

MBHASHE LOCAL MUNICIPALITY



Draft Integrated Development Plan 2022-2027

Contact: **Municipal Manager**
Mbashe Local Municipality
454 Streatfield Street Dutywa, 5000

Tel: 047 – 489 5800
Fax: 047 – 489 1137

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PREFACE

EXECUTIVE MAYOR'S FOREWORD



Stokely Carmichael (1966) states that “An organisation which claims to speak for the needs of a community must speak in the tone of that community”.

The recent local government elections held on the 01 November 2021 ushered in the fifth administration in local government after the democratic breakthrough 1994. The new cohort of leadership has been entrusted to steer the ship forward in building a better quality of life for the community of Mbashe. The municipality embarked on a massive community participation with communities and stakeholders through Mayoral Imbizos, Integrated Development Plans (IDP's) and Budget Roadshows with the aim of giving impetus to inclusive planning and in ensuring that communities involved in the matters of local government.

It is, therefore, a great honour and pleasure to present this five-year strategic plan of Mbashe local municipality, which is the culmination of rigorous engagements that will define the road to traverse and guide our actions in delivering services to our communities.

This Integrated Development Plan (IDP) is developed within the context of the beleaguered and precarious conditions of the pandemics and disasters that have engulfed our country. Covid – 19 has impacted on human lives and over and above resulted in the downward spiral of the country's economy and local economies. These conditions have a knock-on effect and as a result it is a struggle for the country to emerge from the tough economic challenges. These harsh conditions have had a negative impact to the fiscus of the country. We have also seen the escalating unemployment figures due to the closure of businesses in many sectors of the economy and the low performance of the economy, even though now we are beginning to see a slight recovery. The situation is exerting pressure on the state to develop strategies that will respond to the dire situation and calls for social compact by social partners in finding sustainable solutions.

Along-side with the Covid – 19 pandemics, the country has seen the rising levels of Gender Based Violence which has been characterised by the State President, Honourable Cyril Ramaphosa as another pandemic. This pandemic manifests itself in the form of rape, brutal killings and abduction of women and young girls. There is a great disregard of human life and disintegration of moral fibre in our society. This means that our people, especially the vulnerable cannot enjoy the fruits of liberation as Nelson Mandela stipulates that “For, to be free is not merely to cast off one's chains, but to live in a way that respects and enhances the freedom of others...and that the nation should not be judged by how it treats its highest citizen, but its lowest ones.”

The other disaster the country encountered during the period of developing this IDP, which resulted in the loss of human lives, human settlements and damage of infrastructure were heavy rains and floods. These are the effects of climate change and have destroyed infrastructure, especially road networks, washed away bridges and storm water drains. These floods have exposed the weakness of municipalities and government in general in planning for preventative mitigating measures to climate change and construction of infrastructure that is not resilient enough to respond to such condition and eventualities. This calls for more resources and reprioritisation of the available resources to respond and reconstruct that which has been destroyed. The progress that was counted from previous terms, is now reversed. We should not despair, and we should get inspiration from words of Nelson Mandela when he says “Difficulties break some men but make others. No axe is sharp enough to cut the soul of a sinner who keeps on trying...one arrives with the hope that he will rise in the end.” We will rise at the end of all these adversities.

The municipal leadership has consolidated the inputs and identified needs from the communities and stakeholders and prioritised them. Key priority issues emerged out of the process which could be summarised into ten, as follows:

1. Roads – construction of new access roads and maintenance of provincial and access roads.
2. Construction of bridges for motor vehicles and pedestrian bridges.
3. Water sanitation provision to areas with historical backlogs and address areas with new extensions.
4. Provision of electricity to areas with historical backlogs and in areas with new extensions and also provide for the in-fills.
5. Promotion of economic development and employment creation.

6. Construction of community halls.
7. Construction and maintenance of sports fields.
8. Dipping tanks, shearing sheds and dam scooping.
9. Fencing of maize fields.
10. Construction of Early Childhood Development Centres.

These priorities were used to develop new strategies, review the existing strategies and to align them with what emerged during community participation.

These priorities also require collaboration and co-operation of by all role-players, sector department, state owned enterprises (SOEs) and other social partners as part of enhancing cooperative governance to respond to them.

We are very grateful to the contributions made by these institutions during the time of developing this IDP. This will go a long way in making our IDP a living document through their contributions and sharing of their programmes. We hope, moving forward they will also use this IDP as their reference document for planning and thus giving life to the District Development Model (DDM) of “**One plan, One budget**”. The projects, therefore, that appear in this IDP are planned to be implemented over the period of 5-years during our term of office as this current administration.

On behalf of Mbhashe Local Municipality leadership, I wish to express my gratitude to the ward councillors who made all efforts to ensure that our communities are mobilised to participate in the development of this IDP, to the traditional leaders for participating and providing guidance during engagements, our municipal officials for the sterling work they performed in the preparation on consolidation of the information gathered, and our communities for participating in determining their own destiny. The exercise augers well with the sentiments shared by Stephen Covey when he says, “Make time for planning; wars are won in the general's tent.”

Lastly, I call upon everyone to traverse with us in shaping the development trajectory of our municipality. We commit to providing accountable government and promoting good governance.

Yours faithfully



Cllr S. N. Janda
Executive Mayor

Cllr : Samkelo Janda

Executive Mayor

MUNICIPAL MANAGER'S MESSAGE



The South African Constitution is underpinned by principles of good governance, also highlighting the importance of public participation as an essential element of successful good local governance. Section 152 of the Constitution of the Republic of South Africa, 1996 confirms a number of citizen rights and more specifically, the rights of communities to be involved in local governance. The principle behind public participation is that all the stakeholders affected by the Council decision or actions have a right to be consulted and contribute to such a decision.

In South Africa, Democratic brought about new challenges. Consequently, it is expected that service delivery in the public service would be one such challenge. Without affective leadership and governance, government will not be able to lead and overcome service delivery challenges.

Our 2022 - 2027 Integrated Development Plan (IDP) and Budget may not, and dare not, be the same as the preceding ones as it must reflect the action that reflects the needs of our communities identified during the start of the current term. This IDP, in the main, seeks to provide solutions to pressing issues such as the road construction programme, provision of electricity and creation of job opportunities. It is through the projects as reflected in the IDP, that we seek to leave a lasting legacy to the communities of Mhashe, which will set the tone for a caring, people-centered, people-driven and developmental local government for generations to come. It is for this reason that this current IDP and Budget must and will be externally focused, driven by community needs and geared towards meeting community aspirations gleaned from stakeholder consultations and engagements throughout the past years.

The Mhashe Local Municipality Council and Management further commits itself to the delivery of quality basic services to community it serves. Through the IDP process, the municipality will focus on the most important needs of local communities taking into account the resources available and financial affordability.

It is with great pride to highlight the effort taken by the municipality to ensure that the IDP and Budget processes are aligned; that the SDBIP is linked to the IDP and that public participation has been done as required by legislation. We are confident that through this Integrated Development Plan the municipality will be in a position to deliver services in line with constitutional standards.

I thank you

M NAKO
MUNICIPAL MANAGER

CHAPTER 1

SECTION 1 - BACKGROUND

✓ WHAT IS INTEGRATED DEVELOPMENT PLAN (IDP)?

Integrated Development Plan is a central planning tool for government that embodies local government developmental goals and a comprehensive service delivery programme. Integrated planning has been developed as a consolidated municipal wide planning process that provides a framework for planning of future development in a municipality. It ensures horizontal and vertical co-ordination and integration across the national, provincial and local spheres of government. In addition, the IDP requires community participation and stakeholder involvement. The integrated development planning process is therefore critical for the success of every South African municipality's endeavors to bring about responsive, developmental and accountable local government.

Mbhashe Local Municipality is in the process of developing a new five (5) year IDP for the current term starting from 2022-2027 in accordance with section 34 of the Local Government Municipal Systems Act 32 of 2000.

The focus of this IDP is within the context of a seamless integrated strategic planning process. The Municipality has developed a set of long-term goals and five year objectives (to be reviewed annually) that will form the basis of the annual business planning and budgeting carried out on an ongoing basis. The IDP will also further be shaped by inputs from communities and civil society, as well as direction from the political leadership.

A five year IDP supports a single, integrated planning process, with clear demarcation between long-term, medium term and short term planning. The **five (5)** year IDP should therefore be understood as an interpretation of strategy and political priorities into a detailed Executive Mayoral Plan that is to become the business plan, in this context, it is seen as an implementation tool.

✓ BENEFITS OF IDP

- Focused and Proactive Management
- Institutional Analysis
- Matching Resources to Needs
- Project Management
- Performance Management
- Realistic Planning
- Unification and Consensus Building
- Empowerment of Stakeholders
- Focused Budgeting
- Change Agent

✓ LEGISLATIVE FRAMEWORK

The following legislation defines the nature of the Integrated Development Planning: -

▪ **Constitution of the Republic of South Africa Act 108 of 1996**

Sections 152 and 153 of the Constitution stipulate that a municipality must give priority to the basic needs of its communities and promote their social and economic development to achieve a democratic, safe and healthy environment.

▪ **White Paper**

The White Paper established the basis for a new developmental local government and characterized it as a system, which is committed to working with citizens, groups and communities to create sustainable human settlements which provide for a decent quality of life and meet the social, economic and material needs of communities in a holistic way.

To achieve developmental outcomes will require significant changes in the way local government works. The White paper further puts forward three interrelated approaches which can assist municipalities to become more developmental:

- ❖ Integrated development planning and budgeting.

- ❖ Performance management.
- ❖ Working together with local citizens and partners

▪ **Local Government: Municipal Systems Act 32 of 2000**

Sections 28 and 34 of the Act stipulate the need for each and every municipality to develop and adopt an IDP, which should be reviewed annually. In addition, it outlines the IDP process and components

▪ **Local Government: Municipal Finance Management Act 56 of 2003**

Section 21 of the Act makes provision for alignment between the IDP and the municipal budget. The Service Delivery and Budget Implementation Plan is an annual contract between the Municipality's administration, Council and the community, which ensures that the IDP and the Budget are aligned

This can be understood as a response to the critique that IDP's took place in isolation from financial planning and were rarely implemented in full. Specifically, section 21(1) of the Act requires that a municipality co-ordinate the process of preparing the Annual Budget and the IDP to ensure that both the budget and IDP are mutually consistent.

▪ **Local Government: Municipal Planning and Performance Management Regulations (2001).** These Regulations make provision for the inclusion in the IDP of the following: -

- ❖ The institutional framework for the implementation of the IDP
- ❖ Investment and development initiatives in the Municipality
- ❖ Key performance indicators and other important statistical information
 - ❖ A financial plan of a municipality
 - ❖ A spatial development framework
 - ❖ Municipal IDP development/Review

▪ **Local Government: municipal Staff Regulations (2021).** The regulations seek to achieve the following:

- ❖ Create a career local public administration that is fair, efficient, effective and transparent;
- ❖ Create a development oriented local public administration governed by good human resource management and career development practices;
- ❖ Ensure an accountable local public administration that is responsive to the needs of local communities;
- ❖ Ensure that high standards of professional ethics are fostered within local government; o
- ❖ Strengthen the capacity of municipalities to perform their functions through recruitment and appointment of suitably qualified and competent persons; and
- ❖ Establish a coherent HR governance regime that will ensure adequate checks and balances, including enforcement of compliance with the legislation.

▪ **Local Government: Municipal Structures Amended Act 117 of 1998**

This Act provides for the establishment of municipalities and defines the various types and category of municipality. It also regulates the internal systems, structures and office-bearers of municipalities and provides for appropriate.

▪ **Development Facilitation Act, 1995 (Act No 67 of 1995).** The aims;

- ❖ To introduce extraordinary measures to facilitate and speed up the implementation of reconstruction and development programmes and projects in relation to land; and in so doing to lay down general principles governing land development throughout the Republic;
- ❖ To provide for the establishment of a Development and Planning Commission for the purpose of advising the government on policy and laws concerning land development at national and provincial levels;
- ❖ to provide for the establishment in the provinces of development tribunals which have the power to make decisions and resolve conflicts in respect of land development projects;
- ❖ to facilitate the formulation and implementation of land development objectives by reference to which the performance of local government bodies in achieving such objectives may be measured;
- ❖ to provide for nationally uniform procedures for the subdivision and development of land in urban and rural areas so as to promote the speedy provision and development of land for residential, small-scale farming or other needs and uses; and

- ❖ to promote security of tenure while ensuring that end-user finance in the form of subsidies and loans becomes available as early as possible during the land development process; and to provide for matters connected therewith.

- **Local Government: Demarcation Act, 1998 (Act No 27 of 1998).** The act aims to provide for criteria and procedures for the determination of municipal boundaries by an independent authority; and to provide for matters connected thereto.
- **Mbhashe Policies Strategies and By-Laws.** The Mbhashe municipal policies, strategies and by-laws provide strategic perimeters within which the various business factors of the organisation can be conducted.
- **Municipal Property Rates Act 6 of 2004 .**

The objective of this Act is to regulate the power of a municipality to levy rates on property. Rates represent a critical source of own-revenue for municipalities in order to achieve their constitutional development objectives.

- **Inter-Governmental Relations framework, Act 13 of 2005**

This Act supplements the provisions of Chapter 3 of the Constitution which regulates co-operative governance. The Act provides a framework to promote and facilitate functional horizontal and vertical relationships between the various departments of government, and the various spheres of government. The Act also provides mechanisms and procedures to facilitate the settlement of inter-governmental disputes. The envisaged multi sector nature of the IDP is dependent on sound intergovernmental relationships

Key to ensuring the co-ordination of the IDP and Annual Budget, is the development of the Service Delivery and Budget Implementation Plan (SDBIP). The SDBIP is a detailed plan approved by the Mayor of the municipality for implementing service delivery and the Annual Budget. The SDBIP should include monthly revenue and expenditure projections, quarterly service delivery targets and performance indicators.

✓ POWERS AND FUNCTIONS

Section 83 (1) of the Structures Act states that: A municipality has the powers and functions assigned to it in terms of Sections 156 and 229 of the Constitution		
The Constitution states in Section 156(1) that a municipality has executive authority in respect of, and has the right to administer the local government matters listed in Part B of Schedule 4 and Part B of Schedule 5.		
These functions are contained in the table below		
Section 83 (1) of the Structures Act states that: A municipality has the powers and functions assigned to it in terms of Sections 156 and 229 of the Constitution		
The Constitution states in Section 156(1) that a municipality has executive authority in respect of, and has the right to administer the local government matters listed in Part B of Schedule 4 and Part B of Schedule 5.		
These functions are contained in the table below		
Functions of Mbhashe	Definition	Capacity to perform
Air pollution	The control and monitoring of air pollution that adversely affects human health or well-being or the ecosystems useful to mankind, now or in future.	No
Beaches and Amusement facilities	The area for recreational opportunities and facilities along the sea shore available for public use and any other aspect in this regard which falls outside the competence of the national and provincial government.	Yes
Billboards and display of advertisements in public places	Manage, facilitate and collect rentals from all billboards within the jurisdiction of Mbhashe Local Municipality.	Yes
Building regulations	Development of by-laws, enforcement of by-laws, approval of building plans according to National Building Regulations	Yes
Cemeteries, funeral parlors and crematoria	The establishment conduct and control of facilities for the purpose of disposing of human and animal remains.	Yes
Child care facilities	Facilities for early childhood care and development which fall outside the competence of national and provincial government	Yes
Cleansing	The cleaning of public streets, roads and other public spaces either manually or mechanically	Yes

Section 83 (1) of the Structures Act states that: A municipality has the powers and functions assigned to it in terms of Sections 156 and 229 of the Constitution

The Constitution states in Section 156(1) that a municipality has executive authority in respect of, and has the right to administer the local government matters listed in Part B of Schedule 4 and Part B of Schedule 5.

These functions are contained in the table below

Functions of Mbashe	Definition	Capacity to perform
Control of public nuisance	The regulation, control and monitoring of any activity, condition or thing that may adversely affect a person or a community	Yes
Control of undertakings that sell liquor to the public	The control of undertakings that sell liquor to the public that is permitted to do so in terms of provincial legislation, regulation and licenses , and includes an inspection service to monitor liquor outlets for compliance to license requirements in as far as such control and regulation are not covered by provincial legislation	Yes
Disaster	Responsible for the co-ordination of Disaster Management	Yes
Facilities for the accommodation, care and burial of animals	The provision of and/or the regulation, control and monitoring of facilities which provide accommodation and care for well or sick animals and the burial or cremation of animals, including monitoring of adherence to any standards and registration requirements and/or compliance with any environmental health standards and regulations	Yes
Fencing and fences	The provision and maintenance and/or regulation of any boundary or deterrents to animals and pedestrians along streets or roads	No
Firefighting Services	Provision of firefighting services and resources	No
Housing	Facilitation of the Housing development, with key focus on beneficiary identification, town planning matters, building plans and stakeholder engagement	Yes
Licensing of dogs	The control over the number and health status of dogs through a licensing mechanism.	No
Local sport facilities	The provision, management and/or control of any sport facility within the municipal area.	Yes
Local Tourism	Tourism development and promotion	Yes
Markets	The establishment, operation, management, conduct, regulation and/or control of markets other than fresh produce markets including market permits, location, times, conduct etc.	No
Municipal abattoirs	The establishment conduct and/or control of facilities for the slaughtering of livestock.	No
Municipal Airports	Provision and management of facilities	No
Municipal Health Services	Water quality monitoring, food control, waste management, health surveillance of premises, surveillance and prevention of communicable diseases, vector control, environmental pollution control and disposal of the dead	No
Municipal parks and recreation	The provision, management, control and maintenance of any land, gardens or facility set aside for recreation, sightseeing and/or tourism and include playgrounds but exclude sport facilities.	Yes
Municipal Planning	The compilation and implementation of and Integrated Development Plan in terms of the Systems Act.	Yes
Municipal Public Transport	Provision of services and infrastructure and regulation of the passenger transport services	No
Municipal Public Works	Provision of community facilities other than schools and clinics	Yes
Municipal Roads	The construction, maintenance, and control of a road which the public has the right to and includes, in addition to the roadway the land of which the road consists or over which the road extends and anything on that land forming part of, connected with, or belonging to the road, and also, for purposes of a local municipality, includes a street in build-up areas.	Yes
Pontoons and ferries	Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matter related thereto, and matters falling within the competence of national and provincial governments	No
Pounds	The provision, management and control of any area /facility set aside by the municipality for the securing of any animal or object confiscated by the municipality	Yes
Public Places	The management, maintenance and control of any land or facility owned by the municipality for public use	Yes
Storm water	The management of systems to deal with storm water in built-up areas	Yes
Street lighting	The provision and maintenance of lighting for the illuminating of streets	Yes

Section 83 (1) of the Structures Act states that: A municipality has the powers and functions assigned to it in terms of Sections 156 and 229 of the Constitution

The Constitution states in Section 156(1) that a municipality has executive authority in respect of, and has the right to administer the local government matters listed in Part B of Schedule 4 and Part B of Schedule 5.

These functions are contained in the table below

Functions of Mbashe	Definition	Capacity to perform
Street trading	The control, regulation and monitoring of the selling of goods and services along a public pavement or road reserve	Yes
Trading regulations	The regulation of any area facility and/or activity related to the trading of goods and services within the municipal area not already being regulated by national and provincial legislation	Yes
Traffic and parking	The management and regulation of traffic and parking within the area of the municipality including but not limited to, the control over operating speed of vehicles on municipal roads.	Yes

✓ **IDP DEVELOPMENT PROCESS**

○ **Introduction**

Following the local government elections of the new council on 23rd November 2021 the municipality embarked on a process of formulating its five year integrated development plan (IDP) 2022 - 2027. This document outlines the programmes and development commitments that will be delivered during the term of the current council. The IDP supersedes all other plans of a municipality. The municipality is embarking on the development of the IDP for the 2022 - 2027 term. The municipality is adhering to the Process Plan for IDP/Budget which was adopted by the Council in its ordinary meeting of 28 August 2021.

○ **Institutional arrangements and roles and responsibilities**

Institutional arrangements

IDP/Budget/PMS Representative Forum

The IDP/Budget/PMS Representative Forum is the main platform for discussion and broad consultation of key decisions and recommendation for council adoption. It comprised mainly of various representatives from the following institutions or interest groups:

- ❖ Secretariat of IDP/Budget/Steering Committee
- ❖ Mayoral Committee members
- ❖ Ward Committees & CDWs (Community Development Workers)
- ❖ Traditional Leaders
- ❖ Business community
- ❖ Civic bodies & known NGOs / CBOs
- ❖ Rate payers
- ❖ Sector Departments & State Owned Enterprises

IDP/Budget/PMS Steering Committee

The IDP/Budget/PMS Steering Committee is established to provide general technical guidance over the IDP/Budget & PMS review process. The Steering Committee will be chaired by Municipal Manager and will be constituted of the following officials:

- ❖ Senior Manager Operations
- ❖ Chief Financial Officer: Budget and Treasury;
- ❖ Senior Manager Corporate Services
- ❖ Senior Manager Development Planning
- ❖ Senior Manager Infrastructure
- ❖ Other relevant officials who are Section heads

The tasks of the Technical Committee are to:

- ❖ provide technical oversight and support to the IDP/ Budget review and its implementation

- ❖ consider and advise on IDP/ Budget content and process
- ❖ ensure inter-directorate co-operation, co-ordination, communication and strategic thinking to address priority issues
- ❖ ensure sector and spatial co-ordination and alignment
- ❖ ensure IDP & budget linkage
- ❖ ensure Performance Management is linked to the IDP
- ❖ ensure the organisation is oriented to implement the IDP
- ❖ ensure time-frames set for the review are met.

○ **Roles and responsibilities**

Role player	Roles and Responsibility
Council	<ul style="list-style-type: none"> ▪ Approves, adopts the IDP and budget ▪ Council is responsible for project prioritization ▪ oversight role on the implementation of priorities, ▪ delegate responsibility for managing, coordinating, implementing and monitoring of the IDP/Budget & PMS process ▪ Participates in M&E
Executive Committee	<ul style="list-style-type: none"> ▪ Decides on the Process Plan. ▪ Manages, co-ordinates and monitors the process and drafts the IDP and budget. ▪ The Council also decides on the adoption of the Process Plan which determines the course for the IDP formulation. They also consider the delegation of responsibility for managing, coordinating, implementing and monitoring of the process. The nomination of persons to be in charge of activities in the process is also be decided upon by the Executive Committee & Council
IDP Unit	<ul style="list-style-type: none"> ▪ Drafting and co-ordination of the IDP process on a day-to-day basis
IDP and Budget Steering Committee	<ul style="list-style-type: none"> ▪ Committee Provides technical expertise for the drafting of the IDP and budget
IDP Representative Forum	<ul style="list-style-type: none"> ▪ Provide community needs and priorities and indigenous knowledge. ▪ Act as a M&E mechanism

Role players	Roles and responsibilities
Ward Councilors/Ward Committees (assisted Community by CDWs)	<ul style="list-style-type: none"> ▪ Major link between municipality and residents ▪ Link the planning process to their wards or constituencies ▪ Organize public consultation and participation ▪ Represent the ward at the IDP & Budget Representative Forum ▪ Analyze ward-based issues, determine priorities, negotiate and reach consensus ▪ informing communities of the IDP Process ▪ Ward Councilors coordinates the processes of community-based planning in their respective wards, which determines IDP objectives, strategies and projects.
Community	<ul style="list-style-type: none"> ▪ Represents interests, contribute knowledge and ideas to the Representative Forum ▪ Inform interest groups, communities and organizations ▪ Analyze issues, determine priorities, negotiate and reach consensus ▪ Participate in designing project proposals ▪ Discuss and comment on the draft IDP ▪ Monitor performance in implementation ▪ Conduct meetings with group

o **The Process Plan**

The following section outlines the process plan for the formulation of Mbashe IDP. It outlines the mechanisms and procedures that will be followed in the formulation of this IDP. In terms of the process plan the institutional arrangements were adopted. The IDP/Budget & PMS process plan outlines in detail the way in which the municipality embarked on its 2022/27 IDP review from its commencement in July 2021 to its completion June 2022.

Table 1: List of meetings and workshops held for the IDP formulation process – IDP, Budget and PMS Process Plan

ACTIVITY: JULY 2021 – JUNE 2022 Preparation phase / Pre-planning				
IDP	PMS	BUDGET	DATE	RESPONSIBLE PERSON
JULY 2021				
Compilation of Draft IDP, PMS and Budget Process Plan Commences			01/07/2021	Senior Manager Operations
	Development of Performance Agreements for S56 Managers		01- 31/07/2021	Senior Manager Operations
	Submission of Performance reports and performance information Q4 to Internal Audit		09/07/2021	Senior Manager Operations
Standing Committees			06-09,15/07/2021	Portfolio Heads
	Audit Performance Committee Meeting – Q4 Performance, Annual Report Process Plan	Audit Committee – Audit Performance Plan	20/07/2021	Senior Manager Operations, Chief Financial Officer
MAYCO	Tabling of Annual Report Process Plan		22/07/2021	Executive Mayor
	HOD Quarterly Reviews		23/07/2021	Municipal Manager
Council meeting			28/07/2021	Executive Mayor
	Submission Performance Agreements for S56 Managers to Provincial Treasury	Submit to National Treasury the following documents, SDBIP for 2021/22, Grants Reports as per approved NT template, Section 66 report Section 52(d) report, Quarter 4 SCM report for 2020/21	28/07/2021	Senior Manager Operations, Chief Financial Officer
AUGUST 2021				
Extended Management Meeting - to discuss and finalize Draft IDP, Budget and PMS Process Plan 2022-23 and Draft Annual Report 2020/21			02/08/2021	Municipal Manager
	Individual Performance Assessments Q4		03/08/2021	Senior Managers
MAYCO – tabling of draft IDP/Budget/PMS Process Plan	Tabling of Draft unaudited Annual Report, Annual Performance Report and Annual Financial Statement		12/08/2021	Executive Mayor
IGR Forum Draft IDP, Budget and PMS Process Plan 2022-23 FY			13/08/2021	Executive Mayor

IDP, PMS and Budget Representative Forum to present draft IDP, Budget and PMS Process Plan 2022/23, PMS Framework and Annual Performance			17/08/2021 19/08/2021 20/08/2021	Portfolio Heads
	Tabling of unaudited Annual Report and Annual Financial Statement to Audit Performance Committee		18/08/2021	Municipal Manager
Council Meeting - Adoption of the IDP/Budget/PMS Process Plan 2022-23	Tabling of the un-audited Annual Report, Annual Financial Statement Submission of draft Annual Report to MPAC for verification		25/08/2021	Executive Mayor
	Submission of unaudited Annual Report, Annual Financial Statements and Annual Performance to Auditor General		31/08/2021	Municipal Manager
SEPTEMBER 2021				
Review of Situational Analysis			01-30/09/2021	Senior Manager: Operations
Advertise IDP/Budget/PMS Process Plan on local newspaper			01/09/2021	Senior Manager: Operations
Extended Management Meeting			06/09/2021	Municipal Manager
Submission of IDP/Budget/ PMS Process Plan to ADM, COGTA and Treasury			08/09/2021	Senior Manager: Operations
ADM IDP/Budget/PMS Rep Forum			17/09/2021	Executive Mayor
IDP/Budget Steering Committee		Discussion of rollovers, savings declarations and new applications	21/09/2021	Chief Financial Officer
OCTOBER 2021				
Extended Management Meeting			04/10/2021	Municipal Manager
IDP/Budget/PMS Steering Committee Meeting – Directorate Situation Analysis review Coordination of the Mayoral Imbizos			11/10/2021	Municipal Manager
	HOD Quarterly Reviews		12/10/2021	Municipal Manager
	Audit Committee Meeting - Presentation of the Draft Annual report, AG audit status Q1 Performance report		18/10/2021	Municipal Manager
Tabling Q1 2021/22 Non financial and financial Performance Information Report to the MAYCO			21/10/2021	Municipal Manager
MPAC Roadshows on Draft Annual Report			19/10/2021 20/10/2021 26/10/2021	MPAC Chairperson

Tabling of Q1 financial and non-financial Performance Information Report for 2021/22 to the Council		Special Council meeting - Tabling of Section 52 Financial performance report Submission of Quarterly budget returns	27/10/2021	Executive Mayor
	Evaluation Panel Meeting to assess 2020/21 institutional performance		28/10/2021	Municipal Manager
NOVEMBER 2021				
Extended Management Meeting - Situational Analysis review Coordination of the Mayoral Imbizos, Rep Forum & MPAC Road shows		Directorate submission of budget requests/inputs on capital projects as per MFMA Calendar	08/11/2021	Senior Managers
Standing Committees			09 -12/11/2021	Portfolio Heads
	Finalisation of assessment of draft annual report by MPAC		16/11/2021	MPAC Chairperson
IGR Forum			17/11/2021	Executive Mayor
ADM IDP/ Budget Rep Forum - presentation of the draft situational and needs analysis			19/11/2021	Executive Mayor, IDP Practitioners
	Tabling of Final Draft Annual Report to MAYCO		23/11/2021	Municipal Manager
IDP/ Budget Rep Forum/MAYORAL IMBIZO - presentation of the draft situational and needs analysis MAYORAL IMBIZO	MPAC Road shows		24/11/2021 25/11/2021 26/11/2021	Executive Mayor MPAC Chairperson
DECEMBER 2021				
	Ordinary Audit Committee meeting		01/12/2021	Municipal Manager
IGR Forum Meeting				Executive Mayor
Extended Management Meeting			06/12/2021	Municipal Manager
	Ordinary Council Meeting – tabling of audited Annual Report, Financial Statements and Oversight Report		08/12/2021	Executive Mayor, MPAC Chairperson
Advertising of Annual Report			18/12/2021	
JANUARY 2022				
Extended Management Meeting			06/01/2022	Municipal Manager
	Performance Audit Committee - Q2 performance reports and mid-term performance reports		11/01/2022	Municipal Manager
	Individual PMS Assessments Q2		12/01/2022	All Senior Managers
IDP/Budget Steering Committee		Discussion of possible adjustment budget inputs and Mid-year Performance	13/01/2022	Executive Mayor
	HOD Quarterly Reviews		14/01/2022	
	Special MAYCO - Submission of performance information, Q2 – mid-term performance reports to MAYCO		20/01/2022	Executive Mayor

	Special Council Meeting - Submission of performance information, Q2 – mid-term performance reports to Council		26/01/2022	Executive Mayor
Technical Strategic Session Refinement of Objectives, Strategies and Municipal priorities			26/01/2022 27/01/2022 28/01/2022	Municipal Manager
FEBRUARY 2022				
	Publication of the oversight report		02/02/2022	Senior Operations
Extended Management Meeting - Review of the strategies and objectives, setting up new objectives, strategies based on new priorities and budget adjustment			07/02/2022	Municipal Manager
Standing Committees			09-11/02/2022	Portfolio Heads
IDP/Budget Steering Committee		Discussions on Budget adjustment	14/02/2022	Executive Mayor
Institutional Strategic Sessions - Review of the strategies and objectives, setting up new objectives, strategies based on new priorities and budget adjustment			15-17/02/2022	Executive Mayor
Special MAYCO			18/02/2022	Executive Mayor
Provincial Treasury Mid-year Performance Engagement			22/02/2022	Chief Financial Officer
	Council Meeting -	Tabling of Audited Adjustment Budget, Financial Statements	23/02/2022	Executive Mayor
MARCH 2022				
IDP/Budget Steering Committee		Discussion of Draft IDP and Budget	04/03/2022	Executive Mayor
IGR Forum			08/03/2022	Executive Mayor
	Mayco to table the draft reviewed IDP and Budget for 2022/23		10/03/2022	Executive Mayor
	Audit Committee Meeting		11/03/2022	Municipal Manager
IDP/Budget/PMS Rep Forum - Presentation of Reviewed Draft IDP 2022-2027			15/03/2022 16/03/2022 17/03/2022	Executive Mayor
ADM IDP/Budget/PMS Rep Forum - Presentation of Reviewed Draft IDP 2022-2027 for adoption			23/03/2022	Executive Mayor
Ordinary Council Meeting – Tabling of Reviewed draft IDP, Draft Procurement Plan, Tariffs, policies and Organizational structure	Tabling of Q2 performance report including financial performance analysis report to Council		30/03/2022	Executive Mayor
ADM Council Meeting			31/03/2022	Executive Mayor
APRIL 2022				

Advertisement of the draft reviewed IDP and Budget Submission of Reviewed IDP document and Budget, to ADM, Provincial and National Treasury and the MEC for Local Government and Traditional Affairs			04/04/2022	Senior Manager Operations, Chief Financial Officer
Extended Management Meeting			04/04/2022	Executive Mayor
IDP/Budget Roadshows - Public Comments Phase presentation of the Draft IDP and Budget to the communities for comments			05/04/2022 06/04/2022 07/04/2022	Executive Mayor
Standing Committees			12-14/04/2022	Portfolio Heads
Provincial Treasury Draft Budget Engagement session		Provincial Treasury Budget and Benchmarking Engagement	25/04/2022	Chief Financial Officer
	Individual Performance Assessments Q2		26/02/2022	Senior Managers
	Submission of Performance information report for Q3 to the Special Council Meeting	Tabling of Section 52(d) report	28/04/2021	Executive Mayor
MAY 2022				
IDP/Budget Steering Committee Meeting		Discussion of adjustments to the Draft IDP and Budget considering inputs from the public Road shows	06/05/2022	Executive Mayor
Extended Management Meeting – Final Draft IDP 2022-2027			09/05/2022	Municipal Manager
Ordinary MAYCO – Submission of Final Draft IDP 2022-2027			11/05/2022	Executive Mayor
IGR Forum			13/05/2022	Executive Mayor
IDP/Budget/PMS Rep Forum			17/05/2022 18/05/2022 19/05/2022	Executive Mayor
	Audit Committee		24/05/2022	Municipal Manager
ADM IDP/Budget/PMS Rep Forum			25/05/2022	Executive Mayor, IDP Practitioners
Tabling of final Draft IDP and Budget to Ordinary Council Meeting			27/05/2022	Executive Mayor
JUNE 2022				
	IDP 2022-2027 published on municipal website	MTREF Budget, budget related policies, published on council website	07/06/2022	Senior Manager Operations, Chief Financial Officer
Advertisement of Final IDP, Budget and Tariffs			07/06/2022	Senior Manager Operations, Chief Financial Officer
	Submission of Draft SDBIP to Executive Mayor for Approval		15/06/2022	Municipal Manager
Facilitate printing of the IDP for 2021-2022			21/06/2022	Senior Manager Operations, Chief Financial Officer
	SDBIP advertised and submitted to Provincial and National Treasury & MEC for COGTA, AG & ADM		28/06/2022	Municipal Manager
	Individual PMS Assessments Q3		29/06/2022	All Senior Managers

Challenges which affected the approved IDP Process plan

Whilst the municipality had adopted its IDP process plan in August 2021 for the development of its 2022 – 2027 IDP with a clear process, the municipality found itself faced with a continuing unprecedented event in the form of COVID 19 which was declared a national disaster by the State President of the Republic of South Africa. The pronouncement led to the declaration of stages of managing the corona virus to reduce the curve where the number of people/community members were regulated for meetings. This pandemic disrupted some of the activities and programs which the municipality normally engages on to ensure participation by communities and as such they could not be implemented. The municipality had to find ways to interact with communities in getting their inputs on this document

The Local Government Elections in November 2021 also had an impact on the process to be followed. Dates had to be adjusted and meetings that fell between that and the date where Council was inaugurated. Furthermore, Council had to go through a process of induction, although the processes were delayed much of it has still been followed.

- **Previous IDP Assessments by the MEC**

Introduction

In developing the IDP, Mbashe LM has been informed amongst other factors by the MEC comments for the previous 5 years. As such a notable decrease on findings on the KPAs is evident and the municipality has maintained a rating of high in the last 5-year cycle. There is commitment to further improve where we still fall short by making mitigation plans.

The role of the MEC in terms of provincial monitoring and support in the planning, drafting, adoption and review of IDP is articulated in Section 31 of the Municipal Systems Act (MSA), 32 of 2000. This includes monitoring, facilitation and coordination of the processes followed by the municipality in drafting and adopting IDPs to ensure:

- Adherence to the predetermined time frames;
- Participation by local communities, organs of the state, traditional authorities and relevant stakeholders;
- Provision for the identification of all plans and planning requirements binding municipalities in terms of the national and provincial legislation; and
- Alignment to the framework adopted in terms of Section 27 which binds both the district and local municipalities.

To give effect to the quoted legislation Mbashe Local Municipality submitted its final IDP to the MEC within 10 days of adoption in compliance with Section 32 of the MSA.

Overall KPA ratings

Each Key Performance Area was allocated an overall rating within the following context:

Levels of performance	Scores	Performance description	Action required
Low	1 - 33%	Poor	Immediate and intensive intervention
Medium	34 - 66%	Satisfactory	Minimum support required
High	67 - 100%	Good	Benchmarking

The table below displays comparative ratings of Mbashe Municipality over a three-year period:

KPAs	Ratings 2017/2018 IDP review	Ratings 2018/2019 IDP review	Ratings 2019/2020 IDP review	Ratings 2020/2021 IDP review	Ratings 2021/2022 IDP review
KPA1: Spatial Planning, Land Human Settlement and Environmental Management	HIGH	HIGH	HIGH	HIGH	HIGH
KPA2: Service Delivery & Infrastructure Planning	HIGH	HIGH	HIGH	HIGH	HIGH
KPA 3: Financial Planning & Budgets	HIGH	HIGH	HIGH	HIGH	HIGH
KPA 4: Local Economic Development	HIGH	HIGH	HIGH	HIGH	HIGH
KPA 5: Good Governance and Public Participation	HIGH	HIGH	HIGH	HIGH	HIGH
KPA 6: Institutional Arrangements	HIGH	HIGH	HIGH	HIGH	HIGH
Overall Rating	HIGH	HIGH	HIGH	HIGH	HIGH

○ Specific Assessment Findings by MEC on the IDP

This report provides a summary of findings on all six KPAs. The municipality should refer to the IDP Analysis and Assessment Report in relation to the details of findings on gaps and improvement measures. The overall findings on the 2021/22 Final IDP of Mbashe Local Municipality can be summarized as follows:

Focus Area	MEC'S Findings	Recommendation/ Improvement Plan	Time frame	Responsible Directorate
KPA - : SERVICE DELIVERY AND INFRASTRUCTURE PLANNING				
Electricity and Energy	There is no indication of an Electricity Plan or projects that cover 2023 & 2024 outer years			
KPA 4				
	Municipalities did not spend 100% of their grants	The municipality must spend 100% of their Grants (MIG etc.)		
	There is no evidence of mechanisms for business expansion and retention for existing businesses and attraction of further investment	Mechanisms for business expansion and retention to be addressed during the development of the LED Strategy (RMLM)		
KPA 5				
	challenge on the implementation/functionality of the ISDM (War room functionality)			
	The ward committee issues that are discussed from the ward do not find expression in the council			

Focus Area	MEC'S Findings	Recommendation/ Improvement Plan	Time frame	Responsible Directorate
KPA - : SERVICE DELIVERY AND INFRASTRUCTURE PLANNING				
	There is a need to intensify or build a strong link between the ward based structures and the Locals			
	Communication strategy with the stakeholders is unclear and where it is made is a compliance issue			

PUBLIC PARTICIPATION MECHANISMS AND PROCEDURES FOR THIS IDP

✓ **Public Participation mechanisms**

The communities participate in the IDP processes through various mechanisms to enhance effective community involvement in municipal affairs. The Council established structures to encourage community members to contribute in the decision making processes and also to advise the Council on various matters to ensure that proper decisions are taken to enhance the development of Mbashe. These platforms also serve as feedback sessions with regards to infrastructural developments. The following are the mechanisms in place utilized to coordinate the development, review, implementation of the IDP and other affairs of the municipality:

✓ **IDP Representative Forum**

Is a forum of representatives of various stakeholders including the municipality, where planning, implementation, reporting and accountability on issues relating to integrated development planning are discussed on quarterly basis. The forum is generally attended by all Councilors, Traditional Leaders participating in the Council, IDP Steering Committee members, organized groups/interest groups, Sector Departments operating within Mbashe jurisdiction, all Ward Committees and Community Development Workers.

After the tabling of the draft IDP/Budget to the Council, road shows to all the wards are undertaken, where logistical arrangements in the form of transport and catering are provided. It is noticeable that all ward committees are attending the forum and supposedly it should be attended by the ward committee secretaries.

✓ **Mayoral Outreaches**

These are programs aimed at uplifting and supporting those who are in need of service delivery. Executive Mayor or Members of the Mayoral Committee are leading these outreaches.

✓ **Mayoral Imbizo**

Are held for all wards and are convened by the Executive Mayor/Mayoral Committee (MAYCO) for reporting on past projects, status of the current projects and prioritization of community needs for the next financial year. The Imbizos also give an opportunity to the members of the communities to identify three (3) priorities in each ward that need to be looked at during the planning and identification of projects by the municipality.

✓ **Stakeholder Engagements**

The municipality together with other role players engages with specific interest groups on development issues. The municipality continuously assists and intervenes in all programs/ activities to strengthen the stakeholder relations. This is done to promote the Batho Pele principles.

✓ **Ward Committees**

The Ward Committees gather information from the communities during the IDP process which are forwarded to the IDP and Budget Steering Committee for consideration in the budget process.

✓ **Community Development Workers (CDWs)**

CDWs are appointed as government agents to assist Councilors and Ward Committees for change in Mbashe. The municipality and the Department of Co-operative Governance and Traditional Affairs (COGTA) have developed and signed a Memorandum of Understanding (MOU) for effectiveness and efficiency of CDWs, as a result they are permitted access to municipal facilities and they take part in all developmental programs. CDWs are actively involved as stakeholders in public participation. They are also Ex officio members in ward committee meetings. The work of the CDWs may be unnoticed because the municipality has no administrative control over the actions of these individuals. This is exacerbated by the fact that CDWs report to COGTA. Posts of CDWs are still left unfilled by the COGTA and this resulted in some wards living without CDWs for a long time. There are 14 CDWs currently serving Mbashe area of which this covers 44% only of the 32 wards.

✓ **Social media and virtual platforms**

The outbreak of the COVID 19 Pandemic in 2020 and the implementation of the Disaster Management Act from 26 March 2020 which resulted in lockdown, widely affected the participation of the public to the programs of the municipality. However, the Municipality had to look at other means of reaching the public to continue its business. Social media and virtual platforms (e.g. Facebook, WhatsApp, radio broadcasts and Zoom/Teams virtual meeting) were used to close the gap between communities and the municipality.

✓ **Operation Masiphathisane (War Rooms)**

With the introduction of the Masiphathisane campaign by the Premier (War rooms) the municipality will be in the position of fully implementing the community-based planning approach. The executive committee as mandated by council uses the ward priorities to prioritize projects to be funded and implemented through the IDP and SDBIP in each financial year.

✓ **Ward based Plans**

Soon after the new council was sworn in November 2021, the Executive Mayor and the Mayoral Committee accompanied by the Council Speaker, Chief Whip and Senior Management held Mayoral Imbizos in each of the 32 wards. Besides introducing the new leadership to communities, the main purpose of the visit was to source out priorities per ward.

Information was sourced on the availability of infrastructure, roads, schools, health facilities. The municipality is currently engaging in another ward profiling project started in October 2019 and is still continuing as it is a big project as it is covering all 32 wards. Due to budget constraints, assistance will be sourced from Amathole District Municipality and, or COGTA in preparation for the upcoming 5-year plan.

The table below lists 3 priorities per ward and additional requests from communities which will remain unfunded in the next financial years up to 2027. In each IDP reviewal it has been agreed with communities that prioritization of projects will come out of the lists submitted unless changes come from the wards. However, any additional funding will assist in making sure that some of these plans do come to fruition.

In preparation for the next 5-year term Ward Plans have commenced in 2019 and were completed in Ward 2,3, 13, 21,25 and 32. Due to Covid 19 pandemic this project has been delayed and will resume again in July 2021 if the regulations are eased further.

Ward Priorities as submitted by communities between 17 January – 16 February 2022

WARD 1	
VILLAGES: Dutywa Town, Govan Mbeki and Auckland & Ratepayers and the Business	
Priorities	Additional Ward Needs
<ul style="list-style-type: none"> ✓ Access Road from Mfecane to Siwendu (new) ✓ High-mast light from Stophini in the middle of the area (Auckland). ✓ Bridge upgrade at Ngubethole Bam SPS. 	<ul style="list-style-type: none"> ✓ Toilets need to be serviced and renovation for collapsing ones ✓ Water harvesting for the community (tanks) ✓ Short term employment opportunities - EPWP ✓ Waste dumping site needs to be improved, and its affecting their health ✓ Support to the existing projects and cooperatives throughout the ward ✓ Electricity – new extensions for households

<ul style="list-style-type: none"> ✓ Water - taps without water since their installation ✓ Electricity tokens: Free Basic Services (FBS) provision to deserving beneficiaries. 	<ul style="list-style-type: none"> ✓ Sufficient provision of Livestock remedy and support to farmers ✓ Houses for the destitute ✓ Tractor provision for cultivating land ✓ Appeal to the municipality not to relocate Agriculture and GPO residents to their ward. ✓ Requirements/Qualifications/age for vacancies created and advertised need to be relaxed and consider Recognition of Prior Learning (RPL) when selecting. ✓ Extension/Renovation of A.B. Siwendu SPS by government as it is a community-built school. ✓ Community hall – Govan Mbeki Community Hall.
Dutywa Ratepayers	
<ul style="list-style-type: none"> ✓ Quality roads and closure of potholes on roads ✓ Streetlights need to function as their non-functioning poses danger to the community) ✓ Cleanliness (Streets, Grave, Yards) - Dumpsites are increasing very fast, both graveyards must be taken good care of and manned and they must be numbered ✓ Dutywa Town Hall is a Community - Yard must be cleared and not used for impounding vehicles. ✓ Consideration of youth in available jobs & positions – rate of unemployment is very high 	<ul style="list-style-type: none"> ✓ Zoning Scheme – report on the status of sites sold ✓ What is the position of sites that were going to be developed for middle-class? ✓ Need to be advised on sites zoned for business. ✓ Unused Government buildings are usurped. ✓ Public Participation of By-Laws before approval and enforcement
WARD 2	
Villages: Mamfeneni, Madokisini, Mthetho, Flower, Ndakeni, Gqukesi, Mchitwa	
T.S. Matsiliza and Bonkolo	
<ul style="list-style-type: none"> ✓ Access road from Gqukesi to Upper Qhorha (new) ✓ Good Hope and Ngonyama Community halls ✓ Zimpuku High-mast light ✓ Fencing of farming fields ✓ Electricity 	<ul style="list-style-type: none"> ✓ Shearing sheds (Ngonyama, Shearing shed to be completed at Good Hope) ✓ Fencing of ECDC at Mamfeneni and a stock dam at Gqukesi ✓ Renovation of the community hall at Mamfeneni ✓ Community hall at Ndakeni ✓ Ngonyama Farming equipment (fertilizer), Stock remedy and fertilizer at Good Hope, Provision of equipment for farmers at Flower and Mthetho. ✓ High-mast light at Ngonyama, Good Hope, Gqukesi ✓ Construction of stock dam at Ngonyama ✓ Public Library at Ngonyama

	<ul style="list-style-type: none"> ✓ Mobile clinic at Ngonyama ✓ Ngonyama dipping tank ✓ Mamfeneni maize processing to produced products like samp, meal - meal, etc. ✓ Access road at Good Hope ✓ Support to existing projects (vegetable garden) ✓ Sports-field for the youth ✓ Bridge – Upper Qhorha ✓ SMMEs to be given opportunities for bidding as local people ✓ An organisation for older persons got a site that needs to be constructed or be afforded an opportunity to use of available government structure ✓ Nomaka Mbeki Technical High School require advanced tools for ✓ Provision of security, free data/WIFI for high school learners ✓ Free DSTV service promised ✓ Improvement of Poor workmanship for work done and lack of monitoring on implemented municipal projects from time to time ✓ Creation of job opportunities ✓ Increasing Crime incidents at Ndakeni (murder and gender based violence) and this needs attention ✓ Speed humps requested for N2 entrance ✓ Water (ADM) – Dysfunctional water taps at Mamfeneni, fixing of water taps at Good Hope, no water Gqukesi, yard connections (water) at Ndakeni ✓ Toilets – Need to be serviced (ADM)
WARD 3	
Villages: Drayini, Lencane, Mpepheni, Qelana, Tyholomi, Mavata, Gwadana Tribal, Mahliwane/Mphalala Gwadana Mission and Nqadu	
<ul style="list-style-type: none"> ✓ Nkolweni to Soweto access road (new) ✓ Tyholomi dipping tank ✓ Electricity (Mostly new extensions and infills) ✓ Nqadu access road-Emkhwezweni to Nqadu JSS. ✓ Water for the ward (Some with dysfunctional taps or no water at all) 	<ul style="list-style-type: none"> ✓ Roads and networks: ✓ Mahliwane to Mphalala needs bridge maintenance ✓ Fencing of fields at Nqadu, from Qwaninga to Gwadana (under Notumata programme) ✓ Gwadana clinic needs more facilities like space/waiting area to accommodate any weather conditions, like a park-home ✓ Toilets (new extensions and infills) ✓ RDP Houses for the destitute ✓ Nkolweni Sports-field construction ✓ Sports kit for all VDs. ✓ Khanyisa Ntsimbi - fencing of a sports-field (next to the Coop/project in the area) as there are new land sites allocation done in the area.

	<ul style="list-style-type: none"> ✓ Crop production support (machinery necessary) ✓ Shearing sheds with ablution facilities for organised farmers ✓ ECDC is a community built one and needs to be upgraded/extended ✓ Skills centre for Nqadu agricultural initiatives development, e.g., processing of primary products to finished ones and marketing thereof. ✓ Stock remedy to be provided ✓ Road maintenance (Lists to be confirmed and submitted to the municipality by the Ward Councillor). ✓ Gwadana community hall ✓ High-mast light was requested but not specified the area(s). ✓ Renovation of Drayini/Matolweni community hall ✓ RDP Houses for the destitute (Older persons, people living with disabilities, etc.) ✓ Mpepheni and Qelane – Bridges need maintenance ✓ Creation of job opportunities and mentioned welding, carpentry, etc. for the entire ward (targeting the unemployed youth) and Xolilizwe SSS. ✓ Speed humps at Lencane ✓ HRD – Bursaries for Grade 12 achieving learners and drug rehabilitation centre ✓ Completion of dipping tank at Lencane ✓ Servicing of toilets was not completed and some collapsed sometime in 2020 ✓ Lencane – Youth development programmes and vukuzenzele initiatives for job opportunities and need support ✓ Support to Nqadu Farmers (Wool) ✓ To revive stock breeding ✓ Crime was raised as a concern <p>Other issues</p> <ul style="list-style-type: none"> ✓ Complaint about lack of monitoring of projects being implemented and complained about the quality of road done recently in the ward. ✓ Another issue was on Maize production initiatives and tractors provided which seem to be not properly monitored and quoted a tractor that was burnt down. ✓ To improve communication and information sharing as stakeholders. ✓ The community from Nqadu expressed their dissatisfaction about the demarcation process which resulted to them falling under Ward 3
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WARD 4

Villages: Zamuxolo, Zwelakhe, Gxarha, Phakamile, Maxhama, Ntshingeni, Xeni, Upper Colosa, Mputi and Timani	
<ul style="list-style-type: none"> ✓ Electricity for infills and new extensions in the entire ward ✓ Roads: access road from Jongilanga to Munyu, Tayi to Ngqungqushu via Xaba to Upper Timane (No.1) Xeni to Komkhulu at Mputhi, Mputhi to Xeni via Timane. ✓ Fencing of fields at Maxhama B/Kuhleke/Timane ✓ Dipping tank maintenance at Gxarha emva kweholo and Sisonke Dipping tank ✓ Shearing sheds at Zamuxolo, Colosa, Timane as well as Mangqosinini, Mputhi/Zweliwelile. 	<ul style="list-style-type: none"> ✓ Maintenance of access roads (A list to be confirmed by the ward councillor) ✓ Sports-field for the ward ✓ Water – (ADM)
WARD 5	
Villages: Singeni, Vonqo/Upper, Bolotwa, Mbanga, Silityiwa, Bolotwa, Bangweni, Qeqe, Nyakatha, Vinindwa, Zanolhanga and Jadezweni	
<ul style="list-style-type: none"> ✓ Jadezweni bridge ✓ Mbanga shearing shed ✓ Multipurpose centre at Vonqo ✓ Nyakatha sports-field ✓ Bolotwa dipping tank 	<ul style="list-style-type: none"> ✓ RDP Houses ✓ Water (Khalankomo at Vonqo, Gwantu, Qeqe has got no taps at all, mostly have taps but have no running water). ✓ Electricity (new extensions/Infills at Xawuka) but accurate number of households will be confirmed by the ward councillor. ✓ Mobile clinic at Qolweni and Jadezweni ✓ Projects (Cooperatives to be initiated and made an example of poultry, piggery but the community was advised to first identify projects and for the existing ones, they should seek advice from the relevant municipal offices. ✓ Dipping tanks (All ward) ✓ Access roads to various schools (new) ✓ Tower to improve network and a request of toilets.
WARD 6	
Villages: Mozweni, Dayimani, Lithalethu, Mhuku, Nqabane, Njemane, Lota, Nimrod, Nombulelo, Ngubeszwe, Mpozolo, Baptist Church and Upper Nyhwarha	
<ul style="list-style-type: none"> ✓ Water – (ADM) ✓ Roads (5 new and the rest need maintenance) together with bridges ✓ Access road from Lota clinic to Machibini ✓ Mlonzi to Masango access road ✓ Access road from Nqabane (Venkileni) to Mabheleni to connect Nimrod 	<ul style="list-style-type: none"> ✓ Stock dams (Construction and scooping) ✓ Shearing sheds ✓ Community hall at Makhobokeni and Nimrod ✓ Network upgrade ✓ Got a team without a playing field, need a sports-field ✓ Houses for the destitute (Still waiting for a temporal structure as a beneficiary since 2018 (Mr Nelani Gcinikhaya at Njemane)

<ul style="list-style-type: none"> ✓ Makhobokeni access road done but not completed ✓ Access road with bridge from Dayimane road via Makhobokeni to Lota to Singeni <p>Maintenance</p> <ul style="list-style-type: none"> ○ Ngqingqizela access road Road joining from N2 to R61 ○ Njemane access road to Njemane river ○ Nombulelo access road to join Nqabane to N2 ○ Salinga to Machibini access road ○ Nywarha mission to Entla kwesporo <p>Electricity (ESKOM): three-fold – Infills, new extensions and customer care/lack of communication/poor service rendered by Eskom. In addition to that there were issues of dysfunctional transformer at Lithalethu, fallen electric pole and cables at Nimrod and has been secured since December 2021 (pole)</p> <p>Fencing of fields in the ward</p>	<ul style="list-style-type: none"> ✓ Cooperative/Project support ✓ Ngubesizwe: N2 access road via railway line to the new households, Mjanyana to Xawuka access road ✓ Bridges at Lota, Mozulu, Nyandeni/Machibini ✓ Alien/Invasive plant removal ✓ Mobile clinic ✓ Toilets need to be serviced ✓ High-mast lights at Dayimani ✓ Skills centre for the youth <p>Other issues raised</p> <ul style="list-style-type: none"> • Construction company on site – alleged poor workmanship in progress and need monitoring • Request was made to Communications Unit on information sharing and Quarterly newsletter to be disseminated to the local chiefs, councillors and ward committees). • Crime at Dayimane • Skills centre (Service provider) next to the clinic (Near the railway station at Munyu) needs monitoring for the standard of work done • Learners are currently doing practical work somewhere in Aliwal North. A follow-up is needed on that project.
WARD 7	
Villages: Candu, Ludondolo, Ndabankulu, Mabheleni, Xholo, Ndesi, Zithenjini, Mbelo, Sijadu, Thamsanqa, Munyu, Mhala and Mtshotshisa	
<ul style="list-style-type: none"> ✓ Water - (ADM) ✓ Sihlabeni to Gungululu Access Road, N2 via Munyu to Ndabankulu, Zithenjini Access Road- From Y junction to Farmer, N2 via Mhala to Ndexe. ✓ Mabheleni Community Hall ✓ Fencing of fields ✓ Stock dams 	<ul style="list-style-type: none"> ✓ Shearing shed at Mhala ✓ Sports - field at Candu ✓ Toilets – ADM (Candu – new extensions and infills) ✓ Youth and job opportunities ✓ Electricity (new extensions and infills) ✓ Candu – Youth and sport development in the ward and to have annual tournament every year for 16 June: Need support of any kind ✓ Mbelo (Next to Mabheleni) – to N2: Maintenance ✓ Qokolweni-Dipping tank for small stock need maintenance ✓ Munyu – Stock remedy support ✓ Mhala community hall – needs maintenance
WARD 8	
Villages: Sibane, Msikithi, Collywabbles, Tomson, Laphumilanga, Naki, Vulithuba, Mdunyiswa, Xobo, Gem, Tshwati and Dale	
<ul style="list-style-type: none"> ✓ Community hall at Gem ✓ Access road with bridge from Nake to Singeni (new) ✓ ECDC at Masikhanye (Vulithuba) 	<ul style="list-style-type: none"> ✓ Sundwana Clinic and extension of services ✓ Mobile Clinic (Sibane, Msikithi, Rhafa and Lukreqweni) ✓ Vulingcobo SSS to be built as it is currently overcrowded

<ul style="list-style-type: none"> ✓ Electricity –Lukreqweni, Chaphaza, Sibane and Msikithi, (Also have infills and new extensions) and unstable power at Vulithuba ✓ Water for yard connections and no water in some areas except dams for stock 	<ul style="list-style-type: none"> ✓ Shearing shed at Collywobbles, Gxogxa, Bhavuma, Laphumilanga, Nomatye and Nweleni ✓ Fencing of fields to be completed at Xobo ✓ RDP Houses ✓ Colosa to Mbhangcolo access road (R335) for maintenance and R336 road to be gravelled ✓ Toilets to be serviced ✓ Construction of Chaphaza sports-field and maintenance thereof of other sports fields ✓ Removal of alien/invasive plant (utywala bentaka) at Sibane and Msikithi, etc. ✓ Siyazondla project support ✓ Bridge from Ngcobo to Mcobo (Msikithi) and another one between Ndesi and Luthuthu ✓ Bridge at Lukreqweni to Sogula via Sibane (Both bridges cross Mhashe ✓ Stock veld for livestock ✓ Toilets for shearing sheds ✓ WIFI ✓ Tournaments for the youth <ul style="list-style-type: none"> ○ Renovation of Msikithi site
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WARD 9

Villages: Vulindlela, Colosa, New Rest, Sizini, GPO, Doti and Bongweni

<ul style="list-style-type: none"> ✓ Access road from Colosa to Dyasi (new) ✓ Access road from Lucky Rulumeni home via Gulwa to Murumuru ✓ Doti community hall ✓ High-mast light at Colosa and Doti ✓ Construction of toilets at Colosa (new) 	<ul style="list-style-type: none"> ✓ Community hall at Colosa Mission ✓ WIFI at Sizini for the learners and the youth ✓ Sports-field facilities for all VDs ✓ Taps with water ✓ Maintenance of all access roads ✓ Electricity for infills ✓ RDP houses for the informal settlement dwellers ✓ Installation of electricity at GPO ✓ Creation of employment opportunities for GPO dwellers ✓ Bridge construction under JSS and Auckland Bongweni ✓ Sports tournament to bring them back and sports equipment for youth
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WARD 10

Villages: Lazamakhakha, Qakazana, Ngeka, Notinarha, Bomela/Duff, Bangiso, Taleni, Mzimkhulu and Morrison

<ul style="list-style-type: none"> ✓ Dinizulu to Shixini (Bomvana) access road (new) ✓ Electricity (Infills and new extensions) ✓ Water is needed to all villages (taps are available without running water) ✓ Roads (Maintenance) Morrison access road ✓ Mabheleni ✓ Ntilini and ✓ Zenzele ✓ Duff bridge 	<ul style="list-style-type: none"> ✓ Dipping tanks ✓ Fencing of poultry projects
Ward 11	
Villages: Bhotwe, Bonde, Ntshingeni, Ncedana, Nojongile, Nkanga, Ngqaqini, Dadamba, Upper Dadamba and Zenzele	
<ul style="list-style-type: none"> ✓ Ntilini Access Road to Bhotwe/Nqadu new ✓ Zenzele Community Hall (Centre) ✓ Water in all areas, taps are not working (ADM) ✓ Dipping tanks (DRDAR) ✓ Sports-field 	<ul style="list-style-type: none"> ✓ Electricity (New households) ✓ Dam scooping (DRDAR) ✓ Old Toilets ✓ Alien/invasive plant removal ✓ Dywabasi and uTywala bentaka to be removed
WARD 12	
Villages: Falakahla, Tyekelebende, Cungcwini, Makhakha, Bonweni, Rwantisini	
<ul style="list-style-type: none"> ✓ The community confirmed their priorities to first consider those that were listed in 2017-2022 IDP and the proposal was seconded. ✓ Mangwevini Access Road ✓ Thethiswayo/Nqabarha Riover Bridge ✓ Mobile Clinic (Lowe Falakahla, Zomtsha, Bomela, Gem) ✓ Water ✓ Road from Old Idutywa to Komkhulu 	<ul style="list-style-type: none"> ✓ Roads (New) ✓ Mangwevini access road (new) to Colosa ✓ Nkolweni to Cilo ✓ Magiqweni to Dutywa with a bridge ✓ Potelwa to Lwalweni ✓ Xobojiyane to Mdaka ✓ Gangam to Fama ✓ Nopotwe to EmaCirheni ✓ Etyeni to Mbityane ✓ Water and taps (no running water since installation), in almost the entire ward, Stock dams in all wards ✓ Fencing of fields at Dutywa River, Upper and Lower Falakahla, Tyekelebende, Ndulwini, Xobojiyane, Rhwantsini ✓ Shearing Shed (new) and dipping tanks at Rhwantsini, Tyekelebende, Nqabarha Clinic, Upper Falakahla, Cungcwini, Masakhane, Nopotwe for renovation of shearing shed

	✓ Youth development and community farming.
WARD 13	
Villages: Kasa, Ncihana, Fameni, Manduluka, Pongoma, River View, Walter Sisulu and Xhora Town (rate payers)	
<ul style="list-style-type: none"> ✓ Electricity for the ward ✓ Community hall at Fameni ✓ Pongoma access road ✓ Water – Need tanks, taps and gutters ✓ Clinic (Mobile at Kasa) 	N/A
<ul style="list-style-type: none"> ✓ The following priorities were presented: ✓ Program of Waste Management in Xhorha Rural must be given to business owners and it be for them to employ. ✓ Cleaning of coastal areas and rivers, alien removal to be given to business ✓ Request for Libraries in each ward to keep the youth busy and away from substance abuse ✓ Request for a Museum, government and municipality should assist in negotiations and implementation of SPLUMA and advise ✓ Tar Road from Mt. Pleasant to Madwalweni and Nkanya 	<ul style="list-style-type: none"> ✓ Municipality to contact business of the relevant unit on jobs such a transporting communities and catering and improve on confirming the order to service provider in time. ✓ Incubator program – the split in the units should be equal in all the units for service providers. Service Providers that are not in the Incubator Program must not be ignored, jobs must still be made available to them ✓ Specifications for road maintenance must include water reticulation as problems are experienced when this is excluded and roads have a short life span and they are perceived as not doing proper jobs ✓ Repairs of RDP Houses at Walter Sisulu. ✓ Maintenance of Ncihana road and demolished bridge at Melithafa and Khasa by Public Works
WARD 14	
Villages: Mahlezana, Fort Bowker, Manqoba, Mndundu, Lusungulo, Rhamrha, Madakana, Bikane, Lukhozana, Sunduza and Qhingqala	
<ul style="list-style-type: none"> ✓ Electricity at Madaka and Gobityeni Village. At Bikane no installation at all ✓ Maintenance of access road at Madakana Village ✓ New access road at Nkolweni Village and its very bad ✓ Maintenance of access road at Sunduza ✓ Building of Sunduza Clinic 	<ul style="list-style-type: none"> ✓ Maintenance of Access Road at Bikane ✓ Electricity to infills at Bikane ✓ New Access Road from Bikane to Xhomo ✓ Building of community hall at Rhamra ✓ No water taps at all at Rhamrha ✓ Road maintenance of access roads at Rhamrha, Mndundu and Mahlezana ✓ No electricity at Mahlezana ✓ Building of sports facilities at Rhamrha

WARD 15	
Villages: Mcelwane, Mdabuka, Mwezeni, Pewula, Thubeni, Xhuba, Qamata, Miller, Sholorha, Ngqakayi Sarhili, Njuqwana	
<p>Access Roads:</p> <ul style="list-style-type: none"> ✓ Bobani access road new ✓ Gwelani access road, ✓ Mtshayelo Sholorha School access road to Qombe <p>Electrification for old households (Infills and new extensions)</p> <p>Toilets for the households that were left out and new households</p> <p>Job opportunities – EPWP (Gwelane and Pewula), alien/invasive plant removal</p> <p>Houses for the destitute.</p>	<ul style="list-style-type: none"> ✓ Dipping tanks ✓ Bridges ✓ Creche at Thandiwe ✓ Fencing of fields ✓ Request a bridge to access Bango school
Ward 16	
Villages: Qotongo, Mbhanyane, Makhameza, Phokoloshe, Ntabezulu, Sirunu, Mngazane, Jongulwandle, Kosana and Gobizembe	
<p>Roads:</p> <ul style="list-style-type: none"> ✓ Bomvana Elalini to Pokoloshe, Sheltheni to Mbelu, Dez to Ungqumela. ✓ ECDC at Mngazana ✓ Renovation of Gqubhuzeni Community hall ✓ Electricity at Mngazana (infills and new extensions) ✓ Dam scooping for the entire ward 	<ul style="list-style-type: none"> ✓ Lower Mngazana dipping tank and at lower Mbhanyana. Aldan Store to kwaMhemfu, dipping tank for small stock at Mngazana and Mbhanyana ✓ Sports-field to be maintained especially at Gqubhuzeni ✓ Bridges at Qothongo that has been made with slabs to be upgraded ✓ (Qotongo to Madwaleni provincial road needs attention as it has a flat bridge). <p>Maintenance</p> <ul style="list-style-type: none"> ✓ Mantintiza to Qotongo access road needs maintenance/blading ✓ Gqubhuzeni to Sholorha access road, Matikeni access road to Dez. Maqadini access road (new), KwaLangile to Fayedwa access road, Makhitshini to Nkonyane access road, Maqolo to Gqubhuzeni access road – inaccessible. Nolungile to Pokoloshe access road (new)

	<ul style="list-style-type: none"> ✓ Shearing shed in the ward. ✓ RDP Houses. ✓ Reprioritised new roads were as follows: ✓ Mt Pleasant to Maqocweni ✓ Access road from Zithenjini to Bomvana clinic ✓ Mngazana access road ✓ Bomvana to Pokoloshe access road ✓ Road (Joining Duduzile) – needs maintenance <p>To prioritise those that were previously prioritised in 2017-2022 to be done first then follow the other newly identified priorities. The suggestion was seconded by many to start with the first 2 that were on the list.</p>
Ward 17	
Villages: Mpakama, Mtshekelweni, Magoxo, Nqayiya, Qinqana JSS, Qinqana Methodist, Manzi, Ntsingizi, J. Tyali	
<ul style="list-style-type: none"> ✓ Mpakama community hall ✓ Upper Mncwasa bridge from Manzi to Mbethe ✓ Ntsingizi access road from Komkhulu to Mantusini (new) ✓ Mtshekelweni access road from Xhorha River to Mqhele School (Maintenance) ✓ Qinqana North (Gqaleni to Vulintethe School (new) 	<ul style="list-style-type: none"> ✓ Manyathi to Khulakade Clinic, access road from Mbelu to Zem be, Road from Mditshwa to Stonedrift need EPWP to maintain it, Road from Stonedrift to Qinqana School, access road from Weza Traditional Council to Mpakama School. ✓ Clinic at Qinqana ✓ Community hall at Qinqana ✓ Dipping tank for large stock (Between Qinqana North and South) ✓ Nqayiya – Hall maintenance ✓ Upper Mncwasa – Bridge ✓ Alien/invasive plant removal- all wards ✓ Ntsingizi – Stock dam scooping ✓ Qinqana South A/A –Fencing of farmers field at Qinqana for Maize Production ✓ Fencing of households for the destitute ✓ Sports-field for the entire ward ✓ WIFI at the centre for the learners and the youth.
Ward 18	
Villages: Zikolokota, Thalimofu, Phuthuma, Khotyana, Gwebityala, Mndwaka, Kwantshunqe, Mbethe/ Lower Bufumba	
<p>Access road</p> <ul style="list-style-type: none"> ✓ From Makabongwe Shop to Jikanaye to Nkonxeni (Gwebityala) ✓ Sports-field to be completed at Lower Bufumba ✓ Sports-field at Mndwaka ✓ Chairs for hall and fixing of toilets ✓ Community Hall at Ezikolokoto 	<ul style="list-style-type: none"> ✓ Electricity – Entire ward (Unstable), need clarity on the root cause of the challenge faced, Eskom takes longer to fix the reported problem. ✓ Dipping tank ✓ Sports-field – incomplete, had sport equipment promised by a private company (DBSA) ✓ Stock remedy (Both large and small). ✓ Houses erected by the municipality – showing cracks and no plan to date.

<ul style="list-style-type: none"> ✓ Water new taps for the entire ward with infills and new extensions. 	<ul style="list-style-type: none"> ✓ Mndwaka community hall built – got collapsing toilets, and also needs chairs ✓ Cooperatives to be revived in the area ✓ Thafalehashe – Sports field ✓ Zwelenqaba (Only grass was fenced) ✓ Community hall needed <ul style="list-style-type: none"> • Clinic at Zikolokota • Uncedo Taxi rank – Thafalehashe (CDW) <p>Other issues</p> <p>To improve communication to be proper for informing people about meetings of this nature (As raised by the Ward CDW).</p>
Ward 19	
Villages: Lumkwana, Mpame, Manzibomvu, Ndalata, No-Ofisi, Lubanzi, Mhlahlane, Sea View, Mission	
<ul style="list-style-type: none"> ✓ Zithulele community hall ✓ Coastal development from Mhlahlane to Bulungula ✓ Access road from Tshezi via Sholozu to Manzibomvu, ✓ Access road from Khabalandile to the ocean ✓ Hawker stalls at Zithulele ✓ Nqileni- KwaNo-Ofisi dipping tank (large stock) 	<ul style="list-style-type: none"> ✓ Electricity – New extensions (Mhlahlane to No-Ofisi) and the rest of the ward ✓ RDP Houses (Ward 19) ✓ Access road from Xhorha Mouth to Zithulele (new), Access Road from Gxwangu to Zithulele (new), Access road From Blayi to the ocean, Access road from Nqakaqa to Mbiza (Mpame) ✓ Water – Got taps without running water and a reserve tank (whole ward) as well as a dam ✓ Clinic at Manzibomvu/Mobile clinic for services ✓ Toilets – (Whole ward, some have them but damaged) ✓ Sports-field at Manzibomvu ✓ Construction of Lumkwana SPS as it is a community built school. ✓ Stock remedy and equipment for the whole ward (fertilizer, tractor, fencing) ✓ Alien/Invasive plant removal and foreign tree ✓ Bridge construction between Nqileni and Xhorha (Nkanya) – new ✓ Job creation initiatives ✓ Maintenance of dipping tank at Ndalatha/Manzamyama, Mdikane ✓ Fencing and provision of toilets for a Lemon grass project at Nqileni ✓ Cleaning of oceans ✓ Clinic at Nqileni to access other services
Ward 20	
Villages: Geya, Cwebe, Thongana, Hobeni, Zwelebango, Ngubenyathi, Manganyela and Nonesi	
<ul style="list-style-type: none"> ✓ Roads - new (construction and maintenance) 	<ul style="list-style-type: none"> ✓ Houses for the destitute/RDP

<ul style="list-style-type: none"> ✓ Mgqadaza to Hobeni (new) ✓ Nature Reserve Gate to the ocean (Need blading) ✓ Both access roads be prioritised then others will follow and that proposal was seconded by the community of the ward ✓ Bridge (Ntlonyana) and a swing bridge ✓ Electricity ✓ Water ✓ ECDCs (Thunzini, Cwebe, Geya) 	<ul style="list-style-type: none"> ✓ EPWP personnel for road maintenance
Ward 21	
<p>Villages :Mbhangcolo,Hlakothe,Ntsimbakazi,Mendu,Mpozolo,Msendo,Lurwayizo,Nkonjane,Mampondweni,Ntlangano, Mendwana</p>	
<ul style="list-style-type: none"> ✓ Access Road from Nkonjane via Gwadu (Mpozolo to Gwadu is in a bad state), Quku to Mpume, access road from Nqabarha bridge to Ntsimbakazi, Ntlangano to Lurwayizo access road also need a bridge at Mendu, Mpozolo SSS to Nkosi Daliwonga, ✓ Water – taps without running water ✓ Electricity (new extensions/infills) and other related needs ✓ Mobile clinic ✓ Revival of projects – Xhorha to Qhorha fishing project (Got fishing rights and need to be supported). 	<ul style="list-style-type: none"> ✓ Renovation of the Community hall at Mpozolo (Part of the roof blown away by the wind) ✓ Mendu – Mobile clinic ✓ High-mast light ✓ Mobile police services ✓ Access road to Mpozolo ✓ Nkonjane – Access Road from Dayi to Nqabarha (bridge) promised <p>Maintanance</p> <ul style="list-style-type: none"> ✓ Access road at Mendwana, ✓ Mpozolo – Access Road, Mbhashe River to Notshenge via Bhobozane, Access Road from Hlakothe to Kwamkhwane to Chibini at Ntsimbakazi. ✓ Dipping tank ✓ Mendwana – Community Hall ✓ Clinic built by the community – needs facilities ✓ Mpozolo at Dyasi – Dam scooping ✓ Provision of Seedlings ✓ Skills centre for the youth in the ward ✓ Fencing of the fields ✓ Access road done causes accidents and need humps for Mpozolo SSS and SPS learners. ✓ Nkonjane crop production project initiation idea for 12 men advised to organise themselves before any support

	<p>Other issues</p> <p>Monitoring of implemented projects from time to time and made an example of road done at Mpozolo and its quality.</p>
Ward 22	
Villages: Goqo, Beechamwood, Zanemvula, Nquba, Chamshe, Hlabizulu, Dumalisile, Ngadla, Qhorha and Mgcawezulu	
<ul style="list-style-type: none"> ✓ ✓ Mgxabakazi Access Road ✓ Gojela Community Hall ✓ Alien/invasive Plant removal ✓ Sports-fields for different Codes ✓ Electricity 	
Ward 23	
Villages: Bojeni, Makhosonke, Mathumbu, Ngxutyana, Phezulu, Hadi, Zanewonga, Mente, Mgwebi, Zwelidumile, Mhlahlane, Nakazane, Jujurha, Zanenqaba	
<ul style="list-style-type: none"> ✓ Roads (Mntonga to Mantlaneni and Mcinga to Mgwebi) ✓ Electricity ✓ Water ✓ Toilet Extensions ✓ ECDCs 	
Ward 24	
Villages: Phathilizwe, Lower Gwadu, Xonyeni, Mhlabulungile, Msengeni, Mbozi, Ntlahlana, Ciko, oNomawaka, Shixini, Jongikhwezi	
<ul style="list-style-type: none"> ✓ Access Roads: Ntlahlane access road, Jongikhwezi access road, Mbozi Access Road, Zitafileni to Nomvumelwano access road ✓ Jongikhwezi Community Hall ✓ Electricity (Incomplete project with poles/boxes and new households) ✓ Dipping tanks ✓ Dams for livestock 	<ul style="list-style-type: none"> ✓ Database for the unemployed ✓ Learnerships to be introduced and intensified ✓ Network poles ✓ Information Centre (Technology) ✓ Sports-fields need to be provided with poles ✓ Job creation opportunities and LED projects ✓ RDP Houses for the destitute ✓ Toilets for new households ✓ Water challenges raised.
Ward 25	
Villages: Gosani, Nxanxashe, Nyokana, Bongweni, Thembisa, Mqothwane, Maxelegwini and Gatyana Town	
<ul style="list-style-type: none"> ✓ Mqothwane Bridge ✓ Access Roads: Maxelegwini Access Road (New), Ncalukeni (new) to Gosani, Mqothwane to Drayini 	

<ul style="list-style-type: none"> access road (new), Nyokana to Entubeni (new) access road ✓ Nqileni/Bhongweni Community Hall (To be renovated) ✓ Electricity ✓ Housing for the destitute 	
Ward 26	
Villages: Dabane, Shinirha, Bhotwe, Mphafeni, Ngqatyane, Fudumele, Nowonga and Ngqangele	
<ul style="list-style-type: none"> ✓ Roads: <ul style="list-style-type: none"> (a) Mathunzini to Nqileni access road (b) Bhotwe Mphafeni via Main road to Manaleni ✓ Community hall at Ngqatyana ✓ Shinisha Dipping tank (Large stock) ✓ Feedlot at Ntlonyana for the existing project initiated by the community. ✓ Shinirha clinic ✓ Houses for the destitute at Dabane 	<ul style="list-style-type: none"> ✓ Nozikhakhane (new extension) water (No taps at all), Siwelakathathu location (infills) and Ncityana ✓ Electricity (new extensions), Qwili and electricity giving problems when activating, ✓ Siwelakathathu also experience electricity related challenges as it is not there. ✓ Two (2) households not appearing on the map (Nosibulele Mthi) and Water at Dabane ✓ Diliza to Makhawula access road ✓ Tayi to Qwili access road needs maintenance ✓ Two (2) households not appearing on the map (Nosibulele Mthi) for electrification project
Ward 27	
Villages: Mnandi, Nokatana, Fort Malan, Gxakagxaka/Sicam, Mhlohlozi, Tywaka, Mfezane, Lubomvini. Nkelekethe and Upper Gwadu	
<ul style="list-style-type: none"> ✓ Ndudumeni to Tywaka Access Road ✓ Water ✓ Electricity ✓ Toilets and ✓ Houses for the Destitute(s) 	<ul style="list-style-type: none"> ✓ Job opportunities ✓ Alien plant Removal ✓ Sport programs ✓ Anti-drugs campaign
Ward 28	
Villages: Xhorha Mouth, Melibhunga, Thwalikhulu, Mbutye, Mkhathazo, Bafazi, Mqhele	
<ul style="list-style-type: none"> ✓ Maintenance of Mkhathazo to Madwaleni access road ✓ RDP houses ✓ Clinic ✓ Scholar transport ✓ No -Office to Mthonjeni access road 	<ul style="list-style-type: none"> ✓ Khawula to Bafazi access road (new) ✓ Tshezi to Makwayini access road ✓ Makwayini ECDC-construction ✓ Headmen/women – to be paid/salaried ✓ Xhorha Mouth community hall ✓ Paraffin and seedlings-all wards ✓ Ward nursery ✓ Blading of roads to the great places/amakomkhulu ✓ Sports-fields for the youth

	<ul style="list-style-type: none"> ✓ School uniform ✓ Stock remedy ✓ Stock dam construction ✓ Mqhele dipping tank for maintenance ✓ Xhorhana dipping tank (new) ✓ Maintenance of Mqhele dipping tank and shearing shed ✓ Water upgrade and electricity (new extensions), and at Mqhele, Mbutye and Ntilini ✓ Mbutya crèche ✓ Bafazi sports-field (To be completed) ✓ Mbutya computer WIFI ✓ Luthubeni to Xhorha Mouth Access Road ✓ Nditya to Makwayini access road ✓ Mkhathazo vegetable project support ✓ Bafazi Police station ✓ Zithimbile bridge ✓ Boreholes for the entire ward ✓ Seedlings ✓ Mkhathazo sports-field ✓ Reconstruction of collapsed houses ✓ Quarterly sport activities ✓ Mqhele shearing shed ✓ Mqhele sportsfield ✓ SMME support ✓ Teba/Lima at Emakwayini ✓ Other issues ✓ Availability of sector departments (officials) to attend to their matters
Ward 29	
Villages: Ntubeni, Nkatha, Mevana, Nqabarha, Mthokwane, Ngqeza, Mpume, Mhlanga, Ngwane and Nondobo	
<ul style="list-style-type: none"> ✓ Access road from Nocwaka to Diphini ✓ Technical repairs of taps ✓ ECDC at Ngwane ✓ Alien/invasive plant removal ✓ Farming Support 	
Ward 30	
Villages: Weza, Mboya, Mandluntsha, Kulozulu, Taleni, Tswelilitye, Ntlabane/Gangatha and Kulokhala	
<ul style="list-style-type: none"> ✓ Phaphasini access road to Kulojika (New) ✓ Fencing of fields ✓ ECDC at Swekileni 	✓

✓ Electricity (new extensions and infills)	
✓ Water	
Ward 31	
Villages: Jojweni, Mbewuleni, Thornville/Mqonci, Mhlabeni or Ziwundwana, Zundwana JSS at Mdeni, Vuyisanani Café, Keti, Douglas/Sikhobeni and,Phumlani/Chaba	
Roads - New ✓ Sikhobeni to Chaba ✓ Keti to Mbewuleni ✓ Makambi to Cumakala ✓ Thornville Zundwana community hall to Kwazulu ✓ Kofu to Vuyisanani Maintenance ✓ Mbewuleni to Tenza ✓ Ziwundwane to Clinic ✓ Makhambi to Cumakala ✓ Esikhobeni to Makhambi ✓ Thornville	✓ Shearing shed at Esikhobeni ✓ Sikhobeni dam scooping ✓ Fencing of fields at Keti ✓ Youth programmes (learnerships and internship programmes for their development) ✓ People Living with Disabilities ✓ Zundwana community hall ✓ Sikhobeni dam scooping ✓ Stock dams (To be confirmed by a ward councillor for each VD) ✓ Mobile clinics ✓ Water and Sanitation (all villages) ✓ Electricity extensions and infills
Ward 32	
Villages: Qatywa, Vuyisile, Ngubezulu and Madwaleni	
✓ Thubeni to Nomswempezo access road ✓ Nobangile to Manganyela access road ✓ Khulani to Ntlonyana access road ✓ Board walk at Qatywa beach ✓ Boat needs repairs/be replaced, 9need new boat	

✓ **Community comments from Draft IDP road shows**

Below is the consolidated list of needs/priorities as raised by communities during the Mayor's IDP road shows held on the 5th, 6th and 7th of April 2022

The executive committee as mandated by council uses these ward priorities to inform the prioritization of projects to be funded and implemented through the IDP and SDBIP in each financial year.

COMMENTS FROM COMMUNITY MEMBERS	
05/04/2022@ 10h00 Mqhele Community Hall: Wards – 17; 18; 19; 28	
Ward 17 Qinqala	The Mgqaleni to Vulinkethe access road was priority number 5 A bridge at Ezilangwini to Nqayiya should be prioritized
Ward 18	<ul style="list-style-type: none"> ▪ The access road named Jiyane to Nkonkxeni must be corrected to start at Makabongwe shop via Jikanaye to Nkonkxeni ▪ The bridge at Mqhele shop to kwaMrabe location is requested to be maintained ▪ Request a knowledge of what criteria is followed to employ EPWP workers ▪ Improvement on communication in the ward because other community members do not receive information and meetings that require their attention and involvement ▪ Request for a bridge at Nkwarini that connects to Thafalehashe
Ward 19	<ul style="list-style-type: none"> ▪ Request for maintenance of Solar ▪ No-Ofisi to Mthonjeni bridge should be considered and prioritised and a request for an intervention while awaiting for a long term solution ▪ The issue of transportation of communities to the meetings must be corrected as it inconveniences communities and there is a communication breakdown in its coordination ▪ Request for energising of street lights that were installed ▪ Request for electricity construction in new extension households
Ward 28	<ul style="list-style-type: none"> ▪ No-Ofisi to Mthonjeni access road requires urgent attention ▪ The municipality should improve on the quality of access roads construction and maintenance Acknowledged the appearance of No-Ofisi to Mthonjeni access road in the priority list
05/04/2022 @ 13h30 Gqubhuzeni Community Hall : Ward – 13; 15; 16; 26; 30; 32	
Ward15 Mwezweni	<ul style="list-style-type: none"> ▪ Bobani access road has no indication of whether it will be implemented
Ward 16	<ul style="list-style-type: none"> ▪ The access road of Bomvana to Pokoloshe and Elalini should be rephrased to Cebo via Mdala to Phokoloshe ▪ Mngazana road is a poor quality ▪ Out of the good, recognised work done by Madwaleni hospital but the discredit is the issue of non-availability of ambulances
Ward 20 Ngubenyathi	<ul style="list-style-type: none"> ▪ Thanked the priorities that were captured correctly ▪ Proposed that access road of Matitiza to Haven to be paved and under-road maintenance to be done ▪ Proposed that if it is possible to build back-packers and lodges, it would be a good idea for Economic Development from Lubanzi to Kob-Inn ▪ Request for a crossing boat for the community ▪ Mapetla road to be maintained
Ward 32	<ul style="list-style-type: none"> ▪ Request for the municipality to relook at the By-laws that are relevant as they live along the coast ▪ Electricity in-fills contractor must be introduced to Ward Councilor/s. One of those contractors was working onsite without the knowledge of the Councilor ▪ The municipality must improve on coordinating maintenance of infrastructure project ▪ The idea of paving/ surfacing of access roads was promoted as a good strategy. ▪ Request for prioritization of crossing boat for the community
Xhora Town – Rate payers	The meeting for ratepayers was scheduled with the Ward Councilor for an afternoon session. The meeting was not convened because the Rapterayers regarded it as a short notice and they requested it to be re-scheduled for another date. The meeting still needs to be rescheduled
06/04/2022 @ 13h30 Gatyana (Willowvale TRC Hall :11; 23; 25; 30	
Ward 11	No comments
Ward 23	<ul style="list-style-type: none"> ▪ Any road construction Municipality must lift the height of the bridge because of heavy rain overflows on the current sizes
Ward 25	<ul style="list-style-type: none"> ▪ Needs a clarity on 47m on Sport Facilities ▪ Water is a problem in Ward 25 (Town to be specific) ▪ In the IDP there is nothing mentioned that has to do with Socio economic development, nothing stated about youth programmes
Ward 30	<ul style="list-style-type: none"> ▪ No comments
06/04/2022@ 10h00 Phathilizwe Community Hall: Ward 14; 21; 22; 24; 27; 29	
Ward 14	<ul style="list-style-type: none"> ▪ Appreciated and thanked Sunduza electrification

Ward 21	<ul style="list-style-type: none"> ▪ Thanked the appearance of Nkalweni access road ▪ There is a big challenge of electricity in the area that requires Eskom to intervene ▪ There is no water at Ntsimbakazi ▪ Confirmed that Nkonjane via Gwadu Access Road as their priority appeared on the list but it was advised that it should be rephrased to start from Gwadu to Blorho ▪ The Community made corrections and agreed that, the access road appearing as Nkonjane via Gwadu Access Road must be corrected of as Quku to Mpume road ▪ Prioritisation of electricity infills. Electrification of households is very slow it needs monitoring; the outages are challenge and the customer service is very poor
Ward 22	<ul style="list-style-type: none"> ▪ EPWP finance has dropped from 4m to 3m and is very discouraging considering the high level of unemployment ▪ Ntlahlane Access Road to be Corrected to Siphoxo to Komkhulu
Ward 27	<ul style="list-style-type: none"> ▪ Page 41 Correction on Lurhwayizo is not in Ward 27 ▪ Komkhulu to Blorhweni road should be regarded as new road as it is at a very bad state. He made emphasis on the monitoring of projects by project Managers. ▪ Tywaka to Mfezane road must be corrected to Ndudumeni to Tywaka
Ward 29	<ul style="list-style-type: none"> ▪ Project names Nocwaka to Dipini must be corrected to NoCwane to Diphini
06/04/2022@16H00 TRC Hall : Ward- 25 Rate Payers, Ext 1	
Ext 1	<ul style="list-style-type: none"> ▪ Ext 1 community members are paying rates buy the waste is not removed. There is no supervision on refuse removal workers. Who are the rate payers? (CFO responded) ▪ Refuse is not removed at Ext 1. The only service they have received are the big dustbins. Municipal officials damp the waste outside the dumpling cite. Willowvale EXT 1 high-must had technical problems long time ago and its even worse because even cables have been stolen ▪ Raised the concern about the 43m for the construction of roads in Willowvale as to how it will be distributed or split according to towns ▪ For Refuse removal in Willowvale there is no routine. Rate payers must be informed and be involved in any project of service delivery in Willowvale and the municipality to improve on supervision ▪ Tree cutting was the first priority for Willowvle for Rate Payers but now its looked people are living in the forest. Because of these tree and bushy environment crime has increased immensely. For the construction of streets for 3 town it must start at Willowvale so that if the budget is finished at least Willowvale will be done because the state of roads is very bad ▪ The programme of honey- suck at Amathole is not functioning well. Is there a provision of a Truck that Mbhashe LM can make to service the Towns! ▪ How are Rate payers entitled to receive the Municipal Services and benefits? ▪ Next to Mrs Rhwece's yard there is a dangerous tree that poses a high risk and she is struggling to find a relevant place to assist her ▪ All roads must have pipes to drain the Water during rain fall. Rate for Un employed people Amathole Officials must be invited and be present in the Mbizo meetings so that they attend to the questions and the consents from the people
07/04/2022@ 10h00 Candu Community Hall: Wards 4; 5; 6; 7; 8	
Ward 4- Mputhi, Xeni	<ul style="list-style-type: none"> ▪ Access road appearing on the priorities to remain ▪ Upper Colosa not included on the priority list ▪ Fencing of fields ▪ Rhwantsini (Munyu station to be developed in that place ▪ Munyu to Gxarha access road in process ▪ Appreciated the presentation ▪ Upper Colosa Electrification
Ward 6	<ul style="list-style-type: none"> ▪ Nimrod to Madaka access road
Ward 7	<ul style="list-style-type: none"> ▪ There were still outstanding households that were not counted by Census ▪ Fencing of fields ▪ Census survey was not done door to door ▪ List of Ward Scooping and Dams to be submitted to Ward Councilors
Ward 8	<ul style="list-style-type: none"> ▪ Gem hall has no allocated funds ▪ Sundwana water supply not appearing on the list ▪ Request for access road leading to the hall

07&13 04/2022@ 13h30 &18h00 Dutywa - TRC Hall & Dutywa Council Chamber Wards

1; 3; 9; 10; 12; 31

Ward 1	<ul style="list-style-type: none">Requested a maintenance of Govern Mbeki Hall
Ward 1 Rate Payers	The meeting was rescheduled for 13 April 2022 due to poor attendance. Even on the rescheduled date only few ratepayers attended. It was then resolved that they should submit their comments in writing
Ward 3	Supported the paving of gravel Roads in rural areas
Ward 10	<ul style="list-style-type: none">Requested the speed maintenance of Nqabara Access Roads to Nqabara clinic also appreciated the presentationsHe highlighted the projects that are not appearing in the list of Priorities like Nqabara main Road and he also requested the monitoring of EPWPMzimkhulu Access road not appearing.Moclone access road misprint to be corrected

CHAPTER 2

SITUATIONAL ANALYSIS

2.1 SITUATIONAL ANALYSIS

Situational Analysis provides an overview of the composite development challenge facing Mbhashe Municipality based on its own self-assessment and analysis. It gives a brief overview of Mbhashe demographic profile and illustrates the composition of Mbhashe population considering key indicators such as: population numbers; racial make-up, household income, employment and education.

The statistics information included in this section comes from the 2011 census and Community Survey 2016. It also highlights key issues and challenges relating to municipal demographics profile, Institutional Transformation and Development, Financial Viability, Local Economic Development, Service Delivery profiles and Spatial Development Framework.

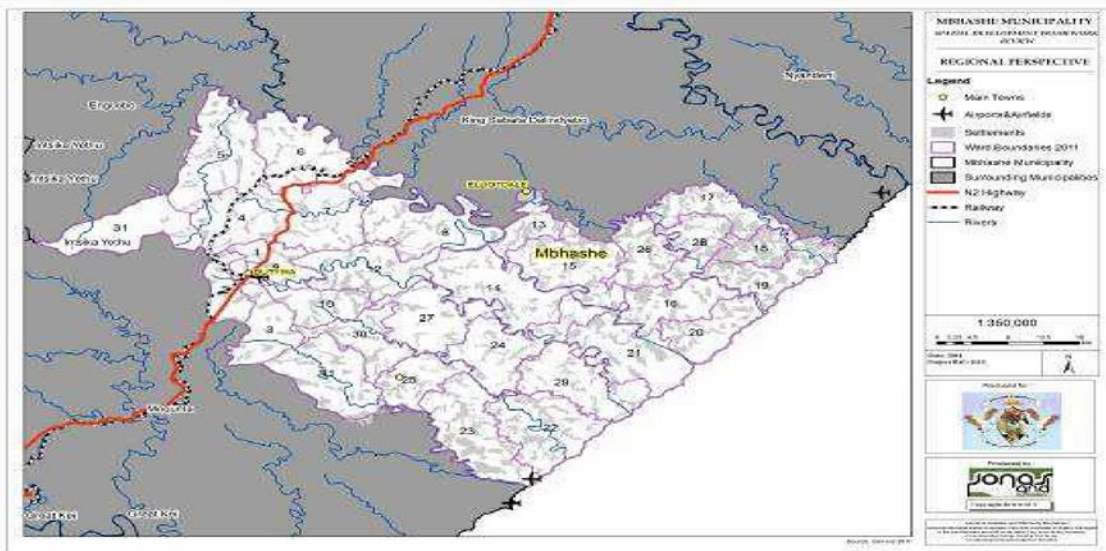
THE MUNICIPAL CONTEXT AND DEMOGRAPHICS

Introduction

Mbhashe Municipality (EC 121) is a category B municipality which falls within the Amathole District Municipality (ADM) and consists of 32 wards with 63 Councilors and 12 traditional leaders. The municipality is strategically located in the South Eastern part of the Eastern Cape Province, and is bound by the Qhora River in the south to Mphaku River in the north along the Indian Ocean. Mbhashe occupies a strategic geographic position within the Amathole District municipality and covers approximately 3200 km² in extent (after the last national elections). It is estimated that the new additions of few villages from Intsika Yethu and Mnquma could be estimated to about 200 square kilometres of land.

There are three main urban centres, namely Dutywa, Gatyana (formerly Willowvale) and Xhorha (formerly Elliotdale) and Dutywa being the administrative head centre of the municipality.

Mbhashe has earned the name from the beautiful river called Mbhashe which flows from the banks of Ngcobo flowing through Dutywa, Gatyana and Xhora. Mbhashe is comprised of the three towns of Dutywa, Gatyana and Xhora and numerous rural settlements. The area also boasts the head offices of the AmaXhosa Kingdom at Nqadu Great Place.



Map 1

✓ Demographic Profile

Understanding that demographics are essential for future planning as they allow for grasping issues of scale and supply-demand relationships. Without a consideration of demographic profiles, it becomes difficult to plan or forecast future development scenarios. The various sources of statistics used in this document have their own limitations as does all statistical sources and therefore must be understood in context. Largely, statistics in this document is used to provide or analyse trends and inform likely outcome interventions that are suggested in Chapter dealing with development objectives, strategies and possible interventions

✓ **Socio-Economic Profile**

Population Size and Distribution

Mbhashe Local Municipality (EC 121) has total population of 277 250 with a household of 58 727 resulting to a household size of 4.7 in 2018 according to IHS Markit Regional eXplorer version 1962. This equates to an average annual growth rate of 1.12% in the number of households from 2008 to 2018. With an average annual growth rate of 0.28% in the total population. However, to IHS Markit Regional eXplorer version 2070, when compared to other regions, the Mbhashe Local Municipality accounts for a total population of 275,000, or 31.1% of the total population in the Amathole District Municipality, which is the most populous region in the Amathole District Municipality for 2019. Compared to Amathole's average annual growth rate (0.06%), the growth rate in Mbhashe's population at 0.36% was significantly higher than that of the district municipality. When looking at the average annual growth rate, it is noted that Mbhashe ranked second (relative to its peers in terms of growth) with an average annual growth rate of 0.4% between 2009 and 2019.

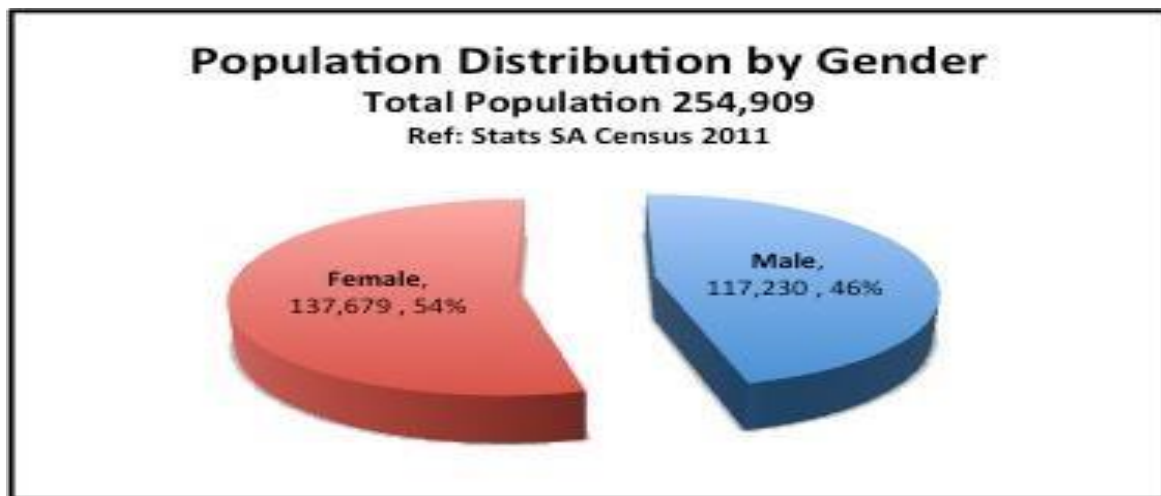
Table 1: Population size

	2001	2011	2016	2019
Total Population	253 372	265 000	277 250	275 000
Total Household	54 720	60 124	58 727	67 700
Household Size	4.76	4.24	4.7	4.1

(Source: IHS Markit Regional eXplorer version) 2070

The statistics also reveals that the population is female dominating with a Male to Female ratio of 46:54, which is graphically presented in below figure.

Figure 1: Population distribution by Gender



○ **Population Projection**

For the sake of planning purposes, a projection of population till 2026 at a five-year interval is calculated and presented hereunder. An average annual growth rate is considered based on the increase of population in census 2011 from 2001, this is worth noting that the change of population is very much insignificant over the year.

Table 2: Population projection till 2024

	CENSUS		COMMUNITY SURVEY	IHS MARKIT REGIONAL EXPLORER	PROJECTED POPULATION GROWTH				
	2001	2011	2016	2019	2020	2021	2022	2023	2024
Total Population	253 372	254 909	269 000	275 000	257 651	256 573	254 811	253 098	251 426

Source: IHS Markit Regional eXplorer version 1939

✓ **Age Distribution**

An analysis on 2011 Stats SA Census shows that a bulk of 52% of population is children (age 0-19). About 8% falls in pension group (age 65 +), whilst 40% is at economically active ((age 20-64). This clearly indicates that 60% population is dependent on 40% of youth, which highly demands further consideration of capacity and skill development of the youth population.

It is important for researchers and planners to note that age distribution further indicates that the male population decreases compared to female population with increase of age. The following figure, drawn from Stats SA Census 2011, shows that at child level (0-19) male population is higher than female (51:49) compared to male to female ratio of 54: 46 for total population, which decreases at youth (20-29) to 47:53 that further decreases to 37:63 at age 65 and above. This clearly indicates that male population is more prone to death with increase of age in comparison to female.

This indicates that the planner has to find a way out of improvement of health and safety of males and capacity improvement of females. In 2016, there is a significantly larger share of young working age people between 20 and 34 (24.2%), compared to what is estimated in 2021 (22.5%). This age category of young working age population will decrease over time.

The fertility rate in 2021 is estimated to be significantly higher compared to that experienced in 2016. The share of children between the ages of 0 to 14 years is projected to be significant smaller (34.6%) in 2021 when compared to 2016 (36.2%). In 2016, the female population for the 20 to 34 years age group amounts to 12.2% of the total female population while the male population group for the same age amounts to 12.0% of the total male population. In 2021, the male working age population at 11.5% still exceeds that of the female population working age population at 11.0%, although both are at a lower level compared to 2016.

In Mbashe Local Municipality's male/female split in population was 86.7 males per 100 females in 2019. According to IHS Markit Regional Explorer v 2070, Mbashe Local Municipality has significantly more females (53.56%) than males, when compared to a typical stable population. This is most probably an area with high male out migration to look for work elsewhere. In total there were 147 000 (53.56%) females and 128 000 (46.44%) males.

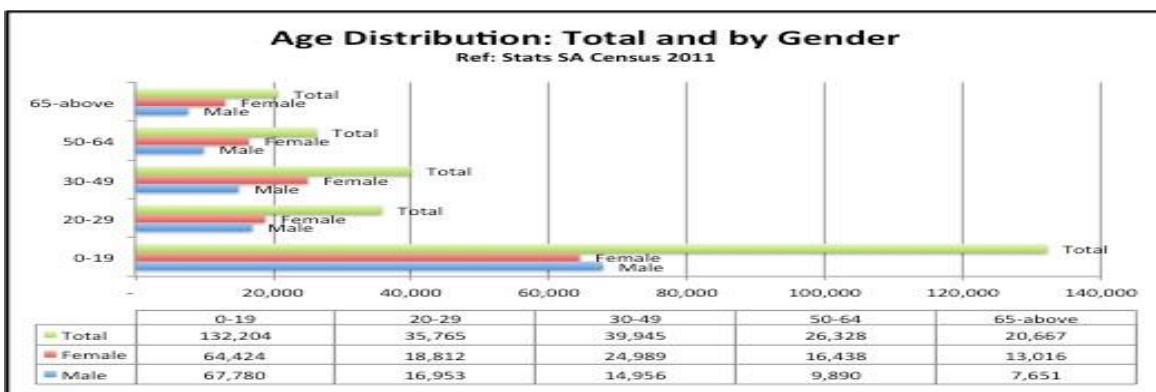


Figure 2: Age distribution

✓ **Population Distribution by Race**

Stats SA Census 2011 reveals that 99.44% (Figure 3: Race distribution) of the population is Black African. The distribution according to race is shown in the figure on the right.

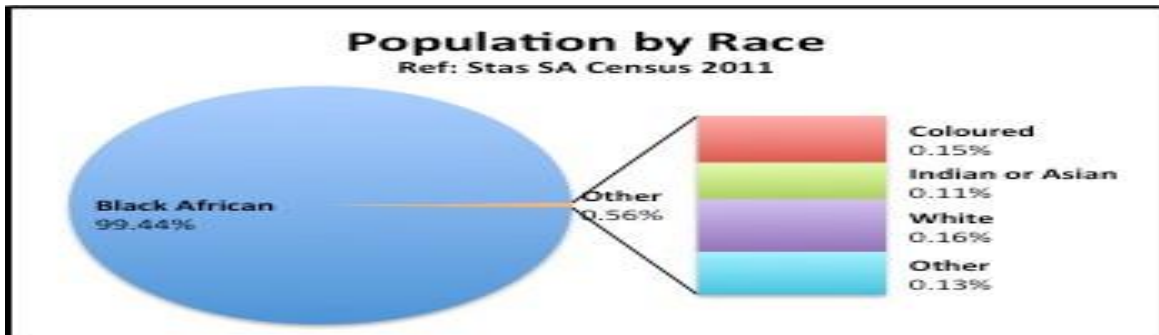


Figure 3. Population by Race

○ **Population by Language**

94% of Mbashe population is IsiXhosa speaking following by other (3.21%), other than English (1.54%) and Africans (0.52%). Another 0.66% is using sign language (dumb). The table and figure below give an overall view of the situation.

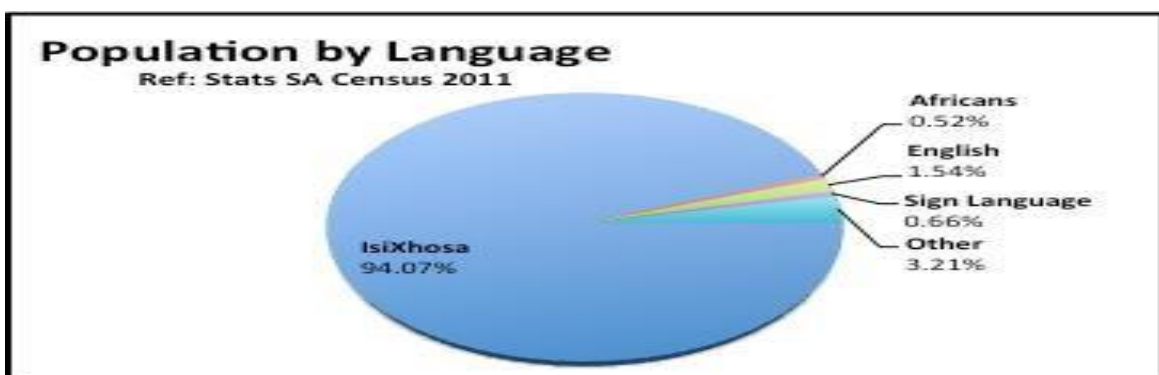


Figure 4: Population by Language

Language	Population	Percentage
IsiXhosa	239,795	94.07%
Africans	1,334	0.52%
English	3,931	1.54%
Sign Language	1,674	0.66%
Other	8,175	3.21%
Total	254,909	100%

Table3. Population by Language

✓ **Population by Gender**

The total population of a region is the total number of people within that region measured in the middle of the year. Total population can be categorized according to the population group, as well as the sub-categories of age and gender. The population groups include African, White, Coloured and Asian, where the Asian group includes all people originating from Asia, India and China. The age subcategory divides the population into 5-year cohorts, e.g. 0-4, 5-9, 10-13, etc

MUNICIPALITY	MALE	FEMALE	TOTAL
Mbhashe	126,000	143,000	269,000
Mngquma	117,000	128,000	244,000
Great Kei	14,900	15,500	30,400
Amahlathi	47,900	51,600	99,500
Ngqushwa	29,700	33,000	62,700
Raymond Mhlaba	75,700	80,100	156,000
Amatole	411,000	451,000	862,000

Table 4. Population by Gender- Mbhashe and the rest of Amatole District municipality, 2016

✓ **Literacy rate**

Mbhashe owns one of the highest numbers of illiterate populations in the province of the Easter Cape, 60% of its population is illiterate followed by ordinary schooling (Grade R who attended a formal school; Grade 1-12 learners and learners in special classes) of 37%. Only 0.62% has University degrees. The details are given in the table below, which is further elaborated graphically in the figure below. This causes a high pressure to government as well as the population to engage in any formal economic activities.

School Type	Population	Percentage
Pre-school	305	0.12%
Ordinary School	94,122	36.92%
Special School	346	0.14%
FET College	1,019	0.40%
Other College	129	0.05%
University	1,591	0.62%
ABET Centre	2,545	1.00%
Literacy Classes	1,403	0.55%
Home based School	332	0.13%
Not Applicable	153,117	60.07%
Total	254,909	100.00%

Table 5: Literacy rate

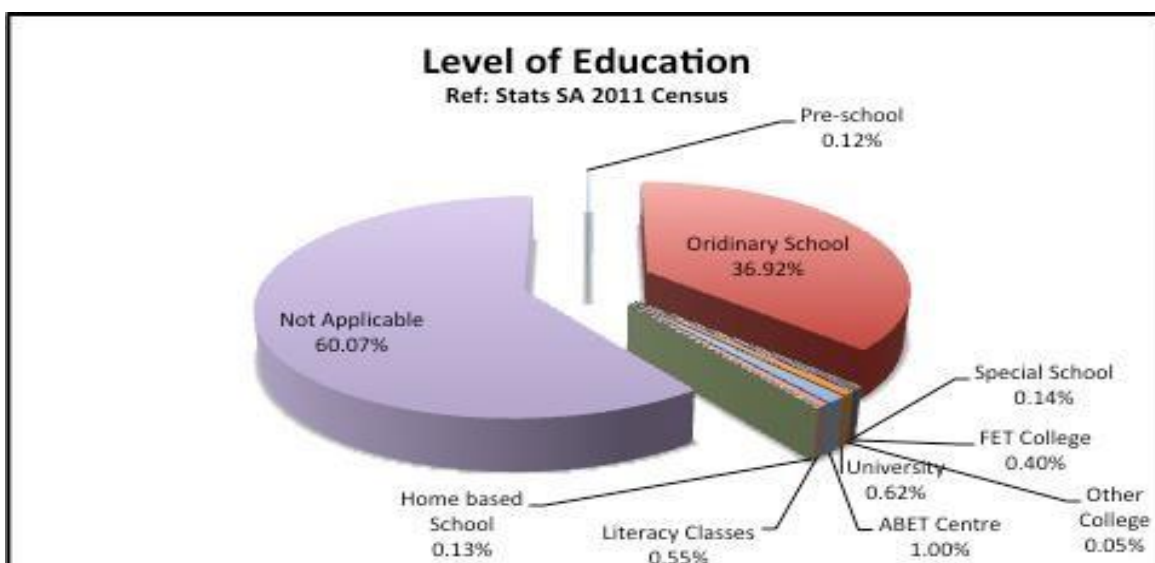


Figure 5: Literacy rate – graphical representation

Within Mbashe Local Municipality, the number of people without any schooling decreased from 2006 to 2016 with an average annual rate of -5.26%, while the number of people within the 'matric only' category, increased from 9,250 to 15,500. The number of people with 'matric and a certificate/diploma' increased with an average annual rate of 2.14%, with the number of people with a 'matric and a Bachelor's' degree increasing with an average annual rate of 7.12%. Overall improvement in the level of education is visible with an increase in the number of people with 'matric' or higher education.

The number of people without any schooling in Mbashe Local Municipality accounts for 43.27% of the number of people without schooling in the district municipality, 6.68% of the province and 0.92% of the national. In 2016, the number of people in Mbashe Local Municipality with a matric only was 15,500 which is a share of 21.06% of the district municipality's total number of people that has obtained a matric. The number of people with a matric and a Postgrad degree constitutes 23.15% of the district municipality, 1.84% of the province and 0.16% of the national.

A total of 111 000 individuals in Mbashe Local Municipality were considered functionally literate in 2016, while 60 900 people were considered to be illiterate. Expressed as a rate, this amounts to 64.55% of the population, which is an increase of 0.13 percentage points since 2006 (51.09%). The number of illiterate individuals decreased on average by -2.62% annually from 2006 to 2016, with the number of functional literate people increasing at 2.94% annually.

✓ **Employment per sector by Gender**

Employment Sector	Male	Female	Total
Formal Sector	5,411	6,963	12,374
Informal Sector	2,007	1,726	3,733
Private Household	943	1,054	1,997
Do not Know	123	107	230
Not Applicable	108,746	127,829	236,575
Total	117,230	137,679	254,909

Table 6: Employment per sector by Gender

Mbashe is earmarked as populated with the highest number of poor population in the province of Eastern Cape, which is again revealed by the 2011 Stats SA Census that identifies that the unemployment rate as 93%. This is the result of high illiteracy rate (ref: article 2.6). Only 5% of population engaged in the formal sector and at 1% in each of informal and private households. The table at the above shows the number of population engaged in various available sector of employment opportunity in the Mbashe Municipality.

Gender analysis of employment (the below figure) shows that unemployment rate for male and female goes hand in hand with the composition of population as 46:54. This is also very close to all sector of employment as well. It means that equity of male-female employment is well maintained.

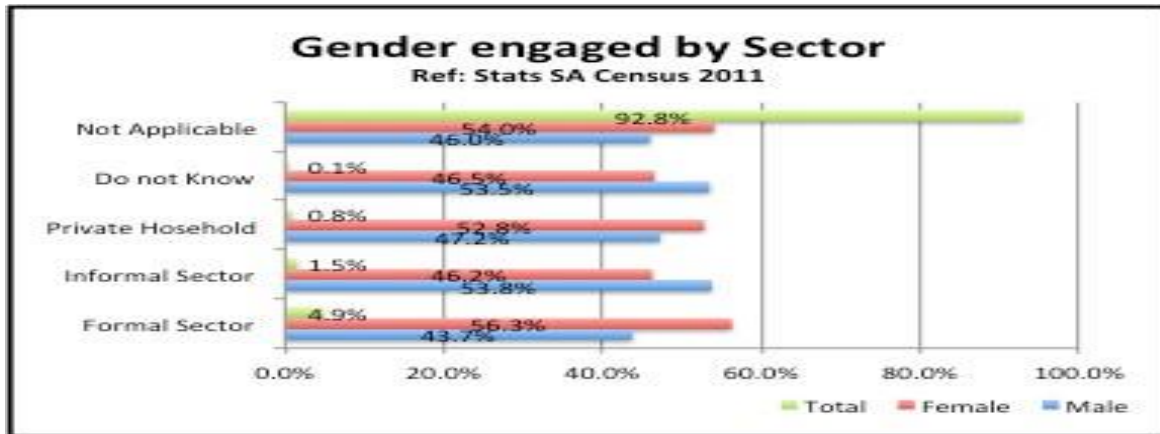


Figure 6: Gender analysis of employment by sector

✓ **Household Income**

The level of household income further explains poverty level of Mbashe. Only 39% of households has monthly income equal to or higher than R 3 000.00, whereas 47% living with equal to or less than R 8 000.00 per month and 14% has no income. It means about 61% households is living within poverty level. The situation is graphically presented in the following

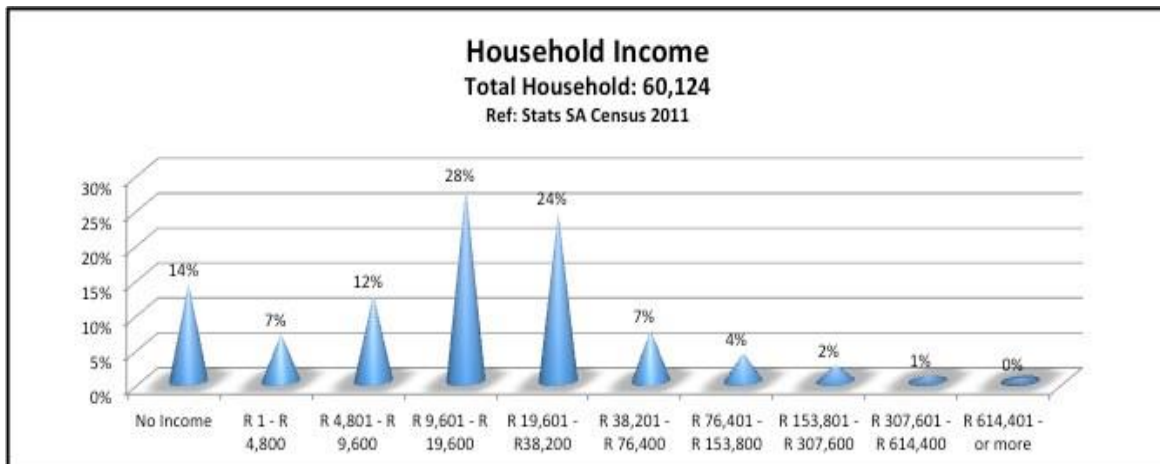


Figure 7: Level of household income

✓ Dwelling by house type

Traditional Dwellings, which is 66% according to the last Census followed by 21.47% in Brick or Concrete Block structures and 4.87% in Flat Blocks. The details of dwelling status are given in the table and below figure

House Type	Households	Percent
Brick/ Concrete Block Structure	12,908	21.47%
Traditional Dwelling	39,687	66.01%
Flat Blocks	2,928	4.87%
Cluster House-Complex	135	0.22%
Townhouse: Semi-detached	46	0.08%
Semi-detached	56	0.09%
Backyard House	2,364	3.93%
Backyard Shack	600	1.00%
Shack: Informal Settlement	918	1.53%
Room/ Servant Quarters	161	0.27%
Caravan/Tent	24	0.04%
Other	297	0.49%
Total	60,124	100.00%

Table 7: Dwelling by house type

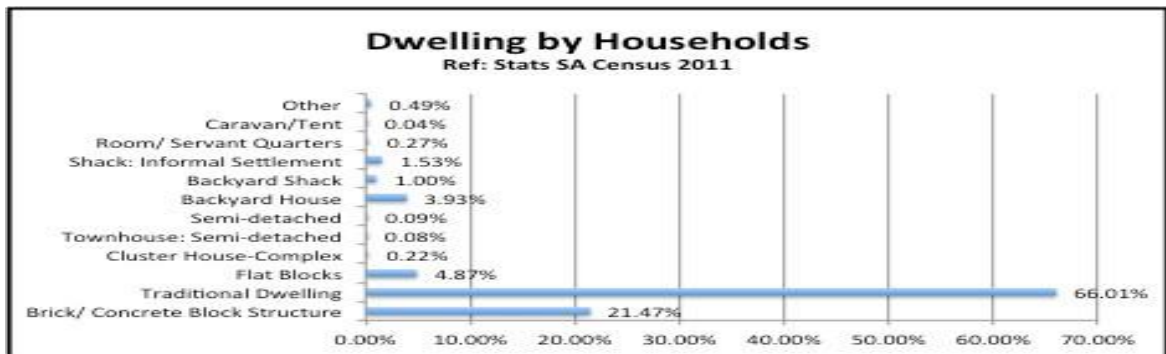


Figure 8: Dwellings by house type

✓ Household Heads

Household is dominated by females, with a male to female ratio of 46:54, which is a little higher than population distribution of 42:58. This is mainly because of single female parent-ship and under aged mother-ship, which causes also high level of illiteracy.

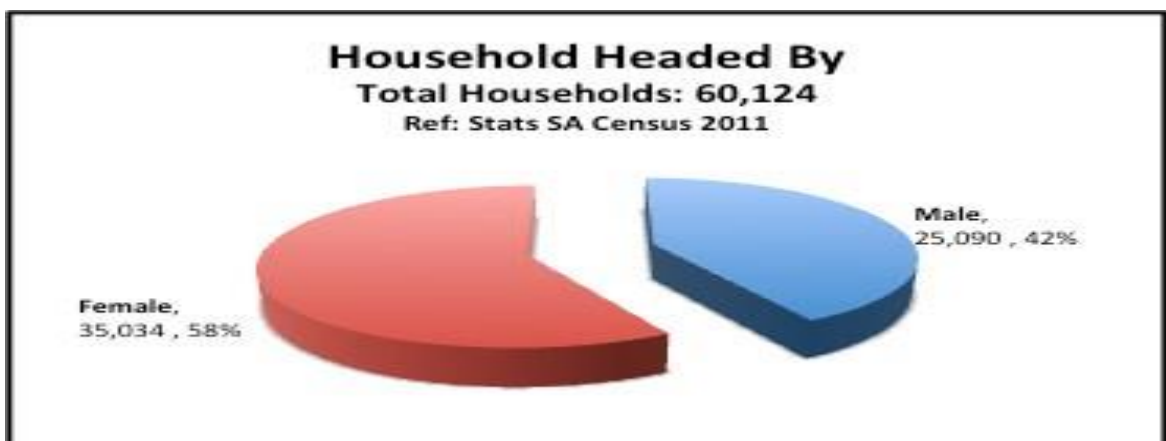


Figure 9: Household heads

✓ **Tenure Status**

An analysis of 2011 Stats SA Census reveals that 69% of population is living in houses owned but not yet fully paid off followed by 11% living in rent free houses. Only 9% is living in owned and fully paid off house and 6% in rented houses. The following figure demonstrates the whole situation.

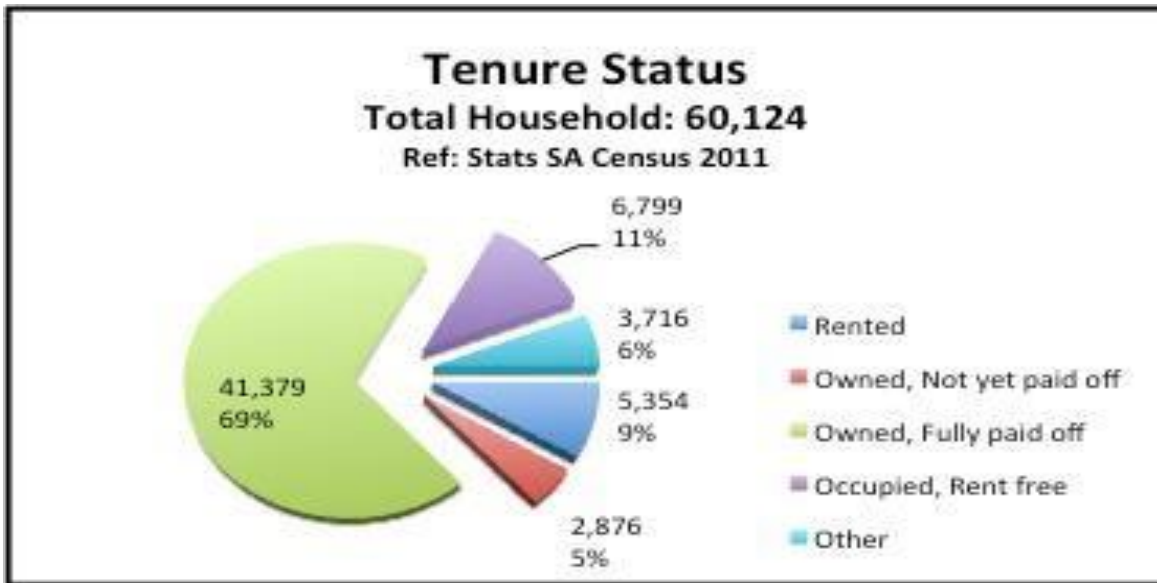


Figure 10: Tenure status

2.2. ORGANIZATIONAL KEY PERFORMANCE AREAS (KPAs)

KPA 1 – MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT

ORGANISATIONAL STRUCTURE AND ESTABLISHMENT PLAN

Section 66 of the Municipal Systems Act (act No.32 of 2000) requires a Municipal Manager to develop a policy framework determined by the municipal council and subject to any applicable legislation, establish a mechanism, to regularly evaluate the staff establishment of a municipality and if the staff establishment requires amendment the approval of the Council shall be obtained.

Mbhashe Local Municipality is divided into two levels namely, Political and Administrative structure. The administration is accountable to Political Structure.

- **Political Arrangement**

The municipality is governed by its council led by the Executive Mayor and chaired by the Speaker. The political Council seats at Mbhashe in Dutywa. There are section 79 committees established to assist council in governing the work of line functional administration and section 80 committees which assist the executive committee to function. The councilors signed a code of conduct on their first induction meeting in August 2016 and the declaration is being signed annually in the beginning of each financial year. The Council also established the rules committee chaired by the Speaker which develops rules of order for the council and its function that also enforces the implementation of rules in the council and adherence to the code of conduct by councilors.

The municipality established the following committees that assist the council in carrying out its responsibilities:

Mayoral Committee
Municipal Public Accounts Committee
Audit and Performance Audit committee
Women's Caucus
Ethics and Rules Committee

Standing/ Portfolio committees are as follows:

- ❖ Municipal Transformation & Institutional Arrangement
- ❖ Service Delivery and Infrastructure
- ❖ Local Economic Development
- ❖ Financial Viability and Management
- ❖ Good Governance and Public Participation

All the above committees sit on a quarterly basis.

Other Committees:

Remuneration Committee
Training and Development Committee
Employment Equity Committee
Occupational Health and Safety Committee
Sport Committee
Risk Management Committee
ICT Steering Committee
Local Labour Forum with sub-committees which are: Basic Conditions Committee,
Workplace and Services restructuring

Administrative Arrangement

The administrative seat of Mbashe Local Municipality is situated in Dutywa Main Offices. The municipality extends its services by having functional staffed units in Gatyana and Xhora. In these two units the following functions are being implemented:

- ✓ Waste Management
- ✓ Budget & Treasury Office
- ✓ Infrastructure Maintenance
- ✓ Public Participation and
- ✓ Special Programs Unit

Each Unit has a manager who oversees administrative issues on functions undertaken and required to submit quarterly reports to the Municipal Manager.

There are six (6) Occupational Levels of the municipality and are as follows:

- ✓ Top Management
- ✓ Senior Management
- ✓ Professionally qualified and experienced specialists and middle management
- ✓ Skilled technical and academically qualified workers
- ✓ Semi-skilled and discretionary decision making
- ✓ Unskilled and defined decision making

Top and Senior Management is responsible for Strategic Planning of the institution, in doing that Professional qualified and experienced specialist and Middle Management forms part of the processes for Strategy Development. This is done to build capacity and to promote participation and innovation.

Administratively, the municipality consists of the following six departments :

ADMINISTRATIVE ARRANGEMENT	
DEPARTMENT	FUNCTIONAL UNITS
Municipal Managers Office	Senior Management Manager Legal and Compliance Manager Internal Audit
Municipal Operations	Unit Management Special Programmes Communications, Public Participation and Customer Care Strategic Planning and Performance Management
Budget and Treasury Department	Financial planning & Budget Revenue and Expenditure Supply Chain Management Financial Reporting Fleet Management
Corporate Services Department	Human Resources Management ICT and Records Management Administration Management Council Support
Developmental Planning Department	Local Economic Development Land and Housing Management Facilities Management
Infrastructure Development Department	PMU Management Infrastructure Maintenance Management
Community Services Department	Community Services Management Traffic Management and Law Enforcement Expanded Public Works Programme Free Basic Services Environmental Management

MUNICIPAL ORGANIZATIONAL STRUCTURE

Mbhashe Local Municipality has a signed and approved Organizational Structure by the Council in May 2021, which reflects 277 posts, with 276 posts filled and 1 vacant by May 2022 and the vacancy rate is at 0.36%. The municipality has prioritized 1 vacant position to be filled in 2022/23 financial year.



MBHASHE LOCAL MUNICIPALITY

INSTITUTIONAL ORGANOGRAM 2022/2023 FY

.....
M. NAKO

MUNICIPAL MANAGER

No. of Posts : 277

No. filled : 276

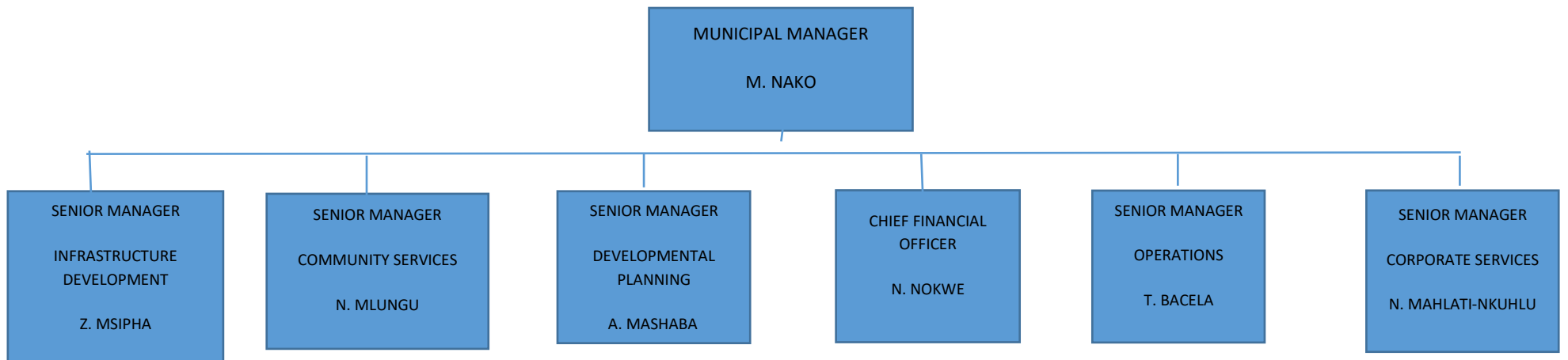
No. vacant : 01

Vacancy rate : 0.36 %

.....
DATE

MUNICIPAL MANAGER'S OFFICE

SENIOR MANAGEMENT OF THE INSTITUTION



✓ **Human Resources**

The municipality has a Training and Development and Wellness Strategy that was developed in 2020/2021 financial year.

Training and Development strategy considers building systematic human resource practices that improve employees' motivation and skills. The strategy also focuses more on selecting the right employees to do the job, managing their activities and motivating them to stay with the municipality. The purpose of generating these strategies is to mitigate the threats and weaknesses which human resources and the municipality is faced with among other things, taking advantage of the identified opportunities and capitalizing on the identified strengths. With the development of the strategy, the entire municipality has been able to understand the skills development dynamics including the skills development initiatives accordingly, in order to improve on service delivery.

It links, integrates and co-ordinates all development plans of the municipality. It also aligns the resources and capacity of the municipality with the implementation plan. It also forms part of the policy frameworks which constitute the general basis on which the annual budget must be based and is compatible with the National and Provincial development plans and planning requirements.

One of the key issues that can make the municipality to be the employer of choice is to offer competitive salaries and financial rewards that can be viewed as a major differentiation in being an employer of choice; work/life balance plays a major role in addressing the more intrinsic needs of employees. The municipality has monthly departmental meetings and quarterly staff meetings which are hosted virtually. The staff meeting allows employees to interact with the municipal leadership.

✓ **Labour Relations**

Local Labour Forum is one of Mbashe Local Municipality structures that consist of Employer and Employee components.

The municipality appreciates workplace stability owing to good relations for the past financial years with organized Labour, who have conducted themselves as true partners in service delivery and expressed faith in resolving issues. Therefore, the municipality has established the Local Labour Forum (LLF) in order to maintain the stability with organized Labour. The purpose of this structure is to consult, negotiate on matters of mutual concern pertaining to the workplace. Meetings of the Local Labour Forum are used to deal with issues emanating both from the employer and the unions. The Local Labour Forum is scheduled to sit on a monthly basis as per the adopted municipal calendar and when a need arises. Workshops have been conducted and others are planned.

The Code of Conduct was presented and signed by LLF members with the declaration of interest's forms during the induction workshop held on the 1st of March 2022.

✓ **Individual Performance Management**

In terms of Section 67(1) and specifically Section 67(1)(d) of the Local Government Municipal Systems Act (Act 32 of 2000), the Municipality is compelled to "develop and adopt appropriate systems and procedures to ensure fair, efficient, effective and transparent personnel administration, including (d) "the monitoring, measuring and evaluating of performance of staff."

An Individual Performance Management policy has been developed and was adopted by the Council. The Performance Management at Mbhashe Local Municipality has been cascaded as follows (TG 18 – TG 09) The municipality has adopted a reviewed Individual Performance Management Framework. The performance of employees is assessed on a quarterly basis where departments are required to present evidence to support quarterly performance. A consolidated report is presented to the Management Meeting.

✓ **HUMAN RESOURCE ADMINISTRATION**

Personnel Administration is attending to the administration of all employee contracts, benefits and conditions of service as well as all administration and procedures incidental to employee appointments and terminations. Induction programmes are conducted quarterly to all employees.

According to the approved structure of the 2017/18 financial year that was submitted to both the District Job Evaluation Committee and Provincial Audit Committee, there are 164 posts. With the assistance of Mbhashe Local Municipality’s local Job Evaluation Committee, 91 post have Final Outcome results, 57 are with PAC. Only the 2017/18 organisational structure can be used for job evaluation until the whole process has been completed and all the posts have been evaluated.

SWOT ANALYSIS		
FACTOR	STRENGTHS	WEAKNESS
COMPLIANCE & LEGISLATION	Policies and strategies in place	Non- compliance with policies and strategies
	OPPORTUNITIES	THREATS
	Stability	Change in legislation
	STRENGTHS	WEAKNESS
PMS	Cascading of PMS Individual Assessments conducted	Not yet cascaded down to all employees Lack of employee engagement
	OPPORTUNITIES	THREATS
	Career growth Improved service delivery	Biased performance ratings Low self esteem
FACTOR	STRENGTHS	WEAKNESSES
RECRUITMENT & SELECTION	Attract high qualified employees	Time Management Poor communication and planning
	OPPORTUNITIES	THREATS
	Job analysis and Job descriptions	Political interference

SWOT ANALYSIS		
FACTOR	STRENGTHS	WEAKNESSES
PERFORMANCE MANAGEMENT	Performance management framework exists Quarterly reporting	Poor communication and planning
	OPPORTUNITIES	THREATS
	Effective Service delivery	Loss of grants funding Service delivery protests

✓ **Employment Equity Plan (EEP)**

Mbhashe Local municipality has an adopted EEP for 2019 to 2024 and is being reviewed annually. Employment Equity Progress Report is submitted annually to the Department of Labour.

Employment Equity Committee is established according to the Act, to monitor progress in the implementation of the plan. The committee sits on quarterly basis according to the approved Municipal calendar.

The EEP is to ensure the implementation of employment equity as well as affirmative action in all occupational levels and categories of its workforce. It sets out the measures to be taken ensuring legal compliance with Employment Equity Act. Furthermore, it includes the objectives, activities, numerical goals and targets to progressively move towards achieving representatively of the designated groups across the organizational structure.

The Mbhashe Local Municipality's Employment Equity Plan for the period in question is informed by the relevant stipulations in the Employment Equity Act, the strategic priorities of the municipality as captured in the Integrated Development Plan (IDP).

✓ **Specialists Skills/Scarce Skills**

The Workplace Skills Plan and Annual Training report are developed and submitted annually to LGSETA. Its implementation is done according to the recommendation of the Training Committee. Training Committee sits quarterly as per adopted institutional calendar and when needs arises. The Workplace Skills Plan is monitored by Corporate Services and Training Committee and reports are submitted quarterly to Training Committee, District Municipality and LGSETA.

The municipality, through skills audit identifies skills gap in the elementary employment category on plumbing skill. The Municipality does not have scarce skill policy in place where it will guide the municipality on how to go about on addressing scarce skills requirements. The municipality has to develop the policy as to be able to identify, attract and retain scarce skills. An initiative of submitting grant application to Local Government Sector Education and Training Authority (LGSETA) for plumbing learnership for 25 unemployed learners in preparing to have such scarce skill within Mbhashe area have been submitted.

✓ **Employee Wellness and Occupational Health & Safety (OHS)**

OHS is the critical component of our strategic position in the municipality and it is the desire of the municipality to enhance it throughout its business partners and community members. It is therefore the municipal business to maintain a safe and healthy working environment for the betterment of the institution and its surroundings. The objectives of the Employee Wellness and Occupational & Safety are to promote health by providing the employee with ongoing education, information and communication in all health related aspects. The municipality also encourages its employees and councilors to be proactive in looking after their health and modify their lifestyle for their own benefits.

One of the employer's responsibilities is to evaluate the staff morale from time to time and as such sporting activities and wellness programs have been rolled out for employees.

The municipality ensures that a safe working environment for all the employees in the workplace is maintained. It was identified during the wellness programmes that some employees are suffering from chronic diseases, follow ups were made for those employees that were affected by these diseases and the response was positive.

The Occupational Health and Safety function is primarily focused on (i) Creating and maintaining a safe working environment and (ii) Preventing workplace accidents. A major obstacle in achieving these objectives was the dormant (departmental) safety committees and the lack of awareness and capacity amongst members of staff to fulfill the responsibilities of Safety Representatives. Occupational Health and Safety policy is in place and is reviewed on an annual basis. Health and Safety Committee is in place, and it sits on quarterly basis and submit qualitative and quantitative reports.

✓ **Records Management**

The National Archives and Records Service of South Africa Act, 1996 provides the legal framework according to which the National Archives and Records Service regulates the records management practices of all governmental bodies. The municipality runs a registry in compliance with legislative requirements and this facility is used efficiently and effectively to promote good governance and service delivery goals of the municipality.

The National Archives and Records Services, in terms of its statutory mandate, requires governmental bodies to put the necessary infrastructure, policies, strategies, procedures and systems in place to ensure that records in all formats are managed in an integrated manner.

As part of the support functions for the success of Mbashe Local Municipality in order to fulfill its statutory functions outlined in the Municipal Structure Act, it is key that the support mechanisms outlined in the Municipal Systems Act be put in place. The goal of the auxiliary services is to provide an efficient service to both internal and external stakeholders through record keeping. Records management is a process of ensuring the proper creation, maintenance, use and disposal of records to achieve efficient, transparent and accountable governance. Sound records management implies that records are managed in terms of an organizational records management programme governed by an organizational records management policy.

File Plan was approved by Provincial Archives and disposal requests were approved. A well-organized file plan enables an organization to find information easily, records that are correctly filed and stored are easily accessible, and this facilitates transparency, accountability and democracy. The orderly and efficient flow of information enables the organization to perform its functions successfully and efficiently.

The municipality is intending to procure an electronic records management system. Training of users and review of records management policy has been conducted to enhance good use of the facility. Document management workshops were held and were facilitated by both the Provincial Archives and by Registry Officer and these workshops were targeting users and champions. Storage facilities were purchased to enhance storage and safe keeping of documents.

SWOT ANALYSIS		
FACTOR	STRENGTHS	WEAKNESS
DOCUMENT MANAGEMENT	Records Management Policy exists Approved file plan Storage facilities available Capacitated staff Continuous workshops and inductions for users Compliance with legislation	Under utilisation of Registry Access not restricted No electronic records management system Inadequate ventilation supply
	OPPORTUNITIES	THREATS
	Promotion of municipal image Accessibility of public documents through Registry Quick information dissemination	Misuse of information Community protests Changes in legislation

○ **INFORMATION AND COMMUNICATION TECHNOLOGIES (ICT)**

Corporate Services is also responsible for ICT Section and to ensure an integrated, stable and responsive ICT infrastructure. Mbashhe Local Municipality IT Environment supports about 200 users of administrative staff and 63 Councillors and 2 Traditional Leaders. The municipality has eight (8) offices/buildings namely:

- Main Municipal Office
- Municipal Town Hall Offices
- Customer Care and Revenue Office
- Municipal workshop
- Willowvale Unit
- Elliotdale Unit
- Dutywa TRC hall
- TESKO Office

✓ **Municipal Website**

ICT section is responsible for upgrading, supporting, hosting and maintaining municipal website with registered domain address (www.mbashemun.gov.za).

✓ **Municipal Systems**

- ❖ Telephone Management System mSCOA SAGE Evolution Payroll and HR SAGE 300 People
- ❖ Microsoft Volume Licence

- ❖ Email Solution- Mimecast
- ❖ Asset Management System (AMS)
- ❖ Bulk SMS system
- ❖ Printing System- PaperCut
- ❖ Endpoint Data Backup Solution- Cibecs
- ❖ Active Directory 1 & 2
- ❖ Windows Server Update Services

Security Systems

- ❖ Firewall- Fortigate
- ❖ Endpoint Antivirus
- ❖ Password protection
- ❖ Network cabinets with Uninterrupted Power Supply System

Server Room Controls

- ❖ Biometric Access Control System
- ❖ CCTV Cameras
- ❖ Backup generator and Uninterrupted Power Supply System
- ❖ Main Air conditioner and Redundant Air-conditioning system
- ❖ Fire Detection and Suppression System
- ❖ Access flooring- Raised Floor
- ❖ Suspended Ceiling
- ❖ Electrical Distribution
- ❖ TM3 Room Monitoring System

Training for IT Staff is needed more frequently as their training plans are informed by new technology and IT roadmaps for business continuity. There is additional capacity needed for ICT.

The Mbashe Local Municipality ICT Governance Framework illustrated is based on COBIT® 5, ISO 27001, ISO 27002, ISO 38500 and other international standards and best practice guidelines.

The full framework comprises a set focus area within each of four COBIT® -based capabilities, which are, in turn, supported by a set of enablers, influenced by factors such as Departmental Strategy and the regulatory environment, and informed by the CGICTF Guidelines, King IV, ISO 38500, COBIT 5 and applicable generally accepted good practices and standards. These components are described in more detail in the following sections.

The successful implementation of a Corporate Governance of ICT system leads to continuous improvement in the creation of value to the municipality. ICT delivery must be assessed on an on-going basis to identify gaps between what was expected and what was realised. Assessments must be performed coherently and encompass both:

The Corporate Governance of ICT (ICT contribution to realisation of Municipal value); and Governance of ICT. (Continuous improvement of the management of ICT).

✓ **ICT Policies**

- ❖ Data Backup & Recovery Policy
- ❖ Applications patch management Policy
- ❖ ICT disaster recovery – business continuity plan
- ❖ ICT- e-mail policy
- ❖ ICT Governance Charter
- ❖ ICT Governance Framework
- ❖ Records management policy
- ❖ ICT service level agreement management policy
- ❖ ICT- user access management policy
- ❖ Telephone management system policy
- ❖ ICT- security management policy
- ❖ ICT change management policy
- ❖ ICT- cellular phone and data cards policy
- ❖ Service Desk, Service Request, Incident & Problem Management Policy

Projects ICT is busy with to address challenges and findings by Auditors:

- ❖ Provision and deployment of Data Backup Solution
- ❖ Preventative Maintenance Services of Server Room
- ❖ Server Solution and Disaster Recovery and / or Business Continuity
- ❖ Development of an ICT Strategic Plan- ICT Master Plan
- ❖ Network cabling on municipal offices
- ❖ Supply and Delivery of ICT equipment
- ❖ Provision and Deployment of Traffic Management System
- ❖ Provide Virtual Private Network & Internet Connection, Wi-Fi and Voice over Internet Protocol Telephone System
- ❖ Upgrading, Supporting, Hosting and Maintaining Mhashe Local Municipality Website
- ❖ Electronic Documents and Records Management System
- ❖ Integration of GIS system with mSCOA financial management system

SWOT ANALYSIS

FACTOR	STRENGTHS	WEAKNESS
Municipal Systems	Policies and Procedure Manuals in place Disaster Recovery Plan VPN and Internet in place HR and Finance system Firewall Backup solutions (Cibecs) Backup generator and Server room UPS's	Centralisation of Municipal system Non implementation of Corporate Governance Framework Poor network infrastructure Disaster Recovery Site and a failover No system in place (TCS) for traffic fines Management of Service Level Agreements No UPS's for network cabinets
	OPPORTUNITIES	THREATS
	Interaction between municipality and stakeholders	Changes in legislation Rapid change of technology

○ COUNCIL SUPPORT & AUXILLIARY SERVICES

Chapter 3 of the Municipal Structures Act 117 of 1998 provides for the establishment of Municipal Councils. It is stated clearly that a municipality is governed by its council led by the Executive Mayor and chaired by the Speaker. There are section 79 committees established to assist council in governing and section 80 committees which assist the executive committee to function. Council will adopt a municipal calendar in May 2022 that will assist Council Support in coordinating and supporting council activities in the 2022/23 financial year..

Council Support provides secretarial support to various Portfolio Committees, Council, MAYCO, Audit committee and other council committee's sittings. It ensures that laid down guidelines are applied and all secretarial and support requirements associated with Committee functions are efficiently undertaken and completed. All the departments within the institution are mostly responsible to support council and all its structures, where Council Support plays a major role in coordinating their sittings. Auxiliary Services section is there to ensure that the municipal buildings are all manned. It also ensures that good auxiliary services and hygiene practices are observed. Maintenance of a hazard free working environment is of great importance.

SWOT ANALYSIS	
	WEAKNESSES
The unit is responsible to coordinate effective functioning of the Council and its committees. Provision of tools of trade to the councilors and ward committees Developed resolution register Willingness of internal stakeholders on change management such as the use of electronic version instead of hard	Monitoring of implementation of resolutions of the council. Experienced personnel in the unit
OPPORTUNITIES	THREATS
To stick to the calendar of events One reporting format for the whole municipal structures Clear conducting of the meetings	The duplication of resolutions Adherence to the dates in the calendar to avoid expenditure and non – compliance The community unrest due to incorrect recording of the resolutions.

SWOT ANALYSIS

Minimize the expenditure on use of papers

○ **ADOPTED & REVIEWED HUMAN RESOURCES POLICIES**

- ❖ Abscondment
- ❖ Acting Allowance
- ❖ Attendance and Punctuality
- ❖ Bereavement
- ❖ Bursary for non-employees
- ❖ COVID Management
- ❖ Councilor and Employee Wellness
- ❖ Councilor & Employee Wellness Strategy
- ❖ Dress Code
- ❖ Disability
- ❖ Exit Management
- ❖ Employee Induction
- ❖ Employment Equity
- ❖ Incapacity
- ❖ Individual Performance Management
- ❖ Internship
- ❖ Job Evaluation
- ❖ Leave Management
- ❖ Occupational Health and safety
- ❖ Overtime
- ❖ Placement
- ❖ Recruitment and Selection
- ❖ Study Assistance
- ❖ Sexual Harassment
- ❖ Smoking Policy
- ❖ Sports and recreation
- ❖ Training and Development
- ❖ Training & Development Strategy
- ❖ Travel and subsistence
- ❖ Transfer and demotion
- ❖ Whistle Blowing
- ❖ Workplace HIV

KPA 2 - SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT

Mbhashe Local Municipality is a rural municipality that relies on grant and some portion of revenue is generated by the municipality in order to deliver services to its communities. Mbhashe Local Municipality receives Municipal Infrastructure Grant (MIG) and Integrated National Electrification Programme (INEP) for implementing infrastructure capital projects such as construction of roads and storm water, public community facilities, sport facilities, LED facilities and Electrification.

MIG is received through the establishment of PMU sub directorate which is working under a three-year capital plan that is abstracted from the IDP and the budget is also reflected in the IDP (See project list of the three-year Capital Plan). As per the DORA, MIG allocation budget for 2019/2020 financial year was R59 992 000.00 and it was 100% spent and for 2020/2021 financial year the allocation is R59 595 000.00. Through this grant the municipality has managed to construct and complete 90 Kms of graveled access roads. It is important to note that the municipality has been achieving 100% in the expenditure of MIG for the past three financial years (2017-2020) with no funds being stopped.

INEP allocation budget for 2019/20 financial year was R15 081 000.00 and 658 households will be energized and completed in 2020/21 financial year. The allocation of 2020/21 financial year is R6 492 000.00 through Shixini/Ntsimbakazi electrification project targeted to electrify 360 households.

Infrastructure services is composed of two sections PMU section dealing with capital projects and infrastructure maintenance section responsible for maintenance of roads utilising in-house machinery and operators and street lighting infrastructure.

However, it has been indicated that there is still a huge backlog due to limited funding as the municipality is only relying on grants for the development of roads infrastructure. An Infrastructure Master Plan (IMP) is in place clearly analyzing the existing infrastructure per village in each ward and recommendation of manual designs for infrastructure maintenance.

Infrastructure Maintenance Policy has been developed and being reviewed annually.

Most of Provincial Roads which are District Distributors are in bad conditions they need upgrade, routine maintenance, re-gravelling and major repairs on minor structures and bridges. There is a high level of deteriorated district roads within the municipal area which results in horrific roads accidents.

The following district roads are poorly maintained by the Department of Transport and are not safe: Gatyana to Dwesa, Gatyana to Kob-Inn, Gatyana to Xhora, Xhorha to Madwaleni, Xhorha to Haven, N2 to Xhora, Madwaleni to Mount Pleasant, Thafalehashe to Bafazi.

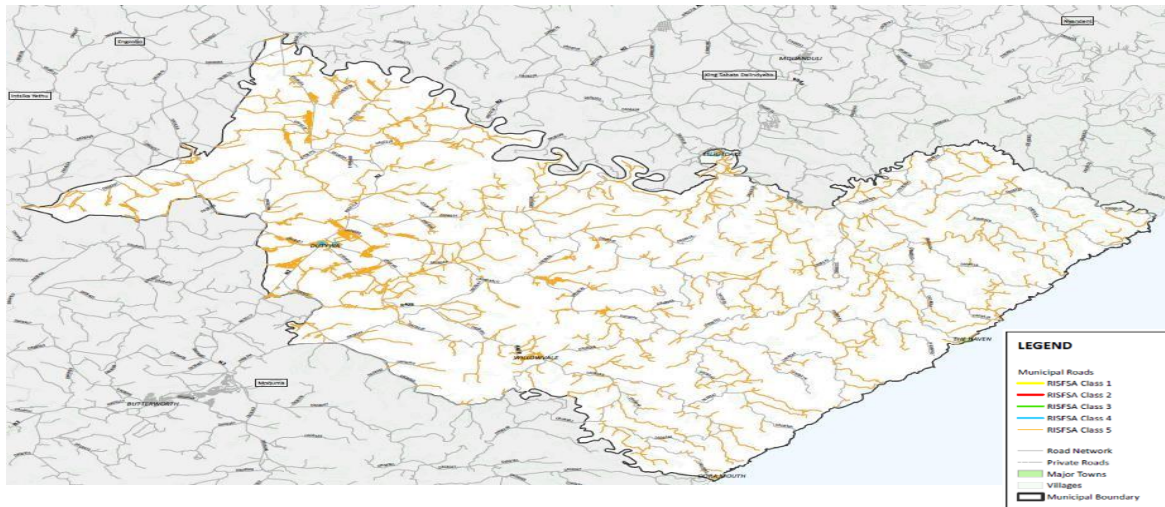
However Gatyana town to Dwesa road is approved by Department of Transport to be constructed in 3 phases. Phase 1 from Gatyana Town to Caltex garage has been completed, Phase 2 Caltex Garage to Msengeni junction under construction and Phase 3 will start from Msengeni to Dwesa nature reserves upon completion of Phase 2. N2 to R61 via Clarkeburry have been priorities for surfacing. As indicated Mbhashe Municipality comprises of three towns namely Dutywa, Gatyana, and Xhorha. Gatyana and Xhorha areas are located along the Indian Ocean Coastal Belt as described in the locality map, which is major tourism destination in Mbhashe Municipal Area. The roads leading to these destinations areas are gravel which requires heavy maintenance as they are in rainy areas.

There are other provincial roads leading to rural hospitals namely Madwaleni Hospital, Zithulele Hospital via Thafalehashe and Mjanyana Hospital, which also require major upgrades and rehabilitation. As a result of poor road network, communities experience difficulties in accessing health facilities and schools. Mbhashe Municipality is rich with heritage and there are main routes leading to heritage sites but roads are in bad state which limits visits by tourists and local communities. Mbhashe Local Municipality has embarked on constructing of non-motorized ways such as paving in all three towns and is being budgeted annually.

Roads and Storm Water

Rural Roads Asset Management System (RRAMS) for Mbashe L.M classification of roads lies with the Amathole District Municipality. Rural Road Asset Management System indicates that the total length of road network in the entire Mbashe Municipal area is 2711.90km. The total length for National Roads is 40.60 km, total length for Provincial Roads is 776.53km (684.93km is unsurfaced) and the total length for Municipal Access Roads is 1909.78 km.

RRAMS indicated that Mbashe Local Municipality has huge roads backlog especially on Class 4 and 5 which is the Public Municipal Roads and Non-motorized Access Ways. The total km for municipal roads class 5 is 1864.78km which is 68% of Class 5 are backlogs.



There is a Transport Forum that was established in 2012 chaired by Infrastructure Services Portfolio Head. The forum is not functioning well due to non-attendance and coordination by the former Department of Roads & Public Works currently Department of Transport.

The following Sector Departments are participating in the forum:

Department of Roads and Transport (Amathole District Roads Maintenance)

Department of Public Works (Amathole District EPWP)

Amathole District (RRAMS)

SANRAL

Department of Rural Development and Agrarian Reform

Department of Education (Mbashe District Office)

Department of Health (Mbashe District Office)

Corporative Governance and Traditional Affairs

Participation of sector departments and other stakeholders in the Transport Forum is encouraged. The forum is required to sit quarterly as per the municipal requirements.

Mbashe Local Municipality has an in-house maintenance/construction team in each unit with machines that are operating, conducting maintenance of access roads. Municipality is undertaking a flexible routine roads maintenance schedule for all

access roads. As part of Local Economic Development, the Municipality has appointed local SMMEs to stimulate growth and assist to fast track on maintenance programme.

There are also service providers responsible for plant and machinery on the following:

Municipal plant service and repairs

Backup machinery

Supply and delivery of tyres and repairs

All above services are requested as per the need and as required so as to fast track repairing processes to avoid delays on service delivery for a period of 3 years.

LIST OF MACHINES IN EACH UNIT			
PLANT STATUS REPORT			
DUTYWA MACHINERY			
PLANT DESCRIPTION	REGISTRATION	STATUS	FAULT
CAT Backhoe loader	LBH05552	Working	None
CAT EXCAVATOR	RAR00564	Working	None
MAN TIPPER TRUCK	HLK 541 GP	Working	None
CAT PADFOOT ROLLER	TLH00314	Working	None
M-BENZ WATER CATER	JBR625EC	Working	None
UD 4TON TRUCK	HXX 088EC	Working	None
M.BENZ LOWBAD HORSE	DZ65 JW GP	Working	None
MAN WATER TANKER	HLK499EC	Working	None
MAN WATER TANKER	HLK 506 EC	Working	None
VOLVO ROLLER	VCE1300D16J002002	Working	None
MAN TIPPER TRUCK	HLK 536EC	Not working	Engine overhaul
DUMPER TRUCK	LFF00362	Working	Non
MAN TIPPER TRUCK	HLK 519EC	Not working	Engine overhaul
Lowbed Trailor	HMM 372EC	Working	None
CAT DUMPER	LFF00385	Working	None
JAW CRUSHER	S/N:37588	Working	None
WILLOWVALE MACHINERY			
UD WATER TANKER	HJK976 EC	Working	None

LIST OF MACHINES IN EACH UNIT			
PLANT STATUS REPORT			
DUTYWA MACHINERY			
PLANT DESCRIPTION	REGISTRATION	STATUS	FAULT
M-BENZ WATER CATER	JBR628EC	Working	None
CAT PADFOOT ROLLER	TLH00315	Working	None
MAN TIPPER TRUCK	HLK529EC	Not working	Engine overhaul
CAT SMOOTH ROLLER	TJL04942	Working	None
BACKHOE LOADER	LBH05009	Working	None
	SZL03006	Working	None
ELLIOTDALE MACHINERY			
EXCAVATOR	KCE00410	Working	None
VOLVO ROLLER	VCE00D16J00200213	Working	None
DUMPER TRUCK	LFF00362	Working	None
DOZER	S6X01675	Working	None
CAT PADFOOT ROLLER	TLH00316	Working	None
MAN TIPPER TRUCK	HLK529EC	Working	None
M.BENZ WATER CATER	JBR 619 EC	Working	None
CAT SMOOTH ROLLER	TJL05011	Working	None
MITSUBISHI GRADER	T4G00069	Working	None
BACKHOE LOADER	LBH05613	Working	None

Water and Sanitation

Mbhashe Municipality is not a Water Service Authority (WSA) nor is a Water Service Provider (WSP), Amathole District Municipality (ADM) is responsible for both WSA & WSP. ADM has WSP satellite units to serve Mbhashe Municipality in each unit and through District Engineering Forum and Water Forum that are facilitated by ADM and there is an integration and information for the planned and implemented projects.

Challenges

- ❖ Old water services infrastructure in all three towns (Dutywa, Xhorha, and Gatyana).
- ❖ Shortage of drinking water supply especially in Dutywa town.
- ❖ Lack of Bulk infrastructure in all three towns (Dutywa, Xhorha, Gatyana)
- ❖ There is no waste water treatment plant in Xhorha and Gatyana
- ❖ These water services challenges have negative effect on future developments in all towns.

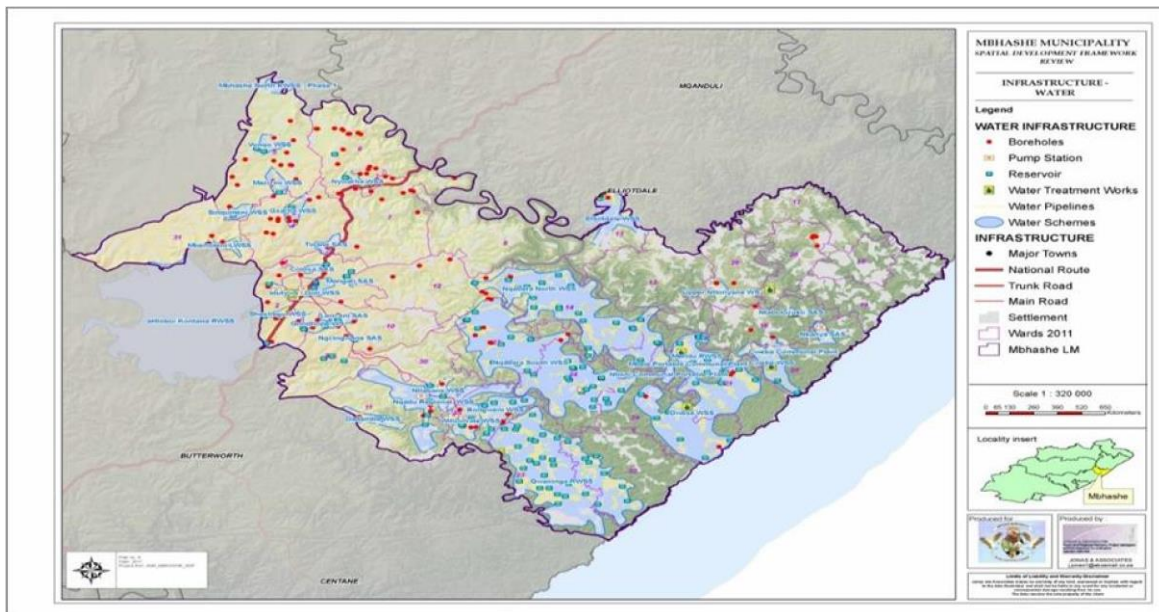
- ❖ Slow implementation of rural sanitation program.
- ❖ Huge water backlogs in the rural areas.

Remedial Action

- ❖ Continuous interaction with ADM
- ❖ Motivate ADM to prioritise bulk services projects especially for towns.
- ❖ Liaise with relevant Sector Department to assist ADM and Mbashe LM in committing funds for all water services needs

According to Amathole District Municipality, the rural areas of the MLM are serviced by a number of regional, local, stand alone and rudimentary schemes providing some 44% of the rural population with an RDP level of service. The balance of the population is reliant on own (rainwater tanks) or informal supplies (local rivers and streams).

The towns are generally serviced by local water supply schemes providing high levels of service to the older formally zoned erven, RDP or sub-RDP levels of services to the formally zoned low income housing areas and sub-RDP or informal levels of services to the informal settlement areas.



SWOT ANALYSIS		
WATER	STRENGTHS	WEAKNESS
	<p>Newly built infrastructure (dams)</p> <p>Decentralized water service provider (WSP) in all units</p> <p>Functional District Wide Infrastructure Forum (DWIF)</p>	<p>Mbhashe not a WSP</p> <p>Aging infrastructure especially in towns</p> <p>Non-functional water schemes</p>
	OPPORTUNITIES	THREATS
	<p>Economic growth</p> <p>Sustainable work opportunities</p>	<p>Scarcity of water in Dutywa town</p> <p>Effects of climate change</p> <p>Inadequate bulk infrastructure</p> <p>Villages without water schemes are not serviced at all (water carting)</p>

Electricity

Mbhashe Local Municipality is not a licensed distributor of electricity; Eskom is the licensed distributor of electricity in the whole area of Mbhashe LM. There is an ambition for the Municipality to become a licensed distributor for urban areas so as to increase municipal revenue. Mbhashe LM is receiving Integrated National Electrification Programme (INEP) grant under Schedule 5 of the Division of Revenue Act for household electrification.

There is an electrification project that is being implemented by Mbhashe Local Municipality (Shixini and Ntsimbakazi Electrification Programme) funded by INEP.

In 2018/2019 financial year Municipality was allocated an amount of R 8 946 000.00 for electrification of 402 households at Shixini which was 118 household and Ntsimbakazi with 284 households for both Shixini and Ntsimbakazi being planned to be electrified by the end of Financial Year 2018/19, With the completion of the 57km of new feeder lines from the Mbhashe Substation to Shixini and the installation of a Voltage regulator, there is now sufficient network capacity completed.

INEP allocation budget for 2019/20 financial year was R15 081 000.00 and 658 households (ward 14 and 27) will be energized and completed in 2020/21 financial year. The allocation of 2020/21 financial year is R6 492 000.00 and 360 households will be energized (ward 24 and 27) through Shixini/Ntsimbakazi electrification

According to Eskom the total number of backlog in the whole of Mbashe Area is 8502 (inclusive of new extensions) households this is inclusive of Historic backlog, household extensions and infills, the most electrification backlog in our municipality is in Xhorha and Eskom electrification plan indicates that the following villages will be electrified in the 2020/21 financial year in Xhorha.

2020/21 Electrification Rolling Plan

PROJECT NAME	BENEFICIARIES	WARD	PROJECT TYPE	PLANNED CAPEX	PLANNED CONNECTIONS
Elliotdale rural Ph 3	Nkanya, Qatywa, Mabolobeni Mgojweni, Emboleni, Nditya	32 28	Households	R17 914 111	649
Elliotdale rural Ph 3 Link line			Infrastructure	R1 679 893.00	
Elliotdale Rural Ph 3 Pre Eng			Pre engineering Costs	R 861 159.00	
Elliotdale rural Ph 4	Kulombethe, Lower bufumba, sikolokotha Ntilini , Talimofu			R 18 769 222	595
Elliotdale rural Ph 4 Link line			Infrastructure	R 1 679 893	
Elliotdale Rural Ph 4 Pre Eng			Pre engineering Costs	R 1 085 065	
Elliotdale rural Ph 5	Kwamhlothe, Bufumba, Sidabekweni, Ku lowawa		Households	R 17 666 531	669
Elliotdale rural Ph 5 Link line			Infrastructure	R 1 694 975	
Elliotdale Rural Ph 5 Pre Eng			Pre engineering costs.	R 1 085 061	
Elliotdale Rural Ph 6	Majola Dyobha, Nqenga Embashe, Mantshilibeni, Radi, Bakwini.	26 20 16	Households	R 7 182 100	244

PROJECT NAME	BENEFICIARIES	WARD	PROJECT TYPE	PLANNED CAPEX	PLANNED CONNECTIONS
Elliotdale rural Ph 6 Link line			Infrastructure	R 1 399 911	
Elliotdale Rural Ph 6 Pre Eng			Pre engineering costs	R 861 159.00	
Mbhashe Wards Ext Ph 1	Tshwati & Gem	8	Households	R 3 416 731	150
Mbhashe Wards Ext I Ph 1Pre Eng			Pre engineering costs.	R 704 482	
Mbhashe Wards Extl Ph 2 Pre Eng.			Pre engineering costs	R 704 304.00	
Mbhashe infills type 1	Various		Households	R 1 069 912.00	200
Mbhashe schedule 5B			Engineering Costs	R 393 340.00	
Total Mbhashe				R 81 105 197	2497

Solar Panels: Due to electricity infrastructure capacity problems in the municipality especially in Xhorha, the non-grid electrification was introduced by DOE to address the need on those villages that were falling outside the Eskom 3 year plan as from 2014. This project has since been stopped, currently the Municipality is maintaining the already installed solar panels with the in-house electricity team.

Tabulated below are wards that benefited through DoE initiative to assist communities that are to be electrified and that falls out of Eskom three year electrification plan:

UNIT	WARD	SOLAR SYSTEMS INSTALLED
Dutywa	8	Yes
Xhorha	15, 16, 17, 18, 19, 20, 26 & 28	Yes

Community Street Lighting/Highmast: Mbhashe Local Municipality is responsible for community street lighting to ensure safety to its communities. The existing infrastructure for the street lights in towns is owned by ESKOM. The Municipality only installs internal street lighting infrastructure on existing ESKOM infrastructure. The Municipality has managed to separate the street lights from Eskom Lines on the 3 towns in main roads. Municipality is maintaining the existing street lights utilising the 3 year contracts to improve street lighting infrastructure and install additional where necessary.

In the 2018/2019 financial year Municipality committed budget to install highmast lights to identified areas as follows:

VILLAGE	TOWN	WARD	Number	STATUS
Sheshegu	Dutywa	2	1	Work in progress
Zithulele	Xhorha	19	1	Work in progress
Gusi	Xhorha	32	1	Work in progress
Mzimkhulu	Dutywa	10	1	Work in progress
Mpozolo	Gatyana	21	1	Completed
Ntlabane (Weza)	Gatyana	30	1	Work in progress
Mputi	Dutywa	4	1	Completed
Gatyana/Mhaga	Gatyana	25	1	Work in progress
Madwaleni	Xhorha	32	1	Work in progress

SWOT ANALYSIS		
FACTOR	STRENGTHS	WEAKNESSES
ELECTRICITY	Municipality receive INEP grant. Gatyana sub station	Scattered settlement patterns Lack of access to infrastructure due to varying topography
	OPPORTUNITIES	THREATS
	Enhanced rural development Enhanced community safety	Not a licensed distributor of electricity Ever increasing backlog Limited funding to address historical backlog Community unrests
	STRENGTHS	WEAKNESSES
STREET LIGHTING	Community safety for Improving rural development Readily available material maintenance 3 year maintenance contracts	Electricity cable combined with ESKOM infrastructure.
	OPPORTUNITIES	THREATS
	Underground cabling Alternative energy for street lights and high mast	High ESKOM bills Effect of climate change

ACCESS TO OTHER BASIC SERVICES

Mbhashe is also providing other basic services and the following serves as key focus areas:-

Waste management
Other Social Services (Education, Health, etc)
Community Safety
Community Facilities
Short term employment initiatives
Coordination of disaster management
Free Basic Services
Environmental management services

WASTE MANAGEMENT

The municipality provides for waste management services that includes waste collection, street cleaning, clearing of illegal dumping and waste disposal facilities. Regular solid waste collection is provided to business, institutions and households within the jurisdiction of the municipality.

The municipality has since expanded its waste services to rural areas (Rural Waste) thus includes all the wards (32) of Mbhashe LM through the Expanded Public Works Program (EPWP). The roll out of the waste management services to rural areas comes with the challenges of monitoring the provision of the services, introduces a new mind-shift and noting the vastness of the area.

Mbhashe Municipality attends and participates in the District Waste and Provincial waste forums which sits on a quarterly basis and has therefore has formally designated a Waste Officer for the municipality.

Local Waste Management Forums has been established and set in place for all wards of the Municipality as part of the requirements of the Waste Management Plan, the role of the waste management forum is to serve as a consultative forum for Mbhashe, its residents and government stakeholders to discuss and consult each other on matters of mutual interest in waste management.

By-laws on waste and related subjects are in place and have been approved by the Council these are reviewed annually. By-Laws are enforced through Environmental Management Office with the assistance of Law Enforcement and South African Police Services.

POLLUTION

In relation to Water Pollution, the municipality relies on the outcomes of water samples conducted by the district municipality in the Wastewater Treatment Works. In the recent years, there has been low discharge and no pump at the WWTW making it difficult for tests to be conducted. With the new pump installed, the ADM will only start acquiring samples for testing.

Samples of the final trade effluent are taken every month by the District Municipality, however due to the water crisis that hit the Mbhashe region badly in 2020- 2021 financial year, it has been difficult to get the effluent tested. Most treatment plants are also under construction making it more difficult to take samples. Mbhashe has not yet developed the trade effluent policy that will ensure adherence of trade/industrial effluent discharged into the Municipal sewer system in accordance with Section 86 (1) and Section 88 (1) of the Water Services Bylaws. The policy is planned to be in place during 2022/2023 financial year in response to requirements to protect public health and minimize the environmental impact of wastewater discharges.

As required by the National Environmental Management Air Quality Management Act, the Air Quality Management Plan has been developed for the Mbhashe Local Municipality. From the intensive exercise, it has been evident that Atmospheric emission source priorities for the municipality have been identified as follows:

- Industry (including mines and quarries).
- Biomass burning.
- Transport.
- Domestic fuel burning.
- Agriculture; and
- Waste disposal and treatment facilities.

The Mbashe Local Municipality have not developed Air Quality related by-laws, however the municipality relies on the adopted Amathole District Municipality Air Pollution Control By-Law which addresses air pollution and the control thereof under Chapter 9. This by-law defines 'air pollution' as "any change in the composition of the air caused by smoke, soot, dust (including fly ash), cinders, solid particles of any kind, gases, fumes, aerosols and odorous substances." This by-law is enforceable by the ADM for all areas within their jurisdiction, including the Mbashe Local Municipality. It must also be noted that the municipality is not a licensing authority for Air Quality Management Applications.

WASTE MANAGEMENT SERVICES	SWOT ANALYSIS	
	STRENGTHS	WEAKNESSES
	Full coverage waste collection Upgrade of Xhorha landfill site Licensed landfill sites (Xhorha permitted for operation; Dutywa and Gatyana permitted for closure) Beautification programmes implemented	Unsystematic provision of services Lack of monitoring in rural areas Poor access control in the landfill site may lead to improper disposal No procedure manuals for the operations of the landfill sites. Policy/ bylaw non-alignment
	OPPORTUNITIES	THREATS
Increased separation and sorting of waste Enhanced aesthetic value of the Municipality Job opportunities Infrastructure development through waste (Ngcingwane Pre School)	Population growth New stream of waste (disposable nappies) Illegal dumping Some businesses handling their own waste	

HEALTH SERVICES

Mbashe Sub District (Mbashe Municipal area) have 29 residential clinics, 3 are Community Health Centres (CHC) and 1 District hospital. The Municipality has engaged the Hospital board on the waste issues that affect the hospital. The municipality assists Madwaleni hospital, 6 mobile clinics and 7 functional health posts in collecting general waste and dispose to the landfill site.

The table below reflects the clinics per Sub area as Mbashe has 3 Sub Areas namely Xhora, Gatyana and Dutywa:-

AREA	NAME OF FACILITY
Xhorha	Hobeni clinic
	Nkanya clinic
	Mpame clinic
	Khotyana clinic
	Melitafa clinic
	Mqhele clinic
	Soga clinic
	Bomvana clinic
	Vukukhanye Gateway Clinic
	Xhora CHC
	Madwaleni Hospital
Dutywa	Lota clinic
	Bolotwa clinic
	Nyhwarra clinic
	Gwadana clinic
	Sundwana clinic
	Nqabeni clinic
	Keti clinic
	Taleni clinic
	Nqabarha clinic (Dutywa)
Dutywa CHC	
Gatyana	Nqadu clinic
	Fort Malan clinic

AREA	NAME OF FACILITY
	Mahasana clinic
	Jingqi clinic
	Kwa-Mkholoza clinic
	Msendo clinic
	Nqabarha clinic (Gatyana)
	Gwadu clinic
	Badi clinic
	Gatyana CHC

SWOT ANALYSIS		
FACTOR	STRENGTHS	WEAKNESSES
HEALTH SERVICES	Existing hospitals and clinics	Poor access to health facilities
	Functioning IGR structures	Shortage of professional personnel
	Gatyana CHC has obtained a silver status with 80% in provision of quality services as per ideal clinic status model	Emergency medical rescue services not easily accessible
	All clients eligible for Anti-Retroviral Therapy (ART) are provided with treatment in all facilities	HIV and AIDS is still posing a big problem despite the efforts made by the Departments and the entire Government to combat this epidemic.
	Provision of single dose therapy to people living with the virus is done in all facilities	Poverty related diseases like malnutrition, waterborne diseases like diarrhea because of poor or no infrastructure.
		Low rate of family planning
	High number of defaulters on ART programme	
	The best performing Sub District in HIV/AIDS, TB and Mother, Child and Women's' Health Programmes (2014/15) 24-hour services are provided at Dutywa, Gatyana and Xhorha CHCs 25 facilities have computers installed for Health Patient Registration System (HPRS) project 31 facilities are signed off, meaning that they are capturing client data directly in computers rather than using registers (ART programme)	Ante Natal Care (ANC) before 20 weeks rate is still a major challenge as there are still pregnant mothers who are concealing their pregnancies due to cultural beliefs and social pressures Unsecured and continuing break ins at the facilities. Unreliable and insufficient electricity (vaccine storage). Limited awareness on the usage of female condoms Transport is not enough as even the one that is allocated in the Sub District get in and out of the garage for repairs because of bad roads especially in Xhorha area. The demands for transport to enable the staff to visit clients at home is high but the Sub District is unable to meet these demands due to the alluded reason. Poor communication channels (lack of telephone lines)

	OPPORTUNITIES	THREATS
HEALTH SERVICES	Rural community service program for professional personnel	Poor services
	TB management had improved in the past years and the Sub District has been leading in its management but now a decline is noticed considerable with low TB screening rate	No health education in schools (high teenage pregnancy)
		High unemployment rate
		Poor roads leading to facilities
		Poor water supply and poor sanitation

HIV+ and AIDS estimates

HIV and AIDS can have a substantial impact on the growth of a particular population. However, there are many factors affecting the impact of the HIV virus on population progression: adult HIV prevalence rates; the speed at which the virus progresses; age distribution of the virus; the mother-to-child transmission; child treatment; adult treatment; and the percentage by which the virus decreases total fertility.

ARV treatment can also prolong the lifespan of people that are HIV+. In the absence of any treatment, people diagnosed with HIV live for approximately 10 years before reaching the final stage of the disease (called AIDS). When patients reach this stage, recovery is highly unlikely.

TABLE 1. NUMBER OF HIV+ PEOPLE - MBHASHE, AMATOLE, EASTERN CAPE AND NATIONAL TOTAL, 2009-2019 [NUMBER AND PERCENTAGE]

Mbhashe	Amatole	Eastern Cape	National Total	Mbhashe as % of district municipality	Mbhashe as % of province	Mbhashe as % of national	
2009	29,400	106,000	769,000	6,190,000	27.7%	3.8%	0.48%
2010	29,900	107,000	785,000	6,340,000	27.9%	3.8%	0.47%
2011	30,400	109,000	803,000	6,520,000	28.0%	3.8%	0.47%
2012	30,900	110,000	819,000	6,680,000	28.1%	3.8%	0.46%
2013	31,300	111,000	833,000	6,820,000	28.2%	3.8%	0.46%
2014	31,700	112,000	847,000	6,960,000	28.3%	3.7%	0.46%
2015	32,200	114,000	861,000	7,110,000	28.4%	3.7%	0.45%
2016	32,600	115,000	874,000	7,250,000	28.4%	3.7%	0.45%
2017	33,200	117,000	890,000	7,420,000	28.4%	3.7%	0.45%
2018	33,800	119,000	906,000	7,600,000	28.4%	3.7%	0.44%
2019	34,400	121,000	922,000	7,780,000	28.4%	3.7%	0.44%

Average Annual growth

2009-2019	1.56%	1.33%	1.84%	2.32%
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Source: IHS Markit Regional eXplorer version 2070

COMMUNITY SAFETY

The Mbhashe Local Municipality has established a Law Enforcement Department that works in collaboration with Department of Safety and Liaison as well as South African Police Service, to build community police relations and to engage communities on programmes promoting community safety and social cohesion. Mbhashe Local municipality has three Police Stations in Dutywa, Gatyana and Xorha. All these police stations are within rural areas where infrastructure is inadequate and hampers effective police service delivery.

Engagements with SAPS and Community Police Forums indicate the following crimes committed within the space of Mbhashe LM:

- Liquor and drugs are playing a major role in the commission of crime.
- A huge challenge of faction fights in Mbhashe which result in high murder rate.
- Elderly women and children are most victims of rape and ladies from taverns also get raped.
- Elderly women are also target where they are killed in their homes. Perpetrators are mostly known by the victims.
- Livestock in some areas gets stolen in the grazing lands and some inside the kraals.
- Foreign nationals have been targeted for business robberies as it is known that they don't bank their money.

The Municipality has launched the Community Safety Forum which sits on a quarterly basis and chaired by Portfolio Councillor, where in sector departments as well as the District attend to issues of community safety and come with integrated efforts in fighting against these criminality. Programmes to address crime are reflected in the approved community safety plan and implemented through SDBIP.

The Mbashe LM safety and security section is comprised of traffic, licensing and law enforcement. The section is fully functional and operating at full capacity. In the past, there have been a number of improvements, like increased revenue generation, extended visibility of the officers, high success rate of drug bursts and confiscation of illegal weapons.

In the licensing unit The Drivers License Testing Center (DLTC) is operating however it needs revamping and Registering Authority (RA) for Dutywa fully functional. It is the intention of the Department to open the Registering authority in Xhorha.

CONTACT CRIMES (CRIMES AGAINST THE PERSON)

Component :	Dutywa
Date From :	2021-01-01
Date To :	2023-12-31
Selected Offence Group :	All

Offence	Total	%	Ratio
Offences Under The Drugs And Drug Trafficking Act	295	15.19	N/A
Assault With The Purpose To Inflict Grievous Bodily Harm	225	11.59	N/A
Burglary At Residential Premises	196	10.09	N/A
Theft General	179	9.22	N/A
Rape	116	5.97	N/A
Theft Of Live Stock, Poultry And Birds	98	5.05	N/A
Malicious Damage To Property (Common- Or Statutory Law)	93	4.79	N/A
Common Assault	89	4.58	N/A
Burglary At Business Premises	85	4.38	N/A
Murder	81	4.17	N/A
Fraud	71	3.66	N/A
Theft Out Of A Motor Vehicle (Also Goods From The Back Of Ldv)	53	2.73	N/A
Shoplifting	45	2.32	N/A
Unlawful Possession Of Fire-Arm (Sec2) And Ammunition (Sec 3 6 In Conjunction With)	33	1.7	N/A
Theft From A Motor Vehicle (Parts And Accessories)	31	1.6	N/A
Culpable Homicide	31	1.6	N/A
Theft Of Motor Vehicle And Motor Cycle	30	1.54	N/A
Robbery With A Weapon Or Instrument Other Than A Firearm	27	1.39	N/A
Business Robbery	24	1.24	N/A
Attempted Murder	22	1.13	N/A
Common Robbery	18	0.93	N/A
Robbery With Firearm	14	0.72	N/A
Arson	10	0.51	N/A
Man-Stealing (Kidnapping)	10	0.51	N/A
Carjacking	9	0.46	N/A
Crime Injuria	8	0.41	N/A
Sexual Assault	7	0.36	N/A
House Robbery	6	0.31	N/A
Drive While Under The Influence Of Liquor Or Drugs Where An Accident Occurred (S)	4	0.21	N/A

Drive While Under The Influence Of 2 Liquor Or Drugs Where No Accident Occurred (S)	0.1		N/A	
Other	16	Station	Month Instrument	Method Class
Total: Dutywa	1942			

SAFETY AND SECURITY

SWOT ANALYSIS	
LAW ENFORCEMENT AND RESCUE SERVICES	STRENGTHS
	Adequately resourced (equipment and personnel) Functional community safety forum Well trained personnel Functional street lighting and high masts Good working relations with other law enforcement agency
	WEAKNESSES
	No system of tracing offenders and force them to pay (debt collection) Poor town planning and zone plans (allowing hardware's in N2)
TRAFFIC SERVICES	OPPORTUNITIES
	Expansion of businesses Economic development Job opportunities Extension of services to previously disadvantaged areas Attraction of skills and professionals into the area
	THREATS
	Taxi violence Competition as against cooperation Street lights shut down and tempering
LICENSING	STRENGTHS
	Adequately resourced (equipment and personnel) Functional transport forum Well trained personnel Good working relations with other law enforcement agency Free flow of traffic Controls in place for early detection of fraud and corruption
	WEAKNESSES
	No system of tracing offenders and force them to pay (debt collection) No one-stop shop centre for traffic services (limited space in the town hall) Poor town planning and zone plans (allowing hardware's in N2)
LICENSING	OPPORTUNITIES
	Expansion of businesses Economic development Job opportunities Extension of services to previously disadvantaged areas
	THREATS
	Taxi violence Competition as against cooperation
LICENSING	STRENGTHS
	Functional DLTC Adequately resourced (equipment and personnel) Functional Transport Forum Well trained personnel Good working relations with regulating department (Department of Transport and other municipalities) Controls in place for early detection of fraud and corruption Mbhashe Registering Authority fully functional since July 2019, operating at customer care building and all transactions are performed.
	WEAKNESSES
	Not providing full services (Registering Authority not provided)
LICENSING	OPPORTUNITIES
	Expansion of businesses Economic development Job opportunities Extension of services to previously disadvantaged areas
	THREATS
	Taxi violence Competition as against cooperation Fraud and corruption

COMMUNITY FACILITIES

Mbhashe has a competence for amenities and community facilities like halls, pounds, cemeteries, sports fields, ablution facilities, beaches, childcare facilities, parks & public places. The Management and Maintenance Plan of the community services has been developed. Such a plan is meant to serve as a guide on the management and maintenance of these facilities.

HALLS:

The municipality still continues in constructing multi-purpose community halls in many of its wards to aid communities with proper spaces for their meetings and functions. These facilities are constructed through the use of Municipal Infrastructure Grant (MIG), when the halls are completed they are owned, operated and maintained by the municipality. The key challenge so far has been the lack of adequate funds to constantly maintain and offer security services to our facilities. It is proposed that once completed (renovation and construction), these halls should be handed over to the Community based Committees for day to day administration and management.

The following is the list of the Community Halls and their location:-

WARD	NAME OF THE HALL	VILLAGE	UNIT	OWNERSHIP	Electricity (YES/NO)
1.	TRC	Dutywa town	Dutywa	Mbhashe	Yes
	Town hall	Dutywa town	Dutywa	Mbhashe	Yes
2	Mamfeneni Community Hall	Mamfeneni	Dutywa	Mbhashe	Yes
3.	Qelane Community Hall	Qelane	Dutywa	Mbhashe	Yes
4.	Timane Community Hall	Timane	Dutywa	Mbhashe	Yes
	Ntshingeni Community Hall	Ntshingeni	Dutywa	Mbhashe	Yes
	Gxarha Community Hall	Gxarha	Dutywa	Mbhashe	Yes
	Mputi Community Hall	Mputi	Dutywa	Community	Yes
	Xeni Community Hall	Xeni	Dutywa	Mbhashe	Yes
5.	Silityiwa Community Hall	Silityiwa	Dutywa	Mbhashe	Yes
	Bolotwa Community Hall	Bolotwa	Dutywa	Mbhashe	Yes
6.	Nqabane Community hall	Nqabane	Dutywa	Mbhashe	Yes
7.	Old Idutywa Community Hall	Komkhulu	Dutywa	Community	No
	Ward 7 Community Hall	Candu	Dutywa	Mbhashe	Yes
	Old Idutywa Community Hall	Cilo	Dutywa	Mbhashe	Yes
8.	Gem Community hall	Gem	Dutywa	Mbhashe	Yes
9.	Mangati Community Hall	Mangati	Dutywa	Mbhashe	No
	Govan Mbeki	Govan Mbeki	Dutywa	Mbhashe	Yes
	Notinara Community Hall	Mthuvi	Dutywa	Mbhashe	No
10.	Bangiso Community Hall	Bangiso	Dutywa	Community	Yes
	Siwendu Community Hall	Auckland	Dutywa	Mbhashe	Yes
11.	Nqadu Community Hall	Komkhulu	Gatyana	Community	Yes
12.	Nqabara Community Hall	Nqabara	Dutywa	Mbhashe	Yes
13.	Sport Ground Community Hall	Xhorhatow n	Xhora	Mbhashe	Yes
	Indoor Sports Hall	Xhorhatow n	Xhora	Mbhashe	Yes
	Town Hall	Xhorhatow n	Xhora	Mbhashe	Yes
	Kasa Community Hall	Kasa	Xhora	Mbhashe	Yes
14.	Ramra Community Hall	Mfula	Gatyana	Mbhashe	No
	Mbhangcolo Community Hall	Upper Mbhangcolo	Gatyana	Mbhashe	No
15.	Xuba Community Hall	Xuba	Xhora	Mbhashe	Yes
16.	Maganyela community Hall	Manganyela	Xhora	Mbhashe	No
	Qotongo Community Hall	Mt Pleasant	Xhora	Mbhashe	No
17.	Ntsingizi Community Hall	Ntsingizi	Xhora	Community	Yes
18.	Mndwaka Community Hall	Mndwaka	Xhorha	Community	Yes
19.	Ward 19 Community Hall	Mpame	Xhora	Mbhashe	No
	Manzibomvu Community Hall	Manzibomvu	Xhora	Mbhashe	No
20.	Lower Desi Community Hall	Manganyela 2	Xhorha	Community	Yes

WARD	NAME OF THE HALL	VILLAGE	UNIT	OWNERSHIP	Electricity (YES/NO)
21.	Mpozolo Community Hall	Mpozolo	Gatyana	Mbhashe	Yes
	Dutch Community Hall	Ngoma	Gatyana	Community	Yes
22.	Beechamwood Community Hall	Mahasane	Gatyana	Mbhashe	Yes
23.	Bojini Community Hall	Bojini	Gatyana	Mbhashe	Yes
24.	Phathilizwe Community Hall	Phathilizwe	Gatyana	Mbhashe	Yes
25.	Gatyana TRC Hall	Gatyana town	Gatyana	Mbhashe	Yes
	Gatyana Town Hall	Gatyana town	Gatyana	Mbhashe	Yes
	Gatyana Indoor Sport Center	Gatyana town	Gatyana	Mbhashe	Yes
26.	Shinira community Hall	Shinira	Xhorha	Mbhashe	No
	Dabane Community Hall	Dabane	Xhorha	Mbhashe	No
27.	Fort Malan Community Hall	Fort Malan	Gatyana	Mbhashe	Yes
	Mhlohlozi Community Hall	Mhlohlozi	Gatyana	Mbhashe	No
28.	Mqhele Community Hall	Mqhele	Xhorha	Mbhashe	No
	Nqayiya Community Hall	Nqayiya	Xhorha	Mbhashe	No
	Mkatazo Community Hall	Mkatazo	Xhorha	Mbhashe	Yes
29.	Badi Community Hall	Badi	Gatyana	Mbhashe	Yes
30.	Weza Community Hall	Weza	Gatyana	Mbhashe	Yes
	Ntlabane Community Hall	Ntlabane	Gatyana	Mbhashe	Yes
31.	Sikhobeni Community Hall	Sikhobeni	Dutywa	Mbhashe	Yes
	Mbewuleni Community Hall	Mbewuleni	Dutywa	Mbhashe	Yes
32.	Nobangile Community Hall	Gusi	Xhorha	Traditional Council	Yes
	Qatywa Community Hall	Qatywa	Xhorha	Mbhashe	No
	Madwaleni Community Hall	Madwaleni	Xhorha	Mbhashe	Yes

Sports fields: As is the case with the halls, these facilities are scattered throughout the Municipality, with some located in urban centers, whilst others are placed at ward centers. These facilities are poorly managed with no personnel attached to them. The Municipality is busy constructing sports fields in all three units.

Ablution facilities: These communal facilities are generally placed in the urban centers of Dutywa, Gatyana and Xhorha. The Xhorha and Dutywa ablutions have been renovated. Gatyana and Xhorha are currently serviced by the septic tanks and VIPs as a form of sanitation. Another set of ablution has been constructed in Dutywa TESKO building and White house, thus ensuring a fair number of these facilities in this area. A nominal fee is charged to the members of the public who uses these facilities.

Pounds: The Municipality owns, operates and manage municipal pounds in all the three units. In recent times, the pound section has seen a lot of improvement with increased revenue through the conducting of the pound sales in all the units. A state of the art pound, the first of its kind in the province, is one facility that the municipality keeps boasting about in Dutywa, and is currently operational. Recently, we have seen a number of incidents of vandalism, break-ins and hold-ups in Gatyana and Xhorha facilities, such incidents call for improved security and safety.

Cemeteries: Cemeteries are a core competence of Mbhashe municipality and its role is largely to plan and ensure provision of land for burial as well as support with such services as registrations and mobilization of resources for fencing of facilities. Lack of funds is often cited as a reason why there is poor maintenance of cemeteries across all wards. Cemeteries are currently categorized into urban and rural (communal and private). The fencing and provision of guard houses in the urban cemeteries of Dutywa, Gatyana and Xhorha have been completed. Such an improvement in the cemeteries would induce better management of this function. In the case of rural communal cemeteries, data (location, size and costing) has been collected.

Beaches: Mbhashe is well endowed with a beautiful and wild coastline that covers certain parts of Gatyana and Xhorha. Certain parts of the coastline are used by the public for leisure, especially during Easter and summer holidays. As a result of that, there are some leisure facilities in the form of public toilets, showers, signage, braai areas and others that needs to be managed and maintained from time to time. Mbhashe, through the EPWP programme and assistance from DFFE programmes further provides personnel to continuously clean the coastline as well as the lifeguards throughout the year.

Child care facilities: The Municipality has a responsibility of providing the child care facilities (Early Childhood Development Centers) ECDC. 60 ECDCs were assessed on the state of the buildings and findings were lifted on what needs to be done. The study has found out that these facilities are at different levels of disrepair, with some made out of zinc, some blocks and others with mud and zinc. Three (3) Newly built structures have been constructed and handed over to the communities (Ward 12, ward 26, ward 23, and ward 32) and currently a new assessment has been done on the total number 211 ECDC's 140 funded and 71 non funded, the assessment reveals that leaner support material is not enough in most of them, and all of them have not enough outdoor facilities. The Department of Education (DoE) and Department of Social Development (DSD) are involved in assisting on the operations and funding of the ECDCs. The Department is currently the sole funder of these centers and the list of funded ECDCs is reviewed annually. The mandate of the municipality is limited to provision of the ECDC facilities (buildings, indoor and outdoor playing facilities).

Libraries: This is the concurrent function of the National and Provincial Governments. The Department of Sports, Recreation, Arts and Culture (DSRAC) has since entered into a memorandum of agreement with local municipalities, including Mbashe to manage and administer these facilities. Currently the Municipality has eight (08) fully operational libraries that are within Mbashe Jurisdiction area namely: Dutywa, Gatyana, Xhorha, Bolothwa, KwaNomaka Mbheki, kwaNtshunqe, Lower Mbangcolo and Nqabara Libraries.

The conditions of the libraries are not satisfactory and all of them need an immense facelift in order for them to be in an acceptable level. Additional three (3) Librarians have been appointed by DSARC for Gatyana, kwaNomaka Mbheki and kwaNtshunqe Libraries. DSRAC has committed an amount of R500 000.00 for the running of libraries in the current year in order to give effective and efficient library services to the communities, we are hoping that DSRAC can increase the budget so that it can cover all the expenditure in relation to libraries.

SWOT ANALYSIS		
COMMUNITY HALLS	STRENGTHS	WEAKNESSES
	Construction and maintenance Assessment of community halls done	Not enough budget Poor management
	OPPORTUNITIES	THREATS
	Enhancing community cohesion Serving as multi- purpose centres	Community seem not to understand their role Vandalism Effects of climate change
SPORTS FIELD	STRENGTHS	WEAKNESSES
	Almost every village has a sports field Participation of youth in sporting activities	No database of the existing sports fields Limited budget Poor management Existing sports fields mainly accommodate soccer
	OPPORTUNITIES	THREATS
	Healthy living style Platform for youth mobilisation Crime reduction Talent exposure	Non-Availability of suitable land for sport field Poor organised sport structures at community level.
ABLUTION FACILITIES	STRENGTHS	WEAKNESSES
	There is budget for maintenance Clean and hygiene facilities	Inadequate in relations to population volume Continuous water interruptions
	OPPORTUNITIES	THREATS
	Source of revenue Cooperative support	Business complexes not providing public ablutions Lack of waste water treatment works
POUND	STRENGTHS	WEAKNESSES
	There is budget for maintenance Dutywa pound under construction Control of stray animals	Poor controls Civil claims and litigations

SWOT ANALYSIS		
	Personnel and equipment	
	OPPORTUNITIES	THREATS
	Source of revenue Cooperative support	Break ins by aggrieved communities
CEMETERIES	STRENGTHS	WEAKNESSES
	Urban cemeteries fenced Personnel to look after urban cemeteries Budget available for assessment	□ No data base for communal cemeteries
	OPPORTUNITIES	THREATS
	Extension of services to previously disadvantaged communities Community dignity and satisfaction	Unauthorised burials in formal cemeteries Limited space
BEACHES	STRENGTHS	WEAKNESSES
	Beautiful coastal line Environmental friendly	Unsafe walkways No proper planning about the beach
	OPPORTUNITIES	THREATS
	Economic development Tourism attraction	Illegal sand mining Illegal fishing and poaching Unauthorised settlements Lack of infrastructure in the beaches Overregulated space
CHILD FACILITIES CARE	STRENGTHS	WEAKNESSES
	Assessment on ECDCs buildings done Functional ECDC forum Provision of material Budget availability Information on the existing ECDC for planning	Old and dilapidated buildings Lack of cooperation with the relevant sector departments
	OPPORTUNITIES	THREATS
	Improved education system	Dysfunctional ECDC No control and regulation on establishment High staff turnover
LIBRARIES	STRENGTHS	WEAKNESSES
	Functional library structure Capacitated in terms of personnel Library awareness programs Internet and Wi-Fi services	Limited funding of the operations of the Libraries Lack of movable assets such as motor vehicle.
	OPPORTUNITIES	THREATS
	Literacy improvement Source of information	Inadequate books and periodicals Old and dilapidated buildings
PARKS AND OPEN SPACES	STRENGTHS	WEAKNESSES
	Some facilities in place Aesthetic value created through these facilities The existing facilities are fully utilised	Limited internal funding Skill and capacity to operate and manage the existing facilities
	OPPORTUNITIES	THREATS
	Existing open spaces External funding potential	Stringent funding conditions

JOB CREATION SHORT TERM JOB CREATION INITIATIVES

The short-term job creation opportunities are created through the Expanded Public Works Programme (EPWP) and Community Works Programme (CWP). The EPWP is funded through internal sources and the Integrated EPWP Incentive Grant allocated by the National Department of Public Works, whilst the CWP is managed and funded by the Cooperative Governance and Traditional Affairs (COGTA) Department. The EPWP is wholly managed internally and is rollout

throughout the 32 wards of Mbashe, whilst the CWP is implemented in all the Xhorha wards and ward 11 in Gatyana. The majority of these job opportunities are found in rural waste management and CWP.

Mbashe	Financial Year	Work opportunities (WOs)	Work opportunities achieved	Full Time Equivalents (FTEs)	Full Time Equivalents Achieved
	2014/15	450	152	160	28.8
2015/16	545	541	191	216	
2016/17	638	1073	222	297	
2017/18	770	1680	265	579	
2018/19	841	1407	288	357	
2019/20	785	1420	311	277	
2020/21	785	1424	311	278	
Total	4 814	7 697	1 748	2 032.80	

SWOT ANALYSIS		
JOB CREATION	STRENGTHS	WEAKNESSES
	EPWP policy adopted Job creation Skills development Partnership with COGTA through CWP	Community unrests on selection of participants Program not fully institutionalised
	OPPORTUNITIES	THREATS
	Community trust and dignity Qualification as the Free Basic Service	Limited funding Reliance on sector departments on the approval of allocations

DISASTER MANAGEMENT

The disaster management function exists in the municipality in order to facilitate and coordinate support during disaster incidents (all hazards) by 2022. This is done by effectively attending to local disaster incidents through the implementation of Disaster Management and Contingency Plans. Mbashe is a region that is very much prone to almost all kinds of disasters. Throughout the sudden changing climatic and other natural disaster conditions, there is a need to plan ahead. Even though Disaster Management and All-Hazards Contingency Plans use to be a function of the district, the amendment in the Disaster Management Act, has increased role of the Local Municipalities with regard to the Disaster Management.

The disaster function is informed by the following pieces of legislation:

The Constitution of the Republic of South Africa, Act No. 108 of 1996.

The Disaster Management Act, No. 57 of 2002.

The Disaster Management Amendment Act, No. 16 of 2015.

Local Government: Municipal Systems Act, No. 32 of 2000.

National Disaster Management Framework, Government Notice 654 of 2005.

The Covid 19 Pandemic, declared by the South African President as World Wide Disaster has led the municipality into forming Joint Operations Committee (JOC) consisting of various stakeholders that sits in weekly for reporting and information sharing. This is an ongoing process meant for the minimization of spreading the virus.

(INDIGENT SUPPORT) FREE BASIC SERVICES

A unit has been created to manage this function, despite the fact that it is still populated by one official, working with EPWP employees. The first task was to compile the indigent register that should be reviewed and updated annually.

The Municipality has an indigent register with the total number of 4773 indigent households. It is compiled and anticipated that those left out of the register, irrespective of the reasoning for such exclusion, may either approach the office for registration or wait for the next round of reviewal and updating of the register.

Verification of indigents is conducted to ensure that the registered indigents do qualify. The municipality developed an Indigent Policy which was reviewed in May 2019. A portion of the Equitable Share is used to provide Free Basic Electricity

and alternative energy to indigent households. In terms of the policy a household whose monthly income is less than two state grants qualify to be an indigent.

The municipality is providing a range of free basic service to assist our most vulnerable citizens, these services are:
 4773 households benefited from Free Basic Electricity (50 kilowatts tokens supplied by Eskom)
 Free basic refuse removal service is provided to households through rural waste program.
 The municipality has not yet subsidized urban indigent households for property rates and refuse collection.

SWOT ANALYSIS		
FACTORS	STRENGTHS	WEAKNESSES
INDIGENT SUPPORT	There's a guaranteed funding source from the equitable share Increased support for rural waste removal for indigent households	Inadequate strategy to support indigent households Lack of credible indigent register
	OPPORTUNITIES	THREATS
	Attracting and enhancing indigent support from other government spheres and organisation through IGR structures	High unemployment and poverty levels within the municipal area

ENVIRONMENTAL ANALYSIS

The Environmental Management Section is derived from Chapter 2 Section 24 of the Bill of Rights which aims to protect and promotes fundamental human rights, including an environmental right.

The National Environmental Management Act (No. 107 of 1998, NEMA) provides for cooperative environmental governance by establishing principles for decision-making on matters affecting the environment of Mbashe.

This act allows for the development of Specific Environmental Management Acts, and it is through this provision that the following Acts with their aims are applied in the section:

▪ SIZE AND LOCATION

The municipality is located at the South Eastern boundary of the Amathole District Municipality in the Eastern Cape and is named after the Mbashe River that twists and meanders into the Indian Ocean, cutting through the three towns, namely Xhora (Elliotdale), Gatyana (Gatyana) and Dutywa. It is bound by the coastline, flowing from the Mncwasa River in the north to the Qhora River in the south along the Indian Ocean. With a total area of 3, 169 km², the location of Mbashe in terms of GPS Coordinates in the South African Map sits at 32.1621° South 28.7664° East.

▪ CLIMATIC CONDITIONS

The steep altitudinal gradients from the coast to the escarpment, gives rise to strong climatic changes across the Mbashe region. The area has a relatively high average rainfall, with the coastal and mountain regions receiving over 1000mm per annum. The region has a temperate of high sub-tropical temperatures along the coast in summer. The summer rainy seasons are sub tropically warm and pleasant, while the winters are mild.

High temperatures in January (mid-summer) reach about 40C, and in June (winter) about 21C, with lows of 17 and 9C respectively.

The region experiences climatic extremes in the form of storms, lightning's and floods which have resulted in soil erosion and deep crevices.

▪ TOPOGRAPHY

The region has a fragmented topography and comprises of undulating landscapes towards the coast and flat grasslands inland. The coastal terrain is therefore mountainous with steep valleys, whereas in land the flat grasslands suffer from drought and eroded lands. The diversity of topography does however create many different opportunities for a great diversity of ecosystems and their inhabitant plant and animal species. The topography, however, also poses a multitude of challenges to development as accessibility is limited and settlement has taken place in a dispersed and haphazard manner.

- **GEOLOGY**

There is great variety in the geology of the region as different portions of sedimentary and igneous layers are exposed during the transition from the high-altitude Mountains in the North- Eastern side to the coast in the east.

The area around Idutywa is largely underlain by Mesozoic sediments of the Karoo Supergroup. The sedimentary rocks were intruded by numerous dykes, sills and inclined sheets of dolerite (*Jd*) during the Jurassic.

In summary the types of rocks found in Mbashe are:

- Igneous rocks
- Sedimentary rocks
- Dolerite and Granite Rocks
- Shale and Sand stones
- Soils

Soils are mostly red-yellow apedal freely drained soils and are vulnerable to erosion as they originate from their easily weathered parent material on the north western part of Mbashe. Coastally, the soils are rich for agricultural activities which prove high soil fertility and rich in nutrients which is influenced by the coastal climate.

- **BIODIVERSITY:**

Vegetation of any region is determined by the two factors; climate and soil types. Generally, Mbashe is dominated by the grassland biome inland, but also has biome types like the Transkei coastal belt grasslands, scarp forest along the coast and the Indian Ocean coastal belt, which forms part of the Maputo-Pondoland Albany Hotspot (MPAH). The hotspot is the remarkable meeting point of six major vegetation types with unique species and ecosystems. The biodiversity of Mbashe shows that most of the natural and near-natural landscapes are located along the coast and adjacent interior. The more degraded areas are found in the northwestern portion of Mbashe with too much disturbance caused by overgrazing and burning of grasslands on the biodiversity occurring on that particular area. The decreased spatial extent of the Grassland Biome is also likely to be reduced due to the invasion of alien trees, bush encroachment and woody species. This would ultimately lead to a shift towards Savanna type characteristics.



Currently Mbashe hosts, the beauty of two joint Protected Areas declared as Nature Reserves and Marine under the protected areas Act. The Dwesa- Cwebe Nature Reserves encompasses pristine biodiversity of the coastal flora and fauna.

Mbashe also has a strong potential of an area known to be a habitat to the Threatened Cape Vulture (*Gyps coprotheres*). The area of Sundwana (Collywobbles) is an ancestral vulture colony occurring along the cliffs of the complex gorge formed by the meandering Mbashe River. This Vulture is endemic to South Africa.

Ecological Infrastructure:

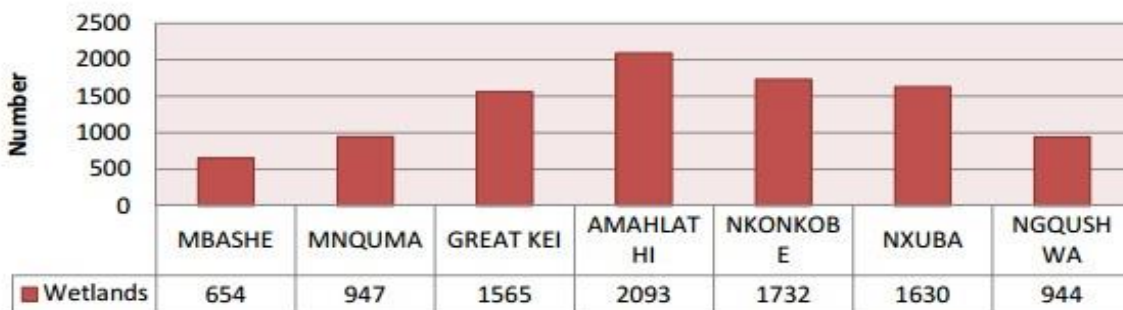
Ecological infrastructure refers to naturally functioning ecosystems that deliver valuable services to people, such as water and climate regulation (Source: SANBI).

- **Rivers:**

The largest river is the Mbashe followed by the Nqabara and then the Ntlongonyana. The Mbashe River has got a catchment of about 6.030 km², sourcing its water from the Drakensberg Mountains and draining to the Indian Ocean. It has a mean annual precipitation of 810mm and a natural mean annual runoff of 1 129 million m³.

- **Wetlands:**

The Mbashe area that is covered by wetlands is approximately: 2609.6ha and in numbers it has 654 wetlands which vary in terms of conditions.



- **Estuaries:**

There are 12 estuaries in the Municipality covering an area of 586ha, three of which are each greater than 100ha in extent. The Mbashe, Xora and Nqabara estuaries are rated No. 2, 5 and 15 respectively in terms of conservation importance of the Wild Coast estuaries.

- Ground water:

LOCAL MUNICIPALITY	POPULATION AFFECTED	NATURE/EXTENT OF WATER PROBLEM	TOTAL COST ESTIMATES INCL. VAT
Mbhashe	125 000	Unequipped boreholes and contamination of perennial springs.	R1 902 900

Water resources are being impacted on by poor land use management, increasing development and low levels of municipal servicing. Large catchments such as the Mbhashe are particularly affected.

Illegal sand extraction is occurring on the Mbhashe river floodplain and other rivers, resulting in water quality impacts and destabilisation of river banks and reduced flood attenuation capacity.

Climate Change Strategy:

A climate change strategy has been developed for the Mbhashe Local Municipality for a period of five years (2017-2021). Taking Midgely et al. (2007) models into account, in terms of the Mbhashe Municipality we can expect the following:

- An approximate increase in median temperate of 1.8 - 2 Degrees Celsius during the summer months and approximately 1.6 – 1.8 Degrees Celsius increase during winter
- An increase in winter monthly rainfall by 10 - 15 mm and 25 - 50 mm in the summer
- The above climate changes could imply that Mbhashe Municipality is faced with:
- More frequent and severe flooding as a result of higher intensity storm events and possibly more frequent hail events. This will and will impact on human settlements, infrastructure, human health and place a greater burden on particularly impoverished communities.



- Higher rainfall may increase agricultural production but water availability could become a limiting factor, requiring increased irrigation. Ground and surface water systems are vulnerable. In this regard small scale farming is likely to be most affected
- Heat waves may result in increased heat stress to plants, animals and humans and will increase associated fire risk placing livestock and grazing capacity under threat

Planning for Climate Change within the Mbhashe Municipality

Planning for Climate Change takes on two paradigms – climate change mitigation and climate change adaptation.

Climate Change Mitigation:

Involves those activities that assist in reducing the rate of change to the climate. This is a global responsibility and is aimed at limiting the generation of greenhouse gases.

Climate Change Adaptation

Refers to those activities which we undertake in response to a changing climate.

The emphasis on this chapter is to provide planning guidance to the Mbashe Municipality in relation to Climate Change Adaptation.

VULNERABILITY TO CLIMATE CHANGE

Studies indicate that in most climate change scenarios projected for the Mbashe area, future water supply availability by 2050 will “worsen considerably” (DWA, 2011). For a province that is heavily agrarian (with significant irrigation needs), as well as a province where nearly half of the population did not have access to piped water within their own dwelling or yard (in 2011), the prospects of increased water stress are significant. It is suggested that future climate change related water stress in the Mbashe area can be potentially mitigated by improved water infrastructure and management, although it will be difficult to compensate for all the adverse impacts. The ADM has embarked on a district-wide Water Services Infrastructure Provisioning and Refurbishment process for its local municipalities including Mbashe LM.

There are distinct benefits to using WFW as an adaptation measure, especially as climate change exacerbates water scarcity. However, resources will be required for ongoing management to keep areas alien free and to rehabilitate natural vegetation to ensure that water services are maintained.

LAND REHABILITATION PROGRAMME

Mbashe Local Municipality much like in other provinces in South Africa is plagued with unlawful sand and gravel mining activities which have had dire negative social and environmental impacts and therefore, the municipality would like to develop a plan to rehabilitate these illegal mines in order to minimize the impacts which have resulted from these activities. The Basic assessment reports for Qatywa in Elliotdale and Beechamwoods in Willowvale have been submitted to the Department of Mineral Resources for approval. Secondly, several dongas in various wards of Mbashe have emanated from natural causes due to climate change and soil erosion.

This compelled the municipality to have the two pronged strategy that will help deal with the degraded landscapes.

DEVELOPMENT OF REHABILITATION PLANS

The plan addresses all the areas associated with halting any further illegal operations, of which rehabilitation and revegetation forms a component. As such the post-mining land use and objectives for closure are relevant to rehabilitation and revegetation.



The processes in developing the overall mine rehabilitation strategy was firstly to identify potential post mining land use options and establish key objectives for closure to be incorporated in the project design. The most likely post-mining land uses are, expansion areas for housing, grazing land and open space /recreation, with management of the land being returned to the pastoral leaseholders on completion of closure, decommissioning and rehabilitation.

TREE PLANTING

Tree planting programme is prioritised and is regarded as part of the broader climate change mitigation strategy and a form of rehabilitation in degraded lands and areas. To date the municipality has distributed and planted 1000 indigenous trees to various communities. Prioritised in this programme are the schools, clinics and households. Furthermore, indigenous trees have been planted in community halls of all wards surrounding Dutywa to promote green buildings around Mbhashe Local Municipality.

The Department of Forestry (DEFF) has been assisting the municipality with the provision of both the indigenous and fruit trees, also for schools and communities within the municipality.

HOUSING

HUMAN SETTLEMENTS DEVELOPMENT

The municipality is not responsible for the development of houses, it only relies on the Department of Human Settlements upon lodging applications to the Department based on the National Housing Needs Register

Below are the housing projects that are implemented by the department at Mbhashe:

CATEGORIES			
RUNNING PROJECTS	BLOCKED PROJECTS	PLANNING PROJECTS	COMPLETED PROJECTS
(i) Mbhashe 57 Destitutes (Ward 03,07, 09, 10, 11, 12, 16, 17, 26, 29)	(i) Willowvale 97 (25) (ii) Elliotdale 292 (ward 13)	(i) Elliotdale 400 (Ward 13)	(i) Nkanga 51 anti poverty project (Ward 11) (ii) Dutywa 100 Destitutes (
(ii) Dutywa 18 destitutes (Dutywa wards)			
(iii) Dutywa 753 (conveyancing and Housing allocation) (ward 09)			

PROGRESS TO DATE

- **DUTYWA 753 (Conveyancing and housing allocation)**

The Department of Human Settlements has appointed Conveyancers namely: DM Lukhozi Attorneys and Mjamba Nomfuneko Constance Attorneys (completed 189).

Provincial Department of Human Settlements is still investigating and has produced a draft report on People who illegally occupied the houses.

Status of the Project

The Provincial Department of Human Settlements has released the Beneficiary Allocation Committee to conduct door to door verification so as to identify the illegal occupants.

Mbhashe 57 (Destitutes)

Background

This is a new project and it was initiated because of the following reasons:

- ❖ Petitioners during taking Parliament to People.

- ❖ Beneficiaries that were left out in Elliotdale 350 Project
- ❖ Request by the late King Sigcau.
- ❖ Complaints from Public Protector

Progress to date

- Beneficiary Administration has been completed.

BLOCKED PROJECTS

- **WILLOWVALE LOW-COST HOUSING PROJECT WITH 97 UNITS**

BACKGROUND

Willowvale Ext 1 with 97 units

The project was approved by the Department of Housing and Local Government on the 29th of March 2001. 97 units were transferred and registered in various names of the beneficiaries.

The Provincial Dept of Human Settlements took over the Developer status from the Municipality.

Progress to date

The municipality was appointed as an implementing agent, awaiting funds from the Provincial Department of Human Settlements to commence with the project.

Elliotdale Ext 2 with 292 units

The project was approved by Department of Housing and Local Government in December 1997, and 292 units were transferred and registered in the names of prospective beneficiaries.

The Provincial Dept of Human Settlements took over the Developer status from the Municipality.

Progress to date

The municipality was appointed as an implementing agent, awaiting funds from the Provincial Department of Human Settlements to commence with the project.

EMERGENCY HOUSING

Assessments and verifications of the families affected by e.g. floods, fire, imminent eviction, or other reasons are being conducted by this Department. Those findings are forwarded to the department of Human Settlements to apply for approval of grant assistance.

National Housing Needs Register:

The National Housing Needs Register (NHNR) is a central database that offers households the opportunity to register their need for adequate shelter by providing information about their current living conditions, household composition and to indicate the type of housing assistance they require from government. Households are also able to update their information to ensure that their details are relevant to their current situation

The Housing Needs Register is a key priority for the National Department of Human Settlements as it seeks to scientifically determine the housing need and ensures the improvement of current housing waiting lists of the Municipalities. A total of 30 000 questionnaires were captured for 3 towns of Mbashe Area.

This register will be used for determination of the housing needs and to assist in allocation of beneficiaries through auditable and fair process.

It is the only single integrated system to be used in order to determine housing needs in the Republic. It is also used for planning and budgeting purposes.

INFORMAL SETTLEMENTS

Informal housing or informal settlement can include any form of housing, shelter, or settlement which is illegal, falls outside of government control or regulation.

MBHASHE INFORMAL SETTLEMENTS UPGRADING

UPGRADING AND RELOCATION OF THE FOLLOWING INFORMAL SETTLEMENTS

- ❖ GPO Settlements/Emabhaceni (relocation)
- ❖ Kwa Agriculture (relocation)
- ❖ Zone 14 (upgrading)

PROGRESS

- ❖ Mbashe Local Municipality has been appointed as an Implementing Agent for Informal Settlements Upgrading Projects.
- ❖ Funding Agreement has been signed between Mbashe Local Municipality and Provincial Department of Human Settlements with a total budget of **R3 835 050**. The purpose of this agreement is for the Municipality to provide support as an Implementing Agent to ensure that an implementation plan will be the basis of contracting capable service providers, to be assigned to the allocated Informal Settlements for Upgrading projects under the supervision of the Department.
- ❖ The layout plan for the newly relocated informal settlement has been done. The affected informal settlement include:
 - GPO,
 - Mabhaceni and
 - Agriculture

PROJECT NAME	NO OF HOUSEHOLDS	PROJECT BUDGET
Dutywa Zone 14	250	R1 878 038
Dutywa Kwa Agriculture	100	R 798 600
Dutywa GPO Settlements	150	R1 158 412

The Municipality has written to the Provincial Department of Public Work and Infrastructure requesting the transfer of Erf 128. The site is currently being used as informal Settlement known as Police Camp in Willowvale.

Mbashe Local Municipality formalised the informal settlement namely Willowvale Police camp. An in-situ upgrading plan has been created and it comprises of the following of 94 residential erven.

HOUSING PROJECTS (LOW-COST HOUSING)

AREA	NUMBER OF UNITS	LOCATION
• Dutywa Extension 8	• <u>753 households</u>	• <u>Dutywa South East</u>
• Willowvale extension 1	• <u>97 households</u>	• <u>Willowvale South-East</u>
• Elliotdale – Walter Sisulu Township	• <u>292 households</u>	• <u>Elliotdale North-West</u>
• Elliotdale Rural	• <u>5000 households</u>	• <u>Wards 17, 18, 26</u>
• Elliotdale Rural 3000 units & Mngazana	• <u>3000</u>	• <u>All Elliotdale Rural Wards</u>
• Nqadu Village	• <u>1380</u>	• <u>Mbhashe LM</u>
• Willowvale 51 Destitutes Nkanga (Ngqaqini) Anti Poverty	• <u>51</u>	• <u>Ward 11</u>
• Mbhashe 57 Destitutes	• <u>57</u>	• <u>Wards 03,07,09,10,11,12,16,17,26,29</u>
• Dutywa 18 Destitutes	• <u>18</u>	• <u>Dutywa Wards</u>

SWOT ANALYSIS: LOW-COST HOUSING

Priority Issues:

In terms of the Spatial Development framework, land is made available for more low cost housing development in all three units. However, there are serious challenges like land invasion, land claims and lack of infrastructure services like water and sanitation. The housing register shows that there is a huge demand for housing. Currently, there are plans in place for more low cost housing development in Dutywa zone 14, Xhora extension 5 & 6 and Willowvale.

More challenges include slow process of transfers i.e. Title Deeds transfers and Incomplete Housing Register.

<ul style="list-style-type: none"> • OPPORTUNITIES • Land availability • High housing demand 	<ul style="list-style-type: none"> • THREATS • Stopping of the rectification process • Land invasion • Land claims affecting future housing development
<ul style="list-style-type: none"> • STRENGTHS • Plans in place 	<ul style="list-style-type: none"> • WEAKNESSES • Slow process of transfers i.e. Title Deeds transfers • Incomplete Housing Register

MIDDLE INCOME HOUSING

Dutywa town in particular is unbearably over populated. This has burdened the infrastructural planning in town more especially sewerage, water and electricity. This is a result of an increase of schools around town especially the private schools.

Residents responded by converting their residential houses into boarding hostels. However, there are planned projects to help curb the situation.

Priority Issues:

PLANNED PROJECTS FROM THE PREVIOUS FINANCIAL YEAR CONTINUING TO THE YEAR UNDER REVIEW

• PROJECT	• UNITS	• LOCATION	• STATUS
• Dutywa Extension 7 (Middle Income)	• 312	• Dutywa North	• Project was started in the year 2018/2019 and continues to the year 2021/2022.
• Dutywa Extension 3	• 264	• Dutywa North-East	• Project was started in the year 2018/2019 and continues to the year 2021/2022.
• Willowvale Extension 5	• 241	• Willowvale South – West	• There is no infrastructure and that there is a massive land invasion.
• Elliotdale Extension 6	• 400	•	<ul style="list-style-type: none"> • Revalidation of the general plan is currently on progress. • Project was started in the year 2018/2019 and continues to the year 2021/2022. • MEC funding approval obtained.
• Elliotdale Extension 5	• 102	•	• Revalidation of the general plan is currently on progress. Project was started in the year 2018/2019 and continues to the year 2021/2022.
• Dutywa – Mzamomhle Township	• 1050	• Dutywa South – West	• Township approved. The project will be put on tender for the Development of middle income houses.
• Bachelor flats (rental housing)	•	• Mzamomhle Township	• The project will be put on tender for the Development of middle income houses.
• Community Rental Units (CRU)	•	• Extension 8	• Awaiting study results.
• A student village (rental housing)	•	•	• Seeking a new developer after the failed one

SWOT ANALYSIS: MIDDLE INCOME HOUSING

• OPPORTUNITES	• THREATS
<ul style="list-style-type: none"> • Land availability • Revenue generation 	<ul style="list-style-type: none"> • Land claims from nearby communities • Land invasions from the same communities

<ul style="list-style-type: none"> • Contribution to Economic Development of the region • High Housing demand 	<ul style="list-style-type: none"> • There's no infrastructure (water, sanitation, road network) and internal reticulation
<ul style="list-style-type: none"> • STRENGTHS 	<ul style="list-style-type: none"> • WEAKNESSES
<ul style="list-style-type: none"> • Township plans in place 	<ul style="list-style-type: none"> • No proper planning for Infrastructure needs

Priority Issues

3 commonages at Xhora, Gatyana and Dutywa.

○ **SPATIAL ANALYSIS**

SPATIAL RATIONALE

1. Spatial Description of Mbhashe Local Municipality

Mbhashe local municipality is located within the eastern extent of the Eastern Cape Province, within the area of jurisdiction of the Amathole District Municipality. The Municipal boundary forms the Northern boundary of the Amathole District, bordering the O.R Tambo District.

The Locality Plan for Mbhashe Wards



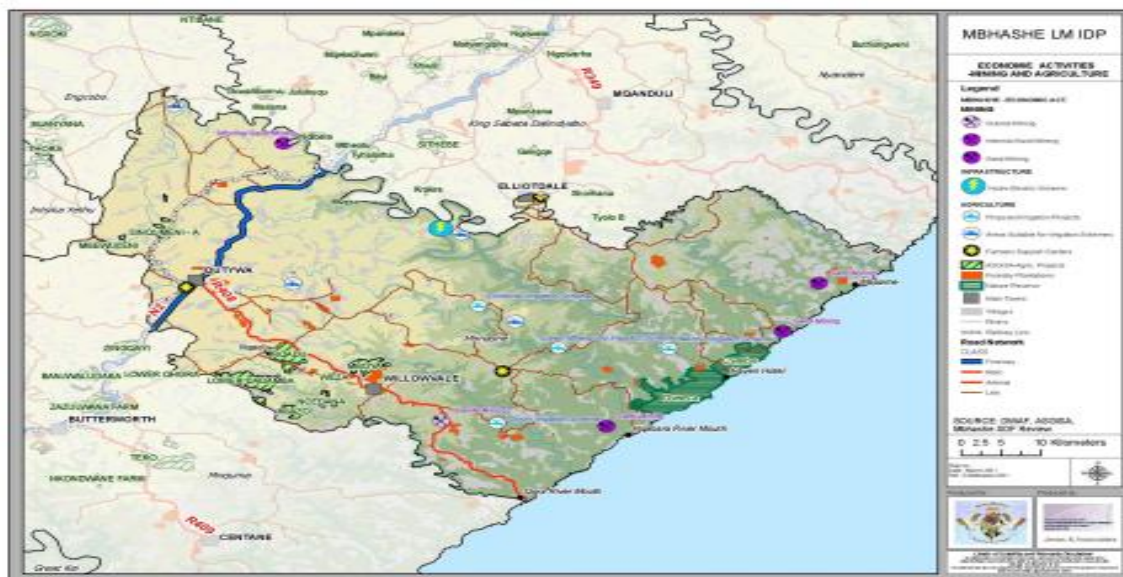
Mbhashe covers an area of 3030.47 km² (**Source: Stats SA 2011**) and comprises 32 wards, represented by 63 councilors. The entire extent of Mbhashe is situated within the former Transkei and is bordered by the following municipalities:

King Sabata Dalinyebo – to the East

- ❖ Engcobo – to the North – West
 - ❖ Mnquma – to the South
 - ❖ Intsika Yethu – to the South –West
- **LAND USES ALONG THE COAST**
 - ❖ Mining and Agriculture

The map below depicts the areas with natural resources possible for mining sand along the coast and along rivers (Mbhashe & Nqabarha) and granite in areas such as Luvundu & Weza.

Agricultural activities are more concentrated, due to high rainfall along the coast.



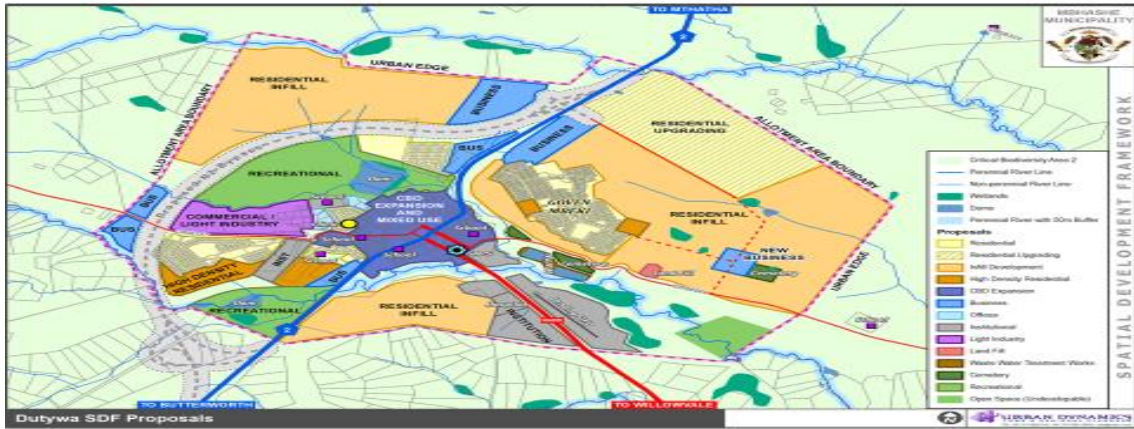
- **DIFFERENT LAND USES FOR DUTYWA, WILLOWVALE AND ELLIOTDALE**

After a long consultative process of crafting the municipality's five year SDF, different land use proposals were suggested and approved for the towns of Dutywa, Elliotdale and Willowvale.

DUTYWA

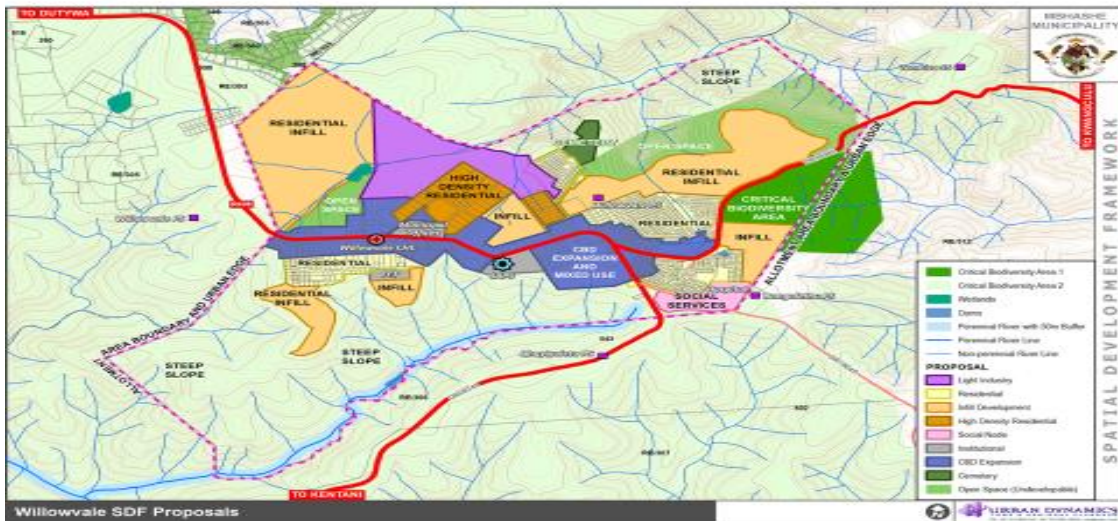
These were the proposed different land uses for Dutywa; commercial, residential, educational, institutional, business, general residential, government, industrial, municipal, open space, public garage, special residential, special zone and undetermined. All the above mentioned uses are strategically located in order to achieve the objectives of the land use scheme for Mbhashe.

In order to increase the revenue for Dutywa, Gatyana & Xhora, a number of business sites were proposed along the proposed and the urban edge/CBD has also been increased. The Industrial areas in Dutywa were proposed along the railway line, in Gatyana along the Urban Edge. Mixed Residential areas were promoted for social cohesion.

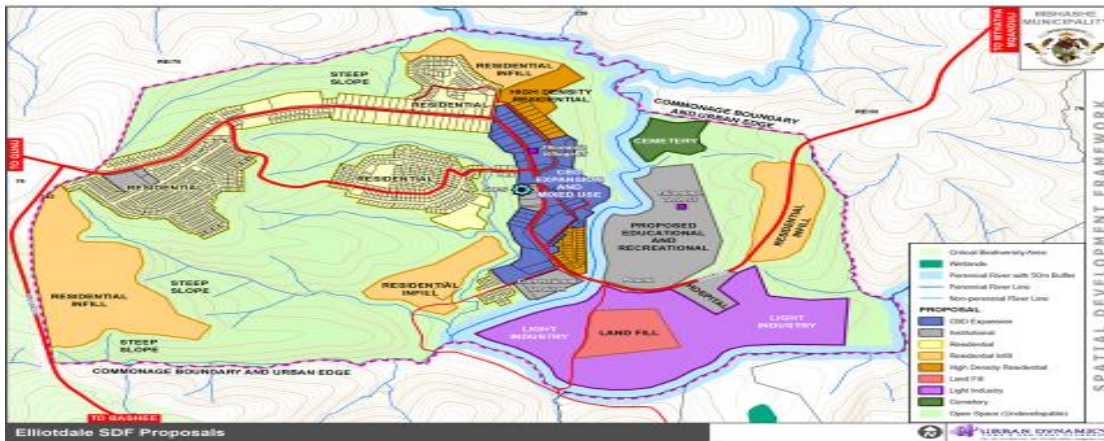


WILLOWVALE

These were the proposed different land uses for Willowvale; commercial, residential, educational, institutional, business, general residential, government, industrial, municipal, open space, public garage, special residential, special zone and undetermined. All the above mentioned uses are strategically located in order to achieve the objectives of the land use scheme for Mbashe.

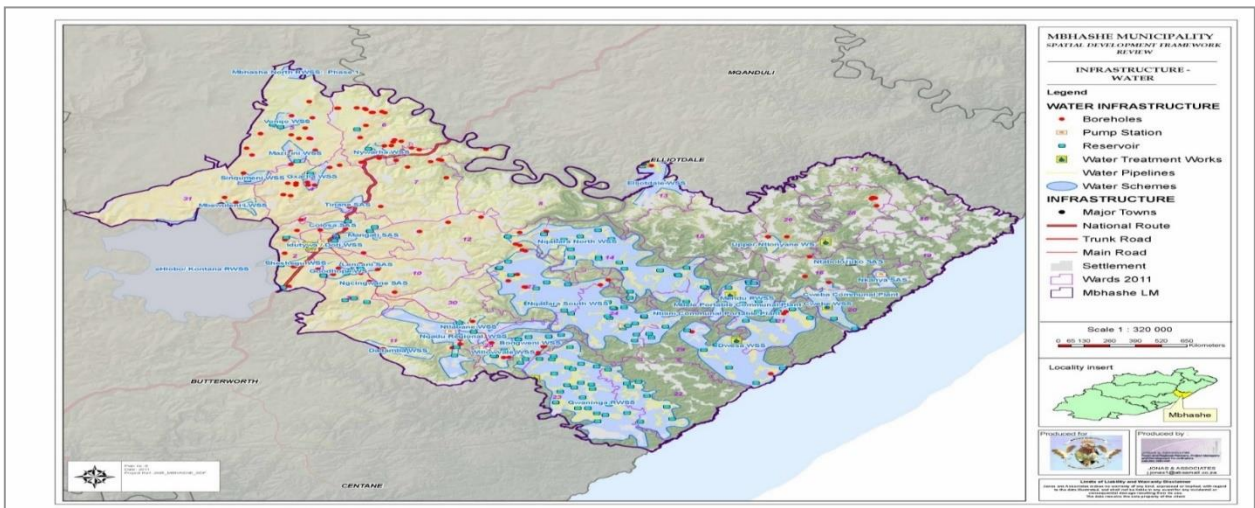


ELLIOTDALE



○ **WATER**

Current availability of water infrastructure and networks is reflected below.



In the Eastern part of Mbashe there are water schemes and few boreholes because of higher rainfall. In the western part there are more boreholes because of lower rainfall.

○ **TENURE STATUS**

Land Tenure At the broader scale of Mbashe LM, it is clear that the majority of the land area is held in ownership by the South African state, with the exact status varying from registered to unregistered state land. In most cases, the land is viewed as communal – or “traditional African” – land that is held in trust by the state but is effectively administered by Traditional Authorities as representatives of the communities who reside in the areas concerned.

Certain isolated land parcels were effectively excised from communal land by demarcation as state forest, PTOs for trading stations (some converted to title), reservation certificates for schools and hospitals, demarcation as recreation sites on the coast for cottages, campsites and hotels. Freehold title is confined to the limited urban areas. There are a few examples of freehold titles that were issued outside. Quitrent tenure is common under Proclamation 174 of 1921 in small inland portions of Dutywa. The issuing of PTOs with betterment planning was administrated during the apartheid administration.

The present tenure is the set of post 1994 land reform laws and procedures, which are as yet only partially implemented. These include the following pieces of legislation: -

- Interim Protection of Informal Land Rights Act (IPILRA) 31 of 1996 and the Interim Procedures based on IPILRA.
- Restitution of Land Rights Act 22 of 1994.
- Communal Property Association Act.
- Traditional Leadership and Governance Framework Act 41 of 2003, was intended to be linked to the constitutionally invalid Communal Land Rights Act of 2004.

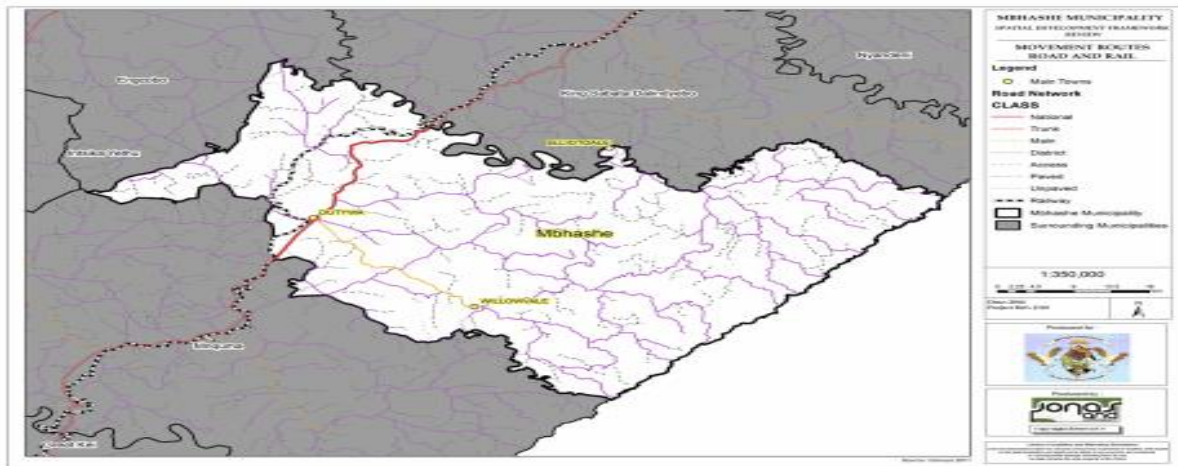
Urban Areas

The functions pertaining to land administration in urban centres is undertaken by the Municipality in terms of the Eastern Cape Province is still in a process of developing the provincial legislation that will be aligned with the new Act, Spatial Planning and Land Use Management Act (SPLUMA). The functions pertaining to land administration in urban centres is undertaken by the Municipality in terms of SPLUMA.

Rural areas

The land administration in rural areas consists of a range of existing systems that can be described as ranging from Traditional, Customary to legislated or formal. The “formalization” incorporated an administrative role for government structures that resulted in the issuing of “Permission to Occupy” (PTO) certificates. Challenges however exist where certain traditional leadership rejects the implementation of SPLUMA.

Major Transport Routes



The road network in Mbashe as shown on the plan above, can be broadly classified as follows:

□ The N2 National Road, which runs from Mnquma Municipality to King Sabata Dalinyebo Municipality and passes through Dutywa.

District roads (Trunk and Main Roads) connecting Dutywa to Gatyana and Ngcobo. Local access roads connecting the district roads with the various rural villages and coastal Destination.

- **LAND RESTITUTION**

The Restitution of Land Rights Act 22 of 1994 and the Constitution provide a legal framework for the resolution of land claims against the state, where possible through negotiated settlements.

The status of land claims in Mbashe LM has currently 29 lodged claims only four has been settled and there are 25 outstanding claims.

District	Lodged Claims	Settled Claims	Outstanding Claims
Gatyana	12	1	11
Xhora	04	1	03
Dutywa	13	2	11
Total	29	4	25

Distributed as follows:-

No.	NAME OF CLAIM	AREA	STATUS
1.	Maude Stofile	Dutywa	Research
2.	Daniel Kleinhans	Dutywa	Research
3.	Kreschmer Spargs (12 properties)	Dutywa	Settled
4.	Mfanelo Ndwandwa	Dutywa	Research
5.	Lubabalo Potelwa	Dutywa	Research
6.	Limakhwe Clan (2 properteis)	Dutywa	Research
7.	Ngxakaxa Community	Dutywa	Verification
8.	Cecil Dlova	Dutywa	Research
9.	Xolilizwe Sigcawu	Dutywa	Research
10.	Pakamisa Limekhaya	Dutywa	Settled
11.	Mbelo Community	Dutywa	Research
12.	Mangathi Community	Dutywa	Court Case
13.	Mputi Community	Dutywa	Valuation
14.	Bhonxa Community	Gatyana	Valuation
15.	Joseph Ndinisa	Gatyana	Research
16.	Wilfred Van Meyer	Gatyana	Research
17.	Vuyiswa Lwana	Gatyana	Research
18.	Griffiths Manxiwa	Gatyana	Research
19.	Mvuyo Ndzo	Gatyana	Research
20.	Nontobeko Ndinisa	Gatyana	Research
21.	Xolilizwe Sigcawu	Gatyana	Research
22.	Dwesa Cwebe Nature Reserve	Gatyana	Settled
23.	Xolilizwe Sigcawu	Gatyana	Research
24.	Zalisile Matikinca	Gatyana	Research

No.	NAME OF CLAIM	AREA	STATUS
25.	Namba Community	Gatyana	Research
26.	Mwana and Hlakothi Community	Xhora	Verification
27.	Jako Family	Xhora	Settled
28.	Thafalehashe	Xhora	Research
29.	Gcaleka Nation	Xhora	Research

The four (4) settled claims are the following:-

- ❖ Krestchener Spargs (12 properties) in Dutywa
- ❖ Pakamisa Limekhaya in Dutywa
- ❖ Jako Family in Elliotdale
- ❖ Dwesa-Cwebe

However, the three (3) communities that are in the stage of valuation; these are:-

- ❖ Mputhi in Dutywa
- ❖ Mangathi in Dutywa
- ❖ Bhonxa (Commonly known as Ciko) in Willowvale

○ **CLAIMS AGAINST ERF 1 (DUTYWA COMMONAGE)**

Land restitution claims (for example in Mputhi, Ngxakaxa and Mangathi) inevitably reduced the appetite of property developers to invest. The land restitution process should be concluded as soon as possible to resolve the uncertainties surrounding land ownership.

However, the current state is that the claims may be invalid as the commonage areas were determined prior 1913 – the passing of the Land Act of 1913.

❖ **Mputi Land Claim**

The Mputhi Community lodged a land claim through the Land Claims Commission for the part of the Dutywa commonage described as Erf 1 – Dutywa which now belongs to the Mbhashe Municipality.

❖ **Mangati Land Claim**

The Mangati Community lodged a land claim through the Land Claims Commission for the part of the Dutywa commonage described as Erf 1 – Dutywa which now belongs to the Mbhashe Municipality. The negotiations have started and are at an advanced stage. A settlement has been reached and only these with quadrant titles will be compensated. Those who have lost the grazing rights will not be compensated.

❖ Ngxakaxa Land Claim

The Ngxakaxa Community lodged a land claim through land claims in an area described as Erf 1 – Dutywa which now forms part of the commonage and whose legal title deed belongs to Mbhashe Local Municipality. The matter has been resolved with an option of financial compensation.

❖ Bhonxa

The Land Claim Commission assisted by the Surveyor General's office have done the surveying of the land under claim and also investigating the correctness of the claim made by the Bhonxa Community (Commonly known as Ciko). The claim is under evaluation, but the Chief assisted by the community are defiantly demarcating the land in question. The land under claim is part of Erf 130 in Willowvale commonage.

○ LAND INVASIONS

In the past few years, the residents of rural areas surrounding Willowvale commonage illegally demarcated sites from the municipal commonage for themselves. The municipality further obtained a court order evicting the transgressors.

The Willowvale commonage is invaded from all the three corners by the following communities, Nkxankxashe, Bhonxa (Ciko) and Weza.

An attempted land invasion has occurred on Erf 1 (Mangathi side). The Municipality has obtained a court order against the invaders.

The Elliotdale commonage is also under severe land invasion by the people under the leadership of traditional leaders.

SWOT ANALYSIS: LAND INVASIONS AND LAND CLAIMS

OPPORTUNITIES	WEAKNESSES
<ul style="list-style-type: none">• Court order; to speed up land claims• Invalidity of some of the claims• Land invasion policy	<ul style="list-style-type: none">• Land not transferred to the municipality
STRENGTHS	THREATS
<ul style="list-style-type: none">• Land invasion policy available	<ul style="list-style-type: none">• Invaders not using legal route

Priority Issues:

Land invasion policy has been developed by the municipality in order to minimise land invasions. Through research done by land claims commission some of the claims lodged were found to be invalid.

The municipality has been restricted from developing any land parcels through court order obtained by Mangati. Another restriction is that some of the invaded land is not legally owned by the municipality as it belongs to the national and provincial departments of Public Works.

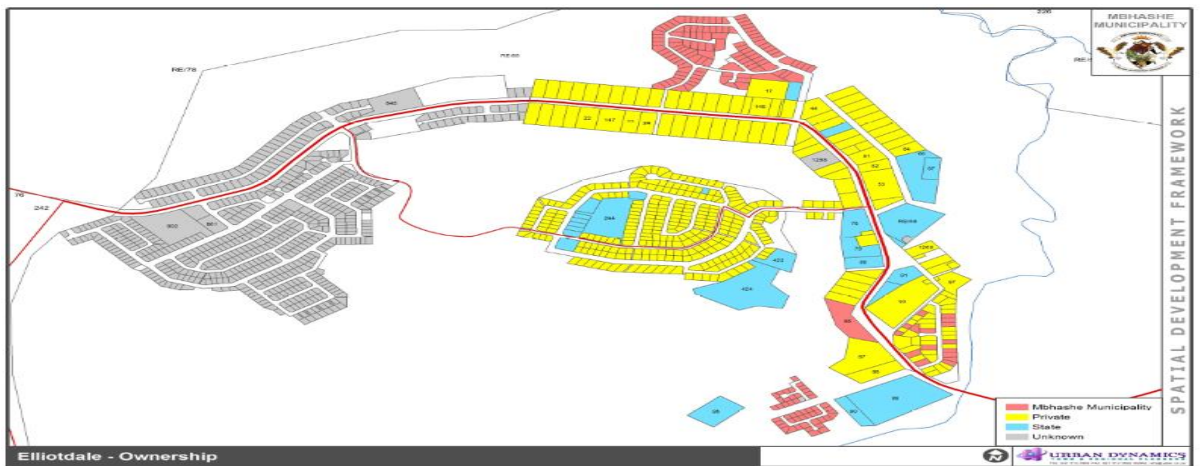
LAND OWNERSHIP IN URBAN AREAS

Land ownership in Dutywa, Elliotdale and Willowvale is depicted on the plans below. Ownership is categorized as municipal, private or state land.

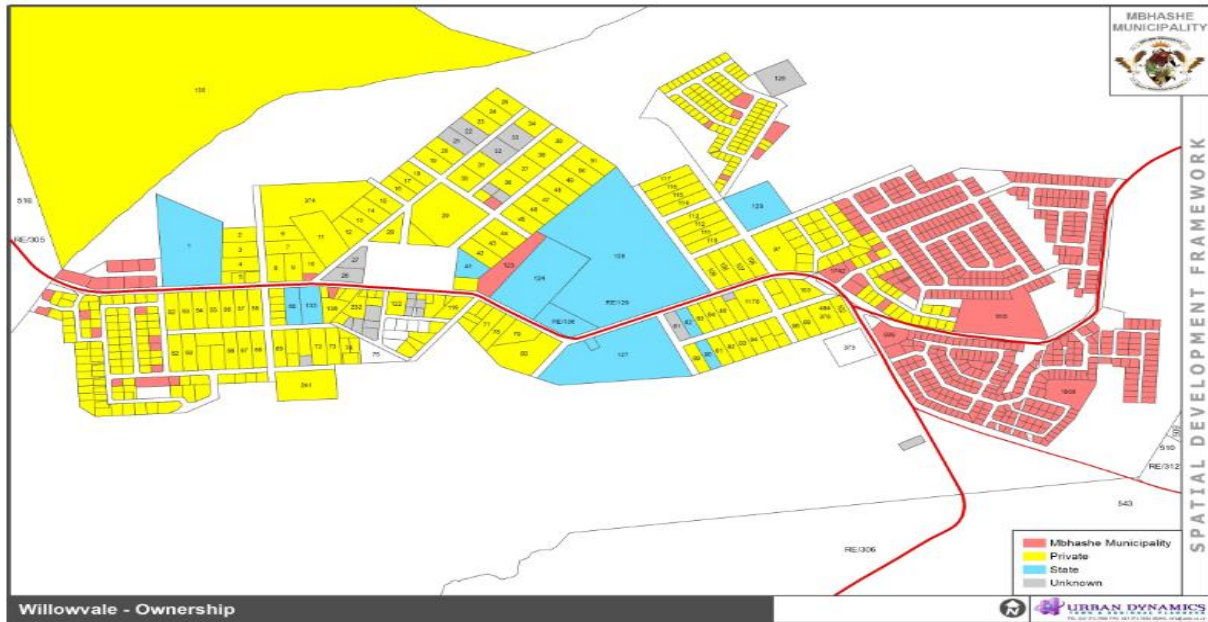
DUTYWA



XHORHA



GATYANA



○ **LAND AUDIT**

In the financial year 2020/2021 Mphashe Local Municipality has currently undertaken the Land Audit exercise. The focus will only be on the urban area and thereafter the focus will be on the rural aspect of the Land Audit. A service provider has been appointed and a draft report has been circulated for comments by various affected stakeholders. For the financial 2021/2022 the focus will be on rural land audit.

○ **SPATIAL DEVELOPMENT FRAMEWORK (SDF)**

The municipality reviewed the SDF in line with SPLUMA and was adopted by Council during May 2017. In consistent with SPLUMA there are programs on LSDFs completed in ward 27, 32, 08, 19 & 22 localities respectively. The municipality will extend the scope with regard to the development of the LSDF in all the rural areas of the Municipality in an attempt to manage the land use in those areas as stipulated in the Act (SPLUMA).

However, the municipality has managed to establish its own Municipal Planning Tribunal with the following areas of specialization:-

- (a) Registered Professional Urban and Regional Planner
- (b) Registered Engineer
- (c) Registered Environmentalists
- (d) Registered Attorney and a
- (e) Development Economist (from the municipality)

The authorized official Town Planner is appointed and the Land Development Officer is not yet appointed but it is budgeted for 2020/21 financial year.

All the nominees for the Municipal Planning Tribunal (MPT) were gazetted. The Council has also taken a resolution to make an Executive Committee an Appeal Authority and has been gazetted. The SPLUMA By-laws were also approved by council and have since been gazette.

○ **STATUS OF THE MUNICIPAL PLANNING TRIBUNAL (MPT)**

The lifespan of the MPT members is still valid as they were granted 5 years from the date of appointment in accordance with section 37(1) of the Spatial Planning and Land Use Management Act No.16 of 2013 (SPLUMA). They were appointed by the Municipal Council on the 31st of March 2017 and their term of office will expire in 2022.

○ **ZONING REGISTER AND STATUS OF LAND USE APPLICATIONS**

The zoning register for the Municipality is constantly updated and submitted to the Amathole district Municipality (ADM) in order to amend the Land Use Scheme. All the records of applications where the amendments are made are kept safe to be in keeping with Section 31 (1) of SPLUMA.

APPLICATION TYPE	Date of Submission	ERF No's	ORIGINAL ZONING	PROPOSED ZONING	REASONS FOR DECISION	Payment
DUTYWA						
Rezoning & Removal of Restrictive conditions	Resubmitted on 10 August 2020	1522	Special Residential	General Residential	In progress	R3 000.00
Subdivision, Rezoning and Removal of Restrictive condition	Resubmitted September 2020	101	Institutional	General Business	In progress	Fees paid R5 920.00
Special Consent	31 July 2018	1538	Commercial	Special Consent for Public Garage	Approved	Fees paid R3 700.00
ELLIOTDALE						
Revalidation of proposed Subdivision & Permanent Departure	13 May 2019	22	Special Residential	Special Residential	There is still an outstanding information which is not yet submitted	Fees paid R4 620.00
Rezoning	5 April 2019	136	Special residential	Institutional	No comments from other organs of state (Dept. of education)	Not paid
WILLOWVALE						
Special Consent	29 May 2019	374	Educational	Special consent for residential purposes	Not finalized, due to non-response on comments sent	Fees paid R3 700.00
Rezoning & Departure	28 February 2020	1154	Special Residential	General Residential	In progress	Fees not paid

Status of LUS and SDF within Mbashe Local Municipality

AREA	LAND USE SCHEME	SPATIAL DEVELOPMENT FRAMEWORK
Mbashe LM	Reviewed	Available and is aligned with SPLUMA
Amajingqi	N/A	Final document is available (LSDF)
Ntshatshongo A/A	N/A	Final document is available (LSDF)
Ward 8	N/A	Final document is available (LSDF)
Ward 32	N/A	Final document is available (LSDF)
20	N/A	Draft LSDF

23	N/A	Draft LSDF
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SPATIAL PLANNING: SWOT ANALYSIS

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> Piloting LSDF to certain areas 	<ul style="list-style-type: none"> Funding for LSDF across the municipal area
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> Proper planning Potential for economic growth Creating nodal points 	<ul style="list-style-type: none"> Resistance from Chiefs Lack of security of tenure Unplanned developments Land degradation Reduction of the arable land

Priority Issues

LSDFs has been piloted in the following wards; 22, 08, 32, 27 and 19. Local SDFs provide for proper planning in terms of the land use management in our local space. It also highlights, preserve and promotes areas with potential economic growth.

Failure to fully implement LSDFs is mostly the concerns of the traditional leaders as aligned with SPLUMA. Reduction of arable land is a threat, due to traditional leaders subdivide land with agricultural potential.

Status of LUS and SDF within Mbhashe Local Municipality

Area	Land Use Scheme	Spatial Development Framework	Spluma By-Laws
Mbhashe LM	Reviewed	Aligned with SPLUMA	Final SPLUMA By-law approved by Council (Gazetted)
Amajingqi	N/A	Draft available (LSDF)	Final SPLUMA By-law approved by Council (Gazetted)
Ntshatshongo A/A	N/A	Draft available (LSDF)	Final SPLUMA By-law approved by Council (Gazetted)
Ward 20	N/A	In progress	Final SPLUMA By-law approved by Council (Gazetted)
Ward 23	N/A	In progress	Final SPLUMA By-law approved by Council (Gazetted)
Ward 26	N/A	In progress	Final SPLUMA By-law approved by Council (Gazetted) Financial year 2021/2022.

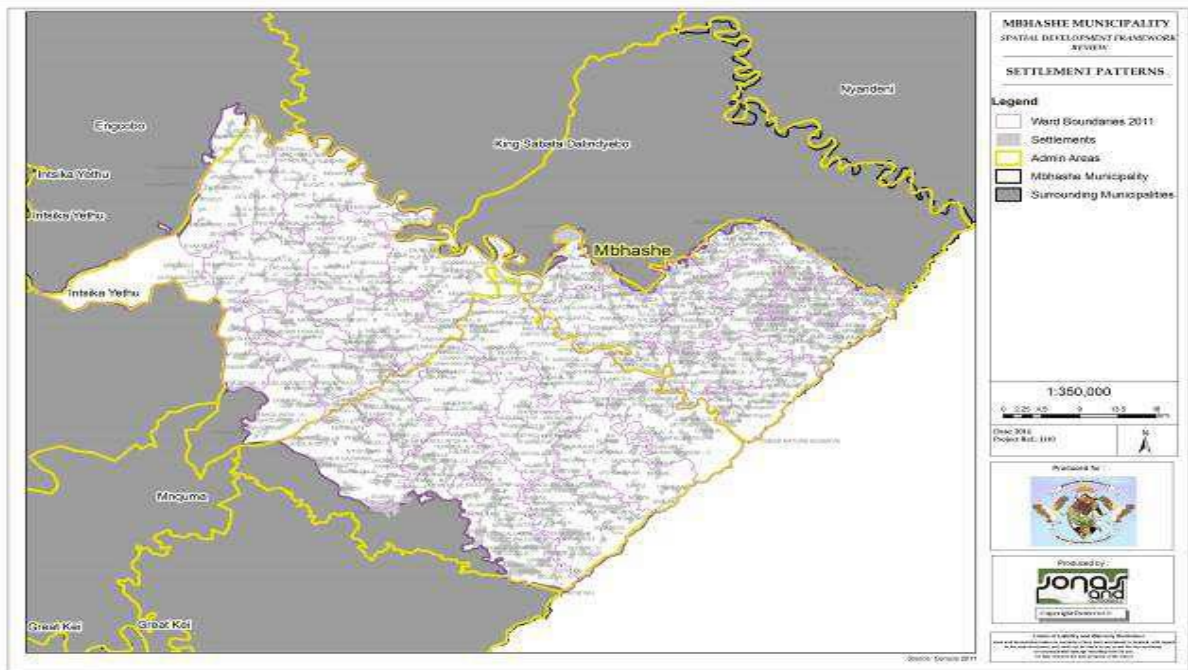
Area	Land Use Scheme	Spatial Development Framework	Spluma By-Laws
Ward 05	N/A	In progress	Final SPLUMA By-law approved by Council (Gazetted) Financial year 2021/2022.

SPATIAL PLANNING: SWOT ANALYSIS

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Piloting LSDF to certain areas 	<ul style="list-style-type: none"> • Funding for LSDF across the municipal area
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Proper planning • Potential for economic growth • Creating nodal points 	<ul style="list-style-type: none"> • Resistance from Chiefs • Lack of security of tenure • Unplanned developments • Land degradation • Reduction of the arable land

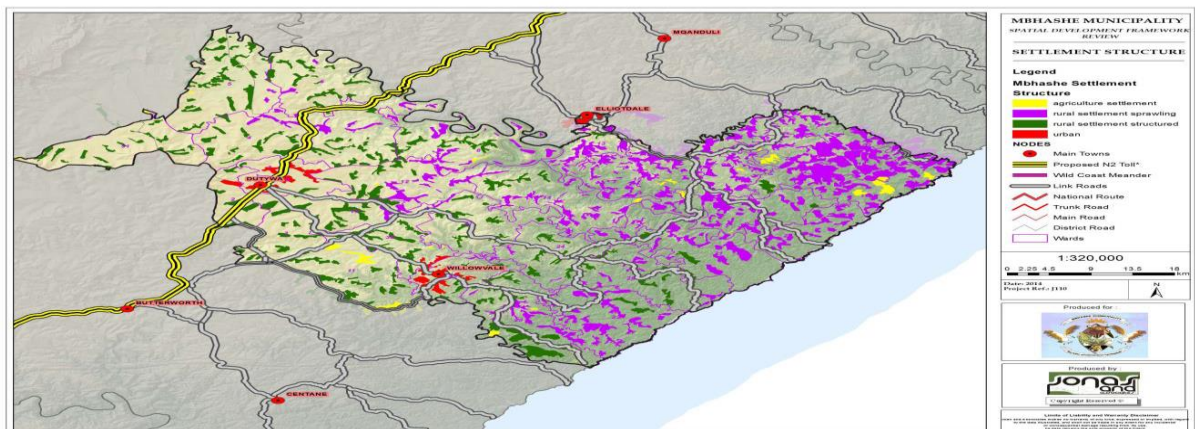
SETTLEMENT PATTERNS

Settlement patterns include towns (urban nodes), rural settlements within traditional administrative areas as depicted below.



RURAL SETTLEMENTS

The entire municipal area falls within the former Transkei homeland area, with a settlement pattern that reflects a predominantly rural character. Rural settlements dominate the municipal area (accommodating 97% of the population). These settlements are scattered throughout the entire municipal area and are surrounded by communal grazing land, and in some instances – arable lands.



The levels of service are generally low, with the majority of residential structures being self-built. There is an increased influx of rural settlers on the periphery of towns (especially north of Dutywa) and along main routes (such as N2) and this results in low density rural settlement.

Accessibility and improved mobility in terms road transport are the main driving forces behind this trend. The sprawl or creep of settlements has a number of negative implications, including:

- ❖ Illegal access from main routes, due to lack of secondary roads implications for traffic Safety
- ❖ Higher concentration of pedestrians and commuters along these routes, designed for high-speed travelling (implications for traffic safety)
- ❖ Higher concentration of animals including domestic (dogs), livestock (cattle, sheep, pigs and goats) along these routes
- ❖ High costs implications for provision of service infrastructure

Coastal Resort/ Cottage Developments

There are several localities that are concentrated along the coastal belt. Unauthorized cottage/ coastal developments that took place after a moratorium was placed on developments within 1km coastal strip are regarded as illegal. The wild coast tourism development policy was formulated and gazetted in February 2001 and a process of reviewing is unfolding. The policy provides a basic framework for tourism development for one kilometer coastal strip above the high water mark. The Wild Coast Spatial Development Framework depicts spatial development recommendations for all coastal wards.

▪ ACQUISITION OF STATE OWNED PROPERTIES

The Municipality has made some request from the Department of Public Works and Infrastructure for the donation of some of the properties currently owned by them. An approval has been received for the following properties:

- ❖ Erf 40 Willowvale
- ❖ Erf 130 Wollowvale and
- ❖ Erf 65 Elliotdale

▪ URBAN SETTLEMENTS

Urban settlements are comprised of the towns of Dutywa, Xorha and Gatyana. They are accommodating 3% of the total population. These towns fulfil the role of the main service centers to the surrounding hinterland. There is the presence of informal settlements in the three towns except Elliotdale. Dutywa has 378 informal households, Gatyana approximately 201 households.

▪ DISPOSAL OF MUNICIPAL VACANT SITES

The municipality has identified the vacant sites in Elliotdale for disposal through a public tender process.

In Dutywa the following programs will be implemented.

- ❖ Disposal of 9 business sites
- ❖ Expression of interests on ERF 304 and 305

WILLOWVALE

8 business sites will be disposed.

Nodal Development Points

- ❖ Settlement Nodes - Dutywa, Gatyana and Xorha classified as level 2 nodes, Fort Malan is classified as Level 3 node

- ❖ Tourism Zones- Qhora Mouth (Kobb Inn), Haven Hotel/ Mhashe Point, Breezy point, Collywobbles Cape Vulture Conservation Project. Nqabara and Xora are not yet formally approved in terms of the Wild Coast SDF)
- ❖ Corridors – the N2 – Kei Rail Corridor
- ❖ Urban Edge
- ❖ Open Space / Conservation

The Spatial Planning and Land Use Management Act, 2013 (SPLUMA) was assented to by the President of the Republic of South Africa on 5 August 2013.

It has come into full operation as from the 01st of July 2015. The act will assist to fulfil the following:-

- ❖ To address racially based pre 1994 planning legislation and deal with new political realities
- ❖ To repeal multiple laws and systems created by old order legislation (fragmentation across 4 provincial administrations, homelands etc.)
- ❖ Address the unsustainable development patterns fuelled by inefficient, unsustainable and incoherent planning system.

The following are the objectives of SPLUMA

- ❖ Provide a uniform and coherent framework for spatial planning and land use management.
- ❖ Specify the relationship between the spatial planning and the land use management system Provide for the inclusive, developmental, equitable and efficient spatial planning at different spheres of government.
- ❖ Address the legacy of past spatial planning and regulatory imbalances.
- ❖ Promote greater efficiency, consistency and uniformity in the decision-making by authorities responsible for land development decisions.

SPLUMA (Town Planning) By-Laws

Workshops on SPLUMA (Town Planning) have been conducted to the council and councillors, the council has adopted the SPLUMA by-laws in the 2017/18 financial year.

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • By-laws have been gazetted • Council resolution of setting up own Tribunal 	<ul style="list-style-type: none"> • Capacity at a local level which will be able to carry the mandate in terms of the Act • Envisaged resistance from chiefs and headmen in misinterpreting the law confusing with reduction of their status
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Quicker approvals of land use development plans (rezoning, subdivision) • Reducing red tape • Encourage private business 	<ul style="list-style-type: none"> • Lack of response from interested person's to serve on MPT

Rezoning

Development Planning has finalized the land use regulation document by means of proper land use zones. This project will help minimize the illegal land use zones as per individual erven.

Subdivisions

The municipality is currently surveying all the unsurveyed land on all three commonages. Ten properties have been identified and the survey diagrams will be submitted to the office of the Chief Surveyor General for endorsement.

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Identified erven that need rezoning • Reduce non-conforming use of land 	<ul style="list-style-type: none"> • No updated land use schemes
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Generation of revenue 	<ul style="list-style-type: none"> • Resistance from homeowners to rezone

- **MIGRATION PATTERN**

Due to political factors urban planning goes out of the window and any available land is targeted for housing and informal settlement with the subsequent loss of farming land and eco-systems.

People migrating to cities have no back-up system with families and relatives and are separated from their traditional value systems where elders keep the young in line, leading to a lawlessness unsurpassed in history.

- **MBHASHE BULK SERVICES**

Mbhashe Local Municipality bulk engineering services was built to accommodate a small population that was living in town. With the recent increase of the population in towns which is the result of urbanization has caused pressure on the existing bulk engineering services, that results in fault pipes having to burst and informal connections on bulk services.

The informal connections from the main lines to individual's homes has resulted in the District municipality losing on revenue.

Knowing the route of the water, drain and sewer pipes and as well as where they can be accessed via manholes and inspection chambers can be very helpful, particularly when having new developments/constructions on any land.

KPA 3- LOCAL ECONOMIC DEVELOPMENT (LED)

LOCAL ECONOMIC DEVELOPMENT

The background section of the report specifies the Socio-Economic and demographic trends facing Mbhashe as per the 2011 Stats SA outcomes. This section aims to elaborate on some of the salient points which the municipality will need to consider before carrying out the sector analysis.

What is the Eastern Cape Vision 2030 all about? The provincial vision and long-term plan are intended to mobilise all citizens and sectors of the Eastern Cape around a common vision. The aim is to provide an opportunity for revisiting social partnerships and development of common goals among citizens, the state and the private sector. The plan promotes mutual accountability between the state, citizens and private sector and enable coherence of the three spheres of the state. It sets the development agenda and priorities for the next 15 years (2015-2030), building on the Provincial Growth and Development Plan (PGDP) of 2004-2014.

THE POLICY AND LEGISLATIVE CONTEXT

Policy and legislation becomes imperative to provide and guide, inform legislative mandate and policy direction through aligning national, provincial and local government Medium Strategic Frameworks.

Table 15: Policy and legislative context

LEGISLATION	POLICY PROVISION
Sustainable Development Goals (SDG)	The Sustainable Development Goals (SDGs), otherwise known as the Global Goals, are a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity.
Constitution of the Republic of South Africa, 1996	"A municipality must structure and manage its administration, budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community."
National Development Plan; vision 2030	On inclusive and integrated rural economy By 2030, South Africa's rural communities should have greater opportunities to participate fully in the economic, social and political life of the country On an economy that will create more jobs By 2030, the economy should be close to full employment; equip people with skills they need, ensure that ownership of

LEGISLATION	POLICY PROVISION
	production is less concentrated and more diverse and be able to grow rapidly; providing the resources to pay for investment in human and physical capital
ANC Manifesto	<p>On Local Economy and Job Creation; the ANC Manifesto emphasis on development and strengthening of local economies to create jobs and promote job placements especially the youth through:-</p> <p>Re orientating local economies to become effective centres of production, information processing and economic and spatial development.</p> <p>Strengthening structures of Local Economic Development.</p> <p>Developing sports and recreational facilities to grow local economies.</p> <p>Ensuring that municipalities incorporate science and technology into their programmes as catalysts for local economic development and deploy innovations such as the hydrogen fuel cell technology.</p> <p>Up scaling cooperatives to mainstream economic development.</p> <p>Ensuring that all municipalities develop special programmes targeting youth Co-operatives and enterprises.</p> <p>Developing the productive and creative skills of young people for economic projects and activities in municipalities.</p> <p>Promoting local procurement of goods and services to increase local production.</p> <p>Encouraging the growth of SMMEs and cooperatives through centralized government procurement</p> <p>Maintaining all municipal infrastructure and facilities.</p> <p>Encouraging local businesses to target young people and to take advantage of programmes to promote youth employment.</p> <p>Up-scaling the Community Work Programme to provide initial exposure to work opportunities to unemployed young people.</p> <p>Ensuring the Expanded Public Works Programme takes advantage of the Municipal Infrastructure Grant to create labour absorbing activities and work opportunities.</p> <p>Expanding broadband access in local government, including through free Wi- Fi areas. Providing residents with information about programmes on sustainable agriculture and rural development.</p> <p>Assisting rural smallholder farmers to access municipal land for food production and sustainable agriculture.</p> <p>Collaborating with farmers to create better working and living conditions for farm workers. Working with traditional leaders to ensure that communal land under the trusteeship of traditional leaders is accessible and available for development and economic growth.</p>

The Gross

National Framework for LED 2014-2019	<p>The vision as set out by the Framework is:</p> <p>“Competitive, sustainable, inclusive local economies world-class and dynamic places to live, invest, and work; maximizing local opportunities, addressing local needs, and contributing to national development objectives”</p>
1998 Local Government White paper	<p>The paper introduced the concept of developmental local government; i.e. the “Local government committed to working with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs, and improve the quality of lives.”</p>
Municipal Systems Act (2000)	<p>In this piece of legislation, the Integrated Development Plan is seen as the key instrument to achieve organic, sustainable local economic development; as well as regulate municipal expenditure in respect of LED and build municipal partnerships for LED.</p> <p>The RIDS Strategic Intent is outlined as follows:-</p> <p>To enable all areas in the SA economy to attain their optimal economic potential by facilitating local development embedded in a regional/district through linkages within existing and latent industrial and economic base. To stimulate investments that will promote sustained high growth in a local community</p> <p>To focus on a region’s potential and identify what local stakeholders can and need to do to ensure their local community reaches its potential</p>

	<p>To assess a community's comparative advantage, identify new or existing market opportunities for businesses, and reduce obstacles to business expansion and creation To have an impact on the economic viability districts</p> <p>To create new jobs, help communities retain existing jobs, help businesses access capital. To contribute to a broader national framework with a spatial dimension, in order to increase each region's global competitiveness.</p>
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The department of Developmental Planning within the municipality deals with the following LED functional areas:

- Agriculture and Rural Economic Development (Agri-development and Agro-processing)
- Enterprise Development (Business Attraction and Retention, Co-operatives Development)
- Tourism
- Heritage Development
- Ocean Economy
- Coastal Development and Research and Development.

Mbhashe economy is estimated to be approximately R684 million. The Mbhashe Local economy has a competitive advantage in Agriculture, Tourism and Ocean Economy, Community Services, Construction and Trade. However, the existing potential in these comparative and competitive advantages has yet to be realized. More needs to be invested in unleashing this potential for local economic development benefits. While more jobs were realized in the community services, this sector is not a sustainable sector for job creation.

The strategic framework for economic development in the Eastern Cape identifies four key areas in the Wild Coast:-

- N2 Highway.
- Umzimvubu Catchments Dam.
- Wild Coast Meander.
- Agro-processing.

The Eastern Cape Provincial Development Plan (ECPDP,2030) states that "the Mbhashe region has a good potential for expanded agricultural production". This is due to the many industrious communities already mobilized through government-supported farming programmes and investments in the area. The Agri-Park is supported by the national and provincial departments of rural development, as well as research institutions

Mbhashe Municipality will benefit most from the Wild Coast Industrial Development Zone (IDZ) as it will promote and connect fresh produce to international markets. The Wild Coast IDZ currently forms part of a broader, multi-sectoral approach to boosting economic growth in the whole former "Transkei" corridor. This includes the formulation of a sustainable socio-economic development strategy; an integrated development plan and an implementation action plan.

Mbhashe's economic potential if harnessed can also be used in addressing poverty and meeting the government's target of halving unemployment and poverty by 2030. Maize milling is one of the projects that the municipality is presently working on and is one of the major projects identified by Mbhashe Local Municipality and the Department of Rural Development and Land Reform. However, large areas of arable land are left underutilized by farmers who claim that, there's a lot of machinery needed for them to continue with maize production, and their option is in the bio-fuels industry. The bio-fuels initiative is also a project where Mbhashe could succeed on in creation of employment and fighting poverty.

Mbhashe Municipality has an existing Local Economic Development strategy that was adopted by its Council in 2015. However, the strategy is due for review and it will be reviewed during 2022/23 Financial year, the reason for delay for the review of the strategy was that it should be aligned with the newly adopted IDP.

○ **MBHASHE ECONOMY**

The economic state of Mbhashe Local Municipality is put in perspective by comparing it on a spatial level with its neighboring locals, Amatole District Municipality, Eastern Cape Province and South Africa.

The Mbhashe Local Municipality does not function in isolation from Amatole, Eastern Cape Province, South Africa and the world and now, more than ever, it is crucial to have reliable information on its economy for effective planning. Information is needed that will empower the municipality to plan and implement policies that will encourage the social development and economic growth of the people and industries in the municipality respectively.

○ **Gross Domestic Product by Region (GDP-R)**

Domestic Product (GDP), an important indicator of economic performance, is used to compare economies and economic states.

Definition: Gross Domestic Product by Region (GDP-R) represents the value of all goods and services produced within a region, over a period of one year, plus taxes and minus subsidies. GDP-R can be measured using either current or constant prices, where the current prices measure the economy in actual Rand, and constant prices measures the economy by removing the effect of inflation, and therefore captures the real growth in volumes, as if prices were fixed in a given base year.

Table 16, Gross Domestic Product (GDP) – Mbashe, Amatole, Eastern Cape and National Total, 2006-2016 [R Billions, Current Prices]

	Mbashe	Amatole	Eastern Cape	National Total	Mbashe as of district as %	Mbashe as municipality province	Mbashe % of national
2006	1.9	12.7	142.2	1,839.4	15.2%	1.36%	0.10%
2007	2.3	14.9	168.2	2,109.5	15.3%	1.36%	0.11%
2008	2.4	15.4	174.1	2,369.1	15.3%	1.35%	0.10%
2009	2.6	16.9	191.2	2,507.7	15.4%	1.36%	0.10%
2010	2.9	18.6	211.6	2,748.0	15.4%	1.35%	0.10%
2011	3.1	19.8	226.1	3,023.7	15.5%	1.36%	0.10%
2012	3.4	21.7	252.2	3,253.9	15.4%	1.33%	0.10%
2013	3.5	23.1	273.2	3,539.8	15.2%	1.29%	0.10%
2014	3.7	24.5	293.9	3,807.7	15.0%	1.25%	0.10%
2015	3.9	26.2	315.6	4,049.8	15.0%	1.24%	0.10%
2016	4.1	27.9	337.8	4,338.9	14.9%	1.23%	0.10%

Source: HIS Markit Regional eXplorer version 1156

With a GDP of R 4.15 billion in 2016 (up from R 1.93 billion in 2006), the Mbashe Local Municipality contributed 14.86% to the Amatole District Municipality GDP of R 27.9 billion in 2016 increasing in the share of the Amatole from 15.22% in 2006. The Mbashe Local

Municipality contributes 1.23% to the GDP of Eastern Cape Province and 0.10% the GDP of South Africa which had a total GDP of R 4.34 trillion in 2016 (as measured in nominal or current prices). Its contribution to the national economy stayed similar in importance from 2006 when it contributed 0.10% to South Africa, but it is lower than the peak of 0.11% in 2007.

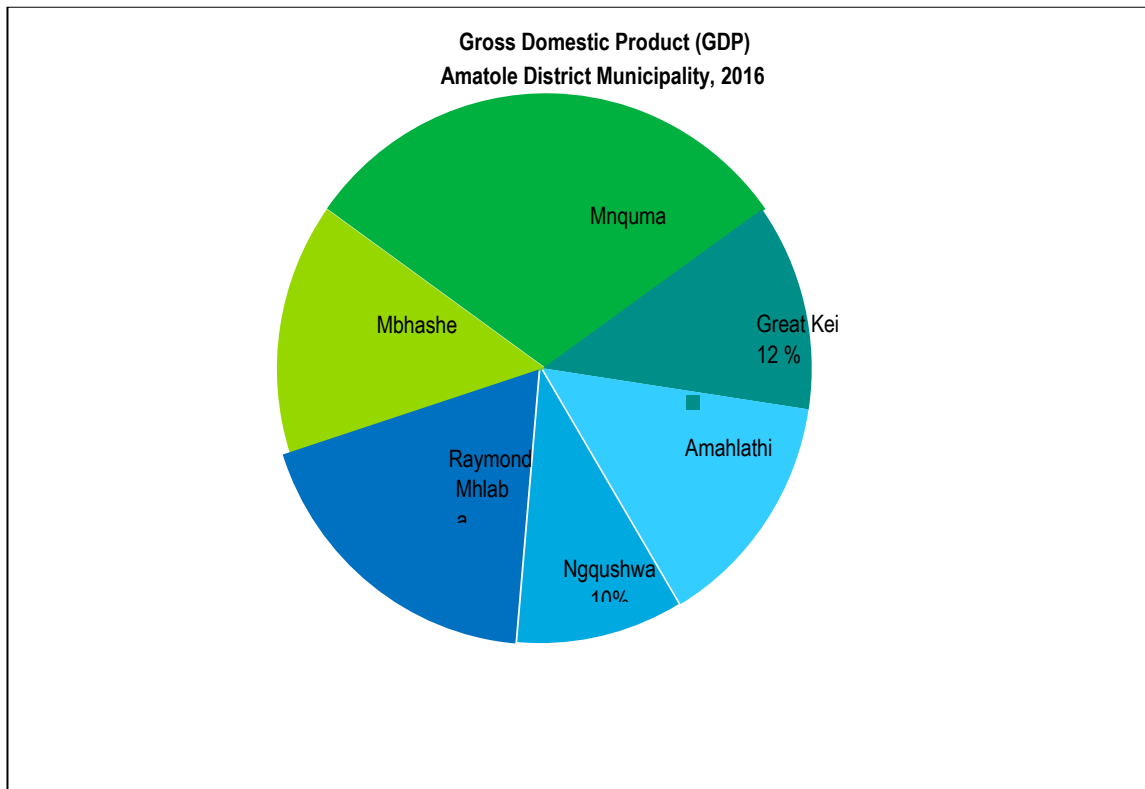
Table 17, GROSS DOMESTIC PRODUCT (GDP) – MBHASHE, AMATOLE, EASTERN CAPE AND NATIONAL TOTAL, 2006-2016 [ANNUAL PERCENTAGE CHANGE, CONSTANT 2010 PRICES]

	Mbashe	Amatole	Eastern Cape	National Total
2006	2.3%	3.7%	5.3%	5.3%
2007	2.1%	3.6%	5.3%	5.4%
2008	5.2%	3.1%	3.2%	3.2%
2009	-2.1%	-1.4%	-1.0%	-1.5%
2010	-1.1%	0.4%	2.4%	3.0%
2011	3.1%	2.7%	3.7%	3.3%
2012	-1.1%	0.1%	2.0%	2.2%
2013	-2.1%	-0.4%	1.4%	2.5%
2014	-1.3%	-0.3%	1.1%	1.7%
2015	0.8%	0.4%	0.7%	1.3%
2016	-0.7%	-0.4%	0.2%	0.3%
Average Annual growth	0.28%	0.77%	1.89%	2.12%
	2006 -2016+			

Source: HIS Markit Regional eXplorer version 1156

In 2016, the Mbashe Local Municipality achieved an annual growth rate of -0.69% which is a significant lower GDP growth than the Eastern Cape Province's 0.25%, but is lower than that of South Africa, where the 2016 GDP growth rate was 0.28%. Similar to the short-term growth rate of 2016, the longer-term average growth rate for Mbashe (0.28%) is also significantly lower than that of South Africa (2.12%). The economic growth in Mbashe peaked in 2008 at 5.18%.

Figure 10, Gross Domestic Product (GDP) – Mbashe Local Municipality and the Rest of Amatole, 2016 [Percentage]



Source: IHS Markit Regional eXplorer version 1156

The Mbashe Local Municipality had a total GDP of R 4.15 billion and in terms of total contribution towards Amatole District Municipality the Mbashe Local Municipality ranked third relative to all the regional economies to total Amatole District Municipality GDP. This ranking in terms of size compared to other regions of Mbashe remained the same since 2006. In terms of its share, it was in 2016 (14.9%) slightly smaller compared to what it was in 2006 (15.2%). For the period 2006 to 2016, the average annual growth rate of 0.3% of Mbashe was the lowest relative to its peers in terms of growth in constant 2010 prices.

Table 18. Gross Domestic Product (GDP) – Regions within Amatole District Municipality, 2006 To 2016, Share and Growth

	2016 (Current prices)	Share of 2006 (Constant prices) local municipality	2016 (Constant prices)	Average Annual growth
Mbashe	4.15	14.86%	2.75	0.28%
Mngquma	8.46	30.30%	5.51	0.36%
Great Kei	3.41	12.22%	1.94	1.89%
Amahlathi	3.92	14.03%	2.45	0.85%
Ngqushwa	2.78	9.96%	1.74	0.77%
Raymond Mhlaba	5.20	18.62%	3.13	1.09%

Source: HIS Markit Regional eXplorer version 1156

Great Kei had the highest average annual economic growth, averaging 1.89% between 2006 and 2016, when compared to the rest of the regions within Amatole District Municipality. The Raymond Mhlaba local municipality had the second highest

average annual growth rate of 1.09%. Mbashe local municipality had the lowest average annual growth rate of 0.28% between 2006 and 2016.

o **Economic Growth Forecast**

It is expected that Mbashe Local Municipality will grow at an average annual rate of 1.23% from 2016 to 2021. The average annual growth rate in the GDP of Amatole District Municipality and Eastern Cape Province is expected to be 1.39% and 1.62% respectively. South Africa is forecasted to grow at an average annual growth rate of 1.61%, which is higher than that of the Mbashe Local Municipality.

Table19. Gross Domestic Product (GDP) – Regions within Amatole District Municipality, 2006 To 2021, Share and Growth Gross Value Added By Region (GVA-R)

	2021 (Current prices)	Share of district municipality	2006 (Constant prices)	2021 (Constant prices)	Average Annual growth
Mbashe	5.72	28.23%	3.01	2.75	0.59%
Mnquma	11.84	58.44%	5.51	6.17	0.75%
Great Kei	4.80	23.67%	1.94	2.55	1.85%
Amahlathi	5.34	26.34%	2.45	2.81	0.92%
Ngqushwa Raymond	3.81	18.79%	1.74	1.99	0.90%
Mhlaba	7.23	35.66%	3.13	3.75	1.20%

Source: HIS Markit Regional eX plorer version 1156

The Mbashe Local Municipality's economy is made up of various industries. The GVA-R variable provides a sector breakdown, where each sector is measured in terms of its value added produced in the local economy.

Gross Value Added (GVA) is a measure of output (total production) of a region in terms of the value that was created within that region. GVA can be broken down into various production sectors.

The summary table below puts the Gross Value Added (GVA) of all the regions in perspective to that of the Mbashe Local Municipality.

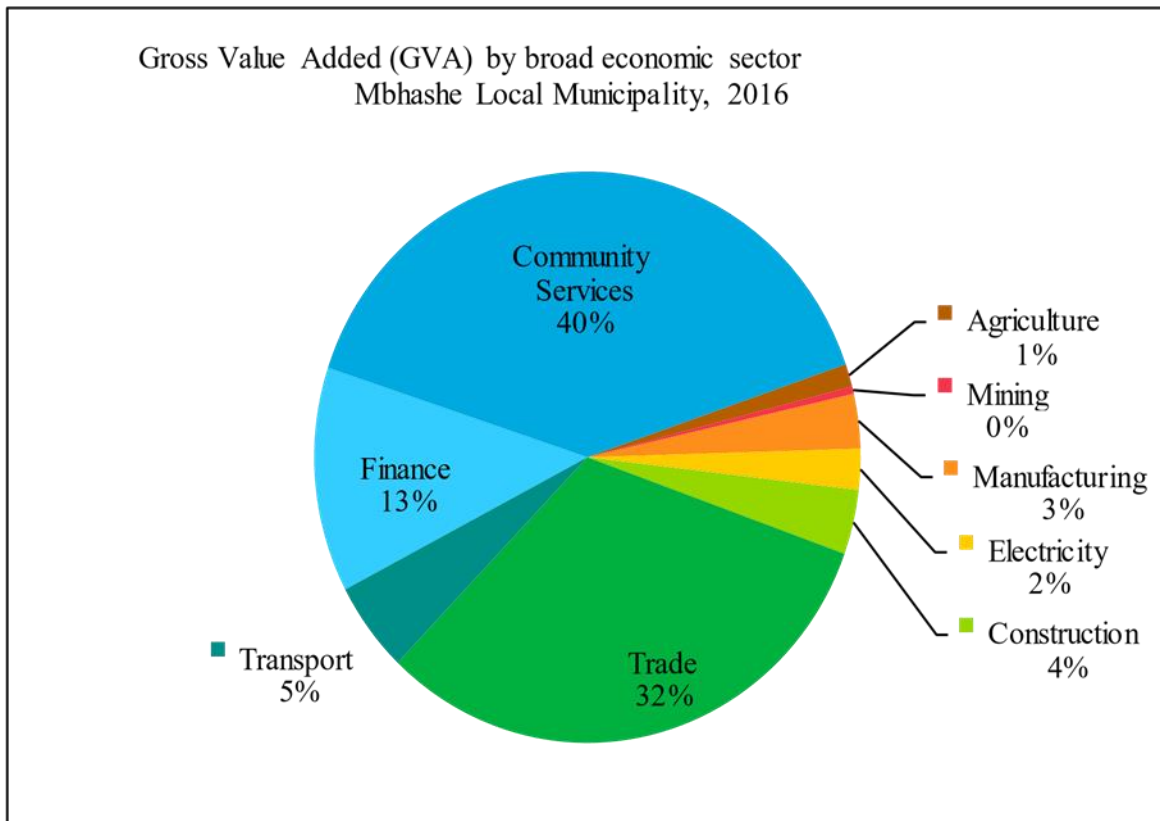
TABLE20. Gross Value Added (GVA) By Broad Economic Sector – Mbashe Local Municipality, 2016 [R Billions, Current Prices]

	Mbashe	Amatole	Eastern Cape	National Total	Mbashe as % municipality	Mbashe % of district as province	Mbashe % of as % of national
Agriculture	0.0	0.7	5.9	94.4	7.0%	0.82%	0.05%
Mining	0.0	0.0	0.5	306.2	33.6%	3.47%	0.01%
Manufacturing	0.1	2.0	36.3	517.4	5.8%	0.32%	0.02%
Electricity	0.1	0.5	6.2	144.1	18.2%	1.41%	0.06%
Construction	0.1	0.9	13.2	154.3	15.1%	1.04%	0.09%
Trade	1.2	5.5	61.5	589.7	21.4%	1.93%	0.20%
Transport	0.2	1.7	27.5	389.2	11.5%	0.70%	0.05%
Finance	0.5	4.7	60.5	781.7	10.1%	0.79%	0.06%
Community services	1.5	9.1	89.7	894.1	16.3%	1.66%	0.17%
Total Industries	3.7	25.1	301.2	3,871.2	14.9%	1.24%	0.10%

Source: HIS Markit Regional eX plorer version 1156

In 2016, the community services sector is the largest within Mbashe Local Municipality accounting for R 1.48 billion or 39.6% of the total GVA in the local municipality's economy. The sector that contributes the second most to the GVA of the Mbashe Local Municipality is the trade sector at 31.7%, followed by the finance sector with 12.7%. The sector that contributes the least to the economy of Mbashe Local Municipality is the mining sector with a contribution of R 15.8 million or 0.42% of the total GVA.

Figure11. Gross Value Added (GVA) By Broad Economic Sector – Mbhashe Local Municipality, 2016 [Percentage Composition]



Source: IHS Markit Regional eXplorer version 1156

The community sector, which includes the government services, is generally a large contributor towards GVA. When looking at all the regions within the Amatole District Municipality, it is clear that the Mquma contributes the most community services towards its own GVA, with 27.37%, relative to the other regions within Amatole District Municipality. The Mquma contributed R 7.61 billion or 30.30% to the GVA of Amatole District Municipality. The region within Amatole District Municipality that contributes the most to the GVA of the Amatole District Municipality was the Ngqushwa with a total of R 2.49 billion or 9.90%.

o **Historical Economic Growth**

For the period 2016 and 2006, the GVA in the construction sector had the highest average annual growth rate in Mbhashe at 2.60%. The industry with the second highest average annual growth rate is the finance sector averaging at 2.38% per year. The mining sector had an average annual growth rate of -1.29%, while the electricity sector had the lowest average annual growth of -4.12%. Overall a negative growth existed for all the industries in 2016 with an annual growth rate of -0.67% since 2015.

Table21. Gross Value Added (Gva) By Broad Economic Sector – Mbhashe Local Municipality, 2006, 2011 And 2016 [R Millions, 2010 Constant Prices]

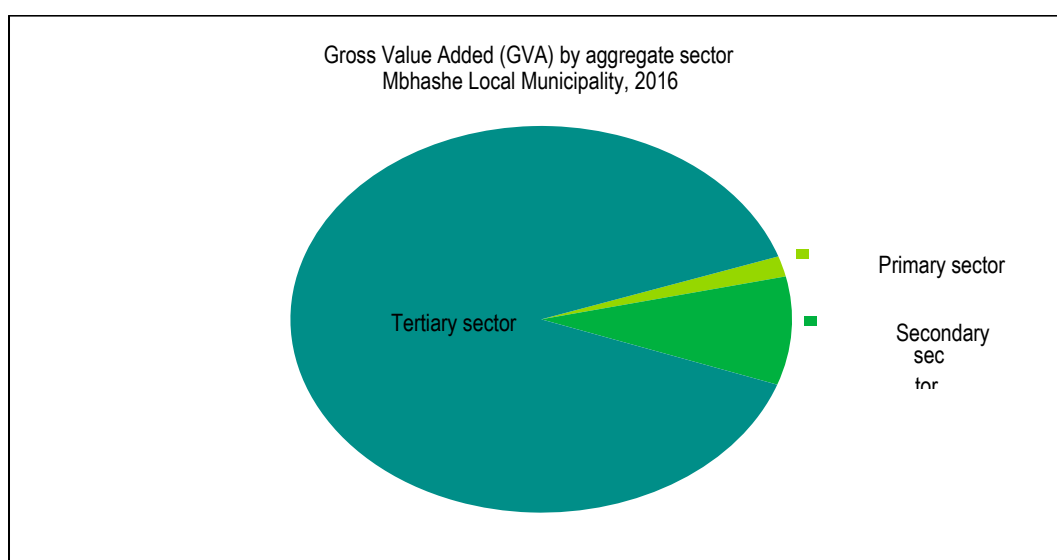
	2006	2011	2016	Average Annual growth
Agriculture	27.5	32.8	28.9	0.50%
Mining	27.3	23.5	24.0	-1.29%
Manufacturing	94.4	89.6	85.2	-1.02%

	2006	2011	2016	Average Annual growth
Electricity	52.5	52.6	34.5	-4.12%
Construction	66.6	81.8	86.1	2.60%
Trade	727.6	767.1	810.6	1.09%
Transport	120.2	124.1	128.6	0.68%
Finance	268.8	308.7	340.0	2.38%
Community services	1,149.4	1,231.2	1,052.7	-0.87%
Total Industries	2,534.4	2,711.4	2,590.6	0.22%

Source: HIS Markit Regional eXplorer version 1156

The tertiary sector contributes the most to the Gross Value Added within the Mbashe Local Municipality at 89.2%. This is significantly higher than the national economy (68.6%). The secondary sector contributed a total of 9.1% (ranking second), while the primary sector contributed the least at 1.7%. Below is a breakdown of the Gross Value Added (GVA) by aggregated sector

Figure12. Gross Value Added (Gva) By Aggregate Economic Sector – Mbashe Local Municipality, 2016 [Percentage]

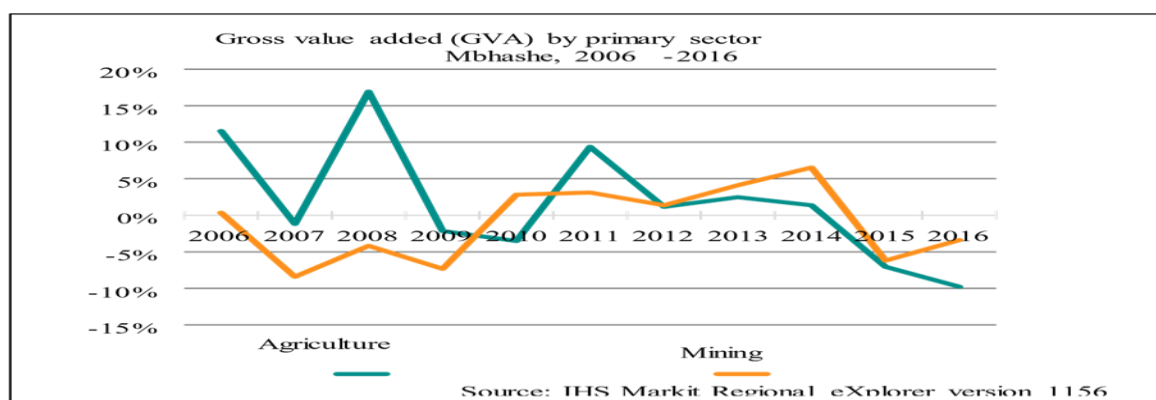


• Source: IHS Markit Regional eXplorer version 1156

○ Primary Sector

The primary sector consists of two broad economic sectors namely the mining and the agricultural sector. The following chart represents the average growth rate in the GVA for both of these sectors in Mbashe Local Municipality from 2006 to 2016.

Figure13. Annual percentage by Primary

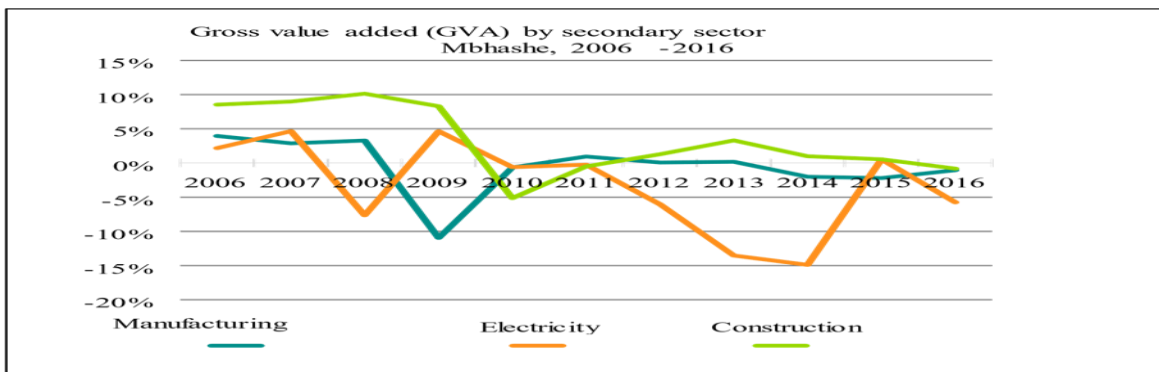


Between 2006 and 2016, the agriculture sector experienced the highest positive growth in 2008 with an average growth rate of 16.9%. The mining sector reached its highest point of growth of 6.5% in 2014. The agricultural sector experienced the lowest growth for the period during 2016 at -9.8%, while the mining sector reaching its lowest point of growth in 2007 at 8.4%. Both the agriculture and mining sectors are generally characterized by volatility in growth over the period.

○ **Secondary Sector**

The secondary sector consists of three broad economic sectors namely the manufacturing, electricity and the construction sector. The following chart represents the average growth rates in the GVA for these sectors in Mbhashe Local Municipality from 2006 to 2016.

Figure14. GVA by secondary sector – 2016 annual percentage



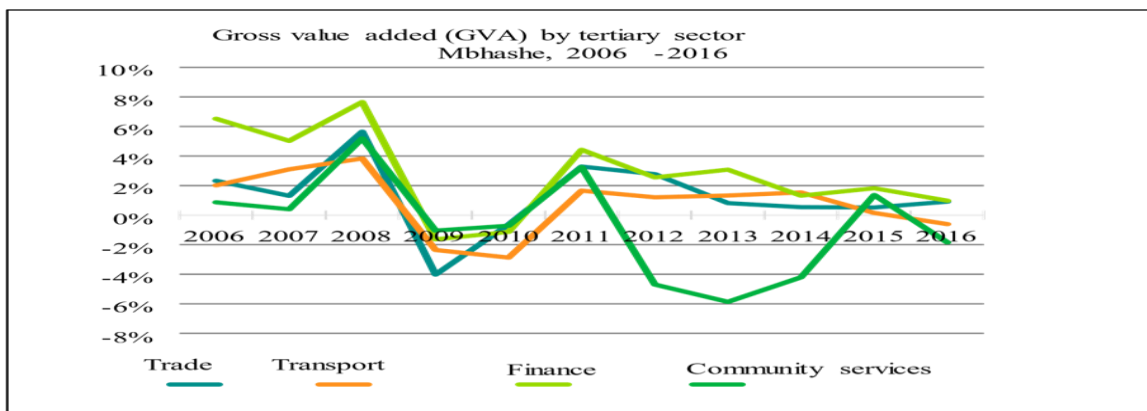
Source: IHS Markit Regional eXplorer version 1156

Between 2006 and 2016, the manufacturing sector experienced the highest positive growth in 2006 with a growth rate of 4.0%. The construction sector reached its highest growth in 2008 at 10.1%. The manufacturing sector experienced its lowest growth in 2010 of -11.0%, while construction sector reached its lowest point of growth in 2010 with -5.1% growth rate. The electricity sector experienced the highest growth in 2007 at 4.7%, while it recorded the lowest growth of -14.9% in 2014.

○ **Tertiary Sector**

The tertiary sector consists of four broad economic sectors namely the trade, transport, finance and the community services sector. The following chart represents the average growth rates in the GVA for these sectors in Mbhashe Local Municipality from 2006 to 2016.

Figure 15: GVA BY TERTIARY SECTOR -2016



Source: IHS Markit Regional eXplorer version 1156

The trade sector experienced the highest positive growth in 2008 with a growth rate of 5.6%. It is evident for the transport sector that the highest positive growth rate also existed in 2008 at 3.8% which is lower than that of the manufacturing sector. The finance sector experienced the highest growth rate in 2008 when it grew by 7.7% and recorded the lowest growth rate in 2009 at -1.6%. The Trade sector also had the lowest growth rate in 2009 at -4.0%. The community services sector, which largely consists of government, experienced its highest positive growth in 2008 with 5.2% and the lowest growth rate in 2013 with -5.9%.

o **Sector Growth Forecast**

The GVA forecasts are based on forecasted growth rates derived from two sources: historical growth rate estimates and national level industry forecasts. The projections are therefore partly based on the notion that regions that have performed well in the recent past are likely to continue performing well (and vice versa) and partly on the notion that those regions that have prominent sectors that are forecast to grow rapidly in the national economy (e.g. finance and telecommunications) are likely to perform well (and vice versa). As the target year moves further from the base year (2010) so the emphasis moves from historical growth rates to national-level industry growth rates.

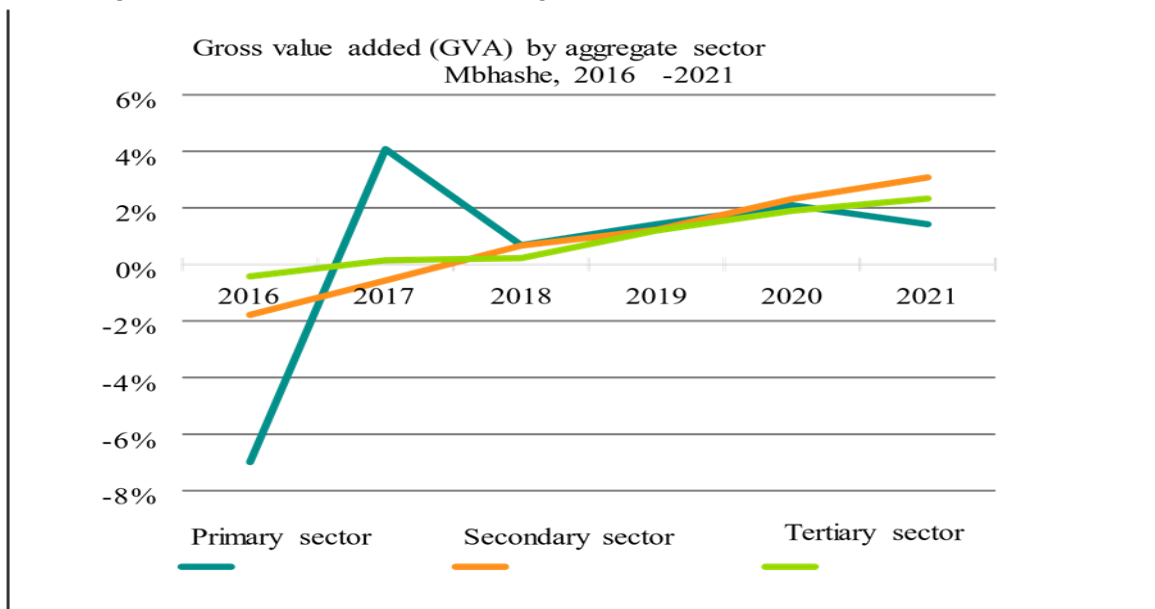
TABLE 22: Gross Value Added (GVA) By Broad Economic Sector – Mbhashe Local Municipality, 2016-2021 [R Millions, Constant 2010 Prices]

	2016	2017	2018	2019	2020	2021	Average Annual growth
Agriculture	28.9	31.0	31.5	32.2	33.0	33.8	3.19%
Mining	24.0	24.1	24.0	24.1	24.4	24.4	0.33%
Manufacturing	85.2	84.2	84.7	85.4	87.2	89.4	0.96%
Electricity	34.5	33.8	33.5	33.8	34.6	35.5	0.60%
Construction	86.1	86.6	87.8	89.3	91.6	95.1	2.00%
Trade	810.6	810.2	819.1	833.8	857.8	885.2	1.78%
Transport	128.6	128.8	130.3	131.9	135.2	139.0	1.57%
Finance	340.0	337.9	341.5	347.6	355.7	365.1	1.43%
Community services	1,052.7	1,058.4	1,049.7	1,055.4	1,065.0	1,080.7	0.53%
Total Industries	2,590.6	2,595.0	2,602.0	2,633.5	2,684.6	2,748.2	1.19%

Source: HIS Markit Regional eXplorer version 1156

The agriculture sector is expected to grow fastest at an average of 3.19% annually from R 28.9 million in Mbhashe Local Municipality to R 33.8 million in 2021. The community services sector is estimated to be the largest sector within the Mbhashe Local Municipality in 2021, with a total share of 39.3% of the total GVA (as measured in current prices), growing at an average annual rate of 0.5%. The sector that is estimated to grow the slowest is the mining sector with an average annual growth rate of 0.33%.

Figure 16: Gross Value Added (GVA) By Aggregate Economic Sector – Mbhashe Local Municipality, 2016-2021 [Annual Growth Rate, Constant 2010 Prices]



Source: IHS Markit Regional eXplorer version 1156

The Primary sector is expected to grow at an average annual rate of 1.94% between 2016 and 2021, with the Secondary sector growing at 1.34% on average annually. The Tertiary sector is expected to grow at an average annual rate of 1.16% for the same period.

Based on the typical profile of a developing country, we can expect faster growth in the secondary and tertiary sectors when compared to the primary sector. Also remember that the agricultural sector is prone to very high volatility as a result of uncertain weather conditions, pests and other natural causes – and the forecasts presented here is merely a long-term trend rather than trying to forecast the unpredictable weather conditions.

o Labour

The labour force of a country consists of everyone of working age (above a certain age and below retirement) that are participating as workers, i.e. people who are actively employed or seeking employment. This is also called the economically active population (EAP). People not included are students, retired people, stay-at-home parents, people in prisons or similar institutions, people employed in jobs or professions with unreported income, as well as discouraged workers who cannot find work.

Table 23: Working Age Population In Mbhashe, Amatole, Eastern Cape And National Total, 2006 And 2016 [Number]

	Mbhashe		Amatole		Eastern Cape		National Total	
	2006	2016	2006	2016	2006	2016	2006	2016
15-19	39,000	31,200	120,000	82,400	803,000	634,000	5,290,000	4,550,000
20-24	26,000	25,600	90,900	80,500	701,000	694,000	5,260,000	5,000,000
25-29	16,500	21,400	61,300	71,600	530,000	684,000	4,550,000	5,620,000
30-34	10,100	18,100	39,700	61,300	355,000	589,000	3,570,000	5,300,000
35-39	8,220	13,300	33,200	47,800	288,000	438,000	2,930,000	4,240,000

	Mbhashe		Amatole		Eastern Cape		National Total	
	2006	2016	2006	2016	2006	2016	2006	2016
40-44	9,020	7,960	35,900	32,900	286,000	298,000	2,610,000	3,120,000
45-49	9,170	7,420	38,300	29,300	286,000	247,000	2,290,000	2,530,000
50-54	8,630	8,120	33,500	32,300	241,000	249,000	1,880,000	2,260,000
55-59	7,780	8,170	30,500	34,000	205,000	249,000	1,520,000	1,990,000
60-64	8,240	8,320	28,500	29,800	171,000	207,000	1,170,000	1,610,000
Total	142,607	149,61	512,147	502,023	3,866,790	4,289,261	31,071,485	36,220,290

Source: HIS Markit Regional eXplorer version 1156

For the same period the working age population for Amatole District Municipality decreased at -0.20% annually, while that of Eastern Cape Province increased at 1.04% annually. South Africa's working age population has increased annually by 1.55% from 31.1 million in 2006 to 36.2 million in 2016.

In theory, a higher or increasing population dividend is supposed to provide additional stimulus to economic growth. People of working age tend to uphold higher consumption patterns (Final Consumption Expenditure, FCE), and a more dense concentration of working age people is supposed to decrease dependency ratios - given that the additional labour which is offered to the market, is absorbed.

▪ Economically Active Population (EAP)

The economically active population (EAP) is a good indicator of how many of the total working age population are in reality participating in the labour market of a region. If a person is economically active, he or she forms part of the labour force.

The age of 15 and 65) who are able and willing to work, and who are actively looking for work. It includes both employed and unemployed people. People, who recently have not taken any active steps to find employment, are not included in the measure. These people may (or may not) consider themselves unemployed. Regardless, they are counted as discouraged work seekers, and thus form part of the non-economically active population.

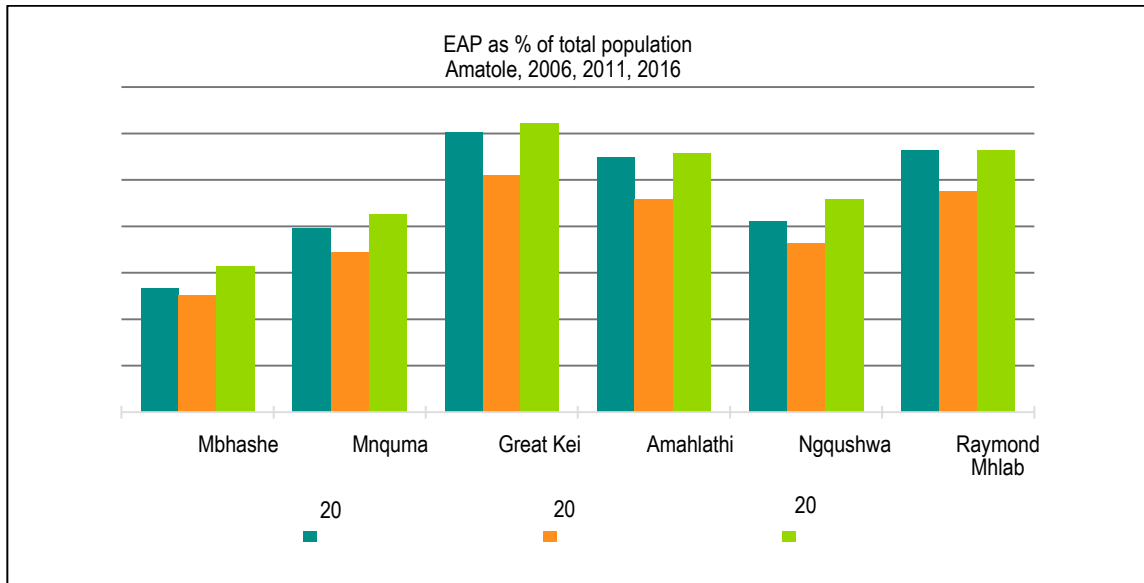
Table 24: Economically Active Population (EAP) - Mbhashe, Amatole, Eastern Cape And National Total, 2006-2016 [Number, Percentage] Average Annual growth 2006 - 2016

Mbhashe	Amatole	Eastern Cape	National Total	Mbhashe as % of district municipality	Mbhashe as % of province	Mbhashe as % of national
36,100	184,000	1,840,000	17,500,000	19.6%	1.96%	0.21%
36,200	182,000	1,850,000	18,000,000	19.9%	1.96%	0.20%
35,900	177,000	1,840,000	18,400,000	20.3%	1.96%	0.20%
34,800	168,000	1,790,000	18,300,000	20.7%	1.94%	0.19%
33,300	158,000	1,730,000	18,100,000	21.0 %	1.92%	0.18%
33,300	155,000	1,740,000	18,300,000	21.5%	1.92%	0.18%
34,000	157,000	1,770,000	18,700,000	21.6%	1.95%	0.18%
36,000	166,000	1,840,000	19,300,000	21.8%	1.96%	0.19%
38,700	177,000	1,940,000	20,100,000	21. %	2.00%	0.19%
40,700	184,000	2,000,000	20,800,000	22. %	22.1%	0.20%
42,200	190,000	2,060,000	21,300,000	22.2%	2.05%	0.20%

Source: IHS Markit Regional eXplorer version 1156

Mbhashe Local Municipality's EAP was 42 200 in 2016, which is 15.66% of its total population of 269 000, and roughly 22.24% of the total EAP of the Amatole District Municipality. From 2006 to 2016, the average annual increase in the EAP in the Mbhashe Local Municipality was 1.56%, which is 1.26 percentage points higher than the growth in the EAP of Amatole's for the same period.

Figure 17: EAP As % Of Total Population - Mbhashe And The Rest Of Amatole, 2006, 2011, 2016 [Percentage]



Source: IHS Markit Regional eXplorer version 1156

In 2006, 13.3% of the total population in Mbhashe Local Municipality were classified as economically active which increased to 15.7% in 2016. Compared to the other regions in Amatole District Municipality, Great Kei local municipality had the highest EAP as a percentage of the total population within its own region relative to the other regions. On the other hand, Mbhashe local municipality had the lowest EAP with 15.7% people classified as economically active population in 2016.

▪ **Total Employment**

Employment data is a key element in the estimation of unemployment. In addition, trends in employment within different sectors and industries normally indicate significant structural changes in the economy. Employment data is also used in the calculation of productivity, earnings per worker, and other economic indicators.

Definition: Total employment consists of two parts: employment in the formal sector, and employment in the informal sector.

TABLE 24 Total Employment - Mbhashe, Amatole, Eastern Cape And National Total, 2006-2016 [Numbers]

	Mbhashe	Amatole	Eastern Cape	National Total
2006	20,500	134,000	1,330,000	13,000,000
2007	21,100	135,000	1,350,000	13,500,000
2008	21,400	134,000	1,350,000	14,100,000
2009	20,800	129,000	1,320,000	14,000,000
2010	19,800	121,000	1,260,000	13,600,000

	Mbhashe	Amatole	Eastern Cape	National Total
2011	19,900	120,000	1,260,000	13,800,000
2012	19,500	118,000	1,270,000	14,000,000
2013	20,100	122,000	1,310,000	14,500,000
2014	21,600	130,000	1,370,000	15,100,000
2015	22,900	137,000	1,430,000	15,500,000
2016	23,600	141,000	1,460,000	15,700,000
Average Annual growth 2006-2016	1.40%	0.51%	0.91%	1.89%

Source: IHS Markit Regional eXplorer version 1156

In 2016, Mbhashe employed 23 600 people which is 16.76% of the total employment in Amatole District Municipality (141 000), 1.62% of total employment in Eastern Cape Province (1.46 million), and 0.15% of the total employment of 15.7 million in South Africa. Employment within Mbhashe increased annually at an average rate of 1.40% from 2006 to 2016. Table 25: TOTAL EMPLOYMENT PER BROAD ECONOMIC SECTOR - MBHASHE AND THE REST OF AMATOLE, 2016 [NUMBERS]

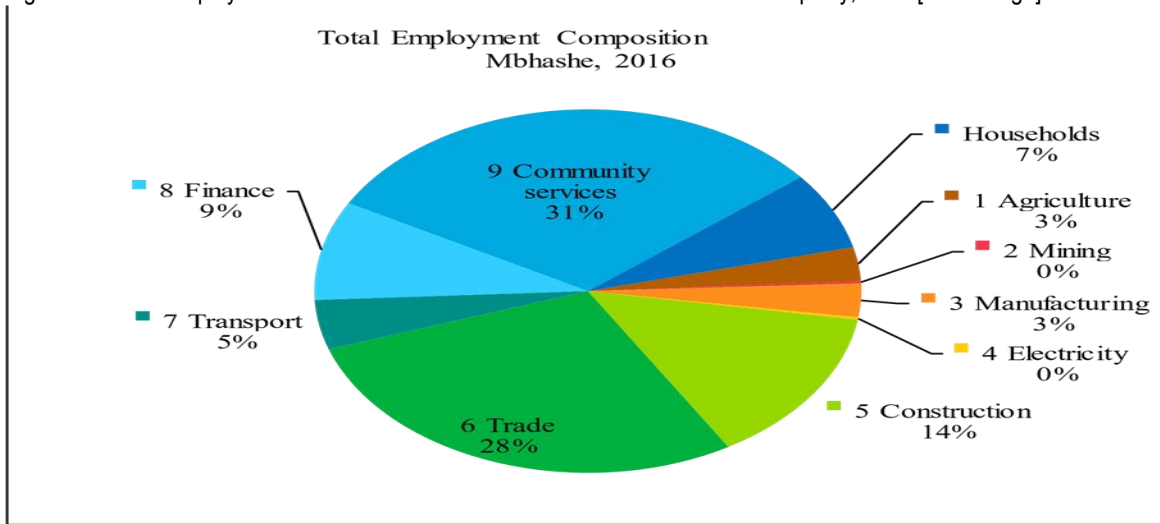
	Mbhashe	Mnquma	Great Kei	Amahlathi	Ngqushwa	Raymond Mhlaba	Total Amatole
Agriculture	707	700	1,300	2,440	1,260	2,630	9,024
Mining	50	33	8	16	12	9	128
Manufacturing	704	1,250	1,030	1,850	1,330	1,260	7,419
Electricity	52	125	51	70	48	74	419
Construction	3,270	3,340	1,350	2,840	1,780	2,790	15,368
Trade	6,690	8,960	2,840	5,430	3,780	5,900	33,598
Transport	1,040	1,780	551	1,130	688	807	5,992
Finance	2,080	3,410	1,230	2,370	1,840	2,170	13,102
Community Services	7,340	11,900	3,220	7,410	4,690	8,550	43, 12,454 124
Households	1,630	2,670	1,450	2,530	1,550	2,620	
Total	23,600	34,200	13,000	26,100	17,000	26,800	140,629

Source: IHS Markit Regional eXplorer version 1156

Mbhashe Local Municipality employs a total number of 23 600 people within its local municipality. The local municipality that employs the highest number of people relative to the other regions within Amatole District Municipality is Mnquma local municipality with a total number of 34 200. The local municipality that employs the lowest number of people relative to the other regions within Amatole District Municipality is Great Kei local municipality with a total number of 13 000 employed people.

In Mbhashe Local Municipality the economic sectors that recorded the largest number of employment in 2016 were the community services sector with a total of 7 340 employed people or 31.1% of total employment in the local municipality. The trade sector with a total of 6 690 (28.4%) employs the second highest number of people relative to the rest of the sectors. The mining sector with 50.5 (0.2%) is the sector that employs the least number of people in Mbhashe Local Municipality, followed by the electricity sector with 51.8 (0.2%) people employed.

Figure 18: Total Employment Per Broad Economic Sector - Mbashe Local Municipality, 2016 [Percentage]



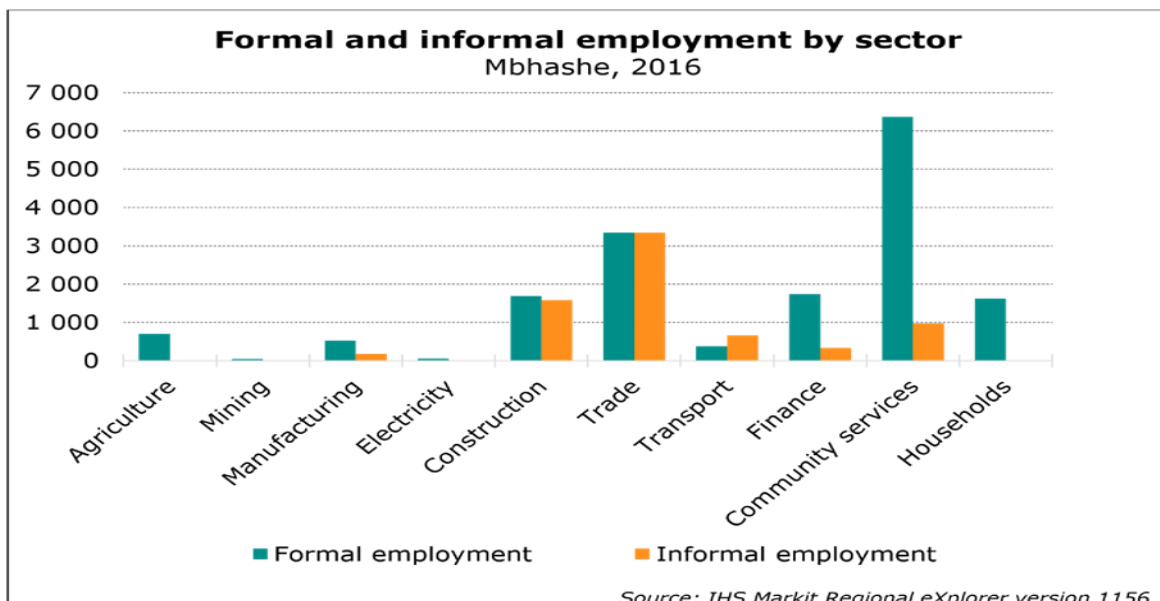
Source: IHS Markit Regional eXplorer version 1156

o **Formal and Informal Employment**

Total employment can be broken down into formal and informal sector employment. Formal sector employment is measured from the formal business side, and the informal employment is measured from the household side where formal businesses have not been established. Formal employment is much more stable than informal employment. Informal employment is much harder to measure and manage, simply because it cannot be tracked through the formal business side of the economy. Informal employment is however a reality in South Africa and cannot be ignored.

The number of formally employed people in Mbashe Local Municipality counted 16 500 in 2016, which is about 69.96% of total employment, while the number of people employed in the informal sector counted 7 080 or 30.04% of the total employment. Informal employment in Mbashe increased from 6 170 in 2006 to an estimated 7 080 in 2016.

Figure 19: Formal and Informal Employment By Broad Economic Sector - Mbashe Local Municipality, 2016 [Numbers]



Source: IHS Markit Regional eXplorer version 1156

Some of the economic sectors have little or no informal employment. Mining industry, due to well-regulated mining safety policies, and the strict registration of a mine, has little or no informal employment.

The Electricity sector is also well regulated, making it difficult to get information on informal employment. Domestic Workers and employment in the Agriculture sector is typically counted under a separate heading.

In 2016 the Trade sector recorded the highest number of informally employed, with a total of 3 340 employees or 47.23% of the total informal employment. This can be expected as the barriers to enter the Trade sector in terms of capital and skills required is less than with most of the other sectors. The Manufacturing sector has the lowest informal employment with 180 and only contributes 2.54% to total informal employment.

Table 26: Formal And Informal Employment By Broad Economic Sector - Mbhashe Local Municipality, 2016 [Numbers]

	Formal employment	Informal employment
Agriculture	707	N/A
Mining	50	N/A
Manufacturing	524	180
Electricity	52	N/A
Construction	1,690	1,590
Trade	3,350	3,340
Transport	379	661
Finance	1,750	336
Community services	6,370	974
Households	1,630	N/A

Source: IHS Markit Regional eXplorer version 1156

The informal sector is vital for the areas with very high unemployment and very low labour participation rates. Unemployed people see participating in the informal sector as a survival strategy. The most desirable situation would be to get a stable formal job. But because the formal economy is not growing fast enough to generate adequate jobs, the informal sector is used as a survival mechanism.

○ UNEMPLOYMENT

The choice of definition for what constitutes being unemployed has a large impact on the final estimates for all measured labour force variables. The following definition was adopted by the Thirteenth International Conference of Labour Statisticians (Geneva, 1982): The "unemployed" comprise all persons above a specified age who during the reference period were:

"Without work", i.e. not in paid employment or self-employment;

"Currently available for work", i.e. were available for paid employment or self-employment during the reference period;

"Seeking work", i.e. had taken specific steps in a specified reference period to seek paid employment or self-employment.

The specific steps may include registration at a public or private employment exchange; application to employers checking at worksites, farms, factory gates, market or other assembly places; placing or answering newspaper advertisements; seeking assistance of friends or relatives; looking for land.

Table 27: Unemployment (Official Definition) - Mbashe, Amatole, Eastern Cape And National Total, 2006-2016 [Number Percentage] Average Annual growth 2006-2016

	Mbashe	Amatole	Eastern Cape	National Total	Mbashe as % of district municipality	Mbashe as % of province	Mbashe as % of national
2006	13,500	65,600	512,000	4,510,000	20.5%	2.6%	0.30%
2007	12,900	63,000	503,000	4,460,000	20.4%	2.6%	0.29%
2008	12,200	59,300	488,000	4,350,000	20.6%	2.5%	0.28%
2009	11,700	56,400	483,000	4,370,000	20.7%	2.4%	0.27%
2010	11,200	53,800	480,000	4,490,000	20.8%	2.3%	0.25%
2011	10,900	52,000	485,000	4,570,000	21.0%	2.3%	0.24%
2012	11,800	55,800	508,000	4,690,000	21.1%	2.3%	0.25%
2013	13,000	60,500	542,000	4,850,000	21.5%	2.4%	0.27%
2014	14,000	63,900	569,000	5,060,000	21.9%	2.5%	0.28%
2015	14,400	65,400	583,000	5,290,000	22.1%	2.5%	0.27%
2016	15,200	68,200	603,000	5,600,000	22.3%	2.5%	0.27%

Source: IHS Markit Regional eXplorer version 1156

In 2016, there were a total number of 15 200 people unemployed in Mbashe, which is an increase of 1 720 from 13 500 in 2006. The total number of unemployed people within Mbashe constitutes 22.25% of the total number of unemployed people in Amatole District Municipality. The Mbashe Local Municipality experienced an average annual increase of 1.21% in the number of unemployed people, which is worse than that of the Amatole District Municipality which had an average annual increase in unemployment of 0.39%.

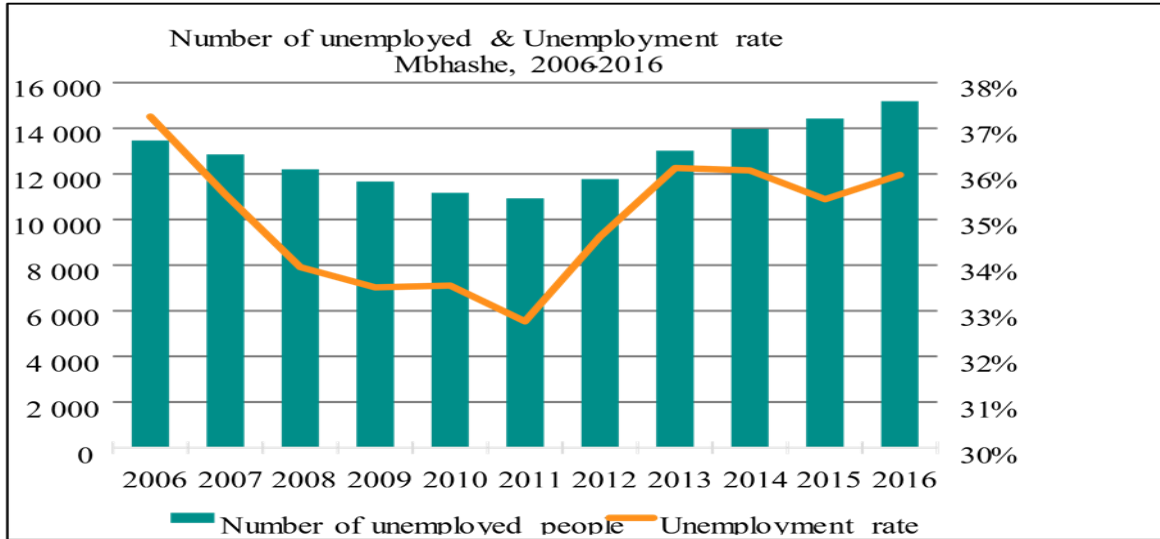
Table 28: Unemployment Rate (Official Definition) - Mbashe, Amatole, Eastern Cape And National Total, 2006-2016 [Percentage]

	Mbashe	Amatole	Eastern Cape	National Total
2006	37.3%	35.6%	27.8%	25.8%
2007	35.5%	34.6%	27.2%	24.8%
2008	34.0%	33.5%	26.9%	23.8%
2009	33.5%	33.5%	26.9%	23.8%
2010	33.6%	34.0%	27.7%	24.8%
2011	32.8%	33.5%	27.9%	24.9%
2012	34.6%	35.4%	28.7%	25.0%
2013	36.1%	36.6%	29.4%	25.1%
2014	36.1%	36.2%	29.4%	25.1%
2015	35.4%	35.5%	29.1%	25.5%
2016	36.0%	36.0%	29.3%	26.3%

Source: IHS Markit Regional eXplorer version 1156 in 2016

The unemployment rate in Mbashe Local Municipality (based on the official definition of unemployment) was 35.98%, which is a decrease of -1.27 percentage points. The unemployment rate in Mbashe Local Municipality is higher than that of Amatole. Comparing to the Eastern Cape Province it can be seen that the unemployment rate for Mbashe Local Municipality was higher than that of Eastern Cape which was 29.34%. The unemployment rate for South Africa was 26.33% in 2016, which is an increase of -0.563 percentage points from 25.77% in 2006

Figure 20: Unemployment And Unemployment Rate (Official Definition) - Mbashe Local Municipality, 2006-2016 [Number Percentage]



Source: IHS Markit Regional eXplorer version 1156

When comparing unemployment rates among regions within Amatole District Municipality, Ngqushwa local municipality has indicated the highest unemployment rate of 43.4%, which has decreased from 45.2% in 2006. It can be seen that the Great Kei local municipality had the lowest unemployment rate of 22.3% in 2016, this decreased from 23.5% in 2006.

❖ **Development**

Indicators of development, like the Human Development Index (HDI), Gini Coefficient (income inequality), poverty and the poverty gap, and education, are used to estimate the level of development of a given region in South Africa relative to the rest of the country.

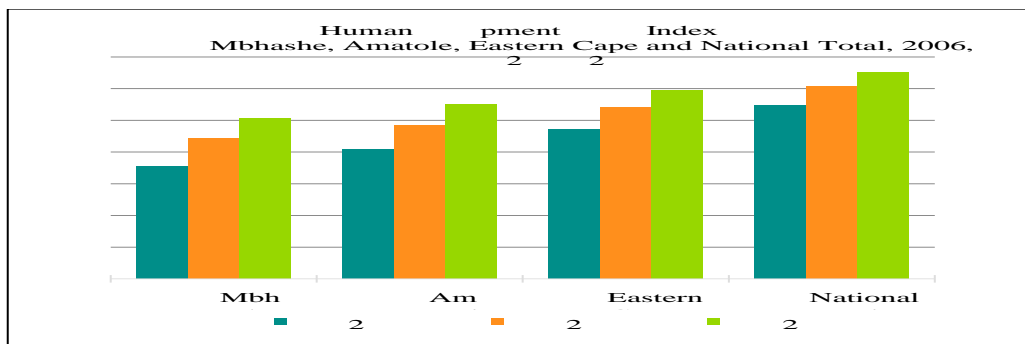
Another indicator that is widely used is the number (or percentage) of people living in poverty. Poverty is defined as the deprivation of those things that determine the quality of life, including food, clothing, shelter and safe drinking water. More than that, other "intangibles" is also included such as the opportunity to learn, and the privilege to enjoy the respect of fellow citizens. Curbing poverty and alleviating the effects thereof should be a premise in the compilation of all policies that aspire towards a better life for all.

❖ **Human Development Index (Hdi)**

Definition: The Human Development Index (HDI) is a composite relative index used to compare human development across population groups or regions.

HDI is the combination of three basic dimensions of human development: A long and healthy life, knowledge and a decent standard of living. A long and healthy life is typically measured using life expectancy at birth. Knowledge is normally based on adult literacy and / or the combination of enrolment in primary, secondary and tertiary schools. In order to gauge a decent standard of living, we make use of GDP per capita. On a technical note, the HDI can have a maximum value of 1, indicating a very high level of human development, while the minimum value is 0, indicating no human development.

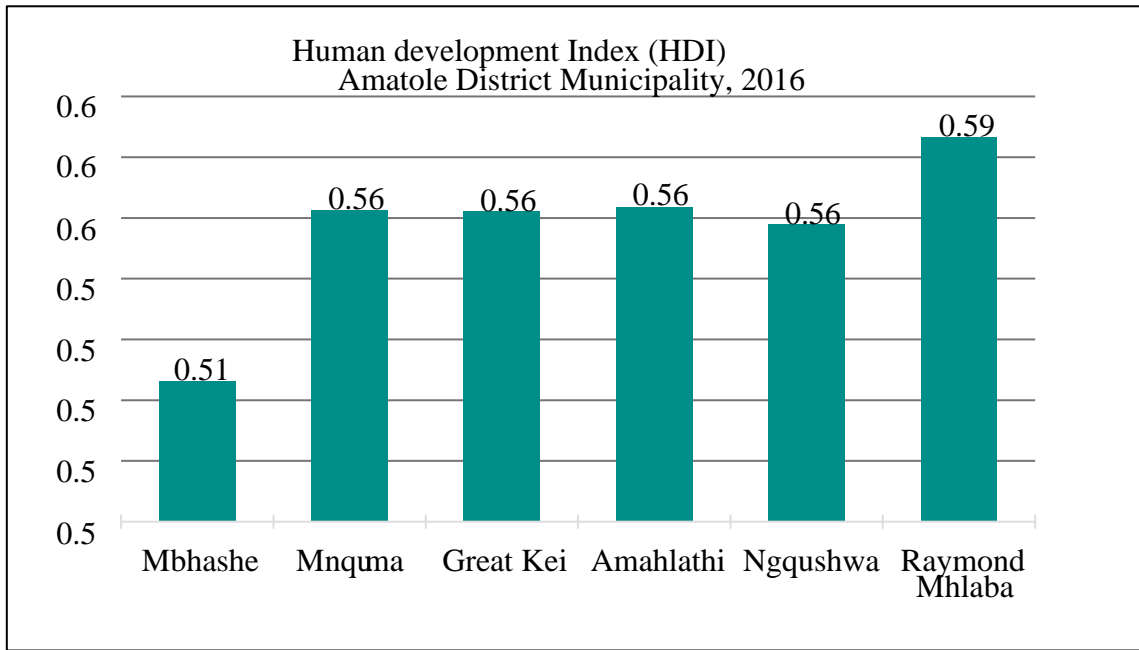
Figure 21: Human Development Index (Hdi) - Mbashe, Amatole, Eastern Cape and National Total, 2006, 2011, 2016 [Number]



Source: IHS Markit Regional eXplorer version

In 2016 Mbashe Local Municipality had an HDI of 0.506 compared to the Amatole with a HDI of 0.551, 0.596 of Eastern Cape and 0.653 of National Total as a whole. Seeing that South Africa recorded a higher HDI in 2016 when compared to Mbashe Local Municipality which translates to worse human development for Mbashe Local Municipality compared to South Africa. South Africa's HDI increased at an average annual growth rate of 1.79% and this increase is lower than that of Mbashe Local Municipality (3.62%).

Figure 22: Human Development Index (Hdi) - Mbashe, Mnquma, Great Kei, Amahlathi, Ngqushwa and Raymond Mhlaba, 2016 [Number]



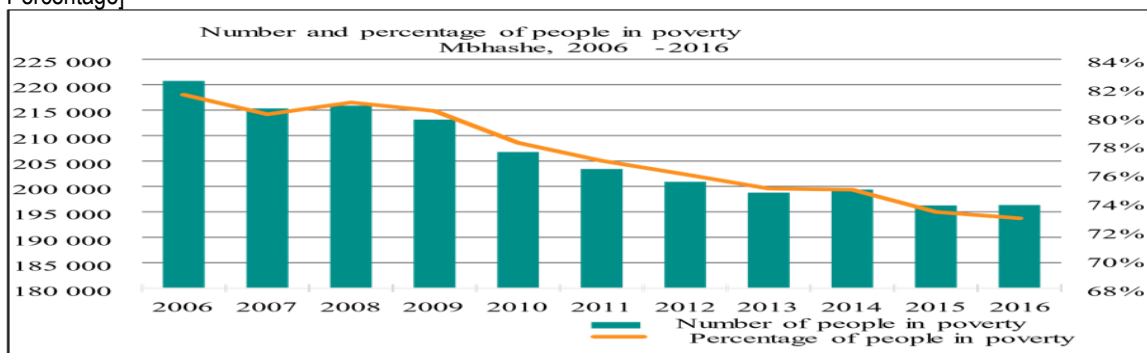
Source: IHS Markit Regional eXplorer version 1156

In terms of the HDI for each the regions within the Amatole District Municipality, Raymond Mhlaba local municipality has the highest HDI, with an index value of 0.586. The lowest can be observed in the Mbashe local municipality with an index value of 0.506.

❖ Poverty

Definition: The upper poverty line is defined by Stats SA as the level of consumption at which Individuals are able to purchase both sufficient food and non-food items without sacrificing one for the other. This variable measures the number of individuals living below that particular level of consumption for the given area, and is balanced directly to the official upper poverty rate as measured by StatsSA.

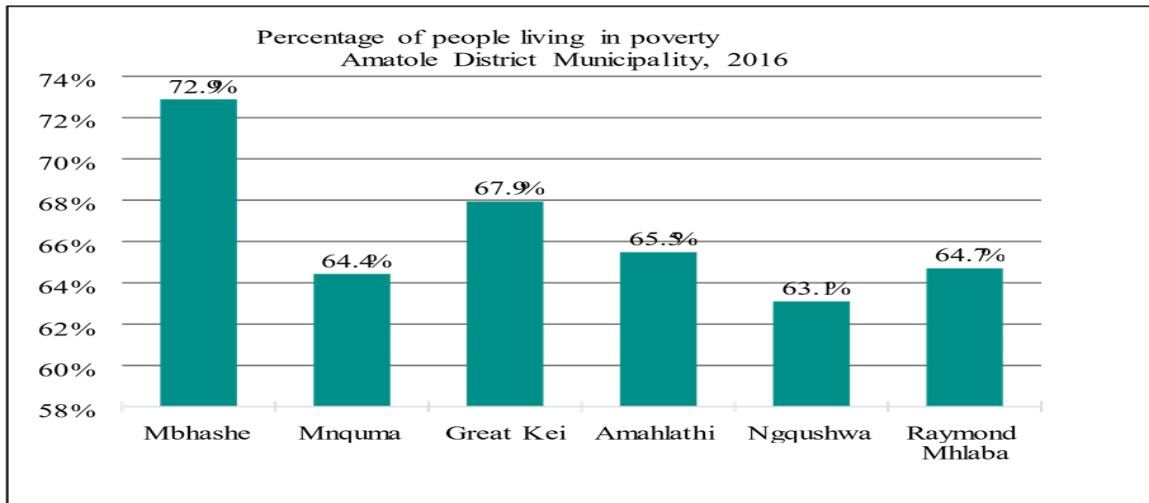
Figure 23: . Number and Percentage Of People Living In Poverty - Mbashe Local Municipality, 2006-2016 [Number Percentage]



Source: IHS Markit Regional eXplorer version 1156

In 2016, there were 196 000 people living in poverty, using the upper poverty line definition, across Mbashe Local Municipality - this is 11.05% lower than the 221 000 in 2006. The percentage of people living in poverty has decreased from 81.52% in 2006 to 72.89% in 2016, which indicates a decrease of 8.63 percentage points.

Figure 24: Percentage of People Living In Poverty - Mbashe, Mnquma, Great Kei, Amahlathi, Ngqushwa And Raymond Mhlaba, 2016 [Percentage]



Source: IHS Markit Regional eExplorer version 1156

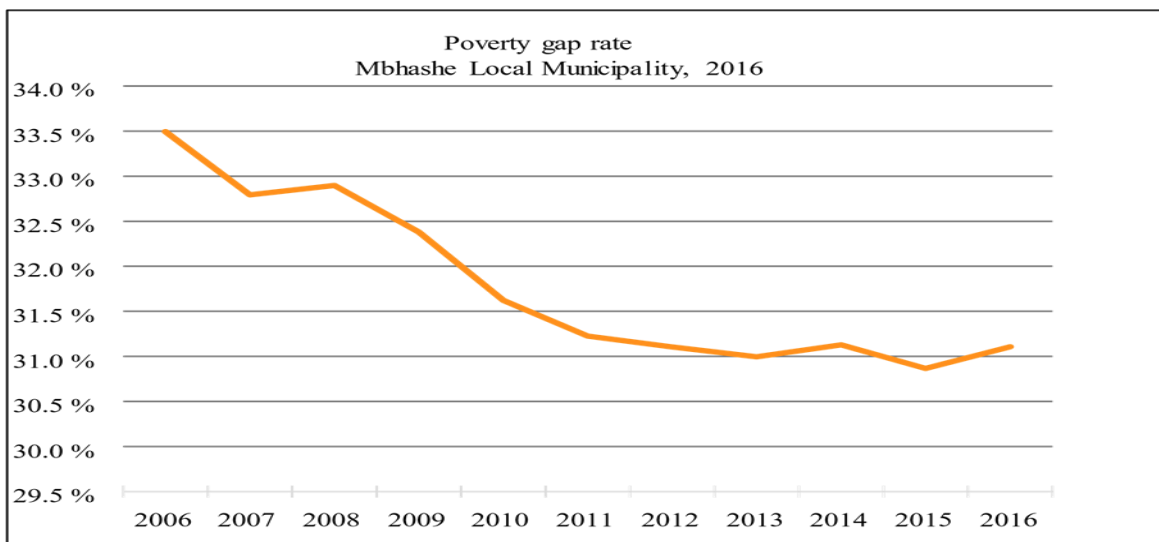
In terms of the percentage of people living in poverty for each of the regions within the Amatole District Municipality, Mbashe local municipality has the highest percentage of people living in poverty, with a total of 72.9%. The lowest percentage of people living in poverty can be observed in the Ngqushwa local municipality with a total of 63.1% living in poverty, using the upper poverty line definition.

❖ Poverty Gap Rate

Definition: The poverty gap is used as an indicator to measure the depth of poverty. The gap Measures the average distance of the population from the poverty line and is expressed as a percentage of the upper bound poverty line, as defined by StatsSA. The Poverty Gap deals with a major shortcoming of the poverty rate, which does not give any indication of the depth, of poverty. The upper poverty line is defined by StatsSA as the level of consumption at which individuals are able to purchase both sufficient food and non-food items without sacrificing one for the other.

It is estimated that the poverty gap rate in Mbashe Local Municipality amounted to 31.1% in 2016 - the rate needed to bring all poor households up to the poverty line and out of poverty.

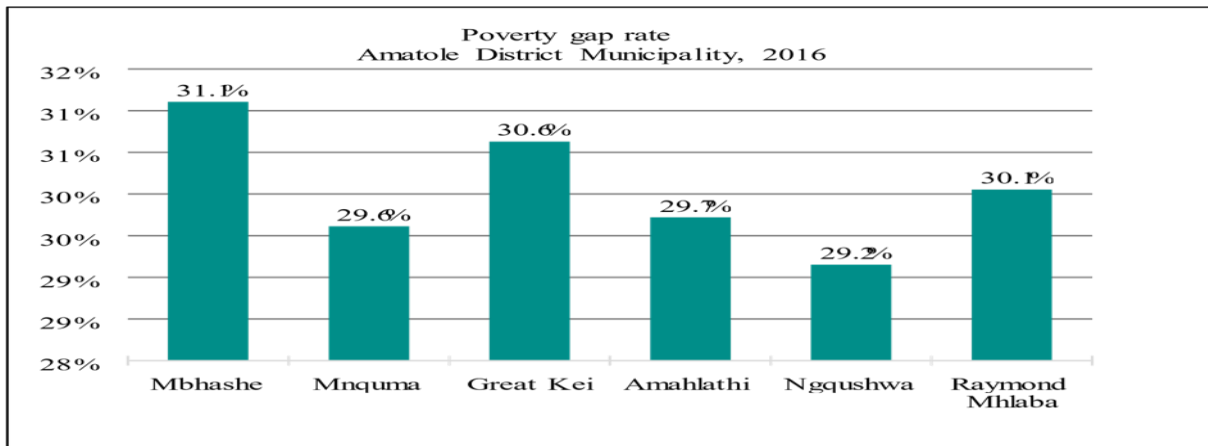
Figure 25: Poverty Gap Rate By Population Group - Mbashe Local Municipality, 2006-2016 [Percentage]



Source: IHS Markit Regional eExplorer version 1156

In 2016, the poverty gap rate was 31.1% and in 2006 the poverty gap rate was 33.5%, it can be seen that the poverty gap rate decreased from 2006 to 2016, which means that there were improvements in terms of the depth of the poverty within Mbashe Local Municipality.

Figure 26: Poverty Gap Rate - Mbashe, Mnquma, Great Kei, Amahlathi, Ngqushwa And Raymond Mhlaba, 2016 [Percentage]



Source: IHS Markit Regional eXplorer version 1156

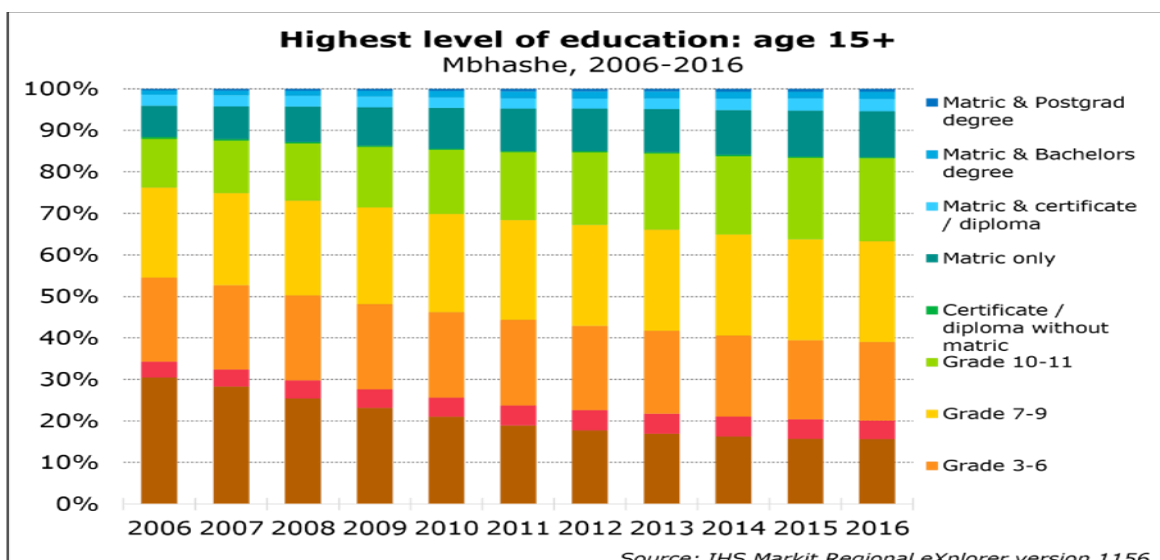
In terms of the poverty gap rate for each of the regions within the Amatole District Municipality, Mbashe local municipality had the highest poverty gap rate, with a rand value of 31.1%. The lowest poverty gap rate can be observed in the Ngqushwa local municipality with a total of 29.2%.

❖ Education

Educating is important to the economic growth in a country and the development of its industries, providing a trained workforce and skilled professionals required.

The education measure represents the highest level of education of an individual, using the 15 years and older age category. (According to the United Nations definition of education, one is an adult when 15 years or older. IHS uses this cut-off point to allow for cross-country comparisons. Furthermore, the age of 15 is also the legal age at which children may leave school in South Africa).

Figure 27: Highest Level Of Education: Age 15+ - Mbashe Local Municipality, 2006-2016 [Percentage]



Source: IHS Markit Regional eXplorer version 1156

Within Mbashe Local Municipality, the number of people without any schooling decreased from 2006 to 2016 with an average annual rate of -5.26%, while the number of people within the 'matric only' category, increased from 9,250 to 15,500. The number of people with 'matric and a certificate/diploma' increased with an average annual rate of 2.14%, with the number of people with a 'matric and a Bachelor's' degree increasing with an average annual rate of 7.12%. Overall improvement in the level of education is visible with an increase in the number of people with 'matric' or higher education.

❖ Functional Literacy

Definition: For the purpose of this report, IHS defines functional literacy as the number of people in a region that are 20 years and older and have completed at least their primary education (i.e. grade 7).

Functional literacy describes the reading and writing skills that are adequate for an individual to cope with the demands of everyday life - including the demands posed in the workplace.

This is contrasted with illiteracy in the strictest sense, meaning the inability to read or write. Functional literacy enables individuals to enter the labour market and contribute towards economic growth thereby reducing poverty.

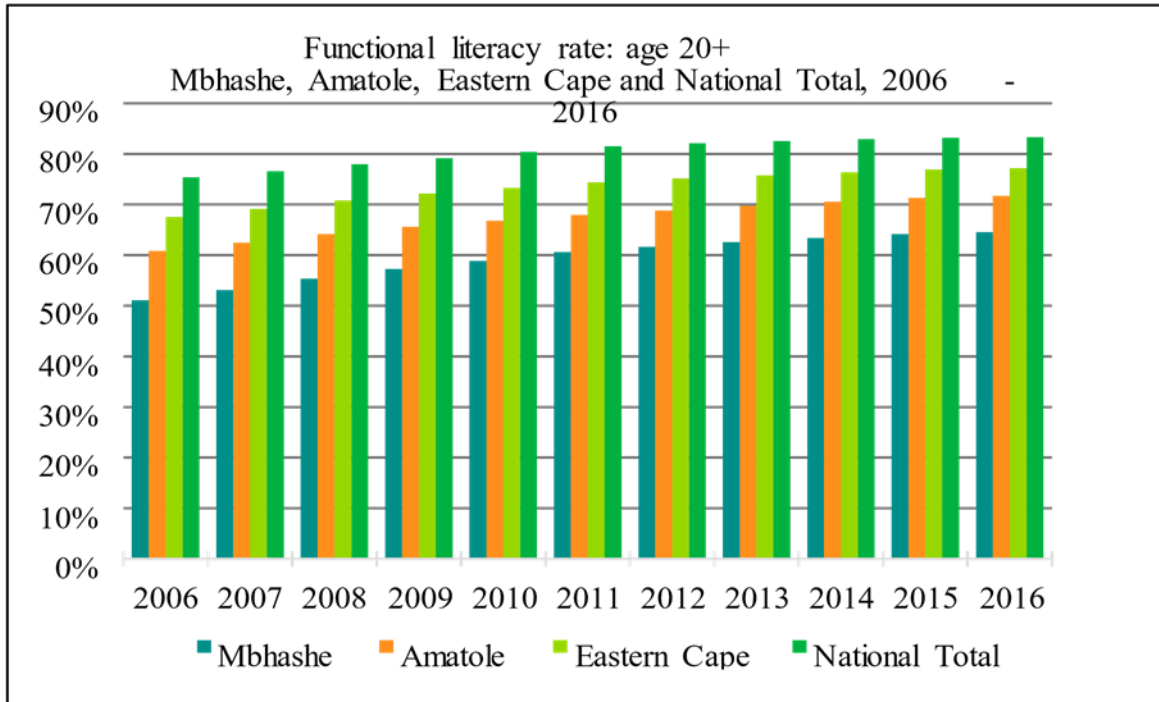
Table 30: Functional Literacy: Age 20+, Completed Grade 7 Or Higher - Mbashe Local Municipality, 2006-2016 [Number Percentage] Average Annual growth 2006- 2016

	Illiterate	Literate	%
2006	79,492	83,035	51.1%
2007	76,710	86,951	53.1%
2008	73,478	91,061	55.3%
2009	70,746	94,771	57.3%
2010	68,435	98,023	58.9%
2011	65,876	101,276	60.6%
2012	64,188	103,193	61.7%
2013	62,839	105,205	62.6%
2014	61,835	107,234	63.4%
2015	61,032	109,290	64.2%
2016	60,929	110,965	64.6%

Source: IHS Markit Regional eXplorer version 1156

A total of 111 000 individuals in Mbashe Local Municipality were considered functionally literate in 2016, while 60 900 people were considered to be illiterate. Expressed as a rate, this amounts to 64.55% of the population, which is an increase of 0.13 percentage points since 2006 (51.09%). The number of illiterate individuals decreased on average by -2.62% annually from 2006 to 2016, with the number of functional literate people increasing at 2.94% annually.

Figure 28: Functional Literacy: Age 20+, Completed Grade 7 Or Higher - Mbhashe, Amatole, Eastern Cape And National Total, 2006-2016 [Percentage]



Source: IHS Markit Regional eXplorer version 1156

Mbhashe Local Municipality's functional literacy rate of 64.55% in 2016 is lower than that of Amatole at 71.73%, and is lower than the province rate of 77.18%. When comparing to National Total as whole, which has a functional literacy rate of 83.31%, it can be seen that the functional literacy rate is higher than that of the Mbhashe Local Municipality.

A higher literacy rate is often associated with higher levels of urbanization, for instance where access to schools is less of a problem, and where there are economies of scale. From a spatial breakdown of the literacy rates in South Africa, it is perceived that the districts with larger cities normally have higher literacy rates.

o **Tourism Spending**

Definition: In their Tourism Satellite Account, StatsSA defines tourism spending as all expenditure by visitors for their trip to the particular region. This excludes capital expenditure as well as the shopping expenditure of traders (called shuttle trade). The amounts are presented in current prices, meaning that inflation has not been taken into account.

It is important to note that this type of spending differs from the concept of contribution to GDP. Tourism spending merely represents a nominal spend of trips made to each region.

TABLE 31: TOTAL TOURISM SPENDING - MBHASHE, AMATOLE, EASTERN CAPE AND NATIONAL TOTAL, 2006-2016 [R BILLIONS, CURRENT PRICES]

	Mbhashe	Amatole	Eastern Cape	National Total
2006	0.1	0.8	9.3	126.9
2007	0.2	0.9	9.9	138.7
2008	0.2	1.0	10.9	152.5
2009	0.2	1.0	10.8	153.4

	Mbhashe	Amatole	Eastern Cape	National Total
2010	0.2	1.0	11.5	167.2
2011	0.2	1.0	11.4	174.6
2012	0.2	1.0	12.1	199.9
2013	0.2	1.1	12.4	218.3
2014	0.2	1.1	12.6	238.7
2015	0.2	1.0	12.0	238.1
2016	0.2	1.0	12.0	266.9
Average Annual growth 2006-2016	2.06%	2.44 %	2.62%	7.72%

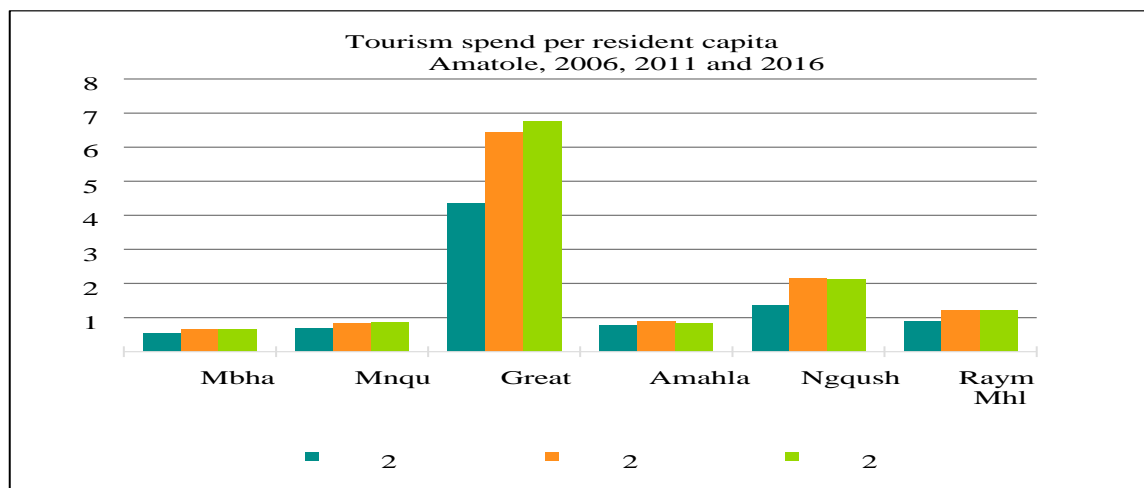
Source: IHS Markit Regional eXplorer version 1156

Mbhashe Local Municipality had a total tourism spending of R 177 million in 2016 with an average annual growth rate of 2.1% since 2006 (R 145 million). Amatole District Municipality had a total tourism spending of R 996 million in 2016 and an average annual growth rate of 2.4% over the period. Total spending in Eastern Cape Province increased from R 9.3 billion in 2006 to R 12 billion in 2016 at an average annual rate of 2.6%. South Africa as whole had an average annual rate of 7.7% and increased from R 127 billion in 2006 to R 267 billion in 2016.

o Tourism Spend Per Resident Capita

Another interesting topic to look at is tourism spending per resident capita. To calculate this, the total amount of tourism spending in the region is divided by the number of residents living within that region. This gives a relative indication of how important tourism is for a particular area.

Figure 29: Tourism Spend Per Resident Capita - Mbhashe Local Municipality and the rest of Amatole, 2006, 2011 And 2016 [R Thousands]



Source: IHS Markit Regional eXplorer version 1156

In 2016, Mbhashe Local Municipality had a tourism spend per capita of R 658 and an average annual growth rate of 2.12%, Mbhashe Local Municipality ranked lowest amongst all the regions within Amatole in terms of tourism spend per capita. The region within Amatole District Municipality that ranked first in terms of tourism spend per capita is Great Kei local municipality with a total per capita spending of R 6,770 which reflects an average annual increase of 4.51%

- **Economic Comparative and Competitive Advantage**

The Absolute advantage

Our municipality believes it has absolutely more efficient at production of the following compared to nearby municipalities. These are:-

- ❖ Crop production
- ❖ Sheep farming
- ❖ Eco-tourism

However, these advantages have not been tapped to the fullest.

Comparative advantage / Competitive advantage

The ability of the municipality to produce a particular good / product or service at a lower marginal and opportunity cost over another good / product. Comparative advantage measures efficiency in terms of relative magnitudes. Small scale manufacturing, particularly diversification from agriculture, brickmaking, bakeries and new-generation products Construction related to infrastructure, new property developments and the upgrading of human settlements

Tourism

Tourism, including eco-tourism, heritage, conferences and sports.

- **OCEAN ECONOMY- MARINE TOURISM.**

The targeted areas for investment which may have considerable economic potentials in the future include Aquaculture Farming and Maritime Culture.

Aquaculture is the farming of aquatic organisms such as fish, shellfish and even plants. This refers to the cultivation of both marine and freshwater species and can range from land-based to open-ocean production. However; there's a great potential for fish farming programme in the area. Currently there are two communities under development trusts that showed interest in the project. They are Nqabara Development Trust and Mahasana Development Trust. The pre-feasibility study was conducted in the Mahasana area. Currently the business plan is being developed with the interested private investor who will later partner with the community through the trust.

Fishing / Recreational Fishing

The municipality once conducted a study on fishing; the study showed there's major potential in this industry as there's little done on this sector. All wards that form the coastal belt in the Mbashe area are encouraged to acquire fishing permits from the relevant Department. There has been progress in the area as more SMMEs have acquired licences and doing legal fishing. Mbashe boasts with the wild coast full of large river mouths and seas. These are all the areas where different forms of fishing can take place. The area covers the area between the Qhora River and Zithulele River. There are different types of fish available in the area but the control on use is still in the hands of the Department of Agriculture, Forestry and Fisheries – Marine and Coastal Management. The study showed that the following projects can be undertaken in the areas mentioned:-

Table 32: Potential matrix for fishing opportunities

AREA	POSSIBLE PROJECT
Shixini	Suitable estuary for recreational fishery
Xhora	Suitable for community based canoe hire and ghillies
Nqabara Mouth	Conservation area/protected zone

AREA	POSSIBLE PROJECT
Jujura Mouth	Angling destination
Qora Mouth	There's a boat house and sea launching is possible
KuJotela	Recreational fishery

Source: Mbhashe LED strategy (2015)

Further recommendations included the formation of the Focus Group which will be made of technical people i.e. government departments, NGO's and Government agencies, Further Education and Training institutions and Institutions of higher learning.

Mining and Quarrying

Mbhashe has a potential for stone mining, sand mining and granite. These resources; granite to be specific is found in some parts of Mbhashe such as in Luvundu, Bojini and Weza areas.

However, there's little done in this sector to help change the economic situation of the people in the area. What is common is the illegal mining of sand by some business people. Their actions lead to degradation of land in various parts of the region and there's no policing of the area which is usually in the coast so as to safeguard land degradation

o THE LED STRATEGY (2015)

The LED Strategy adopted by Council in 2015, deals with economic development as a theme that cuts across all that happens in Mbhashe Local Municipality. Whilst administrative boundaries may be tightly drawn in terms of local municipalities that fall under the Amathole DM, partnerships and trade across municipal boundaries are encouraged particularly in support of the concept of Wall-to-Wall Municipalities as is contained in the South Africa

Constitution. The LED strategy will be reviewed in the 2022/23 financial year for period of 5 years in alignment with the newly adopted IDP. The Mbhashe LED Strategy is focused more on creating an enabling environment by developing programmes and making available resources to support projects that will in turn be identified by local businesses, entrepreneurs and residents at large. Mbhashe Local Municipality is in some competitive position. Its economic capital, Idutywa lies along a busy and lucrative N2, and is a gateway between the various powerhouses such as Durban, Umtata and East London. The Mbhashe LM's Integrated Development Plan (IDP) refers to five (5) areas of investment, which for the purposes of the strategy are referred to strategic thrusts.

The Strategic Thrusts formulated as part of this document are based on the current economic situation Mbhashe LM finds itself in and is aimed at building on the existing strengths and exploiting the unique opportunities presented by the local economy and the specific physical and demographic environment of the Municipality. The Thrusts, therefore, enable an integrated approach towards taking maximum advantage of the identified opportunities. The Thrusts also allow the appropriate linkage of projects and initiatives to ensure more focused and coordinated facilitation of development in the Municipality.

While issues such as the development and upgrading of economic infrastructure, improved institutional capacitation and good governance do have a role to play in ensuring that effective economic development does takes place, these matters are considered to be supportive elements that will not, of its own, result in the development of the economic base and have, therefore, not been included in the Strategic Thrusts. Rather, the Thrusts identified in this document focus on the actual unique opportunities where potential for economic development and growth lies.

The 5 key Strategic Thrusts are:-

Thrust 1:	Agriculture Development.
Thrust 2:	Enterprise Development.
Thrust 3:	Tourism Development.

Thrust 4:	Skills Development
Thrust 5:	Spatial Land Use Management

- **Strategic Thrust 1: Agricultural Development**

The subsistence agricultural sector is the biggest contributing sector in the economy of Mbashe. Many households use agriculture for subsistence and they heavily rely on it for food.

The areas of the municipality are mostly under communal land tenure.

- ❖ **Sheep farming**

Mbashe contains arguably the richest land for livestock in the Amathole district. About 250 000 sheep are recorded in Mbashe. (Source: Stats-SA - Livestock survey; 2015) Public private partnerships and improved farming methods can expand commercial livestock farming in the Mbashe areas. There has been a rise in information days in the sheep farming small stock mainly focusing on mutton conditioning and wool conditioning with Mbashe smallholder farmers paying specific attention to wool conditioning program to improve their wool to receive high returns. Moreover, Mbashe is characterized by a large number of wool associations many of which are requesting for wool washing machine in an attempt to improve their wool status, this is accompanied by a recent belief that wool production is the key to success.

Municipality partnered with OTAB skill development centre for Mbashe wool processing plant. As part of wool grower empowerment plan, OTAB is seeking funding for the construction of a wool processing facility to be established in Mbashe local Municipality. The proposed site facility is located at Idutywa town which is the administration capital of the Mbashe local Municipality and sited suitably due to its accessibility by other local municipalities.

- ❖ **Cattle farming**

Cattle are spread all over the Mbashe area whilst main focus is on improvement on quality of cattle for meat and skin for leather production. Every year, the Department of Agriculture and the municipality plan for the known and the unknown outbreaks of diseases in animals. A number of workshops named "information days" are conducted for the farmers, Chiefs and the councilors on the current farming methods and animal health. To ensure market access, the municipality is engaging big business in the wool industry for possible partnership with farmers. Currently, they are assisting farmers with training and information sharing. Each year Municipality supply and deliver stock remedy to ward 2-32 for livestock production. The aim is to assist emerging farmers for preventing a wide range of diseases that cause reduced production, fertility or death in cattle.

Mbashe Municipality is one of those municipalities which got assistance from the ARC, DRDAR and UFH for Animal improvement. There are projects under ward 24 and 29 that focusing in Livestock improvement to change the breeds.

- ❖ **Sundwane feedlot**

Mbashe Local Municipality partnered with rural development and agrarian reform, rural development, and National agricultural marketing council for Sundwane feedlot that is situated at ward 8 which feed cattle to grow and gain a lot of condition or body fat and muscle over a period of approximately 4 months or 120 days. Feedlot play an important role in creating job opportunities for local communities. The feedlot is the place whereby livestock farmers keep their animals and feed them for marketing purposes. The biggest advantage in feedlot is it is the most economical way to raise a large number of cattle for beef production.

Most of the farmers in Chizela send their cattle to Sundwane Feedlot is so that their animals can reach a certain weight as efficiently as possible. This happens through providing a steady, high energy diet and managing the cattle to minimize health problems and stress. With the feedlot, Mbashe LM has managed to sell their livestock to Abattoirs across the Province through auctions that take place in the Sundwane feedlot, these would range around 20 cattles a month as farmers from neighbouring towns would also join the Feedlot, this has helped commercialise emerging farmers from Mbashe LM. The feedlot managed to employ 6 employees that were, 2 security guards, 3 feeders and 1 feedlot technician.

Challenges faced by Sundwane feedlot - Stocking density has a significant influence on the environmental performance of a feedlot since it partly determines the average moisture content of the pad. Every day, cattle add moisture to the pen surface by depositing manure (faeces and urine). The chosen stocking density that should achieve a balance between a pen surfaces that is, on the stocking density chosen is not determined by the size and number of pens required and hence have a significant impact on construction and operational costs. Some livestock sheds are fallen down due to strong wind.

Shade- Notable problem is with the increasing livestock resulting to fewer resources such as shade at times of heavy rains and high temperatures. Pans damaged fencing resulting to small livestock such goats and pigs from around the community interfering into the business of the cared livestock. Most notable challenges were the pans which needed to be mounted to frames taller than 2 metres for small stock not to interfere into the feed provided to the livestock being kept in the feedlot but this has since been dealt with in the financial year 2019/2020 financial year.

Currently the Municipality offers non-financial support to the Sundwane Feedlot as departments like NAMAC and Agriculture are assisting in that perspective, the Municipality helps with the coordination of the Feedlot and making sure that there is smooth running of processes between its farmers and funders.

❖ Goats

Goats are largely in the Gatyana area about 32 000 (Source: Stats-SA - Livestock survey; 2015) and small projects that are aimed at improving quality for milk production have started there. Twenty (20) small stock dipping tanks have been renovated across Mhashe in the past six years.

❖ Piggery

There are many piggery projects and majority of them registered and run as co-operatives from across the municipality. There's a potential and an opportunity to develop a piggery abattoir in the area. As part of endeavors of the LM to commercialise farmers, piggery farmers have been supported by LED through SMME and Cooperative Development Support funds whereby the Municipality procures feed, vaccination and building material, in the Financial year 2021/22, for example, the LM has spent more than R400 000 financial support and also offered nonfinancial support like trainings and assisting with access to relevant access. This in an ongoing assistance and intervention from the Mhashe LM to piggery farmers across the Municipality.

❖ Poultry

For the past 10 years the municipality has assisted small poultry farmers to grow chicken and sell for profit, which was done as a poverty relief programme. In the year 2006, the municipality commissioned the services of the Agricultural Research Council (ARC) to investigate why the poultry projects failed and could not graduate to a viable business. The major cause for concern was the readiness of the market immediately when the product is ready for sale. The department of Social Development has funded a lot of projects in the poultry industry but there were challenges in growing the industry. Currently there has been improvements in the Poultry projects as the Municipality gives both financial and nonfinancial support to Poultry projects both run by corporative and individuals on regular basis. The financial support ranges from procuring feed, vaccination and building material. In the nonfinancial support the Municipality offers trainings such as Business Management trainings, Financial Management trainings and the Municipality partners with Departments like SEDA, SEFA, ECDC and Rural Development and Agrarian Reform (DRDAR) who assists with feeds and donating with cheeks to the farmers.

TNSC Rural Development T/A Transkei Hatchery is located at Mqonci Location in Mhashe

Local Municipality under ward 4. It is a hatchery business with current capacity of hatching 50 000 chicks per month, the company currently supply day old chicks across the former Transkei area, clients include government departments or government funded projects in rural communities (especially for broiler and our indigenous birds) and big distributors such as Umtiza Farmers Coop both in the former Transkei and Ciskei areas. The company also supply animal feed, medicines, feeding and brooding equipment.

List of Poultry farmers that were funded in 2021/22 Financial Year.

Soqhubelwka coop in ward 26, Chubekile Poultry project in Mbhanyana ward 26, Tunzini Poultry in Hobeni ward 16, Sicingimiso coop in ward 20, Xuba in ward 15.

Masinedisa Qatywa in ward 32, Colosa Youth Poultry Cooperative in ward 9, Abalimi Bezekhaya Coop in war 14 and Isinaye Poultry Coop in ward 13.

❖ Citrus Fruit

The Gatyana area is also an area where there's potential for citrus fruit production. The area is dominated by deep, well drained and aerated soils. The climate is characterized by warm summer and cold winter with the mean annual temperature of 27°C. This area receives a summer rainfall of 780mm per annum. The municipality together with Department of Rural Development and Agrarian Reform (DRDAR) continues to provide support to citrus initiatives within the communities of Mbhashe and more than 200 citrus fruit trees were distributed at Xhora and Gatyane in the financial year of 2021/2022.

❖ Crop Production

Two major crops that possess an opportunity to bring food and employment in the area are maize and vegetables.

❖ Maize Production

Size of the land available for maize production is 12 thousand hectares. The utilized size for maize production is less than 4 000 hectares covering 44 villages. Maize is the mostly utilized crop/grain in the Mbhashe area mainly because many of the households consume it as their staple food. About 32 wards of Mbhashe have been provided with fencing materials in financial years starting 2011/12 up to date. This is done to avoid intruding animals. Whilst there's no scientific study conducted, this assistance has encouraged more farmers to go back to the ploughing fields again. The farmers then harvest and mill this maize into value added products such as Maize meal and animal feed.

Municipality partnered with Department of Rural Development and Agrarian Reform to provide assistance in cropping support program, for the purpose of making sure that the farmers utilize the land by planting certified maize seeds and the sell the product to the organized markets. There are 76 maize farming associations that were supported for 2021/22 Financially year at a value of R 2 500 000 for maize production with the aim of producing good quality maize and increase yields.

❖ Vegetable Production

Vegetable production is another area where households source food from, in the form of community gardens and own gardens. Several projects and co-operatives are now irrigated and are producing enough for selling in the local market.

These projects have created jobs for some who were jobless and are now earning ±R600 a month from income generated through vegetable production. To ensure access to the market, the Local Food Production Unit located in Duff (ward 9) was established. To encourage vegetable production at households, the municipality is providing seeds and seedlings to Siyazondla groups and to some households.

In partnership with Department of Rural Development and Agrarian Reform laphuma ilanga

Agricultural Co-operative were assisted with production inputs and working tools to develop Laphumilanga which is vegetable co-op. The co-operative is a black owned and majority is youth dominated. The co-operative is owned by six members, the project is hiring social workers from the community during planting and harvesting period. The project currently has 18 hectares to produce the marketable vegetable production. The project produces cabbage, butternut, spinach, potatoes, beans and maize. The project has a contract with a number of Supermarkets like Super spar for a period of 15 years, Mpumalanga for a period of 15 years, Spar for a period of 12 years and Madyasi for a period of 6 years for supplying and deliver of good quality vegetable.

○ High Value Products (Hvp)

❖ Sorghum

Sorghum is another High Value Project which is regarded as one of the products that can help grow the economy of the region. The initiative came from a youth co-operative called, "Nondobo Youth Co-operative" and Lubomvini. This pilot program of the Sorghum won the support from several government departments and parastatals and the private sector like Anglo American. The municipality has funded the general tree removal in the area. To sustain the programme, a total of 12000 tons is needed. For purposes of crop rotation, soya beans will be used. Participating villages include youth co-operatives from various areas such as Old Idutywa (200ha); Duff (180ha); Rwantsini; Upper Falakahla; Gam-Gam; Fort Malan; Chizele; Tyelekebende; Mfula; Lubomvini and Mnandi.

As part of the pilot, Nodayimane investment & Luleka Mbethe investment (PPTY) LTD was able to take virgin lands and convert them into productive land parcels that yielded a crop which was then sold to organised markets. A total of 20 young, women were employed and trained before, during and after the planting season.

During the 2018/19 season the Company planted 143 ha of sorghum in Chachazela and Mangwevini, the crop was harvested in July 2020. Municipality will assist Sorghum projects in ward 8 and 12 by supporting the farmers on Agricultural production. The aim is to create job opportunities in the rural areas.

❖ **Moringa**

Another new venture is the Moringa Trees in the Bojini area of Gatyana. The community through its community development trust is engaging a private sector for partnership agreement. The Moringa tree is doing really good in South Africa, bringing sustainable business as well as uplifting the health and feeding of communities. The Moringa tree, also known as the horseradish tree is being called the miracle or magic tree. The trees will be planted using 150ha from the area of Bhojini and Ligwa.

The Municipality supported the Ligwa Moringa Project with Building Materials for building store and drying room and production inputs. The project created job opportunities for local people during weed control and Harvesting of the produce.

❖ **Lemon Grass / Essential Oil Production**

Another new venture is the Lemon grass at Bulungula and Ku-Folokwe A/A at Elliotdale. The community through its women co-operative is engaging a private sector for partnership agreements. The Lemon grass is doing really good in South Africa, bringing sustainable business as well as for cosmetics industry.

There's a lemon grass woman cooperative (Bulungula Essential Oils Co-operative) in the area, which has a huge market for the produce and they confirmed that any lemon grass produced organic they're willing to buy it, in order to fill up their lemon grass market demands, i.e. the Cape Natural Tea producers. The youth of Folokhwe village want to take this privilege as the great alternative to generate income for them or ourselves and others who are interested as we go on. Municipality contracted Loyiso Consultant to build a Lemon grass processing structure for Bulungula project. The contractor is busy constructing the structure at Elliotdale in ward 19. The structure is almost completed by the service provider. Municipality assisted the Cooperative to showcase and market their product at Amathole Agricultural show and market day in Eat London.

○ **Agricultural Infrastructure**

❖ **Shearing Sheds**

There are approximately 45 shearing sheds mostly in the Dutywa area where there are plenty of sheep (250 000 as recorded by Stats-SA 2015). However, there's a huge backlog in the shearing sheds construction as many communities are in demand. The construction and renovation of shearing sheds is done under the programme of "livestock improvement programme". The shearing season (2016) recorded an amount above R3.5m in wool sales. However, there was a decrease in the year 2021, with sales amounting to over 1 million Rand in Mbashe Local Municipality and this decrease attributed to the Covid-19 constraints. With the availability of shearing sheds and equipment the woolgrowers could generate large sums of money from the wool sales.

This potential lead to a decision that, in the current financial year (2021/2022) the Municipality conducts an assessment of the LED Infrastructure which includes shearing sheds and dipping tanks in all 32 wards of the Municipality, subsequently, the Municipality appointed service providers to assist with maintenance and repairs as the assessment report indicated that the majority of shearing sheds are in a dilapidated state: Candu shearing shed in ward 7, Qolweni Shearing shed in ward 6, Xeni shearing shed in ward 4 and Kasa shearing shed in ward 13. The Harmorny Gold is still to build in a new shed in ward 2 to the value of R1 500 000, to extend in ward 12 in Old Idutywa and Jojweni in Ward 21.

❖ **Dipping Tanks**

There are almost 400 cattle dipping tanks which were all built by the then Transkei homeland government and some by the provincial department of Agriculture. These dipping tanks become old and could not be used optimally. The municipality then budgets through a programme called "Livestock improvement" to renovate the dipping tanks. In the current financial year (2021/2022) the Municipality conducted an assessment of LED Infrastructure which includes shearing sheds and dipping tanks in all 32 wards of the Municipality. Subsequently to that, in the financial year 2021/22, 6 dipping tanks were maintained and repaired namely; deeping tank in Zimpuku ward 2, Morrison cattle deep tank ward 3, Xawuka dipping tank

ward 5, Gqunce ward 11, Sholorha war 15, Mfula ward 14. The MOU between the municipality and the DRDAR are currently being drawn where the municipality will provide material and farmers will do the dipping tanks on their own. The assessment that was conducted in ward 2-24 by LED reveals that almost all existing structures on ground need to be repaired and renovated. Cattle and Sheep Dip tanks and shearing sheds contribute the highest agricultural structures that need attention mainly because they are incomplete and on poor conditions.

❖ **Fencing of Arable Land**

The municipality has managed to rollout this programme for seven years in a row now. The objective is to have every arable land fenced so that farmers can farm peacefully not in fear of the animals. This programme is linked to Maize Production programme of Mbashe Municipality and ADM where different assistance programs can be seen. All wards have received fencing for more than two times and the farmers are urged to fence for themselves as part of showing commitment to the course.

○ **Economic Impact of COVID-19 in Agriculture**

Agriculture has been declared a critical industry and as such is exempt from the harshest lockdown regulations. However, job losses in the agriculture sector will be an unintended consequence of lockdown. In South Africa, this will be a major spoke in the wheel of government's ambition to increase employment in agriculture and Agro-processing by a million jobs by 2030. Now, in 2020, we are faced with Covid-19. The fortunate thing is that science has progressed tremendously with respect to understanding diagnostic technologies, the epidemiology of disease, vaccine development technologies and screening for antiviral treatments. However, for now, there is no treatment or vaccine.

What we do know is that Covid-19's mortality rate is higher than that of the 2009 H1N1 virus, and it is far more infectious. (National Department of Agriculture and Rural Development) While agriculture has been declared a critical industry and as such is exempt from the harshest lockdown regulations, the industry as a whole, and secondary agricultural industries in particular are feeling the consequences.

Agricultural sector to show some level of resilience from a jobs perspective this year as the expected large output will mean labour will be required in the fields. Those that typically participate in the sector in the form of seasonal labour will, however, be affected by social distancing and other health regulations. This is a component of the labour market that could lead to an overall decline in agriculture employment this year compared to last year. That said, the share of the decline could be negligible relative to other sectors of the economy.

The coronavirus pandemic has severely affected the agricultural sector across the country; more especially in drought-stricken areas like our municipality. However, small-scale farmers in the province are breathing a sigh of relief following a cash boost from the COVID Relief fund.

Small-scale farming is the lifeblood of the rural economy. The farmers have been struggling during the lockdown due to their small margins and little savings.

In the Eastern Cape, a large number of small scale farmers are also women. The farmers that received a cash boost were saved from bankruptcy. Livestock farmer assisted with medication and feed for livestock with the money they received from the relief fund.

Benefited farmers - Smallholder farmers who have benefitted from the department of agriculture, land reform and rural development's (DALRRD) R1.2 billion covid-19 relief fund say they can finally breathe easier again.

○ **COVID-19 Agriculture Disaster Support Fund**

The Target market, South African citizens who have been actively farming for a minimum of 12 months and currently in the production season or cycle be registered on farmer register, commodity database or provincial database; Communal farmers; Smallholder farmers with annual turnover between R50 000 and R1 million.

The adjudication prioritizes women, youth and people with disabilities.

Type of relief fund - The Funding was a grant and the voucher system. The vouchers are redeemed in partner distributors and manufacturers of production inputs; in addition, the grant is kept at R50 000 per farming operation or applicant.

Commodity Specific Support

Poultry Day old chicks, Point of lay chickens, feed, medication and sawdust; Vegetables Seed, Seedlings, fertilizer, pesticides, herbicides and soil correction

- **Livestock Feed and medication**

Small-scale farmers were identified as beneficiaries throughout the Eastern Cape. Mbhashe LM, in its Livestock Improvement programme, supported emerging farmers from all wards except ward 1, with livestock vaccination and this was done with a purpose of helping emerging farmers alleviate livestock diseases and improve livestock quality.

- **Relief measures to grow the Agricultural Economy**

Maize is the mostly utilized crop/grain in the Mbhashe area mainly because many of the households consume it as their staple food. About 32 wards of Mbhashe have been provided with fencing materials in financial years starting 2011/12 up to date. This is done to avoid intruding animals. Whilst there's no scientific study conducted, this assistance has encouraged more farmers to go back to the ploughing fields again. Municipality partnered with Department of Rural Development and Agrarian reform provide assistance in cropping program to make sure that the framers utilize the land by planting maize and the sell the product to the organized markets. The municipality budgeted for the Maize farmers in 2020/21 for maize seeds. Municipality issued the advert in August for the assistance of Maize seeds.

Implementation plan for Agricultural recovery plan

Table 33: Post Covid19 Economic Response Plan

IDENTIFIED STAKEHOLDER(s)	RELEVANT MANDATE	POTENTIAL AREA OF PARTNERSHIP	REQUIRED AMOUNT
NATIONAL DEPARTMENT OF AGRICULTURE	Equitable access to land, integrated Rural development	Assisting crop and animal production farmers with materials and inputs.	R400 000.00
DEPARTEMENT OF RURAL DEVELOPMENT AND AGRARIAN REFORM	The aim is to increase agricultural production through the optimal and sustainable use of natural resources and appropriate technologies to ensure food security, dignity and improved rural livelihoods.	Agricultural production health and food safety.	R400 000.00
NATIONAL AGRICULTURAL MARKETING COUNCIL	To increase market access for all market participants. To promote the efficiency of the marketing of Agricultural products.	Provide support, identify and facilitate access to markets for Sorghum, Moringa and Lemon grass Producers	R200 000.00
DEPARTMENT OF RURAL DEVELOPMENT AND LAND REFORM	To promote Rural Development	Agricultural Infrastructure	R300 000.00
AMATHOLE DISTRICT MUNICIPALITY	Building a Smart District", which is a 40- year prognosis in preparation of our District on smart concepts within the 4th Industrial Revolution.	Economic Development	R200 000.00

SWOT ANALYSIS (AGRICULTURAL DEVELOPMENT)

STRENGTHS & OPPORTUNITIES	WEAKNESSES & THREATS
<p>Availability of arable land</p> <p>High quality of existing soils for crop production</p> <p>Good flowing rivers and availability of water resource</p> <p>Access to availability technical support by Department of Rural Development & Agrarian Reform</p> <p>Existence of support institutions like ECRDA,</p> <p>Land Bank and Uvimba to resource agricultural programmes</p> <p>Favourable climate</p> <p>Suitable lands for livestock production (Idutywa said to have over 300 000 sheep and highest concentration of sheep livestock in Amathole)</p> <p>Abundance of base assets – livestock, people, land, skill etc</p> <p>Access to input support by government – Tractors, Seeds, Bulls etc.</p> <p>Availability of higher training institution like Fort Cox Agricultural College, Mpofu training Centre and Tsolo Agricultural College.</p>	<p>Lack integration in planning and implementation programmes</p> <p>Agriculture not seen as fashionable employment sector by especially young people</p> <p>Lack of entrepreneurship & value chain production – Agro-processing</p> <p>Poorly developed infrastructure and non-existent services</p> <p>Lack of funds</p> <p>Prevalent soil erosion, land invasions and veld fires Bad infrastructure – roads leading to areas with potential like Nqabara and Elliodale</p> <p>Lack of development of the commercial farming sector –</p> <p>Poor road conditions make it difficult to access the market for the produce leading to a total closure of some of the project</p> <p>Along the Mbashe and Nqabara rivers there are valleys which are suitable for maize production but the limitation is extreme bad conditions of road; making it difficult to reach the ploughing fields by an auto-mobile.</p> <p>Inability to create sustainable markets for the produce.</p> <p>Low amount of rain in other areas.</p> <p>There's still lack of assistance on funding for the inputs like fertilizer</p> <p>The Strategic Environment Assessment conducted in 2009 showed there is not enough grazing land. The absence of the Spatial Development</p> <p>Framework for the rural areas makes the chiefs and headmen to relinquish the grazing land to the high</p>
STRENGTHS & OPPORTUNITIES	WEAKNESSES & THREATS
	<p>demand for land for households. This is hitting negatively to the plans for the improvement of wool in the area and the fight to push back the frontiers of poverty.</p> <p>Animal diseases.</p> <p>There's a visible amount of skills shortage in the animal farming industry Lack of water - stock dams</p>

STRENGTHS & OPPORTUNITIES	WEAKNESSES & THREATS
	Silted water dams

Source: Mbashe LED strategy (2015)

- **STRATEGIC THRUST 2: ENTERPRISE DEVELOPMENT**

ENTERPRISE DEVELOPMENT SMME DATABASE

A database of the SMME's has been updated by the LED unit for the purposes of providing assistance to capacitate SMMEs and assist them with tools of trade.

Several workshops were conducted by BTO and LED Units to assist emergent SMME to fill in necessary documents that are required to tender. Tendering trainings were also conducted in partnership with ECDC.

Cooperatives have been trained in almost all the financial years on different aspects. The concentration has started to be on their ability to produce more in both quantity and quality and be able to market those products. Medium Enterprises in the second economy (largely in the retail sector) Manufacturers like brickmakers and bakeries.

- ❖ **SMME support**

Mbashe Local Municipality supports local SMMEs/Cooperatives with tools of trade (R50 000.00 each) and trainings. LED to support 50 SMMEs/Cooperatives on this financial year which is 2020/21 FY

- ❖ **INFORMAL TRADERS**

The informal traders have been supplied with tools of trade and hawker stalls. The hawker stalls are budgeted from MIG starting from the 2014/15 financial year. 60 hawker stalls to be installed on this financial year (2020/21 FY).

Informal and Micro Enterprise Development training workshop was successfully hosted on the 26 February 2021 at TRC hall in Dutywa with attendance of informal traders (hawkers/street traders) in partnership with Small Enterprise Development Agency and Amathole District Municipality on Accessing Information on Business Operations, Business Management and services offered for SMMEs.

There were 30 SMMEs (Informal traders) attended that training.

- **MEMORANDUM OF AGREEMENT OF SMMEs SESSION BETWEEN MBHASHE LOCAL MUNICIPALITY AND ECDC**

Mbashe Local Municipality has a duty to support, guide Mbashe SMMEs and Cooperatives through implementation of the Local Economic Development Strategy. In so doing, the unit provides technical, financial and mentoring support programmes to these SMMEs and Co-operatives. Furthermore, the unit also partners with other agencies (private and public) in discharging this responsibility of promote radical transformation through enterprise development to improve local economic development.

It is against the above background that Mbashe Municipality humble entered into Memorandum of Agreement with ECDC for a period of five years for the session agreement for Mbashe SMMEs for tendering purposes. Planning and Development department noticed that most of the SMMEs get tenders in the Municipality and other Government departments then SMMEs unable to render the services due to financial constraints as a result of failing to achieve the targets due to the delayed made by SMMEs while looking funds from financial institutions.

The municipality intended to inter into this MOU to fast track the service delivery and development of SMMEs.

- **INCUBATION PROGRAMME**

The municipality adopted the Contractor Incubation policy. The purpose of the incubator programme therefore is to create an enabling environment within which selected existing contracting enterprises can develop into sustainable contracting enterprises.

The policy objectives are:-

- To provide opportunities to contractors to achieve sustainability,
- The Incubator Programme targets projects within the R30 000 to R1.5 million range and this range is therefore where the incubator programme will focus.

Preference will be applied in the accessing of work so that enterprises owned and controlled by local, blacks, women and the disabled persons are advanced.

In the year 2021/22 the municipality had 39 SMMEs that formed part of Mbashe Incubation Programme. The purpose of this programme is to support the development of sustainable SMMEs and Co-operatives to contribute to the local economy and job creation.

This incubation programme is targeting Small Business Development and the Cooperative Development. The provision of this incubation program is intended to enhance the capacity of the small and social enterprises to improve their socio-economic conditions and thereby contributing to the economic growth of the municipality.

This plan will harness and align all stakeholder' programmes and actions in order to support and add value to the development of emerging small enterprises.

The incubation programme comprises of three categories:

- Construction: There are 22 SMMEs appointed for a period of 3 years
- Supply and delivery: There are 13 SMMEs appointed for a period of 2 years
- Maintenance: There are 4 SMMEs that have been appointed for a period of 2 years.

- **Renewable Energy Project**

In a clarion call for just transition from carbon-based energy generation to renewable energy, Mbashe Local Municipality remains the best investment destination for piloting of clean and renewable energy generation initiatives such as wind farms, bio-energy and hydroelectric energy, particularly in the area of Gatyane and Xhora. Thus, the municipality is in constant engagements with Independent Power Producers (IPPs)/private sector partners to come and invest in renewable energy projects within its jurisdiction.

New Auto energy company has approached Mbashe municipality on this type of project for investment in the Mbashe area, once all the necessary processes have unfolded, and New auto energy is ready to implement the project with clear time frames, the project will be captured under Chapter 5 of the IDP document for implementation.

- **RECOVERY PLAN FOR MBASHE MUNICIPALITY SMMEs**

WHAT'S INCLUDED IN THE PLAN

Plan Goal
Financial Assistance
Collaboration with Regional Partners
Communications, Marketing Tools and Resources
Digital Marketing
Business-Friendly Policies
Retail Businesses
Capacity Building Programmes

- ❖ **PLAN GOAL**

At the Mbashe Local Municipality, the health and safety of our community is our top priority. Our local business owners and their employees are an essential part of our community.

When our businesses thrive, the Municipality thrives. The goal for this plan is to help Mbashe local businesses reopen safely and get back to business effectively. The plan outlines the programs, tools and resources available to local businesses. It highlights the actions the Municipality and our partners across the region are taking to support our business community, and it outlines programs that have been implemented since the Municipality declared a local emergency on

March 26, 2020. We are guided by the Municipality's mission to improve the quality of life of those who live, work or visit Mbashe Municipality by providing a safe family atmosphere that is rich and diverse in cultural and natural resources and promotes economic and educational opportunities. We strive to make sure that the Mbashe Local Municipality Spirit of Service is evident in everything we do here at the Municipality, and we hope that this plan will serve as a one-stop shop for businesses to access the support they need to move forward successfully as they embark on the road to recovery

❖ **FINANCIAL ASSISTANCE**

Recognizing the significant negative impacts of the COVID-19 emergency situation on our local business community, particularly our small and independent local businesses, the Municipality acted quickly to provide more than R25 000 in assistance to 10 local businesses (Informal Traders) in the form of support through our COVID-19 Business Sustainability Program.

R800 000 for tools of trade will be funded through the Municipality's programme for SMMEs/Cooperatives support. 50 local businesses to be assisted on 2020/21 financial year with tools of trade amounted R50 000.00 each.

The COVID-19 emergency will undoubtedly have negative budgetary impacts on the Municipality itself, and we will need to find ways to address them. At the same time, we fully recognize the need to maintain a diverse and fiscally sound business community.

❖ **COLLABORATION WITH REGIONAL PARTNERS**

Discover Our Recovery Business Safety Promise, The Municipality is happy to support and assist with the Business Forum's Discover Our Recovery Business Safety Promise. The Business Forum's program is designed to help business owners communicate their commitment to following all public health orders and guidelines from the country. Coordination with Sector Industry Partners is one of our main objective to promote local businesses.

IDENTIFIED STAKEHOLDER(s)	RELEVANT MANDATE	POTENTIAL AREA OF PARTNERSHIP	REQUIRED AMOUNT
DEDEAT	Innovation for sustainable development for sustainable development.	Business development and support	1 000 000.00
AMATHOLE DISTRICT MUNICIPALITY	Building a Smart District", which is a 40-year prognosis in preparation of our District on smart concepts within the 4th Industrial Revolution.	Economic Development	R200 000.00
SEDA	SEDA is mandated to implement government's small business strategy; design and implement a standard and common national delivery network for small enterprise development; and integrate government-funded small enterprise support agencies across all tiers of government.	Innovative and competitive SMME development is a cornerstone of Mbashe's Economic growth and development. A collaborative effort towards SMME capacity building, facilitation of access.	R500 000.00
ECDC	ECDC is the official economic development and investment agency for that aims at attracting new investors and position the Eastern Cape as the investment target of choice, stimulate exports, facilitate economic development, build existing businesses and facilitating start-up businesses.	In order to accelerate creation of wealth opportunities and expanding international trade footprint of Mbashe local enterprises and industries, an optimal use and strategic leverage on platforms created by ECDC is important.	600 00.00

IDENTIFIED STAKEHOLDER(s)	RELEVANT MANDATE	POTENTIAL AREA OF PARTNERSHIP	REQUIRED AMOUNT
DTI	The DTI plays a critical role in the promotion of economic development and meaningful participation in the global economic and trade environment. It achieves this by working to build an equitable multilateral trading system that facilitates development, strengthens trade and investment links with key economies	Mbhashe aims at increasing its economic viability through intensive promotion of business opportunities while attracting local and foreign direct investments. Through its existing key economic activities, Mbhashe intends to establish its strategic partnership with DTI.	R800 000.00

❖ COMMUNICATIONS, MARKETING TOOLS AND RESOURCES

The Mbhashe Local Municipality is committed to communicating effectively with our businesses to help our community thrive. Timely, accurate and transparent communication is more important than ever as our businesses responds to the COVID-19 pandemic. Links to the Municipality's social media platforms can be found below:

Facebook-Mbhashe Municipality

Twitter-@mbhashemunicipality

❖ DIGITAL MARKETING

We will encourage our businesses to open Digital Marketing to market their businesses using social networks like Facebook, Twitter, and WhatsApp etc. The goal is to increase awareness of open businesses and inspire connection between them and their customers.

❖ RETAIL BUSINESSES

Temporary Outdoor Business Permit Required. Allows for all retail businesses to open with interior sales under safe reopening plans. Allow for curbside pickup if desired by business. Also allows businesses to designate their customer parking spaces for curbside pickup. The number of spaces would be decided by business owner in terms of what works for their business, provided it does not exceed the number spaces allocated for their suite. Allows for outdoor sales in parking lot if desired by business

❖ CAPACITY BUILDING PROGRAMMES/SMME ROADSHOWS

These programmes will intend to break down barriers to financial access and provide complementary services such as capacity building, access to networks, and mentors, and opportunities to link with domestic and global markets as well as improving the business environment for women-owned or women-led SMMEs across the developing world while reaching into new areas, supporting women-led businesses at earlier stages of growth, and unlocking access to equity and insurance services. At the same time, complementary public sector interventions strengthen the enabling environment and enhance market and procurement opportunities for women entrepreneurs. This is perceived as an approach to addressing the constraints faced by SMMEs, youth and women entrepreneurs. It will also help to elevate the issue to support action by governments, parastatal and private sector.

Tender Advise Training successfully hosted by LED as follows:

Tender Advise Training was successfully hosted on the 27-29 October 2020 at TRC hall in Dutywa with attendance of SMMEs from deferent sectors which are construction, supply and delivery in partnership with the Eastern Cape Development Corporation and Amathole District Municipality on Accessing Information on completion of tender including assistance with professional presentation and marketing pitch, defining and understanding of a tender and tender process, analysis of tender documents. There were 30 SMMEs attended that training workshop.

○ **INVESTMENT ATTRACTION, RETENTION AND EXPANSION**

The Economic Development Department has identified a number of gaps in the local economy and is planning to develop a policy or strategy on investment attraction, retention and expansion. The planned strategy will address strategic issues that enhance service delivery in terms of socio-economic infrastructure and recruiting investment into the area, promote Mbashe as a recognized business destination of choice; by promoting the areas value added goods and services as well as the strategies for commercial and / or economic infrastructure funding models.

It is envisaged that the strategy will translate tangible programmes into investments and possibly realise the rand value of tourism, export, infrastructure and investment. It is aimed at profiling and promoting Mbashe with the view to facilitate strategic partnerships that will bridge the divide between the first and second economy driven by competitiveness and job creation and narrowing the spatial disparities.

Key outcomes:

- To ensure successful implementation of the trade and investment conference and exhibition
- To develop a brochure of fully costed and bankable projects to be sold at the conference
- To have a business-to-business matchmaking breakfast sessions
- To expose SMME's to big business and investment partners
- To showcase value added goods and services with elasticity of demand
- To generate new investment incentives

The municipality is currently in a process of developing investment atlas as means to package economic opportunities for exploitation. SMME Tradeshow and Enterprise information workshops as means create enabling investment climate is amongst key investment initiatives prioritised by the municipality.

SMME

SWOT ANALYSIS	
STRENGTHS & OPPORTUNITIES	WEAKNESSES & THREATS
Favourable land values for production space	General low interest in self- employment
Abundance of labour inputs	Lack of skills
Availability of raw material inputs	Lack of machinery and infrastructure to support factory production
Access to support from government	Poorly developed value chain production processes and systems
Prioritization by EC PGDS	Lack of appropriate skills and knowledge of the sector
Proven untapped potential demand in Forestry, Agriculture and Tourism Strong appetite for involvement by locals	Poor regulation
Market demand	Unreliable service provision – water, electricity, sanitation, refuse etc.
Significant contributor to employment creation	Lack of care for aesthetics by operators and owners
Easy access to entry – no strict barriers Availability of support from various sources within and outside government	Environmental degeneration potential
– ECDC, SEDA, SETAs, Training	Lack of cooperation
Institutions, Bus Forums etc.	Poorly organized businesses and processes High degree of survivalist rather than growth oriented entrepreneurs – high failure rate of ventures

Source: Mbashe LED strategy (2015)

○ **STRATEGIC THRUST 3: TOURISM DEVELOPMENT**

Local economy has a competitive advantage in Tourism. Tourism potential can be elicited in:

- Heritage Tourism Development.
- Coastal and Ocean Development.
- Craft Development.
- Tourism Events and Shows and Festivals.

However, the existing potential in these comparative and competitive advantages has yet to be realized. More needs to be invested in unleashing this potential for LED benefits. While more jobs were realized in the community services, this sector is not a sustainable sector for job creation

Tourism can provide a major boost to the district’s economy, linking the many diverse attractions of Mbashe. Strong branding is needed to link the different features. Activities include the following:-

- Heritage Tourism
- Coastal and Ocean Development
- Craft Development
- Tourism events and shows
- Heritage Tourism Development

Heritage forms part of socio-economic and cultural development. It contributes significantly to the gross domestic product through tourism, particularly cultural tourism. The development, marketing and packaging of heritage tourism routes will accelerate the contribution of tourism in the municipality.

There are sites which have been identified for development such as signage, access improvements, information displays and other anchor projects linked to the heritage and tourism development such as the Visitor Information Centre for Dutywa. Such sites are identified:-

- ❖ King Hints’a’s grave
- ❖ King Sarhili’s grave □ Sinqumeni caves
- ❖ Fort Bowker
- ❖ Fortmalan Memorial
- ❖ Fort Beechamwood
- ❖ Liberation Route
- ❖ Mazizi Maqhekeza Heritage site

○ **Amakhosa Kingdom Heritage**

There are other places identified in the Liberation Heritage Route which is a National Project that seeks to establish a route based on the war against colonialism and national oppression. Projects included in the liberation route include developing and conserving the notorious “White House” at Dutywa which was used as a place of torture for many activists of the time. The other important project is the development of the Mazizi Maqhekeza Resource Centre as an honour to the former Umkhonto Wesizwe freedom fighter.

The above identified heritage sites/routes will be linked and named them as Mbashe Liberation Heritage Route.

○ **Coastal/Nodal Development**

Areas earmarked for development in the coastal zone include the following:-

Table 34: Areas earmarked for development in the coastal zone

NODE	DESCRIPTION	AA	AREA	STATUS QUO
1st order	Areas that in terms of low environmental sensitivity and existing infrastructure and/or the feasibility of providing infrastructure can accommodate	Qora		A craft centre has been constructed in the area and its operating

NODE	DESCRIPTION	AA	AREA	STATUS QUO
	intensive development. Actual or proven potential supply of municipal services such as bulk water, sewerage and waste management is a basic condition for any area to have 1st Order Node status. Developments that do not need to be in the coastal zone should however still wherever possible be placed outside the immediate coastal zone, inclusive of a buffer with estuaries.			The long term proposal was for the development of the cultural village
	Marine Talapia Acquire culture Project is the first of its kind coastal project that will benefit all the coastal areas through incubator project for fish farming	Qora		Still on the consultation stages through community involvement
2nd order	Areas with significant constraints to development, e.g. and which can accommodate moderate levels of tourism, resort and cottage development. One key difference between a Second Order Node and a Third Order Node would be that in a Second Order Node more than one fairly substantial development could take place, while in a Third Order Node only one development will generally be permitted.	Jotela and Kuloflokwe Dwaai Community Lodge		Still following planning processes
		Tenza		The area is earmark for tourism development of Tenza precinct
		Nqabarha Lodge		Project has been completed and its operating
		Haven Hotel		Renovations were done and completed in 2012.
		Nkanya Estuary Lodge		Construction of six chalets has stopped due to financial constraints.
		Qatywa Community Lodge		National Department of Tourism has appointed DBSA as implementing Agent
Protected area	Formally proclaimed Protected Areas. These areas are included for mapping purposes, but are not subject to the Environmental Management Framework (EMF), but to the policies of the applicable Management Agency.	Dwesa – Cwebe area		Dwesa Cwebe development completed
Other	Other recreational facilities	Dutywa Conference & Recreational facilities		Feasibility study was done and completed, looking for a developer

Source: Mbashe LED strategy (2015)

- **Eco-Tourism Development**
 - ❖ Dwesa- Cwebe Nature Reserve
 - ❖ Amajingqi World Heritage Site – Natural / Cultural
 - ❖ Tenza beach, Blue Flag Pilot
 - ❖ Qatywa beach, Blue Flag Pilot
- **Leisure / Recreational Tourism Development**
 - ❖ Boat launch sites- Qora, Nqabarha, Mpame and Xhora Mouth
 - ❖ Collywobbles Vultures adventure
- **Craft Development**

Mbhashe Craft Development initiative was launched in 2004, and the structure of Mbhashe Crafters association was established in 2011. Individual craft projects are advised to register as co-operatives so that they are able to trade. Workshops in partnership with SASSA were conducted with the aim of encouraging them to properly register and get into database of the agency and other departments for purposes of supplying clothing. Currently approximately 15 Crafters are being assisted with tools of trade or material and 20 Crafters capacitated by means of training, and 15 are official Co-operatives.

Opportunity is given to crafters to showcase in areas like Grahamstown Arts Festival, MACUFE, Tourism Indaba, Tourism Imbizo and any other area where craft material is strongly marketed.

Six Craft projects were assisted with craft material

- **Tourism Events and Exhibition Shows and Festivals**

As part of promoting, marketing and bringing tourists in the area, we had various events hosted internal that market Mbhashe to many as a tourist destination, namely:

Mazizi/Maqhekeza Memorial Heritage Festival
 Umbono Wesizwe Heritage Festival
 Boxing sport tourism event
 Horse Racing Sport Tourism Event
 Cultural and craft festival
 Youth Awards Festival

Due to Covid 19 pandemic some of the above events did not take place.

SWOT ANALYSIS: TOURISM SECTOR

STRENGTHS & OPPORTUNITIES	WEAKNESSES & THREATS
Endowed with natural beauty resources – Dwesa-Cwebe Nature reserve, the coast etc. Part of Wild Coast SDI.	Access to market for crafters
Powerful natural and historic attraction sites & areas	Common veld fires
Existence of market interest for local offerings (The area is very rich in cultural heritage as it boasts things like	Poor weaknesses infrastructure
San paintingse, King Sarhili's grave &	Inadequate accommodation facilities
Sinqumeni caves	Poor transport systems
	Lack of marketing
	Poor management skills
	Unskilled labour

STRENGTHS & OPPORTUNITIES	WEAKNESSES & THREATS
	<p>Crime, access to finance</p> <p>Unemployment</p> <p>Natural disasters</p> <p>Poor conservation methods</p> <p>Land tenure systems & land claims</p> <p>Poor infrastructure</p> <p>Undeveloped tourism offerings – sites for Vulture Views, historic graves “Hintsá”, Famous Mvezo traditional authority and others are not fully and creatively developed as tourism offerings to elicit good revenue</p> <p>There’s no easy access to the coastal resorts because of poor road conditions</p> <p>Not easy to get developers</p> <p>Crime</p> <p>Some local communities are not interested on heritage sites especially the affected communities</p> <p>Vandalising of heritage sign boards by local communities is also a challenge</p>

Source: *Mbhashe LED strategy (2015)*

- **The Marine Tilapia industry incubator in Mbhashe**

Mbhashe Municipality identified Agriculture, Tourism and Enterprise Development as a priority areas for Local Economic Development (LED). The objective is to ensure that the support and development within the municipality is enhanced to boost the local economy of the area. The municipality entered into Agreement with the ECRDA which is a schedule 3 (c) entity in terms of the Public Finance Management Act (PFMA) for the Marine Tilapia industry incubator in Mbhashe.

ECRDA has dedicated focus on formulating, promoting and ensuring the implementation of a comprehensive integrated rural development strategy for the Eastern Cape Province. The Entity’s strategic objectives are to promote, support and facilitate rural development in the province by: mobilizing financial resources and providing financial and supportive services to persons domiciled, ordinarily resident or carrying on business; promoting and encouraging private sector investment in the province and the participation of the private sector in contributing to economic growth; promoting, assisting and encouraging the development of the province’s human resources and financial infrastructure.

The Agency had appointed the Thapi Aqua-Kulcha (Pty) Ltd which is based in 20 Blackburn road at East London to set up what will be known as a Marine Tilapia Industry Incubator, which will anchor the development of a series of aquaculture clusters and related value-chain activity along the coastline of the Mbhashe. The initiative is one of the flagships of the Eastern Cape Provincial Oceans Economy Strategy.

Mbhashe Municipality has developed strategies to unlock coastal and marine tourism with key emphasis on key initiatives to drive development of blue flag programme, aquaculture farming and coastal infrastructure development opportunities guided by the Eastern Cape Marine Tourism Strategy, 2016.

ECRDA is working with the municipality to facilitate implementation of the project which has a potential to create 4 700 jobs on Aquaculture farmer and processing facilities and benefit 150 000 small scale farmers who will supply feedstock for the fish feed. In 2021/22 financial year, R9 million has been allocated for Marine Tilapia Marine incubator facility by DADARD through conducting of Environmental impact Assessment and start of construction.

Projects prioritized for investment are the following:-

Tenza Development Precinct, Proposed Tenza Beach Development;

Gcalekaland Cultural Village at Kob Inn;

Dwayi / Jotela Development Precinct for Resort Development;

Dwesa-Cwebe Nature Reserve for Abalone Farming and Tourism Development;

Nqabarha Eco-Lodge tourism project

Mncwasa Small harbour development for fish farming and processing; □ Qatywa Community Lodge and Nkanya Development Precinct.

Amakhosa Royal Kingdom Project

○ **MBHASHE ECONOMIC RECOVERY PLAN**

This is due to Covid 19 tourism sector was adversely affected. Tourism is a major contributor on the economy of the country particularly on the Gross Domestic Product of the country. As the Municipality of Mbashe the tourism sector is one of the economic drivers because most of the people are involve in and benefiting from tourism.

○ **ECONOMIC IMPACT OF COVID 19**

The tourism economy sector of Mbashe have been heavily affected by the restrictions of movement of people, because as per the previous statistics the highest number of people visited the municipality were from other Provinces and some were International travelers, so due to Covid 19 regulations it have a negative economic impact on Mbashe tourism. This has very tangible impacts for tourism sector, which is critical for many people, hospitality, accommodation establishments, or business.

The local economy of Mbashe is falling into recession, no tourism related activities are taking place due to Covid 19 pandemic for example events and festivals. This have a negative impact on boasting of the local economy of Mbashe Municipality.

The emerging trends: these area is highly affected on domestic travel (road trips, visiting friends and relatives, local accommodation establishments, events, adventurous, hiking, heritage sites) these are local emerging trends.

Opportunities: by hosting of local events which will have a positive impact on boasting or reviving of tourism local economy. What can be done with the opportunities: to prioritise the events that will play a major role on reviving the local economy for example festivals, sport tourism etc

Short term interventions: to speed up the hosting of the events/festivals which will have a positive impact on reviving the economy.

- ✓ Municipal Tourism Strategies aimed at economic recovery
- ✓ Promoting short and affordable breaks
- ✓ Designing strategies e.g. activities, packages, events, etc. that will encourage visitors to stay longer
- ✓ Developing tourism products that will provide visitors with more things to do
- ✓ Provide quiet season specials e.g. winter experience such as bush adventures
- ✓ Publicizing hidden secrets in the district
- ✓ Providing new experiences, in other words; new tourism products to the area - Develop events e.g. festivals

○ **RELIEF MEASURES TO GROW THE ECONOMY**

- ✓ Tourism Relieve Measures
- ✓ Determine basic product focus and source tourists;
- ✓ Determine key criteria for investor identification and selection;
- ✓ Identification of targeted investors;
- ✓ Selection of pilot projects;
- ✓ Formulation of a proposal in terms of specific investment opportunities in Southern Africa;
- ✓ Distribution of proposals to the selected potential investors;
- ✓ Negotiations with selected investors;

- ✓ Selection of investors; and
- ✓ Implementation of agreements
- ✓ Enablers towards Local Municipal Economy Recovery
- ✓ Sustainable Tourism
- ✓ Community Tourism
- ✓ Sport Tourism
- ✓ Heritage Tourism
- ✓ Cultural Resources
- ✓ Accommodation Establishments
- ✓ Tourism Infrastructure
- ✓ Implementation plan for tourism recovery plan

Table 35: Post Covid19 Economic Response Plan

IDENTIFIED STAKEHOLDER(s)	RELEVANT MANDATE	POTENTIAL AREA OF PARTNERSHIP	REQUIRED AMOUNT
ECPTA	To develop and manage protected areas and promote and facilitate the development of tourism in the province. To contribute to building the Eastern Cape into a province where responsible tourism and conservation underpin sustainability.	To support emerging tourism product to become marketable.	R300 000.00
AMATHOLE DISTRICT MUNICIPALITY	Building a Smart District”, which is a 40-year prognosis in preparation of our District on smart concepts within the 4th Industrial Revolution.	Economic Development	R200 000.00
NATIONAL DEPARTMENT OF TOURISM	NDT Social Responsibility Implementation Programme (SRIP) is the job creation or the Expanded Public Works Programme (EPWP) of the Department of Tourism. The EPWP is one element within a broader government strategy to reduce poverty through the alleviation and reduction of unemployment.	Mbhashe intends to revive its standing strategic partnerships with sectoral institution. Strengthening this partnership will realize Mbhashe’s infrastructural development endeavor as one of its key economic growth and development catalysts.	R 400 000.00

We therefore conclude that based on the above tourism economic factors that have a positive impact on boosting the local economy of Mbhashe, these factors can assist only if the government can ease the regulations by opening all levels of the economy so that all tourism sectors can be opened, because tourism is inter-linked so you cannot open other sectors within and keep closing the other tourism sectors. By doing that Mbhashe tourism economy can be slowly recovered.

○ **Small Towns Economies**

Small Town Economies is a concept that coincided with the Department of Treasury’s National Development Partnership Grant (NDPG). A business plan was earlier made for the Dutywa area and that found itself the pre-approval for NDPG. Because of the magnitude of funding; the ADM Development Agency named “Aspire” was appointed to project-manage the implementation of the grant. Several plans were done including the Local Spatial Development Framework (LSDF) for Dutywa.

The main challenges which led to non-implementation were:-

Pending land claims

Shortage of bulk infrastructure

Reluctance of the private land owners to relinquish land for development With the lapse of time; the NDPG changed focus and the development of rural and small towns remained with the Department of Rural Development. The department funded the studies in the three units i.e. Dutywa, Gatyana and Xhora and the findings were as follows:-

Table 36: Xhora Implementation Plan (High Priority Projects)

RANKING	NAME OF THE PROJECT	POSSIBLE FUNDER
High	Urban greening in the new RDP housing DEA, EPWP area	
High	Alien eradication throughout the town	Working for water, EPWP, Own funding
High	Solar PV to town grid	DBSA, private investor
High	Botanical garden along water course	EPWP
High	Commonage and Erosion Management Plan	Aspire, IDC, DBSA
High	Mentorship (Beef, sheep, goats and poultry)	DRDLR
High	Input support (Med and licks) – Beef and DRDAR sheep	

Source: *Mbhashe LED strategy (2015)*

○ **Dutywa Implementation Plan**

Key Development Interventions and Areas

In order to respond to spatial challenges, opportunities and constraints and to achieve the developmental vision of the Regeneration Strategy, several specific areas (or geographic localities) have been identified as Key Development or Key Intervention Areas.

These are:

- ❖ Residential Development, Accommodation and Subsidised Housing
- ❖ Affordable rental / temporary accommodation versus first time owners / landless
- ❖ Middle-to-high income residential to the south east of the CBD
- ❖ Low cost residential development expansion at Govan Mbeki Township to accommodate housing backlog. The scale and type of development should respond to the need
- ❖ Middle income development of prior planned extensions to the west and north Industrial Reserving land around the station, extending in a westerly direction for commercial/light industrial and industrial development.

- **Transport / Trade**

Development of four Integrated Taxi-Commercial Nodes associated with the entry/exit points into/from Dutywa along the four main taxi routes (i.e. East London, Ngcobo, Mthatha and Gatyana). This should include ablution facilities at each.

The development of a Central Square/ Market-place focussing on the former Central Square of Dutywa. This central space is presently badly utilised and reduces the quality of the urban environment in town as well as adding to the congestion and dysfunctional nature of the CBD.

- **Tourism Resource Centre**

In order to better equip Dutywa to be marketed as a Gateway to the Wild Coast, it is desirable that a proper functioning Tourism Resource Centre be developed at the entrance to the town on the south eastern approach of the N2.

This facility should ideally be integrated with compatible developments such as the proposed retail centre or conference / accommodation / entertainment establishment. Concerns around the positioning of the latter development in relation to the flood line, need to be addressed prior to approving investment of public funds.

- **Gatyana Precinct**

Given the predominance of the Financial Intermediation, Insurance, Real Estate, and Business Services sector, it may be argued that the future prosperity of the town is likely to be related to the consolidation and extension of the rental accommodation sector. More people residing in the town in rental accommodation would increase the demand for local goods and services, leading to a virtuous demand-led cycle of development.

For this to happen, the functionality of the town needs to be enhanced so as to improve its attractiveness as a destination for business enterprises and providers of social services. Key aspects of such an improvement include the following: -

- **Related To Water Services**

The current supply of raw water to the Gatyana Water Treatment Works is reportedly adequately catered for in planning to supply the existing demand in the town. Future planning indicates that certain additional sources of supply would need to be added into the system to secure the adequate provision of water for future extensions. In the interim, a priority with regard to Water Supply is the implementation of a Water Conservation & Demand Management Programme, which is to aim to achieve a reduction in unaccounted-for-water 0.1 million m³ per annum. A specific issue challenging the town at present is the lack of a Waterborne Sewerage System. This was initiated but has been prevented from being completed to function by a land invasion that has prevented the completion of the Works infrastructure. Finalisation of a workable Solid Waste Management solution: either operationalizing the planned Transfer Station system as a matter of urgency or – in the interim – developing properly a fully managed local waste disposal site, which is the preferred option of the local stakeholders.

- **Mbhashe Municipality- Gatyana Rural Precinct**

- ❖ **Taxi Facility**

Whilst a new taxi rank facility has been initiated along the main road, this is inadequate in size and has no ancillary facilities. There are two Taxi Associations plus a long-distance Bus Association that service Gatyana town and these all need to be accommodated in properly designed and developed ranking facilities with ancillary land use and support facilities provided. At least two taxi ranks need to be developed (one for Uncedo and one for Border Taxi Association). It is desirable that a Long-distance Bus Rank also be developed, as per discussions held with the relevant Associations. In all cases, it will be desirable to ensure the integration of facilities for informal trading (hawkers) with the public transport facilities.

- ❖ **Road Network Infrastructure**

The current road network is inadequate for the town's needs, especially given its function as a public transportation hub as well as a commercial centre that draws larger delivery vehicles. In addition, roadside parking is inadequate for the needs of road users and the volume of users in the central business and service districts.

A full assessment and re-design of the town's road networks is required. Aside from the Main Road, the circulation roads (especially to the south of the Main Road) also need to be upgraded and certain intersections need to be re-designed to

permit heavy vehicles to turn into and out of the Main Road. It is crucial that a proper operations and maintenance schedule for the town's road network is developed and implemented to prevent periodic deterioration and the consequent need to re-build roads.

❖ **Craft Centre Hubs**

As it is recognised that the town functions as a hub for social and cultural events in the subregion (catchment) it services, this facility is deemed to be of particular importance by the stakeholders who were consulted in the course of the project work. As such, the facility needs to be extended and fully developed to function as a higher order sports facility that serves a broad catchment population.

❖ **Rural Development Initiatives**

Apart from the programmes relating to economic infrastructure, tourism development, agricultural development and small enterprise development; there are some programmes earmarked for economic development of the region. The current proposals are:-

Mbhangcolo (Proposal for Agriculture and Agri Value Chain)

Mbhangcolo Area is situated on the wild coast of Gatyana Town in the Eastern Cape.

The area covers seven locations and is endowed with the beautiful landscape, the Mbongo Mountain, rivers such as Mbhashe, Mbhangcolo, Ntsimbakazi and Nqabarha. Also; the area is known for its heritage site - the King Hints'a's gravesite. With all these natural endowments there's potential for development of the area into an industrial base. The people of Mbhangcolo have formed and registered a trust called "Mbhangcolo Development Trust".

The proposal development include:-

Agricultural development to include tunnel farming, hydroponics and aqua-hydroponic farming

The agricultural potential of the area will be unleashed using 10 000ha and the envisaged Mbhangcolo Irrigation Scheme as proposed in the SDF.

Nqabarha (Proposal for Multi-Purpose Centre and Agricultural Development)

The Nqabarha Area is situated on the Wild Coast of Gatyana Town in the Eastern Cape, a beautiful and almost pristine estuary surrounded by coastal lowland forests characterised the natural resource assets of the area. There are thirteen villages involved in this development that form the greater Nqabarha Administrative Area.

The proposed investment is directed to area of greatest potential so as to promote economic growth and alleviate poverty. The development include:-

- ❖ Construction of a shopping / village square
- ❖ Office infrastructure
- ❖ Farming production
- ❖ Planting of Soya beans for diesel

○ **Ntshatshongo**

Ntshatshongo Administrative Area (A/A) is a traditional tribal jurisdictional area covering seven locations namely Fort Malan, Tywaka, Mnandi, Gxaka-Gxaka, Lubomvini, Gwadu and Ludiza also known as blocks 1,4,3,2,6,7 and 5 respectively. Each of these has a headman or two but all subject to chief Bikitsha of Ntshatshongo. These locations do not mirror wards pound for pound. Ward 27 for instance incorporates all of these locations and goes on to include Mhlohlozi, Nokatana and Mfezane. So, to the extent that this submission is in respect of the IDP it can be regarded as reflecting the development needs of ward 27 from the tribal authority point of view.

The area has started means to confront food insecurity as well as unemployment. To this end the area has identified beef as a spearhead project in this fight. For this to happen there's a need for grazing camps. DEA has identified the need to eradicate invasive wattle and utywala bentaka, the Department of Environment Affairs is already in the area but with a limited mandate to focus only along the river Nqabara. Five cooperatives will be established.

These are for Beef, Goats, Piggery, Haw-Haw Tea and Maize. However, there's still a need for the co-operative's registration, training and funding mobilization in this regard.

- **Hobeni Rural Development Intervention Program**

Government of South Africa introduced the Outcomes Approach as a Programme of Action to realise service delivery. Department of Rural Development and Land Reform (DRDLR) and Department of Agriculture Forestry and Fisheries (DAFF) prioritise its efforts on 6 Outcomes: 4 - Decent employment through inclusive growth; 5 - A skilled and capable workforce to support an inclusive growth path; 6 - An efficient, competitive and responsive economic infrastructure network; 7 - Vibrant, equitable, sustainable rural communities with food security for all; 8 - Sustainable human settlements and an improved quality of household life; 10 - Environmental assets and natural resources that are well protected and enhanced. According to Stats SA; food access in the Eastern Cape with an approximately 6 693 000 population, 2 185 930 population have inadequate access to food (33%) (Stats SA). It is against this background that the Department of Rural Development and Land Reform (DRDLR) has initiated programs aimed at improving food security under the following programmes:

“One Household One Hectar” 1HH1H,

“One Household Two Dairy Cows” 1HH2 Dairy Cows,

“One Rural Ward One Integrated Development Centre” 1RW1IDC, “Land Rights Management Committees”.

“One Household One Hectar” 1HH1H, and “One Household Two Dairy Cows” 1HH2 Dairy Cows,

Objectives of the programmes:

Contribute to the reduction of Poverty in rural areas;

Revive a calibre of highly productive Black Commercial Smallholder Farmers;

Build a sense of security of tenure; increase the involvement of individual households in the production activities;

Create sustainable employment opportunities in rural households;

Create viable rural small to medium agricultural enterprises;

Build competences and broaden the skills base for targeted households and communities;

The Restoration of the Social Capital and beauty of uBuntu as the currency that cements Social Cohesion among rural households;

Rebuilding the sanctity and dignity of family life as the most critical success factor in the Rural Socio-Economic Transformation efforts of the state.

In Mbashe Municipality, Hobeni site has been identified, fenced for maize production of 200 hectares.

- **Mahasana Proposals**

The community of Mahasana in response to growing interest to Tenza beach agreed to approach the municipality for assistance in support to development of a single plan that addresses the needs of the area. Large numbers of people visit this area regularly with more numbers on holiday seasons. The biggest challenge they experience is accommodation and such related facilities.

The concept proposes the following:-

Sand Mining: Sand mining is the issue the community raised as a concern that needs to be managed well as mining in the area is currently illegal. The community agreed that to address these issues the land along the coast from Shixini to Nqabarhana River be handed over to the control of the community trust that will plan and manage it in order to address issues mentioned above.

Aqua-Culture Farming: People in the area interested in fishing and many do this daily. They need assistance to formalise this and create jobs for themselves. A study was done towards establishment of a fish farm (Aquaculture) in the area.

- **Tourism Resort**

The nearest accommodation facilities in this area Nqabarhana Community Lodge and Dwesa Lodge which are both 6km from the area. The other is Kobb Inn which is 9km from this area. Although these facilities look closer to Tenza area, the challenge to all of them is that to reach them one has to drive more than 47km via inland to reach them because there are no shortcuts roads linking them.

As a result of the above proposed developments for the area, Mbashe Municipality supports the community and in so doing proposes the 1st or 2nd order node for the area in terms of Wild Coast EMP.

- **LED PARTNERSHIPS**

Humana People to People in South Africa

Humana is a member – organization of the Federation of Association connected to the International People to people Movement. HPP in South Africa is a Section 21 Company and is also registered as a non- profit organisation.

The organisation established its operation in South Africa in 1995 and works with disadvantaged communities to secure improvements of their economic situation, education, health and social well-being. All programmes involve communities in contributing towards their own development, by establishing local structures and training and empowering these to be self-reliant and self-deciding bodies and is today operating in five provinces reaching more than 2 million people. The LED Department recommends therefore that this organization be on the Mbashe IDP.

- **Eastcape Macadamia Farming**

The Amajingqi Traditional Council under the leadership of Chief Ngwenyathi Dumalisile) driven by their determination to participate in the mainstream economy, formed a partnership with a private company to develop a Macadamia nuts project in 12 of the 22 villages (who accepted the Macadamia Initiative). Today, this partnership is known as Amajingqi Macadamia Farming (Pty) Ltd (AMF). Shareholding in AMF is as follows:

51% belonging to the 12 Amajingqi villages represented by the Amajingqi Investment Trust (AIT); and
The remaining 49% belonging to East Cape Macadamia (Pty) Ltd (ECM).

- **Agricultural Research Council**

ARC is a government institution designed to assist with research and development in Agriculture. With animal Production as their main focal point, it has several satellite stations strategically positioned throughout the country.

This research focus area carries out primary and secondary research, development and technology transfer with respect to Animal Breeding and Improvement, Rangelands and Nutrition, and Food Science and Technology to improve productivity and sustainable resource utilisation.

Mbashe Municipality is one of those municipalities which got assistance from the ARC. This dates back in the year 2005 where a full study was made by ARC on Poultry Farming in the area culminating in poultry farmers being trained by ARC in their head offices in Pretoria. Today, ARC is running some projects in the Mbashe Municipal area under the Economic Support Competitiveness Project (ESCP), Assisted Reproductive Technologies Project and Kaonafatso ya Dikgomo Scheme (KyD).

- **Economic Support Competitiveness Project**

ARC has constructed a fully-fledged dipping (dip tank with separating kraal (by-pass), Neck Clamp, loading ramp and evaporation pen in Shixini.

ARC also constructed a seedlings nursery in the same vicinity through the ESCP projects. Through the ESCP project ARC has refurbished animal handling infrastructure (dip tanks) and provided neck clamps in the following areas.

- ❖ Ngadla/Mahasana
- ❖ Hobeni
- ❖ Xobo (Revamped unfurnished dip tank and provided neck clamp)
- ❖ Mputi
- ❖ Dipping tanks will help improve the animal health status of cattle in the areas and the neck clamps and other facilities will help ease animal handling and loading.
- ❖ Our aim is to revive the culture of using dipping tanks as a "meeting place" for our small holder farmers.
- ❖ Assisted Reproductive Technologies Project (ART)

Also known as the ART project, the project aims to provide superior genetically Nguni semen for our small holder farmers, in order to complement bull programs offered by the department in our villages. Nguni semen is being used for this purpose at the moment, based on its advantages for the targeted environment (villages).

- **Kaonafatso ya Dikgomo Scheme (KyD)**

This is as scheme funded by the state to train farmers on record keeping, animal identification, ear tagging etc. Farmers participating are registered on the ARCs database in INTERGIS in Bloemfontein, the scheme is currently implanted in the whole municipal area and the entire province.

- **LED Institutional Framework**

The coordination of LED programmes is done through a dedicated department in our organogram, called Development planning. Operationally the officials in this section work closely with all stakeholders through a series of forums including but not limited to LED forum, project steering committees, sector specific associations and monitoring and evaluation structures.

Through these institutional arrangements Mbhashe is implementing its constitutional mandate as stated the constitution of the republic of South Africa, section 152 (1) (c) reads “to promote social and economic environment”. This read together with the White paper on Local Government re-enforces this mandate. It defines developmental local government as, Local government committed to working with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs, and improve the quality of their lives.”

- **LED Committee as one of the Council committee**

The council has, five section 79 committees which are: -
Local Economic Development Committee
Service delivery & Infrastructure Development Committee
Good Governance and Public Participation Committee
Municipal Transformation & Institutional Development Committee
Municipal Financial Viability Committee

LED Committee the terms of reference are as follows: -
Terms of Reference

To investigate and consider issues falling within the ambit of the following functional areas and to report and make recommendations thereon to the Mayoral Committee on the following:

Local Economic Development;

Tourism;

Agriculture;

Mbhashe Wool growers' association

SMMEs

Fisheries

Mbhashe Film Structure

Facilitate the capacity building and accessing of resources, technology and other productive forces by SMME's in all spheres in particular agriculture.

Initiative and monitor an investment code consistent with the national and provincial frameworks.

Ensure the implementation of the urban renewal and rural development strategies informed by local needs and dynamics.

- **Functions**

To give direction in the formulation of policy for commercial, tourism and agricultural development;

To develop a comprehensive economic development programme with clearly defined parameters;

To facilitate the assertion of local government as the center of coordination of economic development;

To coordinate an inter-departmental economic development cluster for synergizing of governmental programme in economic development;

To develop guidelines for public-private sector economic partnerships;

To coordinate the evolution and activity of local “Investment Council”;

To consider applications for the amendment of certificates of registration to provide for changes in trading names and types of commodities sold;

To make recommendations on proposed policy to be followed concerning matters falling within the ambit of the Standing Committee's functions.

- **LED Staff**

The municipal LED unit in terms of the organogram entails the following:- Reporting to Senior Manager:
Development Planning is LED Manager.

Reporting to LED Manager are three officers viz:

LED Officer: Agricultural Development

LED Officer: Tourism Development
LED Officer: Enterprise Development
LED Officer: Investment promotion

- **LED Capacity Building Programmes**

Internships: There are no students under the internship programme who are paid by Mbashe Municipality. The internship programme is usually extended for two-year duration and LED unit also provide opportunities for students a chance to gain practical experience through in-service training and practical working experience.

Capacity of the Current Staff: All the current LED staff attended and qualified on different LED related capacity training programmes. The courses range from Project Management to Monitoring and Evaluation.

- **STAKEHOLDER ENGAGEMENT**

- ❖ **LED Stakeholder Forum**

Mbashe Municipality has assisted in the establishment of units which offer potential benefits for the management, implementation and monitoring of LED programmes and/or projects.

These are:-

Community Development Trusts.

Section 21 companies.

A range of Community Development Trusts.

Mbashe Business Forum.

Business Investor Forum

The Vision of the proposed Business Investor Forum is to establish partnerships between MLM and Private sector in order to Facilitate Economic Growth in the Mbashe area by promoting the area as a Prime investment destination in Eastern Cape and within South Africa.

- ❖ **Purpose**

It is against the above background that the Mbashe Local Municipality in collaboration with the Local Business Forum calls for the formation of a Business Investor Forum.

Overall Objectives are envisaged as follows:

To promote, retain existing and attract new investments to Mbashe Local Municipality;

To agree on the need and the process towards the establishment of key strategic local industries within Mbashe;

To identify and agree on the type of manufacturing operations which constitute strategic industries;

To determine the mechanism through which these industries should be established; To facilitate networking and promotion of cross-municipal business collaboration and partnership;

To learn and share experiences on best policy practices for stimulating investment in manufacturing; and

To sensitize businesses representatives, academia, development partners, research organisation and public on National/Provincial/Local Investment policy interventions and measures in support for businesses in the area.

- ❖ **The Investor Forum**

An Investors Forum is the congregation of Policy Makers, Municipal Representatives, representative Entrepreneurs and Business people, etc. from the local area, who gather to discuss and contribute towards the long-term sustainability of the jurisdiction that they work/operate within.

Areas of Discussion to be considered by the Forum:

A One Stop Shop that will facilitate the Investment or Expanding process;

A Municipal Mandate offering: Land Availability and Services, Tax Holidays, and Assistance with Bulk Services Contributions;

Assist with Local Government processes and the turnaround time for these processes. [Red Tape];

Assist with Labour sourcing via an updated Data Base;

Offer a New Prospectus with all the Information needed to re-allocate to our Beautiful Region;

Assist with Government Funding from Department of Trade and Industry (DTI), Industrial Development Corporation (IDC) and other Government and Foreign Funding.

We are committed to the Vision of the investor forum and to the achievement of our Goals. This in return will ensure enough job opportunities, alleviation of poverty, a stable environment and sustainable living conditions for the residents of the Mbashe Region.

Composition of the Business Forum:

This composition of the Business Forum should be limited, initially, to a total of ten (10) people. The idea will be to keep the discussions on focus as the build up to the Investor Conference of Mbashe Municipality will be the Primary Focus.

The following Institutions should have representation on the Forum:

Mbashe Municipality (Official);

Mbashe Municipality (Political);

Local Business Association/Chamber of Commerce; (Max 2 people);

Department of Economic Development and Environmental Affairs;

Local Entrepreneurs Representative

Local Tertiary Education Representative

Major Local Industry Representative

SMME Representative

Prominent Business Person (Max 2).

○ **SECTION 21 COMPANIES**

Local Tourism Organisation.

Mbashe Farmers Association.

These two organizations were registered as section 21 companies but both are regarded as non-functional. However, the municipality is working closely to ensure that they become functional again. For operations they presently rely on the municipality at the time the assistance is needed. The municipality also intends to make them separate entities and work independently and closely with the municipality.

Above all the institutions that work with and closely with the municipality in implementation of LED programmes and projects, there's a structure that involves many other stakeholders i.e. the LED forum. However, the structure is not as functional as expected.

All these organizations are required by Council Resolution to report their activities in the

LED forum. The forum is composed of: -

Mbashe LED standing committee Councilors

Mbashe LED Officials □ Local Tourism Organisation.

Community Trusts.

Co-operative Forum

Mbashe Farmers Association.

Community Based Organisation dealing with LED.

Government institutions dealing with economic development

○ **MBHASHE BUSINESS FORUM**

The most prominent structure that works closely with the municipality is the Business Forum. The business forum is composed of many different sectors that comprise the municipal economy. However, there are other sectors that need to be recruited to form part of the business forum such as Woolgrowers.

KPA 4- MUNICIPAL FINANCIAL VIABILITY

Budget Planning

The budget planning unit is responsible for the development and monitoring of the municipal budget. The municipality operates on limited budget which is inadequate to cover all the capital and operating needs of the municipality. The municipal budget is funded through two sources of revenue. These being own revenue and Grants revenue off which property rates and services (refuse removal, traffic income, rental of land and municipal facilities and commission on agency services) makes up the portion of own revenue and Grants revenue is made up of the following; Equitable Share (unconditional), Municipal Infrastructure Grant, Finance Management Grant, Integrated National Electrification Fund and Expanded Public Works Programmes all have conditions attached to as they are conditional in nature.

The municipality's budget is prepared in-house guided by relevant MFMA, MBRR, mSCOA regulations and circulars from National Treasury. The municipality has a budget section with capacitated personnel to prepare and submit budget to management, Budget Steering Committee, Mayco, Council, Provincial and National Treasury and other stakeholders. The municipality complied with the requirements of mSCOA in line with the gazette on mSCOA regulations as at 01 July 2017 and is currently on the post-implementation phase. The municipality is currently budgeting and fully transacting on an mSCOA compliant financial system.

The municipality is using all the segments in the creation of votes in an effort to ensure alignment of the IDP, Budget and SDBIP in line with mSCOA

○ Challenges

Inadequate resources to fund the budget and keep up with the community needs resulting in the limited budget to speed up service delivery in particular the maintenance of roads infrastructure.

Covid -19 impact on future revenue collection efforts of the municipality.

○ Financial Reporting

This section deals with financial reporting in terms of the Municipal Finance Management Act, 2003 (Act No 56 of 2003) and the various circulars that are published to assist thereto. The municipality followed this process in the preparation of the Annual Financial Statements (AFS):

An AFS Preparation Plan (AFS Road Map) was adopted by the council in its May 2021 sitting.

An illustration is provided below

The AFS and supporting schedules were then prepared in-house by the municipal officials. The municipality has established an in-house AFS team that has prepared the AFS for the past six financial years. The quality review was conducted by the Internal Audit Unit and Audit Committee before submission to Auditor General.

In-line with the MFMA Section 126 it is important to mention that the municipality has complied and submitted the AFS to the Auditor General by 31st August over the past 6 years. Section 71, 52(d) and section 72 reports are submitted to all committees of Council and adopted by Council. The reports are further submitted to Provincial, National Treasury and relevant transferring officer for each in line with the requirements of the MFMA.

SWOT ANALYSIS

FACTORS	STRENGTHS	WEAKNESSES
Budget planning & Financial Reporting	Internal capacity	Limited financial resources
	Improved audit outcome	AFS with material misstatements
	Funded budgets	Non-compliance with laws and regulations
		Overspending of budgeted funds
	OPPORTUNITIES	THREATS
Clean Audit	Changes in reporting framework introduced by National Treasury	

	Improved public confidence in municipality due to good audit outcomes.	Inadequate resources to deal with increasing service delivery demands
	Improved public participation in budget planning process	Economic recession
	Ability to secure credit from financial institutions	Fiscal fluctuation

PROPOSED PROGRAMME FOR THE COMPILATION OF FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2022

Item no	Subject	Activity	Target Date	Responsible Official	Progress	Evidence to be submitted
1. BUDGET FOR 2021/2022 AND IRREGULAR EXPENDITURE REPORT						
1.1	Balanced Budget 2021/2022	Confirm/verify budget on System (Sage Evolution) to budget approved by Council. Obtain council resolution for the approval of budget.	15 July 2022	Budget Accountant		Budget Approval Council Resolution. Recon of System captured budget vs Attachment to council report.
1.2	Budget Adjustments and Orders	Ensure that all valid orders are processed	30 June 2022	SCM Manager		Orders report
1.3	Over Expenditure	Identify all the overspent line items Forward the report to the departments Identify all the line items to fund the overspent votes Compile a virement list for approval by the Accounting Officer Compile a report on budget amendments for approval by the Council. Process all the budget amendments approved by Council (Minimising of the unauthorized expenditure)	30 June 2022	Budget Accountant		Report on Budget vs Actual Expenditure
1.4	Approved Virement Report	Virement Report to be prepared in line with the Budget vs Actual Report.	10 July 2022	Budget Accountant		Virement Report
1.5	Irregular Expenditure	Identify monthly vouchers where supply chain management processes have not been complied with. Determine the figure for inclusion in the Annual Financial Statements Determine the figure for the Council approval (Disclosure of the irregular expenditures) Compilation of the Contract Register (detailing all the awarded contracts with its status as at 30 June 2022)	05 August 2022 05 August 2022 05 August 2022 31 July 2022	SCM Manager		Irregular Expenditure Report AFS Disclosure Note AFS Disclosure Note Contract Register
2. EXTERNAL CONFIRMATIONS						

2.1	Confirmation from financial institutions	Request bank confirmation certificates from all financial institutions for bank accounts & investments held.	15 July 2022	Revenue & Expenditure Manager		Request Letter
2.2	Confirmation from financial institutions	Progress confirmation on request from bank. Must receive certificates no later than 31 July 2021.	31 July 2022	Revenue & Expenditure Manager		Bank Confirmation Certificates
2.3	Confirmations from attorneys	Request confirmations from legal firms for cases handled by them on behalf of the municipality	31 July 2022	Legal Manager	.	Legal confirmations

Item	Subject	Activity	Target Date	Responsible Official	Progress	Evidence to be submitted
3. BALANCE SHEET						
3.1	Trial balance - Opening balances	Agree / verify opening balance for final trial balance at 30 Jun 2022 to audited balance sheet.	10 July 2022	Financial Reporting Manager		Recon on 2020/21 Audited TB against system report.
3.2	Long-term liabilities	Identify long term liabilities Reconcile long term liabilities and prepare schedule Determine short term portion of long term liabilities.	05 Aug 2022	Finance Manager		Liability Reconciliation
3.3	Provisions	Ensure leave taken until 30 June 2022 captured on leave report.	15 July 2022	SNR Manager: Corporate Services /HR Manager Junior Budget Accountant/Revenue Accountant		Leave Report
		Review the leave register and assist with the reconciliations. Calculate the leave pay accrual as at 30 June 2022 in terms of GRAP 19. Calculate the staff bonus provision as at 30 June 2022 in terms of GRAP 19.	05 August 2022	Payroll Accountant/Financial Reporting Manager		Leave Recon
			20 July 2022			Bonus Provision
3.4	Contingent Liabilities	Identify any prospective litigations with regards to contracts Prepare the list and submit to Financial Reporting Manager once reviewed and approved by MM	31 July 2022	Legal Manager		Litigations Register
3.5	Landfill Site	Sourcing of Report on Rehabilitation of the land fill site with figures proposed journals and disclosure.	22 July 2022	Senior Manager: Community Services /CFO	.	Expert Report on Rehabilitation of Landfill Site

Item	Subject	Activity	Target Date	Responsible Official	Progress	Evidence to be submitted
3.6	Trade & other payables	Write letters to creditors/ consultants, requesting that invoices/statements dated up to 30 June 2022 should be submitted not later than 30 June & also 5 July 2022.	06 July 2021	SCM Manager		Accrual list as at 30 June 2022
		Print Outstanding Orders Reports and update the commitments for accruals.	06 July 2022 31 July 2022	SCM Manager		Outstanding Orders Report Accrual Listing
		Finalise Orders Listing. All invoices received to be recorded in the accounting system. Clear all suspense accounts Creditors outstanding at 30 June 2022 should be reconciled (list = control account). Review the creditors recons for adequacy	06 July 2022 06 July 2022 31 July 2022 31 July 2021 20 July 2022	SCM Manager / CFO Revenue Accountant Expenditure Accountant Revenue & Expenditure Manager		Order Listing Invoice Register Unallocated Deposit Account Updated GL Account Creditors Age Analysis Creditors Recon Bank Recon
3.8	Retention	Retention register reconciled and balanced to ledger.	10 August 2022	PMU Accountant & Manager/SM Technical Services/ SCM Manager /CFO		Retention Register
3.8	Unspent conditional grants	Conditional grants:- Verify receipt of all grants to DORA Verify expenditure against specific grants Verify unspent grants as liabilities	15 July 2022	PMU Accountant / Budget Accountant		Grants Recon
3.9	Property, plant and equipment	Update Asset Register:- To include all new acquisitions (various votes). All write offs approved by Council. Inventory list per office. Physical verification per office.	31 July 2022 (Draft Grap Asset Register)	SCM Manager/CFO/ Technical Department		Updated FAR
		All immovable assets included in the asset register	10 August			

Item	Subject	Activity	Target Date	Responsible Official	Progress	Evidence to be submitted
		Reconcile carrying value of assets 2022 (Final Asset Register)				
	Intangible Assets & Lease Agreements	Identify any new intangible assets e.g. Financial Management Accounting system, Software etc Identify any new lease agreements e.g. Photocopying Machine, Cell Phone service providers(Vodacom) Including leases for investment properties and land	31 July 2022	SCM Manager/ CFO Revenue & Expenditure Manager SM Development Planning		Updated FAR Updated Lease Register Lease contracts
3.10	Investments	Reconcile investments and accrue the necessary interest provisions. Prepare schedule to reconcile interest earned to that stated per bank confirmations Review the investment reconciliations	15 July 2022	Revenue Accountant/ Revenue & Expenditure Manager		Investment Register
3.11	Long term receivables	Reconcile other loans. Calculate short-term portion (Study bursaries where the staff member has not met the conditions)	N/A	N/A	N/A	N/A
3.12	Inventory	Carry out inventory verification Submit report to Council and obtain approval for shortages/surpluses Reconcile inventory counted to register	N/A	N/A	N/A	N/A
3.13	Debtors/Revenue	Consumer debtors (vote): Ensure that balance reconciles to control list. Ensure that debtors outstanding at year-end are accurately aged. Calculate provision for impairment/possible write-off of irrecoverable debts. Sundry debtors (vote): Ensure that balances reconcile to control list. Ensure that debtors outstanding at year-end are accurately aged. Identify any credit balances(negative balances). Propose a journal for reclassifying negative debtors into payables. Revenue Review billed revenue if it is informed by valuation roll	31 July 2022 31 July 2022	Revenue & Expenditure Manager /Financial Reporting Manager		Debtors Age Analysis Revenue Recon Working paper for Provision calculation Debtors Recon as at 30 June 2022

Item	Subject	Activity	Target Date	Responsible Official	Progress	Evidence to be submitted
		Reconcile grant revenue to expenditure incurred. Reconcile the revenue to DORA.	20 July 2022			
3.14	Bank and Cash	Bank reconciliation:- Report on June 2022 Recon. Complete bank reconciliation as at 30 June 2022. Ensure that past 12 months Bank reconciliation have been signed and on file. Receipt all outstanding deposits. Cash float & petty cash Ensure petty cash float is reimbursed	Interim 10 July 2022 Final 20 July 2022	Budget Accountant		Bank Recon
Item	Subject	Activity	Target Date	Responsible Official	Progress	Evidence to be submitted
3. BALANCE SHEET						
3.1	Trial balance - Opening balances	Agree / verify opening balance for final trial balance at 30 Jun 2022 to audited balance sheet.	10 July 2022	Financial Reporting Manager		Recon on 2020/21 Audited TB against system report.
3.2	Long-term liabilities	Identify long term liabilities Reconcile long term liabilities and prepare schedule Determine short term portion of long term liabilities.	05 Aug 2022	Finance Manager		Liability Reconciliation
3.3	Provisions	Ensure leave taken until 30 June 2022 captured on leave report. Review the leave register and assist with the reconciliations. Calculate the leave pay accrual as at 30 June 2022 in terms of GRAP 19. Calculate the staff bonus provision as at 30 June 2022 in terms of GRAP 19.	15 July 2022 05 August 2022 20 July 2022	SNR Manager: Corporate Services /HR Manager Junior Budget Accountant/Revenue Accountant Payroll Accountant/Financial Reporting Manager		Leave Report Leave Recon Bonus Provision
3.4	Contingent Liabilities	Identify any prospective litigations with regards to contracts Prepare the list and submit to Financial Reporting Manager once reviewed and approved by MM	31 July 2022	Legal Manager		Litigations Register

Item	Subject	Activity	Target Date	Responsible Official	Progress	Evidence to be submitted
3.5	Landfill Site	Sourcing of Report on Rehabilitation of the land fill site with figures proposed journals and disclosure.	22 July 2022	Senior Manager: Community Services /CFO	.	Expert Report on Rehabilitation of Landfill Site
3.6	Trade & other payables	Write letters to creditors/ consultants, requesting that invoices/statements dated up to 30 June 2022 should be submitted not later than 30 June & also 5 July 2022.	06 July 2021	SCM Manager		Accrual list as at 30 June 2022
		Print Outstanding Orders	06 July 2022 31 July 2022	SCM Manager		Outstanding Orders Report Accrual Listing
		Finalise Orders Listing. All invoices received to be recorded in the accounting system. Clear all suspense accounts	06 July 2022 06 July 2022 31 July 2022	SCM Manager / CFO Revenue Accountant Expenditure Accountant		Order Listing Invoice Register Unallocated Deposit Account Updated GL Account Creditors Age Analysis Creditors Recon Bank Recon
		Creditors outstanding at 30 June 2022 should be reconciled (list = control account). Review the creditors recons for adequacy	31 July 2021 20 July 2022	Revenue & Expenditure Manager		
3.8	Retention	Retention register reconciled and balanced to ledger.	10 August 2022	PMU Accountant & Manager/SM Technical Services/ SCM Manager /CFO		Retention Register
3.8	Unspent conditional grants	Conditional grants:- Verify receipt of all grants to DORA Verify expenditure against specific grants Verify unspent grants as liabilities	15 July 2022	PMU Accountant / Budget Accountant		Grants Recon
3.9	Property, plant and equipment	Update Asset Register:- To include all new acquisitions (various votes). All write offs approved by Council. Inventory list per office. Physical verification per office.	31 July 2022 (Draft Grap Asset Register)	SCM Manager/CFO/ Technical Department		Updated FAR
		All immovable assets included in the asset register	10 August 2022 (Final			

Item	Subject	Activity	Target Date	Responsible Official	Progress	Evidence to be submitted
		Reconcile carrying value of assets	Asset Register)			
	Intangible Assets & Lease Agreements	Identify any new intangible assets e.g. Financial Management Accounting system, Software etc Identify any new lease agreements e.g. Photocopying Machine, Cell Phone service providers (Vodacom) Including leases for investment properties and land	31 July 2022	SCM Manager/ CFO Revenue & Expenditure Manager SM Development Planning		Updated FAR Updated Lease Register Lease contracts
3.10	Investments	Reconcile investments and accrue the necessary interest provisions. Prepare schedule to reconcile interest earned to that stated per bank confirmations Review the investment reconciliations	15 July 2022	Revenue Accountant/ Revenue & Expenditure Manager		Investment Register
3.11	Long term receivables	Reconcile other loans. Calculate short-term portion (Study bursaries where the staff member has not met the conditions)	N/A	N/A	N/A	N/A
3.12	Inventory	Carry out inventory verification Submit report to Council and obtain approval for shortages/surpluses Reconcile inventory counted to register	N/A	N/A	N/A	N/A

Item	Subject	Activity	Target Date	Responsible Official	Progress	Evidence to be submitted
3.13	Debtors/Revenue	<p>Consumer debtors (vote): Ensure that balance reconciles to control list. Ensure that debtors outstanding at year-end are accurately aged. Calculate provision for impairment/possible write-off of irrecoverable debts.</p> <p>Sundry debtors (vote): Ensure that balances reconcile to control list. Ensure that debtors outstanding at year-end are accurately aged. Identify any credit balances(negative balances). Propose a journal for reclassifying negative debtors into payables.</p> <p>Revenue Review billed revenue if it is informed by valuation roll Reconcile grant revenue to expenditure incurred. Reconcile the revenue to DORA.</p>	31 July 2022 31 July 2022 20 July 2022	Revenue & Expenditure Manager /Financial Reporting Manager		Debtors Age Analysis Revenue Recon Working paper for Provision calculation Debtors Recon as at 30 June 2022
3.14	Bank and Cash	<p>Bank reconciliation:- Report on June 2022 Recon. Complete bank reconciliation as at 30 June 2022. Ensure that past 12 months Bank reconciliation have been signed and on file. Receipt all outstanding deposits. Cash float & petty cash Ensure petty cash float is reimbursed</p>	Interim 10 July 2022 Final 20 July 2022	Budget Accountant		Bank Recon
Item	Subject	Activity	Target Date	Responsible Official	Progress	Evidence to be submitted
3.15	Suspense Accounts and VAT	<p>Ensure that the Vat Registration Letter is on File Reconcile VAT GL accounts. Ensure that Vat Reconciliations are on file and signed by the Municipal Officials</p>	31 July 2022	Financial Reporting Manager/ Revenue & Expenditure Manager		Vat Recon

		Clear Salaries control accounts. Perform monthly reconciliation of payroll Process necessary journal entries	20 July 2022	Payroll Accountant/Expe nditure Accountant/Reve nue & Expenditure Manager		Payroll Recon
4. COMPILATION OF FINANCIAL STATEMENTS						
4.1	Template	Import Trial Balance as at 30 June 2022 and update the AFS Template.	07 July 2022	Financial Reporting Manager/CFO		Caseware File
4.2	Budget Summary	Budget summary 2021/22.	31 July 2022	Budget Accountant		AFS
4.3	Accounting Policy	Review Accounting Policies.	31 July 2022	Financial Reporting Manager		AFS
4.4	Loans	N/A	N/A	N/A	N/A	AFS
4.5	Fixed Assets Analysis	PPE (Note 3)	31 July 2022	CFO/SCM Manager/ Financial Reporting Manager		AFS
4.6	Operating Income & Expenditure	Complete Income Statement and relevant notes	05 August 2022	Financial Reporting Manager		AFS
4.7	Disclosures in terms of the MFMA	Ensure compliance with MFMA iro disclosures under notes to financial statements:- Councilor's remuneration. Remuneration (Strategic Managers). Statutory deductions Arrear Councilors accounts Property Rates Other disclosures as specified by MFMA.	15 August 2022	CFO/ Financial Reporting Manager		AFS
4.8	Draft Financial Statements	Issue 2nd draft Financial Statements. (1 st Draft 31 July 2022)	15 August 2022	CFO/Financial Reporting Manager		Draft AFS
Review of financials						

4.9	Submission for Quality Review	Independent External Review Quality Review of AFS by the Internal Audit Unit Submission to the Audit Committee Audit Committee Meeting	15 August 2022 22 August 2022	CFO/Financial Reporting Manager		Draft AFS
4.10	Submission of AFS to the Council	Tabling of AFS for noting	25 August 2022	CFO		
4.11	Submission to AG and relevant authorities	Bind and make copies. Submit copies to Office of the Auditor General and relevant authorities	31 August 2022	Financial Reporting Manager/CFO/MM		

Finance Management Grant, Integrated National Electrification Fund and Expanded Public Works Programmes all have conditions attached to as they are conditional in nature. Below is the tabulation of the audit opinions received over the past three (3) years from the Auditor General of South Africa:

2020/21	2019/20	2018/19
Unqualified Audit Opinion	Unqualified Audit Opinion	Unqualified Audit Opinion

AG Action Plan Template

#Ref	Reporting Area	Findings	Description	Management action/mitigation Plan
1. ISS.38 COAF 26 -	Contingent Liabilities	Contingent Liabilities: Differences identified	Contingent Liabilities : Differences were identified between the amounts disclosed in the AFS and the amounts confirmed by the legal counsel representing municipal legal claims against the municipality:	1. Contingent liabilities/Assets register will be redone in order to ensure that it agrees with the legal correspondences and confirmations of the Status quo for all the litigations. 2. Separation of operational costs from the potential claims (Contingent Assets and or Contingent Liability) 3. During the preparation of Interim Financial Statements the register will be updated and at the end of the year to support AFS.
3332. ISS.39 COAF 26 -	Contingent liabilities	Contingent liabilities: Legal claims disclosed in the AFS not complete	The following differences were identified between the amounts disclosed in the AFS and the amounts confirmed by the legal counsel representing municipal legal claims against the municipality:	During the preparation of Interim Financial Statements the register will be updated and at the end of the year to support AFS. Legal manager has assumed duties and has started building the file to support the registers.

#Ref	Reporting Area	Findings	Description	Management action/mitigation Plan
3. ISS.43 COAF 30 -	Differences noted in final budgeted amounts as disclosed in the AFS	Amounts incorrectly transferred from budget to the statement of comprehensive income	During the audit of statement of comparison of budget and actual amounts it was noted that amounts were incorrectly transferred from the approved budget to the statement of comparison of budget and actual amounts. Refer to table below:	1. Management will review the statement of Budget vs Actual to ensure it is the mirror image of the approved budgets. 2. Revisiting the mapping when inconsistencies identified between the 2 templates used for budgeting and preparation of AFS
4. ISS.16 COAF 07 -	AOPO	AOPO: Actual achievement reported on APR not complete	During the audit of Predetermined Objectives, we discovered that actual achievement per the APR for the below indicators is not complete	APR has been adjusted and submitted to AG as a result the finding was removed for SD 2.2. SD 3.2- Management did not agree with the finding, however the additional supporting documents that AG requested will be considered in this years current financial year to prepare for the next audit.
5. ISS.41 COAF 27 -	Receivables-Prepayments	Receivables-Prepayments: Supporting documentation not provided	There is no supporting documentation for an amount of R3 447 383 relating to partial payment to fleet services which is disclosed in the AFS as prepayment. We therefore could not determine the existence of the prepayment. There is lack of management reviews to ensure that amounts disclosed in the AFS are accurate. This results in material misstatement of prepayments by a factual amount of R3 447 383.	Data used for the preparation of the Financial Statements will be cross reviewed in order to ensure that misstatements are picked and corrected before conclusion of the AFS preparation process
6. ISS.30 COAF 18 -	Cashflow : Employee costs	Cash flow statement misstated on the components of employee cost and cash paid to suppliers.	During the audit of the Cash flow statement it was identified that cash paid to suppliers and employees was misstated by an net amount of R526 755.	Cash flow statement will be reviewed to ensure that it is fairly presented by management and IA

#Ref	Reporting Area	Findings	Description	Management action/mitigation Plan
7. ISS.10 COAF 05: -	Employee Costs	Employee Costs: Performance bonus incorrectly classified as service bonus (13th Cheque)	While performing the audit of employee costs disclosed in note 24, noted that performance bonus has been incorrectly classified as service bonus. Vote to record performance bonus has not yet been established. Performance bonus included in the service bonus could be misleading to the financial statements users. This could also result in overstatement of service bonus by factual amount of R647 310 and understatement of performance bonus by the same amount	Creation of Senior manager vote numbers in the financial accounting system. Allocation of SM's Budget and Expenditure in the respective votes 3. Mapping of SM's expenditure for reporting purposes.
8. ISS.27 COAF 15 -	Employee costs	Employee costs: Housing allowance understated in the annual financial statement	While auditing the employee costs for housing allowances it was noted that the amount as per the annual financial statements has been understated by an amount of R435 162,36. Basis of the understatement are as follows:	Review of mapping for accurate reporting in the AFS. Review of IFS and AFS
9. ISS.3 COAF 02 -	Planning	Planning: General controls for environment IT	While doing the understanding of the IT and its environment identified the following discrepancies:	Review IT Strategic Plan Draft Backup and Retention Strategy 3. Appointment of IT Steering Committee members and seating of Committee
10. ISS.29 COAF 23 -	Irregular Expenditure	Irregular Expenditure: Completeness	During the audit of the financial year, the following irregular expenditure items were identified (refer to COAF 06), however they were not included in the instances recorded in the irregular registers:	1. There was no new irregular expenditure incurred during the financial year. 2. Even the one relating to Dawn Ridge was removed as it did not meet the definition of irregular 3. Continuous monitoring of procurement processes and an SCM compliance checklist will be used. 4. Historical Irregular will be tabled in council for determination of the process to be followed.

#Ref	Reporting Area	Findings	Description	Management action/mitigation Plan
11. ISS.37 COAF 24 -	Related Parties	Related Parties: Disclosure incomplete	While auditing the presentation and disclosure of the related parties in the 30 June 2020 Annual Financial Statements, it was noted that Municipality did not disclose the expense recognized during the period in respect of bad or doubtful debts due from related parties, as required by GRAP 20.	Note of Related parties will be reviewed and cross reviewed in comparison with applicable Standards of GRAP before conclusion of the Financial Statements in particular requirement of GRAP 20
12. ISS.42 COAF 28 -	Consequence Management	Consequence Management: No investigations conducted on Fruitless and Wasteful Expenditure	While auditing the fruitless and wasteful expenditure it was discovered that no investigations in relation to instances of fruitless and wasteful expenditure were conducted to determine if disciplinary steps need to be taken against liable officials.	<ol style="list-style-type: none"> 1. Management will maintain and update the Fruitless and Wasteful Expenditure Register regularly. This register will be submitted to Council on a quarterly basis. 2. An item has been developed for submission to the structures of council. The council will likely refer to MPAC for investigation.
13. ISS.8 COAF 10 -	Fixed Asset Register	Fixed Asset Register not with complying requirements of GRAP	Upon inspection of the fixed asset register, it was identified that a number of errors were identified including: The method of financing not provided for each asset. The location of some assets were listed as "Unknown".	<ol style="list-style-type: none"> 1. We are busy monitoring very closely the updating of FAR on a monthly basis and FAR will be reviewed on both Interim FS and year end AFS, identified issues will be corrected. 2. FAR will be incorporated in the current Accounting system which will allow for better inhouse management of the records that are in the FAR.
14. ISS.11 COAF 09 -	Impairment of assets	Impairment of assets not recognised and accounted for	During the audit of the property, plant and equipment, it was identified that the below assets condition was classified as being poor, condemn or substantial replacement. Per the explanation of these conditions per the methodology given by management, the assets were supposed to be impaired.	<ol style="list-style-type: none"> 1. We are busy monitoring very closely the updating of FAR on monthly basis and FAR will be reviewed on both Interim FS and year end AFS, identified issues will be corrected. 2. FAR will be incorporated in the current Accounting system which will allow for better inhouse management of the records that are in the FAR.

#Ref	Reporting Area	Findings	Description	Management action/mitigation Plan
15. ISS.18 COAF 09 -	PPE	PPE: Assets not verified	The assets in the below table were selected for verification, however the auditor was unable to verify these assets and therefore existence could not be confirmed	During the physical verification not verified asset should be written after following proper processes. Asset movement forms will also be updated for movables that have since changed locations 2. Inventory list should be updated and placed in each Office 2.Assets no longer working will be disposed after sorting Council approval
16. ISS.20 COAF 16 -	Expenditure	Expenditure: Payments not made within 30 days	During audit of expenditure, it has been noted that the following payments were not done within 30 days payments period:	1. Enforce procedures for monitoring of invoice tracking register at SCM, and enforce immediate capture of invoices submitted for payment at Expenditure Section in order to ensure that we pay within 30 days. Creditors age analysis should be run weekly and circulated within BTO for scrutiny. 2. Introduce procedures for ensuring that the issue of Interest on Eskom invoices is eliminated.
17. ISS.24 COAF 14 -	Expenditure	Expenditure- Fues and Oil: Fuel included VAT	During the auditing of Expenditure (fuel and oil) the fuel amount included VAT at the standard rate of 15%, of which VAT is zero rated as per section 11(1)(h) of Value Added Tax Act No 89 of 1991.	1. Enforce procedures at SCM that monitors the initiating of transaction at order stage that ensures that VAT is captured accordingly. 2. Enforce control of returning to SCM payment vouchers for correction when errors have been identified. 3. Perform VAT reconciliations timeously to allow for thorough review
18. ISS.25 COAF 16 -	Expenditure	ExpenditureContracted services: Amounts erroneously recorded including Vat amount in the GL	The amount recorded in the GL for the following transactions is inclusive of VAT which resulted in a difference.	1. Enforce procedures at SCM that monitors the initiating of transaction at order stage that ensures that VAT is captured accordingly. 2. Enforce control of returning to SCM payment vouchers for correction when errors have been identified. 3. Perform VAT reconciliations timeously to allow for thorough review

#Ref	Reporting Area	Findings	Description	Management action/mitigation Plan
19. ISS.4 COAF 03 -	AOPO	AOPO: There is no explanation on the APR for the overachievement of the target	During the audit of Performance Information, we noted that there is no explanation for the difference between the planned target against the overachieved target.	The APR was adjusted and submitted to AG
20. ISS.5 COAF 03 -	AOPO	AOPO: The indicator is not well defined and specific	During the audit of the following indicators, we noted that the indicators are not well defined in terms of par 3.3 of chapter 3 of performance framework, as it is not straight forward which open to more than one interpretation.	During the adjustment of 2020/21 FY similar indicators that AG had identified to be not well defined and specific have been specifically addressed and well defined. And continuous monitoring will be done.
21. ISS.15 COAF 07 -	AOPO	AOPO: Actual achievement reported on APR not accurate	During the audit of Predetermined Objectives, we discovered that actual achievement in the progress reports and the actual achievement per the APR for the below indicators is not accurate:	APR was adjusted and submitted to AG.
22. ISS.6 COAF 25 -	SCM: Contract Management	SCM: Contract Management: Measures to monitor contract performance were not defined	While auditing the contract management of Mbashe Local Municipality it was noted that in the contracts signed between the Municipality and the service providers listed below measures to monitor contract performance were not defined therein.	1. To ensure that all SLAs and contracts include clauses on how monitoring of the projects will be done. 2. To get continuous feedback on the performance of service providers in the form of minutes.
23. ISS.14 COAF 06 -	SCM: Quotations	Quotations Three quotations were not sourced	While testing quotations against regulations it was established that the Municipality did not obtain at least three quotations for the following bids:	1. To develop SCM compliance checklist and continuous monitoring on the regulations and the policy.
24. ISS.31 COAF 13 -	Revenue Assessment Rates	Revenue Assessment Rates: Property rates differences	While testing property rates against the regulations it was established that the Municipality did not	1. Perform a rates reconciliation to reconcile the GVR against the billing. This will

#Ref	Reporting Area	Findings	Description	Management action/mitigation Plan
			accurately calculate the revenue received from customers, as a result the assessment rates balance is overstated.	ensure that all billable properties are billed correctly using the correct market values.
25. ISS.32 COAF 13	Revenue Assessment rates	Revenue-Assessment rates: Property transfers	While testing property transfers against regulations it was established that the Municipality did not update the valuation roll with properties transferred to other owners, as a result the valuation roll as well as property transfers is incomplete. Further, the owner (Transferee) account details were not included in the sub-ledger.	Perform a rates reconciliation to reconcile the GVR against the billing. This will ensure that all billable properties are billed correctly using the correct market values. A data validation (GVR vs Billing System) exercise will also be done to ensure that the municipality bills the correct customers at the correct tariff and market value. Get access for WinDeed to update billing information.

- Revenue and Debt Management
 - Debt Management

Credit Control and Debt Management Policy has been reviewed in 2019/2020 financial year and is in line with best practices. This policy will be approved for implementation in the 2022/23 FY on the 31 May 2022. SAGE Financial System is used for billing customers on monthly basis. Billing is based on Valuation Roll and the current Valuation Roll has been compiled and is effective as from the 01st July 2020. The municipality is currently busy compiling Supplementary Valuation 1 which is currently being inspected for appeals and objections. Due to the impact of the COVID-19, the municipality has not increased its tariffs during the 2020/21 financial year.

CATEGORY	0-30	31-60	61-90	91-120	121-150	151-180	181+	Balance
Residential	437,412.60	423,180.61	419,398.01	422,148.83	428,638.63	431,130.48	19,260,748.68	21,822,657.84
Commercial	478,706.91	432,157.83	405,745.37	397,686.87	421,612.27	418,552.64	14,256,895.39	16,811,357.28
National/Provincial	276,633.16	273,761.47	290,922.13	288,478.91	287,513.99	284,729.80	9,547,190.02	11,249,229.48
	1,192,752.67	1,129,099.91	1,116,065.51	1,108,314.61	1,137,764.89	1,134,412.92	43,064,834.09	49,883,244.60

- **Valuation Roll**

In the 2018/19 financial year, the municipality started the process of compilation of the new General Valuation Roll for 2020/25 by appointing Sizanane Consulting as the professional valuers to assist with this exercise. There were delays in the public participation process caused mainly by the poor relations between the municipality and the rate payers. This compelled the municipality to request for extension of the 2014/19 Valuation Roll which was granted by the MEC for Local Government in January 2019. The certified roll was indeed submitted to the Accounting Officer on the 31st January 2020 after having complied with all the Municipal Property Rates Act (MPRA) in particular sections 49, 50, 51 etc requirements. The valuation roll was published for public inspection and thus allowing them an opportunity to lodge appeals against market values or any other information, however due to the COVID19 lockdown the inspection period was extended to the 30th June 2020.

The existing Valuation is published in the municipal website, www.mbhashemun.gov.za. The municipality is now implementing the new valuation roll started which started 1st July 2020.

- **Revenue Management**

Revenue earned in 2020/21 and 2019/20 financial years

The sources of municipal revenue include the following:

Own Revenue Sources – this includes property rates, refuse removal, rentals of facilities, interest from investments, traffic income (drivers and learner’s licenses, traffic fines, etc)
 Government Grants – these include Equitable Share, Municipal Infrastructure Grant, Finance Management Grant, Integrated National Electrification Fund, Municipal Emergency Housing Grant, Departmental of Economic Development, Environmental Affairs and Tourism and Expanded Public Works Programme.

The municipality has adopted a conservative budget with a clear emphasis on budgeting for realistic revenue targets that respond to the depressed economic conditions.

The municipality has identified the dangers of not setting targets that are not 100% achievable, which include liquidity challenges that have been experienced in the past few years. The municipality has increased its revenue projections when budgeting for the 2022/2023 and MTREF years.

Financial Year	Budget	Actual	%
2020-2021	R 28 770 000	R 23 177 900.51	81%
2019-2020	R 31 620 000	R 31 582 478	100%

Own revenue as at 31 MARCH 2022

MBHASHE LOCAL MUNICIPALITY - OWN REVENUE REPORT AS AT 31 MARCH 2022					
OWN REVENUE SOURCES	DEPARTMENT	ADJUSTED BUDGET	ACTUAL REVENUE	BALANCE	%
POS-BUILDING PLANS	DEVELOPMENT PLANNING	250,000.00	100,910.00	149,090.00	40%
POS-BILLBOARD RENTAL	DEVELOPMENT PLANNING	150,000.00	100,635.11	49,364.89	67%
POS-RENTAL OF COMMON	DEVELOPMENT PLANNING	1,500,000.00	1,377,709.24	122,290.76	92%
POS-SALE OF LAND	DEVELOPMENT PLANNING	200,000.00	83,500.00	116,500.00	42%
		2,100,000.00	1,662,754.35	437,245.65	79%
BUDGET AND TREASURY OFFICE					
MBHASHE LOCAL MUNICIPALITY - OWN REVENUE REPORT AS AT 31 MARCH 2022					
OWN REVENUE SOURCES	DEPARTMENT	ADJUSTED BUDGET	ACTUAL REVENUE	BALANCE	%
POS-TENDER DOCUMNTS	BUDGET & TREASURY OFFICE	400,000.00	127,710.57	272,289.43	32%
VAT RECOVERY	BUDGET & TREASURY OFFICE	15,000,000.00	15,692,346.51	- 692,346.51	105%
INTEREST ON INVESTMENTS	BUDGET & TREASURY OFFICE	10,500,000.00	8,220,587.70	2,279,412.30	78%
PROPERTY RATES	BUDGET & TREASURY OFFICE	7,500,000.00	7,129,154.86	370,845.14	95%
		33,400,000.00	31,169,799.64	2,230,200.36	93%
COMMUNITY SERVICES					
MBHASHE LOCAL MUNICIPALITY - OWN REVENUE REPORT AS AT 31 MARCH 2022					
OWN REVENUE SOURCES	DEPARTMENT	ADJUSTED BUDGET	ACTUAL REVENUE	BALANCE	%
POS-HALL HIRE	COMMUNITY SERVICES	200,000.00	41,263.26	158,736.74	21%
POS-LEARNER AND DRIV	COMMUNITY SERVICES	400,000.00	579,611.00	- 179,611.00	145%
REGISTERING AUTHORITY	COMMUNITY SERVICES	900,000.00	1,402,521.94	- 502,521.94	156%
POS-POUND FEES	COMMUNITY SERVICES	150,000.00	173,716.62	- 23,716.62	116%
POS-PUBLIC TOILETS	COMMUNITY SERVICES	200,000.00	202,213.49	- 2,213.49	101%
POS-TRAFFIC FINES	COMMUNITY SERVICES	1,120,000.00	1,299,078.91	- 179,078.91	116%
REFUSE REMOVAL	COMMUNITY SERVICES	500,000.00	200,804.63	299,195.37	40%
		3,470,000.00	3,899,209.85	- 429,209.85	112%

AN EXTRACT FROM THE AFS FOR THE PERIOD ENDING 30 JUNE 2021

MBHASHE LOCAL MUNICIPALITY - OWN REVENUE REPORT AS AT 30 JUNE 2021															
OWN REVENUE SOURCES	DEPARTMENT	REVISED BUDGET	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	YEAR TO DATE
POS-BUILDING PLANS	DEVELOPMENT PLANNING	250,000.00	5,150.00	22,960.00	130,128.03	40,700.02	26,566.00	6,160.00	4,085.00	-	23,630.00	14,081.00	76,950.00	1,200.00	351,610.05
POS-BILLBOARD RENTAL	DEVELOPMENT PLANNING	150,000.00	-	57,143.97	1,348.32	3,378.59	4,362.00	912.00	1,220.84	4,362.00	912.00	912.00	5,275.00	912.00	80,738.72
POS-HALL HIRE	COMMUNITY SERVICES	200,000.00	1,000.00	1,250.00	1,500.00	1,717.39	3,800.00	3,100.00	-	-	2,500.00	5,018.02	4,250.00	3,250.00	27,385.41
POS-LEARNER AND DRIV	COMMUNITY SERVICES	200,000.00	31,230.00	51,930.00	74,210.00	88,560.00	63,570.00	24,130.00	42,940.00	75,250.00	142,210.00	99,090.00	91,150.00	46,230.00	830,500.00
REGISTERING AUTHORITY	COMMUNITY SERVICES	400,000.00	587,371.00	884,803.60	891,465.15	1,066,298.10	-	1,101,399.30	786,499.43	857,718.60	883,925.10	298,060.90	200,614.20	263,541.60	7,821,696.98
POS-POUND FEES	COMMUNITY SERVICES	150,000.00	4,900.00	820.00	12,135.00	13,710.00	8,825.00	10,955.00	17,245.00	11,021.00	13,389.00	13,100.00	20,760.00	6,340.00	133,200.00
POS-PUBLIC TOILETS	COMMUNITY SERVICES	200,000.00	17,726.00	20,749.00	20,531.00	18,690.00	9,385.00	10,713.10	22,810.00	21,189.10	25,012.00	18,747.50	9,887.10	10,000.20	205,440.00
POS-RENTAL OF COMMON	DEVELOPMENT PLANNING	1,500,000.00	115,922.50	144,430.91	138,574.67	141,853.75	145,453.15	146,379.83	135,639.31	45,612.00	170,037.78	125,429.31	156,439.87	114,155.56	1,579,928.64
POS-SALE OF LAND	DEVELOPMENT PLANNING	200,000.00	1,500.00	-	9,400.00	41,300.00	63,800.00	-	-	4,060.00	7,900.00	-	-	86,000.00	213,960.00
POS-TENDER DOCUMNTS	BUDGET & TREASURY OFFICE	400,000.00	22,030.00	75,287.50	243,222.61	96,240.00	74,100.00	17,890.00	2,600.00	1,950.00	38,620.00	86,365.22	490,275.60	105,900.00	1,254,480.93
POS-TRAFFIC FINES	COMMUNITY SERVICES	500,000.00	5,100.00	71,300.00	134,200.00	134,140.00	69,550.00	60,800.00	23,400.00	44,000.00	69,850.00	177,950.00	89,680.00	50,550.00	930,520.00
VAT RECOVERY	BUDGET & TREASURY OFFICE	15,000,000.00	-	704,047.62		3,972,111.80	457,081.78	2,033,128.53	2,080,241.51	3,102,942.90	1,070,432.18	910,705.17	-	2,153,968.20	16,484,659.69
LGSETA	CORPORATE SERVICES	120,000.00				17,503.01	-	-	-	75,136.00	-	37,522.32	-	-	130,161.33
INTEREST ON INVESTMENTS	BUDGET & TREASURY OFFICE	4,000,000.00	458,056.57	385,871.60	461,108.20	447,952.42	399,217.62	408,347.04	605,931.21	650,732.67	622,348.96	727,492.26	1,089,810.08	729,167.39	6,986,036.02
NON-BILLABLE REVENUE		23,270,000.00	1,249,986.07	2,420,594.20	2,117,822.98	6,084,155.08	1,325,710.55	3,823,914.80	3,722,612.30	4,893,974.27	3,070,767.02	2,514,473.70	2,235,091.85	3,571,214.95	37,030,317.77
PROPERTY RATES	BUDGET & TREASURY OFFICE	7,500,000.00	145,526.77	89,701.17	74,427.29	1,743,737.43	166,710.52	39,269.17	239,437.87	457,079.33	3,279,210.56	287,086.04	133,923.17	333,236.96	6,989,346.28
REFUSE REMOVAL	COMMUNITY SERVICES	500,000.00			5,210.00	6,564.47	12,300.00	10,150.00	16,402.22	19,446.84	39,672.61	41,191.27	5,652.39	56,774.11	213,363.91
BILLABLE REVENUE		8,000,000.00	145,526.77	89,701.17	79,637.29	1,750,301.90	179,010.52	49,419.17	255,840.09	476,526.17	3,318,883.17	328,277.31	139,575.56	390,011.07	7,202,710.19
GRAND TOTAL		31,270,000.00	1,395,512.84	2,510,295.37	2,197,460.27	7,834,456.98	1,504,721.07	3,873,333.97	3,978,452.39	5,370,500.44	6,389,650.19	2,842,751.01	2,374,667.41	3,961,226.02	44,233,027.96

THE TABLE BELOW DEPICTS GRANTS RECEIPTS FOR 2020/21 & 2021/22

The municipality received all the grants that were gazetted for the financial year 2020/2021, the table below also reflect on the grants gazetted on 2021/22

Financial Year	2021/2022			2020/21		
GRANT	Annual Budget	Total Received	% Received	Annual Budget	Total Received	% Received
Municipal Infrastructure Grant (MIG)	67 367 000	67 367 000	100%	59,992,000	58 864 000	99%
Integrated National Electrification Programme (INEP)	-	-	0%	6 492 000	6 492 000	100%
Financial Management Grant (FMG)	1 720 000	1 720 000	100%	1 700 000	1 700 000	100%
Expanded Public Works Programme (EPWP)	4 622 000	4 622 000	100%	4 147 000	4 147 000	100%
Library Grant	500 000	500 000	100%	500 000	500 000	100%
TETA SETA	379 625	379 625	100%	-	-	0%
Covid 19 grant	-	-	-	1 341 000	1 341 000	100%
OTP Grant	6 819 743.5	6 819 743.5	100%	-	-	0%

The municipality has opened dedicated call accounts for the above conditional grants, the details of these accounts are as follows:

	Bank	Account Type	Acc name	Status	Acc number
1	FNB	Call Account	EPWP Call Account	Active	62562355373
2	FNB	Call Account	FMG Call Account	Active	62562352410
3	FNB	Call Account	INEP Call Account	Active	62562829188
4	FNB	Call Account	MIG Call Account	Active	62562827364

Mbhashe LM is currently not servicing any loans as there are none.

SWOT ANALYSIS		
FACTORS	STRENGTHS	WEAKNESSES
Revenue Enhancement Debt Management	Ability to generate own revenue through the acquired plant machinery GVR being updated Land Audit report being revitalized.	Low revenue base Largely dependent on Grant Funding Poor credit control Low collection rate Non-alignment of the GVR with billing system Non-optimal utilization of Investment Properties Poor tariff setting methods which lead to unsustainability service delivery. Non-alignment of the billing database with indigent register
	OPPORTUNITIES Increased revenue = increase in municipal grading Ring fencing of billable revenue sources to fast track basic service delivery Ability to attract new investments Introduction of incentive scheme to enhance debt collection Revenue generation alternative sources of funds	THREATS Providing services at a loss Recoverability of debt which impacts on the self-sustainability of the municipality Non-payment culture from communities and government departments Inadequate land use management controls Fraud and theft Billing queries due to integration of debtor's information into the new financial system.

○ **EXPENDITURE AND PAYROLL MANAGEMENT**

❖ **Expenditure Management**

Expenditure Management deals with the payments of service providers in line with Section 65 of the MFMA on a monthly basis. Expenditure reports are submitted to council on a monthly and quarterly basis in line with Section 71 and Section 52(d) of the MFMA. The municipality strives to pay its creditors bi-weekly to accelerate the expenditure trends as well assisting SMMEs. Whilst assisting SMME's strict adherence to cash flow management is not compromised. The municipality generates orders for all suppliers including the suppliers appointed through the competitive bidding process.

❖ **Payroll Management**

Payroll Management deals with the payment of salaries and wages for employees, councilors' allowances as well ward committee travelling expenses in line with Section 66 of the MFMA. The section also is responsible for Income Tax administration of the municipality and deductions paid to third parties. All the vacancies in the payroll section have been filled in order to comply with mSCOA, the municipality has changed its payroll system from Payday to SAGE VIP and went live on the November 2018 payroll run.

SWOT ANALYSIS		
FACTORS	STRENGTHS	WEAKNESSES
Value for money expenditure	Ability to meet short-term and long-term obligations Compliance with relevant tax obligations and laws Good spending on capital conditional grants	Occurrence of fruitless and wasteful expenditure Spending outside the approved budget resulting in unauthorized expenditure Lack of implementation and monitoring of controls and procedures Lack of monitoring and reviewing of payroll inputs. Late submission of inputs to the payroll section results in lack of proper reviewing and monitoring, thus resulting in errors not detected timeously. Inability to perform creditor's reconciliation on the system may result in duplicate payments and delays in paying suppliers. Proper record keeping resulting in missing vouchers.
	OPPORTUNITIES Economic growth and development within the municipal area for SMMEs	OPPORTUNITIES THREATS THREATS Interest penalties Non-compliance with the MFMA Payment of suppliers through sundry payments exposes the municipality to the risk of fraud as banking details may be fraudulently altered.

EXPENDITURE INCURRED IN 2020-21 & 2021-22 FINANCIAL YEARS

Financial Year	Budget	Actual	%
2021-2022	R 368 862 276	R 232 151 358	63%
2020-2021	R 350 131 147	R 348 531 147	99%

The expenditure for 2021/22 is for the period up to end of end of March 2022.

EXPENDITURE PER DEPARTMENT AS AT MARCH 2022

DEPARTMENT	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	COMMITMENT	TOTAL EXPENDITURE	BALANCE	%
BUDGET & TREASURY	22,170,000.00	26,727,292.00	10,669,439.46	1,349,551.82	12,018,991.28	14,708,300.72	45%
OPERATIONS	25,468,000.00	25,493,000.00	10,655,339.24	1,737,856.43	12,393,195.67	13,099,804.33	49%
COMMUNITY SERVICES	16,332,000.00	18,034,921.00	8,493,509.84	1,750,598.88	10,244,108.72	7,790,812.28	57%
CORPORATE SERVICES	17,898,581.00	17,898,581.00	7,604,875.96	1,809,055.98	9,413,931.94	8,484,649.06	53%
DEVELOPMENT PLANNING	20,450,000.00	22,810,000.00	12,298,949.25	4,987,345.22	17,286,294.47	5,523,705.53	76%
INFRASTRUCTURE SERVICES	100,855,001.93	113,870,314.00	60,916,704.36	1,805,512.03	62,722,216.39	51,148,097.61	55%
PERSONNEL EXPENDITURE	144,028,168.00	144,028,168.00	108,072,619.61	-	108,072,619.61	35,955,548.39	75%
	347,201,750.93	368,862,276.00	218,711,437.72	13,439,920.36	232,151,358.08	136,710,917.92	63%

EXPENDITURE FOR THE PERIOD ENDING 30 JUNE 2021

DEPARTMENT	BUDGET	ACTUAL	COMMITMENT	TOTAL EXPENDITURE	BALANCE
BUDGET AND TREASURY OFFICE	47,630,128.59	46,542,012.48	1,088,116.11	47,630,128.59	-
OPERATIONS	20,016,100.00	13,808,308.20	617,402.08	14,425,710.28	5,590,389.72
COMMUNITY SERVICES	25,830,147.98	12,853,308.08	554,902.17	13,408,210.25	12,421,937.73
CORPORATE SERVICES	19,212,394.26	16,315,297.97	595,916.44	16,911,214.41	2,301,179.85
DEVELOPMENT PLANNING	23,797,949.97	13,967,471.92	1,884,218.64	15,851,690.56	7,946,259.41
INFRASTRUCTURE	141,882,474.49	102,537,588.48	183,547.98	102,721,136.46	39,161,338.03
PERSONNEL COSTS	160,712,842.00	145,202,191.04	-	145,202,191.04	15,510,650.96
	439,082,037.29	351,226,178.17	4,924,103.42	356,150,281.59	82,931,755.70

THE TABLE BELOW DEPICTS GRANTS PERFORMANCE FOR 2021/22

EC121 Mbashe - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M09 March										
Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		-	278,277	279,115	18,998	158,331	209,336	(51,006)	-24.4%	279,115
Local Government Equitable Share			271,935	271,935	18,352	153,154	203,951	(50,797)	-24.9%	271,935
Finance Management			1,720	1,720	70	1,163	1,290	(127)	-9.9%	1,720
EPWP Incentive			4,622	4,622	576	4,014	3,467	548	15.8%	4,622
Integrated National Electrification Programme			-	838			629	(629)	-100.0%	838
<i>[insert description]</i>								-		
Total operating expenditure of Transfers and Grants:		-	278,277	279,115	18,998	158,331	209,336	(51,006)	-24.4%	279,115
Capital expenditure of Transfers and Grants										
National Government:		-	59,992	67,367	2,327	35,024	50,525	(15,501)	-30.7%	67,367
Municipal Infrastructure Grant (MIG)			59,992	67,367	2,327	35,024	50,525	(15,501)	-30.7%	67,367
Provincial Government:		-	5,000	6,820	-	6,820	5,115	1,705	33.3%	6,820
			5,000	6,820		6,820	5,115	1,705	33.3%	6,820
Total capital expenditure of Transfers and Grants		-	64,992	74,187	2,327	41,844	55,640	(13,796)	-24.8%	74,187
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		-	343,269	353,302	21,325	200,175	264,976	(64,802)	-24.5%	353,302

THE TABLE BELOW DEPICTS GRANTS PERFORMANCE FOR 2020/21

GRANT	2020/21		
	Final Budget	Actual Performance	Variance
Municipal Infrastructure Grant (MIG)	58 864 000	58 064 654.89	1.35%
Integrated National Electrification Programme (INEP)	6 492 000	5 653 815	12%
Financial Management Grant (FMG)	1 700 000	1 700 000	0%
Expanded Public Works Programme (EPWP)	4 147 000	4 147 000	0%

- **Supply Chain Management**

The Municipality has a dedicated unit that deals with the Supply Chain Management in line with Chapter 11 of the Local Government: Municipal Finance Management Act, 2003 (Act No 56 of 2003) as well as the Supply Chain Management Regulations, 2005. The Supply Chain Management Policy has been reviewed and adopted in May 2021 financial year to ensure compliance with the relevant legislation. The following committees are in place in line with Supply Chain Management Regulations:

Bid Specifications Committee
 Bid Evaluation Committee
 Bid Adjudication Committee

- ❖ **Demand and Acquisition of Goods and Services**

The section is responsible for procurement of goods and services in line with the approved procurement plan of the municipality.

- ❖ **Contracts Management**

The section deals with overall management of procurement contracts and performance of service providers. This is done through maintaining a contract register and commitments register.

There is a recurring irregular expenditure that was incurred in 2016/17 financial year due to BAC composition and rates letters that were not attached to bid documents. During the 2018/19 financial year the Auditor-General identified new irregular expenditure for Ngumbela sports field which was due to deviation from scope of works and contract oversight.

SWOT ANALYSIS		
FACTORS	STRENGTHS	WEAKNESSES
Procurement management	Centralisation of Supply Chain Management Electronic requisition system in place	Use of suppliers not listed in the approved database Poor planning from user departments
	OPPORTUNITIES	THREATS
	Economic growth and development within the municipal area for SMMEs through the new PPPF Regulations Central Supplier Database (CSD)	Fraud and corruption False declarations by service providers

○ **ASSET MANAGEMENT**

The division is responsible for:

The development and the implementation of the Asset Management Strategy, Policy and Procedures;

Management of the development, updating and maintenance of the asset register as well as operating and finance lease registers.

Reporting on the assets base of the municipality through preparation of Fixed Asset register for both infrastructure and movable assets.

Safeguarding of municipal assets and ensuring that the risk associated with ownership is transferred or minimised through insurance.

Disposal of assets that have reached their design and useful life in line with the Municipal Finance Management Act, Section 14 and municipal Asset management policy.

The municipality has developed a GRAP Compliant Asset Register which is continuously updated and reviewed annually. The department is planning to update and maintain asset management module in SAGE main accounting system integrating seamlessly.

SWOT ANALYSIS		
FACTORS	STRENGTHS	WEAKNESSES
Asset management	Credible and GRAP compliant asset register Electronic Asset Management System in place	Inadequately staffed asset management unit which comprises of 1 employee. Reliance on external consultants for asset register preparation Asset Management system that is under- utilised by the users. Inadequate insurance cover of municipal assets
	OPPORTUNITIES	THREATS
	Utilising of assets as leverage to raise or access funding from external sources Use of Asset management in SAGE	Theft of municipal asset Obsolete and impairment of municipal assets.

○ **FLEET MANAGEMENT**

In order for the council to function and execute its core responsibility, a requirement being a support aid in the form of fleet was identified. This is a support aid which requires both acquiring and maintenance of the municipal fleet. In the process of ensuring the MFMA provision are enhanced including fleet management process, the municipality ensures that adequate control over vehicles is always enhanced in a manner that designated officials within department also prioritize the issuing of vehicle trip authorities and submission of accurate logbooks and petrol slips. It became clearly evident that the appointment of a dedicated official was necessary to manage the fleet operations as well as to implement the policy on maintenance and monitoring of the movement of vehicles. The office of fleet management is making sure that fleet procedure manuals are enforced, valued and adhered to by fleet users. In the prior years' municipality entered into an operating lease rental agreement with Fleet Africa for provision of 19 vehicles, which have gone a long way to address the shortages of vehicles. The lease rental came to an end on the 31st May 2020 and the municipality has acquired the existing vehicles that are still in good condition and acquired new additional vehicles in the 2020/21 financial year. The monitoring of fleet has been enhanced due to the utilization of the fleet management system.

KPA 5- GOOD GOVERNANCE & PUBLIC PARTICIPATION

Good Governance and Public Participation is managed in the Office of the Municipal Manager with Senior Manager Operations heading the Department. The main key performance areas of the department are:

- ❖ To ensure clean and accountable governance in the municipality
- ❖ To ensure a coordination of integrated planning, implementation, monitoring and evaluation
- ❖ Mainstreaming of Special programmes into Mphashe programmes
- ❖ To promote effective communication of Mphashe's business to its stakeholders
- ❖ To deepen local democracy through community participation
- ❖ To ensure Gazetting of By laws

○ **PROCESS FOLLOWED**

On 25 August 2021 Mphashe Local Municipality's Council adopted its IDP and Budget process plan. The IDP/Budget process plan outlines in detail the way in which the municipality embarked on its 2022/27 IDP development from its commencement in July 2021 to its completion June 2022.

ORGANISATIONAL STRUCTURES & PUBLIC PARTICIPATION

The IDP of Mphashe has been compiled through an interactive process, which has been overseen by a Council and the Mphashe Representative Forum.

Mphashe Municipality's IDP Participatory Structure

The Mphashe IDP Representative Forum, which was convened by the Mphashe Municipality, served as the primary vehicle for consultation and public participation in the course of the IDP's amendment.

This body comprised of numerous stakeholders; including political parties, ward committees, youth and women's organizations, individuals, Government structures, NGO's and other organizations of civil society.

○ **COMMUNITY PARTICIPATION**

As the first pillar in Back to Basics, the municipality is continuously improving on mechanisms of making sure that the community participates in the affairs of the municipality.

SWOT ANALYSIS	
STRENGTHS	WEAKNESSES
Mayoral Imbizos conducted in all 32 wards community participation in IDP processes involvement of the municipality in establishment of war rooms effective public participation and petition strategy	Minimal education in the benefits of community participation in municipal affairs
OPPORTUNITIES	THREATS

Harmony in Communities	Lack of interests on municipal activities Protests
------------------------	-------------------------------------------------------

○ **MANAGEMENT OF MUNICIPAL UNITS**

The main purpose for the existence of the Units is to ensure effective and improved service rendering, thus bringing services closer to the community. The municipality has units at Gatyana and Xhora, with Gatyana servicing community members coming from 10 wards and Xhora also servicing communities coming from 10 wards.

GATYANA UNIT

Mbhashe municipality has offices in Gatyana town, and the town is incorporated to form Mbhashe Local Municipality. It is approximately 32 km southeast of Dutywa. This unit is managed by a unit manager. The manager prepares and develops quarterly reports which are submitted for presentation to Senior management meetings.

It is one of the satellite offices established for rendering services to the community of Gatyana. There are ten (10) wards that falls within this Unit namely:-

- ❖ Ward 11, 14,21,22,23,24,25,27,29 and 30

This unit consists of personnel from various departments within the municipality. The following services are rendered at Gatyana unit:

- ❖ Provision of council support and cleaning services in municipal offices
- ❖ Waste management, traffic management & law enforcement, Expanded Public Works Programme, community facilities and free basic services.
- ❖ Provision of roads and storm-water services, maintenance of street lights, civil and building works services. Building controls and facilities.
- ❖ Revenue management, cashiering and banking services to the communities.
- ❖ Management of the unit, public participation and customer care services.

There are identified factors that distinguish the Unit from the other unit, and these are as follows:

- Facilities (Offices, Halls and Public Ablution)

There are two (2) town halls and an Indoor Sports Centre, two (2) sites for public ablution facilities as well as municipal offices (including new ones). All the halls need to be renovated. The Facilities Office is busy attending to some of the areas identified that need attention at the TRC hall and municipal offices as well as the storeroom building. There are two (2) public ablution facilities available, one is a flashed type and another is a pit latrine system.

- Pound

There is an operational pound in place for impounding large stock. There is no electricity provided since the establishment of the facility. A temporal structure was erected to serve as a guard/storeroom.

- Safeguarding of municipal assets and personnel

There are six (6) municipal security officers placed at the sites (Except the Pound and the Sports-field that is guarded by a private security company).

- State of Roads

There are both surfaced roads/streets and gravel roads within the town. (Fixed potholes and erected speed humps along the main street).

- Street Lights

There are street lights provided by the municipality besides Eskom's. This was done for improved service provision for the entire Gatyana community.

XHORHA UNIT

The Mbhashe municipality has offices in the Xhorha town, and the town is incorporated to form part of the Mbhashe Local Municipality. It is one of the satellite offices established for rendering services to the community of Xhorha. Elliotdale is situated 63km Southeast of Dutywa. There are ten (10) wards that fall within this Unit namely:-

- ❖ Ward 13,15,16,17,18, 19,20,26,28 and 32

This unit consists of personnel from various departments within the municipality. The following services are rendered at Gatyana unit:

- ❖ Provision of council support and cleaning services in municipal offices
- ❖ Waste management, traffic management & law enforcement, Expanded Public Works Programme, community facilities and free basic services.
- ❖ Provision of roads and storm-water services, maintenance of street lights, civil and building works services. Building controls and facilities.
- ❖ Revenue management, cashiering and banking services to the communities.
- ❖ Management of the unit, public participation and customer care services.

There are identified factors that distinguish the Unit from the other unit, and these are as follows:

- Facilities (Offices, Halls and Public Ablution, Green Park and Landfill Site, Pound, Cemetery, Taxi rank)

There is one (1) town hall and an Indoor Sports Centre, one (1) landfill site, 1 site for public ablution facilities, 1 cemetery, 1 Animal Pound, 1 sport field, 1 taxi rank as well as municipal offices attached to the hall and additional park home offices.

- Municipal offices

Majority of the offices are based in park homes, there is a need of construction of new permanent offices.

- Pound

There is an operational pound in place for impounding large stock. There is no electricity provided since the establishment of the facility. A temporal structure was erected to serve as a guard/storeroom.

- Landfill Site

There is a landfill site that services both Xhora town and surrounding local areas, however, it is still work in progress.

- Town Hall

There is not enough space inside and outside the town hall, there is always congestion outside townhall as parking space is too limited. All the halls need to be renovated.

- Ablution facilities

There is no electricity and water tanks for contingency situations.

- Indoor Sport centre

It is fully functional but there is a need for re-electrification, paving and fencing.

- Sportfield

The Sportfield is under construction.

- Taxi Rank

There is a new taxi rank under construction.

- Cemetery

The is one operational cemetery and one old cemetery that needs fencing and maintenance.

- Safeguarding of municipal assets and personnel

There are six (4) municipal security officers placed at the town hall and a reaction unit responsible for visiting all other Municipal Sites.

- State of Roads

All surfaced roads/streets and unsurfaced roads within the town are in a bad state.

- Street Lights

There are streetlights provided and upgraded by the municipality and there are also high must lights in place.

- Fleet

There is a yellow fleet that helps in the maintenance of access roads and white fleet that is 4 barkies that assist in running day to day operations of the Unit.

- **COMPLIANCE AND LEGAL SERVICES**

BACKGROUND

The Legal and Compliance Unit has a Manager employed by the Municipality who is a qualified legal practitioner. The Legal and Compliance Manager is responsible for legal services, championing Anti-fraud and Corruption Awareness, championing of policy and By-Laws development as well as assisting the municipality on matters of compliance. The Legal and Compliance unit has to advise the municipality on reviewing and drafting of contractual documents and providing both formal and informal legal advices. A litigation register is updated monthly and the litigation report is done quarterly to the management, which thereafter the reports are submitted to the council.

FRAUD AND RISK MANAGEMENT

Risk Management within the Municipality is considered to be in a developmental stage. A Risk Management Framework has been approved and a risk identification process is conducted on a quarterly and annually basis. Code of conduct is signed by all staff members. This assists to inculcate ethos of adherence to a set of Ethics and good conduct. Fraud and corruption which is a challenge to all government institutions and this institution is not spared either. Measures to fight this must be introduced to promote good corporate governance. The fraud and prevention plan was adopted in 2019/20 financial year and will assist the management in mitigating the corruption and apply consequences of fraud as stated in the plan.

Referenced to section 3.1.5 of Mbashe Anti-fraud strategy that the Accounting officer should ensure that there are fraud and corruption awareness workshops / trainings to assist in the prevention, detection and reporting of fraud and corruption by raising the level of awareness as to how fraud and corruption is manifested in the workplace.

South African Government committed itself to zero tolerance for fighting corruption in all sectors of society.

In adapting to the above statements, Mbashe municipality has embarked on the program of conducting quarterly anti-fraud awareness campaign to all employees so as to make employees aware and also to encourage them to act and report all the activities that have an element of fraud. Mbashe Municipality is still in a process to acquire anti-fraud hot line for reporting fraud and corruption activities by employees and community.

As part of change or progress, the municipality has developed a key performance indicator (KPI) for risk management that is included in the institutional SDBIP where all Senior Managers have a responsibility to report on a quarterly basis about the progress for risk management

Since the appointment of the external Risk Committee Chairperson at the beginning of June 2016, the Committee has met on a quarterly basis in line with good governance, the Committee meets on a quarterly basis and issue a report for submission to the Municipal Manager and the Audit Committee after each meeting.

○ **BY-LAWS**

The municipality had developed over the years and gazetted a number of by-laws that are enforced through various departments. In 2021/22, there is one (1) by-law under Developmental Planning which is called Film by-law that has been developed

DEPARTMENT	BY-LAWS	DEVELOPED 2021/22	REVIEWED 2021/22
DEVELOPMENTAL PLANNING	Accommodation By-Law		X
	Advertising By-law		X
	Business License By-law & Film By-Law	X	
COMMUNITY SERVICES	Liquor Trading By-Law		X
	Taxis and Taxi Ranks By-Law		X
	Traffic By-law		X

○ **POLICIES**

As part of compliance, the development or review of policies is coordinated under this unit.

The following policies have been developed or reviewed in 2021. The Council adopted the draft policies in March 2022 and an institutional policy workshop was convened in May 2022. The policies will be adopted in the Ordinary Council Meeting to be held on 31 May 2022.

DEPARTMENT	POLICY	DEVELOPED 2021/22	REVIEWED 2021/22
Infrastructure	Infrastructure Policy & Maintenance Plan		X
	ISD Policy		X
Budget and Treasury Office	Property Rates Policy		X
	Credit Control & Debt Collection Policy		X
	Cost Containment Policy	X	
	Funding and Reserves Policy		X
	Banking Policy		X
	Fleet Management policy		X
	Creditors, Councilors and staff payment policy		X
	SCM Commodity Procurement Policy		X
	Petty Cash Policy		X

DEPARTMENT	POLICY	DEVELOPED 2021/22	REVIEWED 2021/22
	Supply Chain Management Policy		X
	EFT Policy		X
	Tariff Policy		X
	Credit Control and Debt Collection Policy		X
	Virement Policy		X
	Borrowing Policy		X
	Long Term Financial Planning Policy		X
	Investment Policy		X
	Policy on Planning and Approval of Capital Projects		X
	Management of Accumulated Surplus/Deficit and Bad Debts		X
	Policy on the Write-Off of Irrecoverable Debt		X
	Related Party Policy		X
	Commodity Based Procurement Policy		X
	Infrastructure Procurement and Delivery Management Policy		X
	Supply Chain Process Turn Around Policy		X
	Unauthorized, Irregular, Fruitless and Wasteful Expenditure Policy		X
	Asset Management Policy		
Developmental Planning	Sale & Disposal Municipal Land Policy		X
	SMME Development Policy		X
	SMMES/Cooperatives support & funding policy		X
	Prevention of Land Invasion Policy		X
	Street and Street Naming Policy		X
	Informal Settlement & Upgrading Policy		X
	Replacement of Beneficiary Policy		X
	Incubation Policy		X
Lease Policy		X	
Community Service	Burial policy		X
	Early childhood development policy		X
	Mbhashe Firearm Policy	X	
	Community facilities policy		X
	Sport Management policy		X
	Community Safety Strategy		X
	Animal Pound Policy		X
	Vehicle impoundment policy		X
	Cemetery Policy		X
	Indigent Policy		X
EPWP Policy		X	
Corporate Services	Abscondement Policy		X
	Acting allowance Policy		X
	OHS Policy		X
	Placement policy		X
	Recruitment and selection policy		X
	Sexual harassment policy		X
	Incapacity policy		X
	Individual PMS Policy		X
	Internship Policy		X
	Job Evaluation		X
	Attendance and Punctuality Policy		X
	Councilor and employee Assistant program Policy		X
	Smoking Policy		X
	Subsistence and Travelling Allowance Policy		X
Application Patch Management Policy		X	

DEPARTMENT	POLICY	DEVELOPED 2021/22	REVIEWED 2021/22
	ICT Strategy Plan- ICT Master Plan		X
	Workplace on HIV Policy		X
	ICT Governance Charter		X
	ICT Service Strategy		X
	Records Management Policy		X
	Cell phone and data card policy		X
	ICT Change Management Policy		X
	ICT Governance Framework		X
	ICT SLA Management Policy		X
	ICT disaster recovery plan		X
	ICT Management Policy		X
	Email Policy		X
	Telephone Management Policy		X
	User Access Management Policy		X
	Transfer and demotion policy		X
	Leave Management Policy		X
	Bereavement Policy		X
	Training & Development Policy		X
	ICT Incident & problem management policy		X
	Acting Allowance Policy		X
Overtime Policy		X	
Operations	Risk Management Policy		X
	Communication Strategy		X
	Customer Care policy		X
	Youth Development Policy		X
	Protocol Policy		X
	Litigation Management Framework		X
	Litigation Management Procedure & Consequence Management Policy	X	
	Fraud Anti – Corruption Policy		X
	SPU Strategy		X
	SPU Policy		X
	Internal Audit Charter		X
	Internal Audit Framework		X
	Audit Performance Audit Committee Charter		X
	Combined Assurance Framework		X
	Communications & Social Media Policy		X
	Performance Management Framework		X
	Public Participation Strategy		X
	IGR Framework		X
	Ward Committee Policy		X
Rules of Order Policy		X	

SWOT ANALYSIS		
FACTOR	STRENGTHS	WEAKNESSES
Policies	Smooth operations A product of consultation	Lack of implementation of the advices after the awareness has been conducted
	Stability Improve municipal perception by society	Changing legislation Court orders No protective measures for the whistle blowers and as such employees are fearing of their lives.

○ **INTERNAL AUDIT AND RISK SERVICES**

❖ **INTERNAL AUDIT**

The establishment of the internal audit function in Mbhashe municipality is mandated and legislated by section 165 of the MFMA. The unit has been in existence since 2008.

Referenced to the same section of the MFMA, the unit has managed to execute their mandate successfully. This includes providing advice to the accounting officer on matters relating to internal audits, internal controls, risk and risk management, performance management, and any other related activities as required/requested by the Accounting Officer. This could be in a form of Ad-hoc/special assignments in approval by the audit committee.

Further, functioning of the unit is basically guided by the Internal Audit Charter and Internal Audit National Treasury's Framework and the following specifications are highlighted as the key functions that the Internal Audit Unit should comply with:

- ❖ Accountable and report to the Municipal Manager administratively and to the Audit Committee functionally
- ❖ Submit the annual audit plan to the Municipal Manager for information and to the Audit Committee for their review and approval
- ❖ Report quarterly to the Municipal Manager on the adequacy of internal control
- ❖ Submit reports to the Audit Committee on all Internal Audit activities.
- ❖ Report quarterly to the Audit Committee on whether appropriate action has been taken on significant audit findings.

As would be consistent for any Internal Audit Service, given the limited Internal Audit resources available, it would not be possible to provide audit coverage of all aspects of the Council's activities within a given year and as such a method of selection of high risk areas as per the risk registers was applied.

In conformance with the IASA Standards, the unit managed to achieve and execute the following:

- ❖ In Complying with the standard 1311 the unit has been assessed by Provincial Treasury in terms of quality Improvement assessment during 2019/20 financial year
- ❖ The unit manage to execute and achieve all the planned projects as per the approved internal audit annual plan
- ❖ Internal audit awareness conducted to all employees of the municipality

The unit has played its important role to the municipality and the following success factors were recognised:

- ❖ Established internal audit committee appointed by the council with independent members which are not employees of the municipality
- ❖ Relevant internal audit qualifications (IAT & PIA) acquired by the internal auditors as required by audit standards and other professions
- ❖ Developed Risk based internal audit plan which is aligned with priorities as detailed IDP of the institution/municipality
- ❖ Effective structure of reporting, where administratively, the unit is reporting Municipal Manager and functionally to the audit committee
- ❖ Opportunity to discuss internal audit reports with management before they are discussed with the internal audit committee
- ❖ As a form of compliance, Internal auditors are members of the institute of internal audit South Africa
- ❖ Other critical success factors are:
 - ❖ Internal audit plan is aligned with the strategic risk areas facing the organization
 - ❖ Internal audit plan is prepared in consultation with management
 - ❖ Matches assurance with available resources

Auditing in public sector environment can be a complex experience, due to its nature and also many policies and legislative frameworks to be applied. Amongst the challenges encountered by the internal audit unit are:

- ❖ External auditors not relying on the work of internal auditors

- ❖ Lack of understanding the role of Internal and external audit by certain departments in the municipality as per the developed audit charters
- ❖ External reviews/assessment of the IA unit by a professional recognised service provider in order to ensure that, the unit comply with the IASA Standards
- ❖ Audit Computer Language/ systems to assist in execution of the projects as per the developed internal audit plan.
- ❖ There is no forensic auditor within the municipality

○ **Audit Committee**

The Municipal Council must ensure that the mandate of the audit committee includes the responsibility for auditing performance reports at least twice annually. It is suggested that before the municipal performance report is tabled to the audit committee, it must be seen by the internal auditor for his/her advice. This will minimise possibilities for adverse outcome opinions on the report.

In composing the municipal audit committee Council must ensure that:

- ❖ All members of the audit committee should not be councils of the municipality
- ❖ Chairperson of the Audit Committee is neither a councilor nor an employee of the municipality
- ❖ Members of the Audit Committee have credibility within the communities and organs of civil society; and the
- ❖ The operation of the audit committee must be governed by Municipal Finance Management Act, Section 166 and also the National Treasury regulations, section 3 as follows, the performance audit committee will:
 - ❖ Review the quarterly reports submitted to it by internal audit unit;
 - ❖ Review the municipality's performance management system and make recommendations in this regard to the council of that municipality;
 - ❖ Assess whether the performance indicators are sufficient;
 - ❖ At least twice during a financial year submit an audit report to the municipal council.
 - ❖ The audit committee should also be tasked with assessing the reliability of information reported. In order to fulfil its function, a performance audit committee may in accordance with the regulations:
 - ❖ Communicate directly with the Council, Municipal Manager or internal; and external auditors of the municipality concerned;
 - ❖ Access any municipal records containing information that is needed to performance its powers;
 - ❖ Request any relevant person to attend any of its meetings, and if necessary to provide information requested by the committee; and
 - ❖ Investigate any matter it deems necessary for the performance of its duties and the exercise of its powers.

The Regulations specify that any auditing must include assessment of:
 The functionality of the municipality's Performance Management System;
 The compliance of the system with the legislation; and
 The extent to which performance measurements

Municipal Public Accounts Committee (MPAC) is fully functional, playing the role of an oversight on Municipal functions. The committee is proactive in interrogating a Draft Annual Report of the municipality and having inputs that are brought to Council for noting. The committee also leads in the Annual Report Roadshows and prepares an Oversight Report that talks to the developed Annual Report and submit the assessment results to the Council. The Council has approved an MPAC Annual Plan for the financial 2021/22 financial year, which outlines the responsibilities and project/programs that will be implemented by MPAC. Under the year that is being reviewed the Council has not referred any UIFW expenditures, which are being dealt by this committee when they arise.

Municipal Financial Disciplinary Board

Mbhashe Local Municipality established its financial disciplinary board where it was responding to MFMA Circular No 76, on Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings. The establishment of the Disciplinary Board of Mbhashe Local Municipality was approved by Council on 26 June 2019 in compliance with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, No 37682 promulgated in Government Gazette 425 on 30 May 2014.

Subsequent to that Mbhashe developed Terms of Reference for the disciplinary board which were tabled in the Council in September 2020. The Disciplinary board has 5 members, where the Chairperson is an independent person who is not a member of the institution, 1 official from Provincial Treasury, and 3 officials within the institution (Legal Manager, Internal

Audit Manager and a secretariat). The committee sits and look at items relating to financial misconduct referred to it by the Council as and when a need arise.

- **INTERGRATED PLANNING, IGR AND PERFORMANCE MANAGEMENT**

- ❖ **Integrated Planning**

Integrated planning is a planning method to help municipalities develop a coherent, long term plan for the coordination of all development and delivery in their area. Municipalities face huge challenges to develop sustainable settlements that meet the needs and improve the quality of life of local communities. In order to meet these challenges, they will need to understand and develop a concrete vision for the area and then develop the strategies and plans to realize and finance that vision in partnership with other stakeholders.

- ❖ **IDP Process Plan**

Introduction Mhashe Local Municipality has developed the IDP and Budget in accordance with the requirements as set out in the Local Government: Municipal Systems Act (MSA) 32 of 2000, the Local Government: Municipal Planning and Performance Management Regulations 2001 and the Municipal Finance Management Act 56 of 2003.

The MFMA Act 53 of 2003 (S21 1b) states that the Mayor must at least 10 months before the start of the budget year table in the Municipal Council a time schedule outlining key deadlines for the preparation, tabling and approval of the Budget and the Integrated Development Plan. The process plan was adopted on 25 August 2021. The Process Plan outlines the programme to be followed and provides details on issues specified in the Act. The Local Government: Municipal Structures Act 117 of 1998, Municipal Systems Act 32 of 2000 and Municipal Finance Management Act 56 of 2003 are specific to municipalities and are the key legislation for the development of the IDP.

Other national sector legislations also contain various kinds of requirements for municipalities to undertake planning. Some important National and Provincial guiding plans and policy documents for the IDP include the Medium term Strategic Framework, the National Spatial Development Perspective (NSDP), the National Development Plan, the new Growth Path, the Eastern Cape Provincial Spatial Development Plan (ECPSP), the Eastern Cape Provincial Growth and Development Plan (ECPGDP) and the Amathole District Growth and Development Summit (GDS).

- ❖ **Intergovernmental Relations**

Mhashe municipality participates and coordinates the local forum (IGR) within the jurisdiction of Mhashe. It is guided by an IGR Policy Framework adopted in 2017 and reviewed on an annual basis. The IGR forum provides for the seating of various sector departments to plan and address issues of mutual concern in service delivery in the municipal jurisdiction. The range of critical issues faced by our Municipality mirror's South Africa's national and provincial concerns, so dealing with them in a way that is sustainable requires concerted and co-ordinated intervention by all three spheres of government, the private sector and civil society partners. The intergovernmental relations programme ensures alignment with national and provincial government priorities and ensures alignment of Mhashe local government system, organisation, strategy, budget and implementation programmes with those of other spheres of Government. Government programs and services cut across jurisdictional boundaries, and if they are to be delivered in a seamless way, co-operative governance is critical.

The Inter-governmental relations programme co-ordinates engagement with neighbouring municipalities to provide conducive platform wherein they can exchange technical support to one another, share knowledge and expertise in matters of mutual interest. Through this programme, the Municipality will continue to put in place systems and procedures to implement the District Development Model (DDM), with the aim to fast track and improve service delivery across all spheres of government. Through DDM, all of government departments are being mobilized to meaningfully participate in the development of the municipalities of which a One Plan Pilot in King Sabata Dalindyebo Municipality is being implemented. The Plan that will serve as an impact performance framework tracking the commitments and spending of national and provincial sector departments within the Municipalities when it is fully effective in all.

Learning and Sharing:

In fulfillment of the Constitutional provisions, Section 41 (g) of the Constitution of the Republic of South Africa of 1996 prescribes that all spheres of government and all organs of state within each sphere must co-operate with one another in mutual trust and good faith by:

- a) Fostering friendly relations
- b) Assisting and supporting one another
- c) Informing one another of and consulting one another on matters of common interest.

Mbhashe LM has in different departments forged relations with other municipalities in 2020/21.

Municipal Manager's Office and Infrastructure - Matatiel LM

Budget & Treasury Office - Senqu LM

Community Services - Elundini LM

Corporate Services - KSD LM

The intention is for these municipalities to work together and sign MOUs on matters of interest and working relations.

o **PERFORMANCE MANAGEMENT**

The Systems Act requires municipalities to develop a performance management system that is:

- (f) Commensurate with its resources best suited to its circumstances and in line with the priorities, objectives, indicators targets contained in its integrated development plan.
- (g) Promotes a culture of performance management among its political structures, political office bearers, councilors and its administration

The municipality should also:

- set targets, monitor and review performance based on indicators linked to their IDP
- Publish an annual report on performance for the councilors, staff, the public and other spheres of government.
- Incorporate and report on a set of general indicators prescribed nationally by the minister responsible for local government.
- Involve the community in setting indicators and targets and reviewing municipal performance.

The office of the PMS unit is a unit under Operations department which is led by the Senior Manager Operations. This unit is responsible for the coordination, evaluation and assessment of the institutional performance. It deals with six departments within the institution, being Infrastructure Services, Corporate Services, Community Services, Budget and Treasury and Operations department, which is under the office of the Municipal Manager. The unit conducts quality assurance on the reported information by the departments mentioned above. The office coordinates or facilitates the development of the Institutional SDBIP in each and every financial year. It is also responsible for monitoring on a monthly basis the operational plan which is the SDBIP to check the likelihood of achieving the planned targets as at end of the quarter and also the end of the financial year

In August 2001 regulations on municipal planning and performance management were published by the Department of Provincial and Local Government (dplg) to further explain the requirements of the LG Municipal Systems Act 32 of 2000. The Mbhashe Municipality, in responding to the requirements developed the following tools aimed at operationalizing its PMS:

- ❖ Performance management framework
- ❖ Performance contracts and agreements
- ❖ SDBIP
- ❖ Annual performance report

The Mbhashe Local Municipality reviewed and adopted a performance management framework represented as revised in this document. On this exercise, the municipality was financial assisted by Amathole district municipality. The outline of the Framework includes; objectives, principles, process, procedures and the model that guides how the municipality implements its performance planning, monitoring, review, reporting, auditing and evaluation. It further, identifies the key stakeholders and their respective roles in the managing of municipal performance management.

The PMS framework was reviewed and adopted by council in May 2020/21 financial year and it gives guidance on the implementation of institutional performance. The institutional performance deals with development, implementation, and monitoring of service delivery and budget implementation plan.

The municipality adheres to the legal prescripts in relation to reporting timelines, development, submission, and publication of performance information such as Service Delivery and Budget Implementation Plan, Quarterly reports, Mid-Term assessment reports, Annual report, oversight reports, and section 56 Managers performance agreements.

- **Development, monitoring and review of performance management system**

The executive committee or executive mayor of a municipality or if the municipality does not have an executive committee of councilors appointed by the municipal council must manage the development of the municipalities performance management system. Assign responsibilities in this regard to the municipal manager and submit the proposed system to the municipal council for adoption.

A municipality must establish mechanisms to monitor and review its performance management system.

In responding Mbashe Municipality to the requirements, developed the following tools aimed at operationalizing its PMS.

- ❖ Performance management framework
- ❖ Performance contracts and agreements
- ❖ SDBIP
- ❖ Annual performance report
- ❖ Technical Indicator Description (TID's) / APR Schedule

- **Organizational Performance Management**

Institutional Performance deals with development, Implementation, monitoring and evaluation of Service delivery and Budget Implementation Plan (Annual operational plan) at an organizational level, where Senior Managers are being monitored, evaluated on a quarterly basis.

The municipality deals with level below Section 56 separately under Corporate Services. The municipality adheres to the legal prescripts in relation to reporting timelines, development, submission and publication of performance information (SDBIP, Quarterly reports, Mid Term Performance assessment reports, Annual report, Oversight reports and Section 56 Performance Agreements). The municipality established the performance evaluation panel which is assessing the individual senior managers that started in 2016/17 financial year. The committee is composed of the people stated in the performance regulations for senior managers. Every department and staff member should be clear what they have to do and how their performance will contribute to achieving overall goals and targets.

The institution is also reporting on the additional National indicators required by COGTA in terms of circular 88. The planning documents for these indicators will be adopted by the council on the 31 May 2022, as per COGTA requirement, then after every quarter the municipality will report on the progress in achieving these additional indicators.

STRENGTHS	WEAKNESSES
Develop credible institutional SDBIP Monitoring and evaluation of performance reports Reporting on quarterly basis about the status of performance Availability of personnel (PMS Coordinator has since been appointed to assist) Gaining of public confidence through credible accurate reporting Good relations with the office of the AG	Poor performance reporting Lack of automated PMS in the institution Late submission of reports and files by departments. Irrelevant POE's by departments.
OPPORTUNITIES	THREATS
Improved submission of reports to IA department as there is a dedicated person Credible report Simplicity of performance filing system Continuous interactions with internal sections. Direct interaction with office of the Auditor General during the course of the year. Continuous monitoring and evaluation of PMS reports on monthly basis with the elected PMS champions per department. Development of action plan for targets not achieved per quarter.	Poor time management Document that is not credible Non adherence to SMART principle Not taking into consideration AG comments

Action Plan on Pre-determined Objectives by Auditor General

#Ref	Reporting Area	Findings	Description	Management action/ mitigation Plan
19. ISS.4 - COAF 03	AOPO	AOPO: There is no explanation on the APR for the overachievement of the target	During the audit of Performance Information, we noted that there is no explanation for the difference between the planned target against the overachieved target.	The APR was adjusted and submitted to AG
20. ISS.5 - COAF 03	AOPO	AOPO: The indicator is not well defined and specific	During the audit of the following indicators, we noted that the indicators are not well defined in terms of par 3.3 of chapter 3 of performance framework, as it is not straight forward which open to more than one interpretation.	During the adjustment of 2020/21 FY similar indicators that AG had identified to be not well defined and specific have been specifically addressed and well defined. And continuous monitoring will be done.
21. ISS.15 - COAF 07	AOPO	AOPO: Actual achievement reported on APR not accurate	During the audit of Predetermined Objectives, we discovered that actual achievement in the progress reports and the actual achievement per the APR for the below indicators is not accurate:	APR was adjusted and submitted to AG.

o **Individual Performance Management**

According to PMS Framework, all municipalities are required to cascade Performance Management to all levels of employees in the municipality. This will ensure that all employees below the Section 56 managers are also held accountable for performance. An Employee Performance Management Policy was adopted in 2011 and reviewed annually.

Mbhashe is currently cascading Performance Management System to level 10 using the following tools as means of planning, monitoring, and review and reporting individual performance:

- Accountability Agreements, Performance Plans, Personal Development Plans (Task Grade 11-20)
- Performance Promises, Action Plans and Personal Development Plans (Task Grade 1-10).
- Accountability Agreements and Performance Promises are currently being implemented in a manner that ensures the creation of an interface between Service Delivery and Budget Implementation Plan and individual performance.
- Individual performance reviews are conducted quarterly by a committee consisting of Senior Managers and staff from Corporate Services.
- Annual assessments assist to determine who should get the performance rewards. Workshops aimed at capacitating users and respective management team have been conducted.
- Further capacity building workshops will be conducted to entrench full understanding and buy in of the system. 2021/22 financial year has been targeted for the implementation of this system.

According to the regulations a municipal PMS must ensure that it:

- ❖ Complies with all the requirements set out in the Municipal Systems Act;
- ❖ Demonstrates how it is to operate and be managed from the planning stage up to the stages of performance and reporting;
- ❖ Clarifies the roles and responsibilities of each role-player, including the local community, in the functioning of the system;
- ❖ Clarifies the processes of implementing the system within the framework of the integrated development planning process;
- ❖ Determines the frequency of reporting and the lines of accountability for performance;
- ❖ Relates to the municipality's employee performance management processes;
- ❖ Provides for the procedure by which the system is linked to the municipality's integrated development planning processes;

The regulations also prescribe that municipalities must monitor their performance and report on these national indicators (in addition to their local level indicators):

- ❖ The percentage of households with access to basic level of water, sanitation, electricity and solid waste removal;

- ❖ The percentage of households earning less than R1100 per month with access to free basic services;
- ❖ The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan;
- ❖ The number of jobs created through municipality's local economic development initiatives including capital projects
- ❖ The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan;
- ❖ The percentage of a municipality's budget actually spent on implementing its workplace skills plan; and
- ❖ Auditing of performance reports at least twice annually the council will be required to receive and endorse municipal performance reports for submission to the audit committee. These reports must be prepared by the management team and received by council by the same deadlines for review mentioned earlier.

- **SPECIAL PROGRAMS**

SPECIAL PROGRAMS

The Special Programmes Unit (SPU) is located in the office of the Municipal Manager and for proper coordination SPU functions are performed in Xhorha and Gatyana.

The focal priority area for SPU includes the programs for the following groups:

- ❖ Youth
- ❖ Gender
- ❖ HIV/AIDS
- ❖ People with Disability
- ❖ Older Persons
- ❖ Children
- ❖ Sport

For the effective coordination of special programs, Mbhashe LM adopted the following strategies;

- ❖ Special Programs Unit Strategy with Action Plans
- ❖ Youth Development Policy

There are policies relating to Vulnerable groups which will be in support of the SPU Strategy that still needs to be developed.

The SPU facilitates the integration and mainstreaming of the designated groups into the development of the Municipality by;

Creating the necessary / conducive environment both internal and external through establishment of structures that will promote participation of Youth, Gender issues, Persons with Disability, Children, Older Persons and HIV/AIDS infected individuals in our local Municipality.

However, there are still challenges in a far as fully achieving mainstreaming of programmes for the vulnerable groups both internally and externally.

One the roles of SPU is to coordinate Capacity building programs for Youth co-operatives; Women co-operatives, Persons with Disability Co-operatives and Older Persons projects in partnership with LED and other stakeholders such as Office of the Premier, World Vision, SEDA, NYDA, etc.

There is budget allocation as per Sector group to address needs for vulnerable groups.

- **YOUTH:**

Mbhashe Local Municipality signed a Memorandum of Understanding between Mbhashe LM and National Youth Development Agency (NYDA) in 2015 for the establishment of 2 NYDA Local Youth Offices (i.e. Dutywa and Xhora) as part of addressing Youth Development.

There is a need to establish Local South African Youth Council Organisation (SAYC) and both Ward and Unit based Youth Forums which its main objective and mandate will be champion Youth development programs within the Municipality.

- **GENDER:**

There is a scourge of Gender Based Violence which is prevalent within the Municipality in all the three Units locally. Community Safety Forum was established to conduct programmes as part of promoting safety of the community within the Municipality, social ills such as crime, substance abuse, rape and murder are programs conducted by this forum. In addition, a subcommittee called Gender Based Violence and Femicide (GBVF) Committee has been established for the main purpose is to conduct and champion programs and awareness campaigns that seek to addressing issues of GBVF and it is comprised of various stakeholders. This committee drives programs that are in line with GBVF National Strategy.

Forums such as Women's Forum still needs to be established from Ward based level, Unit level to cover both Dutywa, Gatyane and Xhora and then a structure at Municipal level. The main objective for this structure will be to champion Women issues and developmental programmes. This structure will also work with Multiparty Women's Caucus Committee which is a Section 79 structure comprise of Women Councilors and Traditional leaders of the Municipality which its mandate is to ensure gender mainstreaming and equity within municipal processes.

In addition, a Men's sector Forum also needs to be established from Ward based level, Unit level to cover all Municipal towns and then a structure at Municipal level. Its main objective and mandate is to champion men's issues and programs.

- **HIV/AIDS, TB AND STI AND COVID 19:**

Special Programs Unit is responsible for coordination of HIV/AIDS, TB and STI activities within the municipality.

Mbhashe Local AIDS Council which is a structure that is chaired by Executive Mayor was established in 2018/19 financial year and it is multi-sectoral structure which was established for the main purpose of having a multi-sectoral approach and rather not biomedical (health) alone that should carry the burden of fighting this pandemic.

There is a National Strategic Plan for HIV/AIDS (NSP) which is a guiding tool for programs that needs to be conducted in fighting against this epidemic and Municipalities are expected to develop Local Implementation Plans (LIC) which is in line with the NSP.

There is also a global pandemic which brought the World to a standstill and had spread like wild fire and claimed lives. In Republic of South Africa, the President had declared this pandemic as a national disaster and consequently awareness programs conducted when addressing issues of HIV/AIDS are intertwined with awareness for COVID-19 as well as promotion and awareness of vaccine.

- **PERSONS WITH DISABILITIES:**

Persons with Disabilities forum was established in 2019/20 financial year and Unit forums have also been established for 3 Towns of Mbhashe. This structure has a mandate to champion programs for persons with disabilities of Mbhashe. Members of the Forum still needs

There are still challenges in addressing the issue of universal access for persons with disabilities and reasonable accommodation especially in buildings, houses and offices that are mandated to offer services to communities.

- **OLDER PERSONS:**

Mbhashe LM has a very vibrant forum for Older Persons and there are also centers that older persons meet and have activities such as sport, sewing and gardening projects which are supported by both Municipality and Department of Social Development.

- **CHILDREN:**

There is no Children's Advisory Council structure established for advocating for Children's rights and programs. However, Mbhashe Local Municipality has a Memorandum of Understanding with World Vision which is an organization that conduct programs which advocate for Children. Mbhashe Community Safety Forum is a forum as well that conducts programs which seek to address children's right.

- **SPORT:**

Municipality has within its organizational structure a vacant post for Sport Coordinator whose main responsibility would be to assist structures in coordinating sport programs.

Mbhashe Local Municipality has an inactive Sport Confederation and requires to be re-established and strengthened although there are federations as per different codes which are vibrant however challenges are experienced when it comes to coordination due to lack of Active Sport Confederation which its main mandate is to champion sport development programs.

Social cohesion through sport is still a challenge to achieve mainly due to lack of properly coordinated sport programs and Mayoral Cup Tournament still needs to be revived which is a program aimed to drive sport development and in the process address social cohesion.

- **COMMUNICATION, PUBLIC PARTICIPATION AND CUSTOMER CARE**

The unit has three sections, namely; Communications, Public Participation and Customer Care. This unit administratively situated under the Operation Department which is linked to Office of the Municipal Manager. The unit operates with 07 permanent officials and 02 interns who are assigned to execute duties. The communications section plays a fundamental strategic role in the institution aimed to uphold the image of the municipality by communicating short-term and long-term goals. The public participation section is responsible for facilitation and coordination of programs that are aimed at promoting community participation and stakeholder involvement in the affairs of the municipality. Customer Care section is responsible for handling of day-to-day customer care queries, referrals and follow-ups to those queries to promote and ensure customer satisfaction.

- ❖ **COMMUNICATIONS**

The Communications section is responsible for coordinating all communication activities in the Municipality and is the Municipality's first line of contact with the media. The municipality developed the communication strategy in 2016/2017. Furthermore, communication policy and social media policy were also developed, and these documents are reviewed annually. In this regard the Communications section provides supports and co-ordinates all communication efforts with the aim of enabling the Executive Mayor and Municipal Manager to perform their functions as Chief Communicators.

Print Media: Mbhashe Local Municipality utilizes print media to advertise / invite the public and interested parties to participate in legislated programs to exercise and promote the right of access to information and community participation. Use of national and local circulating newspapers such as Daily Dispatch and Isolezwe LesiXhosa. The municipality is not limited to the aforementioned print media, it will also make use of other emerging local newspapers covering the Mbhashe area and/or Amathole Region.

Language: Languages for medium of communication is English and Xhosa.

Announcements: To maximise communication, the municipality further make announcements to disseminate information to communities through gatherings in public spaces such as churches, schools, and community activities etc.

Loud hailing: The municipality conducts loud hailing to make announcements, build awareness to communities and publicise programs that require the community's attention such as public meetings and service delivery related. This activity promotes community involvement to all community development programmes. Depending on the nature of the programmes, loud hailing activity is done in towns and in wards.

Digital Platforms and Electronic Media: The municipality make use of Social Media Platforms, i.e. Facebook and WhatsApp to further engage communities on its programmes. The municipality developed an accessible municipal website that actively operates 24 hours where the municipality provides important information about municipal services to the public. Information such as policies, policies, legislated documents, services offered by the municipality etc. are made available. Communications also develop content in form of audio visual production, flyers, posters to build awareness, publicise and market municipal

programs. One of the challenges faced by Mbashe communities is inability to access some information due to poor network coverage in other areas. This can be addressed through engagements with network sources like Vodacom.

The COVID19 outbreak created an alarm that triggered the municipality to start tapping and embracing 4th Industrial Revolution for the organisation to remain relevant. The municipality has already started venturing into other digital platforms such as virtual platforms for stakeholder engagement and one of its plans will be to introduce LED video wall that will assist in marketing and commercial advertising.

Quarterly Newsletter: is developed in Xhosa produced on a quarterly basis for the purpose of communicating service delivery information and empowering communities about developmental programs.

○ PUBLIC PARTICIPATION

The Public Participation & Petition Strategy was developed in April 2015 to serve as a guide to the effective implementation of Public Participation Programs. The strategy is reviewed annually. The communities participate in the IDP processes through various mechanisms to enhance effective community involvement in municipal affairs. The Council established structures to encourage community members to contribute in the decision-making processes and also to advise the Council on various matters to ensure that proper decisions are taken to enhance the development of Mbashe. These platforms also serve as feedback sessions with regards to infrastructural developments. The following are the mechanisms in place utilised to coordinate the development, review, implementation of the IDP and other affairs of the municipality:

IDP Representative Forum: is a forum of representatives of various stakeholders including the municipality, where planning, implementation, reporting and accountability on issues relating to integrated development planning are discussed on quarterly basis. The forum is generally attended by all Councilors, Traditional Leaders participating in the Council, IDP Steering Committee members, organised groups/interest groups, Sector Departments operating within Mbashe jurisdiction, all Ward Committees and Community Development Workers. After the tabling of the draft IDP/Budget to the Council, road shows to all the wards are undertaken, where logistical in the form of transport and catering are provided. It is noticeable that all ward committees are attending the forum and supposedly it should be attended by the ward committee secretaries.

Mayoral Outreaches: These are programs aimed at uplifting and supporting those who are in need of service delivery. Executive Mayor or Members of the Mayoral Committee are leading these outreaches.

Stakeholder Engagements: The municipality together with other role players engage with specific interest groups on development issues. The municipality continuously assist and intervene in all programs/ activities to strengthen the stakeholder relations. This is done to promote the Batho Pele principles.

Ward Committees: Following the local government elections, new Ward committees have been established in all 32 wards for 2021 to 2026 term of Council. The induction of ward committees has been conducted during the month of May 2022. Ward committee members are expected to convene village meeting on monthly basis. Ward Committees are chaired by the Ward Councilors and consist of up to ten elected members. Ward committee Meetings are held on a quarterly basis and officials from the Public Participation Unit attend and produce reports. Complaints and issues raised in the meetings are then escalated to Customer Care section where these are then further escalated to relevant Departments within the municipality or relevant sector departments and followed up by Customer Care Officials to ensure that issues are speedily resolved. Their reports form part of the Speakers reports to the Council.

The municipality developed a ward committee policy to guide the operations of the ward committees. The purpose of the committees is to broaden participation in the democratic process of Council and to assist the Ward Councilor with organizing, consultation, disseminating information and encouraging participation from residents in the ward. The Ward Committees gather information from the communities during the IDP process which are forwarded to the IDP and Budget Steering Committee for consideration in the budget process.

Community Development Workers (CDWs): are appointed as government agents to assist Councilors and Ward Committees for change in Mbashe. The municipality and the Department of Co-operative Governance and Traditional Affairs (COGTA) have developed and signed a Memorandum of Understanding (MOU) for effectiveness and efficiency of CDWs, as a result they are permitted access to municipal facilities and they take part in all developmental programs. CDWs are actively involved as stakeholders in public participation. They are also Ex officio members in ward committee meetings. The work of the CDWs may be unnoticed because the municipality has no administrative control over the actions of these individuals. This is exacerbated by the fact that CDWs report to COGTA. Posts of CDWs are still left

unfilled by the COGTA and this results in some wards living without CDWs for a long time. There are 14 CDWs currently serving Mbashe area of which this covers 44% only of the 32 wards.

Mayoral Imbizos: Are held for all wards and are convened by the Executive Mayor/Mayoral Committee (MAYCO) for reporting on past projects, status of the current projects and prioritization of community needs for the next financial year. The Imbizos also give an opportunity to the members of the communities to identify three (3) priorities in each ward that need to be looked at during the planning and identification of projects by the municipality.

The outbreak of the COVID 19 Pandemic in 2020 and the implementation of the Disaster Management Act from 26 March 2020 which resulted in lockdown, widely affected the participation of the public to the programs of the municipality. However, the Municipality had to look at other means of reaching the public to continue its business. Social media and virtual platforms (e.g. Facebook, WhatsApp, radio broadcasts and Zoom/Teams virtual meeting) were used to close the gap between communities and the municipality.

Operation Masiphathisane (War Rooms)

Since the launch of Operation Masiphathisane, Mbashe Municipality has launched Ward War rooms in all 32 wards. The formation of Ward War room committees included all stakeholders in the ward. The Local War Room was also launched in 2018. War Rooms have Ward Councilors as chairpersons and CDWs as secretaries. The functionality of these war rooms is however still a challenge due to a number of factors. Some wards do not even have the infrastructure/resources to convene their meetings. Government departments have limited personnel which is unable to attend to all war rooms. The high unemployment rate of CDWs is also a handicap, as 66% of the wards do not have CDWs.

Traditional Leaders: The municipality has 02 Traditional leaders participating in the activities of the council and their contribution in the affairs of the council is easily noticeable. They participate in the council structures and forum meetings such as IGR and IDP for the development and review of the strategic documents. The traditional leaders also form part of section 80 committee meetings that are held quarterly. The municipality engage with Traditional leaders to find solutions on matters related to land queries. All traditional Leaders around Mbashe form part of the processes of community involvement in the development

○ **CUSTOMER CARE**

The municipality has a customer care section which is responsible for registering all queries and complaints received from customers daily. Currently the designated office uses manual system to register all customer complaints that are received through walk-ins, Social media platforms (Facebook and WhatsApp), correspondence received from registry office, telephone and Email. These complaints are registered on a developed manual complaints register, attended, referred to relevant departments within the prescribed time of 72 hours from the date of the receipt and followed-up. Complaints/issues/petitions received through public meetings are also compiled and inserted in the complaints or petitions register in order to keep records.

Apart from complaints received by the municipality, the Office of the Premier has a presidential hotline system that is monitored through local municipalities around the province, where complaints are attended by the customer care personnel placed in the local and district municipalities.

To increase channels where customer is able to complain using more than one system, the municipality provided suggestion boxes in all three units (Dutywa, Gatyana and Xhora), which are monitored at all time.

The challenge faced by the customer care is that the manual system used can create discrepancies in a long run even though this has not yet been the case. As the world goes digitally, it is deemed necessary that the municipality introduces an electronic complaints management system to promote data accuracy, effectiveness and efficiency.

CHAPTER 3

OVERARCHING STRATEGY

3.1. VISION, MISSION & CORE VALUES

On 25 August 2021 Mbashe Local Municipality's Council adopted its IDP and Budget process plan. The IDP/Budget process plan outlines in detail the way in which the municipality embarked on its 2022/27 IDP development from its commencement in July 2021 to its completion June 2022

In the Institutional Strategic Planning held on 08 to 11 March 2022, it was resolved that Mbashe LM's vision and mission will remain unchanged..

3.1.1. VISION

“A municipality that excels in promoting social cohesion, stimulates economic growth and sustainable development”

3.1.2. MISSION

By becoming an effective and efficient municipality with accountable leadership that is able to involve communities in the provision of quality services.

3.1.3. CORE VALUES

In addition to the Batho Pele principles, our municipality commits itself to upholding the following set of values :

- ✓ Commitment
- ✓ Accountability
- ✓ Teamwork
- ✓ People centered development
- ✓ Discipline and respect
- ✓ Environmentally friendly
- ✓ Service excellency
- ✓ Integrity (Morals and Ethics)
- ✓ Integrity

3.2. CURRENT LEADERSHIP PRIORITIES

Following the election of the new council in 2021 the municipality embarked on a process of formulating its five (5) year integrated development plan (IDP) 2022 -2027, this document outlines the programmes and development commitments that will be delivered during the term of the current council. The IDP supersedes all other plans of a municipality.

The following were priorities that were identified by the municipal leadership in the next five years.

- ✓ Poverty eradication
- ✓ Improvement on the illiteracy rate
- ✓ Reduce unemployment
- ✓ Build active citizen

3.3. ALIGNMENT WITH OTHER PLANS

Sector Plans alignment & integration with National, Province and District plans

The content below outlines the approach and responses adopted to ensure alignment with national, provincial and district programmes & plans.

Preamble

The Local Government elections of 2021 ushered a new political dispensation with a mandate that sets the tone for the development of a five (5) year IDP (2022 -2027).

The Municipality is rural in its nature, characterized by high levels of poverty, unemployment and the low levels of education. It is further engulfed, like the rest of the country, with HIV and AIDS pandemic and further by the Covid-19 affecting mostly the economically active people and the youth. In its last term, council emphasized as its overarching local economic development strategy, which it believed would be the anchor for economic development of the municipality.

The term of council started in August 2016. In crafting the course of the future the new council needs to define its overarching strategy towards sustainable service delivery. In so doing the municipality took into account the national, provincial, district and local contexts including what is contained in **Outcome 9: A Responsive, Accountable, Effective and Efficient Local Government System.**

The Legal Context of the Overarching Strategy

The strategy is developed with the following pieces of legislation forming basis thereof: **Mbhashe Local Municipality –2022/2027 Integrated Development Plan**

Constitution of the Republic of South Africa No. 108, 1996

Development Facilitation Act, 1995 (Act No 67 of 1995)

Local Government: Demarcation Act, 1998 (Act No 27 of 1998)

White Paper on Local Government of 1998

Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000), as amended

Local Government: Municipal Structures Act, 1998 (Act No 117 of 1998), as amended

Local Government: Municipal Finance Management Act, 2003 (Act No 56 of 2003) and Regulations

Intergovernmental Relations Framework Act, 2005 (Act No 13 of 2005)

Municipal Property Rates Act 6 of 2004

Mbhashe Policies Strategies and By-Laws

The National Context

The Mbhashe strategy is informed by the five national key performance areas namely:

Municipal transformation and institutional development;

Basic service delivery and infrastructure development;

Local economic development;

Financial viability and management; and

Good governance and public participation.

Spatial Planning has also become one of the key areas that municipalities must consider as vital. Mbhashe takes into account interventions proposed by the National Planning Commission, outcome 9 and Back to Basics.

National Policy Framework includes the following but not limited to

Reconstruction and Development Programme (RDP);

National Development Planning (NDP)

National Development Strategy (NDS); and

Spatial Development Framework (National Spatial Development Perspective)

Provincial Context

The Provincial Growth and Development Programme (PGDP 2004/2014), whose objectives includes the development of human capital, infrastructural development and systematic eradication of poverty, emphasises the following:

Diversification of Manufacturing Sector.

Agrarian Transformation.

Strengthening of food security.

Pro-poor programming.

The municipality will also consider the provincial strategic framework which proposes amongst other things the delivery agreement of the Executive Mayors

The Municipality considers the above and other policies and programmes that the provincial government developed in addressing the challenge of providing better life for all.

District Context

The Municipal Strategy considers the programmes of the district including its Integrated Development Plan, the District Growth and Development Strategy, Amathole Regional Economic Development Strategy (AREDS) as well as the advantages that are brought about by Amathole District Municipality including its development agency Aspire.

Local Context

The Municipality utilizes the IDP as the basis for the development and other strategic documents such as:

Master plan vision 2025 Strategic Environmental Assessment 2009 Spatial Development Framework 2015/2020

CHAPTER 4

MUNICIPAL DEVELOPMENTAL OBJECTIVES AND STRATEGIES

FOCUS AREA	OBJECTIVE	OBJ. NO.	STRATEGY	INDICATOR	BASELINE	ANNUAL TARGET 2022/23	ANNUAL TARGET 2023/24	ANNUAL TARGET 2024/25	ANNUAL TARGET 2025/26	ANNUAL TARGET 2026/27	RESPONSIBILITY
	To ensure monitoring and evaluation of IDP to improve institutional performance by June 2027	MT1 3	By coordinating performance reporting, monitoring and evaluation.	Number of consolidated Institutional Reports on Individual Performance Reviews submitted to Municipal Manager	1	4 consolidated Institutional Reports on Individual Performance Reviews submitted to Municipal Manager	4 consolidated Institutional Reports on Individual Performance Reviews submitted to Municipal Manager	4 consolidated Institutional Reports on Individual Performance Reviews submitted to Municipal Manager	4 consolidated Institutional Reports on Individual Performance Reviews submitted to Municipal Manager	4 consolidated Institutional Reports on Individual Performance Reviews submitted to Municipal Manager	Senior Manager: Corporate Services
			By improving organisational performance through monitoring and evaluation of reports	Number of quarterly organisational performance assessment reports submitted to Council	12	6 quarterly organisational performance assessment reports submitted to Council	6 quarterly organisational performance assessment reports submitted to Council	6 quarterly organisational performance assessment reports submitted to Council	6 quarterly organisational performance assessment reports submitted to Council	6 quarterly organisational performance assessment reports submitted to Council	Senior Manager: Operations
			By developing 2021/2022 annual report	Turnaround time for the submission of 2021/2022 final and audited annual report submitted to Council, AGSA, Provincial and National Treasury, COGTA and Legislature	2	2021/2022 Annual report submitted to AGSA by 31 August 2022 and to Council, Provincial and National Treasury COGTA and Legislature	2022/2023 Annual report submitted to AGSA by 31 August 2023 and to Council, Provincial and National Treasury COGTA and Legislature	2023/2024 Annual report submitted to AGSA by 31 August 2024 and to Council, Provincial and National Treasury COGTA and Legislature	2024/2025 Annual report submitted to AGSA by 31 August 2025 and to Council, Provincial and National Treasury COGTA and Legislature	2025/2026 Annual report submitted to AGSA by 31 August 2026 and to Council, Provincial and National Treasury COGTA and Legislature	Senior Manager: Operations
	To create conducive working environment for employees by June 2027	MT1 4	By complying with labour related Legislations	Turnaround time to submit compliance reports (COIDA, Employment Equity, WSP) to Department of Labour, LGSETA	3	3 compliance reports (COIDA, Employment Equity, WSP) to Department of Labour & LGSETA (COIDA by 30th June 2023, EEP to Dept of Labour by 31 March 2023, WSP to LGSETA by 31st May 2023)	3 compliance reports (COIDA, Employment Equity, WSP) to Department of Labour & LGSETA (COIDA by 30th June 2024, EEP to Dept of Labour by 31 March 2024, WSP to LGSETA by 31st May 2024)	3 compliance reports (COIDA, Employment Equity, WSP) to Department of Labour & LGSETA (COIDA by 30th June 2025, EEP to Dept of Labour by 31 March 2025, WSP to LGSETA by 31st May 2025)	3 compliance reports (COIDA, Employment Equity, WSP) to Department of Labour & LGSETA (COIDA by 30th June 2026, EEP to Dept of Labour by 31 March 2026, WSP to LGSETA by 31st May 2026)	3 compliance reports (COIDA, Employment Equity, WSP) to Department of Labour & LGSETA (COIDA by 30th June 2027, EEP to Dept of Labour by 31 March 2027, WSP to LGSETA by 31st May 2027)	Senior Manager: Corporate Services
			Turnaround time for resolving cases	Three months turnaround time for resolving cases	Three months turnaround time for resolving cases	Three months turnaround time for resolving cases	Three months turnaround time for resolving cases	Three months turnaround time for resolving cases	Senior Manager: Corporate Services		

FOCUS AREA	OBJECTIVE	OBJ. NO.	STRATEGY	INDICATOR	BASELINE	ANNUAL TARGET 2022/23	ANNUAL TARGET 2023/24	ANNUAL TARGET 2024/25	ANNUAL TARGET 2025/26	ANNUAL TARGET 2026/27	RESPONSIBILITY
Facilities Management	To maintain all municipal facilities and properties by 2027	MT1 5	By maintaining Municipal facilities and properties	Number of municipal facilities maintained as follows: (Dutywa Main building, Dutywa TRC, Dutywa Town hall, Gatyana & Xhora municipal facilities, Workshop, customer care, Craft centre, VIC, TESKO building) and White House, Staff Accommodation and Executive House)	9	9 municipal facilities and 2 properties maintained as follows: (Facilities- Dutywa Main building, Dutywa TRC, Dutywa Town hall, Gatyana & Xhora municipal facilities, Workshop, customer care, Craft centre) and White House. (Properties- Staff Accommodation and Executive House)	9 municipal facilities and 2 properties maintained as follows: (Facilities- Dutywa Main building, Dutywa TRC, Dutywa Town hall, Gatyana & Xhora municipal facilities, Workshop, customer care, Craft centre) and White House. (Properties- Staff Accommodation and Executive House)	9 municipal facilities and 2 properties maintained as follows: (Facilities- Dutywa Main building, Dutywa TRC, Dutywa Town hall, Gatyana & Xhora municipal facilities, Workshop, customer care, Craft centre) and White House. (Properties- Staff Accommodation and Executive House)	9 municipal facilities and 2 properties maintained as follows: (Facilities- Dutywa Main building, Dutywa TRC, Dutywa Town hall, Gatyana & Xhora municipal facilities, Workshop, customer care, Craft centre) and White House. (Properties- Staff Accommodation and Executive House)	9 municipal facilities and 2 properties maintained as follows: (Facilities- Dutywa Main building, Dutywa TRC, Dutywa Town hall, Gatyana & Xhora municipal facilities, Workshop, customer care, Craft centre) and White House. (Properties- Staff Accommodation and Executive House)	SM Developmental Planning
	To uplift the Municipal image by June 2027		By refurbishing Municipal facilities	Number of Municipal facilities refurbished		4 LCD screens installed in 3 units (2 Dutywa, 1 Xhora and 1 Gatyana)	Installation of LCD screens in all units	Develop Concept document for town beautification	Implementation of maintaining municipal image	Implementation of maintaining Municipal Image	SM: Development Planning
			By maintaining public ablutions	Number of ablution facilities maintained in each unit (Dutywa, Gatyana and Xhora)		6 ablution facilities maintained in each unit Dutywa-2, Gatyana-2 and Xhorha-2	6 ablution facilities maintained in each unit Dutywa-2, Gatyana-2 and Xhorha-2	6 ablution facilities maintained in each unit Dutywa-2, Gatyana-2 and Xhorha-2	6 ablution facilities maintained in each unit Dutywa-2, Gatyana-2 and Xhorha-2	6 ablution facilities maintained in each unit Dutywa-2, Gatyana-2 and Xhorha-2	SM Developmental Planning
			MT1 4			2	Number of building plans developed for the existing municipal buildings as follows: (Dutywa Town Hall and Staff accommodation)	2 developed building plans and approved municipal drawings for the Dutywa Town Hall and Staff accommodation	2 developed building plans and approved municipal drawings for the Dutywa Town Hall and Staff accommodation	2 developed building plans and approved municipal drawings for the Dutywa Town Hall and Staff accommodation	2 developed building plans and approved municipal drawings for the Dutywa Town Hall and Staff accommodation
			By providing alternative water supply to municipal	Number of municipal facilities provided with	3	4 municipal facilities provided with boreholes as	4 municipal facilities provided with	4 municipal facilities provided with boreholes as	4 municipal facilities provided with	4 municipal facilities provided with	SM: Developmental Planning

FOCUS AREA	OBJECTIVE	OBJ. NO.	STRATEGY	INDICATOR	BASELINE	ANNUAL TARGET 2022/23	ANNUAL TARGET 2023/24	ANNUAL TARGET 2024/25	ANNUAL TARGET 2025/26	ANNUAL TARGET 2026/27	RESPONSIBILITY
			facilities	boreholes as follows: (Dutywa town hall & Gatyana)		follows: (Dutywa town hall, Dutywa Pound, Xhorha municipal offices and Gatyana Indoor Sports Center)	boreholes as follows: (Dutywa town hall, Dutywa Pound, Xhorha municipal offices and Gatyana Indoor Sports Center)	follows: (Dutywa town hall, Dutywa Pound, Xhorha municipal offices and Gatyana Indoor Sports Center)	boreholes as follows: (Dutywa town hall, Dutywa Pound, Xhorha municipal offices and Gatyana Indoor Sports Center)	boreholes as follows: (Dutywa town hall, Dutywa Pound, Xhorha municipal offices and Gatyana Indoor Sports Center)	
ICT and Digitization	To ensure an integrated, stable and responsive ICT infrastructure driving 4IR by June 2027.	MT1 5	By ensuring Business Continuity through disaster recovery and Failover solution	% implementation of resolutions taken		100% Implementation of the ICT Steering Committee resolutions	Implementation of the ICT Steering Committee resolutions	Implementation of the ICT Steering Committee resolutions	Implementation of the ICT Steering Committee resolutions	Implementation of the ICT Steering Committee resolutions	Senior Manager: Corporate Services
			By ensuring implementation of ICT service desk	Turnaround time for responding to queries or logged calls		Two hours taken to respond to logged calls	Two hours taken to respond to logged calls	Two hours taken to respond to logged calls	Two hours taken to respond to logged calls	Two hours taken to respond to logged calls	Senior Manager: Corporate Services
		By extending connectivity to community	Number of Municipal offices installed with WIFI Connection for community access		8 Municipal offices installed with WIFI Connection for community access	Upgrading of connection bandwidth within the municipal sites	Upgrading of connection bandwidth within the municipal sites	Upgrading of connection bandwidth within the municipal sites	Upgrading of connection bandwidth within the municipal sites	Upgrading of connection bandwidth within the municipal sites	Senior Manager: Corporate Services
Records Management	To ensure maximum use of Registry in records management by June 2027		By reviewing the File Plan	Number of reviewed and amended File Plan		1 Reviewed and amended File Plan	1 Reviewed and amended File Plan	1 Reviewed and amended File Plan	1 Reviewed and amended File Plan	1 Reviewed and amended File Plan	Senior Manager: Corporate Services
	To ensure Disposal of Ephemeral records by June 2027		By submitting Application for disposal authority	Number of submitted disposal request to Provincial Archives for approval		4 disposal request submitted to Provincial Archives for approval	4 disposal requests submitted to Provincial Archives for approval	4 disposal requests submitted to Provincial Archives for approval	4 disposal requests submitted to Provincial Archives for approval	4 disposal requests submitted to Provincial Archives for approval	Senior Manager: Corporate Services

KPA 2 - DELIVERY AND INFRASTRUCTURE DEVELOPEMNT

FOCUS AREA	OBJECTIVE	OBJ . NO.	STRATEGY	INDICATOR	BASELINE	ANNUAL TARGET 2022/23	ANNUAL TARGET 2023/24	ANNUAL TARGET 2024/25	ANNUAL TARGET 2025/26	ANNUAL TARGET 2026/27	RESPONSIBILITY	
Infrastructure and Service Delivery	To construct, maintain and upgrade quality infrastructure by June 2027	SD 1	By constructing new access roads to public amenities and Local Economic Development facilities.	Number of kms of new access roads constructed at ward (10,6,5,14,17 and 26, 2,16,18,21,29,	799 + ward 14,07	26 kms of new access roads constructed at ward 23-6.2km, 10- 5km (Machani to Taleni Access Road), 6- 8km (N2 to Nimrod via Madaka Access Road) 5- 6.8km (Chizama to Singeni Access Road)	20.5 kms of new access roads constructed at ward 14 Nkolweni Access Road, ward 17 Ntsingizi to Mantusini Access Road and ward 26 Mathunzini to Nqileni Access Road	0	20.5 kms of new access roads constructed at ward 2 Gqukesi to Qhorha Access Road,16 Bomvana to Pokoloshe and Elalini,18 Jikanaye to Nkonkxeni Access Road, 21 Nkonjane via Gwadu Access Road, 29 Nocwaka to Diphini Access Road		SM: Infrastructure	
				Number of kms of new access roads constructed at ward 13,4,11,22,28, 6,7,9,19,23,30)		4 km's of new access road constructed at ward 13 (Riverview to Langeni)	0	20.5 kms of new access roads constructed at ward 4 Tayi to Ngqungqushhe Via Xaba, Ward 11 Ntilini to Botwe Access Road, Ward 22 Mgxabakazi Access Road, Ward 28 No- Ofisi to Mthonjeni Access Road	0	20.5 kms of new access roads constructed at ward 6 Lota Clinic to Machibini Access road ,7 Sihlabeni to Gungululu Access Road,9 Colosa to Dyasi Access Road,19 Tshezi via Sholozu to Manzibomvu Access Road,23 Mcinga to Mgwebi Access Road,30 Phaphasini to KuloJika Access Road		SM: Infrastructure
				Number of Kms of existing access roads constructed at ward 8 (Phelandaba access road)		5km's of the existing access road constructed at ward 8 (Phelandaba to Macirheni Access Road)	0	0	0	0	0	SM: Infrastructure
				Number of new km's of access roads constructed in Ward 8		13.2 kms of new access roads constructed in wards 8 (Msikithi=5.7 Kms & Siyibane =7.5)	0	0	0	0	0	SM: Infrastructure
				Number of kms of new surfaced roads constructed in Ward 1- Dutywa		3.8 kms of new surfaced roads constructed in Ward1 - Dutywa internal streets	0	0	0	0	3.8 kms of new access roads constructed in Ward1 - Mfecane to Siwendu Access Road	SM: Infrastructure
				By maintaining access roads.		Number of KMs of access roads maintained in each unit	799 +	120kms of access roads maintained in each unit	120kms of access roads maintained in each unit	100kms of access roads with storm water	100kms of access roads with storm water facilities maintained in each	100kms of access roads with storm water facilities maintained in each

FOCUS AREA	OBJECTIVE	OBJ . NO.	STRATEGY	INDICATOR	BASELINE	ANNUAL TARGET 2022/23	ANNUAL TARGET 2023/24	ANNUAL TARGET 2024/25	ANNUAL TARGET 2025/26	ANNUAL TARGET 2026/27	RESPONSIBILITY
				(Gatyana, Xhora and Dutywa)		(Gatyana, Xhora and Dutywa)	Xhora and Dutywa)	facilities maintained in each unit (Gatyana, Xhora and Dutywa)	unit (Gatyana, Xhora and Dutywa)	(Gatyana, Xhora and Dutywa)	
			By upgrading storm water culverts and channels	Number of storm water culverts crossings and channels upgraded in each unit (Gatyana, Xhora and Dutywa) (ward	46	20 storm water culverts crossings and 12 channels upgraded in each unit (Gatyana, Xhora and Dutywa)	20 storm water culverts crossings and 12 channels upgraded in each unit (Gatyana, Xhora and Dutywa)	12 storm water culverts crossings and 12 channels upgraded in each unit (Gatyana, Xhora and Dutywa)	12 storm water culverts crossings and 12 channels upgraded in each unit (Gatyana, Xhora and Dutywa)	12 storm water culverts crossings and 12 channels upgraded in each unit (Gatyana, Xhora and Dutywa)	SM: Infrastructure
			By Maintaining Surfaced roads	% of surfaced road maintained as per the assessment report (wards 1,13,25)	1862.49kms	100% of surfaced roads maintained as per assessment report (wards 1,13,25)	100% of surfaced roads maintained as per assessment report (wards 1,13,25)	100% of surfaced roads maintained as per assessment report (ward 25)	100% of surfaced roads maintained as per assessment report (wards 1,13,25)	100% of surfaced roads maintained as per assessment report (wards 1,13,25)	SM Infrastructure
			By upgrading internal streets	Number of km's of internal streets upgraded (paving) in each unit Gatyana, Xhora and Dutywa as per assessment report	10000m2	2000m2 paved at Dutywa, 1000m2 paved at Gatyana and Xhora	2000m2 paved at Dutywa, 1000m2 paved at Gatyana and Xhora	2000m2 paved at Dutywa, 1000m2 paved at Gatyana and Xhora	2000m2 paved at Dutywa, 1000m2 paved at Gatyana and Xhora	2000m2 paved at Dutywa, 1000m2 paved at Gatyana and Xhora	SM Infrastructure
			By electrifying households with historical backlog.	Number of households provided with electricity at ward 23 & 14		tbc	tbc	tbc	tbc	tbc	
			By maintaining solar systems to qualifying households	% of solar systems maintained at Ward 8 &13 as per Assessment report	35309	100% solar systems maintained at ward 8 &13 as per assessment report	100% solar systems maintained at ward 8 & 13 as per assessment report	100% solar systems maintained at ward 8 & 13 as per assessment report	100% solar systems maintained at ward 8 & 13 as per assessment report	100% solar systems maintained at ward 8 & 13 as per assessment report	SM Infrastructure
			By upgrading street lights in all towns	Number of street lights upgraded in ward 1.	92	50 street lights upgraded in ward 1	50 street lights upgraded in ward 1	50 street lights upgraded in ward 1	50 street lights upgraded in ward 1	50 street lights upgraded in ward 1	SM Infrastructure
			By maintaining streetlights in all towns	% of street lights maintained as per the assessment report at Dutywa, Xhora and Gatyana	640	100% street lights maintained as per the assessment report at Dutywa, Xhora and Gatyana	100% street lights maintained as per the assessment report at Dutywa, Xhora and Gatyana	100% street lights maintained as per the assessment report at Dutywa, Xhora and Gatyana	100% street lights maintained as per the assessment report at Dutywa, Xhora and Gatyana	100% street lights maintained as per the assessment report at Dutywa, Xhora and Gatyana	SM Infrastructure
			By maintaining high mast	% of high mast lights maintained as per the	14	100% high mast lights maintained as per the	100% high mast	100% high mast	100% high mast lights maintained as per the assessment	100% high mast lights maintained as per the	SM Infrastructure

FOCUS AREA	OBJECTIVE	OBJ . NO.	STRATEGY	INDICATOR	BASELINE	ANNUAL TARGET 2022/23	ANNUAL TARGET 2023/24	ANNUAL TARGET 2024/25	ANNUAL TARGET 2025/26	ANNUAL TARGET 2026/27	RESPONSIBILITY
			lights in all towns	assessment report at Dutywa, Xhorha and Gatyana (at ward		assessment report at Xhorha and Gatyana	lights maintained as per the assessment report at Xhorha and Gatyana	lights maintained as per the assessment report at Xhorha and Gatyana	report at Xhorha and Gatyana	assessment report at Xhorha and Gatyana	
			By constructing Sport facilities	Number of sport facilities constructed at ward 13.	0	1 sport facility constructed at ward 13.	Completion of 1 existing sport facility constructed at ward 13.	0	0	0	SM Infrastructure
				Number of sport facilities constructed at ward 1.	0	1 sport facility constructed at ward 1.	1 x grand stand, flood lights, fencing constructed (Ward 01)	1 x swimming pool, 1 x gymnasium constructed (Ward 01)	0	0	SM Infrastructure
				Number of sport field constructed (ward 25)	0	1 Sport field completed at ward 25	0	0	0	0	SM Infrastructure
			By constructing Sport facilities By constructing community halls	Number of community halls constructed at Dutywa & Gatyana and Xhora (wards 8,11, 14)	57	community Hall constructed at ward 11 .	1 community Hall constructed at ward 8	0	0	1 community Hall constructed at ward 14	SM Infrastructure
			By constructing public ablutions	Number of ablution facilities constructed in each unit (Gatyana and Xhora)	5	1 ablution facility Constructed in each unit Gatyana, Xhorha units	1 ablution facility Constructed Dutywa unit	0	0	0	SM Infrastructure
			By maintaining public ablutions	Number of ablution facilities maintained in each unit (Dutywa, Gatyana and Xhora)	5	1 ablution facility maintained in each unit (Dutywa, Gatyana and Xhorha)	0	0	0	0	SM Infrastructure
			By constructing pedestrian bridges	Number of pedestrian bridges constructed in each unit Dutywa, Gatyana & Xhorha.							SM Infrastructure
			By Constructing Ranks	Number of ranks constructed in Dutywa		N/A	Ward 1 Taxi and Bus Rank (Dutywa) Ward 25 Taxi Rank (Willowvale)	N/A	N/A	N/A	SM Infrastructure
			By constructing bridges	Number of bridges constructed in each unit Gatyana (ward 25 Mqothwane		1 bridge constructed in Xhorha unit (ward 20 Ntlongyana to Geya Bridge)	0	1 bridges constructed in Gatyana, unit (ward 25	0	1 bridge constructed in Dutywa unit (ward 5 Jadezwi	SM Infrastructure

FOCUS AREA	OBJECTIVE	OBJ. NO.	STRATEGY	INDICATOR	BASELINE	ANNUAL TARGET 2022/23	ANNUAL TARGET 2023/24	ANNUAL TARGET 2024/25	ANNUAL TARGET 2025/26	ANNUAL TARGET 2026/27	RESPONSIBILITY
							Qatywa, Mpame, Nkanya, Bulungula, and Haven).	Cwebe, Qatywa, Mpame, Nkanya, Bulungula, and Haven).			
Human Settlements	To Facilitate the development of sustainable human settlements by 2027	SD 3	By developing layout plans for the purpose of an integrated human settlements development	Number of new layout plans developed at ward 1,13,25	2	3 new layout plans developed for Ward 1,13, 25	3 new layout plans developed for Ward 1,13, 25	3 new layout plans developed for Ward 1,13, 25	3 new layout plans developed for Ward 1,13, 25	3 new layout plans developed for Ward 1,13, 25	SM Dev
			By facilitating the provision of houses to destitute households.	Number of destitute households provided with informal settlements upgraded at Dutywa (ward 9)		1 informal settlement upgraded at Dutywa Ward 9.	1 informal settlement	1 informal settlement	1 informal settlement	1 informal settlement	1 informal settlement

KPA3 – LOCAL ECONOMIC DEVELOPMENT

FOCUS AREA	OBJECTIVE	OBJ. NO.	STRATEGY	INDICATOR	BASELINE	ANNUAL TARGET 2022/23	ANNUAL TARGET 2023/24	ANNUAL TARGET 2024/25	ANNUAL TARGET 2025/26	ANNUAL TARGET 2026/27	RESPONSIBILITY	
Agricultural development and food security	To promote agrarian reform and increase food security to emerging farmers by June 2027.	LED 1	By conducting continuous engagements with DRDAR and other relevant stakeholders	Number of assessments conducted on maintenance of LED Infrastructure at ward 8, 9, 10, 12, 18, 19, 20, 21, 22 & 23 as per assessment report		10 assessment reports conducted on maintenance for LED infrastructure at Ward 8, 9, 10, 12, 18, 19, 20, 21, 22 & 23 as per assessment report	10 assessment reports conducted on maintenance for LED infrastructure at Ward 8, 9, 10, 12, 18, 19, 20, 21, 22 & 23 as per assessment report	10 assessment reports conducted on maintenance for LED infrastructure at Ward 8, 9, 10, 12, 18, 19, 20, 21, 22 & 23 as per assessment report	10 assessment reports conducted on maintenance for LED infrastructure at Ward 8, 9, 10, 12, 18, 19, 20, 21, 22 & 23 as per assessment report	10 assessment reports conducted on maintenance for LED infrastructure at Ward 8, 9, 10, 12, 18, 19, 20, 21, 22 & 23 as per assessment report	SM Developmental Planning	
			By providing assistance to emerging farmers in primary production	Number of programs implemented to assist emerging farmers (Crop production and stock remedy) at (Ward 2 - 32)	2 programs implemented to assist emerging farmers	2	2 programs implemented to assist emerging famers (Crop production and stock remedy) ward 2-32	2 programs implemented to assist emerging famers (Crop production and stock remedy) ward 2-32	2 programs implemented to assist emerging famers (Crop production and stock remedy) ward 2-32	2 programs implemented to assist emerging famers (Crop production and stock remedy) ward 2-32	2 programs implemented to assist emerging famers (Crop production and stock remedy) ward 2-32	SM: Developmental Planning
			By capacitating farmers to meet quality and safety requirements	Number of agricultural roadshows held for farmers in each unit (Gatyana, Dutywa,	11 agricultural information days held for	10 agricultural information days held for farmers in three units (Gatyana-3, Dutywa-4, Xhora-3) as per	10 agricultural information days held for farmers in three units (Gatyana-3,	10 agricultural information days held for farmers in three units (Gatyana-3,	10 agricultural information days held for farmers in three units (Gatyana-3,	10 agricultural information days held for farmers in three units (Gatyana-3,	10 agricultural information days held for farmers in three units (Gatyana-3,	10 agricultural information days held for farmers in three units (Gatyana-3,

				Xhorha) as per assessment report.	farmers conducted	approved concept document.	Dutywa-4, Xhora-3) as per approved concept document	(Gatyana-3, Dutywa-4, Xhora-3) as per approved concept document.	in three units (Gatyana-3, Dutywa-4, Xhora-3) as per approved concept document.	Dutywa-4, Xhora-3) as per approved concept document.	
Agro-processing	To ensure use of agricultural value chain to stimulate local economic development in deprived areas by June 2027	LED 2	By encouraging value chain and value addition through support given to emerging farmers.	Number of High Value Crop enterprises supported with agricultural inputs and tools of trade as per approved business plan (Sorghum production ward - 8 & 12)	2 High Value Crops enterprises supported	2 High Value Crops enterprises supported with agricultural inputs and tools of trade as per the approved business plan (Sorghum Production ward 8 and 12)	2 High Value Crops enterprises supported with agricultural inputs and tools of trade as per the approved business plan (Sorghum Production ward 8 and 12)	2 High Value Crops enterprises supported with agricultural inputs and tools of trade as per the approved business plan (Sorghum Production ward 8 and 12)	2 High Value Crops enterprises supported with agricultural inputs and tools of trade as per the approved business plan (Sorghum Production ward 8 and 12)	2 High Value Crops enterprises supported with agricultural inputs and tools of trade as per the approved business plan (Sorghum Production ward 8 and 12)	SM: Developmental Planning
Job creation	To reduce poverty and unemployment through viable and sustainable job creation strategies by 2027	LED 3	By facilitating short term employment through EPWP projects implementation	Number of participants on short term employment opportunities (EPWP and CWP)	2579	763 participants on short term employment opportunities (EPWP- 413, CWP – 350)	627 participants on short term employment opportunities (EPWP and CWP)				SM: Community Services
Investment Attraction	To encourage investment through viable investment strategies by 2027	LED 4	By promoting investment opportunities	Number of marketing strategies for profiling agricultural, tourism, marine, mining , forestry, investment and land development opportunities	1	2 marketing tools for profiling agricultural, tourism, marine, mining , forestry, investment and land investment opportunities	2 marketing tools , investment conference for profiling agricultural, tourism and marine investment opportunities	2 marketing tools , investment conference for profiling agricultural , tourism and marine investment opportunities	2 marketing tools , investment conference for profiling agricultural, tourism and marine investment opportunities	2 marketing tools , investment conference for profiling agricultural, tourism and marine investment opportunities	SM: Developmental Planning
Enterprise support SMME and development	To develop and capacitate enterprises by 2027	LED 5	By Capacitating and supporting local SMMEs	Number of local SMMEs capacitated and supported with tools of trade/trainings as per approved concept plan in Dutywa, Gatyana & Xhorha	85	50 local SMMEs capacitated and supported with tools of trade/trainings as per approved concept plan in Dutywa, Gatyana & Xhorha	Developed infrastructure				SM: Infrastructure Services SM: Developmental Planning
			By supporting local SMMEs through targeted procurement	% of the Mbashe budget allocated to SMMEs	0	30% of the Mbashe budget allocated to SMMEs	% of the Mbashe budget allocated to SMMEs	% of the Mbashe budget allocated to SMMEs	% of the Mbashe budget allocated to SMMEs	30% of the Mbashe budget allocated to SMMEs	SM Developmental Planning

			By conducting and hosting roadshows	Number of roadshows conducted for SMMEs as per approved concept plan in Dutywa, Xhorha, Gatyana	4	4 roadshows conducted as per approved concept plan in Dutywa-2, Xhorha-1 & Gatyana-1	4 roadshows conducted as per approved concept plan in Dutywa-2, Xhorha-1 & Gatyana-1	4 roadshows conducted as per approved concept plan in Dutywa-2, Xhorha-1 & Gatyana-1	4 roadshows conducted as per approved concept plan in Dutywa-2, Xhorha-1 & Gatyana-1	4 roadshows conducted as per approved concept plan in Dutywa-2, Xhorha-1 & Gatyana-1	SM: Development Planning
Ocean Economy and Fisheries Development	To unlock opportunities and transform marine economic sector by 2027	LED 6	By supporting marine economic activities	Number of marine economic initiatives supported as per approved concept plan at ward 19,20,21,22,23,29 and 32	4	3 marine economic initiatives supported as per approved concept plan document at Mpame, Mncwasa & Tenza	3 marine economic initiatives supported as per approved concept plan document at Mpame, Mncwasa & Tenza	3 marine economic initiatives supported as per approved concept plan document at Mpame, Mncwasa & Tenza	3 marine economic initiatives supported as per approved concept plan document at Mpame, Mncwasa & Tenza	3 marine economic initiatives supported as per approved concept plan document at Mpame, Mncwasa & Tenza	SM: Developmental Planning
Tourism Growth and Development	To position and promote Mbashe as a tourist destination of choice by 2027	LED 7	By using different marketing tools to market Mbashe as tourism destination	Number of events hosted and participated on Coastal Beach Festival, Hiking and Horse Racing	4	3 events hosted and participated on Coastal Beach Festival, Hiking and Horse Racing	3 events hosted and participated on Coastal Beach Festival, Hiking and Horse Racing	3 events hosted and participated on Coastal Beach Festival, Hiking and Horse Racing	3 events hosted and participated on Coastal Beach Festival, Hiking and Horse Racing	3 events hosted and participated on Coastal Beach Festival, Hiking and Horse Racing	SM: Developmental Planning
			By supporting tourism programmes	Number of programs conducted to maintain Blue Flag status (Tenza and Xhora Mouth)	5	2 programs conducted to maintain Blue Flag status (Tenza and Xhora Mouth)	2 programs conducted to maintain Blue Flag status (Tenza and Xhora Mouth)	2 programs conducted to maintain Blue Flag status (Tenza and Xhora Mouth)	2 programs conducted to maintain Blue Flag status (Tenza and Xhora Mouth)	2 programs conducted to maintain Blue Flag status (Tenza and Xhora Mouth)	SM: Developmental Planning
				Number of tourism operators supported with trainings and funding (financial and non-financial) at Dutywa, Gatyana and Xhorha	5	3 tourism operators supported with trainings and funding (financial and non-financial) at Dutywa, Gatyana and Xhorha.	3 tourism operators supported with trainings and funding (financial and non-financial) at Dutywa, Gatyana and Xhorha.	3 tourism operators supported with trainings and funding (financial and non-financial) at Dutywa, Gatyana and Xhorha.	3 tourism operators supported with trainings and funding (financial and non-financial) at Dutywa, Gatyana and Xhorha.	3 tourism operators supported with trainings and funding (financial and non-financial) at Dutywa, Gatyana and Xhorha.	SM: Development Planning
Heritage management	To maintain and coordinate the declaration of heritage sites by June 2027	LED 8	By maintaining and engaging relevant stakeholders on declaration	Number of heritage sites maintained and coordinated at King Hintsa,	5	3 heritage sites maintained and coordinated at King Hintsa, Sarhili and Fort Malan	3 heritage sites maintained and coordinated at King	3 heritage sites maintained and coordinated at King	3 heritage sites maintained and coordinated at King	3 heritage sites maintained and coordinated at King Hintsa,	SM: Developmental Planning

FOCUS AREA	OBJECTIVE	OBJ. NO.	STRATEGY	INDICATOR	BASELINE	ANNUAL TARGET 2022/23	ANNUAL TARGET 2023/24	ANNUAL TARGET 2024/25	ANNUAL TARGET 2025/26	ANNUAL TARGET 2026/27	RESPONSIBILITY
			By implementing the coastal management plan	Number of programs implemented as per the Coastal management plan (ward 19, 20,29 & 32)	4	2 Programs implemented as per the Coastal management plan (ward 19, 20,29 & 32)	2 Programs implemented as per the Coastal management plan (ward 19, 20,29 & 32)	2 Programs implemented as per the Coastal management plan (ward 19, 20,29 & 32)	2 Programs implemented as per the Coastal management plan (ward 19, 20,29 & 32)	2 Programs implemented as per the Coastal management plan (ward 19, 20,29 & 32)	SM: Operations
Building Plans	To ensure compliance with National Building Regulations (NBR) by 2027	GGP 5	By complying and monitoring National Building regulations and standards	Turnaround time taken to approve submitted building plans within 30 days	1	30 days turnaround time taken to approve submitted building plans	30 days turnaround time taken to approve submitted building plans	30 days turnaround time taken to approve submitted building plans	30 days turnaround time taken to approve submitted building plans	30 days turnaround time taken to approve submitted building plans	SM: Developmental Planning
				Number of reports on routine inspections of properties as per the check list		4 reports on routine inspections of properties as per the check list	4 reports on routine inspections of properties as per the check list	4 reports on routine inspections of properties as per the check list	4 reports on routine inspections of properties as per the check list	4 reports on routine inspections of properties as per the check list	SM: Developmental Planning
Spatial Planning / Land use management	To ensure maximum and adequate land use management practices by June 2027	GGP 6	By reviewing coherent spatial plan.	Number of reviewed SDF for all wards (1-32)	2	1 reviewed SDF for ward all wards (1-32)	1 reviewed SDF for ward all wards (1-32)	1 reviewed SDF for ward all wards (1-32)	1 reviewed SDF for ward all wards (1-32)	1 reviewed SDF for ward all wards (1-32)	SM: Developmental Planning
			By surveying properties	Number of surveyed properties in Ward 1, 13, 25	135	30 Surveyed properties in Ward 1,13, 25	30 Surveyed properties in Ward 1,13, 25	30 Surveyed properties in Ward 1,13, 25	30 Surveyed properties in Ward 1,13, 25	30 Surveyed properties in Ward 1,13, 25	SM: Developmental Planning
			By conducting Land Audit	Number of reports on land (rural) audits conducted wards (1,2,3,4,5,6,7,8,9, 10,11,12,14,15,16,17,18,19,20,21,22,23,24,26,27,28, 29, 30, 31 & 32) 1 and 32	1	1 reports on land (rural) audit conducted at ward 1,2,3,4,5,6,7,8, 9, 10,11,12,14,15,16,17,18,19,20, 21,22,23,24, 26,27, 28,29,30,31 and 32	1 reports on land (rural) audit conducted at ward 1,2,3,4,5,6,7,8,9, 10,11,12,14, 15,16,17,18,19,20, 21,22,23,24, 26,27, 28,29,30,31 and 32	1 reports on land (rural) audit conducted at ward 1,2,3,4,5,6,7,8,9, 10,11,12,14, 15,16,17,18,19,20, 21,22,23,24, 26,27, 28,29,30,31 and 32	1 reports on land (rural) audit conducted at ward 1,2,3,4,5,6,7,8,9, 10,11,12,14,15,16,17,18,19,20, 21,22,23,24, 26,27, 28,29,30,31 and 32	SM: Developmental Planning	
Inter-Governmental Relations	To strengthen and ensure coordination of integrated and joint planning with spheres of government by June 2027	GGP 7	By strengthening the functionality of IGR	Number of IGR meetings coordinated	4	4 meetings IGR coordinated	4 meetings IGR coordinated	4 meetings IGR coordinated	4 IGR meetings coordinated	4 IGR meetings coordinated	SM: Operations
			By promoting learning and sharing with other spheres of government	Number of Programs or plans shared with other institutions per department	3	1 program or plans shared with other institutions per department	1 program or plans shared with other institutions per department	1 program or plans shared with other institutions per department	1 program or plans shared with other institutions per department	1 program or plans shared with other institutions per department	SM: Operations
SPU	To mainstream special programs into the municipality by June 2027	GGP 8	By implementing SPU strategy	Number of programs implemented for designated groups (Youth, Older persons, Persons with	40	14 programs implemented for designated groups (4 Youth, 3 Older persons, 2 Persons with disability, 3	14 programs implemented for designated groups (4 Youth, 3 Older persons, 2	14 programs implemented for designated groups (4 Youth, 3 Older persons, 2	14 programs implemented for designated groups (4 Youth, 3 Older persons, 2	14 programs implemented for designated groups (4 Youth, 3 Older persons, 2	SM: Operations

FOCUS AREA	OBJECTIVE	OBJ. NO.	STRATEGY	INDICATOR	BASELINE	ANNUAL TARGET 2022/23	ANNUAL TARGET 2023/24	ANNUAL TARGET 2024/25	ANNUAL TARGET 2025/26	ANNUAL TARGET 2026/27	RESPONSIBILITY
				disability, gender and children)		gender and 2 children)	Persons with disability, 3 gender and 2 children)	Persons with disability, 3 gender and 2 children)		gender and 2 children)	
				Number of calendar events commemorated		5 calendar events commemorated	5 calendar events commemorated	5 calendar events commemorated	5 calendar events commemorated	5 calendar events commemorated	SM: Operations
			By implementing annual plans of designated groups in line with HIV/AIDS, STI and TB Strategy Implementation Plan	Number of programmes as per HIV/AIDS, STI and TB strategy Implementation plan	4	4 programmes as per HIV/AIDS, STI and TB strategy Implementation plan	4 programmes as per HIV/AIDS, STI and TB strategy Implementation plan	4 programmes as per HIV/AIDS, STI and TB strategy Implementation plan	4 programmes as per HIV/AIDS, STI and TB strategy Implementation plan	4 programmes as per HIV/AIDS, STI and TB strategy Implementation plan	SM: Operations
Moral Regeneration Movement	To promote ethical and moral transformation by June 2027	GGP 9	By conducting programs against moral decay and antisocial behavior across all sectors	Number of programs conducted		4 programs conducted	4 programs conducted	4 programs conducted	4 programs conducted	4 programs conducted	SM: Operations
				Number of boy child awareness campaigns conducted		2 programs conducted	2 programs conducted	2 programs conducted	2 programs conducted	2 programs conducted	SM: Operations
			By promoting a responsive community against gender based violence	Number of positive value campaigns implemented in all units		3 programs conducted	3 programs conducted	3 programs conducted	3 programs conducted	3 programs conducted	SM: Operations
Integrated planning and reporting	To ensure strategic development, coordinated, integrated planning, budgeting, reporting and legislative compliance on governance matters by June 2027	GGP 10	By coordinating development and alignment of IDP by June 2027	Date on which the 2022/2027 developed IDP is submitted to Council for approval	2022-27 IDP	2022/27 developed IDP submitted to Council for approval by 31 May 2022	2023/24 Reviewed IDP submitted to Council for approval by 31 May 2023	2024/25 Reviewed IDP submitted to Council for approval by 31 May 2024	2025/26 Reviewed IDP submitted to Council for approval by 31 May 2025	2026/27 Reviewed IDP submitted to Council for approval by 31 May 2026	SM: Operations
			By developing and alignment of SDBIP with IDP by June 2027	Number of days by which the 2022/2023 SDBIP is submitted to the Mayor for approval after approval of the IDP and budget	SDBIP 2021/2022	2022/2023 SDBIP submitted to the Mayor for approval within 28 days after approval of the IDP and budget	2023/2024 SDBIP submitted to the Mayor for approval within 28 days after approval of the IDP and budget	2024/2025 SDBIP submitted to the Mayor for approval within 28 days after approval of the IDP and budget	2025/2026 SDBIP submitted to the Mayor for approval within 28 days after approval of the IDP and budget	2026/2027 SDBIP submitted to the Mayor for approval within 28 days after approval of the IDP and budget	SM: Operations
Integrated planning and reporting Communication and customer care	To enhance and promote communication in all municipal activities by June 2027	GGP 11	By implementing communication plan as per communication strategy	Number of programs supported as per the communication plan based on the communication strategy	46	28 programs supported as per the communication plan based on the communication strategy (4 Youth, 4 Older persons, 2 Persons with disability, 2 Children, 3 Gender, 4 Wellness, 4	28 programs supported as per the communication plan based on the communication strategy (4 Youth, 4 Older persons, 2 Persons with disability, 2 Children, 3 Gender, 4	28 programs supported as per the communication plan based on the communication strategy (4 Youth, 4 Older persons, 2 Persons with disability, 2 Children, 3 Gender, 4	28 programs supported as per the communication plan based on the communication strategy (4 Youth, 4 Older persons, 2 Persons with disability, 2 Children, 3 Gender, 4 Wellness, 4 SMME Information Days, 4	28 programs supported as per the communication plan based on the communication strategy (4 Youth, 4 Older persons, 2 Persons with disability, 2 Children, 3 Gender, 4 Wellness, 4	SM: Operations

FOCUS AREA	OBJECTIVE	OBJ. NO.	STRATEGY	INDICATOR	BASELINE	ANNUAL TARGET 2022/23	ANNUAL TARGET 2023/24	ANNUAL TARGET 2024/25	ANNUAL TARGET 2025/26	ANNUAL TARGET 2026/27	RESPONSIBILITY
						SMME Information Days, 4 Agricultural Information Days, 1 Boxing Event, 1 Horse Racing Event)	Wellness, 4 SMME Information Days, 4 Agricultural Information Days, 1 Boxing Event, 1 Horse Racing Event)	Wellness, 4 SMME Information Days, 4 Agricultural Information Days, 1 Boxing Event, 1 Horse Racing Event)	Agricultural Information Days, 1 Boxing Event, 1 Horse Racing Event)	SMME Information Days, 4 Agricultural Information Days, 1 Boxing Event, 1 Horse Racing Event)	
				Number of media Interviews/activities Conducted		4 media Interviews/activities Conducted	4 media Interviews/activities Conducted	4 media Interviews/activities Conducted	4 media Interviews/activities Conducted	4 media Interviews/activities Conducted	SM: Operations
				Number of legislated adverts/notices published		16 legislated adverts/notices published	16 legislated adverts/notices published	16 legislated adverts/notices published	16 legislated adverts/notices published	16 legislated adverts/notices published	SM: Operations
				Number of developed newsletter	4	4 developed Newsletters	4 developed Newsletters	4 developed Newsletters	4 developed Newsletters	4 developed Newsletters	SM: Operations
			By enhancing promotion of access to information whether its personal or institutional	Turnaround time to respond on requested access to information by internal and external stakeholders	0	Response on requested access to information within 30 days	Response on requested access to information within 30 days	Response on requested access to information within 30 days	Response on requested access to information within 30 days	Response on requested access to information within 30 days	SM: Corporate Services
			By managing customer queries	Turnaround time taken to attend and refer queries from communities	1	Queries from communities to be attended and referred within 72 hours	Queries from communities to be attended and referred within 72 hours	Queries from communities to be attended and referred within 72 hours	Queries from communities to be attended and referred within 72 hours	Queries from communities to be attended and referred within 72 hours	SM: Operations
			By improving branding and signage of municipal properties	Number of municipal assets branded	19	N/A	N/A	5 Municipal assets branded	5 Municipal assets branded	5 Municipal assets branded	SM: Operations
Public participation	To ensure that all stakeholders participate in the affairs of the municipality by June 2027.	GGP 13	By strengthening community participation	Number of status quo reports on functionality of Ward Committees	1	4 status quo reports on functionality of Ward Committees	4 status quo reports on functionality of Ward Committees	4 status quo reports on functionality of Ward Committees	4 status quo reports on functionality of Ward Committees	4 status quo reports on functionality of Ward Committees	SM: Operations
				Number of Public Participation programs coordinated (4 IDP/Budget/PMS Rep Forum, MPAC Roadshows, IDP Budget Roadshows and Mayoral Imbizo)		7 Public Participation programs coordinated (4 IDP/Budget/PMS Rep Forum, MPAC Roadshows, IDP Budget Roadshows and Mayoral Imbizo)	7 Public Participation programs coordinated (4 IDP/Budget/PMS Rep Forum, MPAC Roadshows, IDP Budget Roadshows and Mayoral Imbizo)	7 Public Participation programs coordinated (4 IDP/Budget/PMS Rep Forum, MPAC Roadshows, IDP Budget Roadshows and Mayoral Imbizo)	7 Public Participation programs coordinated (4 IDP/Budget/PMS Rep Forum, MPAC Roadshows, IDP Budget Roadshows and Mayoral Imbizo)	7 Public Participation programs coordinated (4 IDP/Budget/PMS Rep Forum, MPAC Roadshows, IDP Budget Roadshows and Mayoral Imbizo)	SM Operations
				Number of PSC meetings	150	68 PSC meetings	4 PSC meetings	4 PSC meetings	4 PSC meetings	4 PSC meetings	SM Operations

FOCUS AREA	OBJECTIVE	OBJ. NO.	STRATEGY	INDICATOR	BASELINE	ANNUAL TARGET 2022/23	ANNUAL TARGET 2023/24	ANNUAL TARGET 2024/25	ANNUAL TARGET 2025/26	ANNUAL TARGET 2026/27	RESPONSIBILITY
				convened or established (Community Services 8, Development Planning 12, Infrastructure 48,		convened or established					
				Number of fora meetings (Community Safety, LCF & Transport) held in 2022/23	12	12 fora meetings (Community Safety, LCF & Transport) held in 2022/23	12 fora meetings (Community Safety, LCF & Transport) held in 2023/24	12 fora meetings (Community Safety, LCF & Transport) held in 2024/25	12 fora meetings (Community Safety, LCF & Transport) held in 2025/26	12 fora meetings (Community Safety, LCF & Transport) held in 2026/27	SM Operations

CHAPTER 5

MBHASHE 2022 – 2027 PROJECTS

KPA 1 PROJECTS: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

PROJECT	WARD	2022/23	2023/24	2024/25	2025/26	2026/27	SOURCE OF FUNDING
		AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	
Training and Development for Employees	Institutional	R 945 000	R 986 580	R 1,030 976.10	N/A	N/A	Equitable Share
Training and Development for Councilors and Traditional Leaders	Institutional	R 900 000	R 939 600	R 981 882	N/A	N/A	Equitable Share
Study Assistance	Institutional	R 1,550,000	R 1 618 200	R 1,691 019	N/A	N/A	Equitable Share
Ward Committees Training	Institutional	R 500 000	R 522 000	R 545,490	N/A	N/A	Equitable Share
Performance Management	Institutional	R 120 000	R 125 280	R 130, 917, 60	N/A	N/A	Equitable Share
Personal Protective Equipment	Institutional	R 150 000	R 156 600	R 163 647	N/A	N/A	Equitable Share
Compliance with Legislation	Institutional	R 1 280 000	R 1 336 320	R 1 396, 454,40	N/A	N/A	Equitable share
Employee wellness programs	Institutional	R 1 200 000	R 1 252 800	R 1 309 176	N/A	N/A	Equitable Share
Bereavement Support	Institutional	R 100 000	R 104 400	R 109 098	N/A	N/A	Equitable Share
Network Infrastructure on Municipal offices/buildings	Institutional	N/A	N/A	N/A	N/A	N/A	Equitable Share
VPN(Virtual private network), Wi-Fi (Wireless Fidelity) and VoIP (Voice Over Int P)	Institutional	R 2 500 000	R 2 610 000	R 2 727 450	N/A	N/A	Equitable Share
Maintenance of ICT Equipment	Institutional	R 300 000	R 313 200	R 327 294	N/A	N/A	Equitable Share
ICT License Renewal	Institutional	R 1 900 000	R 1 983 600	R 2 072 862	N/A	N/A	Equitable Share
Website management	Institutional	R 150 000	R 156 600	R 163 647	N/A	N/A	Equitable Share
Computers	Institutional	R 500 000	R 522 000	R 545 490	N/A	N/A	Equitable Share
Printers	Institutional	R 2 000 000	R 2 088 000	R 2 181 960	N/A	N/A	Equitable Share
Air Conditioners	Institutional	R450 000	R 467 800	R 490 941	N/A	N/A	Equitable Share

PROJECT	WARD	2022/23	2023/24	2024/25	2025/26	2026/27	SOURCE OF FUNDING
		AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	
Customer care building	Institutional	R 50 000	R52 200	R54 549 00	N/A	N/A	Equitable Share
Drawing plans for all Municipal Buildings	Institutional	R150 000	R 156 600	R 163 647	N/A	N/A	Equitable Share
Dutywa Main Building	Institutional	R300 000	R313 200	R327 294	N/A	N/A	Equitable Share
Dutywa Town Hall Offices	Institutional	R700 000	R730 800	R763 786	N/A	N/A	Equitable Share
Dutywa TRC Offices	Institutional	R100 000	R104 400	R109 098	N/A	N/A	Equitable Share
Executive House	Institutional	R100 000	R104 400	R109 098	N/A	N/A	Equitable Share
Gatyana Municipal Offices	Institutional	R250 000	R261 000	R272 745	N/A	N/A	Equitable Share
Generator (New and Maintenance)	Institutional	R 500 000	R 522 000	R545 490	N/A	N/A	Equitable Share
Maintenance of the Lift	Institutional	R150 000	R156 600	R163 647	N/A	N/A	Equitable Share
Municipal Staff Accommodation	Institutional	R 300 000	R313 200	R327 294	N/A	N/A	Equitable Share
Provision of Electricity	Institutional	R 1 700 000	R 1 774 800	R 1 854 666	N/A	N/A	Equitable Share
Provision of Office Furniture	Institutional	R110 000	R114 840	R120 007.80	N/A	N/A	Equitable Share
Public Ablution Maintenance	Institutional	R500 000	R522 000	R545 490	N/A	N/A	Equitable Share
Tesko Building	Institutional	R 50 000	R52 200	R54 549	N/A	N/A	Equitable Share
Registry Management	Institutional	R 832 000	R 868 608	R907 695,36	N/A	N/A	Equitable Share
Cleaning of Offices	Institutional	R 400 000	R 417 600	R 436 392	N/A	N/A	Equitable Share
Water Consumption	Institutional	R 1 500 000	R1 566 000	R 1 636 470	N/A	N/A	Equitable Share
Workshop Offices	Institutional	R 50 000	R52 200	R54 549	N/A	N/A	Equitable Share
Xhora Municipal Offices	Institutional	R200 000	R208 800	R218 196	N/A	N/A	Equitable Share
Disaster Recovery site establishment	Institutional	R 2 500 000	R 3 654 000	R 3 818 430	N/A	N/A	Equitable Share
IT Master Plan-IT Strategic Plan (ICT Governance)	Institutional	R72 000	R 75 168	R78 550.56	N/A	N/A	Equitable Share
Unemployed Community Programs (youth, women and other groups)	Institutional	N/A	N/A	N/A	N/A	N/A	Equitable Share

PROJECT	WARD	2022/23	2023/24	2024/25	2025/26	2026/27	SOURCE OF FUNDING
		AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	
Occupational health and safety	Institutional	R 205 000	R 214 020	R 223 650.90	N/A	N/A	Equitable Share
Municipal Clocking System	Institutional	R 450 000	R 469 800	R490 941	N/A	N/A	Equitable Share
Recruitment and selection	Institutional	R 1 325 000	R 965 700	R 1 009 156,50	N/A	N/A	Equitable Share
Voice recording-Council Chamber	Institutional	R750 000	N/A	N/A	N/A	N/A	Equitable Share

KPA 2 PROJECTS: SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT

Project Name	WARD	2021/22		2022/23		2023/24		2024/25	2025/	2026	SOURCE
		AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	AMOUNT	AMOUNT	
Sport Facilities Ward 25	25	R4 700 000,00	MIG	R5 246 175,53	MIG	R5 477 007,25	MIG	R 5723 472,58	N/A	N/A	MIG
Sport Facilities Ward 1 (Phase 1)	1	12 436 325,92	MIG	9 665 150,56	MIG	10 090 417,18	MIG	10 544 485,96	N/A	N/A	MIG
Sport Facilities Ward 13 (Phase 1)	13	9 165 141,19	MIG	7511 385,15	MIG	7 841 886.10	MIG	8194 770.97	N/A	N/A	MIG
Construction of Municipal Offices	1	R 4 000 000	MIG	R 4 176 000	MIG	R 4 363 920	MIG	N/A	N/A	N/A	N/A
Upgrading Of Ngumbela Sportfield	2	N/A	MIG	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Lower Falakahla To Singeni	12	R 510 287.23	MIG	N/A	N/A	N/A	N/A	N/A	N/A	N/A	MIG
PMU Admin		R 224 127 32	MIG	R3 422 899.32	MIG	R3 422 899.32	MIG	R3 422 899.32	N/A	N/A	MIG
Macirheni – Phelandaba	8	10 693 563	MIG	R 3 121 538,04	MIG	R 3 258 885 71	MIG	R3 405 535 57	N/A	N/A	MIG
Mhlahlane SPS – Chibini	19	4 304 953	MIG	N/A	N/A	N/A	N/A	N/A	N/A	N/A	MIG
Riverview-Langeni	13	R 5 170 785 83	MIG	R 8 885 005.90	MIG	R 9275 946.16	MIG	R 9693 363.74	N/A	N/A	MIG
Cizama to Singeni Access Road	5	N/A	N/A	R 8 275 907.07	MIG	R 8 640 046.98	MIG	R 9 028 849.10	N/A	N/A	N/A
Mtonga to Mantlaneni Access Road	23	N/A	N/A	R 4634 240.00	MIG	R 4838 146.56	MIG	R 5 055 863.16	N/A	N/A	N/A
Machanye to Taleni SPS Access Road	10	N/A	N/A	R 6099 770.41	MIG	R 6368 160.31	MIG	R 654 727.52	N/A	N/A	N/A
N2 to Nimrod Access Road	6	N/A	MIG	R 8, 595 926 69	MIG	R 8 974 147 46	MIG	R 9 377 984 10	N/A	N/A	N/A
Taxi & Bus Rank (Dutywa)	1	N/A	N/A	R500 000 Planning	MIG	MIG	N/A	N/A	N/A	N/A	N/A
Gem Community Hall	8	N/A	N/A	R200 000 Planning	MIG	MIG	N/A	N/A	N/A	N/A	N/A
Nkolweni Access Road	14	N/A	N/A	R350 000 Planning	MIG	MIG	N/A	N/A	N/A	N/A	N/A
Ntsingizi to Matusini Access Road	17	N/A	N/A	R350 000 Planning	MIG	MIG	N/A	N/A	N/A	N/A	N/A
Ntlonyane Bridge	20	N/A	N/A	R400 000 Planning	MIG	N/A	N/A	N/A	N/A	N/A	N/A
Willowvale Taxi Rank	25	N/A	N/A	R500 000 Planning	MIG	MIG	N/A	N/A	N/A	N/A	N/A

Project Name	WARD	2021/22		2022/23		2023/24		2024/25	2025/	2026	SOURCE
		AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	AMOUNT	AMOUNT	
Mathunzini to Nqileni Access Road	26	N/A	N/A	R350 000 Planning	MIG	MIG	N/A	N/A	N/A	N/A	N/A
Skhobeni via Chaba to Mdeni SSS	31	N/A	N/A	R350 000 Planning	MIG	MIG	N/A	N/A	N/A	N/A	N/A
Emkhwezweni to Nqadu JSS/Nkolweni Access Road	3	N/A	N/A	R350 000	MIG	N/A	MIG	N/A	N/A	N/A	N/A
Bolish to Nqabarha Access Road	12	N/A	N/A	N/A	N/A	N/A	MIG	N/A	N/A	N/A	N/A
Bobani Access Road	15	N/A	N/A	N/A	N/A	N/A	MIG	N/A	N/A	N/A	N/A
Ntlahlane Access Road	24	N/A	N/A	N/A	N/A	N/A	MIG	N/A	N/A	N/A	N/A
Ndudumeni to Tywaka Access Road	27	N/A	N/A	MIG	N/A	N/A	MIG	N/A	N/A	N/A	N/A
Tayi to Ngqungqushe via- Xaba	4	N/A	N/A	N/A	N/A	N/A	MIG	MIG	N/A	N/A	MIG
Ntilini to Botwe Access Road	11	N/A	N/A	N/A	N/A	N/A	MIG	MIG	N/A	N/A	MIG
Mgxabakazi Acces Road	22	N/A	N/A	N/A	N/A	N/A	MIG	MIG	N/A	N/A	MIG
Mqothwane Bridge	25	N/A	N/A	N/A	N/A	N/A	N/A	MIG	N/A	N/A	MIG
Road Surfacing	25	N/A	N/A	N/A	N/A	N/A	N/A	MIG	N/A	N/A	MIG
No- Ofisi to Mthonjeni Access Road	28	N/A	N/A	N/A	N/A	N/A	N/A	MIG	N/A	N/A	MIG
Gqukesi to Qhorha Access Road	2	N/A	N/A	N/A	N/A	N/A	N/A	N/A	MIG	N/A	MIG
Bomvana via Lalini to Pokoloshe Access Road	16	N/A	N/A	N/A	N/A	N/A	N/A	N/A	MIG	N/A	MIG
Makabongwe Shop to Jikanaye to Nkonxeni (Gwebityala) Access Road	18	N/A	N/A	N/A	N/A	N/A	N/A	N/A	MIG	N/A	MIG
Quku to Mpume clinic Access Road	21	N/A	N/A	N/A	N/A	N/A	N/A	N/A	MIG	N/A	MIG
NoCwane to Diphini Access Road	29	N/A	N/A	N/A	N/A	N/A	N/A	N/A	MIG	N/A	MIG

Project Name	WARD	2021/22		2022/23		2023/24		2024/25	2025/	2026	SOURCE
		AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	AMOUNT	AMOUNT	
Thubeni to Nomswempezo Access Road	32	N/A	N/A	N/A	N/A	N/A	N/A	N/A	MIG	N/A	MIG
Mfecane to Siwendu Access Road	1	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	MIG	MIG
Phaphasini to KuloJika	30	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	MIG	N/A
Sihlabeni to Gungululu Access Road	7	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	MIG	N/A
Colosa to Dyasi Access Road	9	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	MIG	N/A
Tshezi via Sholozu to Manzibomvu Access Road	19	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	MIG	N/A
Duff Bridge	10	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	MIG	N/A
Jadezweni Bridge	5	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	MIG	N/A
Lota to Machibini Access Road	6	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	MIG	N/A
Mcinga to Mgwebi Access Road	23	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	MIG	N/A
Gravel Road Maintenance	ALL	R 13 032 225	Equitable share	R14 213 120 .85	Own Revenue	R14 356 170.17	Own Revenue	R 15 002 197.82	N/A	N/A	N/A
Upgrading of stormwater	ALL	R 900 000	Equitable share	R500 000	Equitable share	R 522 000	Equitable share	R 545 490	N/A	N/A	Equitable share
Surface roads maintenance	1,13 &25	R 1 000 000	Equitable share	R2000 000	Equitable share	R 2 088 000	Equitable share	R 2 181 960	N/A	N/A	Equitable share
Paving of sidewalks (internal streets)	1,13 &25	R 4 200 000	Equitable share	R3000 000	Equitable share	R 2 610 000	Equitable share	R 2 727 450	N/A	N/A	Equitable share
Installation of high mast		R 300 000	Equitable share	R 300 000	Equitable share	R 313 200	Equitable share	R 327 294	N/A	N/A	Equitable share
Maintenance of street lights	1,13 &25	R 2 844 657	Equitable share	R 1 500 000	Equitable share	R 2 008 800	Equitable share	R 2 181 960	N/A	N/A	Equitable share
Upgrading of streetlights		R 1 000 000	Equitable share	R 2 500 000	Equitable share	R 2 610 000	Equitable share	R 2 727 450	N/A	N/A	Equitable share
Maintenance of Solar Panels	19	R 700 000	Equitable share	R 300 000	Equitable share	R 313 200	Equitable share	R 327 294	N/A	N/A	Equitable share
Small Town Revitalization Program	1	R 2 500 000	Equitable share	R 10 000 000	Equitable share	R 10 440 000	Equitable share	R 10 909 800	N/A	N/A	Equitable share

Project Name	WARD	2021/22		2022/23		2023/24		2024/25	2025/	2026	SOURCE
		AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	AMOUNT	AMOUNT	
OTP Siyibane Access Road		R 1 250 000	Equitable share	R 5 000 000	Equitable share	R 5 220 000	Equitable share	R 5 454 900	N/A	N/A	Equitable share
OTP Msikithi Access Road		R 1 250 000	Equitable share	R 5 000 000	Equitable share	R 5 220 000	Equitable share	R 5 454 900	N/A	N/A	Equitable share
Dutywa Transfer Station		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Equitable Share
Elliotdale Landfill Sites		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Equitable Share
Waste Mangement Services	All	R 2 700 000	Equitable Share	R2 7860 000	Equitable Share	R 2 985 840	Equitable Share	R 3 120 202.80	N/A	N/A	Equitable Share

Project Name	Ward	2022/23	2023/24	2024/25	2025/26	2026/27	SOURCE
EPWP Support	All	R 720 000	751 680	785 505.60	N/A	N/A	
Free basic services	All	R 3 130 000	R 3 267 720	R 3 414 767.40	N/A	N/A	Equitable share
Land Rehabilitation		R 150 000	R 156 600	R 163 647	N/A	N/A	Equitable Share
Renewable Energy Initiatives		R 50 000	R 52 200	R 54 549	N/A	N/A	Equitable Share
Tree Planting		R290 000	R271 440	R283 654.80	N/A	N/A	Equitable Share
Alien Vegetation Control	27,13,25,3	R 300 000	R 313 200	R 327 294	N/A	N/A	Equitable Share
Environmental Forums & Conferences	All	R 50 000	R 41 760	R 43 639.20	N/A	N/A	Equitable Share
Environmental awareness and signage	1,13,25,22,29, 20, 32, 19	R 20 000	R 20 880	R 21 819.60	N/A	N/A	Equitable Share
Animal Pound Management		R150 000	R156 600	R163 647	N/A	N/A	Equitable Share
Law enforcement/Traffic Support		R900 000	R939 600	R981 882	N/A	N/A	
Library Costs		R500 000	R522 000	R545 490	N/A	N/A	
Security Services		R 5 021 557	R 5 242 505.51	R 5 478 418.26	N/A	N/A	
Sand Mining		R 300 000	-	-	N/A	N/A	

PROJECT	WARD	AMOUNT 2022/23	AMOUNT 2023/24	AMOUNT 2024/25	AMOUNT 2025/26	AMOUNT 2026/27	Funding Source
SDF & LSDF	5,26	R 510 000	R 532 440	R 556 399.80	N/A	N/A	Equitable Share
Land Use	1,13,25	R 500 000	R 5 22 000	R 545 490	N/A	N/A	Equitable Shar
Upgrading of informal settlements	9,1,25	R 600 000	R 626 400	R 654 588	N/A	N/A	Equitable Share
Housing Sector Plans	All	R640 000	R668 160	R698 227.20	N/A	N/A	Equitable Share
Township establishment	1,13,25	R 105 000	R109 620	R114 552.90	N/A	N/A	Equitable Share
Surveying	1,13,25	R 475 000	R 495 900	R 518 215.50	N/A	N/A	Equitable Share
SPLUMA implementation (MPT)	All	R 100 000	R 104 400	R 109 098	N/A	N/A	Equitable Share

KPA 3 PROJECT: LOCAL ECONOMIC DEVELOPMENT

PROJECTS	WARD	AMOUNT 2022/23	AMOUNT 2023/24	AMOUNT 2024/25	AMOUNT 2025/26	AMOUNT 2026/27	Funding Source
Crop/Maize production	All	R 2 500 000	R 2 610 000	R 2 727 450	N/A	N/A	Equitable Share
Livestock improvement (Stock remedy)	All	R 1 010 000	R 1 054 440	R 1 101 889.80	N/A	N/A	Equitable Share
Agric Information Days	All	R 180 000	R 187 920	R 196 376.40	N/A	N/A	Mbhashe
Sorghum	8 & 12	R 600 000	R 626 400	R 654 588	N/A	N/A	Equitable Share
Reviewal of LED Strategy	All	R 650 000	R678 600	R709 137	N/A	N/A	Equitable Share
Heritage Development Strategy		R555 000	R579 420	R605 493.90	N/A	N/A	Equitable Share
Investment brochure	All	R 250 000	R 261 000	R 272 745	N/A	N/A	Equitable Share
Enterprise (SMME) Development Support	1, 13,25	R 160 000	R 167 040	R 174 556.80	N/A	N/A	Equitable Share
Informal Trader Support		R140 000	R146 160	R152 737.20	N/A	N/A	Equitable Share
Co-operatives development	All	R 1 000 000	R 1 044 000	R 1 090 980	N/A	N/A	Equitable Share
SMME Capacity Building Support and development	All	R 150 000	R 156 600	R 163 647	N/A	N/A	Equitable Share
Marine Economic initiatives support	19,22	R 150 000	R 156 600	R 163 647	N/A	N/A	Equitable Share

PROJECTS	WARD	AMOUNT 2022/23	AMOUNT 2023/24	AMOUNT 2024/25	AMOUNT 2025/26	AMOUNT 2026/27	Funding Source
(Mncwasa fishery, Tenza.)							
Marine Telapia incubator project		R 150 000	R 156 600	R 163 647	N/A	N/A	Equitable Share
Wool Processing plant		R450 000	R469 800	R490 941	N/A	N/A	
Internal events	All	R 1 000 000	R 1 044 000	R 1 090 000	N/A	N/A	Equitable Share
External events	ALL	R775 000	R809 100	R845 509.50	N/A	N/A	Equitable Share
Supporting of Tour Guides	22,29,21,20,32,19	R115 000	R120 060	R 125 462.70	N/A	N/A	Equitable Share
Mazizi Maqhekeza Resource Centre	22	N/A	N/A	N/A	N/A	N/A	Equitable Share
Craft development	All	R 250 000	R250 000	R215 000	N/A	N/A	Equitable Share
Blue Flag Beach Awareness & Water Testing	19, 22	R 230 000	R 240 120	R 250 925.40	N/A	N/A	Equitable Share
Maintenance of heritage sites (EPWP)	3, 8, 20, 21, 22, 23, 29, 27	-	-	-	N/A	N/A	Equitable Share
Conveyancing	1,13,25	R 350 000	R 365 400	R 381 843	N/A	N/A	Equitable Share
TOTAL		R 21 685 000	R 22 639 140.00	R 23 657 901.30	N/A	N/A	

KPA 4 PROJECTS: FINANCIAL VIABILITY AND MANAGEMENT

PROJECTS	WARD	AMOUNT 2022/23	AMOUNT 2023/24	AMOUNT 2024/25	AMOUNT 2025/26	AMOUNT 2026/27	Funding Source
mSCOA Implementation	Institutional	R 2 095 000	R 2 187 180	R 2 285 603.10	N/A	N/A	Equitable Share
Financial Management Support	Institutional				N/A	N/A	Equitable Share
Annual Financial Statements Preparation	Institutional	R 1 700 000	R 1 774 800	R 1 854 666	N/A	N/A	Equitable Share

PROJECTS	WARD	AMOUNT 2022/23	AMOUNT 2023/24	AMOUNT 2024/25	AMOUNT 2025/26	AMOUNT 2026/27	Funding Source
Financial Management Grant	Institutional	R 1 720 000	R 1 795 680	R 1 876 485.60	N/A	N/A	FMG
Data Validation	Institutional	-	-	-	-	-	
General Valuation Roll	Institutional	R 835 000	R 871 740	R 910 968.30	N/A	N/A	Equitable Share
Debt Collection	Institutional	R 890 000	R 929 160	R 970 972.20	N/A	N/A	Own Revenue
Expenditure & Payroll Management	Institutional	R 1 520 000	R 1 586 880	R 1 658 289.60	N/A	N/A	Equitable Share
Implementation of SCM System	Institutional	R450 000	R 469 800	R 490 941.00	N/A	N/A	Equitable Share
GRAP compliant Asset Management	Institutional	R8 060 000	R 8 414 640	R8 973 298.80	N/A	N/A	Equitable Share
Fleet Management	Institutional	R14 620 000	R 6 389 280	R6 676 797.60	N/A	N/A	Equitable Share
Dept Collection	Institutional	R 890 000	R929 160	R970 972.20	N/A	N/A	
Annual Regularity Audit	Institutional	R 4 500 000	R 4 698 000	R 4 909 410	N/A	N/A	
TOTAL		R36 390 000	R29 117 160.00	R30 427 432.20	N/A	N/A	

KPA 5 PROJECTS: GOOD GOVERNANCE & PUBLIC PARTICIPATION

PROJECT	WARD	AMOUNT 2022/23	AMOUNT 2023/24	AMOUNT 2024/25	AMOUNT 2025/26	AMOUNT 2026/27	FUNDING SOURCE
Annual Report Development	Institutional	R 195 000	R 203 580	R212 741 10	N/A	N/A	Equitable share
Risk Management	Institutional	R 70 000	R 73 080	R 76 376.60	N/A	N/A	Equitable share
Fraud Awareness	Institutional	R 350 000	R 365 400	R 381 843	N/A	N/A	Equitable share
Legal cases	Institutional	R 4 140 000	R 4 322 160	R 4 516 657	N/A	N/A	Equitable share
Internal Audits and Ad hoc assignments	Institutional	R 1 300 000	R 1 357 200	R 1 418 274	N/A	N/A	Equitable share
Coordination of Audit and Risk Committee Meetings	Institutional	R 360 000	R 375 840	R 392 752.80	N/A	N/A	Equitable share

PROJECT	WARD	AMOUNT 2022/23	AMOUNT 2023/24	AMOUNT 2024/25	AMOUNT 2025/26	AMOUNT 2026/27	FUNDING SOURCE
SALGA	Institutional	R1 948 250	R2 033 973	R2 125 501.79	N/A	N/A	Equitable share
Women's caucus	Institutional	R 330 000	R 187 920	R 196 376.40	N/A	N/A	Equitable share
Whippery Programme	Institutional	R 70 000	R 73 080	R 76 368.60	N/A	N/A	Equitable share
MPAC	Institutional	R 545 000	R 568 980	R594 584.10	N/A	N/A	Equitable share
Engagement Meetings	Institutional	R 415 000	R 433 260	R452 756.70	N/A	N/A	Equitable share
Policy Review	Institutional	R 1 065 000	R 1 111 860	R 1 161 893.70	N/A	N/A	Equitable share
IGR Meetings	Institutional	R 25 000	R 26 100	R 27 274.50	N/A	N/A	Equitable share
Programmes as per HIV/Aids, STI & TB Strategy Implementation Plan	Institutional	R95 000	R 99 180	R103 643.10	N/A	N/A	Equitable share
Programmes for Designated groups as per SPU Strategy	Institutional	R 2 230 000	R 2 328 120	R2 432 885.40	N/A	N/A	Equitable share
IDP Development	Institutional	R 1 035 000	R 1 080 540	R 1 129 164.30	N/A	N/A	Equitable share
Implementation of IDP SDBIP and Budget Integration	Institutional	R 910 000	R 950 040	R992 791.80	N/A	N/A	Equitable share
Customer care update	Institutional	R 970 000	R 1 012 680	R1 058 250.60	N/A	N/A	Equitable share
Implementation of Communication strategy	Institutional	R 1 445 000	R 1 508 580	R1 576 466.10	N/A	N/A	Equitable share
Branding of the municipality	Institutional	R 400 000	R 417 600	R 436 392	N/A	N/A	Equitable share
Development of Newsletters	Institutional	R 400 000	R417 600	R436 392	N/A	N/A	Equitable share
Public Participation	Institutional	R 1 920 000	R 2 004 480	R2 094 681.60	N/A	N/A	Equitable share
Ward Committee Administration	Institutional	R 6 855 000	R 7 156 620	R 7 478 667.90	N/A	N/A	Equitable share
TOTAL		R 27 073 250	R 28 107 873	R 29 372 727.29	N/A	N/A	

PROJECTS BY OTHER SECTOR DEPARTMENTS

- AMATHOLE DISTRICT MUNICIPALITY MIG THREE YEAR CAPITAL PLAN 2022/23 to 2024/25

PROJECT NAME	2022/2023 VAT EXCLUSIVE PROJECT AMOUNT	2023/2024 VAT EXCLUSIVE PROJECT AMOUNT	2024/2025 VAT EXCLUSIVE PROJECT AMOUNT	REGION
Bende Water Supply Scheme	16 457 265	19 704 348	13 434 783	EC121 MBHASHE
Elliotdale Wastewater Treatment Works Feasibility Study	895 652	8 956 522	13 434 783	EC121 MBHASHE
Idutywa East Water Supply Scheme Phase 2, Idutywa east water supply project	1 343 478	4 746 957	1 791 304	EC121 MBHASHE
Mbhashe Area Wide Sanitation: Mbhashe Region 1 Sanitation; Mbhashe Region 1b Sanitation Project: Phase 2	447 826	447 826	1 791 304	EC121 MBHASHE
Mbhashe Area Wide Sanitation: Mbhashe Region 2 Sanitation Project: Phase 2	447 826	447 826	895 652	EC121 MBHASHE
Mbhashe Elliotdale Region 2B Sanitation Project: Phase 2	447 826	447 826	1 791 304	EC121 MBHASHE
Mbhashe Region 2C Sanitation Project: Phase 2	447 826	447 826	1 791 304	EC121 MBHASHE
Mbhashe Region 2D Sanitation Project: Phase 2	447 826	447 826	1 791 304	EC121 MBHASHE
Mbhashe Region 3B Sanitation Project: Phase 2	447 826	447 826	1 791 304	EC121 MBHASHE

PROJECT NAME	2022/2023 VAT EXCLUSIVE PROJECT AMOUNT	2023/2024 VAT EXCLUSIVE PROJECT AMOUNT	2024/2025 VAT EXCLUSIVE PROJECT AMOUNT	REGION
Mgwali North Water Supply Scheme	14 509 565	4 478 261	4 478 261	EC121 MBHASHE
Mgwali South Water Supply Project; Mgwali South Water Supply Phase B	14 420 000	17 913 043	8 956 522	EC121 MBHASHE
Sewage Reticulation in Willowvale	1 450 957	8 956 522	8 956 522	EC121 MBHASHE
Shixini Water Supply Scheme	9 046 087	4 478 261	8 956 522	EC121 MBHASHE
Upgrading of Bulk Collector Sewers to Accommodate Future Development in Dutywa	895 652	21 495 652	17 913 043	EC121 MBHASHE
Upgrading of Water Storage & Reticulation to Accommodate Future Development in Dutywa	895 652	22 391 304	17 913 043	EC121 MBHASHE
Ward 31 Water Supply Scheme	10 165 652	895 652	895 652	EC121 MBHASHE
TOTAL:	51 383 565	80 608 695	68 069 565	EC121 MBHASHE

REGIONAL BULK INFRASTRUCTURE GRANT - BUDGET 2022/23 TO 2024/25

Project Name	VAT EXCLUSIVE PROJECT AMOUNT 2222/23	VAT EXCLUSIVE PROJECT AMOUNT 2223/24	VAT EXCLUSIVE PROJECT AMOUNT 2224/25	Project Description	Fund	Region
Xhora East Water Supply	13 239 130	-	-	DC12EF.13.35.000003	1604100010	EC121 MBHASHE
Sundwana Water Supply	-	35 304 348	35 304 348	DC12- EF.14.35.000002	1604100010	EC121 MBHASHE
TOTAL:	13 239 130	35 304 348	35 304 348			

i. **ESKOM ELECTRIFICATION PLAN 2022/23**

Project Name	Project type	Beneficiaries	Gazetted amount	Planned H/H
Elliotdale Rural Ph 3	Households	Ngazana(83), Nqileni (200) and Mkhathali B6 (143),Mbotyi(Mbutye)	R 19 000 000.00	500
Elliotdale Rural Ph 3 LL			R 2 610 000.00	
Elliotdale Rural Ph 3 Pre Eng (2022/23)	Eng. Costs		R 755 000.00	
Elliotdale Rural Ph 4	Households	Nxuluma B5, Mpame (474), Manzamnyama(202), Mgababa (38), Mcwase(56), Kwatshezi(121), Lumkwana(121), KwaMbhoto (153), Zithulele(89) and Lubanzi (143)	R 39 888 130.00	990
Elliotdale Rural Ph 4 Pre eng(2022/23 Plan)	Eng. Costs		R 880 000.00	
Elliotdale rural Ph 5	Households	Bunene, Cwebhe, hobeni, Mcelwane , Qwili.	R 6 285 955.83	160
Elliotdale Rural Ph 5 Pre eng (2022/23 Plan)	Eng. costs		R 480 000.00	

Mbhashe wards ext Ph 1	Households	Xobo, Xabajiyane, Gwadana, Lower Falakahla(25), Mhala(56), Ngabahla clinic(13), Upper Falakahla(18) Mnandi(28), Cungcwini(47), Mthuvi(23), Bende (17), Noholland(17) Notinara(44), Morison(22), Magiqweni	R 12 500 000.00	350
Mbhashe wards Ext Ph 1 Pre-eng(2022 /23Plan)	Eng. Costs		R 633 000.00	
Mbhashe wards Ext Ph 2	Households	Mpozolo(25) , Msendo(78, Mendu(46), Nkonjane(15), Lukrwayizo(57), Mendwana (34), Ntlangano (12), and Mampondweni(14)	R 12 500 000.00	350
Mbhashe Wards Ext Ph 2 Pre Eng (2022/23 Plan)	Eng. Costs		R 633 000.00	
Mbhashe Typi infills			R 865 000.00	120
Mbhashe Schedule 5B	Recoverable costs		R 350 000.00	
Total Mbhashe			R 97 380 085.00	2470

- **Electrification Plan 2023/24**

Project name	Project Type	Beneficiaries	Planned Capex	Planned H/H
Elliotdale Wards Ext Pre-Eng. 24/25	Pre-Engineering Costs		R 750 000.00	0
Elliotdale Rural Ph 4	Households		R 29 640 000.00	760
Elliotdale rural Ph 4 LL	Infrastructure		R 1 800 000.00	0
Mbhashe Wards Ext Ph 1	Households	Upper Nywara, Rwantsini, Mambukweni, Hleke, Komkhulu, Jolovu, Mzantsi, Ndabankulu, Mbelo, Munyu, Qhawe, Gcayi, Nyakatha, Ntshingeni, jojweni, Timane, Zamuxolo, Zithenjini, Mhala, Mabheleni, Ndesi, Candu, ludondolo Tamsanqa, Mangweni, Xeni. Zweliwelile, Mphuti, Ngonyamax3, Sheshegu, mamfeneni, mphahlala, mahliwana. Idutywa River, Lusizini, Sizini, Dubisiko, Mzomtsha, Auckland, matolweni, lencane, zimpuku, qelani, Ndakeni, mphepheni, gubevu, mzomtsha, bhngweni, good hope	R 28 800 000.00	800
Mbhashe Ward Ext Ph 1 Pre-eng (2024/25 Plan)	Pre-Engineering Costs		R 549 870.00	

Mbhashe Wards Ext Ph 2	Households	Nondobo, mthokwane,nqabarha vd,lower nduku,nkatha,qadini,mevana,lower gwadu,upper,gwadu,phathilizwe,xonyeni,msengeni,n kelekethe,shixini,mhlabulungile,nakazana,qwaninga,ngxutyane,bhojini,bonde,Phungulu,sirunu,kosana,m ngazana	R 25 632 000.00	712
Mbhashe Wards Ext Ph 2 Pre-eng (2024/25 Plan)	Pre-Engineering Costs.		R 550 500.00	
Mbhashe type 1 Infills	Households		R 1 463 000.00	209
Mbhashe Schedule 5B Pre-Eng	Pre-Engineering Costs		R 450 000.00	
Mbhashe Total			R 89 634 870.00	2481

- **Electrification Plan 2024/25**

Project name	Project Type	Beneficiaries	Planned Capex	Planned H/H
Elliotdale Wards Ext	Households		R 30 000 000.00	800
Elliotdale Wards Ext Pre-Eng. 25/26	Pre-Engineering Costs		R 750 000.00	0
Mbhashe Wards Ext Ph 1	Households	Msikithi, Sibane, Khasa, Ncihana, Manduluka, River view.	R 28 800.000.00	800
Mbhashe Ward Ext Ph 1 Pre-eng (2025/26 Plan)	Pre-Engineering Costs		R 600 000.00	0
Mbhashe Wards Ext Ph 2	Households		R 28 800 000.00	800
Mbhashe Wards Ext Ph 2 Pre-eng (2025/26 Plan)	Pre-Engineering Costs.		R 600 000.00	0
Mbhashe type 1 Infills	Households		R 1 600 000.00	200
Mbhashe Schedule 5B Pre-Eng	Pre-Engineering Costs			


Mbhashe Total

R 91 150 000.00

2600


○ **HUMAN SETTLEMENTS PROJECTS**

5

 Province of the
EASTERN CAPE
HUMAN SETTLEMENTS

**2022/23 FINANCIAL YEAR
MBHASHE MUNICIPALITY PROJECTS**

- **3 Planning projects**
- **2 Running projects**
- **1 New projects**
- **Issuance of 753 title deeds and**
- **Upgrading of 3 Informal Settlements**

 **TRANSFORMING
COMMUNITIES TOGETHER**

PLANNING PROJECTS

PROJECT NAME	NO. OF SUBS.	STATUS	PROGRESSTO DATE
ELLIOTDALE 400 (57)	57	New	Contractor's briefing was held on the 17 th of November 2021 and bidding closed on the 9 th of December 2021. Currently under procurement processes.
ELLIOTDALE 292	112 New Units 175 Rectification	Unblocking	Contractor's briefing was held on the 09 th of December 2021 and bidding closed on the 17 th of January 2022. Currently under procurement processes.
WILLOWVALE 97	14 New Units 105 Rectification	Unblocking	Contractor's briefing was held on the 09 th of December 2021 and bidding closed on the 17 th of January 2022. Currently under procurement processes.

RUNNING PROJECTS

PROJECT NAME	NO. OF SUBS.	STATUS	CHALLENGE	PROGRESSTO DATE
DUTYWA 100 (18) DESTITUTE	18	Running	No progress for the past financial year. Contractor's contract has lapsed	Department in a process of instituting legal actions against the contractor for non-performance.
NGQAQINI 50 DESTITUTE	50	Running	Disaster that affected several completed units in this project.	50 units completed. Department is engaged in a process of assessing disaster affected units.



NEW PROJECTS

PROJECT NAME	NO. OF SUBS	STATUS	COMMENTS
MBHASHE 200 DISASTER	200	New	Project application has been compiled and presented to funding committees, awaiting for funding approval.

PROJECTS FINANCIAL INFORMATION

PROJECT NAME	NO. OF SUBS.	CONTRACT VALUE	EXPENDITURE	BALANCE AVAILABLE
ELLIOTDALE 400 (57)	57	R 8 835 000,00	R 0.00	R 8 835 000.00
ELLIOTDALE 292	287	R 43 447 801.00	R 0 .00	R 43 447 801.00
WILLOWVALE 97	119	R 19 923 87200	R 0. 00	R 19 923 87200
DUTYWA 100 (18)	18	R 2 671 005,24	R 0.00	R 2 671 005.24
NKANGA/NQAQINI 50 DESTITUTE	50	R 9 297 250.00	R9 128 200.50	R 169 049.50



TITLE DEEDS RESTORATION PROGRAM

PROJECT NAME	EXPECTED DELIVERY TARGET	EXPENDITURE TO DATE	CHALLENGES	PROGRESS TO DATE
DUTYWA 753 EXT 8	753 Title Deeds	R 393 000,00	Unavailability of rightful beneficiaries	393 Title Deeds have been completed. DM Lukhozi Attorneys is busy with conveyancing on site.



EMERGENCY HOUSING PROGRAM

- **BUDGET** : R 18 559 008.00
- **PLANNED SHELTERS** : 288

CHANNELS OF COMMUNICATION

- **When a situation that requires an emergency housing assistance has occurred, the following channels of communication will apply:**
 - **Ward Councillor (working closely with the Traditional Authority in Rural Areas) reports the incident to the LM**
 - **Municipality must submit a formal application to the Department of Human Settlements through Regional Office**
 - **An assessment will be conducted**
 - **If the situation warrants intervention Service Provider will be instructed**
 - **Municipalities are always requested to prioritise due to budgetary constraints**



- Department of Transport

Transport Infrastructure current projects

2021/22 MBHASHE BUDGET SPLIT				
ROUTINE MAINTENANCE OF PAVED ROADS				
PROJECT NAME	AMOUNT (Awarded)	ROAD NUMBER	LOCATION	KM
RRM: MBHASHE (Surfaced)	R 298 756,66	VARIOUS	DUTYWA & WILLOWVALE	5
RRM: MBHASHE (Gravel)	R 2 000 000,00	DR 18033	XHORA	5
	R 2 000 000,00	DR08345	WILLOWVALE	5
	R 2 000 000,00	DR08324	XHORA	5
	R 2 000 000,00	DR08335	DUTYWA	5
	R 8 000 000,00	DR08044	DUTYWA	2
	R 2 000 000,00	DR08397	DUTYWA	5
	R 2 600 000,00	DR08279	DUTYWA	6,2
TOTAL	R 13 698 756,70			33,2

Public Transport current and planned Project

AB350 subsidized bus services

AB350			
NAME OF MUNICIPALITY	NUMBER OF ROUTES	NUMBER OF BENEFICIARIES PER ANNUM	ANNUAL SPENDING
MBHASHE MUNICIPALITY	7	238800	R 10 629 038.76

Scholar Transport current and planned projects

NUMBER OF SCHOOLS	NUMBER OF LEARNERS	OPERATORS	BUDGET
48	6683	189	6 247 393.65

Transport Safety current and planned projects

ANNUAL BUDGET



Community Based Programme (CBP)/ EPWP

PROJECT NAME	NO OF PARTICIPANTS	PROJECT DESCRIPTION	ANNUAL BUDGET
HOUSEHOLD CONTRACTORS	890	ROUTINE ROAD MAINTAINANCE	R 8,202,240.00
COVID-19 CLEANERS	6	COVID-19 PREVENTION	R 138,168.00
SCHOLAR TRANSPORT MONITORS	40	SAFETY OF LEARNERS	R 921,120.00
COMMUNITY DEVELOPMENT SUPPORT	1	ADMINISTRATION	R 60,000.00
WALKING BUS	13	SAFETY OF LEARNERS	R 299,364.00
SUPERVISOR	52	SUPERVISION AND M&E	R 2,483,520.00
ROAD RANGERS	21	SAFETY OF ROAD USERS	R 655,200.00
TOTAL	1023	TOTAL	R 12,759,612.00

- MUNICIPAL INFRASTRUCTURE SUPPORT AGENT (MISA)

DETAILED PLANNING AND RESEARCH PROGRESS OVERVIEW

ENABLING APPROPRIATE RESOURCE ALLOCATION THROUGH EVIDENCE BASED DECISION MAKING DRIVEN BY PROPER RESEARCH AND PLANNING.

NO	Research / Planning Need	Status	Funder	Target Date
1	Regional Spatial Development Framework	At procurement	MISA	2021/22 FY
2	ICT Feasibility Study	TOR's under development	DCDT	2022/23 FY
3	Renewable Energy Feasibility Study	At procurement	MISA	2021/22 FY
4	Integrated Transport Master Plan	Inception	DHS	2022/23 FY
5	Land Use Study and High-Resolution Mapping	Inception	DHS	2022/23 FY
6	Integrated Human Settlements Master Plan	Inception	DHS	2022/23 FY
7	Oil, Gas & Natural Resources Feasibility Study	Inception	TBC	2022/23 FY
8	Cultural & Heritage Asset Audit & Mapping	TOR's under development	DSAC	2022/23 FY
9	Regional Economic Profile	TOR's under development	DSBD	2022/23 FY
10	Regional (City) Master Plan	TOR's under review	MISA	2022/23 FY
11	Airport Feasibility Study	TOR's under development	MISA	2022/23 FY
12	Port Feasibility Study	TOR's under development	MISA	2022/23 FY
13	Capital Expenditure Framework (CEF)	Inception	TBC	2022/2023 FY
14	Various Environmental Impact Assessments	Inception	TBC	2022/2023 FY
15	Rail Feasibility Study	Inception	TBC	2022/2023 FY

£1.5 million studies attract over £100 million

The £50,000 feasibility studies were a winning formula for the 29 of the 30 local authorities that reported significant benefits. The return on investment was huge for some of them including:

- £107 million additional private and public investment for **Belfast, Bristol, London, Peterborough** and **Milton Keynes** to make parts of their studies a reality
- **further investment** from partner organisations for most participants
- at least three-quarters had taken forward some aspects of their bids by end of 2013 and are already seeing significant **activity**
- new and ongoing **partnerships** between authorities and with local businesses and universities

“Wider contact with like-minded people really builds confidence and also helps with shaping ideas.” Belfast

Projects now being taken forward include guided car parks, city-wide wireless networks, smart transport, intelligent street lighting, community safety, and connected health schemes.

DRDAR PROJECT PLANS

PROJECT NAME	WARD & LOCATION	DURATION	BUDGET
Household	ALL WARDS 1020 Beneficiaries	2022/23	R1 679 940.00
Cropping	ALL WARDS 2496ha	2022/23	R9 185 634.00.00
Vegetables	one project per Unit 25ha	2022/23	R500 000.00
Poultry	one projects per Unit	2022/23	R100 000.00
Custom feeding	Ngangegqili	2022/23	R868 666.00
Piggery	one project per Unit	2022/23	R120 000.00
Fencing	Weza maize project 12 km	2022/23	
Dam scooping	Zundwane location Masakhane Mbewana	2022/23	



5.7.DALRD PROJECT PLANS FOR MBHASHE LM

Co-operatives and Enterprise Development (CED)


PROJECT NAME	FOCUS AREA	BUDGETED AMOUNT	DURATION 2022/23 FY
Laphuma Ilanga Co-operative (Vegetable)	co-operative office container Storage container (steel container) 12m x 6m Farm Bakkie	Total budget R900 000.00	2022/23 FY
Khulani Brick making project.	8 ton truck	Total budget R700 000,00	2022/23 FY
Ngxakhaxha Farmer Association.	maize production inputs for 50 ha Storage container (steel container)12mx 6m Procurement of diesel for 3000 litters	Total budget R660 000.00	2022/23 FY
Bulungula Co-operative	gas cylinder x4 Protective clothing 4 plate gas Soap dough Packaging material	Total budget R200 000.00	2022/23 FY
ALL FUNDED PROJECTS	Training and catering of beneficiaries	Total budget R 30 000.00	2022/23 FY

○ DEFF PROJECT PLANS FOR MBHASHE LM

FOCUS AREA/PROGRAM	PROJECT NAME	PROGRESS	ANTICIPATED YEAR OF ACTIVATION	No. of jobs created
			2020/21	
Biodiversity Economy	EC-Amajingqi traditional council: Deliverables 1. Game fencing 2. Lodge 3. Game meat processing plant (Abattoir) 4. Admin building 5. Water supply and roads	Project is currently in the planning phase. Land evaluation has been done by the municipality. Awaiting formal correspondence	X	Planning phase
People & Parks	EC-Amakhosa Royal Kingdom	Project is under planning phase. Project was introduced to the municipality. Project Advisory Committee established. Site visit was done. EIA is required for the project. Consultant has to be appointed to conduct EIA.	X	Recruitment not done as yet
Working for the Coast	EC - WFTC IP Coastal Structure Refurbishment And Blue Flag Support	Department is in the process of appointing service provider.	X	Recruitment not done as yet
Working for the Coast: ME EC - Wftc	Great Kei River to Mbashe River (18/21)	Department is in the process of appointing service provider.	X	Recruitment not done as yet
FOCUS AREA/PROGRAM	PROJECT NAME		ANTICIPATED YEAR OF ACTIVATION	No. of jobs created
			2022/23	
GOSM	EC- Establishment of recreational parks in Willowvale	Project will be implemented in the next financial year	X	
Working on Waste: Stimulus package	Waste Picker project	140 Waste Pickers have been identified from municipal data base. Documents were loaded to the system. PPEs delivered to the municipality. Once off Payment has been paid. Payments are in progress.	2020/2021	Once off

Working on Waste	Cleaning and Greening	60 participants have been identified. Department is in the process of appointing service provider and procure PPEs	Has been put on hold for now	
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○ PROJECT PLANS FROM DEPARTMENT OF HEALTH



MOBILE CLINIC

NO. OF MOBILE POINTS = 73		COMMENTS
MOBILE POINTS TO BE ADDED - MENDU – WILLOWVALE	-	ARRANGEMENT IN PROCESS WILL START NEXT MONTH COMMUNITY TO SIT DOWN AND IDENTIFY MOBILE SITE
- MGWEBI - WILLOWVALE		- MEETING TO BE ARRANGED WITH THE COMMUNITY AND IDENTIFY MOBILE POINT.
KASA MOBILE CLINIC		IS ACTIVE AND VISITED ACCORDING TO SCHEDULE

Fraud prevention line: 0800 761 764
 24 hour Call Centre: 0800 622 364
 Website: www.echealth.gov.za



MOBILE CLINIC

NO. OF POINTS		COMMENTS
SHINIRA/NKQAKAYI - ELLOITDALE	-	IDENTIFIED AS A HEALTH POST CROWD PULLERS APPOINTED AWAITING FOR STAFF FROM SOLIDARITY FUND THAT WILL WORK FOR 2 MONTHS FURNITURE IS AVAILABLE
XORHA MOUTH- CLINIC		<ul style="list-style-type: none"> - CLINIC IS IN PROCESS PUBLIC WORKS IS WORKING WITH INFRASTRUCTURE - PLAN HAS BEEN DRAWN - SITE IDENTIFIED - WAITING FOR ADVERTISEMENT OF TENDER - CONSULTATION MEETING HAS BEEN DONE - PLAN HAS BEEN DISCUSSED WITH THE COMMUNITY INCLUDING WARD 28 COUNCILLOR

MOBILE CLINIC

NO. OF POINTS		COMMENTS
SUNDUZA CLINIC/UPPER MBANGCOLO		COMMUNITY TO SIT TOGETHER AND IDENTIFY THEIR NEEDS AS UPPER MBANGCOLO WAS IDENTIFIED BY COMMUNITY TO BE MOBILE POINT AND NOW IT HAS BEEN IDENTIFIED TO HAVE A HEALTH POST -

○ SOCIAL DEVELOPMENT PROJECTS 2022- 2023 FINANCIAL YEAR ORGANIZATIONS

PROJECT NAME	LOCALITY	WARD	NATURE	ACTIVITY	TOWN
Siyakhanyisa Drop In Centre	Mahasana	22	Drop in Centre	Provide early childhood development programmes appropriate to the developmental needs of the vulnerable children	Willowvale
Lithalethu Drop In Centre	Ngadla	22	Drop in Centre	Provide early childhood development programmes appropriate to the developmental needs of the vulnerable children	Willowvale
Willowvale White Door	Chamshe	22	White door center of Hope (GBV)	Provide support and counseling to the victims of violence within a safe environment	Willowvale
Nqadu White Door	Nqadu	11	White door center of Hope (GBV)	Provide support and counseling to the victims of violence within a safe environment	Willowvale
Dadamba White Door	Upper Dadamba	11	White door center of Hope (GBV)	Provide support and counseling to the victims of violence within a safe environment	Willowvale
Mbhashe Cluster Foster Home	Willowvale Town	25	Cluster Foster Home	providing for the reception of children in foster care, managed by a nonprofit organisation	Willowvale
Siyazama Service Centre	Nqabara	29	Community Based Care (Service Centre)	Provide developmental and integrated services to older persons	Willowvale
Mzomomhle Service Centre	Mboya	30	Community Based Care (Service Centre)	Provide developmental and integrated services to older persons	Willowvale
Ilingelihle Service Centre	Mpozolo	21	Community Based Care (Service Centre)	Provide developmental and integrated services to older persons	Willowvale
Khayaletu Service Centre	Dumalisile	25	Community Based Care (Service Centre)	Provide developmental and integrated services to older persons	Willowvale
Bambanani Service Centre	Qwaninga	23	Community Based Care (Service Centre)	Provide developmental and integrated services to older persons	Willowvale
Masiyimele MaGcaleka	Nqadu	11	Community Based Care (Service Centre)	Provide developmental and integrated services to older persons	Willowvale
Siphakamise Service Centre	Ntlabane	30	PWD centre	provide Basic care services to Persons with Disabilities	Willowvale

PROJECT NAME	LOCALITY	WARD	NATURE	ACTIVITY	TOWN
Nqadu Home Community Based Centre	Nqadu	11	Home Community Based Care and Rehabilitation	Promoting Programmes that prevent HIV and AIDS prevalence	Willowvale
Masiphathisane Service Centre	Ngxakaxa A/A	2	Community Based Care (Service Centre)	Provide developmental and intergrated services to older persons	Dutywa
Ncedolwethu Service Centre	Mputi A/A	2	Community Based Care (Service Centre)	provide developmental and intergrated services to older persons	Dutywa
Siyakhanya Badala S.C	Mangathi A/A	9	Community Based Care (Service Centre)	provide developmental and intergrated services to older persons	Dutywa
Duff WDCH	Bomela A/A	9	White door center of Hope (GBV)	Provide support and counseling to the victims of violence within a safe environment	Dutywa
Masongane Service Centre	Colosa A/A	9	Community Based Care (Service Centre)	provide developmental and intergrated services to older persons	Dutywa
Doti Family Preservation	Colosa A/A	9	Care and support to Families	provide preventative and developmental programmes to families at risk	Dutywa
Bolotwa Service Centre	Bolotwa A/A	6	Community Based Care (Service Centre)	provide developmental and intergrated services to older persons	Dutywa
Dayimane WDCH	Lota A/A	6	White door center of Hope (GBV)	Provide support and counseling to the victims of violence within a safe environment	Dutywa
Sakhulutsha Youth Project	Nqabane A/A	6	Substance Abuse	Prevention Programmes	Dutywa
Ncedolwethu Craft & Sewing	Nywarha A/A	5	PWD centre	provide Basic care services to Persons with Disabilities	Dutywa
Nywarha HBC & Rehab	Nywarha A/A	5	Home Community Based Care and Rehabilitation	Promoting Programmes that prevent HIV and AIDS prevalence	Dutywa
Dutywa Drop-in centre	Candu A/A	5	Drop in Centre	Provide early childhood development programmes appropriate to the developmental needs of the vulnerable children	Dutywa
Khulasande dabane Programme	Dabane Location	26	CNDC	Nutrition	Elliotdale

PROJECT NAME	LOCALITY	WARD	NATURE	ACTIVITY	TOWN
Eyethu service Centre	Xhama A/A Elliotdale	15	Community Based Care (Service Centre)	provide developmental and intergrated services to older persons	Elliotdale
Phakamani Cuntsula S Centre	Cuntsula Location Elliotdale	13	Community Based Care (Service Centre)	provide developmental and intergrated services to older persons	Elliotdale
Makukhanye service centre	Mbutye A/A Elliotdale	28	Community Based Care (Service Centre)	provide developmental and intergrated services to older persons	Elliotdale
Siyonelisa service centre	Ntlonyana A/A Elliotdale	26	Community Based Care (Service Centre)	provide developmental and intergrated services to older persons	Elliotdale
Ntsingizi service centre	Ntsingizi A/A Elliotdale	17	Community Based Care (Service Centre)	provide developmental and intergrated services to older persons	Elliotdale
Masiphile service centre	Ncihana Head A/A	13	Community Based Care (Service Centre)	provide developmental and intergrated services to older persons	Elliotdale
Khayalethemba WDCH	Komkhulu Locality Ntsingizi A/A	17	White door center of Hope (GBV)	Provide support and counseling to the victims of violence within a safe environment	Elliotdale
Masinedane WDCH	Xhama A/A	15	White door center of Hope (GBV)	Provide support and counseling to the victims of violence within a safe environment	Elliotdale
Walter Sisulu WDCH	Melitafa A/A	15	White door center of Hope (GBV)	Provide support and counseling to the victims of violence within a safe environment	Elliotdale
Masizakhe WDCH	Mbutye A/A	28	White door center of Hope (GBV)	Provide support and counseling to the victims of violence within a safe environment	Elliotdale
Ikhaya caring for the Disabled	Hobeni A/A	20	PWD centre	provide Basic care services to Persons with Disabilities	Elliotdale
Elliotdale Family Preservation	Stoney drift A/A	17	Care and support to Families	provide preventative and developmental programmes to families at risk	Elliotdale
Khulasande dabane Programme	Dabane Location	26	Community Based Care (Service Centre)	provide developmental and intergrated services to older persons	Elliotdale

PROJECT NAME	LOCALITY	WARD	NATURE	ACTIVITY	TOWN
Baza Projects Primary Cooperative Limited	Munyu A/A	4	Youth Development	Piggery	Dutywa
Silulutho Agrigreen and Poultry farmers primary cooperative limited	Qwaninga A/A	23	Youth Development	Poultry production	Willowvale
Masibonisane Xhama Cooperative	Xhama A/A	15	Women Development	Poultry production	Elliotdale
Siyakhula Siyazondla Community Gardens	Qinqana South	17	Sustainable Livelihood	Food gardens	Elliotdale
Sikhokhele Service Centre	Sizini A/A	9	Community Based Care (Service Centre)	provide developmental and intergrated services to older persons	Dutywa
Vukani Service Centre	Ngonyama A/A	2	Community Based Care (Service Centre)	provide developmental and intergrated services to older persons	Dutywa
Vukasizwe Service Centre	Manzi A/A	17	Community Based Care (Service Centre)	provide developmental and intergrated services to older persons	Elliotdale
Zanokhanyo	Ngxakaxha A/A	2	Community Based Care (Service Centre)	provide developmental and intergrated services to older persons	Dutywa
Ncedolwethu Day Care Centre	Qwaninga	23	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale
Lusizo Day Care Centre	Luvundu	23	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale

PROJECT NAME	LOCALITY	WARD	NATURE	ACTIVITY	TOWN
Sivelile Day Care Centre	Khwanyana	25	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale
Sinethemba Day Care Centre	Upper Gwadu	27	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale
Nquba Day Care Centre	Mahasana	22	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale
Phathilizwe Day Care Centre	Xonyeni	24	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale
Ngangendlovu Day Care Centre	Weza	30	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale
Shixini Day Care Centre	Xonyeni	24	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale
Masakhane Day Care Centre	Ncedane	11	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale
Jojweni Day Care Centre	Nkelekethe	27	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale
Ciko Day Care Centre	Ciko	25	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale
Thembisa Day Care Centre	Ciko	25	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale
Nomawaka Day Care Centre	Lower Gwadu	24	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale
Kwilini Day Care Centre	Mevana	29	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale
Mendwana Day Care Centre	Mendu	21	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale
Nduku Day Care Centre	Nqabara	29	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale
Lurhwayizo Day Care Centre	Mendu	21	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale

PROJECT NAME	LOCALITY	WARD	NATURE	ACTIVITY	TOWN
Nowaka Day Care Centre	KuloJingqi	22	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale
Lukhanyo Day Care Centre	Mente	11	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale
Mbityana Day Care Centre	Lower Gwadu	24	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale
Kulozulu Day Care Centre	Nqadu	30	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale
Zwelakhe Day Care Centre	Ntlabane	30	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale
Ebhotwe ECDC	Nqadu	11	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale
Ngqaqini Day Care Centre	Ngqaqini	11	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale
Mzamomhle Day Care Centre	Mgwebi	11	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale
Nompha Day Care Centre	Ngadla	22	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale
Siyazama Day Care Centre	Mendu	21	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale
Khamisa Day Care Centre	Dumalisile	25	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale
Mfezane Day Care Centre	Qakazana	27	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale
Msobomvu Day Care Centre	Bojeni	23	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale
Ilithaletu Day Care Centre	Ngadla	22	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale
Hadi Day Care Centre	Sebeni/Hadi	23	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale

PROJECT NAME	LOCALITY	WARD	NATURE	ACTIVITY	TOWN
Mevana Day Care Centre	Mevana	29	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale
Lower Dadamba Day Care Centre	Lower Dadamba	11	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale
Ramra Day Care Centre	Ramra	14	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale
Mtshazi Day Care Centre	Mndundu	14	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale
Kuyasa Day Care Centre	Ngadla	22	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale
Ndlelibanzi Day Care Centre	Ngadla	22	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale
Mthawelanga ECDC	Willowvale Town	25	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Willowvale
TS Matsiliza ECDC	Ngxakaxa A/A	2	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Ndakeni ECDC	Ngxakaxa A/A	2	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Matolweni ECDC	Ngxakaxa A/A	2	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Siyazama Ngxakaxa ECDC	Ngxakaxa A/A	2	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Masihlume ECDC	Ngxakaxa A/A	2	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Mavatha DCC	Qora A/A	3	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Siyakhula DCC	Qora A/A	3	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa

PROJECT NAME	LOCALITY	WARD	NATURE	ACTIVITY	TOWN
Kuyasa DCC	Qora A/A	3	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Qora DCC	Qora A/A	3	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Singakhuphuka ECDC	Qora A/A	3	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Nomzamo ECDC	Gwadana A/A	3	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Jongukhanyo DCC	Gwadana A/A	3	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Xeni Service Centre	Mputi A/A	2	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Mputi ECDC	Mputi A/A	2	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Mthombothi DCC	Mputi A/A	2	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Siyazama Ngonyama DCC	Mputi A/A	2	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Khanyisa Pre-school	Sinqumeni A/A	31	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Zihlehleni ECDC	Sinqumeni A/A	31	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Zanokuhle Pre-school	Zundwana A/A	31	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Kulani ECDC	Zundwana A/A	31	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Lilitha ECDC	Keti A/A	31	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Phumelela ECDC	Keti A/A	31	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa

PROJECT NAME	LOCALITY	WARD	NATURE	ACTIVITY	TOWN
Zama Pre-school	Mqontsi A/A	31	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Takalani ECDC	Mbewuleni	31	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Siseko ECDC	Sikhobeni A/A	31	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Zizamele ECDC	Sikhobeni A/A	31	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Bongweni Pre-school	Bongweni A/A	9	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Lukhanyiso ECDC	Nqabara A/A	12	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Ikhwezi ECDC	Nqabara A/A	12	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Laza Makhaka ECDC	Nqabara A/A	12	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Phandulwazi DCC	Nqabara A/A	12	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Nokuphumla ECDC	Nqabara A/A	12	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Thandeka Pre-school	Nqabara A/A	12	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Njemane ECDC	Nqabara A/A	12	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Upper Colosa ECDC	Colosa A/A	9	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Muras Pre-school	Colosa A/A	9	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Komkhulu ECDC	Colosa A/A	9	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa

PROJECT NAME	LOCALITY	WARD	NATURE	ACTIVITY	TOWN
Phumlani DCC	ColosaA/A	9	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Masikhanyise ECDC	Xobo A/A	9	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Phakamisa Pre-school	Old Idutywa A/A	7	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Zwelenqaba ECDC	Old Idutywa A/A	7	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Someleze Pre-school	Old Idutywa A/A	7	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Dayimani ECDC	Bolotwa A/A	6	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Kukulunga DCC	Bolotwa A/A	6	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Ikamvalethu ECDC	Bolotwa A/A	6	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Siyakhula Vinindwa ECDC	Bolotwa A/A	6	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Jadezweni ECDC	Bolotwa A/A	6	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Silityiwa ECDC	Bolotwa A/A	6	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Nomanage Cecilia ECDC	Bolotwa A/A	6	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Zanohlanga ECDC	Bolotwa A/A	6	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Zimlindile ECDC	Lota A/A	6	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Esingeni ECDC	Lota A/A	6	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa

PROJECT NAME	LOCALITY	WARD	NATURE	ACTIVITY	TOWN
Isiqalo ECDC	Nqabane A/A	6	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Khulisani ECDC	Nqabane A/A	6	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Mhuku DCC	Nqabane A/A	6	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Nenemba ECDC	Timane A/A	5	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Upper Timane ECDC	Timane A/A	5	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Mhlontlo ECDC	Munyu A/A	5	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Lisakhanya ECDC	Nywarha A/A	5	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Lencane DCC	Ngcingwane A/A	3	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Ngcingwane ECDC	Ngcingwane A/A	3	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Khulani DCC	Ngcingwane A/A	3	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Mngeka ECDC	Taleni A/A	10	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Taleni ECDC	Taleni A/A	10	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Sinobuntu ECDC	Taleni A/ABende Location	10	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Rise and Shine ECDC	Govern Mbeki	1	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa

PROJECT NAME	LOCALITY	WARD	NATURE	ACTIVITY	TOWN
TADA Programme	Dutywa Town	1	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Dutywa
Bangilizwe ECDC	Mcwasa A/A	18	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Botomane ECDC	Mcwasa West A/A	16	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Ebufumba ECDC	Mtshekweni A/A	17	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Ganuthuli ECDC	Mtshekweni A/A	17	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Iflegi Yamabomvana	Ncihana A/A	13	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Khwenyana ECDC	Zithulele Location	19	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Kuyasa ECDC	Kasa A/A	13	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Luzuko ECDC	Emgojweni A/A	28	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Manzezulu ECDC	Mbanyane A/A	20	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Masikhanye ECDC	Manganyela A/A	20	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Masizakhe ECDC	Ntlonyane A/A	20	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Melithafa ECDC	Melitafa A/A	13	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Msintsana ECDC	Mndwaka A/A	18	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Mwana ECDC	Madwaleni A/A	32	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale

PROJECT NAME	LOCALITY	WARD	NATURE	ACTIVITY	TOWN
Ncedolwethu ECDC	Upper Mcwasa A/A	17	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Ncihana ECDC	Ncihana A/A	13	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Ngubenamba ECDC	Qinqana South A/A	17	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Nkomozibomvu ECDC	Manganyela A/A	16	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Nomfundo ECDC	Fameni A/A	13	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Pakamile ECDC	Qinqana South A/A	17	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Pungula ECDC	Ntlonyane A/A	26	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Sijabulile ECDC	Ntlonyana A/A	15	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Thandisizwe ECDC	Qinqana North A/A	17	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Thwalikhulu ECDC	Hobeni A/A	20	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Vukuzenzele ECDC	Qinqana North A/A	17	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Zamihlelo ECDC	Bufumba A/A	17	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Zamokuhle ECDC	Mncwasa A/A	18	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Zamuphuhla ECDC	Melitafa A/A	15	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Zamuxolo ECDC	Mncwasa A/A	17	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale

PROJECT NAME	LOCALITY	WARD	NATURE	ACTIVITY	TOWN
Zilinyama ECDC	Qubuzeni A/A	16	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Academy ECDC	Qinqana South A/A	17	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Bangindlovu ECDC	Kotyana A/A	18	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Bumbane ECDC	Mbhanyana Location	17	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Fameni ECDC	Fameni Location	13	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Gcinibandla ECDC	Cwebe A/A, Elliotdale	20	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Hill view ECDC	Kasa Location	13	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Khanyisa ECDC	Mtshekweni Location	17	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Madi ECDC	Mndwaka A/A	18	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Makaula ECDC	Ntlonyana A/A,	16	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Masikhule ECDC	Sholora A/A, Elliotdale	15	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Masiphathisane ECDC	Xhora Mouth Location	28	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Masithembe ECDC	Ntlantsana A/A	17	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Masivane ECDC	Matyhamini Location	15	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale

PROJECT NAME	LOCALITY	WARD	NATURE	ACTIVITY	TOWN
Masivuye ECDC	Qinqana North A/A, Elliotdale	17	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Masonwabe ECDC	Ncihana West A/A	13	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Phangalele ECDC	Shinira A/A	26	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Sinethemba ECDC	Miller A/A, Elliotdale	15	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Siyakhula ECDC	Upper Mncwasa A/A	17	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Siyazama ECDC	Qinqana North A/A	17	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Themba lethu ECDC	Upper Mncwasa A/A	17	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Thob'igunya ECDC	Kulokamisa	16	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale
Vulingalo ECDC	Mpame Location	19	Early Child Development Centre	Provide stimulation and developmental activities to children 0-4 years	Elliotdale

CHAPTER 6

FINANCIAL PLAN 2022/23

○ **INTRODUCTION AND BACKGROUND**

Section 26 of the Local Government: Municipal Systems Act (Act No 32 of 2000) as amended lists the core components of an Integrated Development Plan for all municipalities and section 26(h) requires the IDP to include a Financial Management Plan which “must include a budget projection for at least the next three years”. Mphashe Municipality has prepared this Financial Plan for 2021/22 in compliance with Section 26(h) of the Municipal Systems Act, as amended.

The IDP is a guiding document for the Municipality’s 2020/21 budget planning process. The IDP’s outcome is the alignment of all departmental planning processes to the mission and vision of the Municipality in achieving its long-term strategic goals. Therefore, the Financial Plan ensures that the objectives of the IDP are achieved over its implementation period, and also strives to ensure that scarce resources are obtained timeously and allocated to the relevant projects in line with the key targets of the IDP. The fundamental goal of the Municipality in all its processes is to enhance service delivery to its community and contribute to improved socioeconomic activities for its citizens. The municipality has complied fully in the implementation of the Municipal Regulations on a Standard Chart of Accounts (*mSCOA*) since 01st July 2017. The financial plan includes an Operating Budget and Capital Budget for the 2021/22 MTERF period which is informed by the Integrated Development Plan priorities and strategic direction of the Municipality.

○ **OVERVIEW OF THE MEDIUM-TERM REVENUE AND EXPENDITURE BUDGET**

Each department in the Municipality had to review the business planning process, setting of priorities and targets to compile the 2021/22 MRTEF operational and capital budgets. The application of sound financial management principles for the compilation of Mphashe Municipality’s Budget is essential and critical to ensure that the municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities. The table below shows a summary of Mphashe Municipality’s 2021/22 MTREF budget.

DETAILS	REVISED BUDGET CURRENT YEAR 2020/21	PROJECTED FORECAST BUDGET YEAR 2021/22	PROJECTED FORECAST OUTER YEAR 2022/23	PROJECTED FORECAST OUTER YEAR 2023/24
TOTAL INCOME	R 432 653 366	R 374 414 000	R 400 729 880	R 395 326 495
TOTAL EXPENDITURE	R 483 853 366	R 425 614 000	R 451 929 880	R 446 526 495
SURPLUS/(DEFICIT) FOR THE YEAR-NON CASH ITEMS	(R 51 200 000)	(R 51 200 000)	(R 51 200 000)	(R 51 200 000)

The total operating revenue has decreased by 14% in 2021/2022 financial year when compared to the 2020/2021 Revised Budget and increased by 7% and decreased by 1% for the outer years respectively. The major contributing factor for the revenue decrease from 2020/21 to 2021/22 is that we are not going to fund from Reserves, all our revenue will be funded by own revenue and grants

The total expenditure for the 2021/2022 financial year has been projected to be at R 483 million, when compared to the 2020/2021 Revised Budget, operational expenditure has decreased by 12% in the 2021/2022 budget year and grown by 6% and decreased by 1% on the outer years of the MTREF respectively.

6.2.1 Operational Budget

The following table represents the 2021/22 MTREF Operational Budget:

Description	2017/18	2018/19	2019/20	Current Year 2020/21		2021/22 Medium Term Revenue & Expenditure		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Revenue By Source								
Property rates	9,693,917	5,700,000	12,760,143	9,500,000	7,500,000	7,500,000	7,830,000	8,182,350
Service charges - refuse revenue	673,224	1,300,000	309,216	500,000	500,000	500,000	522,000	545,490
Rental of facilities and equipment	3,312,764	6,500,000	1,773,886	1,850,000	1,850,000	1,850,000	1,931,400	2,018,313
Interest earned - external investments	2,486,447	3,000,000	5,823,200	3,500,000	4,000,000	1,500,000	1,566,000	1,636,470
Interest earned - outstanding debtors	2,621,875	-	1,169,345	-	-	-	-	-
Fines, penalties and forfeits	2,497,708	2,000,000	2,102,954	1,500,000	500,000	500,000	522,000	545,490
Licences and permits	1,293,360	1,000,000	1,228,229	1,200,000	200,000	200,000	208,800	218,196
Agency services	-	-	-	900,000	400,000	400,000	417,600	436,392
Transfers and subsidies	224,311,000	241,622,000	271,331,041	282,087,000	334,788,366	278,277,000	284,236,000	274,443,000
Transfers and subsidies – capital	74,807,709	70,192,000	59,993,000	59,595,000	59,595,000	67,367,000	86,458,000	89,496,000
Other revenue	11,284,614	16,350,000	1,489,802	11,320,000	16,320,000	16,320,000	17,038,080	17,804,794
Transfers from Reseves	-	-	-	12,000,000	7,000,000	-	-	-
Total Revenue (excluding capital transfers and contributions)	332,982,618	347,664,000	357,980,816	383,952,000	432,653,366	374,414,000	400,729,880	395,326,495
Expenditure By Type								
Employee related costs	121,884,355	107,640,073	124,137,214	129,281,840	133,729,340	146,586,690	158,691,109	181,420,705
Remuneration of councillors	25,088,557	24,667,638	22,203,367	26,983,502	26,983,502	29,273,729	29,325,777	30,645,440
Debt impairment	3,387,397	1,010,344	2,982,163	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Depreciation & asset impairment	57,441,881	70,000,000	54,075,880	55,000,000	60,000,000	55,000,000	55,000,000	55,000,000
Finance charges	1,920,007	-	300,777	-	-	-	-	-
Contracted services	-	92,155,682	40,125,037	89,498,447	103,817,615	70,229,571	77,082,073	59,436,072
Other expenditure	114,280,535	50,722,739	51,044,000	50,037,523	50,980,971	48,255,837	52,259,748	44,934,302
Capital Expenditure	52,952,272	72,477,863	58,121,394	83,150,688	107,141,938	75,068,173	78,371,173	73,889,976
Total Expenditure	376,955,004	418,674,339	352,989,832	435,152,000	483,853,366	425,614,000	451,929,880	446,526,495

From the above table it can be seen that the total revenue amounts to R 374.4 million for the 2021/22 financial year (inclusive of operating and capital grants and reserves). The total operating expenditure is in the excess of R 374.4 million (including non-cash items) for the same financial year, resulting in an operating deficit of around R51.2 Million made up of non cash items. The current revenue and expenditure trends have informed the following assumptions:

- Average increase of 4.1 per cent on total income over the MTREF period.
- Property Rates budget have not increased in 2021-22 financial year and then increased by 4.4 and 4.5% in the outer years respectively.
- Employee related costs have increased by 4.1% in the budget year and increased by 4.4% and 4.5% in the outer years respectively.
- Interest on investments have decreased in 2021/22 financial year and increased by 4.4 and 4.5% in the outer years respectively
- The municipality remains grant dependent with its revenue base comprising of 92 per cent of grants and subsidies income and 8 per cent own revenue in the budget year.

○ **Budget and treasury office policies**

The Municipality's budget process is guided and governed by the relevant legislative frameworks, strategies and related policies. The Budget and Treasury Office has reviewed the following policies for adoption by Council before the end of the 2021/2022 financial year. The policies are set to provide a sound financial base and assist in the achievement of Budget and Treasury Office's respective IDP priorities.

- ❖ Supply Chain Management policy
- ❖ Asset Management Policy
- ❖ Credit Control and Debt Collection Policy
- ❖ Banking Policy
- ❖ Tariff Policy
- ❖ Property Rates Policy
- ❖ Virement Policy
- ❖ Creditors, Councillors and Payments Policy
- ❖ Petty cash policy
- ❖ Borrowing Policy
- ❖ EFT Policy
- ❖ Funding and Reserves Policy
- ❖ Long-Term Financial Planning Policy
- ❖ Policy on Planning and Approval of Capital Projects
- ❖ Related Party Policy
- ❖ Unauthorised, Irregular, Fruitless and Wasteful Expenditure Policy
- ❖ SCM Process Turn-around Policy
- ❖ Commodity Based Procurement Policy
- ❖ Investment Policy
- ❖ Infrastructure Procurement and Delivery Management Policy
- ❖ Management of Accumulated Surplus/Deficit and Bad Debts Policy
- ❖ Payroll Management and Administration Policy
- ❖ Fleet Management Policy
- ❖ Write- off of irrecoverable Debts Policy

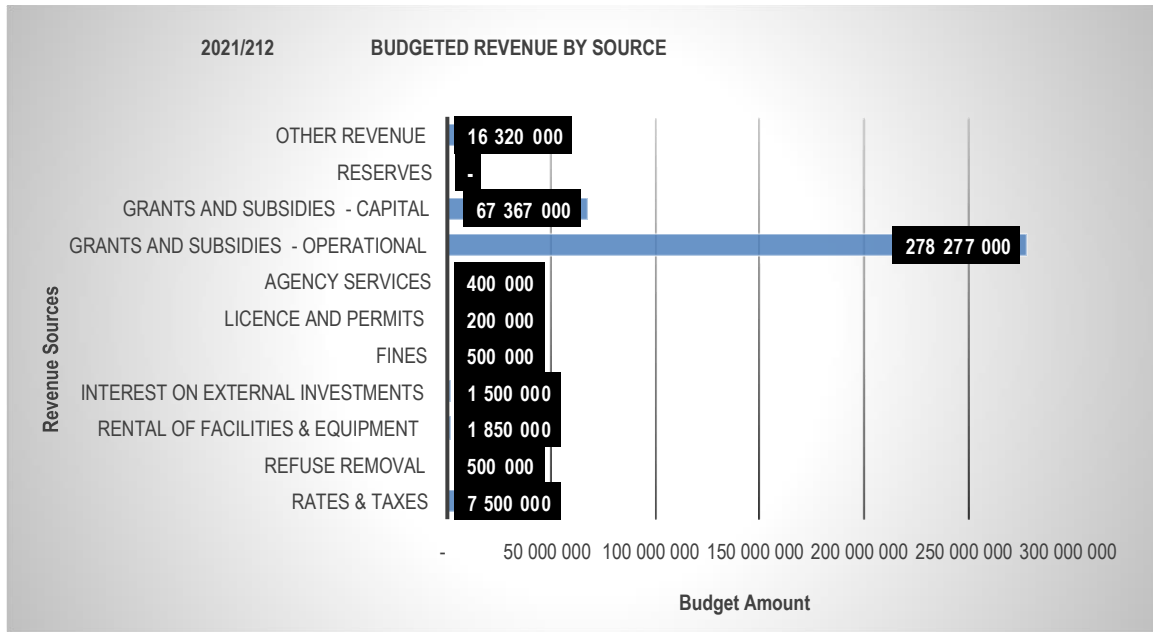
Budget and Treasury Office is reviewing its policies annually due to changes in the municipal environment and to ensure that changes in legislation, IDP priorities and administrative processes are aligned to its policies.

○ **Revenue Strategies**

In order for Mphashe Local Municipality to continue improving the quality of services provided to its community it needs to generate adequate revenue. Due to the socio-economic conditions of the municipality, it becomes difficult to raise own revenue therefore, strong revenue management is fundamental to the financial sustainability of the municipality. The Municipality is currently faced with development backlogs, low household income levels with only 39% of household earning a monthly income equal to or higher than R3 000 and lack of human resource capacity. This has made it difficult for the Municipality calculating tariff increases and balancing expenditures against realistically anticipated revenues. Another emerging burden is the COVID-19 pandemic which will result in tariffs being reduced or kept constant.

Mphashe Municipality's main sources of revenue that are substantial are from the levying of assessment rates and service charges for refuse removal. The figure below indicates the

Municipality's main sources of revenue that are funding the 2021/22 operational budget year.



The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Growth in the municipality and continued economic development;
- Efficient revenue management, which aims to ensure a 100% annual collection rate for property rates after the implementation of the Council resolution on debt write-off and on refuse removal charges overtime;
- Achievement of full cost recovery of specific user charges especially in relation to trading services;
- Using our own plant machinery for maintenance of infrastructure assets thus redirecting available funds to other areas in need.
- Determining the tariff escalation rate by establishing the revenue requirement of each service;
- The Municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004);
- Increase ability to extend new services and recover costs;
- Operating and maintaining a fully functional DLTC and RA;
- The municipality's Indigent Policy and rendering of free basic service

Due to the current constraints and challenges facing the Municipality with regard to collections, the Municipality has decided to embark on a review of its revenue enhancement strategies which resulted in no financial implications in the 2020/21 financial year. Amongst the revenue strategies to be explored will be the Drivers Licence Testing Centre (DLTC) which is operating already and Registering Authority (RA). The municipality has appointed a debt collector to follow up on all long outstanding debts, and in the previous periods the debt collector has performed tremendously, as the municipality has an average of 80% collection rate.

During the current financial year of 2019/20, the Municipality developed revenue enhancement strategies which focused mainly on the following factors:

- Accuracy of billing information which included the implementation and continuous monitoring of the data cleaning exercise's recommendations and day-to-day operations of revenue generating departments;
- Implementation of an Indigent Register with focus on the development of memorandums of understanding with the following stakeholders:
 - ❖ Eskom
 - ❖ The South African Social Security Agency
 - ❖ House of Traditional Leaders Association ∩ Eastern Cape Provincial Government
- Pay point management with emphasis on the accessibility of customer billing information from Municipality's satellite offices in Gatyana and Xorha towns;
- Customer Care Management with focus on an integrated customer care centre
- Tariff structure review with emphasis on cost reflective tariffs to be applied on Municipal revenue generating services;
- Municipal property leases focusing on the registration of Municipal property occupants as debtors to the billing database to ensure application of debt collection processes once rental is overdue;
- Appointment of a debt collector to assist the Municipality collect outstanding debt;
- Upgrading of the Municipality's traffic services with DLTC and RA
- Improvement in the impounding of livestock with a development of policy and by-laws on auctioning of livestock;

Review of asset management policy and strategy;
 Alignment of the Revenue Enhancement Strategy with the LED Strategy; and
 Utilising our own plant machinery to construct MIG funded roads and thus maximising the opportunity costs that comes with redistribution of.

In implementing the revenue enhancement strategy, the following activities have been earmarked over the 2021/22 MTREF period:
 Improvement in the administration of contracts of sales and leases in respect of municipality's immovable properties by implementing the recommendations of the data cleansing exercise to assist the Municipality in verifying all municipal property leases to ensure compliance and enforcement and noting of common problems.

The Municipality has appointed a debt collector to improve revenue collections and implementation of the Municipality's debt collection policy.

The Municipality is considering opening pound centres in the Xhorha and Gatyana town areas to enhance revenue.

There was also a disposal of movable assets during 2016/17 through an auction held.

Utilise the plant machinery for maintenance of access roads and thus saving funds for new construction.

Compilation of the General Valuation Roll for 2019-2025.

o **Equitable Share**

The local government equitable share allocation is based on achieving the Constitutional requirements as provided for in sections 214 and 227 of the Constitution. In terms of these provisions, local government is entitled to an equitable share of nationally raised revenue to enable municipalities to provide basic services to low-income households and to assist municipalities in maintaining functioning administrations.

Equitable share takes account of the fiscal capacity, fiscal efficiency, developmental needs, extent of poverty and backlogs in municipalities. According to the Division of Revenue Act (DoRA), the equitable share allocation comprises of the following components:

- Basic services component
- Development component
- Institutional support component
- Revenue Raising Capacity
- Correction and stability factor

DESCRIPTION	BUDGET CURRENT 2020/21	BUDGET YEAR 2021/22	OUTER YEAR 2022/23	OUTER YEAR 2023/24
EQUITABLE SHARE	R 314 001 000	R 271 935 000	R 282 516 000	R 272 673 000
FREE BASIS SERVICES	R 5 960 000	R 3 000 000	R 3 132 000	R 3 272 940
FREE BASIC SERVICES as % of Equitable Share	2%	1%	1%	1%

It should be noted that the basic services component supports poor households earning less than R2 300 per month based on the Census 2011 data. This is an income threshold that is less than the qualification threshold as stipulated in the Municipality's Indigent Policy. It also distinguishes between poor households currently receiving municipal services and those provided with lesser municipal services or no services. The municipality should prioritise its budget towards poor households and national priorities such as free basic services and the expanded public works programme. The equitable share allocation analysis is shown in the table below:

From the table above, the equitable share is showing a decrease of 6 per cent in 2021/22 financial year compared to the allocation of R314 million in 2020/21 Budget period. The municipality is currently providing alternative energy sources for non-electrified areas in the rural areas through maintenance of solar systems as per the indigent policy. The municipality also provides a subsidy for prepaid electricity in rural areas for registered indigents through an agreement with Eskom. The table above shows that an average of 5 per cent of the total equitable share is allocated to subsidise for the provision of free basic services including the pre-paid electricity and provision of alternative sources of energy to qualified indigent households. With more than 60 per cent of the total household population within the Municipality earning less than R 3000, it is anticipated that the indigent subsidy currently provided might not be sufficient to cover all indigent households once the registration process is complete. The municipality has also embarked on extending its waste management programme to rural communities through the rural waste collection programme.

❖ **Operating Grants and Subsidies**

GRANTS	CURRENT YEAR 2020/21	BUDGET YEAR 2021/22	OUTER YEAR 2022/23	OUTER YEAR 2023/24
MIG	R 59 595 000	R 67 367 000	R 86 458 000	R 89 496 000
EQUITABLE SHARE	R 314 001 000	R 271 935 000	R 282 516 000	R 272 673 000
ELECTRIFICATION	R 13 580 218	-	-	-
EPWP	R 4 147 000	R 4 622 000	-	-
FMG	R 1 700 000	R 1 720 000	R 1 720 000	R 1 770 000
COVID 19	R 860 148	-	-	-
LIBRARY SUBSIDY	R 500 000	-	-	-

With the promulgation of the Division of Revenue Act, 2013, cognisance needs to be taken of the following operating grant and subsidies allocations:

From the table above, it is evident that Equitable Share still remains a significant operating grant funding source for the implementation of free basic services amongst others.

- **Expenditure Management**

A major strategy related to the outcome of this financial plan was aligned to generating further operational gains and efficiencies to ensure the Municipality undertakes detail financial planning aligned to budgeting for improved service delivery. The operating expenditure budget is a direct product of this initiative, of which operational capacity created has been directed to the capital affordability limitations.

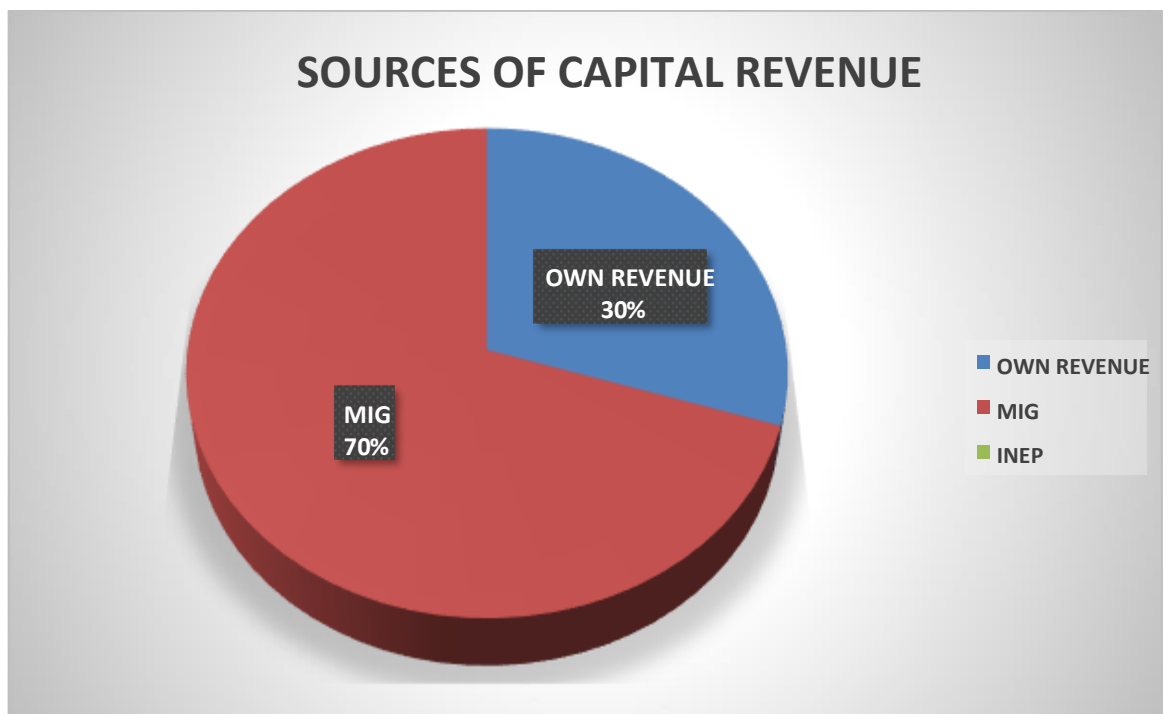
Total operating expenditure is estimated to increase by 12% in 2021/22 budget year and decrease by 6% and 1% in the outer years respectively, with total income expected to decrease by 13% in the budget year and increase by 7% in outer year 1 and decrease 1% in outer year 2. The operating surplus margins are very low and may affect the sustainability of the Municipality. The Municipality has reviewed its Supply Chain Management Policy to ensure that procurement processes are implemented in compliance to SCM regulations and therefore minimize the occurrence of irregular expenditure.

- **Municipal Infrastructure Grant**

The MIG supports the broader objectives of the Municipality in the delivery of basic services to poor households and the alleviation of poverty. With the maintenance of access roads and construction of community halls, the economic development of Mphashe Municipality is stimulated and also contributes to job creation. The largest infrastructure transfer for the 2021/22 financial year remains the Municipal Infrastructure Grant with a total budget of over R63 million.

Sources of Capital Expenditure

The figure below is graphic illustration of the sources of funding for the capital expenditure for the 2021/22 financial year:



The figure above shows that the Municipality is funding its capital expenditure to the equivalence of 30% from its own revenue sources and 70% from grant allocation for the 2021/22 financial year. The municipality is investing on assets to ensure that basic service delivery to its community is achieved.

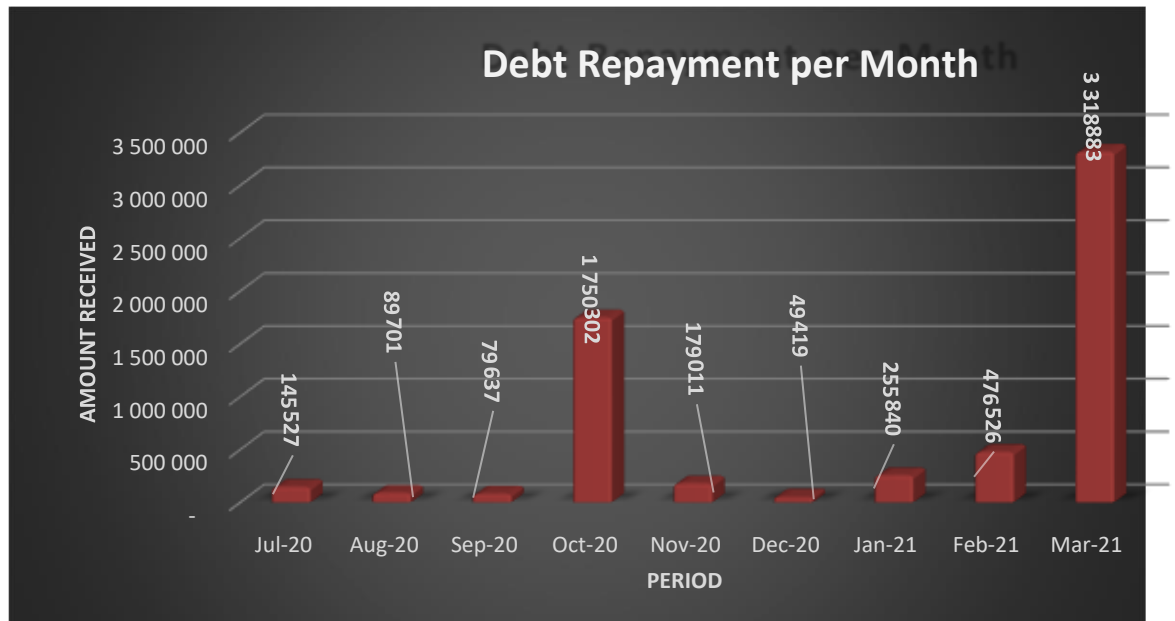
Sustainability of the Municipality

One of the Key Performance Areas of the Municipality in the IDP process is on Financial Viability which also contributes in assessing municipality's long-term sustainability. In assessing the Municipality's liquidity position, the Municipality has applied the following mechanism to assess the cash position of the Municipality to support the implementation of the 2021/22 MTREF budget.

- Debt collection rate
- Liquidity ratio

○ **Debt Collection Rate**

The graph below illustrates the relationship between billing and receipts for Municipal rates and refuse services monthly between July 2020 and March 2021.



The municipality has a combination of customers who pay their rates annually and those that pay monthly. Those who pay annually have paid in the month of March 2021 with the rise of up to R3 million in collections

○ **Liquidity Ratio**

The municipality had a liquidity ratio of more than 2:1 which is within the norm as at 30 June 2021. The liquidity ratio provides an indication of the municipality’s ability to pay its short term debts when it becomes due (viability of an entity). The ratio indicates how many times the current assets, if liquidated, pay the current liabilities. The norm (considered acceptable) is 2:1 i.e. the current assets are double the current liabilities.

The ratio as at 30 June 2021 focused on the following:

Current Assets:	Receivables from exchange and non-exchange transactions R 387 422	Current Liabilities:	Payables from exchange transactions R 29 509 534
	VAT Receivable R 6 486 900		Employee Benefit Obligation R 980 000
	Consumer Debtors R 11 403 785		Unspent Conditional Grants R 3 683 147
	Cash and Cash Equivalent R 181 519 351		
TOTAL	R 199 797 478		R 34 172 681

As part of the budgeting process, the Municipality budgeted approximately R6.4 million over the MTEF period on projects earmarked to improve the audit opinion especially around property plant and equipment and preparation of annual financial statements.

○ **Conclusion**

Operational efficiencies, including revenue enhancement, improved debt collection, effective and efficient Supply Chain Management processes as well as capital infrastructure-expansion and various planned construction and property development programmes will lead to long-term sustainability of the municipality and sustainable service delivery for the municipal community as a whole.

Improvement in the Municipality’s human resources capacity by filling in all critical service delivery and administrative driven positions will contribute positively to the sustainability of the Municipality.

This should be done hand-in-hand with the refinement of processes and procedures followed by municipal staff in performing their day-to-day operations. In order for the Municipality to improve its overall performance, it is important to implement Performance Management System with clearly defined processes (roles and responsibilities) and measurable outputs (targets, monitoring and review performance), amongst other to ensure compliance to the requirements of the Municipal Systems Act. The municipality is right on track in terms of meeting the 01st July 2017 deadline for (*m*SCOA) implementation.

Section 26 of the Local Government: Municipal Systems Act (Act No 32 of 2000) as amended lists the core components of and Integrated Development Plan for all municipalities and section 26(h) requires the IDP to include a Financial Management Plan which, "must include a budget projection for at least the next three years". Mbhashe Municipality has prepared this Financial Plan for 2021/2022 in compliance with Section 26(h) of the Municipal Systems Act, as amended.

The IDP is a guiding document for the Municipality's 2021/2022 budget planning process. The IDP's outcome is the alignment of all departmental planning processes to the mission and vision of the Municipality in achieving its long-term strategic goals. Therefore, the Financial Plan ensures that the objectives of the IDP are achieved over its implementation period, and also strives to ensure that scarce resources are obtained timeously and allocated to the relevant projects in line with the key targets of the IDP. The fundamental goal of the Municipality in all its processes is to enhance service delivery to its community and contribute to improved socioeconomic activities for its citizens. The financial plan includes an Operating Budget and Capital Budget for the 2021/2022 MTERF period which is informed by the Integrated Development Plan priorities and strategic direction of the Municipality.

CHAPTER 7

IDP APPROVAL

The process of approval for this IDP involved a series of consultative meetings with all stakeholders including all wards, representative forum members, sector departments, internal departments, National and Provincial Treasury, Auditor General, the district municipality and MEC for Local Government. A draft IDP was tabled to Council on 30 March 2022 and thereafter used to solicit comments from various municipal stakeholders through IDP and Budget roadshows in April 2022.

This being the final IDP document, will be tabled to council on May 2022 and marketed to all relevant audiences to ensure continuous buy-in and support for IDP implementation. Copies will also be forwarded to relevant authorities such as the MEC for Local Government in the province, the District Municipality and other development agencies.