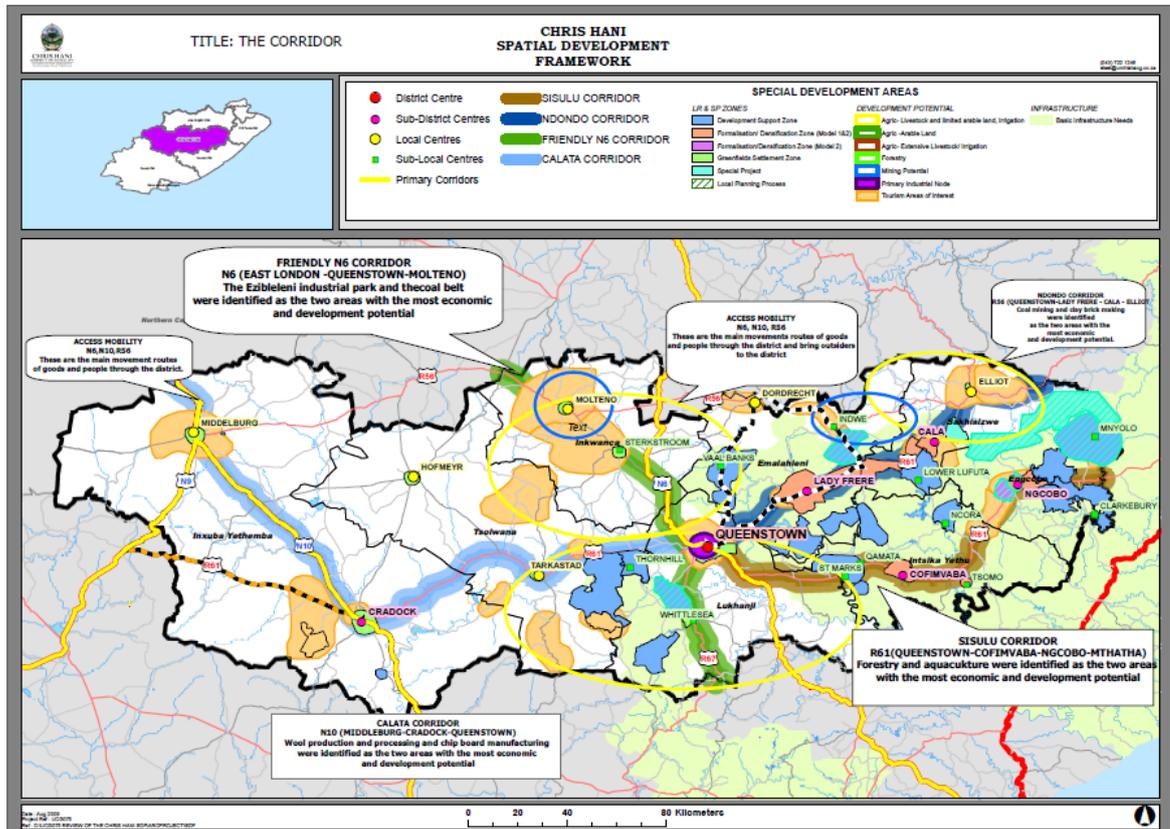
	Ncorha	
	Qamata	
	Bilatye	
	Shiloh	
<b>Crop Production</b>		
	Massive Food Project	
	Ncedisizwe Secondary Co-op	
	Emalahleni Sorghum Production	
<b><u>Value Adding Initiatives</u></b>		
Cala Abattoir		
Cheese Factory		
Milling Plant		
Other Processing Facilities		
<b>DEVELOPMENT PLANNING UNIT</b>		
<b><u>Town Planning</u></b>		
Small Town Revitalisation		
Spatial Planning Support		
SDF Review		
<b><u>Development Planning</u></b>		
Integrated Development Plan		
<b>HUMAN SETTLEMENT UNIT</b>		
Capacitating of Emerging Contractors		
Support to Brick Makers		
<b>DEVELOPMENT AGENCY</b>		
Support to CHDM Development Agency		
<b>DEVELOPMENT OF IPED STRATEGIES AND POLICIES</b>		<b>(inclusive in budget)</b>

Development of Policy on Informal Traders	
Forestry Strategy	
Review of Integrated Agricultural Strategy	
<b>TOTAL INTERNAL FUNDING FOR IPED</b>	

# CHAPTER 4

## CHDM SPATIAL DEVELOPMENT FRAMEWORK ANALYSIS

### SPATIAL DEVELOPMENT FRAMEWORK



In accordance with the legislation requirements that are governing municipal planning, Chris Hani District municipality has embarked in a minor review of its District Spatial Development Framework of 2011. The review is seen to consolidate and extend significantly the extensive review that was undertaken in 2011 as part of the Integrated Development Planning (IDP) process in 2012/13. The district SDF spatially represents the developmental direction and approach of the institution that was adopted through its Regional Economic Development Strategy (REDS) that identified the use of corridors to align development initiatives within the district. This approach further required the identification of developmental nodes and developing a hierarch category based on their functions.

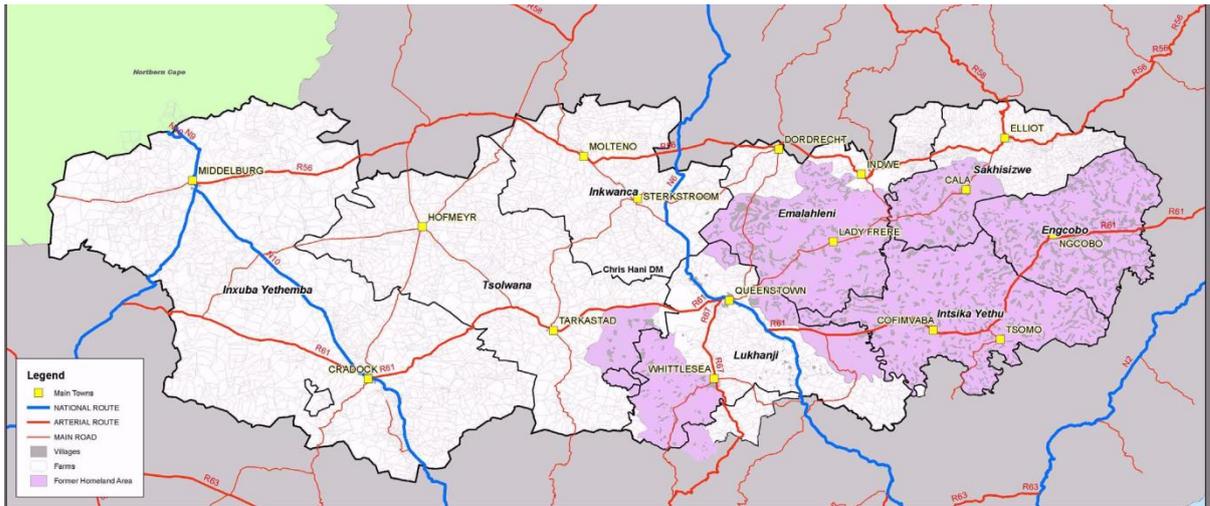
These nodes were distinguished.

Due to the nature of the district, this SDF acts as framework guide for development approaches for local municipalities within the district. It further provides detailed study of the key development centres, categorising them into District Centres, Sub- District Centres, Local Centres and Sub-local Centres.

#### Locality Context

The Chris Hani District municipality is the central to the Eastern Cape Province. It lies south of the Joe Gqabi District Municipality. It is flanked by the Cacadu District Municipality to the south west, the Amatole District Municipality to the south and south east and OR Tambo District to the East.

From the east to the west the district measures 366 km, north to south 130km and it measures 36,558km<sup>2</sup> in extent.



The Chris Hani District is comprised of three historically distinct areas, the result of which is seen in the spatial development of the district.

The former Ciskei – made up of Hewu and Glen Grey magisterial district – and the former Transkei – which includes primarily the districts of Ngcobo, Cala, Cofimvaba, Tsomo and Lady Frere magisterial districts –are characterised by significant underdevelopment and high level of poverty. This primarily due to historical policies which saw such areas as providing migrant labour to the former Republic of South Africa, while ensuring the dependents remain settled within the homelands.

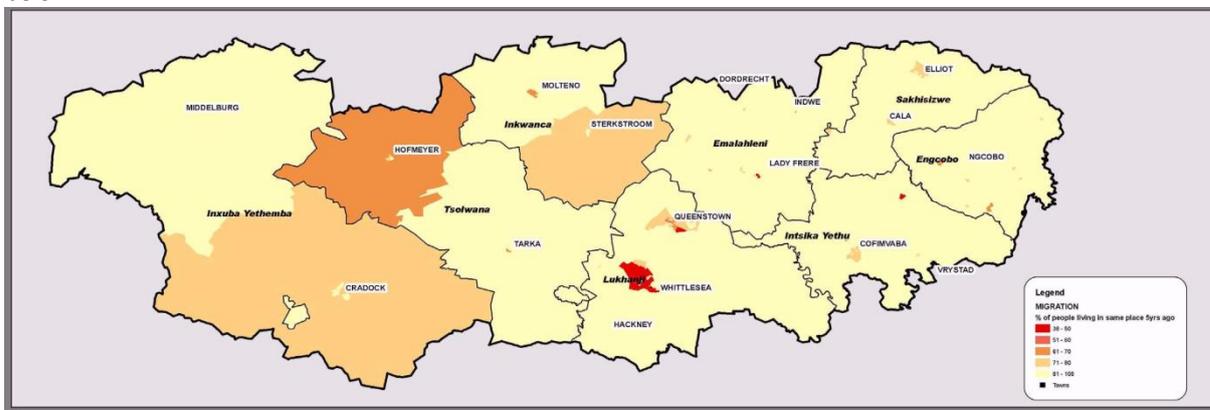
The balance of the Chris Hani District Municipality area is made up of former RSA magisterial districts, which were administered under the Stormberg and Midlands Regional Services Councils. These areas are generally characterised by a higher level of services and comparatively more affluent population.

### Challenges to urban planning

#### 1. Migration

There is evidence of both migrations between the District and Major Metropolitan centres and within the District itself.

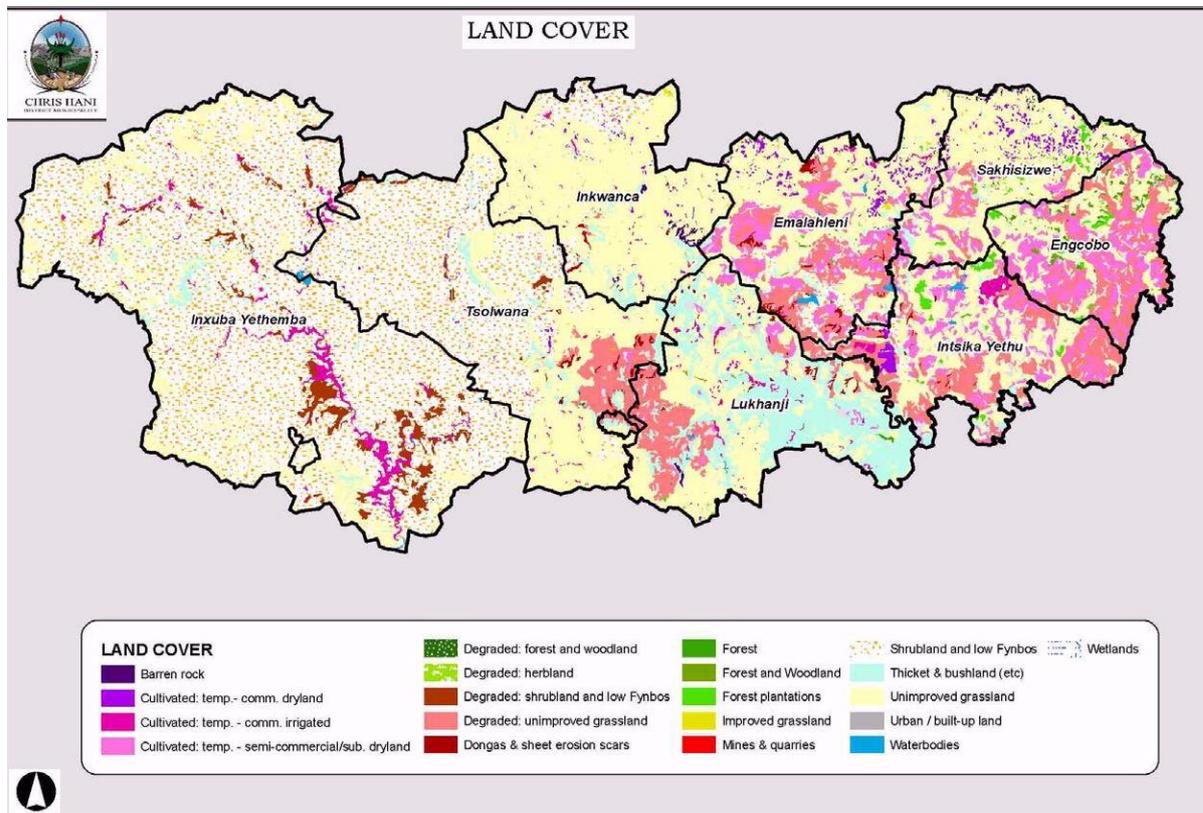
The migration of males to look for work in major metropolitan areas is evident by the fact that women head 58% of households in Chris Hani District Municipalities. According to the community Survey, 2007 the level of out-migration from the Eastern Cape is 23%. This is the highest in the country. This high rate of migration patterns is attributed to a combination of limited local economy, access to tertiary education and significant challenges in local services infrastructure and delivery. Refer to the figure below.



Out- migration does not just occur outside the district, but also occurs from rural areas to the District's towns.

## Land cover

The land cover pattern is largely determined by topographical and climatic factors. However past political engineering; current tenure arrangements and population densities have impacted on the type of land cover. The land classifications that dominate the Chris Hani DM are shrubland and low fynbos, covering 38% of the total area of the DM, followed by unimproved grassland (33%).



### 1. Urban Built Up Areas

Most of the towns are developing without any strategic direction; peri-urban areas have developed close to the town itself, which is functionally part of the town.

Within the overall urban structure of Chris Hani DM, the Central Business Districts of all towns are of great current and potential strategic importance for transportation, business, commercial and service activities. CBD regeneration was identified as a major local economic development opportunity by the CHDM. The CBD's of the former homelands towns experience structural problems. Queenstown is identified as a strategic Development Zone in the Provincial Spatial Development Plan. This is where most goods and services and higher order infrastructure are located. The secondary urban areas within the District are Cradock and Middleburg. Here, fewer goods and services are available, and a generally lower level of infrastructure and housing is found than is the case in Queenstown.

### 2. Conservation Areas

Three conservation areas are under the direct control of the municipality, namely Koos Ras (Inkwanca), Lawrence de Lange (Lukhanji) and Longhill (Lukhanji). In Addition, a national Park (mountain Zebra National park), a number of private nature reserves and three natural heritage areas are located, at least in part, within the CHDM. There is also the Provincial Tsolwana Game Reserve, and an LED project, the Masizakhe Game Farm.

### 3. Forestry

There are vast forestry resources located in and around Intsika Yethu, Sakhisizwe and Ngcobo including existing sawmill infrastructure near Cofimvaba and Ngcobo. Plantation forestry is the foundation for

number downstream processing activities. The value chain for the overall wood cluster consists of three segments, namely; forestry, milling and furniture manufacturing.

**4. Farming Areas**

Commercial Farming is limited to parts of the district that fall within the former “RSA”. These include farming districts of Elliot, Molteno, Sterkstroom, Hofmeyer, Cradock, Tarkastad, Queenstown and Wodehouse. Those regions that were part of the Ciskei and Transkei remain as subsistence farming areas. In recent years, there has been a decline in the contribution of commercial farming to the economy. However, agriculture remains one of the key potential growth sectors. The agricultural strategy has prioritised the following sectors for investment; Agro-processing e.g. Cheese production, livestock farming particularly goats and cattle and high value crop production e.g. hydroponics and bio-fuels.

**5. Game Farming**

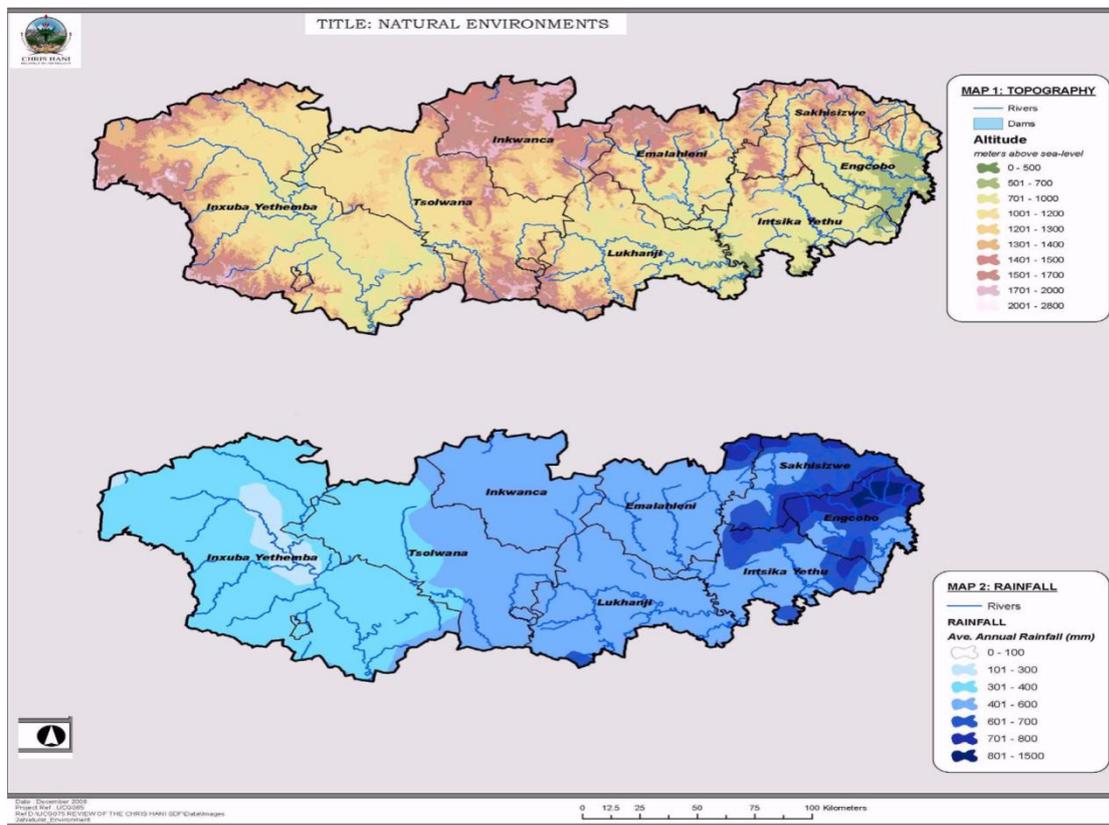
The western part of the region is increasingly turning to game farming especially in the areas around Cradock, Tarkastad and Molteno. The District Municipality has engaged in partnerships with National Wool Growers Associations (NWGA) to improve the quality of wool sheep, develop wool growers associations, train farmers on livestock and veld management and build appropriate infrastructure such as shearing sheds and fences.

**6. Water Surfaces**

Chris Hani is characterised by a number of major dams, which serve the towns and the various irrigation schemes. These include; the Grass ridge Dam, Lake Arthur and Commandodrift Dams near Cradock and Xonxa, Lubisi and Ncora Dams between Lady Frere and Ngcobo.

There are also a number of wetlands, most of which occur in the Inxuba Yethemba municipality. Wetlands occur in the catchments above the Commando Drift, Elands Drift, grassridge, Lake Arthur and Xonxa Dams

**Natural environment**



**1. Topography**

The district is part of what is described as gradual 'step' topography. The 'step' are formed by the Winterberg mountain range in the south and the Stormberg range north of Sterkstroom.

The Stormberg mountain range runs from east to west dividing the area into the high lying Stormberg plateau in the north and the generally lower altitude area in the southernmost section of the area. The altitude of the Compassberg to the west of the Stormberg range is 2502m, whereas the Stormberg plateau is about 1800m above sea level (ASL). The altitude of the lower lying area in the Cofimvaba area is 600m ASL. The greater part of the area lies between 500m and 1000m ASL.

## **2. Temperature**

The temperature is characterised by extremes. During the summer months, the maximum temperature often exceeds 40°C in the lower lying areas in the western (arid) section of the study area. Minimum temperatures in the winter months in the high lying areas are often well below zero and frost is a common occurrence throughout the area. The frost period in most of the area is from mid April to early October. Frost can occur at any time in Molteno as its weather changes from one day to the next. The temperature in the eastern part of the district is a bit more moderate with frost occurring from May to September.

Prevailing winds

During the summer months, the prevalent wind direction in the study area is north-westerly (berg winds) whereas south-easterly to south-westerly winds prevail during the winter months. Wind, however, is not regarded as a limiting factor in the study area.

## **3. Soil**

The district consists mainly of Beaufort sediments intruded by dolerite. These comprise shale, mudstone and sandstone. The soils are poorly developed, shallow or duplex (rocky), which are mostly not suitable for crop production. In the valleys, however, deeper soils do occur. In the Fish River Valley as an example, there are 15 soil forms which the Hutton, Clovelly and Oakleaf forms (Binomial Classification) are dominant.

## **4. Hydrology**

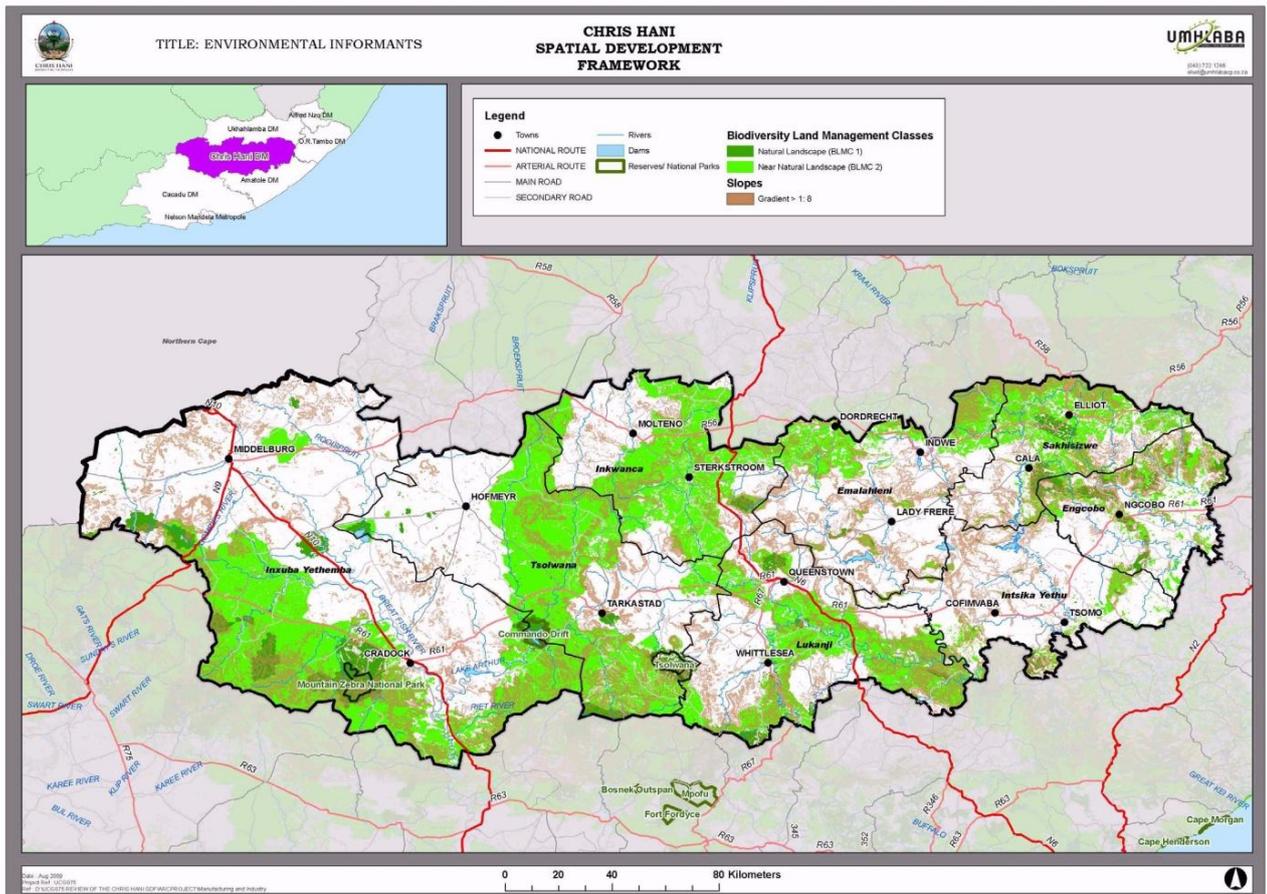
The main drainage systems are the tributaries of the Great Fish, Great Kei River and Mbashe river systems, which drain into the Indian Ocean.

## **5. Rainfall**

This is a summer rainfall area with 70% - 80% of the precipitation occurring during the summer months in the form of thunderstorms often accompanied by hail. The rainfall varies dramatically over the area depending mostly on altitude and distance from the coast. In the western arid areas, the average annual precipitation is between 200mm and 300mm whereas in the eastern high lying areas of Cofimvaba it is 700-800 mm. The greater part of the area is, however, arid to semi-arid and receives less than 400 mm per annum.

## **6. Evaporation**

Evaporation in the District is much higher than the average annual rainfall. The area thus experiences a negative water balance. The evaporation in the arid western area is 2 146 mm per annum, whereas it is approximately 1 700 mm per annum in the Lady Frere and Cofimvaba Districts. This phenomenon complicates crop production as it requires moisture conservation for dry cropping and sophisticated irrigation management.



## TOURISM SECTOR

The tourism sector has been identified in the Chris Hani as a sector with potential growth. An integrated Tourism Plan for Chris Hani DM has been undertaken on order to establish the tourism trends and opportunities in the Municipal Area and to guide the tourism strategy for the whole district.

The following was identified as the Tourism products for the district

- Nature-based attractions and activities: National Park, nature reserves, game reserves, geological features, karoo experiences, palaeontology-based attractions (fossils etc), farm stays and activities;
- Heritage-based attractions and activities: the built heritage in the towns (architecture), the cultural heritage, liberation heritage, rock art;

### Tourism Clusters

Three Tourism Clusters were identified in the Integrated Tourism Plan

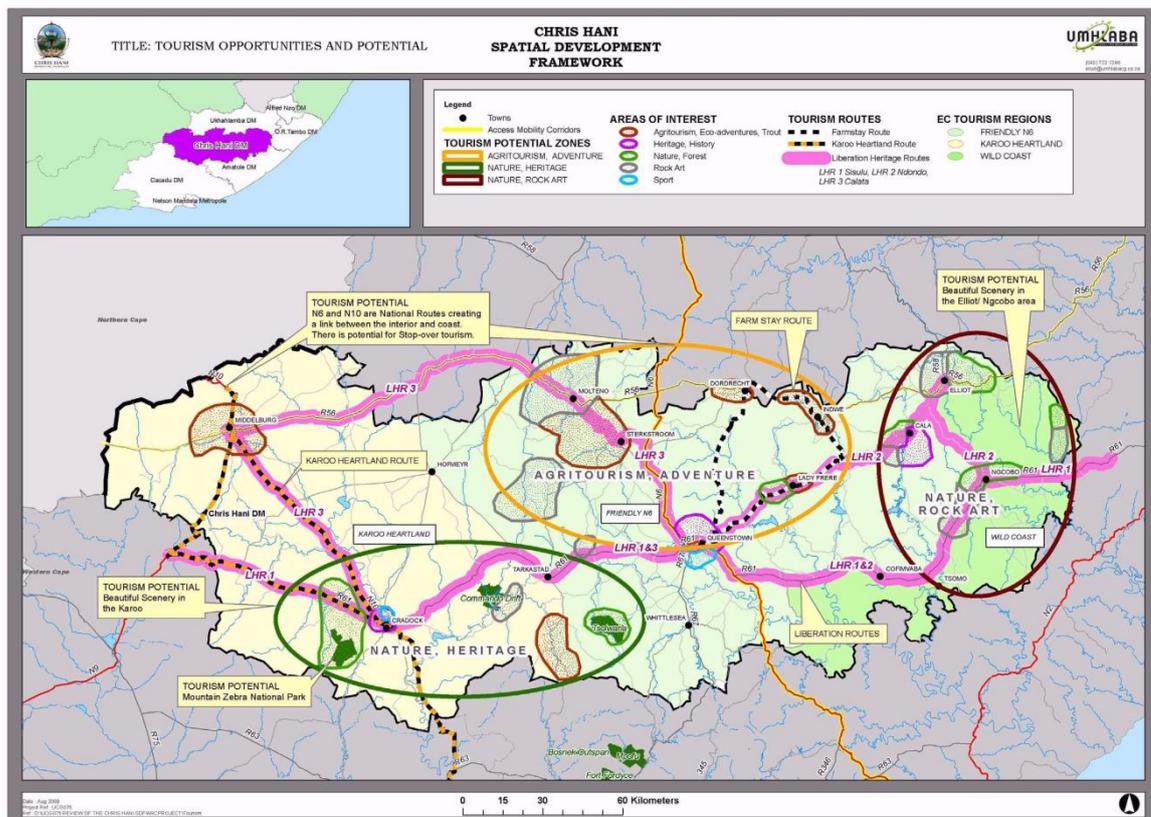
- Natural and heritage based tourism in the South Western Section of the district. This area incorporates the Tsoiwana and commando Drift Nature Reserves and mountain Zebra National Park. It is part of the Karoo heartland with its beautiful scenery. There are a number of heritage sites in the area, with the Sisulu liberation route transcending this cluster.
- Agri-tourism and adventure based tourism centred around the N6 incorporating the towns of Queenstown, Lady Frere, Molteno, Dordrecht, Indwe and Sterkstroem.
- Nature and Rock Art based tourism in the eastern section of the District.

**Tourism Routes**

The Liberation Heritage Routes (LHR). The Sisulu (LHR1 – Queenstown → Cofimvaba → Tsomo → Ngcobo), Calata (LHR2 - Queenstown → Lady Frere → Cala → Elliot → Indwe → Dordrecht), Ndondo (LHR3 - Middelberg → Queenstown → Hofmeyr → Takastad → Cradock) and Friendly N6 (LHR4 - Queenstown → Molteno → Sterkstroom → Middelberg)

- Liberatin Heritage routes transect the District.
- Farmstay Route. This is a circular routes from Queenstown, incorporating the towns of Lady Frere, Indwe and Dordrecht.
- The Karoo Heartland Route. Follows the National Routes through the Karoo.

The above features are illustrated on the Plan below.



**Manufacturing and industry**

The revamping of industry and growing the manufacturing sectors especially in the agro-processing and Timber processing sector are seen as the key areas for local Economic development growth.

Queenstown is the major industrial area in CHDM. The infrastructure and services need to be in place to support the industries in Queenstown and to allow for expansion where necessary.

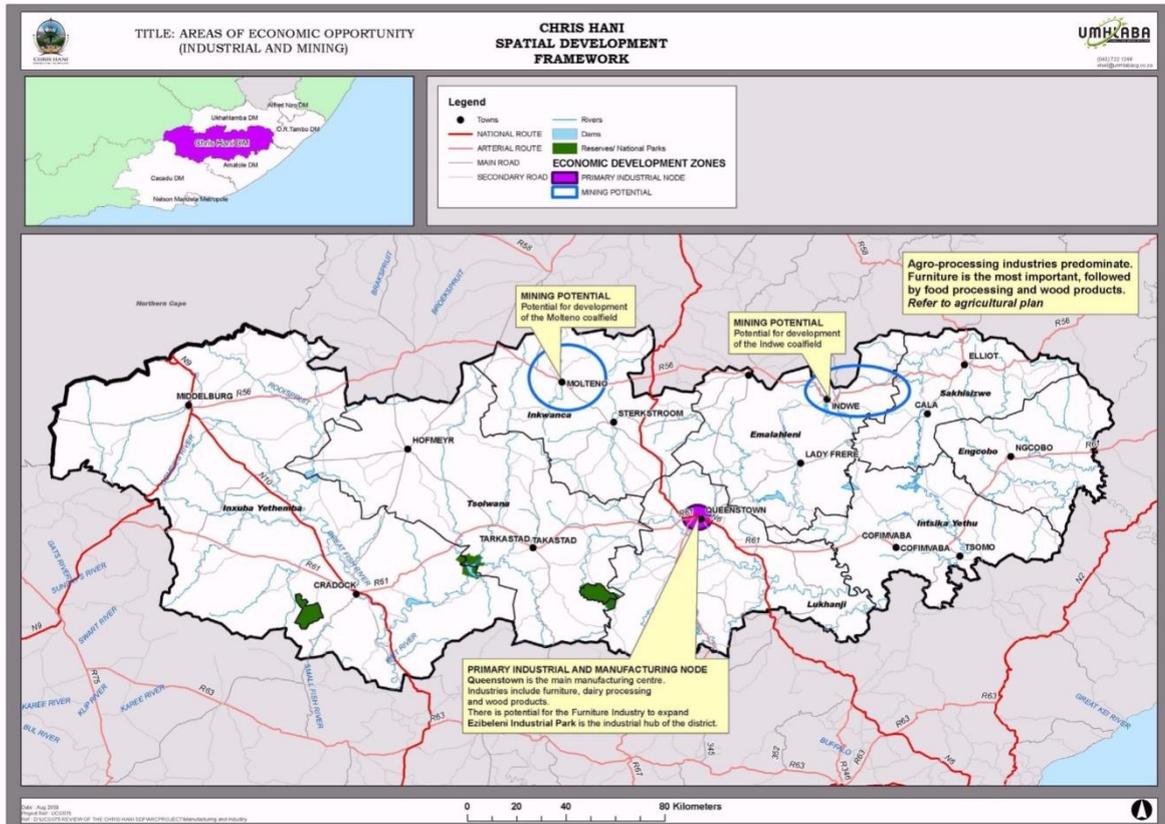
A cluster approach is being adopted where processing /manufacturing of raw material is happening near the source of production. For Example Agro-processing plants at Qamata, Cradock. Lady Frere, Dordrecht to process biodiesel, sorghum, maize, vegetables, milk and cheese.

## Mining Clusters

Two mining clusters have been identified:-

- The Coal mining in the Indwe Area
- The Coal mining and brick making in the Molteno area

These resources as well as other natural resources have to be developed to their full potential



## AGRICULTURE AND FORESTRY

In the comparative and competitive advantage study undertaken in the regional economic Development Strategy (REDS), the broadly defined agriculture sector and timber production and related value-adding activities were clearly identified as the sectors that have the most economic development potential in the district. The agricultural strategy has prioritised the following sectors for investment:

- Livestock production and agro- product processing
- High value crop production
- Timber and its processing

The eastern part of ChrisHani DM has the most potential for agriculture and forestry because of the climatic and physical endowments e.g. rainfall, soil type etc.

The following agriculture projects and resources are located in the Eastern part of the CHDM.

- Irrigation and agriculture from Xonxa Dam, Lubisi Dam and Ncora Dam
- ASGISA driven agricultural projects i.e. fruit growing in the Cofimvaba and Cala areas and livestock production in Sakhisizwe and Engcobo LM's
- Forestry in the mountainous areas north of Ngcobo

# **CHAPTER 5**

## **SECTOR PLANS**

The Situational Analysis has been conducted on all CHDM sector plans it has been discovered that some sector plans are still relevant and others are to be developed some from stretch whilst others just need a minor review and update.

CHDM SECTOR PLANS	YEAR ADOPTED	2012/13 REVIEW	KEY ISSUE
Regional Economic Development Strategy	2009	2011/12 reviewed	The strategy acknowledges our rural situation and therefore advocates for promotion of rural urban equity in infrastructure development, services expansion and stimulation of economic opportunities.
Corridor Development Plan	2012	No	“The Corridor plan is based on ward profiles that identify communities with common synergies, relation and connection or similarities of economic activities in terms of sector programmes which cut across from ward to ward, wards to local municipalities, Local Municipalities to District Municipalities and District Municipalities to the Province.
SMME Development Strategy	2007	2012/13 be reviewed	It is an attempt to address constraints related to the legal and regulatory environment; market access; access to finance and suitable business premises; the acquisition of skills and managerial expertise; access to appropriate resources and technology; the quality of infrastructure, especially in poverty and rural areas; bureaucratic hurdles for SMME’s to benefit.
Integrated Agricultural Strategy	2007	2012/13 Developed from stretch	Revitalisation of Irrigation Schemes, livestock improvement and development, Agro-processing, high value crop production are the key issues within the strategy.
Tourism Integrated Plan	2010	-	That the district has access to major routes N6 and N10 and R61 and that competitive advantage be utilised. Resurrection of LTO’s such as Intsika Yethu LTO, Middleburg Karoo Tourism, Cradock Karoo Tourism, Lukhanji LTO etc.
Environmental Management Plan {EMP}	2010	2012/13 Reviewed	The plan highlights areas of the environment which should be conserved and protected. Animal and vegetation species and cover are mapped and identified. In addition present and future environmental problems are identified per local municipality as well as all renewable resources
Waste Service Development Plan {WSDP}	2011	2011/12 Reviewed	It states that 76% of the total population of CHDM is served with water services whilst 55% is served with sanitation services.
Climate Change Strategy	2010/11		
Housing Development Plan		Developed	The plan will assist to guide and to direct the housing programmes and housing projects within the district when developed.
Integrated Waste Management Plan	2010	2012/13 Reviewed	It makes the recommendation about the development and implementation of a integrated waste management system/plan and intends to build the capacity of all LM’s regarding waste management sites. This is done due to the fact that the majority

			of LM solid waste sites do not comply with legislation, are poorly managed and unlicensed
Disaster Management Policy Framework	2010		
HIV/AIDS Strategy	2008	2011/12 reviewed	
Spatial Development Framework	2011/2012	Yearly reviewer	
❖ Employment Equity Plan	2010	Currently under review	This is an attempt to restore or improve employee's well-being holistically and job performance to acceptable levels with minimal interference in the private lives of individuals.
❖ Workplace Skill Development	2010	Currently under review	This plan is designed to provide opportunities for theoretical and practical learning, culminating in a nationally recognised qualification.
❖ Asset Management Policy		Currently under review	
❖ Virement Policy	2011/12		
❖ Fraud Prevention Plan	2011/12	Currently under review	It is an attempt to combat crime and fraud in the municipality and it further aims to discourage fraudulent/corrupt activities in the municipal order of business.
❖ Communication Strategy	2011/12	Yearly review	
❖ GIS Policy	Never adopted	Reworked	
❖ Risk Management Plan	2011/12	Currently under review	
❖ Performance Management Framework	2009	2011/12 Reviewed	It is there to provide a mechanism for ensuring increased accountability between the communities of Chris Hani district and the municipal council and as well between the political and administrative components of the municipality and between each department and the office of the municipal manager.
<b><u>LIST OF SECTOR PLANS TO BE DEVELOPMENTS by 2012/13</u></b>			
Air Quality Management Plan			
Housing Development Plan			
Integrated Transport Plan			
Forestry Development Strategy			
Cooperative Strategy			

# **CHAPTER 6**

## **CHDM FINANCIAL PLAN**

The purpose of this financial plan is to create the medium-term strategic financial framework for allocating resources through the municipal budgeting process and to ensure the financial viability and sustainability of the Chris Hani district municipality's investments and operations. Other important reasons for developing the financial plan are:

- to ensure a close planning and budgeting link;
- to inform municipal budgeting over tier;
- to facilitate inter-governmental alignment with regard to capital requirements and sources of funding;
- assess financial management arrangement and financial strategy; and
- to outline revenue and expenditure forecast.

The needs and demands of the various communities far exceed the resources available to the municipality. Consequently it is necessary to weigh the competing demands and to prioritize expenditure. In such a process there are always trade-offs and politicians and senior officials need to focus on the poorer areas where the greatest need exists. Without proper financial planning, sustainability and sound financial management will not be achieved. Given the nature of Integrated Development Planning, it will be necessary to revise and update financial strategies on a continuous basis. This will ensure realistic monitoring and the implementation of pro-active adjustments to the status quo.

### **FINANCIALS**

#### **(a) Financial Resources**

For the purpose of this plan, council has considered financial resources for both capital projects and operation purposes. The various resources available to council are summarized below.

#### **Capital expenditure:**

- Internal borrowings using existing funds
- External borrowings
- National government funding – equitable share
- Provincial funding
- National government grants
- Capital markets
- Public / private partnerships
- Disposal of unutilized assets

#### **Operational expenditure:**

- Normal revenue
- Short term borrowings
  - Internal
  - External

## EXECUTIVE SUMMARY OF BUDGET/FINANCIAL PLAN FOR 2012/2013

### OPERATING INCOME

The total estimated Operating Income for the 2012/2013 financial year amounts to R 425,341,135 which is generated from:

* Equitable Share	R 359,914,000
* MSIG	R 1,000,000
* MIG	R 3,000,000
* LG FMG	R 1,500,000
* DWAF Operating	R 16,878,000
* Dept of Transport	R 27 033 635
* Investment Income	R 15,453,500
* Interest on Debtors	R 12,000
* Other Income	R 550,000
<b>Total</b>	<b>R 425,341,135</b>

The amount of R 425,341,135 reflects a decrease of 7.31% on the previous years operating income.

### CAPITAL INCOME

The total estimated Capital Income for the 2012/2013 financial year amounts to R 544,479,000 which is generated from :

* MIG- Projects	R 342,243,000
* BIG – Projects	R 169,405,000
* EPWP – 2013-allocation	R 9,835,000
* EPWP – 2012-allocation	R 16,400,000
* Rural Transport	R 1,776,000
* Accel Comm Infr Programmes	R 4,820,000
<b>Total</b>	<b>R 544,479,000</b>

The amount of R 544,479,000 reflects a decrease of 19.2% on the previous years capital income approved budget.

### OPERATING EXPENDITURE

The total estimated expenditure for the 2012/2013 financial year amounts to R 425,341,135 which derives from :

* Salaries and allowances	R 142,172,390
* Remuneration of Councilors	R 6,668,431
* Collection Costs	R 6,457
* Depreciation	R 3,084,800
* Interest paid	R 2,000,000
* Repairs and Maintenance	R 1,030,238
* Bulk Purchases	R 5,230,000
* Contracted Services	R 2,796,000
* Grants and Subsidies	R 143,579,261
* General Expenses	R 52,440,692
* Equitable Share funded programmes	R 50,000,000
* Conditional grants- programmes	R 13,500,000
* Asset Finance Reserve	R 2,833,025
<b>Total</b>	<b>R 425,341,135</b>

The amount of R 425,341,135 reflects a decrease of 7.31% on the previous year's Operating expenditure.

### CAPITAL EXPENDITURE

The total estimated capital expenditure for the 2012/2013 financial year amounts to R 544,479,000 which derives from :

* MIG- Projects	R 342,243,000
* BIG – Projects	R 169,405,000
* EPWP- Projects	R 9,835,000
* EPWP – Projects	R 16,400,000
* Rural Transport- Projects	R 1,776,000
* AccelComm Infr Programmes	R 4,820,000
<b>Total</b>	<b>R 544,479,000</b>

The amount of R 544,479,000 reflects a decrease of 19.2% on the previous year's expenditure.

### EXPLANATORY NOTE

Remedial action such as cost cutting exercises, aligning of programmes to priority issues (CHDM turnaround objectives); and review of programmes in terms of our functional mandates must be undertaken.

The overall negative growth of 20 % is attributed to reversal of the deficit that was budgeted for in 2011-2012 budget. However employee related costs have increased by 10.2%, including Councilor remuneration and General Expenses have decreased.

Headline Consumer Price Index (CPI) applied in the 2012/2013 MTREF is 5.9%, 5.3% and 4.9% respectively for the 3 year period. The levels are within the NT and SARB CPI projections (3% to 6% range). Budgetary allocations within the current financial year (2012/2013) were largely based on a CPI level of 5.9%.

CHRIS HANI DISTRICT MUNICIPALITY OPERATIONAL BUDGET	2012 / 2013	2013 / 2014	2014/ 2015
	DRAFT BUDGET	DRAFT BUDGET	DRAFT BUDGET
<b>GRAND TOTAL - CHRIS HANI DISTRICT MUNICIPALITY</b>			
<b>EMPLOYEE RELATED COSTS - WAGES AND SALARIES</b>			
SALARIES AND WAGES	90 655 981	96 004 684	100 708 913
SERVICE BONUS	7 425 502	7 863 606	8 248 923
LONG SERVICE BONUS	628 854	665 957	698 589
HOUSING SUBSIDY	2 144 910	2 271 460	2 382 762
ENTERTAINMENT ALLOWANCE	0	0	0
TRAVELLING ALLOWANCE	13 568 887	14 369 451	15 073 554
TELEPHONE ALLOWANCE	1 440 894	1 525 907	1 600 676
SPECIAL ALLOWANCE	0	0	0
<b>SUB TOTAL: EMPLOYEE RELATED COSTS - WAGES AND SALARIES</b>	<b>115 865 028</b>	<b>122 701 064</b>	<b>128 713 417</b>
<b>EMPLOYEE RELATED COSTS - SOCIAL CONTRIBUTIONS</b>			
CONTRIBUTION - PENSION FUND	15 960 789	16 902 476	17 730 697
CONTRIBUTION - MEDICAL AID	6 345 438	6 719 819	7 049 090
CONTRIBUTION - GROUP LIFE INSURANCE	868 412	919 648	964 711
UNEMPLOYMENT INSURANCE	648 180	686 423	720 057
INDUSTRIAL COUNCIL LEVY	40 880	43 292	45 413
WORKMEN'S COMPENSATION INSURANCE	969 833	1 027 053	1 077 379
SKILLS DEVELOPMENT LEVY	1 473 670	1 560 616	1 637 087
<b>SUB TOTAL: EMPLOYEE RELATED COSTS - SOCIAL CONTRIBUTION</b>	<b>26 307 202</b>	<b>27 859 327</b>	<b>29 224 434</b>
<b>REMUNERATION OF COUNCILLORS</b>			
COUNCILLOR ALLOWANCE	4 960 863	5 253 554	5 510 978
FACILITY ALLOWANCE	0	0	0
TRAVELLING ALLOWANCE	1 448 582	1 534 048	1 609 217

TELEPHONE ALLOWANCE	258 986	274 266	287 705
HOUSING ALLOWANCE	0	0	0
<b>SUB TOTAL: REMUNERATION OF COUNCILLORS</b>	<b>6 668 431</b>	<b>7 061 868</b>	<b>7 407 900</b>
<b>COLLECTION COSTS</b>			
COMMISSION ON COLLECTIONS	5 000	5 295	5 554
LEGAL FEES	0	0	0
<b>SUB TOTAL: COLLECTION COSTS</b>	<b>5 000</b>	<b>5 295</b>	<b>5 554</b>
<b>DEPRECIATION</b>			
DEPRECIATION ON ASSETS	3 084 800	3 266 803	3 426 877
<b>SUB TOTAL: DEPRECIATION</b>	<b>3 084 800</b>	<b>3 266 803</b>	<b>3 426 877</b>
<b>REPAIRS AND MAINTENANCE - MUNICIPAL ASSETS</b>			
GROUNDS AND BUILDINGS	460 000	487 140	511 010
FURNITURE, TOOLS AND EQUIPMENT	73 438	77 771	81 582
PLANT AND MACHINERY	46 800	49 561	51 990
RADIO EQUIPMENT	0	0	0
VEHICLES	450 000	476 550	499 901
<b>SUB TOTAL: REPAIRS &amp; MAINTENANCE - MUNICIPAL ASSETS</b>	<b>1 030 238</b>	<b>1 091 023</b>	<b>1 144 483</b>
<b>BULK PURCHASES</b>			
ELECTRICITY	0	0	0
WATER	5 230 000	5 538 570	5 809 960
<b>SUB TOTAL: BULK PURCHASES</b>	<b>5 230 000</b>	<b>5 538 570</b>	<b>5 809 960</b>
<b>CONTRACTED SERVICES</b>			
CONSULTANTS FEES	2 260 000	2 393 340	2 510 614
SECURITY COSTS	500 000	529 500	555 446
CASH-IN-TRANSIT SERVICES	36 000	38 124	39 992
<b>SUB TOTAL: CONTRACTED SERVICES</b>	<b>2 796 000</b>	<b>2 960 964</b>	<b>3 106 051</b>

<b>GRANTS AND SUBSIDIES PAID</b>			
EMALAHLENI LM	21 546 128	22 817 350	23 935 400
ENGCOBO LM	24 027 808	25 445 449	26 692 276
INKWANCA LM	6 047 152	6 403 934	6 717 727
INTSIKA YETHU LM	25 703 987	27 220 522	28 554 328
INXUBA YETHEMBA LM	14 957 080	15 839 548	16 615 686
LUKHANJI LM	32 607 023	34 530 838	36 222 849
SAKHISIZWE LM	12 527 928	13 267 076	13 917 162
TSOLWANA LM	6 467 912	6 849 519	7 185 145
DONATIONS	70 000	70 000	70 000
PROBLEM ANIMAL CONTROL	60 000	60 000	60 000
TOURISM	145 200	145 200	145 200
<b>SUB TOTAL: GRANTS AND SUBSIDIES PAID</b>	<b>144 160 218</b>	<b>152 649 434</b>	<b>160 115 772</b>
<b>GENERAL EXPENSES - OTHER</b>			
ADVERTISING	1 742 600	1 845 413	1 935 839
AUDIT FEES	7 474 632	7 915 635	8 303 501
APPROVED COURSES	790 000	836 610	877 604
BANK CHARGES	300 000	300 000	300 000
CLEANING AND CLEANING MATERIAL	500 000	640 695	672 089
COMMUNICATION (RADIO & OTHER)	2 020 000	2 139 180	2 244 000
COMPUTER SERVICES	1 400 000	1 482 600	1 555 247
CONFERENCES AND VISITS	1 500 000	1 588 500	1 666 337
EDUCATION & MARKETING	500 000	529 500	555 446
ENTERTAINMENT	747 893	792 019	830 828
ESTATES - ELECTRICITY	5 867 870	6 214 074	6 518 564
ESTATES - RATES	800 000	847 200	888 713

ESTATES - SEWERAGE	100 000	105 900	111 089
FUEL AND OIL	800 000	847 200	888 713
HEALTH & SAFETY TRAINING AND AWARENESS	200 000	689 250	723 023
INSURANCE	1 000 000	1 059 000	1 110 891
JOB EVALUATION	1 500 000	1 588 500	1 666 337
INTEREST- EXTERNAL BORROWINGS	2 000 000	2 118 000	2 221 782
LEGAL EXPENSES	1 200 000	1 270 800	1 333 069
LICENCES	444 300	470 514	493 569
MEETING FEES (AUDIT COMMITTEE)	150 000	158 850	166 634
PAUPER BURIALS	53 348	56 495	59 264
PEST CONTROL	30 000	31 770	33 327
PLANT RENTALS	5 000	5 295	5 554
POSTAGE AND TELEGRAMS	155 000	164 145	172 188
PRESENTATIONS	30 000	31 770	33 327
PROTECTIVE CLOTHING & UNIFORMS	750 000	794 250	833 169
PRINTING AND STATIONERY	1 387 310	1 469 161	1 541 150
PROGRAMMES - CONDITIONAL GRANTS	13 500 000	13 500 000	13 500 000
PROGRAMMES - EQUITABLE SHARE FUNDED	50 000 000	50 000 000	50 000 000
PUBLIC EVENTS - IMBIZOS	1 800 000	1 906 200	1 999 604
PURCHASE OF SAMPLES	1 000 000	1 059 000	1 110 891
RELOCATION OF STAFF	821 000	869 439	912 042
RENTAL - LEASES	366 000	387 594	406 586
RENTS - EXTERNAL	2 500 000	2 647 500	2 777 228
REPEATER RENTAL	30 000	31 770	33 327
SPORTS & RECREATION	70 000	74 130	77 762
STRATEGIC SESSIONS	500 000	529 500	555 446

SUBSCRIPTIONS	1 193 062	1 263 453	1 325 362
SUBSIDIES	0	0	0
SUBSISTENCE AND TRAVELLING	6 244 182	6 612 589	6 936 605
SUNDRIES	73 701	78 050	81 874
SYSTEMS SECURITY & SOFTWARE LICENCING	1 420 824	1 504 653	1 578 381
TELEPHONES	2 744 470	2 906 393	3 048 807
TOURISM EXPENSES	0	0	0
TRACKER SERVICES	0	0	0
TWINING AGREEMENTS	0	0	0
CIRCUMCISION PROGRAMME	0	0	0
O & M - WATER SCHEMES	0	0	0
YEAR END FUNCTIONS	000 150	850 158	634 166
CHRIS HANI MONTH CELEBRATIONS	-	-	-
<b>SUB TOTAL: GENERAL EXPENSES - OTHER</b>	<b>115 861 192</b>	<b>119 521 448</b>	<b>122 251 799</b>
<b>CONTRIBUTION TO PROVISIONS</b>			
LEAVE FUND	0	0	0
TRAINING FUND	1 500 000	1 588 500	1 666 337
INFRASTRUCTURAL SERVICES	0	0	0
<b>SUB TOTAL: CONTRIBUTION TO PROVISIONS</b>	<b>1 500 000</b>	<b>1 588 500</b>	<b>1 666 337</b>
<b>GRAND OPERATIONAL TOTAL FOR CHRIS HANI DISTRICT MUNICIPALITY</b>			
	<b>422 508 110</b>	<b>444 244 297</b>	<b>462 872 583</b>
<b>CONTRIBUTION TO ASSET FINANCING RESERVE</b>			
ASSET FINANCING RESERVE	2 833 025	3 000 173	3 147 182
<b>SUB TOTAL: ASSET FINANCING RESERVE</b>	<b>2 833 025</b>	<b>3 000 173</b>	<b>3 147 182</b>
<b>GRAND TOTAL FOR CHRIS HANI DISTRICT MUNICIPALITY</b>			
	<b>425 341 135</b>	<b>447 244 470</b>	<b>466 019 765</b>

# **CHAPTER 7**

## **PERFORMANCE MANAGEMENT SYSTEM**

**White Paper on Local Government (1998)** The White Paper on Local Government (1998), introduced the practice of performance management for local government as a tool to facilitate their developmental role. Such practice further serves to increase the accountability of the municipality and the trust of the community in such municipality.

**Constitution of the RSA, 1996** The Constitution of the RSA, 1996, Section 152, which deals with the objects of local government, paves the way for performance management with the requirements for an “accountable government”. Many of the democratic values and principles in terms of Section 195(1) of the Constitution can also be linked with the concept of performance management, with reference to the principles of, inter alia, the promotion of the efficient, economic and effective use of resources, accountable public administration, displaying transparency by making available information, being responsive to the needs of the community, and by facilitating a culture of public service and accountability amongst staff.

**Municipal Systems Act, 2000 (Act 32 of 2000)** The Municipal Systems Act, 2000 (Act 32 of 2000) also picks up on these concepts and principles of accountability in Sections 4, 6, and 8. Section 11(3) specifically states that a municipality exercises its executive or legislative authority by, inter alia, “the setting of targets for delivery; monitoring and regulating municipal services provided by service providers; monitoring the impact and effectiveness of any services, policies, programmes or plans; and establishing and implementing performance management systems.”

Chapter 6 of the Systems Act deals specifically with performance management in local government. In terms of Section 38, a municipality must establish a Performance Management System (PMS); promote a culture of performance management among political structures, office bearers & councillors and its administration, and administer its affairs in an economical, effective, efficient and accountable manner. Section 40 stipulates that a Municipality must establish mechanisms with which to monitor and review the PMS. In terms of Section 41, the core components of a PMS are to (i) set Key Performance Indicators (KPIs), (ii) set measurable performance targets (PTs), (iii) monitor performance & measure and review annually, (iv) take steps to improve performance, and (v) establish a process of regular reporting. Section 42 requires that the community, in terms of the provisions of Chapter 4 of the Act, which deals with Public Participation, should be involved in the development, implementation and review of the PMS, and also that the community be involved with the setting of KPIs & PTs for the municipality. In terms of section 43 the general key performance indicators to be applied by all municipalities may be prescribed by regulation. Section 44 stipulates that the KPIs and PTs in the PMS of the municipality must be made known both internally and externally in a manner described by the Council.

In terms of section 45, the results of the performance measurement must be audited as part of the internal auditing processes and annually by the Auditor General. Section 46 also requires that the municipality prepare an annual report consisting of a (i) performance report, (ii) financial statements; (iii) audit report on financial statements; and (iv) any other reports in terms of legislative requirements. This report must be tabled within one month of receiving the audit report. In terms of section 46(3) the Municipal Manager must give proper notice of meetings at which the annual report will be tabled and submit information on same to the Auditor General & the MEC for Local Government. Section 46(4) stipulates that a Municipality must adopt the annual report and make copies available within 14 days, to the Auditor General, the MEC for Local Government and any others as may be prescribed by regulation.

**The Municipal Planning and Performance Management Regulations (No 796, 24 August 2001)** The regulations deal with provisions for the following aspects of the PMS: (a) The framework that describes and represents the municipality’s cycle and processes for the PMS and other criteria and stipulations [S7], and the adoption of the PMS [S8]; (b) The setting and review of Key Performance Indicators (KPIs) [S9 & 11]; (c) The General KPIs which municipalities have to report on [S10], and which include:

- (i) Households with access to basic services

- (ii) Low income households with access to free basic services
  - (iii) Capital budget spent in terms of the IDP
  - (iv) Job creation in terms of the LED programme
  - (v) Employment equity with target groups in the three highest levels of management
  - (vi) The implementation of work skills plan
  - (vii) The financial viability of the municipality.
- (d) The setting of performance targets, and the monitoring, measurement and review of performance [S 12, 13];
- (d) Internal Auditing of performance measurements [S14];
- (e) Community participation in respect of performance management [S15]

**Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers, 2006 (No R. 805, 1 August 2006)**

These regulations seek to set out how the performance of Municipal Managers and Managers directly accountable to Municipal Managers will be uniformly directed, monitored and improved. The regulations include the following: (a) Chapter 2 deals with the requirements and provisions of the employment contracts; (b) Chapter 3 deals with the performance agreements, which must include prescribed Key Performance Areas and Core Competency Requirements. (c) Chapter 4 deals with the content of a Job Description for Municipal Managers.

**1. CORE COMPONENTS OF CHDM PERFORMANCE MANAGEMENT SYSTEM**

**1.1 PERFORMANCE MEASUREMENT**

This measurement framework of the CHDM is established by setting KPA's and clustering development objectives and key development priorities in terms thereof. The next step is to determine KPI's and to link it to performance targets. KPI's define how performance will be measured (e.g. number of households to receive electricity connections). Performance targets on the other hand, identify the results to be achieved within a given time frame ( e.g. 5000 connections by the year 2015)

1) Setting Key Performance Areas

CHDM Performance management system cluster the development priorities and objectives, referred to in section 26(c) of the Systems Act, in respect of at least the following National KPA's.

- Institutional transformation and organisational development
- Financial viability and management
- Local Economic Development
- Service Delivery
- Good governance and public participation

2) Setting Key Performance Indicators

KPI's are management tools, which assist in making performance based decisions regarding strategies and activities. They define how performance will be measured along a scale or dimension e.g. number of houses to be built. CHDM uses KPI's to communicate the achievements and results of the Council for a specific period, to the relevant stakeholders, such as the community – therefore they enhance accountability by the Council to its electorate.

In setting up KPI's the municipality satisfies itself that they are consistent with the following principles:

- Measurability;
- Relevancy;
- Simplicity; and
- Precision

### 3) Setting Performance Targets

CHDM is expected to set targets for each identified KPI, as part of the performance measurement process. Performance targets are required to be SMART ( Specific, Measurable, Achievable, Relevant and Timebound). The performance targets of the municipality are set out to be achieved over the next five years and each financial year – and performance will be measured according to whether targets for each indicator are met consistently.

## 1.2 PERFORMANCE MONITORING AND EVALUATION

Performance Monitoring and Evaluation are processes aimed at assessing the performance of the Municipality, municipal staff and external contractors. CHDM is required on a regular basis to monitor and evaluate its performance against the set KPI's and performance targets. Such monitoring and evaluation allows the municipality to:

- Ensure the implementation of its plans and programmes
- Measure the development impact
- Ensure the efficient utilisation of resources and
- Assess the performance and that of department, and individual

### 1) Public Participation

Performance monitoring and evaluation process of the municipality is not an exercise which is done behind closed doors until such results are finalised and made public ( i.e. during the performance reporting phase).

### 2) Performance Monitoring

According to the CHDM Framework, performance monitoring is an ongoing process to determine whether performance targets are being met and broader development objectives are being achieved – involves the measurement of particular KPI's AND tracking performance overtime. In performing this function, CHDM ensure that right information is obtained, and that this information is not manipulated to produce misleading results.

### 3) Performance Evaluation

Performance Evaluation is regarded as a deeper process of analysis. It occurs during key points, e.g. on an annual and quarterly basis. CHDM Performance evaluation process doesn't just look at whether a municipality is performing adequately – it also analyses why there is underperformance or what the factors were that allowed good performance in a particular area. Information gathered through monitoring and evaluation is utilised by:

The Public – to hold municipality accountable for promised performance targets

Councillors – to enable them to measure the effectiveness of the administration

The Municipality – to adjust strategies, plans and projects if necessary

## 1.3 PERFORMANCE AUDITING

CHDM Regards Performance auditing as a key element of the monitoring and evaluation process which involves verifying that the measurement mechanisms are accurate and that proper procedures are followed to evaluate and improve performance. CHDM is required to submit its performance results to be audited as part of the municipality's internal auditing process in terms of S45 of the Act and annually by external auditors.

In addition to verifying the results of the measurement exercise, the auditors also verify the accuracy of the measurement methods.

#### **1.4 PERFORMANCE REPORTING**

CHDM is required to prepare an annual report which will reflect the performance of the municipality during the financial year and a comparison between performance targets and performance achieved in the previous financial year, financial statements for the financial year, the audit report and other reporting requirements as stipulated in the legislation.

CHDM is obliged to present the report to the community for discussions, followed by adoption by the Council and submitted to the MEC.

## **2. Chris Hani District Municipality Perspective**

In accordance with the Policy and Legislative rationale, the following is a diagrammatic illustration of how CHDM System works:

**GLOSSARY OF TERMS**

ABET	Adult Based Education and Training
ABSA	Amalgamated Banks of South Africa
AG	Auditor-General
AIDS	Acquired Immune Deficiency Syndrome
CBO	Community Based Organization
CPF	Community Policing Forum
CSIR	Council for Scientific and Industrial Research
DBSA	Development Bank of South Africa
DEAT	Department of Tourism, Environment and Economic Affairs
DEDEA	Department of Economic Development & Environmental Affairs
DFA	Development Facilitation Act No 67 of 1995
DHS	District Health System
DRDLR	Department of Rural development & Land Reform
DLG & TA	Department of Local Government & Traditional Affairs
DM	District Municipality
DIMAFO	District Mayors Forum
DME	Department of Mineral and Energy
DARD	Eastern Cape Department of Agriculture & Rural Development
DoE	Department of Education
DoH	Department of Health
DoSD	Department of Social Development
DoT	Department of Transport
COGTA	Department of Co-operative Governance & Traditional Affairs
DPSS	Department of Public Safety and Security
DRPW	Department of Roads & Public Works
DSAC	Department of Sport, Arts and Culture
DWA	Department of Water Affairs
DAFF	Department of Agriculture, Forestry & Fisheries
ECA	Environmental Conservation Act
EIA	Environmental Impact Assessment
ES	Equitable Share (grant)
FBO	Faith Based Organizations
ECDC	Eastern Cape Development Corporation
PGDP	Provincial Growth & Development Plan
GCIS	Government Communication and Information Systems
GGP	Gross Geographic Product
GIS	Geographical Information System
GTZ	German Technical Cooperation
GVA	Gross Value Added
HDI	Human Development Index
HIV	Human Immune Deficiency Virus

HR	Human Resource
IDC	Independent Development Corporation
IDP	Integrated Development Plan
IDT	Independent Development Trust
ICT	Information Communication Technology
ITP	Integrated Transportation Plan
IWMP	Integrated Waste Management Plan
JOC	Joint Operational Centre
LDO	Land Development Objectives
LED	Local Economic Development
LSA	Local Service Area (Primary Health)
MAYCO	Mayoral Committee
MEC	Member of the Executive Committee
MIG	Municipal Infrastructure Grant
MFMA	Municipal Finance Management Act
MSIG	Municipal Support & Institutional Grant
MSyA	Municipal Systems Act, 2000
MStA	Municipal Structures Act, 1998
NDC	National Development Corporation
NDP	National Development Plan 2013
NEMA	National Environmental Management Act
NER	National Electrification Regulator
NGO	Non Governmental Organizations
NSS	National Sanitation Strategy
PATA	Promotion of Administrative Justice Act
PMS	Performance Management System
PPP	Public Private Partnership
RDP	Reconstruction and Development Programme
REDs	Regional Electricity Distributors
SADC	Southern African Development Community
SALGA	South African Local Government Association
SANDF	South African National Defense Force
SAPS	South African Police Service
SGB	School Governing Body
SMME	Small, Medium and Micro Enterprises
STDs	Sexual Transmitted Diseases
TB	Tuberculosis
UYF	Umsobomvu Youth Fund
VAT	Value Added Tax
VIP	Ventilated Improved Pit (dry sanitation facility)
WSDP	Water Services Development Plan
ASGISA	Accelerated and Shared Growth Initiative of South Africa
BDS	Business Development Services

CASP	Comprehensive Agriculture Support Programme
CHARTO	Chris Hani Regional Tourism Organisation
CHDM	Chris Hani District Municipality
RTP	Responsible Tourism Planning
SLA	Service Level Agreement
SMME	Small Medium and Micron Enterprises
SOE	State Owned Enterprises
SoR	State of Environment Report
Statssa	Statistics South Africa

**IDP APPROVAL**

The process of approval for this Final Draft 2012/2017 IDP involved a series of consultative meetings with all stakeholders including: all municipalities within CHDM, representative forum members, sector departments, internal departments and some comments from MEC for Local Government. Before the Council approving this Final Draft 5 Year IDP document on the 30<sup>th</sup> May 2012, the stakeholders were given an opportunity to make comments on the document as advertised on Dailly Disptch, Herald, Eastern Cape Today and The Rep. When comments are received after 21 days from various interests groups, the drafting team then considers their comments and amend the document accordingly for Final Council adoption.

**DECLARATION OF 2012- 2017 IDP ADOPTION**

**SIGNATURE**



.....

**N. NQWAZI**  
**ACTING MUNICIPAL MANAGER**

30/05/2012

**DATE**



.....

**Clr M KOYO**  
**EXECETIVE MAYOR**

30/05/2012

**DATE**

## **ORGANOGRAM**