



ANNUAL REPORT 2016 / 17 FINANCIAL YEAR

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Component A: Mayor's Foreword

1. Chapter 1 – Mayor's Foreword and Executive Summary

On behalf of Emalahleni Local Council and officials, we hereby present this Annual Report for the financial year 2016/2017. This report outlines the performance on the targets that the municipality has set for the period of twelve months. In essence the report provides Emalahleni stakeholders and communities an insight into the performance and achievements of the Municipality.

The mandate of Emalahleni Local Municipality is not unique to the broader mandate given to Local Government by the South African Constitution, 1996 (Act 108 of 1996) in terms of Local Government objectives as enshrined in Chapter 7 of the Act. The mandate of the Municipality is derived from public participation gatherings, Mayoral Outreach Programmes, Community Engagements last but not least, Integrated Development Plan and Budget Roadshows. The Municipality has cordial working relationships with sector departments and other key stakeholders, which strengthens good governance and accountability through IDP Representative Forum and Intergovernmental Relations Forum. Council has committed itself to achieve the following local government mandate in order to promote and improve the lives of communities of Emalahleni.

- Building an administration (municipality) that is efficient, effective and responsive;
- Strengthen accountability and promote clean municipal operations;
- Accelerating service delivery and supporting the needy;
- Promoting economic and social development;
- Nurturing partnerships, social cohesion and community development.

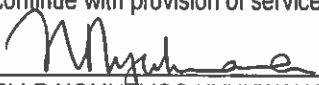
The above can only be achieved if all relevant stakeholders, i.e. the Councillors, the administration officials, the trade unions and the (Emalahleni) community at large work together, as a collective to not only talk about the shortcomings raised in the annual report, but find mechanisms to address them. Having said that, it is equally important to note that there are a few specific areas, which must receive particular attention going forward:

Improved mechanisms are in place to strengthen the accountability and discipline of officials in performing their daily operations. Accountability requires collective efforts in so far as cooperation and coordination are concerned among stakeholders.

Expeditious, timing and excellence service delivery are the deeply entrenched in the internal systems of the municipality. The municipality has made tremendous strides in that, it has changed the negative and pessimistic attitude because of disclaimers of many years. Council notes with confidence that the situation was drastically changed within a short of time (to be precise less than two years). For that achievement, gratitude goes to a collective leadership and committed management of Emalahleni.

The financial year under review the municipality has stood firm in abiding by its vision and mission to bring a better life for all. As it endeavoured in administration to address the needs of communities expressed in all public consultative engagements. The municipality has provided a beacon of hope to communities. To some communities, service delivery has never been received in the past and to others it is the continuation of a job well done by the previous administration to ensure a better life for all.

Service delivery and infrastructural development are the cornerstone of Emalahleni Local Municipality. The Draft Annual Report provides a framework of the work that has been completed in 2015/16 financial with gaps and shortcomings identified. Council wishes to congratulate the Councillors who were elected on 3rd August 2016, as the municipality looks forward working together with the Executive Committee, Council and Management to continue with provision of services to all communities.



CLLR NOMVELISO NYUKWANA
MAYOR

Component B: Executive Summary

2. Municipal Manager's Overview

The draft Annual Report for the 2016/2017 financial year has been compiled in accordance with Section 46 of the Local Government Municipal Systems Act 2000 (Act 32 of 2000 (as amended)), Section 127 (2) of the Local Government Municipal Finance Management Act 2003 (Act 56 of 2003), as well as accompanying circulars, templates and guidelines. In particular, MFMA Circular Number 63, issued in September 2012, added guidance to the preparation of this draft annual report, requiring all municipalities to report within the established framework and for such reports to be submitted to the Auditor-General at the same time as the Annual Financial Statements in August each year.

This report records the performance and progress made by Emalahleni Local Municipality in fulfilling its strategic objectives contained in the Integrated Development Plan (IDP), and Service Delivery and Budget Implementation Plan (SDBIP) approved by Council for the year under review.

I wish to acknowledge the challenges, achievements and progress with highlights that Emalahleni Local Municipality has achieved in 2016/2017 financial year. I also appreciate the uncompromising support that we received from the political leadership, and above all support from my fellow colleagues and employees in general as an Accounting Officer. I am confident that the positive relationship that exists between administration and political leadership is going to be sustained.

The administrative and political interface creates cohesion with other strategic stakeholders for example trade unions. Emalahleni Local Municipality has adopted with its IDP a practical vision and mission statement that directly respond to matters of service delivery, local economic development, job creation, infrastructure development, electrification of villages and surrounding areas, water and sanitation. The vision, mission statement and core values guide the daily operations of Emalahleni Local Municipality.

The year under review had its fair share of successes and challenges from an administrative perspective. However, the Council has continued to strive towards the realisation of its vision to be "a responsive, people-centred and developmental municipality" which:

- Promotes a culture of good governance;
- Provides effective and efficient municipal services;
- Invests in the development and retention of human capital to service the municipality,
- Promotes social and equitable economic development;
- Ensures municipal sustainability and financial viability;
- Creates a safe and healthy environment; and
- Places Batho-Pele principles at the centre of service delivery

Emalahleni Local Municipality has continued to sustain a good relationship with other organs of state, especially the district municipality and the provincial administration under-which we fall. This augurs well as it works towards the provision of effective municipal services and the on-going institutional support.

Ward Committees have been the key tool in ensuring that public participation across the municipality is not just an ideal, but a reality.

While the formal sector is generally well serviced with regards to basic services, ELM is making the necessary provision for more informal settlements to be adequately serviced. The rapid growth of urban centres is putting pressure on the municipality to increase its capacity in order to respond to the service calls timeously. Ageing and worn bulk infrastructure is putting pressure on ELM's resources and ability to deliver an efficient and effective service.

Emalahleni Local Municipality has since the fourth local government elections held in 2011 adopted a credible integrated development plan coupled with an annual municipal cash-backed budget guided by medium term expenditure framework principles.

Flowing from the two strategic planning instruments, ELM has developed a high level service delivery and budget implementation plan, which is nothing more than twelve (12) months plan to implement an approved IDP and Budget.

SDBIP is indeed a plan that aligns the IDP and Budget in terms of cash flow projections for each departmental vote. I can confidently acknowledge upfront that these supra challenges faced by ELM have been adequately addressed through intense consultation and engagement with political leadership, management and unions.

During the year under review, Emalahleni Local Municipality reduced the human resource vacancy rate, especially to the critical posts in top management. This includes the post of the Chief Accounting Officer of the municipality and the Corporate Services Manager.

I will continue to ensure that the vacancy rate is reduced and that posts are filled with qualified, competent and experienced personnel. There is no administration that can continue to rely on consultants to perform task for which we have "warm seats".


DR-SITEMBELE WISEMAN VATALA
MUNICIPAL MANAGER

1.2 Municipal Functions, Population and Environmental Overview

Introduction to Background Data

1.2.1 Population

The population statistics used to compile the 2016/2017 annual report are based on the latest available data from Statistics South Africa as reflected in the 2016/2017 integrated development plan. Emalahleni has the fourth largest population with a total of 119,460 (14% of the district) in the Chris Hani district and extends over an area of approximately 3 840 square kilometres, includes more than 200 rural villages and comprises seventeen (17) wards. The 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 and 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 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 report. The population figures provided here are based on the 2001 and 2011 Census data as provided by Statistics South Africa. Data (graphs and tables) will be used to compare Emalahleni Local Municipality against the national demographics.

1.2.2 Age and Sex Distribution

Using the 2001 Census data, the population is estimated to be 121 822 people.

Population Details									
Population '000									
Age	2011			2012			2013		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Age: 0 - 4	7 242	7 086	14 328	7 175	6 939	14 114	7 431	7 187	14 619
Age: 5 - 9	7 578	7 083	14 661	7 410	6 939	14 349	7 675	7 187	14 862
Age: 10 - 19	14 529	13 023	27 552	14 349	12 820	27 169	14 862	13 279	28 141
Age: 20 - 29	8 238	7 665	15 903	8 115	7 527	15 643	8 406	7 797	16 202
Age: 30 - 39	4 887	5 196	10 083	4 822	5 057	9 880	4 995	5 238	10 233
Age: 40 - 49	3 756	6 084	9 840	3 764	5 998	9 762	3 898	6 213	10 111
Age: 50 - 59	4 206	6 540	10 746	4 234	6 351	10 585	4 386	6 578	10 964
Age: 60 - 69	3 231	4 608	7 839	3 176	4 469	7 645	3 289	4 629	7 918
Age: 70+	2 955	5 559	8 514	2 940	5 528	8 468	3 046	5 726	8 771
Source: Statistics SA (2001 Census) with an average 3.58% growth rate per annum applied									

Using the 2011 Census data, the population in Emalahleni Local Municipality is estimated at 119 460 people, using the same growth rate.

Population Details									
Population '000									
Age	2011			2012			2013		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Age: 0 - 4	6 792	6 569	13 361	7 035	6 804	13 840	7 287	7 048	14 335
Age: 5 - 9	7 014	6 569	13 583	7 266	6 804	14 070	7 526	7 048	14 574
Age: 10 - 19	13 583	12 136	25 720	14 070	12 571	26 641	14 574	13 021	27 595
Age: 20 - 29	7 682	7 126	14 808	7 958	7 381	15 339	8 243	7 645	15 888

Population Details									
Population '000									
Age	2011			2012			2013		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Age: 30 - 39	4 565	4 788	9 353	4 729	4 959	9 688	4 898	5 137	10 035
Age: 40 - 49	3 563	5 678	9 241	3 691	5 882	9 572	3 823	6 092	9 915
Age: 50 - 59	4 008	6 012	10 021	4 152	6 228	10 380	4 301	6 451	10 751
Age: 60 - 69	3 006	4 231	7 237	3 114	4 383	7 496	3 225	4 539	7 765
Age: 70+	2 784	5 233	8 016	2 883	5 421	8 304	2 987	5 615	8 601

Source: Statistics SA (2001 Census) with an average 3.58% growth rate per annum applied

TOTAL POPULATION BY PROVINCE – CENSUS 1996, 2001 AND COMMUNITY SURVEY 2007

Provinces	Census 1996	Census 2001	% Change	CS 2007	% Change
Eastern Cape	6 302 525	6 278 651	2,1	6 527 747	4,0
Free State	2 633 504	2 706 775	2,8	2 773 059	2,4
Gauteng	7 348 423	9 178 873	20,4	10 451 713	13,9
KwaZulu-Natal	8 417 021	9 584 129	11,8	10 259 230	7,0
Limpopo	4 929 368	4 995 534	9,2	5 238 286	4,9
Mpumalanga	2 800 711	3 365 885	7,7	3 643 435	8,2
Northern Cape	840 321	991 919	-2,0	1 058 060	6,7
North West	3 354 825	3 193 676	8,8	3 271 948	2,5
Western Cape	3 956 875	4 524 335	14,3	5 278 585	16,7
South Africa	40 583 573	44 819 778	10,4	48 502 063	8,2

- The census results showed that the population increased from 40.5 million in 1996 to 44.8 million in 2001. The community survey has returned an estimated population of 48.5 million, showing an overall increase of 8.2% since 2001.
- The above figures are based on the new boundaries
- The largest percentage/rate of increase in population between 2001 and 2007 was in Western Cape with 16.7%, followed by Gauteng with 13.9%.
- Eastern Cape, Free State and North West experienced an increase of less than 5%.

Key Statistics	2001	2011
Total population	121,822	119,460
Young (0-14)	40,4%	35,1%
Working Age (15-64)	55%	55%
Elderly (65+)	8,4%	9,9
Dependency ratio	95,5%	81,8%
Sex ratio	85,8	90,1
Growth rate	-1,4% (2001-2011)	-0,2% (2001-2011)
Population density	N/A	35 persons/km2
Unemployment rate	68,3%	46,3%
Youth unemployment rate	79,1%	55,3%
No schooling aged 20+	41,5%	18,8%
Higher education aged 20+	4,5%	3,8%
Matric aged 20+	5,6%	11%
Number of households	27,280	31,681
Average household size	4,4	3,7
Female headed households	57,5%	53,8%

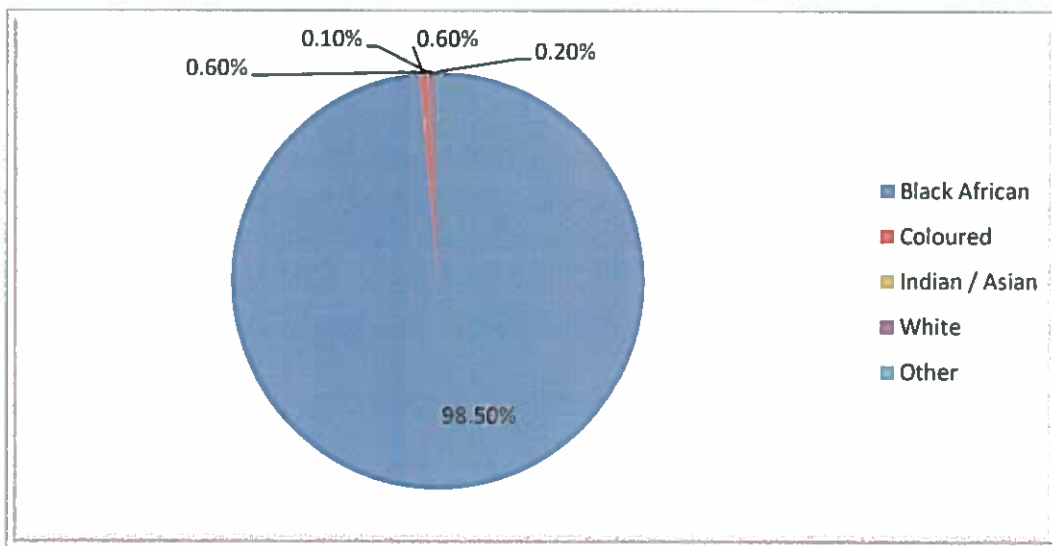
Key Statistics	2001	2011
Formal dwellings	54,3%	56,1%
Housing owned/paying off	51,7%	61,3%
Flush toilet connected to sewerage	3,4%	11,8%
Weekly refuse removal	10,4%	8,3%
Piped water inside dwelling	2,9%	8,7%
Electricity for lighting	45%	78,5%
Source: Statistics SA (2011 Census) with an average 3.58% growth rate per annum applied		

People

According to Census 2011, the Emalahleni Local Municipality has a total population of 119 460, of which 98.5% are black African, with the other population groups making up the remaining 1.5%. Of those 20 years and older, 6.7% have completed primary school, 29.9% have some secondary education, 11.0% have completed matric, and 3.8% have some form of higher education.

1.2.3 Population Groups

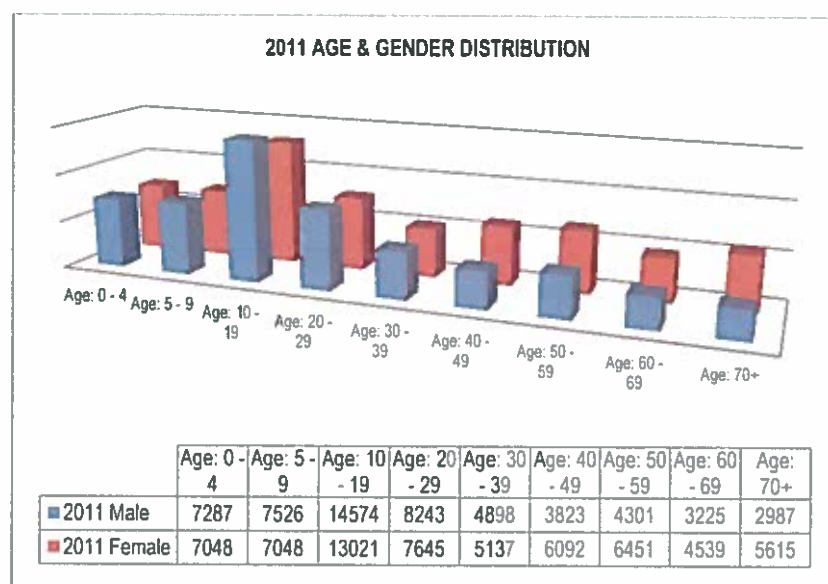
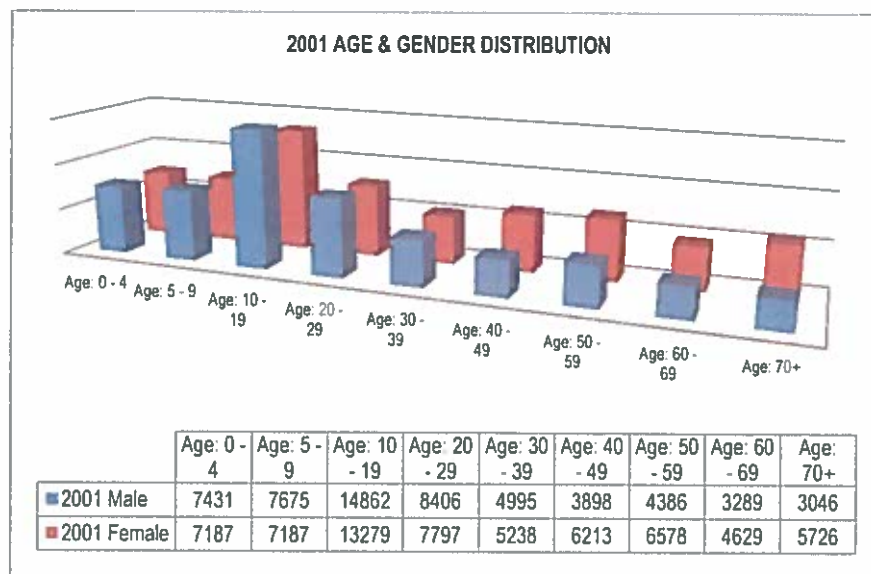
Group	Percentage
Black African	98.50%
Coloured	0.60%
Indian / Asian	0.10%
White	0.60%
Other	0.20%



1.2.4 Age and Gender Distribution

The graphs below reflect the 2001 and 2011 Census statistics and provide an age-gender distribution analysis.

This situation reflects the high levels of poverty and unemployment that are experienced throughout the municipal area with its concomitant effect on revenue generation and service delivery.



The age groups of 0 to 4; 5 to 14; 10 to 19 and 20 to 29 years old show a slant towards males being in the majority. However this trend does not continue through into the economically active age groups and it is widely accepted that this is caused by the tendency of the majority of males to seek better schooling or employment opportunities in developed urban centres outside the municipal jurisdiction.

Females form the greater portion of the economically active population in the 30 to 59 year bracket. This directs the strategic planning of the municipality to focus on increasing involvement opportunities within local economic development and local initiatives for this group.

In support of the above trend it can further be seen that within the elderly population age group (60 years and older), women dominate by 9% as compared with 5% for males. While women account for 15% of the age group 30 to 59 years, males only account for 11% of the population within the same age group. This impacts negatively on the local labour market and the potential workforce and needs to be taken into account as it deprives the local labour market of its potential workforce.

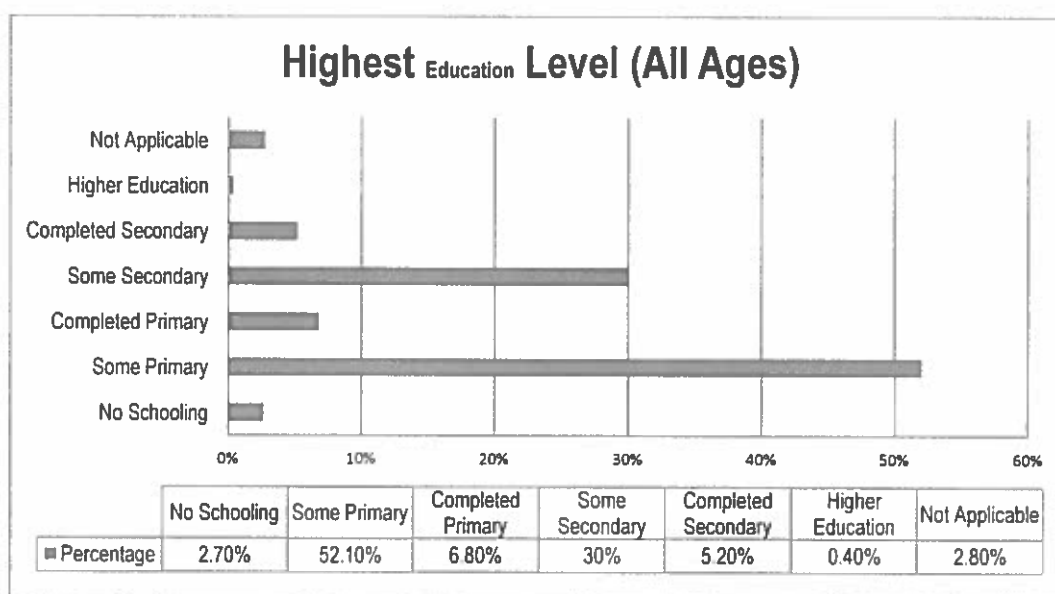
Efforts to encourage members of the economically active population and retired (but economically independent population) must be encouraged and built into the strategic objectives of the municipality for future growth and sustainability.

1.2.5 Education and Skills

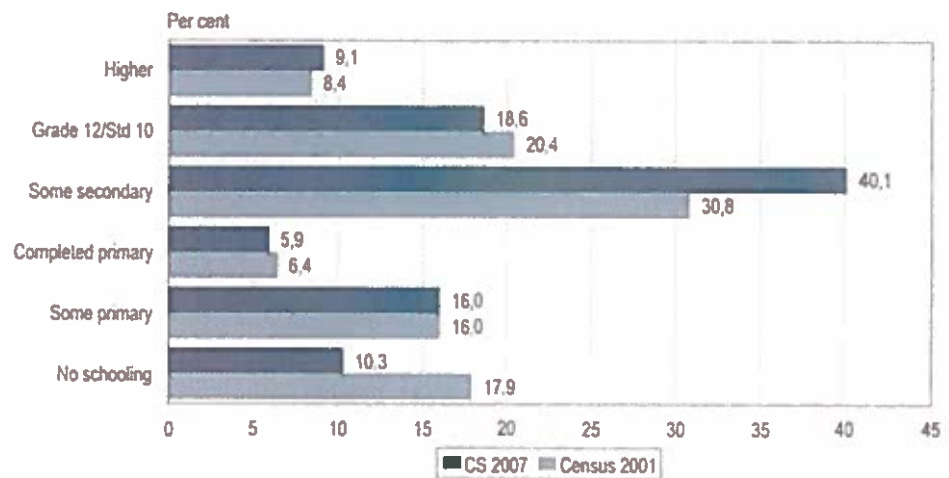
The graph below shows a very steady improvement on pupils aged 20+ who have completed grade seven (7) (source SSA Census 2011).

According to the Statistics South Africa 2011 report, about 2.7% of the entire population of Emalahleni Local Municipality has no schooling, 52.1% has some primary education. About 6.8% of ELM population has completed primary education. 30% of the population of ELM has some secondary schooling, whilst only 5.2% have completed their education schooling. Only 0.4% of the total population of ELM has higher education qualification.

As indicated on the 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 half the population has no vocational schooling at all.



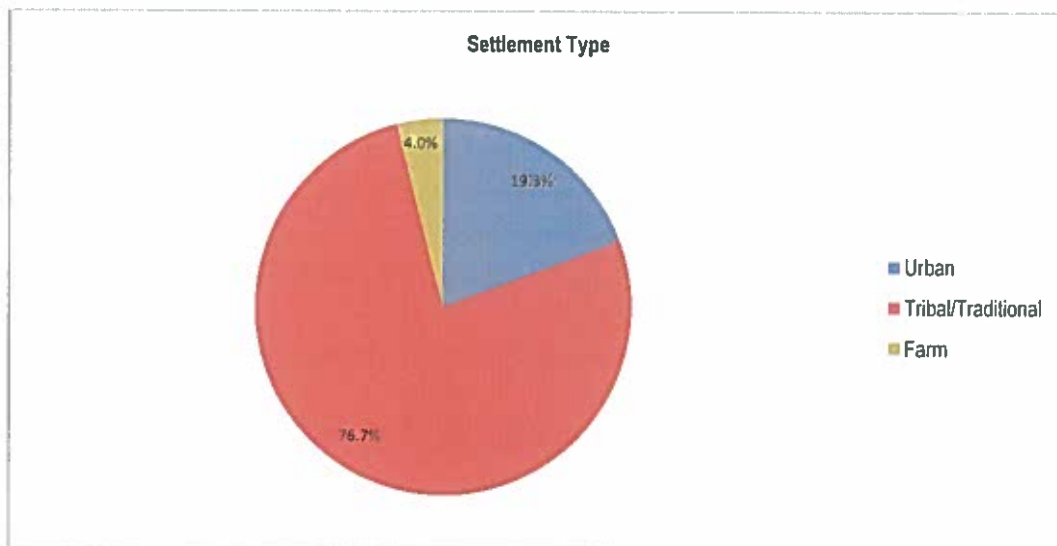
PERCENTAGE DISTRIBUTION OF POPULATION AGED 20 YEARS AND OLDER BY HIGHEST LEVEL OF EDUCATION – SA 2007 COMMUNITY SURVEY

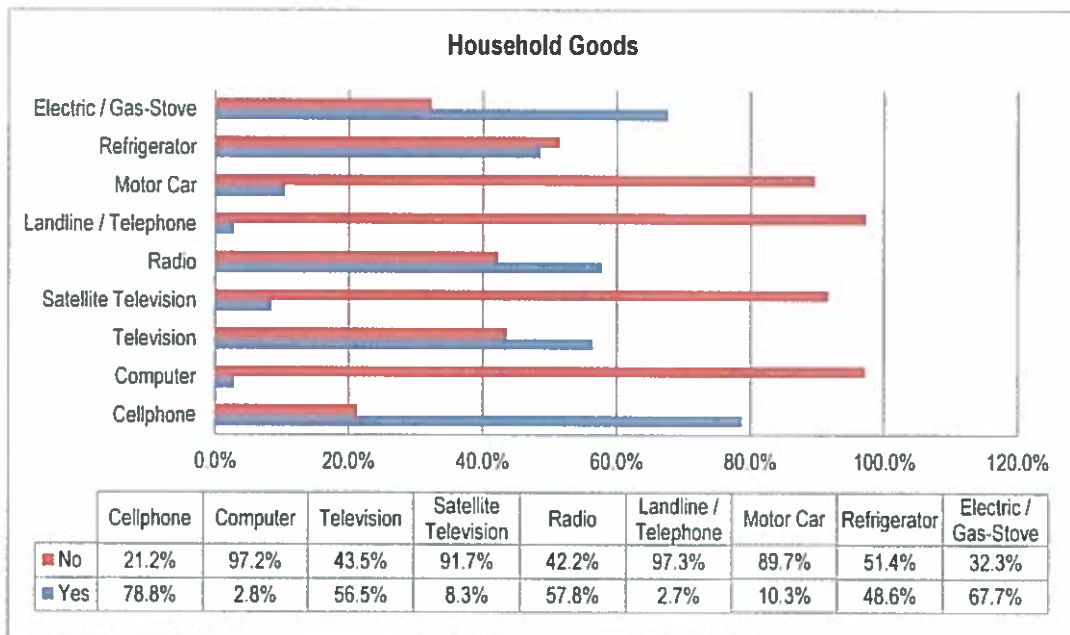


- The above graph depicts no significant change since 2001 in the percentage of the population aged 20 years and older who have completed a secondary and/or higher level of education.
- Almost 28% of the population aged 20 years and older has completed at least secondary education.
- The graph also shows that the percentage of the population aged 20 years and older with no schooling has declined from 17.9% in 2001 to 10.3% in 2007.

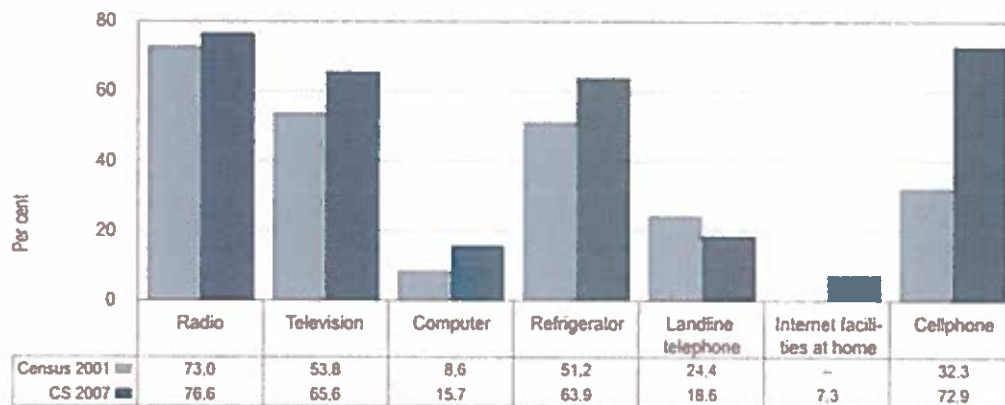
1.2.6 Living Conditions

There are 31 681 households in the municipality, with an average household size of 3.7 persons per household. 29.2% of households have access to piped water inside dwelling/institution or in their yard; most households (45.5%) access piped water on a community stand less than 200m from the dwelling. 7.4% of households do not have access to piped water.



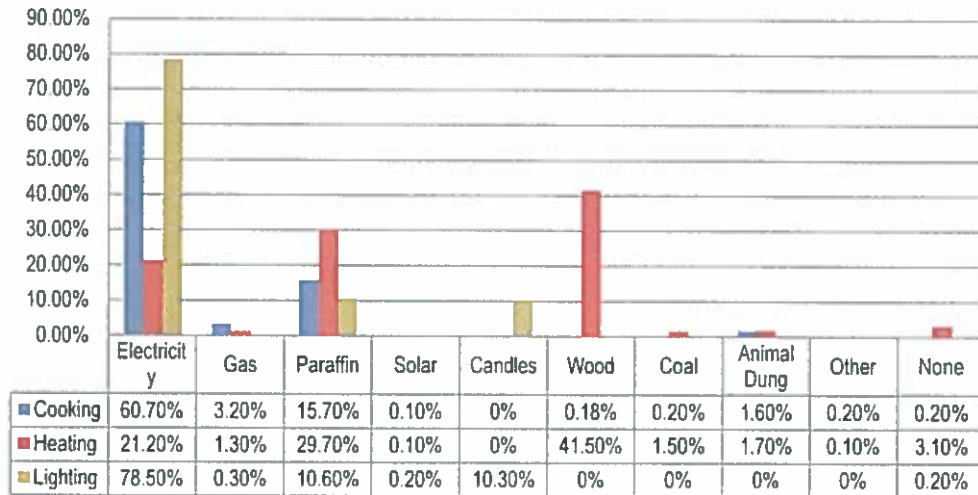


**PERCENTAGE OF HOUSEHOLDS WITH HOUSEHOLD GOODS IN WORKING ORDER –
SA 2007 COMMUNITY SURVEY**

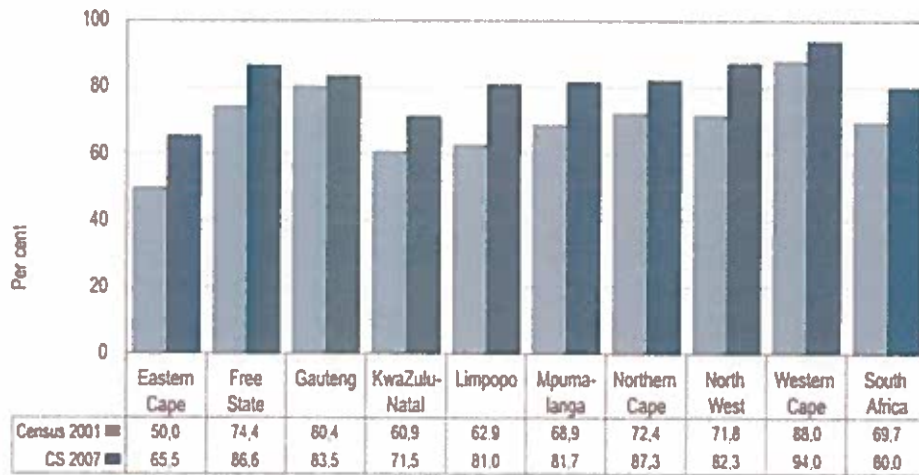


- Ownership of radio, television, computer, refrigerator and cell phone has increased considerably between Census 2001 and Community Survey 2007. Demand for landline telephones decreased.

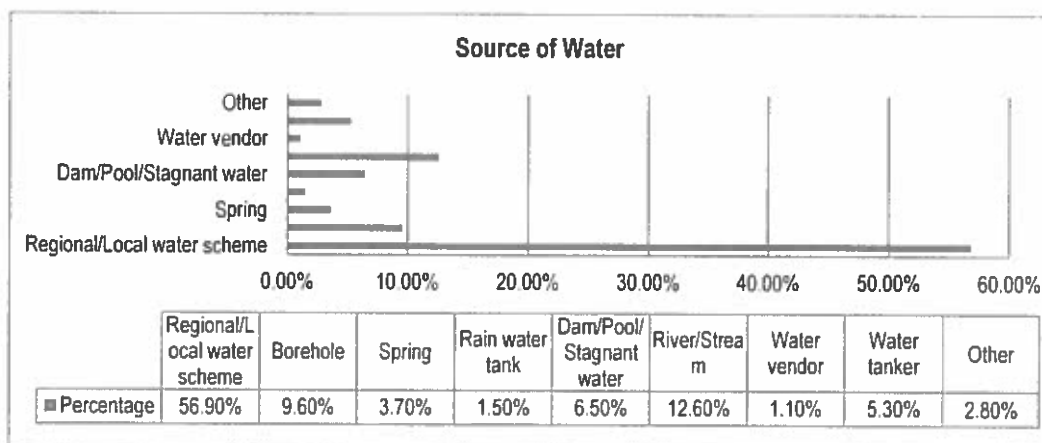
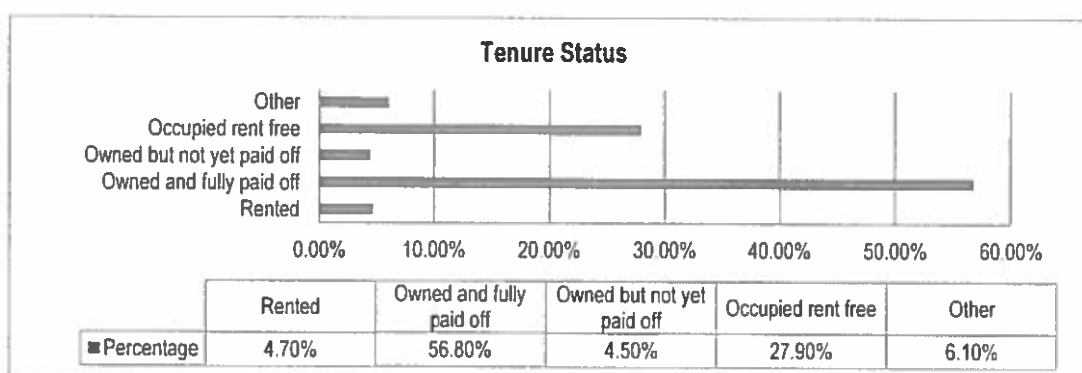
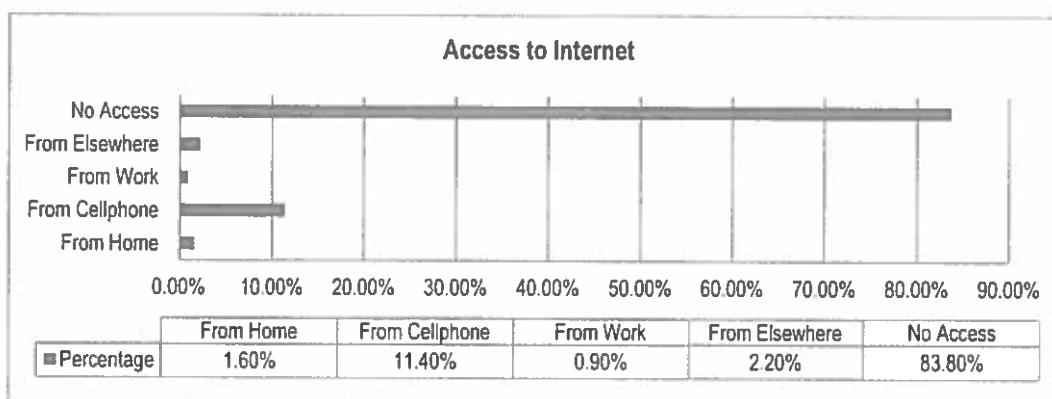
Energy or Fuel for Cooking, Heating & Lighting



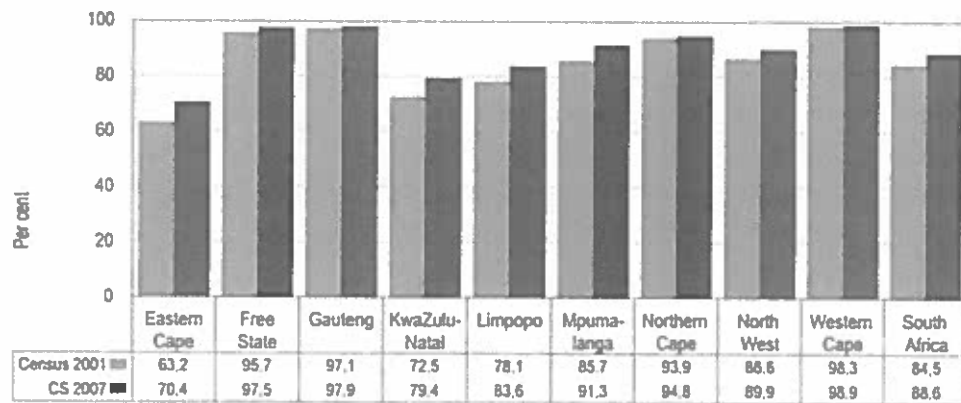
PERCENTAGE OF HOUSEHOLDS USING ELECTRICITY OF LIGHTING BY PROVINCE – SA 2007 COMMUNITY SURVEY



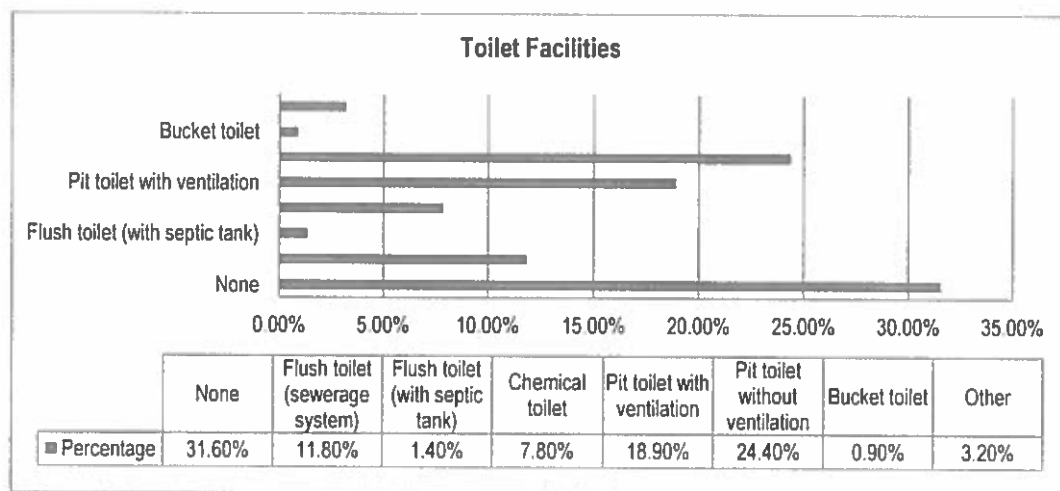
- Electricity for lighting has increased in all provinces with 80.0% of households in South Africa using electricity for lighting.
- The proportion of households in Eastern Cape and KwaZulu-Natal using electricity for lighting is below the national average.



**PERCENTAGE OF HOUSEHOLDS THAT HAVE ACCESS TO PIPED WATER BY PROVINCE –
SA 2007 COMMUNITY SURVEY**



- In 2007, 88.6% of the population in South Africa enjoyed access to piped water.
- All provinces showed an increase in the percentage of households that had access to piped water.
- The percentage of households that have access to piped water in Eastern Cape, KwaZulu-Natal and Limpopo is below the national average.

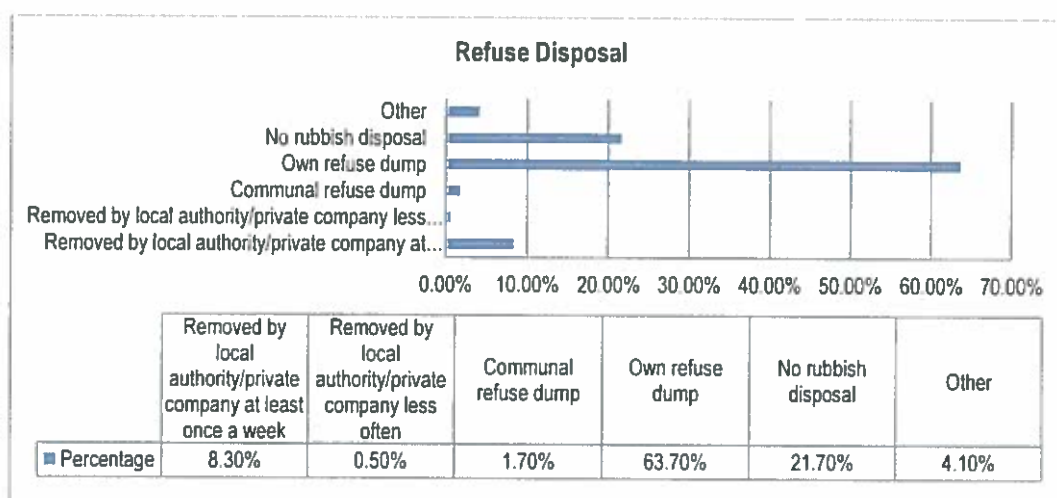


PERCENTAGE OF HOUSEHOLDS BY TYPE FACILITY AND PROVINCE – CENSUS 2001 AND CS 2007

	Flush toilet		Chemical Toilet		Pit latrine with ventilation (VIP)		Pit latrine without ventilation		Bucket toilet system		None	
	Census 2001	CS 2007	Census 2001	CS 2007	Census 2001	CS 2007	Census 2001	CS 2007	Census 2001	CS 2007	Census 2001	CS 2007
Eastern Cape	33,7	40,2	2,0	0,4	5,6	8,3	21,8	23,1	5,7	2,8	31,3	25,2
Free State	46,3	61,4	0,8	0,1	6,2	7,9	16,5	14,7	20,5	12,7	9,7	3,2
Gauteng	80,2	85,2	1,1	0,4	1,4	2,2	11,5	9,6	2,2	1,0	3,6	1,6
KwaZulu-Natal	40,8	49,9	5,3	0,8	9,0	13,2	27,7	23,9	1,2	0,5	16,0	11,7
Limpopo	16,8	20,2	1,3	0,1	8,0	10,5	50,4	56,3	0,6	0,1	22,8	12,9
Mpumalanga	35,4	42,6	1,5	0,3	9,0	11,0	39,4	37,6	2,6	0,4	12,1	8,2
Northern Cape	57,8	48,2	0,8	0,1	7,6	6,2	10,8	35,4	10,0	4,4	13,1	5,7
North West	36,7	73,2	1,0	0,4	11,0	8,0	36,6	6,8	5,1	4,8	9,6	6,8
Western Cape	86,2	92,9	0,3	0,2	0,8	0,3	1,3	0,5	3,7	2,4	7,7	3,8
South Africa	51,9	60,4	1,9	0,4	5,7	6,8	22,8	21,5	4,1	2,3	13,6	8,6

Note: Data for a dry toilet facility have been excluded

- In 2007 a little more than 60% of households in South Africa had access to a flush toilet.
- Gauteng, Free State, North West and Western Cape were the only provinces where more than 50.0% of households that own a flush toilet.
- Free State had the highest number of households still using the bucket system.
- More than half of households in Limpopo (56.3%) used a pit latrine without ventilation, and 25.2% of households in Eastern Cape had no toilet at all.

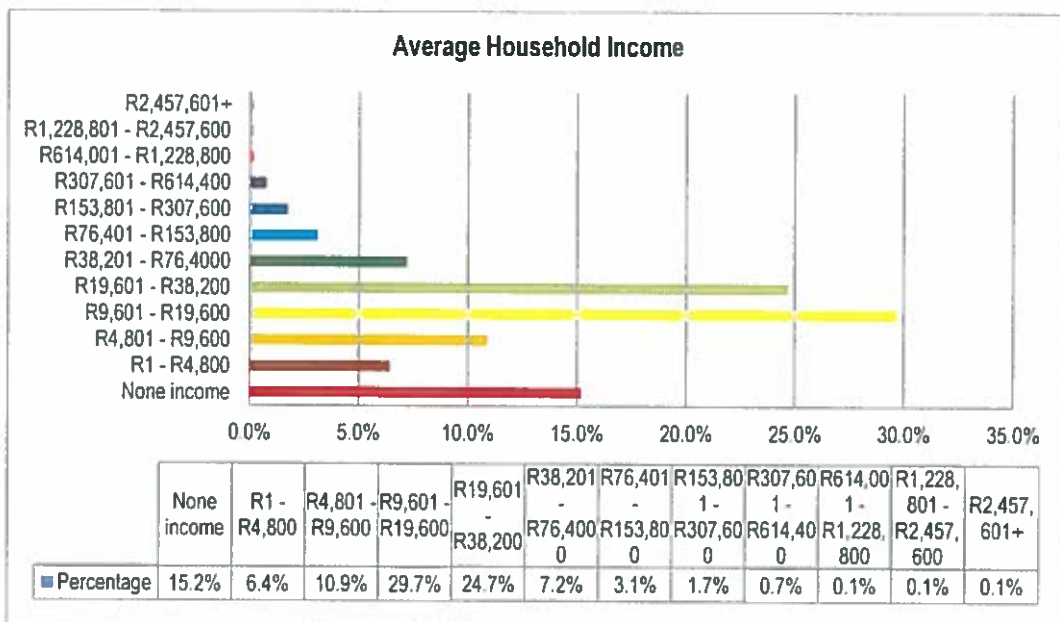
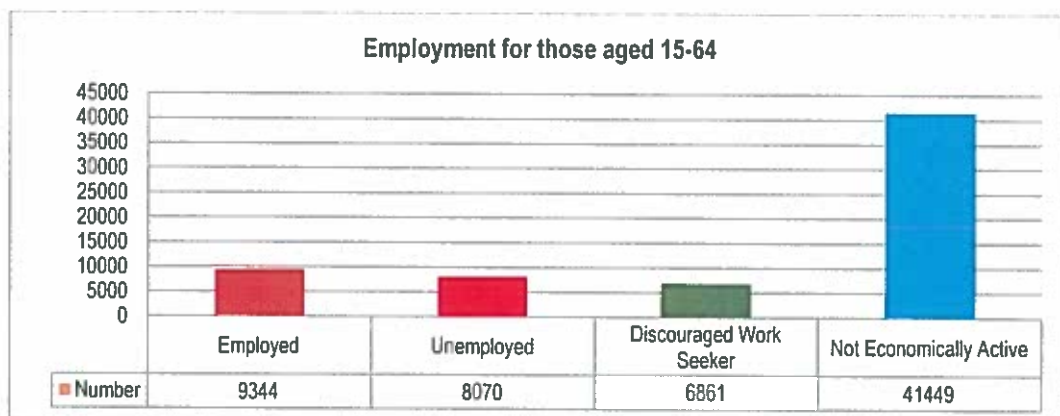


1.2.7 Refuse Removal

The data presented above was extracted from 2011 Stats SA Census report and the current strides in terms of service improvement relates reflects expansion of services to additional 1131 households (KwaZakhele and Bhongolwethu Townships in Lady Frere)

1.2.8 Economy

46.3% of the 17 414 economically active (employed or unemployed but looking for work) people in the municipality are unemployed. The majority (55.3%) of economically active youth (aged 15 – 34 years) are unemployed.



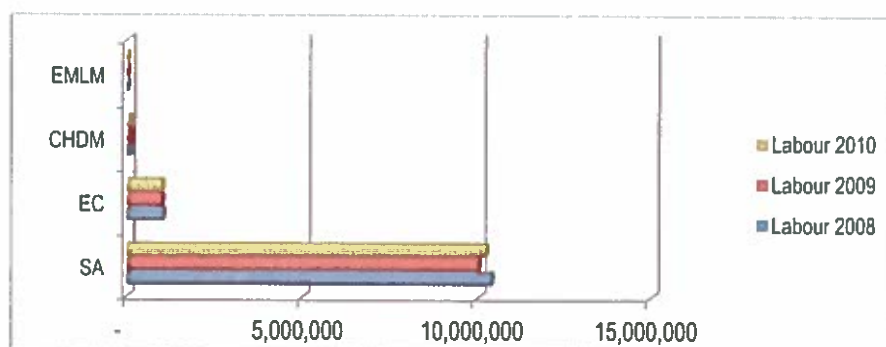
Socio Economic Status						
Year	Housing backlog as proportion of current demand	Unemployment Rate	Proportion of households with no Income	Proportion of population in Low-skilled Employment	HIV/AIDS Prevalence	Illiterate people older than 14 years
2001		68.3%				
2007						
2011		46.3%				
2012/2013						

Notes:

- Unemployment, proportions of households with no income and illiterate people older than 14 years old - obtained from Census 2011, Community Survey 2007, and Census 2001.
- Proportion of population in Low-skilled Employment and HIV/AIDS Prevalence - no data for it as yet.
- Based upon the number of applicants on the municipal housing waiting list. Sourced from the District Health Information System 2013.

1.2.9 Labour

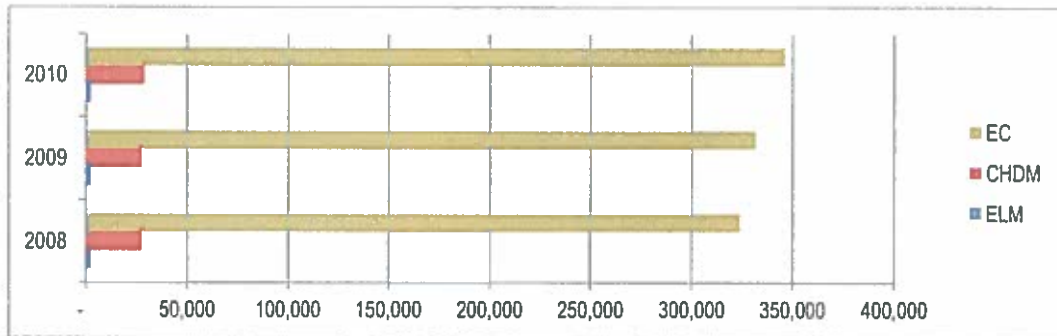
1.2.9.1 Formal Employment



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.

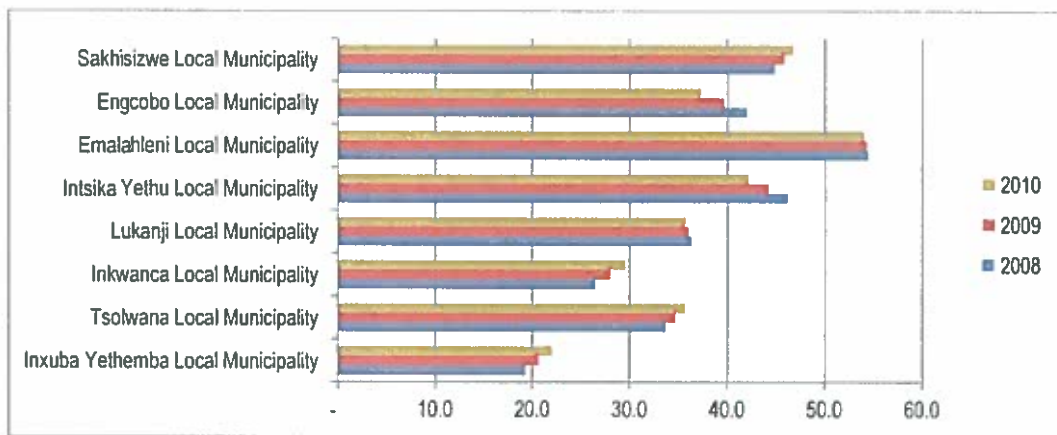
Bye-and-large, the GDP of Emalahleni has been anchored by the wholesale and retail sector which has contributed a higher percentage in terms of Real Money. The wholesale and retail sector has contributed about 80% to the Gross Domestic Product and has seen a steady growth for the past three financial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

1.2.9.2 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).

1.2.9.3 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.

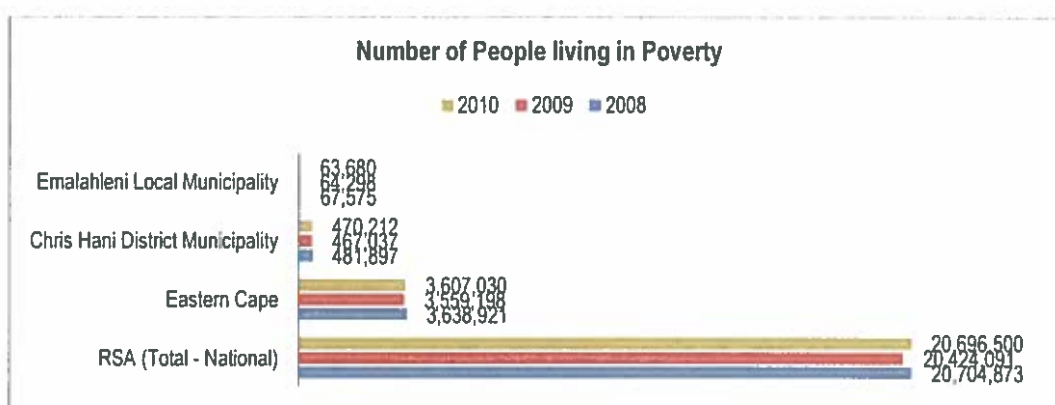
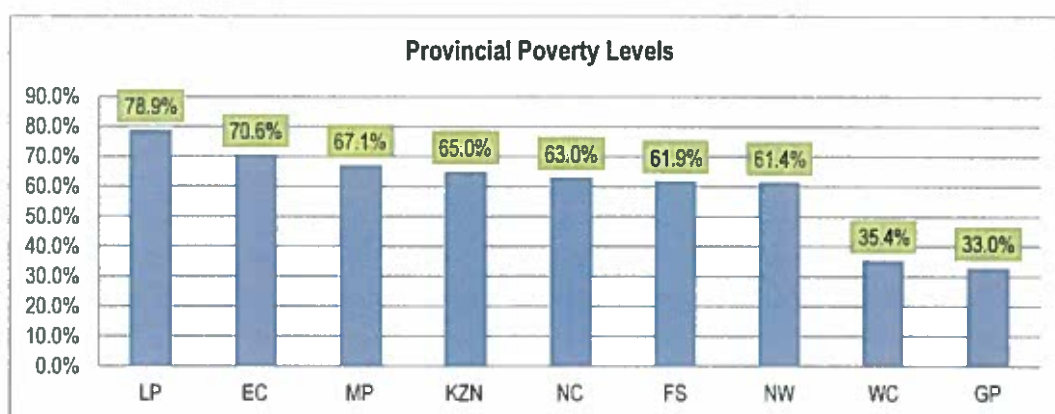
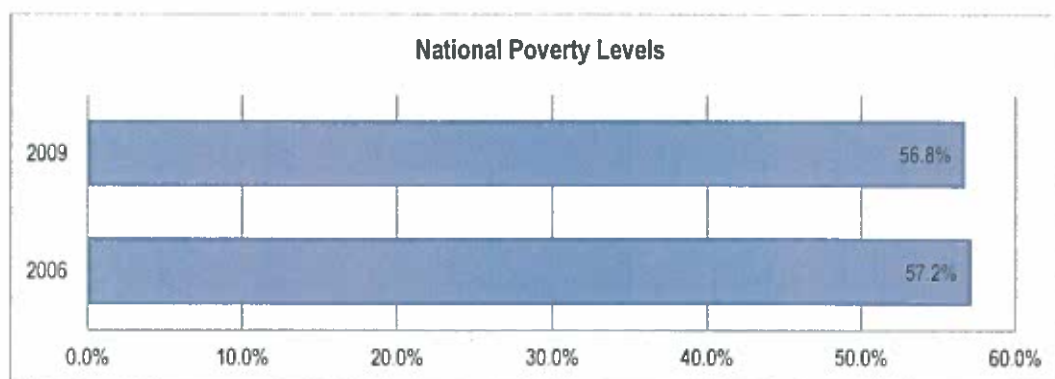
According to data released by Statistics South Africa for the Year 2007, 2008 & 2009 indicates that the economy of Emalahleni has been shedding jobs except for the wholesale & retail sector which maintained a low but steady growth in terms of employment figures.

1.2.10 Poverty

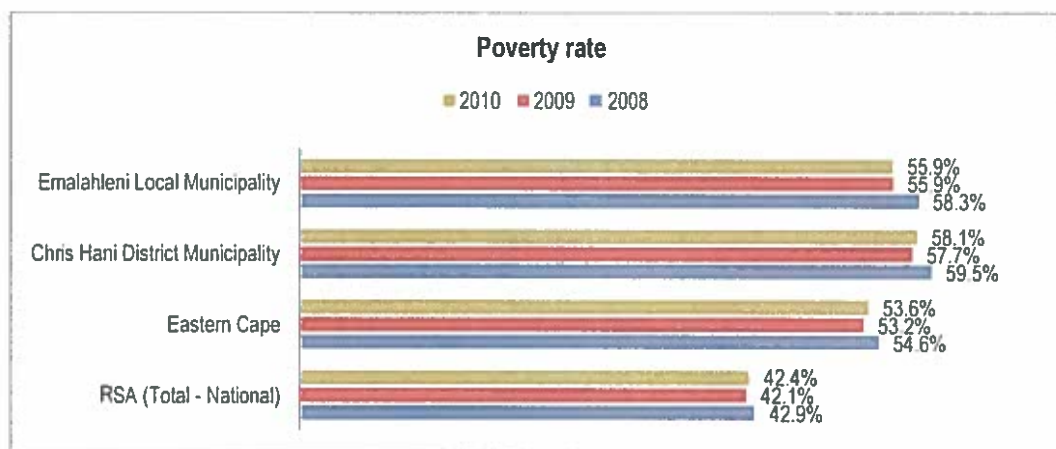
Poverty is a key development challenge in social, economic and political terms; not only in South Africa but throughout the developing world. In post-apartheid South Africa, fighting the legacy of poverty and under-development has always been a central theme of Government. This was cemented in the Reconstruction and Development Plan (RDP) of 1994 and reiterated in the National Development Plan (NDP) published in 2011.

The guiding objectives of the NDP are the elimination of poverty and the reduction in inequality and all the elements of the plan must demonstrate their effect on these two objectives. The Living Conditions Survey (LCS) and the Income and Expenditure Survey (IES) conducted by Stats SA are the two primary contributors toward profiling and monitoring poverty and inequality over time.

These two surveys are fundamental components to the survey programme of any statistical agency. They are the leading tools for the measurement of absolute poverty and inequality and they are an extremely important building block for the Consumer Price Index (CPI) to stay current with the changing spending and consumption patterns of the country.



Poverty rate (2008 – 2010)



Notes:

1. Unemployment, proportions of households with no income and Illiterate people older than 14 years old - obtained from Census 2011, Community Survey 2007, and Census 2001.
2. Proportion of population in Low-skilled Employment and HIV/AIDS Prevalence - no data for it as yet.
3. Based upon the number of applicants on the municipal housing waiting list
4. Sourced from the District Health Information System.

1.2.11 Comment on Background Data

Emalahleni Municipality is regarded as one of the key economic hubs of the Chris Hani District (with Lukhanji Municipality regarded as the top economic hub in the district). It is estimated to contribute about 20% to the total GDP of the district and provides 15% of the district's employment opportunities.

The rate of employment opportunities within the locality has increase over the last financial year due to the exploration of mineral resources, in the form of coal mining. This growth in employment opportunities is expected to grow steadily due to the impact it's likely to have to other businesses that provides goods and services to the coal mining operations.

The municipal leadership and management will continue to create a conducive environment for the small, medium and large businesses to operate within the municipality. As stipulated in the S46 report below, we will do this by further strengthening the relations between the political authority of the municipality, the local administration and business through business and other forums.

1.3 Service Delivery Overview

1.3.1 Service delivery Introduction

The dawn of democracy in 1994 created a new dispensation in which access to basic services such as housing, water, sanitation, refuse removal, cleansing and electricity; was recognized as a fundamental human right. South Africa inherited high levels of poverty and it continues to be confronted with unequal and often inadequate access to resources, infrastructure and social services. The Bill of Rights enshrined the right to basic services and commanded that the state must take reasonable measures to achieve the progressive realisation of these rights.

Key Statistics : South Africa as a whole	
Access to piped water	90,8%
Access to improved sanitation	76,9%
Access to mains electricity	85,3%
Use solid fuels for cooking	12,4%
Dwelling owned	65,6%
Living in formal dwellings	76,9%
Municipal refuse removal	64,0%

1.3.2 Water and Sanitation

Chris Hani District Municipality appointed Emalahleni Local Municipality as the Water Services Provider, however, the district municipality resolved to withdraw provision status from the local municipalities in the district. At the Emalahleni municipality, the resolution was due to be implemented in phases, with the transfer of the billing of water services back being the first phase.

Water and sanitation is therefore required to be provided to all rural and urban areas within this area, while taking into account the infrastructure limitations and challenges. It is acknowledged that service delivery and availability is more accessible in the urban areas, (18 769 yard connections in 3 towns vs 200m applicability for 105 948 residents in over 200 villages). Backlogs were addressed, and reported accurately.

Shortfalls

- Within this region, periods of water shortages and drought are commonplace. For this reason one of the greatest challenges has been to plan for these periods.
- Shortages in water have placed tremendous strain on the residents and on hospitals, clinics, schools and hostels.
- Water sources remain a serious challenge

A number of projects have been planned and conducted which include:

- Cluster 1 Water Back logs for Wards 7, 8, 10, 13 and 14 Cluster 2 Water Backlog

1.3.3 Sanitation

The municipality is appointed by Chris Hani District Municipality (WSA) as the Water Services Provider. This results in Emalahleni Local Municipality being required to serve as the sanitation service provider to the Emalahleni area. It is noted that Dordrecht, Lady Frere and Indwe are provided with a waterborne system of sanitation while VIP toilets and pit latrine systems are found in the villages.

General Comments and Challenges

As the standard and levels of sanitation are of concern, projects have been undertaken to resolve these challenges.

- Chris Hani District Municipality has funded a sanitation project in order to facilitate the upgrading of sanitation infrastructure and this is progressing well;
- The Cluster 4 sanitation project for wards 2, 3, 4, 5, 15 and 16, Vukani Guba and Percy Villages is at the tender stage. The Baseline Survey has been completed, the ground water protocol is in place and the tender for a consortium closed. Construction is now underway;
- The Cluster 3 sanitation program for Wards 7, 8, 9, 10, 11, 12 and 14 is similarly at the construction phase.
- Reporting on sanitation monitoring is occurring as required.

Overall, it is to be noted that the greatest challenges relate to infrastructure. Backlogs (while in existence) are being eradicated and the achievement of 54% of households being exposed to a basic level of sanitation has been met. While it is recognized that not all backlog data is accurate, 170 participants /auxiliary workers have been appointed to collect /record information on backlogs of households with access to basic levels of service (relating to all basic services water, sanitation, roads and electricity) the Technical Services Manager co-ordinate information relating to water, sanitation, roads and electricity in relation to this project

General Comments and Challenges

When determining the appropriate activities to be undertaken to improve the standards of sanitation provision and backlogs, consideration is required to be made of the ageing infrastructure, the financial limitations and the capacitation levels of staff.

In terms of the Mackay's Nek Sanitation project, progress has been well achieved during 2012/2013. The tender for Phase 2 has been awarded.

1.4 Financial Health Overview

Note: The Auditor General's Report for the current year is not yet available. This will influence an accurate assessment of the financial health of the organisation. Notwithstanding, a broad overview is provided.

- Emalahleni Municipality has received an unqualified audit report for the 2015/16 year;
- The municipality's liquidity ratio is considered to be relatively sound as the current ratio by far exceeds its short-term obligations;
- Assets and Liabilities are well managed;
- The municipality is acknowledged as paying its creditors within 30 days, as is stipulated by the MFMA;
- Employee costs have been underspent due to the vacant funded posts that have not yet been filled;
- Strict credit control measures have been executed (as per Credit Control Policy and By-Laws) in order to ensure that the challenge of high levels of outstanding debt is addressed.
- Reporting to National Treasury in respect of performance reporting is being well achieved within the prescribed periods.
- Staff capacitation remains of critical importance and the development and implementation of the workplace skills plan would ensure this occurs in a planned manner.

Emalahleni Local Municipality continues to show itself as being in good financial health. Yearly, efforts are made to improve fiscal control and it must be noted that last year, Emalahleni Local Municipality received a Greenest Municipality Award from the Department of Environmental Affairs. Overall it is noted that there has been a substantial improvement in the billing of consumers and an increase in revenue collection. Compliance reporting occurs as required and a positive cash flow is observed.

1.5 Organisational Development Overview

1.5.1 Organisational Development Performance

During the year under review the municipality reviewed its macro-structure to align it to the municipality's IDP. This sets out the broad functional structure of the municipality; the political governance structure and Senior Management posts (section 56 posts), inclusive of the Municipal Manager and Heads of Departments.

The macro-structure was adopted by Council in 2012. This has paved the way for both the filling of the Heads of Department posts, as well as the finalisation of the micro-structure i.e. the organisational structure below S 56 level. The population of the structure is done annually, depending on the available and/or approved budget in the financial year.

All Section 56 and 57 managers position remain filled, and some managerial positions below the level of Section 56 and 57 managers were also filled.

1.6 Auditor General Report

Not yet available, in terms of the process plan it will be available after the audit

1.7 Statutory Annual Report Process

Below is a process plan presented in a number of municipal structures for monitoring:

Activity	Date	Custodian
June 2017		
Submission of the approved Reviewed IDP and Budget 2017 / 2018 to the National, Provincial Treasury department, MEC for EC-CoGTA and the district municipality	14 June 2017	Municipal Manager
Budget Steering Committee presentation of the SDBIP for 2017/2018 Financial Year.	13 June 2017	Mayor
IDP/ PMS and Budget Technical Steering Committee to finalize the service delivery and budget implementation plans for 2017 / 2018	22 June 2017	Mayor
Special Council Meeting and Approval and Publication of the SDBIP 2017/2018	30 June 2017	Mayor Municipal Manager
Presentation of the draft IDP and PMS Review Process Plan 2017 2018 to Council for approval	30 June 2017	Mayor
July 2017		
Submission of IDP/ PMS Review and Budget Process Plan to the district municipality and other spheres of government	07 July 2017	All Directors Municipal Manager
Advertisement and/or publication of the IDP/PMS Review and Budget Process Plan 2018 / 2019	12 July 2017	Municipal Manager
Preparation and finalization of the Annual Performance Report (Section 46) for the 2016/2017 financial year (Non-Financial)	12 July 2017	Municipal Manager
Submission of Performance Information for purposes of the Annual Report (Non-Financial)	21 July 2017	All Directors Municipal Manager
Inter-Governmental Relations meeting - Formal presentation of the approved IDP, Budget and SDBIP 2017/2018 to stakeholders, War Room Report and discussion on Process Plan for 2018/19 IDP.	28 July 2017	Municipal Manager

Activity	Date	Custodian
Preparation and Submission of signed performance agreements for Section 57 Managers to relevant stakeholders	28 July 2017	Municipal Manager
August 2017		
Preparation of the draft annual report 2016 / 2017	01 – 06 August 2017	Municipal Manager
Presentation of the Draft Annual Report EMC	07 August 2017	Municipal Manager
Submit annual report including final annual financial statements and annual performance report to EXCO and MPAC meeting	23 August 2017	Municipal Manager Chief Financial Officer and All Directors
Convene IDP Representative Forum	23 August 2017	Municipal Manager
Submission of the draft annual report 2016/2017 with annual financial statements to the Audit / Performance Audit Committee for review	24 August 2017	Chief Financial Officer Municipal Manager
Tabling of the unaudited Annual Report in Council for noting	30 August 2017	Mayor
Submit draft previous financial year Annual Report and evidence to internal and the Auditor General including annual financial statements and financial and non-financial information	30 August 2017	Municipal Manager Chief Financial Officer
September 2017		
Auditor General continue to audit annual report, audit report to the accounting officer of the municipality	29 September 2017	Municipal Manager
October 2017		
Submission of Performance reports and performance information of the first quarter	12 October 2017	All Directors
IDP/PMS and Budget Technical Steering Committee: presentation of the first quarterly performance analysis report	17 October 2017	Municipal Manager
Submission of the Performance Report of the institution to the Office of the Mayor	18 October 2017	Municipal Manager
BSC to discuss revenue projections	17 October 2017	Municipal Manager
Special Council Meeting: Annual Report and oversight report process for adoption to be used as input into public participating meetings for IDP Review process	26 October 2017	Mayor MPAC Chairperson
Convene IGR – Approved Process Plan, War Room Report, Preparation for Mayoral Outreach for the review of needs and priorities.	27 October 2017	Municipal Manager
November 2017		
Annual Report and oversight report process for adoption to be used as input into public participation meetings for IDP Review process	November 2017	Mayor
Budget Steering Committee - Presentation on the alignment of expenditure programmes for 18/19 budget	13 November 2017	Mayor
Oversight Committee finalises assessment on the annual report	14 November 2017	Municipal Manager
Tabling of the audited annual report and financial statements to Council	24 November 2017	Mayor

Activity	Date	Custodian
Annual Report is made available for inspection by the public	30 November 2017	Mayor
December 2017		
IDP/PMS and Budget Representative Forum – Presentation of the audited annual report 2016/2017, draft reviewed situation analysis, objectives, strategies and indicators (IDP 2018/2019). Presentation of the 1 st quarterly performance (July to September 2017)	01 December 2017	Municipal Manager
Council adopts Oversight report	14 December 2017	Municipal Manager
Oversight Report is available for inspection by the public	14 December 2017	Mayor Municipal Manager
Oversight report is submitted to Auditor-General, Provincial Treasury and Department of Cooperative Government-EC	14 December 2017	Municipal Council
Logistical arrangements on the review of the mid-year performance reports, assessment of performance and review of the service delivery and budget implementation plans	01-05 December 2017	Municipal Manager
Budget Steering Committee	05 December 2017	Mayor
January 2018		
Submission of Performance reports and performance information – mid-year performance	10 January 2018	All Directors
Budget Steering Committee discuss Section 71 Report	17 January 2018	All Directors
Budget Steering Committee - Presentation of mid-year performance to Executive Management Committee	17 January 2018	Municipal Manager All Directors
IDP/PMS and Budget Technical Steering committee to present And discuss draft objectives and strategies. Launch of the third phase of the IDP (Discussions on the projects commences)	17 January 2018	Municipal Manager All Directorates
Strategic planning session to present updated situation analysis, refined objectives and strategies and draft projects. Presentation of the mid-year performance report; Review SDBIP 2017/2018, prepare draft SDBIP 2018 / 2019;	18 - 19 January 2018	Municipal Manager All Directors
Submission of the Mid-Year performance report 2017/2018 to the Mayor	25 January 2018	Municipal Manager
Presentation of reviewed SDBIP 2017/2018 to the Mayor for approval	30 January 2018	Municipal Manager
SPECIAL COUNCIL MEETING: Table in a council meeting, mid-year assessment report 2017/ 2018	30 January 2018	Municipal Manager, Mayor
February 2018		
Write to/ written request to CHDM to obtain projected allocations for 18/19 for inclusion in budget	01 February 2018	Municipal Manager
Submission of mid-year performance reports to the Sector	09 February 2018	Municipal Manager
BSC- Presentation of Adjustment Budget	14 February 2018	

Activity	Date	Custodian
Inter-Governmental Relations – Strategic Planning reporting, Sector Departments to report and discuss projects to be implemented in Emalahleni.	21 February 2018	Municipal Manager
IDP/PMS and Budget Technical steering committee to discuss and finalize draft projects and submission of reviewed sector plans; draft adjustment budget	23 February 2018	Municipal Manager
SPECIAL COUNCIL MEETING: Table in a special council meeting the adjustments budget for mid-year	27 February 2018	Municipal Manager, Mayor
March 2018		
Presentation of draft Reviewed IDP 2018 / 2019 to IDP/PMS and Budget Technical committee and alignment of budget	07 March 2018	Municipal Manager
Budget Steering Committee meeting for presentation of Draft IDP and Draft Budget	09 March 2018	Mayor
IDP/PMS and Budget Steering Committee: Presentation of the 1st Draft IDP 2018/2019 (1 st Review of 2017-22 IDP); review progress	09 March 2018	Mayor
Submission of draft directorate SDBIPs 2018 / 2019 for consolidation	16 March 2018	All Directors
IDP Rep Forum – Presentation of the draft reviewed IDP objectives, strategies and indicators,	22 March 2018	Municipal Manager
Council Meeting – Presentation of the 1st draft IDP 2018 / 2019 (1st Review)	29 March 2018	Mayor
April 2018		
IDP advertised for public comments, public meetings and consultation schedule prepared	06 April 2018	Municipal Manager
Submission of Performance reports and performance information of the third quarter	11 April 2018	All Directors
Submission of adopted Draft IDP and budget to the Office of the Premiers, Provincial and National Treasury, District Municipality and the MEC for EC-CoGTA	13 April 2018	Municipal Manager
Mayoral Outreach (IDP, Budget and PMS Road shows)	09 April - 25 April 2018	Mayor
May 2018		
IDP/PMS and Budget Technical Steering Committee to consider public comments and those from sector departments; presentation of performance reports for the 3rd quarter	05 May 2018	Municipal Manager
IGR - Final Submission of inputs from Sector Departments	08 May 2018	Municipal Manager
IDP/PMS and Budget Steering Committee: Presentation of Final Draft IDP	11 May 2018	Mayor
IDP Representative Forum– presentation on the final draft IDP and Budget 2018 / 2019; and tariffs	25 May 2018	Municipal Manager
IDP and Budget Workshop for Councillors and Traditional leaders on the final draft IDP 2018 / 2019	26 May 2018	Municipal Manager

Activity	Date	Custodian
State of the Municipal Address: Reviewed IDP 2018/2019 & Budgets approved by Council	31 May 2018	Mayor
June 2018		
Submission of the approved Reviewed IDP and Budget 2017 / 2018 to the National, Provincial Treasury department, MEC for EC-CoGTA and the district municipality	14 June 2018	Municipal Manager
Budget Steering Committee presentation of the SDBIP for 2018/2019 Financial Year.	12 June 2018	Mayor
IDP/ PMS and Budget Technical Steering Committee to finalize the service delivery and budget implementation plans for 2017 / 2018	22 June 2018	Mayor
Special Council Meeting	28 June 2018	Mayor

1.7.1 Comment on the Annual Report Process

During the 2012/2013 financial year, National Treasury issued MFMA Circular 63, without replacing Circular 11, which also regulates the content of the Annual Report and sets out a revised format. In addition, this circular prescribes new timeframes within which the Annual Reports shall be compiled and presented.

The timeframes have been adjusted to coincide with the submission of the Annual Financial Statements in August each year. This has required the IDP and PMS unit, which is responsible for the collation of the Annual Report, and the Budget and Treasury Office, responsible for the Annual Financial Statements, to work closely together.

The benefits of the revised timeframes will only be realized in the following financial year, as all relevant data is made available for planning processes. The intention is clearly that, this will make the IDP and Budgeting processes easier. With both the Annual Report and Annual Financial Statements available, at the start of the New Year, it becomes easier to align the budget, IDP and performance management targets. This is expected to have positive spin-offs as progress can be measured more effectively year on year.

In spite of the challenges experienced during the compilation of this report, the municipality has succeeded in compiling an Annual Report which is expected to meet the requirements of the Auditor General. In subsequent years, the process should be smoother, given that the report structure will be familiar and that the timeframes will be easier to meet, given that there will be a full year between reports.

Chapter 2 – Governance

Component A: Political and Administrative Governance

2.1 Introduction to Governance

Corporate governance is comprised of Risk Management and Fraud Mitigation, Internal Audit / Audit Committee, Compliance Services, Legal Services, Communication and Development Cooperation, Public Participation and Special Programmes, Knowledge Management, Research and Policy.

The preamble to the Local Government: Municipal Systems Act provides inter alia for the “core principles, mechanisms and processes that are necessary to enable municipalities to move progressively towards the social and economic upliftment of local communities; to define the legal nature of a municipality as including the local community working in partnership with the municipality’s political and administrative structures; to provide for the manner in which municipal powers and functions are exercised and performed; to provide for community participation; to establish an enabling framework for the core processes of planning, performance management, resource mobilisation and organisational change which underpin the notion of developmental local government; to provide a framework for local public administration and human resource development; to put in place service tariffs and credit control policies by providing a framework for the provision of services, service delivery agreements; to provide for credit control and debt collection; and to provide for matters incidental thereto”.

The importance of good governance is widely recognised. Good corporate governance generates the goodwill necessary to enable sustainable value creation. Other pieces of the legislative framework impact on the activities of the Municipality and for the purpose of this cluster the King III Report is considered important. The introduction of the King III Report on Corporate Governance necessitates increased attention being paid to compliance issues. This covers activities such as Internal Audit, Fraud and Risk Management as well as Information Technology.

Within this overall framework fall activities such as risk and fraud management, internal audit, legal and compliance, knowledge management as well as public participation.

2.1 Political Governance

2.1.1 Introduction to Political Governance

The **Municipal Council** is the ultimate political decision-making body of the municipality. The Mayor, Councillor Nomveliso Nyukwana, together with the Executive Committee of Council, takes overall strategic and political responsibility for the municipality. Ward Councillors links the community with the municipal council and administration through functional ward committees. Below are political governance structures in the municipality:

Council

The section 12 notice published by the Member of the Executive Council for Cooperative Government and Traditional Affairs, Eastern Cape determined that Emalahleni Local **Municipal Council**, in terms of section 9(d) of the Municipal Structures Act 1998, would have an Executive Mayoral System combined with a Ward Participatory System.

Audit Committee

The municipality has its own committee which reports directly to Council, providing opinions and recommendations on internal controls, financial management and performance.

Municipal Public Accounts Committee (MPAC)

The Municipal Public Accounts Committee is in place to strengthen the oversight arrangements in the municipality and to ensure the efficient and effective use of municipal resources. Its key role is to consider and evaluate the content of the annual report and make recommendations to Council when adopting an oversight report on the annual report as required in terms of section 121 of the Local Government: Municipal Finance management Act and Circular no 32 issued by the Minister of Finance.

2.1.2 Political Structure



MAYOR

Chairperson: EXECUTIVE COMMITTEE

Cllr N. Nyukwana

Presides at meetings of the executive committee

Performs duties, including any ceremonial functions and exercise the powers delegated to the Mayor by Municipal Council or the executive committee



SPEAKER

Cllr DS Kalolo

Presides at the meeting of the Council

Ensures that the council meets at least quarterly

Must ensure that the council meetings are conducted in accordance with the rules and orders of the council



CHIEF WHIP

Cllr N Lali

Performs duties that are delegated to him by Council

Portfolio Head:

**INFRASTRUCTURE DEVELOPMENT AND HUMAN SETTLEMENT
STANDING COMMITTEE**

EXECUTIVE COMMITTEE

Portfolio Head: Cllr Liwani

COMMUNITY SERVICES STANDING COMMITTEE

**ECONOMIC DEVELOPMENT, TOURISM AND AGRICULTURE
STANDING COMMITTEE**

Portfolio Head: Cllr N Mtyobile

CORPORATE SERVICES STANDING COMMITTEE

Portfolio Head: Cllr T Kulashe

BUDGET AND TREASURY OFFICE STANDING COMMITTEE

Portfolio Head: Cllr M Limba

MPAC COMMITTEE

Chairperson: Cllr L Mapete

2.1.3 Councillors

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

2.1.4 Political Decision- Making

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

Once the Executive Committee has accepted the recommendation, recommendations are made to the Council. Council then takes a final decision on the matter. In the few cases where there is no consensus on a matter within Council, the issue will go to vote.

Once the Minutes of the Council meeting have been adopted, the responsibility lies with the Accounting Officer to ensure that actions are taken to implement such resolutions through appropriate directorates.

2.2 Administrative Governance

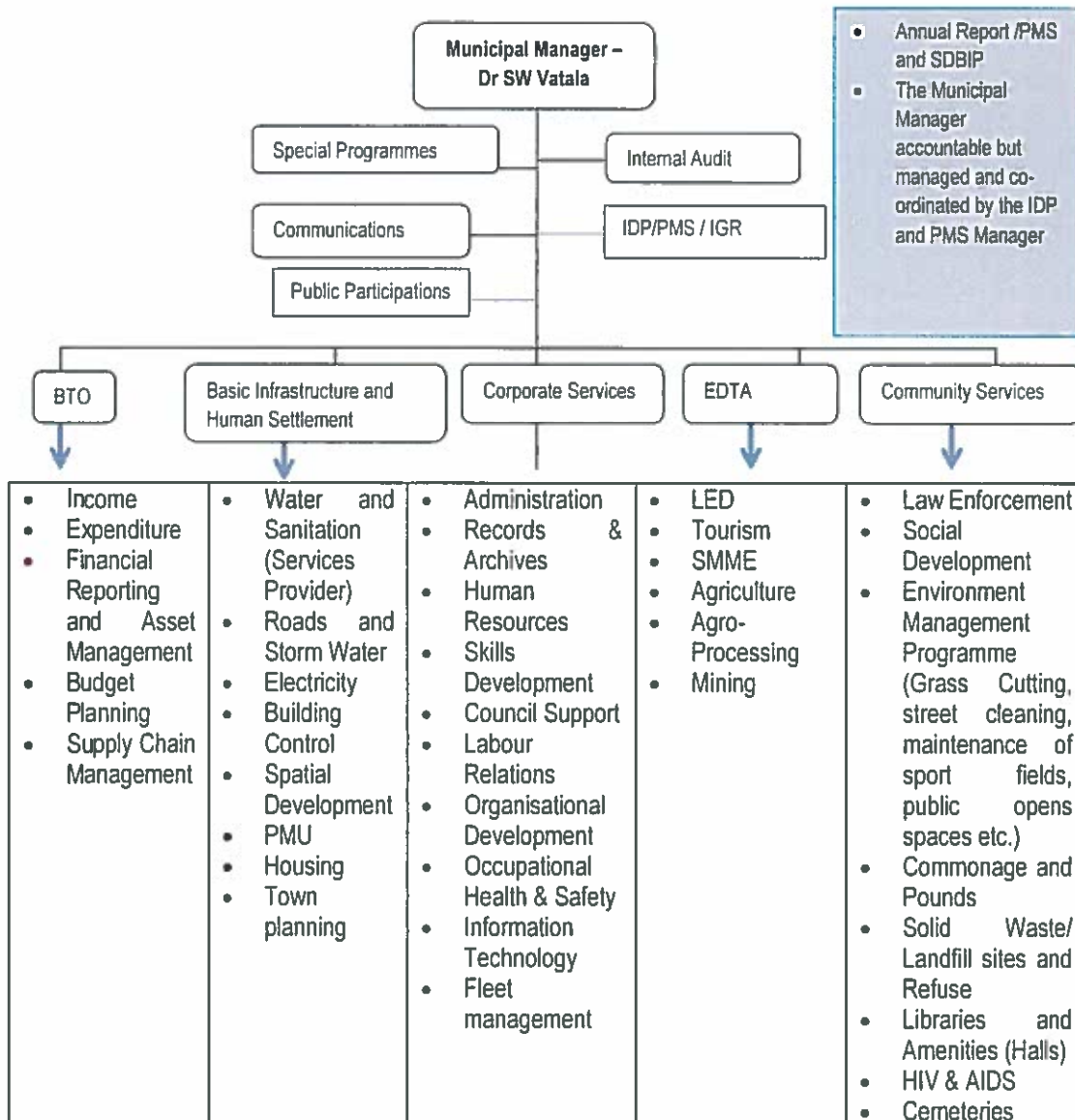
2.2.1 Introduction to Administrative Governance

Note: MFMA section 60 (b): The Municipal Manager of a municipality is the accounting officer of the municipality for the purposes of this Act and must provide guidance on compliance with this Act to political structures; political office bearers, and officials of the municipality and any entity under the sole or shared control of the municipality.

The 2016/2017 financial year marks the fifth and last year of the term of the administration. The following structure shows the macro organisational structure which was effective in the 2016/17 financial year.

Accounting Officer	Dr SW Vatala
Chief Financial Officer	Mr G de Jager
Director: Corporate Services	Ms POB Makoma
Director: Economic Development, Tourism and Agriculture	Mr N Mntuyedwa
Director Infrastructure Development and Human Settlement:	Mr D Njilo
Director: Community Services	Mrs N Nyezi

In the year under consideration, the organisational structure had also undergone a review and the following macro structure was adopted by Council for implementation in the 2016/17 financial year:



In addition to the above, the Municipality has a functional Internal Audit Unit, which conducts regular reviews of systems of control as well as compliance with legislated provisions and policies.

2.2.2 Top Administrative Structure



TIER ONE
Municipal Manager
Dr SW Vatala

TIER TWO



Chief Financial Officer
Mr G.P de Jager



Director Corporate Services
Mrs POB Sohe



Director Economic Development, Tourism and Agriculture
Mr N. Mntuyedwa



Director Infrastructure Development and Human Settlement
Mr D Njilo



Director Community Services
Ms N. Nyezi

TIER THREE

Chief Audit Executive

Mr L Mvarendwa

Manager: IDP and PMS

Mrs N Ncede

Unit Manager: Dordrecht

Mr O. Ndyumbu

Unit Manager: Indwe

Mr M. Nziweni

Manager: Community Services

Ms N Ncarashe

Manager: Supply Chain Management

Ms B Tsotso

Manager: Income and Expenditure

Mr A Zindlu

Manager: Financial Reporting and Asset Management

Mr M Ngxowa

Manager: Project Management Unit

Mr L Wana

Manager: Local Economic Development

Ms DL Mantyi

Manager: Human Resources

Mrs M Swayena

Component B: Inter-Governmental Relations

2.3 Inter-governmental Relations

2.3.1 Municipal Inter-Governmental Relations

The municipality has its own IGR structure which composes of the municipal representatives (Members of the Executive Committee of Council and Officials) as well as representatives from sector departments within the Emalahleni jurisdiction including those outside the jurisdiction.

The municipality has had 5 local IGR meetings (coordinated by the IDP and PMS Division in the Office of the Municipal Manager) that were well attended by representatives of sector departments; to discuss issues of mutual interest on the side of the municipality and sector departments, development planning and performance management related issues. The division has as well received support from the IGR unit in the Provincial Department of Cooperative Governance and Traditional Affairs.

Key to the issues discussed in the last financial year were issues relating to the maintenance of access roads by the department of roads and public works; disaster housing, implementation of human settlement projects as well integration of issues raised in war rooms into the municipal systems.

2.3.2 Development Cooperation and International Relations

The role of local government in International Relations has moved significantly from the symbolism of the past to meaningful interaction of mutual benefit with far reaching implications for the image of South Africa and the development agenda at a local government level i.e. attainable economic benefits.

In this regard it has been determined that the growing demands and complexity of South African municipal service- delivery imperatives have impacted significantly on the range and depth of skills and competencies required from within the municipal economy, thereby necessitating serious consideration of municipal intergovernmental relations as an increasingly viable conduit for scarce skills and resources.

District IGR coordinated by the Chris Hani District municipality is in place and functioning effectively.

2.3.3 Provincial Inter-Governmental Structure

IGR continues in spite of many challenges that were experienced in the past. IGR cluster meetings were held although the "then" and "current challenges" relate to the ability to facilitate adequate attendance from all departments from within the IGR Forum. Additional efforts are being made to encourage support and attendance. Meeting dates are circulated and meetings held as required.

The municipality is involved in the following IGR programmes and structures:

2.3.4 National Inter-Governmental Structure

The national department of Communications has identified ELM as one of areas where broad band communications will be piloted. As part of this project an implementing agent, namely USAASA (Universal Service Access Agency of South Africa), has already set up computer laboratories in three schools, 2 additional network poles have been erected to increase network coverage.

Component C: Public Accountability and Participation

2.4 Overview of Public Accountability and Participation

The goal of the Municipality on Good Governance and Public Participation is to realize a viable and caring institution that will promote and support a consultative and participatory local government. This is in keeping with the current municipal vision:

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

The Municipal Manager's Office covers the following support units focusing on the inter-face of administration and political leadership:

- Offices of the Mayor and Speaker;
- IDP/Performance Management;
- Inter-Governmental Relations
- Communication and Development Cooperation;
- Public Participation and Special Programmes

The activities of this office are primarily focused on support for politically driven programmes – in the context of services delivery – and administrative compliance issues that are driven by or delegated through political principles of the municipality.

The following section outlines how this has been carried out in the municipality.

2.4.2 Public Participation

The municipality has a designated office responsible for:

- Enhancing public participation in order to ensure participative local government, by engaging in municipal outreach programmes, Council meetings and Mayoral Imbizo's;
- Maintaining effective contact and interaction with all spheres of government (sector departments, NGO's, FBO's, CBO's as well as public private partnerships);
- Ensuring that all aspects of compliance and legal responsibilities as they relate to public participation are attended to.

2.4.2.1 Functional Responsibilities

- Public Participation;
- Ward Committee functioning;
- Community Development Worker (through CDW functioning);
- Twinning relations between Emalaheni Local Municipality and Dordrecht Municipality (Netherlands);
- Communications (Internal and external);

2.4.2.2 Focus Areas 2016/2017

- Improved Public Participation initiatives;
- Improving interaction with CDW's;
- Establishing functional war rooms
- Moral regeneration
- Contributing to Intergovernmental Relations;
- Improved Communication (Internally and externally);
- Facilitation and coordination of the IDP roadshows.

2.4.3 Performance Reporting and Challenges

2.4.3.1 Public Participation

Council is committed to the promotion of local democracy through the involvement of communities in its planning and decision-making processes. Consultative forums such as: the IDP Representatives Forum, Mayoral Imbizo's Lekghottas', EXCO Outreaches, Ward Committee meetings, Traditional Leaders, CDW operations and the like were held and took place.

Communities were encouraged to take part in project implementation exercises via their locally based organizations, such as co-operatives, trusts, NGO's and Project Steering Committee meetings. Every effort was made to develop and improve relations with stakeholders and customers.

The Presidential Fraud Prevention Hotline was also used to ascertain customer feedback and meetings are regularly, in order to address issues raised. During the year under review, a number of effective public participation interventions were held. These include:

IDP Outreaches

As per the IDP/PMS and Budget Development Process Plan adopted by Council, IDP and Budget roadshows were held throughout the municipality and according to a scheduled program to solicit, consolidate and as well confirm ward priorities. Each ward was visited by a team comprising politicians and management and led by an executive committee member. Participation outreaches were held in 17 wards and at least three visits per ward.

2.4.3.2 Ward Committees

Ward Committees are an appropriate channel through which communities can lodge their complaints. In a broader sense a Ward Committee is a communication channel for the entire community residing in each ward.

In August 2016 as the new Council came into office, 17 Ward Committees were elected and the 170 elected members were suitably inducted and trained in order to ensure that they function effectively. Training efforts were held during the second quarter of the financial year and focused on the areas that will ensure that committees function appropriately. Monthly meetings occur as scheduled and Ward Committee quarterly meetings are held with all ward committee members, CDW's and Ward Councilors (coordinated by the Office of the Speaker).

Major Issues Dealt with by the Ward Committee System

The following key issues were addressed through the ward committee and public meetings:

2.4.3.3 Reports to Council

These remain public documents and the Speaker reports on the activities of the Ward Committees to Council on a quarterly basis. In the year under review, quarterly reports were submitted to Council on the functioning of Ward Committees.

2.4.3.4 Business Forum Meetings

In an effort to facilitate stakeholder consultation, business forum meetings have been established. In the year under review, quarterly meetings were held.

2.4.3.5 Community Development Workers

CDW's are employed by the Department of Local Government and Traditional Affairs and placed in each ward; to assist communities to link with their municipalities and government departments. The effectiveness of these CDW's is compromised by the fact that they report directly to the Department rather than to the municipality and this affects reporting and the provision of instruction. Accountability to the communities is to be facilitated and improved.

While great improvements have been experienced within the field of public participation ongoing focused efforts and the involvement of all stakeholders is required.

2.4.4 **Comments on the Effectiveness of the Public Meetings held:**

The Municipality makes more appropriate decisions based on the priority needs of the community.

2.5 IDP Participation and Alignment

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes
* Section 26 Municipal Systems Act 2000	T 2.5.1

Component D: Corporate Governance

2.6 Risk Management

Risk Management is a statutory imperative which must be complied with. The municipality is therefore required by law to develop proper systems of risk management for purposes of mitigating further risk and to encourage and promote a risk management culture in the institution.

Management of Legal Risk

The Municipal Manager's role within risk management is to:

- Engage proactively in the development of a risk management framework;
- Develop and promote strategies that assist in the achievement of the broader risk management objectives of the municipality;
- Flag areas of potential risk and engage other stakeholders to introduce best practice models; and
- Engage meaningfully in the review processes relating to risk management.

Below, are the strategic risks identified across the institution:

Link to IDP objective	Risk Category	Risk No	Risk Description	Risk Causes	Consequences	Result	Current controls	Control Effectiveness	Result	Risk owner
To contribute in community safety programs within the municipal area of jurisdiction	Compliance / Regulatory	1.1	Non-implementation of municipal by-laws.	1. Staff shortage 2. Poor coordination with other sector Departments	1. Lawlessness 2. Poor economic development	Medium	1. Interactions with sector Departments on implementation of by-laws 2. Roadshows were conducted on implementation of by-laws 3. Traffic enforcement unit to assist on enforcement of by-laws	Satisfactory	Low	Community Services
To facilitate access to energy sources supply to all residents of ELM	Compliance	1.2	Electricity losses not controlled in line with NERSA standards.	1. Limited budget 2. Lack of resources 3. ESKOM not cooperating	1. Revenue loss 2. Poor quality supply	High	1. Engagement with Eskom and NERSA, 2. Artisan has been appointed in Indwe to avert electricity tempering.	Fair	Medium	Infrastructure Development and Human Settlements

Link to IDP objective	Risk Category	Risk No	Risk Description	Risk Causes	Consequences	Result	Current controls	Control Effectiveness	Result	Risk owner
To ensure availability of well-maintained and repaired buildings, amenities and recreational facilities to which the public has full access	Service delivery	1.3	Inadequate maintenance and management of Municipal facilities	1. Leasing of municipal facilities 2. Lack of municipal asset ownership by community members 3. Inadequate budget allocation 4. Insufficient personnel	1. Value depreciation 2. Vandalism and theft	Low	1. Developed facilities maintenance plan 2. Developed facilities management plan (SOPs) 3. Preventative maintenance system in place 4. Internal maintenance response system in place	Good	Low	Community Services
To facilitate the development of land in a sustainable manner by June 2017	Business Continuity Planning / Service delivery	1.4	Ineffective implementation of the Spatial Development Framework (SDF)	1. New legislation passed (SPLUMA) 2. SDF and Land Use Scheme not compliant with SPLUMA 3. Lack of knowledge of town planning processes by communities.	1. Failure to enforce land use scheme. 2. Non-implementation of SPLUMA requirements	Medium	1. Spatial Planning and Land Use Management Act. 2. SPLUMA bylaw 3. Joint District Tribunal	Good	Low	Infrastructure Development and Human Settlements

Link to IDP objective	Risk Category	Risk No	Risk Description	Risk Causes	Consequences	Result	Current controls	Control Effectiveness	Result	Risk owner
To facilitate the formalisation and support the development of SMMEs within Emalahleni	Economy	2.1	Non-implementation of the LED Strategy with a particular emphasis on SMME Support, Forestry Management, Tourism and Agricultural Development	Climatic conditions, stakeholders participation, incapacity of service providers and non-existence of contracts with service providers	Failure to implementation of planned Agricultural, SMME and Tourism Programmes.	Medium	Early engagement of stakeholders and improved communication, climate informed planning and implementation programmes (Sorghum, Branding and Marketing), involvement of end user departments in recommendation of appropriate service provider	Good	Low	EDTA
To develop the skills of the workforce and unemployed graduates in order to enhance their competencies	Compliance / Regulatory & Legislative Environment	3.1	Inadequate implementation of Human Resources Development Strategy and PMS Framework, policy and Procedure	Lack of submission of training priorities from directorates, delay in PMS cascading.	Incredible WSP and poor planning. Unskilled workforce	High	Employees are submitting their skills needs, personal development plans approved by their respective directorates.	Effective	Low	Corporate Services

Link to IDP objective	Risk Category	Risk No	Risk Description	Risk Causes	Consequences	Result	Current controls	Control Effectiveness	Result	Risk owner
To ensure an effective system of municipal governance in line with applicable legislation		3.2	Non-implementation of Council resolutions	Implementation of Council resolutions depends on all Directorates	No service delivery instability Protests by community	Medium	Resolutions are circulated to all Directorates for status of implementation of Council Resolutions.	Effective	Low	Corporate Services
To ensure an efficient and effective Fleet Management System	Regulatory / Statutory / Legal	3.3	Non-compliance to the Fleet Management Policy	1. Emergency instructions without trip authority. 2. Non-implementation of vehicles checklist	1. Accidents 2. Injury to passengers and no compensation to passengers	High	1. Enforcement of Fleet Policy. 2. Issue warnings to users that are not complying	Good	Low	Corporate Services
To ensure a developmentally oriented planning institution in line with the requirements of local government laws and regulations by June 2017	Information integrity and reliability / Compliance	3.5	No compliance with the legislated IDP processes and procedures.	Non-compliance with the IDP Processes owing to a number of other council activities	1. Poor performance. 2. Non-compliance.	Medium	Preparation and implementation of the IDP Framework and processes to be aligned with other Council activities in the Council calendar of events; Development of an IDP Compliance Checklist	Good	Low	Municipal Manager

Link to IDP objective	Risk Category	Risk No	Risk Description	Risk Causes	Consequences	Result	Current controls	Control Effectiveness	Result	Risk owner
To ensure an effective system of municipal governance in line with applicable legislation.	Regulatory / Statutory / Legal	4.1	Lack of an integrated approach to manage, implement and monitor institutional legal and compliance related matters.	High volume of litigation against the Municipality; non-compliance with relevant circulars, legislations and regulations, ineffective legal services;	legal costs orders against the municipality that will affect budget and service delivery 3; adverse findings from the Auditor-General 3	medium	A panel of law firms appointed to deal with legal matters of the Municipality.	Good	Low	Municipal Manager
To achieve a clean administration by June 2017	Compliance / Regulatory	4.2	Ineffective Audit Committee and Internal Audit Unit	Lack of sufficient capacity within the IA Unit.	1. Adverse Audit outcome on the Municipality 2. Poor system of internal controls	Medium	1. Quarterly Reports to the Audit Committee	Satisfactory	Low	Municipal Manager
To ensure that the Municipality operates free of anticipated risk maladministration, fraud and corruption by June 2017	Compliance /Regulatory	4.3	Non-implementation of the Risk Management Strategy and Fraud Prevention Plan	Lack of capacity	1. Inadequate identification, assessment and management of risks posing a threat to the achievement of Municipal objectives.	Medium	1. Risk Management Strategy	Satisfactory	Medium	Municipal Manager

Link to IDP objective	Risk Category	Risk No	Risk Description	Risk Causes	Consequences	Result	Current controls	Control Effectiveness	Result	Risk owner
To implement proper supply chain protocols in compliance with the MFMA legislation	Compliance / Regulatory	5.1	No compliance with the SCM legislation.	1. Lack of capacity to enforce supply chain legislation by SCM officials 2. Bad planning of programmes and activities by Directorates	1. Adverse Audit outcome on the Municipality.	High	1. Approved Supply Chain Policy 2. Approved SCM operating procedure 3. Approved demand management plan 4. Dedicated staff in SCM Unit	Satisfactory	Medium	BTO
To improve compliance and adherence to MFMA legislation	Service delivery	5.2	Non-compliance to budget and reporting regulations	1. Non-adherence to activities of IDP and Budget process plan	1. No credible budget to respond to service delivery requirements of communities	Medium	1. Approved IDP and budget process plan 2. Approved Budget policy	Good	Medium	BTO
To increase the amount of revenue collected annually	Financial stability / Business Continuity Planning	5.3	No compliance with of the Credit control and debt collection Policy.	1. Capacity within in the revenue section to collect all revenue due to council	1. Going concern of the municipality is impacted on. 2. Future cash problem	High	1. Approved Credit Control and Debt Collection Policy	satisfactory	Medium	BTO

2.7 Anti-Corruption and Fraud

Anti-corruption and fraud strategies are in place and applied although it is recognized that controls need to be tightened as a matter of course. In an effort to manage risk and fraud prevention, strategies and implementation plans for risk have been developed. The municipal / presidential hotline is used to report fraudulent and irregular activities and issues that are raised are dealt with regularly and efficiently.

The strategy sets out an aggressive and firm attitude towards fraud and corruption; undertaking to aggressively seek it out, investigate allegations, prosecute offenders, and encourage staff to report any incidences. The document is worded in such a way as to achieve "buy-in". It seeks to create a level of fraud awareness among staff and encourage them to report suspected fraud in the workplace. It highlights that the primary means of detecting fraud is a sound system of internal control. Other measures include highlighting red flags, setting out details of fraud assessment questioning, mandatory vacations, surprise audits, investigative techniques, training, etc.

It also sets out details of the "who, what, where, when, why and how" of responding to fraud or allegations of fraud. The plan defines "damage control" processes, sets the action plan in motion, and controls the investigation and recovery procedures. Implicit in this is the institution of disciplinary action when required and improved internal control procedures. It is the overall "game plan".

The Fraud Prevention Plan was rolled out in the 2016/2017. This will be followed up with Fraud Risk assessments in Directorates. This fraud susceptibility assessment is intended to highlight any "fraud friendliness" in the control environment. The work in this area is the subject of the implementation plan.

The Municipality has been reluctant to introduce the mechanism of operating a Fraud Hotline without the capacity to handle the investigations that would follow its introduction. Notwithstanding, tips and reports are followed up. Aligned therewith, the Municipality established an Audit Committee a number of years ago. The membership of the Committee is from outside the Municipality (i.e. no Councillors or officials form part of this Committee) and it is considered independent. This Committee reports directly to Council.

The Municipality has had to institute criminal matters in the Magistrate's Court from time to time. To this end close collaboration is maintained with the Office of the Public Prosecutor. No criminal action was instituted in the year under review. As a general principle, segregation of duties is of common application to reduce the likelihood of irregularities. This process is under constant review.

2.8 Supply Chain Management

The municipality reviewed its Supply Chain Management Policy during 2016/2017 financial year to be in line with applicable legislation. The system of Supply Chain Management Unit consists of the following sections:

- Demand Management
- Acquisitions Management
- Risk Management
- Logistics Management
- SCM Performance and monitoring

Supply Chain Management practices and policies are improving continuously and all aspects of the Supply Chain Management Framework are strictly applied. All required aspects of Demand and Acquisition Management are incorporated, a Supplier Database is maintained and utilized in conjunction with the Central Supplier Database (CSD). The Bid Committee System is in place and operate effectively. All three Supply Chain Management Committees (the BSC, BEC and BAC) were appointed, all with proper written and signed delegations.

Training of the Supply Chain Staff and Bid Committees has been conducted to ensure effective implementation of supply chain processes.

SCM reporting is complied with as per the Supply Chain Management Regulations. Control measures are being implemented to ensure that supply chain practices are fair, equitable, transparent, cost effective and competitive as per Section 217 of the Constitution.

2.9 By-Laws

After the by-laws were gazetted in February 2016, the following processes were undertaken to ensure that they were implemented:

- identification of officials to be designated as peace officers;
- community engagements

No	Name of the By-laws	Date	Status
1	Child Care Services	Feb 2016	Adopted by Council, gazetted
2	Community Fire Safety	Feb 2016	Adopted by Council, gazetted
3	Local Tourism	Feb 2016	Adopted by Council, gazetted
4	Keeping of Animals	Feb 2016	Adopted by Council, gazetted
5	Liquor Trading	Feb 2016	Adopted by Council, gazetted
6	Outdoor advertising and Signage	Feb 2016	Adopted by Council, gazetted
7	Parking	Feb 2016	Adopted by Council, gazetted
8	Public Amenities	Feb 2016	Adopted by Council, gazetted
9	Street Trading	Feb 2016	Adopted by Council, gazetted
10	Encroachment on Property	Feb 2016	Adopted by Council, gazetted
11	Heritage Resources	Feb 2016	Adopted by Council, gazetted
12	Waste Management	Feb 2016	Adopted by Council, gazetted
13	Commonage	Feb 2016	Adopted by Council, gazetted
14	Tariffs	March 2007	Adopted by Council, gazetted
15	Credit Control	March 2007	Adopted by Council, gazetted
16	Indigent Support	March 2007	Adopted by Council, gazetted
17	Taxi Rank	Feb 2016	Adopted by Council, gazetted
18	Rates	Feb 2016	Adopted by Council, gazetted
19	Buildings	Feb 2016	Adopted by Council, gazetted

2.10 Knowledge Management

The municipality identified information technology as one of the most powerful tool used to achieve the objectives of knowledge management. Amongst other things, this can only be achieved by having a fully functioning and up to date municipal website. The website was reconstructed and is currently fully functional, with all municipal documents as per the requirements of the MFMA loaded and updated. There was also a server upgrade including an offsite backup system of the FMS. There was also a bandwidth increase from 256kbps to 2Mbps, for effective and efficient working environment. With that, all remote sites were connected to the main building (Lady Frere).

The municipality owes the achievements mentioned above, to the resources it invested in the unit during the year under review. At the beginning of the financial year, a service provider was on site to assist provide

technical support; later in the year, human resources capacity was increased in the form of personnel and programmes to improve the IT infrastructure network. The municipal website was fully maintained in-house.

2.10.1 Municipal Website

Municipal Website: Content and Currency of Material		
Documents published on the Municipal's/ Entity's Website	Yes/No	Publishing Date
Current annual and adjustments budgets and all budgets-related documents	Yes/ No	
All budget-related policies	Yes/ No	
The previous annual report	Yes/ No	
The annual report (2015/2016) published/to be published	Yes/ No	
All current performance required in terms of section 57(1)(b) of the municipal systems act and resulting scorecards	Yes/ No	
All service delivery agreements	Yes/ No	
All long term borrowing contracts	Yes/ No	
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14(2) or (4) during the year	Yes/ No	
Contracts agreed in 2015/2016 to which subsection (1) of section 33 apply, subject to subsection (3) of the section	Yes/ No	
Public-private partnership agreements referred to section 120	Yes/ No	
All quarterly reports tabled in council in terms of section 52(d) during Year	Yes/ No	

2.10.2 Comment on Municipal Website Content and Access

Uploading of information in the municipal website has relatively improved this last financial year, with the assistance of the web developer to host the website. There has been an improvement in the management of the website as there was a dedicated official dealing with the management of the website.

The website has been redesigned to be more user friendly and easily accessible.

2.11 Public Satisfaction on Municipal Services

This is in line with the requirement of Section 95 of the Municipal Systems Act, 2000 (Act 32 of 2000 as amended). The municipality has a responsibility to establish mechanisms to ensure that the users of services and ratepayers to give feedback to the municipality or other service provider regarding the quality of the services and the performance of the service provider.

For the year under review, mechanisms in the form of Project Steering Committees, Rate Payers Association meetings were established to ensure that the users of services and ratepayers have a platform to report on the quality of services provided to them.

Chapter 3 – Service Delivery Performance (Performance Report Part II)

3.1 Introduction

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.

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 and Water Service Delivery Plan. The municipality has managed to develop instead the Infrastructure Master Plan through the support of Municipal Infrastructure Support Agency (MISA). The Investment plan is still on the development stage.

Notwithstanding the current challenges, ELM is quite advanced in providing the prescribed basic service per household, as it relates to water, sanitation, solid waste management and electricity. This has included making the necessary provision for informal settlements in the interest of increasing access for all citizens of the municipality. Emalahleni is one of the municipalities in Chris Hani District and in the Eastern Cape that is earmarked to completely eradicate the electricity backlog by 2016/17 financial year.

The rapid growth of urban centres is putting pressure on the municipality to increase its capacity in order to respond to the service calls timeously. Provision of water, sanitation and electricity services is dispensed by using internal capacity within the municipality, as well as contractors which are procured through the supply-chain management process.

There are no contracts with state entities for execution of powers and functions assigned to the municipality at this stage, for the above mentioned services. All indigent consumers are provided free basic services through this model of operations and service provision.

Component A: Basic Services

3.2 Introduction to Basic Services

The municipality provides basic services according to the acceptable standards for settlements within the urban edge and those outside the urban edge. The following provisions are made:

3.2.1 Water Provision

Emalahleni Local Municipality has been appointed as the Water Services Provider by the Chris Hani District Municipality. Water and sanitation is therefore required to be provided to all rural and urban areas within this area, while taking into account the infrastructure limitations and challenges. The Chris Hani District Municipality (CHDM) has taken a resolution to take back the Water Service Provision from all its eight local municipalities, and this resolution has been implemented on other local municipalities and it will be fully effective from 2015/16 financial year for Emalahleni.

The municipality has an existing contract with Chris Hani District that makes provision of water service and new developments. The contract between the municipality and CHDM has not been renewed, and from the July 2015 CHDM will take over the function of water provision from the municipality. CHDM will continue to work closely with the municipality, however the terms of working relations have not been concluded at this stage. All planned water projects that require EIA, licenses, legal requirements are budgeted for in the budget as reflected in the project register.

Emalahleni Local Municipality has been appointed as the Water Services Provider by the Chris Hani District Municipality. The contract between the municipality and CHDM has not been renewed and therefore the Water Service Provision has been taken back by the District Municipality. Water and sanitation is therefore required to be provided to all rural and urban areas within this area, while taking into account the infrastructure limitations and challenges.

The Municipality was appointed by Chris Hani District Municipality to provide a sanitation service to the area. . The contract between the municipality and CHDM has not been renewed and therefore the Sanitation Service Provision has been taken back by the District Municipality. Sanitation services differ quite dramatically between the various areas of Emalahleni and it is noted that: waterborne systems are provided within Dordrecht, Lady Frere and Indwe, and VIP toilets and a pit latrine system are used within villages. More specifically it is noted that:

3.2.2 Sanitation

Within the Urban Edge

Informal settlements:

- Essential sanitation services are provided by ELM's Infrastructure Development and Human Settlements Directorate to existing informal settlements in the form of chemical toilets (planned to be replaced with waterborne sanitation).
- The provision of internal services to new RDP and social housing is also undertaken by Infrastructure Development and Human Settlements Directorate.

The Municipality was appointed by Chris Hani District Municipality to provide a sanitation service to the area. . The contract between the municipality and CHDM has not been renewed and therefore the Sanitation Service Provision has been taken back by the District Municipality. Sanitation services differ quite dramatically between the various areas of Emalahleni and it is noted that: waterborne systems are provided within Dordrecht, Lady Frere and Indwe, and VIP toilets and a pit latrine system are used within villages. More specifically it is noted that:

- Lady Frere and Dordrecht utilize septic tanks and a full waterborne system, with effluent treatment within the oxidation ponds; and
- Within Indwe, the town centre and the lower town were serviced by septic tanks and full waterborne system. The buckets have been completely eradicated in Indwe town. A new sewage line has been built in Indwe town to now move towards removing the old septic tanks that require suction trucks come and suck from time to time. Now the target is to get all waterborne sewage taken by reticulation sewer lines to the ponds.

3.2.3 Electricity

ELM only provides electrical connections to settlement areas within the urban edge, i.e. Dordrecht and Indwe areas. Eskom is responsible for the provision of electrical connections outside of the urban edge.

Success has been experienced in respect of the Turnkey Project which is currently 95% complete (relating to Phase 9 of the Rural Cacadu Extension). Since 2010/11 financial year the municipality embarked on the programme of eradicating municipal electricity backlog. The programme started with Cacadu Ext with a budget of R 5,000,000.00. In 2011/12 financial year the municipality received R 4,480,000.00 to electrify Khavari Village. In 2012/13 the municipality was originally gazetted R 4,000,000. The municipality later on received a further R 5,000,000.00 to electrify Mpothulo village.

In 2013/14 the municipality received R 10,000,000.00 for electrification of Tshatshu Village and this was implemented in two phases; Tshatshu Phase 1 and 2. In the 2014/15 financial year the municipality was gazetted R 10,000,000.00 and then re-gazetted R 1,000,000.00 for the Electrification of Vaalbank and Qithi Villages. The municipality has received a total of R 38,380,000 from 2010/11 to 2014/15 financial years. The municipality has

managed to get an application approval for an amount of R 21,000,000.00 to cover what is left of the electricity backlog within the municipality. The Municipality did not receive any allocation from The Department of Energy for 2017/2018 financial year due to completed backlogs, however, there are still challenges as it relates to extensions and infill areas. We are also experiencing high electricity losses that are approximately standing at 40% but we do have programmes intended to curb them

This specific project was undertaken in order to provide electricity and electrical services to the consumers within the Eskom area. Required funding for the creation of related infrastructure was made available from the Department of Minerals and Energy and it was required that Eskom would connect the required electricity.

3.2.4 Solid Waste Management

The Municipality developed the Integrated Waste Management Plan which was adopted by Council on the 27 October 2016 and endorsed by DEDEAT on the 16 June 2017 and currently awaiting further endorsement by Department of Cooperative Governance and Traditional Affairs. The Waste Management Unit is staffed with Waste Management & Environmental Management Practitioner, three supervisors, landfill site operators, street cleansing personnel.

Lack of funds for projects necessitate that waste management section continuously source funds and resources externally.

The solid waste management unit is functioning effectively and aspiring to subscribe to the eight goals of the National Waste Management Strategy encompassing Waste Collection, Street Cleaning, transportation, disposal of solid waste management, landfill site management awareness raising, recycling, job recreation and support to SMME's.

3.3 Water Provision

Refer to Annual Report of the Chis Hani District Municipality

3.3 Sanitation

Refer to Annual Report of the Chis Hani District Municipality

3.3.1 INFRASTRUCTURE SERVICES REPAIRS AND MAINTENANCE

Sanitation and Sewerage					
Project Description	Project Outputs	Ward	Dept.	GFS	Planned Financial Expenditure 2016/17
R&M Tools and Equipment	Repairs and Maintenance				
Infrastructure - Sanitation Reticulation	Repairs and maintenance				
Infrastructure - Water Reticulation					

3.4 Electricity

3.5.1 Introduction to Electricity – Electricity and Energy Supply Sources

Eskom is responsible for providing electricity services in the Emalahleni jurisdictional areas especially to the business communities. The entire Lady Frere area is supplied by Eskom. In Dordrecht, the municipality supplies electricity to Dordrecht town, Tyoksville. Eskom distributes electricity to Sinako and Munnickville. In Indwe the municipality supplies electricity to Indwe town, Sonwabile township and Phumlani township. Eskom distributes to Mavuya, Mzamomhle and Manyano townships. The municipality's role is currently to facilitate the implement

ation 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.

Energy or fuel for cooking by Type of dwelling

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

Energy or fuel for lighting by Type of dwelling

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

However, anecdotal observations indicate that business connection backlogs are relatively low.

3.4.1 ELECTRICITY BACKLOGS - EMALAHLENI EXTENSION

Estimated Financial Year	Project name	Est. Total no. of Connections	Est. no. of connections	Est. no. of connections	Est. no. of connections	Est. no. of connections	Est. no. of connections	Est. balance of connections in 2015/2016	Est. no. of connections in 2015/2016	Est. no. of connections in 2016/2017
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		ns	n 2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	4/2015		
2009/2010/2011/2012/2013	Lady Frere 8A-1	3,027	1,000	1,152	600	342	250	714	0	
2009/2010/2011/2012/2013	Lady Frere 8B-1	3,267	918	1,044	0	450	1,000	305	0	
2014/2015/2016	Emalahleni Extensions	1,337	0	0	0	0	200	1,137	622	
	Total backlog	8,344	1,918	4,114	600	792	1,450	2,156	622	

Electricity Supply (Turn-Key Projects)						
Project Description	Project Outputs	Actual Output	Ward	Dept	GFS	Financial Plan 2016/17

3.4.2 Electricity Services Delivery Strategy and Main Role-Players

Emalahleni Local Municipality is the main electricity provider within the Dordrecht and Indwe areas. This represents the licensed area where this municipality is required to provide an electricity service.

Success has been experienced in respect of the Turnkey Project which is currently 100% complete (relating to Electrification of Bhomeni and Jojweni). This specific project was undertaken in order to provide electricity and electrical services to the consumers within the Eskom area. Required funding for the creation of related infrastructure was made available from the Department of Energy and it was required that Eskom would connect the required electricity. In order to move towards project implementation, Emalahleni Local Municipality was required to appoint a suitable service provider and a contractor to complete this job.

3.4.3 Level and Standards in Electricity Services

While it is acknowledged that electrification in the urban areas meets required standards, this is not the case in the rural areas. In attempting to meet the required level and standards of Electricity Services an integrated approach is being utilized by both Eskom and internal projects with regard to the electrification of villages. The Turnkey Project continues to assist in ensuring that the Eskom delays are resolved timeously and that progress towards meeting annual objectives are met.

3.4.4 Annual Performance as per Key Performance Indicators in Electricity Services

The manner in which service delivery is provided within Emalahleni Municipality will be reflected in terms of the functions below:

(a) Electricity and Street Lighting

- Electricity provision within Emalahleni Municipality is required to be provided to the towns of Indwe and Dordrecht. Eskom supplies electricity to Lady Frere and the surrounding villages and in this context the department's role is to supply, implement and monitor (as per the Turnkey Project).
- The 2015/2016 periods have seen progress although challenges within this section relate primarily to the fact that the infrastructure is old, finances are limited and severe winds cause damage to power lines and cause power outages.
- Backlogs remain a challenge and so too efforts to produce/provide electricity at the required level.

- and standard for urban and rural areas.
- Currently the formal strategy has not been approved and is required to be fine-tuned, although the reporting has been done. The inability to measure these losses accurately has been raised previously within the Auditor General's Report. In an attempt to address this shortfall, 170 workers have been appointed to work within the communities in order to establish the level of backlogs in all essential service areas in order to obtain accurate baseline data. The municipality is trying to rectify the issue of electricity losses by engaging with NERSA and Eskom as it was discovered that some illegal connections were done by Eskom.
- Streetlights maintenance occurs on-going between Dordrecht, Lady Frere and Indwe. Progress reports are provided to Standing Committees and EXCO on progress. This includes reporting on the implementation of the extension connection project and the Electrification of Bhomeni and Jojweni Extension (ward 8 and 12). Free basic electricity is being provided to all those that are in the indigents register through a blanket approach. This was required as the Indigent Register is incomplete and many indigents have not been registered for services. Additionally it is noted that no progress reporting is conducted and no expenditure reporting has been validated.

The measurement and performance achieved in terms of these indicators is reflected in the table that follows:

For 2016/2017 the following statistics are provided in respect of Electricity service provision:

Indicator	Total No. of Households/ Customers expected to benefit	Estimated backlogs (actual numbers)	Target Set for Financial Year under Review	No. of Households/ Customers reached during Financial Year	% Achieved during Financial Year
1. Percentage of households with access to electricity services	33 788 95% (Urban & Rural)	0 (Urban) Est. 8344 (Rural)	1050	1050	100%
2. Percentage of indigent households with access to free basic electricity	23989 71% (Rural)	15639	8000	8350	100%
3. Percentage of indigent households with access to free alternative energy sources	N/A	N/A	N/A	N/A	N/A

3.4.5 Major Challenges in Electricity Services and Remedial Action

Eskom is currently responsible for providing electrical services to the Emalahleni municipal region (especially the business communities). Eskom is planning to expand its service to all areas of Emalahleni but this in turn poses a number of challenges as follows:

- Application of electricity distribution license
- Electricity losses are experienced at around 40%;
- Due to the extremely high operating and capital costs, the affordability of connections to individual households and businesses is severely compromised. Currently the inability of residents to pay for connections and electricity has resulted in many connections being "cut off" / or not operating (as with pre-paid meters)

- due to the inability to meet monthly payments/commitments;
- Copper cables continue to be stolen and Eskom installations are being vandalized. This has proven to be very tedious and expensive and clearly affects the electricity availability (uptime);
- A shortfall of funding has been experienced due to the reduction of the electrification budget by the Department of Minerals and Energy (DME). Emalahleni Local Municipality is working really hard to resolve this financial shortfall, which has ramifications for both operational and capital issues. Projects will be required to be re-worked in order to ensure that they are aligned to Eskom.
- Efforts to expand and to upgrade the mainline will require greater coordination between both parties to ensure that this is achieved successfully.
- Efforts to utilize alternative sources of energy are still underway. While solar systems have not yet gained popularity, paraffin is largely used by over 38% of households in both rural and urban areas.

Achievements in Electrical Services in 2016/2017

- 10 % reduction in electricity losses in the year under review
- Electrification of 363 households in Noluthando Village(114), Helushe village (176) and Sokolani village (73) –ward 05,06 and 13 respectively.
- Business Plan for alternative energy developed and submitted to Department of Energy in October 2016.
- 27 Solar Street Light in Lady Frere and 27 Solar Street Lights in Dordrecht have been erected

3.5 Waste Management (this section to include: refuse collections, waste disposal, street cleaning and recycling)

3.5.1 Introduction to Waste Management Services

Emalahleni Local Municipality has been in possession of an Integrated Waste Management Plan since 2010/2011 financial year which is now under review. It's aiming at optimising waste management efficiency, and minimising associated environmental impacts and financial costs. It will make projections on future requirements, set objectives, identified system components.

The solid waste management unit has been functioning effectively and aspiring to subscribe to the eight goals of the National Waste Management Strategy encompassing Waste Collection,, Street Cleaning, transportation , disposal of solid waste management, landfill site management awareness raising , recycling, job recreation and support to SMME's.

Approximately 100 % of the urban households receive refuse collection in Lady Frere, Dordrecht and Indwe. The service was extended to accommodate two townships of Lady Frere which were previously not serviced (Bhongolwethu and Zakhele Townships). Households in rural areas improvise by utilising land filling methods of waste disposal.

The CBD and major retailers are serviced more frequently and some businesses serviced on a daily basis. The municipality purchased a compactor truck as a mechanism to replace aged tractors. A combination of tractor trailer system for refuse collection is currently being utilised.

Four skip bins have been purchased and allocated to business sector and hundred (100) swinging bins have been purchased and strategically placed as well as ten cast bins. The municipality has distributed refuse bags in all urban households. One Man Contractors were appointed to eradicate illegal dumping areas throughout the ELM, furthermore Twenty Five (25) drop-off centres were constructed to mitigate and manage illegal dumping sites. Beautification initiatives have been done in exit, entrances and public open spaces of ELM towns. The municipality has facilitated the formalization of informal recyclers within the ELM into cooperatives and were capacitated through partnerships with PETCO recycling company.

Emalahleni Local municipality obtained a permit to construct a regional landfill site with a Material Recovery Facility at Lady Frere of which construction was stalled due to the project not fully supported by the Community. Registration in terms of the Norms and Standards has been undertaken for Indwe and Dordrecht Transfer Stations, construction is under way and these will operate when construction of the regional landfill site in Lady Frere is completed.

The construction of guard house and ablution facility in Lady Frere Old Landfill Site was constructed to ensure that access is controlled. The municipality has ensured that there are operators permanently allocated to manage the landfill sites.

Through various waste management initiatives a total of jobs were created

Challenges experienced relate to

- Unavailability of fleet to ensure compliance of landfill sites
- Insufficient budget for rehabilitation of landfill sites
- Over reliance on temporal staff.
- Tariffs that are not cost reflective
- Illegal Dumping

Waste Removal Services Per Urban Household

LADY FRERE	Total H/H	INDWE	Total H/H	DORDRECHT	Total H/H
Main Town	170	Main Town	714	Main Town	350
Bhongolwethu Township	700	Manyano	344	Tyoksville	1985
kwaZakhele Township	592	Mavuya	759	Isinakho	1045
Pilot (Mqeshi)	15	Mzamomhle	501	Munniksvile	292
		Sonwabile	193		
		Phumlani	331		
	1474		2843		3672

Total Number of Households at Emalahleni: 31 681

Total Number of Households receiving service at least once a week: 7992 excluding businesses

Employees : Solid Waste Management Services			
Job Level	Year 0		
	Employees No.	Vacancies (full time equivalents)	Vacancies (as a % of total posts)
0-3	23	43	
4-6	9	2	
7-9	0	0	
10-12	1	0	

Capital Expenditure Waste Management Services				
Capital Expenditure	Year 1		Year 2	
	Actual	Adjustment	Actual	Adjustment
Compactor Truck		0		
Vehicle				
Vehicle		0		
Development of Landfill Site				
Skip Bins				

Vehicle				
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3.6 Human Settlement

3.5.1 Introduction to Human Settlement

All Housing project information is obtained from the National and Provincial Department of Human Settlements and is used to report on.

The municipality is not an accredited Housing Provider but merely facilitates the process of housing provision (through the provision of administrative support). Emalahleni Local Municipality has within its structure a Housing Unit Management whose main function is to assist in the:

- Coordination of Housing Delivery (private developers and other parties);
- Provision of support in managing housing provision;
- Promoting the sourcing of land for land reform programmes,
- Monitoring the development of slum conditions in existing settlements;
- Assessment of housing needs;
- Building Control Management by ensuring compliance with the National Building Regulations as well as the Housing Consumer Protection Measures Act;
- Housing quality control (House construction for private and public building developments); and
- Management of the demolitions and the building permit system throughout Emalahleni.

3.6.1 Building Control

This unit remains responsible for the development of the local built environment, through the following activities:

- Public education, promoting compliance with National Building Regulations and Agreement Certificates (Rural Areas), as well as effecting compliance with the Housing Consumer Protection Measures Act (All houses are built by NHBRC registered Contractors;
- Development of Appropriate Building Technology suitable for areas where the national Building Regulations are not applicable;
- Quality control of House construction in Housing Projects;
- Municipal assets maintenance including municipal buildings, dipping tanks, disaster houses etc.;
- Quality Control of all other private and public building developments;
- Manages demolishing and building permit system throughout Emalahleni;

TOWNS	NUMBER OF BUILDING PLANS APPROVED	NUMBER OF SIGNAGES APPROVED
Lady Frere		
Indwe		
Dordrecht		
Total		

3.6.2 Housing and Town Planning Services Delivery Strategy and Main Role Players

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.

3.6.3 Housing

Many projects were required to rectify badly built houses. These include:

(1) Dordrecht Phase 1 and 2

- o The township register has been opened.
- o There are 396 beneficiaries registered in Indwe 500.
- o In Lady Frere, 258 are to be completed and transferred.
- o Zoning and mapping has been completed.
- o Phase 3 is in progress
- o Indwe 513, 21 transfers are outstanding.
- o 16 Deeds of Sales processed
- o 5 beneficiaries are missing

(2) Sinako Zwelethemba 289

A feasibility study has commenced, administration is complete and beneficiaries have been screened. The procurement processes have been completed by the Department of Human Settlement and the project is currently delay by material type selection process. There are deadlocks at this stage.

(3) Mavuya 462

- o 280 beneficiaries have been approved
- o Project reduced to 289 units due to lack of beneficiaries
- o Council approval waited to proceed. Project reduced to 280 units due to lack of beneficiaries.
- o 280 beneficiaries.

(4) Lady Frere 700

- o Village scoping report was prepared
- o Water and sewerage reticulation. The department of Human Settlement is still busy with rectification of both water supply and sewage reticulation.
- o 258 transfers were completed

(5) Lady Frere 564

- o 461 units constructed of which 114 at various stages of completion.
- o Lady Frere 564 is an INSITU project made up of 523 units. The project is complete and is due for Conveyancing of land from the Emalahleni Local Municipality to beneficiaries.

(6) Zwaartwater 1000

Progress is occurring although to date the contractor has not been procured.

Zwaartwater rural housing project is a rural PILOT project for the ELM. It was first packaged under UMZI approach/ instrument but was later converted to Enhanced peoples housing process.

Finally this project is about to start. A CRO has been appointed. They have now taken over the beneficiary administration. Thus far 154 beneficiaries have been approved and some are still being processed. There will be three typologies to choose from. The project is under construction.

(7) Dordrecht Phase 1 and 2

- Rectification has started;
- Dordrecht phase 1 & 2 were planned for rectification due to poor workmanship, but was changed to rebuild for technical reasons.
- Verification of beneficiaries is underway. The beneficiary verification process has been completed
- Land transfer is underway
- Progress reporting is required.

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 Spatial Planning and Land Use Management Act.

3.7.4.1 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.

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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.

3.7.4.2 Strategic Framework Review

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

3.7.4.3 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
 - o 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.
- (4) Scale up of the delivery of subsidised housing to meet the demand
- (5) Strategic planning for housing delivery
 - o Conduct an annual environment analysis in order to review and revise annual housing sector plan
 - o To develop localized policies to create a more enabling environment and to manage the mushrooming of inadequate housing
 - o Regular maintenance and updating of the existing Housing Demand Register
- (6) Project pipeline
 - o To integrate the existing information on delivered, planned, in implementation and blocked projects into a single project pipeline database with system for regular updating.
 - o To plan projects that are aligned with the provincial housing sustainability criteria
 - o To submit new projects to the Province for funding approval and technical support
- (7) Land and land packaging
 - o To undertake a land identification and land packaging programme
 - o To understand the land reform programme and to create a linkage with such a programme
 - o 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 affect the transfer of such land.
- (8) Infrastructure
 - o To engage with the infrastructure officials and plans to seek prioritisation and alignment with housing programme
- (9) Integrated Sustainable Rural Housing Delivery Programme
 - o 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.
- (10) Project development and management
 - o To package projects in terms of top structure, undertake procurement of contractors and to initiate project construction
 - o To undertake project management of all current running projects in order to ensure good quality and timely completion
 - o 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.
 - o To have a dedicated programme to close out blocked projects.
 - o To programme the rectification needs of the current projects
- (11) To build a suitably structured housing unit in order to meet the housing mandate
- (12) 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.

- (13) 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. The internal structure has been approved however no manager has been appointed to date.
- (14) Procurement of required office infrastructure and resources to fulfil housing mandate, this must include the installation and implementation of the project tracking tool.
- (15) To formalise the required institutional structures to support the Municipality in meeting its housing delivery targets
- (16) 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.

3.7.4.4 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

3.7.4.5 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 ECDHS and Department of Land Affairs to develop responses.
Proper listing of completed, existing and future projects with necessary baseline and tracking information	Use of supplied template to co-ordinate information from different sources and then updating and completing this in contact with key local and provincial stakeholders. Possibly a provincial project.
Analysis of proposed infrastructure expenditure including water, sanitation, roads and storm water drainage and linkage of this to housing priority areas.	Source from provincial government documents and use local municipality to link with existing priority areas of housing need. Important to link this back to the housing project pipeline to identify where there are direct linkages.
Financing available for housing and infrastructure in From the provincial MTEF and land the area. Analysis of the existing financing allocated to the area for infrastructure, land reform and housing and the linkage to established priorities	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

3.7.4.6 OUTCOME AIM HOUSING DEMAND TARGETS

	RURAL	SOCIAL AND RENTAL	INFORMAL SETTLEMENT STRUCTURES	CHILD HEADED HOUSE HOLDS
	20 711	735	160 (0 – dot count)	249
RURAL HOUSING				
SOCIAL AND RENTAL				
INCREMENTAL				
FINANCIAL				

A land audit exercise was undertaken by the Municipality in 2010 and it was clear that the majority of the Emalahleni area is under tribal authority when looking at a broader scale. In the urban centres the majority of erven are privately owned. The municipality has seen a need to review the land audit and has been budgeted for 2016/17 financial year.

The new planning legislation SPLUMA comes with changes in the way the municipality has done its planning and requires municipalities to have planning tribunals, due to the fact that the municipality has only one town planner, the council has resolved to join the district municipal planning tribunal. A new land use by law has been adopted by council which stipulates the types of applications and procedures to be followed in the municipality, of which the municipality should customize and further submit to council for approval.

3.7.4.7 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 but it is assumed that the mine will increase the need for housing development and other facilities in the area. The Elietheni mine is 14kms out of Indwe and it is expected that the bulk would prefer to settle there.

3.7.4.8 Land Requirements and Availability in Lady Frere

The Emalahleni SDF 2010 and reviewed in 2013 identifies approximately 152Ha of land to the south of the R39 6 to Queenstown to accommodate the extension to Cacadu Extension upgrading of existing informal settlement and future residential expansion as shown on Figure 10 below. The area has since been full with residential properties and is being formalised through a township establishment exercise.

Land Requirements and Availability in Indwe

The Emalahleni SDF has identified approximately 58 Hectares for possible future growth as an extension to Mzamohlani 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.

3.7.4.9 Land Requirements and Availability in Dordrecht

The SDF has identified approximately 45 Ha 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 Munnikville as set out on Figure below

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

Land Reform and Settlement Plan

3.7.4.10 Land Ownership and Supply

(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 challenge that the 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.

(2) Spatial Proposals

The municipality has developed Local Spatial Development Frameworks for Dordrecht, Lady Frere which are still in draft form and Indwe done as part of the Master Plan for Indwe. The spatial proposals are proposed as per the urban edge of each development node. The proposals have various activities as per the needs of residents per town. The Spatial Proposals are as below:

A land audit exercise was undertaken by the Municipality and it was clear that the majority of the Emalahleni area is under tribal authority when looking at a broader scale. In the urban centres the majority of even are privately owned.

(3) Land Potential and Constraints

The major constraint is that the land suitable for housing development has no bulk infrastructure in place.

(4) Town Planning

The town planning section is functional, The office deals with development applications which are processed and approved either by council or the Department of Local Government and traditional Affairs depending on which legislation applies in that town. Two legislations apply in the municipal area, the Township Ordinance 33 of 1934 in Lady Frere and the Land Use Planning Ordinance 15 of 1985 in Indwe and Dordrecht. Land uses are dominated by residential land uses of which some are informal.

The number of development applications received by the municipality is minimal. Subdivisions and rezoning applications are dominating development applications in the municipality. The section is also trying to have a functional GIS system with the help from the Department of Local Government and Traditional Affairs. Forward Planning is being done successfully as the broad SDF was reviewed and LSDFs in the three towns were done and the municipality has started planning for rural nodes and the rural nodes that were done were Xonxa which was funded by CHDM and Vaal Bank funded by Emalahleni Municipality.

The new planning legislation SPLUMA comes with changes in the way the municipality has done its planning and requires municipalities to have planning tribunals, due to the fact that the municipality has only one town planner, the council has resolved to join the district municipal planning tribunal. An authorized official has been appointed in the form of the Director Infrastructure Development and Human Settlements. Council also took a decision to appoint its Executive Committee to become the appeal Municipal Tribunal. A new land use by law has been introduced of which the municipality should customize and further submit to council for approval. The Municipality has commissioned and undertaken land audit during 2016/2017 financial year and was approved by Council. The Municipality is embarking on two projects on Town Planning i.e. Review of the Spatial Development Framework and One LSDF.

3.7.4.11 Major Challenges in Housing and Town Planning Services and Remedial Actions

The following challenges and opportunities present themselves:

- Most of the existing housing stock within the urban centres are now falling down due to the lack of maintenance;
- Public housing stock and private rented houses are in a state of disrepair due to neglect by non-resident landlords, especially within Lady Frere;
- Housing Rectification Inventories have been developed and related housing repairs successfully undertaken according to business plans;
- The informal and formalized informal settlements are characterized with poor conditions;
- Accurate statistics in order to reflect housing demand, backlogs, service delivery and forward planning are not freely available;
- There is inadequate housing to cater for the needs for the youth who are not ready to own houses but in need of secure accommodation;
- The non-existence of a land disposal policy is still a challenge.
- Communities not understanding or realizing the benefits of an effective land development process and management.
- The number of development applications received is low.
- There is a lack of affordable housing for the middle-income groups within the area;
- Lack of housing delivery in the rural areas has put pressure on the urban housing demand; and
- The level of houses produced by contractors is not up to standard.
- Awareness campaigns need to be done for building and town planning

3.7.4.12 Comment on the Performance of the Housing Service Overall

Housing remains a core competency of the Department of Human Settlements. ELM performs a monitoring and facilitation role and is required to monitor and report on progress and to facilitate the operations of all such housing projects. Traditionally it is acknowledged that the demand for housing remains extremely high (high levels of unemployment and poverty) and housing is in extremely short supply. Additionally the housing supplied has often been allowed to fall into a state of disrepair due to a lack of maintenance. Efforts to repair these houses have been undertaken and achieved as per the project plans. After the review of the Sector Plan it was ensured that all housing projects were conducted in line with the sector plan and project progress was reported on as required.

3.8 Free Basic Services and Indigent Support

The Emalahleni Municipality had in line with the requirement as per Section 74 of the Municipal Systems Act, adopted and implemented a tariff policy. Section 74 (2) (c) of the said Act further requires municipalities to ensure that poor households have access to at least basic services through any other direct or indirect method of subsidisation of tariffs for poor households.

To comply with the provisions of the above Act and other pieces of legislation, the Emalahleni Municipal Council adopted an Indigent Policy to enact the said requirements through set standards and requirements as approved by Council that seeks to ensure that all poor households receive basic services as a minimum service standard.

This Indigent Support Policy is reviewed annually with all the other budget related policies during the annual budget preparation process. The Indigent Policy was reviewed during the 2016/17 financial year to include a provision that, once a debtor is approved as an indigent debtor the arrear debt outstanding at the time of approval shall be written-off.

Indigent registrations are done annually between the months of February and April. An indigent register is then compiled annually subsequent to each registration and under goes intense review by the respective Ward Councillors assisted by their Ward Committees and CDW's and finally by the Chief Financial Officer.

The amount spend for free basic services funded from the equitable share amounted to R 2.711 million for the 2015/16 and R 3.691 million for the 2016/17 financial years respectively. This subsidy encompasses subsidisation of full refuse charge and 50 kWh of electricity. Water and sanitation is provided by the District municipality.

The table below reflects the numbers of indigents subsidised for the 2015/16 and 2016/17 financial years

Service Type subsidised	2015/2016	2016/2017	Increase
Refuse collection	1 851	2 024	173
Electricity - Municipality	817	980	163
Electricity - Eskom	2 287	2 928	641

The number of subsidised households increased from the 2015/16 to the 2016/17 financial year especially for those households who receive electricity from Eskom.

Major challenges still experienced in the implementation are:

- Delays in the signing of application forms by the Ward Councillors and CDW's in some wards.
- Delays in returning the signed forms to the FBS section for capturing on the financial system
These delays further delay the capturing of applications on the financial system for subsidisation and thus delays the benefitting or issuing of subsidy to the approved applicant.
- The number of applicants are still low in some wards when compared to the total outstanding debt. It appears as though some households are still not coming forward to do applications even after awareness campaigns are conducted.

Most customers of the municipality are unemployed and cannot afford to pay for services. Despite the latter, very few customers apply for indigent subsidy. The municipality currently have approximately 4931 indigent customers who receive subsidies on rates, refuse removal and electricity.

Component B: Road Transport

3.9 Roads

3.9.1 Introduction to Roads

In order to eliminate the road network backlog an amount of R6 billion is required for a period of three years in the capital budget.

During financial 2016/17 financial year, ELM continued to implement the Bridge and Pavement Management System which outline the Conditional Assessment of the ELM Road Network.

3.9.2 Roads and Storm-Water

The municipality is responsible for the construction, maintenance and upgrading of local access roads and storm-water infrastructure. Other roads are a responsibility of the District, Province and National department of Transport. ELM has been identified for the assistance by the Municipal Integrated Support Agency to develop an extensive Master plan inclusive of the Roads master plan. Construction of ACCESS roads is done through the MIG Funding and roads maintenance is funded through own revenue.

Own revenue for infrastructure is generated through plant equipment hiring. The entire road network of mainly gravel roads is generally in poor conditions and need upgrading and maintenance. The municipality has established Transport and Roads forums. These forums meet on quarterly basis.

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

- The upgrading of the main road linking Cala to Lady Frere
- The maintenance of R396 from Lady Frere to McKay's Neck
- The upgrading of R56 from Indwe to Elliot

(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 Strekstroom / Dordrecht (R344) as well as the Queens town / Dordrecht (R392) link road.

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

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

(2) Rail Network

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

3.9.3 Roads Maintenance

Road Maintenance Service Delivery Strategy and Main Role-Players

3.9.3.1 Roads and Storm water

This municipality is required to take responsibility for the construction, maintenance and upgrading of the local roads and storm water infrastructure. All the other roads remain the responsibility of the District, Province and National Department of Roads and Public Works. In particular projects relating to the upgrade of the main road linking Cala to Lady Frere and new access roads as listed under projects are to receive attention.

The Department of Roads and Public Works have made an undertaking to support route maintenance – and funding has been set aside in these instances (for access roads construction and maintenance). Budgetary constraints remain an on-going challenge. In an effort to facilitate progress it is recommended that funding for both gravel and access roads be combined and funded as one and that every effort be made to continue to source additional funding.

Annual Performance as per Key Performance Indicators in Roads and Storm water Services for 2016/17 are reflected as follows:

Project	Status	Comment
3,5 km of roads constructed with pav	Complete	Project completed as planned

ing (Indwe 1km, Lady Frere 1km and Dordrecht 1,5km)		
15km of gravel road maintained at ward 11, 13, 14 and 15	Complete	Project completed as planned
Boqo to Marhwayibeni Access Road	Completed	7,5 km Bhoqo to Marhwayibeni access road completed. Project completed and practical certificate issued
Paving of Lady Frere, Indwe and Dordrecht internal roads through EPWP	Completed	750m of internal streets paved (350m in Lady Frere, 200m in Indwe and 200m in Dordrecht.

3.9.4 Comment on the Performance of Roads Overall

The road network of ELM is rapidly deteriorating due to aging and adverse weather conditions (Bridges and Pavement Management System: 2012). ELM is currently not able to address the matter promptly due to funding challenges. Currently ELM is receiving about 5% of the required funding for rehabilitation and upgrading of its road network. This does not assist the institution in performing at its peak when addressing roads challenges.

3.10 Transport (Including Vehicle Licensing & Public Bus Operation)

3.10.1 Introduction to Transport

The ELM transport system must provide all citizens with the opportunity to access work, school, community services and recreational activities in a safe and secure environment. This means that the integrated transport system should consist of viable choices ranging from affordable public transport services, private transport and safe walking and cycling opportunities.

The provision of the transport system and services must consider the location of residential, business and industrial areas, institutions of learning and services. An integrated approach is important to ensure that the land use structure supports an efficient system. The special needs of the young, the elderly and disabled persons must also be provided for, so that the public transport system is accessible to all people.

Top 3 Priorities include:

- **Accessibility** – The design and implementation of the transport and roads infrastructure must provide access for residents to economic, educational and social opportunities in all areas. It must also provide access to the local schools, cemeteries and other local community centre.
- **Mobility** - The design and implementation of the widening of main roads and the provision of a side-walks should be standard in order to improve mobility during peak hours.
- **Safety** – The installation of traffic signals at busy intersections like pedestrian crossings next to schools, hospitals, etc. should reduce the number of vehicle and pedestrian conflicts.

3.10.2 Public Transport

(1) Taxi and Bus ranks

Public transport is an assigned function of Emalahleni Municipality as a result there is 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.

(2) 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.

(3) 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>Spatial Planning Priority is to manage settlement development along the Primary and Secondary Movement corridors to mitigate impacts of settlement on road</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.

(4) Major Successes

The following are considered major successes for the municipality to ensure law and order in our towns:

- Establish Driving and License Testing Station and Law enforcement Unit
- Appointment of Chief Traffic Officer, Traffic Officer , Examiners and eNatis personnel have all been phased respectively starting from 2013 to date
- The completion of the detailed design and favourable outcome of the Environmental Impact Assessment for the implementation of access roads. Tenders for the construction of these have been awarded and some are in the process of being awarded.

- Upgrading of Lady Frere Sport field by 2016
- Development of four (4) community halls by 2015 to date
- Development of Municipal Council Chambers

(5) Challenges

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.

3.10.3 Comment on Performance of Transport Overall

- **Lady Frere Main Road widening** – The widening of the Lady Frere Main Road will increase the capacity of the road thereby making access more favourable and allowing the municipality to grow as required.
- **Public Transport Facilities** – Public Transport facilities within the municipality are out-dated, lack facilities for users and operators alike and are generally not well located for commuters.
- **Integrated Transport Plan Implementation** - It is the responsibility of the municipality to ensure that commuters on all modes of transport are able to access the various opportunities the municipality has to offer in a secure, safe and reliable manner.

3.11 Storm Water Drainage

This municipality is required to take responsibility for the construction, maintenance and upgrading of the local roads and storm water infrastructure. All the other roads remain the responsibility of the District, Province and National Department of Roads and Public Works. In particular projects relating to the upgrade of the main road linking Cala to Lady Frere and new access roads as listed under projects are to receive attention.

The Department of Roads and Public Works have made an undertaking to support route maintenance – and funding has been set aside in these instances (for access roads construction and maintenance). Budgetary constraints remain an on-going challenge. In an effort to facilitate progress it is recommended that funding for both gravel and access roads be combined and funded as one and that every effort be made to continue to source additional funding.

Annual Performance as per Key Performance Indicators in Roads and Storm water Services for 2016/17 are reflected as follows:

Project	Status	Comment
Lady Frere to Zakhele Access Road	Complete	The contractor started the project very slow, however later improved
Bankies Access Road	Complete	Documented in progress reports
Boqo to Marwayibeni Access Road	On progress	The road was included in the financial year as a backup after one of the planned projects could be implemented. The

		e project started in the second half of the financial year.
Ngcuka Access Road	On progress	The project is done in house
Lady Frere Paving Internal Road	On progress	The project is done in house, and is funded by EPWPIG
Indwe Paving and Storm water	On progress	The project is done in house, and is funded by EQUITABLE SHARE
Dordrecht Paving and storm water	On progress	The project is done in house, and is funded by CHDM

Component C: Planning and Development

3.12 Planning

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

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

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

During the fourth review of the IDP, a series of meetings were held, in the form of representative forums and roadshows to review and confirm community needs. Sector departments were also awarded an opportunity to present programmes and projects to be implemented in the municipal area. Participation of Sector Departments in the form of representation in IDP meetings and platforms has remarkable improved. This was done to ensure community involvement in the municipal affairs, even more so in the development planning area.

3.13 Local Economic Development

3.13.1 Introduction to Local Economic Development

The focus of the Department has been to support and promote entrepreneurship, facilitate trade and attract investment and market Emalahleni Local Municipality as a tourism destination. In delivering this mandate of Local Economic Development, ELM has partnered with institutions involved economic development e.g. Chris Hani District Municipality, ELM farming community, SMME's operating in ELM, Eastern Cape Development Corporation, Eastern Cape Rural Development Agency, Chris Hani Development Agency, Department of Economic Development and Environmental Affairs and Tourism, Chris Hani Cooperative Development Centre, Department of Rural Development and Agrarian Reform, Department of Social Development and Small Enterprise Development Agency.

The Department has placed increased emphasis on the following programmatic activities: Agriculture and Rural Development; Tourism Development and Promotion; SMME Development; and Trade and Investment.

The department has reviewed and finalized various sector plans to inform its strategic planning process. The Master Plan are to ensure that the municipality' approach to key sectors is strategic, with clear, well defined interventions.

In terms of both medium- and long-term planning, the municipality is reviewing the LED Strategy. This process will assist the municipality with its long-term planning and visioning. Industry stakeholders remain an integral part of driving economic development, thus the municipality has implemented various programmes in partnership with industry. In the year under review various forums have been established and are functioning i.e. SMME Forum, Cooperative Forum, Tourism Association and Agricultural Stakeholders forum. These forums meet from time to time to discuss and input in Council initiatives and they are a strong linkage between the municipality and industry.

The Planning and Economic Development Director is coordinating a high level engagement between SMME's and established business and the municipality. These forums are an Economic Advisory Forum and made up of the representatives from ELM, Small and Medium Enterprises from Lady Free, Dordrecht and Indwe. The forum focuses on economic development priorities in all the three major centres and the surrounding rural communities.

ELM offers business support and tourism centres in the nodal areas where there is poverty and underdevelopment. The municipality further assist by marketing Emalahleni tourism products and facilities within ELM. Brochures have been developed with the purpose of marketing various tourist products within ELM.

3.13.2 Achievement of 2015/2016

Emalahleni's Economy has not grown exponentially over the last decade but it has experienced a growth of just below 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 reviewed LED strategy 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 Coefficient 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.

3.13.3 Overview of the Local Economy

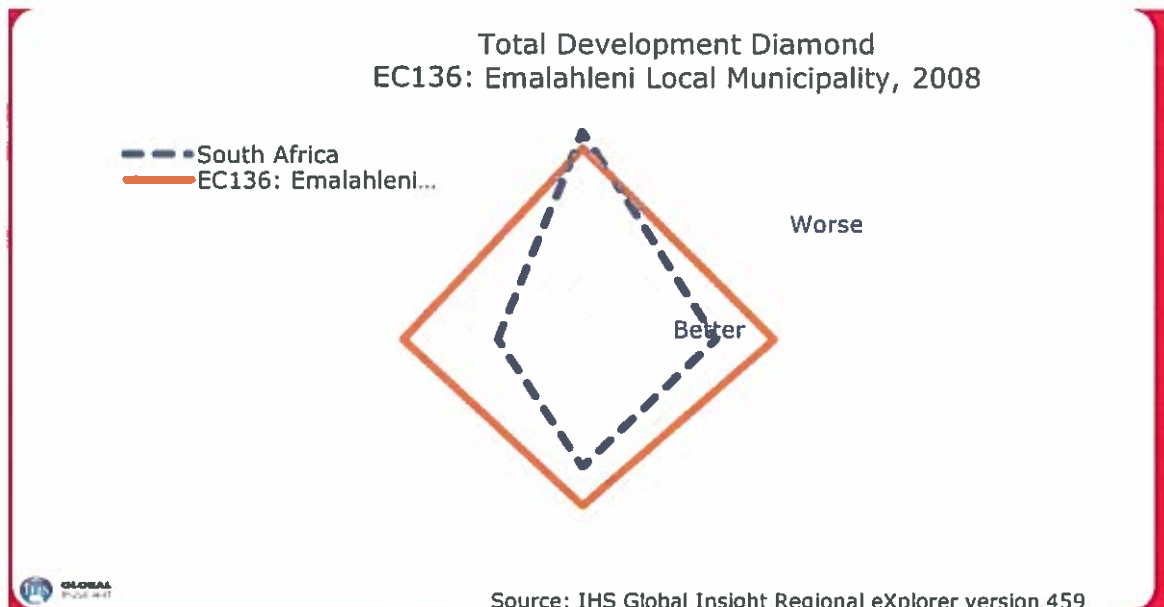
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perceived potential. The review of the LED strategy will have to investigate the underlying causes for this problem and suggest creative ways of turning the situation around.

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

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

- Continued to assist ELITHENI Coal Mining (PTY) LTD to re-open the mine with assistance from the Office of the Premier.
- 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
- Facilitate establishment of Tourism structures (Local Tourism Organisations)
- Develop Tourism infrastructure
- Encourage capacity building, development and training of LTOs

3.13.4 Economic Development Indicators

1. 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

2. 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.

3.13.5 SECTORS CONTRIBUTING TO EMPLOYMENT

(1) 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
 - Construction of animal dipping tanks for animal health improvement
- 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 six (6) primary co-operatives (primary and Secondary Production- Agro-processing).
 - Sheep production areas – the entire ELM jurisdiction
- There are fifteen (11) 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 Farm
 - Local projects such as
 - Home gardens
 - Small scale irrigation
 - Maize production
 - Woodlots
 - Mushrooms
- Freshwater fish production in the Doring River Dam and Xonxa dam

(2) 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. Elitheni Coal Mine is on temporary closure due in fighting between the directors of the Mining Company. The Municipality is engaging the Premier's Office for intervention in the Mine.

A Master Plan has been 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.

(3) Tourism

The scope for the development of the Local tourism sector within the Municipal area is vast. 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
- Accommodation and fast food outlets
- Waterfalls in Bhozwana
- Mountains
- Resorts and Cultural Villages

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%.

(4) Heritage Resources

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

Site Name	Significance	Conservation Status	Management
Macubeni Coal Mine near Indwe	Washed out old coal mine showing early mining methods	It is in bad condition except the area which is under Elitheni Coal Mine.	Machubeni Traditional Council, National Department of Rural Development and Land Reform and Department of Mineral Resources.
Dams: Machubeni, Xonxa and Lubisi	Water Resources for Emalahleni municipality residents	In good conditions	Department of Water and Sanitation
Fallen Heroes	Luvuyo Lurome 1960 to 1986 Qonda Hoho 1956 to 1988 Tsotsi Queens Nonesi	In good conditions	Emalahleni Local Municipality
Glen Grey Falls near Lady Frere	A beautiful natural site	In good conditions	Traditional Council
The Kloof near Dordrecht	Natural site with some unique flora	Degraded due to plundering for firewood	Emalahleni Local Municipality
Cacadu River at Lady Frere	Links most Ward	In good condition	Various Traditional Councils

Site Name	Significance	Conservation Status	Management
Churches in Lady Frere	Two examples of 19 th Century Churches	Well looked after	Church
Anderson Museum at Dordrecht	Oldest museum	In good condition	Anderson Family Trust
Victorian Buildings at Dordrecht	Architectural example	In good condition	Municipality / Private
Burgher Statue at Dordrecht	Tourist attraction	In good condition	Municipality
San Rock Art at Dordrecht	Ancient art	Well kept	Private
Methodist Church at Dordrecht	Architectural example	In good condition	Church
Doring river Dam at Indwe	Leisure area	Could be better utilized	DWAF

Source: Chris Hani State of Environment Report

(5) 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 was submitted and R3 4 000 000.00 was approved to develop and establish a Grain Mill that will be a mechanism to develop grain production in the form of sorghum. Emalahleni Local Municipality, Chris Hani District Municipality and Department of Agriculture currently known as Department of Rural Development and Agrarian Reform and Department of Economic Development and Environmental Affairs and Tourism also funded Ibuyambo. The funding from all these stakeholders has been exhausted. In 2014 Eastern Cape Rural Development Agency presented a funding of R 46 million for 3 years (70%, 20% and 10% in the last quarter) for Emalahleni RED Hub Project which is a pilot initiative in the Emalahleni Area with the intentions of mobilizing the Emalahleni communities in linking primary agricultural production to agro-processing.

3.13.6 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 does not enjoy 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.

3.13.7 ACHIEVEMENTS OF 2016/2017

Key achievements during the 2016/17 financial year include the following:

In the period under review Emalahleni Local Municipality has implemented the following programmes:

Tourism Development and Heritage Management

- Stakeholder engagements with Sector departments, Crafters, conducted 1 Art Centre marketing plan developed and approved
- 14 Tourism establishment owners capacitated, 4 Indwe, 4 Dordrecht and 6 in Lady Frere.
- Visitors books distributed to tourism establishments for data collection on visitors, 256 visitors visited the ELM tourism establishment.
- 6 Local Tourism Organisation meeting held in Lady Frere, Indwe, Dordrecht.
- 3 awareness campaigns conducted in ward 7, 9, 11 and 14, 1 heritage event held in ward 8
- Engagement with the appointed service provider conducted, engagement with relevant ward councilors facilitated, engagement with ECDC, CHDM, ECPTA, and CHDA conducted.

SMME Development-

- Formalisation plan developed, 6 SMMEs formalisation sessions held in Lady Frere, Indwe and Dordrecht
- 4 information dissemination sessions were successfully conducted at Matyhantya, Zwaartwater, Qoqodala and Dordrecht.
- Stakeholder engagement and social facilitation was conducted. 3 SMME Sectoral Structure established (catering, construction and business forum task team)
- SEDA was successfully engaged to assist with the mining permits. The municipality facilitated provision of compliance documents from cooperative to assist the process of acquiring mining permits.
- The municipality facilitated engagement session with Department of Roads and Public Works for the introduction and marketing of Blue Crane Quarry in ward 15

The municipality facilitated training for thirty seven cooperatives from eleven wards on co-operative governance and they are listed in the table below:

No	Name of Cooperative supported	Local Municipalities	Sector	Ward
1.	Qhunkqu Co-operative	Emalahleni	Agriculture	16
2.	Delindlala Co-operative	Emalahleni	Agriculture	16

No	Name of Cooperative supported	Local Municipalities	Sector	Ward
3.	Sikhulise Co-operative	Emalahleni	Agriculture	11
4.	Koffiefontein Co-operative	Emalahleni	Agriculture	11
5.	Ndonga ncedo lwethu Co-op	Emalahleni	Agriculture	3
6.	Maqhashu Sorghum	Emalahleni	Agriculture	17
7.	Siyasebenza Co-operative	Emalahleni	Agriculture	16
8.	Inkwenkwezi Co-operative	Emalahleni	Agriculture	8
9.	Nceduluntu Co-operative	Emalahleni	Agriculture	5
10.	Tafile Co-operative	Emalahleni	Agriculture	14
11.	Mgwalana Co-operative	Emalahleni	Agriculture	16
12.	Qolweni Co-operative	Emalahleni	Agriculture	12
13.	Masiphumelele Co-operative	Emalahleni	Agriculture	17
14.	Magxibha Co-operative	Emalahleni	Agriculture	12
15.	Malikhanye Co-operative	Emalahleni	Agriculture	17
16.	Siyakhana Gren Grey Co-op	Emalahleni	Agriculture	4
17.	Phaphamani Co-operative	Emalahleni	Agriculture	3
18.	Khuluphambene Co-operative	Emalahleni	Agriculture	9
19.	Stafasi Co-operative	Emalahleni	Agriculture	5
20.	Bhakubha Co-operative	Emalahleni	Agriculture	
21.	Mzamomhle Co-operative	Emalahleni	Agriculture	4
22.	Zusiphenathi Umanyano Co-operative	Emalahleni	Agriculture	3
23.	Masinedane Co-operative	Emalahleni	Agriculture	6
24.	Maqhashu C. Group	Emalahleni	Agriculture	17
25.	Qhama sande Project	Emalahleni	Agriculture	17
28.	Vukani Project	Emalahleni	Agriculture	3
29.	Sibuyiselwe Project	Emalahleni	Agriculture	16
30.	Sibonile Project	Emalahleni	Agriculture	17

No	Name of Cooperative supported	Local Municipalities	Sector	Ward
31.	Ncafco	Emalahleni	Agriculture	3
32.	Mshebc	Emalahleni	Agriculture	9
33.	Sinenjongo	Emalahleni	Agriculture	9
34.	Laduma	Emalahleni	Agriculture	9
35.	Buyambo	Emalahleni	Agriculture	9
36.	Khuluphambane	Emalahleni	Agriculture	9
37.	Sakha Isizwe Agric	Emalahleni	Agriculture	9

The business plan was developed and submitted to potential funders in an attempt to secure funding for Mzamomhle Poultry Cooperative in ward 4.

(1) Indwe Auto Styling Car Wash

Indwe auto styling car wash has been assisted to register as a cooperative and banking. The training on recording of transactions and online bookkeeping was provided to one member in order to ensure they are able to record income and expenses. The production inputs procured for the cooperative include the following:

- Water connection
- Operational material and equipment
- Marketing clothing
- Signage

Livestock Branding and Marketing

- (2) 3 Farmers advisory sessions on grain production, wool growers and red meat production and 1 Farmers day conducted.
- (3) Support plan developed and cooperative trained on cooperative governance.
- (4) Nguni Management plan was developed to give guidance support to Nguni Bulls management and distribution procurement of Nguni Bulls was facilitated and were delivered on the 29th of November 2016 to ward 2, 7, 8, 10 and 13. Nguni Bulls are currently grazing on the communal camps and monitored by communities in line with the management plan.
- (5) 500 livestock branded
- (6) 100% marketing of livestock was provided. The auction was conducted on the 22nd of May 2017 at Zwaartwater.
- (7) 3 Agriculture sectoral structures for (grain producer, wool growers, and red meat producers) were established.

A total of 1042 Livestock have been branded in all municipality wards. Branding application forms are also distributed for new applicants.

The auction has been held as follows:

Area: Mtsheko and Hala 2

Date: May/June

Ward:	03 and 05
Name of the Abattoirs	Xashimba Abattoirs (Tarkastad Road R 61 Queenstown)
Highest Price:	R9000
Average Price:	R6500
Lowest Price:	R5500

Marketed	Sold	Not Sold
90	90	0

Crop Production

- (8) Fodder and vegetables production in Xonxa irrigation scheme was facilitated. Irrigation scheme plan was developed and implemented. Training was conducted on vegetable production by Farm together.
- (9) Tshatshu irrigation scheme committee was revived and trained.
- (10) Implementation of Memorandum of Understanding between Ibuyambo Rural Enterprise Development HUB and Emalahleni Local Municipality was monitored and enforced.
- (11) Stakeholder engagement and social facilitation was conducted. Forestry Management Plan was developed and approved

Primary Production

Primary production in the year under review did not take place due drought that was occur throughout the planting season and all plans were put on hold for the next coming year which 2017/2018

Ibuyambo Mill

Budget, Mill, Employment and policies

- R9, 9 Million was approved for 2016/2017 budget.
- This budget included purchasing of maize for milling and
- Training of Ibuyambo employees.
- A Miller was appointed for Ibuyambo Red Hub.
- Contracts for all Ibuyambo workers were renewed.
- All employees will receive 6% salary increase.
- Policies Developed by E.L.M for Ibuyambo secondary cooperative:
- H.R. Policy.
- Procurement Policy and
- Fleet management policy.
- Post of an Administrator will be advertised before the end of July.
- ECRDA has developed M.O.U. between Ibuyambo and Lithaba milling (this milling company is working with Ibuyambo in upgrading the milling plant to meet the required standards).

Mining- Small Scale

Clay Brick Making Cooperatives at Dordrecht

- Five Manual Clay Brick Making Machines with tools and spares (73 x 105 x 220 mm stock brick 24 per drop) have been procured for five cooperatives at Dordrecht which are as follows:
 - Sinejongo

- Zanolkhanyo
- Dordrecht
- DDX
- Dixie

(12) Wool Production

Emalahleni Local Municipality is also doing fairly well in wool production. The Agnes Rest Shearing shed has been budgeted for construction by Emalahleni Local Municipality in 2016/17. The wool production is supported by on-going exchange of Merino bull-type of sheep by Department of Rural Development and Agrarian Reform.

Shearing shed has been constructed successful in Agnes Rest which is Ward 08 of Emakahleni Local Municipality

3.13.8 KEY CHALLENGES OF THE DEPARTMENT

- Lack of financial muscle for Economic infrastructure
- Lack of clear provincial approach on Rural Development other than Agriculture.
- Limited budget to fund economic development initiatives for both capital and operating budget.
- Red Tape and cumbersome municipal processes

3.13.9 COMMENT ON LOCAL JOB OPPORTUNITIES

The unemployment rate in the Eastern Cape increased from 28.8% in third quarter 2012 to 29.8% in the fourth quarter 2012, 1.0 percentage point higher than that of the previous quarter. In fourth quarter, unemployment rate decrease in six of the nine provinces. 69 000 jobs were lost in the Eastern Cape (highest in the country). Half of these jobs were lost in the informal sector.

Most jobs in the Eastern Cape were lost in the two biggest employers (Community & Social Services sector employs 320 000 workers and lost 28 000 jobs, and Trade sector employs 284 000 workers and lost 29 000 jobs). While the Manufacturing sector increased jobs by 11 000, followed by Private Households (7,000) and Mining sectors (1,000), all other sectors shed jobs. Consequently, 82 000 to 125 000 people joined the discouraged work-seekers. These are people who gave up looking for jobs.

3.13.10 COMMENT ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL:

In the fourth quarter 2012 (4Q2012) report focuses on the latest economic development trends of South Africa (SA) and pays specific attention on the performance of the Eastern Cape (EC) economy. In the fourth quarter the South African economy picked up following setback suffered by labour in the mining sector in third quarter. Growth in real gross domestic product (GDP) for SA economy increased from annualised rate of 1.2% quarter on quarter to 2.1% in 4Q2012.

In the Eastern Cape, the economy increased to 2.5% in the fourth quarter of 2012 from 1.7% attained in the third quarter of 2012. The South African GDP modest acceleration reflected an increase in production in both secondary and tertiary sector. South Africa's growth for 2012 has narrowed to 2.5% from 3.5% in 2011. The growth has declined by 1.0 percentage points from previous year. The sector with the strongest growth rate is the agriculture sector (10%) and it is the second smallest sector in the South African economy. The growth of this sector is highly cyclical.

The second best performing sector is manufacturing sector with the growth of 5.0% in the same period. This sector still faces weak demand for a lot of its output both at home and abroad, therefore, no clear signs of whether this quarter's growth in the New Year can be sustained. Finance sector is the third best performing sector for this quarter with a growth of 2.9% and it is the sector with the largest contribution towards growth in South Africa. In term of employment contribution, the Eastern Cape's contribution has increased by 1.5 percentage points from the previous quarter.

Labour absorption rate dropped by 1.7% and the labour force participation rate by 1.8% This is an indication that the province's ability to absorb new people entering the labour market is gradually declining. Therefore the Economic performance in the Eastern Cape for the fourth did not improve due nationwide economic downturn and this resulted to stagnation on employment.

Component D: Community and Social Services

3.14 Introduction to Community Services

The Department of Community Services comprises of the following divisions:

Environmental Management Services, Waste Management, Municipal facilities and amenities, Management of Parks and Open Space Management, Cemetery Management, Traffic Services, Registration and Licensing, Disaster Management and Fire Fighting.

Services in the categories listed above have been sufficiently provided in varying degrees due to capacity challenges and these can be presented as per service field as follows:

3.14.1 Libraries; Archives; Museums; Galleries; Community Facilities; Other (Theatres, Zoos, Etc.)

(1) LIBRARIES

The municipality has six functional libraries which are Dordrecht, Indwe, Lady Frere, Mhlanga, Bengu and Tsembeyi Libraries. Two of these are modular library which is Bengu and Tsembeyi. The Municipality entered into a service level agreement with the Department of Sports, Recreation, Arts and Culture to accelerate transformation and enhance library services. This has improved coordination and collaboration between the two spheres. Through this arrangement library infrastructure was maintained and staff capacity improved including the culture of reading. Library material including periodicals and books were supplied. The municipality has established three (3) Library Forums and Six (6) Library Committees and are fully functional.

Library Awareness Campaigns were rolled out efficiently. All this contributed in realising the objectives of Outcome 12, that of having an efficient , effective and development oriented service and empowered , fair and inclusive citizenship. The municipality received an allocation of R803 000 to render the service on agency basis. In response to this the Department of Sports, Arts and Culture appointed professional staff and second them to the various libraries, provided ICT infrastructure and equipment, capacity building programs, renovated some libraries. Supervision and administration services remained the responsibility of the municipality.

Huge improvement has been enjoyed by the municipality in that membership and book circulation has increased therefore positively contributing in improving the literacy rate.

- 16 Library utilization campaigns conducted in the year under review.
- 340 additional users registered
- 12 Library Committee convened

(2) MUSEUMS & GALLARIES

Museum services are currently implemented by the Department of Sports, Recreation, Arts and Culture. There are two museums located in Dordrecht and Indwe which are privately owned. Awareness creation of museum services to school children have been conducted

(3) COMMUNITY HALLS AND RECREATIONAL FACILITIES

Emalahleni Local Municipality has a total of seventeen (17) Community Halls and 6 required renovations four needed major renovations

Name of Hall	Ward	Status
Ngganda	12	In good condition
Qogodala Community Hall	07	Renovated in 2015 /2016
Vaalbank Community Hall	08	In good condition
Zwartwater Community Hall	09	Requires minor renovations
Matyantya Community Hall	06	Minor renovations done in 2015 / 2016
Boomplas	13	Minor renovations done in 2015 / 2016
Bengu Community Hall	02	Ablution facilities blown away by wind and renovations are underway.
Rwantsana Community Hall	01	Require minor renovations
Dordrecht Community Hall	14	Require minor renovations
Munnisville Community Hall	11	Require minor renovations
Mike Huna Hall	11	Minor renovations completed in 2015/2016
Youth Centre Indoor Sports Facility	14	Minor renovations required
Dora Vosloo Community Hall	15	Minor renovations
Indwe New Community Hall	16	In good condition
Mavuya Hall	15	Currently not functioning
Lady Frere Town Hall	04	Minor renovations completed in 2015 / 2016

(4) NEW COMMUNITY HALLS CONSTRUCTED

Name of Hall	Ward	Status
Mtssheko Community Hall	05	Complete
Tsembeyi Community Hall	10	Complete
Maghashu Community Hall	17	Complete
Greyspan Community Hall	03	Complete

- 13 Municipal facilities maintained (Dordrecht Hall, Dordrecht offices, Rhwantsana, Mathyantya Hall, Indwe Town Hall, Indwe offices, Harry Gwala fence, Lady Frere offices, Dordrecht Library Hall, Water services offices and Lady Frere Town Hall.
- 3 Early Childhood Development Centres renovated.
- A Developer was appointed for the construction of municipal offices. The design reports have submitted and approved.

(5) SPORTS FIELDS

The municipality has three sports fields located in the three towns. The municipality, as part of infrastructure development as well as paving a way for sports development has managed to blade some grounds in villages.

Lady Frere sports field had undergone a major upgrade. Focus areas include, Grand Stand construction, planting of grass, netball stand, parking. Warm up area, painting and decoration, change room. All these have been finalised and they are operational.

Dordrecht Youth Centre assessment of status quo for renovations has been conducted.

- 5 Business Plans submitted for renovation Dordrecht Sport-field

(5) PARKS AND GARDENS

The overall objective of this function is to provide and maintain parks and open spaces thereby creating a pleasant environment for the communities, contributing towards global "greening" and to maintain sidewalks and pavements. Due to budget constraints, these parks are not always fully functional and maintained as planned

The municipality has two parks in Indwe and Dordrecht which has just been fenced and secured. A site was identified in 2015/2016 for the development of the Park in Cacadu. Concept designs including bill of quantities were developed specialist studies required to undertake the project funded by the municipality. The land survey was conducted; geo-technical and Environmental Impact Assessment (EIA) studies were conducted. The Town planning unit facilitated surveying of the identified site in 2015/2016 financial year. Public Works funded the ELM an amount of R3 Million Rands for development of the park in Cacadu.

Challenges experienced relate to non-availability of staff dedicated for open parks and gardens.

(6) COMMONAGES AND POUNDS

One pound has been completed in Dordrecht although not fully compliant for registration. Pound Master has been appointed to manage pound operations in ELM areas. Indwe unit currently operates a holding facility to manage stray animals.

- 16 Pound management operations conducted, Pound Management Plan including Standard Operating Procedure with Tariffs developed and approved.
- 4 Awareness campaigns conducted on impounding of stray animals.
- 12 pound management operations conducted

(7) TAXI RANKS AND BUS TERMINALS

There are two taxi ranks in Lady Frere, at least 1 is functional with the other not yet functional. Indwe has a non-functional taxi rank.

3.15 Cemeteries and Crematoria

Emalahleni Local Municipality has three cemeteries, one in each town. Each cemetery has a manual cemetery register. Dordrecht currently offers sale of site and grave digging services. Indwe and Lady Frere are offering sale of sites only.

3.15.1 Lady Frere

- Cemetery layout has been developed .
 - Clearing of the site was done in 2015/2016
 - Parameter Fencing of the site has been done
- All the above have executed in 2015/2016 financial year and there nothing planned in the year under review

3.15.2 Indwe

Land acquired for Indwe Cemetery (Municipal owned land) and preliminary land suitability report developed.

3.15.3 Dordrecht

Cemetery layout plan developed for Dordrecht Cemetery and was adopted by Council. The municipality does not have an integrated Cemetery Management Plan, processes to improve internal controls have been initiated. There is dedicated personnel is assigned to manage the function.

3.16 Child Care; Aged Care; Social Programmes

Emalahleni Local Municipality has a responsibility to support Early Childhood Development Centres. It established 3 ECDC forum which are functional.

10 Early childhood Development Forum Meeting convened. A total number of 115 ECDC assessed, 78 ECDC are funded by the Department of Social Development and 37 ECDC are unfunded, Emalahleni Municipality has constructed 10 ECDC, 64 ECDC constructed by community members, 38 is renting or operating at community members households and 3 ECDC are longer operating. Indwe unit has a total number of 18 ECDC. Dordrecht unit has total number of 8 ECDC and Lady Frere unit has a total number of 89 ECD's

Component E: Environmental Protection

3.17 Pollution Control

Air quality management is broader than just regulating individual polluters. However the licensing and therefore control of specific activities that causes air pollution is an important regulatory tool assigned to local government. The local municipality are responsible to test air pollutants in the atmosphere using air pollution stations with an assistance of Air Pollution Officer to interpret the results and implement control strategies. The promulgation of the National Environmental Management Air Quality Act (2005), AQA redefined the role which ELM is required to play in terms of air quality.

Currently, ELM do not have industrial facilities that pollutes large quantities of air pollutants in the atmosphere but there is indoor air pollution wherein rural households are using burning of wood and cow dung to cook. This results to air pollution which contributes to greenhouse gas emissions. ELM has towns with access national road to nearby towns and other provinces which results to high volume of vehicles passing through the area. High volumes of motor vehicles in the municipality lead to large quantities of air pollutants which are contributory factor of climate change. There are no by-laws and testing stations to assess the volume emitted in the atmosphere. There is no air pollution officer to mitigate this environmental pollution.

3.18 Bio-diversity; Landscape (Including Open Spaces); and Other (e.g. Coastal Protection)

3.18.1 Introduction to Bio-Diversity and Landscape

National Environmental Management: Biodiversity Act (No. 10 of 2004) sets out mechanisms for managing and conserving biodiversity, protecting species and ecosystems; the sustainable use of indigenous biological resources; access to and sharing the benefits arising from the use of biological resources, as well as bio-prospecting. The aesthetical appearance of every city is based on the landscaping of public open spaces through greening and beautification initiatives. In addition, the long term sustainability of a municipality or locality is largely dependent on a healthy eco-system, within which waste and pollution are minimised and carefully managed.

Emalahleni Local Municipality had Land care management workshop which aimed at capacitating municipality on protecting environment and conserving natural resources. The ultimate goal is to promote landscaping and beautification of the municipality which forms part of environmental management. Furthermore, in order to promote healthy lifestyle, ELM undertakes the establishment of play parks within all regions. The priority in this regard is to provide recreational facilities and promote tree planting. During the financial year under review, sites were levelled in preparation of the development, play park equipment and furniture was installed and trees were planted on the newly established sites in Dordrecht and Indwe units.

Three Crowns has conducted environmental initiative on waste wherein the waste bi-product is converted to bio-fuel gas which aimed at preventing green gas emission which lead to climate change. The municipality is part of the District Climate Change Forum which mainly discusses environmental management issues.

3.18.2 Parks and Recreation

currently utilises water preservation methods which poses a challenge with the scarcity of rainfall. Access to water is still a challenge. Only two utilises communal taps (Rwantsana and Lanti clinics). These mostly use pit toilets. Staff shortages remain a challenge in all these

The Department of Health has outsourced the collection and disposal of medical waste

3.20 HOSPITALS

The Municipality has three hospitals run by the Department of Health (Glen Grey Hospital, Dordrecht and Indwe which as state aided hospital)

3.21 AMBULANCE SERVICES

The ambulance services are currently rendered by the Emergency Medical Services which is an arm of the Department of Health. This area has a total of five ambulances and one is for Indwe and two for Dordrecht and lastly two for Lady Frere. Shortages of ambulances remain a challenge including the condition of roads which shortens the life span of the vehicles.

3.22 HIV & AIDS

The municipality has developed a three year HIV&AIDS, STI's and TB Strategic Plan in an attempt to guide and inform all initiatives that seek to reduce the spread of the pandemic in the local municipality as well as mitigate the negative impact of the diseases on the people serviced. A number of strides responding to this pandemic are being made by a number of community based organisations as well as government institutions and agencies and the development and implementation of the priorities as outlined in the strategic framework mentioned will enhance such initiatives and deliver maximum impact.

It is the belief of the municipality that the development of the strategy and successful implementation will contribute to the:

- Reduction of the rate of infection of HIV&AIDS and TB
- Eliminating the impact of the HIV&AIDS on individuals, families, and other broader society by ensuring, improving access to treatment, care and support and service delivery targets the infected and affected.

The Municipal area is currently at 2% in polymerase which was initially 5%. Prevention of Mother to Child Transmission rate has been tremendously reduced. Out of 764 people tested for HIV&AIDS between the ages of 15 to 49 years only 35 tested positive compared to previous year which is an indication that the educational awareness campaigns currently provided yield positive results.

In the year under reporting the following interventions have been made by the municipality

- **Local Aids Council** meetings conducted were five and managed to solicit interventions on HIV and AIDS related issues. This structure is fully functional supported by all organs of state including Non-Government Organisation and HCBC's. The functionality of LAC has been emphasized by the assessment made by GIZ on May 2016.
- **Educational Programs**
Five intense five educational programs and back to school campaigns were conducted covering all wards in all high schools focusing on HIV and Aids, TB, STI's, Condom distribution and circumcision and the stigma of HIV and AIDS. World Aids day was observed in a form of door to door campaign and candlelight memorial.
- **Orphans and Vulnerable Children** was supported through supply of shoes to 300 school children from a total of 35 schools

Local AIDS Council that seats on a quarterly basis is making sure that OVCs are cared and protected. No. of OVCs on child protection intervention is 615; number of OVCs on clinical nutritional support is 1242; number of OVCs on HIV Counselling and testing is 51; on access to ART is 66; on HIV related Palliative Care is 186; on psycho-social support is 2219; on sexual reproductive health services is 471; on educational support is 1864 and on household economic strengthening is 563.

- **Care and Support Programs** were implemented through the support groups and the support to Home and Community Based Care organisation. Lobbying for funding for support groups was facilitated. Through the support of the District Municipality, the HIV and AIDS Strategy was developed.
- War-Rooms structures have been established in all Ward in Emalahleni Local Municipality and ward 4, 5, 6, 7, 8, 9, 10, 13, 14, 11, 15 and 16 received training focusing on the eight pillars of War Room and Data collection tools for households. The Anti-Poverty War Room has been launched in Ward 15 (Indwe unit) on the 26th April 2016 and all wards were part of the launch.

The Department of Health within the Municipal area has a total number of twenty-five (25) clinics, 1 out of these is a Health Care Centre (Ngonyama) at ward 8 and its run 24 hours with a doctor allocated. There are two mobile clinics focusing on wards with no clinics. Challenges experience relates to access roads especially the Machubeni route and Rhodana which directly affects the mobile and ambulance services. Almost all the clinics currently utilises water preservation methods which poses a challenge with the scarcity of rainfall. Access to water is still a challenge. Only two utilises communal taps (Rwantsana and Lanti clinics). These mostly use pit toilets. Staff shortages remain a challenge in all these

The Department of Health has outsourced the collection and disposal of medical waste

3.23 Health Inspection; Food and Abattoir Licensing and Inspection

The Municipal Health Services within Emalahleni Local Municipality is performed by Chris Hani District Municipality which has placed a total of three (3) Environmental Health Practitioners and one (1) EHP intern. Functions performed include:

- Food safety
- Water Quality Monitoring
- Safe disposal of the dead
- Waste Management Compliance
- Control of Communicable Diseases
- Air Pollution Control
- Surveillances of premises

Challenges experienced whilst rendering the services related to

- Unlicensed businesses in all three towns of Emalahleni
- Lack of awareness in Lady Frere on exhumation procedures
- Stray animals

Component G: Security and Safety

3.24 Traffic Services

The Municipality has recently approved an organogram in an effort to improve the institutional arrangements and be responsive to all safety and security challenges. The municipality has established a Traffic Department with only two traffic officers however a budget has been set aside to appoint an additional examiner and eNatis personnel that will be running the Driving License Testing Centre. Law Enforcement Services currently performed include:

- Traffic policing

- Processing of applications in respect of the Gatherings Act,
- Joint operations with the SAPS
- Visible patrols and crowd control at special events.

For now the unit only operate consist of

- Law enforcement
- Traffic Services
- Fire and Rescue Services
- Disaster Management
- Security Services
- Pound Management
- By Law Implementation

The Municipality is operating a Driving License Testing Station which was built in 2014/2015 financial year.

Statistical report for traffic services

- 80 traffic enforcement operations conducted jointly with the support of Department of Transport.
- 100% eNatis equipment acquired, 616learners license and 570drivers license application received and processed
- 18 safety Forums Meetings convened (Justice Forum Meetings, Roads and Transport, Communication and Safety Forum Meetings, Taxi Association Engagement Meetings)

3.24.1 REGISTRATION AND LICENSING

The municipality operates Registration and Licensing Services on behalf of the Department of Transport and this service has successfully been rendered with the following statistical report.

- (1) 3 Registration and Licensing Authorities are fully functional with eNatis Personnel in possession of transaction code, Management representative in possession of eNatis code, 1904 transactions processed, 100% eNatis equipment acquired to support the functioning of Registration and Licensing Authorities.

3.25 POLICE SERVICES

The following Police Stations exist within Emalahleni Local Municipality operated by South African Police Service

- Dubeni Police Station
- Lady Frere Police Station
- Dordrecht Police Station
- Ida Police Station

Awareness campaigns on Crime Prevention have been implemented with the assistance of Department of Safety and Liaison in collaboration with the Department of Social Development and SAPS

3.26 FIRE

Emalahleni Local Municipality renders fire services through the support of Chris Hani District Municipality. Efforts are underway to lobby for funding to develop a fire station, Aerocon has been appointed at risk to achieve this. The municipality has no dedicated personnel to run this service except for existence of on call Volunteers which were trained by CHDM. The following table provides statistical report on the status of the service. The Municipality enjoyed a donation of a Skid Unit from the Gwede Mantashe Foundation

Total Fires Attended	Total Accidents Attended to	Average Turnout Time	Total Appliances	Total Fire Fighters
		Motor Vehicle Accidents	2 Skid Units	3 on call Fire Fighter Volunteers

3.27 Disaster Management, Animal Licencing and Control, Control of Public Nuisances and Other

The municipality is currently implementing Disaster Management Plan which has since been adopted by Council. Included in the plan is a business plan for the development of the Disaster Management Centre. In this regard services of Chris Hani District Municipality are utilised as the custodian of the service and also having a fully operational centre. The municipality possesses a Disaster Management Risk Assessment Plan that has been well consulted and workshopped at all level including the Council and Disaster Management Advisory Forum members. The plan has been constituted with the objective to promote an integrated and coordinated system of disaster management, with special emphasis on prevention and motivation by provincial organs of state, statutory functionaries, other role players and communities and neighbouring municipalities.

Disaster Management Advisory Forums were coordinated to give advice and make recommendations on disaster related issues and disaster risk management. The forum also ensures that the joint standard practises are developed.

Two Disaster Management Fieldworkers have been appointed and Chris Hani District Municipality has second additional staff to compliment the service. The CHDM has given the municipality the response vehicle.

- 38 Awareness Campaigns on Disaster Management and Fire Fighting conducted in all wards (schools)
- 1 International day for disaster reduction
- 1 Disaster Management Workshop conducted for all councillors and relevant stakeholders in Mtsheko community hall
- 6 Disaster Advisory Forum meetings and 3 one on one meetings with critical stakeholders (SANRAL, Department of Roads and Public Works together with the Department Human Settlement)

Component H: Corporate Policy Offices and Other Services

3.28 Executive and Council

3.29 Financial Services

3.29.1 Introduction to financial services

BTO's were established after the promulgation of the Municipal Finance Management Act in 2007 and must consist of;

- The Chief Financial Officer
- Officials of the Municipality allocated by the Accounting Officer to the CFO
- Any other person contracted by the municipality for the work of the office

The department is an engine providing strategic financial leadership to Emalahleni Municipality.

3.29.2 The Main functions of the department

Revenue Management, Expenditure Management-Budget and Reporting, Supply Chain Management and Asset and Liability Management

The department's guiding principles are Accountability, Transparency, Reliability, Compliance and Service Excellence.

The Department is also ardent about revenue collection and is also focused on ensuring that municipal debt is decreased to a minimal and acceptable level. This is sought to be done through addressing accounting difficulties in revenue particularly correct and accurate bills to customers.

The department also endeavours to eliminate the culture of non-payment within its customers and also establish relationships with its customers thereby contributing to service delivery.

The department also ensures compliance with relevant legislation, regulations and council approved finance policies. In addition, it is of utmost importance that the department complies with all the provisions of GRAP and a full GRAP compliant asset register.

Annual Financial Statements are also prepared at the department and credible annual financial statements contribute immensely on the municipality's credit rating.

3.30 Human Resources Services

3.30.1 Introduction to Human Resources

The Human Resources Management Division falls under the Directorate of Corporate Services and performs the following support functions to line management:

HUMAN RESOURCES MANAGEMENT

- Recruitment and selection of staff
- Payroll and benefits administration
- Organisational development
- Leave management

HUMAN RESOURCES DEVELOPMENT

- Talent management
- Staff and Councillor development

OCCUPATIONAL HEALTH AND SAFETY

- Occupational health and safety of employees
- Administrative assistance in terms of OHS compliance by contractors appointed by the municipality.
- Employee wellness and Employee Assistance Programme

LABOUR RELATIONS

Advising line management with disciplinary issues

Co-ordinating the maintenance of labour stability and good employer-employee relationship

Labour Relations Unit has encountered challenges in the following areas:

Disciplinary management is a challenge in that hearings are not being finalised timeously as per the Disciplinary Code. This is caused by the fact that the municipality does not have capacity to preside over cases it depends on services requested from other municipalities through the office of SALGA EC.

3.30.2 Service Statistics for Human Resources

The Human Resources Department provides human resources support services to Council and all line departments in ELM. HR thus services thirty-four (34) Councillors and two hundred and thirty-one (231) permanent staff members.

3.31 Information and Communication Technology (ICT) Services

This component includes: Information and Communication Technology (ICT) services and Geographical Information Systems (GIS).

3.31.1 Introduction to Geographic Information Systems (GIS) Services

Geographical Information Systems (GIS) is interdependent on adequate hardware and networks provided by the ICT department. As the GIS system is accessible to the municipality users, uptime is critical in the provision of real-time, accurate, spatially related data. Currently the GIS system operates on a SQL server (2008) platform using ESRI ArcGIS for desktop, web applications, extensions and database management.

GIS is fully functional by the challenge is that it is not manned by the ICT Division but the IDHS Directorate. Plans are in place to be moved and managed by the ICT division.

3.31.2 Information and Communication Technology

The ICT division is responsible for providing information management and technological support. Key functions of the ICT division are:

- The provision of all software application support to the Municipality.
- The design of a management system and tool to track service delivery and customer satisfaction.
- The sourcing and dissemination of information (research).
- The implementation of sound IT governance principles and policies supported by the appropriate IT governance structures.
- The provision and support of computer hardware and software to the municipality.
- The setting up, support and improvement of the IT systems.
- The development of an integrated IT plan and budgeting process.
- The development and implementation of user allocation policies and all IT policies.
- The development of a knowledge and process management system to support strategic planning and economic development.
- The provision of support to a customer call centre.
- The provision of user education to staff and councillors.

3.31.3 Service Statistics for ICT Services

The ICT unit received requests for:

- Desktop / Laptops
- Smart tabs / Smart Phones
- Network Access
- Telephone
- 3G / Wi-Fi
- Printers / Scanners / Copiers / Fax
- Applications
- Technology

They responded to a total number of incidents, which related to challenges with:

- Network
- Desktop / Laptops
- Electronic Mail
- Applications
- Storage
- Data Recovery
- Security
- Printers
- Telephones
- Smart Tabs

3.31.4 ICT Projects

The following ICT projects were undertaken during the period under review:

- **ICT Infrastructure Network** – This included the improvement of the ELM Network, in order to stabilise the data network with quality of services, and the upgrade of Wireless Network in order to improve efficiency. USSASA together with MTN set out a broadband project that was set to improve network connectivity within Emalahleni and it was carried out and completed. There is an ongoing monitoring of the broadband project to-date.
- **ICT Backup System** - Onsite Data storage for business continuity and ensuring secured ELM data. ICT Backup System increases reliance on ELM electronic data and minimising the risks of failures in data loss.
- **Enterprise Resource Planning** - The Financial System was enhanced with centralised data. The system enables the Municipality to function promptly, which will improve the service delivery to the ratepayers. The municipality is able to focus on new business opportunities. This will also assist in improving access to information.
- **Electronic Document Management System** - This is a software for organising, centralising and storing different kinds of documents. EDMS refers more specifically to a software system that handles digital documents rather than paper documents.
- **Performance Management System** - This is pro-active system that manages employee performance levels.
- **Telephone Management System** – this system records all calls made by the individuals within the institution. It also was set minimize institutional costs and better manage the usage of calls across the municipality.
- **Audio Visual** – as the new building was completed which is the Council Chamber, an audio system had to be put in place within the Auditorium for better communication and projector was installed to allow for ease of presentation and visual for all.

3.31.5 Comment on the Performance of ICT Service Overall:

The following ICT projects were undertaken:

- **ICT Systems Improvement** – This project is aimed at improving systems within the organisation.
- **ICT Backup System** - This project, aimed at Onsite Data storage for ELM for business continuity and ensuring secured ELM data.
- **Computer Equipment for ELM** - Replaced and /or upgraded ELM user computers. Additional budget was required as the users computers are old and cannot keep up with evolving technology.
- **Telephone Management Systems** – this project was aimed at minimizing costs and better communication.
- **Audio Visual** – this project was aimed at better communication and presentation within the building.

3.32 Property; Legal; Risk Management and Procurement Services

Component J: Organisational Performance Scorecard

3.33 Annual Performance Report – Institutional

3.33.1 Introduction and Overview

In terms of Section 46 of the Municipal Systems Act (as amended), municipalities are required to prepare an Annual Performance Report that is to form part of the Annual Report to be prepared in terms of the Municipal Finance Management Act.

Attached herewith is the detailed Annual Performance Assessment for the organization for the 2015/2016 financial year. Although Performance Management System was introduced for the first time in 2012/2013 financial year, the Municipality complied with the Legislative Framework in the finalisation of the Performance Management System (PMS).

3.33.2 Purpose of a Performance Management System

The Department of Co-operative Governance defines Performance Management System as “a strategic approach to management which equips leaders, managers, employees and stakeholders at different levels, with a set of tools and techniques to regularly plan, continuously monitor and periodically measure and review performance of the organisation (municipality) in terms of indicators and targets for efficiency, effectiveness and impact.”

A PMS is also intended to assist the Council to improve service delivery by channelling its resources to meet performance targets and in doing so, ensure that the municipality achieves its strategic objectives as contained in its IDP.

A PMS should fulfil the following objectives:

- Facilitate increased accountability
- Facilitate learning and improvement
- Provide early warning signs
- decision making

3.33.3 Background to Performance Management

The legislative requirement for the development of PMS includes:

- Constitution, 1996
- Municipal Systems Act 2000 as amended
- Municipal Finance Management Act 2003
- Municipal Planning and Performance Management Regulations 2006
- White Paper on Local Government 1993
- White Paper on Transformation of the Public Service 1997

However, the main regulatory mechanism for Performance Management System is Chapter 6 of the Municipal Systems Act, (Act 32 of 2000) and the related Municipal Performance Management Regulations and Municipal Finance Management Act.

The MSA requires that all Municipalities:

- Develop a Performance Management System
- Set target and monitor and review performance based on indicators linked to their IDP
- Prepare an annual Performance Report on the performance of a municipality forming part of its Annual Report as required in terms of the MFMA
- Incorporate and report on a set of general / national indicators prescribed by the Minister responsible for cooperative governance and traditional affairs
- Conduct on a continuous basis, an internal audit of all performance measures
- Have their annual performance report audited by the Auditor general
- Involve the community in setting indicators, targets and reviewing of municipal performances

The Municipal Planning and Performance Management Regulations further details the requirements of a PMS.

3.33.4 Legislative Requirements and Compliance during the 2016/2017 financial year

(1) DEVELOPMENT OF A PERFORMANCE MANAGEMENT FRAMEWORK

In compliance with the Municipal Systems Act 2000 as amended as well as the Municipal, Planning and Performance Regulations, 2001, and in consultation with the community and community stakeholders a Performance Management Framework were developed. The Performance Management Framework together with the, Organisational Scorecard, Performance plans, and Performance agreements of all section 57/56 employees were approved by Council.

The Framework describes how the municipality's performance cycle in respect of planning, monitoring, measurement, review, reporting and improvement will be conducted. It also specifies the institutional arrangements for the management of PMS, and includes the roles and responsibilities of the respective role-players.

The following illustrates the PMS cycle as specified in the approved Framework:

1. Performance Planning
2. Performance Monitoring
3. Performance Measuring
4. Performance Analysis
5. Performance Reporting
6. Performance Review

(2) IDP, PMS INTEGRATION THROUGH SDBIPs

During the 2016/17 IDP Review and Budget process an attempt was made to align the IDP with the budget to comply with the both MFMA and MSA.

At a strategic level, the IDP Priorities were aligned to the national Key Performance Areas and the Provincial Growth Development Strategy of the Eastern Cape Provincial government.

Organisational objectives in terms of the IDP, were incorporated into the Organisational PMS by developing applicable indicators for measuring of performance and then setting of targets (within the available resources as specified in the Budget for the 2016/2017 Financial Year). All of this was consolidated into an Organisational Score Card in line with the NKPA Model as specified in the Framework mentioned above to allow for measuring and reporting of performance at an Organisational / Strategic level.

The following Figure illustrates the link between the IDP, Budget and PMS.

(3) MONITORING AND EVALUTION AND REVIEW

At the end of every quarter Directorates were expected to submit to the Office of the Municipal Manager, their completed Organisational Scorecard and SDBIPs for further submission to Internal Audit. Internal Audit thereafter submits to the External Audit Committee, which in turn reviews the PMS and submits recommendations thereon to the EXCO.

This process is intended to allow the municipality to monitor, evaluate and review its performance based on the National and its own IDP key performance areas. The following is derived from both the legislative framework for performance management and PMS framework, summarizes for ease of reference and understanding the various performance deadlines as it applies to the Municipality:

Table 1: PMS Reporting requirements

REPORT	FREQUENCY	SUBMITTED FOR CONSIDERATION AND OR OVERVIEW TO	REMARKS
1. SDBIPs	Quarterly	Executive Committee	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. Organisational Score card	Quarterly	Executive Committee	As per PMS framework
4. SDBIP mid-year budget and performance assessment	Annually during January of each year	Mayor (in consultation with EXCO)	See Sections 72 and 54 of the MFMA
5. Performance Report	Annually	Council	See Section 46 of the Municipal Systems Act as amended. The report should form part of the Annual Report
6. Annual report	Annually	Council	See Chapter 12 of the MFMA

(4) Conclusion

The Municipality intends to fully cascade performance to levels below Section 56 and 57 Managers

(5) Organisational Performance Scorecard

The municipality has established 6 directorates in its organizational structure, namely, Corporate Services, Infrastructure Services and Human Settlement, Budget and Treasury Office, Economic Development, Tourism and Agriculture and Community Services. The report on the performance of the municipality has therefore been structured to reflect the performance of each directorate.

Below is the Annual Performance Report of the municipality as per the requirement of Section 46 of the Municipal Systems Act, Performance of Service Providers is detailed in Appendix I of this report

EMALAHLENI LOCAL MUNICIPALITY

AG RECOMMENDATIONS MID-YEAR REVIEWED SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN: 2016/2017

KPA 1: BASIC INFRASTRUCTURE AND SERVICE DELIVERY										2016/2017 PERFORMANCE REPORTING																
Priority Area	Strategic Objective	Strategy	Key Performance Indicator	Indicator Code	Baseline 2015/2016	Outcome Indicator	Budget Allocation	Funding Source/Vote Number	Programme	2015/2016 REPORT		2016/2017 Annual target	Achieved / Not Achieved	Reasons for Non-Achievement	Comments	Corrective Measures	Portfolio of Evidence	Custodian								
										2015/2016 Annual Target	Achieved / Not Achieved															
Community Safety Programmes	To contribute in community safety programmes within the municipal area of jurisdiction	Coordination of Community Safety initiatives conducted	Number of community safety forum meetings conducted	BISD - 1	16 safety initiatives conducted	Reduction in number of traffic related offenses			Traffic Law Enforcement	16 forums initiated , roads and transport, safety forum	Achieved	16 Safety Forum Meetings conducted by 30 June 2017	Achieved		18 Safety Forum Meetings convened (Justice forum meetings, Roads and Transport, Community Safety and Policing Forum Meetings, Taxi Association Engagements Meetings)		Quarterly reports forums meetings conducted and attendee registers	Community Services								
		Improve the visibility	Number of traffic law enforcement	BISD - 2	4000 vehicles that get	Reduction in number	-123 345.45	traffic fines	Traffic Law	4000 vehicles that	Achieved	40 traffic law enforcement	Achieved		80 traffic law enforcement operations		Quarterly reports on traffic law	Community Services								

EMALAHLENI LOCAL MUNICIPALITY																		
AG RECOMMENDATIONS MID-YEAR REVIEWED SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN: 2016/2017																		
KPA 1: BASIC INFRASTRUCTURE AND SERVICE DELIVERY																		
2015/2016 REPORT							2016/2017 PERFORMANCE REPORTING											
Priority Area	Strategic Objective	Strategy	Key Performance Indicator	Indicator Code	Baseline 2015/2016	Outcome Indicator	Budget Allocation	Funding Source/ Vote Number	Programme	2015/2016 Annual Target	Achieved / Not Achieved	2016/2017 Annual target	Achieved / Not Achieved	Reasons for Non-Achievement	Comments	Corrective Measures	Portfolio of Evidence	Custodian
		of traffic officers on the road	operations conducted		stopped and checked thoroughly for non-road worthwhile assets and other road vehicle infringements, 480 offences written out	of traffic related offences		760018220000	Enforcement	gets stopped and checked thoroughly for non-road worthwhile assets and other road vehicle infringements		nt operations conducted by 30 June 2017			conducted jointly with the support of Department of Transport		operations conducted	
			Number of Registration and Licensing Authorities Functional	BISD - 3	2 registrations and licensing authorities functional	Reduction in number of traffic related offences in the municipal area	-555054.52	motor vehicle licensing 760018000000	Traffic Law Enforcement	6000 transactions on registrations and licensing	Achieved	3 Registration and Licensing Authorities functional	Achieved		3 Registration and Licensing Authorities fully functional - with eNatis Personnel in possession of transaction codes - Management Representatives		Quarterly reports on the functioning of licensing authorities - Printouts from the eNatis system	Community Services

EMALAHLENI LOCAL MUNICIPALITY																		
AG RECOMMENDATIONS MID-YEAR REVIEWED SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN: 2016/2017																		
KPA 1: BASIC INFRASTRUCTURE AND SERVICE DELIVERY										2016/2017 PERFORMANCE REPORTING								
Priority Area	Strategic Objective	Strategy	Key Performance Indicator	Indicator Code	Baseline 2015/2016	Outcome Indicator	Budget Allocation	Funding Source/ Vote Number	Programme	2015/2016 REPORT		2016/2017 Annual target	Achieved / Not Achieved	Reasons for Non-Achievement	Comments	Corrective Measures	Portfolio of Evidence	Custodian
										2015/2016 Annual Target	Achieved / Not Achieved							
												by 30 June 2017			in possession of eNatis codes -1904 transactions processed - 100 % eNatis equipment acquired to support the functioning of Registration and Licensing Authorities			
		Improve the visibility of traffic officers on the roads	Percentage of equipment acquired and number of learners and drivers licenses issued	BISD - 4	New Driving license testing centre	Improved Service Delivery	(82823 4 69) 10000 0	License Income 7600179 80000 7600184 90000 7600179 90000 Opex 7600	Traffic Law Enforcement		Not Achieved	100% eNatis equipment acquired; 500 learners; licenses and 200 drivers licence application	Achieved		100 % eNatis equipment acquired -Six hundred and sixteen (616) learners license and five hundred and seventy (570) driver's license applications		Report on acquisition of eNatis equipment, Printout of learners and driver's licenses issued	Community Services

EMALAHLENI LOCAL MUNICIPALITY																		
AG RECOMMENDATIONS MID-YEAR REVIEWED SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN: 2016/2017																		
KPA 1: BASIC INFRASTRUCTURE AND SERVICE DELIVERY										2016/2017 PERFORMANCE REPORTING								
Priority Area	Strategic Objective	Strategy	Key Performance Indicator	Indicator Code	Baseline 2015/2016	Outcome Indicator	Budget Allocation	Funding Source/ Vote Number	Programme	2015/2016 REPORT		2016/2017 Annual target	Achieved / Not Achieved	Reasons for Non-Achievement	Comments	Corrective Measures	Portfolio of Evidence	Custodian
										2015/2016 Annual Target	Achieved / Not Achieved							
								2724 0000			2015/2016 Annual Target	license applications received and processed by 30 June 2017	Achieved / Not Achieved		received and processed			
		Implementation of Pound Management Operations	Pound Management Plan Implemented	BISD - 5	Dordrecht Pound developed. Indwe has a holding facility and Lady Frete currently not impounding	Reduction of stray animals	-50 459.50	Pound fees 7102181 00000	Pound Management		2015/2016 Annual Target	2 Pound Management Operations conducted by 30 June 2017	Achieved		16 pound management operations conducted - Pound Management Plan including Standard Operating Procedure with Tariffs developed and approved 4 awareness campaigns conducted on impounding of stray animals - 12 pound management operations conducted		Quarterly reports on implementation of Pound Management Plan	Community Services

EMALAHLENI LOCAL MUNICIPALITY																		
AG RECOMMENDATIONS MID-YEAR REVIEWED SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN: 2016/2017																		
KPA 1: BASIC INFRASTRUCTURE AND SERVICE DELIVERY										2016/2017 PERFORMANCE REPORTING								
Priority Area	Strategic Objective	Strategy	Key Performance Indicator	Indicator Code	Baseline 2015/2016	Outcome Indicator	Budget Allocation	Funding Source/Vote Number	Programme	2015/2016 REPORT		2016/2017 Annual target	Achieved / Not Achieved	Reasons for Non-Achievement	Comments	Corrective Measures	Portfolio of Evidence	Custodian
										2015/2016 Annual Target	Achieved / Not Achieved							
Waste and Environmental Management	To create a safe environment for all people of Emalahleni Local Municipality	Implementation of the Integrated Waste Management Plan	Number of integrated waste management plans approved and implemented	BISD - 6	Draft IWMP	Improved and healthy environment	400 000.00	7501280 20001	Waste Management	Developed and integrated waste management plan	Not Achieved	Integrated Waste Management Plan developed and implemented by 30 June 2017	Achieved		Integrated Waste Management Plan developed, approved by Council and endorsed by DEDEAT awaiting further endorsement by COGTA EC IWMP implemented through the following focus areas Institutional Capacity and Human Resources (Designated Waste Management Officer, 34 temporary employees appointed for fixed term contract of 12 months)		Council Resolution on adoption IWMP, Quarterly reports on implementation	Community Services

EMALAHLENI LOCAL MUNICIPALITY																		
AG RECOMMENDATIONS MID-YEAR REVIEWED SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN: 2016/2017																		
KPA 1: BASIC INFRASTRUCTURE AND SERVICE DELIVERY										2016/2017 PERFORMANCE REPORTING								
Priority Area	Strategic Objective	Strategy	Key Performance Indicator	Indicator Code	Baseline 2015/2016	Outcome Indicator	Budget Allocation	Funding Source/ Vote Number	Programme	2015/2016 REPORT		2016/2017 Annual target	Achieved / Not Achieved	Reasons for Non-Achievement	Comments	Corrective Measures	Portfolio of Evidence	Custodian
										2015/2016 Annual Target	Achieved / Not Achieved							
															Improved Financial resources allocation Disposal infrastructure development Management of illegal activities Waste Minimization strategies Information management and disposal			
			Number of urban households with access to solid waste management services	BISD - 7	Collecting from 7992 households	Improved Service Delivery	-3 565 924.80	Refuse removal 7501110 20000			Solid Waste Removal services provided to 7992 households once a week	Achieved	Achieved		Solid waste removal services provided to 7992 households (inclusive Lady Frere, Indwe and Dordrecht)		Collection Schedules	Community Services

EMALAHLENI LOCAL MUNICIPALITY																		
AG RECOMMENDATIONS MID-YEAR REVIEWED SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN: 2016/2017																		
KPA 1: BASIC INFRASTRUCTURE AND SERVICE DELIVERY										2016/2017 PERFORMANCE REPORTING								
Priority Area	Strategic Objective	Strategy	Key Performance Indicator	Indicator Code	Baseline 2015/2016	Outcome Indicator	Budget Allocation	Funding Source/ Vote Number	Programme	2015/2016 Annual Target	Achieved / Not Achieved	2016/2017 Annual target	Achieved / Not Achieved	Reasons for Non-Achievement	Comments	Corrective Measures	Portfolio of Evidence	Custodian
Waste and Environmental Management	To create a safe environment for all people of Emalahleni Local Municipality	Promote waste minimization, reuse, recycling and recovery of waste	Number of recycling initiatives supported	BISD - 8	4 recycling initiatives conducted	Improved and healthy environment	Opex	7501280 20001	Waste Management	3 recyclers supported	Achieved	3 recycling Initiatives supported by 30 June 2017	Achieved		8 recycling Initiatives supported (Fudo Lufakade, Lady Frere & Pest Control, Gcinizulu, Iminathi)		Quarterly reports on recycling initiatives supported	Community Services
			Number of business plans for replaced and repaired waste management vehicles developed	BISD - 9	1 Business Plan developed for acquisition of 2 refuse removal trucks	Improved Service Delivery	Opex		Waste Management	Procurement of 1 bakkie for Indwe. Secure funding for refuse trucks for Indwe and Dordrecht	Achieved	1 Business plans for acquisition of refuse removal trucks developed and implemented by 30 June 2017	Achieved		2 business plans for acquisition of refuse trucks developed and implemented. Enhancement of refuse trucks and tractors implemented		1 Business Plan, Proof of submission of the Business Plan to stakeholders	Community Services
		Management of drop off centres	Number of drop off centres managed and	BISD - 10	100 illegal dumping sites	Reduced and controlled illegal	Opex		Waste Management	100 illegal dumpin	Achieved	25 drop off centres managed; 100 illegal	Achieved		25 drop off centres managed. 318 illegal		Quarterly Reports on management	Community Services

EMALAHLENI LOCAL MUNICIPALITY																		
AG RECOMMENDATIONS MID-YEAR REVIEWED SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN: 2016/2017																		
KPA 1: BASIC INFRASTRUCTURE AND SERVICE DELIVERY								2016/2017 PERFORMANCE REPORTING										
Priority Area	Strategic Objective	Strategy	Key Performance Indicator	Indicator Code	Baseline 2015/2016	Outcome Indicator	Budget Allocation	Funding Source/ Vote Number	Programme	2015/2016 Annual Target	Achieved / Not Achieved	2016/2017 Annual target	Achieved / Not Achieved	Reasons for Non-Achievement	Comments	Corrective Measures	Portfolio of Evidence	Custodian
		and clearing of illegal dumping sites	illegal dumping sites cleared		cleared, 0 Drop off centres	dumping sites				g sites cleared		dumping sites cleared by 30 June 2017			dumping sites cleared		nt of drop-off centres and clearing of illegal dumping sites	
		Promote education and awareness on the impact of waste to communities	Number of waste educational awareness campaigns conducted	BISD - 11	6 educational awareness campaigns implemented	Improved and healthy environment	R 400 000	730 028 490 000	Waste Management	6 waste management educational campaigns conducted	Achieved	8 educational awareness campaigns conducted by 30 June 2017	Achieved		16 educational awareness campaigns in schools and the broader community including clean up campaigns ELM won 1st Place of Greenest Municipality Competition in CHDM and third place in the Eastern Cape Province		Quarterly Reports on waste management campaigns conducted	Community Services
		Facilitate development of	Number of waste management	BISD - 12	1 functional landfill site	Improved Service Delivery	44882 79 (R3998 8 MIG)	MIG & OWN FUNDS 9000460	Waste Management	1 Landfill site develop.	Not Achieved	Cell Excavation (Landfill Site) and 2	Not Achieved	The project was stopped	Community Engagement meeting that was held on 30th	Continuous engagements to resuscitate	Quarterly Reports on the development	Infrastructure Development

EMALAHLENI LOCAL MUNICIPALITY																		
AG RECOMMENDATIONS MID-YEAR REVIEWED SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN: 2016/2017																		
KPA 1: BASIC INFRASTRUCTURE AND SERVICE DELIVERY							2016/2017 PERFORMANCE REPORTING											
Priority Area	Strategic Objective	Strategy	Key Performance Indicator	Indicator Code	Baseline 2015/2016	Outcome Indicator	Budget Allocation	Funding Source/ Vote Number	Programme	2015/2016 REPORT		2016/2017 Annual target	Achieved / Not Achieved	Reasons for Non-Achievement	Comments	Corrective Measures	Portfolio of Evidence	Custodian and Human Settlements
										2015/2016 Annual Target	Achieved / Not Achieved							
		waste management facilities	facilities developed				(R500 000 OWN FUND)	90000 90000/730 200000			ed in Lady Frere by June 2016	transfers stations constructed in Lady Frere and Dordrecht by 30 June 2017	Achieved	by the community of Ngcuka due their protests implementation of the project	May 2017 was disrupted by the community of Ngcuka.	the projects will be held	nt of landfill site and transfer stations constructed with pictures. Completion Certificate	
		Keeping the environment pristine by implementing environmental management projects	Number of environmental management projects implemented	BISD - 13	3	Improved and healthy environment	R 500 000	750 128 020 002	Environmental Management	3	Achieved	1 Environmental Management framework developed by 30 June 2017	Achieved	1 Environmental Management Framework developed 8 Environmental Programmes implemented 1 Commemoration of Environmental Day observed ELM had been shortlisted in the 1st place for	1 Environmental Management Framework developed 8 Environmental Programmes implemented 1 Commemoration of Environmental Day observed ELM had been shortlisted in the 1st place for	Quarterly reports on the development of environmental management framework, Council Resolution on the approval of EMF	Community Services	

EMALAHLENI LOCAL MUNICIPALITY																		
AG RECOMMENDATIONS MID-YEAR REVIEWED SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN: 2016/2017																		
KPA 1: BASIC INFRASTRUCTURE AND SERVICE DELIVERY								2016/2017 PERFORMANCE REPORTING										
Priority Area	Strategic Objective	Strategy	Key Performance Indicator	Indicator Code	Baseline 2015/2016	Outcome Indicator	Budget Allocation	Funding Source/ Vote Number	2015/2016 Annual Target	Achieved / Not Achieved	2016/2017 Annual target	Achieved / Not Achieved	Reasons for Non-Achievement	Comments	Corrective Measures	Portfolio of Evidence	Custodian	
		Development of business plans of 2nd phase of ladyfrere park and revitalisation of Indwe and Dordrecht Parks	number of business plans for the development of parks developed	BISD - 14	phase 1 of Ladyfrere park developed (Planning)	Beautification and greening of the towns	2 500 000	DRPW new ladyfrere park vote	Ladyfrere park developed	Achieved	Construction of Ladyfrere Park completed focusing on the following deliverables:- Gabions and Clearview fencing Children's play area Park furniture Greening and landscaping (hard and soft) 21 EPWP jobs created	Achieved		National Arbor City Awards in Eastern Cape for rural municipality with potential			Quarterly reports on the developed business plan, Completion Certificate	Community Services
		Construction of Dordrecht Park	Number of Parks Constructed	BISD - 15	Decapitated park in Indwe and	Functional Recreation	1 372 579	MIG 9000/730 1/9338			1 park constructed in Dordrecht	Achieved		Project completed and practical		Quarterly reports on construction of	Infrastructure Development	

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			by 30 June 2017		Dordrecht	onal facility						by 30 June 2017			completion certificate issued		Dordrecht park, Completion Certificate	
To ensure a safe and secure environment through mitigating the negative impacts of disasters	Full implementation of the approved Disaster Management Plan	Number of Disaster Management Advisory Forum Meetings Convened	BISD - 16	6 Disaster Management Advisory Forum Meetings convened in 2015/2016	Improved response on disaster management incidents	Opex			Disaster Management	6 Disaster Management Advisory Forum meetings conducted	Achieved	4 Disaster Management Advisory Forum Meetings convened by 30 June 2017	Achieved		6 Disaster Management Advisory Forum Meetings and three (3) one on one meetings with Critical Stakeholders (SANRAL, Dept. of Roads and Public Works together with Dept. of Human Settlement)		Quarterly reports on disaster management advisory forums meetings convened, attendance registers	Community Services
			Number of disaster awareness campaigns conducted	BISD - 17	16 Disaster Management awareness campaigns	Improved response on disaster management	R 350 000	730 027 920 000	Disaster Management	16 Awareness campaigns on disaster management	Achieved	16 Awareness Campaigns on Disaster Management	Achieved		38 Awareness Campaigns on Disaster Management and Fire Fighting conducted in all wards (Schools)		Quarterly reports on Awareness Campaigns conducted	Community Services

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										2015/2016 Annual Target	Achieved / Not Achieved							
					ns conducted	incidents					ment and fire fighting	nt and Fire Fighting conducted by 30 June 2017			One (1) International Day for Disaster Reduction (IDDR) 1 Disaster Management Workshop conducted for all Councillors and Stakeholders in Mshoko Community Hall			
Provision of Electricity	To facilitate access to energy sources supply to all residents of	Perform annual audits on technical and non-technical losses of	Percentage reduction in electricity losses by 30 June 2017	BISD - 18	46% of electricity losses reported by NERSA	Reduction in electricity losses			Electricity Management			10% reduction in electricity losses by 30 June 2017	Achieved		Electricity losses in 2015/16 was 42.75% and the electricity losses for 2016/17 is 26.81% resulting in a 15.94% reduction in electricity losses.		4 Quarterly reports Appointment letter of service provider	Infrastructure Directorate

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										2015/2016 Annual Target	Achieved / Not Achieved							
Provision of Electricity	To facilitate access to energy sources supply to all residents of Emalahleni Municipality	electricity to ensure minimum electricity losses	number of households with electricity backlogs eradicated by 30 June 2017	BISD - 19	29 357 households in backlog eradicated	Universal Access to household electrification	R 9 317 000	INEP 7801267 40000	Electrification of households in Ngcuka Bomeni, Joyweni, Sihlabeni, Mmangweni in Ward 17, 2, 12 and 8 by June 2016	Not Achieved. The project was completed in 2016/2017 financial year with 632 connections.	Electrification of 363 households in Noluthando village (114), Helushe village (176) and Sokolani villages (73) (Ward 5,13 and 6) by 30 June 2017	Achieved	366 Connections completed, out of the 366, 92 connections are energised and 274 waiting for Eskom outage		Quarterly reports on electrification, Practical completion certificate	Infrastructure Development		

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Provision of Electricity	To facilitate access to energy sources supply to all residents of Emalahleni Municipality	Implement an electrification programme by 30 June 2017	number of households with electricity backlogs eradicated by 30 June 2017	BISD - 19	29 357 households in backlog eradicated	Universal Access to household electrification	R21 Million	INEP/ 7801/267 4/000	7801/2 674/00	Electrification of households in Ngcuka Bomeni, Jojiweni, Sihlabeni Mmangweni in Ward 17, 2, 12 and 8 by June 2016	Not Achieved.	Electrification of households in Ngcuka, Bomeni, Jojiweni, Sihlabeni Mmangweni in Ward 17, 2, 12 and 8 by June 2017	Achieved		The project was completed in 2016/2017 financial year with 632 connections.		Quarterly reports on electrification, Practical completion certificate	Infrastructure Development
	To facilitate access to energy											¹ Business Plan on alternative energy	Achieved		Business Plan submitted to Department of Energy in October 2016.		Proof of submission of Business Plan,	Infrastructure Development

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AG RECOMMENDATIONS MID-YEAR REVIEWED SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN: 2016/2017

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Building Control	To facilitate provision of human settlements by relevant sector departments in compliance with standards of building controls of ELM	Expedite the approval of building plans submitted to the municipality and monitoring of construction	Percentage of building plans submitted, processed and approved	BISD -22	Drawing Register 2015/2016	Compliance with community with National Building Regulations and Building Standards Act	Opex	ELM budget	Building Control	100% of building plans received, processed and approved by June 2016	Achieved	100% building plans received, processed and approved by 30 June 2017	Achieved		100% building plans that were submitted were processed and approved by the Municipality		Quarterly reports on approved building plans	Infrastructure Development
	Human Settlement	To facilitate provision of human settlements by relevant sector departments in	Facilitate approval of title deeds	Percentage of title deeds applications submitted to the Deeds Office	BISD -23	Title Deed Register 2015/2016	100% title deeds submission	R 500 000	7900272 30000	Human Settlements	100% of title deeds transferred to beneficiaries by June 2016	Achieved	100% submission of received title deeds applications to the Deeds Office by 30 June 2017	Achieved	100% title deeds applications that were submitted were lodged in the office of the deeds register		Acknowledgement letter from Deeds Office	Infrastructure and BTO

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Infrastructure Development	compliance with standards of building controls of ELM	Facilitation of beneficiary administration	Percentage of housing received applications captured onto the Housing Subsidy System for processing and approval by the Department of Human Settlements in the 2016/2017 financial year	BISD -24	1200 beneficiaries registered during 2015/2016	Improved human settlements	Opex	ELM budget	Human Settlement	500 beneficiaries registered for houses	Achieved	100% of housing received applications captured onto the Housing Subsidy System for processing and approval by the Department of Human Settlements by 30 June 2017	Not Achieved	Incorrect target	536 applications captured national housing needs register	Target to be corrected to reflect the national housing needs register for which the municipality registers the beneficiaries	HSS Printout	Infrastructure Development
Infrastructure Development	To ensure the provision of a comprehensive roads infrastructure	Full implementation, monitoring and reporting on the approved Roads	Number of Kilometres of road constructed by 30 June 2017	BISD -26	183 km done since 2006/2007	Improved roads infrastructure	R8 426 000; R9 878 251; R4 670 946	MIG 9000/465 2/ 9000/465 3/0000; 9000,465 4/000	Roads Infrastructure			3.5 kilometres of roads constructed by 30 June 2017 (1.5 kilometre in	Achieved		4.4km of road construction (Paving) completed in all three towns (1.7 kilometre in Dordrecht; 2.3 Kilometre in Indwe (Ward		Progress report on construction of roads;	Infrastructure

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										2015/2016 Annual Target	Achieved / Not Achieved							
	Infrastructure network	Infrastructure Plan										Dordrecht; 1 Kilometre in Indwe (Ward 16) and 1 Kilometre in Lady Frere			16) and 0.716 Kilometre in Lady Frere			
Infrastructure Development	To ensure the provision of a comprehensive roads infrastructure network	Full implementation, monitoring and reporting on the approved Roads Infrastructure	Number of Kilometres of road constructed by 30 June 2017	BISD -26	183 km done since 2006/2007	Improved roads infrastructure	R8 461 925	MIG 9000/470 6/0000	Roads Infrastructure	2.5 kms of Zakhele road constructed and completed by June 2016	Not Achieved	2.5 kms of Zakhele road constructed and completed by June 2017	Achieved		2.5 kms of Zakhele road constructed and completed		Completion Certificate	Infrastructure
Infrastructure Development												7.5km of Bogo to Marwayibeni access	Achieved		7.9km of Bogo to Marwayibeni access road		Progress report on construction of	Infrastructure Development