EMALAHLENI MUNICIPALITY

UNITY IN DEVELOPMENT

REVIEWED AND APPROVED INTEGRATED DEVELOPMENT PLAN FOR 2016/2017 FINANCIAL YEAR

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Foreword by the Mayor



It gives the collective leadership immense gratification to report to our stakeholders that the partnership between Emalahleni Local Municipality as the provider of basic services and the local communities as the end-users of those services has once more been a great success where Emalahleni Local Municipality has taken all key stakeholders into confidence by engaging them on matters of job creation (through EPWP), service delivery, infrastructure development, local economic development, progressive spatial planning (SPLUMA), institutional development and transformation and most notably financial viability and finance management.

The overall performance of the year 2015/16 has been a success and we should appreciate the commitment and confidence demonstrated by our communities to the current leadership of Emalahleni Municipal Council. The 7 May 2014 Provincial and National elections result was a watershed victory for the ruling party with an overwhelming majority of eighty five percent (85%). This is clear indicative of the trust and hope that Emalahleni Local communities have shown through the ballot box in confirming and renewing the mandate of the African National Congress in governance.

We are convinced that the continued political and administrative stability at the level of Emalahleni Municipal Area will inspire us and improve service delivery. As I present the final Integrated Development Plan and Budget, tariffs and finance related policies on behalf of the collective, it must be noted that 2015/16 fiscal year has been an exciting year in so far as service delivery, forward planning, implementation of sound policies premised on both intergovernmental and international relations and above all we particularly focused on monitoring and evaluation of the progress made in responding to the needs and priorities of our communities.

The municipality undertook an aggressive Public Participation and Mayoral Outreach Programmes as an effort to empower and capacitate our communities on the plans that the Municipality intends to embark on this last financial year of the current term of Council (2016/17). In addition to this, public participation and stakeholder engagement are invariably in keeping with compliance with Chapters 4 and 5 of the Local Government: Systems Act 2000 (Act 32 2000) as amended. The aforementioned legislation reinforces the principle of deepening democratic participation by all key stakeholders to be involved in local governance.

We are ecstatic and humbled by the manner in which sector departments and state owned enterprises continue to positively contribute to the development of Emalahleni Municipal area. There is cohesion and better coordination of our programmes amongst three spheres of government (Local, Provincial and National Governments). We have adopted an approach of working smart with our communities and key stakeholders in order to enhance service delivery and accountability through IDP and Budget processes as well as Mayoral Outreach engagements (Back to Basics Mandate). We urge fellow Councillors and officials of Emalahleni Local Municipality to work extremely hard for the remaining term of office of the current leadership and management as if there is no tomorrow.

COUNCILLOR NOMVELISO NYUKWANA
HONOURABLE MAYOR



Executive Summary

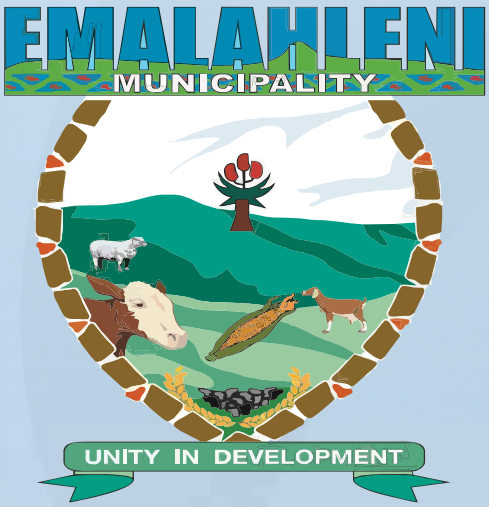
In 2011, Local Government Elections were held and Emalahleni Local Municipality adopted a five year and credible strategic planning tool commonly known as Integrated Development Plan (IDP) with a cash-back budget premised on a medium term revenue and expenditure framework. The IDP is in terms of Local Government: Municipal Systems Act 2000 (Act 32 2000) as amended, which makes provision for the annual review of Municipality's IDPs to confirm whether the goals and objectives of Council are still in accordance with the needs and priorities of communities and stakeholders. The needs and priorities of communities are derived from Public Participation and Mayoral Outreach Programmes, which are also conducted annually. It should be noted that IDP and Budget are living documents and their implementation is assessed in terms of service delivery and budget implementation plan which confirms the relevance of programmes and projects of Council.

IDP and Budget are designed in such a way that they fulfil the constitutional mandate of local government that of institutional development and transformation, service delivery, local economic development, job creation, spatial planning as well as financial viability and financial management. In Addition to this, Emalahleni Local Council established and approved macro institutional organogram as an attempt to give effect to the five key priority areas. That macro institutional organogram had its deficiencies in terms of responsiveness to the institutional challenges. In 2013, the Municipality took a decision to go on a retreat where the high organogram and policies were reviewed to make provision for a second layer of Managers which is a level below Section 56 Managers. Since the approval of both macro and micro organograms, critical appointments were made and commitment from management is to prioritise internal employees who were deliberately overlooked and little consideration was given to them in terms of opportunities for absorption into the system of the Municipality.

We are acutely aware that Emalahleni Local Municipality has been on disclaimers for the last seven (7) years. However, the municipality improved this outcome to an unqualified audit opinion in 2014/2015 financial year. The Executive Management has developed an Audit Action Plan to respond to the audit findings as well as dashboard and key drivers of internal controls as it continues to strive to achieve a clean administration. It should be noted without reservations that Emalahleni Local Municipality complies with legislative imperatives for example; Annual Financial Statements, Audited Annual Report, Draft IDP and Draft Budget were submitted on time to relevant institutions for the first time in the history of the Municipality.

In Addition to this, the Executive Management took a decision that audit action plan and dashboard and drivers of internal controls become standing items on its agenda. Executive Management is progressively dealing with the challenges that the Municipality has accumulated over the last ten (10) years, for example some employees have been on contract for more than eight (8) years without any plans for absorption and non-compliance with supply chain processes (Policies have been reviewed and SCM Unit beefed up). The Municipality is politically and administratively stable and there is commitment from the leadership to take Emalahleni to a higher level. We honestly request that Councillors, Traditional Leadership, Communities, Key Stakeholders and Sector Departments continue to support our endeavours of accelerating service delivery to all communities. "Emalahleni is indeed moving forward -Siyaqhuba" with the execution of Back to Basics mandate.

DR SITEMBELE WISEMAN VATALA
MUNICIPAL MANAGER



CHAPTER 1
STRATEGIC OVERVIEW OF THE MUNICIPALITY

CHAPTER 1

STRATEGIC OVERVIEW OF THE MUNICIPALITY

1.1 Introduction

The document represents the outcomes of the draft 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: Municipal Systems Act, 2000 (Act 32 of 2000 as amended).

1.2 Legislative Framework

(1) Local Government: Municipal System Act (MSA), 2000 (Act 32 of 2000 as amended) compels municipalities to draw up the IDP's as a singular inclusive and strategic development plan. In terms of Section 26 of the MSA, a municipality produces an IDP every five years, comprising of the following components:

(i) A municipal council's vision for the long-term development of the municipality with special emphasis on the municipality's most critical development and internal transformation needs;
(ii) An assessment of the existing level of development in Emalahleni, which must include an identification of communities which do not have access to basic municipal service;
(iii) The council's development priorities and objectives for its elected term, including its local economic development aims and its internal transformation needs.
(iv) The council's development strategies which must be aligned with any national, provincial sectoral plans and planning requirements binding on the municipality in terms of legislation;
(v) A spatial development framework which must include the provision of basic guidelines for a land use management system for the municipality;
(vi) The council's operational strategies;
(vii) Applicable disaster management plans;
(viii) A financial plan, which must include a budget projection for at least the next three years; and
(ix) The key performance indicators and performing targets.

(2) Regulations 2 (1) and (2) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 set out the following further requirements for the IDP:

1)
(a) the institutional Framework, which must include an organogram, required for the
(i) The implementation of the IDP; and
(ii) Addressing the municipality's internal transformation needs, as informed by the strategies and programmes set out in the IDP;
(b) Any investment initiatives in the municipality
(c) Any development initiatives in the municipality, including infrastructure, physical, social and institutional development
(d) All known projects, plans and programmes to be implemented within the municipality by any organ of state; and
(e) The key performance indicators set by the municipality.

2) An integrated development plan may –
(a) have attached to it maps, statistics and other appropriate documents; or

(b) refer to maps, statistics and other appropriate documents that are not attached, provided they are open for public inspection at the offices of the municipality in question.

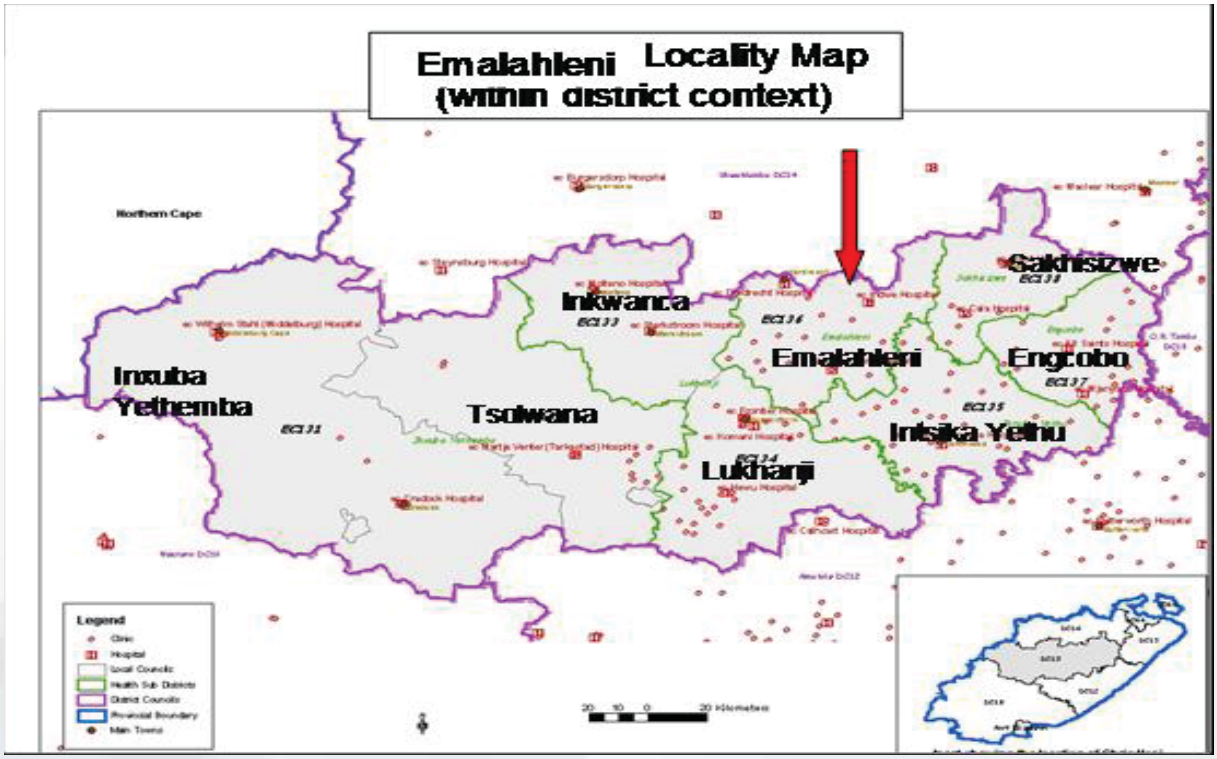
3) A financial plan reflected in a municipality's integrated development plan must at least-
   a) include the budget projection required by section 26 *(h)* of the Act;
   b) indicate the financial resources that are available for capital project developments and operational expenditure; and
   c) include a financial strategy that defines sound financial management and expenditure control, as well as ways and means of increasing revenues and external funding for the municipality and its development priorities and objectives, which strategy may address the following:
      (i) Revenue raising strategies;
      (ii) asset management strategies;
      (iii) financial management strategies;
      (iv) capital financing strategies;
      (v) operational financing strategies; and
      (vi) Strategies that would enhance cost-effectiveness

4) A spatial development framework reflected in a municipality's integrated development plan must-
   a) give effect to the principles contained in Chapter 1 of the Development Facilitation Act, 1995 (Act 67 of 1995);
   b) set out objectives that reflect the desired spatial form of the municipality;
   c) contain strategies and policies regarding the manner in which to achieve the objectives referred to in paragraph *(b)*, which strategies and policies must-
      (i) indicate desired patterns of land use within the municipality;
      (ii) address the spatial reconstruction of the municipality; and
      (iii) provide strategic guidance in respect of the location and nature of development within the municipality;
   d) set out basic guidelines for a land use management system in the municipality;
   e) set out a capital investment framework for the municipality's development programs;
   f) contain a strategic assessment of the environmental impact of the spatial development framework;
   g) identify programs and projects for the development of land within the municipality;
   h) be aligned with the spatial development frameworks reflected in the integrated development plans of neighbouring municipalities; and
   i) provide a visual representation of the desired spatial form of the municipality, which representation-
      (i) must indicate where public and private land development and infrastructure investment should take place;
      (ii) must indicate desired or undesired utilisation of space in a particular area;
      (iii) may delineate the urban edge;
      (iv) must identify areas where strategic intervention is required; and
      (v) must indicate areas where priority spending is required.

(3) Section 21 (1) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA) provides for closer alignment between the annual budget and the compilation of the IDP. It requires that the mayo r of a municipality must co-ordinates the processes of preparing the annual budget and the IDP to ensure that both the budget and IDP are mutually consistent and credible.

1.3 Profile of the Municipality

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.



1.4 Lessons learnt from the Provincial IDP Assessment

In areas where evidential criteria is applicable to municipalities and reflects a no, the municipality is required to make a plan or provision in the following financial year. In areas where the evidential criterion are applicable to a municipality and is a yes, no comments or improvement measures are required on the side of the municipality

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from
2. SERVICE DELIVERY AND INFRASTRUCTURE PLANNING						
2.1 GENERAL QUESTIONS: a) Has a holistic and comprehensive (involving all sectors) infrastructure delivery plan been developed to indicate institutional requirements and financial viability of service delivery	ALL	Y	Municipality has 3 year capital plan, refer 124			
b) Are there any SLA developed between LM that are not WSA and WSA to accommodate new development w.r.t the provision of water and sanitation infrastructure	ALL	N/A	The municipality is neither WSA nor WSP			
c) Do the planned capital projects require EIAs and licenses / legal requirements, if so have they been catered for?	ALL	N	Refer to page 31, the document refers that future legal requirements on environmental impacts are part of the WMP that was adopted in 2012	CoGTA	2015/16 FY	LM to facilitate,
d) Is there a functional ISD officer or unit in place?	ALL	Y	Refer to page 86			
e) Is the municipality having capacity (technical and financial) to deliver infrastructure services?	ALL	Y	Refer to organogram page 82 and 86			
f) Does the municipality use recent population statistics? (State the year)	ALL	Y	Refer to page 19 to 20			
2.2 ROADS QUESTIONS						

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from
a) Is there an Approved Roads Master Plan in place and budgeted for?	ALL	N	Municipality to reflect in the IDP	CoGTA	2015/16 FY	The municipality has a draft roads policy and a roads maintenance plan
b) Is there an Approved Integrated Transport Plan?	ALL	N	Municipality to reflect in the IDP	CoGTA	2015/16 FY	Projects currently being implemented do not require full EIA in terms NEMA
c) Is there an approved storm water plan	ALL	y	Refer to page 10			
~~d)~~ Have municipalities adopted EPWP Policy	ALL	N	It is not mentioned in the document			
e) Do municipalities have coordinated forums towards Roads and Transport planning?	ALL	Y	It is not mentioned in the document		2015/2016 FY	Policy under review
f) Is there any Capital Budget for Roads and Storm water?	ALL	Y	Refer to page 124			
g) Is there any Operations and Maintenance Budget?	ALL	Y	Page 138 of 313			
2.2.1 PUBLIC TRANSPORT a) Taxi Ranks Are there functional taxi ranks? If yes, how many are there?	METROS & LMS	Y	Refer to page 38 (1 functional)			
b) Bus Shelters Are there functional bus shelters? If yes, how many are there?	METROS & LMS	N	Not mentioned in the document	DoT	2015/16 FY	The municipality will solicit services of potential developers to construct taxi and bus ranks
c) Is there any functional Vehicle /Licensing &Testing Station/s?	METROS & LMS	N	Refer to page 42 & 126, vehicle testing station is under construction	DoT	2015/16 FY	LM to facilitate,

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from
2.2.2 MARITIME TRANSPORT a) How is your understanding of the municipality's role in maritime transport according to Section 155 (6) and (7) read in collaboration with matters stipulate on schedule 4, part B of the Constitution?	METROS & LMS	N/A				
b) How far did you go in implementing your roles and responsibilities according to the Integrated Coastal Zone Management Act No. 24 of 2008?	METROS & LMS	N/A				
2.2.3. AIR TRANSPORT; LANDING STRIPS; RAIL AND ROADS	METROS & LMS					
a) Is there any Weigh Bridge Management?	METROS & LMS	N/A				
b) Does the municipality provide for a Non-motorized transport system?	METROS & LMS	N	Not mentioned in the document	DoR & T	2015/16 FY	LM to facilitate,
c) Does the municipality have Municipal Coastal Committees?	METROS & LMS	N/A				
d) Does the municipality have a Budget for Transport facilities?	METROS & LMS	Y	Refer to page 126 (1.2 mil)			
2.3 PUBLIC AMENITIES AND COMMUNITY FACILITIES						
a) Has the Municipality determined the extent of need for public facilities and amenities?	ALL	N	Refer to page 37, there were community needs received by the municipality	CoGTA & CHDM	2015/16 FY	LM to facilitate,
b) Has the municipality done an audit on the community facilities and public amenities?	ALL	Y	Refer to page 38, there is an audit facilities mentioned			
2.4 WASTE MANAGEMENT SERVICES						

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from
a) Does the municipality have an IWMP as contemplated in section 11 of the NEMA: Waste Act 59 of 2008 (i) If yes, has it been endorsed/ approved by council and the MEC (DEDEAT), and to what extent is it implemented? ii) If not, when will it be available and what are the waste management operational plans are being implemented (waste services, management of waste disposal facilities, recycling, waste reporting waste management officers)	All ALL	Y Y	On page 35 It has been developed and adopted by council in 2012			
b) How many landfill sites exist within the Municipality? i) How many are operational and how many are licensed? If not licensed when they will be licensed. (ii) Indicate level of compliance (license and management)	ALL	Y	3 landfill sites all of the landfill sites are unlicensed	DEA	2014/15	

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from
c) Are there any gazetted waste management bylaws in placethat complies with the NEMWA 2009, and are the enforced? (i) If yes, are they addressing the issue of illegal dumping and littering? (ii) If not, when will they be developed /reviewed?	ALL	N	To be developed in 2014/15	DEA	2015/16 FY	LM to facilitate,
d) Does the Municipality have a Trade Effluent Policy?	ALL	N	On page 36	DEA	2015/16 FY	LM to facilitate,
e) Is there a budget for Operations and maintenance being ring fenced for the above purpose?	ALL	No	Municipality to reflect in the IDP	CoGTA & Treasury	2015/16 FY	LM to facilitate,
f) Are there any projects that address waste management challenges?	ALL	Y	On page 35			
g) Are there mechanisms to capacitate local communities on waste management issues (awareness campaign, access to waste management information)	ALL	Y	On page 35			
h) Are there any coordinated forums (waste management forum)	DM/Metro	N/A				
2.5 ENVIRONMENT MANAGEMENT: 2.5.1 AIR QUALITY MANAGEMENT						
a) Does the IDP make reference to its air quality management plan as contemplated in section 15(2) of the NEMA: Air Quality Act 39 of 2004	ALL	Y	On page 36			
b) Is the municipality a licensing authority?	DMs / Metro	N/A				
2.5.2 CLIMATE CHANGE						

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from
a) Considering all the recent debate on climate change, elaborate on how the municipality has incorporated planning in responding to the (climate change response strategy)	ALL	Y	On page 36; draws from DM climate change strategy			
2.5.3 NATURAL ENVIRONMENTAL ANALYSIS:						
a) Is there a summarized analysis of the natural environment (geomorphology, climate, biodiversity, water sources and heritage) including assets and threats?	ALL	Y	On page 8 of 302 under section C the information is too scanty			
b) Is there an indication of how the municipality intends to use and protect its natural resources/protected areas and heritage as its comparative and competitive advantage?	ALL	Y	On page 33 of 302 under section C			
c) Are there mechanisms to capacitate local communities on environmental issues (awareness campaign, access to environmental information and celebration of environment days)	ALL	Y	On page 36			
d) Isthere a functional environmental unit/ environmental official in place to implement environmental plans and programmes?	ALL	Y	On page 84 it is in the organogram			
e) Are there any projects that address environmental challenges (Environment sector related projects that seeks to address the challenges such as land care/water Affairs)?	ALL	Y	On page 175 under section D			
f) Is there a plan to address land degradation and revitalization?		Y	On page 175 under section D			
g) Are there any environmental by-laws in place? How are they enforced?	ALL	N	Municipality to reflect in the IDP	DEA	2015/16 FY	LM to facilitate,

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from
h) Is there an indication of the capital projects that will require environmental authorization to comply with an EIA process?	ALL	N	Municipality to reflect in the IDP	DEA	2015/16 FY	LM to facilitate,
i) Is there evidence indicating an attempt to develop environment planning tools such as SOER, EMFs, Coastal Management Plans, aquatic ecosystem, ecological infrastructure, wetlands bioregional plans and associated EMPs?	ALL	Y	On page 33 under section C IEMP in the SDF			
j) Does the IDP reflect National and Provincial Initiatives (human resources and projects)?	ALL	Y	On page 164 and 175 under section D			
k) Other relevant environmental information	ALL	N/A				
2.6 SAFE AND SECURE ENVIRONMENT						
a. Does the municipality have an integrated community safety forum?	ALL	y				
b. Does the municipality have an integrated community safety plan?	ALL	y				
2.7 DISASTER MANAGEMENT / EMERGENCIES AND FIRE SERVICES						
a) Have the District/Metro Disaster Management Frameworks been adopted?	District and Metro	N/A				
b) Is the District/Metro disaster management centre established?	District and Metro	N/A				
c) Is the centre having an uninterrupted power supply?	District and Metro	N/A				

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from
d) Is the centre equipped with information communication system with vulnerability, mapping and early warning capabilities and linked to other emergency response agencies?	District and Metro	N/A				
e) Is the Head of the centre appointed?	District and Metro	N/A				
f) Is there a fuctional Disater Management Unit	ALL	Y	P 78			
g) Has the Municipality adopted a disaster management plan/ Framework?	ALL	Y	P 139			
h) Has the disaster management centre conducted vulnerability and risk assessment (both natural and man-made?)	ALL	Y	P 141			
i) Has the disaster management centre developed strategies / programmes for community vulnerabilities and risk identified (Mitigation, Prevention & Post Disaster phase)	ALL	Y	P 142			
j) Is the municipal Spatial Development Plan informed by vulnerability and risk asessment report	ALL	Y	P 141			
k) How is the disaster management centre managing high risk development?	ALL	N/a				
l) Are emergency procurement measures stipulated in the disaster management plan?	ALL	y	Prescribed in the MFMA			
m) Are funding arrangements specific in the plan?	ALL	N/A	No reflection on the IDP.			

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from
n) Are disaster management by-laws adopted?	ALL	N/A	Bi- laws are being developed.			
o) Is the municipality operating a fulltime fire service?	ALL	N/A	Lack of financial resources			
p) Is the Chief Fire Officer appointed?	ALL	N/A	Municipality to reflect in the IDP			
q) Has the municipality concluded a co-operative agreement with the other relevant municipalities?	ALL	N/A	Municipality to reflect in the IDP			
r) Are fire services tariffs developed, adopted, implemented and periodically reviewed?	ALL	N/A	Municipality to reflect in the IDP			
s) Is there a plan to address veld and forest fires, oil spillages, floods?	ALL	N/A	District function			
2.8 Free Basic Services						
a) Has the Policy been adopted? (i) Is it in terms of National Guidelines? (ii) When was it adopted by the Council? (iii) Does it need to be reviewed? (iv) Is the summary of the Policy available and was published?	ALL	Y	P 122			
b) Is your Indigent Register credible? (i) Is it accurate? (ii) When do you up-date it?	ALL	N	Municipality to reflect in the IDP	CoGTA	2015/16 FY	LM to facilitate,
c) How much do you allocate for free Basic Services in your Equitable Share?	ALL	N	Not specified	CoGTA & Treasury	2015/16 FY	LM to facilitate,
d) How much water/sanitation do you provide to Indigent Households?	ALL	N/a				
e) Indicate whether there is FBS Unit and dedicated staff.	ALL	y	The unit is attached to the Finance Department			

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from
f) Indicate whether the Indigent Steering Committees that have been established and functional	ALL	N	Municipality to reflect in the IDP	CoGTA	2015/16 FY	LM to facilitate,
g) Is there integration plans between District and LMs	DM & LMS	N	Municipality to reflect in the IDP	CoGTA & CHDM	2015/16 FY	LM to facilitate,
2.9 ENERGY a) Has the Municipality determined the need for, and extent of, basic services required for: ~~(i)~~ free basic services, and (ii) What is the Electrification backlog in numbers, Spatially, where are these backlogs either per ward, or location	METRO & LMS	Y	P 33			
b) Does the Municipality have a NERSA License? grid and non-grid energy sources?	METRO & LMS	Y	P 33			
c) Has the Municipality investigated alternative sources of renewable energy? (i) Are there any provisions for the Municipality's use of alternative energies? Is the municipality prone to wind, sun, or has waterfalls within its area?	METRO & LMS	Y	P 8			

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from
d) • What is the munics long term development spatial initiatives (post 5 years) • What spatial development trends noted with the munics especially in Metros or munics with sizeable urban centres e.g. KSD or Lukhanji • Which parcels of land are attracting more interest from potential investors or developments? • What timeframes are likely applicable to the planned developments.	METRO & LMS	Y	P 19			
e) Does the plan make provision for infrastructure reticulation and bulk infrastructure for electricity?	METRO & LMS	N	Municipality to reflect in the IDP	CoGTA & CHDM	2015/16 FY	LM to facilitate,
f) What provision has been made for upgrading facilities?	METRO & LMS	N	Municipality to reflect in the IDP	CoGTA & CHDM	2015/16 FY	LM to facilitate,
2.10 ACCESS TO LAND AND HUMAN SETTLEMENT DEVELOPMENT.						
a) Is there a credible land audit report for the municipality, if not is there a plan conduct one	METRO & LMS	Yes	Page 42.			
b) Are there control mechanisms (e.g. invasion policy, By Laws etc) in place for land invasion?	METRO & LMS	No	Neither a By-law nor an Invasion Policy has been adopted & must be developed by LM.	ELM	2015/16 FY	LM to facilitate,
c) Are there any records of outstanding land claims that may hinder human settlements and socio-economic developments?	METRO & LMS	N/A	No Land claims that hinder development			

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from
d) Has the Municipality got an operational land information system (GIS).if not are there plans to establish one. if yes what type of information that has been captured?	METRO & LMS	Yes	Page 42.			
e) Have the housing demand aspects e.g. demand data base or waiting list information been determined by the municipality?	METRO & LMS	Yes	Page 24 (Chapter 8 of the HSP).			
f) Is the municipality able to address the housing needs challenges highlighted while taking into account the growth trends such as population, economy, etc?.(what plans in place to address the challenge)	METRO & LMS	Yes	Page 24.			
g) Has the municipality indicated an ongoing process in line with the SDF for identification of suitable land for human settlements development? (E.G Land availability studies)	METRO & LMS	Yes	Page 4.			
h) Has the municipality indicated the nature or type of service levels (Bulk or internal) on these land parcels through CIP?	METRO & LMS	No	Municipality should link the identification of land for human settlement with the nature and type of service levels.	ELM	2015/16 FY	LM to facilitate,
i) Does the IDP housing sector plan include a data base on informal settlement?	METRO & LMS	Yes	Page 28.			
j) Is the IDP informal Settlements section aligned to the Migration Plan of the municipality?	METRO & LMS	No	Develop a Migration Plan that responds to informal settlements trends.	DoHS	2015/16 FY	LM to facilitate,
k) Has the municipality identified current (blocked and defective) and planned housing projects that are ready for implementation?	METRO & LMS	Yes	Page 173.			

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from
l) Has budgetary provision being made for planned housing projects?	METRO & LMS	Yes	Page 173.			
m) Has the social amenities of the settlements been determined/ indicated?	METRO & LMS	Yes	Page 26 (2nd page 26)			
2.11 AGRICULTURE SERVICE DELIVERY INDICATORS (a) Agriculture (b) Baseline Information	METRO & LMS					
a) What is the extent of land with an agricultural potential; o Arable Land o Grazing Land o Forestry	METRO & LMS	Yes	Page 11. Only addressed Arable land. Recommended that DRDAR assist with additional information.	DRDAR / ELM	2014/15 for inclusion in IDP by 2015/2016	
b) What is the extent and level of utilization of the: o Arable Land o Grazing land o Forestry	METRO & LMS	Yes	Page 11. Only addressed Arable Land. Recommended that DRDAR assist with additional information			
c) What are the livestock numbers in terms of: o Cattle o Sheep o Goats	METRO & LMS	No	Not qualified	DRDAR	2015/16 FY	LM to facilitate,
d) What is the average of rainfall in the municipality?	METRO & LMS	Yes	Page 11. Average rainfall to be verified (4 000mm p.a.)			
e) What are the sources of water e.g. dams, rivers etc?	METRO & LMS	Yes	Page 9, paragraph 2.2.3			
f) Name current agricultural activities that are taking place in the municipality e.g. poultry, piggery, beef farming, wool production, crop production, api culture etc?	METRO & LMS	Yes	Page 64. Potential and current activities have been reported upon together.			

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from
g) What is the agricultural potential of the municipality in terms of commodities e.g. poultry, piggery, beef farming, wool production, crop production, api culture et?.	METRO & LMS	Yes	Page 11, paragraph 1.9.4			
Agricultural Infrastructure h) What is the current available agricultural infrastructure, its condition and functionality?	METRO & LMS	No	Municipality to request DRDAR to assist with making the information available.	LM /DRDAR	2015/16 FY	LM to facilitate,
i) What is the backlog in terms/ of agricultural infrastructure	METRO & LMS	No	Municipality to request DRDAR to assist with making the information available.	LM /DRDAR	2015/16 FY	LM to facilitate,
j) What are the projections in terms of required agricultural infrastructure?	METRO & LMS	No	Municipality to request DRDAR to assist with making the information available.	LM /DRDAR	2015/16 FY	LM to facilitate,
2.12 WATER AND SANITATION: ANALYSIS FOR WSA WSP						
Does the IDP status quo analysis reflect the following with regard to water and sanitation?	WSA	N/A	N/A			
a) Status of the WSDP (adopted and approved by the council – indicate the approval date)	WSA	N/A	N/A			

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from
b) Summarised knowledge presentation that clearly outlined the information and statistics of the water users with reference to their spatial positioning, existing status and their needs in terms of: -Domestic-Basic and higher levels of service and growth and development - Industry-Light and heavy -Associated Services- Schools, Clinics Hospitals etc	WSA	N/A	N/A			
(b) Indication of whether the Municipality is a water service authority or not	WSA	N/A	N/A			
(c) If not, is mechanism or arrangements reflected in the IDP aimed at ensuring that services are provided.	WSA	N/A	N/A			
(d) Integration of other sector programmes water requirements and specifically address the impact on water planning (i) Housing (ii)Agriculture (iii) Mining (iv) Tourism (v)Public Works programmes	WSA	N/A	N/A			
(e) Indication of number /percentage of households without an access at all, with below standard access and with access.	WSA	N/A	N/A			

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from
(f) Indication of area or settlements without access in terms of the basic service standards and reasons for lack of services (e.g. no reticulation infrastructure, no bulk infrastructure, etc	WSA	N/A	N/A			
(g) Indication of areas or settlements with an unreliable service and reasons? (e.g. aging infrastructure, capacity to operate and maintain the service etc	WSA	N/A	N/A			
(h) Indication of approved service levels for the municipality informed by the Spatial Development Framework (SDF).	WSA	N/A	N/A			
(i) Availability and the status of the operations and maintenance plan.	WSA	N/A	N/A			
(j) Indication of gaps wrt. services delivery and future strategies as required in the WSDP process.	WSA	N/A	N/A			
2.12.1 SANITATION: (a) Indication of the number of the households without access at all and others with a standard access or with full access?	WSA	N/A	N/A			
(b) Indication of the types of sanitation systems which are available in the municipality and areas where are they found. Also indicate the status in terms of Green status	WSA	N/A	N/A			

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from
(c) Indication of areas or settlements without access in terms of the basic services standard and reasons for lack of access (e.g. no reticulation infrastructure, no bulk infrastructure etc)	WSA	N/A	N/A			
(d)Indication of areas or settlements with an unreliable service.	WSA	N/A	N/A			
(e) Indication of areas or settlements with high levels of services.	WSA	N/A	N/A			
(f Indication of areas with intermediate levels of services.	WSA	N/A	N/A			
(g) Indication of service levels for the municipality informed by the Spatial Development Framework (SDF).	WSA	N/A	N/A			
(h) Status of the sewer treatment plants and related bulk infrastructure.	WSA	N/A	N/A			
(i) Does the IDP reflect the availability the operations and maintenance plan.	WSA	N/A	N/A			
2.12.2 Water and Sanitation: Objectives		N/A	N/A			
Does the DM IDP clearly identify and define objectives to address the following: (a) To improve access to water and sanitation services.	WSA	N/A	N/A			
(b) To improve the quality of services in areas or settlements where the services are unreliable.	WSA	N/A	N/A			

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from
(c)To ensure infrastructure is well maintained.	WSA	N/A	N/A			
2.12.3 Water and Sanitation Sector Plans		N/A	N/A			
Does the DM IDP provide an overview of the strategic intervention contained in the Water Services and Development Plan with regard to (a)Improving access to water and sanitation services.	WSA	N/A	N/A			
(b) Improving the quality of services in areas or settlements where the services are unreliable.	WSA	N/A	N/A			
(c) Improving the maintenace of infrastructure.	WSA	N/A	N/A			
2.12.4 Water and Sanitation :Development Strategies, Programmes & Projects		N/A	N/A			
Does the DM IDP contain and elaborate on development strategies, programmes and projects aimed at supporting the attainment water and sanitation priorities, objectives and targets?		N/A	N/A			
(a) Strategies, programmes and projects to improve access to water and sanitation.	WSA	N/A	N/A			
(b) Strategies, programmes and projects to improve quality of services in areas or settlements where the provision of services is unrealiable.	WSA	N/A	N/A			

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from
(c) Strategies, programmes and projects to improve the maitenance of water and sanitation infrastructure.	WSA	N/A	N/A			
3. FINANCIAL PLANNING AND BUDGETS						
3.1 Compliance a) Is there a financial plan which includes the cash flow statement/ projections for the financial year and a budget projection for at least the next 3 years in line with section 26(h) of MSA and Treasury Regulations	ALL	Yes	Pg. 353			
b) Does the municipality have and implement the prescribed statutory policies regulating: • Tariffs; • Rates; • Credit control and debt collection; • Cash management; and • Investment • Borrowing policy • Funding and reserves • Long-Term financial plan • Supply Chain Management • Asset management and disposal policy • Infrastructure investment and capital projects • Indigent Policy	ALL	Yes	Pg. 359-350			
c) Are these policies yearly reviewed?	ALL	Yes	Pg. 358			
d) Are these policies promulgated into by-laws and gazetted?	ALL	Yes	Pg. 358			
e) Does the municipality have and implement Revenue Enhancement Strategy?	ALL	Yes	Pg. 357			

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from
f) Is there a financial recovery plan in place to address cash flow problems?	ALL	No	Municipality to reflect on its financial status			
g) Does the municipality have a GRAP compliant Asset Register?	ALL	Yes	Pg. 357			
H) Does the municipality have AFS Process plan/ year end preparation plan	ALL	No	Municipality to include AFS Process Plan in the IDP			
3.2 Expenditure a) Does the IDP reflects on the percentatge of Municipality's last year's capital budget actually spent? (i) What percantage was spent in the past two financial years? (ii) Included a table showing audited results for each year?	ALL	Yes Yes Yes	Pg. 353 Pg. 353 Pg. 353			
b) What is the % of expenditure on grants usage (MIG, MSIG, etc.)?	ALL	Yes	Pg. 356			
c) What is the percentage of salary budget (councillors' remuneration and employee costs) to operational budget?	ALL	Yes	Pg. 353			
d) What is the percentage of repairs and maintenance on total budget?	ALL	Yes	Pg. 355			
3.3 Revenue Management a) What percentage of budgeted income was realised in the past two years, per category?	ALL	Yes	Pg. 355			
b) What is the debtors' turnover rate?	ALL	Yes	Pg. 352			
c) What is the creditors' turnover rate?	ALL	No	Not reflected in the document. Municipality must reflect on the creditors'' turn-over rate			
d) Does the municipality bill consumers on a monthly basis as per norms and standards of revenue management?	ALL	No	Not reflected in the document. Municipality must reflect on billing			

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from
3.4 Internal Controls a) Does the municipality have an effective internal control system In place?	ALL	No	Not reflected. Municipality must reflect on the internal control systems			
b) Does the municipality conduct risk management on annual Basis?	ALL	Yes	Pg. 146			
c) Does the municipality maintain filing system and have audit file in place?	ALL	Yes	Pg. 94			
d) Given the 2014 clean audit target, what is the audit opinion of your municipality in 2011/2012 Financial year?	ALL	Yes	Pg. 365			
e) Are there any recurring AGs report issues?	ALL	Yes	Pg. 365			
f) What progress has been made to address issues raised in the Audit Report?	ALL	Yes	Pg. 365			
3.5 Alignment a) Is the draft SDBIP included in the IDP?	ALL	Yes	Pg. 113-160			
b) Does the SDBIP talk to IDP strategic objectives and budget?	ALL	Yes	Pg. 114-150			
c) Is there a reflection of Provincial and National allocations in the IDP?	ALL	Yes	Pg. 356			
d) Do DMs reflect their LM's budgets and do LM's reflect their DM's budgets?	ALL	Yes	Pg. 356			
3.6 Valuation Roll a) Does the municipality have an updated valuation roll?	ALL	Yes	Pg. 357			
b) Has the municipality implemented an updated valuation roll?	ALL	Yes	Pg. 357			
c) Has the supplementary valuation been conducted?	ALL	Yes	Pg. 357			

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from
3.7 Supply Chain a) Does the municipality have a functional supply chain unit in compliance with the National standards in terms of BID Committees?	ALL	Yes	Pg. 360			
b) What is the turn-over rate of the procurement process?	ALL	Yes	Pg. 361			
c) Does the municipality have contract management unit? (have an effective contract management system)	ALL	Yes	Pg. 363			
4. LOCAL ECONOMIC DEVELOPMENT ▪ Can be considered for all municipalities but for 2010, the LED plan must beanalyzed to a larger extent in municipalities rated B1 and B2 ▪ This strategy will also be important in municipalities rated C1 and C2						
a) Do you have a strategy that is Council adopted?	ALL	Y	PAGE 270			
b) Does it have clear Implementation plan?	ALL	Y	Page 129 – 131			
c) Is the socio – economic analysis underpinned by quality assured data? (Relevance, accuracy, source and up-to-date).	ALL	Y	Page 33 – 42			
d) Does the analysis/profile of the local economy address the main characteristics of the economy e.g.Level of Economic growth; rate of Economic growth, Gross Value Added (GVA) by Sector (Contribution of Sectors to Local economy), employment levels etc.	ALL	Y	Page 37 -38 & 79 – 81			
e) Is the LED strategy appropriate to the existing local economy (status quo vs strategy proposals)?	ALL	Y	Page 129 131			
f) Is the LED strategy/plan aligned with the national, provincial and district objectives?	ALL	Y	Page 270 -275 & 341			

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from
g) Are the comparative and competitive advantages of the locality brought out clearly within the IDP document?	ALL	Y	Page71-85			
h) Are there clearly identified objectives and strategic priorities with a clear set of indicators, targets and milestones?	ALL	Y	Page 129-131			
i) Are the proposed economic development initiatives aligned with available economic infrastructure?	ALL	y	Page 130			
j) Does the municipality show evidence that it has the capacity to implement the plan / strategy (e.g. budget, human resource, institutional arrangements)?	ALL	Y	Page 347,353			
k) Is there evidence of stakeholder and community involvement on LED activities (e.g. LED forum, business chambers etc)?	ALL	Y	Page 346-347			
l) Does the municipality have mechanisms for business expansion and retention for existing businesses and attraction of further investment?	ALL	No	No information provided within the IDP document.			
m) Has the municipality set targets for enterprise development support e.g. BBBEE, SMME and Cooperatives?	ALL	Y	Page 129			
n) Does the municipality have mechanisms to support the implementation of EPWP and CWP Programmes?	ALL	Y	Municipal 0rganogram			
o) What plans are in place to support physical attraction of towns in the Municipality e.g.the cleanliness and beautification programmes.	ALL	Y	Page 56-57			
p) Are there mechanisms to support small towns' revitalization initiatives? If applicable.	Where applicable	Y	Page 215			

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from
q) What Policies exist to promote economic development e.g. Informal trading Policy etc	ALL	Y	Page 89-90			
r) Are there Bylaws to enforce these Policies?	ALL	Y	Page 88-89			
5. GOOD GOVERNANCE & PUBLIC PARTICIPATION						
5.1 General a) Has the Municipality adopted an IDP Process Plan and adhering to it? Proof of Council Resolution to be provided	ALL	Yes	Pg. 27 – 32			
b) Were the recommendations of the previous years IDP assessments taken into account? Also assessment results for past 3FYs to be indicated	ALL	Yes	Pg. 12 – 24			
c) Is IDP Assessment Action Plan available? A summary of the plan to be given	ALL	Yes	Pg. 12 – 24			
Public Participation (a) Is there a Public Participation Strategy/Plan?	ALL	Yes	Pg. 90			
(b) Are there any challenges with regards to effectively implementing the public participation strategy/plan A summary of challenges to be indicated	ALL	Yes	Pg. 107			
(c) Does the Municipality display a commitment to public participation in the IDP; Budget design and Development?	ALL	Yes	Pg. 107			

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from
(d) Is there a stakeholder Communication Strategy? (i) Is the communication strategy effective?	ALL	Yes	Pg. 107			
(e) Is there a Stakeholder Mobilization Strategy? Also stakeholder register to be provided	ALL	Yes	Pg. 107			
(f) Are Ward Committees established throughout the municipality?	METRO & LMS	Yes	Pg.108			
(g) Are relations between the Ward Committee and the ward community cordial?	METRO & LMS	Yes	Pg. 169			
(h) Does the Municipality's Ward Committees contribute to the development priorities in the IDP?	ALL	Yes	Pg. 185 – 199			
(i) Are the ward committee resolutions/concerns considered by the Municipal Council	METRO & LMS	Yes	Pg. 169			
(j) Has the municipality developed ward based plans throught the municipality?	ALL	Yes	Pg. 170 – 184			
(k) Is the municipal IDP informed by the ward based plans	METRO & LMS	Yes	Pg. 170 – 184			
(l) Where applicable, does the Municipality have strategies to involve traditional leaders and their communities in the IDP process?	N/A	Yes	Pg. 90 – 91			
Social Cohesion (a) Are there any programs/ activities that enhance social cohesion?	ALL	Yes	Pg. 97 – 100			
(b) Do the municipal social cohesion programmes contribute to nation building?		Yes	Pg. 97 – 100			

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from
(c) Are Inter Governmental Relations structures used to facilitate inter-governmental dialogue with relevant national and provincial sector department? PExisting programs to be indicated	ALL	Yes	Pg. 109			
(d) Is the municipality engaged in inter-municipal planning programmes? Programmes/project in respect of inter-municipal planning to be indicated	ALL	No	Municipality to consider initiating inter-municipal programmes	COGTA CH DM	2015/16 FY	
Complaints & Fraud Management (a) Is there an institutionalised complaint management system? Provide the complaint management system used	ALL	No	Municipality to develop a complaints management system	COGTA CH DM	2015/16 FY	
(b) Is there a fraud prevention plan? (i) Is the fraud prevention plan effective? Summary must be provided	ALL	Yes	Pg. 359			
5.2 Audit a) Is there an audit committtee and other governance structures such as S79 and S80 Committees? (i) Is the undit committee functional and effective?	ALL	Yes	Pg. 105			

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from
b) Does the audit committee have a framework to regularly audit the implementation of the IDP?	ALL	Yes	Pg. 105			
c) What were the Audit Opinions for this municipality over the last three years?	ALL	Yes	Pg. 106			
d) Is there evidence that the Municipality affords comments from the AG reports due consideration, by putting in place adequate corrective measures	ALL	Yes	Pg. 365 – 389			
e) Is there an audit action plan to deal with issues raised by the AG? Provide a summary of key issues/issues of emphases	ALL	Yes	Pg. 365 – 389			
5.3 Special Groups a) Has the SPU been established?	ALL	Yes	Pg. 97			
b) Is there a strategy for HIV and AIDS mainstreaming ?		Yes	Pg. 98			
c) Is there special focus to promote people with disabilities?	ALL	Yes	Pg. 99			
d) Is there evidence indicating that the target group (SPU –women, disabled, youth,etc) issues are mainstreamed in key plans of the Municipality and in sector plans?	ALL	Yes	Pg. 97 – 99			
e) Is SPUs beneficiaries (women, youth, disabled) promoted for access to economic opportunity?	ALL	Yes	Pg. 97 – 99			

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from
5.4 Populations Issues All statistics issues to be sourced from the latest Stats SA results (2011) a) Is there a population analysis describing population size, composition, distribution and change?	ALL	Yes	Pg. 33 – 39			
b) Are sectoral implications of population patterns and trends identified?	ALL	Yes	Pg. 36 – 42			
c) Does the population analysis reflect population concerns of the Municipality? A summary to be given	ALL	Yes	Pg. 36 – 42			
d) Is there evidence of sectoral plans addressing population concerns?	ALL	Yes	Pg. 411 – 422 and Pg. 40 and Pg. 424 - 425			
e) Do the sector plans take MDGs and 12 Outcomes targets into consideraton?	ALL	Yes	Pg. 109			
f) Does the municipality have a functional and effective M&E system/Unit	ALL	Yes	Pg. 96 and 391 - 400			
6. Institutional Arrangements						
6.1 General a) Does the IDP portray whether the various Departments of the municipality are located in one central area / building or indicate the location of the different municipal Departments / satellite offices and state challenges, if any?	ALL	Yes	Page 94			

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from
b) Is there an indication that the municipality is performing all of the powers and functions that it is mandated to perform? If not, does the IDP reflect the powers and functions that are rendered together with resources (finance and human) allocated to perform each function?	ALL	Yes	Page 86 to 88			
c) Does the IDP reflect how the (Human Resource Plan (HRP/ Strategy) responds to the long-term development plans of the municipality?	ALL	No	The municipality is having draft HR plan Page 94			
d) Is it clear when the organogram was adopted by Council and are there plans to review it - if so, why?	ALL	Yes	Page 167			
e) Does the IDP indicate the total cost to populate (all posts) the approved organogram.	ALL	Yes	Page 353			
f) Does the IDP show if the Municipal Manager & all of the S56 positions are currently filled? If not, are the vacancies and duration thereof mentioned, with an explanation of challenges to fill these posts, if any	ALL	Yes	Annexure A of Organogram, Page 7			
g) Does the IDP reflect the filled and vacant posts per Department?	ALL	Yes	Annexure A Organogram			
h) Do all employees have job descriptions?. If not indicate those that don't have)	ALL	Yes	Page 167			
i) Does the IDP reflect on funded posts vacant for more than three months?	ALL	Yes	Annexure A Organogram			
j) Are there any contract workers in your municipality? If so indicate departments and the duration of the contract	ALL	Yes	The municipality need to state clearly the duration of section 56 contract workers on the IDP			

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from
k) Does the IDP show adherence to the Code of Conduct for both Councillors and employees? And/ or the plans to address this	ALL	No	The municipality did not indicate on the IDP			
l) Does your IDP reflect on the existing Performance Management System and its implementation? Are quarterly assessments made	ALL	Yes	Page 391 to 400			
m) Does your IDP reflect the existence and functionality of the local labour forum?	ALL	Yes	Page 168			
n) Does the municipality have an Employment Equity Plan in place and implemented? Is it reflected in your IDP?	ALL	Yes	Page 168			
o) Does the IDP reflect on Work Place Skills Plans that is responsive to the capacity challenges of the municipality?	ALL	Yes	Page 168			
p) Is there evidence of a succession plan especially for key positions?	ALL	Yes	The municipality need to review the Succession Plan Page 90			
q) Does the municipality show evidence that it has a training and retention strategy for scarce skills?	ALL	No	The municipality has training and retention strategy on draft stage.			
r) Does your IDP reflect on the critical and scarce skills that are a challenge to your municipality	ALL	Yes	Page 168			
s) Does the IDP give an indication of capacitation efforts planned, to ensure effectiveness of the institution for both Administration and Political Arms.	ALL	Yes	Page 91			

1.5 Pre-Planning

(1) Introduction

In line with the requirements of the local government laws and regulations, all stakeholders in the municipal are to be catered for during the development and review of the IDP to encourage community involvement and ensure maximum participation in the municipal affairs

(2) Legal Context

(i) 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.

(ii) Section 21 (1) of the Local Government: Municipal Finance Management Act 56 of 2003, provides that, the Mayor of the Municipality must coordinate the processes for preparing the annual budget and for reviewing the Municipality's IDP and Budget related policies to ensure that the tabled budget and any revisions of the IDP are mutually consistent are mutually consistent and credible

(3) 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.

(4) IDP Processes

- 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

(5) Institutional arrangements, Roles and Responsibilities

I. Role players

The following role players will be involved in the development and/or review process of the Integrated Development Plan (IDP):

(a) Council
(b) Mayor
(c) Executive Committee
(d) Municipal Manager
(e) IDP, PMS and Budget Steering Committee
(f) IDP, PMS and Budget Technical Steering Committee
(g) Inter-Governmental Relations Committee
(h) Ward Councillors and ward committees
(i) Community Development Workers
(j) IDP, PMS and Budget Representative Forum (residents, communities and other stakeholders)
(k) Chris Hani District Municipality
(l) Provincial Government Departments in terms of their sector programmes

II. Roles and Responsibilities of Each Role Player

No	Role Player	Roles and Responsibilities	Composition
1	Municipal Council	(1) The Municipal Council will consider and adopt the process plan and the IDP and/or Reviewed IDP.	The Municipal Council shall be composed of: (1) All PR and Ward Councillors of Emalahleni Municipality
2	The Mayor	(1) Must ensure that the IDP is developed (2) Must ensure that the IDP is reviewed annually (3) Chairs the IDP/PMS and Budget Representative Forum (4) Chairs the IDP/PMS and Budget Steering Committee	
3	The Executive Committee	(1) The Executive Committee assists the Mayor to develop and review the IDP in line with the targets set in the IDP Process Plan of each financial year.	
4	The Municipal Manager	(1) The Municipal Manager provides technical support to the IDP/PMS and Budget Steering Committee. He / She co-ordinates the IDP development and review processes through relevant technical structures and performs the following activities: (a) Preparing the process plan (b) Undertaking the overall management and co-ordination of the planning process by ensuring: • Participation and involvement of all different role players • That time frames are adhered to • That the planning process is aligned to the Provincial Growth and Development Strategy • Conditions for community participation are provided • That the results of the planning and IDP review process are documented. (c) Responding to comments on the draft IDP from the public and other spheres of Government to the satisfaction of the Municipal Council (d) Accommodates and considers IDP comments and proposals from the office of the MEC for Local Government and Traditional Affairs	

No	Role Player	Roles and Responsibilities	Composition
5	IDP/PMS and Budget Technical Steering Committee	(1) IDP/PMS and Budget Technical Steering Committee does the technical ground work and provides information to the IDP/PMS and Budget Steering Committee (2) Terms of Reference The committee shall be responsible: • Collect and collate information for IDP, PMS and Budget Steering Committee • Conduct research and Advises the IDP, PMS and Budget Steering Committee	The committee shall be composed of the following members of the municipal administration: • Municipal Manager • All Directors • All Divisional Managers

6	IDP / PMS and Budget Steering Committee	(1) The IDP / PMS and Budget Steering Committee assists the Mayor in guiding the development and review process of the IDP.
		
		(2) <u>Terms of reference</u>
		The terms of reference for the IDP / PMS and Budget Steering Committee shall be the following:
		
		• Establish sub-committees
		• Commission research studies
		• Consider and comment on:
		  • Inputs from sub-committees, study teams and consultants
		  • Inputs from provincial sector departments and support providers
		• Processes, summarize and document inputs
		• Make content recommendations
		• Define the terms of reference for the IDP / PMS and Budget Representative Forum
		• Inform the public about the establishment of the IDP / PMS and Budget Representative Forum
		• Identify stakeholders to be part of the Forum in such a way that the public is well represented
		• Providing relevant technical, sector and financial information for analysis and for determining priority issues
			It comprises of the following members:
			• Mayor (Chairing)
			• Council Speaker
			• Chief Whip
			• All Members of the Executive Committee
			• Municipal Manager
			• All Directors
			• Manager: IDP and PMS
			• Manager: Budget and Financial Reporting

No	Role Player	Roles and Responsibilities	Composition
		• Provide political guidance in the consideration of financial strategies and identification of projects • The IDP / PMS and Budget Steering Committee may delegate some or all its responsibility to the IDP / PMS and Budget Technical Steering Committee.	
7	IDP, PMS and Budget Representative Forum	(1) The IDP / PMS and Budget Representative Forum of Emalahleni Local Municipality is the organizational mechanism for discussions, negotiations and decision-making between stakeholders within our municipal area. (2) Terms of Reference The terms of reference for the IDP / PMS and Budget Representative Forum shall be as follows: • Represent the interests of their constituents in the IDP process • Provide an organizational mechanism for discussion, negotiation and decision-making between stakeholders including municipal government • Ensure communication between all stakeholders including municipal government • Monitor the performance of the planning and implementation process. • Provide a platform for engagement, input and feedback to stakeholders on the IDP and PMS.	It is envisaged that the following organizations and/or stakeholders may be involved: • Councillors • Ward Committees • Community Development Workers • Inter-Governmental Forum • Traditional Leaders • Faith-based Organisations • Stakeholder Representatives of Organized Groups • Government department • Representatives of Political Organisations • Community Representatives • Resource Persons
8	Inter-Governmental Relations Committee	(1) Ensure that sufficient technical processes have been conducted with other relevant intergovernmental forums and stakeholders prior to submission of an agenda item to the Emalahleni LM IGR Forum;	1. Municipal Manager (also the Champion and Chairperson of the Technical IGR Forum). 2. Executive Directors or Heads of Departments (Emalahleni LM) 3. Entities and other service delivery agencies 4. Provincial and National Representatives: • Office of the Premier • Department of Local Government and Traditional Affairs • Provincial Treasury.

No	Role Player	Roles and Responsibilities	Composition
			• South African Local Government Association Eastern Cape (SALGA EC) • Heads of Sector Departments in the Emalahleni LM area. • Heads of National Departments in Emalahleni LM area. • State owned enterprises (e.g. ESKOM, Telkom, ECDC)
9	PMS Committee	(2) Evaluating the annual performance of the municipal manager	5. Mayor (Chairing) 6. Chairperson of the Performance Audit Committee or the Audit Committee in the absence of a performance audit committee; 7. Member of the Executive Committee or in respect of a plenary type municipality; 8. Mayor and/or Municipal Manager from another municipality 9. Member of a ward committee as nominated by the Mayor

1.6 Action Programme

The municipality prepared and adopted its IDP framework and action program and presented it to Council for adoption on the 30th June 2015. In line with the legislative requirements for the review process of the IDP, taking into consideration all the five phases mentioned above. Below is a time schedule reflecting the activities and dates as adopted by Council

Activity	Date	Custodian
June 2015		
Preparation of the draft SDBIP 2015/2016 and presentation to the Mayor for signature	12th June 2015	Municipal Manager
Review the of the 2015/16 and compilation of the IDP/PMS Review Process Plans 2016/2017	22 June 2015	Municipal Manager
IDP/PMS and Budget Technical Steering Committee: Presentation and Alignment of the IDP, PMS and Budget review Process Plans with other municipal plans	22 June 2015	Municipal Manager
IDP/PMS and Budget Steering Committee/ Executive Committee - Presentation of the draft IDP/PMS and Budget Review Process Plan 2016 / 2017	25 June 2015	Mayor
Approval and Publication of the SDBIP 2015/2016	30th June 2015	Mayor Municipal Manager
Presentation of the draft IDP and PMS Review Process Plan 2016 / 2017 to Council for approval	30 June 2015	Mayor

Activity	Date	Custodian
July 2015		
Preparation and finalization of the Annual Performance Report (Section 46) for the 2014/2015 financial year	03rd July 2015	All Directors Municipal Manager
Advertisement and/or publication of the IDP/PMS Review and Budget Process Plan 2015 / 2016	July 2015	Municipal Manager
Submission of IDP/ PMS Review and Budget Process Plan to the district municipality and other spheres of government	July 2015	Municipal Manager
Inter-Governmental Relations meeting - Formal presentation of the approved IDP, Budget and SDBIP 2015/2016 to stakeholders	16 July 2015	Municipal Manager
Submission of Performance Information for purposes of the Annual Report	17th July 2015	All Directors Municipal Manager
Preparation and Submission of signed performance agreements for Section 57 Managers to relevant stakeholders	31 July 2015	Municipal Manager
August 2015		
Preparation of the draft annual report 2014/2015	02 – 21 August 2015	Municipal Manager
IDP Rep Forum: Presentation of SDBIP and Process Plan	18 August 2015	Mayor
Submission of the draft annual report 2014/2015 with annual financial statements to the Audit / Performance Audit Committee for review	20th August 2015	Chief Financial Officer Municipal Manager
Tabling of the unaudited Annual Report in Council for noting	31 August 2015	Mayor
Submit draft previous financial year Annual Report and evidence to internal and the Auditor General including annual financial statements and financial and non-financial information	31 August 2015	Municipal Manager Chief Financial Officer
Municipality submits annual report including final annual financial statements and annual performance report to Auditor General for Auditing purposes – due 31 August. Council to submit unaudited tabled annual report to MPAC for vetting and verification of Council's directive on service delivery and the committee to evaluate senior managers performance against agreement entered into	27 August 2015	Municipal Manager Chief Financial Officer and All Directors
September 2015		
IDP/BUDGET Steering Committee -	03 September 2015	Mayor
IDP/PMS and Budget Technical Committee – Presentation of the Situational Analysis under review (Situational analysis review phase commence)	10 September 2015	Municipal Manager
Auditor General audits the unaudited annual report and submit an audit report to the accounting officer of the municipality	October/November 2015	Municipal Manager
October 2015		
Submission of Performance reports and performance information of the first quarter	02 October 2015	All Directors

Activity	Date	Custodian
IDP/PMS and Budget Technical Steering Committee: presentation of the first quarterly performance analysis report	15 October 2015	Municipal Manager
Submission of the Performance Report of the institution to the Office of the Mayor	16 October 2015	Municipal Manager
Special Council Meeting: Annual Report and oversight report process for adoption to be used as input into public participating meetings for IDP Review process	28 October 2015	Mayor MPAC Chairperson
IDP Rep Forum Presentation quarter performance and Situational Analysis under review (Situational analysis review phase commence)	29 October 2015	Mayor
November 2015		
IDP/PMS and Budget Technical Steering Committee – presentation and discussion of the situational analysis. Launch of the second phase of the IDP (Review of the objectives and strategies commences); Preparation of the Audit Action Plan 2014/2015	04 November 2015	Municipal Manager Chief Financial Officer
Annual Report and oversight report process for adoption to be used as input into public participating meetings for IDP Review process	09 - 13 November 2015	Mayor
Oversight Committee finalises assessment on the annual report	10th November 2015	Municipal Manager
Tabling of the audited annual report and financial statements to Council	20th November 2015	Mayor
Annual Report is made available for inspection by the public	25th November 2015	Mayor
IDP/PMS and Budget Representative Forum – Presentation of the audited annual report 2014/2015, draft reviewed situation analysis, objectives, strategies and indicators (IDP 2016/2017). Presentation of the 1st quarterly performance (July to September 2015)	26 November 2015	Mayor
December 2015		
Logistical arrangements on the review of the mid-year performance reports, assessment of performance and review of the service delivery and budget implementation plans	01 – 04 December 2015	Municipal Manager
Budget Steering Committee	02 December 2015	Mayor
Council adopts Oversight report	15th December 2015	Municipal Council
Oversight Report is available for inspection by the public	15th December 2015	Municipal Manager
Oversight report is submitted to Auditor-General, Provincial Treasury and Department of Cooperative Government-EC	15th December 2015	Mayor Municipal Manager
January 2016		
Submission of Performance reports and performance information – mid-year performance	08 January 2016	All Directors
IDP/PMS and Budget Technical Steering committee to present and discuss draft objectives and strategies.	14 January 2016	Municipal Manager All Directorates

Activity	Date	Custodian
Launch of the third phase of the IDP (Discussions on the projects commences)		
Strategic planning session to present updated situation analysis, refined objectives and strategies and draft projects. Presentation of the mid-year performance report; Review SDBIP 2015/2016, prepare draft SDBIP 2016 / 2017;	20 - 22 January 2016	Municipal Manager All Directors
Submission of the Mid-Year performance report 2015/2016 to the Mayor	25 January 2016	Municipal Manager
Presentation of reviewed SDBIP 2015/2016 to the Mayor for approval	29 January 2016	Municipal Manager
SPECIAL COUNCIL MEETING: Table in a council meeting, mid-year assessment report 2015 / 2016	29 January 2016	Municipal Manager, Mayor
February 2016		
Submission of mid-year performance reports to the Sector Departments (National / Provincial Treasury and the EC-CoGTA	05 February 2016	Municipal Manager
IDP Rep Forum – Presentation of the mid-year performance report, draft reviewed IDP objectives, strategies and indicators, Mid-Year Performance, Audit Outcome, allocations to be considered if necessary.	03 February 2016	Mayor
IDP/PMS and Budget Technical steering committee to discuss and finalize draft projects and submission of reviewed sector plans; draft adjustment budget	24 February 2016	Municipal Manager
SPECIAL COUNCIL MEETING: Table in a special council meeting the adjustments budget for mid-year	29 February 2016	Municipal Manager, Mayor
March 2016		
Presentation of draft Reviewed IDP 2016 / 2017 to IDP/PMS and Budget Technical committee and alignment of budget	15 March 2016	Municipal Manager
Budget Steering Committee meeting for presentation of Draft IDP and Draft Budget	15 March 2016	Mayor
Submission of draft directorate SDBIPs 2016 / 2017 for consolidation	17 March 2016	All Directors
IDP/PMS and Budget Steering Committee: Presentation of draft 1st Draft IDP 2016/2017 (4thReview); review progress	23rd March 2016	Mayor
Inter-Governmental Relations – Consultation on the 1st draft Reviewed IDP 2016 / 2017	24 March 2016	Municipal Manager
Special Council Meeting – Presentation of the 1st draft IDP 2016 / 2017 (4th Review)	31 March 2016	Mayor
April 2016		
IDP advertised for public comments, public meetings and consultation schedule	01 April 2016	Municipal Manager
Submission of adopted Draft IDP and budget to the Office of the Premiers, Provincial and National Treasury, District Municipality and the MEC for EC-CoGTA	07 April 2016	Municipal Manager

Activity	Date	Custodian
Submission of Performance reports and performance information of the third quarter	07 April 2016	All Directors
IDP, Budget and PMS Road shows	04 – 22 April 2016	Mayor
IDP Representative Forum– presentation on the final draft Reviewed IDP and Budget 2016 / 2017; and tariffs	22 April 2016	Mayor
May 2016		
IDP/PMS and Budget Technical Steering Committee to consider public comments and those from sector departments; presentation of performance reports for the 3rd quarter	05th May 2016	Municipal Manager
IGR Final Submission of inputs from Sector Departments	10 May 2016	Municipal Manager
IDP/PMS and Budget Steering Committee: Presentation of Final Draft IDP	12 May 2016	Mayor
IDP and Budget Workshop for Councillors and Traditional leaders on the final draft Reviewed IDP 2016 / 2017	26 May 2016	Municipal Manager
State of the Municipal Address: Reviewed IDP 2015/2016 & Budgets approved by Council	26 May 2016	Mayor
June 2016		
Submission of the approved Reviewed IDP and Budget 2016 / 2017 to the National, Provincial Treasury department, MEC for EC-CoGTA and the district municipality	10 June 2016	Municipal Manager
Budget Steering Committee presentation of the SDBIP for 2016/2017 Financial Year and Process Plan	15 June 2016	Mayor
IDP/ PMS and Budget Technical Steering Committee to finalize the service delivery and budget implementation plans for 2016 / 2017	22June 2016	Mayor
Strategic planning session for the assessment of annual performance and development of the 5 year performance report of the institution and; development processes of the new 5 year strategic plan 2017 – 2022	27 - 29 June 2016	Municipal Manager
Special Council Meeting	30 June 2016	Mayor

EMALAHLENI
MUNICIPALITY
UNITY IN DEVELOPMENT

CHAPTER 2
SITUATIONAL ANALYSIS

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SITUATIONAL ANALYSIS

2.1 Introduction

Local Government laws and regulations require municipalities on an annual basis to test the level of the development in the municipal area so as to ensure that; plans and resource allocation respond directly to the needs of the communities. This is done through environmental scanning on all areas in the municipality

2.2 Reflection on the municipal area

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. The Demarcation process conducted by the Demarcation board in 2015 reported the outcomes, which had an impact on a number of Wards and as well increased the vastness of the municipal area. Dlamini village from Ward 6 is now in Ward 5, Ngxabane village from Ward 2 to Ward 1, Indwe town from Ward 16 to Ward 15, Nkenkulu village from Ward 14 to Ward 16, Badi Village from Ward 8 to Ward 9, Zingqolweni Village from Ward 3 to Ward 17, Xonxa village from Ward 1 to Ward 6, Zakhele location and Part of town from Ward 5 to Ward 4, Trust village from Ward 17 to Ward 3 and Ngqoko village from Ward 4 to Ward 17. Luphaphasi, Emaqwathini, Thembelihle are villages received the Sakhisizwe Local Municipality

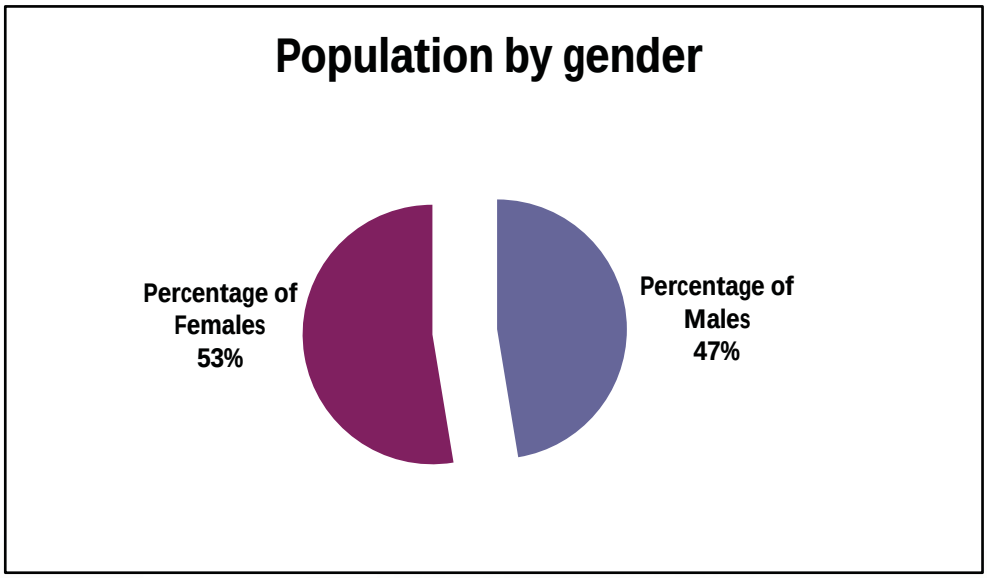
2.3 Demographic analysis of the area

(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 kilometres, 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.

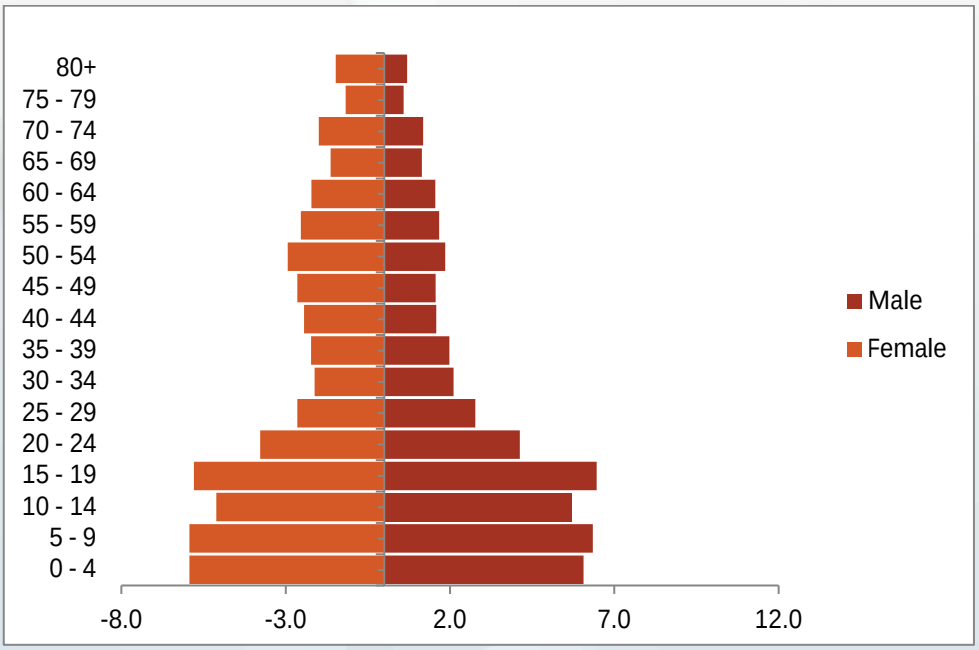
The following tables and graphs reflect the population of Emalahleni by various categories. The Black Africans and Black African females in particular are the largest group of the population at 51% (and 53% including all races) of the total population. The high representation of females in the population 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	55 614	350	135	322	199	56620
Female	62 058	341	39	340	61	62839
Grand Total	117672	691	174	663	260	119459



Statistics South Africa: Web page: www.statssa.gov.za, 2011

(2) 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:

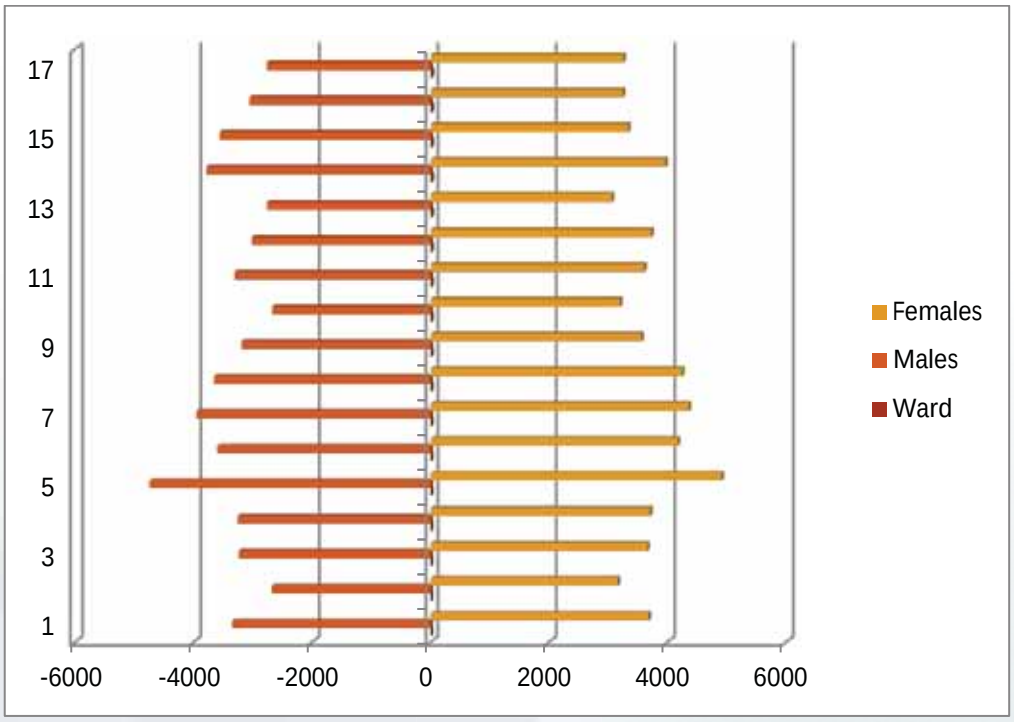
- the 0-19yrs comprised of 47% of the total population
- ages 20-59yrs of the economically active population, show a fairly distributive population
- ages 60 upwards represent 13% of the population

The municipal 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.

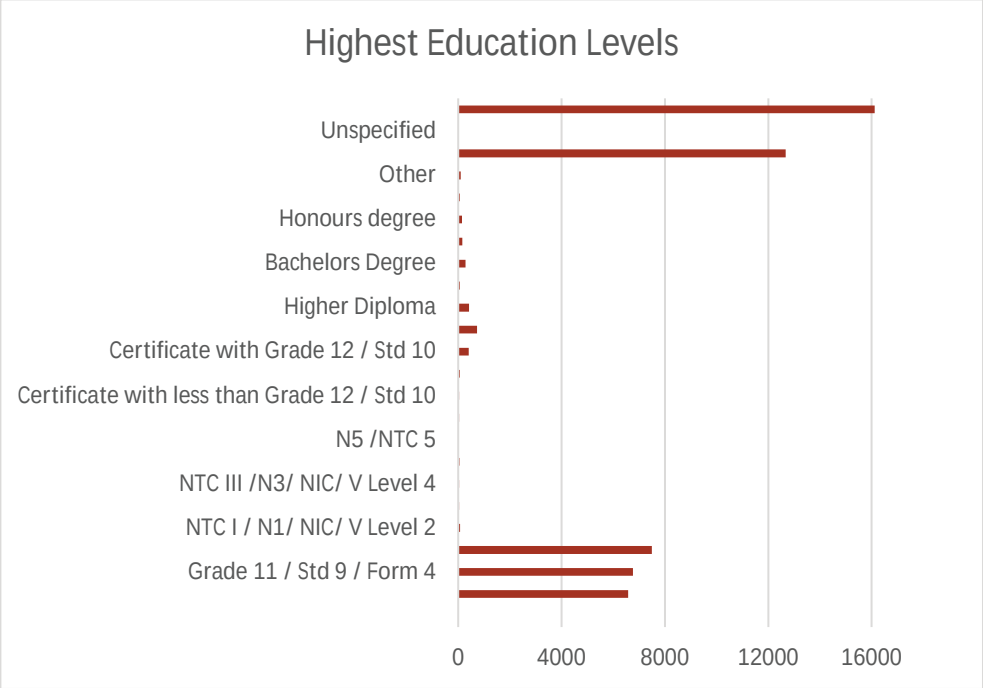
The following table represents the spread of the population according to the 17 wards in the municipal area:



Statistics South Africa: Web page: www.statssa.gov.za, 2011

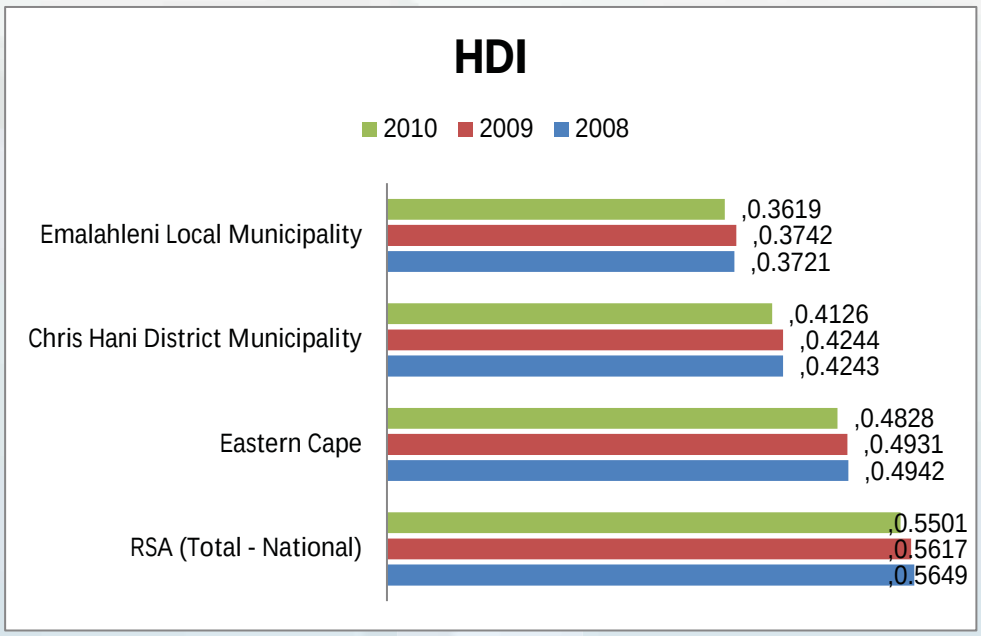
2.4 Education and Skills

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.



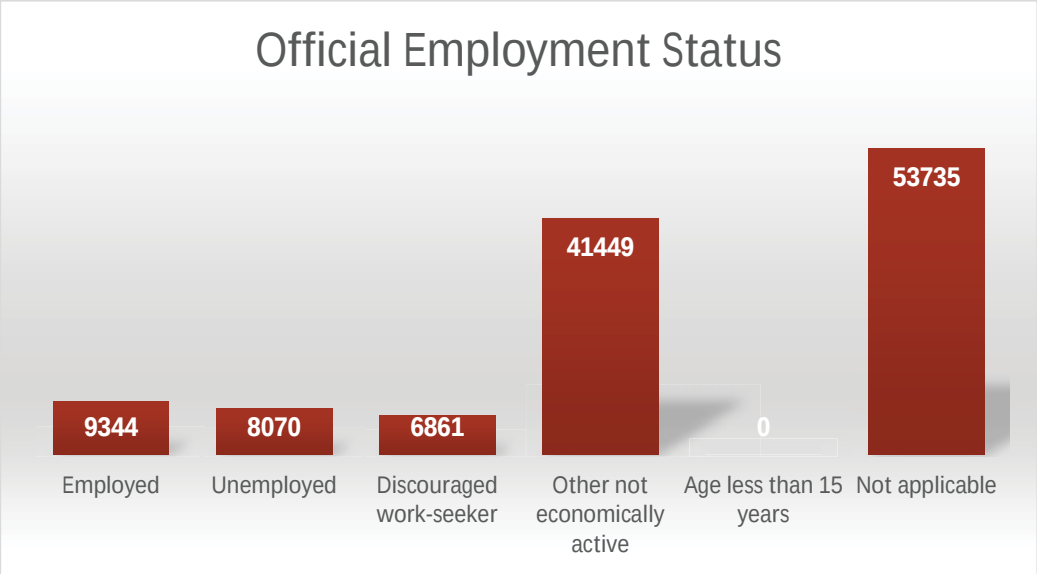
Source: Statistics SA 2011

(3) Human Development Index (2008 – 2010)



(4) Labour

(a) Formal Employment

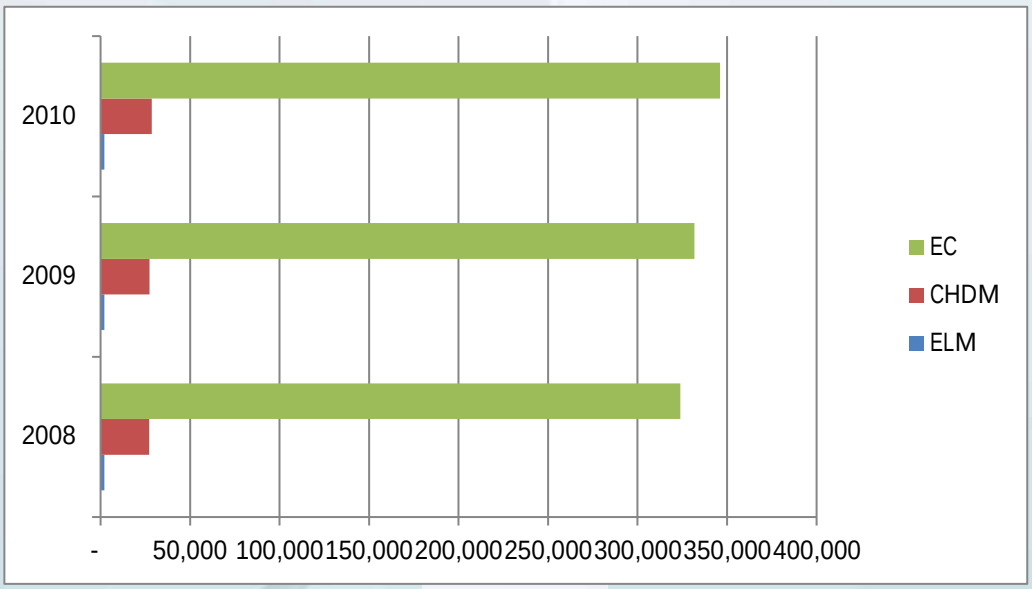


Sources: Statistics SA, 2011

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.

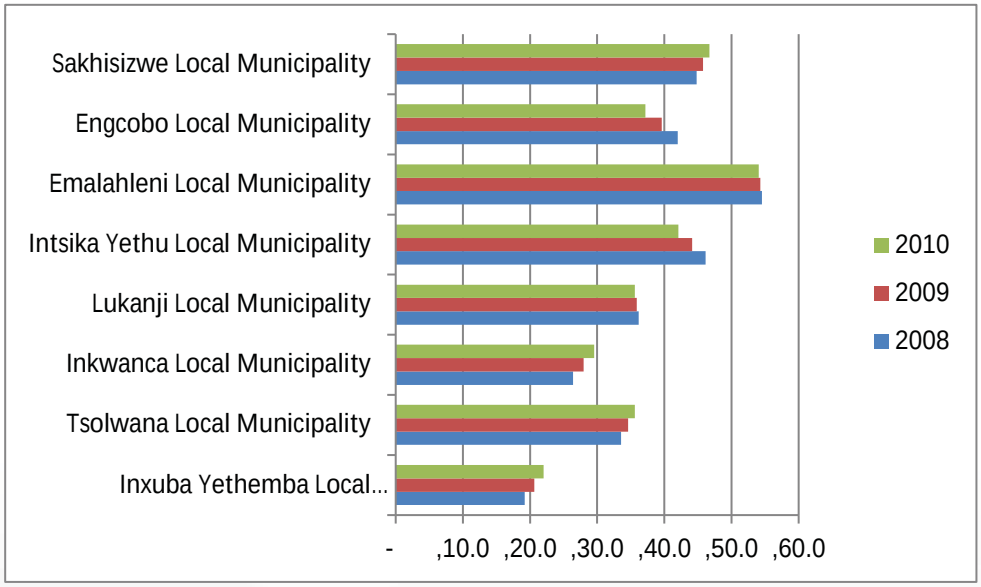
The GDP of Emalahleni has been anchored by the wholesale and retail sector which has contributed a higher percentage in terms of Real Money. The wholesale and retail sector has contributed about 80% to the Gross Domestic Product and has seen a steady growth for the past three financial years (2008, 2009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

(b) Informal Sector:



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

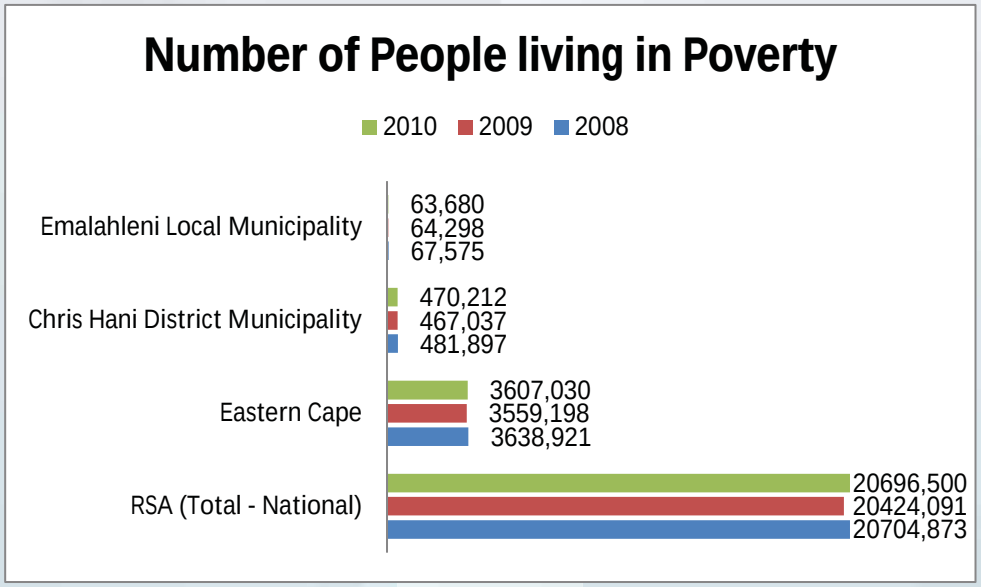
(c) Unemployment rate



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.

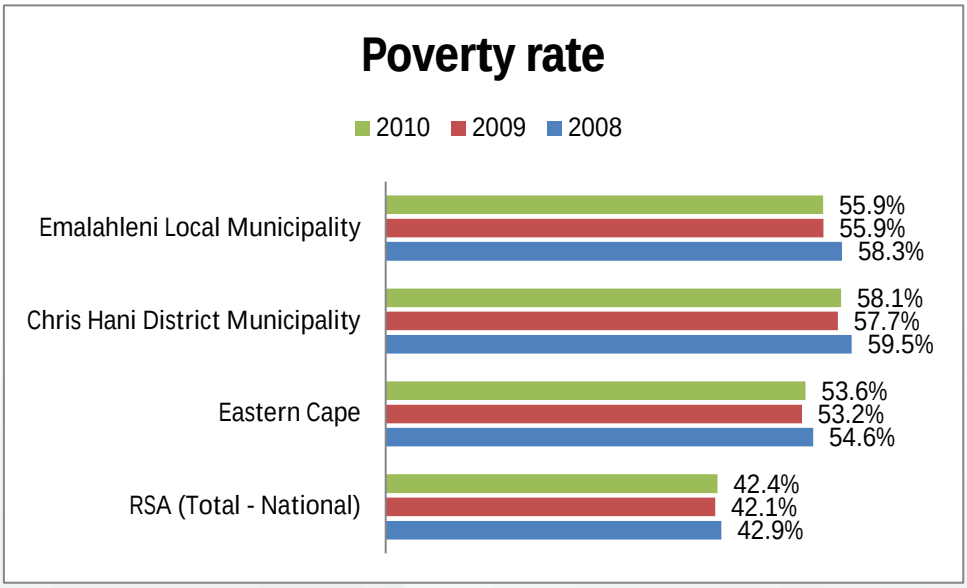
(5) Poverty:



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.

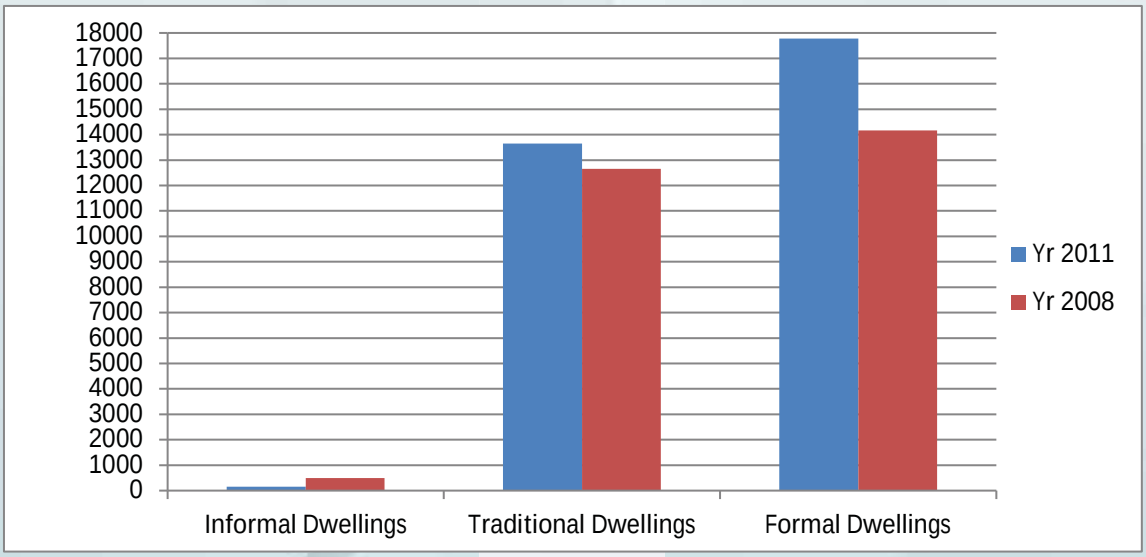
Due to the snail pace inwhich poverty is decreased, Government in general and Emalahleni Local Municipality in particular, need to introduce aggresive measures that will seek to accelerate the pace of poverty eradication and such can be encapsulated in LED strategy and other relevant strategies.

(6) Poverty rate (2008 – 2010)

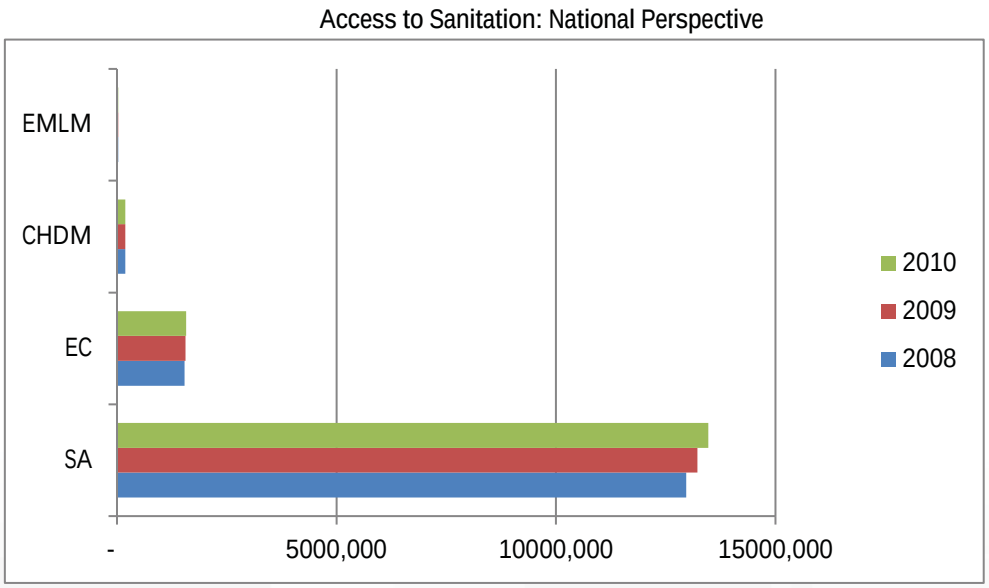


(7) Human Settlements

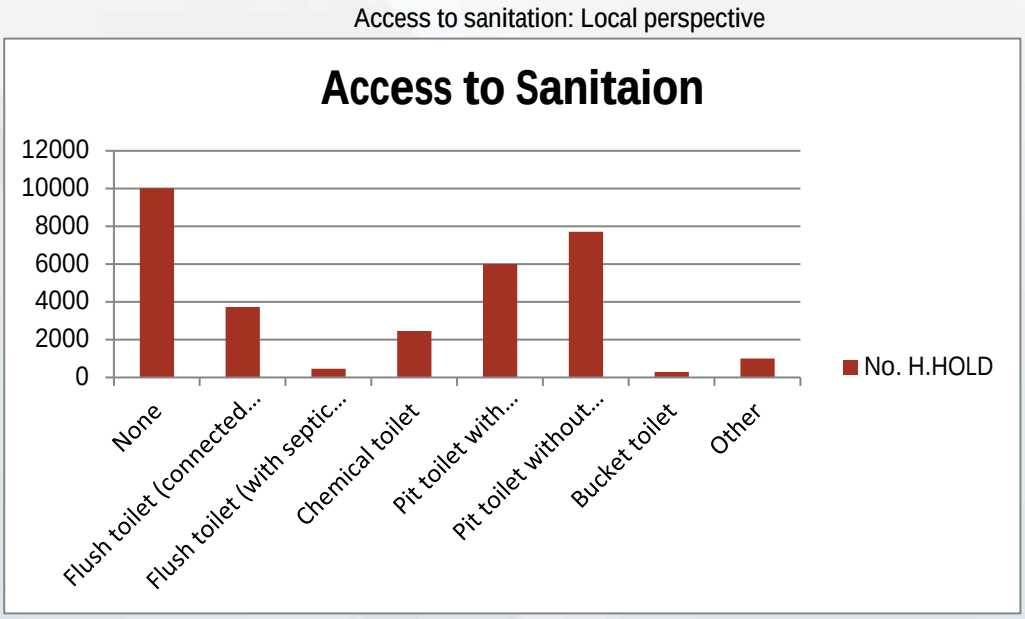
The graph below shows that most of the houses in the municipality are those made of bricks and traditional houses, it also shows a slow increase from 2008 of brick and traditional houses. There is a very minimum number of informal settlements and the numbers are showing a slow decline since 2008 and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



(8) Access to Services:



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



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
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.

2.4 Situation analysis per Key Performance Area (KPA)

2.4.1 Basic Services and Infrastructure Development

Basic Service Delivery and Infrastructure Development refer to the assessment of development of the municipality in relation to the following:

(1) Infrastructure Development

The municipality currently has no comprehensive infrastructure plan, but plans are in place to identify funding for its development and implementation in the next financial year. In its quest for infrastructure development, and the requirements of CoGTA on the establishment of Project Management Unit by municipalities, which was reviewed in 2007/2008; the municipality established a Project Management Unit. The unit is located in the Infrastructure Development and Human Settlements Directorate.

(a) Project Management Unit (PMU)

The Municipality established the PMU office for managing infrastructure projects back in 2006/2007 financial year. The unit was established to manage conditional infrastructure grants, and at the time the only grant the municipality participated on was the Municipal Infrastructure Grant (MIG).
The unit then had one person in charge of the entire project management unit but has since grown, and now the PMU office currently has a total of 7 personnel, with only one vacancy to be filled (ISD Unit, EPWP and Project Management).
The municipality now participates on various infrastructure grants such as; Municipal Infrastructure Grant (MIG),

Integrated National Electrification Programme (INEP) and Expanded Public Works Programme Incentive Grant (EPWPIG).

(i) Municipal Infrastructure Grant (MIG)

The municipality started to receive the grant from the 2006/2007 financial year, and has been an active participant in the programme. The municipality is currently having committed projects up to 2017/2018 financial year in terms of the approved three year capital plan.

The municipality has received the following allocations

2015/2016	2016/2017	2017/2018
R32 226 000	R33 400 000	R35 162 000

(ii) Integrated National Electrification Programme (INEP)

The aim of this grant is to assist the municipality with the eradication of electricity backlogs.
The municipality started to participate in this grant during the 2011/2012 financial year. The programme and is managed by the Project Management Unit (PMU) in the Infrastructure Development and Human Settlement Directorate. The PMU is responsible for monitoring the performance of the consulting firm for the duration of the contract, and ensures that the consulting firm delivers on all its terms of reference.

	2012/13	2013/14	2014/15
Approved budget amount	R 4,000,000.00 R 5,000,000.00 (Re-gazetting)	R 10,000,000.00	R10 000 0000 R1 000 000 (re-gazetting)
Spent budget amount	R 9,000,000.00	R 10,000,000.00	R11 000 000
Difference	R 0	R 0	R0

The grant has been successfully spent over the past three financial years.

iii. Expanded Public Works Programme Infrastructure Grant (EPWPIG)

The municipality has developed and adopted a policy on EPWP and been participating programme for the past years. A number of directorates within the municipality are participating in the implementation of the programme, but the actual performance is monitored and reported on in the PM unit. The municipality has also been honoured to receive incentive grant from the department of Roads and Public Works and has had 156 beneficiaries.

In 2014/15 financial year the municipality has been allocated R 1,217,000.00 which has been spent very well. The municipality has also received an amount of R1 000 000 from the Chris Hani DM in the form of a grant.

SWOT Analysis

Strengths	Weaknesses
• Qualified personnel • Creative/Innovative thinking • The unit is almost fully capacitated • Committed and ethical staff' • Capacity building for PMU personnel • Quality on all infrastructure projects	• Lack of training and development • Lack of Monitoring on some projects • Dependency on Consultants for designs, because there are no design programs and equipment. • Absconding • Under budgeting
Opportunities	Threats
• Funding for infrastructure related programmes	• Corruption • Under performance on service providers

(2) Roads and Storm Water Drainage Systems

(a) Existing Level of Service

The roads are divided into three Level of Service categories:

- Urban: All roads within the urban edge
- RDP: Main access roads leading to critical public infrastructure such as schools and clinics
- Rural: Main access district road that leads to the activity node within the settlements

(b) Roads Classification

The total road network of Emalahleni LM in this table below

National Roads	0 km
Trunk Roads	66.27 km
Main Roads	97.43 km
District Roads	653.01 km
Access/minor roads	161.16 km

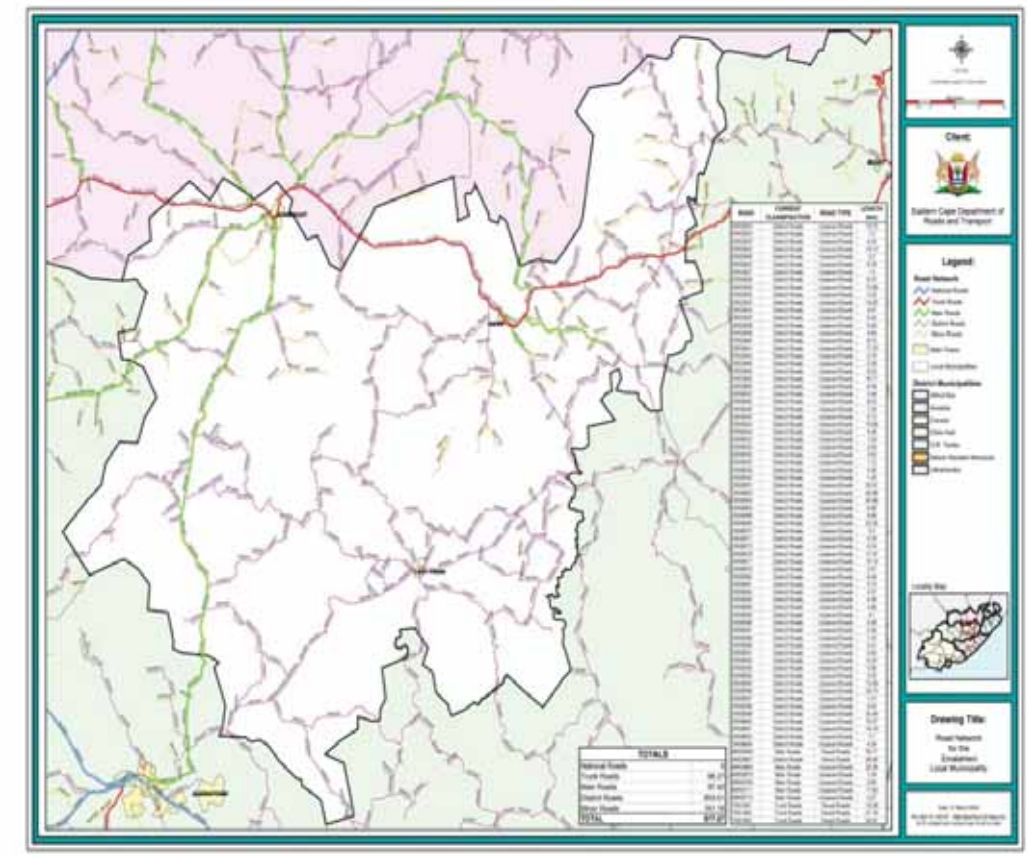
The R56 route which runs through Dordrecht and Indwe towards Elliot in an east –west direction is now a national responsibility. SANRAL has taken over the R 56 route which was trunk road between Barkley and Dordrecht, and runs through Indwe to Elliot, and end up to the KZN borders.

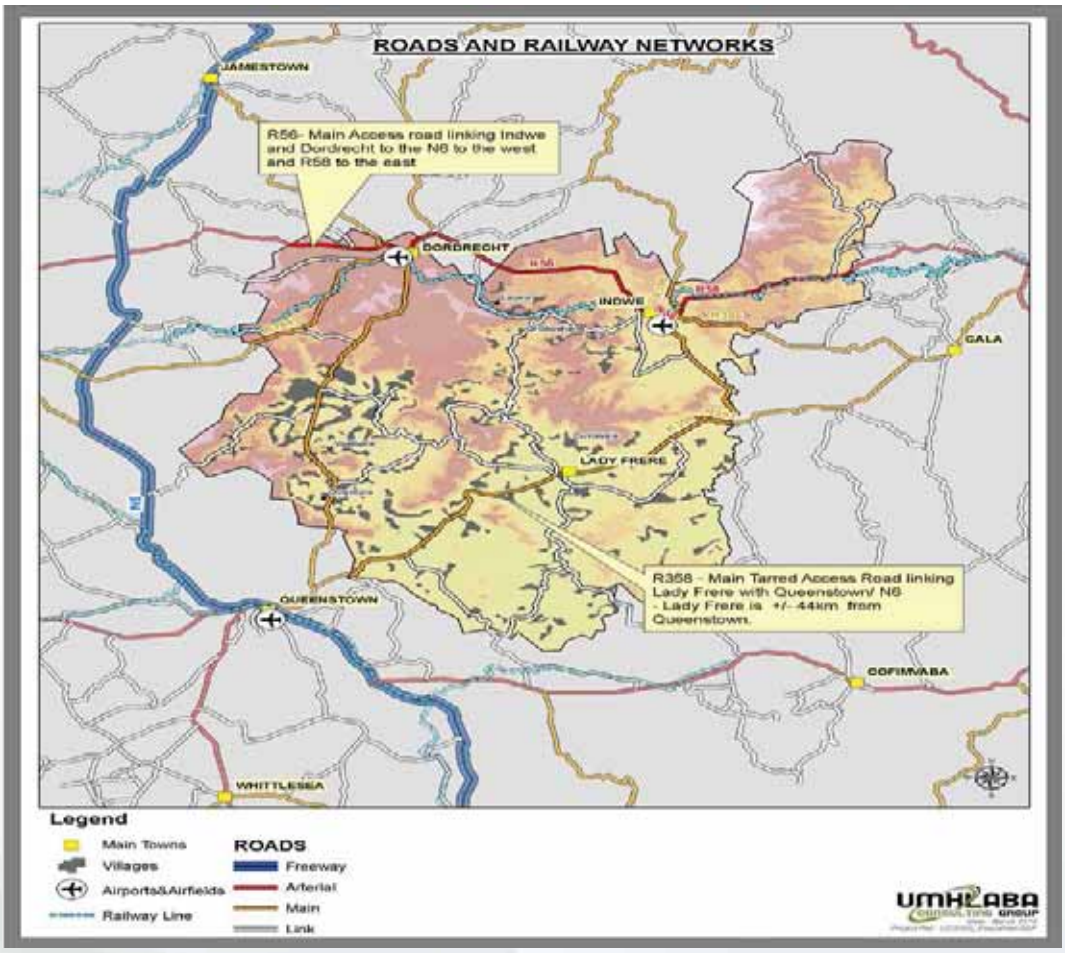
The main roads between Strekstroom and Dordrecht (R344), between Queenstown and Dordrecht (R392), and between Queenstown and Lady Frere (R359) remain trunk roads.

(c) Existing Roads and Storm water Network

There are 4 major roads that run into or are within the municipal boundaries. The rest of the municipal area is serviced by gravel roads that link farms and rural towns to the major routes.It is often characterised by poor storm water drainage designs which often put a lot of pressure on the visual road index and surface durability especially during rainy seasons.

The major road network of Emalahleni Local Municipality is shown below:





(d) Condition Assessments

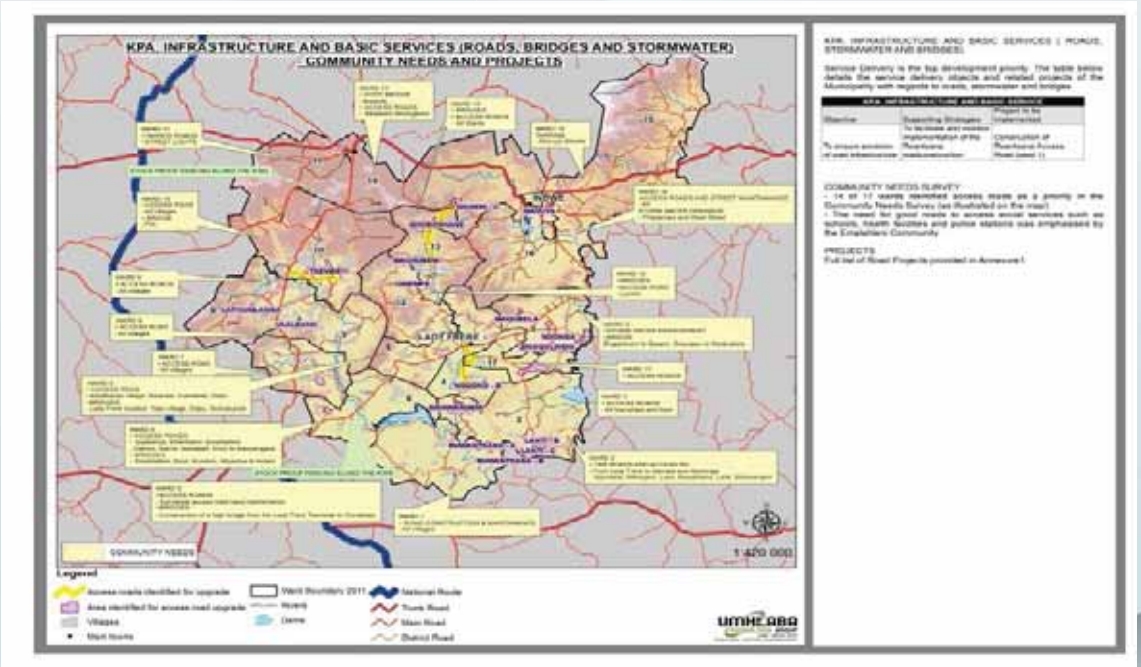
The entire road network of paved and unpaved (gravel) roads are generally in a poor condition and thus in need of upgrading and maintenance. Access across streams and watercourses is generally poor during rainstorms and a need therefore exist for the construction of appropriate causeways and bridges.

The findings from road inspections conducted are trunk and major roads summarised in the table below:

Road	Status
R359	The main road between Queenstown and Lady Frere (MR00661 which is sign posted R359) is in a fairly good condition, except for a section about 10km before Lady Frere which is in the process of repair. The concrete section of this road a few kilometres before entering Lady Frere is very uneven due to numerous cracks in the concrete slabs and the width of the bridges are in an unacceptable condition The main road through Lady Frere has been widened for parking along both sides and has paved sidewalks in the centre of town. However, the section of road on the entry into town between the river bridge and the taxi rank has no paved shoulder or sidewalks and pedestrians have to walk along gravel sides of the road amongst parked cars and taxis. The status of roads in the Lady Frere town is gradually improving. In the 2010/11 financial year 2.6km of gravel roads in town have been surfaced to black top standards. The rank next to Zulu Square can

Road	Status
	be used now as the road that passes the rank is in good condition. There were four gravel roads that were paved in Lady Frere town in further upgrading the town.
Lady Frere and Indwe	There are two routes between Lady Frere and Indwe. The shorter route is via DR08563 which is a gravel road that goes past the Elitheni Coal Mine. The section of this road between Lady Frère and Coal Mine is currently in poor condition and is in the process of being regravelled, starting from Lady Frère. The section between Indwe and the Coal Mine has recently been regravelled and storm water drainage pipes are in the process of being installed at regular intervals across this road. The other route between Lady Frere and Indwe (DR08551) is slightly longer than the above-mentioned route but has a tarred surface for the first 20km towards Cala before the turnoff to Indwe. From the turnoff, the first 5km is in fairly good condition for a gravel road, but the remaining section to Indwe is in poor condition, but regravelling of this section is in progress, starting from the end of the 5km good section.
R56	The tarred roads which connects Indwe to Dordrecht (TR 01902 signposted R56) and extends westwards to the N6 and Molteno, and eastwards to Elliot, is in fairly good condition apart from potholes which are appearing more frequently along the route. The route has been upgraded to nation route, SANRAL has taken over road and plans to maintain the road are underway
R392	The tarred road which connects Dordrecht to Queenstown (MR00659 sign posted R392) is in fairly good condition, but like the R56 suffers from the regular occurrence of potholes. This road is not as wide as the R56 and does not have the structural capacity to take heavy traffic volumes like R56. If coal carrying trucks from Indwe mines are going to use this road more frequently in the future, it will deteriorate rapidly unless rehabilitation measures are applied. The department of Road and Public Works has restored the fence along the road.
Lady Frere to Dordrecht	This is a gravel road that links Lady Frere and Dordrecht via Tsembeyi and it is in a bad state in terms of its condition. This road is a priority of the municipality for it to be surfaced as it would link the two towns (i.e. Lady Frere and Dordrecht) and therefore will positively contribute on the economical development of both towns

(e) Access and Internal Roads Networks per ward



Access and Internal Roads Networks per wards	
Urban	The majority of roads in urban wards are gravel roads. Most tarred roads are in a critical state of condition as they are reaching the end of their lifespan and have deteriorated. The condition and reliability of these roads is rapidly worsening with major potholes occurring, sections not being maintained adequately, causing greater challenges at present Storm water management is a critical issue. The major problems are blockages of existing storm water channels and drains due to lack of channel maintenance and high levels of littering.
Rural	Due to our steep and uneven terrain, most of the roads do not have adequate storm water systems and that results to roads being washed away on rainy seasons because of limited funding for road construction.

(f) Existing Road and Storm water Deficiencies and Opportunities

a) Minor/Access roads

Sector	Strength	Weakness	Opportunity	Threat
Roads and Storm water	There is basic gravel network of roads. Main access roads are in a fair condition A plan and costing can quickly be prepared for the upgrades required for roads and storm water	Old infrastructure and none are tarred, especially the access road		No maintenance, decay of roads, lack of adequate storm water management Steep terrain

(g) Current Operational and Maintenance Practices

The municipality is responsible for construction, maintenance and upgrading of local access roads. Trunk, Main and district roads are the responsibility of the Provincial Department of Roads and Public Works with other provincial roads being a responsibility of SANRAL. The municipality has an annual roads and storm water maintenance plan that is reviewed on a quarterly basis. The municipality has a draft roads master plan in place to guide implementation of roads construction within the municipal area. The municipality is having a functional roads and transport forum inclusive of all affected stakeholders

(h) Backlogs

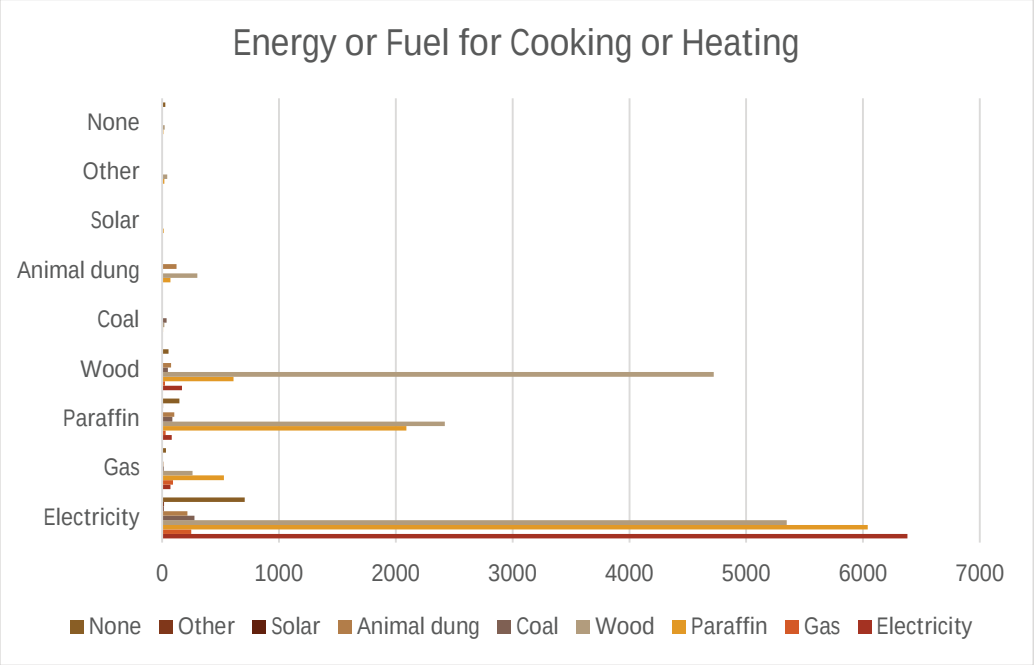
There is a huge backlog of adequate municipal roads in all the wards in particular relating to:

- Poor condition of roads,
- General lack of maintenance,
- Storm-water control measures.
- Lack of storm water management will result in further damages and increased costs to construct new roads, when the roads are in a critical state of condition and beyond repair.
- Traffic flow and accidents levels can also increase based on deteriorated roads which will place the responsible authority in a negative position.

(3) Sources of Energy for Lighting and Cooking

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 progress in terms of introducing other sources of energy that are eco – friendly like renewable energies (Solar; Wind Energy).

The municipality is pursuing plans to encourage usage of solar energy systems and has identified pilot programmes that will be designed to suit and respond to the energy needs in the identified wards. Mavuya township has solar street lights installed as one of the pilot projects.



Source: Statistics SA, 2011

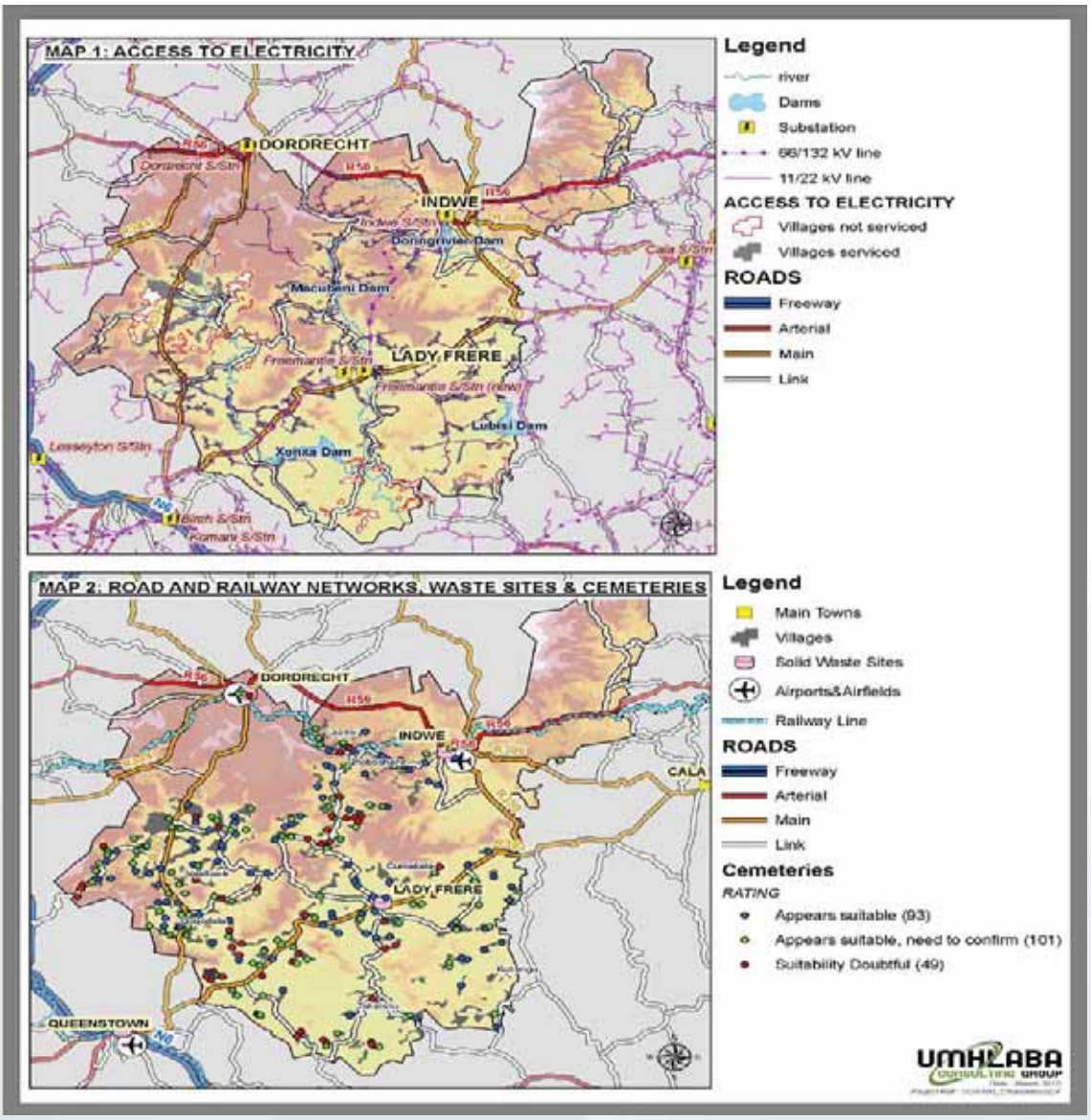
(a) General

The municipality, through INEP is responsible for electrification. Eskom is also responsible for providing electricity services and the municipality's role is to facilitate the implementation and communicate with Eskom regarding areas of priority for connections. The municipality is responsible for electricity distribution in the towns of Indwe and Dordrecht and plans to apply to NERSA for the distribution license in Lady Frere. Distribution license will be applied for, for all future electrification.

The municipality had received up to R41 million from the Department of Energy (DoE) towards finishing the electricity backlog. Villages that have been done to date are; Cacadu Extension (285 HH), Mphothulo Village (238 HH), Tshatshu Village (669 HH), Qithi and Qugqwarwu Village (435 HH). The total Households done between 2010/2011 and 2014/15 are 1,627 HH though the INEP funding.

(b) Existing Electricity Supply

The current electricity coverage is about 97% and the municipality plans to finish backlog by the end of the 2015/2016 financial year pending number of in-fills to be submitted.



(c) Existing Backlogs

a) Household connection backlog is estimated at about 3% currently.

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.

b) Existing Challenges

The following problems are constraining the development of the network:

- The high capital costs and therefore high cost per household connection.
- 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.
- Shortages in bulk electricity supply resulting to load shedding

Alignment of Eskom planning with the Municipality for both the expansion and the positioning of new systems is essential and will require close co-ordination between both parties.

(4) Waste Management

The municipality is responsible for waste management service which encompasses street cleansing, collection, transportation, disposal of solid waste and management of landfill sites. Integrated Waste Management Plan (IWMP) has since been developed and adopted by Council in 2012 and aiming at optimizing waste management by maximizing efficiency, and minimizing associated environmental impacts and financial costs. IWMP requires a complete reviewal as per the NEMWA guidelines.

It made projections on future requirements, set objectives, identified system components. Alternative methods/approaches for meeting legal requirements were as well identified. Lack of funds for projects and operations of the section necessitate that the Waste Management Section continuously source funds and resources externally.

(a) Landfill Site Management

Emalahleni LM has one permitted landfill site and three registered transfer stations, which are under construction. The Municipality has obtained a closure permit for the Old Lady Frere site and Dordrecht Site. The Department of Economic Development and Environmental Affairs and Tourism Affairs and Tourism allocated an amount of R1.6 Million to ensure compliance of the site to the Norms and Standards. Fencing of the site and setting up of the guard house to restrict access has commenced.

Site at Indwe was been deemed too small to be licensed and will be incorporated in the Development that is taking place currently. The Municipality has also obtained a permit to construct and operate a Regional Landfill Site in Lady Frere. This development also entails the construction of Transfer Station at Indwe, Dordrecht and Lady Frere. There is dedicated staff for Landfill Site Management through the support of Department of Environmental Affairs. There is currently no plant and equipment for Landfill Site operation however budget has been set aside for plant hire for this purpose. Volume of waste are recorded on a daily basis and registered to SAWIS to comply with minimum requirements of NEMWA.

(b) Refuse Collection

The Municipality is currently collecting refuse in all urban areas at least once per week. The CBD and major retailers are serviced more frequently with some businesses being serviced on a daily basis even though they are not charged accordingly. The municipality purchased a compactor truck as a mechanism to replace aged tractors. A combination of tractor trailer system for refuse collection is currently utilised by the municipality. Refuse collection has since been expanded to the two townships of Lady Frere which were previously not serviced (Bhongolwethu and Zakhele Township).

Formal waste collection service is generally limited to the urban areas of Lady Frere and Indwe / Dordrecht.

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	2 637
Removed by local authority less often	217	211	206	165
Communal refuse dump	562	587	612	528
Own refuse dump	13 363	13 518	13 674	20 165
No rubbish disposal	-	-	-	6883

Refuse collection per urban household

LADY FRERE	INDWE	DORDRECHT
Main Town (170)	Main Town (714)	Main Town (350)
Bhongolwethu (700)	Manyano (344)	Tyoksville(1985)
Lady Frere Location (592)	Mavuya (759)	Isinakho (1045)
Pilot (Mqeshi)(15)	Mzamomhle (502)	Munniksville (292)
	Sonwabile (193)	
	Phumlani (331)	

- Total Number of Households : 7992
- Total Number of Households receiving Recollection Services 6700
- Total Households of Emalahleni Local Municipality : 31 681

Weekly refuse removal services are at 8.5% according to Statistic South Africa 2011 Census report.

(c) Street Cleaning

The Municipality is cleaning the streets on a daily basis, especially the CBD and busy streets with businesses and transport services. The Waste Management Section is currently doing litter picking but has identified the need to physically sweep the streets of dirt caused by soil erosion and dust settling.

(d) Clearing of Illegal Dumping Sites

The Municipality has noted the growing number of Illegal Dumping areas within the residential areas and more so in the townships that are not serviced. These are more prevalent at Indwe and Lady Frere. Projects have been planned to eradicate these Illegal Dumping areas and also educate the communities on Waste Management, Health and Environmental Management. These have been grossly reduced with the implementation of Cleanup campaign and community participation, EPWP and Community Works Program.

(e) Waste Management Legislation

The Municipality has an existing IWMP which needs to be reviewed and aligned with the new developments of the area and growth of waste generation within Emalahleni Municipality. The Municipality has developed a draft Waste Management By-Law to give effect to enforcement of the legislation and polluter pays principles.

(f) Current Projects

i. Emalahleni Landfill Site Management Project (DEDEAT)

This project is funded by DEDEAT and focus on fencing and improving the existing Landfill Site at Lady Frere, Creating work opportunities and improving the condition of the sites at Indwe and Dordrecht. The project was funded for R1.6 Million and the project has been rolled out from January 2015 up until June 2015

ii. Youth Jobs in Waste

The Project is funded by DEA and is being implemented by Cokisa Consulting. There are 34 Beneficiaries in the project and they have been distributed in all three towns. Its objectives are to skill youth on Waste Management, Create work opportunities and provide infrastructural support to Municipalities.

iii. EPWP Project – Eradication of Illegal Dumping Sites at Indwe

The project is funded through EPWP and is based at Indwe. Its main objective is to eradicate Illegal Dumping Sites and enhance the Image of Indwe. The Project has created a work opportunities and one businesses opportunity for Transportation of Waste.

(g) Street Cleaning and Refuse Collection Enhancement Project (Clean-Up Campaign)

The Project is funded internally and there are 15 work opportunities that are created in the three towns of Emalahleni Municipality. The Objectives of the Project are to enhance the street cleaning and refuse collection services of the Municipality by ensuring availability of staff to perform the functions.

(h) SWOT Analysis for Waste Management as a functional area

Strengths	Weaknesses
• Council Approved Refuse Collection Schedule • Council approved by laws • Funding for development of new landfill site in Lady Frere and two transfer station in Dordrecht and Indwe • Dedicated personnel for waste management • District Award for Greenest Municipality Competition	• Insufficient budget for equipment • Inadequate plant and equipment to ensure compliance of landfill sites • Over reliance on temporal workers • Inability to map serviced areas • Landfill sites that are not rehabilitated
Opportunities	Threats
• Donor Funding • Support from CHDM and DEDEAT	• Litigation for sites that are not rehabilitated • Illegal dumping

(5) Environmental Management

The Municipality has no dedicated official for Environmental Management and related functions. These functions are delegated to officials at Community Services when the need arises. Plans are in place to incorporate Environmental Management functions and develop an integrated environmental management plan. Awareness Campaigns and Community Surveys will be conducted for waste management and environmental preservation. National Green days are celebrated on an annual basis. Chris Hani DM adopted a District focused Environmental Management Plan which must be reviewed by the LM to ensure relevance to its material conditions.

An internal analysis on the strengths, weaknesses, opportunities and threats on environmental management was done and the below table presents the findings:

Strengths	Weaknesses
• Availability of Spatial Development Framework • Greening and land care initiatives	• Unavailability of environmental personnel within the organization to deal with or address environmental issue.
Opportunities	**Threats**
• Support from SALGA on Environmental Management Programs. • CHDM integrated Environmental Management Plan • Support from DEA and DEDEAT	• Climate Change • Land degradation

(6) Climate Change and Air Quality Management

Chris Hani DM has a Climate Change Response Strategy and Air Quality Monitoring bylaws that are waiting for promulgation. The DM is the Licensing Authority for Air Emissions Licenses. The Air Quality Act makes it incumbent on local municipalities to monitor ambient air quality within its area of jurisdiction. It is accepted that a permanent air quality officer is required to regularly monitor air pollution and analyse the data in areas with heavy industrial emissions due to high industrial development.

However in Emalahleni LM almost has no extensive industrial economy that emits or degrade air quality. This situation does not warrant the appointment of a permanent air quality officer therefore the municipality is looking at more sustainable solution like partnering with the DEDEAT to monitor the air quality. Emalahleni is part of the Chris Hani District Climate Change and Environmental Management Forum and is also participating in the SALGA Forums for Environmental Management and Climate Change Strategy Forums

(7) Trade effluent Policy

The Municipal area has no extensive industrial areas that emit effluents which would require a by-law or a policy. The Water Act, NEMA, SANS 241, Health Act and the Constitution will be utilised for penalizing emitters if such occurs in the absence of the policy

(8) Disaster Management

(a) Institutional Capacity

Emalahleni Local Municipality has recently appointed two disaster management field workers with a provision for disaster management and fire-fighting coordinators in the organisational structure which are not yet filled. The municipality ensures monthly sittings of Disaster Management Advisory Forums with all relevant stakeholders. There are six (6) trained fire-fighting volunteers for the entire municipality and the recruitment of six more volunteers is in progress. There is a budget provision for Disaster management operations.

(b) Risk Assessment

Aurecon had conducted an intensive risk assessment per ward to input in the disaster management plan.

(c) Risk Reduction & Prevention

The winter fire season starts in March and includes all fire breaks and landowner awareness campaigns are being conducted.

(d) Response & Awareness

The 24 hour disaster management centre of Chris Hani District Municipality responds to all callouts from Emalahleni Local Municipality and a minimum of four awareness campaigns in schools, residential developments and businesses are conducted per month with the support of the District Municipality staff assigned to the area.

International Day for Disaster Reduction (IDDR) programme is being implemented by Emalahleni Local Municipality on a yearly basis involving schools and other relevant parties

(e) Training & Awareness

Chris Hani District Municipality assists in fire and rescue services training and officials continue to attend courses and traffic law enforcement unit assists in vehicle accidents, hazmat dangers. Engagements to solicit support for basic fire-fighting training with Department of Water Affairs and Working on Fire have been conducted.

(f) Funding Arrangements

Funding mechanism is through the municipal operating expenditure

The municipality is not immune to emergencies and disasters and annually suffers the impact of various human-induced and natural hazards that have the potential to kill, injure, destroy and disrupt. The municipality is committed to ensure the safety and the sustainability of its communities, economy and environment and therefore intends to effectively manage disaster risk within the municipality in close collaboration with all relevant stakeholders.

The municipality has engaged services of a service provider to develop disaster management plan for the municipal area in line with the requirements of the Municipal Systems Act and that of Disaster Management Act, 2002 (Act 57 of 2002). In developing the plan the following processes were followed, hazard identification analysis, risk profiling assessments and risk prioritisation which then leads to interventions.

The Disaster Management Plan has since been adopted and approved by Council and submitted to CoGTA Eastern Cape and it is yet to be gazetted.

Assessment performed revealed that ELM is an area already under stress due to the combined effects of poverty, large socioeconomic disparities and high disease burdens among significant portions of the population. Any disaster occurring in these already strained circumstances is bound to have an impact beyond what would normally be expected due to the vulnerability of the communities involved.

The municipality is at the forefront of dealing with disasters and their negative consequences, and it remains vital to include policies and regulations in their IDPs for reducing vulnerabilities and increasing opportunities of adaptation. The objective is the integration of disaster risk concerns into the municipal budget in order to ensure that levels of public expenditure on risk reduction are sufficient and that there are adequate financial arrangements to manage the residual risk. This DRA is required to establish the case for proactive and a comprehensive disaster risk management and to establish an enabling environment for disaster risk management.

Awareness-raising in the local community of the municipality is required to secure a solid appreciation and understanding of the relevance of disaster risk reduction and to secure its mainstreaming into development and greater accountability for disaster-related losses. Risk prioritisation has since been performed

In response to the Disaster Risk Assessment performed the Disaster Management Plan was then developed with the following priorities

(g) Addressing the priority risks:

Risk Reduction Plans, Disaster Preparedness Plans (Preparedness, Response & Relief) and disaster Recovery Measures (Rehabilitation & Reconstruction) have been identified and will be presented in length under the strategies

SWOT Analysis

Strengths	Weaknesses
• Well-coordinated structures with farmers and the community at large. • Advisory forums are attended monthly as well as rural safety meetings. • Approved Disaster management plan • Approved business plan for Disaster management center	• Lack of equipment (fire beaters and hydrants, fire vehicles) • Problems with water supply interventions • Capacity to deal with totally destroyed houses and provision of temporal shelters
Opportunities	**Threats**
• CHDM support • Working on Fire • Department of Water Affairs	• Rock fall • Heavy Rains • Strong Winds • Hazmat danger

(9) Housing Development and /or Human Settlement

Housing development is the core competency of the Provincial Department of Human Settlement, the role of the municipality is to facilitate development of Human Settlements and the administration of beneficiaries. The Human Settlement Division of the municipality is located in the Infrastructure and Human Settlements Directorate. The district municipality provides bulk services in the form of water and sanitation, and as well provides emergency houses. The Division is made up of housing component and the administration of estate component.

A rectification programme has been approved for Lady Frere and a contractor was appointed to rectify 715 housing units, 2000 housing units in Dordrecht and 500 in Indwe.

The municipality has the responsibility of eradicating informal settlements backlogs. With regards to Census 2011, the housing complexion of the municipality is as indicated in the table below. Section 2.5.5 and 2.5.6 of the Housing Sector Plan indicated approximately 153 households resides in informal dwellings according to the 2011 census.

Population			
Town	2001	2011	% (10 years)
			2001-2011
Emalahleni	115 932	119 460	3.04

The Municipality is undertaking the following housing projects through the process of commercial and mixed use development:

250 Low cost housing development in Lady Frere
516 Middle income housing development in Lady Frere

It is the intention of Council to undertake and implement a middle income FLISP housing project in Indwe in the 2016/2017 financial year for 160 units. Approval has been granted by the Department of Human Settlements to develop 800 mixed development housing units in Dordrecht.
A new housing project has been approved to construct 289 low income housing units in Dodrecht.

(a) Emalahleni population

Table below indicates that there is likely to be an increase in households should the trend between 2001 and 2011 continue to 2021. It suggests that if growth rates continue for the next 10 years like they did for the past decade, another approximately 6 820 households can be expected that require housing in all income groups. To this, it can be added the

backlog of approximately 153 dwelling units. It is interesting to see that the growth rate in households was significantly higher than that of the population.

Housing Need 2011-2021

Households				Backlog/ Waiting list	Total
HH Size	2011	% (10 years)	Add HHs		
		2001-2011	2011-2021	HH	2021
			all incomes	BNG, GAP	
3.77	31 680	21.53	6 820	153	6 973

Table below compares the housing need against the housing demand in Emalahleni municipality. In this case demand is represented by the number of available subsidies. The housing need, as indicated by the census 2011 informal dwelling count, was compared against the number of subsidies provisionally allocated and suggests that there might be a surplus in provisional housing subsidies.

Need vs. Demand		
Measure	No.	Comments
Informal Dwellings (Census 2011) (Need)	153	Refers to Cacadu and Indwe
Provisional Subsidies (Demand)	2400	Applications for subsidies for projects currently in the planning stages
Waiting Lists Verified	Awaited	Replaced by National Needs Housing Register
Waiting Lists unverified	Awaited	Replaced by National Needs Housing Register
Subsidy/ Deficit: Subsidies	2247	

SWOT Analysis – Human Settlement

Strengths	Weaknesses
• Adequate access to resources • Skilled personnel	• Limited personnel • Limited Budget
Opportunities	**Threats**
• Availability of Human Settlement development • Developer status	• Limited Housing Subsidies System • Provision of bulk infrastructure • Management of implementation of the projects resides with provincial department

(10) Cemeteries

The Municipality has nine (9) cemeteries; there are two in operation in Indwe, one in Dordrecht and two in Lady Frere. Each Cemetery has an existing cemetery Register. Dordrecht currently offers sale of site and grave digging services. Indwe and Lady Frere are only offering sale of site. Cemetery layout plan has been developed for Dordrecht and is to be submitted to Council for adoption. Roads and storm water channelling constructed.

Fencing, clearing of the site and marking of the graves for Lady Frere cemetery is also underway including construction of parking space through MIG funding. There are future plans to substitute the Cemetery Register with a Cemetery Management Software which will also encompass grave digging for Indwe and Lady Frere. The construction of parking bay, storm water channelling and roads have been implemented.

Type	Condition	Place	Description
Cemeteries	2 - Good (61 to 80%)	Dordrecht	DORDRECHT MONUMENT-MONUMENT
FENCING - CEMETERIES	3 - Fair (41 to 60%)	Sinakho	DORDRECHT CEMETERY 1-FENCE
Cemeteries	1 - Excellent (81 to 100%)	Sinakho	DORDRECHT CEMETERY 1-CEMETERY GROUNDS
FENCING - CEMETERIES	3 - Fair (41 to 60%)	Munnikville	DORDRECHT CEMETERY 2-FENCE
Cemeteries	1 - Excellent (81 to 100%)	Munnikville	DORDRECHT CEMETERY 2-CEMETERY GROUNDS
FENCING - CEMETERIES	3 - Fair (41 to 60%)	Munnikville	DORDRECHT CEMETERY 2-FENCE
Cemeteries	1 - Excellent (81 to 100%)	Munnikville	DORDRECHT CEMETERY 2-CEMETERY GROUNDS
FENCING - CEMETERIES	2 - Good (61 to 80%)	Dordrecht	DORDRECHT CEMETERY 3-FENCE
Cemeteries	1 - Excellent (81 to 100%)	Dordrecht	DORDRECHT CEMETERY 3-CEMETERY GROUNDS
Cemeteries	2 - Good (61 to 80%)	Dordrecht	MUSLIM CEMETERY-CEMETERY GROUNDS
FENCING - CEMETERIES	4 - Poor (21 to 40%)	Dordrecht	MUSLIM CEMETERY-FENCE
Cemeteries	2 - Good (61 to 80%)	Dordrecht	Cemetery - Land Site Number - /2008
Cemeteries	2 - Good (61 to 80%)	Dordrecht	Cemetery - Building On Site Number - /2008
Cemeteries	2 - Good (61 to 80%)	Lady Frere	Cemetery - Land Site Number - /169
Cemeteries	2 - Good (61 to 80%)	Lady Frere	Cemetery - Land Site Number - /170
Cemeteries	4– Poor (21 to 40%)	Lady Frere	Cemetery - Zakhele location
Fencing Cemeteries	3 – Fair (41 to 60%)	Lady Frere	Cemetery - Land Site Number - /169
Fencing Cemeteries	3 – Fair (41 to 60%)	Lady Frere	Cemetery - Land Site Number - /170
Fencing Cemeteries	1 – Poor (21 to 40%)	Lady Frere	Cemetery - Zakhele location

SWOT Analysis

Strengths	Weaknesses
• Cemetery registers in place in Dordrecht • Designated personnel for tracking and allocation of gravesites – Indwe Unit • Availability of Land in Lady Frere • Booking system is in place to three units • Good practice of cemetery management is implemented in Dordrecht	• Uncontrolled access in Lady Frere • No dedicated personnel booking and location of gravesites • No availability of records • Non availability of cemetery map and layout plans • Unavailability of land in Indwe Unit
• Opportunities	• Threats
• Revenue and job opportunities	• Land invasion • Theft • Vandalism

(11) Libraries

Emalahleni Local Municipality performs Library services on an agency purposes through a Service Level Agreement with the Department of Sports, Recreation, Arts and Culture which is followed by a subsidy partially subsidising the services. For three consecutive years the municipality through the DORA has been funded an amount of R803 000 which is not sufficient for its operations. Library committees were formed, inducted on their roles and responsibilities. There is friends of Library which are doing tremendous job for all the libraries.

Libraries currently available at Emalahleni can be presented as follows:

Area / Town	Library
Lady Frere	1. Bengu Modular Library 2. Mhlanga Library 3. Tsembeyi Modular Library 4. Lady Frere Library
Indwe	1. Indwe Public Library
Dordrecht	1. Dordrecht Public Library

These libraries all have connectivity challenges due to unavailability of electricity.

Annual Statistics: July 2014 – June 2015

New Membership Monthly				Book Circulation		
Name of library	Adult	Children	Total	Adults	Children	Total
Bengu	4	3	7	124	265	389
Dordrecht	900	888	1788	4248	2915	7163
Indwe	510	469	979	956	1134	2090
Lady Frere						
Tsembeyi	92	394	472	132	747	879
OVERALL TOTAL	525	1086	1583	8696	4853	13549

(12) Parks, Recreation and Sport facilities

The Municipality has two Parks at Indwe and Dordrecht that need to be revived and MIG budget has been set aside for 2016/2017. A site has been identified and concept designs had been conducted for the development of a Lady Frere Park. Funds are being solicited for open space management and parks development. The municipality has three Sport Stadiums located in three towns. The Stadium in Lady Frere is currently undergoing upgrading.

Strengths	Weaknesses
• Availability of land o 2 parks developed (Indwe and Dordrecht) • Greening initiatives in open spaces	• Organogram not providing for parks and gardens • No maintenance plan • Lack of guarding of assets • Illegal dumping site
Opportunities	**Threats**
• Funding from different institution	• Vandalism • Stray animals • Criminal activities

(13) Public facilities

i. Community Halls -

Emalahleni Municipality has 19 Community Halls, 5 Community Halls need major renovations, 4 are under construction.

(See the following table)

1.	Mike Huna Community Hall	14	Major renovations (ongoing process to date)
2.	Town Hall (Dordrecht)	14	Good
3.	Munniksville Community Hall	14	Fair
4.	Harry Gwala Community Hall	11	Good
5.	Dora Vosloo Community Hall	16	Good
6.	New Community Hall	15	Good
7.	Mavuya Community Hall	15	Not functioning
8.	Lady Frere Community Hall	4	Minor renovations (ongoing process)
9.	Matyantya Community Hall	6	Minor renovations (ongoing process)
10.	Rwantsana Community Hall	1	Fair
11.	Qoqodala Community Hall	7	Good
12.	Vaalbank Community Hall	8	Excellent
13.	Zwaartwater Community Hall	9	Fair
14.	Tsembeyi Community Hall	10	Under -construction
15.	Ngqanda Community Hall	12	Good
16.	Boomplass Community Hall	13	Fair
17.	Maqhashu Community Hall	17	Under -construction
18.	Greyspan Multi-Purpose Hall	3	Under - construction
19.	Mtsheko Community Hall	5	Under - construction

SWOT Analysis

Strengths	Weaknesses
• Registers in place in all 3 units. • Designated personnel • Booking system is in place to three units	• Lack of monitoring systems • Lack of security systems
Opportunities	**Threats**
• Revenue • Job opportunities	• Vandalism • Theft

ii. Commonages and Pounds

One animal pound has been completed in Dordrecht although not yet compliant for registration. Solicit contractors for completion of alterations of structure to accommodate office for Pound Master and feed storage. Efforts are underway to investigate water supply for operations of the pound. Stray Animal Control is in place in all three towns with assistance of Rangers and Traffic Officers.

iii. Taxi Ranks and Bus Terminals/Shelters

There are two functional taxi ranks in Indwe and Lady Frere. The Taxi Ranks are not used effectively by the Taxi Operators and Commuters. There is no staff dedicated to management of Taxi Ranks.

The Municipality had called for expressions of interest from potential developers to construct a Bus and Taxi Rank in Lady Frere as part of the Commercial and Mixed Development.

iv. Public Toilets

There are Public Toilets in the Taxi Rank at Zulu Square in Lady Frere and Indwe ablution facilities are not functional. There is no staff that is dedicated to management and maintenance of Public Toilets.

(14) Community Safety

The municipality is in the process of establishing a unit designated to deal with matters relating to traffic control, general community safety and security services. This far the institutional arrangements has a Chief Traffic Officer and one traffic officer appointed with the organogram making a provision of a manager public safety, traffic wardens etc. Additional personnel in this regard will be appointed during 2015/2016 financial year. See reviewed organogram in Chapter 5 for ease of reference

Furthermore, a Driving License and Testing Centre in Lady Frere have been constructed and will be completed and ready for use in the 2015 / 2016 financial year. Efforts are being made to secure funding for the construction of Vehicle Testing Facility from the Department of Transport. Roads and Transport forum has been established with all relevant parties. Community Safety related Forum have since been established with the assistance of Department of Safety and Liaison, SAPS, Department of Transport and Justice. Aforesaid departments had assisted in implementation of crime prevention awareness campaigns

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(15) Early Childhood Development Centres

The office is discharged with identifying wards that need to build child care facilities so as to accommodate children or broad municipal programmes. In the last financial year nine crèches were identified to be renovated and this programme is currently being implemented. Early Childhood Development Centre Forum has been established and trained on roles and responsibilities.

- Cacadu
- Mackys Neck
- Maqhubela Pre School
- Gxotyeni Pre School
- Ngqiningane Pre School
- Bengu Pre School
- Mkhapusi Pre School
- Lukhanyo Pre School

(16) Municipal Health Services

The regulations defining the scope of profession of Environmental Health outlines functions of Environmental Health Practitioners as the nine Municipal Health Functions. In terms of the National Health Act, (Act 61 of 20013) Municipal Health Services are defined to include the following environmental health functions, which are provided by the District and Metropolitan Municipalities:-

i. Water quality monitoring
ii. Food control
iii. Waste management
iv. Health surveillance of premises
v. Surveillance and prevention of communicable diseases, excluding immunization
vi. Vector control
vii. Food control
viii. Disposal of the dead; and
ix. Chemical safety

Environmental Health Practitioners (EHPs) operate their duties in the local municipalities assisting with environmental health duties. This is conducted to prevent any adverse effect to health of community members. There are three (3) EHPs working in three units of the municipality and are enforcing by-laws related to environmental health.

(17) Water supply

(a) Water Infrastructure

Area	Current Status Quo	Component Description Condition
Lady Frere	The town of Lady Frere in the Chris Hani District is currently supplied with potable water by a water treatment works situated to the north of the town. This water treatment works obtains raw water from a pumped water supply from the Machubeni Dam. The current volume of water being processed by the water treatment works has been measured at approximately 3.5Ml/day (or 40 l/s). During severely dry winters, the water level in the dam drops but it has never been empty. Water from the water treatment works is pumped to an off-site reservoir from where it gravitates through a pipe network that extends North, West and to the South of the works to a network of domestic, commercial and institutional connections in Lady Frere and the surrounding townships and villages.	No pumps are necessary, water gravitates from the dam. Good Source Cacadu River to Macubeni Dam - Treatment Capacity of 40 l/s. Reservoirs No. 3, each 600 k_ Good Control (meters) Metered -The WTW is in good condition and not in need of substantial refurbishment. The challenge is that the Macubeni damn is having challenge silting. Some of the water meters are not properly functioning due to their status.
Indwe	The town of Indwe in the Chris Hani District is currently supplied with potable water from a water treatment works situated in the town on the corner of Graham and Dunn streets. This water treatment works obtains raw water from a pumped water supply from the Doring River Dam. The current volume of water being processed by the water treatment works has been measured at approximately 0.75Ml-_/day (or 8.6l/s). During severely dry winters, the water level in the dam drops, but it has never been empty. Water from the water treatment works is pumped to two off-site reservoirs from where it gravitates to a network of domestic, commercial and institutional connections in the town.	Water is pumped from the dam to the purification works. Poor Source Doring River Dam, Extraction – 780, 000 m^3/year. Treatment Capacity of 90 m^3/hr Poor Reservoirs No. 2, 2,200 m^3, 1,100 m^3 Control (meters) Metered in Town Centre, Lower Town, and some in Mavuya .The Indwe WTW is an old facility that is in need of substantial refurbishment.

Area	Current Status Quo	Component Description Condition
Dordrecht	The town of Dordrecht in the Chris Hani District is currently supplied with potable water by a water treatment works above and to the east of the town. The treatment works receives raw water through a pumped system from the Anderson and Munnik Dams.	Pumps Source Anderson Dam, Capacity of 2.2 M_Treatment WTW Needs refurb Reservoirs No. 3, 2x 1M_, and 0.6 M_ Control (meters) Metered in Dordrecht Central. The current volume of water being processed by the water treatment works is at present unknown as the meter is inoperative. Water from the treatment works gravitates through a network of domestic, commercial and institutional connections to Dordrecht town and the hospital. Water is pumped to two off-site reservoirs from where it gravitates to a network of domestic, commercial and institutional connections in Munniksville, Senako and Tyoksville villages.

(b) Rural Schemes

Villages in the municipal area are currently supplied through a number of standalone rural water supply schemes and larger multi-village schemes. Using MIG and RBIG funding, Chris Hani DM is currently implementing a programme on water infrastructure construction based on a number of geographical clusters.

(c) Guba Traditional Authority Community Development Plan

Emalahleni local Municipality supports the efforts made by Guba Traditional Authority and its partners from Siyakha in sharing their Development Plans. Community Infrastructure, commencing with bulk water supply, which shall include the supply of potable water and sanitation to 1000 dwellings and irrigation to 900ha of planned arable land at Guba Traditional Authority.

The municipality will introduce the traditional authority and its plan to Chris Hani District Municipality as they are responsible for bulk water supplies in the Emalahleni area. Another aims will be to include the de-centralised Total Village Water Reticulation system into its own Infrastructure

(18) Access to Sanitation services

Sanitation Infrastructure per Area	Status Quo
Sanitation Infrastructure - Lady Frere	Sewage from the town of Lady Frere and its townships in the Chris Hani District is currently treated at a wastewater works on the outskirts of the town. The treatment works includes screens, anaerobic and maturation ponds.
Indwe	Sewage from the town of Indwe in the municipal area is currently treated at a wastewater works on the outskirts of the town. The treatment works includes screens, anaerobic and maturation ponds. No final effluent is discharged.
Dordrecht	Sewage from the town of Dordrecht and the Munniksville, Senako and Tyoksville townships is pumped to the wastewater works on the outskirts of the town. The treatment works includes screens, oxidation and maturation ponds.

Sanitation Infrastructure per Area	Status Quo
Rural Areas	Villages are currently served with sanitation through VIP Latrines. Coverage is not comprehensive, but the DM is currently rolling out a programme of prefabricated latrines

It should be noted that, in terms of powers and functions; Chris Hani District Municipality is currently both the water services authority and water services provider.

(19) Land Use Management

Land Use Management is a combination of tools and mechanisms used by a municipality to manage the way land is used and developed. Land use planning aims to coordinate all the land uses and their relationship to each other in order to create safe and liveable environments. Management comprises of two elements the administration of the town activities and the ability to anticipate future changes.

Emalahleni Municipality governs a land area where a variety of planning and land administration legislation applies. This situation hampers the rendering of effective land use management services by the municipality and also places other obstacles in the way of facilitating and fast tracking development, in certain instances. Two legislations apply the Transkei Townships Ordinance 33 of 34 in Lady Frere and the Land Use Planning Ordinance 15 of 1985 in Dordrecht and Indwe. The Transkei Township Ordinance is applicable in areas that formed part of the former Transkei town, situated within the commonage boundaries of the towns whilst the Land Use Planning Ordinance is applicable in areas which formed part of the former republic of South Africa. The applicable town planning scheme in Lady Frere is the Standard Transkei Town Planning Scheme and in towns of Indwe and Dordrecht its the Town Planning Regulations applicable in terms of LUPO.

All types of economic activity require land either directly or indirectly. The rate of growth in the towns has increased which has been influenced by people migrating from rural areas to the service centres for better opportunities. Land, with its associated buildings and developments, is one of the most important assets of any town. It affects almost every other investment. In Lady Frere land parcels were sold to people on auction but no titles were passed to them which have caused problems in the community. This has caused communities to do nothing with their land parcels as they cannot sell or invest or use as security when they borrow money from the banks to improve living conditions. Giving title deeds to communities would be effective to generate more economic activity and increase economic growth. Some land owners leave land underutilized hoping that there could be developers who will come and invest in the area which will allow them a gain. Land owned by the State which takes ages to donate to the municipality as part of the small town revitalization programme also contributes to the problems in the development of the towns.

Informal activities have challenged land use management conceptualizations, informal trade and economic activity is a major source of conflict. Un-planned development and unlawful occupation of land threatens the natural resources base of the area and represents a threat to 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. In absence of an effective land use planning and management, industrial and commercial concerns can develop in residential areas with little or no control. The absence of a land disposal policy also contributes to the informal or unlawful occupation as the municipality has no guide on how to dispose land and hence its takes longer for the community or businesses to acquire land.

Emalahleni Municipality is dominantly rural in nature which makes the people to move from the villages to the small service centres in search of better opportunities. This causes urban sprawl which leads to inadequate infrastructure, formation of slums, traffic congestion, illegal development etc. Urbanization is spurred largely by the migration of energetic and ambitious youths in search of survival, a better life and individual prosperity. The primary source of the challenge is unemployment.

The issue of human capacity and resources in small municipalities is also a challenge. Emalahleni Municipality like most municipalities has one Town Planner which results in slow processing of development applications. The Town Planning section is not fully fledged which makes the person responsible for planning to work under pressure which affects the quality and efficiency of the work. The capacity constraints have expanded the demand for private sector work which also has negative implications. This challenge might be solved with the new planning legislation the Spatial Planning and Land Use Planning Act which requires municipalities to have their own planning tribunals. SPLUMA provides a framework for spatial planning and land use management in South Africa. The municipality has joined the district municipal planning tribunal.

Emalahleni has a broad Spatial Development Framework which was approved in 2011 and in having changes in boundaries and in spatial proposals the document was reviewed and approved in December 2013 with the amendments. The Broad SDF recommended that the Municipality should develop Local SDF's for the three towns as one of the key actions to be undertaken by the municipality which has been done as the municipality is busy with Local SDF's for Dordrecht, Lady Frere and Indwe which was done as part of the Master Plan for Indwe. An SDF is a forward planning document that spatially indicates the long term growth and development path of the municipality.

It coordinates the spatial implications of all strategic sector plans and gives physical effect to the vision, goals and objectives of the IDP. The SDF guides and informs land development and land use management. Rural nodes of Xonxa, Machubeni, Vaalbank and Ndonga were identified in the Emalahleni SDF and CHDM has took one rural node (Xonxa) and appointed a consultant to develop an LSDF and Vaalbank LSDF is developed by the municipality. The rural service centres are strategically located so as to be able to be extended and planned to accommodate higher level of social facilities and infrastructure.

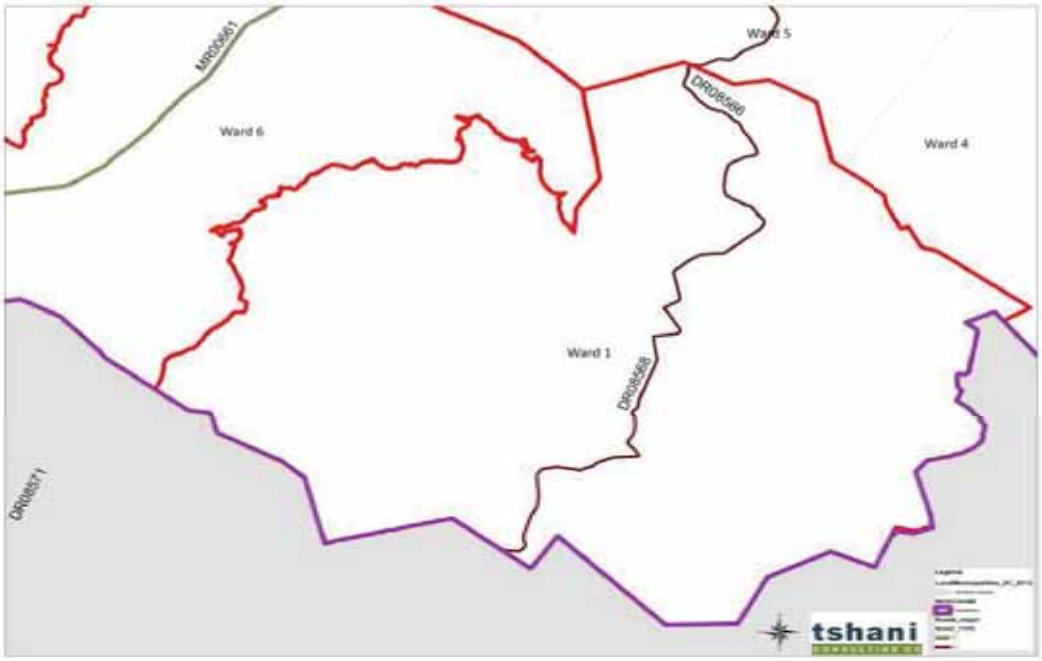
Geographic Information System has been one of the challenges in Emalahleni Municipality but the municipality has managed to gain support from the Department of Corporative Governance and Traditional Affairs. More work and improvement is required to enhance GIS as a planning tool in the municipality as it is a vital tool for mapping and generating vital information.

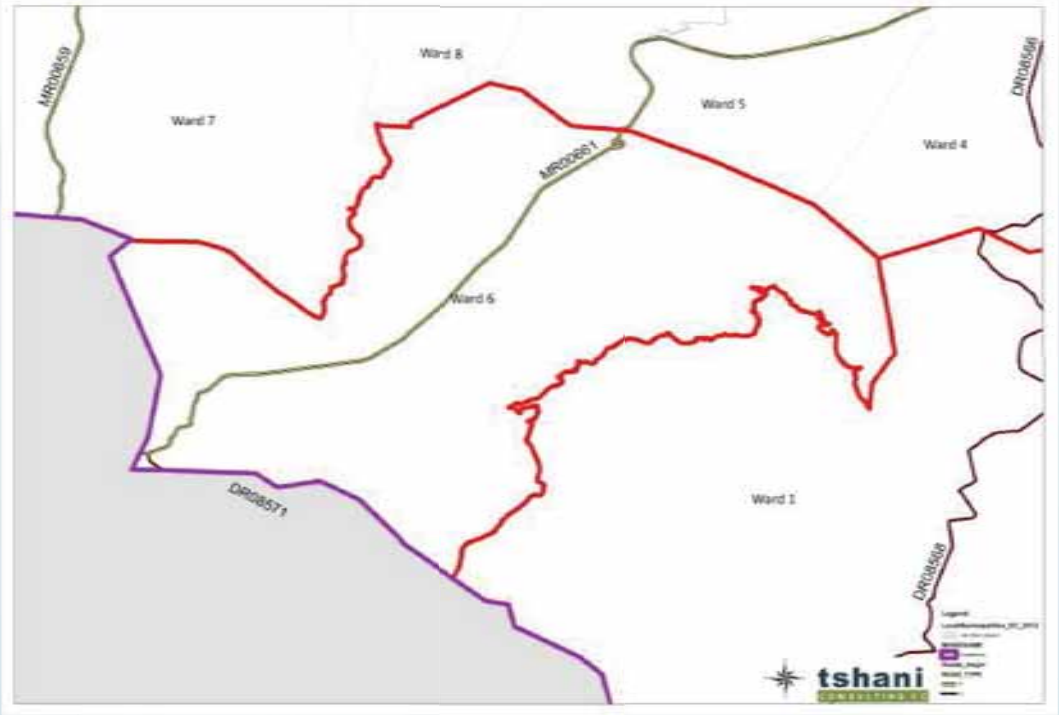
The level of understanding town planning and building procedures by communities of Emalahleni has had a bad impact on how the towns grow and develop. This has made the municipality to start on a programme to educate the community through pamphlets. These pamphlets will mobilise people to support planning, explain town planning procedures and inform people of their rights. The number of applications submitted by the public is less and they do not consult the municipality when developing their properties, attention should be drawn on this to promote good order.

Land use management in Emalahleni is well maintained though it needs improvement and remedies in the challenges discussed above. There have been successes like having a system that talks to ownership, land use, zoning and valuation for the entire municipality which was developed as part of the land audit project. Town Planning in terms of development applications is administered and processed to promote good order and the municipality was able to develop zoning maps in 2011 to use with the Transkei Town Planning Scheme and Scheme regulations in terms of LUPO. Land administration is slowly coming in as well as the municipality tries to dispose land for economic development. Informal developments are being formalised through a number of projects of subdivisions and township establishments.

(a) Local Spatial Development Framework – Xonxa

Chris Hani District Municipality has identified Xonxa Settlement and Xonxa Dam which is located in Ward 1 and Ward 6 as the study area. Ward 1 and Ward 6 are situated within Wards 1 and 6 which in turn is situated on the far southern side of the municipal boundary. The Municipal Road MR00661 and the District Road DR08566 runs through the study area.





(b) SWOT Analysis

This section of the report is based on the key findings in terms of the characteristics of the study area, its positioning and present function. The SWOT Analysis reflects on the *Strengths, Weaknesses, Opportunities* and *Threats* found within the study area. This assessment also serves as a guide on the issues that should be considered when developing Xonxa Development Node.

TABLE NO. 1: SWOT ANALYSIS				
ISSUE	STRENGTH	WEAKNESS	OPPORTUNITIES	THREATS
BIOPHYSICAL	• The existing river and dams in the study area provides water for the irrigation scheme. • Agriculture potential in terms of maize production and irrigation schemes. • Irrigation potential of a further 5500 hectares at the Xonxa and Lubisi.	• Sensitive environment buffers may limit land that can be developed. • Silting problems. • Degraded land covers around the study area.	• Conservation of the nine vegetation types that is available on the study area. • Assessment to define the capacity of the dam for irrigation. • There are opportunities for larger scale agricultural development. • There are greater opportunities for the Xonxa irrigation scheme if finance is pumped into this project.	• There are a number of sensitive environments which require protection and management. • The lack of proper agricultural infrastructure will result in low agricultural production within the study area.
Key Development Strategies Introduction of 32m buffer strip around rivers which should not be lower than a 1 in 50 year flood line. Strategies need to be put in place to enhance Agriculture potential. Introduce innovative irrigation methods and schemes around the dam.				
BUILT ENVIRONMENT	• There is existing road infrastructure but in a bad condition. • Functional transport forum. • There are existing MV and HV lines around the study area so electrification development will not be a problem. • Existing water scheme that supplies drinking water in the study area. • There are boreholes to provide water in the study area.	• There is a high number of people within the municipal area that still make use of pit latrines. • On a municipal level only portions of ward 8 are connected to electricity. • The road infrastructure in the study area is in a bad condition.	• Opportunities to address the sanitation backlog. • Provide upgraded access roads to villages • Built a Community hall in Tshatshu. • There is an opportunity as part of community development to support with fencing of the villages.	• Limited infrastructure development has a negative impact on economic development.
Key Development Strategies Promote infrastructure development in order to effectively reconstruct existing road infrastructure, etc. Install ablution facilities to address the sanitation backlog.				

TABLE NO. 1: SWOT ANALYSIS				
ISSUE	STRENGTH	WEAKNESS	OPPORTUNITIES	THREATS
SOCIO ECONOMIC	• Study area has agriculture potential. • There are enough education facilities in the study area. • There is low levels informal development within the study area. • There are health facilities in available in the study area. • There is an existing irrigation scheme in the study area. • Existing Tourism sites and architectural attraction for tourist attraction. • There is existing tourism facilities • The study area is feasible for the production of field crop products. • Coal Mining potential in the study area.	• Only Dordrecht has an approved solid waste landfill site. There is no Solid waste in closed proximate of the site. • The relatively high youth population of which most have only primary education. • A high percentage people within the study area are dependent on the social grant income. • The number of employed persons is relatively low. • There is no library around the study area. • The Xonxa irrigation scheme is underutilized as a result of lac of finance. • The Chris Hani District has limited Horticultural products. • Water is the limiting factor for agriculture in terms of crop production and livestock farming.	• There are opportunities to develop, market and management heritage sites as tourist attractions. • Opportunity for Police stations within the study area. • Opportunity for Post offices within the study area • Opportunity for a Library for the students within the study area Settlement growth means possible development, (housing development). • Possible coal mining to provide Job opportunities. • Maintenance of the existing tourism facilities. • Possible farm stay tourism route as the Ndondo liberation Heritage route follows the R356 through Lady Frere. • Securing of the market Access. Expansion of the Horticultural activities.	• There are a number of heritage sites which require protection and management. • There is no hospital available in/around the study area. • There is no Police station or satellite office located in the study area to deal with crime matters. • Settlement growth may mean illegal occupation of the land i.e. informal settlement. • Illegal small scale excavation mining happening near local rivers for building purposes. • Not sufficient water supply in the study area. • Limited market access to transportation. • Most farming activities that take place are subsistence farming rather than commercial farming.
Key Development Strategies: Promote agriculture development along the dam and within the settlement. Promote tourism development with regard to the lodge along the dam heritage site development. Promote coal mining in order to generate job opportunities. Introduce public transport routes and corridors.				

(c) Conceptual Development Framework

The Conceptual Development Framework recognises the planned focal point of the proposed interventions and takes forward the development perspective by way of proposed physical actions/ projects that will have an impact on the overall performance of the urban centre. The concept plan above and associated text was developed in the situational analysis

phase to identify the different character precinct. This information was utilised in this chapter to develop the Conceptual Plan.

The above conceptual plan considers the potential for residential settlements, agriculture, recreation and leisure in the study area; this means there lies an opportunity for tourism attraction in the study area. This will effectively attract investment and infrastructure development for Xonxa. This will see the greater extent of the community benefitting by the creation of jobs, and exposure that will attract tourists and, therefore, an increase in the local economy. Tourism potential is proposed along the Xonxa dam and in close proximity to the Mountain range within the area.

Agriculture is still one of the major contributors to the development area's income and emerging farmer support programmes need to be focused on in order to sustain and grow the industry. Agriculture potential is proposed along the study area boundary and along the outskirts of residential settlements, as well as along the Xonxa dam.

The settlements of Xonxa Development Area seem to be growing; settlement growth has therefore been catered for with the proposed settlement edge. This allows for growth to take place in a controlled manner, and not in areas of environmentally sensitive areas, or areas of danger i.e. close to rivers, watercourses or in areas of mountainous terrain. Main intersections have also been identified as points of potential development nodes.

The concept also aims to create a main corridor running through the study area connecting Lady Frere to Queenstown.

(d) Environmentally Sensitive Areas

Xonxa Area has a number of sensitive areas, which need to be conserved or avoided for development purposes (Refer to Plan). These include:

- Rivers and water courses ;
- Thicket areas; and
- Grasslands

With respect to the Xonxa LSDF, the following general environmental guidelines for spatial planning are proposed:-

NO-GO AREAS	GO-BUT AREAS	
No Development Areas	Inside Urban Edges	Limited Development Areas Outside Urban Edge (Rural Context)
Areas of high environmental sensitivity and conservation value: • Indigenous forests • Proclaimed nature reserves • STEP Protected, Process and Critically Endangered areas • Rivers, estuaries and undisturbed riparian zones of rivers • Diverse grasslands and thicket vegetation types	Urban Settlement • Residential • Public-funded housing • Resort development • Business and trade • Other Develop from Inside – Outward (Phasing) BUT, no for • Environmentally sensitive areas within the urban edge • Lack of services	Limited by • EIA Process • Low density • Density/footprint/impact restrictions • Not in areas of environmental sensitivity • Unique & Sustainable Developments • Must show tangible economic benefits to broader community • Clustering of built form • Aesthetic controls • Mitigate impacts • Show net gains for the environment • Provision of services
Zoning: Open spaces Zone III (nature reserve) or Special Zone: Conservation	Zoning: Various	Zoning: Mixed – Agriculture Zone I/Resort Zone I or II / Residential / Open Space Zone III / Special Zone: Conservation

(e) Climate Change

Climate Change is regarded by many as the most significant environmental challenge in our era and is already having and will continue to have far reaching impacts on human livelihoods. As a result, policy and development plans must take cognizance of the implications of a changing climate and develop strategies for both mitigation and adaptation for a changing climate.

The northern areas of Dordrecht and Indwe falls within the arid and semi-arid cold high lying land, whilst the rest of Emalahleni Local Municipality is situated on the arid and semi-arid moderate midlands. The temperatures on the high plateau range between 19 - 22ºC in summer and 7 - 10ºC in winter. The temperatures in the Lady Frere District ranges between 18-22ºC in summer and then drops to between 10-14ºC in winter.

(f) Vegetation

Vegetation types represent an integration of the climate, soil and biological factors in a region, and as such, are a useful basis for land-use and conservation planning. There are nine vegetation types found in the Emalahleni.

(g) Environmental Impact Assessment

"Certain activities" proposed in the Xonxa LSDF will potentially trigger the need to conduct an Environmental Impact Assessment (EIA) in terms of the NEMA EIA Regulations (2006). While it is currently not possible to anticipate the full complement of projects that will require an EIA or the scope of an EIA, the following table provides an indication of some of the probable triggers for a Basic Assessment or Full EIA (incorporating comprehensive Scoping and Impact Assessment components).

(h) Guidelines Applicable to Spatial Land Use Areas

i. Defined Nodes Outside of the Urban Edge

These encompass the proposed rural service centres and exclude the coastal nodes. Shops; service industries, offices and limited size tourist related businesses could be allowed at such nodes. In addition, social, health, education and safety and security facilities are to be encouraged to locate in these nodes. Standard provisions of approved policies, Town Planning controls, building by-laws, aesthetic and signage controls are in place for these areas as defined in municipal policy documents and this LSDF.

ii. Nature Tourism Areas

These are areas where limited development may occur subject to an environmental assessment and management plan, the STEP guidelines and associated protocols. The Nature Tourism Areas embrace generally more sensitive areas due to their position. These areas would accommodate the following development in clusters on specially identified land:-

- Limited and regulated tourism facilities; Small accommodation facilities that are low-key, low-impact and in harmony with the natural environment;
- Agricultural activities;
- Existing rural settlement.

iii. Any development contemplated in the Nature Tourism Areas would need to adhere to the following guidelines:

- The development of a site must not be dependent on the creation of a new road. Existing roads may be upgraded to improve access but where there is no existing road, this should inform the type of tourism facility that is developed.

- The maximum carrying capacity for all development sites, until an SEA or EIA has taken place, is 36 beds or 20 small units. All development sites should be well located in the Nature Tourism buffer area to safeguard the sense of place and eco-tourism opportunities available to that site.
- Development of these sites requires a full EIA and a live Environmental Management Plan that addresses, inter alia, the disposal of solid waste.
- There should be no access roads in the Nature Tourism Areas (and No Development Zones) except for those that are largely perpendicular to service the development nodes and nature tourism development sites.
- Full IEM procedures are to precede any development whereby the precautionary principle shall apply with approval conditions requiring rehabilitation of the environment and specifications regarding the use of the remainder (for example; conservation, private nature reserve etc.);

iv. No Development Areas

These areas are where no development is to be contemplated:

- No development is to be permitted on any dune within coastal forests, nature reserves and the outer boundary of the vegetation of coastal forests and reserves.
- All river valleys and ground with slopes equal to or exceeding 1 in 3 should be demarcated as no-development zones.
- All estuaries within the study area should be given protected status and development of the banks of the estuaries prohibited to a distance of 100 metres from the high flood level. It is recommended that access to estuaries be limited and that boat launching only be allowed where the estuaries are permanently open and of sufficient depth.
- The locality of launching sites is to be determined by DEDEA.
- Areas below the 1 in 100-year flood line are excluded from development (including boundary walls and fences). The practice of raising the floor level of buildings above the 1:100 year flood line is not favoured from a flood risk point of view.
- Areas required for the rehabilitation of indigenous vegetation identified in the environmental management plan are excluded from development;
- Areas that are developable, but cannot be accessed without going through undevelopable land are also regarded as undevelopable.
- Any other areas as determined by DEDEA (such as coastal grasslands).
- Access to rivers is only to be created after specialist evaluation and prior approval from the relevant authorities.

(20) Building Control

The Building Control Unit is responsible for the circulation and approval of building plans, in terms of the National Building Regulations and Standards Act (Act 103 of 1977), for any building work to be executed on a site, i.e. the construction of new dwellings and other buildings, extensions and alterations to dwellings and other buildings, the erection of boundary walls and advertising signs, to promote the terrain and environment of the communities residing within the municipal boundaries by regulating the appearance and condition of buildings and premises.

The municipality is in the process of restructuring some bylaws to prevent the building of illegal structures built without approved building plans and to prevent the municipality from having neglected unsightly building or premises.

When submitting a building plan the Land owner gets the opportunity to find out if the draftsman or architect who was drawing the plan is registered with SACAP (South African Council for the Architectural Profession) or relevant professional bodies with the Engineering Council. The home owner gets the opportunity to have the construction inspected by the local municipality inspector to ensure that the home builder is building according to the approved building plan and that the materials used are SABS approved. The home owner also has the opportunity to have a filled building plan at the local authority so that if in years to come he/she decides to sell the building then the new owner will have the approved plans of the building.

The level of understanding building procedures by the community in the municipal area has a bad impact on how the towns grow and develop. People are building illegally and not complying with National Building Regulations & Standard Act 103 of 1977 as amended. Land owners just build according to their wants without consulting the municipality. Some owners do not comply with the phases of inspection, after their building plans have been approved by Council. The municipality has got a lot of illegal structures within its urban areas (back yard buildings, extensions, encroachments, etc.). Illegal shacks in town doing trading businesses.

SWOT Analysis

Strengths	Weaknesses
• Adequate capacity • Adequate access to resources	• Limited training • Encroachment • Limited policies and by-laws • Imposed tariffs
Opportunities	Threats
•	• Illegal constructions • Encroachment • Staff turnover

A building by-law has been gazetted in February 2016.

2.4.2 Local Economic Development

In line with the requirements of Sections 152 (1) (c) and 153 of the Constitution of the Republic of South Africa, 1996; municipalities have a constitutional obligation to promote social and economic development within the municipal area. The Council has structured its Council committees according to local government key performance areas which as well consist of local economic development. A directorate for economic development, tourism and agriculture was established and is responsible for execution of economic development plans.

In 2010, the municipality developed and approved a 5 year local economic development strategy to provide a strategic guidance on issues of economic development, and as well align district, provincial and national economic development plans. The 2015/2016 financial year is last year of the implementation plan in the current LED Strategy. The strategy warrants a review and/or development of a new strategy which will talk to the 2016/2021 financial years, and is under review.

The municipality has a fully-fledged directorate which is responsible for the implementation of the LED programmes and projects. The main focus areas of the directorate are agricultural development, mining, tourism, SMME's (small medium micro enterprise) development, heritage management and agro-processing. The municipality has a functional LED Forum for purposes of consultation and engagement with LED stakeholders on LED matters.

The LED Forum has two categories; the government [Department of Economic Development, Environmental Affairs and Tourism (DEDEAT), Chris Hani District Municipality (CHDM), Department of Rural Development and Agrarian Reform (DRDAR), Department of Rural Development and Land Reform (DRDLR), Chris Hani Development Agency (CHDA), Chris Hani Cooperative Development Centre (CHCDC), Eastern Cape Rural Development Agency (ECRDA), Eastern Cape Development Corporation (ECDC), Eastern Cape Parks and Tourism Agency (ECPTA), Department of Trade and Industry (DTI), Department of Social Development (DSD)] and communal business entities (brick-makers, agricultural primary cooperatives and secondary cooperative, caterers, crafters, contractors, hawkers and B&B owners. The forum meetings are held on a quarterly basis.

The economy of the municipality is made of the following sectors:

(1) Agriculture

Agriculture is made up of two primary production components which are as follows:

Livestock and Wool Production	Scientific research conducted by the Agricultural Research Council (ARC) in 2005, has revealed that the municipal area has got sweet veldts, that on its own is showing that this area is rich in livestock production despite climatic conditions, as the area is dry in nature. According to the department of Agriculture, in the 2015 season the municipal area had at the least 270 000 to 300 000 sheep per year, 75 000 to 100 000 goats and 36 000 to 40 000 cattle. This excludes commercial farmers, as they are not serviced by the department of Agriculture. The municipality is in a process to improve the cattle breed in the municipal area by introducing Nguni bulls which are an African breed that is resilient to prevailing climatic conditions. The municipality is adding value on livestock production by putting in place necessary infrastructure in a form of dipping tanks for health purposes and stock pen sales for marketing purposes. It further puts in place measures to reduce stock theft in the area by introducing livestock branding programme. The Act which is regulating Livestock Branding is Livestock Branding Act No 6 of 2002. The municipality has the following infrastructure: • Animal health infrastructure: dipping tanks more than 100. Most of these structures were constructed in the 1980's and are in a bad condition which requires renovations. The municipality is in a process of completing 10 dipping tanks which were started by the Chris Hani District Municipality before 2002. Since 2000, the DRDAR has been supplying the communal farmers with free dipping medication to prevent external parasites in livestock. • Stock auction infrastructure: the municipality has 11 stock pens which are still in good condition which is utilized for stock auction in the communal space of the municipal area. • Wool Production infrastructure: the municipality has 74 shearing sheds for wool production; 40% of them are in a bad condition and 60%are in a good condition. The municipality has a huge backlog in shearing sheds and its suitable equipment. For the municipality to reach its maximum potential on wool production, a minimum of 100 shearing sheds is still required. Battering system has been introduced to improve the wool production quality in the case of sheep. The challenge that is facing battering system is that some communal farmers are not cooperating to the requirements of the system.
Crop Production	Scientific research conducted by the Agricultural Research Council (ARC) in 2005, revealed that due to the prevailing climatic conditions in the municipal area is now suitable for Sorghum Production and all value addition efforts must go towards that direction. The municipality has set a target to plough more than 1 000 hectors from 2014 that is incremental to 35 000 hectors in 2020. The Act which is regulating this is Agricultural Development Act No 52 of 1960. The municipality is battling with fencing as the fence is easily damaged and stolen. Currently, fencing is provided to organised communal producers located in 08 different wards; and the programme to educate communities on how fencing is provided is still ongoing. The municipality has a programme of reviving small scale irrigation schemes with the intention to produce crop throughout the year.

Agro-Processing	The municipality has facilitated the establishment of a milling plant owned by Ibuyambo secondary cooperative which is made up of six primary cooperatives. Its objective is to add value to grain produce for purposes of marketing.

(2) Mining

Coal Mine

The Municipality has got coal reserve on its northeast part (Indwe, Guba A/A, Machubeni A/A and Mhlanga A/A) which is covering more than 10 000 hectares. The mining of this coal mineral is anticipated to have the life span of more than 30 years. The discovery of coal mineral took place 100 years ago at Strekstroom and Guba hoek. In the case of Emalahleni Local Municipality, the mining operation was taking place in Guba Hoek area but due to the quality of the coal which is low when it is compared with the coal mineral in Mpumalanga Province, the Emalahleni coal mine was abandoned.

In 2006, an attempt was made by Elitheni coal mine, a company which is based in Port Elizabeth; to reopen the mine. After all the required processes were followed, mining permit and mining license were granted by the Department of Mineral Resource to Elitheni Coal Mine. The mine operated in 2012, for a period of one and a half years and had to close down operations due to technical and financial capacity to date. The municipality has engaged relevant national government ministries to assist the municipality lobby for other investors to operate the mine.

Sand Mining

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 DEDEAT and DME, to develop a functional by-law to regulate and manage this activity to protect the environment from damage.

There are a few companies that have obtained a mining permit based on an agreement with the affected communities.

Quarrying

Indwe Quarries (IQ) known as Blue Crane Quarry is a start-up mining enterprise with aspirations of being a leading producer and supplier of building and construction aggregates within the Chris Hani, Alfred Nzo and Joe Gqabi Districts. The enterprise is venturing into the mining industry specifically to produce aggregates for both the construction and the building industries. IQ's primary focus is on supplying standard concrete stone products, crusher sand, specialised road stone and base course products, non-standard rock and crush products. In addition, IQ is investigating other products such as sand (building, river and plaster sand), ready-mix concrete, sabhunga, as well as bricks and blocks. With the business and quarry operations accessible enroute the R63 road between Indwe and Dordrecht; the location is therefore within close proximity to various government infrastructural developments in the former Transkei. There is a relatively high rate of property developments in the region which also provides an increasing rate of building material demand.

With the help of ECDC, Indwe Quarries conducted a feasibility study which showed favourable results and developed a business and implementation plan for the enterprise. Other notable milestones include obtaining a mining permit, water use licence and environmental management plan. The enterprise currently employs five staff members sourced from the local community and intends to increase this to twenty once It secures finance for capital and infrastructure requirements for operating a commercial quarry. The bed and breakfast enterprises are also indirect beneficiaries to this initiative, as mining has created high demand of accommodation. The enterprise is made of nine boards of directors, with whites (three members) and blacks (seven members) represented in the IQ management, but there is currently no female representation. The Quarry has since been officially launched on the 20 May 2016 for operations.

SMME Development

An identified SMME receives support financially for the period of three years consecutively. This is to ensure the SMME is left in a good state for its sustainability. The municipality continues to support SMME even after completing financial cycle and the support provided is administratively. The aim of this kind of support is to oversight the operations, identify challenges and assist in mitigating those challenges with the aid of LED stakeholders.

Clay Brick-makers

The municipality is in a process of exploring potential growth out of those small scale mining activities through supporting brick makers from Indwe and Dordrecht to supply their bricks as a material in housing projects. There are efforts that need to be concerted in order to play a meaningful economic role is sand mining. The Act which is regulating mining is Mining and Petroleum Development Act No 3 of 2002.

The municipality has engaged SABS for accreditation on the quality of local manufactured clay bricks as well as the department of mineral resource for formalising clay mining operations to assist brick-makers. The municipality is also providing business support in the form of production inputs and infrastructure to clay brick producers.

Commercial Development

In the 2015/2016 financial year, the Municipality has put out requests for proposals for potential developers to develop the following areas in Emalahleni:

- Zulu square Civic Centre with Taxi Rank
- Shopping Mall in Lady Frere with Bus Rank
- Establishment of a 5 megawatt solar energy farm in Dordrecht

In the 2016/2017 financial year, it is the intention of the municipality to extend the scope of commercial development to Indwe and Dordrecht for the following projects:

- Shopping Complex in Indwe
- Shopping Complex in Dordrecht
- Possible Windfarm in Indwe
- Resuscitation of Coal Mine in Guba, near Indwe

These projects will go in tandem with the housing development that will take place in the above mentioned areas.

(3) Tourism

The municipality is a mountainous area with waterfalls and rocks which are known as Glen Grey Waterfalls that are situated in Bhozwana Village.

Indwe has a Doring Dam which has a potential of water sport. Along the dam, there is a self-catering facility called Indwe Resort with 12 chalets and a dilapidated conference facility. The municipality is in the process of engaging an external provider to manage the facility and solicit funding for the improvement of the conference facility.

An advert was placed in the newspapers in the 2015/2016 financial year calling for expressions of interest for the development, upgrading and management of the Indwe Resort and appointment will be made at risk.

In Dordrecht area there are mountains that have hiking trails and also accommodation facility which is called Kloof conservancy and it is along Hossep dam that has broken due to natural disasters. The conservancy has three self-catering chalets each with two bedrooms.

An advert was placed in the newspapers in the 2015/2016 financial year calling for expressions of interest for the development, upgrading and management of the Dordrecht Kloof Conservancy and appointment will be made at risk.

In Lady Frere area, there is a cultural village known as Abathembu Calabash that is offering accommodation to tourists and a conference facility. The facility was funded by the Department of Economic Development and Tourism. Along the R396 road, 5kms before Nonesi neck, there is Queen Nonesi cultural village that is still under construction, which will offer accommodation and a conference facility.

The Xonxa Dam resort is also situated in Lady Frere, which is dilapidated to an extent that it is not utilised and needs upgrading. An advert was placed in the newspapers in the 2015/2016 financial year calling for expressions of interest for the development, upgrading and management of the Xonxa Dam resort and appointment will be made at risk.

The municipality has facilitated an establishment of Local Tourism Organisation which is composed of three community based organisations (Lady Frere, Indwe and Dordrecht) for the purpose of interaction and consultation on tourism initiatives. There are 102 beds in the municipal area which are in the B&Bs and cultural villages. The Act which is regulating this is Tourism Act No 3 of 2014.

The scope for the development of the Local tourism sector within the Municipal area is vast but is hampered by the level of infrastructure development.

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

There are areas where Bushmen paintings exist which have the potential to be developed into tourist attractions. The municipal area has cultural groups that are performing locally, nationally and internationally, selling authentic culture of Emalahleni. The cultural groups are located at Ngqoko, Mackay's neck, Tsembeyi and Dordrecht.

The municipality has an arts and craft center that has been established for purposes of manufacturing and marketing of bead work and Xhosa traditional attire to local and national tourists. The center is located along Indwe Road in Lady Frere town.

(4) Heritage

Qonda Hoho and Luvuyo Lerumo are the political heroes that were buried at Qoqodala Village and monuments were built on their graves. The main objective is to restore the contribution played by these freedom fighters in the late 1980s. Emalahleni has got Queen Nonesi Cultural village which is named after the Abathembu Queen and is also situated on the feet of Nonesi's Pass. There is also Abathembu Cultural Calabash at Hala No 2 under Chief Ngangomhlaba Matanzima Trust. The main objective of this is to restore the culture of Abathembu as their heritage. The Act which is regulating this is National Heritage Act No 25 of 1999.

a) Heritage Resources

A list of heritage resources within the municipality is as follows:

Site Name	Significance	Conservation Status	Management
Machubeni Coal Mine near Indwe	Washed out old coal mine showing early mining methods	Mine temporarily not operating	Department of Mineral Resources
Dams: Machubeni, Xonxa and Lubisi	Water Resources for Emalahleni, Ntsika Yethu and Lukhanji municipality residents	An aqua culture site being established	Department of Water and Sanitation
Fallen Heroes	Luvuyo Lurome 1960 to 1986 Qonda Hoho 1956 to 1988 Queens Nonesi Tsotsi	Monuments have been built	Emalahleni LM
Glen Grey Falls near Lady Frere	A beautiful natural site	Water sample for feasibility study harvested in the area	Emalahleni LM
The Kloof near Dordrecht	Natural site with some unique flora	Degraded due to plundering for firewood	Emalahleni LM
Cacadu River at Lady Frere	Links most Ward	No planned projects for the current financial year	Emalahleni LM
Churches in Lady Frere	Two examples of 19th Century Churches	Well looked after	Church
Anderson Museum at Dordrecht	Oldest museum	The museum is operating	Privately owned by Anderson trust
Victorian Buildings at Dordrecht	Architectural example	Building properly maintained	Municipality / Private
Burgher Statue at Dordrecht		The statue is still in existence	Privately managed
San Rock Art at Dordrecht	Ancient art	Well kept	Private
Methodist Church at Dordrecht	Architectural example	Properly maintained	Church
Abathembu Calabash and	To restore Abathembu tradition	Well looked after	Nkosi Ngangomhlaba development trust
Doring river Dam at Indwe	Leisure area	Could be better utilized	Department of Water and Sanitation

Source: Chris Hani State of Environment Report

(5) Liberation Route

Emalahleni is part of the Ndondo route which lies between Queenstown via R396 to Elliot and has the following cites, amongst others that form part of the history contributing to liberation in the area:

- 27 Graves of Qonda Hoho and Luvuyo Lerumo
- 28 Maqhashu Village
- 29 Queen Nonesi

- 30 Wycliffe Tsotsi Law Offices

a) Graves of Qonda Hoho and Luvuyo Lerumo

The student militancy generated by the Soweto uprising of 1976 led many students of Inkwanca High School in Queenstown to leave South Africa for military training. These included many rural youth who went to Inkwanca to complete their high school education. Two such were Qonda Hoho (1956-1988) and Luvuyo Lerumo (1960-1986) of Qoqondala who left at the different times in the 1980s. Qonda trained as a teacher before leaving to join MK. Luvuyo escaped to Lesotho, and trained in Zambia, Angola and East Germany.

They infiltrated South Africa on mission so secrete that even their families did not know of their whereabouts. Luvuyo died in a firelight between Fort Jackson and Breidbach. Qonda was betrayed by an informer and shot in Queenstown. Their burials were conducted in the presence of Hippo vehicles and strong security presence, allowing the attendance of only their family members.

b) Maqhashu Village

The Old district of Glen Grey, commonly known as Lady Frere, was part of the old Cape Colony, from which it became part of Ciskei. But in the 1970s, the apartheid authorities were concerned to persuade Chief KD Matanzima to take homeland independence for Transkei. As an inducement, he was offered the district of Glen Grey and Herschel. The people of Glen Grey voted against Transkei in a referendum but their wishes were ignored and they came under Matanzima's iron rule.

Opposition to Matanzima became linked to opposition to 'the Trust' also known as 'betterment' or 'rehabilitation'. The Trust forced people to abandon their traditional lifestyle and move into 'closer settlements', similar to urban township. People of Maqashu refused, and on a day in 1979, their homes were bulldozed and torched in broad daylight. Transkei army was everywhere rounding up their stock. Four residents- died in this forced removal, some beaten, others seemingly dying of shock. Thousands of Glen Grey residents left their homes and settled at Zweledinga in Lukhanji which was not then subject to Bantustan independence.

c) Queen Nonesi

Queen Nonesi, the daughter of King Faku of amaMpondo, was the Great Wife of King Ngubengcka of abaThembu. Ngubengcuka died quite suddenly in 1830, leaving Queen Nonesi without any child but she took Mtirara, Ngubengcukas son by another wife, into her house and raised him as the future King of Thembuland. Queen Nonesi and Mtirara settled at Rhodana about 1841, a move which put the abaThembu Great House on the frontline of defence against the colonial invaders. After the War of Mlanjeni (1850-3), all backresidents of present day Lukhanji were expelled into present day Emalahleni, and came under Nonesi's protection.

Colonial land-hunger raised its head again in 1864 when the Colonial authorities tried to persuade the residents of Emalahleni to move to present day Intsika Yethu to free up land for white farms. Four chiefs moved, but Nonesi remained adamant. She was forcibly deported to her brother's place at Nyandeni where she died in about 1880. But by that time, she had saved the land of Emalahleni for black people.

d) Wycliffe Tsotsi Law Offices

WM Tsotsi (1914-2005) was President of the All Africa Convention from 1948 to 1958(later known as the New Unity Movement) as well as a founder of the Cape African Teachers Association (CATA), but he is best remembered as a gifted lawyer and organiser of people at grassroots level, earning the jocular title of 'Chief of the Thembus'.

Trained as a teacher, he was the first principal of Freemantle High School but he left teaching in 1948 to do his legal articles in Port Elizabeth. His legal expertise was legendary, and distinguished by his shrewd use of procedural rules to

win seemingly hopeless cases. From early on he became conscious that his chances of winning cases in a legal system where the magistrate and the prosecutor were both white, were limited. He relied on provoking the racist establishment into blunders, then winning his cases on appeal.

Tsotsi's offices were built according to his own design on land which he owned, an unusual situation in Lady Frere, at the time solely owned by white residents. His right to own land was indeed challenged, but Tsotsi was able to point to neighbouring plot used by a local white trader to accommodate his hunting dogs. Does this mean, Tsotsi asked, that dogs have more right in Lady Frere than black people? He won that case too.

Tsotsi's was often harassed by the police but they could not make any charge stick until 1960 he received reliable information that he was about to be arrested. He fled into exile, and eventually established a successful legal practise in Maseru where he died at the ripe age of 91.

(6) SMME Development

Broad Based Black Economic Empowerment (BBBEE) Act, 2013 (Act 46 of 2013), means the viable economic empowerment of all black people in particular women, workers, youth, people with disabilities and people living in the rural areas, through diverse but integrated socio-economic strategies that include, but are not limited to:

a. Increase the number of black people that manage, own and control enterprises and productive assets
b. Facilitating ownership and management of the enterprises and productive assets by communities, workers, cooperatives and other collective enterprises
c. Human resource and skills development
d. Achieving equitable representation in all occupational categories and levels in the work force
e. Preferential procurement from enterprises that are owned and managed by black people and;
f. Investment in enterprises that are owned or managed by black people

In responding to that Act the municipality identifies black owned Enterprises which are as follows: Taxi Operators within the municipality are the affiliates of Uncedo Taxi Association. In terms of infrastructure only Lady Frere unit that has got functional taxi rank Indwe and Dordrecht units are still outstanding. The taxi association is on the municipality database and their services are being utilised by the municipality and other government departments

- Street traders: mostly dominated by black people they are affiliates of Hawkers Association. In terms of the infrastructure some of them have been provided with hawker stalls in all three towns.
- Service providers (caterers and contractors), they are affiliates of Local Business Forum, they are in the municipality's database and their services are utilised. The municipality facilitates and provides the support through capacity building programmes.
- Formal retailers- In the municipality most of retail space used to be occupied by the black people, but more than 95% to date have been leased out to foreign nationals and few big retailers like Spar, Kwik Save, Boxer, Cash Build, Build-It, furniture shops are occupied by White People The challenge at hand is lack of capacity, creativity and innovation. Above all is non-cooperation among themselves as local black retailers to minimise operational costs.

(7) Forestry

Emalahleni area has got communal plantations in the area of Maqhashu, Hala No 1, Mount Arthur and Machubeni There are natural forestry that are situated in the mountains of Hala No 1 Longo forest and Cumakala Village Khophe Forest The municipality is not involved in activities taking place in these forests as they are mainly used for fire wood collection.

2.4.3 Municipal Transformation and Institutional Development

(1) Background

As part of the transformation agenda of government, municipalities are assigned to perform activities which will in turn assist government to realise its objectives for transformation for communities in our municipal areas

(2) Powers and Functions assigned to the Municipality

(a) Legislated Powers and Functions

Schedule 4 and 5, Part B of the Constitution of the Republic states that; local government is required to execute the following:

- 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
- Beaches and amusement facilities
- Billboards and display of advertisement in public places
- Cemeteries, funeral parlours and crematoria
- Cleansing
- Control of public nuisances
- Control of undertakings that sell liquor to the public
- Facilities for accommodation, care and burial of animals
- Fencing and fences
- Licensing of dogs
- Licensing and control of undertakings that sell food to the public
- Local amenities
- Local sport facilities
- Markets
- Municipal abattoirs
- Municipal parks and recreation
- Municipal roads
- Noise pollution Pounds
- Public places
- Refuse removal, refuse dumps and solid waste disposal
- Street trading
- Street lighting
- Traffic and parks
- Childcare facilities
- Fire-fighting services
- Keeping of animals
- Control of public nuisances
- Control of undertakings that sell liquor

(b) Powers and Functions not performed by the Municipality as per the Constitutional mandate

- Air Pollution
- Municipal Health Services
- Municipal Public Transport
- Abattoirs

(c) Powers and Functions performed on behalf of other spheres

- Registration and licensing of motor vehicles
- Disaster Management on behalf of the Chris Hani District Municipality; and
- Library Services on behalf of the Department of Sport, Recreation, Arts and Culture

(d) Implementation of By-laws

In the 2015/2016 financial year, the following By-Laws were approved by Council for promulgation and they have been gazetted in February 2016 in the Provincial Gazette, and they are ready for implementation:

- Property Rates
- Heritage Resources
- Encroachment
- Commonages
- Public Amenities
- Parking
- Outdoor advertising and signage
- Liquor Trading
- Keeping of animals
- Taxi ranks
- Local Tourism
- Community Fire Safety
- Child care Services
- Building By-Law

(3) Municipal Policies

In the 2014/2015 Council review old and developed new policies and they were adopted in November 2014.

No	Name of the Policy	Status of the Policy	Date of Approval
1	Acting Allowance and Enhanced Responsibility Allowance Policy	Reviewed in 2014	
2	Absenteeism Policy	Developed in 2014	
3	Cellular phone Allowance Policy	Reviewed in 2014	
4	Bursary Policy	Developed in 2014	
5	Car Allowance	Reviewed in 2015	
6	Business Continuity Policy	Reviewed in 2014	
7	Civic Funerals Policy	Reviewed in 2016	
8	Communication Policy	Reviewed in 2015	
9	Asset Disposal Policy	Reviewed in 2014	
10	Employment Equity	Developed in 2014	
11	Fleet Management and Procedure	Reviewed in 2015	
12	ICT Governance Framework	Developed in 2014	
13	Job Evaluation	Developed in 2015	

No	Name of the Policy	Status of the Policy	Date of Approval
14	Occupational Health and Safety	Reviewed in 2015	
15	Promotion, demotion and transfer	Reviewed in 2014	
16	Recruitment, selection and retention	Reviewed in 2015	
17	Study Bursaries for community members	Reviewed in 2014	
18	Substance Abuse Policy	Reviewed in 2014	
19	Whistle Blowing	Developed in 2014	
20	Code of conduct and Ethics	Reviewed in 2015	
21	Facilities Management	Reviewed in 2014	
22	Human resources Conditions of Employment	Developed in 2014	
23	ICT Policies	Reviewed in 2015	
24	Leave Policy	Reviewed in 2016	
25	PMS Policy and Procedure	Reviewed in 2016	
26	Public Participation Strategy and Policy	Developed in 2015	
27	Sexual Harassment	Developed in 2014	
28	Subsistence and Travelling	Reviewed in 2015	
29	Training and study assistance Policy	Reviewed in 2015	
30	Supply Chain Management	Reviewed in 2016	
31	Credit Control and debt collection	Reviewed in 2016	
32	Indigent Policy	Reviewed in 2014	
33	Virement	Developed in 2014	
34	Irregular , fruitless and wasteful expenditure	Developed in 2014	
35	Records Management	Reviewed in 2015	
36	Rates Policy	Reviewed in 2015	
37	Asset Management	Reviewed in 2016	
38	Investment Policy	Reviewed in 2014	
39	Budget Policy	Reviewed in 2015	
40	Tariff Policy	Reviewed in 2015	

(4) Human Resources Management

(a) Organisational Structure 2013/2016

An approved Organisational Structure for 2013-2016 is in place and it is reviewed annually. The organogram shows the number of filled, vacant positions which are budgeted for and those that are not budgeted for.

The Reviewed version second (02) of organisational structure was presented in the Strategic Planning Session on 28-30 January 2015 and adopted by Council on 28 May 2015. The total number of positions in the reviewed organogram is 417. The reviewed organisation structure has 19 funded positions and 35 unfunded positions.

All funded positions have been filled. The total cost of populating the whole organogram is reflecting in the financial plan of the institution. The approved organogram has colour codes on status of each position and only one Section 56 Manager position is not filled due to budgetary constraints (newly adopted position)

The municipality has 9 fixed term contract employees (Municipal Manager, Chief Financial Officer, Director Community Services, Director Corporate Services, Director Economic Development, Tourism, Agriculture and Director Infrastructure Development and Human Settlements, Project Management Unit Manager and two Project Managers)

Three Hundred and Twenty Four (324) have job descriptions have been developed. The Job Evaluation process is underway.

The Municipality is currently undertaking a Business Process Re-engineering project to ensure that the organisational structure is responding to the strategic objectives of Council as outlined in the IDP as well as produce a Human Resources Plan. This has resulted into review of the organisational structure not being done in the 2015/2016 financial year until the project is completed.

(b) Code of Conduct and Enforcement

The institution adheres to code of conduct for officials and councillors. It also implements the disciplinary code of conduct as defined by the South African Local Government Bargaining Council (SALGBC). All officials and Councillors are signing Code of Conduct on their first day of reporting at work.

Performance Management System Framework has been adopted by Council. In terms of the framework PMS has been cascaded to middle management and practitioners in the 2015/2016 financial year. The quarterly assessments are currently conducted for Section 54A and 56 managers. And reports are submitted to Council.

(c) Human Resources Plan

The draft Human Resources Plan has been dealt with and the Business Process Re-engineering outcomes will result into the final HR Plan being adopted.

(d) Labour Relations

The Local Labour Forum (LLF) has been established in terms of the SALGBC. The LLF is functional and its meetings are held quarterly.

Two suspensions and two disciplinary hearings are in progress from the previous financial year. Two disciplinary hearings and one dismissal in the year under review.

(e) Occupational Health and Safety

The Emalahleni Local Municipality is committed to ensure a Healthy and Safe environment for all its customers and employees and therefore the Municipality has developed an Occupational Health and Safety (OHS) Policy that considers that in all circumstance safety is critical to well-being of its customers and employees. It is the aim of the OHS policy to prevent as far as possible any accidents or injuries t to customers and employees.

The municipality will strive at all times to improve safety conditions and handling methods in consultation with its customers and employees. This will be achieved through adherence to Emalahleni municipality policy and occupational health and safety Act. The Emalahleni Municipality appointed Occupational Health and Safety Practitioner in 2015 who is designated Occupational Health and Safety officer and support all other departments within the institution.

The OHS Strategy has been developed and approved by Council in December 2015.

The Safety Health and Environmental (SHE) Representatives that forms part of the Safety Committee have been trained. First Aiders have been trained. Arrangements are made with the Chris Hani District Municipality to do Fire drills and Emergency preparedness. The OHS Committee has been established as per the OHS Act of 1993. The portfolio Head Corporate Services is the chairperson of the Committee. OHS Committee meetings are held quarterly.

(f) Skills Development and Training

Critical and Scarce Skills in Emalahleni LM

The following were identified as critical and scarce skills and it has been a challenge to recruit in these fields:

- Civil Engineering
- Electrical Engineering
- Mechanical Engineering
- Town and Regional Planning
- Quantity and Land Surveying
- Information Technology
- Financial Viability
- Internal Auditing

The Municipality has made budget provision for bursary targeting the scarce skill programmes so that the community can apply and plough back to the municipality after completion.

(g) Employment Equity Plan

There is an Employment Equity Plan in place which was adopted by Council in 2013 for a period of five years and it lapses in 2017. It was reviewed in 2015/2016 for implementation in 2016. In the 2015/2016 is at 20% in compliance with the targets set in the Employment Equity Plan.

The Employment Equity Plan is implemented concurrently with the recruitment policy and reports are submitted on a quarterly basis to the Corporate Services Standing Committee and the EE Consultative Committee.

(h) Workplace Skills Plan

The Emalahleni Municipality has developed the Workplace Skills Plan (WSP) for the 2015/2016 financial year and was submitted in April 2015 to the LGSETA. The plan outlines the priority training needs of the institution that are critical for the implementation of the objectives set out in the reviewed IDP 2015/2016. There is a training Committee Consultative Forum that sits on a quarterly basis to monitor implementation of the WSP.

The HRD Strategy has been developed and has been approved by Council in December 2015 and it also addresses the issue of scarce and critical skills. Currently the Municipality does not have a policy on succession planning in place; however the following initiatives are undertaken by the municipality:

- Learnerships
- Recognition of Prior Learning
- Study Bursaries for employees

The following training programmes have been prioritised for 2015/2016 financial year for both officials, councillors, ward committees and traditional leaders.

- Computer Training
- Grade 12 Certificate
- Speech Writing
- Performance Management Training
- Transport Management
- Advanced Driving
- Records Management
- Report Writing and Minute Taking

- Occupational Health and Safety
- ICT Update courses
- Human Resources Planning
- Municipal Finance management programme
- Supply Chain Management
- Asset Management
- Disaster Management
- ENatis
- Examiner of Vehicles
- Environmental Management
- Road Maintenance
- Administration of Estates
- Bricklaying, Plastering and painting
- Economic Planning
- Branding

(i) Records Management

The municipality has a section dedicated to manage municipal records and has the following legislated documents in place for compliance.

i. File plan
ii. Procedure Manual; and
iii. Records Management Policy

Employees were trained on how to use the file plan and implement the Procedure manual. Workshop was conducted on the Records management policy. The Municipality has moved away from decentralised records management. All documents have been transferred from all departments to registry.

The Municipality is currently using the paper based filing system and EDMS is being implemented in the 2015/2016 financial year. All Departments employees have been trained on the EDMS in April 2016. Disposal of records is done line with the National Records and Archives Service Act of 1995 upon approval by the Provincial Archivist.

The municipality also; is complying with National Minimum information requirements (NMIR) and there has been some improvement in compliance with the requirement

(j) Councillors and Traditional Leaders participating in Council

The current Council was elected to Council in 2011 and has 34 Councillors and 7 traditional leaders sworn in to participate in municipal matters. One Councillor has passed on in 2016.

(k) Council and Committee System

Council holds its ordinary council meetings once in each quarter for the four quarters in a year. In the 2015/2016 financial year we had Nine (9) Special Council meetings and four ordinary council meetings.
The Executive Committee chaired by the Mayor had sixteen (16) meetings.

Council has the following Section 79 of Local Government: Municipal Structures Act, 1998 (Act 117 of 1998) committees which sit once in each quarter and 4 meetings have been held for each in the 15/16 financial year:

Council Committee	Performance
Corporate Services Standing Committee	
Infrastructure Development and Human Settlement Standing Committee	
Community Services Standing Committee	
Economic Development, Tourism and Agriculture	
Budget and Treasury Office Standing Committee	
Council has the following Section 80 of Local Government: Municipal Structures Act, 1998 (Act 117 of 1998) committees:	
Municipal Public Accounts Committee	
Audit Committee	
Local Labour Forum	
Rules Committee – never had a meeting	
Remuneration Committee	
Budget & IDP Steering Committee	
Other Committees	
PMS Assessment & Evaluation Committee	
Risk Management Committee	
Incident Management Committee	
Information and Communication Technology Committee	
Employment Equity Committee	
Occupational Health and Safety Committee	

(l) Office Accommodation

In its endeavours to ensure that services reach local communities, the municipality has its head office in Lady Frere and two satellite offices in Indwe and Dordrecht. The Municipality attempts to ensure that services that are available in its head office are accessible from the units. There is not enough offices to accommodate the number of staff appointed. The municipality makes use of park homes as offices which accommodate 16 employees and they are no longer in a good condition – health hazard.

Out of the 28 appointments made in the last financial year, which 20 are office based; all have been accommodated

(a) Progress on the development of the Municipal Offices and Council Chamber

The municipal council took a resolution to develop its main offices in Lady Frere due to huge shortage of office space for both administration and Council. A developer was appointed to undertake the task. Council Chamber was prioritised to be developed first and then offices.

The municipal council had budgeted R4.5 million from its own revenue for the 2016/17 financial year to continue with Phase 2 of construction of municipal offices. The construction of the Council Chamber, as Phase 1 of the project, has been completed at an amount of approximately R10 million.

Phase 2 of the municipal offices will also be done in phases, a bid will be advertised calling for developers to tender for the total project using the alternative method of construction to minimise costs and time of construction, as it is more efficient, taking into account the use of Green Economy in the construction.

Municipal offices are arranged as follows:-

- Lady Frere (Head Office) – 37 Indwe Road, Lady Frere, 5410

- Dordrecht Unit (Satellite Office) – Grey Street, Town Hall Building, Dordrecht, 5435
- Indwe Unit (Satellite office) – 40 Fletcher Street, Indwe, 5445

(5) Information and Communication Technology

The municipality has appointed two officials to deal with Information Technology; these are System Administrator, who is enrolled to deal with all licenses of the systems in the institution, with the Network infrastructure and server management. The IT Technician deals with desktop and technical support of the whole institution. The IT unit was established to ensure that there is improvement in the municipality's IT network Infrastructure including remote sites. Currently, network infrastructure consist of category 5e with access points (Wireless Devices) cabling that connects all workstations within the network infrastructure of Emalahleni Municipality to the central server which ensures confidentiality and security. Server based systems within the municipality includes:

- Financial Management System(Sebata)
- HR Management System (Sebata)
- Electronic Document Management System (Sebata)
- Performance Management System (Sebata)
- Cemetery Management (External Host)

The broadband project implemented by MTN as appointed by USSASA is progressing. Currently the Main Building is connected with a bandwidth of 2MBps and Indwe Unit(Remote site) is also connected with to the Main Building(Lady Frere) with the same bandwidth. Outstanding unit which is Dordrecht (Remote site)is in progress. With the upgrade in bandwidth the two connected sites have improved hugely and user satisfaction is pleasing. The server upgrade has contributed to the support of upgrade of network infrastructure.
The institution currently terminated contract with Sainet which was our main service provider for the hosting of Emails and providing of Internet connectivity. The ICT Division is in process of acquiring Exchange licenses and hosting of emails from an appointed service provider. The website is currently hosted by Delteq Technologies as DPSA no longer host website for local municipalities.

ICT Governance Framework was presented to council and adopted. It is in the process of implementation across the institution.

(6) Integrated Development Planning

In line with the requirements of the Local Government: Municipal Systems Act, municipalities are required to develop a strategic plan to be implemented over a period of five years, in line with each term of Council. That strategic plan is referred to as the integrated development plan.

As per the requirement mentioned above; in 2012, the municipality developed and approved an IDP for the 2012 – 2017 which is in line with the current term of Council. The plan gets to be reviewed on an annual basis so as to ensure that the plan remains relevant to the needs of the municipal community. This is the fourth and last review of the 2012 / 2017 strategic plan. Legislatively, the development and implementation of the IDP is assigned to the Mayor and ultimately the Accounting Officer. Operationally, according to the institutional arrangements, the municipality established a unit in the office of the Municipal Manager to coordinate the development and review of the municipality's IDP, manage and monitor its implementation, as well as reporting.

The municipality developed a framework, containing information and guidance on how the processes of the IDP reviews would be conducted, identification of stakeholders and their role in the review process.

During the fourth review of the IDP, a series of meetings were held, in the form of representative forums and roadshows to review and confirm community needs. Sector departments were also awarded an opportunity to present programmes and projects to be implemented in the municipal area. Participation of Sector Departments in the form of representation in

IDP meetings and platforms has remarkable improved. This was done to ensure community involvement in the municipal affairs, even more so in the development planning area.

SWOT Analysis

Strengths	Weaknesses
• 2 Skilled and competent officials • Budget allocation for the review of the IDP • Functional IDP Structures (including IGR) • IDP developed and coordinated in house	• Limited budget • Limited personnel • Limited understanding and participation of some IDP role players in the coordination of the IDP
Opportunities	Threats
• Support from the District Municipality and Sector Departments • Funded projects for integration in the IDP	• Minimal participation of External Role players in the IDP Processes • Upcoming 2016 Local Government elections

(7) Performance Management System

(a) Institutional Performance

Chapter 6 of the Local Government: Municipal Systems Act, 2000 as amended requires each municipality to establish and develop its own performance management system, commensurate to its resources.

In line with this requirement, the municipality has an approved performance management system framework, which is currently being implemented. The PMS Framework is currently not being fully implemented, as the institution is battling to implement some elements of the Framework. The institution has since activated a performance management system module in the municipal financial system to improve compliance with performance planning and reporting. All performance management system role players have profiles created to ensure access to the system for purposes of timely reporting.

The internal audit unit, as part of its operational plan perform regular performance audit to ensure quality assurance and compliance on the performance reports and performance information.

(b) Individual Performance and/or cascading of Performance to levels below Sec 56 and 57

On approval of the Service Delivery and Budget Implementation Plan 2015/2016, Section 56 and 57 Managers prepared and entered into Performance Agreements at the beginning of the financial year as legislatively required. Accountability Agreements were as well signed between Section 57 managers and officials below senior managers for purposes of cascading performance.

A lot still needs to be done because PMS is the backbone for ensuring that people perform at the required levels to achieve the KPIs in their functional areas and in the municipality as a whole

Below is a SWOT Analysis for the PMS Unit

Strengths	Weaknesses
• 2 skilled personnel • An approved performance management system framework in place • Budget • PMS Committees in place • Automated performance management systems	• limited personnel • Minimal budget allocation
Opportunities	Threats
•	• Continuous technological updates

• Support from other spheres of government (Monitoring and Evaluation Unit – EC – CoGTA and The Office of the Presidency)	

(8) Special Programmes

BACKGROUND

The Mayor's Office through the Special Programmes unit is discharged with the responsibility to coordinate and implement programmes and projects designated to improve and/or enhance social cohesion in the municipal area, through the following focal areas;

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

Focal Area	Project Name	Project Description
Youth	FIELD BAND FOUNDATION PROJECT	The band is an 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. A memorandum of understanding was signed between the municipality and the Field band foundation The band is adequately resourced with staff and instruments. Life skills workshops which include HIV\Aids programme have been conducted thus far. The band has also participated in the National Championships Field band was launched and regional championships were held in July 2015. Two tutors and the project coordinator were invited by the Mayor of the City of Dordrecht in Netherlands to perform for the royal house in Netherlands.
	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. It includes various sports discipline such as the Football, Netball, Rugby and Athletics. This tournament promotes development of young people in sport and nurture talent. It is as well to inculcate a culture of using sport as a supplement to drugs, alcohol abuse and crime. The event is budgeted for on an annual basis.
	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 whilest on training. So far the Department has recruited 47 young people which are 3 per ward and now are in a recruitment drive to obtain more young people.
	YOUTH COUNCIL	On the 11th September 2015, the municipality held an annual general meeting of the Youth Council to elect the new leadership of the Youth Council.

Focal Area	Project Name	Project Description
		Its mandate is to develop young people on socio economic issues and todraw an action plan and submit it to the Mayor's Office.
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 Metropolitan ✓ Nelson Mandela Metropolitan ✓ Ethekwini Metropolitan ✓ Hi-biscus Coast Local Municipality ✓ 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.
WOMAN	WOMEN FORUM AND GENDER EQUALITY	The women forum was established in 2014 and were capacitated in leadership skills. Projects were identified by women forum and inputs provided as support to the projects Gender mainstreaming training was conducted to officials and councillors to ensure that issues of gender are mainstreamed in the municipal business.
PEOPLE WITH DISABILITY	PEOPLE WITH DISABILITY COUNCIL	A functional structure for PWD is in place and meetings are held on a quarterly basis as per the meeting schedule. The municipality has donated a site and a structure was constructed by public works to accommodate a sewing project (Vukuzenzele Project). In the 2014/2015 financial year, provincial department of social development and health donated wheel chairs to the needy community with disability.
ELDERLY	ELDERLY PERSONS	The municipality has a forum established to lobby and advocate for interests of older persons which also coordinates programmes for elder persons. The elderly persons have various programmes such as Nelson Mandela Day, Parliament for elderly and Golden games.. The municipality has budget provision to support elderly programmes.
	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 to honour this day. The municipality in partnership with the provincial sector departments such as social development and SASSA; identified and provided blankets, sanitary towels and food parcels to child headed households.
	SPORTS COUNCIL	The council is in place to facilitate development of sport and advise Municipal Council on sport related matters. The Council is part of the preparations for Mayors Cup. The structure is currently experiencing functional challenge as only a few council members are still active

(b) HIV/AIDS

Emalahleni Local Municipality has a HIV/AIDS unit with Coordinator responsible for HIV/AIDS strategies both in the community and the workplace. It also has the following programs:-

Emalahleni Local Aids Council: The Emalahleni Local Aids Council structure is in place, functional and Chaired by the Honourable Mayor who then delegated the coordination of the programme to the Community Services. The ward Aids structures has been established in all wards of Emalahleni.

The Emalahleni HIV/AIDS Strategy has been reviewed in 2014 and adopted by Council in 2015, the focal areas of the strategy are as follows:-

- Prevention, Education, Awareness and Condom Distribution
- Care and Support for People living with HIV and AIDS (PLWHA)
- Care and Support for Orphans and Vulnerable Children

Ward Men's Sector Forum & Initiation Committee: The Emalahleni Ward Men's Sector Forum & Initiation Committee has been established at Ward 03, 06, 11 and 17, both committees showed an interest of being elected to serve its community.

The Anti-Poverty War room structures have been established in all wards of Emalahleni and three Wards has been trained on Anti-Poverty War room programme and those wards are as follows: ward 4, 5 and 6.

Local Drugs Action Committee (LDAC): The Emalahleni Local Drugs Action Committee (LDAC) has been established and the committee has been appointed by the honourable Mayor of Emalahleni Cllr. N. Nyukwana. The committee is composed of 29 members from the deferent stakeholders with the guidance of Subsection (3) of Local Drugs Act of the Constitution that says a Municipality must take a leading role to lead the Local Drugs Action Committee (LDAC). The Local Drugs Action Committee (LDAC) is chaired by the Municipality the office of the honourable Mayor.
So far it's only few Departments that are submitted their Substance Abuse Activity Plan.

Swot Analysis

Strength	Weakness
• Functional Local Aids Council structure • Enough Volunteers • Availability of budget	Increased number treatment defaulters
Opportunities	**Treats**
• Working close with communities • Encouraging the culture of volunteerism • Job opportunities	New infections

2.4.4 Financial Viability and Management

(1) Objectives

The objective of Financial Viability and Management is to secure sound and sustainable management of the financial affairs of the municipality and to comply with the accounting norms and standards. To render efficient and effective support services in a transparent, timeous and accountable manner.

(2) Financial Diagnosis

The municipality has adequate financial and human resources to continue with its operations for the foreseeable future. The Municipality is still functioning on the going concerned principle. The latter is based on key considerations such as sound cash flow, no major borrowings. Municipality meets all its commitments and contingencies. The Municipality has financial systems which account for its revenue and expenditure management in line with legislative requirements. The municipality is constantly investing in human capital to ensure continuous improvement in capacity and to reduce reliance on consultants.

(3) Internal and External Factors affecting financial viability of the municipality

The municipality has a low income base due to the low income levels of its community and consequently highly dependent on grants. The municipality has a very low debt collection rate that has the potential to affect the long term financial viability of municipality. The low collection rate can be attributed to the fact that people do not prioritise payment of their municipal accounts. Accounts cannot be delivered due to inadequate consumer address system and service delivery coverage plans from certain directorates. Human resource constrains to be addressed to enforce credit control and debt collection policy.

The high unemployment rate in the area has a negative impact on the financial viability of the municipality. The current economic outlook also has a negative impact on job creation and the affordability of consumers to pay their accounts. The extent of the revenue base of the municipality is also limited as most of the electricity revenue go to Eskom. The municipality is electrifying certain areas without applying to NERSA for the licence of the new areas.

(4) Key Financial Indicators

The economic downturn and the Eskom issues continue to play havoc with good financial management. The Emalahleni economy has been battered of late and all indications are that it will get worse before it gets better.

This is not because of bad or incompetent management, but because it is the nature of the business and the economy. I would therefore hope that National and Provincial bureaucrats take heed of this fact before making any incorrect or ill-conceived statements or judgements.

Financial Statement Ratios: to be updated

INDICATOR	2013/2014	2012/2013
Surplus / (Deficit) for the year before Appropriations	(5 328 949)	2 657 598
Accumulated Surplus / (Deficit) at the end of the Year	469 783 147	475 112 096
Expenditure Categories as a percentage of Total Expenses:		
Employee related costs	24.15%	28.42%
Remuneration of Councillors	5.01%	5.92%
Debt Impairment	9.83%	6.20%
Depreciation and Amortisation	10.39%	13.95%
Impairments	5.80%	0.01%
Repairs and Maintenance	4.45%	4.73%
Actuarial losses	0.40%	0.28%
Finance Charges	0.35%	0.42%
Bulk Purchases	6.56%	7.31%
Contracted services	2.04%	1.76%
Operating Grant Expenditure	9.94%	9.68%
General Expenses	16.78%	19.54%
Loss on disposal of Property, Plant and Equipment	4.30%	1.78%
Fair Value Adjustments		
Current Ratio:		
Creditors Days	92	32
Debtors Days	1 443	1 526

One indicator needing comment is that of repairs and maintenance. In recent years there has been made much comments as to how low this ratio is. It should be noted that the ratio improvement has been achieved despite the massive increases in Eskom charges.

6. Revenue Management

The Municipality's revenue collection remained stagnant for a considerable period of time, which left the municipality with uncollected debt. The fact that the Emalahleni municipal area is a low wage economy also contributed to the uncollectable debts.

Most customers of the municipality are unemployed and cannot afford to pay for services. Despite the latter, consumers do not come forward and apply for indigent support. We currently have approximately 4 300 indigent customers who receive subsidies on rates, refuse removal and electricity, broken down as follows:

Refuse Collection - 1386
Electricity (ELM) - 823
Electricity (Eskom) - 4786

Currently the collection rate of the municipality is sitting at approximately 46.68% (2015/16) up from 15% in the 2012/13, 23% in the 2013/2014 and 45% in the 2014/2015 financial years. The target for 2016/17 is set at 65%. The increase was mainly due to the improved strategies to enhance municipal revenue. The findings in the Auditor-General's report of 2014 around revenue have also contributed to the improvement in correcting information around the billing system.

The municipality conducted a data cleansing and indigent registration at Indwe and Dordrecht area during 2014/15 financial year. The project will be rolled out to Lady Frere area during 2015/16 financial year.

The municipality continue to find measures to enhance municipal revenue and to ensure that the municipality continues to be financially viable. The traffic station currently in construction is expected to bring a new revenue stream and will help to further decrease the municipality's dependency on grants. The municipality is constantly looking for opportunities to extend

its revenue base to ensure sufficient revenue so that it can remains a going concern. The Municipality will also explore the possibility of obtaining licence for the new electrified areas.

7. Expenditure Management

Section 65 of the Municipal Finance Management Act requires that a municipality maintains an effective system of expenditure control, including procedures for the approval, authorisation, withdrawal and payment of funds. The municipality has and maintains an expenditure management system that recognises expenditure when it occurs and as such accounts for all payments made by the municipality. Creditors are recognised and accounted for and are generally paid within the stipulated 30 days or as per agreed stipulations. The municipality as a consequence has no major creditors outstanding to date.
The municipality also seek to manage its working capital in such a way that funds available not required within the short term are invested in line with the cash management and investment policy to ensure maximum returns for the municipality but also ensures that sufficient working capital is available to meet its day to day operations.

8. Supply Chain Management

The municipality has made a number of appointments within the Supply Chain Unit during 2014/15 financial year. This has improved the functioning and compliance within the SCM Unit. The Unit has 3 functional bid committees being the Bid Specification Committee, Bid Evaluation Committee and the Bid Adjudication Committee.

The unit has formulated a procurement plan that has been approved by the accounting officer which contains all the municipal capital projects. It is a guiding document that reflects when the departments should procure their projects on a timely manner as per their targets on the SDBIP.

Supply chain has installed an integrated SCM Module that will improve systems of procurement and turnaround time. The module will work hand in hand with a supply chain procedure manual that is still awaiting approval by the Accounting Officer.

9. Asset Management

The objective of the asset management section of the Municipality is to manage, control and maintain all the municipal assets pursuant to complying with GRAP 17. In this regard the Municipality has appointed a Manager to assist in ensuring that the asset register is prepared and kept in accordance with the requirements of GRAP 17. The Municipality will further continue to annually increase its repairs and maintenance budget as per asset management guidelines and will continue to implement asset management systems in line with prescribed accounting standards. The municipality performs at least once a year asset verification in line with its asset management policy. The municipality continues to improve internal controls and procedures around asset management.

10. Budget and Reporting

The Municipality in accordance with the municipal Systems Act 32 of 2000, annually formulates an IDP/Budget process plan to guide the development of the annual budget and the review process of the IDP. This process enhances integration and alignment between the Integrated Development Plan and Budget, thereby ensuring the development of an Integrated Development Plan-based Budget. The reporting process is a continuous process in order to ensure the early identification of problem areas and none or under performance. The municipality aims to continue with accountable and developmental orientated monetary management to sustain a sound fiduciary position and ensure compliance with all prescribed accounting standards.

It is in this regard that the Municipality annually reviews its budget policies, by-laws and internal controls. The municipality has further taken a step to ensure that all budgetary and financial reports as required by the MFMA are submitted timeously

and in accordance with the stipulated frameworks and legislation by appointing a Budget and Reporting Manager who will ensure compliance with all budget and financial reporting requirements.

11. Fleet Management

The municipality is in possession of the following vehicles, tractors, trucks and plant equipment for the execution of its functions in the municipal area.

i. Dedicated Vehicles

No	Vehicle	Office / Department
1	Toyota Fortuner	Office of the Mayor
2	Toyota Fortuner	Office of the Speaker
3	Nissan Qashqai	Community Services
4	Chevrolet Cruze	Community Services
5	Nissan Bakkie X 1	Infrastructure Development and Human Settlement
6	Isuzu (HMD 711 EC)	Community Services

ii. Trucks and Plant

No	Vehicle Make and Model
1	Grader
2	TLB – Loader
3	W/Cutter Truck
4	Tipper truck (X2)
5	LowBed
6	Water / Cart
7	Tipper / Truck
8	Roller
9	Roller / Bomag
10	Excavator
11	Sanitation trucks (X2)
12	Electricity truck
13	Refuse Truck

iii. Pool Vehicles

The municipality has identified that pool vehicles are not in a condition for further use therefore they are due for disposal. Only two pool vehicles are in a suitable condition for operational use which are:

- Chevrolet Utility bakkie
- Isuzu Double cab bakkie

In February 2015, the Council resolved to dispose the following fleet:

No	Vehicle	Office/department
1	Isuzu double cab (DRW839 EC)	Pool vehicle
2	Chevrolet Aveo (DYG 730 EC)	Pool vehicle
3	Isuzu (DCM 972 EC)	Community Services
4	Nissan (DTH 455 EC)	Infrastructure
5	Nissan (CYR 815 EC)	EDTA
6	Sanitation Truck (CWY 668 EC)	Infrastructure

7	Sanitation truck (CCW 547 EC)	Infrastructure
8	Tractor (DFD 913 EC)	Community Services
9	Tractor (BVB 263 EC)	Community Services
10	Tractor (BRR 773 EC)	Community Services
11	Tractor (BXF 136 EC)	Community Services
12	Trailer (BRR 774 EC)	Community Services
13	Trailer (BVB 264 EC)	Community Services

In the 2015/2016 financial year Council acquired three (3) vehicles and one bakkie is allocated and dedicated to the Indwe Unit. In the 2015/2016 financial year, Four (4) plant machinery have been acquired for the maintenance of roads infrastructure. These equipment were adding to the existing plant equipment that the municipality was in possession of.

Currently there are seven (7) plant operators appointed to ensure that the plant is functioning effectively. Budget provision has been made in the 2016/2017 financial year to appoint three (3) more operators.

An incident and accident management committee has been established to investigate all incidents and accident and make recommendations to Council.

2.4.5 Good Governance and Public Participation

(1) Internal Audit Analysis

The municipality has an internal audit unit established in terms of Section 165 of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003). The purpose of the unit is to advise the Municipal Manager and reports to the Audit Committee of Council on a quarterly basis; on matters relating to internal controls, risk management and good governance. The activities performed by the unit are in-line with the Approved Internal Audit Charter and a 3 year risk based rolling plan reviewed annually and approved by the Audit Committee.

The Internal Audit Function evaluates performance information on a quarterly basis to ensure conformity to the reporting formats, compliance with legislation and assess the reliability, validity and completeness of reported information, subsequently quarterly reports on the results of the audit with recommendations are submitted to the Municipal Manager and the Performance Audit Committee.

SWOT Analysis

Strengths
- Functional Internal Audit Unit
- Positive AG's reviews for the past 2yrs
- Qualified Internal Audit Personnel
- Approved Internal Audit Charter
- International Professional Standards
- Professional Code of Conduct
- Members of Institute of Internal Auditors
- Legislation
- Audit Committee

Weaknesses
- Limited Office Space
- Limited Budget
- Limited Personnel
- Manual Audit Processes

Opportunities
- CHDM Support
- COGTA Support
- SALGA Support

Threats
- Expectation Gap
- Non cooperation
- Lack of documented processes (Controls)
- Non Implementation of IA recommendations
-

Auditor General's findings

2010 / 2011	2011 / 2012	2012 / 2013	2013 / 2014	2014/2015
Disclaimer	Disclaimer	Disclaimer	Qualified	Unqualified

(2) Audit Committee

The Audit Committee is established in terms of Section 166 of Local Government: Municipal Finance Management Act and the Municipal Planning and Performance Management Regulations. . This committee is required to review quarterly reports submitted by the Internal Audit, review the Municipal Performance Management System while making recommendations to council at least twice during the financial year.

The committee performs its activities in the line with the audit committee charter reviewed and approved on an annual basis.

(3) Risk Management Analysis

Risk assessments are undertaken, risk register developed and approved by Council on annual basis; controls are needed to be applied to ensure effective implementation. The risk register allows management to separate high risk areas from medium to low risk. This allows management to develop plans in response to identified high risk areas.

(4) Communication analysis

The municipality has developed an effective Communication Strategy to guide municipal communication both internally and externally. This strategy enables the municipality to give effect to the legislative requirements as set out in the Constitution of the Republic of South Africa, Act 108 of 1996, Promotion of Access to Information Act 2 of 2000, the Municipal Systems Act 32 of 2000 as amended, Intergovernmental Relations Framework Act of 2005 and the National Framework for Government, 2009 issued by Government Communication Systems (GCIS).

To give guidance on how the municipality should communicate; the policy on communication was reviewed and adopted by Council in 2014/2015 financial year. For the proper communication of the municipal programmes in particular and government programmes in general Communication unit participate on the Provincial Government Communicators Forum as co-ordinated by the Department of Local Government and the Department of Communication which seats quarterly.

At the district level the District Communicators Forum exist and is having a schedule of quarterly planned meetings with special meetings arranged whenever there is a need. The District Communicators Forum where communication is actively participating is a platform established to support the communication activities at the District and local level by giving guidance on the development of the Communication Strategies. The Local Communicators Forum is functional, it is composed of the Communication Unit, Public Participation Unit, sector departments and the Community Development Workers. The meetings of this forum are arranged quarterly and special meetings are convened when necessary.

When communicating Council programmes, the communication unit of the municipality makes use of the following media platforms: Vukani Community Radio, Skawara News, The Representative, Isolezwe lesiXhosa and Udizindaba Newspaper that is based in Cape Town. The Daily Dispatch, Eastern Cape Today, Daily Sun, SABC Radio, SA Housing Foundation and the Local Government Handbook are the other platforms that are currently used for communication purposes. The unit development the external newsletter to communicate the municipal news to the broader municipal community that is written in English with IsiXhosa translated copies.

The municipality publicise all the legislated meetings with the communities i.e. Mayoral Imbizo, IDP Roadshows, Stakeholder engagements, IDP Representative Forum, Intergovernmental Relations, Council meetings. The municipality has a website as required that is uploaded and updated with all the prescribed elements.

The branding material for the institution is developed whenever necessary in the form of banners, file folders, municipal flags, diaries, calendars, signage, pen and framed vision, mission, values and Batho Pele principles for the frontline areas of the municipality. The communication function of the municipality based on the activities performed is rated high by the district and the province. The communication unit is having challenges with the resources on both personnel and financial. This situation hampers the rate in terms of the outputs and the expectations set for this unit. The internal communication is the area which requires improvement, currently the municipality introduced employee assembly sessions as a mechanism to improve internal communication.

(5) Customer Care and Management

The municipality, in its 2015/2016 financial year budget, has made a provision for the establishment of a customer care unit and an appointment of a Customer Care Practitioner has been made.

The unit is established to ensure that customer care complaints, presidential hotline and other related issues are properly addressed

(6) Public Participation

Chapter 4 of the Local Government Municipal Systems Act NO. 32 OF 2000 requires the Development of Culture of Municipal Governance that complements formal representative government with a system of participatory governance. It further requires the Municipality to create conditions for the Local Community to participate in the affairs of the Municipality.

Public Participation is a unit seating in the Office of the Municipal Manager which currently consist of only 1 Public Participation Practitioner. Its activities are based on the approved Public Participation Strategy that was approved by Council in August 2015 and the strategy is used as a tool to mobilize stakeholders and was implemented successfully. The unit is currently responsible for coordination of

- 170 ward committees,
- 7 traditional leaders,
- 10 Community Development Workers (CDW's)

The municipality has developed a ward based plan through the service provider which was appointed by the Department of Local Government and Traditional Affairs.

The ward committees were established in all 17 wards of the municipality and traditional leaders were elected from seven traditional councils. Relations between the ward communities and ward committee are sound. They are currently getting an out of pocket expense on a monthly basis as per the Council resolution. The ward committees submit reports on a monthly basis to the Public Participation Practitioner and further submit the consolidated report on quarterly basis to the Council. Ward profiling on the capacity of Ward Committees has also been done, to establish training needs and skills gap, a training schedule has been developed, and ward committee secretaries will be trained accordingly. The ward committees have been trained on minute taking and end-user computing.

A number of public participation initiatives have been held, which include amongst others the following:

Public Meeting	Purpose
IDP Roadshows	• To confirm needs identified for prioritization and inclusion in the reviewed IDP • To confirm draft IDP and Budget
Public Hearing	• Consultation of communities on adopted by-laws • Eastern Cape Geographical Names Council (ECPGNC) – consideration of applications for the change of the name Lady Frere, White Kei to Xonxa, facilitation of registration of WyCliff Mlungisi Tsotsi library

Mayoral Imbizo's	• Consultation on delimitation of Wards • To allow for members of the public to make comments on the approved draft annual report • Presentations on back to basics
Moral Regeneration Movement	• Moral regeneration movement committee established through the office of the speaker • Moral regeneration activities are currently coordinated at the level of the district •

(7) Inter-Governmental Relations

The municipality has consistent operational relations with other spheres of government including the district. To facilitate these relations an IGR structure was established which is mainly constituted by government (sector departments and the municipality) and this structure has scheduled meetings to discuss and monitor implementation of the integrated development plan.

The municipality as well participates in a number of inter-governmental structures such as the following:

- SALGA Working Groups
- DIMARFO
- Roads and Transport Forums
- MuniMec

(8) International Relations

The municipality, through the Office of the Mayor is part of a group of UCLG Champions that were selected to promote the messages of the CIB Working Group Policy Paper on Development Cooperation and Local Government.

The Policy Paper on Development Cooperation and Local Government contributes to building a common understanding and position among members of United Cities on Local Government and will be used, in particular, as formal policy position for international advocacy.

The Paper provides political recommendations to the international community as well as towards local governments. It emphasizes the need for the full recognition of local and regional governments as development partners occupying an equitable place in international development cooperation and it calls for substantially increased financial support for local government development cooperation programmes, designed to match their specific role and contribution.

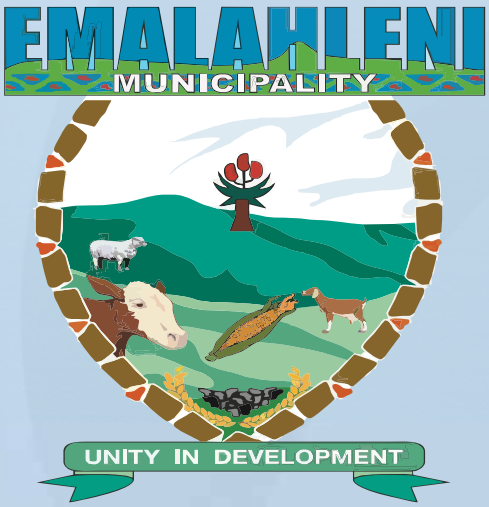
The Paper is the result of a research led by the Federation of Canadian Municipalities (FCM) in partnership with the UCLG's CIB Working Group and the UCLG World Secretariat. It has received contributions from UCLG members and partners through various consultation rounds and was adopted by the UCLG World Council in December 2012. In May 2013, the UCLG CIB Working Group published the Policy Paper on Local Government and Development Cooperation.

(9) Compliance and Good Governance

The municipality is striving for a total compliance with all relevant legislation and laws. The municipality is also ensuring that it has the ability to preamps and mitigates any potential legal disputes. In this regard the municipality, through the Office of the Municipal Manager, has engaged the services of MPAC Coordinator. The primary duties of the MPAC Coordinator are to ensure the overall functioning of the Municipal Public Accounts Committee (MPAC). The MPAC Coordinator research for MPAC and analyse Council resolutions relating to MPAC and facilitate execution. The MPAC Coordinator also assists MPAC with the preparation of oversight report to Council as delegated.

The MPAC Coordinator is also ensures that there is compliance with relevant legislations and laws. Thus the MPAC Coordinator is responsible for the formulation of legal opinions and recommends guidelines to resolve issues. The MPAC Coordinator is also responsible for monitoring litigation in the civil court up to including trial stage for actions against and/or actions for Council. The MPAC Coordinator also liaise with and give instructions to attorneys or advocates appointed to defend or initiate Council matters. The MPAC Coordinator further provides research on legal related matters and performs any other function delegated, from time to time, by the Municipal Manager.

Strengths	Weaknesses
Member of the National Bar Council Admitted Advocate of the High Court of South Africa Legal Research and Writing Skills Administrative Skills	Limited office space No support staff No budget
Opportunities	Threats
Support from MPAC Chairperson Support from the Office of the Municipal Manager	Legislative disregard Lack of compliance controls



CHAPTER 3
MACRO STRATEGY OF THE MUNICIPALITY

CHAPTER 3

MACRO STRATEGY OF THE MUNICIPALITY

3.1 Introduction

The current reality analysis has shown that the municipality is faced with a daunting challenges 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: 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 cell phone 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.

1. Municipal Vision, Mission and Values

1.1 Municipal Vision

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

1.2 Municipal 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.

1.3 Municipal 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

2. Context of Emalahleni Strategy

2.1 Legal Context

- Constitution of the Republic of South Africa, 1996
- Development Facilitation Act, 1995 (Act 67 of 1995)
- Local Government: Demarcation Act, 1998 (Act No 27 of 1998).
- White Paper on Local Government of 1998.
- Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000).
- Local Government: Municipal Structures Act, 1998 (Act No 117 of 1998).
- Local Government: Municipal Finance Management Act, 2003 (Act No 56 of 2003).
- Powers and Functions allocated by the Minister for Provincial and Local Government and MEC for Local Government in terms Sections 83 and 85 of the Municipal Structures Act, 1998 respectively.
- Intergovernmental Relations Framework Act, 2005 (Act No 13 of 2005).
- Municipal Property Rates Act 6 of 2004.
- Supply Chain Regularities.
- Performance Management Policy.

2.2 The National Context

Nationally, the Emalahleni strategy takes into cognisance and is aligned with national strategies and policies. These include the Reconstruction and Development Programme (RDP), the National Development Strategy (NDS), Spatial Development Framework (National Spatial Development Perspective) and the Accelerated and Shared Growth Initiative for South Africa (ASGISA). The national strategies emphasise the need to take advantage of the opportunities that exist in the area of tourism, forestry, bio fuels, development corridors, Joint Initiative on Skills on Priority Skills Acquisition (JIPSA), etc.

2.3 Provincial Context

Provincially, the Growth and Development Programme (PGDP), whose objectives includes the development of human capital, infrastructural development and systematic eradication of poverty, emphasises the following:

- Diversification of Manufacturing Sector.
- Agrarian Transformation.
- Strengthening of food security.
- Pro-poor programming.

The Emalahleni Local Municipality considers the above and other policies and programmes that the provincial government comes up with in addressing the challenge of providing better life for all.

2.4 Regional Context

Regionally, the Emalahleni Municipal Strategy considers the programmes of the district including its Integrated Development Plan, the District Growth and Development Strategy as well as the advantages that are brought about by Chris Hani District Municipality to the area's development.

3. SWOT Analysis

This part of the strategy deals with the examination of the internal and external environment as it affects the Emalahleni Local Municipality. Identifying the negative and positive factors assists the municipality to determine the manner in which it can utilise its resources for improved service delivery.

The table below outlines the strengths, weaknesses, opportunities and threats in relation to the Emalahleni Municipality

SWOT ANALYSIS POINTS RAISED

4.6.1 KPA 1: Strengths:	KPA 2: Strengths:	KPA 3: Strengths:	KPA 4: Strengths:	KPA 5: Strengths:
• Qualified personnel in those positions currently filled • There is creative and innovative thinking capacity	• Qualified personnel in position • Subsistence and commercial farming • Agro-processing facilities • Small-scale mining • Historical sites of attraction • Tourism facilities	• Relevant experience and skills are available • Adequate policies • A fully populated organogram even though some positions still need to be filled for this KPA	• Reviewed Commission Strategy • Local and district Communicators Forum • Availability of a Communication Policy (External only) • Public Participation Systems • CDW Round table • SPU Structures • Functional IGR Forum • A highly rated IDP document in 2015 / 16 Assessments • Functional Internal Audit unit and Internal Audit Charter • Positive AG's comments for last two years • Promptly intervening MM to Unit Offices in need.	• Good implementation of HR policies • Development of procedure manuals done • Job descriptions written for 324 positions (yet there are none for MM and directors as one has learnt • Centralised paper based filing system (it is a weakness in this day and age • Updated council resolutions register • Developed a council calendar of events (though not synchronised with other critical municipal events – should be an opportunity more than a strength) • General capacitation of councillors and staff • Implementation of Wi Fi in municipality
KPA 1:Weaknesses:	KPA 2: Weaknesses	KPA 3: Weaknesses:	KPA 4: Weaknesses:	KPA5: Weaknesses:
• Over reliance on grants				• Shortage of staff

• Lack of bulk infrastructure • Lack of training and development programmes • Poor contracts and project management • Over reliance on consultants • Unavailability of clear sector department plans • Insufficient plant and equipment.	• Poor Infrastructure (roads, Water & electricity) • Limited budget for operations available • Planning • Lack of adequate M & E of projects	• Unclean governance practices still evident like unauthorised, irregular and fruitless and wasteful expenditure, poor planning and contract management affects SCM and expenditure • Poor internal controls need focus, supported by system integration and development and approval of procedure manuals • Lack of a strong implementation and monitoring culture in ELM in general.	• Limited financial and other resources • Non-compliance with agreed Process Plan • Non submission of information in time • Shared Audit Committee Services • Too many people directly reporting to the MM • Minimum support of MPAC • Over reliance on student interns • Disjointed planning.	• Non implementation of council resolutions by directorates • Lack of office space • Poor connectivity • Manual leave capturing leading to mismanagement of leave • LLF not fully functional
<u>KPA 1: Opportunities:</u> • Development of design office • Eradication of electricity backlog • Introduction of sustainable roads construction strategies • Improvement of quality on all infrastructure projects	<u>KPA 2: Opportunities:</u> • Interlink road (R56 and R400) between KZN – WC • Natural Resources like waterfalls • Reliable market for livestock • Cheese factory • Mining of coal, quarry and sand	<u>KPA 3: Opportunities:</u> • Full use of technology – available technology is as yet not fully utilised • Improvement of Asset Management – ELM assets are distributed	<u>KPA 4: Opportunities:</u> • Strong relations with the district and sector departments • Benchmarking – best practices • Improved ICT connectivity • Strong relations with communities through	<u>KPA 5: Opportunities:</u> • There is an FET College within ELM • Cooperation and partnerships agreements possible with province on many fronts • Broadband connectivity for ELM

• Beautification of Emalahleni towns • EPWP • General funding Opportunities still exist but are as yet unexplored.	• Agro-processing • Farms are available, some even belonging to ELM • Proximity to Queenstown for markets and State Support • Cultural places of entertainment and tourism.	over a very wide area making it difficult to manage them. Requires more personnel and use of GIS • There is still room for the integration of information generated from the system and thereby providing an opportunity to reduce the risk of fraud.	Mayoral Imbizo, Ward Committees and CDW's, NGO's, SALGA Working Groups, CHDM and COGTA • Partnership and twinning agreement.	
4.5.4 Threats: • Theft • Corruption • Disasters • Climate change • Technological advancements.	Threats; • Unpredictable weather conditions • Climatic change may affect agricultural farming • A rather myopic private sector	Threats: • Irregular old contracts • Payments are made on the recommendation of directors while no assurance is guaranteed on the quality and rendering of service done. • Poor asset security opening chances for theft, losses and general abuse. • Weak ICT infrastructure and connectivity	Threats: • Lack of recognition of communication function • Misunderstanding of Public Participation function by many • Political Interference • Sector plans that are not yet in place • No-alignment of IDP, Budget and SDBIP • Non implementation of recommendations	Threats: • Delays in the evaluation of jobs by CHDM JEC • Delays in vetting and verification of candidates • Inability to attract required scarce skills • Late submission of reports by directorates to compile agendas • Non-adherence to the council calendar of events by all.

	• SCOA poor implementation • ESKOM indigent database not updated regularly leading to inaccuracies in basic electricity service delivery.	• Failure to have a risk Management person in position • General culture of non-compliance.	

4. Core elements of the Strategy

4.1 Infrastructural resource

Problem statement

- The municipality is rural in nature and has been faced with a number of challenges with regards to its dilapidating infrastructure, be it in the form of road and bulk services infrastructure. This is applicable to all its three towns

Possible solution

- The municipality has identified a bulk infrastructure project to respond to the status of the current infrastructure and uplift the community of the municipal area; by soliciting funding from the National Treasury. The objective of the project is provide sufficient bulk infrastructure to service the new Emalahleni Development Programme by upgrading infrastructure within the existing towns of Lady Frere, Indwe and Dordrecht
- This funding includes plans for the development of Council Chambers, 30 000m^2 shopping centre, housing development; bulk infrastructure including storage dams, water and waste water treatment works, bulk storage reservoir, bulk lines, outfall sewers and reticulation system.
- All gravel roads to be upgraded to surfaced roads within the towns as well as the District roads; upgrading of parks and cemeteries

4.2 Financial resource

Problem statement

- The Municipality is mostly dependent on grants and has limited sources of funding. There are high levels of poverty and unemployment and as well as low levels of education, which poses a challenge where revenue generation and collection are concerned.

Possible Solution

- The Municipality must develop and/or review its revenue generation and collection strategies to improve own revenue and vigorously implement these.
- The implementation of projects of the municipality must, where possible, be done using the Expanded Public Works Programme (EPWP) as a way of creating job opportunities.
- Data Cleansing should be prioritised to ensure that there is accurate billing, which will in turn assure the municipality of collecting of some of its revenue.
- Credit Control and related policies must be intensely implemented to ensure that those who can afford, do pay for the rates and services provided to them.
- Implementation of high Impact LED programmes as identified in the IDP, Master Plan, SEA and SDF. This will in turn have positive spin offs to the revenue base.

4.3 Systems Capacity

Problem Statement

- The data in the system is not always accurate, rendering the billing sometimes incorrect.
- The financial muscle of the municipality is not always accommodating of training on the systems because this is always very costly.

Possible Solutions

- Data cleansing should be done to ensure that correct information is on the system.
- More budget should be allocated to systems training (FMS) so that the municipality get value out of its investment.
- Negotiations / service level agreements with the service provider for the system must be entered into to level the playing field and as well ensure that the municipality always knows what to expect.

4.4 Social factors

Problem Statement

- The state of the Municipality regarding socio economic matters is a challenge; the majority of the population in the area solely depends on grants for their well-being.

Possible Solutions

- Development of strategies for job creation in all sectors of the economy would alleviate dependence on social grants.
- Involvement of the Municipality in the form of facilitating and monitoring the Sector Departments and how they deliver services to the communities can also improve the current state of affairs in the area.
- The municipal area is well known for its natural resource called coal, it has a mining company called Elitheni, which has acquired over 650 km2 of mining and prospective rights in the municipal area. The company estimates that there is over 1 billion tons of coal available for mining which will benefit the community in the following areas:
  - Job creation
  - Improvement in the rail and road linkages
  - Establishment of subsidiary industries / businesses like accommodation for workers, mechanics (servicing), transport, security, etc.
  - Cheaper coal available for local market

4.5 Climate Change

Problem statement

- Measured increases in average global temperature
- Extreme events: Rainfall; heat waves; droughts; hurricane intensity
- Glaciers/snow cap melt on land
- Wildfires increasing in frequency and intensity
- More intense longer droughts observed
- Intense drying observed resulting to decreasing water availability

Possible solution

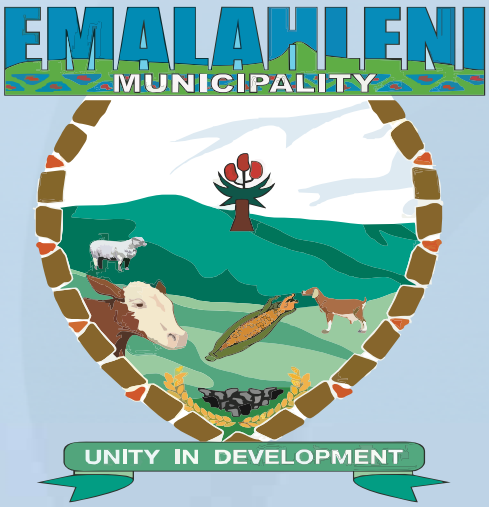
- Understanding climate change challenges and response mechanisms there of
- Identify, select and prioritize projects that will respond to the climate change

5. Strategic Objectives

- To ensure decrease of infrastructural backlogs by 2017
- To improve provision of basic services to local communities and/or households by June 2017
- To improve financial viability of the municipality by June 2017
- To promote, facilitate and improve sustainable local economic development through identification and implementation of local economic development programmes by June 2017
- To provide affordable and sustainable municipal services to local communities by 2017
- To ensure development and implementation of an improved system of local governance in line with the applicable laws and regulations by June 2017
- To ensure develop, implement and review municipal system to achieve clean administration by June 2015

6. Conclusion

These are the strengths that the Municipality needs to build on, improve on and maintain. Evident from the analysis is that the Municipality is challenged where social services, infrastructural development and local economic development are concerned. This means that a concerted effort must be made by the municipality to address these service delivery issues as they affect the livelihood of the communities.



CHAPTER 4
OBJECTIVES, STRATEGIES AND INDICATORS

CHAPTER 4

OBJECTIVES, STRATEGIES AND INDICATORS

4.1 Introduction

The municipality is required to develop and include in the IDP, objectives and strategies that will be employed to realise and improve the situation that currently prevails in the area.

It is also required to realise the objects of local government as set out in Section 152 of the Constitution of the Republic of South Africa, 1996

Chapter 5 and 6 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000 as amended) requires municipalities to consult with its communities in identifying and developing the indicators that will serve as yardsticks for communities to monitor implementation of the plans to help improve the service standards and improve the lives of the people

Below is a list of strategic objectives, strategies and indicators:

Objectives, Strategies and Indicators

PRIORITY AREA	STRATEGIC OBJECTIVE	STRATEGY	KEY PERFORMANCE INDICATOR	INDICATOR CODE	BASELINE	OUTCOME INDICATOR	PROGRAMME	PROJECT / ANNUAL TARGET	EVIDENCE	CUSTODIAN
KEY PERFORMANCE AREA - BASIC SERVICE AND INFRASTRUCTURE DEVELOPMENT										
Community Safety Programs	To contribute in community safety programs within the municipal area of jurisdiction	Coordination of community saftey forum meetings	Number of community safety initiatives conducted	BISD - 1	16 safety initiatives conducted	Reduction in number of traffic related offences in the municipal area	Traffic Law Enforcement	16 safety forum meetings by June 2017	Quarterly report on safety initiatives conducted	Community Services
		Improve the visibility of traffic officers on the road	Number of traffic law enforcement operations conducted	BISD - 2	4000 vehicles that gets stopped and checked thoroughly for non-road worthiness and other road or vehicle infringements , 480 Offences written out	Reduction in number of traffic related offences in the municipal area	Traffic Law Enforcement	40 traffic law enforcement operations conducted by June 2017	Quarterly report on the traffic law enforcement operations conducted	Community Services
			Number of vehicle registration, licensing and ARTO Violation fines	BISD - 3	4 000 registrations took place in 2015/2016	Reduction in number of traffic related offences in the municipal area	Traffic Law Enforcement	6 000 transactions on registration and licensing, licensing and ARTO Violation fines by June 2017	Printout of registrations and licenses issued	Community Services

Waste Management and Environment		Percentage equipment acquired and number of learners and driving licenses issued	BISD - 4	New Driving License Testing Centre	Reduction in number of traffic related offences in the municipal area	Traffic Law Enforcement	100% eNatis equipment acquired; 5 00 learners licenses and 200 drivers license applications received and processed by June 2017	Report on acquisition of eNatis equipment; Printout of learners licenses and driving licenses issued	Community Services
	Implementation of Pound Management Operations	Number of pounds management operations implemented	BISD - 5	Dordrecht Pound developed. Indwe has a holding facility and Lady Frere currently not impounding	Reduction of Stray animals	Pound Management	1 Pound management operation implemented by June 2017	Quarterly reports on Pound management operations	Community Services
	To create a safe environment for all people of Emalahleni Local Municipality	Implementation of Integrated Waste Management Plan	BISD - 6	Draft IWMP	Improved and healthy environment	Waste Management	Integrated Waste Management Plan developed and implemented by June 2017	Council resolution on the adoption of the IWMP and quarterly reports on its implementation	Community Services
		Number of Integrated Waste Management Plans approved and implemented							
		Number of urban households with access to solid waste management services	BISD - 7	Collecting from 7 992 households	Improved service delivery	Waste Management	Solid Waste Removal services provided to 7 992 by June 2017	Collection schedule	Community Services
		Promote waste minimization, re-use recycling	Number of recycling	BISD - 8	4 recycling initiatives conducted	Improved and healthy environment	Waste Management	3 recycling initatives	Quarterly reports on recycling initiatives	Community Services

	and recovery of waste	initiatives supported					supported by June 2017	1 Business plans	Community Services
		Number of busines plans for replaced and repaired waste management vehicles developed	BISD - 9	1 Business plan developed for acquisition of 2 refuse removal trucks	Improved service delivery	Waste Management	1 Business plans for acquisition of refuse removal trucks developed and implemented by June 2017		
		Construction of drop off centers and clearing of illegal dumping sites	Number of drop off centers constructed and illegal dumping sites cleared	BISD - 10	100 illegal dump sites cleared; 0 drop centers	Reduced and controlled illegal dumping	Waste Management	25 drop-off centers constructed; 100 illegal dumping sites cleared by June 2017	Quarterly Reports construction of drop-off centers and clearing of illegal dumping sites	Community Services
		Promote education and awareness on the impacts of waste to communities	Number of waste educational awareness programs implemented	BISD - 11	6 campaigns	Improved and healthy environment	Waste Management	8 waste management educational campaigns conducted by June 2017	Quarterly reports on the waste management educational campaigns conducted	Community Services
		Facilitate development of waste management facilities	Number of waste management facilitated	BISD - 12	1 functional landfill site	Improved service delivery		1 Land fill site and three material recovery facilities developed in Lady Frere by June 2017	Report on the development of the land fill site	Community Services
		Keeping the environment pristine by implementing environmental	Number of environmental management projects implemented	BISD - 13	3 Environmental Management Programs	Improved and healthy environment	Environmental Management	3 Environmental Management Programs conducted in Lady Frere, Dordrecht and	Quarterly reports on the implementation of environmental management programmes	Community Services

		management projects						Indwe by June 2017	Quarterly reports on the developed business plan	Community Services
		Development of business for the facilitation of construction of second phase of Lady Frere and revitalisation of Indwe and Dordrecht Parks	Number of business plans for the development of parks development	BISD - 14	First phase of Lady Frere and Dordrecht parks developed	Beautification and greening of the towns	Environmental Management	1 Business plan for the development of Lady Frere and Dordrecht Parks developed by June 2017		
		Construction of Dordrecht park	Number of parks constructed by June 2017	BISD - 15	Delapitated park in Indwe and Dordrecht	functional recreational facility	park development	1 park constructed in Dordrecht by June 2017	Completion Certificate	Infrastructure Development and Human Settlements
Disaster Management	To ensure a safe and secure environment through mitigating the negative impacts of disasters	Full implementation of the approved Disaster Management Plan	Number of Disaster Management Advisory Forum meetings convened	BISD - 16	6 Disaster Management Forum Meetings convened in 2015/2016	Improved response on disaster management incidents	Disaster management	4 Disaster Management Advisory Forum meetings convened by June 2017	Quarterly Reports on Advisory Forum meetings convened	Director Community Services
			Number of disaster awareness campaigns conducted	BISD - 17	16 Disaster management awareness campaigns conducted	Improved response on disaster management incidents		16 Awareness campaigns on disaster management and fire fighting by June 2017	Quarterly reports on Disaster Awareness Campaigns conducted	Community Services
Provision of Electricity	To facilitate access to energy sources supply to all residents of	Perform annual audits on technical and non technical losses of	Percentage reduction in electricity losses by June 2017	BISD - 18	46% of electricity losses reported by NERSA	Reduction in electricity losses	Electricity Management	10% reduction in electricity losses by June 2017	4 Quarterly reports on electricity losses submitted to Council structures	Infrastructure Development and Human Settlements

	Emalahleni municipality	electricity to ensure minimum electricity losses				Universal access to household electrification	Electrification	Electrification of households in Noluthando, Helushe and Sokolani Villages in Ward 5, 13 and 6 by June 2017	Practical completion certificate	Infrastructure Development and Human Settlements
		Implement an electrification programme by June 2017	Number of households with electricity backlogs eradicated by June 2017	BISD - 19	29 357 households in backlog eradicated	Improved illumination in Emalahleni	Electrification	1 Business plan developed and submitted by June 2017	Business Plan Proof of submission	Infrastructure Development and Human Settlements
Provision of adequate alternative energy sources	To facilitate access to energy sources supply to all residents of Emalahleni municipality	Facilitate funding for alternative energy	Number of business plans submitted by June 2017	BISD - 20	Supply of energy saving street lights in Indwe	Improved illumination in Emalahleni	Electrification	100 solar street lights constructed by June 2017 in Lady Frere, Dordrecht and Indwe	Quarterly Reports on the construction of solar street lights	Infrastructure Development and Human Settlements
		Construction of solar street lights in Indwe, Dordrecht and Lady Frere	Number of solar street light constructed by June 2017	BISD - 21	Supply of energy saving street lights in Indwe	Improved illumination in Emalahleni	Electrification	100% building plans received processed and approved by June 2017	Quarterly reports on approved building plans	Infrastructure Development and Human Settlements
Building control	To facilitate provision of human settlements by relevant sector department in compliance with standards of building controls of ELM	Expedite the approval of building plans submitted to the municipality and monitoring of construction	Percentage of building plans submitted, processed and approved	BISD - 22	Drawings register 2015/2016;	Compliant community with National Building Regulations and Building Standard Act	Building Control			

Human Settlements	To facilitate provision of human settlements by relevant sector department in compliance with standards of building controls of ELM	Facilitate approval of title deeds	Percentage of title deeds issued to beneficiaries	BISD - 23	Title Deeds Register 2015/2016	100% title deeds submission	Human Settlement	100% of title deeds submitted to the department of Human Settlements by June 2017	Quarterly reports on the submission of title deeds to the department of human settlements	Infrastructure Development and Human Settlements
		Facilitation of beneficiary administration	Number of housing beneficiaries registered in 2016/2017	BISD - 24	1 200 beneficiaries registered during 2015/2016	Improved Human Settlements	Human Settlement	100% of housing beneficiaries submitted, processed and approved by the Department of Human Settlement by June 2017	Quarterly reports on the submission of housing beneficiaries	Infrastructure Development and Human Settlements
		Facilitation of construction of houses in Sinako Zwelethemba; Zwaartwater; Indwe; Cacadu Extension; Dordrecht 800	Number of houses facilitated for construction in Sinako Zwelethemba; Zwaartwater; Indwe; Cacadu Extension; Dordrecht 800	BISD - 25	489 approved beneficiaries; Sector plan approved and budget approved for feasibility study	Improved Human Settlements	Housing Development	Facilitate construction 2 551 houses in Sinako Zwelethemba ; Zwaartwater; Indwe; Cacadu Extension; Dordrecht 800 by June 2017	Letter to the department of Human Settlement and quarterly reports on the construction 2 551 houses	Infrastructure Development and Human Settlements
Infrastructure Development	To ensure the provision of a comprehensive roads infrastructure network	Full implementation, monitoring and reporting on the approved Roads	Number of kilometers of road constructed and maintained by June 2017	BISD - 26	183 kms done since 2006 / 2007	Inproved roads infrastructure network	Roads Infrastructure	2.5 kms of constructed in Dodrecht (Dordrecht surfacing) by June 2017	Progress report on construction of roads; Completion certificate	Infrastructure Development and Human Settlements

	Infrastructure Plan		183 kms done since 2006 / 2007	Inproved roads infrastructure network	Roads Infrastructure	2km of Road constructed in Indwe (Ward 16) by June 2017	Progress report on construction of roads; Completion certificate	Infrastructure Development and Human Settlements
			nil	Inproved roads infrastructure network	Roads Infrastructure	2.5 kms of Blangwe Access Road upgraded by June 2017	Completion certificate	Infrastructure Development and Human Settlements
			number of kilometres constructed since 2006/7	Improved Road Infrastructure	Roads Infrastructure	7.5 kilometres of Bogo to Marhwayibeni acces roads constructed by June 2017	Completion certificate	Infrastructure Development and Human Settlements
				Inproved roads infrastructure network	Roads Infrastructure	2.5 kms of Manyangaza access road upgraded by June 2017	Completion certificate	Infrastructure Development and Human Settlements
		Number of kilometers of gravel roads maintained by June 2016	BISD - 27	15 km of gravel roads mantained in wards 4,5,11,14 & 15	improved access roads	Roads Infrastructure	15kms of gravel road maintained at Wards (11, 13, 14, 15) by June 2017	Progress reports	Infrastructure Development and Human Settlements
		Number of meters of streets paved by June 2016	BISD - 28	600 m of Lady frere Internal streets paved by June 2016	Improved Road Infrastructure	Roads Infrastructure	200m of Lady Frere internal streets in Ward 4 and 5 paved by June 2017	Progress reports with photos	Infrastructure Development and Human Settlements
				600 meters paved by 2016	Improved Road Infrastructure	Roads Infrastructure	300m of Indwe internal streets paved by June 2017	Progress reports with photos	Infrastructure Development and Human Settlements

Building/ Facilities / Amenities and Recreational facilities	To ensure improved infrastructure and access to emerging farmer support programme	Construction of a shearing shed	Number of shearing sheds constructed by June 2017	BISD - 29	Shearing sheds constructed	Increase in the number of emerging farmers	Building Infrastructure	1 shearing shed constructed by June 2017	Completion certificate	Infrastructure Development and Human Settlements
	To ensure availability of well-maintained and repaired buildings, amenities and recreational facilities to which the public has full access	Maintenance and management of municipal facilities (Halls, Cemeteries, Municipal offices)	Number of municipal facilities maintained and managed	BISD - 30	5 halls renovated	Well maintained municipal facilities	Facility management	4 Municipal facilities maintained (Dordrecht and Indwe Town Hall, Rhwantsana community, Lady Frere municipal offices) by June 2017	Quarterly reports on maintenance of municipal facilities	Community Services
			Number of new community halls and facilities constructed by June 2017	BISD - 31	Number of community halls constructed annually	Improved community facilities	Facility management	Construction of 1 community hall in Ward 3 by June 2017	Completion certificate Appointment of a contractor	Infrastructure Development and Human Settlements
			Number of municipal facilities constructed	BISD - 32	Appointment of developers	Availability of office space	Facility management	100% construction of Municipal offices by June 2017	Practical completion certificate	Infrastructure Development and Human Settlements
					Inadequate offices for staff	Availability of office space	Facility management	100% facilitation of grant funding for construction of	Business plan and confirmation	Infrastructure Development and

	Conducting early childhood development centre forums	Number of early childhood Development Forums meetings convened	BISD - 33	3 early childhood development cetre forums established in 2015/16	healthy and safe environment for children	amenities management	3 early childhood development forums meetings held by June 2017	Quarterly Reports submitted to Council Committees	Community Services
	Promote education and awareness on library utilisation	Number of library utilisation campaigns conducted	BISD - 34	12 campaigns	increased number of users	amenities management	12 library utilisation campaigns conducted by June 2017	Activity Plan. Reports, Attendance Registers	Community Services
		Number of library users registered as members	BISD - 35	300 users registered	increased of registered users	amenities management	200 additional users registered by June 2017	Quarterly Reports submitted to Council Committees	Community Services
		number of library committee meetings convened	BISD - 36	6 library committees established	improved stakeholder relations	amenities management	6 library committee meetings held by June 2017	quarterly reports on library committee meetings held	Community Services
	Facilitating the acquisitioning of land for the development of cemetery	Number of cemeteries developed	BISD - 37	3 existing cemeteries	Improved service delivery	amenities management	Land acquisition for Indwe cemetery by June 2017	quarterly report on acquisition of land for Indwe cemetry	Community Services
	Facilitating the renovation of Dordrecht Sportsfield	Number of business plans submitted for funding of sportsfield renovation in Dordrecht	BISD - 38	Sportsfield not renovated	Upgraded sportsfield	amenities management	Preparation and submission of the business plan for renovation of Dordrecht Sports Field by June 2017	Assessment report Business Plan Follow up correspondence	Infrastructure Development and Human Settlements and Community Services

Spatial Development	To facilitate the development of land in a sustainable by 2017	Implementation of the Approved Spatial Development Framework	Number of reports submitted on land audit undertaken	BISD - 39	GIS Software with land ownership information	Updated ownership information	Land use management	1 final land audit report developed and submitted to Council for approval	1 Report submitted on land audit conducted	Director Infrastructure Development and Human Settlement
			Number of SDFs developed	BISD - 40	4 Local SDFs developed	Proper land Use Planning	land use management	1 Local SDF developed by June 2017	Letter requesting funding Feasibility study report Public participation report Appointment letter of service provider	Infrastructure Development and Human Settlement
		Implementation of the Approved Spatial Development Framework	Percentage of street names and signs completed	BISD - 41	130 poles with names erected in 2016	Identification of streets and improved revenue collection	street naming	100% Street Naming in Lady frere by June 2017	Progress report with pictures submitted to all council committees	Infrastructure Development and Human Settlement
		Implementation of Spatial Planning and Land Use Management (SPLUMA)	Percentage of Land Use applications received, processed and approved	BISD - 42	Development Register for 2016	Compliance with SPLUMA	land use management	100% land use applications received, processed and approved by June 2017	Quarterly Reports submitted to Council Committees	Infrastructure Development and Human Settlement
			Number of functional resorts	BISD - 43	Dilapitated resort		Resorts	Appointment of Service Provider for the development and management of three resorts (Xonxa , Kloof and Indwe Resort	Appointment letter Memorandum of understanding.	Community Services

Job creation	Lobby funding for the implementation of unfunded bulk infrastructure projects	Number of risk appointment letters written to appoint service providers to prepare and submit business plans to potential funders for the implementation of bulk infrastructure projects	BISD - 44	3 risk appointment letters written	Acquired funding for implementation of projects	Project Management	4 risk appointment letters to be written by June 2017	Risk appointment letters Acceptance letters from potential funders	Municipal Manager
	Create jobs to reduce unemployment in Emalahleni Municipal area	Number of jobs created through Community Works Programme, Expanded Public Works Programme and Electrification Programme	BISD - 45	570 Jobs created through Community Works Program	Improved livelihood for the Emalahleni community	EPWP	Implementation of Community Works Program in 17 Wards	Site Plan Reports MOU Local Reference Committee Minutes	Infrastructure Development and Human Settlements; Community Services; Economic Development, Toursim and Agriculture
				163 jobs created in 2014	Improved livelihood for the Emalahleni community	EPWP	70 jobs created through the Expanded Public Works Programme by June 2017	Employment Contracts of workers appointed. Reports on implementation	Infrastructure Development and Human Settlements; Community Services; Economic Development, Toursim and Agriculture

Indigent Support	To ensure provision of basic services to indigent communities by June 2017	Review and update the Indigent Register	Number of households receiving indigent support	BISD - 46	3 000 households receiving indigent support	Improved Service Delivery	Revenue Management	3 500 indigent households receiving indigent support (electricity)	Reviewed Indigent register Reports and Implementation	BTO	
KEY PERFORMANCE AREA - LOCAL ECONOMIC DEVELOPMENT											
SMME Development	To facilitate the formalisation and support the development of SMMEs within ELM	Facilitation of SMMEs formalisation and advisory information services	Number of formalisation and information dissemination sessions conducted	LED - 1	Un formalised SMMEs register	Sustainable SMMEs	SMME Support	Facilitate formalisation of the 6 SMME's in Lady Frere, Indwe and Dordrecht	Quarterly Reports and credentials	EDTA	
				LED - 2	2 Information dissemination sessions conducted	Sustainable SMMEs	SMME Support	4 information dissemination sessions conducted by 30th June 2017	Reports on sessions conducted	EDTA	
		Supporting entrepreneurs to build more economic capacity	Number of SMME's supported	LED - 3	1 new SMME supported (Autostyling)	Sustainable SMME's	SMME Support	2 SMME Supported in Ward 14 and Ward 16	SMME Support plan; Reports on implementation of the SMME Support Plan	EDTA	
		Supporting entrepreneurs to build more economic capacity	Number SMME sectoral structures established		Hawkers in Lady Frere have its own executive committee	Sustainable SMMEs	SMME Support	3 SMME Sectoral Structures established by 30 June 2017	Quarterly Reports	EDTA	

Mining	To improve economic development within ELM	Supporting entrepreneurs to build more economic capacity	Number of brick-making cooperatives supported	LED - 4	5 Brick-making machines procured for 5 cooperatives in Dordrecht; Indwe Brick-making cooperatives supported with production inputs	Sustainable SMME's	Small scale mining	Facilitate provision of Mining permits for Ward 11 and Ward 15 brick-makers	Report on the engagements of stakeholder on mining permits	EDTA
			Number of quary operators supported	LED - 5	Not Applicable	Sustainable SMME's	Small scale mining	Facilitate marketing of Blue crane quary in Ward 15 to other spheres of government	Reports on engagement of government department on the Blue Crane quarry	EDTA
Tourism Development	To implement the Local Economic Development Plan with a particular emphasis on key aspects of tourism development in ELM	Facilitation of tourism facility development	Number of tourism facilities upgraded	LED - 6	Dilapitated tourism facilities	Revenue Generation	Tourism Support	Facilitate upgrade of 3 dilapited tourism facilities in ward 6, 14 and 16 by June 2017	Reports	EDTA
		Marketing of ELM as a tourist destination	Number of Tourists visiting ELM tourism facilities		N/A	Socio-economic growth	Tourism Support	100 tourist visits by June 2017	Quaterly Reports	EDTA
		Marketing of ELM as a tourist destination	Number of heritage awareness sessions		Draft heritage strategy	Heritage Preservation	Tourism Support	4 heritage awareness sessions conducted in ELM by June 2017	Quarterly Reports	EDTA

Agricultural Development		Capacitation of tourism enterprises	Number of tourism enterprises capacitated		Incapacitated tourism enterprises register	Sustainable tourism enterprises	Tourism Support	15 Tourism Enterprises capacitated by 30 June 2017	Quarterly reports	EDTA
		Implementation of LED Strategy	Number of Art Centre Supported		1 Art Centre established	Heritage Preservation	Tourism Support	1 Art Centre Marketing Plan developed by June 2017	Art Centre Marketing Plan	EDTA
		Implementation of LED Strategy	Number of Local Tourism Organisation meetings held		3 Local Tourism Organisations established	Functional tourism structures	Tourism Support	6 Local Tourism Organisation Meeting held	Quarterly reports	EDTA
	To promote and support agricultural development	Provide advisory support to farmers	Number of advisory sessions conducted	LED - 7	ELM farmers' register	Sustainable commercial farmers	Agriculture Support	34 advisory sessions conducted on livestock awarenessby 30th June 2017	Quarterly reports	EDTA
			Number of support initiative provided for the management of poultry projects	LED - 8	5 cooperatives supported with production inputs and capacity building	Socio-economic growth	Agriculture Support	4 poultry cooperatives supported in ward 3, 4, 12 and 16 by June 2017	Quarterly reports	EDTA
		Livestock Improvement	Number of Nguni Bulls Purchased	LED - 9	Nguni Bulls Concept document	Improved livestock	Agriculture Support	15 Nguni Bulls purchased for livestock improvement in ward 2, 7, 8, 10 and 13 by 30th June 2017	Quarterly reports	EDTA

Agro-processing	To improve economic	Livestock Branding	Number of branded livestock	LED -10	762 Livestock branded	Identifiable livestock	Agriculture Support	2000 livestock branded by 30th June 2017	Branding Register and branding receipt book	EDTA
		Livestock Marketing	Number of livestock marketed	LED - 11	1036 livestock marketed	Socio-economic growth	Agriculture Support	1000 livestock marketed by 30th June 2017	Stock sale register and Quarterly reports	EDTA
		Provide basic agricultural support and construction of infrastructure like dipping tanks, stock sale pens,	Number of Agricultural infrastructure constructed	LED - 12	Insufficiant wool production infrastructure	Socio-economic growth	Agriculture Support	1 Shearing Shed constructed in ward 8 by 30 June 2017	Quartely reports and completion certificate	EDTA
	To promote and support agricultural development	Implementation of LED Strategy	Number of Agriculture Sectoral Structures established	LED - 13	Wool Production structures established	Functional agriculture structures	Agriculture Support	3 sets of sectoral structures established by June 2017	Quartely reports and completion certificate	EDTA
		Revitalisation of irrigation schemes within ELM	Number of irrigation schemes revitalised.	LED - 15	Irrigation schemes in stagnant conditions	Maximum produce	Agriculture Support	Production of Fodder and Vegetables in the Xonxa irrigation scheme by 30th June 2017	Quarterly Report	EDTA
	To promote and support agricultural development	Implementation of LED Strategy	Number of Irrigation scheme structures revived	LED - 16	1 irrigation scheme structure established	Functional structures	Agriculture Support	Tshatshu Irrigation Scheme Committee revived and trained	Quartely reports	EDTA
	To improve economic	Implementation of LED Strategy	Number of implemented	LED - 17	Reviewed and Approved LED strategy	Primary production value addition	Agriculture Support	Facilitate implementation of Rural Enterprise	4 quarterly reports	EDTA

	development within ELM		development programmes			in economic development		Development by June 2017		
Forestry Management	To improve economic development within ELM	Implementation of LED Strategy	Number of LED - 18 Forestry Management Plans developed		No Management Plan	Sound Management of forestry at ELM	Forestry Support	1 Forestry Management Plan by 30th June 2017	Forestry Management Plan	EDTA
KEY PERFORMANCE AREA - GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
Communication	To ensure fully functional systems of internal and external communication by June 2017	Implementation of the communication strategy	Number of communication activities implemented	GGPP - 1	Approved Communication Strategy; Communication Policy	Informed citizenry	Communication	Implementation of Communication Strategy:4 Newsletters published	Reports on the implementation of the communication strategy	Municipal Manager
							Publication	12 newspaper advertisements placed	Paperclip of adverts	Municipal Manager
							Marketing and Branding	8 Radio talkshows hosted	Order form issued	Municipal Manager
								8 Media Statements issued	Media Statements	Municipal Manager
								4 Outside Broadcasting hosted	Order form issued	Municipal Manager
Customer Care	To ensure an improved customer care management by June 2017	Development of customer care strategy and policy	Number of customer care strategies developed	GGPP - 2	No customer care strategy in place	Improved customer care service	Customer satisfaction	1 Customer care strategy and policy developed	Council resolution on the approved customer care strategy	Municipal Manager
Community Participation	To improve community participation in the affairs of the	Implementation and monitoring of the public participation strategy	Number of public participation activities implementated	GGPP - 3	Approved public participation	Enhanced community participation	Community Participation	1 Public Participation Strategy implemented	Reports on the implementation of the public participation strategy	Municipal Manager

	municipality by June 2017		Number of Mayoral Imbizos and Outreach Programmes conducted	GGPP - 4	1 Mayoral Imbizos and 2 Sectoral Outreach programmes	Enhanced community participation	Community Participation	2 Mayoral Imbizos and 2 Sectoral Outreach programmes	Reports on the Mayoral Imbizos and Outreach programmes held	Municipal Manager
		Capacity building of Ward Committees and Traditional leaders	Number of capacity building programmes implemented for Ward Committees	GGPP - 5	Capacity building plan for ward committees and traditional leaders 15/16	Enhanced community participation	Ward Committee Support	Capacity building plan for Ward Committees developed and implemented	Report on the implementation of the capacity building plan for ward committees	Municipal Manager
			Number of capacity building programmes implemented for Traditional Leaders			Enhanced community participation	Traditional Leaders support	Capacity building plan for Traditional leaders developed and implemented	Report on the implementation of the capacity building plan for traditional leaders	Municipal Manager
Legal Compliance	To ensure an effective system of municipal governance in line with applicable legislation	Develop, review, and update policies, procedures and strategies across all municipal functions	Number of policies, strategies, and procedures developed based on submission by Directorates	GGPP - 6	6 Policies developed, 5 policies reviewed in 2015/2016	Improved internal controls	Policy Development	5 policies reviewed based on Directorate submissions. 2 Strategies approved on submission by Directorates	Council resolution on adopted policies and approved strategies	Corporate Services
Internal Audit	To achieve a clean administration by June 2017	Ensure a functional audit committee and internal audit unit	Number of Audit Committee meetings held	GGPP - 7	Functional Audit Committee	Clean Administration	Internal Audit	4 Audit Committee meetings held	Audit Committee resolution register	Municipal Manager
			Number of Audit Committee reports submitted to Council	GGPP - 8				4 Audit Committee reports submitted to Council	Audit Committee oversight reports	Municipal Manager
Risk Management	To ensure that the municipality	Implementation of risk	Number of risk management	GGPP - 9	Risk Management	Acceptable risk levels	Risk Management	Risk Management Strategy and its	Municipal Risk Profile	Municipal Manager

	operates free of anticipated risk of maladministration, fraud and corruption by June 2017	management strategy	activities implemented		Strategy and charter			opertional plan implemented bu June 2017		
		Implementation of fraud and corruption prevention plan	Number of anti-fraud and corruption activities implemented	GGPP - 10	Fraud Prevention Plan in place	Safeguarding and proper use of tax payers money	Fraud Prevention	Fraud Prevention Plan and its operational plan implemented byJune 2017	Report on the implementation of the fraud prevention plan and operational plan	Municipal Manager
Inter-Governmental Relations	To maximise participation of all external and internal stakeholders by June 2017	Implementation of IGR Strategy	Number of IGR meetings held	GGPP - 11	IGR Strategy developed and approved	Improved participation of IGR Stakeholders	Inter-Governmental Relations	IGR Strategy Implemented bu June 2017	Report on the implementation of the IGR Strategy	Municipal Manager
KPA 3 - MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT										
Human Resources Development	To develop the skills of the workforce and unemployed graduates in order to enhance their competencies	Implementation and review of the HRD Strategy	Number of Implemented projects: Work Place Skills Plan, Implementation of Learnership, Inservice Training and Internal Bursary.	MTID - 1	Approved HRD Strategy for 2015/16	Skilled and capable Workforce	Skills Development	4 targeted projects in the HRD Strategy implemented	Report on each targeted project implemented	Corporate Services
		Implementation of PMS Framework, policy and procedure	Level of compliance with the PMS Framework, Policy and Procedures	MTID - 2	Performance Agreements for Sec 56/57 Managers	Improved culture of performance	Individual Performance Management System	Performance agreements signed and implemented	Report on the signing of performance agreements	Municipal Manager

Human Resources Management	To redress the imbalances of the past in the work place	Reviewal of Employment Equity Plan	Number of Reviewd Employment Equity Plans Reviewd	MTID – 3	Approved Employment Equity Plan for 2015/16	Organisational Transformation	Employment Equity	1 Employment Equity Plan for 2016/2017 reviewed, approved and implemented	Council Resolution on Approved Employment Equity Plan	Corporate Services
	To provide Human Resources to support all Directorates in the municipality by June 2017	Conduct business re-engineering and human resource management plan (BPR)	Number of BPR Projects Implemented	MTID - 4	Approved Organisational Structure 2015/16 and draft HR Plan	Improved Service Delivery	Placement	1 BPR Project completed and HR Plan submitted to Council for approval	Report on Completion of BPR and Council Resolution on approved HR Plan	Corporate Services
Occupational Health and Safety	To ensure a healthy and safe working environment for councillors and officials	Implementation and Review of OHS Strategy	Number of Implemented projects in the OHS Strategy	MTID - 5	Approved OHS Strategy	Helathy and Safe Working environment	Health and Safety	6 Targeted Planned Projects: OHS Policy, Compensation, Training and Competencies, Operational Controls, Personnal Controls Personel Protection Equipment	Report on each planned Project completed	Corporate Services
Information and Communication Technology	To provide an integrated ICT system that will ensure safety of information by June 2017	Implementation of ICT projects	Percentage of ICT Projects implemented	MTID - 6	3 ICT Projects implemented	Improved Network Connectivity	ICT Systems	100% implementation of identified ICT Projects	Reports on the implementation	Corporate Services
		Coordination of the sitting of ICT Steering Committee meetings	Number of ICT Steering Committee meetings held	MTID - 7	4 of ICT Steering Committee	Improved ICT Governance	ICT Governance	100 % implementation of the recommendations	Quarterly reports on the implementation of the ICT Steering	Corporate Services

Council Support	To ensure an effective system of municipal governance in line with applicable legislation	Development and implementation of a synchronised Council calendar of events	Number of council events held in line with the approved Council calendar	MTID - 8	Approved Council calendar of events 2015/2016	Well coordinated institutional programmes	Council Support	1 Council calendar for the 2016/2017 financial year, developed, approved and implemented	Council Resolution on the approval of the Council Calendar; Reports on the implementation of the Council Calendar	Corporate Services
		Development of the Council Rules of Order	Number of Council Rules of order developed	MTID - 9	Reviewed Council Rules of Order	Well coordinated Council activities	Council Support	1 Set of Council Rules of Order developed	Council resolution on the adoption of Council Rules of Order	Corporate Services
		Development and implementation of Council resolutions	Number of reports submitted to Council structures on the implementation of Council Resolutions	MTID - 10	Four quarterly reports submitted to Council on implementation of resolutions in the resolution register	Improved institutional Performance	Council Support	1 Resolution register developed and maintained	Report on the implementation of the Resolutions register	Corporate Services
Legal Services	To ensure an effective system of municipal governance in line with applicable legislation	Development of a guiding framework for legislative compliance requirements	Number of reports on legal claims register updates submitted	MTID - 11	Three reports submitted	Compliance with legislation	Legal Services	Four reports submitted on legal claims register or contingency register updated to Council	Legal Claims register and reports submitted to the Council structures	Corporate Services
			Number of reports on performance of external	MTID - 12	Three reports submitted	Compliance with legislation	Legal Services	Four reports submitted on performance of	Quarterly reports submitted to Council Structures	Corporate Services

Archives and Records Management	To ensure an effective system of municipal governance in line with applicable legislation	Implementation of an electronic document management system	Percentage of paper based filing converted to electronic document management system (EDMS)	MTID - 13	EDMS Installed	Paperless environment	Records Management	the appointed panel of attorneys	100% conversion of paper based filing to EDMS	Printout reporting documents captured in the EDMS	Corporate Services
		Facilitation of disposal of old records in line with applicable legislation	Number of reports submitted on the disposal of records	MTID - 14	Disposed records in the 2015/2016 financial year	Improved management of Council records	Archives		Four quarterly reports on the disposal old records developed	Disposal certification	Corporate Services
Fleet Management	To ensure an efficient and effect fleet management system	Acquisition of the fleet management and navigation tracking system	Number of systems acquired	MTID - 15	New Indicator	Improved asset management	Fleet management		Fleet management and navigation tracking system acquired	Additions Asset Register	Corporate Services
		Implementation of fleet management policy	Number of reports submitted in compliance with the fleet management policy	MTID - 16	2015/2016 quarterly reports submitted to Council structures	Improved asset management	Fleet management		4 compliance reports on the implementation of the fleet management policy developed and submitted to Council structures	Quarterly reports on the implementation of the fleet management policy	Corporate Services
Special Programmes	To streamline all special programmes by ensuring	Development and implementation of the Special	Number of special programmes strategies	MTID - 17	Draft SPU Strategy	Social Cohesion	Special Programmes		1 SPU Strategy developed and implemented	Council resolution on the adoption of the SPU strategy; quarterly reports on the	Municipal Manager

	functionality of all special programmes structures	Programmes Strategy	developed and implemented							implementation of SPU Strategy	
								1 Mayor's cup tournament coordinated		Quarterly reports on the Mayor's cup tournament	Municipal Manager
								Participation of field band in the Regional and national Championships facilitated		Quarterly reports on the participation of the field band in the championships	Municipal Manager
HIV/AIDS	To streamline programmes for the prevention of new HIV infections	Implementation of awareness programmes on HIV and AIDS	Number of HIV/AIDS strategies implemented	MTID - 18	Review HIV/AIDS Strategy 2015/2016	Reduction of new HIV/AIDS infections	HIV/AIDS prevention	HIV /AIDS Strategy Implemented		Reports on the implementation of reviewed HIV/AIDS Strategy	Community Services
			Number of LAC meetings held	MTID - 19	4 LAC Meetings held in the 2015/2016 financial year	Reduction of new HIV/AIDS infections	HIV/AIDS prevention	4 LAC meetings held		Quarterly reports on the LAC meetings held	Community Services
Employee Wellness	To provide appropriate Human Resources to support all directorates by June 2017	Development and implementation of employee wellness plan	Number of wellness capacity building programmes implemented	MTID - 20	2 wellness capacity building programmes implemented in 2015/2016	Improved institutional Performance	Employee Assistance	2 Wellness capacity building programmes implemented		Reports on the implemented wellness capacity building programmes	Corporate Services
			Number of organisational wellness programmes implemented	MTID - 21	2 organisational wellness implemented in 2015/2016	Improved institutional Performance	Employee Assistance	3 organisational wellness programmes implemented		Reports on the organisational wellness programmes implemented	Corporate Services

Labour relations	To provide appropriate Human Resources to support all directorates by June 2017	Coordination of Local Labour Forum meetings	Number of Local Labour Forum meetings convened	MTID - 22	4 Local Labour Forum meetings held in 2015/2016	Labour stability	Labour relations	4 Local Labour Forum meetings held	Reports on the sitting of local labour forums	Corporate Services
		Development of database on all disciplinary actions taken	Number of disciplinary action databases developed	MTID - 23	Not Applicable (New Indicator)	Improved compliance with labour legislations	Labour relations	1 database of disciplinary actions taken developed and maintained	Database of disciplinary actions taken	Corporate Services
Integrated Development Planning	To ensure a developmentally - oriented planning institution in line with the requirements of local government laws and regulations by June 2017	Compliance with the legislated IDP processes and procedures	Number of approved process plans developed and implemented	MTID - 24	Approved IDP/PMS and Budget Review Process Plan 2016/2017	Credible IDP	Development Planning	1 IDP/PMS and Budget Development Proces Plan 2017/2022 developed and implemented	Council approved IDP/PMS and Budget Development Plan	Municipal Manager
		Implementation of activities as per the approved mSCOA implementation plan	Number of activities implemented as per the approved mSCOA plan	MTID - 25	Approved mSCOA implementation plan	mSCOA compliant municipality	MSCOA	1 mSCOA implementation plan implemented	Reports on the implementation of mSCOA implementation plan	BTO
		Develop a responsive institutional plan	Number of IDP documents developed and approved	MTID - 26	Approved Reviewed IDP 2016/2017	Integrated Service Delivery Plans	Development Planning	1 IDP 2017/2022 developed	Council resolution on the approved IDP 2017/2022	Municipal Manager
Institutional Performance Management	To ensure a performance driven institutional culture in the	Implementation and Review of the Performance Management	Number of annual reports developed and published	MTID - 27	Approved annual report 2015/2016	Improved Service Delivery	Performance Reporting	1 Annual Report 2015/2016 developed and approved by Council	Council resolution on the annual report 2015/2016	Municipal Manager

	municipality by June 2017	Framework, policies and procedures	Implementation of the Performance Management System Framework, Policy and Procedures	MTID - 28	Reviewed Performance Management System Framework, Policy and Procedures	Performance compliant environment	Performance Planning	1 Reviewed Performance Management System implemented	Report on the implementation of performance management system	Municipal Manager
KEY PERFORMANCE AREA 5: FINANCIAL VIABILITY AND MANAGEMENT											
Supply Chain Management	To implement proper supply chain protocols in compliance with the MFMA legislation	Develop a schedule for bid comittee meetings in line with demand management plan	Number of Procurement Plans developed and implemented	FVM - 1	Approved 2015/2016 Procurement plan	Improved Compliance with SCM Legislation and Expenditure	Supply Chain Management	1 Procurement Plan developed and Implemented	Council Resolution	BTO
		Invite suppliers to update the information on the supplier database	Number of Supplier Database update	FVM - 2	2015/2016 Supplier Database	Improved Compliance with SCM Legislation and Expenditure	Supply Chain Management	1 Supplier Database updated	Report on Supplier Database forms recieved	BTO
		Compile SCM reports in line with SCM Legislation.	Number of Monthly and quarterly reports prepared and submitted to the relevant offices	FVM - 3	15/16 SCM quarterly reports	Improved compliance with SCM legislation	Supply Chain Management	4 quarterly reports on SCM submitted to structures of Council	Quarterly SCM reports submitted to structures of Council	BTO
Budget and Reporting	To improve compliance and adherence to legislation	Development of a comprehensive audit file	Number of Annual Financial Statements Developed and Submitted	FVM - 4	2014/15 Annual Financial Statements	Improved compliance with MFMA legislation	Financial Reporting	Submit 100 % GRAP compliant Annual Financial Statements by 31 August 2016 for 2015/16 financial year	2015/16 Annual Financial Statements submitted to AG; Audit Report	BTO

	Number audit action plans developed and implemented	FVM - 5	2014/2015 Audit Action Plan	Clean Administration	Financial Reporting	1 audit action plan for 2015/16 developed and submitted to Council for adoption.	Council resolution approving 2015/16 Audit plan and 4 reports submitted to quartely Audit Committee meetings	BTO
Respond to all request for information by Auditor-General	100% Requests for Information by AG provided for the 2015/2016 audit	FVM - 6	2014/15 RFI register	Clean Administration	Financial Reporting	100% response to Requests for Information by AG for the 2015/2016 audit	2015/16 RFI register	BTO
Compilation of GRAP compliant fixed assets register	1 GRAP compliant fixed asset register for 2016/17 compiled and maintained	FVM - 7	2015/16 Fixed Assets Register compiled and maintained	Clean Administration	Asset Management	1 GRAP compliant fixed assets register for 2017/18 developed and maintained	Additions register and FAR for 2017/18	BTO
Implementation of the budget and reporting regulation	Number of adjustment budgets compiled for the 2016/17 financial year	FVM - 8	2015/16 Adjusted Budget	Improved compliance with the MFMA and Budget and reporting regulations	Budget Planning	1 Adjustment Budget for 2016/17 compiled	Council resolution approving the Adjustment Budget for 2016/17	BTO
	Number of 2018/20 Budget compiled	FVM - 9	2015/2016 Adjustment Budget	Improved compliance with the MFMA and Budget and reporting regulations	Budget Planning	1 Budget for 2017/18 compiled and submitted to Council for approval	Council resolution of approving 2017/18 Budget	BTO
Prepare MFMA reports as	Number of monthly and	FVM - 10	15/16 MFMA reports	Improved compliance	Budget and Reporting	8 Monthly, 1 half year and 4	8 Monthly, 1 half year and 4	BTO

Expenditure Management	To improve expenditure patterns and processes by June 2017	required by the MFMA legislation	quarterly MFMA required reports			with MFMA legislation		Quarterly MFMA reports developed and submitted to Council structures	Quarterly MFM reports	
		Perform reconciliation of payroll	Number of payroll reconciliations performed.	FVM - 11	12 Payroll reconciliations (2015/16)	Clean Administration	Expenditure Management	12 payroll reconciliation prepared and balanced to the general ledger	12 Monthly payroll reconciliations signed off by the Chief Financial Officer.	BTO
		Pay creditors within 30 days	100% payment of creditors within 30 days	FVM - 12	12 Creditors ageing reports (AC reports/ PV03) (2015/16 and Unpaid creditors report (PV02)	Improved Compliance with MFMA Legislation and Expenditure	Expenditure Management	100% payment of creditors within 30 days	12 Creditors ageing reports (AC reports/ PV03) for 2016/17 and Unpaid creditors report (PV02)	BTO
		Development of standing operating procedures for expenditure	Development of 1 standard operating procedures for expenditure section.	FVM - 13	System descriptions for 2015/16	Improved internal controls	Expenditure Management	1 standard operating procedures for expenditure section developed, approved and implemented	Expenditure operating procedures approved by the Accounting Officer	BTO
Revenue Management	To increase the amount of revenue collected annually	Compelation of 2015/16 supplementary valuation roll.	100% Implementation of supplementary valuation roll.	FVM - 14	2014/15 Supplementary roll	Improve the correctness of debtors information on the billing system.	Revenue Management	2015/16 supplementary valuation roll captured and billed on Sebata Financial System	PF06 rates report on the Sebata Financial System	BTO
		Implementation of credit control	Improvement in the revenue	FVM - 15	43 % Collection rate	Improve the financial	Revenue Management	Achieve 75% revenue collection rate	Monthly collection rate report	BTO

Cash Management		and debt collection policy	collection rate to 75%			viability of the Municipality.			
		Development of registers for revenue streams	Number of registers reconciled to the General Ledger	FVM - 16	2015/16 Registers	Completeness of Revenue	Revenue Management	Registers for revenue streams that are balanced to general ledger developed	Registers that balance general ledger votes for: eNatis, pre-paid electricity, new connections, disconnections and reconnections,hall deposits, refuse and rates, property rentals reconciled to the general ledger.	BTO
	To ensure effecient, effective cash flow management	Perform Cost coverage calculation in line with legislation	Cost Coverage ratio of 2	FVM - 17	New	A sound working capital ratio	Cash Management	Cost -coverage ratio of 2 maintained	Report indicating the cost coverage ratio	BTO
		Compilation of the Investment register that balances to the general ledger	Number of Investment registers balanced to the general ledger	FVM - 18	2015/16 Investment register	Improved internal controls	Cash Management	1 Investment register that balance to general ledger and bank statement developed and implemented	Investment register	BTO

EMALAHLENI
MUNICIPALITY
UNITY IN DEVELOPMENT

CHAPTER 5
INSTITUTIONAL GOVERNANCE

CHAPTER 5

INSTITUTIONAL GOVERNANCE

1. Introduction

The Emalahleni Local Municipal Council is the ultimate political decision-making body of the municipality. The Mayor of Emalahleni Local Municipal Council, Councillor Nomveliso Nyukwana, takes overall strategic and political responsibility for the municipality, while the Municipal Manager, Dr SW Vatala , heads the municipality's administration and provides the link between the political and administrative arms of municipality government. Ward councillors are the municipality's key link between the municipal government and the residents whilst the heads of departments and officials are responsible for physically implementing policy

2. Political Governance

2.1 Council

The municipality has Thirty Four Councillors (34): Seventeen (17) Councillors were elected in terms of the system of proportional representation and Seventeen (17) Councillors represent wards. The first Council Meeting held in 2011 elected the Mayor, Council Speaker and Chief Whip. The Mayor has an Executive Committee of five members.

POLITICAL STRUCTURE

Mayor	:	Cllr N. Nyukwana
Speaker	:	Cllr N Lali
Chief Whip	:	Cllr S. Liwani
MPAC Committee:	Chairperson –	Cllr L.Mooi

2.2 Council Speaker

The following activities are performed by the Speaker of Council:

- Presides over meetings of Council
- Ensures that council meetings are held at least quarterly
- Ensures that council meetings are conducted in accordance with the rules of order of the council

2.3 Chief Whip

Performs duties that are delegated to him/her by Council

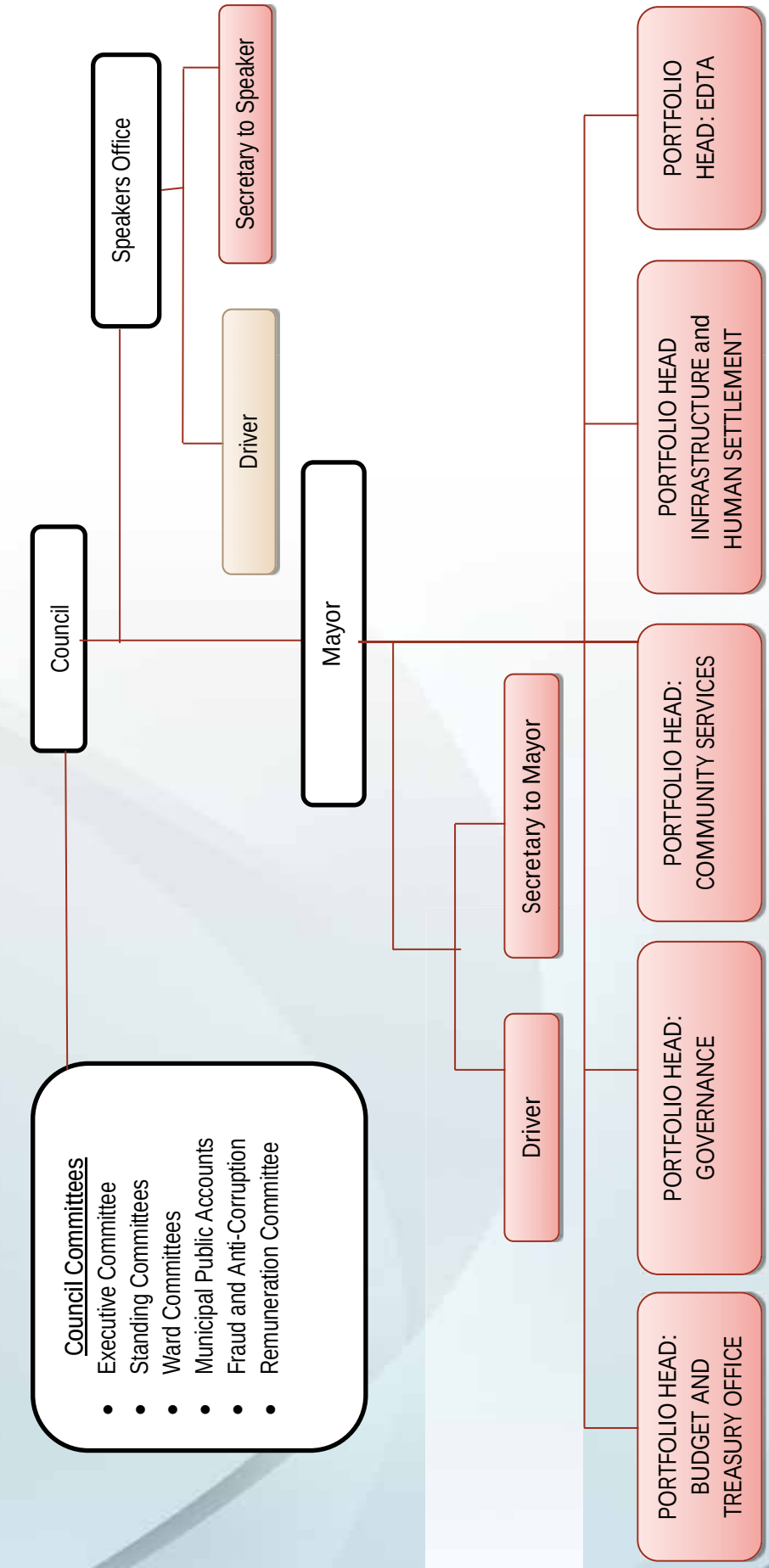
2.4 Mayor and Executive Committee

The Mayor presides at meetings of the executive committee, performs duties, including any ceremonial functions and exercise the powers delegated to the Mayor by Municipal Council or the executive committee.

The political decision making at ELM is supported by the Executive Management Committee. All recommendations from the Executive Management Committee are put forward to the relevant Portfolio Committees, who then make recommendations to the Executive Committee.

Once the Executive Committee has accepted the recommendation, recommendations are made to the Council. Council is then in a position to take the final decision on the matter. In the few cases where there is no consensus on a matter within Council, the issue will go to vote. Once the Minutes of the Council meeting have been adopted, the responsibility lies with the Accounting Officer to ensure that actions are taken to implement such resolutions.

Below is a graphical presentation of the macro political structure of our municipality:


Council
Council Committees
Executive Committee
Standing Committees
Ward Committees
Municipal Public Accounts
Fraud and Anti-Corruption
Remuneration Committee
Speakers Office
Secretary to Speaker
Driver
Mayor
Secretary to Mayor
Driver
PORTFOLIO HEAD: BUDGET AND TREASURY OFFICE
PORTFOLIO HEAD: GOVERNANCE
PORTFOLIO HEAD: COMMUNITY SERVICES
PORTFOLIO HEAD INFRASTRUCTURE and HUMAN SETTLEMENT
PORTFOLIO HEAD: EDTA

3. ADMINISTRATION GOVERNANCE

3.1 Role of the Municipal Manager

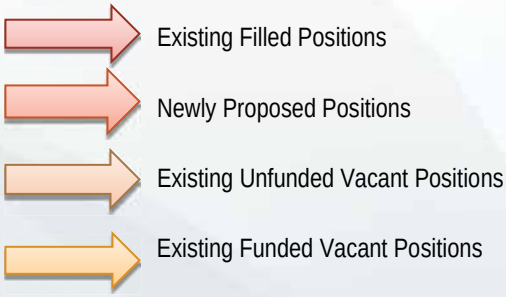
The Municipal Manager heads the municipality's administration and provides the link between the political and administrative arms of municipality government.

3.2 Institutional Arrangements (per Directorate)

The institution has the following directorates that form part of the reviewed organisational structure and, a detailed structure is presented in the page following this one:

- ✓ Office of the Municipal Manager
- ✓ Strategic
- ✓ Corporate Services
- ✓ Financial Services
- ✓ Community Services
- ✓ Integrated Planning and Economic Development
- ✓ Infrastructure Development and Human Settlement Services

The organisational structure was reviewed during 2013 / 2014 financial year, and below are the guidelines on how the structure can be inter acted with. All Section 56 or Director and the PMU Manager positions are on contract with all other positions permanent.



4. CHALLENGES

The Auditor General has historically given the municipality a number of disclaimers. This has largely been on the following areas to mention just a few, weak internal controls, non-compliance with laws and regulations, misstatements in Annual Financial Statements.

During the 2014/2015 financial year, the municipality made an effort to correct and improve on a number of areas where a qualified opinion was given. It prepared and implemented an audit improvement plan, in an effort to obtain a clean administration. The plan contained all the matters highlighted by the Auditor General and the impact that each matter had was clearly defined. Furthermore, the names of those responsible for each of the matters are highlighted on the plan together with the due or target date on which each of the matters should be resolved.

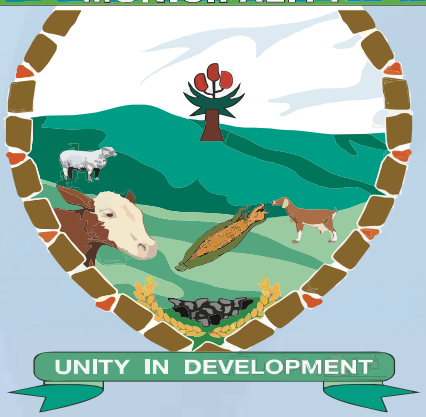
Progress was then monitored on continuous bases and the progress report was presented regularly in management meetings. It is envisaged that this assistance would yield significant benefits in relation to the opinion expressed by the Auditor General in the previous year.

Attached to the document is the reviewed organogram

The current organisational structure was approved by Council in 2013 for a period of three (3) years ending in June 2016. The cycle of the organisational structure is ending in the current financial year, after annual reviews and last review was done and approved in May 2015.

The municipality has not reviewed the organisational structure for the 2016/2017 financial year due to the fact a Business Process Re-engineering project of the institution has been commenced with and will be implemented, which has a direct effect on the organisational design. The organisational structure will only be available after completion of the Business Process Re-engineering project in November 2016.

EMALAHLENI
MUNICIPALITY



CHAPTER 6
COMMUNITY PARTICIPATION

CHAPTER 6

COMMUNITY PARTICIPATION

1. Introduction

The South African Constitution is underpinned by principles of good governance, also highlighting the significance of public participation as an integral part of successful good local governance. Section 152 of the Constitution of the Republic of South Africa, 1996; confirms a number of citizen rights and more specifically, the rights of communities to be involved in local governance.

The municipality is obliged to encourage the involvement of communities and community organisations in local government. This obligation extends to the entire way in which the municipality operates and functions.

The principle behind the public participation is that all the stakeholders affected by a public authority's decision have a right to be consulted and contribute to such decisions. In light of the above, this means that public participation provides the community an opportunity to contribute in the decision making processes of a municipality in a structured manner.

Public participation forms part of building and deepening our democracy, by ensuring transparency and accountability. It is about involving communities in decision-making so that they can own the processes, buy-in and credibility, and lends legitimacy to decision-making.

2. Legal Background

- ✓ Section 152 of the Constitution of the Republic of South Africa, 1996; states that citizens and communities have rights to be involved in local governance.
- ✓ Chapter 4, Section 16, of the Local Government: Municipal Systems Act, 2000 (32 of 2000 as amended) depicts that a municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance, and for this reason must :
  - (a) Encourage and create conditions for the local community to participate in the affairs of the Municipality including the: The preparation, implementation and review of the Integrated Development Plan (IDP) in terms of Chapter 5 of the Municipal Systems Act. The establishment and Implementation of the review of its Performance Management System in terms of Chapter 6. The monitoring and review of its performance, including the outcomes thereof of such performance. Preparation of its budget and strategic decisions relating to the provision of the Municipal Services in terms of Chapter 8.

3. Community Participation Mechanisms

The municipality designed mechanisms that will facilitate the inclusion of all groups in the decision making processes of the municipality in order to strengthen participation of the community in the municipal affairs.

3.1 Mayoral Programmes (Outreach)

The Mayor in conjunction with public participation unit drafted an annual programme of Mayoral Imbizo's for the 2013/2014 financial year. The Imbizo's are held on an annual basis in order to afford the community an opportunity to have direct access with the Mayor and interact with the members of the community on municipal affairs.

The Mayoral Imbizo's were held in February and March 2014, to engage members of the community on the draft annual report 2012 / 2013 for comments and inputs.

3.2 IDP and PMS Community Participation Programmes (Road shows)

In January and February 2014, the municipality had roadshows in all the wards, where community meetings were held to confirm the community needs, prior to those needs being included in the draft IDP 2014 / 2015.

In line with the legislative requirements, the municipality adopted its draft IDP in March 2014, and in line with the same legislative requirements, the municipality held its IDP Roadshows in April 2014, after the adoption of the IDP

3.3 Council Programmes

(1) Ward Committees

While recognising that public participation is a vital part of local democracy and participatory local governance and that the involvement of communities and community organisations in the matters of the municipality is one of the objects of local government. Ward Committees are one of the mechanisms that are established to ensure public participation and community involvement in the municipality. Formal ward committees have been established in the municipality which consist of 10 ward committees per ward which makes the total of 170 ward committees in all Emalahleni wards.

The Municipality pays a stipend to all ward committees to afford them an opportunity to manage ward committee activities

This means that each ward has 10 ward committees which form part of the committee chaired by the ward councillor. The ward committees are divided into portfolios according to their respective duties. They submit monthly reports according to their portfolios which detail the work that they have performed over a period of a month. The reports from ward committees are compiled to produce a quarterly report which is submitted to the office of the Council Speaker through the Municipal Manager.

(2) Traditional Leaders participating in Council

The municipality is one of the most rural municipalities in the Chris Hani District Municipality which makes it a requirement and possible to liaise with Traditional Leaders on matters affecting the members of the traditional authorities. The municipality is yet to establish protocols on how public participation can be integrated with traditional authorities in order to provide support where it is required in consultation with traditional council.
Council took a resolution back in 2012 to include traditional leadership in the Council of Emalahleni Local Municipality and 7 Traditional Leaders from the municipal area are participating in Council and Council standing committees of the Municipality

(3) Community Development Workers

The Community Development Workers (CDW's) are the officials employed by Department of Local Government and Traditional Affairs. The Community Development Workers forms part of the Ward Committee at Ward level and are involved in all ward committee processes and activities of the ward as whole. Community Development Workers are supposed to be involved in all council activities as they are the foot soldiers at ward level who understand and work close to the people.

3.4 Ward Based Planning

1 With the assistance of the Provincial Department of Local Government and Traditional Affairs, the municipality managed to develop a draft Ward Based Plan report for each ward, which highlighted the following priority areas, outcome anticipated by the community and strategies

Ward	Priority Area	Nature Of The Problem	Main Outcome Anticipated By The Community	Strategies To Be Adopted
1	Health	Need medication, need medical staff to come occasionally and renovations	Improved access to health	Provide the interventions
	Community services	Need another hall, there no hall in Mkapusi and Mt Arthur	Improved access to amenities services	Provide another hall, in Mkapusi and Mt Arthur
	Safety and security	no police station,, yet there is a lot of crime	Improved safety	Provide the satellite station
	ECD(non-core)	Lower Mkapusi preschool need one	Improved education outcomes	Provide preschool in Mkapusi
	Local Economic Development	Unemployment level is too high, need reduction through job creation	Sustainable livelihoods	Investigate developing beneficiation industries, Jobs created through poverty alleviation project a) Focus on labour intensive sustainable development projects; b) Ensure the success of small scaled job creation and poverty alleviation projects; Integrate local and provincial LED programmes and initiatives
		Skills development project; Enterprise development	Improved skills base	To provide skills and accredited training
	SMME development	SMME need appropriate business management related training and support	Sustainable livelihoods	Ensure SMME's access of business opportunities; Provide business developmental support to the SMME sector
	Roads	Roads	Improved access	Provide the infrastructure
	Safety and security	Need Police visibility, there is a high crime rate	Safe and secure environment;	Provide a satellite police station and visible policing
	Health (non-core municipal function)	Encourage Community support groups, for those living with various diseases	Encourage Community support groups, for those living with various diseases	Provide the necessary interventions
	Rural development	No Fencing of grazing lands ploughing fields Roads and bridges Fencing of ploughing field Support with tools and seeds.	Improved food security	Provide Roads and bridges Fencing of ploughing field Support with tools
2	Health	No medicines in clinic	Improved access to health	Provide the interventions

Ward	Priority Area	Nature Of The Problem	Main Outcome Anticipated By The Community	Strategies To Be Adopted
	Rural Development and Agriculture	dipping tank needs water and shearing shed electricity	Improved livestock management	Provide the necessary interventions
	ECD	lower Mkapusi no preschool need one	Improved education outcomes	Provide and Maintain the infrastructure
	Local Economic Development	Unemployment level is too high, need reduction through job creation	Sustainable livelihoods	Investigate developing beneficiation industries, Jobs created through poverty alleviation project a) Focus on labour intensive sustainable development projects; b) Ensure the success of small scaled job creation and poverty alleviation projects; c) Integrate local and provincial LED programmes and initiatives
		Skills development project Enterprise development	Improved skills base	To provide skills and accredited training
		Need conducive environment to conduct for Successful business Development, Balanced economy	Improved quality of life	Enterprise development programme
	Skills development	SMME need appropriate business management related training and support		▪ Ensure SMME's access of business opportunities; ▪ Provide business developmental support to the SMME sector
	Health non-core municipal function)	Encourage Community support groups, for those living with various diseases	Encourage Community support groups, for those living with various diseases	▪ Provide the necessary interventions
	ELM	Provide books	Improved amenities/ quality of life	▪ Provide the books
3	Health	The roads are bad for an ambulance, no medicines	Improved access to health	there are no medicines; Need medication, need medical staff to come occasionally
	Safety and security	no police station,, yet there is a lot of crime	Improved safety	no Polices station, yet there is a lot of crime
	ECD	lower Mkapusi no preschool need one	Improved education outcomes	Provide the preschool

Ward	Priority Area	Nature Of The Problem	Main Outcome Anticipated By The Community	Strategies To Be Adopted
	Local Economic Development	Unemployment level is too high, need reduction through job creation	Sustainable livelihoods	Investigate developing beneficiation industries, Jobs created through poverty alleviation project a) Focus on labour intensive sustainable development projects; b) Ensure the success of small scaled job creation and poverty alleviation projects; Integrate local and provincial LED programmes and initiatives
		Skills development project Enterprise development	Improved skills base	To provide skills and accredited training
		Need conducive environment to conduct for Successful business Development, Balanced economy	-	Enterprise development programme
	SMME development	SMME need appropriate business management related training and support	-	-
				Ensure SMME's access of business opportunities; Provide business developmental support to the SMME sector
	Safety and security	Need Police visibility, there is a high crime rate	Safe and secure environment;	Provide a satellite police station and visible policing
	Health (non-core municipal function)	Encourage Community support groups, for those living with various diseases	Encourage Community support groups, for those living with various diseases	Provide the necessary interventions
	Rural development	Shearing sheds not in good condition	Improved livestock management	Provide the necessary support
4	Health	No medicines;	Improved access to health	Provide improved health system
	Education	Schools not of acceptable norms and standards	Improved education outcomes	Provide appropriate school facilities
	ECD	Not enough preschools	Improved education outcomes	Preschool developed
	Local Economic Development	Unemployment level is too high, need reduction through job creation	Sustainable livelihoods	Investigate developing beneficiation industries, Jobs created through poverty alleviation project

Ward	Priority Area	Nature Of The Problem	Main Outcome Anticipated By The Community	Strategies To Be Adopted
				a) Focus on labour intensive sustainable development projects; b) Ensure the success of small scaled job creation and poverty alleviation projects; Integrate local and provincial LED programmes and initiatives
		Skills development project Enterprise development	Improved skills base	To provide skills and accredited training
		Need conducive environment to conduct for Successful business Development, Balanced economy		Enterprise development programme
	SMME development	SMME need appropriate business management related training and support		
				▪ Ensure SMME's access of business opportunities; Provide business developmental support to the SMME sector
	Health (non-core municipal function)	Encourage Community support groups, for those living with various diseases	Encourage Community support groups, for those living with various diseases	• Provide the necessary interventions
	Water and sanitation	water and sanitation, storm water, solid waste is in bad state		
	Electrification and infrastructure services	Electricity, fire fighting, parking need road marking	Improved access to electricity	Provide the necessary infrastructure
	Sustainable human settlements	Basic services – land for RDP housing and graves needed	Improved service delivery	Provide the appropriate facilities in an integrated way
5	Rural development	Ploughing, farming, fencing, roads, Zingxondo shearing shed not in good condition,	Improved food security; Improved livestock management	Ploughing., farming, fencing, roads, and bridge
	ELM	No Community Halls, No Clinic, No Tarred Roads In Town, No Public Toilets, No Play Ground, , No Public Facilities, No	Improved access to basic needs and amenities	Provide the necessary amenities; Community Halls, Tarred Roads In Town, Public Toilets, Play Ground,

Ward	Priority Area	Nature Of The Problem	Main Outcome Anticipated By The Community	Strategies To Be Adopted
		Day Care Centres, No Funding		
	Health	No mobile clinics	Improved Access To Health	Provide the necessary systems
	Local Economic Development	Unemployment level is too high, need reduction through job creation	Sustainable livelihoods	a) Investigate developing beneficiation industries, b) Jobs created through poverty alleviation project
	LED	Need to have sustainable livelihoods	Reduction of unemployment and sustainable livelihoods; Growing and inclusive local economy;	a) Focus on labour intensive sustainable development projects; b) Ensure the success of small scaled job creation and poverty alleviation projects; c) Integrate local and provincial LED programmes and initiatives
	LED	Skills development project Enterprise development	Improved skills base ;	▪ To provide skills and accredited training
		Need conducive environment to conduct for Successful business Development, Balanced economy	Growing and inclusive local economy;	▪ Enterprise development programme
	LED	Need support for conducting business; Need Progressive infrastructural developments; sustainable livelihoods	Growing and inclusive local economy;	▪ Enterprise development programme
	SMME development	SMME need appropriate business management related training and support	SMME skills base improved	• Ensure SMME's access of business opportunities; • Provide business developmental support to the SMME sector
	Safety and security	Need Police visibility, there is a high crime rate	Safe and secure environment;	▪ Provide a satellite police station and visible policing
	Health (non-core municipal function)	Encourage Community support groups, for those living with various diseases	Improved access to health care;	▪ Provide the necessary interventions
6	Education	2 mud structures are not in good condition, Mtikrakra ; scholar transport and nutrition that is consistent	Improved education outcomes	Maintain the schools; scholar transport and nutrition be provided consistently

Ward	Priority Area	Nature Of The Problem	Main Outcome Anticipated By The Community	Strategies To Be Adopted
	Health	No medicines in clinics There are no ambulances at the clinics	Improved health access	Provide the interventions in health systems
	Rural development and Agric	Dipping tanks –not in good condition. The community hall is in good condition There is no fence near the road and has a high accident rate; need tools No camps for the animals	Improved livestock management	Provide the necessary interventions
	Safety and security	We need mobile police station	Improved safety and security	
	Electrification	2 Electricity Not 100%	Improved access to electricity	Provide electricity
	3 Public works	4 Access Road Not 100 %;there Are No Roads To Other Village	5 Improved access to service delivery	6 Provide the infrastructure
	7 LED	8 Skills development project 9 Enterprise development	10 Improved skills base ; 11	12 To provide skills and accredited training
	13	14 Need conducive environment to conduct for Successful business	15 Growing and inclusive local economy;	16 Enterprise development programme
	Health (non-core municipal function)	Encourage Community support groups, for those living with various diseases	Improved access to health care;	Provide the necessary interventions
7	Water and sanitation			
	LED	Need to have sustainable livelihoods	Reduction of unemployment and sustainable livelihoods; Growing and inclusive local economy;	a) Focus on labour intensive sustainable development projects; b) Ensure the success of small scaled job creation and poverty alleviation projects; c) Integrate local and provincial LED programmes and initiatives
	LED	Skills development project Enterprise development	Improved skills base ;	a) To provide skills and accredited training

Ward	Priority Area	Nature Of The Problem	Main Outcome Anticipated By The Community	Strategies To Be Adopted
	Rural development	Extension officers Support not provided by staff	Improved livestock management	▪ Provisioning of technical support
	Education	Inappropriate structures not meeting norms and standards for learning	Improved education outcomes	▪ Maintain the schools
	SMME development	SMME need appropriate business management related training and support	SMME skills base improved	• Ensure SMME's access of business opportunities; • Provide business developmental support to the SMME sector
	Safety and security	Need Police visibility, there is a high crime rate	Safe and secure environment;	▪ Provide a satellite police station and visible policing
	Health (non-core municipal function)	Encourage Community support groups, for those living with various diseases	Improved access to health care;	▪ Provide the necessary interventions
	ELM	Hall needs burglaring	Improved amenities	▪ Maintain the hall
8	Rural development	Fencing	Improved food security	Food security, strengthen the sector departments
	Community services	Ward not clean Need healthy and safe environment	safe and healthy environment	Community induction/awareness
	Local Economic Development	Unemployment level is too high, need reduction through job creation	Sustainable livelihoods	Jobs created through poverty alleviation project
	LED	Need to have sustainable livelihoods	Reduction of unemployment and sustainable livelihoods; Growing and inclusive local economy;	a) Focus on labour intensive sustainable development projects; b) Ensure the success of small scaled job creation and poverty alleviation projects; c) Meat production
	LED	Skills development project Enterprise development	Improved skills base ;	a) To provide skills and accredited training
		Need conducive environment to conduct for Successful business Development, Balanced economy	Growing and inclusive local economy;	▪ Enterprise development programme
	LED	Need support for conducting business; Need Progressive infrastructural developments; sustainable livelihoods	Growing and inclusive local economy;	▪ Enterprise development programme

Ward	Priority Area	Nature Of The Problem	Main Outcome Anticipated By The Community	Strategies To Be Adopted
	SMME development	SMME need appropriate business management related training and support	SMME skills base improved	• Ensure SMME's access of business opportunities; • Provide business developmental support to the SMME sector
	Safety and security	Need Police visibility, there is a high crime rate	Safe and secure environment;	▪ Provide a satellite police station and visible policing
9	Electrification	Weak electricity	Improved access to electricity	Provide electricity
	Rural development & Agriculture	Support required with maintenance of shed	Improved livestock management	Maintain the facilities
	Health	Inadequate access, short of medication at the clinic	Improved access to health	Provide health systems
	Local Economic Development	Unemployment level is too high, need reduction through job creation	Sustainable livelihoods	Jobs created through poverty alleviation project
	LED	Need to have sustainable livelihoods	Reduction of unemployment and sustainable livelihoods; Growing and inclusive local economy;	a) Focus on labour intensive sustainable development projects; b) Ensure the success of small scaled job creation and poverty alleviation projects; c) Meat production ; d) Mobilise funding for the projects
	LED	Skills development project Enterprise development	Improved skills base ;	a) To provide skills and accredited training
		Need conducive environment to conduct for Successful business; sustainable livelihoods	Growing and inclusive local economy;	▪ Enterprise development programme
	SMME development	SMME need appropriate business management related training and support	SMME skills base improved	• Ensure SMME's access of business opportunities; • Provide business developmental support to the SMME sector
10	Rural Development	Stock pen – (In need) because of the road ranger 45km to police station	Improved livestock management	Stock pen built
	Education	Inappropriate education structure not meeting the norms and standards	Improved education outcomes	Mud structures

Ward	Priority Area	Nature Of The Problem	Main Outcome Anticipated By The Community	Strategies To Be Adopted
	Local Economic Development	Unemployment level is too high, need reduction through job creation	Sustainable livelihoods	Investigate developing beneficiation industries, Jobs created through poverty alleviation project
	LED	Need to have sustainable livelihoods	Reduction of unemployment and sustainable livelihoods; Growing and inclusive local economy;	a) Focus on labour intensive sustainable development projects; b) Ensure the success of small scaled job creation and poverty alleviation projects; c) Integrate local and provincial LED programmes and initiatives
	LED	Skills development project Enterprise development	Improved skills base ;	a) To provide skills and accredited training
		Need conducive environment to conduct for Successful business Development, Balanced economy	Growing and inclusive local economy;	▪ Enterprise development programme
	LED	Need support for conducting business; Need Progressive infrastructural developments; sustainable livelihoods	Growing and inclusive local economy;	▪ Enterprise development programme
	SMME development	SMME need appropriate business management related training and support	SMME skills base improved	• Ensure SMME's access of business opportunities; • Provide business developmental support to the SMME sector
	Safety and security	Need Police visibility, there is a high crime rate	Safe and secure environment;	▪ Provide a satellite police station and visible policing
	Health (non-core municipal function)	Encourage Community support groups, for those living with various diseases	Improved access to health care;	▪ Provide the necessary interventions
11	Electrification	Need electrification of the ward	Improved access to electricity	Electrification
	Safety and security	Police not responsive	Safe environment	Visibility of police
	Health	Need a clinic facility	Access to health	Clinic
	Amenities	Hall needs maintenance	Improved quality of life	Hall maintained
	Rural development	Fencing	Improved food security	Food security, strengthen the sector departments

Ward	Priority Area	Nature Of The Problem	Main Outcome Anticipated By The Community	Strategies To Be Adopted
	LED	Need to have sustainable livelihoods	Reduction of unemployment and sustainable livelihoods; Growing and inclusive local economy;	a) Focus on labour intensive sustainable development projects; b) Ensure the success of small scaled job creation and poverty alleviation projects; c) Meat production
	LED	Skills development project Enterprise development	Improved skills base ;	a) To provide skills and accredited training
		Need conducive environment to conduct for Successful business Development, Balanced economy	Growing and inclusive local economy;	▪ Enterprise development programme
	LED	Need support for conducting business; Need Progressive infrastructural developments; sustainable livelihoods	Growing and inclusive local economy;	▪ Enterprise development programme
	SMME development	SMME need appropriate business management related training and support	SMME skills base improved	• Ensure SMME's access of business opportunities; • Provide business developmental support to the SMME sector
	Sustainable Human settlements	Repair the RDP houses	Improved quality of life	• Repair the RDP houses
12	Health	No medicines; The roads are bad for an ambulance	Improved access to health	Interventions On Health Systems
	Community services	Need another hall, no hall in Mkapusi and Mt .Arthur	Improved access to basic amenities	Provide the hall
	Safety and security	no SAPS – no police station, yet high crime rates	Improved safety	Provide the services
	ECD	lower mkapusi need a preschool	Improved education outcomes	Provide the facilities
	Local Economic Development	Unemployment level is too high, need reduction through job creation	Sustainable livelihoods	Investigate developing beneficiation industries, Jobs created through poverty alleviation project a) Focus on labour intensive sustainable development projects;

Ward	Priority Area	Nature Of The Problem	Main Outcome Anticipated By The Community	Strategies To Be Adopted
				b) Ensure the success of small scaled job creation and poverty alleviation projects; c) Integrate local and provincial LED programmes and initiatives
		Skills development project Enterprise development	Improved skills base	To provide skills and accredited training
	Safety and security	Need Police visibility, there is a high crime rate	Safe and secure environment;	Provide a satellite police station and visible policing
	Health non-core municipal function)	Encourage Community support groups, for those living with various diseases	Encourage Community support groups, for those living with various diseases	Provide the necessary interventions
	Roads and Public Works and ELM	The roads are poor, e - Luxeni- no water, no roads, no toilet, no access roads,	Improved access to basic services	Provide the necessary infrastructure
13	Rural development	Lack tools and tractors for crop farming		a) Fence off grazing camps; b) Provide tractors and the support
	Electrification	Extension not electrified	Improved access to electricity	Provide electricity to extensions
	LED	Need to have sustainable livelihoods	Reduction of unemployment and sustainable livelihoods; Growing and inclusive local economy;	a) Focus on labour intensive sustainable development projects; b) Ensure the success of small scaled job creation and poverty alleviation projects; c) Integrate local and provincial LED programmes and initiatives
	LED	Skills development project Enterprise development	Improved skills base ;	a) To provide skills and accredited training
	Roads and Public works	Need bridges to provide access	Improved access ;	▪ Provide bridges
	LED	Need support for conducting business; Need Progressive infrastructural developments; sustainable livelihoods	Growing and inclusive local economy;	▪ Enterprise development programme
	SMME development	SMME need appropriate business management	SMME skills base improved	• Ensure SMME's access of business opportunities;

Ward	Priority Area	Nature Of The Problem	Main Outcome Anticipated By The Community	Strategies To Be Adopted
		related training and support		• Provide business developmental support to the SMME sector
	Safety and security	Need Police visibility, there is a high crime rate	Safe and secure environment;	▪ Provide a satellite police station and visible policing
	Health (non-core municipal function)	No medication at clinics	Improved access to health care;	▪ Provide the necessary interventions
14	Health	No medicines; The roads are bad for an ambulance	Improved access to health	Provide the necessary interventions
	Education	Lack of staff, classrooms, schools not maintained	Improved access to education	Lack of staff, classrooms, schools not maintained
	Safety and security	Police responsiveness	Improved safety	Police visibility
	Local Economic Development	Unemployment level is too high, need reduction through job creation	Sustainable livelihoods	Investigate developing beneficiation industries, Jobs created through poverty alleviation project a) Focus on labour intensive sustainable development projects; b) Ensure the success of small scaled job creation and poverty alleviation projects; Integrate local and provincial LED programmes and initiatives
		Skills development project Enterprise development	Improved skills base	To provide skills and accredited training
	Water and Sanitation CHDM	Provisioning of Sanitation and water facilities	Improved basic services	Water source needs to be replenished- Machubeni – all six villages the water system that are functional
	Roads and Public Works and ELM	The roads are bad and inaccessible	Improved access to basic services	Maintain and develop the roads,
15	Health	Need a clinic for Ida farms	Improved access to health	Provide the necessary interventions
	ECD	Need crèches	Improved education outcomes	Provide the crèches
	Education	Lack of staff, classrooms, schools not maintained	Improved access to education	Lack of staff, classrooms, schools not maintained
	ELM	Community halls, sports facilities, clinic	Improved access to amenities	Amenities required
		Skills development project	Improved skills base	To provide skills and accredited training

Ward	Priority Area	Nature Of The Problem	Main Outcome Anticipated By The Community	Strategies To Be Adopted
		Enterprise development		
16	Water and Sanitation	Provide water and sanitation	Improved access to basic services	Provide the necessary interventions
	Community services	Need roads and storm water maintenance	Improved service delivery	Provide the maintenance
	Sustainable human settlements	Need land for human settlements and graves	Improved quality of life	Provide sustainable human settlements
	ELM	Community halls, sports facilities, clinic	Improved access to amenities	Amenities required
		Skills development project Enterprise development	Improved skills base	To provide skills and accredited training
17	Community services	Need roads and storm water maintenance	Improved service delivery	Provide the maintenance
	Water and sanitation	Provisioning of clean water	Improved quality of life	Provide sustainable human settlements
	Education	School facilities not Maintained	Improved access to education	Amenities maintained

3.5 Issues raised in Public Participation Programmes

Programme	Ward	Date
IDP Representative Forum	IDP Representative Forums were held to engage Sector Department on projects that were planned for implementation in the municipal area for the 2015 / 2016 financial year.	
Road shows	IDP Roadshows were held for confirmation of priorities, prior to the tabling of the draft IDP and Budget and later for confirmation after the adoption of the IDP and Budget	November 2014

3.6 Needs identified in the IDP Roadshows

The following priorities were identified as overall priorities of the municipalities

(1) Roads and Storm water
(2) Drinking water
(3) Toilets
(4) Shearing sheds
(5) Park (Dordrecht)

WARD NO	REVIEWED PRIORITIES FOR 2016 / 2017	Ward Priorities included due to demarcation	OTHER GOVERNMENT DEPARTMENTS	RESOURCES REQUIRED
1	(1) Electricity: all villages (2) Road Construction & Maintenance: all villages (3) Community Hall: Tshatshu (4) FENCING: all villages (5) Shearing Shed (6) Anti-erosion walls: All villages (7) Access Roads and Bridges: Main road to Mpotulo, Tafileni (Nqiningana), Mgqomeni to Lapesini, Rodana bridge, (8) Networks: Cellphones and Television: Rodana, Tshatshu, Tsolokazi (9) Garden Projects (10) Clinics: Mpotulo, Nqiningana and Rodana (11) Dipping tanks: Rodana` (12) Shearing Shed: Mpotulo (13) Sport Field (14) Excavation / Quarry / Crush Stone (15) Construction of Livestock dams (16) Pay-point Centres (17) Craft Centre (18) Massive Production: Agricultural Scheme in Qithi, Rwantsana, Tshatshu, Rodana and Nqiningana (19) RDP Houses (20) Marketing (21) Tractors for Farmers (22) Sand Mining (23) Job Creation (24) Water and Sanitation	*Priorities from Ward 2 due to demarcation* (1) Fencing of grazing land and tractors (2) RDP Houses : all wards (3) Regravelling and Access Roads –Nkolonga, Skwanqeni . (4) Water: Nkolonga, Skwanqeni (5) Network Signal: for TV and Cell phones, Skwanqeni (6) Community Hall: Skwanqeni (7) Clinic and Mobile Clinic:, Nkolonga (8) Fencing: Skwanqeni, Nkolonga (9) Cemetery – all wards (1& 2)		
2	(1) Fencing of grazing land and tractors (2) RDP Houses : all wards (3) DR08656 Tar Road / Regravelling and Access Roads – Njombela, Lututu, Mthonjeni, Qutubeni, Mdeni, Zote-Masakhane, Nkolonga, Skwanqeni and Mtwakazi Bridge (4) Sanitation: Lanti, Luqolo, Singeni, Zote, Masakhane, Njombela, Sihlabeni, Qutubeni, Mdeni, Ligwa, Lututu(need finishing)	Priorities that are for Maqashu move from 17 to ward 2: (1) Toilets – Maqashu	RDP HOUSES : ALL WARDS DR08656 TAR ROAD / REGRAVELLING AND ACCESS ROADS – NJOMBELA, LUTUTU, MTHONJENI, QUTUBENI, MDENI, ZOTE-	

	(5) Lapesi Eradication: Lututu, Mtonjeni, Masakhane, Njombela, Mdeni, Qutubeni, Ligwa and Lanti (6) Electricity & Extensions: all ward – Tshatshu (Dontseyakhe), Zongo Village, Lututu, Mdeni (Cwane), Zote esingeni (7) Water: Lututu, Nkolonga, Skwanqeni (8) Network Signal: for TV and Cell phones, Skwanqeni (9) Shearing Shed: Mtonjeni, Lanti (10) Community Hall: Qutubeni, Lanti, Luthuthu, Skwanqeni (11) Clinic and Mobile Clinic: Lututu, Nkolonga (12) Fencing: Bengu, Luqolo, Njombela and Maqata, Skwanqeni, Nkolonga (13) Shearing Shed renovation (14) Cemetery (15) Social Development Office: Lanti, Bengu (SASSA). (16) Tourism Centre and Game reserve (17) Alien eradication (18) Community Hall: Xonxa, Nqiningana, Mpotulo, Tsolokazi, Tshatshu, Nkolonga, Rodana (19) School building: Rwantsana, Mpotulo and Hlathikhulu (20) Preschool: Rwantsana, and Mpotulo		MASAKHANE, NKOLONGA, SKWANQENI AND MTWAKAZI BRIDGE 17 SANITATION: LANTI, LUQOLO, SINGENI, ZOTE, MASAKHANE, NJOMBELA, SIHLABENI, QUTUBENI, MDENI, LIGWA, LUTUTU(NEED FINISHING)	
3	(1) Storm Water Management (2) Land Care Management (3) Access roads and electricity (4) Clinic – (Ntlalontle) (5) Community Hall – Qaqeni (6) Lapesi Eradication: Hala 1&2, Lawini, Maqhubela (7) Shearing Sheds: Ntlalontle, Zingqolweni, Maqubela (8) Clinic: Zingqolweni, Maqhubela, Qaqeni (9) Preschool: Hala 1, Maqhubeni, Greyspan, Qaqeni, Zingqolweni (10) Primary School: Madwaleni (11) Fencing: All villages (to fence cemeteries and arable land) (12) Stock Dams – Greyspan (13) Electricity	PRIORITY FROM WARD 17 (1) Storm water Infrastructure – Trust	CLINIC – (NTLALONTLE)	
4	(1) Shearing Shed : Ngqoko and Cacadu			

	(2) Fencing – Ngqoko (3) Community Hall Multipurpose Centre: (4) Mthwakazi Bridge (5) Access roads – all townships and Town (6) Storm Water Drainages – Lady Frere (7) Pound – Lady Frere Town (8) Skills Centre – Lady Frere Town (9) High School – Lady Frere town (10) Fencing: Nqoko, Cacadu (arable lands, roads) (11) Electricity – RDP Houses (12) New Cemetery (13) Streetlights Maintenance – Lady Frere Town, Apollo lights in Bongolwethu (14) Storm water Drainages – Lady Frere (15) Library – Lady Frere Town (16) Dumping Site – Lady Frere town (17) Shopping Mall	Priorities 4, 11 & 19 from ward 5: (1) Tarred Road; Lady Frere Location (2) Street Cleaning and Beautification: Lady Frere Location (3) Shopping Mall		
5	(1) Access Roads: Noluthando Village, Kwavala, Cumakala, Dopu, Glen Adelaide (2) Water: Calvary, Cumakala – KwaGxubani, Lady Frere Location – Mzomhle, Mission, Zingxondo (3) Sanitation: Mjikweni, Lapesini, Mission, Topu, Cumakala (4) Tarred Road; Lady Frere Location (5) Community Hall – Glen Adelaide (6) Electricity: Cavary, Pana Tyip – Zingxondo, Topu (7) Foot bridge from Topu to Nompucuko (8) RDP Housing: Lady Frere location, Dopu, Cumakala, Noluthando, Glen Adelaide (9) Clinic: Noluthando village (10) Lapesi eradication: Glen Adelaide, Topu, Cumakala (11) Street Cleaning and Beautification: Lady Frere Location (12) Tractor for farmers (Cumakala, Glen Adelaide) (13) Pay points (All villages) (14) Crèches (All villages) (15) Shearing Shed – Dopu (16) Libraries – Dopu (17) Womens Gardens / irrigation scheme – Dopu	(1) Shopping Mall moved to ward 4 Priorities from ward 6 are: (1) Access Roads –, Emzi to Manyangaza (2) Sanitation – Toilets in all villages (3) Water – all villages (4) Fencing - all villages (5) Irrigation Scheme (6) Anti-erosion walls (7) Tele-communication centre (8) Mobile Police Station (9) Electricity – Manyangaza (10) Farming (11) Grain Miller (12) Crèches (13) Marketing (14) Cultural Village (15) Sport field (16) RDP Houses	• Access Roads: Noluthando Village, Kwavala, Cumakala, Dopu, Glen Adelaide • Water: Calvary, Cumakala – KwaGxubani, Lady Frere Location – Mzomhle, Mission, Zingxondo • Sanitation: Mjikweni, Lapesini, Mission, Topu, Cumakala	

	(18) Street Lights – Part of Lady Frere, and Lady Frere location (19) Shopping Mall – Ward 5 (20) Playground – KwaNoluthando, Cumakala, Kavala	(17) Mobile Clinic (18) Garden Project (19) Shearing Shed (20) Stock Dams (21) Pay points		
6	(1) Access Roads – Gqebenye, Ethembeni-Emahlathini, Dlamini, Sam to Goodstaff, Emzi to Manyangaza (2) Sanitation – Toilets in all villages (3) Water – all villages (4) Fencing - all villages (5) Irrigation Scheme (6) Anti-erosion walls (7) Tele-communication centre (8) Mobile Police Station (9) Electricity – Emahlathini, Mqolombeni, Manyangaza (10) Mortgage – Dlamini (11) Farming (12) Grain Miller (13) Crèches (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 points	Priorities that will be coming from ward 1 are: (1) Electricity: all villages (2) Road Construction & Maintenance: all villages (3) FENCING: all villages (4) Shearing Shed (5) Anti-erosion walls: All villages (6) Access Roads and Bridges: (7) Garden Projects (8) Dipping tanks (9) Sport Field (10) Excavation / Quarry / Crush Stone (11) Construction of Livestock dams (12) Pay-point Centres (13) Craft Centre (14) Massive Production: Agricultural Scheme (15) RDP Houses (16) Marketing (17) Tractors for Farmers (18) Sand Mining (19) Job Creation	• Access Roads – Gqebenye, Ethembeni-Emahlathini, Dlamini, Samto Goodstaff, Emzi to Manyangaza • Sanitation – Toilets in all villages • Water – all villages	
7	(1) Access Roads (all villages) (2) Fencing of grazing land and arable land (3) Water to new settlements: (Mmangweni, Fani (ezgaytini), Maqwathini (Kwablangwe), Amazongozi) (4) Clinic (Bozwana & Dubeni)	Ward 7 was not affected by demarcation.	• Access Roads (all villages) • Water to new settlements: (Mmangweni, Fani	

	(5) Shearing Shed: Dubeni, Xusha (6) Sport Field (7) Irrigation scheme Construction: Xusha (8) Library (9) Construction for Abet Centre (10) Support for kuDubeni and Maqwathini Schemes (11) Network Tower (12) Community Hall: Bozwana (13) Repair and Completion of toilets (14) Electrification of new settlements		(ezgaytini), Maqwathini (Kwablangwe), Amazongozi) • Clinic (Bozwana & Dubeni)	
8	(1) Electricity: Extensions (Lower Vaalbank, Xushe @Qhugqwarhu) (2) Access Roads: (All Villages) (3) Shearing Shed: Mgqukhwebe, Ngonyama, Jojweni (4) Revival of Crop ploughing: Sorghum and wheat (5) Fencing of arable and grazing land (6) Sanitation and Rectification: All wards (7) Water extension: Kuyasa, Zwelethemba, Qhugqwarha and Boqo (8) Low Cost Houses (9) Household connections (10) Bus Shelters (11) Pre-Schools: All Villages (12) Electric Pumps (13) Police Station / Satellite Police Stations (14) Security for government projects (15) Mobile clinic: Boqo	No priorities from other wards		
9	(1) Electricity (2) Access Roads: All villages (3) Transportation to Lady Frere (4) RDP Houses (5) Bridges- Zwartwater-Tabasa, Vaalbank-Laphumilanga, Mcwangele. (6) Sanitation – Dum dum, Emdeni, Sdwadwa, Dukathole, Mayeye, Gcina, Baptist (7) Mobile clinic – Tabasa, Zwartwater, Ezingcaceni, Mayeye (8) Shearing Shed (Gova and Dukathole) (9) Fencing arable land (10) Tractors	Ward 9 shares the following priorities with ward 8: (1) Revival of Crop ploughing: Sorghum and wheat (2) Fencing of arable and grazing land (3) Sanitation and Rectification: All wards	• Transportation to Lady Frere • RDP Houses • Access Roads: All villages •	

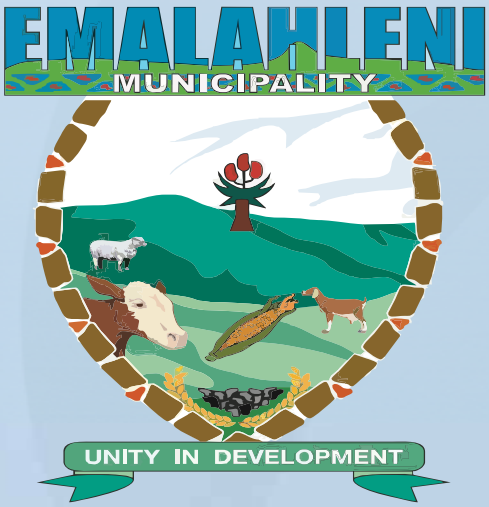
	(11) Anti-erosion walls (12) Police Station (13) Irrigation schemes (14) Alien Eradication (15) Network tower (16) School furniture and equipment (17) Building schools (18) Community gardens (19) Sport field (Gova and Dukathole) (20) Community Hall – Zwartwater, Esidwadweni	(4) Water extension: Kuyasa, Zwelethemba, Qhugqwarha and Boqo (5) Low Cost Houses (6) Household connections (7) Bus Shelters (8) Pre-Schools: All Villages (9) Electric Pumps (10) Police Station / Satellite Police Stations (11) Security for government projects		
10	(2) Access road – All (3) Bridges Course ways – Fini Bridge (4) Alien Eradication (5) Sports Field (6) Five Tractors (7) Anti-erosion walls (8) Mateyisi Shearing Shed (9) Coal Mining of Tsembeyi (10) Network Tower – Cell phone (11) Stock dams (12) RDP House – Whole ward (13) Taxi Rank (14) Generator for dipping tanks (15) Fencing of cultivated fields (16) Fencing of cemeteries (17) Pre-schools (18) Clinic – Bankies & Surrounding areas (19) Bus stop shelters (20) Fencing of resource centre (21) Schools (22) Police station (23) Tar road – R392 Dordrecht to Lady Frere (24) Maintenance of Access Road – Buffelsdorings, Tsembeyi School, Komani School, Gcaka to Tsawulayo (25) Maintenance of Tsembeyi Water Scheme	Ward 10 was not affected by demarcation changes.		

	(26) Maintenance of Dipping tanks (27) Courseways Maintenance – 2 Buffelsdorings and Tsawulayo (28) Pay-points (29) Multi-purpose Centre			
11	(1) Street lights: Zwelethemba & Harry Gwala Phase 2 location (2) Sanitation & Toilets: Munniksville, Harry Gwala (3) Clinic – Harry Gwala (4) Renovation of Marabastad (5) Sport Field (6) Brick making (7) Revival of Cheese factory (8) Library – Harry Gwala (9) Family resource centre (10) Renovation of Harry Gwala (11) Rectification of RDP houses (12) Sport field Maintenance: All Ward (13) Shopping Mall (14) Electrification of new settlements (15) Paving	Ward 11 was not affected by demarcation	• Sanitation & Toilets: Munniksville, Harry Gwala • Clinic – Harry Gwala	
12	(1) Electricity – extensions (2) Access Roads – whole ward (3) Sanitation – Ngqanda, Ncalukeni, Bomeni, Mkapusi (4) Fencing – Whole ward (5) Bridges – Mkapusi, Mphesheya, Mbeja, Dipini, Ncalukeni, Bomeni (6) Tarred Main Road – Mkapusi, Mphesheya, Mbeja, Dipini, Ncalukeni, Bomeni (7) Dipping Tanks – Ngqanda, Luxeni and Mkapusi (8) Pre-school – Luxeni, Bomeni, Mt Hill, Mkapusi, Luxeni, Mkapusi (9) Schools – Ncalukeni and Mthunzini old buildings (10) Mkapusi JSS – Qwempe and Luxeni need renovation (11) Shearing shed – Ngqanda, Mkapusi, Mt Athur, Ncalukeni, Gugulethu, Lower Mkaphusi (12) Fencing – Whole ward (13) High school – Ngqanda & Mkapusi (14) Bus Stop Shelter – Mkapusi main road, Mt Hill	Ward 12 was not affected by demarcation	• Access Roads – whole ward • Sanitation – Ngqanda, Ncalukeni, Bomeni, Mkapusi •	

	(15) SorghumnProject – Bomeni, KwaQithi, Khohlo, Mqiti, Siyazondla (Qolweni) (16) Four tractors – whole ward (17) Youth Centre –Ngqanda, Mt Arthur (18) RDP Houses – Ngqanda, Mkapusi, Bomeni, Mt Arthur and Mt Hill (19) Libraries – Ngqanda, Mkapusi, Bomeni, Mt. Arthur and Mt Hill (20) Women's Garden – Bomeni, Mkhaphusi, Kohlo, Ngqanda (21) Sports Grounds (Whole Ward) (22) Electricity – Mkhaphusi, Bomeni and Nkwaleni (23) Clinic – Ngqanda, Lower Mkhaphusi (24) Stock dams – Mkhaphusi (25) Sewing project (Whole ward) (26) Network pole			
13	(1) Access Road (2) Bridges and Foot Bridges (3) Police Station (4) Sport Field (5) Community Library (6) Network tower – television, cell phone (7) Schools – St Cyprinns JSS, Nobandla JPS (8) Playing grounds (9) 2 X Multi-purpose Centres (10) Crèche – whole ward (11) Tshamazimba – Boarding school (change to Nonkqubela Boarding School) (12) Soil erosion control (13) Bus stop shelter (14) Soyisele Women's Garden Project (15) Vuyani JPS – Mbolompeni (16) Community Library (17) Sport Ground	Ward 13 was not affected by demarcation.	• Access Road • Sport field	
14	(1) Community Hall – Mhlanga (2) Crossing Foot Bridge from Dordrecht Town to Zwelitsha Location (3) Access Road from Nkalweni village to Mangweni village at Macubeni (4) Sport Field – Dordrecht (5) Clinics – Kalfontein & Mroshweni villages	The following priorities moved to ward 16 due to demarcation: (1) Electricity extention at Nkenkulu Village	• Access Road from Nkalweni village to Mangweni village at Macubeni	

	(6) Emroshweni Preschool (7) Electricity extension at Nkenkulu Village (8) Water extension at Mrhoshweni (9) Spring-stopping and water extension at Nkalweni village (10) Dipping tank at Nkalweni village (11) Sanitation at Macubeni A/A (12) Chibini Clinic (13) Chibini Community Hall (14) Mrhoshweni Community Hall (15) Mrhoshweni shearing shed – construction (16) Mrhoshweni wind mill (17) M mill rhoshweni pay point	(2) Chibimi clinic (3) Chibini community hall (4) Mrhoshweni wind mill	• Sport Field – Dordrecht • Clinics - Kalfontein & Mroshweni villages	
15	(1) Construction and maintenance of Sport Fields (2) Street Lighting (3) Paving of Mavuya Streets (4) Community Hall: Mavuya (5) Multi-Purpose Centre: Mavuya (6) Brick making (7) Side drains (8) Naming of streets (9) Agricultural village (10) Irrigation schemes (11) Fresh produce market (12) Brick making project (13) Network tower – Cell phone, television	The following areas are from Sakhisizwe Municipality and will form part of ward 15 and those areas are Luphaphasi, Thembelihle, Emaqwathini, and Gugwini and they are coming with these priorities: (1) Electricity (2) Roads, (3) Job Construction and (4) Farm Roads.	• Construction and maintenance of Sport Fields	
16	(1) Water - Upper and lower Mgwalana (2) Access Roads – all villages (3) Fencing (4) Street lights (5) Maintenance of sport fields (6) Brick making (7) Tarring of Road – Indwe to Indwe Port (8) Revitalization of Indwe hospital (9) Network tower – Mzamo Township, Maqwathini, Guba and Cegceyane (10) Storm water upgrade – Vukani (11) Improving refuse removal	Priorities from ward 14: (1) Electricity extension at Nkenkulu Village (2) Chibini Clinic (3) Chibini Community Hall (4) Mrhoshweni wind	• Water - Upper and lower Mgwalana • Access Roads – all villages	

	(12) Fencing – Vukani Project (13) Shopping mall (14) Community hall			
17	1) Electricity & Solar power /Extensions 2) Water 3) Toilets – Maqashu 4) Access Roads 5) Community Hall – Ward Centre 6) Storm water Infrastructure – Trust 7) Alien eradication – All wards 8) Anti-erosion walls / Land care project 9) Sport fields 10) Dipping tank – Ngcuka 11) Farming projects 12) Quarry Excavation 13) Mobile Clinic 14) Tractors 15) Fencing of farming fields and grazing land 16) Arts and Culture Centre 17) RDP Houses	*Some of Ward 17 priorities will move to ward 2 and 3. Priority 6 will be moving to Ward 3 and Priority 10 staying in Ward 17.* Priorities from ward 3 (1) Storm Water Management (2) Land Care Management (3) Access roads and electricity (4) Lapesi Eradication: Hala 1&2, Lawini, Maqhubela (5) Shearing Sheds: Ntlalontle, Zingqolweni, Maqubela (6) Clinic: Zingqolweni, Maqhubela, Qaqeni (7) Preschool: Hala 1, Maqhubeni, Greyspan, Qaqeni, Zingqolweni (8) Fencing: All villages (to fence cemeteries and arable land) (9) Stock Dams – Greyspan (10) Electricity	0. Water 1. Toilets – Maqhashu 2. Access Roads	



CHAPTER 7
SPATIAL DEVELOPMENT FRAMEWORK

CHAPTER 7

SPATIAL DEVELOPMENT FRAMEWORK

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 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 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 and 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*
• 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	• *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*

STRENGTHS (Internal)	*IMPLICATIONS*
past sectors of activity in the town (e.g. dairy/cheese manufacturing)	*Service (LOS) to residents and businesses operating there.*
• 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 is paid over to households. This figure represents around 44% of the total GVA produced in Emalahleni.	• *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 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*

WEAKNESSES (Internal)	IMPLICATIONS
	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).*
• 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 (PTOs and	• *There is a need to ensure that issues related to land tenure do not hinder*

WEAKNESSES (Internal)	IMPLICATIONS
informal land rights) in the areas falling outside the proclaimed town area of Lady Frere.	*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 role players 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 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	• *The Municipal Council and Senior Management need to understand and*

WEAKNESSES (Internal)	IMPLICATIONS
jurisdictional complexities in relation to land matters set out above.	*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 role players 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 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,	• *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*

OPPORTUNITIES (External)	*IMPLICATIONS*
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).	*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 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 role players. 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 path finding role to bring together the key role players 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 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.

<table>
<tr><th colspan="3">Identified Key Spatial Development Issue</th></tr>
<tr><td colspan="3">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).</td></tr>
<tr><th>.Key Spatial Development Objectives</th><th colspan="2">Proposed Spatial Development Strategies</th></tr>
<tr><td>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).</td><td colspan="2">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, Ndonga 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.</td></tr>
<tr><td>Principles</td><td colspan="2">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.</td></tr>
<tr><td>Policy</td><td colspan="2">To actively pursue the development of an effective road network at all levels of the road hierarchy.</td></tr>
</table>

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 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 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.	CHDM Emalahleni LM DRDLR DLGTA DEDEA	2011
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.	o 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. o Ensure compliance with the relevant procedures for environmental management in terms of NEMA.
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

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	o Identify presently un-settled land of conservation worthiness and/or agricultural potential per the Eastern Cape Biodiversity Conservation Plan. o 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.

of infrastructure networks and economic development opportunities in order to ensure a sustainable system wherein residents' basic needs can be met within available means	o 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. o 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- 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) 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 DLGTA	2012

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	d) 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 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.

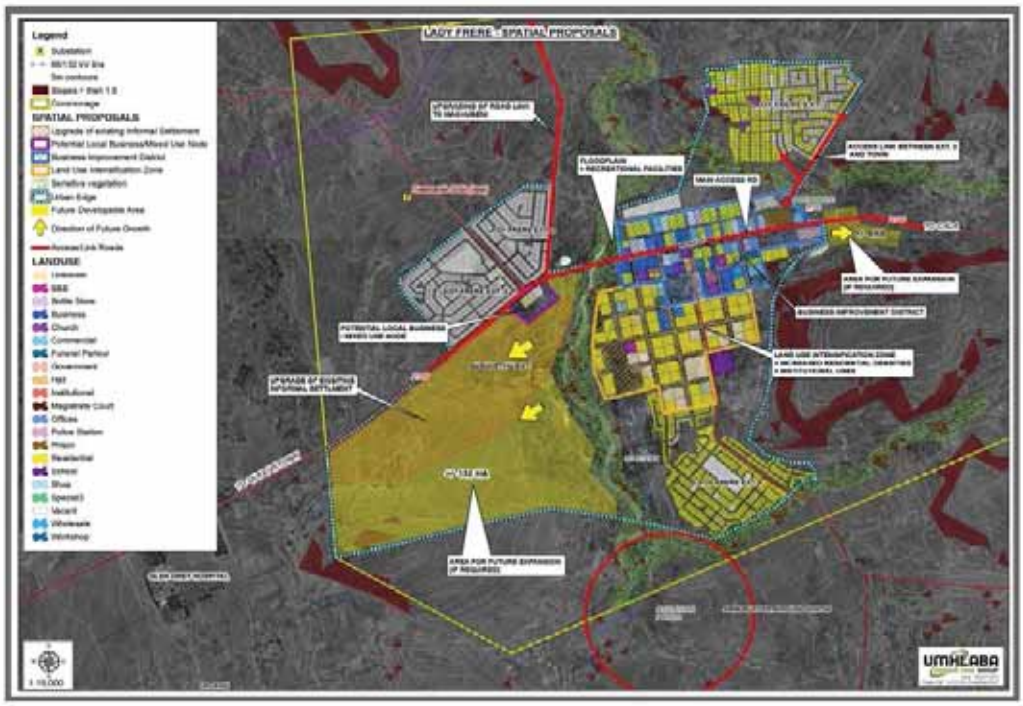
The following classes of node have been identified and/or are proposed for Emalahleni LM:

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, MACHUBENI, NDONGA, XONXA, CUMAKALA	Commercial and Social Facilities serving surrounding rural areas	☐ Basic level of service extension (Cumakala) ☐ Local planning to maximise use of resources (Vaalbank, Machubeni, Ndonga, Xonxa) ☐ Local land use schemes to be extended (Xonxa) • Linkages of towns and the market (Vaalbank, Machubeni, Ndonga)

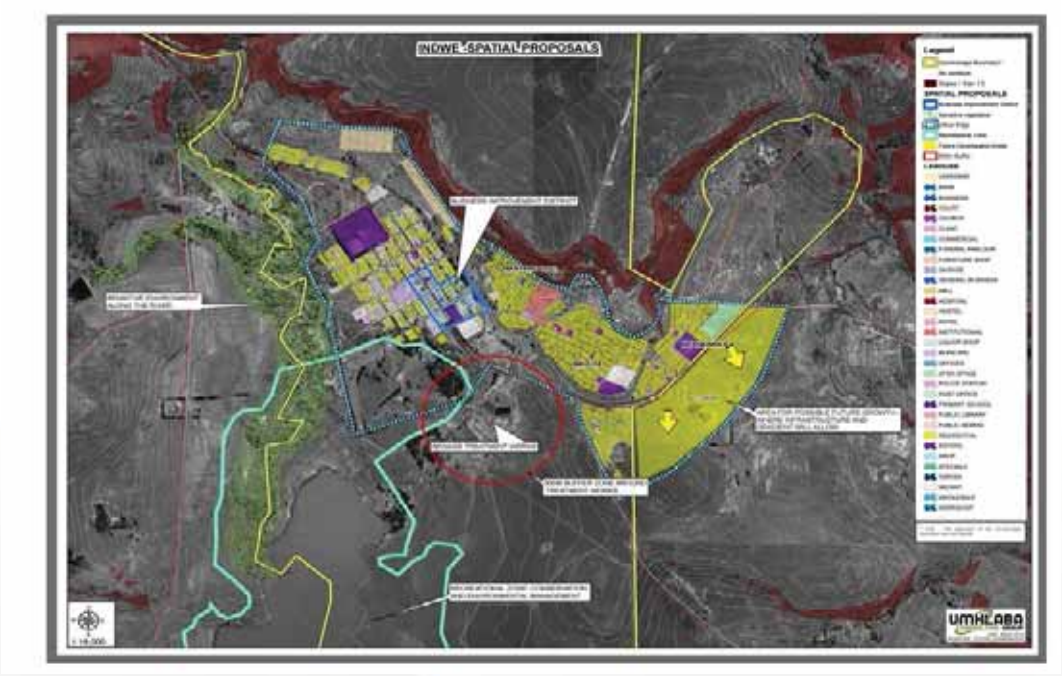
1.7.1. The Proposed Urban Edges

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.

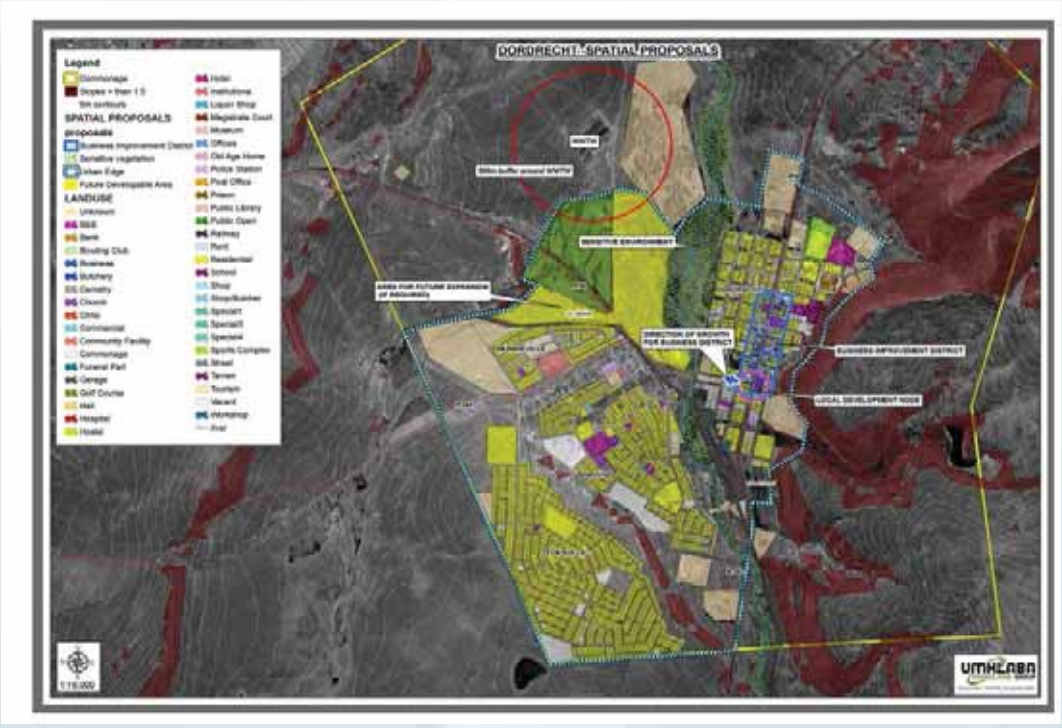
The Plans below illustrate the spatial proposals in respect of Lady Frere, Indwe and Dordrecht.


LADY FRERE - SPATIAL PROPOSALS
Legend
SPATIAL PROPOSALS
LANDUSE
FLOODPLAIN + RECREATIONAL FACILITIES
MAIN ACCESS RD
AREA FOR FUTURE EXPANSION (IF REQUIRED)
BUSINESS IMPROVEMENT DISTRICT
POTENTIAL LOCAL BUSINESS / MIXED USE NODE
UPGRADE OF EXISTING INFORMAL SETTLEMENT
LAND USE INTENSIFICATION ZONE
AREA FOR FUTURE EXPANSION (IF REQUIRED)
UMHLABA

Lady Frere Spatial Proposals



Indwe Spatial Proposals



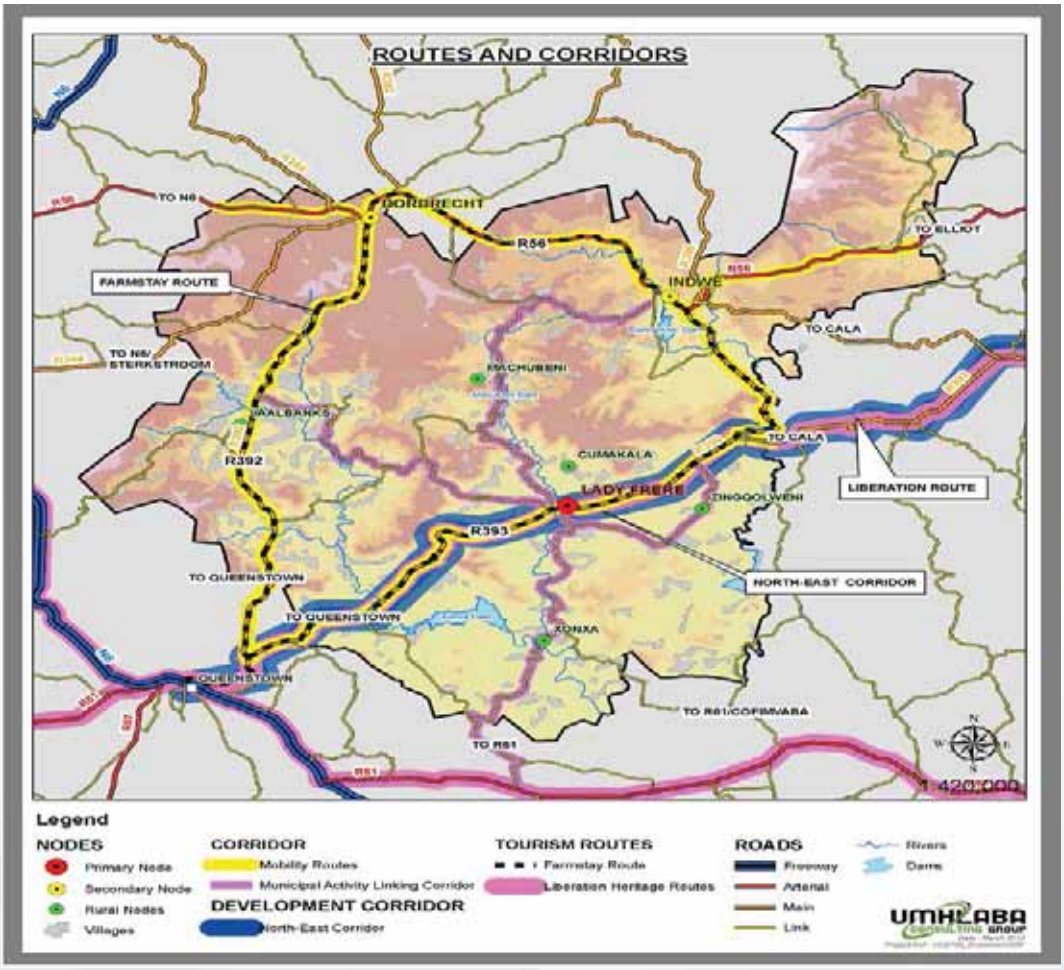
Dordrecht Spatial Proposals

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: -



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 –Ndonga	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.

1.8. AREAS OF CONSERVATION AND PROTECTION

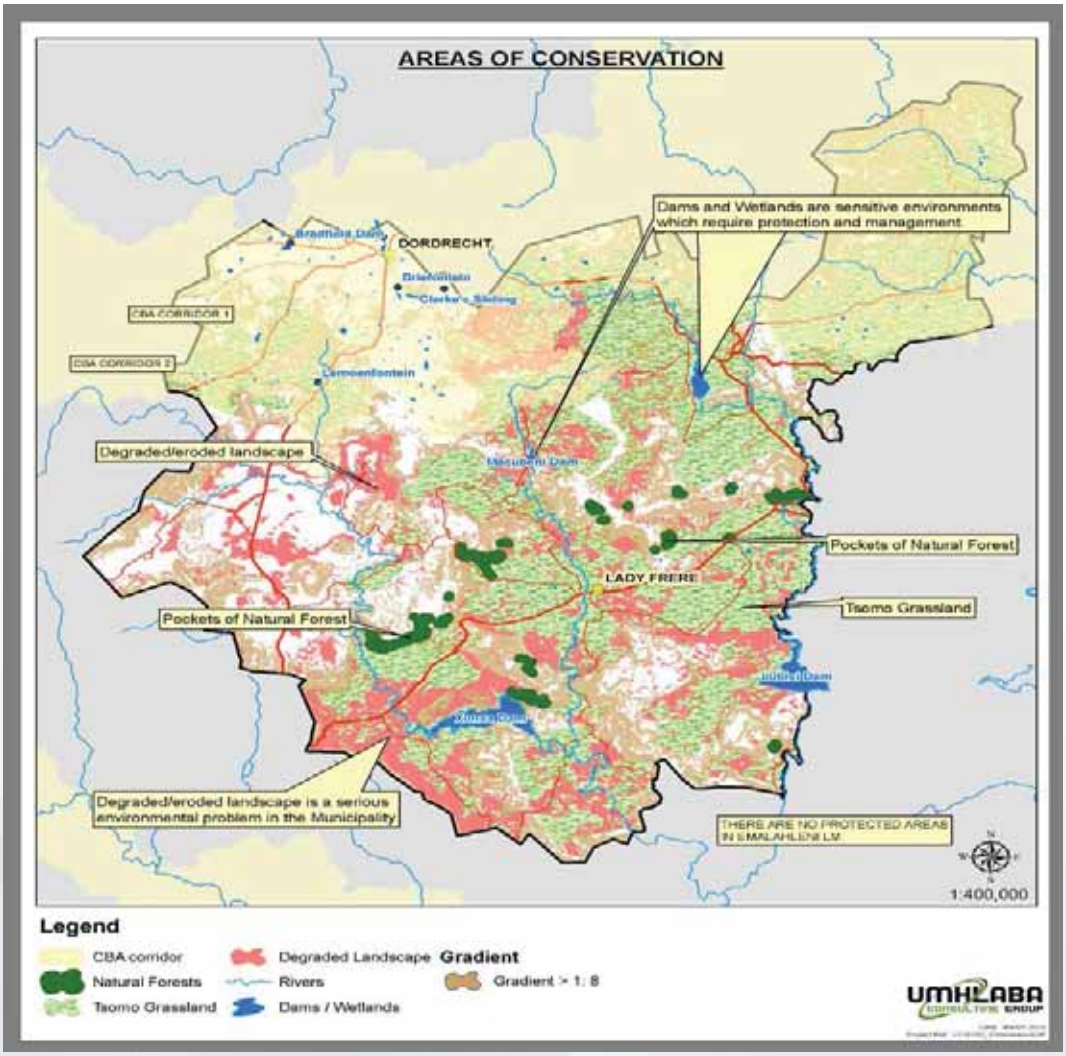
Critical Biodiversity Areas (CBAs)

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

ENVIRONMENTALLY SENSITIVE AREAS



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

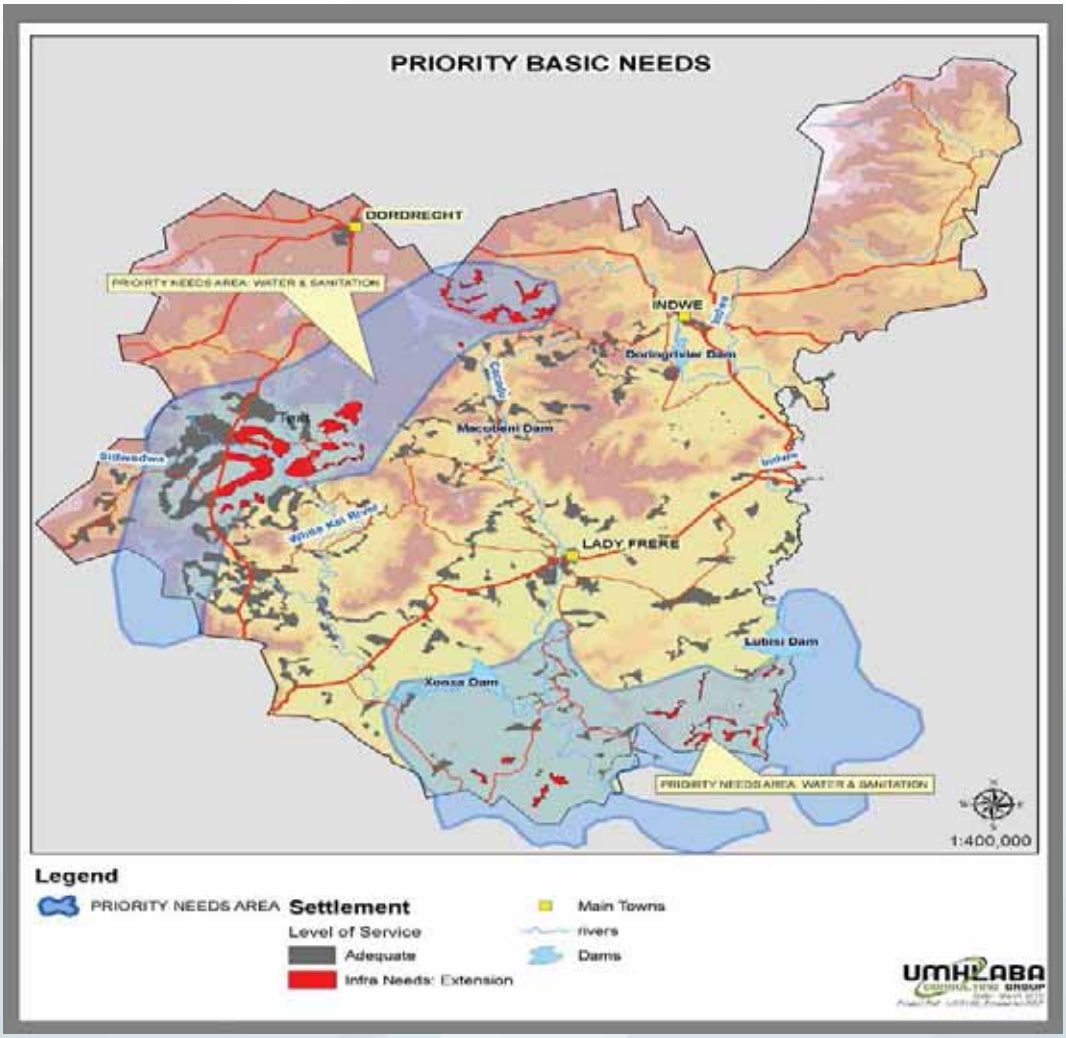
- Critical Biodiversity Areas (CBAs)
- Topography: Slopes with a gradient greater than 1:5. This is due to the ecological impacts which may result e.g. soil erosion; slope failure etc.
- Vegetation: Afromontane Forest, Specific Grassland areas (e.g. Tsomo Grassland), Areas containing Plants and Vegetation 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

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
- 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.

1.9.2. 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 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 Bengu as well as irrigation at the Guba Farms.

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

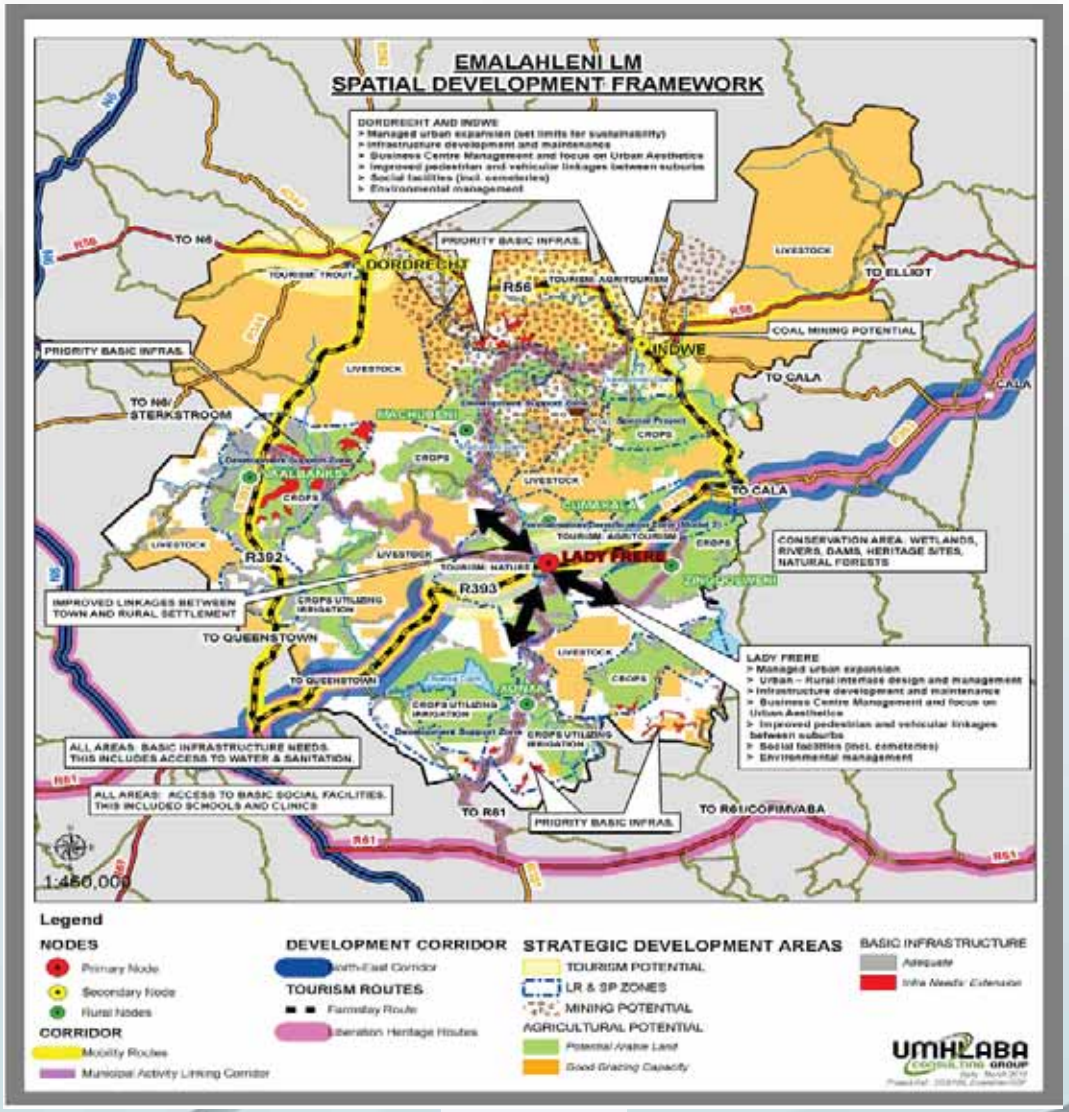
Nature-Based Tourism Products	
Glen Grey Falls near Lady Frere	Doom River Dam at Indwe
The Kloof near Dordrecht	Fly-fishing resources around Dordrecht
Cacadu River at Lady Frere	Xonxa Dam
Heritage Tourism	
Guba/Machubeni Coal Mine near Indwe	Victorian Buildings at Dordrecht
Churches in Lady Frere	Burger 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

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



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: -

a) 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).

b) 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 Lady Frere, Vaalbanks, Machubeni and Dordrecht.

c) 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 Ndonga.

d) 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 Lady Frere, Ndonga and Indwe, north-westward to Vaalbanks, to the south to Xonxa (and beyond to the R61 district distributor route) and to the east to Ndonga.

EMALAHLENI MUNICIPALITY

UNITY IN DEVELOPMENT

CHAPTER 8
HOUSING SECTOR PLAN

CHAPTER 8

HOUSING SECTOR PLAN

1. Purpose Of The Report

The purpose of this report is to update the 2011 – 2016 Housing Sector Plan (HSP) that was prepared in 2011.

Census information has been updated as well as the analysis of trends occurring in the period between 2001 and 2011. The housing demand of the municipality will thus be informed by new census 2011 figures as well as the current housing waiting list.

The current statuses of Human Settlement Projects are described as well as new planned projects in the municipality. Information that has remained relevant from the 2011 – 2016 HSP such as the housing vision, matters of alignment across significant municipal planning documents, stakeholder information and the various housing programmes for implementation of Human Settlement Projects remain largely unchanged.

2. Brief

The project terms of reference for the review of the human settlement plan report are summarized as follows (Part C.3 Scope of work Tender No. CMU11-12/13-A0240):

Develop a revised MHSP informed by the outcomes of Phase 1 (Project Feasibility Reports), see Annexure 1, taking into account relevant Human Settlements policy and legislative framework, see Annexure 2. The following activities shall be carried out:

(1) Assessing the housing situation analysis
(2) Analyzing the inter-sectoral alignment and sourcing related plans.
(3) Visiting and interacting with relevant Municipal and Departmental officials.
(4) Presenting the draft MHSP to individual Municipalities and identified relevant stakeholders fora.

Tasks 1, 2 and 3 were accomplished by visiting municipal officials on 03-12-2013, see Annexure 3: attendance registers. Task 4 was addressed by presentations at district offices attended by the relevant municipal officials.

3. Site Locality

Emalahleni Municipality is located in the Chris Hani District of the Province of the Eastern Cape.

The Municipal area covers approximately 3 840km², which, apart from the three (3) urban settlements of Lady Frere, Dordrecht and Indwe, is largely rural, with the majority of the population living in some 200 rural villages.

The seat of the Municipality is in Lady Frere approximately 50,7kms to the east of Queenstown.

4. Background

a. Purpose of a Housing Sector Plan

The main purposes of the Housing Sector Plan are as follows:

(a) Serve as a planning and measuring instrument for housing delivery.

(b) Identify both the overall quantity and quality of housing to be delivered and identify areas of strategic priority.
(c) Become need orientated and respond to the specific housing development challenges of the Municipal area.
(d) Co-ordinate and facilitate alignment between district and provincial housing strategies, policies, delivery systems and other related initiatives.
(e) Ensure the effective allocation of limited resources (specifically financial and human) to a large pool of potential development interventions.
(f) Provide a formal and practical method of prioritizing housing projects and obtaining political consensus for the sequencing of their implementation.
(g) Ensure more integrated development through bringing together the relevant cross-sectoral role players to coordinate their development interventions in one plan.
(h) Ensure that there is a definite housing focus for the IDP of Council and all other relevant sectoral plans, such as; Water Services, Disaster Management, etc.
(i) Provide greater spatial linkages between the spatial development framework (SDF) and the physical implementation of projects on the ground.
(j) Provide a critical link between integrated development planning and the practical reality of delivering housing projects on the ground.
(k) Deal with all forums – not only formal and informal, but also living spaces environments within them are situated in.
(l) Ensure effective subsidy budgeting and cash flows both at the local municipal and provincial levels.
(m) Align with the Eastern Cape Human Settlement Plan, policies as well as national legislation and policy frameworks pertaining to housing in the Republic of South Africa.
(n) Harmonise between demand and supply – different state assisted housing typologies

2. Preamble

This HSP 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 and discussions with municipal officials was undertaken to better understand the demand for housing. The study included:

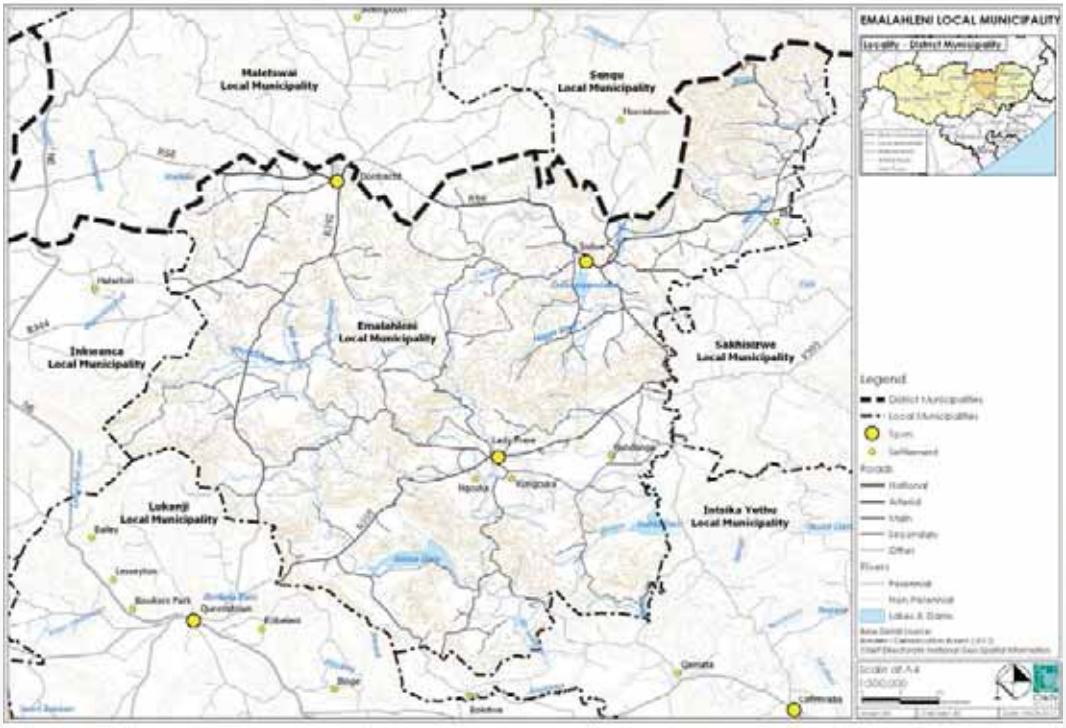
(a) An update of existing status of existing projects from the municipal officials.
(b) A review and summary of phase 1 feasibility reports.
(c) A comparison of the 2001 and 2011 census and updating the housing pipelines according to new information.

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 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.

Figure 1.1 Emalahleni Municipality



2.1 DEMOGRAPHICS (STATUS QUO)

2.1.1 Total number of population

In 2001 the total population was 115 932 people and in 2011 it was 119 460. This indicates a gradual increase taking place in the municipality. The black population remains the dominant population group in the municipality with 99% of inhabitants. The coloured, white and Asian population groups make up less than 1% of the population numbers; see Tables 2.5.4.1 and 2.5.4.2 on page 16.

2.1.2 Total number of Households

Dwelling Unit Data	Value
Number of households	26 067
Average household size	4.45
Female headed households	14 832

Table 2.1.2.1 Number of Households 2001 (Source: Census 2001)

Dwelling Unit Data	Value
Number of households	31 680
Average household size	3,77
Female headed households	17 043

Table 2.1.2.2 Number of Households 2011 (Source: Census 2011)

Tables 2.1.2.1 and 2.1.2.2 indicate the number of households in the municipality in 2001 and 2011. There has been an increase in the amount of households in the municipality.

There were 26 067 households in 2001 and 31 680 in 2011, an increase of 5 613 households. Household sizes have decreased from 4.45 in 2011 to 3.77 in 2011. This is important as it affects planning and housing need in the municipality. For instance, an increasing household size will result in a increase in housing need for the same total population need.

The numbers of women headed households have increased since 2001and make up 54% of households in the municipality, which is a very high. Women are considered to be disadvantaged and on the average earn less than men, therefore heading poorer households.

2.1.3 Types of Dwelling (Typologies)

10 894 (42%) of the households in Emalahleni lived in traditional dwellings in 2001. 12 580 (48%) lived in formal houses on a separate stand. There has been an increase of 2 753 households in 2011 in the amount of people residing in traditional dwellings and an increase of 2 696 households experienced in the number of people now residing in formal structures on separate stands.

Informal housing is not very common with only 1% and 0.2% of households living in informal dwellings in 2001 and 2011 respectively (251 households).

The number of households living in flats has increased from 1074 households in 2001 to 1323 households in 2011.

2.1.4 Employment Statistics

Tables 2.1.4.1 and 2.1.4.2 indicate the employment situation of the municipality. In 2001, 5 446 people were employed in Emalahleni. More than double the number of people was unemployed and/or looking for work or discouraged. This situation has improved over the 10 years as in 2011, 9 342 people were employed while the level of unemployment decreased to 8 070. The "Not Applicable" group includes youth and pensioners who are unable to work and thus dependency rate is very high in the municipality at 45%.

Employment status	Number of People	%
Employed	5 446	5
Unemployed	11 623	10
Scholar or student	19 051	16
Home-maker or housewife	5 031	4
Pensioner or retired person/too old to work	4 520	4
Unable to work due to illness or disability	3 557	3
Seasonal worker not working presently	504	0
Does not choose to work	3 824	3
Could not find work	6 668	6
Not applicable (younger than 15 and older than 65)	55 707	48
Total	115 932	100

Table 2.1.4.1 Employment 2001 (Source: Census 2001)

Employment status	Number of People	%
Employed	9342	14%
Unemployed	8070	12%
Discouraged work-seeker	6861	10%
Other not economically active	41451	63%
Total	65724	100%
		% Total
Not applicable	53736	45%
Total	119460	100%

Table 2.1.4.2 Employment 2011 (Source: Census 2011)

2.1.5 Income Brackets

Household income gives an indication of the municipality's economic growth. Some categories have seen an improvement in numbers since 2001 and some have declined in number. Fewer households have no income in 2011 than in 2001. Where in 2001 there were 8911 (34%) households with no income, there were 4803 (15%) households in 2011, a decline of 4108 households.

24 817 (95.2%) households earned an income of R0 – R3200 in 2001 and 27 561 (87%) earned between that amount in 2011. This bracket improved by only 8% in ten years. 1 088 (4.2%) households were in the middle income gap market bracket in 2001 and 3 267 (10.3%) occupied the same bracket in 2011. The middle income bracket has increased in ten years.

Annual household income	Number of Households	%
No income	8 911	34
R1 - R4 800	1 961	8
R4 801 - R 9 600	8 332	32

Annual household income	Number of Households	%
R9 601 - R 19 200	4 127	16
R19 201 - R 38 400	1 486	6
R38 401 - R 76 800	751	3
R76 801 - R153 600	337	1
R153 601 - R307 200	101	0
R307 201 - R614 400	12	0
R614 401 - R1 228 800	15	0
R1 228 801 - R2 457 600	27	0
R2 457 601 and more	6	0
Total	26 067	100

Table 2.1.5.1 Income Brackets 2001 (Source: Census 2001)

Annual household income	Number of Households	%
No income	4803	15
R 1 - R 4800	2037	6
R 4801 - R 9600	3471	11
R 9601 - R 19 600	9414	30
R 19 601 - R 38 200	7836	25
R 38 201 - R 76 400	2292	7
R 76 401 - R 153 800	975	3
R 153 801 - R 307 600	546	2
R 307 601 - R 614 400	234	1
R 614 001 - R 1 228 800	42	0
R 1 228 801 - R 2 457 600	18	0
R 2 457 601 or more	21	0
Unspecified	-	
Total	31680	100

Table 2.1.5.2 Income brackets 2011 (Source: Census 2011)

2.2 MUNICIPAL INFRASTRUCTURE

2.2.1 Households with and without access to electricity

Electricity access in the municipality is relatively high. In 2011, 24 873 (79%) had access to electricity as opposed to 12 246 (47%) in 2001, an improvement of 32%. The other 21% of households use alternative energy source for lighting as indicated in Tables 2.2.1.1 and 2.2.1.2, with the majority preferring paraffin usage.

Energy source for lighting	Number of Households	%
Electricity	12 246	47
Gas	102	0
Paraffin	9 770	37
Candles	3 775	14
Solar	42	0
Other	131	1
Total	26 067	100

Table 2.2.1.1 Source of lighting 2001 (Source: Census 2001)

Energy source for lighting	Number of Households	%
Electricity	24873	79%
Gas	81	0.3%
Paraffin	3363	11%
Candles (not a valid option)	3252	10%
Solar	48	0.2%
None	60	0.2%
Total	31680	100%

Table 2.2.1.2 Source of Lighting 2011 (Source: Census 2011)

2.2.2 Households with and without access to potable water

Table 2.2.2.1 and 2.2.2.2 indicate household access to piped water in Emalahleni municipality in 2001 and 2011. In 2001, 4 585 households had access to water within their yards and in 2011 that figure more than double to 9 276 households. 13 853 (53.1%) had access to tap water in 2001 and 29 343 (92.6%) have access in 2011.

Main water supply	Number of Households	%
Piped water inside dwelling	824	3
Piped water inside yard	3 761	14
Piped water on community stand: distance less than 200m. from dwelling	4 477	17
Piped water on community stand: distance greater than 200m. from dwelling	4 791	18
Borehole	1 293	5
Spring	2 362	9
Rain-water tank	265	1
Dam/pool/stagnant water	549	2
River/stream	7 104	27
Water vendor	174	1
Other	466	2
Total	26 067	100

Table 2.2.2.1 Access to piped water 2001 (Source: Census 2001)

Main water supply	Number of Households	%
Piped (tap) water inside dwelling/institution	2766	9%
Piped (tap) water inside yard	6510	21%
Piped (tap) water on community stand: distance less than 200m from dwelling/institution	14400	45%
Piped (tap) water on community stand: distance between 200m and 500m from dwelling/institution	3654	12%
Piped (tap) water on community stand: distance between 500m and 1000m (1km) from dwelling /institution	1395	4%
Piped (tap) water on community stand: distance greater than 1000m (1km) from dwelling/institution	618	2%
No access to piped (tap) water	2340	7%
Total	31680	100%

Table 2.2.2.2 Access to piped water 2011 (Source: Census 2011)

2.2.3 Source of Water

In 2001, 53.1% of households had access to tap water, however not necessarily from the regional water scheme, where 18 021 (57%) people accessed tap water from the regional water scheme in 2011. Rivers and dams were the most popular sources of water behind tap water in the municipality both in 2001 and 2011.

Source of Water	Number of Households	%
Piped water inside dwelling	824	3
Piped water inside yard	3 761	14
Piped water on community stand: distance less than 200m. from dwelling	4 477	17
Piped water on community stand: distance greater than 200m. from dwelling	4 791	18
Borehole	1 293	5
Spring	2 362	9
Rain-water tank	265	1
Dam/pool/stagnant water	549	2
River/stream	7 104	27
Water vendor	174	1
Other	466	2
Total	26 067	100

Source of Water	Number of Households	%
Regional/local water scheme (operated by municipality or other water services provider)	18021	57%
Borehole	3048	10%
Spring	1158	4%
Rain water tank	465	1%
Dam/pool/stagnant water	2061	7%
River/stream	3978	13%
Water vendor	357	1%
Water tanker	1695	5%
Other	903	3%
Total	31680	100%

Table 2.2.3.1 Source of water 2001 (Source: Census 2001)

Table 2.1.3.2 Source of water 2011 (Source: Census 2011)

2.2.4 Types of ablution facilities

Table 2.2.4.1 and 2.2.4.2 indicates the type of ablution facilities within households. There has been a general improvement between 2001 and 2011 in terms of ablution facilities. The number of households who have no ablution facilities at all has decreased in 10 years. Flush toilets connected to the sewerage system have increased from 988 in 2001 to 3729 in 2011. Many people now utilise ventilated pit latrines with the number increasing from 1 543 households in 2001 to 5 997 households in 2011. The majority of households however still utilise the pit toilets without ventilations, amounting to 7 719 (51.5%) in 2011.

Ablution Facilities	Number of Households	%
Flush toilet (connected to sewerage system)	988	4
Flush toilet (with septic tank)	217	1

Ablution Facilities	Number of Households	%
Chemical toilet	638	2
Pit latrine with ventilation (VIP)	1 543	6
Pit latrine without ventilation	5 953	23
Bucket latrine	1 984	8
None	14 743	57
Total	26 067	100

Table 2.2.4.1 Types of ablution 2001 (Source: Census 2001)

Ablution Facilities	Number of Households	%
None	10023	32%
Flush toilet (connected to sewerage system)	3729	12%
Flush toilet (with septic tank)	459	1%
Chemical toilet	2469	8%
Pit toilet with ventilation (VIP)	5997	19%
Pit toilet without ventilation	7719	24%
Bucket toilet	285	1%
Other	999	3%
Total	31680	100%

Table 2.2.4.2 Types of ablution 2001 (Source: Census 2011)

2.2.5 Refuse Disposal

Refuse collection is mainly focused on the main towns in the Municipality. 2825 households had their refuse collected once a week in 2001 and 2637 had their refuse collected in 2011. The majority of people however use their own refuse dumps where they burn their own refuse. 47% of households especially in the rural areas handled refuse in this way in 2001. The situation had not changed by 2011 as 64% of households remained using their own refuse dumps.

Refuse disposal	Number of Households	%
Refuse disposal		
Removed by local authority at least once a week	2 825	11
Removed by local authority less often	221	1
Communal refuse dump	467	2
Own refuse dump	12 183	47
No rubbish disposal	10 370	40
Total	26 067	100

Table 2.2.5.1 Refuse Disposal (Source: Census 2001)

Refuse disposal	Number of Households	%
Removed by local authority/private company at least once a week	2637	8%
Removed by local authority/private company less often	165	1%
Communal refuse dump	528	2%
Own refuse dump	20163	64%
No rubbish disposal	6885	22%
Other	1302	4%
Total	31680	100%

Table 2.2.5.2 Refuse Disposal 2011 (Source: Census 2011)

2.3 IDP ALIGNMENT AND SPATIAL PLANNING

It is vital that the housing sector plan is aligned with the IDOP for the municipal area.

There are two potential scenarios that exist when developing a housing sector plan:

a) Firstly the housing sector plan is developed in parallel with the IDP.
b) Secondly the housing sector plan is only developed after the IDP has been completed.

If the housing sector plan is developed after the approval of the IDP it is imperative that the information, strategies, and policy guidelines outlined in the IDP are followed. The HSP development then follows five process stages. Where significant incongruities exist it may be possible to adjust certain IDP strategies to align with housing program, through the annual IDP review process. However, it is recommended that this route should only be taken in extreme cases, which can be adequately justified.

Source: Project Preparation Trust of KZN. 2006

2.3.1 The Chris Hani District Municipality Integrated Development Plan 2012 – 2017

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

CHDM has developed a housing development plan which has identified 2 main issues with regard housing development in its Municipality.

- Skills Development

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

- Improving capacity of Local Municipalities

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

CHDM plans to commit to addressing the following issues:

- It will ensure that housing project benefit the local economy through all the housing programmes in the district.
- It will ensure that local people are the first preference in terms of employment in the housing projects.

It will ensure that building material for the projects is purchased on the local suppliers of the district. (Chris Hani District IDP, 2012 - 2017)

2.3.2 Emalahleni Integrated Development Plan (IDP) 2013/2014

The vision clearly highlights the importance of creating partnerships with our social partners, with an aim of establishing a highly effective and efficient public service institution that excels in providing basic services to its communities and creating a centre for future growth and knowledge management. Council has an understanding of our existing challenges, economic & cultural diversity and yet is determined to become the hub of efficient and effective service delivery. With an understanding of the challenges, potentials and capabilities that are existing in Emalahleni to enhance and where possible to turn around the architectural designs, planning and socio-economical limitations that were engineered and imposed on our society through the systems of the past.

(Emalahleni IDP, 2012 - 2017)

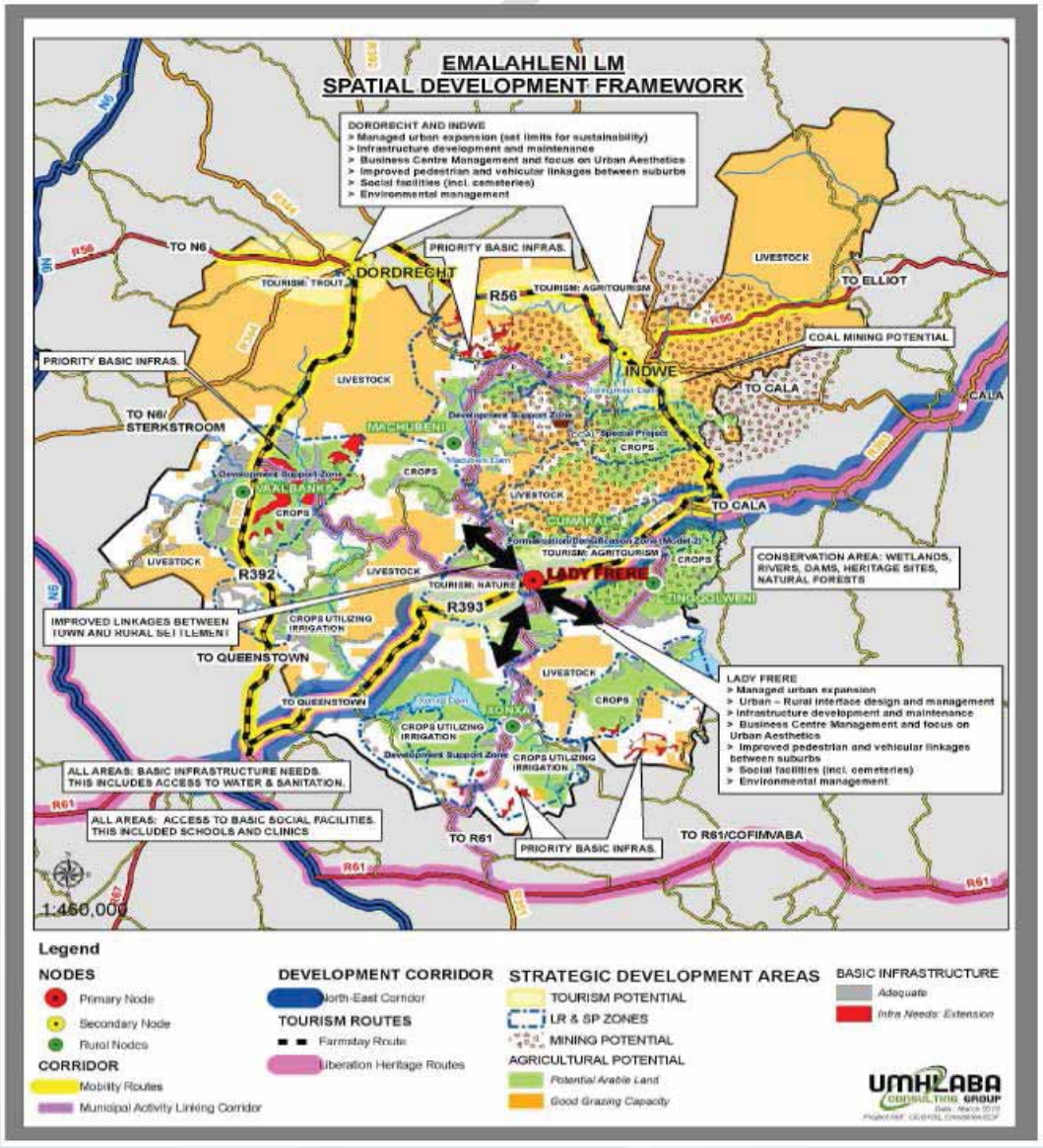
2.3.3 Emalahleni Spatial Development Framework (2010)

All housing projects prioritized and approved by council should be represented graphically in a spatial development framework for housing projects. This SDF for housing should be drawn from the existing IDP's SDF however it should indicate all current and planned projects clearly.

The representation of projects should indicate congruence both with the IDP principles and with the SDF's development strategies and vision.

Source: Project Preparation Trust of KZN, 2006

Figure 2.3.3 Emalahleni Spatial Development Framework, 2010



2.4 STAKEHOLDER SUPPORT

The housing sector plan aims to build on the stakeholder consultation process developed in the IDP. Stakeholder information drawn from the current IDP has prioritized community needs and verified the municipal wide development strategies to be implemented through the Housing Sector Plan.

Furthermore any relevant current information emerging from community meetings, ward committees and councillors, the Housing Forum (on which provincial housing officials sit), Community Based Organisation (CBO's), Non-Governmental Organisation (NGO's) should be included in the housing sector plan.

Specific community consultation is necessary as part of the project feasibility analysis if this aspect is highlighted as a key risk in the project.

A primary source of stakeholder information should be drawn from the minutes of the Housing forum, or if such a forum is not operating, the sector plan should look at strategies to re-establish such a forum. It is not necessary to re-implement the community wide consultation process carried out through the original IDP.

Once the plan has been conditionally approved by the local Municipal Council, an advert should be placed in the local media, inviting comments on the draft Housing Sector Plan from interested and affected parties.

And finally once the plan has been approved both by the Municipal Council and the Eastern Cape Department of Human Settlements, the Department should place a copy of the complete plan on its departmental website to allow easy access to the plan for all stakeholders.

Source: Project Preparation Trust of KZN, 2006

The Municipality, limited in its capacity, is reliant on partnerships both internal and external to the Municipality and it is through these relationships that it is able to deliver on its housing delivery mandate.

Therefore, in an endeavour to strengthen the relationships with the key external stakeholders, priority should be given to the formalisation of these relationships setting up by MOUs, SLAs, and partnership agreements amongst the critical stakeholders. The formalisation of key priority stakeholder relations will contribute significantly to alleviating the internal organisational weaknesses in the Municipality because there will be inter-dependency and sharing of knowledge and skills.

Stakeholder	Municipal need	Current relationship	How to influence stakeholder	Priority Level
Province - Housing	Land MIG Strategic Planning Subsidies Project packaging Project Management Capacity building	Project Management Subsidy administration	MOU to map out support and funding commitment	High
DBSA	Project Management Support	None		
SALGA – Housing unit	Project Management Support/PRT's	None		
HDA	Land identification and feasibility studies	None	Formalise request for a partnership	Medium

Stakeholder	Municipal need	Current relationship	How to influence stakeholder	Priority Level
Municipality-other departments	Town planning: Land Engineering: Services Project Pipeline Project applications	Provides land, services, technical expertise	Formalised institutional arrangements with other departments for: • Alignment of infrastructure process • Land availability and release • Project packaging and project pipeline development	High
NGO'S, CBO'S	Community engagement Social Facilitation	None	Strategic planning and support to conduct housing voice and social facilitation	Medium
Higher learning institutions, NMMU	Research agenda for strategic planning purposes	None	Create a think tank forum & demand and supply research	Medium
Private Sector: Professionals Developers Conveyances	Property packaging and development	Retainer arrangement with selected Consultants from time to time subject to funding availability	A multi-disciplinary Local Task Team of Professionals to help the Municipality	High
Construction sector, e.g. Contractors, NHBRC	Construction of projects Construction standards	Construction of projects Departmental Inspectors on building standards. Projects registered with NHBRC. Direct)	Contracts NHBRC-MOU	High
Government Departments, e.g. Public Works, Land Affairs	Infrastructure development, Land and buildings Land proposal policy direction			Medium

Table 2.4.1 Role players in Human Settlements (source: Emalahleni Housing Sector Plan, 2011)

2.4.1 Information on Stakeholder Engagements

Current support from the Province creates huge dependency rather than provide support that realises the transfer of skills to the Municipality. Reliance on professionals to plan for and deliver housing creates the same dependencies with no meaningful transfer of expertise. The ability to manage these outsourced arrangements is also absent/low with the Municipality at present.

In order to support the proposed structure above the land and project packaging and applications can be outsourced to a local professional team. Agreements with Province, NHBRC, NURCHA, and HDA must be entered into to provide support as identified in the stakeholder analysis table.

Co-operation agreements must be entered into with the NGO'S, CBO'S and higher learning institutions to support the department with its research agenda and social facilitation needs. (Emalahleni HSP, 2011)

2.5 HOUSING DEMAND ASSESSMENT

Note that the following definitions are used in this report:

- Need refers to the total requirement for housing for all income groups including the backlog as well as future growth arising from household formation as forecast from census projections or other methods.
- Demand refers to those households able to acquire housing as a result of access to subsidies, bank loans and own finance.

It is important that due to the limited number of housing subsidies per municipality, housing projects should be delivered primarily in areas where there is the greatest need.

2.5.1 Strategic Housing Vision and Goals

The overall vision of Emalahleni Municipality states as follows:

"A municipality that delivers sustainable and affordable services towards socio-economic growth and development" (Emalahleni HSP, 2011)

2.5.2 Municipal Housing Demand Database and Needs Register

The HSP 2008 identified the following housing problems in the area:

- Most of the existing housing stock in the urban centres is now becoming dilapidated due to lack of maintenance.
- Public housing stock and private rented houses are in the state of despair due to neglect by non-resident landlords, especially in Lady Frere.
- The informal and formalized informal settlements are characterized with poor conditions.
- No middle-income housing projects have been implemented since 1994 except for incomplete site-and-service schemes in Dordrecht and Lady Frere
- Lack of accurate housing statistics on housing demand and housing options
- Inadequate housing to cater for the needs of the youth who are not ready to own houses but in need of secured accommodation
- The almost irreversible settlement patterns in the rural areas pose challenges to housing supply (sprawl, extending into sensitive areas, difficulty to service, etc.)
- Over 48% of all households in Emalahleni reside in formal dwellings, 43% in traditional structures and 4% in informal structures.
- Approximately 43% of population live in a 1 or 2 roomed house and levels of homelessness represented by way of informal shack development is 4%.
- Lack of housing delivery in the rural areas, thereby putting pressure on the urban housing demand (increase rural to urban migration)
- Farm evictions in Indwe and Dordrecht area, put pressure on housing register and housing demand. (Emalahleni HSP, 2011)

The current realistic backlog according to the municipality is estimated to be 9686 units. Their distribution per area (and proposed housing projects) as at 2006 is provided below

1. Informal Settlement Upgrade Programme
    a. Lady Frere – Extension 1&2 settlement upgrade
    b. Dordrecht – Sinakho ISUP (Zwelethemba Buffer Zone PHP)
    c. Dordrecht – Sinakho ISUP (Maramastad Re-development – 151)
    d. Dordrecht – Sinakho ISUP (Nxomfu Springs Resettlement Project – 35 Subsidies)

2. Project Linked – R1701- R3500 (Stable Income Earners)
   a. Lady Frere Ext 3 – Greenfields Project Linked
   b. Lady Frere Ext 4 – Greenfields Project Linked
   c. Indwe West Gateway - Greenfields Project Linked

3. Finance linked Subsidies – R3501 – R7000 (Stable Income Earners)
   a. Lady Frere Ext 3 – Greenfields Project Linked
   b. Lady Frere Ext 4 – Greenfields Project Linked
   c. Indwe West Gateway - Greenfields Project Linked

4. Community Residential Units (Rental – Stable Income Earners)
   a. Lady Frere Ext 3 - Greenfields Project Linked
   b. Lady Frere Ext 4 - Greenfields Project Linked
   c. Indwe West Gateway - Greenfields Project Linked

5. Rural Housing Subsidies (Expanding Access to Housing Support)
   a. Zwartwater Housing Project – People's Housing Process
   b. GubaHoekAgri-Village Project (Land Restitution)
   c. Ida Farms Agri-village Project (Demand Management Project)

The housing problems in Emalahleni Municipality can be funded under the Rural Housing Subsidy Scheme which may include the following as set out in the Policy:

- Assistance to municipalities to prepare project applications including the project application, planning, land surveying, design, project management and facilitation and implementation agent's services.
- Development or upgrading of local access and internal roads and storm water drains.
- Development or upgrading of internal or local water infrastructure.
- Development or upgrading of local sanitation facilities.
- Construction of new housing structures or the repair and upgrading of existing houses.
- Purchasing of building materials where persons wish to construct, repair or upgrade their own houses.
- Housing purposes approved by the MEC which is not, or cannot be funded through other programmes of government and require funding under this Programme and will be of benefit to all beneficiaries that form part of the project.
- Instances where the houses in the aggregate are considered to be adequate, the housing subsidy may be utilised for the provision of residential engineering services or other housing purposes. (Emalahleni HSP, 2011)

2.5.3 Determination of Housing Demand

There are three main ways of determining housing demand/need within municipal areas, these are:

a) Using statistical calculations captured through the census or other relevant studies, or
b) Through the analysis of housing waiting lists, and finally
c) Through the Provincial housing demand data base.

Housing waiting lists have a number of short comings including,

a) Applicants putting their names down on more than one municipal housing waiting list,
b) Many potential beneficiaries have not placed their names on these lists,
c) The problems related to maintaining such a large waiting list.

Source: Project Preparation Trust of KZN, 2006

The currently preferred method of calculating housing demand is through the use of statistical data collected in census 2011. Census data on household income levels can be used to determine area of greatest need based on poverty levels while census data on housing typologies, which indicate the number of informal dwellings per ward, can be used to determine area of greatest need based on housing backlog.

Whilst many of the traditional dwellings offer more than adequate housing, often in idyllic settings, the reality is that many of these traditional dwellings do not provide satisfactory shelter, compounded by the absence of basic services and amenities. (Emalahleni HSP, 2011)

2.5.4 Demographic Profile

- Total population has seen 3524 more people in 2011
- Population growth rate sits at 0.3% as opposed to 1.6% estimated by 2077 community survey.
- Black Africans are the dominant population group making up 99% of the population.

Population group	Number of People	%
Black African	114 731	99
Coloured	599	1
Indian or Asian	28	0
White	575	0
Total	115 932	100

Table 2.5.4.1 Population Group 2001 (Source: Census 2011)

Population group	Number of People	%
Black African	117672	99%
Coloured	693	1%
Indian or Asian	174	0.1%
White	663	1%
Other	258	0.2%
Total	119460	100%

Table 2.5.4.2 Population Group 2011 (Source: Census 2011)

2.5.5 Housing Quality

- 12% decrease in households residing in traditional dwellings in 2011
- 10.8% increase in households residing in formal dwellings
- 4% households reside in informal shacks as opposed to 5% in 2001.
- Number of people residing in flats has doubled in 10 years from 665 to 1323 people in 2011.
-

Type of dwelling	Number of Households	%
House or brick structure on a separate stand or yard	12 580	48
Traditional dwelling/hut/structure made of traditional materials	10 894	42
Flat in block of flats	1 074	4
Town/cluster/semi=detached house (simplex; duplex; triplex)	90	0
House/flat/room in back yard	566	2
Informal dwelling/shack in back yard	173	1
Informal dwelling/shack NOT in back yard	221	1
Room/flatlet not in back yard but on shared property	200	1
Caravan or tent	6	0
Private ship/boat	6	0
Not applicable (institution)	-	

Type of dwelling	Number of Households	%
Not applicable (living quarters is not housing unit)	258	1
Total	26 067	100

Table 2.5.5.1 Types of dwelling 2001 (Source: Census 2001)

Type of dwelling	Number of Households	%
House or brick/concrete block structure on a separate stand or yard or on a farm	15276	48%
Traditional dwelling/hut/structure made of traditional materials	13647	43%
Flat or apartment in a block of flats	1323	4%
Cluster house in complex	180	1%
Townhouse (semi-detached house in a complex)	72	0.2%
Semi-detached house	114	0.4%
House/flat/room in backyard	759	2%
Informal dwelling (shack; in backyard)	78	0.2%
Informal dwelling (shack; not in backyard; e.g. in an informal/squatter settlement or on a farm)	75	0.2%
Room/flatlet on a property or larger dwelling/servants quarters/granny flat	51	0.2%
Caravan/tent	6	0.02%
Other	99	0.3%
Total	31680	100%

Table 2.5.5.2 Types of dwelling 2001 (Source: Census 2011)

2.5.6 Informal Housing

The presence of 759 households presently residing in “informal” flats and / or rooms in backyards suggests there could be a demand for rental accommodation provision in the urban areas of the municipality.

The 153 households that presently reside in informal settlements clearly indicate a demand for informal settlement upgrade or rental housing (in cased where occupants of shacks are using the shack as temporary accommodation as opposed to being homeless). (Emalahleni HSP, 2011)

2.5.7 Analysis of the Housing Need

a) 56 541 of the population is under the age of 20, with more females than males.
b) 51 779 of the population has only primary school level education or less, with 12 674 having no education.
c) 46% of the population receive social grants
d) 41 451 (35%) people are not economically active.

From the above socio economic and demographic assessment, the following can be concluded:

- Around 14 733 households in Emalahleni presently live within rural, rental, or informal structures and earn below R6 400.00 per month per household. It is realistic to assume that this represents an indication of the number of households that are eligible (from an income perspective) for a housing grant in terms of that available housing delivery instruments. This leaves potential for investigating the use of FLISP in smaller towns to cover the demand for steady income earners between R3500 and R7500.
- Of the above total 13 770 (93.4%) earn below R3 200.00 per month, representing the number of households that qualify for the full subsidy amount.
- 13 647 (43%) households reside in traditional dwellings.
- Aside from the indication that urbanisation is occurring, the urban centre of Cofimvaba also appears to be providing “a space” for temporary residents, as indicated by the apparently increasing number of rental accommodation uses

in the form of rental rooms and "flats".

- For the purpose of the HSP responding to housing demand, is important to differentiate between housing demand in terms of the following:
  - Informal Settlement (free standing informal dwellings within the urban environment)
  - Informal Dwelling Structures (informal dwelling structures erected on formal erven) – "Backyard Shacks"
  - Rural Settlement which contain "Traditional Dwellings" and possibly informal dwellings
  - Rental rooms on formal erven
- There are 306 child headed households in Emalahleni. (Emalahleni HSP, 2011)

INSTRUMENTS	OUTCOME 8 TARGETS			OTHER
	RURAL	SOCIAL AND RENTAL	INFORMAL SETTLEMENT STRUCTURES	CHILD HEADED HOUSEHOLDS
	13 647	2139	153	306
RURAL HOUSING	X			
SOCIAL AND RENTAL		X		
INCREMENTAL			X	
FINANCIAL			X	

Table 2.5.6.1 Housing Need

2.5.8 Current Subsidy Applications and Waiting Lists

Waiting lists are still to be provided and verified by the Department of Human Settlements.
New projects are planned for the municipality, allocating 2400 provisional subsidies.

2.5.9 Shortcomings and Challenges

Currently the primary focus areas for the Chris Hani District Municipality (CHDM) are the eradication of water services and sanitation backlogs. Housing delivery does not seem to be a priority partly due to the fact that its main driver is the Department of Human Settlement. The District Municipality serves to co-ordinate and facilitate the process but does not undertake housing delivery.

The District Municipality have inadequate an outdated municipal infrastructure investment strategy, with the result that it is failing to deliver services at the rate that is required leading to the current municipal services delivery crisis, and all indications are that the crisis is worsening as illustrated by delays in the eradication of backlogs; inadequate maintenance, reliance on a set of unsustainable services standards, as municipalities are becoming less and less able to sustain existing infrastructure; increasing failure to collect revenue, and inadequate or poor prioritisation of projects. This makes it difficult for the District to prioritise housing delivery before addressing these key challenges. (Emalahleni HSP, 2011)

2.6 LAND IDENTIFICATION

2.6.1 Spatial Form

Emalahleni Municipality comprises the following urban settlements:

TOWN NAME	TOWN NAME
Primary Node	Lady Frere
Secondary Nodes	Dordrecht
	Indwe
Rural Nodes	Vaalbanks

TOWN NAME	TOWN NAME
	Cumakala
	Ndonga
	Xonxa

The Urban Settlements are surrounded by over 137 settlements with a population of at least 500 people per settlement.

2.6.2 General Principles for Land Development

As an initial point of departure the general principles for land development, as laid out in the Development Facilitation Act No 1526, 1995 [Section 3 (1)], will be followed. Key relevant principles are as follows (All DFA land principles are presented in Appendix 2):

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;
- promote the availability of residential and employment opportunities in close proximity to or integrated with each other;
- optimize the use of existing resources, including such resources relating to agriculture, land, minerals, bulk infrastructure, roads, transportation and social facilities;
- 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.

Source: Project Preparation Trust of KZN. 2006

IDP Objective	KPA indicator of performance	Annual target	Evidence Required	Baseline
Urban efficiency / Manage, control and maintain all municipal assets : manage land, land disposal & land acquisition issues	Submit a list of encroachment penalties to the Financial Services Department	Identification of illegal encroachers in all Wards.	List of encroachment penalties / Proof of receipt from Financial Services Department.	Encroachment inspections done /penalties applied / control over revenue in this respect to be formalized & documentary evidence required

Members of communities affected by land development should actively participate in the process of land development.

Policy, administrative practice and laws should promote sustainable land development at the required scale in that they should:

- promote land development which is within the fiscal, institutional and administrative means of the Republic;
- promote the establishment of viable communities;
- promote sustained protection of the environment;
- meet the basic needs of all citizens in an affordable way; and
- ensure the safe utilisation of land by taking into consideration factors, such as; geological formations and hazardous undermined areas.

Policy, administrative practice and laws should promote speedy land development.

Land development should result in security of tenure, provide for the widest possible range of tenure alternatives, including individual and communal tenure, and in cases where land development takes the form of upgrading an existing settlement, not deprive beneficial occupiers of homes or land or, where it is necessary for land or homes occupied by them to be utilised for other purposes, their interests in such land or homes should be reasonably accommodated in some other manner.

Source: Project Preparation Trust of KZN, 2006

The Prevention of Illegal Eviction from and Unlawful Occupation of Land Act (No. 19 of 1998) offers further protection to existing housing arrangements by stipulating the circumstances under which evictions by both private persons and the state may occur. It calls for specific consideration of the needs and rights of "the elderly, children, disabled persons and households headed by women" (section 4(6) and 4(7)). (Emalahleni HSP, 2011)

2.6.3 Land Reform Programme and Settlement Planning

The overall goal of the South African land reform programme is to redistribute land, rights and economic benefits of land to disadvantaged sections of society. The programme is implemented under three components: restitution, redistribution and tenure reform.

For generations access to land in South Africa has been based on inequality which has evolved through colonisation and thereafter entrenched during the decades following the passing of the 1913 Natives Land Act. This infamous Act, and a number of subsequent laws, restricted black people's access to land and the agricultural economy, resulting in only 13% of the country's land belonging to this majority.

Source: Project Preparation Trust of KZN, 2006

South Africa's land reform programme has three pillars:

- Restitution, which seeks to restore land ownership or compensate those forced off land during white rule;
- Redistribution, of mainly agricultural land, to redress the discriminatory colonial and apartheid policies by providing the disadvantaged and poor with access to land; and
- Land tenure reform, which seeks to secure tenure for all South Africans, especially the more vulnerable such as farm labour tenants

Source: Project Preparation Trust of KZN, 2006

2.6.4 Land Ownership and Supply

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. (Emalahleni HSP, 2011)

2.6.5 Land Identification Process

> Suitably located land identified through this process can then be further audited through the Department of Human Settlement's Land Administration component. Depending on the time frames this land evaluation process can either be carried out as part of the Housing Sector Plan or as a separate project originating from the plan for future development opportunity identification. The principles for land development have to be considered when identifying land for development.
>
> Source: Project Preparation Trust of KZN, 2006

The SDF 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. (Emalahleni HSP, 2011)

2.6.5.1 Land Requirements for future development

The 2011 HSP review states that the total area 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. 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. (Emalahleni HSP, 2011)

Land demand for housing development

INDWE OWNERSHIP	HECTARES
LADY FRERE	152
INDWE	58
DORDERECHT	45

2.6.6 Project Management

> The following ought to be addressed:
>
> - Who is the current project manager/implementing agent?
> - Does the project manager have sufficient capacity and experience to implement the project?
> - Obtain the project budget, determine if this is up to date and realistic.
> - Obtain the project program, determine if this is up to date and realistic.
> - Has a suitable professional team been appointed?
> - Are there any specific project management issues which need attention?
> - Based on assessment of the information provided, K&T will identify whether or not there appeared to be any material barriers to the proposed development, from a project management perspective, what the barriers are, the viability of overcoming them, and if possible provide a way forward for their resolution.
>
> Source: Project Preparation Trust of KZN, 2006

2.6.6 Municipal Capacity and Housing Delivery Mechanisms

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 number of officers allocated for housing has not been indicated in the organogram but it emerged that the housing section is operating under reduced capacity and urgently requires assistance if the housing delivery function of the Municipality is to be effective. The Directorate for Land and Housing is responsible for managing housing delivery within Emalahleni Municipality. (Emalahleni HSP, 2011)

2.6.7 Land

2.6.7.1 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.

2.6.7.2 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. (Emalahleni HSP, 2011)

2.6.7 Environmental

The following need to be determined:

- Has an environmental scoping report being compiled?
- Is there a requirement for an Environmental Impact Assessment (EIA)?
- Based on assessment of the reports provided, it should be identified whether or not there appear to be any material barriers to the proposed development from an environmental impact perspective, what the barriers are, and the viability of overcoming them, and if possible provide a way forward for their resolution.

Source: Project Preparation Trust of KZN, 2006

- There are a number of sensitive environments such as Dams and Wetlands, which require protection and management.
- Only Dordrecht has an approved solid waste land lift site. Solid waste needs to be managed properly.
- There are a number of heritage sites which require protection and management
- Soil erosion is a big problem in Emalahleni Local Municipality and will require massive effort to address the root cause of overgrazing to prevent soil erosion as well as the rehabilitation of existing dongas. (Emalahleni IDP, 2013/14)

2.6.8 Social

2.6.8.1 Health

There are currently 35 medical & primary health care facilities in the Emalahleni municipality. Of these 32 are clinics and 3 are hospitals located in Lady Frere and Dordrecht.

2.6.8.2 Education

Most of the education institutions in the municipality cater for lower level schooling from grade nil up to grade 12. There are also facilities that offer tertiary education in the form of FTE colleges like Mt Athur for example.

There are approximately 184 schools servicing our municipality. The main challenges raised by participants in the IDP process relate to issues of:

- 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 (Emalahleni IDP, 2013/14)

The following need to be determined:

- Has a Socio-Survey been carried out in the project area?
- Based on information collected from the Socio-Survey, have the beneficiaries been correctly matched with the eligibility requirements of the subsidy route they are taking?
- Have the CBPs been educated on the housing process, project cycle, timeframes, risks of project failure, roles & responsibilities of various parties?
- Confirm key stakeholder commitment to the projects implementation
- Does the project have a signed social compact agreement?

Based on assessment of the reports provided, it should be identified whether or not there appeared to be any material barriers to the proposed development from a social perspective, what the barriers are, the viability of overcoming them, and if possible provide a way forward for their resolution.

Source: Project Preparation Trust of KZN, 2006

2.6.8.3 Recreational and Community Facilities

The following social facility projects have been proposed:

✓ Revival of Indwe and Dordrecht Parks
✓ Construction of 2 libraries in ward 2 and 4
✓ Establishment of a park in Lady Frere and recreational facilities.
✓ Fencing of new cemeteries in ward 4 and 15. (Emalahleni IDP, 2013/14)

2.6.9 Bulk Services

Based on the preliminary engineering design and cost report, or the bulk services report the following have to be determined:

- Adequacy of existing bulk services
- Estimates for additional bulks that may be required (water, sewer, road, storm water /culverts, electricity).
- Availability of written confirmation from the relevant authority as to confirm adequacy of bulks to meet the needs of the proposed project.
- Has the requirement for additional bulks been factored into the overall MIG funding for the area?

Based on assessment of the reports provided, it has to be identified whether or not there appear to be any material barriers to the proposed development from a bulk services perspective, what the barriers are, and the viability of overcoming them, and if possible provide a way forward for their resolution.

2.6.10 Geotechnical

Based on the geotechnical report for the project area determined, the implications of geotechnical conditions for development need to be indicated, specifically with reference to roads, storm water control, cut & fill, platforms and founding conditions.

Based on assessment of the reports provided, it should be identified whether or not there appear to be any material barriers to the proposed development from a geotechnical perspective, what the barriers are, and the viability of overcoming them, and if possible provide a way forward for their resolution

Source: Project Preparation Trust of KZN, 2006

Preliminary and Phase 1 geotechnical site investigations are required to obtain a more accurate evaluation of the development potential of each site, but the initial indications are that the geology is suitable for further development of these

areas. Some potential geotechnical constraints have been identified for further investigation which may have an impact on the extent of the developable land and/or the development costs.

The recommended typical foundations for subsidy housing are conventional strip foundations or light rafts to cater for variations in soil profile and minor soil movements.

On sloping terrain, some earthworks and retaining walls may be required to create level platforms for houses and this can have significant cost implications. Foundations should be placed on well compacted natural soil, engineered fill or rock. Founding conditions will have to be inspected by the engineer to confirm suitable soil conditions with adequate bearing capacity and to check for any seepage or groundwater problems.

In terms of the geotechnical information available, the proposed housing projects appear to be feasible and planning should proceed with further investigations on individual sites. (Outeniqua Geotechnical Services cc, 2013)

2.6.11 Planning Issues

Note: Information required in the planning and engineering sections outlined below would usually only be available in projects that are either in a very advanced packaging phase or projects which have already have been approved by the ECDoHS.

The following tasks need to be addressed:

- Obtain a preliminary layout plan/settlement plan and/or planning report for the project(s).

Based on assessment of the layout and report(s) provided, there needs to be an identification of whether or not there appear to be any material barriers to the proposed development from a planning perspective, what the barriers are, and the viability of overcoming them, and if possible provide a way forward for their resolution.

Source: Project Preparation Trust of KZN, 2006

2.6.12 Engineering Design and Costs

- Obtain a preliminary engineering layout plan and design and cost report or budget for the project(s).
- Based on assessment of the budget and design report provided, identify whether or not there appear to be any material barriers to the proposed development from an engineering perspective, what the barriers are, and the viability of overcoming them, and if possible provide a way forward for their resolution.

Summarize the above evaluation of all the projects with specific references to any blockages, providing strategies to resolve these blockages and thereby fast track the projects implementation.

Source: Project Preparation Trust of KZN, 2006

2.7 SUMMARY

Table 2.7.1 indicates that the population has increased from 2001 to 2011.

Section 2.5.5 and 2.5.6 indicated approximately 153 households in informal dwellings according to the 2011 census.

Population			
Town	2001	2011	% (10 yrs)
			2001-2011
Emalahleni	115 932	119 460	3.04

Table 2.7.1 Emalahleni population

Table 2.7.2 indicates that there is likely to be an increase in households should the trend between 2001 and 2011 continue to 2021. It suggests that if growth rates continue for the next 10 years like they did for the past decade, another approximately 6 820 households can be expected that require housing in all income groups. To this can be added the backlog of approximately 153 dwelling units. It is interesting to see that the growth rate in households was significantly higher than that of the population.

Households				Backlog/	
HH Size	2011	% (10 yrs)	Add HHs	Waiting list	Total
		2001-2011	2011-2021	HH	2021
			all incomes	BNG, GAP	
3.77	31 680	21.53	6 820	153	6 973

Table 2.7.2 Housing Need 2011-2021

Table 2.7.3 compares the housing need against the housing demand in Emalahleni municipality. In this case demand is represented by the number of available subsidies. The housing need, as indicated by the census 2011 informal dwelling count, was compared against the number of subsidies provisionally allocated and suggests that there might be a surplus in provisional housing subsidies.

Need vs Demand		
Measure	No.	Comments
Informal Dwellings (Census 2011) (Need)	153	
Provisional Subsidies (Demand)	2400	
Waiting Lists Verified	Awaited	
Waiting Lists unverified	Awaited	
Subsidy/ Deficit: Subsidies	2247	

Table 2.7.3 Comparison of need, demand and verified waiting lists

Because waiting lists have not been received, it is difficult to comment as to whether the provisional subsidies exceed the need. It should be noted that the waiting list will increase when the municipality provides more lists.

Table 2.7.4 indicates the land requirements at different densities including an urban density and typical rural density. It is not clear what proportion of the need is urban or rural.

Land Requirements					
density	ha	density	ha	SDF	surplus/
25/du		3/du		land	deficit
(240m^2)		(2000m^2)		proposed	
25	279	3	2328	Not Specified	-

Table 2.7.4 Land Requirements

3.1 PROJECTS: CURRENT, PLANNED & PRIORITY

3.1.1 Project Planning

It is important to note that the process of project planning is an incremental approach that is limited by the availability of resources. The key resources, which limit a municipality's ability to implement projects include the financial resources (Housing Subsidies, MIG Bulk Services funding and municipal funding to employ human capacity etc.) and human resources (skilled and competent municipal and professional capacity). It is therefore critical that these limited resources are effectively managed to maximise their efficiency. For this reason the ideal approach to project planning and selection includes the establishment of practical and realistic housing delivery goals and targets for projects.

This process enables a municipality to focus its limited resources more effectively, thereby enabling it to concentrate on a smaller number of housing projects with a greater possibility of successful implementation. Furthermore it is the responsibility of the local municipality (through the housing sector plan) to effectively balance its selection of projects (i.e. the mix between rural and urban housing, slums clearance and credit linked housing, special needs, social and project linked housing etc.)

The Engineering Services Section is responsible for housing in Emalahleni. The organisational structure has 1 post for a Housing Officer which is presently filled. The balance of functions are either contracted to service providers or managed by the Province.

The mandate is partially fulfilled as follows:

KEY AREA	CAPACITY
Development of housing sector plan	Outsourced
Demand database	Housing officer
Land release	Town planning
Land packaging	Outsourced: professionals
Project packaging	Outsourced: professionals
Project development	Outsourced: contractors
Housing administration	Housing and admin officer
Project management	Province

3.1.2 Appropriate Organisation Structure to Meet the Mandate as well as the Planned Delivery

The Housing Manager will be responsible for strategic planning, performance management, contract management, stakeholder and governmental relations (IGR).

The technical person will be responsible for land and project packaging and project development and management and most importantly to generate and track the project pipeline. The administrator will be responsible for the housing demand, beneficiary and community management housing finance and administration.

3.1.3 Strategic Housing Goals

The Housing Unit's Strategic Priorities include scaling up of the delivery of subsidised housing to meet the demand through:

3.1.3.1 Project Development and Management, by:

a) Packaging projects in terms of top structure, undertaking procurement of contractors and initiating project construction.
b) Undertaking project management of all current running projects in order to ensure good quality and timely completion.
c) Continuing to roll out existing projects and ensuring that financing and systems are in place to initiate new priority projects, including those within the ISRHDP strategy.
d) Having a dedicated programme to close out blocked projects.
e) Programming the rectification needs of the current projects.

3.1.3.2 Project Pipeline, by:

a) Integrating the existing information on delivered, planned, in implementation and blocked projects into a single project pipeline database with system for regular updating.
b) Planning projects that are aligned with the provincial housing sustainability criteria.
c) Submitting new projects to the Province for funding approval and technical support.

3.1.4 Project Classification

A critical requirement for the HSP is the evaluation of the technical and social feasibility of all the current and planned projects. Current projects by definition have gone through a lengthy feasibility analysis. Therefore the project should have been evaluated at the conditional approval stage and thereafter at the full project feasibility approval stage, before the project agreement is signed by the MEC.

However while many of these projects may be deep into implementation and others may have only recently had project agreements signed, there may still be outstanding project risks which have not been adequately resolved, or issues that have surfaced through the implementation process.

When developing the housing sector plan, it is useful to distinguish between projects at the following four stages of development, since they require slightly different treatment in terms of the way that they are assessed and accommodated within the plan.
Stage 1:
Projects which have only recently been identified, and will therefore have only limited project information available.
Stage 2:
Projects which are under preparation/packaging, and will therefore have varying amounts of information available arising from the feasibility work being undertaken.
Stage 3:
Projects in which the preparation/packaging phase has been completed, however the project has not been approved by the Department of Human Settlements (full project information should be available).
Stage 4:
Projects which have already been approved and are in the detailed design or construction implementation phase (full project information should be available).

Projects in stages three and four should have all the relevant project information required in the housing plan evaluation process, whereas projects in stage one and two will have less information available, and in some cases, very little.

Notwithstanding these differences, project should not automatically be jeopardised in the prioritisation process, due to a lack of available information. The reason for this is that in some cases there will be projects in which the

packaging phase has been completed or is well advanced, however some key project risks may still not have been eliminated. These projects should not block the implementation of other projects, with less available information, which may be feasible, and therefore prove more successful in the long run.

3.1.4 Projects: Delivered

3.1.5 Projects: Current

The section consists of details (project type, project name, number of sites/beneficiaries, project status, etc.) concerning current and planned housing projects in the municipal area.

3.1.5.1 Current Housing Projects

Refer to Chapter 13 for a list of department's overall project list for the Emalahleni Municipality.

3.1.7 Projects: Priority (Outcome 8, Social or Rental, Child Headed, etc.)

The prioritised projects do not provide clear information on the response to the Outcome 8 targets. The priorities also do not make mention of Social or Rental Housing in the Municipality.

3.2 INTEGRATION

Integration of all the relevant sector department delivery programs should be achieved through an effective HSP. The Plan should summarise all relevant infrastructure development plans and then match them with the proposed multiple housing project delivery plan.

It is the responsibility of the service provider (or Municipal Official if the HSP is completed internally), with the assistance of the Municipal Housing Official, to collect all of the relevant sector plans and other relevant information in the IDP to ensure that the proposed housing delivery program matches the delivery of the other relevant sector department interventions. While infrastructural development requirements are of primary importance, alignment of other sector departments such as health and education, etc. should not be ignored.

The HSP should also be instrumental in detailing an institutional framework for housing delivery in the Municipality, which has as its core function the integration of relevant governmental sectors (e.g. Water, Roads, Sewer, Electricity, Health, Education etc.) at a project level during implementation. It should be noted that whilst IDP's and, specifically, the HSP play an important role in co-ordinating and enabling development, additional work is required to ensure that they translate into meaningful integration at the project level.

3.2.1 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.

Among the strategic priorities is the scaling up of the delivery of subsidised housing to meet the demand through project pipeline, by:

(b) Integrating the existing information on delivered, planned, in implementation and blocked projects into a single project pipeline database with system for regular updating.
(c) Planning projects that are aligned with the provincial housing sustainability criteria.

3.2.2 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.

3.2.2.1 Housing Planning and Delivery Risk Management Matters

RISK	RISK MITIGATION
Poor information and analysis on the need and demand for proper planning.	• Undertake Housing Demand Survey / Housing Voice. • Ensure project pipeline is applied, identifying 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 issues in the communal areas.	• Follow provisions of IPILRA. • Establish partnership between DRDLR.
Lack of proper control and management of the current projects in Emalahleni.	• Obtain PRT information. • Integrate with Project Pipeline. • Ensure PRT/ DoHS officials communicate with LM.

3.2.3 Gap Analysis

The following table outlines the key gaps that require filling to substantially strengthen the possibility of an implementable strategy for this housing chapter, with a key objective of integration.

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.
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.

3.2.4 Local Economic Development and Social Infrastructure

The level of detail presently available on access to social and economic infrastructure and services is lacking. From the existing strategic planning and sector planning documents it is also not clear whether priorities and projects in these plans have been identified based on present housing programmes or priorities. It is anticipated that with improved quality of information on the housing voice and need within the municipality, other sector plans will be better informed and enabled to respond to the social, infrastructural and economic needs of the residents of the area.

3.3 PRIORITAZATION OPTIONS

The prioritisation process aims to ensure that there is the most efficient use of finances through selecting the most appropriate funding sequence for a selection of projects or programmes in a specific area. Of core importance is determining the most appropriate criteria against which project should be measured to maximise funding benefits.

Prioritization Models:
The following is a list of prioritization models as outlined by Professor Robinson (Project Preparation Trust, 2006:24-26):

- Logic of precedence model
- Kickstart model
- Hardship indices model
- Complex ranking model
- Strategic framework model

3.4 RECOMMENDED PRIORITISATION MODEL

The following model combines the best aspects of the models listed above as suggested for prioritisation of projects in housing sector plans in the Eastern Cape municipal areas.

- Firstly all projects should be broadly categorized according to the primary provincial housing prioritization objectives such as “slums clearance projects” or other ECDoHS prioritization directives.
- IDP and SDF compatibility, ensure that all projects identified are compatible with the spatial development frameworks established in the original IDP.
- Housing Need, determine relative housing and infrastructure need between communities in the municipal area Technical and Social feasibility: evaluate the current and planned projects, to determine their technical and social feasibility for implementation.
- Trigger issues (i.e. Generating LED, Agricultural development): evaluate projects to determine whether they have the potential to trigger other essential development.

Stage two of the suggested prioritisation model requires the political verification and/or potential adjustment of the prioritised projects through council's the approval process.

3.5 CASH FLOW AND PROGRAMS

A multi-year housing plan outlines a further set of developments aimed at improving the quality of strategic and performance plans, while at the same time simplifying the process further.

Once all of the projects have been identified and initially prioritized, individual programs and cash flows will be determined. Once all of the programs and cash flows are complete they should be summaries and condensed into an overall project program schedule and then into a single cash flow spreadsheet.

This spreadsheet should include the cash flow requirements (5 year time horizon) for all of the current projects in section 1 thereafter all of the planned project should be placed in section 2, the total of the two sections should then be added together to determine the municipal funding requirements for the 5 year horizon. An example the spreadsheet should indicate at least following basic information.

The financial year indicated in the cash flows should be from the 1st of July to the 31st of June. It should be noted however that this does not coincide with the National and Provincial financial years which run from the 1st April to the 31st of March each year. This overall cash flow statement and the summarized programs can then be used by the municipality as part of the housing annual work plan to all measure housing projects progress.

It is important to note that historically project managers have drastically under estimated cash flow projections. These under estimations can be attributed to a number of factors including the optimistic outlook of the project manager, pressure and urgency of delivery that drives all stakeholders and the complex nature of projects which hampers implementation. Therefore for cash flow projections to be as accurate as possible, service providers and local municipalities should be as conservative in their estimations.

3.6 DETAILED STRATEGIC PROGRAMMES

3.6.1 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							

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 on disaster 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	
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.	

Deliverable	Key activity	Timeframe					Responsibility	Cost
		12	13	14	15	16		
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 budget and MTEF.	From the workshop contributions finalise the strategy but link with available resource streams.		Jan				Selected team.	
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	

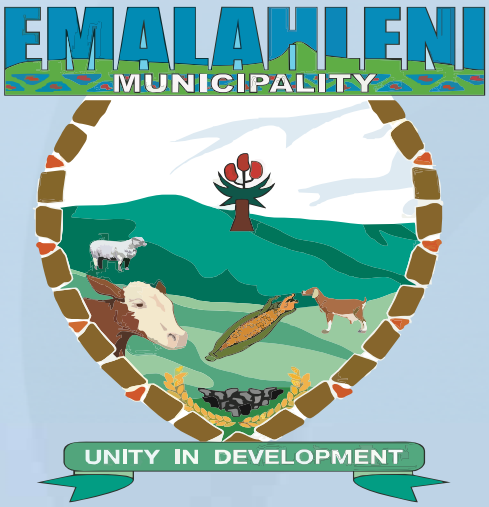
Deliverable	Key activity	Timeframe					Responsibility	Cost
		12	13	14	15	16		
Preparation of identified priority projects for financing and implementation – including rectification and blocked projects.	Co-ordination of the preparation of the projects: - Land - Land preparation and packaging - Initial 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 execution of projects.	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	

3.6.3 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	

3.6.4 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	



CHAPTER 9
LOCAL ECONOMIC DEVELOPMENT STRATEGY

Chapter 9

Local Economic Development Strategy

1) SECTION 1: INTRODUCTION

LIST OF ABBREVIATIONS

ARC	Agricultural Research Council
ARDA	Agrarian Research and Development Agency
BBBEE	Broad Based Black Economic Empowerment Act
BEE	Black Economic Empowerment
CHDM	Chris Hani District Municipality
DEDEAT	Department of Economic Development, Environmental affairs and Tourism
DRDLR	Department of Rural Development and Land Reform
DRDAR	Department of Rural Development and Agrarian Reform
ECDC	Eastern Cape Development Corporation
ECRDA	Eastern Cape Rural Development Agency
ECPTA	Eastern Cape Tourism and Parks Agency
GDP	Gross Domestic Product
GIS	Geography Information System
GVA	Gross Value Add
IDC	Industrial Development Corporation
IDP	Integrate Development Plan
SDBIP	Service delivery and Implementation Plan
LED	Local Economic Development
ELM	Emalahleni Local Municipalities
LTO	Local Tourism Organisation
NDP	National Development Plan
PGDP	Provincial Growth and Development Plan
PPP	Public Private Partnerships
SME	Small Enterprise Development
CHCDC	Chris Hani Cooperative Development Centre
CHDA	Chris Hani Development Agency
IAP	Investment Attraction Plan
EDTA	Economic Development, Tourism and Agriculture
DSD	Department of Social Development
DTI	Department of Trade and Industry
AG	Auditor General
GTZ	Gesellschaft fur Technical Zusammenarbeit
ILO	International Labour Organisation
ECPTA	Eastern Cape Parks and Tourism Agency

1. INTRODUCTION

1.1. BACKGROUND

The current LED strategy of the municipality was first developed in 2009, and was approved by the Council in 12 December 2010. This was the first strategy since the establishment of the wall to wall municipality. It was then developed in order to guide the economic development of the municipality and fulfil legislative requirements which are, Constitution of the Republic of South Africa Act No 108 of 1996 (objects of Local Government Section 152). The statistics that was used in the current LED Strategy (2010-2015) was taken from Global Insight which is a private company that is not recommended by government; therefore this statistics did not show an accredited reflection of the demographic profile of the Emalahleni Local Municipality.

The Local Economic Development Strategy was supposed to be guided by the Spatial Development Framework, but it was concluded before the Spatial Development Framework was developed. There was an omission of Mining Sector and infrastructure needs in the strategy, the role of economic stakeholders, their contribution and influence was not clear.

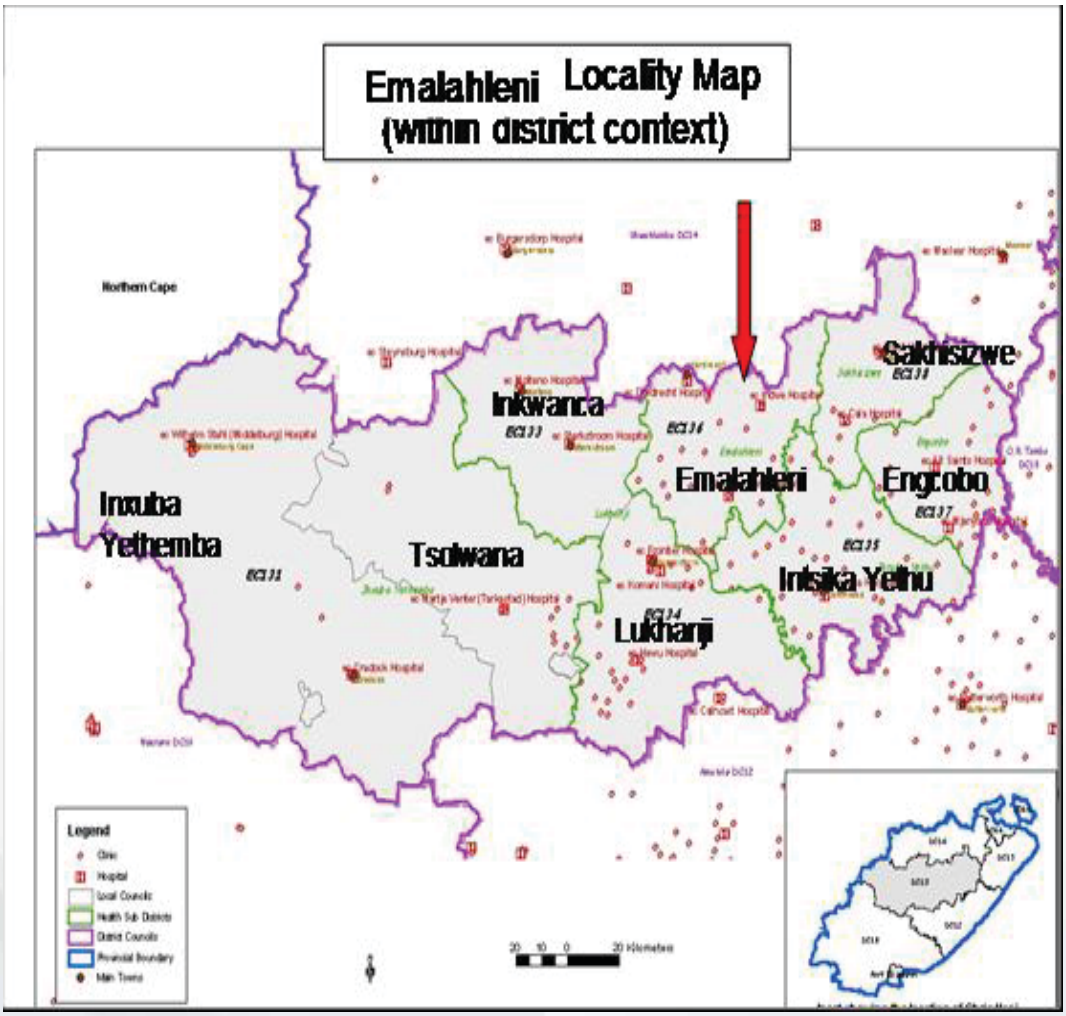
A lot has changed in the municipality since the adoption of the current strategy and therefore necessitated a review since it was adopted for a 5 year period. The analysis in the current review uses information that has been freshly sourced from Statistics South Africa 2011 which is an accredited source of information in Government.

Due to unresponsive funding model for the realization of the programmes in the current strategy, it failed to attract resources for its implementation. The review of the strategy suggests various sources and resource combinations to be mobilized for the realization of the pronounced strategic intent, for example LED Programmes.
In order to foster high level buy-in and funding support by critical stakeholders (Sector departments, and Private Investors) the review also suggests mechanisms for distribution of roles and responsibilities among expected implementing agencies for the successful delivery of the reviewed LED strategy. The review proposes that the municipality takes strategic decisions on key driving sectors of the local economy that council must invest heavily on and also identifies other sectors where the municipal role will be to facilitate participation by other role players.

LED Strategy is aimed at providing a framework for municipal interventions and planning for sustainable economic development in the municipal jurisdiction. This also serves to encourage community involvement and ensure maximum participation in the municipal affairs.

1.2. Profile of the Municipality

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.

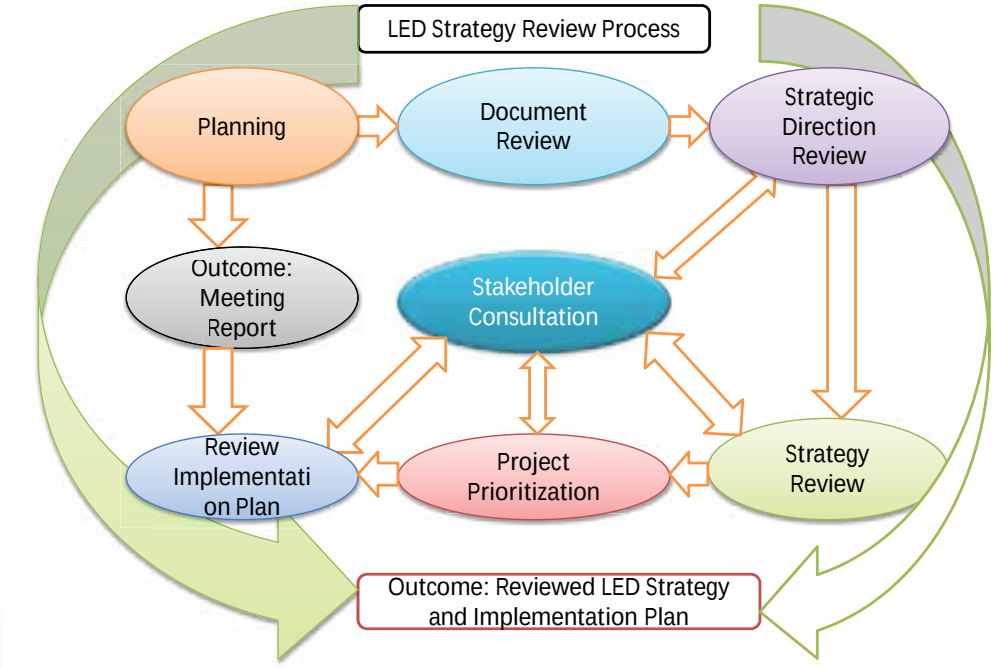


1.3. METHODOLOGY

Methodologies used in the review include:

- Consultation: Local Economic Development Sectors were engaged.
- Mentoring: The review was conducted with extensive interaction between relevant municipal and LED officials. This ensured transfer of skills, ownership of the LED strategy with guidance from Centre for Municipal Research and Advise (CMRA).
- Action Plan: it was developed for the key LED Projects identified in the reviewed LED Strategy. This action includes timeframes and responsibility allocation.

The activities in the LED Strategy review are shown in the diagram below:



1.4. LOCAL ECONOMIC DEVELOPMENT CONTEXT

The purpose of this section of the strategy is to provide an overview of 'what LED is', as well as the roles and responsibilities of the various stakeholders in LED planning and implementation.

1.4.1. WHAT IS LED?

The purpose of LED is to build up the economic capacity of a local area to improve its economic future and the quality of life for all. It is a process by which public, business and non-governmental sector partners work collectively to create better conditions for economic growth and employment generation (World Bank). According to GTZ LED is an ongoing process by which key stakeholders and institutions from all spheres of society, the public and private sector as well as civil society, work jointly to create a unique advantage for the locality and its firms, tackle market failures, remove bureaucratic obstacles for local businesses and strengthen the competitiveness of local firms.

ILO defines LED as a participatory process which encourages social dialogue and public-private partnerships. It enables local stakeholders to jointly design and implement a development strategy which fully exploits local resources and capacities, and makes best use of the area's comparative advantages.

Mohr, Fourie and Associates (2015) define Economic Growth as an annual rate of increase in the total production or income of the economy". A positive economic growth is measured when the economy is above the population growth. "Economic Development: It is reduction of unemployment, poverty and inequality in the growing economy". According to Economic Development National, LED was originally a term that referred to deliberate intervention to promote economic development in a specific area that is not the national area. The district views LED as the tool to maximise the economic value, job creation, potential of the district through a focus on the strengthening of the comparative advantages of priority sectors and creating a distinctive competitive advantage.

Given the above definitions the municipality defines its Local Economic Development as reduction of unemployment, poverty and inequality in the growing economy of the locality, as the Municipality's vision is about delivering appropriate, sustainable and affordable services towards socio-economic growth for the development of its community.

THE NATIONAL LED CONTEXT

The National Framework for LED in South Africa has been developed as a guide that seeks to advance an understanding of LED and has put forward a strategic implementation approach that municipalities, provinces, national government, state-owned enterprises and communities may concentrate on in order to improve local economic development. This Framework

also seeks to guide the implementation of the LED Key Performance Indicator of the back to basics through the suggested actions.

Of the priority sectors in the developed economy which were identified: tourism, call centres and Business Process Outsourcing (BPO), bio-fuels, downstream mineral beneficiation, agricultural and agrarian reform and information communication technology (ICT) some of which are relevant at Emalahleni. The economies of the poor, crafts, fresh produce, waste, street trading, Small Medium and Micro Enterprise (SMMEs) support and the Expanded Public Works Programme (EPWP) are all critical to local economic development.

PROVINCIAL LED CONTEXT

The economy of the municipality cannot be discussed outside of the economic imperatives of the Eastern Cape and more particularly the economies of the Chris Hani area. The municipality's LED Strategy will be interfaced with the economic thrusts defined by the Province. Provincial Government has constitutional obligation to align LED initiatives with National and Local Priorities, strengthen and support the capacity of Local Government, make available financial and technical resources to implement and sustain LED, share information regularly (Provincial Economic Trends, land use, investment and new developments) with municipalities, monitor and evaluate the impact of LED initiatives Provincially.

DISTRICT CONTEXT

The philosophy underpinning the basic understanding in the jurisdiction of CHDM in relation to the economic trajectory of the District is that of "positioning the region in such a way it maximizes the economic potentials offered by its natural endowments and making choices about where to allocate scarce resources to ensure maximum impact so that the region gets the best possible economic leverage to achieve its socio economic objectives"
Based on this understanding, the economic development vision and strategic intent of the District is determined as follows:

CHDM Economic Development Vision

The District grows and develops through social partnerships so that all people benefit from the economy and have equitable access to social services

Regional Economic Strategic Intent

Maximize the economic value and job creation potential of the District through a focus on the strengthening of the comparative advantages of priority sectors and creating a distinctive competitive advantage in the timber and livestock production and processing sectors

Strategic Differentiation

Regional Economic Strategic Intent

Maximize the economic value and job creation potential of the District through a focus on the strengthening of the comparative advantages of priority sectors and creating a distinctive competitive advantage in timber and livestock production and processing sectors.

MUNICIPAL CONTEXT

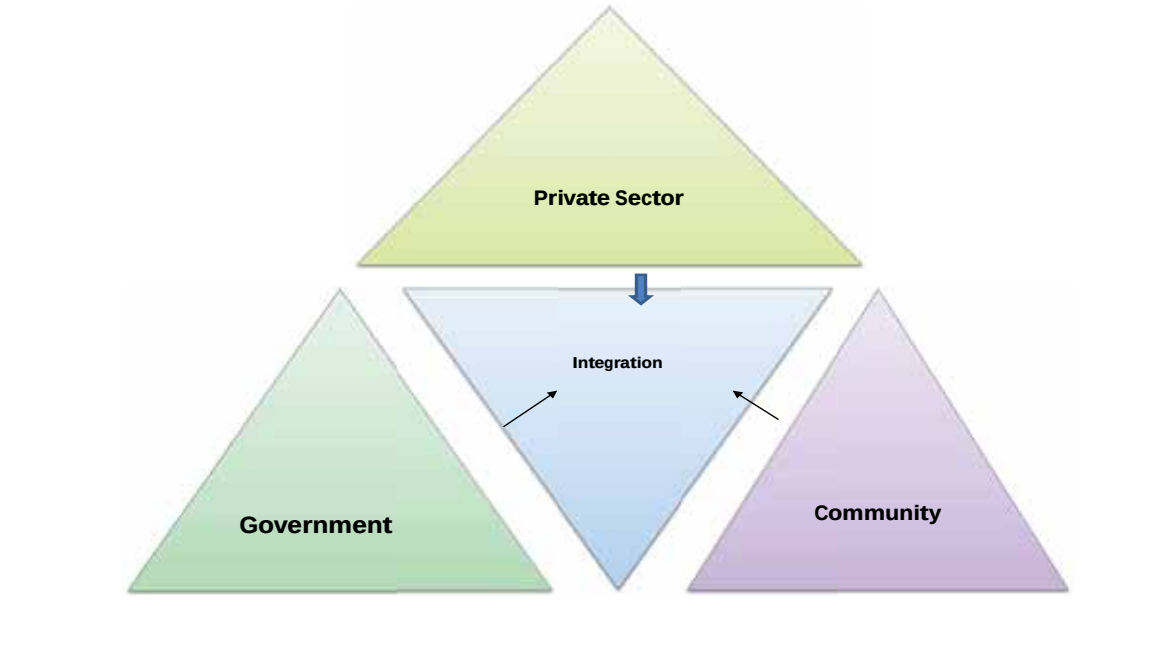
The municipality's economy does not operate in a vacuum; it is affected and influenced by changes in the provincial, national and global stage. It is therefore important to set the local economic development strategy within the framework of national and more particularly the provincial policies and legislation. In terms of past national trends municipality supplied national mining with scores of migrant labour. When the mining sector started to show signs of decline many migrant labours lost their jobs and had to return to their areas of origin or birth.

The following are the key sectors that the municipality will be focusing its attention to, in developing and making a sustainable economic environment:

- Agriculture and Agro-processing
- Trade, Retail and wholesale
- Informal sector (street trading)
- Mining (Coal and Small Scale: Sand Mining and Brick Makers)
- Tourism and Heritage Management (Arts and Craft)
- Forestry
-

1.4.2. STAKEHOLDER ROLES AND RESPONSIBILITIES IN LED

The promotion of economic growth and development is an integrated effort for all key stakeholders in the local community. This means that all key stakeholders in a municipal area must work together to tackle challenges, find ways to ensure the provision of services in a sustainable manner in order to create conducive environment for the creation of job opportunities. This is shown in the diagram below.



These stakeholders should not only be the end beneficiaries of LED interventions. They must be involved in;

- Planning for LED
- Implementation of LED
- Monitoring and Evaluation of LED

The primary stakeholders and their roles are as follows:

1.4.2.1. ROLE OF GOVERNMENT

Government officials and politicians have a combination of roles to play, including the roles of manager / co-coordinator, facilitator, investor, representative and regulator. The focus will be on the responsibilities of local government. However, as stated earlier, the local economy is inextricably linked to the district, provincial and national economies. The district has a role to play in respect to coordination between surrounding areas, facilitation of sector strategies and investment in district-wide initiatives. Province and national have a role as regulator, investor and coordinator. Local government must play all the various roles in partnership with the district and province, the remainder of this section focuses on the role of local government.

Manager and coordinator

In this role, local government is the implementer or responsible authority;

- Policy formulation and leadership of integrated local economic development planning;
- Collation and interpretation of economic intelligence;
- Identification of infrastructure needs;
- Management of national and provincial government mandates and interventions;
- Facilities management;

Facilitator

In this role, local government improves the environment and services, and facilitates outside expertise and resources to meet needs.

- Dissemination of information;
- Creating a conducive and enabling business environment and culture;
- Infrastructure provision;
- Support of the informal sector and SMMEs;
- Facilitation of development funding;
- Process facilitator.

Investor

Government is a major investor and can use its resources to drive and stimulate the local economy. Below is a list of investment vehicles. Some are funded via the province, with the Municipality acting only as an agent, while others involve the direct resources of local government.

- Procurement policy;
- Use of state assets (province and local);
- Infrastructure investment (province and local);
- Housing investment (agency function for province);
- Land use planning;
- Environmental regulation (province and local).

Regulator

Government is responsible for policy, and as such is a regulator and enforcer and need to ensure that this role supports rather than constrains economic development. Here issues of environmental management, zoning, licensing, by-laws and municipal policy and enforcement are all important.

Representative

This is usually the role undertaken by elected representatives within local government.

- Understanding citizen's needs and communicating these to the administration
- Monitoring delivery and performance against the agreed plan.

1.4.2.2. ROLE OF COMMUNITY

They are buying, selling, building, saving and investing lie at the heart of community organization, culture and identity. To ignore the community voice in an LED process would be to miss a fundamental constituency.

Labour

Organized labour is an important stakeholder in the implementation of LED initiatives and programmes. Increasing the number of jobs is a key objective of LED. Job seekers as well as those already employed must be consulted in the LED process. Labour represents the backbone of the economy. Workers have a role as productive human capital, as consumers and as political interest groups.

As labour representatives the mandate is to:

- Understand workers' needs and communicate these to the management through lobbying consultation, negotiations and bargaining
- Monitor delivery and performance against the agreed plan.

Consumers / investors

- Without consumption the local economy would not grow at an acceptable level. By choosing where to spend their money, on what products and on what suppliers, communities invest in the local economy daily. Recognizing their power is an important part of LED.

Stimulators / entrepreneurs

Communities stimulate business creation or expansion through:

- Identification and support for markets
- Partnerships
- Non-profit organisations identify gaps and areas of need in communities and the design and development of programmes to address these needs

Facilitator

- Non-profit organisations facilitate outside expertise and resources to meet needs through:
- Dissemination of information
- Support for targeted groups
- Facilitation of development funding
- Facilitation of partnerships between different stakeholders to address a need or deliver a project
- Process facilitator.

Investor

Non-profit organisations are a significant resource in a community. The commitment and passion of members along with the funds raised can be used to drive and stimulate aspects of the local economy. This role is at times shared with the public sector, parastatals, communities and the private sector who choose to become partners in the development of a project, area or target group.

1.4.2.3. ROLE OF PRIVATE SECTOR

While the role of business in LED is widely acknowledged, there is a tendency only to focus on big business and the formal sector. The informal sector also has an important role to play as investor and entrepreneur. Roles cross the formal and informal divide.

Investor

The private sector is a major investor. Its resources drive and stimulate the local economy, both spatially and sectorally. This role is at times shared with donors or parastatals, which provide capital to the public or private sectors and become a partner in the development of the area.

Stimulator / entrepreneur:

In this role the private sector undertakes the following:

- Promotion of particular sectors or areas that could be sustained by the market in the long term, for example, the development of business infrastructure to attract business in a situation where the market (consumer or skills) exists, or the development of specialist skills, for example in specialised agriculture, or the mobilisation of a sector on the understanding that organised business is better able to engage government than fragmented and disparate individuals and firms.

1.4.3. GUIDING PRINCIPLES

The following principles will guide economic development at municipality;

a) Balanced Development

The development of the local economy will ensure that the uniqueness of the local environment is protected. Balanced development also means that at tough times choices will need to be made and environmental, social and economic needs will have to be balanced to ensure that local economic development actions benefit all residents of the municipal area.

b) Diverse Economy

The municipality has the following key economic sectors: tourism; agriculture and agro-processing; construction services, retail and manufacturing. The development of the local economy will ensure that diversity recognises the uniqueness and assets of the local economy. This offers a greater resilience and ability to respond to unforeseen events and external shocks.

c) Inclusiveness

Consultations with communities have created a very strong need for an inclusive approach to local economic development. The principle of inclusiveness means optimising the rainbow community, uniqueness and connectivity of the various stakeholders and the need to develop a united community.

d) Partnerships

It is by working together through partnerships and by having a common vision that sustained economic development will be achieved. The key to success is in mobilizing the municipal community resources and assets to achieve a common goal. This guiding principle ensures that in all actions and programmes (municipality, business, communities and non–governmental organizations) the municipality creates partnerships and ensures integration of activities wherever possible.

This approach also entails the development of appropriate structures to ensure that such partnerships are developed and effective.

e) Sustainability

Sustainability requires the use of municipal assets and resources in a manner that maintains them for future generations. Sustainability planning also ensures that projects and programmes that have been identified are able to sustain themselves and generate the required economic spin-offs that in the long run benefit the local economy.

f) Quality

Underpinning all the economic development work will be a commitment to quality. Commitment to quality means ensuring that resources and assets are deployed in a manner that increases the value for money, by contributing towards the improvement in the quality of life of all the people of the municipality. This principle too ensures that a thorough assessment is undertaken of each opportunity identified, and value for money and effort is enhanced.

g) Innovation and Human Development

The sustained growth and development of the municipal economy will depend on the extent to which local communities, business and government are able to innovate and develop the capacities of the local communities to be creative. Human resource development will form one of the key pillars to the development of the local economy. With high levels of appropriate skills and education the possibilities for innovation and creativity are enhanced.

1.5. STRATEGY OUTLINE

The strategy outline:

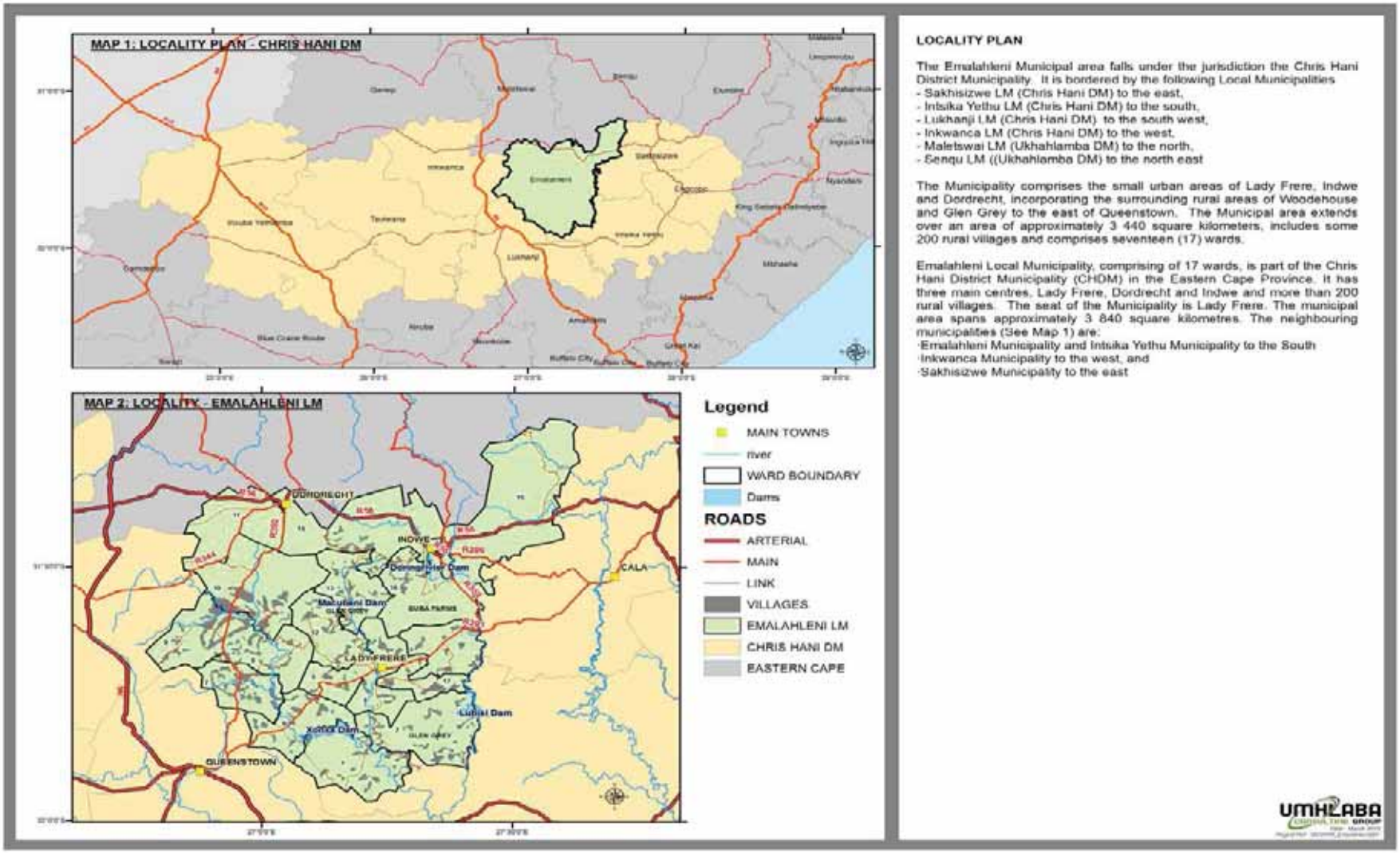
- Examines the *Status Quo*, in terms of spatial issues, services, the institutional context for LED and demographics. The section also examines the current labour market within the municipality, as well as the current economic situation.
- Analyzes the current situation with a view to identifying interventions to grow the local economy. Specifically, this is done through Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis, as well as an analysis to identify the competitive advantages within the local economy.
- Presents the Vision, Goals and Strategic Direction based on the analysis done in preceding sections.
- Presents an action plan putting forward key projects to meet the vision and goals for LED. The purpose of this framework is to assist the municipality and its partners in implementing LED Strategy.

2. SITUATIONAL ANALYSIS

The purpose of this section of the strategy is to examine the current level of economic development within the municipality, with specific reference to issues effecting, or being effected by LED. Here, issues related to highlighting potential opportunities and weaknesses within the local economy are explored, in order to assist in identifying intervention areas by the municipality and its stakeholders. The section analyzes the following;

- The physical context
- The institutional context
- The policy context
- The demographic profile
- Employment
- Status quo of the local economy
- Overview of the local economy

2.1. PHYSICAL CONTEXT FOR LOCAL ECONOMIC DEVELOPMENT

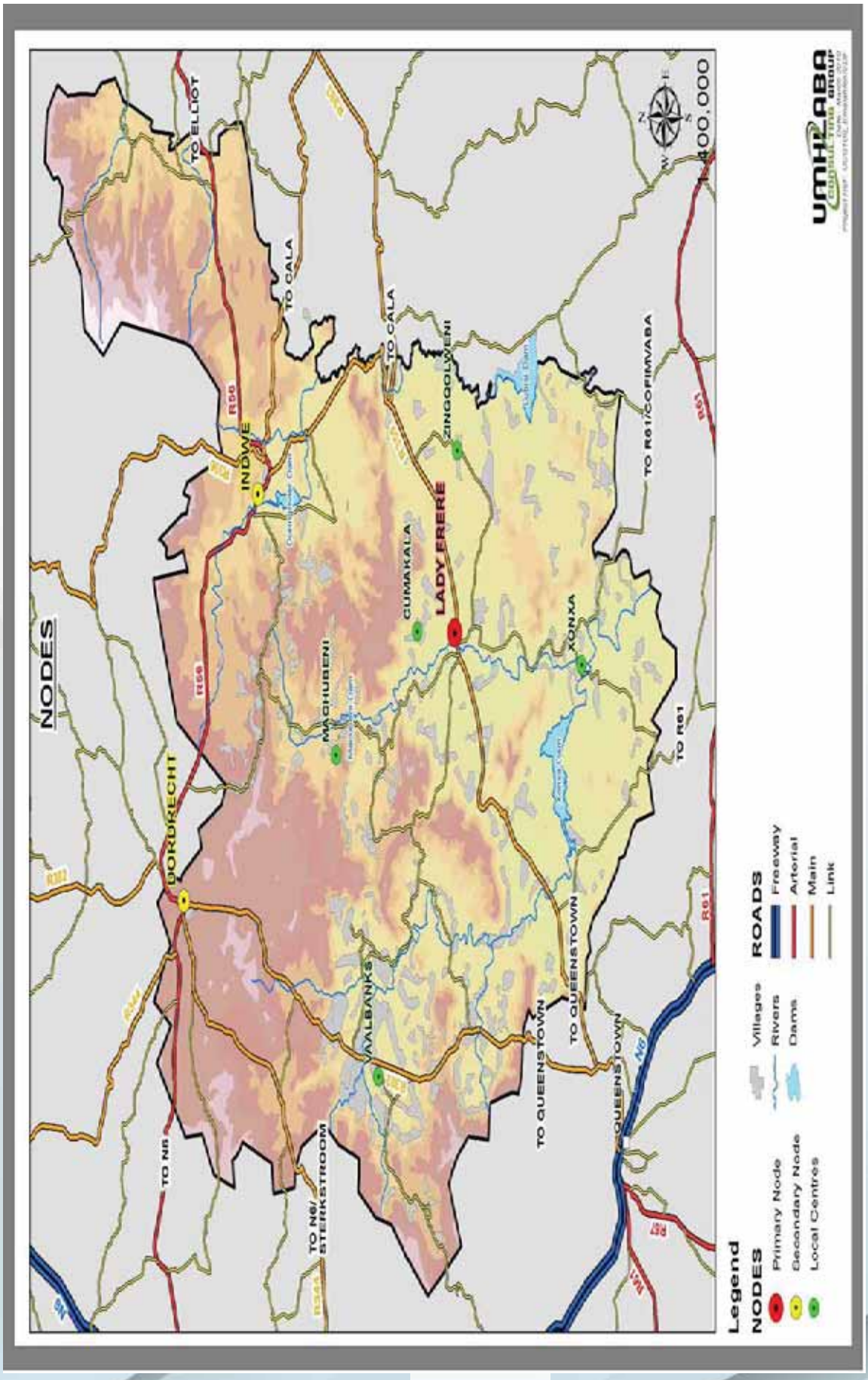


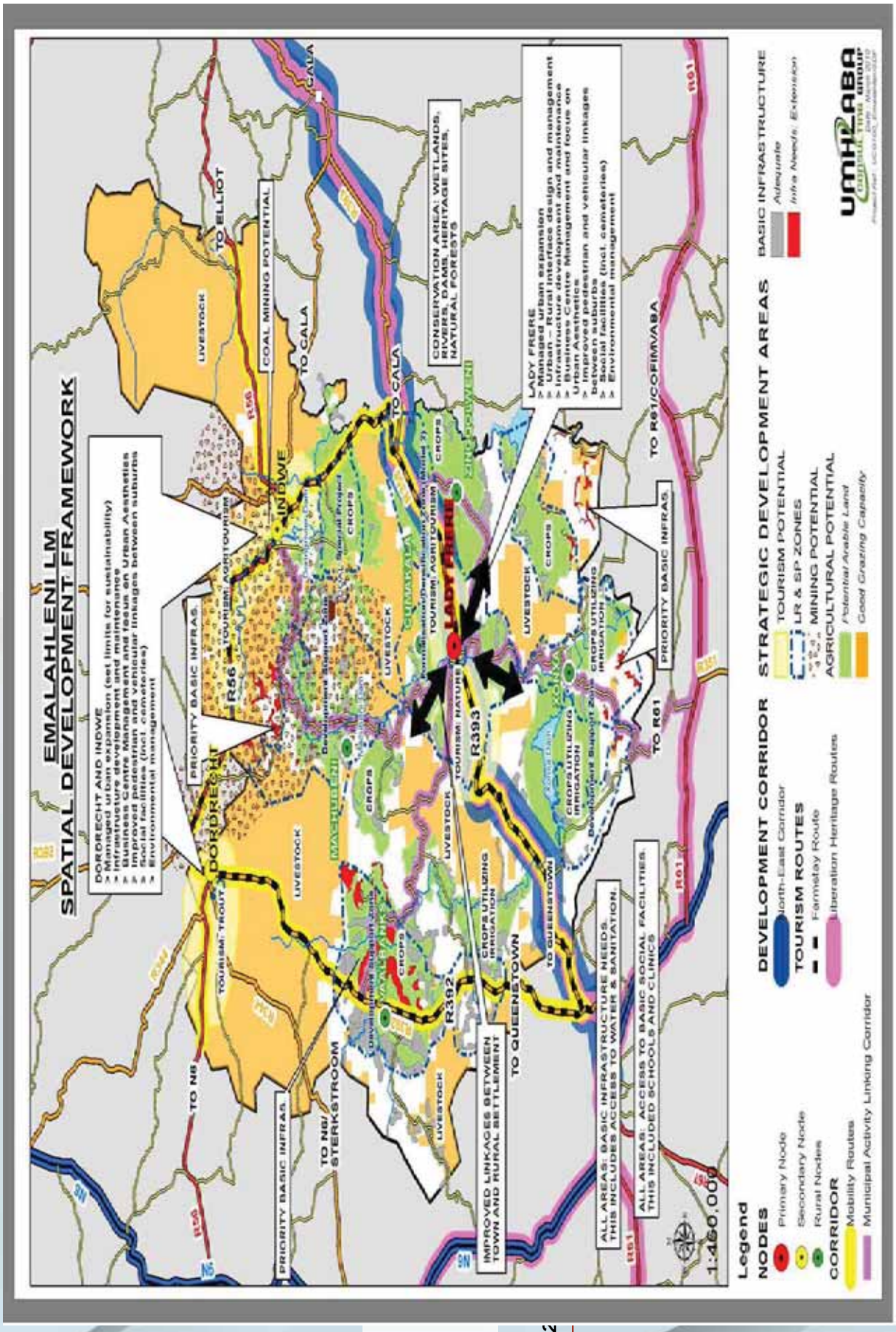
LOCALITY PLAN

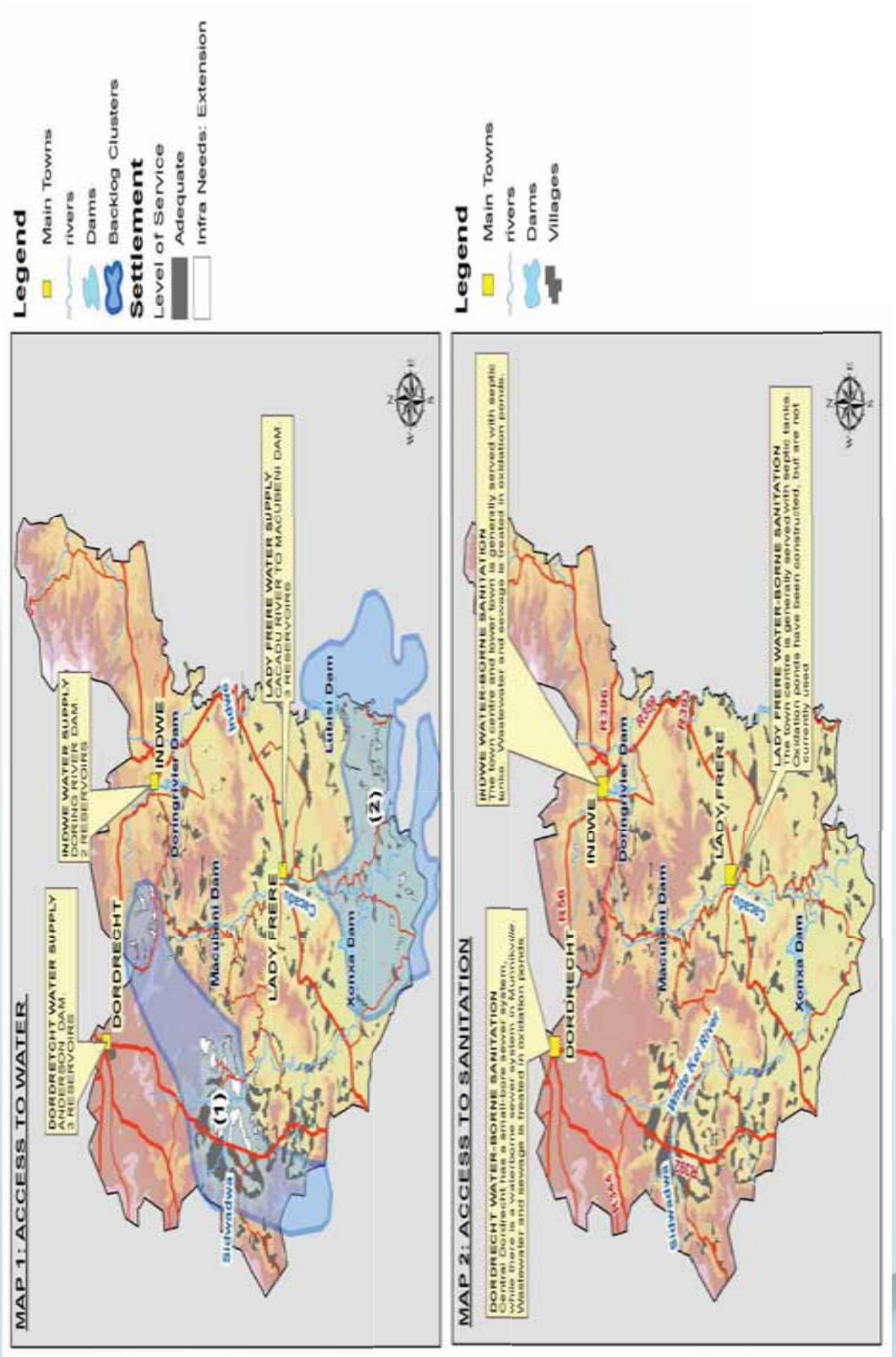
The Emalahleni Municipal area falls under the jurisdiction the Chris Hani District Municipality. It is bordered by the following Local Municipalities
- Sakhisizwe LM (Chris Hani DM) to the east,
- Intsika Yethu LM (Chris Hani DM) to the south,
- Lukhanji LM (Chris Hani DM) to the south west,
- Inkwanca LM (Chris Hani DM) to the west,
- Maletswai LM (Ukhahlamba DM) to the north,
- Senqu LM ((Ukhahlamba DM) to the north east

The Municipality comprises the small urban areas of Lady Frere, Indwe and Dordrecht, incorporating the surrounding rural areas of Woodehouse and Glen Grey to the east of Queenstown. The Municipal area extends over an area of approximately 3 440 square kilometers, includes some 200 rural villages and comprises seventeen (17) wards.

Emalahleni Local Municipality, comprising of 17 wards, is part of the Chris Hani District Municipality (CHDM) in the Eastern Cape Province. It has three main centres, Lady Frere, Dordrecht and Indwe and more than 200 rural villages. The seat of the Municipality is Lady Frere. The municipal area spans approximately 3 840 square kilometres. The neighbouring municipalities (See Map 1) are:
·Emalahleni Municipality and Intsika Yethu Municipality to the South
·Inkwanca Municipality to the west, and
·Sakhisizwe Municipality to the east


NODES
TO ELLIOT
TO CALA
TO CALA
INDWE
ZINGQOLWENI
GUMAKALA
LADY FRERE
MACHUBENI
XONXA
TO R61/COFIMVABA
TO R61
TO QUEENSTOWN
TO QUEENSTOWN
QUEENSTOWN
ALBANKS
TO N6/ STERKSTROOM
TO N6
BORDERCHT
R56
R56
R56
R61
R61
R61
R61
N6
N6
R61
R61
1:400,000
Legend
NODES
Primary Node
Secondary Node
Local Centres
Villages
Rivers
Dams
ROADS
Freeway
Arterial
Main
Link


EMALAHLENI LM
SPATIAL DEVELOPMENT FRAMEWORK
DORDRECHT AND INDWE
> Managed urban expansion (set limits for sustainability)
> Infrastructure development and maintenance
Business Centre Management and focus on Urban Aesthetics
Improved pedestrian and vehicular linkages between suburbs
Social facilities (incl. cemeteries)
Environmental management
LADY FRERE
> 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
> Social facilities (incl. cemeteries)
> Environmental management
CONSERVATION AREA: WETLANDS, RIVERS, DAMS, HERITAGE SITES, NATURAL FORESTS
IMPROVED LINKAGES BETWEEN TOWN AND RURAL SETTLEMENT
ALL AREAS: BASIC INFRASTRUCTURE NEEDS. THIS INCLUDES ACCESS TO WATER & SANITATION.
ALL AREAS: ACCESS TO BASIC SOCIAL FACILITIES. THIS INCLUDED SCHOOLS AND CLINICS
PRIORITY BASIC INFRAS.
TO ELLIOT
TO CALA
TO N6/ STERKSTROOM
TO QUEENSTOWN
TO R61/COFIMVABA
DORDRECHT
INDWE
LADY FRERE
R56
R393
R392
R61
N6
N5
LIVESTOCK
CROPS
COAL MINING POTENTIAL
TOURISM: TROUT
TOURISM: AGRITOURISM
TOURISM: NATURE
CROPS UTILIZING IRRIGATION
1:460,000
Legend
NODES
Primary Node
Secondary Node
Rural Nodes
CORRIDOR
Mobility Routes
Municipal Activity Linking Corridor
DEVELOPMENT CORRIDOR
North-East Corridor
TOURISM ROUTES
Farmstay Route
Liberation Heritage Routes
STRATEGIC DEVELOPMENT AREAS
TOURISM POTENTIAL
LR & SP ZONES
MINING POTENTIAL
AGRICULTURAL POTENTIAL
Potential Arable Land
Good Grazing Capacity
BASIC INFRASTRUCTURE
Adequate
Infra Needs: Extension
umhlaba


Legend
Main Towns
rivers
Dams
Backlog Clusters
Settlement
Level of Service
Adequate
Infra Needs: Extension
MAP 1: ACCESS TO WATER
DORDRECHT WATER SUPPLY
ANDERSON DAM
3 RESERVOIRS
INDWE WATER SUPPLY
DORING RIVER DAM
2 RESERVOIRS
LADY FRERE WATER SUPPLY
CACADU RIVER TO MACUBENI DAM
3 RESERVOIRS
DORDRECHT
INDWE
LADY FRERE
Doringrivier Dam
Macubeni Dam
Xonxa Dam
Lubisi Dam
(1)
(2)
Legend
Main Towns
rivers
Dams
Villages
MAP 2: ACCESS TO SANITATION
DORDRECHT WATER-BORNE SANITATION
Central Dordrecht has a small-bore sewer system, while there is a waterborne sewer system in Munnikville. Wastewater and sewage is treated in oxidation ponds.
INDWE WATER-BORNE SANITATION
The town centre and lower town is generally served with septic tanks. Wastewater and sewage is treated in oxidation ponds.
LADY FRERE WATER-BORNE SANITATION
The town centre is generally served with septic tanks. Oxidation ponds have been constructed, but are not currently used
DORDRECHT
INDWE
LADY FRERE
Doringrivier Dam
Macubeni Dam
Xonxa Dam
R56
R396
R396
White Kei River

Infrastructure Development: Indwe Water

Indwe water treatment works obtains raw water from a pumped water supply from the Doring River Dam.
The current volume of water being processed by the water treatment works has been measured at approximately 1.8Mℓ/day against a rated capacity of 1.2Mℓ/day.

Component	Description	Condition
Pumps	Water is pumped from the dam to the purification works.	Poor
Source	Doring River Dam, Extraction – 780,000 m^3/year	Fair
Treatment	Capacity of 90 m^3/hr	Poor
Reservoirs	No. 2, 2,200 m^3, 1,100 m^3	Good
Control (meters)	Metered in Town Centre, Lower Town, and some in Mavuya	Fair

Infrastructure Development: Lady Frere Water

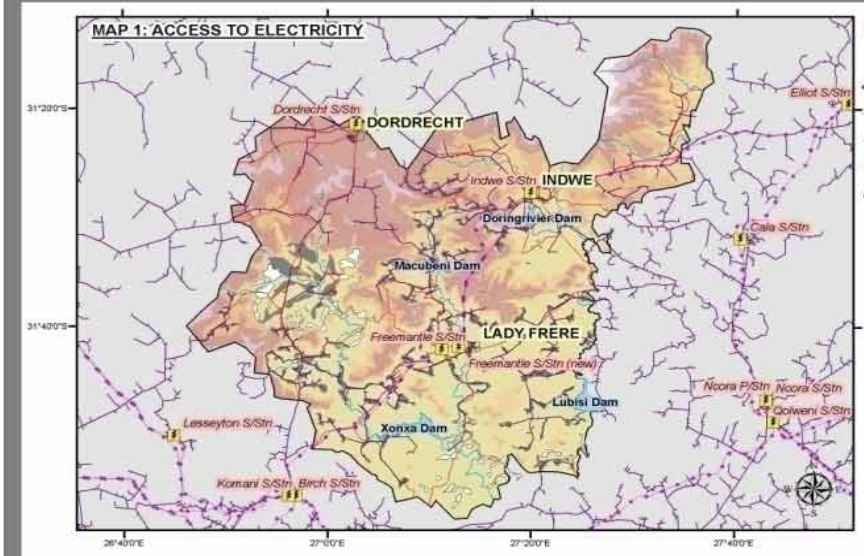
The water treatment works obtains raw water from a pumped water supply from the Machubeni Dam.
The current volume of water being processed by the water treatment works has been measured at approximately 3.5Mℓ/day (or 40ℓ/s).

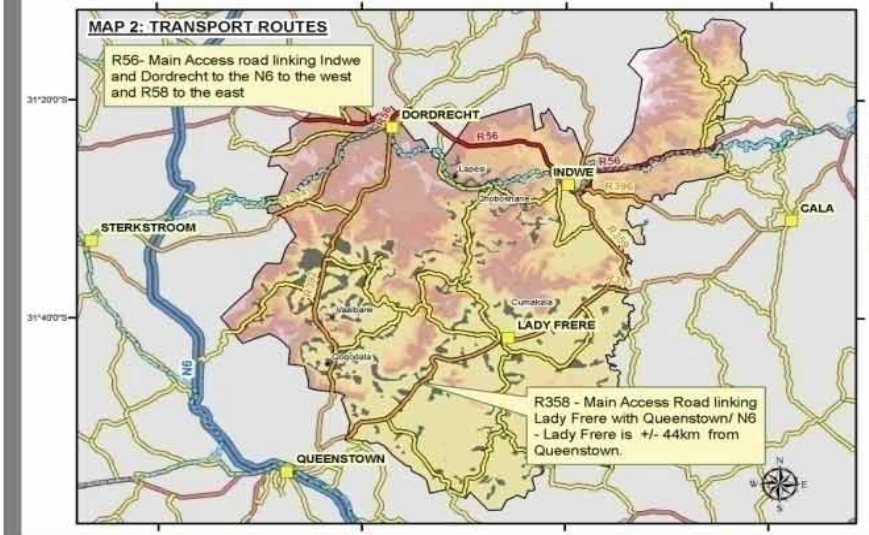
Component	Description	Condition
Pumps	Pumping scheme from the river to the treatment works using two pumps	Good
Source	Cacadu River to Macubeni Dam	-
Treatment	Capacity of 40 ℓ/s	Fair
Reservoirs	No. 3, each 600 kℓ	Good
Control (meters)	Metered	-

Infrastructure Development: Dordrecht Water

Dordrecht water treatment works receives raw water through a pumped system from the Anderson and Munnik Dams. Water from the treatment works gravitates through a network of domestic, commercial and institutional connections to Dordrecht town and the hospital. Some of the water is pumped to two off-site reservoirs from where it gravitates to Munniksville, Sinakho and Tyoksville villages.

Component	Description	Condition
Pumps	Only from Munnik Dam, Pump rate 100m³/hr	Needs refurb
Source	Anderson Dam by gravity, Capacity of 2.2 Mℓ +,	Fair
Treatment	Full treatment Capacity ±2Mℓ/day	Needs refurb
Reservoirs	No. 3, 2x 1Mℓ, and 0.6 Mℓ	Good
Control (meters)	Metered in Dordrecht Central	





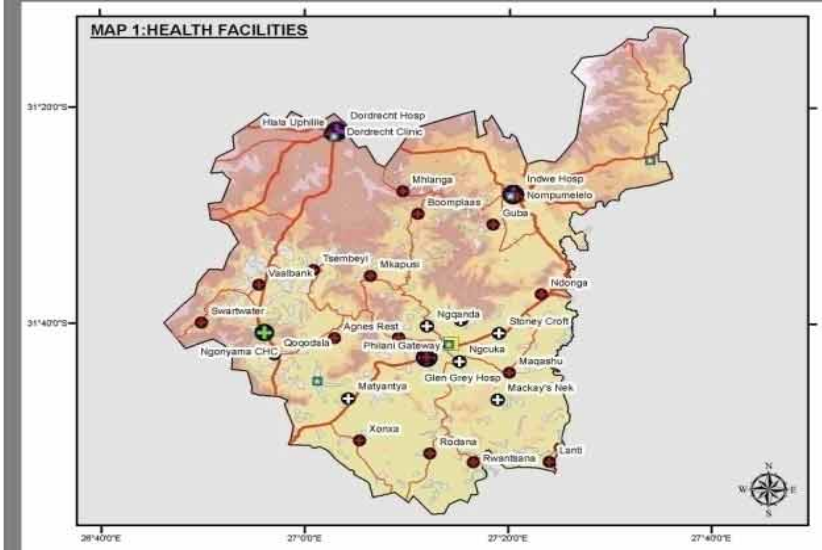
INFRASTRUCTURE

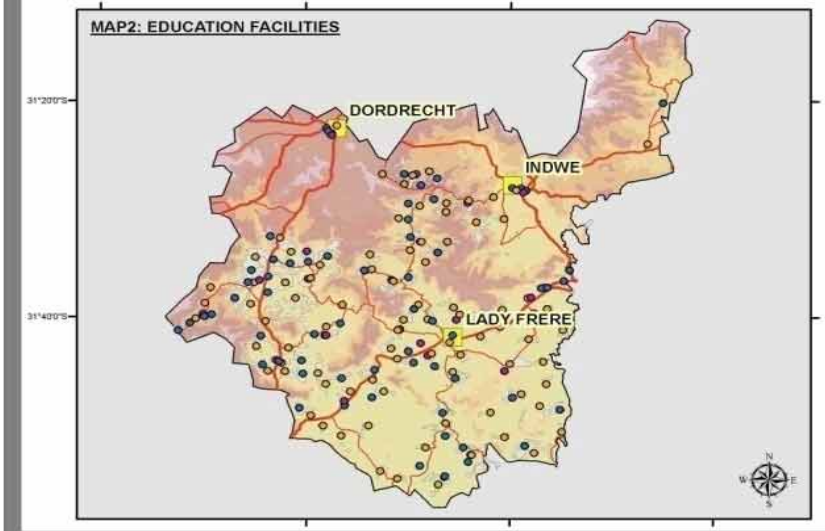
ELECTRICITY
Electricity service is currently provided to portions of 8 wards only. Eskom has planning in place to develop their network ultimately to all areas of Emalahleni.

ROADS AND INFRASTRUCTURE
The various categories of roads are summarised as follows:
Trunk roads - 65km
Main roads - 90km
District roads - 658km
Access/minor roads - 313km

The entire road network of mainly gravel roads is generally in poor conditions and need upgrading and maintenance.

RAILWAY NETWORK
The light density railway line between Sterkstroom - Dordrecht - Indwe - Maclear is currently being utilised at 8% of capacity for transportation of general freight commodities and timber. There are problems with carrying capacity.





SOCIAL FACILITIES

HEALTH

There are currently 35 medical and primary health care facilities in the Emalahleni municipality. (See Map 1)

Health services in the municipal area are competence of the District and Province. The department of Health is currently implementing the following programmes in the Emalahleni Municipal areas.

> HIV/ Aids monitoring and management
> Mother Child Women's health
> Management of the spread of Tuberculosis
> Health and Hygiene promotion in schools
> Conducting of environmental health surveys and tests
> Nutrition programme implementation at schools

SAFETY

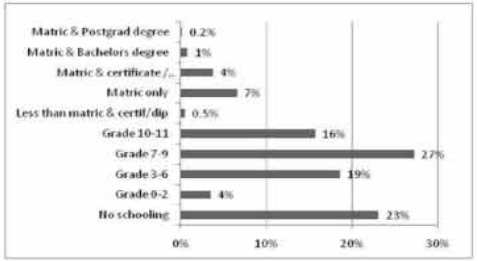
There are five police stations and a one prison located in the municipal areas. (See Map 1)

EDUCATION

There are approximately 173 schools servicing Emalahleni LM. The distribution of these schools is illustrated in Map 2. The main challenges raised by participants in the IDP process relate to issues of:

> 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

The figure below gives a picture of the levels of literacy attainment in the local labour market.



As indicated in the figure above, 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 23% of population has no schooling at all.

2.1.3. NATURAL RESOURCES IN EMALAHLENI LOCAL MUNICIPALITY

The available natural resources are as follows:

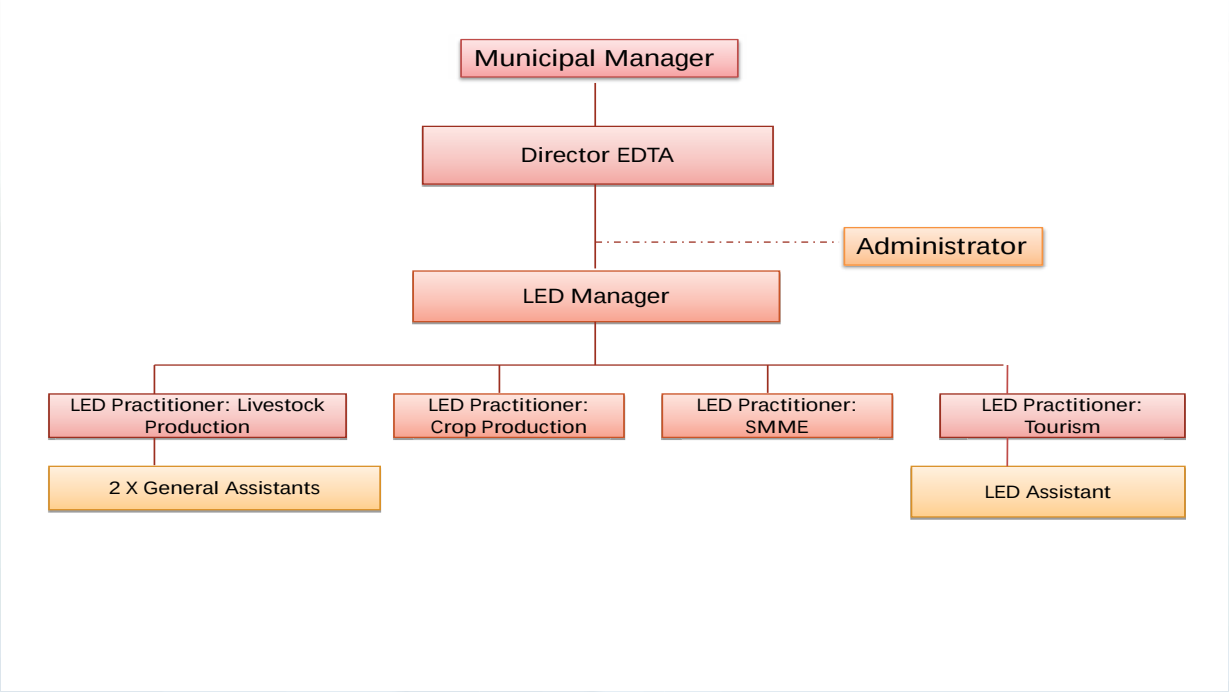
- Coal Deposits
- Sweet Veldt for livestock production
- Dry land for sorghum production
- Dams- Xonxa, Machubeni, Doring and Lubisi
- Waterfalls- Glen Grey
- Mountains- Qwempe, Zingxondo, Magxibha, Ngcwele and many others
- Woodlots- Khophe, Khundulu and Longo

2.2. THE ENABLING ENVIRONMENT FOR LOCAL ECONOMIC DEVELOPMENT

The current status of the institutional context for LED within the municipality is provided below:

2.2.1. INSTITUTIONAL FACILITATION OF LED

Economic development within the municipality falls under the Directorate: Economic Development, Tourism and Agriculture. The organogram is shown below:



According to the Municipal organogram, the duties and responsibilities of the directorate are as follows;

- Create a conducive environment for economic development
- Assisting the previously disadvantaged to be part of the main stream of economy.
- Supporting small business enterprises and sourcing funding for entrepreneurs.
- Retain established business in area and increasing trade.
- Recruit investment into area.
- Create new industry (Business process outsourcing; green economic activities; sustainable development).
- Poverty alleviation and skills development.
- Development of LED strategy.
- Facilitation of LED projects

2.2.2. GOVERNMENT INSTITUTIONS AND PARASTATALS

The institutions that play a vital role in creating conducive environment for the local economic development are as follows:

Chris Hani District Municipality

The district assists in the following:

- Creating an enabling environment by developing programmes and making available resources to support projects that will in turn be identified by local municipalities, private sector and entrepreneurs.
- Funding, Infrastructure Development, and Capacity Building
- Monitor and coordinate the activities of all the partners involved in establishing and strengthening of the LED Programmes
- Source investors that will partner with business entities to ensure business sustainability and future viability.

Chris Hani Development Agency

- Developing catalytic value chain projects within the various corridors supported by public and private investments;
- Attract funding from the development funds and donor sources, for stimulation of job creation programmes over the various development sectors identified in the IDP and Corridor Development Plan
- Secure a market for primary and secondary produce
- Facilitating linkages between the projects and major markets
- Fast track Development within the District.

Chris Hani Cooperative Development Centre

- Provide co-operative capacity building through the provision of co-operative governance and business management trainings
- Provision of monitoring and evaluation
- Assist co-operatives with compliance to legislation (co-operatives act)
- Assist with development of management accounts
- Assist with meeting protocols for co-operatives for development of proper Board minutes and assist with Annual General Meetings processes.
- Assist with social facilitation when the need arises
- Assist with Conflict resolution when the need arises

Corporate Government and Traditional Affairs-Eastern Cape

- Capacity building in the form of human resource to incapacitated local municipalities ensures credible integrated development planning and monitors the management of capital funding.

Department of Rural Development and Agrarian Reform

- Funding for primary production
- Provide technical support for cooperatives
- Skills development for projects
- Provision of agricultural infrastructure development

Eastern Cape Rural Development Agency

- Provision of capital for primary and secondary production infrastructure to Rural Enterprise Development Hub (RED Hub)
- Provide technical support and advice to the primary and secondary cooperative.

- To provide sustained social facilitation for the purpose of capacity building, economic spin offs of the programme and its general impact to society
- To identify and rally other partners in support of Rural Economic Growth; and
- Lobby lucrative markets for rural produce

Department of Rural Development and Land Reform

- Avail land for commercial farming, development and spatial structuring
- Provision of start-up capital for communal farming community
- Provision of agriculture infrastructure

Department of Economic Development and Environmental Affairs and Tourism

- Capacity building and information dissemination,
- start-up capital and top-up funding
- Ensure compliance in business operations
- Prevention of environmental degradation
- Tourism development
- Fund administration and capacity building for developing business through Eastern Cape Development Cooperation

Department of Social Development

- Forms an important part of government strategy to fight triple challenge of poverty, inequality and unemployment
- Empowering young and old people, those with disabilities as well as women in particular, helps rebuild families and communities.
- House hold profiling
- Social facilitation and funding

Department of Trade and Industry

- Working capital for bigger businesses and production inputs
- Capacity building for foreign markets
- Financial incentives and support for SMMEs
- Non-financial support, business plan development, and capacity building through Small Enterprise Development Agency

Eastern Cape Parks and Tourism Agency

- To serve as a catalyst for all dimensions of tourism in the Province
- To establish and maintain an efficient and effective institution
- To promote the Province as a preferred tourism destination
- To enhance Provincial tourism transformation
- To enhance Provincial tourism product development
- To facilitate infrastructure development for tourism growth
- To utilise partnerships with key stakeholders successfully to achieve specific outputs
- Providing appropriate, credible information on tourism in the province.
- Undertaking collaborative marketing of the Province as a tourism destination
- Promoting special events
- Enhancing infrastructure for tourism information and marketing

Logo South

It is a partnership between Emalahleni Local Municipality and the municipalities in Netherlands. The partnership aims at:

- Developing communities
- Training of personnel and councillors

Official Twinning between Dordrecht – Emalahleni / Dordrecht Netherlands

It is a bond of friendship and cooperation between the municipality of Emalahleni / Dordrecht in South Africa and Dordrecht in the Netherlands. The cooperation aims at:

- Promoting the bond between Dordrecht and Emalahleni in general and village of Dordrecht in particular.
- Organising exchanges for the purpose of strengthening the administrative, financial and technical knowhow of Emalahleni Local government.
- Forging personal relations between social, cultural, political and religious organisations, groups and institutions in both cities especially targeted at the village of Dordrecht in Emalahleni.
- Rendering administrative and technical assistance to Emalahleni Local Municipality
- Improving the economic development of Emalahleni and especially the Dordrecht Village where possible.

Educational Institutions within the municipality or who have potential input in Local Economic Development

Institutions at the Local level

Institution	Role	Projected Impact
Bengu Agricultural School	• Agricultural Skill Development from Secondary to High School	• Availability of Agricultural Technical Expertise
Ikhala Tertiary Vocational Education and Training (TVET)	• Business Studies Qualifications from National Qualification Framework from level 2 to 4 and N 4 to 6 after grade 12.	• Skills development in Business Studies

Institutions at the District level

Institution	Role	Projected Impact
Walter Sisulu University	• Business Development Qualifications from National Diploma and B-Tech.	• Skills development in Business Studies
Grootfontein Agricultural Development Institute	• Agricultural Skill Development	• Availability of Agricultural Technical Expertise
Boston City Campus & Business College - Queenstown	• Business Development Qualifications	• Skills development in Business Studies

Institutions at the Provincial level

Institution	Role	Projected Impact
University of Fort Hare	• Business Development Qualifications	• Skills development in Business Studies

	• Agricultural Skill Development	• Availability of Agricultural Technical Expertise
Nelson Mandela Metropolitan University	• Business Development Qualifications • Agricultural Skill Development	• Skills development in Business Studies • Availability of Agricultural Technical Expertise
Rhodes University	• Business Development Qualifications • Agricultural Skill Development	• Skills development in Business Studies • Availability of Agricultural Technical Expertise
Fort Cox college	• Agricultural Skill Development	• Availability of Agricultural Technical Expertise
Tsolo Agricultural College	• Agricultural Skill Development	• Availability of Agricultural Technical Expertise

2.3. DEMOGRAPHIC PROFILE OF THE ELM

2.3.1. POPULATION SIZE, GROWTH RATE, GENDER DISTRIBUTION AND POPULATION GROUPS

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 kilometres, 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	55 614	350	135	322	199	56620
Female	62058	341	39	340	61	62839
Grand Total	117672	691	174	663	260	119459

Emalahleni Local Municipality 283 from Census 2011
Area: 3447.21km²
Population: 119460(34.65perkm²)
Households: 31681 (9.19 per km²)
Statistics by Gender as per Census 2011

Gender	People	Percentage
Female	62839	52.60%
Male	56620	47.40%

The above table shows that Emalahleni Local Municipality population is mostly dominated by females. It therefore means there is a possibility that males are outside the Emalahleni Local Municipality in search of greener pastures and females are households.

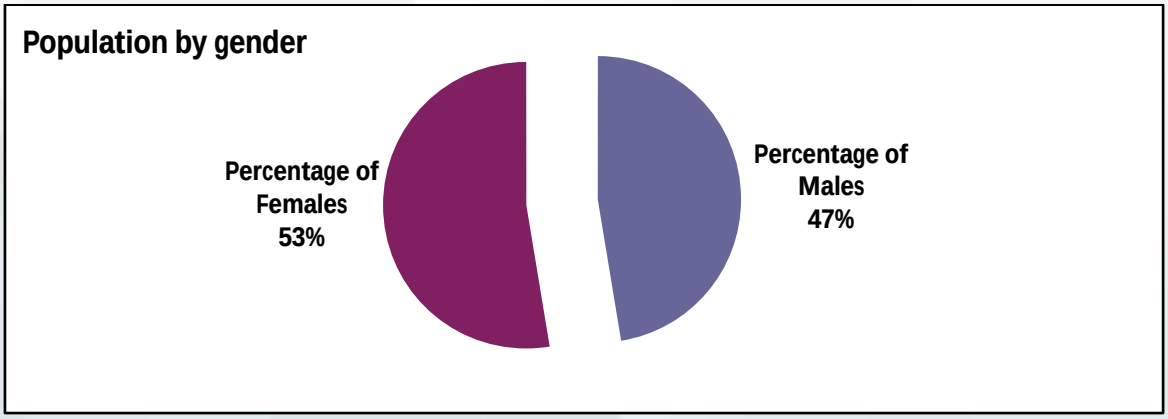
Population by Ethnicity as per Census 2011

Population group	People	Percentage
Black African	117672	98.50%
Coloured	691	0.58%
White	663	0.55%
Other	260	
Indian or Asian	174	0.15%

The above table shows that Emalahleni Local Municipality ethnicity is dominated by black Africans and the level of economic participation is revolving around primary production in a form of crop and livestock production.

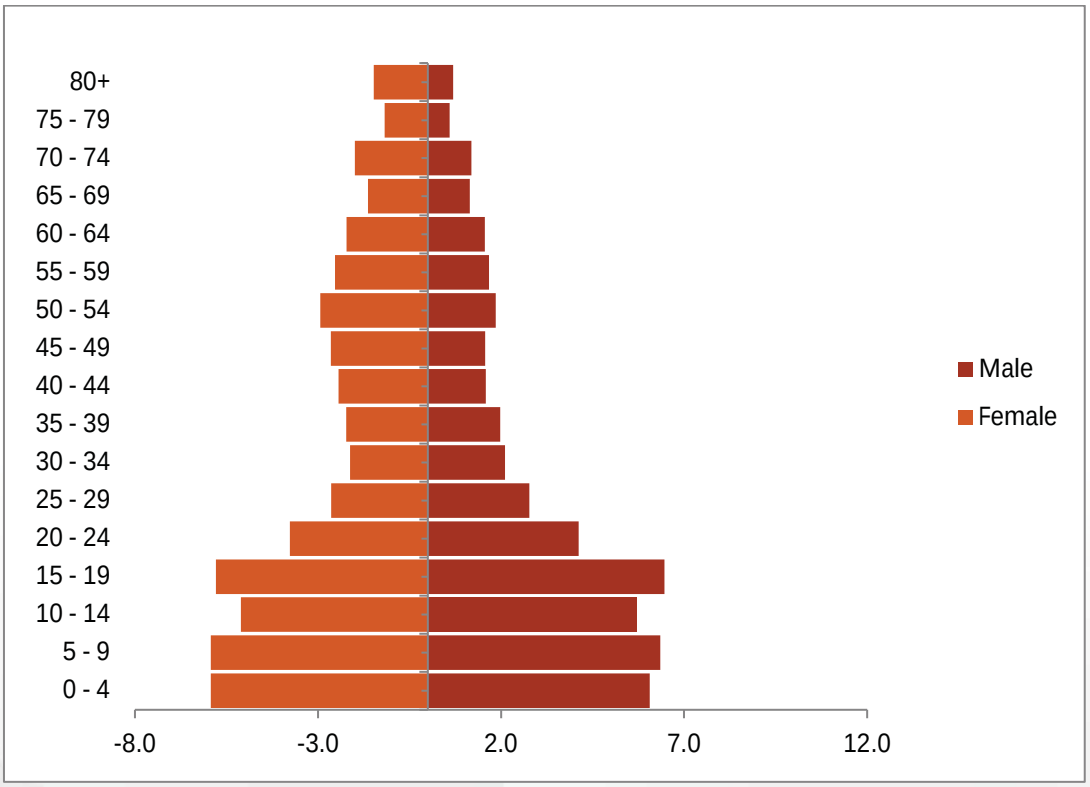
The Pie Chart below reflects the following:

- Females are more than males at Emalahleni Local Municipality
- There is a possibility of male migration from Emalahleni Local Municipality to other cities in search of employment opportunities.
- There is a possibility of high male death rate as compared to females



Statistics South Africa: Web page: www.statssa.gov.za, 2011

Population Pyramid

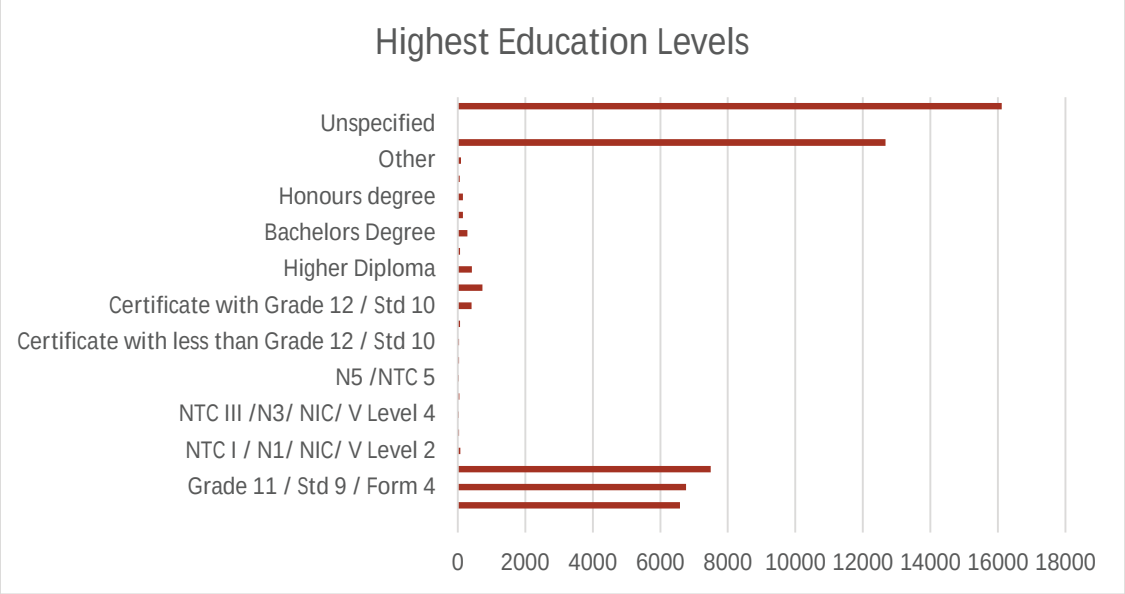


The above pupation pyramid reflects a perfect planning informant for the municipality. From this age distribution above, the following observations can be eluded:

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

2.3.2. EDUCATION AND SKILLS

17.2 *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 35% OF POPULATION HAS NO SCHOOLING AT ALL.*

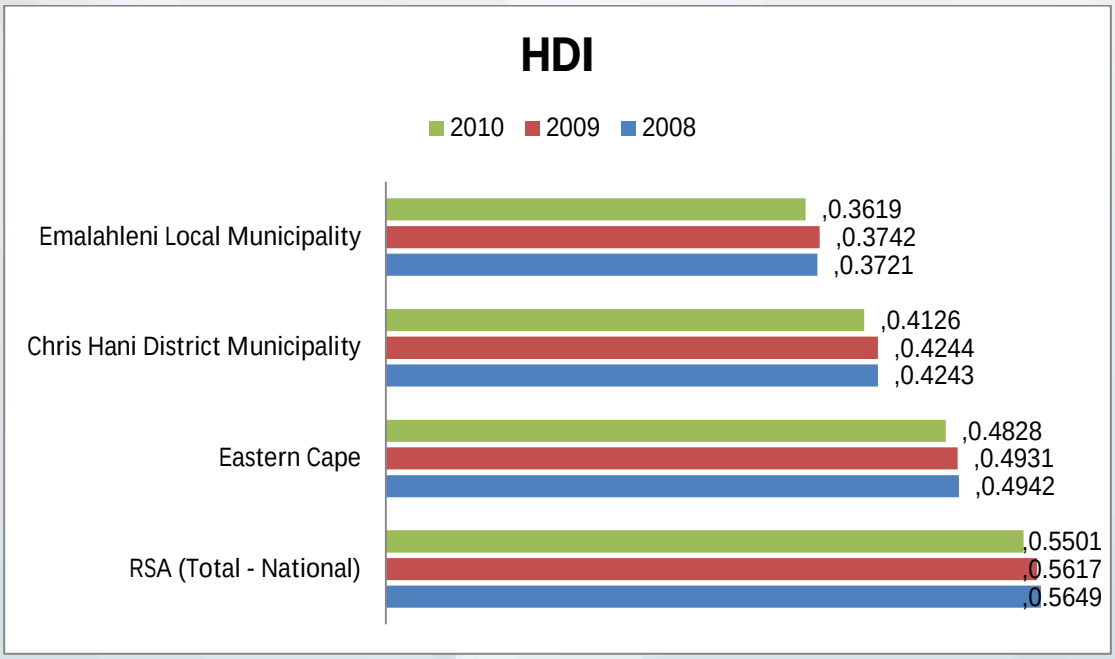


Source: Statistics SA 2011

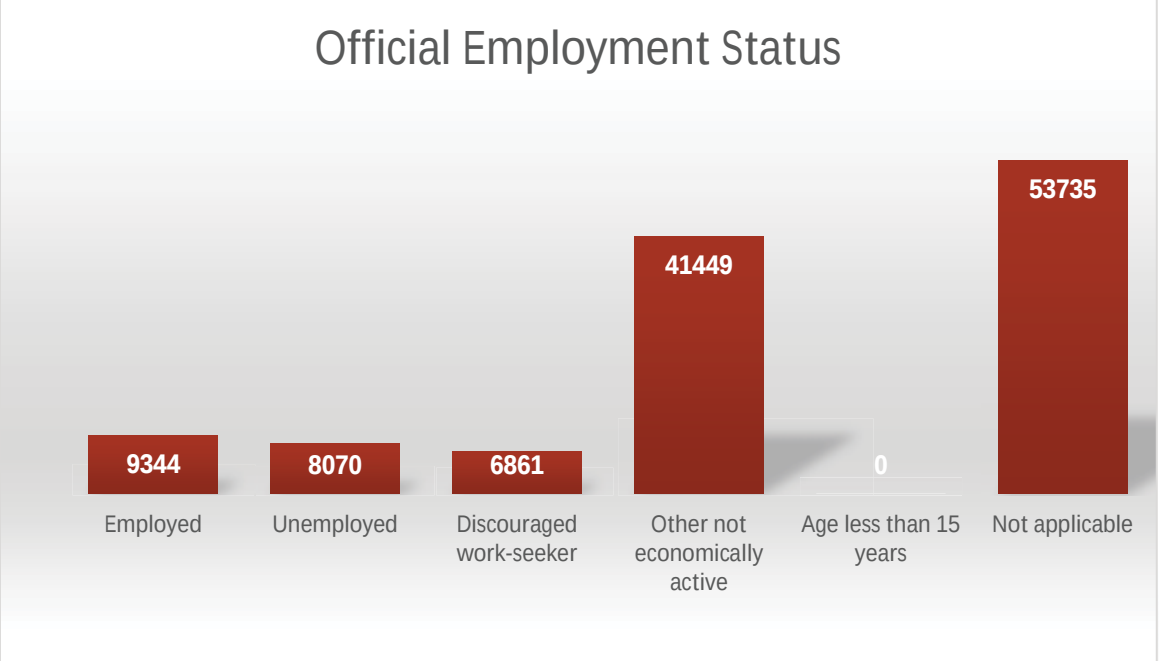
2.3.3. Human Development Index (2008 – 2010)

The Human Development Index at Emalahleni Local Municipality is at Medium level on the following areas:

- Life expectancy at birth
- Educational Attainment
- Standard of living measured by real per capita income measured at purchasing power parity



2.4. EMPLOYMENT IN ELM



Sources: Statistics SA, 2011

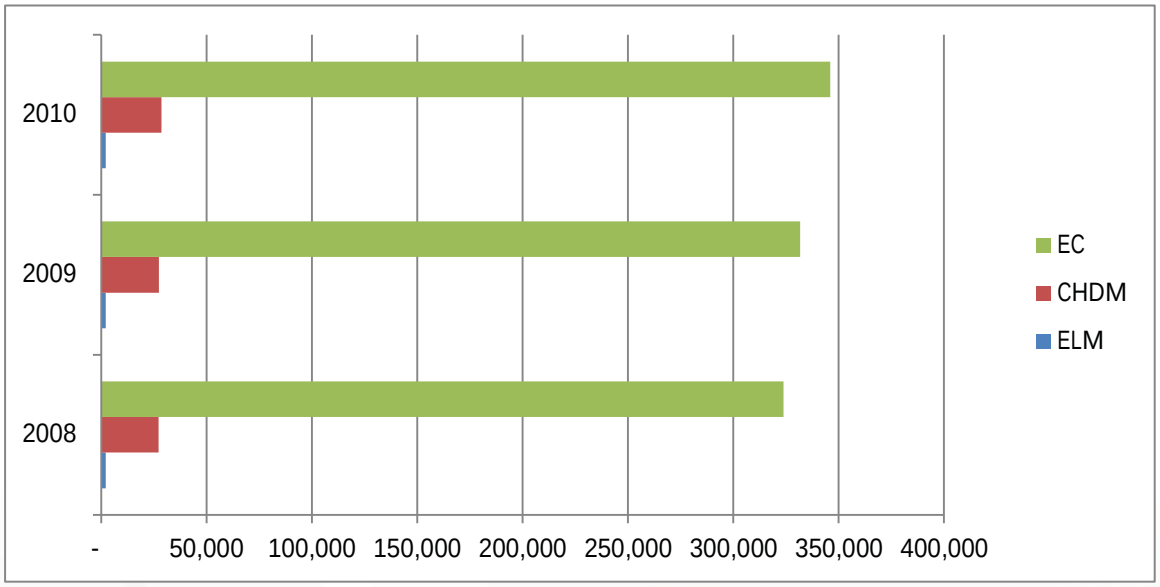
The current employment statistics of the municipal area released by Stats SA on quarterly basis is as follows:

Person weighted	
Employed	9345
Unemployed	8070
Total	17415
% of Person weighted	
Employed	53.7
Unemployed	46.3
Total	100.0

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.

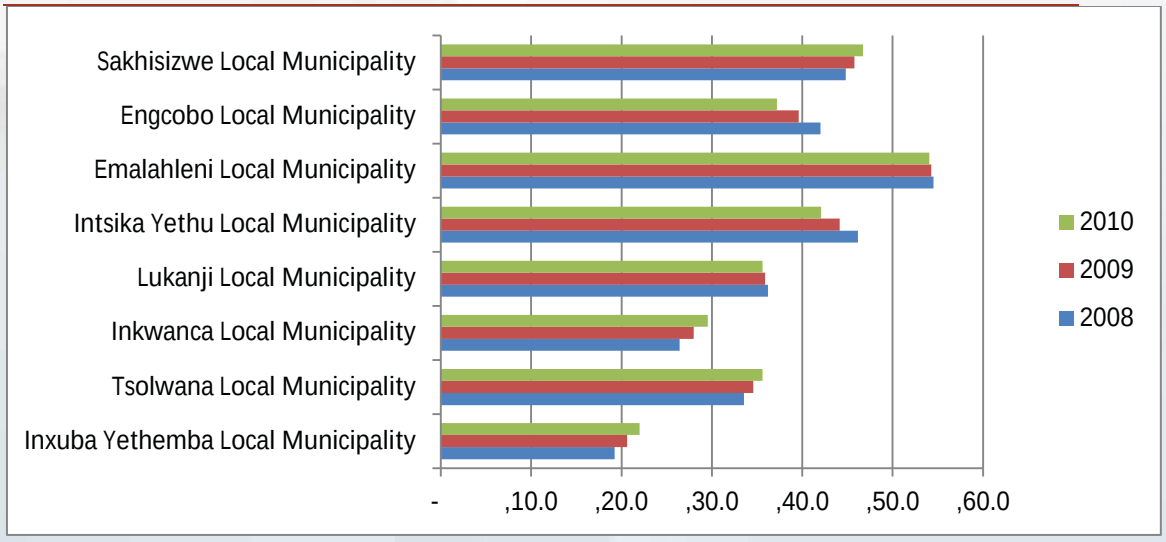
The GDP of Emalahleni has been anchored by the wholesale and retail sector which has contributed a higher percentage in terms of Real Money. The wholesale and retail sector has contributed about 80% to the Gross Domestic Product and has seen a steady growth for the past three financial years (2008, 2009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

2.4.1. INFORMAL SECTOR



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

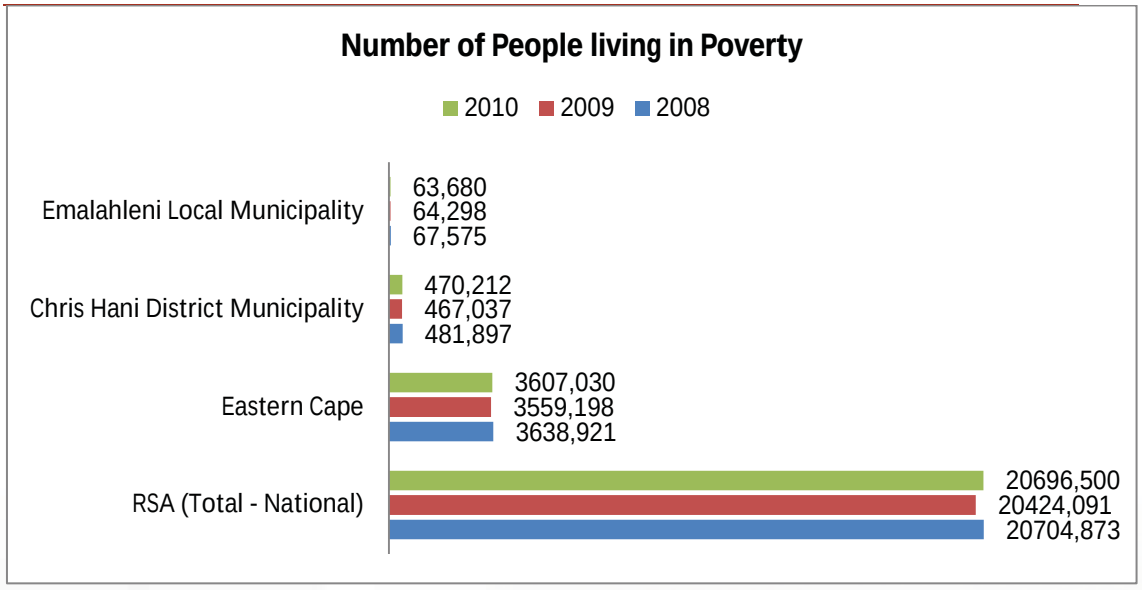
2.4.2. UNEMPLOYMENT RATE



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 and 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.

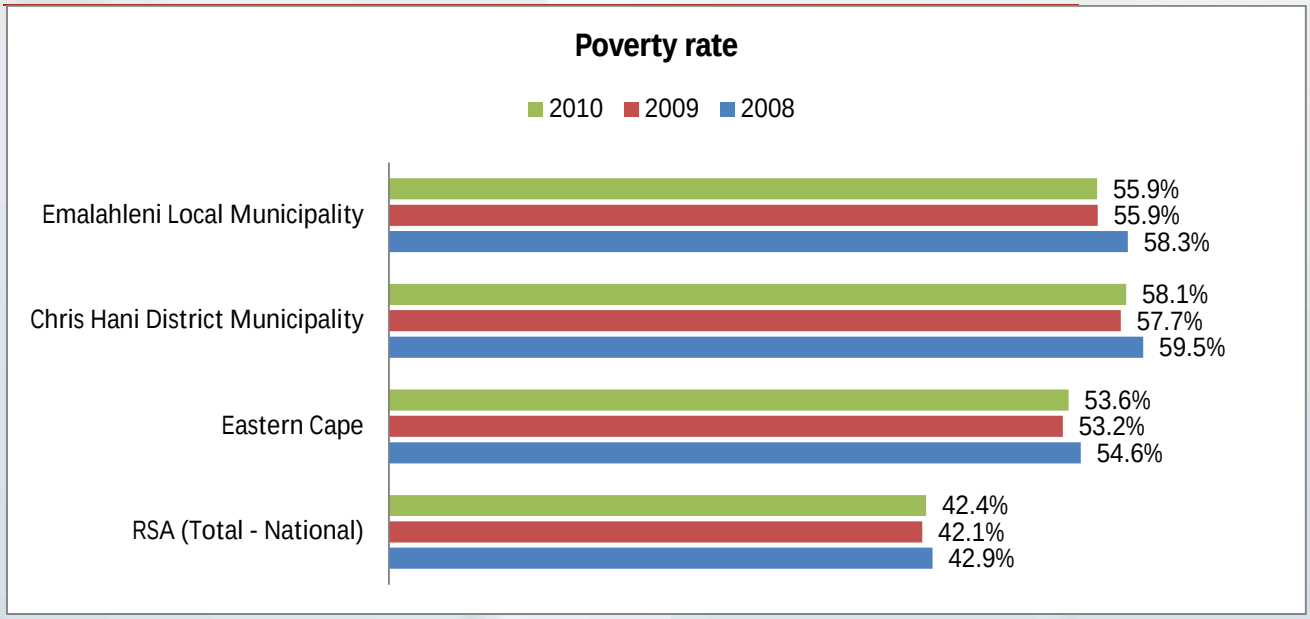
2.4.3. POVERTY



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.

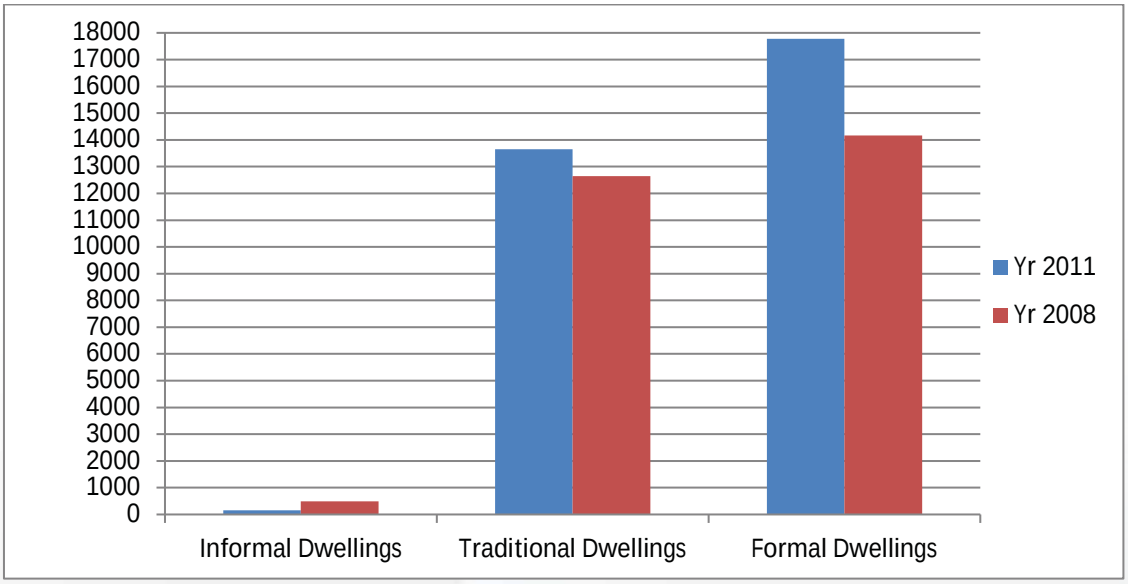
Due to the snail pace inwhich poverty is decreased, Government in general and Emalahleni Local Municipality in particular, need to introduce aggresive measures that will seek to accelerate the pace of poverty eradication and such can be encapsulated in LED strategy and other relevant strategies.

2.4.4. POVERTY RATE (2008 – 2010)



2.4.5. HUMAN SETTLEMENTS

17.3 *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.*



2.5. STATUS QUO OF THE LOCAL ECONOMY AT EMALAHLENI

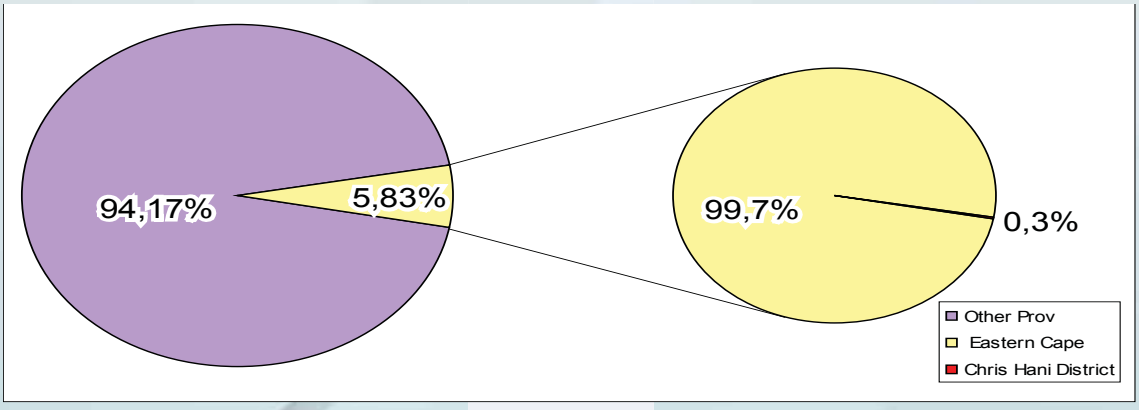
2.5.1. ECONOMIC PROFILE

17.4 EMALAHLENI'S CONTRIBUTION TO THE NATIONAL ECONOMY

The strength of a country's economy can be measured by analysing a few key indicators. These include:

- Imports and Exports
- Economic Output
- Contribution to Gross Value Added (Tax)

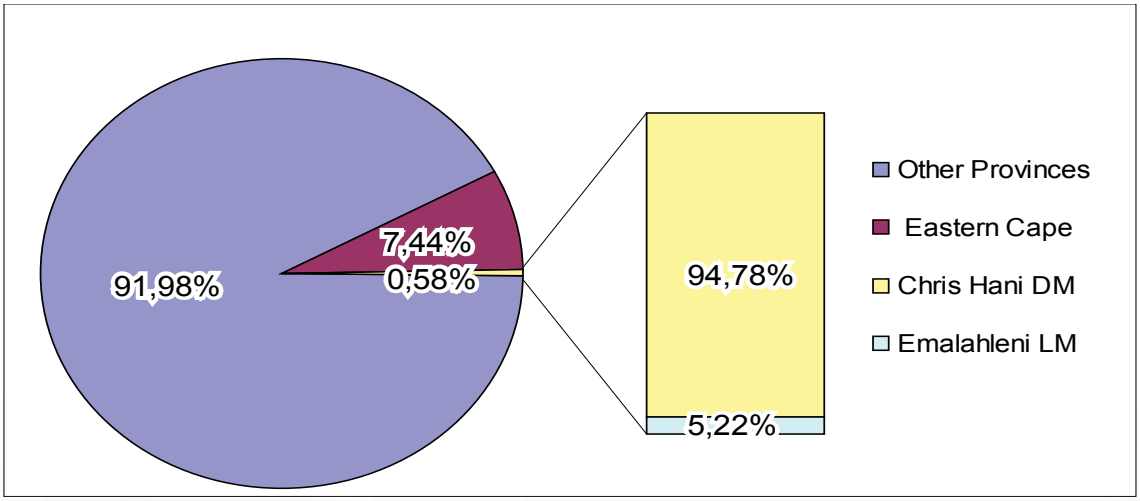
17.4.1 Imports and Exports



The total value of goods imported by South Africa in 2008 was R721 Billion. The Eastern Cape imported 5.83% of those goods, valued at R42 Billion. The Whole of Chris Hani DM only imported goods to the value of R130

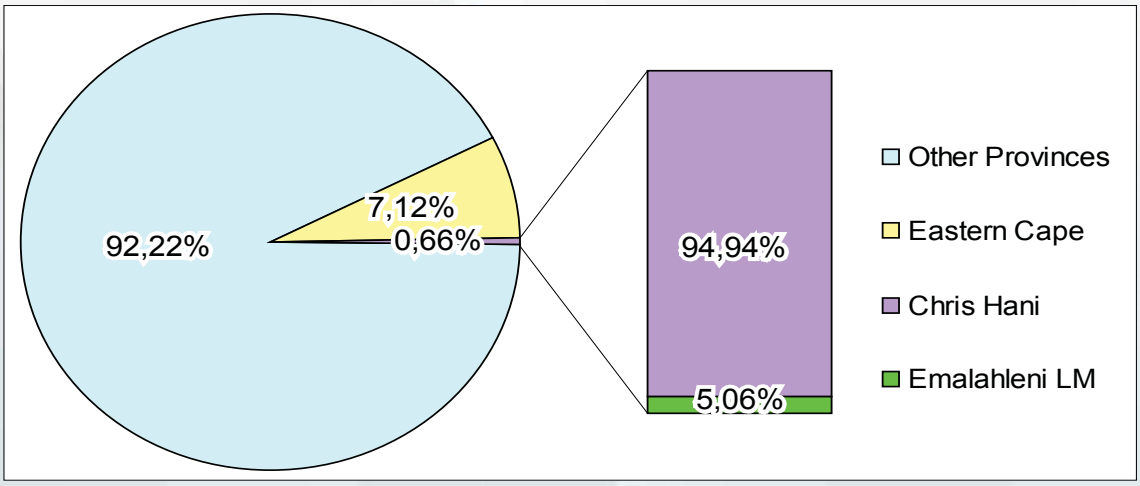
745 968, which is 8, 3 % of the total. South Africa exported goods to the value of R636 Billion in 2008, the contribution from Chris Hani as a district was 0,056%

17.4.2 Economic Output



The economic output of total production for 2008 was R2, 752,117m. The Eastern Cape contributed 8% valued at R220, 734m. Emalahleni LM contributed 5, 2% to Chris Hani DM, which in turn contributed 0, 58% that of the National output.

17.4.3 Contribution to VAT



The total for General Value Added Tax for 2008 in South Africa was R1, 159,313m. The Eastern Cape contributed 7, 78% valued at R90, 162m. Emalahleni LM contributed 14,45% to Chris Hani DM, which contributed 6,486m, which is 0,66% that of the National figure.

17.5 GROSS VALUE ADDED

The sector contribution of each individual producer, industry or sector to the economy is measured through Gross Value Added (GVA). Gross Value Added (GVA) by Region is the GVA for a specific geographic area. The link between GVA and GDP can be defined as GVA plus taxes on products less subsidies on products equals GDP (GVA = GDP - taxes on products + subsidies on products).

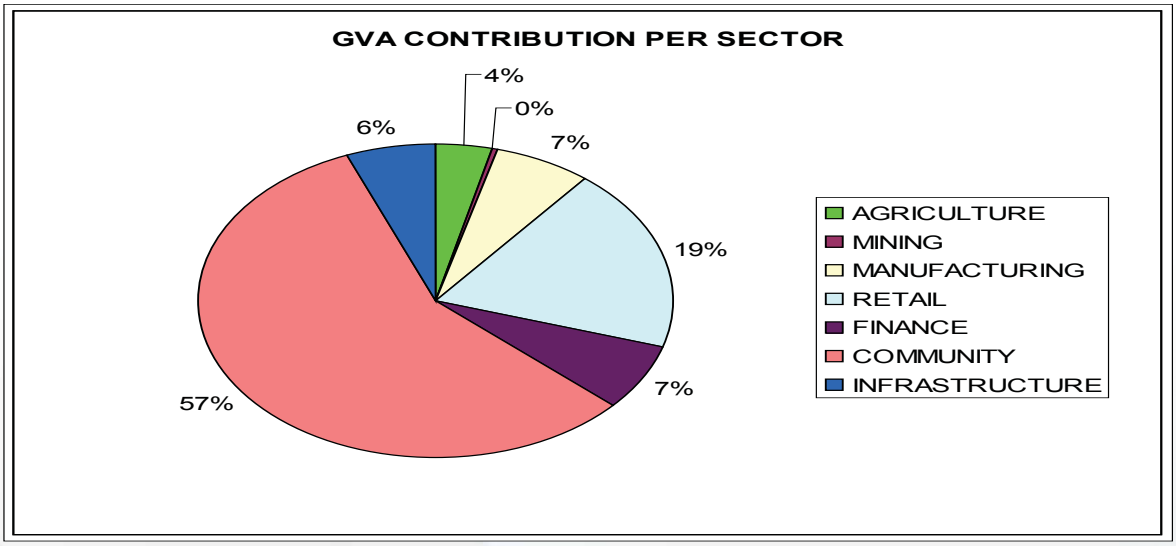
This is the value of the total economic contribution of each sector as listed in the legend below. Clearly the towns of Lady Frere, Dordrecht and Indwe are the major contributors as indicated by the size of their charts.

The Community and Social Sector is the greatest contributor to Emalahleni's GVA. This sector contributes to more than half the Municipalities GVA. This highlights the lack of diversity in the economy.

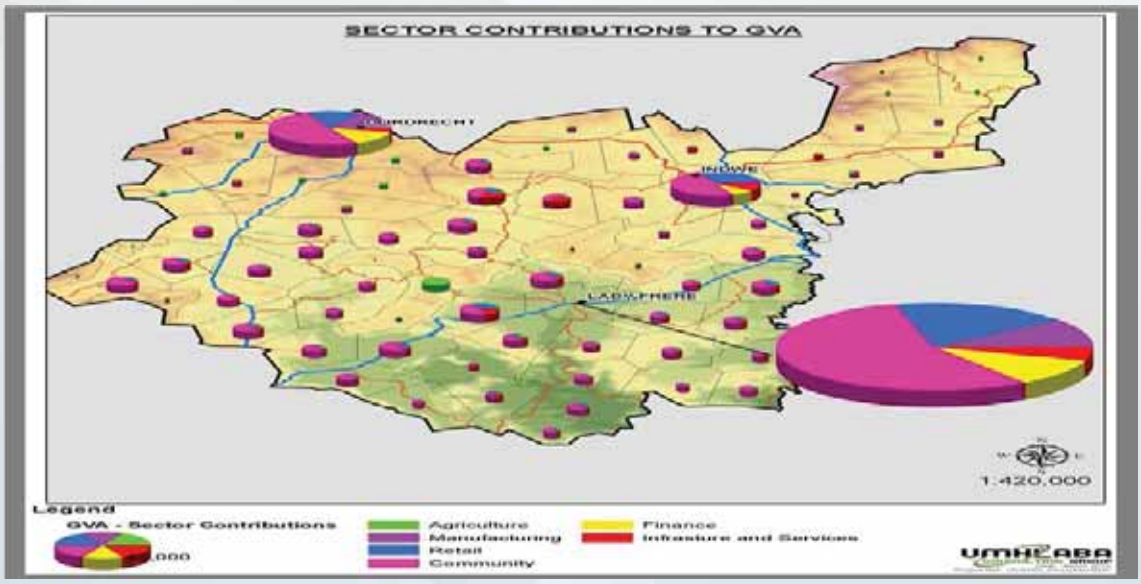
The primary sectors of agriculture and mining contribute to less than 5% of the formal economy. There are opportunities for these sectors to grow.

Lady Frere is the hub of the retail, commercial and manufacturing sectors in the Municipality. The town contributes to more than half the Municipalities GVA. This highlights the importance of developing and maintaining infrastructure and links to the town

CONTRIBUTION PER SECTOR TO THE EMALAHLENI LM

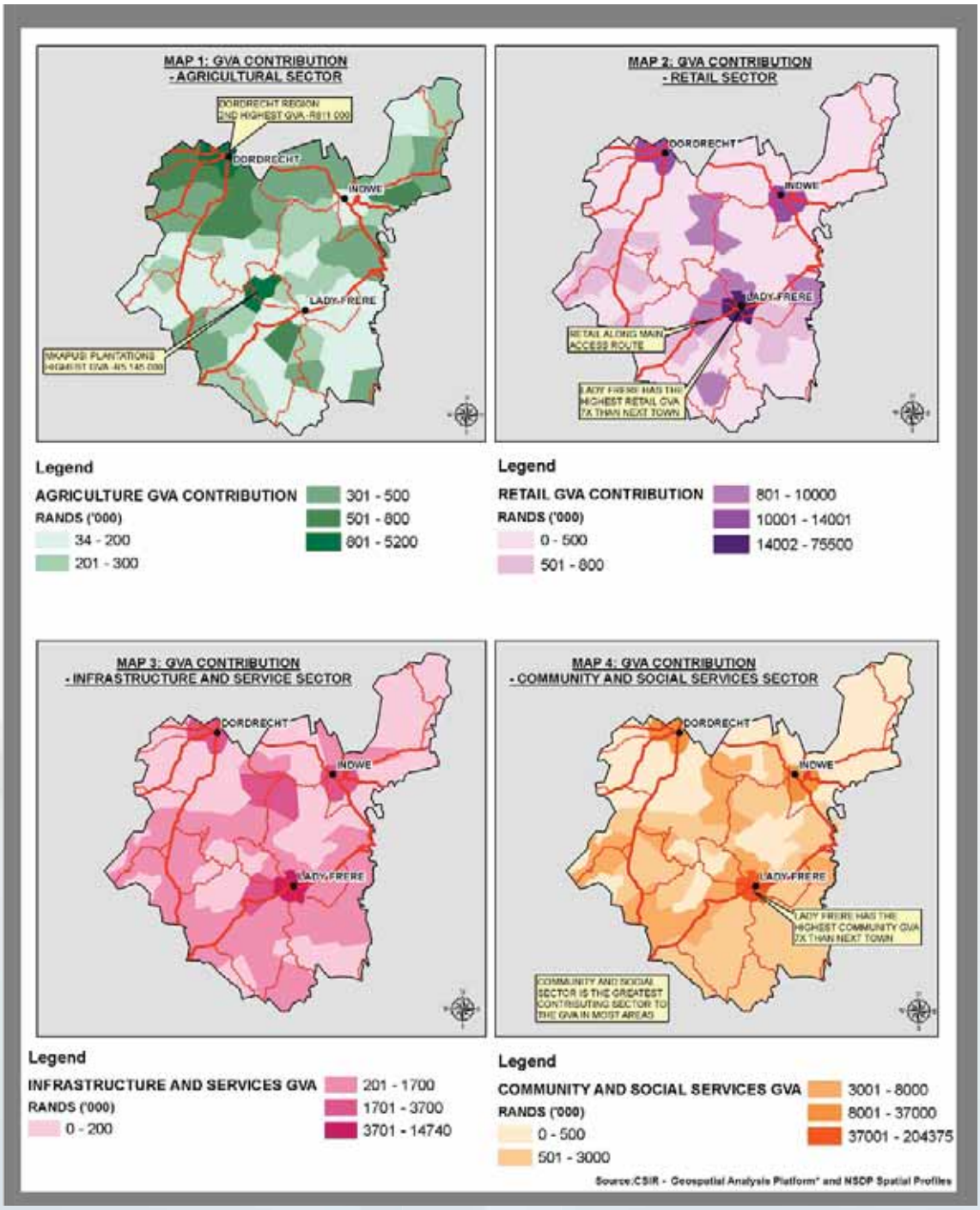


Geographic Distribution of GVA per Sector (as a %)



Source: CSIR - Geospatial Analysis Platform and NSDP Spatial Profiles*

AREA	AGR	MINING	MANU.	RETAIL	FINANCE	COMM	INFRA.	TOTAL GVA
LADY FRERE	0	100	76	62	73	56	37	56
DORDRECHT	3	0	23	10	19	10	6	11
INDWE	0	0	1	10	7	5	9	6
REST OF LM	97	0	0	18	0	29	48	27


MAP 1: GVA CONTRIBUTION
- AGRICULTURAL SECTOR
DORDRECHT REGION
2ND HIGHEST GVA - R811 000
DORDRECHT
INDWE
LADY-FRERE
NKAPUSI PLANTATIONS
HIGHEST GVA - R5 145 000
Legend
AGRICULTURE GVA CONTRIBUTION
RANDS ('000)
34 - 200
201 - 300
301 - 500
501 - 800
801 - 5200
MAP 2: GVA CONTRIBUTION
- RETAIL SECTOR
DORDRECHT
INDWE
LADY-FRERE
RETAIL ALONG MAIN ACCESS ROUTE
LADY FRERE HAS THE HIGHEST RETAIL GVA 7X THAN NEXT TOWN
Legend
RETAIL GVA CONTRIBUTION
RANDS ('000)
0 - 500
501 - 800
801 - 10000
10001 - 14001
14002 - 75500
MAP 3: GVA CONTRIBUTION
- INFRASTRUCTURE AND SERVICE SECTOR
DORDRECHT
INDWE
LADY-FRERE
Legend
INFRASTRUCTURE AND SERVICES GVA
RANDS ('000)
0 - 200
201 - 1700
1701 - 3700
3701 - 14740
MAP 4: GVA CONTRIBUTION
- COMMUNITY AND SOCIAL SERVICES SECTOR
DORDRECHT
INDWE
LADY-FRERE
LADY FRERE HAS THE HIGHEST COMMUNITY GVA 7X THAN NEXT TOWN
COMMUNITY AND SOCIAL SECTOR IS THE GREATEST CONTRIBUTING SECTOR TO THE GVA IN MOST AREAS
Legend
COMMUNITY AND SOCIAL SERVICES GVA
RANDS ('000)
0 - 500
501 - 3000
3001 - 8000
8001 - 37000
37001 - 204375
Source:CSIR - Geospatial Analysis Platform* and NSDP Spatial Profiles

EMALAHLENI ECONOMIC OVERVIEW

Economics-Profile Implications:

- *On both a District and National scale, Emalahleni's contribution to the economy is small. Emalahleni contributes less than 1% to the National GVA.*
- *The Lady Frere is the hub of economic activities in the Municipality.*
- *In spite of its contribution to GVA, the community services sector is not an economic growth sector. This is due to the fact that the products that drive this sector are not tradeable and therefore do not result in increased economic output. As a result, they are unlikely to attract investment and by implication, cannot be relied upon to impact on unemployment.*

2.6.1. ECONOMIC SECTOR ANALYSIS

Local Economic Development

In line with the requirements of Sections 152 (1) (c) and 153 of the Constitution of the Republic of South Africa, 1996; municipalities have a constitutional obligation to promote social and economic development within the municipal area. The Council has structured its Council committees according to local government key performance areas which as well consist of local economic development. A directorate for economic development, tourism and agriculture was established and is responsible for execution of economic development plans.

In 2010, the municipality developed and approved a 5 year local economic development strategy to provide a strategic guidance on issues of economic development, and as well align district, provincial and national economic development plans. The 2015/2016 financial year is last year of the implementation plan in the current LED Strategy. The strategy warrants a review and/or development of a new strategy which will talk to the 2016/2021 financial years, and is under review.

The municipality has a fully-fledged directorate which is responsible for the implementation of the LED programmes and projects. The main focus areas of the directorate are agricultural development, mining, tourism, SMME's (small medium micro enterprise) development, heritage management and agro-processing.

The municipality has a functional LED Forum for purposes of consultation and engagement with LED stakeholders on LED matters. The LED Forum has two categories; the government [Department of Economic Development, Environmental Affairs and Tourism (DEDEAT), Chris Hani District Municipality(CHDM), Department of Rural Development and Agrarian Reform (DRDAR), Department of Rural Development and Land Reform (DRDLR), Chris Hani Development Agency (CHDA), Chris Hani Cooperative Development Centre (CHCDC), Eastern Cape Rural Development Agency (ECRDA), Eastern Cape Development Corporation (ECDC), Eastern Cape Parks and Tourism Agency (ECPTA), Department of Trade and Industry (DTI), Department of Social Development (DSD)] and communal business entities (brick-makers, agricultural primary cooperatives and secondary cooperative, caterers, crafters, contractors, hawkers and B&B owners. The forum meetings are held on a quarterly basis.

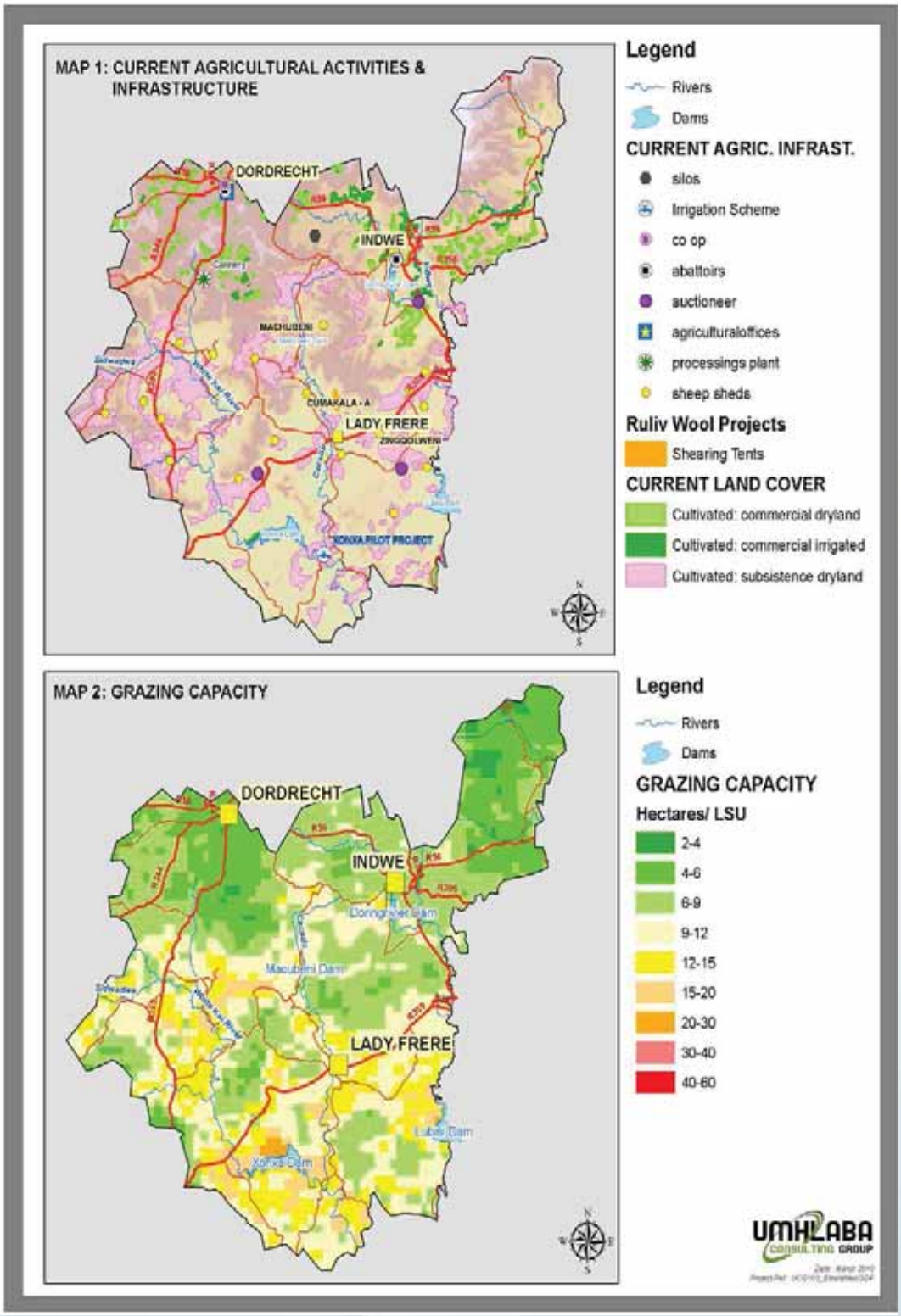
The economy of the municipality is made of the following sectors:

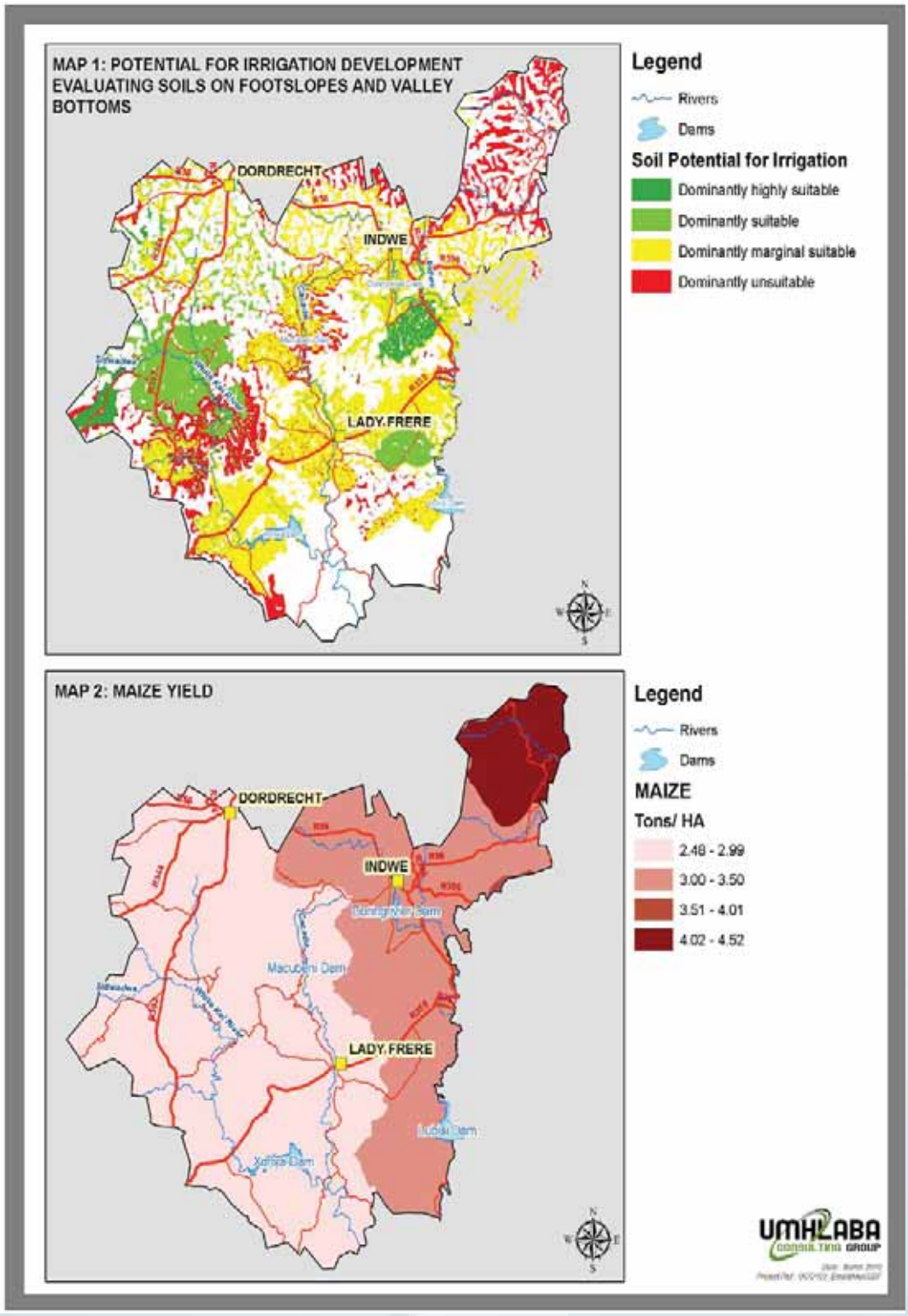
(a) Agriculture

Agriculture is made up of two primary production components which are as follows:

Livestock and Wool Production	Scientific research conducted by the Agricultural Research Council (ARC) in 2005, has revealed that the municipal area has got sweet veldts, that on its own is showing that this area is rich in livestock production despite climatic conditions, as the area is dry in nature. According to the department of Agriculture, in the 2015 season the municipal area had at the least 270 000 to 300 000 sheep per year, 75 000 to 100 000 goats and 36 000 to 40 000 cattle.

	This excludes commercial farmers, as they are not serviced by the department of Agriculture. The municipality is in a process to improve the cattle breed in the municipal area by introducing Nguni bulls which are an African breed that is resilient to prevailing climatic conditions. The municipality is adding value on livestock production by putting in place necessary infrastructure in a form of dipping tanks for health purposes and stock pen sales for marketing purposes. It further puts in place measures to reduce stock theft in the area by introducing livestock branding programme. The Act which is regulating Livestock Branding is Livestock Branding Act No 6 of 2002. The municipality has the following infrastructure: • Animal health infrastructure: dipping tanks more than 100. Most of these structures were constructed in the 1980's and are in a bad condition which requires renovations. The municipality is in a process of completing 10 dipping tanks which were started by the Chris Hani District Municipality before 2002. Since 2000, the DRDAR has been supplying the communal farmers with free dipping medication to prevent external parasites in livestock. • Stock auction infrastructure: the municipality has 11 stock pens which are still in good condition which is utilized for stock auction in the communal space of the municipal area. • Wool Production infrastructure: the municipality has 74 shearing sheds for wool production; 40% of them are in a bad condition and 60%are in a good condition. The municipality has a huge backlog in shearing sheds and its suitable equipment. For the municipality to reach its maximum potential on wool production, a minimum of 100 shearing sheds is still required. Battering system has been introduced to improve the wool production quality in the case of sheep. The challenge that is facing battering system is that some communal farmers are not cooperating to the requirements of the system.
Crop Production	Scientific research conducted by the Agricultural Research Council (ARC) in 2005, revealed that due to the prevailing climatic conditions in the municipal area is now suitable for Sorghum Production and all value addition efforts must go towards that direction. The municipality has set a target to plough more than 1 000 hectors from 2014 that is incremental to 35 000 hectors in 2020. The Act which is regulating this is Agricultural Development Act No 52 of 1960. IDA is the area that produces maize in large qualities because of climatic conditions in that region. The municipality is battling with fencing as the fence is easily damaged and stolen. Currently, fencing is provided to organised communal producers located in 08 different wards; and the programme to educate communities on how fencing is provided is still ongoing. The municipality has a programme of reviving small scale irrigation schemes with the intention to produce crop throughout the year.
Agro-Processing	The municipality has facilitated the establishment of a milling plant owned by Ibuyambo secondary cooperative which is made up of six primary cooperatives. Its objective is to add value to grain produce for purposes of marketing.


MAP 1: CURRENT AGRICULTURAL ACTIVITIES & INFRASTRUCTURE
DORDRECHT
INDWE
MACHUBENI
CUMAKALA-A
LADY FRERE
ZINGQOLWENI
XONXA PILOT PROJECT
Legend
Rivers
Dams
CURRENT AGRIC. INFRAST.
silos
Irrigation Scheme
co op
abattoirs
auctioneer
agriculturaloffices
processings plant
sheep sheds
Ruliv Wool Projects
Shearing Tents
CURRENT LAND COVER
Cultivated: commercial dryland
Cultivated: commercial irrigated
Cultivated: subsistence dryland
MAP 2: GRAZING CAPACITY
DORDRECHT
INDWE
Donnybrook Dam
Macubeni Dam
LADY FRERE
Lubis Dam
Xonxa Dam
Legend
Rivers
Dams
GRAZING CAPACITY
Hectares/ LSU
2-4
4-6
6-9
9-12
12-15
15-20
20-30
30-40
40-60
UMHLABA CONSULTING GROUP



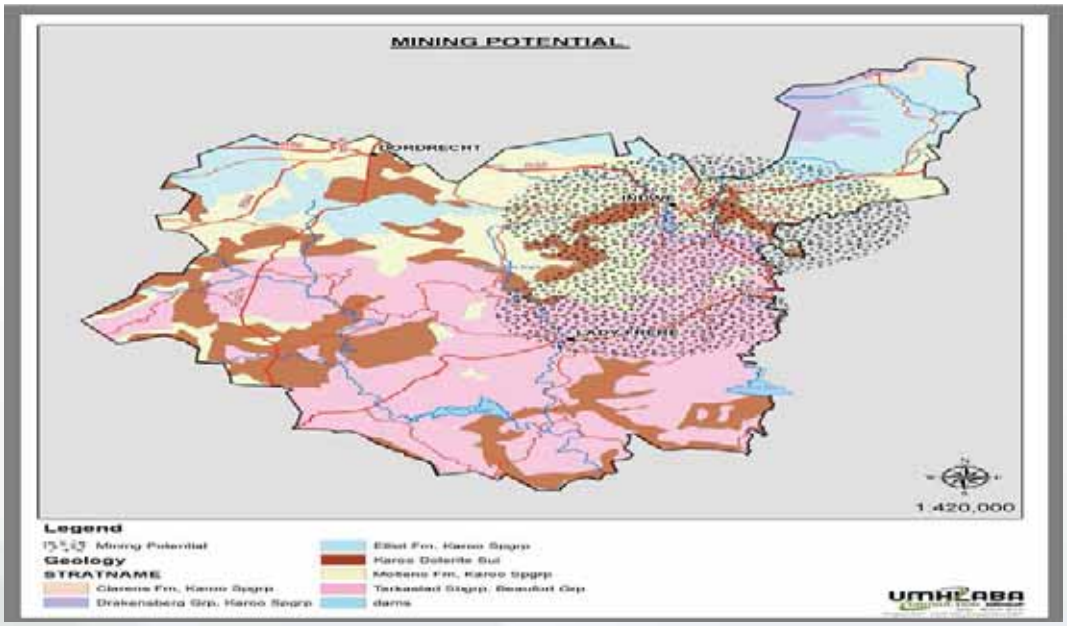
(b) Mining

Coal Mine

The Municipality has got coal reserve on its northeast part (Indwe, Guba A/A, Machubeni A/A and Mhlanga A/A) which is covering more than 10 000 hectares. The mining of this coal mineral is anticipated to have the life span of more than 30 years. The discovery of coal mineral took place 100 years ago at Strekstroom and Guba hoek. In the case of Emalahleni

Local Municipality, the mining operation was taking place in Guba Hoek area but due to the quality of the coal which is low when it is compared with the coal mineral in Mpumalanga Province, the Emalahleni coal mine was abandoned.

In 2006, an attempt was made by Elitheni coal mine, a company which is based in Port Elizabeth; to reopen the mine. After all the required processes were followed, mining permit and mining license were granted by the Department of Mineral Resource to Elitheni Coal Mine. The mine operated in 2012, for a period of one and a half years and had to close down operations due to technical and financial capacity to date. The municipality has engaged relevant national government ministries to assist the municipality lobby for other investors to operate the mine.



Sand Mining

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 DEDEAT and DME, to develop a functional by-law to regulate and manage this activity to protect the environment from damage.There are a few companies that have obtained a mining permit based on an agreement with the affected communities.

Clay Brick-makers

The municipality is in a process of exploring potential growth out of those small scale mining activities through supporting brick makers from Indwe and Dordrecht to supply their bricks as a material in housing projects. There are efforts that need to be concerted in order to play a meaningful economic role is sand mining. The Act which is regulating mining is Mining and Petroleum Development Act No 3 of 2002.

The municipality has engaged SABS for accreditation on the quality of local manufactured clay bricks as well as the department of mineral resource for formalising clay mining operations to assist brick-makers. The municipality is also providing business support in the form of production inputs and infrastructure to clay brick producers.

(c) Tourism

The municipality is a mountainous area with waterfalls and rocks which are known as Glen Grey Waterfalls that are situated in Bhozwana Village.

Indwe has a Doring Dam which has a potential of water sport. Along the dam, there is a self-catering facility called Indwe Resort with 12 chalets and a dilapidated conference facility. The municipality is in the process of engaging an external provider to manage the facility and solicit funding for the improvement of the conference facility.

In Dordrecht area there are mountains that have hiking trails and also accommodation facility which is called Kloof conservancy and it isalong Hossep dam that has broken due to natural disasters. The conservancy has three self-catering chalets each with two bedrooms.

In Lady Frere area, before Indwe River to Sakhisizwe municipality, the municipality has a cultural village known as Abathembu Calabash; that is offering accommodation to tourists and a conference facility. Along R396, 5kms before Nonesi neck to Lukhanji Municipality, there is Queen Nonesi cultural village that is still under construction, which will offer accommodation and a conference facility.

The municipality has facilitated an establishment of Local Tourism Organisation which is composed of three community based organisations (Lady Frere, Indwe and Dordrecht) for the purpose of interaction and consultation on tourism initiatives. There are 117 beds in the municipal area which are in the Bed and Breakfasts and cultural villages. The Act which is regulating this is Tourism Act No 3 of 2014.

The scope for the development of the Local tourism sector within the Municipal area is vast but is hampered by the level of infrastructure development.

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

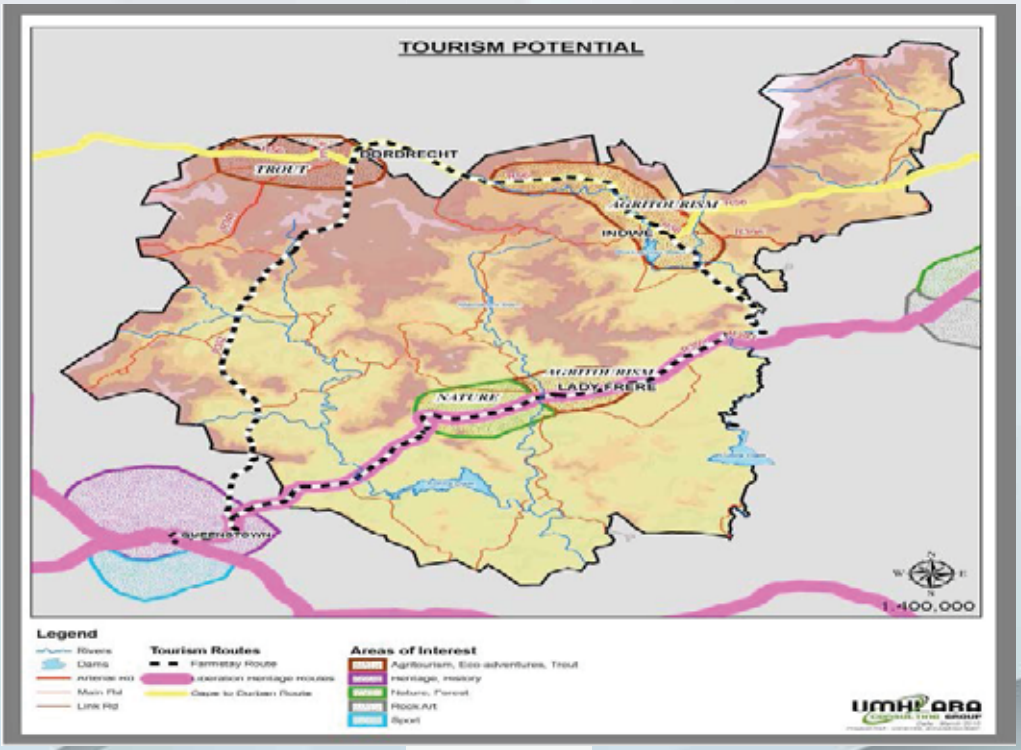
- Aqua sport linked to existing Dams (Xonxa & Lubisi)
- Cultural tourism linked to the Liberation and Heritage Route
- Craft produce
- Rock art promotion and beneficiation
- Museum – Dordrecht

There are areas where Bushmen paintings exist which have the potential to be developed into tourist attractions. The municipal area has cultural groups that are performing locally, nationally and internationally, selling authentic culture of Emalahleni. The cultural groups are located at Ngqoko, Mackay's neck, Tsembeyi and Dordrecht.

The municipality has an arts and craft center that has been established for purposes of manufacturing and marketing of bead work and Xhosa traditional attire to local and national tourists. The center is located along Indwe Road in Lady Frere town.

Tourism Routes

The area has been identified as having potential for a farm stay tourism route. The Ndondo Liberation Heritage Route follows the R356 through Lady Frere.



(d) Heritage

Qonda Hoho and Luvuyo Lerumo are the political heroes that were buried at Qoqodala Village and monuments were built on their graves. The main objective is to restore the contribution played by these freedom fighters in the late 1980s. Emalahleni has got Queen Nonesi Cultural village which is named after the Abathembu Queen and is also situated on the feet of Nonesi's Pass. There is also Abathembu Cultural Calabash at Hala No 2 under Chief Ngangomhlaba Matanzima Trust. The main objective of this is to restore the culture of Abathembu as their heritage. The Act which is regulating this is National Heritage Act No 25 of 1999.

1) Heritage Resources

A list of heritage resources within the municipality is as follows:

Site Name	Significance	Conservation Status	Management
Macubeni Coal Mine near Indwe	Washed out old coal mine showing early mining methods	Mine temporarily not operating	Department of Mineral Resources
Dams: Machubeni, Xonxa and Lubisi	Water Resources for Emalahleni, Ntsika Yethuand Lukhanji municipality residents	An aqua culture site being established	Department of Water and Sanitation
Fallen Heroes	LuvuyoLurome 1960 to 1986 QondaHoho 1956 to 1988 Queens Nonesi Tsotsi	Monuments have been built	Emalahleni LM
Glen Grey Falls near Lady Frere	A beautiful natural site	Water sample for feasibility study harvested in the area	Emalahleni LM
The Kloof near Dordrecht	Natural site with some unique flora	Degraded due to plundering for firewood	Emalahleni LM
Cacadu River at Lady Frere	Links most Ward	No planned projects for the current financial year	Emalahleni LM
Churches in Lady Frere	Two examples of 19th Century Churches	Well looked after	Church
Anderson Museum at Dordrecht	Oldest museum	The museum is operating	Privately owned by Anderson trust
Victorian Buildings at Dordrecht	Architectural example	Building properly maintained	Municipality / Private
Burgher Statue at Dordrecht		The statue is still in existence	Privately managed
San Rock Art at Dordrecht	Ancient art	Well kept	Private
Methodist Church at Dordrecht	Architectural example	Properly maintained	Church
Abathembu Calabash and	To restore Abathembu tradition	Well looked after	NkosiNgangomhlaba development trust
Doring river Dam at Indwe	Leisure area	Could be better utilized	Department of Water and Sanitation

Source: Chris Hani State of Environment Report

2) Liberation Route

Emalahleni is part of the Ndondo route which lies between Queenstown via R396 to Elliot and has the following cites, amongst others that form part of the history contributing to liberation in the area:

- Graves of Qonda Hoho and Luvuyo Lerumo
- Maqhashu Village
- Queen Nonesi
- Wycliffe Tsotsi Law Offices

3) Graves of Qonda Hoho and Luvuyo Lerumo

The student militancy generated by the Soweto uprising of 1976 led many students of Inkwanca High School in Queenstown to leave South Africa for military training. These included many rural youth who went to Inkwanca to complete their high school education. Two such were Qonda Hoho (1956-1988) and Luvuyo Lerumo (1960-1986) of Qoqondala who left at the different times in the 1980s. Qonda trained as a teacher before leaving to join MK. Luvuyo escaped to Lesotho, and trained in Zambia, Angola and East Germany.

They infiltrated South Africa on mission so secrete that even their families did not know of their whereabouts. Luvuyo died in a fire-light between Fort Jackson and Breidbach. Qonda was betrayed by an informer and shot in Queenstown. Their burials were conducted in the presence of Hippo vehicles and strong security presence, allowing the attendance of only their family members.

4) Maqhashu Village

The Old district of Glen Grey, commonly known as Lady Frere, was part of the old Cape Colony, from which it became part of Ciskei. But in the 1970s, the apartheid authorities were concerned to persuade Chief KD Matanzima to take homeland independence for Transkei. As an inducement, he was offered the district of Glen Grey and Herschel. The people of Glen Grey voted against Transkei in a referendum but their wishes were ignored and they came under Matanzima's iron rule.

Opposition to Matanzima became linked to opposition to 'the Trust' also known as 'betterment' or 'rehabilitation'. The Trust forced people to abandon their traditional lifestyle and move into 'closer settlements', similar to urban township. People of Maqashu refused, and on a day in 1979, their homes were bulldozed and torched in broad daylight. Transkei army was everywhere rounding up their stock. Four residents- died in this forced removal, some beaten, others seemingly dying of shock. Thousands of Glen Grey residents left their homes and settled at Zweledinga in Lukhanji which was not then subject to Bantustan independence.

5) Queen Nonesi

Queen Nonesi, the daughter of King Faku of amaMpondo, was the Great Wife of King Ngubengcka of abaThembu. Ngubengcuka died quite suddenly in 1830, leaving Queen Nonesi without any child but she took Mtirara, Ngubengcukas son by another wife, into her house and raised him as the future King of Thembuland. Queen Nonesi and Mtirara settled at Rhodana about 1841, a move which put the abaThembu Great House on the frontline of defence against the colonial invaders. After the War of Mlanjeni (1850-3), all black residents of present day Lukhanji were expelled into present day Emalahleni, and came under Nonesi's protection.

Colonial land-hunger raised its head again in 1864 when the Colonial authorities tried to persuade the residents of Emalahleni to move to present day Intsika Yethu to free up land for white farms. Four chiefs moved, but Nonesi remained adamant. She was forcibly deported to her brother's place at Nyandeni where she died in about 1880. But by that time, she had saved the land of Emalahleni for black people.

6) Wycliffe Tsotsi Law Offices

WM Tsotsi (1914-2005) was President of the All Africa Convention from 1948 to 1958(later known as the New Unity Movement) as well as a founder of the Cape African Teachers Association (CATA), but he is best remembered as a gifted lawyer and organiser of people at grassroots level, earning the jocular title of 'Chief of the Thembus'.

Trained as a teacher, he was the first principal of Freemantle High School but he left teaching in 1948 to do his legal articles in Port Elizabeth. His legal expertise was legendary, and distinguished by his shrewd use of procedural rules to win seemingly hopeless cases. From early on he became conscious that his chances of winning cases in a legal system where the magistrate and the prosecutor were both white were limited. He relied on provoking the racist establishment into blunders, then winning his cases on appeal.

Tsotsi's offices were built according to his own design on land which he owned, an unusual situation in Lady Frere, at the time solely owned by white residents. His rights to own land was indeed challenged, but Tsotsi was able to point to neighbouring plot used by a local white trader to accommodate his hunting dogs. Does this mean, Tsotsi asked, that dogs have more right in Lady Frere than black people? He won that case too.

Tsotsi's was often harassed by the police but they could not make any charge stick until 1960 he received reliable information that he was about to be arrested. He fled into exile, and eventually established a successful legal practise in Maseru where he died at the ripe age of 91.

(e) SMME Development

Broad Based Black Economic Empowerment (BBBEE) Act, 2013 (Act 46 of 2013), means the viable economic empowerment of all black people in particular women, workers, youth, people with disabilities and people living in the rural areas, through diverse but integrated socio-economic strategies that include, but are not limited to:

a. Increase the number of black people that manage, own and control enterprises and productive assets
b. Facilitating ownership and management of the enterprises and productive assets by communities, workers, cooperatives and other collective enterprises
c. Human resource and skills development
d. Achieving equitable representation in all occupational categories and levels in the work force
e. Preferential procurement from enterprises that are owned and managed by black people and;
f. Investment in enterprises that are owned or managed by black people
g. In responding to that Act the municipality identifies black owned Enterprises which are as follows: Taxi Operators within the municipality are the affiliates of Uncedo Taxi Association. In terms of infrastructure only Lady Frere unit that has got functional taxi rank Indwe and Dordrecht units are still outstanding. The taxi association is on the municipality database and their services are being utilised by the municipality and other government departments
h. Street traders: mostly dominated by black people they are affiliates of Hawkers Association. In terms of the infrastructure some of them have been provided with hawker stalls in all three towns.
i. Service providers (caterers and contractors), they are affiliates of Local Business Forum, they are in the municipality's database and their services are utilised. The municipality facilitates and provides the support through capacity building programmes.
j. Formal retailers- In the municipality most of retail space used to be occupied by the black people, but more than 95% to date have been leased out to foreign nationals and few big retailers like Spar, Kwik Save, Boxer, Cash Build, Build-It, furniture shops are occupied by White People. The challenge at hand is lack of capacity, creativity and innovation. Above all is non-cooperation among themselves as local black retailers to minimise operational costs.

(f) Forestry

Emalahleni area has got communal plantations in the area of Maqhashu, Hala No 1, Mount Arthur and Machubeni. There are natural forests that are situated in the mountains of Hala No 1 Longo forest and Cumakala Village Khophe Forest The municipality is not involved in activities taking place in these forests as they are mainly used for fire wood collection. These woodlots have a tourism potential which will have to be exploited for the development of tourism in the municipal area.

2.6. LEGISLATIVE AND POLICY CONTEXT FOR LED

2.6.1. NATIONAL POLICIES, PLANS AND LEGISLATIONS

National Development Plan 2030

- A plan for a country to eliminate poverty and reduce inequality by 2030 through uniting South Africans

Tourism Development Act No 3 of 2014

- The act is to provide for the development and promotion of sustainable tourism for a benefit of republic, residence and visitors.

National Framework on Local Economic Development of South Africa 2014- 2019

- To support the development of sustainable local economics through integrated government action which consists of a collection an enterprises including cooperatives that operate in local municipal spaces.

Municipal Systems Act 32 of 2000 as Amended

- This Act together with Municipal Planning and Performance Regulations of 2001 provides legislative background for Integrated Development Planning (IDP).

Constitution of the Republic of South Africa Act 108 of 1996

- To structure and manage administration and budgeting and planning processes to give priority to basic needs of the community and to promote the social and economic development of the community.

SPLUMA Act 16 of 2013

- Integration of a sustainable development and land use in planning

Municipal Finance Management Act No 56 of 2003

- To put in place a sound financial government framework by clarifying and separating the roles and responsibilities of the council, mayor and officials.

Municipal Demarcation Act 27 of 1998

- To provide criteria and procedure for determination of municipal boundaries

Municipal Structures Act 117 of 1998

- To provide for the establishment of municipalities in accordance with the requirements of the relating categories.

Mineral and Petroleum Resources Development Act 28 of 2002

- To formulate and implement policy to ensure optimum use of the resources.

2.7.2. PROVINCIAL POLICIES AND PLANS

Eastern Cape Vision 2030 Provincial Development Plan

- Creating a virtuous circle of expanding opportunities, building capabilities, reducing poverty and involvement of communities in their own development, all leading to rising living standards and well being

Eastern Cape Tourism Master Plan (2009- 2014)

- To guide tourism development in the Eastern Cape

2.7.3. INTRA-MUNICIPAL PLANS, POLICIES AND STRATEGIES

Integrated Development Plan (IDP)

- IDP is a strategic planning document of the municipality which provides guidance on development planning, budgeting and implementation of economic related programmes and projects. It as well provides guidance on how projects should for planned for, implemented and reported through monitoring of the Service Delivery Budget Implementation Plan (SDBIP).

Spatial Development Framework (SDF)

- It provides guidance on potential economic growth and space reconfiguration of the locality (natural resources, environmental sensitive areas, available land for housing, important routes, and available land for town expansion).
- It shows the level of physical infrastructure development in a form of main roads as well as development nodes

Master Plan (MP)

- It is a vision 2030 for the municipality which is talking about the ideal infrastructure development of the municipality for the purposes of economic growth and economic development through large scale mining

Supply Chain Management Policy

- Implementation of Preferential Procurement Act No. 5 of 2000 and BBBEE Act No. 46 of 2014 for the local businesses
-

3. SWOT ANALYSIS

3.1.1. Institutional SWOT Analysis

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 dry land of crop production and maximise the use of current water resources to revive irrigation schemes from the Xonxa and Lubisi dams and o Huge potential for large and small stock production (sheep, cattle, diary and goats. o There is identified potential for coal mining to be revived and extended throughout the coal belt that starts at Indwe and end at Molteno.	• 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 dedicate its efforts in establishing value chains in cropping, vegetables and livestock linking these to the other district wide initiatives. • LM will need to engage in clearly structured partnership approaches to develop other main sectors of potential 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 (sorghum and wheat). 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.	• A careful approach to urban management needs to be followed in all three of the Municipal towns to ensure that the elements

STRENGTHS (Internal)	*IMPLICATIONS*
• 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 (dairy/cheese manufacturing)	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. • There is a need for a dedicated focus to establish suburban settlements closer to the towns to create a new revenue base for the municipality.
• 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 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 is paid over to households. This figure represents around 44% of the total GVA produced in Emalahleni.	• 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 sustainable impacts (as measured in terms of the natural resource base as well as the willingness of communities to participate.

WEAKNESSES (Internal)	Implications
• 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 (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).
• 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.

WEAKNESSES (Internal)	Implications
• 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 (PTOs and informal land rights) in the areas falling outside the proclaimed town area of Lady Frere.	• There is a need to ensure that issues related to land tenure do 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 role players 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 identify 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 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

WEAKNESSES (Internal)	Implications
	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 role players such as the Chris Hani District Municipality, the Department of Rural Development and 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 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	• From a strategic perspective, the Emalahleni Municipality needs to actively

OPPORTUNITIES (External)	Implications
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).	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 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 role players. 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 path finding role to bring together the key role players 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 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).

3.1.2. DIRECTORATE SWOT ANALYSIS

Strengths

- Database of SMMEs
- Structured business entities
- Fully fledged institutional arrangements for economic development directorate
- Access to skills development initiatives
- The domestic market represents an attractive prospect for the agro-processing;
- Coordination and cooperation of LED stakeholders

Weaknesses

- Capacity gaps for LED in the municipality
- LED as a cross cutting function does not get the required attention in terms of planning and budgeting
- Lack of self-employment or entrepreneurial culture
- Low level of physical infrastructural development of the municipality's jurisdiction impacts negatively on tourism markets and other external investments
- Limited access to markets for local agricultural produce
- Lack of cooperation and sound relationship within the local business sector

Opportunities

- Sound Inter-governmental relations among LED role players
- Proximity of towns to each other gives opportunities for improved markets
- Tourism demand can be grown through scaling up destination marketing efforts and creating new markets;
- While increased destination marketing will require a greater allocation of marketing resources to the municipality, opportunity exist to diversify the local tourism economy and create new markets by focusing on high growth and high yield niche markets;
- Investment in new tourism products will stimulate the creation of skilled employment;
- Interlink road (R396, R400 and R56) between KZN – WC
- Tourist attractions in the form of waterfalls, dams, mountains, resorts, cultural villages and local heritage
- Municipality possesses a competitive advantage in sorghum and livestock production which, if fully exploited would place the municipality in a good position for high-value agricultural products
- Natural resources in a form of coal reserves, sand deposits, clay and quarries
- Commercial and communal farming
- Agro-processing is strongly linked to consumer preferences and changes in the level of consumer demand which in turn is linked to the economic growth rate;

Threats

- Climatic changes
- Economic climate change
- Changes in technology
- Change in leadership
- Community/social unrest

4. LED STRATEGY FRAMEWORK

KEY ELEMENTS OF LED STRATEGY

Vision	A vision makes clear the core values & principles that are central to what the local area want to become. It is informed by the current situation & looks to the future to alter the current into the desire. A vision forms the basis for the objectives, programmes, projects and actions
Objectives	Objectives are more specific than a vision in pointing to where a municipality wants to be in terms of its economic development. Objectives answer the questions; 'what matters' and 'why do we want to do this or that'. As such, objectives define the priorities for economic development and are the basis upon which to decide what actions are ultimately to be undertaken.
Programmes	Each objective has a number of programmes related to it. A programme is a group of projects which collectively address the same objective.
Projects	Projects are specific initiatives to affect a programme, and ultimately enable objectives and visions to be achieved. A group of projects are designed to meet the same objective as the programme that they fall under.
Actions	Actions are very specific tasks needed to implement a project

For the purposes of this LED strategy, the vision, objectives and programmes are strategic in nature. Projects and actions on the other hand are specific and measurable, and therefore form the basis of the action plan for this strategy.

Institutional	Directorate
Vision: *A municipality that delivers appropriate, sustainable and affordable services towards socio-economic growth for the development of its community*	Vision: *A municipality with an attractive environment for job creation, investment and sustainable local economic growth*
Mission Statement: *The 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.*	Mission Statement: *We shall create this vision of LED through the creation of an environment that attracts business investments and contributing to sustainable opportunities for job creation and economic upliftment*

4.1. OBJECTIVES

In order to achieve the LED vision outlined above, a LED Strategy presents a number of objectives which are achievable, measureable, and viable, and provide guidelines to the municipality.

- Objective 1: To encourage the formation and support the development of SMMEs with ELM
- Objective 2: To facilitate the development of land in a sustainable manner
- Objective 3: To provide appropriate human resources to support all directorates in the municipality
- Objective 4: To promote Agricultural and Tourism Development in ELM

4.1.1. OBJECTIVE 1: TO ENCOURAGE THE FORMATION AND SUPPORT THE DEVELOPMENT OF SMMES WITH ELM

One of the key roles of local government in LED is the creation of an enabling environment for LED. While it is businesses that create the jobs, and contribute to the economy, they are reliant on government, in this case local government, to put measures in place for them to conduct their businesses. This applies to the day to day operations of business currently operating, to current businesses wanting to expand, and also to attracting new businesses to investment within the local municipality.

The programmes designed to meet this objective are as follows

a) Programme: Facilitate Business Investment & Growth Through An Improved Business Climate

Business development is premised on the idea of encouraging the establishment of new businesses, and retaining businesses within the area, while sustaining and expanding local firms in and around a particular area. Businesses require a number of resources for them to function optimally. Natural resources can to a large extent not be changed by a municipality and businesses requiring those resources are likely to be located close to these resources. However, there are a number of other factors relevant to the location of businesses, and these can to some extent be influenced by government interventions. Other locations will compete for these businesses to invest within that location, and it is therefore critical that municipality provide the business climate necessary for investment and business growth. This business climate can be created through business friendly policies and regulations, through the provision of land and other infrastructure, through assistance on queries, and through turnaround time in responding to town planning applications and actively marketing the destination to businesses.

The projects under this programme are;

- Create a business advisory service and support within the municipality
- Facilitate red tape reduction
- Develop investment opportunities for new and growing businesses

b) Programme: Facilitate Business Growth Through A Local Purchasing Programme

A key way to stimulate a local economy is through the preventions of economic leakages to other municipalities or areas. Through the creation of forward and backward value chains within a municipality, new and existing businesses can be stimulated. While local government cannot itself create businesses or force local procurement, it can however create an enabling environment for this.

The projects under this programme are;

- Make use of municipality tenders to purchase locally produced goods and local services
- Develop a "buy local, support local, produce local campaign"

c) Programme: Facilitate the Development of SMMES & New Entrepreneurs

SMMEs are critical to economic growth and job creation within a local economy. Small business service mainly local markets, both forwards and backwards along a value chain. SMMEs are more likely than big businesses to be locally owned, and the profit from a SMME is therefore more likely to remain within a local municipality. SMMEs are large employers of local residents, and operate both in the formal and informal economies. However, many SMMEs require assistance, and local governments are well placed to provide and / or facilitate this assistance. A number of projects are included within the LED strategy to assist SMMEs and new entrepreneurs within the ELM.

The projects under this programme are;

- Facilitate SMME development
- Develop SMME and entrepreneurship mentoring programmes
- Create linkages between established businesses, and SMMEs and informal service providers
- Establish an annual Emalahleni SMME Indaba

d) Programme: To Attract Investment To The Municipality

A municipality should not only be reactive to economic conditions and opportunities, but rather plans their economic growth around attracting and facilitating growth in strategic sectors and / or businesses with a competitive advantage within the municipality. This requires having significant insight into the local economy and the opportunities that are presented to current and potential businesses and implementing measure to create an enabling environment for business to grasp these opportunities. It is critically important that the municipality begin to attract investment in the municipality if they are to achieve their economic development vision, and create local jobs.

The projects under this programme are;

- Develop Investment Attraction Plan (IAP)
- Marketing of investment opportunities to all potential stakeholders and investors

e) Programme: Assist Informal Economy Businesses

Informal businesses are taken care of in LED projects. The major challenge is the influx especially in Lady Frere Unit. The steps need to be taken to address their mode of operation.

The project under this programme is;

- Assist informal traders and informal service providers to be formalised

f) Programme: Facilitate The Availability Of Required Skills For Business Investment, Retention And Growth

The availability of skills within a municipality is key to attracting investment, business and economic growth. Furthermore, these need to be the right skills, in demand by local businesses and needed to grasp economic opportunities. It is not the role of local government to embark on skills training, but there are many activities that they can do to facilitate skills development such as creating linkages, financial support, mentoring and facilitating the presence of skills development companies. The projects that make up this programme are directed towards demand driven skills development and linking skills in supply with demand areas for those skills.

The projects under this programme are;

- Match skills in demand with skills in supply in the municipality
- Facilitate demand led skills development

4.1.2. OBJECTIVE 2: TO FACILITATE THE DEVELOPMENT OF LAND IN A SUSTAINABLE MANNER

As stated above, natural resources cannot be changed, but a local government can put programmes and projects in place to facilitate the provision of some of the resources necessary for economic development. These include both built and human resources (e.g. know how, information, facilities, transport, roads and other infrastructure, human resources,) The programmes designed to meet this objective are selected from the analysis of the current situation of resources within the municipality, and resources necessary for future economic growth in key economic sectors.

The programmes designed to meet this objective are as follows;

a) Programme: Ensure The Availability of Physical Infrastructure to Facilitate Business Investment, Retention And Growth

Physical infrastructure includes land, roads, and bulk infrastructure. These are critical elements for economic development particularly the case given to the agricultural, manufacturing and tourism strengths and opportunities within the municipality.

The projects under this programme directed towards physical infrastructure provision are;

- Ensure continued good quality water supply
- Identify and make government land available for investment

b) Programme: Facilitate improved transport in the municipality for economic development

This programme is directed towards ensuring that sufficient road and transport networks exist within the municipality to enable optimal economic sector functioning and attraction of new businesses. As the municipality is primarily an export economy, transport infrastructure is of critical importance to the economy and local government has an important role to play in facilitating this transport infrastructure. Furthermore, the tourism trade in municipality is also reliant of safe, reliable road networks. Projects falling under this programme are focussed on both public transport and general road networks. They are as follows;

- Improve public transport
- Strategically develop roads to facilitate economic development

OBJECTIVE 3: TO PROVIDE APPROPRIATE HUMAN RESOURCES TO SUPPORT ALL DIRECTORATES IN THE MUNICIPALITY

As well as creating an enabling environment through the provision of infrastructure and business support services, local government needs to create a supporting environment for the planning, implementation, monitoring and evaluation of LED. It is not done by government alone, but through collaboration and cooperation of businesses, government, NGOs and communities. This objective is focussed on creating that enabling environment within the municipality, and with how they and other stakeholders communicate and cooperate for LED.

The programmes designed to meet this objective are as follows;

a) Programme: Ensure Sufficient Collaboration and Cooperation within the municipality to Fulfil The LED Mandate

In order for a LED unit to fulfil its mandate, it is critical that all directorates within the municipality have a defined role to play towards realisation of LED. This role should be stipulated in the IDP and budget, SDBIP and Performance Management System.

The projects under this programme are;

- Ensure commitment of intra-cooperation and collaboration
- Create awareness of LED within the municipality to enable LED mandate to be achieved

b) Programme: Improve Participation of All Key LED Stakeholders In LED Research, Planning, Implementation And Monitoring & Evaluation

A critical element of LED is the cooperative planning and implementation of LED by all stakeholders including local government, local businesses, relevant provincial and national government departments and agencies, NGOs etc. Such cooperation is best achieved through some kind of structure, and regular meetings under specific frameworks. Furthermore, cooperation is reliant on regular communication between all stakeholders for LED.

The projects under this programme are;

- Make use of stakeholders for cooperative planning for LED
- Develop communication plan LED matters

OBJECTIVE 4: TO PROMOTE AGRICULTURAL AND TOURISM DEVELOPMENT IN ELM

The focus of this objective is the development of key economic sectors within the municipality to aid economic growth and employment. The sectors selected to form part of programmes are those that are currently significant sectors (in terms of either contribution to GDP or employment) and / or those sectors with growth potential. Furthermore, the focus is on sectors with the ability to create forward and backward linkages within the sector, or with other sectors businesses within the municipality and or those sectors with a competitive advantage.

The programmes designed to meet this objective are as follows;

a) Programme: Make Use Of Agriculture To Further Drive The Local Economy

Agriculture has been significant for the development of the municipality economy. This together with its competitive advantage, as well as its strong linkages with the manufacturing sector makes it a key economic driver within the municipality. The sector's contribution to the local economy is constrained by its past and current shedding of jobs, which is of concern given the current unemployment rate within the municipality. The projects that collectively fall under this programme are as follows;

- Support small scale farmers
- Investigate diversification of the local agricultural economy
- Investigate mechanisms to reduce further job losses in agriculture

b) Programme: Further Develop The Tourism Sector Within the municipality

The tourism sector is one of the key sectors within municipality, through its contribution to the economy, but also it links to other sectors, and the role it has in marketing the area as a whole. A number of constraints currently exist with the sector, and this has hindered to some degree its potential. The focus of projects selected under this programme is around marketing the municipality as a whole, rather than as individual towns, the transformation of the tourism sector, and the provision of tourism infrastructure to facilitate sector growth.

Specifically, the projects under this programme are;

- Diversification of tourism sector
- Collaborative marketing of the key towns and products within the municipality
- Create tourism infrastructure

c) Programme: Investigate Options For Diversification Of The Local Economy To Reduce Seasonality Of Economic Activities

The economy of the municipality is currently not particularly diversified, with a large reliance on agriculture, and the manufacturing of agricultural products, in particular, agro-processing. The local economy is also constrained by its seasonality and the resultant seasonality of work opportunities for non-permanent employees. This programme is therefore focussed on seeking to reduce the seasonality of employment, and facilitate diversification of the economy.
The projects under this programme are;

- Create new economic sectors and opportunities
- Addressing seasonality of sectors in the municipality

5. ACTION PLAN

The vision, mission, objectives and programmes that make up this LED strategy have been outlined above. Projects and tasks are the key elements of an action plan, and need to be implemented to achieve objectives. The following tables show the projects and tasks for each programme and objectives for LED in the Emalahleni Local Municipality.

Objectives	Programme	Project	Action	Timeframe	Custodian
1. To encourage the formation and support the development of SMMEs with ELM	Programme A: Facilitate Business Investment & Growth Through An Improved Business Climate	Create a business advisory service and support within the municipality	Place relevant contact details, information, and 'Guide' on website.	Annual	• EDTA • Municipal Manager Office • Corporate Services
			Create a guide to doing business in the municipality booklet and distribute.	Annual	• EDTA • Municipal Manager Office
		Facilitate red tape reduction	Ensure internal capacity to deal with business development processes	Annual	• Corporate Services
			Designate persons responsible for different processes and monitor targets for task completion.	Annual	• EDTA
		Develop investment opportunities for new and growing businesses	Assist small businesses to identify funding institutions for incentive schemes.	Annual	• EDTA
			Determine strategic growth sectors for incentivisation	Annual	• EDTA

Objectives	Programme	Project	Action	Timeframe	Custodian
	Programme B: Facilitate Business Growth Through A Local Purchasing Programme	Make use of municipality tenders to purchase locally produced goods and local services	Provide assistance with tenders / supply chain management forms to local companies and SMME's	Annual	• EDTA • Supply Chain Management Unit
			Ensure all tenders notices are available in all units of the municipality (Indwe, Dordrecht and Lady Frere).	Annual	• EDTA • Supply Chain Management Unit
			Communicate tenders through various means to all local businesses	Annual	• Supply Chain Management Unit
			Facilitate local company's registration on supplier database.	Annual	• EDTA • Supply Chain Management Unit
		Develop a "buy local, support local, produce local campaign"	Distribute database to local businesses, general public and encourage use of local businesses	Annual	• EDTA • Supply Chain Management Unit
			Ensure preferential government procurement for local companies	Annual	• EDTA • Supply Chain Management Unit
	Programme C: Facilitate the Development of SMMES & New Entrepreneurs	Facilitate SMME development	Ensure EDTA directorate is equipped to assist SMMEs and potential entrepreneurs	Annual	• EDTA • Corporate Services
			Create linkages with district, provincial and national initiatives to assist SMMEs, entrepreneurs	Annual	• Economic Development, Tourism and Agriculture
		Develop SMME and entrepreneurship mentoring programmes	Identify potential mentors / businesses able to assist in mentoring	Annual	• EDTA
			Create linkages with local schools for entrepreneurship training / mentoring	Annual	• EDTA
			Link learners / SMMEs with mentors	Annual	• EDTA
		Create linkages between	Engage with developers on	Annual	• EDTA

Objectives	Programme	Project	Action	Timeframe	Custodian
		established businesses, and SMMEs and informal service providers	opportunities for smaller contractors		
			Make available database of SMMEs to current and potential developers	Annual	• EDTA
			Keep SMMEs informed on planned developments and related opportunities	Annual	• EDTA
		Establish an annual Emalahleni SMME Indaba	Identify SMMEs to invite, Organise annual summit	Annual	• EDTA
			Marketing of Indaba to all local businesses, residents and potential business partners	Annual	• EDTA • Municipal Manager Office
	Programme D: To Attract Investment To The Municipality	Develop Investment Attraction Plan (IAP)	Develop investment strategy	Annual	• EDTA
			Develop Tourism Marketing Strategy / tools	Annual	• EDTA
		Marketing of investment opportunities to all potential stakeholders and investors	Ensure regularly updated investment page on website, with information and contact details	Annual	• EDTA • Corporate Services • Municipal Manager Office
			Attend investment conferences and business networking events	Annual	• EDTA
			Link with district for investment marketing	Annual	• EDTA
	Programme E: Assist Informal Economy Businesses	Assist informal traders and informal service providers to be formalised	Create informal traders strategy	Annual	• EDTA
			Communicate to all traders the regulations	Annual	• EDTA
			Facilitate development of associations / forums for informal businesses	Annual	• EDTA
			Enforcement of regulations and by laws	Annual	• Community Services
	Programme F: Facilitate The	Match skills in demand with	Identify skills shortage in the municipality	Annual	• EDTA

Objectives	Programme	Project	Action	Timeframe	Custodian
	Availability Of Required Skills For Business Investment, Retention And Growth	skills in supply in the municipality	through surveys and business forums.		• Corporate Services
			Match skills database to market demand	Annual	• EDTA • Corporate Services
		Facilitate demand led skills development	Initiate partnerships with businesses, colleges, etc. for training in skills gaps	Annual	• EDTA • Corporate Services
			Initiate skills development mentoring programme	Annual	• EDTA • Corporate Services
			Create linkages with residents and skills development opportunities	Annual	• EDTA • Corporate Services

Objectives	Programme	Project	Action	Timeframe	Custodians
2. To Facilitate the Development of Land in a Sustainable Manner	Programme A: Ensure The Availability of Physical Infrastructure to Facilitate Business Investment, Retention And Growth	Ensure continued good quality water supply	Continue with initiatives for improved water supply	Annual	• CHDM
			Assist companies with research into more efficient, sustainable use of water resources	Annual	• CHMD
			Address issues around water quality in the municipality	Annual	• CHDM
		Identify and make government land available for investment	Conduct land audit / soil testing for agricultural activities	Annual	• DRDLR • DRDAR
			Analyse available land in conjunction with zoning	Annual	• Infrastructure Directorate
			Where necessary, embark on rezoning process	Annual	• Infrastructure Directorate
			Create land information database of government owned land including location, services, zoning and restrictions.	Annual	• Infrastructure Directorate
			Identify land available for land reform and allocate as such	Annual	• DRDLR

			Advertise land available for investment through investment, business communication channels	Annual	• EDTA • Infrastructure Directorate
			Regularly maintain land database	Annual	• Infrastructure Directorate
	Programme B: facilitate improved transport in the municipality for economic development	Strategically develop roads to facilitate economic development	Improve key access roads	Annual	• Infrastructure Directorate
			Prioritised road development for catalytic or high value investments	Annual	• Infrastructure Directorate
			Ensure road maintenance for high tourism routes, roads important for economic development	Annual	• Infrastructure Directorate

Objectives	Programme	Project	Action	Timeframe	Custodians
3. To provide appropriate human resources to support all directorates in the municipality	Programme A: Ensure Sufficient Collaboration and Cooperation within the municipality to fulfil The LED Mandate	Ensure commitment of intra-cooperation and collaboration	Establishment of intra forums for alignment of programmes	Annual	• EDTA • All internal affected directorates
		Create awareness of LED within the municipality to enable its mandate to be achieved	Awareness programme with councillors on LED	Annual	• EDTA • Municipal Manager's Office
	Programme B: Improve Participation of All Key LED Stakeholders In LED Research, Planning, Implementation And Monitoring & Evaluation	Make use of stakeholders for cooperative planning for LED	Create LED Partnership / forum	Annual	• EDTA
			Assist in development of informal business groupings	Annual	• EDTA • CHCDC
			Participate in district LED forum.	Annual	• EDTA
		Develop communication plan LED matters	Make use of bulk SMS to communicate with businesses with no email	Annual	• EDTA
			Training of all staff on LED awareness	Annual	• EDTA

			Develop detailed business profile with contact details	Annual	• EDTA

Objectives	Programme	Project	Action	Timeframe	Custodians
4. To promote Agricultural and Tourism development in ELM	Programme A: Make Use Of Agriculture To Further Drive The Local Economy	Support small scale farmers	Develop and regularly update a small farmer database (contact details and farming type) Provide information on accessing loans and government support	Annual	• EDTA • DRDAR
			Link farmers to district small scale farming programme	Annual	• EDTA • DRDAR
			Create linkages between small scale farmers and purchasers/markers	Annual	• EDTA • DRDAR • CHDM • ECRDA • CHDA • DRDLR
		Investigate diversification of the local agricultural economy	Investigate further agro-processing opportunities	Annual	• EDTA • DRDAR • CHDM • ECRDA • CHDA • DRDLR
			Investigate maize cultivar that can stand weather condition of the municipal area	Annual	• EDTA • DRDAR • CHDM • ECRDA • CHDA • DRDLR
		Investigate mechanisms to reduce further job losses in agriculture	Establishment / revitalisation of irrigation schemes to address	Annual	• EDTA • DRDAR • CHDM • CHDA • DRDLR

Objectives	Programme	Project	Action	Timeframe	Custodians
			seasonality challenges.		
	Programme B: Further Develop The Tourism Sector Within the municipality	Diversification of tourism sector	Develop mechanisms to assist in transformation of the tourism sector	Annual	• EDTA • CHDM • DEDEAT • ECPTA
			Look at tourism opportunities beyond traditional areas, markets	Annual	• EDTA • CHDM • DEDEAT • ECPTA
			Marketing of opportunities	Annual	• EDTA • CHDM • DEDEAT • ECPTA
			Facilitate training on what is tourism, how to create tourism business	Annual	• EDTA • CHDM • DEDEAT • ECPTA
			Assist with marketing of new tourism ventures	Annual	• EDTA • CHDM • DEDEAT • ECPTA
		Collaborative marketing of the key towns and products within the municipality	Look at opportunities to brand export goods from the municipality	Annual	• EDTA • CHDM • CHDA • DTI
			Conduct product audit	Annual	• EDTA • CHDM • CHDA • DTI
			Define unique qualities of the municipality	Annual	• EDTA
			Agree on marketing strategy of municipality as a whole	Annual	• EDTA
			Develop and distribute	Annual	• EDTA

Objectives	Programme	Project	Action	Timeframe	Custodians
			marketing material Attend tourism Indaba and promotional opportunities		
		Create tourism infrastructure	Develop signage to key tourism products across the municipality area of jurisdiction	Annual	• EDTA • IDHS
			Develop tourism information offices in each town.	Annual	• EDTA • IDHS
	Programme C: Investigate Options For Diversification Of The Local Economy To Reduce Seasonality Of Economic Activities	Create new economic sectors and opportunities	Feasibility assessment of farming and processing of new farming activities (e.g. Lucerne, wheat, fruit and vegetables)	Annual	• EDTA • DRDAR • DRDLA • CHDM
			Feasibility assessment of the green economy	Annual	• EDTA • Community Services • DRDAR • DRDLA • CHDM • CHDA
		Addressing seasonality of sectors in the municipality	investigate varied tourism marketing of Emalahleni round season changes	Annual	• EDTA • CHDM • DEDEAT • ECPTA
			Investigate new, non seasonal agricultural products	Annual	• EDTA • DRDAR • DRDLA • CHDM
				Annual	

Objectives	Programme	Project	Action	Timeframe	Custodians
			Investigate the creation of economic opportunities for seasonal workers		• EDTA • DRDAR • DRDLA • CHDM

6. RISKS

There are a number of risks that could derail the strategy and demand a rethink and changes to the strategy. Some of the risks identified by stakeholders are:

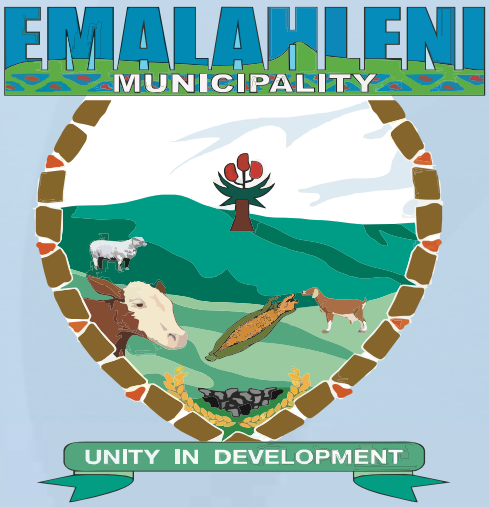
- Political instability and a lack of political leadership and will as a result of changes in the political leadership;
- The lack of alignment between spheres of government and between government and state-owned enterprises and the private sector which could undermine the strategy;
- Lack of buy-in and ownership across sectors to the LED plan
- Unfunded mandates which in turn will result in a lack of delivery around core areas;
- Non participation of Sector departments
- Non participation of SMMEs
- Failure to attract investors
- Internal Capacity gap

7. RISK MITIGATION STRATEGIES

- Strengthen Inter Governmental Relations
- Strengthen Business Forums
- Establish Public Private Partnerships

CONCLUSION

This strategy provides the framework for a more detailed implementation plan in which a few lead multi-stakeholder projects need to be identified to set the tone and begin the process of turning around the local economy through creating sustainable jobs. Within each stakeholder grouping there needs to be a champion to drive the LED programme. In the municipality this will be the LED directorate active support from the Mayor, Council and more particularly the Economic Development Portfolio Holder. The municipalities' plan will be woven into the IDP.



CHAPTER 10
FINANCIAL PLAN

CHAPTER 10

MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT (FINANCIAL PLAN)

10.1 Introduction

- 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

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 efficiency in our Supply Chain Management processes
- Implementing internal audit report recommendations
- Implementing sound financial reporting and control mechanisms

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 aim 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 day's 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 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

10.2 Key focus areas for the 2016/17 budget process and assumptions

10.2.1 The medium term budget review 2016

The global economic outlook has weakened and the pattern of slow growth is likely to persist, with consequences for all developing economies. The National Treasury projects real GDP growth of 0.9% in 2016, rising to 1.2 % by 2017. Average growth over the forecast period is 0.7 % points lower than at the time of the 2015 Medium Term Budget Policy Statement. Inadequate electricity supply, however, will impose a serious constrain on output and exports over the short term.

The state of the economy has an adverse effect on the consumers. As a result municipalities'revenues and cash flows are expected to remain under pressure. Furthermore municipalities should carefully consider affordability of tariff

increases, especially as it relates to domestic consumers while considering the level of services versus the associated cost.

10.2.2 Headline inflation forecast

The outlook for inflation

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

MACROECONOMIC PERFORMANCE AND PROJECTIONS 2015/16 - 2018/19

Fiscal year	2014/15 Actual	2015/16 Estimate	2016/17	2017/18 Forecast	2018/19
CPI Inflation	5.60%	5.40%	6.60%	6.20%	5.90%
Real GDP growth	1.60%	0.90%	1.20%	1.90%	2.50%

10.2.3 Eskom bulk tariff increase

On the 15 April 2016, NERSA approved and published guidelines on municipal electricity price increase for the 2016/17 financial year. A guideline of 7.64% has been approved.

10.2.4 Employee related costs

A Salary and Wage Collective Agreement for the period 01 July 2015 to 30 June 2018 has been entered into between SALGA and Labour. This agreement stipulates that salaries shall for the 2016/17 and 2017/18 financial year be increased in line with the CPI plus one percent. The CPI will be used is CPI which is prevailing for the period starting February of the prior financial year to January of the current financial year.

The table below reflects employee costs as a % of operating budget

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

Description	Ref	Current Year 2015/16	2016/17 Medium Term Revenue & Expenditure Framework		
R thousand	1	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Expenditure By Type					
Employee related costs	2	54 768	62 015	68 142	74 887
Remuneration of councillors		10 896	11 728	12 549	13 427
Debt impairment	3	2 300	2 526	2 500	2 500
Depreciation & asset impairment	2	24 432	24 997	25 247	25 499
Finance charges		500	850	361	372
Bulk purchases	2	18 040	18 650	20 490	22 511
Other materials	8	–	–	–	–
Contracted services		3 980	3 956	4 437	4 500
Transfers and grants		3 874	3 672	3 888	4 135
Other expenditure	4, 5	84 424	60 905	54 525	50 768
Loss on disposal of PPE			–	–	–
Total Expenditure		**203 213**	**189 299**	**192 139**	**198 600**
Employee costs as % of Operational budget		**27%**	**33%**	**35%**	**38%**
Councillors remuneration as % of Operational bu		**5%**	**6%**	**7%**	**7%**
Salary costs as % of Operational budget		**32%**	**39%**	**42%**	**44%**

Employee costs amounts to 27% of the operating budget for the 2015/16 financial year. This percentage increases to 33% in the 2016/17 budget year, 35% in the 20117/18 year and to 38% in the 2018/19 budget year.

10.2.5 Remuneration of Councillors

Councillor's remuneration has been increased by 8% for the 2015/16 financial year. Councillor's remunerations amount to 5% of operating budget for the 2015/16 financial year. This % expenditure increases gradually over the 3 outer years to 7% in the 2018/19 financial year.

10.2.6 Non-payment of ESKOM

Section 65(2) e) of the Municipal Finance Management Act, 2003 (MFMA, ACT No. 56 of 2003) states that "The accounting officer of a municipality is responsible for the management of the expenditure of the Municipality" and "that

all money owing by the municipality be paid within 30 days of receiving the relevant invoice or statement. Emalahleni LM continues to be within the legislated 30 day period for creditors and particularly for ESKOM.
The calculated payments turnover rate for the two prior years is presented in the table below. The municipality has however ensured in the 2015/16 financial year that all creditors are paid within the 30 days legislated time frame.

Creditors Turnover Rate	2014/15	2013/14
Creditors	10 243 465.00	9 425 354.00
Total services revenue	19 549 213.50	18 193 624.20
Creditors Turnover Rate /Creditors Payment Period	191.25 days	189.09 days

10.2.7 mSCOA

Municipalities are required by National Treasury to be fully compliant with mSCOA by 1 July 2017. National Treasury is aware of the need to train all municipalities on mSCOA within a tight timeline to ensure that municipalities meet the standard requirements come the due date. There is currently no service provider accredited though to offer training that relates to mSCOA.

The Emalahleni municipality is in the process of implementing its Council approved mSCOA implementation plan and is making satisfactory progress. The mSCOA Steering committee meets monthly to bi-monthly. All planned activities are achieved and implemented.

10.2.8 Other assumptions

- Debt impairment: the overall current collection levels are 45% and the target collection for 2015/16 is 65%.

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

Property rates	40%
Electricity	79%
Refuse	24%
Sanitation	Returned to Chris Hani District Municipality
Water	Returned to Chris Hani District Municipality

The provision for bad debt, as per the Annual Financial statements for 2014/15 stands at R 13.567 million.

- Bulk electricity purchases: Emalahleni Municipality will increase its tariffs with an average of 7.64% as per NERSA guide;
- Other expenditure: All other expenditure will increase at a rate of 6.0% for 2016/17 and 6.2% for 2017/18 respectively.
- Emalahleni Local Municipality will continue with its current powers and functions;
- The Budget is based on current service levels.
- The new electricity network through INEP Grant has not contributed to our electricity income as it is connected to ESKOM's grid.
- Government grants for the years 2015/2016 to 2017/2018 are as per the Division of Revenue Act, assuming that all allocations will be received;
- Growth in staff related costs has been provided for in the budget at 9% for 2016/17, growth in the remaining expense items have been forecasted based on the actual activities to be undertaken.

- Tariff increases relating to services are as follows:
- Rates 6.0%
- Electricity 7.64%
- Refuse 6.0%

10.3 OPERATING AND CAPITAL BUDGETS

The three-year financial plan includes an Operating Budget, Cash flow and Capital Programme for the three outer years till June 2019.

10.3.1 Operating budget/plan

EC136 Emalahleni (EC) - Table A1 Budget Summary

Description	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Financial Performance										
Property rates	**3 194**	3 218	3 719	3 551	4 143	4 143	4 143	4 391	4 664	4 939
Service charges	14 914	21 381	11 180	16 815	12 754	11 596	11 596	12 487	13 336	14 147
Investment revenue	2 862	3 005	3 350	2 186	3 399	3 399	3 399	2 327	2 461	3 373
Transfers recognised - operational	85 415	98 441	112 881	143 753	145 427	145 427	145 427	129 829	131 801	133 254
Other own revenue	29 217	36 260	9 360	6 776	6 916	6 916	6 916	6 353	6 736	7 822
Total Revenue (excluding capital transfers and contributions)	135 602	162 305	140 489	173 082	172 640	171 482	171 482	155 387	158 998	163 535
Employee costs	43 685	47 295	42 783	59 207	54 768	54 768	54 768	62 015	68 142	74 887
Remuneration of councillors	9 101	9 812	10 104	10 739	10 896	10 896	10 896	11 728	12 549	13 427
Depreciation & asset impairment	21 451	31 703	31 314	24 503	24 432	24 432	24 432	24 997	25 247	25 499
Finance charges	642	690	787	730	500	500	500	850	361	372
Materials and bulk purchases	11 232	12 851	14 809	18 040	18 040	18 040	18 040	18 650	20 490	22 511
Transfers and grants	141	1 808	1 631	2 800	3 874	3 874	3 874	3 672	3 888	4 135
Other expenditure	67 484	91 675	80 963	86 484	90 704	90 704	90 704	67 387	61 462	57 768
Total Expenditure	153 737	195 833	182 391	202 502	203 213	203 213	203 213	189 299	192 139	198 600
Surplus/(Deficit)	(18 135)	(33 527)	(41 902)	(29 420)	(30 573)	(31 731)	(31 731)	(33 911)	(33 140)	(35 064)
Transfers recognised - capital	20 793	28 198	30 399	30 615	30 615	30 615	30 615	32 670	32 549	34 271
Contributions recognised - capital & c	–	–	346	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	2 658	(5 329)	(11 157)	1 194	42	(1 116)	(1 116)	(1 241)	(591)	(793)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	2 658	(5 329)	(11 157)	1 194	42	(1 116)	(1 116)	(1 241)	(591)	(793)

Cash flow projections for the current year and the three outer budget years

EC136 Emalahleni (EC) - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue By Source																
Property rates		366	366	366	366	366	366	366	366	366	366	366	366	4 391	4 664	4 939
Service charges - electricity revenue		848	848	848	848	848	848	848	848	848	848	848	848	10 176	10 891	11 579
Service charges - refuse revenue		193	193	193	193	193	193	193	193	193	193	193	193	2 311	2 445	2 568
Service charges - other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment		66	66	66	66	66	66	66	66	66	66	66	66	797	849	899
Interest earned - external investments		194	194	194	194	194	194	194	194	194	194	194	194	2 327	2 461	3 373
Interest earned - outstanding debtors		231	231	231	231	231	231	231	231	231	231	231	231	2 767	2 915	3 675
Fines		10	10	10	10	10	10	10	10	10	10	10	10	123	131	139
Licences and permits		69	69	69	69	69	69	69	69	69	69	69	69	833	885	1 041
Agency services		112	112	112	112	112	112	112	112	112	112	112	112	1 345	1 440	1 525
Transfers recognised - operational		10 819	10 819	10 819	10 819	10 819	10 819	10 819	10 819	10 819	10 819	10 819	10 819	129 829	131 801	133 254
Other revenue		41	41	41	41	41	41	41	41	41	41	41	41	488	516	543
Total Revenue (excluding capital transfers a		**12 949**	**12 949**	**12 949**	**12 949**	**12 949**	**12 949**	**12 949**	**12 949**	**12 949**	**12 949**	**12 949**	**12 949**	**155 387**	**158 998**	**163 535**
Expenditure By Type																
Employee related costs		5 168	5 168	5 168	5 168	5 168	5 168	5 168	5 168	5 168	5 168	5 168	5 168	62 015	68 142	74 887
Remuneration of councillors		977	977	977	977	977	977	977	977	977	977	977	977	11 728	12 549	13 427
Debt impairment		211	211	211	211	211	211	211	211	211	211	211	211	2 526	2 500	2 500
Depreciation & asset impairment		2 083	2 083	2 083	2 083	2 083	2 083	2 083	2 083	2 083	2 083	2 083	2 083	24 997	25 247	25 499
Finance charges		71	71	71	71	71	71	71	71	71	71	71	71	850	361	372
Bulk purchases		1 554	1 554	1 554	1 554	1 554	1 554	1 554	1 554	1 554	1 554	1 554	1 554	18 650	20 490	22 511
Other materials		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Contracted services		330	330	330	330	330	330	330	330	330	330	330	330	3 956	4 437	4 500
Transfers and grants		306	306	306	306	306	306	306	306	306	306	306	306	3 672	3 888	4 135
Other expenditure		5 075	5 075	5 075	5 075	5 075	5 075	5 075	5 075	5 075	5 075	5 075	5 075	60 905	54 525	50 768
Loss on disposal of PPE		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure		**15 775**	**15 775**	**15 775**	**15 775**	**15 775**	**15 775**	**15 775**	**15 775**	**15 775**	**15 775**	**15 775**	**15 775**	**189 299**	**192 139**	**198 600**
Surplus/(Deficit)		**(2 826)**	**(2 826)**	**(2 826)**	**(2 826)**	**(2 826)**	**(2 826)**	**(2 826)**	**(2 826)**	**(2 826)**	**(2 826)**	**(2 826)**	**(2 826)**	**(33 911)**	**(33 140)**	**(35 064)**
Transfers recognised - capital		2 723	2 723	2 723	2 723	2 723	2 723	2 723	2 723	2 723	2 723	2 723	2 723	32 670	32 549	34 271
Contributions recognised - capital													–	–	–	–
Contributed assets													–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**(103)**	**(103)**	**(103)**	**(103)**	**(103)**	**(103)**	**(103)**	**(103)**	**(103)**	**(103)**	**(103)**	**(103)**	**(1 241)**	**(591)**	**(793)**

10.3.2.1 Capital budget/plan

EC136 Emalahleni (EC) - Table A1 Budget Summary										
Description	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
Rthousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Capital expenditure & funds sources										
Capital expenditure	**17 070**	37 101	38 585	42 515	49 948	49 948	49 948	41 470	32 549	34 271
Transfers recognised - capital	**20 793**	28 198	30 399	30 615	30 615	30 615	30 615	32 670	32 549	34 271
Waste w ater management	**–**	1 312	–	–	–	–	–	–	–	–
Waste management	**–**	–	–	–	–	–	–	–	–	–
Other	**(3 723)**	7 591	8 186	11 900	19 333	19 333	19 333	8 800	–	–
Total sources of capital funds	**17 070**	37 101	38 585	42 515	49 948	49 948	49 948	41 470	32 549	34 271

10.3.2.2 Capital Projects

EC136 Emalahleni (EC) - Supporting Table SA36 Detailed capital budget

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code 2	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2016/17 Medium Term Revenue & Expenditure Framework			Project information	
R thousand	4				6	3	3	5		Audited Outcome 2014/15	Current Year 2015/16 Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19	Ward location	New or renewal
Parent municipality: *List all capital projects grouped by Municipal Vote*																
Vote 5 - Community and Social Services		MIG:SPORTSFIELD CONSTRUCTION	9000/4607/0000		Yes	*Community*	*Sportsfields & stadia*	*new*	6 962	4 964	1 998					NEW
Vote 5 - Community and Social Services		MIG:TRAFFIC STATION;	9000/4611/0000		Yes	*Other assets*	*Civic Land and Buildings*	*new*	11 453	3 881	71			7 500		NEW
Vote 5 - Community and Social Services		MIG:CEMETRIES;	9000/4613/0000		Yes	*Community*	*Cemeteries*	*new*	3 028	2 478	550					NEW
Vote 6 - Infrastructure and Human Settlement		CONSTR OF TSHINGA-NJOMBELA (	9000/4623/0000		Yes	*Infrastructure - Road transport*	*Roads, Pavements & Bridges*	*new*	50	50	–					NEW
Vote 6 - Infrastructure and Human Settlement		CONSTR OF DUKATOLE-MANG (E);	9000/4626/0000		Yes	*Infrastructure - Road transport*	*Roads, Pavements & Bridges*	*new*	714	714	–					NEW

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2016/17 Medium Term Revenue & Expenditure Framework			Project information	
R thousand	4			2	6	3	3	5		Audited Outcome 2014/15	Current Year 2015/16 Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19	Ward location	New or renewal
Vote 5 - Community and Social Services		MIG:COMMUNITY HALL WARD 17;	9000/4631/0000		Yes	*Community Infrastructure - Road transport*	*Community halls*	*new*	2 989	2 989	–					NEW
Vote 6 - Infrastructure and Human Settlement		MHLANGA ACCESS ROAD (E);	9000/4635/0000		Yes		*Roads, Pavements & Bridges*	*new*	3 642	3 642	–					NEW
Vote 1 - Executive and Council		ASSET: COUNCIL;BUILDING NEW	9000/7000/9302		Yes	*Other assets*	*Civic Land and Buildings*	*new*	14 506	4 029	5 977	4 500				NEW
Vote 1 - Executive and Council		ASSET: COUNCIL;FURNITURE & O	9000/7000/9306		Yes	*Other assets*	*Civic Land and Buildings*	*new*	72	72	–					NEW
Vote 1 - Executive and Council		ASSET: COUNCIL;COMPUTERS AND	9000/7000/9307		Yes	*Other assets*	*Computers - hardware/equipment*	*new*	26	26	–					NEW
Vote 1 - Executive and Council		ASSET: MANAGEMENT;FURNITURE	9000/7001/9306		Yes	*Other assets*	*Furniture and other office equipment*	*new*	87	87	–					NEW
Vote 1 - Executive and Council		ASSET: MANAGEMENT;COMPUTERS	9000/7001/9307		Yes	*Other assets*	*Computers - hardware/equipment*	*new*	64	64	–					NEW
Vote 5 - Community and Social Services		ASSET: WASTE MANAGEMENT GRAN	9000/7101/9314		Yes	*Other assets*	*General vehicles*	*new*	198	198	–					NEW
Vote 3 - Budget and Treasury		ASSET: FINANCIAL SERVICES;CA	9000/7103/9206		Yes	*Other assets*	*Computers - hardware/equipment*	*new*	162	2	160					NEW
Vote 3 - Budget and Treasury		ASSET: FINANCIAL SERVICES;FU	9000/7103/9306		Yes	*Other assets*	*Furniture and other office equipment*	*new*	626	198	428					NEW
Vote 4 - EDTA		ASSET: IPED;FURNITURE & OFFI	9000/7200/9306		Yes	*Other assets*	*Furniture and other office equipment*	*new*	163	163	–					NEW
Vote 4 - EDTA		ASSET: IPED;COMPUTERS AND CA	9000/7200/9307		Yes	*Other assets*	*Computers - hardware/equipment*	*new*	63	53	10					NEW
Vote 5 - Community and Social Services		ASSET: COMMUNITY SERVICES;FU	9000/7300/9306		Yes	*Other assets*	*Furniture and other office equipment*	*new*	79	79	–					NEW
Vote 6 - Infrastructure and Human Settlement		ASSET: TECHNICAL SERVICES;FU	9000/7601/9306		Yes	*Other assets*	*Furniture and other office equipment*	*new*	58	58	–					NEW
Vote 6 - Infrastructure and Human Settlement		ASSET: TECHNICAL SERVICES;CO	9000/7601/9307		Yes	*Other assets*	*Computers - hardware/equipment*	*new*	50	50	–					NEW
Vote 2 - Corporate services		ASSET: CORPORATE SERVICES;FU	9000/7100/9306		Yes	*Other assets*	*Furniture and other office equipment*	*new*	486	86	50	350				NEW
Vote 2 - Corporate services		ASSET: CORPORATE SERVICES;CO	9000/7100/9307		Yes	*Other assets*	*Computers - hardware/equipment*	*new*	1 315	133	832	350				NEW
Vote 3 - Budget and Treasury		ASSET: FINANCIAL SERVICES;CO	9000/7103/9307		Yes	*Other assets*	*Computers - hardware/equipment*	*new*	126	76	50					NEW
Vote 3 - Budget and Treasury		ASSET: FINANCIAL SERVICES;VE	9000/7103/9304		Yes	*Other assets*	*General vehicles*	*new*	796	796	–					NEW

Municipal Vote/Capital project R thousand	Ref 4	Program/Project description	Project number	IDP Goal code 2	Individually Approved (Yes/No) 6	Asset Class 3	Asset Sub-Class 3	GPS co-ordinates 5	Total Project Estimate	Prior year outcomes		2016/17 Medium Term Revenue & Expenditure Framework			Project information	
										Audited Outcome 2014/15	Current Year 2015/16 Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19	Ward location	New or renewal
Vote 5 - Community and Social Services		ASSET: COMMUNITY SERVICES;CO	9000/7300/9307		Yes	*Other assets*	*Computers - hardware/equipment*	*new*	41	41	–					NEW
Vote 5 - Community and Social Services		MIG: DODRECHT PARK	9000/7301/9338		Yes	*Community*	*Parks & gardens*	*new*	3 015	42	500	1 373	1 100			NEW
Vote 5 - Community and Social Services		ASSET: REFUSE REMOVAL;REFUSE	9000/7501/9725		Yes	*Other assets*	*General vehicles*	*new*	2 114	2 114	–					NEW
Vote 5 - Community and Social Services		MIG: COMMUNITY HALL WARD 5;	9000/4642/0000		Yes	*Community*	*Community halls*	*new*	3 580	3 580	–					NEW
Vote 5 - Community and Social Services		MIG: COMMUNITY HALL WARD 10;	9000/4643/0000		Yes	*Community*	*Community halls*	*new*	3 596	3 596	–					NEW
Vote 6 - Infrastructure and Human Settlement		MIG : BANKIES ACCESS ROAD;	9000/4645/0000		Yes	*Infrastructure - Road transport*	*Roads, Pavements & Bridges*	*new*	3 196	1 849	1 347					NEW
Vote 6 - Infrastructure and Human Settlement		MAIN RD L/F TO ZAKHELE PHASE	9000/4706/0000		Yes	*Infrastructure - Road transport*	*Roads, Pavements & Bridges*	*new*	7 919	219	7 700					NEW
Vote 4 - EDTA		ASSET: IPED;STOCK PEN DEVELO	9000/7200/9342		Yes	*Other assets*	*Plant & equipment*	*new*	496	496	–					NEW
Vote 5 - Community and Social Services		ASSET HERITAGE;HERITAGE	9000/7304/9726		Yes	*Heritage assets*	*Other*	*new*	59	59	–					NEW
Vote 6 - Infrastructure and Human Settlement		ASSET: TECHNICAL SERVICES;PA	9000/7601/9020		Yes	*Other assets*	*Plant & equipment*	*new*	563	563	–					NEW
Vote 6 - Infrastructure and Human Settlement		MIG GRANT /PMU EXPENDITURE;M	9000/7603/9343		Yes	*Infrastructure - Other*	*Other*	*new*	92	92	–					NEW
Vote 6 - Infrastructure and Human Settlement		MIG:RWANTSANA ACCES ROAD;	9000/4603/0000		Yes	*Infrastructure - Road transport*	*Roads, Pavements & Bridges*	*new*	6 000		6 000					NEW
Vote 5 - Community and Social Services		MIG:LANDFIL SITE;	9000/4609/0000		Yes	*Other assets*	*Civic Land and Buildings*	*new*	9 862		4 874	3 988	1 000			NEW
Vote 5 - Community and Social Services		HARRY GWALA HALL 2014;	9000/4633/0000		Yes	*Community*	*Community halls*	*new*	300		300					NEW
Vote 3 - Budget and Treasury		SOFTWARE AND SERVER ROOM SEC	9000/4634/0000		Yes	*Intangibles*	*Computers - software & programming*	*new*	470	70	400					NEW
Vote 3 - Budget and Treasury		ASSET: FINANCIAL SERVICES;UP	9000/7103/9315		Yes	*Other assets*	*Plant & equipment*	*new*	200		200					NEW
Vote 4 - EDTA		ASSET: IPED;DIPPING TANKS	9000/7200/9341		Yes	*Other assets*	*Other*	*new*	1 200		1 200					NEW
Vote 2 - Corporate services		ASSET: CORPORATE SERVICES;CO	9000/7100/9319		Yes	*Other assets*	*Computers - hardware/equipment*	*new*	336		336					NEW
Vote 6 - Infrastructure and Human Settlement		NGCUKA ACCESS ROAD (E);	9000/4646/0000		Yes	*Infrastructure - Road transport*	*Roads, Pavements & Bridges*	*new*	3 993		3 993					NEW

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2016/17 Medium Term Revenue & Expenditure Framework			Project information	
R thousand	4			2	6	3	3	5		Audited Outcome 2014/15	Current Year 2015/16 Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19	Ward location	New or renewal
Vote 5 - Community and Social Services		COMM HALL WARD 3;	9000/4648/0000		Yes	*Community*	*Community halls*	*new*	4 632		4 632					NEW
Vote 2 - Corporate services		ASSET: CORPORATE SERVICES;VE	9000/7100/9304		Yes	*Other assets*	*General vehicles*	*new*	1 800		800	1 000				NEW
Vote 5 - Community and Social Services		ASSET: WASTE MANAGEMENT GRAN	9000/7101/9317		Yes	*Other assets*	*General vehicles*	*new*	300		300					NEW
Vote 5 - Community and Social Services		ASSET: COMMUNITY SERVICES;TR	9000/7300/9730		Yes	*Other assets*	*Other*	*new*	200		200					NEW
Vote 6 - Infrastructure and Human Settlement		ASSET: LICENSE AND PERMITS;P	9000/7600/9727		Yes	*Other assets*	*Other*	*new*	200		200					NEW
Vote 5 - Community and Social Services		ASSET: COMMUNITY SERVICES;AI	9000/7300/9308		Yes	*Other assets*	*Furniture and other office equipment*	*new*	240		240					NEW
Vote 2 - Corporate services		Plant & Equipment	9000/7100/9340		Yes	*Other Assets*	*Plant & equipment*	*new*	7 676	976	6 200	500				NEW
Vote 6 - Infrastructure and Human Settlement		Street naming	9000/7601/9348		Yes	*Infrastructure - Road transport*	*Roads, Pavements & Bridges*	*new*	400		400					NEW
Vote 6 - Infrastructure and Human Settlement		MIG : Surfacing of Dordrecht Internal roads Phase	9000/7601/1000		Yes	*Infrastructure - Road transport*	*Roads, Pavements & Bridges*	*new*	9 644			7 153	2 491			NEW
Vote 6 - Infrastructure and Human Settlement		MIG : Surfacing of Indwe Internal roads Phase	9000/7601/1001		Yes	*Infrastructure - Road transport*	*Roads, Pavements & Bridges*	*new*	9 878			4 691	5 187			NEW
Vote 6 - Infrastructure and Human Settlement		MIG : Surfacing of Lady Frere Internal Roads	9000/7601/1002		Yes	*Infrastructure - Road transport*	*Roads, Pavements & Bridges*	*new*	10 158			8 158	2 000			NEW
Vote 6 - Infrastructure and Human Settlement		MIG : Emarwayibeni to Boqo Access Roads	9000/7601/1003		Yes	*Infrastructure - Road transport*	*Roads, Pavements & Bridges*	*new*	1 000			1 000	–			NEW
Vote 6 - Infrastructure and Human Settlement		MIG : Rehabilitation of Streetlights in Lady Frere, Indwe & DDX	9000/7800/1000		Yes	*Infrastructure - Electricity*	*Street Lighting*	*new*	6 820			2 765	4 055			NEW
Vote 5 - Community and Social Services		MIG:LED Shearing Shed	9000/7200/1000		Yes	*Other assets*	*Other*	*new*	4 000			1 041	1 758	1 200		NEW
Vote 5 - Community and Social Services		MIG: Park Development Lady Frere			Yes	*Community*	*Parks & gardens*	*new*	2 500			2 500				NEW
Vote 5 - Community and Social Services		ASSET COMMUNITY SERVICES; MATERIAL RECOVERY EQUIPMENT	9000/7302/0000		Yes	*Other assets*	*Plant & equipment*	*new*	500			500				NEW
Vote 5 - Community and Social Services		ASSET COMMUNITY SERVICES; FURNITURE TRAFFIC STATION	9000/7600/9306		Yes	*Other assets*	*Furniture and other office equipment*	*new*	200			200				NEW
Vote 5 - Community and Social Services		ASSET: COMMUNITY SERVICES;FU	9000/7300/9306		Yes	*Other assets*	*Furniture and other office equipment*	*new*	500			500				NEW
Vote 5 - Community and Social Services		ASSET: CEMETERIES;INDWE CEMETRY	9000/7302/9728		Yes	*Community*	*Cemeteries*	*new*	500			500				NEW

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2016/17 Medium Term Revenue & Expenditure Framework			Project information	
R thousand	4			2	6	3	3	5		Audited Outcome 2014/15	Current Year 2015/16 Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19	Ward location	New or renewal
Vote 6 - Infrastructure and Human Settlement		ASSET: TECHNICAL SERVICES TRANSFORMERS	9000/7801/0000		Yes	*Infrastructure - Electricity*	*Transmission & Reticulation*	*new*	100			100				NEW
Vote 5 - Community and Social Services		ASSET: COMMUNITY SERVICES;GA	9000/7300/9347		Yes	*Community*	*Other*	*new*	300			300				NEW
Vote 5 - Community and Social Services		MIG: LADY FRERE MULTI-PURPOSE CENTRE	9000/7300/1000		Yes	*Other assets*	*Civic Land and Buildings*	*new*	10 471					10 471		NEW
Vote 5 - Community and Social Services		MIG:INDWE SPORTFIELD	9000/4700/0001		Yes	*Community*	*Sportsfields & stadia*	*new*	13 501					13 501		NEW
Vote 5 - Community and Social Services		DSRAC: DODRECHT SPORTFIELD														
Vote 5 - Community and Social Services		MIG: HYDROPHONICS	9000/7300/0002		Yes	*Other assets*	*Other*	*new*	800					800		NEW
Vote 5 - Community and Social Services		MIG: FEED LOT	9000/7300/0001		Yes	*Other assets*	*Other*	*new*	800					800		NEW
Vote 6 - Infrastructure and Human Settlement		MIG: Cacadu Ext. Access Road	9000/7601/1006		Yes	*Infrastructure - Road transport*	*Roads, Pavements & Bridges*	*new*	9 958				9 958			NEW
Vote 6 - Infrastructure and Human Settlement		MIG: Bongolwethu High Mast Lights	9000/7601/1007		Yes	*Infrastructure - Electricity*	*Street Lighting*	*new*	5 000				5 000			NEW
Total Capital expenditure										38 585	49 948	41 470	32 549	34 271		

10.3.3 Capital Budget performance and spending

CAPITAL BUDGET EXPENDITURE						
2013/14			2014/15			2015/16
BUDGET '000	AUDITED ACTUALS '000	% SPEND	BUDGET '000	AUDITED ACTUALS '000	% SPEND	BUDGET '000
44 009	37 101	84%	41 071	38 585	94%	49 948

EXTENT OF RELIANCE ON GRANT FUNDING FOR CAPITAL BUDGET								
2013/14 ACTUAL		% OF TOTAL	2014/15 ACTUAL		% OF TOTAL	2015/16 ACTUAL		% OF TOTAL
GRANT FUNDED	28 198	76%	GRANT FUNDED	30 967	75%	GRANT FUNDED	30 615	61%
DONATIONS	1 312	4%	DONATIONS	0	0%	DONATIONS	0	0%
OWN FUNDING	7 591	20%	OWN FUNDING	10 104	25%	OWN FUNDING	19 333	39%
TOTAL	37 101			41 071			49 948	

10.3.4 Capital Budget and Asset Management

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

EC136 Emalahleni (EC) - Table A9 Asset Management										
Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
CAPITAL EXPENDITURE										
Total New Assets	1	17 070	37 101	38 585	42 515	49 948	49 948	41 470	32 549	34 271
Infrastructure - Road transport		7 749	14 541	6 520	12 893	19 440	19 440	21 002	19 636	–
Infrastructure - Electricity		–	–	–	–	–	–	2 865	9 055	–
Infrastructure - Other		–	1 192	–	–	–	–	–	–	–
Infrastructure		*7 749*	*15 733*	*6 520*	*12 893*	*19 440*	*19 440*	*23 868*	*28 691*	–
Community		5 864	6 924	17 654	9 383	7 981	7 981	4 673	1 100	13 501
Heritage assets		–	–	59	–	–	–	–	–	–
Investment properties		–	–	1	–	–	–	–	–	–
Other assets	6	3 331	14 444	14 281	20 240	22 528	22 528	12 930	2 758	20 771
Intangibles		126	–	70	–	–	–	–	–	–
Total Capital Expenditure	4									
Infrastructure - Road transport		7 749	14 541	6 520	12 893	19 440	19 440	21 002	19 636	–
Infrastructure - Electricity		–	–	–	–	–	–	2 865	9 055	–
Infrastructure - Other		–	1 192	–	–	–	–	–	–	–
Infrastructure		*7 749*	*15 733*	*6 520*	*12 893*	*19 440*	*19 440*	*23 868*	*28 691*	–
Community		5 864	6 924	17 654	9 383	7 981	7 981	4 673	1 100	13 501
Heritage assets		–	–	59	–	–	–	–	–	–
Investment properties		–	–	1	–	–	–	–	–	–
Other assets		3 331	14 444	14 281	20 240	22 528	22 528	12 930	2 758	20 771
Intangibles		126	–	70	–	–	–	–	–	–
TOTAL CAPITAL EXPENDITURE - Asset class	2	17 070	37 101	38 585	42 515	49 948	49 948	41 470	32 549	34 271
ASSET REGISTER SUMMARY - PPE (WDV)	5									
Infrastructure - Road transport		239 979	237 801	226 825	228 983	224 555	224 555	223 130	220 114	197 236
Infrastructure - Electricity		19 083	18 576	18 064	17 959	17 447	17 447	19 666	28 067	27 407
Infrastructure - Other			3 970	3 970	3 670	3 670	3 670	3 667	3 663	3 660
Infrastructure		*259 061*	*260 347*	*248 859*	*250 612*	*245 672*	*245 672*	*246 462*	*251 845*	*228 303*
Community		79 820	87 518	171 846	95 631	110 365	110 365	114 199	114 451	127 095
Heritage assets			124	183	124	183	183	183	183	183
Investment properties		14 201	8 394	6 433	8 394	6 434	6 434	6 434	6 434	6 434
Other assets		81 186	75 327	18 576	110 797	108 864	108 864	120 712	122 378	142 046
Intangibles		255	259	207	88	104	104	104	104	104
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	434 523	431 969	446 104	465 646	471 621	471 621	488 093	495 394	504 165
EXPENDITURE OTHER ITEMS										
Depreciation & asset impairment		21 451	31 703	31 314	24 503	24 432	24 432	24 997	25 247	25 499
Repairs and Maintenance by Asset Class	3	7 278	8 712	5 083	12 386	9 973	9 973	7 613	7 176	7 433
Infrastructure - Road transport		1 106	1 190	1 569	4 118	3 448	3 448	2 200	2 400	2 515
Infrastructure - Electricity		647	1 056	338	4 009	2 379	2 379	1 400	1 550	1 660
Infrastructure - Water		2 386	2 702	–	–	–	–	–	–	–
Infrastructure - Sanitation		1 086	32	–	–	–	–	–	–	–
Infrastructure		*5 226*	*4 980*	*1 907*	*8 128*	*5 828*	*5 828*	*3 600*	*3 950*	*4 175*
Community		86	110	715	100	175	175	750	570	570
Other assets	6, 7	1 966	3 622	2 461	4 159	3 971	3 971	3 263	2 656	2 688
TOTAL EXPENDITURE OTHER ITEMS		28 729	40 415	36 398	36 889	34 405	34 405	32 610	32 423	32 932
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		*1.7%*	*2.1%*	*1.2%*	*2.7%*	*2.1%*	*2.1%*	*1.6%*	*1.5%*	*1.5%*
Renewal and R&M as a % of PPE		*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*

10.3.5. Repairs and maintenance

The municipality continued to make huge strides during the 2014/15 and 2015/16 financial years to extend its plant. New heavy machinery and vehicle have been purchased. Al these are to enhance the capabilities of the municipality to respond to its maintenance programme on existing, renewal and completely new assets. Below is the maintenance budget for the previous audited and outer years.

EC136 Emalahleni (EC) - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		**5 226**	**4 980**	**1 907**	**8 128**	**5 828**	**5 828**	**3 600**	**3 950**	**4 175**
Infrastructure - Road transport		1 106	1 190	1 569	4 118	3 448	3 448	2 200	2 400	2 515
Roads, Pavements & Bridges		883	940	1 245	3 725	3 125	3 125	2 000	2 200	2 300
Storm water		223	250	324	393	323	323	200	200	215
Infrastructure - Electricity		647	1 056	338	4 009	2 379	2 379	1 400	1 550	1 660
Transmission & Reticulation		315	226	338	1 098	1 098	1 098	700	750	810
Street Lighting		332	830	–	2 912	1 282	1 282	700	800	850
Infrastructure - Water		2 386	2 702	–	–	–	–	–	–	–
Reticulation		2 386	2 702				–	–	–	
Infrastructure - Sanitation		1 086	32	–	–	–	–	–	–	–
Reticulation		1 086	32				–			
Infrastructure - Other		–	–	–	–	–	–	–	–	–
Waste Management							–			
Community		**86**	**110**	**715**	**100**	**175**	**175**	**750**	**570**	**570**
Parks & gardens		–	13	235	–	68	68	380	300	300
Sportsfields & stadia		4	–	3	100	107	107	170	170	170
Cemeteries		82	97	478		0	0	200	100	100
Other assets		**1 963**	**3 622**	**2 461**	**4 159**	**3 971**	**3 971**	**3 263**	**2 656**	**2 688**
General vehicles		1 042	772	800	2 422	1 651	1 651	1 570	1 623	1 620
Plant & equipment		127	2 483	46	1 097	839	839	633	518	553
Furniture and other office equipment		78	95	65	56	70	70	–	–	–
Civic Land and Buildings		716	272	1 549	583	1 411	1 411	1 060	515	515
Total Repairs and Maintenance Expenditu	1	**7 275**	**8 712**	**5 083**	**12 386**	**9 973**	**9 973**	**7 613**	**7 176**	**7 433**
R&M as a % of PPE		*1.7%*	*2.1%*	*1.2%*	*2.7%*	*2.1%*	*2.1%*	*1.6%*	*1.5%*	*1.5%*
R&M as % Operating Expenditure		*4.7%*	*4.4%*	*2.8%*	*6.1%*	*4.9%*	*4.9%*	*4.0%*	*3.7%*	*3.7%*

The Repairs and maintenance budget amounted to 4.9% of Total budget in the 2015/16 financial year whilst this budget has decreased to 4% of total budget in the 2016/17 financial year. This percentage decreases further to 3.7% in the two outer years.

10.3.6 Grants Receipts and Expenditure

The Table below reflects the grants received and to be received in the 2016/17 budget year

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

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		**82 270**	**94 165**	**108 978**	**142 953**	**142 953**	**142 953**	**128 929**	**130 901**	**132 354**
Local Government Equitable Share		69 797	78 749	92 038	116 537	116 537	116 537	114 599	121 843	127 950
Municipal Infrastructure Grant (MIG) - Operating			880	1 989	1 611	1 611	1 611	1 588	1 713	1 804
Local Government Financial Management Grant (F		1 379	1 650	1 800	1 875	1 875	1 875	2 010	2 345	2 600
Municipal Systems Improvement Grant (MSIG)		736	890	934	930	930	930	–	–	–
Integrated National Electrification Grant (INEP)		9 000	10 996	11 000	21 000	21 000	21 000	9 317	5 000	–
Extended Public Works Program (EPWP)		1 358	1 000	1 217	1 000	1 000	1 000	1 415	–	–
Provincial Government:		**441**	**831**	**2 403**	**800**	**1 074**	**1 074**	**900**	**900**	**900**
Library		441	831	803	800	1 074	1 074	900	900	900
Waste Management Grant				1 600			–			
District Municipality:		**2 705**	**3 446**	**1 500**	**–**	**1 400**	**1 400**	**–**	**–**	**–**
CHDM Paving and beautification				1 500		1 000	1 000	–	–	–
Greenest Municipality Grant						200	200	–	–	–
IT Support Grant						200	200	–	–	–
CHDM Other		2 705	3 446				–	–	–	–
Other grant providers:		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
[insert description]										
Total Operating Transfers and Grants	5	**85 415**	**98 441**	**112 881**	**143 753**	**145 427**	**145 427**	**129 829**	**131 801**	**133 254**
Capital Transfers and Grants										
National Government:		**23 095**	**22 739**	**28 981**	**30 615**	**30 615**	**30 615**	**30 170**	**32 549**	**34 271**
Municipal Infrastructure Grant (MIG)		23 095	22 739	28 981	30 615	30 615	30 615	30 170	32 549	34 271
Total Capital Transfers and Grants	5	**23 095**	**22 739**	**28 981**	**30 615**	**30 615**	**30 615**	**30 170**	**32 549**	**34 271**
TOTAL RECEIPTS OF TRANSFERS & GRANTS		**108 510**	**121 181**	**141 862**	**174 368**	**176 042**	**176 042**	**159 999**	**164 350**	**167 525**

The below table shows the expenditure on grants received

EC136 Emalahleni (EC) - Supporting Table SA19 Expenditure on transfers and grant programme										
Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue &		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		**82 270**	**94 165**	**108 538**	**142 953**	**142 953**	**142 953**	**128 929**	**130 901**	**132 354**
Local Government Equitable Share		69 797	78 749	92 038	116 537	116 537	116 537	114 599	121 843	127 950
Municipal Infrastructure Grant (MIG) - Operating		–	880	1 549	1 611	1 611	1 611	1 588	1 713	1 804
Local Government Financial Management Grant (FMG)		1 379	1 650	1 800	1 875	1 875	1 875	2 010	2 345	2 600
Municipal Systems Improvement Grant (MSIG)		736	890	934	930	930	930	–	–	–
Integrated National Electrification Grant (INEP)		9 000	10 996	11 000	21 000	21 000	21 000	9 317	5 000	–
Extended Public Works Program (EPWP)		1 358	1 000	1 217	1 000	1 000	1 000	1 415	–	–
Provincial Government:		**441**	**831**	**2 474**	**800**	**1 074**	**1 074**	**900**	**900**	**900**
Library		441	831	1 131	800	1 074	1 074	900	900	900
Waste Management Grant		–	–	1 343			–			
District Municipality:		**2 705**	**3 446**	**1 773**	**–**	**1 400**	**1 400**	**–**	**–**	**–**
CHDM Cleaning program				202	–	–	–	–	–	–
CHDM Revenue Enhancement				106	–	–	–	–	–	–
CHDM Paving and beautification				1 465	–	1 000	1 000	–	–	–
Greenest Municipality Grant				–	–	200	200	–	–	–
IT Support Grant				–	–	200	200	–	–	–
CHDM Other		2 705	3 446	–	–	–	–	–	–	–
Other grant providers:		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
[insert description]										
Total operating expenditure of Transfers and Grants:		**85 415**	**98 441**	**112 785**	**143 753**	**145 427**	**145 427**	**129 829**	**131 801**	**133 254**
Capital expenditure of Transfers and Grants										
National Government:		**20 793**	**28 198**	**30 399**	**30 615**	**30 615**	**30 615**	**32 670**	**32 549**	**34 271**
Municipal Infrastructure Grant (MIG)		20 793	28 198	30 399	30 615	30 615	30 615	30 170	32 549	34 271
Public Transport and Systems								2 500		
Total capital expenditure of Transfers and Grants		**20 793**	**28 198**	**30 399**	**30 615**	**30 615**	**30 615**	**32 670**	**32 549**	**34 271**
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		**106 208**	**126 640**	**143 184**	**174 368**	**176 042**	**176 042**	**162 499**	**164 350**	**167 525**

The Below table shows the % spent of the conditional grants received

% of Conditional Grants spend for the prior three years				
Description	Ref	2012/13	2013/14	2014/15
R thousand		Audited Outcome	Audited Outcome	Audited Outcome
Municipal Infrastructure Grant (MIG) - Operating				
RECEIPTS:			880	1 989
EXPENDITURE		–	880	1 549
% SPEND			100%	78%
Municipal Infrastructure Grant (MIG) - Capital				
RECEIPTS:		23 095	22 739	28 981
EXPENDITURE		20 793	28 198	30 399
% SPEND		90%	124%	105%
Finance Mangement Grant (FMG)				
RECEIPTS:		1 379	1 650	1 800
EXPENDITURE		1 379	1 650	1 800
% SPEND		100%	100%	100%
Municipal System Improvement Grant (MSIG)				
RECEIPTS:		736	890	934
EXPENDITURE		736	890	934
% SPEND		100%	100%	100%
Integrated National Electrification Programme (INEP)				
RECEIPTS:		9 000	10 996	11 000
EXPENDITURE		9 000	10 996	11 000
% SPEND		100%	100%	100%

The Municipality has endeavoured to spend 100% on conditional grants over the past three years. Capital grant expenditure for the 2015/16 appears to be heading for under expenditure but the municipality has put in place a recovery plan to ensure that 100% of the capital grant is spend by the end of the 2015/16 financial year.

10.3.7 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

Drastic steps must be implemented to have municipal revenue collected to increase the going concern principle as it will eventually lead to cash flow problems if not improved. The target is that 65 % of all billing must be collected.
The municipality provides refuse collection and electricity distribution services to its residents which it bills on a monthly basis. Charges for these services are based on the approved tariffs applicable. Debtors are billed monthly and a consolidated debtor statement is issued monthly to all debtors.

The % collection on revenue for the last two years are shown below

EC136 Emalahleni (EC) - Budgeted vs collected Revenue							
Description	Ref	2013/14			2014/15		
R thousand	1	Budget	Audited Outcome	% Collected	Budget	Audited Outcome	% Collected
Revenue By Source							
Property rates	2		3 218			3 719	
Service charges - electricity revenue	2		8 048			8 823	
Service charges - w ater revenue	2		6 931			–	
Service charges - sanitation revenue	2		3 707			–	
Service charges - refuse revenue	2		2 695			2 357	
Rental of facilities and equipment			731			721	
Interest earned - external investments			3 005			3 350	
Interest earned - outstanding debtors			7 834			3 930	
Fines			115			108	
Licences and permits			383			462	
Agency services			61			66	
Transfers recognised - operational			98 441			112 881	
Other revenue	2		27 135			3 474	
Gains on disposal of PPE						600	
Total Revenue (excluding capital transfers and contributions)			**162 305**			**140 489**	

The collection rate in the 205/16 financial year was around 45%. The revenue section is in the process of putting programs in place to increase the debtor collection rate. The following are some of the more significant programmes that have been identified that could enhance the municipality's revenue:

- 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 to be followed for non-payment etc. This policy has been put in place as a vehicle through which the debtor turnover rate can be increased to ideally get amounts due by debtors within 7 to 14 days. The debtor's turnover rate for the last two years has been far above the desired debtor's turnover rate:

DEBTOR TURNOVER RATE	2014/15	2013/14
Total Debtor's	21 884 597.45	16 263 449.63
Total Debtors Revenue	19 549 213.50	18 193 624.20
Debtor's Turnover rate /Debtors payment period	408 days	326 days

- 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 of the policy 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 ensures that valuations are systematically carried out on a regular basis for all properties. The municipality has compiled a new valuation roll during 2013/14 financial year for commencement and implementation in 2014/15 financial year. Annual supplementary valuations are done and the municipality has already put the 2015/16 supplementary valuation roll out for inspections and objections.

- 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 investigating other sources of revenue and also to investigate savings on expenditure. This strategy is reviewed annually to ensure relevance and improved effectiveness.

- The development and implementation of the bad debt write 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.

- The municipal resources are well managed and there was no need to develop a financial recovery plan. However, there is huge pressure on available resources versus needs of communities.

b) Asset Management Strategy

- GRAP compliant Asset Register

The Municipality is a low capacity municipality and had to comply fully with GRAP 17 by 30 June 2012. The municipality managed to compile a GRAP compliant fixed asset register in compliance with Treasury requirements. The FAR passed the audit with no major findings by Auditor General during the 2014/15 annual audit. The asset register is maintained monthly and bi-annual asset counts are performed.

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

- 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.

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.

d) Information and Communication Technology Strategy

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. The municipality has move to CLOUDWARE for its financial system. The municipality has also started its mSCOA project and has started implementing the Council approved MSCOA implementation plan. The mSCOA requirement will put further pressure on the municipal ICT capacity and will require additional capacity to ensure that the municipality is mSCOA compliant at 1 July 2017.

10.3.8 Financial Management Policies

a) General Financial Philosophy

The financial policy of the Emalahleni Local Municipality is 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

b) List of policies

The following policies are reviewed annually with the IDP process and are adopted with the final IDP and BUDGET and will be implemented on 1 July 2016. These policies are also made available on the municipal website to facilitate access to all stakeholders.

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

- Asset management policy

c) Budget-related policies and by-laws

These policies are promulgated into by-laws and gazetted to ensure legal implementation. The current by-laws were promulgated in an EC Provincial Gazette Extraordinary, Gazette No. 1687 date 16 March 2007. The municipality has in the 2015/16 financial year promulgated and gazetted the Property rates by-law in the EC Provincial Gazette No. 3593 dated 15 February 2016.

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

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.

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

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.

All policies were reviewed in during 2015/16 financial year and coded into formal by-laws. Most of the current by-laws were promulgated in the EC Provincial Gazette Extraordinary, Gazette No. 1687 date 16 March 2007.

10.3.9 FUNCTIONALITY OF SUPPLY CHAIN UNIT AND IMPLEMENTATION OF LEGISLATION

The municipality has appointed a Supply Chain Manager in September 2013. The biggest threat to the municipality is the old contracts that were qualified in prior year and that are still operational. The following table will illustrate that the supply chain unit at Emalahleni is very functional:

NO.	ACTIVITY UNDERTAKEN	IMPLEMENTED	PROGRESS/DATE IMPLEMENTED
1.	SCM Policy	ELM developed a Supply Chain Management Policy taking into account the Municipal SCM Regulations. The Policy was work shopped with all ELM Councillors' and officials.	The SCM Policy was reviewed in February 2016 and has been adopted by Council.
2.	Committee System	The Accounting Officer established a committee system that is consistent with the Municipal SCM Regulations and any other applicable legislation for competitive bids consisting of: (i) a bid specification committee; (ii) a bid evaluation committee; and (iii) a bid adjudication committee; Rules and procedures governing the functioning of the above mentioned Bid Committees were drafted. Training of the Bid Committees have been conducted for all committee members.	The Bid Specification, Bid Evaluation and Bid Adjudication Committees function very well and they were appointed in writing.
3.	Code Of Conduct, Oath Of Secrecy, Declaration Of All Business Interests	The Code of Conduct, Oath of Secrecy and Declaration of all business interests have been drafted, and were signed by all officials involved in SCM process.	The Code of Conduct, Oath of Secrecy and Declaration of all Business Interests is signed by all officials involved in SCM process on an annual basis.

NO.	ACTIVITY UNDERTAKEN	IMPLEMENTED	PROGRESS/DATE IMPLEMENTED
		Notice boards placed in a public area that is accessible	Bid notice boards are placed in areas that are accessible
		Bid Box placed in a public area that is accessible during office hours.	The bid box is situated at reception area in the municipal main building
		Bid Specifications Committee commenced with effect from the date Members were appointed and membership is renewed annually.	The Bid Specifications Committee commenced with effect from the date members were appointed and membership is renewed annually.
		For goods or services between the values of R1.00 and R30 000 we are using requisition books and requesting quotations by phone.	The ELM requisition books that allow Section Head and Head of Department signatures for request and recommendation of procurement of proposed goods and services are still being utilized.
		Placing notices on the Bid Notice Boards and website and advertising for goods or services between the values of R30 000 and R200 000 with effect from the date our policy was adopted. Turnaround time for procurement below R30 000 is that within 5 days an order will be issued after the request has been submitted. For procurement above R30 000 the turnaround time is 2 weeks and an order will be issued after the request has been submitted	All bid notices for the advertising for goods and or services above R30 000 and R200 000 is placed on the Bid Notice Boards and ELM Website.
		Demand Management Plan which entail capital projects and procurement of major commodities was signed by the Accounting Officer on the 28 July 2015	SCM office monitors and ensures that we procure according to this plan. Monthly reports on the implementation of the plan are expected to be prepared by SCM office to the Municipal Manager.
		Bid Evaluation Committee Members to be re-trained.	The training is ongoing.
		Bid Adjudication Committee Members to be re-trained.	The training is ongoing
		Threshold levels embedded in our SCM Policy are observed and applied.	As per our SCM policy and pursuant to the revised Preferential Procurement Regulations, 2011.
		General preconditions for consideration of written quotations or bids developed.	General Conditions of Contract included in all bids as well as special conditions where applicable.
		Lists of accredited prospective providers developed, i.e. General, Professional and	A list of accredited prospective providers is in place. The

NO.	ACTIVITY UNDERTAKEN	IMPLEMENTED	PROGRESS/DATE IMPLEMENTED
		Contractors Databases. These databases are updated on a daily bases to include any additional prospective providers and any new commodities or types of services.	Database is updated daily. The Municipality is in the process of migrating the data from normal excel spread sheet to the new SEBATA SCM Module (System).This system is envisaged to revolutionalise the SCM paper based system, and on the other hand it will help minimize the risks involved with the current system such as in circulation of business amongst the service providers favouritism and/or collusion with suppliers.
		A procedure manual for procuring goods or services through written or verbal quotations and formal written price quotations is in place and is in the process of being signed by the Accounting Officer.	A Procedure Manual for procuring goods or services through written or verbal quotations and formal written price quotations is being developed and is in a process of being signed by the Accounting Officer.
		Delegation by the Accounting Officer to all HODs approving the procurement of goods and services between the values of R30 001 and R200 000 implemented. For bids above R200 000, the Bid Adjudication Committee recommends the Accounting Officer to make an award.	Delegations in terms of Municipality' Delegation Policy is implemented.
		Process developed for competitive bidding.	Competitive bids are implemented according to our SCM policy, NT regulations and CIDB regulations where necessary and other relevant pieces of legislation.
		Procedures developed for the procurement of goods and services from other Organs of State.	The procurement of goods and services from other Organs of the State as per MFMA and SCM regulations.
		Procedures developed for emergency and urgent procurement of goods and services.	The SCM Policy is followed and strictly complied with The Deviation register was developed and Municipal Manager approves all transactions
		Bid Evaluation Committee commenced with effect from the approval of the SCM policy	The committee is still in place and its meetings are set to

NO.	ACTIVITY UNDERTAKEN	IMPLEMENTED	PROGRESS/DATE IMPLEMENTED
			convene every Wednesday or when necessary.
		Bid Adjudication Committee commenced with effect from 1 October 2005. The turnaround time for a project to be adjudicated and awarded is 90 days from the date of the request being submitted	The committee is still in place and its meetings are set to convene every Friday or when necessary.
6.	System of Logistics Management	Contract documentation for all contracts entered into through the procurement of goods and services is kept safely in the SCM Storeroom.	After each award, a Service Level Agreement (SLA)and Form of Offer and Acceptance for construction related contracts are signed after each award as the case may be. All contract documents are archived.
7.	System of Disposal Management	Asset Management Policy has been developed.	The Asset Management Policy is in place. The Asset Management Policy is reviewed whenever there is a need to do so
		Code of Conduct Signed by officials involved in SCM.	The Code of Conduct is signed by all officials involved in SCM on an annual basis.
		Oath of Secrecy signed by officials involved in SCM.	The Oath of Secrecy is signed by all officials involved in SCM on an annual basis.
		Declaration of all Business Interests signed by officials involved in SCM.	The Declaration of all Business Interests is signed by all officials involved in SCM on an annual basis.
	Contract Management	Contracts are effectively managed by the contracts management officer within the SCM unit.	Contracts are concluded for each project through the SCM unit and a contracts register is maintained
9.	System of Performance Management	Monitoring and performance mechanisms put in place.	Monitoring and performance mechanisms have been developed and implemented.
		Reporting monthly to National and Provincial Treasury on all adjudicated bids.	Monthly reports are submitted to NT and PT.
		Reporting monthly to the Accounting Officer on the procurement of all goods and services.	Monthly reports are submitted to the Accounting Officer.
		Reporting quarterly to the Mayor on the procurement of all goods and services.	Quarterly reports are submitted to the Mayor.
		Reporting quarterly to Council on the procurement of all goods and services, i.e. Quarterly SCM Report.	Quarterly reports are submitted to Council.
10.	Gifts Register	Reporting as and when this occurs to the Accounting Officer in terms of declarations of	Each and every department has in the office of its HOD the

NO.	ACTIVITY UNDERTAKEN	IMPLEMENTED	PROGRESS/DATE IMPLEMENTED
		rewards, gifts, favours, hospitality or other benefit promised.	Gifts register where officials are expected to disclose in terms of declarations of rewards, gifts, favours, hospitality or other benefit promised.
11.	Establishment of the SCM Unit	The SCM Unit has been established as per the SCM Regulation no. 7. The Unit is not fully fledged as yet but there is an approved organogram that is populated gradually. The positions that are populated do ensure that there is segregation of duties	The major positions in the organogram have been filled to allow segregation of duties

10.3.10 Indigent support and management

The Emalahleni Local municipality has a functional Free Basic Services unit managed by the FBS practitioner. Temporal staff funded through the EPWP programme are contracted from time to time to assists this unit especially during the annual indigent registrations.

An indigent policy has been developed in line with the Local Government guidelines and has been adopted by the municipal Council. This policy is reviewed annually as part of the budget related policies that gives effect to the indigent subsidies to be budgeted for. The budgeted amount for free basic services funded from the equitable share amounted to R 2.789 million for the 2014/15 and R 3.874 million for the 2015/16 financial years respectively. This subsidy encompasses subsidisation of full refuse charge, 50 kWh of electricity and an amount on assessment rates. Water and sanitation is provided by the District municipality.

Indigent registrations are done annually between February and April. An indigent register is compiled annually subsequent to each registration that under goes intense review by the respective ward committees, ward councillor and the Chief Financial Officer. The municipality had established the Indigent steering committee before but had experienced that it is inefficient as the committee members tend not to be available and that the respective ward committee members and ward Councillor of the particular ward would anyway be the ones knowledgeable about the indigency status of debtors in their respective wards. The municipality decided to rather go the root of having the ward committee and ward Councillor of the affected ward review the applications and by so doing speed up the process and ensure credibility of the register.

The Chris Hani district municipality integrates its annual indigent registration with that of the municipality to ensure coherence and reconciliation between the debtors that receive subsidies from the Local municipality and the District Municipality. The district municipality would also co-fund the indigent registration process to ensure that adequate resources are available to ensure effectiveness of the process.

10.3.11 Improvement in audit outcome

The municipality has an AFS process plan that is implemented throughout the year in preparation of the AFS audit file. This practice has translated in the improved audit opinion from many years of disclaimer opinion to an unqualified audit opinion in the 2014/15 financial year.

The municipality has developed an audit action plan for the 2014/15 financial year to address all findings by the Auditor General and to further ensure that proper internal controls are put in place to prevent these findings from reoccurring in the new financial year. The audit action plan is monitored monthly and progress reported monthly to management and

Council. Good progress has been made on the implementation of the 2014/15 action plan. All issues relating to the 2014/15 findings are to be addressed by 30 June 2016.

The municipality has managed to resolve most of its recurring audit queries of the past. The municipality strives to maintain processes and internal controls that are in place and that are effective whilst addressing its short comings by putting internal controls in place. Standard operating procedures has been developed and approved for supply chain management section. The National Treasury has also developed standard operating procedures (SOP's) for all municipalities. The municipality will tailor make it for its situation. The policies, SOP's, Internal Audit reports recommendation and risk register are and will be used to improve the internal control environment of the municipality.

The municipality's filing system put in place has also attributed to the improved audit opinion as scope of audit findings have been eliminated by been able to provide all supporting documents within the required time frames.

The municipality has also started with its annual financial preparation (PAF) plan which will ensure that the 2015/16 annual financial statement is compiled and submitted within the prescribed legislative framework. The PAF is used to coordinate and gather all relevant processes and information for the 2015/16 annual financial statements.

Audit Opinion/Outcome	
Financial Year	Audit Opinion/Outcome
2012/13	Disclaimer
2013/14	Qualified
2014/15	Unqualified

The Emalahleni municipality has developed an institutional risk register that is further cascaded down to directorates. This register is reviewed annually and aligned to the SDBIP. The register is aligned to the SDBIP with the objective of identifying possible events that could occur that could compromise the achievement of institutional objectives and putting controls in place to eliminate or minimise the possible events. Monthly reports on the effectiveness of the internal controls put in place are prepared.

EMALAHLENI MUNICIPALITY

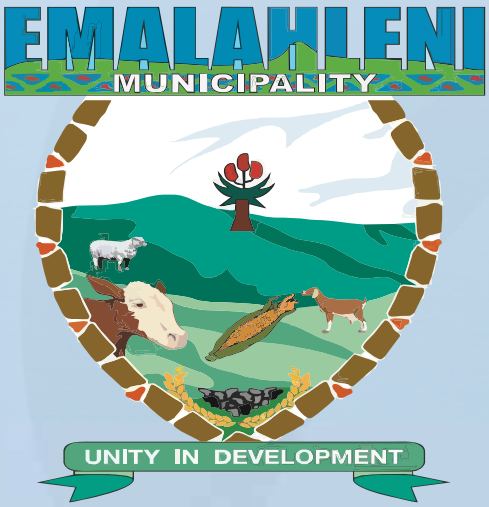
UNITY IN DEVELOPMENT

CHAPTER 11
DISASTER MANAGEMENT PLAN

CHAPTER 11

DISASTER MANAGEMENT PLAN

Refer to Annexure B of the attachments



CHAPTER 12
PERFORMANCE MANAGEMENT FRAMEWORK

CHAPTER 12

PERFORMANCE MANAGEMENT FRAMEWORK

1. PREAMBLE

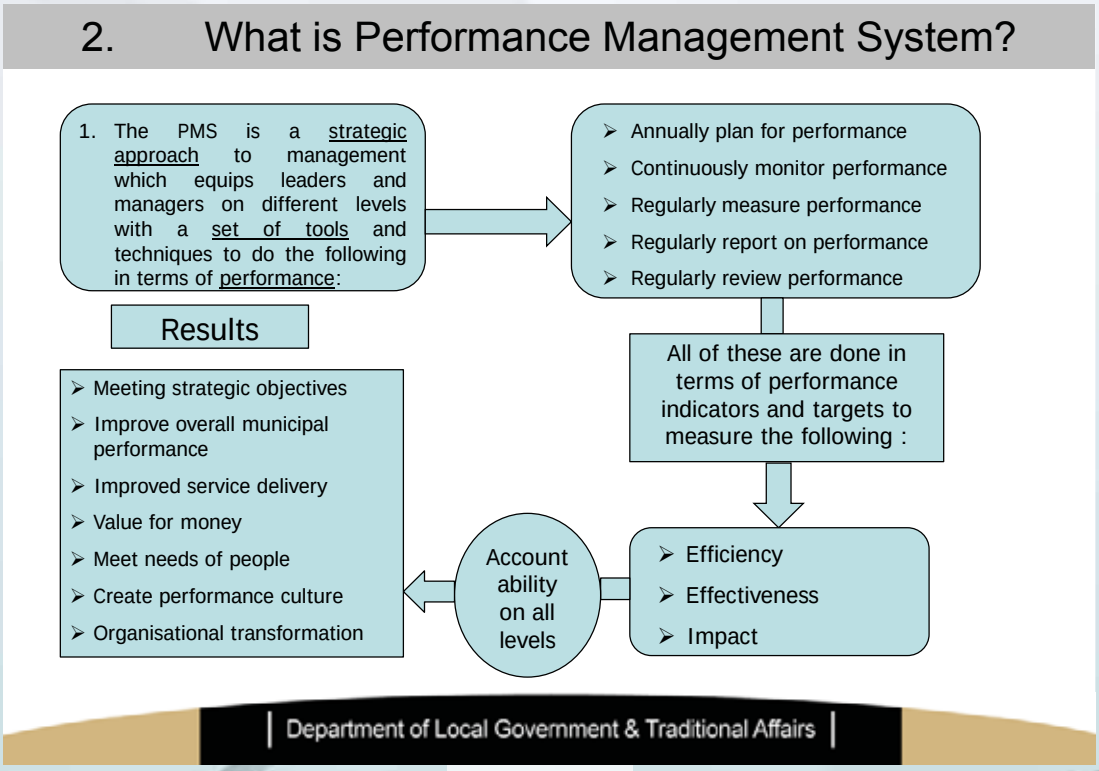
Performance management, aside from having legislative requirements to justify its existence, is also a necessity when it comes to ensuring that performance objectives and targets are met in the manner required, so that the desired service delivery objectives can be met and achieved by all.

The intention of a performance management system and model is to provide the organisation with the framework and tools necessary in order to ensure that a culture of performance management is developed throughout the organisation and managed in a formal and accountable manner. In this way, performance management becomes a management tool which enables the achievement of strategic objectives, which link closely to the IDP and Institutional Scorecard – enabling effective and efficient service delivery.

2. PURPOSE

The purpose of this policy and procedure is as follows:

1. To ensure the implementation of a Performance Management System within Emalahleni Municipality;
2. To ensure that all employees become acutely aware and comfortable with the practical application of the Performance Management System within this Municipality.
3. To create the boundaries required that will ensure that all employees and the political leadership contribute towards the achievement of goals as well as the KPA's and KPI's at both personal and organisational levels.
4. To ensure all parties have a clear and thorough understanding of their role and function within this process.



3. POLICY OBJECTIVES

The objectives of the Performance Management System may be defined as follows:

3.1. To capacitate the employees to manage their own performance;
3.2. To set clear objectives and goals to all parties and attainment is easily measured and verified;
3.3. To develop and capacitate employees in order to ensure that performance targets are met;
3.4. To recognized and/or rewarded in instances where performance exceeds the output criteria;
3.5. To assist employees in instances where performance falls short of the required standards;
3.6. To ensure a culture of performance optimisation that must be institutionalised throughout the Municipality.

4. DEFINITIONS OF CONCEPTS/ ACRONYMS/ ABBREVIATIONS

CONCEPT	DEFINITION
Performance Management System (PMS)	A strategic approach which provides a set of tools and techniques to plan regularly, monitor measure and review performance of the organisation and individuals. Performance management is a system that is used to make sure that all parts of the municipality work together to achieve the goals and targets that are set.
Organisational Performance Management	Concerned with the overall performance of the Municipality/ Organisation in relation to giving effect to the IDP (Macro Dynamics).
Individual Performance Management	Linked to the Organisational Performance Management System are the individuals who contribute to the success or failure of the Municipality/ Organisation. Each individual will have performance objectives, targets and standards that are linked to objectives of his/her Division, Department and Municipality.
Integrated Development Plan (IDP)	Clearly defining 5-year Strategic Plan of a Municipality. IDP should be reviewed annually or as required.
Key Performance Area (KPA)	Key areas of responsibility.
Objective	Statement about what outcomes do we want to achieve.
Key Performance Indicators (KPI)	Measures (qualitative or quantitative) that tell us whether we are making progress towards achieving our objectives.
Input Indicators	Indicator that measures resources economy and efficiency.
Output Indicators	Indicator that measures whether a set of activities yields the desired results or products/service.
Formal Assessment	Is where the s56 manager submits the portfolio of evidence to the assessor to substantiate his/her performance based on the performance agreement
Informal Assessment	Is where the s56 manager attest verbally his/her performance but can be requested to submit the portfolio of evidence to the assessor to substantiate his/her performance based on the performance agreement
Outcome Indicators	Measures the broader results achieved through the provision of goods and services (impact).
Target	The level of performance (or desired state of progress) of the indicator that is intended to be achieved by a specified time period.

5. LEGISLATIVE FRAMEWORK

The requirement for the development and implementation of a Performance Management System provided for in legislation, which makes it peremptory for municipalities to comply. The Auditor General is required to audit municipalities for compliance with legislation, and non-compliance will result in adverse consequences.

The following pieces of legislation will inform and shape the content and prescripts of the Performance Management Policy:

Constitution 1996 (Section 152)	Mandates Local Government to: • Provide democratic and accountable government for local communities; • Ensure the provision of services to communities in sustainable manner; • Promote social and economic development; • Promote a safe and healthy environment; • Encourage the involvement of communities and community organisations in the matters of local government.
Municipal System Act Act 32 of 2000 (Chapter 6)	A Municipality must: • Establish a Performance Management System. • Promote a performance culture. • Administer its affairs in an economical, effective, efficient and accountable manner. It further outlines the core components of a performance management system as follows: • Set KPI's as a yardstick for measuring performance. • Set measurable performance targets with regard to each of those development priorities and objectives. • Monitor measure and review performance once per year. • Take steps to improve performance. • Report on performance to relevant stakeholders

THE WHITE PAPER ON LOCAL GOVERNMENT (1998)	The White Paper on Local Government (1998) suggested that local government should introduce the idea/concept of *performance management systems*. The white paper acknowledges that, "involving communities in developing some municipal key performance indicators increases the accountability of the municipality. Some communities may prioritise the amount of time it takes a municipality to answer a query, others will prioritise the cleanliness of an area or the provision of water to a certain number of households. Whatever the priorities, by involving communities in setting key performance indicators and reporting back to communities on performance, accountability is increased, and public trust in the local government system enhanced" (The White Paper on Local Government, 1998).
BATHO PELE (1998)	The White Paper on Transforming Public Service Delivery (Batho Pele) puts forward eight principles for good public service. Our municipality is duty bound to uphold these principles: ✓ Consultation: Communities should be consulted about the level and quality of public service they receive, and, where possible, should be given a choice about the services which are provided. ✓ Service standards: Communities should know what standard of service to expect. ✓ Access: All communities should have equal access to the services to which they are entitled. ✓ Courtesy: Communities should be treated with courtesy and consideration. ✓ Information: Communities should be given full and accurate information about the public services they are entitled to receive. ✓ Openness and transparency: Communities should know how directorates are run, how resources are spent, and who is in charge of particular services. ✓ Redress: If the promised standard of service is not delivered, communities should be offered an apology, a full explanation and a speedy and effective remedy; and when complaints are made communities should receive a sympathetic, positive response. ✓ Value-for-money: Public services should be provided economically and efficiently in order to give communities the best possible value-for-money. Importantly, the Batho Pele White Paper notes that the development of a service-oriented culture requires the active participation of the wider community. Municipalities need constant feedback from service-users if they are to improve their operations. Local partners can be mobilized to assist in building a service culture. “For example, local businesses or non-governmental organisations may assist with funding a helpline, providing information about specific services, identifying service gaps or conducting a customer survey" - The White Paper on Local Government (1998).

MUNICIPAL STRUCTURES ACT (1998)	The Municipal Structures Act Section 19 (2)(a) mandates the council of the municipality to conduct annual reviews of the municipality's overall performance in achieving its set objectives.
THE MUNICIPAL SYSTEMS ACT (2000)	The Municipal Systems Act (2000) enforces the idea/concept of local government PMS and requires all municipalities to: • Develop a performance management system • Set *targets*, monitor and *review performance* based on indicators linked to their IDP • Publish an *annual report* on performance of the councillors, staff, the public and other spheres of government • Incorporate and report on a set of *general indicators* prescribed nationally by the minister responsible for local government • Conduct an *internal audit* on performance. • Have their annual performance report audited by the Auditor-General • *Involve the community* in setting indicators and targets and reviewing municipal performance The Department of Provincial and Local Government has published national guidelines on performance management systems
MUNICIPAL PLANNING AND PERFORMANCE MANAGEMENT REGULATIONS (2001)	The Municipal Planning and Performance Management Regulations set out in detail requirements for municipal PM systems. However the regulations do not sufficiently constitute a framework that fully proposes how the system will work. Each component of the proposed framework in this document is strongly informed by the regulations.
MUNICIPAL FINANCE MANAGEMENT ACT (2003)	The Municipal Finance Management Act states requirements for a municipality to include its annual municipal performance report with its financial statements and other requirements in constituting its annual report. This must be dealt with by the municipal council within 9 months of the end of the municipal financial year.
MUNICIPAL PERFORMANCE MANAGEMENT REGULATIONS (2006)	The Local Government Municipal Performance Regulations for municipal managers and managers directly accountable to municipal managers (Government Gazette No.29089, 1 August 2006), sets out how the performance of Section 57 staff will be uniformly directed, monitored and improved. The regulations address both the employment contract and performance agreement of municipal managers and managers directly accountable to municipal managers. It further provides a methodology for the performance management system as well as criteria for performance bonus payments. The regulations also provide an approach for addressing under-performance, should this occur. The regulations will be discussed in greater detail in a later section of this framework document.

6. PERFORMANCE MANAGEMENT SYSTEM FRAMEWORK

The statutory requirements for the framework of a Performance Management System are set out in the Local Government: Municipal Planning and Performance Management Regulations, 2001.

It requires a system that:

6.1 Complies with all the requirements of the Act;

6.2 Demonstrates how it is to operate and be managed from the planning stage up to the stages of performance review and reporting;

6.3 Clarifies the roles and responsibilities of each role-player, including the local community, in the functioning of the system;
6.4 Clarifies the processes of implementing the system within the framework of the integrated development planning process;
6.5 Determines the frequency of reporting and the lines of accountability for performance;
6.6 Demonstrates how it relates to the Municipality's employee performance management processes; and
6.7 Provides the procedure by which the system is linked to the Municipality's integrated development planning processes (IDP).
6.8 Due consideration was given to these requirements in the development of the proposed Performance Management System which is detailed further within this document, which also includes the procedures and practical application of this system.

7. POLICY PRINCIPLES

7.1 The Performance Management System and Framework will be guided by the following broad principles:
(2) Open communication in order to ensure that all parties understand the expectations and challenges facing them, whilst being able to discuss performance difficulties/challenges and issues freely;
(3) The alignment of departmental and individual performance objectives with the strategic objectives of Emalahleni Municipality (as relating to the IDP/ Municipal Budget and Service Delivery and Budget Implementation Plan)
(4) Commitment to the application of Performance Management within the prescripts of the framework and policy;
(5) Recognition and awarding of performance which meet or exceeds the required standards;
(6) Coaching and development in areas where performance does not meet the required standards; and Providing developmental feedback in order to ensure that performance optimisation is fostered.

8. APPLICABILITY

This policy will be applicable to the following employees:

a. All S.54A Managers and S56 Manager duly defined as per the Municipal Systems Amendment Act No 32 of 2000.
b. All other Managers and staff who have negotiated fixed-term contracts;
c. The policy upon consultation and approval will be applicable to all the employees of the Emalahleni municipality.

9. GOVERNANCE ISSUES

This policy and framework will be guided by the following governance and supporting structures:
6.1 Council (required to adopt this policy);
6.2 The Municipal Manager who facilitates the review and amendment of this policy;
6.3 The Corporate Services Director/Municipal Manager who assumes responsibility for the management and administration of performance management application; and
6.4 The Audit Committee and in their absence the Performance Audit Committee.

10. IMPLEMENTATION CAPACITY

In order to ensure the successful application of this policy, it is critical that the necessary "buy in" and commitment to this process is obtained from all relevant role-players. Additionally, it is critically important to ensure that all staff are adequately trained and work shopped to administer and implement the terms and conditions applicable to this process.

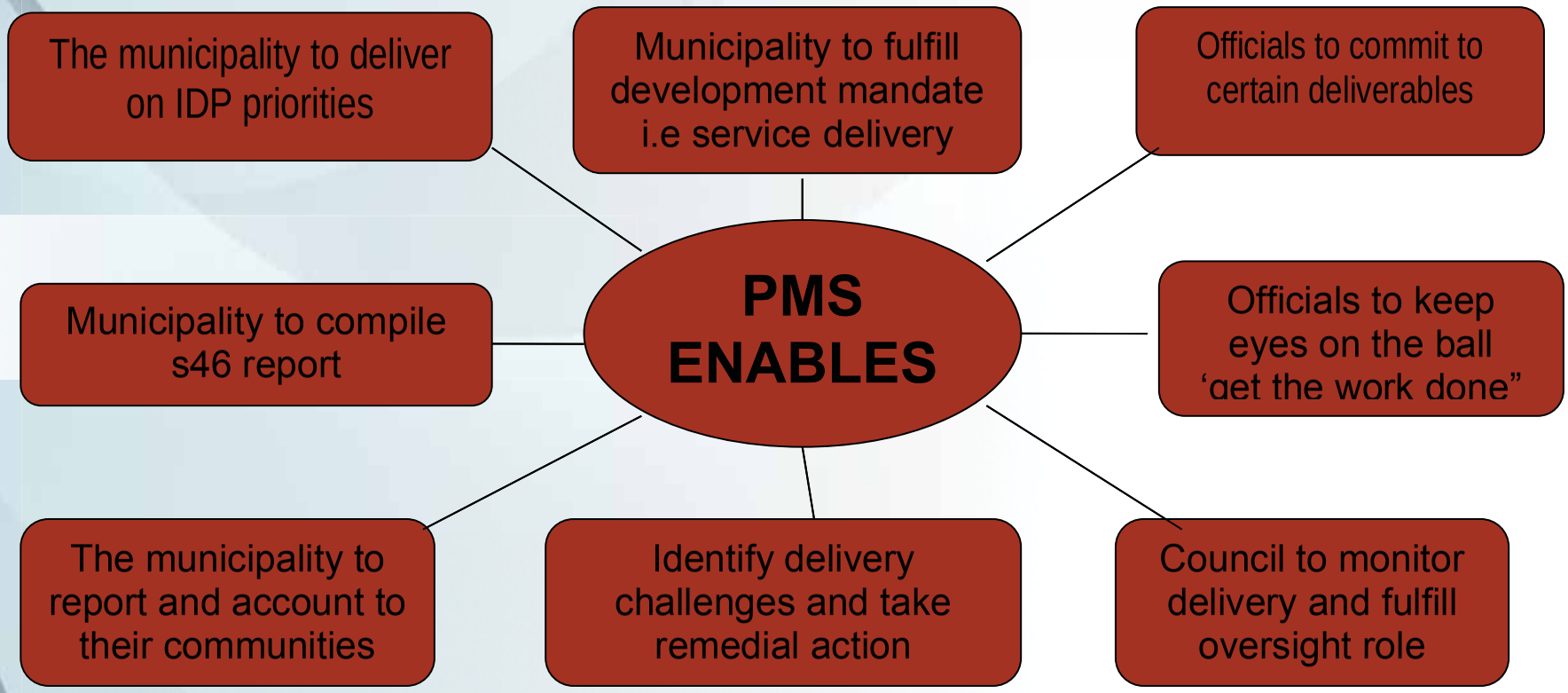
In this regard, the following development will be required:

10.2 All staff, at every level (as applicable in terms of the roll-out), will be required to attend training on the practical application of this process and will leave this training with a thorough knowledge and understanding of processes involved, including performance planning, performance reviews, coaching and mentoring.

10.3 All Corporate Services staff who would deal directly with Performance Management Administration will be required to be trained on the required administrative processes and will be required to be provided with all the necessary resources required for this responsibility and administrative function.

Labour will be work shopped in terms of the process itself so as to facilitate understanding, commitment and buy in to this process.

7. The Value of Institutionalizing PMS in a Municipality



11. OBLIGATIONS TO ENSURE COLLECTIVE PERFORMANCE

COUNCIL	EMPLOYEE
• Enables environment to facilitate effective performance • Clarifies development objectives and performance expectations (IDP) • Regularly review employee performance and provide feedback on performance – oversight • Works collaboratively with employee to solve problems that may negatively impact on performance • Delegates powers required by employee to enable to meet performance objectives • Make available necessary resources required to enable employee to perform.	• Understands the strategic intent (development mandate – IDP • Buys into and participates in the Performance Management System • Works collaboratively with employer to solve problems that may impact on performance • Commits to fulfilling their part in enabling the institution to deliver on mandate • Focus on fulfils commitment in terms of performance agreement

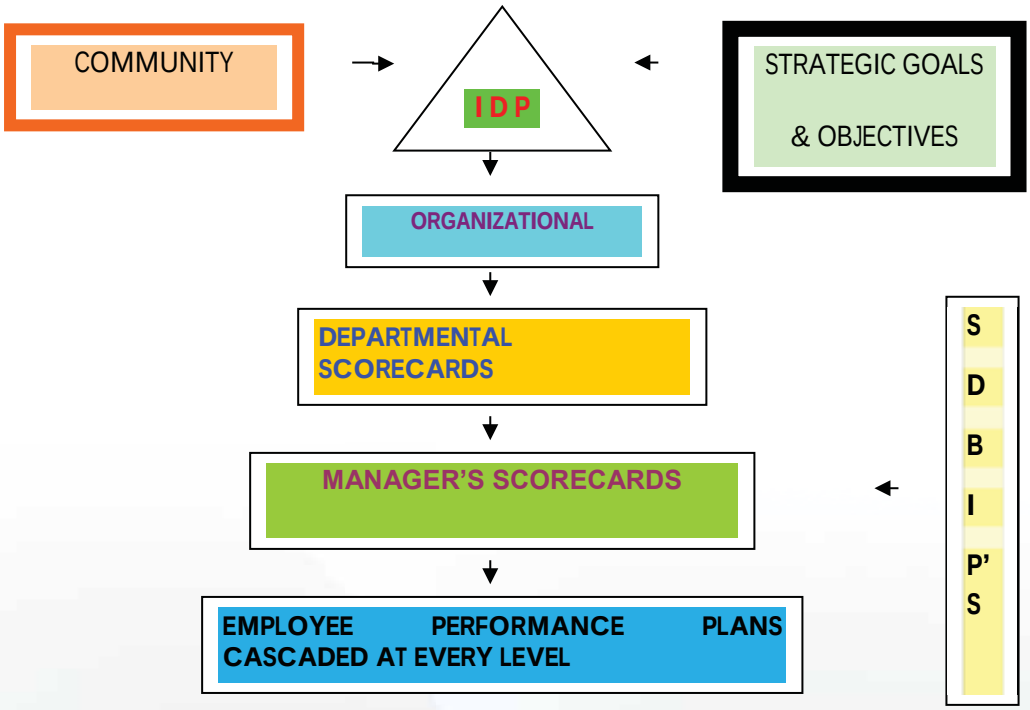
PRACTICAL APPLICATION OF THE PERFORMANCE MANAGEMENT SYSTEM

PHASES WITHIN THE PERFORMANCE MANAGEMENT CYCLE

The Performance Management Cycle is an annual cycle, which extends from
1 July to 30 June, during which time performance is measured against performance targets.
Through the process of planning, steps are taken to "plan" and set performance targets for the period under review. These targets will be ultimately linked to the achievement of the IDP objectives, which represent the targets of the Municipality as a whole.

These targets in turn, are reflected within the Municipal Scorecard (as high-level strategic objectives) which is further translated into departmental objectives (as reflected also within the SDBIP's or Service Delivery Budget and Implementation Plans /Strategic Plan/ IDP and Budget. These, in turn, are translated into plans, which become increasingly operational, as they cascade from the senior Managers down to the lower levels. Each "subordinates" scorecard (depicting performance objectives and performance indicators) are drawn from the Manager's scorecard immediately.

The process flow is indicated more clearly in the diagram, as follows:



The Performance Management Cycle involves the following four phases:

PLANNING, MONITOR/ MEASURE, REVIEW, AND REPORTING AND RECOGNITION

These may be unpacked further as follows:

PHASE 1: PLANNING

The institutional performance is informed by the IDP, Municipal Budget and SDBIP. The employee's are expected on annual basis to commit themselves in achieving the objectives outlined in the above documents. These commitments are reflected in the employees score cards and performance plans.

The employee score cards, performance plans must be completed and signed off as per Regulation and/ or legislation.

PHASE2: MONITOR/MEASURE

Monitoring of performance will be an ongoing process throughout the year and will run parallel to the implementation of the IDP. It will be conducted within each department.

Evidence of performance will be gathered, stored by each department and presented to substantiate claims of meeting (or not meeting) performance targets and standards. The files gathered from this information will be regarded as Portfolio of Evidence (POE) and must be kept for purposes of performance measurement, performance reviews and audit in other phases.

PHASE 3: REVIEW

Performance review is a process where the municipality, after measuring its own performance as detailed in the previous phase, assesses whether its performance is giving effect to the IDP.

This phase involves jointly assessing actual performance against set targets, which takes place on a quarterly basis in the form of formal and informal reviews.

PHASE 4: REPORTING AND RECOGNITION

Reporting requires that the municipality take its KPA's, KPI's, objectives, targets, measurements and analysis and present this information in an agreed institutional reporting format on a monthly/quarterly/half-yearly and annual basis.

This phase establishes the link between performance and reward. It aims to direct and reinforce effective work behaviours by determining and allocating equitable and appropriate rewards to employees where such has been identified.

During these sessions it is required that the incumbent and line management meet, in order to discuss progress and to develop action plans in areas where appropriate interventions are required.

Records are required to be maintained of all discussions and action plans, which are developed as a result.

12. MEASURING EMPLOYEE PERFORMANCE (Directors)

The criteria to measure an employee performance (Directors) will be reflected on the scorecard as outputs (or agreed upon objectives, i.e. targets). This describes exactly what was required to be achieved during the year.

Performance Indicators for each output will be provided and will detail the evidence that will be required to assess whether or not the employee has achieved the required objective.

Actual performance will be evaluated on evidence provision and a Portfolio of Evidence will be required to be presented for each performance indicator in order to substantiate the achievement or non-achievement of required performance in all areas highlighted within the scorecard.

The respective s.54A and 56 Manager/Employee will be required to give a verbal account on specific achievements/non achievements and the reasons for any deviations. Formal documentary evidence (evidence portfolio) must be provided to validate performance. Documentary evidence (evidence portfolio's may also be used to substantiate performance or to settle disputes and such evidence will be requested.

A column entitled "Reason for Deviation" will be completed to indicate reasons for over or under achievement, so that ratings may be made within context.

13. WEIGHTINGS AND INDICATORS (Technical, CMC's and CCR's)

Indicators will be weighted according to the impact within each Key Performance Area on the scorecard.

As a standard rule and to ensure a balanced scorecard-type approach performance management, 80% of the final score will be made up of the Technical Key Performance Areas for the position in question.

CCR's (cross-cutting results) or Core Management Competencies (CMC's) will account for 20% of the final score.

As in the case of all indicators, evidence is required in order to measure actual performance achieved against the desired objectives.

14. THE FINAL ASSESSMENT (January)

The final assessment for the Performance Cycle occurs during January (after the adoption of the draft annual report of the previous financial year), however no ratification and payment of bonuses may be concluded until the Annual Report for the same period under review has been submitted to and ratified by Council.

15. THE PERFORMANCE REVIEW PANEL (FINAL REVIEW)

The constitution of the Performance Management System Evaluation Committee will be as follows:

15.1 Municipal Manager:

(1) Mayor ;
(2) Chairperson of the performance audit committee or the audit committee in the absence of a performance audit committee;
(3) Member of the executive committee; (Portfolio Head: Corporate Services)
(4) Mayor or Municipal Manager from another municipality; and
(5) Member of a ward committee as nominated by the Mayor.

15.2 Directors:

(1) Municipal Manager;
(2) Chairperson of the performance audit committee or the audit committee in the absence of a performance audit committee;
(3) Member of the executive committee ; and
(4) Municipal manager from another municipality

16. PERFORMANCE INFORMATION

Managers will be required to provide reports with evidence to support any formal evaluation of performance and will prepare for assessment meetings accordingly. It is critical to ensure that documentary evidence to support performance achieved, is obtained and filed in a folder termed *a Portfolio of Evidence.* This document is made available to the Performance Review Panel, so that assessment results are able to be justified. SDBIP's must be used as the basis for measuring actual performance against planned targets.

Portfolios of Evidence files shall be required for purposes of monthly, quarterly, mid-year and annual performance reports.

The documentary evidence (POE) may also be used to substantiate performance or to settle disputes and such evidence will be requested.

17. SCORING PROCESS AND PROCEDURE

1. The process of scoring Directors should be in terms of the municipal performance management regulations.

1.1 Evaluation and/or scoring of these Managers are required to be undertaken on a quarterly basis. The most critically important reason for doing this quarterly is to ensure that issues are addressed "sooner rather than later", should deficiencies in performance exist.

Appropriate action in the "best interests of Council" would be enabled, thereby ensuring that Council is most likely to achieve its performance targets.

1.2 In the case of final evaluations and more specifically within the process of scoring, it is required that scores be made by each contributing member of the panel on a separate Score sheet. All scores from all parties are then averaged and a single consolidated score is written on the final scorecard (representing the average scores). The calculation of the average scores is done by the members of panel only, taking into account the score of the assessee.

1.3 The role of the Chairperson will be to lead the Evaluation Panel through the process of Performance Evaluation and to ensure that this occurs systematically and fairly as per system requirements.

1.4 The following procedure will be undertaken in this process of Performance Measurement and will be facilitated by the Chairperson:

1.4.1 During each evaluation, the Chairperson will lead the process by outlining each area on the populated scorecard.
1.4.2 Each member of the panel will rate the Manager under discussion.
1.4.3 The respective Directors will then be required to give formal documentary evidence to validate performance.
1.4.4 SDBIP's/documentary evidence and evidence portfolios must be used to substantiate performance or to settle disputes as and when required.
1.4.5 The chosen areas for the CMC's are clearly defined as per Municipal Performance Regulations and this must be used when scoring, so as to ensure consistency of application.
1.4.6 SDBIP's must be made available up front, so that easy reference can be made and evidence obtained
1.4.7 Measures or scores from 1 – 5 will be used to rate each area under review and the guidelines and definitions for these ratings will appear for ease of reference on the score sheets.

18. RATING SCALE 1 TO 5

1	Performance *Unacceptable*
2	Performance *Not Fully Effective*
3	Performance *Fully Effective*
4	Performance *Significantly above* expectations considering the circumstances: *More than half (50%)* of the Performance criteria and indicators specified in the Scorecard were met
5	Performance *Outstanding* considering the circumstances

(1) Finally, all scores (as indicated on separate panel members' score sheets) will be added together (including scores by the assessee, which are meant to guide the panel) and divided by the number of panel member's present (who scored). An average or consolidated score will then be obtained for each area under review.
(2) A column that reads *"Reason for Deviations"* will be completed for all scored areas and scores in order to offer insight where deviations have occurred.
(3) A report indicating all consolidated scores will be submitted to the Mayor within 2 weeks.
(4) Every effort must be made to evaluate performance objectively, realistically and accurately.

19. Failure to do so (resulting in over- or under-stating performance) can only be detrimental – both to the organization and to the individual.

20. RECOGNITION AND QUALIFICATION FOR BONUSES (Directors)

The Municipal performance regulations for s.56 Managers promulgated in August 2006 in respect of the management of performance evaluation outcomes indicate that a performance bonus ranging between 5% and 14% of all-inclusive remuneration package may be paid in order to recognize outstanding performance.

In determining the performance bonus, it must be noted that the relevant percentages will be required to be based on the overall rating calculated by using he applicable assessment rating calculator.

Accordingly:

A score of 130% to 149% is awarded a performance bonus ranging from 5 – 9% and

150 and above is awarded a performance bonus ranging from 10-14%.

The electronic calculator will be used to calculate the scores and ultimately the performance bonus a manager qualifies for.

Score	% Bonus
130	5
134	6
138	7
142	8
146	9
150	10
154	11
158	12
162	13
166+	14

The KPA's must constitute 80% of the final score and the CCR's must constitute 20% of the final score.

21. PERFORMANCE REVIEWS

Performance Reviews shall be as follows:

Performance Reporting Period		Date
1st Quarter	Informal	07th October
Mid-Year	Formal	07th January
3rd Quarter	Informal	07th April
Annual Performance	Formal	07th July

In the event that the above mentioned dates fall on a weekend, a Friday before shall serve as the submission date

Performance reviews, formal and informal shall be coordinated by the office of the municipal manager; prior to performance information being presented to the IDP and PMS Office in the Office of the Municipal Manager

On submission of the performance information, covering report will be prepared by the IDP and PMS Manager and submitted to the internal audit unit for final verification and confirmation

22. MANAGEMENT OF POOR PERFORMANCE

Poor perfomance will be required to be managed through ongoing coaching, however, formal coaching is required to be conducted during the September and March reviews.

Failing the required improvement in performance, the employees will be managed as per the terms of their performance contracts and agreements (as per s.54A and 56 fixed-term contract positions) whilst other employees will have performance managed as per the Disciplinary and Grievance Procedure and Code.

In the event of blatant poor performnance when all avenues are explored it will then be the prerogative of the employer to do further recourse taking into account the Municipal Performance Regulations

23. STAKEHOLDER ANALYSIS AND THEIR ROLES

STAKEHOLDERS	INVOLVEMENT WITH: IDP, ORGANISATIONAL PM , INDIVIDUAL PM	BENEFITS
COUNCILORS: • Mayor • Executive Committee • Standing / Portfolio Committee • Council	• Facilitate development of long term Vision, IDP and PMS. • Provide strategic direction and manage development of IDP. Manage the implementation of strategy. • Review and monitor the implementation of IDP. • Adapt PM framework and approve the IDP. • Monitor Performance.	• Optimum and equitable service delivery. • Promotes public awareness and satisfactions. • Facilitates a process of benchmarking and collaboration with other municipalities. • Provides a mechanism for the monitoring, implementation and review of the IDP.

24. DISPUTE RESOLUTION

Directors that have negotiated Fixed-Term Contracts:

(1) In the event that the section 54A and 56 Manager is dissatisfied with any decision or action of the panel in terms of the Performance assessment, or where a dispute or difference arises as to the extent to which the Manager has achieved the performance objectives and targets established in terms of the Agreement, the dissatisfied Manager may meet with the chairperson with a view to resolving the issue. All detail must be duly documented.

(2) In the event that the Manager remains dissatisfied with the outcome of that meeting, she/he may raise the issue in writing to the next higher level of institution (Council) requesting that the issue be heard.
(3) The Council will discuss the matter and take a resolution upon the dispute.

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CHAPTER 13
PROJECTS FROM OTHER SPHERES OF GOVERNMENT

Section D – Projects

Chapter 13 – Projects from other Spheres of Government

The Integrated Planning in the Province is the responsibility of three Departments namely; *(a)* Office of the Premier; *(b)* Provincial Treasury; *(c)* and Provincial Department of Cooperative Government and Traditional Affairs. These departments play a crucial role in ensuring integration and alignment of Programs and Projects to the broader policies guiding government agenda.

a) The office of the Premier ensures compliance to the planning framework and realization of policies by provincial departments;
b) Provincial Treasury coordinates compliance to the budget framework and alignment of budget to sector targets;
c) Cooperative Governance and Traditional Affairs on the other hand safeguards credibility of Municipal Integrated Development Plans IDPs), participation of sectors in the municipal planning and alignment to the provincial agenda.

The Office of the Premier (OTP) has thus consolidated Sector Priority Projects, starting with Provincial Infrastructure Projects, with spatial referencing as phase one of Provincial Integrated Planning process. This exercise followed Provincial Treasury's finalisation of approved list of Provincial Infrastructure projects for 2016/17 financial year (B5s).

DEPARTMENT OF HUMAN SETTLEMENTS

A total of forty two (10) projects had been prioritized by the Department of Human Settlements. The department is to review the housing sector plans of the municipalities towards ensuring the Housing chapters are outlined in the IDP's

Project name	Project Status	Type of infrastructure	Project duration		Total available
Indwe 500	Construction	Project Linked Subsidies(current commitments approved up to 31/03/07)	03/07/2012	30/03/2018	167
Indwe 530 RECT	Construction	Rectified RDP stock 1994-2002	01/04/2012	30/03/2017	190
Lady Frere 700	Construction	Project Linked Subsidies(current commitments approved up to 31/03/07)	01/05/2012	31/03/2018	4 281
Lady Frere 715 RECT	Construction	Rectified RDP stock 1994-2002	15/12/2013	31/03/2018	337
Mavuya ph. 1&2 462 SUBS	Design	Integrated Residential Development Programme :Phase 2:Top Structure Construction	02/04/2012	01/04/2018	11400
Molteno	Construction	Social and Economic Facilities	01/04/2013	31/03/2017	1 000
Molteno airstrip-1127subs	Construction	Integrated Residential Development Programme :Phase 2:Top Structure Construction Informal Settlements	02/04/2012	30/3/2018	13 300

Project name	Project Status	Type of infrastructure	Project duration		Total available
Sinako Zwelethemba 289	Construction	Integrated Residential Development Programme :Phase 1:Planning and Services	13/11/2011	31/03/2019	500
Zwartwater 1000 (RURAL)	Construction	Rural Housing: Communal land rights	01/04/2012	31/03/2019	1400
Zwartwater 1000 SUBS	Construction	Rural Housing: Communal land rights	02/04/2012	31/03/2019	750

DEPARTMENT OF HEALTH

Project name	Project Status	Project duration		2016/17
1. New and replacement assets				
Indwe Hospital	Construction	01/04/2009	31/03/2020	500
Dordrecht Hospital Rehabilitation	Construction	01/04/2009	31/03/2019	500

DEPARTMENT OF RURAL DEVELOPMENT AND AGRARIAN REFORM

Project name	Project Status	Type of Infrastructure	Duration		2016/2017 (000)
			Start Date	End Date	
Zabalaza Co-op - stock water	Design	Stock water - boreholes	01/04/2016	31/03/2017	2,745
Zabalaza Co-op - handling facilities	Design	Shearing sheds	01/04/2016	31/03/2017	875
Ithango Co-op - boreholes	Design	Stock water development	01/04/2016	31/03/2017	2,745
Ithango Co-op - sheep handling facility	Design	Sheep handling facility	01/04/2016	31/03/2017	150
Zabalaza Co-op -Multi-purpose sheds	Design	Shearing sheds	01/04/2016	31/03/2017	1,641
Ithango Co-op -Multi-purpose shed	Design	Multi-purpose shed	01/04/2016	31/03/2017	1,641
Bolotwa Nguni Breeding	Design	Grazing land fencing	01/04/2019	31/03/2017	1,500
Hala	Design	Fencing	01/04/2016	31/03/2017	-

DEPARTMENT OF SPORT, RECREATION, ARTS ANDCULTURE

Project Name	Status	Type	Project Duration		2016/17	MTEF Estimates
New infrastructure assets					(000)	
Lady Frere Library	Completion	Library	15/02/2013	15/04/2017	50	-

DEPARTMENT OF SOCIAL DEVELOPMENT

Project name	Project Status	Type of Infrastructure	Start Date	End Date	2016/2017 (000)
Rehabilitation, renovations and refurbishments					
Lady Frere service office	Assessment	Rehabilitation, renovations and refurbishments of Offices	01/04/2015	31/03/2018	-

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

Project name	Project Status	Type of Infrastructure	Start Date	End Date	2016/2017 (000)
Refurbishment and rehabilitation					
Hala Traditional Council(Lady Frere)	Identification	Rehabilitation, Renovations and Refurbishments	01/04/2019	30/03/2019	-

DEPARTMENT OF EDUCATI0N

Project Name	Status	Project Description	Project Duration		2016/17 Allocation (000)	MTEF Estimates	
			Start	Finish		17/18	-
New and replacement assets							
GQEBENYA JS SCHOOL	Approved	Early Childhood Development	01/04/ 2014	31 /03/ 2017	-	-	2 878
Nobuhle JSS	Final Completion	Public Ordinary Schools	02/04/2015	31 /03/ 2018	8 276	-	2 537
BANKIES JUNIOR SS SCHOOL	Adjudication	Public Ordinary Schools	02/04/ 2015	31 /03/ 2018	8 958	-	1 191
Bengu Agricultural HS	Final Account	Public Ordinary Schools	23/04/ 2014	31 /03/ 2017	1 339	-	140
BUFFALO THORNS JS SCHOOL	Withdrawn	Public Ordinary Schools	18/ 11/ 2015	31 /03/ 2017	288	-	100
Echibini SS SCHOOL	Final Completion	Public Ordinary Schools	23/04/ 2014	31 /03/ 2017	990	-	150
Echibini SS SCHOOL	Practical completion	Public Ordinary Schools	01/04/ 2015	31 /03/ 2017	1 926	-	144

Project Name	Status	Project Description	Project Duration		2016/17 Allocation (000)	MTEF Estimates	
			Start	Finish		17/18	-
EMDENI SP SCHOOL	Adjudication	Public Ordinary Schools	11/18/2015	31 /03/ 2017	149	-	1 191
EMZI JS SCHOOL	Practical completion	Public Ordinary Schools	01/04/ 2015	31 /03/ 2017	1 800	-	76
ENTILINI JS SCHOOL	Under Construction	Public Ordinary Schools	##########	31 /03/ 2017	270	-	2 869
ESIDWADWENI JS SCHOOL	Under Construction	Public Ordinary Schools	18/11/2015	31 /03/ 2017	111	-	2 713
HANGE JS SCHOOL	Final Completion	Public Ordinary Schools	02/04/ 2015	31 /03/ 2017	14 213	-	150
IDA H SCHOOL	Adjudication	Public Ordinary Schools	11/18/2015	31 /03/ 2017	593	-	1 191
IDA H SCHOOL	Under Construction	Public Ordinary Schools	01/04/ 2015	31 /03/ 2017	2 986	-	1 500
Ikhwezi Lokusa SS SCHOOL	Tender	Public Ordinary Schools	02/04/ 2015	31 /03/ 2018	5 771	-	3 300
Ikhwezi Lokusa SS SCHOOL	Practical Completion	Public Ordinary Schools	28 /04/2014	31 /03/ 2017	-	-	231
ISIVIVANE SS SCHOOL	Practical Completion	Public Ordinary Schools	02/04/2015	31 /03/ 2017	1 000	-	180
ESETHU PUBLIC PRIMARY SCHOOL	Planning	Public Ordinary Schools	01 /04/ 2015	31 /03/ 2017	96	-	2 171
kwaMHLONTLO SS SCHOOL	Documentation	Public Ordinary Schools	30 /06/ 2015	31 /03/ 2017	1 966	-	1 000
MADWALENI SP SCHOOL	Under Construction	Public Ordinary Schools	11/18/2015	31 /03/ 2017	92	-	2 723
Mkapusi Primary School	Practical completion	Public Ordinary Schools	01 /04/2013	31 /03/ 2016	-	-	26
MATYHANTYA JS SCHOOL	Adjudication	Public Ordinary Schools	18/11/2015	31 /03 / 2017	288	-	1 191

Project Name	Status	Project Description	Project Duration		2016/17 Allocation (000)	MTEF Estimates	
			Start	Finish		17/18	-
Mcwangele JSS	Under Construction	Public Ordinary Schools	01 /04/ 2015	31 /03/ 2017	1 379	-	160
MOUNT ARTHUR SS SCHOOL (New Hostel)	Project Proposal / Concept Report	To build New Hostel and bulk services	01 /04/ 2015	31 /03/ 2018	21 667	-	806
Mzamo SSS	Final Account	2 x Pre fab classrooms, 2 rain wtr tanks, electricity, wtr channels, furniture and associated works	23/04/ 2015	31 /03/ 2017	1 028	-	140
Mzamo SSS	Practical completion	Public Ordinary Schools	01 /04/ 2015	31 /03/ 2017	1 735	-	81
NGANGOMHLABA JS SCHOOL	Practical completion	Public Ordinary Schools	01 /04/ 2015	31 /03/ 2017	1 930	-	144
NOLUTHANDO JS SCHOOL	Documentation	Public Ordinary Schools	2/04/2015	31 /03/ 2018	526	-	1 000
NOLUTHANDO JS SCHOOL	Adjudication	Public Ordinary Schools	11/18/2015	31 /03/ 2017	395	-	1 191
NONKQUBELA SS SCHOOL	Practical completion	Public Ordinary Schools	01 /04/ 2013	31 /03/ 2017	1 398	-	149
Nonkunzi JSS	Practical completion	Public Ordinary Schools	01 /04/ 2013	31 /03/ 2017	1 735	-	11
NTSONKOTHA SS SCHOOL	Planning	Public Ordinary Schools	01 /04/ 2015	31 /03/ 2017	4 007	-	2 171
QUQWARU JS SCHOOL	Withdrawn	Public Ordinary Schools	18/11/2015	31 /03/ 2017	288	-	100
SIYAKONWABA SP SCHOOL	Adjudication	Public Ordinary Schools	18/11/2015	31 /03/ 2017	151	-	1 191
SODIDI JS SCHOOLS	Withdrawn	Public Ordinary Schools	18/11/2015	31 /03/ 2017	114	-	100
Sosebenza SSS	Final Completion	2 x Pre fab classrooms, 2 rain wtr tanks, electricity, wtr channels, furniture and associated works	23/04/ 2014	31 /03/ 2017	991	-	150
Sosebenza SSS	Practical completion	Public Ordinary Schools	02/04/ 2015	31 /03/ 2018	793	-	116

Project Name	Status	Project Description	Project Duration		2016/17 Allocation (000)	MTEF Estimates	
			Start	Finish		17/18	-
THAMBEKILE SS SCHOOL	Documentation	Provision of standard classrooms and sufficient water and sanitation to accommodate the new learners.	30/06/ 2015	31 /03/ 2017	2 338	-	1 000
Thandisizwe SPS	Practical completion	Public Ordinary Schools	01/04/2013	31 /03/ 2016	-	-	30
UMHLANGA JS SCHOOL	Adjudication	Public Ordinary Schools	18/11/2015	31 /03/ 2017	275	-	1 191
Vuyolwethu PS	Final Account	Provision of security fence, rain water tanks and toilets	02 /04/2014	31 /03/ 2017	-	-	45
XONXA JS SCHOOL	Adjudication	Public Ordinary Schools	18/11/2015	31 /03/ 2017	201	-	1 191
ZWARTWATER SP SCHOOL	Adjudication	Provision of toilets for learners and staff including disabled toilets.	01 /04/ 2015	31 /03/ 2017	-	-	280
HELUSHE SP SCHOOL	Under construction	Public Ordinary Schools	18/11/2015	31 /03/ 2017	-	-	794
JULIUS MBALO JS SCHOOL	Project Proposal / Concept Report	Early Childhood Development	01 /04/ 2014	31 /03/ 2019	-	-	-
MCKAYSNEK JS SCHOOL	Project Proposal / Concept Report	Early Childhood Development	01 /04/ 2014	31 /03/ 2019	-	-	-
Lady Frere JSS	Project Proposal / Concept Report	Early Childhood Development	01 /04/ 2014	31 /03/ 2019	-	-	-
ABRAHAM VANQA JS SCHOOL	Proposed	Early Childhood Development	01 /04/ 2014	31 /03/ 2018	-	-	-
B.A.MBAM JP SCHOOL	Proposed	Early Childhood Development	01 /04/ 2014	31 /03/ 2018	-	-	-
Greyspan JS SCHOOL	Proposed	Early Childhood Development	01 /04/ 2014	31 /03/ 2018	-	-	-
BOWDEN JS SCHOOL	Proposed	Early Childhood Development	01 /04/ 2014	31 /03/ 2098	-	-	-
GCINUBUZWE SS SCHOOL	Project Proposal / Concept Report	Public Ordinary Schools	29/04/2016	31 /03/ 2018	5 075	-	-

Project Name	Status	Project Description	Project Duration		2016/17 Allocation (000)	MTEF Estimates	
			Start	Finish		17/18	-
MTIRARA SS SCHOOL	Project Proposal / Concept Report	Public Ordinary Schools	01 /04/2017	31 /03/ 2019	27 943	-	-
NDLUNKULU JS SCHOOL	Project Proposal / Concept Report	Public Ordinary Schools	01/04/ 2017	31 /03/ 2019	17 181	-	-
Nobandla JS SCHOOL	Project Proposal / Concept Report	Public Ordinary Schools	01/04 2017	31 /03/ 2019	9 657	-	-
NZIMANKULU SS SCHOOL	Project Proposal / Concept Report	Public Ordinary Schools	29 /04/l 2016	31 /03/ 2018	5 594	-	-
PHUMLANI SENIOR SECONDARY SCHOOL	Assessment	Public Ordinary Schools	01 /042017	31 /03/ 2019	7 393	-	-
PHUMLANI SS SCHOOL	Project Proposal / Concept Report	Public Ordinary Schools	29/04/ 2016	31 /03/ 2018	6 174	-	-
THOZAMISA SS SCHOOL	Project Proposal / Concept Report	Public Ordinary Schools	29/04/ 2016	31 /03/ 2018	1 832	-	-
KOLONGA JS SCHOOLS	Project Proposal / Concept Report	Public Ordinary Schools	01/04 2018	31 /03/ 2019	13 429	-	-
NDONGA JS SCHOOL	Project Proposal / Concept Report	Public Ordinary Schools	01/04 2018	31 /03/ 2019	20 800	-	-
St Cyprians J.SS	Project Proposal / Concept Report	Public Ordinary Schools	01/04 2018	31 /03/ 2019	13 086	-	-
Upgrades and additions							
Buyokoyoko JSS	Practical completion	Public Ordinary Schools	01 /04/2013	31 /03/ 2016	-	-	12
Lady Frere JSS	Documentation	Provision of uncovered walkways and disabled ramps and disabled toilets.	30/06/ 2015	31/03/2017	3 000	-	1 000
Mount Arthur JS SCHOOL	Under Construction	Provision of water and sanitation	04 /05/2014	31/03/2017	3 792	-	2 565
PHUMLANI SS SCHOOL	Under Construction	Public Ordinary Schools	01/04 2014	31/03/2019	15 688	-	638
GCINUBUZWE SS SCHOOL	Project Proposal / Concept Report	Public Ordinary Schools	01/04/ 2017	31/03/2019	1 389	-	-

Project Name	Status	Project Description	Project Duration		2016/17 Allocation (000)	MTEF Estimates	
			Start	Finish		17/18	-
Nonesi S.P	Project Proposal / Concept Report	Public Ordinary Schools	03/04/ 2016	31/03/2019	510	-	-
Ntsonkotha SS SCHOOL	Project Proposal / Concept Report	Public Ordinary Schools	01 /04/2017	31/03/2019	2 953	-	-
ABRAHAM VANQA JS SCHOOL	Project Proposal / Concept Report	Public Ordinary Schools	01 /04/2018	31/03/2019	437	-	-
FREEMANTLE BOYS HIGH	Documentation	To build New Hostel and bulk services	01/04/ 2015	31 /03/ 2017	27 185	-	1 000
Freemantle Boys School - Hostels	Close Out	Repairs & renovation to existing hostels, dining hall, kitchen, storeroom, toilets & showers, laundry, provision of 5 rainwater tanks with tank stands , electrical repairs & external works	02/04/ 2014	31 /03/ 2017	6 161	-	100
Indwe HS- Hostels	Adjudication	Remove & replace existing iron roof covering, gypsumpasteboard ceiling panels, cornices & skirting, existing fibre cement Fascia & barge boards, vinyl floor covering, existing ceramic wall & floor tiles, Provide smoke & fire detectors, provide minor Electrical repairs, Provision of bedroom equipment, kitchen equipment, study & laundry equipment	02/04/ 2014	31 /03/ 2017	7 401	-	360
Indwe HS- Hostels	Planning	Public Ordinary Schools	02/04/ 2014	31 /03/ 2018	4 750	-	630
Mount Arthur Girls High - Hostels	Final Completion	Provision of Laundry Equipment, Bedroom Equipment, Kitchen Equipment on the hostels, Electrical supply: Building area*R600m/m2, Eskom connection upgrade, bedroom equipment, backup generator, renovate 8* existing hostels in the staff quarters, rain water tanks & stands, storm water reticulation, electrical reticulation, Eskom connection, Kitchen Equipment & Parking	14 /05/2014	31 /03/ 2017	9 578	-	150
Ntsonkotha SSS - Hostels	Documentation	Renovate existing blocks, provision of additional ablution facilities & additional ACM hostel accommodation	6/3/2014	31 /03/ 2017	-	-	1 000
FREEMANTLE BOYS HIGH	Documentation	Water Infrastructure: Repair elevated storage water tank. Sanitation Infrastructure: Clean existing WWTW and repairs chlorination room. Construct new grey water recycling system	28/04/ 2015	31 /03/ 2017	1 353	-	916

PROVINCIAL TREASURY

Project name	Project Status	Type of Infrastructure	Start Date	End Date	2016/2017 (000)
Guba Park lot 108	Construction	Access road in poor condition	01-042016	31-032017	1 863
Zingqolweni location	Construction	Access road in poor condition	01-042016	31-032017	1 469
Public Transport Projects (Emalahleni scholar transport routes)	Construction	Public Transport Access Roads	01-042016	31-032017	17 086
AC 40056 (Mthonjeni)	Construction	Access Roads	01-042016	31-032017	6 600
AC 40077 (Mgqukhwebe)	Construction	Access Roads	01-042016	31-032017	6 200
AC 40076 (Magemfaneni Dophu)	Construction	Access Roads	01-042016	31-032017	4 300
AC 40092 (Tsembeyi)	Construction	Access Roads	01-042016	31-032017	7 800
MN 20510 (Ida)	Construction	Access Roads	01-042016	31-032017	6 800

DEPARTMENT OF PUBLIC WORKS

None

Municipal Unfunded Projects

Below is a list of high impact projects, identified for purposes of seeking funding:

Key Priority Area	Directorate	Unfunded Project	Progress to Date
Local Economic Development	Economic Development, Tourism and Agriculture	Shearing Shed	
		Mechanization / Tractors	
		Fencing of Arable land	
Basic Infrastructure and Service Delivery	Community Services	Environmental Management Projects (Transfer Station and Landfill sites)	Awaiting calls for proposals from Environmental Protection Infrastructure Programme (DEA)
		Management of Parks and Open Spaces	Awaiting response from Department of Trade and Industry
		Indwe Resort	Lobbying from various
		Community Halls and Sport Fields	Awaiting National Lottery
		Dordrecht Sports ground	Lobby and solicit funding for the development of the Sports field
		Disaster Management Centre	Lobbying from various stakeholders
		Vehicle Testing Station	Submit business plan to National Department of Transport
		Compliant Animal Pound	Submit business plan
	Infrastructure Development and Human Settlements	Construction of rural roads (Paving)	
		Provision of alternative energy supply (Electrification)	
		An effective Operation and Maintenance programme on Roads and Storm Water	
		An effective Operation and Maintenance programme on Street-lights	
		Housing (Facilitation) / Office Development (Municipal Offices, Middle Income Houses, Rental Stock Housing, Breaking New Grounds BNG etc.)	
Good Governance and Public Participation	Corporate Services	Gazetting of By-laws	Partly Budgeted

APPROVAL OF THE FINAL DRAFT IDP: 2016/2017

The final draft IDP was tabled in Council for approval on 26 May 2016.

COUNCIL RESOLUTION & DATE OF ADOPTION :OCM/843/2016

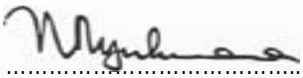
SIGNATURES



…….. 26 MAY 2016

DR SW VATALA — DATE

MUNICIPAL MANAGER



…….. 26 May 2016

CLLR N NYUKWANA — DATE

MAYOR