ADOPTED INTEGRATED DEVELOPMENT PLAN:

2013/14 REVIEW

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GLOSSARY OF TERMS

ABET	Adult Based Education and Training
ABSA	Amalgamated Banks of South Africa
AIDS	Acquired Immune Deficiency Syndrome
ASGISA	Accelerated and Shared Growth Initiative for South Africa
CASP	Comprehensive Agriculture Support Programme
CBO	Community Based Organizations
CPF	Community Policing Forum
CSIR	Council for Scientific and Industrial Research
DBSA	Development Bank of South Africa
DEAT	Department of Environment and Tourism (Also known as DEA)
DFA	Development Facilitation Act No 67 of 1995
DLA	Department of Land Affairs
DLG	Department of Local Government
DM	District Municipality
DME	Department of Mineral and Energy
DRDLR	Department of Rural Development and Land Reform
DoE	Department of Education
DoH	Department of Health
DoHS	Department of Human Settlements
DoSD	Department of Social Development
DoRT	Department of Roads and Transport
CoGTA	Department of Cooperative Governance and Traditional Affairs
DPW	Department of Public Works
DSRAC	Department of Sport, Recreation, Arts & Culture
DWA	Department of Water Affairs

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ECA	Environmental Conservation Act
EIA	Environmental Impact Assessment
ES	Equitable Share (grant)
FBS	Faith Basic Services
ECDC	Eastern Cape Development Corporation
ECPGDS	Eastern Cape Provincial Growth & Development Strategy
EXCO	Executive Committee
GP	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 Resources
IDC	Independent Development Corporation
IDP	Integrated Development Plan
IDT	Independent Development Trust
IT	Information Technology
ITP	Integrated Transportation Plan
IWMP	Integrated Waste Management Plan
LDO	Land Development Objectives
LED	Local Economic Development
MEC	Member of the Executive Committee
MIG	Municipal Infrastructure Grant
MISA	Municipal Integrated Support Agent
MFMA	Municipal Finance Management Act

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MPCC	Multi Purpose Community Centre
MSIG	Municipal Support & Institutional Grant
MSA	Municipal Systems Act, 2000
MSA	Municipal Structures Act, 1998
NDC	National Development Corporation
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
RTP	Responsible Tourism Planning
SCM	Supply Chain Management
SMME	Small Medium and Micron Enterprises
SOE	State Owned Enterprises
SoER	State of Environment Report
SADC	Southern African Development Community
SALGA	South African Local Government Association
SANDF	South African National Defence Force
SAPS	South African Police Service
SGB	School Governing Body
SMME	Small, Medium and Micro Enterprises
STDs	Sexual Transmitted Diseases

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TB	Tuberculosis
TLC	Transitional Local Council
TRC	Transitional Rural Council
USAID	United States Agency for International Development
NYDA	National Youth Development Agency
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
SMME	Small Medium and Micron Enterprises
SOE	State Owned Enterprises
SoR	State of Environment Report

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EXECUTIVE SUMMARY

The Integrated Development Plan (IDP) represents a 5 year strategic plan and document that details the community needs as reflected from public participation efforts. In order to facilitate delivery within these areas a more realistic "one year" reviewed IDP is created annually (modified as appropriate) and based on identified IDP objectives every effort is made to ensure that these objectives are translated into operational plans. In order to ensure that these plans are able to be implemented, each objective is linked to a project plan and a related budget. Linkage to the budget ensures that identified projects have been considered to be viable and practicable, and these projects are then translated into the SDBIP for the current year.

The SDBIP for 2013-2014 takes into account and is reflected according to the following 6 National Key Performance Areas as set out in terms of the 5-year Local Government Strategic Agenda:

- **Spatial and Environmental Rationale**
- **Infrastructure and basic services**
- **Local Economic Development**
- **Municipal Institutional Development and Transformation**
- **Financial Management and Viability**
- **Good Governance and Public Participation**

Municipal Transformation and Institutional Development

This refers to the following objectives:

- Ensuring an appropriate organisational design (organogram) that fits in with the roles, powers and functions assigned to the Municipality
- Working towards employment equity in the Municipality
- Focusing on HR skills development
- Improving Integrated Development Planning processes and outcomes
- Developing and implementing an appropriate Performance Management System

Financial Viability and Financial Management

This refers to the following objectives:

- Working to improve the financial viability of the Municipality by setting appropriate financial controls and systems in place
- Ensuring effective Grant expenditure and financial management
- GRAP compliance
- Compliance with the Municipal Finance Management Act (MFMA)
- Setting in place appropriate credit control measures and debt collection provisions

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Strengthen Good Governance, Community Participation and Ward Committee Systems

This refers to the following objectives:

- Complying with Municipal legislation
- Developing appropriate by-laws
- Setting in place internal Audit and Risk Management systems
- Strengthen public participation and provide effective support to the Ward Committee system
- Improving communication (with communities and other organs of state)
- Management of Municipal Institutions to be based on the Batho Pele principles

Local Economic Development

This refers to the following objectives-

- Focusing efforts on enabling economic growth based on identified sectoral development potential
- Addressing poverty through poverty alleviation initiatives in collaboration with other spheres of government
- Ensuring that LED strategies and individual projects are designed so as to realize maximum job creations, preferably on a sustainable basis.

Infrastructure and Basic Services Delivery

This refers to the following objectives:

- Working to improve levels of service delivery for water and sanitation services
- Working to improve levels of service delivery for electricity (energy)
- Ensuring an appropriate system is in place for Solid Waste Management
- Integrating Environmental Management processes into development activities
- Working to improve levels of service for the road network under the jurisdiction of the Municipality
- Working to address housing backlogs
- Integrating spatial planning into development activities and ensuring a process aimed at urban efficiency
- Working to improve levels of provision of Community facilities

The IDP is the foundation stone from which the Budget and SDBIP are designed and developed as management, implementation and monitoring tools to assist the Mayor, Council, Management and Community to achieve the set goals. The IDP is the golden thread from which all other strategies, plans and tools are developed within the Municipality providing the basis for the assessment and measurement of the effectiveness of the processes developed to achieve the goals set within the IDP.

The IDP gives guidance and direction to the development of the Budget and the Service Delivery and Budget Implementation plan (SDBIP). The Budget gives financial effect and backing to the strategic priorities set within the IDP of the municipality and is not a management or implementation plan. The SDBIP serves as a contract between the administration, Council and

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community expressing the goals and objectives and the plan to achieve them, set by the IDP and encompassed in the Budget.

The IDP process first addresses the Municipal Strategic Planning by assessing the development challenge through the following situation analysis:

- Why do we review?
- What are our demographic profiles?
- What are our LED challenges?
- What are our institutional challenges?
- What are our municipal transformation challenges?
- What are our financial viability and resource challenges?
- What are our spatial development challenges?
- What are our governance challenges?

Once the responses to these are established, the IDP goes further to identify key priorities that the Council must focus on in 2012/13 to 2016/17 IDP cycle.

The Council is currently undergoing a in-depth and thorough process of revising the municipal vision, mission, values and norms for the IDP cycle 2012 to 2017

The plan also sets out how alignment and integration will be undertaken when implementing the IDP as well as outlines the process followed in adopting this review IDP.

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1. INTRODUCTION

The document represents the outcomes of the final annual review of the Integrated Development Plan (IDP), as adopted, for the current term of Office of the Emalahleni Municipal Council.
The IDP has been developed for the 2012/13 to 2016/17 financial years in compliance with Section 34 of the Local Government Systems Act No 32 of 2000.

1.1. DEVELOPMENT OF NEW IDP CYCLE FOCUS AREAS

In accordance with the legislative prescripts the review was conducted through a gap analysis of the IDP document and the analysis, inter alia, highlighted the following:

a. CURRENT PLANNING INFORMATION - UPDATE

Road shows were held for all our wards which resulted in a revised list of community needs being generated which informed the current situation analysis. Sector departments were engaged through the IGF and representative forum to identify and establish their commitments and plans for local development within the Municipality.
The information garnered necessitated adjustments and changes in our current planning information with the concomitant adjustments to the situation analysis and project sections of the IDP document.
The planning information has also been updated to accommodate and influenced by the NEW Emalahleni Municipality council as per the LOCAL GOVERNMENT ELECTION of 2011

b. COMMENTS OFFICE OF MEC – ASSESSMENT & RESPONSE

The office of the MEC for Local Government highlighted that each Section 57 should be responsible for quality of information in the key performance areas during the assessment. He noted that municipal responses to public petitions and service delivery issues had not been very encouraging he encouraged focus on development of Ward Based Planning as a building block towards development of a credible and legitimate integrated development plan. The issue of sector departments' participation needs to be adhered to by establishing meaningful participation in IDP processes through structured IDP forums hence we need to establish complementary approach in order make necessary impact on our communities. ELM needs to take into account IDP processes, Local Government Turnaround strategy, Outcomes Based Approach (Service Delivery Agreements) should to be taken into consideration and mainstreamed to IDP's. Cognisance must be taken for all powers and functions that are performed by the municipality as well as SLAs and MOUs that exist, this will assist the municipality to avoid planning for un-mandated functions. The office of the MEC congratulated the municipality for developing good IDP for 2012/13, it has been noted that the overall high rating for Emalahleni local municipality for two years in succession. However, the two key performance areas; Finance Management & Viability and Infrastructure and Basic Service Delivery still require improvement.

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Highlighted areas within the plan which needed to be addressed and strengthened to ensure that the IDP remained a credible document.

These areas related to issues such as

- **Financial Management and Viability**
- **Basic Service Delivery**
- **interpretation of our development challenges,**
- **representation of that view in the spatial development framework and**
- **Our analysis of municipal financial viability.**

1.2. AUDITOR GENERAL ISSUES – IDP & PMS: RESPONSE

The Auditor General noted concerns over identified shortfalls in certain aspects of the planning process. In particular key concerns were raised relating to the alignment of the PMS and IDP. This new IDP cycle must ensure clear alignment between the IDP KPA's, development objectives and Targets used in our performance scorecards and SDBIP. The document also provides an overview strategy to improve our audit outcome from the current disclaimer to a clean audit outcome. (Audit Action Plan attached)

AUDIT OUTCOMES FOR THE PAST THREE YEARS

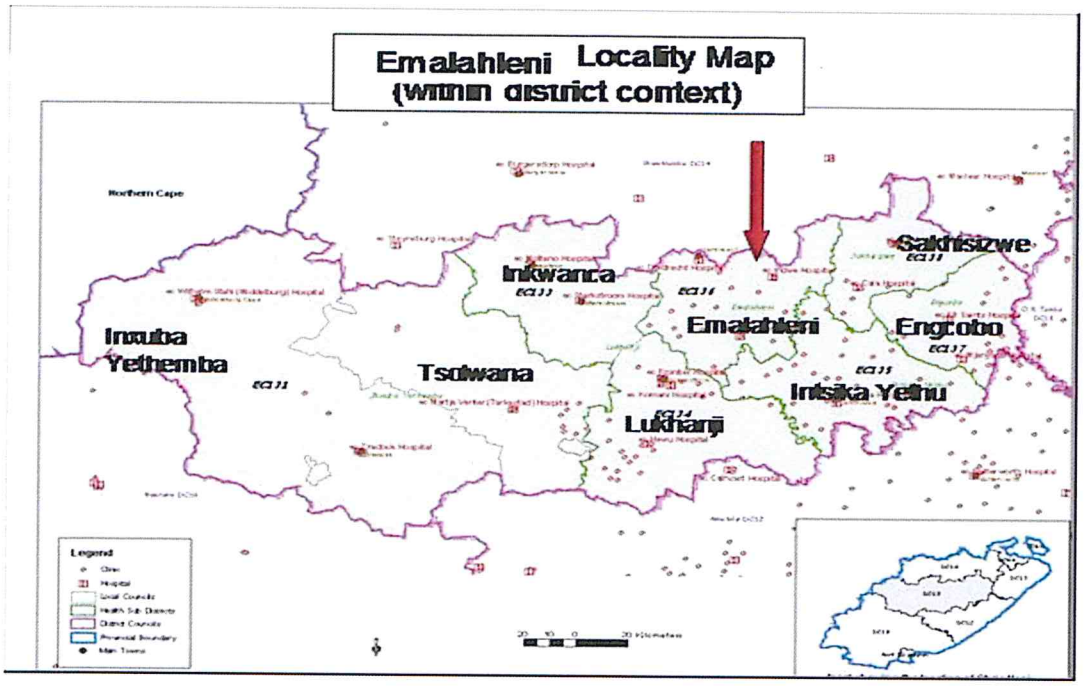
2009/2010	2010/2011	2011/2012
DISCLAIMER	DISCLAIMER	DISCLAIMER

2. LOCALITY CONTEXT

Emalahleni is a category B municipality situated within the Chris Hani District (see figure below) of the Eastern Cape Province. It consists of the three main urban nodes being the towns of Lady Frere, Indwe and Dordrecht surrounded by a large rural settlement s and many surrounding villages.

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3. PRE-PLANNING

PROCESS PLAN

INTRODUCTION

Emalahleni Local Municipality is category B municipality situated within the Chris Hani District Municipality of the Eastern Cape Province. It has 17 Wards which service the three main towns - Lady Frere, Indwe and Dordrecht and surrounding villages.

LEGAL CONTEXT

The Municipal Finance Management Act 56 of 2003 section 21(1) provides that the Mayor of the Municipality must:

a) Coordinate the processes for preparing the annual budget and for reviewing the Municipality's Integrated Development Plan and Budget related policies to ensure that the tabled budget and any revisions of the Integrated Development Plan are mutually consistent and credible.

The Municipal Systems Act 32 of 2000 provides that a Municipal Council must review its Integrated Development Plan annually accordance with an assessment of its performance measurements in terms of section 41and to the extent that changing circumstances so demand and may amend the Integrated Development Plan in accordance with a prescribed process.

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OBJECTIVES

- To draw up a review process plan that would engender inclusivity and transparency.
- It is to encourage participation by all stakeholders and communities.
- To solicit and determine priorities of the municipality
- To enhance service delivery and development.

IDP PROCESS

Phase 1: Preparing for new IDP Cycle

Phase 2: Monitoring and Evaluation & Update Analysis

Phase 3: Objectives, Strategies, Projects and Programme

Phase 4: Consolidate IDP 2012 to 2017

Phase 5: Approval of IDP 2012 to 2017

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INSTITUTIONAL ARRANGEMENTS, ROLES AND RESPONSIBILITIES

ACTORS	ROLES AND RESPONSIBILITIES
Council	▪ Consider and adopt reviewed IDP ▪ Encourage public participation ▪ Keep public informed about the contents of the IDP ▪ Adopt the Integrated Development Plan, Budget and SDBIP
IDP Manager	▪ Ensure that the Process Plan and reviewed IDP are adopted by the Council ▪ Manage the local municipal IDP by ensuring that all daily planning activities are performed within an efficient and effective consideration of available time; financial and human resources; ▪ Encourage an inclusive participatory planning process and compliance with action programme ▪ Facilitate the horizontal and vertical alignment of the district IDP ▪ Ensure that the planning process outcomes are properly documented ▪ Manage service providers to the district or local municipal IDP ▪ Coordinate with various government departments and to ensure that all the projects, strategies and objectives of the local municipality are shared and distributed amongst government departments so that they might incorporate them in their planning process and vice versa
Heads of Departments & Senior Management	▪ Provide technical and advisory support to the IDP Manager ▪ Perform daily planning activities including the preparation and facilitation of events; documentation of outputs and making recommendation to the IDP Manager and the Municipal Council ▪ Interact with the relevant cluster regarding the prioritization of their individual departments projects and programmes for the following years ▪ Provide clear terms of reference to service providers
District Municipality	▪ Provide support and guidance on IDP Review process ▪ Assist municipalities to achieve the target dates ▪ Interact with service providers to ensure that a quality product is provided ▪ Assist with workshops ▪ Project Management and Implementation Support Services ▪ Ensure that clusters achieve integrated planning ▪ Ensure that an uniform reporting mechanism is devised

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ACTORS	ROLES AND RESPONSIBILITIES
Sector Departments	▪ Ensure the participation of Senior personnel in the IDP review process ▪ Horizontal alignment of programmes and strategic plans within the clusters ▪ Provide technical support and information to the planning process ▪ Contribute relevant information to support the review process within the clusters ▪ Incorporate district and local municipal projects into departments planning within the clusters
National & provincial government	▪ Monitor and evaluate the preparation and implementation process ▪ Provide training and capacity building support to the local municipality – DPLG guide for credible IDPs ▪ Coordinate support programmes so that overlapping does not occur ▪ Provide technical guidance and monitor compliance with provincial policy and legal framework ▪ Provide financial support to the IDP planning and implementation process

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MECHANISMS AND PROCEDURES FOR COMMUNITY STAKEHOLDER PARTICIPATION

Mechanisms and procedures have been developed through the outreach programme and Ward visits to optimise and encourage community participation in the review process to ensure the credibility of the process and end product.

The importance of cannot be emphasised enough and is planned to be implemented in the manner as set out in the table below:

Traditional Leaders

Traditional leaders within the Emalahleni local municipality are actively involved in the governing processes of the municipality. There are two platforms for engaging traditional leader;

- Council – Traditional leaders are an inclusive component and part of Emalahleni local municipality
- Bilateral meetings – There is a standing institutional arrangement for bilateral meetings between Emalahleni local municipality and Traditional leaders. These meetings takes place quarterly

During the different stages of planning participation can be encouraged in these ways:

Planning phase	**Methods for Participation**
Analysis	• Community Meetings organised by the ward councillor • Stakeholder Meetings • Surveys and opinion polls (getting views on how people feel about a particular issue)
Strategies	IDP Representative Forum Public Debates on what can work best in solving a problem Meetings with affected communities and stakeholders

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Projects	Representation of stakeholders on project subcommittees
Integration	IDP Representative Forum
Approval	Public Discussion and consultation with communities and stakeholders
Monitoring and Implementation	IDP Representative Forum

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IDP ACTIVITY PLAN

Activities and timeframes for different planning stages

ACTIVITIES	DATES	RESPONSIBILITY
PLANNING	**01 August – 30 August 2012**	
▪ Develop draft IDP review process plan and Budget plan	**10 August 2012**	**IDP manager**
▪ Present draft process plan to Exco	**24 August 2012**	**IDP manager**
▪ Adoption of the IDP process plan by Council	**25-31 August 2012**	**IDP Manager Municipal Manager**
ANALYSIS PHASE	**01 Sept – 30 Oct 2012**	
▪ IGR Cluster to reflect and respond to comments on IDP by MEC of DPLGTA	17 September 2012	**Municipal Manager**
▪ IDP Steering committee (collect ward information)	10 September 2012	**IDP Manager**
▪ Steering Committee meeting	17 October 2012	**Municipal Manager Mayor**
▪ IDP Rep Forum - present status quo report - priorities in order of importance as ranked by wards	29th October 202	
STRATEGIES	**02 Nov – 17 Nov 2012**	
▪ IDP Steering committee: review existing strategies	**12th – 13th November 2012**	**IDP manager**
▪ Steering Committee meeting:		**IDP manager/CFO**
▪ Present draft strategies		**IDP manager**
▪ Present operational budget	**17th November 2012**	
▪ IDP Steering Committee Workshop Final Strategies for 2010/11 financial year		

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PROJECTS	**23 NOV 2013 - 31 Jan 2013**	
▪ IDP Rep Forum: - Identification of projects for 10/11 financial year - Prepare draft capital budget 10/11 ▪ IDP Steering Committee meeting: - **Present IDP projects & draft Capital & Operational budget**	**23rd November 2013** **07th Dec 2013**	**IDP Manager** **IDP manager & CFO** **IDP Manager**
ALIGNMENT& INTEGRATION PHASE	**01 Feb 2013 – 26 Feb 2013**	
▪ Cluster Meeting: Alignment with sector depts., & LM's IDP's and CHDM ▪ IDP Rep Forum - Present draft IDP & Budget • **IDP steering committee** **- IDP/ PMS & Budget Alignment workshop**	**01 – 18 February 2013** **26 February 2014** **24th February 2013**	**IDP manager** **Mayor** **IDP manager**
ADOPTION PHASE	**01 March 2013 – 14 April 2013**	
▪ IDP & Budget document consolidation ▪ Adoption of draft IDP & Budget by Council ▪ Public Comment Period – (Advert & Road shows) ▪ Submission to office of MEC ▪ Development of IDP & Budget Summaries	22 March 2013 31 March 2013 05 April 2013	**IDP Manager** **IDP Manager & CFO** **IDP Manager** **IDP Manager** **IDP Manager & CFO**
IDP & BUDGET IMPLEMENTATION PLAN		
▪ IDP Steering Committee - Finalize Draft Budget document ▪ Adoption of Final IDP, Budget,	26 April 2013 28 May 2013	**Municipal Manager**

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PROJECTS	23 NOV 2013 - 31 Jan 2013	
▪ IDP Rep Forum: - Identification of projects for 10/11 financial year - Prepare draft capital budget 10/11 ▪ IDP Steering Committee meeting: - **Present IDP projects & draft Capital & Operational budget**	**23 November 2013** **07th Dec 2013**	**IDP Manager** **IDP manager & CFO**
ALIGNMENT& INTEGRATION PHASE	**01 Feb 2013 – 26 Feb 2013**	
▪ Cluster Meeting: Alignment with sector depts., & LM's IDP's and CHDM ▪ IDP Rep Forum - Present draft IDP & Budget • **IDP steering committee** **- IDP/ PMS & Budget Alignment workshop**	**01 – 18 February 2013** **15 February 2013** **24th February 2013**	**IDP manager** **Mayor** **IDP manager**
ADOPTION PHASE	**01 March 2013 – 14 April 2013**	
▪ Public Comment Period – (Avert & Road shows) ▪ IDP & Budget document consolidation ▪ Adoption of draft IDP & Budget by Council ▪ Submission to office of MEC ▪ Development of IDP & Budget Summaries	01st – 18th March 2013 22-31 March 2013 31st March 2013 05 April 2013 12-14 April 2013	**IDP Manager** **IDP Manager & CFO** **IDP Manager** **IDP Manager** **IDP Manager & CFO**
IDP & BUDGET IMPLEMENTATION PLAN		
▪ IDP Steering Committee ▪ Adoption of Final IDP, Budget, PMS &	2 April 2013	**Municipal Manager**

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SDBIP	28 May 2013	

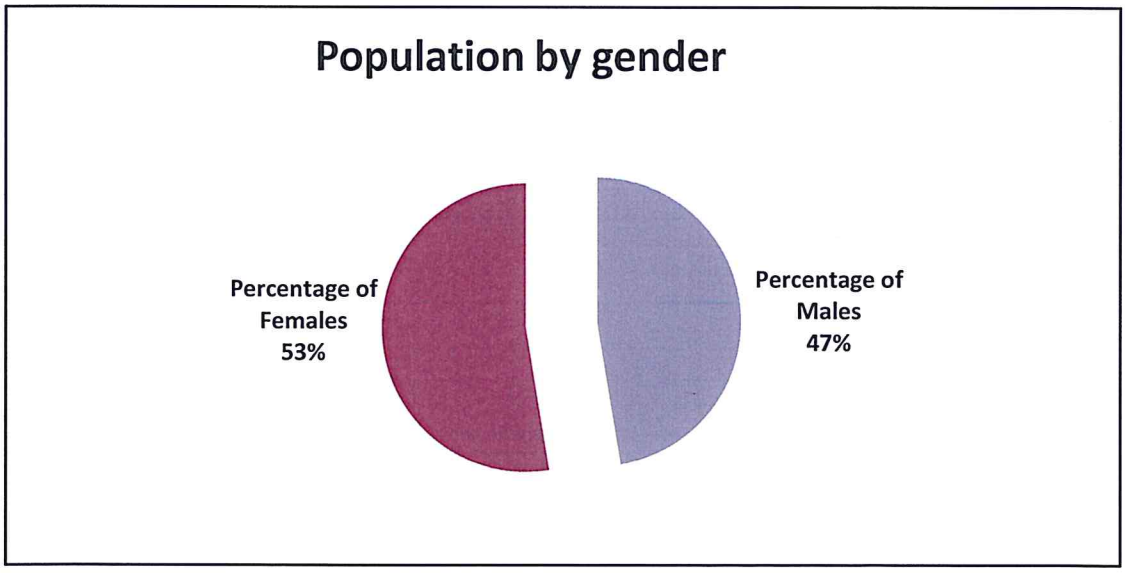
SECTION B: SITUATIONAL ANALYSIS

1. Population

Emalahleni has the fourth largest population with a total of 119,460 (15% of the district population) in the Chris Hani district and extends over an area of approximately 3 840 square kilometers, includes more than 200 rural villages and comprises seventeen (17) wards. The head office of the Emalahleni Local Municipality is situated in Lady Frere and has satellite offices in Dordrecht and Indwe. **Growth trend analysis shows that Emalahleni population had a marginal growth of between 2% to 5% over the last 5 years. The marginal growth could be attributed to a variety of factors such as death, poverty, HIV/AIDS and/or family planning.**

The following tables and graphs reflect the population of Emalahleni by various categories. The Black Africans and Black African females in particular are the largest group of the population at 51% (and 53% including all races) of the total population. The high representation of females in the population represents an opportunity for the municipality to develop and implement programs for women empowerment.

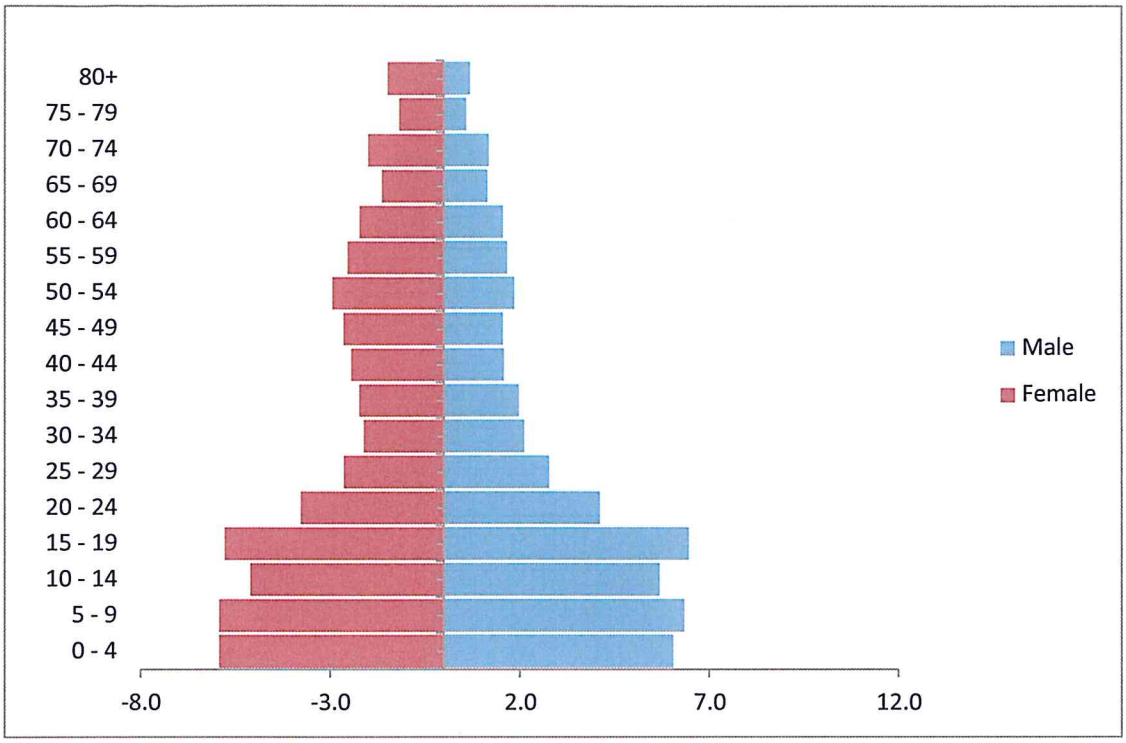
	Black African	Coloured	Indian or Asian	White	Other	Grand Total
Male	55614	350	135	322	199	56620
Female	62058	341	39	340	61	62839
Grand Total	117672	691	174	663	260	119460



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Population Pyramid



The above pupation pyramid reflects a perfect planning informant for the municipality. From this age distribution above, the following observations can be eluded;

- the 0-19yrs comprised of 47% of the total population
- ages 20-59yrs of the economically active population, show a fairly distributive population
- ages 60 upwards represent 13% of the population

Emalahleni Municipality population has a large representation of the youth (comprising of 47%) of the total population. The retired age group of age 60 and above represents 13 percent of the population. These two above point also pose a great challenge for the Emalahleni municipality. This challenge being that the 60 percent of the population is both under 19years and above 60years and thus most likely economically in active and reliant on social grants. The resultant of this compels the municipality to increase its commitment to Special Programmes

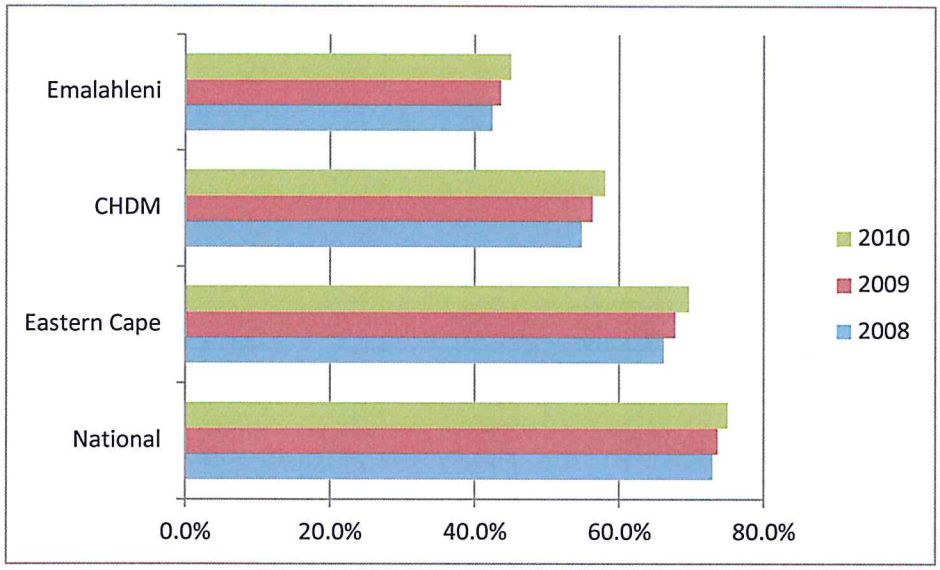
According to statistics released by ECSECC, about 47% of the population earns just under R3500.00 and 13% of the population leaves under the bread line and would therefore not be able to afford housing or other services and rely on state subsidies. Emalahleni thus can be classified as a low wage economy which is a factor of low or negative growth. This fact will be dealt with throughout the document.

3. Education and Skills

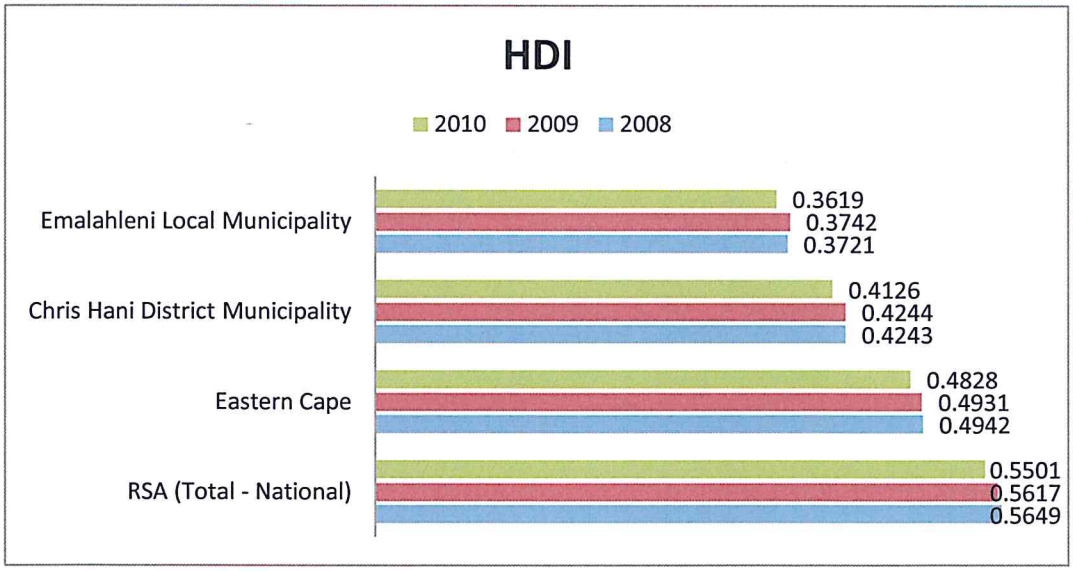
The graph below shows a very steady improvement on pupils aged 20 + who have completed grade seven (7) or higher in the past three years (2008 – 2010).

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About 35% of the entire population has no schooling whilst only 5% of the population has a matric (Grade 12) qualification. As indicated in graph below, the levels of educational attainment are very low. This situation presents a major challenge for future economic growth because essential skills for growing the economy are limited and will be further reduced by this situation in which 37% of population has no schooling at all.



4. Human Development Index (2008 – 2010)

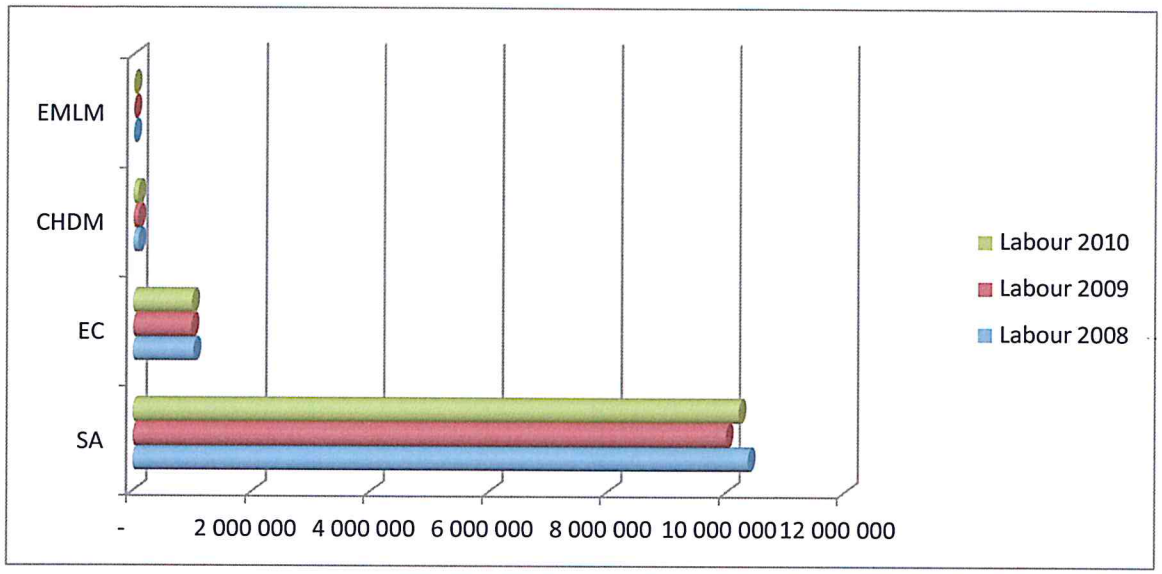


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5. Labour

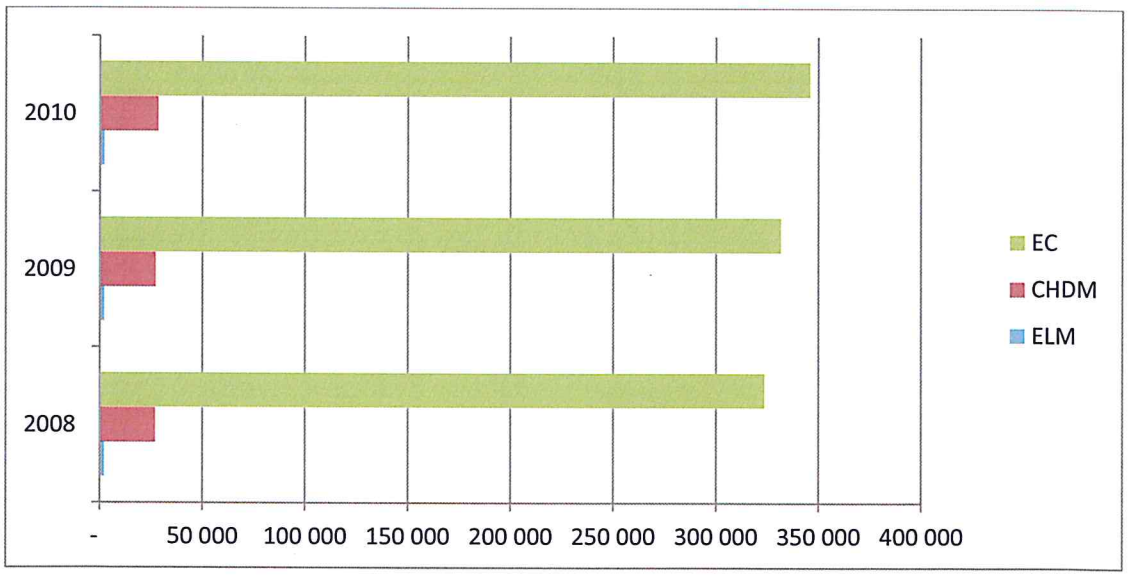
Formal Employment



The number of people in formal employment for Chris Hani District Municipality is very low and this has been the case for the past three (3) years. This situation means that people are either dependent on informal sector; have their own businesses and or coops or unemployed at all and that will have a knock on effect on socio – economy of the area.

Bye-and-large, the GDP of Emalahleni has been anchored by the wholesale and retail sector which has contributed a higher percentage in terms of Real Money. The wholesale and retail sector has contributed about 80% to the Gross Domestic Product and has seen a steady growth for the past three financial years (2008, 2009 & 2010).

Informal Sector:

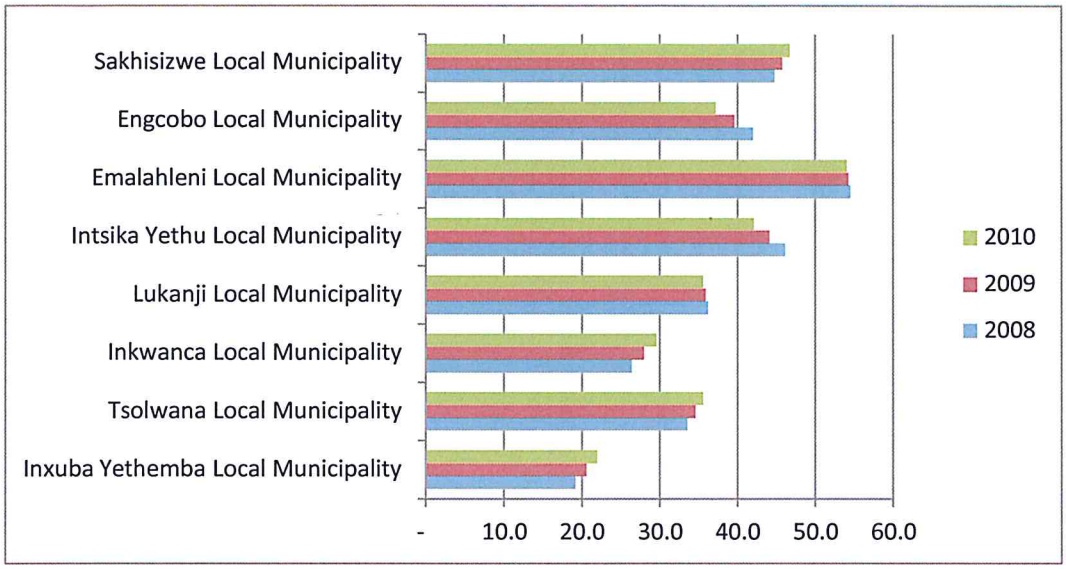


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In as far as it relates to the informal sector, Emalahleni is still making no progress for the past three years (2008 – 2010).

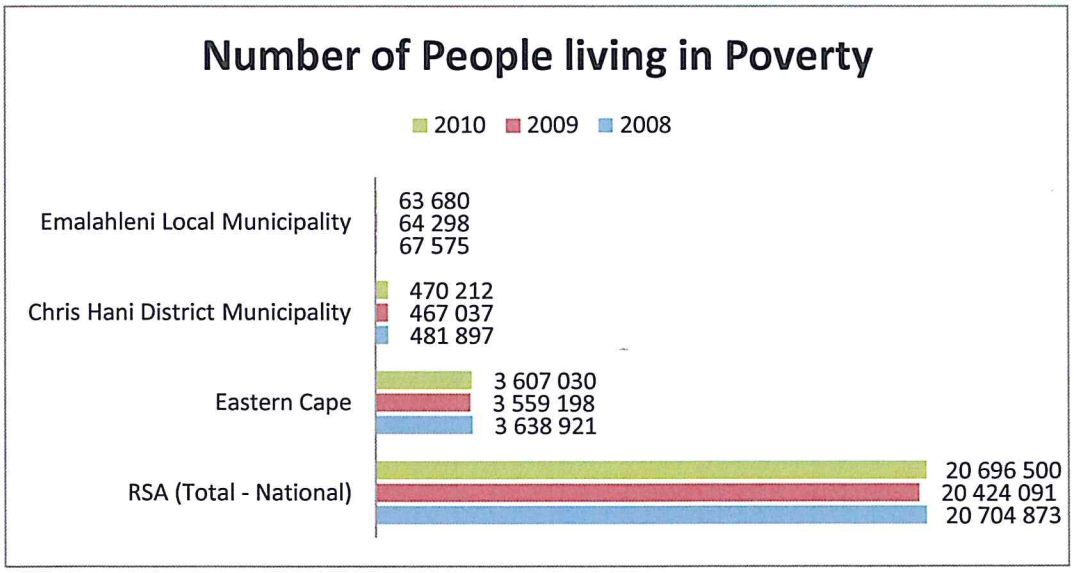
Unemployment rate



In the district, Emalahleni Local Municipality, is leading in as far as the unemployment rate is concerned and this has been the case since 2008 – 2010. There is a lot that needs to be done in terms of job creation.

According to data released by Statistics South Africa for the Year 2007, 2008 & 2009 indicates that the economy of Emalahleni has been shedding jobs except for the wholesale & retail sector which maintained a low but steady growth in terms of employment figures.

6. Poverty:

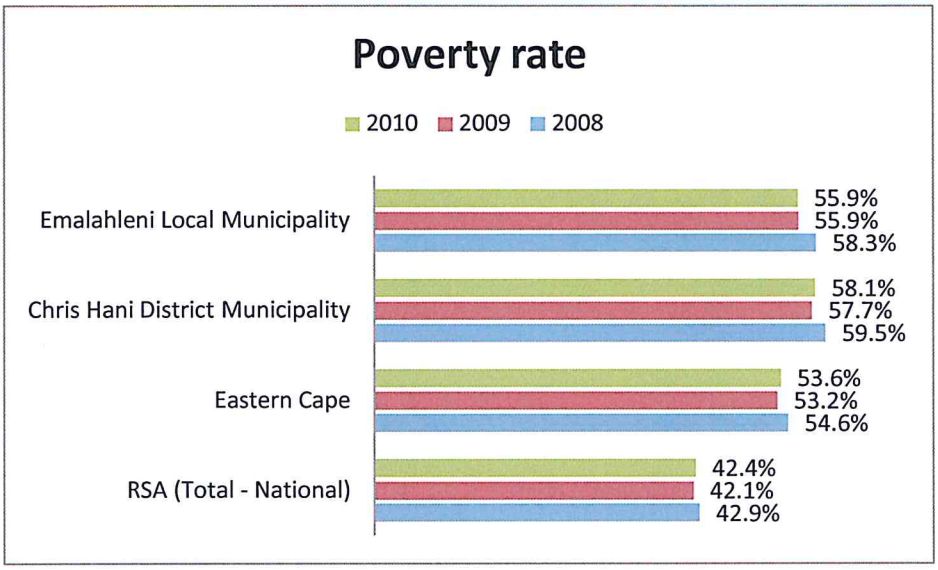


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There has been a slow decrease in a number of people living in poverty from 67,575 to 63, 680 since 2008 – 2010. This might be due to number of government interventions in terms of social grants, or people leaving the area for greener pastures.

Due to the snail pace inwhich poverty is decreased, Government in general and Emalahleni Local Municipality in particular, need to introduce aggresive measures that will seek to accelerate the pace of poverty eradication and such can be encapsulated in LED strategy and other relevant strategies.

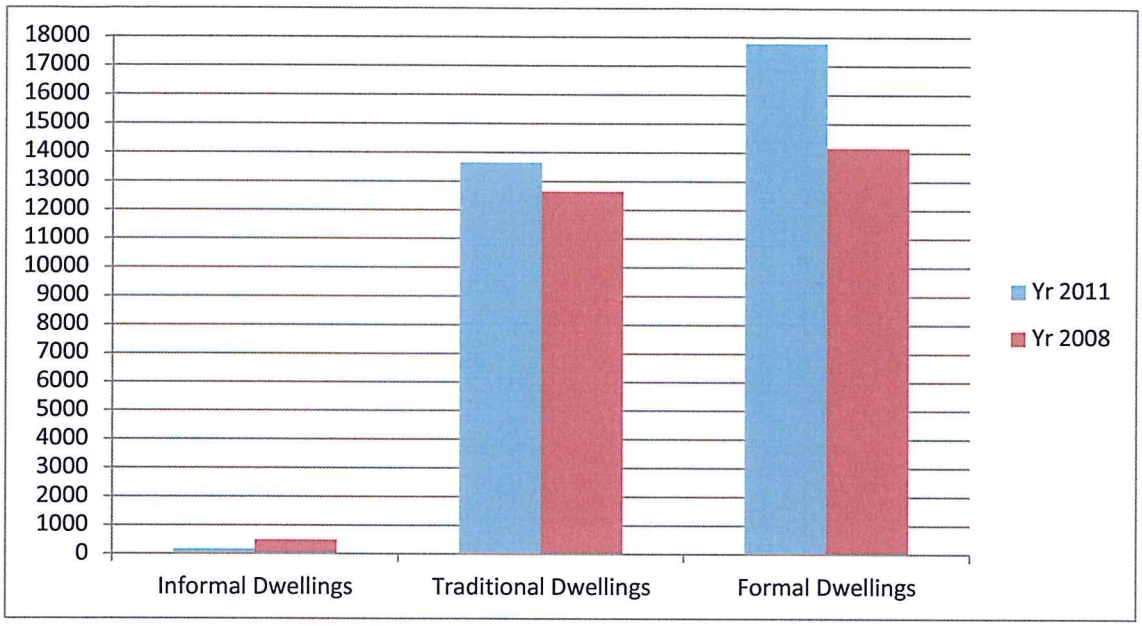
Poverty rate (2008 – 2010)



7. Human Settlements

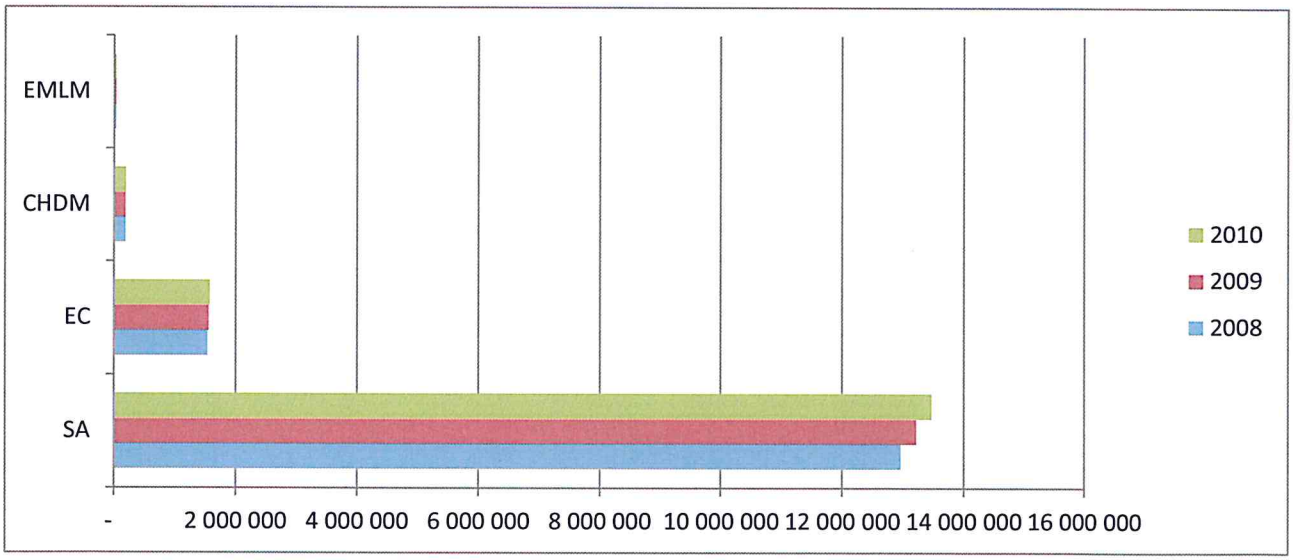
The graph below shows that most of the houses in the municipality are those made of bricks and traditional houses, it also shows a slow increase from 2008 of brick and traditional houses. There is a very minimum number of informal settlements and the numbers are showing a slow decline since 2008 and this can be attributed to the increase in brick and traditional structures.

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8. ACCESS TO SERVICES:

Access to Sanitation: National Perspective

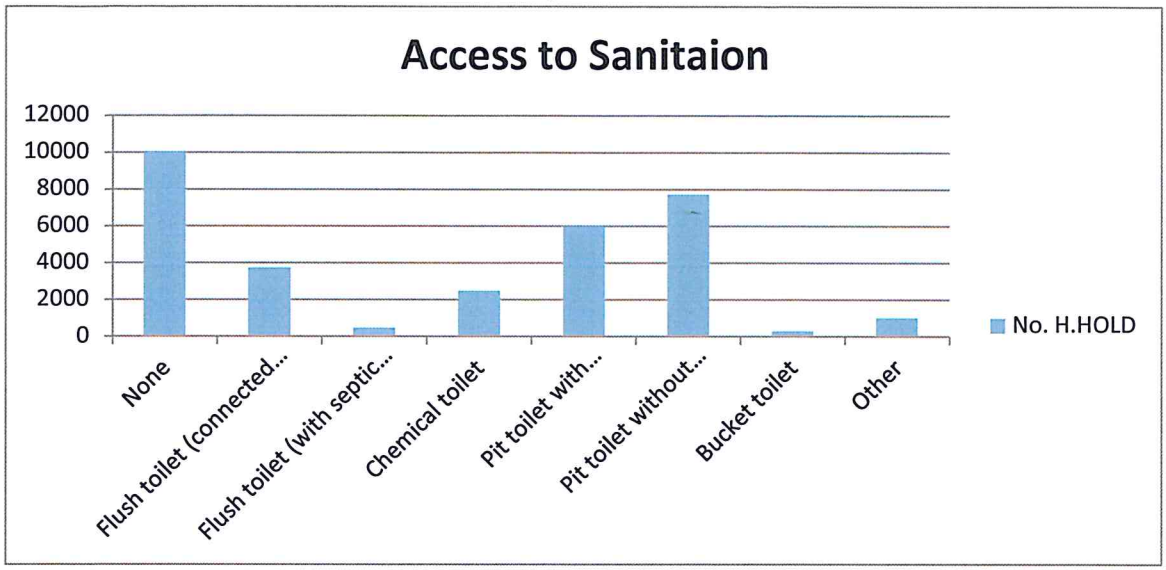


Nationally, there has been a remarkable improvement in terms of access to sanitation, however the picture is not the same in both the Eastern Cape province and Chris Hani District, whereby there has been no progress at all since 2008 – 2010.

The picture is even worse when it comes to Emalahleni Local Municipality, in which the is no improvement at all.

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Access to sanitation: Local perspective



This graph presents a picture of Emalahleni local municipality in as far as it relates to the provision of sanitation (Flush or chemical toilets; Pit latrine; and Bucket latrine).

In terms of the Flush or chemical toilets there has been a very slow improvement since 1995 - 2010. Pit latrine usage has been consistent throughout the years since 1995. The usage of a bucket system is still prevalent especially in towns (Indwe and Dordrecht) wherein there is a back log in as far as it relates to eradication of bucket system by 2014(MDG:2000). This graph depicts that the majority of households use Pit Latrine as a sanitation system, perhaps this is due to the rural nature of the municipality.

Access to Water

Regional/local water scheme (operated by municipality or other water services provider)	18021
Borehole	3049
Spring	1158
Rain water tank	463
Dam/pool/stagnant water	2060
River/stream	3978
Water vendor	356
Water tanker	1693
Other	902

Refuse removal for Household

	2008	2009	2010	2011
Unspecified / other	52	49	47	1303
Removed by local authority at least once a week	3 026	3 085	3 144	2637
Removed by local authority less often	217	211	206	165
Communal refuse dump	562	587	612	528

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Own refuse dump	13 363	13 518	13 674	20165
No rubbish disposal	-	-	-	6883

Formal waste collection service is generally limited to the urban areas of Lady Frere and Indwe / Dordrecht. Households in the rural areas improvise by either creating their own dumps in their own yards or by means of illegal dumping sites.

Integrated Waste Management

ELM has developed and approved an Integrated Waste management Plan in 2011, with a aim of addressing and having a strategic focus in dealing with waste management. The status of solid waste systems for the Emalahleni Local Municipality is summarized for the main towns as follows:

Lady Frere: No licensed solid waste site exists. There is a schedule for refuse removal on a daily basis

Dordrecht: There is a solid waste collection system in the town and the landfill site is reportedly approved by DWAF.

Indwe: The town has a solid waste collection system.

Emalahleni Municipality is in a process of developing a licensed landfill site in Lady Frere that will cater for the three units. Dordrecht and Indwe units will have transfer stations. Recycling is formally taking place in Dordrecht and other initiatives are still done informally in Lady Frere and Indwe.

Public Amenities

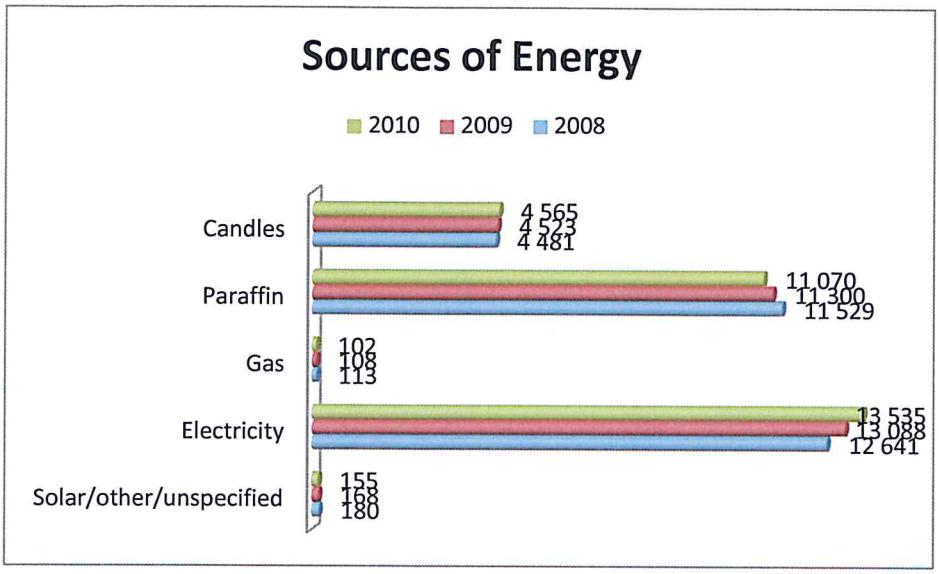
There are two parks in the jurisdiction of ELM in Indwe and Lady Frere. There are sports fields in all three towns on ELM (Indwe, Lady and Dordrecht). There are seventeen community Halls in wards 1,2,4,6,7,8,9,11,12,13,15,16 at Emalahleni Municipality. The municipality has three functional Libraries in Dordrecht, Indwe and Mhlanga (Rietspruit).

Sources of Energy:

There is still heavy reliance on Electricity, Paraffin and Candles as sources of energy with electricity as the most popular source of energy. There is very slow or no progress in terms of introducing other sources of energy that are eco – friendly like renewable energies (Solar ; Wind Energy).

The municipality need to start thinking of introducing new sources of energy that are cheaper , safer , efficient and eco - friendly.

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Public Transport

a. Taxi and Bus ranks

Public transport is an assigned function of Emalahleni Municipality; as a result we have a functional Transport Forum. Interventions are mainly limited to infrastructure development such as erection of bus / taxi shelters along public transport routes. These too are often of poor condition and quality. Taxi and bus facilities in Emalahleni Local Municipality are generally in a very poor condition and are often merely informal areas (embankments on roads, open fields etc.), in rare cases there have been attempts to formalize the ranks, which are characterized by:

- Lack of basic services such as water, sanitation, electricity, telecommunications
- Passenger shelters and seats are rarely available
- Parking surfaces are generally not marked
- It is difficult to tell the difference between holding, loading and parking areas
- There are no wash bays
- Entrance/exits are not clearly marked
- Destination boards, and general signage is non-existent

b. Status Quo

- Taxi operators are complaining about over-subscription on routes and a decrease in income.
- Bus operators are unhappy about what they see as extremely low subsidies and about the fact that they see themselves as being forced out by government.
- The general condition of buses and taxis is very poor and often not in roadworthy state.
- Commuters are generally unhappy with the services being provided by both taxis and buses.
- Rail services for commuters have been decreased over the years.
- There are taxi ranks in Lady Frere and Dordrecht. The taxi ranks in Lady Frere are being upgraded. The taxi ranks in Dordrecht are not being used at all.
- The role of bakkies in rural areas is very significant and the approval and / or upgrading of these special category vehicles needs urgent attention. Appropriate road infrastructure and public transport facilities including taxi ranks and bus transport facilities are lacking.

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9. Community needs per ward.

Ward	Water/ Sanitation	Electricity	Health	Human Settlements	Roads& Storm-water Bridges	Community Halls/Library/ Sports-fields	Fencing	Agriculture	Education/ Safety and Security
1	Access to water	Electrification in all vilages			Access roads to all villages	Community Hall in Tshatshu	Fencing for all Villages		
2		Electrification	Clinic - Nkolonga	RDP houses for all villages	Access and Tar Roads		Fencing- Grazing land		
3		Electrification and extensions			Storm-water management. Access roads and bridges	Community hall - Qaqeni		Land Care management	
4		Street lights- Bhongolethu			Access roads-All villages and town	Multi-purpose centre – Town/Cacadu	Fencing- Ngqoko	Shearing Shed – Ngqoko/Cacadu	
5	Access to water & sanitation– All Villages				Access Road. Bridges		Fencing		
6	Sanitation-All villages				Access roads. Bridges		Fencing- All villages	Irrigation Scheme	
7					Access roads – All villages	Community Hall - Bozwana	Fencing – Grazing land	Shearing Shed. Eradication of Lapes	
8		Electrification – Lower Vaal Bank			Access roads		Fencing – Grazing Land	Shearing Shed. Revival of Crop Ploughing	
9	Access to water	Electrification	Clinic		Access roads- All villages				Mobile police station
10					Access roads – All villages. Bridges Course ways	Community Hall and MPCC		Eradication of alien plants. Five (5) Tractors	
11		Street ligts	Clinic rennovati		Tarred roads				Revival of old police

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			ons						station. Primary School
12	Water Shortages – All villages	Electrification			Access roads. Bridges			Shearing Shed – Ncalukeni /Lowe Mkhapusi	
13					Bridges. Access roads	Sports Ground. Community library			Police Station
14			Kalfontein Clinic		Access roads	Community hall/Multi-purpose centre. Sports field			Inkwenkwezi pre-school
15		Street lights			Tarring of Mavuya streets	Community Hall reconstruction/MPCC. Sports field – Construction and Maintenance			
16	Access to water – Lower/Upper Mgwalana				Access road and Street Maintenance	Sports-field maintenance		Fencing – Grazing Land	
17	Access to water and sanitation	Electrification - Nkolonga			Access roads	Community Hall			

The graph below shows how many times have development needs been raised by communities during the ward based IDP consultation process with Water having been raised in seventeen (17) wards as a need.

In as much as it is appreciated that some of the community needs such as libraries; schools; water; do not fall within the Emalahleni's jurisdiction in terms of its powers and functions, Emalahleni municipality have a duty to elevate such to relevant authorities and ensure that IGR is strengthened.

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10. Powers and functions of municipalities

According to the Constitution of the Republic of South Africa:

(1) A municipality has executive authority in respect of, and has the right to administer-

(a) the local government matters listed in Part B of Schedule 4 and Part B of Schedule 5; and

(b) any other matter assigned to it by national or provincial legislation.

(2) A municipality may make and administer by-laws for the effective administration of the matters which it has the right to administer.

(5) A municipality has the right to exercise any power concerning a matter reasonably necessary for, or incidental to, the effective performance of its functions."

SCHEDULE 4

PART B

The following local government matters to the extent set out in section 155(6)(*a*) and (7):

Air pollution

Building regulations

Child care facilities

Electricity and gas reticulation

Fire-fighting services

Local tourism

Municipal airports

Municipal planning

Municipal health services

Municipal public transport

Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law

Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto Storm water management systems in built-up areas

Trading regulations

Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems

SCHEDULE 5

PART B

The following local government matters to the extent set out for provinces in section 155(6)(*a*) and (7):

Beaches and amusement facilities

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Billboards and the display of advertisements in public places

Cemeteries, funeral parlours and crematoria

Cleansing

Control of public nuisances.

SECTION C and D: VISION and MISSION

VISION

- A municipality that delivers appropriate, sustainable and affordable services towards socio-economic growth for the development of its community.

MISSION

- Emalahleni Municipality promotes quality and excellent services that are valued by its customers through effective partnerships and active community participation as it plans for the future.

VALUES

- Responsiveness: we will put in place systems to promptly respond to the needs, complaints and enquiries of our communities.
- Cultural Diversity: we will promote and enhance all cultures in our municipality.
- Commitment: we commit ourselves to clean governance and accountability.
- Dignity: we will treat every client with dignity, respect and disciplined manner.
- Honesty: we will discharge our mandate with honesty.
- Innovation: to encourage alternative and innovative systems to discharge service delivery.
- Adhered practice to Batho Pele Principles.

THE MACRO STRATEGY

The current reality analysis has shown that the municipality is faced with a daunting challenge marked by huge backlogs in service delivery, socio-economic problems of high unemployment and poverty levels. Solutions to these challenges can potentially be in conflict with or complement each other. For this reason, it is necessary for the municipality to have a macro strategy that will guide decision making when there are conflicting strategic options and also provide a basis for the allocation of scarce resources.

The macro strategy gives a high level interpretation of the vision and is based on the following key drivers:

Maximising development impact

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The strategy, in line with the vision, recognizes the need to achieve optimal impact with current resources and set of known constraints. In terms of this driver, the limited available resources must be directed towards interventions that will maximize development.

The strategy identifies the infrastructure cluster as the principal cluster on which larger capital budget resources and investments should be deployed in order to realize greater impact or outcomes.

Growing local economy

The situational analysis concluded that the municipality has very limited space to increase local revenue, mainly because of high levels of poverty. Therefore LED will not only help improve the lives of the citizenry, it will also improve the chances of their municipality to be a better resourced local government. However, it has to begin with an organization that can think and coordinate and/ or manage significant initiatives in terms of LED. It has to be able to get the municipality's initiatives to coordinate and synergise with others in a way that should lead to a major turnaround in the local economy.

Maintaining financial viability

The strategy identifies as central to turning around the current development situation, the need to maintain sound financial discipline and viability. This will ensure that available resources are protected from misuse and properly channelled to priorities. The strategy identifies the need to balance proportional split of budget between internal operational and external capital delivery needs. These initiatives may include introduction of some short to medium term "belt-tightening" measures.

Lobbying for authorities to compensate costs of delivery

The situational analysis has demonstrated that most of the development initiatives that the municipality would like to see being implemented in the municipal area are a competency of other role-players and in particular the District Municipality and Provincial government. In some cases the resources for implementation are in the hands of parastatals, such as ESKOM and TELKOM, and private, sector such cellphone services providers. It has also noted that there is no structured lobbying programme nor the necessary skills set that should develop such a programme and support the political structures in delivering on it in systematic way. Building this capacity is seen as a major driver of capacity building.

Capacity to regulate citizenry and deliver services

It was also noted in the situational analysis that the municipality is running the risk of not governing the municipal area. There is no enforcement of appropriate by-laws and the citizenry is beginning to act as if there is no local government. This is particularly the case with regard to actions that may harm the health of the citizenry. It was also noted that the municipality is not delivering on a number of its important powers and functions. There is clearly a need to build capacity in this regard.

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SECTION E: STRATEGIC OBJECTIVES

1. KPAs, OBJECTIVES, KPIs, STRATEGIES & PROJECTS

The reviewed development objectives, KPIs, Strategies and Projects are listed in the table below.

National Objectives

1. Spatial and environmental Rationale
2. Infrastructure and basic services
3. Local Economic Development
4. Municipal Institutional Development and Transformation.
5. Financial Viability and Management
6. Good Governance and Public Participation

Align Local Objectives to national objectives

Basic Service Deliver; Spatial Development; Local Economic Development; Good governance; Financial Viability; Institutional Transformation.

2. GOALS

- To improve municipal planning, financial viability and support that is sustainable, efficient and community oriented.
- To ensure that the community has improved access to basic services.
- To strengthen ward based planning to sustain livelihoods and job opportunities more especially targeted poor communities.
- To ensure the achievement of sustainable human settlements and quality neighbourhoods.
- To strengthen participatory governance and promote integrated planning through involvement of all stakeholders.
- To promote a green and sustainable municipality known for its special environmental features and environmental protection.

3. OBJECTIVES

- Improve provision of water to all households by 60% by 2017.
- To ensure the reduction of poverty levels to be between 30%-40% by 2016.
- To ensure that Emalahleni Local Municipality's population has job opportunities in accordance with EPWP programmes.
- To streamline programmes for the reduction of new HIV infections.

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- To form partnership with the Dept of education in order to improve literacy rate.
- To partner with the Dept of Education in order to be involved in all phases of project management.
- To improve by 100% access to sanitation by 2016.
- 100% eradication of bucket system by 2016.
- 50% improvement on environmental management services by 2016.
- Reduction and elimination of pollution
- 60% improvement on environmental law enforcement by 2016.
- Ensure 100% network coverage for Emalahleni area by 2016.
- To have access to renewable energy sources like solar systems targeting 3000 household by 2016.
- Improve access roads by 60% by 2016.
- To partner with the Dept of Health and CHDM to improve health care.
- Eradication of infrastructure backlog by 60% by 2016.
- Achieve a clean audit report by 2014.
- Improve financial viability by 60% by 2016.
- To promote, facilitate and improve sustainable local economic development through local economic programmes.
- To provide affordable waste and refuse collection services in towns.
- To ensure management of stray animals in main roads and towns.
- To ensure effective cemetery services in towns.
- To ensure regular building maintenance and repairs of municipal properties.
- To ensure proper planning by promoting good order, health, safety, amenity, convenience and general welfare of the community.
- To control and co-ordinate the way in which development is taking place in Emalahleni.
- To promote the best use of land as a scarce resource in Emalahleni.
- To promote diverse combination of land uses in towns through enforcing proper town planning schemes.

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4. OUTCOME 9: ROOT CAUSES

Local Government is a key part of the reconstruction and development effort in our country. The aims of democratizing our society and growing our economy inclusively can only be realized through a ***responsive, accountable, effective and efficient Local Government system*** that is part of a Developmental State. **Root causes** for some of the problems experienced in the Local Government System include:

a. **Systemic factors, i.e. linked to model of local government;**

b. **Policy and legislative factors;**

c. **Political factors;**

d. **Weaknesses in the accountability systems;**

e. **Capacity and skills constraints;**

f. **Weak intergovernmental support and oversight; and**

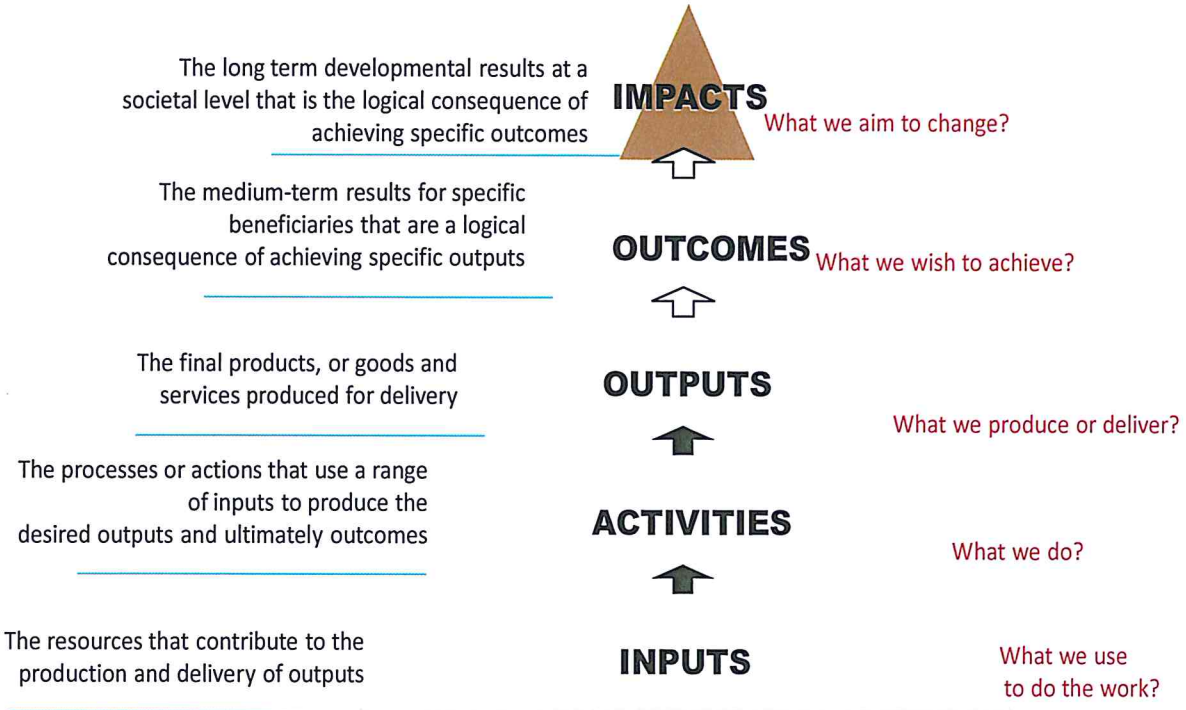
g. **Issues associated with the inter-governmental fiscal system**

SUPPORTING LOCAL GOVERNMENT: WHAT WILL BE DONE DIFFERENTLY THROUGH THE APPROACH OF OUTCOME 9

PREVIOUS SUPPORT INITIATIVES	DELIVERY FOCUS FOR OUTCOME 9
Insufficient focus on support and systems for effective ***implementation*** of policy and programmes.	**Outcomes-Based Approach:** Doing things differently: work 'harder, faster and smarter' for efficiency, effectiveness and development orientation of the public service.
1. Driven by technocrats with insufficient guidance and oversight by the executive.	**Hands-on political leadership**, management, and oversight.
2. Uncoordinated response to responding to symptoms – pre-emptive solutions, rather can application of cause and effect logic, or theory of change.	**Focus on underlying root causes** of struggles in local government; transcend the obstacles of the past; new, focused 'all-of-government' approach to improving LG performance
3. Progress managed through *voluntary* intergovernmental cooperation, not well monitored, poor accountability, uneven responsiveness to need for change.	**Stronger intergovernmental management & coordination**: Intergovernmental Implementation Forums to monitor and report to Cabinet regularly as per Delivery Agreement.

OUTCOMES APPROACH

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7 OUTPUTS

Output 1: Implement a differentiated approach to municipal financing, planning and support *(13 activities)*

Output 2: Improving access to basic services 24 activities)

Output 3: Implementation of the CWP *(7 activities)*

Output 4: Actions supportive of the human settlement outcome *(12 activities)*

Output 5: Deepen democracy through a refined Ward Committee Model *(13 activities)*

Output 6: Administrative and financial capability *(16 activities)*

Output 7: A Single Window of Coordination *(5 activities)*

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5. OBJECTIVES TABLE ALIGNMENT

Objective	Supporting Strategies	Project to be implemented	Source of Budget	KPI	Baseline	Target	Budget
KPA: Local Economic Development							
To create an enabling environment for sustainable local economic development	Changing of mindset from communal farming to commercial farming.	Livestock Pen Auction construction	ELM	One stock Pen Auction built in Zwaartwater	No stock Pen Auction in Zwaartwater	Stock-Pen Auction is completed by 30 June 2014 in Zwaartwater	R450 000.00
		Livestock Branding and Marketing	ELM	1000 cattle branded and sold	Number of Livestock to be branded has already been collected in 5 Wards	1000 Cattle to be branded by June 2014	R200 000.00
		Dipping Tanks (Completion & Finishing) Mhlanga, Boniswa,Tsawulayo,Lower Agnes , Boqo, Nqiningana, Xonxa, Mkhaphusi, Qoqodala, Bankies & Badi Dipping Tanks	ELM	10 dipping tanks built	10 Dipping tanks have been built but not completed	Completion of 10 budgeted dipping tanks by June 2014	R600 000.00
	Poverty reduction	Irrigation	ELM	One Irrigation	No Irrigation	One Irrigation	R450 000

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	initiatives	Scheme Support		Schemes established	Scheme in place	Schemes established Xonxa by June 2014	
To improve SMME support	Formalize and strengthen all informal traders (SMME'S)	Erection of Hawker Stalls in Indwe	MIG	30 Hawker Stalls erected at Indwe	No Hawkers stall at Indwe	30 hawkers stalls completed in Indwe by 30 June 2014	R1 364 050
	Unlock business opportunities	Paving Blocks Machinery	ELM	Number of paving block machinery purchased	No paving machinery in place	Purchasing of Paving Blocks Machinery by June 2014	R 750 000.00
Promotion, facilitation & improving sustainable economic dev through LED programs.	Marketing & branding ELM as preferred tourism destination	LTO establishment & Trained	ELM	Establishment of Emalahleni Local Tourism Organisation and training	LTO are being established per town	Emalahleni Local Tourism Organisation established and trained by 30 June 2014	R250 000.00
	Unlock business opportunities	SMME Support. Brick- Making support. Youth Enterprise Dev Support. Sinakho ICT Centre	ELM ELM	Provision of training and implements to 5 SMME' s	SMME' s are supported with training and implements	5 SMME's supported with training and implements by 30 June 2014	R 200 000 .00 R100 000.00
	Unlock business opportunities	Feasibility Study and Business Plan for Bottled	ELM	Developing Feasibility Study and Business Plan	Nil	Feasibility Study and Business Plan developed by June	R 400 000.00

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		Water Enterprise		for Bottled Water Enterprise		2014	
Objective	**Supporting Strategies**	**Project to be implemented**	**Source of Budget**	**KPI**	**Baseline**	**Target**	**Budget**
KPA: SPATIAL AND ENVIRONMENTAL RATIONALE							
Promote diverse combination of land uses in towns	To control and coordinate the way in which development is taking place in Emalahleni	Subdivision of Municipal Land.	ELM	Municipal land is being subdivided	Nil	Municipal land is being subdivided by June 2014	R150 000
		Layout Plan (cemetery)	ELM	No. Of lay plans for cemetery	Nil	Layout Plan for cemetery is developed by June 2014	R 500 000. 00
		Township Establishment	ELM	No. Of Township established	Nil	Township establishment is completed by June 2014	R 300 000.00
		Geographic Information System (GIS)	ELM	No. Of GIS established.	Nil	GIS is fully established by June 2014	R200 000.00
		Marketing of Town &	ELM	No. Of Town and Regional	Nil	Regional and Town plans are being	R150 000. 00

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		Regional Planning		plans marketed		marketed by June 2014	
Facilitate provision of quality houses and human settlement	Housing Sector Plan. Housing Strategy	Implementation of Housing Sector Plan	ELM	One Housing strategy developed	Housing Sector Plan is in place	Housing Strategy is developed by June 2014	R250 000.00
To facilitate processes for the reduction of illiteracy	To inform partnerships with relevant department (e.g. Department of Education) in order to improve literacy rate	Pre-Schools (completion & finishing Upper Mkhaphusi, Bengu,Cacadu, Maqhubela Macky's Neck Gxojeni, Lukhanyiso, Vaalbank & Nqiningana Pre-school	ELM	9 Pre- schools completed	9 Pre- Schools have not yet been completed	Completion and finished by June 2014	R700 000.00
Promotion of compliance with national building regulations and municipal	Development of municipal Bylaws Facilitate access to Legal Services for enforcement of Bylaws	Legal Fees For Building Related Enforcement	ELM	Enforcement of building legislation on identified law breakers	There is a significant breach of building regulation	Legal services provided by June 2014	R 100 000.00

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Bylaws							
Promote credible Integrated Municipal Planning	To ensure maximum public participation by communities stakeholders	IDP Review and	ELM	Completion of all IDP Review Phases	2012/2013 to 2016/2017 IDP is in place	IDP to be adopted by 31 May 2014	R100 000.00
		Liberation Heritage	ELM	Support Liberation Heritage programs	Nil	Liberation Heritage program supported by June 2014	R100 000

Objective	Supporting Strategies	Project to be implemented	Source of Budget	KPI	Baseline	Target	Budget
KPA: INFRASTRUCTURE AND BASIC SERVICE **Service Delivery**							
Facilitate for improved provision of water to all household by 2017	Water service Plan	Cluster 1 Water Backlog (Ward 7, 8, 10, 13 & 14	CHDM	Construction of water reticulation in Ward 7,8,10, 13 & 14	Work in progress	Facilitate the completion of budgeted water schemes by June 2014	R 8m
		Cluster 2 Water Backlog (Ward 1, 2, 4 & 6)	CHDM	Construction of water reticulation in Ward 1,2,4,& 6	Work in progress	Facilitate the completion of budgeted water schemes by June 2014	R8m

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		Cluster 4- Water Backlog	CHDM	Construction of water reticulation in Ward ?	Work in progress	Facilitate the completion of budgeted water schemes by June 2014	R 13m
Sanitation							
Facilitate provision of sanitation facilities to all Households by 2017	Sanitation backlog Business Plan	Cluster 4 Sanitation Backlogs (2,,3,4,5,15,16 & 17	CHDM	Number of sanitation facilities erected in Ward 2,3,4,5,15,16 & 17	Work in progress	Facilitate the completion of budgeted sanitation facility erection	R 18 200 0000.00
		Cluster 3 Sanitation Backlog (Ward 7,8,9,10,11, 12, 13 &14	CHDM	Number of sanitation facilities erected in Ward7,8,9,10,11, 12,13 & 14	Work in progress	Facilitate the completion of budgeted sanitation	R12m
Facilitate eradication of bucket system by 2017	Bucket System eradication Business Plan	Eradication of Bucket system	CHDM	Number buckets being removed ?	Nil ?	Facilitate the removal of budgeted buckets	R2m
Road and Storm Water							
To increase access roads	Roads construction and	Construction of Ntsinga –	MIG	9 kilometres of access road	Nil	9 Ntsinga to Njombela Access Road	R 5,9m

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infrastructure	maintenance Plan	Njombela Access Road (ward 1)		constructed		constructed 30 June 2014	
		Construction of Dukathole-Mmangweni Access Road (ward 9)	MIG	10 kilometres of access road constructed	Nil	10 Dukathole-Mmangweni Access Road constructed by 30 June 2014	R 5,9m
		Construction of Fani Access road	MIG	6 kilometres of access road constructed	Nil	6 Fani Access Road constructed by 30 June 2014	R 5,9m
High quality projects infrastructure	Infrastructure Master Plan	Purchase of Plant Machinery	ELM	Purchasing of plant machinery	There is old insufficient yellow fleet	Plant Machinery purchased by June 2014	R2,5m
High quality projects infrastructure	Infrastructure Master Plan	Construction of Council Chamber	ELM	Progress with procurement processes	Nil	Council Chamber constructed by June 2014	R6m
Maintenance of Access Roads	Maintained Access Roads	Maintenance of access roads – 3,5,6,10,12,14,15	ELM			All Access roads maintained	R835 935.00
Electricity							
To reduce electricity backlog	INEP Schedule 06 &07 program	Electrification of rural villages in ward 01, 08,	INEP & ESKOM	1052 Of units electrified in rural villages of ward one	Connection of 332 is in progress at Mphothulo and Mtsalane	Completion of Electrified units	R28m

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	To ensure regular maintenance and repairs of municipal properties	Streetlights refurbishment	MIG	streetlights refurbished in Lady Frere	Dilapidated Streetlights infrastructure	Streetlights refurbished in Lady Frere by June 2014	R 500 000.00

Waste management and Refuse Collection							
To improve access and quality waste management and refuse removal	Integrated Waste Management Plan	Construction of Landfill site and transfer station	MIG	Progress with the establishment of landfill site	At the present moment municipality does not have licensed landfill.	Completion of Landfills site by June 2014/15	R5m
To ensure law and order in our towns	Functional Law enforcement unit	Establish Testing Station and Law enforcement unit	MIG	Progress with the establishment of testing station	Chief Traffic and Licensing Officer is being recruited	Testing station is established by June 2014	R 1.2m
Service Delivery (Cont.)							
To improve road safety environment	Management road safety plan	Pound Management	ELM	Progress with function of pound	Construction of the pound have already started	Pound is in full operation by June 2013	R 400 000.00
High quality standard of infrastructure	Infrastructure Master Plan		ELM	Repairs and maintenance of building	Yearly repair and maintenance work	Municipal offices have been renovated by June 2014	R1,369 000.00

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		Construction of Lady Frere stadium and Recreational area	MIG	Progress with the construction of stadium and recreational area in Lady Frere	Work in progress	Lady Frere stadium and recreational area is constructed by June 2014	R6, 892 150.00
		Construction of community Hall	MIG	Progress with construction of community hall in ward 17	Nil	Community Hall is constructed in ward by June 2014	R 1 364.050
		Revival of Lady frère Park	ELM	Progress with the revival of Indwe and Dordrecht parks respectively	Nil	Indwe and Dordrecht Parks are revived and functional by June 2013	R400 000
Advocacy for council wellness and safety	Functional unit for employee assistance program & wellness. Functional unit occupational health and safety.	Develop & implement year plan for wellness programs for both councillors and employees. Develop and implement schedule for occupational health & safety workshop	ELM	One developed year plan for wellness program & Number of activities performed. One developed schedule and a number of workshops conducted	Work in progress. Work in progress	Year Plan for Wellness program is developed and implemented by June 2014. Schedule for occupational health & safety is developed and implemented by June 2014	R650 000.00

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To streamline programmes for the prevention of new HIV infections	HIV/ Aids Municipal Strategy HIV/ Aids Policy Local Aids Council HCBC'S	Review and implement HIV/ Aids Strategy Conduct Awareness campaigns Conduct quarterly Local Aids Council Meetings					R 600 000.00
Improved management of disaster	To mitigate against effects of disasters pre and post incidents	Develop & implement fire response plan. Customize Disaster management framework (CHDM)	ELM	One fire response Plan developed. One disaster management framework customized	Work in progress. Work in progress	Fire response Plan developed by June 2014. ELM Disaster Management Framework developed	R600 000.00
To improve access and quality waste management and refuse removal	Integrated Waste Management Plan	Purchase of 2 tractors & their trailers'	ELM	Progress with procurement process	Insufficient of waste removal machinery	Two tractors with their trailers have been purchased by June 2014	R 450 000.00
		Protective Clothing	ELM	Progress with procurement processes	Work in progress	Protective clothing is purchased by June 2014	R570 000.00
High quality	Infrastructure Master	Purchase of	ELM	Progress with	Work in	Computers purchased	R80 000.00

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standard of infrastructure	Plan	Computers		procurement processes	progress	by June 2014	
		Completion of Harry Gwala Community Hall	ELM	Progress with construction work	Work in progress	Completion of Harry Gwala Community Hall	R 700 000.00

Objective	Supporting Strategies	Project to be implemented	Source of Budget	KPI	Baseline	Target	Budget
KPA: FINANCIAL VIABILITY AND MANAGEMENT							
Improve Financial viability by 15% in 2016	Increase revenue	Revenue Enhancement Strategy	ELM	Increase of monthly, quarterly and yearly income.	Low Revenue Generation	Revenue improvement by 5% by June 2014	R300 000.00
		Valuation Roll	ELM	Number Progress Reports	Valuation Roll is outdated	Valuation Roll to be completed by June 2014	R1.7m
		Data Cleansing	ELM	Number of progress reports	Debtors Database is not completed	Data Cleansing to be completed by June 2014	R300 000.00

Objective	Supporting Strategies	Project to be implemented	Source of Budget	KPI	Baseline	Target	Budget
KPA: Good Governance and Public Participation							
Strengthen public participation	Capacity Building Budget provision	Public Participation outreach	ELM	Number of attendees in meetings and	Work in progress	Increased stakeholder	R350 000

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and provide effective support to the Ward Committee System		programs		involvement in municipal affairs		participation	
		Traditional Leadership Programs	ELM	Number of traditional leadership support programs	Nil	Traditional leaders programs supported by June 2014	R100 000.00
		Ward committees support	ELM	Number of workshops and training sessions held	Work in progress	Ward committee support by 30 June 2014	R200 000.00
		Ward Committee Out-of Pocket expenses	ELM	Monthly payments of out-of pocket expenses	Work in progress	All ward committee member received their out-of expenses	R2,1m
Good Governance and Public Participation (Cont.)							
		Capacity building for disabled	ELM	Revival of disabled structure and training	Work in progress	Disabled structure revived and trained	R200 000.00
		Gender mainstreaming (Training)	ELM	Progress with training programs.	Nil	Gender mainstreaming training is conducted by June 2014	R150 000.00
To Ensure	By implementing	Children (	ELM	Progress with	Nil	Children structure is	R 50 000.00

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effective participation of designated groups in municipal development programs	special programs	Launch of a structure)		the launch of children structure		launched by June 2014	
		Elderly (Golden Game Support)	ELM	Progress with support of golden games	Work in progress	Golden games supported by June 2014	R100 000.00
		Nelson Mandela Day	ELM	Progress with Mandela Day preparations	Work in progress	Mandela Day is honoured in the year under review	R100 000.00
		To support field band project.	ELM	Progress report about field band on quarterly basis	Field band project has been piloted at Indwe and Dordrecht	Field Band project has been launched by June 2014	R600 000.
		Hosting of annual mayoral cup tournament	ELM	Progress in preparation of mayoral cup.	Work in progress	Successful mayoral cup final has been played by June 2014	R450 000
		Women's Strategic plan & training	ELM	Progress with the strategic plan and training	Nil	Strategic Plan and training for women is conducted by June 2014	R200 000.00
		Youth Development Support	ELM	Provide support to Youth Development	Nil	Formulated and Developed Youth Development Plan	R200 000.00

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Objective	Supporting Strategies	Project to be implemented	Source of Budget	KPI	Baseline	Target	Budget
KPA: Municipal Institutional Development & Transformation							
Organisation development	By reviewing municipal policies	Review of Policies	MSIG	Number of policies reviewed	Work in progress	Adoption of all reviewed municipal policies	R100 000
	Focusing on Human Resource skills development	Training of Councillors and staff	ELM	Number of councillors and staff being trained	Work in progress	Councillors and staff have been trained by June 2014	R 850 000.00
		Job Evaluation	ELM	Number jobs evaluated	Nil	All jobs to be evaluated by June 2014	R500 000

6. CONSOLIDATED STRATEGIC PROGRAMME ON HOUSING DEVELOPMENT

Strategic goal	Objective
To declare demand	Prepare for (methodology and process steps) and undertake Housing Consumer Education / awareness and the Housing voice in the next IDP planning cycle
	Install, train staff and implement Housing Needs Register
	Engage social welfare / SPU to cater for child headed households and orphans
Scaled up delivery of subsidised housing	Undertake annual Strategic planning that includes an environment analysis to inform strategic priorities
	Credible project pipeline:

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	1.Install project tracking tool, 2.Train staff on the use thereof, 3. Collect and input all the information from the relevant sources including importantly sections in the municipality, the district and the ECDoHS, 4. All the additional projects or changes in status and information of existing entered and quarterly report for management and council. Informed annual review reports. 5.To plan new projects against sustainability criteria 6.To submit project applications to the Province for funding approval and technical support
	Land and land packaging 1.Undertake a land audit and feasibilities studies to establish land pipeline for housing development 2. Secure Land, Municipal, state (undertake feasibilities and prepare business plans for identified land on offer from Provincial Government), land reform 3. Package land, town planning etc.
	Infrastructure Initiate processes to prioritise and align infrastructure development to housing delivery programme
	ISRHDP Programme Use results of the housing voice and Housing Needs Register exercise to inform the development of a ISRHDP programme that delivers the relevant supply in terms of basic infrastructure, top structure and tenure
	Farmworker Housing Programme Use results of the housing voice and Housing Needs Register exercise to inform the development of farmworker housing programme that delivers the relevant supply in terms of basic infrastructure, top structure and appropriate tenure alternatives
	Project development and management 1. To package projects, top structure, procurement of contractors and construction implementation. This needs to place high priority on rectification and blocked projects. 2.To provide for project management of current running and rectification projects to ensure good quality and timely delivery
To build a suitably structured housing unit to meet the requirements of the municipal housing delivery mandate	1.Organisation structure and development, current structure not suitable 2.Develop and implement systems, policies, processes, procedures, documents and forms 3.Resource the housing unit
To formalise the required	Strengthen internal and external partnerships required by the municipality to plan, facilitate, and where relevant

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institutional structures to support the Municipality in meeting its housing delivery targets	implement, the necessary housing development to meet the demand in the area

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7.DETAILED STRATEGIC PROGRAMMES

Programme 1: To determine expressed demand and to declare such demand

Deliverable	Key activity	Timeframe					Responsibility	Cost
		12	13	14	15	16		
Housing Voice	Develop methodology and instruments as per Blue Book	Jan					Province	
	Identify community engagement staff and conduct training to both staff and ward committees/ councillors	Jan					Province and Municipality	
	Conduct housing voice	Mar					Municipality	
	Statistical analysis and report	May					Province and Municipality	
	Use to inform planning	Jun					Municipality	
Housing Needs Register	Upload system and tools and audit instruments	Jun					Province and Municipality	
	Conduct training on the use thereof	July					Province	
	Conduct the audits	Aug					Municipality	
	Capture analyse and produce reports of the results		Jan				Province	
	Maintain database by putting a system in place that will ensure that applicants update their information on a quarterly basis		Feb				Province and Municipality	
	Produce reports that inform the development of housing programmes		Mar				Province and Municipality	
Child headed households	Engage Social Welfare / SPU to cater for child headed and orphans – partnership arrangement for foster homes using the institutional subsidy programme	Mar					Province and Municipality	
	Identify where child headed households are located							

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Programme 2: Scale up of the delivery of subsidised housing to meet the demand

Deliverable	Key activity	Timeframe					Responsibility	Cost
		12	13	14	15	16		
Strategic planning:								
Annual environment analysis in order to review and revise annual housing sector plan / aligned with IDP Review	Consider: Report on housing demand from housing voice and Housing Needs Register Supply report from pipeline of projects Integration report	Apr					Municipality	
Plan for emergency housing	Collect information ondisaster risk in the Municipal area (Provincial Disaster Management Plan preparation underway) and establish appropriate systems and networks to respond to potential disasters.	July					Municipality	
Developed localised policies to create a more enabling environment and to manage the mushrooming of inadequate housing	Local Town planning dispensation Localised policy to address tenure related to commonage ISRHDP policy Informal settlement strategy	Oct					Municipality	
Project pipeline:								
Installation of designed data base system that holds the integrated project pipeline	Upload tracking tool for the project pipeline	Jan					Province	
Trained staff able to use and update.	Training of relevant staff in the municipality to use and update the system.	Feb					Province	

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Populated pipeline with all information up to date and verified.	Collect and input all the information from the relevant sources including importantly sections in the municipality, the district and the ECDoHS	Mar					Province with municipality.	
Quarterly updates and annual review report	All the additional projects or changes in status and information of existing entered and quarterly report for management and council. Informed annual review reports.	Oct					Municipality	
ISRHDP Strategy:								
Proposal for development of a rural strategy with budget	Prepare proposal for education the information gathering, analysis and strategy	Feb					Municipality in conjunction with Province	
Internal or external people appointed to carry out work	The selection of the right team to undertake the work	Mar					Municipality in conjunction with Province	
Baseline information.	Collection of all existing relevant information on the context, nature and location of rural housing, priority interventions re tenure, infrastructure and top structure for all key stakeholders.	Jul					Selected Internal or external team	
Key stakeholder feedback and direction on baseline information	Workshop of key stakeholders to discuss baseline information, its accuracy, relevancy and identify gaps	Aug					Stakeholders and Selected Team	
Further information gathered and analysis and initial strategy.	To fill the gaps and to proceed to defining a draft strategy from analysis of information gathered through desktop or informant interviews.	Oct					Selected team	
Stakeholder Input into Strategy	Workshop to present and discuss the info, analysis and draft strategy.	Oct					Stakeholders and Selected Team	
Strategy and linkage to municipal and provincial	From the workshop contributions finalise the strategy but link with available resource streams.		Jan				Selected team.	

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budget and MTEF.								
Strategy inputted into IDP and reviewed annually.	The strategy integrated into the Housing chapter and linkage back to municipal budget and MTEF.		Jan				Municipal Housing Section	
Land for housing development	Undertake land feasibilities, procurement of suitable parcels, including land identified by Province for transfer to Municipality	Mar	On-going				Housing officer with ECDoHS	
Preparation of identified priority projects for financing and implementation – including rectification and blocked projects.	Co-ordination of the preparation of the projects: - Land - Land preparation and packaging - Initial design - Beneficiary identification - Scope of work (rectification and blocked) - Finance packaging - Preparation of tendering etc.	Mar	On-going				Housing officer with ECDoHS	
Properly managed implementation of financed projects.	Management of the technical service providers in ensuring that projects are delivered on time, to quality and within cost. Carry out effective community liaison and consultation.	Feb	On-going				Housing officer with ECDoHS	
Monitoring and Evaluation Framework	Drafting of monitoring and evaluation framework, The framework to be integrated into the Housing chapter.	Jan					Housing officer with ECDoHS	
Formation of Project Steering Committees to ensure the collaboration of developers, ward committees and councillors in the speedy	Project Steering Committees to be formed for all housing projects comprising ward committee, councillor and local stakeholders. Submit project reports to the Housing Department	Jan					Housing officer with ECDoHS	

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execution of projects.								

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Programme 3: To build a suitably structured housing unit in order to meet the housing mandate

Deliverable	Key activity	Timeframe					Responsibility	Cost
		12	13	14	15	16		
Development of housing unit	Development of Job descriptions, Approval of structure, Procurement of budget, Recruitment, orientation	Jan					Province support with Municipality	
Development of internal operational policies and procedures	Develop operations procedures manual together with standardised documents and forms	Jun					Province support with Municipality	
Identification and procurement of resources	Approval and procurement of required other resources, computers and software, equipment, furniture etc.	Jun					Municipality	
Development and implementation of performance management system	Link performance measures to job description outputs and housing delivery programme, performance agreement with staff and regular monitoring of performance		Jan				Province support with Municipality	

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Programme 4: To formalise the required institutional structures to support the Municipality in meeting its housing delivery targets

Deliverable	Key activity	Timeframe					Responsibility	Cost
		12	13	14	15	16		
Identified Key Potential Partners	Internal workshop Identify key roles and responsibilities and which are key stakeholders undertake these and present status of relationship.	Jan					Municipal management	
Defined Approach to strengthening Partnerships	Based on roles and responsibilities and key potential partners - defining the type of relationship and approach negotiating this.	Mar					Municipal management	
Negotiated basis of co-operation	Meeting with individual key stakeholders to discuss bases of co-operation and action plan for co-operation over the next 2 years.	Jun					Municipal management	
Agreed MOU on Co-operation	Preparation of MOU and action plan based on above and ready for signing between partners.	Jul					Municipal management	
Working together	Implementing the action plan around municipal priorities.	Continuous					Municipal officials and partner officials	

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SECTION F : DEVELOPMENT STRATEGIES

SECTION F 1: SPATIAL AND ENVIRONMENTAL RATIONALE

1.1. Introduction and overview

In accordance with the requirements of the Municipal Systems Act 32 of 2000, the Emalahleni Municipality has completed a Spatial Development Framework in respect of its area of jurisdiction which was adopted in 2011

The area administered by the Municipality encompasses a variety of land uses and settlement types, which range from large and smaller commercial farming enterprises, traditional African settlements, and the rural service centres of Lady Frere, Indwe and Dordrecht.

The current dynamics relating to economic development, together with the specific nature and history of land development in certain parts of Emalahleni have resulted in growing pressure for land developments in certain areas, including the towns of Lady Frere (the commercial and administrative hub of the Municipality) and Indwe (where the prospect of a revitalised local coal extraction industrial sector holds promise for future development).

Along with attempting to manage this pressure, the Spatial Development Framework must also provide guidance on how best to manage the need for settlement growth and development in the small urban centres of Lady Frere, Indwe and Dordrecht as well as where best to direct resources in facilitating rural development in the various traditional settlement areas.

In attempting to span the requirements set out above, it is important to **note the following points**:

The Spatial Development Framework does not create or confer land development rights, nor does it withdraw or impinge on existing land development rights (even where these may run counter to the principles set out in the SDF).

Instead, it sets out principles and guidelines that are intended to assist the Emalahleni Municipality and other agencies involved in land development in planning for and managing such development in a way that the best possible use is made of limited resources, so that existing and new developments may be regarded as environmentally, socially and economically sustainable.

It is the duty of the Emalahleni Municipality to carry out in an objective manner spatial planning and land use management in terms of its constitutional mandate to undertake Municipal Planning.

This means that the Municipality is bound to align itself with principles and laws affecting spatial development and land use set in place by the National and Provincial spheres of government.

In so doing, it must also affirm a fundamental principle accepted in law in South Africa and other countries where spatial planning is one of the key public sector activities: namely, that the rights associated with land ownership or access to land are limited by each land owner or land rights

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holder's co-responsibility for the greater public good in relation to socio-economic development and environmental management.

To plan for that greater public good, then, the Emalahleni Municipality has the obligation and the authority to limit the extent to which landowners or land rights holders may exercise their rights in land development and land use. Accordingly, this Spatial Development Framework is set in place to provide a clear set of principles and guidelines to direct and assist the Municipality in its role as land use regulator.

Spatial Development Framework Forms Part of the Integrated Development Plan

As is contemplated in Section 26 (e) of the Municipal Systems Act, the Emalahleni Spatial Development Framework forms part of the Municipality's Integrated Development Plan (IDP).

The Guide Pack for Integrated Development Planning provided by the Department of Provincial & Local Government establishes that the Spatial Development Framework is a key element in the integration of development processes across sectors. The Guide notes that: "Integrated habitable cities, towns and rural areas are achieved through policy, strategy and action". Accordingly, it is understood that, where policies, strategies or actions identified in the Emalahleni IDP have a spatial dimension, these need to be accounted for in the Spatial Development Framework.

Statutory Status of the Spatial Development Framework

In terms of Section 35 (2) of the Municipal Systems Act, the Spatial Development Framework for Emalahleni has statutory status[1] and overrides any other plan for the area or portions of the Emalahleni Municipality that may have been compiled previously and which is described in the Physical Planning Act (Act No. 125 of 1991). Such plans would include regional development plans, regional structure plans and more localised plans such as Urban Structure Plans. As such, the Emalahleni Spatial Development Framework becomes the principle instrument for forward planning and decision-making on land development in the Emalahleni Municipal area.

1.2. Legal Framework

For the Emalahleni Spatial Development Framework, the key legislative and policy elements of the new approach to spatial planning are derived from: -

- ***The Development Facilitation Act (DFA - Act 67 of 1995)***
- ***The White Paper in Wise Land Use: Spatial Planning and Land Use Management (March 2001)***
- ***The Draft Land Use Management Bill (December, 2004)***

The Development Facilitation Act is presently of great relevance to all spatial planning processes in South Africa. In terms of current legislation, it is understood that the Spatial Development Framework must give effect to the *General Principles on Land Development* contained in Chapter 1

1 This term means that the Spatial Development Framework's provisions are applicable in law and the Emalahleni Municipality and other public or private development agencies are bound to apply its provisions and/or principles when considering land development

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of the Act and the Municipality is legally obliged to apply their provisions when engaging in spatial planning and land use management decision-making.

Accordingly, the key general principals for land development are highlighted below: -

All laws, policies and administrative practices affecting land development should:

Facilitate the development of both new formal and existing informal settlements; there is therefore no bias in favour of any one sort of development and no individual community or group in an area can claim preferential treatment without a good reason.

- Discourage the illegal occupation of land, with due recognition of informal land development processes.
- Promote efficient and integrated land development that, among other things: integrates rural and urban areas, integrates poor and rich, black and white areas in towns and cities, and integrates different land uses rather than keeping them strictly separate.
- Discourage the phenomenon of "urban sprawl" in urban areas and contribute to the development of more compact towns and cities.
- Make maximum use of all available resources and avoid duplicating existing infrastructure and services.
- Promote the development of housing ad work opportunities near to each other, and encourage environmentally sustainable practices and processes.
- Be clear and easily understood – they should also provide guidance and information to people in or affected by the land development process, rather than simply trying to control the process and the people.
- Promote sustainable land development that:
- Is within the fiscal, institutional and administrative means of the Republic;
- Establishes viable communities;
- Protects the environment;
- Meet the basic needs of all citizens in a viable way
- Ensure the safe utilisation of land by taking into consideration factors such as geological formations and hazardous undermined areas.

1.3. KEY PLANNING INFORMANTS

From the Analysis phase of the project, the following conclusions are drawn in relation to an assessment of the natural and built environment in the Emalahleni area:

STRENGTHS (Internal)	*IMPLICATIONS*

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STRENGTHS (Internal)	*IMPLICATIONS*
• The natural and built environment in Emalahleni offers some key opportunities to enhance the local economy and to offer residents the prospects of a better life. These include: - o There is potential for higher productive uses of certain land areas for agriculture, especially in the sectors of crop production in areas where irrigation is possible from the Xonxa and Lubisi Dams and livestock (sheep farming) o There is identified potential for coal mining to be revived and extended in the area around Indwe.	• *The Emalahleni Municipality needs to adopt a strategic approach to its developmental duties so that a clear prioritization of effort is enabled (i.e. focus on doing a few things well instead of trying to spread resources too thin).* • *In so doing, the LM will need to engage in clearly structured partnership approaches to development in the main sectors of potential – the primary sector (agriculture and mining) and tourism – in order to ensure the appropriate scale of interventions.*
• In terms of the land capability, some 34% of the total land area is deemed suitable to moderate and limited crop production. The remainder of the land area is best suited to livestock farming.	• *From a strategic point of view, Agencies wanting to promote crop production for commercial purposes in Emalahleni will need to carefully plan the location of their projects as well as their strategies to include local land rights holders as partners in the initiatives.* • *For the most part, it would appear that appropriately designed household livelihood strategies and livestock improvement programmes should be actively pursued.*
• The town of Lady Frere has a relatively strong-functioning wholesale and retail trade sector that services the surrounding rural settlements. • The town of Indwe, too, has a Rural Service Centre function and also has potential to be formalised as a base for a resurgent coal mining industry in the local area. • Dordrecht , too, plays a Service Centre role to surrounding areas, which are predominantly comprised of extensive farming lands and there may be some potential to revive past sectors of activity in the town (e.g. dairy/cheese manufacturing)	• *A careful approach to urban management needs to be followed in all three of the Municipal towns to ensure that the elements of sustainability are central to future plans for growth.* • *The towns' infrastructure networks need to be properly managed and extended to ensure a secure and appropriate Level of Service (LOS) to residents and businesses operating there.*

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STRENGTHS (Internal)	*IMPLICATIONS*
• Whilst the human resources capacity at Municipal level in relation to managing spatial development is presently relatively limited, the fact remains that Emalahleni Municipality has qualified staff members attending to the function, which is not the norm across the Eastern Cape and must be regarded as a strength in comparison with most other Local Municipalities in the Province.	• *As the issue of municipal capacity to manage spatial development is a universal problem in the Eastern Cape, a multi-lateral approach to this issue is required.* • *Staff retention policies need to be put in place, including the provision for training and skills enhancement.*

WEAKNESSES (Internal)	IMPLICATIONS
• At a regional level, Emalahleni may be described as a peripheral area in relation to the national space economy (where the dominant regions include Gauteng/Tshwane, the Western Cape and the eThekwini Metropolitan area) as well as the Eastern Cape economy (where the space economy is dominated by the Nelson Mandela Metropolitan area and Buffalo City). o From the perspective of economic production, the Emalahleni area is currently of marginal significance at both the level of the National economy (where it contributes less than 6/10ths of a percent to GDP) and the Provincial economy (where it produces less than a percent to GDP). o Given its relative position in relation to the major economic centres and the key transportation routes of the country, it appears likely that the area will remain relatively marginalized.	*The implications of the relatively peripheral location and under-developed economy of Emalahleni are seen to be: -* • *There is likely to be a continued reliance on external investment into the area (mainly in the form of state-led investment)* • *Local development initiatives (LED programmes etc.) must be actively pursued but care needs to be taken as to the sustainability and enduring impact of initiatives* • *A strong focus needs to be placed on ensuring the development and enhancement of road linkages with neighbouring areas as well as within the Emalahleni municipal area*
• From an overall economic perspective, the Emalahleni economy is dominated by the state sector, with the primary sector (agriculture, forestry and fisheries) contributing only 2% of Gross Value Added (GVA) to the economy whilst the GVA contributed by Government and Services sectors is 55%. • The above facts are underlined by the extent to which state grants and subsidies in the form of pensions and grants in aid appear to bolster the livelihoods of Emalahleni residents, where annually almost R800 million	• *The figures on the state of the Emalahleni economy indicate an undiversified local economy where productive activities are presently secondary to a focus on subsistence.* • *Economic development strategies need to be focused spatially in areas where there are demonstrable prospects of*

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WEAKNESSES (Internal)	IMPLICATIONS
is paid over to households. This figure represents around 44% of the total GVA produced in Emalahleni.	*sustainable impacts (as measured in terms of the natural resource base as well as the willingness of communities to participate.*
• The proximity of Queenstown means that it is more difficult for local businesses based in the three smaller towns to thrive and compete against businesses in the larger centre that enjoy far greater trading thresholds and therefore are able to be more competitive in terms of pricing as well as range of goods and services provided.	• *Urban management and infrastructure upgrades in the towns of Lady Frere, Indwe and Dordrecht must be carried out to improve the quality of these urban areas for residents, local business and commuters to town accessing goods and services (i.e. the towns – especially Lady Frere – must become more pleasant to live in and do business in so as to be more competitive with Queenstown as a destination of choice).*
• The resident population of Emalahleni (approximately 116,000 people or 30,000 households) is characterized by a preponderance of youth (almost 60% of the population is below the age of 20) and an overall gender ratio of 51% females to 49% males. o Indications are that the area's status as a marginal/peripheral area result in young people of working age (20+) leaving the area in search of better opportunities. It further appears that more men do so than women. o Of the resident population, unemployment appears to be as high as 50% within the economically active age group. o Skills levels are generally low amongst the population, with only just over 12% of the adult population having matric or higher qualifications.	• *From a spatial development perspective, Emalahleni is unlikely to be identified by prospective investors as an area of potential interest based on any unique skills of the resident population.* • *This means that development initiatives in the area must be focused on the people and their skills and abilities to learn and projects must make use of local knowledge and provide skills enhancement inputs.* • *Where project initiatives are skills intensive and/or labour intensive in a way that is beyond the reasonable scope of the resident population, such projects should be undertaken on an Agency basis (with the ASGISA EC approach serving as a model).*

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WEAKNESSES (Internal)	IMPLICATIONS
• The Emalahleni area (like most rural municipalities) is characterized by a settlement pattern that comprises largely of low density and dispersed rural settlements surrounded by undefined commons land. • Urban-style development in the area is limited to the three towns of Lady Frere, Indwe and Dordrecht. • There is also a clear trend for settlement densification along the major transport routes serving the area, with accessibility/ease of movement becoming a priority for residents.	• *There is a need to "order" the spatial development pattern in Emalahleni such that a hierarchy of urban and rural service centres is created where higher order goods and services may be accessed and where social and economic facilities could be clustered.* • *Linkages to these higher order nodes must be prioritised* • *The trend of settlement development in areas of better accessibility needs to be managed to ensure an appropriate form of land development occurs there and that the functionality of the main road network is not compromised to the point that negative economic impacts are generated.*
• Solid Waste Management is a weakness in that only Dordrecht has a licensed solid waste site and, it is reported, no solid waste collection system is in operation in Lady Frere, which is the Municipality's most important urban centre (from an administrative as well as economic point of view)	• *Solid waste management (collection and environmentally sound waste management) is an important component of urban management as it is one of the most visible signs of local government delivery.* • *As such, the service needs to be prioritised and managed accordingly.*
• The Emalahleni area is dominated by highly erodible claypan soils in the central and southern basins and an assessment of Land Cover indicates that approximately 18% of the Municipal area may be classified as degraded and/or impacted by soil erosion.	• *A Land Care programme that addressed the issue of rehabilitating areas where land degradation and soil erosion have had severe impacts is needed.* • *Part of a programme of wise land use and Land Care would need to comprise a clear strategy to manage land in sensitive areas.*
• Land tenure in the former Transkei portions of Emalahleni is characterized by so-called old order rights	• *There is a need to ensure that issues related to land tenure do*

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WEAKNESSES (Internal)	IMPLICATIONS
(PTOs and informal land rights) in the areas falling outside the proclaimed town area of Lady Frere.	*not hinder identified Priority projects and where this occurs, a Local Planning Process should be embarked upon to clarify land use rights and to formalize the layout of the relevant area.*
• Jurisdictional uncertainty over land use management authority in areas outside the Lady Frere town commonage appears to be resulting in unmanaged (or at least un-planned) settlement development, especially in areas of better accessibility. • Given the reliance on the natural resources of the Emalahleni area for economic development in the primary sector as well as the tourism sector, a significant threat to the sustainable use of these resources is presented by the continuation of the current mode of un-planned and un-managed land use and settlement development in the rural areas outside the town jurisdictions. • Un-planned development threatens the natural resources base of the area and represents a threat the environmental "quality" of the area as well. • Moreover, the trend towards un-managed settlement development occurring in a ribbon along the main transport routes threatens the use of the major routes for effective transportation of goods and people.	• *There needs to be process of engagement with the key roleplayers around the issue of wise land use and land use management in rural areas such that the needs of rural dwellers are continued to be met but that major assets of the modernizing economy of the Eastern Cape (such as the N2/R61) are better protected from un-managed settlement development encroachments.*
• Given the context that is the specific history of underdevelopment in the Emalahleni area, there remains an ongoing legacy of basic infrastructure backlogs, which is a fundamental challenge for the relevant authorities. • Such backlogs exist in both the rural and urban settlements of Emalahleni • The infrastructure backlogs also apply to higher order infrastructure related to identified potentials in the tourism sectors (facilities and tourism-related infrastructure such as health facilities at tourism nodes etc.).	• *The proper functioning of the towns as urban centres is compromised by the inability to ensure appropriate levels of service to residents and enterprises in the towns.* • *As the towns are key elements in the socio-economic "fabric" of Emalahleni, the upgrade of the infrastructure there should be a priority.* • *The eradication of the backlogs in the provision of basic services in the rural settlement areas remains an on-going objective and is to be pursued*

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WEAKNESSES (Internal)	IMPLICATIONS
	programmatically as resources permit. • *In the case of both the urban and rural instances, the existence of a sound planning framework and a clear system of land use management is seen as essential to improve the sustainability of the provision of infrastructure.*
• Apart from the areas alongside the main traffic routes through the Emalahleni area, accessibility is a major issue impacting on spatial development. This is especially so for the dispersed rural settlements located at greater distances from the main proclaimed roads	• *The prioritization of road development, upgrading and maintenance is a KEY developmental priority in a rural municipality such as Emalahleni*
• The institutional challenges of the Municipality in relation to spatial development are particularly compounded by the jurisdictional complexities in relation to land matters set out above.	• *The Municipal Council and Senior Management need to understand and acknowledge the critical importance of spatial planning and land use management in ensuring sustainable development for the current future generations of Emalahleni residents.* • *A strategic approach to addressing these issues needs to be adopted, which also draws together other key roleplayers such as the Chris Hani DM, the Dept of Rural Development & Land Reform and Traditional Authorities.*

OPPORTUNITIES (External)	*IMPLICATIONS*
• With the identification of the potential to revive and extend productive utilisation of the coal mining resource in the Indwe area, there is an opportunity to begin to develop production and marketing strategies to target markets outside of Emalahleni.	• *A clear need to enable the effective marketing of the product is the development and maintenance of an effective network of road links to prospective markets outside of Emalahleni.* • *In this regard, the upgrade of the R56 is likely to be of particular importance as this is*

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OPPORTUNITIES (External)	*IMPLICATIONS*
	the closest regional link route to the resource.
• The proximity of Queenstown (as a market) suggests that there are opportunities to export local agricultural products for sale or processing there (in the case of processing, this is especially the case in the interim while the feasibility of developing such facilities locally are examined).	• *Clear strategies need to be developed to target areas of development potential for the piloting of projects aimed at achieving commercial-scale production of saleable crops and/or agricultural products..*
• Whilst the undiversified nature of the Emalahleni economy and its over-reliance on the state sector is a weakness, the fact that state investment in the area is occurring needs to be embraced as an opportunity. (The fact remains that state grants and pensions effectively provide a "safety net" for poverty stricken households). • In addition state support for infrastructure development and housing development offers opportunities to direct such investment to strategic localities such as the towns of Libode and Ngqeleni (for infrastructure) and key rural localities for human settlement development.	• *The Emalahleni municipality needs to adopt a focused approach to supporting development in key strategic localities, which have either been identified by itself or by other sectoral Agencies*
• Finally, of interest from a developmental perspective is the current involvement of state and quasi-state Agencies in providing funding, planning and logistical support for development initiatives. Some key agencies active in the Emalahleni area include: - - Department of Rural Development & Land Reform - Department of Agriculture - Chris Hani District ▪ The Chris Hani District Municipality's Regional Economic Development Strategy (REDS) has identified a" North-Eastern" Corridor extending through the Emalahleni area, and has pinpointed the area's key potential development sectors as MINING and AGRICULTURE. ▪ In addition, the CHDM has developed its Tourism Plan that proposes key routes within the Emalahleni area (the Farm-Stay Route and the Liberation Heritage Route).	• *From a strategic perspective, the Emalahleni Municipality needs to actively pursue and participate in broader state programmes (including REDS, DRDLR's Comprehensive Rural Development Programme, and the various initiatives undertaken in terms of the Eastern Cape Provincial Growth & Development Plan).* • *From a spatial planning perspective, focus needs to be placed on areas of identified development potential (mining, agriculture and tourism) and efforts must be aimed at making such areas function optimally by ensuring clear planning and land use management frameworks are in place and basic Levels fo Service are developed and maintained*

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OPPORTUNITIES (External)	*IMPLICATIONS*
	there.

THREATS (External)	*IMPLICATIONS*
• The unpredictable effects of Climate Change represent a threat to areas such as Emalahleni, where the natural environment plays such a significant role in the development potential of the area. Specific effects that hold a potential threat include: - - The possibility of more severe weather events - The possible impact of a change in rainfall patterns	• *There is a need to pay particular attention to environmental science inputs when planning for long-term investments in – especially – agricultural projects depending on rainfall (ie. Dryland cropping) as well as when planning human settlements (with specific focus on flood-related risks and risks to water supply [water sources]).*
• Because of the priority placed on gaining some form of control by planning authorities over land development processes (formal and informal) in the rural areas, a clear threat is presented by the possibility of a disunity of VISION and Action amongst the key roleplayers. This could lead to inaction and the continued disorder of the spatial development pattern	• *In the absence of a clear policy and/or legal framework for grappling with the issue, the Emalahleni Municipality will, to an extent, need to engage in a pathfinding role to bring together the key roleplayers to chart a way forward.* • *It is envisaged that the Chris Hani DM, the Dept of Rural Development & Land Reform and the Department of Local Government & Traditional Authorities could play a leading role in assisting with this.*
• The potential for state grant and pension recipients to develop a long-term dependency on state subsidies (grants and pensions) leading to loss of motivation to engage in productive economic activity is a significant threat already identified by, amongst other, the Organisation for Economic Co-Operation and Development (OECD)	• *There is a need to focus local economic development projects on achieving the goals of drawing in more local residents into productive activities.* • *Such efforts must acknowledge and take into account the specific demographic profile of a targeted community and must*

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THREATS (External)	*IMPLICATIONS*
	ensure that the initiatives pursued are appropriate to the profile (e.g. balance of female to male and the number of able-bodied people to work in a project).

1.4. Strategic Framework for the SDF

The Strategic Framework underpinning the SDF is based on the adopted Emalahleni Municipal VISION and Mission:

In Emalahleni, the long-term **VISION** in the IDP is set out as: -

- A municipality that delivers appropriate, sustainable and affordable services towards socio-economic growth for the development of its community.

The Municipality's **Mission** Statement is given as: -

- Emalahleni Municipality promotes quality and excellent services that are valued by its customers through effective partnerships and active community participation as it plans for the future.

Whilst the above statements are essentially non-spatial, they provide the strategic framework within which the Emalahleni Municipality must seek to respond to the Key Spatial Development Issues confronting it.

As such, the most important directive elements drawn from the Municipality's VISION and Mission are highlighted as: -

- The focus of the Municipality's interventions is fundamentally based on a concern to achieve **sustainable development** and to **foster growth and development** in its area of jurisdiction;

- Correctly, given that the Emalahleni Municipality is overwhelmingly a rural Municipality with limited resources available to it as an institution; its commitment is to **allocate resources in "a pool" along with other partners** ("effective partnerships") such as public sector agencies, the private sector and, critically, the communities it serves.

1.5. Objectives & Strategies In Relation To Key SPATIAL DEVELOPMENT Issues

The following spatial development objectives and strategies are proposed to correspond with the spatial development issues identified in the SDF.

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Identified Key Spatial Development Issue	
The importance of linkages and accessibility to areas of opportunity is a fundamental element of enabling residents in rural areas to improve their access to opportunities as well as to improve the accessibility of their living spaces (to services and/or service providers).	
.Key Spatial Development Objectives	**Proposed Spatial Development Strategies**
1. An effective and well-maintained road network (at all hierarchy of roads) in Emalahleni, acting in partnership with relevant transport authorities (Provincial and District).	o In collaboration with the Department of Roads and Transportation, set in place measures to secure the integrity of the major mobility routes (the R56, R392 and R393) which need to be managed in certain places to mitigate the impacts from encroachment of settlements. o Plan for the upgrade and maintenance of rural roads to and from areas of strategic importance on a prioritised basis. o Plan for the refurbishment of public transport facilities (Taxi Ranks and Bus Termini) in the towns of Lady Frere, Indwe and Dordrecht as well as in identified rural development nodes of Vaalbanks, Machubeni, Xonxa, Zingqolweni and Cumakala. o Where applicable within major settlements, plan, develop and maintain appropriate pedestrian routes to safeguard pedestrians and prevent intrusion into unsafe and/or conservation-worthy terrain.
Principles	**Development Facilitation Act 67 of 1995:** 1. Policy, administrative practices and laws should discourage the illegal occupation of land, with due recognition of informal land development processes. 2. Policy, administrative practice and laws should promote efficient and integrated land development in that they- o optimise the use of existing resources including such resources relating to agriculture, land, minerals, bulk infrastructure, roads, transportation and social facilities; o discourage the phenomenon of "urban sprawl" in urban areas and contribute to the development of more compact towns and cities; o contribute to the correction of the historically distorted spatial patterns of settlement in the Republic and to the optimum use of existing infrastructure in excess of current needs; and o encourage environmentally sustainable land development practices and processes.
Policy	To actively pursue the development of an effective road network at all levels of the road hierarchy.

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Key Actions		
Activities	**Responsibility**	**Time**
a) Partner with the relevant agencies responsible for roads development in the Emalahleni area to develop an agreed upon schedule of road development/maintenance as well as Public Transport facility development and upgrade.	Emalahleni LM CHDM DoRT	2011
b) Ensure that rural roads are prioritised in relation to both critical need (health and safety issues indicate first priority) and then to development opportunity (it is important to ensure that areas where development initiatives are underway are properly linked by passable roads).	Emalahleni LM CHDM DoRT	2012
c) As part of any future detailed Local SDFs in the towns of Lady Frere, Indwe and Dordrecht – as well as any Local Planning projects that may be undertaken in other settlements in future – incorporate the identification of suitable pedestrian routes (networks) to facilitate pedestrian traffic within and between the various components of the settlements.	Emalahleni LM CHDM DoRT	2011-onwards

Identified Key Spatial Development Issue	
Fragmentation of jurisdiction over land management functions in urban and rural areas, which relates to the *de facto* lack of formal (that is, Municipal) control over the majority of the land area making up the Emalahleni Municipality, outside of the proclaimed town areas. Such land falls under the jurisdiction of Tribal Authorities and decisions are taken in regard to such land that can have implications for the District and Local Municipality in their capacity as service providers and the agents of developmental local government.	
Key Spatial Development Objectives	**Proposed Spatial Development Strategies**
2. An agreed upon and legally permissible system of land management that enables proper oversight over land management decisions in rural areas is in operation.	o Emalahleni Municipality to convene a meeting with the Traditional Authorities in Emalahleni to agree on a Way Forward in dealing with this issue. o Emalahleni to request the assistance of the Dept of Rural Development & Land Reform's District Steering Committee (DSC) in creating a Forum to discuss and negotiate solutions to this issue, which affects most municipalities in the Chris Hani District. o Emalahleni Municipality to participate in an appropriate Forum to negotiate an agreed upon way forward to ensure

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	wise land use decisions and appropriate spatial planning occurs in the rural areas of Emalahleni.
Principles	**Development Facilitation Act 67 of 1995:** • Policy, administrative practice and laws should provide for urban and rural land development and should facilitate the development of formal and informal, existing and new settlements. • Policy, administrative practices and laws should discourage the illegal occupation of land, with due recognition of informal land development processes. • Policy, administrative practice and laws should promote efficient and integrated land development in that they- o promote the integration of the social, economic, institutional and physical aspects of land development; o promote integrated land development in rural and urban areas in support of each other; o promote the availability of residential and employment opportunities in close proximity to or integrated with each other; o optimise the use of existing resources including such resources relating to agriculture, land, minerals, bulk infrastructure, roads, transportation and social facilities; o promote a diverse combination of land uses, also at the level of individual erven or subdivisions of land; o discourage the phenomenon of "urban sprawl" in urban areas and contribute to the development of more compact towns and cities; o contribute to the correction of the historically distorted spatial patterns of settlement in the Republic and to the optimum use of existing infrastructure in excess of current needs; and o encourage environmentally sustainable land development practices and processes.
Policy	a) To pursue the appropriate design and implementation of a Co-Operative Governance approach to managing land use and settlement development in the former Transkei (communal) land areas of Emalahleni. b) To carry out Spatial Planning and Land Administration to ensure appropriate land use decisions are made in relation to settlement development and other forms of development activities in rural areas in Emalahleni, taking into account the input and views of the communities themselves as well as their Traditional Leaders. c) To ensure the wise use of land and associated resources in Emalahleni.

Key Actions

Activities	Responsibility	Time
a) District Screening Committee or another more appropriate	CHDM	2011

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body as determined by Dept of Rural Development & Land Reform and the Dept of Local Government & Traditional Affairs to organise a Rural Land Management Workshop or Conference to obtain a resolution to pursue the formation of a Consultative Forum on Land Management in Chris Hani district.	Emalahleni LM DRDLR DLGTA DEDEA	
b) In the interim, Emalahleni Municipality to initiate discussion with key Role-players on matters of shared interest in relation to planning for sustainable development in the rural settlement areas.	Emalahleni LM Traditional Authorities DRDLR DLGTA DEDEA	2011

Identified Key Spatial Development Issue	
Un-managed Land Development Processes, which result in poorly structured human settlements, negative impacts on the environment (the natural resource base) and the provision of service as well as the effective functioning of key infrastructure such as main roads	
Key Spatial Development Objectives	**Proposed Spatial Development Strategies**
3. Land development is managed in line with a structured approach to settlement design and land development processes so as to ensure sustainability as a critical outcome.	○ Manage land development in line with applicable legislation and/or land use management guidelines related to identified spatial structuring elements (Nodes, Corridors and Special Development Areas) within the Emalahleni area as set out in the Emalahleni SDF. ○ Ensure compliance with the relevant procedures for environmental management in terms of NEMA.

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Principles	**Development Facilitation Act 67 of 1995:** • Policy, administrative practices and laws should discourage the illegal occupation of land, with due recognition of informal land development processes. • Policy, administrative practice and laws should promote efficient and integrated land development in that they- o promote the integration of the social, economic, institutional and physical aspects of land development; o promote integrated land development in rural and urban areas in support of each other; o contribute to the correction of the historically distorted spatial patterns of settlement in the Republic and to the optimum use of existing infrastructure in excess of current needs; and o encourage environmentally sustainable land development practices and processes.
Policy	a. Promote the implementation of land reform (tenure reform) programmes in areas of identified development potential (that is, in areas where specific development programmes are being pursued) allied with the implementation of Land Use Management Guidelines that regulate land use in rural settlements in accordance with community approvals. b. Implement a programme of Local Planning (that is, planning with communities) in areas of identified demonstrated development potential in order to guide the wise use of land and resources and to provide a framework for land use management as well as project implementation.

Key Actions

Activities	**Responsibility**	**Time**
a) Initiate a Business Plan to apply for funding of Local Planning Processes in the identified Rural Nodes in order to clarify spatial relationships between settlements and land uses, especially productive land uses, and to create a spatial framework for the implementation of development projects in these areas.	Emalahleni LM	2011
b) Prioritise the development of detailed spatial plans and resolution of all land tenure issues in the identified areas and invest in required infrastructure networks to unlock value/potential.	Emalahleni LM CHDM DRDLR	2012
c) Identify other key areas with demonstrated development potential where spatial planning is required to clarify spatial relationships between settlements and land uses, especially productive land uses.	Emalahleni LM	2012

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Identified Key Spatial Development Issue	
Inefficient Settlement Pattern vs Basic Needs, which refers to the tension between the reality of the inefficient settlement pattern prevailing in the urban and rural areas of Emalahleni versus the stated need to provide a basic level of infrastructure and social services to all residents in the area. The challenge, in the long term, is to provide infrastructure and quality social services to all settlements in Emalahleni in a sustainable manner. This requires strategic approaches to dealing with the difficulties posed by the prevailing sprawling, low density settlement pattern and the lack of local productive economies to provide residents with the means to contribute toward the cost of provision.	
Key Spatial Development Objectives	**Proposed Spatial Development Strategies**
4. A restructured settlement pattern wherein the urban and rural settlements of Emalahleni are developed in a more efficient manner so as to make better use of infrastructure networks and economic development opportunities in order to ensure a sustainable system wherein residents' basic needs can be met within available means	○ Identify presently un-settled land of conservation worthiness and/or agricultural potential per the Eastern Cape Biodiversity Conservation Plan. ○ As part of the outcomes of the Negotiating Forum on land management in rural areas, ensure that rules are set in place to prevent settlement from encroaching on identified conservation and agricultural land areas. ○ In spatial planning and local planning initiatives, ensure efficiency and sustainability of basic services, by promoting the integration of sprawling settlements in both urban and rural areas, and the consolidation of larger settlements at nodal points along transport routes. ○ Develop infill areas within fragmented settlement areas, where appropriate.
Principles	**Development Facilitation Act 67 of 1995:** • Policy, administrative practice and laws should provide for urban and rural land development and should facilitate the development of formal and informal, existing and new settlements. • Policy, administrative practices and laws should discourage the illegal occupation of land, with due recognition of informal land development processes. • Policy, administrative practice and laws should promote efficient and integrated land development in that they- ○ promote the integration of the social, economic, institutional and physical aspects of land development; ○ promote integrated land development in rural and urban areas in support of each other;

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	○ promote the availability of residential and employment opportunities in close proximity to or integrated with each other; ○ optimise the use of existing resources including such resources relating to agriculture, land, minerals, bulk infrastructure, roads, transportation and social facilities; ○ promote a diverse combination of land uses, also at the level of individual erven or subdivisions of land; ○ discourage the phenomenon of "urban sprawl" in urban areas and contribute to the development of more compact towns and cities; ○ contribute to the correction of the historically distorted spatial patterns of settlement in the Republic and to the optimum use of existing infrastructure in excess of current needs; and ○ encourage environmentally sustainable land development practices and processes.
Policy	a) Spatial Planning in Emalahleni is to be undertaken in a manner that identifies all conservation-worthy land and all land that has agricultural potential and where settlement has not already encroached so as to preserve these areas from settlement. b) Spatial planning should specifically aim to ensure consolidation of settlements and appropriate integration of compatible land uses wherever possible over time is to be promoted by the Emalahleni Municipality.

Key Actions

Activities	**Responsibility**	**Time**
a) Commission agricultural and environmental scientists to develop a more detailed Plan that identifies spatially all land that is presently un-settled and that is either conservation-worthy or has potential for agriculture or forestry development, using the direction of the EC Biodiversity Conservation Plan.	Emalahleni CHDM DEDEA DARD DRDLR	2011
Activities	**Responsibility**	**Time**
b) Prioritise areas where settlement consolidation and spatial planning should be undertaken in identified settlement areas and/or development nodes	Emalahleni LM DRDLR DLGTA	2012
c) Ensure the implementation of a basic Land Use Management System in rural areas in consultation with Traditional Authorities.	Emalahleni LM CHDM DRDLR	2012

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	DLGTA	
d) Commission the formulation of Local Spatial Development Frameworks and Urban Design Guidelines for the towns of Lady Frere, Indwe and Dordrecht.	Emalahleni LM CHDM DLGTA DRDLR	2011-2012
e) Apply the relevant Town Planning Scheme in the towns rigorously to ensure that land use outcomes are positive for the benefit of the greater community.	Emalahleni LM	2010

Identified Key Spatial Development Issue	
• **Implementing environmental management (wise land use)** becomes critical to ensuring the sustainable use of the available resources and natural endowments (i.e. the natural scenery, agricultural lands) given their central importance in the development of the Emalahleni space economy.	
Key Spatial Development Objectives	**Proposed Spatial Development Strategies**
5. To adhere to environmental law and protect environmentally sensitive areas	o Implement the principles of Integrated Environment Management (IEM).
Principles	**Development Facilitation Act 67 of 1995:** • Policy, administrative practice and laws should promote efficient and integrated land development in that they- o encourage environmentally sustainable land development practices and processes. • Policy, administrative practice and laws should promote sustainable land development at the required scale in that they should- o promote land development which is within the fiscal, institutional and administrative means of the Republic; o promote the establishment of viable communities; o promote sustained protection of the environment; o ensure the safe utilisation of land by taking into consideration factors such as geological formations and hazardous undermined areas.
Policy	a) All land development that is listed as triggering an environmental management procedure must be preceded by appropriate environmental screening and planning for mitigation of damaging impacts in line with the requirements of

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	NEMA.	
Key Actions		
Activities	**Responsibility**	**Time**
a) Identify areas where listed activities are being planned (or implemented)	Emalahleni LM DEDEA	2011
b) Ensure the appointment of Environmental Scientists to undertake required actions in order to manage the impacts of the listed activities.	Emalahleni LM DEDEA	2012

1.6. Spatial Structuring Elements

"Structuring elements" are concepts or "planning tools" that, in line with the identified spatial objectives and associated strategies, enable the Municipality to identify areas where different types of land uses should be permitted and/or discouraged and thus form the building blocks that guide future spatial planning in the Emalahleni area.

The Emalahleni Spatial Development Framework proposes to make use of five spatial structuring elements, as follows: -

1. The concept of DEVELOPMENT NODES
2. The concept of an URBAN EDGE
3. The concept of DEVELOPMENT CORRIDORS
4. Areas where ENVIRONMENTAL CONSTRAINTS Apply
5. The concept of STRATEGIC DEVELOPMENT AREAS

1.7. DEVELOPMENT NODES OF IMPORTANCE

Development nodes are categorised as those towns or places where a significant number of functions commonly deemed to be urban are found. These functions would include public administration facilities/institutions, business activities, social and recreational facilities and other existing or potential economic enterprises (including tourism-related enterprises). Such nodes are often located on main transport routes to provide maximum access and act as catalysts for new growth and development. As such, they are areas where the following should be prioritised: -

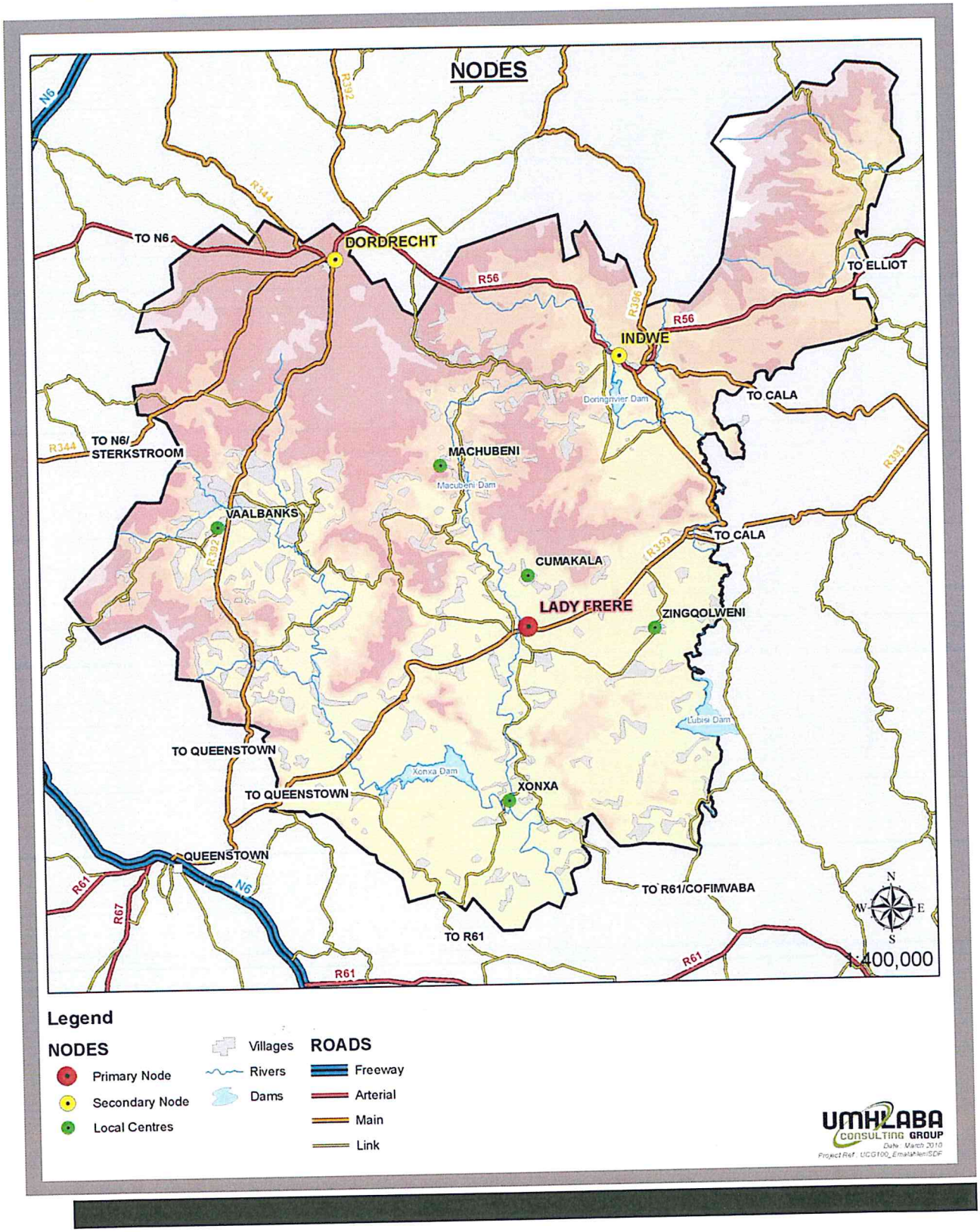
□ Appropriate levels of development investment in infrastructure.

□ Appropriate land use management to promote preferred development outcomes.

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The following classes of node have been identified and/or are proposed for Emalahleni LM:



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NODE	NAME	ROLE	SPATIAL DEVELOPMENT PRIORITIES
PRIMARY URBAN DEVELOPMENT NODE (Sub-District Service Centre)	LADY FRERE	• Main Retail, Industrial and Administration Node in LM • Centre of excellence for Social Services • Cater for permanent and temporary residents • Potential for agro-industrial processes	☐ Managed urban expansion ☐ Urban – Rural interface design and management ☐ Infrastructure development and maintenance ☐ Business Centre Management and focus on Urban Aesthetics ☐ Improved pedestrian and vehicular linkages between suburbs in town ☐ Social facilities (incl. cemeteries) ☐ Environmental management
SECONDARY URBAN DEVELOPMENT NODES (Local Centres)	DORDRECHT AND INDWE	• Local-scale Retail, Industrial and Administration Nodes • Cater for permanent and temporary residents • Potential for value-adding agro-industrial/mining processes	☐ Managed urban expansion (set limits for sustainability) ☐ Infrastructure development ☐ Business Centre Management and focus on Urban Aesthetics ☐ Improved pedestrian and vehicular linkages between suburbs in town ☐ Social facilities (incl. cemeteries) ☐ Environmental management
RURAL NODES (Sub-Local Centres)	VAALBANKS, XONXA, ZINGQOLWENI, MACHUBENI, CUMAKALA	Commercial and Social Facilities serving surrounding rural areas	☐ Basic level of service extension ☐ Local planning to maximise use of resources ☐ Local land use schemes to be negotiated

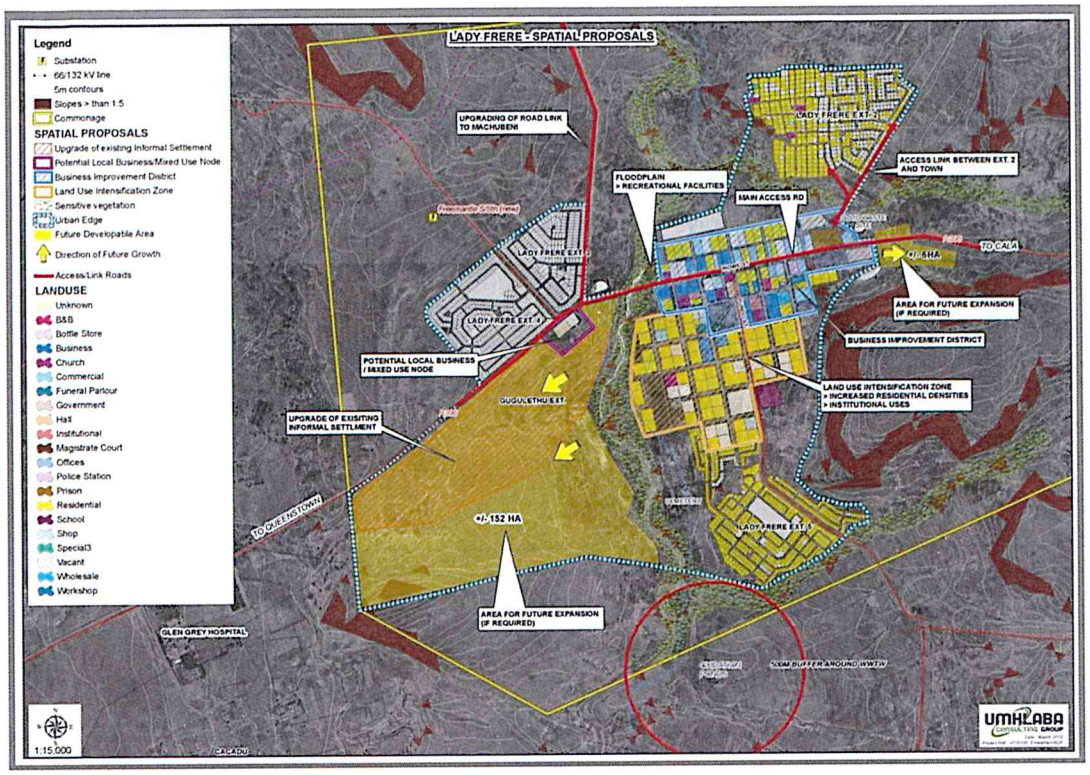
1.7.1. The Proposed Urban Edges

The Spatial Development Framework proposes that an Urban Edge be defined for each of the three towns, in an effort to consolidate the urban areas and achieve a more compact settlement pattern. The areas beyond the urban edge are defined as rural, which implies a lower density settlement pattern with basic infrastructure and social facilities.

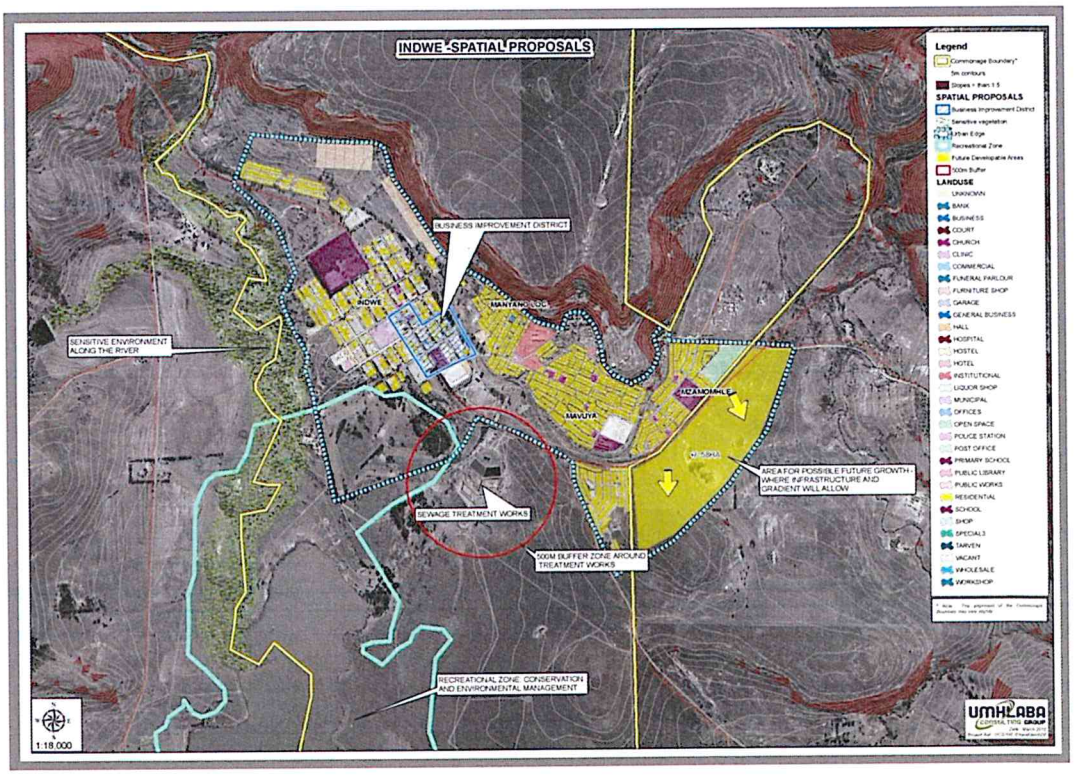
The Plans below illustrate the spatial proposals in respect of Lady Frere, Indwe and Dordrecht.

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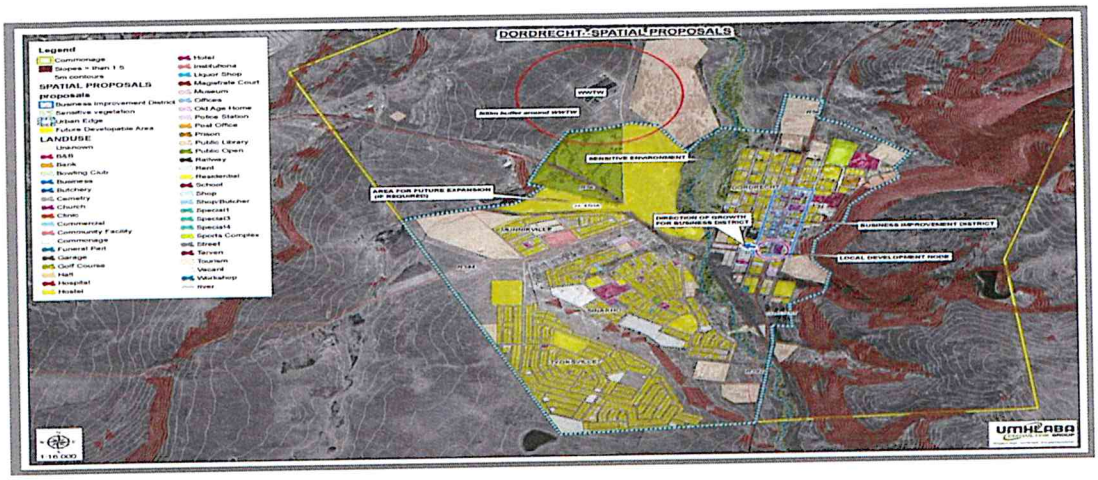


Lady Frere Spatial Proposals



Indwe Spatial Proposals

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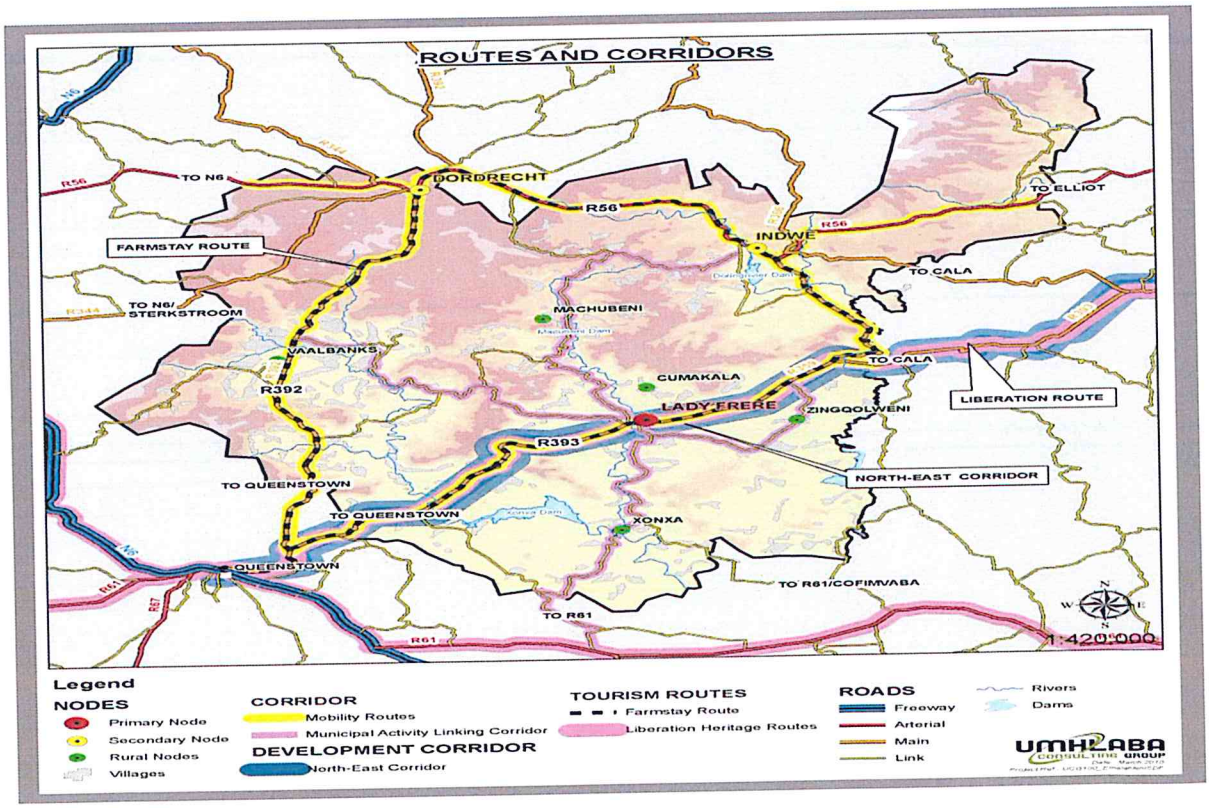
Dordrecht Spatial Proposals

1.7.2. Development Corridors of Importance

Development Corridors are defined as roads of significance at Municipal or Local Level that: -

- Facilitate movement of people and goods to and from an area
- Link places in the Municipal area to other places of significance (i.e. markets, places of work or social/economic opportunity)
- Create a focus for activity (e.g. Tourism)

The following Corridors are defined for Emalahleni: -



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TYPE	AREA/DESCRIPTION OF LOCALITY	FUNCTION
Mobility Routes	R393 (Queenstown –Lady Frere – Cala) R392 (Dordrecht – Queenstown) R56 (N6 – Dordrecht –Indwe – Elliot)	These routes carry passing traffic and provide access between local areas in Emalahleni and centres further a field. ***Spatial Planning Priority is to manage settlement development along the Primary and Secondary Movement corridors to mitigate impacts of settlement on road***
Municipal Activity/ Link Corridor	Vaal Banks –Lady Frere Lady Frere –Xonxa –R61 Lady Frere – Machubeni –Indwe Lady Frere –Zingqolweni	Linking areas of development potential to Movement Corridors and Urban centres
Development Corridor	North -East Corridor	Corridor of district and municipal-level economic importance
Special Routes (Tourism)	Farm-stay Route (Queenstown – Dordrecht- Indwe – Lady Frere – Queenstown) Liberation Route (R393)	These routes are of importance at Local Municipal and District scale in respect of the need to formulate a product-unique marketing campaign to encourage local and foreign tourism in the area.

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1.8. Areas of Conservation and Protection

Critical Biodiversity Areas (CBAs)

Critical Biodiversity Areas (CBAs) are terrestrial and aquatic features in the landscape that are critical for conserving biodiversity and maintaining ecosystem functioning. In Emalahleni LM the CBA's include the dams, rivers, wetlands and indigenous forests, identified expert areas and corridors. . There are no protected areas in Emalahleni LM.

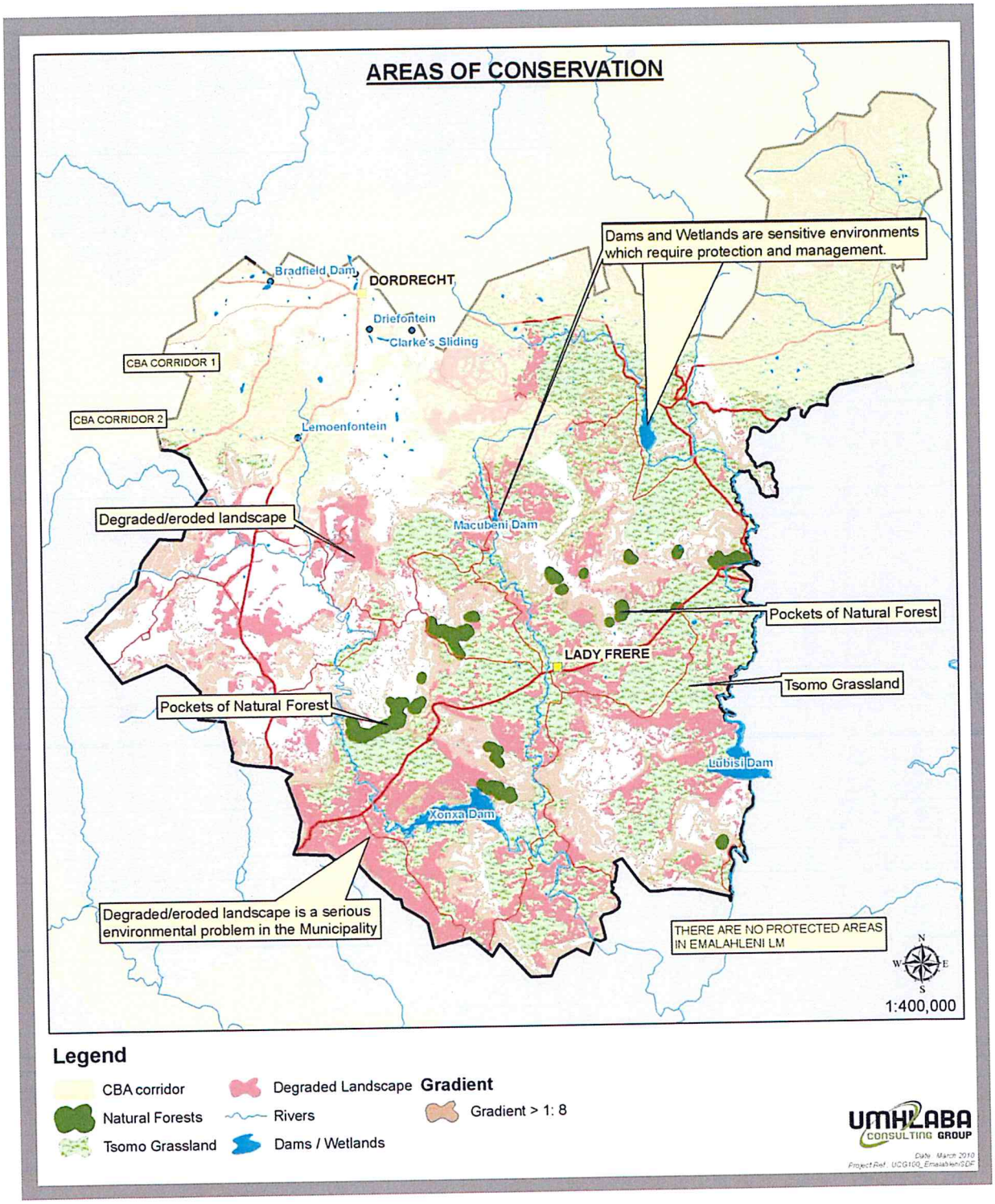
Table: Criteria used to map CBAs

Category	Features used to define categories
Protected Areas:	
Protected area 1	Statutory protected areas. They include all national parks and provincial nature reserves
Protected area 2	Non-statutory protected areas: municipal and private conservation areas.
Terrestrial Critical Biodiversity Areas:	
Terrestrial CBA 1	Critically endangered vegetation types (ecosystems) identified though ECBCP the systematic conservation assessment
	Critically endangered vegetations types from STEP
	Critically endangered forest patches in terms of the National Forest Assessment
	Areas essential for meeting biodiversity targets for biodiversity features (SA vegetation types, expert mapped priority areas)
	KZN systematic conservation planning priorities
	Forest clusters identified as critical in the forestry planning process (Berliner et al 2006)
Terrestrial CBA 2	Endangered vegetation types identified through the ECBCP systematic conservation assessment
	Endangered vegetations types from STEP
	Endangered forest patches in terms of the National Forest Assessment
	All expert-mapped areas less than 25 000ha in size (includes expert data from this project, STEP birds, SKEP, Wild Coast, Pondoland and marine studies)
	All other forest clusters (includes 500m buffers)
	Ecological corridors identified by the ECBCP using an integrated corridor design for the whole Province
	Ecological corridors identified in other studies (e.g. from STEP, Wild Coast, Pondoland, WMA 12 SEA, etc.) and corridors mapped by experts

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Environmentally Sensitive Areas



The following are high-risk areas where development is discouraged.

- Critical Biodiversity Areas (CBAs)
- Topography: Slopes with a gradient greater than 1:5. This is due to the ecological impacts which may result e.g. soil erosion; slope failure etc.

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- Vegetation: Afromontane Forest, Specific Grassland areas (e.g. Tsomo Grassland), Areas containing Plants and Vegetation of Conservation Importance
- Wetland Areas: Currently there is no accepted priority ranking system for wetlands. Until such a system is developed, it is recommended that a 50 m buffer be set for all wetlands
- Heritage Sites: Rock Art Sites
- Other Areas: The habitat of endangers animals and birds e.g. the Wattle Crane
- Municipal Public Open Space.
- Rivers/ Water Source: Development within the 1:100 year flood line or within 100m of the high flood level. See Table below for recommended buffers for rivers.

Table: Recommended buffers for rivers8[2]

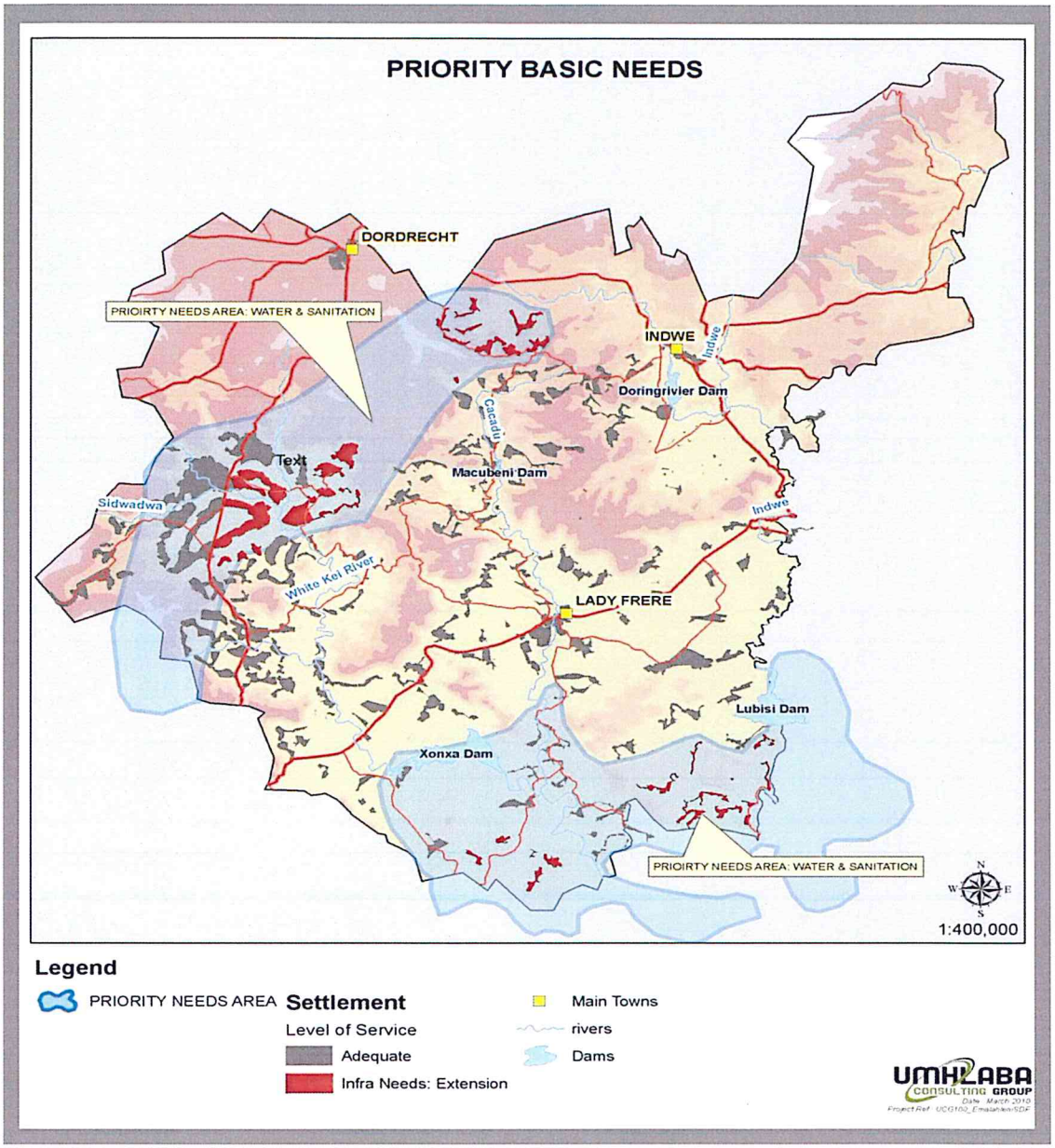
River criterion used	Buffer width (m)	Rationale
Mountain streams and upper foothills of all 1:500 000 rivers	50	These longitudinal zones generally have more confined riparian zones than lower foothills and lowland rivers and are generally less threatened by agricultural practices.
Lower foothills and lowland rivers of all 1:500 000 rivers	100	These longitudinal zones generally have less confined riparian zones than mountain streams and upper foothills and are generally more threatened by agricultural practices. These larger buffers are particularly important to lower the amount of crop-spray reaching the river.
All remaining 1:50 000 streams	32	Generally smaller upland streams corresponding to mountain streams and upper foothills, smaller than those designated in the 1:500 000 rivers layer. They are assigned the riparian buffer required under South African legislation

[2] 8 This table is drawn from Snaddon et al. In prep. 2007.

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1.9. STRATEGIC DEVELOPMENT AREAS



Strategic Development Areas (SDAs) are geographical areas where, in order to achieve both the objectives of the Emalahleni Integrated Development Plan and the related objectives of the Spatial Development Framework, the Emalahleni Municipality would need to prioritise its development efforts and capital expenditure.

The Special Development Areas identified in Emalahleni Municipality are:

- **AREAS OF PRIORITY BASIC NEEDS (Water & Sanitation Programme)**
- **AREAS OF MINING POTENTIAL**
- **AREAS OF LAND REFORM AND SETTLEMENT**

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- **AREAS OF AGRICULTURAL POTENTIAL**
- **AREAS OF TOURISM POTENTIAL**

1.9.1. AREAS OF PRIORITY BASIC NEEDS (Water & Sanitation Programme)

Areas of greatest need are defined as those areas with the lowest income per capita income levels and worst-off settlement areas. These areas require priority basic needs intervention and strategic proposals to improve the level of well-being of communities in these areas (poverty alleviation programs and basic infrastructure investment).

1.9.2. AREAS OF MINING POTENTIAL

The mining company Elitheni has over 1800 km^2 of mining and prospecting rights in the eastern cape, with approximately 650 km^2 of this area in Emalahleni (illustrated on the plan). The company estimates that there is over 1 billion tonnes of coal available for mining. The market for this coal will be both locally e.g. for the hospitals and for export to Coega and East London. A 1000- 3000 Megawatt Power Plant is also planned that will make use of the Eastern Cape coalfields.

The benefits of the coal mining in Emalahleni include:

- Job creation
- Improvement in the rail and road linkages
- Spin off in related and subsidiary industries/ businesses e.g. accommodation for workers, mechanics (servicing), transport, security etc
- Cheaper coal available for the local market e.g. the boiler market
- Stimulate the local economy of in the town of Indwe/ Lady Frere and Dordrecht.
- Improved opportunities is other industries e.g. construction, transport, agriculture, timber and forestry, tourism, hospitality and services.

1.9.3. LAND REFORM AND SETTLEMENT PROPOSALS

The CHDM LR AND SP has identified 8 zones that require certain specific land reform or settlement planning or both. These are:

□ **Greenfields Settlement Zone (No. 1: Lady Frere town)**
The zone is located at Lady Frere and its immediate surrounds and a Model 1 - Type of settlement has been proposed for the zone.

□ **Greenfields Settlement Zone (No. 2: Dordrecht)**
The Zone is located at Dordrecht and its immediate surrounds. It is envisaged that the zone would accommodate the anticipated expansion of the town. A Model 1-type settlement is proposed for the Zone.

□ **Formalization/Densification Zone (No. 3: portions of Wards 3, 4, 5 and 12)**
The zone comprises of portions of Wards 3, 4, 5 and 12 in areas surrounding Lady Frere town and extending along the Lady Frere – Cala road. The zone has been identified because the settlements

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surrounding Lady Frere town and which extend along the road to Cala are expanding. A Model 2-type settlement is proposed for the zone.

□ **Development Support Zone (No. 4: Guba Farms)**
The zone is made up of the area around Guba State Farms. The area requires the implementation of the Guba Farms strategic Development Plan.

□ **Development Support Zone (No. 5: Macubeni Area)**
The zone is located around Macubeni area. Since the area has been subject to a RULIV-funded Land Use planning process, it is considered appropriate for the area to receive RULIV support. Incorporating it into a Development Support Zone will achieve the objective.

□ **Development Support Zone (No. 6: Portions of 'New' Wards 7, 8, 9 and 10)**
The zone is located along the main road linking Queenstown to Dordrecht. Certain places within the zone are experiencing further demands for housing because of the favourable position for further settlement expansion due to easy accessibility to Queenstown and Dordrecht. The area is the locality of a sheep-farming project. Additional settlement development should be limited.

□ **Development Support Zone (No. 7: Portions of 'New' Wards 1 and a Portion of Ward 6)**
The zone requires support due to the fact that the irrigation from the Xonxa River has provided the area with a greater potential for agriculture -related enterprises and thus require support in this regard. Settlement extension is to be controlled or limited where possible.

□ **Development Support Zone (No. 8: Lubisi Cluster - New Ward 2)**
The area requires support which will ensure appropriate land use arrangement which that differentiate land suitable for settlement purposes and that which should be allocated to economic uses. Among the key proposals for this area is the encouragement of agriculture-related activities including possible fish farming in the Lubisi Dam. Settlement extension is not to be encouraged in the zone but rather in-situ densification approach should be adopted.

1.9.4. AGRICULTURAL POTENTIAL

According to a study conducted by the ARC for Ruliv the following potential for Agriculture has been identified in Emalahleni Local Municipality.

□ Wool Production

□ Beef cattle in the central and south western areas

□ Maize production north of the Xonxa Dam

□ Sorghum production in the south east

□ Sheep in most areas

□ Lucerne

□ Irrigation potential of a further 5500 hectares at the Xonxa and Lubisi Dams as well as irrigation at the Guba Farms.

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1.9.5. TOURISM POTENTIAL

TOURISM ATTRACTIONS AND FACILITIES

Tourism facilities and attractions in the area are limited and there is no anchoring attraction for the area except the possibility of promoting of farm stays. There are current only 7 accommodation facilities (see table 1). The potential tourism attractions are listed in table 2 and illustrated on the map.

TABLE 1: ACCOMMODATION FACILITIES IN EMALAHLENI LM

Type	No.	Beds
Bed & Breakfast	2	23
Guest house/farm	4	57
Lodge	1	23
Camp Site	0	-
Self-catering	0	-
Hotel	0	-
Total	7	103

Source: Chris Hani DM Tourism Plan, 2009

TABLE 2: POTENTIAL TOURISM ATTRACTIONS IN EMALAHLENI LM

Nature-Based Tourism Products	
Glen Grey Falls near Lady Frere	Doornriver Dam at Indwe
The Kloof near Dordrecht	Fly-fishing resources around Dordrecht
Cacadu River at Lady Frere	Xonxa Dam
Heritage Tourism	
St marks Mission on White Kei	Andreson Museum at Dordrecht
Macubeni Coal Mine near Indew	Victorian Buildings at Dordrecht
Churches in Lady Frere	Burgher Statue at Dordrecht
Methodist Church at Dordrecht	San Rock Art at Dordrecht

Source: Chris Hani DM Tourism Plan, 2009

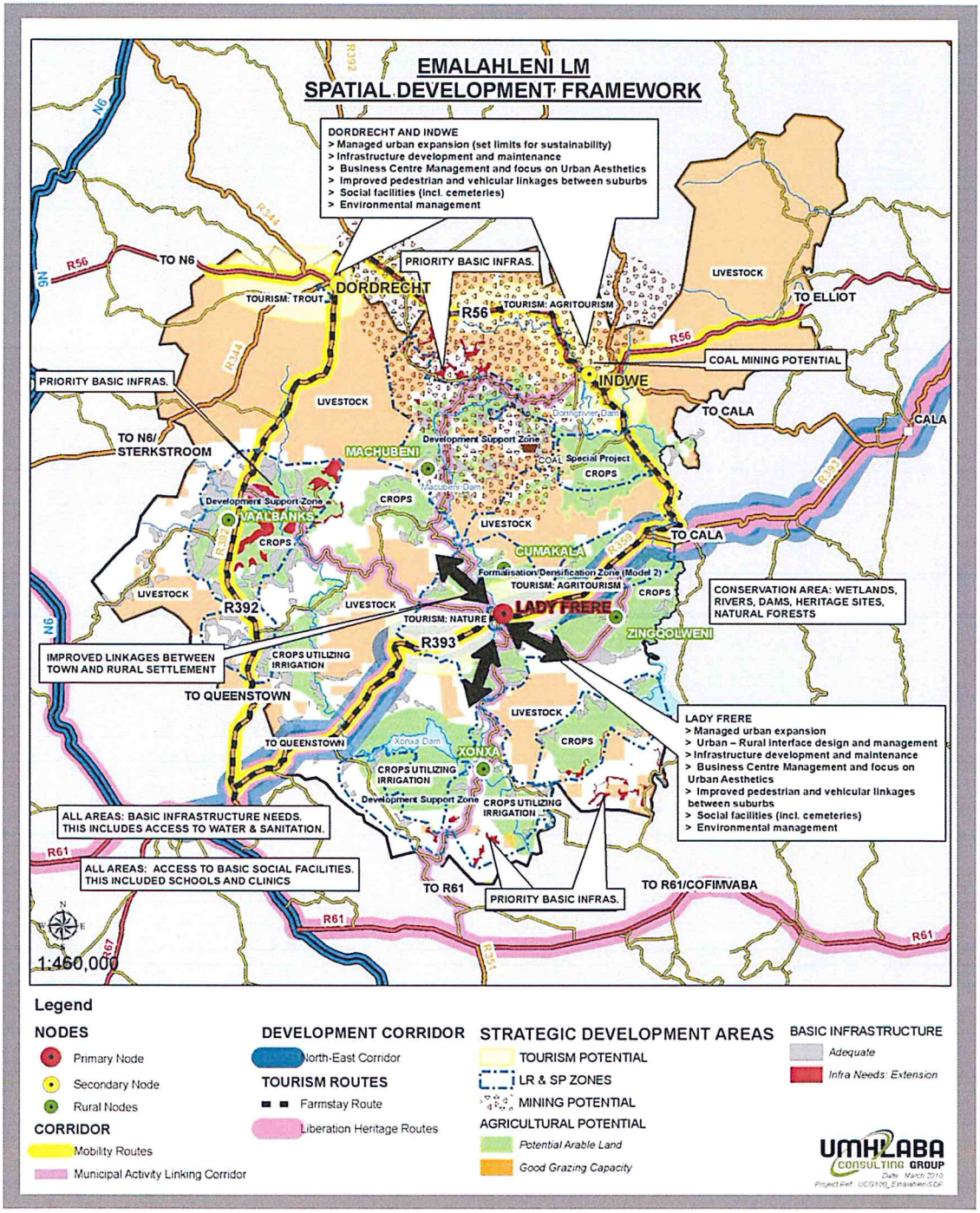
TOURISM ROUTES

The area has been identified as having potential for a farmstay tourism route. The Ndondo Liberation Heritage Route follows the R356 through Lady Frere2.8 Overall Spatial Development Framework

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The Plan below illustrates a composite view of the above structuring elements in an overall SDF Plan for Emalahleni.



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1.10. Summary: Emalahleni Basic Development Pattern

From the above composite SDF Plan, the following key characteristics of the proposed development pattern in Emalahleni are noted: -

b) The **R393 route is the central east-west corridor** linking the main Urban Development Node of Lady Frere with the District Centre of Queenstown and neighbouring LMs such as Sakhisizwe (Cala, Elliot).

c) To the **north of the R393**, the most important development potentials are seen to fall into the following **Primary sectors**: -

- **Mining** – specifically, coal mining – in the area to the north of Lady Frere and, more especially, in the land areas around Indwe;
- **Agriculture** – specifically livestock farming – where sheep are currently the main stock category and wool improvement schemes appear to be an important initiative that need to be further pursued in a more consultative, culturally-led methodology. The main rural nodes in this regard are Vaalbanks, Machubeni and Cumakala.

d) To the **south of the R393**, the presence of lands with irrigation potential and current programme activities indicate that the main sector of potential development activity there lies in **agriculture** – specifically, crop cultivation (sorghum). The main rural nodes in this area are Xonxa and Zingqolweni.

e) **North-south linkages** are seen to be important future linkages and Municipal Acticity-Linking Corridors are proposed radiating out from Lady Frere, running north/north-eastward to Machibeni and Indwe, north-westward to Vaalbanks, to the south to Xonxa (and beyond to the R61 district distributor route) and to the east to Zingqolweni.

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SECTION F2: INFRASTRUCTURE AND BASIC SERVICE DELIVERY

The primary role of a municipality is to provide and facilitate the delivery of services to its communities. It is therefore imperative for the municipality to understand the extent to which households in its areas of jurisdiction have access to the various services that are essential for their livelihood. A COMPREHENSIVE INFRASTRUCTURES PLA (CIP) was developed with assistance with the province. However, a review of the existing CIP requires a thorough review that will be informed by the current statistical data. The CIP is used to influenced for baseline data and informing the projects to be implemented. Furthermore ELM has made a decision to develop an inclusive Infrastructure Investment Plan. ELM currently utilizes various sector plans to plan for infrastructure planning and investment. These plans are; Housing Sector Plan, Water Service Delivery Plan, Infrastructure Asset Maintenance Plan, Electricity Master Plan.

2.1. Water & Sanitation

Chris Hani District municipality is a water services authority and ELM is only a water services provider for all the areas under the Emalahleni municipality. ELM has an existing contract with Chris Hani District that makes provision of water service and new developments. All planned water projects that require EIA, licenses, legal requirements are budgeted for in the budget as reflected in the project register. An ISD unit is used for social participation for all water service delivery projects (comprising of Communications Officer, Housing Officer, Public Participation Officer and Customer Care Practitioner) An integrated planning platform exists between ELM, Chris Hani District and Department of Water Affairs through bilateral meetings and IDP Representative Forum. This means that the responsibility for water services policy remains with CHDM and our role will be to set-up operational arrangements for the water and sanitation services delivery.

2.1.1. Access to Water Supply

More than 81% of the households have access to piped water. Household access is high across the different housing types. Even in the traditional dwellings, almost 80% have access to piped water. Altogether, about 5635 households do not have access to piped water.

Access to piped water

Traditional dwelling/hut/structure made of traditional materials	Flat or apartment in a block of flats	Cluster house in complex	Townhouse (semi-detached house in a complex)	Semi-detached house	House/flat/room in backyard	Informal dwelling (shack; in backyard)	Caravan/tent and other
6947	833	150	56	83	543	65	74
331	36	2	12	2	14	9	5
2503	185	10	2	23	85	41	12
3433	255	13	-	6	116	35	10
33	3	-	-	-	-	3	-
364	-	-	-	1	3	1	1
9	-	1	-	-	-	1	-
10	58	3	3	-	-	-	-

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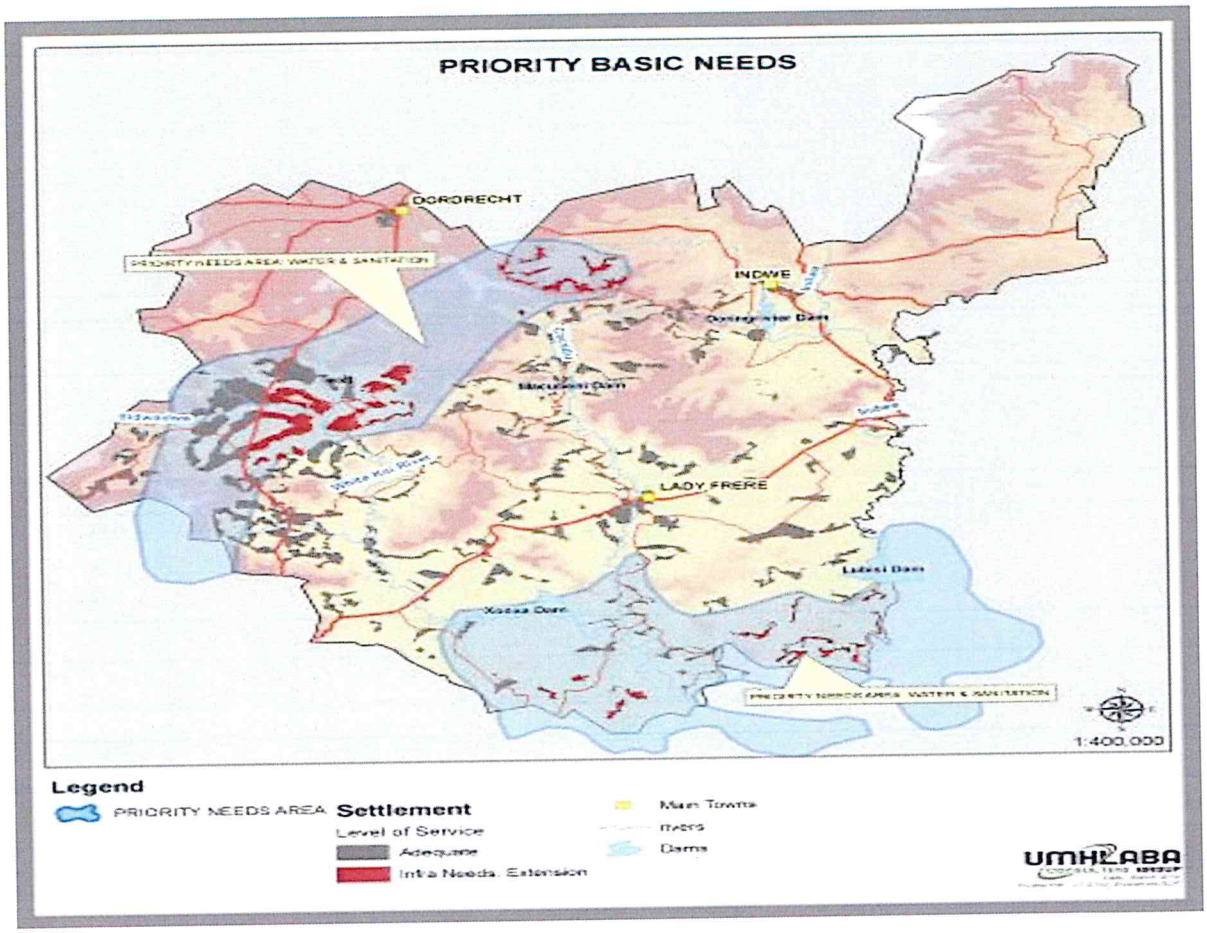
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19	5	3	-	-	-	1	-

The source: STATS SA 2011

The following figure shows the priority needs with regard to water provision in the municipality.

Water Priority Needs



2.1.2. Access to Sanitation

Sanitation backlog in the Emalahleni Municipality is very high (76.0%) and approximately R66 953 554 is required to eliminate the backlog. Over half of the number of households depends on pit latrines. Most of the households with waterborne sanitation are located in the smaller towns of Lady Frere, Indwe and Dordrecht. Table 4 shows the current status of the access to sanitation by households.

Level of sanitation

None	10025
Flush toilet (connected to sewerage system)	3730
Flush toilet (with septic tank)	457
Chemical toilet	2469
Pit toilet with ventilation (VIP)	5997
Pit toilet without ventilation	7718

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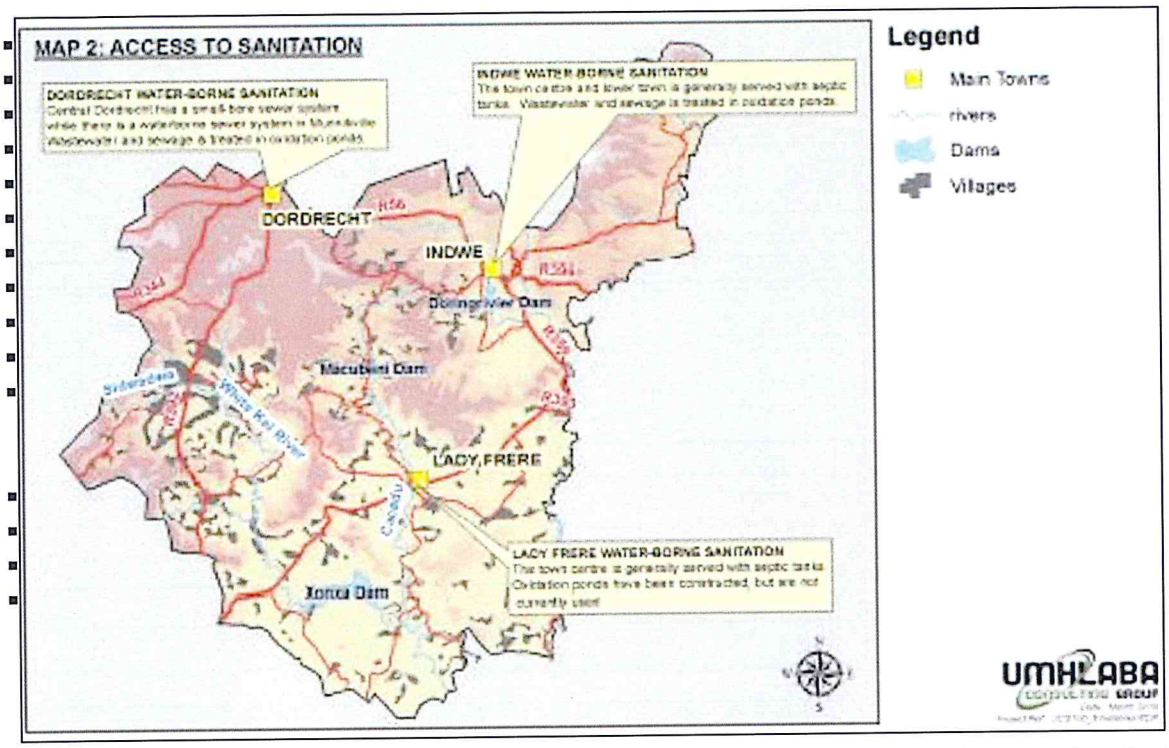
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Bucket toilet	287
Other	999

Source: STATS SA 2011

Formal sanitation services to the 3 main towns of Lady Frere, Dordrecht and Indwe, according to the IDP are briefly summarized below:

Access to Sanitation



Formal sanitation services to the 3 main towns of Lady Frere, Dordrecht and Indwe are described below:

- Lady Frere: The town centre operates on a system of septic tanks and full water borne system. The outlying suburbs are serviced by a bucket system with effluent treatment in a maturation pond system. It is reported that the treatment system has recently augmented by the addition of some new oxidation ponds.
- Dordrecht: The central area of the town is serviced by a small-bore reticulation network, which feeds a maturation ponds treatment facility.
- Indwe: The town centre and lower town are serviced by a system of septic tanks and full water borne system.

SERVICE DELIVERY: WATER AND SANITATION BACKLOG DATA

BACKLOG TYPE	PROJECT TO BE IMPLEMENTED	ESTIMATED BUDGET	No. of HOUSEHOLDS	ESTIMATED COMPLETION
Water	Water Backlog Cluster 1	R 241 406 789	7090	2030
	Water Backlog Cluster 2	R 364 520 796	9338	2020

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		R 605 927 585	**16 428**	
Sanitation	Sanitation Backlog Region 3 – Total	R 166 681 511	26250	2014
	Emalahleni LM portion only	R 123 953 896	19521	2014

2.2. Electricity and energy supply sources

Eskom is responsible for providing electricity services in the Emalahleni jurisdictional areas especially to the business communities. The municipality's role is currently to facilitate the implementation and communicate with Eskom regarding areas of priority for connections while also assisting with household provision via brokerage for prepaid system.

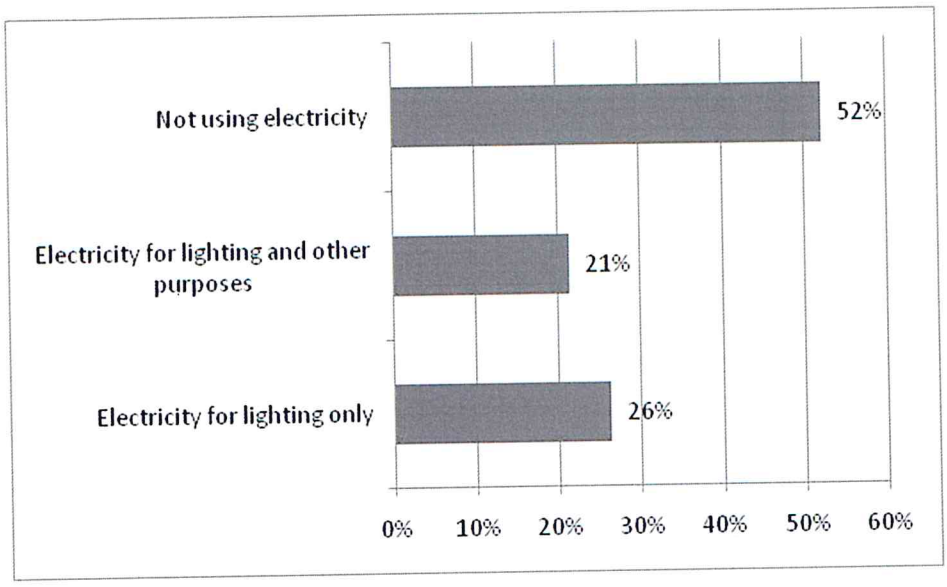
Electricity service is currently provided to portions of 8 wards only. Eskom has planning in place to develop their network ultimately to all areas of Emalahleni. The following problems are constraining the development of the network:

- The high capital costs and operating costs and therefore affordability of connections to individual households and business premises. There are a large number of existing connections to dwellings which are not operating due to inability to pay monthly charges, or to top-up pre-paid meters.
- Theft of copper cables and vandalism of Eskom installations. Eskom has a public information programme in place to educate and thereby reduce / eliminate this practice.

Alignment of Eskom planning with Emalahleni Municipality for both the expansion and the positioning of new systems is essential and will require close co-ordination between both parties. The major critical challenge facing the electrification programme is the sudden reduction of the electrification budget by the Department of Minerals and Energy (DME). Emalahleni municipality is busy in negotiations with DME in an attempt to find a speedy solution. The figure below shows household access to connections.

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Energy or fuel for cooking by Type of dwelling

	House or brick/concrete block structure on a separate stand or yard or on a farm	Traditional dwelling/ hut /structure made of traditional materials	Flat or apartment in a block of flats	Cluster house in complex	Townhouse (semi-detached house in a complex)	Semi-detached house	House/ flat/room in backyard	Informal dwelling	Caravan/tent/Other
Electricity	10494	6947	833	150	56	83	543	65	74
Gas	602	331	36	2	12	2	14	9	5
Paraffin	2112	2503	185	10	2	23	85	41	12
Wood	1848	3433	255	13	-	6	116	35	10
Coal	37	33	3	-	-	-	-	3	-
Animal dung	134	364	-	-	-	1	3	1	1
Solar	15	9	-	1	-	-	-	1	-
Other	-	10	58	3	3	-	-	-	-
None	31	19	5	3	-	-	-	1	-

Energy or fuel for lighting by Type of dwelling

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	House or brick/concrete block structure on a separate stand or yard or on a farm	Traditional dwelling/ hut/ structure made of traditional materials	Flat or apartment in a block of flats	Cluster house in complex	Townhouse (semi-detached house in a complex)	Semi-detached house	House/flat/room in backyard	Informal dwelling	Room/flatlet on a property or larger dwelling/ servants quarters/ granny flat	Caravan/tent/Other
Electricity	12789	9883	999	166	68	105	645	84	44	89
Gas	24	47	4	1	-	-	5	-	1	-
Paraffin	1347	1794	164	1	2	4	24	21	1	5
Candles (not a valid option)	1069	1867	150	13	2	8	82	16	6	9
Solar	28	17	-	-	-	-	3	47	-	-
None	17	38	6	-	-	-	-	1	-	-

Backlog for businesses is unknown as they have a direct link to Eskom for their installations. However, anecdotal observations indicate that business connection backlogs are relatively low.

2.1 ELECTRICITY BACKLOGS - EMALAHLENI EXTENSION

Estimated Financial Year	Project name	Est. Total no. of Connections	Est. no. of connections in 2009/2010	Est. no. of connections in 2010/2011	Est. no. of connections in 2011/2012	Est. no. of connections in 2012/2013	Est. no. of connections in 2013/2014	Est. balance of connections
2009/2010/2011/2012/2013	Lady Frere 8A-1	3,027	1,000	1,152	600	342	250	714
2009/2010/2011/2012/2013	Lady Frere 8B-1	3,267	918	1,044	0	450	1,000	305
2014/2015/2016	Emalahleni Extensions	1,337	0	0		0	200	1,137
	Total backlog	8,344	1,918	4,114	600	792	1,450	2,156

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2.3. Roads & Storm-water

The municipality is responsible for the construction, maintenance and upgrading of local access roads and storm-water infrastructure. Other roads are a responsibility of the District, Province and National department of Transport. ELM has been identified for the assistance by the Municipal Integrated Support Agency to develop an extensive Master plan inclusive of the Roads master plan. Construction of ACCESS roads is done through the MIG Funding and roads maintenance is funded through own revenue. Own revenue for infrastructure is generated through plant equipment hiring. The entire road network of mainly gravel roads is generally in poor conditions and need upgrading and maintenance. The municipality has established Transport and Roads forums. These forum meet on quarterly basis

Projects of Provincial significance in the Emalahleni area included inter alia:

The upgrading of the main road linking Cala to Lady Frere

2.3.1. Road Network and Corridor Development

The various categories of roads are summarized as follows:

Trunk roads	65km
Main roads	90km
District roads	658km
Access/minor roads	313km

The trunk and main road network consists mainly of the R56 which runs through Dordrecht and Indwe towards Elliot in an east / west direction, and the main roads between Sterkstroom/ Dordrecht (R344) as well as the Queenstown / Dordrecht (R392) link road.

The entire road network of paved and unpaved / gravel roads is in general in a relatively poor condition although some interventions are planned, as indicated in the physical infrastructure project lists included elsewhere in this report. Most of the gravel road surfaces are below standard and should be upgraded to allow for all weather road conditions.

Access across streams and watercourses is generally poor during rainstorms. There is a municipality-wide need for the construction of appropriate causeways and bridges. Apart from the significant tourism route between Dordrecht and Maclear/ Mount Fletcher, consideration should also be given to improve the integration of, and link roads between Queenstown, Glen Grey, Cala and Elliot to strengthen corridor development and accessibility. Services along this corridor should further be developed to facilitate densification, focused delivery, planning and funding. This will serve to sustain the economies of the towns and develop stronger linkages and integration between rural and urban areas.

2.3.2. Rail Network

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The light density railway line between Sterkstroom - Dordrecht - Indwe - Maclear is no longer being utilized for transportation of general freight commodities and timber. Limitations exist in regard to axle load carrying capacity of heavy freight and consideration is being given to reroute products such as timber to the East London - Umtata railway line which may further impact the utilization of the line. Strategies could include that railway line between Indwe and Molteno town to be rehabilitated for coal, timber and passenger transportation.

2.4. Household Access to Telephone communication

Telkom is a provider of the landline telephone services in the Emalahleni. The municipality's role is currently to facilitate the implementation and communicate with Telkom and other mobile network service providers regarding areas of priority for connections.
Information received from interviews with cellular telephone operators suggests that approximately 85% of areas in the Emalahleni municipality have adequate network signal coverage.

Significant improvements in household access to telephonic services have been registered over the last few years. Telkom is promoting their Digital Enhanced Cordless Telecommunication system (DECT) to rural areas to facilitate coverage. However the following problems and constraints are apparent to development of all of the networks:

- The high capital and operating costs and therefore affordability of individual household connections, as well as of cellular phones. There are a large number of installed facilities which are disconnected due to non-payment of monthly service charges.
- Theft of and vandalism to existing infrastructure especially theft of copper cabling and solar panel installations and vandalism of public telephones. Communities in general prefer location of public telephone facilities within community meeting places / halls / multipurpose centres in order to limit vandalism.

It is considered essential that alignment of this planning for both the extent and positioning of new systems be put in place. This alignment will require close co-ordination between both Telkom and Emalahleni Municipality.

The following table reflects the number of people within the Emalahleni Municipal population that have access telecommunication devices

	YES	NO
Landlines Telephones	**859**	**30823**
Cellphones	**24955**	**6727**

2.5. Solid Waste Removal

Formal waste collection service is generally limited to the urban areas of Lady Frere and Indwe / Dordrecht. Households in the rural areas improvise by either creating their own dumps in their own yards or by means of illegal dumping sites. Only 11% of households have access to weekly refuse removal and only 2% use communal and municipal skippers. 47% of households, mostly in the rural

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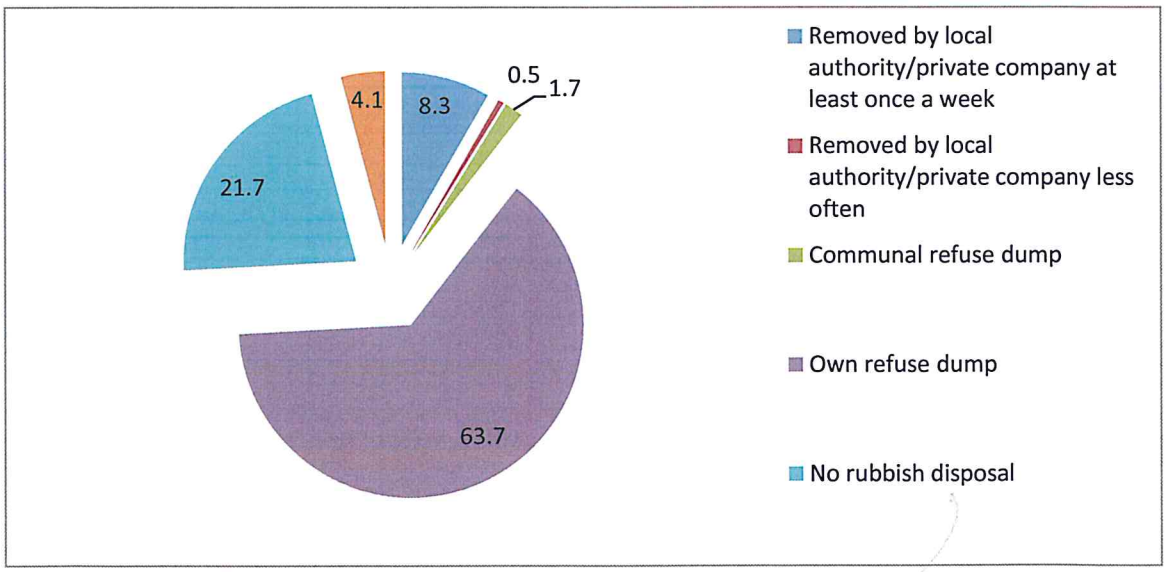
areas, use their own improvised dumps. The backlog for the service can be justifiably estimated at 87%

2.6. Refuse Collection

Formal waste collection service is generally limited to the urban areas of Lady Frere and Indwe / Dordrecht. Households in the rural areas improvise by either creating their own dumps in their own yards or by means of illegal dumping sites.

From the figure bellow, it can be seen that only 8.3% of households have access to weekly refuse removal and only 1.7% use communal and municipal skippers. 63.7% of households, mostly in the rural areas, use their own improvised dumps.

Household Access to Refuse Removal



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Source: STATS SA 2011

The status of solid waste systems for the Emalahleni Local Municipality is summarized for the main towns as follows:

Lady Frere: No licensed solid waste site exists. No formal solid waste collection system is in operation.

Dordrecht: There is a solid waste collection system in the town and the landfill site is reportedly approved by DWAF.

Indwe: The town has a solid waste collection system – it is reported that the existing solid waste site requires upgrading in order to qualify for licensing by DWAF.

2.7. Social Infrastructure

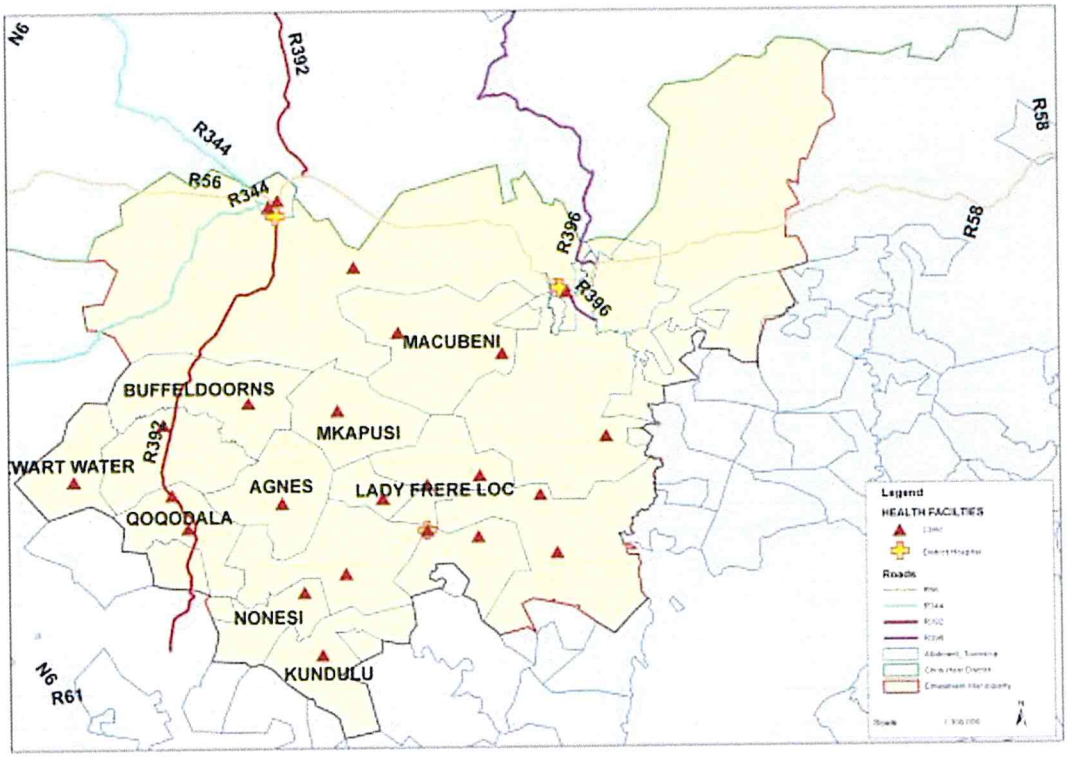
2.7.1. Health Facilities

There are currently 35 medical and primary health care facilities in the Emalahleni Municipality.

The following figure shows the distribution of health facilities across the municipal area.

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2.7.2. Education Facilities

According to the Emalahleni SDF 2010 there are approximately 173 schools servicing Emalahleni LM. The distribution of these schools is illustrated in the figure below.

The main challenges raised by participants in the IDP process relate to following issues:

- Classroom backlogs
- Ineffective scholar transport system
- Inability of rural schools to attract skilled and appropriately competent
- educators for science subjects> Poorly performing schools in terms of their matric pass rates resulting in trickle down problems for the labour market and local economy

There are five police stations and a one prison located in the municipal areas.

The following figure shows the distribution of health facilities across the municipal area.

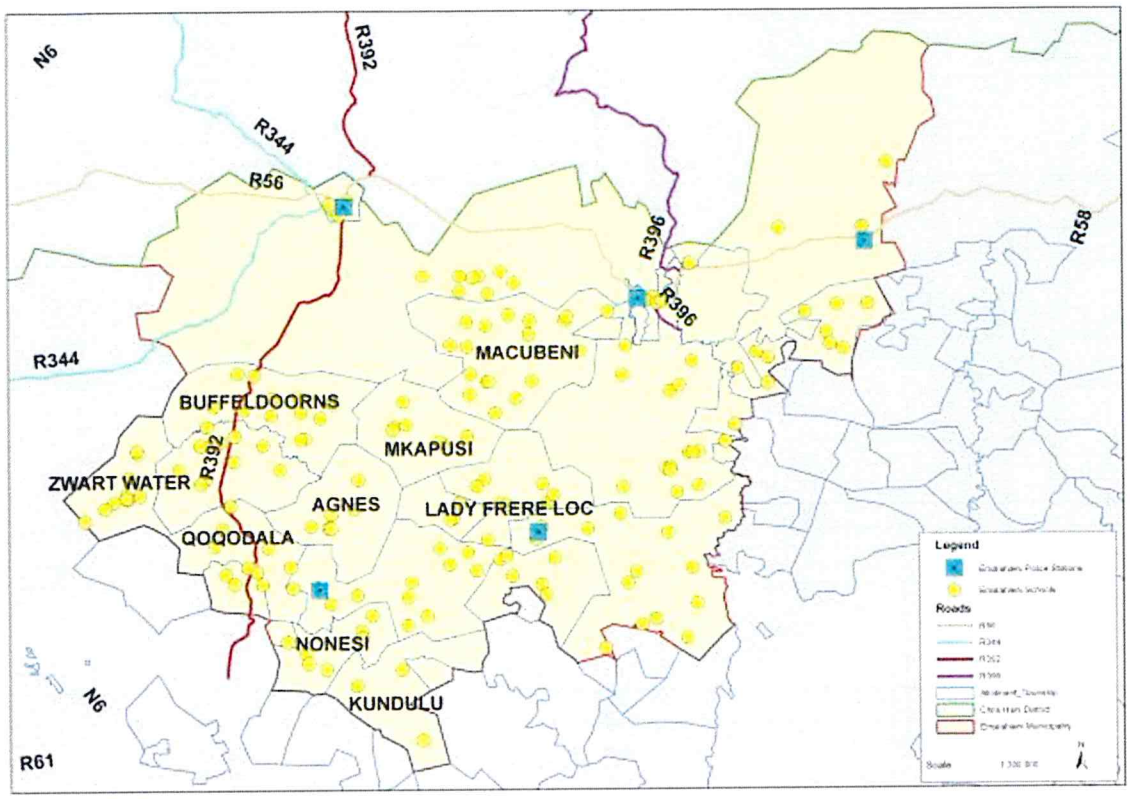
Police and Schools

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2.8. Housing Sector Plan

PREAMBLE

This Housing Sector Plan has been reviewed and revised in accordance with the prescripts of the Blue Book for Municipal Housing Planning and the related National Treasury Planning dispensation.

The methodology used to review the HSP consisted of the review of the current IDP, HSP, SDF and other relevant chapters of the IDP and sectoral plans. In addition to this, a desktop analysis was undertaken to better understand the demand for housing. The supply side study included primary level survey and collection of data related to land and land packaging, infrastructure planning and availability, organisational capacity, and housing projects, including planned, current and blocked projects and, lastly, an integration study to establish cross cutting issues and related planning and availability, especially as it relates to health, education, roads and transportation, social, recreational and safety facilities. The results of all these studies were used in the production of a situation analysis report, which was utilised to inform the development of the HSP.

The HSP consists of strategic goals and priorities for the Municipality, which are detailed into programmes for year 1 of a 5-year horizon. Lastly, a project pipeline together with a project-tracking tool was developed and provided to enable the Municipality to improve its planning, tracking and monitoring of projects.

The engagement processes with the Municipalities and the client (ECDoHS) was multi layered. A provincial project management forum was established that agreed on and monitored inception and progress on the project. An orientation workshop was held with the Municipalities to create an

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understanding and awareness of the project, to create the conduit for information to be collected, and to undertake an initial desktop exercise to understand the dynamics and nuances related to housing delivery. Individual visits to the Municipalities, districts and other departments resulted in the collection of the required primary level information. This included the administration of a structured questionnaire with key officials. The situation analysis report was work-shopped with key Municipal officials and, in some Municipalities, Councillors, in order to seek confirmation and agreement with the resultant conclusions. Thereafter the HSP's were produced and presented to the ECDoHS for approval.

LEGISLATIVE AND POLICY BACKGROUND TO HOUSING CHAPTER

The Integrated Human Settlement Strategy is the primary policy focus to influence the approach to the development of municipal housing strategies. It emphasises a movement away from the concept of housing as mere shelter to housing as part of an overall strategy to achieve human settlements that provide good quality homes with proper access to the necessary socio-economic opportunities for their residents. It also highlights the importance of social, economic and racial integration in the settlements, linked to the objectives of densification and integrated mixed land use in South African urban areas.

It is given more detailed focus and forms of delivery through a range of housing and planning legislation, policy and mechanisms. The most important housing legislation and policies include the Housing Act, the Social Housing Act 2009, the Rental Housing Act and the National Housing Code. From a planning perspective the following legislation and policy initiatives are important: the Municipal Systems Act 2000, Municipal Structures Act 1998; the Municipal Finance Management Act, the Provincial Financial Management Act, the National Spatial Development Perspective, the government's Urban and Rural Strategies, the Development Facilitation Act, the land reform and land restitution legislation and the Land Use Management Bill (2010).

While these all provide the details that populate the framework for the planning and delivery of housing it is important that the municipality uses the Integrated Human Settlement approach in planning its response to housing need and demand. In doing this, it must work in close alignment with the province on joint planning as well as the allocation of the financial resources. The municipality can also structure co-operative action and even partnerships with other key stakeholders that can positively assist it in developing its housing plan and supporting the delivery.

The detailed delivery is given further focus over the period 2011 – 2014 by the Outcome8 objectives, targets and strategy for the province that come from the delivery intent of the Minister of Human Settlement.

STRATEGIC FRAMEWORK REVIEW

A large proportion of people in the district live in rural communal areas in traditional housing. However the major housing planning emphasis is on the urban areas. This therefore indicates that there is urban bias in housing prioritisation in the municipal area. There is furthermore little information in the main report that defines the need and demand in neither the rural areas nor the

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context of delivering housing in these areas where tenure is unclear. The apparent lack of housing delivery in the rural areas results in increased pressure on the urban housing demand.

The report is unclear on any linkage with the government's land reform programme. If the housing programme is to reach a large proportion of the population in the municipality, and probably those households with the lowest incomes, it is important that there is a specific rural analysis and rural housing strategy.

It is therefore suggested that a housing waiting list system (specifically targeted in rural areas) need to be set up whereby a database of potential beneficiaries and residents of informal settlements is established and kept up to date. These databases are important management tools for managing housing development and the eradication of backlogs. This necessitates an in-depth analysis of the exact housing demand in these areas.

The Emalahleni Municipality has not been granted developer status with respect to the delivery of housing in its area of jurisdiction. It relies on the Province to carry out a significant part of the responsibilities related to housing development. The Municipality does not have a Housing Department and The Directorate for Land and Housing is responsible for managing Housing within Emalahleni Municipality. It is important that there is clarity on the respective roles and responsibilities between the province and the municipality. This will require a clear joint plan of action involving the local municipality, district municipality and province that is regulated through an MOU. To the extent that it is considered important for the municipality to play a role in parts of the housing process, it is critical that a plan is put in place to build the necessary capacity in the municipality and to enlist the assistance of the District Municipality to assist the Municipality effectively to undertake these responsibilities.

Given the very limited capacity in the municipality for planning and implementing housing it is crucial that the municipality engages in partnerships with other relevant agents who can assist it in its planning and delivery. Priority should focus on strengthening the relationship between the internal sections within the municipality and with the provincial DoHS, the regional Department of Rural development & Land Reform as well as agencies and NGOs working in the rural parts of the municipality.

Another issue that hampers the development process is the current ownership pattern. At present, ownership of land in the urban areas and former RSA areas is held by freehold Title Deeds but in the rural areas the most common form of tenure is the communal land tenure system.

The Emalahleni municipality has no clear housing vision or set objectives with regards to housing delivery. In order to harness all stakeholders towards a common goal, it is imperative that the vision and objectives are clearly defined. Development strategies provide the most practical way of providing solutions to the identified problems. Such strategies are a link between problems and the desired housing development objectives. Housing development strategies are preceded by guiding principles enshrined in the housing policy and legislation. They are also preceded by a housing vision and objectives. It is therefore suggested that an action plan be drafted that clearly defines the vision and objectives of the municipalities.

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The Municipality with the involvement of the province plans housing projects. All layouts are submitted to sector Departments for comment regarding the adequate provision for social, community and educational facilities. It has not been possible to determine how the Sector Departments integrate their plans with housing delivery. The issue of cross-sectoral alignment needs to be addressed. It is therefore critical that the sector departments and housing sector plans should be aligned with the IDP for the municipal area.

The present planning is badly inhibited by the lack of a properly developed and maintained database on the demand and the linkage to projects that are planned and or implemented to tackle this. Often the information is sparse, or it is held in different formats in different locations both within the municipality and outside of it. A more integrated system is required.

Arising from the above, a number of projects are proposed. These will be discussed in the subsequent section.

Review of Housing Vision

The overall vision of Emalahleni Municipality states as follows: "A municipality that delivers sustainable and affordable services towards socio-economic growth and development"

Strategic housing goals

The vision of this HSP is to create integrated and sustainable communities. To make this vision a reality, the Municipality has to support the notion of productivity, inclusivity, good governance and sustainability. Given the demand profile, the provision of a suitable Rural Housing programme is core to this plan.

The strategic priorities are:

1) To determine expressed demand and to declare such demand

   (1) To undertake housing consumer education / awareness and the housing voice

   (2) To implement the housing needs register and to ensure on-going management thereof

   (3) To engage the social welfare department and Special Programs Unit in order to cater for the child headed households and orphans.

2) Scale up of the delivery of subsidised housing to meet the demand

   (1) Strategic planning for housing delivery

      (a) Conduct an annual environment analysis in order to review and revise annual housing sector plan

      (b) To develop localised policies to create a more enabling environment and to manage the mushrooming of inadequate housing

      (c) Regular maintenance and updating of the existing Housing Demand Register

   (2) Project pipeline

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(a) To integrate the existing information on delivered, planned, in implementation and blocked projects into a single project pipeline database with system for regular updating.

(b) To plan projects that are aligned with the provincial housing sustainability criteria

(c) To submit new projects to the Province for funding approval and technical support

(3) Land and land packaging

(a) To undertake a land identification and land packaging programme

(b) To understand the land reform programme and to create a linkage with such a programme

(c) To undertake feasibility studies on the identified state land on offer from the Department of Public Works, to prepare a business plan for each parcel of land required in order to effect the transfer of such land.

(4) Infrastructure

(a) To engage with the infrastructure officials and plans to seek prioritisation and alignment with housing programme

(5) Integrated Sustainable Rural Housing DeliveryProgramme

(a) Define a specific ISRHDP strategy that contains an analysis of the rural demand (including farm worker housing demand) and status quo and links it to a strategy that defines the needs and demands in terms of basic infrastructure, top structure and tenure and further links these to the mechanisms available to tackle the priority needs.

(6) Project development and management

(a) To package projects in terms of top structure, undertake procurement of contractors and to initiate project construction

(b) To undertake project management of all current running projects in order to ensure good quality and timely completion

(c) Continue to roll out existing projects and ensure that financing and systems are in place to initiate new priority projects including those within the ISRHDP strategy.

(d) To have a dedicated programme to close out blocked projects.

(e) To programme the rectification needs of the current projects

3) To build a suitably structured housing unit in order to meet the housing mandate

(1) To undertake a capacity assessment with the view of preparing a business plan to source funding from the Department's Capacitation Grant for improving staff and skills capacity within the Municipality. To also ensure that thos officials within the

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Municipality that have received training through the Department's Capacity Building programme are committed to / engaged in the municipality's housing section.

(2) To develop the internal organisation to meet the municipal housing mandate and level 1 accreditation. The proposed structure has to include a housing manager to undertake strategic planning and performance management and a technical resource to ensure the projects are managed and administrative staff to undertake beneficiary administration.

(3) To develop operational systems, i.e. policies, procedures and documents and forms

(4) Procurement of required office infrastructure and resources to fulfil housing mandate, this must include the installation and implementation of the project tracking tool.

4) To formalise the required institutional structures to support the Municipality in meeting its housing delivery targets

a) Strengthen internal and external partnerships required by the municipality to plan, facilitate, and where relevant implement, the necessary housing development to meet the demand in the area.

INTEGRATION

Cross-sector alignment issues

Very little cross sectoral integration within IDP and other sector plans. There is a need focus on integration in future review of all sector plan within the Municipality.
Housing planning and delivery risk management matters

RISK	RISK MITIGATION
Poor information and analyse on need and demand for proper planning	Undertake Housing Demand Survey / Housing Voice Ensure project pipeline is applied identify aspects of existing and planned projects that need to be covered
Poor capacity within the municipality	Ensure clear allocation of responsibilities Identify areas requiring capacity Identify strategic partners Review organogram and skills plan based on in-house responsibilities
Lack of properly structured co-operation between the municipality and the province	Submit formal requests for partnering / training / mentoring Establish SLA for on-going support
Difficulty of resolving the secure tenure	Follow provisions of IPILRA

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issues in the communal areas.	Establish partnership between DRDLR
Lack of proper control and management of the 12 started projects	Obtain PRT information Integrate with Project Pipeline Ensure PRT/DHS officials communicate with LM

GAP ANALYSIS

GAPS REQUIRED FILLING

The following Table outlines the key gaps that require filling to substantially strengthen the possibility of an implementable strategy for this housing chapter

GAPS TO ADDRESS	MODE
Establishment of the real nature of need and demand including better analysis of the interaction and separation of tenure security, basic infrastructure and top structure.	Research on the baseline documents including Provincial MTEF, land reform stats and basic infrastructure information + discussion with municipalities on summarised information
Development of rural housing strategy that does not just use global guesstimates.	Using the information from above and then linking this to specific priority geographical areas that can have more intensive information gathering. Closer planning linkage with ECDoHS and Dept of Land Affairs to develop responses.
Proper listing of completed, existing and future projects with necessary baseline and tracking information	Use of supplied template to co-ordinate information from different sources and then updating and completing this in contact with key local and provincial stakeholders. Possibly a provincial project.
Analysis of proposed infrastructure expenditure including water, sanitation, roads and storm water drainage and linkage of this to housing priority areas.	Source from provincial government documents and use local municipality to link with existing priority areas of housing need. Important to link this back to the housing project pipeline to identify where there are direct linkages.
Financing available for housing and infrastructure in the area. Analysis of the existing financing allocated to the area for infrastructure, land reform and housing and the linkage to established priorities	From the provincial MTEF and land reform MTEF + linkage back to defined housing priorities in the area.

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Housing demand in the context of the IDP and District, Provincial and national priorities

OUTCOME AIM HOUSING DEMAND TARGETS

INSTRUMENTS	OUTCOME 8 TARGETS			OTHER
	RURAL	SOCIAL AND RENTAL	INFORMAL SETTLEMENT STRUCTURES	CHILD HEADED HOUSEHOLDS
	20 711	735	160 (0 – dot count)	249
RURAL HOUSING				
SOCIAL AND RENTAL				
INCREMENTAL				
FINANCIAL				

Land Requirements for Future Development

The total areas required for future development will be approximately 255Ha over the three main urban nodes. It is not clear whether or not the potential increase in housing demand as a result of mining operations taking place in Emalahleni. Preliminary indications are that the mining operation will start in earnest in the early part of 2012 and will create approximately 2000 jobs directly in mining operations. While most of the lower level skills will be obtained locally it is expected that the technical, maintenance and managerial positions will be filled by external people who will need short and long-term accommodation. The Elitheni mine is 14kms out of Indwe and it is expected that the bulk would prefer to settle there.

Land demand for housing development

INDWE OWNERSHIP	HECTARES
LADY FRERE	152
INDWE	58
DORDERECHT	45

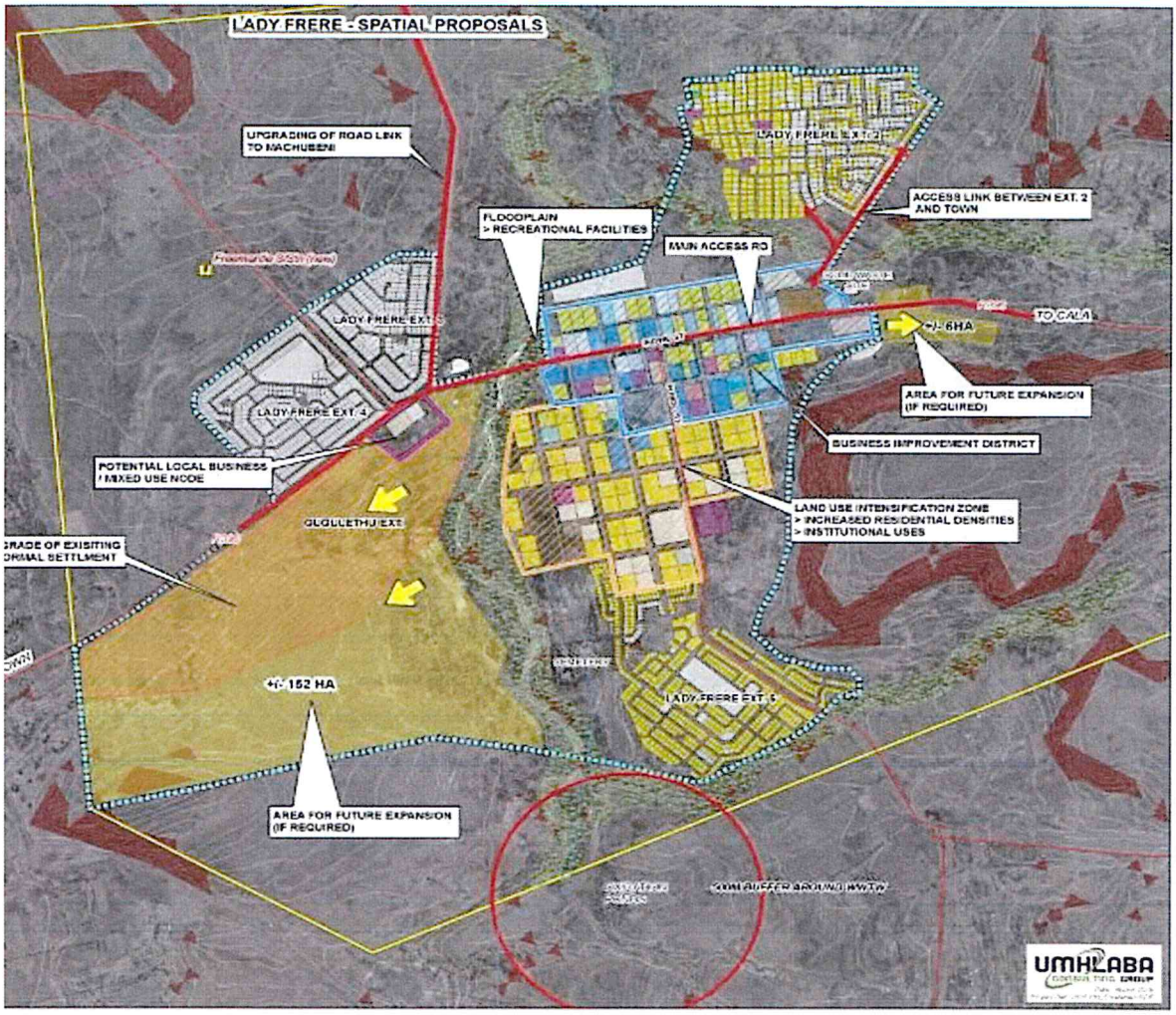
Land Requirements and Availability in Lady Frere

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The Emalahleni SDF 2010 SDF identified approximately 152Ha of land to the south of the R396 to Queenstown to accommodate the extension to Gugulethu Township upgrading of existing informal settlement and future residential expansion as shown on Figure 10 below.

FIGURE 1: LADY FRERE LAND AVAILABILTY

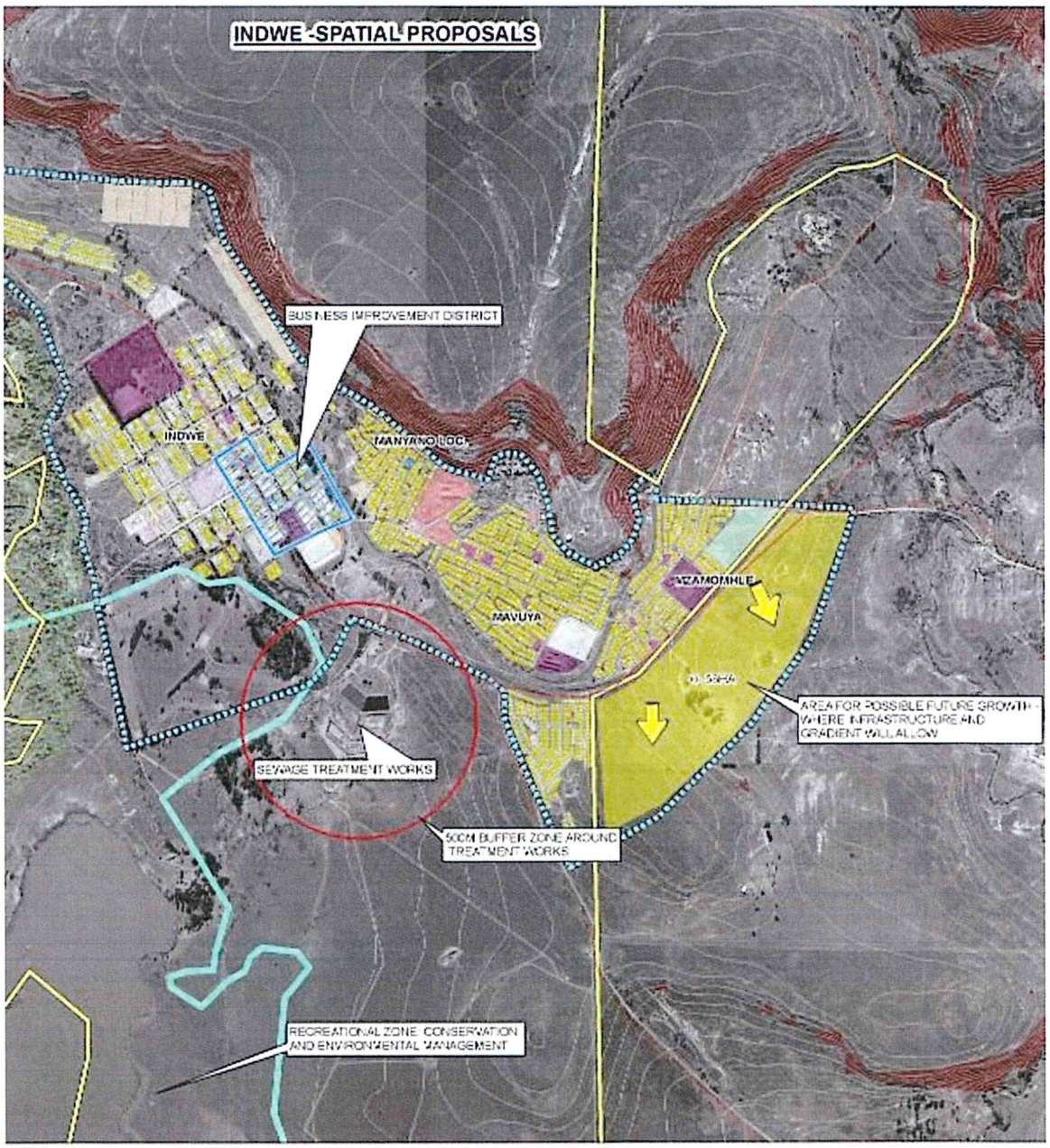


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Land Requirements and Availability in Indwe

The Emalahleni SDF has identified approximately 58Hectares for possible future growth as an extension to Mzamomhle Township. The amount of land is limited by gradient and fact that part of the land falls away from the catchment area for the existing treatment works as shown on Figure below.

LAND REQUIREMENTS AND AVAILABILTY: INDWE

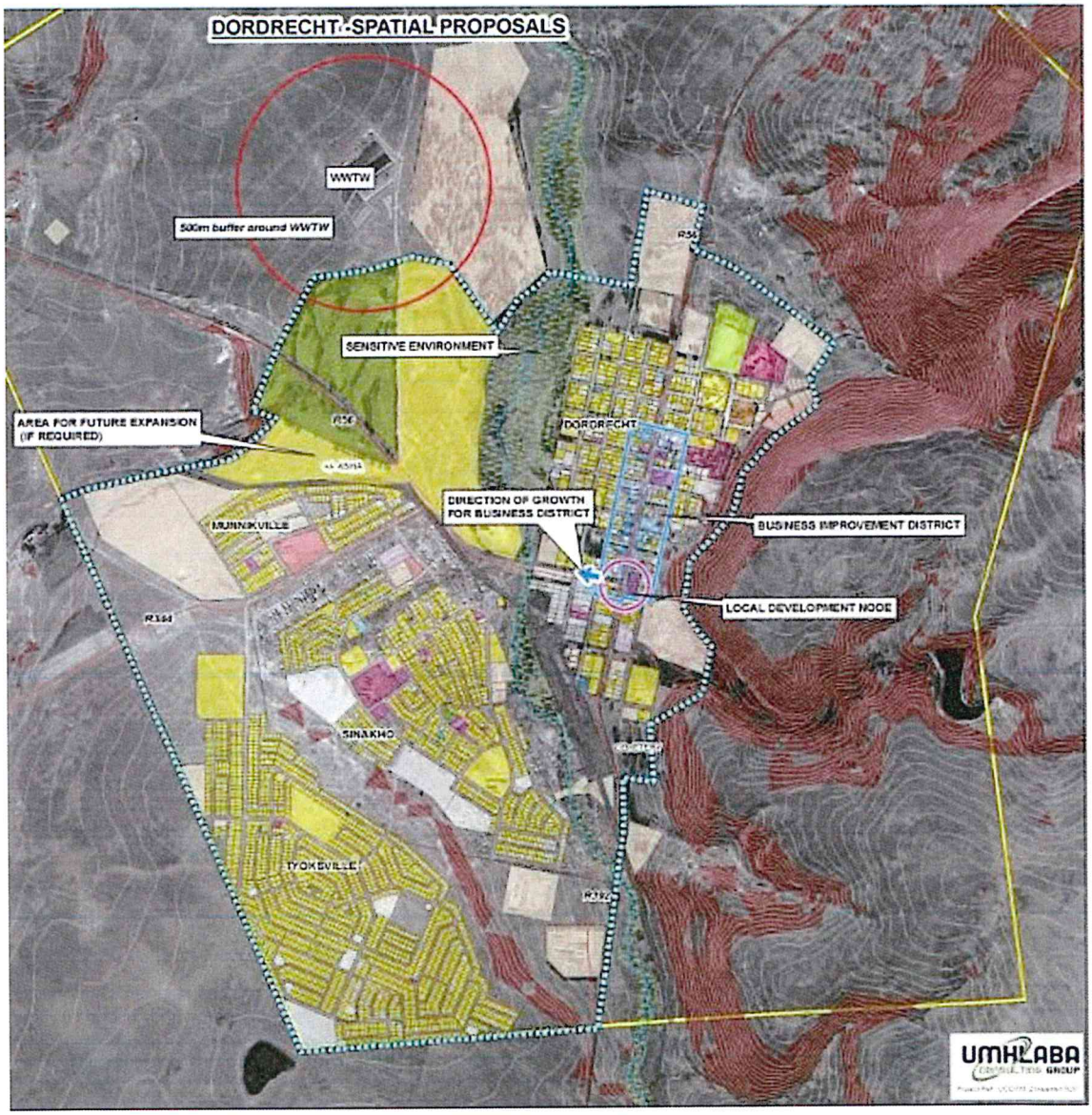


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Land Requirements and Availability in Dordrecht

The SDF 2010 has identified approximately 45Ha of land required for housing development on both sides of the R56 with good visibility and access, close to the CBD and adjacent to the existing township of Munnikvale as set out on Figure below

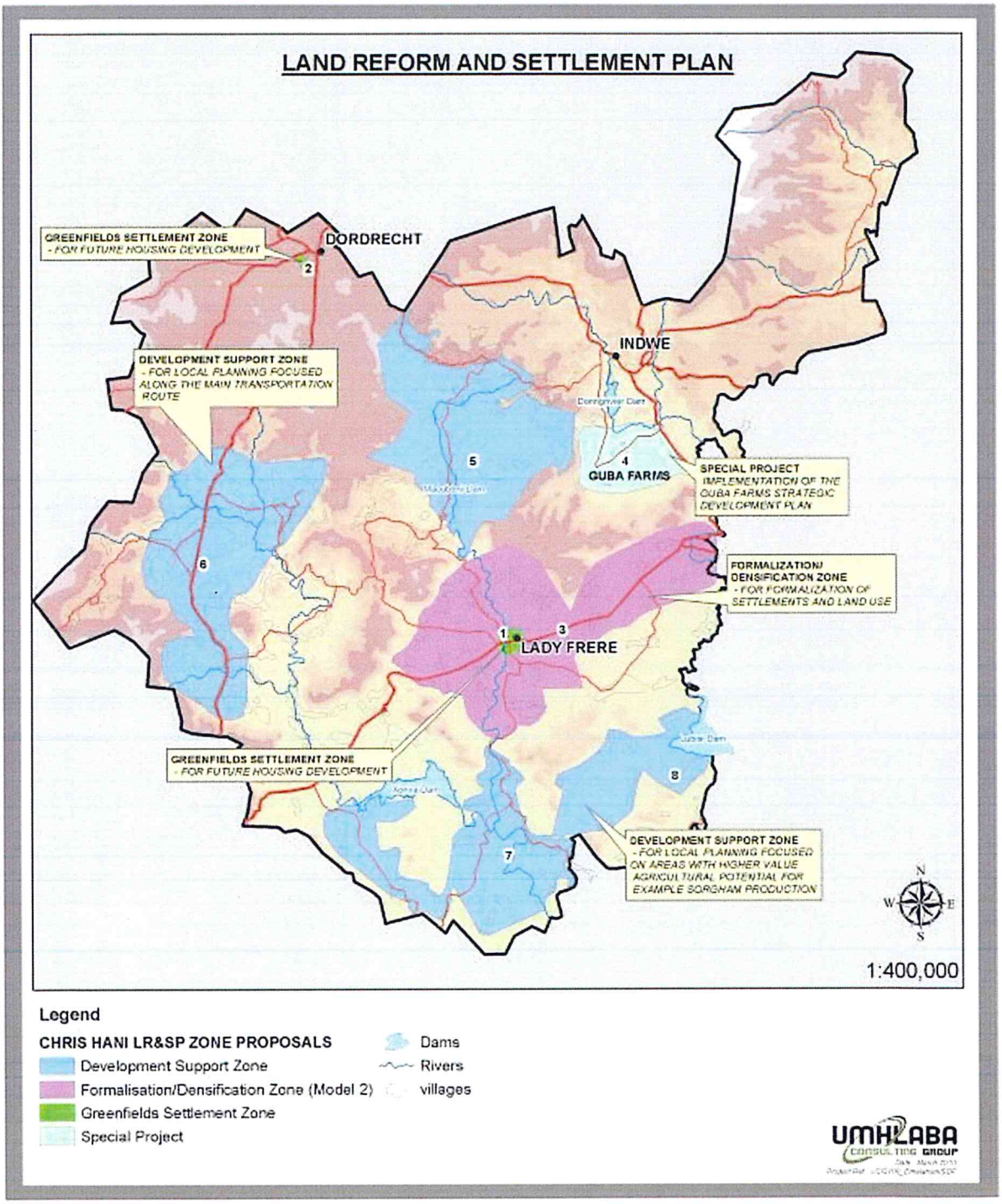
LAND REQUIREMENTS AND AVAILABILTY IN DORDRECHT



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The following figure shows the land reform and settlement plan for the municipality

Land Reform and Settlement Plan



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Land Ownership and Supply

General

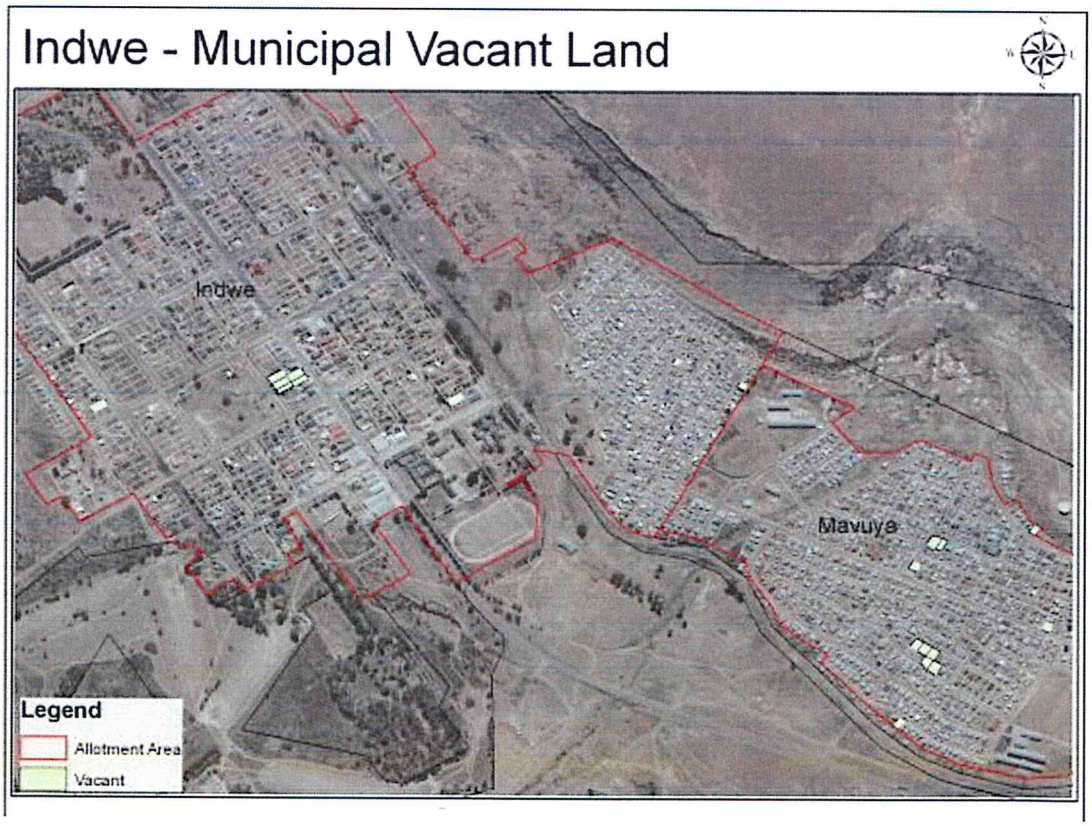
The Municipality is faced with a high demand for housing and the efforts of keeping up with the perpetual increase in demand are hampered by the following challenges:

- Land set aside for housing development is privately owned
- Land identified for housing development does not have bulk infrastructure

The Municipality on the other hand does not have the housing development status and it becomes a challenge to justify the establishment of a fully-fledged housing unit in order to ensure efficient housing delivery.

Strategic Land Parcels

The following aerial photos highlight the strategic land parcels for housing development. The SDF also identified a number of State (National Housing Board, Transnet, and Republic of South Africa), municipally owned and privately owned land zoned for Special Residential purposes in Indwe, Lady Frere and Dordrecht that can be used for infill housing. In addition the SDF identifies larger portions of land for future housing projects as set out below in the various towns and sub- areas.

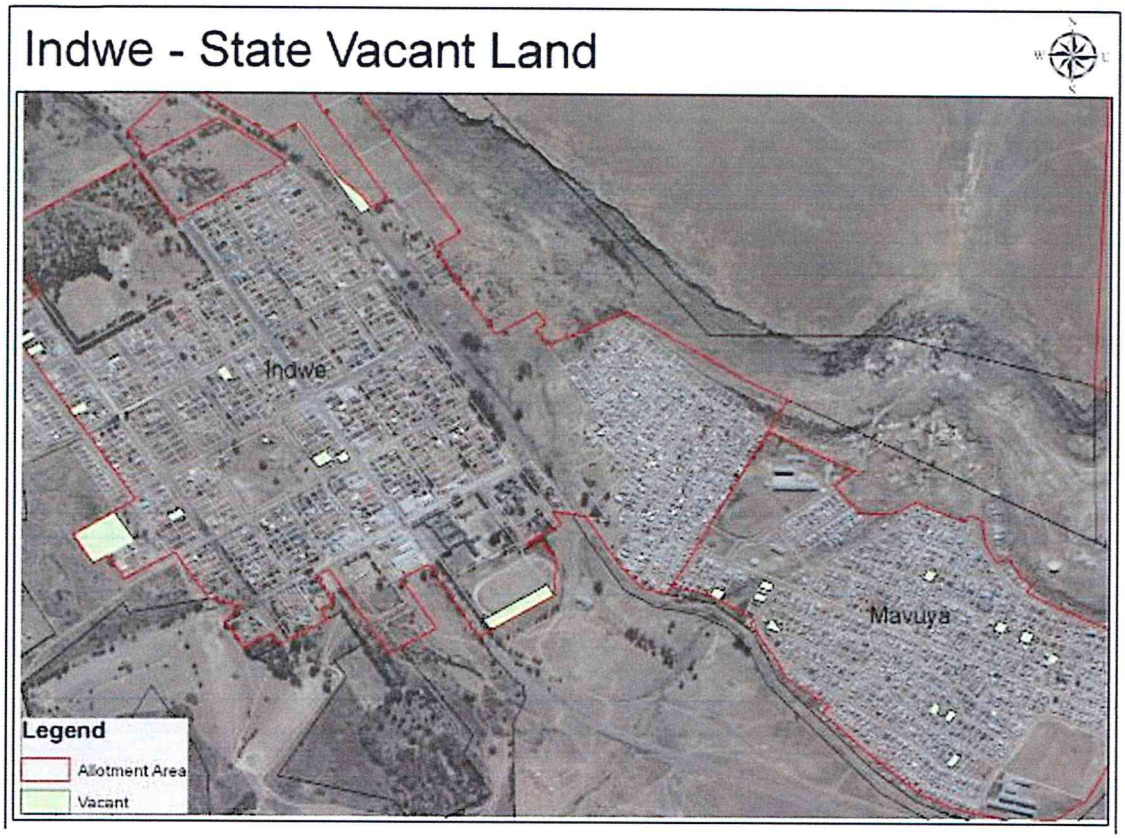


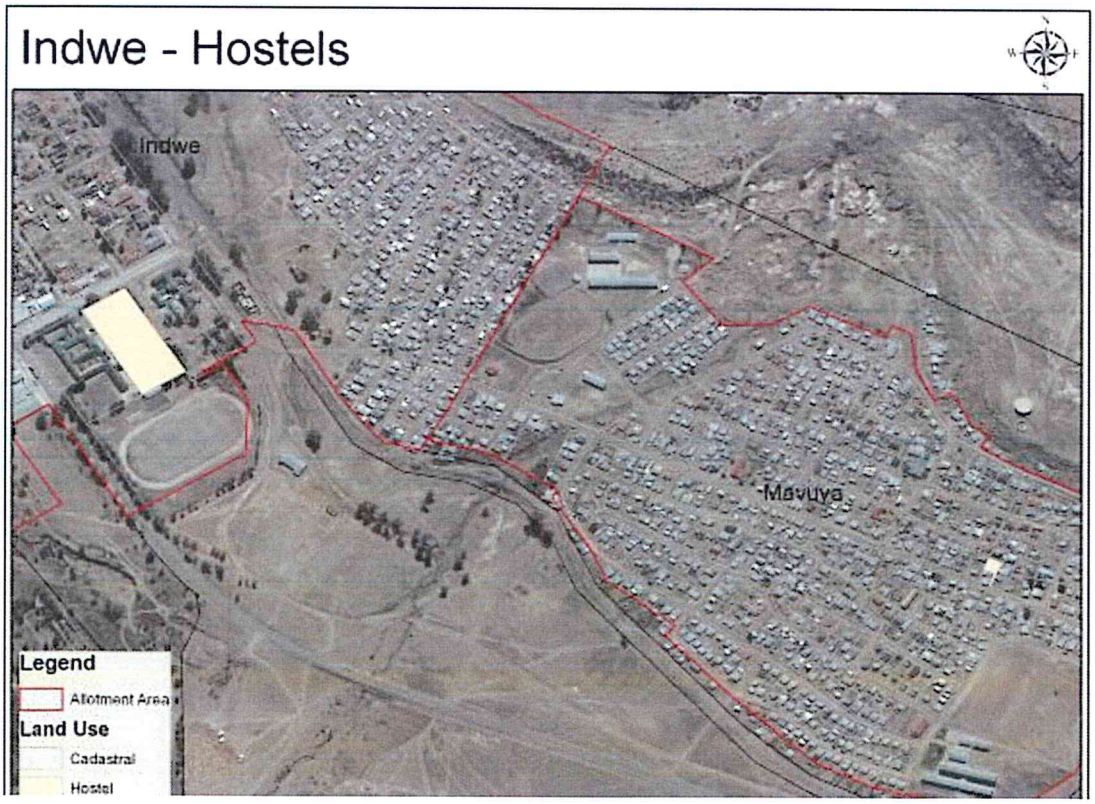
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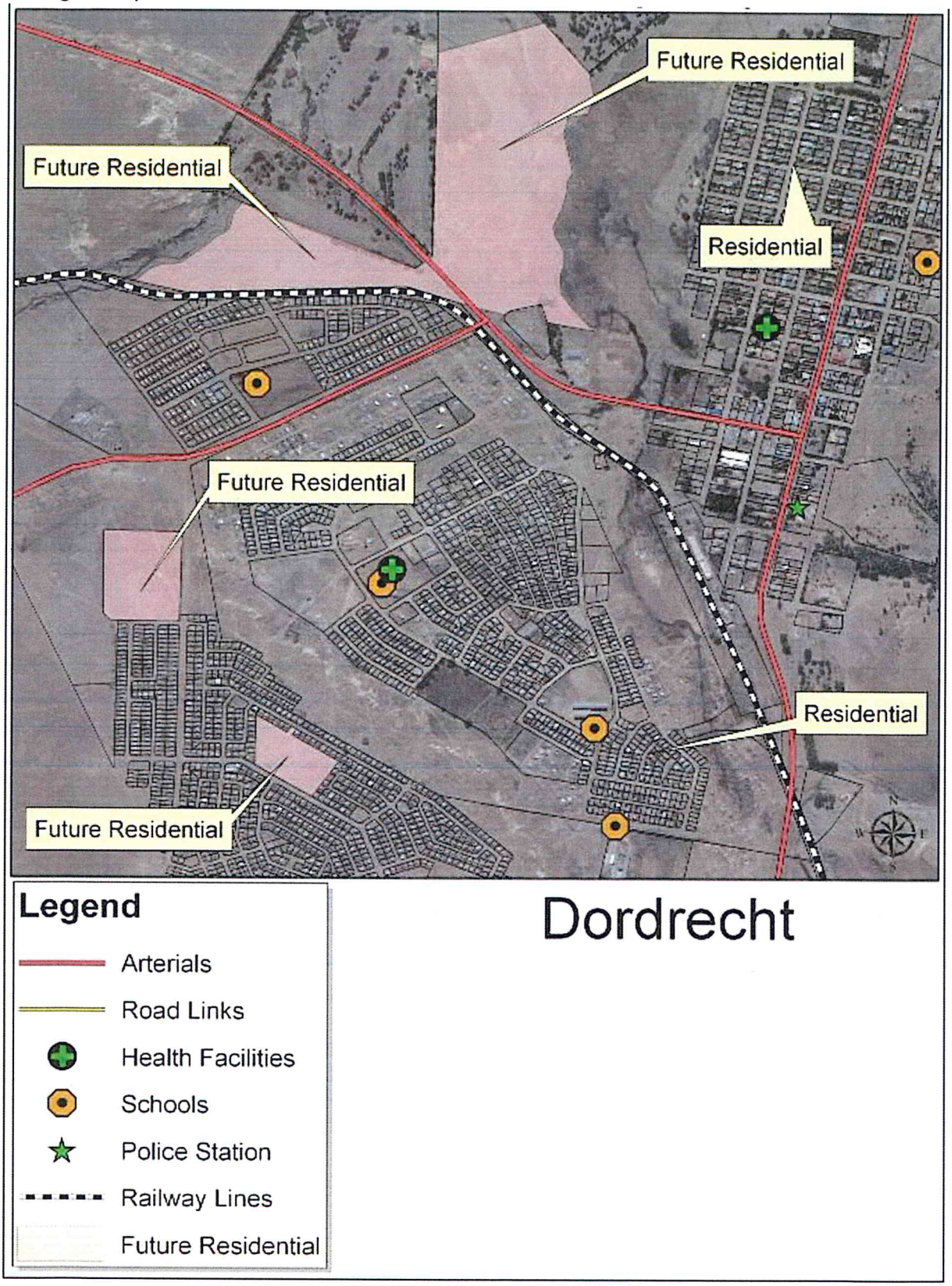
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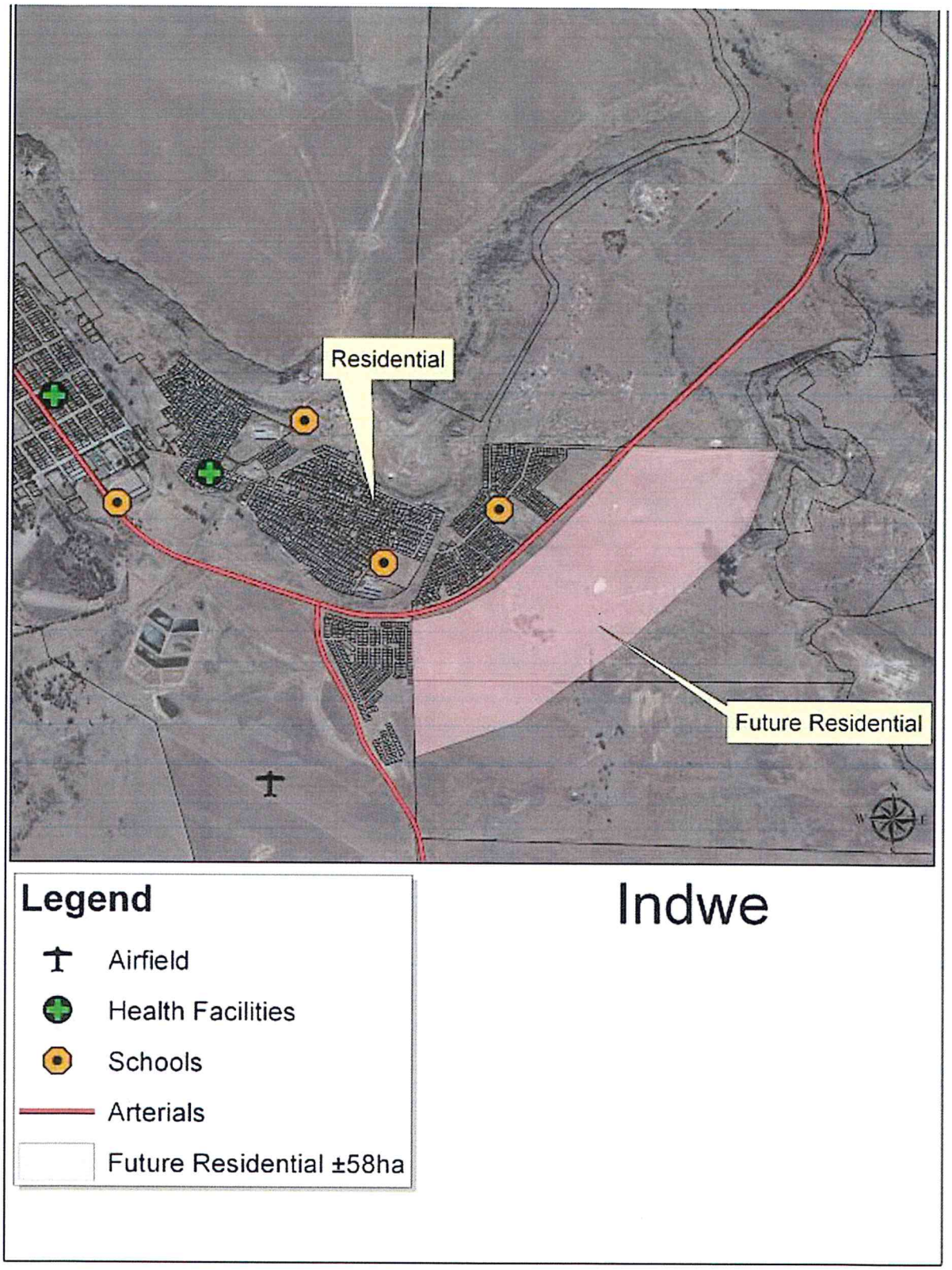
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Strategic land parcels: Dordrecht



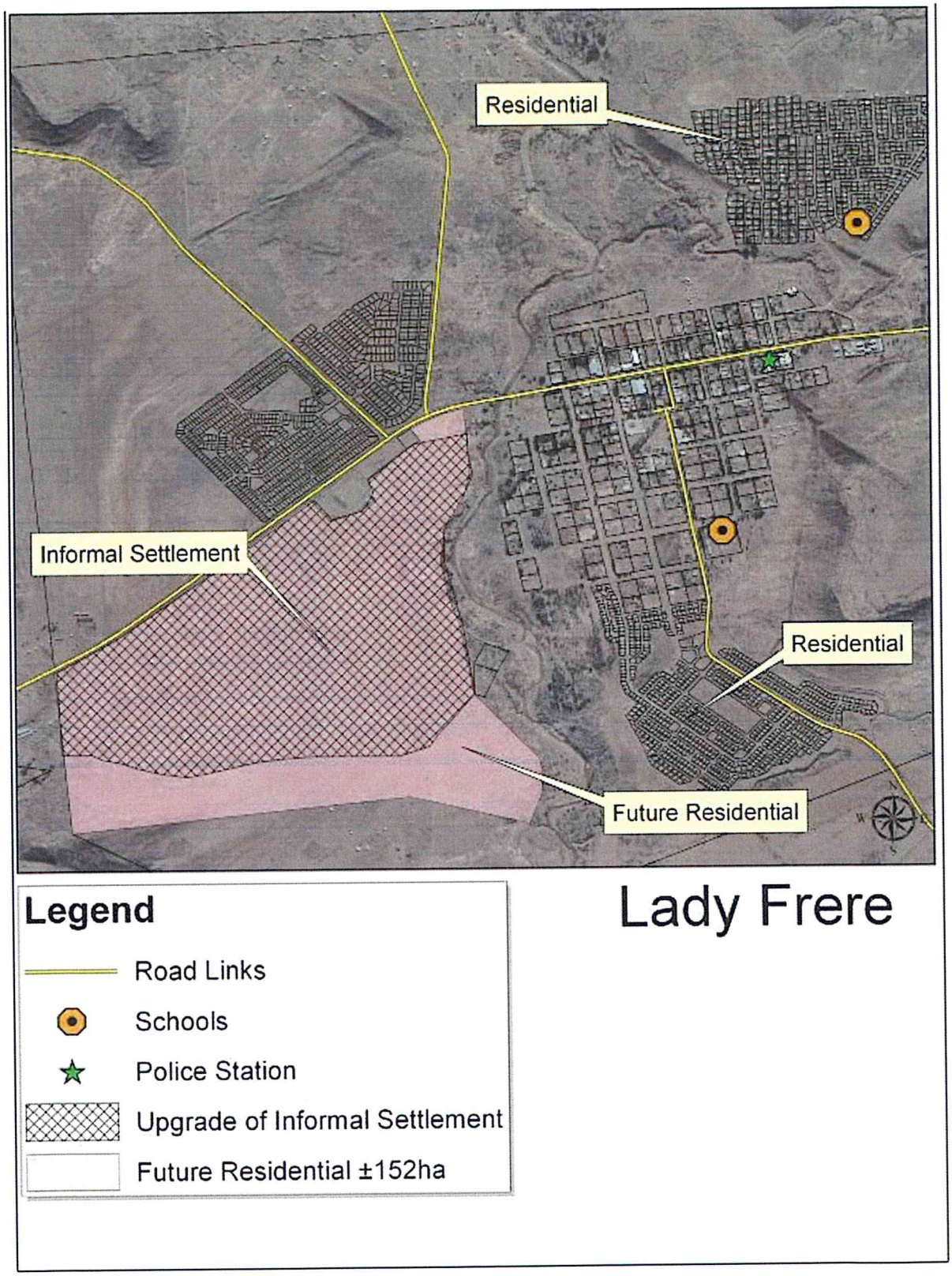
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Strategic Land Parcels: Indwe



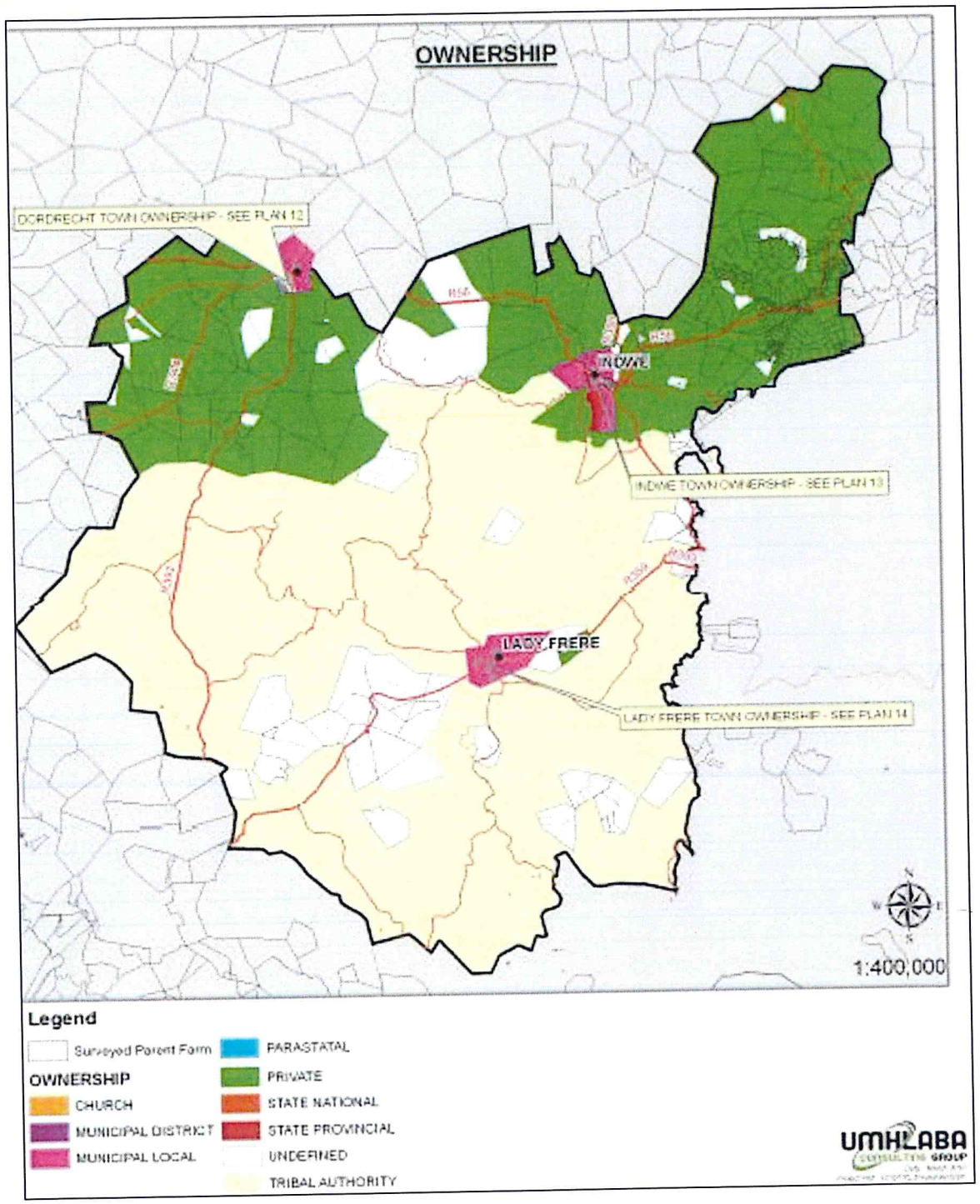
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Strategic Land Parcels: Lady Frere



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Overall Land Ownership



Land ownership in rural areas (including commercial farming and rural settlement areas

Land Ownership in Urban Centres

The plans and tables below indicate private, municipal and state land ownership within the urban centres of Dordrecht, Indwe and Lady Frere.

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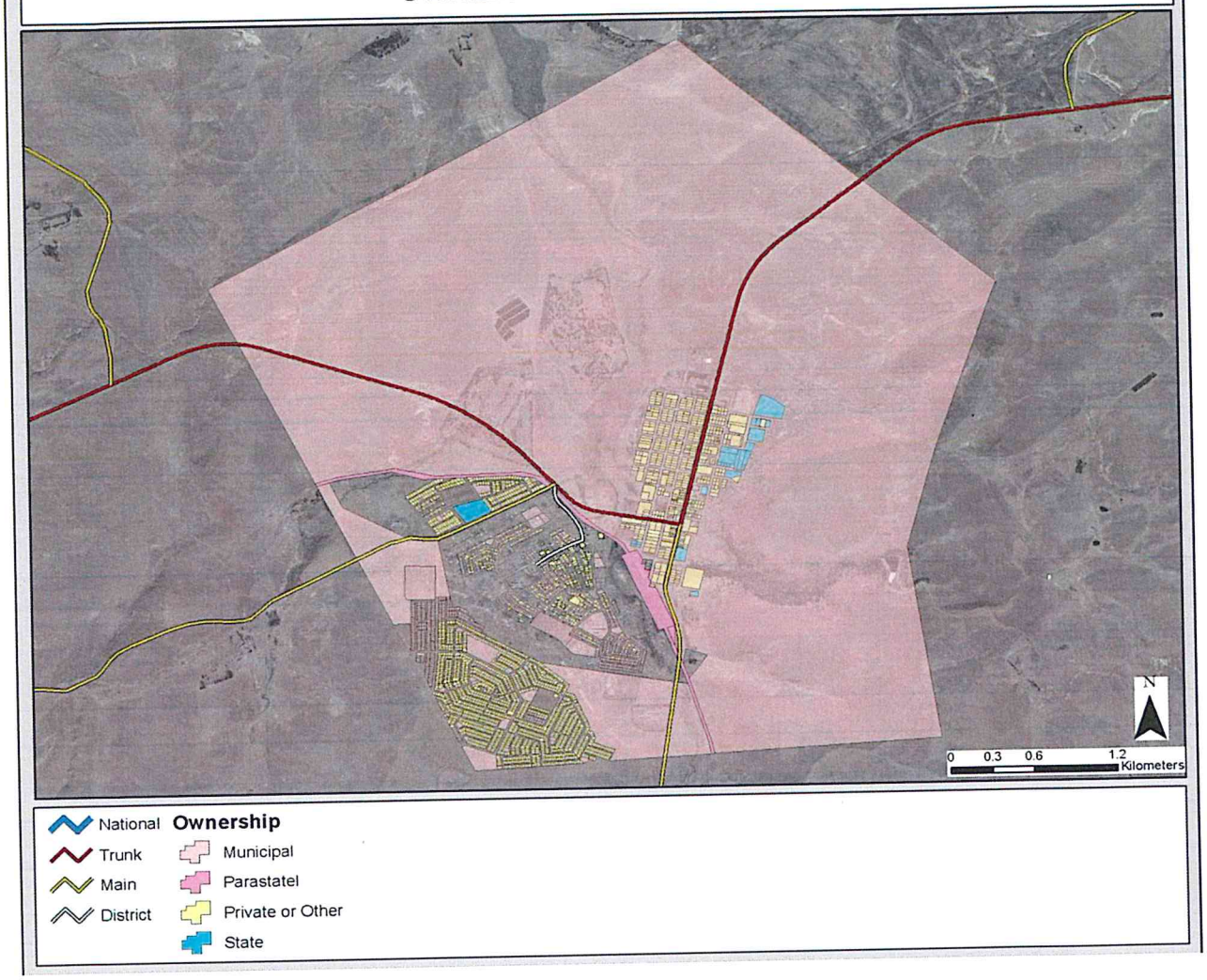
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EMALAHLENI LM HOUSING SECTOR PLAN

OWNERSHIP - DORDRECHT



OWNERSHIP	No. OF ERVEN	HECTARES	%
Municipal	891	1517.0987	78.84
Parastatal	5	14.3870	0.75
Private or Other	2504	106.5704	5.54
State	25	10.5763	0.55
Unknown	293	275.5389	14.32
Total	**3718**	**1924.1713**	**100**

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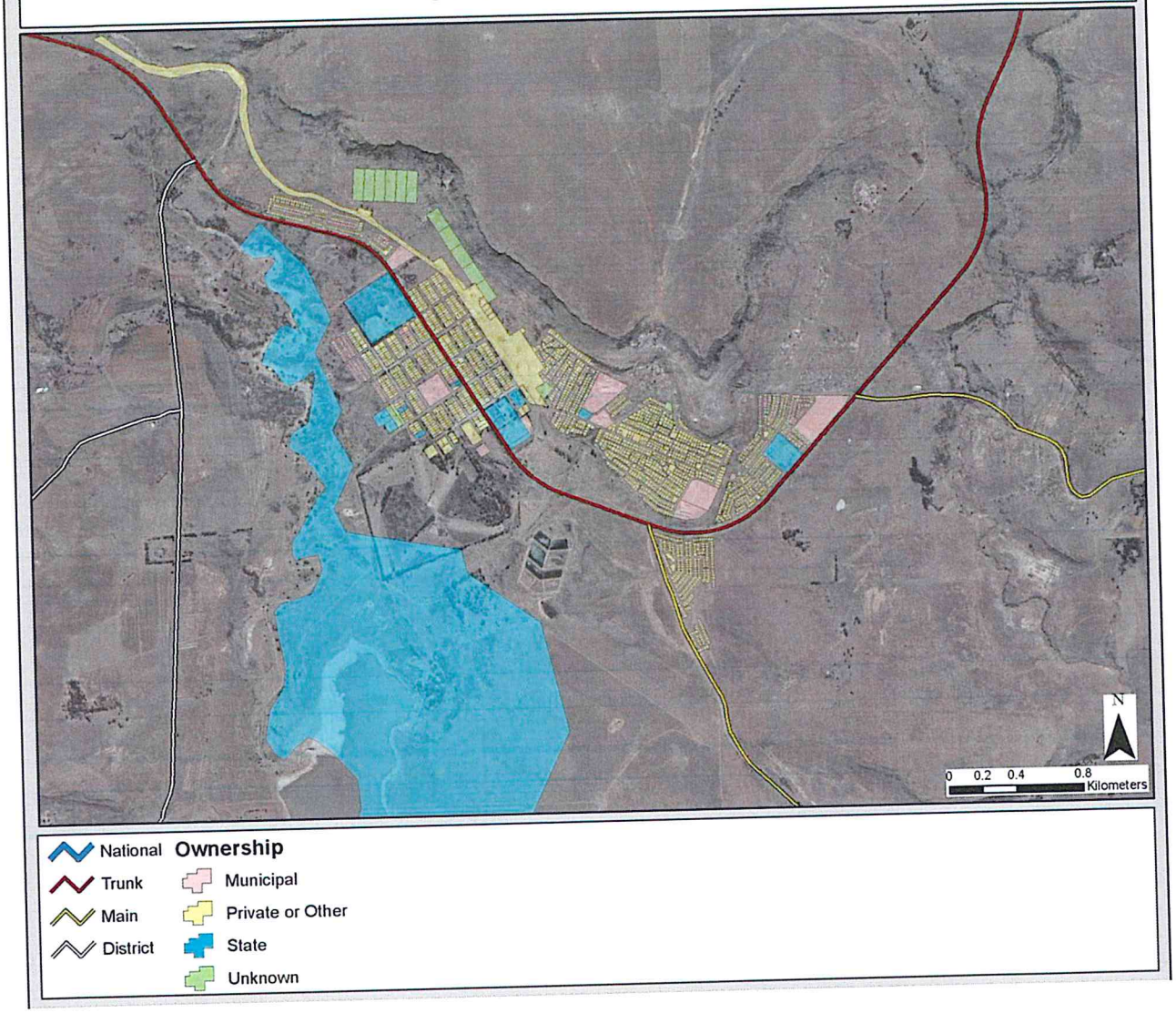
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EMALAHLENI LM HOUSING SECTOR PLAN

OWNERSHIP - INDWE



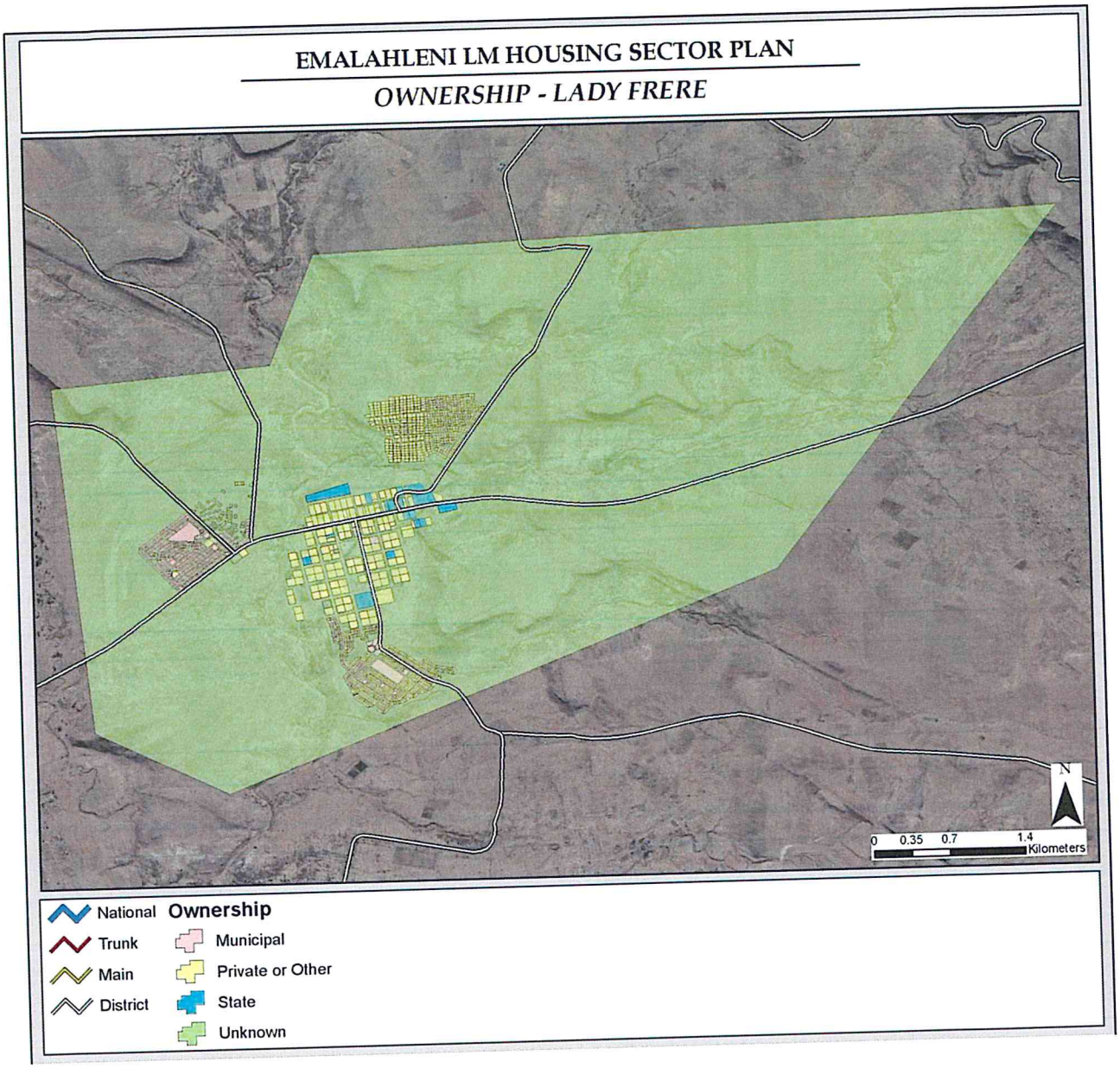
OWNERSHIP	No. OF ERVEN	HECTARES	%
Municipal	410	28.6095	4.57
Private or Other	2235	105.0643	16.77
State	20	477.2389	76.17
Unknown	92	15.6664	2.50
Total	**2757**	**626.5791**	**100**

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OWNERSHIP	No. OF ERVEN	HECTARES	%
Municipal	660	31.7741	1.21
Private or Other	1299	102.5165	3.90
State	17	12.2148	0.46
Unknown	254	2484.8016	94.43
Total	**2230**	**2631.3070**	**100**

Land Potential and Constraints

The major constraints are that some of the land suitable for housing development is privately owned and there is no bulk infrastructure in place.

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Land Availability Summary

Rural land audit must be undertaken and feasibilities on the identified urban land parcels owned by the Municipality and the state must be undertaken to secure for housing development.

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SECTION F 3: LOCAL ECONOMIC DEVELOPMENT

ELM had developed and adopted its LED strategy in 2010, to guide and influence the economic trend Emalahleni area of jurisdiction. Furthermore a LED implementation plan was developed to translate the LED strategy into realisable actions.

There are a various number of LED stakeholders that inform LED activities within ELM jurisdiction. Bilateral meetings serve as platforms for community participation in LED programmes and activities. These stakeholders are;

- Organised Sorghum producers (one (1) secondary co-operative which is made up of seven (7) primary co-operatives
- Emalahleni Business Forum – comprised of various business operators

3.1. Overview of the local economy

Emalahleni's Economy has not grown exponentially over the last decade but it has experienced a growth of just bellow 2% between 1996 and 2008. The GDP was estimated by Global Insight to be around R439 million (2000 constant prices) by 2008. The buying power (ability of the market to absorb products) was around R405 million while the gross value-add was estimated to be about R608 million for the same period.

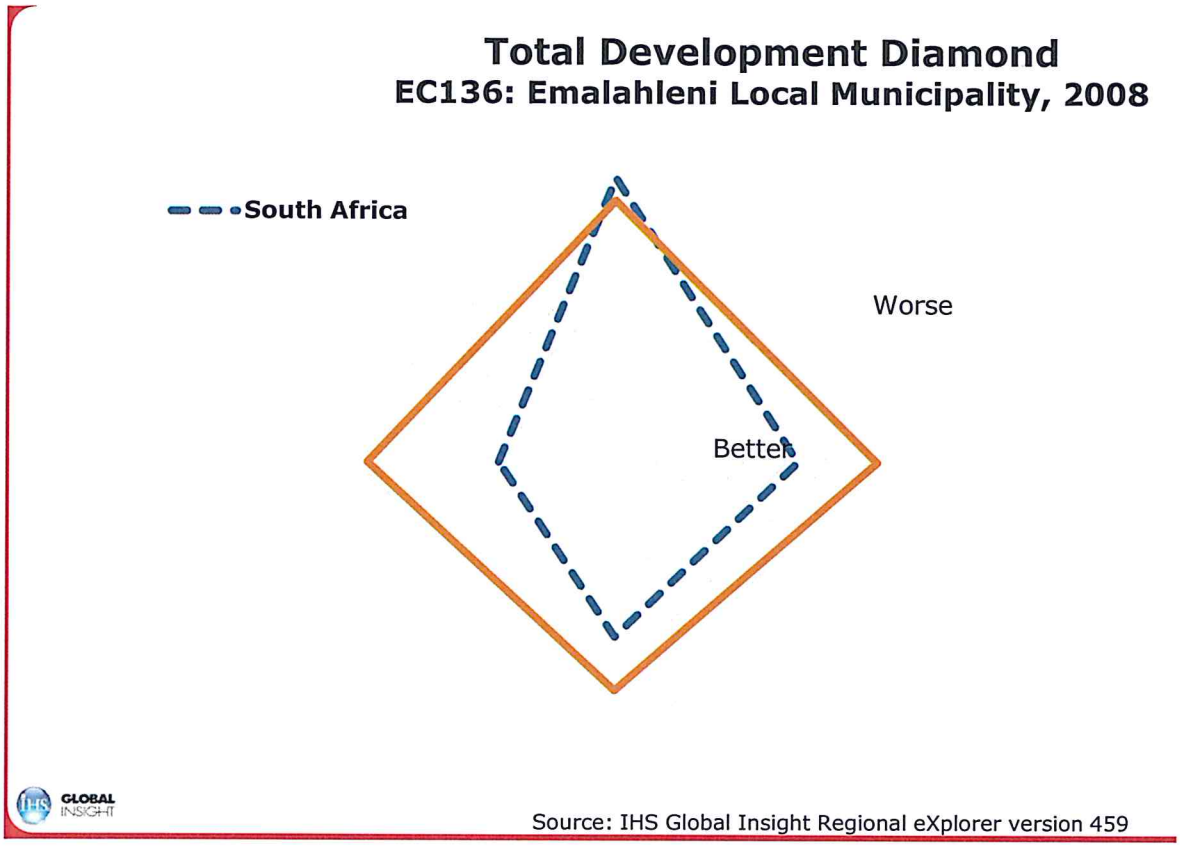
The average levels of payment for services remained low at 23% by early 2010 in contrast to the growing trend of affordability when considering that 55% and more of households earn above R2500 per month. A vigilant revenue collection strategy must be developed and implemented to address and improve the situation.

The LED strategy identifies community services, retail, agriculture, mining and tourism as strategic sectors with potential for growth in line with National, Provincial and Regional Economic Growth Strategy (NSDP, PGDS and REGS, respectively). However the contribution by these strategic sectors to the economy is incongruent to their perceived potential. The review of the LED strategy will have to investigate the underlying causes for this problem and suggest creative ways of turning the situation around.

Emalahleni generally appears to be worse off when comparing the levels of development indices to that of the rest of South Africa. Emalahleni however enjoys better levels of GAPs between rich and poor compared to the rest of South Africa with a gini co-efficient of 0.61. The table below illustrates this point by comparing the poverty, HDI and Gini-Coefficient indices to those of the rest of the country.

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Increase employment and stimulate economic growth through the Economic Development & Empowerment Strategies by

- Promotion and development of Small, Medium and Micro Enterprises. (SMME's) with focus on PDI's. ELM targets to ensure up-skilling and training of 50% of all SMMEs (in its database) by 2016
- Regulations, by-laws and Council policies should promote and encourage business investment and local labour incentives
- Promote and stimulate the opportunities for Public \ Private Partnerships (PPP's) for infrastructure and service delivery.
- Stimulate economic growth and business development through incentives for business retention, expansion and attraction
- Encourage human resource development through existing and future projects and community organisations
- Promote and market the local area through tourism organisations, customer services and establishment of on-going linkages with other regional economic development)
- Promote local business support and spending
- Promote beneficiation of local products and raw materials

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- Allocate responsibility to various role players within Council
- Investigate and identify all relevant role-players to add value, assistance and funding
- Participate in national programmes – ensure that the community is exposed to all initiatives and encourage them to participate. Assist communities with access to programmes and funds
- Co-ordinate employment initiatives through Expanded Public Works Programme and Supply chain processes
- Strive to access all forms of funding and support
- Facilitating and encouraging the registration of informal businesses to formal SMMEs
- Continued use of ELITHENI Coal Mining (PTY) LTD to interact with local businesses to determine local business capacity and opportunities that can be explored for mining and other related programmes

To improve the tourism industry and increase number of tourists visiting the region through the following tourism **Strategies**

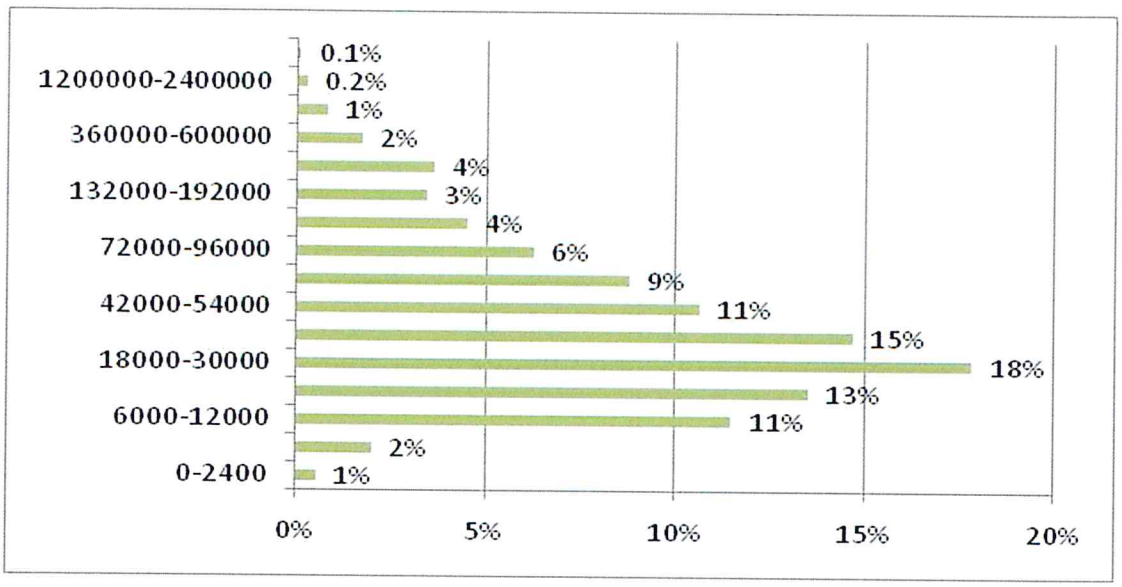
- Upgrade, maintain and provide tourism facilities and support
- Engage in active marketing on a local and regional level
- General town beautification
- Adequate infrastructure
- Encourage capacity building, development and training of people

3.2. Economic Development Indicators

a. Income Distribution

Household income distribution provides a useful indicator for levels of economic development and exposure to poverty. A large number of households in Emalahleni can be deemed as indigent with gross monthly incomes of less than R1500 or an equivalent of 2 state pensions (R1600).The table below sets out a comparison of distribution of household by income levels. It shows that 28% of households earn between R1000 and R1500 per month while another 18% earns between R1500 and R2500. A positive aspect of the comparison shows that since 2008 an estimated 55% of households earn above R2500 per month

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b. Employment

Employment and unemployment levels are useful indicators for effective growth in the economy. Current estimates by Global Insight reflect that the unemployment (official definition) of Emalahleni is approximately 50,3%.

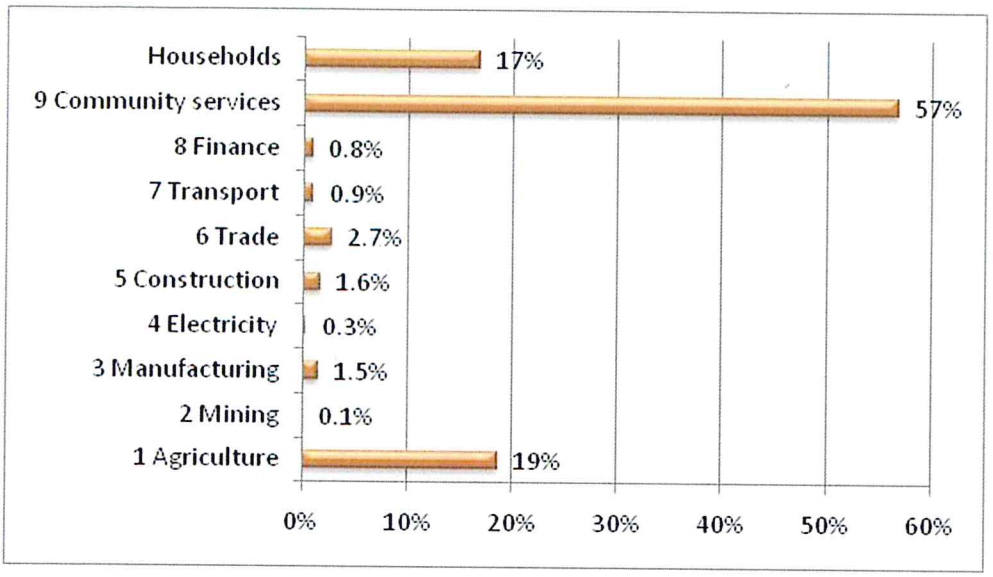
This must be considered a problem as the high unemployment figure has a direct impact on the ability of people to service their debt and contribute meaningfully to the economy. It is also a major cause for concern as it has a direct impact to the improved human development index.

The main sectors contributing to employment are set out in the table below. In the table community services account for 57% of employment opportunities, followed by Agriculture at 19% and Households (domestic work) at 17% respectively. With the exception of trade (boosted largely by retail sub-sector) at 2.7%, all other major sectors contribute just under 2% each. This situation is unsustainable and cannot be relied upon to drive the critical growth required in the economy.

Underperforming sectors like Agriculture, mining, tourism and manufacturing need to be rejuvenated in order to yield qualitative and quantitative growth benefits in our local economy

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3.3. SECTORS CONTRIBUTING TO EMPLOYMENT

(a) Agriculture

According to a study conducted by the ARC for Ruliv the following potential for Agriculture has been identified in Emalahleni Local Municipality.

- Cattle (livestock) production in the entire ELM jurisdiction
  - There are nine (9) functioning stock sales' pens for stock auction. ELM is actively involved by facilitating markets for livestock
  - On-going branding programme by ELM in order to prevent stock theft
- Sorghum production in the entire ELM jurisdiction
  - There is a secondary Co-operative which made up of seven (7) primary co-operatives
- Sheep production areas – the entire ELM jurisdiction
  - There are fifteen (15) Shearing sheds for wool production. This is supported by ongoing exchange of Merino bull-type of sheep
- Irrigation potential of a further 5500 hectares at the Xonxa and Lubisi Dams as well as irrigation at the Guba Farms
- Local projects such as
  - Home gardens
  - Small scale irrigation
  - Maize production
  - Woodlots
  - Mushrooms
- Freshwater fish production in the Doring River Dam and Xonxa dam

(b) Mining

The Municipality has over the past decade been investigating ways and means to extract the benefit and maximum value from the coal resources found within its jurisdiction. Coal mining has largely

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been an untapped resource with the potential to contribute to the economic growth and job creation within the area, if developed. The Municipality together with the Provincial Department of Economic Affairs and the National Department of Minerals and Energy have set in motion a process to develop this resource which is finally yielding results. Elitheni Coal Mining Company from Port Elizabeth has been granted mining rights to mine coal in the area for a period of more than thirty years. Already some results have been the development of road construction in the area to be mined and the development and construction of infrastructure required for the mining development. In order for the mine to operate at a bigger scale 13 kilometers of roads from Indwe town to the mining area and 14 kilometers from mining area to Mhlanga siding needs to be surfaced with tar. The railway line between Indwe and Molteno town needs to be rehabilitated. The roads that are connecting Indwe via Machubeni, the road between Indwe Port and Indwe via Cegceyana need to be surfaced with tar for the purpose transport mobility that will result increase of economic activities. The road between Lady Frere and Dordrecht via Qoqodala, Vaalbank and Bankies needs maximum attention in terms of maintenance in order to accommodate the anticipated traffic volume that will increase due to mining existence.

A master plan is currently being developed by the Municipality to cover the integration of the development and linking the mine development to the entire economic growth of this area. The LED strategy provides guidance on how to address and develop this sector.

Small-scale excavation mining is occurring near local rivers with ad hoc mining of sand for building and brick making purposes by individuals and/or operators without permit. The lack of regulation of this activity poses an environmental threat. There is a great need for the Municipality, with the assistance of DEAT and DME, to develop a functional by-law to regulate and manage this activity to protect the environment from damage.

(c) Tourism

The scope for the development of the Local tourism sector within the Municipal area is vast but is hampered by the fact that there is no dedicated plan or strategy responsible for developing and driving local tourism development. A project has been identified to address this and to develop and implement a local tourism plan.

The areas that have been identified with potential for tourism development include but are not limited to:

- Aqua sport linked to existing Dams (Xonxa & Lubisi)
- Cultural tourism linked to the Liberation and Heritage Route
- Craft produce
- Rock art promotion and beneficiation
- Museum – Dordrecht

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Currently there are a limited number of existing tourist attractions within the area such as the Indwe Resort with accommodation facilities and the Kloof (A viewing point) in Dordrecht which was extensively damaged and destroyed by the dam wall collapsing.

There are areas where Bushmen paintings exist which have the potential to be developed into tourist attractions. Trout fishing trails and mountain bike races have also become recent tourist attractions. The Dordrecht Festival and the Lady Frere Annual Cultural games have the potential to be developed into a tourism attraction. Occupancy rate in accommodation facilities Indwe, Dordrecht and Lady Frere is more that 90%

(d) Heritage Resources

Emalahleni municipality is in the process of declaring heritage sites. A list of heritage resources within Emalahleni Local Municipality is as follows:

Site Name	Significance	Conservation Status	Management
Macubeni Coal Mine near Indwe	Washed out old coal mine showing early mining methods	Closed	Elitheni
Dams: Machubeni, Xonxa and Lubisi	Water Resources for Emalahlani municipality residents	Xonxa an aqua culture site being established	Emalahleni
Fallen Heroes	Luvuyo Lurome 1960 to 1986 Qonda Hoho 1956 to 1988 Tsotsi Queens Nonesi	Monuments have been built	Emalahleni
Glen Grey Falls near Lady Frere	A beautiful natural site	Water sample for feasibility study harvested there	Emalahleni
The Kloof near Dordrecht	Natural site with some unique flora	Degraded due to plundering for firewood	Emalahleni
Cacadu River at Lady Frere	Links most Ward	Nothing being done at the moment	Emalahleni
Churches in Lady Frere	Two examples of 19th Century Churches	Well looked after	Church
Anderson Museum at Dordrecht	Oldest museum	Operating	

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Site Name	Significance	Conservation Status	Management
Victorian Buildings at Dordrecht	Architectural example	Well looked after	Municipality / Private
Burgher Statue at Dordrecht		Still in existence	
San Rock Art at Dordrecht	Ancient art	Well kept	Private
Methodist Church at Dordrecht	Architectural example	Looked after	Church
Doring river Dam at Indwe	Leisure area	Could be better utilized	DWAF

Source: Chris Hani State of Environment Report

(e)Manufacturing

Manufacturing within our local economy is almost non-existent despite the existing potential for agro-processing and farming related opportunities in Sorghum production and processing that is still at infancy stage, and a dairy processing in a form of Cheese Factory failed efforts are in place to revive it. In order to access and release this potential and convert it into economic benefits a dedicated investment framework must be developed to deal with issues of skills development, attraction of investments, concessions and partnership development.

The Municipality can initially, in close collaboration with partners such as ECDC, IDT and Trade and Industry department, identify and target small scale manufacturing initiatives such as recycling, brick making, wool processing and fruit juice production to develop this sector in the area.

The upliftment and improvement of this sector would ensure a positive impact in terms of its contribution to the GDP and employment. The impact on the economy would be marked with the resultant benefit impacting on and accruing to large numbers of families. The Municipality has initiated the first steps to develop this area by identifying Ibuyambo Sorghum Cooperative as a partner. An application for funding from Thina Sinakho has been submitted and R3 4 000 000.00 has been approved to develop and establish a Grain Mill that will be a mechanism to develop grain production in the form of sorghum.

Most identified Key economic areas at Emalahleni as follows:

1. Mining (Coal Mining)
2. Small Scale Mining (Brick making)
3. Small Scale Mining (Sand mining)

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4. Sorghum Production and Processing
5. Livestock Improvement programme and marketing
6. Wool Production
7. Dairy Production and Processing (Cheese Factory)
8. Small Scale Irrigation Schemes (Xonxa and its surrounding area)
9. Tourism and SMME Development

3.4. Human Development Index (HDI)

The Human development index is a useful indicator of the levels of development, vulnerability to poverty and lifestyles in an economy. It provides a composite assessment of development factors such as levels of literacy combined with incomes and poverty.

It is often measured as a number ranging between 0 and 1 with 1 representing a high level of development with people enjoying good education, better health and lifestyles choices.

Emalahleni has an HDI of 0.39 which is lower than that of the district which is at 0.44. The local populace do not enjoy a high lifestyles and lag behind in terms of levels of literacy. It is estimated that a mere 43% of our population is functionally literate (i.e. Age 20+ who have attained a grade 7 education or higher).

Poverty is widespread, especially in the rural areas with an estimated 1939 (Global Insight) people living below the threshold of 1$ per day. In order to avert this situation, the partnerships for poverty alleviation with other government agencies like Social Development, SASSA and the District Municipality must be developed and strengthened to address this aspect and ensure the upliftment of the populace.

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SECTION F 4: MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT

OVERVIEW OF THE MUNICIPALITY

Overview of municipal Programmes roles and responsibilities with the departmental mandates and functional resources to achieve service delivery targets. Ideal organizational structures to achieve targets, appropriate service delivery modes and strategies to address vacancies and departmental plans towards achieving the broad institutional development goals. Each departmental plan is structured is structured in such a way that the name of each project, project drivers, support persons and institutions, project phases, time frames KPI's and projected budget requirements indicated in order to make the document as understandable possible to all who read it.

These municipal programmes are a tool that links departmental

The various Departments within the Municipality have different commitments:

There are three administrative units for the ELM; in Lady Frere, Dordrecht and Indwe. The legislative and executive are situated in Lady Frere. The following table shows the services, resources and management as per the municipal service areas

	LADY FRERE	INDWE	DORDRECHT
SERVICES	Financial, Technical, Community, Planning, Economic Development, Support and Governance	Financial, Technical, Community,	Financial, Technical, Community,
RESOURCES	All	All	All
MANAGEMENT	Legislative and Executive	Executive – Unit Manager	Executive – Unit Manager

The Office of the Mayor

has committed itself to enhance public participation in municipal programmes through Mayoral Imbizo Forums, door-to-door campaigns and Council meetings, in order to maintain effective and

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dynamic contact with all spheres of government, NGO's, FBO's and CBO's as well as private stakeholders and partners.

Office of the Municipal Manager

Has committed itself to focus all its resources towards providing a sound technical and administrative support and local guidance in order to empower all structures of the Council and its communities. This would be achieved through structured and informal interactions with all municipal stakeholders, to maximize efficiency in service delivery.

Finance Directorate

Has committed itself to manage the financial resources of the Emalahleni Municipality in an efficient, effective and economical manner. It undertakes to provide support to all municipal departments in order to enhance service delivery within the constituent community and to adhere to all legislation, policies and procedures prescribed by the National Treasury.

Corporate Services Directorate

Has committed itself to provide appropriate human resources in order to support all municipal departments, in order to capacitate Councillors and staff to deliver improved, appropriate and affordable services to fulfil their respective mandates.

Integrated Planning and Development Directorate

Has committed itself to be the most efficient vehicle to develop planning to guide the municipality towards allocating its resources in such a way that sustainable economic growth is achieved.

Community Services Directorate

Has committed itself to render need-driven service delivery, in which communities participate fully in decision making and implementation. To facilitate regular inter-departmental meetings that will update all staff with progress made by sector departments and challenges that are faced in order to get possible solutions and advice. To create a platform where all relevant stakeholders meet to share developmental interventions and their associated resource requirement which planned for the community.

Technical Services Directorate

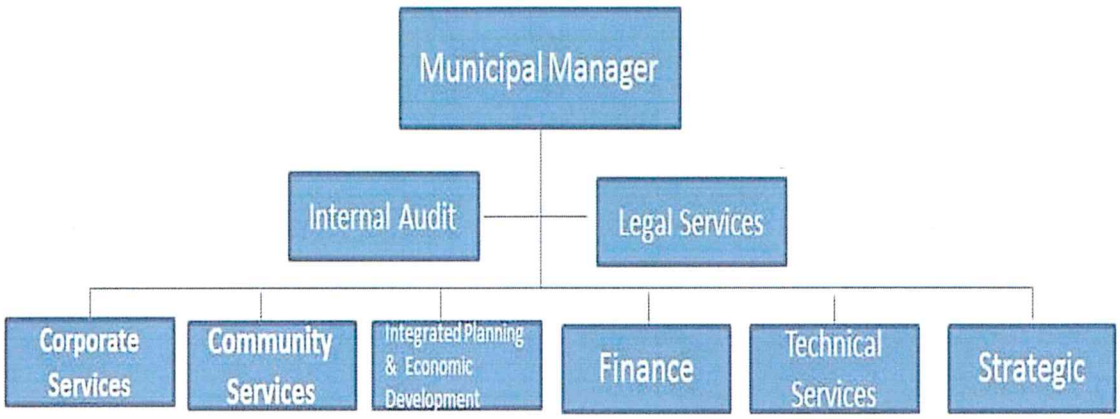
Has committed itself to render affordable and sustainable basic services by enhancing community participation through partnerships and consultation in order to achieve good results and instill ownership. It further undertakes to establish and maintain good relations with other spheres of government, sector departments and funding institutions to ensure better service delivery

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4.1. Organizational arrangements

The organogram was approved for 2013/14 reflected that ELM had the following departments. However, due to the fact that this is a new council and a mandate might definitely change in line with the issues raised: The organizational structure of Emalahleni Municipality had a total of 262 positions.

A comprehensive institutional plan is annexed in the document. Below is a diagrammatic illustration of the super structure prevailing in Emalahleni.



4.2. Human Resource Policies

- Induction training;
- Exit interview procedure;
- Sexual harassment policy;
- Skills Development policy;
- Experiential training policy;
- Succession planning and career pathing policy;
- Study assistance policy;
- Substance abuse policy;
- Housing subsidy policy;
- HIV/AIDS policy;
- Collective agreement on conditions of service;
- Collective agreement on disciplinary code and procedure;
- Telephone policy;
- Scarce skills and retention policy;
- Fleet management policy;
- Overtime policy;
- Subsistence and Travelling policy;
- Acting allowance policy;
- Recruitment and selection policy;
- Promotion, demotion and transfer policy; and
- Whistle blowing policy.
- Overtime policy;

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- Housing subsidy policy;
- Telephone policy;
- Subsistence and Travelling policy;
- Retention policy,
- Promotion, demotion and transfer policy;
- Recruitment and selection policy; and
- Acting allowance policy.

4.3. Human Resource Plan

ELM has a draft HR Plan that aims to ensure that the municipality:

- Has the human resource capacity to deliver on its mandate.
- That the workforce has the necessary skills and competencies to deliver on the strategic goals and objectives as outlined in the strategic plan.
- Recruits and retains the quality and quantity of staff that it requires.
- Promotes the employment equity.
- Progressively and continually develops staff toward the developmental approach in order to meet the increasing and changing needs of communities.
- Develops leadership and creates a learning organisation that values the importance of service delivery and hence putting people first.

This plan will be utilised to guide the municipality in the management of its human resources, assist the planning for future services delivery needs and analyze the gap between demand and supply, and come up with strategies to close gap.

4.4. Employment Equity

The deployment of a representative workforce for Emalahleni Municipality is the ultimate goal of this Employment Equity Plan. Diversity is also embraced and valued as a key differentiator to establish and maintain a harmonious and non-racial work environment. Service excellence will at all times remain a primary consideration. Operational management strategies will be deployed to enable Emalahleni Municipality to achieve these goals and targets without compromising the quality and efficiency of our service delivery to our diverse communities.

The source data for all workforce profiles from Emalahleni Municipality Human Resources Payroll System (SEBATA).

- ❖ Annual numerical goals are set for each occupational level and category separately for 2013/14 to 2016/2017.
- ❖ The Financial Targets are also set for each occupational level and category separately for the period of 2013 to 2017.
- ❖ The actual workforce profiles as at end March 2013 were used as the basis for this Employment Equity Plan.

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Limitations

- One of the main limitations affecting the Employment Equity Plan is the availability of People with Disabilities who apply into our institution.
- Another key limitation is the location of Emalahleni Municipality which is regarded as one of the most rural municipalities where most people do not prefer it as an employer of choice.
- Hence Emalahleni Municipality is rural it cannot be able to collect more revenue from its households and businesses we then depend more on Equitable Share from the Department of National Treasury.

Numerical goals according to race

The detailed numerical goals and time frames per race, gender and disability, are set below as per the core and support functions of the Emalahleni Municipality.

The EE Committee has set out the extensive numerical goals which should be strived for by the different core departments and support departments by end of year 2017.

- 65 percent of all permanent and fixed term contracts of Top, Senior and Middle Management should be black people.
- 15 percent of all permanent and fixed term contracts of Top, Senior and Middle Management should be Coloured people.
- 10 percent of all permanent and fixed term contracts of Top, Senior and Middle Management should be White people.
- 7 percent of all permanent and fixed term contracts of Top, Senior and Middle Management should be Indian/Asian people.
- 3 percent of all permanent and fixed term contracts of Top, Senior and Middle Management should be Foreign Nationals/Other people.
- 65 percent of all appointments (Core and Support Functions) should be black people.
- 15 percent of all appointments (Core and Support Functions) should be Coulored people.
- 10 percent of all appointments (Core and Support Functions) should be White people.
- 7 percent of all appointments (Core and Support Functions) should be Indian/Asian people.
- 3 percent of all appointments (Core and Support Functions) should be Foreign Nationals/Other people.

4.5. Workplace Skills Plan (WSP)

The municipality has a draft Workplace Skills. The WSP will seek to address training interventions planned in order to address capacity challenges. These are the following interventions:

- IDP
- Certificate Programme in Management Development for Municipal Finance (CPMD)
- ABET
- Electricity reticulation
- Water treatment
- Plumbing
- Local Government Law and Administration
- Advanced Local Government Law and Administration
- Executive Leadership Management Development Programme

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- Councillor Development Programme

4.6. Scarce skills

Local Government SETA has identified the following as scarce skills for Local Government Sector:

- Infrastructure and service delivery
- Financial viability
- Community participation and planning
- Management and leadership
- ABET (remains a fundamental priority area as it defines an employee's ability to access further education and training opportunities and career pathing)

Emalahleni Municipality has identified the following as their scarce skills for 2013/14:

The following positions within the local authority are generally considered to be in short supply:

- Technical staff e.g. Technicians (all levels) within water, electrical, engineering and civil engineering.
- Artisans – within the fields of plumbing, electrical, welding, heavy plant operators, mechanical and operational environments.
- Water provision skills
  Municipal Town Planning (within civil engineering, town planning, architecture, surveyors and the like).
  Safety and Health Practitioners – within the areas of nursing, safety, pharmacy and HIV/AIDS.
- IT Skills
- Financial Management Skills
- Management skills
- Project management skills
- Agricultural skills

4.7. Municipal By-laws and regulation

The analysis of assigned powers and functions vis-a-verse current provisions in our organogram and staff complement shows a weakness in the area of by-law enforcement and general regulation capacity.

For example, we currently do not have inspectors in our work force and rely on the district and DEAT for environmental management responsibilities. This has been identified as a critical area of attention in our operational systems and in the interim we shall continue to engage the DM and DEAT for support until the municipality has achieved internal capacity.

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SECTION F 5: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

Financial viability is a key priority for 2012/17 and our main focus is on:

- Achieving a clean audit outcome
- Complying with all LG legislations
- Building capacity in the finance departments
- Improving our audit outcome
- Improving efficiency in our Supply Chain Management processes
- Implementing internal audit
- Implementing sound financial reporting and control mechanisms

5.1. OVERVIEW OF FINANCIAL VIABILITY

The municipality's financial management capacity is steadily growing. However, we are still unable to achieve as desired a clean audit outcome. This remains our strong objective as the council. Due to low economic development, we are experiencing linked problems of:

- Poor payment levels
- A large pool of debt comprises the 120 and above debtor days category and this situation is compounded by historic debt that will not be recovered. Council needs to resolve on bad debt and write-off decision in order to cleanse our billing database
- No sustainable financial reserve to cushion us from bad debt and low payment levels
- Over reliance on national fiscal grants for to fund our programmes and IDP commitments
- Lack of sound partnerships with private sector for leveraging our service delivery funding
- Capacity constraints which compound our inability to settle and fully comply with all LG legislation requirements

In general, a financial plan is a budget, in other words a plan for planned spending and for reserving income for future expenditure. This plan allocates future income to various types of expenditure, such as salaries, general expenditure, repair and maintenance and also aims to reserve some income for short term and long term savings. A financial plan is also an investment plan, which allocates savings to various assets or projects expected to produce future economic benefits.

One of the key issues identified for the sustainability of Emalahleni Local Municipality is expanding its revenue base whilst remaining financially viable and sustainable.

This financial plan includes therefore the assumptions used when compiling the operating and capital budget, financial strategies and policies as well as the accounting policies.

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5.2. OVERVIEW OF ECONOMIC ANALYSIS

5.2.1. INTRODUCTION

The world economy and the South African economy, is geared for a slow recovery in 2011, from the recession that started in 2008. The recovery is caused by the increase of the oil price due to the increased demand from Eastern markets and the decrease of the Reserve Bank's prime lending rate of 1.5% during 2010. South Africa's prime lending rate has dropped by 6,5% from its peak 3 years ago and is now the lowest it ever was in three decades. South Africa's recession officially ended in 2009/Q3, boosted by the growth in the manufacturing, electricity, water and gas and construction sectors. The South African economy contracted by 1,8% in 2009, grew by 1,5% in 2010 and grew by 3,5% in 2011. The economic contraction in 2009 resulted in a sharp decline in employment in the private sector (SARB).

The past financial year has presented budgetary challenges to the Emalahleni Local Municipality, resultant of the global economic meltdown.

These challenges include coping with revenue shortfall, the collection of arrear debt, and creating a balance between increasing demand for services and limited financial resources. The Emalahleni Local Municipality has developed a Financial Strategy to mitigate against these pressures. Several options were considered, which include maximizing revenue generation, debt collection, increase in indigent support, and curtailing of expenditure.

5.2.1. RECENT DEVELOPMENTS AND INFLATION

The year-on-year inflation rate as measured by the consumer price index (CPI) for all urban areas declined to 5,5% for 2013/14 Financial Year, compared with 5,7% for the 2012/2013 Financial Year. Goods price inflation measured 1,5% in September, while services inflation amounted to 5,2%. The categories of housing and utilities (mainly electricity) and miscellaneous goods and services (predominantly insurance costs) together contributed 2,2 percentage points of the 5,5% inflation outcome. CPI excluding administered prices measured 2,6%, while administered prices excluding petrol measured 9%.

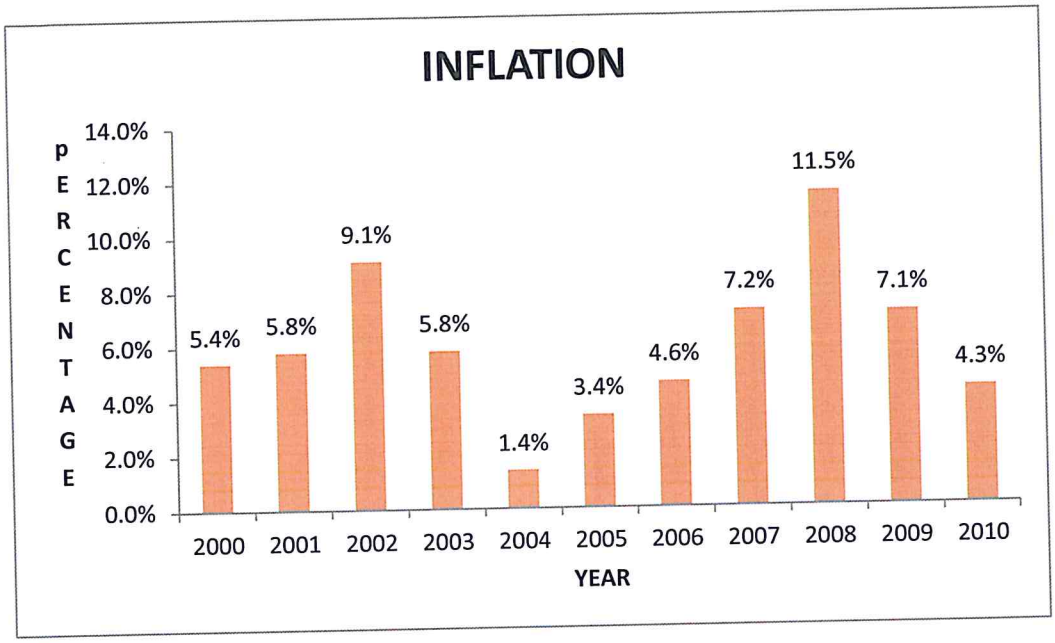
The following graph indicates the movement in the inflation percentage in the last decade:

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5.2.3. THE OUTLOOK FOR INFLATION

The lower-than-expected inflation outcomes contributed to a further downward adjustment in the inflation forecast of the Bank throughout the forecast period to the end of 2012. Targeted CPI inflation averaged 5,0% in the third quarter of 2011. A similar average outcome is expected during the fourth quarter, resulting in an expected average inflation rate of 5,0% for 2011. Inflation is then expected to remain at an average of 5,7% in 2012 and to increase to 5,5% in 2013. In the final quarter of 2013 inflation is expected to average 5,5%, compared with the previous forecast of 5,7%.

The following table indicates the estimated movement in the inflation percentage in the coming three years:

Year	2011	2012	2013	2014
Percentage	5,0%	5,7%	5,5%	5,1%

5.2.3. SUMMARY OF BUDGET ASSUMPTIONS

- Municipalities must take into account the salary and wages collective agreement 2011/2012 to 2012/2013 has come to an end. The municipalities must take into consideration in budgeting for a 6,95 % cost-of-living increase adjustment with effect 1 July 2013
- Debt impairment: the overall current collection levels are 20% and the target collection for 2013/14 is 35%.

Payment levels for the following revenue streams have been estimated as follows (subject to finalization of the budget process:

Property rates 18%

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Electricity (excl. prepaid)	49%
Refuse	11%
Sanitation	9%
Water	14%

The provision for bad debt, as per the Annual Financial statements for 2011/12 was at R71 380 million ((incl. water and sanitation) of the total budget. Based on the current collection rate, it is budgeted that the provision for bad debts will be R4 069 million of the total budget.

- **Bulk electricity purchases**: Emalahleni Municipality will increase its tariffs with 8.0% as determined by NERSA;
- **Other expenditure:** All other expenditure will increase at a rate of 4.9% and 4.8% for 2014/15 and 3.9% for 2015/16 respectively. This strategy will be reviewed and tabled before Council to address the current situation regarding unemployment, indigent status and ways to increase the debt collection level.
- Emalahleni Local Municipality will continue with its current powers and functions;
- The Budget is based on current service levels. The new electricity network in Lady Frere, Phase 9, has contributed to our electricity income.
- Government grants for the years 2013/2014 to 2015/2016 are as per the Division of Revenue Act, assuming that all allocations will be received;
- The inflation rate is currently at 5.7% and has been estimated at 5.5% for 2013/14;
- Growth in staff related costs has been provided for in the budget at 6.95% for 2013/14, growth in the remaining expense items range from 0% to 10%;

Tariff increases relating to services are as follows:

Rates	5.4%
Electricity	8.0%
Refuse	6.0%
Water	6.0%
Sanitation	6.0%

Provision was made to contribute to the **Provision for Leave Reserve**. However, the staff was and is encouraged to redeem their leave.

5.3. FINANCIAL PLANNING AND BUDGET

CAPITAL AND OPERATION BUDGETS

CAPITAL BUDGET						
2010/ 2011			2011/ 2012			
BUDGET '000	ACTUAL/AUDITED '000	% SPENT	BUDGET '000	ACTUAL /AUDITED'000	% SPENT	
26 548	21 973	82.8%	2 544	3 952	155.3%	
OPERATING BUDGET (INCOME AND EXPENDITURE)						
	2010/ 2011		2011/ 2012			

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	BUDGET '000	ACTUAL/ AUDITED '000	% SPENT	BUDGET '000	ACTUAL/AUDITED '000	% SPENT
Income	110 638	101 382	91.6%	143 180	126 721	88.5%
Expenditure	98 982	76 681	77.4%	112 566	180 255	160.1%
Extent of reliance on grants (Capital)						
	2012/ 2013		**2013/ 2014**			
	'000			**'000**		
Own Fund	3 940			13 295		
Grant Fund	23 299			25 917		
%age of grant to total	**85.5%**		%age of grant to total	**66.1%**		

CAPITAL AND OPERATING BUDGET (FINANCIAL PLAN Continue)

The three-year financial plan includes an Operating Budget and Capital Investment Programme for the five years ending June 2017.

a) **Operating Budget**

Table A4 details the Operating Budget for the three years staring 1 July 2013 and ending 30 June 2016.

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EC136 Emalahleni (EC) - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2009/10	2010/11	2011/12	rent Year 2012/13				2013/14 Medium Term		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue By Source											
Property rates	2	3 065	1 772	3 397	2 680	3 200	3 200	3 200	5 200	5 450	5 661
Property rates - penalties & collection charges		–	–	–	–	–	–	–	–	–	–
Service charges - electricity revenue	2	3 311	4 982	5 562	6 304	6 304	6 304	6 304	6 550	6 864	7 131
Service charges - water revenue	2	–	(7)	2 965	3 618	3 618	3 618	3 618	3 835	4 019	4 175
Service charges - sanitation revenue	2	–	(440)	3 648	3 224	3 224	3 224	3 224	3 418	3 582	3 721
Service charges - refuse revenue	2	2 376	2 364	2 568	2 807	2 807	2 807	2 807	4 200	4 402	4 572
Service charges - other		–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment		431	656	739	856	797	797	797	495	518	538
Interest earned - external investments		2 387	1 830	1 911	14	14	14	14	1 516	1 588	1 650
Interest earned - outstanding debtors		365	2 284	5 611	2 495	2 495	2 495	2 495	4 278	4 483	4 657
Dividends received		–	–	–	–	–	–	–	–	–	–
Fines		3	0	1	0	0	0	0	0	0	0
Licences and permits		–	–	5	4	4	4	4	712	746	775
Agency services		362	48	325	22 416	22 416	22 416	22 416	20 005	20 966	21 779
Transfers recognised - operational		46 465	87 337	72 148	78 375	78 375	78 375	78 375	102 861	105 522	131 198
Other revenue	2	5 410	556	26 416	5 950	5 742	5 742	5 742	15 107	15 952	16 621
Gains on disposal of PPE		–	–		68	68	68	68	150	157	163
Total Revenue (excluding capital transfers and contributions)		**64 174**	**101 382**	**125 295**	**128 810**	**129 062**	**129 062**	**129 062**	**168 326**	**174 250**	**202 642**
Expenditure By Type											
Employee related costs	2	3 194	27 500	40 637	30 798	37 911	37 911	37 911	39 769	41 678	43 295
Remuneration of councillors		5 934	6 776	8 270	8 597	7 995	7 995	7 995	9 773	10 242	10 640
Debt impairment	3	12 360	7 792	45 237	3 801	18 800	18 800	18 800	4 069	4 264	4 429
Depreciation & asset impairment	2	–	–	20 119	3 642	22 695	22 695	22 695	22 695	23 784	24 707
Finance charges		47	21	340	133	11	11	11	389	408	424
Bulk purchases	2	5 062	7 291	9 699	12 363	12 243	12 243	12 243	13 432	14 077	14 623
Other materials	8	–	–	5 927	–	–	–	–	–	–	–
Contracted services		–	–	–	–	–	–	–	–	–	–
Transfers and grants		–	–	–	4 301	1 320	1 320	1 320	5 223	5 473	5 686
Other expenditure	4, 5	14 945	27 301	50 024	61 170	63 652	63 652	63 652	95 216	99 787	103 658
Loss on disposal of PPE		–	–	–	–	–	–	–	–	–	–
Total Expenditure		**41 542**	**76 681**	**180 254**	**124 805**	**164 627**	**164 627**	**164 627**	**190 566**	**199 713**	**207 462**
Surplus/(Deficit)		**22 632**	**24 701**	**(54 959)**	**4 004**	**(35 565)**	**(35 565)**	**(35 565)**	**(22 240)**	**(25 464)**	**(4 820)**
Transfers recognised - capital		26 470	0	1 425	22 145	22 145	22 145	22 145	25 917	29 441	31 542
Contributions recognised - capital	6	–	–	–	–	–	–	–	–	–	–
Contributed assets					–						
Surplus/(Deficit) after capital transfers & contributions		**49 103**	**24 701**	**(53 534)**	**26 150**	**(13 419)**	**(13 419)**	**(13 419)**	**3 677**	**3 978**	**26 722**
Taxation		–	–		–	–					
Surplus/(Deficit) after taxation		**49 103**	**24 701**	**(53 534)**	**26 150**	**(13 419)**	**(13 419)**	**(13 419)**	**3 677**	**3 978**	**26 722**
Attributable to minorities		–	–		–	–					
Surplus/(Deficit) attributable to municipality		**49 103**	**24 701**	**(53 534)**	**26 150**	**(13 419)**	**(13 419)**	**(13 419)**	**3 677**	**3 978**	**26 722**
Share of surplus/ (deficit) of associate	7	–	–		–	–					
Surplus/(Deficit) for the year		**49 103**	**24 701**	**(53 534)**	**26 150**	**(13 419)**	**(13 419)**	**(13 419)**	**3 677**	**3 978**	**26 722**

Salary Budget as percentage to Operational Budget

	2012			2013			2014			2015		
	Audited '000	Operational budget '000	%	Budgeted '000	Operational budget '000	%	Budgeted '000	Operational budget '000	%	Budgeted '000	Operational budget '000	%
Councillors' remuneration	8 270	169 055	4.89	7 995	164 627	4.86	9 773	190 566	5.13	10	199 713	5.13
Employee Cost	40 637	169 055	22.54	38 026	164 627	23.10	39 895	190 566	20.93	42	199 713	20.94

Repairs and Maintenance as percentage to Operational Budget

	2012			2013			2014			2015		
	Audited '000	Operational budget '000	%	Budgeted '000	Operational budget '000	%	Budgeted '000	Operational budget '000	%	Budgeted '000	Operational budget '000	%
Repairs and Maintenance	**5 927**	169 055	**3.51**	**15 995**	164 627	**9.72**	**15 999**	190 566	**8.40**	**16 762**	199 713	**8.39**

b) Capital Budget and Asset Management

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The Capital and Asset Management Programme is listed in the Tables below.

EC136 Emalahleni (EC) - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Capital expenditure - Vote											
Multi-year expenditure *to be appropriated*	2										
Vote 1 - Executive and Council		–	–	–	–	–	–	–	–	–	–
Vote 2 - Budget and Treasury		–	–	–	–	–	–	–	–	–	–
Vote 3 - Corporate Services		–	–	–	–	–	–	–	–	–	–
Vote 4 - Community and Social Services		–	–	–	6 795	8 381	8 381	8 381	10 447	11 149	8 980
Vote 5 - IPED		–	–	–	–	–	–	–	–	–	–
Vote 6 - Technical Services		–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total	7	–	–	–	6 795	8 381	8 381	8 381	10 447	11 149	8 980
Single-year expenditure *to be appropriated*	2										
Vote 1 - Executive and Council		–	–	312	–	205	205	205	6 145	155	6 155
Vote 2 - Budget and Treasury		1 810	–	260	1 005	1 670	1 670	1 670	1 020	820	870
Vote 3 - Corporate Services		–	–	534	–	150	150	150	140	120	160
Vote 4 - Community and Social Services		4 103	–	493	4 200	2 790	2 790	2 790	2 339	5 540	6 050
Vote 5 - IPED		1 035	–	38	–	1 700	1 700	1 700	2 639	1 640	1 710
Vote 6 - Technical Services		20 127	–	1 955	11 950	12 343	12 343	12 343	16 481	11 264	17 557
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total		27 075	–	3 592	17 155	18 858	18 858	18 858	28 765	19 538	32 503
Total Capital Expenditure - Vote		27 075	–	3 592	23 950	27 239	27 239	27 239	39 212	30 687	41 483
Capital Expenditure - Standard											
Governance and administration		1 810	–	1 106	1 005	2 025	2 025	2 025	7 305	1 095	7 185
Executive and council		–		312		205	205	205	6 145	155	6 155
Budget and treasury office		1 810		260	1 005	1 670	1 670	1 670	1 020	820	870
Corporate services		–		534	–	150	150	150	140	120	160
Community and public safety		4 368	–	493	10 795	11 171	11 171	11 171	8 031	12 689	11 030
Community and social services		2 267		493	3 400	1 410	1 410	1 410	1 475	30	280
Sport and recreation		822			5 300	5 500	5 500	5 500	4 092	4 649	4 980
Public safety		264			2 095	4 261	4 261	4 261	2 464	8 010	5 770
Housing		1 015							–	–	–
Health		–									
Economic and environmental services		14 687	–	1 993	11 950	14 043	14 043	14 043	19 121	12 903	19 268
Planning and development		20		38	–	1 700	1 700	1 700	2 639	1 640	1 710
Road transport		14 667		1 955	11 950	12 343	12 343	12 343	16 481	11 264	17 557
Environmental protection		–									
Trading services		6 210	–	–	200	–	–	–	4 755	4 000	4 000
Electricity		810							–	–	–
Water		4 650							–	–	–
Waste water management		–							–	–	–
Waste management		750			200	–	–	–	4 755	4 000	4 000
Other		–									
Total Capital Expenditure - Standard	3	27 076	–	3 592	23 950	27 239	27 239	27 239	39 212	30 687	41 483
Funded by:											
National Government		14 696		1 955	22 499	22 499	22 499	22 499	25 917	29 441	31 542
Provincial Government		–									
District Municipality		4 650			800	800	800	800			
Other transfers and grants		968									
Transfers recognised - capital	4	20 314	–	1 955	23 299	23 299	23 299	23 299	25 917	29 441	31 542
Public contributions & donations	5	–									
Borrowing	6	–									
Internally generated funds		6 761		1 637	651	3 940	3 940	3 940	13 295	1 246	9 941
Total Capital Funding	7	27 075	–	3 592	23 950	27 239	27 239	27 239	39 212	30 687	41 483

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EC136 Emalahleni (EC) - Table A9 Asset Management

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
CAPITAL EXPENDITURE	1	27 075	–	3 592	23 950	27 239	27 239	39 212	30 687	41 483
Total New Assets		14 547	–	1 492	11 950	12 193	12 193	13 841	11 144	17 492
Infrastructure - Road transport		400	–	–	–	–	–	–	–	–
Infrastructure - Electricity		510	–	–	–	–	–	–	–	–
Infrastructure - Water		–	–	–	–	–	–	–	–	–
Infrastructure - Sanitation		–	–	–	3 995	80	80	4 905	4 060	4 070
Infrastructure - Other		*15 457*	–	*1 492*	*15 945*	*12 273*	*12 273*	*18 747*	*15 204*	*21 562*
Infrastructure		550	–	–	6 400	10 025	10 025	7 356	8 848	8 890
Community		–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Other assets	6	11 068	–	2 100	1 455	4 941	4 941	13 109	6 635	11 030
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		–	–	–	150	–	–	–	–	–
Total Renewal of Existing Assets	2	–	–	–	–	–	–	–	–	–
Infrastructure - Road transport		–	–	–	–	–	–	–	–	–
Infrastructure - Electricity		–	–	–	–	–	–	–	–	–
Infrastructure - Water		–	–	–	–	–	–	–	–	–
Infrastructure - Sanitation		–	–	–	–	–	–	–	–	–
Infrastructure - Other		–	–	–	–	–	–	–	–	–
Infrastructure		–	–	–	–	–	–	–	–	–
Community		–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Other assets	6	–	–	–	–	–	–	–	–	–
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		–	–	–	–	–	–	–	–	–
Total Capital Expenditure	4	14 547	–	1 492	11 950	12 193	12 193	13 841	11 144	17 492
Infrastructure - Road transport		400	–	–	–	–	–	–	–	–
Infrastructure - Electricity		510	–	–	–	–	–	–	–	–
Infrastructure - Water		–	–	–	–	–	–	–	–	–
Infrastructure - Sanitation		–	–	–	3 995	80	80	4 905	4 060	4 070
Infrastructure - Other		*15 457*	–	*1 492*	*15 945*	*12 273*	*12 273*	*18 747*	*15 204*	*21 562*
Infrastructure		550	–	–	6 400	10 025	10 025	7 356	8 848	8 890
Community		–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		11 068	–	2 100	1 455	4 941	4 941	13 109	6 635	11 030
Other assets		–	–	–	–	–	–	–	–	–
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	150	–	–	–	–	–
Intangibles		–	–	–	–	–	–	–	–	–
TOTAL CAPITAL EXPENDITURE - Asset class	2	**27 075**	**–**	**3 592**	**23 950**	**27 239**	**27 239**	**39 212**	**30 687**	**41 483**
ASSET REGISTER SUMMARY - PPE (WDV)	5	62 103	80 568	249 319	111 038	95 992	95 992	109 834	107 136	105 624
Infrastructure - Road transport		21 820	22 724	19 614	19 614	19 614	19 614	19 614	19 614	19 614
Infrastructure - Electricity				–	–	–	–	–	–	–
Infrastructure - Water				–	–	–	–	–	–	–
Infrastructure - Sanitation				–	3 995	4 075	4 075	8 980	8 135	13 050
Infrastructure - Other		*83 923*	*103 292*	*268 933*	*134 647*	*119 681*	*119 681*	*138 428*	*134 885*	*138 288*
Infrastructure				76 833	83 233	93 258	93 258	60 283	75 193	69 173
Community				–	–	–	–	–	–	–
Heritage assets				25 009	–	–	–	–	–	–
Investment properties		–	–	21 376	22 831	27 772	27 772	40 881	34 407	51 911
Other assets		118 887	121 491	–	–	–	–	–	–	–
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		707	707	286	707	707	707	707	707	707
TOTAL ASSET REGISTER SUMMARY - PPE (WDV	5	**203 517**	**225 490**	**392 436**	**241 419**	**241 419**	**241 419**	**240 299**	**245 193**	**260 080**
EXPENDITURE OTHER ITEMS		–	–	20 119	3 642	22 695	22 695	22 695	23 784	24 707
Depreciation & asset impairment	3	1 351	2 506	–	10 832	10 832	10 832	15 995	16 762	17 413
Repairs and Maintenance by Asset Class		211	447	–	828	828	828	836	876	910
Infrastructure - Road transport		68	445	–	701	701	701	966	1 012	1 052
Infrastructure - Electricity		–	–	–	3 422	3 422	3 422	3 872	4 058	4 216
Infrastructure - Water		–	–	–	–	–	–	2 273	2 382	2 475
Infrastructure - Sanitation		–	–	–	–	–	–	–	–	–
Infrastructure - Other		*279*	*891*	–	*4 950*	*4 950*	*4 950*	*7 948*	*8 329*	*8 652*
Infrastructure		58	41	–	394	394	394	342	359	373
Community		–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	5 488	5 488	5 488	7 705	8 074	8 388
Other assets	6, 7	1 014	1 574	–						
TOTAL EXPENDITURE OTHER ITEMS		**1 351**	**2 506**	**20 119**	**14 474**	**33 527**	**33 527**	**38 690**	**40 547**	**42 120**
Renewal of Existing Assets as % of total capex		*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
Renewal of Existing Assets as % of deprecn"		*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
R&M as a % of PPE		*0.7%*	*1.1%*	*0.0%*	*4.5%*	*4.5%*	*4.5%*	*6.6%*	*6.8%*	*6.7%*
Renewal and R&M as a % of PPE		*1.0%*	*1.0%*	*0.0%*	*4.0%*	*4.0%*	*4.0%*	*7.0%*	*7.0%*	*7.0%*

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c) Grants receivable

Herewith the schedule of Grant Receivable for the financial year 2013 – 2016

EC136 Emalahleni (EC) - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
RECEIPTS:	1, 2									
Operating Transfers and Grants		–	51 330	72 148	77 855	77 855	77 855	102 289	104 923	130 575
National Government:			51 330	61 056	69 797	69 797	69 797	78 749	92 189	117 658
Local Government Equitable Share				1 911	1 500	1 500	1 500	1 650	1 800	1 950
Finance Management				854	800	800	800	890	934	967
Municipal Systems Improvement				5 134	4 000	4 000	4 000	20 000	10 000	10 000
Integrated National Electrification Programme				–	1 358	1 358	1 358	1 000	–	–
EPWP Incentive						–	–	–	–	–
Other Grants				3 193	400	400	400	–	–	–
Provincial Government:		–	–	–	520	520	520	572	599	623
Other Grants					520	520	520	572	599	623
District Municipality:		–	–	–	–	–	–	–	–	–
Other Grants					–					
Other grant providers:		–	–	–	–	–	–	–	–	–
[insert description]										
Total Operating Transfers and Grants	5	–	51 330	72 148	78 375	78 375	78 375	102 861	105 522	131 198
Capital Transfers and Grants		–	23 017	1 425	22 145	22 145	22 145	25 917	29 441	31 542
National Government:			23 017	1 425	22 145	22 145	22 145	25 917	29 441	31 542
Municipal Infrastructure Grant (MIG)										
Other capital transfers/grants [insert desc]		–	–	–	–	–	–	–	–	–
Provincial Government:										
Other capital transfers/grants [insert description]					–	–	–	–	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
Other Grants										
Other grant providers:		–	–	–	–	–	–	–	–	–
[insert description]										
Total Capital Transfers and Grants	5	–	23 017	1 425	22 145	22 145	22 145	25 917	29 441	31 542
TOTAL RECEIPTS OF TRANSFERS & GRANTS		–	74 347	73 574	100 520	100 520	100 520	128 778	134 964	162 740

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Herewith the schedule of the performance of all grants for past two years

EMALAHLENI MUNICIPALITY

DISCLOSURES OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003

UNSPENT AND UNPAID GOVERNMENT GRANTS AND RECEIPTS	Balance 1 JULY 2010	Correction of Error	Balance 1 JULY 2010	Grants Received	Write Offs / Transfers	Operating expenditure during the year Transferred to revenue	Capital expenditure during the year Transferred to revenue	Balance 30 JUNE 2011
	R	R	R	R	R	R	R	R
National Government Grants								
Equitable share			-	51 329 916		51 329 916	-	-
Local Government Financial Management Grant (FMG)	35 315		35 315	1 250 000		995 215	-	290 100
Municipal Infrastructure Grant (MIG)	-1 557 021		-1 557 021	3 040 000		-	23 016 997	-21 534 018
Municipal Systems Improvement Grant (MSIG)	840 858		840 858	750 000		1 590 858	-	-
Department of Water affairs and forestry (DWAF)			-	-		-	-	-
Integrated National Electrification Grant (INEP)	2 350 000		2 350 000	3 000 000		4 345 900	-	1 004 100
Extended Public Works Program (EPWP)	870 499	870 499	-	653 000		653 000	-	-
Town Revitalisation	-		-					-
Provincial Government Grants								
Housing Grant	-971 267	46 701	-1 017 968	0		-	-	-1 017 968
IDP	357 020		357 020	-0		40 205	-	316 815
LED	1 599 972	100 000	1 499 972	500 000		218 571	-	1 781 400
Library	-29 405		-29 405	-0		-	-	-29 405
MSP			-	-0		-	-	-0
Planning & Development			-	-		-	-	-
Ward Committee training			-	-		-	-	-
Cleaning program				-		-	-	-
Various other	3 439 517	3 439 517						
District Municipality Grants			-					
Food Program	413 598		413 598	-		-	-	413 598
HIV Aids	98 927		98 927	36 500		99 557	-	35 871
Audit			-	-		-	-	-
SPU			-	-		-	-	-
Transfer	1 264 708	1 264 708	-	-		-	-	-
Other			-	50 000		-	-	50 000
Other Grants								
IEC				1 150 000		1 150 000	-	-
LGSETA			105 585	8 401		113 986	-	-
Caregivers	518 925	518 925	-	-		-	-	-
Elitheni Coal Mine	505 850		505 850	-		-	-	505 850
Total	**9 737 495**	**6 240 350**	**3 602 731**	**61 767 816**	**-**	**60 537 208**	**23 016 997**	**-18 183 658**

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DISCLOSURES OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003

UNSPENT AND UNPAID GOVERNMENT GRANTS AND RECEIPTS	Balance 1 JULY 2011	Grants Received	Operating expenditure during the year Transferred to revenue	Capital expenditure during the year Transferred to revenue	Balance 30 JUNE 2012
	R	R	R	R	R
National Government Grants					
Equitable share	-	61 056 000	61 056 000	-	-
Local Government Financial Management Grant (FMG)	290 100	1 500 000	1 911 202	-	-121 102
Municipal Infrastructure Grant (MIG)	-21 534 018	19 217 000	3 236	1 425 468	-3 745 722
Municipal Systems Improvement Grant (MSIG)	-	790 000	854 424	-	-64 424
Department of Water affairs and forestry (DWAF)	-	472 748	429 573	-	43 176
Integrated National Electrification Grant (INEP)	1 004 100	4 480 000	5 134 100	-	350 000
Extended Public Works Program (EPWP)	-	439 000	439 000	-	-
Town Revitalisation	-	500 000	-	-	500 000
Provincial Government Grants					
Housing Grant	-1 017 968	-	-	-	-1 017 968
IDP	316 815	-	316 815	-	-
LED	1 781 400	67 175	67 175	-	1 781 400
Library	-29 405	-	-	-	-29 405
MSP	-0	-	-	-	-0
District Municipality Grants					
Food Program	413 598	-	-	-	413 598
HIV Aids	35 871	20 000	55 871	-	0
Audit	-	120 000	120 000	-	-
SPU	-	480 163	480 163	-	-
Other	50 000	-	-	-	50 000
Other Grants					
LGSETA	-	90 236	90 236	-	-
Elitheni Coal Mine	505 850	-	1 190 500	-	-684 650
					-
Total	**-18 183 658**	**89 232 323**	**72 148 295**	**1 425 468**	**-2 525 098**

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REVENUE MANAGEMENT

Budgeted Income Realised	2012 R (Actual)	2012 R (Budget)	%
Revenue by source			
Property Rates	3 397 136	1 972 680	172.21
Government Grants and Subsidies - Capital	1 425 468	-	
Government Grants and Subsidies - Operating	72 148 295	93 633 094	77.05
Public Contributions and Donations	-	-	
Actuarial Gains	-	-	
Third Party Payments	-	-	
Gain on Foreign Exchange Transaction	-	-	
Fines	632	-	
Reversal of Debt Impairment	94 665	-	
Other Revenue	-	-	
Service Charges	14 743 226	15 179 508	97.13
Rental of Facilities and Equipment	739 147	802 758	92.08
Interest Earned - external investments	1 911 317	1 265 000	151.09
Interest Earned - outstanding debtors	5 610 555	3 978 828	141.01
Licences and Permits	4 783	2 790	171.42
Agency Services	324 512	13 455 330	2.41
Other Income	26 321 208	12 890 320	204.19
Unamortised Discount - Interest	-	-	
Gain on disposal of Property, Plant and Equipment	-	-	
	126 720 943	**143 180 308**	88.50

Consumers are Billed on a monthly basis. The Municipality has a challenge of installing water meters in all its areas but is busy with a roll out programme in this regard. It is also difficult to account for water losses in the rural areas is most of the water is delivered as per RDP standard and water carts.

USEFUL RATIOS

The following table below provide information around financial ratio like debtor's ratios, creditors ratios, liquidity ratios, etc.

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EC136 Emalahleni (EC) - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Borrowing Management											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.3%	0.2%	0.3%	0.1%	0.0%	0.0%	0.0%	0.2%	0.2%	0.2%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	0.7%	0.9%	0.9%	0.3%	0.0%	0.0%	0.0%	0.6%	0.6%	0.6%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	51.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity											
Current Ratio	Current assets/current liabilities	2.6	2.7	5.0	4.7	1.8	1.8	1.8	2.5	2.4	3.1
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	2.6	2.7	5.0	4.7	1.8	1.8	1.8	2.5	2.4	3.1
Liquidity Ratio	Monetary Assets/Current Liabilities	1.3	0.6	2.7	2.1	0.7	0.7	0.7	2.1	2.1	2.8
Revenue Management											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		86.2%	-18.7%	36.0%	50.7%	50.9%	50.9%	50.9%	62.2%	62.2%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)			86.2%	-18.7%	36.0%	50.7%	50.9%	50.9%	50.9%	62.2%	62.2%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	55.7%	57.9%	29.9%	53.9%	23.1%	23.1%	23.1%	3.5%	3.2%	2.4%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within`MFMA' s 65(e))										
Creditors to Cash and Investments		3.8%	9.6%	15.3%	8.9%	10.7%	10.7%	10.7%	14.7%	15.6%	12.2%
Other Indicators											
Electricity Distribution Losses (2)	Total Volume Losses (kW)										
	Total Cost of Losses (Rand '000)										
Water Distribution Losses (2)	Total Volume Losses (kℓ)										
	Total Cost of Losses (Rand '000)										
Employee costs	Employee costs/(Total Revenue - capital revenue)	5.0%	27.1%	32.4%	23.9%	29.4%	29.4%	29.4%	23.6%	23.9%	21.4%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	16.9%	33.8%	32.4%	31.2%	35.7%	35.7%		29.5%	29.9%	26.7%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	2.1%	2.5%	0.0%	8.4%	8.4%	8.4%		9.5%	9.6%	8.6%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	0.1%	0.0%	16.3%	2.9%	17.6%	17.6%	17.6%	13.7%	13.9%	12.4%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	4.2	1.8	21.2	20.1	20.1	20.1	8.7	10.8	10.9	11.3
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	388.9%	629.8%	198.7%	356.2%	149.6%	149.6%	149.6%	25.1%	22.3%	19.0%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	24.0	8.7	4.0	7.4	5.0	5.0	5.0	3.7	3.7	5.0

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Financial Strategy

Emalahleni Local Municipality is a developing municipality located in the rural areas of the Province of the Eastern Cape. Only 29% of its population is economically active which poses specific challenges regarding financial sustainability. Council operations must be conducted in a manner that will ensure that services will remain affordable and yet tariffs must be able to cover costs.

a) Revenue Raising Strategy

The following are some of the more significant programmes that have been identified:

- **The review and implementation of the Credit Control & Debt Collection Policy**. This policy and the relevant procedures detail all areas of credit control, collection of amounts billed to customers, procedures for non-payment etc.

- **The review and implementation of the Indigent Policy**. This policy defines the qualification criteria of an indigent, the level of free basic services enjoyed by indigent households, penalties for abuse etc.

- **The review and implementation of the Tariff Policy**. This policy will ensure that fair tariffs are charged in a uniform manner throughout the Emalahleni Local Municipality area. Tariffs must remain affordable but also insure sustainable services.

- **The implementation of the Property Rates and Valuation Policy**. This ensures that a fair rates policy and an updated valuation roll is applied to the entire Emalahleni Local Municipality area and will aim to ensure that all properties are included in the municipality's records. Furthermore the policy ensure that valuations are systematically carried out on a regular basis for all properties. **The municipality has adopted a new valuation roll IN 08/09. Annual supplementary valuation has been conducted since the last general valuation roll of 08/09. The municipality has requested for an extension of one year on its general valuation to the MEC. The Municipality has put out a tender for the compilation for a new valuation roll for commencement date 1 July 2013 and implementation on 1 July 2014.**

- **The review and implementation of the Customer Incentive Scheme**. This scheme will detail the incentives and prizes that will be made available to encourage customers to pay their accounts promptly.

- **The review and implementation of the Improved Payment Strategy**. This strategy aims at implementing innovative cost effective processes to encourage consumers to pay their accounts in full on time each month, including increasing the methods of payment and implementing on-line pre-payment systems.

- **The review and implementation of the Revenue Enhancement Strategy.** This strategy aims at increasing revenue collected by investigated other sources of revenue and also to investigate savings on expenditure.

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- **The development and implementation of the bad debt written off policy.** This policy aims at directing council and management on the process of identifying bad debt and the method to be followed to write it off.

b) Asset Management Strategy

The following are some of the more significant programmes that have been identified:

- **The implementation of an integrated asset management system.** This programme will involve the investigation, identification and implementation of a suitable integrated asset management system. It will also include the capturing of all assets onto this system, the maintenance of this system and the production of a complete asset register in terms of GRAP requirements.

- **The implementation of the fixed asset infrastructure roadmap i.e. action plan.** This plan will involve a status quo assessment of current infrastructure assets, the implementation of individual action plans within the roadmap and the development of individual infrastructure asset registers. This project is contingent on various departments maintaining their respective infrastructure asset registers and supplying all the necessary information to the Asset Management Section to enable the necessary infrastructure asset information to be included in the asset register in terms of GRAP requirements.

- **The review and update of asset and risk insurance procedures and the renewal of the insurance portfolio.** This programme will involve the identification of risks in conjunction with insurers and all Departments and the review and update of the asset and risk insurance procedure manual. It will also include the review of the existing insurance portfolio and the renewal of the insurance policy as per the renewal terms.

- **GRAP compliant Asset Register**

The Municipality is a low capacity municipality and will only have to comply fully with GRAP 17 by 30 June 2012. However, the municipality have put mechanisms in place to compile a asset register that will be fully GRAP compliant when it submit its annual financial statement by 31 August 2012.
The Municipality did compile its GRAP compliant asset register and submitted it with the 2013 Annual Financial Statements. No major audit queries was issued around the asset register.

c) Capital Financing Strategy

The following are some of the more significant programmes that have been identified:

- **The development and implementation of a loan capacity policy**. This policy will ensure that any borrowings taken by the Emalahleni Local Municipality will be done in a responsible manner and that the repayment and servicing of such debt will be affordable.

- **The review and implementation of the policy for access finance (including donor finance).** This policy will ensure that all available funding sources are vigorously pursued.

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d) Projected staff growth and costs

Emalahleni Local Municipality provides all services, including water and sanitation, to all the areas under its jurisdiction. The municipality signed a SLA with the Chris Hani District municipality to deliver the water and sanitation service from 1 July 2009 as a water service provider. The number of transaction processed by the Finance and Corporate services departments increased, resulting in more positions to be included in these departments as well as the Technical Department. A draft Human Resource Plan was developed. This draft plan addresses issues like gender, age, population, etc. This plan will be finalized and costed and included in the new organogram for 2013/2014.

e) Revenue enhancement strategy

The municipality is having a revenue enhancement strategy. A budget allocation has been made available to review the Revenue enhancement strategy to keep it relevant for an improve implementation of it.

f) Financial Recovery Plan

The municipality's financial position is very sound and can meet all its obligations without external assistance from other spheres of government. Due to its sound financial footing there was never a need to do financial recovery plan. The municipality can improve its financial further with an improvement in its collection rate.

5.4. Financial Management Policies

The following are the policies within the municipality which were enacted into by-laws which were also gazetted.

a) General Financial Philosophy

The financial policies of the Emalahleni Local Municipality are to provide sound, secure and fraud free management of financial services.

The Budget and Finance Office has the following objectives:

- Implementation of LG MFMA
- Implementation of the LG Municipal Property Rates Act
- Management of the Budget Process
- Performance of the Treasury Function
- Management of Municipal Revenue
- Establishment of a Supply Chain Management Unit
- Establishment of a FBS/Indigent Support Unit
- Maintenance of Internal Financial Control
- Production of Financial Performance Reports
- To Retain the Financial Viability of the Municipality
- To have an Unqualified Audit Report

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b) List of policies

The policies below were reviewed during June 2012. The policies are reviewed annually with the IDP process and are adopted with the final IDP and BUDGET and will be implemented on 1 July 2013:

- Budget policy
- Debt collection and credit control policy
- Bad debt write off policy
- Indigent policy
- Cash and investment management policy
- Rates policy
- Tariff policy
- Information Technology policy
- Supply chain management policy
- Interest reversal policy
- Loans/Borrowing policy
- Unforeseen and unavoidable expenditure policy
- Administration of immoveable Property Policy
- MFMA Delegation Policy
- Anti-corruption and Fraud prevention Policy
- Asset management policy
- Property Rates Policy
- Funding and Reserve Policy

- Valuation Roll (adopted in 2009 expiring in 30 June 2012). The Department of Local Government and Traditional affairs has granted extension for one year to the municipality to compile a valuation roll. The municipality did conduct annual supplementary valuations since the implementation of the mentioned valuation roll to date. A tender was issued for the compilation of new valuation roll for commencement date 1 July 2013 and implementation 1 July 2014.

c) Budget-related policies and by-laws

1) **Budget Policy**

The aim of the policy is to set out the budgeting principles which the municipality will follow in preparing each annual budget, as well as the responsibilities of the chief financial officer in compiling such budget.

2) **Tariff Policy**

A tariff policy must be compiled, adopted and implemented in terms of Section 74 of the Local Government: Municipal Systems Act 2000, such policy to cover, among other things, the levying of fees for municipal services provided by the municipality itself or by way of service delivery agreements.

3) **Rates Policy**

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In developing and adopting this rates policy, the council has sought to give effect to the sentiments expressed in the preamble of the LG Municipal Property Rates Act, namely that:

- the Constitution enjoins local government to be developmental in nature, in addressing the service delivery priorities of our country and promoting the economic and financial viability of our municipalities;
- there is a need to provide local government with access to a sufficient and buoyant source of revenue necessary to fulfil its developmental responsibilities;
- revenues derived from property rates represent a critical source of income for municipalities to achieve their constitutional objectives, especially in areas neglected in the past because of racially discriminatory legislation and practices; and
- it is essential that municipalities exercise their power to impose rates within a statutory framework which enhances certainty, uniformity and simplicity across the nation, and which takes account of historical imbalances and the burden of rates on the poor.

In applying its rates policy, the council shall adhere to all the requirements of the Property Rates Act no. 6 of 2004 including any regulations promulgated in terms of that Act.

4) **Indigent Support Policy**

The objective of Indigent Support Policy is to ensure the following:

- The provision of basic services to the community in a sustainable manner, within the financial and administrative capacity of the Council; and
- To provide procedure and guidelines for subsidization of basic provisions received from Central Government, according to prescribed Policy guidelines.

The Council also recognizes that there may be residents simply not able to afford the cost of full provision and for this reason the Council will endeavour to ensure affordability through:

- Settings tariffs in terms of the Council Tariff Policy; which will balance the economic viability of continued service delivery; and
- Determining appropriate service levels.

5) **Credit Control & Debt Collection Policy**

The purpose is to ensure that credit control forms an integral part of the financial system of the local authority, and to ensure that the same procedure be followed for each individual case.

6) **Supply Chain Management Policy**

The objective of this policy is to provide a policy framework within which the municipal manager and Chief Financial Officer can institute and maintain a supply chain management system which is transparent, efficient, equitable, competitive, which ensures best value for money for the municipality, applies the highest possible ethical standards, and promotes local economic development.

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By adopting this policy the council further pledges itself and the municipal administration, to the full support of the Proudly SA campaign and to the observance of all applicable national legislation, including specifically the:

- Preferential Procurement Policy Framework Act No. 5 of 2000 and its regulations;
- Broad Based Black Economic Empowerment Act No. 53 of 2003 and any applicable code of practice promulgated in terms of that Act; and
- LG Municipal Finance Management Act No. 56 of 2003, including the regulations relating to the prescribed framework for supply chain management.

A paraphrase of the relevant provisions of the foregoing statutes is annexed to this policy.

Where applicable, the council also pledges itself to observe the requirements of the Construction Industry Development Board Act No. 38 of 2000 and its regulations.

The Municipality has a supply chain unit. The unit is functional but there is room for improvement. The municipality is also busy training all staff in the supply chain unit so that they can meet the competency levels as require by supply chain and national treasury's competency requirements by 2013.

- The municipality have the following Bid Committees:
- Bid Specifications
- Bid Evaluation
- Bid Adjudication

The municipality will have to improve the capacity within the municipality around the supply chain of its staff to participate in all the Bid Committees as the staff is not comfortable to serve on the Bid Committees without the necessary training to acquire the required skills. This will help to improve on the SCM turnover rate of 65 days.

Information and Communication Technology

Due to the growth in the organogram of the municipality, the demand for computer hardware and software also increased. The current IT section cannot cope with the demand for support from all the users. A five year plan needs to be developed for the purchase, maintenance of computer hardware and software and support to users.

5.5. INTERNAL CONTROLS AND OPERATION CLEAN AUDIT

The municipality is committed to the nation agenda of Clean Audit by 2014 although the municipality has obtained a Disclaimer of Audit Opinion.

The Municipality conduct on annual basis its risk assessment during May/June of each year. The Department of Local Government and Traditional Affairs has assisted the municipality in conducting it risk assessment for this year.

There were a number of audit queries that are recurring in the audit report. The municipality has developed comprehensive audit action plan to prevent the latter from occurring again and also to

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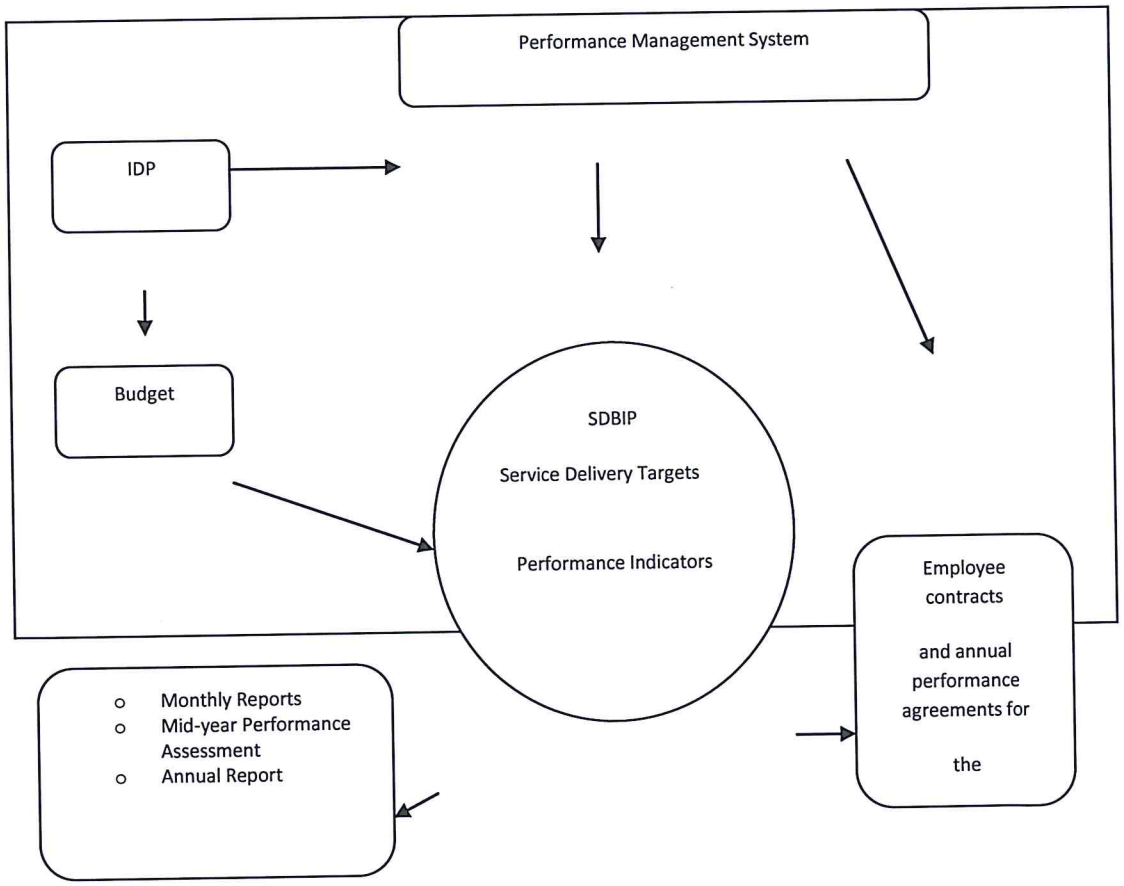
address other issues raised by the Office of the Auditor-General. A number of corrections of errors journals has been prepared and captured on the accounting records of the municipality address previous years accounting errors.

The major reason for the Disclaimer of Audit Opinion was due to the non-submission of information and certain disclosure matters. The municipality has started a target process to improve its filling system and document management system so that information could be retrieved more easily for submission to A-G. The municipality has already started with the Preparation of its Audit File to put all the relevant planning documentation for audit purposes during the planning stage of the 2013 audit by the Auditor-General.

5.6. THE SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (SDBIP)

INTRODUCTION

The SDBIP marries the Performance Management System (as required under the Municipal Systems Act) with the budget and the IDP. Thus the strategic direction mapped out in the IDP is matched with financial resources and delivery of services as specified in the PMS. The requirement for a SDBIP is stated in the MFMA, Section 69.3 (a) and is the responsibility of the Municipal Manager.



The SDBIP allows the budget to be implemented fully as it identifies:

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- The Strategic Imperative – Through links with the IDP.
- The Financial Imperative – Through links with the budget.
- The Performance Imperative – Through links to the PMS.

The National Treasury Circular 13 describes I detail the approach to SDBIP's. Basically there is a high level SDBIP for the purpose of high level monitoring by stakeholders, backed by full detail all the way to the individual employee. Starting from the top (the Municipal Manager), all staff operate under KPI's within the identified KPA's. In effect the SDBIP becomes the implementation tool for the budget and the basis for non-financial monitoring.

At the highest level every vote could be aligned to an IDP strategy and some KPI's. These then form the basis of future monthly and in year reporting.

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SECTION F 6: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Good governance is a key priority for 2012/17. The council is committed to implementing and complying with good governance requirements.

6.1. Disciplinary Measures

Currently there are not senior managers or Exco councillors who are on suspension and facing disciplinary proceedings. There is general stability and cooperation between management and political leadership.

A Council has a code of conduct which governs all its employees and political office bearers. This code of conduct is monitored by council.

6.2. Intergovernmental relations

The municipality has consistent operational relations with other spheres of government including the district, business community and non-governmental sector. To facilitate these relations an IGR was established which is mainly constituted by government (sector departments and the municipality) and this structure has structured meeting on quarterly basis to discuss and monitor progress implementation on commitments.

However, the municipality has started with critical initiatives for improving IGR through twining arrangements with local and international partner organizations (e.g., Netherland's Dordrecht Municipality & Lukhanji Municipality and Senqu Local Municipality in our district)

6.3. Public Participation & Customer care relations

Council is committed to promotion of local democracy through involvement of communities in its planning and decision making processes. This is done through continuous consultative engagements such as Rep Forum, Mayoral Imbizos, Ward committee meetings, Traditional leaders, CDW operations etc.

ELM has developed an Complaint Management System to consider and address day to day matters as raised by the community. Furthermore, ELM has set aside a capacitated unit to respond to the Presidential Hotline

Communities are also encouraged to take part in project implementation via their locally based organizations (co-ops, trusts, NGOs) and steering committees.

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Relations with our stakeholders and customers are monitored and managed through planned activities like customer satisfaction surveys which will be conducted in 2010/11 and reported as part of our PMS annual report.

6.3.1 Ward Committee

Ward committees have been established and are functional in all 17 wards. It is recognized that the effective operation of these ward committees is dependent on effective capacitation of all committee members. Extensive training and induction of wards committees was undertaken to focus on the following areas

- Meeting procedures and minute-taking
- IDP and Budget Processes
- Roles and Responsibilities of ward committees; and
- Developing a Ward-Based Plans

The mode of operation for the Ward Committees is as follows:

- Committees are required to meet at least once per month and to report formally to the speaker at least quarterly though their ward Councillor
- The Speaker is responsible for overall functioning of the Ward Committees and meets at least quarterly with all Ward Committees to discuss issues of mutual concern and to be addressed by council
- The Speaker is required to submit quarterly reports to council on the activities and considerations of the Ward Committees

6.3.1 Community Development Workers

Community Development Workers (CDW's) are employed by the Department of Local Government and Traditional Affairs to assist communities and local government by becoming the liaison between the community, the municipality and government departments. To ensure value-adding and effective functioning of CDW's, a memorandum of understanding was signed between the municipalities and the Department of Local Government and Traditional Affairs.

COMMUNICATION

The municipality has developed a Communication Strategy to guide municipal communication both internally and externally. This strategy enables the municipality to give effect to the legislative requirement as set out the Promotion of Access to Information Act of the Republic of South Africa.

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6.4. SPECIAL PROGRAMMES

4.1. BACKGROUND

The Mayor's Office through the Special Programmes is discharged with the responsibility to coordinate and implement programmes and projects through the following focal areas;

- Youth
- Disabled
- Women and Older persons
- HIV\Aids
- Gender and
- Children

4.2. FIELD BAND FOUNDATION PROJECT

The band is the initiative which seeks to develop young people on skills such as Music and Dance with the social development aspect. The project has an intake of +- 250 participants both in Dordrecht and Indwe. The memorandum of understanding was signed between the municipality and the Field band foundation, what outstand is the launch of the project.

The band has a staff and a truck field with instruments which arrived in April 2010 and after doing some recruitment, rehearsals got underway at the beginning of May 2010.

In terms of the progress made include networking with other governments department, life skills workshops which include HIV\Aids programme. The Field band will for the first time participate in the National Championships to be held in Johannesburg. (see attachment)

4.3. MAYORS CUP TOURNAMENT

The concept is the initiative of the Office of the Mayor to develop Sport and the tournament is known as the Mayoral Cup which was instigated in 2005 to develop young people in Sport in the entire municipality.

The SPU Officer is tasked with the mammoth task to oversee the smooth running of the event of which all the wards participate in various sports discipline such as the Football, Ladies soccer, Netball, Rugby and Athletics and Golf.

This tournament enhance the development as well as unearth the local talent beacon by the rural youth that lack exposure as the concentration is based in bigger cities.

The event is budgeted and filter in the integrated development plan of the municipality.

4.4. EXPANDED PUBLIC WORKS PROGRAMME

This is a partnership between the municipality and the Department of Public works and Transport to create employment as well as to transfer skills to young people and women's. This is done through recruitment of youth in various projects such as water, paving and refuse collection of which so far the municipality has recruited young women and men in various wards. This is implemented in conjunction with the Technical Services department.

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4.5. NATIONAL YOUTH RURAL SERVICE CORPS

This is an initiative of the Department of rural development and Land affairs to recruit young people to be trained in various skills such as life skills, carpentry, plumbing as well as artisans and in the main they are reimbursed with the stipend while on training. So far they have recruited 47 young people which are 3 per ward and now are in a recruitment drive to obtain more young people.

4.6. MASUPA – TSELA

This is a programme that emanate from the Department of Social Development to recruit young people to assist social development in their programmes and it has recruited youth in various wards in partnership with the municipality and now it has employed some of the youth to be permanent.

4.7. CRECHES

The office is discharged to identify wards that need to build crèches so as to accommodate children or broad municipal programmes. In the last financial year four crèches were identified to be renovated and that programme will be implemented in this current financial year.

4.8. PLAYGROUNDS

As part of the infrastructure development as well as to pave way for sports development the municipality has managed to blade one sport ground per ward and install steel poles for both netball and soccer. This is the first phase and we still in a process phase 2 of fencing and landscaping that will encompass grass planting.

4.9. NELSON MANDELA DAY

The Nelson Mandela Day has been declared as the international day in respect of this struggle icon where every citizen/government and non-government institutions are to dedicate 60 minutes of their time in community work. The council took a resolution to adopt and implement some of the community work programmes. The following wards where targeted in particularly programmes related to children's. These include ward 2, ward 9 and ward 11.

4.10. HIV\AIDS

The Local Aids Council is in place and Chaired by Mayor who then delegated the coordination of the programme to community services. Partnership has been forged with CMRA and the municipality participated in the National HIV\Aids benchmarking programme with the following municipalities;

- ✓ Buffalo City Metro
- ✓ Nelson Mandela Metro
- ✓ Ethekwini Metro
- ✓ Hisbiscus Coast Local Municipality

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✓ Madibeng local Municipality

The municipality has developed a HIV/AIDS strategy. In ensuring internal mainstreaming targets the municipality established inter-departmental forum which sit quarterly. It has also introduced Peer educators to mainstream HIV/Aids internal and busy with the preparations for Wellness programme.

4.11. YOUTH COUNCIL

The municipality took an initiative in March 2011 to revive the council which culminated to the AGM in partnership with the Chris Hani District Municipality and National Youth development Agency. They had a mandate to draw their action plan and to visit all wards that do not participated in the AGM and the action plan will be submitted to the Mayor's Office as well as the council.

Training has been conducted which encompass Project Management, Business Management and Financial Management and this also recruited youth funded project by the Department of Social Development to acquire the skill.

Partnership was formed with the NYDA through National Youth Service of which young people were invited to the cleaning programme that was held in three towns such as Indwe, Dordrecht, and Lady Frere.

The district held the youth month closing ceremony in ward 6 and young people from all wards were transported to the event and that resulted to Youth Council funded for Mobile Gym by Department of Social Development as well as Auxiliary workers introduced.

The Youth council has also partaken in various NYDA consultations both in the Province and National.

4.12. WOMEN FORUM AND GENDER EQUALITY

The women forum is in place the only outstanding programme is to convene a strategic session with the purpose of developing an action plan. The municipality has a programme to seek assistance from SALGA and Gender Links through workshop on Gender based violence and municipal action plan on gender equality.

4.13. PEOPLE WITH DISABILITY COUNCIL

The structure for PWD is in place the only challenge is to ensure that the forum seat as mandated by their AGM. The office is planning an induction programme. The municipality is in a process of assisting PWD projects so far it has donated a site to Vukuzenzele Project for the place to work as well as 2 tables and 5 chairs and is in a process of helping other projects.

4.14. ELDERLY PERSONS

The municipality has a forum which is coordinating programmes for elder persons and they have participated in various programmes such as Nelson Mandela Day, Parliament for elderly, Golden

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games etc. The municipality also played a crucial role through provision of tracksuits for identity as well as transportation to various activities mentioned above.

4.15. SPORTS COUNCIL

The council is in place and is part of the preparations for Mayors Cup.

4.16. CONCLUSION

The Special Programmes has managed to coordinate some of the required work as per Service Delivery Budget Implementation Plan (SDBIP) but what remains the huge challenge are the resources and office support where the unit is run by an individual ranging from to mention but few Minutes taking, Filling, Reports, Meetings preparations, invitations, coordination of local. Provincial and National calendar events etc.

6.5. CORRUPTION

ELM Council has embarked on a campaign aimed at improving its profile and fighting perceived or existing corruption tendencies. A dedicated anonymous line for public complaints has been established to facilitate safe and protected reporting of corrupt incidences by anyone in our fold (politician or official). This line will be linked to SAPS for objectivity and effective response to complaints. In 2010, ELM established and launched Fraud-prevention Plan

6.6. PERFORMANCE MANAGEMENT FRAMEWORK

a. Introduction

This document is the policy framework for Emalahleni local municipality to develop a Performance Management System (PMS), which is ultimately aligned to the Integrated Development Plan (IDP) and best suited to the circumstances of the municipality.

The Municipal Planning and Performance Management Regulations (2001) stipulate that a municipality's Performance Management System (PMS) must entail a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, including determining the roles of the different role-players.

In line with the said legal requirements, this framework is a policy document that sets out the following:

- the requirements that Emalahleni local municipality's PMS will need to fulfil;
- the principles that informed its development and subsequent implementation;
- the preferred performance model;
- the process by which the system will work;
- the delegation of responsibilities for different roles in the process; and
- a plan for the implementation of the system.

The main goal of this document is to provide Emalahleni Local Municipality with a written guide that will assist in the implementation of the PMS at organizational and individual levels. For a sound

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appreciation of the context, the project plan for developing this PM Framework is shown in Annexure 1.

b. The Legislative Framework for Performance Management

Various government prescripts stipulate provisions pertaining to performance management in the context of local government. Of note, are the following references:

White Paper on Local Government

The major PMS policy instruments is in the 1998 White Paper on Local Government supported by the Batho Pele principles, which were given legal stature through the adoption of the Local Government: Municipal Systems Act in 2000 (Act 32 of 2000). The said Act requires all municipalities to:

- Develop a performance management system.
- Set targets, monitor and review the performance of the Municipality based on indicators linked to their IDP.
- Publish an annual performance report on the performance of the Municipality.
- Incorporate and report on a set of general (sometimes also referred to as national) indicators prescribed by the Minister responsible for local government.
- On a continuous basis, conduct an internal audit of all performance measures.
- Have the annual performance report audited by the Auditor-General.
- Involve the community in setting indicators and targets; and also reviewing municipal performance

The Municipal Systems Act (MSA)

Chapter 6 of the Municipal Systems Act of 2000 sets out requirements in terms of the establishment, development, monitoring and review of performance management systems for municipalities. The Act specifies the core components of the system as well as community involvement requirements. It further requires the setting of appropriate key performance indicators and targets, performance measurement audits and performance reporting.

In terms of the MSA, the Municipal Planning and Performance Management Regulations (2001) were published, setting out the requirements for a municipal PMS. The Regulations also contain the general indicators prescribed by the Minister responsible for local government. A further set of Regulations were published in 2006 and they deal with Performance Management for municipal managers and managers that are directly accountable to municipal managers.

The Municipal Finance Management Act (MFMA)

The MFMA requires municipalities to annually adopt a Service Delivery and Budget Implementation Plan (SDBIP), stating the service delivery targets and performance indicators. Whilst approving the annual budget, the Municipality should also set measurable performance targets for each revenue source and vote. They should also compile an annual report, which entails a performance report that is compiled in terms of the MSA.

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Performance Management Regulations (2001)

The Municipal Performance Management Regulations (2001) defines a municipality's performance management as "...a framework that describes and represents how the municipality's cycle processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, including determining the roles of the different role-players."

The Regulations describes the nature of performance management systems required in municipalities as follows:

- complies with all the requirements set out in the MSA;
- demonstrates how it is to operate and be managed from the planning stage up to the stages of performance review and reporting;
- defines the roles and responsibilities of each role-player, including the local community, in the functioning of the system;
- clarifies the processes of implementing the system within the framework of the integrated development planning process;
- determines the frequency of reporting and the lines of accountability for performance;
- links organizational performance to employee performance;
- provides for the procedure by which the system is linked with the municipality's integrated development planning processes; and
- shows how any general key performance indicators envisaged in section 43 of the MSA will be incorporated into the municipality's planning and monitoring processes.

Performance Management Regulations (2006)

The Performance Management Regulations (2006) is applicable to section 57 managers. It sets out how the performance of municipal managers will be uniformly directed and monitored. It addresses the job description, employment contract, as well as the performance agreement that is entered into between a municipality, its MM and the managers directly accountable to the MM.

The job description sets out the main accountabilities and inherent job requirements; the employment contract provides the terms of employment including regulating the performance bonuses; whereas the performance agreement provides assurance to the municipal Council of what can and should be expected from the senior managers.

c. <u>The Concept of Performance Management</u>

The **DPLG** defines performance management as a strategic approach to management that equips all stakeholders with tools to:

- plan,
- monitor,
- measure and
- Review performance in terms of set indicators & targets for efficiency, effectiveness and impact.

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Performance management is essentially a mechanism to measure the implementation of the IDP. As such, it can be applied to any level within the municipality. Through ensuring accountability at all levels, the following results should be attained:

- Meeting of strategic objectives
- Improvement of the overall municipal performance
- Improved service delivery
- Getting value for money
- Meeting the needs of people
- Creating a performance culture
- Achieving organizational transformation

It is important to take note of PM concepts that are persistently used in the development and implementation of the PMS. They are shown and explained in Figure 1.

KPA	OBJECTIVE	INDICATOR	BASELINE	⟷	TARGET

KPA	• A Key Performance Area (KPA) is an aspect that the Municipality needs in order to address or do well in and is derived from the IDP of the Municipality. KPAs are sometimes referred to as key development priorities or priority areas. • Nationally, the following KPAs have been determined for Municipalities: – Basic Service Delivery. – Municipal Institutional Development and Transformation. – Local Economic Development. – Municipal Financial Viability and Management. – Good Governance and Public Participation. • In addition to national KPA's, a municipality may have its own local KPAs as reflected in their IDPs.
OBJECTIVE	• An objective is a concise statement describing the specific things that the municipality must do well, in order to execute its strategy. It needs to be clear, concise and measurable, with deadlines. In addition, it should be outcome &impact focused; and indicate the scope and nature of desired change.
INDICATOR	• Indicators are measures that tell whether progress is being made in achieving the objectives. Indicators are statements with a quantitative value (number, percentage, ratio) that allows progress to be quantified. They are of important because they do the following: – enable the review of objectives; – provide a common framework for measuring and reporting; – translate complex concepts into simple operational measurement variables; – help to provide feedback to the organization, its staff and stakeholders; – Help when comparing the municipality's performance to that of other municipalities.

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BASELINE	• Baseline measurements measure the status quo before a project or programme is implemented. Ideally, they should precede finalisation of targets.
TARGET	• Targets are the planned level of performance or the milestones that are set for each indicator. They need to be challenging, realistic, measurable and in line with the resources and capacity of the municipality. Targets are usually expressed in terms of quantity.

Objectives of the Performance Management System

PMS is the primary mechanism to monitor, review, improve the implementation of the IDP and gauge the progress made in achieving the objectives set out in the IDP. The PMS process plan outlines the following objectives of the PMS:

- **Facilitate increased accountability**

The PMS should provide a mechanism for ensuring increased accountability between the local community, politicians, the Municipal Council and the municipal management team.

- **Facilitate learning and improvement**

The PMS should facilitate learning in order to enable the Municipality to improve delivery.

- **Provide early warning signals**

The PMS should ensure that decision-makers are timeously informed of performance related risks, so that they can facilitate intervention, as appropriate.

- **Facilitate decision-making**

The PMS should provide appropriate management information that will allow efficient, effective and informed decision-making, particularly on the allocation of resources.

The fore listed functions are not exhaustive but also provide a summary of the intended benefits of the PMS. They should also be used for evaluating and reviewing the PMS.

d. <u>Principles Governing the PMS</u>

The following principles inform and guide the development and implementation of the Emalahleni PMS.

- ***administratively managed*** in terms of its day-to-day implementation;
- ***implementable*** within any current resource constraints;
- ***integration*** of the PMS with the other management processes within the Municipality;
- ***politically acceptable*** to the political role players of the municipality and allow political office bearers & their structures to execute their responsibilities within their defined roles;
- ***provision of clarity to all employees*** in terms of their role in the achievement of municipal and departmental targets;
- ***fostering of cooperation*** between the administrative and political wings;
- ***provision of early warning signals*** in terms of inherent risks for the full implementation of the IDP;
- ***public participation*** in terms of granting community members their constitutional right to participate in the process;
- ***Reliability*** of the information provided on the progress in achieving the objectives as set

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out in its IDP.

- ***simplicity*** in order to facilitate implementation within any current capacity constraints;
- ***transparency and accountability*** both in terms of developing and implementing the system;
- ***Empowerment of Council with information*** to exercise its powers and authority within reason.

e. The Preferred Performance Management Model

A performance management model can be defined as the grouping of performance indicators into logical categories often called perspectives. The grouping can be based on the type of indicator[3] but is used as a means to enhance the ability of the municipality to manage and analyse its performance. A model therefore provides a common framework for understanding the aspects of performance that will be measured and managed. It further ensures that a balanced set of measures are employed and are not relying on only one facet of performance.

A number of performance models are available and any of them could be applied by the Municipality. The Municipality has chosen the Key Performance Area model. In the said model all indicators are grouped together under the national key performance areas as per the MSA and the local key performance areas as per the Emalahleni IDP. The said model therefore enables the Municipality to assess performance based on the national and local KPA's. The model is graphically shown in the Municipal Scorecard in Annexure 4.

The legislative framework *(in Section 2)* provides for municipal performance management at various levels, including **organizational** (sometimes also referred to as municipal, corporate or strategic level), **departmental** (also referred to as services, operational or section/team level) and lastly, **individual** level.

At **organizational** level, the five-year IDP forms the basis for performance management, whereas at operational level the annual SDBIP forms that basis. The performance measures associated with the IDP have a long-term focus, whereas those associated with the SDBIP are short-term and focus on reviewing the progress made in implementing the current budget and achieving the annual service delivery targets. The measures that are set for the Municipality are captured in the organisational scorecard. Annexure 4 provides a sample municipal scorecard.

At **departmental** level, the measures are captured in the SDBIPs of the various departments that operate within the Municipality. Performance management should occur at the various levels and relate to one another, as required by the Municipal Planning and Performance Regulations. By cascading performance measures from organisational to departmental level, both the IDP and the SDBIP eventually link with individual performance management. Regarding performance management at **individual** level, the MFMA specifically requires that the annual performance agreements of managers must be linked to the SDBIP and the measurable performance objectives approved with the budget.

[3] The dplg Performance Management Guidelines (2001) suggests different types of indicators for local government, e.g. *Input, Output, Composite and Baseline* Indicators.

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f. The Process of Managing Performance

The PM process at organizational level in the Municipality is characterized by the steps that are set out in Figure 2. Although the steps and what follows relate mainly to performance management at organizational level, the principles and approaches as espoused could also be applied to performance management at departmental level.

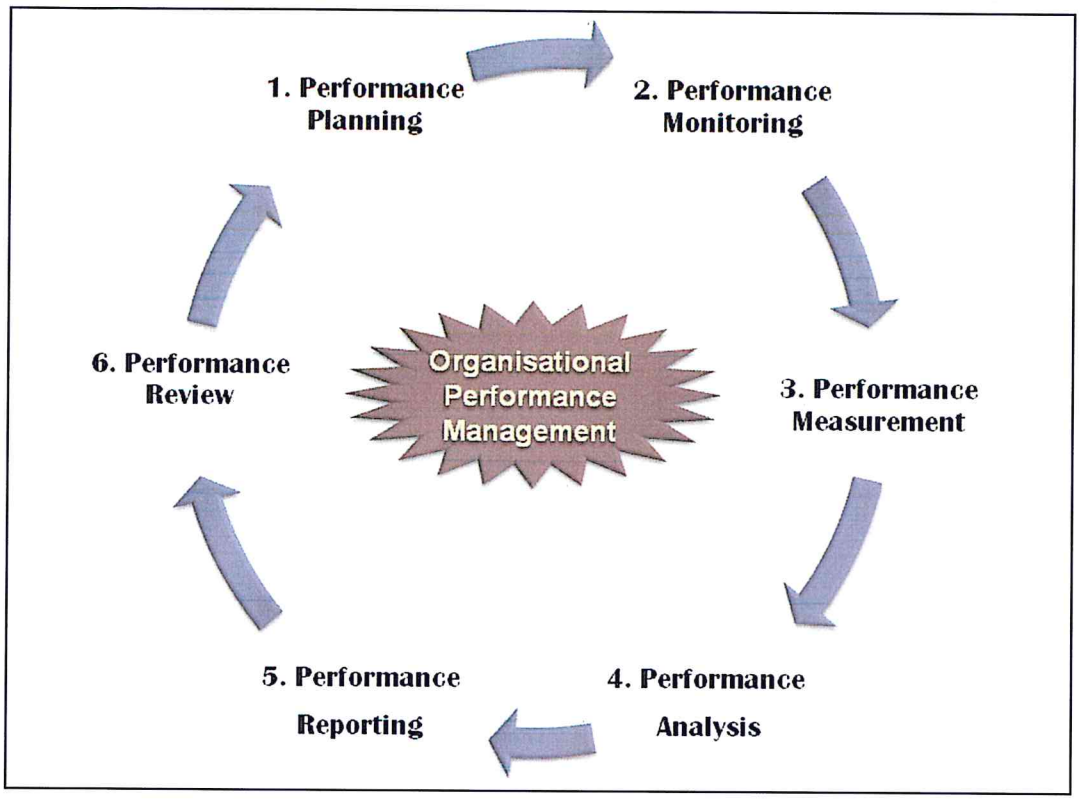


Figure 1: Steps for Managing Performance at Organisational / Departmental Level

Performance Planning

Performance will be managed in terms of the IDP and the process of compiling the IDP. Therefore, the annual review of the IDP constitutes the process of planning for performance. From Figure 2 it should be noted that the last step of the cycle is *"performance review"* and the outcome thereof should inform the next cycle of IDP compilation/review by focusing the planning processes on the areas in which the Municipality has under-performed.

Performance Monitoring

Performance monitoring is an on-going process by which a manager accountable for a specific indicator as set out in the organizational scorecard (and a service delivery target contained in a SDBIP) continuously monitors current performance against the set targets. The aim of the monitoring process is to take appropriate and immediate action where it appears that a target will not be timeously met. The same will apply to the various SDBIPs. Performance monitoring requires appropriate action to be taken should it become evident that a specific performance target is not

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going to be met. In undertaking performance monitoring processes, the following aspects need to be determined and provided for:

- The data that must be collected in order to assess performance.
- The methods that must be employed in the collection, storage, verification and analysis of that data.
- The processes and formats that must be used in compiling reports on that data.
- Corrective measures that will be employed when poor performance has been detected.
- Mechanisms to compare current performance with baseline indicators and performance during the previous financial year.

Monitoring reports should be submitted as follows:

Submitted to	Frequency
Executive Committee	at least monthly
Council	at least quarterly
Municipal Manager	at least monthly

Managers should track performance trends against targets for those indicators that lie within their area of accountability at least once per month. That will allow them to identify performance related problems and take appropriate remedial action in time. In addition, each senior manager should delegate to the direct line manager the responsibility to monitor the performance for his/her sector.

Performance Measurement

Performance measurement refers to the formal process of collecting and capturing performance data to enable reporting to take place for each KPI and against the target set for such indicator. A manual process will be used to measure performance at Emalahleni municipality. The municipal and SDBIP scorecards should spell out the name of an official who will be reporting on each indicator. The said official will, when performance measurement is due, have to collect and collate the necessary performance data or information and capture the result against the target for the period concerned. As such, they need not be accountable for performance on the said performance indicator.

Performance Analysis

Performance analysis involves the process of making sense of measurements. It requires interpretation of the performance measurements to determine whether targets have been met / exceeded and to project whether future targets will be met or not. Where targets have not been met, the reasons thereof should be examined and corrective action recommended. Where targets have been met or exceeded, the key factors that resulted in such success should be documented and shared so as to ensure organizational learning.

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The manager responsible for each indicator should, therefore, do the following:

(i) Capture the performance data against targets on the scorecard.
(ii) Analyze reasons for meeting or not meeting a target.
(iii) Capture a summary of findings on the scorecard.
(iv) Recommend remedial actions, as appropriate.

The completed organizational and SDBIP scorecards should be submitted to a formal meeting of the senior management team for further analysis and consideration of draft recommendations from the relevant managers. This level of analysis should examine performance across the municipality in terms of all its priorities with the aim to reveal and capture whether there are any broader organizational factors that are limiting the ability to meet any performance targets.

Such analysis should also ensure that quality performance reports are submitted to the Executive Committee and that adequate response strategies are proposed in cases of poor performance. After reaching agreement on the analyses, the management team can take the scorecards to the Executive Committee for consideration and review.

Performance reporting and review

The next two steps in the process of performance management (i.e. *Performance Reporting and Performance Review*) will be dealt with at the same time. This section is further divided into three sections dealing with the requirements for ***in-year*** versus ***annual*** reporting and reviews respectively and lastly a summary is provided of the various reporting requirements.

In-year Performance Reporting and Review

The submission of the scorecards to the Executive Committee for consideration and review of the entire municipal performance is the next step in the process. The first such report is a major milestone in the implementation of any PMS and it marks the beginning of what should become a regular event (i.e. using the performance report as a tool to review the Municipality's performance and to make important political and management decisions on how to improve).

Performance review is the process where the leadership of an organization reviews the results and decides on appropriate action, after the performance of the organization has been measured and reported. In reviewing the organisational and departmental scorecards, the Executive Committee will have to ensure that the committed targets have been met; and where they have not, that satisfactory and sufficient reasons have been provided and that the proposed corrective action is adequate. If satisfied with the proposed corrective action, those should be adopted as formal resolutions of Council, minuted and actioned accordingly.

As indicated earlier, the organizational and SDBIP scorecards should be submitted to the Executive Committee for consideration and review on a quarterly basis. The reporting should therefore take place as follows within a financial year:

Quarter	Period Under Review	Month of Reporting
1st	July to end of September	October

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2nd	October to the end of December	January
3rd	January to the end of March	April
4th	April to the end of June	July

The review in January will coincide with the mid-year performance assessment as per section 72 of the MFMA. The said section determines that the Accounting Officer must, by 25 January of each year, assess the performance of the municipality and report to the Council on, *inter alia*, its service delivery performance during the first half of the financial year and the service delivery targets and performance indicators as set out in the SDBIP.

Annual Performance Reporting and Review

On an annual basis a comprehensive report on the performance of the Municipality also needs to be compiled. The requirements for the compilation, consideration and review of such an annual report are set out in chapter 12 of the MFMA. In summary it requires that:

- All municipalities for each financial year compile an annual report.
- The annual report should be tabled within seven months after the end of the financial year.
- Soon after the annual report has been tabled, it should be made public and the local community should be invited to submit representations thereon.
- The municipal Council should consider the annual report within nine months after the end of the financial year and adopt an oversight report containing the Council's comments on the annual report.
- The adopted oversight report should be made public.
- The annual report as tabled and the Council's oversight report should be forwarded to the Auditor-General, the Provincial Treasury and the department responsible for local government in the Province.
- The annual report as tabled and the Council's oversight report should be submitted to the Provincial legislature.

The oversight report to be adopted provides the opportunity for full Council to review the performance of the Municipality. The requirement that the annual report once tabled and the oversight report be made public similarly provides the mechanism for the general public to review the performance of the Municipality. However, the Municipality will budget for the compilation of a user-friendly citizens' report. The citizens' report should be a simple, easily readable and attractive document that translates the annual report for public consumption.

Over and above the legal requirements of the MSA and the MFMA, there should be an annual public campaign that involves the community in the review of municipal performance. Such a campaign could involve all or any combination of the following methodologies:

- Various forms of media should be used to convey the annual report e.g. radio, newspapers, notice boards (in shops and community halls) and billboards.

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- The public should be invited to submit comments on the annual report via physical visits to the municipality offices, telephone, fax and email.
- Public hearings could be held in a variety of locations to obtain input of the annual report.
- Making use of existing structures such as ward committees to disseminate the annual report and invite comments.
- Hosting a number of public meetings and roadshows at which the annual report could be discussed and input invited.
- Producing a special issue of the municipal newsletter in which the annual report is highlighted and the public invited to comment.

The public review process should be concluded by a formal review of the annual report by the IDP Representative Forum of the Municipality.

The annual performance report should be compiled and completed no later than two months after financial-year end. That will ensure that its outcomes can timeously inform the next cycle of performance planning.

Summary of Various Performance Reporting Requirements

The following table, derived from both the legislative framework for performance management and this PMS framework, summarizes the various performance reporting deadlines as they apply to Emalahleni Municipality.

Report	Frequency	Submitted for Consideration and / or Review to	Remarks
1. SDBIPs	Quarterly	Exco	See MFMA Circular 13 of National Treasury for further information
2. Monthly budget statements	Monthly	Mayor (in consultation with Exco)	See sections 71 and 54 of the MFMA
3. Organizational Scorecard	Quarterly	Exco	This PMS framework (see section 8.5.1 above)
4. SDBIP mid-year budget and performance assessment	Annually during January of each year	• Mayor (in consultation with Exco) • Council	See sections 72 and 54 of the MFMA

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5. Performance report	Annually	Council	See section 46 of the Municipal Systems Act as amended. Said report to form part of the annual report
6. Annual report	Annually	Council	See chapter 12 of the MFMA

g. The Auditing of Performance Measures

The Role of Internal Audit in Terms of Performance Management

The MFMA requires that the Municipality must establish an internal audit section which could be outsourced (depending on municipal resources and specific requirements). Section 45 of the MSA stipulates that the results of the municipality's performance measures should be audited by the said internal audit section as part of the internal auditing process and annually by the Auditor-General. For, Emalahleni, the internal audit function will be outsourced in liaison with the Chris Hani District Municipality.

The Municipal Planning and Performance management Regulations stipulates that the internal audit section must, on a continuous basis, audit all performance and the auditing must include an assessment of the following:

(i) The ***functionality*** of the municipality's performance management system. The internal audit section must therefore on a regular basis audit whether the PMS of the Municipality is functioning as developed and described in this framework.

(ii) Whether the municipality's performance management system ***complies*** with the Act. This compliance check would require that the Municipality's internal audit unit, at least on an annual basis, verify that the Municipality's PMS complies with the said legal requirements.

(iii) The extent to which the municipality's performance measurements are ***reliable*** in measuring the performance of municipalities by making use of indicators. The Municipality should have a proper information management system (electronically or otherwise) so that the internal audit function is able to access information regularly and to verify its correctness.

The Municipality's internal auditors must submit quarterly reports on the audits undertaken to the Municipal Manager and the Audit Committee.

Audit Committee

The MFMA and the Municipal Planning and Performance Management Regulations require that the municipal Council should establish an audit committee consisting of a minimum of three members, where the majority of members are not employees of the municipality. No Councillor may be a

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member of an audit committee. Council should also appoint a chairperson who is not an employee of Emalahleni municipality.

The Regulations give municipalities the option to establish a separate performance audit committee whereas the MFMA provides only for a single audit committee. Emalahleni municipality will share the audit committee with Lukhanji local municipality and Sakhisizwe local municipality within the district. The operation of this audit committee when dealing with performance management is governed by section 14 (2-3) of the Regulations which require the audit committee to do the following:

- Review the quarterly reports submitted to it by the internal audit unit.
- Review the municipality's PMS and make recommendations in this regard to the Council of the Municipality.
- At least twice during a financial year submit an audit report to the municipal Council.

In order to fulfil their function, a performance audit committee may, according to the MFMA and the Regulations:

- communicate directly with the Council, municipal manager or the internal; and external auditors of the municipality concerned;
- access any municipal records containing information that is needed to perform its duties or exercise its powers;
- request any relevant person to attend any of its meetings and, if necessary, to provide information requested by the committee; and
- Investigate any matter it deems necessary for the performance of its duties and the exercise of its powers.

Performance Investigations

The Audit Committee should also be able to commission in-depth performance investigations where there is either continued poor performance or a lack of reliability in the information being provided. Those performance investigations should assess the following:

- The reliability of reported information.
- The extent of performance gaps from targets.
- The reasons for performance gaps.
- Corrective action and improvement strategies.

The outsourced internal audit section will be used to conduct these investigations and should ensure the involvement of people who are experts in this area. For each investigation, clear terms of reference will need to be adopted by Council.

h. Stakeholder Roles and Responsibilities

Figure 3 outlines the key roles and responsibilities to be discharged by the various role players in the process.

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STAKEHOLDER	ROLE
Council / Exco	➢ Adopt the PMS Framework & PMS ➢ Adopt the Municipal Scorecard ➢ Conduct Annual Review ➢ Commission Performance Audits ➢ Report to the public and Province
Management Team	➢ Plan for PM ➢ Adopt the PMS Framework & PMS ➢ Draft Scorecards ➢ Approve Departmental Scorecards ➢ Conduct Performance Measurements ➢ Commission Performance Reviews ➢ Produce PM Reports ➢ Commission Performance Audits
Audit Committee	Audit PM Reports & make recommendations
Internal Audit	Audit the results of Performance Measurements
IDP Steering Committee	Participate in PM Planning, Monitoring & Review
IDP Rep. Forum	
Ward Committees	

Figure 2: Stakeholder Roles & Responsibilities

i. <u>Performance Management at Individual Level</u>

The reality is that the municipality is an institution that employs people, thus its performance is highly dependent on employees. It therefore follows that performance needs to be managed at individual employee level. The individual performance management system is a vehicle for implementing the operational plans emanating from the municipal / SDBIP targets. At individual level, PM is meant to improve linkages between individuals, functions and the broader Municipal objectives. The PMS is aimed at providing specific standards to assist the employer, management and municipal staff to perform to the required standards. Emalahleni will use the individual PMS to:

- Manage and measure behaviours that contribute to organizational and individual success.
- Recognize levels of actual performance in relation to agreed targets.
- Encourage continuous improvement and efficiency.
- Identify and act on areas for individual development.
- Provide a platform for communication on performance between superiors and employees.

This section discusses the structured process for managing performance of the municipal manager and the employees that directly report to him; and separately discusses the process of managing performance for the rest of municipal staff. Albeit, the foundation for both levels is similar as summarized in Figure 4 and explained in the balance of this section.

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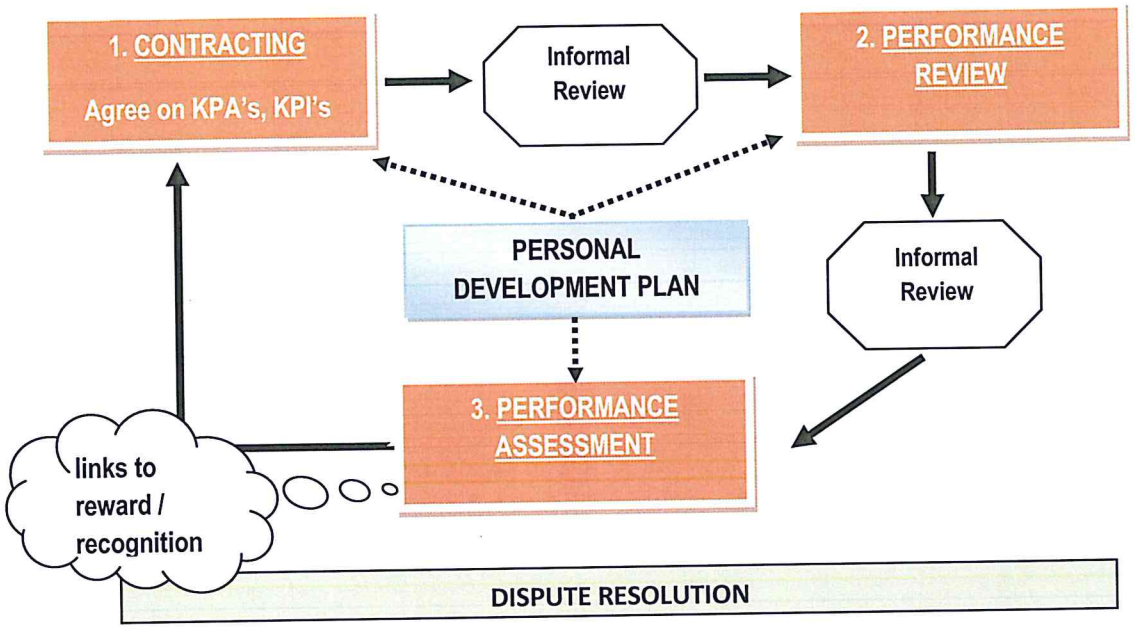


Figure 3: Cycle for Managing Performance at Individual Level

j. Performance Management for Section 57 Managers

Performance management for the municipal manager and the employees that directly report to him will strictly adhere to the provisions of the Municipal Performance Regulations (2006) shown in Annexure 3. The key phases are, namely, Performance Contracting; Performance Review; and Performance Assessment. This section will also discuss disputes relating to PM.

(i) Performance Contracting

Performance contracting is characterized by the consultation between the employer[4] and the employee[5] regarding specific performance standards that should be adhered to during the given financial year. Being the first of the three key phases, Performance Contracting entails the signing of the Performance Agreement within one month after commencement of each financial year, with the purpose to:

- comply with the contract of employment;
- comply with section 57 of the MSA;
- specify the agreed objectives and targets; and communicate the municipality's performance expectations in line with the IDP, the SDBIP and the budget;
- specify accountabilities that are drawn in the Performance Plan[6];
- serve as a basis of the municipality's commitment to a performance orientated relationship;
- Provide a platform for monitoring, evaluating and measuring performance against targeted outputs and subsequently rewarding good performance.

[4] In this context, employer refers to "the municipality employing a person as a MM or as a manager directly accountable to a MM and as represented by the Mayor, Executive Mayor or MM as the case may be."
[5] In this context, employee refers to "a person employed by a municipality as a MM or as a manager directly accountable to a MM"
[6] The Performance Plan sets out the performance objectives and targets; and timeframe within which the employee should meet them.

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At this phase, the employee will commit to focusing on implementing the key objectives [i.e. KPA's, including any relevant special projects and the Core Competency Requirements (CCRs)]. The KPAs and CCRs are assigned a weight, respectively. Such weighting (as it is known) denotes the relative importance of the key objectives to each other. The KPAs would cover the main areas of work and would account for 80% whereas the CCRs would account for 20% of the final performance assessment (which is discussed in Phase 3 of this section). For the MM, the KPAs are as follows:

- Basic Service Delivery
- Municipal Institutional Development and Transformation
- Local Economic Development (LED)
- Municipal Financial Viability and Management
- Good Governance and Public Participation

For managers that directly account to the MM, the KPAs that are related to the functional areas of that manager's position, should be negotiated between that manager and the municipal manager. The CCRs that are critical for the employee's job should be selected from the following list and must also note the compulsory Core Managerial Competencies.

Core Managerial Competencies

- Strategic Capability and Leadership
- Programme and Project Management
- Financial Management *(compulsory)*
- Change Management
- Knowledge Management
- Service Delivery Innovation
- Problem Solving and Analysis
- People Management and Empowerment *(compulsory)*
- Client Orientation and Customer Focus *(compulsory)*
- Communication
- Honesty and Integrity

Core Occupational Competencies

- Competence in Self-Management
- Interpretation of and implementation within the legislative and national policy frameworks
- Knowledge of developmental local government
- Knowledge of Performance Management and Reporting
- Knowledge of global and South African specific political, social and economic contexts
- Competence in policy conceptualization, analysis and implementation
- Knowledge of more than one functional municipal field / discipline
- Skills in Mediation
- Skills in Governance
- Competence as required by other national line sector departments
- Exceptional and dynamic creativity to improve the functioning of the municipality

Figure 4: List of Core Competency Requirements (CCRs) for Employees

In order to address the development gaps that support the achievement of set performance targets, a Personal Development Plan (PDP) will be developed and form part of the Performance Agreement.

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A sample PDP is shown in Annexure 5. In line with the MFMA, the Performance Agreements will be made available to the public.

(ii) Performance Review

Performance review is aimed at checking and monitoring progress of the employee in satisfying the key objectives and their targets. Performance reviews will happen at the end of the first, second and third quarters of the year, as noted below.

Quarter	Period Under Review	Month of Conducting Review
1st	July to end of September	October
2nd	October to the end of December	January
3rd	January to the end of March	April

Emalahleni may elect to conduct verbal reviews for the first and third quarters, particularly if performance is deemed satisfactory. During any of the reviews, the municipality will, however, make use of the assessment tools that will be ultimately used in the Performance Assessment phase (4th Quarter). Despite the fore stated performance review intervals, the employer reserves a choice to review performance at any stage (for as long as the employment contract is still valid). For operational reasons and also based on agreement with the employee, the employer will be entitled to making changes to the provisions of the Performance Plan. In addition, performance feedback will be based on the employer's assessment of the employee's performance.

The performance review will entail the "stock taking" of the achievements on KPAs and CCRs. Each of the two will be reviewed as follows:

Key Performance Areas

a) Using the performance plan, each KPA will be reviewed in terms of the extent of meeting the KPIs and *ad hoc* tasks associated with that KPA.
b) The following five-point scale will be used to rate performance on each KPA:

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Level	Terminology	Description	Rating				
			1	2	3	4	5
5	Outstanding performance	Performance far exceeds the standard expected of an employee at this level. The appraisal indicates that the employee has achieved above the fully effective results against all performance criteria and indicators as specified in the PA and Performance Plan and maintained this in all areas of responsibility throughout the year.					
4	Performance significantly above expectations	Performance is significantly higher than the standard expected in the job. The appraisal indicates that the employee has achieved above fully effective results against more than half of the performance criteria and indicators and fully achieved all others throughout the year.					
3	Fully effective	Performance fully meets the standards expected in all areas of the job. The appraisal indicates that the employee has fully achieved effective results against all significant performance criteria and indicators as specified in the PA and Performance Plan.					
2	Performance not fully effective	Performance is below the standard required for the job in key areas. Performance meets some of the standards expected for the job. The review / assessment indicate that the employee has achieved below fully effective results against more than half the key performance criteria and indicators as specified in the PA and Performance Plan.					
1	Unacceptable performance	Performance does not meet the standard expected for the job. The review / assessment indicate that the employee has achieved below fully effective results against almost all of the performance criteria and indicators as specified in the PA and Performance Plan. The employee has failed to demonstrate the commitment or ability to bring performance up to the level expected in the job despite management efforts to encourage improvement.					

c) The rating calculator will be developed and used for adding the scores for each KPA thus giving a final KPA score.

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Critical Competency Requirements

a) Each CCR will be reviewed in terms of the extent to which the specified standards have been met.
b) The fore going five-point scale will be used for each CCR.
c) The rating will be multiplied by the weighting for each CCR and result in a score.
d) The rating calculator will be used to add the scores and calculate the final CCR score.

It should be noted that for the mid-year review (i.e. October – December) it is important for the employer to keep records.

(iii) Performance Assessment

Performance assessment is aimed at concluding the employee's performance measurement and development against set objectives. It will happen during the fourth quarter of the financial year. For purposes of practicality, performance assessment will be executed similar to the Performance Review (explained above), save the following important variations:

a) It will not be "stock take" but a "final evaluation" exercise for the financial year.
b) The minimum composition requirements of the evaluation panels will be as follows:

EVALUATION OF THE MM	EVALUATION OF MANAGERS ACCOUNTABLE TO THE MM
Mayor, outside MM &Audit Committee Chairperson	MM
Chairperson of the audit committee	Chairperson of the audit committee
Executive Committee member	Executive Committee member
Mayor or MM from another municipality	MM from another municipality
Ward committee member nominated by Mayor	HR. Manager
HR. Manager	

c) Performance assessment will form the basis of rewarding outstanding performance and correcting unacceptable performance.
d) Using the rating calculator, the range of performance bonus will be allocated as follows, as a percentage of the all-inclusive remuneration package:

Performance Score	Performance Bonus
150% +	10% – 14%
130% to 149%	5% – 9%

e) Unacceptable performance will be handled through providing remedial support to improve the employee's performance for an agreed timeframe (with the employer). If such structured attempts prove to be unsuccessful, the employer should take steps to terminate the contract on grounds of unfitness or incapacity. In that case, there should be adherence to the provisions of the Labour Relations Act.

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f) Within 14 days of concluding the assessment of the MM's performance, the results thereof will be submitted to the MEC for Eastern Cape local government and the national Minister for local government.

(iv) Dispute Resolution

Disputes will be distinguished and handled as follows:

a) Disputes Pertaining to Performance Agreement

Where a dispute involves the MM, as an employee, such a dispute should be formally lodged by the MM to the Provincial MEC for local government. The MEC or his / her designate will mediate within 30 days of receipt of a formal dispute. The decision therefore will be final and binding on both the MM and the municipality.

Where a dispute involves a manager who directly accounts to the MM, such dispute should be formally lodged to the Mayor who will mediate within 30 days of receipt of a formal dispute. The Mayor's decision will be final and binding on both the manager and the MM.

b) Disputes Pertaining to the Outcome of Performance Evaluation

Where a dispute involves the MM, as an employee, such a dispute should be formally lodged by the MM to the Provincial MEC for local government. The MEC or his / her designate will mediate within 30 days of receipt of a formal dispute. The decision therefore will be final and binding on both the MM and the municipality.

Where a dispute involves a manager who directly accounts to the MM, such dispute should be formally lodged to a member of the municipal Council who was not part of the evaluation panel. Such member will mediate within 30 days of receipt of a formal dispute and his / her decision will be final and binding on both the manager and the MM.

k. <u>Performance Management for all Other Municipal Staff Members</u>

At this level of the municipality, performance will also be managed in accordance with the phases shown in Figure 3. The objectives of the above phases are individually provided below.

(i) Contracting

Contracting will entail the conclusion of a new performance agreement in a new financial year. That will take place within one month after the commencement of the new financial year. Specific objectives are, namely:

- To provide details of expected performance for the particular financial year in line with the Departmental objectives.
- To set the scene for developing a Personal Development Plan (PDP) for the employee in order to ensure performance improvement.
- To give clear and detailed targets for the employee with regard to Key Performance Areas, Key Performance Indicators, target dates and weightings.

(ii) Performance Review

The aim of the performance review is to check and monitor progress of the employee on each KPA, by checking the difference between the actual and expected performance. The performance reviews are scheduled as follows:

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Quarter	Period Under Review	Month of Conducting Review
1st	July to end of September	October
2nd	October to the end of December	January
3rd	January to the end of March	April

In addition, the performance review is aimed at the following:

- To discuss corrective action where it is necessary.
- To check and monitor the progress of the employee on their PDP.
- To update and customize the PDP, where necessary.

(iii) Performance Assessment

Performance assessment will be based on the individual's performance in terms of the outputs / outcomes (KPI's) that are linked to KPA's which were agreed during the performance contracting phase. It will take place during the last quarter of the financial year. Specific objectives are as follows:

- To conclude an employee's performance measurement and development for each semester in that particular financial year.
- To assign KPA and final ratings/scores for the performance cycle.
- To determine the impact of the employee's development on his/her performance.
- To rate the employee's performance, using the rating scale that the municipality will develop.
- To recognize employee performance by assigning non-financial rewards which are guided by scores from the performance rating scale.

In support of the developmental nature of PMS, the municipality will ensure application of developmental support throughout all phases of the PM cycle. That will be in the form of PDP's whose primary focus will be on ensuring that the employee is well capacitated to deliver on the set performance targets. Albeit, performance feedback will be based on the employer's assessment of the employee's performance.

All phases of the PM cycle will leave room for addressing disputes that may arise. Disputes will be handled in line with the provisions of the municipal Disciplinary Code and / or the Collective Agreement, as applicable.

I. General Issues Relating to Performance Management

This section highlights some general issues related to performance management that need to be taken into account in implementing the PMS in the Municipality.

Annual Review of the Performance Management System

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After the full cycle of the annual review and reporting is complete and the audit committee has met as required, the internal audit function will compile a comprehensive assessment / review report. The report will be on whether the Municipality's PMS meets the system objectives and principles as set out in this framework and whether it complies with the MSA, PMS Regulations and the MFMA. The report will need to be considered by the audit committee who will then submit any recommendations to the Executive Committee.

The review undertaken and recommendations made by the audit committee could serve as input into the wider municipal review of the PMS. After the full cycle of the annual review, the Municipal Manager should initiate an evaluation report that includes inputs from departments. The report will then be discussed by the management team and finally submitted to the Council for discussion and approval. All those steps will also fulfil the MSA's requirement that the Municipality should annually evaluate its PMS.

Amendments to KPI's and Targets

The Municipality will need to adopt a policy on amendments to performance indicators and targets. As a policy area, such amendments may be proposed but will be subject to the approval of the Executive Committee in consultation with the Municipal Manager.

Integrating PMS with the Council's Existing Management Cycle

International best practice indicates that PMS stands the best chance to succeed if it is integrated with the current management cycle of the Municipality. The purpose of such a cycle would be to guide the integration of important processes e.g. the strategic planning or development process in terms of the IDP methodology, the annual budget process and the formal process of evaluating and assessing Council's performance in terms of the approved PMS and this framework. Emalahleni municipality will develop and adopt a similar cycle that is suitable to its own circumstances and requirements.

Institutional Arrangements

The implementation of the PMS in terms of this framework would require coordination at organizational level and that will be the task of the IPED Manager's position, which will be acting on behalf of the municipal manager. Those duties will therefore form part of the IPED Manager's Performance Agreement.

For PMS at an individual level, the responsibility for co-ordination, administration and record keeping will be the responsibility of the position that is responsible for human resource management. Likewise, such duties will form part of the Corporate Service Manager's Performance Agreement.

The Municipality will ensure that its outsourced internal audit section has expertise in dealing with performance management responsibilities which are practically over and above the traditional financial audit responsibilities.

m. <u>Conclusion</u>

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There are no definitive solutions to managing municipal performance. The implementation of the performance management system will be an incremental process.

Council Policies

Public Participation Policy

Communication Strategy

EPWP Policy

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SECTION G: PROJECTS

1. INTRODUCTION

The projects present the implementation component of the strategic plan and were formulated on the basis of the agreed strategies. The figure below offers a schematic overview of the process in the completion of the project register. Taking into consideration that the previous IDP included projects both funded and unfunded, the work of the project teams involved checking which of the existing projects are relevant for the newly formulated strategies. Based on this analysis, the missing building blocks towards achievement of the strategy were formulated.

The identification of the projects was followed by the completion of project templates for each listed project. No project is included in the project register without a project template that clarifies:

- Performance Indicators
- Risks
- Location
- Project outputs and main activities
- Investment required for each output
- Scheduling of the investment in the next five years

The project template supports the completion of the Service Delivery Budget and Implementation Plan (SDBIP) required by the Municipal Finance Management Act (MFMA): Section 53. The requirement refers to budget reporting that is linked to IDP indicators, including Ward-based objectives.

The project register, prior to the budget alignment discussion, represented what the Municipality should be doing in terms of backlogs, community needs and institutional requirements. The budget alignment discussion intends to adjust the project register to what the Municipality is able to do in terms of resource available and the distribution of these resources per Key Performance Area.

The alignment process consisted of three elements, namely:

1) Revenue required by the Municipality to perform in terms of all strategic issues:
   - The costing on the project templates – consolidated on register
   - The tables on the financial implications of the projects for departments
   - The external funding table from other service agencies (not going through the municipal budget)
2) Revenue available in the Municipality for the following five years in terms of:

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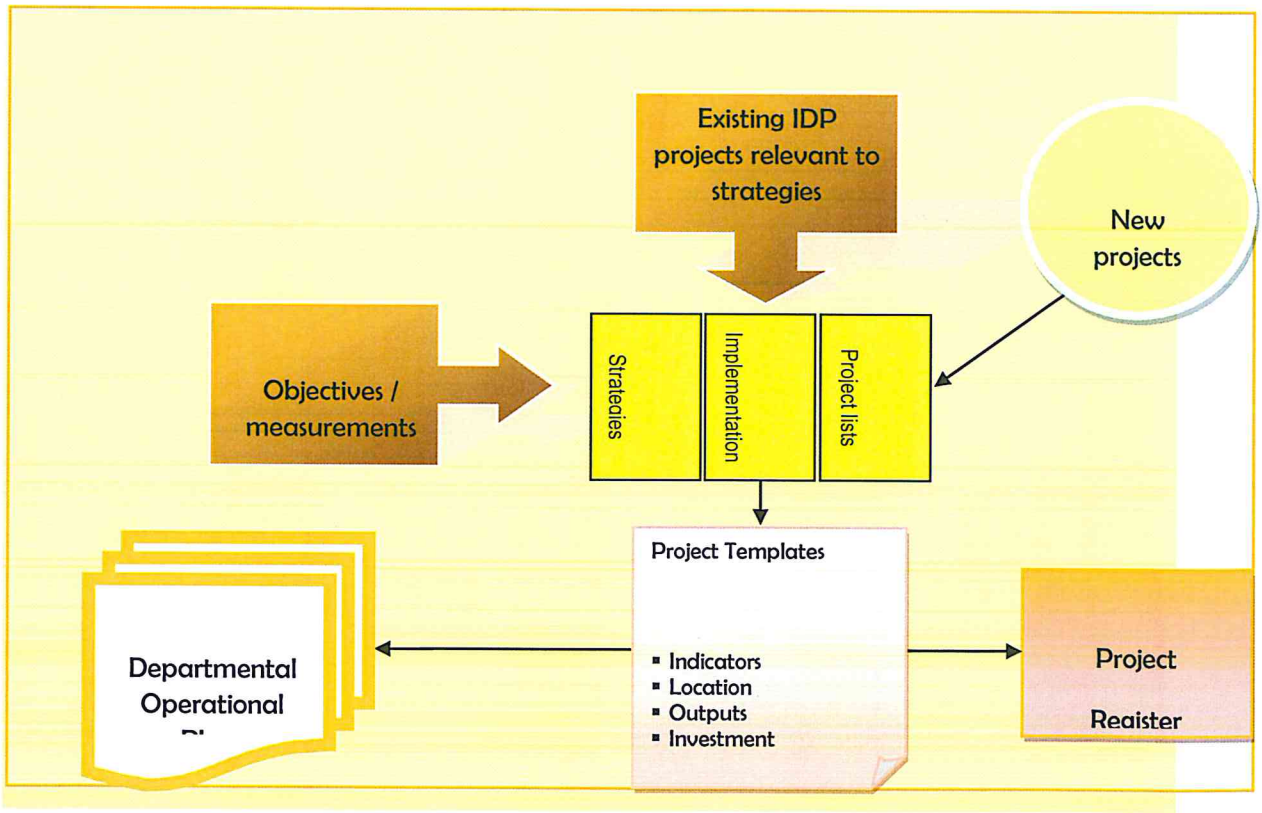
- ❖ Operational budget allocations for each department
- ❖ Capacity budget allocations for each department
- ❖ Improve revenue collection targets
- ❖ Fundraising strategies

3) Direction from Council:

- ❖ The political intention/framework with regard to the preliminary percentage allocation to each KPA (what percentage of the budget should be given to each KPA)
- ❖ The political intention/framework regarding the allocation to any specific priority within the KPAs

Direction from the Council becomes a critical part of the prioritization process as these allocations set the boundaries within which each department re-organises their work. The current project register shows adjustments in terms of the available operational and capital budget allocations.

These allocations were not done in line with the suggested process due to time constraints. The budget alignment process should receive urgent attention during the following review cycles:



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Infrastructure and Basic Services Delivery

Water projects

Project Description	Project Outputs	Ward	Dept	GFS	Five Year Financial Plan				
					2012/13	2013/14	2014/15	2015/16	2016/17
Upgrading of Indwe waste water	Waste water upgraded	16	CHDM	CAPEX	2 000 000	0	0	0	0
Upgrading Dordrecht Waste water plant	Waste water upgraded	14	CHDM	CAPEX	2 000 000	0	0	0	0
Refurbishment leaking reservoir in Mt Arthur	Reservoir refurbished	12	CHDM	CAPEX	250 000	0	0	0	0
Cacadu Water Villages	Water service provision	ELM	CHDM	MIG	500 000	0	0	0	0
Vukani Bulk Services Water & Roads	Bulk water services erected	16	CHDM	MIG	250 000	0	0	0	0
Indwe Rehabilitation of Roads & Storm Water	Rehabilitation of Roads & storm water	15	CHDM	MIG	6,1 000 000	0	0	0	0
Water Backlog (Cluster 1)	Water backlog	07,08,10,13 &	CHDM	MIG	14 000 000	8 000 000	14 000 000	0	0

NA
S.W

	addressed	14							
Water Backlog (Cluster 2)	Water backlog addressed	01,02, 04& 06	CHDM	MIG	5 000 000	8 000 000	10 000 000	0	0

Sanitation

Project Description	Project Outputs	Ward	Dept	GFS	Five Year Financial Plan				
					2012/13	2013/14	2014/15	2015/16	2016/17
Mackay'snek : Erection of Sanitation facilities	Sanitation facilities in place	06	CHDM	MIG	4 000 000	O	0	0	0
Erection of Sanitation facilities (Cluster 1)	Sanitation facilities erected	02,03,04,05,15.16.17	CHDM	MIG	11 000 000	18 200 000	16 000 000	0	0
Erection of Sanitation facilities (Cluster 2)	Sanitation facilities erected	07,08,09,10,11,12,13, &14	CHDM	MIG	9 000 000	12 000 000	12 000 000	0	0
Dordrecht Bucket Eradication	Bucket Systems eradicated	11	CHDM	MIG	3,8 000 000	2 000 000	2 000 000	0	0

Roads and Storm Water

Project Description	Project Outputs	Ward	Dept	GFS	Five Year Financial Plan				
					2012/13	2013/14	2014/15	2015/16	2016/17
Construction of Rwantsana Access Road	Road Constructed	1	Technical	MIG	6 510 000	0	0	0	0
Access Road Dlamini	Road constructed	7	Technical	MIG	4, 682 993	0	0	0	0
Construction Fani Access Road	Road Constructed	7	Technical	MIG	0	5 900 000	0	0	0
Dukathole to Mangweni Access Road	Road Constructed	9	Technical	MIG	0	5 900 000	0	0	0
Bankies Access Road	Road Constructed	10	Technical	MIG	0	0	0	0	0
Gadlume viaThaleni Access Road	Road Constructed	13	Technical	MIG	0	0	0	0	0
Mhlanga Access Road	Road Constructed	14	Technical	MIG	0	0	0	0	0
Construction of Ntsinga to Njombela Access	Road Constructed	2& 17	Technical	MIG	0	5 900 000	0	0	0
Purchase of Plant Machinery	Machinery	ELM	Technical	CAPEX	0	2 500 000	0	0	0
Construction of Council Chamber	Council Chamber	ELM	Technical	CAPEX	0	6 000 000	0	0	0

Electricity Supply (Turn-Key Projects)

Project Description	Project Outputs	Ward	Dept	GFS	Five Year Financial Plan				
					2012/13	2013/14	2014/15	2015/16	2016/17
Electrification of 235 units	235 Units Electrified	1	Tech	INEP	4 000 000	0	0	0	0
Electrification of 1052 Units	1052 Units Electrified	1	Technical	INEP	0	20 000 000	10 000 000	10 000 000	0

SERVICE DELIVERY

Project Description	Project Outputs	Ward	Dept	GFS	Five Year Financial Plan				
					2012/13	2013/14	2014/15	2015/16	2016/17
Landfill Site	Landfill Site constructed	4	ELM	MIG	2 000 000	4 255 250	4 000 000	0	0
Cemeteries	EIA, Cemetery Management System, Landscaping and development of Bylaws.	4,14 &16	ELM	MIG	1,500 000	1 500 000	2 5000 000	0	0
Completion of ELM Pound	Completed and Functional Pound	ELM	Com Serv	CAPEX	0	500 000	0	0	0

Establishment of Traffic Centre	Temporal accommodation for Learners License test and Test Driving ground	ELM	ELM	MIG	1,995 000	2,000 000	1,000 000	0	0
	Traffic Centre Unit (Staff)	ELM	ELM	OPEX		500 000	0	0	0
Construction of Lady Frere Stadium	Construction of Lady Frere Stadium	04	ELM	MIG	3,496 650	6 892	4 649	3 000 000	0
Construction of Community Hall	Community Hall	17	ELM	MIG	0	1 364 050			0

TECHNICAL SERVICES R&M

Sanitation and Sewerage

Project Description	Project Outputs	Ward	Dept	GFS	Five Year Financial Plan				
					2012/13	2013/14	2014/15	2015/16	2016/17
R&M Tools and Equipment	Repairs and Maintenance		Tech	OPEX	394	342	359	373	
Infrastructure _ Sanitation Reticulation	Repairs and maintenance		Tech	OPEX	0	2 273	2 382	2 475	0
Infrastructure _ Water Reticulation			Tech	OPEX	3 422	3 872	4 058	4 216	0

Refuse Cleaning Services

Project Description	Project Outputs	Ward	Dept	GFS	Five Year Financial Plan				
					2012/13	2013/14	2014/15	2015/16	2016/17
Contribution to Indigent households	Providing free basic service	ELM	Tech	OPEX	42 300			0	0
Refuse Bags	Purchasing of Refuse Bags	ELM	Tech	OPEX	94 669	100 712	107 762	0	0

Roads and Storm Water

Project Description	Project Outputs	Ward	Dept	GFS	Five Year Financial Plan				
					2012/13	2013/14	2014/15	2015/16	2016/17
Infrastructure _ Roads, Pavements and Bridges	Repairs and maintenance Expenditure	ELM	Tech	OPEX	552	557	584	607	0
Infrastructure_ Storm water	Repairs and maintenance	ELM	Tech	OPEX	276	279	292	303	0

Technical Services

Project Description	Project Outputs	Ward	Dept	GFS	Five Year Financial Plan

					2012/13	2013/214	2014/15	20	
									0
									0
Fleet Management	Fuel and oil		Tech	OPEX	3 281	3 857	4 043	4199	
Renovation and Fencing of Municipal Building – Indwe Municipal Building, Indwe & Dordrecht old clinic	Repairs and Maintenance		Tech	Opex	0	1 369 000	0	0	0

Electricity Trading

Project Description	Project Outputs	Ward	Dept	GFS	Five Year Financial Plan				
					2012/13	2013/14	2014/15	2015/16	2016/17
Bulk purchases: electricity	Bulk purchases of electricity		Tech	OPEX	13 271	25826	27 065	28 115	0
Electricity_ Transmission and reticulation	Repairs and maintenance Expenditure		Tech	OPEX	110	323	339	352	0
Electricity_ Street Lighting	Repairs and maintenance		Tech	OPEX	590	643	674	700	0
FBS 50 KW	FBS 50 KW		Tech	OPEX				0	0

Cemeteries Projects

Project Description	Project Outputs	Ward	Dept	GFS	Five Year Financial Plan				
					2012/13	2013/14	2014/15	2015/16	2016/17
Cemeteries & Crematoriums	Operation and Maintenance	ELM	Comm. Serv	OPEX	340	523	549	570	0

Parks, open spaces and Recreation, office buildings

Project Description	Project Outputs	Ward	DEPT	GFS	Five Year Financial Plan				
					2012/13	2013/14	2014/15	2015/16	2016/17
Civil land and buildings	Repairs and maintenance		Com Serv	OPEX	1066	2390	2504	2601	0
Repairs and maintenance: Fencing	Municipal Offices at Indwe are being fenced	16	Com Serv	OPEX	10 443	11 109	11 887	0	0
Revival of Lady Frere Park	Parks & Public Open Space	ELM	Com Serv 7301/2740/0000	OPEX	28 200	350 000	32 100	0	0
Repairs and maintenance: Tools and Equipment	Maintenance of machinery	ELM	Com Serv 7301/2318/0000	OPEX	5 221	5 555	5 943	0	0

Fire Brigade Services	Purchases of Fire fighting vehicle and engine and temporary accommodation for fire fighting	ELM	Com Serv	OPEX	64 076	68 166	72 938	0	0
Disaster Expenditure	Response to disaster emergencies and conduct awareness's	ELM	ComServ 7300/2792/0000	OPEX	261 065	277 729	297 170	0	0
Wellness Programme	Health-being of municipal employees	ELM	Com Serv 7300/2773/0000	OPEX	282 000	650 000	321 000	0	0
Review and implementation of HIV/ AIDS Strategy	Reviewed HIV/ AIDS Strategy and Implementation Plan	ELM	Com Serv 7300/2825/0000	OPEX	258 500	600 000	294 250	0	0
Repairs and maintenance: Fencing Parks	Park is fenced and maintained	16	Com Srv 7301/2328/0000	OPEX	57 838	61 530	65 837	0	0
Lost Library books	Buy books that are lost.		Com Serv. 7304/2726/0000	OPEX	1 342	1 427	1 527	0	0

Plant Hire			Com Serv. 7302/2732/0000	OPEX	35 714	37 993	40 653	0	0
R & M Fencing (Tourism Resort)	Repairs maintenance of Tourism Resort		Com Serv. 7401/2312/0000	OPEX	10 443	11 109	11 887	0	0
R & M Tools & Equipment (Tourism and Resort)			Com Serv. 7401/2318/0000	OPEX	5 221	5 555	5 943	0	0

Sports Fields

Project Description	Project Outputs	DEPT	Ward	GFS	Five Year Budget Cycle				
					2012/2013	2013/201	2014/2	2015/	2016/20

						4	015	2016	17
Repairs and Maintenance	Sport fields are being maintained	Comm.	ELM	OPEX	312	352	369	384	0

Integrated Planning and Economic Developments

Project Description	Project Outputs	Ward	Dept	GFS	Five Year Budget Cycle				
					2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Live Stock Branding/Marketing	Improve value for Livestock	09	IPED	OPEX	62 000	200 000	0	0	0
Stock Pen Construction	Improving small farm commercialisation	ELM	IPED	OPEX		450 000	0	0	0
Dipping Tanks (Completion & Finishing) Mhlanga, Boniswa,Tsawulayo,Lower Agnes , Boqo, Nqiningana, Xonxa, Mkhaphusi, Qoqodala, Bankies & Badi	Improve value for Livestock	ELM	IPED	OPEX		600 000	0	0	0
Irrigation Scheme Support	Poverty reduction initiatives	01	IPED	OPEX	0	450 000	0	0	0

Promote of Local Tourism in ELM	Marketing the Emalahleni area as a tourist destination	ELM	IPED	OPEX	200 000	250 000	0	0	0
SMME Support- Provision of training and implements to 5 SMME' s	5 SMME's supported with training and implements	ELM	IPED	OPEX	0	200 000	0	0	0
SMME Support – Paving Bocks Machinery	Increase support on Enterprise development	ELM	IPED 7200/2808/0000	OPEX	800 000	R750 000	0	0	0
Feasibility Study and Business Plan for Bottled Water Enterprise	Unlock business opportunities	ELM	IPED	OPEX	0	600 00	0	0	0
Erection of Hawker Stalls in Lady Frere	Hawker Stalls Erected	04	IPED	MIG	1,364 050	0	0	0	0
Erection of Hawker Stalls in Indwe	Hawkers Stalls Erected	15,16	IPED	MIG	0	R1,364 050	0	0	0
Erection of Hawkers Stalls in Dordrecht	Hawkers Stalls Erected	14	IPED	MIG	0	0	R1,364 050	0	0
IDP Review	Reviewed IDP	ELM	IPED	OPEX	200 000	10150 000	0	0	0

Subdivision of Municipal land in Town	Municipal Land is being divided	ELM	IPED 7200/2803/0000	OPEX	150 000	150 000	0	0	0
Land Use Management Systems (Local specific SDF's)	Local SDF is developed per town	ELM	IPED 7200/2805/0000	OPEX	400 000	0	0	0	0
Township establishment	Formalisation of Townships and develop new townships	ELM	IPED 7200/2817/0000	OPEX	400 000	300 000	0	0	0
Land Audit	Carry out land audit in the whole municipal area	ELM	IPED 7200/2806/0000	OPEX	500 000	0	0	0	0
Town scheme planning	Formalise Pilot houses	ELM	IPED 7200/2818/0000	OPEX	500 000	0	0	0	0
Marketing of Town & Regional Planning	Regional and Town plans are being marketed	ELM	IPED	OPEX		150 000			
Geographic Information System Support	Fully functional GIS	ELM	IPED	OPEX		200 000			

Layout plan – Cemeteries	Layout Plans developed	ELM	IPED 7200/2819/0000	OPEX	500 000	500 000	0	0	0
Implementation of Housing Sector Plan	Implementation Plan	ELM	IPED	OPEX	0	250 000	0	0	0
Pre-Schools (completion & finishing) Upper Mkhaphusi, Bengu,Cacadu,Maqhubela Macky's Neck Gxojeni, Lukhanyiso, Vaalbank & Nqiningana Pre-school	9 Pre- schools completed	ELM	IPED	OPEX	0	700 000	0	0	0
Legal Fees For Building Related Enforcement	Law enforcement	ELM	IPED	OPEX	0	100 000	0	0	0
Liberation Heritage	Support to Liberation Heritage	ELM	IPED	OPEX	0	100 000	0	0	0

Good Governance and Public Participation

Project Description	Project Outputs	Ward	DEPT	GFS	Five Year Budget Cycle				
					2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Public Participation	To enhance Public Participation- Outreach/ Imbizo	ELM	Speaker's	Council 7000/279	400 000	300 000	420 000	0	0

				9/0000					
Traditional Leadership Support	Support	ELM	Speaker's	Council	0	100 000	0	0	0
Ward Committee Training	To improve the knowledge of ward committees	ELM	Speaker's	Council 7000/2798/0000	610 000	300 000	639 000	0	0
Ward Committee Travelling Assistance	Payments of out pockets expenses	ELM	Speaker's	Council 7000/2767/0000	2142 000	2 200 000	2 142 000	0	0
ELM Women's Forum	Women Indaba Strat Plan Developed	ELM	Mayor	Council 7000/2737/0164	180 000	200 000	214 000	0	0
Field Band project	Brass Band Choir	ELM	Mayor's	Council 7000/2748/0000	430 000	600 000	481 500	0	0
Elderly Cultural Development – Golden Game Support	Older Persons wellness promoted	ELM	Mayor's	Council 7000/2737/0155	70 000	100 000	80 250	0	0
Communication – Review of Communication and Public	Reviewed Communication Strategy	ELM	Mayor's	Council 7000/272	500 000	520 000	540 000	0	0

Participation Strategies	and Public Participation			8/0000					
Hosting Mayor's Cup	Mayors Cup Tournament	ELM	Mayor's	Council 7000/2729/0000	400 000	450 000	420 000	0	0
SPU District World Aid	World Aids Day	ELM	Mayor's	Council 7000/2737/0153	55 000	60 000	64 200	0	0
Youth Development Plan Formulation	Capacity Building and Youth Plan	ELM	Mayor's	Council 7000/2737/0154	1000 000	200 000	1350 000	0	0
Revive ELM Forum and Training	Revive Disabled Forum	ELM	Mayor's	Council 7000/2737/0156	280 000	200 000	321 000	0	0
Mid-Term Progress review	Section 72 report and Adjustment Budget	ELM	Mayor's	Council 7000/2738/0000	400 000	420 000	450 000	0	0
Improve Public participation	Training provided to ward committees political office bearers	ELM	Speaker	MSIG (Finance) 7103/2828/0223	R 100 000	R 100 000	R 150 000	0	0

Mandela Day Celebration		ELM	Mayors	Council	0	100 000	0	0	0

Municipal Transformation and Organisational Development

Project Description	Project Outputs	Ward	DEPT	GFS	Five Year Budget Cycle				
					2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Policies	Reviewed Policies	ELM	Corporate 7103/2828/0224	MSIG	R200 000	R 200 000	R 300 000	0	0
Training – Administration, Councillors	Skills Development	ELM	Corporate	MSIG	0	850 000	0	0	0

Financial Viability and Management

Project Description	Project Outputs	Ward	DEPT	GFS	Five Year Budget Cycle				
					2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Operation Clean Audit	Turnaround on Municipal Financial Management	ELM	Finance 7103/26	FMG	R400 000	R550 000	R800 000	0	0

			67/0000						
Development of Revenue Enhancement Strategy	Revenue Enhancement Strategy	ELM	Finance	ELM	0	300 000	0	0	0
Updating Valuation Roll	Updated Valuation Roll	ELM	Finance	ELM	0	2 200 000	0	0	0
Conduct Data Cleansing	Clean Data	ELM	Finance	ELM	0	300 000	0	0	0
Learnership for Finance Interns and competency training	Appointment and Training of 5 Financial Interns and competency training staff	ELM	Finance 713/2667/0000	FMG	R400 000	R700 000	1 500		0
Upgrading of IT network and computer hardware	Network and computer to support information system	ELM	Finance 7103/2667/0000	FMG	R 300 000	0	0		
Implementation of GRAP 17 asset register	GRAP compliant asset register	ELM	Finance 7103/2667/0000	FMG	R400 000	R250 000			
Audit Turnaround	Audit Report corrections	ELM	Finance 7103/2828/0222	MSIG	R247 000	R220 000	R180 000		
Functional IT system	Information system that	ELM	Finance	MSIG	R253 000	R300 000	R320 000		

	supports operations								
Contribution to Indigents	Contribution Free Basic Services	ELM			1 571 200	5 222 500	5 473 180	5 685 539	

2. CONTRIBUTIONS BY SECTOR DEPARTMENTS

Department of Sport, Art and Culture

Project Description	Project Output	Ward	Area	Dept	Financial Year Budget Cycle				
					2012/13	2013/14	2014/15	2015/16	2016/217
Library	Library	04	Lady Frere	DSRAC	R7,5 m	0	0	0	0
Bengu Mobile Library	Mobile Library	02	Bengu	DSRAC	?	0		0	0
Tsembeyi Mobile Libra	Mobile Library	10	Tsembeyi	DSRAC	?	0	0	0	0

Department of Health

Project	Project	Ward	Area	Dept	Financial Year Budget Cycle

Description	Output								
					2012/13	2013/14	2014/15	2015/16	2016/217
Vaal Bank Clinic	Clinic is built	8	Vaal Bank	DOH	R650 000	0	0	0	0

SASSA

Grant type	No of beneficiaries	Estimated Expenditure
Projected no. beyond specific targets	1009	R1.271.340.00
Care Dependency	150	R189.000.00
Child Support Grant	817	R236.930.00
Foster Care Grant	130	R 104.000.00
Grant In Aid	100	R 126.000.00
Old Age Grant	551	R 694.260.00
Permanent disability	150	R189.000.00
Temporary Disability	100	R126.000.00
Social Relief Of Distress	772	R 978.850.00

TOTAL	**3779**	**R3.915. 380.00**

Department of Human Settlements

Project Description	Project Output	Ward	Area	Dept	Financial Year Budget Cycle				
					2012/13	2013/14	2014/15	2015/16	2016/217
Mavuya 462 Phase 1&2	280 houses to be rectified	15	Indwe	DHS	R10,73m	0	R5,7m	R11,4m	0
Chris Hani Emergency units 300	26 units to be built	ELM	ELM	DHS	R2,16m	R500 000	0	0	0
Sinakho Zwelethemba 289	289 houses to be built(Planning)	11	Dordrecht	DHS	R0,60m	R1,158 000	R6,358 000	0	0
Indwe west Gate 160	160 houses to be built (Planning)	16	Indwe	DHS	R0.62m	R250 000	R3,52m	0	0
Zwartwater 1000 (rural)	1000 houses to be built (Planning)	9	Zwartwater	DHS	R0,5m	R250 000	R1,65m	R2,75m	0

Dordrecht 2000	50 houses to be rectified	11	Dordrecht	DHS	R6,8m	R2,5m	R3m	R3,750m	0
Lady Frere 715	50 houses to be rectified	4	Lady Frere Township	DHS	R6,8m	R10,999 996	R4m	R4m	0
TRANSFERS									
Dordreccht 1000			Dordrecht	DHS	R20 256				
Lady Frere 564			Lady Frere	DHS		R168 800	R270 924		

Department of Public Works

Project Description	Project Output	Ward	Area	Dept	Financial Year Budget Cycle				
					2012/13	2013/14	2014/15	2015/16	2016/217
EPWP	Creation of job opportunities through infrastructure	ELM	ELM	DPW	R13 000	R6,934,320 000.00	0	0	0

	development								
EPWP – Deployment of household to school	Job Creation	ELM	ELM	DPW		R524,880.00			
EPWP – Deployment to Government Institutions	Job Creation	ELM	ELM	DPW		R90 720.00			
	Job Creation	ELM	ELM	DPW		R129 600			
Vukuzenzele Physically Challenge Centre	New Construction	ELM	ELM	DPW		R468 000			
Road Maintenance	998kms to be maintained through houses contractors	ELM	ELM	DPW	R6, 227,520	0	0	0	0
Community Development	Maintenance of clinics, schools, hospitals and access roads	ELM	ELM	DPW	R1,379,040.00	0	0	0	0

Public Building Infrastructure	Building of Vukuzenzele Multi-Purpose Centre, Social Cluster, 12 NYS and training of 11 local community	ELM	ELM	DPW	R48,485,486.33	0	0	0	0
Road maintenance (DR Roads)	7 roads to be maintained	ELM?	ELM	DPW	R4,5m	0	0	0	0
Patching and Graveling 9.2km and installing pipes	Patching and Graveling	Zwaartwater, Boqo, Phumlani	ELM	DPW		R4, 546 878.60			
Extension of slap, bridge upgrade N6 to zwaartwater and regravelling		Zwaartwater	ELM	DPW		R10m			

Rehabilitation of Nonesi MR06659		ELM	ELM	DPW		R25m			
Rennovations of sanitation and ablution-Freemantle Boys High		ELM	ELM	DPW		R188, 857 872.00			
Rennovations of Hostels – Mt Arthur Girls High School		ELM	ELM	DPW		R7, 269 551.36			

Department of Rural Development and Land Reform

Project Description	Project Output	Ward	Area	Dept	Financial Year Budget Cycle				
					2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Hala 1& 2 Agriculture Primary Co-op	(Sorghum and Maize)	03	Lady Frere Hala			R4 000 000	0	0	0

Vukani Youth	**(Vegetable)**	03	Hala			R1 200 000.00	0	0	0
Lamoen and Cegceyana	**Vegetable**	03	Lamoen			R2 300 000.00	0	0	0

Department of Rural Development and Agrarian Reform

Project Description	**Project Output**	**Ward**	**Area**	**Dept**	**Financial Year Budget Cycle**				
					2012/13	2013/14	2014/15	2015/16	2016/217
Machubeni Land Care	Agric support	13	Machubeni	Dept of Agrarian	R700 000	R300 000	0	0	0
Stabelberg Farm	Agric support	16	Indwe	Dept of Agrarian	R131 018	0	0	0	0
Kuyasa Farming Gagela	Agric support	15	Ida	Dept of Agrarian	R161 799.00	0	0	0	0
Khepu Bese	Agric	14	Dordrecht	Dept of	R337 124.02	0	0	0	0

LRAD	support			Agrarian					
Amandlane Farm	Agric support	15	Ida	Dept of Agrarian	R193 000.00	0	0	0	0
Ithango Farmers coop	Fencing of farm boundaries	16	Guba	Dept of Agrarian	R1 000 000	R300 000	0	0	0
Zabalaza Farmers coop	Food Security projects	16	IDA	Dept of Agrarian	0	R300 000	0	0	0
Ibuyambo Farmers coop	Food Security projects	1- 12	Lady Frere	Dept of Agrarian	0	R300 000	0	0	0
Mhlontlo Rural Developme nt project	Food security projects	2	Maqhashu	Dept of Agrarian	0	R300 000	0	0	0
Mhlanga Shearing Shed	Infrastructu re Developme nt projects	14	Mhlanga Shearing Shed	Dept of Agrarian	0	R730 000	0	0	0
Fencing	Infrastructu re Developme	2	Bengu	Dept of Agrarian	0	R356 000	0	0	0

	nt projects								

Department of Local Government and Traditional Affairs

Project Description	Project Output	Ward	Area	Dept	Financial Year Budget Cycle				
					2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Developing of 17 Ward Based Plans	17 Ward Based Plans	All	ELM	DLGTA	0	R 455,000	0	0	0

Department of Social Development

COMMUNITY DEVELOPMENT

1. YOUTH DEVELOPMENT

NO.	PROJECT NAME	PROJECT CATEGORY	YEAR FUNDED	PROJECT ACTIVITY	WARD	LOCATION	NUMBER OF BENEFICIARIES	BUDGET	1st TRANCHE	PROGRESS
1	Ukhanyiso Development Project	Youth Development	2013 / 14	Fitness & Recreation	05	Lady Frere Town	07	R 600. 000	R 300.000	Project Site obtained, 36 X 36 Fenced, Awaiting design

										for erection of structure.

2. WOMEN DEVELOPMENT

NO.	PROJECT NAME	PROJECT CATEGORY	YEAR FUNDED	PROJECT ACTIVITY	WARD	VILLAGE	NUMBER OF BENEFICIARIES	BUDGET	1st TRANCHE	PROGRESS
2	Inkwenkwezi Project	Women Development	2013 / 14	Poultry Production	08	Vaalbank	10	R 341, 600	R 170, 800	Erection of Poultry Structure, Broilers and Feed, Project Stationery Purchased, Monthly Stipend of R800. 00 for nine project members.

3. SUSTAINABLE LIVELIHOOD (FOOD SECURITY)

NO.	PROJECT NAME	PROJECT CATEGORY	YEAR FUNDED	PROJECT ACTIVITY	WARD	VILLAGE	NUMBER OF BENEFICIARIES	BUDGET	1st TRANCHE	PROGRESS
3	Siyakhana eGlen Grey	Sustainable livelihood	2013 / 14	Crop and vegetable Production	04	Cacadu	07	R 426, 700	R 213, 350	Irrigation Installed in 4 hactors,vegetable planted, 7 Project members receive stipend of R 800.00. Income generated R5,000.00.
4	Masilime Women's Project	Sustainable livelihood	2013 / 14	Crop and vegetable Production	02	Sikwanqeni	02	R 490, 200.	R 490, 200.	Upgrading Irrigation Scheme, Water tanks purchased and Tractor Repairs. Twelve project members receive R800.00 stipend per

										month.	
	SOCIAL WELFARE SERVICES										
NO.	**PROJECT NAME**	**SUB-PROGRAMME**	**YEAR FUNDED**	**PROJECT ACTIVITY**	**WARD**	**VILLAGE**	**NO.OF BENEFICIARIES**	**NO. OF CARE GIVERS**	**BUDGET**	**1st TRANCHE**	
1	**Tada Project**	**Substance abuse**	**2013/2014**	Render Preventative programmes	All	All	Youth	06	R122 000	Once off	
2	Masonwabe	Older Persons	**2013/2014**	Care and support.	9	Vaalbank	**60**	05	R200 per older person per month	Monthly	
3	Masonwabe	Older Persons	**2013/2014**	Care and support.	3	Hala	60	04	R200/ person/ month	Monthly	
4	Thembalethu	Older Persons	**2013/2014**	Care and support.	4	Cacadu	50	05	R200/ person/ month	Monthly	

5	Noncedo	Older Persons	**2013/2014**	Care and support.	01	Kundulu	50	08	R200/ person/ month	Monthly	
6	**Sosebenza Service Centre**	Older Persons	**2013/2014**	Care and support.	**16**	Indwe	**110**	07	R200/ person/ month	**Monthly**	
7	**Masakhe Intergenerational Programme**	Older Persons	**2013/2014**	Care and support.	**17**	Kuntsinga	**96**	08	R200/ person/ month	**Monthly**	
8	**Hlalanathi**	Older Persons	**2013/2014**	Care and support.	**05**	Cumakala	**93**	04	R200/ person/ month	**Monthly**	
9	**Soyi S. C.**	Older Persons	**2013/2014**	Care and support.	**10**	Tsembeyi	**50**	05	R200/ person/ month	**Monthly**	
10	**Luxolo S.C.**	Older Persons	**2013/2014**	Care and support.	**10**	Tsembeyi	**50**	05	R200/ person/ month	**Monthly**	
11	Khuseleka Support Centre	**Victim Empowermen t**	**2013/2014**	Prevention, care and support	06	Mckysneck	Victim s of crime	06	R350 000	R175 000	
12	Lavelilanga Gender	**Victim Empowermen**	**2013/2014**	Prevention, care	16	Indwe	Victim	05	R250 000	R125	

	Empowerment Project	t		and support			s of crime			000	
13	Ndonga H.C.B.C	**HIV/AIDS**	**2013/2014**	Prevention, care and support	03	Ndonga	Com munit y	18	Conditional grant		
14	Sakhingomso H.C.B.C	**HIV/AIDS**	**2013/2014**	Prevention, care and support	16	Indwe	Com munit y	10	Stipend + Administration	R144 000.00 +R5000	
15	Masibambane H.C.B.C	**HIV/AIDS**	**2013/2014**	Prevention, care and support	05	Lady Frere	Com munit y	10	Stipend + Administration	R144 000.00 +R5000	
16	Umthombo Wempilo H.C.B.C	**HIV/AIDS**	**2013/2014**	Prevention, care and support	13	Machubeni	Com munit y	10	Stipend + Administration	R144 000.00 +R5000	
17	Indwe Family Resource Centre	Services to Families	**2013/2014**	Prevention, care and support	16	Indwe	Famili es at risk	06	R125 000	Once off	
18	Emadlelweni (Community based and rehabilitation)	Services to people with disability	**2013/2014**	Prevention, care and support	16	Indwe	15	13	R17. 00 per child per day	Monthly	

19	Siyathemba Special Day Care Centre	Services to people with disability	**2013/2014**	Prevention, care and support	14	Indwe	30	04	R17,00 per child per day	Monthly	
20	Boomplaas	Child Care & Protection	**2013/2014**	Prevention, care and support	13	Machubeni	45	02	R15 per child per day.	Monthly	
21	Buffalo Thorns	Child Care & Protection	**2013/2014**	Prevention care and support	9	Vaalbank	20	02	R15/child / day.	Monthly	
22	Buyani	Child Care & Protection	**2013/2014**	Prevention care and support	16	Indwe	47	02	R15 /child/ day.	Monthly	
23	Emzi	Child Care & Protection	**2013/2014**	Prevention	6	Mckysnek	42	02	R15/child /day.	Monthly	
24	Gadlume	Child Care & Protection	**2013/2014**	Prevention care and support	13	Gadlume	40	02	R15 per child per day.	Monthly	
25	Gqebenya	Child Care & Protection	**2013/2014**	Prevention care and support	6	Gqebenya	48	02	R15 /child/ day.	Monthly	
26	Ikhwezi	Child Care & Protection	**2013/2014**	Prevention care and support	13	Nkenkulu	39	02	R15 /child/ day.	Monthly	
27	Isiseko (Bengu)	Child Care &	**2013/2014**	Prevention	2	Qutubeni	61	02	R15 /child/ day.	Monthly	

		Protection		care and support							
28	Jekeni Nomzamo	Child Care & Protection	**2013/2014**	Prevention care and support	8	Jekeni	30	02	R15 /child/ day.	Monthly	
29	Khanya	Child Care & Protection	**2013/2014**	Prevention care and support	8	Mgqukhwebe	25	02	R15 /child/ day.	Monthly	
30	Khanyisa	Child Care & Protection	**2013/2014**	Prevention care and support	5	Dopu	30	02	R15 /child/ day.	Monthly	
31	Khulile		**2013/2014**	Prevention care and support	2	Ntsinga	38	02	R15 /child/ day.	Monthly	
32	Kuyasa	Child Care & Protection	**2013/2014**	Prevention care and support	2	Lanti	35	02	R15 /child/ day.	Monthly	
33	Lady Frere	Child Care & Protection	**2013/2014**	Prevention care and support	4	Lady Frere	59	02	R15 /child/ day.	Monthly	
34	Lanti Bush	Child Care & Protection	**2013/2014**	Prevention care and support	2	Lanti	22	02	R15 /child/ day.	Monthly	
35	Lanti Poort	Child Care & Protection	**2013/2014**	Prevention care and support	2	Lanti	20	02	R15 /child/ day.	Monthly	

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36	Lttle Fire	Child Care & Protection	**2013/2014**	Prevention care and support	12	Ngqanda	38	02	R15 /child/ day.	Monthly	
37	Makukhanye	Child Care & Protection	**2013/2014**	Prevention care and support	3	Trust	36	02	R15 /child/ day.	Monthly	
38	Masakhane	Child Care & Protection	**2013/2014**	Prevention care and support	16	Guba Hoek	43	02	R15 /child/ day.	Monthly	
39	Masithembe	Child Care & Protection	**2013/2014**	Prevention care and support	3	Greyspan	38	02	R15 /child/ day.	Monthly	
40	Matyantya	Child Care & Protection	**2013/2014**	Prevention care and support	6	Matyantya	44	02	R15 /child/ day.	Monthly	
41	Mikhaya	Child Care & Protection	**2013/2014**	Prevention care and support	1	Xonxa	40	02	R15 /child/ day.	Monthly	
42	Mount Arthur	Child Care & Protection	**2013/2014**	Prevention care and support	12	Mount Arthur	38	02	R15 /child/ day.	Monthly	
43	Mzamomhle (Bozwana)	Child Care & Protection	**2013/2014**	Prevention care and support	7	Bozwana	45	02	R15 /child/ day.	Monthly	
44	Mzamomhle (Maqhubela)	Child Care &	**2013/2014**	Prevention	3	Maqhubela	45	02	R15 /child/ day.	Monthly	

		Protection		care and support							
45	Mzamomhle (Xonxa)	Child Care & Protection	**2013/2014**	Prevention care and support	1	Xonxa	45	02	R15 /child/ day.	Monthly	
46	Nalisango	Child Care & Protection	**2013/2014**	Prevention care and support	13	Helushe	46	02	R15 /child/ day.	Monthly	
47	Ngqanda	Child Care & Protection	**2013/2014**	Prevention care and support	12	Ngqanda	30	02	R15 /child/ day.	Monthly	
48	Njongozethu	Child Care & Protection	**2013/2014**	Prevention care and support	2	Lanti	40	02	R15 /child/ day.	Monthly	
49	Nokulunga	Child Care & Protection	**2013/2014**	Prevention care and support	3	Hala No. 1	30	02	R15 /child/ day.	Monthly	
50	Nolukhanyo	Child Care & Protection	**2013/2014**	Prevention care and support	16	Gxojeni	40	02	R15 /child/ day.	Monthly	
51	Noluvuyo	Child Care & Protection	**2013/2014**	Prevention care and support	8	Bengu	20	01	R15 /child/ day.	Monthly	
52	Nonkuthazo	Child Care & Protection	**2013/2014**	Prevention care and support	12	Luxeni	35	02	R15 /child/ day.	Monthly	

53	Nompumelelo (Ebholeni)	Child Care & Protection	**2013/2014**	Prevention care and support	7	Dubeni	44	02	R15 /child/ day.	Monthly	
54	Nompumelelo (Glen adelaide)	Child Care & Protection	**2013/2014**	Prevention care and support	5	Glen Adelaide	20	02	R15 /child/ day.	Monthly	
55	Nompumelelo (Guba Hoek)	Child Care & Protection	**2013/2014**	Prevention care and support	16	Guba Hoek	40	02	R15 /child/ day.	Monthly	
56	Nomveliso	Child Care & Protection	**2013/2014**	Prevention care and support	14	Kalkfontein	40	02	R15 /child/ day.	Monthly	
57	Nomzamo (trust)	Child Care & Protection	**2013/2014**	Prevention care and support	13	Macubeni	60	02	R15 /child/ day.	Monthly	
58	Nomzamo (qoqodala)	Child Care & Protection	**2013/2014**	Prevention care and support	7	Qoqodala	32	02	R15 /child/ day.	Monthly	
59	Noncedo (Ngqoko)	Child Care & Protection	**2013/2014**	Prevention care and support	4	Ngqoko	20	02	R15 /child/ day.	Monthly	
60	Noncedo (Guba Hoek)	Child Care & Protection	**2013/2014**	Prevention care and support	16	Guba Hoek	36	02	R15 /child/ day.	Monthly	
61	Nobantu	Child Care &	**2013/2014**	Prevention	2	Lanti	38	02	R15 /child/ day.	Monthly	

		Protection		care and support							
62	Phakamani (Greyspan)	Child Care & Protection	**2013/2014**	Prevention care and support	3	Greyspan	33	02	R15 /child/ day.	Monthly	
63	Phakamanl (Mckysnek)	Child Care & Protection	**2013/2014**	Prevention care and support	6	Mckysnek	33	02	R15 /child/ day.	Monthly	
64	Qoboshane	Child Care & Protection	**2013/2014**	Prevention care and support	13	Qoboshane	42	02	R15 /child/ day.	Monthly	
65	Qumbu	Child Care & Protection	**2013/2014**	Prevention care and support	9	Zwaartwater	45	02	R15 /child/ day.	Monthly	
66	St. Catherines	Child Care & Protection	**2013/2014**	Prevention care and support	16	Indwe	62	02	R15 /child/ day.	Monthly	
67	St. Cyprians	Child Care & Protection	**2013/2014**	Prevention care and support	13	Macubeni	35	02	R15 /child/ day.	Monthly	
68	Sifunulwazi	Child Care & Protection	**2013/2014**	Prevention care and support	9	Zwaartwater	40	02	R15 /child/ day.	Monthly	
69	Sinethemba	Child Care & Protection	**2013/2014**	Prevention care and support	3	Ntlalontle	40	02	R15 /child/ day.	Monthly	

70	Siyabulela		**2013/2014**	Prevention care and support	9	Upper Vaalbank	40	02	R15 /child/ day.	Monthly	
71	Siyakonwaba	Child Care & Protection	**2013/2014**	Prevention care and support	9	Vaalbank	20	01	R15 /child/ day.	Monthly	
72	Sivumile	Child Care & Protection	**2013/2014**	Prevention care and support	3	Maqhubela	60	02	R15 /child/ day.	Monthly	
73	Sivuyisiwe	Child Care & Protection	**2013/2014**	Prevention care and support	9	Zwaartwater	31	02	R15 /child/ day.	Monthly	
74	Sizamele	Child Care & Protection	**2013/2014**	Prevention care and support	13	Emthini	40	02	R15 /child/ day.	Monthly	
75	Small Farm	Child Care & Protection	**2013/2014**	Prevention care and support	6	Gqebenya	22	02	R15 /child/ day.	Monthly	
76	Tafeni	Child Care & Protection	**2013/2014**	Prevention care and support	2	Bengu	40	02	R15 /child/ day.	Monthly	
77	Thaleni	Child Care & Protection	**2013/2014**	Prevention care and support	16	Thaleni	45	02	R15 /child/ day.	Monthly	
78	Thembelihle	Child Care &	**2013/2014**	Prevention	13	Upper Gxojeni	29	02	R15 /child/ day.	Monthly	

		Protection		care and support							
79	Vukani (Ntlalontle)	Child Care & Protection	**2013/2014**	Prevention care and support	3	Ntlalontle	30	02	R15 /child/ day.	Monthly	
80	Vukani (Upper Mgwalana)	Child Care & Protection	**2013/2014**	Prevention care and support	14	Upper Mgwalana	30	02	R15 /child/ day.	Monthly	
81	Vulindlela	Child Care & Protection	**2013/2014**	Prevention care and support	6	Mckysnek	44	02	R15 /child/ day.	Monthly	
82	Vuyani	Child Care & Protection	**2013/2014**	Prevention care and support	13	Mbolombeni	35	02	R15 /child/ day.	Monthly	
83	Nompumelelo (Tsembeyi)	Child Care & Protection	**2013/2014**	Prevention care and support	10	Tsembeyi	27	02	R15 /child/ day.	Monthly	
84	Nontsikelelo	Child Care & Protection	**2013/2014**	Prevention care and support	7	Dubeni	32	02	R15 /child/ day.	Monthly	
85	Yimpucuko	Child Care & Protection	**2013/2014**	Prevention care and support	14	Dordrecht	44	02	R15 /child/ day.	Monthly	
86	Zamokuhle	Child Care & Protection	**2013/2014**	Prevention care and support	7	Bowden	20	02	R15 /child/ day.	Monthly	

87	Zanoxolo	Child Care & Protection	**2013/2014**	Prevention care and support	10	Mateyise	25	02	R15 /child/ day.	Monthly	
88	Zikhulise	Child Care & Protection	**2013/2014**	Prevention care and support	7	Qoqodala	35	02	R15 /child/ day.	Monthly	
89	Zolani	Child Care & Protection	**2013/2014**	Prevention care and support	8	Ngonyama	61	02	R15 /child/ day.	Monthly	
90	Zubasdale	Child Care & Protection	**2013/2014**	Prevention care and support	3	Hala	60	02	R15 /child/ day.	Monthly	
91	Nonkunzi	Child Care & Protection	**2013/2014**	Prevention care and support	4	Cacadu	43	02	R15 /child/ day.	Monthly	
92	ACVV	Child Care & Protection	**2013/2014**	Prevention care and support	14	Dordrecht	Community	02	R119 500.00	Monthly	
93	Nerinahof Old Age Home	Older Persons	**2013/2014**	Care and support	14	Dordrecht	50	12	R1700.00 per older person	Monthly	

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Department of Education

PROGRESS REPORT ON CURRENT SCHOOL BUILDING PROJECTS

NAME OF SCHOOL	PROJECT	STATUS	BUDGET
FREEMANTLE B.H.S	Hostel renovation	Contractor on site	R5.2 Million
	Plumbing and Drainage		R1.88Million
MT ARTHUR G.HS	Hostel renovation	Contractor on site	R7.2 Million
NTSONKOTHA S.S.S	Hostel renovation	Awaiting site handing over	R5.6 Million
Exam Centre	Construction	Contractor on site	R13.8Million
BUYOKOYOKO JSS	Construction	Contractor on site	R 12 952 628
MKAPUSI JSS	Construction	Contractor on site	R 8,656,259
THANDISIZWE SPS	Construction	Contractor on site	R 7,693,194

Department of Education

Project Description	Project Output	Ward	Area	Dept	Financial Year Budget Cycle				
					2012/13	2013/14	2014/15	2015/16	2016/217

HIV/AIDS	Care and Support for Teaching and Learning	**All**	**All**	**DOE**	R125 000.00				
Early Childhood Development	1.Compensation of 161 Grade R practitioners			**DOE**	R9660000				
	2.Training of Grade R practitioners in level 5 to upgrade their qualifications			**DOE**	R156340				
	3.Allocation of funds for 135 public schools with Grade R classes to purchase LTSM and outdoor play equipment			**DOE**	RII63068				
National School Nutrition Programme	Feeding all learners in Primary and secondary schools, Providing stipend and provide fuel to cook		**All**	**DOE**	**R903 644 m**				
Scholar Transport Services	Transportation of Learners		**All**	**DOT**	**R210m**				

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ANNEXURE 2 - PRIORITIES PER WARD 2013/14

WARD 1

ELECTRICITY: all villages
ROAD CONSTRUCTION & MAINTANANCE: all villages
WATER: Rodana, Xonxa, Tsolokazi, Tshashu, Nqiningana
COMMUNITY HALL: Tshatshu
FENCING: all villages

1. ANTI- EROSION WALLS: All villages
2. ACCESS ROADS & BRIDGES: Main road to Mpotulo, Tafileni (Nqiningana), Mgqomeni to Lapesini, Rodana bridge, Xonxa,
3. NETWORKS: Cellphones and Televisions: Rodana, Xonxa, Tshatshu, Tsolokazi
4. GARDEN PROJECTS:
5. CLINICS: Mpotulo, Nqiningana &Rodana
6. DIPPING TANKS: Rodana
7. SHARING SHED: Xonxa, Tsolokazi, Mpotulo, Tsolokazi
8. SPORT FIELD
9. EXCUVATION/ QUARRY/ CRUSH STONE
10. CONSTRUCTION OF LIVESTOCK DAMS
11. TOURISM CENTER AND GAME RESERVE
12. ALEIN ERADICATION
13. COMMUNITY HALL: Xonxa, Nqiningana, Mpotulo, Tsolokazi, Tshatshu, Nkolonga, Rodana
14. SCHOOL BUILDING: Rwantsana, Mpotulo & Hlathinkhulu
15. PRESCHOOL: Rwantsana, Xonxa(Qineni), Mpotulo
16. PAY- POINT CENTERS
17. CRAFT CENTER
18. MASSIVE PRODUCTION: agricultural scheme xonxa, ngxabane, rwantsana, tshatshu
19. RDP HOUSES
20. MARKETING
21. TRACTORS FOR FARMERS
22. SAND MINING
23. JOB CREATION

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WARD 2

1. **ELECTRICITY:** Nkolonga, Sikhwanqeni and extensions
2. **FENCING:** grazing land in all wards.
3. **TAR ROADS AND ACCESS ROADS:** from lady frère to Qamata and Nkolonga (Njombela, Mthonjeni, Lututu, Masakhane, Lanti, Sikhwanqeni)
4. **RDP HOUSES:** all wards
5. **CLINIC:** Nkolonga
6. NETWORK SIGNAL: for TV and cell phones, Skwanqeni
7. LAPESI ERADICATION: Qutubeni, Siqitini, Lanti
8. SHEARING SHED: Mtonjeni, Ntsinga, Lanti
9. ELECTRICITY: Lanti, Loqolo, Nkolonga
10. COMMUNITY HALL: Qutubeni, Ntsinga and Maqhashu, Lanti, Luthuthu, Skwanqeni
11. CLINIC AND MOBILE CLINIC: Lututu, Nkolonga
12. **SANITATION:** All villages
13. **WATER:** In Masakhane, Zothe, Sihlabeni, Lanti, Luthuthu, Skwanqeni, Nkolonga
14. **FENCING:** In Bengu, Luqolo, Njombela and Maqata, Skwanqeni, Nkolonga,
15. **ACCESS ROAD:** Maqhashu via Ntsinga to Njombela, Maqhashu to Lanti, Nkolonga bridge
16. **BRIDGE**: Mthwakazi bridge
17. NETWORK SIGNAL: for TV and cell phones, Skwanqeni
18. LAPESI ERADICATION: Qutubeni, Siqitini, Lanti
19. SHEARING SHED: Mtonjeni, Ntsinga, Lanti
20. ELECTRICITY: Lanti, Loqolo, Nkolonga
21. COMMUNITY HALL: Qutubeni, Ntsinga and Maqhashu, Lanti, Luthuthu, Skwanqeni
22. CLINIC AND MOBILE CLINIC: Lututu, Nkolonga
23. CEMETERY: Maqhashu
24. SOCIAL DEVELOPMENT OFFICE: Ntsinga, Lanti, Bengu (SASSA)
25. FOOT BRIDGE: Skwanqeni,
26. SHARING SHED Skwanqeni
27. PRESCHOOL: Skwanqeni,
28. SCHOOL BUILDING: Nkolonga
29. DIPPING TANKS: Nkolonga

WARD 3

1. **STORM WATER MANAGEMENT**
2. **LAND CARE MANAGEMENT**
3. **ACCESS ROADS AND BRIDGES**
4. **ELECTRICITY AND EXTENSIONS**
5. **COMMUNITY HALL - Qaqeni**

1. LAPESI ERADICATION: Hala 1&2, Lawini, Maqhubela
2. SHEARING SHEDS: Ntlalontle, Zingqolweni, Maqubela
3. CLINIC: Zingqolweni, Maqhubela, Qaqeni
4. PRE-SCHOOL: Hala 1, Maqhubeni, Greyspan, Qaqeni, Zingqolweni
5. PRIMARY SCHOOL: Madwaleni
6. FENCING: All villages (to fence cemeteries and arable land)
7. Stock Dams –Greyspan
8. Electricity
9. Land Care Management – All Vilages

WARD 4

1. **STREETS LIGHTS: BHONGOLWETHU**
2. **FENCING: NGQOKO**
3. **COMMUNITY HALL/MULTI - PURPOSE CENTRE: TOWN, CACADU**
4. **SHEARING SHED:** ngqoko and cacadu
5. **ACCESS ROAD** – all townships and town.

6. Bridge (Mthwakazi, Cacadu & Bakaneni)
   Pound – Lady Frere Town

7. SKILLS CENTRE: Lady Frere Town
8. HIGH SCHOOL: Lady Frere Town
9. FENCING: Ngqoko, Cacadu (arable lands, roads)
10. Electricity – RDP Houses

11. New Cemetry
12. Streetlights Maintenance- Lady Frere Town, Apollo lights in Bongolwethu
13. Storm Drainages- Lady Frere
14. Library- Lady Frere Town
15. Damping Site – Lady Frere Town
16. Shopping Mall Ward 4

WARD 5

1. **ACCESS ROADS:** Noluthando village, Kwavala, Cumakala, Dopu
2. **WATER:** All Villages, Kwavala and Cumakala
3. **BRIDGES:** Lady Frere location, Topu village, Dopu, Gcinubuzwe (Cumakala)
4. **FENCING:** Glen Adelaide and Cumakala, Cavala
5. **SANITATION:** All villages
6. RDP HOUSING: Lady frere location, Dopu, Cumakala, Noluthando
7. CLINIC: Noluthando village
8. LAPESI ERADICATION: Glen Adelaide, Top, Cumakala
9. STREET CLEANING AND BEAUTIFICATION: Lady Frere location
10. COMMUNITY HALL: Noluthandi village and Lady Frere location, Cumakala, Glen Adelaide
11. Tractor for farmers (Cumakala, Glen Adelaide)
12. Paypoints (All villages)
13. Creches (All villages)
14. Electricity (Cavary)
15. Tarred Road – Dopu, Lady Frere Location
16. Shearing Shed – Dopu
17. Libraries – Dopu
18. Womens Gardens/ Irrigation Scheme - Dopu,
19. Street Lights- Part of Lady Frere, and Lady Frere location
20. Shopping Mall Ward 5
21. Foot Bridge from Topu to Nompucuko)
    Playground – KwaNoluthando, Cumakala, Kavala

WARD 6

1. **ACCESS ROADS** (Gqebenye, Ethembeni-Emahlathini, Dlamini, Samto Goodstaff, Emzi to Manyangaza.
2. **SANITATION-TOILETS** (all Villages)
3. **FENCING** (all Villages)
4. **IRRIGATION SCHEME**
5. **BRIDGES** (Emahlathini, Emzi, Kundulu,Mtyantya & Holani).
6. ANTI- EROSION WALLS
7. TELE- COMMUNCICATION CENTER
8. MOBILE POLICESTATION
9. ELECTRICITY – Emahlathini, Mqolombeni, Manyangaza
10. MORTGAGE- Dlamini
11. FARMING
12. GRAINE MILLER
13. CRECHES
14. MARKETING
15. CULTURAL VILLAGE
16. CLINIC- Mackaysnek
17. SPORT FIELD
18. RDP HOUSES
19. MOBILE CLINIC- Holani, Kundulu, Dlamini
20. GARDEN PROJECT
21. SHEARING SHED
22. STOCK DAMS
23. PAY PIONTS
24. WATER SUPPLY
25. CUTTING OF TREES
26. SPEED HUMPS
27. DIPPING TANKS- Gqebenya
28. NETWORK TOWER- Kundulu
29. MAINTENANCE OF ACCESS ROADS
30. SAND MINING
31. PLANTATION

32. TOURISM- Glen Grey Waterfalls, Gqebenya Abathwa Caves
33. SEWING PROJECT- Vulindlela

Fencing – All Villages

WARD 7

1. **ACCESS ROADS : all villages**
2. **FENCING OF GRAZING LAND AND ARABLE LAND**
3. **ERADICATION OF LAPESI**
4. **COMMUNITY HALL : Bozwana**
5. **SHEARING SHED**
6. Shearing Shed – Blangwe (livestock improvement) *
7. Irrigation Schemes Construction Xusha
8. Library
9. Sports Fields
10. Construction for Abet Centre
11. Support for Kudubeni and Maqwathini Schemes
12. Network Tower
13. Mobile Clinic Bozwana & Dubeni
14. Repair & Completion of Toilets
15. Electrification of new settlements
16. Water to new settlements
17. Completion of Qoqodala & Dubeni Bridges
18. Support to Local Brick Makers

Clinic (Bozwana & Dubeni)

WARD 8

1. **FENCING OF ARABLE AND GRAZING LAND**
2. **ACCESS ROADS :** All villages
3. **SHEARING SHED:** Mgqukhwebe, Ngonyama, Jojweni.

4. **REVIVAL OF CROP PLOUGHING :** Sorghum and wheat
5. **ELECTRICITY:** Lower Vaal Bank

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WARD 9

1. **WATER: Vaal bank, Buffelsdoring, Zwaartwater.**
2. **ACCESS ROADS all villages.**
3. **CLINIC: Tabasa, Zwaartwater, Ezingcaceni, Mayeye**
4. **ELECTRICITY: Qoboka, Zwaartwater, Vaal Bank, Buffelsdoring**
5. **POLICE STATION (mobile)**
6. BRIDGES- Zwartwater- Tabasa, Vaabank- Laphumilanga, Mcwangele
7. SHEARING SHEDS, (Gova & Dukathole)
8. FENCING ARABLE LAND
9. TRACTORS
10. ANTI- EROSION WALLS
11. COMMUNITY HALL- Zwartwater, Esidwadweni
12. POLICE STATION
13. TRANSPORTATION- Lady Frere
14. RDP HOUSES
15. IRRIGATION SCHEMES
16. ALIEN ERADICATION
17. NETWORK TOWER
18. SCHOOL FURNITURE & EQUIPMENT
19. BUILDING SCHOOL
20. COMMUNITY GARDENS
    Sport field (Gova & Dukathole)

WARD 10

1. **ACCESS ROAD** - All
2. **BRIDGES COURSE WAYS** – Fini Bridge
3. **COMMUNITY HALL & MPCC**

4. **ALIEN ERADICATION**
5. **FIVE TRACTORS**

6. ALIEN ERADICATION
7. FIVE TRACTORS
8. ANTI- EROSION WALLS
9. SPORT FIELD
10. COAL MINING OF TSEMBEYI
11. NETWORK TOWER- Cellphone
12. STOCK DAMS
13. RDP HOUSES- Whole Ward
14. TAXI RANK
15. GENERATOR FOR DIPPING TANKS
16. FENCING OF CULTIVATED FIELDS
17. FENCING OF CEMETRIES
18. PRE- SCHOOLS
19. CLINIC- Bankies, & Surrounding areas
20. BUS STOP SHELTERS
21. FENCING OF RESOURCE CENTER
22. SCHOOLS
23. POLICE STATION
24. TAR ROAD – R392 Dordrecht to Lady Frere
25. MAINTENANCE OF ACCESS ROAD- Buffelsdorings, Tsembeyi School, Komani School, Gcaka to Tsawulayo
26. MAINTENANCE OF TSEMBEYI WATER SCHEME
27. MAINTENANCE OF DIPPING TANKS
28. COURSEWAYS MAINTENANCE- 2 Buffelsdorings & Tsawulayo
29. Paypoints
30. Multipurpose centre

WARD 11

1. **STREETLIGHTS**

15

2. **TARRED ROAD**
3. **PRIMARY SCHOOL**
4. **POLICE STATION- REVIVAL OF THE OLD**
5. **CLINIC – RENOVATIONS**

6. **Brick making**
7. **Revival of Cheese Factory**
8. **LIBRARY** – Harry Gwala
9. **Toilets** – Harry Gwala
10. **Family resource centre**
11. **Renovation of Harry Gwala**
12. **Rectification RPD Houses**
13. **SPORTFIELD MAINTENANCE** - All Ward
14. **SHOPPING MALL**

WARD 12

1. **BRIDGES**
2. **ACCESS ROADS** - Luxeni
3. **ELECTRICITY**
4. **SHEARING SHED** – Ncalukeni, Lower Mkapusi
5. **WATER** – All wards water shortages

6. TARRED MAIN ROAD- Mkapusi, Mt.Hill, Mt.Athur
7. DIPPING TANKS- Ngqanda, Luxeni & Mkapusi
8. PRE-SCHOOL- Luxeni, Bomeni, Mt Hill, Mkapusi, Luxeni, Mkapusi
9. SCHOOLS- Ncalukeni & Mthunzini old buildings
10. Mkapusi J.S.S., Qwempe & Luxeni need renovations
11. SHEARING SHED- Ngqanda, Mkapusi,Mt.Athur, Ncalukeni, Gugulethu, Lower Mkapusi
12. FENCING- Whole WARD
13. HIGH SCHOOL- Ngqanda & Mkapusi
14. BUS STOP SHELTER- Mkapusi main road, Mt.Hill

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15. SORGHUM PROJECT- Bomeni, KwaQithi, Khohlo, Mqiti, Siyazondla (Qolweni)
16. FOUR TRACTORS- Whole Ward
17. YOUTH CENTER- Ngqanda, Mt.Arthur
18. RDP HOUSES- Ngqanda, Mkapusi, Bomeni, Mt.Athur & Mt.Hill
19. LIBRARIES- Ngqanda, Mkapusi,Bomeni, Mt.Athur & Mt.Hill
20. Women's Gardens – Bomeni, Mkhapusi, Kohlo, Ngqanda
21. Sports Grounds (Whole ward)
22. Electricity – Mkhapusi, Bomeni, Nkalweni
23. Clinic – Ngqanda, Lower Mkhapusi
24. Stock Dams – Mkhapusi
25. Sewing Project (Whole ward)
    Network Pole

WARD 13

1. **BRIDGES**
2. **POLICE STATION**
3. **COMMUNITY LIBRARY**
4. **SPORT GROUND**
5. **ACCESS ROADS** – All wards

6. NETWORK TOWER- Television, Cellphone
7. COMMUNITY HALL- Boniswa
8. SCHOOLS- St.Cyprinns J.S.S., Nobandla J.P.S.
9. PLAYING GROUNDS
10. 2 X MULTI- PURPOSE CENTERS
11. CRECHE- Whole Ward
12. TSHAMAZIMBA- Boarding School
13. SOIL EROSION CONTROL
14. BUS STOP SHELTER
15. Soyisele Women's Garden Project
16. Vuyani JPS – Mbolompeni

17. Community Library
    Sport Ground

WARD 14

1. **COMMUNITY HALL/ MULTI-PURPOSE CENTER** Mhlanga
2. **INKWENKWEZI PRE-SCHOOL-** Dordrecht
3. **ACCESS ROAD** from Nkalweni village to Machubeni village – Machubeni
4. **SPORT FIELD** – Dordrecht
5. **KALFONTEIN CLINIC** – Mhlanga

6. MULTI PURPOSE COMMUNITY CENTER- Mhlanga, Mgwalana
7. MGWALANA DIPPING TANK
8. FENCING OF A DAMPING SITE- Dordrecht
9. ZENZELENI SHEARING SHED - Mhlanga
10. PEDESTRIAN CROSSING BRIDGE- Zwelitsha to Dordrecht
11. FENCING OF ARABLE LAND – Mhlanga,
12. SHEARING SHED Mgwalana
13. MULTI PURPOSE COMMUNTIY CENTER – Dordrecht
14. NETWORK TOWER- Cellphone, Television
15. Pre School (Dordrecht)
    Foot Bridge (between Dordrecht town to Bongweni Dordrecht)

WARD 15

1. **STREET LIGHTING**
2. **COMMUNITY HALL**: Mavuya

15

3. **TARRING OF MAVUYA STREETS**
4. **MULTIPURPOSE CENTRE**: Mavuya
5. **SPORTFIELD CONSTRUCTION AND MAINTENANCE**

6. Brickmaking
7. SIDE DRAINES
8. NAMING OF STREETS
9. AGRICULTURAL VILLAGE
10. IRRIGATION SCHEMES
11. FRESH PRODUCE MARKET
12. BRICK MAKING PROJECT
13. NETWORK TOWER- Cellphone, Television

WARD 16

1. **WATER:** Lower and Upper Mgwalana
2. **STORM WATER DRAINAGE:** Phakamani and West Street
3. **ACCESS ROAD AND STREET MAINTAINANCE: All**
4. **FENCING OF GRAZING LAND -** Vukani
5. **SPORTFIELD MAINTAINANCE -** All Ward

6. Brick making
7. **TARRING OF THE ROAD**- Indwe to Indwe Port
8. Revitalization of Indwe Hospital
9. **NETWORK TOWER** – Mzamo Township, Maqwathini, Guba& Cegceyane
10. **STORM WATER UPGRADE** - Vukani
11. IMPROVING REFUSE REMOVAL
12. **FENCING**- Vukani Project
13. **SHOPPING MALL**
14. Community Hall

WARD 17

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WATER
SANITATION
Toilets Skwanqeni
Storm Water Infrastructure: Stoney croft
LAPESI ERADICATION: Stoney Crof
SHEARING SHEDS: Stoneycroft
PRE-SCHOOL: Stoney Crof ,
STOCK DAMS – Stoney Croft

FINAL IDP APPROVAL

As indicated in the process plan, the Draft Integrated Development Plan was tabled for council adoption on 28 March 2013 and thereafter reproduced for circulation and comment by all affected and concerned parties. The commenting period was conducted before the end of May 2013. An advertisement was circulated on local newspaper and municipal notice boards inviting comments on the draft IDP and Budget on 08 April 2013 within 21 day. The adopted IDP and Budget was taken to road shows through all wards during the month of May 2013 by Councillors and supported by municipal officials.Thereafter community comments were considered and incorporated into this final IDP 2013/2014.

This Final IDP for 2013/14 was adopted by a Council seating on 30 May 2013 by

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Signed by Mayor

07 JUNE 2013
Date

.....
Signed by Municipal Manager

07 JUNE 2013
Date

Council Resolution Number: 375/05/2013