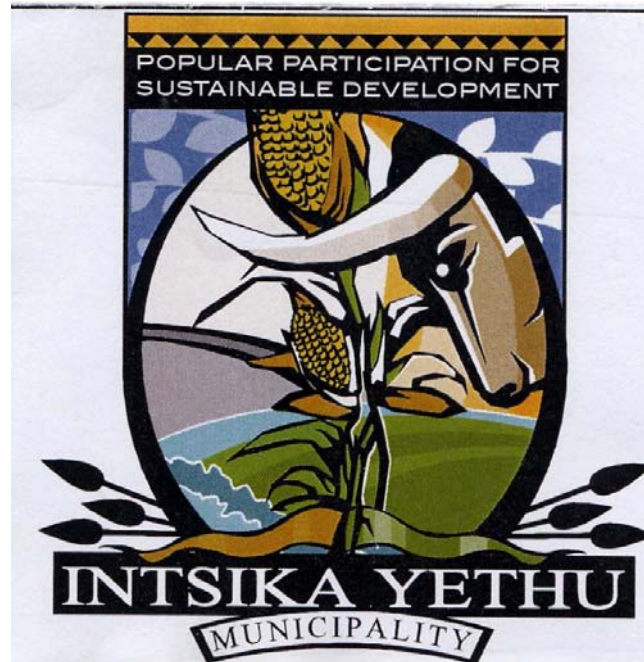


INTSIKA YETHU MUNICIPALITY



ANNUAL REPORT

2011/2012

MAYORS FOREWORD

Vision

Intsika Yethu Local Municipality “Vision” Statements

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

PRINCIPLES OF THE VISION

Intsika Yethu Municipality adopts the “Batho Pele Principals” together with other underlying principals aligned to this value framework, which include the following: Democracy, as realised through consultation, transparency and accountability, respect and courtesy, receptiveness; quality services, redress and value for money.

The municipality in consultation with its local communities, as part of its council and IDP representative processes, adopted the following set of values, in line with the above. These values are to guide how the municipality performs its mandate, as well as how it interacts with those who remain the owners of development.

To be responsive to the needs of citizens and partner-local municipalities

To be transparent, accountable and participate in our dealings with each other and our partners

To cultivate a work ethic focused on performance, achievement and results

To promote and pursue key national, provincial and local development goals

To ensure a representative organisation

To be democratised in the pursuance of our objective

To show mutual respect, trust and ensure high levels of co-operation and discipline in our dealings with one another

MISSION

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

Key Policy Developments:

Strategic Focus Area:

- Economic Growth and Development

- Environmentally Conscious
- Health, Social and Community
- Safety and Security
- Efficient, Effective, Transparent and accountable Local Municipality

Public Participation

(Methods and process used to increase public awareness on service availability engage public indecision making and improve accountability and improve accountability to communities). Ward Committees from all 21 wards (all functional and meet regularly as per programme).

Budget and IDP meetings, Quarterly Newsletters, calls for input through advert newspaper and municipal website. Meeting with relevant stakeholders and affected groups (e.g. business, community organisation, etc.). Suggestion boxes throughout all department and buildings of council.

Future Actions

(Initiatives committed whereby service delivery will be improved over the next few years). Our proposals also include a recycling programme for Intsika Yethu. It is envisioned that this programme will be driven by our local private sector and cooperatives. We should not see recycling as an expense but rather as an investment as it has the potential to create a reliable income stream for many poor families and it will also reduce the long term expenditure on landfill site. The operational budget provides for the continuation of the high levels of service delivery that Intsika Yethu is accustomed to. We plan to invest to upgrade Intsika Yethu ICT infrastructure and equipment. We have made great strides in using technology to our advantage but our increased reliance thereon forces us to maintain a stable and reliable IT network.

The outer years reflect many more projects intended to meet the needs of our growing community. We believe that the 2012/2012 draft budget lays a solid foundation for this council term of office.

Challenges

Negative Economic climate and unemployment rate continue to place pressure on our resultant challenge to ensure a healthy debt collection rate which needs to be balanced with the community's ability to pay for and affordability of services.

Agreements

Partnership with provincial in respect of future housing development

Department of Agriculture (on irrigation schemes)

.....

K VIMBAYI

HON MAYOR

MUNICIPAL MANAGER'S OVERVIEW

Intsika Yethu Municipality has again strived to deliver high quality services to our community. This was facilitated by ensuring the alignment of the strategic objectives of our committees with those of the municipality. The community of Intsika Yethu is spread within its borders.

The alignment of the IDP of council was top priority for the past year and the budget and SDBIP were aligned to new strategic objectives. The scorecards of all senior managers were also aligned to these objectives as approved by the council

Service delivery performance was measured on a regular basis by means of the quarterly reports of the various departments. These reports formed the basis for the evaluation of the various heads of department. The evaluations are also attached later in the Annual Report. The focus in the past year was also to ensure that turnaround times of complaints are not just monitored, but surveys and audits were conducted to determine the extent of feedback that the public obtained on the registered complaints.

During the past year the municipality has endeavoured to do more regular repairs and maintenance on municipal facilities ensuring that water losses in our communities are restricted to a minimum.

During the past financial year it was evident that the economy will not grow as fast initially predicted and this forced the municipality to restrict expenditure. There were several policy decisions taken to ensure that no luxury expenditure was allowed.

Intsika Yethu Municipality have minimal shared services with the district municipality. The services relate to infrastructure service only.

Municipal Functions, Population and Environment Overview

Introduction to background data

Major Natural Resource	Relevance to Community
Sand	Available in all river banks of Ngcongcolora

Challenges

- Unemployment
- Level of indigence
- Growth and pressure to provide bulk infrastructure
- Expansiveness of municipality and ready accessibility to all areas in quick response need to improve quality of life of our residents

Endeavour to improve

- Have additional EPWP and LED projects

- Have reached agreements with developers to contribute to bulk infrastructure
- Have coordinated planning to enhance responsiveness
- Have revised indigent policy

.....

Z SHASHA

MUNICIPAL MANAGER

CHAPTER 2

GOVERNANCE

Government of the Republic

(1) In the Republic, government is constituted as national, provincial and local spheres of government which are distinctive, interdependent and interrelated.

(2) All spheres of government must observe and adhere to the principles in this Chapter and must conduct their activities within the parameters that the Chapter provides.

41 Principles of co-operative government and intergovernmental relations

(1) All spheres of government and all organs of state within each sphere must -

- (a) preserve the peace, national unity and the indivisibility of the Republic;
- (b) secure the well-being of the people of the Republic;
- (c) provide effective, transparent, accountable and coherent government for the Republic as a whole;
- (d) be loyal to the Constitution, the Republic and its people;
- (e) respect the constitutional status, institutions, powers and functions of government in the other spheres;
- (f) not assume any power or function except those conferred on them in terms of the Constitution;
- (g) exercise their powers and perform their functions in a manner that does not encroach on the geographical, functional or institutional integrity of government in another sphere; and
- (h) co-operate with one another in mutual trust and good faith by -
 - (i) fostering friendly relations;
 - (ii) assisting and supporting one another;
 - (iii) informing one another of, and consulting one another on, matters of common interest;
 - (iv) co-ordinating their actions and legislation with one another;
 - (v) adhering to agreed procedures; and
 - (vi) avoiding legal proceedings against one another.

(2) An Act of Parliament must -

- (a) establish or provide for structures and institutions to promote and facilitate intergovernmental relations; and
- (b) provide for appropriate mechanisms and procedures to facilitate settlement of Intergovernmental disputes.

(3) An organ of state involved in an intergovernmental dispute must make every reasonable effort to settle the dispute by means of mechanisms and procedures provided for that purpose, and must exhaust all other remedies before it approaches a court to resolve the dispute.

Section 156(5) of the Constitution: A municipality has the right to exercise any power concerning a matter reasonably necessary for, or incidental to, the effective performance of its functions. Governance is about “how” an organization is run. In the running of Intsika Yethu, a clear distinction is made between the politically elected structure (Councillors serving on the Council which is responsible for the oversight and legislative function of the

municipality, as well as those matters which it has retained as its own functions. Other elected Councillors serve as full time office bearers involved in the day-to-day running of the Municipal Council from the political perspective, namely the Mayor with his Executive Committee) and the administration.

The Council is chaired by the Speaker. The executive is headed by the Mayor with Executive Committee members.

The Administration is headed by the Municipal Manager, who is also the organisation's Accounting Officer. Powers have been delegated to the different functions within the organization to ensure that roles, responsibilities and decision-making powers are clear and unambiguous

POLITICAL AND ADMINISTRATIVE GOVERNANCE

Intsika Yethu Municipality made extra efforts to include the Ward Committees and Councillors to the maximum of administrative functions and outputs at all levels. Any inputs or comments from the committees are reflected or accommodated in the reports pertaining to Council matters.

Ward Committees are also involved in commenting on reports with the purpose of being kept abreast of and in turn to inform the community with regard to changes and developments within the municipality. This ensures a high level of public participation and promotes the principle of accountability.

DIVISION OF LEGISLATIVE AND EXECUTIVE FUNCTIONS

In terms of Chapter 7 of the Constitution of the Republic of South Africa, the legislative and executive functions of a municipality are vested within its Municipal Council. Following the introduction of an Executive Mayoral System, Intsika Yethu initiated the process of splitting the executive and legislative functions by delegating certain executive powers to its Mayor. With the introduction of the Municipal Public Accounts and Oversight Committee (MPAC) and its implied oversight role there has been a further implied split between the two functions.

The MPAC as a structure of the legislative function (the Council) is expected to assist with oversight over the executive function (the Mayor).

The principle of good governance requires that the legislative and oversight function that is to be exercised by a municipal council should be independent of the executive function that has been delegated to the Mayor. This is to avoid undue influence and pressure being exerted by one function upon another and to allow each function the opportunity to operate freely within its delegation.

The legislative function of Council

The legislative (and oversight) function of the Council is vested within the full Council with the Speaker as its chairperson. The passing of by-laws, policies on functions retained by Council and frameworks within which delegated powers must be exercised, remain the function of the full Council except where certain express delegations have been made in this regard. The Speaker is also responsible for the Whippery (training of Councillor, Councillor capacitation, junior council, specific mentorship programmes).

POLITICAL STRUCTURE

Mayor : Cllr K Vimbayo (ANC)	photo
Speaker : Cllr Ze Mbotoloshi (ANC)	photo
Cheif Whip: Cllr Myataza (ANC)	photo
Portfolio Head: LED: Cllr W Mdwayingana	photo
Portfolio Head: Budget & Treasury: Cllr J Cengani	photo
Portfolio Head: Community Services: Cllr N Tshangana-Nkota	photo
Portfolio Head: Corporate Services: Cllr N Ntsaluba	photo
Portfolio Head: Water & Sanitation: Cllr K Mdleleni	photo
Portfolio Head: Special Programmes Unit: Cllr N Stata	photo

PHOTOS OF ALL COUNCILLORS

POLITICAL DECISION – TAKING

Political decisions are taken in a formal meeting where all participating political parties in Council have equal opportunity to deliberate the items as per agenda where after a resolution is adopted.

INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

The MM and HOD's meet formally every Tuesday to deliberate on service delivery issues and reports that must be submitted to the Mayoral Committee or Council in terms of Delegated Powers, as well as on organisational management matters. The management team also engages the Mayoral Committee to ensure that the decision-making process is expedited to enhance service delivery. Each HOD also interacts with his/her MMC on a more regular basis for the same purpose.

TOP ADMINISTRATIVE STRUCTURE

Municipal Manager: Mr Z Shasha	Photo
Director: Infrastructure, Planning Development: Mr S Koyo	Photo
Director: Budget and Treasury: Mr M Dyushu	Photo
Director: Corporate Services: Ms N Nkuhlu	Photo
Director: Community Services: Ms Y Mniki	Photo
Director: Local Economic Develop & Planning: Mr K Maceba	Photo

NATIONAL INTERGOVERNMENTAL STRUCTURES

Social Services Department - by invitation
Community Works Programme (COGTA) - by invitation
* EPWP (DPW) - by invitation.

Social Services Department –
EPWP Environment & Culture Sector
SALGA: By invitation
Communicators Forum

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

During the Mayoral Imbizo's the municipality utilises a local radio station (Vukani FM) and local newspaper (Skawara News) as a means of consulting and mobilising its communities, as it is very paramount for them to have a say in council decisions and service delivery.

The Ward Councillors together with Community Development workers and Ward Committees also played a vital role as they serve as the close link between the communities and the municipality in mobilising for such occasions. When there is a public hearing, proper communications are made through announcements in community radio i.e.

Vukani Community Radio. Public Hearings also publicised by two way communication that is in between the ward councillor and the residents at large and also the CDW's. The municipality has also enhanced the way of conveying the message when there will be public hearing and imbizo's through the tool of loud hailing to its communities.

Customer Satisfaction Surveys: English and Xhosa questionnaires are established and made available to measure the satisfaction of the public/ commuters. These questionnaires distributed and then collected.

Ward committees' establishment and functionality

As the Handbook of Ward Committees outlines that during the sitting of the meetings of the ward committee members, the ward councillor of that particular ward is regarded as chairperson. According to the reports forwarded by the ward councillor to the Speaker's Office that are furnished by credential lists shown a good attendance of the committee members into wards meetings.

As the ward committee members are ward based and their meetings are convened and held in their respective wards, the minutes are written and filled by committee secretaries and some copies are forwarded to their ward councillors. Availability of ward committee activity reports: each and every ward had its own program of action where each committee member performs his/her tasks and in turn reports to his/her ward councillor.

Community Development Workers performance monitoring

To try and monitor the Community Development Work, the municipality has purchased a prefab which will be utilised as offices by CDW's. That will make it easy for the municipality to work and monitor the CDW's. A full time municipal official was made available for coordinate CDW's. The municipality has made sits available for CDW's in the council meeting to make it easy for issues for the CDW's to follow and understand matters of local government and development. The municipality is in the process of coordinating the reports of the CDW's and assist where necessary before they are forwarded to the province.

As we all know that the CDWs are ward based and regarded as the foot soldiers for service delivery, they compile reports based on their findings in their wards. The monthly reports are handed over to the speaker's office and to the Department of Local Government and Traditional Affairs.

COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS: see attached

PUBLIC SATISFCATION LEVELS

Subject matter of survey	Survey method	Survey date	No of people included in survey	Results
Municipality	Questioners			36%
Sanitation	Questioners			
Roads	Questioners			20%
Water	Questioners			46%
Electricity	Questioners			49%

COMMENT ON SATISFACTION LEVELS:

Public is invited to complain via the Complaints Desk, the website, e-mail or walk ins.

Other complaints are received via the Presidential Hotline.

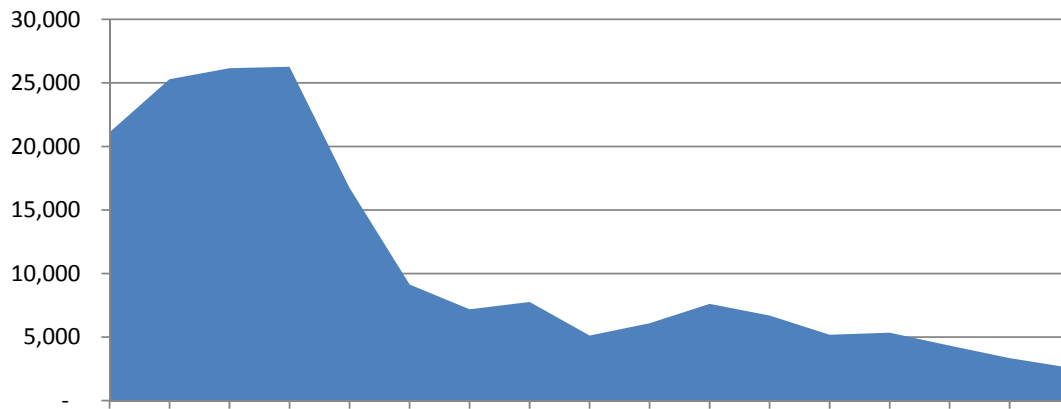
Complaints / enquiry numbers are listed on the external newsletter known as the Intsika News.

Councillors receive complaints from residents on an adhoc basis and also via the Ward Committee meetings.

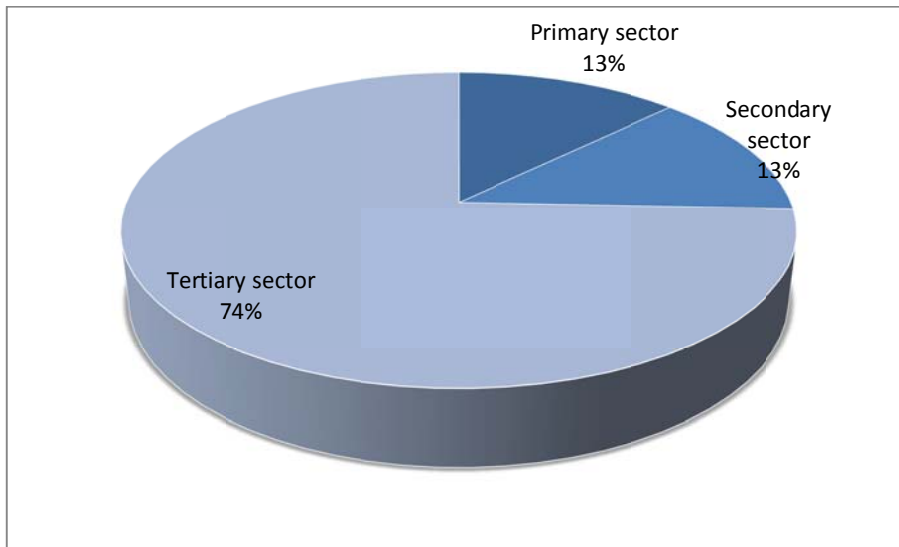
Intsika Yethu Municipality population estimates over the previous term with forecasts for 2011/12

Name	2006	2007	2008	2009	2010	2011
Intsika Yethu	184,308	185,211	185,843	186,044	185,934	186,031

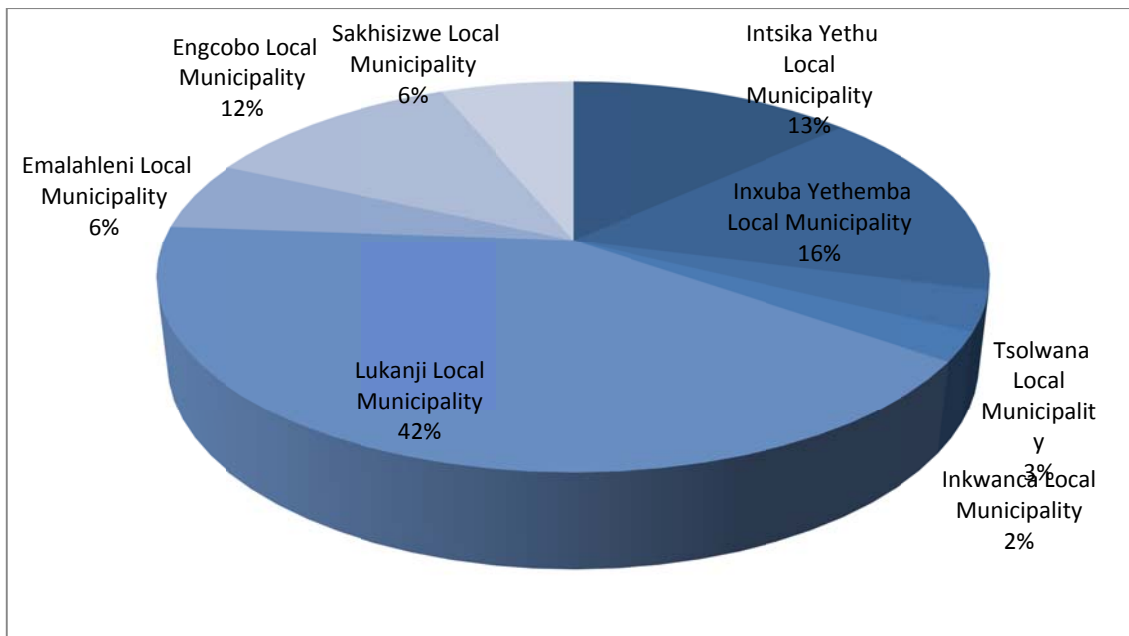
Residents of IYLM are predominantly rural, living in small villages which cluster around the relatively larger towns such as Cofimvaba and Tsomo. isiXhosa is the most spoken language as a mother tongue within the municipality; in 2009 surveys showed that around 87% of the people in the municipality were Xhosa 1st language speakers. IYLM has a higher female than male population, as is the case with the most other LMs in CHDM.



Employment opportunities across economic sectors



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



COMMENT ON SANITATION SERVICES PERFORMANCE OVERALL:

Delete Directive note once comment is complete - Explain the priority of the four largest capital projects and explain variances from budget for operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from 2008/09 and/or previous year actuals, or expected future variations).

T3.2.10

3.3 ELECTRICITY

INTRODUCTION TO ELECTRICITY

Note: Recent legislation includes the Electricity Amendment Acts 1989; 1994; 1995; and the Electricity Regulation Act 2006. **Delete Directive note once comment is complete – Provide brief introductory comments on your strategy for** the provision of electricity at household level and the progress being made to redress service backlogs and achieve the National basic standard for Electricity provision by 2014 (include your top 3 service delivery priorities and the impact you have had on them during the year). Set out measures taken to improve performance and the major efficiencies achieved by your service during the year. Discuss the major successes achieved and challenges faced in 2008/09. Indicate how your municipality identifies and responds to those communities that are living in poverty and are deficient in this basic service. Give the name and extent of service provision of any municipal entity(ies) responsible for rendering Electricity Services within the municipality.

Eskom is a sole provider of electricity services in the Intsika Yethu jurisdiction areas.

T3.3.1

Chapter 3

COMMENT ON ELECTRICITY SERVICES PERFORMANCE OVERALL:

Delete Directive note once comment is completed – Explain the priority of the four largest capital projects and explain variances from budget for operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the performance on agreements reached with Eskom if not already covered. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from 2008/09 and/or previous year actuals, or expected future variations).

T3.3.9

3.4 WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)

Successes for 2011/2012, IYM registered on Waste Information System, increase on the tons of waste recycled, assistance received from Dept Public Works which contributed in a employment of more casuals for refuse collection, construction of sewer lines to the landfill site and procurement of refuse compactor.

Challenges : non compliance by businesses

Communal bins are placed in those communities living with poverty, indigent register is used to identify these areas.

T3.4.1

COMMENT ON THE PERFORMANCE OF STORMWATER DRAINAGE OVERALL:

Delete Directive note once comments completed – Explain the priority of the four largest capital projects and explain the variations from budget for net operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from 2008/09 and/or previous year actuals, or expected future variations).

The Municipality is responsible for the construction, maintenance and upgrading of local access roads and storm water infrastructure. During the 2011/2012 financial year, roads and storm water remained one of the municipalities top priorities. The current backlog for roads and stormwater is estimated at 94%. A significant amount of investments from the municipality's MIG has been allocated in/to improving storm water drainage and its access roads over the past three years.

T3.9.9

3.9 WASTE WATER (STORMWATER DRAINAGE)

INTRODUCTION TO STORMWATER DRAINAGE

Delete Directive note once comment is complete – Provide brief introductory comments on the progress being made to improve stormwater drainage and discuss the major successes achieved and challenges faced in 2008/09 (include your top 3 service delivery priorities and the impact you have had on them during the year). Set out measures taken to improve performance and the major efficiencies achieved by your service during the year. Refer to support given to informal settlement and rural development. Refer to support given to those communities that are living in poverty. Give the name and extent of service provision of any municipal entity(ies) responsible for rendering Stormwater Drainage Services within the municipality.

To ensure provision effective and sustainably roads and stormwater service. The Municipality has prioritised projects for stormwater which were implemented in as from 2008/2009 to 2011/2012 the projects are as follows:

Stormwater project in Cofimvaba Town which has been partly completed. Tsomo stormwater is on tender stage but its a portion because of budget constraints. The municipality has also constructed the Mthwaku bridge for a rural community.

T3.9.1

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T3.9.9

COMPONENT C: PLANNING AND DEVELOPMENT

This component includes: planning; and local economic development.

INTRODUCTION TO PLANNING AND DEVELOPMENT

Delete Directive note once comments completed - Provide brief overview of the opportunities and challenges in the fields of economic development and physical planning field for your municipality.

T3.10.0

3.10 PLANNING

INTRODUCTION TO PLANNING

One of the main elements is the Development of the Municipalities By Laws and ensuring of proper Land Use Management and formalization of Rural Wards.

T3.10.1

Applications for Land Use Development						
Detail	Formalisation of Townships		Rezoning		Built Enviroment	
	2010/11	2011/12	2010/11	2011/012	2010/11	2011/12
Planning application received	3	2	3	5		28
Determination made in year of receipt	0	0	3	5		26
Determination made in following year	2	1	0	0		0
Applications withdrawn	0	0	0	0		2
Applications outstanding at year end	1	1	0	0		0

T3.10.2

Chapter 2

2.10 WEBSITES

Municipal Website : Content and Currency of Material		
Documents published on the Municipality's / Entity's Website	<Yes / No>	Publishing Date
Current annual and adjustments budgets and all budget-related documents	Yes	21-Mar-2009
All current budget-related policies	Yes	
The previous annual report (2007/08)	yes	
The annual report (2008/09) published/to be published	Yes	
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (2008/09) and resulting scorecards		
All service delivery agreements	Yes	
All long-term borrowing contracts	Yes	
All supply chain management contracts above a prescribed value (give value) for 2008/09	Yes	
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during 2008/09	Yes	
Contracts agreed in 2008/09 to which subsection (1) of section 33 apply, subject to subsection (3) of that section		
Public-private partnership agreements referred to in section 120 made in 2008/09	Yes	
All quarterly reports tabled in the council in terms of section 52 (d) during 2008/09	Yes	
Note: MFMA S75 sets out the information that a municipality must include in its		T2.10.1

T2.10.1.1

INTRODUCTION TO ECONOMIC DEVELOPMENT

In response to pervasive poverty, under-development and high rate of unemployment of its people, Intsika Yethu municipality developed its Local Economic Development Strategy (LED Strategy), as a tool that will guide and inform its growth and development initiatives within the municipality.

The primary goal of the local economic development strategy is to ensure the rejuvenation of the local economy, facilitate the competitiveness of sectors in which the municipality has a comparative advantage and ensure sustained economic growth that creates jobs and improve Intsika Yethu and improves the quality of life of all residents.

The strategy identifies the following sectors; Agriculture, Tourism, Forestry and SMME as critical in transforming the local economy of Intsika Yethu Municipality. In essence, the thrust of IYM strategy is underpinned by the following strategy pillars;

- Coherent agrarian system that promotes agro-processing,
- Institutional innovation and good governance that is complimentary to economic growth and development.
- Promotion of SMME development biased towards rural industrialisation and
- Increased forestry productivity and creation of processing hubs
- Tourism development

Consistent with our Local Economic Development strategy, LED initiatives in the year under review focussed on agricultural sector the three priority programmes in 2011/12 season were as follows:

- 1) Livestock Improvement Programme
- 2) Crop Production Programme and
- 3) Tourism Development Programmes.

On the year under the following projects were assisted: Livestock Improvement Programme

1. Mbulu Goat Project

With an aim of improving the quality of Goats in Mbulu Administrative area in Ward 6, eight projects were supplied with quality Boergoats Rams.

Another programme that we persued is wool improvement programme. In the financial year 2011/12 we built one shearing shed and Ngcaca and supplied the following projects; Nyoka(ward 7), Ngcaca(ward 16) and Hoyana(ward 21).

2. Crop Production Programme

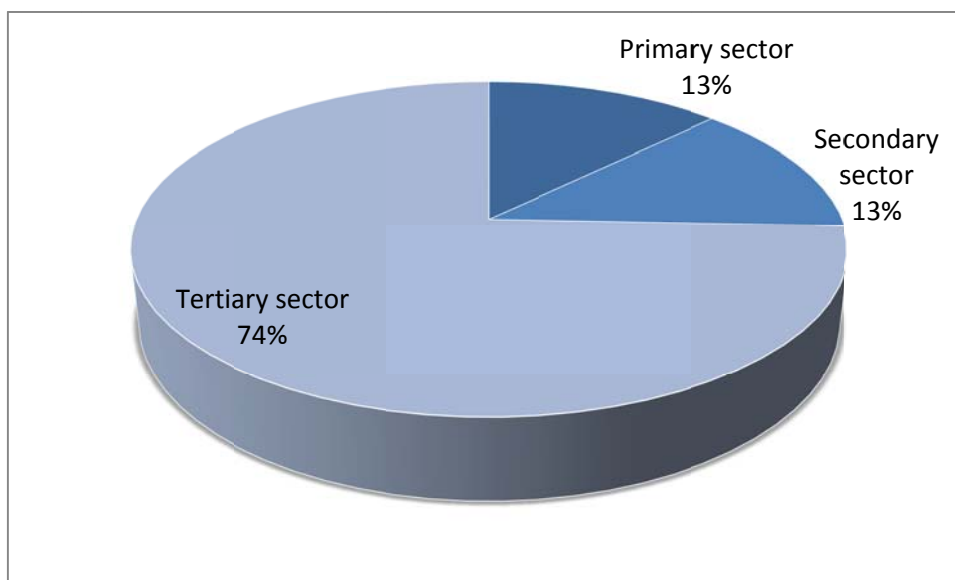
In the year under review and under crop production programme two projects were implemented: One is a 100haPotato production programme under dryland in Bolana AA(ward 16):

Also, three projects under maize production programme were implemented in three sites: i.e Mtshanyane, Nomngqongwana and Ngxwabangu(all in ward 21).

All these programmes were implemented within their set time frames and achieved their desired outcomes.

3.11.1

Chart: Employment opportunities across economic sectors

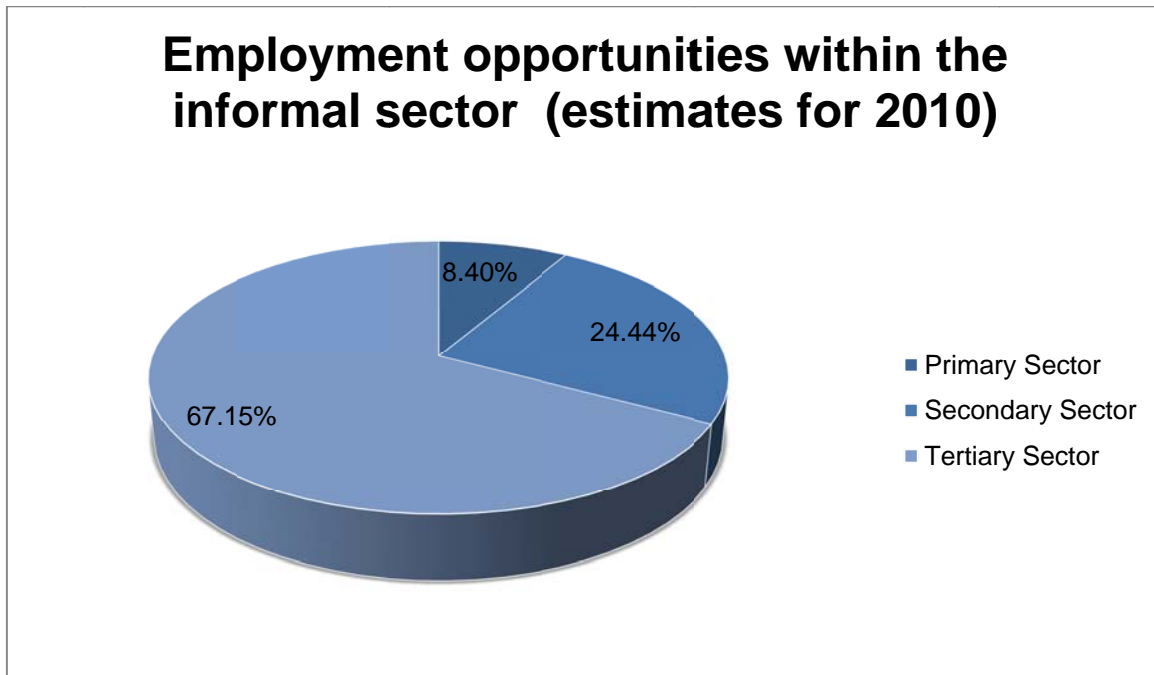


Source: ECSECC, Statistics Database, 2011

- IYLM is characterized by high unemployment rates with 44% of the working population being officially unemployed in 2009, as in seeking work opportunities but unable to find them.
- There has been a reasonable drop in the rate of unemployment over the last 10 years since 2002 when unemployment stood at 54%.

- The largest employment sector in IYLM is the tertiary sector which employs 74% of all employed people within the formal sector.
- The largest numbers of people employed within the tertiary sector are involved in general government.

Chart: Employment opportunities within the informal sector



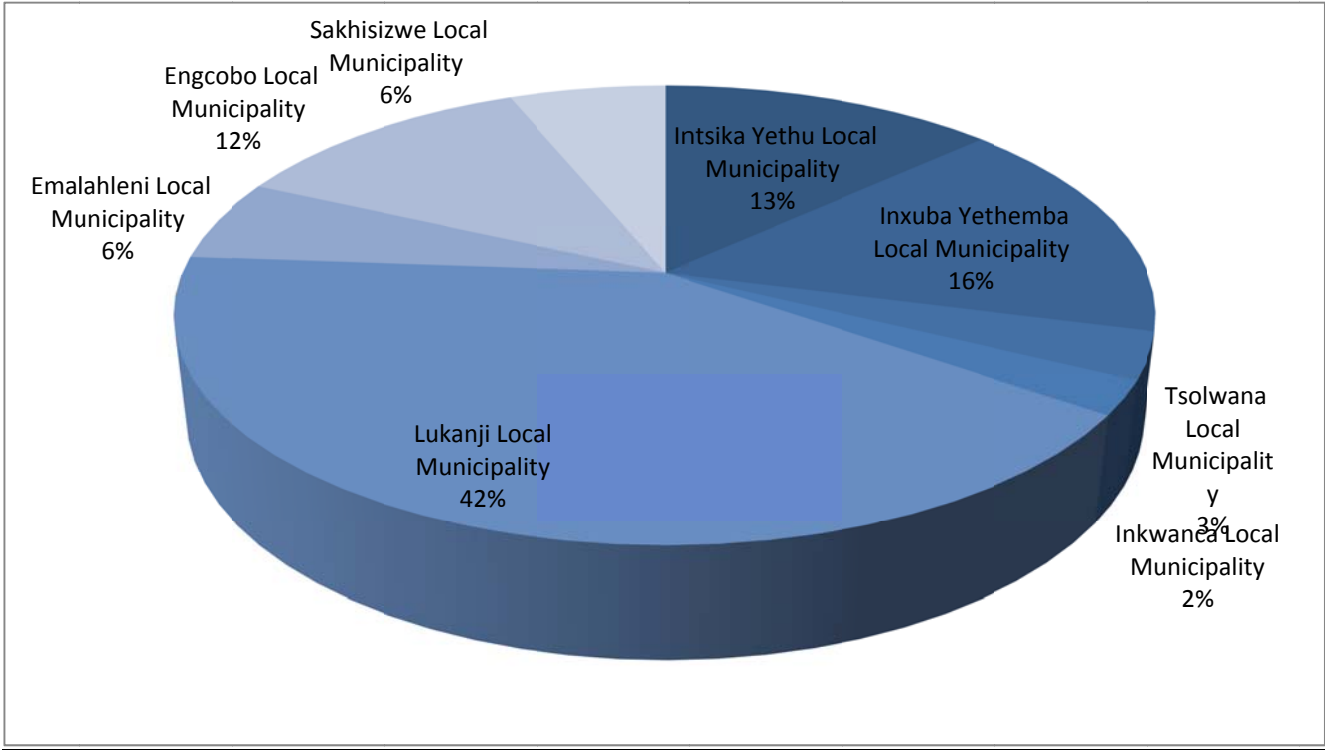
Source: ECSECC, Statistics Database, 2011.

- In IYLM, the informal sector remains a significant source of income for many of the residents.
- Tertiary sector is the biggest source of income within the informal sector.
- The secondary sector accounted for an estimated 24.44% of employment within the informal sector, the biggest industry within this sector is the construction industry which accounts for 67% of all employment within the secondary sector of the informal economy.
- The primary sector accounted for only 8.40% of all employment within the informal sector.
- Agriculture and fishing accounted for 100% of all employment opportunities within the primary sub-sector of the informal sector.
- ECSECC explains that the majority of individuals earning an income from the tertiary sector of the informal sector in IYLM are involved in the wholesale and retail trade 61%

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

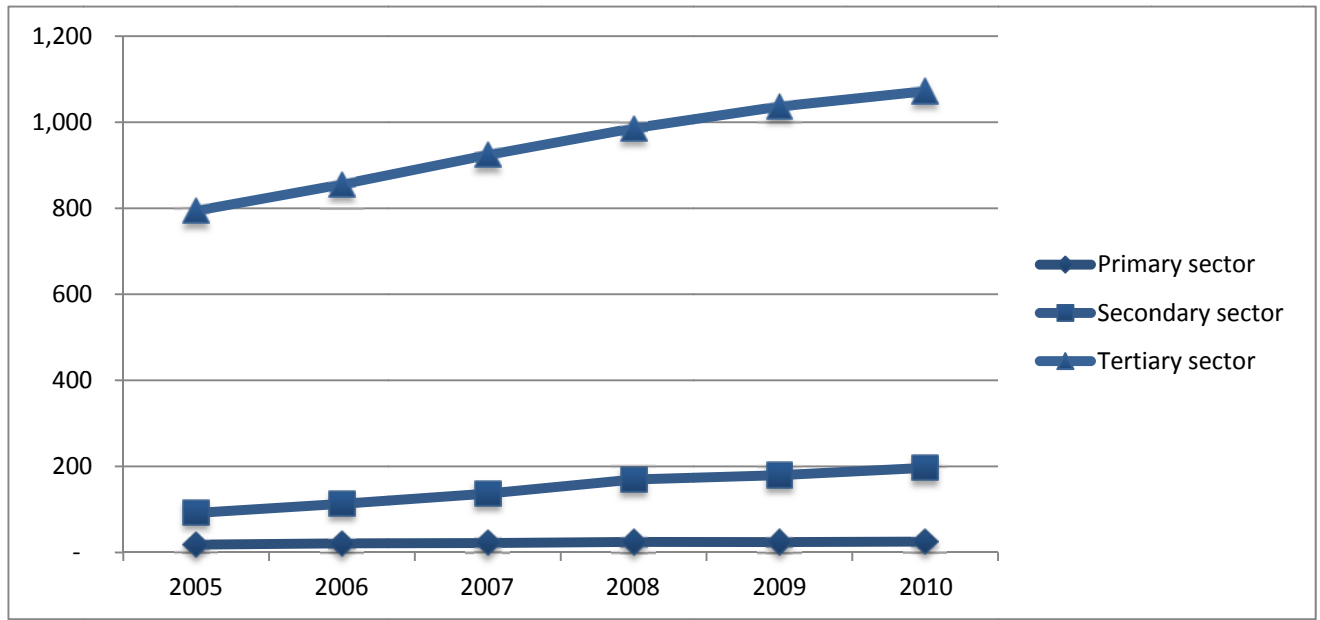
ECONOMIC DATA

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



Source: ECSECC, Statistics Database, 2011.

Chart: GVA contribution of IYLM across economic sectors



Source: ECSECC, Statistics Database, 2011.

- The above graphs illustrate the Gross Value added (GVA) with regards to IYLM.
- GVA basically refers to the measure of the value of goods and services in a certain area.
- The first chart illustrates the GVA contribution of the different local municipalities to the CHDM whilst second chart shows IYLM GVA across different economic sectors: namely primary, secondary and tertiary sectors.
- The primary sector of an economy includes all economic activities that are concerned with extracting or harvesting products from the earth.
- In IYLM these products include primarily the following:
 - Agriculture;
 - Fishing and forestry; and
 - Mining and quarrying.

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

- Food;
- Beverages and tobacco;
- Textiles;
- Clothing and leather goods;
- Wood;

- Petroleum products;
- Metals, metal products;
- Machinery and equipment;
- Electrical machinery and apparatus, Radio and TV, instruments, watches and clocks; Transport equipment, Furniture and other manufacturing
- Electricity and Water; and
- Construction.

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

- Wholesale and retail trade;
- Catering and accommodation services;
- Transport and storage;
- Communication;
- Finance and insurance;
- Business services;
- Community, Social and personal services; and
- General government.

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

COMMENT ON LOCAL JOB OPPORTUNITIES:

Intsika Yethu Municipality owing to its rural nature and lack economic activities is bereft with job opportunities. The area does not have mines nor is it endowed with big firms like most of the Metros and some District Municipalities. The long term prospects for economic growth and development however are great. This is due to the fact that Intsika Yethu Municipality is endowed with good agricultural lands. It prides itself of three big irrigation schemes, viz; Ncora Irrigation Scheme, Qamata Irrigation Scheme and Bilatye Irrigation that used to not only serve as the basket food for the people of the area but used to employ and create sizeable job opportunities . Intsika Yethu is also endowed with beautiful scenic and a rich cultural history that can boost tourism related initiatives and turn the bleak situation of joblessness around.

Job creation through EPWP projects	
Details	No of jobs created through EPWP projects
2009/10	261
2010/11	731
2011/12	1330

Employees: Local Economic Development				
Job level	2010/11		2011/12	
	No. of employees	No. of Vacancies	No. of employees	No. of Vacancies
TG 7	1		1	
TG 8	1		1	
TG 12	1		1	
TG 13	3		3	
TG 16	1		1	
Director	1	8	1	8

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	No
Were the four quarter aligned reports submitted within stipulated time frames?	Yes
* Section 26 Municipal Systems Act 2000	

Chapter 3

COMMENT ON THE PERFORMANCE OF LIBRARIES; ARCHIVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES;

OTHER (THEATRES, ZOOS, ETC) OVERALL: **Delete Directive note once comment is completed – Explain the priority of the four largest capital projects and** explain the variations from budget for net operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from 2008/09 and/or previous year actuals, or expected future variations).

T3.52.7

3.55 CEMETORIES AND CREMATORIUMS

INTRODUCTION TO CEMETORIES & CREMATORIUMS

Delete Directive note once comment is complete – Provide brief introductory comments. Set out your top 3 service delivery priorities and the impact you have had on them during the year. Explain the measures taken to improve performance and the major efficiencies achieved by your service during the year. Refer to support given to those communities that are living in poverty.

Ward councillors recommend the provision of pauper burials when necessary.
Exhumations are conducted in consultation and support with Department OF Health.

SERVICE STATISTICS FOR CEMETORIES & CREMATORIUMS

Crematorium is not applicable .
An average of 2 burials are conducted per month.

T3.55.2

Chapter 3

COMMENT ON THE PERFORMANCE OF DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES, ETC OVERALL:

Delete Directive note once comment is completed – Explain the priority of the four largest capital projects and explain the variations from budget for net operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from 2008/09 and/or previous year actuals, or expected future variations).

Provision of equipment has been done and volunteers have been trained on using fire beaters.

COMPONENT H: SPORT AND RECREATION

This component includes: community parks; sports fields; sports halls; stadiums; swimming pools; and camp sites.

In a process of constructing community parks. Three formal sports field are maintained .

INTRODUCTION TO SPORT AND RECREATION

Delete Directive note once comment is complete – Provide brief introductory comments. Set out your top 3 service delivery priorities and the impact you have had on them during the year. Explain the measures taken to improve performance and the major efficiencies achieved by your service during the year. Refer to support given to those communities that are living in poverty.

Renovations are done . Grass cutting is done in ward during mayors cup.

3.68 SPORT AND RECREATION

SERVICE STATISTICS FOR SPORT AND RECREATION

There is one staff member for indigenous games.

T3.68.1

Chapter 3

COMMENT ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL:

Delete Directive note once comment is completed – Explain the priority of the four largest capital projects and explain the variations from budget for net operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from 2008/09 and/or previous year actuals, or expected future variations).

T3.71.7

3.72 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

This component includes: libraries and archives; museums arts and galleries; community halls; cemeteries and crematoria; child care; and aged care.

INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

ICT is one of the most vital services to the municipality as it is used to pay salaries, provide information to key decision making, communicate with external and internal stakeholders, market the municipality to the potential investors and funders, pay third party service providers, manage and report on financial position of the municipality, provide telecommunication, etc. ICT has become focus point for Government and all municipalities due to its role. Various factors have also contributed towards the focus on ICT some of them being value of information and various national and international laws guiding ICT.

Top 3 service delivery priorities

- 1. Provide reliable network infrastructure for the municipality:** - Local Area Network (LAN) cabling of all new municipal buildings installed, installation of fibre optic cable and wireless backbone to link some satellite offices to main municipal network.
- 2. Provide telephone management systems:** - Installation of IP Telephones and call barring systems to reduce telephone costs.
- 3. Internet Services:** - Negotiated with internet service providers to provide cheapest internet for local communities and SMMEs.

Previous years the municipality was using Telkom diginet lines to connect seven (7) satellite offices to the main municipal network. These diginet lines were expensive and network connectivity was very slow.

After installation of Fibre optic cable and wireless backbone network performance improved. diginet

Chapter 3

After installation of fibre optic cable and wireless backbone network performance improved, diginet lines were from seven (7) reduced to two (2) and costs for rental of diginet lines was reduced by 80%.

IP telephones were installed in all satellite offices and call barring systems installed to manage all telephone pin codes and also to allocate budget for each and every telephone pin code. Telephone costs were reduced by 40%.

LCOMM Communications installed a high mast radio relay station that provides internet to local communities, SMMEs, schools and local shops at a cheaper rate. This has improved communication for our communities.

T3.72.1

SERVICE STATISTICS FOR ICT SERVICES

- Desktop Support
- Server and Network Infrastructure
- ICT Policies
- ICT Governance
- Master Systems Plan (MSP)
- ICT Security and Risk Assessment
- Telephone Management Systems
- Disaster Recover services

T3.72.2

Chapter 3

Employees: ICT Services					
Job Level	2010/2011	2011/2012			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3					
4 - 6					
7 - 9					
10 - 12					
13 - 15	1	3	1	3	100%
16 - 18					
19 - 20					
Total	1	3	1	3	100%

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June.
 *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T3.72.4

Financial Performance 2008/09: ICT Services

R'000

Details	2010/2011	2011/2012			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)					
Expenditure:					
Employees					
Repairs and Maintenance		100000		22213	-350%
Other					
Total Operational Expenditure	0	100000	0	22213	-350%
Net Operational (Service) Expenditure	0	100000	0	22213	-350%

Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T3.72.5

Capital Expenditure 2008/09: ICT Services

R' 000

Capital Projects	2008/09				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	500000				/
Network Infrastructure	250000		217302	-15%	217302
Telephone Systems	250000		467650	47%	467650
Internet Services	0		0		0

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).

T3.72.6

Chapter 3

COMMENT ON THE PERFORMANCE OF ICT SERVICES OVERALL:

Four largest capital projects

- 1. Provide network infrastructure***
- 2. Telephone Management Systems***
- 3. Internet Services***
- 4. IT Support Services, maintenance and repairs***

Year 5 targets

targets are not set out on IDP because the Master Systems Plan which is the municipal ICT Strategy has not yet been adopted by council which aligns all ICT project to municipal IDP.

T3.72.7

INTRODUCTION TO PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

Delete Directive note once comment is complete – Provide brief introductory comments. Set out your top 3 service delivery priorities and the impact you have had on them during the year. Explain the measures taken to improve performance and the major efficiencies achieved by your service during the year.

T3.73.1

SERVICE STATISTICS FOR PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

T3.73.2