

# **DRAFT INTEGRATED DEVELOPMENT PLAN**

## **2012 to 2017**

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## ***GLOSSARY OF TERMS***

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

ECA	Environmental Conservation Act
EIA	Environmental Impact Assessment
ES	Equitable Share (grant)
FBS	Faith Basic Services
ECDC	Eastern Cape Development Corporation
ECPGDS	Eastern Cape Provincial Growth & Development Strategy
EXCO	Executive Committee
GP	Gross Geographic Product
GIS	Geographical Information System
GTZ	German Technical Cooperation
GVA	Gross Value Added
HDI	Human Development Index
HIV	Human Immune Deficiency Virus
HR	Human Resources
IDC	Independent Development Corporation
IDP	Integrated Development Plan
IDT	Independent Development Trust
IT	Information Technology
ITP	Integrated Transportation Plan
IWMP	Integrated Waste Management Plan
LDO	Land Development Objectives
LED	Local Economic Development
MEC	Member of the Executive Committee
MIG	Municipal Infrastructure Grant
MFMA	Municipal Finance Management Act
MSIG	Municipal Support & Institutional Grant

MSyA	Municipal Systems Act, 2000
MStA	Municipal Structures Act, 1998
NDC	National Development Corporation
NEMA	National Environmental Management Act
NER	National Electrification Regulator
NGO	Non-Governmental Organizations
NSS	National Sanitation Strategy
PATA	Promotion of Administrative Justice Act
PMS	Performance Management System
PPP	Public Private Partnership
RDP	Reconstruction and Development Programme
REDs	Regional Electricity Distributors
RTP	Responsible Tourism Planning
SMME	Small Medium and Micron Enterprises
SOE	State Owned Enterprises
SoR	State of Environment Report
SADC	Southern African Development Community
SALGA	South African Local Government Association
SANDF	South African National Defense Force
SAPS	South African Police Service
SGB	School Governing Body
SMME	Small, Medium and Micro Enterprises
STDs	Sexual Transmitted Diseases
TB	Tuberculosis
TLC	Transitional Local Council
TRC	Transitional Rural Council

USAID	United States Agency for International Development
NYDA	National Youth Development Agency
VAT	Value Added Tax
VIP	Ventilated Improved Pit (dry sanitation facility)
WSDP	Water Services Development Plan
ASGISA	Accelerated and Shared Growth Initiative of South Africa
BDS	Business Development Services
CASP	Comprehensive Agriculture Support Programme
CHARTO	Chris Hani Regional Tourism Organisation
CHDM	Chris Hani District Municipality
RTP	Responsible Tourism Planning
SMME	Small Medium and Micron Enterprises
SOE	State Owned Enterprises
SoR	State of Environment Report

## EXECUTIVE SUMMARY

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

The SDBIP for 2011-2012 takes into account and is reflected according to the following 6 National Indicators or Key Performance Areas as set out in terms of the 5-year Local Government Strategic Agenda:

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

### **Municipal Transformation and Institutional Development**

This refers to the following objectives:

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

### **Financial Viability and Financial Management**

This refers to the following objectives:

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



## **Strengthen Good Governance, Community Participation and Ward Committee Systems**

This refers to the following objectives:

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

## **Local Economic Development**

This refers to the following objectives-

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

## **Infrastructure and Basic Services Delivery**

This refers to the following objectives:

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

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

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

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

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

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

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

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

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

# **1. INTRODUCTION**

The document represents the outcomes of the final annual review of the Integrated Development Plan (IDP), as adopted, for the current term of Office of the Emalahleni Municipal Council.

The document has been developed for the 2012/13 to 2016/17 financial years in compliance with Section 34 of the Local Government Systems Act No 32 of 2000.

## **1.1. DEVELOPMENT OF NEW IDP CYCLE FOCUS AREAS**

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

### **a. CURRENT PLANNING INFORMATION - UPDATE**

Road shows were held for all our wards which resulted in a revised list of community needs being generated which informed the current situation analysis. Sector departments were engaged through the IGF and representative forum to identify and establish their commitments and plans for local development within the Municipality.

The information garnered necessitated adjustments and changes in our current planning information with the concomitant adjustments to the situation analysis and project sections of the IDP document.

The planning information has also been updated to accommodate and influenced by the NEW Emalahleni Municipality council as per the LOCAL GOVERNMENT ELECTION of 2011

### **b. COMMENTS OFFICE OF MEC – ASSESSMENT & RESPONSE**

The office of the MEC for Local Government highlighted that each Section 57 should be responsible for quality of information in the key performance areas during the assessment. He noted that municipal responses to public petitions and service delivery issues had not been very encouraging he encouraged focus on development of Ward Based Planning as a building block towards development of a credible and legitimate integrated development plan. The issue of sector departments' participation needs to be adhered to by establishing meaningful participation in IDP processes through structured IDP forums hence we need to establish complementary approach in order make necessary impact on our communities. ELM needs to take into account IDP processes, Local Government Turnaround strategy, Outcomes Based Approach (Service Delivery Agreements) should to be taken into consideration and mainstreamed to IDP's. Cognisance must be taken for all powers and functions that are performed by the municipality as well as SLAs and MOUs that exist, this will assist the municipality to avoid planning for un-mandated functions. The office of the MEC congratulated the municipality for developing good IDP for 2011/12, it has been noted that the overall rating for Emalahleni local municipality has improved from medium to high. However, the two key performance areas; Finance Management & Viability and Infrastructure and Basic Service Delivery still require improvement.

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

**These areas related to issues such as**

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

## **AUDITOR GENERAL ISSUES – IDP & PMS: RESPONSE**

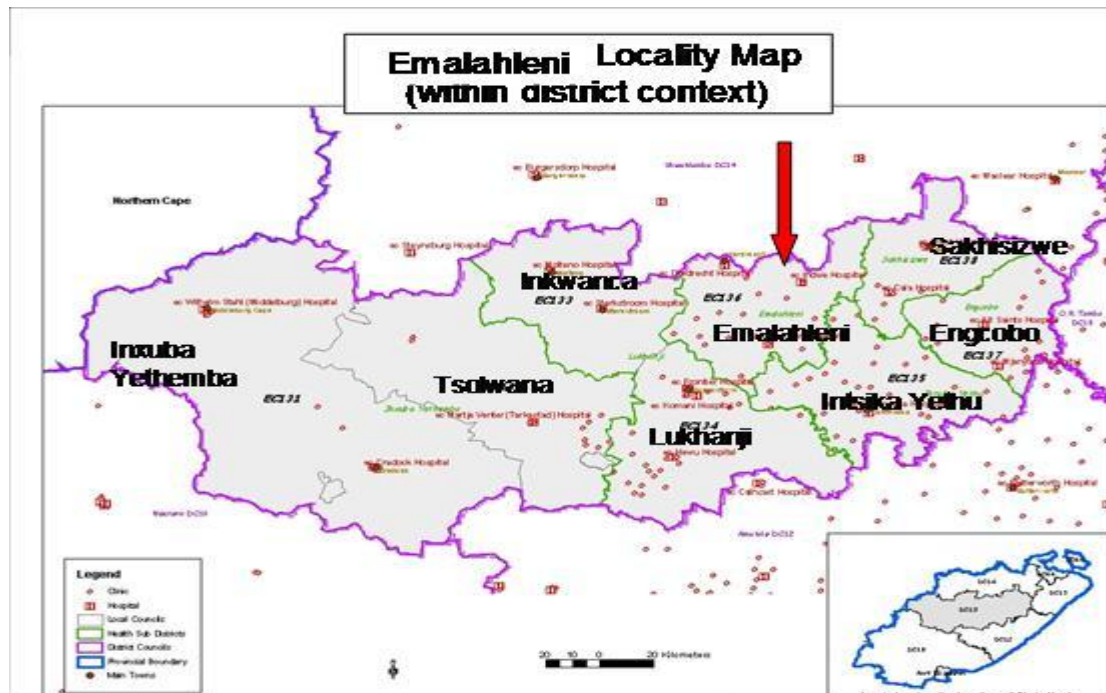
The Auditor General noted concerns over identified shortfalls in certain aspects of the planning process. In particular key concerns were raised relating to the alignment of the PMS and IDP. This new IDP cycle must ensure clear alignment between the IDP KPA's, development objectives and Targets used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

## **AUDIT OUTCOMES FOR THE PAST THREE YEARS**

<b>2008/2009</b>	<b>2009/2010</b>	<b>2010/2011</b>
ADVERSE	DISCLAIMER	DISCLAIMER

## **2. LOCALITY CONTEXT**

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



### 3. PRE-PLANNING

#### PROCESS PLAN

##### INTRODUCTION

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

##### LEGAL CONTEXT

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

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

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

##### OBJECTIVES

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

## **IDP PROCESS**

**Phase 1: Preparing for new IDP Cycle**

**Phase 2: Monitoring and Evaluation & Update Analysis**

**Phase 3: Objectives, Strategies, Projects and Programme**

**Phase 4: Consolidate IDP 2012 to 2017**

**Phase 5: Approval of IDP 2012 to 2017**



## INSTITUTIONAL ARRANGEMENTS, ROLES AND RESPONSIBILITIES

ACTORS	ROLES AND RESPONSIBILITIES
Council	<ul style="list-style-type: none"> <li>▪ Consider and adopt reviewed IDP</li> <li>▪ Encourage public participation</li> <li>▪ Keep public informed about the contents of the IDP</li> <li>▪ Adopt the Integrated Development Plan, Budget and SDBIP</li> </ul>
IDP Manager	<ul style="list-style-type: none"> <li>▪ Ensure that the Process Plan and reviewed IDP are adopted by the Council</li> <li>▪ Manage the local municipal IDP by ensuring that all daily planning activities are performed within an efficient and effective consideration of available time; financial and human resources;</li> <li>▪ Encourage an inclusive participatory planning process and compliance with action programme</li> <li>▪ Facilitate the horizontal and vertical alignment of the district IDP</li> <li>▪ Ensure that the planning process outcomes are properly documented</li> <li>▪ Manage service providers to the district or local municipal IDP</li> <li>▪ Coordinate with various government departments and to ensure that all the projects, strategies and objectives of the local municipality are shared and distributed amongst government departments so that they might incorporate them in their planning process and vice versa</li> </ul>
Heads of Departments & Senior Management	<ul style="list-style-type: none"> <li>▪ Provide technical and advisory support to the IDP Manager</li> <li>▪ Perform daily planning activities including the preparation and facilitation of events; documentation of outputs and making recommendation to the IDP Manager and the Municipal Council</li> <li>▪ Interact with the relevant cluster regarding the prioritization of their individual departments projects and programmes for the following years</li> <li>▪ Provide clear terms of reference to service providers</li> </ul>
District Municipality	<ul style="list-style-type: none"> <li>▪ Provide support and guidance on IDP Review process</li> <li>▪ Assist municipalities to achieve the target dates</li> <li>▪ Interact with service providers to ensure that a quality product is provided</li> <li>▪ Assist with workshops</li> <li>▪ Project Management and Implementation Support Services</li> <li>▪ Ensure that clusters achieve integrated planning</li> <li>▪ Ensure that an uniform reporting mechanism is devised</li> </ul>



ACTORS	ROLES AND RESPONSIBILITIES
Sector Departments	<ul style="list-style-type: none"> <li>▪ Ensure the participation of Senior personnel in the IDP review process</li> <li>▪ Horizontal alignment of programmes and strategic plans within the clusters</li> <li>▪ Provide technical support and information to the planning process</li> <li>▪ Contribute relevant information to support the review process within the clusters</li> <li>▪ Incorporate district and local municipal projects into departments planning within the clusters</li> </ul>
National & provincial government	<ul style="list-style-type: none"> <li>▪ Monitor and evaluate the preparation and implementation process</li> <li>▪ Provide training and capacity building support to the local municipality – DPLG guide for credible IDPs</li> <li>▪ Coordinate support programmes so that overlapping does not occur</li> <li>▪ Provide technical guidance and monitor compliance with provincial policy and legal framework</li> <li>▪ Provide financial support to the IDP planning and implementation process</li> </ul>

## MECHANISMS AND PROCEDURES FOR COMMUNITY STAKEHOLDER PARTICIPATION

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

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

### Traditional Leaders

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

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

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

Planning phase	Methods for Participation
Analysis	<ul style="list-style-type: none"><li>• Community Meetings organised by the ward councillor</li><li>• Stakeholder Meetings</li><li>• Surveys and opinion polls (getting views on how people feel about a particular issue)</li></ul>
Strategies	IDP Public Debates on what can work best in solving a problem Meetings with affected communities and stakeholders Representative Forum

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

## ACTIVITY PLAN

### Activities and timeframes for different planning stages

ACTIVITIES	DATES	RESPONSIBILITY
<b>PLANNING</b>	<b>01 August-30 August 2011</b>	
<ul style="list-style-type: none"> <li>Develop draft IDP review process plan and Budget plan</li> <li>Present draft process plan to Exco</li> <li>Advertise process plan for public comment</li> <li><b>Adoption of the IDP process plan by Council</b></li> </ul>	<b>10 August 2011</b> <b>23 August 2011</b> <b>23 August 2011</b> <b>31 August 2011</b>	<b>IDP Manager</b> <b>IDP Manager</b> <b>IDP Manager</b> <b>Municipal Manager</b>
<b>ANALYSIS PHASE</b>	<b>01 Sept – 30 Oct 2011</b>	
<ul style="list-style-type: none"> <li>IGR Cluster to reflect and respond to comments on IDP by MEC of DPLGTA</li> <li>IDP Steering committee (collect ward information).</li> <li>Steering Committee meeting</li> <li>IDP Rep Forum <ul style="list-style-type: none"> <li>- present status quo report</li> <li>- priorities in order of importance as ranked by wards</li> </ul> </li> </ul>	<b>7<sup>TH</sup> September 2011</b> <b>21-29 September 2011</b> <b>10<sup>th</sup> October 2011</b> <b>26<sup>th</sup> October 2011</b>	<b>Municipal Manager</b> <b>IDP Manager</b> <b>Municipal Manager</b> <b>Mayor</b>
<b>STRATEGIES</b>	<b>02 Nov – 17 Nov 2011</b>	
<ul style="list-style-type: none"> <li>IDP Steering committee: review existing strategies</li> <li>Steering Committee meeting: Present draft strategies</li> <li>Present operational budget</li> <li>IDP Steering Committee Workshop Final strategies for 2010/11 financial year</li> </ul>	<b>09<sup>th</sup> -11<sup>th</sup> November 2010</b> <b>11<sup>th</sup> November 2010</b> <b>17<sup>th</sup> November 2010</b>	<b>IDP manager</b> <b>IDP manager / CFO</b> <b>IDP manager</b>

PROJECTS	23 Nov 2010 -31 Jan 2011	
<ul style="list-style-type: none"> <li>▪ IDP Rep Forum : <ul style="list-style-type: none"> <li>- Identification of projects for 10/11 financial year</li> <li>- Prepare draft capital budget 10/11</li> </ul> </li> <li>▪ IDP Steering Committee meeting : <ul style="list-style-type: none"> <li>- <b>Present IDP projects &amp; draft Capital &amp; Operational budget</b></li> </ul> </li> </ul>	<b>23th November 2011</b>  <b>07<sup>th</sup> Dec 2011</b>	<b>IDP Manager</b>  <b>IDP manager &amp; CFO</b>
ALIGNMENT& INTEGRATION PHASE	01 Feb 2012-26 Feb 2012	
<ul style="list-style-type: none"> <li>▪ Cluster Meeting : Alignment with sector depts., &amp; LM's IDP's and CHDM</li> <li>▪ IDP Rep Forum <ul style="list-style-type: none"> <li>- Present draft IDP &amp; Budget</li> </ul> </li> <li>▪ <b>IDP steering committee</b> <ul style="list-style-type: none"> <li>- <b>IDP/ PMS &amp; Budget Alignment workshop</b></li> </ul> </li> </ul>	<b>01-18 February 2012</b>  <b>15 February 2012</b>  <b>24<sup>th</sup> February 2012</b>	<b>IDP manager</b>  <b>Mayor</b>  <b>IDP manager</b>

ADOPTION PHASE	01 March-14 April 2012	
<ul style="list-style-type: none"> <li>▪ Public Comment Period- (Advert &amp; Road shows)</li> <li>▪ IDP &amp; Budget document consolidation</li> <li>▪ Adoption of draft IDP &amp; Budget by Council</li> <li>▪ Submission to office of MEC</li> <li>▪ Development of IDP &amp; Budget Summaries</li> </ul>	01th -18th March 2012  22- 31 March 2012  30 <sup>th</sup> March 2012  05 April 2012  12-14 April 2012	<b>IDP Manager</b> <b>IDP Manager &amp; CFO</b> <b>IDP Manager</b> <b>IDP Manager</b> <b>IDP Manager &amp; CFO</b>
IDP & BUDGET IMPLEMENTATION PLAN		
<ul style="list-style-type: none"> <li>▪ IDP Steering Committee <ul style="list-style-type: none"> <li>- Finalize Draft Budget</li> </ul> </li> <li>▪ Adoption of Final IDP, Budget, PMS &amp;</li> </ul>	26 April 2012	<b>Municipal Manager</b>

SDBIP	31 <sup>st</sup> May 2012	
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<b>PROJECTS</b>	<b>23 Nov 2010 -31 Jan 2011</b>	
<ul style="list-style-type: none"> <li>▪ IDP Rep Forum : <ul style="list-style-type: none"> <li>- Identification of projects for 10/11 financial year</li> <li>- Prepare draft capital budget 10/11</li> </ul> </li> <li>▪ IDP Steering Committee meeting : <ul style="list-style-type: none"> <li>- <b>Present IDP projects &amp; draft Capital &amp; Operational budget</b></li> </ul> </li> </ul>	<b>23th November 2010</b>  <b>07<sup>th</sup> Dec 2010</b>	<b>IDP Manager</b>  <b>IDP manager &amp; CFO</b>
<b>ALIGNMENT&amp; INTEGRATION PHASE</b>	<b>01 Feb 2011-26 Feb 2011</b>	
<ul style="list-style-type: none"> <li>▪ Cluster Meeting : Alignment with sector depts., &amp; LM's IDP's and CHDM</li> <li>▪ IDP Rep Forum <ul style="list-style-type: none"> <li>- Present draft IDP &amp; Budget</li> </ul> </li> <li>▪ <b>IDP steering committee</b> <ul style="list-style-type: none"> <li>- <b>IDP/ PMS &amp; Budget Alignment workshop</b></li> </ul> </li> </ul>	<b>01-18 February 2011</b>  <b>15 February 2011</b>  <b>24<sup>th</sup> February 2011</b>	<b>IDP manager</b>  <b>Mayor</b>  <b>IDP manager</b>

<b>ADOPTION PHASE</b>	<b>01 March-14 April 2011</b>	<b>Responsible Person</b>
<ul style="list-style-type: none"> <li>▪ Public Comment Period- (Advert &amp; Road shows)</li> <li>▪ IDP &amp; Budget document consolidation</li> <li>▪ Adoption of draft IDP &amp; Budget by Council</li> <li>▪ Submission to office of MEC</li> <li>▪ Development of IDP &amp; Budget Summaries</li> </ul>	<b>01th -18th March 2011</b>  <b>22- 31 March 2011</b>  <b>31<sup>st</sup> March 2011</b>  <b>05 April 2011</b>  <b>12-14 April 2011</b>	<b>IDP Manager</b> <b>IDP Manager &amp; CFO</b> <b>IDP Manager</b> <b>IDP Manager</b> <b>IDP Manager &amp; CFO</b>
<b>IDP &amp; BUDGET IMPLEMENTATION PLAN</b>		

<ul style="list-style-type: none"> <li>▪ IDP Steering Committee</li> <li>- Finalize Draft Budget</li> </ul>	26 April2011	<b>Municipal Manager</b>
<ul style="list-style-type: none"> <li>▪ Adoption of Final IDP, Budget, PMS &amp; SDBIP</li> </ul>	2th May 2011	

## SECTION B : SITUATIONAL ANALYSIS

### *Population*

Emalahleni has the fourth largest population with a total of 125,291 (14% of the district) in the Chris Hani district and extends over an area of approximately 3 840 square kilometers, includes more than 200 rural villages and comprises seventeen (17) wards. The seat of the Municipality is Lady Frere.

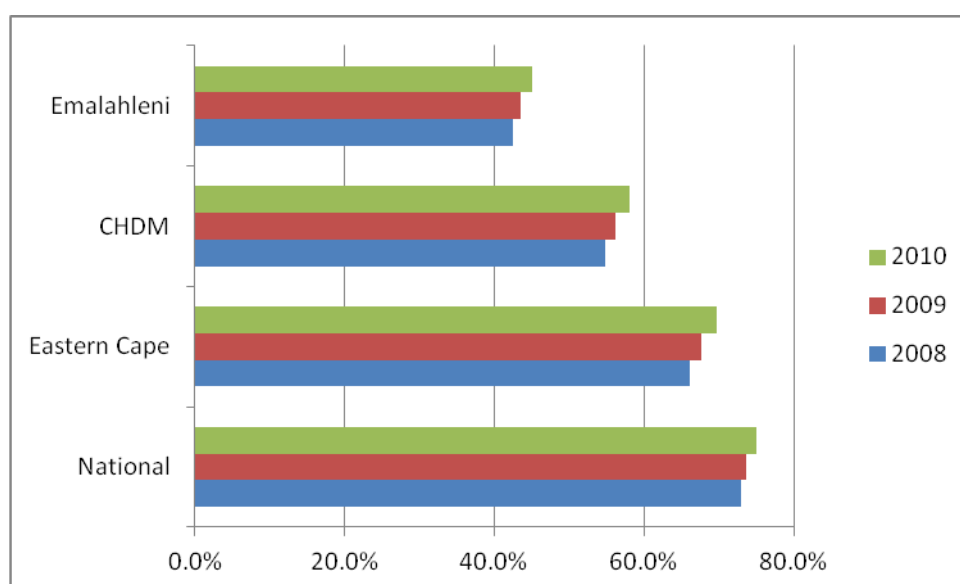
Growth trend analysis shows that Emalahleni population had a marginal growth of between 2% to 5% over the last 5 years. The marginal growth could be attributed to a variety of factors such as death, poverty, HIV/AIDS and/or family planning.

According to statistics released by ECSECC, about 47% of the population earns just under R3500.00 and 13% of the population lives 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.

### *Education and Skills.*

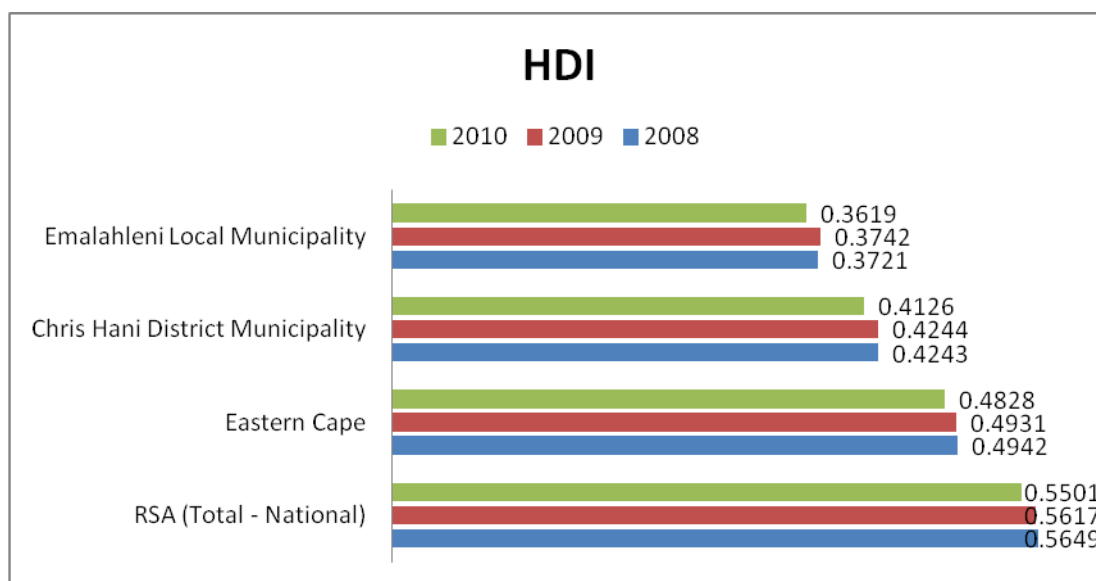
The graph below shows a very steady improvement on pupils aged 20 + who have completed grade seven (7) or higher in the past three years (2008 – 2010).

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.



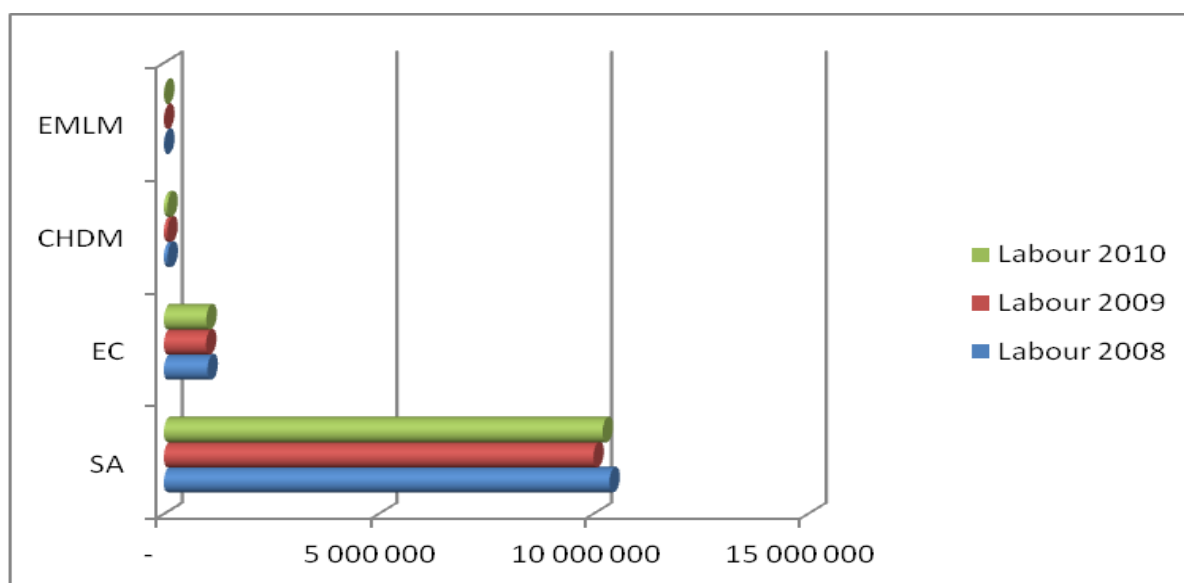


## Human Development Index (2008 – 2010)



## Labour:

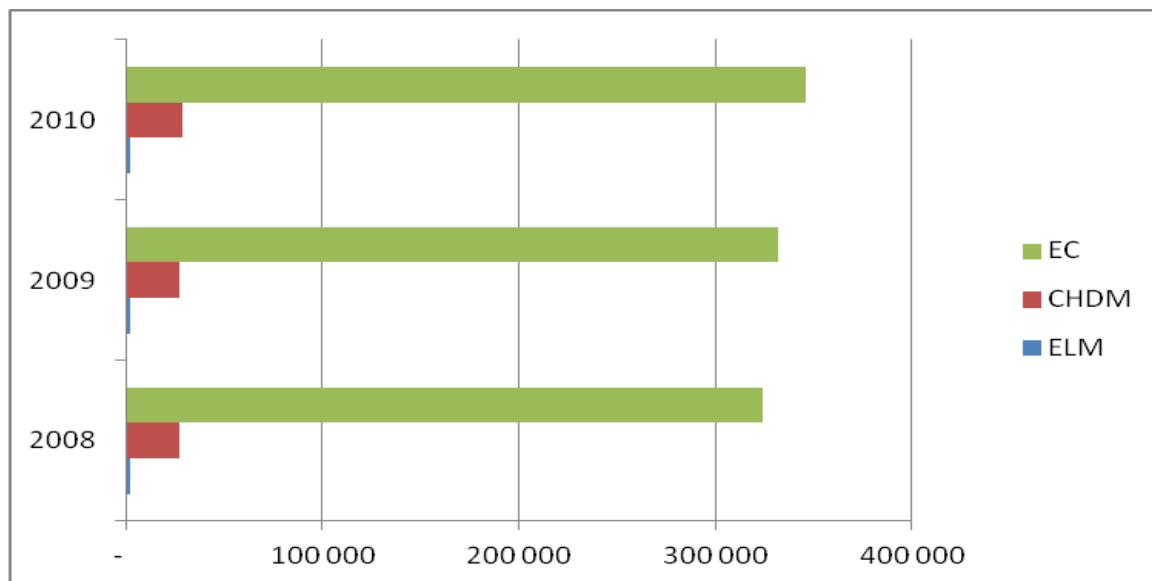
### Formal Employment



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

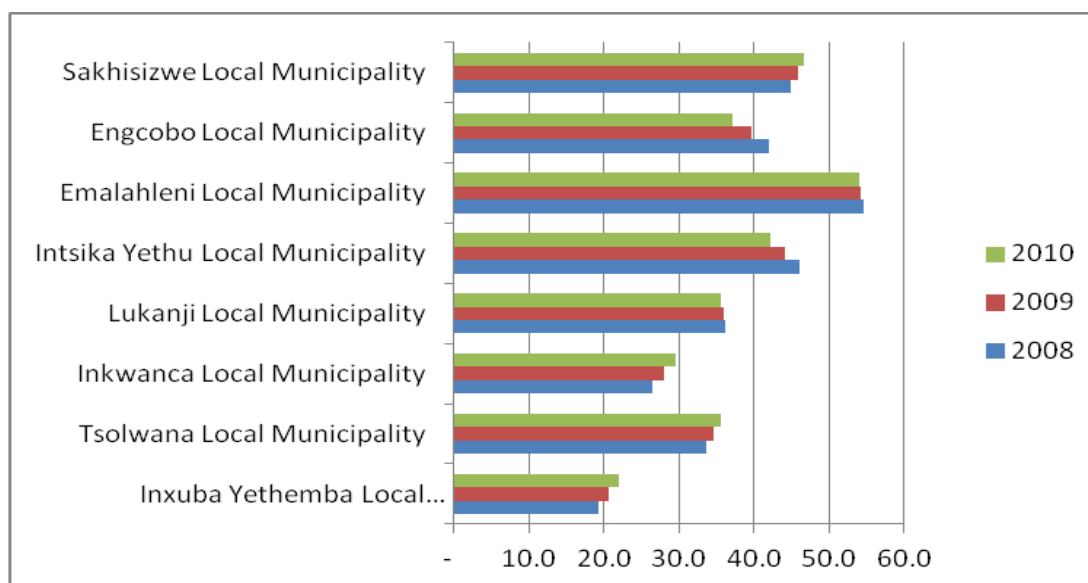
Bye-and-large, the GDP of Emalahleni has been anchored by the wholesale and retail sector which has contributed a higher percentage in terms of Real Money. The wholesale and retail sector has contributed about 80% to the Gross Domestic Product and has seen a steady growth for the past three financial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

## Informal Sector:



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

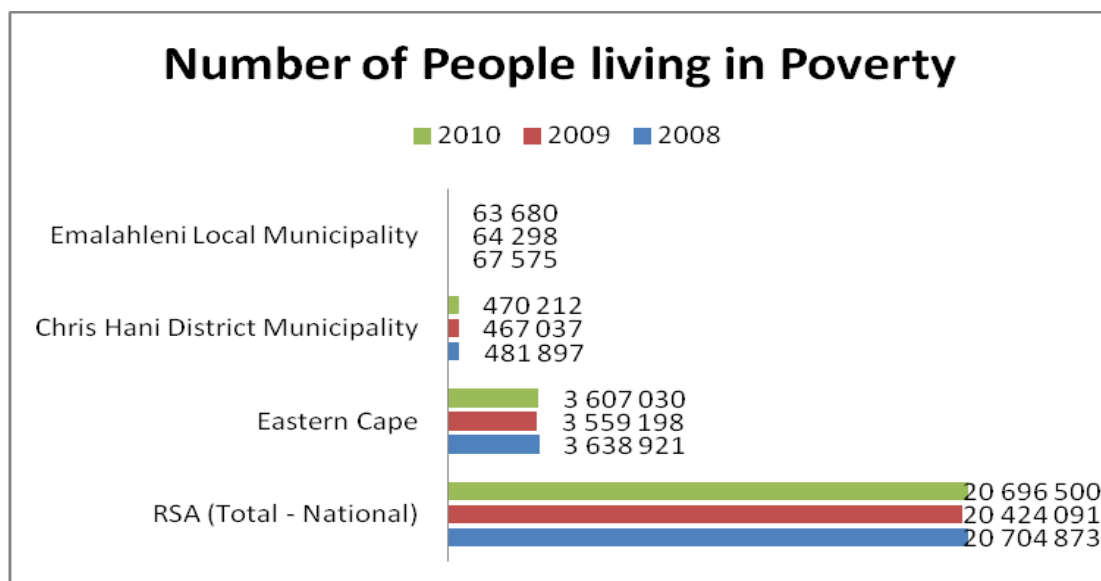
## Unemployment rate



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

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

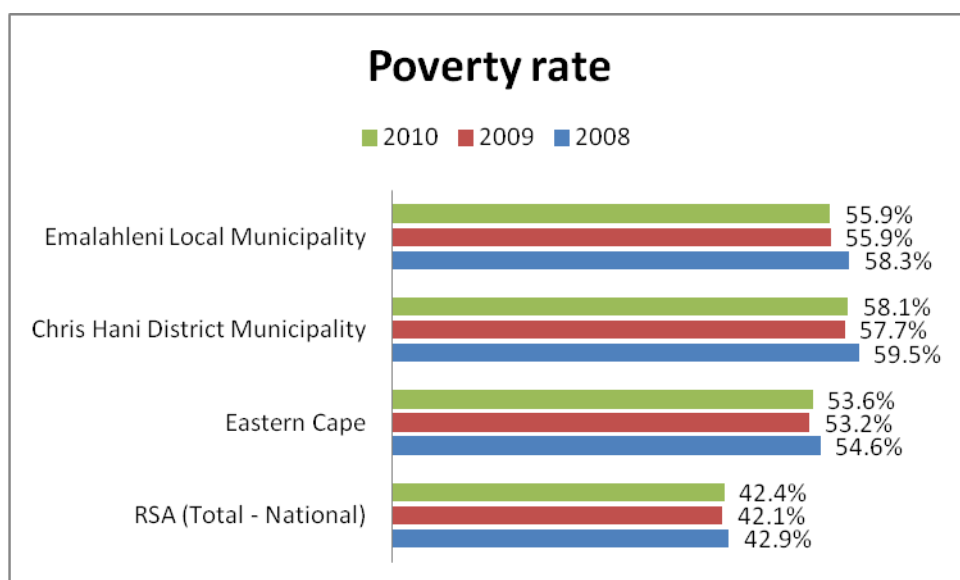
## Poverty:



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.

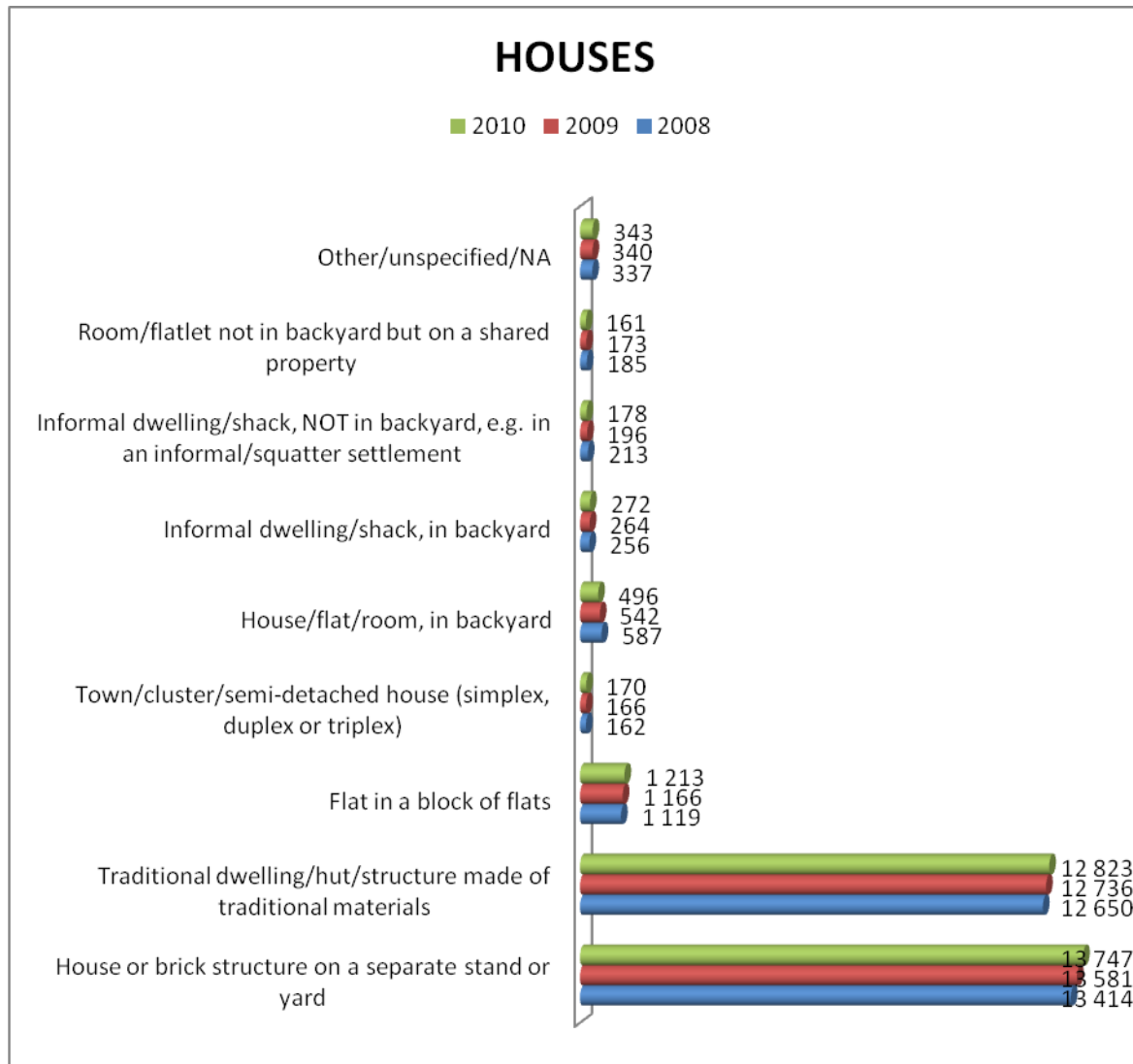
Due to the snail pace in which poverty is decreased, Government in general and Emalahleni Local Municipality in particular, need to introduce aggressive measures that will seek to accelerate the pace of poverty eradication and such can be encapsulated in LED strategy and other relevant strategies.

Poverty rate (2008 – 2010)



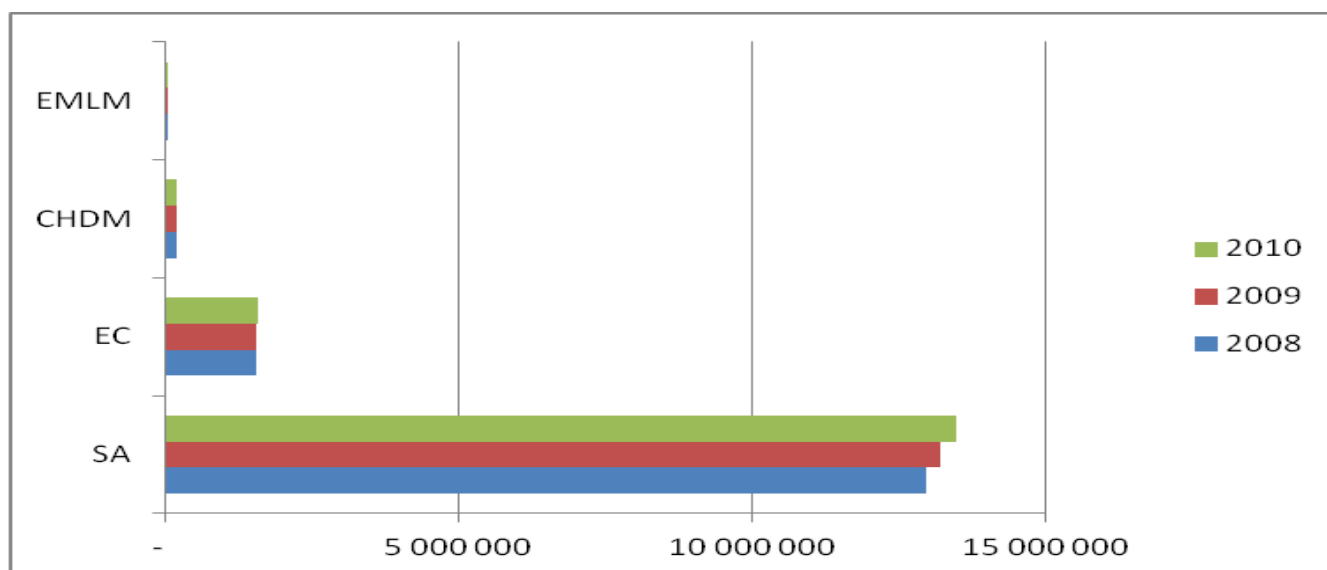
## Houses

The graph below shows that most of the houses in the municipality are those made of bricks and traditional houses, the graph shows a slow increase from 2008 of brick and traditional houses . There is a very minute 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.



## ACCESS TO SERVICES:

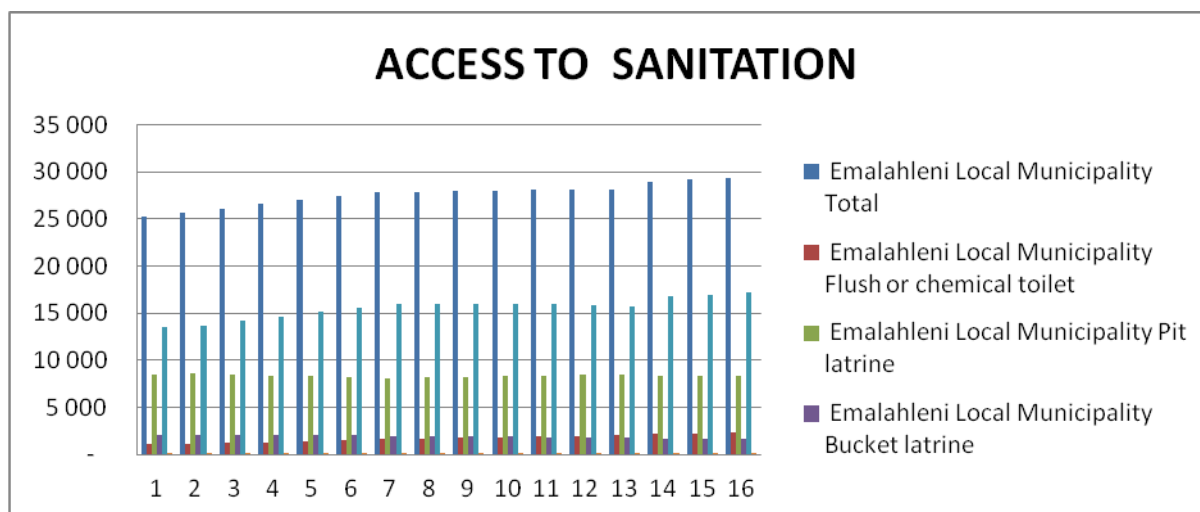
### Access to Sanitation: National Perspective



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

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

### Access to sanitation: Local perspective

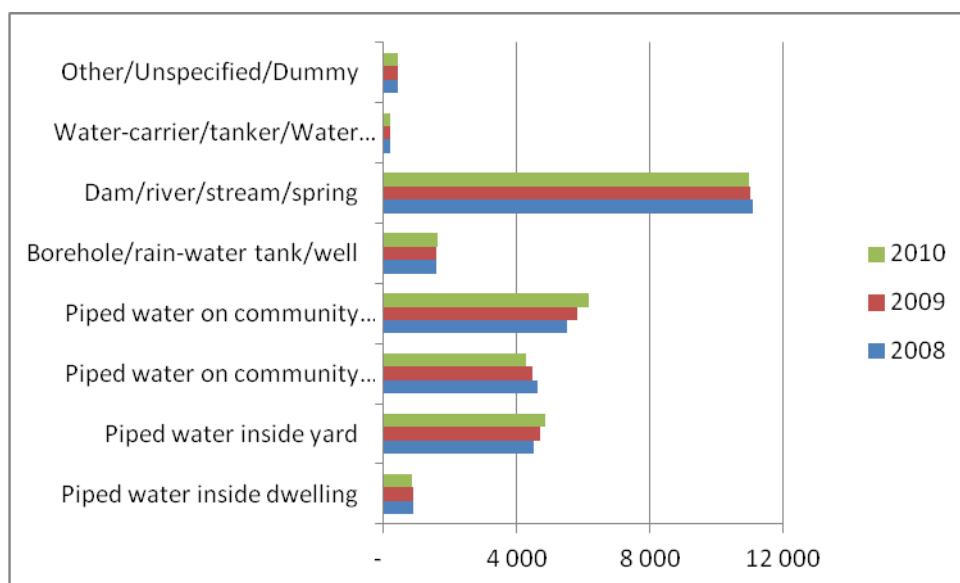


This graph presents a picture of Emalahleni local municipality in as far as it relates to the provision of sanitation ( Flush or chemical toilets; Pit latrine; and Bucket latrine).

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

households use Pit Latrine as a sanitation system, perhaps this is due to the rural nature of the municipality.

## Access to Water



## Refuse removal

	2008	2009	2010
<b>Totals</b>	28 944	29 186	29 428
<b>Unspecified / other</b>	52	49	47
<b>Removed by local authority at least once a week</b>	3 026	3 085	3 144
<b>Removed by local authority less often</b>	217	211	206
<b>Communal refuse dump</b>	562	587	612
<b>Own refuse dump</b>	13 363	13 518	13 674

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

## Integrated Waste Management

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

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

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

Indwe: The town has a solid waste collection system.

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

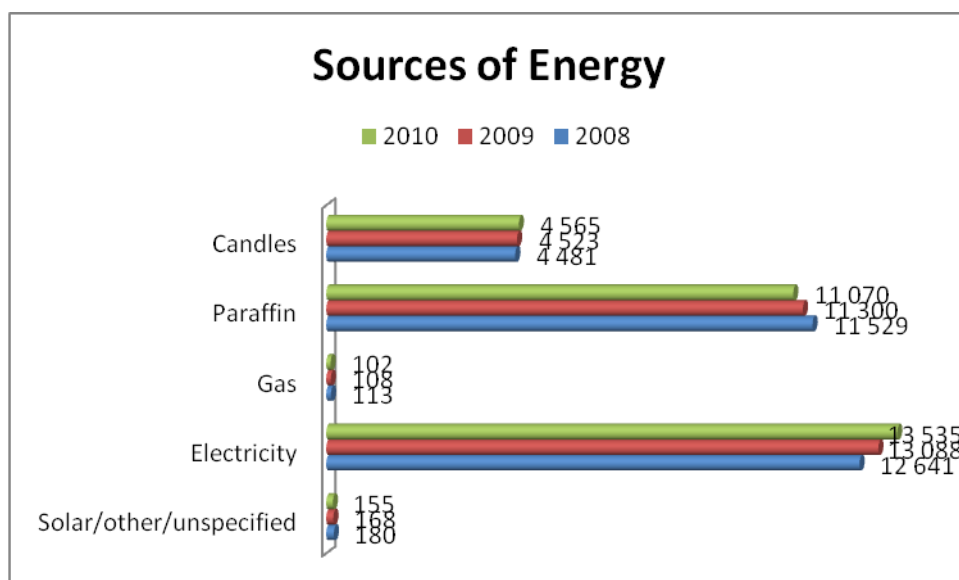
## Public Amenities

There are two parks in the jurisdiction of ELM in Indwe and Lady Frere. There are sports fields in all three town on ELM (Indwe, Lady and Dordrecht)

## Sources of Energy:

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

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



## Public Transport

### a. Taxi and Bus ranks

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

- Lack of basic services such as water, sanitation, electricity, telecommunications

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

**b. Status Quo**

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

**Community needs per ward.**

Ward	Community needs
Ward 1	<ul style="list-style-type: none"> <li>▪ Electricity</li> <li>▪ Roads (access &amp; provincial)</li> <li>▪ Water</li> <li>▪ Community Hall</li> <li>▪ Fencing</li> </ul>
Ward 2	<ul style="list-style-type: none"> <li>▪ Electricity</li> <li>▪ Water</li> <li>▪ Fencing commonage</li> <li>▪ Toilets</li> <li>▪ Access Roads</li> </ul>
Ward 3	<ul style="list-style-type: none"> <li>▪ Storm water drainage</li> <li>▪ Land Care Management</li> <li>▪ Electricity</li> <li>▪ Clinic</li> <li>▪ Access Roads</li> </ul>
Ward 4	<ul style="list-style-type: none"> <li>▪ Bridge (Mthwakazi, Cacadu &amp; Bakaneni)</li> <li>▪ Toilets (in Town, Bongolwethu)</li> <li>▪ Community Hall (Cacadu)</li> <li>▪ Water (Bongolwethu &amp; Gugulethu)</li> <li>▪ Street lights (in Town&amp; Apollo lights in Bongolwethu)</li> </ul>
Ward 5	<ul style="list-style-type: none"> <li>▪ Community Hall</li> <li>▪ Clinic</li> <li>▪ Access Roads &amp; Bridges (Cumakala road, Noluthando+Foot Bridge from Topu to Nompucuko)</li> <li>▪ Water (all Villages)</li> <li>▪ Tarred Road (Lady Frere Location)</li> </ul>

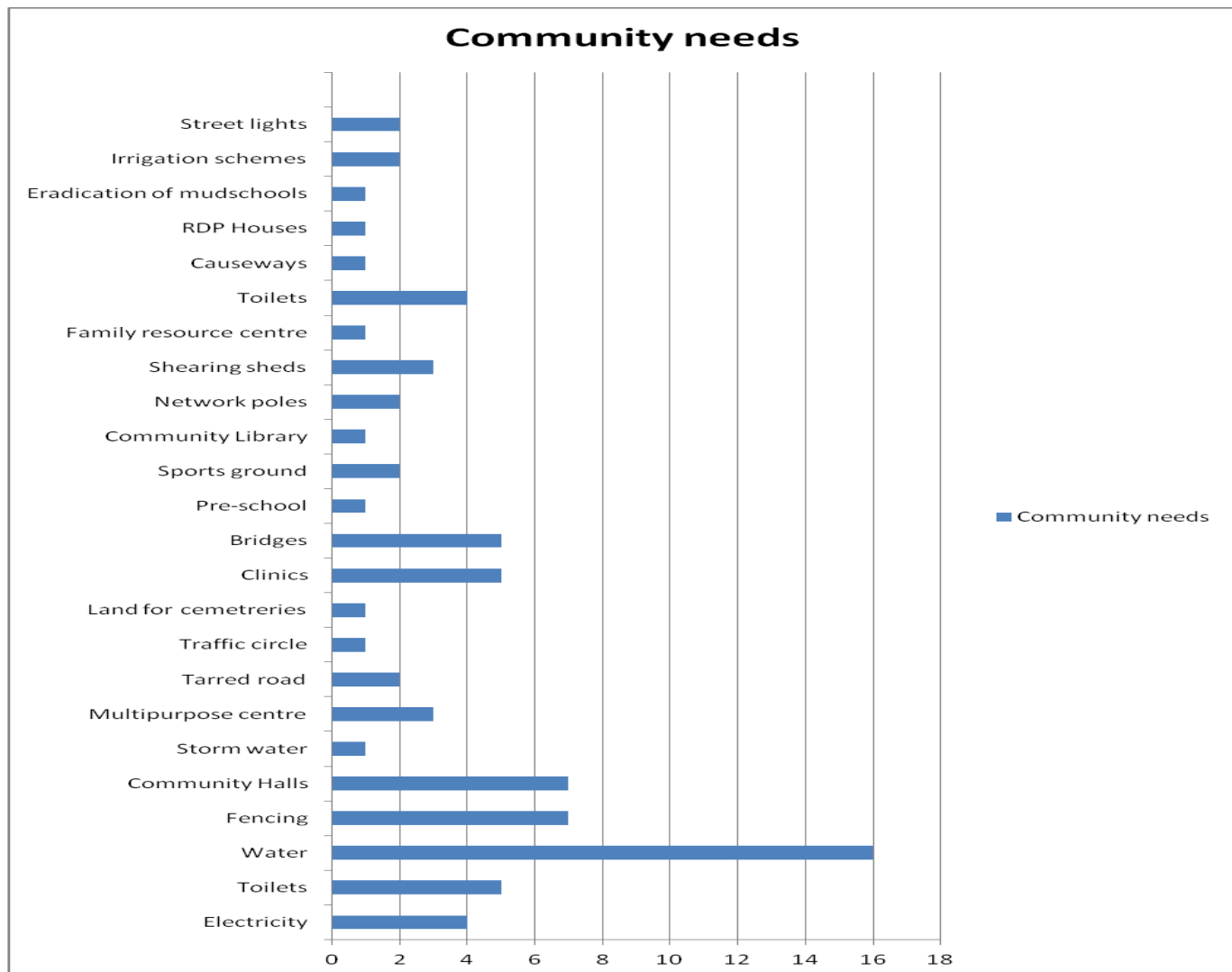


Ward 6	<ul style="list-style-type: none"> <li>▪ Access Roads (Gqebenye, Ethembeni-Emahlathini, Dlamini, Samto Goodstaff, Emzi to Manyangaza.</li> <li>▪ Sanitation-Toilets (all Villages)</li> <li>▪ Fencing (all Villages)</li> <li>▪ Irrigation Scheme</li> <li>▪ Bridges (Emahlathini, Emzi, Kundulu, Matyantya &amp; Holani.</li> </ul>
Ward 7	<ul style="list-style-type: none"> <li>▪ Access Roads (Luxeni, Blangwe &amp; Ethambekeni)</li> <li>▪ Fencing for grazing land</li> <li>▪ Clinic (Bozwana &amp; Dubeni)</li> <li>▪ Community Hall (Bozwana)</li> <li>▪ Shearing shed (Blangwe)</li> </ul>
Ward 8	<ul style="list-style-type: none"> <li>▪ Access Roads (all villages)</li> <li>▪ Electrification (Phase 8A)</li> <li>▪ Revival of crop ploughing (Sorghum and Wheat)&amp; Fencing</li> <li>▪ Building of Shearing Sheds (Anges and Ngonyama)</li> <li>▪ Building of mud schools</li> </ul>
Ward 9	<ul style="list-style-type: none"> <li>▪ Water (whole ward)</li> <li>▪ RDP Houses</li> <li>▪ Sport field (Gova &amp; Dukathole)</li> <li>▪ Access Roads (whole ward)</li> <li>▪ Shearing shed (Gova &amp; Dukathole)</li> </ul>
Ward 10	<ul style="list-style-type: none"> <li>▪ Fini Bridge &amp; Foot bridge</li> <li>▪ Multipurpose centre</li> <li>▪ Access Roads</li> <li>▪ Fencing &amp; Tractor</li> <li>▪ Causeways</li> </ul>
Ward 11	<ul style="list-style-type: none"> <li>▪ Toilets</li> <li>▪ Clinic</li> <li>▪ Family resource centre</li> <li>▪ Roads</li> <li>▪ Street Light</li> </ul>
Ward 12	<ul style="list-style-type: none"> <li>▪ Shearing Shed (Ncalukeni, Gugulethu, Lower Mkapusi &amp; Mt Arthur)</li> <li>▪ Access Roads (whole Ward)</li> <li>▪ Extension of Electricity (Bomeni Nkalweni, Lower Mkapusi, upper Mkapusi, Ncalukeni, Qithi, Paradesi &amp; Mt Arthur)</li> <li>▪ Extension of Water (Mkapusi kwa-Gcina, Ncalukeni, Mt Arthur, upper upper Mkapusi, Clinic, Qithi &amp; Paradesi)</li> <li>▪ Network Pole</li> </ul>
Ward 13	<ul style="list-style-type: none"> <li>▪ Bridges &amp; foot Bridge (Helushe, Qoboshane, Gadlume, Trust, Luxeni, Dyobhudaka &amp; Taleni)</li> <li>▪ Net work pole</li> <li>▪ Community Library Access Roads</li> <li>▪ Sport Ground</li> <li>▪ Access Roads</li> </ul>
Ward 14	<ul style="list-style-type: none"> <li>▪ Pre School (Dordrecht)</li> <li>▪ Multipurpose centre (Mhlanga)</li> <li>▪ Access Roads (from Nkalweni to Mmangweni)</li> </ul>

	<ul style="list-style-type: none"> <li>▪ Foot Bridge (between Dordrecht town to Bongweni Dordrecht)</li> <li>▪ Clinic (kalfonten, Mhlanga)</li> </ul>
Ward 15	<ul style="list-style-type: none"> <li>▪ Land for cemeteries</li> <li>▪ Tarred Road &amp; Traffic Circle</li> <li>▪ Community Hall ( Ida)</li> <li>▪ Access Roads</li> <li>▪ Multipurpose centre</li> </ul>
Ward 16	<ul style="list-style-type: none"> <li>▪ Community Hall (Vukani)</li> <li>▪ Storm Water (Vukani)</li> <li>▪ Fencing for grazing land (Vukani)</li> <li>▪ Water (Lower Mgwala)</li> <li>▪ Access Roads (whole ward)</li> </ul>
Ward 17	<ul style="list-style-type: none"> <li>▪ Water</li> <li>▪ Toilets</li> <li>▪ Electricity</li> <li>▪ Access Roads</li> <li>▪ Community Hall</li> </ul>

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

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



### Powers and functions of municipalities

According to the Constitution of the Republic of South Africa:

- (1) A municipality has executive authority in respect of, and has the right to administer-
  - (a) the local government matters listed in Part B of Schedule 4 and Part B of Schedule 5; and
  - (b) any other matter assigned to it by national or provincial legislation.
- (2) A municipality may make and administer by-laws for the effective administration of the matters which it has the right to administer.
- (5) A municipality has the right to exercise any power concerning a matter reasonably necessary for, or incidental to, the effective performance of its functions."

### SCHEDULE 4

#### PART B

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

Air pollution

Building regulations

Child care facilities

Electricity and gas reticulation

Fire-fighting services

Local tourism

Municipal airports

Municipal planning

Municipal health services

Municipal public transport

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

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

Trading regulations

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

## **SCHEDULE 5**

### **PART B**

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

Beaches and amusement facilities

Billboards and the display of advertisements in public places

Cemeteries, funeral parlours and crematoria

Cleansing

Control of public nuisances.

<b>Community needs</b>	<b>Relevant Stake holder</b>
<b>Electricity</b>	ESKOM
<b>Access roads</b>	Emalahleni Local Municipality
<b>Provincial Roads</b>	Department of Roads
<b>Community Halls</b>	Emalahleni Local Municipality

<b>Fencing of grazing lands ( Commonage) &amp; Tractors</b>	Emalahleni LM / Department of Agriculture / Dept. Of Rural Development
<b>Water</b>	Chris Hani District Municipality
<b>Storm water on access roads</b> <b>Storm water on public roads</b>	Emalahleni Local Municipality Provincial / Nation Dept of Roads
<b>Toilets</b>	Emalahleni LM / Provincial Department of Human Settlements / Department of Health
<b>Land Care Management</b>	Department of Land Affairs
<b>Clinics</b>	Department of Health
<b>Bridges ( access roads)</b> <b>Bridges on (Public roads)</b>	Emalahleni Provincial and National Government
<b>Street lights</b>	Emalahleni Local Municipality
<b>Tarred roads</b>	Emalahleni Local Municipality
<b>Irrigation scheme</b>	Department of Agriculture
<b>Shearing shed</b>	Department of Agriculture
<b>Multi – purpose centre ( Thusanong Centres)</b>	Department of Public Works / GCIS
<b>Schools</b>	Department of Education
<b>Family resource centre</b>	Department of Social Development
<b>Network poles</b>	SABC/ TELCOM / MTN / VODACOM/ CELL C /
<b>Community Libraries</b>	Department of Sports; Recreation; Arts and Culture
<b>Sports Grounds</b>	Emalahleni local Municipality, DSRAC
<b>Pre – school</b>	Department of Social development

## **SECTION C and D: VISION and MISSION**

### **VISION**

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

## MISSION

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

## VALUES

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

## THE MACRO STRATEGY

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

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

### **Maximising development impact**

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

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

### **Growing local economy**

The situational analysis concluded that the municipality has very limited space to increase local revenue, mainly because of high levels of poverty. Therefore LED will not only help improve the lives of the citizenry, it will also improve the chances of their municipality to be a better resourced local government. However, it has to begin with an organization that can think and coordinate and/ or

manage significant initiatives in terms of LED. It has to be able to get the municipality's initiatives to coordinate and synergise with others in a way that should lead to a major turnaround in the local economy.

#### **Maintaining financial viability**

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

#### **Lobbying for authorities to compensate costs of delivery**

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

#### **Capacity to regulate citizenry and deliver services**

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



## SECTION E: STRATEGIC OBJECTIVES

### ***KPAs, OBJECTIVES, KPIS, STRATEGIES & PROJECTS***

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

#### **National Objectives**

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

Align Local Objectives to national objectives

Basic Services; Spatial Development; Good governance; Financial Viability; Institutional transformation.

### **GOALS**

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

### **OBJECTIVES**

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

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

- To promote diverse combination of land uses in towns through enforcing proper town planning schemes.

## OUTCOME 9: ROOT CAUSES

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

- Systemic factors, i.e. linked to model of local government;**
- Policy and legislative factors;**
- Political factors;**
- Weaknesses in the accountability systems;**
- Capacity and skills constraints;**
- Weak intergovernmental support and oversight; and**
- Issues associated with the inter-governmental fiscal system**

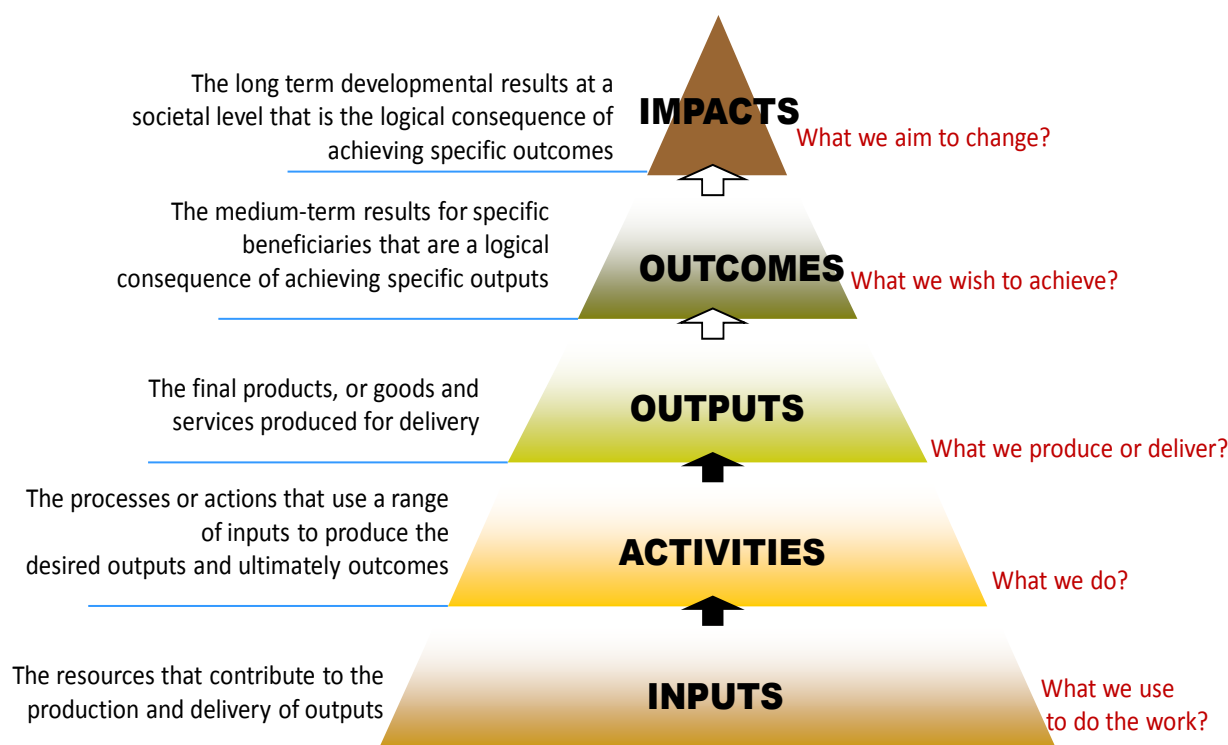
## SUPPORTING LOCAL GOVERNMENT: WHAT WILL BE DONE DIFFERENTLY THROUGH THE APPROACH OF OUTCOME 9?

PREVIOUS SUPPORT INITIATIVES	DELIVERY FOCUS FOR OUTCOME 9
Insufficient focus on support and systems for effective <b>implementation</b> of policy and programmes.	<b>Outcomes-Based Approach:</b> Doing things differently: work 'harder, faster and smarter' for efficiency, effectiveness and development orientation of the public service.
1. Driven by technocrats with insufficient guidance and oversight by the executive.	<b>Hands-on political leadership</b> , management, and oversight.
2. Uncoordinated response to responding to symptoms – pre-emptive solutions, rather can application of cause and effect logic, or theory of change.	<b>Focus on underlying root causes</b> of struggles in local government; transcend the obstacles of the past; new, focused 'all-of-government' approach to improving LG performance

3. Progress managed through *voluntary* intergovernmental cooperation, not well monitored, poor accountability, uneven responsiveness to need for change.

**Stronger intergovernmental management & coordination:**  
Intergovernmental Implementation Forums to monitor and report to Cabinet regularly as per Delivery Agreement.

## OUTCOMES APPROACH



## 7 OUTPUTS

Output 1: Implement a differentiated approach to municipal

financing, planning and support (13 activities)

Output 2: Improving access to basic services 24 activities)

Output 3: Implementation of the CWP (7 activities)

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

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

Output 6: Administrative and financial capability (16 activities)

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



## OBJECTIVES TABLE ALIGNMENT

Objective	Supporting Strategies	Project to be implemented	Source of Budget	KPI	Baseline	Target	Budget
<b>KPA: Local Economic Development</b>							
To promote and facilitate for improved and sustainable Local Economic development	Agriculture Development	Live-stock Branding and Marketing, Stock Sales Construction	ELM	Number of farmers participating live-stock farming	Nil		2.05Mil
	Hawker Support	Erection of Hawker Stalls in Lady Frere	MIG	Number of Hawker Stalls erected	Nil	Completed hawkers stalls in Lady Frere by 30 June 2013	R1,65 550.00
	Local Tourism Organisation	Tourism Development	ELM	Establishment of Local Tourism Organisation	Nil	Functional Local Tourism Organisation by 30 June 2013	R300 000
	SMME and Cooperative Development Strategy	SMME Support	ELM	Develop SMME and Cooperatives' Development and Support Strategy	Nil	Developed and Implementation of SMME and Cooperatives' Support Strategy by 30 June 2013	R800 000
Spatial Planning and Environmental Rationale	Subdivision of Municipal Land, Local Specific SDF, and Layout Plan-Cemeteries	Municipal land subdivided, LSDF per town, Formalisation of	ELM	Subdivision of Municipal Land, Local SDF, and Layout Plan-	Current SDF	Subdivision of Municipal Land, Local Specific SDF, and Layout Plan-	R1.6Mil

		ELM townships,		Cemeteries		Cemeteries	
To ensure proper overall planning for the Municipality	Facilitate the proper planning of the municipality informed by ward-based planning	IDP Review and Community Based Planning	ELM	Completion of all IDP Phases	2012/2013 to 2016/2017 IDP	IDP and CBP to be adopted by 31 May 2013	R1.1Mil
<b>KPA: INFRASTRUCTURE AND BASIC SERVICE</b>							
<b>Service Delivery</b>							
To ensure sustainable provision of water	To facilitate provision of water in sustainable manner	Implementation of water projects in Cluster 1, 2, 3 and 4 in Wards 1,2,4,6,7,8,10,12, 13,14,15,16	CHDM	Progress with implementation of water project by CHDM	Backlog is less than 30%	Implementation commences as from 01 July 2012	R30.1Mil
<b>Objective</b>	<b>Supporting Strategies</b>	<b>Project to be implemented</b>	<b>Source of Budget</b>	<b>KPI</b>	<b>Baseline</b>	<b>Target</b>	<b>Budget</b>
<b>Sanitation</b>							
To ensure sustainable provision of sanitation facilities	To facilitate provision of sanitation facilities and bucket system eradication.	Erection of sanitation facilities in the following wards: 2,3,4,5,6,7,8,9,10, 11,12,13,14,15,16 ,17	CHDM	Progress with rolling out of sanitation facilities in the designated wards	Work in progress	Roll-out of sanitation facilities will be start as of 01 July 2012	R24Mil
		Bucket System eradication in	CHDM	Progress with eradication of	The program had begun but	Eradication of Bucket system is at advance	R3.8Mil



		Dordrecht (ward 11)		bucket system	it had to stop due to insufficiency of funding	stage but not complete by June 2012	
<b>Road and Storm Water</b>							
To ensure provision of road infrastructure	By	Construction of Rwantana Access Road (ward 1)	MIG	10 kilometres of access road constructed	Nil	Project to begin 01/July/2012 and completed by 30/June/2012	R 6.51Mil
<b>Electricity</b>							
To ensure electrification of areas which have not yet been electrified including extensions and in-fills	To mobilize funding for electrification of areas which have not yet been electrified.	Electrification of 235 units in Mpotulo (ward 05)	ELM	Progress with the electricity connections in 235 units in Mpotulo		Completion of Electricity connections of 235 units in Mpotulo	R4Mil

Waste management and Refuse Collection							
To provide affordable waste and refuse collection services	To secure funding for establishment of Landfill site	Construction of Landfill site and transfer station	MIG	Progress with the establishment of landfill site	At the present moment municipality does not have licensed landfill.	Completion of Landfills site by June 2014/15	R2Mil
Service Delivery (Cont.)							
To ensure management of stray animals	To secure funding for pound operations	Functioning pound in ward 11	ELM	Progress with function of pound	Pound has been established in Dordrecht	Pound is in full operation by June 2013	R 350 000
To ensure effective cemetery services	Provision of cemeteries	EIA, Cemetery Management System, Landscaping and Development of Bylaws	MIG	EIA studies and Management Systems		Completed EIA studies, Management Systems	1.5Mil
	To secure cemeteries by erecting fencing	Fencing of cemeteries	ELM	Progress with the fencing of cemeteries	Nil	Cemeteries fenced by June 2013	R610 000
To ensure regular building maintenance and repairs	Easily accessible, user-friendly and building sustenance	Repairs, Maintenance and Fencing (Indwe resort, municipal building – Indwe and all municipal	ELM	repairs and maintenance of building	Yearly repair and maintenance work		R820 000

		buildings					
To ensure existence of Parks and Recreation Areas	Secure funding for establish of these parks and recreation areas.	Establishment of Lady Frere Park and Recreation area	ELM	Progress with the establishment of Park in Lady Frere	Nil	Lady Frere Park is established by June 2012	R200 000
	To revive the already existing parks in Indwe and Dordrecht	Revival of Indwe and Dordrecht Parks	ELM	Progress with the revival of Indwe and Dordrecht parks respectively	Nil	Indwe and Dordrecht Parks are revived and functional by June 2013	R450 000
To ensure the existence of community facilities	To facilitate the construction of Libraries	Construction of a library in ward 04	DSRAC	Progress with the construction of libraries in designated areas	Nil	Construction work is scheduled to commence by July/2012	R7.5Mil

KPA: FINANCIAL VIABILITY AND MANAGEMENT							
To manage municipal financial resources and provide effective oversight and support to other sections	Operation Clean Audit By Monitoring implantation of systems and procedures.	Turn-around on Municipal Financial Management	FMG &MSIG	Progress in the implementation of systems and procedures	Nil	Acquiring Clean Audit by 2014	FMG R800 000
Good Governance and Public Participation							
To ensure maximum participation by all relevant stakeholders on IDP and Budget processes	By involving stakeholders in all municipal planning and service delivery implementation processes	Mayoral Outreach, Radio talk show, ward-based participation and benchmarking, review of PP framework and Communication Framework, Newsletter	ELM	Number of attendees in meetings and involvement in municipal affairs	70%	Increased stakeholder participation	R1.32Mil
To have an effective and efficient and functional Ward	By capacitating ward committees and making provision for covering expenses of ward committees	To conduct workshops and training sessions for all ward committees	ELM	Number of workshops and training sessions held	Nil	All ward committee members to have been trained by 30 June 2013	R700 000

Committee System		Ward Committee Out-of Pocket expenses	ELM	Monthly payments of out-of pocket expenses	Nil	All ward committee member received their out-of expenses	R2.5Mil
<b>Good Governance and Public Participation (Cont.)</b>							
To Ensure effective participation of designated groups in municipal development programs	By implementing special programs	Revival of disabled structure and compilation of their database and training	ELM	Number of profiles of people with disability submitted to the office of the SPU  Number of trained people living with disabilities	Nil	By June 2013 Disabled Structure is revived and database in place and trainings conducted	R600 000
		To launch field band project.	ELM	Progress report about field band on quarterly basis	Field band project has been piloted at Indwe and Dordrecht	Field Band project has been launched by June 2013	R400 000.
		Hosting of annual mayoral cup tournament	ELM	Progress in preparation of mayoral cup.	Mayoral Cup Concept document has been development	Successful mayoral cup final has been played by June 2013	R360 000
		Women's Indaba	ELM	One Indaba to take place	Nil	Strategic Plan to have been developed as a result of a Women's	R200 000

						Indaba	
		Youth Development Plan	ELM	Formulation and Development of a Youth Development Plan	Nil	Formulated and Developed Youth Development Plan	R300 000
<b>Good Governance and Public Participation (Cont.)</b>							
		Revival of Emalahleni Women forum and development of ELM women strategic plan	ELM	Preparations for the revival of Women Forum and development Strategic plan	Nil	Women Forum has been revived and strategic plan is developed by June 2012	R150 000
		Development of Youth Development Plan	ELM	Progress on the development of youth Development Plan	Nil	Youth Development has been developed and submitted to council for adoption	R300 000
To ensure effective communication of municipal programs	By developing necessary tools of communication	To review Communication strategy and Public Participation Framework and Strategy	ELM	Progress on review of Communication strategy and Public Participation Framework	Communication Strategy and Public Participation Framework are due for review	Communication Strategy and Public Participation Framework are submitted to council for adoption by June 2012	R350 000

Municipal Institutional Development & Transformation							
To improve organisation development	By reviewing municipal policies	Review of Policies	MSIG	Number of policies reviewed		Adoption of all reviewed municipal policies	R800 000

**Consolidated strategic programme on housing development.**

Strategic goal	Objective
To declare demand	Prepare for (methodology and process steps) and undertake Housing Consumer Education / awareness and the Housing voice in the next IDP planning cycle
	Install, train staff and implement Housing Needs Register
	Engage social welfare / SPU to cater for child headed households and orphans
Scaled up delivery of subsidised housing	Undertake annual Strategic planning that includes an environment analysis to inform strategic priorities
	Credible project pipeline: 1. Install project tracking tool, 2. Train staff on the use thereof, 3. Collect and input all the information from the relevant sources including importantly sections in the municipality, the district and the ECDoHS, 4. All the additional projects or changes in status and information of existing entered and quarterly report for management and council. Informed annual review reports. 5. To plan new projects against sustainability criteria 6. To submit project applications to the Province for funding approval and technical support
	Land and land packaging 1. Undertake a land audit and feasibilities studies to establish land pipeline for housing development

	2. Secure Land, Municipal, state (undertake feasibilities and prepare business plans for identified land on offer from Provincial Government), land reform 3. Package land, town planning etc.
	Infrastructure Initiate processes to prioritise and align infrastructure development to housing delivery programme
	ISRHDP Programme Use results of the housing voice and Housing Needs Register exercise to inform the development of a ISRHDP programme that delivers the relevant supply in terms of basic infrastructure, top structure and tenure
	Farmworker Housing Programme Use results of the housing voice and Housing Needs Register exercise to inform the development of farmworker housing programme that delivers the relevant supply in terms of basic infrastructure, top structure and appropriate tenure alternatives
	Project development and management 1. To package projects, top structure, procurement of contractors and construction implementation. This needs to place high priority on rectification and blocked projects. 2.To provide for project management of current running and rectification projects to ensure good quality and timely delivery
To build a suitably structured housing unit to meet the requirements of the municipal housing delivery mandate	1.Organisation structure and development, current structure not suitable 2.Develop and implement systems, policies, processes, procedures, documents and forms 3.Resource the housing unit
To formalise the required institutional structures to support the Municipality in meeting its housing delivery targets	Strengthen internal and external partnerships required by the municipality to plan, facilitate, and where relevant implement, the necessary housing development to meet the demand in the area



## Detailed strategic programmes

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

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

**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	Training of relevant staff in the municipality to use	Feb					Province	

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

municipal and provincial budget and MTEF.	but link with available resource streams.							
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 ECDHS	
Preparation of identified priority projects for financing and implementation – including rectification and blocked projects.	Co-ordination of the preparation of the projects: <ul style="list-style-type: none"> <li>- Land</li> <li>- Land preparation and packaging</li> <li>- Initial design</li> <li>- Beneficiary identification</li> <li>- Scope of work (rectification and blocked)</li> <li>- Finance packaging</li> <li>- Preparation of tendering etc.</li> </ul>	Mar	On-going				Housing officer with ECDHS	
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 ECDHS	
Monitoring and Evaluation Framework	Drafting of monitoring and evaluation framework,  The framework to be integrated into the Housing chapter.	Jan					Housing officer with ECDHS	
Formation of Project Steering Committees to ensure the collaboration of developers, ward committees and	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 ECDHS	

councillors in the speedy execution of projects.								
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**Programme 3:** To build a suitably structured housing unit in order to meet the housing mandate

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

**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	

## SECTION F : DEVELOPMENT STRATEGIES

### SECTION F 1: SPATIAL AND ENVIRONMENTAL RATIONALE

#### *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<sup>1</sup> 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.

### ***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**

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

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.

## 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
<ul style="list-style-type: none"><li>• The natural and built environment in Emalahleni offers</li></ul>	<ul style="list-style-type: none"><li>• <i>The Emalahleni Municipality</i></li></ul>

STRENGTHS (Internal)	IMPLICATIONS
<p>some key opportunities to enhance the local economy and to offer residents the prospects of a better life. These include: -</p> <ul style="list-style-type: none"> <li>○ 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)</li> <li>○ There is identified potential for coal mining to be revived and extended in the area around Indwe.</li> </ul>	<p><i>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).</i></p> <ul style="list-style-type: none"> <li>• <i>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.</i></li> </ul>
<ul style="list-style-type: none"> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> <li>• <i>For the most part, it would appear that appropriately designed household livelihood strategies and livestock improvement programmes should be actively pursued.</i></li> </ul>
<ul style="list-style-type: none"> <li>• The town of Lady Frere has a relatively strong-functioning wholesale and retail trade sector that services the surrounding rural settlements.</li> <li>• 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.</li> <li>• Dordrecht , too, plays a Service Centre role to surrounding areas, which are predominantly comprised of extensive farming lands and there may be some potential to revive past sectors of activity in the town (e.g. dairy/cheese manufacturing)</li> </ul>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> <li>• <i>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.</i></li> </ul>
<ul style="list-style-type: none"> <li>• Whilst the human resources capacity at Municipal level in relation to managing spatial development is presently</li> </ul>	<ul style="list-style-type: none"> <li>• <i>As the issue of municipal capacity to manage spatial</i></li> </ul>

STRENGTHS (Internal)	IMPLICATIONS
<p>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.</p>	<p><i>development is a universal problem in the Eastern Cape, a multi-lateral approach to this issue is required.</i></p> <ul style="list-style-type: none"> <li>• <i>Staff retention policies need to be put in place, including the provision for training and skills enhancement.</i></li> </ul>

WEAKNESSES (Internal)	IMPLICATIONS
<ul style="list-style-type: none"> <li>• 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 eThekweni Metropolitan area) as well as the Eastern Cape economy (where the space economy is dominated by the Nelson Mandela Metropolitan area and Buffalo City). <ul style="list-style-type: none"> <li>○ 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).</li> <li>○ 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.</li> </ul> </li> </ul>	<p><i>The implications of the relatively peripheral location and under-developed economy of Emalahleni are seen to be: -</i></p> <ul style="list-style-type: none"> <li>• <i>There is likely to be a continued reliance on external investment into the area (mainly in the form of state-led investment)</i></li> <li>• <i>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</i></li> <li>• <i>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</i></li> </ul>
<ul style="list-style-type: none"> <li>• 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%.</li> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> <li>• <i>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</i></li> </ul>

WEAKNESSES (Internal)	IMPLICATIONS
	<p><i>the willingness of communities to participate.</i></p>
<ul style="list-style-type: none"> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Urban management and infrastructure upgrades in the towns of Lady Frere, Indwe and Dordrecht must be carried out to improve the quality of these urban areas for residents, local business and commuters to town accessing goods and services (i.e. the towns – especially Lady Frere – must become more pleasant to live in and do business in so as to be more competitive with Queenstown as a destination of choice).</i></li> </ul>
<ul style="list-style-type: none"> <li>• 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. <ul style="list-style-type: none"> <li>○ 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.</li> <li>○ Of the resident population, unemployment appears to be as high as 50% within the economically active age group.</li> <li>○ Skills levels are generally low amongst the population, with only just over 12% of the adult population having matric or higher qualifications.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> <li>• <i>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.</i></li> <li>• <i>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).</i></li> </ul>

WEAKNESSES (Internal)	IMPLICATIONS
<ul style="list-style-type: none"> <li>• 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.</li> <li>• Urban-style development in the area is limited to the three towns of Lady Frere, Indwe and Dordrecht.</li> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> <li>• <i>Linkages to these higher order nodes must be prioritised</i></li> <li>• <i>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.</i></li> </ul>
<ul style="list-style-type: none"> <li>• 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)</li> </ul>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> <li>• <i>As such, the service needs to be prioritised and managed accordingly.</i></li> </ul>
<ul style="list-style-type: none"> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• <i>A Land Care programme that addressed the issue of rehabilitating areas where land degradation and soil erosion have had severe impacts is needed.</i></li> <li>• <i>Part of a programme of wise land use and Land Care would need to comprise a clear strategy to manage land in sensitive areas.</i></li> </ul>
<ul style="list-style-type: none"> <li>• 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</li> </ul>	<ul style="list-style-type: none"> <li>• <i>There is a need to ensure that issues related to land tenure do not hinder identified Priority</i></li> </ul>

WEAKNESSES (Internal)	IMPLICATIONS
<p>outside the proclaimed town area of Lady Frere.</p>	<p><i>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.</i></p>
<ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> <li>• Un-planned development threatens the natural resources base of the area and represents a threat the environmental “quality” of the area as well.</li> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• <i>There needs to be process of engagement with the key roleplayers around the issue of wise land use and land use management in rural areas such that the needs of rural dwellers are continued to be met but that major assets of the modernizing economy of the Eastern Cape (such as the N2/R61) are better protected from un-managed settlement development encroachments.</i></li> </ul>
<ul style="list-style-type: none"> <li>• 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.</li> <li>• Such backlogs exist in both the rural and urban settlements of Emalahleni</li> <li>• 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.).</li> </ul>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> <li>• <i>As the towns are key elements in the socio-economic “fabric” of Emalahleni, the upgrade of the infrastructure there should be a priority.</i></li> <li>• <i>The eradication of the backlogs in the provision of basic services in the rural settlement areas remains an ongoing objective and is to be pursued programmatically as resources</i></li> </ul>

WEAKNESSES (Internal)	IMPLICATIONS
	<p><i>permit.</i></p> <ul style="list-style-type: none"> <li><i>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.</i></li> </ul>
<ul style="list-style-type: none"> <li>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</li> </ul>	<ul style="list-style-type: none"> <li><i>The prioritization of road development, upgrading and maintenance is a KEY developmental priority in a rural municipality such as Emalahleni</i></li> </ul>
<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li><i>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.</i></li> <li><i>A strategic approach to addressing these issues needs to be adopted, which also draws together other key roleplayers such as the Chris Hani DM, the Dept of Rural Development &amp; Land Reform and Traditional Authorities.</i></li> </ul>

OPPORTUNITIES (External)	IMPLICATIONS
<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li><i>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.</i></li> <li><i>In this regard, the upgrade of the R56 is likely to be of particular importance as this is the closest regional link route to</i></li> </ul>



OPPORTUNITIES (External)	IMPLICATIONS
	<i>the resource.</i>
<ul style="list-style-type: none"> <li>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).</li> </ul>	<ul style="list-style-type: none"> <li><i>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..</i></li> </ul>
<ul style="list-style-type: none"> <li>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).</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li><i>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</i></li> </ul>
<ul style="list-style-type: none"> <li>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: - <ul style="list-style-type: none"> <li>Department of Rural Development &amp; Land Reform</li> <li>Department of Agriculture</li> <li>Chris Hani District <ul style="list-style-type: none"> <li>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.</li> <li>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).</li> </ul> </li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li><i>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 &amp; Development Plan).</i></li> <li><i>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.</i></li> </ul>

THREATS (External)	IMPLICATIONS
<ul style="list-style-type: none"> <li>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: - <ul style="list-style-type: none"> <li>The possibility of more severe weather events</li> <li>The possible impact of a change in rainfall patterns</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li><i>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]).</i></li> </ul>
<ul style="list-style-type: none"> <li>Because of the priority placed on gaining some form of control by planning authorities over land development processes (formal and informal) in the rural areas, a clear threat is presented by the possibility of a disunity of VISION and Action amongst the key roleplayers. This could lead to inaction and the continued disorder of the spatial development pattern</li> </ul>	<ul style="list-style-type: none"> <li><i>In the absence of a clear policy and/or legal framework for grappling with the issue, the Emalahleni Municipality will, to an extent, need to engage in a pathfinding role to bring together the key roleplayers to chart a way forward.</i></li> <li><i>It is envisaged that the Chris Hani DM, the Dept of Rural Development &amp; Land Reform and the Department of Local Government &amp; Traditional Authorities could play a leading role in assisting with this.</i></li> </ul>
<ul style="list-style-type: none"> <li>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)</li> </ul>	<ul style="list-style-type: none"> <li><i>There is a need to focus local economic development projects on achieving the goals of drawing in more local residents into productive activities.</i></li> <li><i>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-</i></li> </ul>

THREATS (External)	IMPLICATIONS
	<i>bodied people to work in a project).</i>

## 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.

## 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.

Identified Key Spatial Development Issue
<b>The importance of linkages and accessibility to areas of opportunity</b> is a fundamental element of enabling residents in rural areas to improve their access to opportunities as well as to improve the accessibility of their living spaces (to services and/or service providers).

.Key Spatial Development Objectives			Proposed Spatial Development Strategies	
1. An effective and well-maintained road network (at all hierarchy of roads) in Emalahleni, acting in partnership with relevant transport authorities (Provincial and District).		<ul style="list-style-type: none"><li>○ 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.</li><li>○ Plan for the upgrade and maintenance of rural roads to and from areas of strategic importance on a prioritised basis.</li><li>○ Plan for the refurbishment of public transport facilities (Taxi Ranks and Bus Termini) in the towns of Lady Frere, Indwe and Dordrecht as well as in identified rural development nodes of Vaalbanks, Machubeni, Xonxa, Zingqolweni and Cumakala.</li><li>○ 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.</li></ul>		
Principles		Development Facilitation Act 67 of 1995:  1. Policy, administrative practices and laws should discourage the illegal occupation of land, with due recognition of informal land development processes.  2. Policy, administrative practice and laws should promote efficient and integrated land development in that they- <ul style="list-style-type: none"><li>○ optimise the use of existing resources including such resources relating to agriculture, land, minerals, bulk infrastructure, roads, transportation and social facilities;</li><li>○ discourage the phenomenon of "urban sprawl" in urban areas and contribute to the development of more compact towns and cities;</li><li>○ 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</li><li>○ encourage environmentally sustainable land development practices and processes.</li></ul>		
Policy		To actively pursue the development of an effective road network at all levels of the road hierarchy.		
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		Emalahleni LM  CHDM		2011

Public Transport facility development and upgrade.	DoRT	
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

<b>2.</b>  An agreed upon and legally permissible system of land management that enables proper oversight over land management decisions in rural areas is in operation.	<ul style="list-style-type: none"> <li>○ Emalahleni Municipality to convene a meeting with the Traditional Authorities in Emalahleni to agree on a Way Forward in dealing with this issue.</li> <li>○ Emalahleni to request the assistance of the Dept of Rural Development &amp; 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.</li> <li>○ 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.</li> </ul>
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<b>Principles</b>	<b>Development Facilitation Act 67 of 1995:</b> <ul style="list-style-type: none"> <li>• 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.</li> <li>• Policy, administrative practices and laws should discourage the illegal</li> </ul>
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	<p>occupation of land, with due recognition of informal land development processes.</p> <ul style="list-style-type: none"><li>• Policy, administrative practice and laws should promote efficient and integrated land development in that they-<ul style="list-style-type: none"><li>○ promote the integration of the social, economic, institutional and physical aspects of land development;</li><li>○ promote integrated land development in rural and urban areas in support of each other;</li><li>○ promote the availability of residential and employment opportunities in close proximity to or integrated with each other;</li><li>○ optimise the use of existing resources including such resources relating to agriculture, land, minerals, bulk infrastructure, roads, transportation and social facilities;</li><li>○ promote a diverse combination of land uses, also at the level of individual erven or subdivisions of land;</li><li>○ discourage the phenomenon of "urban sprawl" in urban areas and contribute to the development of more compact towns and cities;</li><li>○ 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</li><li>○ encourage environmentally sustainable land development practices and processes.</li></ul></li></ul>	
Policy	<p>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.</p> <p>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.</p> <p>c) To ensure the wise use of land and associated resources in Emalahleni.</p>	
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	Emalahleni LM	2011

to planning for sustainable development in the rural settlement areas.	Traditional Authorities  DRDLR  DLGTA  DEDEA	
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#### Identified Key Spatial Development Issue

**Un-managed Land Development Processes**, which result in poorly structured human settlements, negative impacts on the environment (the natural resource base) and the provision of service as well as the effective functioning of key infrastructure such as main roads

#### Key Spatial Development Objectives

#### Proposed Spatial Development Strategies

**3.**

Land development is managed in line with a structured approach to settlement design and land development processes so as to ensure sustainability as a critical outcome.

- Manage land development in line with applicable legislation and/or land use management guidelines related to identified spatial structuring elements (Nodes, Corridors and Special Development Areas) within the Emalahleni area as set out in the Emalahleni SDF.
- Ensure compliance with the relevant procedures for environmental management in terms of NEMA.

Principles	Development Facilitation Act 67 of 1995: <ul style="list-style-type: none"><li>• Policy, administrative practices and laws should discourage the illegal occupation of land, with due recognition of informal land development processes.</li><li>• Policy, administrative practice and laws should promote efficient and integrated land development in that they-<ul style="list-style-type: none"><li>○ promote the integration of the social, economic, institutional and physical aspects of land development;</li><li>○ promote integrated land development in rural and urban areas in support of each other;</li><li>○ 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</li><li>○ encourage environmentally sustainable land development practices and processes.</li></ul></li></ul>		
Policy	<p>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.</p> <p>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.</p>		
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 of infrastructure networks and economic development opportunities in order to ensure a sustainable system wherein residents' basic needs can be met within available means

- Identify presently un-settled land of conservation worthiness and/or agricultural potential per the Eastern Cape Biodiversity Conservation Plan.
- As part of the outcomes of the Negotiating Forum on land management in rural areas, ensure that rules are set in place to prevent settlement from encroaching on identified conservation and agricultural land areas.
- In spatial planning and local planning initiatives, ensure efficiency and sustainability of basic services, by promoting the integration of sprawling settlements in both urban and rural areas, and the consolidation of larger settlements at nodal points along transport routes.
- Develop infill areas within fragmented settlement areas, where appropriate.

### Principles

### Development Facilitation Act 67 of 1995:

- Policy, administrative practice and laws should provide for urban and rural land development and should facilitate the development of formal and informal, existing and new settlements.
- Policy, administrative practices and laws should discourage the illegal occupation of land, with due recognition of informal land development processes.
- Policy, administrative practice and laws should promote efficient and integrated land development in that they-
  - promote the integration of the social, economic, institutional and physical aspects of land development;
  - promote integrated land development in rural and urban areas in support of each other;
  - promote the availability of residential and employment opportunities in close proximity to or integrated with each other;

	<ul style="list-style-type: none"><li>○ optimise the use of existing resources including such resources relating to agriculture, land, minerals, bulk infrastructure, roads, transportation and social facilities;</li><li>○ promote a diverse combination of land uses, also at the level of individual erven or subdivisions of land;</li><li>○ discourage the phenomenon of "urban sprawl" in urban areas and contribute to the development of more compact towns and cities;</li><li>○ 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</li><li>○ encourage environmentally sustainable land development practices and processes.</li></ul>	
Policy	<p>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.</p> <p>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.</p>	
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	Emalahleni LM	2011-2012

Frere, Indwe and Dordrecht.	CHDM DLGTA DRDLR	
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		
<ul style="list-style-type: none"><li>• <b>Implementing environmental management (wise land use)</b> 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.</li></ul>		
Key Objectives	Spatial Development	Proposed Spatial Development Strategies
<b>5.</b> To adhere to environmental law and protect environmentally sensitive areas		<ul style="list-style-type: none"><li>○ Implement the principles of Integrated Environment Management (IEM).</li></ul>
<b>Principles</b>	<b>Development Facilitation Act 67 of 1995:</b> <ul style="list-style-type: none"><li>• Policy, administrative practice and laws should promote efficient and integrated land development in that they-<ul style="list-style-type: none"><li>○ encourage environmentally sustainable land development practices and processes.</li></ul></li><li>• Policy, administrative practice and laws should promote sustainable land development at the required scale in that they should-<ul style="list-style-type: none"><li>○ promote land development which is within the fiscal, institutional and administrative means of the Republic;</li><li>○ promote the establishment of viable communities;</li><li>○ promote sustained protection of the environment;</li><li>○ ensure the safe utilisation of land by taking into consideration factors such as geological formations and hazardous undermined areas.</li></ul></li></ul>	
<b>Policy</b>	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.	
<b>Key Actions</b>		

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

## 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: -

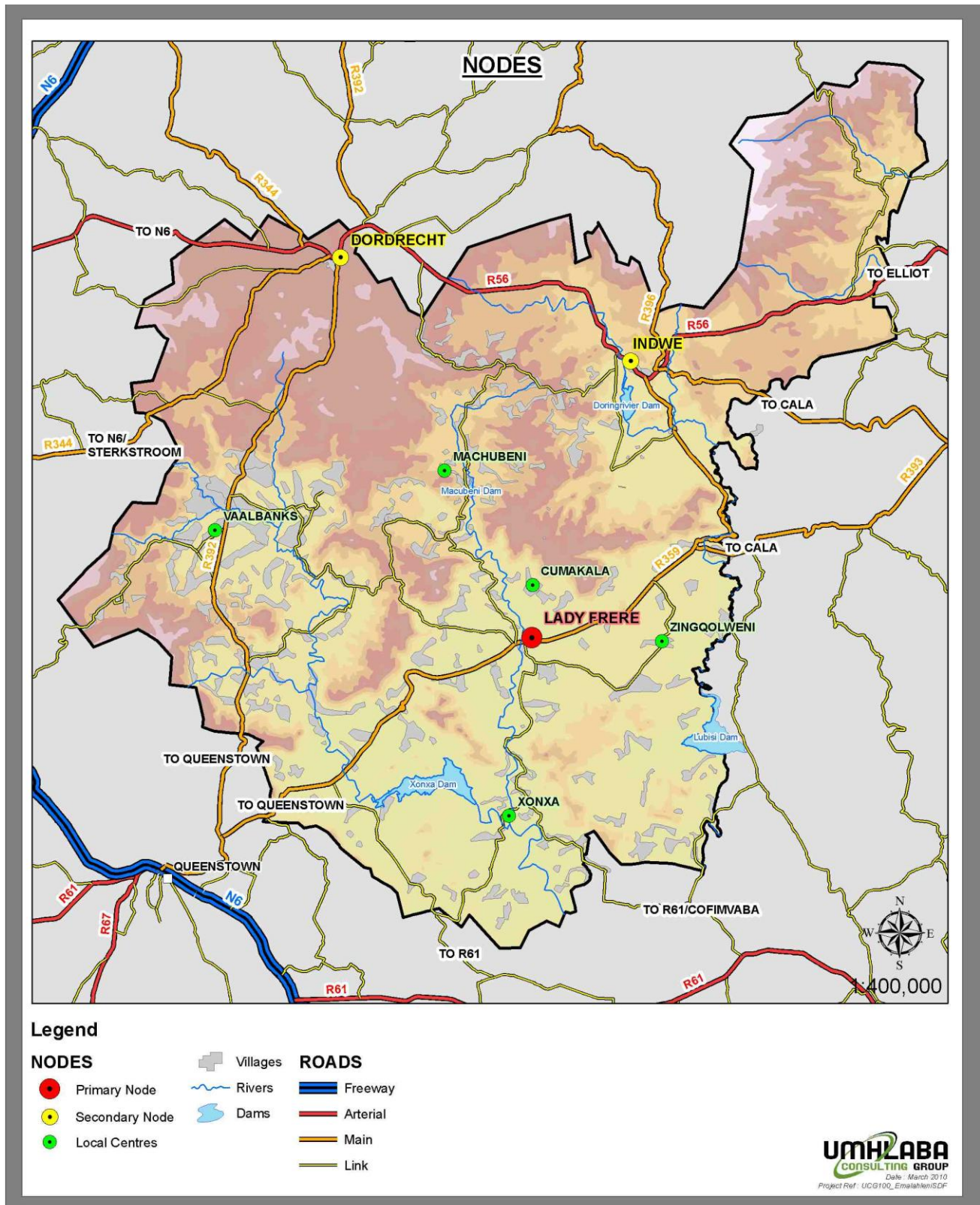
1. The concept of DEVELOPMENT NODES
2. The concept of an URBAN EDGE
3. The concept of DEVELOPMENT CORRIDORS
4. Areas where ENVIRONMENTAL CONSTRAINTS Apply
5. The concept of STRATEGIC DEVELOPMENT AREAS

## 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:



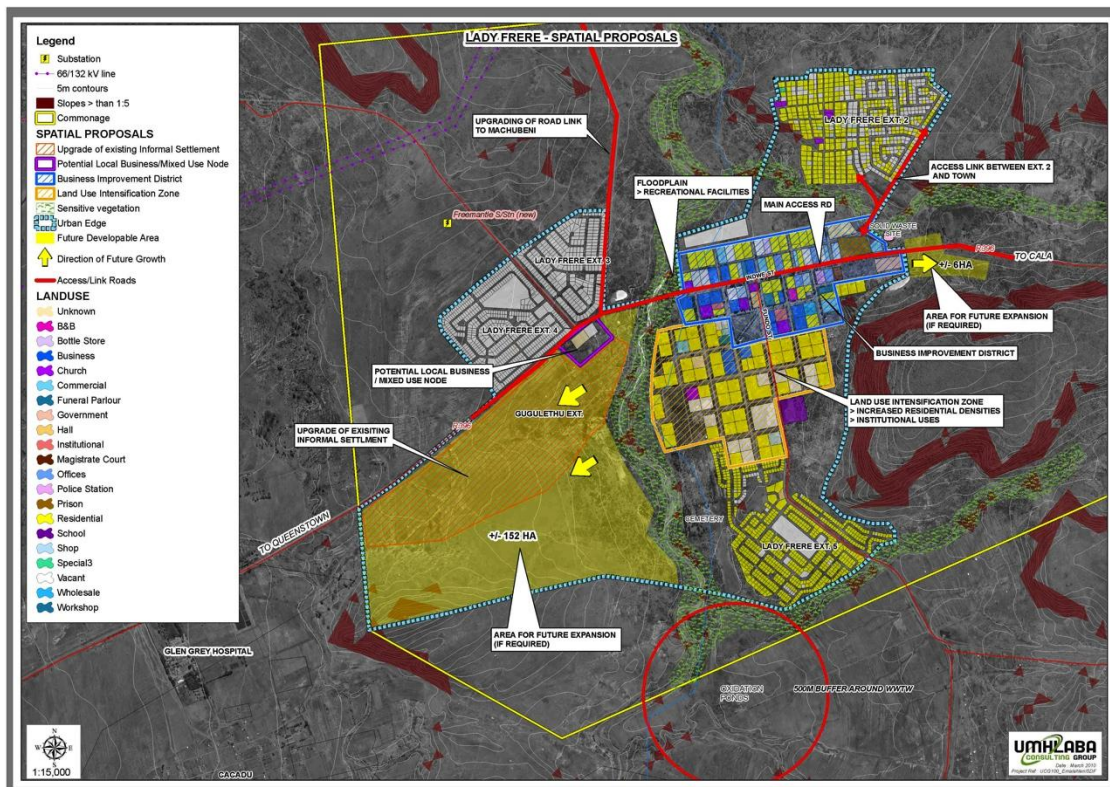
NODE	NAME	ROLE	SPATIAL DEVELOPMENT PRIORITIES
<b>PRIMARY URBAN DEVELOPMENT NODE</b> (Sub-District Service Centre)	LADY FRERE	<ul style="list-style-type: none"> <li>• Main Retail, Industrial and Administration Node in LM</li> <li>• Centre of excellence for Social Services</li> <li>• Cater for permanent and temporary residents</li> <li>• Potential for agro-industrial processes</li> </ul>	<input type="checkbox"/> Managed urban expansion <input type="checkbox"/> Urban – Rural interface design and management <input type="checkbox"/> Infrastructure development and maintenance <input type="checkbox"/> Business Centre Management and focus on Urban Aesthetics <input type="checkbox"/> Improved pedestrian and vehicular linkages between suburbs in town <input type="checkbox"/> Social facilities (incl. cemeteries) <input type="checkbox"/> Environmental management
<b>SECONDARY URBAN DEVELOPMENT NODES</b> (Local Centres)	DORDRECHT AND INDWE	<ul style="list-style-type: none"> <li>• Local-scale Retail, Industrial and Administration Nodes</li> <li>• Cater for permanent and temporary residents</li> <li>• Potential for value-adding agro-industrial/mining processes</li> </ul>	<input type="checkbox"/> Managed urban expansion (set limits for sustainability) <input type="checkbox"/> Infrastructure development <input type="checkbox"/> Business Centre Management and focus on Urban Aesthetics <input type="checkbox"/> Improved pedestrian and vehicular linkages between suburbs in town <input type="checkbox"/> Social facilities (incl. cemeteries) <input type="checkbox"/> Environmental management
<b>RURAL NODES</b> (Sub-Local Centres)	VAALBANKS, XONXA, ZINGQOLWENI, MACHUBENI, CUMAKALA	Commercial and Social Facilities serving surrounding rural areas	<input type="checkbox"/> Basic level of service extension <input type="checkbox"/> Local planning to maximise use of resources <input type="checkbox"/> Local land use schemes to be negotiated

## The Proposed Urban Edges

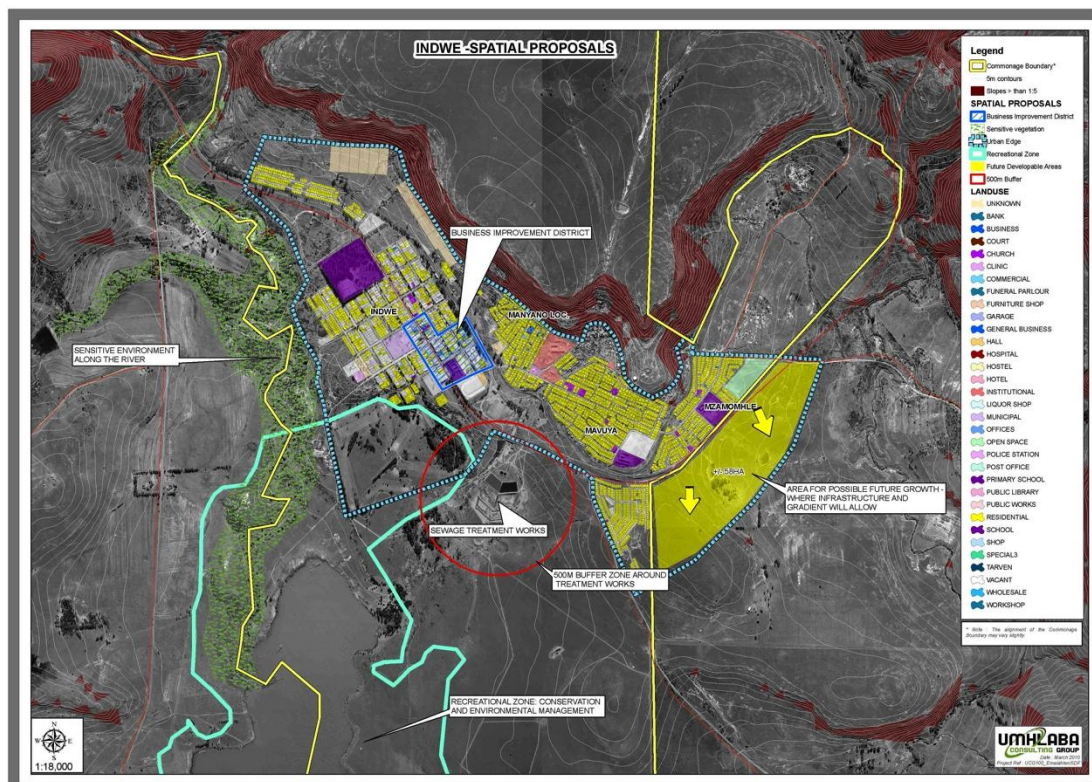
The Spatial Development Framework proposes that an Urban Edge be defined for each of the three towns, in an effort to consolidate the urban areas and achieve a more compact settlement pattern. The areas beyond the urban edge are defined as rural, which implies a lower density settlement pattern with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

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



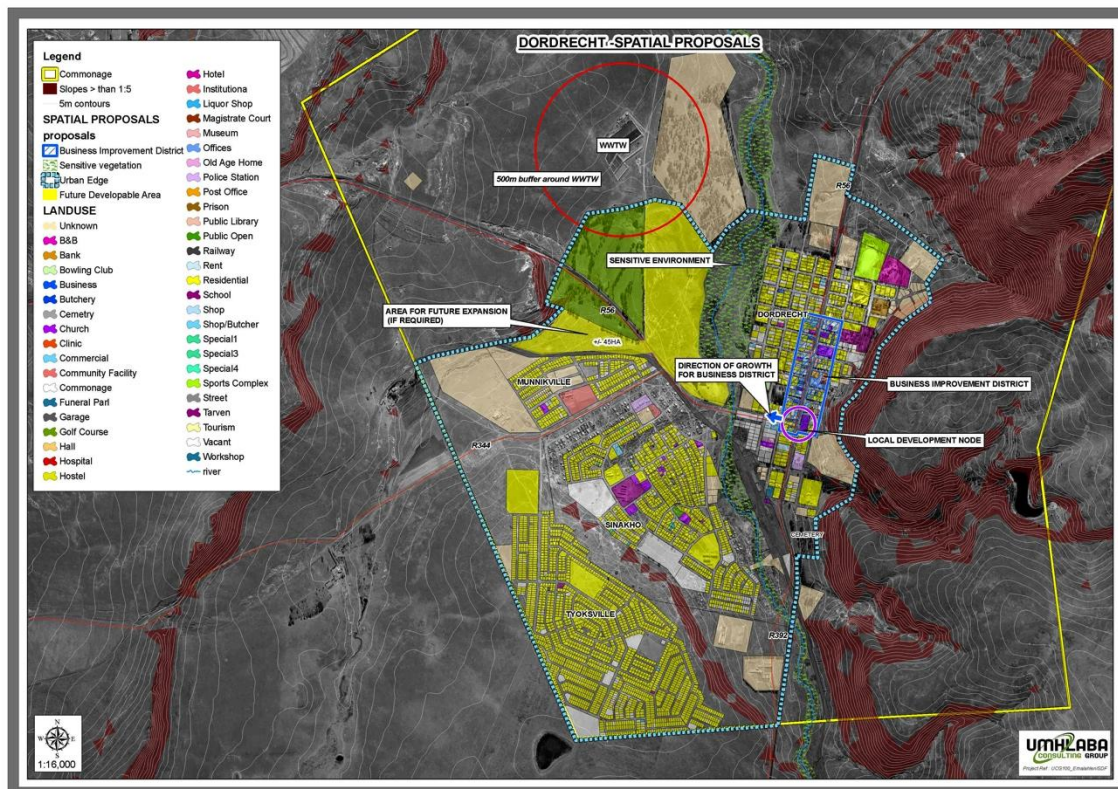


Lady Frere Spatial Proposals



Indwe Spatial Proposals





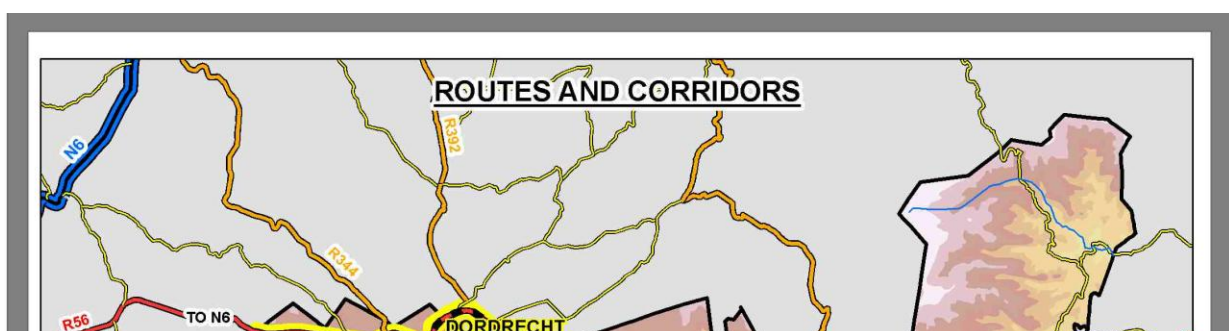
## Dordrecht Spatial Proposals

## 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.  <i><b>Spatial Planning Priority is to manage settlement development along the Primary and Secondary Movement corridors to mitigate impacts of settlement on road</b></i>
Municipal Activity/ Link Corridor	Vaal Banks –Lady Frere Lady Frere –Xonxa –R61 Lady Frere – Machubeni –Indwe Lady Frere -Zingqolweni	Linking areas of development potential to Movement Corridors and Urban centres
Development Corridor	North -East Corridor	Corridor of district and municipal-level economic importance
<i>Special Routes (Tourism )</i>	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.

## Areas of Conservation and Protection

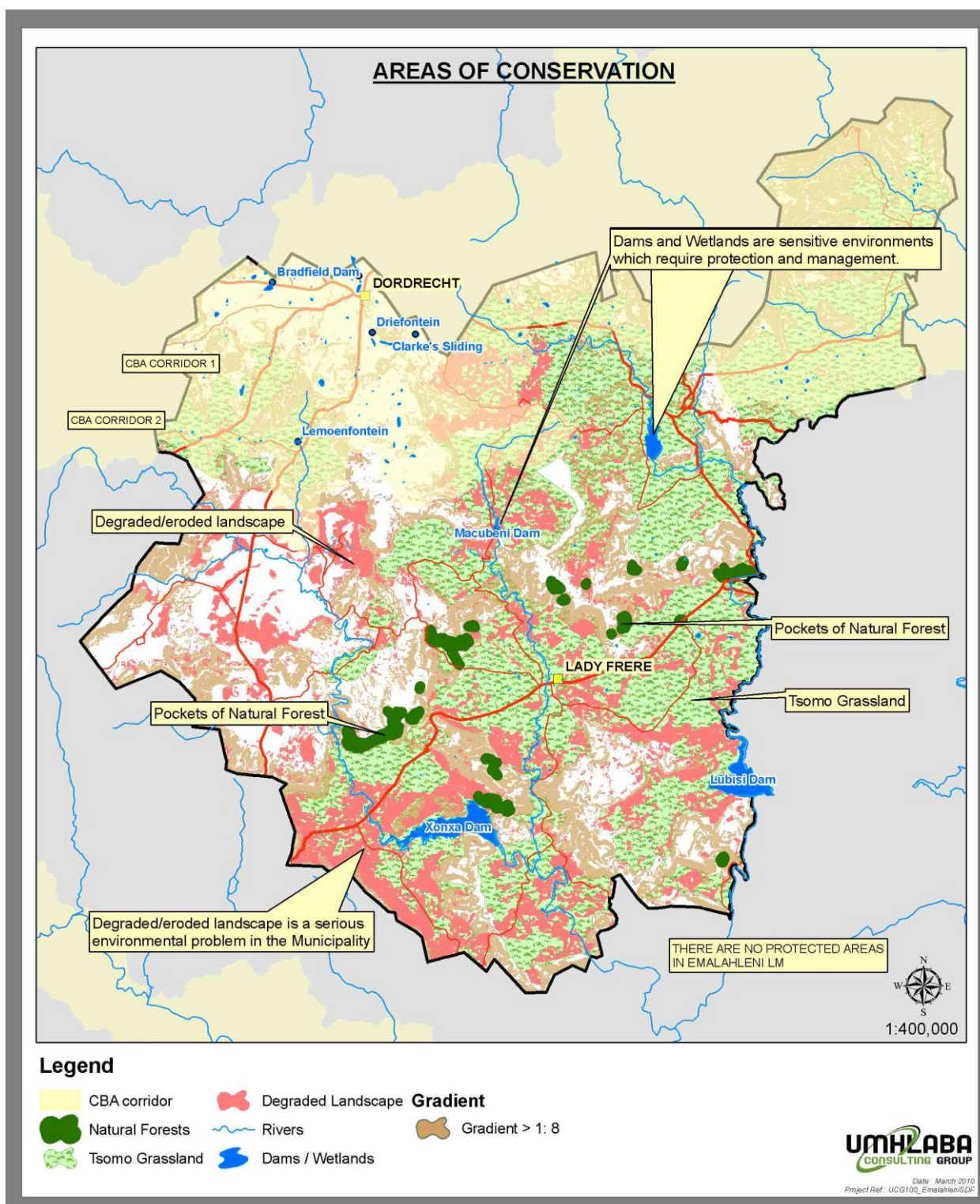
### Critical Biodiversity Areas (CBAs)

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
<b>Protected Areas:</b>	
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.
<b>Terrestrial Critical Biodiversity Areas:</b>	
Terrestrial CBA 1	Critically endangered vegetation types (ecosystems) identified through 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.

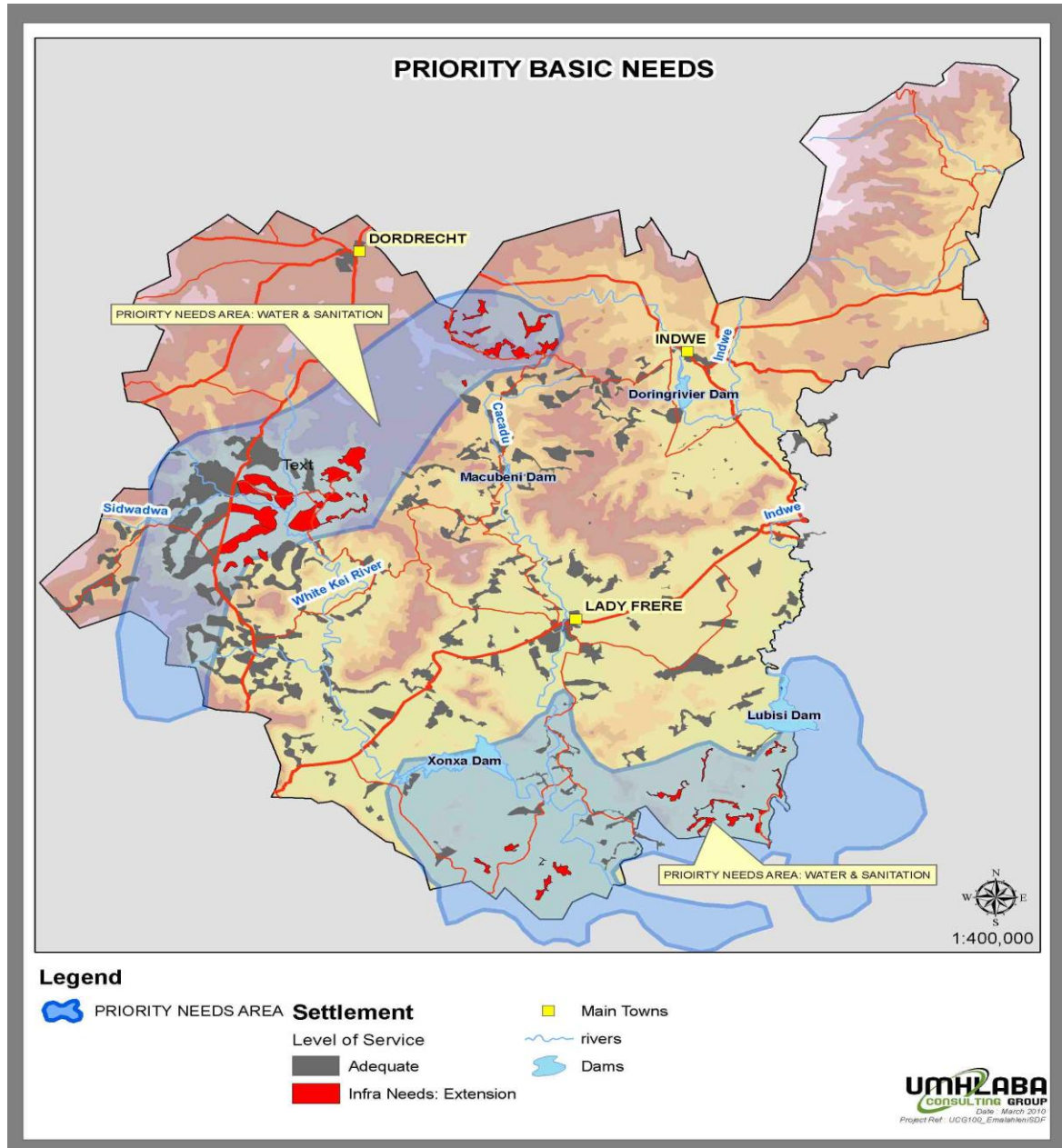
- Vegetation: Afromontane Forest, Specific Grassland areas (e.g. Tsomo Grassland), Areas containing Plants and Vegetation of Conservation Importance
- Wetland Areas: Currently there is no accepted priority ranking system for wetlands. Until such a system is developed, it is recommended that a 50 m buffer 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 rivers<sup>2</sup>**

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

<sup>2</sup> This table is drawn from Snaddon et al. In prep. 2007 .

## 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

## **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).

## **Areas of MINING POTENTIAL**

The mining company Elitheni has over 1800 km<sup>2</sup> of mining and prospecting rights in the eastern cape, with approximately 650 km<sup>2</sup> 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 in other industries e.g. construction, transport, agriculture, timber and forestry, tourism, hospitality and services.

### *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.

## **AGRICULTURAL POTENTIAL**

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

- ❑ Wool Production
- ❑ Beef cattle in the central and south western areas
- ❑ Maize production north of the Xonxa Dam
- ❑ Sorghum production in the south east
- ❑ Sheep in most areas
- ❑ Lucerne
- ❑ Irrigation potential of a further 5500 hectares at the Xonxa and Lubisi Dams as well as irrigation at the Guba Farms.

## **TOURISM POTENTIAL**

### **TOURISM ATTRACTIONS AND FACILITIES**

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



**TABLE 1: ACCOMMODATION FACILITIES IN EMALAHLENI LM**

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

Source: Chris Hani DM Tourism Plan, 2009

**TABLE 2: POTENTIAL TOURISM ATTRACTIONS IN EMALAHLENI LM**

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

Source: Chris Hani DM Tourism Plan, 2009

## TOURISM ROUTES

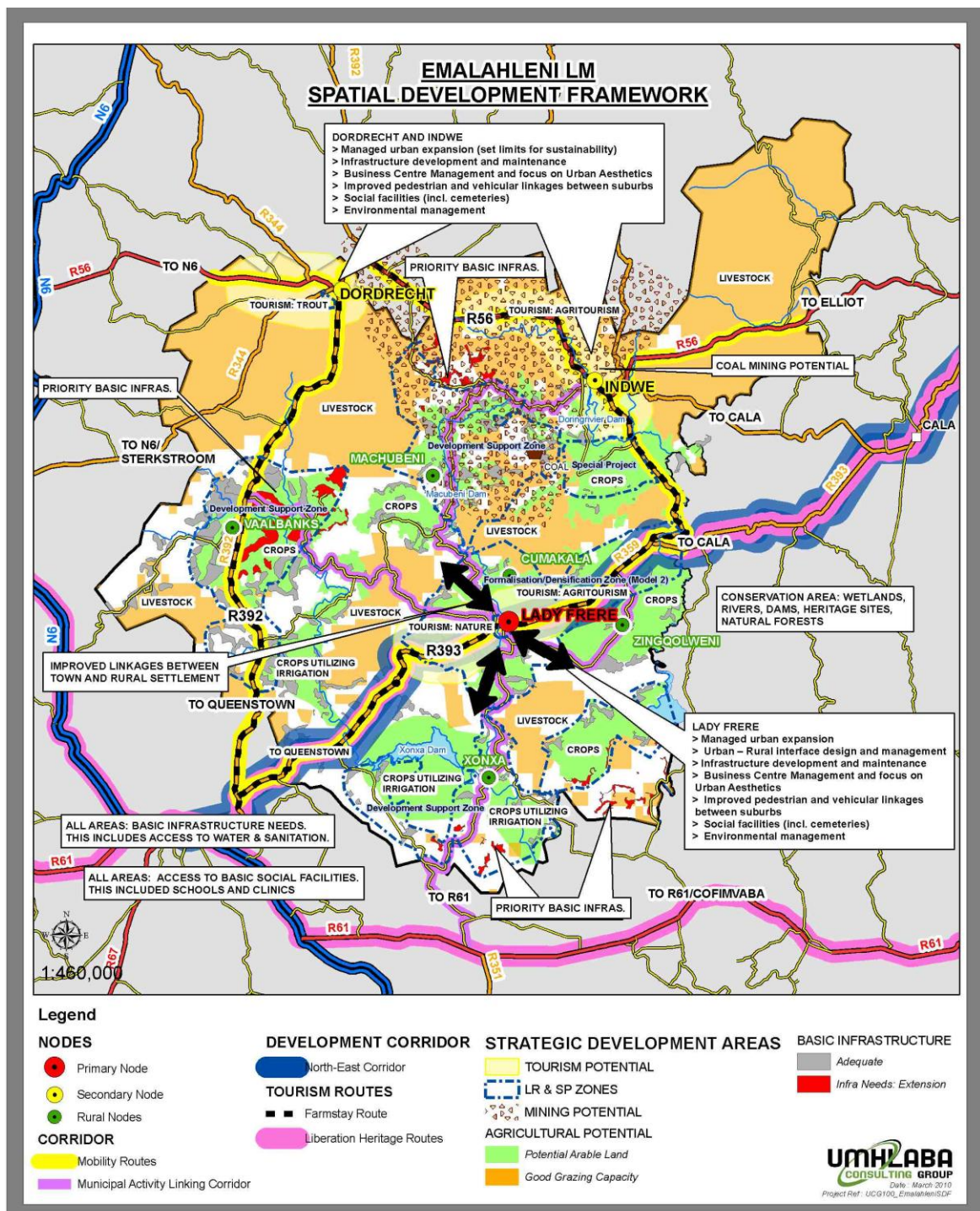
The area has been identified as having potential for a farmstay tourism route. The Ndondo Liberation Heritage Route follows the R356 through Lady Frere<sup>2.8</sup>

Overall                      Spatial

Development Framework



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



### ***Summary: Emalahleni Basic Development Pattern***

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

- b) The **R393 route is the central east-west corridor** linking the main Urban Development Node of Lady Frere with the District Centre of Queenstown and neighbouring LMs such as Sakhisizwe (Cala, Elliot).
- c) To the **north of the R393**, the most important development potentials are seen to fall into the following **Primary sectors**: -
  - **Mining** – specifically, coal mining – in the area to the north of Lady Frere and, more especially, in the land areas around Indwe;
  - **Agriculture** – specifically livestock farming – where sheep are currently the main stock category and wool improvement schemes appear to be an important initiative that need to be further pursued in a more consultative, culturally-led methodology. The main rural nodes in this regard are Vaalbanks, Machubeni and Cumakala.
- d) To the **south of the R393**, the presence of lands with irrigation potential and current programme activities indicate that the main sector of potential development activity there lies in **agriculture** – specifically, crop cultivation (sorghum). The main rural nodes in this area are Xonxa and Zingqolweni.
- e) **North-south linkages** are seen to be important future linkages and Municipal Activity-Linking Corridors are proposed radiating out from Lady Frere, running north/north-eastward to Machibeni and Indwe, north-westward to Vaalbanks, to the south to Xonxa (and beyond to the R61 district distributor route) and to the east to Zingqolweni.

## SECTION F2: INFRASTRUCTURE AND BASIC SERVICE DELIVERY

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

### 1. Water & Sanitation

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

#### 1.1 Access to Water Supply

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

#### Access to piped water

MUNICIPALITY EC136							
		ACCESS TO PIPED WATER					
		YES		NO		TOTAL	
		COUNT	ROW N %	COUNT	ROW N %	COUNT	ROW N %
Type of main dwelling	House or brick structure on a separate stand or yard	9908	85.4%	1688	14.6%	11597	100.0%
	Traditional dwelling/hut/structure made of traditional material	14753	79.4%	3825	20.6%	18578	100.0%

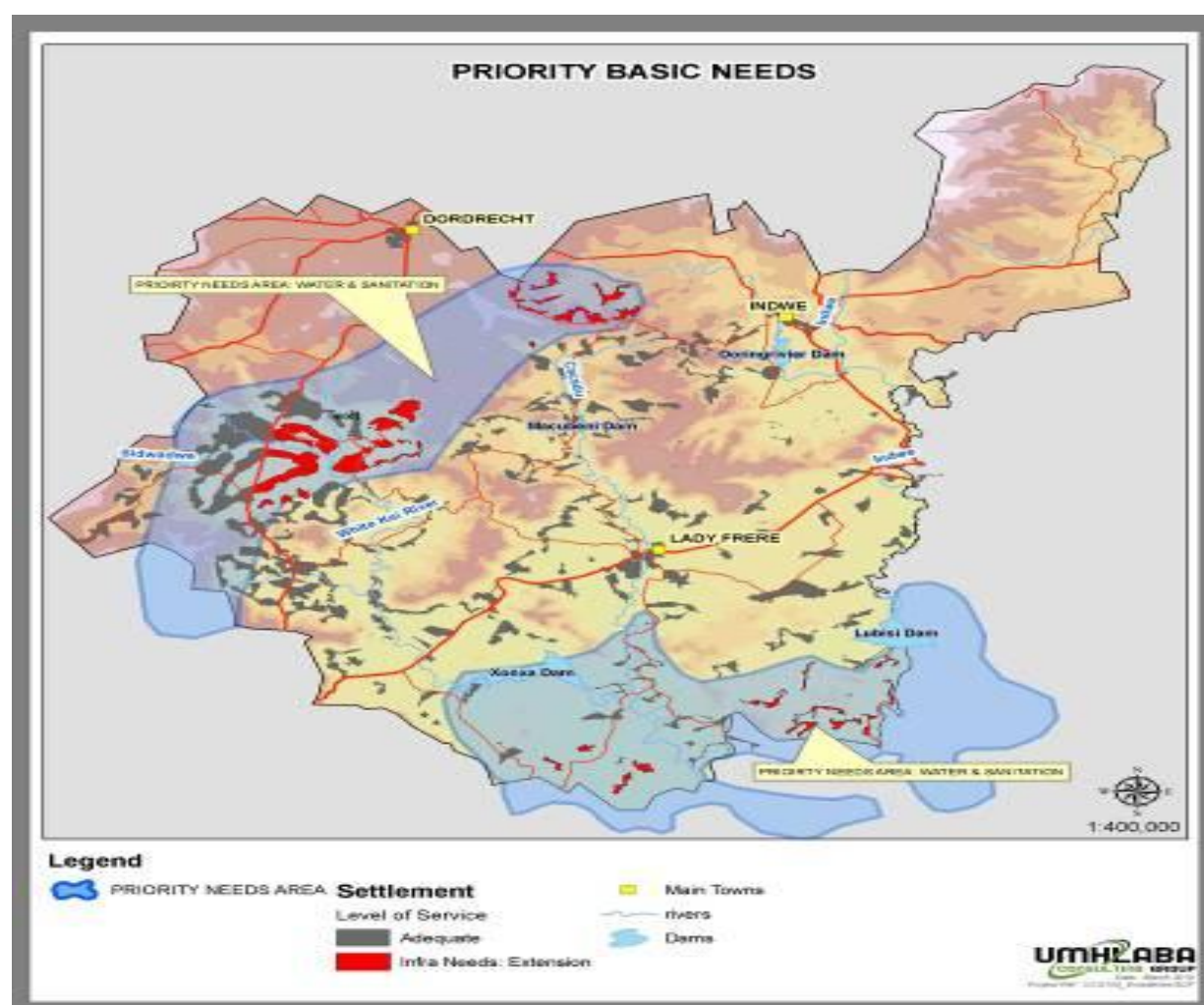
## MUNICIPALITY EC136

	ACCESS TO PIPED WATER					
	YES		NO		TOTAL	
	COUNT	ROW N %	COUNT	ROW N %	COUNT	ROW N %
Flat in block of flats	649	97.6%	16	2.4%	665	100.0%
Town/cluster/semi-detached house (simplex, duplex, triplex)	0	.0%	0	.0%	0	.0%
House/flat/room in backyard	0	.0%	0	.0%	0	.0%
Informal dwelling/shack in backyard	70	100.0 %	0	.0%	70	100.0%
Informal dwelling/shack NOT in backyard e.g. informal/squatter settlement	83	92.0%	7	8.0%	90	100.0%
Room/flat let NOT in backyard but on a shared property	16	15.8%	84	84.2%	100	100.0%
Caravan or tent	0	.0%	0	.0%	0	.0%
Private ship/boat	0	.0%	0	.0%	0	.0%
Workers' hostel (bed/room)	0	.0%	0	.0%	0	.0%
Other	83	85.9%	14	14.1%	97	100.0%
Total	25562	81.9%	5635	18.1%	31196	100.0%

Unless otherwise specified, the source for all tables is CS2007 unit records

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

### Water Priority Needs



## 1.2 Access to Sanitation

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

### Level of sanitation

Type	Census 2001	RSS 2006	Community Survey 2007
Flush toilet	6.9	0.4	4.9
Pit Latrine	30.00	56.5	34.5
Bucket Latrine	7.2	7.9	9.2

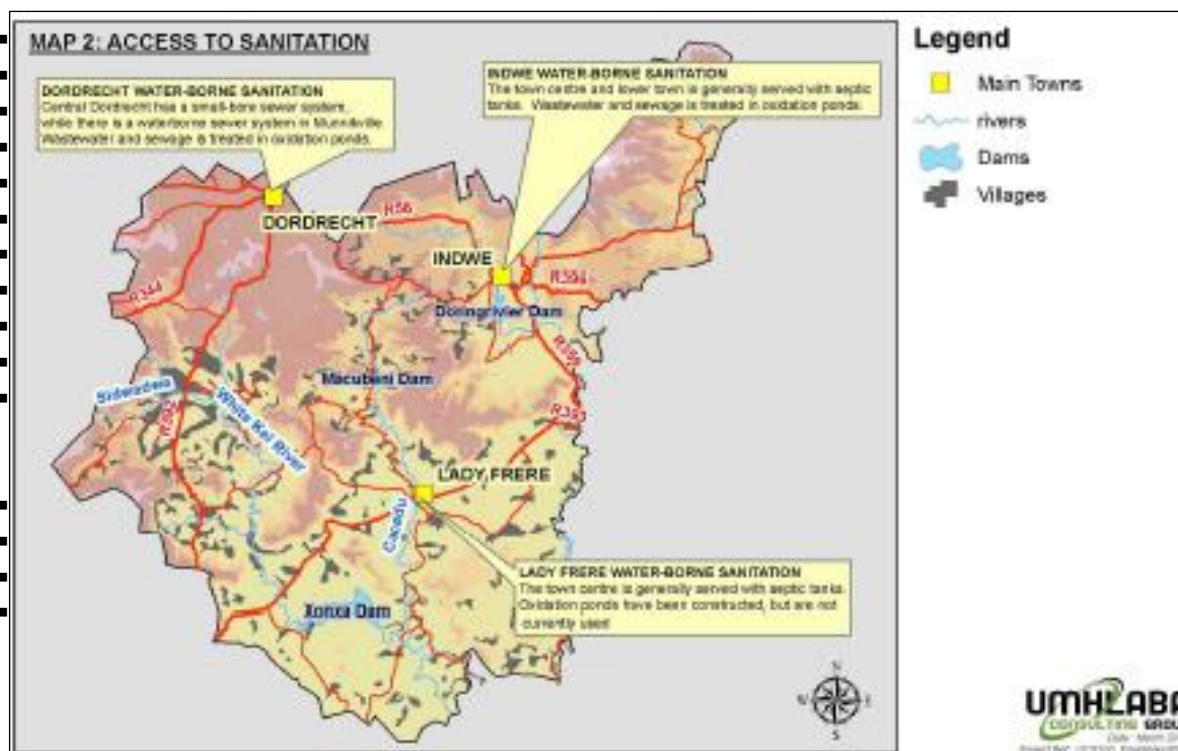


None	55.9	35.3	43.0
Other	0.0	-	8.4
Total	100.0	100.0	100.0

- Source: ECSECC, 2007 & SSA Community Survey, 2007

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

#### Access to Sanitation



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

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

SERVICE DELIVERY: WATER AND SANITATION BACKLOG DATA

BACKLOG TYPE	PROJECT TO BE IMPLEMENTED	ESTIMATED BUDGET	No. of HOUSEHOLDS	ESTIMATED COMPLETION
<b>Water</b>	Water Backlog Cluster 1	R 241 406 789	7090	2030
	Water Backlog Cluster 2	R 364 520 796	9338	2020
		<b>R 605 927 585</b>	<b>16 428</b>	
<b>Sanitation</b>	Sanitation Backlog Region 3 - Total	R 166 681 511	26250	2014
	Emalahleni LM portion only	R 123 953 896	19521	2014

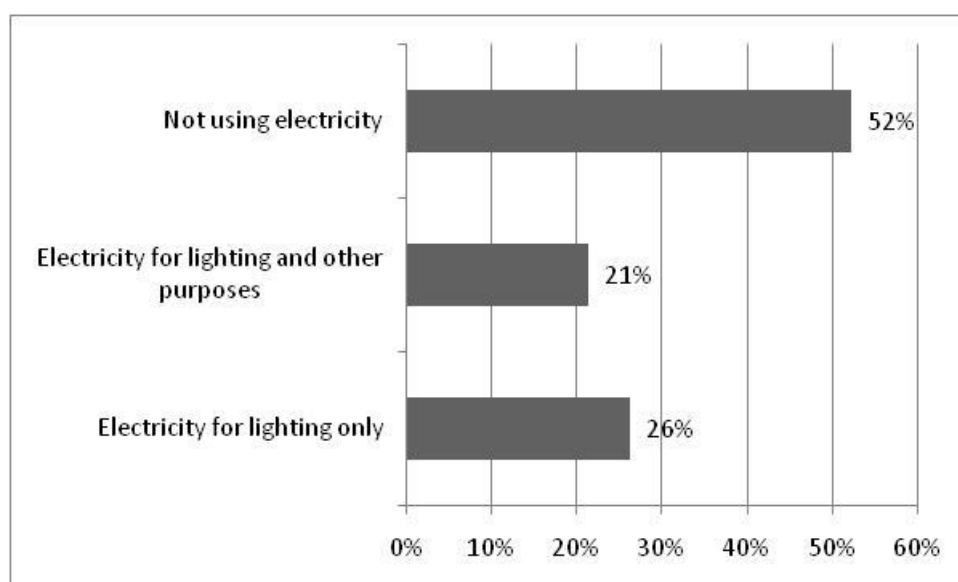
## 2 Electricity and energy supply sources

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

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

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

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



About 26% households had electricity connections for lighting purposes only by 2008 while another 21% had connections for lighting and other purposes. Solar systems are not popular options for energy supply while paraffin is largely used by over 38% (MDB: 2006) of households in both rural and urban areas. Household connection backlog is estimated at about more than **80% by 2011**.

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

## 2.1 ELECTRICITY BACKLOGS - EMALAHLENI EXTENSION

WORD NO.	VILLAGE	HOUSE HOLDS
1	Xonxa	67
	Rwantsana	680
	Mpothulo	235
	Tsolokazi	200
	Rodana	700
	Tshatshu	800
	Qiti	200
	Nqiningana	43
	Mphothulo	
	Tsolokazi	
	Rwantsana	680
2	Mdeni	14
	Qutubeni	28
	Dontseyakhe	68
3	Maqubela	49
	Ntlalontle	79
	Hala no 1	10
	Qaqeni	57
	ezinqolweni	49
4	Lady Frere (700 units)	90
5	Top Location	24



	Panatyiphu	22
	Dopu	5
	Cumakala	56
	Mission	12
12	Kwaguna	25
	Egoli	32
	Pradesi	20
	Mqithi	28
	Bhomeni	18
	Mount Arthur	10
	Nzolo	10
17	Trust	12
	Percy	33
	Ngcuka Externion	80
	Maqhashu	84
	Bhakubha	109
14	Zwelitsha	116
	Bankini	11
	chencele	5
	Kalfontein	21
	Qaqeni	4
	Nxomfu	5
	Mhlanga	27
	Dratini Extention	9
6	Manyangaza	15
	Lixeni (Gqebenya)	40
	Emahlathini (Gqebenya)	10
	Sokolani	2

### 3 Roads & Storm-water

The municipality is responsible for the construction, maintenance and upgrading of local access roads and storm-water infrastructure. Other roads are a responsibility of the District, Province and National department of Transport. ELM has developed an extensive Master plan inclusive of the Roads master plan. Construction of ACCESS roads is done through the MIG Funding and roads maintenance is funded through own revenue. Own revenue for infrastructure is generated through plant equipment hiring. The entire road network of mainly gravel roads is generally in poor conditions and need upgrading and maintenance. Projects of Provincial significance in the Emalahleni area included inter alia:

The upgrading of the main road linking Cala to Lady Frere

### 3.1 Road Network and Corridor Development

The various categories of roads are summarized as follows:

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

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

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

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

### 3.2 Rail Network

The light density railway line between Sterkstroom - Dordrecht - Indwe - Maclear is currently being utilized at 8% of capacity for transportation of general freight commodities and timber. Limitations exist in regard to axle load carrying capacity of heavy freight and consideration is being given to reroute products such as timber to the East London - Umtata railway line which may further impact the utilization of the line. Strategies could include outsourcing the operation of the line, or alternatively partial closure of the section between Sterkstroom and Elliot.

## 4 Household Access to Telephone communication

**Telkom is a provider of the landline telephone services in the Emalahleni. The municipality's role is currently to facilitate the implementation and communicate with Telkom and other mobile network service providers regarding areas of priority for connections.**

**Information received from interviews with cellular telephone operators suggests that approximately 85% of areas in the Emalahleni municipality have adequate network signal coverage.**

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

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

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

## **5. Solid Waste Removal**

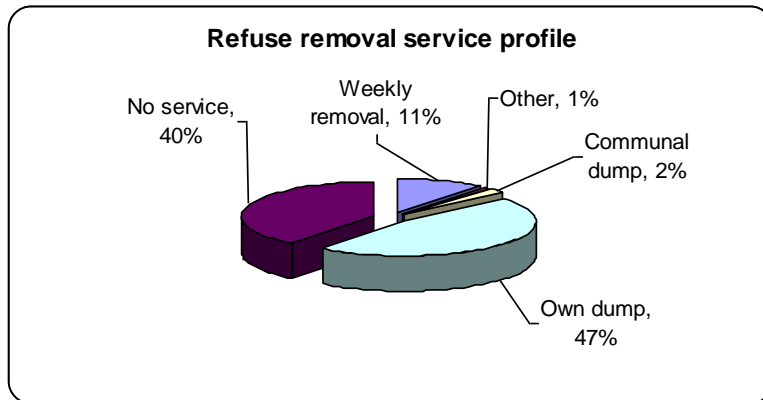
Formal waste collection service is generally limited to the urban areas of Lady Frere and Indwe / Dordrecht. Households in the rural areas improvise by either creating their own dumps in their own yards or by means of illegal dumping sites. Only 11% of households have access to weekly refuse removal and only 2% use communal and municipal skippers. 47% of households, mostly in the rural areas, use their own improvised dumps. The backlog for the service can be justifiably estimated at 87%

## **6. Refuse Collection**

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

From Figure 4.3, it can be seen that only 11% of households have access to weekly refuse removal and only 2% use communal and municipal skippers. 47% of households, mostly in the rural areas, use their own improvised dumps. The backlog for the service can be justifiably estimated at 87%.

#### Household Access to Refuse Removal



Source: Municipal Demarcation Board 2005

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

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

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

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

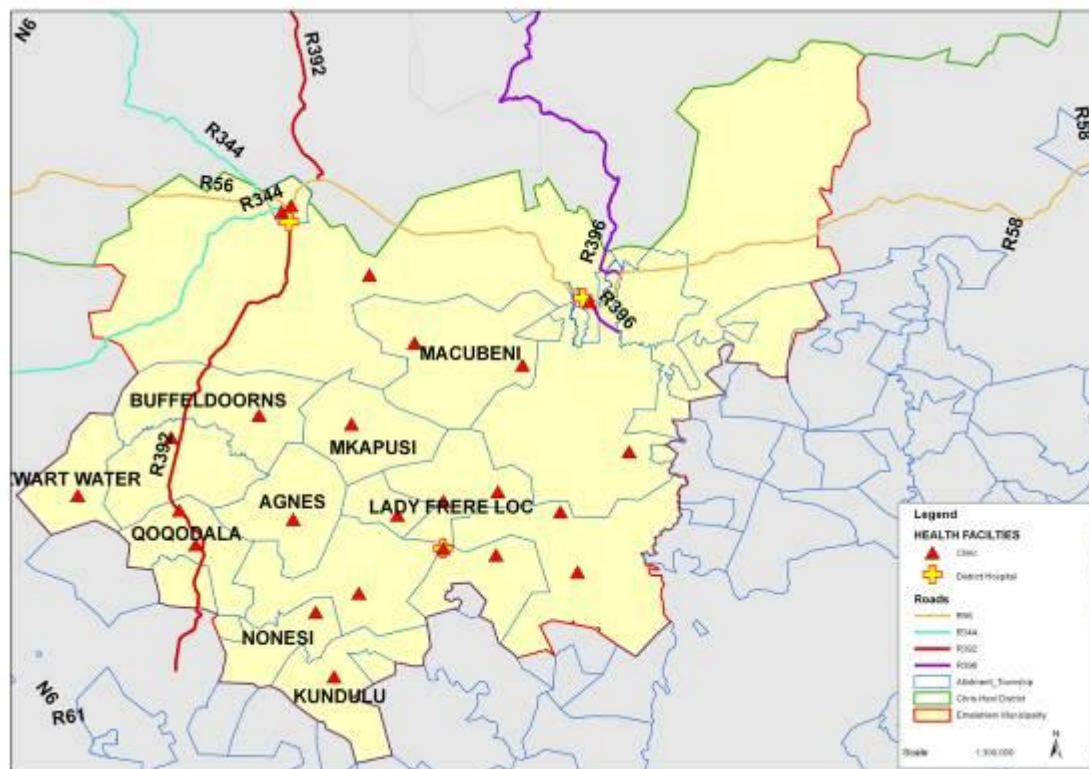
## 7. Social Infrastructure

### 7.1 Health Facilities

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

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

#### Health Facilities



## 7.2 Education Facilities

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

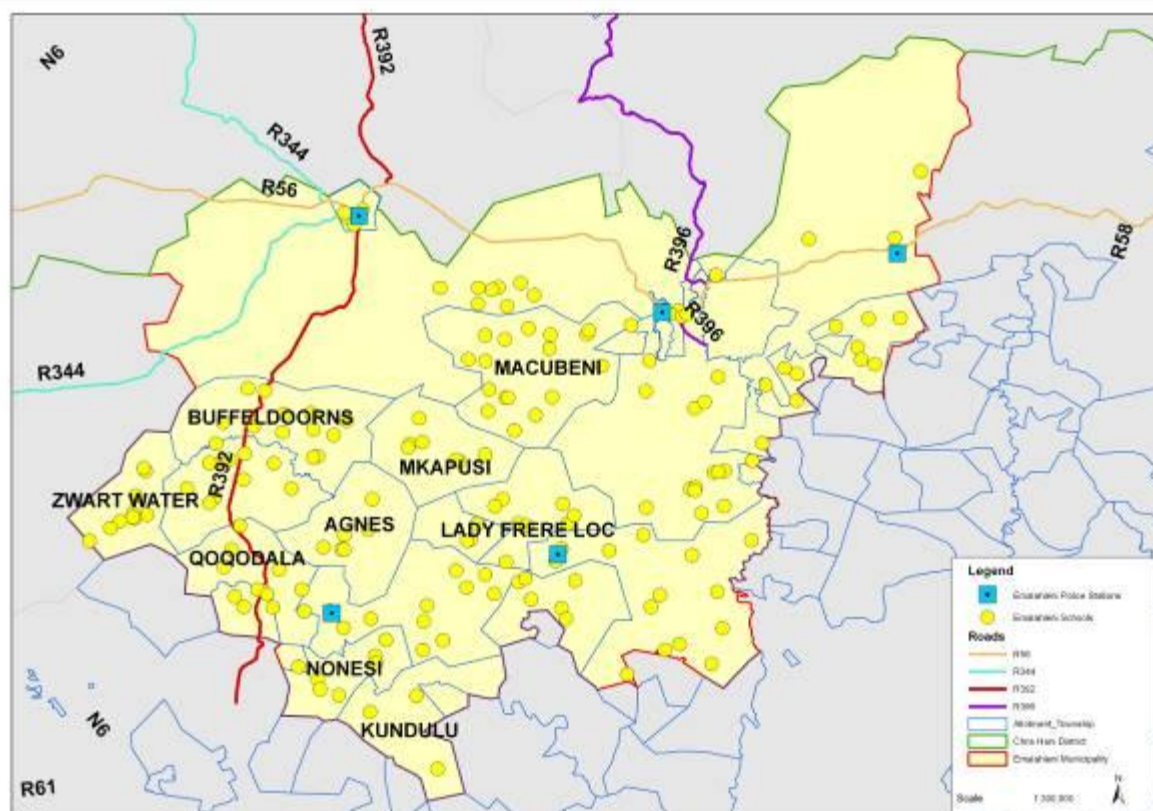
The main challenges raised by participants in the IDP process relate to following issues:

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

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

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

Police and Schools



## 7.4. HOUSING SUPPLY ANALYSIS

### 7.4.1 Housing Mandate

The Emalahleni Municipality does not have housing Developer status. It relies on the Province for carrying out the housing delivery functions.

### 7.4.2 Organisational Structure and Institutional Capacity

The Directorate for Land and Housing is responsibility for managing Housing within Emalahleni Municipality. The municipal housing organogram and existing personnel capacity is reflected in the table below:

#### Housing structure

DIRECTORATE OF LAND AND HOUSING	NO. OF POSITIONS			
	APPROVED	FILLED	VACANT	ADVERTISED

Senior Land & Housing Officer		1		
Housing Officer		1		
Property Registry Clerk		1		
Town Planner			1	
Departmental Secretary		1		

#### 4.3 Capacity to Manage Housing Delivery

As far as capacity to manage the housing delivery process, the table below provides an overview of the present arrangements.

#### Capacity to manage Housing delivery

HOUSING DELIVERY RESPONSIBILITY	RESOURCE AVAILABILITY/UTILISATION				
	IN-HOUSE	CONSULTANTS	CDM	DEVELOPERS	PROVINCE
• Project Inception	x				
• Project Planning and Programming				x	x
• Engineering Design		x			
• Beneficiary Identification, Screening, Submit for Departmental Approval	x				x
• PHB Project and Business Plan Application		x	x		
• Financial Control					x
• Project Management					x
• Township Establishment		x			
• Surveying and GP Registration		x			
• Top Structure Design				x	
• Top Structure Construction				x	
• Services Installation				x	

The reliance on the Province makes it even more difficult for the municipality to improve its capacity.

## Systems

Operational policies and procedures are non-existent, a huge risk in this regard relates to the turnover of staff, where new staff does not have operational processes to follow. There is therefore no continuity in the level of service offered by staff. There are also no business information systems to support the efficiency required in the housing development value chain.

An operational process manual need to be developed in order to map out the various processes to cover strategic planning and performance management, housing development and management and beneficiary administration.

Automated Business Information System is needed to enable the housing unit to become efficient and to hold credible information. The relevant modules of the HSS can be acquired from the Province.

## Office infrastructure

The necessary computers with the required software must be acquired.

## Stakeholder Analysis

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.

## Stakeholders

STAKEHOLDER	MUNICIPAL NEED	CURRENT RELATIONSHIP	HOW INFLUENCE TO STAKEHOLDER	PRIORITY LEVEL
Province Housing	- Land MIG Strategic Planning	Project Management Subsidy administration	MOU to map out support and funding commitment	High



STAKEHOLDER	MUNICIPAL NEED	CURRENT RELATIONSHIP	HOW TO INFLUENCE STAKEHOLDER	PRIORITY LEVEL
	Subsidies Project packaging Project Management Capacity building			
DBSA	Project Management Support	None		
SALGA – Housing unit	Project Management Support/PRT's	None		
HAD	Land identification and feasibility studies	None	Formalise request for a partnership	Medium
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	Medium

STAKEHOLDER	MUNICIPAL NEED	CURRENT RELATIONSHIP	HOW TO INFLUENCE STAKEHOLDER	PRIORITY LEVEL
			supply research	
Private Sector: Professionals  Developers  Conveyances	Property packaging and development	Retainer arrangement with selected Consultants from time to time to 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

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.

### **Institutional Arrangements**

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

### Challenges facing Housing delivery

The Municipality faces the following housing deliver challenges:

- There is no dedicated Housing Unit
- Incompetent constructors leading to housing having to be rectified.
- The demand for houses in the area is increasing on a monthly basis. The backlog needs to be addressed vigorously, and additional funding for additional houses should be allocated to the Municipality.
- Slow disbursement of funds by the PDoHS creates a rift between the contractors/service providers and the local authorities.
- Delays in completing geo-technical investigations, surveys and EIA's
- The leasing of RDP houses by the owners to business people for taverns and Spaza Shops.
- The municipality does not streamline special needs in housing allocation as required by Outcomes 8.

### Previous housing performance

PROJECT NAME	NO. OF UNITS	HOUSE COMPLETED & TRANSFERRED	CONSTRUCTION PROGRESS		REMARKS
			2010/2011	2011/2012	
Lady Frere	564	186	0		
Dordrecht	1000	976	0	25	Un-blocked in 2010/2011 financial year

PROJECT NAME	NO. OF UNITS	HOUSE COMPLETED & TRANSFERRED	CONSTRUCTION PROGRESS		REMARKS
			2010/2011	2011/2012	
Dordrecht Phase 1	1000	730	0	270	Un-blocked in 2010/2011 financial year
Indwe – RK1	513	489	24	0	Un-blocked in 2010/2011 financial year
Indwe	500	0	0	500	Un-blocked in 2010/2011 financial year
<b>TOTAL</b>	<b>3577</b>	<b>2381</b>	<b>402</b>	<b>794</b>	

Of the 3577 units planned, 2381 units (66.56%) have been constructed and transferred. Another 402 (11.24%) is under construction in the 2010/ 2011 financial year with the balance of 794 (21.36%) due for completion in 2011/ 2012 financial year. The projects not yet completed are classified as blocked projects and it is envisaged that the projects would be unblocked in time for the 2011/ 2012 implementation programme.

## 8. PROJECTS

### Completed Projects

The following is the latest data received from the Department

Project Name	Project Units	Project Type	Project Status	Comment
<b>DORDRECHT</b>	1,000	Project Linked		
<b>DORDRECHT : Phase 2 - R/L 1</b>	1,000	Project Linked PHP		
<b>INDWE - R/L 1</b>	513	Project Linked PHP		
<b>Indwe - 500 sites</b>	500	Project Linked PHP		
<b>Lady Frere Ext. 5 - R/L 2</b>	700	Project Linked PHP		

<b>Total</b>	3713			
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### Planned Projects

The following is the latest data received from the Department

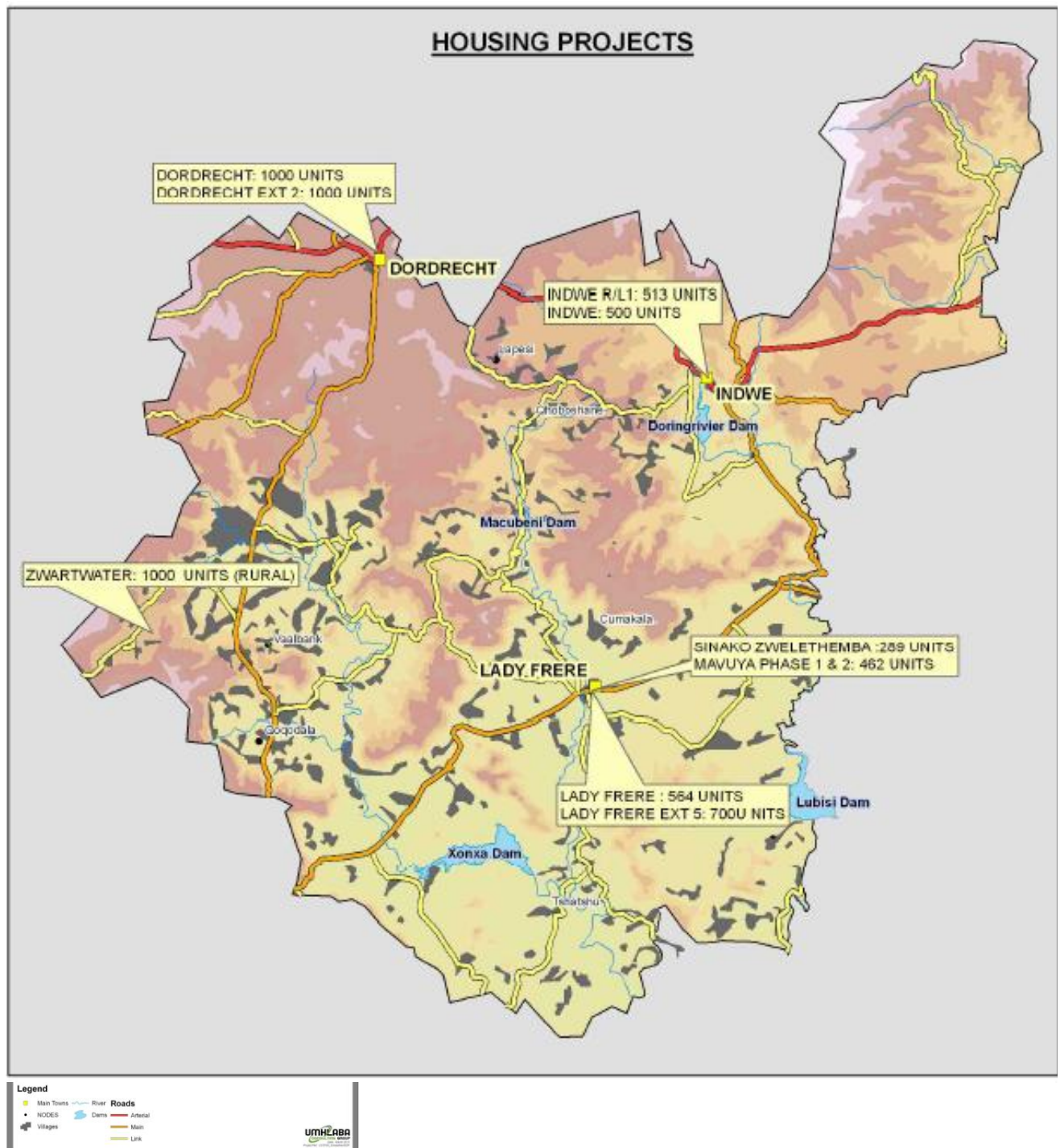
Project Name	Project Units	Project Type	Project Status	Comment
<b>Dordrecht 2000</b>	2000	Rectification	Planning	
<b>Lady Frere Rectification 700</b>	700	Rectification	Planning	
<b>Lady Frere Rectification 715</b>	715	Rectification	Planning	
<b>Mavuya Ph1&amp;2 462</b>	462	IRDP Phased Approach Top Structure	Planning	
<b>New Rathwick 3000</b>	3000	IRDP Phased Approach Top Structure	Planning	Bulk Infrastructure Challenge
<b>Sinako Zwelethemba 269</b>	269	IRDP Phased Approach Planning & Services	Planning	LM to confirm
<b>Sinako Zwelethemba 289</b>	289	IRDP Phased Approach Top Structure	Planning	LM to confirm
<b>Zwartwater 1000</b>	1000	IRDP Phased Approach Top Structure	Planning	Planning
<b>Total</b>	8435			

### Current Housing Projects

The following is the latest data received from the Department

Project Name	Project Units	Project Type	Project Status	Comment
Lady Frere - 564 units	295	IRDP Phased Approach Top Structure		
<b>Total</b>	295			

The SDF 2010 states that there are currently 5 328 housing units planned or currently being constructed in the Municipality. Housing projects in the municipality



Post 1994: Rectification Projects

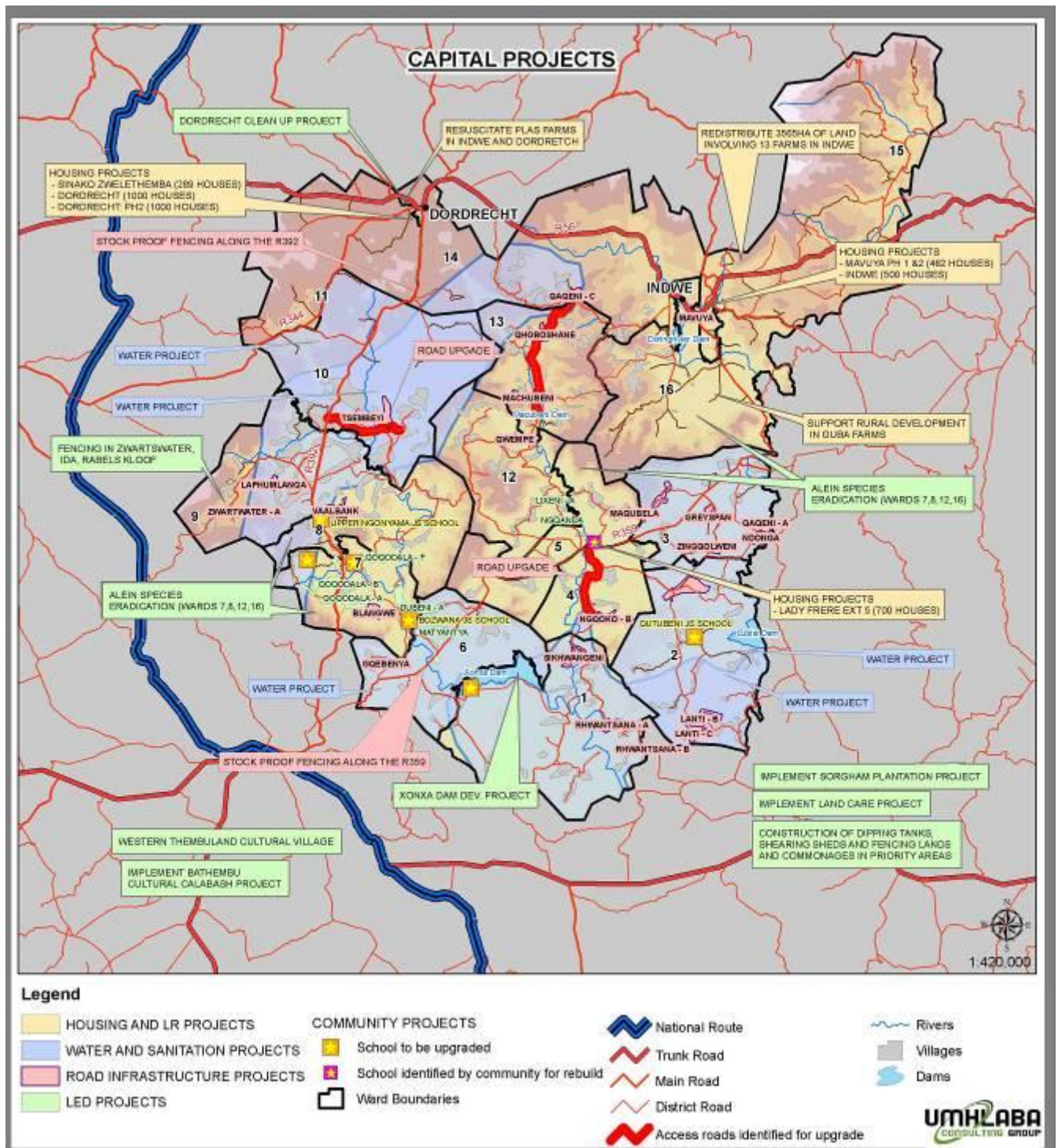
**Funded Rectification Projects**

PROJECT NAME	UNITS	BUDGET	STATUS	COMMENTS/CHALLENGES	CONTRACTOR DETAILS	PRINCIPAL AGENT
LADY FRERE 715 RECTIFICATION	211	R 16 820 000	Tender process	Awarding of contract and construction	Not Yet Appointed	ARCUSS GIBB
DODRECHT 2000 RECTIFICATION	585	R 23 000 000	Tender process	Awarding of contract and construction	Not Yet Appointed	ARCUSS GIBB

**Challenges on Projects**

The challenges in respect of the various projects are highlighted in various tables above.





## INTEGRATION





**Infrastructure**

The municipality sets the following objectives for infrastructure development aligned to housing development:

- Provision of services in new built RDP Houses in wards 4, 11 and 14.
- Electrification of Kavari extension, Lady Frere Phase 8a2 (1,2 & 8)
- Establish a land fill site by 2012

**Local Economic development**

The Municipality creates an enabling environment where emerging contractors and local labour are included in the housing delivery for mentoring purposes. The municipality has plans of assisting local contractors with registration to relevant Government Institutions as accredited service providers.

## Health

The following projects are funded for the upgrade of health facilities in the municipality.

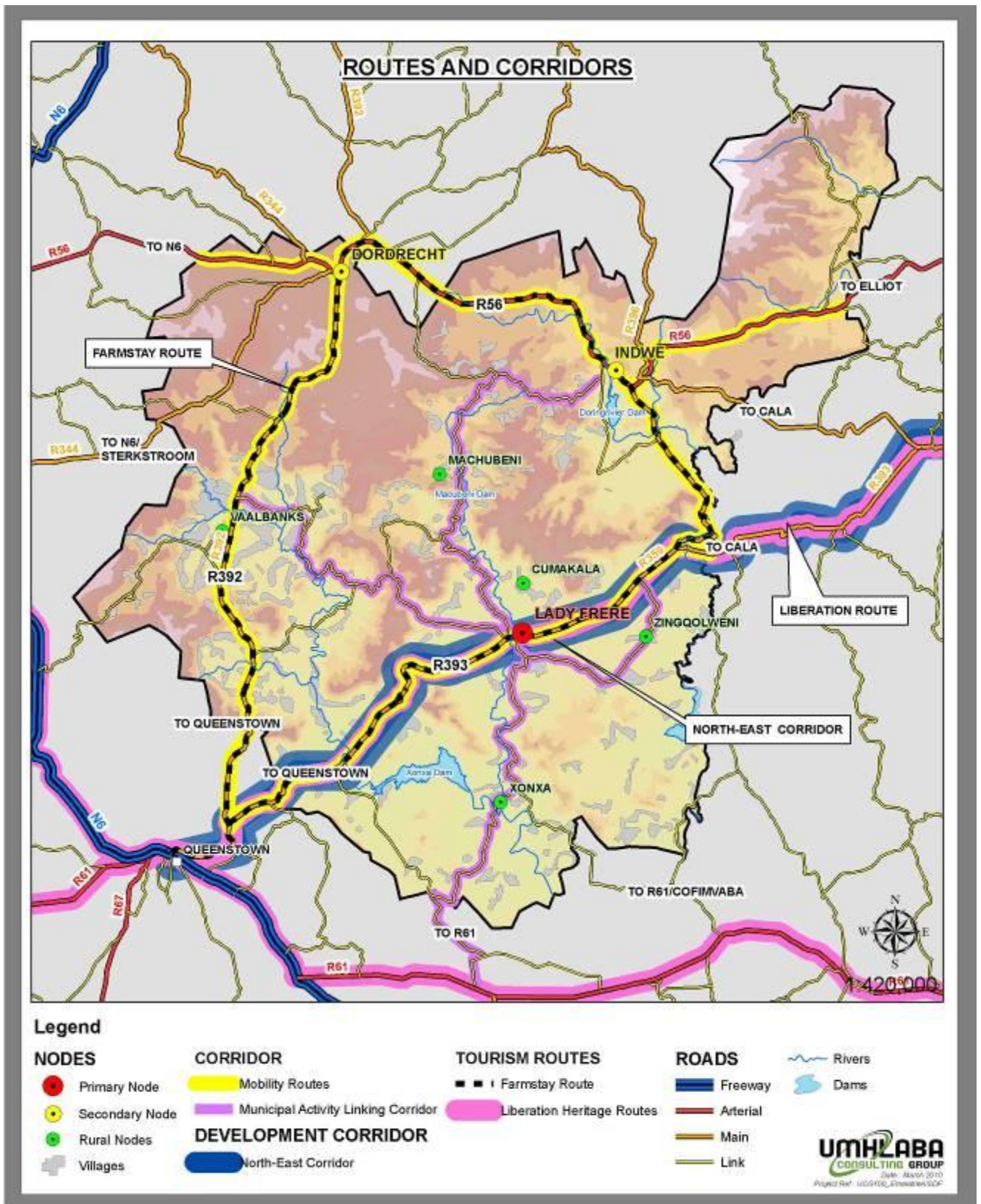
Health projects

Name of Project	Budget Allocation	Implementation Agent
Ngonyama CHC Repairs (Nurses Home)	R3 876 000	DOH
Water & Sanitation Plant Maintenance (Glen Great Hospital)	R150 000	DOH

## Education

No specific housing related education projects have been highlighted.





## ***Housing Sector Plan***

### **PREAMBLE**

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

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

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

The engagement processes with the Municipalities and the client (ECDoHS) was multi layered. A provincial project management forum was established that agreed on and monitored inception and progress on the project. An orientation workshop was held with the Municipalities to create an 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 workshopped with key Municipal officials and, in some Municipalities, Councillors, in order to seek confirmation and agreement with the resultant conclusions. Thereafter the HSP's were produced and presented to the ECDoHS for approval.

### **LEGISLATIVE AND POLICY BACKGROUND TO HOUSING CHAPTER**

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

It is given more detailed focus and forms of delivery through a range of housing and planning legislation, policy and mechanisms. The most important housing legislation and policies include the Housing Act, the Social Housing Act 2009, the Rental Housing Act and the National Housing Code. From a planning perspective the following legislation and policy initiatives are important: the

Municipal Systems Act 2000, Municipal Structures Act 1998; the Municipal Finance Management Act, the Provincial Financial Management Act, the National Spatial Development Perspective, the government's Urban and Rural Strategies, the Development Facilitation Act, the land reform and land restitution legislation and the Land Use Management Bill (2010).

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

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

## **LOCALITY**

### **STRATEGIC FRAMEWORK REVIEW**

#### **Strategies and Proposed Programmes**

A large proportion of people in the district live in rural communal areas in traditional housing. However the major housing planning emphasis is on the urban areas. This therefore indicates that there is urban bias in housing prioritisation in the municipal area. There is furthermore little information in the main report that defines the need and demand in neither the rural areas nor the context of delivering housing in these areas where tenure is unclear. The apparent lack of housing delivery in the rural areas results in increased pressure on the urban housing demand.

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

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

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

municipality and to enlist the assistance of the District Municipality to assist the Municipality effectively to undertake these responsibilities.

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

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

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

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

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

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

#### Review of Housing Vision

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

#### Strategic housing goals

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



The strategic priorities are:

- 1) To determine expressed demand and to declare such demand
  - (1) To undertake housing consumer education / awareness and the housing voice
  - (2) To implement the housing needs register and to ensure on-going management thereof
  - (3) To engage the social welfare department and Special Programs Unit in order to cater for the child headed households and orphans.
- 2) Scale up of the delivery of subsidised housing to meet the demand
  - (1) Strategic planning for housing delivery
    - (a) Conduct an annual environment analysis in order to review and revise annual housing sector plan
    - (b) To develop localised policies to create a more enabling environment and to manage the mushrooming of inadequate housing
    - (c) Regular maintenance and updating of the existing Housing Demand Register
  - (2) Project pipeline
    - (a) To integrate the existing information on delivered, planned, in implementation and blocked projects into a single project pipeline database with system for regular updating.
    - (b) To plan projects that are aligned with the provincial housing sustainability criteria
    - (c) To submit new projects to the Province for funding approval and technical support
  - (3) Land and land packaging
    - (a) To undertake a land identification and land packaging programme
    - (b) To understand the land reform programme and to create a linkage with such a programme
    - (c) To undertake feasibility studies on the identified state land on offer from the Department of Public Works, to prepare a business plan for each parcel of land required in order to effect the transfer of such land.
  - (4) Infrastructure
    - (a) To engage with the infrastructure officials and plans to seek prioritisation and alignment with housing programme
  - (5) Integrated Sustainable Rural Housing Delivery Programme
    - (a) Define a specific ISRHDP strategy that contains an analysis of the rural demand (including farm worker housing demand) and status quo and links it to a strategy that defines the needs and demands in terms of basic infrastructure, top structure

and tenure and further links these to the mechanisms available to tackle the priority needs.

(6) Project development and management

- (a) To package projects in terms of top structure, undertake procurement of contractors and to initiate project construction
- (b) To undertake project management of all current running projects in order to ensure good quality and timely completion
- (c) Continue to roll out existing projects and ensure that financing and systems are in place to initiate new priority projects including those within the ISRHDP strategy.
- (d) To have a dedicated programme to close out blocked projects.
- (e) To programme the rectification needs of the current projects

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

- (1) To undertake a capacity assessment with the view of preparing a business plan to source funding from the Department's Capacitation Grant for improving staff and skills capacity within the Municipality. To also ensure that those officials within the Municipality that have received training through the Department's Capacity Building programme are committed to / engaged in the municipality's housing section.
- (2) To develop the internal organisation to meet the municipal housing mandate and level 1 accreditation. The proposed structure has to include a housing manager to undertake strategic planning and performance management and a technical resource to ensure the projects are managed and administrative staff to undertake beneficiary administration.
- (3) To develop operational systems, i.e. policies, procedures and documents and forms
- (4) Procurement of required office infrastructure and resources to fulfil housing mandate, this must include the installation and implementation of the project tracking tool.

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

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

## INTEGRATION

### Cross-sector alignment issues

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

## Housing planning and delivery risk management matters

RISK	RISK MITIGATION
Poor information and analyse on need and demand for proper planning	Undertake Housing Demand Survey / Housing Voice Ensure project pipeline is applied identify aspects of existing and planned projects that need to be covered
Poor capacity within the municipality	Ensure clear allocation of responsibilities Identify areas requiring capacity Identify strategic partners Review organogram and skills plan based on in-house responsibilities
Lack of properly structured co-operation between the municipality and the province	Submit formal requests for partnering / training / mentoring Establish SLA for on-going support
Difficulty of resolving the secure tenure issues in the communal areas.	Follow provisions of IPILRA Establish partnership between DRDLR
Lack of proper control and management of the 12 started projects	Obtain PRT information Integrate with Project Pipeline Ensure PRT/DHS officials communicate with LM

**GAP ANALYSIS**

## GAPS REQUIRED FILLING

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

GAPS TO ADDRESS	MODE
Establishment of the real nature of need and demand including better analysis of the interaction and separation of tenure security, basic infrastructure and top structure.	Research on the baseline documents including Provincial MTEF, land reform stats and basic infrastructure information + discussion with municipalities on summarised information
Development of rural housing strategy that does not just use global guesstimates.	Using the information from above and then linking this to specific priority geographical areas that can have more intensive information gathering. Closer planning linkage with ECDoHS and Dept of Land Affairs to develop responses.
Proper listing of completed, existing and future projects	Use of supplied template to co-ordinate information from different sources and

with necessary baseline and tracking information	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.

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

#### OUTCOME AIM HOUSING DEMAND TARGETS

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

## 2.4 Land Requirements for Future Development

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

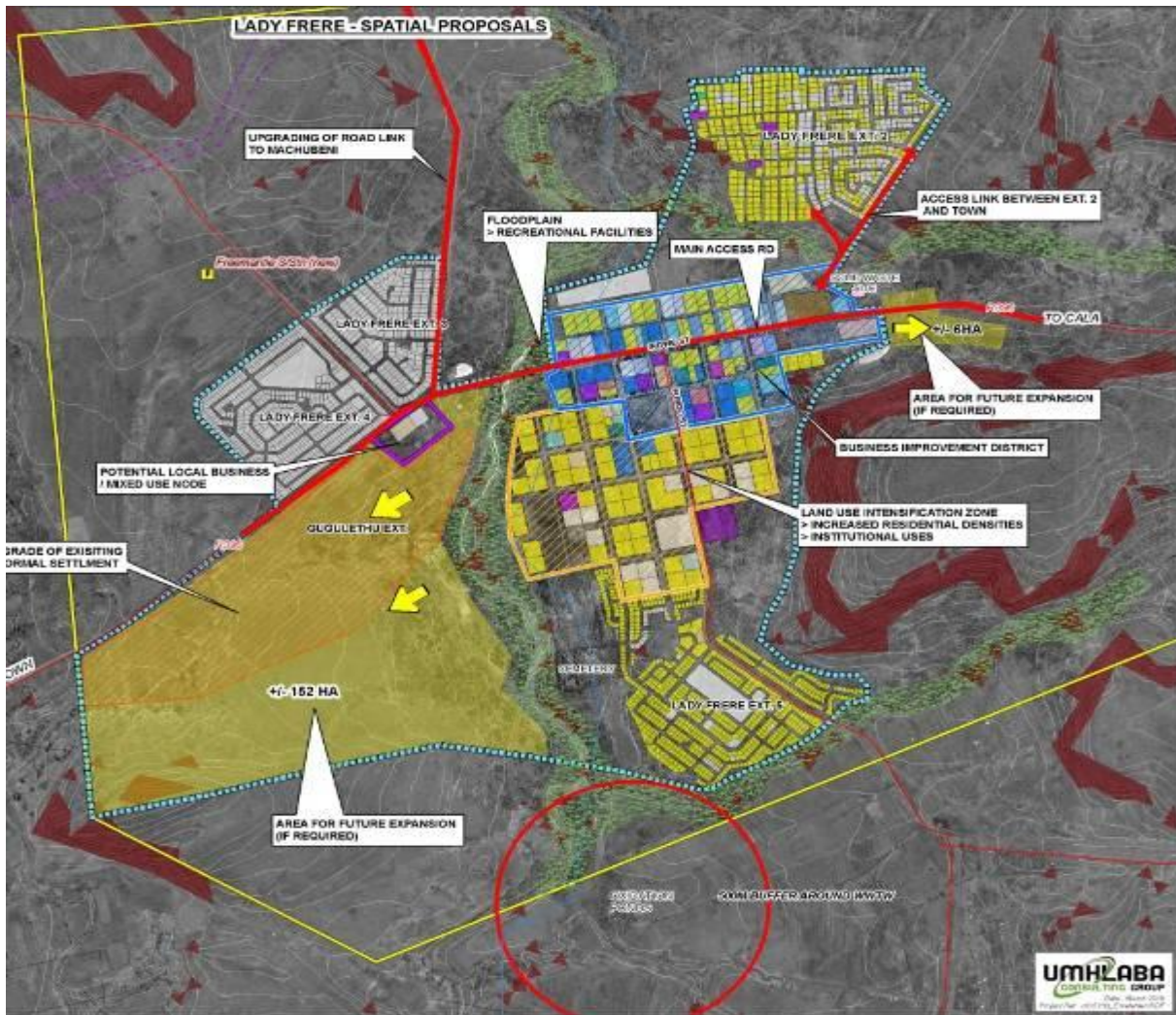
**Land demand for housing development**

INDWE OWNERSHIP	HECTARES
LADY FRERE	152
INDWE	58
DORDERECHT	45

**2.4.1 Land Requirements and Availability in Lady Frere**

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

FIGURE 1: LADY FRERE LAND AVAILABILTY

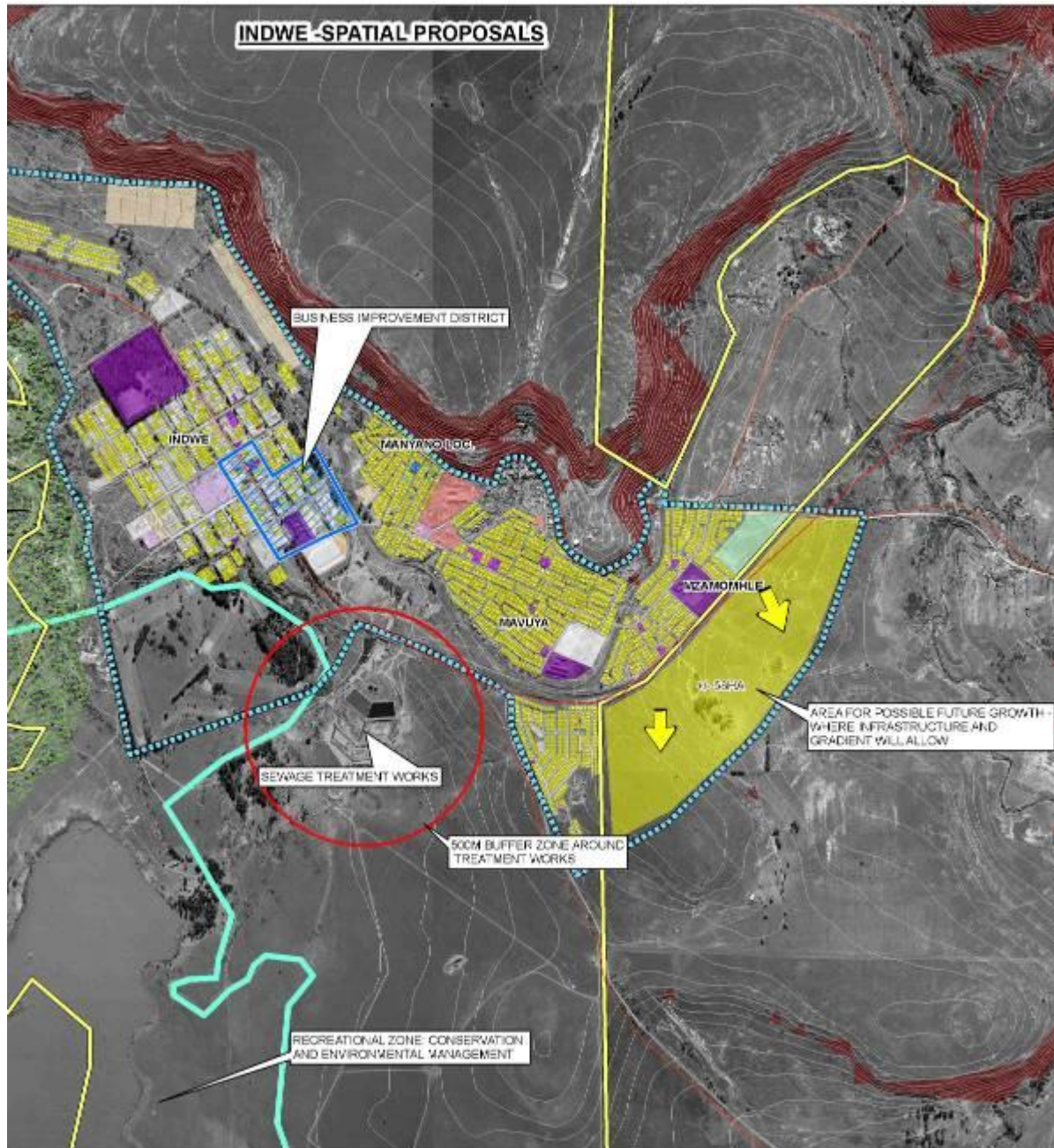




### 2.4.2 Land Requirements and Availability in Indwe

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

#### LAND REQUIREMENTS AND AVAILABILITY: INDWE

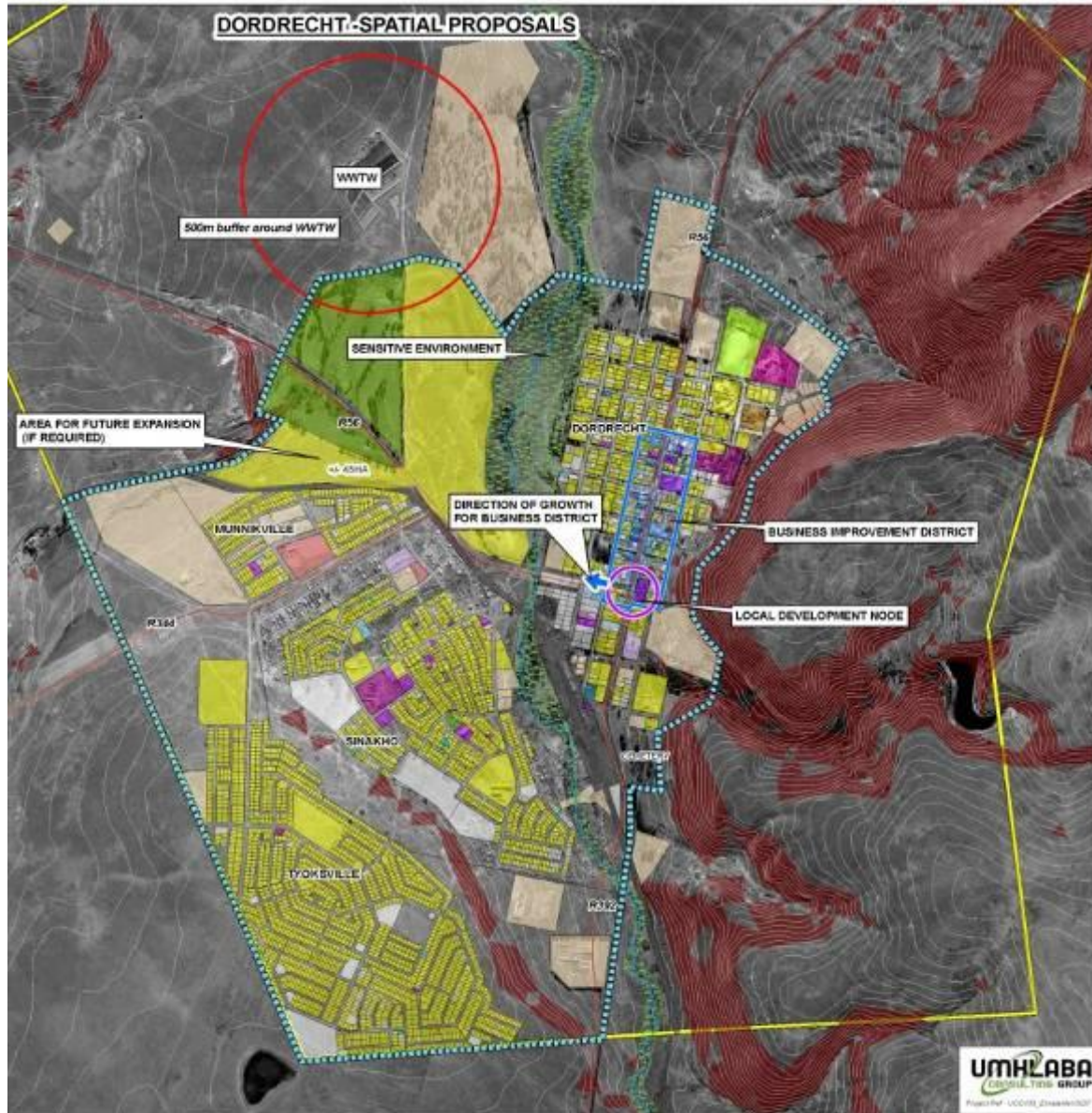




### 2.4.3 Land Requirements and Availability in Dordrecht

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

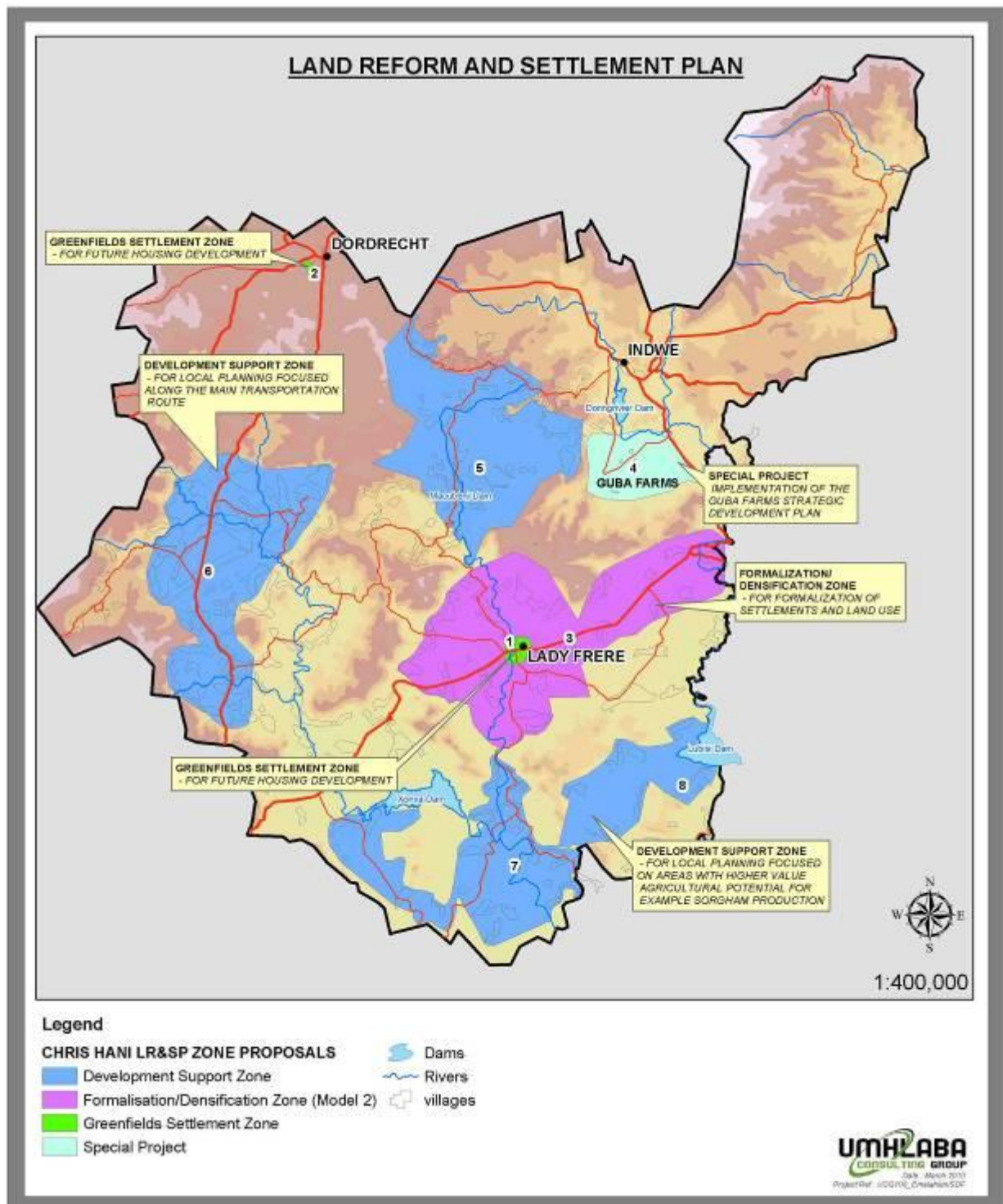
#### LAND REQUIREMENTS AND AVAILABILITY IN DORDRECHT





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

## Land Reform and Settlement Plan



### **3. SUPPLY**

#### **3.1 Land Ownership and Supply**

##### **3.1.1 General**

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

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

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

##### **3.1.2. Strategic Land Parcels**

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

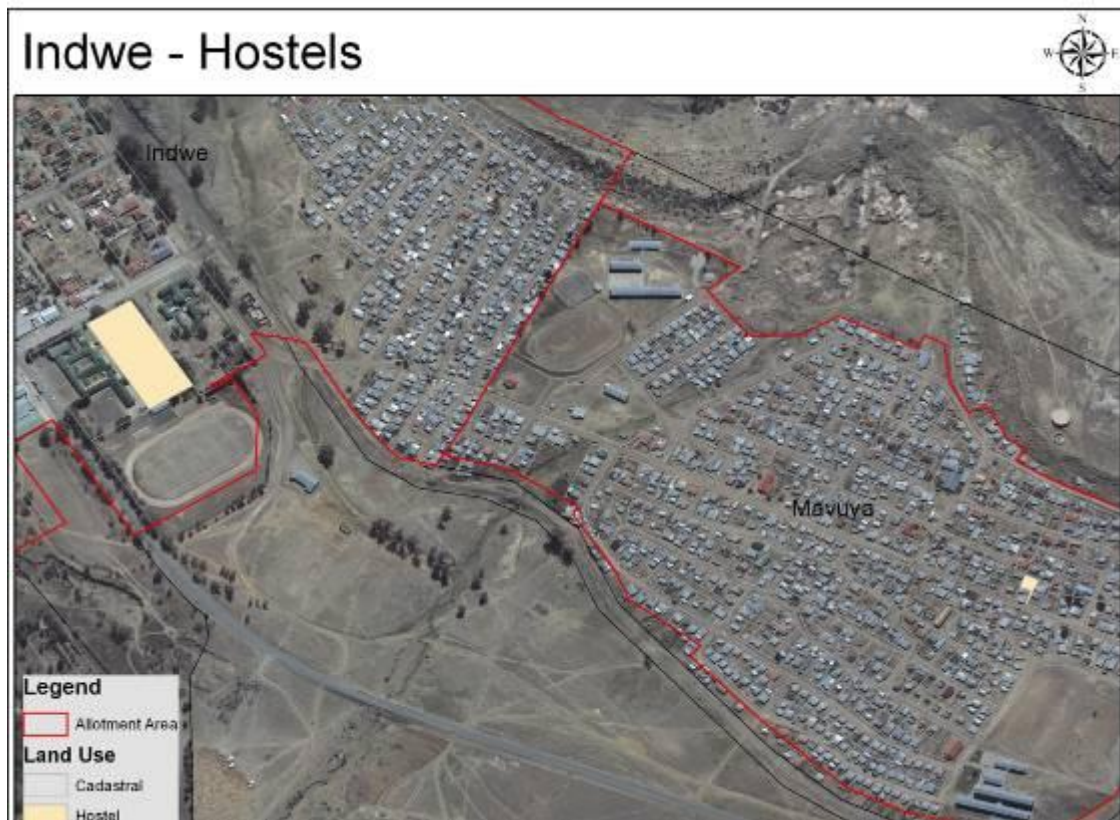
## Indwe - Municipal Vacant Land



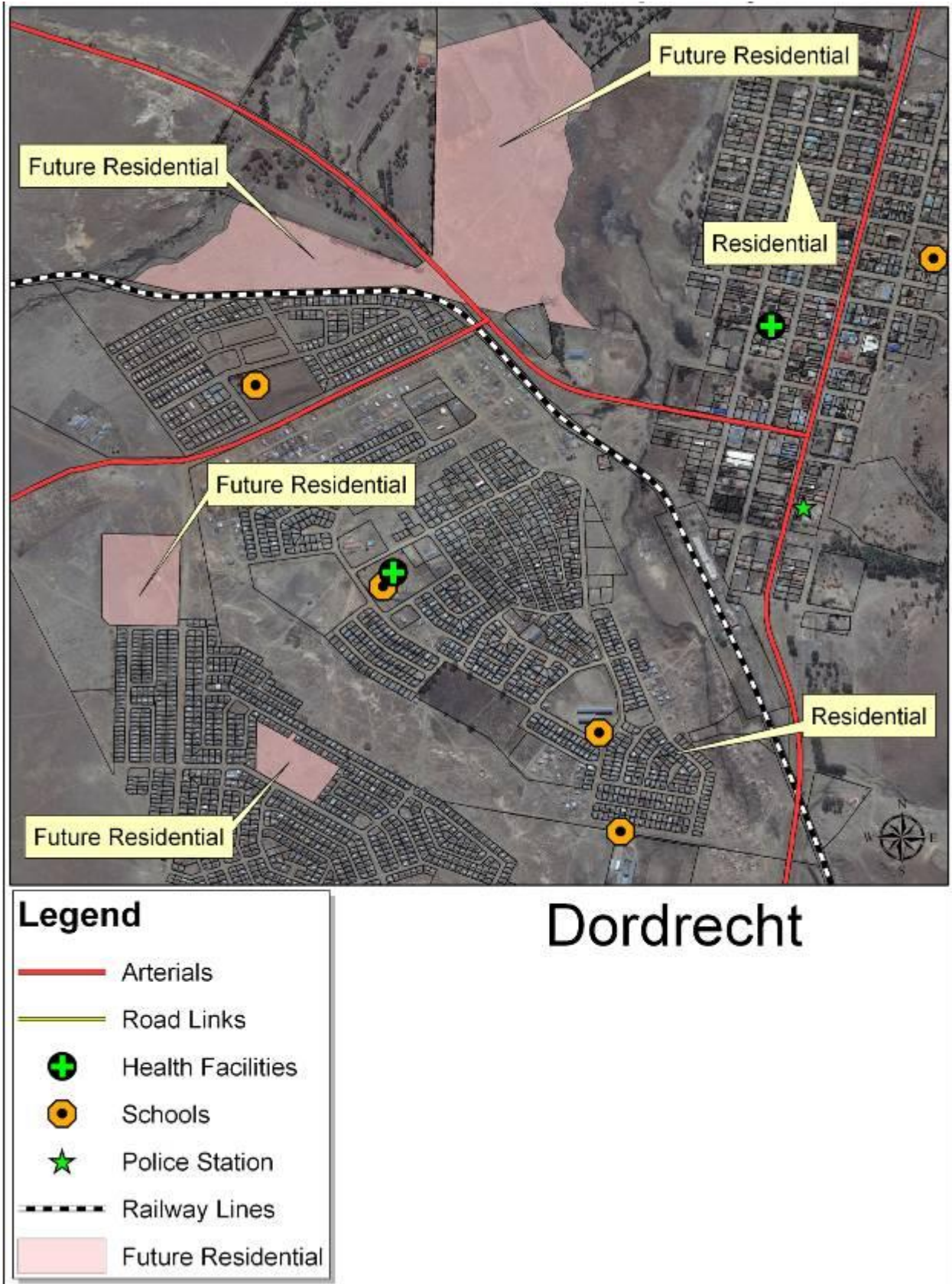
## Indwe - State Vacant Land





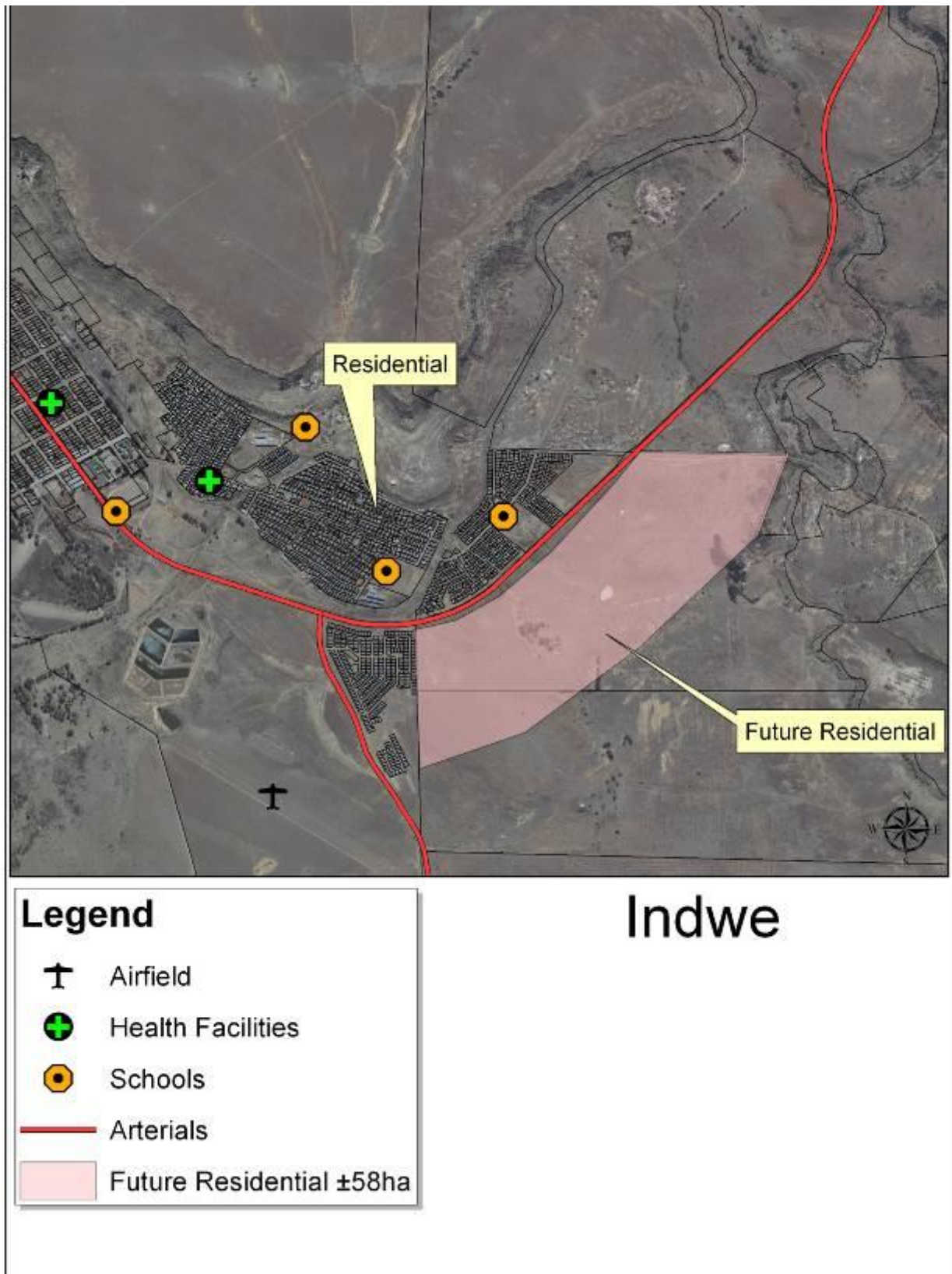


## Strategic land parcels: Dordrecht

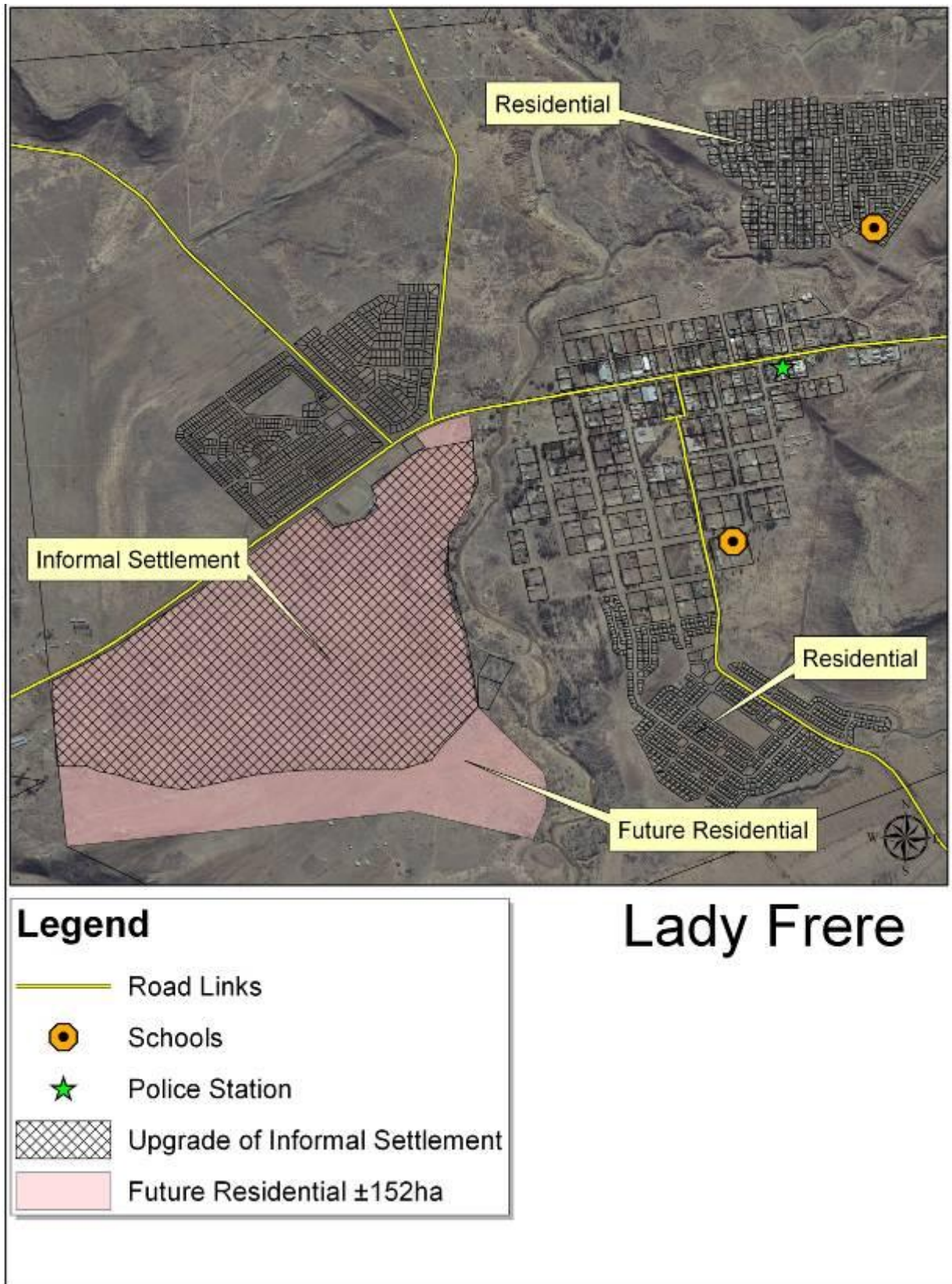




## Strategic Land Parcels: Indwe

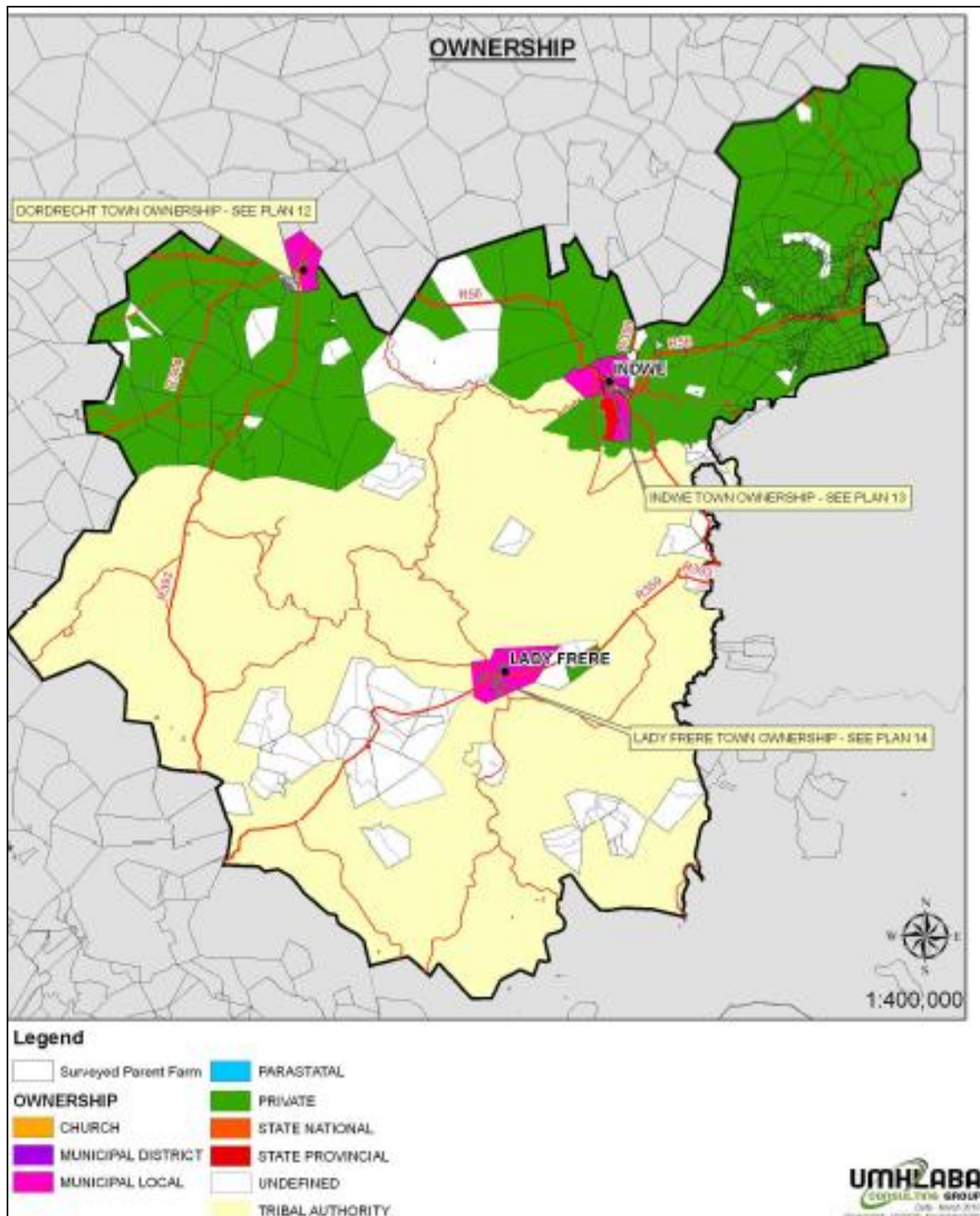


## Strategic Land Parcels: Lady Frere





## Overall Land Ownership



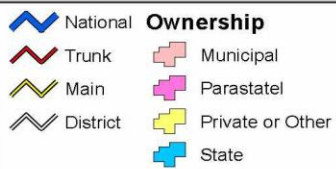
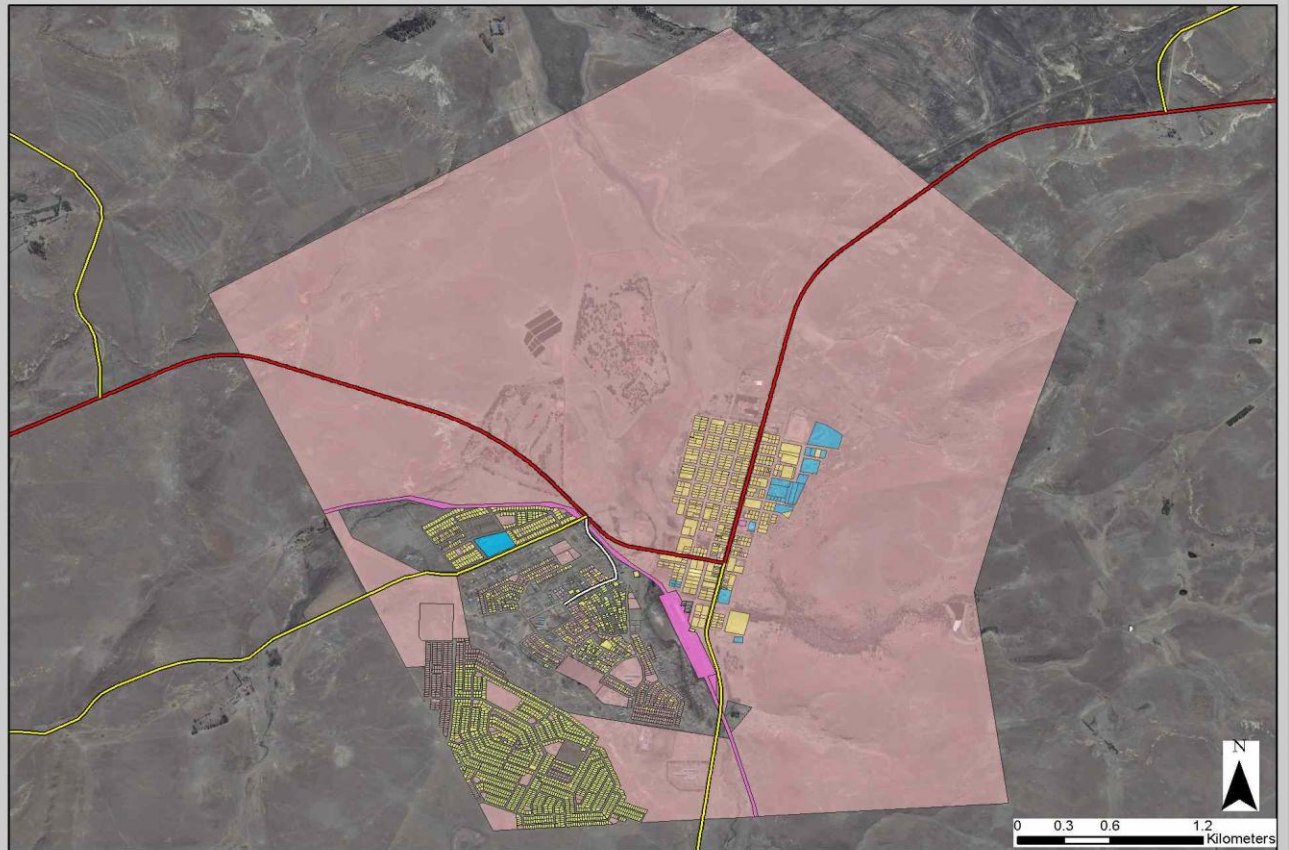
### 3.1.3 Land ownership in rural areas (including commercial farming and rural settlement areas)

### 3.1.4 Land Ownership in Urban Centres

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

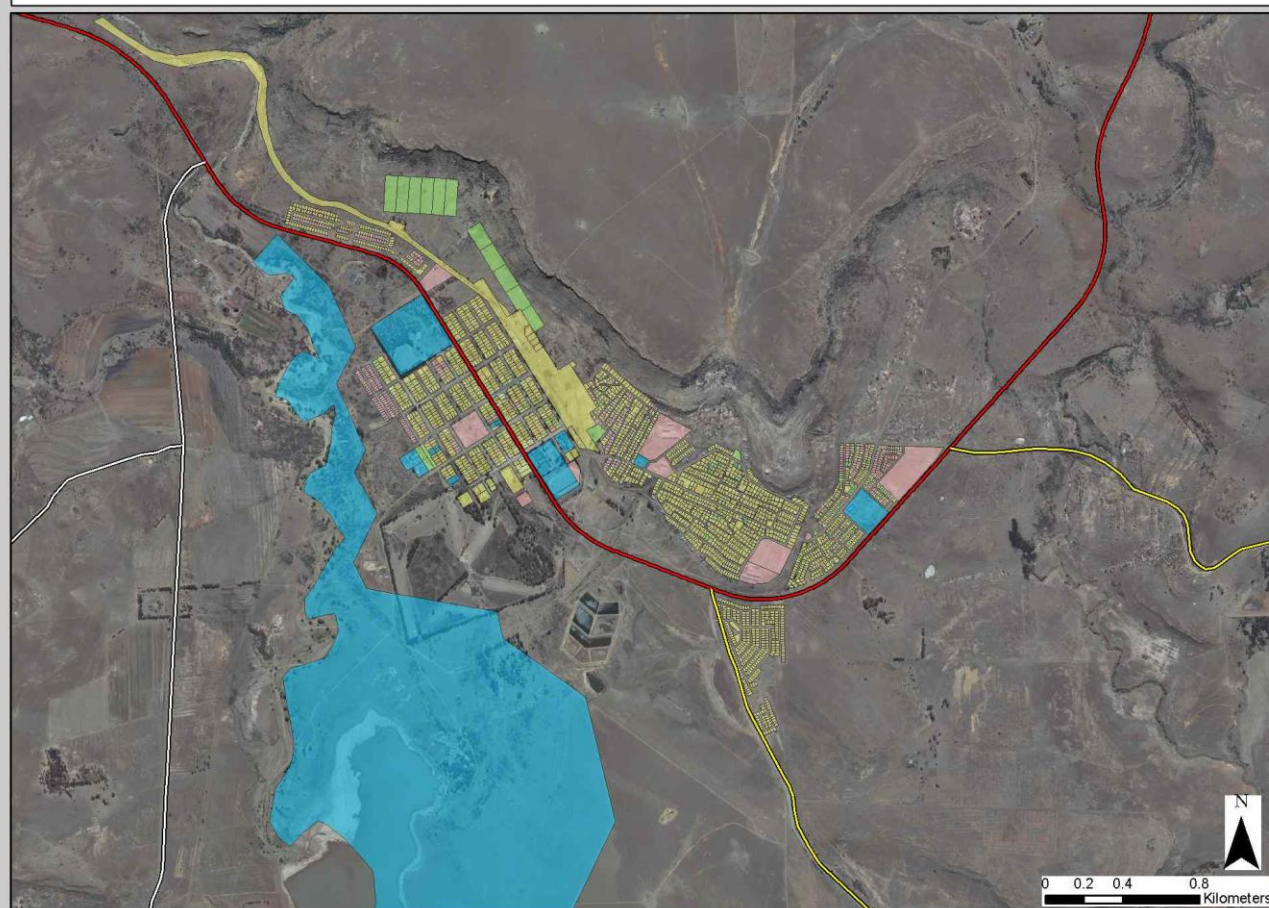


**EMALAHLENI LM HOUSING SECTOR PLAN**  
**OWNERSHIP - DORDRECHT**



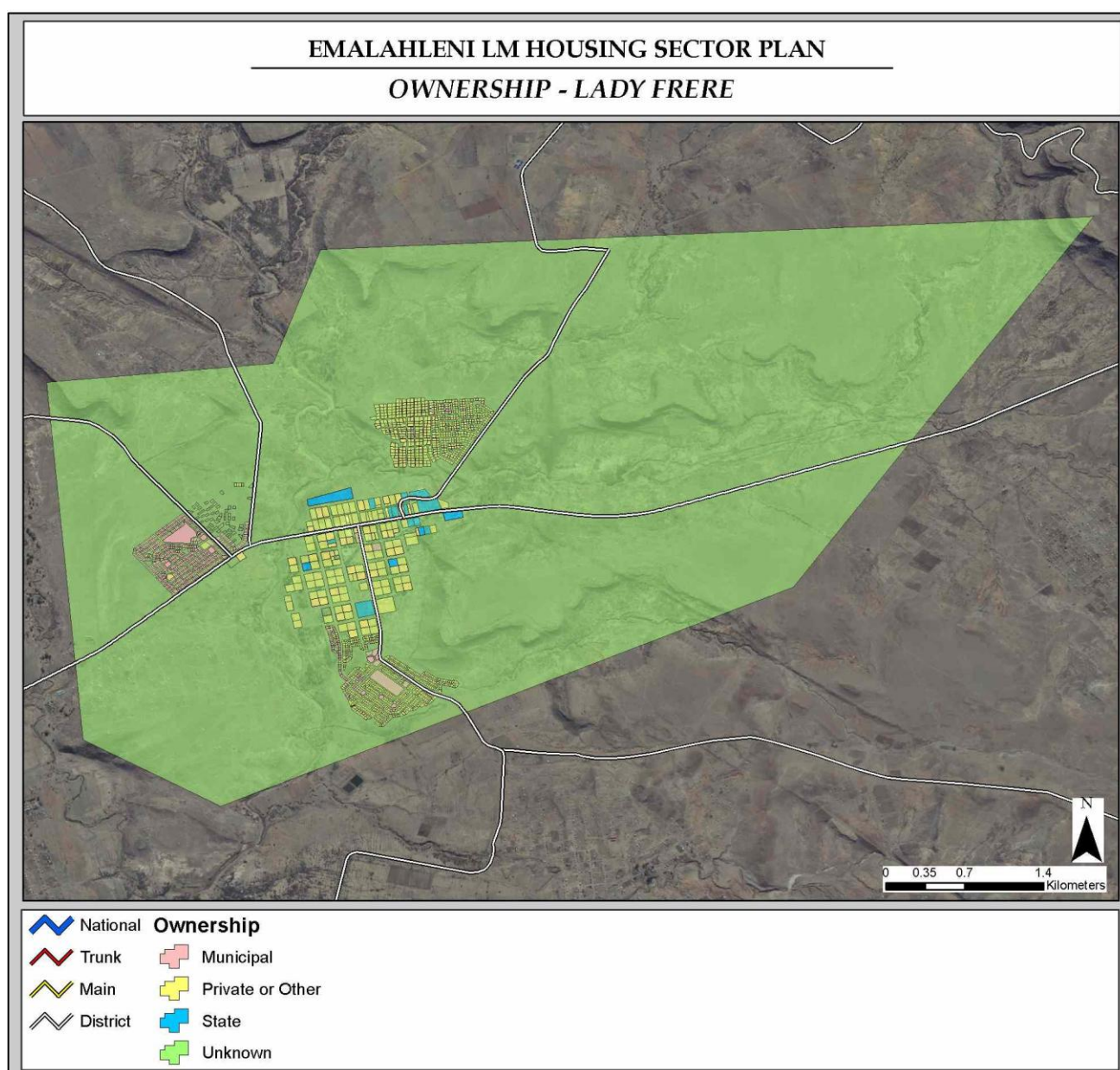
OWNERSHIP	No. OF ERVEN	HECTARES	%
Municipal	891	1517.0987	78.84
Parastatal	5	14.3870	0.75
Private or Other	2504	106.5704	5.54
State	25	10.5763	0.55
Unknown	293	275.5389	14.32
<b>Total</b>	<b>3718</b>	<b>1924.1713</b>	<b>100</b>

**EMALAHLENI LM HOUSING SECTOR PLAN**  
**OWNERSHIP - INDWE**



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





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

### 3.1.5 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.

### 3.1.6 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.

## SECTION F 3: LOCAL ECONOMIC DEVELOPMENT

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

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

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

### ***Overview of the local economy***

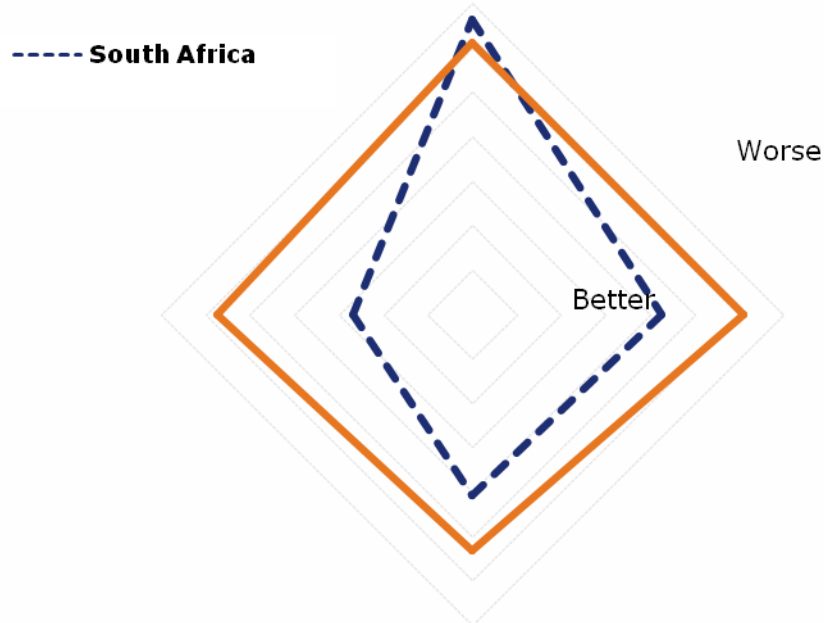
Emalahleni's Economy has not grown exponentially over the last decade but it has experienced a growth of just under 2% between 1996 and 2008. The GDP was estimated by Global Insight to be around R439 million (2000 constant prices) by 2008. The buying power (ability of the market to absorb products) was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

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

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

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

## Total Development Diamond EC136: Emalahleni Local Municipality, 2008



Source: IHS Global Insight Regional eXplorer version 459

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

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

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

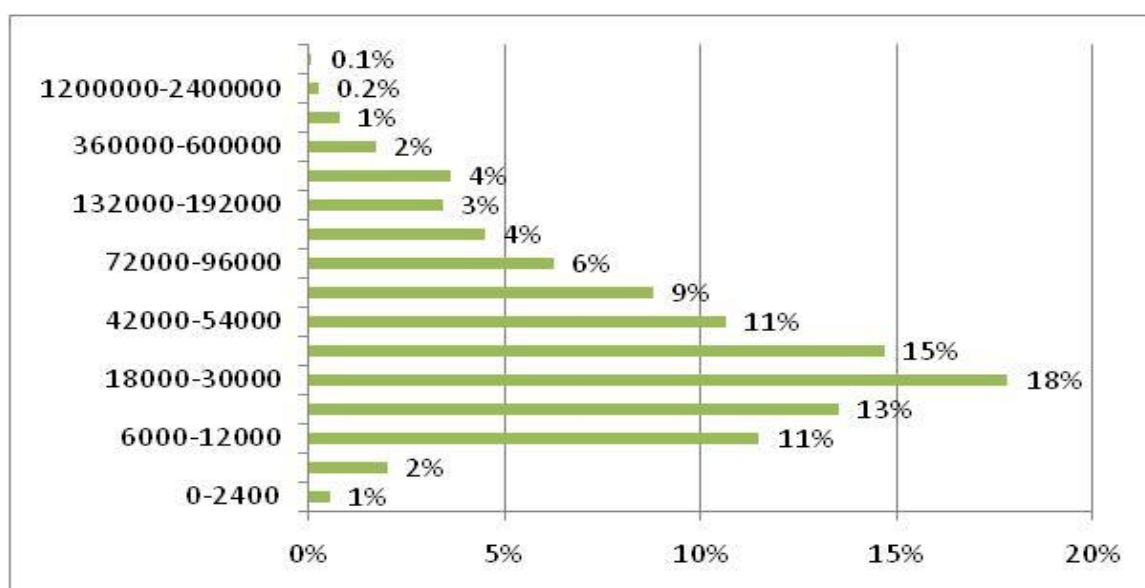
To improve the tourism industry and increase number of tourists visiting the region through the following tourism **Strategies**

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

## ***Economic Development Indicators***

### **a. Income Distribution**

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



## b. Employment

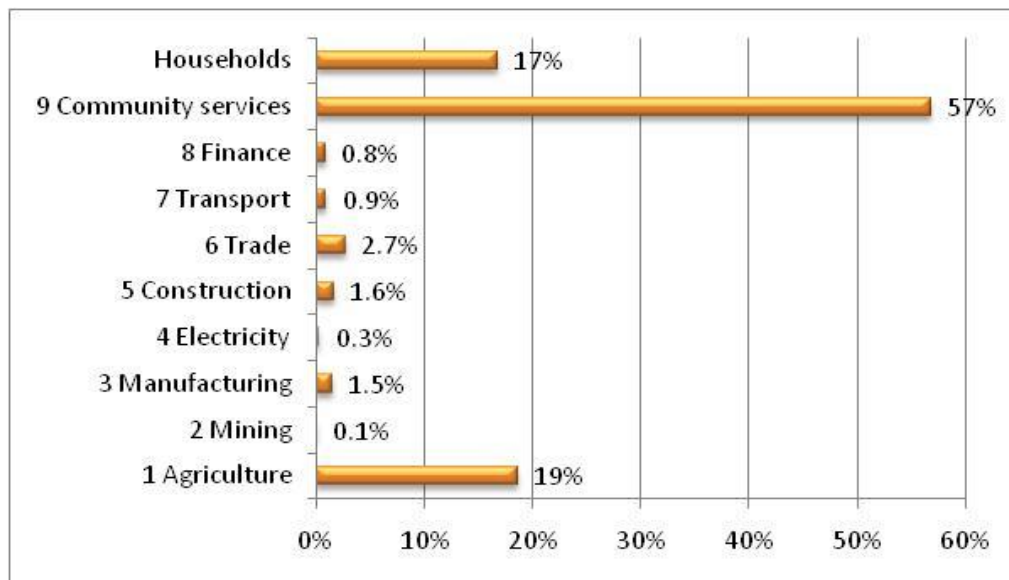
Employment and unemployment levels are useful indicators for effective growth in the economy. Current estimates by Global Insight reflect that the unemployment (official definition) of Emalahleni is approximately 50,3%.

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

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

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





## SECTORS CONTRIBUTING TO EMPLOYMENT

### Agriculture

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

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

### Mining

The Municipality has over the past decade been investigating ways and means to extract the benefit and maximum value from the coal resources found within its jurisdiction. Coal mining has largely been an untapped resource with the potential to contribute to the economic growth and job creation within the area, if developed. The Municipality together with the Provincial Department of

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

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

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

## **Tourism**

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

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

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

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

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

## Heritage Resources

A list of heritage resources identified within Emalahleni Local Municipality is as follows:

Site Name	Significance	Conservation Status	Management
St Marks Mission on White Kei	Still functional mission church. Also the last habitation of Madolo, a San Chief – 1860	Well looked after	Church
Macubeni Coal Mine near Indwe	Washed out old coal mine showing early mining methods		
Glen Grey Falls near Lady Frere	A beautiful natural site		
The Kloof near Dordrecht	Natural site with some unique flora	Degraded due to plundering for firewood	
Cacadu River at Lady Frere			
Churches in Lady Frere	Two examples of 19 <sup>th</sup> Century Churches	Well looked after	Church
Anderson Museum at Dordrecht			
Victorian Buildings at Dordrecht	Architectural example		Municipality / Private
Burgher Statue at Dordrecht			
San Rock Art at Dordrecht		Well kept	Private
Methodist Church at Dordrecht	Architectural example		Church
Doring river Dam at Indwe	Leisure area	Could be better utilized	DWAF

*Source: Chris Hani State of Environment Report*

## **Manufacturing**

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

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

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

**Most identified Key economic areas at Emalahleni as follows:**

- 1. Mining (Coal Mining)**
- 2. Small Scale Mining (Brick making)**
- 3. Small Scale Mining (Sand mining)**
- 4. Sorghum Production and Processing**
- 5. Livestock Improvement programme and marketing**
- 6. Wool Production**
- 7. Dairy Production and Processing (Cheese Factory)**
- 8. Small Scale Irrigation Schemes (Xonxa and its surrounding area)**
- 9. Tourism and SMME Development**

## **Human Development Index (HDI)**

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

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

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

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

## **SECTION F 4: MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT**

### ***Organizational arrangements***

The organogram was approved in 2011/12 reflected that ELM had the following departments. However, due to the fact that this is a new council and a mandate might definitely change in line with the issues raised:

- Office of Municipal Manager
- Finance Department
- Corporate Services Department
- Community Services Department
- Technical Services Department
- Integrated Planning and Economic Development (IPED) Department
- Strategic Management

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



## Human Resource Development

### Organizational structure

The organizational structure of Emalahleni Municipality had a total of 262 positions. The positions which were funded were 214 and 48 are unfunded positions for 2011/12 financial year.

### ***Human Resource Policies***

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

### ***Human Resource strategy / plan***

The municipality does not have a Human Resource Strategy / Plan. In order for us to develop the strategy, we have requested assistance from the Department of Local Government and Traditional Affairs.

### **Employment Equity**

Emalahleni Municipality has an employment equity plan in place. The employment equity plan has been developed for a period of 3 years and will be reviewed yearly.

The plan was submitted and approved by Council in 2009. Currently the municipality has a female and male representation of staff, which is as follows:

- Females      30,71% (including Black, White, Coloured, Indian)
- Males              69,29% (including Black, White, Coloured)



Management has a fair representation of 42,86% females and males are at 57,14% of the total number of management.

Following are the employment equity targets for the year 2009/10:

- Females 45,45% (including black, white)
- Males 54,54% (including black, white)
- People with disabilities 4,55% (including black, white).

The newly elected council will have to adopt an Employment Equity plan after having assessed whether Employment Equity targets for the past five years have been met or not.

### **Workplace Skills Plan (WSP)**

The municipality submitted its Workplace Skills Plan for 2009/10 last year in June 2009. The WSP submitted has training interventions planned for the 2009/10 financial year in order to address capacity challenges. The municipality has budgeted for the following interventions:

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

### **Scarce skills**

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

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

Emalahleni Municipality has identified the following as their scarce skills for 2010/11:

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

- Technical staff e.g. Technicians (all levels) within water, electrical, engineering and civil engineering.
- Artisans – within the fields of plumbing, electrical, welding, heavy plant operators, mechanical and operational environments.

- Water provision skills  
Municipal Town Planning (within civil engineering, town planning, architecture, surveyors and the like).  
Safety and Health Practitioners – within the areas of nursing, safety, pharmacy and HIV/AIDS.
- IT Skills
- Financial Management Skills
- Management skills
- Project management skills
- Agricultural skills

### **Municipal By-laws and regulation**

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

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



## SECTION F 5: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

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

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

### ***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 resolve as the council. Due to low economic development, we are experiencing linked problems of:

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

### ***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.

## **OVERVIEW OF ECONOMIC ANALYSIS**

### **INTRODUCTION**

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

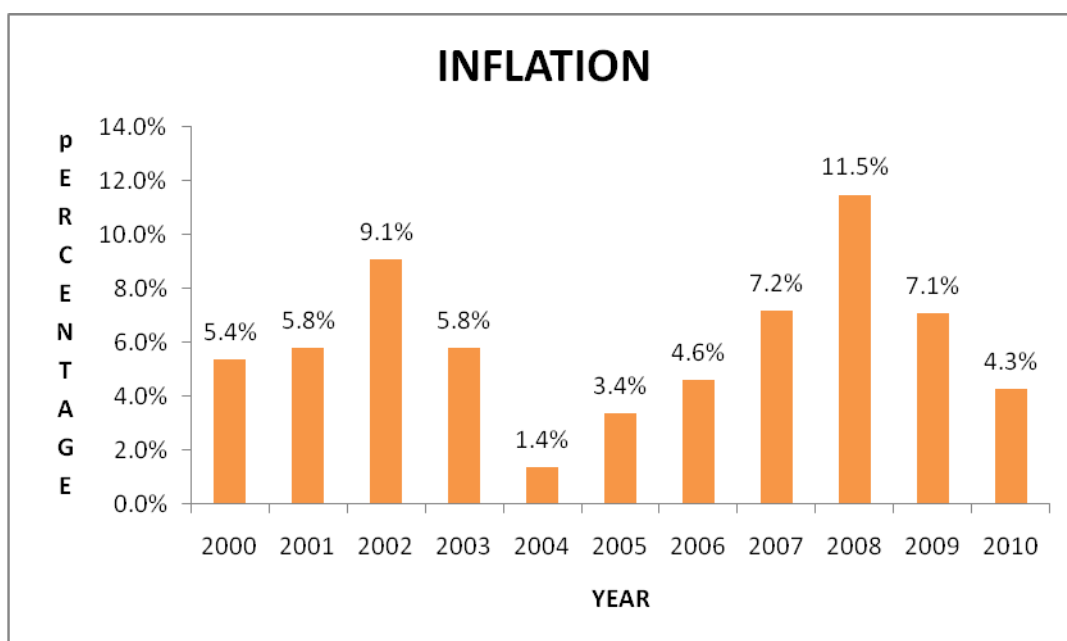
The past financial year has presented budgetary challenges to the Emalahleni Local Municipality, resultant of the global economic meltdown.

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

### **RECENT DEVELOPMENTS AND INFLATION**

The year-on-year inflation rate as measured by the consumer price index (CPI) for all urban areas declined to 3,2% in September 2010, compared with 3,5% in August. Goods price inflation measured 1,5% in September, while services inflation amounted to 5,2%. The categories of housing and utilities (mainly electricity) and miscellaneous goods and services (predominantly insurance costs) together contributed 2,2 percentage points of the 3,2% inflation outcome. CPI excluding administered prices measured 2,6%, while administered prices excluding petrol measured 9%.

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



### THE OUTLOOK FOR INFLATION

The lower-than-expected inflation outcomes contributed to a further downward adjustment in the inflation forecast of the Bank throughout the forecast period to the end of 2012. Targeted CPI inflation averaged 3,5% in the third quarter of 2010. A similar average outcome is expected during the fourth quarter, resulting in an expected average inflation rate of 4,3% for 2010. Inflation is then expected to remain at an average of 4,2% in 2011 and to increase to 4,8% in 2012. In the final quarter of 2012 inflation is expected to average 4,8%, compared with the previous forecast of 5,1%.

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

Year	2011	2012	2013	2014
Percentage	4,2%	4,8%	5,3%	5,5%

### SUMMARY OF BUDGET ASSUMPTIONS

- Municipalities must take into account the salary and wages collective agreement 2009/2010 to 2011/2012 has come to an end. The municipalities must take into consideration in budgeting for a 5% cost-of-living increase adjustment with effect 1 July 2012
- Debt impairment: the overall current collection levels are 16% and the target collection for 2012/13 is 35%.

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

Property rates	18%
Electricity (excl. prepaid)	49%
Refuse	11%
Sanitation	9%
Water	14%

The provision for bad debt, as per the Annual Financial statements for 2011/12 stands at R6 710 998 ((incl. water and sanitation) of the total budget. Based on the current collection rate, it is budgeted that the provision for bad debts will be R7 106 947 of the total budget.

➤ **Bulk electricity purchases:** Emalahleni Municipality will increase its tariffs with 11.03% as determined by NERSA;

➤ **Other expenditure:** All other expenditure will increase at a rate of 5.9% and 5.3% for 2012/13 and 2013/14 respectively. This strategy will be reviewed and tabled before Council to address the current situation regarding unemployment, indigent status and ways to increase the debt collection level.

➤ Emalahleni Local Municipality will continue with its current powers and functions;

➤ The Budget is based on current service levels. The new electricity network in Lady Frere, Phase 9, has contributed to our electricity income.

➤ Government grants for the years 2012/2013 to 2014/2015 are as per the Division of Revenue Act, assuming that all allocations will be received;

➤ The inflation rate is currently at 5.7% and has been estimated at 5.9% for 2012/13;

➤ Growth in staff related costs has been provided for in the budget at 5% for 2012/13, growth in the remaining expense items range from 0% to 10%;

➤ Tariff increases relating to services are as follows:

Rates	5.9%
Electricity	11.03%
Refuse	5.9%

Water	5.9%
Sanitation	5.9%

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

## Financial Planning and Budget

### CAPITAL AND OPERATION BUDGETS

CAPITAL BUDGET						
2009/ 2010			2010/ 2011			
BUDGET	ACTUAL	% SPENT	BUDGET	ACTUAL	% SPENT	
34 725 538	30 923 367	89.1%	26 547 849	21 972 785	82.8%	
OPERATING BUDGET (INCOME AND EXPENDITURE)						
	2009/ 2010		2010/ 2011			
	BUDGET	ACTUAL	% SPENT	BUDGET	ACTUAL	% SPENT
Income	91 109 944	90 302 415	99.1%	110 638 342	101 381 968	91.6%
Expenditure	72655642	41 198 758	56.7%	98 981 767	76 680 564	77.4%
Extent of reliance on grants (Capital)						
	2009/ 2010		2010/ 2011			
Own Fund	10 744 262			2 665 000		
Grant Fund	23 981 276			23 882 849		
%age of grant to total	69.1%		%age of grant to total	90.0%		

### CAPITAL AND OPERATING BUDGET

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

#### a) Operating Budget

Table A4 details the Operating Budget for the three years starting 1 July 2012 and ending 30 June 2015.



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

Description		Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15	
Revenue By Source												
Property rates	2	1 961	3 065	1 772	4 763	2 473	2 473	2 473	2 680	2 860	3 060	
Property rates - penalties & collection charges		—	—	—	332	—	—	—	—	—	—	
Service charges - electricity revenue	2	2 797	3 311	4 982	4 604	5 076	5 076	5 076	5 634	6 559	7 268	
Service charges - water revenue	2	—	—	(7)	2 679	2 989	2 989	2 989	2 818	1 563	1 672	
Service charges - sanitation revenue	2	—	—	(440)	3 054	4 395	4 395	4 395	431	459	491	
Service charges - refuse revenue	2	2 241	2 376	2 364	2 688	2 690	2 690	2 690	2 764	2 941	3 147	
Service charges - other		—	—	—	—	—	—	—	5	6	6	
Rental of facilities and equipment		509	431	656	815	803	803	803	856	905	968	
Interest earned - external investments		3 910	2 387	1 830	2 592	1 265	1 265	1 265	14	14	15	
Interest earned - outstanding debtors		1 367	365	2 284	876	5 022	5 022	5 022	2 495	1 509	1 615	
Dividends received		10	—	—	—	—	—	—	—	—	—	
Fines		1	3	0	11	—	—	—	0	13	14	
Licences and permits		—	—	—	1 784	—	—	—	—	—	—	
Agency services		186	362	48	25 006	14 917	14 917	14 917	26 859	20 275	22 124	
Transfers recognised - operating		41 159	46 465	87 337	65 429	69 814	69 814	69 814	75 541	87 875	98 757	
Other revenue	2	178	5 410	556	313	(1 087)	(1 087)	(1 087)	344	981	1 049	
Gains on disposal of PPE		—	—	—	64	—	—	—	68	72	77	
Total Revenue (excluding capital transfers and contributions)		54 319	64 174	101 382	115 010	108 357	108 357	108 357	120 508	126 030	140 263	
Expenditure By Type												
Employee related costs	2	15 859	3 194	27 500	39 469	28 513	28 513	28 513	31 571	34 728	38 201	
Remuneration of councillors		5 742	5 934	6 776	8 791	9 409	9 409	9 409	9 257	9 813	10 401	
Debt impairment	3	(2 785)	12 360	7 792	6 711	799	799	799	3 801	4 549	4 867	
Depreciation & asset impairment	2	—	—	—	679	4 200	4 200	4 200	3 642	5 971	6 671	
Finance charges		1 477	47	21	—	26	26	26	133	138	148	
Bulk purchases	2	4 114	5 062	7 291	9 179	10 200	10 200	10 200	11 381	13 237	15 769	
Other materials	8	—	—	—	—	—	—	—	—	—	—	
Contracted services		—	—	—	1 568	—	—	—	—	—	—	
Transfers and grants		—	—	—	34 507	—	—	—	—	—	—	
Other expenditure	4, 5	20 141	14 945	27 301	47 767	55 108	55 108	55 108	60 720	54 167	58 283	
Loss on disposal of PPE		—	—	—	—	—	—	—	—	—	—	
Total Expenditure		44 548	41 542	76 681	148 671	108 255	108 255	108 255	120 504	122 602	134 340	
Surplus/(Deficit)		9 771	22 632	24 701	(33 661)	101	101	101	4	3 428	5 923	

b) **Capital Budget and Asset Management**

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

EC136 Emalahleni (Ec) - Capital Budget and Funding Sources										
Description	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 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 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>	<b>17 557</b>	<b>27 076</b>	<b>—</b>	<b>33 244</b>	<b>1 521</b>	<b>1 521</b>	<b>1 521</b>	<b>23 950</b>	<b>24 836</b>	<b>26 057</b>
Transfers recognised - capital	9 604	20 314	—	31 217	—	—	—	22 145	23 361	24 712
Public contributions & donations	—	—	—	—	—	—	—	—	—	—
Borrowing	—	—	—	—	—	—	—	—	—	—
Internally generated funds/Own funds	7 953	6 762	—	2 027	1 521	1 521	1 521	1 805	1 475	1 345
<b>Total sources of capital funds</b>	<b>17 557</b>	<b>27 076</b>	<b>—</b>	<b>33 244</b>	<b>1 521</b>	<b>1 521</b>	<b>1 521</b>	<b>23 950</b>	<b>24 836</b>	<b>26 057</b>

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

Vote Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<b>R thousand</b>	<b>1</b>										
<b>Capital expenditure - Vote</b>											
<b>Multi-year expenditure to be appropriated</b>	<b>2</b>										
Vote 1 - Council		-	-	-	-	-	-	-	-	-	-
Vote 2 - Executive		-	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	-	-	450	-	-	-	-	-	-
Vote 4 - Budget and Treasury		793	1 810	-	640	-	-	-	-	-	-
Vote 5 - IPED		-	20	-	20	-	-	-	-	-	-
Vote 6 - Community Services		1 186	3 353	-	557	-	-	-	-	-	-
Vote 7 - Water And Sanitation		-	4 650	-	5 082	-	-	-	-	-	-
Vote 8 - Refuse		7 160	750	-	350	-	-	-	2 000	5 000	-
Vote 9 - Roads Transport		8 418	14 667	-	21 665	-	-	-	1 995	2 499	-
Vote 10 - Electricity		-	810	-	4 480	-	-	-	-	-	-
Vote 11 - Housing Services		-	1 015	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	<b>7</b>	<b>17 557</b>	<b>27 075</b>	<b>-</b>	<b>33 244</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 995</b>	<b>7 499</b>	<b>-</b>
<b>Single-year expenditure to be appropriated</b>	<b>2</b>										
Vote 1 - Council		-	-	-	-	-	-	-	-	-	-
Vote 2 - Executive		-	-	-	-	-	-	-	180	170	185
Vote 3 - Corporate Services		-	-	-	-	180	180	180	150	140	120
Vote 4 - Budget and Treasury		-	-	-	-	730	730	730	900	810	740
Vote 5 - IPED		-	-	-	-	-	-	-	75	75	60
Vote 6 - Community Services		-	-	-	-	61	61	61	6 550	140	120
Vote 7 - Water And Sanitation		-	-	-	-	-	-	-	-	-	-
Vote 8 - Refuse		-	-	-	-	550	550	550	-	-	-
Vote 9 - Roads Transport		-	-	-	-	-	-	-	12 100	16 003	24 832
Vote 10 - Electricity		-	-	-	-	-	-	-	-	-	-
Vote 11 - Housing Services		-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 521</b>	<b>1 521</b>	<b>1 521</b>	<b>19 955</b>	<b>17 338</b>	<b>26 057</b>
<b>Total Capital Expenditure - Vote</b>		<b>17 557</b>	<b>27 075</b>	<b>-</b>	<b>33 244</b>	<b>1 521</b>	<b>1 521</b>	<b>1 521</b>	<b>23 950</b>	<b>24 836</b>	<b>26 057</b>
<b>Capital Expenditure - Standard</b>											
<b>Governance and administration</b>		<b>793</b>	<b>1 810</b>	<b>-</b>	<b>1 090</b>	<b>910</b>	<b>910</b>	<b>910</b>	<b>1 230</b>	<b>1 120</b>	<b>1 045</b>
Executive and council		-	-	-	-	-	-	-	180	170	185
Budget and treasury office		793	1 810	-	640	730	730	730	900	810	740
Corporate services		-	-	-	450	180	180	180	150	140	120
<b>Community and public safety</b>		<b>1 186</b>	<b>4 368</b>	<b>-</b>	<b>557</b>	<b>61</b>	<b>61</b>	<b>61</b>	<b>6 550</b>	<b>140</b>	<b>120</b>
Community and social services		1 186	2 267	-	31	61	61	61	2 850	140	120
Sport and recreation		-	822	-	370	-	-	-	3 700	-	-
Public safety		-	264	-	156	-	-	-	-	-	-
Housing		-	1 015	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		<b>8 418</b>	<b>14 687</b>	<b>-</b>	<b>21 685</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14 170</b>	<b>18 576</b>	<b>24 892</b>
Planning and development		-	20	-	20	-	-	-	75	75	60
Road transport		8 418	14 667	-	21 665	-	-	-	14 095	18 501	24 832
Environmental protection		-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>		<b>7 160</b>	<b>6 210</b>	<b>-</b>	<b>9 912</b>	<b>550</b>	<b>550</b>	<b>550</b>	<b>2 000</b>	<b>5 000</b>	<b>-</b>
Electricity		-	810	-	4 480	-	-	-	-	-	-
Water		-	4 650	-	2 800	-	-	-	-	-	-
Waste water management		-	-	-	2 282	-	-	-	-	-	-
Waste management		7 160	750	-	350	550	550	550	2 000	5 000	-
<b>Other</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Capital Expenditure - Standard</b>	<b>3</b>	<b>17 557</b>	<b>27 076</b>	<b>-</b>	<b>33 244</b>	<b>1 521</b>	<b>1 521</b>	<b>1 521</b>	<b>23 950</b>	<b>24 836</b>	<b>26 057</b>
<b>Funded by:</b>											
National Government		9 604	14 696	-	26 135	-	-	-	22 145	23 361	24 712
Provincial Government		-	-	-	-	-	-	-	-	-	-
District Municipality		-	4 650	-	5 082	-	-	-	-	-	-
Other transfers and grants		-	968	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	<b>4</b>	<b>9 604</b>	<b>20 314</b>	<b>-</b>	<b>31 217</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22 145</b>	<b>23 361</b>	<b>24 712</b>
<b>Public contributions &amp; donations</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Borrowing</b>	<b>6</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Internally generated funds</b>		<b>7 953</b>	<b>6 762</b>	<b>-</b>	<b>2 027</b>	<b>1 521</b>	<b>1 521</b>	<b>1 521</b>	<b>1 805</b>	<b>1 475</b>	<b>1 345</b>
<b>Total Capital Funding</b>	<b>7</b>	<b>17 557</b>	<b>27 076</b>	<b>-</b>	<b>33 244</b>	<b>1 521</b>	<b>1 521</b>	<b>1 521</b>	<b>23 950</b>	<b>24 836</b>	<b>26 057</b>

EC136 Emalahleni (Ec) - Table A9 Asset Management

Description		Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
CAPITAL EXPENDITURE											
<b>Total New Assets</b>		1	17 557	27 076	–	33 244	1 521	1 521	23 950	24 836	26 057
Infrastructure - Road transport			8 418	14 547	–	21 655	–	–	11 950	15 863	24 712
Infrastructure - Electricity			–	400	–	4 480	–	–	–	–	–
Infrastructure - Water			7 160	510	–	2 500	–	–	–	–	–
Infrastructure - Sanitation			–	–	–	882	–	–	–	–	–
Infrastructure - Other			–	–	–	350	–	–	3 995	7 499	–
Infrastructure			15 578	15 457	–	29 867	–	–	15 945	23 361	24 712
Community			1 186	550	–	406	–	–	6 400	–	–
Heritage assets			–	–	–	–	–	–	–	–	–
Investment properties			–	–	–	–	–	–	–	–	–
Other assets		6	793	11 069	–	2 971	1 471	1 471	1 455	1 305	1 175
Agricultural Assets			–	–	–	–	–	–	–	–	–
Biological assets			–	–	–	–	–	–	–	–	–
Intangibles			–	–	–	–	50	50	150	170	170
<b>Total Renewal of Existing Assets</b>		2	–	–	–	–	–	–	–	–	–
Infrastructure - Road transport			–	–	–	–	–	–	–	–	–
Infrastructure - Electricity			–	–	–	–	–	–	–	–	–
Infrastructure - Water			–	–	–	–	–	–	–	–	–
Infrastructure - Sanitation			–	–	–	–	–	–	–	–	–
Infrastructure - Other			–	–	–	–	–	–	–	–	–
Infrastructure			–	–	–	–	–	–	–	–	–
Community			–	–	–	–	–	–	–	–	–
Heritage assets			–	–	–	–	–	–	–	–	–
Investment properties			–	–	–	–	–	–	–	–	–
Other assets		6	–	–	–	–	–	–	–	–	–
Agricultural Assets			–	–	–	–	–	–	–	–	–
Biological assets			–	–	–	–	–	–	–	–	–
Intangibles			–	–	–	–	–	–	–	–	–
<b>Total Capital Expenditure</b>		4	–	–	–	–	–	–	–	–	–
Infrastructure - Road transport			8 418	14 547	–	21 655	–	–	11 950	15 863	24 712
Infrastructure - Electricity			–	400	–	4 480	–	–	–	–	–
Infrastructure - Water			7 160	510	–	2 500	–	–	–	–	–
Infrastructure - Sanitation			–	–	–	882	–	–	–	–	–
Infrastructure - Other			–	–	–	350	–	–	3 995	7 499	–
Infrastructure			15 578	15 457	–	29 867	–	–	15 945	23 361	24 712
Community			1 186	550	–	406	–	–	6 400	–	–
Heritage assets			–	–	–	–	–	–	–	–	–
Investment properties			–	–	–	–	–	–	–	–	–
Other assets		6	793	11 069	–	2 971	1 471	1 471	1 455	1 305	1 175
Agricultural Assets			–	–	–	–	–	–	–	–	–
Biological assets			–	–	–	–	–	–	–	–	–
Intangibles			–	–	–	–	50	50	150	170	170
<b>TOTAL CAPITAL EXPENDITURE - Asset class</b>		2	17 557	27 076	–	33 244	1 521	1 521	23 950	24 836	26 057
<b>ASSET REGISTER SUMMARY - PPE (WDV)</b>		5									
Infrastructure - Road transport			62 103	80 568	–	80 568	80 568	92 518	108 381	133 093	
Infrastructure - Electricity			21 820	22 724	–	22 724	22 724	22 724	22 724	22 724	
Infrastructure - Water			–	–	–	–	–	–	–	–	
Infrastructure - Sanitation			–	–	–	–	–	–	–	–	
Infrastructure - Other			–	–	–	–	–	3 995	11 494	11 494	
Infrastructure			83 923	103 292	–	103 292	103 292	119 237	142 599	167 311	
Community			–	–	–	–	–	6 400	–	–	
Heritage assets			–	–	–	–	–	–	–	–	
Investment properties			–	–	–	–	–	–	–	–	
Other assets			118 887	121 491	–	122 962	122 962	124 417	124 267	125 442	
Agricultural Assets			–	–	–	–	–	–	–	–	
Biological assets			–	–	–	–	–	–	–	–	
Intangibles			250	707	707	707	707	707	707	707	
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>		5	250	203 517	225 490	–	226 961	226 961	250 762	267 573	293 460
EXPENDITURE OTHER ITEMS											
<b>Depreciation &amp; asset impairment</b>			–	–	–	679	4 200	4 200	3 642	5 971	6 671
<b>Repairs and Maintenance by Asset Class</b>		3	1 725	1 351	2 506	6 162	4 364	4 364	10 832	7 175	7 677
Infrastructure - Road transport			276	211	447	786	720	720	828	873	934
Infrastructure - Electricity			89	68	445	1 033	180	180	701	865	925
Infrastructure - Water			–	–	–	158	400	400	3 422	703	752
Infrastructure - Sanitation			–	–	–	–	–	–	–	–	–
Infrastructure - Other			15	–	–	–	–	–	–	–	–
Infrastructure			380	279	891	1 978	1 300	1 300	4 950	2 440	2 611
Community			89	58	41	497	10	10	394	434	464
Heritage assets			–	–	–	–	–	–	–	–	–
Investment properties			–	–	–	–	–	–	–	–	–
Other assets		6, 7	1 256	1 014	1 574	3 686	3 054	3 054	5 488	4 301	4 602
<b>TOTAL EXPENDITURE OTHER ITEMS</b>			1 725	1 351	2 506	6 841	8 564	8 564	14 474	13 146	14 344

## c) Grants receivable

Herewith the schedule of Grant Receivable for the financial year 2012 – 2015

**EC136 Emalahleni (Ec) - Supporting Table SA19 Expenditure on transfers and grant programme**

Description R thousand	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<b>EXPENDITURE:</b>						
<b><u>Operating expenditure of Transfers and Grants</u></b>						
<b>National Government:</b>	<b>64 910</b>	<b>64 910</b>	<b>64 910</b>	<b>72 097</b>	<b>77 960</b>	<b>85 545</b>
Local Government Equitable Share	61 620	61 620	61 620	69 797	75 590	81 744
Finance Management	1 500	1 500	1 500	1 500	1 500	1 550
Municipal Systems Improvement	790	790	790	800	870	950
MIG Operating						1 301
NDPG	1 000	1 000	1 000			
<b>Provincial Government:</b>	<b>-</b>	<b>3 917</b>	<b>3 917</b>	<b>4 408</b>	<b>2 950</b>	<b>1 445</b>
Town Revitalisation		2 292	2 292	3 050	2 950	1 445
EPWP		1 625	1 625	1 358		
LG SETA						
<b>District Municipality:</b>	<b>-</b>	<b>1 583</b>	<b>1 583</b>	<b>2 313</b>	<b>2 385</b>	<b>803</b>
Sanitation						
Library Grant						
SPU		1 160	1 160	2 015	2 385	
Other		423	423	298		803
Water						
<b>Other grant providers:</b>	<b>-</b>	<b>3 255</b>	<b>3 255</b>	<b>1 816</b>	<b>475</b>	<b>1 257</b>
Other old		1 265	1 265	758	200	214
LED		603	603			
HIV		200	200	259	275	294
IEC		105	105			
Coal Mining		1 010	1 010	800		
Pre-Schools		72	72			
SMME						749
<b>Total operating expenditure of Transfers and Grants:</b>	<b>64 910</b>	<b>73 665</b>	<b>73 665</b>	<b>80 634</b>	<b>83 770</b>	<b>89 049</b>
<b><u>Capital expenditure of Transfers and Grants</u></b>						
<b>National Government:</b>	<b>26 135</b>	<b>4 480</b>	<b>4 480</b>	<b>26 145</b>	<b>33 361</b>	<b>36 774</b>
Municipal Infrastructure Grant (MIG)	19 217	-	-	22 145	23 361	24 712
Integrated National Electrification Programme	4 480	4 480	4 480	4 000	7 000	5 000
EPWP	2 438	-	-			-
NDPG					3 000	7 062
<b>Provincial Government:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
0						
<b>District Municipality:</b>	<b>5 082</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 350</b>	<b>-</b>
Sanitation	2 282					
Water	2 800				2 350	
<b>Other grant providers:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total capital expenditure of Transfers and Grants</b>	<b>31 217</b>	<b>4 480</b>	<b>4 480</b>	<b>26 145</b>	<b>35 711</b>	<b>36 774</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>	<b>96 127</b>	<b>78 145</b>	<b>78 145</b>	<b>106 779</b>	<b>119 481</b>	<b>125 823</b>

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 this amount reduced as it will eventually lead to cash flow problems. The target is that 90% of all billing must be collected.

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

- **The review and implementation of the Credit Control & Debt Collection Policy.** This policy and the relevant procedures detail all areas of credit control, collection of amounts billed to customers, procedures for non-payment etc.
- **The review and implementation of the Indigent Policy.** This policy defines the qualification criteria of an indigent, the level of free basic services enjoyed by indigent households, penalties for abuse etc.
- **The review and implementation of the Tariff Policy.** This policy will ensure that fair tariffs are charged in a uniform manner throughout the Emalahleni Local Municipality area. Tariffs must remain affordable but also insure sustainable services.
- **The implementation of the Property Rates and Valuation Policy.** This ensures that a fair rates policy and an updated valuation roll is applied to the entire Emalahleni Local Municipality area and will aim to ensure that all properties are included in the municipality's records. Furthermore the policy ensure that valuations are systematically carried out on a regular basis for all properties. **The municipality has adopted a new valuation roll. Annual supplementary valuation has been conducted since the last general valuation roll of 08/09. The municipality has requested for an extension of one year on its general valuation to the MEC.**
- **The review and implementation of the Customer Incentive Scheme.** This scheme will detail the incentives and prizes that will be made available to encourage customers to pay their accounts promptly.
- **The review and implementation of the Improved Payment Strategy.** This strategy aims at implementing innovative cost effective processes to encourage consumers to pay their accounts in full on time each month, including increasing the methods of payment and implementing on-line pre-payment systems.

- **The review and implementation of the Revenue Enhancement Strategy.** This strategy aims at increasing revenue collected by investigated other sources of revenue and also to investigate savings on expenditure.
- **The development and implementation of the bad debt written off policy.** This policy aims at directing council and management on the process of identifying bad debt and the method to be followed to write it off.

## **b) Asset Management Strategy**

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

- **The implementation of an integrated asset management system.** This programme will involve the investigation, identification and implementation of a suitable integrated asset management system. It will also include the capturing of all assets onto this system, the maintenance of this system and the production of a complete asset register in terms of GRAP requirements.
- **The implementation of the fixed asset infrastructure roadmap i.e. action plan.** This plan will involve a status quo assessment of current infrastructure assets, the implementation of individual action plans within the roadmap and the development of individual infrastructure asset registers. This project is contingent on various departments maintaining their respective infrastructure asset registers and supplying all the necessary information to the Asset Management Section to enable the necessary infrastructure asset information to be included in the asset register in terms of GRAP requirements.
- **The review and update of asset and risk insurance procedures and the renewal of the insurance portfolio.** This programme will involve the identification of risks in conjunction with insurers and all Departments and the review and update of the asset and risk insurance procedure manual. It will also include the review of the existing insurance portfolio and the renewal of the insurance policy as per the renewal terms.
- **GRAP compliant Asset Register**

The Municipality is a low capacity municipality and will only have to comply fully with GRAP 17 by 30 June 2012. However, the municipality have put mechanisms in place to compile a asset register that will be fully GRAP compliant when it submit its annual financial statement by 31 August 2012.

## **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) Projected staff growth and costs**

Emalahleni Local Municipality provides all services, including water and sanitation, to its rural population. The municipality signed a SLA with the Chris Hani District municipality to deliver the water and sanitation service from 1 July 2009 as a water service provider. The number of transaction processed by the Finance and Corporate services departments increased, resulting in more positions to be included in these departments as well as the Technical Department. A draft Human Resource Plan was developed. This draft plan addresses issues like gender, age, population, etc. This plan will be finalized and costed and included in the new organogram for 2012/2013.

### ***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 2011:

### **Budget policy**

- Debt collection and credit control policy -
- Bad debt write off policy
- Indigent policy
- Cash and investment management policy
- Rates policy
- Tariff policy
- Information Technology policy
- Supply chain management policy
- Interest reversal policy
- Loans policy
- Unforeseen and unavoidable expenditure policy
- Administration of immovable Property Policy
- MFMA Delegation Policy
- Anti-corruption and Fraud prevention Policy
- Asset management policy
- Valuation Roll (adopted in 2009 expiring in 30 June 2012). A new Valuation roll will be developed and adopted before 30 June 2012 and will come into effect on 1 July 2012. A supplementary Valuation was done in 2011. The current Valuation roll was implemented on 01 July 2008 and expires on 30 June 2012; the Valuation roll is available

## **c) Budget-related policies and by-laws**

### **1) Budget Policy**

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

### **2) Tariff Policy**

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



### 3) **Rates Policy**

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 fulfill 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 endeavor 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.

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

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

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

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

### **Information and Communication Technology**

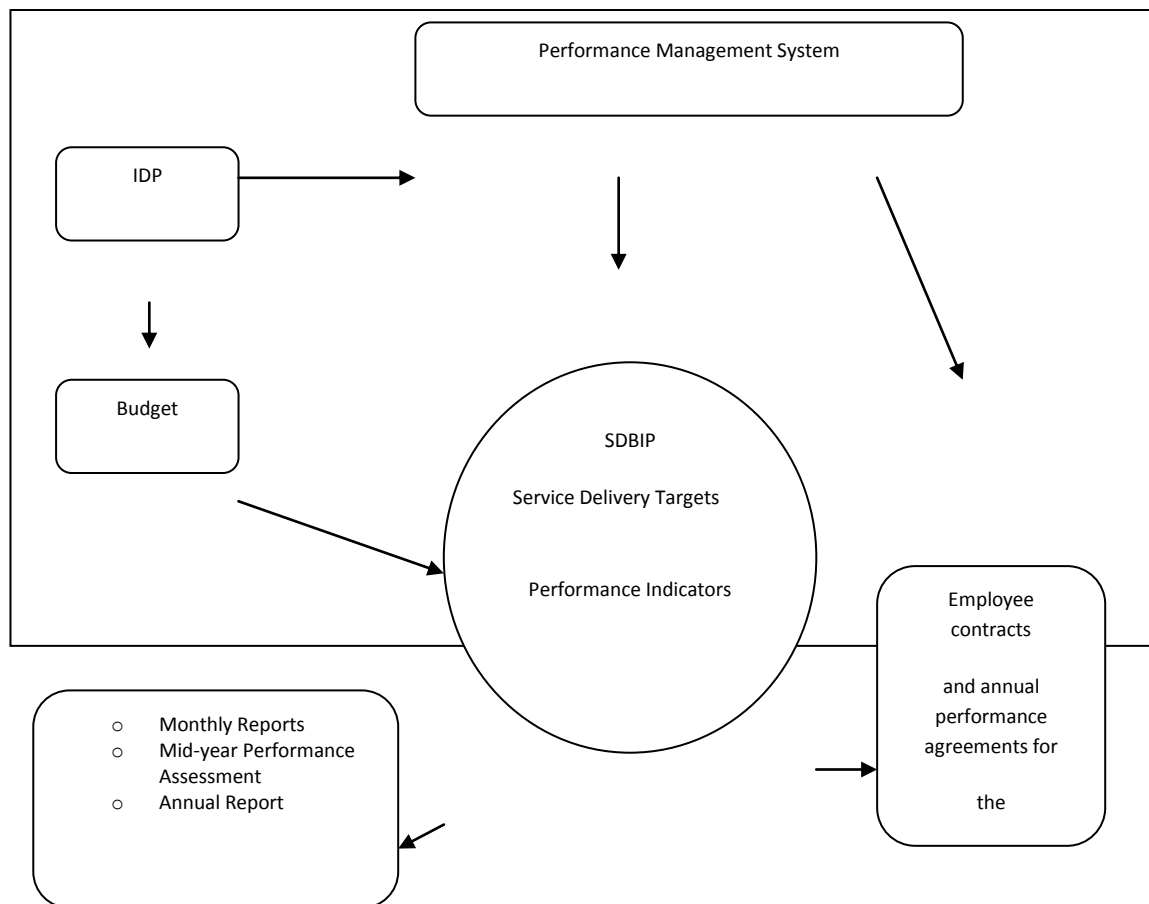
Due to the growth in the organogram of the municipality, the demand for computer hardware and software also increased. The current IT section cannot cope with the demand for support from all the users. A five year plan needs to be developed for the purchase, maintenance of computer hardware and software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

**All policies will be reviewed in June 2012 and coded into formal by-laws.**

## THE SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (SDBIP)

### INTRODUCTION

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



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

- The Strategic Imperative – Through links with the IDP.

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

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

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

## **SECTION F 6: GOOD GOVERNANCE AND PUBLIC PARTICIPATION**

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

### **1      *Disciplinary Measures***

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

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

## **2      *Intergovernmental relations***

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

Current challenge with IGR is lack of effective and consistency in the participation of sector departments in municipal planning platforms like IDP rep forum and others. This poor participation often leads to undesired tensions and confusion of mandates as well as increased inefficiencies in service delivery efforts.

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

## **3      *Public Participation & Customer care relations***

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

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

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

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

## **4      *Special Programmes***

### **4.1. BACKGROUND**

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

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

- Children

#### **4.2. FIELD BAND FOUNDATION PROJECT**

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

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

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

#### **4.3. MAYORS CUP TOURNAMENT**

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

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

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

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

#### **4.4. EXPANDED PUBLIC WORKS PROGRAMME**

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

#### **4.5. NATIONAL YOUTH RURAL SERVICE CORPS**

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

#### **4.6. MASUPA – TSELA**

This is a programme that emanate from the Department of Social Development to recruit young people to assist social development in their programmes and it has recruited youth in various

wards in partnership with the municipality and now it has employed some of the youth to be permanent.

#### **4.7. CRECHES**

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

#### **4.8. PLAYGROUNDS**

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

#### **4.9. NELSON MANDELA DAY**

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

#### **4.10. HIV/AIDS**

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

- ✓ Buffalo City Metro
- ✓ Nelson Mandela Metro
- ✓ Ethekewini Metro
- ✓ Hisbiscus 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.

#### **4.11. YOUTH COUNCIL**

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

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

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

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

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

#### **4.12. WOMEN FORUM AND GENDER EQUALITY**

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

#### **4.13. PEOPLE WITH DISABILITY COUNCIL**

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

#### **4.14. ELDERLY PERSONS**

The municipality has a forum which is coordinating programmes for elder persons and they have participated in various programmes such as Nelson Mandela Day, Parliament for elderly, Golden games etc. The municipality also played a crucial role through provision of tracksuits for identity as well as transportation to various activities mentioned above.

#### **4.15. SPORTS COUNCIL**

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

#### **4.16. CONCLUSION**

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



## **5      *Anti-corruption***

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

## **6. PERFORMANCE MANAGEMENT FRAMEWORK**

### **a.      Introduction**

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

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

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

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

The main goal of this document is to provide Emalahleni Local Municipality with a written guide that will assist in the implementation of the PMS at organizational and individual levels. For a sound appreciation of the context, the project plan for developing this PM Framework is shown in Annexure 1.

### **b.      The Legislative Framework for Performance Management**

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

### **White Paper on Local Government**

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

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

### **The Municipal Systems Act (MSA)**

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

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

### **The Municipal Finance Management Act (MFMA)**

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

### **Performance Management Regulations (2001)**

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

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

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

### **Performance Management Regulations (2006)**

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

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

#### **c. The Concept of Performance Management**

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

- plan,
- monitor,
- measure and

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

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

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

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

KPA	OBJECTIVE	INDICATOR	BASELINE	↔	TARGET
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<b>KPA</b>	<ul style="list-style-type: none"> <li>A Key Performance Area (KPA) is an aspect that the Municipality needs in order to address or do well in and is derived from the IDP of the Municipality. KPAs are sometimes referred to as key development priorities or priority areas.</li> <li>Nationally, the following KPAs have been determined for Municipalities: <ul style="list-style-type: none"> <li>Basic Service Delivery.</li> <li>Municipal Institutional Development and Transformation.</li> <li>Local Economic Development.</li> <li>Municipal Financial Viability and Management.</li> <li>Good Governance and Public Participation.</li> </ul> </li> <li>In addition to national KPA's, a municipality may have its own local KPAs as reflected in their IDPs.</li> </ul>
<b>OBJECTIVE</b>	<ul style="list-style-type: none"> <li>An objective is a concise statement describing the specific things that the municipality must do well, in order to execute its strategy. It needs to be clear, concise and measurable, with deadlines. In addition, it should be outcome &amp; impact focused; and indicate the scope and nature of desired change.</li> </ul>
<b>INDICATOR</b>	<ul style="list-style-type: none"> <li>Indicators are measures that tell whether progress is being made in achieving the objectives. Indicators are statements with a quantitative value (number, percentage, ratio) that allows progress to be quantified. They are of important because they do the following: <ul style="list-style-type: none"> <li>enable the review of objectives;</li> <li>provide a common framework for measuring and reporting;</li> <li>translate complex concepts into simple operational measurement variables;</li> <li>help to provide feedback to the organization, its staff and stakeholders;</li> <li>Help when comparing the municipality's performance to that of other municipalities.</li> </ul> </li> </ul>
<b>BASELINE</b>	<ul style="list-style-type: none"> <li>Baseline measurements measure the status quo before a project or programme is implemented. Ideally, they should precede finalisation of targets.</li> </ul>
<b>TARGET</b>	<ul style="list-style-type: none"> <li>Targets are the planned level of performance or the milestones that are set for each indicator. They need to be challenging, realistic, measurable and in line with the resources and capacity of the municipality. Targets are usually expressed in terms of quantity.</li> </ul>

**Figure 1: Some Important PMS Concepts**

## Objectives of the Performance Management System

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

- **Facilitate increased accountability**

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

- **Facilitate learning and improvement**

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

- **Provide early warning signals**

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

- **Facilitate decision-making**

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

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

### d. Principles Governing the PMS

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

- ***administratively managed*** in terms of its day-to-day implementation;
- ***implementable*** within any current resource constraints;
- ***integration*** of the PMS with the other management processes within the Municipality;
- ***politically acceptable*** to the political role players of the municipality and allow political

- office bearers & their structures to execute their responsibilities within their defined roles;
- **provision of clarity to all employees** in terms of their role in the achievement of municipal and departmental targets;
- **fostering of cooperation** between the administrative and political wings;
- **provision of early warning signals** in terms of inherent risks for the full implementation of the IDP;
- **public participation** in terms of granting community members their constitutional right to participate in the process;
- **Reliability** of the information provided on the progress in achieving the objectives as set out in its IDP.
- **simplicity** in order to facilitate implementation within any current capacity constraints;
- **transparency and accountability** both in terms of developing and implementing the system;
- **Empowerment of Council with information** to exercise its powers and authority within reason.

#### e. The Preferred Performance Management Model

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

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

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

At **organizational** level, the five-year IDP forms the basis for performance management, whereas at operational level the annual SDBIP forms that basis. The performance measures associated with the

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

IDP have a long-term focus, whereas those associated with the SDBIP are short-term and focus on reviewing the progress made in implementing the current budget and achieving the annual service delivery targets. The measures that are set for the Municipality are captured in the organisational scorecard. Annexure 4 provides a sample municipal scorecard.

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

**f. The Process of Managing Performance**

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



**Figure 2: Steps for Managing Performance at Organisational / Departmental Level**



### Performance Planning

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

### Performance Monitoring

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

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

Monitoring reports should be submitted as follows:

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

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

**Performance Measurement**

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

## Performance Analysis

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

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

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

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

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

## Performance reporting and review

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

### In-year Performance Reporting and Review

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

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

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

Quarter	Period Under Review	Month of Reporting
1 <sup>st</sup>	July to end of September	October
2 <sup>nd</sup>	October to the end of December	January
3 <sup>rd</sup>	January to the end of March	April
4 <sup>th</sup>	April to the end of June	July

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

### Annual Performance Reporting and Review

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

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

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

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

- Various forms of media should be used to convey the annual report e.g. radio, newspapers, notice boards (in shops and community halls) and billboards.
- The public should be invited to submit comments on the annual report via physical visits to the municipality offices, telephone, fax and email.
- Public hearings could be held in a variety of locations to obtain input of the annual report.
- Making use of existing structures such as ward committees to disseminate the annual report and invite comments.
- Hosting a number of public meetings and roadshows at which the annual report could be discussed and input invited.
- Producing a special issue of the municipal newsletter in which the annual report is highlighted and the public invited to comment.

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

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

### Summary of Various Performance Reporting Requirements

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

Report	Frequency	Submitted for Consideration and / or Review to	Remarks
1. SDBIPs	Quarterly	Exco	See MFMA Circular 13 of National Treasury for further information
2. Monthly budget statements	Monthly	Mayor (in consultation with Exco)	See sections 71 and 54 of the MFMA
3. Organizational Scorecard	Quarterly	Exco	This PMS framework (see section 8.5.1 above)
4. SDBIP mid-year budget and performance assessment	Annually during January of each year	<ul style="list-style-type: none"> <li>Mayor (in consultation with Exco)</li> <li>Council</li> </ul>	See sections 72 and 54 of the MFMA
5. Performance report	Annually	Council	See section 46 of the Municipal Systems Act as amended. Said report to form part of the annual report
6. Annual report	Annually	Council	See chapter 12 of the MFMA

### g. The Auditing of Performance Measures

#### The Role of Internal Audit in Terms of Performance Management

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

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

- (i) The **functionality** of the municipality's performance management system. The internal audit section must therefore on a regular basis audit whether the PMS of the Municipality is functioning as developed and described in this framework.
- (ii) Whether the municipality's performance management system **complies** with the Act. This compliance check would require that the Municipality's internal audit unit, at least on an annual basis, verify that the Municipality's PMS complies with the said legal requirements.
- (iii) The extent to which the municipality's performance measurements are **reliable** in measuring the performance of municipalities by making use of indicators. The Municipality should have a proper information management system (electronically or otherwise) so that the internal audit function is able to access information regularly and to verify its correctness.

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

### **Audit Committee**

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

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

- Review the quarterly reports submitted to it by the internal audit unit.



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

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

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

## Performance Investigations

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

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

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

## h. Stakeholder Roles and Responsibilities

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

STAKEHOLDER	ROLE
<b>Council / Exco</b>	<ul style="list-style-type: none"> <li>◆ Adopt the PMS Framework &amp; PMS</li> <li>◆ Adopt the Municipal Scorecard</li> <li>◆ Conduct Annual Review</li> <li>◆ Commission Performance Audits</li> <li>◆ Report to the public and Province</li> </ul>
<b>Management Team</b>	<ul style="list-style-type: none"> <li>◆ Plan for PM</li> <li>◆ Adopt the PMS Framework &amp; PMS</li> <li>◆ Draft Scorecards</li> <li>◆ Approve Departmental Scorecards</li> <li>◆ Conduct Performance Measurements</li> <li>◆ Commission Performance Reviews</li> <li>◆ Produce PM Reports</li> <li>◆ Commission Performance Audits</li> </ul>
<b>Audit Committee</b>	Audit PM Reports & make recommendations
<b>Internal Audit</b>	Audit the results of Performance Measurements
<b>IDP Steering Committee</b>	Participate in PM Planning, Monitoring & Review

IDP Rep. Forum	
Ward Committees	

*Figure 3: Stakeholder Roles & Responsibilities*

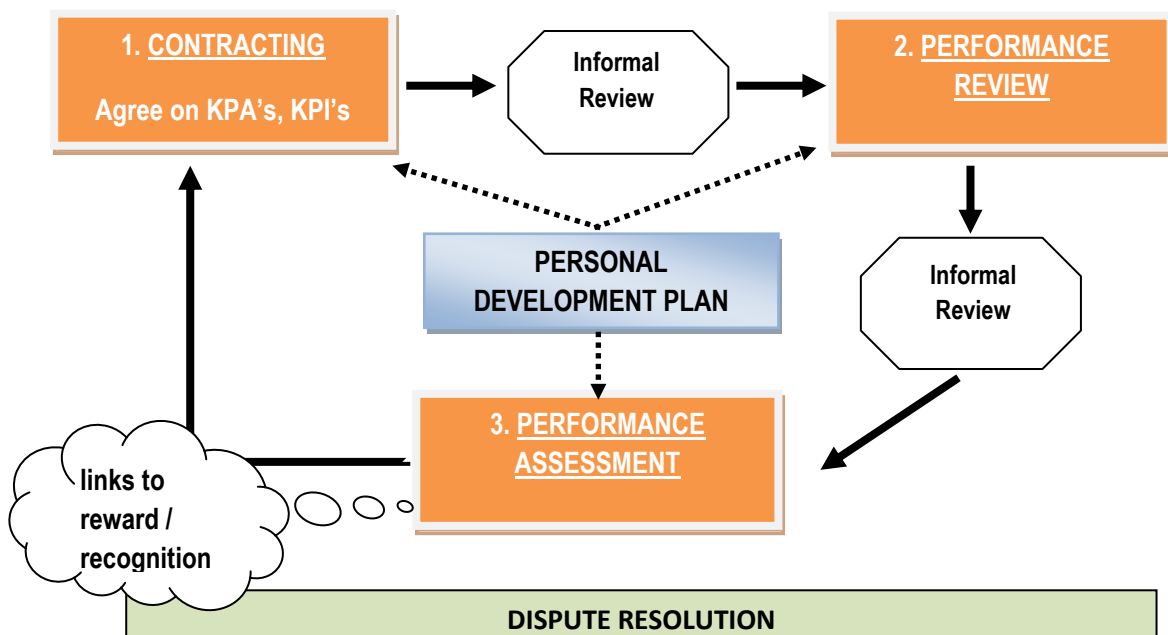
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i. **Performance Management at Individual Level**

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

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

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



**Figure 4: Cycle for Managing Performance at Individual Level**

j. **Performance Management for Section 57 Managers**

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

(i) **Performance Contracting**

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

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

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

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

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

#### ***Core Managerial Competencies***

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

<sup>4</sup>In this context, **employer** refers to “the municipality employing a person as a MM or as a manager directly accountable to a MM and as represented by the Mayor, Executive Mayor or MM as the case may be.”

<sup>5</sup>In this context, **employee** refers to “a person employed by a municipality as a MM or as a manager directly accountable to a MM”

<sup>6</sup>The Performance Plan sets out the performance objectives and targets; and timeframe within which the employee should meet them.

### ***Core Occupational Competencies***

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

### ***Figure 5: List of Core Competency Requirements (CCRs) for Employees***

In order to address the development gaps that support the achievement of set performance targets, a Personal Development Plan (PDP) will be developed and form part of the Performance Agreement. A sample PDP is shown in Annexure 5. In line with the MFMA, the Performance Agreements will be made available to the public.

**(ii) Performance Review**

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

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

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

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

**Key Performance Areas**

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

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

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



### Critical Competency Requirements

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

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

### (iii) Performance Assessment

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

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

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

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

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

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

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

**(iv) Dispute Resolution**

Disputes will be distinguished and handled as follows:

a) Disputes Pertaining to Performance Agreement

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

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

b) Disputes Pertaining to the Outcome of Performance Evaluation

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

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

**k. Performance Management for all Other Municipal Staff Members**

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

**(i) Contracting**

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

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

**(ii) Performance Review**

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

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

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

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

### **(iii) Performance Assessment**

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

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

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

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

## **I. General Issues Relating to Performance Management**

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

### **Annual Review of the Performance Management System**

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

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

### **Amendments to KPI's and Targets**

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

### **Integrating PMS with the Council's Existing Management Cycle**

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

### **Institutional Arrangements**

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

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

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

### **m. Conclusion**

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

## SECTION G: PROJECTS

### 1. INTRODUCTION

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

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

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

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

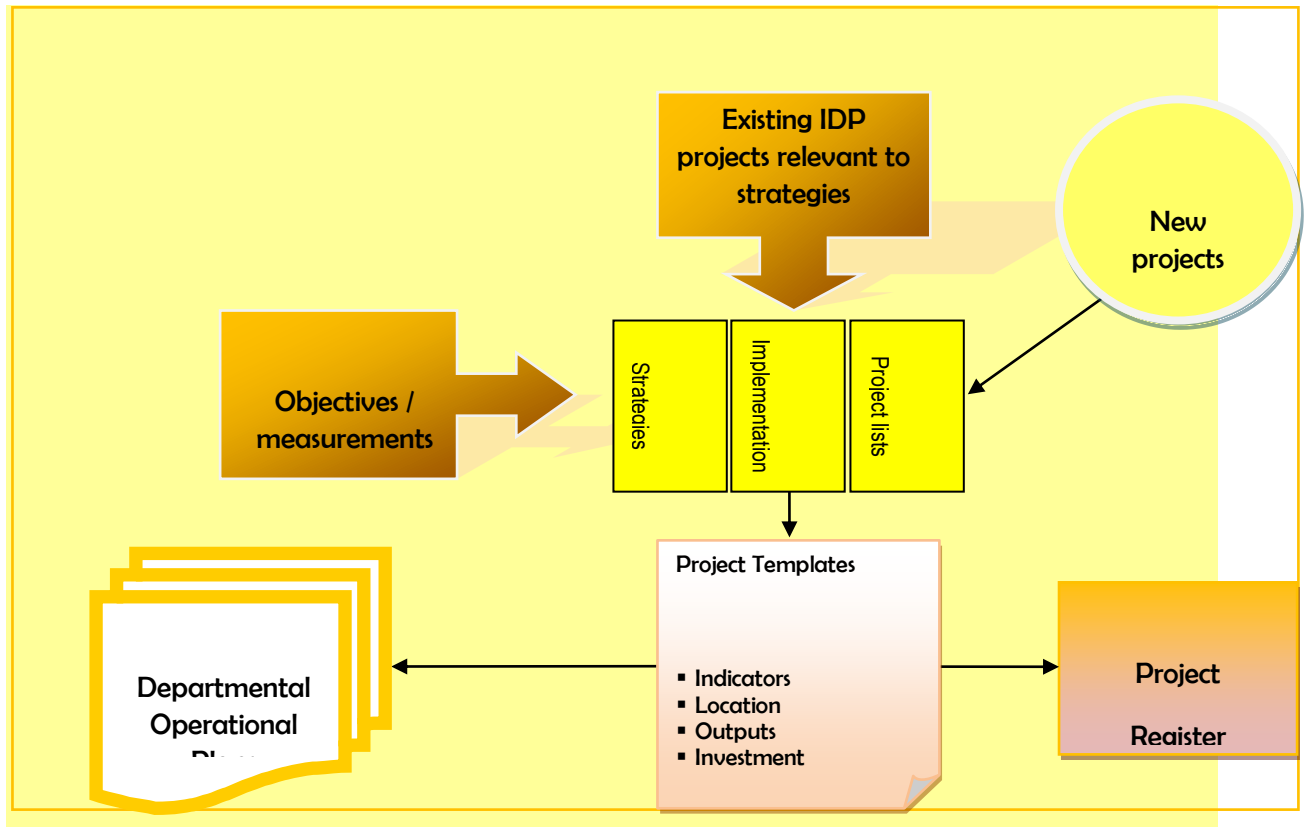
The project register, prior to the budget alignment discussion, represented what the Municipality should be doing in terms of backlogs, community needs and institutional requirements. The budget alignment discussion intends to adjust the project register to what the Municipality is able to do in terms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

The alignment process consisted of three elements, namely:

- 1) Revenue required by the Municipality to perform in terms of all strategic issues:
  - ❖ The costing on the project templates – consolidated on register
  - ❖ The tables on the financial implications of the projects for departments
  - ❖ The external funding table from other service agencies (not going through the municipal budget)
- 2) Revenue available in the Municipality for the following five years in terms of:
  - ❖ Operational budget allocations for each department
  - ❖ Capacity budget allocations for each department
  - ❖ Improve revenue collection targets
  - ❖ Fundraising strategies
- 3) Direction from Council:
  - ❖ The political intention/framework with regard to the preliminary percentage allocation to each KPA (what percentage of the budget should be given to each KPA)
  - ❖ The political intention/framework regarding the allocation to any specific priority within the KPAs

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

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





**FIVE YEAR FINANCIAL PROJECTS PLAN (2012 – 2017) SECTION A: ASSET FINANCE RESERVES (AFR) FUNDED PROJECTS**
**Infrastructure and Basic Services Delivery**
**Water projects**

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

Indwe Rehabilitation of Roads & Storm Water	Rehabilitation of Roads & storm water	15	CHDM	MIG	6,1 000 000	0	0	0	0
Water Backlog (Cluster 1)	Water backlog addressed	07,0 8,10, 13 & 14	CHDM	MIG	14 000 000	13 000 000	14 000 000	0	0
Water Backlog (Cluster 2)	Water backlog addressed	01,0 2, 04& 06	CHDM	MIG	5 000 000	8 000 000	10 000 000	0	0

## Sanitation

Project Description	Project Outputs	Ward	Dept	GFS	Five Year Financial Plan				
					2012/13	2013/14	2014/15	2015/16	2016/17
Mackay'snek : Erection of Sanitation facilities	Sanitation facilities in place	06	CHDM	MIG	R4 000 000	0	0	0	0
Erection of Sanitation facilities (Cluster 1)	Sanitation facilities erected	02, 03, 04, 05, 15. 16. 17	CHDM	MIG	R11 000 000	20 000 000	16 000 000	0	0
Erection of Sanitation facilities (Cluster 2)	Sanitation facilities erected	07, 08, 09, 10, 11, 12, 13, &1 4	CHDM	MIG	R9 000 000	12 000 000	12 000 000	0	0
Dordrecht Bucket Eradication	Bucket Systems	11	CHDM	MIG	R3,8 000 000	2 000 000	12 000 000	0	0

	eradicated								
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### Roads and Storm Water

Project Description	Project Outputs	Ward	Dept	GFS	Five Year Financial Plan				
					2012/13	2013/14	2014/15	2015/16	2016/17
Construction of Rwantana Access Road	Road Constructed	1	Technical	MIG	6 510 000	0	0	0	0
Access Road Dlamini	Road constructed	7	Technical	MIG	4, 682 993.00	0	0	0	0
From R392 to Fani Village Access Road	Road Constructed	7	Technical	MIG	0	0	0	0	0
Dukathole to Mangweni Access Road	Road Constructed	9	Technical	MIG	0	0	0	0	0
Bankies Access Road	Road Constructed	10	Technical	MIG	0	0	0	0	0
Gadlume viaThaleni Access Road	Road Constructed	13	Technical	MIG	0	0	0	0	0
Mhlanga Access Road	Road Constructed	14	Technical	MIG	0	0	0	0	0

Maqhashu Via Ntsinga to Njombela Access	Road Constructed	2&17	Technical	MIG	0	0	0	0	0
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#### Electricity Supply ( Turn-Key Projects)

Project Description	Project Outputs	Ward	Dept	GFS	Five Year Financial Plan				
					2012/13	2013/14	2014/15	2015/16	2016/17
Electrification of 235 units Mpothulo	235 Units Electrified in Mpotulo	1	Tech	DOE	4 000 000	0	0	0	0

#### Waste Management Projects

Project Description	Project Outputs	Ward	Dept	GFS	Five Year Financial Plan				
					2012/13	2013/14	2014/15	2015/16	2016/17
<b>Landfill Site</b>	Landfill Site constructed	4	ELM	MIG	2 000 000	5 000 000	4 000 000	0	0
<b>Cemeteries</b>	EIA, Cemetery Management System, Landscaping and development of Bylaws.	4,14 &16	ELM	MIG	1,5 000 000	1,5 000 000	2,5 000 000	0	0

<b>Establishment of Traffic Centre</b>	Temporal accommodation for Learners License test and Test Driving ground	ELM	ELM	MIG	1,5 000 000	2,000 000	1,000 000	0	0
<b>Renovation of Lady Frere &amp; Dordrecht Stadium</b>	Landscape, Fencing Portion of stand. Landscape in Dordrecht stadium	04 &14	ELM	MIG	3,496 650.00	1,000 000	1,000 000	0	0

## TECHNICAL SERVICES

### Sanitation and Sewerage

Project Description	Project Outputs	Ward	Dept	GFS	Five Year Financial Plan				
					2012/13	2013/14	2014/15	2015/16	2016/17
R&M Tools and Equipment			Tech	OPEX	50 083.37	59 663.16	63 839.58	0	0
Sewage Pumps & Blockages			Tech	OPEX	378 129.79	402 265.73	430 424.33	0	0
Sewage Ponds			Tech	OPEX	560 833.70	596 631.60	638 395.81	0	0
Infrastructure (Sanitation			Tech	OPEX	818 688.61	870 945.3	931 911.50	0	0

Sewage)						3			
Water purification			Tech	OPEX	221 376.17	235 506.56	251 992.02	0	0
Contribution to Indigent household			Tech	OPEX	278 8931.57	2 996 948 .48	3 174 643.87	0	0
Connection Sanitation			Tech	OPEX	606 249.62	644 946.40	690 092.65	0	0
Wellness Day (Sanitation & Sewerage)			Tech	OPEX	55 344.04	58 876.64	62 998.00	0	0
Health & Safety training			Tech	OPEX	110 688.08	117 753.28	125 996.01	0	0
Plant Hire			Tech	OPEX	633 710.40	674 160.00	721 351.20	0	0

#### Refuse Cleaning Services

Project Description	Project Outputs	Ward	Dept	GFS	Five Year Financial Plan				
					2012/13	2013/14	2014/15	2015/16	2016/17
R&M Tools and Equipment			Tech	OPEX	12 679.95	13 489.310	14 433.56	0	0

Contribution to Indigent households			Tech	OPEX	42 300.00	45 000.00	48 150.00	0	0
Refuse Bags			Tech	OPEX	94 669.32	100 712.04	107 761.89	0	0

### Roads and Storm Water

Project Description	Project Outputs	Ward	Dept	GFS	Five Year Financial Plan				
					2012/13	2013/14	2014/15	2015/16	2016/17
R&M storm water pipes and fittings			Tech	OPEX	275 886.00	291 059.73	311 433.91	0	0
R&M Streets			Tech	OPEX	551 772.00	582 119.46	622 876.82	0	0
R&M Tools & Equipment			Tech	OPEX	110 354.40	116 423.89	124 573.56	0	0
EPWP Lady Frere Paving			Tech	OPEX	1 358 000.00	0	0	0	0



## Water Trading Services

Project Description	Project Outputs	Ward	Dept	GFS	Five Year Financial Plan				
					2012/13	2013/14	2014/15	2015/16	2016/17
R&M Building			Tech	OPEX	200 915.00	601 350.00	643 444.50	0	0
R&M Tools & Equipment			Tech	OPEX	548 997.00	116 423.89	124 573.56	0	0
Water Reticulation			Tech	OPEX	421 735.00	702 630.00	751 814.10	0	0
R&M Engines			Tech	OPEX	1 090 104.00	629 835.00	673 923.45	0	0
Refurbishment			Tech	OPEX	3 000 000.00	0	0	0	0
Water Purification			Tech	OPEX	761 054.00	622 623.14	666 206.76	0	0
Sampling			Tech	OPEX	621 386.00	655 562.05	701 451.39	0	0
Free Basic Water(6kl)			Tech	OPEX	800 000.00	1 413 039.36	1 511 952.12	0	0
New connections			Tech	OPEX	300 000.00	232 847.7	249 147.13	0	0

						8			
Wellness Day			Tech	OPEX	50 000.00	0	0	0	0
Watercarts			Tech	OPEX	130 000.00	53 323.92	57 056.59	0	0
Education & Marketing			Tech	OPEX	66 212.64	69 854.34	74 744.14	0	0
Health & Safety Training			Tech	OPEX	80 000	104 781.5 0	112 116.21	0	0
Plant Hire			Tech	OPEX	367 328.00	992 755.0 0	1 062 247.85	0	0
Water demand Management/Awareness			Tech	OPEX	317 824.00	0	0	0	0

### Technical Services

Project Description	Project Outputs	Ward	Dept	GFS	Five Year Financial Plan				
					2012/13	2013/14	2014/15	2015/16	2016/17
R&M streetlights			Tech	OPEX	590 446.55	748 154.8 2	800 525.66	0	0
PMU expenditure			Tech	OPEX	1 165 550.0 0	1 229 550 .00	1 300 650.00	0	0
Fleet Management			Tech	OPEX	631 800.00	666 549.0	713 207.43	0	0

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### Electricity Trading

Project Description	Project Outputs	Ward	Dept	GFS	Five Year Financial Plan				
					2012/13	2013/14	2014/15	2015/16	2016/17
Bulk purchases: electricity			Tech	OPEX	10 139 111.72	11 664 043.46	14 085 526.50	0	0
R&M Electricity Network			Tech	OPEX	110 354.40	116 423.89	124 573.56	0	0
R&M Buildings			Tech	OPEX	54 111.20	57 087.32	61 083.43	0	0
R&M Tools & Equipment			Tech	OPEX	27 055.60	28 543.66	30 541.72	0	0
Bulk purchases: Electricity			Tech	OPEX	1 241 726.50	1 573 391.65	1 683 529.06	0	0
FBS 50 KW			Tech	OPEX	670 000	690 000	710 00	0	0

## Cemeteries Projects

Project Description	Project Outputs	Ward	Dept	GFS	Five Year Financial Plan				
					2012/13	2013/14	2014/15	2015/16	2016/17
Pauper Burials		ELM	Com Serv	OPEX	25 872.06	27 523.46	29 450.11	0	0
Cemetery Yards		ELM	Com Serv.	OPEX	141 804.96	150 856.34	161 416.29	0	0
Tools and Equipment	Operation and Maintenance are being sustained	ELM	Com Serv	OPEX	100 000	200 000	300 000	400 000	500 000

## Parks, open spaces and Recreation, office buildings

Project Description	Project Outputs	Ward	DEPT	GFS	Five Year Financial Plan				
					2012/13	2013/14	2014/15	2015/16	2016/17
Repairs and maintenance resort	Indwe Resort is Maintained	16	Com Serv	OPEX	141 000	150 000	160 500	0	0
Repairs and maintenance: Fencing	Municipal Offices at Indwe are	16	Com Serv	OPEX	104 426.0	111 091.50	118 867.91	0	0

	being fenced				1				
Parks & Public Open Space		ELM	Com Serv	OPEX	28 200.00	30 000.00	32 100.00	0	0
Repairs and maintenance: Tools and Equipment	Maintenance of machinery	ELM	Com Serv	OPEX	52 213.01	55.545.75	59 433.95	0	0
Fire Brigade Services	Purchases of Fire fighting vehicle and engine and temporary accommodation for fire fighting	ELM	Com Serv	OPEX	64 076.22	68 166.19	72 937.82	0	0
Disaster Expenditure	Response to disaster emergencies and conduct awareness's	ELM	Com Serv	OPEX	261 065.03	277 728.75	297 169.76	0	0
Wellness Day	Health-being of municipal employees	ELM	Com Serv	OPEX	282 000	300 000	321 000	0	0
HIV/ AIDS	HIV/ AIDS	ELM	Com Serv	OPEX	258 000	275 000	294 250	0	0

Repairs and maintenance: Fencing Parks	Park is fenced and maintained	16	Com Srv	OPEX	57 838.23	61 530.03	65 837.13	0	0
New Pre Schools	Construction of Pre School		Com Serv.	OPEX	1 044 260 .10	1 110 915.00	1 188 679.05	0	0
Lost Library books	Buy books that are lost.		Com Serv.	OPEX	1 341.55	1 427.18	1 527.09	0	0
Plant Hire			Com Serv.	OPEX	35 713.70	37 993.29	40 652.82	0	0
R & M Fencing (Tourism Resort)			Com Serv.	OPEX	10 442.60	11 109.15	11 886.79	0	0
R & M Tools & Equipment (Tourism and Resort)			Com Serv.	OPEX	5 221.30	5 554.58	5 943.40	0	0

## Sports Fields

Project Description	Project Outputs	DEPT	Ward	GFS	Five Year Budget Cycle				
					2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Repairs and Maintenance	Sport fields are being maintained	Com Serv	ELM	OPEX	100 000	150 000	200 000	250 000	300 000
Tools and Maintenance	Machinery for Sport field maintenance	Com Serv	ELM	OPEX	10 000	20 000	30 000	40 000	50 000
R&M Buildings		Com Serv	ELM	OPEX	2313.53	2461.20	2633.49	0	0

## Integrated Planning and Economic Developments

Project Description	Project Outputs	Ward	Dept	GFS	Five Year Budget Cycle				
					2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
CHDM Massive Food Production	Crop production in a large scale	ELM	IPED	OPEX	297 598	0	0	0	0
Live Stock Marketing	Improve value for Livestock	ELM	IPED	OPEX	62 000	R70 000	R74 900	0	0

Tshatshu Irrigation	Irrigation scheme in small scale	ELM	IPED	OPEX	137 535	0	0	0	0
Coal Mining DEAT	Development of Master Plan	ELM	IPED	OPEX	500 000	0	0	0	0
Munic Farm	Provide infrastructure for all farms owned by the municipality	ELM	IPED	OPEX	100 000	0	0	0	0
Elitheni Coal Mine	Development of Master plan	ELM	IPED	OPEX	300 000	0	0	0	0
Tourism Development	Promotion of Tourism in Emalahleni Area	ELM	IPED	OPEX	300 000	R300 000	R321 000	0	0
Dairy, Mushroom and Sorghum	Production of mushrooms and milk processing	ELM	IPED	OPEX	420 000	0	0	0	0
Promote of Local Tourism in ELM	Marketing the Emalahleni area as a tourist destination	ELM	IPED	OPEX	200 000	0	0	0	0
SMME Support	Increase support on Enterprise development	ELM	IPED	OPEX	800 000	R700 000	R 749 000	0	0
Erection of Hawker Stalls in	Hawker Stalls	04	IPED	MIG	1,165 550.00	0	0	0	0



Lady Frere	Erected								
Erection of Hawker Stalls in Indwe	Hawkers Stalls Erected	16	IPED	MIG	0	R4,697 000	0	0	0
Erection of Hawkerc Stalls in Dordrecht	Hawkers Stalls Erected	14	IPED	MIG	0	0	R4,969 000	0	0
IDP Review	Reviewed IDP	ELM	IPED	OPEX	200 000	200 000	214 000	0	0
Subdivision of Municipal land in Town	Municipal Land is being divided	ELM	IPED	OPEX	150 000	150 000	160 500	0	0
Land Use Management Systems (Local specific SDF's)	Local SDF is developed per town	ELM	IPED	OPEX	400 000	500 000	535 000	0	0
Township establishment	Formalisation of Townships and develop new townships	ELM	IPED	OPEX	400 000	600 000	642 000	0	0
Land Audit	Carry out land audit in the whole municipal area	ELM	IPED	OPEX	500 000	0	0	0	0
Town scheme planning	Formalise Pilot houses	ELM	IPED	OPEX	500 000	0	0	0	0
Layout plan – Cemeteries	Layout Plans developed	ELM	IPED	OPEX	500 000	700 000	749 000	0	0

## Public Participation and Good Governance

Project Description	Project Outputs	Ward	DEPT	GFS	Five Year Budget Cycle				
					2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Public Participation		ELM	Speaker's	Council	400 000	410 000	420 000	0	0
Ward Committee	To improve the knowledge of ward committees	ELM	Speaker's	MSIG	160 000	625 000	639 000	0	0
Ward Committee Travelling Assistance	Payments of out pockets expenses	ELM	Speaker's	Council	2142 000	2 142 000	2 142 000	0	0
ELM Women's Forum	Women Indaba Strat Plan Developed	ELM	Mayor	Council	180 000	200 000	214 000	0	0
Field Band project	Brass Band Choir	ELM	Mayor's	Council/Elitheni	430 000	450 000	481 500	0	0

Elderly Cultural Development	Older Persons wellness	ELM	Mayor's	Council	70 000	75 000	80 250	0	0
Material: Communication		ELM	Mayor's	Council	500 000	520 000	540 000	0	0
Mayor's Fund		ELM	Mayor's	Council	400 000	410 000	420 000	0	0
SPU District World Aid		ELM	Mayor's	Council	55 000	60 000	64 200	0	0
SPU: Youth Day		ELM	Mayor's	Council	1000 000	1300 000	1350 000	0	0
Revive ELM Forum		ELM	Mayor's	Council	280 000	300 000	321 000	0	0
Mid-Term Progress review		ELM	Mayor's	Council	400 000	420 000	450 000	0	0

#### Municipal Transformation and Organisational Development

Project Description	Project Outputs	Ward	DEPT	GFS	Five Year Budget Cycle				
					2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Policies	Reviewed Policies	ELM	Corporate	MSIG	R150 000	195 000	215 000	0	0

### Financial Viability and Management

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

### *CONTRIBUTION BY SECTOR DEPARTMENTS*

#### Department of Sport, Art and Culture

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

### Department of Health

Project Description	Project Output	Ward	Area	Dept	Financial Year Budget Cycle				
					2012/13	2013/14	2014/15	2015/16	2016/217
Vaal Bank Clinic	Clinic is built	8	Vaal Bank	DOH	R650 000	0	0	0	0

### SASSA

Project Description	Project Output	Ward	Area	Dept	Financial Year Budget Cycle				
					2012/13	2013/14	2014/15	2015/16	2016/217
Social Relief of Stress		ELM	ELM	SASSA	R875 582.82	0	0	0	0

### Department of Human Settlements

Project Description	Project Output	Ward	Area	Dept	Financial Year Budget Cycle				
					2012/13	2013/14	2014/15	2015/16	2016/217

Mavuya	280 houses to be rectified	15	Indwe	DHS	R10,73m	0	0	0	0
Chris Hani Emergency units 300	26 units to be built	ELM	ELM	DHS	R2,16m	0	0	0	0
Sinakho Zwelethemba 289	289 houses to be built(Planning)	11	Dordrecht	DHS	R0,60m	0	0	0	0
Indwe west Gate 160	160 houses to be built (Planning)	16	Indwe	DHS	R0.62m	0	0	0	0
Zwartwater 1000 (rural)	1000 houses to be built (Planning)	9	Zwartwater	DHS	R0,5m	0	0	0	0
Dordrecht 2000	50 houses to be rectified	11	Dordrecht	DHS	R6,8m	0	0	0	0
Lady Frere 715	50 houses to be rectified	4	Lady Frere Township	DHS	R6,8m	0	0	0	0

### Department of Public Works

Project	Project	Ward	Area	Dept	Financial Year Budget Cycle
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Description	Output								
					2012/13	2013/14	2014/15	2015/16	2016/217
EPWP	Creation of job opportunities through infrastructure development	ELM	ELM	DPW	R13 000	0	0	0	0
Road Maintenance	998kms to be maintained through houses contractors	ELM	ELM	DPW	R6, 227,520	0	0	0	0
Community Development	Maintenance of clinics, schools, hospitals and access roads	ELM	ELM	DPW	R1,379,040.00	0	0	0	0
Public Building Infrastructure	Building of Vukuzenzele Multi-Purpose Centre, Social Cluster, 12 NYS and	ELM	ELM	DPW	R48,485,486.33	0	0	0	0

	training of 11 local community								
Road maintenance (DR Roads)	7 roads to be maintained	ELM?	ELM	DPW	R4,5m	0	0	0	0

### Department of Energy

Project Description	Project Output	Ward	Area	Dept	Financial Year Budget Cycle				
					2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Lady Frere Phase 8A1	Connections of 342 units	8&9	Upper Vaal Bank	ESKOM	R15,906,000	0	0	0	0
Lady Frere Phase 8B1	Connections of 400 units	1	Rwantsana	ESKOM	R22,357,500	0	0	0	0
Lady Frere Extensions	1337 units are electrified in extension areas	ELM	ELM	ESKOM	R22,060,500	0	0	0	0



### Department of Rural Development and Agrarian Reform

Project Description	Project Output	Ward	Area	Dept	Financial Year Budget Cycle				
					2012/13	2013/14	2014/15	2015/16	2016/217
Machubeni Land Care	Agric support	13	Machubeni	Dept of Agrarian	R700 000	0	0	0	0
Stabelberg Farm	Agric support	16	Indwe	Dept of Agrarian	R131 018	0	0	0	0
Kuyasa Farming Gagela	Agric support	15	Ida	Dept of Agrarian	R161 799.00	0	0	0	0
Khepu Bese LRAD	Agric support	14	Dordrecht	Dept of Agrarian	R337 124.02	0	0	0	0
Amandlane Farm	Agric support	15	Ida	Dept of Agrarian	R193 000.00	0	0	0	0
Ithango	Fencing of farm boundaries	16	Guba	Dept of Agrarian	R1 000 000	0	0	0	0

### Department of Social Development

Project Description	Project Output	Ward	Area	Dept	Financial Year Budget Cycle				
					2012/13	2013/14	2014/15	2015/16	2016/217
Ukhanyiso Mobigym Youth Development	Mobigym to be built	5	Lady Frere	Social Development	R568 000	0	0	0	0
Sinakho Youth Entrepreneurship Programme	Internet Cafe	11	Dordrecht	Social Development	R207 600	0	0	0	0
Nceduluntu Women Development	Food Security	5	Lady Frere	Social Development	R500 000	0	0	0	0
Siyasebenza Lower Mgwala	Food Security	16	Mgwala	Social Development	R750 000	0	0	0	0
Masilime Women project	Food Security	2	Skwanqeni	Social Development	R375 000	0	0	0	0
Siyakhana Glen Grey	Crop Production	4	Lady Frere	Social Development	R235 000	0	0	0	0
Inkwenkwezi	Poultry Production	8	Vaal Bank	Social Development	R500 000	0	0	0	0

	AREA OFFICE	EMALAHLENI					
n o	Project Name	Sub - Programme	Nature of Project	Ward Number	Location /Village	No. of benefici- aries/Volun- teers	Budget
1 .	Tada Project	Substance abuse	Teenagers Against Drug Abuse	Emalahleni		6	R122 000
2 .	Masonwabe	Older Persons	Service Centre	9	Vaalbank	60	Monthly claims of R200 per older person per month.
3 .	Masonwabe	Older Persons	Service Centre	3	Hala	50	Monthly claims of R200 per older person per month.
4 .	Themba lethu	Older Persons	Service Centre	4	Cacadu	50	Monthly claims of R200 per older person per month.
5 .	Noncedo	Older Persons	Service Centre	01	Kundulu	110	Monthly claims of R200 per older person per month.

6	Sosebenza Home Based Care	Older Person	Service Centre	16	Indwe	107	Monthly claims of R200 per older person per month.
7	Masakhe Intergenerational Prog	Older Persons	Service Centre	17	Kuntsinga	93	Monthly claims of R200 per older person per month.
8	Hlalanathi		Service Centre	05	Cumakala	119	Monthly claims of R200 per older person per month.
9	Soyi S. C.	Older Persons	Service Centre	10	Tsembeyi	50	Monthly claims of R200 per older person per month.
10	Luxolo S.C.	Older Persons	Service Centre	10	Tsembeyi	30	Monthly claims of R200 per older person per month.
11	Siyathemba Special Day Care Centre	Disability	Special Day Care Centre	11	Dordrecht	32	Monthly claims of R17.00 per child per day.
12	Emadlelweni Skills Dev. Centre	Disability	Skills Dev. Centre	16	Indwe	9	R130.000
13	Khuseleka Support Centre	Victim Empowerment	Victim support Centre & Safe Home		Mckysneck	07	R120 000
14	Lavelilanga Gender Empowerment Project	Victim Empowerment	Victim support Centre	16	Indwe	05	R100 000

.							
1 5 .	Ndonga H.C.B.C	HIV/AIDS	HCBC	14	Ndonga	20	Conditional Grant
1 6 .	Sakhingomso H.C.B.C	HIV/AIDS	HCBC	16	Indwe	20	R269 298 000
1 7 .	Good Samaritan H.C.B.C	HIV/AIDS	HCBC	11	Dordrecht	20	R269 298 000
1 8	House of Hope Hospice	HIV/AIDS	HCBC	16	Indwe	20	R269 298 000
1 9	Masibambane H.C.B.C	HIV/AIDS	HCBC	04	Lady Frere	20	R269 298 000
2 0	Umthombo Wempilo H.C.B.C	HIV/AIDS	HCBC	13	Machubeni	20	R269 298 000
2 1	Indwe Family Resource Centre	Services to Families	Services to Families	16	Indwe	06	R150 000
	<b>Early Childhood Development</b>	<b>Child Care &amp; Protection</b>	<b>Services to children</b>	<b>Emalahleni</b>	<b>Emalahleni</b>	<b>71 Day Care Centres</b>	<b>Funded at R15 00 per child per day.</b>
22	Boomplaas	D.C.C.	Services to children	13	Machubeni	45	R15 per child per day.

23	Buffalo Thorns	D.C.C.	Services to children	9	Vaalbank	20	R15 per child per day.
24	Buyani	D.C.C.	Services to children	16	Indwe	47	R15 per child per day.
25	Emzi	D.C.C.	Services to children	6	Mckysnek	42	R15 per child per day.
26	Gadlume	D.C.C.	Services to children	13	Gadlume	40	R15 per child per day.
27	Gqebenya	D.C.C.	Services to children	6	Gqebenya	48	R15 per child per day.
28	Ikhwezi	D.C.C.	Services to children	13	Nkenkulu	39	R15 per child per day.
29	Isiseko (Bengu)	D.C.C.	Services to children	2	Qutubeni	61	R15 per child per day.
30	Jekeni Nomzamo	D.C.C.	Services to children	8	Jekeni	30	R15 per child per day.
31	Khanya	D.C.C.	Services to children	8	Mgqukhwebe	25	R15 per child per day.
32	Khanyisa	D.C.C.	Services to children	5	Dopu	30	R15 per child per day.
33	Khulile	D.C.C.	Services to children	2	Ntsinga	38	R15 per child per day.
34	Kuyasa	D.C.C.	Services to children	2	Lanti	35	R15 per child per day.
35	Lady Frere	D.C.C.	Services to children	4	Lady Frere	59	R15 per child per day.
36	Lanti Bush	D.C.C.	Services to children	2	Lanti	22	R15 per child per day.
37	Lanti Poort	D.C.C.	Services to children	2	Lanti	20	R15 per child per day.
38	Lttle Fire	D.C.C.	Services to children	12	Ngqanda	38	R15 per child per day.
39	Makukhanye	D.C.C.	Services to children	3	Trust	36	R15 per child per day.

40	Masakhane	D.C.C.	Services to children	16	Guba Hoek	43	R15 per child per day.
41	Masithembe	D.C.C.	Services to children	3	Greyspan	38	R15 per child per day.
42	Matyantya	D.C.C.	Services to children	6	Matyantya	44	R15 per child per day.
43	Mikhaya	D.C.C.	Services to children	1	Xonxa	40	R15 per child per day.
44	Mount Arthur	D.C.C.	Services to children	12	Mount Arthur	38	R15 per child per day.
45	Mzamomhle (Bozwana)	D.C.C.	Services to children	7	Bozwana	45	R15 per child per day.
46	Mzamomhle (Maqhubela)	D.C.C.	Services to children	3	Maqhubela	45	R15 per child per day.
47	Mzamomhle (Xonxa)	D.C.C.	Services to children	1	Xonxa	45	R15 per child per day.
48	Nalisango	D.C.C.	Services to children	13	Helushe	46	R15 per child per day.
49	Ngqanda	D.C.C.	Services to children	12	Ngqanda	30	R15 per child per day.
50	Njongozethu	D.C.C.	Services to children	2	Lanti	40	R15 per child per day.
51	Nokulunga	D.C.C.	Services to children	3	Hala No. 1	30	R15 per child per day.
52	Nolukhanyo	D.C.C.	Services to children	16	Gxojeni	40	R15 per child per day.
53	Noluvuyo	D.C.C.	Services to children	8	Bengu	20	R15 per child per day.
54	Nonkuthazo	D.C.C.	Services to children	12	Luxeni	35	R15 per child per day.

55	Nompumelelo (Ebholeni)	D.C.C.	Services to children	7	Dubeni	44	R15 per child per day.
56	Nompumelelo (Glen adelaide)	D.C.C.	Services to children	5	Glen Adelaide	20	R15 per child per day. R15 per child per day.
57	Nompumelelo (Guba Hoek)	D.C.C.	Services to children	16	Guba Hoek	40	R15 per child per day.
58	Nomveliso	D.C.C.	Services to children	14	Kalkfontein	40	R15 per child per day.
59	Nomzamo (trust)	D.C.C.	Services to children	13	Macubeni	60	R15 per child per day.
60	Nomzamo (qoqodala)	D.C.C.	Services to children	7	Qoqodala	32	R15 per child per day.
61	Noncedo (Ngqoko)	D.C.C.	Services to children	4	Ngqoko	20	R15 per child per day.
62	Noncedo (Guba Hoek)	D.C.C.	Services to children	16	Guba Hoek	36	R15 per child per day.
63	Nobantu	D.C.C.	Services to children	2	Lanti	38	R15 per child per day.
64	Phakamani (Greyspan)	D.C.C.	Services to children	3	Greyspan	33	R15 per child per day.
65	Phakamani (Mckysnek)	D.C.C.	Services to children	6	Mckysnek	33	R15 per child per day.
66	Qoboshane	D.C.C.	Services to children	13	Qoboshane	42	R15 per child per day.



67	Qumbu	D.C.C.	Services to children	9	Zwaartwater	45	R15 per child per day.
68	St. Catherines	D.C.C.	Services to children	16	Indwe	62	R15 per child per day.
69	St. Cyprians	D.C.C.	Services to children	13	Macubeni	35	R15 per child per day.
70	Sifunulwazi	D.C.C.	Services to children	9	Zwaartwater	40	R15 per child per day.
71	Sinethemba	D.C.C.	Services to children	3	Ntlalontle	40	R15 per child per day.
72	Siyabulela	D.C.C.	Services to children	9	Upper Vaalbank	40	R15 per child per day.
73	Siyakonwaba	D.C.C.	Services to children	9	Vaalbank	20	R15 per child per day.
74	Sivumile	D.C.C.	Services to children	3	Maqhubela	60	R15 per child per day.
75	Sivuyisiwe	D.C.C.	Services to children	9	Zwaartwater	31	R15 per child per day.
76	Sizamele	D.C.C.	Services to children	13	Emthini	40	R15 per child per day.
77	Small Farm	D.C.C.	Services to children	6	Gqebenya	22	R15 per child per day.
78	Tafeni	D.C.C.	Services to children	2	Bengu	40	R15 per child per day.
79	Thaleni	D.C.C.	Services to children	16	Thaleni	45	R15 per child per day. R15 per child per day.
80	Thembelihle	D.C.C.	Services to children	13	Upper Gxojeni	29	R15 per child per day.
81	Vukani (Ntlalontle)	D.C.C.	Services to children	3	Ntlalontle	30	R15 per child per day.

82	Vukani (Upper Mgwala)	D.C.C.	Services to children	14	Upper Mgwala	30	R15 per child per day.
83	Vulindlela	D.C.C.	Services to children	6	Mckysnek	44	R15 per child per day.
84	Vuyani		Services to children	13	Mbolombeni	35	R15 per child per day.
85	Nompumelelo (Tsembeyi)	D.C.C.	Services to children	10	Tsembeyi	27	R15 per child per day.
86	Nontsikelelo	D.C.C.	Services to children	7	Dubeni	32	R15 per child per day.
87	Yimpucuko	D.C.C.	Services to children	14	Dordrecht	44	R15 per child per day.
88	Zamokuhle	D.C.C.	Services to children	7	Bowden	20	R15 per child per day.
89	Zanoxolo	D.C.C.	Services to children	10	Mateyise	25	R15 per child per day.
90	Zikhulise	D.C.C.	Services to children	7	Qoqodala	35	R15 per child per day.
91	Zolani	D.C.C.	Services to children	8	Ngonyama	61	R15 per child per day. R15 per child per day.
92	Zubasdale	D.C.C.	Services to children	3	Hala	60	R15 per child per day.

## Department of Education

Project Description	Project Output	Ward	Area	Dept	Financial Year Budget Cycle				
					2012/13	2013/14	2014/15	2015/16	2016/217
<b>HIV/AIDS</b>	Care and Support for Teaching and Learning	<b>All</b>	<b>All</b>	<b>DOE</b>	R125 000.00				
Early Childhood Development	1.Compensation of 161 Grade R practitioners			<b>DOE</b>	R9660000				
	2.Training of Grade R practitioners in level 5 to upgrade their qualifications			<b>DOE</b>	R156340				
	3.Allocation of funds for 135 public schools with Grade R classes to purchase LTSM and outdoor			<b>DOE</b>	R1163068				

	play equipment								
National School Nutrition Programme	Feeding all learners in Primary and secondary schools, Providing stipend and provide fuel to cook		All	DOE	R903 644 m				
Scholar Transport Services	Transportation of Learners		All	DOT	R210m				
New and Replacement Asset (2.6)			Bakaneni SPS	IDT MUD	200	-	-		
New and Replacement Asset (2.6)			Bankies JSS	DPW Fencing	35				
New and Replacement	Awaiting construction		Echibini SSS	DPW Mud	R2, 487m	R 3 000			

Asset (2.6)									
New and Replacement Asset (2.6)			Emazimeni JSS	DPW Fencing	30				
New and Replacement Asset (2.6)			Emzi JSS	DPW Fencing	40				
New and Replacement Asset (2.6)			Esethu PS	IDT MUD	-				
New and Replacement Asset (2.6)			Esidwadweni JSS	DPW Fencing	40				
New and Replacement Asset (2.6)			Freemantle Boys' High (Hostel)	DPW Fencing	2 719	10 380	5 710		
New and Replacement Asset (2.6)			Freemantle SSS (fnc)	DPW Emergency	90				
New and Replacement			Helushe SPS	DPW Fencing	60				

Asset (2.6)									
New and Replacement Asset (2.6)			Ikhwezi Lokusa SSS	CDC Assessed	-		6 419		
New and Replacement Asset (2.6)			Indwe (METH) PS	IDT MUD	-				
New and Replacement Asset (2.6)			Indwe SSS	IDT MUD	-				
New and Replacement Asset (2.6)			Kundulu JSS	DPW Emergency	400				
New and Replacement Asset (2.6)			Kundulu Jss	IDT RSDP I	137	-	-		
New and Replacement Asset (2.6)			Lukhanyo SSS	IDT MUD	-				
New and Replacement			Masizakhe JPS	CDC Assessed	-		5 925		

Asset (2.6)									
New and Replacement Asset (2.6)			Mkapusi JSS	CDC Assessed	-		5 443		
New and Replacement Asset (2.6)			Nobuhle JSS	DPW	10				
New and Replacement Asset (2.6)			Noluthando JSS	DPW Fencing	30				
New and Replacement Asset (2.6)			Nompumelelo JSS	DPW Fencing	30				
New and Replacement Asset (2.6)			Nonesi SPS (clsrms)	IDT RIP II	1 968	-	-		
New and Replacement Asset (2.6)			Nozala JSS	DPW Fencing	420				
New and Replacement			Nzondelelo JSS	IDT MUD	-	-	-		

Asset (2.6)									
New and Replacement Asset (2.6)			Phakamani SSS	IDT PHASE III	-	-	-		
New and Replacement Asset (2.6)			Siyakhula PS	IDT MUD	-				
New and Replacement Asset (2.6)			Thembani SPS (Clrms)	IDT RIP II	2 582	-	-		
New and Replacement Asset (2.6)			Thembani SPS (fnc)	IDT RIP II	84	-	-		
New and Replacement Asset (2.6)			Thembani SPS (fnc) DPW	DPW Fencing	120				
New and Replacement Asset (2.6) (RSDP I)			Jaho's Glen Jss	IDT RSDP I	114	-	-		
New and Replacement			Mcewula Sss	IDT	249				



Asset (2.6) (RSDP I)						-	-		
New and Replacement Asset (2.6) (RSDP I)			Ngqanda Jss	IDT	205	-	-		
New and Replacement Asset (2.6) (RSDP I)			Nompucuko Sps	IDT	239	-	-		
New and Replacement Asset (2.6) (RSDP I)			Papasi Jss	IDT	354	-	-		
New and Replacement Asset (2.6) (RSDP I)			RV Maneli Jss	IDT	323	-	-		
New and Replacement Asset (2.6) (RSDP I)			Zwartwater Sps	IDT	134	-	-		

New and Replacement Asset (2.6) (RSDP WSF)			Jaho's Glen Jss	IDT	664	-	-		
New and Replacement Asset (2.6) (RSDP WSF)			Kundulu JSS	IDT	822	-	-		
New and Replacement Asset (2.6) (RSDP WSF)			Mceula Sss	IDT	822	-	-		
New and Replacement Asset (2.6) (RSDP WSF)			Ngqanda Jss	IDT	707	-	-		
New and Replacement Asset (2.6) (RSDP WSF)			Nompucuko SPS	IDT	664	-	-		
New and Replacement Asset (2.6)			Papasi JSS	IDT	306	-	-		

(RSDP WSF)									
New and Replacement Asset (2.6) (RSDP WSF)			RV Maneli JSS	IDT	759	-	-		
New and Replacement Asset (2.6) (RSDP WSF)			Zwartwater SPS	IDT	664	-	-		
New and Replacement Asset (7.6)			Bozwana JSS		100	3 300	-		
New and Replacement Asset (7.6)			Emaqwatini JSS		-		-		
New and Replacement Asset (7.6)			Matyantya JSS		78		-		
New and Replacement Asset (7.6)			Mnikina JSS		-		-		

New and Replacement Asset (7.6)			Upper Ngonyama JSS		-	-			
New and Replacement Asset (7.6)			Xonxa JSS		-	-			
New and Replacement Asset (7.6)			SIYAKHULA PS	CDC	4 378	713			
New and Replacement Asset (8.4)			Auxiliary Services (Exams) Lady Frere	DPW	6 000	3 263			
<b>Upgrade and Additions (1.3) Total</b>					-	-	<b>1 000</b>		
Upgrade and Additions (2.1)			Dum-Dum SPS	CDC EPWP II	-	-	-		
Upgrade and Additions (2.1)			Eluthuthu PS	CDC EPWP II					

Upgrade and Additions (2.1)			Qutubeni JSS	CDC EPWP I					
Upgrade and Additions (2.1)			Qutubeni JSS	CDC EPWP II					
Upgrade and Additions (2.1)			Zwelilungile SPS	CDC EPWP II					
<b>Upgrade and Additions (2.1) Total</b>							-	<b>R14 000m</b>	<b>R9,465</b>
Upgrade and Additions (2.2)			Bomeni JSS	IDT PHASE III			-	-	-
Upgrade and Additions (2.2)			Bozwana JSS	IDT PHASE III			-	-	-
Upgrade and Additions (2.2)			Sidakeni JSS	IDT EPWP			-	-	-

<b>Upgrade and Additions (2.2) Total</b>							-	<b>R3 000m</b>	<b>R7 538m</b>
Upgrade and Additions (2.6)			B.A Mbam JPS	DPW Assessment II			R85 000	R845 000	R306 000
Upgrade and Additions (2.6)			Buyokoyoko JSS	CDC Assessed			-	-	R8, 229
Upgrade and Additions (2.6)			Dalubuzwe PS	IDT MUD			R55 000	-	-
Upgrade and Additions (2.6)			Echibini SSS(Prefabs)	DPW			-		
Upgrade and Additions (2.6)			Emdeni JSS	DPW Assessment II			R85 000	R845	306
Upgrade and Additions (2.6)			Nokulunga SPS	DPW Assessment II			85	845	306

Upgrade and Additions (2.6)			Sosebenza Senior secondary school	DPW Assessment II			85	845	306
Maintenance and Repairs (2.1)			Tembeni SPS	DoE			-		
Maintenance and Repairs (2.2)			Dyobhudaka JSS	DOE			-	-	-
Maintenance and Repairs (2.2)			Tabata JSS	DPW Emergency			-	-	-
<b>Maintenance and Repairs (2.2) Total</b>							-	<b>33 246</b>	<b>34 909</b>
Maintenance and Repairs (2.6)			PAPASI JSS	IDT			2 689	-	-
Maintenance and Repairs (2.6)			TABATA JSS	IDT			2 299	-	-

## **ANNEXURE1: ORGANOGRAM**

### **EMALAHLENI LOCAL MUNICIPALITY**



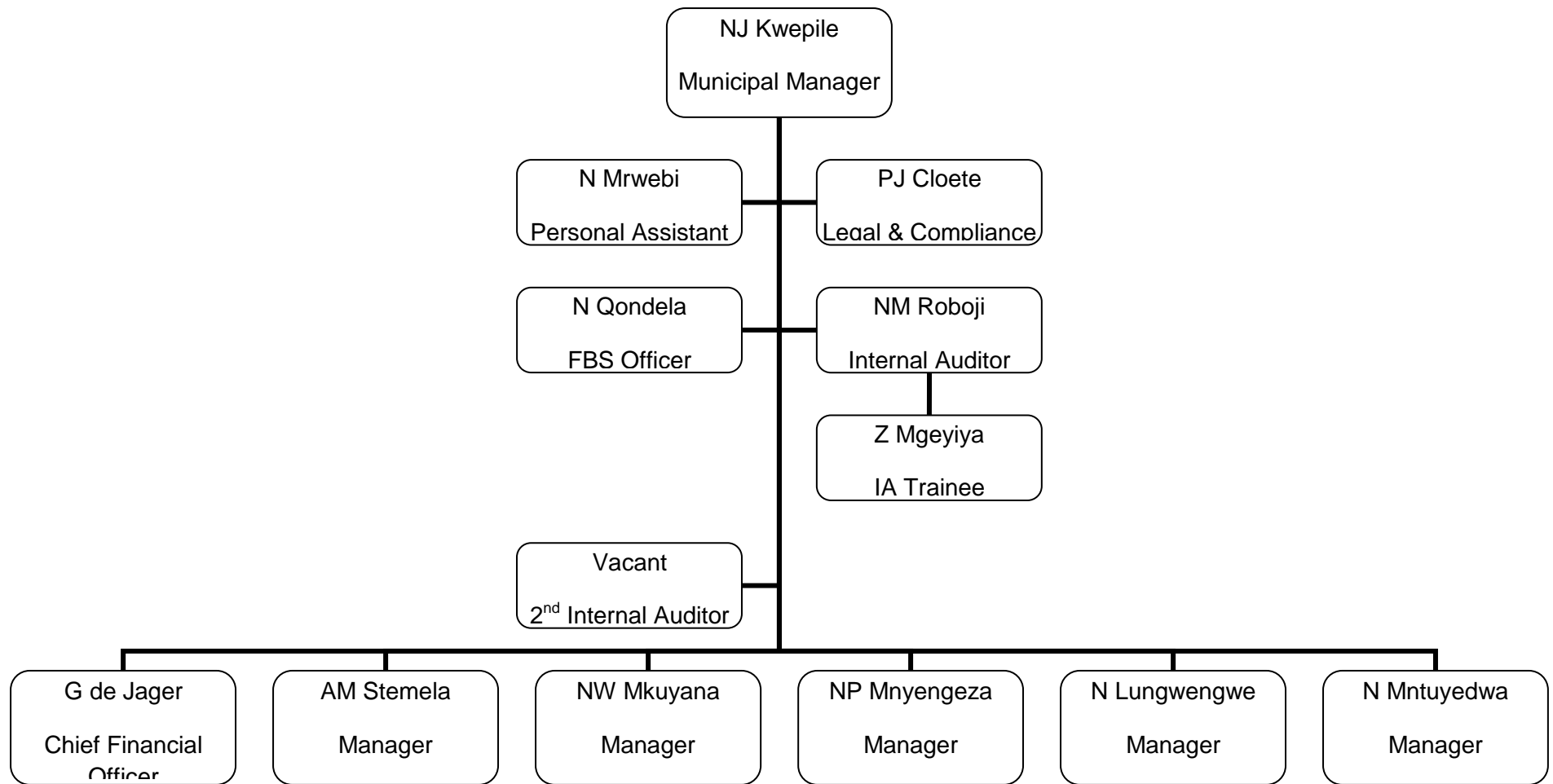
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### **ORGANIZATIONAL STRUCTURE**

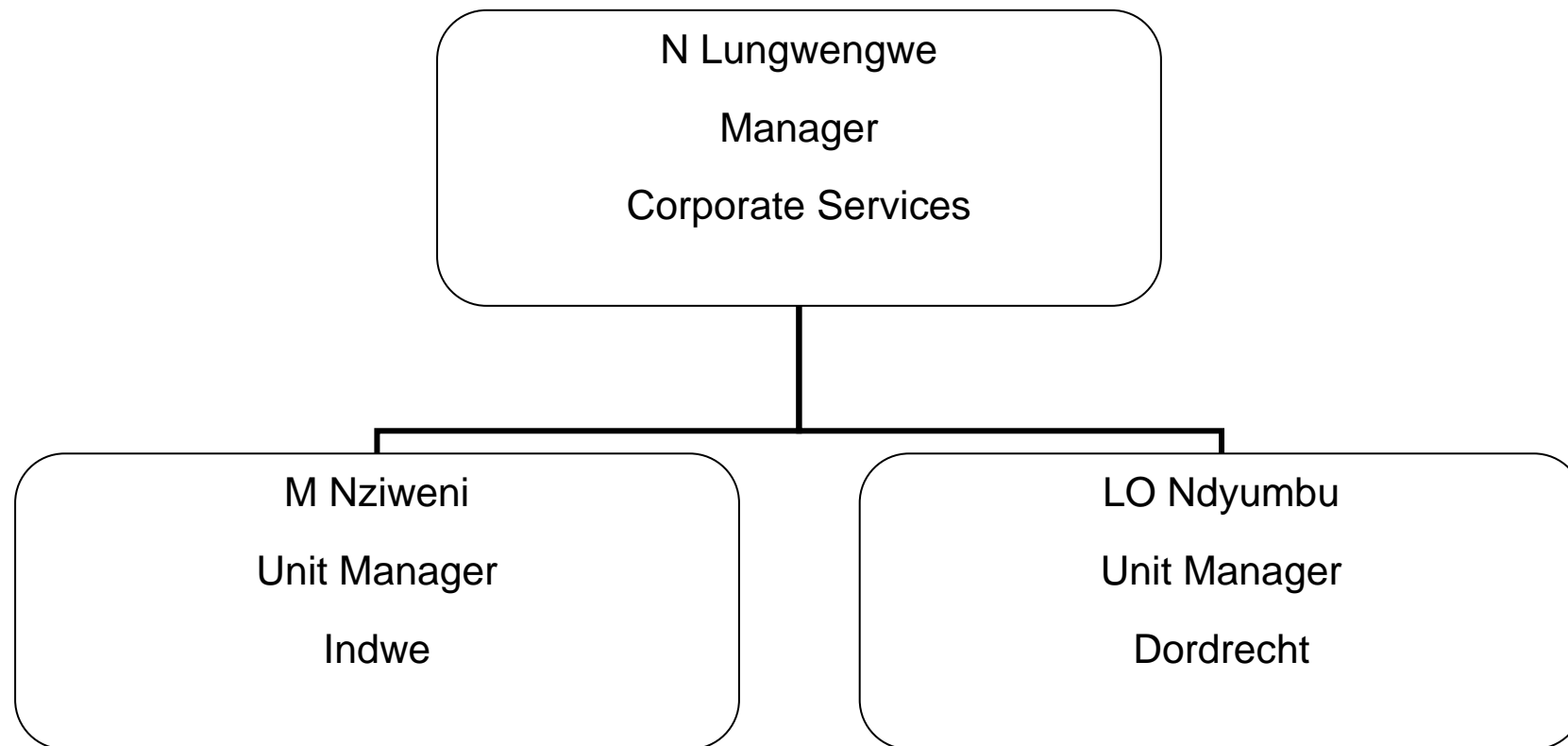


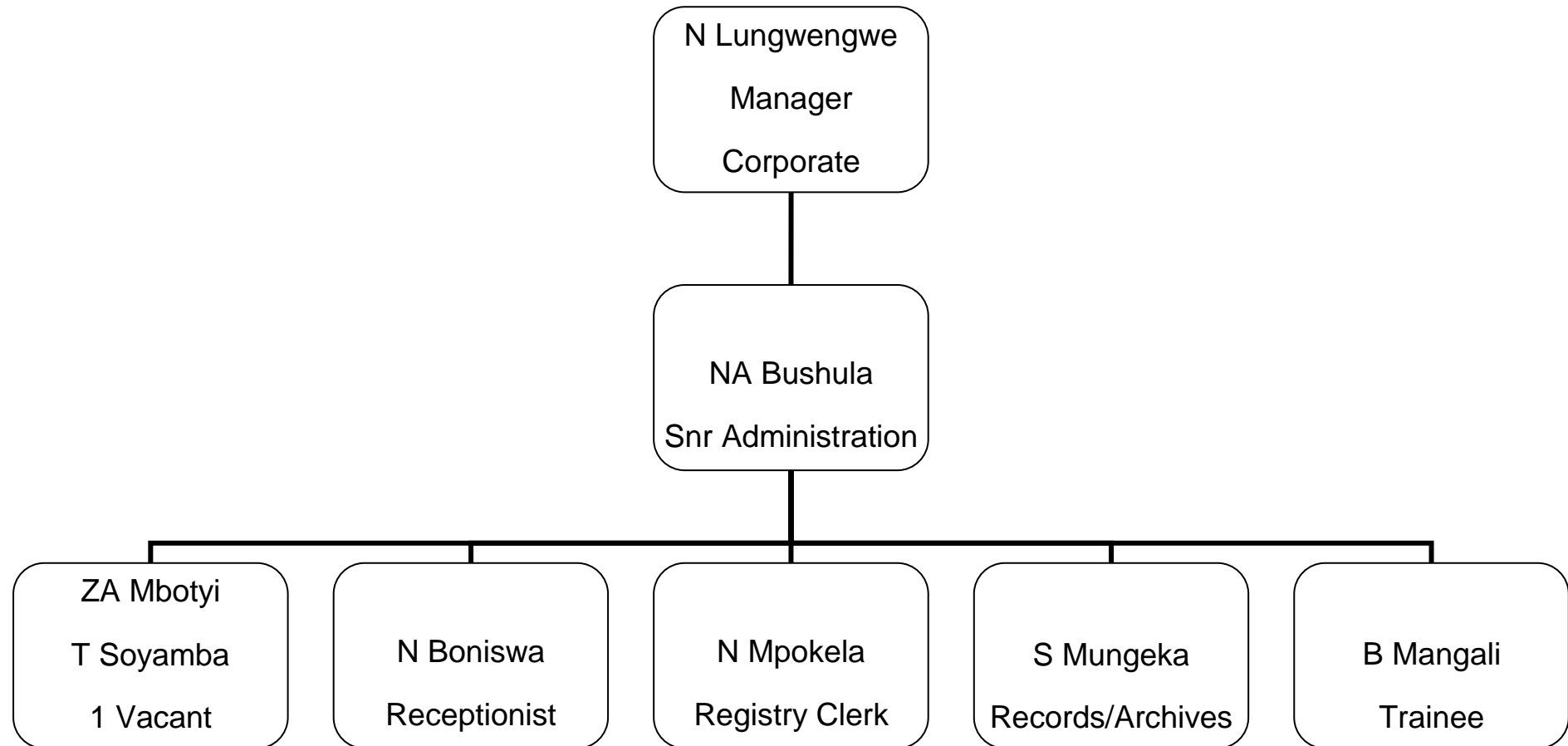
**2012/13**

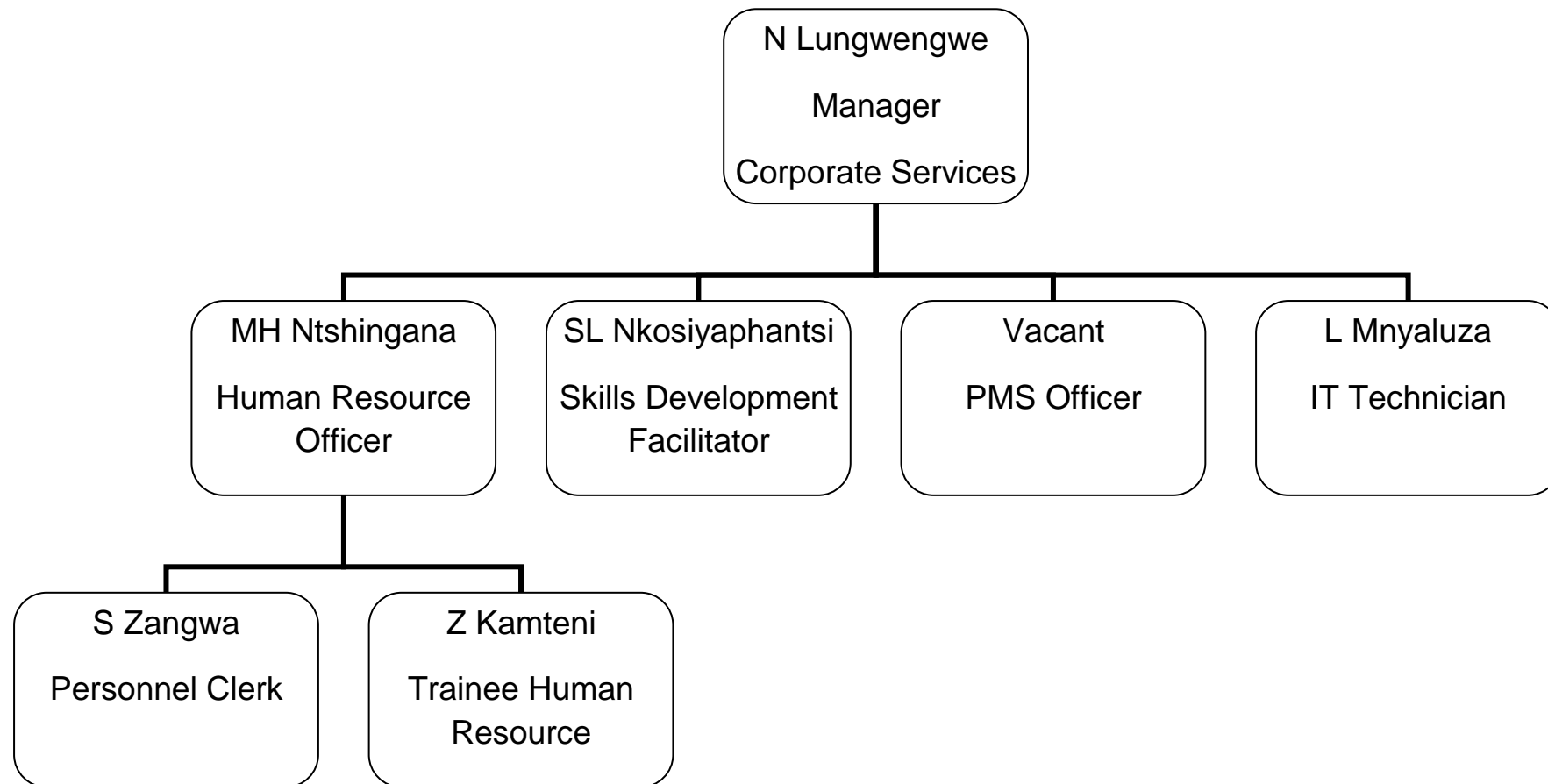
**MANAGEMENT**

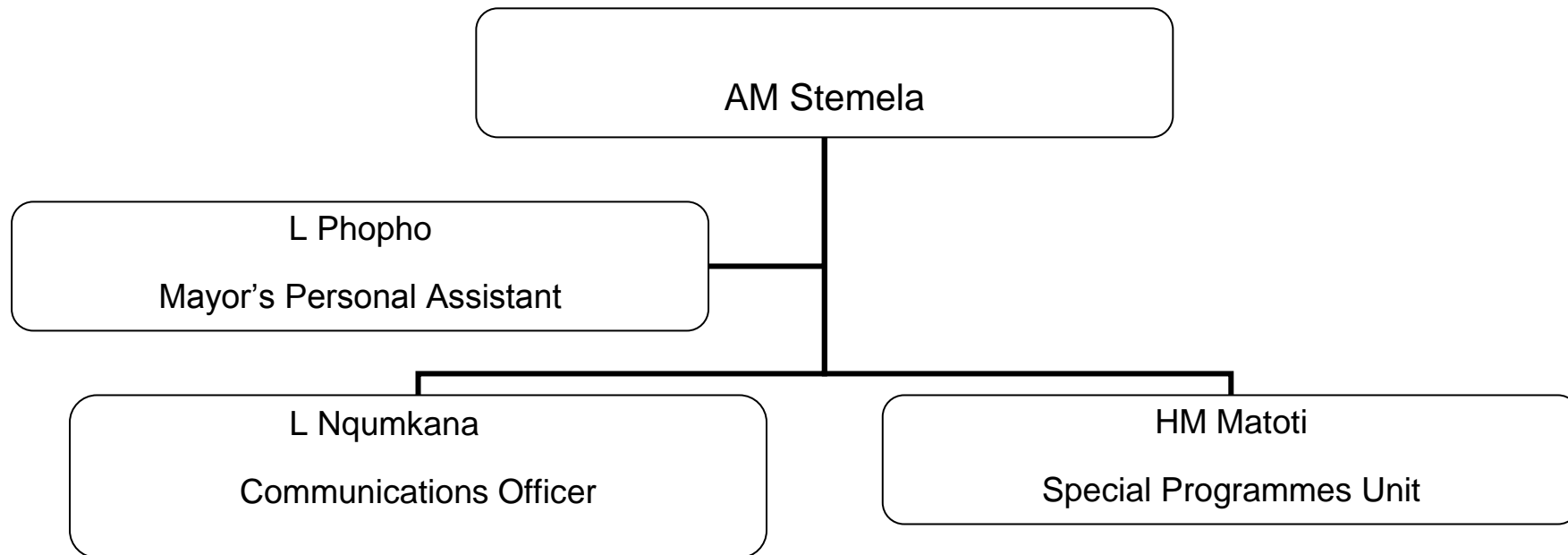


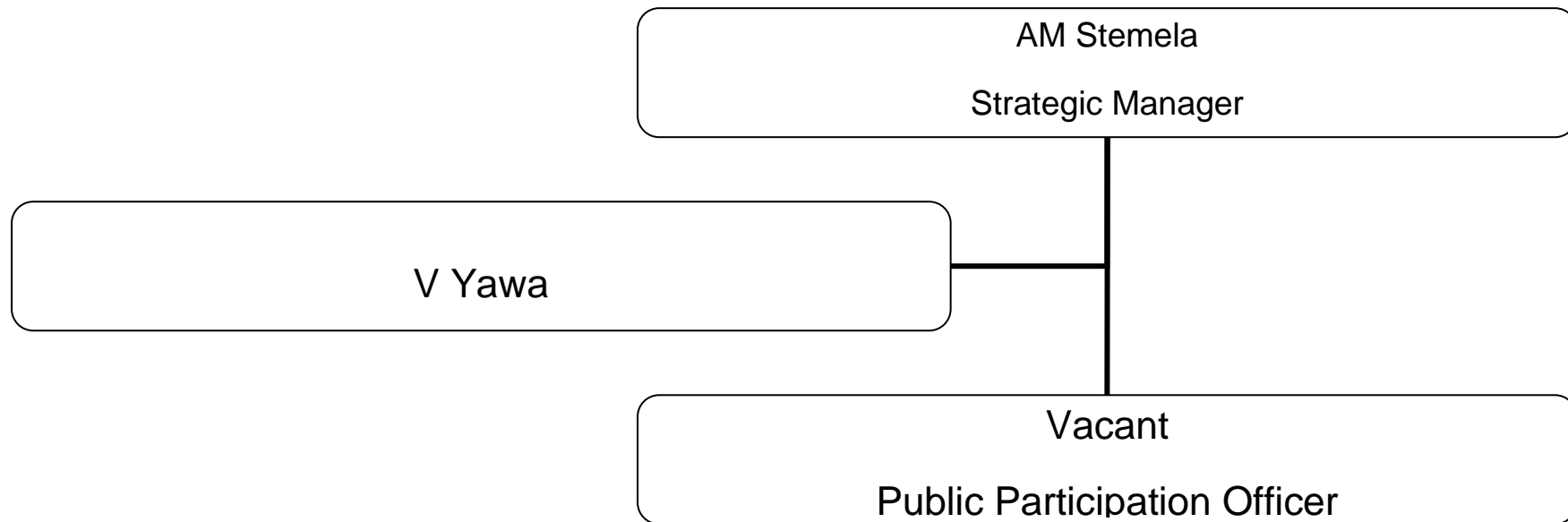
## CORPORATE SERVICES



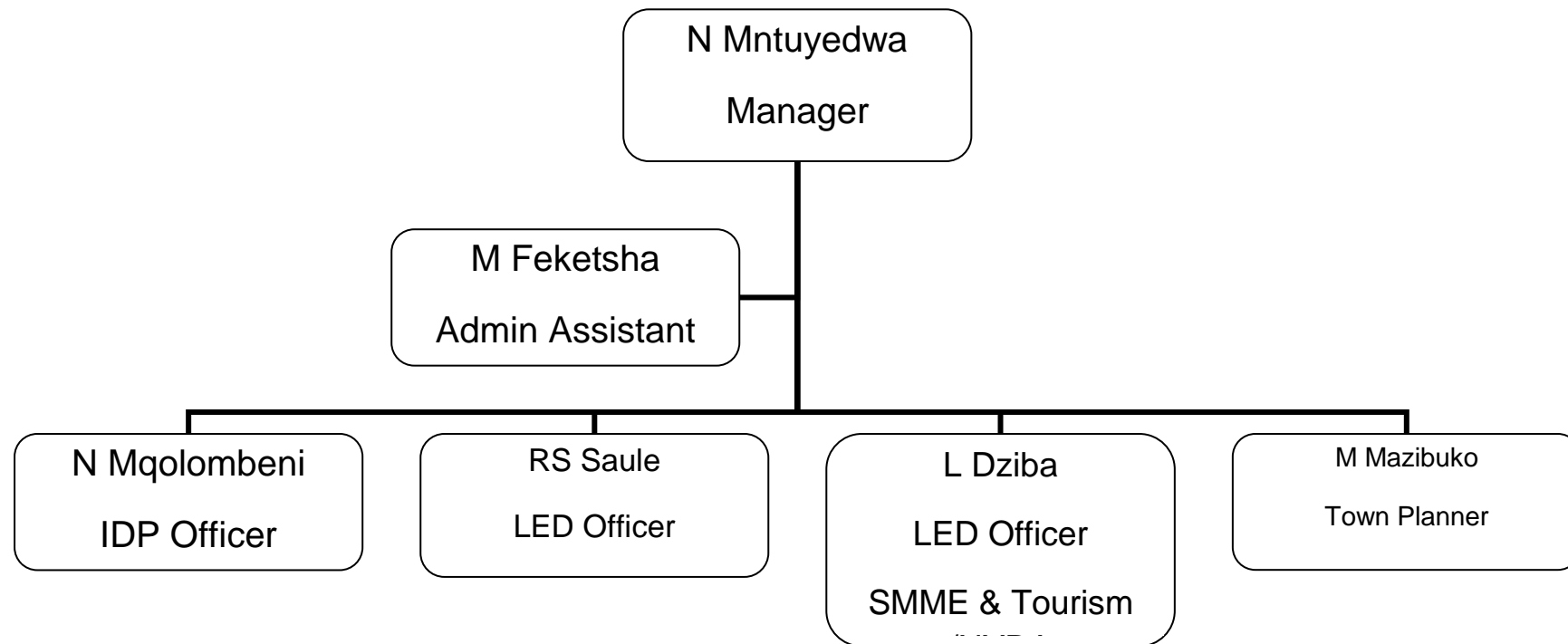
**CORPORATE SERVICES**

**CORPORATE SERVICES**

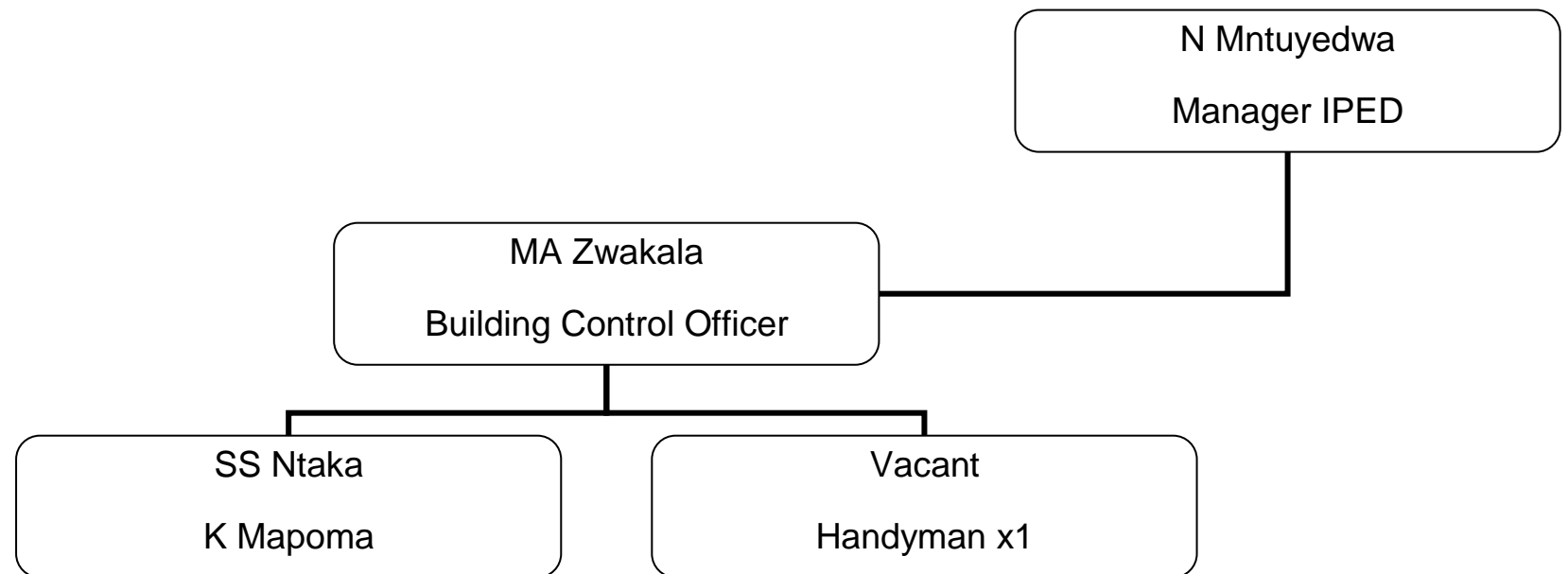
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**STRATEGIC**

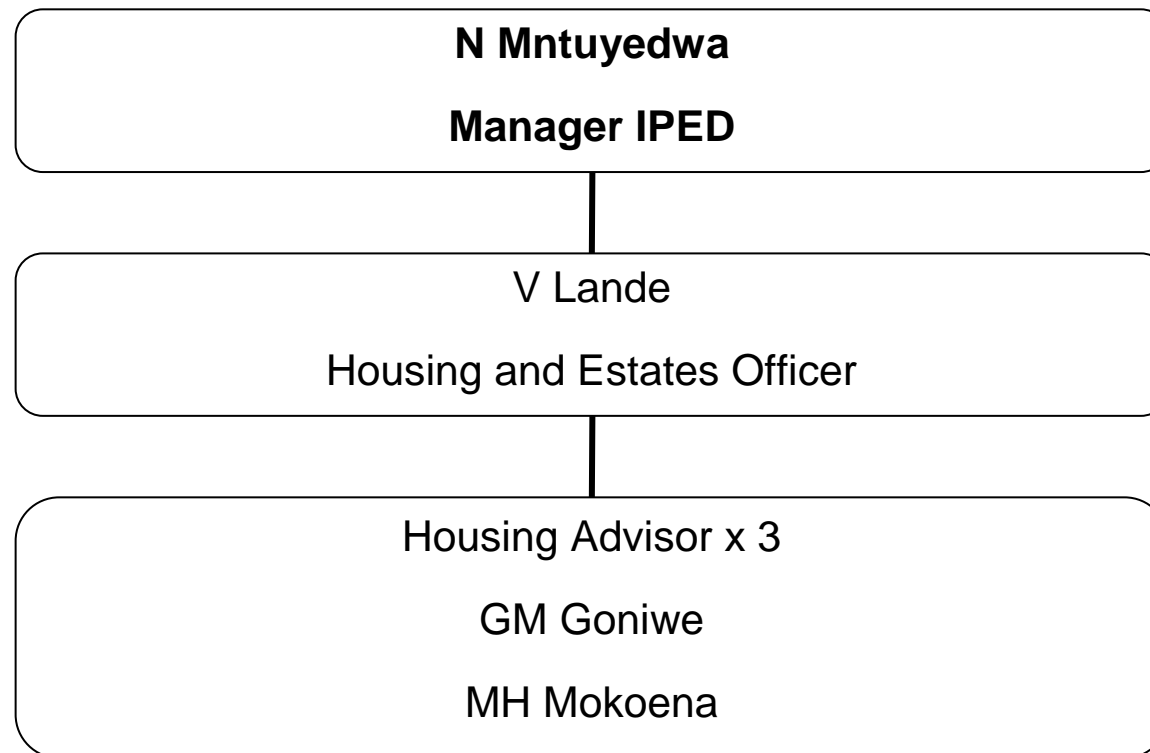
## INTEGRATED PLANNING & ECONOMIC DEVELOPMENT



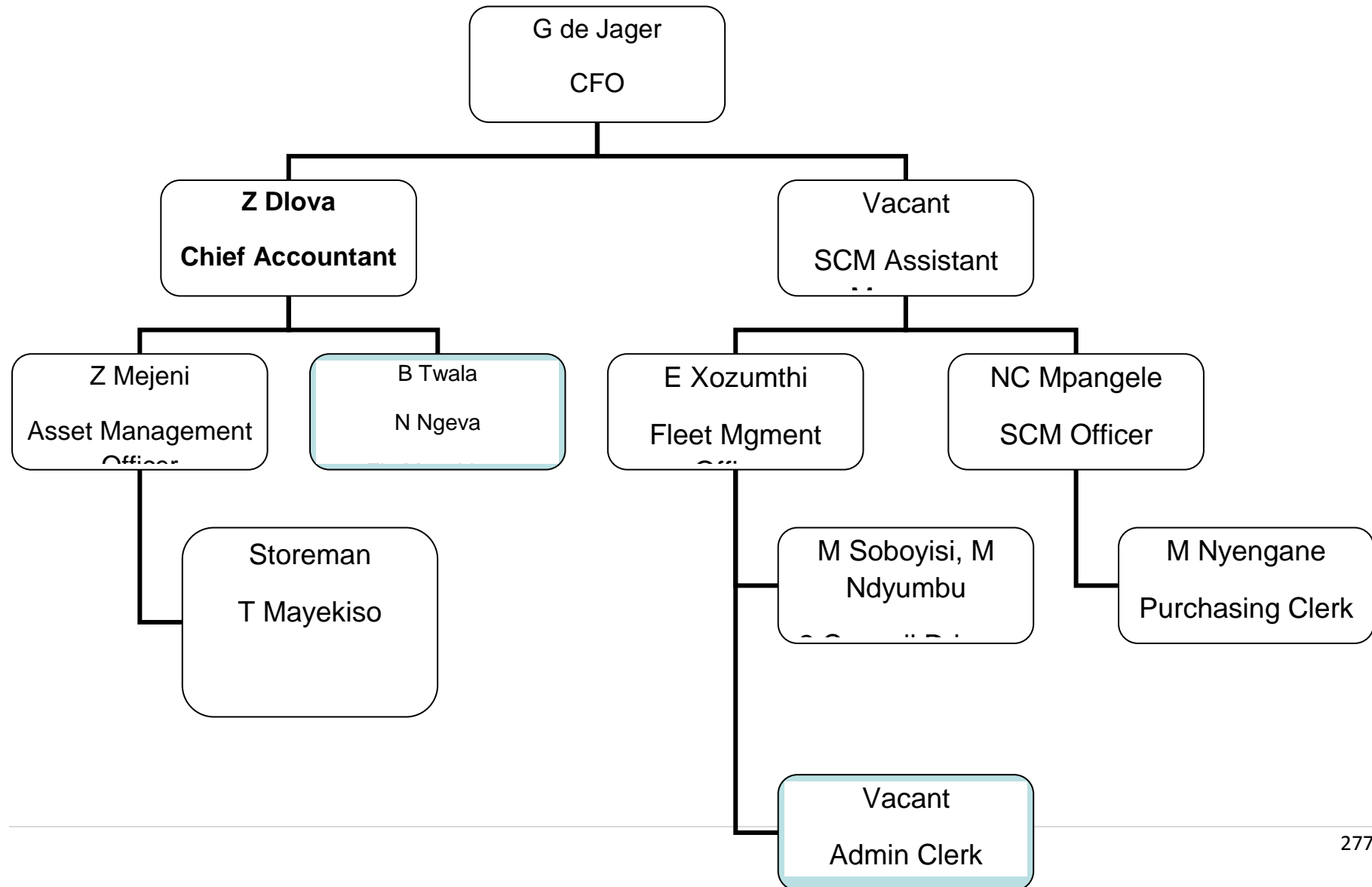


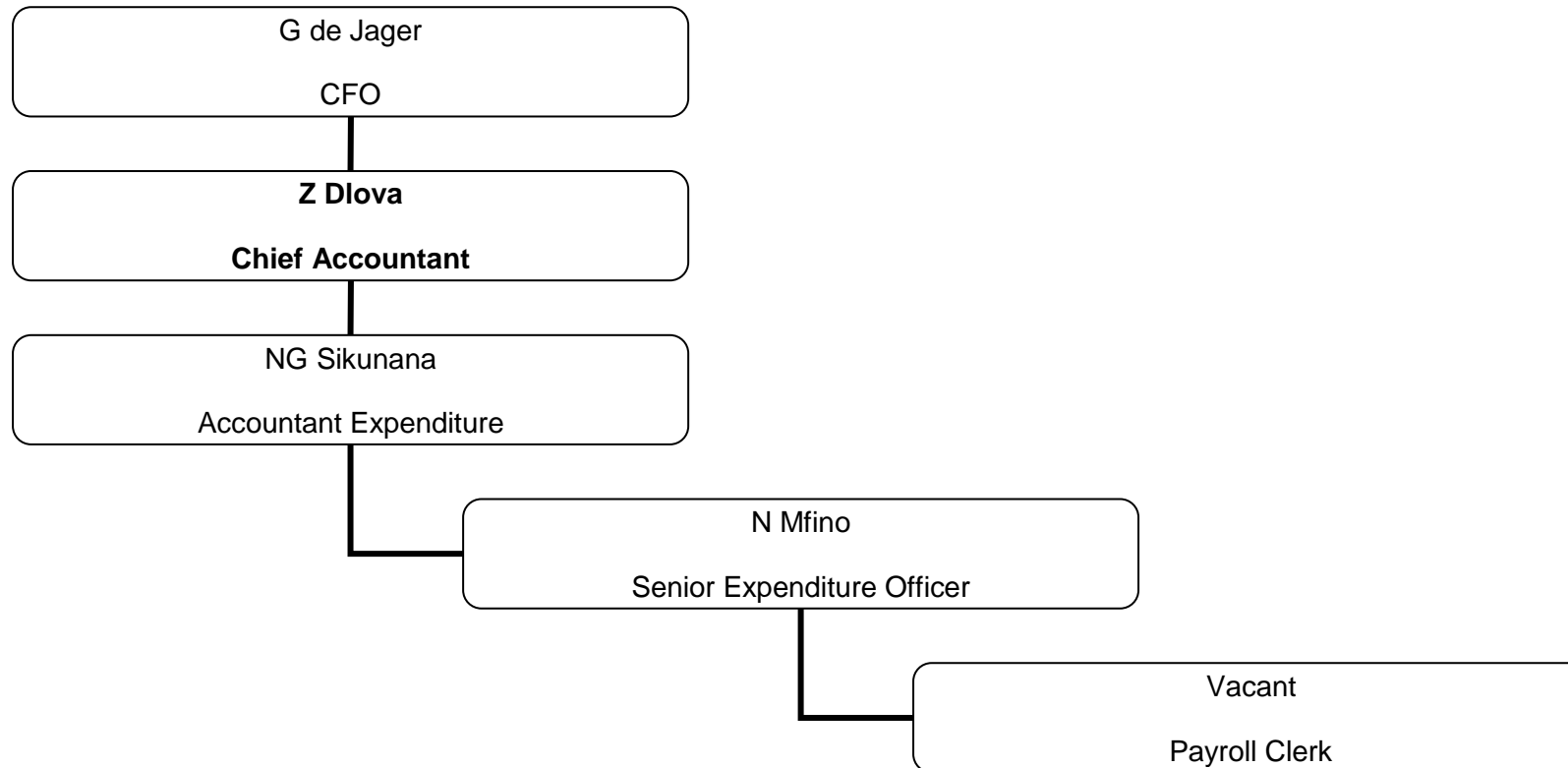
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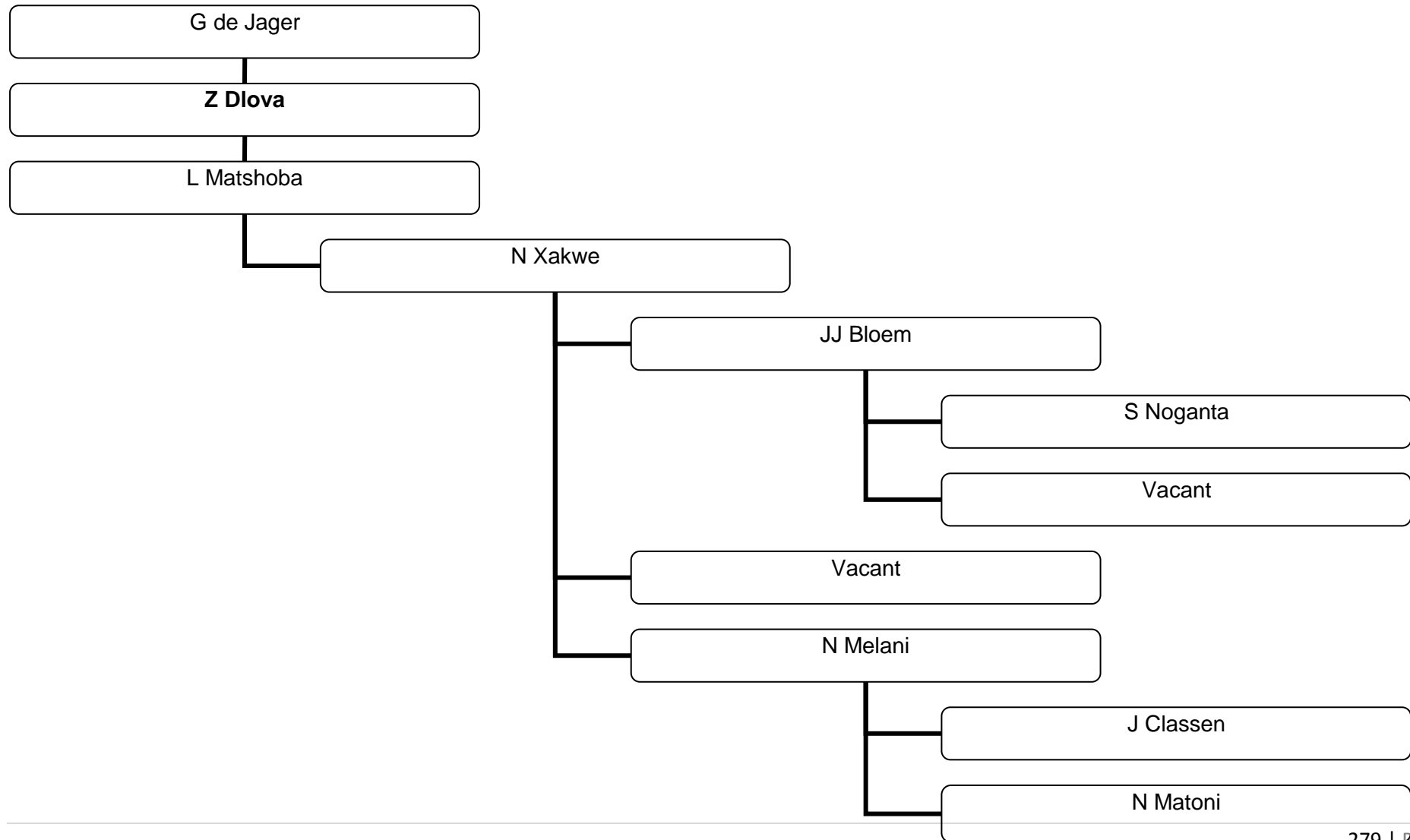
## HOUSING AND ESTATES



## FINANCE



**FINANCE – EXPENDITURE SECTION**

**FINANCE – INCOME SECTION**

**FINANCE – BUDGET AND TREASURY SECTION**

G de Jager

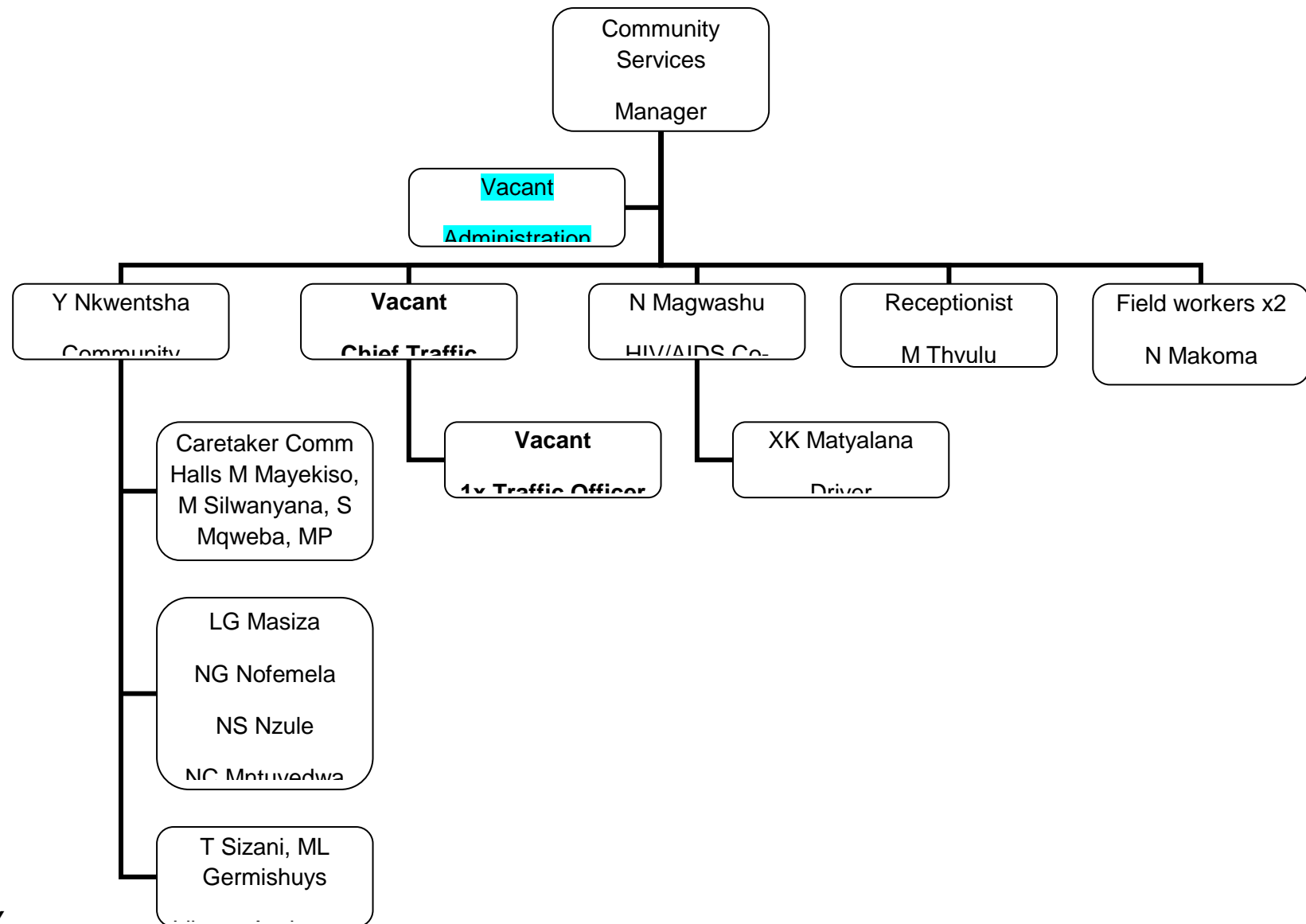
CFO

**Z Dlova**

**Chief Accountant**

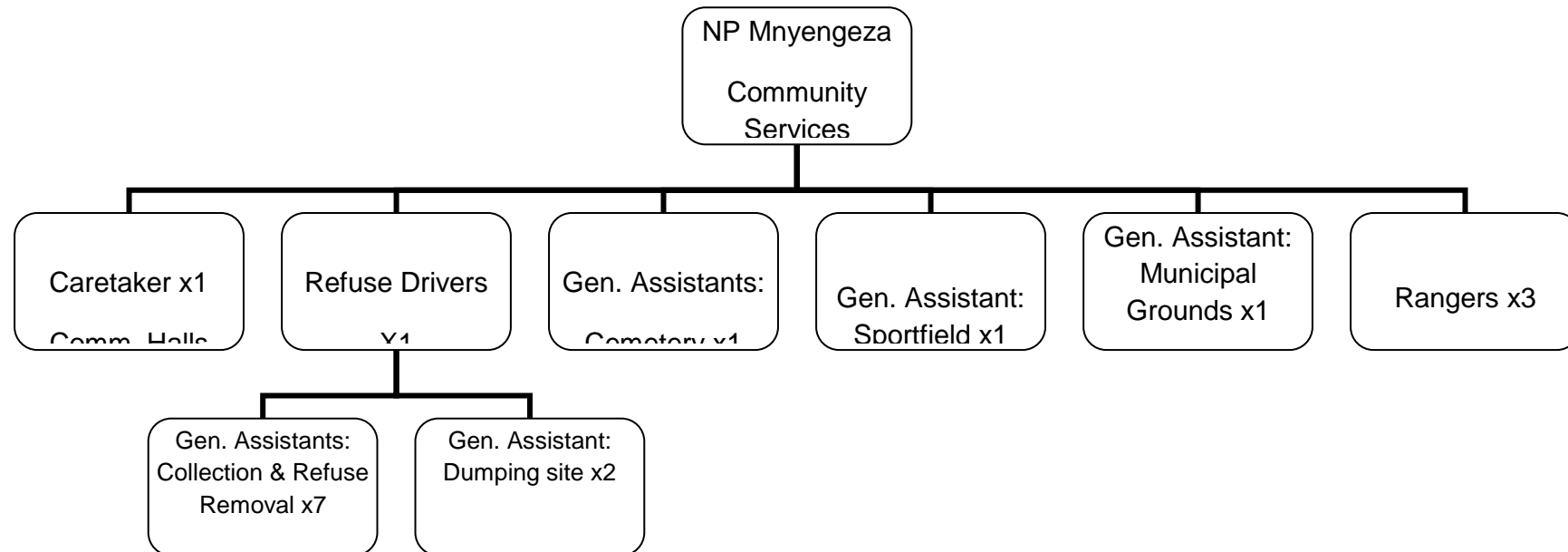
P Manakaza

Budget & Treasury Officer



COMMUNITY

## COMMUNITY SERVICES    Cont.....    LADY FRERE



**Caretaker:**            X Dliwako



**Refuse Drivers:** MP Mtsabe

**GA – Cemetery:** NP August

**GA – Sportfield:** L Molwana

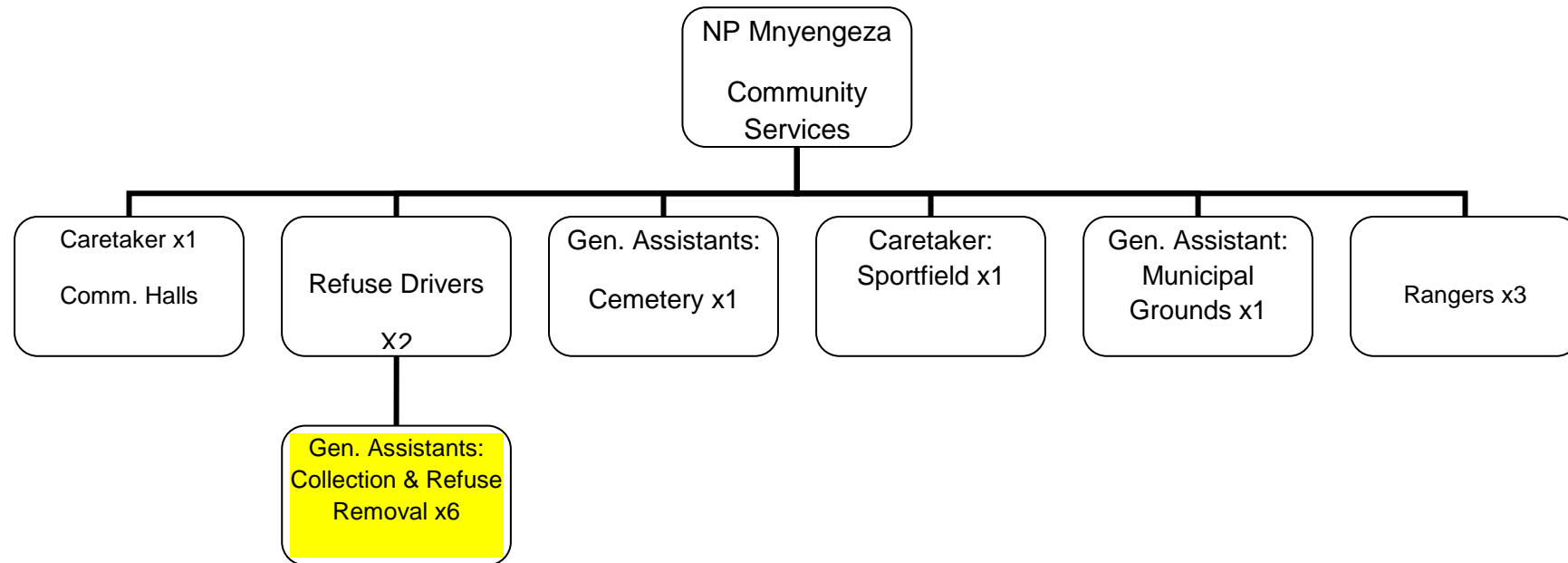
**GA – Municipal:** ME Lolwana

**Rangers:** M Jack, A Ndara, NM Mbono

**GA – Refuse:** S Liwani, S Songo, K Xuba, MM Sam, M Chaza, Z Hlathi, Y Mrwata

**GA – Dumping:** NM Zibi, T Makinana

## COMMUNITY SERVICES    Cont..... DORDRECHT



**Caretaker:** BA Stemela

**Refuse Drivers:** SD Fihlani, KL Phondoyi

**GA – Cemetery:** K Ngesi

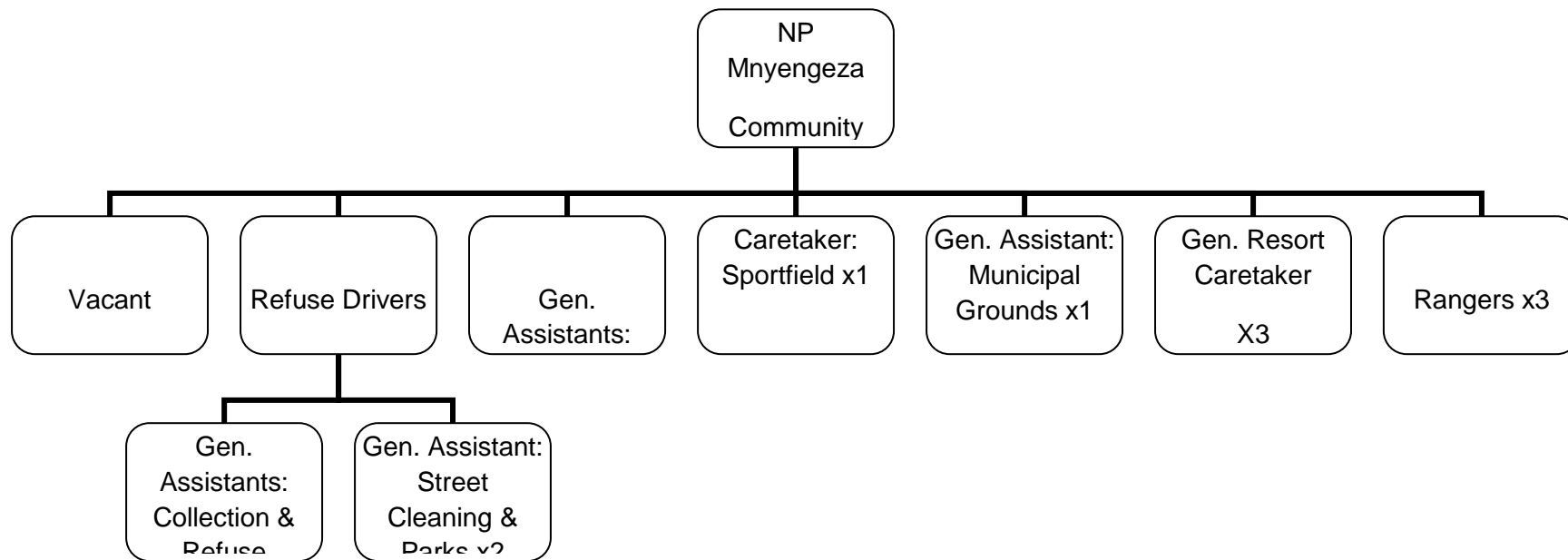
**GA – Sportfield:** MR Sam

**GA – Municipal:** MA Mgobo

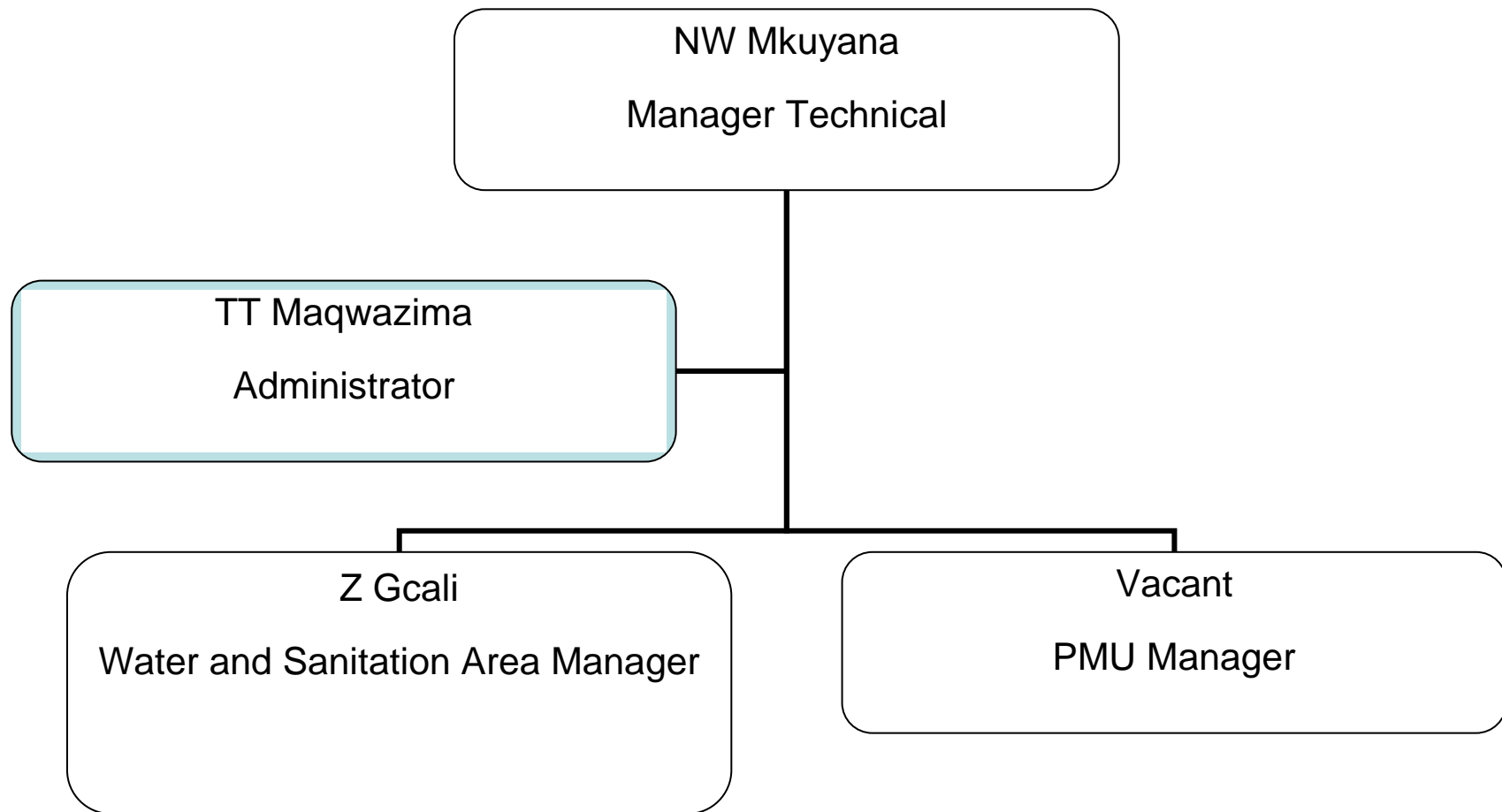
**Rangers:** BM Msitshana, TC Ngantweni, M Nazo

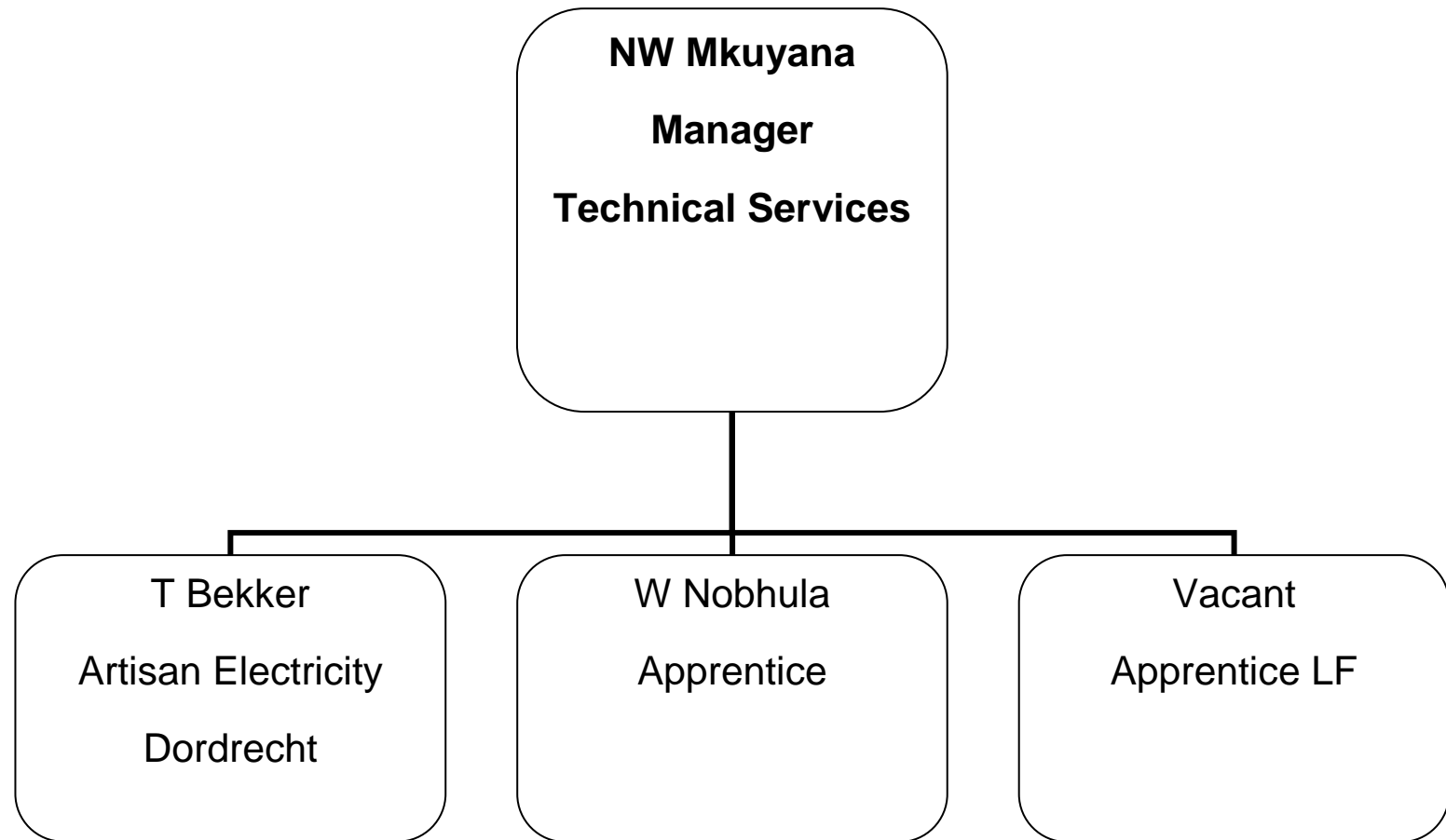
**GA – Refuse:** W Dywili, MN Oyiya, QA Kula, MF Potso, VM Futshane, KS Mani

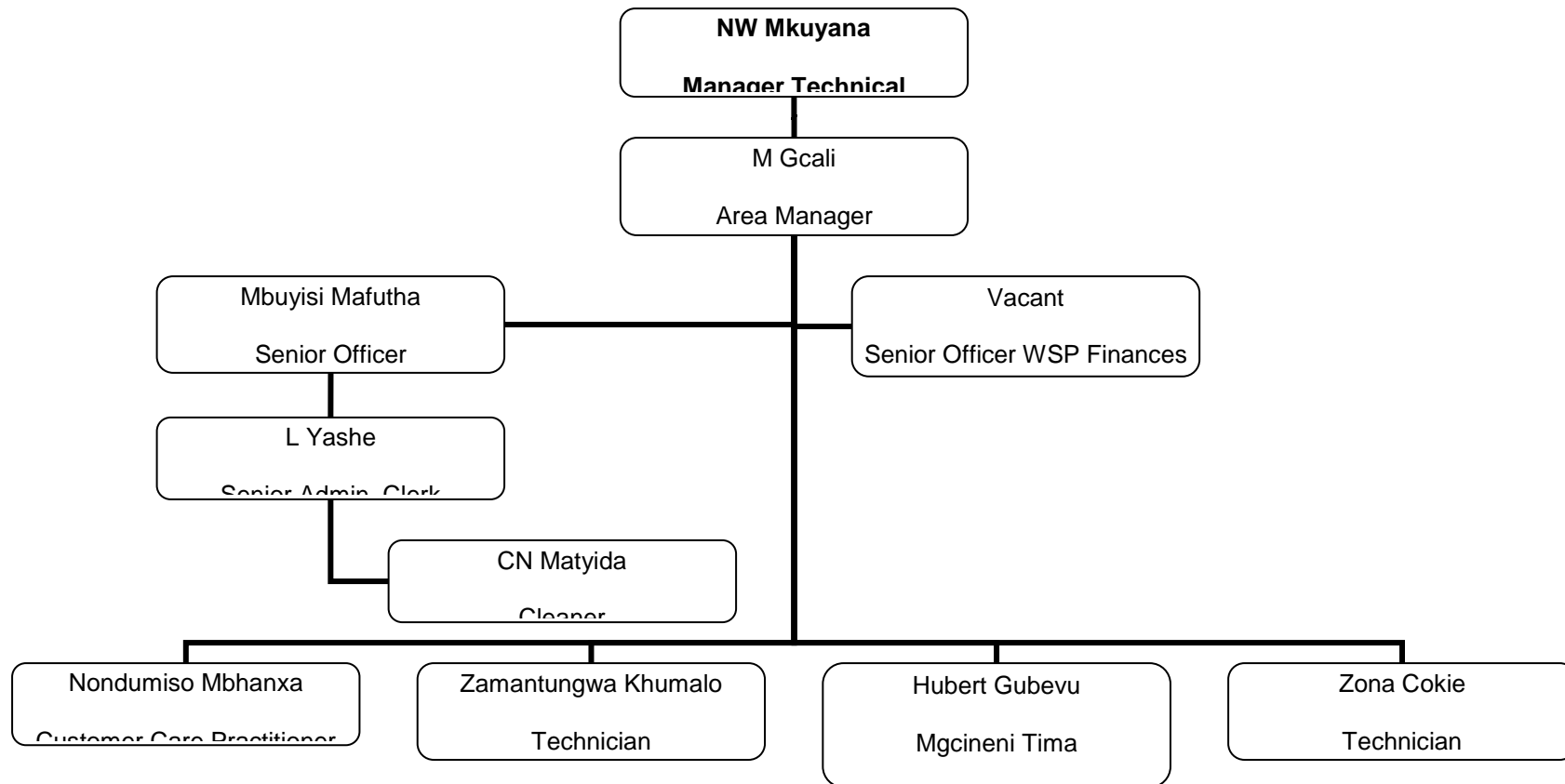
## COMMUNITY SERVICES    Cont..... INDWE



<b>Caretaker: Comm. Halls:</b>	A Siyoyo
<b>Refuse Drivers:</b>	M Mvimbi
<b>GA - Cemetery:</b>	PE Jacobs
<b>Caretaker: Sportfield:</b>	S Siteto
<b>GA - Municipal Grounds:</b>	M May
<b>GA- Collection &amp; refuse:</b>	TA Kwatshana, M Makeleni, MB Poni, LC Ncamile, VE Nkumeni, X Diko, Z Ntangi
<b>GA - Street Cleaning &amp; Parks:</b>	M Dlikilili, N Tyuka
<b>Gen. Resort Caretaker:</b>	ZA Khatshiwe, Z Nonambane, LC Swelindawo
<b>Rangers:</b>	M Kwatshana, MG Mangena, V Fuma

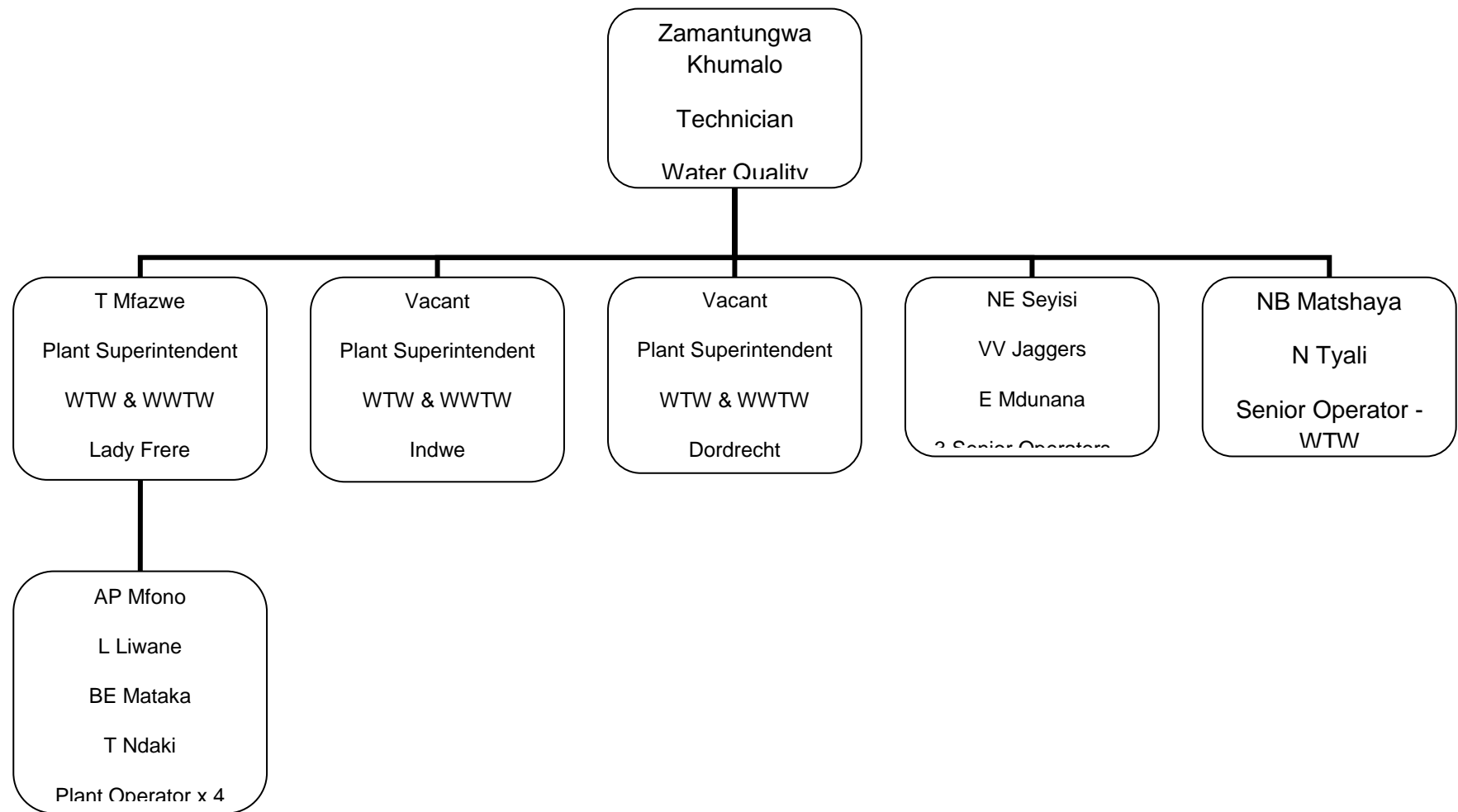
**TECHNICAL SERVICES**



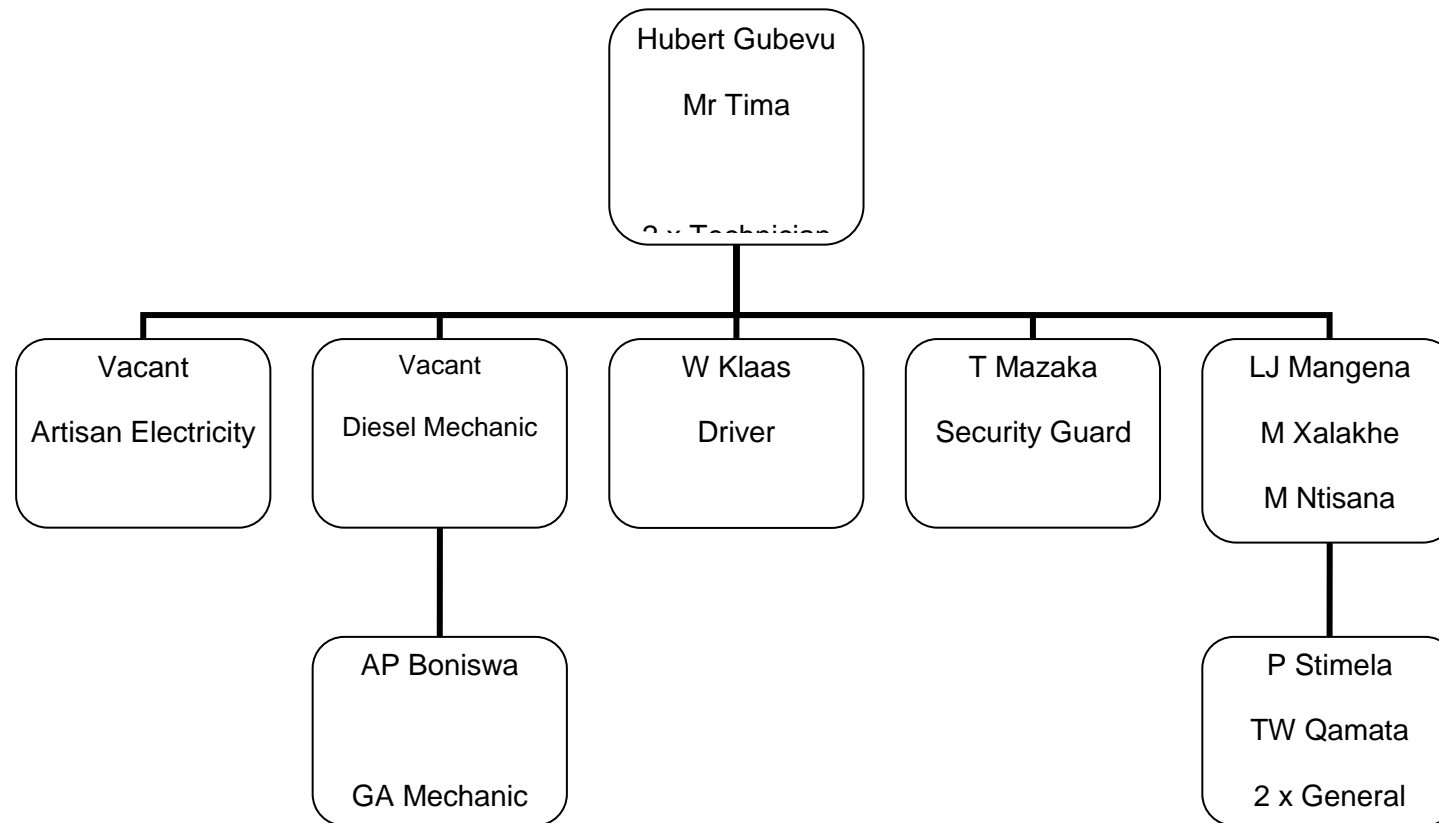




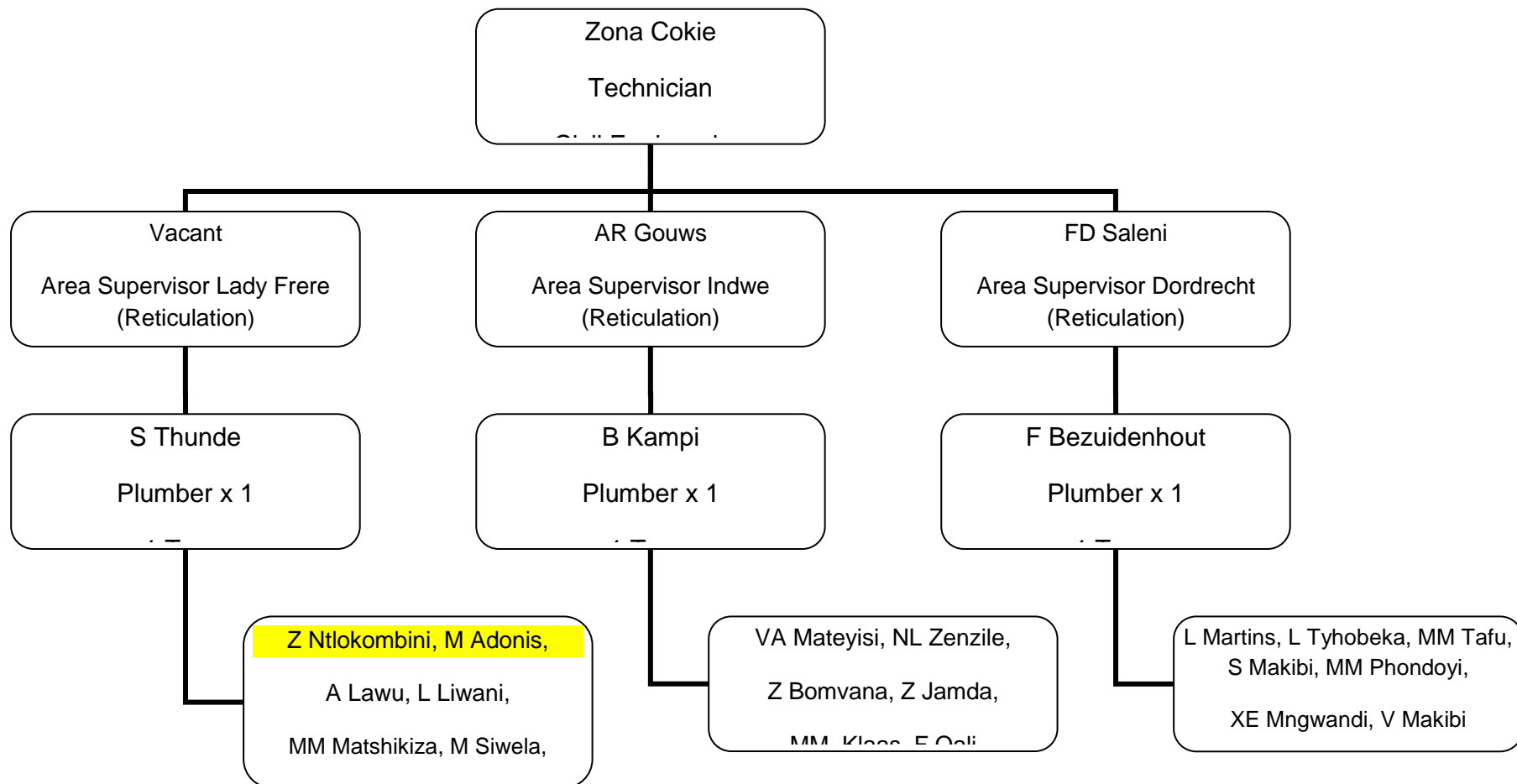
## WATER AND SANITATION



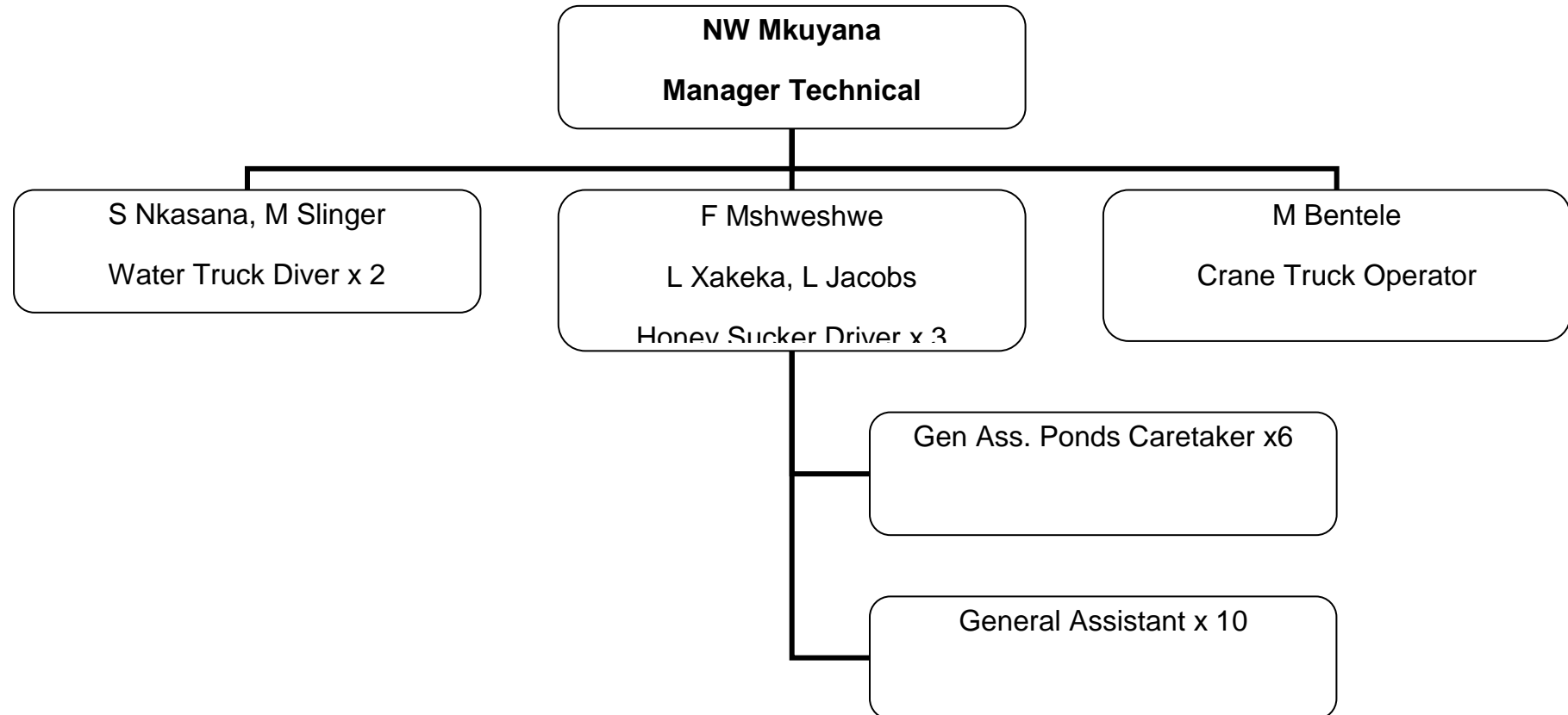
## WATER AND SANITATION



## WATER AND SANITATION – Civil Engineering



## FLEET MANAGEMENT

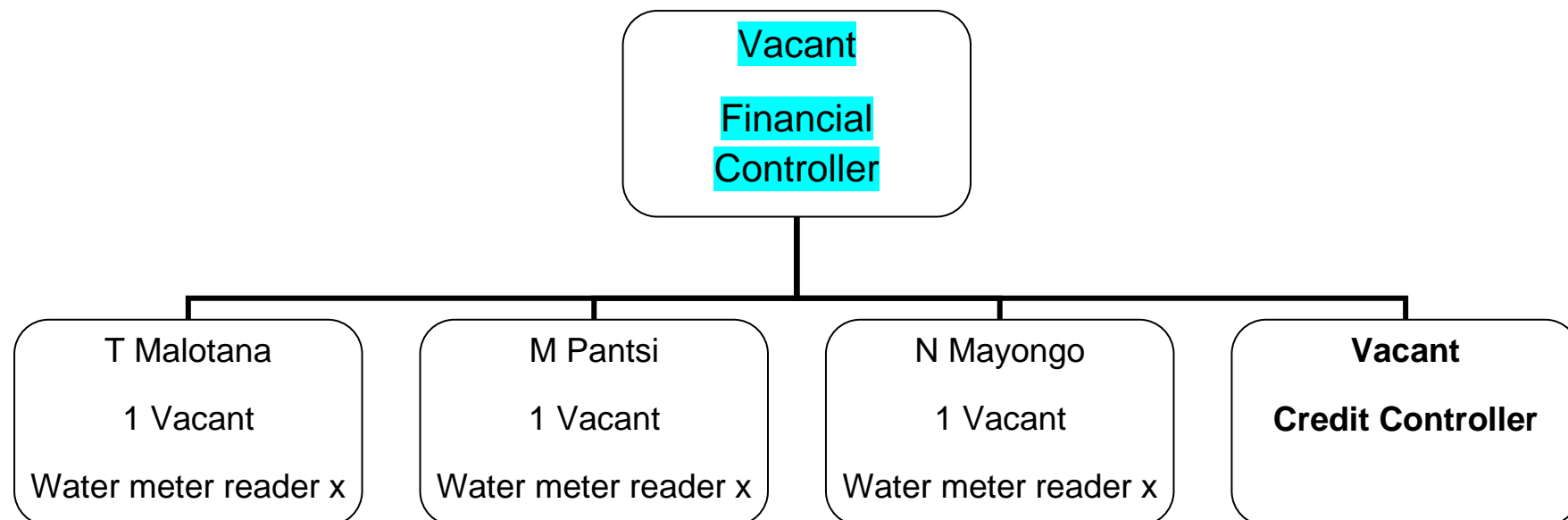


### GA – Sanitation:

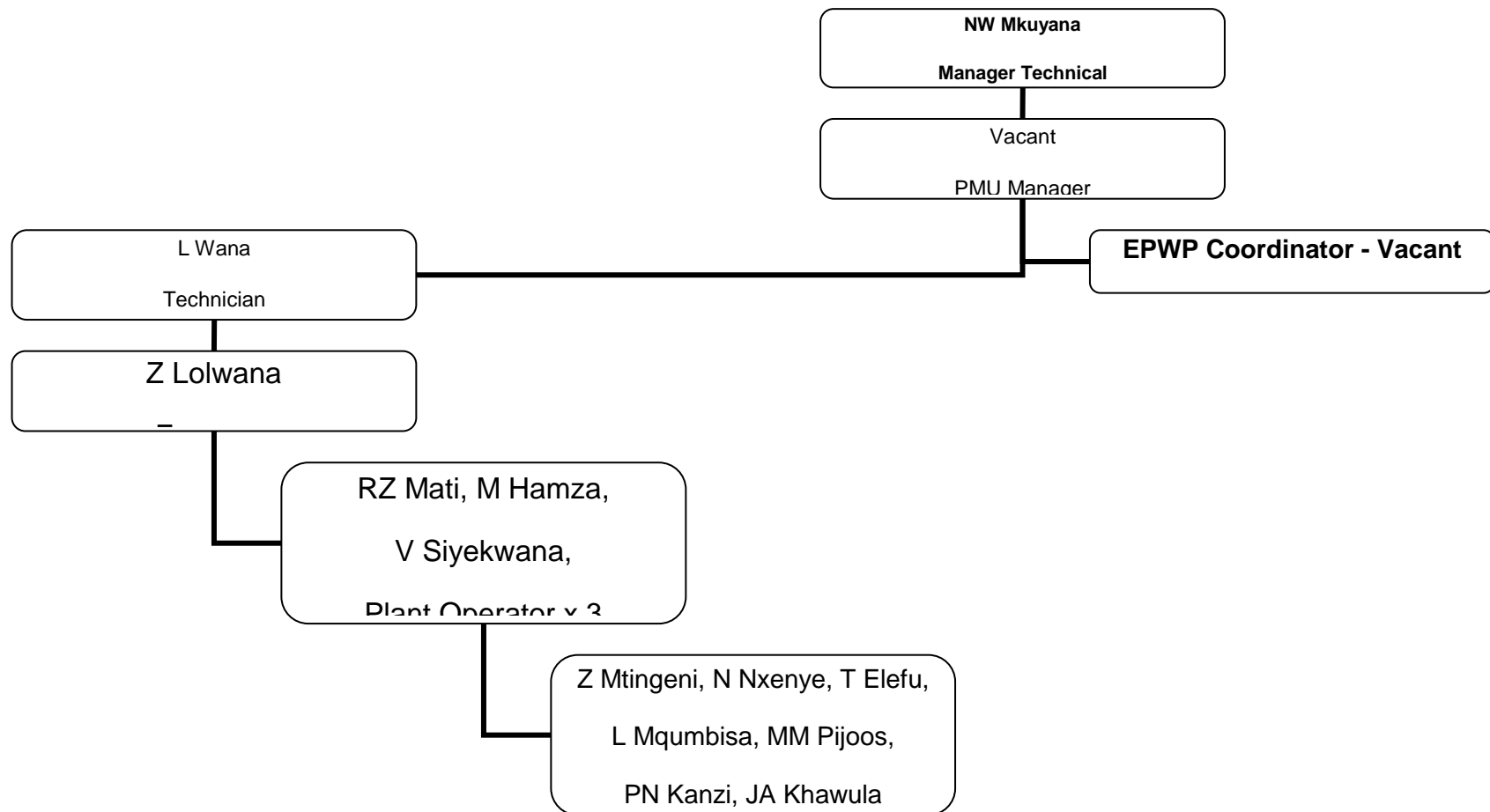
NA Ntsalube, S Twala, ZP Mfutyana, SA Mpongoma, M Lokhwe, B Zingqi, MJ Ntliziywana, TN Sam,  
LF Klaas, TW Pita

**GA – Caretaker Ponds:** T Elefu, PL Mlamla, S Maranjana, V Kupiso, T Magwaza, L Stemele

## **WATER AND SANITATION – Expenditure, Billing and Revenue collection**



## ROADS AND STORMWATER - PMU UNIT





## ANNEXURE 2: COMMUNITY WISHLIST

Ward	Community needs
Ward 1	<ol style="list-style-type: none"> <li><b>ELECTRICITY:</b> Xonxa, Nqiningana, Rwantsana, Rodana, Tshatshu, Tsolokazi, Mpotulo</li> <li><b>ROAD CONSTRUCTION &amp; MAINTANANCE:</b> Xonxa, Rwantsana via Tshatshu, Rodana via Mpotulo, Nqiningana, Lady Frere to Rwanstsana</li> <li><b>WATER:</b> Rodana, Xonxa, Rwantsana, Tsolokazi, Mpotulo water scheme to serve the entire village, Tshashu, Nqiningana</li> <li><b>SANITATION:</b> Rodana, Rwantsana, Mpotulo, Tsolokazi, Tshatshu, Xonxa Nqiningana.</li> <li><b>FENCING:</b> Arable land/Cultivated land Tsolokazi, Rodana, Rwantsana, Tshatshu, Nqiningana, Mpotulo, improving existing scheme Xonxa</li> <li>ANTI- EROSION WALLS: All villages</li> <li>ACCESS ROADS &amp; BRIDGES: Main road to Mpotulo, Tafileni ( Nqiningana), Mqgomeni to Lapesini, Rodana bridge, Xonxa,</li> <li>NETWORKS: Cellphones and Televisions: Rodana, Xonxa, Tshatshu, Tsolokazi</li> <li>GARDEN PROJECTS:</li> <li>CLINICS: Mpotulo, Nqiningana &amp; Rodana</li> <li>DIPPING TANKS: Rodana</li> <li>SHARING SHED: Xonxa, Tsolokazi, Mpotulo, Tsolokazi</li> <li>SPORT FIELD</li> <li>EXCUVATION/ QUARRY/ CRUSH STONE</li> <li>CONSTRUCTION OF LIVESTOCK DAMS</li> <li>TOURISM CENTER AND GAME RESERVE</li> <li>ALEIN ERADICATION</li> <li>COMMUNITY HALL: Xonxa, Nqiningana, Mpotulo, Tsolokazi, Tshatshu, Nkolonga, Rodana</li> <li>SCHOOL BUILDING: Rwantsana, Mpotulo &amp; Hlathinkhulu</li> <li>PRESCHOOL: Rwantsana, Xonxa( Qineni), Mpotulo</li> <li>PAY- POINT CENTERS</li> <li>CRAFT CENTER</li> <li>MASSIVE PRODUCTION: agricultural scheme xonxa, ngxabane, rwantsana, tshatshu</li> <li>RDP HOUSES</li> <li>MARKETING</li> <li>TRACTORS FOR FARMERS</li> <li>SAND MINING</li> <li>JOB CREATION</li> </ol>
Ward 2	<ol style="list-style-type: none"> <li><b>SANITATION:</b> All villages</li> <li><b>WATER:</b> In Masakhane, Zothe, Sihlabeni, Lanti, Luthuthu, Skwanqeni, Nkolonga</li> <li><b>FENCING:</b> In Bengu, Luqolo, Njombela and Maqata, Skwanqeni, Nkolonga,</li> <li><b>ACCESS ROAD:</b> Maqhashu via Ntsinga to Njombela, Maqhashu to Lanti, Nkolonga bridge</li> <li><b>BRIDGE:</b> Mthwakazi bridge</li> <li>NETWORK SIGNAL: for TV and cell phones, Skwanqeni</li> <li>LAPESI ERADICATION: Qutubeni, Siqitini, Lanti</li> <li>SHEARING SHED: Mtonjeni, Ntsinga, Lanti</li> <li>ELECTRICITY: Lanti, Loqolo, Nkolonga</li> <li>COMMUNITY HALL: Qutubeni, Ntsinga and Maqhashu, Lanti, Luthuthu, Skwanqeni</li> <li>CLINIC AND MOBILE CLINIC: Lututu, Nkolonga</li> <li>CEMETERY: Maqhashu</li> </ol>



	<p>13. SOCIAL DEVELOPMENT OFFICE: Ntsinga, Lanti, Bengu (SASSA)</p> <p>FOOT BRIDGE: Skwanqeni,</p> <p>SHARING SHED Skwanqeni</p> <p>PRESCHOOL: Skwanqeni,</p> <p>SCHOOL BUILDING: Nkolonga</p> <p>DIPPING TANKS: Nkolonga</p>
Ward 3	<ol style="list-style-type: none"> <li>1. <b>DIPPING TANK:</b> Hala 2</li> <li>2. <b>Storm Water Infrastructure :</b> Lawini</li> <li>3. <b>ACCESS ROADS:</b> Zingqolweni, then all villages</li> <li>4. <b>SANITATION:</b> Lower Ndonga and Zingqolweni</li> <li>5. <b>BRIDGE:</b> Namlele – Greyspan to Maqhubela, Ntlalontle, Zingqolweni</li> <li>6. LAPESI ERADICATION: Hala 1&amp;2, Lawini, Maqhubela</li> <li>7. SHEARING SHEDS: Grey span, Ntlalontle, Zingqolweni, Maqubela</li> <li>8. COMMUNITY HALL: Qaqeni</li> <li>9. CLINIC: Zingqolweni, Maqhubela, Qaqeni</li> <li>10. PRE-SCHOOL: Hala 1, Maqhubeni, Greyspan, Qaqeni, Zingqolweni</li> <li>11. PRIMARY SCHOOL: Madwaleni</li> <li>12. FENCING: All villages (to fence cemeteries and arable land)</li> <li>13. Stock Dams –Greyspan</li> <li>14. Electricity</li> <li>15. Land Care Management – All Vilages</li> </ol>
Ward 4	<ol style="list-style-type: none"> <li>1. <b>WATER &amp; SANITATION:</b> Cacadu and Ngqoko, Bongolwethu, Gugulethu – RDP Houses, Lady Frere Town)</li> <li>2. <b>COMMUNITY HALL:</b> Hall for RDP Houses, Cacadu</li> <li>3. <b>MULTI-PURPOSE CENTER-</b> Lady Frere Town</li> <li>4. <b>SHARING SHED:</b> Engqoko</li> <li>5. <b>ACCESS ROADS:</b> Ngqoko – Roads for RDP Houses (Lady Frere Town)</li> <li>6. <b>SKILLS CENTRE:</b> Lady Frere Town</li> <li>7. <b>HIGH SCHOOL:</b> Lady Frere Town</li> <li>8. <b>FENCING:</b> Ngqoko, Cacadu (arable lands, roads)</li> <li>9. Electricity – RDP Houses</li> <li>10. New Cemetery</li> <li>11. Streetlights Maintenance- Lady Frere Town, Apollo lights in Bongolwethu</li> <li>12. Storm Drainages- Lady Frere</li> <li>13. Library- Lady Frere Town</li> <li>14. Damping Site – Lady Frere Town</li> <li>15. Bridge (Mthwakazi, Cacadu &amp; Bakaneni)</li> <li>16. Pound – Lady Frere Town</li> </ol>
Ward 5	<ol style="list-style-type: none"> <li>1. <b>ACCESS ROADS:</b> Noluthando village, Kwavala, Cumakala, Dopu</li> <li>2. <b>WATER:</b> All Villages, Kwavala and Cumakala</li> <li>3. <b>BRIDGES:</b> Lady Frere location, Topu village, Dopu, Gcinubuzwe (Cumakala)</li> <li>4. <b>FENCING:</b> Glen Adelaide and Cumakala, Cavala</li> <li>5. <b>SANITATION:</b> All villages</li> <li>6. <b>RDP HOUSING:</b> Lady frere location, Dopu, Cumakala, Noluthando</li> <li>7. <b>CLINIC:</b> Noluthando village</li> <li>8. LAPESI ERADICATION: Glen Adelaide, Top, Cumakala</li> <li>9. <b>STREET CLEANING AND BEAUTIFICATION:</b> Lady Frere location</li> <li>10. <b>COMMUNITY HALL:</b> Noluthandi village and Lady Frere location, Cumakala, Glen Adelaide</li> <li>11. Tractor for farmers (Cumakala, Glen Adelaide)</li> <li>12. Paypoints (All villages)</li> </ol>

	13. Creches (All villages) 14. Electricity (Cavary) 15. Tarred Road – Dopu, Lady Frere Location 16. Shearing Shed – Dopu 17. Libraries – Dopu 18. Womens Gardens/ Irrigation Scheme - Dopu, 19. Street Lights- Part of Lady Frere, and Lady Frere location 20. Foot Bridge from Topu to Nompucuko) 21. Playground – KwaNoluthando, Cumakala, Kavala
Ward 6	1. <b>ACCESS ROAD-</b> Gqebenya, Etembeni to Emahlathini, Dlamini, Sam to Goodstuff, Emzi to Manyangaza, Sokolani 2. <b>FENCING-</b> All villages 3. <b>SANITATION-</b> All villages 4. <b>BRIDGES-</b> Emahlathini, Emzi, Matyhantya, Kundulu, Timoti, Holani 5. <b>IRRIGATION SCHEMES:</b> to be linked to Department of Agric priorities 6. ANTI- EROSION WALLS 7. TELE- COMMUNICATION CENTER 8. MOBILE POLICE STATION 9. ELECTRICITY – Emahlathini, Mqolombeni, Manyangaza 10. MORTGAGE- Dlamini 11. FARMING 12. GRAINE MILLER 13. CRECHES 14. MARKETING 15. CULTURAL VILLAGE 16. CLINIC- Mackaysnek 17. SPORT FIELD 18. RDP HOUSES 19. MOBILE CLINIC- Holani, Kundulu, Dlamini 20. GARDEN PROJECT 21. SHEARING SHED 22. STOCK DAMS 23. PAY PIONTS 24. WATER SUPPLY 25. CUTTING OF TREES 26. SPEED HUMPS 27. DIPPING TANKS- Gqebenya 28. NETWORK TOWER- Kundulu 29. MAINTENANCE OF ACCESS ROADS 30. SAND MINING 31. PLANTATION 32. TOURISM- Glen Grey Waterfalls, Gqebenya Abathwa Caves 33. SEWING PROJECT- Vulindlela 34. Fencing – All Villages
Ward 7	1. <b>Luxeni – Blangwe Access road</b> 2. <b>Luxeni, Blangwe, Ethambekeni Access road</b> 3. <b>Fencing for Arable Land and Grazing</b> 4. <b>Eradication of Alien Plants (Ilapesi)</b> 5. <b>Community Hall – Bozwana</b> 6. Shearing Shed – Blangwe (livestock improvement) * 7. Irrigation Schemes (Xusha & Emaqwathini) 8. Library

	9. Sports Fields 10. Support for Abet Centre 11. Support for Kudubeni Vegetable Project* 12. Network Tower 13. Mobile Clinic Bozwana & Dubeni 14. Repair & Completion of Toilets 15. Electrification of new settlements 16. Water to new settlements 17. Completion of Qoqodala & Dubeni Bridges 18. Support to Local Brick Makers 19. Clinic (Bozwana & Dubeni)
Ward 8	1. <b>ACCESS ROAD</b> - All Villages 2. <b>ELECTRICITY</b> (Phase 8A) 3. <b>Revival</b> of crop ploughing (Sorghum and Wheat) and Fencing 4. Bulding of shearing sheds (Agnes and Ngonyama 5. Building of mud schools
Ward 9	1. <b>WATER</b> – Zwartwater, Vaal bank, Buffelsdorings 2. <b>ACCESS ROADS</b> - Zwartwater, Tabase, Qumbu, Vaalbank to Laphumilanga, Buffelsdoring to Dukathole. 3. <b>SANITATION</b> - Zwartwater, Vaalbank, Buffelsdorings 4. <b>ELECTRICITY</b> - Zwartwater, Qoboka, Vaalbank, Buffelsdoring 5. <b>CLINICS</b> - Tabasa, Zwartwater, Ezingcaceni(Vaalbank), Mayeye (Mmango) 6. <b>BRIDGES</b> - Zwartwater- Tabasa, Vaabank- Laphumilanga, Mcwangele 7. <b>SHEARING SHEDS</b> , (Gova & Dukathole) 8. <b>FENCING ARABLE LAND</b> 9. <b>TRACTORS</b> 10. <b>ANTI- EROSION WALLS</b> 11. <b>COMMUNITY HALL</b> - Zwartwater, Esidwadweni 12. <b>POLICE STATION</b> 13. <b>TRANSPORTATION</b> - Lady Frere 14. <b>RDP HOUSES</b> 15. <b>IRRIGATION SCHEMES</b> 16. <b>ALIEN ERADICATION</b> 17. <b>NETWORK TOWER</b> 18. <b>SCHOOL FURNITURE &amp; EQUIPMENT</b> 19. <b>BUILDING SCHOOL</b> 20. <b>COMMUNITY GARDENS</b> 21. <b>Sport field</b> (Gova & Dukathole)
Ward 10	1. <b>ELECTRICITY</b> 2. <b>WATER &amp; SANITATION</b> 3. <b>ACCESS ROADS</b> 4. <b>BRIDGES &amp; COURSEWAYS</b> – Fini Bridge 5. <b>COMMUNITY HALL &amp; MPCC</b> 6. <b>ALIEN ERADICATION</b> 7. <b>FIVE TRACTORS</b> 8. <b>ANTI- EROSION WALLS</b> 9. <b>SPORT FIELD</b> 10. <b>COAL MINING OF TSEMBEYI</b> 11. <b>NETWORK TOWER</b> - Cellphone 12. <b>STOCK DAMS</b> 13. <b>RDP HOUSES</b> - Whole Ward 14. <b>TAXI RANK</b>

	15. GENERATOR FOR DIPPING TANKS 16. FENCING OF CULTIVATED FIELDS 17. FENCING OF CEMETRIES 18. PRE- SCHOOLS 19. CLINIC- Bankies, & Surrounding areas 20. BUS STOP SHELTERS 21. FENCING OF RESOURCE CENTER 22. SCHOOLS 23. POLICE STATION 24. TAR ROAD – R392 Dordrecht to Lady Frere 25. MAINTENANCE OF ACCESS ROAD- Buffelsdorings, Tsembeyi School, Komani School, Gcaka to Tsawulayo 26. MAINTENANCE OF TSEMBEYI WATER SCHEME 27. MAINTENANCE OF DIPPING TANKS 28. COURSEWAYS MAINTENANCE- 2 Buffelsdorings & Tsawulayo 29. Paypoints 30. Multipurpose centre
Ward 11	1. <b>ELECTRICITY- Streetlights</b> 2. <b>TARED ROADS (MAIN STREETS)</b> 3. <b>PRIMARY SCHOOL – Harry Gwala</b> 4. <b>POLICE STATION – Harry Gwala</b> 5. <b>CLINICS – Harry Gwala</b> 6. COMMUNITY HALL – Harry Gwala 7. LIBRARY – Harry Gwala 8. Toilets 9. Family resource centre 10. Street Light
Ward 12	1. <b>BRIDGES-</b> Mkapusi, Mphesheya, Mbeja, Dipini, Ncalukeni, Bomeni 2. <b>SANITATION-</b> Ngqanda, Ncalukeni Bomeni, Mkapusi 3. <b>ACCESS ROAD-</b> Nzolo to Ngxingweni, Roneni, Luxeni to Mjikelweni, Ngqanda, Tyutyutyu to Eluxeni, Dyobhudaka 4. <b>COMMUNITY HALL-</b> Ngqanda, Mkapusi, Mt.Athur, Bomeni 5. <b>WATER-</b> Kwa Gcina other areas need maintenance Mkapusi kwa-Gcina, Ncalukeni, Mt Arthur, upper upper Mkapusi, Clinic, Qithi & Paradesi 6. TARRED MAIN ROAD- Mkapusi, Mt.Hill, Mt.Athur 7. DIPPING TANKS- Ngqanda, Luxeni & Mkapusi 8. PRE-SCHOOL- Luxeni, Bomeni, Mt Hill, Mkapusi, Luxeni, Mkapusi 9. SCHOOLS- Ncalukeni & Mthunzini old buildings 10. Mkapusi J.S.S., Qwempe & Luxeni need renovations 11. SHEARING SHED- Ngqanda, Mkapusi,Mt.Athur, Ncalukeni, Gugulethu, Lower Mkapusi 12. FENCING- Whole WARD 13. HIGH SCHOOL- Ngqanda & Mkapusi 14. BUS STOP SHELTER- Mkapusi main road, Mt.Hill 15. SORGHUM PROJECT- Bomeni, KwaQithi, Khohlo, Mqiti, Siyazondla (Qolweni) 16. FOUR TRACTORS- Whole Ward 17. YOUTH CENTER- Ngqanda, Mt.Arthur 18. RDP HOUSES- Ngqanda, Mkapusi, Bomeni, Mt.Athur & Mt.Hill 19. LIBRARIES- Ngqanda, Mkapusi,Bomeni, Mt.Athur & Mt.Hill 20. Women’s Gardens – Bomeni, Mkhapusi, Kohlo, Ngqanda 21. Sports Grounds (Whole ward) 22. Electricity – Mkhapusi, Bomeni, Nkalweni

	23. Clinic – Ngqanda, Lower Mkhapusi 24. Stock Dams – Mkhapusi 25. Sewing Project (Whole ward) 26. Network Pole
Ward 13	1. <b>WATER&amp; SANITATION-</b> All villages 2. <b>BRIDGES-</b> Qoboshane, Mayekiso, Dikeni, Mission Gxojeni, Bam, Helushe, Gadlume, Luxeni, Taleni, Trust 3. <b>ACCESS ROAD-</b> Gadlume, Xuleni, Mthunzini 4. <b>CLINIC:</b> Posile 5. <b>FENCING-</b> Cultivated land & camps 6. <b>NETWORK TOWER-</b> Television, Cellphone 7. <b>COMMUNITY HALL-</b> Boniswa 8. <b>SCHOOLS-</b> St.Cyprinns J.S.S., Nobandla J.P.S. 9. <b>PLAYING GROUNDS</b> 10. <b>2 X MULTI- PURPOSE CENTERS</b> 11. <b>CRECHE-</b> Whole Ward 12. <b>TSHAMAZIMBA-</b> Boarding School 13. <b>SOIL EROSION CONTROL</b> 14. <b>BUS STOP SHELTER</b> 15. <b>Soyisele Women's Garden Project</b> 16. <b>Vuyani JPS – Mbolompeni</b> 17. <b>Community Library</b> 18. <b>Sport Ground</b>
Ward 14	1. <b>MGWALANA CLINIC</b> 2. <b>KALFONTEIN CLINIC</b> 3. <b>TARRED MAIN ROAD-</b> Dordrecht 4. <b>ACCESS ROADS-</b> 2 Mgwala, 2 Mhlanga, from Nkalweni to Mmangweni, Ntlanjeni, Nkolweni, 5. <b>SPORT FIELD-</b> Dordrecht 6. <b>MULTI PURPOSE COMMUNITY CENTER-</b> Mhlanga, Mgwala 7. <b>MGWALANA DIPPING TANK</b> 8. <b>FENCING OF A DAMPING SITE-</b> Dordrecht 9. <b>ZENZELENI SHEARING SHED -</b> Mhlanga 10. <b>PEDESTRIAN CROSSING BRIDGE-</b> Zwelitsha to Dordrecht 11. <b>FENCING OF ARABLE LAND –</b> Mhlanga, 12. <b>SHEARING SHED</b> Mgwala 13. <b>MULTI PURPOSE COMMUNITY CENTER –</b> Dordrecht 14. <b>NETWORK TOWER-</b> Cellphone, Television 15. <b>Pre School</b> (Dordrecht) 16. <b>Foot Bridge</b> (between Dordrecht town to Bongweni Dordrecht)
Ward 15	1. <b>Land for CEMETERIES</b> 2. <b>TARING MAIN ROAD &amp; CIRCLE-</b> Mavuya, Nomzamo 3. <b>MULTI PURPOSE CENTER</b> 4. <b>COMMUNITY HALL-</b> Ida 5. <b>ACCESS ROAD&amp; PROCLAIMED ROAD-</b> Mceula, Ida via Ntungele to Barkley East-Pass 6. <b>SIDE DRAINES</b> 7. <b>NAMING OF STREETS</b> 8. <b>AGRICULTURAL VILLAGE</b> 9. <b>IRRIGATION SCHEMES</b> 10. <b>FRESH PRODUCE MARKET</b> 11. <b>BRICK MAKING PROJECT</b> 12. <b>NETWORK TOWER-</b> Cellphone , Television

Ward 16	<ol style="list-style-type: none"> <li>1. <b>CEMETERY</b></li> <li>2. <b>ACCESS ROAD</b>- Whole ward, Guba</li> <li>3. <b>TARRING OF ACCESS ROAD</b>- Indwe Township</li> <li>4. <b>STREET LIGHTS</b></li> <li>5. <b>SEWERAGE TREATMENT PLANT &amp; UP –GRADE</b>- New locations</li> <li>6. TARRING OF THE ROAD- Indwe to Indwe Port, Indwe via Mceula to Cala</li> <li>7. NETWORK TOWER – Mzamo Township, Maqwathini, Guba&amp; Cegceyane</li> <li>8. STORM WATER UPGRADE - Vukani</li> <li>9. IMPROVING REFUSE REMOVAL</li> <li>10. FENCING- Vukani Project</li> <li>11. Community Hall</li> <li>12. Water (Lower Mgwala)</li> </ol>
Ward 17	<ol style="list-style-type: none"> <li>1. <b>STOCK DAM</b>: Pesi</li> <li>2. <b>DIPPING TANK</b>: Ngcuka</li> <li>3. <b>COMMUNITY HALL</b>: Ngcuka,</li> <li>4. ACCESS ROADS: Ngcuka</li> <li>5. Water</li> <li>6. Toilets Skwanqeni</li> <li>7. Electricity Nkolonga,</li> <li>8. Access Roads</li> <li>9. Community Hall</li> <li>10. <b>Storm Water Infrastructure</b> : Stoney crof</li> <li>11. LAPESI ERADICATION: Stoney Crof</li> <li>12. SHEARING SHEDS: Stoneycroft</li> <li>13. PRE-SCHOOL: Stoney Crof ,</li> <li>14. Stock Dams – Stoney Croft,</li> </ol>

## FINAL IDP APPROVAL

As indicated in the process plan, this document was tabled for council adoption on 30 March 2012 and thereafter reproduced for circulation and comment by all affected and concerned parties. The commenting period was during April 2012 and May 2012. During this period an ad was circulated on local newspaper and municipal notice boards inviting comments on the draft IDP and Budget.

The comments period has lapsed and all received comments were considered and incorporated into this final draft. Council has again considered the final document and approved it through a council resolution for implementation during 2006/7 – 2008/9 financial years and submission to MEC.

The adopted IDP and Budget will be taken on a road show through all wards during the month of May 2007. For logistical reasons wards will be grouped into clusters of three to four per workshop. This process is in partial fulfilment of the requirement of the Systems Act Regulations governing compilation of integrated development plans.

In each workshop there will be municipal officials and Exco members to present the summary of the IDP and Budget for 2006/7 – 2008/9 and allow communities to give feedback which will be considered by clusters during implementation.

**Adopted IDP by a council seating on.....**

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**Signed by Mayor**

**Date**

**Council Resolution Number:.....**

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