

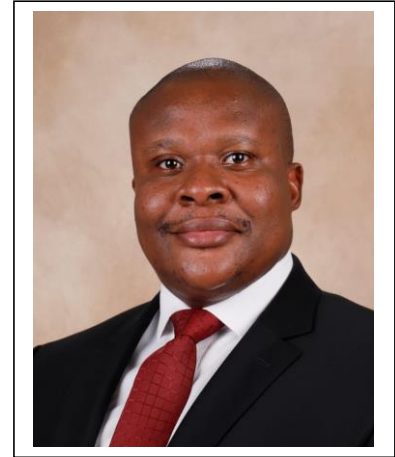
**2022/23-2026/27
INTEGRATED DEVELOPMENT
PLAN (IDP)**

TABLE OF CONTENTS

MAYOR’S FOREWORD	3
MUNICIPAL MANAGERS MESSAGE	5
BACKGROUND TO THIS DOCUMENT	5
(i) LEGISLATIVE BACKGROUND	5
(ii) IDP REVIEW PROCESS	5
(iii) COMMUNITY INVOLVEMENT	7
(iv) BACK TO BASICS	8
CHAPTER 1: THE VISION	16
CHAPTER 2: DEMOGRAPHIC PROFILE OF THE MUNICIPALITY	17
2.1 Defining the municipal area – an overview	17
2.2 Socio – economic indicators	18
CHAPTER 3: STATUS QUO ASSESSMENT	33
3.1 KPA 1: SERVICE DELIVERY AND INFRASTRUCTURE SERVICES	33
3.2 KPA 2: MUNICIPAL FINANCIAL VIABILITY	61
3.3 KPA 3: GOOD GOVERNANCE & PUBLIC PARTICIPATION	67
3.4 KPA 4: LOCAL ECONOMIC DEVELOPMENT	122
3.5 KPA 5: MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	127
3.6 PRIORITY NEEDS.....	138
CHAPTER 4: MUNICIPAL DEVELOPMENT OBJECTIVES AND STRATEGIES.....	159
4.1 GUIDING PRINCIPLES	159
4.2 DEVELOPMENT OBJECTIVES	159-188
KPA 1: SDI	160
KPA 2: MFV	166
KPA 3: GGP.....	172
KPA 4: LED	178
KPA 5: MTI	182

CHAPTER 5: PROJECTS	189
CHAPTER 6: PERFORMANCE MANAGEMENT SYSTEM	202
CHAPTER 7: PROGRAMME INTEGRATION	217
7.1 Sectoral Plans and Programmes	217
7.2 Housing Sector Plan	222
7.3 Integrated Waste Management Plan	223
7.4 Disaster Management Plan	223
7.5 Poverty Alleviation Programme	224
CHAPTER 8: FINANCIAL PLAN	225
CHAPTER 9: AMAHLATHI DEVELOPMENT PLANS	238
CHAPTER 10: IDP & BUDGET PROCESS PLAN	241
(i) IDP PROCESS PLAN	241
(ii) BUDGET PROCESS PLAN	259

A. MAYOR'S FOREWORD



The IDP can be regarded as a tool that enables the municipality to align its financial and institutional resources. As a result the IDP and Budget are inevitably linked to one another. It gives a great honour to present 2022 - 2027 Integrated Development Plan (IDP) at the most important time when the ruling party just celebrated its 110th anniversary. This year unlike other years begins with COVID19 identified as the most brutal threat against our efforts of development. The 2022 – 2027 IDP encapsulate how the new council and its communities commit to build and grow Amahlathi within the context of COVID 19 pandemic. The current challenges encourages us to participate meaningfully in rebuilding the Amahlathi Municipality, restoring its confidence and its pride in development. As the sphere of government close to the people, Amahlathi Local Municipality will always be evaluated as to the ability to meet the growing needs of its residents through rendering quality services, promoting economic development, fiscal discipline, ensuring that it governs effectively and facilitating the growth of the municipality.

The process is done within the dictates of the law. Section 21 (1) of the Local Government Municipal Finance Management Act, 56 of 2003 stipulates that: The mayor of a municipality must-

(a) Co-ordinate the process for preparing the annual budget and for reviewing the municipality's integrated development plan

Section 34 of the Municipal Systems Act requires a municipal council to annually review the IDP in accordance with an assessment of its performance and to the extent that changing circumstance so demand.

The IDP is a principal planning instrument which outlines how the municipality will take up the challenge to develop and grow the Amahlathi, to effectively engage our community and develop partnerships with business sector. It sketches how the collective efforts of the political and administrative arms of the Municipality must progressively address the ever increasing expectations of our people.

It is therefore my pleasure to present this Draft IDP of Amahlathi Local Municipality for the period 2022/23-2026/27 to Council, the Amahlathi community, the National and Provincial Treasury, the Local Government and other stakeholders.

Cllr. O. Mgunculu
His Worship, the Mayor
Amahlathi Local Municipality

B. MUNICIPAL MANAGERS MESSAGE

The key priority areas of the institution for the next five year term find their expression in the Integrated Development Plan, Budget and Service Delivery and Budget Implementation Plan and include the following:



- a) Performance management
- b) Implementation of basic services to communities
- c) Community Works Programme
- d) Revenue Enhancement
- e) Implementation of Financial Recovery Plan
- e) Meeting of statutory timelines and reporting frameworks.
- f) Development, review and approval of municipal policies.
- g) Enhance public participation programme
- h) Implementation of Disaster Management Act to combat COVID 19

In the 2022/23 financial year, the following areas received priority

- a) Institutionalisation of outcomes approach
- b) Accelerating and improving access to basic services
- c) Prioritizing Infrastructure development
- d) Continuing to review and improving financial systems and procedures.
- e) Address issues emanating from the Auditor-General's report for 2021/22 financial year.
- f) Implementation of Financial Recovery Plan
- g) Public safety and law enforcement
- h) Improving reporting, monitoring and evaluation
- i) Capacitation of councillors and municipal employees

MUNICIPAL MANAGER
MS IVY SIKHULU-NQWENA

BACKGROUND TO THIS DOCUMENT

i. Legislative background

This document represents the 2022/27 Integrated Development Plan (IDP) as prepared and adopted by the Amahlathi Local Municipality. It is submitted and prepared in fulfilment of the Municipality's legal obligation in terms of Section 25 of the Local Government: Municipal Systems Act 32 of 2000.

In addition to the legal requirement for every Municipality to compile an Integrated Development Plan, the Municipal Systems Act 32 of 2000 also requires that

- the IDP be implemented;
- the Municipality monitors and evaluates its performance with regards to the IDP's implementation;
- the IDP be reviewed annually to effect necessary changes and improvements.

Section 34 further states that

"A municipal council must review its integrated development plan annually in accordance with an assessment of its performance measurements and to the extent that changing circumstances so demand."

ii. The IDP Process

This is a 2022/27 Integrated Development Plan (IDP) that will be tabled to Council on the 27th May 2022, this IDP will be reviewed annually for a five-year period from 2023/24 until 2026/27. This document is substantially based on the format and layout of its predecessor. This Integrated Development Plan will guide the Municipality in its strategic planning and project prioritization for the period ending in 2027.

This IDP is aligned to the National Development Plan and the Provincial Growth. It is informed by community needs. It contributes to the country's commitments to universal access as per the Millennium Development Goals and Sustainable Development Goals. The Amahlathi IDP is aligned to the Budget and the Performance Management System for its implementation, monitoring and evaluation, hence the subsequent plan would be the Service Delivery and Budget Implementation Plan (SDBIP), a year plan. The predetermined strategic objectives on the IDP have been translated into an SDBIP-performance management induced tool. Council will play an oversight role and the administration will play the implementation and reporting role.

On 27th August 2021, the Amahlathi Local Municipality adopted the IDP/Budget Process Plan and was later reviewed on the 07th December 2021 after the inauguration of the newly elected Council. This plan was adopted in accordance with the relevant legal prescripts and have dictated the process to be followed for the development of the IDP and the Budget. The Amathole District IDP Framework served as a guide and for purposes of alignment in the preparation of the Process Plan. The IDP and Budget Process Plans outline in detail, the way in which the Amahlathi Municipality embarked on its IDP and Budget processes from its commencement in July 2021 to its completion in June 2022. Both these plans are attached to this document.

Organizational arrangements were put in place as per the IDP/Budget Process Plan and all legislative prescripts were adhered to, of particular note, have been the operations of structures, such as IDP/Budget Representative Forum, IDP and Budget Steering Committee, Intergovernmental Relations (IGR). These structures have executed their mandates in terms of the adopted IDP/Budget Process Plan and ensured the achievements of key milestones and deliverables.

As part of the IDP process, an analysis was conducted in respect of various sector plans attached to the Amahlathi IDP. Some were found to be still relevant and required minor update done in-house, others required a major review. Amahlathi Local Municipality's approval of the IDP and Budget for 2022-2023 is scheduled for the 27th May 2022. In order to ensure the IDP is

fully compliant, comments received from the MEC, were forwarded to the management as a basis for improving the credibility of the IDP.

The IDP was formulated based on an assessment of a number of new inputs into the IDP Planning Cycle of the Amahlathi Municipality. These inputs included the following: -

- ♦ Strategic direction and proposals on programmes and projects emanating from a number of Sector Plans formulated by the Amathole District Municipality and sector departments as part of that institution's IDP formulation. These include: -
 - The Amathole District Land Reform & Settlement Plan
 - The Amahlathi Integrated Waste Management Plan
 - The Amathole District Integrated Environmental Management Strategy
 - The Amathole District Integrated Transport Plan
 - Amahlathi Housing Integrated sector Plan.
 - Amathole District Integrated water sector Plan
- ♦ Clarity on Powers and Functions assigned to the Amahlathi Municipality by the MEC for Local Government & Traditional Affairs, in terms of Section 85 of the Municipal Structures Act (Act No 117 of 1998, as amended).
- ♦ The Amahlathi Municipality's own review of progress achieved in implementing the proposals, in respect of project implementation as well as further completion of work on strategic elements of the IDP relating to the Institutional Plan for the Municipality, and key developmental programmes such as the Poverty Alleviation programme, the HIV/AIDS programme, and work towards an integrated LED Programme.

The Process followed by the Amahlathi Municipality has been guided and informed by the coordinating Framework and guidelines provided by Department of Local Government as well as direction provided by the Amathole District Municipal Managers and Mayors Forum (DIMAFO).

Based on an updated review of the Analysis completed in 2001/2002, which was largely informed by work done in terms of the Amathole District Municipality's Sector Plans and a Study of LED in the Amahlathi Municipal area that was commissioned in 2002 by the Eastern Cape Premier's Office, the following broad conclusions remain applicable in Amahlathi:

Local Economic Development

The Amahlathi Municipal area has a resident population whose main challenges are in countering the effects of endemic poverty and under-development. This translates into a need to focus great efforts on the expansion of local economic development in the area. In this regard, focus areas include facilitating sectoral growth in tourism, local manufacturing, agriculture and forestry.

Poverty relief and food security are also seen as important areas within this cluster, as is a strategic focus on the support of local enterprise development.

Infrastructure Development

The Amahlathi Municipal area has numerous local areas where significant backlogs continue to exist in the provision of basic services such as water, sanitation, electricity and solid waste disposal.

In addition, much of the road network in the area continues to require urgent maintenance and/or re-construction, whilst there are some areas where new access roads and bridges need to be constructed simply to afford residents ease of mobility. The addressing of these infrastructure needs is accepted as one of the key focus areas for the Amahlathi Municipality.

Social Needs

The key areas of need in this cluster remain RDP houses, improvement in education infrastructure across the range of pre-school facilities to adult education, better access to welfare support institutions and facilities for the aged, the disabled and the sick, and the provision of sports fields, community halls and minor works such as fencing.

Socio-Spatial Development

It remains vitally important for Amahlathi Municipality to follow a structured approach in focusing development and capital investment in the settlements that make up its area in order to counter further fragmentation in the settlement patterns both at a local and at a municipal-wide level.

Careful land use management and the conservation and appropriate use of existing natural and cultural heritage resources is of great importance for the area and can result in the enhancement of local economic development initiatives. It is also important to ensure that the provision of infrastructure is carried out in a more sustainable manner than has occurred in the past.

Moreover, an important consideration for the municipality in this regard is the need to support land reform processes in its area of jurisdiction, most notably (but not exclusively) in the Keiskammahoek area, where land restitution processes are rapidly approaching settlement and in the Yellowwoods/Kei Road Zone, where detailed planning processes have identified priority project actions required.

iii. Community Involvement

There is an emphasis on an implementable IDP that responds to changing circumstances and has a strategic thrust, it is in this spirit that a public participation process was undertaken as means to allow citizens to play an active role in the affairs of the municipality. The table below outlines the consultation schedule, it must be noted the Cathcart cluster failed to convene due to community protest on numerous attempts.

Purpose	Cluster	Date	Venue	Time
Priority needs Identification	King Kei	15-12-2021	Border Post Community Hall	10:00
	Keiskammahoek	15-12-2021	Springbok Hall	14H00
	Stutterheim	17-12-2021	Mlungisi Community hall	10:00
	Cathcart	17-12-2021	Toise Community hall	14:00

Draft Budget and IDP hearings	All Amahlathi Areas	06-04-2022	Forte Community Radio	11H00-12H00
IDP Rep Forum	All Clusters	20-05-2022	Border Post Community	10H00

iv. Back to Basics (B2B)

There is a clear mandate for local government to deliver on key priorities that must ensure that visible, tangible and positive changes are felt in all our rural and urban communities. Whilst all of the support programmes have assisted in specific ways, it is still clear that a number of stubborn service delivery and governance problems have been identified, hence B2B approach has been introduced as a way of an intervention programme for municipalities in order to improve public services and strengthen democratic institutions.

The goal of B2B is to improve the functioning of municipalities to better serve communities by getting the basics right.

B2B has five pillar areas that will ensure that municipalities set the proper standards for municipal performance, the pillars are reflected below:

- Putting people and their concerns first;
- Demonstrating good governance and administration;
- Delivering municipal services;
- Sound financial management and accounting; and
- Sound institutional and administrative capabilities.

DEVELOPMENT PROPOSALS

The Amahlathi Municipality has amended the arrangement set out in its first IDP where development projects and programmes were focused in five Development Sector Clusters. The revised clusters identified are:

DEVELOPMENT SECTOR CLUSTER	SECTORS OR AREAS OF INTERVENTION INCLUDED
Basic Service Delivery and Infrastructure	Roads & Storm-water, Electricity, Housing, Land Reform, Spatial Planning, Land Use Management, Community Facilities etc.
Local Economic Development and Environment	Tourism, Agriculture & Forestry, Food Security, Small Business and Local Enterprise Development, Environment, small towns regeneration etc.
Good Governance and Public Participation	Education, Disaster Management, Fire Services, Protection Services, Internal Audit, etc.
Municipal Financial Viability and Management	Administrative and Financial Management matters etc.

<p>Municipal Transformation and Institutional Development</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Plan for the future <input type="checkbox"/> Manage through information <input type="checkbox"/> Develop, retain skilled and capacitate workforce <input type="checkbox"/> Create an informed community
--	---

RELEVANT DOCUMENTS

The following documentations should be read with the IDP:

- Municipal Systems Act and relevant regulations
- IDP Guide Pack, with specific reference to Guide 3 and Guide 6
- District IDP Framework Plan
- Amahlathi IDP/Budget Process Plan
- Various sector plans and programmes
- Amahlathi Performance Management Framework
- Amahlathi Spatial Development Framework (SDF)
- Provincial Growth and Development Plan
- Provincial Spatial Development Plans (PSDP)
- National Spatial Development Plan (NSDP)
- National Development Plan (NDP)
- Sustainable Development Goals

ALIGNMENT WITH NATIONAL AND PROVINCIAL PROGRAMS

The following National programs informed the IDP process:

- State of the Nation Address (SONA)
- Green Paper on National Planning Commission (revised).
- State of Local Government in South Africa
- Municipal Demarcation Board Reports
- COGTA: Local Government Turnaround Strategy (LGTAS)
- COGTA: Operation Clean Audit 2014
- Powers & Functions:
- ANC Manifesto
- ANC January 8th Statement
- King III Report & Code on Good Governance for South Africa
- 12 Outcomes of Government – Role of Local Government
- National Development Plan – Vision 2030

SUSTAINABLE DEVELOPMENT GOALS (SDG'S)

The Amahlathi Local Municipality is committed to the SDG's:

- Eradication of extreme poverty and hunger
- Achieve universal primary education partnering with relevant Government Department and Institution
- Promote gender equality and empowerment of women through implementation of enabling Policies
- Combat HIV/AIDS, Malaria and other diseases through collaboration with stakeholders and implementation of own strategy
- Develop a global partnership for development

Developmentally, the table below shows the alignment between the National, Provincial and Amahlathi local Municipality's priorities and the SDG's.

KEY PERFORMANCE AREAS	10 NATIONAL PRIORITIES	8 PROVINCIAL PRIORITIES	14 OUTCOMES	NDP (Vision 2030) Pillars	SUSTAINABLE DEVELOPMENT GOALS
Good Governance and Public Participation	Intensifying the fight against crime and corruption	Intensify the fight against crime and corruption	7. Vibrant, equitable, sustainable rural communities contributing towards food security for all	Encourage citizens to be active in their own development, in strengthening democracy and holding their government accountable	Peace and Justice (#16) Energy (#7) Partnership (#17) Economic growth (#8) Partnership (#17)
	Build cohesive, caring and sustainable communities	Building cohesive and sustainable communities	9. Responsive, accountable, effective and efficient Local Government system	Raising economic growth , promoting exports and making the economy more labor absorbing	
	Pursuing African advancement and enhanced international co-operation		12.An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship		
	Building a developmental state including improvement of public services and strengthening democratic institutions		11.Create a better South Africa, better Africa and a better world		
Municipal Financial Viability and Management	Intensifying the fight against crime and corruption	Intensify the fight against crime and corruption	9. Responsive, accountable, effective and efficient Local Government system		

Municipal Transformation and Institutional Development	Strengthen skills and human resource base	Strengthen education, skills and human resource base	1. Quality basic education	Quality basic education (Chapter 9)	
	Pursuing African advancement and enhanced international co-operation		5. Skilled and capable workforce to support an inclusive growth path	Skilled and capable workforce to support an inclusive growth path (Chapter 9) Decent employment through inclusive economic growth (Chapter 3)	
	Building a developmental state including improvement of public services and strengthening democratic institutions		3. All people in SA are and feel safe	Social protection (Chapter 11)	
			9. Responsive, accountable, effective and efficient Local Government system	Create a better South Africa, a better Africa and a better world (Chapter7)	
			12. An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship	Skilled and capable workforce to support an inclusive growth path (Chapter 9)	
Basic Service Delivery and Infrastructure Investment	Improve health profile of the nation	Improve the health profile of the province	6. An efficient, competitive and responsive economic infrastructure network	Provide basic services to all citizens wherever they reside	Health (#3) Infrastructure Industrialization (#9) Partnership (#17)
	Comprehensive rural development strategy linked to land and	Rural development, land and agrarian	2. A long and healthy life for all South Africans	Raising economic growth, promoting exports and	Economic growth (#8)

	agrarian reform & food security	transformation, and food security		making the economy more labor intensive	Partnership (#17)
	Massive programme to build economic and social infrastructure	Massive programme to build social and economic and infrastructure	8. Sustainable human settlements and improved quality of household life	Provide basic services to all citizens wherever they reside	Infrastructure , Industrialization (#9)
	Sustainable resource management and use	Building a developmental state	10.Protect and enhance our environmental assets and natural resources	Uniting South Africans of all races and classes around a common programme to eliminate poverty and reduce inequality	Climate change (#13) Poverty (#1)
Local Economic Development	Speeding up economic growth & transforming economy to create decent work and sustainable livelihoods	Speeding up growth & transforming the economy to create decent work and sustainable livelihoods	4.Decent employment through inclusive economic growth	Raising economic growth, promoting exports and making the economy more labor intensive	Economic growth (#8) Partnership (# 17)
	Comprehensive rural development strategy linked to land and agrarian reform & food security	Rural development, land and agrarian transformation, and food security	6.An efficient, competitive and responsive economic infrastructure network		
		Massive programme to build social and economic and infrastructure	7. Vibrant, equitable, sustainable rural communities contributing towards food security for all		
		Building cohesive and sustainable communities	8. Sustainable human settlements and	Government spending on fixed investment should be	Infrastructure, Industrialization (#9)

			improved quality of household life	focused on localities of economic growth	Partnership (#17) Economic growth (#8)
		Building a developmental state	10.Protect and enhance our environmental assets and natural resources		

THE STRUCTURE OF THE 2022/23-2026/27 IDP IS AS FOLLOWS:

Chapter 1: The VISION

Chapter one of the IDP provides a concise summary of the municipal vision, mission and values.

Chapter 2: DEMOGRAPHIC PROFILE OF THE DISTRICT

This chapter provides a detailed profile of the Municipality.

Chapter 3: STATUS QUO ASSESSMENT

This chapter provides the situational analysis of the municipality in relation to the 5 Key Performance Areas of Local Government, together with the wide community priorities and needs.

CHAPTER 4: DEVELOPMENT OBJECTIVES, STRATEGIES, PROGRAMMES AND PROJECTS

This chapter provides a detailed breakdown of objectives that indicate what the Municipality can reasonably achieve within the 5 year period and within the available resources, as well as strategies and programmes that provide the concrete interventions that the local municipality will implement to attain its objectives.

CHAPTER 5: PROJECTS

This chapter list the projects the current projects, status and the planned projects

Chapter 6: PERFORMANCE MANAGEMENT

This chapter outlines the system the Municipality used for performance management

CHAPTER 7: SECTOR PLANS

This chapter provides a list of all sector plans and their status, with executive summaries of the newly developed sector plans. The sector plans contain strategic interventions that respond to the status quo assessment.

CHAPTER 8: FINANCIAL PLAN

This chapter provides the Municipality's financial strategies, medium term expenditure, proposed budget for the 2022/23-2024/25 financial year as well as the 3 Year Capital Plan.

CHAPTER 9: MAPS/ DEVELOPMENT PLANS

CHAPTER 10: IDP PROCESS PLAN

ANNEXURE A: ORGANOGRAM

ANNEXURE B: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

CHAPTER 1: THE VISION

VISION

A model municipality in partnership with its community through excellent service delivery, local economic development and public participation.

MISSION

Building a caring, responsive, accountable and economic viable municipality.

FIVE YEAR THEME

Build and Grow Amahlathi Together

CORE VALUES

In implementing the above, the Amahlathi Municipality subscribes to the following values

- ♦ Team work
- ♦ Trust
- ♦ Honesty
- ♦ Responsibility
- ♦ Dedication
- ♦ Value and acknowledgement of the individual.
- ♦ Integrity
- ♦ Work Ethics.
- ♦ Transparent and Clean Government.
- ♦ Tolerance
- ♦ Understanding
- ♦ Good Leadership.
- ♦ Accountability
- ♦ Value for Money
- ♦ Efficiency and Affordability; and
- ♦ Developmental Local Government striving for effectiveness and Performance.

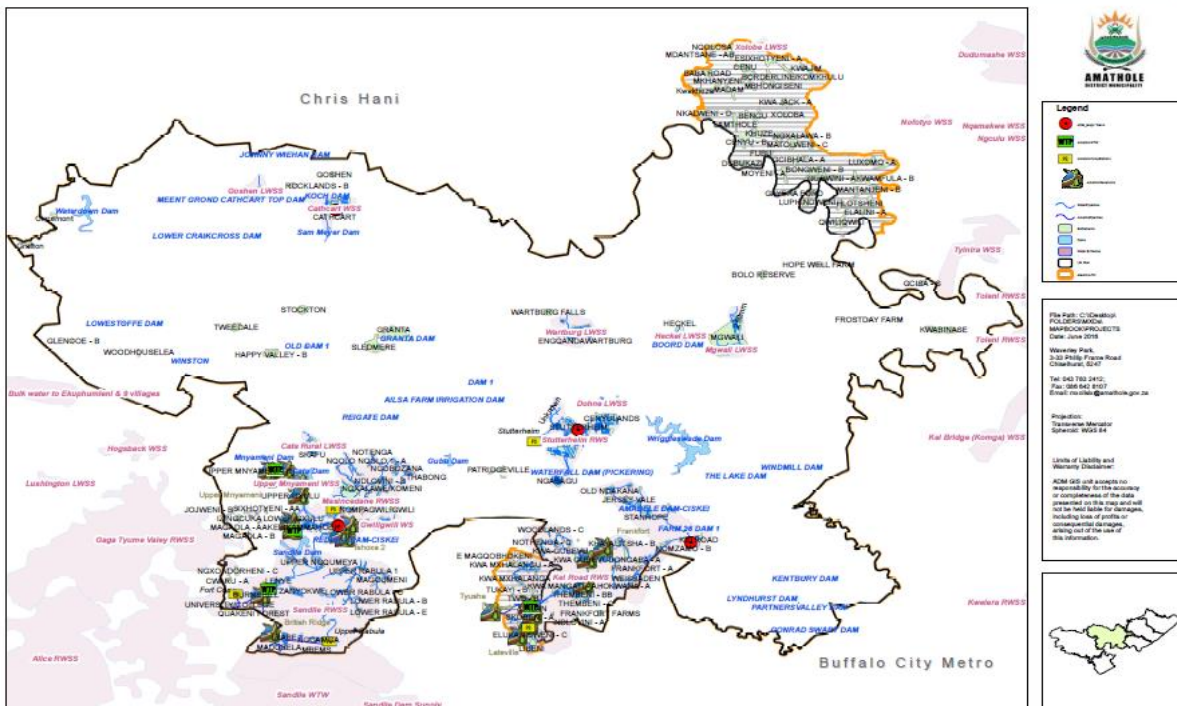
CHAPTER 2: DEMOGRAPHIC PROFILE OF THE MUNICIPALITY

2.1 DEFINING THE MUNICIPAL AREA – AN OVERVIEW

2.1.1 Geographic Locality

Situated in the Northern part of the Amathole District Municipality, Amahlathi is 4266.21km² in extent, the municipality's jurisdiction comprises of Stutterheim, Cathcart, Keiskammahoek and Kei Road. Strategically placed both Stutterheim and Cathcart are located along the N6 road with access to the rail and road network. Keiskammahoek is the agricultural hub with a majority of the population active within the agricultural sector. The main municipal offices are situated in Stutterheim where the Council is accommodated and, the satellite offices are at Cathcart, Kei road and Keiskammahoek. The satellite offices in Keiskammahoek and Cathcart have Satellite Managers to ensure smooth operations and monitoring of various functions performed by various departments. In Kei Road there is only one official that is a Cashier and reports to Budget and Treasury department. The main economic sectors are community services, finance, manufacturing, trade, agriculture, construction and transport.

AMATHOLE NEW DEMARCATIIONS - AMAHLATHI



The Amahlathi Municipality comprises of 15 wards and is characterized by a range of settlement patterns and associated land uses, including formal urban areas, formal and informal rural settlement areas, and extensive, privately owned farmland.

2.2. SOCIO-ECONOMIC INDICATORS

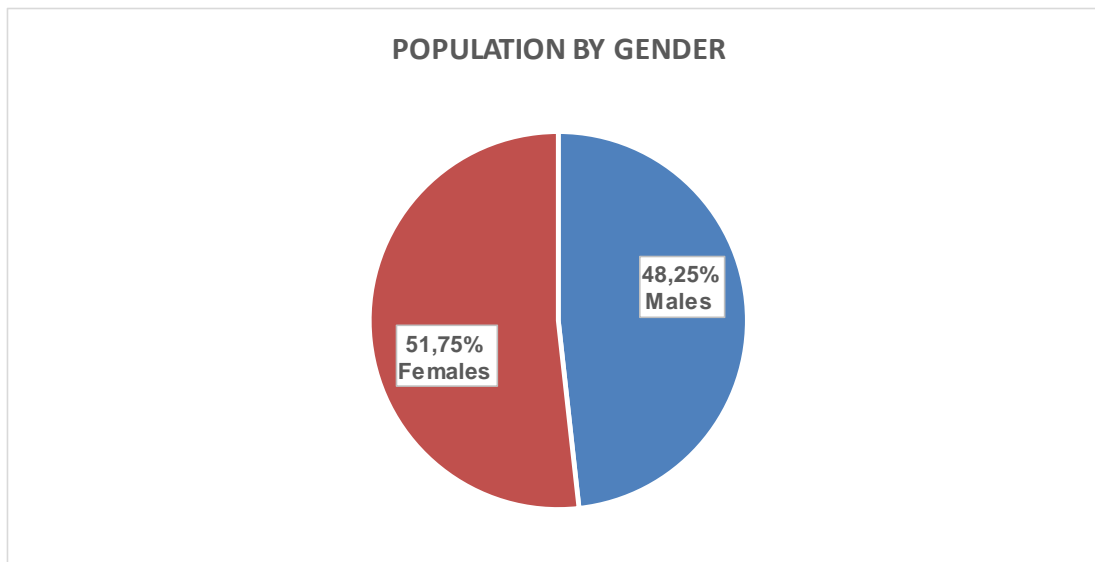
2.2.1 DEMOGRAPHIC PROFILE

Population

The population of Amahlathi has decreased from **122 778** to **101 826** based on the new boundaries as per the 2016 Community survey done by Statistics SA, this came as a result of the number of wards that have been reduced from 20 to 15 by the Demarcation board. About **13** villages have been moved to Buffalo City Metro Municipality and 10 villages to Intsika Yethu Municipality. The 2016 Community Survey also shows a decrease in the households from **34 159** to **29 994** households. The population is unevenly distributed among the 15 wards.

Population Characteristics | Population by Gender

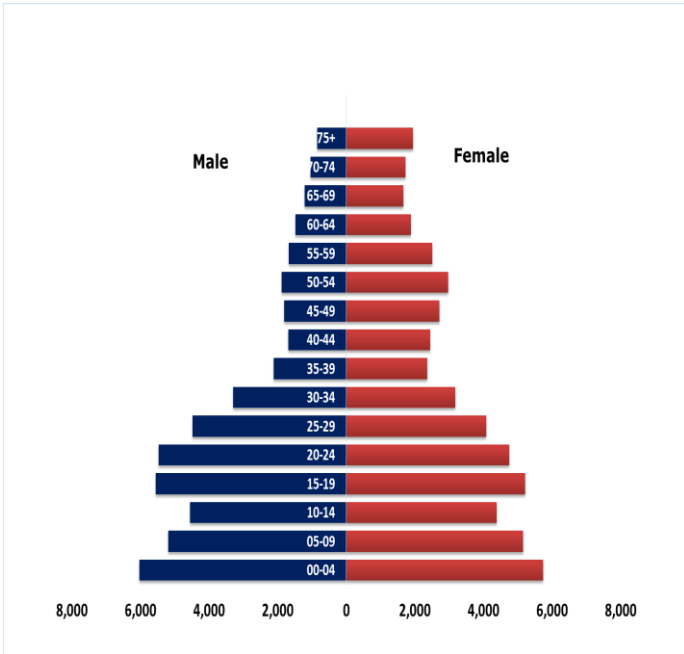
The population's sexual distribution reflects the following composition;



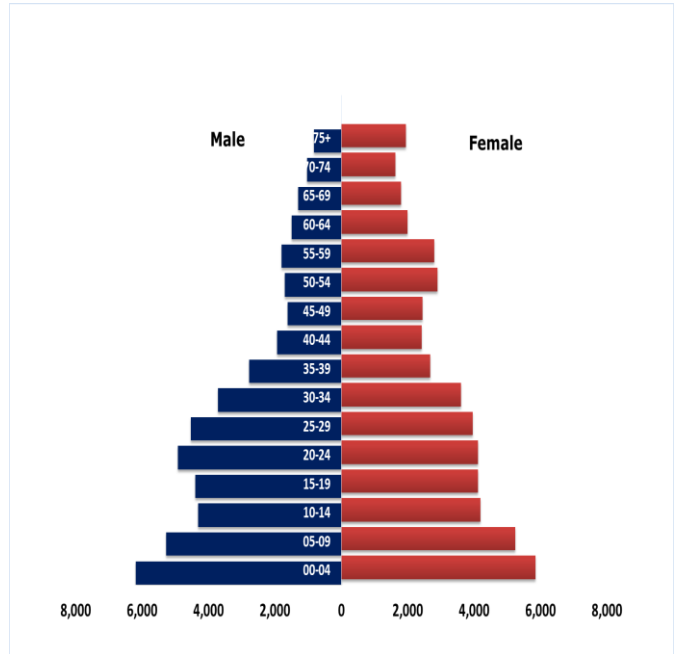
Source: Community Survey 2016

The Amahlathi population is predominantly female dominated by 51.75% with males constituting 48.25% of the population as shown in the graph above. There is a universal consensus that women have a longer life expectancy than males, therefore given the current male to female ratio, various programmes and campaigns need to be put in place in order to empower women in the short to medium term.

Population pyramid 2011



Population pyramid 2016



Source: Municipal Barometer 1996-2016, REX Global Insight 2016

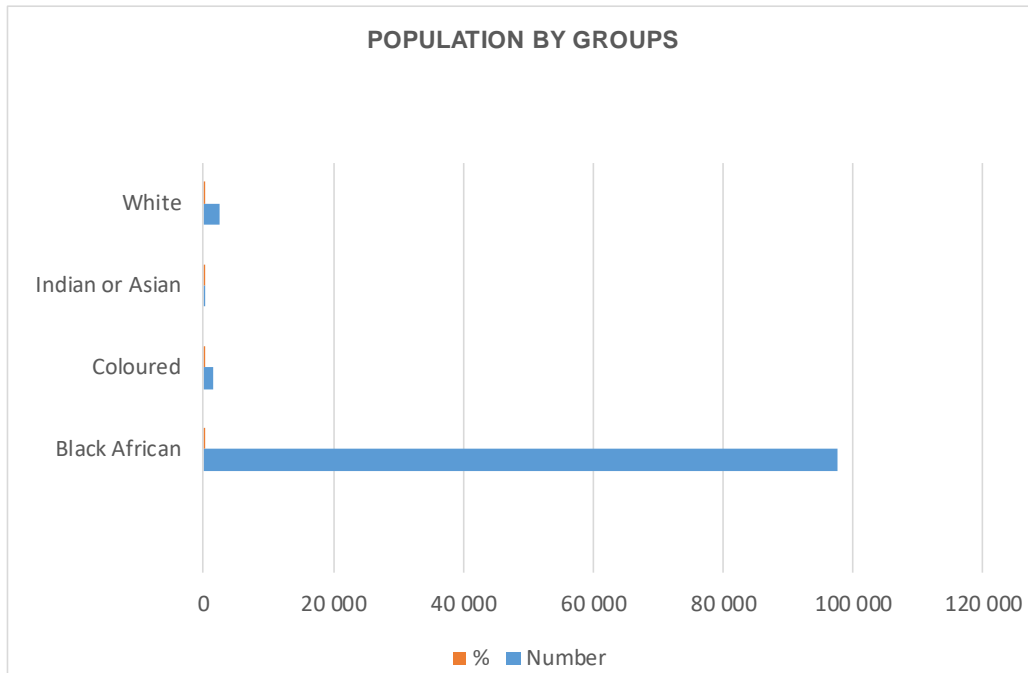
The population pyramids above provide a breakdown of the population estimates in the municipality by age, group and gender for 2011 and makes a comparison with 2016 population estimates. The population of the municipality shows a typical age structure of a very young population distribution. The economically active population (15-64) who are willing and able to work account for 60%. Those in the age group 15-34 account 31% however by 2016, the structure changed and the population in those age cohorts grew to 60.6% and those in the 15-34 age cohort declined to 29.1%. The decline in the youth category could indicate the out-migration impact where the youth would typically seek better working and living conditions elsewhere in the region.

POPULATION GROUP

Group	Number	%
Black African	97 591	95.8
Colored	1 575	1.5
Indian or Asian	116	0.1
White	2 543	2.5
Total	101 825	100%

Source: Stats Community Survey 2016

Population Characteristics | Population by Groups

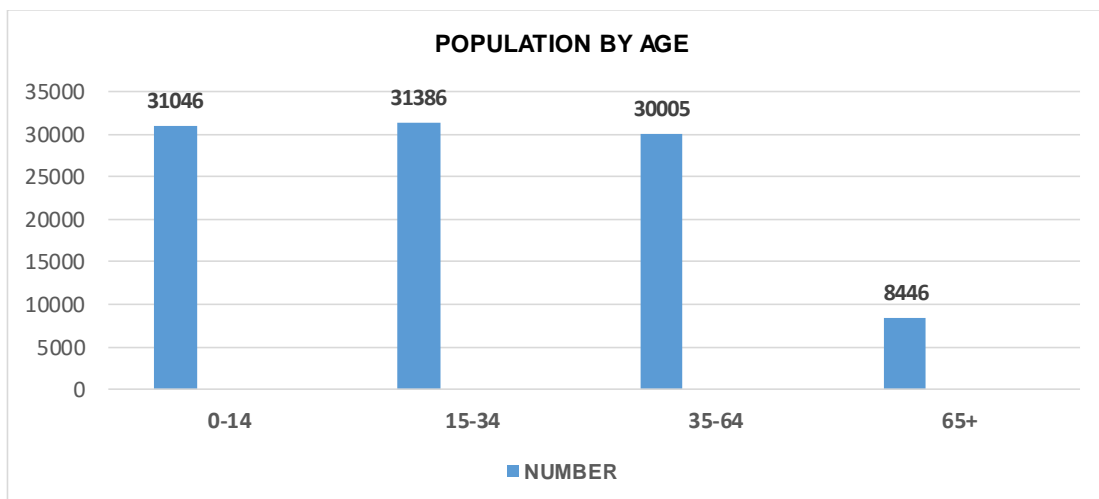


Source: Stats Community Survey 2016

The majority of the population of Amahlathi are Black Africans (95.8%) followed by whites South Africans (2.5%), then Colored (1.8%) and Indians/Asia (0.1%).

Population Characteristics | Population by Age

The Amahlathi Municipality currently has a population of children from age 0-14 constituting 31.48% while it has a teen and early adulthood population of age group between 15-34 constituting 40.85% of the total population in all its demographic forms. The working population of age group between 35- 64 constitutes 19.43% whilst the older population of 65 and above constitutes 8.24% of the population. This therefore means in the municipality the demand for expenditure on schooling as percentage of total budget within Amahlathi Local Municipality is therefore higher.



Source: Stats Community Survey 2016

NUMBER OF HIV+ PEOPLE - AMAHLATHI, AMATOLE, EASTERN CAPE AND NATIONAL TOTAL, 2006-2016 [NUMBER AND PERCENTAGE]

Year	Amatole	Eastern Cape	National Total	Amatole as % of province	Amatole as % of national
2007	88,600	626,000	5,370,000	14.2%	1.65%
2008	88,300	631,000	5,400,000	14.0%	1.63%
2009	88,900	643,000	5,480,000	13.8%	1.62%
2010	90,300	660,000	5,590,000	13.7%	1.62%
2011	91,600	676,000	5,680,000	13.5%	1.61%
2012	92,700	691,000	5,760,000	13.4%	1.61%
2013	94,800	712,000	5,880,000	13.3%	1.61%
2014	97,200	736,000	6,010,000	13.2%	1.62%
2015	99,800	760,000	6,130,000	13.1%	1.63%
2016	103,000	786,000	6,280,000	13.1%	1.63%
2017	106,000	812,000	6,430,000	13.0%	1.64%

Source: IHS Markit Regional Explorer version

In 2017, 106 000 people in the Amatole District Municipality were infected with HIV. This reflects an increase at an average annual rate of 1.78% since 2007, and in 2017 represented 12.18% of the district municipality's total population. The Eastern Cape Province had an average annual growth rate of 2.64% from 2007 to 2017 in the number of people infected with HIV, which is higher than that of the Amatole District Municipality. When looking at the South Africa as a whole it can be seen that the number of people that are infected increased from 2007 to 2017 with an average annual growth rate of 1.83%.

The lifespan of people that are HIV+ could be prolonged with modern ARV treatments. In the absence of any treatment, people diagnosed with HIV can live for 10 years and longer before they reach the final AIDS stage of the disease

2.2.2 ECONOMY**A. GROSS DOMESTIC PRODUCT (GDP) - AMAHLATHI, AMATOLE, EASTERN CAPE AND NATIONAL TOTAL, 2006-2016 [R BILLIONS, CURRENT PRICES]**

Year	Amahlathi	Amatole	Eastern Cape	National Total	Amahlathi as % of district municipality	Amahlathi as % of province	Amahlathi as % of national
2006	1.8	12.7	142.2	1,839.4	14.3%	1.27%	0.10%
2007	2.1	14.9	168.2	2,109.5	14.3%	1.26%	0.10%

2008	2.2	15.4	174.1	2,369.1	14.3%	1.26%	0.09%
2009	2.4	16.9	191.2	2,507.7	14.2%	1.26%	0.10%
2010	2.6	18.6	211.6	2,748.0	14.1%	1.24%	0.10%
2011	2.8	19.8	226.1	3,023.7	13.9%	1.22%	0.09%
2012	3.0	21.7	252.2	3,253.9	13.9%	1.20%	0.09%
2013	3.2	23.1	273.2	3,539.8	14.0%	1.18%	0.09%
2014	3.5	24.5	293.9	3,807.7	14.1%	1.18%	0.09%
2015	3.7	26.2	315.6	4,049.8	14.1%	1.17%	0.09%
2016	3.9	27.9	337.8	4,338.9	14.0%	1.16%	0.09%

Source: IHS Markit RegionaleXplorer version 1156

With a GDP of R 3.92 billion in 2016 (up from R 1.81 billion in 2006), the Amahlathi Local Municipality contributed 14.03% to the Amatole District Municipality GDP of R 27.9 billion in 2016 increasing in the share of the Amatole from 14.29% in 2006. The Amahlathi Local Municipality contributes 1.16% to the GDP of Eastern Cape Province and 0.09% 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 0.10% in 2007.

In 2021, Amahlathi's forecasted GDP will be an estimated R 2.81 billion (constant 2010 prices) or 13.9% of the total GDP of Amatole District Municipality. The ranking in terms of size of the Amahlathi Local Municipality will remain the same between 2016 and 2021, with a contribution to the Amatole District Municipality GDP of 13.9% in 2021 compared to the 14.1% in 2016. At a 1.07% average annual GDP growth rate between 2016 and 2021, Amahlathi ranked the lowest compared to the other regional economies.

ECONOMIC GROWTH FORECAST

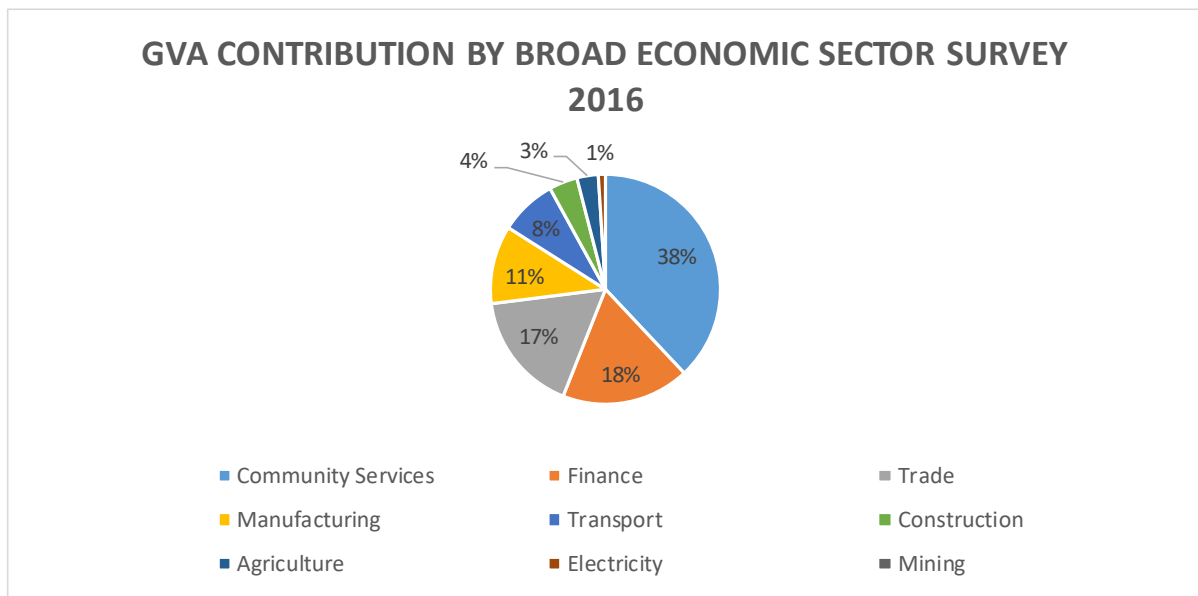
It is expected that Amahlathi Local Municipality will grow at an average annual rate of 1.07% from 2016 to 2021. The average annual growth rate in the GDP of Amatole District Municipality and Eastern Cape Province is expected to be 1.39% and 1.62% respectively. South Africa is forecasted to grow at an average annual growth rate of 1.61%, which is higher than that of the Amahlathi Local Municipality.

B. GROSS VALUE ADDED BY REGION (GVA-R)

C. Sector	Amahlathi	Amatole	Eastern Cape	National Total	Amahlathi as % of district municipality	Amahlathi as % of province	Amahlathi as % of national
Agriculture	0.1	0.7	5.9	94.4	14.9%	1.75%	0.11%
Mining	0.0	0.0	0.5	306.2	9.4%	0.97%	0.00%
Manufacturing	0.4	2.0	36.3	517.4	18.9%	1.03%	0.07%
Electricity	0.0	0.5	6.2	144.1	7.5%	0.58%	0.02%

Construction	0.2	0.9	13.2	154.3	17.9%	1.24%	0.11%
Trade	0.6	5.5	61.5	589.7	10.8%	0.97%	0.10%
Transport	0.3	1.7	27.5	389.2	16.0%	0.97%	0.07%
Finance	0.6	4.7	60.5	781.7	13.5%	1.05%	0.08%
Community services	1.3	9.1	89.7	894.1	14.5%	1.47%	0.15%
Total Industries	3.5	25.1	301.2	3,871.2	13.9%	1.16%	0.09%

Source: IHS Markit Regional eXplorer version 115

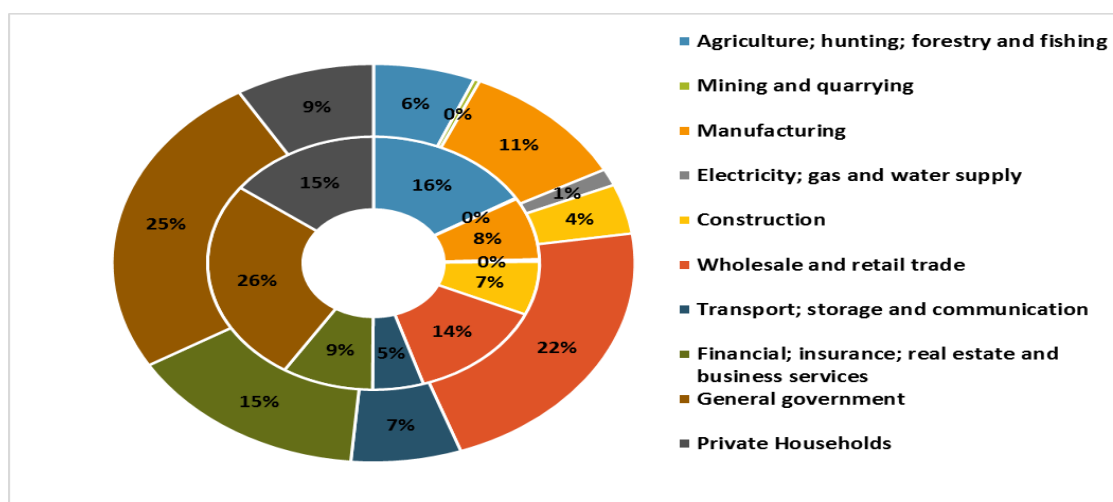


Source: IHS Markit Regional eXplorer version 1156

In 2016, the community services sector is the largest within Amahlathi Local Municipality accounting for R 1.32 billion or 37.7% of the total GVA in the local municipality's economy. The sector that contributes the second most to the GVA of the Amahlathi Local Municipality is the finance sector at 18.1%, followed by the trade sector with 17.1%. The sector that contributes the least to the economy of Amahlathi Local Municipality is the mining sector with a contribution of R4.39 million or 0.13% of the total GVA.

A positive relationship between the sectors driving the economy as measured by the Gross Value Added (GVA) and employment is depicted below. This indicates the influence economic activity has in the generation of jobs. The success of Local Economic Development (LED) policies are key in the creation of conditions that enable people to develop their own livelihoods within a supportive local business environment which will stimulate economic growth in the municipality. Therefore as depicted by the figure below much focus should be directed towards stimulating potential sectors such as manufacturing, construction, wholesale trade and the financial services sectors.

Employment and economic activity relationship



Source: Municipal Barometer 1996- 2016

About 25% of the informal jobs in Amahlathi municipality are from General government followed by Wholesale and retail trade, Financial, insurance and business services, Manufacturing, Private Households, Transport Agriculture, Electricity and Construction.

- 1) The economy of Amahlathi is dominated by the Government Sector which contributes 25% to the GDP.
- 2) The second most important sector is the Wholesale and retail trade which contributed 22% to the GGP.
- 3) The Third most important contributor to the GGP of the Amahlathi Municipality is the Financial, Insurance, real estate and business service sector, which accounts for 15% of the GGP in 2016.
- 4) The Manufacturing sector contributes 11% to the GGP and is fourth contributor to the economy, the contribution of Private households is 9%, Agriculture is 6%, Transport is 7 %, Construction at 4% and Electricity at 1% each to the GGP of the municipality.

SECTOR GROWTH FORECAST

Sector	2016	2017	2018	2019	2020	2021	Average Annual growth
Agriculture	67.2	71.7	72.8	74.3	76.3	78.1	3.07%
Mining	4.9	5.0	5.0	5.1	5.1	5.2	1.28%
Manufacturing	279.8	275.3	276.1	277.9	283.3	290.1	0.73%
Electricity	13.8	13.5	13.4	13.5	13.8	14.2	0.55%
Construction	101.7	102.2	103.5	105.2	107.8	111.8	1.90%
Trade	401.8	400.8	404.7	411.5	422.9	435.9	1.64%
Transport	169.6	169.7	171.3	173.4	177.8	183.0	1.53%
Finance	449.8	446.2	450.0	457.4	467.8	480.0	1.31%
Community services	927.8	929.8	922.3	926.2	935.5	950.7	0.49%
Total Industries	2,416.4	2,414.1	2,419.1	2,444.4	2,490.4	2,548.9	1.07%

Source: IHS Markit Regional eXplorer version 1156

The agriculture sector is expected to grow fastest at an average of 3.07% annually from R 67.2 million in Amahlathi Local Municipality to R 78.1 million in 2021. The community services sector is estimated to be the largest sector within the Amahlathi Local Municipality in 2021, with a total share of 37.3% 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 community services sector with an average annual growth rate of 0.49%.

C. LABOUR

WORKING AGE POPULATION IN AMAHLATHI, AMATOLE, EASTERN CAPE AND NATIONAL TOTAL, 2006 AND 2016 [NUMBER]

Age	Amahlathi		Amatole		Eastern Cape		National Total	
	2006	2016	2006	2016	2006	2016	2006	2016
15-19	13,500	8,320	120,000	82,400	803,000	634,000	5,290,000	4,550,000
20-24	11,300	8,640	90,900	80,500	701,000	694,000	5,260,000	5,000,000
25-29	8,330	8,400	61,300	71,600	530,000	684,000	4,550,000	5,620,000
30-34	5,600	7,430	39,700	61,300	355,000	589,000	3,570,000	5,300,000
35-39	4,870	5,800	33,200	47,800	288,000	438,000	2,930,000	4,240,000
40-44	5,100	4,570	35,900	32,900	286,000	298,000	2,610,000	3,120,000
45-49	5,490	4,030	38,300	29,300	286,000	247,000	2,290,000	2,530,000
50-54	4,390	4,510	33,500	32,300	241,000	249,000	1,880,000	2,260,000
55-59	3,810	4,630	30,500	34,000	205,000	249,000	1,520,000	1,990,000
60-64	3,490	3,540	28,500	29,800	171,000	207,000	1,170,000	1,610,000
Total	65,885	8,320	512,147	502,023	3,866,790	4,289,261	31,071,485	36,220,290

Source: IHS Markit Regional eXplorer version

The working age population in Amahlathi in 2016 was 59 900, decreasing at an average annual rate of -0.95% since 2006. 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.

a. 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 labor market of a region. If a person is economically active, he or she forms part of the labor force.

Year	Amahlathi	Amatole	Eastern Cape	National Total	Amahlathi as % of district municipality	Amahlathi as % of province	Amahlathi as % of national
2006	29,500	184,000	1,840,000	17,500,000	16.1%	1.61%	0.17%
2007	28,800	182,000	1,850,000	18,000,000	15.9%	1.56%	0.16%
2008	27,600	177,000	1,840,000	18,400,000	15.6%	1.50%	0.15%
2009	25,800	168,000	1,790,000	18,300,000	15.4%	1.44%	0.14%
2010	24,000	158,000	1,730,000	18,100,000	15.2%	1.38%	0.13%
2011	23,200	155,000	1,740,000	18,300,000	15.0%	1.33%	0.13%
2012	23,400	157,000	1,770,000	18,700,000	14.9%	1.32%	0.12%
2013	24,500	166,000	1,840,000	19,300,000	14.8%	1.33%	0.13%
2014	26,000	177,000	1,940,000	20,100,000	14.7%	1.34%	0.13%
2015	27,000	184,000	2,000,000	20,800,000	14.7%	1.35%	0.13%
2016	27,700	190,000	2,060,000	21,300,000	14.6%	1.35%	0.13

Source: IHS Markit Regional eXplorer version 1156

Average Annual growth
2006-2016 **-0.64%** **0.30%** **1.12%** **1.97%**

Amahlathi Local Municipality's EAP was 27 700 in 2016, which is 27.85% of its total population of 99 500, and roughly 14.61% of the total EAP of the Amatole District Municipality. From 2006 to 2016, the average annual decrease in the EAP in the Amahlathi Local Municipality was -0.64%, which is 0.94 percentage points lower than the growth in the EAP of Amatole's for the same period.

b. TOTAL EMPLOYMENT

I. TOTAL EMPLOYMENT - AMAHLATHI, AMATOLE, EASTERN CAPE AND NATIONAL TOTAL, 2006-2016
[NUMBERS]

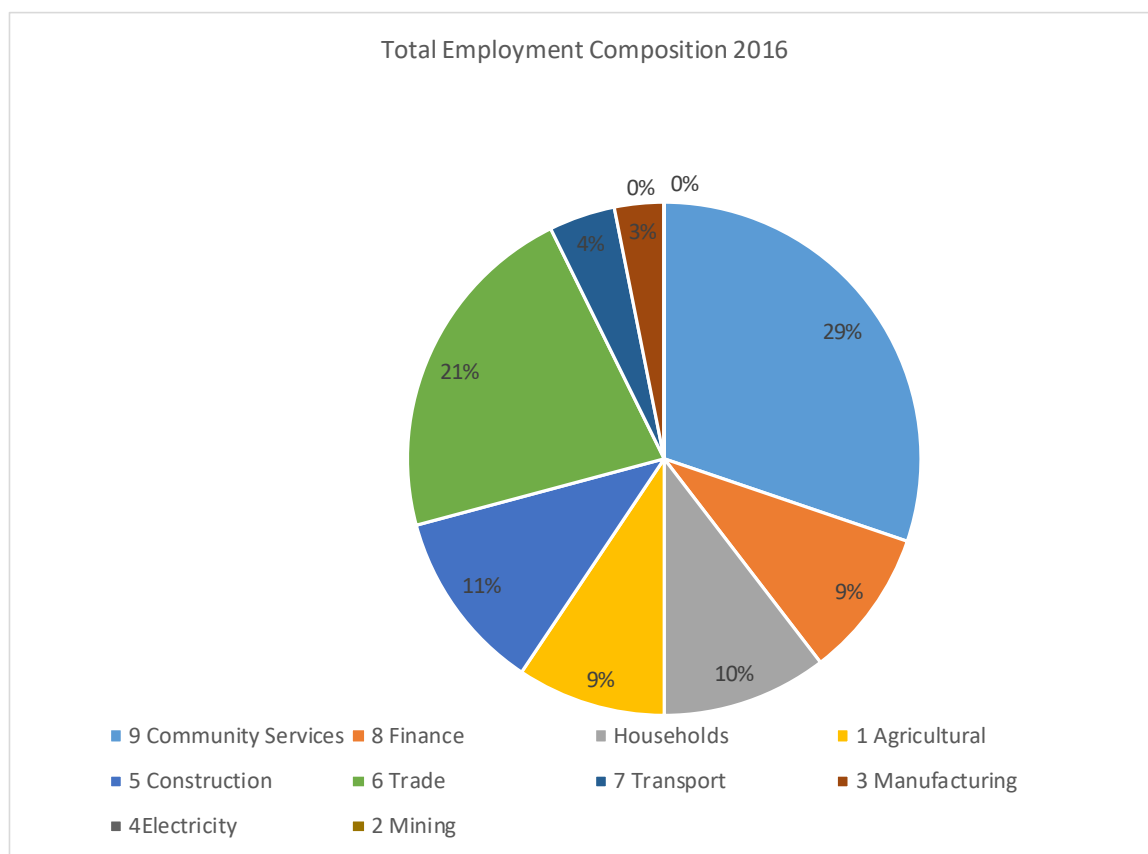
Year	Amahlathi	Amatole	Eastern Cape	National Total
2006	24,700	134,000	1,330,000	13,000,000
2007	24,800	135,000	1,350,000	13,500,000
2008	24,600	134,000	1,350,000	14,100,000
2009	23,600	129,000	1,320,000	14,000,000
2010	22,300	121,000	1,260,000	13,600,000
2011	22,100	120,000	1,260,000	13,800,000
2012	21,900	118,000	1,270,000	14,000,000
2013	22,700	122,000	1,310,000	14,500,000
2014	24,300	130,000	1,370,000	15,100,000
2015	25,500	137,000	1,430,000	15,500,000
2016	26,100	141,000	1,460,000	15,700,000
Average Annual growth				
2006-2016	0.53%	0.51%	0.91%	1.89%

Source: IHS Markit Regional eXplorer version 1156

In 2016, Amahlathi employed 26 100 people which is 18.55% of the total employment in Amatole District Municipality (141 000), 1.79% of total employment in Eastern Cape Province (1.46 million), and 0.17% of the total employment of 15.7 million in South Africa. Employment within Amahlathi increased annually at an average rate of 0.53% from 2006 to 2016. The Amahlathi Local Municipality average annual employment growth rate of 0.53% exceeds the average annual labor force growth rate of -0.64% resulting in unemployment decreasing from 32.15% in 2006 to 29.89% in 2016 in the local municipality.

II. TOTAL EMPLOYMENT PER BROAD ECONOMIC SECTOR

In Amahlathi Local Municipality the economic sectors that recorded the largest number of employment in 2016 were the community services sector with a total of 7 410 employed people or 28.4% of total employment in the local municipality. The trade sector with a total of 5 430 (20.8%) employs the second highest number of people relative to the rest of the sectors. The mining sector with 16 (0.1%) is the sector that employs the least number of people in Amahlathi Local Municipality, followed by the electricity sector with 70.1 (0.3%) people employed.



Source: IHS Markit Regional eXplorer version 1156

III. FORMAL AND INFORMAL EMPLOYMENT

The number of formally employed people in Amahlathi Local Municipality counted 19 400 in 2016, which is about 74.30% of total employment, while the number of people employed in the informal sector counted 6 700 or 25.70% of the total employment. Informal employment in Amahlathi decreased from 6 920 in 2006 to an estimated 6 700 in 2016.

In 2016 the Trade sector recorded the highest number of informally employed, with a total of 2 410 employees or 35.95% 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 Finance sector has the lowest informal employment with 445 and only contributes 6.64% to total informal employment.

Sector	Formal employment	Informal employment
Agriculture	2,440	N/A
Mining	16	N/A
Manufacturing	1,360	486
Electricity	70	N/A
Construction	1,540	1,300
Trade	3,020	2,410
Transport	448	683
Finance	1,930	445
Community services	6,030	1,380
Households	2,530	N/A

Source: IHS Markit Regional eXplorer version 1156

c. UNEMPLOYMENT

UNEMPLOYMENT (OFFICIAL DEFINITION) - AMAHLATHI, AMATOLE, EASTERN CAPE AND NATIONAL TOTAL, 2006-2016 [NUMBER PERCENTAGE]

Year	Amahlathi	Amatole	Eastern Cape	National Total	Amahlathi as % of district municipality	Amahlathi as % of province	Amahlathi as % of national
2006	9,500	65,600	512,000	4,510,000	14.5%	1.86%	0.21%
2007	8,970	63,000	503,000	4,460,000	14.2%	1.78%	0.20%
2008	8,200	59,300	488,000	4,350,000	13.8%	1.68%	0.19%
2009	7,590	56,400	483,000	4,370,000	13.4%	1.57%	0.17%
2010	7,050	53,800	480,000	4,490,000	13.1%	1.47%	0.16%
2011	6,610	52,000	485,000	4,570,000	12.7%	1.36%	0.14%
2012	7,070	55,800	508,000	4,690,000	12.7%	1.39%	0.15%
2013	7,520	60,500	542,000	4,850,000	12.4%	1.39%	0.16%
2014	7,850	63,900	569,000	5,060,000	12.3%	1.38%	0.16%
2015	7,980	65,400	583,000	5,290,000	12.2%	1.37%	0.15%
2016	8,280	68,200	603,000	5,600,000	12.1%	1.37%	0.15%

Source: IHS Markit Regional eXplorer version 1156

Average Annual growth

2006-2016 **-1.36%** **0.39%** **1.65%** **2.19%**

In 2016, there were a total number of 8 280 people unemployed in Amahlathi, which is a decrease of -1 220 from 9 500 in 2006. The total number of unemployed people within Amahlathi constitutes 12.14% of the total number of unemployed people in Amatole District Municipality. The Amahlathi Local Municipality experienced an average annual decrease of -1.36% in the number of unemployed people, which is better than that of the Amatole District Municipality which had an average annual increase in unemployment of 0.39%.

UNEMPLOYMENT RATE (OFFICIAL DEFINITION) - AMAHLATHI, AMATOLE, EASTERN CAPE AND NATIONAL TOTAL, 2006-2016 [PERCENTAGE]

Year	Amahlathi	Amatole	Eastern Cape	National Total
2006	32.2%	35.6%	27.8%	25.8%
2007	31.1%	34.6%	27.2%	24.8%
2008	29.7%	33.5%	26.6%	23.6%
2009	29.4%	33.5%	26.9%	23.8%
2010	29.4%	34.0%	27.7%	24.8%
2011	28.5%	33.5%	27.9%	24.9%
2012	30.2%	35.4%	28.7%	25.0%
2013	30.7%	36.6%	29.4%	25.1%
2014	30.1%	36.2%	29.4%	25.1%
2015	29.5%	35.5%	29.1%	25.5%
2016	29.9%	36.0%	29.3%	26.3%

Source: IHS Markit Regional eXplorer version 1156

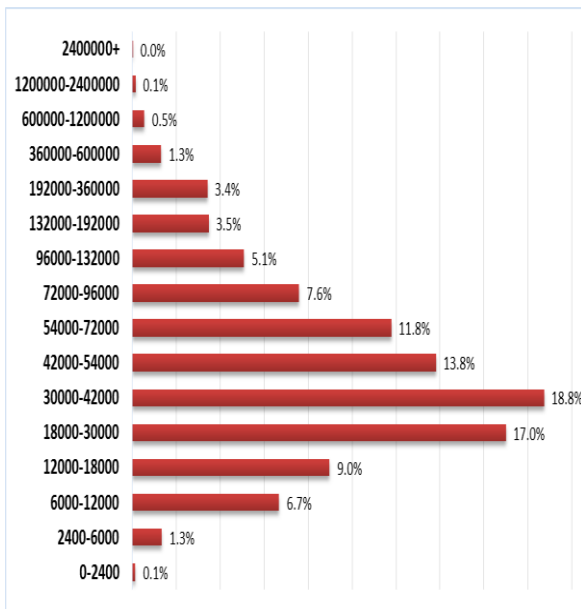
In 2016, the unemployment rate in Amahlathi Local Municipality (based on the official definition of unemployment) was 29.89%, which is a decrease of -2.27 percentage points. The unemployment rate in Amahlathi Local Municipality is lower than that of Amatole. Comparing to the Eastern Cape Province it can be seen that the unemployment rate for Amahlathi 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.

D. DISTRIBUTION OF HOUSEHOLD INCOME

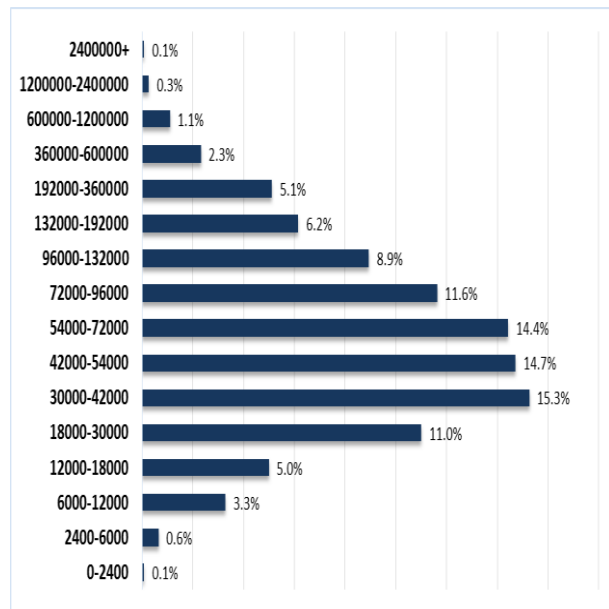
The ability to meet basic needs, such as for adequate food, clothing, shelter and basic amenities, is largely determined by the level of income earned by the households.

The two figures below suggests a cumulative 61.4% of households in Amahlathi earn between R30 000 to R72 000 per annum. The households with the highest income brackets falls between R30 000 – R42 000 and R18 000 – R30 000 accounting for about 18.9% and 17.0% of households respectively. In 2016, there was a significant shift in the income breakdown where certain income brackets grew while others declined. Figure with both years depicts a clear picture of the changes between the two periods. Households in the income categories of R0 to R42 000 experienced a cumulative decline of about 18% while significant increases in the categories of R42 000 upwards were experienced with those between R72 000 to R132 000 leading.

Household by income category per annum, 2011

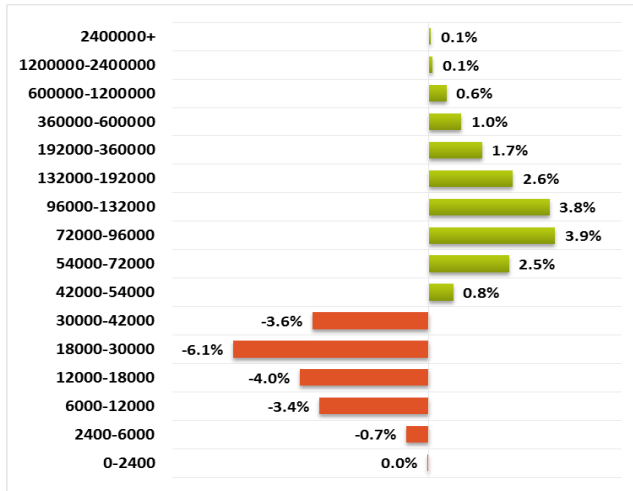


Household by income category per annum, 2016



Source: Stats SA Census Municipal Report 2011, REX Global Insight 2016

Household by income category between 2011 and 2016



Source: REX Global Insight 2016

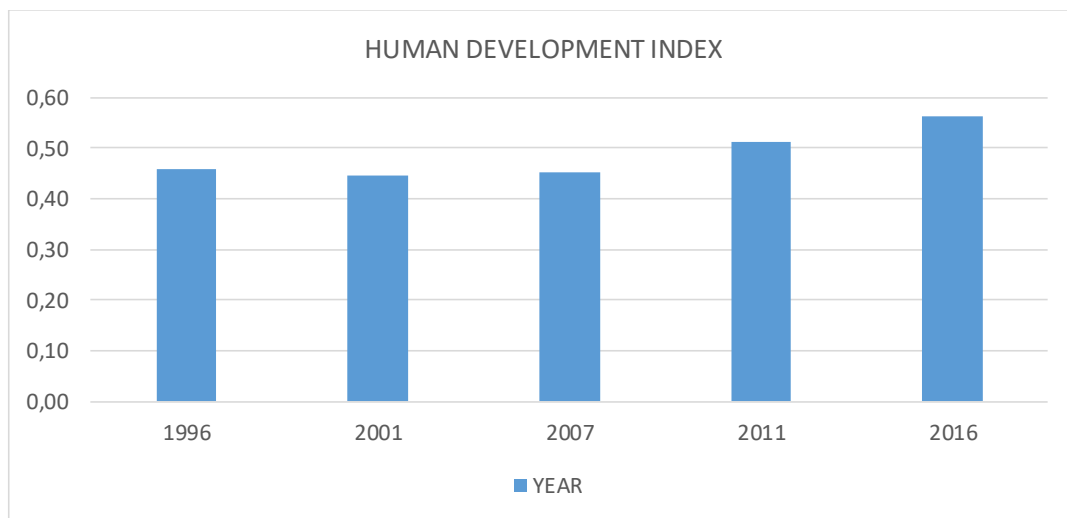
E. DEVELOPMENT

A. Human Development Indicator (HDI)

The HDI attempts to rank the population development on a scale of 0 (lowest human development) to 1.0 (highest human development) based on the following human development goals;

- Longevity as measured by life expectancy at birth;
- Knowledge as measured by a weighted average of adult literacy and means of schooling;
- Standard of living as measured by real gross per capita gross domestic product.

The more the HDI is close to 1(one), the better is the human development in the area.



Source: IHS Markit Regional eXplorer version

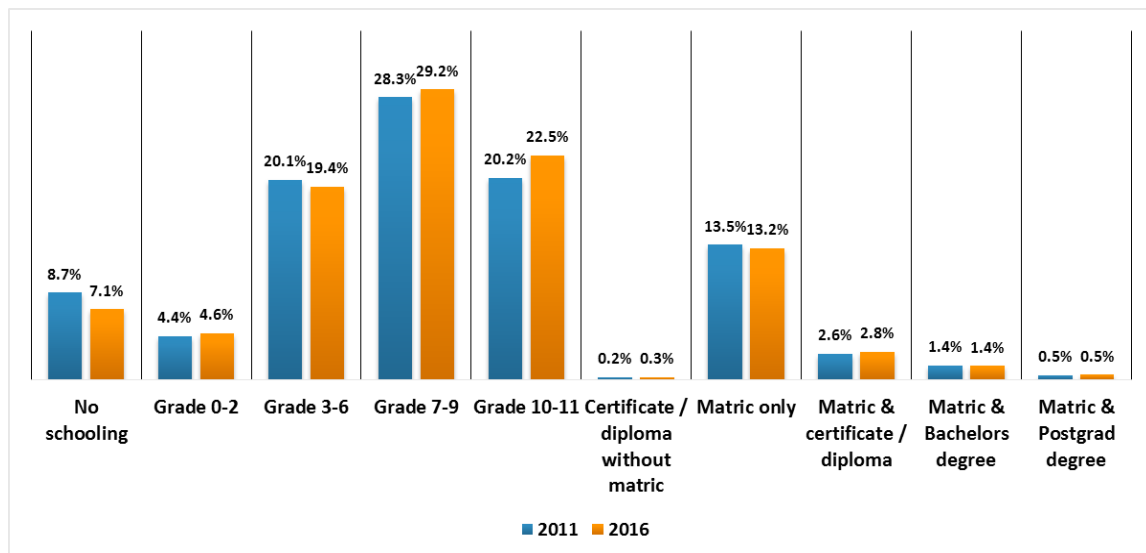
The HDI in Amahlathi municipality was **0.47** in 1996 decreased to **0.45** in 2007, increased to **0.51** in 2011 and **0.54** 2013, which is a medium HDI by international standards. This shows that there's been an improvement in the Human Development Index. The above diagram indicates there has been a decrease in unemployment rate between 1996 and 2011, however from 2011 to 2013 the unemployment rate has increased.

In 2016 Amahlathi Local Municipality had an HDI of 0.564 compared to the Amatole with a HDI of 0.551, 0.596 of Eastern Cape and 0.653 of National Total as a whole.

F. EDUCATION LEVELS

According to the figures below, education levels in Amahlathi indicate a need by the municipality to intervene in encouraging interest in attaining higher education beyond having a matric certificate. The municipality has an added advantage as 40% of the population is relatively young. The quality of the labor force largely relies on the educational profile of an economically active population. Therefore Amahlathi should make every effort to invest in education and training that will provide the necessary skills required in the various economic sectors that are driving the economy while creating jobs where employment opportunities exist. This will help sustain and accelerate overall development in the municipality over time.

Education Levels



Source: Municipal Barometer 1996-2016

G. KEY ECONOMIC SECTORS

Sectoral employment data taken from the 2011 Census and aggregated to Ward level suggests that, at the Municipal level, the Community, Social & Personal Services sector is the key economic sector, accounting for 27% of employment in the Municipal area. This is followed by the Agriculture, Forestry, Fishing and Hunting sector (accounting for 22% of employment).

Unfortunately, the data available do not distinguish Tourism as a separate sector.

As per local economic development locally, the manufacturing sector is identified as one of significant potential, especially where local produce is being processed for other markets. Tourism, too, is noted as being a potential growth sector, particularly given the many areas of beauty and historical interest in Amahlathi.

From the perspective of local access to business opportunities, Stutterheim is the largest service node in the municipality; however, services and markets are also sought in East London and King William's Town. It is likely that the above trend will continue.

Participatory Needs Analysis

Participants in the Participatory Needs Analysis identified the following key issues: -

- Untapped tourism potential / poor access to tourist sites
- Limited external investment
- Limited market facilities for communities to market local produce and goods
- Insufficient training and skills development opportunities
- Lack of regulation of hawkers
- Poor commonage management
- Untapped potential of irrigation schemes
- Large scale poverty and consequences thereof, including increased crime levels
- Limited impact of emerging farmers
- Lack of knowledge of/sources of financing of SMME's
- Inadequate access of subsistence/emerging farmers to agricultural implements
- Lack of formal tenure/ tenure security

These and other aspects are to be taken up in a Local Economic Development Strategy, which the Municipality will be reviewing. The outcomes of this strategic exercise will provide invaluable input for subsequent revisions of the IDP and should be incorporated therein.

There is, consequently, a critical need to implement strategies and support mechanisms to engage currently economically unproductive residents in productive economic activities. Strategies to alleviate poverty are also of great importance. Overall, it is deemed critical that all efforts be undertaken to facilitate local economic development in the Municipal area.

CHAPTER 3: STATUS QUO ASSESSMENT

3.1 KPA 1: SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

3.1.1 Access to Basic Infrastructure

According to data below as presented by Statistics South Africa in their 2016 Community Survey, over 80% of households in the past 15 years have access to water and electricity. However during the two periods, access to water declined slightly although at high levels while significant increase in the provision of electricity was observed as more than 90% of households in the municipality. Access to electricity is reliant on infrastructure above ground with cables that are able to cover significant land area compared to services that are provided by infrastructure underground.

Toilet facilities remain at low levels. Challenges in providing sanitation services in most municipalities include in-ground factors and the soil type. The service is influenced also by the type of infrastructure the municipality should provide taking into consideration the topography of the municipality in terms of identifying of landmark features and vegetative land cover.

With regards to access to refuse removal much focus is required as levels are low and declining which is indication of high backlog levels. This could likely be a result of the sparsely distributed households including the access to the various wards in the municipality for the collection of the refuse. The high levels of refuse removal to a communal service indicates refuse being disposed in a central place by households as opposed to removal by the municipality or a service provider.

Table: Access to service delivery

Access to Basic Infrastructure	2011		2016	
	Households	% of households with access	Households	% of households with access
Main source of drinking water				
Access to piped water	26 269	92.0%	22 041	89.7%
No access to piped water	2 278	8%	2 535	10.3%
Access to Sanitation				
Flush Toilets	7 640	27.5%	6 040	24.6%
Chemicals	415	1.5%	1512	6.2%
Pit Toilets	18 263	65.7%	15 235	62.0%
Buckets	67	0.2%	48	0.2%
None	1403	5.0%	1 460	5.9%

Energy for lightning				
Electricity	24 919	87.4%	22 610	92.7%
Other	3 590	12.6%	1 781	7.3%
Energy for Cooking				
Electricity	20 577	72.3%	20 840	85.9%
Other	7 880	27.7%	3 429	14.1%
Access to refuse removal				
Removed by local authority at least once a week	7 113	24.9%	3 438	14.0%
Removed by local authority less often	96	0.3%	256	1.0%
Communal refuse dump	316	1.1%	2 637	10.7%
Own refuse dump	19 789	69.3%	17 323	70.5%
No rubbish disposal	1 150	4.0%	231	0.9%

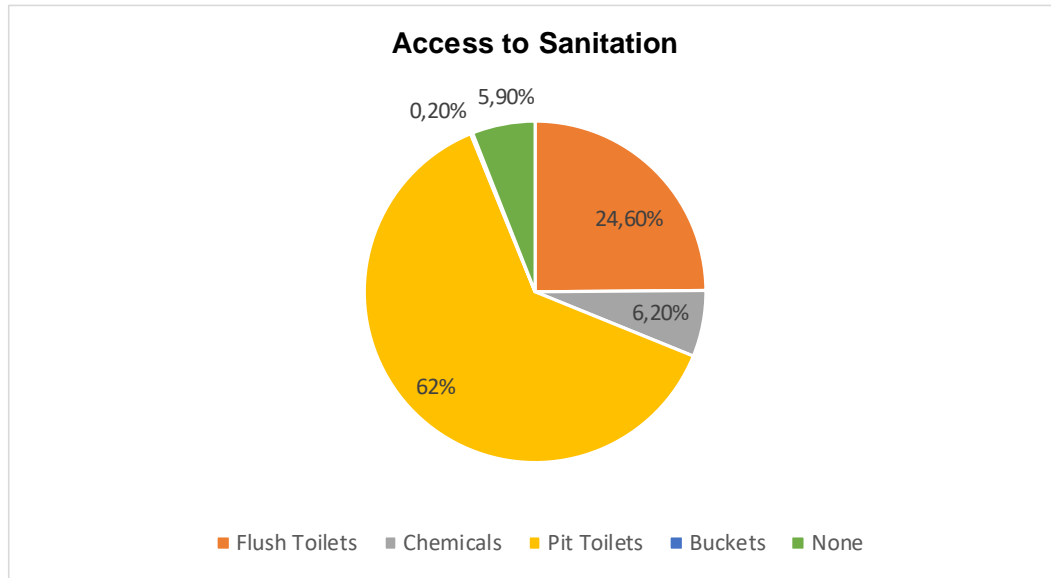
Source: Stats SA Community Survey 2016, own calculations

According to Community Survey 2016 about 89.7% of the households in Amahlathi area access water from regional/ local water scheme operated by the municipality or other water service provider and only 10.3% that does not have access to piped water.

Electricity – 2016 Community Survey as per the table above indicates that 92.7% of households at Amahlathi uses electricity for lighting compared to 87.4% calculated in the Census 2011 meaning there is a great improvement of about 5.3%.

Refuse removal - The statistics above indicate that about 70.5% of Amahlathi households uses their own refuse dump as compared to 69.32% in 2011 and only 14.0% that have access to refuse removal at least weekly. This shows that there is still huge backlog on refuse removal.

Access to Sanitation



Source: Community Survey 2016

Sanitation - Community Survey 2016 indicates that 62 % of Amahlathi households still use pit toilets ventilation, 24.6 % use flush toilets with sewerage system, 5.9 % do not have any toilets, and 6.2% uses chemical toilets and only 0.2% uses bucket system.

The statistics merely indicates there's a great need for flush toilets with sewerage system in Amahlathi.

3.1.2 ACCESS TO COMMUNITY HALLS & CLINICS

There are 14 halls that have been audited and confirmed which are under Amahlathi area and are listed below:

Access to community halls and clinics

NUMBER	HALL	WARD
1.	Amatolaville	6
2.	Mlungisi Community Hall	15
3.	Cenyu Hall	15
4.	Cenyu Lands Hall	15
5.	Ndakana Hall	14
6.	Kei Road Hall	9
7.	Frank Fort Hall	8

8.	Springbok Hall (KKH)	2
9.	Cathcart Town Hall	4
10.	Kati Hall	5
11.	Daliwe Hall	4
12.	Goshen Hall	4
13.	Mgwali Hall	14
14.	Kologha Hall	13

There is a project of 9 Villages in Keiskammahoek that was completed in 2015 for constructing Community Halls and the halls are being utilized.

Amahlathi has 21 Clinics and 3 Hospitals (SS Gida, Keiskammahoek and Stutterheim) in the Amahlathi Municipality.

3.1.3 DISASTER MANAGEMENT

All-hazards contingency plan is in place; it was developed with the support from Amathole District Municipality it was tabled to the Council. The Municipal Manager of the Amathole District Municipality, in consultation with the Municipal Manager of the Amahlathi Local Municipality, activates the contingency plan and emergency procedures of the local municipality and convenes the establishment of a Joint Operations Centre (JOC) at a mutually agreed upon and suitable location in the area of the Amahlathi Local Municipality. The JOC is established and operates in accordance with the Standard Operating Procedures contained in the All-Hazards Contingency Plan of the Amathole District Municipality.

Subsequent to the classification of coronavirus pandemic a disaster, a national state of disaster was declared by the State president on the 15th of March 2020. The State President also announced a nation-wide lockdown on the 23 March 2020, effective from the 26 March 2020. In response to the coronavirus pandemic a Local Joint Operations Centre headed by Mayor was established, its purpose being to discuss interventions undertaken by stakeholder in curbing the spread of the virus locally. The reduction in reported cases and deaths led to introduction of Adjusted Alert levels and opening of the economic sector under strict health protocols. The Adjusted Alert levels being informed by an increase or decrease in reported cases and deaths at a particular time. Currently operations are under Alert level 1 of the fourth wave.

The Amathole District municipality coordinates the development and maintenance of plans and procedures by organs of state in the Amahlathi Local Municipality to ensure the protection of municipal archives and the continuity of municipal business during disasters and response operations. On receipt of an Alert and on the

instruction of the JOC Coordinator, the municipality proceeds directly to the Local Joint Operations Centre and executes responsibilities for the coordination of municipal business continuity operations. The Disaster management is the function of the District the municipality only facilitates the process there is no unit.

Frequent hazard experience in the area:

The occurrence of hazards is seasonal.

Types of hazards are as follows:

- Floods
- Severe storms
- Domestic fires
- Veld and forest fires
- Strong wind
- Heavy rains

Community Safety

There is a community safety plan that was developed with the support from Amathole District Municipality and it was adopted by Council in 2015. Community safety forums are held on a quarterly basis to prepare a plan of action to be implemented including awareness campaigns which are conducted in all the clusters.

3.1.4 TRAFFIC & LAW ENFORCEMENT

There is a functional traffic department at Amahlathi Local Municipality with 26 staff members, 12 traffic officers and 14 office support staff. There are currently 04 vehicles, 3 speed trap cameras and 5 alcohol testers. Compliance and non-compliance issues varies from month to month. During the closing and opening of schools there are more people on the public road as well as during the festive season which causes increase of vehicles on our public roads. It is noticeable that during this period above, our Law Enforcement statistics get increased. The number of vehicle compared to the ratio of the available Traffic Officers on the public road cannot be detected due to shortage of manpower.

Vehicle Pound

The Municipality has constructed a vehicle pound which will be operational in the 2022/2023 Financial Year. The Vehicle Pound is situated in Stutterheim.

Driving license testing Centre

Only one driving station is available at the moment which is centralized at Stutterheim, all 4 clusters of Amahlathi Municipality are depending on driving license testing station which is in the Stutterheim cluster for driving license as well as learners' license. There are 6 Examiners responsible for the Driving License Testing Centre.

Vehicle testing Centre

The vehicle testing centre is also situated in the Sutterheim cluster, with 03 Examiners responsible for testing vehicles. Testing facilities such as an A-Grade Vehicle Testing Station was opened in 2006/7 and a Weigh Bridge is now required to assist the Municipality in the efficient administration of vehicular traffic and licensing. There is also a roadworthy testing centre is Stutterheim.

The driving license testing Centre & the vehicle testing station are guided by the Act i.e. **National Road Traffic Act of 1993 and SABS Codes.**

3.1.5 FIRE SERVICES

There are fire services tariffs that were developed, adopted, implemented and they are periodically reviewed. A fire risk levy was adopted by Council in the 2021/2022 financial year. There is a full time fire service operating under a Platoon Commander. The municipality has signed Service Level Agreements with the adjacent municipalities, the Greater Stutterheim Fire Association and Amathole District Municipality. The municipality is convening fire awareness campaign in all clusters, and striving for a two hour turnaround time in responding to fire outbreaks. A new fire station has been constructed in Keiskammahoek which still needs to be fully operationalized.

3.1.6 LAND ADMINISTRATION

The Municipality is currently engaged in a desktop survey of its properties to plug gaps identified in a similar exercise undertaken by the Amathole District Municipality in 2015. This exercise will be completed within the 2020/21 financial year and will reflect type of each property, land use and approximate value (from the GV). This will underpin a proposed (from the Revenue Enhancement Strategy) property management partnership that will, as a prime objective, enhance revenue. Secondly, this will also enable the development of a more comprehensive Leas Register an important facet of a revamped property management system. In addition the General Valuation roll continues to inform the broader land or property ownership profile of the Municipality.

There is also a standing Council decision which was taken in 2016/17 to dispose pre-identified service sites across the Municipal jurisdiction. This intervention will be re-initiated as the first attempt did not yield the required outcome.

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

- Facilitate the development of both new formal and existing informal settlements; there is therefore no bias in favour of any one sort of development and no individual community or group in an area can claim preferential treatment without a good reason.
- Discourage land invasions without ignoring the reality and history of informal land development processes.
- Promote efficient and integrated land development that, among other things: integrates rural and urban areas, integrates poor and rich, black and white areas in towns and cities, and integrates different land uses rather than keeping them strictly separate.
- Discourage urban sprawl and contribute to more compact cities.
- Make maximum use of all available resources and avoid duplicating existing infrastructure and services.
- Promote the development of housing and work opportunities near to each other, and encourage environmentally sustainable practices and processes.
- Be clear and easily understood – they should also provide guidance and information to people affected by the land development process, rather than simply trying to control the process and the people.

- Promote sustainable development that
 - *Is within the fiscal, institutional and administrative means of the country.*
 - *Establishes viable communities.*
 - *Protects the environment.*
 - *Meets the basic needs of all citizens in a viable way.*
 - *Ensures the safe use of land*

In terms of land administration the municipality attends to land ownership identification, land disposals and land leasing. These functions are governed by the following pieces of legislation:

- Municipal Finance Management Act, Act 56 of 2003.
- The Spatial Planning and Land Use Management (SPLUMA) Act 16 of 2013 aims:
 - to provide a framework for spatial planning and land use management in the Republic;
 - to specify the relationship between the spatial planning and the land use management system and other kinds of planning;
 - to provide for the inclusive, developmental, equitable and efficient spatial planning.

There are other Land Use planning legal instruments which are still in play in the approval of town planning applications e.g. the Land Use Planning Ordinance, No 15 of 1985. The Municipality is however in the process of developing a Wall to Wall Zoning Scheme as required by the SPLUMA which should supersede all of these.

Land Restitution and Land Reform

Land dispossession and removal of black people in South Africa was formalized through the Land Act of 1913 and the Group Area Act which resulted in black citizens owning only 13% of land and white counterparts owning 87% of land in South African by 1994.

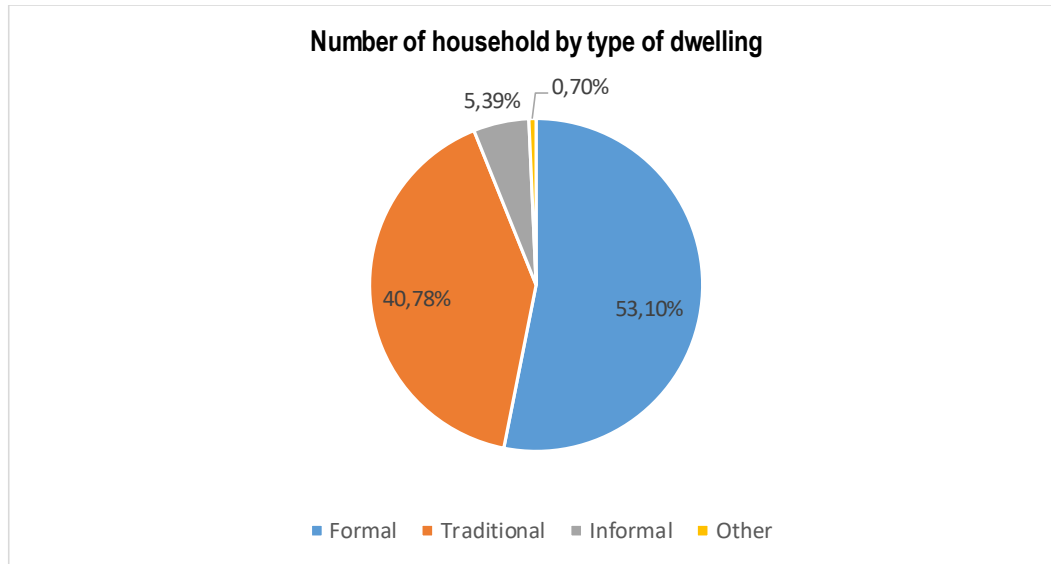
As redress to this challenge the South African government developed the Restitution of Land Rights Act 22 of 1994 and the Policy on Land Redistribution for agricultural development (2000). The afore-mentioned legislation saw the establishment of the Land Claims court and commission.

The document includes criteria for qualification for land restitution and it was underpinned by key desired outcomes which included:

- Provide equitable redress to victims of racial land dispossession;
- Provide access to rights in land, including land ownership and sustainable development;
- Foster national reconciliation and stability; and,
- Improve household welfare, underpinning economic growth, contributing to poverty alleviation and improved quality of life.

Enjoined by this directive the Amahlathi Municipality also collaborates in various land reform projects e.g. The Keiskammahoek 9 villages land restitution project, which was led by the Amathole District Municipality.

3.1.7 HOUSING



Source: Community Survey 2016

The Municipality's Housing Sector Plan and Spatial Development Framework are outdated but the latter document is still utilized to inform the planning of human settlement projects. There is a process in place towards reviewing the SDF, but has been delayed due to capacity constraints. A new partnership between the Municipality and the Housing Development Agency will also significantly contribute to the improvement of the housing situation.

The existing Housing Sector Plan also indicates land parcels that are under claim, but at present none of these land parcels shall hinder the planned human settlement projects. The plan also makes acknowledgement of the household socio-economic standing of the ALM population in that the majority of residents depend highly on state grants and similarly win terms of housing demand the majority of housing demand is on the RDP programme. It is perceived that should there be growth in economic development of the towns and the household incomes and social standings improve then the housing product that is required would differ accordingly and the municipality together with the department of human settlements would have to acknowledge such and seeks to implement programmes that would cater for that demand type such as social housing, community residential units and possibly site and service stands.

In terms of housing development the municipality is guided by the following policies and legislation:

- Housing Act, Act 107 of 1997 as amended;
- Rental Housing Act, Act 50 of 1999;
- Social Housing Act, Act 16 of 2008;
- The Spatial Planning and Land Use Management (SPLUMA) Act 16 of 2013;
- By-Law relating to the use and hire of municipal buildings.

The housing act defines the roles and responsibilities for local authorities and the following may be highlighted:

Every municipality must as part of the municipality's process of integrated development planning take all reasonable and necessary steps within the framework of national and provincial housing legislation and policy to *inter alia*:

- set housing delivery goals in respect of its area of jurisdiction;
- identify and designate land for housing development;
- create and maintain a public environment conducive to housing development which is financially and socially viable;
- promote the resolution of conflicts arising in the housing development process;
- Initiate, plan, co-ordinate, facilitate promote and enable appropriate housing development in its area of jurisdiction:

The municipality has adhered to a number of the above mentioned steps through the formulation and approval of the pre 2016 Amahlathi Municipality spatial development framework and housing sector plan. The latter document has identified the housing need within the municipality as well as identifies current and proposed housing projects as well as projecting these spatially. By undertaking the afore-mentioned functions the municipality thereby facilitates the implementation of housing projects within its area of jurisdiction. The municipality compiles housing needs register and submit it to the department of Human Settlements for considerations.

The municipality is currently being assisted by the department of human settlements for attending to the readiness studies of housing projects as well as the actual implementation of the housing projects (top structure).

The Amathole District Municipality is also undertaking the project readiness studies of some of the proposed human settlement projects within Amahlathi municipality.

3.1.8 LAND USE MANAGEMENT

The municipality is responsible for land use management within its area of jurisdiction. At present the municipality does not have a wall to wall scheme but has land use management legislation applicable in its areas including the former Ciskei Homeland, Former Transkei Homeland and former Cape Provincial Administration area.

The specific legislation applicable in Amahlathi Municipality includes:

- Ciskei Land Use Regulations Act 15 of 1987
- Transkei Townships Ordinance 33 of 1933
- Land Use Planning Ordinance 15 of 1985

Land Invasion

In terms of dealing with land invasions, the municipality by-law and policy are in place to address the matter. This occurrence is addressed through the prevention of illegal eviction and unlawful occupation of land act, act 19 of 1998. It generally specifies the remedy the municipality possesses to address the challenge. The challenge however has been in the enforcement of this By-Law as the Municipality does not have its own Land Invasion Reaction Unit, thus relies heavily on coordinating efforts with Ward Councilors.

Land register

As part of the land asset register compilation exercise the land and housing unit needs to verify the identified properties by way of deeds office searches. As already indicated in the previous sections, the ALM is currently finalizing this exercise.

The municipality has in July 2013 received access to the Amathole District Municipality Geographic Information System Unit web service which has land ownership information. The bookmark is <http://www.amatholegis.gov.za/>.

3.1.9 SPATIAL DEVELOPMENT FRAMEWORK (SDF)

The municipality also undertakes spatial planning in terms of the legislation especially the Municipal Systems Act 32 of 2000 section 26 (e) which mentions the specific core components of an Integrated Development Plan.

The Amahlathi municipality with the assistance of the COGTA department last developed a Spatial Development Framework in February 2013, which was in line Department of Rural Development and Land Reform. This, as already indicated is being reviewed although

The SDF can be regarded as a spatial representation of the municipal integrated development plan. It shows the areas of desired aims, the SDF act as a guide for future development to ensure that the municipality maximizes co-ordination of planned activities within its area of jurisdiction.

In order to ensure that the SDF represents the IDP, the municipality had to consider the municipal vision as stated in the IDP as well as the main development priority clusters of infrastructure, local economic development and environment, social development, institution and finance.

In order to guide the formulation of the Amahlathi Spatial Development Framework, the spatial implications of the Amahlathi Municipality's IDP Development Goals are interpreted as follows: -

IDP Goals	Spatial Implications
A. Infrastructure	(i) Basic Needs Considerations (ii) Managing Land Development & Settlement Trends
B. Local Economic Development & Environment	(i) Basic Needs Considerations (roads and infrastructure) (ii) Need for focus on Land Use Management (to ensure orderly development) (iii) Need for focus on environmental management to enhance environmental qualities and ensure attractive environment for tourism development
C. Social Development	(i) Need to manage investment by identifying spatial structure of settlement pattern and strategic nodes for development of

		facilities and public-funded housing (Spatial Structuring Elements)
D. Institution and Finance	(i)	Managing Land Development & Settlement Trends
	(ii)	Focus on Land Use Management
	(iii)	Commitment to Environmental Management

Related to the implications of spatial planning that have been drawn from the Amahlathi Municipality's IDP, the following are noted as fundamental concepts guiding the spatial planning approach adopted for the Amahlathi Spatial Development Framework.

Spatial Structuring Elements

Spatial Structuring Elements are concepts or “planning tools” that are used to identify areas or special features of areas that enable the Amahlathi Municipality to carry out spatial planning and land use management in an ordered or structured manner that is, in line with the identified spatial objectives and associated strategies, these spatial structuring elements enable the Municipality to identify areas where different types of land uses would be permitted and/or discouraged and thus form the building blocks that guide future planning in the Amahlathi area.

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

- The concept of **Development Nodes**
- The concept of **Development Corridors**
- The concept of **Urban Edges**
- Areas where **Environmental Constraints** apply.

In order to provide the IDP Objectives related to infrastructure, roads, housing and facilities development with a clear mechanism to guide investment in geographic localities, spatial structuring elements within the settlement pattern in Amahlathi need to be identified so that: -

- The continuity of development, as opposed to fragmentation, functionally integrate development areas.
- Land development and investment in infrastructure and facilities can be programmed in an integrated manner, to ensure that development does not occur in an un-managed and inefficient way and that adequate services capacities are in place to ensure sustainable development;
- Scarce (higher order) resources such as hospitals, community health centers and secondary schools are situated where there will be optimum usage and accessibility. Duplication of these resources must be avoided;
- Environmental factors and constraints are taken into account in the development of land and the delivery of services.

- The conservation and appropriate use of existing natural and cultural heritage resources is considered.
- The support of the Land Reform Process is maintained.

The ALM SDF has sought both horizontal as well as vertical alignment in terms of higher order development plans (e.g. National Spatial Development Perspective, Eastern Cape Provincial Spatial Development Plan, ADM SDF) as well as local municipality development plans (e.g. neighboring municipality spatial development frameworks that including Buffalo City, Lukhanji LM, Nkonkobe LM, Great Kei LM, Mnquma LM, Intsika Yethu LM).

In summary the following informants to the formulation of proposals of the Spatial Development Framework are stated below: -

- A conceptual approach to spatial development and associated key concepts have been identified, based on the guidance of the Amahlathi Municipality's Integrated Development Plan;
- Further strategic guidance is taken from the National Spatial Development Perspective and the Draft Provincial Spatial Development Plan in regard to the categorization of areas for different levels of investment in development goods;
- The Amathole District Municipality's Spatial Development Framework has been utilized to ensure that Spatial Development Framework proposals for the Amahlathi area are in alignment with the district's strategies; and
- The Neighboring Local Municipalities Spatial Development Framework and associated Spatial Plans — have been consulted to ensure alignment in the approach adopted by the Amahlathi Spatial Development Framework.

Principles Contained in the EC Spatial Development Plan

The Amahlathi Municipality has sought direction to guide its strategies on the management of development and the prioritization of capital investment within the context of the spatial arrangement of different forms of land uses and settlement types in the area. Following the lead of the Amathole District Municipality, the Municipality has adopted the direction given by the Eastern Cape Provincial Spatial Development Plan (October 2010). The following applies: -

Guidelines to Direct the Management of Socio-Spatial Development

- There is a need to **focus on rationalizing the rural economy**;
- There is a need to **properly conceptualize the hierarchical position, relative importance and sustainability of settlements**, and their **inter-relationships** amongst each other and with their hinterlands;
- There is a need to **focus on what is achievable in developmental terms** and how this relates to spatial development proposals (the Spatial Development Framework);

The Preferred Approach to Management of Socio-Spatial Development

At the outset, it is accepted that it is every South African Citizen's constitutional right to receive basic services and to have their developmental needs met within the limits of available resources. Therefore, the preferred approach to manage spatial development and the direction of capital investment needs to be a compromise, which recognises the limits of available resources but proposes targeted and phased development in an effort to address basic needs and create the environment for local economic development (whether in a rural or urban context).

This strategy is termed an **Integrated Spatial Development Strategy**; as follows:

- ❑ Focus investment and upgrade existing rural settlements, villages and towns on a phased basis according to available resources and development priorities;
- ❑ Reinforce development nodes and development areas through building on strengths and bulk infrastructure; and
- ❑ Focus on economic upliftment and employment creation through LED, Agriculture, SMME's and industrial programmes.
- ❑ The ALM has also been identified by EC-COGTA as a pilot site for the new EC Small Town's Regeneration Framework, which could provide resources towards new Master Plans for the development of its Small Towns.

One of the fundamental principles of this strategic approach is the need to set criteria for investment in services, infrastructure and housing, based on a choice amongst differential levels of services. Such criteria would result in focused investment in areas where settlement could be encouraged and less investment in areas where settlement should be discouraged.

Proposed Spatial Development Policies and Principles

The adoption of the above philosophy and strategic approach means that the Amahlathi Municipality falls in line with the Provincial direction on these matters and will apply policies of investment and development facilitation at three levels to achieve the most significant results.

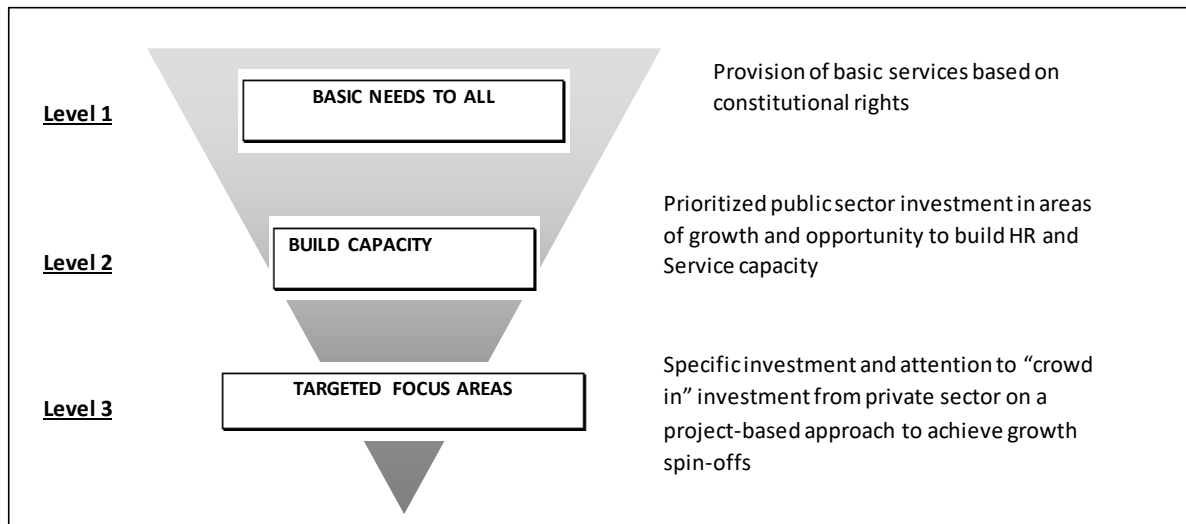
Level 1 would fulfil basic human rights in the provision of basic services to both urban and rural areas, at a minimum level, according to available resources. This would be guided by backlogs in these areas, the proximity of existing bulk services and special priorities identified in the IDP.

Level 2 will ensure the managed investment of public sector funding in urban and rural areas in order to strengthen current local capacity, build on the strengths and opportunities which exist and to maximize

potential from the existing infrastructure and settlement system. Capacity building would also include institution building, training, and skills transfer and community empowerment.

Level 3 would involve the provision of adequate funding to strategically targeted development zones, which have development potential. These will represent areas, nodes or areas of opportunity, where a special focus of effort and investment will attract interest from the private sector to invest, either in joint ventures with Government or independently, in order to develop economic growth opportunities and potential which already exists.

The above principles and strategic approach is illustrated below: -



Adapted from the draft Eastern Cape Provincial Spatial Development Plan (Nov 2001)

These principles are, together with the General Principles contained in Chapter I of the DFA, taken as the primary informants in the formulation of the Spatial Development Framework to guide socio-spatial development and land use management in the Amahlathi Municipal area.

The above strategic framework for level of services and investment type is interpreted in the Amahlathi Municipality's context as follows: -

- A) **Level 1: Basic Needs to All** – means the provision of municipal infrastructure at a basic level that is at least in line with the minimum acceptable level of service adopted by the Amathole District IDP Framework Committee.
- B) **Level 2: Build Capacity** – implies investment at a higher level in middle order services, infrastructure and needs (secondary schools, market places, taxi ranks, capacity training etc.).
- C) **Level 3: Targeted Focus Areas** – implies investment at a still higher level in higher order services and infrastructure and this includes “non-essential” needs, including sports stadiums, tertiary and specialized

education facilities, as well as the facilitation of investment that is likely to generate significant socio-economic developmental spin-offs.

ELEMENTS OF THE SPATIAL DEVELOPMENT FRAMEWORK

The following elements make up the forward planning component of the Amahlathi SDF:

Spatial Development Issues, Objectives & Strategies

These purify the key issues to be dealt with by the Spatial Development Framework, and set out objectives and strategies in relation to these issues.

A) Spatial Structuring Elements

These are concepts or “planning tools” that are used to identify areas or special features of areas that enable the Amahlathi Municipality to carry out spatial planning and land use management in an ordered or structured manner. That is, in line with the identified spatial objectives and associated strategies, these spatial structuring elements enable the Municipality to identify areas where different types of land uses would be permitted and/or discouraged and thus form the building blocks that guide future planning in the Amahlathi area.

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

- i. The concept of **Development Nodes**
- ii. The concept of **Development Corridors**
- iii. The concept of **Urban Edges**
- iv. Areas where Environmental Constraints apply

B) Special Development Areas

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

SPATIAL DEVELOPMENT ISSUES, OBJECTIVES & STRATEGIES

This section sets out the spatial development issues that are seen to be the main challenges to the Amahlathi Municipality in practicing wise spatial planning and land use management. Related to these, a number of spatial development objectives and strategies are proposed to enable the Municipality to better focus its resources when dealing with land development and spatial planning, in general.

A) Key Spatial Development Issues

The following are identified as the Key Spatial Development Issues to be addressed by the Amahlathi Spatial Development Framework: -

Key Spatial Development Issues	
Spatial Fragmentation vs Basic Needs	This issue highlights the problems inherent in attempting to provide housing and a basic level of service to all residents, whilst dealing with the reality of a spatially fragmented settlement and economic development pattern. The challenge to sustainability is significant.
Land Development Trends & Urbanization	This refers to the current problem of informal settlement formation in both urban and in peripheral or rural settlement areas. The challenge here is to manage spatial development so as to permit development at scale in areas where services and facilities can be delivered on a more sustainable basis, and implies focusing on a coherent service policy in tandem with an applied land use management approach.
Environmental Management	This refers to the sustainable use of the natural environment and the protection/conservation of environmentally sensitive areas.
Land Use Management	This issue highlights the need to ensure that the policies and institutional structures are set in place to allow the Amahlathi Municipality to practice wise land use management in both the urban and rural areas under its jurisdiction.

B) Spatial Development Objectives

The following objectives are proposed in response to the key Spatial Development Issues

Key Spatial Development Issues	Proposed Spatial Development Objectives
Spatial Fragmentation vs Basic Needs	To fulfil basic needs obligations and address spatial integration within available means
Land Development Trends & Urbanization	To manage land development in line with a structured approach to ensure sustainability
Environmental Management	To adhere to environmental law and protect environmentally sensitive areas
Land Use Management	To manage land development in line with the General Principles of the Development Facilitation Act and the provisions of the Land Use Planning Ordinance (15 of 1985)

C) Spatial Development Strategies

The following spatial development strategies are proposed to correspond with the spatial development objectives outlined above.

Key Spatial Development Objectives	Proposed Spatial Development Strategies
<p>1. To fulfil basic needs obligations and address spatial integration within available means</p>	<ul style="list-style-type: none"> ▪ Ensure efficiency and sustainability of basic services, by promoting the integration of sprawling settlements in both urban and rural areas, and the consolidation of larger settlements at nodal points. ▪ Consolidate and integrate spatial development by developing land in proximity to public transport routes and existing services. ▪ Develop infill areas within fragmented settlement areas, where appropriate.
<p>2. To manage land development in line with a structured approach to ensure sustainability</p>	<ul style="list-style-type: none"> ▪ Manage land development in line with land use management guidelines related to identified spatial structuring elements and special development areas within Amahlathi ▪ Support a land reform and settlement development programme by identifying zones of opportunity for land development
<p>3. To adhere to environmental law and protect environmentally sensitive areas</p>	<ul style="list-style-type: none"> ▪ Implement the principles of Integrated Environment Management (IEM).
<p>4. To manage land development in line with the General Principles of the Development Facilitation Act and the provisions of the Land Use Planning Ordinance (15 of 1985)</p>	<ul style="list-style-type: none"> ▪ Implement the provisions of the Section 8 Zoning Scheme Regulations in terms of the Land Use Planning Ordinance (15 of 1985). ▪ Apply for funding for a programme to develop an appropriate new Zoning Scheme for Urban and Rural areas, in line with the direction of new legislation, when promulgated.

SPATIAL STRUCTURING ELEMENTS

This section focuses on the four basic **Spatial Structuring Elements** that guide spatial development decision-making in the Amahlathi area: these elements are used to manage and guide development into certain patterns or arrangements, which are intended to promote more efficient future development.

A) Development Nodes of Importance

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

- Appropriate levels of development investment in infrastructure.

- Appropriate land use management to promote preferred development outcomes.

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

NODE TYPE	AREA/LOCALITY	DESCRIPTION
URBAN NODES		
Level 3 Primary Node	Stutterheim	<p>As the main Administrative, Service and Industrial Centre of Amahlathi Municipality as well as an important place of residence for approximately 60% of the Urban Municipal population, Stutterheim should be targeted for the following: -</p> <ul style="list-style-type: none"> ▪ Investment in infrastructure to increase services capacity; ▪ Development of public-funded housing areas; ▪ Development of regional social goods and facilities, including educational institutions, and sports and recreational facilities ▪ Land use management that focuses on the integration of disparate settlement elements in the town.

Level 2 Secondary Nodes	Keiskammahoek	<p>As a secondary Administrative Centre and Service Centre to a large number of surrounding peri-urban and rural settlements as well as an area with eco-tourism and agricultural potential, Keiskammahoek should be targeted for: -</p> <ul style="list-style-type: none"> ▪ Investment in infrastructure to services capacity; ▪ Appropriate Land use management and, infrastructural support to develop the Agricultural sector in the area.
	Cathcart	<p>As a service center of Amahlathi Municipality as well as an area with tourism development potential, Cathcart should be targeted for: -</p> <ul style="list-style-type: none"> ▪ Investment in infrastructure to increase services capacity; ▪ Appropriate development of new residential and public-funded housing to meet local demand; ▪ Land use management that focuses on the improvement of the aesthetic character of the town.
Level 1 Tertiary Node	Kei Road	<p>As a minor service center, Kei Road should be targeted for:</p> <ul style="list-style-type: none"> ▪ Extension of public-funded housing area to meet local demand; as proposed in the Yellowwoods Kei Road Settlement Project ▪ Investment in Infrastructure

RURAL NODES		
Rural Development Nodes	Frankfort	Proposed as a rural nodal settlement with prioritization of higher order facilities development.
<p>No other rural nodes are specifically proposed at present. The rural areas of Keiskammahoek sub-district (Ward No's 1, 2, 3, 10 and 11) designated as Special Development Areas due to their unique opportunities and/or special development needs.</p> <p>In the course of more detailed spatial planning in these areas, it is anticipated that consensus with local communities is important to identify nodal settlements.</p>		

B) Development Corridors of Importance

Development corridors are described in planning terms as roads or railway routes that are usually associated with the movement of people between places. This function of facilitating movement of people along a route also means that these “movement corridors” have the potential to accommodate development of different levels of intensity and a mix of land uses at certain points along the route.

Different categories of Development Corridors can be described as follows (adapted from the Buffalo City Spatial Development Framework: SETPLAN et al, 2003):

- **Mobility Route:** is a road with limited access that principally carries traffic between major nodes.
- **Activity Corridor:** Is a band of high-density urban development up to 800m wide along a public transportation route. Typically, activity corridors link areas of greater intensity of land use (nodes) and are usually found in larger urban areas.
- **Activity Street:** is usually defined as a local street that is located within the sphere of influence of an activity corridor and reinforces it. To be classified as an activity street, vehicle and pedestrian access to a mix of land uses is a priority.

In addition to the above types of development corridor commonly defined, the particular circumstances within Amahlathi warrant the identification of **Special Routes**, which are, in this instance, related to tourism development.

The following corridors are identified within the municipality: -

TYPE	AREA/DESCRIPTION OF LOCALITY	FUNCTION
Mobility Routes – Municipal level	▣ N6 - East London-Queenstown	These routes carry passing traffic and provide access between local areas in Amahlathi and centers further afield
	▣ R63 - Komga – Kei Road - KWT	
Special Routes – Tourism Focus	▣ Sandile Heritage Route	These routes relate to tourism destinations. In the case of the Sandile Heritage Route, a number of Heritage Sites are identified
	▣ R345 - Cathcart - Hogback	

C) Urban Edges (Refer to Plan 5.1 Nodes and Routes)

D) Environmental Elements

As spatial planning has come to appreciate the fundamental importance of environmental management and the conservation and protection of environmentally sensitive areas, so the identification of environmental constraints has become a key structuring element in forward planning. Accordingly, the Amahlathi Spatial Development Framework has incorporated a number of inputs from a variety of sources in order to identify environmental constraints. The following applies: -

- The Strategic Environmental Assessment (SEA) undertaken together with the Spatial Development Framework has identified conservation-worthy areas as well as constraints and opportunities to development. These include
 - The Thomas River Conservancy
 - The Amathole Complex
- Using a digital terrain model based on available 20m contour intervals, an indicative slope analysis was undertaken to illustrate areas where steep sloping landforms are likely to represent constraints to land development.
- Finally, a key consideration and structuring element has been the data and accompanying documentation provided by the Sub-Tropical Thicket Ecosystem Planning (STEP) Programme. The most important STEP categories regarded as being indicative potential constraints to land development incorporated in the SDF as structuring elements include:
 - Protected Areas, which include proclaimed state-owned nature reserves and forest reserves (e.g. Kubusi Indigenous Forest, Driebos, Umfulane Forest, Quacu Nature Reserve);
 - Critically Endangered Areas, which denote areas where indigenous fauna and/or flora are coming under increasing pressure and are under threat of extinction (Cape Parrot Conservancy);
 - Process Areas, which denote areas where ecological processes occur that are essential to the survival of natural ecosystems; and
 - Conservancy Networks, which are defined as areas contain systems of natural pathways for conservation-worthy plants and animals that ensure these species survival.

With regard to the above structuring elements, it is important to note that all elements, including the STEP data are regarded as indicative and not definitive in nature. That means that their illustration is not meant to indicate a clear and definite restriction to development as illustrated but merely to highlight the probability that environmental factors could represent a constraint to development in the areas illustrated.

SPECIAL DEVELOPMENT AREAS

In order to give a focus for the organizational activities of the Municipality as it strives to achieve its developmental goals, several specific areas (or geographic localities) have been identified as Special Development Areas (SDAs). These are: -

A) New Public-Funded Housing Development Areas

Stutterheim

There are seven proposed areas for future public housing development. These are listed below.

No.	Description
HD1	West of Town (Undeveloped portion of the Golf Course Camp)
HD2	South of the Keiskammahoek road and west of Amatolaville
HD3	Infill development around Amatolaville
HD4	North of the Keiskammahoek road and west of Kologha Township
HD5	Extension to Mlungisi/ Mzamomhle south of the existing development
HD6 &7	An extension North and West of Cenyu

Cathcart

In the short-term future, the demand for housing in Cathcart can be absorbed by the vacant surveyed erven in Daliwe and South of Cathcart. The number of vacant erven is listed below.

No.	Description
HD1	South of Cathcart
HD2	NW Extension of Daliwe
HD3	South Extension of Daliwe

Keiskammahoek

The vacant erven within the Keiskammahoek town meets the current short-term housing demands. Should the demand for housing increase the area described below has been identified to accommodate this demand.

No.	Description
HD1	Northern section of Keiskammahoek (Between the Cata River and Intensive Agriculture lots)

Should the areas planned within the urban edge of Keiskammahoek reach capacity and further residential extension is needed, then the township settlement of Masincedane (Elukhanyweni) should be considered. This is due to the infrastructure already in place and ease of resolving land issues.

B) Rural Development Areas

Rural Settlement Upgrade Areas

The Yellowwoods Kei Road Zone

This Zone Plan was completed in 2001 and set out clear spatial proposals for further settlement development (Model 2) as well as development of local farming projects (Model 3). This process should be supported with LED programmes and the upgrading of infrastructure and facilities in the settlements, as well as road access within the areas themselves.

C) Land Reform Zone

Keiskammahoek Land Restitution Zone

As proposed in the Amathole District Municipality's LR&SP, the Keiskammahoek Development Support Zone comprises of a number of successful land claims. These processes are of significant because of the financial resources flows that they generate to local areas. Further this area boasts extensive eco-tourism and forestry potential, which may require that appropriate land management systems and land reform be implemented in the area.

D) Priority Basic Needs

Tourism Zones

The areas with potential for tourism growth have been divided into 5 Zones listed below.

- Tourism Zone 1
Kologha Forest and Escarpment (Eco and Nature Tourism Potential)
- Tourism Zone 2
Keiskammahoek and surrounding area (Cultural and Heritage Tourism Potential)
- Tourism Zone 3
Elukhanyisweni and surrounding area (Cultural and Historical Tourism Potential)
- Tourism Zone 4
South Eastern section of Amahlathi LM (Eco-Tourism Potential)
- Tourism Zone 5
Thomas River Conservancy (Eco and Nature Tourism Potential)

E) Agricultural Zones

Irrigation Schemes

- Zanyokwe
- Horseshoe
- Keiskammahoek

Forestry Potential

The forestry potential surrounds the existing plantations which were previously established and managed by DWAF and SAFCOL, but are now being managed under concession by Amathole Timber Holdings. There are 8 102 ha of 'good' and 26 396 ha of 'moderate' commercial forestry potential, with a total of 34 498 ha. Reducing further by 85% to allow for subsistence livelihoods and a range of forestry specific considerations such as slope and terrain features, the total commercial forestry potential is between 5 175 ha (15%) and 10 349 ha (30%).

Land Use Management System Guidelines

In terms of the draft Land Use Management Bill, it is anticipated that the Amahlathi Municipality will be required to formulate an integrated Land Use Management System within the next 5-year planning period. As already indicated the ALM is finalizing a Wall to Wall Zoning Scheme to provide a more comprehensive tool on Land Use related issues.

For the purpose of the SDF, the Municipality has established Land Use Management Guidelines in respect of:

- o Urban Nodes (so-called GO-BUT Zones)
- o Limited (Managed) Development Areas (also GO-BUT)
- o Restricted Development Areas (NO-BUT Zones)

Table: Macro-zoning categories for Amahlathi Local Municipality

Urban Nodes (GO-BUT)	Limited Development Areas (GO-BUT)	No Development Areas (NO-BUT)
<ul style="list-style-type: none"> ▪ Existing urban areas within the urban edge. ▪ Identified tourism nodes. 	<ul style="list-style-type: none"> ▪ All land not classified as a No Development Area and Development node (Urban Edge) ▪ Existing areas of degraded/modified agricultural land. ▪ Areas where development could ensure future environmental benefits ▪ Transitional Zone areas adjacent to defined Urban Edges. 	<ul style="list-style-type: none"> ▪ Proclaimed nature reserves ▪ STEP Protected, Process and Critically Endangered areas ▪ Rivers, estuaries and undisturbed riparian zones of rivers ▪ Diverse montane grassland and afro-montane forest vegetation types

3.1.10 ENVIRONMENTAL MANAGEMENT FRAMEWORK

In the light of the Amathole District Municipality’s Integrated Environmental Strategy (2003), it is proposed that the Amahlathi Municipality engage with the Amathole District Municipality in defining the relevant responsibilities of each in relation to current environmental legislation and the powers and functions of local government authorities.

Amahlathi Local Municipality is in the process of developing Amahlathi Environmental Management Strategy and Amahlathi Environmental Management Plan in the 2017/ 2018 Financial Year.

The review of institutional capacity in this regard forms part of the present Institutional Plan process.

In the interim, the following legislative framework is applicable (as guided by the Amathole District Municipality's Integrated Environmental Strategy).

KEY LEGISLATIVE FRAMEWORK

The following is the key legislative framework in which the Amahlathi Municipality is to perform its functions.

In terms of the Constitution:

Local authorities are responsible for administering various town planning instruments, protected areas and nuisance laws.

Local authorities are responsible for providing all citizens with a safe and healthy environment.

In terms of the National Environmental Management Act:

The Amahlathi Municipality is responsible for applying national environmental management principles in performing all activities that may significantly affect the environment.

In terms of Section 28, Municipalities have a general duty of care related to activities that detrimentally affect the environment.

In terms of the Local Government: Municipal Structures Act:

The Amahlathi Municipality must ensure environmental sustainability in delivery of all municipal services.

In terms of the Environmental Conservation Act:

The Amahlathi Municipality has a general duty of care related to activities that detrimentally affect the environment.

In terms of the EIA Regulations of the Environmental Conservation Act:

The Amahlathi Municipality is required to ensure that all projects, development proposals and actions (such as land development rezoning etc.) that it is responsible for implementing and/or approving, are subject to an EIA, should they fall within the listed activities provided in these regulations.

In terms of the Conservation of Agricultural Resources Act:

The Amahlathi Municipality must ensure that weeds and invasive plants on municipal-owned land or inland waters are eradicated and controlled.

In terms of the National Heritage Resources Act:

Heritage sites must be incorporated into town-planning schemes, where applicable.

The Amahlathi Municipality must draw up by-laws where necessary.

The Amahlathi Municipality must ensure Municipal compliance with NHRA.

3.1.10 ENVIRONMENTAL MANAGEMENT FRAMEWORK

In the light of the Amathole District Municipality's Integrated Environmental Strategy (2003), it is proposed that the Amahlathi Municipality engage with the Amathole District Municipality in defining the relevant responsibilities of each in relation to current environmental legislation and the powers and functions of local government authorities.

Amahlathi Local Municipality is in the process of developing Amahlathi Environmental Management Strategy and Amahlathi Environmental Management Plan in the 2017/ 2018 Financial Year.

The review of institutional capacity in this regard forms part of the present Institutional Plan process.

In the interim, the following legislative framework is applicable (as guided by the Amathole District Municipality's Integrated Environmental Strategy).

KEY LEGISLATIVE FRAMEWORK

The following is the key legislative framework in which the Amahlathi Municipality is to perform its functions.

In terms of the Constitution:

Local authorities are responsible for administering various town planning instruments, protected areas and nuisance laws.

Local authorities are responsible for providing all citizens with a safe and healthy environment.

In terms of the National Environmental Management Act:

The Amahlathi Municipality is responsible for applying national environmental management principles in performing all activities that may significantly affect the environment.

In terms of Section 28, Municipalities have a general duty of care related to activities that detrimentally affect the environment.

In terms of the Local Government Municipal Structures Act:

The Amahlathi Municipality must ensure environmental sustainability in delivery of all municipal services.

In terms of the Environmental Conservation Act:

The Amahlathi Municipality has a general duty of care related to activities that detrimentally affect the environment.

In terms of the EIA Regulations of the Environmental Conservation Act:

The Amahlathi Municipality is required to ensure that all projects, development proposals and actions (such as land development rezoning etc.) that it is responsible for implementing and/or approving, are subject to an EIA, should they fall within the listed activities provided in these regulations.

In terms of the Conservation of Agricultural Resources Act:

The Amahlathi Municipality must ensure that weeds and invasive plants on municipal-owned land or inland waters are eradicated and controlled.

In terms of the National Heritage Resources Act:

Heritage sites must be incorporated into town-planning schemes, where applicable.

The Amahlathi Municipality must draw up by-laws where necessary.

The Amahlathi Municipality must ensure Municipal compliance with NHRA.

3.1.11 ENVIRONMENTAL MANAGEMENT

The municipal area is situated at the foothills of the Amathole and Kologha mountains. As a result there are considerable temperature variations between summer and winter. The area is subject to frost and hail conditions.

The area lies in the summer rainfall region with over 70 % of the mean annual rainfall experienced in the summer months (October to March). Mean Annual Precipitation (MAP) varies across the region from a low of 400 mm in the northwest (leeward side of the Amathole Mountain) increasing to the east. The highest rain-fall (approx.1000mm/ annum) is experienced on the windward side of the Amathole Mountains. Vegetation types represent an integration of the climate, soil and biological factors in a region, and as such, are a useful basis for land-use and conservation planning. There are twelve vegetation types found in the Amahlathi LM, highlighting the diversity of environmental conditions experienced in the Municipality. The distribution of these vegetation types is illustrated in the map and table below. Amathole Montane Grassland covers 44% of the Municipality.

FUNCTIONALITY OF ENVIRONMENTAL MANAGEMENT UNIT

The municipality does not have a designated person/ Unit to perform environmental Management Functions. The review of institutional capacity in this regard forms part of the present Institutional Plan process.

BIODIVERSITY

The following plans illustrate the dominant characteristics of the natural endowments of the Amahlathi area. They outline the following: -

- Indigenous Forests in the Toise area and, most notably, the forests stretching from north-west of Stutterheim into the Keiskammahoek area. The latter stretch of forest accommodates the Amathole Hiking Trail, which is a potentially significant local tourism attraction. These forest areas are noted as conservation-worthy and must be managed accordingly, to ensure sensitive development of tourism assets and the sustainable use of the available resources.
- The indigenous forests fall within an area demarcated as the Amathole Complex. The Amathole Complex has been identified as a center of endemism and includes the escarpment forests and Winterberg grasslands.
- Wartburg falls in the Toise (Wartburg) area. This is a potential scenic tourist attraction and needs to be developed to its potential in an environmentally sensitive manner.
- There are various sites where rock paintings have been discovered. These include sites in the Cathcart vicinity and on the farms Cows mead and Bulls Run in the Lujillo local area.
- The Keiskammahoek area has long been noted for its agricultural potential, based on its natural assets of favorable soils and adequate water supply for intensive irrigated crop production. However, full development of these assets has been hampered by historically inequitable land management practices, and complex land tenure arrangements in the area.
- Similarly, the area located in the southern sector of the Amahlathi Municipal area, the Elukhanyisweni local area, has also previously been identified as having good potential for irrigated crop production. Again, the full development of this potential has been hampered by lack of infrastructure and adequate land tenure arrangements.
- The areas around Cathcart and to the East of the Municipal area have identified potential for Game Farming.

RENEWABLE ENERGY

The municipality encourages the use of alternative energy sources in line with the overarching national government objectives of reducing South Africa's overall dependence on greenhouse gas emitting energy sources. These may include:

- Solar Energy such as solar energy water geysers; Solar Streetlights & High mast Lights
- Wind Energy such as wind farms;
- Biofuel and Biogas Energy; and,
- Hydro Energy.

By reducing the household dependence on conventional energy forms, it is believed that this will also have a positive effect on the general household monthly spend on energy purchases. Therefore initiatives such as the solar energy high pressure water geysers programme being run by the Department of Energy and the Light Bulb Retrofitting programme being implemented by Eskom, inter alia, are considered as of paramount. These would have a significant impact in the case of the semi-rural Amahlathi Municipality where the average household incomes are generally low.

3.1.12 ROADS

Amahlathi has a road network of 2 099.16 kilometres in total. The ownership of the roads falls under Eastern Cape Department of Transport (1 407.17 kilometres), Amahlathi Local Municipality (529.66 Kilometres) and SANRAL (162.37 Kilometres). The Municipal has 43.10 kilometres surfaced (Tar, Block Paving or Concrete) and 486.56 kilometres of gravel roads. This is as reflected in the Roads Maintenance Plan commissioned by Amathole District Municipality and published in April 2020.

A 3 year capital plan has been submitted for approval and includes planning from the 2021/2022 financial year until the 2023/2024 financial year. The plan is reviewed annually in line with IDP and Budget processes. The capital plan has also budget projections for the three years that is aligned with the municipal budget. The municipality has Road Maintenance Plan and budget allocated for road maintenance and was approved by Council. There is Rural Road Management System that is fully utilised. There is no storm water management plan the Municipality is using Road Maintenance Plan. The municipality has Road maintenance Forum that sits quarterly to discuss road maintenance issues.

The municipality experienced service delivery protests in the month of October 2018 and lasted for a period of 5 months. During the protests some of the municipal infrastructure was destroyed which includes machinery that is utilised for Road maintenance. The machinery that was destroyed entails 2 graders, 1 excavator, 1 front end loader and vehicles. All this equipment formed a vital part of carrying out the maintenance of roads for the community of Amahlathi Municipality at large.

The destruction of the machinery has led to an adverse negative effect in terms of impact of service delivery, especially that of maintaining roads for access to services and the community. The initial Road Maintenance plan milestones will not be reached and hence leading to an increase of road maintenance backlog. Targets as set out in the SDBIP (Service Delivery Budget Implementation Plan) will also not be met by the Road Maintenance section.

3.1.13 ELECTRICITY

The municipality has operating license with NERSA to distribute Electricity for Sutterheim, Amabele and Cathcart Town, Eskom has operating licences to distribute Electricity in all Amahlathi villages and townships such as Mlungisi township, Goshen, Daliwe and Kati-Kati including KKH. The municipality has 3800 households' distribution of electricity, and is responsible for planning, design, operation and maintenance of electricity network. The capacity of the Eskom infrastructure available to supply Sutterheim is estimated 8MVA. The Notified Maximum Demand agreement with Eskom for the network is 5.5MVA for Sutterheim, 0.2MVA for Amabele and 1.4MVA for Cathcart. Currently the Actual Demand consumption for Sutterheim is 4.5MVA, Amabele is 0.08MVA and for Cathcart is 1MVA.

The municipality experienced service delivery protests in the month of October 2018 and lasted for a period of 5 months. During the protests some of the municipal infrastructure was destroyed, material, tools and equipment stolen. The loss worth more than R2.2m. The Crane Truck was burned and the insurance written it off. The Crane Truck, material, tools and equipment formed a vital part of carrying out the repairs and maintenance of the electrical network including the new electricity connections, repairing of fault meters, streetlights and high mast lights for the community of Amahlathi Municipality at large.

The destruction of the machinery, loss of material, tools and equipment has led to an adverse negative effect in terms of impact of service delivery. The new electricity connections and replacement of faulty meters will not be reached as planned.

Electrical Master Plan to be reviewed so that the actual required capacity increase can be estimated before the application to Eskom for increase is prepared.

The municipality upgrades and maintains its infrastructure through both operational and capital projects.

3.2 KPA 2: MUNICIPAL FINANCE VIABILITY

3.2. COMPLIANCE

3.2.1 Policies

All finance related policies are reviewed and adopted annually where a gap has been identified. The municipality has the following policies:-

3.2.1.1 Indigent

The objective of this policy is to ensure the following:-

- The provision of basic services to the community in a sustainable manner within the financial and administrative capacity of the Council.
- The financial sustainability of free basic services through the determination of appropriate tariffs that contribute to such sustainability through cross subsidization.
- Establishment of a framework for the identification and management of indigent households including a socio-economic analysis where necessary and an exit strategy.
- Co-operative governance with other spheres of government.

There is a new indigent register that has been developed and is being implemented. R1million has been allocated for free basic services in the 2022/2023 budget and this will be reviewed in the final budget. The Municipality has dedicated personnel for Free Basic Services. The budget for free basic services for the past two financial years was R1m (2021/22) and R7m (2020/21) respectively; 2022 is slightly less as the old register was written off and a new register is currently being implemented. The indigent Steering Committee was established to carry out the awareness campaigns. The unit is currently running community visits to register indigents in collaboration with ADM.

3.2.1.2 Tariff Policy

The tariff policy has been compiled taking into account, where applicable, the guidelines set out in Section 74 of the Municipal Systems Act No. 32 of 2000. In setting annual tariffs the council shall at all times take due cognizance of the tariffs applicable elsewhere in the economic region, and the impact which tariffs may have on local economic development.

3.2.1.3 Rates Policy

In developing and adopting the rates policy, the Council has sought to give effect to the sentiments expressed in the preamble of the Property Rates. The Council shall as part of each annual operating budget component impose a rate in the rand on the market value of all rate-able properties as recorded in the municipality's valuation roll and supplementary valuation roll. Rate-able property shall include any rights registered against such property, with the exception of a mortgage bond. The Council pledges itself to limit each annual increase

as far as practicable to the increase in the consumer price index over the period preceding the financial year to which the increase relates, except when the approved Integrated Development Plan of the municipality provides for a greater increase.

3.2.1.4 Debt Write -off Policy

This policy aims to set down procedures and principles to be carried out when all debt deemed irrecoverable is to be written off. It is set to identify all bad debts during the course of the financial year.

3.2.1.5 Cash management and Investment Policy

The Council of the municipality is the trustee of the public revenues, which it collects, and it therefore has an obligation to the community to ensure that the municipality's cash resources are managed effectively and efficiently. The objectives of the Cash Management and Investment Policy of the Amahlathi Local Municipality are as follows:

- Ensuring that cash resources are managed efficiently and effectively,
- Ensuring that investments are placed with reputable institutions, for the purpose of safety of capital investment, and diversification of the investment Portfolio,
- Ensuring that adequate liquidity is maintained at all times, for management of cash flows,
- Ensuring that the municipality receives optimal yield / interest on its investments with financial institutions,
at minimal risk,
- Striving for reasonable growth on capital investments in addition to interest earned on investments,
- Ensuring that monies due to Council are collected and banked appropriately as soon as they are received,
- Ensuring that payments to creditors are made by due dates.

3.2.1.6 Asset Management Policy

The Municipality believes that an Asset Management Policy is essential to ensure effective and efficient utilization of public monies and accountability thereof is heavily dependent on accurate recording and accounting for those assets with the compilation of the Asset Register that is GRAP compliant. The policy is deemed necessary in order to facilitate the effective management, control and maintenance of the assets. The prime objectives of the policy is to ensure that the assets of Amahlathi Municipality are properly managed and accounted for by:-

- Ensuring the accurate recording of asset information
- The accurate recording of asset movements
- Exercising strict control over all assets

- Providing correct and meaningful management information
- Ensuring adequate insurance of all assets
- Maintenance of Council's Assets

The municipality make use of asset management system which allows for more regular updates of the register as well as ensuring that the audit process is smooth. The municipality conducts a conditional assessment of its assets and prepares an asset register. These assets are rated from Good, Fair, Poor to Very Poor in the GRAP compliant asset register. The municipality budgeted a sum of R6m (2022/23) and R6m (2021/22) respectively for maintenance of a wide variety of its assets from movable to immovable. During the planning period the municipality prioritize which assets to be maintained through allocation of budget in line with circular 51 norms and standards.

3.2.1.7 Petty Cash Policy

The use of a petty cash float (**a float may not exceed R600-00**) is strictly confined to **individual cash purchases of up to a maximum of R100-00**, unless authorized by the Chief Financial Officer; The expenditure with regard to petty cash purchases shall not be deliberately split into more than one transaction to avoid the said limit.

3.2.1.8 Budget Policy

The objective of this policy is to secure sound and sustainable, management of the budgeting and reporting practices of the municipality by establishing requirements for ensuring transparency, accountability and appropriate lines of responsibility in the budgeting and reporting processes and other relevant matters as required by Municipal Finance Management Act 56 of 2003. The objectives of the policy are set out on the foundation of the following legislative prescripts:

- Constitution of 1996
- MFMA Circulars;
- MFMA Act 56 of 2003; and
- Municipal Budget and Reporting Regulations, Government Gazette no. 32141 dated 17 April 2009
- Municipal gazette on remuneration of office bearers
- Municipal gazette on remuneration of senior managers

3.2.1.9 Customer Care Policy

Customer Care Policy was developed and adopted by council with the following objectives:-

- To provide quality service to all stakeholders interacting with the Municipality, i.e. public service providers, contractors, fellow staff members in every department and other Government agencies.
- To ensure that customers are provided with relevant information as and when is needed in the appropriate format
- To ensure customer complaints are addressed promptly, timeously and to the full satisfaction of the client
- To ensure that customers, both internal and external to the Municipality receive consistent and fair treatment at all times.
- To reduce the financial and time cost incurred arising from poor customer service due to repeat calls from and to customers.
- To equip municipal staff with knowledge and competencies to continually enhance the service standards according to changing customer needs.

3.2.2. Revenue Enhancement Strategy

The municipality has since developed a Revenue Enhancement Strategy to ensure that all possible avenues are explored to maximize the receipt of monies available to Council by way of assessment rates, service charges, intergovernmental transfers and grants and donations and to ensure that monies owed to the municipality are duly collected. There is an urgent need by the municipality to look at other revenue generating strategies as in the past years there has been a constant decrease in equitable share as well as a decline in own revenue. This is in contrast to the significant increase in employee related costs, operating costs and contracted services which have a negative effect in the provision of basic services and honoring of obligations by the municipality. The municipality developed and adopted a policy on cost containment measures which addresses what should the institution spend its monies on.

3.2.3 Annual Financial Statements and GRAP Asset Register

The 2020/21 Annual Financial Statements and Asset Register were prepared in accordance with Generally Recognized Accounting Practice Standards, National Treasury formats. It is the responsibility of the accounting officer to make sure that the Annual Financial Statements and Asset Register are prepared based on the prescribed format and submitted to Auditor General of South Africa, Provincial and National Treasury on time as prescribed by the MFMA, and the documents were prepared in line with mSCOA requirements. An Annual Financial Statement Preparation Plan is annually developed to guide the process and ensure adherence to the submission on or before 31 August.

3.2.4 Bank Accounts

The Municipal Finance Management Act Section 7 and 8 requires that the municipalities must open and maintain at least one primary bank account in the name of the municipality and that all monies received by a municipality must be paid into its primary bank account. The municipality has one primary bank account and uses that account to receive allocations paid to the municipality and all other monies flowing in and out of the institution. There are separate accounts for conditional grants as well as call accounts for different purposes.

3.3 EXPENDITURE MANAGEMENT

3.3.1 Subsidies and Grants

The municipality manages and reports on conditional grants in line with division of revenue act requirements. The table below reflects the percentage expenditure spent on grants gazetted in the Division of Revenue Act (Dora) for 2020/21 financial year. The reports are prepared monthly and quarterly, submitted to the transferring officers in line with Dora requirements and conditions.

Grant	Percentage
Municipal Infrastructure Grant	100%
Finance Management Grant	100%
Expanded Public Works Grant	100%
Library Grant	100%

3.3.2 Payment of Creditors

The Municipality strives to pay its creditors within 30 days; however there are some delays experienced when the procurement process is not adequately followed and due to the weakening cash flow position. The turnaround time relating to payment of creditors has since been negatively affected by the current cash flow challenges.

3.4 REVENUE MANAGEMENT

3.4.1 Billing and Credit Collection System

The municipality bills its debtors on a monthly basis and procedures are in place to regularly update and monitor the correctness of debtor's information. Council has adopted a debt collection and credit control policy which outlines procedures for the collection of arrear debt. The municipality has established a unit to assist in the implementation of the policy. The average collection rate inclusive of long outstanding debt was about 60% in 2020/21 financial year. Debt collection has also been negatively affected by the Covid-19 pandemic coupled with culture of non-payment by debtors.

3.5 VALUATION ROLL

The Valuation roll was extended for a year to be effective from 1 July 2020. The draft valuation roll was published to allow for objections as required by MPRA. It will be maintained through supplementary valuations to give effect to the changes that occur in properties. The Rates By-Law being promulgated in line with MPRA (Provincial Gazette No 4076)

3.6 SUPPLY CHAIN MANAGEMENT

The municipality has an established Supply Chain Management unit. In the preamble of the SCM Policy it is stated that “the Supply Chain Management Policy seeks to encourage socio-economic transformation” within its region. To achieve this, empowerment goals have been set, which aim to redress the skewed distribution of wealth and therefore contribute to the alleviation of poverty. Immediately after the approval of budget, departments are required to prepare procurement plans that guides sittings of the bid committees. In trying to implement the policy the municipality has the following filled positions a Senior Manager; Contract Management Officer; Demand Management Officer and Acquisition Management Officer. The functions or duties of the officers includes ensuring that goods and services are procured in line with the SCM regulations and the policy, management of contracts management of stores to mention a few.

3.8 FINANCIAL REPORTING

Municipalities were expected to comply with the MFMA: mSCOA Regulations, (Gazette No.37577) as issued by National Treasury. The municipality became live on 1 July 2017 and strives to compile and submit financial reports in line with Municipal Finance Management Act section 71; 52d; 72 and yearly. The municipality has been submitting reports in-line with the mSCOA requirements. Annual budgets are prepared and submitted in the correct versions and their associated data strings. 2022/2023 budget was also be prepared using the latest version 6.6 of A schedule as guided by treasury.

3.3 KPA 3: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

3.3.1 PROCESS FOLLOWED

On 27/08/2021 the Amahlathi Local Municipality Council adopted its IDP and Budget process plan and was revised after local government elections as some programs were not convened and was tabled on the 07/12/2021. The IDP/Budget process plan outlines in detail the way in which the municipality embarked on its 2022/23 IDP from its commencement in July 2021 to its completion June 2022.

ORGANISATIONAL STRUCTURES & PUBLIC PARTICIPATION

The IDP of Amahlathi has been compiled through an interactive process, which has been overseen by a Council and the Amahlathi Representative Forum.

Amahlathi Municipality's IDP Participatory Structure

The Amahlathi IDP roadshows were convened by the Amahlathi Municipality during the second quarter of 2021/22 and they serve as the primary vehicle for consultation and public participation in the course of the IDP's reviewal.

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.

3.3.2. THE PLANNING PROCESS UNDERTAKEN

Phase 1 – Analysis Update & Review of Progress- The covid-19 pandemic which resulted in national lockdown impacted the municipal operations and adherence to the approved process plan for IDP and Budget. There was departmental and technical strategic planning sessions were convened to review the strategies, indicators and targets. The Institutional strategic planning was held with other stakeholders i.e. Councillors, Traditional Leaders, Executive Management and Labor representatives in preparation for IDP review. The roadshows will be conducted during the month of April to all clusters for presentation of the draft IDP and Budget to solicit inputs from the community. The ward Councillors will also be afforded an opportunity to submit needs for their respective wards. The inputs will therefore be incorporated to the IDP and discussed in Council and the Rep forum to be held in 4th quarter.

Phase 2 – Revised Objectives and Strategies- wherein a participatory process contributed to the formulation of revised development objectives and strategies in relation to the broad priority development issues identified based on the Analysis work and the outputs of a number of Sector Plans undertaken by the Amathole District Municipality and sector departments. Set objectives have been broken down into yearly phases.

These Priority Issues are arranged into revised development clusters, in line with recommendations made by the Amathole District Municipality, which acted in its capacity of setting an appropriate Framework for the IDP Process.

Phase 3 – Project Planning - wherein technical and participatory processes were undertaken to identify priority projects within sectoral clusters, which were identified in Phase 2.

Project Prioritization was undertaken with the overriding objective being to identify Year 1 priority projects to fit within a realistic budget framework.

The prioritization process was informed by identified development needs per sector. Suggested project priorities for Year 1 were compiled and presented to the Representative Forum, Ward structures and civil society stakeholders, and, finally, the Amahlathi Municipal Council.

Phase 4 – Integration - projects were assessed in order to determine their impact on or potential integration within sectoral programmes (e.g. Land Reform Programme etc.).

Phase 5 – Approval, the draft IDP will be publicized for comments, as required in law, following its adoption subject to substantive comment by the Amahlathi Municipal Council on 28th May 2022.

3.3.3. PUBLIC PARTICIPATION

3.3.3.1 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

The Municipal Public Account Committee (MPAC) was established on the 07th December 2021, in terms of Section 79 of the Municipal Structures Act and as a committee of Council for the efficient and effective performance of its functions. The MPAC Terms of Reference (TOR's) have been established in 2016 which states the purpose of the committee and its specific responsibilities.

MPAC enables the Council, in respect of financial management, to fulfill its constitutional obligation to scrutinize and oversee executive action with regards to financial administration and non- financial activities.

Members were appointed from Councillors and it was agreed that none of these appointed Councillors should serve in any other committee and standing committee.

The appointed members are as follows:

- Cllr Pateka Qaba (Chairperson)
- Cllr Xoliswa Nefi
- Cllr Masixole Gantsho
- Cllr Phathuxolo Able Simandla

The role of MPAC is to serve as an oversight Committee and to review Amahlathi Local Municipality's Annual Report with specific focus on the financial aspects as contained in the Auditor-General's Report and also when instructed by the Council to advise Council in respect of unauthorized, irregular or fruitless and wasteful expenditure in terms of Section 32(2) of the Municipal Financial Management Act (MFMA).

The Committee (MPAC) is a link in the accountability chain and plays accountability role at the local sphere of government. It enhances the accountability process by ensuring that there is objective political oversight in

addition to the other governance committees, such as Council Executive, Executive Committee (EXCO), Finance Portfolio and the Audit Committee.

3.3.3.2 HUMAN RESOURCES DEVELOPMENT TRAINING COMMITTEE

In terms of the regulations to the Skills Development Act, every organization with more than 50 employees must establish an institutional forum (Training and Employment Equity Committee) for purposes of consultation with regard to skills development. At Amahlathi Municipality, we do have an existing Training and Employment Equity Committee which does sit as and when required composed of the following people;

- Director Corporate Services
- Portfolio Head Corporate Services
- Skills Development Facilitator+
- Reps from each Directorate
- Portfolio Head Finance
- Manager Finance
- Speaker
- SAMWU Rep
- IMATU Rep
- Human Resources Manager
- SPU Manager
- LED Assistant
- Labour Relations Officer
- Legal Manager
- Chief Traffic Officer
- Internal Audit Assistant Manager

3.3.3.4 LOCAL LABOUR FORUM

The Local Labour Forum is a consultative structure where employer and employee discuss matters of mutual interest. The main collective agreement confer to the L.L.F powers and functions of negotiating and or consulting among other things;

- On matters of mutual concern pertaining to the employer which do not form the subject matter of negotiations at the Council or Division
- On such matters as may from time to time be referred to such forum by the Council or its division.
- Concluding of minimum service level agreement

The Local Labour Forum is established with equal representation from trade unions and the employer with the trade union's representation divided in proportion to their respective membership in that individual Local. For Amahlathi, we do have an established Local Labour Forum and it sits on a quarterly basis and when there is a need. The committee representatives are as follows;

NUMBER	SURNAME AND INITIAL	NUMBER	SURNAME AND INITIAL
1.	Any two(2) Councillors	9	SAMWU
2.	Portfolio Head Finance	10	SAMWU
3.	Portfolio Head Corporate Services	11.	SAMWU
4.	HR Manager	12.	SAMWU
5.	Chief Financial Officer	13.	SAMWU
6.	Director Corporate Services	14.	SAMWU
7.	Director from any Directorate	15.	SAMWU
8.		16.	IMATU

3.3.3.5 WARD COMMITTEES

In line with Chapter 4 of the Municipal Structures Act 1998, the Amahlathi Local Municipality is committed to enhance democratic, open, transparent and participatory system of local governance within its area of jurisdiction. Amahlathi Local Municipality is bound by the Municipal Structures Act to elect Ward Committees within 90 days after the local government elections.

The dates of the establishment of ward committees was advertised at a local community radio station the Forte FM and Amahlathi Facebook Page. The process of electing Ward Committees commenced on 5 January 2022 to the 8 April 2022. To date 150 ward committee members have been elected and are fully established in all wards.

The ward committee are assisting the ward councilors in caring out their mandate in particular with respect to community engagements such as general meetings, steering committees and area meetings. They also attend the municipal programs and give feedback to the community, programs like IDP Roadshows/Mayoral Imbizos, Annual Reports, Public Participation programs, municipal hearings and the door to door campaigns organized by the municipality and other sector departments.

They submit and table the reports addressing the needs and priorities of the ward through the ward councilors to the office of the Speaker. The Speaker submit the reports to the council. In terms of White Paper on Local Government 1998, ward committees should be given stipend and that has been implemented from November 2011.

Community Development Workers (CDWs)

They attend and provide support and reports to ward committee meetings. CDWs assist in ward profiling and stakeholder mobilization for the municipality. They support the work of councilors where possible. They sit with the Office of the Speaker quarterly, tabling their reports and challenges they face in the wards. The CDW reports are submitted to the Council. They also form part of Operation Masiphathisane (War Room) as secretaries.

Challenge-Not all wards have CDWs, six wards (ward 1, 3, 7,8,14 and 15) out of fifteen are operating without CDWs. There are ten CDWs in our municipality, two are residing in the same ward due to the demarcation.

Traditional Leaders

There is one traditional leader representing the traditional councils in the jurisdiction of Amahlathi to give support to the council and advice when necessary. He also attend all municipal programs and the council meetings to give feedback to their traditional councils. One of the key elements of Councilor welfare is the capacitation of councilors through various programmes. The Traditional leader also receive the same benefits. He also receive the sitting allowance and tools of trade as the contribution of the municipality, as stated in the policy.

Operation Masipathisane (War Room)

Amahlathi Municipality consist of 15 Wards and out of that 7 War Rooms have been launched in 2017. All these war rooms are using community halls as their sites and due to the vastness of some wards, there will be satellite war rooms to accommodate those who cannot access the main war room. Since the War Room Management Committees have not been inducted yet and also there is no budget allocation for the War Room, it is therefore difficult for the War Room to be fully operational.

3.3.3.6 PERFORMANCE AUDIT COMMITTEE

The functions of the Audit and Performance Committee (hereinafter referred to as the Committee) is primarily to assist the Amahlathi Municipality (hereinafter referred to as the Council) in discharging its duties relating to the safeguarding of assets, the operation of adequate systems, control processes and the preparation of financial reports and statements as well as assisting in performance management systems. The Audit and Performance Committee has 3 members listed hereunder and should meet 4 times per annum as per its approved terms of reference.

NUMBER	SURNAME AND INITIAL
1.	Ms. Loren Smith - Chairperson
2.	Mr. Mlulami Mdani
3.	Mr. Milisile Mafani

The Audit Committee Members were appointed on the 02nd of September 2019 the municipality operated for about 4months without the committee the appointment process was delayed due municipal instability.

AUDIT COMMITTEE CHARTER

The Audit Committee does have charter that sets out the specific responsibilities assigned to the Committee by the Act and the Local Government Municipal Planning and Performance Management Regulations, 2001 and details the manner in which the Committee will operate

The charter is to ensure that the Audit Committee will consider matters relating to management and the Council in the discharge of its duties to safeguard assets, operate adequate systems and controls, and review Annual Financial Statements, and on matters relating to performance management and performance evaluation.

The Audit Committee Charter was last reviewed in April 2018.

The quarterly audit committee meetings were convened since the appointment.

3.3.4 INTERGOVERNMENTAL RELATIONS (IGR)

Chapter 3 of the Constitution Act 108 of 1996 provides for the principles that underlie the relations between the spheres of government. IGR meetings will sit on a quarterly basis and are an information-sharing vehicle where government departments and the municipality give light of their experiences and challenges with regards to service delivery. IGR forum is regarded as a strategic planning body with emphasis and updates on current financial year programs and projects. It therefore serves as a feeder to both the IDP Rep forum & District Communicator's Forum (DCF).

During 2016/17 financial year Amahlathi Local Municipality developed and adopted an IGR Policy Framework. The purpose of this framework is to provide procedures by which mechanisms, processes and procedures should be developed and implemented to ensure sound intergovernmental relations between the Amahlathi Local Municipality (ALM), National and Provincial Governments, Amathole District Municipality, Organized Local Government (SALGA) and other strategic stakeholders. This framework serves as an Internal Procedure of the Amahlathi Local Municipality IGR Forum giving effect to the recently Reviewed Provincial IGR Strategy as a mechanism to foster coherent, integrated and aligned service delivery in the province.

TERMS OF REFERENCE FOR THE INTERGOVERNMENTAL RELATIONS FORUM AS OUTLINED IN POLICY FRAMEWORK**Objectives & roles of the Amahlathi Local Municipality IGR Forum****Objectives of the Amahlathi IGR Forum**

The main objective of the Amahlathi Local Municipality IGR Forum is to enhance coordinated, integrated and aligned development and consider priorities in the entire municipal area. Additional objectives include the following:

- a) Development of a Local Government Programme of Action in relation to the National and Provincial Programmes.
- b) To facilitate the coordination, integration and alignment of provincial and municipal strategic planning and to put in place mechanisms and procedures that will ensure that provincial strategic planning informs and is informed by the IDP of the Amahlathi Local Municipality.
- c) To consult on policy issues that materially affects Local Government.

- d) To develop and provide mechanisms to engage Provincial Government and the Office of the Premier on IGR related matters and/or challenges.
- e) To consider such other matters of mutual interest as either party may place on the agenda of a meeting from time to time.
- f) To promote economic growth and development through trade, investment and tourism.
- g) To share knowledge and expertise in local governance generally or in agreed functional areas.

The goal of the Amahlathi Local Municipality IGR Forum is to ensure that the decisions reached are implemented by:

- a) Sharing of information on/and understanding of the respective programmes of all stakeholders.
- b) A clearer understanding of mutual strategic priorities and how these complement each other.
- c) A commitment to collaborate, engage continually and share information on policy implementation, success stories and co-ordinate activities.

Role of Amahlathi Local Municipality in the IGR Forum

The Amahlathi Local Municipality IGR Forum is a consultative forum for Amahlathi Local Municipality to discuss and consult with stakeholders on matters of mutual interest, including:

- a. Coordinating, overseeing and monitoring the implementation of national, provincial and district governance policies and legislations relating to matters affecting local government interests in Amahlathi Local Municipality;
- b. Matters arising in the District Mayors Forum (DIMAFO), Provincial MuniMEC and the Premier's Coordinating Forum affecting Amahlathi Local Municipality;
- c. Mutual support in terms of the section 88 of Local Government Municipal Structures Act 117 of 1998;
- d. The provision of services in Amahlathi Local Municipality as well as the performance of the Amahlathi Local Municipality in the provision of services in order to detect failures and to initiate supportive, preventive or corrective action when necessary;
- e. Coherent planning and development in Amahlathi Local Municipality;
- f. The coordination and alignment of the strategic and performance plans and priorities, objectives and strategies between the Amahlathi Local Municipality, District Municipality and other spheres of government.
- g. Any other matters of strategic importance which affects the interests of Amahlathi Local Municipality
- h. Coordination of IGR cluster forums that are aligned to Key Performance Areas of local government

THE IGR CLUSTERS

It is critical to note the importance of clarity in the allocation of powers and functions to role players and a keen understanding of specific roles and responsibilities within the realm of service delivery. The IGR System functions more effectively when the role players share a very specific objective that needs to be achieved within a non-negotiable period of time.

- a. The Amahlathi Local Municipality IGR Forum established Clusters to assist and advise it in the performance of its functions and exercise of its powers.
- b. The Amahlathi Local Municipality IGR Forum appointed the members of such Clusters.
- c. The members of the Clusters are members of the IGR Forum as well as other partners/stakeholders of the Amahlathi Local Municipality.
- d. The Amahlathi Local Municipality IGR Forum developed the Terms of Reference of Clusters established by it but may not delegate any decision making powers to these Committees.
- e. The composition of clusters internally is determined by the respective functional areas.

- f. Each cluster may establish sub-clusters within the cluster to ensure that details of planning, coordination, implementation, monitoring and evaluation are discussed.

The established Clusters meet quarterly or as determined by the cluster established so as to consolidate reports to the Amahlathi Intergovernmental Relations Forum which also sit quarterly.

Allocation of the clusters is aligned to the five (5) KPAs of Local Government as well as the 5 Pillars of the Back to Basics Approach.

3.3.5 INFORMATION TECHNOLOGY

To align Information Communication Technology (ICT) with Amahlathi local municipality business goals and strategies in order for ICT to become a supporter and enabler for departments to achieve their business goals and targets.

To manage the Information Communication Technology and to oversee the stability of business systems within the organization, which require constant performance monitoring.

The IT governance framework was approved by the council in September 2015 and it was reviewed in 2017. The purpose of the framework is to institutionalize corporate governance of ICT and governance of ICT as an integral part of corporate governance, within the Amahlathi Local Municipality (ALM). IT master plan was developed with the assistance of the Amathole District Municipality and Ceenex to further strengthen the governance and planning of IT. The recommendations of the IT governance framework and IT master plan are being implemented but due to budget constraints are not fully implemented.

IT Master plan review needs to be budgeted, performed and updated so as to reflect the changes and progress that has been made over the years.

The IT department have adopted/approved policies by the municipal council and the policies are reviewed annually.

Adopted/Approved IT policies:

- ICT acceptable policy
- IT Governance
- Change Management policy
- Password policy
- Email Acceptable policy
- Software Installation policy
- 3G Data Card policy
- Backup procedure manual
- IT master plan

The IT unit have staff compliment of two permanent staff members.

IT office has the sole responsibility of managing ICT resources and therefore provides access to computer networks and maintenance of the ICT equipment supporting all of the Municipal employees and Municipal Council.

All the municipal buildings are connected to the Amahlathi LM network and have access to internet and Voice over Telephone Internet Protocol (VoIP) telephone system.

The IT department provide support in all the municipal sites in Stutterheim and the two satellite offices namely: Cathcart and Kei Road. Keiskammahoek is not connected awaiting their official working site to be confirmed.

The municipality does have an approved disaster recovery plan.

Cibecs backup software is deployed in the municipality to be able to back up and restore data of the municipality.

The municipality is utilizing 3rd party service providers for the hosting of servers and business continuity.

Cibecs backup software is providing sufficient management of the data and the storage of the data.

Budget constraints are impeding some of the advancement and expansions that can be made utilizing the ICT services.

3.3.6 IDP Previous assessment

Comments from the MEC in the previous years and from the table below shows that the municipality has consistently retained an overall **HIGH** rating score for five years in succession. However still improvement on 2 KPA's namely Spatial Development Framework and Service Delivery was recommended or encouraged.

KPA	RATING 2017/18	RATING 2018/19	RATING 2019/20	RATING 2020/21	RATING 2020/21
Spatial Development Framework	High	High	High	Medium	High
Service Delivery	High	High	Medium	Medium	High
Financial Viability	Medium	High	High	High	High
Local Economic Development	High	High	High	High	High
Good Governance & Public Participation	High	High	High	High	High
Institutional Arrangements	High	Medium	Medium	High	High
Overall Rating	High	High	High	High	High

CHALLENGES AND REMEDIAL ACTION

- The results of the assessment were circulated to departments so as to take note of the issues that need to be addressed in the next review of the IDP.
- The Strategic Services department there after held a session looking at the extent in which the assessment result were implemented and further circulated to all departments to attend areas identified as not clearly addressed by departments.

3.3.7 PUBLIC PARTICIPATION

a. Public Participation

The Municipality has a Public Participation Policy that was adopted by Council on 1 September 2015. In accordance with Municipal systems Act 2000, the municipality should hold regular IDP/PMS/ Budget Representative Forum meeting in drafting IDP and Budget. Forum meetings must be convened quarterly in preparation of each phase.

The following forms are used in calling the interested parties

- Website to publish our notices
- Amahlathi Local Municipality Facebook Page notices
- Community Radio Stations to reach those parts of our community that do not read newspaper
- Posters, pamphlets, ward councillors and announcements through community gatherings and community based organizations
- Loud hailing

Other structures used to enhance public participation is through Ward Committee Meetings, LED Forums and SPU Forums and Local Communicator's forum which are convened quarterly.

To ensure that the needs of unorganized groups are represented as well, advocacy groups and Non-Governmental Organizations (NGOs) are used as well for communication. Meetings of the Representative Forum will be held in community halls however due to the pandemic meetings will be convened in compliance with the COVID-19 Regulations and the preferable languages that we use are:

- English
- Xhosa

b. Petition Management

The policy framework has been developed to assist Amahlathi Local Municipality and Office of The Speaker (OOTS) with the Petition process. It is the understanding that a petition is a request, representation, submission or complaint lodged by member/s of the public to Amahlathi Local Municipality about an issue that the petitioner/s

would like the OOTS/ municipality to attend to. It is further envisaged to enable communities to actively participate in matters that concern them.

The purpose of this policy framework is:

- To provide for the right to submit petitions to Amahlathi Local Municipality;
- To provide for the general principles and procedures for submission of petitions;
- To provide for consideration of petitions by a Committee of Council assigned to deal with petitions;
- To provide for incidental matters

Received petitions are acknowledged within 2 working days. A petitioner submits a petition in any of the official languages of the Republic of South Africa. After acknowledgement of receipt, the petition is logged on the register. Petitions Committee considers the submission and then the petition is directed to the affected department. The petitioner/s is informed of every progress made till the matter is resolved. A status report on Petitions received is submitted to Council on a quarterly bases. The reports are extended over so as to cover for the preceding quarter. No uniformed registration/channelling of Petitions for the institution.

c. COMMUNICATION STRATEGY

The Communication Strategy and Communication Action Plan were approved by Council in February 2014 and is reviewed annually. Communication Action Plan partly implemented due to lack of financial resources. Communication Policy was approved by council in 2016 to assist with implementing the Communication Strategy. The purpose of the strategy is to communicate priorities of the IDP to communities, to encourage open, honest and accountable two-way dialogue with all stakeholders, to strengthen and improve internal and external communication, to promote a consistent corporate identity, to build meaningful partnerships with the Farmers Association, Rate Payers and the Business Sector and to bridge information gap between Amahlathi and its stakeholders through the recently established war rooms.

Customer care complaints are received through the Presidential Hotline via the Office of the Premier and received complaints are resolved through liaising with the relevant internal department working together with the complainant. In instances where the complaint cannot be resolved the complainant is advised. Municipal Account related customer care enquiries and complaints are received through the budget and treasury office.

3.3.8 Special Programs

In the municipality we have a unit dealing with special programs with three officials. The unit reviews action plan annually which is presented to all the structures of the targeted groups and is then submitted to Council via a standing committee for noting. Below is the Action plan that details the activities undertaken during 2021/22 financial year and it will be reviewed by June for implementation in 2022/23.

KPA	PROGRAMME	DEPARTMENT RESPONSIBLE	TIME FRAME	BUDGET
Special Programmes events targeting the 4 of the 7 Groups.				
	Women's Day Celebrations	SPU	1 st Quarter	n/a

	Sport related programme	SPU	2 nd Quarter	n/a
	Disabled People's Programme	SPU	2 nd Quarter	n/a
	World Aids Day Commemoration	SPU	2 nd Quarter	n/a
	16 Days of Activism	SPU	2 nd Quarter	n/a
	HIV&AIDS PROGRAMME	SPU	3 RD Quarter	n/a
	Child Protection Month	SPU	4 th Quarter	n/a
	Youth Celebrations June	SPU	4 th Quarter	n/a

3.3.9 AMAHLATHI MUNICIPALITY AUDIT ACTION PLAN 2021/22 FINANCIAL YEAR

No.	Exc. No.	COAF No.	Audit Finding	Nature of the Finding	Classification	Number of Times Reported in Previous 3 years	Action Plan	Progress	Time Frame	Department	Responsible Director	Line Manager	Status
1	ISS.2	COAF 04	Planning: Internal Audit control deficiency	During the assessment of the internal audit function, the following internal control deficiencies were identified: 1. External Quality assurance review/assessment was not performed on the internal audit function as required by IIA standard 1312. 2. Internal auditor's membership for the IIA has lapsed and has not been renewed and therefore not all the members are members of relevant professional bodies.	Internal control deficiency	1	1. The internal quality assurance will be performed during the year in preparation for external quality assurance review. 2. To request funds for internal auditor's membership to be paid.	1. In-progress	2022/23 FY June	Executive Services	General Manager	Z Goba	In progress

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

2	ISS.3	COAF 04	Planning: Audit committee control deficiencies	During assessment of the audit committee, it was noted that the following did not take place: There is no evidence that the audit committee has met separately with the internal audit. The audit committee did not ensure that the implementation of the risk based internal audit report is reported to the committee.	Internal control deficiency	1	The report on the implementation of Risk Based Internal Audit Plan will be a standing item in all ordinary Audit Committee meetings and ensure that progress against the plan is documented in the minutes.	1. The report on the impleme ntation of risk based internal audit plan is a submitte d to all AC meetings .	Quarter ly	Executiv e Services	General Manager	Z Goba	Imple mente d
3	ISS.5 3	COAF 16	Disagreement Between AFS and FAR	During the testing of disposal of the Property, plant and equipment, it was identified that the carrying amounts are different between the FAR and the AFS.	Misstatemen ts in financial statements	0	1. FAR will be prepared early to allow thorough review.	1. Error was corrected and currently being fixed in the 2021/22 FAR.	15- Aug-22	Budget & Treasury	Chief Financial Officer	N Madolo	In progre ss

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

4	ISS.5 4	COAF 15	Employee Related Cost differences between employee cost listings and AFS amounts	During the testing of employee costs, it was noted that the listings do not agree with the Annual Financial Statements.	Misstatements in financial statements	0	1. Payroll reconciliation will be prepared monthly to ensure early review.	1. Payroll reconciliation is in progress.	Monthly	Budget & Treasury	Chief Financial Officer	B Mashiyi	In progress
5	ISS.5 8	COAF 22	Financial instrument disclosure and risk management note misstated	During the testing of the financial Instruments disclosure, it was noted that cash and cash equivalent balance is different between note 36 (Financial instruments) and note 6 (Cash and cash equivalents).	Other important matters	0	1. Annual Financial Statements will be prepared early to allow thorough review. 2. Q3 Annual Financial Statements will be prepared.	1. Error was corrected . 2. Q3 Annual Financial Statements in progress.	15- Aug-22	Budget & Treasury	Chief Financial Officer	B Mashiyi	Implemented
6	ISS.6 9	COAF 29	Prior year Adjustment Disclosure : incorrect disclosure of the narration in the notes to the Annual financial statements	During testing of the disclosure note 41 for prior year adjustments, a difference was noted between note 41 and note 46 for Irregular expenditure as Note 41 incorrectly presented the prior year irregular expenditure adjustment.	Misstatements in financial statements	0	1. Annual Financial Statements will be prepared early to allow thorough review. 2. Q3 Annual Financial Statements will be prepared.	1. Error was corrected . 2. Q3 Annual Financial Statements in progress.	15- Aug-22	Budget & Treasury	Chief Financial Officer	S Kambi	Implemented

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

7	ISS.7 0	COAF 26	Limitation of scope for disclosure, compliance and conclusion requirements	Some requested information is not submitted to Auditor General.	Misstatements in financial statements	0	1. Payment vouchers will be thoroughly checked if they are all filed for easy retrieval.	1. Filing is done and checked monthly.	15-Jul-22	Budget & Treasury	Chief Financial Officer	B Mashiyi	In progress
8	ISS.7 1	COAF 28	Statement of changes in net assets - Incorrectly casted	During the testing of the statement of changes in net assets, a casting error was identified which amounted to R6 350 190.	Misstatements in financial statements	0	1. Annual Financial Statements will be prepared early to allow thorough review. 2. Q3 Annual Financial Statements will be prepared.	1. Error was corrected . 2. Q3 Annual Financial Statements in progress.	15-Aug-22	Budget & Treasury	Chief Financial Officer	N Madolo	Implemented
9	ISS.3 3	COAF 07	Cash and cash equivalents - Duplicate account numbers on the AFS	During the testing of the cash and cash equivalents, it was noted that bank account no: 62774383592 was duplicated on the Annual Financial statement under note 6, as results the balance of R 102 099 was disclosed under this account instead of the being disclosed under account no. FNB 62774382966.	Misstatements in financial statements	0	1. Annual Financial Statements will be prepared early to allow thorough review. 2. Q3 Annual Financial Statements will be prepared.	1. Error was corrected . 2. Q3 Annual Financial Statements in progress.	15-Aug-22	Budget & Treasury	Chief Financial Officer	B Mashiyi	Implemented

10	ISS.7 3	COAF 28	Incorrect classification of contract as commitments and differences in calculation of commitments.	1. During the testing of commitments, it was noted that the commitment register included contracts that were terminated during the year. 2. During the testing of commitment, it was noted that the commitment amount is calculated incorrectly.	Misstatements in financial statements	0	1. Commitments register will be updated and reviewed on a monthly basis.	1. Register is reviewed monthly.	15-Jul-22	Budget & Treasury	Chief Financial Officer	S Kambi	Implemented
11	ISS.7 8	COAF 30	Disclosure: Completeness of Commitments	During the testing of commitments, it was noted that the commitments register does not include active projects that are included in the WIP (PPE) register.	Misstatements in financial statements	1	1. Commitments register will be updated and reviewed on a monthly basis.	1. Register is reviewed monthly.	15-Jul-22	Budget & Treasury	Chief Financial Officer	S Kambi	Implemented
12	ISS.8 0	COAF 31	Overstatement of Commitments	During the testing of commitments, it was noted that the commitments amount is calculated incorrectly.	Misstatements in financial statements	1	1. Commitments register will be updated and reviewed on a monthly basis.	1. Register is reviewed monthly.	15-Feb-22	Budget & Treasury	Chief Financial Officer	S Kambi	Implemented

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

13	ISS.5	COAF 01	Differences between the legal confirmations and AFSs	During the audit of the contingent liabilities, we obtained lawyers confirmations directly from the attorneys and we noted that the some cases have not been disclosed in the AFS.	Misstatements in financial statements	1	1. To have a discussion with Lawyers at year-end to ensure that the confirmation issued to municipality correspond with confirmations issued to AG to avoid inconsistencies.	1. To be done at year-end	15-Aug-22	Executive Services	General Manager	A Garets hi	No Progress
14	ISS.3 4	COAF 011	Differences between the AFSs and the legal confirmations	During the audit of the contingent liabilities, we obtained lawyers confirmations directly from the attorneys and noted that the following cases were disclosed even though the matter was already finalized and therefore no contingent should have disclosed.	Misstatements in annual performance report	1	1. To have a discussion with Lawyers at year-end to ensure that the confirmation issued to municipality correspond with confirmations issued to AG to avoid inconsistencies.	1. To be done at year-end	15-Aug-22	Executive Services	General Manager	A Garets hi	No Progress
15	ISS.3 5	COAF 011	Contingent Liabilities- No register for labor matters.	During the testing of the contingent liabilities, it was noted that the municipality does not have a register/ a spreadsheet for	Misstatements in financial statements	0	1. There is an existing list of all labour related matters.	1. List of labour related matters are updated on an	Monthly	Corporate Services	Director Corporate Services	N/A	Implemented

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

				labour related cases.				ongoing basis as they arise.					
16	ISS.10	COAF 10	Planning: Compensation of employee control deficiency	1. During the completion of the business process for employee costs, it was noted that the competencies of the following existing officials were not assessed: Head of supply chain and All financial officials and SCM officials 2. During the completion of a business process for employee costs, it was noted that the HR plan is not reviewed by the Director corporate services or approved by the Municipal Manager.	Internal control deficiency	0	1. The finding was resolved. 2. HR Plan will be signed off before end of Q4 in preparation for new financial year implementation.	1. In progress	30-Jun-22	Corporate Services	Director Corporate Services	N/A	In progress
17	ISS.39	COAF 15	Employee Related Cost: Over payment of travel allowance	During the testing of employee cost, it was identified that there were overpayments made relating to travel allowance.	Misstatements in financial statements	0	1. Matter to be tabled to council for investigation.	1. Matter is currently being investigated by MPAC.	30-Mar-22	Budget & Treasury	Chief Financial Officer	N/A	In progress

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

18	ISS.4 6	COAF 16	Planning: Policies have not been reviewed or approved by council	During the planning stage of the audit, it was identified that the following policies were not approved or reviewed by the council.	Internal control deficiency	0	1. Policies are reviewed when there is a gap identified. Policy review will be conducted.	1. Policy review was conducted during 2022.	30-Jun-22	Corporate Services	Director Corporate Services	N/A	In progress
19	ISS.5 2	COAF 15	Note 47: Difference identified in company contributions paid per Note 47 disclosure	During the testing of the payments to third parties, it was noted that the amounts paid disclosed in note 47 of the AFSs are incorrect.	Misstatements in financial statements	1	1. Payroll reconciliation will be prepared monthly to ensure early review.	1. Payroll reconciliation is prepared and reviewed.	15-Aug-22	Budget & Treasury	Chief Financial Officer	B Mashiyi	In progress
20	ISS.5 5	COAF 16	Employee Benefit Obligation: Difference in leave accrual	During the testing of employee benefits, specifically, leave accrual, it was noted days calculated were incorrect.	Misstatements in financial statements	3	1. Leave reconciliation will be prepared monthly to ensure early review.	1. Leave reconciliation is in progress.	Monthly	Corporate Services	Director Corporate Services	T Ndlamhlaba	In progress
21	ISS.5 9	COAF 28	Use of consultants : No transfer of skills	When assessing the use of consultants, it was noted that in the terms of reference, the employees to be trained were not mentioned and monitoring thereon was not stipulated in the agreement in order to transfer	Non-compliance with legislation	1	1. Each consultant appointed will be made to develop a skills transfer plan as part of the terms of reference.	1. In progress. The appointment of a consultant to implement an asset management	15-Apr-22	Budget & Treasury	Chief Financial Officer	N/A	In progress

				skills. Further, during the audit, it was noted that there is no evidence that the auditor was training nor is there evidence of any transfer of skills to ensure that the auditor is capacitated with the necessary skills to perform duties performed by the consultant at the end of the contract.				system is in progress.					
22	ISS.19	COAF 10	Planning: There are no investigations done for UIFW expenditure	During the completion of the consequences management business process, it was noted that there are no investigations done for unauthorized, irregular or fruitless and wasteful expenditure.	Non-compliance with legislation	2	1. Training of MPAC members. 2. Investigations to be conducted by end of June 2022.	1. Training has been requested from PT.	30-Jun-22	Executive Services	General Manager	N/A	In progress

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

23	ISS.2 2	COAF 28	Disclosure: Prior year adjustment incorrectly disclosed in the notes to the Annual financial statements	During the testing of the disclosure note for prior year adjustments, a difference was noted in note 41 of the presentation of prior year adjustments and the narration of the adjustments.	Misstatements in financial statements	0	1. Annual Financial Statements will be prepared early to allow thorough review. 2. Q3 Annual Financial Statements will be prepared.	1. Error was corrected . 2. Q3 Annual Financial Statements in progress.	15-Aug-22	Budget & Treasury	Chief Financial Officer	N Madolo	Implemented
24	ISS.3 2	COAF 012	Irregular Expenditure :Municipality do not have a valid contracts with service providers	During the audit of general expenditure, it was noted that the municipality does not have an existing contracts or valid agreement with the following service providers: Vodacom (Pty) Ltd and Sasfin Bank Ltd.	Misstatements in financial statements	0	1. The municipality will ensure that all contractual documents are kept in a safe place and be availed during the audit.	1. Contracts are filed and kept in a safe place.	15-Feb-22	Budget & Treasury	Chief Financial Officer	S Kambi	Implemented
25	ISS.5 7	COAF 16	PPE -Project was completed after year-end, but it was included as part of transfers for the 2020/21 FY	During our testing of Transfers from Work-in progress we identified that the following project was completed after year-end, but it was included as part of transfers for the 2020/21 financial year.	Misstatements in financial statements	0	Collect all the supporting documents for the completion of projects in WIP. Capitalise projects at correct completion dates per supporting documentation.	1. Error was corrected .	30-Apr-22	Budget & Treasury	Chief Financial Officer	N Madolo	Implemented

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

26	ISS.8 3	COAF 16	Property Plant and Equipment – Reported transfer amount different from the completion certificate amount	During our testing of Transfers from Work-in progress we identified that the Mlungisi Access Roads were recorded at a different amount than the one stated in the practical completion certificate	Misstatements in financial statements	0	Collect all the supporting documents for the completion of projects in WIP. Ensure that WIP projects are recorded per supporting documentation.	1. Collected all supporting documentation to date. 2. Updating the WIP register per the supporting documents.	30-Apr-22	Budget & Treasury	Chief Financial Officer	N Madolo	In progress
27	ISS.4 1	COAF 13	Inventory theft not reported to SAPS	During the planning stage of an audit, it was identified that the municipality failed to report an inventory theft that took place in April/May 2020 amounting to R849 078.11.	Non-compliance with legislation	0	1. The matter was subsequently reported to the police.	1. The matter was subsequently reported to the police.	31-Jan-22	Budget & Treasury	Chief Financial Officer	S Kambi	Implemented

28	ISS.6 4	COAF 22	Inventory- Journals incomplete.	During the testing of inventory, it was identified that the municipality made an adjustment of R849 078, 11 to the AFS for inventory written off without evidence of passing a formal journal entry. The write off was approved by the council on November 2020. The annual financial statement is not misstated with regard this matter, however the process followed in making the adjustment in the AFS was not in accordance with adequate internal controls, which require an all adjustments to the AFS be supported by formal journal entry.	Misstatements in financial statements	0	1. Annual Financial Statements will be prepared early to allow thorough review. 2. Q3 Annual Financial Statements will be prepared.	1. Error was corrected . 2. Q3 Annual Financial Statements in progress.	15- Aug-22	Budget & Treasury	Chief Financial Officer	S Kambi	Implemented
----	------------	------------	---------------------------------------	---	---------------------------------------	---	--	--	---------------	-------------------	-------------------------	------------	-------------

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

29	ISS.6 6	COAF 22	Inventory- presentation and disclosure does not state that there were stolen cables and later on written-off	During the testing of inventory, it was noted that note 3 (Inventories) of the Annual Financial Statements, does not disclose that there is an inventory written-off amounting to R849 078, that was stolen on April/May 2020 and the council resolution to write-it off was obtained in November 2020.	Misstatemen ts in financial statements	0	1. Annual Financial Statements will be prepared early to allow thorough review. 2. Q3 Annual Financial Statements will be prepared.	1. Error was corrected . 2. Q3 Annual Financial Statemen ts in progress.	15- Aug-22	Budget & Treasury	Chief Financial Officer	S Kambi	Imple mente d
30	ISS.6 8	COAF 24	Inventories- The prior year figure is overstated	During the testing of inventory, it was noted the prior year (2020) inventories amount is not restated with the inventory written-off amounting to R849 078, that was stolen on April/May 2020 and the council resolution to write-it off was obtained in November 2020.	Misstatemen ts in financial statements	0	1. Annual Financial Statements will be prepared early to allow thorough review. 2. Q3 Annual Financial Statements will be prepared.	1. Error was corrected . 2. Q3 Annual Financial Statemen ts in progress.	15- Aug-22	Budget & Treasury	Chief Financial Officer	S Kambi	Imple mente d
31	ISS.3 8	COAF 17	Investment property: Differences in depreciation amount	During the audit of investment property, we noted that the depreciation over	Misstatemen ts in financial statements	0	1. Review the EUL, RUL and impairment for all investment property and	1. Currently updating the FAR with all	30-Apr- 22	Budget & Treasury	Chief Financial Officer	N Madolo	In progre ss

				the following assets was not calculated correctly, the municipality used total cost method for calculating depreciation for assets that were previously impaired.			recalculate the depreciation.	EULs and RULs, considering impaired assets and performing the depreciation calculation.					
32	ISS.47	COAF 17	Internal control deficiency: Investment property: Impairment: Inconsistence	During the testing of investment property impairment, we noted inconsistencies in the following: The conditional status used to calculate impairment is not consistent with the conditional status as per fixed asset register. The conditional status used for impairment is very poor but as per fixed asset register the conditional status of the asset is very good.	Misstatements in financial statements	0	1. Review the conditional assessment and status as put down in the FAR and update accordingly per the latest evaluation.	1. Currenty updating the FAR with conditional assessment. A tender is in progress for assistance with the immovable register.	30-May-22	Budget & Treasury	Chief Financial Officer	N Madolo	In progress

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

33	ISS.6 5	COAF 21	Misstatement on Loss of disposal of assets	During the testing of the asset disposal, it was identified that the loss on disposal of assets was calculated incorrectly, as the proceeds from the auction were not taken into account.	Misstatements in financial statements	1	1. Review the supporting documentation from the disposal and capture proceeds per supporting documentation.	1. Reversed the disposal in the prior year as it was related to the 2021/22 year-end. The updating of the FAR is in progress.	30-Apr-22	Budget & Treasury	Chief Financial Officer	N Madolo	In progress
34	ISS.6	COAF 04	AOPO -KPI 08 -The municipality does not keep a compliant register - Internal control deficiency	1. During the completion of the business process for AOPO, it was identified that the municipality does not have complaint register to record all faulty meters reported by the customers (KPI 08-Faulty meters). 2. It was further noted that the customer query forms are not sequentially number (i.e. they are not numbered at all).	Misstatements in financial statements	0	1. Create a complaint register to capture the query forms. 2. Query forms for the faulty meters to be numbered	1. The complaint register has been created and the query forms for faulty meters are being captured. 2. We have started to number the query forms as	30-Jun-22	Engineering Services	Director Engineering Services	N/A	In progress

								they come.					
35	ISS.9	COAF 02	Resolved - Non-Submission for RFI 31 - Telephone and Fax	The following information relating to Telephone and Fax financial statement line item has not been submitted and it was requested on RFI 31 (due date 21 September 2021 and was extended to 23 September 2021.	Misstatements in financial statements	0	1. Invoices relating to debit orders will be requested from suppliers and filed.	1. Some invoices have been sourced.	15-Jul-22	Budget & Treasury	Chief Financial Officer	B Mashiyi	In progress
36	ISS.10	COAF 04	Internal control deficiencies : Reconciliations for bulk purchases are not prepared on a monthly basis	During the completion of the business process of the general expenditure and payables, it was noted that the municipality does not prepare the reconciliations for bulk purchases on a monthly basis.	Internal control deficiency	1	1. Reconciliation for bulk purchases will be done on a monthly basis.	1. Draft reconciliation is in place.	15-Jul-22	Budget & Treasury	Chief Financial Officer	B Mashiyi	In progress

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

37	ISS.1 2	COAF 05	Cash and Cash Equivalents- Non Submission	The following requested information is not submitted to Auditor General that was issued on the 06-Oct-21 and due on the 08-Oct-21: >Supporting documentation for the cash on hand amounting to R538 741.	Misstatements in financial statements	1	1. Bank reconciliations will be performed timeously.	1. Bank reconciliation n progress.	Monthly	Budget & Treasury	Chief Financial Officer	N/A	In progress
38	ISS.1 3	COAF 03	Third party payment not timeous paid over to SARS	The municipality incurred the following interest and penalties during the financial period of 2019/20, for failing to pay tax within the prescribed period.	Non-compliance with legislation	1	1. Management to continue implementing the Financial Recovery Plan together with the Revenue Enhancement Strategy and Cost Containment Policy.	1. In progress.	As per the documents referred to in the Action Plan.	Budget & Treasury	Chief Financial Officer	N/A	In progress
39	ISS.1 5	COAF 012	Bulk Purchases : Limitation of scope	Some invoices for bulk purchases electricity were not submitted for audit purpose and they were requested in RFI 28 (due date 04 September 2021):	Misstatements in financial statements	1	1. Payment vouchers will be thoroughly checked if they are all filed for easy retrieval.	1. Payment vouchers are checked monthly.	15-Jul-22	Budget & Treasury	Chief Financial Officer	B Mashiyi	In progress

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

40	ISS.2 1	COAF 05	Remaining population for expenditure - Limitation of scope	Requested information on RFI 40(RGL TRADING ITEC) was not submitted to Auditor General	Misstatements in financial statements	0	1. Invoices relating to debit orders will be requested from suppliers and filed.	1. Some invoices have been sourced.	15-Jul-22	Budget & Treasury	Chief Financial Officer	B Mashiyi	In progress
41	ISS.2 9	COAF 012	Incorrect Classification of Inventory Issued as Contracted Services	During the audit we identified that management erroneously classified inventory issued (electricity cables) as contracted services amounting to R 155 393, 20.	Misstatements in financial statements	0	1. This related to repairs and maintenance and not inventory.	1. The matter was resolved and closed.	15-Jul-22	Budget & Treasury	Chief Financial Officer	S Kambi	Implemented
42	ISS.3 1	COAF 012	Contracted Services :Invoices are not signed by municipality Officials	Invoices were not signed to acknowledge the receipts of goods or services by the municipality in good order.	Misstatements in financial statements	0	1. Payment vouchers will be thoroughly checked to ensure that all paperwork is in order.	1. Payment vouchers are checked monthly.	15-Jul-22	Budget & Treasury	Chief Financial Officer	B Mashiyi	In progress
43	ISS.3 6	COAF 012	Finance Costs: Understatement of Fruitless and Wasteful expenditure listing	Interests charged on overdue accounts were not transferred to the fruitless and wasteful expenditure listing for the financial year ended on the 30th June 2021.	Non-compliance with legislation	2	1. Payment vouchers will be thoroughly checked against the GL to ensure that all interest is captured.	1. Payment vouchers are checked monthly.	15-Jul-22	Budget & Treasury	Chief Financial Officer	B Mashiyi	In progress

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

44	ISS.4 3	COAF 30	Irregular expenditure disclosed exclusive of vat :Circular 68	During the testing of irregular expenditure, it was noted that irregular expenditure is recorded exclusive of vat.	Non-compliance with legislation	0	1. Irregular Expenditure will be recorded inclusive of VAT	1. Draft register is in place and review in progress	15-Jul-22	Budget & Treasury	Chief Financial Officer	S Kambi	In progress
45	ISS.7 2	COAF 29	Irregular expenditure incurred in the current year -Amount per narration and the face of the note are different	During the testing of irregular expenditure, it was noted that the amount of the irregular expenditure incurred in the current year per the face of the note and the narration are different.	Misstatements in financial statements	0	1. Annual Financial Statements will be prepared early to allow thorough review. 2. Q3 Annual Financial Statements will be prepared.	1. Error was corrected . 2. Q3 Annual Financial Statements in progress.	15-Jul-22	Budget & Treasury	Chief Financial Officer	S Kambi	In progress
46	ISS.7 4	COAF 29	Irregular expenditure recorded in an incorrect period	During the testing of irregular expenditure, it was noted that there are expenditures recorded in the incorrect period.	Misstatements in financial statements	0	1. Invoices will be checked to ensure that they are recorded in a correct period.	1. Invoices are being reviewed.	15-Jul-22	Budget & Treasury	Chief Financial Officer	B Mashiyi	In progress
47	ISS.7 5	COAF 29	Irregular expenditure register is incomplete	During the testing of irregular expenditure, it was noted that the register is incomplete as the free basic electricity amounting to R1 450 397 stated in	Misstatements in financial statements	0	1. The municipality will ensure that the register of irregular expenditure complete and the FBE expenditure is included.	1. FBE expenditure was included in the register.	15-Jul-22	Budget & Treasury	Chief Financial Officer	S Kambi	Implemented

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

				the AFS is not included in the register.									
48	ISS.7 7	COAF 29	Corresponding amount for the 2020 irregular expenditure does not agree with prior year final AFSs	During the testing of the irregular expenditure, it was noted that the corresponding amount for the 2020 irregular expenditure does not agree with prior year final AFS and there was no correction of an error made.	Non-compliance with legislation	0	1. The municipality will ensure that the register of irregular expenditure is prepared timeously and it tallies with the AFS.	1. Draft register is in place and review in progress.	15-Jul-22	Budget & Treasury	Chief Financial Officer	S Kambi	Implemented
49	ISS.7 9	COAF 30	Incorrect disclosure note of Audit fees as note 34 and note 47 do not agree	During testing note 47 of additional disclosure in terms of Municipal Finance Management Act, it was noted that the amounts for audit fees incurred in the current and prior year for note 47 and note 34 in the face of AFS do not agree.	Misstatements in financial statements	0	1. Annual Financial Statements will be prepared early to allow thorough review. 2. Q3 Annual Financial Statements will be prepared.	1. Error was corrected. 2. Q3 Annual Financial Statements in progress.	15-Aug-22	Budget & Treasury	Chief Financial Officer	B Mashiya	Implemented
50	ISS.8 1	COAF 31	Unauthorised expenditure is not complete	During testing it was noted that capital expenditure overspending was	Misstatements in financial statements	0	1. Overspending in capital expenditure where applicable will be	1. Error was corrected.	15-Aug-22	Budget & Treasury	Chief Financial Officer	N Madolo	In progress

				not included on the list of unauthorized expenditure.			included in the register.	2. No unauthorized expenditure has been incurred on capital expenditure.					
51	ISS.50	COAF 14	Trade Payables - Difference on creditors statement	During the testing of trade payables, misstatement it was identified as the balance in the age analysis did not agree to the Auditor General statement.	Misstatements in financial statements	3	1. Reconciliation will be done on a monthly basis to ensure that age analysis balances with the statements.	1. Draft reconciliation is in progress.	15-Aug-22	Budget & Treasury	Chief Financial Officer	B Mashiyi	In progress
52	ISS.51	COAF 14	Retention Creditors - Misstatement Identified	During the testing of retention creditors, the following misstatement was identified as the amount recorded in the retention register did not agree to the amount recorded as retention in the payment certificate.	Misstatements in financial statements	0	1. Check the payment certificates and agreed contracts on the amount (or percentage) of retention and record retention at the correct amount.	1. All supporting documentation to date has been collected and the retention calculation is being currently updated.	30-Apr-22	Budget & Treasury	Chief Financial Officer	N Madolo	In progress

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

53	ISS.1	COAF 06	Reported targets and achievements are not consistent with planned targets and achievement	During the completion of the usefulness (CMRPD) working paper, it was noted that the reported targets and achievements of some indicators are not consistent with planned targets and achievement.	Misstatements in financial statements	1	1. The target was addressed during audit	1. The target was addressed during audit	31-Jan-22	Executive Services	General Manager	Z Batyi	Implemented
54	ISS.7	COAF 04	IWMP (Integrated Waste Management plan) not reviewed- Internal control deficiency	During the completion of the AOPO business process, it was noted that National Department of Environmental Affairs (DEA) did not review IWMP (Integrated Waste Management plan) for the 2020/21 financial year.	Misstatements in annual performance report	0	1. The target was addressed during audit	1. The target was addressed during audit	31-Jan-22	Executive Services	General Manager	Z Batyi	Implemented
55	ISS.8	COAF 04	AOPO -KPI 019 &20 - Pictures are not dated - Internal control deficiencies	During the completion of the business process of the key performance indicator: AOPO (Basic service delivery), it was noted that the pictures submitted	Misstatements in annual performance report	0	1. Ensure that pictures taken on roadblocks conducted are dated. 2. To do quality check on tickets issued as these have dates when being issued.	1. Camera with date is used for roadmarkings	22-Jun-22	Community Services	Director Community Services		In progress

				for the following indicators are not dated, as a result, we could not confirm whether there was work performed in the current year for the following indicators: KPI 019 – Number of roadblocks conducted and KPI 020 – Number of tickets issued									
56	ISS.17	COAF06	AOPO-The targets set are not time bound	During the completion of the usefulness (CMRPD) working paper, it was noted that the following indicators are not time-bound (the time or deadline for delivery is not specified):	Misstatements in annual performance report	3	1. Targets will be reviewed in the revised SDBIP.	1. Targets reviewed.	31-Mar-22	Engineering Services	Director Engineering Services	B Mguni	Implemented
57	ISS.18	COAF06	AOPO-The indicators and its targets are not properly presented and disclosed	During the completion of the CMRPD working paper, it was noted that measures taken to improve performance are not disclosed in the APR.	Misstatements in annual performance report	3	1. Proper review of quarterly performance reports.	1. Quarterly performance reports are being reviewed thoroughly before	30-Jun-22	Engineering Services	Director Engineering Services	B Mguni	In progress

								submissi on.					
58	ISS.2 6	COAF 09	AOPO - Limitation of scope for KPI 1 to 4	During the testing of KPI 1-4, the following were noted: Some inspection forms submitted are blank. Some weekly reports do not have inspection forms. There are only six pictures submitted for the entire work performed in the 2020/21 financial year and three out of the pictures submitted do not indicate the location of where the work was performed. In addition, there is no time stated in all the submitted pictures.	Misstatemen ts in annual performance report	0	1. Inspection forms to be completed for each assessment of the roads to be maintained.	1. The team has started completin g the inspectio n forms during the assessm ent of the roads.	30-Jun- 22	Engineeri ng Services	Director Engineeri ng Services	B Mguni	In progre ss

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

59	ISS.4 9	COAF 19	KPI 021-Not all the inspected and maintained road markings and signs are included in the inspection and marking report	During the testing of KPI 21- KPI 021- % of inspected damaged road markings and signs maintained, it was identified that some of the road markings and signs maintained during the year, are not included in the inspection reports.	Misstatements in annual performance report	0	1. Ensure inspection report tallies with the pictures taken for quality purposes	1. Road marking currently being done during the month of March 2022.	22-Jun-22	Community Services	Director Community Services	N/A	In progress
60	ISS.2 4	COAF 28	No approval by Council on a contract that will impose financial obligation on the municipality for more than 3 years	During testing of competitive bids, it was identified that the bid relating to the provision of banking services bid no: SCM/11/2019-20 was not approved by the council as it is a contract that will impose financial obligations on the municipality beyond a period of three years.	Misstatements in annual performance report	0	1. For all projects with financial obligations of 3 years and beyond an item will be prepared and submitted to Council for approval.	1. To be implemented for long term contracts when applicable.	15-Feb-22	Budget & Treasury	Chief Financial Officer	S Kambi	Implemented
61	ISS.3 0	COAF 012	Budget verifications are not performed	During audit, we noted that the municipality does not perform budget verifications before the procurement of	Misstatements in annual performance report	0	1. The procurement flow for Director approval to be addressed.	1. Procurement flow resolved.	15-Feb-22	Budget & Treasury	Chief Financial Officer	N Madolo	Implemented

				the goods and services.									
62	ISS.4 5	COAF 31	Provision for landfill site disclosure is incorrect	During the testing of provisions for landfill site it was determined that the classification for current and non-current portion of the provision is incorrectly presented. From the testing of Narration it was noted that the annual financial statements states that the Kieskammahoek landfill site licence has expired and while it is the Cathcart landfill site that is not licenced to operate.	Misstatements in financial statements	0	1. The wording for the landfill sites was corrected in the financial statements.	1. The matter was resolved.	N/A	Budget & Treasury	Chief Financial Officer	N Madolo	Implemented
63	ISS.6 0	COAF 25	Provision for Landfill Site: Noncompliance with Closure licence	During the testing of provisions, It was noted that a closure license, signed by Ms L Macanda: Director - Air Quality & Waste management on the 18 July 2013, was issued for the	Misstatements in financial statements	0	1. Secure funding for the appointment of Consultants for closure and rehabilitation of the Cathcart landfill site.	1. In progress	23/24	Community Services	Director Community Services	N/A	In progress

				Cathcart landfill site by the Department of Economic Development, Environmental Affairs & Tourism. Further, from inspection of the expert report on landfill site, it was noted that the site is still in use and the requirement of the closure licence have not been adhered to.									
64	ISS.6 3	COAF 28	Long term receivables understated	During the testing of the long term receivables, it was noted that the balance is understated as the interest of 6% was not charged since the 2017/18 financial year.	Misstatements in financial statements	0	1. The calculation will be effected in the current year.	1. Calculation will be performed at year end.	30-Jun	Budget & Treasury	Chief Financial Officer	B Mashiyi	In progress

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

65	ISS.6 1	COAF 23	Revenue - sale of electricity - The consumption units are different between the billing report and the meter reading book.	During the testing of revenue from exchange transactions, differences were identified between the billing report and the meter-reading book	Misstatements in financial statements	3	1. Meter-reading books will be checked against billing report to ensure that there are no discrepancies.	1. In progress.	15-Jul-22	Budget & Treasury	Chief Financial Officer	B Mashiyi	In progress
67	ISS.7 6	COAF 29	Material losses- Incorrect values used to calculate the losses	During the testing of the material electrical distribution losses, the following misstatement is identified, bulk purchase for Cartcath in June 2021 is erroneously captured twice on the listing, both as the units and the Rand Value.	Misstatements in financial statements	1	1. Thorough review of the calculation will be done on a monthly basis.	1. Draft calculation is in place	15-Jul-22	Budget & Treasury	Chief Financial Officer	B Mashiyi	In progress
68	ISS.5 6	COAF 15	Third party payments: Outstanding amounts not accounted for	During the testing of employee costs, it was noted that the underpayment/over payments to the third parties were not accounted for.	Misstatements in financial statements	1	1. Payroll reconciliation will be prepared monthly to ensure early review.	1. Payroll reconciliation is prepared and reviewed.	15-Jul-22	Budget & Treasury	Chief Financial Officer	B Mashiyi	In progress

69	ISS.6 7	COAF 27	Landfill Site: Substantial harm to a public sector	<p>During the audit of provisions on landfill site an expert report was inspected. From the inspection of the report it was noted that the Cathcart landfill site operates illegally, receiving general waste from Cathcart areas despite being licenced for closure in 2013. From a site visit it was noted that the public continues to use the site and are burning waste products on site and thus the site poses threats to the health and safety of the public in the surrounding areas. It is noted that animals can also be harmed on the landfill site as there is no secure fencing or gates or any kind of securing surrounding the area preventing the public or even stray animals from</p>	Non-compliance with legislation	0	1. Explore utilisation of the Transfer station in Cathcart to minimise dumping at the Cathcart landfill site	1. Consultation planned with DEDEAT on 31st March 2022	22-Jun-22	Community Services	Director Community Services	N/A	In progress
----	------------	------------	---	--	---------------------------------	---	--	--	-----------	--------------------	-----------------------------	-----	-------------

				accessing the waste site. Substantial harm can be caused to the public by the operations of an unlicensed.										
70	ISS.14	COAF03	Eskom Invoices not paid within 30 days	Some of the Eskom invoices were not paid within 30 days during the financial year period of 2019/20, as a results interest for late payment were charged.	Misstatements in financial statements	3	1. Invoices will be paid within 30 days provided that the cash flow allows.	1. Invoices are paid within 30 days where cash flow allows. 2. Payment plans are in place for major suppliers.	N/A	Budget & Treasury	Chief Financial Officer	B Mashiyi	In progress	
71	ISS.11	COAF09	AOPO - Difference between the listing and the APR	During the completion of a lead schedule of the AOPO, it was noted that the listing and the APR do not agree with each other.	Misstatements in annual performance report	3	Regular review of reports and portfolio of evidence	The reports are reviewed and submitted to Internal Audit for	N/A	Executive Services	General Manager	Z Batyi	In progress	

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

								review quarterly					
72	ISS.20	COAF06	AOPO-The target set is not specific	During the completion of the usefulness (CMRPD) working paper, it was noted that the target set for some indicators are not specific (i.e. the actual percentage of the 2 kms).	Misstatements in annual performance report	3	Review will be strengthened in the current SDBIP.	The SDBIP was revised and approved by Council	N/A	Executive Services	General Manager	Z Batyi	In progress
73	ISS.25	COAF19	AOPO-KPI 05-Difference between the close-out report and the APR	During the testing of KPI 05, it was identified that the kms per the closeout report and the APR do not agree for Gubevu road.	Misstatements in annual performance report	1	Regular review of consultant reports will be closely monitored strengthened in 2021/22	Consultant reports reviewed	N/A	Executive Services	General Manager	Z Batyi	In progress
74	ISS.27	COAF19	KPI 09 Fire station constructed in Keiskammah oek- Difference between APR and the progress report	During the testing of KPI 09, it was noted that the progress report dated 30 June 2021 and the APR do not agree.	Misstatements in annual performance report	0	1. Regular review of consultant reports will be closely monitored in 2021/22 to correct the mistakes/errors	1. Consultant reports are being reviewed	30-Jun-22	Engineering Services	Director Engineering Services	B Mguni	In progress

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

75	ISS.2 8	COAF 09	AOPO- Difference between quarterly reports and the listings	During testing of KPI 01 - 4, it was noted that the quarterly reports and the listing do not agree and the listing are used to prepare the APR.	Misstatemen ts in annual performance report	0	1. The creation of complain register and accurate capturing of query forms for faulty meters will improve the reporting	1. The complaint register has been created and the query forms for faulty meters are being captured.	30-Jun- 22	Engineeri ng Services	Director Engineeri ng Services	N/A	In progre ss
76	ISS.3 7	COAF 19	AOPO-KPI 08-There are no customer query forms	During the testing of KPI 08, it was identified that the faulty meters included in the report do not have supporting customer query forms, as a result, we could not confirm the validity and accuracy of the faulty meters reported in the report.	Misstatemen ts in financial statements	3	1. The creation of complain register and accurate capturing of query forms for faulty meters will improve the reporting	1. The complaint register has been created and the query forms for faulty meters are being captured.	30-Jun- 22	Engineeri ng Services	Director Engineeri ng Services	N/A	In progre ss
77	ISS.4 2	COAF 19	AOPO-KPI 08-Total number of faulty meters included in the POE file and the	During the testing of KPI 08, it was identified that the total number of faulty meters included in the POE file and the reports are different.	Misstatemen ts in annual performance report	3	1. Create a complaint register to capture the query forms will address the number of faulty meters attended. 2. The numbering	1. The capturing of the faulty meters into complain register	30-Jun- 22	Engineeri ng Services	Director Engineeri ng Services	N/A	In progre ss

			reports are different				of query forms for the faulty meters will eliminate the improper capturing of the report	has started and will improve reporting.					
78	ISS.4 4	COAF 19	AOPO-KPI 08-Limitation of scope on completeness on the faulty meters	During the testing of the faulty meters repaired indicator, the following issues were identified. The municipality has a register for the first six months of 2020/21 financial year (Jul -Dec 2020) only. The customer query forms are not sequentially number. And the customer query forms included in the POE relates to the third and fourth quarter.	Misstatements in annual performance report	3	1. Create a complaint register to capture the query forms will address the number of faulty meters attended. 2. The numbering of query forms for the faulty meters will eliminate the improper capturing of the report	1. The capturing of the faulty meters into complain register has started and will improve reporting.	30-Jun-22	Engineering Services	Director Engineering Services	N/A	In progress
79	ISS.4 8	COAF 19	KPI 021- There are no pictures for the 4 way stop in Keiskammah oek	During testing of KPI 021- % of inspected damaged road markings and signs maintained, it was identified that there are no	Misstatements in annual performance report	0	1. Ensure that pictures taken on road markings including signage conducted are dated.	To be assessed on submissions done	22-Jun-22	Community Services	Director Community Services	D Mnqanqeni	In progress

				pictures to support the 4 way stop painted in Keiskammahoek that is included in the inspection report.									
80	ISS.2 3	COAF 05	Supporting documents requested not submitted	The requested information on tenders and quotations was not submitted to Auditor General	Non-compliance with legislation	0	1. Documents will be properly filed for submission to AG during the audit.	1. Tender documents are properly filed.	15-Feb-22	Budget & Treasury	Chief Financial Officer	S Kambi	Implemented
81	ISS.6 2	COAF 20	Bids -Bids with contract value above R10million advertised for less than 30 days and reasons not justifiable	During the testing of the bids, it was identified that the contract relating to the paving of Matollaville Street bid with contract no: SCM/14/2020-21 was advertised for less than 30 days, whereas its contract value is R14 306 718, 89.	Non-compliance with legislation	0	1. Contracts will be advertised for a period required by SCM regulations and if there are any deviations they will be documented and approved by Accounting Officer.	1. Contracts are advertised for periods indicated in the SCM Regulations.	15-Feb-22	Budget & Treasury	Chief Financial Officer	S Kambi	Implemented

3.3.10 FRAUD MANAGEMENT

The Municipality has developed a Fraud Prevention Plan which was adopted by Council. The Fraud Prevention Plan was last reviewed in March 2018. The main objectives of the Fraud Prevention Plan are as follows:

- To create a culture which is ethical and intolerant to fraud and corruption;
- To prevent fraud and corruption which cannot be deterred;
- To ensure that the municipality detects fraud and corruption;
- To ensure that the municipality investigates detected fraud and corruption;
- To ensure that the municipality takes appropriate action in the event of such irregularities, e.g. disciplinary action, recovery of losses, prosecution, etcetera;

The municipality also developed an Anti-Corruption and Fraud Policy which was adopted by the Council in May 2015 and is currently being reviewed and to be adopted by the Council.

The following areas are being addressed by the Fraud Prevention Plan and the Anti-Corruption and Fraud Policy

- Forms of Fraud and Corruption;
- Actions constituting fraud, corruption, theft and maladministration;
- Responsibility to conduct investigations;
- Protection of Whistle Blowers;
- Application of prevention controls and detection mechanisms;
- What should an employee do if he/she suspects fraud;
- Fraud Hotline;
- Media;
- Confidentiality;

The Internal Audit is conducting Fraud Awareness's on quarterly basis and action plans responding to the issues raised at the fraud awareness's are developed as well and are updated quarterly basis.

The municipality is currently using the Presidential Fraud Hotline where members of the communities can report fraud related issues. The Presidential Fraud Hotline number is **0860 701 701**.

RISK MANAGEMENT

The municipality does have a Risk Management committee consisting of Directors and Managers. The Risk Management Committee sits on a quarterly basis and is chaired by the Municipal Manager. Risk Assessments are conducted on an annual basis and the Risk Registers are updated on a quarterly basis.

The municipality does have a Risk Management Policy which was adopted by the Council. The Risk Management Policy has been reviewed in March 2018. Risk Management Policy assists the municipality in the following:

- It provides management with proven risk management tools that support their decisions-making responsibilities and processes, managing key risks impacting on their goals and objectives.
- It also ensures that risk management processes exist in an environment of continuous feedback and improvement
- It enables the Municipality to effectively deal with uncertainty and associated risk and opportunity to enhance the capacity to build value.

TOP 10 RISKS RELATING TO THE MUNICIPALITY

#	Risk Description	Risk Causes	Consequences	Action to improve management of the risk
1	No standard operating procedures	1.Lack of adequate monitoring	1. Inconsistent implementation of municipal processes.	1. SOP will be developed linked to the SDBIP. 2. A procedure manual will be developed linked to all HR Policies.
2	Exceeding electricity capacity from Eskom(Notified Maximum Demand)	1.Excess demand on electricity	1.Penalties by Eskom 2.Monitorium on new connections	1. Application of additional NMD to Eskom. 2. Awareness campaigns geared at efficient use of electricity by customers.
3	Distribution losses	1.Old infrastructure 2.Theft 3.Non-payment of debts 4.Lack of adequate monitoring on meter boxes and transformers 5.Inaccurate meter readings	1.Financial Loss 2.Low revenue collection 3.Community disputes 4.Collapse of infrastructure 5.Loss of life due to illegal connections 6.Litigations to the Municipality	1. Motivate for improved budgeting for upgrading of the old infrastructure 2. Electrification of extensions by Eskom 3. Implementation and consistent review of electricity master plans. 4. Replacement and recalibration of old meters. 5. Use of High-accuracy meters on lager consumers. 6. Use of automated meters. 7. Protection of electricity assets, i.e. provision of protective boxes.

		<p>6.Inaccurate billing</p> <p>7.Lack of consequence on identified theft of electricity</p>		
4	<p>Non adherence to SCM policies, procedures and regulations</p>	<p>1. Poor planning</p> <p>2.Personal interest</p> <p>3.Political interference</p> <p>4.Limited buy in on the SCM policy</p> <p>5.Non implementation of the procurement plan</p> <p>6.Abrupt change in project implementation option</p>	<p>1. Compromised Service Delivery</p> <p>2. Delays in appointment of service providers</p> <p>3. Negative audit outcomes</p> <p>4. Increase in irregular expenditure</p> <p>5. Increase in deviations</p> <p>6. Litigations</p>	<p>1. Financial misconduct workshop to be conducted.</p> <p>2. Development and strict adherence to the procurement plan.</p> <p>3. SCM awareness's (Supplier Day)</p> <p>4. Employees are to sign declarations.</p>
5	<p>Going concern of the municipality might be at risk</p>	<p>1.Poor planning</p> <p>2.Non adherence to relevant legislation</p> <p>3.Political interference</p> <p>4.Unfunded mandates</p>	<p>1.Compromised service delivery</p> <p>2.Low revenue collection</p> <p>3.Service delivery protest</p> <p>4.High employee turnover</p> <p>5.Low staff morale</p> <p>6.Dependency on grants</p>	<p>1. Consumers that are 90 days and above will be cut-off and handed over to the Debt Collectors.</p> <p>2. Implementation of the revenue enhancement strategy</p> <p>3. Explore other external revenue sources;</p> <p>4. Enhancement of the indigent registration.</p>

6	Non-compliance with policies and procedures	<ol style="list-style-type: none"> 1. Non communication of policies to Municipal officials 2.Lack of procedure manual regarding HR operations 3.Political interference 4.Lack of consequence management 5.Recruitment processes not followed 6. HR policy not including abuse of alcohol 	<ol style="list-style-type: none"> 1. Inconsistences with the implementation of policies and procedures within the municipality. 2. Employer and employee relationship affected negatively 3. Litigations 4. Lack of accountability 	<ol style="list-style-type: none"> 1. Workshop of municipal policies will be conducted on quarterly basis; 2. To develop a procedure manual linked to all HR policies; 3. Recruitment plan will be developed for 2017/2018; 4. Alcohol and subsistence abuse policy will be reviewed; 5. Accountability agreements will be signed by all officials from task 12; 6. Individual performance will be monitored on a quarterly basis.
7	Inconsistency in implementation of the HR policies	<ol style="list-style-type: none"> 1. Poor planning 2.Personal interest 3.Disparity in salaries 4. Non sitting of the departmental meeting. 	<ol style="list-style-type: none"> 1.Standardization 2.Financial Loss 3.Labour unrest 4.Staff shortage 5.Litigations 6.High rate of disciplinary cases 	<ol style="list-style-type: none"> 1. All new positions will be evaluated/benchmarked before advertised; 2. Departmental meetings to sit on a monthly basis; 3. All filled positions will be evaluated to address the standardization. (Pending Budget)

8	<p>Abuse of council resources (Vehicles, Petrol cards, telephone, overtime, time management)</p>	<ol style="list-style-type: none"> 1. Lack of monitoring, evaluation and review over Council Resources. 2. Inconsistent implementation of Municipal Policies 3. Non-compliance the developed municipal policies 4. Consequence management 5. Political Interference 6. Removable Municipal stickers 	<ol style="list-style-type: none"> 1. Financial loss. 2. Litigations 2. Instability in the Municipality 	<ol style="list-style-type: none"> 1. Vehicle tracking device will be installed for all municipal vehicles; 2. Review of daily notifications from Petrol Cards; 3. Vehicle checklist are being done on weekly basis; 4. Report with regard to the driving behaviors will be submitted to the Standing Committee and MANCO; 5. Log books will be monitored on a weekly basis; 6. Trip authorization forms will be issued by the HODs on a weekly basis; 7. Accident investigation committee will be established; 8. Overtime for the drivers will be monitored through the tracking system; 9. Attendance register will be monitored on a monthly basis, 10. Attendance register will be collected every morning by the HODs 11. A new telephone system will be installed for all municipal offices; 12. The new system will have a control of limiting the amount spent on telephone 13. Monthly reports will be printed for the HODs with regard to the telephone costs. 14. Overtime pay-outs will be according to the policy thresholds.
9	<p>Dependency on Eskom infrastructure</p>	<ol style="list-style-type: none"> 1. Lack of authority towards electrification performed by Eskom 	<ol style="list-style-type: none"> 1. Delays 2. Service Delivery protest 3. Lack of economic development 	<ol style="list-style-type: none"> 1. Improving sitting of PSC meetings with all affected stakeholders. 2. Ensure consistent attendance of the IGR by the department 3. Development of SLA with Eskom

10	Dilapidated Municipal buildings.	<ol style="list-style-type: none"> 1. Lack of adequate capacity in terms of human capital 2. Insufficient Funding 3. Lack of implementation plan 3. Non adherence to building regulations 4. Non-adherence to land use regulations 	<ol style="list-style-type: none"> 1. Loss of life 2. Reduced revenue 3. Reduced economic development 4. Health and safety 5. Dirty buildings 	<ol style="list-style-type: none"> 1. Filling of vacant positions 2. Improvement of Funding 3. Give assistance in the Development of Implementation plan by the Custodian Department (Corporate Services) 4. Promotion of Building Regulations 5. Promotion of Land Use Regulations
----	----------------------------------	---	--	--

INTERNAL AUDIT CHARTER

The purpose of the Charter is to provide the Internal Audit Manager and the management of ALM with a broad framework of understanding which, once approved by the Audit Committee and Municipal Manager, will serve as a mandate for the Internal Audit function.

The objective of Internal Audit Charter is to provide independent, objective assurance and consulting services designed to add value and improve the Municipality’s operations. It helps the Municipality accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

The Internal Audit Charter was last reviewed and approved by the Audit Committee in April 2018.

The Auditor General reports for the previous three years were as follows:

2018/19	2019/20	2020/21
QUALIFIED	UNQUALIFIED	UNQUALIFIED

3.3.11 LEGAL SERVICES

The municipality has established a unit that is strategically located within the office of the Municipal Manager. Through its supportive and advisory role, the legal services unit strengthen the capacity of the municipality to fulfill its constitutional and legislative mandate. This is done by providing legal advice, settling documents, support to committees and Council, also to ensure that the municipality adheres to all legislations which govern the municipalities.

Co-functions of the unit

- Provide Legal Advice and guidance to the Council, Mayor, Speaker and Municipal Manager
- Handle all legal matters arising from Directorates
- Manage all legal risk
- Monitor and ensure legal Compliance
- Manage litigations for and against Municipality
- Consult with municipal Attorneys (with approval of MM)
- Attend to Court Orders
- Provide general legal advice

2.9 By Laws

The institution has 19 by laws, 17 are promulgated and the two are still in the process of being promulgated.

NO.	LOCAL AUTHORITY NOTICE	GAZETTE NO.
1.	Local Government : Municipal Systems Act (32/2000) : Municipality of Amahlathi: Street trading By-Law	1668
2.	Keeping of dogs and other animals By-Law	1668
3.	Neglected buildings and premises By-Law	1668
4.	Prevention of nuisances By-Law	1668
5.	Solid waste disposal By-Law	1668
6.	Use and hire of municipal building By-Law	

		1668
7.	Public open space By-Law	1668
8.	Advertising signs By-Law	1668
9.	Cemeteries and crematoria By-Law	1668
10.	Ward committees By-Law	1668
11.	Delegation of powers By-Law	1668
12.	Community fire safety By-Law	1668
13.	Standing rules for council By-Law	1668
14.	Credit control By-Law	1668
15.	Indigent support By-Law	1668
16.	Rates policy By-Law	1668
17.	Tariff policy By-Law	4076

3.4 KPA 4: LOCAL ECONOMIC DEVELOPMENT

The review of Local Economic Development Strategy has unfortunately been delayed due to reliance on external support. A new Economic Growth and Development Plan will be developed in the 2022/23 Financial Year. The existing but outdated LED strategy is aligned with the National, Provincial and District objectives and continues to be a resource for economic development facilitation efforts.

Economic factors affect the purchasing power of potential customers and the municipality's cost of capital. The following are examples of factors in the macro-economy: economic growth, interest rates, exchange rates, inflation rate. The municipalities should be encouraged to spend locally within the municipality. The lack of economic infrastructure is hampering development and job creation. The achievement of the Small Town Revitalization Project and the various plans and generation studies are being revisited, updated and progressively implemented in line with availability of the requisite resources.

SWOT ANALYSIS

The envisioned strategy should be built on the analysis of its predecessor which had outlined key Strengths to develop the economy as resident within the natural resource base within Amahlathi that is the forest (wood related products), the Eco-tourism and the large water masses suitable for water sports (ranging from sports tourism to the manufacture of water craft and accessories). The large water masses also lend themselves to Amahlathi becoming a major national and even international player in aqua farming.

Key weaknesses lie in the lack of high-level skills to actively participate in economic development and manufacturing, lack of a large industrial and population base to generate revenue for the municipality. Climate change poses a threat in the growth of agriculture within Amahlathi Municipality.

Key threats lie in the possible inability, given the small staffing size, to capitalize on the opportunities that exist including those from all the various sector departments.

The Opportunities are huge within Amahlathi. Naturally any municipality wants to improve the number of visitors to it and also the amount of investment that it receives. Some of the easier and most cost effective ways to grasp these opportunities lie in differentiated tourism. For Amahlathi the key will be in adventure, sport and eco-tourism. By creating a few key sporting events e.g. Municipalities Toughest Men Competition, The Amahlathi Mile (swimming), The Amahlathi Rowing and Cross Country marathon through the forest, it will be possible to attract thousands of weekend visitors. Off road cycling and quad biking and including adventure sports, can easily boost the economy for the smallest possible investment.

In short, development of the tourist potential in eco - sports, adventure, and historical tourism will not only attract the local tourist but also appeal to the overseas visitors as well. The link to the German past should be exploited to the maximum.

The above, coupled with the development of sustainable human settlements and the ability of each household to produce food can have a major positive impact on the communities. The municipality should consider supplying all households with a home garden. This includes fencing, soil, fertilizer and seeds.

The provision of driver training and computer training programme will greatly enhance the job opportunities in the short term.

People between 19 – 65 years old should be involved in skills training or community building programmes. The needs of the housing programmes should be supplied by organized primary, secondary and tertiary co-operatives.

RECOMMENDATIONS

- Primary, Secondary and Tertiary co-operatives and small businesses must be established to supply the basic requirements for the housing programme, e.g. from timber : manufacture of doors / door frames, window frames, roofing trusses, concrete products: lintels for above doors and windows, pavement curbing for the roads, concreted reinforced poles and concrete storm water pipes
- Medium size businesses can be given quarrying rights to supply stone for foundations, building blocks and brick making
- The tourism products available must be linked to sporting events that would bring visitors to and past these special historical and cultural stations. The municipality must have sponsored cross country runs (fun, half marathons, marathon runs), mountain biking races. These trails will pass and stop at tourist points allowing for sales by local co-operatives of their goods
- The timber industry owners and the municipality should market and celebrate the following: Arbor Day, International Day of Forests, World Forestry Congress, Amahlathi Lumberjack Championship, Stihl Timber sports Series, Wood chopping championship , and Amahlathi Logging Championship
- To re-establish a partnership driven local Timber Incubation facility, which will build on the lessons of the defunct Abenzi initiative
- The vast dams should also be used for promoting water sports e.g. Amahlathi Mile, sail boat and power boat racing.
- Given the huge forest reserves a deeper collaborative effort with other state actors e.g. SAFCOL and the Private Sector needs to be put in place, to better understand ownership and how the forest can be used to benefit the economy much better. At face value not all the resources are fully benefited.
- **Primary Aquaculture Operations** (Brood stock operations; Seed production operations; Juvenile (spat, fry, fingerling) operations, including hatchery and nursery facilities; On-growing operations, including but not limited to rafts, net closures, net pens, cages, tanks raceways and ponds and
- **Secondary Aquaculture Operations:** Primary processing for aquaculture (post-harvest handling, eviscerating, packing, quick freezing); Secondary processing for aquaculture (filleting, portioning, packaging); Tertiary processing for aquaculture (value adding: such as curing, brining, smoking, further value adding such as terrines, roulades, pates, patters); Waste stream handling for aquaculture (extraction of fish oils, protein beneficiation, organic fertilizers, pet feeds, animal feeds). Ancillary Aquaculture Operations; Aquaculture feed manufacturing operations; Research and Development projects related to aquaculture; Privately-owned aquaculture veterinary services (farm inspections, disease surveillance and control, histo-pathological analysis, etc. specifically for the aquaculture industry).

- The above could supply the complete protein needs of the entire municipality and could create opportunities for about 500 and 5000 people depending on the scale of the operation
- It is noted that Sports, Adventure and Eco – Tourism be the drivers to get visitors into Amahlathi and then the cultural and historical places can be viewed. Sports Tourisms is a huge attraction especially if the municipality could lobby for sponsorship of few key events for the next 5 years.

COMPETITIVE AND COMPARATIVE ADVANTAGE

Agriculture:

1. Amahlathi is an agricultural area where forestry is the main sector that has employed many people.
2. Commercial farmers are also contributing to the GDP of the area in areas like poultry farming, there are big businesses like ANCA chicks.
3. There are two big irrigation schemes at Keiskammahoek which are also major players in the economy of Amahlathi and the Eastern Cape Province at large.
4. Forestry sector is also a major play in the economy of the area.
5. Amahlathi is the only area at Amathole where forestry is the major role player in the economy.

Livestock Production

Animal stock numbers	Total at Amahlathi	Programs conducted by DRDAR
Large stock	33215	Dipping Blantrax Brucellosis Test for TB and CA
Sheep	19489	Sheep scab Testing of rams from NWGA
Goats	19723	No program except when need attention
Domestic animal	12000	Rabbis vaccine
Horses	878	No program except outbreaks Castration Deworming
Animal stock numbers	Total at Amahlathi	Programs conducted by DRDAR

Poultry

Number of poultry project	Current status	Challenges
There are 15 broiler projects at Amahlathi, that is both Stutterheim and Keiskammahoek	The project are still producing broilers and the most broiler farmer is Nolist project that is raising about 750 broilers every 6 week cycle	<ul style="list-style-type: none"> • The challenge is the structure • Market • Abattoir

Piggery

Amahlathi Piggery projects	Current status	Challenges
There is 5 Piggery project at Amahlathi	The projects are raising and sell the pigs to the community	<ul style="list-style-type: none"> • Market price versus communal price • Recommended piggery structure- as swine fever is a threat

Tourism:

1. Amahlathi has beautiful hiking trails at Xholorha and which are well maintained.
2. The greater part Amathole hiking trail is at Keiskammahoek which is part of Amahlathi Local Municipality.
3. There are graves of Xhosa Chiefs and German descendants which are a tourist attraction.
4. Friendly N6 passes through Stutterheim which became an advantage to show case what Amahlathi has to offer.
5. Craft mania annual event is used by the municipality to showcase crafters talent, performing art and other art forms and has changed lives our community because B&B 's and local hotels benefit.
6. Tourism structures are also playing a major role in tourism promotion, structures like Local Tourism Organisation and Community Tourism Organisation.
7. Small town's regeneration has benefited tourism because a larger number of municipalities visit Amahlathi to view the development which has been implemented through the programme.

Small Medium Micro Enterprises:

1. Formation of Timber Co-ops could potentially alleviate exploitation by big timber companies of community members who are harvesting wattle. This will require a more targeted implementation of the Forestry Strategy, which was originally formulated as a response to this particular challenge

2. Training intervention to SMME's and Co-ops to access funding from various institution has improved their opportunities for funding support.
3. Technical support to local SMMEs towards accessing various government offered COVID-19 related and other Department of Small Business Development offered support instruments.
4. Lead the implementation of a sub-contracting programme to benefit local Contractors, which now has a standing Council resolution.

Economic Potential:

1. Natural expression of economic zones
2. Agriculture
 - High value crops
 - Fish Farming
 - Honey production
 - Beef Production for export,
 - Feed,
 - Chicken,
 - Deep soils and rainfall reliability in King Kei and area between Keiskammahoek & Stutterheim
3. Manufacturing (i.e. paving)
4. Timber
5. Processing
 - Agro-processing in KKH
 - Medicinal plants and processing
6. Small Towns with a large number of villages (i.e. Shopping Centers)

STREET TRADING BY-LAW

The Amahlathi has the street trading By-law that was developed and adopted by Council in 2014. The purpose of this by-law is to enforce a single act of selling or offering services in a public place to constitute trading.

3.5 KPA 5: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT**3.5.1 FUNCTIONS AND POWERS AS LEGISLATED**

Administration of indigenous forests
Agriculture
Animal control and diseases
Cultural matters
Education at all levels, excluding tertiary education
Environment
Health services
Regional planning and development
Road traffic regulation
Soil conservation
Tourism
Trade
Traditional leadership, subject to Chapter 12 of the Constitution
Urban and rural development
Vehicle licensing
Welfare services
Air pollution
Building regulations
Child care facilities
Electricity and gas reticulation
Firefighting services
Local tourism
Municipal planning
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law
Pontoons, ferries, jetties, piers and harbors, excluding the regulation of international and national shipping and matters related thereto
Storm water management systems in built-up areas

Trading regulations
Amusement facilities
Billboards and the display of advertisements in public places
Cemeteries, funeral parlors and crematoria
Cleansing
Control of public nuisances
Control of undertakings that sell liquor to the public
Facilities for the accommodation, care and burial of animals
Fencing and fences
Licensing of dogs
Licensing and control of undertakings that sell food to the public
Local amenities
Local sport facilities
Markets
Municipal abattoirs
Municipal parks and recreation
Municipal roads
Noise pollution
Pounds
Public places
Refuse removal, refuse dumps and solid waste disposal
Street trading
Street lighting
Traffic and parking

3.5.2 ORGANIZATIONAL AND ESTABLISHMENT PLAN

Section 66 of the Local government 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 that will regularly evaluate the staff establishment of a municipality and, if the staff establishment requires amendment the approval of council shall be obtained.

Institutional Structure

The institutional Structure of Amahlathi Municipality is divided into two levels, namely the Political and Administrative Structures. The Administrative Structure is accountable to the Political Structure.

- **Political Structure**

The Principal ship of Amahlathi Municipality lies with the council under the chairperson of the Speaker and it operates a number of controls that assist in the realization of the council's mandates. Listed below are the committees that assist Council in carrying out its responsibilities; -

- Municipal Public Accounts Committee
- Audit & Performance and Audit Committee
- Rules Committee

INSTITUTIONAL CALENDAR

The Institutional Calendar that is a guide for Council, EXCO and Standing Committee Meetings is existing. It was adopted by the Council during the Council Meeting held on the 31 May 2020.

MEMBERS OF THE COUNCIL

The Council has got 30 members (PR and Ward Councillors) and 6 Traditional Leaders.

STRUCTURES OF THE COUNCIL

The executive committee consist of 5 standing Committees.

Following are the Standing Committees and their representatives:-

1) *BUDGET AND TREASURY*

No.	Names
1.	Cllr N. Kato-Manyika Chairperson
2.	Cllr N. Ncevu
3.	Cllr N. Mbulawa
4.	Cllr N.Nyangwa
5.	Cllr R.B. Pickering
6.	Cllr M. Busakwe

2) *CORPORATE SERVICES*

No.	Names
1.	Cllr N. Mlahleki

2.	Cllr M.E. Maweni
3.	Cllr N.C. Mkiva
4.	Cllr M. Neku
5.	Cllr P.N. Onceya-Sauti
6.	Cllr N. Ngxakangxaka

3) *COMMUNITY SERVICES*

No.	Names
1.	Cllr T. Balindlela – Chairperson
2.	Cllr A. Hobo
3.	Cllr N.Z. Klaas
4.	Cllr N.O. Sidinana
5.	Cllr M. Nqini
6.	Cllr N.V. Mjandana

4) *SERVICE DELIVERY*

No.	Names
1.	Cllr X.Tokwe - Chairperson
2.	Cllr N. Nyangwa
3.	Cllr N. Ncevu
4.	Cllr N. Mbulawa
5.	Cllr R.B. Pickering
6.	Cllr M. Nqini

5) *DEVELOPMENT AND PLANNING*

No.	Names
1.	Cllr B. Xongwana - Chairperson
2.	Cllr N. Ngxakangxaka
3.	Cllr M. Busakwe
4.	Cllr M.E. Maweni
5.	Cllr. Z.A. Qonto
6.	Cllr. N. Salaze

MEETINGS AS SCHEDULED

- All **Council Meetings** are convened according to the Calendar which must be adopted. Also there will always be Special Council Meetings that are not provided for in the calendar that will deal with urgent matters that cannot wait for the ordinary council meeting.

Executive Committee Meetings are convened once a month to discuss monthly reports that are submitted to the Standing Committees.

Other committees

- a) Executive Committee
- b) Intergovernmental Relations Committee
- c) Labour Forum Committee
- d) Affirmative Action/Training Steering Committee
- e) Women Caucus
- f) Rules, Ethics and Integrity Committee

The committees listed above are established in terms of Sections 79 and 80 of the Local Government: Municipal Structures (Act no 117 of 1998)

• **Administrative Structure**

The Municipal Manager leads the Management Committee composed of the HODs and General Manager. The council also requested intervention from COGTA in terms of section 139 (i) (b). An Administrator from the Provincial Government was appointed for a period started on the 04th March 2019 and ended on the 3rd December 2019 to deal with the financial functions.

The current functions of the Administrator are as follows:-

- The Management of the Municipality;
- The rendering of Engineering Services;
- The rendering of Community Services;
- The rendering of Corporate services;
- The rendering of Financial Management Services;
- The Development and Planning Services;
- The Strategic Services Management

Out of the functions identified, the Council approved the creation of the following six departments:

1. The Engineering Services.
2. The Corporate Services.
3. The Budget and Treasury Office.
4. The Development and Planning.
5. The Community Services
6. The Strategic Services

3.5.2 ORGANIZATIONAL AND ESTABLISHMENT PLAN

Section 66 of the Local government 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 that will regularly evaluate the staff establishment of a municipality and, if the staff establishment requires amendment the approval of council shall be obtained.

Institutional Structure

The institutional Structure of Amahlathi Municipality is divided into two levels, namely the Political and Administrative Structures. The Administrative Structure is accountable to the Political Structure.

- **Administrative Structure**

The Municipal Manager leads the Management Committee composed of the HODs and General Manager.

The current functions of the Administrator are as follows:-

- The Management of the Municipality;
- The rendering of Engineering Services;
- The rendering of Community Services;
- The rendering of Corporate services;
- The rendering of Financial Management Services;
- The Development and Planning Services;

Out of the functions identified, the Council approved the creation of the following five departments:

7. The Engineering Services.
8. The Corporate Services.
9. The Budget and Treasury Office.
10. The Development and Planning.
11. The Community Services

3.5.3. HUMAN RESOURCES PLAN

HR Planning is an inclusive and dynamic process that involves the identification of both current and future human resources needs as well a potential challenges in order for the municipality to consistently achieve its objectives. An HR Plan entails short term organizational establishment of the Municipality mainly for the effective implementation of the **Service Delivery and Budget Implementation Plan (SDBIP)**. Ordinarily the HR Plan must accompany the IDP and Budget to Council each year since it is the enabler of the **SDBIP**.

Staffing needs at departmental levels have been discussed and will inform the institutional **Annual Recruitment Plan** of the municipality for the 2021/2022 revised IDP.

INSTITUTIONAL COHESION

Staff turnover is very high as a result it affected the section 56 Managers as one (1) of them have resigned, out Of five (5) directors we are left with Four (4). The institution currently is working with 4 directors. Director Community Services has been suspended with full pay according to Labour Relations Act.

A Personnel is seconded from Amathole District Municipality to act as Director Community Services.

SOME INITIATIVES IN SUPPORT OF INSTITUTIONAL COHESION

(a) Improved Policy Regime

New policies were developed some reviewed and submitted to council for approval. Workshops for councillors and employees were conducted. These have facilitated decision making and smooth running of the municipality. Technical policy workshop was held on 16 and 17 March 2022 and the Institutional policy workshop was held on 25 March 2022

(b) Sound Employee Relations

Amahlathi Local Labour Forum consists of 16 members (8 for labour component and 8 for employer component) LLF meetings are convened monthly or bi-monthly unless by mutual agreement of both parties. Any party, for reason of urgency, may call special meetings of the Local Labour Forum over a period of 48 hours.

There is a sound relations between Employer and employees and LLF sits according to the Municipal Calendar.

(c) Well Established EAP/Wellness Unit

The EAP Unit is well grounded and performs all related functions in improving employee's health status as well promoting occupational health and safety within the institution. Services includes a number of limited primary health functions and services including screening of employees for chronic medical conditions. Routine visits to satellite Offices are also being performed by the unit to render same services. EAP unit is also responsible for capacitating of employees with relevant updates on health conditions as well conducting health awareness campaigns and wellness activities/events thus promoting physical health and activeness. The Unit is well resourced with relevant basic medical equipment to render such services including basic medical supply for

employees on suffering on chronic conditions and performing routine management for such conditions to promote compliance and adherence so as to gain control of such conditions. The unit is also responsible for ensuring and maintaining communication including referral system with other relevant stakeholders when seemed to be necessary or for further care. The unit is also responsible for ensuring compliance with Covid 19 regulations (screening, sanitizing, disinfection, records and maintaining communication including referral system with other relevant stakeholders when seemed to be necessary or for further care.

(d) Sound Fleet Management

The Municipality is in the process to renovating the municipal pound yard in order to be able to have a central place that is safeguarded to keep the municipal fleet. Institution have appointed the Service Provider for vehicle's tracker system on the month of September 2020 for a period of 36 months. Control and allocation of vehicles to employees is under strict control and monitoring. Accountability for servicing and maintenance of municipal fleet is compromised by the municipal financial constraints. Attempts have been made to call tenders for maintenance and repairs of municipal vehicles in order to address the challenge.

(e) Employment Equity Plan

The 5 year EEP has been developed and is currently being implemented. Barriers have been identified and they will receive attention. Some of these include challenges faced in recruiting people with disabilities and also ensuring that all municipal premises are user friendly to these categories of people not only in terms of securing employment but also access the municipal buildings for any other business.

(f) Records Management

The municipality have the File Plan in place to manage and control the municipal records which was approved by the **Provincial Archivist** in 2016. A Standard uniform format to revise the current File Plan has been received from the Provincial Archivist on the 24 January 2022 and now the Record Management unit is in the process of revising the file plan. Records Management Unit is currently in the process of scanning municipal records and the priority at the moment is the personal files, however there are challenges encountered to fast-track the process.

(g) Staff Retention

The municipality has experienced a high rate of resignations and this is a clear demonstration of the municipality's financial instability. The municipality distributed employee satisfaction survey questionnaire to all employees which assists the municipality to know exactly what the challenges are facing the employees in the workplace and to improve the workforce practices.

(h) Consistent Attendance of Corporate Services Forums

All forums convened by SALGA and ADM throughout the year were all attended by Councillors and Senior Officials. In these platforms of engagement, cooperative learning and networking has been found empowering for participants particularly on contemporary challenges facing local government.

(i) Occupational Health and Safety committee

Committee is made up of one (1) or two (2) nominated employee(s) from each directorate and one (1) trade union representative of the recognized unions within the Amahlathi Local Municipality. These will make up the employee the representatives. Employees who are on contract of less than a year are not eligible for nomination to this committee. Employer representatives on this committee shall come from the following directorates, namely; Engineering, Community services, Corporate Services, Executive Services, Development and planning, budget and treasury office.

The purpose is to promote awareness of safety issue and develop a collaborative relationship between management and employees of the Amahlathi Local Municipality to identify and resolve health and safety challenges.

The committee shall be responsible for making recommendations in regard to matters pertaining to the health, safety, and environmental conditions of the employees of the Amahlathi Local municipality and any related event and activities.

SOME INSTITUTIONAL CHALLENGES

(a) Cascading of PMS to lower levels

Performance has been cascaded to employees from Task Grade twelve (12) and above and reviews are co-ordinated by each Head of Department then submitted to IDP/PMS office within six (6) working days of the next month after the end of each quarter. It has not yet been cascaded to employees below task grade 12.

(b) Escalating Wage Bill

An observation has been noted that the monthly salary bill is drastically increasing due to a range of reasons including Standardisation.

Notice of motion from Amahlathi Local Municipality (Applicant) to all former and employees of Amahlathi (Respondent) has been issued.

Some stringent measures such as placing a moratorium on new appointments are to be considered. Organisational re- engineering will also be considered Also any policy with financial implications may only have to be implemented with effect from 1 July each year. A policy on job evaluation will be introduced to guide employees as to when the job descriptions shall be reviewed. It is believed that this will assist in terms of containing ad- hoc salary adjustments.

(c) Inadequate training budget

The available budget each year is not sufficient to cover what is contained in the Workplace Skills Plan (WSP) and skills audit. Training is therefore offered to staff on a prioritised basis as determined by each Department.

WORKSPACE SKILLS PLAN

A Workplace skill plan (WSP) is developed, submitted to Council and LGSETA on an annual basis. An Annual training plan is developed based on the WSP. The implementation of the WSP is an ongoing activity and progress reports are presented to Council via the Corporate Services Standing committee timeously.

STAFF PROMOTIONS

There were no promotions in 2021/2022 FY

STAFF COMPLEMENT

The following is the breakdown of staff complement per Department

STAFF COMPLEMENT

The following is the breakdown of staff complement per Department:

DEPARTMENT	BREAKDOWN OF POSTS	NO OF FILLED POSITIONS	NO OF VACANT POSITIONS
Municipal Manager's Office	Municipal Manager	1	0
	Office Support M.M	35	7
Total		36	7

Corporate Services Department	Director	1	0
Total	Support Staff Human Resources	21	24
		22	24

Budget and Treasury	Chief Financial Officer	1	0
TOTAL	Support Staff	32	9
		33	9

Development and Planning	Director	1	0
TOTAL	Support Staff Development and Town Planning	20	10
		21	10

Community Services	Director	1	0
	Support Staff	103	63
TOTAL		104	63

Engineering Services	Director	1	0
	Support Staff Electricity	76	40
TOTAL		77	40

TOTAL NO OF PERMANENT EMPLOYEES = 293

TOTAL NO OF VACANT POSITIONS = 153

INSTITUTIONAL ORGANOGRAM

The Municipal organogram was reviewed in the 2021/22 FY. This is a functional organogram indicating clear reporting lines throughout the Municipality. It is informed by confirmed task grades of each created and approved post on the establishment plan. It is informed by confirmed task grades of each created and approved post on the establishment plan. Amahlathi Local Municipality only filled the funded vacant critical position the unfunded positions are not filled due to financial constraint.

The municipality is in a process of implementing the organizational re-designing program due to standardization which was implemented in the 2016/17 financial year. The Municipality requested COGTA and SALGA to assist the municipality on the development of current structure. COGTA and SALGA made some recommendations on the new structure. The institution has analyzed the current situational arrangements to identify weaknesses, consultations have been made with HOD on draft Organogram developed by COGTA. There were also engagements with various structures of the Council. After submitting and scrutinizing the draft structure was submitted to council for approval and was approved on 13 July 2022.

3.6 MUNICIPAL PRIORITIES NEEDS

PRIORITIES	DESIRED OUTCOMES
Youth Centre	<ul style="list-style-type: none"> • Development of youth
Fencing and bridges	<ul style="list-style-type: none"> • Constructed bridges • Access to villages
Roads	<ul style="list-style-type: none"> • Increase infrastructure funding for provinces for the maintenance of provincial roads i.e. (From King William's Town to Stutterheim) • Invest in broadband network infrastructure • Improve maintenance of municipal road network • Surfacing of Road from Middledirft to Stutterheim
Water and Sanitation	<ul style="list-style-type: none"> • losses • Ensure effective maintenance and rehabilitation of infrastructure. • Run water and energy saving awareness campaigns. • Maintain and expand Develop and implement water management plans to reduce water purification works and waste water treatment works in line with growing demand
Job Creation	<ul style="list-style-type: none"> • Access to decent employment • Strategy to reduce youth unemployment • Support small business and co-operatives
Health	<ul style="list-style-type: none"> • Revitalize primary health care • Increase early antenatal visits to 50%. • Increase vaccine coverage.

	<ul style="list-style-type: none"> • Improve hospital and clinic infrastructure • Accredite health facilities
Education	<ul style="list-style-type: none"> • Building of school premises for children
Community Halls	<ul style="list-style-type: none"> • Building of community halls • Renovation of Community halls
High Mast Lights	<ul style="list-style-type: none"> • Installation and energizing existing high mast lights to reduce the high level of crime in communities
Revitalization of Towns	<ul style="list-style-type: none"> • Beautification of Amahlathi small towns
Site allocation	<ul style="list-style-type: none"> • Allocation of sites to reduce land invasion

PRIORITY NEEDS RAISED PER CLUSTER

- King Kei – Bridge between Nothenga and Gubevu
- Keiskammahoek – Youth Center
- Stutterheim – Youth Center
- Cathcart – Bridge between Endlovini and Ndumangeni

WARD BASE PLANNING ISSUES

WARD	COMMUNITY NEEDS
1	<ul style="list-style-type: none"> • Paving needs to be completed in Town • Training of CTO and LTO • Revitalization of Town • Shopping Complex • Fencing of cemeteries • Masingedane internal roads • Storm water • Toilets at Zingcuka and Masingedane • RDP houses in Sophumelela • Fencing of camps at Gxulu • Clinic at Zingcuka • Parks for town • By-law enforcement to address stray animals in town and business • By-laws enforcement on taverns operation review them if necessary • Regulating building in towns- implementation of National building Regulations • Parks for town • Youth Centre • Community hall in Upper Zingcuka, Ngxondoreni and Masingedane • Paving needs to be completed in Town • High mast lights not in working condition in Town and installation in other areas • Training of CTO and LTO • Revitalization of Town • Maintenance of the waste cite and waste recycling programs

WARD	COMMUNITY NEEDS
	<ul style="list-style-type: none"> • Dust bins around town • Fencing of cemetery and regulations thereof • Land audit to address also vacant land in the main street and site allocation • Rectify the billing system as currently calculations are inadequate • Internal Roads- Ngxondoreni, KKH Town, Gxulu, Zingcuka and Masincedane • Construction or maintenance of road to Springbok hall • Paving in Sophumelela • Fencing of Cemeteries • Bridge between Masincedane and Lower Gxulu • Surfacing of road from Middle drift to Stutterheim
2	<ul style="list-style-type: none"> • Cleaning of dams • Community halls Ngxalawe, Kom, Pumlani, Ngqudela and Bumbane • Regravelling of Internal Roads • High mast lights next to SS Gida • Scholar Transport from Ngxalawe to Tshwete • Fencing of graveyards • Old age structures in all areas • Request for a Tractor in Cata • Fencing of Fields • High mast light next to SS Gida • Toilets at Ngxalawe • Water taps at Ngxalawe • Dipping tank in Bumbane • Roads in upper Mnyameni

WARD	COMMUNITY NEEDS
3	<ul style="list-style-type: none"> • Extension of taps in all villages • Internal roads in all villages • Scholar Transport in Gwiligwili • Toilets • Job creation • RDP Houses in all villages • High mast light in all villages • Cleaning of Dams all villages • Access roads in all villages • Fencing of graveyards in all villages
4	<ul style="list-style-type: none"> • Spreading of blue berry (Langdraai) • Community hall in Mandlakapheli • High mast lights • Bad internal roads • Upgrading of Bridge (Langdraai) • School children crossing dangerous highway roads (pedestrian crossing/school patrol needed) • Lack of Youth support from ALM • Graveyards full (Forceful digging without consultation) at Daliwe • Road not in good condition (Mandlakapheli) • Request for water (Mandlakapheli) • Toilets in Mandlakapheli • Toilets needs Maintenance in Goshen • Care givers (Langdraai) • Sports field in Mandlakapheli • Sports grounds in Langdraai • Projects left unfinished (Langdraai) • Graveyard full (Goshen)

WARD	COMMUNITY NEEDS
	<ul style="list-style-type: none"> • Unemployment (Goshen) • Creation of employment in Kati-kati • Support of Co-operatives (Daliwe) • Renovation of hall (daliwe) • Fencing of Dams (Daliwe) • Tittle deeds for allocated sites • Electrification (Endlovini) • Maintenance of stadiums • Cathcart Paving • Appointment of care takers for community halls and stadiums • Clinic not functional in Goshen • Mobile clinic only available sometimes (need permanent structure)
5	<ul style="list-style-type: none"> • Poor road conditions (Bomvana, Kati-kati and Kei lands) • Public Works not employing local people • No service delivery in ALM (protest in all clusters) • No recreation for children and centers for elderly • Youth Development progamme (Ngqanda) • Spreading of blue berry (Toise and Keilands) • Housing development in Cathcart • Renovations of the existing damaged houses • Lack of water (Ndlovini, Rawini & Ngqanda-water reservoir, Keilands-purification of water) • Housing (Toise) • Request for Houses in Goshen • High mast light (Bomvana)

WARD	COMMUNITY NEEDS
	<ul style="list-style-type: none"> • Electricity (Kei lands) • Electrification of informal settlements • Need for a bridge between Ndumangeni and Ndlovini
6	<ul style="list-style-type: none"> • Job creation in Amatolaville • Cutting trees around the area in Amatolaville • Renovation of community hall in Amatolaville • Internal roads tarred in Amatolaville, Isidenge, Ohlyson and Kubusi • Land for sites and RDP houses in Amatolaville • Youth Programs in Kubusie • Internal Roads in Kubusie • Funding of Co-ops in Kubusie • Community hall in Kubusie • Fencing of grave yard in Kubusie • Youth skills and internet access (Kubusie) • Internal roads in Ohlyson • Renovation of community hall in Izidenge Village • Main road in Izidenge Village • Construction of crèche in Amatoleville • Sports field in Izidenge Village • Sports fields in Kubusi • Internal road in Izidenge Village • High mast lights in Izidenge Village • EPWP job creation in Izidenge • Roads in Joe Lentz/Toise Farm • EPWP job creation in Joe Lentz/Toise Farm • Land for Sites in Joe Lentz/Toise Farm • Youth centers

WARD	COMMUNITY NEEDS
	<ul style="list-style-type: none"> • Access to Internet (Youth) • Youth job creation • Skills development (Youth) • Water in Olysson • RDP houses for Olysson • Finishing of housing project in Kubusi • Site allocation (Amatolaville and Joe Lentz) • Fixing of high mast lights in Kubusi • Request for high mast lights in Isidenge • Fencing of sports ground in Amatolaville • High school in Izidenge Village
7	<ul style="list-style-type: none"> • More High mast lights needed (Mbaxa) • Bridge needs renovation (Nkwa Ngesi) • Fencing of cemeteries • Fencing of grazing land • Community hall • Creation of employment (EPWP) • Housing in Ward 7 • RDP houses • Crèches • Fencing of sports grounds • 2 bridges (Egadini) and Upgrade of bridge at Ngesi
8	<ul style="list-style-type: none"> • EPWP job creation in Khayelitsha • Dipping tank (Nonkululeko) • Grave yard in Khayelitsha • Internal Roads in Khayelitsha • Youth development (Huddon, Nonkululeko, Mthonjeni, Border Post and Khayelitsha) • EPWP jobs in Huddon

WARD	COMMUNITY NEEDS
	<ul style="list-style-type: none"> • Fencing of graveyard in Huddon • Playing ground for children in Huddon • Community hall in Huddon • Extension of taps in Border Post, Nonkululeko, Huddon, Khayelitsha • Maintenance of road in Khayelitsha • Request for a clinic in Frankfort • Request for RDP houses • Toilets in Border Post, Nonkululeko, Huddon and Khayelitsha • Sewerage treatment works in Mthonjeni • Public Toilets in Town at Kei Road • RDP Houses for Border Post, Mthonjeni, Nonkululeko, Huddon, Khayelitsha and Kei Road • Site allocation (Mthonjeni and Squash Ville) • High mast lights in Border post, Nonkuleko and Khayelitsha • Electricity extention in Border Post • Repairing of high mast lights in Mthonjeni • Request for high mast in Kei road (awaits energizing by Eskom) • Sports field in Border Post, Nonkululeko, Huddon • Renovation of sports field in Mthonjeni • Library in Khayelitsha • Fencing for camps in Border Post • Cleaning of Dams in Border Post and Khayelitsha • Border Post Farmers Association needs help with funding

WARD	COMMUNITY NEEDS
	<ul style="list-style-type: none"> • Tractor and trailer in need of attention in Kei Road Town • Tractor mower in Kei Road • Weed Eater in Kei Road • Commonage to be managed in Kei Road • Plots to be managed in Kei Road • Renovation of bore hole in Nonkululeko • Dip for animals in Nonkululeko • Fencing of grazing lands in Huddon, Khayelitsha • Cleaning of dams in Khayelitsha • Renovation of deep in Khayelitsha • Clinic in Border Post and Nonkululeko • Crèche in Khayelitsha • Border Post old age civil center • Renovation of dipping tank in Mthonjeni • Fencing of camps in Mthonjeni • Assistance needed for Co-ops in Nonkululeko • EPWP jobs in Nonkululeko • Youth skills development in Nonkululeko • Extension of street lights in Kei Road Town • High charges on Kei Road sports grounds by Amathole and Amahlathi • Upgrading of municipal buildings in Kei Road Town • Speed limits on main road in Kei Road Town • Traffic signs and street names in Kei Road Town • Playing ground for children in Mthonjeni • Site for churches in Mthonjeni

WARD	COMMUNITY NEEDS
	<ul style="list-style-type: none"> • Frankfort bridge ,Border Post bridge • Renovation of community centre in Mthonjeni • Fencing of community hall in Mthonjeni • Skills development and job creation for youth in Mthonjeni • Extending of community hall in Mthonjeni • Site allocation at Skwashvalley • New grave yard at Skwashvalley • Projects in Border Post need assistance • Internal roads and main roads in Border Post • EPWP job creation at Border Post • Fencing of grave yard in Border Post • Digging of small query inside the village at Border Post • Caretaker needed at the hall in Border Post • Youth Centre in Border Post • Garden tools and seeds at Border Post
9	<ul style="list-style-type: none"> • Internal roads in Mgwali Village 3 • Spreading of blue berry • Construction of mille grain stone (Central point for massive food programme) • Cemetery space and management (Rockdale and Amabele) • Dipping tank (Gasela, Rockdale) • Site allocation in Mgwali Village 5 • Jobs in Mgwali Village 3 • Sites allocation in Mgwali Village 3 • Renovation of Mgwali cultural village

WARD	COMMUNITY NEEDS
	<ul style="list-style-type: none"> • Youth Skills Development (Mgwali Village 3, 5, Freshwater, Jerseyvale and Stanhope) • Internal road in Mgwali Village 4 • Water for animals in Mgwali Village 4 • EPWP jobs in Mgwali Village 4 • Site allocation in Mgwali Village 4 • High mast lights in Mgwali Village 4 • Internal roads in Mgwali Village 5 • EPWP jobs in Mgwali village 5 • Houses in Mgwali villages • Youth development in Mgwali Village 5 • Crèche construction in Mgwali Village 5 • Community hall in Mgwali Village 5 • Sites allocation in Mgwali Village 5 • High mast lights in Mgwali Village 5 • Sites allocation in Lujilo • Re-gravelling of internal roads in Lujilo • Jobs in Lujilo • Funding of projects in Lujilo • Wattle eradication in Lujilo • Community hall in Amabele • Internal roads at Amabele not completed and must be tarred • Job creation at Amabele • Space for grave yard in Amabele • Waste collection at Amabele • Grass cutting at Amabele • EPWP job creation for Amabele • EPWP job creation for Amabele • Internal roads in Phase two, fresh water

WARD	COMMUNITY NEEDS
	<ul style="list-style-type: none"> • Storm water pipes for freshwater • Community hall in Freshwater • EPWP jobs at Freshwater • Youth programs in Freshwater • Graveling of access road joining from N6 to Ndakana area • Fencing of grave yard in Freshwater • Funding of project in Freshwater • Sites allocation in Freshwater • Internal roads in Rockdale • Creation of jobs in Rockdale • Community hall in Rockdale • Internal roads in Stanhope • Fencing of graveyard in Stanhope • Skills development in Stanhope • Cultivation of land in Stanhope • Sites allocation in Stanhope • Need for Library in Stanhope • High mast lights in Stanhope • Co-operatives funding and training in Stanhope • High mast lights in Jersey Valley • Internal roads phase 2 in Jersey Valley • Community hall in Jersey Valley • Fencing of grave yard in Jersey Valley, Gasela • Youth skills development and job creation in Jersey Valley • Signage from N6 to Ndakana villages • Sites allocation in Jersey Valley • Collection of waste in Jersey Valley

WARD	COMMUNITY NEEDS
	<ul style="list-style-type: none"> • Internal roads in Gasela • Fencing of graveyard in Gasela • Jobs creation in Gasela • Permanent voting station in Gasela • Renovation of building for project purposes in Gasela • High mast lights in Freshwater • Road from Mgwali to Tsomo to be tarred • Mobile police station in Mgwali Village 4 • Police station in Lujilo, Freshwater, Stanhope • Extension of taps in Mgwali Village 4 and 5, Freshwater, Stanhope, Jersey Valley, Gasela • Water outages not communicated Mgwali Village 4 and Amabele • Water in Cemeteries in Mgwali Village 4 • Water taps in Lujilo and Amabele, Rockdale(water pump) • Toilets in Mgwali Village 3, 4,5, Freshwater, Rockdale, Stanhope, Jersyvale, Gasela and Amabele • Extension of electricity transformer in Mgwali Village and Lujilo • High mast lights (Freshwater, Mgwali No4 & 5, Gasela) • Electricity in Lujilo • Repairing of high mast lights in Amabele • Clinic must be opened 24/7 in Mgwali village 3 • Clinic in Freshwater, Rockdale, Jersey Valley, Gasela and Lujilo

WARD	COMMUNITY NEEDS
	<ul style="list-style-type: none"> • Sports field in Mgwali Village 3, 4 , Amabele and Freshwater • Access road between Mgwali and Stutterheim town needs major construction (Mgwali No.4) • Bridge between jersey valley and Stanhope, Jersey Valley and Nonkululeko, Mgwali village 3 and village 2, Mgwali village 4 and Village 5, Zwelitsha and Freshwater, Freshwater and Mpolweni, Stanhope and Freshwater • Renovation of Masiphumle primary school including toilets renovations • Transportation of children to school in Gasela
10	<ul style="list-style-type: none"> • Community Halls • Cultural center • Skills development • Agrispatal development co-operatives • Tittle deeds • Community hall (Rabe) • Mbem’s cultural centre • Playing grounds • Fencing of Arable land and grazing camps • Library • Internal Roads maintenance and tarring access roads • Land allocation for farmers in vacant land • Tournaments (All sport codes) and music festivals • Business expo • Career exhibition

WARD	COMMUNITY NEEDS
	<ul style="list-style-type: none"> • Government department exhibition • Mgolombane award banquet • House garden • Scrapping quit rental debt • Rev. Stewart moral regeneration • Ward 10 Jongihlanga cultural center (Youth programmes- Beauty Contest for both Males and Females) • Museum • RDP Houses • Election registration workshop • Abattoir • Food processing firm • Brick firm • Wire firm • Recycle firm • Old age center • Jobs Hospice Centre
11	<ul style="list-style-type: none"> • High mast Lights (Tshoxa and Ematolweni, Upper Ngqumeya) • Spreading of blue berry • Cleaning of Dams and Building new dams • Fencing of animal camps • Access roads in all villages • Construction of Internal Roads Ilitha, Tshoxa, Upper and Lower Ngqumeya, Peter's farm and extension of internal road at Zingcuka • Community hall – Upper & lower Rabula, Lower Ngqumeya and Peter's farm • Expansion of Clinic in Rabula • Houses for destitute 463 units

WARD	COMMUNITY NEEDS
	<ul style="list-style-type: none"> • RDP houses all villages • Cleaning of dams • Youth Development programs • Sport field for Lower Rabula • Renovation of Tshoxa Community hall • Horse race track • Electricity extension for Marikana and Lower Rabula • Toilets(Upper Ngqumeya) • Water extension at Marikana and Lower Rabula
12	<ul style="list-style-type: none"> • Fencing of grave yard in Nompumelelo • High mast light in Nompumelelo • Community hall in Nompumelelo • Fencing of grave yard in Malindana • High mast light in Malindana • Community hall in Malindana • Bridge in Malindana • Dipping tank (Hokwana, Frankfort) • Access roads in Hokwana • Extension of water in Frankfort • Toilets in Upper Izele and Nothenga • RDP houses in Frankfort, Hokwana, Malindana, Nompumelelo • Upgrade of bridge in Malindana • Need a bridge between Gubevu and Mbaxa • Roads in Frankfort • Roads between Nothenga, Nonesi, Hokwana and bridge between Peulton and Frankfort • Road to cemeteries to be maintained

WARD	COMMUNITY NEEDS
13	<ul style="list-style-type: none"> • Land fencing for ploughing in No. 2 Village • Tractor • Speed humps in No. 6 Village • Fencing of Cemeteries in N0.6 Village • Wattle eradication (No.2 Village) • Lack of youth development • Poor internal roads • Sports ground for all codes • Sport Kits • Highmast lights in Mgwali villages • Houses in Mgwali • Mgwali internal roads • Land fencing for ploughing in No. 2 Village • Tractor • Speed humps in No. 6 Village • Fencing of Cemeteries in N0.6 Village • Wattle eradication (No.2 Village) • Lack of youth development • Wattle eradication in Mgwali village 2 • Poor internal roads • Sports ground for all codes • Sport Kits • Street lights • There are Houses in Xholora that are incomplete • Request RDP houses No. 1, 2 & 6 Village in Mgwali, Heckel • Toilets in Mgwali new extension, (Mgwali No. 1, 2, 6 and Heckel) • Refurbishing park in town for recreational purposes and kids entertainment

WARD	COMMUNITY NEEDS
14	<ul style="list-style-type: none"> • Refuse collection at least twice a week • Fencing in Volweni land • Grazing land in Mzamomhle • Storm water pipe installation opposite MCCP • Fencing of Cemetery • Garbage bins (Gardens) • Tarred road in the location • Dangerous wetlands in Chris Hani • Wattle eradication (Chris Hani) • Mlungisi Sportfield • Road maintenance in ward 14 • Additional High mast lights in Mzamomhle • Demolishing of the MCCP as it became the hotspot for crime purposes • Request for houses in Mzamomhle • Clinic at Mzamomhle • Access Roads • Renovation of hall • Garden Street Roads in bad condition • Demolishing the abandoned houses or structure that end up being homes for criminals
15	<ul style="list-style-type: none"> • Fencing of old Cemeteries • Tar roads in township are in bad condition (Mlungisi) • Dipping tank • Speed humps • Construction of high mast lights between Jongile and White City areas • Storm water drains

WARD	COMMUNITY NEEDS
	<ul style="list-style-type: none"> • Storm water drains in Khanyisa • Provision of title deeds • Maintenance of internal roads for Khayelitsha • Fencing of old grave yard in White City • Maintenance of Mlungisi community hall and provision of furniture • High mast light installation next to Hewu Funeral and Makhura Tavern • Storm water drains • High mast light near grave yard in Zanoxolo • Construction of bus stop/shelter • Construction of speed bump in front of Cenyu public school • Crèche in Cenyu Lands • A need for sport facilities • Request for completion of the renovation of sport field in Mlungisi • Maintenance of internal roads in Zanoxolo • Utilization of old cottage as a heritage site in Cenyu Village • Allocation of sites and construction of bus stop shelters in Cenyu Village • High mast lights in Cenyu Village • Construction of bus stop shelters in Cenyu Lands • Allocation of Sites in Cenyu Lands • Provision of furniture in community hall in Cenyu Lands • High mast lights in Cenyu Lands, (Next to Hewu funerals and Makhura tavern,

WARD	COMMUNITY NEEDS
	<p>Zanoxolo, between Jongile Nompondo and White city area)</p> <ul style="list-style-type: none"> • Maintenance of internal roads in Cenyu Lands • Maintenance of internal roads in Bongweni • Toilets in Whitecity, Zanoxolo and Bongweni • RDP Houses in Cenyulands Cenyu Village and Ohlson • Maintenance of high mast lights in Bongweni, Khayelitsha, Khanyisa • Deeping tank for livestock • Extension of community stands pipe • Grazing land for cattle in Cenyu Lands • Clinic in Cenyu Lands • Access roads

CHAPTER 4: MUNICIPAL DEVELOPMENT OBJECTIVES AND STRATEGIES

This section reports on the work undertaken to address in a strategic manner the key areas of need identified during the Analysis Phase of the IDP process. In this regard, six key components have guided the formulation of the Municipality's development strategies and associated project identification. These are:

4.1 GUIDING PRINCIPLES

In carrying out its functions the Amahlathi Municipality has been committed to:

- Co-ordination with other spheres of government.
- Maximise participation of the community,
- Recognise the social needs of all communities.
- Sustainable Socio-economic, Environmental and Political Development
- Provide necessary infrastructure within its means.
- Build investor confidence.

4.2 DEVELOPMENT OBJECTIVES

The Municipal Development Objectives are classified in terms of the **revised** Development Sector Clusters established through the mediation of the Amathole District IDP Framework Committee.

The process of identifying objectives was founded on the objectives developed by Amathole District Municipality, and made use of the Representative Forum to ensure that the objectives identified would enable communities to attain the maximum benefit from all subsequent processes. The following objectives, per sector development cluster, were identified.

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

IDP REF	Local Strategic Objective for the 5 Years and Beyond	Strategy To Achieve The Strategic Objective	Key Performance Indicator (KPI)	Budget	Target 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Target 2026/27	CUSTODIAN
KPA:1 SERVICE DELIVERY AND INFRASTRUCURE DEVELOPMENT										
1.1	To ensure provision of a sustainable road network within Amahlathi LM by 2023 and beyond	Implementation and monitoring of maintenance plan for the Municipal Road Network Servicing the Amahlathi Local Municipal Area that was commissioned by ADM in April 2020.	No. of Kms of gravel roads maintained (Blading)		40 kms gravel access and internal roads bladed annual	40 kms gravel access and internal roads bladed annual	40 kms gravel access and internal roads bladed annual	40 kms gravel access and internal roads bladed annual	40 kms gravel access and internal roads bladed annual	Director Engineering Services
			No. of Kms of municipal roads re-graveled		20 kms of municipal roads re-graveled annual	20 kms of municipal roads re-graveled annual	20 kms of municipal roads re-graveled annual	20 kms of municipal roads re-graveled annual	20 kms of municipal roads re-graveled annual	Director Engineering Services
			No. kms of roads with potholes maintained		8 kms of roads with potholes maintained annual	8 kms of roads with potholes maintained annual	8 kms of roads with potholes maintained annual	8 kms of roads with potholes maintained annual	8 kms of roads with potholes maintained annual	Director Engineering Services
			No. of km's of storm water drainage unblocked and maintained		4 kms of storm water drainage unblocked and	4 kms of storm water drainage unblocked and	4 kms of storm water drainage unblocked and	4 kms of storm water drainage unblocked and	4 kms of storm water drainage unblocked and	Director Engineering Services

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

					maintained annual	maintained annual	maintained annual	maintained annual	maintained annual	
			No. of km's of roads constructed (graveled) – MIG Projects		12 kms of roads constructed (graveled) – MIG Projects	9 kms of roads constructed (graveled) – MIG Projects	12 kms of roads constructed (graveled) – MIG Projects	14 kms of roads constructed (graveled) – MIG Projects	14 kms of roads constructed (graveled) – MIG Projects	Director Engineering Services
			No. of kms of roads surfaced – MIG Projects		1 of kms of roads surfaced – MIG Projects	2,0 of kms of roads surfaced – MIG Projects	We plan to move away for surfacing roads (asphalt) to paving			Director Engineering Services
			No of kms of roads paved – MIG Projects		0.3 of kms of roads paved – MIG Projects	1,5 of kms of roads paved – MIG Projects	1,0 of kms of roads paved – MIG Projects	1,0 of kms of roads paved – MIG Projects	1,0 of kms of roads paved – MIG Projects	Director Engineering Services

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

1.2	To ensure sustainable supply of electricity by developing new infrastructure while upgrading and maintaining existing networks.	Reduce electricity system losses & elimination of illegal connections	% of Faulty reported meters repaired per query form		80% of Faulty reported meters repaired as per inspection report	100% of Faulty reported meters repaired as per inspection report	100% of Faulty reported meters repaired as per inspection report	100% of Faulty reported meters repaired as per inspection report	100% of Faulty reported meters repaired as per inspection report	Director Engineering Services
			No of reports on repairs and maintenance of electrical infrastructure		4 reports on repairs and maintenance of electrical infrastructure	4 reports on repairs and maintenance of electrical infrastructure	4 reports on repairs and maintenance of electrical infrastructure	4 reports on repairs and maintenance of electrical infrastructure	4 reports on repairs and maintenance of electrical infrastructure	Director Engineering Services
1.3	To improve security by having reliable Streetlights and High mast Lights	Repair and maintenance of Streetlights	No of streetlights maintained		20 of streetlights maintained	20 of streetlights maintained	20 of streetlights maintained (20 of streetlights maintained (20 of streetlights maintained	Director Engineering Services
		Repair and maintenance of High mast Lights	No of high mast lights maintained		8 of high mast lights maintained	8 of high mast lights maintained	8 of high mast lights maintained	8 of high mast lights maintained	8 of high mast lights maintained	Director Engineering Services
1.4	To ensure provision of sustainable public facilities by 2023 and beyond	Facilitate maintenance and upgrade of sport, community halls, hawker stalls, cemeteries and	New Recreation Centre and Community Halls		2 Recreation Centers	3 Community Halls	1 Community Hall	1 Community Hall	1 Community Hall	Director Engineering Services

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

		recreational facilities								
		Compliance with building regulations	% of complying submitted building plans approved		80% of complying submitted building plans approved	100% of complying submitted building plans approved	100% of complying submitted building plans approved	100% of complying submitted building plans approved	100% of complying submitted building plans approved	Director Engineering Services
			Maintenance and repairs of municipal buildings		No reports prepared on maintenance and repairs of municipal buildings	No reports prepared on maintenance and repairs of municipal buildings	No reports prepared on maintenance and repairs of municipal buildings	No reports prepared on maintenance and repairs of municipal buildings	No reports prepared on maintenance and repairs of municipal buildings	Director Engineering Services
		Compliance with building regulations	% of complying submitted building plans approved		80% of complying submitted building plans approved	100% of complying submitted building plans approved	100% of complying submitted building plans approved	100% of complying submitted building plans approved	100% of complying submitted building plans approved	Director Engineering Services
1.5	Facilitate sustainable coordination, monitoring and evaluation of disaster response	Coordination of disaster response and recovery	% Improved coordination of response to disaster occurrences		100% coordination of response to disaster occurrence	100% coordination of response to disaster	100% coordination of response to disaster occurrences	100% coordination of response to disaster occurrences	100% coordination of response to disaster occurrences	Director Community Services

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

	and recovery by 2027					occurrences				
			No of Disaster Management Forums convened		04 Disaster Management Forums convened	04 Disaster Management Forums convened	04 Disaster Management Forums convened	04 Disaster Management Forums convened	04 Disaster Management Forums convened	Director Community Services
1.6	Promotion of Community safety by 2027	Implementation of the Community Safety Plan	No of Community Safety initiatives undertaken		02 Community Safety initiatives undertaken	02 Community Safety initiatives undertaken	03 Community Safety initiatives undertaken	03 Community Safety initiatives undertaken	03 Community Safety initiatives undertaken	Director Community Services
1.7	Enhance the provision of fire services by 2027	Implementation of the Integrated Fire Management Plan	% Improved response to emergency calls		100% response to emergency calls	100% response to emergency calls	100% response to emergency calls	100% response to emergency calls	100% response to emergency calls	Director Community Services
			No. of Fire belts inspected and prepared		08 Fire belts inspected and prepared	08 Fire belts inspected and prepared	08 Fire belts inspected and prepared	08 Fire belts inspected and prepared	08 Fire belts inspected and prepared	Director Community Services
			No. of Fire Hydrant inspected		08 Fire Hydrant inspected	08 Fire Hydrant inspected	08 Fire Hydrant inspected	08 Fire Hydrant inspected	08 Fire Hydrant inspected	Director Community Services

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

			No of awareness campaigns conducted		04 awareness campaigns conducted	04 awareness campaigns conducted	04 awareness campaigns conducted	04 awareness campaigns conducted	04 awareness campaigns conducted	Director Community Services
1.8	To promote the culture of reading and effective use of library resources	Conduct library activities that promote the culture of reading and effective use of library resource	No. of library awareness campaigns conducted		04 library awareness campaigns conducted	04 library awareness campaigns conducted	04 library awareness campaigns conducted	04 library awareness campaigns conducted	04 library awareness campaigns conducted	Director Community Services
1.9	To promote and ensure safety on municipal and public roads by 2027	Implementation of National Road Traffic Act	No. of tickets issued on law enforcement		500 tickets issued on law enforcement	500 tickets issued on law enforcement	500 tickets issued on law enforcement	500 tickets issued on law enforcement	500 tickets issued on law enforcement	Director Community Services
			% of inspected damaged road markings and signs maintained		100% inspected damaged road markings and signs maintained	100 % inspected damaged road markings and signs maintained	100% inspected damaged road markings and signs maintained	100 % inspected damaged road markings and signs maintained	100 % inspected damaged road markings and signs maintained	Director Community Services
			No. of road blocks conducted		40 roadblocks conducted	40 roadblocks conducted	40 roadblocks conducted	40 roadblocks conducted	40 road blocks conducted	Director Community Services

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

1.10	Ensure that solid waste is managed in an Integrated environmentally friendly and sustainable manner by 2027	Implementation of the Integrated Waste Management Plan (IMMP)	No. of recycling initiatives undertaken		02 recycling initiatives undertaken	02 recycling initiatives undertaken	02 recycling initiatives undertaken	02 recycling initiatives undertaken	02 recycling initiatives undertaken	Director Community Services
			No of waste awareness campaigns conducted per cluster		04 awareness campaign conducted	04 awareness campaign conducted	04 awareness campaign conducted	04 awareness campaign conducted	04 awareness campaign conducted	Director Community Services
			No. of households and businesses with basic waste collection		6000 households and businesses with access to basic waste collected (ward 1, 4, 5, 6, 8 13,14, 15)	6000 households and businesses with access to basic waste collected (ward 1, 4, 5, 6, 8 13,14, 15)	6000 households and businesses with access to basic waste collected (ward 1, 4, 5, 6, 8 13,14, 15)	6000 households and businesses with access to basic waste collected (ward 1, 4, 5, 6, 8 13,14, 15)	6000 households and businesses with access to basic waste collected (ward 1, 4, 5, 6, 8 13,14, 15)	Director Community Services
KPA 2: MUNICIPAL FINANCIAL VIABILITY										
2.1	To continuously ensure an equitable, economical, transparent, fair and value – add supply chain	Monitoring and reporting on the performance of service providers	No. of quarterly Service Provider performance reports submitted to the Mayor by		4 quarterly Service Provider performance reports submitted to the	4 quarterly Service Provider performance reports submitted to the	4 quarterly Service Provider performance reports submitted to the Mayor by	4 quarterly Service Provider performance reports submitted to the Mayor by	4 quarterly Service Provider performance reports submitted to the Mayor by	Chief Financial Officer

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

	management system/function		the 15 th day after end of the quarter		Mayor by the 15 th day after end of the quarter	Mayor by the 15 th day after end of the quarter	the 15 th day after end of the quarter	the 15 th day after end of the quarter	the 15 th day after end of the quarter	
		Strict adherence to SCM Regulations	No. of quarterly reports on (tenders awarded, deviations report, contract management report) submitted to the Mayor by the 15 th day after end of the quarter		4 quarterly reports on (tenders awarded, deviations report, contract management report) submitted to the Mayor by the 15 th day after end of the quarter	4 quarterly reports on (tenders awarded, deviations report, contract management report) submitted to the Mayor by the 15 th day after end of the quarter	4 quarterly reports on (tenders awarded, deviations report, contract management report) submitted to the Mayor by the 15 th day after end of the quarter	4 quarterly reports on (tenders awarded, deviations report, contract management report) submitted to the Mayor by the 15 th day after end of the quarter	4 quarterly reports on (tenders awarded, deviations report, contract management report) submitted to the Mayor by the 15 th day after end of the quarter	Chief Financial Officer
2.2	To maintain an accurate and complete fixed asset register that is compliant with GRAP by 2027	Maintain a fixed asset register that comply with GRAP	No. of material audit queries raised on the updated asset register by the AG.		Zero material audit queries raised on the updated asset	Zero material audit queries raised on the updated asset	Zero material audit queries raised on the updated asset register by the AG.	Zero material audit queries raised on the updated asset register by the AG.	Zero material audit queries raised on the updated asset register by the AG.	Chief Financial Officer

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

					register by the AG.	register by the AG.				
2.3	To ensure 100% expenditure of capital budget by 2023	Monitoring and reporting on the spending (MIG/INEP grants)	% expenditure of capital budget		100% expenditure of capital budget	100% expenditure of capital budget	100% expenditure of capital budget	100% expenditure of capital budget	100% expenditure of capital budget	Director: Engineering Services
			% expenditure of electricity repairs and maintenance budget		% expenditure of electricity repairs and maintenance budget	% expenditure of electricity repairs and maintenance budget	% expenditure of electricity repairs and maintenance budget	% expenditure of electricity repairs and maintenance budget	% expenditure of electricity repairs and maintenance budget	Director: Engineering Services
2.4	Ensure 90% collection of income due from consumer debtors by 2023	Collect 90% of billed income	% of billed income collected		80% of billed income collected	85% of billed income collected	90% of billed income collected	90% of billed income collected	90% of billed income collected	Chief Financial Officer
		Implementation of Revenue Enhancement Strategy	% implementation of Revenue Enhancement Strategy		80% implementation of Revenue Enhancement Strategy	90% implementation of Revenue Enhancement Strategy	100% implementation of Revenue Enhancement Strategy	100% implementation of Revenue Enhancement Strategy	100% implementation of Revenue Enhancement Strategy	Chief Financial Officer

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

2.5	Ensure 90% collection of income due from consumer by 2027		% Collection of revenue on motor vehicle registration and licenses		100 % collection of revenue on motor vehicle registration and licenses	100 % collection of revenue on motor vehicle registration and licenses	100 % collection of revenue on motor vehicle registration and licenses	100 % collection of revenue on motor vehicle registration and licenses	100 % collection of revenue on motor vehicle registration and licenses	Director Community Services
			% Collection of revenue on learners and driver's licenses		100 % collection of revenue on learners and driver's licenses	100 % collection of revenue on learners and driver's licenses	100 % collection of revenue on learners and driver's licenses	100 % collection of revenue on learners and driver's licenses	100 % collection of revenue on learners and driver's licenses	Director Community Services
			% Collection on roadworthy testing station		100 % collection on roadworthy testing station	100 % collection on roadworthy testing station	100 % collection on roadworthy testing station	100 % collection on roadworthy testing station	100 % collection on roadworthy testing station	Director Community Services
			% collection of revenue on cemetery management		100 % collection of revenue on cemetery management	100 % collection of revenue on cemetery management	100 % collection of revenue on cemetery management	100 % collection of revenue on cemetery management	100 % collection of revenue on cemetery management	Director Community Services

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

			% Collection of revenue on refuse collection from billed households and business		100 % Collection of revenue on refuse collection from households and business	100 % Collection of revenue on refuse collection from households and business	100 % Collection of revenue on refuse collection from households and business	100 % Collection of revenue on refuse collection from households and business	100 % Collection of revenue on refuse collection from households and business	Director Community Services
			% Collection of revenue from Municipal Forest activities		100% Collection of revenue from Municipal Forest activities	100% Collection of revenue from Municipal Forest activities	100% Collection of revenue from Municipal Forest activities	100% Collection of revenue from Municipal Forest activities	100% Collection of revenue from Municipal Forest activities	Director Community Services
2.6	To ensure a clean audit opinion	Adherence to all applicable financial legislation and regulations	No. of Monthly financial reports (Sec 71 and sec 52 reports) submitted to Mayor and Treasury on the 10th working day of each month		12 Monthly financial reports submitted to Mayor and Treasury on the 10th working day of each month 4 sec 52 reports	12 Monthly financial reports submitted to Mayor and Treasury on the 10th working day of each month 4 sec 52 reports	12 Monthly financial reports submitted to Mayor and Treasury on the 10th working day of each month 4 sec 52 reports within 30 days to	12 Monthly financial reports submitted to Mayor and Treasury on the 10th working day of each month 4 sec 52 reports within 30 days to	12 Monthly financial reports submitted to Mayor and Treasury on the 10th working day of each month 4 sec 52 reports within 30 days to	Chief Financial Officer

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

					within 30 days to Mayor and Treasury)	within 30 days to Mayor and Treasury)	Mayor and Treasury)	Mayor and Treasury)	Mayor and Treasury)	
		Preparation and submission of credible and GRAP compliant annual financial statements	Date on which GRAP compliant annual financial statements prepared and submitted to the Auditor-General		GRAP compliant annual financial statements prepared and submitted to the Auditor-General and Treasury (Provincial & National) by 31 August each year	GRAP compliant annual financial statements prepared and submitted to the Auditor-General and Treasury (Provincial & National) by 31 August each year	GRAP compliant annual financial statements prepared and submitted to the Auditor-General and Treasury (Provincial & National) by 31 August each year	GRAP compliant annual financial statements prepared and submitted to the Auditor-General and Treasury (Provincial & National) by 31 August each year	GRAP compliant annual financial statements prepared and submitted to the Auditor-General and Treasury (Provincial & National) by 31 August each year	Chief Financial Officer
2.7	To prepare a realistic budget in line with the objectives and strategies in the IDP based on a three-year Medium-Term	Coordinate and develop Amahlathi municipality's budget in line developmental	2023/2024 budget prepared and submitted to council for approval on by 31 st May each year		2023/2024 budget prepared and submitted to council for approval	2024/2025 budget prepared and submitted to council for approval	2025/2026 budget prepared and submitted to council for approval by	2026/2027 budget prepared and submitted to council for approval by	2027/2028 budget prepared and submitted to council for approval by	Chief Financial Officer

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

	Revenue and Expenditure Framework (MTREF)	imperatives in the IDP			by 31 st May 2023	by 31 st May 2024	31 st May 2025	31 st May 2026	31 st May 2027	
2.8	To ensure effective, compliant and credible financial planning, management and reporting by 2027.	Financial Viability as expressed by ratios	% Cost coverage (B+C)÷D		To maintain a cost average ratio of 1% by June 2023	To maintain a cost average ratio of 2% by June 2024	To maintain a cost average ratio of 3% by June 2025	To maintain a cost average ratio of 4% by June 2026	To maintain a cost average ratio of 4% by June 2027	Chief Financial Officer
KPA 3: GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
3.1	To strengthen democracy through improved public participation	Implement Public Participation Strategy	Development of Comprehensive Public Participation Strategy		1 x Comprehensive Public Participation Strategy (CPPS) submitted to Council for approval	Review CPPS	Review CPPS	Review CPPS	Review CPPS	Municipal Manager
		Public Participation Action Plan	% Implementation of Public Participation Action Plan		70% Implementation of Public Participatio	70% Implementation of Public Participatio	75% Implementati on of Public Participation Action Plan	80% Implementati on of Public Participation Action Plan	85% Implementati on of Public Participation Action Plan	Municipal Manager

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

					n Action Plan	n Action Plan				
		Management of Petitions and Rapid Response and submission of Petitions Management Status Reports to council	No. of quarterly petition Management status reports submitted to Council		4 Quarterly reports on the status of petitions	4 Quarterly reports on the status of petitions	4 Quarterly reports on the status of petitions	4 Quarterly reports on the status of petitions	4 Quarterly reports on the status of petitions	Municipal Manager
		Submission of Ward Based Planning Reports to council	No. of reports submitted to council on ward based planning		4 Reports submitted to council on ward based planning	4 Reports submitted to council on ward based planning	4 Reports submitted to council on ward based planning	4 Reports submitted to council on ward based planning	4 Reports submitted to council on ward based planning	Municipal Manager
3.2	To implement the satellite model to improve planning and performance management by 2027	Annual program of action for Satellite offices	% Implementation of Annual Program of Action		70% Implementation of Annual Program of Action	70% Implementation of the Annual Program of Action	75% Implementation of the Annual Program of Action	80% Implementation of the Annual Program of Action	85% Implementation of the Annual Program of Action	Municipal Manager
3.3	Coordination and integration of Stakeholder engagement by 2023	Strengthening of IGR structures	No. of IGR Forum meetings coordinated		4 broader IGR Forum meeting coordinated	4 broader IGR Forum meeting coordinated	4 broader IGR Forum meeting coordinated	4 broader IGR Forum meeting coordinated	4 broader IGR Forum meeting coordinated	Municipal Manager
			No. of quarterly report on		4 quarterly report on	4 quarterly report on	4 quarterly report on	4 quarterly report on	4 quarterly report on	Municipal Manager

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

			implementation of IGR resolutions		implementation of IGR resolutions	implementation of IGR resolutions	implementation of IGR resolutions	implementation of IGR resolutions	implementation of IGR resolutions	
3.4	To ensure a clean and accountable governance in Amahlathi by 2027	Strengthening council oversight and mechanisms relating to governance processes, risks management and internal controls	Submission of reports by the oversight structures to council		4 Reports submitted by MPAC to council	4 Reports submitted by MPAC to council	4 Reports submitted by MPAC to council	4 Reports submitted by MPAC to council	4 Reports submitted by MPAC to council	Municipal Manager
			% Implementation of Council Resolutions		80% Implementation of Council Resolutions per annum	80% Implementation of Council Resolutions	80% Implementation of Council Resolutions	80% Implementation of Council Resolutions	80% Implementation of Council Resolutions	All HODs
			No. of risk management reports submitted by HODs to Internal Audit in preparation for Risk Committee Meeting		4 risk management reports submitted by HODs to Internal Audit in preparation for Risk Committee Meeting	4 risk management reports submitted by HODs to Internal Audit in preparation for Risk Committee Meeting	4 risk management reports submitted by HODs to Internal Audit in preparation for Risk Committee Meeting	4 risk management reports submitted by HODs to Internal Audit in preparation for Risk Committee Meeting	4 risk management reports submitted by HODs to Internal Audit in preparation for Risk Committee Meeting	All HODs

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

			No. of Anti-corruption and Fraud programs conducted per annum		4 Anti-corruption and Fraud programs conducted	4 Anti-corruption and Fraud programs conducted	4 Anti-corruption and Fraud programs conducted	4 Anti-corruption and Fraud programs conducted	4 Anti-corruption and Fraud programs conducted	Municipal Manager
3.5	Ensure effective & efficient resolution of legal matters	Development of annual compliance register and annual compliance plan	% Implementation of compliance plan		100% implementation of annual compliance plan	100% implementation of annual compliance plan	100% implementation of annual compliance plan	100% implementation of annual compliance plan	100% implementation of annual compliance plan	Municipal Manager
		Status Reports on Resolution of legal matters	No. of reports on legal matters and their status with financial implications submitted to council		4 reports on legal matters and their status with financial implication submitted to council	4 reports on legal matters and their status with financial implication submitted to council	4 reports on legal matters and their status with financial implications submitted to council	4 reports on legal matters and their status with financial implications submitted to council	4 reports on legal matters and their status with financial implications submitted to council	Municipal Manager
3.6	To ensure mainstreaming of special programs into Amahlathi Municipality programs by 2027	Development and Implementation of Strategy on Special Programs	% Implementation of annual special programs action plan		70% implementation of special programs action plan	70% implementation of special programs action plan	75% implementation of special programs action plan	80% implementation of special programs action plan	85% implementation of special programs action plan	Municipal Manager

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

3.7	To promote effective communication	Development and Implementation of an effective communications policy	% Implementation of Communications Program of Action		70% implementation of Communications Program of Action	70% implementation of Communications Program of Action	75% implementation of Communications Program of Action	80% implementation of Communications Program of Action	85% implementation of Communications Program of Action	Municipal Manager
3.8	To ensure a clean and accountable governance in Amahlathi by 2027	Strengthening council oversight and mechanisms relating to governance processes, risks management and internal controls	No. of MPAC Meetings coordinated		4 MPAC meetings coordinated	4 MPAC meetings coordinated	4 MPAC meetings coordinated	4 MPAC meetings coordinated	4 MPAC meetings coordinated	Director Corporate Services
			No. of quarterly reports on the Functioning of the Executive Committee submitted to Council		4 quarterly reports on the Functioning of the Executive Committee submitted to Council	4 quarterly reports on the Functioning of the Executive Committee submitted to Council	4 quarterly reports on the Functioning of the Executive Committee submitted to Council	4 quarterly reports on the Functioning of the Executive Committee submitted to Council	4 quarterly reports on the Functioning of the Executive Committee submitted to Council	Director Corporate Services
			No. of quarterly Reports on the Functioning of all Council Structures submitted to Council		4 quarterly Reports on the Functioning of all Council Structures submitted to Council	4 quarterly Reports on the Functioning of all Council Structures submitted to Council	4 quarterly Reports on the Functioning of all Council Structures submitted to Council	4 quarterly Reports on the Functioning of all Council Structures submitted to Council	4 quarterly Reports on the Functioning of all Council Structures submitted to Council	Director Corporate Services

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

3.9	Strengthening Amahlathi ICT systems and networks for future generations by 2027	Improvement of ICT infrastructure for efficiency and data recovery	% information for municipal users back-upped		80% information for municipal users back-upped	90% information for municipal users back-upped	90% information for municipal users back-upped	100% information for municipal users back-upped	100% information for municipal users back-upped	Director Corporate Services
3.10	To ensure compliant, effective and efficient customer management by 2027 and beyond.	Modernise the telephone system for customer care and productivity improvement	Turn-around time to attend to logged faults and system related queries by users		05 working hours to attend to logged faults users	04 working hours to attend to logged faults users	03 working hours to attend to logged faults users	03 working hours to attend to logged faults users	03 working hours to attend to logged faults users	Director Corporate Services
			% VOICE / VOIP calls received by intended recipient		60% of employees are reachable through VOICE/VOIP	70% of employees are reachable through VOICE/VOIP	80% of employees are reachable through VOICE/VOIP	90% of employees are reachable through VOICE/VOIP	100% of employees are reachable through VOICE/VOIP	Director Corporate Services
		Implementation and monitoring of controls to ensure security of information and business continuity	% ICT systems implemented with itemised usage and expenditure reports		100% ICT systems implemented with itemised usage and expenditure reports	4 systems implementation report (Telephone, Cell phone, Data, LAN, WIFI)	4 systems implementation report (Telephone, Cell phone, Data, LAN, WIFI)	4 systems implementation report (Telephone, Cell phone, Data, LAN, WIFI)	4 systems implementation report (Telephone, Cell phone, Data, LAN, WIFI)	Director Corporate Services

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

		Provide on-going support to users on system related queries	% of resolved system related queries		95% of resolved system related queries	95% of resolved system related queries	95% of resolved system related queries	95% of resolved system related queries	95% of resolved system related queries	Chief Financial Officer
3.11	To ensure business continuity in the event of a disaster by 2027 and beyond	Implementation and monitoring of controls to ensure security of information and business continuity	Daily backups done on Financial system, Payroll and HR system		Daily backups done on Financial system, Payroll and HR system	Daily backups done on Financial system, Payroll and HR system	Daily backups done on Financial system, Payroll and HR system	Daily backups done on Financial system, Payroll and HR system	Daily backups done on Financial system, Payroll and HR system	Chief Financial Officer
KPA 4: LOCAL ECONOMIC DEVELOPMENT										
4.1	To improve implementation of the government intervention program to eliminate poverty by 2027.	Implementation of the EPWP and municipal job creation program especially linked to areas of scarce skills	No. of jobs created through Community and Youth Development Programmes (CYDP)		100 EPWP participants and 100 Youth (Graduates, Interns, Learners and Apprentices)	100 EPWP participants and 100 Youth (Graduates, Interns, Learners and Apprentices)	100 EPWP participants and 100 Youth (Graduates, Interns, Learners and Apprentices)	100 EPWP participants and 100 Youth (Graduates, Interns, Learners and Apprentices)	100 EPWP participants and 100 Youth (Graduates, Interns, Learners and Apprentices)	Director Corporate Services
		Subcontracting of the work to SMMEs residing at Amahlathi LM during the roll	No. of SMMEs subcontracted		4 SMMEs have be subcontracted	4 SMMEs have be subcontracted	4 SMMEs have be subcontracted	4 SMMEs have be subcontracted	4 SMMEs have be subcontracted	Director Engineering Services

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

		out of Capital Projects									
		Temporary local jobs created during the roll out Capital Projects	No of Temporary local jobs created		10 Temporary local jobs created	10 Temporary local jobs created	10 Temporary local jobs created	10 Temporary local jobs created	10 Temporary local jobs created	Director Engineering Services	
4.2	To stimulate growth of the local economy through robust long term planning & programming by 2026.	At least 30% of procurement expenditure to benefit SMMEs.	% of the Amahlathi expenditure to benefit SMMEs		25% of the Amahlathi expenditure to benefit SMMEs	30% of the Amahlathi expenditure to benefit SMMEs	30% of the Amahlathi expenditure to benefit SMMEs	30% of the Amahlathi expenditure to benefit SMMEs	30% of the Amahlathi expenditure to benefit SMMEs	Chief Financial Officer	
			No of SMMEs supported to access government Support Programs		40 SMMEs supported to access SMME Support Programs	40 SMMEs supported to access SMME Support Programs	40 SMMEs supported to access SMME Support Programs	40 SMMEs supported to access SMME Support Programs	40 SMMEs supported to access SMME Support Programs	Director Development & Town Planning	
			% of business with trading permits		70 %of business with trading permits	70 %of business with trading permits	70 %of business with trading permits	70 %of business with trading permits	70 %of business with trading permits	70 %of business with trading permits	Director Development & Town Planning
			No of Trading By-law compliance monitoring interventions		3 By-law Compliance monitoring interventions	3 By-law Compliance monitoring interventions	3 By-law Compliance monitoring interventions	3 By-law Compliance monitoring interventions	3 By-law Compliance monitoring interventions	3 By-law Compliance monitoring interventions	Director Development & Town Planning

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

		Stimulate and Strengthen relationship between Amahlathi and other municipalities	No. of reports on implementation of signed twinning agreements with strategic institutions		4 reports on implementation of signed twinning agreements with strategic institutions	4 reports on implementation of signed twinning agreements with strategic institutions	4 reports on implementation of signed twinning agreements with strategic institutions	4 reports on implementation of signed twinning agreements with strategic institutions	4 reports on implementation of signed twinning agreements with strategic institutions	Director Development & Town Planning
4.3	Promotion of Tourism through identification of Tourist areas	Finalise the tourism Infrastructure Improvement Process Plan	No of funding proposal for tourism access infrastructure Improvement Plans submitted to suitable funders		2 funding proposal for tourism access infrastructure Improvement Plans submitted to suitable funders	2 funding proposal for tourism access infrastructure Improvement Plans submitted to suitable funders	2 funding proposal for tourism access infrastructure Improvement Plans submitted to suitable funders	2 funding proposal for tourism access infrastructure Improvement Plans submitted to suitable funders	2 funding proposal for tourism access infrastructure Improvement Plans submitted to suitable funders	Director Development & Town Planning
			No. of tourist attractions promoted		8 tourist attractions promoted	8 tourist attractions promoted	8 tourist attractions promoted	8 tourist attractions promoted	8 tourist attractions promoted	Director Development & Town Planning
			No. of trainings conducted for LTOs and CTOs		2 support interventions for	2 support interventions for	2 support interventions for LTOs and CTOs	2 support interventions for LTOs and CTOs	2 support interventions for LTOs and CTOs	Director Development

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

					LTOs and CTOs	LTOs and CTOs				t & Town Planning
4.4	To Stimulate local economy through Agricultural development by 2022	Provision of capacity building programs to support existing farmers	No. of farmers supported with capacity building		40 farmers to be supported with capacity building	40 farmers to be supported with capacity building	40 farmers to be supported with capacity building	40 farmers to be supported with capacity building	40 farmers to be supported with capacity building	Director Development & Town Planning
4.5	To ensure value-maximization of the forestry natural resource in line with local economic development by 2022.	% Implementation of a forestry strategy in a Co-ordinated manner	Number of support interventions on timber cooperatives		6 support interventions on timber cooperatives	6 support interventions on timber cooperatives	6 support interventions on timber cooperatives	6 support interventions on timber cooperatives	6 support interventions on timber cooperatives	Director Development & Town Planning
4.6	To ensure development of the economic infrastructure required to enable increased economic growth	Source funding for a catalytic project	No. of funding applications submitted		4 funding applications submitted	4 funding applications submitted	4 funding applications submitted	4 funding applications submitted	4 funding applications submitted	Director Development & Town Planning
		Develop a 10 to 20 yr. Economic Growth and Development Strategy	Developed Economic Growth Development Strategy submitted to		Developed Economic Growth Development Strategy submitted	20% of EGDS linked projects	20% of EGDS linked projects implemented	30% of EGDS linked projects implemented	30% of EGDS linked projects implemented	Director Development & Town Planning

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

			Council for approval		to Council for approval	implemented				
4.7	To building resilient smart towns	Implementation Master & Precinct Plans for the 4 towns	% implementation of master & Precinct		50% implementation of master & Precinct	50% implementation of master & Precinct	50% implementation of master & Precinct	50% implementation of master & Precinct	50% implementation of master & Precinct	Director Development & Town Planning
KPA 5: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT										
5.1	To attract, retain, build capacity and maximize utilization of Amahlathi Human Capital by 2027 and beyond	Transform and Professionalise ALM through an Organisational Re-engineering process	% Implementation of the re-engineering project submitted to Standing Committee		100% Implementation of the Re-Engineered and Council Approved Organogram	100% Implementation of the Change Management programme	100% Implementation of the Employee Satisfaction Survey and Action Plan	100% Impact assessment of effectiveness of the re-engineering process	100% Implementation of the Impact assessment outcomes	Director Corporate Services
			No of reports on the Implementation of the approved Digital Transformation strategy and Plan		4 Reports on digital transformation implementation plan	4 Reports on digital transformation implementation plan	4 Reports on digital transformation implementation plan	4 Reports on digital transformation implementation plan	4 Reports on digital transformation implementation plan	Director Corporate Services
			No of implemented programmes per		4 implemented	4 implemented	4 implemented programmes	4 implemented programmes	4 implemented programmes	Director Corporate Services

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

			Human Resource Strategy implementation plans		programmes per Human Resource Strategy implementation plans (Recruitment Plan; Institutional & HR Policies and Employee Verification)	programmes per Human Resource Strategy implementation plans (Recruitment Plan; Institutional & HR Policies and Employee Verification)	per Human Resource Strategy implementation plans (Recruitment Plan; Institutional & HR Policies and Employee Verification)	per Human Resource Strategy implementation plans (Recruitment Plan; Institutional & HR Policies and Employee Verification)	per Human Resource Strategy implementation plans (Recruitment Plan; Institutional & HR Policies and Employee Verification)	
5.2	To attract, retain, build capacity and maximise utilisation of Amahlathi Human Capital by 2027 and beyond	Strengthening systems and mechanisms relating to governance processes, risks management and internal controls	No. of EAP programmes implemented as per approved plan		4 EAP programmes implemented per approved plan	4 EAP programmes implemented per approved plan	4 EAP programmes implemented per approved plan	4 EAP programmes implemented per approved plan	4 EAP programmes implemented per approved plan	Director Corporate Services
			No. of reports on health and productivity of the municipality		4 Reports on health and productivity of the municipality	4 Reports on health and productivity of the municipality	4 Reports on health and productivity of the municipality	4 Reports on health and productivity of the municipality	4 Reports on health and productivity of the municipality	Director Corporate Services

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

5.3	Promote sound Labour Relations for a conducive work environment through education and legislative compliance	Local Labour Form (LLF) meetings and Labour Relations information sessions held	No of LLF meetings		4 LLF meetings	4 LLF meetings	4 LLF meetings	4 LLF meetings	4 LLF meetings	Director Corporate Services	
			No of LR information sessions / training held		4 LR information sessions / training held	4 LR information sessions / training held	4 LR information sessions / training held	4 LR information sessions / training held	4 LR information sessions / training held	Director Corporate Services	
		Implementation of the approved EEP	No. of quarterly reports prepared on compliance with EEP annual targets		4 quarterly reports prepared on compliance with EEP annual targets	4 quarterly reports prepared on compliance with EEP annual targets	4 quarterly reports prepared on compliance with EEP annual targets	4 quarterly reports prepared on compliance with EEP annual targets	4 quarterly reports prepared on compliance with EEP annual targets	4 quarterly reports prepared on compliance with EEP annual targets	Director Corporate Services
		Develop and implement a blended learning and development programme strategy	No of face-to-face and on-line training interventions organised and implemented for all employees		4 training programs and 1 online training per employee	2 average Training days per employee	3 average Training days per employee	4 average Training days per employee	5 average Training days per employee		Director Corporate Services
5.4	Efficient and economical utilization of council resources	Strengthening systems and mechanisms relating to governance processes, risks management	No. of reports on the implementation of Vehicle Pound and Municipal Mechanical		4 Reports on implementation of the Vehicle pound and Municipal	4 Reports on implementation of the Vehicle pound and Municipal	4 Reports on implementation of the Vehicle pound and Municipal	4 Reports on implementation of the Vehicle pound and Municipal	4 Reports on implementation of the Vehicle pound and Municipal	Director Corporate Services	

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

		and internal controls	Workshop / Garage		Mechanical Workshop	Mechanical Workshop	Mechanical Workshop	Mechanical Workshop	Mechanical Workshop	
			No. of reports on implementation of fleet management systems with logistics management, fuel utilisation, accidents and maintenance submitted to fleet management committee		4 reports on fleet management systems with logistics management, fuel utilisation, accidents and maintenance submitted to fleet management committee	4 reports on fleet management systems with logistics (on-line fleet booking management), fuel utilisation, accidents and maintenance submitted to fleet management committee	4 reports on fleet management systems with logistics (on-line fleet booking management), fuel utilisation, accidents and maintenance submitted to fleet management committee	4 reports on fleet management systems with logistics (on-line fleet booking management), fuel utilisation, accidents and maintenance submitted to fleet management committee	4 reports on fleet management systems with logistics (on-line fleet booking management), fuel utilisation, accidents and maintenance submitted to fleet management committee	Director Corporate Services
5.5	To ensure compliant and prudent safeguarding and preservation of	Establishment of legal frameworks, standards and ethical principles	% implementation of the document management strategy and plan		20% implementation of the document management	40% implementation of the document management	60% implementation of the document management	80% implementation of the document management	100% implementation of the document management	Director Corporate Services

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

	institutional memory by 2027 and beyond	to protect the confidentiality of data			nt strategy and plan	nt strategy and plan	strategy and plan	strategy and plan	strategy and plan	
			% implementation of the file plan for all active and archived documents		20% implementation of the file plan for all active and archived documents	40% implementation of the file plan for all active and archived documents	60% implementation of the file plan for all active and archived documents	80% implementation of the file plan for all active and archived documents	100% implementation of the file plan for all active and archived documents	Director Corporate Services
5.6	To develop and implement effective and compliant frameworks to improve planning and performance management by 2027	Integrated Planning and Development	Date on which the IDP is submitted to Council for approval		2023/24 IDP submitted to Council for approval approved by Council on 31st May 2023	2024/25 IDP submitted to Council for approval approved by Council on 31st May 2024	2025/26 IDP submitted to Council for approval approved by Council on 31st May 2025	2026/27 IDP submitted to Council for approval approved by Council on 31st May 2026	2027/28 IDP submitted to Council for approval approved by Council on 31st May 2027	Municipal Manager
		Create high performance throughout the organization	No. of days by which the SDBIP is submitted to the Mayor for approval		2023/24 SDBIP submitted to the Mayor for approval by the 28th day after approval of the budget	2024/25 SDBIP submitted to the Mayor for approval by the 28th day after approval of the budget	2025/26 SDBIP submitted to the Mayor for approval by the 28th day after approval of the budget	2026/27 SDBIP submitted to the Mayor for approval by the 28th day after approval of the budget	2027/28 SDBIP submitted to the Mayor for approval by the 28th day after approval of the budget	Municipal Manager

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

			Date on which departmental quarterly reports with evidence files submitted to IDP/PMS Unit		Departmental quarterly reports with evidence files submitted to IDP/PMS Unit within 6 working days of the next month after the end of each Quarter	Departmental quarterly reports with evidence files submitted to IDP/PMS Unit within 6 working days of the next month after the end of each Quarter	Departmental quarterly reports with evidence files submitted to IDP/PMS Unit within 6 working days of the next month after the end of each Quarter	Departmental quarterly reports with evidence files submitted to IDP/PMS Unit within 6 working days of the next month after the end of each Quarter	Departmental quarterly reports with evidence files submitted to IDP/PMS Unit within 6 working days of the next month after the end of each Quarter	All HODs
			No. of individual performance reviews coordinated by each HOD (Task grade 12 and upwards)		4 Quarterly individual Performance Reviews coordinated by each HOD (Task grade 12 and upwards)	4 Quarterly individual Performance Reviews coordinated by each HOD (Task grade 12 and upwards)	4 Quarterly individual Performance Reviews coordinated by each HOD (Task grade 12 and upwards)	4 Quarterly individual Performance Reviews coordinated by each HOD (Task grade 12 and upwards)	4 Quarterly individual Performance Reviews coordinated by each HOD (Task grade 12 and upwards)	All HODs

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

			No. of quarterly organizational performance reports submitted to Council		4 quarterly organizational performance reported submitted to Council	4 quarterly organizational performance reported submitted to Council	4 quarterly organizational performance reported submitted to Council	4 quarterly organizational performance reported submitted to Council	4 quarterly organizational performance reported submitted to Council	Municipal Manager
--	--	--	--	--	--	--	--	--	--	-------------------

CHAPTER 5: PROJECTS

THREE YEAR CAPITAL PLAN

PROJECT	FUNDING	2022/2023	2023/2024	2024/2025
Upper Gxulu Internal Roads	MIG Funding	2 000 000	-	-
Border Post Internal Roads	MIG Funding	1 500 000	-	-
Mgwali Internal Roads	MIG Funding	2 000 000	-	-
Mbaxa Community Hall	MIG Funding	-	3 000 000	-
Revamping of Amahlathi Municipal Offices in Stutterheim	MIG Funding	50 000	-	-
Frankfort Internal Roads	MIG Funding	-	2 500 000	-
Phumlani Community Hall	MIG Funding	-	3 000 000	-
Nqenge Internal Roads	MIG Funding	-	3 715 050	-
Paving of Xholorha Internal Roads	MIG Funding	-	5 615 950	-
Izidenge Internal Roads	MIG Funding	-	2 500 000	-
Surfacing of Cathcart Streets	MIG Funding	2 485 050	-	-
Mthwaku Dontsa Internal Roads	MIG Funding	3 500 000	-	-
Stutterheim Recreation Center	MIG Funding	4 775 000	5 000 000	-
Mlungisi Sportfield	MIG Funding	2 500 000	-	-
Lower Kologha Internal Roads	MIG Funding	2 200 000	-	-
Khayelitsha Internal Roads	MIG Funding	1 415 950	-	-
Mzomomhle Paving	MIG Funding	2 500 000	1 000 000	-
Toise Internal Roads	MIG Funding	2 000 000	-	-
Keiskamahoe Recreation Center	MIG Funding	4 775 000	5 000 000	-
MIG Projects (To be advised by Ward Councillor)	MIG Funding	-	-	32 623 000
Total MIG		31 701 000	31331000	32 623 000
Upgrade Electricity Project	INEP Funding	-	10 000 000	10 449 000
Surfacing of Cathcart Streets	Own Funding	5 000 000	-	-
Grand Total		36 701 000	41331000	43 072 000

Pipeline of Catalytic Projects				
No.	Project Name	Project Description	Location	Budget
1.	Furniture Incubation	<ul style="list-style-type: none"> Inspired by the defunct Abenzi-wood house initiative but now focused on the concept rather the failed business A collaboration between the ALM,DEDEAT & the ECDC Will also contribute to the trengthening the local forestry value-chain – manufacturing focus ECDC has committed to assisting with the Feasibility Study, and is in the process of appointing a Service Provider for this. 	Stutterheim	None
2.	Keiskamahoek Rural Market Centre	<ul style="list-style-type: none"> DRDAR/ADM/ALM collaboration Pilot for an EC wide Initiative, KKH chosen site in line with the KKH STR – Agricultural node ALM has availed Erven 140 & 141 in KKH ADM has set aside R1m DRDAR has set aside R8m for the project 	Keiskamahoek	R9m
3.	Middle Income Housing	110 plots	New Town	None
		65 plots	Keiskammahoek (Next to Magistrate Court)	
		54 plots	Cathcart (next to hospital)	
		54 plots	Next to Stutterheim Hospital	
		Included in the support proposal to the EC-COGTA's Municipal Support Programme's PMU. This is towards completing various township establishment related activities and bringing this project to bankability		
	Stutt Master & Precinct Plan	<p>This will entail the following:</p> <ul style="list-style-type: none"> A master plan for the regeneration of town and its surrounding areas A precinct plan for a retail facility and new offices for the Municipality A Business Plan towards mobilising resources for the implementation of the Precinct Plan 	Various Stutterheim based location being considered for the Municipal Office and Retail precincts	None

	SA Fine Tuned Wild Life Project	<p>It's a Department of Environmental Affairs funded Wild Life Farming project, which entails the following:</p> <ul style="list-style-type: none"> • Improvement of livelihoods and the environment through job creation and biodiversity awareness creation • Rehabilitation of degraded agricultural land • Utilisation of underutilised renewable natural resources to stimulate the local economy • Empowerment of Communities adjacent to the project site 	Bolo, in Ward 5	R20m
--	--	--	-----------------	------

MIG AND WATER SERVICE INFRASTRUCTURE GRANT (WSIG) PROJECTS BY AMATHOLE DISTRICT MUNICIPALITY

ADM MIG THREE YEAR CAPITAL PLAN 2022 to 2025

MIG CAPITAL BUDGET PER LOCAL MUNICIPALITY (VAT INCLUSIVE)			
MIG ALLOCATION	2022/23	2023/24	2024/25
	R	R	R
Amahlathi	51 434 547	53 000 000	20 300 000

WSIG CAPITAL BUDGET PER LOCAL MUNICIPALITY (VAT INCLUSIVE)

WSIG	2022/23	2023/24	2024/25
	R	R	R
Amahlathi	20 500 000	12 500 000	11 000 000

Project Name	2022/23 Project Allocation
Amabele Pipe Replacement	544 601
Amahlathi Area Wide Sanitation Phase 2	268 696
Amahlathi Area Wide Sanitation Region 2A: Phase 2	447 826
Amahlathi Area Wide Sanitation Region 3A: Phase 2	268 696
Carthcart Bulk Services Upgrade	35 826 087
Keilands Mission Water Supply	4 478 261

Project Name	2022/23 Project Allocation
Rabula Water Supply Extensions	895 652
Stutterheim Raw Water Supply Upgrade	92 181
Stutterheim Sewer Pipe Replacement Programme	89 565

Stutterheim Water Pipe Replacement Programme	3 155 899
TOTAL:	46 067 464

Project Name	2022/23 Project Allocation
Cathcart Sanitation	8 826 087
Dontsa Water Supply	2 647 826
Non-Revenue Water Loss Control Project Stutterheim Water Supply Scheme	6 619 565

PROJECTS BY ESKOM

2022/2023 ELECTRIFICATION PLAN – AMAHLATHI LM

Project Name	Project Type	DoE TOTAL Planned CAPEX Excl 15% VAT 2022/2023	DoE TOTAL Planned CAPEX Incl 15% VAT 2022/2023	TOTAL Planned Connections 2022/2023	Beneficiaries
Amahlathi Ward Exts Pre-engineering (2023/24 Plan)	Pre-Engineering	R 423 000.00	R 486 450.00		
Amahlathi Schedule 5B Pre-engineering	Recoverable Overhead Pool	R 350 000.00	R 402 500.00		
Amahlathi Ward Ext 22/23 Line	Infrastructure - Line	R 870 000.00	R 1 000 500.00		
Amahlathi Ward Ext 22/23	Households	R 8 750 000.00	R 10 190 000.00	400	Ndlovini N6 , Lower Gxulu, Lower Zingcuka, Lower Ngqumeya , Rabula Ngqeqe
		R 10 393 000.00	R 12 079 450.00	400	

PROJECTS BY DEPARTMENT OF ECONOMIC DEVELOPMENT, ECONOMIC AFFAIRS AND TOURISM

PROJECTS FOR 2020/21-2022/23 FY BY DEPARTMENT OF ECONOMIC DEVELOPMENT, ENVIRONMENT AFFAIRS AND TOURISM (DEDEAT)

PROJECT NAME	BUDGET R '000	Total expenditure to date R '000
Rehabilitation of waste sites	R20 million over a period of 3 years	R6.6MILLION

PROJECTS BY DEPARTMENT OF RURAL DEVELOPMENT AND RURAL DEVELOPMENT

PERFORMANCE INDICATOR		REQUIRED SERVICE
1.1	Number of samples collected for targeted animal disease surveillance	samples to be collected
1.2	Number of epidemiological units visited for veterinary interventions	Visits for Blanthrax, Rabies, AI/ NCD and PAHC. Organising
1.3	Number of animals vaccinated against controlled animal diseases according to Animal Disease Act (Act 35 of 1984)	Vaccinations for Blanthrax to animals including pets
1.4	Number of treatments applied to sheep for the control of sheep scab in order to improve the quality and quantity of the wool clip	Sheep scab control
1.5	Number of treatments applied to animals for external parasite control	Dipping using plunge, pour-on and spray

VETERINARY SERVICES: Animal Health		
PERFORMANCE INDICATOR		REQUIRED SERVICE
1.1	Number of samples collected for targeted animal disease surveillance	samples to be collected
1.2	Number of epidemiological units visited for veterinary interventions	Visits for Blanthrax, Rabies, AI/ NCD and PAHC. Organising

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

1.3	Number of animals vaccinated against controlled animal diseases according to Animal Disease Act (Act 35 of 1984)	Vaccinations for Blanthrax to animals including pets Sheep scab control
1.4	Number of treatments applied to sheep for the control of sheep scab in order to improve the quality and quantity of the wool clip	
1.5	Number of treatments applied to animals for external parasite control	Dipping using plunge, pour-on and spray

INFRASTRUCTURE DEVELOPEMNT 2022/2023

NO	PROJECT NAME	INFRASTRUCTURE TYPE	BUDGET	REQUIRED ASSISTANCE
1	Malindana	Handling Kraals	R450,00	
2	Kubusi	Borehole	R500,00	Drilling completed. To start equipping in 22/23
3	Stock watering	Scooping of dams		
4	Keiskamma Water Project	Tower Gardens & Irrigation System		

INTERGRATED CROPPING PROGRAM 21/22

NO	PROJECT NAME	SIZE OF LAND (HA)	BUDGET	SUPPORT REQUESTED
1	RABULA	100	R368,00	Provision of mechanisation services
2	GCINUBUZWE	10	R36,80	//
3	MTHWAKU	100	R368,00	//
4	SINAKHO	30	R110,40	//
5	FLATFIELD	10	R36,80	//
6	XHOLORA	70	R257,60	//
7	HILLSIDE	10	R36,80	//
8	DONQABA	70	R257,60	//
TOTAL		400	R1,472,000	

VEGETABLE PRODUCTION

NO	PROJECT NAME	SIZE OF LAND	PROGRESS
1	ZANYOKWE IRRIGATION	50	Providing fuel and production inputs
2	SCHOOLS	10	//

R700,00

FODDER PRODUCTION 2021

NO	PROJECT NAME	WARD NUMBER	PROGRESS
1	Ngwena	2	Seeds, Fertilizers, Chemicals already delivered for planting in March
2	Olshon	13	
3	Madlokazi	2	Lucerne already planted in 10 ha
4	Langdraai	4	Lucerne planted in 6 ha
TOTAL BUDGET : R300,000			

HOUSEHOLD FOOD PRODUCTION 2021

NO	WARDS	NUMBER OF BENEFICIARIES	REQUIRED SERVICE
1	05-Jan	214	Will deliver feeds, seeds, fertilizers, broilers, layers and equipment
2	15-Jun	386	
TOTAL BUDGET : R1,088,000			

PLANNING PROJECTS							
PROJECT NAME	NO. OF SUBS.	DELIVERY PLANNED	STATUS	PROJECT BUDGET	EXPENDITURE	CHALLENGES	PROGRESS TO DATE
KATIKATI 300	300	Installation of internal services to 300 new erven.	New	R 68 336 138.95	R 8,538,647.45	Insufficient bulk water and overloaded bulk sanitation service capacity.	The bulk services are currently being installed. Funding for Internal services and top structures has been approved. Project readiness is almost complete except for Foundation Designs, House Plan and NHBRC Enrolment. Procurement of service providers will be done in 2020/2021 Financial Year.

PROJECTS UNDER PROCUREMENT							
PROJECT NAME	NO. OF SUBS.	DELIVERY PLANNED	PROJECT BUDGET	EXPENDITURE	STATUS	CHALLENGES	PROGRESS TO DATE
FRANKFURT	300	Construction of 289 new units and completion of 11 units at various stages.	R 55 365 596.00	R 1 660 771.09	Blocked	Appointment of a new Professional Service Provider is still not concluded. 187 units are still not enrolled with NHBRC.	10 units are at roofs 1 unit is at finishing Procurement of a Professional Service Provider is underway. The Contractor has been appointed and ready to start working on site.
SQUASHVILLE 461	461	To prepare readiness	R 76,732,653.25	R 980 774.14	New	No bulk sewer infrastructure. Budgetary constraints.	Project readiness is incomplete. Project funding is approved. Procurement of Professional Service Provider underway. At BEC.

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

MTHONJENI 201	201	To prepare readiness	R 33 026 259.75	R 377 420.21	New	No bulk sewer infrastructure. Budgetary constraints.	Project readiness is incomplete. Project funding is approved. Procurement of Professional Service Provider underway. At BEC.
GASELA 75	75	To prepare readiness	R 11,427,128.25	R 151 341.15	New	Budgetary constraints.	Project readiness is incomplete. Project funding is approved. Procurement of Professional Service Provider underway. At BEC.
KATIKATI 300	300	Installation of internal services to 300 new erven.	R 68 336 138.95	R 8,538,647.45	New	Insufficient bulk water and overloaded bulk sanitation service capacity.	The bulk services are currently being installed. Funding for Internal services and top structures has been approved. Project readiness is almost complete except for Foundation Designs, House Plan and NHBRC Enrolment. Procurement of professional service provider is underway.
KUBUSI 1328	304	Construction 40 new units	R 63 509 040.91	R 49 848 695.19	Blocked	47 beneficiaries are still outstanding. Slow progress on site. Contract has expired.	Procurement of a Professional Service Provider is underway.
Masinedane Destitute	200	Construction 169 new units	R 25 059 100.00	R 18,071,316.22	Blocked	Slow progress. Only 192 are approved. Contract has expired.	101 completed units, 19 units are at roofs, 2 at wall plates, 13 at foundations and 65 are not yet started. Procurement of a Professional Service Provider is underway.
KEI ROAD NORTHERN NODE 421	421	To complete services installation and NHBRC enrolment	R 66 113 452.85	R 4 237 816.13	Blocked	This contract has been terminated due to contractor failing to meet contractual obligations	Procurement of a Professional Service Provider is underway.

NEW PROJECT APPLICATIONS							
PROJECT NAME	NO. OF SUBS.	DELIVERY PLANNED	STATUS	PROJECT BUDGET	EXPENDITURE	CHALLENGES	PROGRESS TO DATE
MBAXA	392	Planning and Designs	New	NONE	NONE	Financial Constraints	Has not been included in the Business Plan. Community Profiling is underway. Procurement of a service providers will be done in 2022/2023 financial year.
NOTHENGA	26	Feasibility Study	New	NONE	NONE	Financial Constraints	Has not been included in the Business Plan. Community Profiling is still required.
GUBEVU	312	Feasibility Study	New	NONE	NONE	Financial Constraints	Has not been included in the Business Plan. Community Profiling is still required.
ETHEMBENI	3076	Planning and Designs	New	NONE	NONE	Financial Constraints	Has not been included in the Business Plan. Community Profiling is underway. Procurement of a service providers will be done in 2022/2023 financial year.
GOSHEN 60 DESTITUTE	60	Planning and Designs	New	NONE	NONE	Financial Constraints	Funding for planning has been approved. Community Profiling is underway. Procurement of a service providers will be done in 2022/2023 financial year.
NDLOVINI (PHASE 2)	155	Feasibility Study	New	NONE	NONE	Financial Constraints	Has not been included in the Business Plan. Community Profiling is still required.

PLANT HIRE CONTRACTS BUDGET SUMMARY PER LMA		
LOCAL MUNICIPAL AREA	MAINTENANCE COST	%
1.Other Municipalities	R45 000 000,00	79%
7. Amahlathi	R12 000 000,00	21%
TOTAL	R57 850 000,00	100%

FRAMEWORK CONTRACTS BUDGET SUMMARY

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

LOCAL MUNICIPAL AREA	MAINTENANCE COST	%
7. Amahlathi	R2 821 000,00	14%
TOTAL	R20 326 000,00	100%

PLANNED PROJECT FOR 2022							
AM AHLATHI COMMITMENTS FOR 22/23 BUDGET							
NO	DESCRIPTION	SERVICE PROVIDER	ROAD NUMBER	LOCATION	KM	AMOUNT TO BE COMMITTED	COMMENT
1	Plant hire	TBC	DR07689	SS Gida hosp-Cata branch	10	R3 100 000,00	Patch gravelling
2	Plant hire	Luminuous	DR02810	Stutterheim to Bisho	5	R2 000 000,00	Previous appointment
3	Plant hire	TBC	DR02807	Lujilo rd Stutterheim	10	R3 250 000,00	Reshaping
4	Plant hire	TBC	MR00649	Stutterheim	5	R2 750 000,00	Regravelling
5	Plant hire	TBC	DR02513	Thomas River, Cathcart	5,8	R2 900 000,00	Patch gravelling
6	Framework	Makali Plant & Construction	Various	Various		R2 821 000,00	Awaiting package, due date will be 15 March 2022
7	Framework	Makali Plant & Construction	Various	Various		2,401,504.00	Existing budget
					Total	R16 821 000,00	

COMPLETED REGRAVELLING WORK CARRIED BY PLANT HIRE CONTRACTS IN 2021 22					
LMA	SERVICE PROVIDER	ROAD No's	ACTIVITY	KM	AMOUNT
Amahlathi	Itaweb cc	DR07690	Regravelling	5	R2 000 000,00
Amahlathi	Lolo & Lolo Development	MR00701	Regravelling	5	R2 000 000,00
Amahlathi	Sharon Diversified (Pty) Ltd	MR00703	Regravelling	5	R2 000 000,00
Amahlathi	Esotho Trading	MR00700	Regravelling	5	R2 000 000,00
Amahlathi	Kula Africa Agriculture & Construction Projects	DR012803	Regravelling	5	R2 000 000,00
Amahlathi	MWC Global	DR12802	Regravelling	5	R2 000 000,00
Amahlathi	Luminious Business Intellect	DR02908	Regravelling	5	R2 000 000,00
Amahlathi	Mvezo Plant hire & Civil (Pty) Ltd	DR07306	Heavy Maintenance	85,71	R300 000,00

COMPLETED REGRAVELLING WORK CARRIED BY PLANT HIRE CONTRACTS 2021 22 (Cont...)					
LMA	SERVICE PROVIDER	ROAD No's	ACTIVITY	KM	AMOUNT
Amahlathi	Mvezo Plant hire & Civil (Pty) Ltd	DR07295	Heavy Maintenance	85,71	R300 000,00
Amahlathi	Mvezo Plant hire & Civil (Pty) Ltd	DR07282	Heavy Maintenance	85,71	R300 000,00
Amahlathi	Mvezo Plant hire & Civil (Pty) Ltd	DR13802	Heavy Maintenance	85,71	R300 000,00
Amahlathi	Househam Construction	DR02795	Regravelling	5	R2 000 000,00
Amahlathi	Luminius Business Intellect	DR02908	Regravelling	5	R2 000 000,00
				Total	R19 200 000,00

PLANNED WORK FOR BLADING TEAMS

LOCAL MUNICIPAL AREA	
	Blading (km)
7.Amahlathi	650
TOTAL	650
PLANNED WORK FOR TAR PATCHING TEAMS	
LOCAL MUNICIPAL AREA	
	Blading (m²)
7.Amahlathi	1545
TOTAL	1545

CHAPTER 6: PERFORMANCE MANAGEMENT SYSTEM

6.1 INTRODUCTION:

Amahlathi Local Municipality is committed (in line with the Local Government Municipal Systems Act No 32 of 2000) to pursuing its vision through meeting the municipal objectives framed in its IDP document. In so doing, it seeks to harvest synergies through aligning the activities and developing the relevant competencies of its employees through the setting, monitoring, assessment and rewarding of the achievement of municipal objectives. The municipality seeks to maximize, in a sustainable way, delivery in terms of these set outcomes, the growth of talent and capabilities and fairly rewarding exceptional performance while taking corrective measures where set performance standards are not met. The Municipality commits itself to providing a fair and transparent mechanism to guide the activities of each employee, identifying and creating opportunities for staff development, and implement a seamless performance measurement structure through which performance shall be assessed at all three levels, namely, municipal, departmental as well as individual levels.

Amahlathi Local Municipality shall at the outset of each performance cycle which shall coincide with the financial year, develop and/or populate an institutional balanced score card with municipal objectives derived from the municipality's IDP and/or SDBIP. The objectives shall include timeframes, quality requirements and measurable milestones. The measured deliverables will be clustered under Balanced Score Card dimensions. Section 56 Managers shall account individually and collectively for progress on the set objectives. While performance bonuses for employees on fixed-term contract shall primarily be based on their individual performance contracts, institutional performance shall be an important factor in the final determination of the employees' performance bonuses. The municipality has developed Performance Management System Policy Framework which was adopted in 2011 and is reviewed annually in line with IDP processes.

6.2 Performance Agreement and Accountability Agreements

A Performance Agreement is a strategic document signed on by the performing employee and the employer. It shall reflect the linking of an individual performance plan to the goals of Amahlathi Local Municipality and an analysis of what will be required to achieve effective performance.

Once organizational objectives and targets have been set, these will be cascaded down to the relevant departments and subsequently to individuals.

- Section 56 Managers shall develop and sign performance agreements and plans that will contribute towards the achievement of the municipality's objectives and targets.
- Employees from Task Grade 12 upwards shall sign Accountability Agreements (AA), Performance Plans as well as Personal Development Plans (PP).
- Employees from Task Grade 1 to 11 shall sign Performance Promises (PP), Action Plans as well as Personal Development Plans.

6.3 Purpose of the Performance Management System:

This Performance Management System seeks to establish a systematic way through which both organizational and individual performance appraisal is to be done. The municipality is under pressure to perform due to scarcity of resources, community accountability and customer expectations. While the organizational performance is to be assessed, it is in fact the people inside the organization, working together towards a common goal who are responsible for the achievement of the organizational targets.

These are components of the same system that have to complement each other, failing which the system will not be stable and will not hold together.

The municipality performance targets are cascaded to constitute the performance targets of the municipal manager who by order of delegation develop these into performance targets of each manager.

The adopted approach of Score Cards will make use of the following perspectives: -

- ♦ Municipal Transformation and Institutional Development
- ♦ Service Delivery and Infrastructure Development
- ♦ Municipal Financial Viability
- ♦ Good Governance and Public Participation.
- ♦ Local Economic Development.

The scorecard approach will be used at the municipal / organizational level, which will level the strategic priorities, as determined by the council from year to year.

At the second level the scorecard will capture the performance of the relevant Department and this will be a service scorecard. The service scorecard will show a comprehensive picture of the performance of the department.

At the municipal level it will be more a governance perspective that will be portrayed while at department level will be stakeholder related to simplify the reporting system to the Manager. The components of the service scorecards will be:

1. Service outcomes, which sets out the developmental outcomes that the department is to impact upon.
2. Service deliverables, which sets out the products and services that the department will deliver.
3. Resource management, which sets out how the department will manage its human and financial resources, information and infrastructure.
4. Stakeholder relations, which set out how the department will improve its relationship with the stakeholders.

6.4 Performance Assessment

Performance review meetings are an integral part of the monitoring process. These reviews must take place as often as is practical and or required by circumstances. Performance at the individual level must be continuously monitored to enable the identification of performance barriers and changes and to address development and improvement needs as they arise, as well as to:

- a) Determine progress and/or identify obstacles in achieving objectives and targets;
- b) Enable supervisors and employee to deal with performance-related problems;
- c) Identify and provide the support needed;
- d) Modify objectives and targets; and
- e) Ensure continuous learning and development.

I. The Assessment shall be performed as follows: Section 56 Managers

- a. Quarterly performance assessment shall be conducted for all contracted employees within 14 working days after the end of the last month of the quarter for which the assessment is being done – in accordance with the following schedule:

INTERVAL	PERIOD	ASSESSMENT DEADLINE
First quarter (July	(July – September)	18 of October
*Second quarter	(October – December)	18 of January
Third quarter	(January – March)	18 of April
*Fourth (last) quarter	(April – June)	18 of July

- b. In cases of section 56 Managers, the quarterly assessment shall be performed between the Employee and the Municipal Manager, IDP/PMS unit to provide technical support during the session, HR unit to provide secretariat services on the session.
- c. The assessment shall be based on actual achievement of the Indicators agreed for each deliverable or output.
- d. The standard of performance of each employee shall be assessed from the evidence of delivery, defined as the Indicator, on the following scale:

II. The Assessment shall be performed as follows: Employees below Section 56 Managers

- i. Quarterly performance assessment shall be conducted for all employees from task grade 12 upwards within 3 working days after the end of the last month of the quarter for which the assessment is being done – in accordance with the following schedule:

INTERVAL	PERIOD	ASSESSMENT DEADLINE
First quarter (July	(July – September)	04 of October 2021
*Second quarter	(October – December)	04 of January 2022
Third quarter	(January – March)	04 of April 2022
*Fourth (last) quarter	(April – June)	04 of July 2022

- ii. The quarterly assessment shall be performed between the Employee and his/her immediate superior, Human Resource unit to provide technical support during the session, departmental PMS Champion to provide secretariat services on the session.
- iii. The Employee's assessment will be based on his performance in terms of the outputs / outcomes (performance indicators) identified as per **SDBIP/JOB DESCRIPTION**, which are linked to the Key Performance Areas (KPA's), and relevant Competency Requirements respectively
- iv. The standard of performance of each employee shall be assessed from the evidence of delivery, defined as the Indicator, on the following scale:

PERFORMANCE SCORING SUGGESTED BY THE REGULATIONS (2006)

Level	Performance Rating Score	Terminology	Description
5	166	Outstanding performance	Performance far exceeds the standard expected of an employee at this level. The appraisal indicates that the Employee has achieved above fully effective results against all performance criteria and indicators as specified in the PA and Performance plan and maintained this in all areas of responsibility throughout the year.
4	133	Performance significantly above expectations	Performance is significantly higher than the standard expected in the job. The appraisal indicates that the Employee has achieved above fully effective results against more than half of the performance criteria and indicators and fully achieved all others throughout the year.
3	100	Fully effective	Performance fully meets the standards expected in all areas of the job. The appraisal indicates that the Employee has fully achieved effective results against all significant performance criteria and indicators as specified in the PA and Performance Plan.

2	66	Performance not fully effective	Performance is below the standard required for the job in key areas. Performance meets some of the standards expected for the job. The review/assessment indicates that the employee has achieved below fully effective results against more than half the key performance criteria and Indicators as specified in the PA and Performance Plan.
1	33	Unacceptable performance	Performance does not meet the standard expected for the job. The review/assessment indicates that the employee has achieved below fully effective results against almost all of the performance criteria and indicators as specified in the PA and Performance Plan. The employee has failed to demonstrate the commitment or ability to bring performance up to the level expected in the job despite management efforts to encourage improvement.

6.5 LINKING PERFORMANCE TO A REWARD SYSTEM

6.5.1 Rewarding Employee Performance – Municipal Manager and section 56 Managers

A performance bonus, based on affordability may be paid to the employees, after:

1. the annual report for the financial year under review has been tabled and adopted by the municipal council
2. an evaluation of performance in accordance with the provisions of the Regulation
3. approval of such evaluation by the municipal council as a reward for a level of performance deserving of a performance bonus in terms of the bonus criteria

The evaluation of the manager’s performance shall form the basis for rewarding outstanding performance and correcting below par performance.

- a. In recognition of outstanding performance, a performance bonus ranging from **5% to 14%** of the all-inclusive remuneration package **may** be paid to a Municipal Manager and Managers directly accountable to him or her.
- b. The performance bonus percentages are determined by calculating the overall rating using the applicable assessment rating calculator.
- c. The quantum of the bonus payable shall be as follows:

If (Bonus Score > = 130 - 133) bonus = 5%
If (Bonus Score > = 134 -137) bonus = 6%
If (Bonus Score > = 138 -141) bonus = 7%
If (Bonus Score > = 142 - 145) bonus = 8%
If (Bonus Score > = 146 - 149) bonus = 9%
If (Bonus Score > = 150 - 153) bonus = 10%
If (Bonus Score > = 154 - 157) bonus = 11%
If (Bonus Score > = 158 - 161) bonus = 12%
If (Bonus Score > = 162 - 165) bonus = 13%
If (Bonus Score > = 166 - plus) bonus = 14%

The combined KPA and CCR assessment scores, weighted 80% and 20% respectively, will make up the overall assessment of the individual manager’s score. Where the KPA portion is the organizational performance score

from the Organizational scorecard, and CCR is the result of an assessment on its own. The following table depicts the split as follows:

Component	Weighting	Source
Score for departmental performance	80%	SDBIP scorecard score
CCR score of a manager	20%	CCR appraisal result

A. Core Competency requirements

- The competency framework further involves six (6) core competencies that act as drivers to ensure that the leading competencies are executed at an optimal level.
- There is no hierarchical connotation to the structure and all competencies are essential to the role of a senior manager to influence high performance. All competencies must therefore be considered as measurable and critical in assessing the level of a senior manager's performance.
- The competency framework is underscored by four (4) achievement levels that act as benchmark and minimum requirements for other human capital interventions, which are, recruitment and selection, learning and development, succession planning, and promotion.

COMPETENCY FRAMEWORK FOR SENIOR MANAGERS					
LEADING COMPETENCIES :		Achievement Level	Weight	SELF SCORING SCORE (HOD)	FINAL SCORE MM
Strategic Direction and Leadership	• Impact and Influence	Superior	8.3		
	• Institutional Performance Management	Advanced			
	• Strategic Planning and Management	Competent			
	• Organisational Awareness	Basic			
People Management	• Human Capital Planning and Development	Superior	8.3		
	• Diversity Management	Advanced			
	• Employee Relations Management	Competent			

	<ul style="list-style-type: none"> Negotiation and Dispute Management 	Basic			
Programme and Project Management	<ul style="list-style-type: none"> Program and Project Planning and Implementation 	Superior	8.3		
	<ul style="list-style-type: none"> Service Delivery Management 	Advanced			
	<ul style="list-style-type: none"> Program and Project Monitoring and Evaluation 	Competent			
		Basic			
Financial Management	<ul style="list-style-type: none"> Budget Planning and Execution 	Superior	8.3		
	<ul style="list-style-type: none"> Financial Strategy and Delivery 	Advanced			
	<ul style="list-style-type: none"> Financial Reporting and Monitoring 	Competent			
		Basic			
Change Leadership	<ul style="list-style-type: none"> Change Vision and Strategy 	Superior			
	<ul style="list-style-type: none"> Process Design and Improvement 	Advanced			
	<ul style="list-style-type: none"> Change Impact Monitoring and Evaluation 	Competent			
		Basic			
Governance Leadership	<ul style="list-style-type: none"> Policy Formulation 	Superior	8.3		
	<ul style="list-style-type: none"> Risk and Compliance Management 	Advanced			
	<ul style="list-style-type: none"> Cooperative Governance 	Competent			
		Basic			
CORE COMPETENCIES	Achievements Levels	Weight	SELF-SCORING-HOD	FINAL SCORE MM	

Moral Competence	Superior	8.3		
	Advanced			
	Competent			
	Basic			
Planning and Organising	Superior	8.3		
	Advanced			
	Competent			
	Basic			
Analysis and Innovation	Superior	8.3		
	Advanced			
	Competent			
	Basic			
Knowledge and Information Management	Superior	8.3		
	Advanced			
	Competent			
	Basic			
Communication	Superior	8.3		
	Advanced			
	Competent			

	Basic			
Results and Quality focus	Superior	8.3		
	Advanced			
	Competent			
	Basic			
Total	100%			

1.1 Achievement Levels: CCRs

- The achievement levels indicated in the table below serve as a benchmark for appointments, succession planning and development interventions.
- Individuals falling within the Basic range are deemed unsuitable for the role of senior manager, and caution should be applied in promoting and appointing such persons.
- Individuals that operate in the Superior range are deemed highly competent and demonstrate an exceptional level of practical knowledge, attitude and quality. These individuals should be considered for higher positions, and should be earmarked for leadership programs and succession planning.

ACHIEVEMENT LEVELS	RATING	ACHIEVEMENT LEVELS
Basic	1-2	Applies basic concepts, methods, and understanding of local government operations, but requires supervision and development intervention
Competent	3	Develops and applies more progressive concepts, methods and understanding. Plans and guides the work of others and executes progressive analyses
Advanced	4	Develops and applies complex concepts, methods and understanding. Effectively directs and leads a group and executes in- depth analyses
Superior	5	Has a comprehensive understanding of local government operations, critical in shaping strategic direction and change, develops and applies comprehensive concepts and methods

B. Performance Evaluation Committee for S57/56 Managers

The Evaluation Panel Committee evaluates Section 56 employees' (including the Municipal Manager's) performance through approval of their final performance ratings, based on the Performance Evaluation Committee's recommendations.

The 2006 Municipal Performance Regulations prescribe the composition of the Evaluation Panel and also stipulates in detail how the evaluation process should be undertaken.

For purposes of evaluating the annual performance of the Municipal Manager (Organization), The Honorable Mayor must establish an evaluation panel, herein referred to Honorable Mayor's Review Panel, constituted of the following persons:

- Honorable Mayor;
- Chairperson of the Audit committee
- Member of the Executive Committee
- Mayor and/or municipal manager from another municipality; and
- Member of a ward committee as nominated by the Honorable Mayor.

For purposes of evaluating the annual performance of managers directly accountable to the municipal manager (HoD /Department), the Municipal Manager must establish an evaluation panel, herein referred to Municipal Manager's Review Panel, constituted of the following persons:

- Municipal Manager;
- Chairperson of the Performance audit committee
- Member of the Executive Committee
- Municipal Manager from another municipality.

The Evaluation Panel committee will then prepare a report with the recommendations to the Honorable Mayor for the payment of Bonuses of the Municipal Manager and S56 Managers.

6.5.2 Rewarding Employees below Section 56 Managers

The Employee's assessment will be based on his or her performance in terms of the outputs / outcomes (performance indicators) identified as per **SDBIP/JOB DESCRIPTION**, which are linked to the Key Performance Areas (KPA's), and relevant Competency Requirements respectively. The combined KPA and CCR assessment scores, weighted 80% and 20% respectively, will make up the overall assessment of the individual manager's score. Where the KPA portion is the organizational performance score from the organizational scorecard, and CCR is the result of an assessment on its own.

a. Exceeding Expectation

Employees who consistently exceed the set standards and deliver exceptional work shall be rewarded in the manner to be determined by the Municipal Council as follows:

Rating (score)	Rating (%)	Rating Definition	Non-financial rewards
1-2	100%	Basic	Bronze Medal and 2 special leave days
3	101-116	Competent	Silver Medal and 3 special leave days
4	117-132	Advanced	Gold Medal and 4 special leave days
5	132+	Superior	Platinum Medal and 5 special leave days

b. Performing Below Expectation

Employees who consistently perform below the required standard which in this case is below 100% shall be assisted in boosting their competence through training, close coaching, supervision etc. Should their performance not improve, counselling shall be undertaken.

c. Dealing with Unacceptable Performance

In the case of unacceptable performance, the municipality shall:

- a. Provide systematic remedial and/or developmental support to assist the employee to improve his/her performance; and
- b. If after appropriate performance counselling has been undertaken, the necessary guidance and/or support provided and reasonable time allowed for improvement, performance still does not improve, the municipality may consider invoking incapacity proceedings against the employee which may result in the termination of the employee's contract of employment.

6.6 DISPUTE RESOLUTION MECHANISM

Any dispute about the nature of the employee's Performance Agreement, whether it relates to the key responsibilities, priorities, methods of assessment and/or salary increment in the agreement, must be mediated as follows:-

In the event that consensus between the parties cannot be reached, the fact of non-consensus together with the necessary evidence shall be referred as follows:

- a. In the case of the Municipal Manager, the MEC for Local Government in the province within thirty (30) days of receipt of a formal dispute from the employee.
- b. In the case of Section 56 Managers reporting directly to the Municipal manager, the Mayor, within thirty (30) days of a formal dispute from the employee.
- c. The MEC for Local Government and the Mayor, respectively, shall have the final say with regard to the Municipal Manager's and the Section 56 Managers' assessment respectively.
- d. In the case of staff other than the Municipal Manager or the Section 56 Managers, the fact of non-consensus together with the necessary evidence shall be escalated in line with the municipality's dispute resolution mechanism as embodied in the relevant Collective Agreement.

6.7 INPUT TO INDIVIDUAL DEVELOPMENT PLAN

- a. The gaps between actual performance and the expected level of performance shall be reviewed by the employee and immediate superior from the perspective of identifying opportunities for training and skills development.
- b. Where such opportunities are identified, they shall be documented and submitted to the Director of Corporate Services, who shall make recommendations to the immediate superior for suitable training interventions to address such skills gaps.
- c. These recommendations will then be processed in terms of the Municipality's Training Policy.

6.8 INPUT TO SUCCESSION PLAN

- a. Each Department will be required to compile a Succession Plan, identifying those employees with the demonstrated potential to advance to more senior positions and estimated timeframes within which the identified employees will be suitably skilled and experienced to take on the additional responsibility of more senior positions.
- b. Only employees whose performance scores are either 4 or 5 must be put on a succession planning programme.
- c. The relevant Section 56 Manager shall liaise with the Corporate Services Director to identify areas where the skills of the employee concerned can be utilized, and strategies to be followed in accommodating the aspirations of the employee within the municipal requirements.

6.9 ROLE OF COUNCIL

In line with the Municipal Systems Act (Act No. 32 of 2000), the Municipal Council commits to participating in the development of its performance management system through the Executive Committee and shall:

- a. Oversee the development of the municipality's performance management system.
- b. Assign responsibilities in this regard to the Municipal Manager who shall submit the proposed system to the Municipal Council for adoption, and establish mechanisms to monitor and review the performance management system.

6.10 MONITORING, REVIEW AND REPORTING

Entails reporting Quarterly to the Audit Committee, Council and the public. In addition, a quarterly report and evidence files are also prepared and sent to Internal Audit to be audited, prior it being sent to council and the performance audit committee.

Reviews/auditing - is a key element of the monitoring and evaluation process. This involves verifying that the measurement mechanisms are accurate and that proper procedures are followed to evaluate and improve performance. According to section 45, of the Systems Act, results of the performance measurement must be audited as part of the municipality's internal auditing process and annually by the Auditor-General. The Municipality will therefore have to establish frameworks and structures to evaluate the effectiveness of the municipality's internal performance measurement control systems.

CHAPTER 7: PROGRAMME INTEGRATION

7.1 SECTORAL PLANS & PROGRAMMES

There are a number of sector plans, policies and by laws that have been developed for the Municipality which have been adopted by the council of Amahlathi municipality. An analysis that was done found others to be still relevant and the municipality is in the process of reviewing those which were found to be outdated.

List of Adopted Sector Plans

Department	Plan	Status	
		Year Adopted	Review Year
Budget Treasury And Office	Budget Policy	28 May 2015	20/21
	Credit Control Policy	28 May 2015	20/21
	Indigent Policy	28 May 2015	20/21
	Rates Policy	28 May 2015	20/21
	Virement Policy	28 May 2015	20/21
	Tariff Policy	28 May 2015	20/21
	Petty Cash Policy	28 May 2015	20/21
	Housing and Rental Policy	28 May 2015	20/21
	Customer Care Policy	28 May 2015	20/21
	Financial Systems back-up Policy	28 May 2015	20/21
	Supply Chain Management Policy	28 May 2015	20/21
	Asset Policy	28 May 2015	20/21
	Cash Management and Investment Policy	28 May 2015	20/21
	User Account Management Policy	28 May 2015	20/21
	Fruitless and Wasteful Expenditure	28 May 2015	20/21
Irregular Expenditure Policy and Procedure Manual	28 May 2015	20/21	
Corporate Services	1. Long Service Allowance Policy	31 May 2021	20/21
	2. Bereavement Policy	31 May 2021	20/21

	3. Standby Allowance	31 May 2021	20/21
	4. Smoking Policy	31 May 2021	20/21
	5. Records Management Policy	31 May 2021	20/21
	6. Travel Allowance Scheme for Managers	31 May 2021	19/20
	7. Employee Assistant Policy	31 May 2021	20/21
	8. Occupational Health and Safety Policy	31 May 2021	20/21
	9. Leave Policy	31 May 2021	20/21
	10. Telephone and Cellular Phone Usage Policy	31 May 2021	20/21
	11. Staff Retention Policy	31 May 2021	20/21
	12. HRD Strategy	31 May 2021	20/21
	13. Scarce Skills Policy	31 May 2021	20/21
	14. Civic Funeral Policy	31 May 2021	20/21
	15. Subsistence and Travel Policy	31 May 2021	20/21
	16. Fleet Management Policy	31 May 2021	20/21
	17. Recruitment and Selection Policy	31 May 2021	20/21
	18. Exit and Retirement Policy	31 May 2021	20/21
	19. Change Management Policy	31 May 2021	20/21
	20. Job Evaluation Review Policy	31 May 2021	20/21
	21. Policy on Policy Development		19/20
	22. Acting Allowance Policy	31 May 2021	20/21
	23. Housing Rental Allowance Policy		19/20
	24. Code of Conduct for staff members	31 May 2021	20/21
	25. Induction Training and staff orientation		19/20
	26. Disciplinary Procedure and Code Collective Agreement	31 May 2021	20/21
	27. Substance Abuse Policy		20/21
	28. Employment Equity Plan	June 2007	19/20
	29. Workplace Skills Plan	June 2011	19/20

Community Services	30. HIV/Aids Plan	2006	Adopted
	31. Environmental/Commonage Management Plan	2015	Adopted
	32. Integrated Waste Management Plan	May 2006	Currently under review
	33. Cemetery Policy	2015	Adopted
	34. Pauper Burial Policy		20/21
	35. Vehicle Impounding Policy		17/18
Development And Planning	36. Amahlathi Spatial Development Framework (overarching SDF)	2012	2016
	⑧ Keiskammahoek Local Spatial Development Framework	2011	2016
	⑧ Stutterheim Local Spatial Development Framework		
	⑧ Mlungisi Local Spatial Development Plan	2010	2016
	⑧ Amabele / Ndakana Local Spatial Development Framework	2009	2016
		Currently being developed	Consider to consolidate with Amahlathi SDF
Development And Planning Development And Planning	37. Tourism Master Plan	2008	Currently being reviewed.

	38. Led Strategy	2012	-
	39. Housing Sector Plan	2013	Currently being reviewed
	40. Land Invasion Prevention Policy and By-law	2014	2015
	41. Agricultural Plan	2011	-
	42. SMME Strategy	2016	-
	43. Street Trading Policy	2013	-
	44. Tourism Master Plan	2008	Currently being reviewed.
Strategic Management Services	45. Performance Management Systems Policy Framework	June 2011	20/21
	46. Communication Strategy	2015	20/21
	47. Communication Policy	Developed	20/21
	48. Public Participation Policy	June 2014	20/21
	49. Petitions Framework	June 2014	20/21
	50. Petitions Policy	2016/17	20/21
	51. Social Media Policy	Currently being developed	20/21
	52. Special Programmes Strategy Covering; <ul style="list-style-type: none"> • Youth • Children • Disabled • Women • Elderly • HIV/AIDS 	16/17	
	53. Sport Policy	Currently being developed	
	54. Code of Conduct	Currently being developed	20/21
55. 3G Data Card Policy		20/21	

	56. Back- up Procedure Manual		20/21
	57. Change Management		20/21
	58. Email Acceptable Use Policy		20/21
	59. ICT Acceptable Use Policy		20/21
	60. IT Governance Framework		20/21
	61. Password Policy		20/21
	62. Software Installation Policy		20/21
Office Of The Municipal Manager	63. Audit Committee Charter	May 2011	20/21
	64. Internal Audit Charter		20/21
	65. Risk Management Policy		20/21
	66. ALM Fraud Prevention & Anti-Corruption Policy		20/21
	67. Fraud Prevention Plan		20/21
	68. Amahlathi Draft Governance Framework	Currently being developed	20/21
Engineering Services	69. Private Protection Equipment (PPE) for Electricity	Currently being reviewed	20/21
	70. Electricity By Law		
	71. Bush Clearance & Maintenance Within Power line & Servitudes		
	72. By-law Standard Bush Clearance		
	73. Planting, Pruning, Removal and Treatment of Street Trees		
	74. Roads Maintenance Policy		
	75. Building Control Policy	Currently being developed	20/21
	76. OHS Toolkit PPE Policy		20/21

This chapter outlines the key strategic priorities of the Amahlathi Municipality, as they have been “translated” into priority projects and programmes for implementation.

It is important to understand that these sectoral plans and programmes relate directly to the main developmental issues of concern to the Amahlathi Municipality (as outlined in Chapter Two), and the Objectives and Strategies for development that were formulated in response to the identified issues. Of note, too, is the fact that the Municipal Performance Management System is guided by the Municipality's Objectives and Strategies in structuring assessments, as well as the achievement / implementation of projects and programme actions.

The following Programmes and Sector Plans are addressed in this Chapter: -

1. Housing sector Plan
2. Disaster Management Plan
3. Integrated waste Management Plan

7.2 HOUSING SECTOR PLAN

The Amahlathi Housing Sector Plan 2013-2018 has been completed and is currently being reviewed with the support from Department of Human Settlements.

During the development of the HSP a desktop analysis was undertaken in an attempt to establish the housing needs demand status in Amahlathi. The previous Integrated Development plan, Census 2001, Community Survey 2007 and the census 2011 were considered. As an outcome of the socio-economic profiling and household type analysis it is estimated that approximately 11 000 housing units are required in Amahlathi LM. The process also incorporated an analysis of the current settlement forms and patterns, levels of engineering services.

A strategy for meeting the estimated housing backlog has been proposed and the implementing bodies are suggested at being the ALM, Amathole district municipality and the ECDoHS. In certain areas training of the Amahlathi Housing Unit Officials has been proposed and this shall be provided by the Eastern Cape Department of Human Settlement. For effective implementation, facilitation and monitoring of the current and future housing projects an organogram has been proposed in the document. An analysis of the current staffing arrangement has also been undertaken.

Lastly, due to empirical evidence it is proposed that housing projects should be linked to other related infrastructure projects such as roads, electrification rollout programmes. It is important to consider that the Housing Department proposes an integrated approach to housing delivery. This means that the alignment of engineering and community services programmes with housing projects is important if the housing project implementers and ALM are to provide integrated and self-sustaining settlements.

The housing sector plan also indicates land parcels that are under claim but at present none of these land parcels shall hinder the planned human settlement projects. The plan also makes acknowledgement of the household socio-economic standing of the ALM population in that the majority of residents depend highly on state grants and similarly in terms of housing demand the majority of housing demand is on the RDP programme. It is

perceived that should there be growth in economic development of the towns and the household incomes and social standings improve then the housing product that is required would differ accordingly and the municipality together with the department of human settlements would have to acknowledge such and seeks to implement.

6.3 INTEGRATED WASTE MANAGEMENT PLAN

Amahlathi Municipal Integrated Waste Management Plan that was developed for the period 2012 – 2017 has expired and is currently under review by a Service Provider.

There are 3 landfill sites and one transfer station which are as follows:

- Stutterheim is licensed and operational (Notice issued for contravening the law)
- Keiskammahoek is licensed and operational
- Cathcart Transfer Station is licensed and not yet operational
- Cathcart Waste site, expired closure license and issued compliance notice for illegal operations.

The Department of Economic Development, Environmental Affairs and Tourism (DEDEAT) supported the Municipality by providing funding for waste management intervention - Restoration of Stutterheim waste disposal facility over a three-year cycle period i.e. 2020 – 2023 under the Expanded Public Works Programme in three phases. A total of 6.6 million was allocated in the 2020/201 financial year for Phase 1 where Abantu Environmental Consultants were appointed in October 2020 for implementing the project which was completed in May 2021. An allocation of R 3.3 million was allocated in the 2021/2022 for phase 2 which includes design and construction of a new cell, drainage system and establishment of a recycling storage facility.

There is a Waste By-law currently implemented by the Solid waste section, enforced by the designated Waste Management officer as required by the legislation. It addresses the issue of illegal dumping and compliance with the National Environmental Management Waste Act No.59 of 2008.

There was a project under waste and environmental services (**Good Green Deeds**), which focused on conducting recycling and awareness and/ or Clean-up campaigns (door to door, schools etc.) to address the waste management challenges in Amahlathi Municipality, the project was funded by the Department of Environment, Forestry and Fisheries (DEFF)

There are SALGA, Provincial and District waste forums attended by the waste management section.

7.4 DISASTER MANAGEMENT PLAN

In terms of the current assignment of powers and functions, the Amahlathi Municipality is required to administer and manage the disaster management function. However, given the current capacity constraints, the Amahlathi Municipality actively participates in disaster management processes and procedures within the framework of

disaster management support provided by the Amathole District Municipality. Communication between the two Municipalities is therefore a critical element in the current disaster management procedures.

In line with the District Municipality's role to capacitate Local Municipalities, a Sub-Regional Disaster Control Centre is to be developed in Amahlathi Municipality. Premises for this Centre have been identified in Stutterheim.

In the interim, the Amathole District Municipality has completed the 1st Phase of a District Disaster Management Plan, which will point the way forward for the Amahlathi Municipality in this regard.

7.5 POVERTY ALLEVIATION PROGRAMME

It is noted that a number of initiatives are critically to the essence of poverty alleviation in the local area. These include the implementation of the Consolidated Land Restitution Programme in Keiskammahoek and the resuscitation of irrigation schemes in the Amahlathi Municipal area.

It is important to note that Local Economic Development within Amahlathi is currently greatly improved in the implementation of economic development initiative.

CHAPTER 8: FINANCIAL PLAN

The purpose of this chapter is to outline the financial plan that supports the long-term financial sustainability of the Amahlathi Municipality. The financial plan is necessary to ensure that the municipality is able to effectively and efficiently implement its mandate; it is prepared to assist in the planning of operating and capital expenditure within the municipality and in so doing, maintain financial stability and sustainability. The municipality must make use of its available financial resources in an effective, efficient and economical manner when achieving the targets and objectives of the IDP.

The IDP is the guiding document for the 2022/23 budget planning process. The outcome of this Integrated Development Plan is the alignment of the planning process and resource allocations to the imperatives of the strategic direction. Thus compilation and approval of the 2022/23 Medium-term Revenue and Expenditure Framework (three year budget) was a direct product aligned to the imperatives and strategic direction of the Amahlathi. The link between Government's priorities and spending plans is not an end in itself, but the goal should be to enhance service delivery aimed at improving the quality of life for all the people within the municipality.

In terms of National Treasury's Municipal Budget and Reporting Regulations, the budget of a municipality is required to encompass 3 years of audited information; the current year; the next financial year and the two outer financial years. The funding of the annual budget has been calculated taking into account the following:-

- Rates and Service Charges
- Interest on outstanding debtors
- Interest expected to be received from investments
- Grants as guided by the division of revenue act (DORA).

8.1 **FINANCIAL FRAMEWORK**

The uniqueness of the area in which the municipality has jurisdiction, in comparison to other municipalities, must be considered when assessing its financial viability and sustainability. The Amahlathi can be categorized as a rural municipality and thus requires significant additional resources and funding to accomplish expected development and service delivery. From a financial perspective the financial viability and sustainability of the municipality remains priority.

8.1.1 Sufficient Revenue base

The ALM requires access to sufficient revenue sources from both its own operations and from government transfers and subsidies in order to perform its duties and responsibilities. The timing of the receipt of the revenue resources

is of critical importance as it has a direct impact on the cash flows of the municipality. Without the receipt of revenue, suppliers cannot be paid for services rendered and goods received. The DORA sets out the funding that will be received from National Government for the 2022/23 to 2024/2025 financial years. The debtors' collection rate is monitored on a monthly basis. This information assists the municipality in determining its financial position more accurately and can be used to make decisions pertaining to levels of borrowing if required. Below is the table showing anticipated revenue:

(Revenue by source)

EC124 Amahlathi - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue By Source											
Property rates	2	17 885	18 993	20 796	23 785	23 785	23 785	-	23 785	24 831	25 949
Service charges - electricity revenue	2	26 775	29 982	37 467	40 200	39 565	39 565	-	41 147	42 958	44 891
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	11 433	8 514	12 115	12 000	12 635	12 635	-	13 141	13 719	14 336
Rental of facilities and equipment		486	58	44	171	100	100	-	100	104	109
Interest earned - external investments		965	1 434	1 001	1 845	490	490	-	1 040	1 086	1 135
Interest earned - outstanding debtors		5 676	7 116	7 057	10 000	8 313	8 313	-	8 646	9 026	9 432
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		13	16	6	105	55	55	-	15	16	16
Licences and permits		1 170	1 552	2 500	2 340	2 340	2 340	-	2 429	2 536	2 650
Agency services		852	1 389	1 282	1 758	1 758	1 758	-	1 829	1 909	1 995
Transfers and subsidies		102 387	112 294	144 141	121 545	125 751	125 751	-	130 728	135 082	141 930
Other revenue	2	7 649	36 262	2 217	8 453	8 452	8 452	-	5 996	6 260	6 542
Gains		-	-	803	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		175 290	217 611	229 432	222 202	223 245	223 245	-	228 855	237 527	248 985

(Expenditure by Type)

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

EC124 Amahlathi - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand	1										
Expenditure By Type											
Employee related costs	2	126 609	124 000	132 726	129 931	129 931	129 931	-	106 959	104 959	104 959
Remuneration of councillors		11 456	11 993	11 599	11 996	11 996	11 996	-	11 996	12 476	12 975
Debt impairment	3	9 366	32 644	26 485	20 000	20 000	20 000	-	27 000	28 188	29 456
Depreciation & asset impairment	2	65 393	26 647	25 570	26 000	26 000	26 000	-	26 000	26 000	26 000
Finance charges		576	2 667	3 802	3 117	3 117	3 117	-	4 000	4 176	4 364
Bulk purchases - electricity	2	28 928	33 309	35 884	36 606	36 606	36 606	-	38 070	39 745	41 534
Inventory consumed	8	120	445	300	262	396	396	-	267	279	292
Contracted services		19 394	13 771	16 221	20 423	18 804	18 804	-	19 154	18 981	19 836
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-
Other expenditure	4, 5	30 738	16 037	17 559	17 447	17 444	17 444	-	21 891	22 907	23 937
Losses		11 360	4 275	1 662	-	-	-	-	-	-	-
Total Expenditure		303 938	265 788	271 807	265 782	264 294	264 294	-	255 339	257 712	263 354

(Grants and subsidies)

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

EC124 Amahlathi - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		101 187	110 426	136 385	120 345	120 478	120 478	128 755	135 082	141 930
Local Government Equitable Share		97 114	105 863	131 642	115 504	115 504	115 504	124 987	131 233	138 013
Finance Management		1 770	2 235	2 200	2 100	2 100	2 100	2 200	2 200	2 200
Municipal Systems Improvement		-	-	-	-	-	-	-	-	-
EPWP Incentive		921	887	1 000	1 263	1 263	1 263	1 568	-	-
PMU 5%		1 382	1 123	1 399	1 478	1 478	1 478	-	1 649	1 717
Disaster Relief Grant		-	318	145	-	134	134	-	-	-
Other transfers/grants [insert description]										
Provincial Government:		1 200	1 868	7 756	1 200	5 273	5 273	1 973	-	-
Sport and Recreation		1 200	1 200	1 200	1 200	1 200	1 200	1 200	-	-
LED Promotions										
Waste Grant 2m										
Waste Grant 770k		-	-	234						
Capacity										
Recycling		-	-	122						
Vuna Awards										
Seta					-	773	773	773	-	-
Waste Grant 6m		-	-	-	-	3 300	3 300	-	-	-
Donation		-	668	6 200						
Other transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total Operating Transfers and Grants	5	102 387	112 294	144 141	121 545	125 751	125 751	130 728	135 082	141 930
Capital Transfers and Grants										
National Government:		19 363	12 310	52 932	28 080	28 080	28 080	31 701	41 331	43 072
Municipal Infrastructure Grant (MIG)		14 363	12 310	52 932	28 080	28 080	28 080	31 701	31 331	32 623
INEP Grant		5 000	-	-				-	10 000	10 449
Waste Grant		-	-	-						
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total Capital Transfers and Grants	5	19 363	12 310	52 932	28 080	28 080	28 080	31 701	41 331	43 072
TOTAL RECEIPTS OF TRANSFERS & GRANTS		121 749	124 604	197 073	149 625	153 831	153 831	162 429	176 413	185 002

8.1.2 Cash flow position and sustainability

The availability of cash and sound cash management is critical for the short, medium and long term existence of the municipality. Amahlathi operates in an environment of limited resources and must therefore make use of the available resources in an effective, efficient and economical manner. The debtors turnover days has a significant impact on the liquidity/availability of the cash of the municipality as suppliers are to be paid within 30 days of receipt

of the invoice in terms of Section 65(2)(e) of the MFMA, while the average debtors' days exceeds 90 days. This implies that cash is flowing out at a faster rate than it is flowing into the municipality. The following depicts the audited financial ratios for the past two years:

Financial Ratios:-

FINANCIAL VIABILITY ASSESSMENT			
		As at 30 June 2021	As at 30 June 2020
Expenditure management			
1.1	Creditor-payment period	296.2 Days	418 Days
Revenue management			
2.1	Debt-collection period (after impairment)	67.0 Days	63.1 Days
2.2	Debt-impairment provision as a percentage of accounts receivable	86.6%	81.6%
	· Amount of debt-impairment provision	R106 742 080	R80 257 034
	· Amount of accounts receivable		
		R123 192 768	R98 331 951
Asset and liability management			
3.1	A deficit for the year was realized (total expenditure exceeded total revenue)	No	Yes
	· Amount of the surplus / (deficit) for the year	R10 556 138	R35 867 922
3.2	A net current liability position was realized (total current liabilities exceeded total current assets)	Yes	Yes
	· Amount of the net current assets / (liability) position	R93 356 960	-R 82 537 891
3.3	A net liability position was realized (total liabilities exceeded total assets)	No	No
	· Amount of the net asset / (liability) position	R270 5254 663	R259 698 522
Cash management			
4.1	The year-end bank balance was in overdraft	No	No
	· Amount of year-end bank balance (cash and cash equivalents) / (bank overdraft)	R13 426 476	R46 931 240
4.2	Net cash flows for the year from operating activities were negative	No	No
	· Amount of net cash in / (out)flows for the year from operating activities	R21 433 403	R48 920 891
4.3	Creditors as a percentage of cash and cash equivalents	753.7%	183.8 %
	· Amount of creditors (accounts payable)	R101 201 856	R86 263 309

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

	· Amount of cash and cash equivalents / (bank overdraft) at year-end	R13 426 476	R46 931 240
4.4	Current liabilities as a percentage of next year's budgeted resources **	93.3%	93.9%
	· Amount of current liabilities	R125 999 297	R148 023 703
	· Amount of next year's budgeted income	R134 986 750	R157 718 635

Budgeted Cash Flow Table:-

EC124 Amahlathi - Table A7 Budgeted Cash Flows											
Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		8 253	9 658	11 549	23 785	23 785	23 785	-	19 028	19 865	20 759
Service charges		31 317	22 027	31 553	52 200	52 200	52 200	-	43 430	45 341	47 382
Other revenue		9 000	39 944	12 250	12 832	12 706	12 706	-	10 369	10 825	11 312
Transfers and Subsidies - Operational	1	102 387	111 626	137 729	121 545	125 751	125 751	-	129 955	135 082	141 930
Transfers and Subsidies - Capital	1	19 363	12 310	53 144	28 080	28 080	28 080	-	31 701	41 331	43 072
Interest		6 641	8 550	8 059	11 845	8 803	8 803	-	1 040	1 086	1 135
Dividends		-	-	-	-	-	-	-	-	-	-
Payments											
Suppliers and employees		(155 455)	(152 527)	(229 048)	(211 665)	(215 177)	(215 177)	-	(197 539)	(198 548)	(202 733)
Finance charges		(573)	(2 667)	(3 802)	(3 117)	(3 117)	(3 117)	-	(4 000)	(4 176)	(4 364)
Transfers and Grants	1	-	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		20 932	48 921	21 433	35 504	33 031	33 031	-	33 984	50 806	58 492
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
Payments											
Capital assets		(17 707)	(11 932)	(54 762)	(31 130)	(39 668)	(39 668)	-	(39 791)	(41 331)	(43 072)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(17 707)	(11 932)	(54 762)	(31 130)	(39 668)	(39 668)	-	(39 791)	(41 331)	(43 072)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-
Payments											
Repayment of borrowing		212	(172)	(177)	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		212	(172)	(177)	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		3 437	36 816	(33 505)	4 374	(6 636)	(6 636)	-	(5 807)	9 475	15 420
Cash/cash equivalents at the year begin:	2	6 678	10 115	46 931	27 056	13 426	13 426	-	13 426	7 620	17 095
Cash/cash equivalents at the year end:	2	10 115	46 931	13 426	31 431	6 790	6 790	-	7 620	17 095	32 515

In an ideal situation, the operating budget should produce annual operating surpluses so as to improve the cash reserves. However, the municipality is currently experiencing financial challenges as the weakening financial situation, adoption of unfunded mandates remains a financial strain on Amahlathi's revenue sources. The current budget is not fully funded and is not cash-backed. However, there is a financial turnaround plan that is being implemented to improve the current financial position. Services are to be provided at an affordable and sustainable level.

8.1.3 Accountability and transparency

The Amahlathi is accountable to the taxpayers and communities, who are the providers of the resources, of how resources are utilized, managed and safeguarded. Hence the IDP and budget processes are open to public participation. The Amahlathi has reporting procedures to produce accurate financial information for both management and oversight decision purposes.

8.1.4 Development and investment

Below is a table depicting the extent of the investment made by the municipality in terms of capital projects to be implemented in the 2022/2023 financial year:-

Project	Funding	2023	2024	2025
Mthwaku Dontsa Access Roads	MIG	3 500 000	-	-
Stutterheim Recreation Centre	MIG	4 775 000	5 000 000	-
Mlungisi Sportfield	MIG	2 500 000	-	-
Mzamomhle Paving	MIG	2 500 000	1 000 000	-
Toise Internal Roads	MIG	2 000 000	-	-
Revamp Municipal Offices	MIG	50 000	-	-
KKH Recreation Center	MIG	4 775 000	5 000 000	-
Mbaxa Community Hall	MIG	-	3 000 000	-
Frankfort Internal Roads	MIG	-	2 500 000	-
Phumlani Community Hall	MIG	-	3 000 000	-
Nqenqe Internal Roads	MIG	-	3 715 050	-
Paving of Xholorha Internal Roads	MIG	-	5 615 950	-
Izidenge Internal Roads	MIG	-	2 500 000	-
Lower Kologha Internal Roads	MIG	2 200 000	-	-
Khayelitsha Internal Roads	MIG	1 415 950	-	-
Upper Gxulu Internal Roads	MIG	2 000 000	-	-
Border Post Internal Roads	MIG	1 500 000	-	-
Surfacing of Cathcart Streets	MIG	2 485 050	-	-
Mgwali Internal Roads	MIG	2 000 000	-	-
MIG Projects (Ward 1 – 15)	MIG	-	-	32 623 000
Upgrade Electricity Projects	INEP	-	10 000 000	10 449 000
Surfacing of Carthcart Streets	Own Funds	5 000 000	-	-
PMU Cameras	Own Funds	50 000	-	-
Buildings	Own Funds	1 000 000	-	-

IT Capital Spares	Own Funds	150 000	-	-
Furniture & Office Equipment	Own Funds	50 000	-	-
Computers	Own Funds	100 000	-	-
Covid Electricity Repairs	Own Funds	840 000	-	-
MV Switchboard	Own Funds	900 000	-	-
Total		39 791 000	41 331 000	43 072 000

8.2 FINANCIAL STRATEGIES

The financial plan of the municipality is intended to enhance the financial sustainability and viability through the following strategic financial objectives:

- Revenue raising strategies;
- Asset management strategies;
- Financial management strategies;
- Capital financing strategies; and
- Operational financing strategies;

8.2.1 Revenue Raising Strategies

Some of the significant programs and projects that the municipality is implementing are as follows:

The implementation of the reviewed and approved Rates Policy, Tariff policy, Debt collection and Credit Control policy, Indigent Policy, Budget policy Investment policy etc. These policies outline the relevant procedures of levying tariffs, credit control, debt collection and indigent support. The indigent policy also defines the qualification criteria for indigent status. The tariff policy endeavors to levy affordable and sustainable service charges for services rendered to all consumers within the municipal area. The municipality has also developed a Revenue Enhancement Strategy which is currently being implemented.

8.2.2 Asset Management Strategies

The municipality continues to ensure the safe-guarding of its assets as well as sound management of its assets. This is mainly achieved by the following:

- Implementation of the reviewed Asset Management Policy. This policy outlines the processes for the recognition, measurement and disposal of assets, including the preparation of a GRAP compliant asset register.
- Further to the policy and strategy, the municipality uses an Asset Management System in order to capture, track and update the Asset register. This is done to assist in the improved control and management of assets, particularly moveable assets. This system also includes the production of a GRAP compliant asset register
- With regards to safe-guarding of assets the municipal assets are insured in an effort to transfer and share the risk in the event of an occurrence.

8.2.3 Financial Management Strategies

Some of the more significant programmes include the following:

- Integration of all computerized systems to ensure accurate, relevant and timely reporting to all stakeholders.
- Continue the implementation of public participation in the budget process.

8.2.4 Capital Financing Strategies

The grant funding received from the national government has a significant influence on the capital investment programs of the municipality. Improved planning is required to ensure that municipal projects are implemented as planned and that spending is fast-tracked in order to increase the allocation. The table below indicates the percentages of capital expenditure for the past two years.

Detail	Year 2020/21	Year 2019/20
Capital Expenditure	100%	31%

8.2.5 Operational Financing Strategies

At the end of the 2020/2021 financial year, the payroll costs excluding remuneration of councillors were 49% of the total expenditure. For the 2021/22 financial year, the total expenditure, excluding capital expenditure, amounted to R264m and R262m in the 2022/23 budget. The repairs and maintenance expenditure as a percentage of total operating expenditure remains below 8%. The municipality remains grant dependent with its revenue base comprised of 57% grant income and 43% own revenue. The municipality implemented a new general valuation roll effective 1st July 2020. The valuation roll which is effective for a period of 5 years will be updated through supplementary rolls. The revenue for the municipality is continuously declining which puts pressure on available cash and increases the debtors' collection period.

8.3 THREE (3) YEAR FINANCIAL PLAN

Budgeting is primarily about the priorities and choices that the Municipality has to make in deciding how to meet the agreed set of policy objectives through better service delivery. With the compilation of the 2022/23 MTREF, each strategic department had to review the business planning process, setting of priorities and targets. The extensive business planning process as undertaken with the compilation of the 2022/23 MTREF has essentially been refined and further aligned incorporating key measurable objectives and targets to ensure the planning process translates into actual performance.

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

EC124 Amahlathi - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand	1										
Revenue By Source											
Property rates	2	17 885	18 993	20 796	23 785	23 785	23 785	-	23 785	24 831	25 949
Service charges - electricity revenue	2	26 775	29 982	37 467	40 200	39 565	39 565	-	41 147	42 958	44 891
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	11 433	8 514	12 115	12 000	12 635	12 635	-	13 141	13 719	14 336
Rental of facilities and equipment		486	58	44	171	100	100	-	100	104	109
Interest earned - external investments		965	1 434	1 001	1 845	490	490	-	1 040	1 086	1 135
Interest earned - outstanding debtors		5 676	7 116	7 057	10 000	8 313	8 313	-	8 646	9 026	9 432
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		13	16	6	105	55	55	-	15	16	16
Licences and permits		1 170	1 552	2 500	2 340	2 340	2 340	-	2 429	2 536	2 650
Agency services		852	1 389	1 282	1 758	1 758	1 758	-	1 829	1 909	1 995
Transfers and subsidies		102 387	112 294	144 141	121 545	125 751	125 751	-	130 728	135 082	141 930
Other revenue	2	7 649	36 262	2 217	8 453	8 452	8 452	-	5 996	6 260	6 542
Gains		-	-	803	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		175 290	217 611	229 432	222 202	223 245	223 245	-	228 855	237 527	248 985
Expenditure By Type											
Employee related costs	2	126 609	124 000	132 726	129 931	129 931	129 931	-	106 959	104 959	104 959
Remuneration of councillors		11 456	11 993	11 599	11 996	11 996	11 996	-	11 996	12 476	12 975
Debt impairment	3	9 366	32 644	26 485	20 000	20 000	20 000	-	27 000	28 188	29 456
Depreciation & asset impairment	2	65 393	26 647	25 570	26 000	26 000	26 000	-	26 000	26 000	26 000
Finance charges		576	2 667	3 802	3 117	3 117	3 117	-	4 000	4 176	4 364
Bulk purchases - electricity	2	28 928	33 309	35 884	36 606	36 606	36 606	-	38 070	39 745	41 534
Inventory consumed	8	120	445	300	262	396	396	-	267	279	292
Contracted services		19 394	13 771	16 221	20 423	18 804	18 804	-	19 154	18 981	19 836
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-
Other expenditure	4, 5	30 738	16 037	17 559	17 447	17 444	17 444	-	21 891	22 907	23 937
Losses		11 360	4 275	1 662	-	-	-	-	-	-	-
Total Expenditure		303 938	265 788	271 807	265 782	264 294	264 294	-	255 339	257 712	263 354
Surplus/(Deficit)		(128 648)	(48 178)	(42 376)	(43 581)	(41 049)	(41 049)	-	(26 484)	(20 185)	(14 369)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		19 363	12 310	52 932	28 080	28 080	28 080	-	31 701	41 331	43 072
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)	6	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(109 285)	(35 868)	10 556	(15 501)	(12 969)	(12 969)	-	5 217	21 146	28 703
Taxation		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		(109 285)	(35 868)	10 556	(15 501)	(12 969)	(12 969)	-	5 217	21 146	28 703
Attributable to minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		(109 285)	(35 868)	10 556	(15 501)	(12 969)	(12 969)	-	5 217	21 146	28 703
Share of surplus/ (deficit) of associate	7	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year		(109 285)	(35 868)	10 556	(15 501)	(12 969)	(12 969)	-	5 217	21 146	28 703

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

EC124 Amahlathi - Table A7 Budgeted Cash Flows

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		8 253	9 658	11 549	23 785	23 785	23 785	-	19 028	19 865	20 759
Service charges		31 317	22 027	31 553	52 200	52 200	52 200	-	43 430	45 341	47 382
Other revenue		9 000	39 944	12 250	12 832	12 706	12 706	-	10 369	10 825	11 312
Transfers and Subsidies - Operational	1	102 387	111 626	137 729	121 545	125 751	125 751	-	129 955	135 082	141 930
Transfers and Subsidies - Capital	1	19 363	12 310	53 144	28 080	28 080	28 080	-	31 701	41 331	43 072
Interest		6 641	8 550	8 059	11 845	8 803	8 803	-	1 040	1 086	1 135
Dividends		-	-	-	-	-	-	-	-	-	-
Payments											
Suppliers and employees		(155 455)	(152 527)	(229 048)	(211 665)	(215 177)	(215 177)	-	(197 539)	(198 548)	(202 733)
Finance charges		(573)	(2 667)	(3 802)	(3 117)	(3 117)	(3 117)	-	(4 000)	(4 176)	(4 364)
Transfers and Grants	1	-	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		20 932	48 921	21 433	35 504	33 031	33 031	-	33 984	50 806	58 492
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
Payments											
Capital assets		(17 707)	(11 932)	(54 762)	(31 130)	(39 668)	(39 668)	-	(39 791)	(41 331)	(43 072)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(17 707)	(11 932)	(54 762)	(31 130)	(39 668)	(39 668)	-	(39 791)	(41 331)	(43 072)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-
Payments											
Repayment of borrowing		212	(172)	(177)	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		212	(172)	(177)	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		3 437	36 816	(33 505)	4 374	(6 636)	(6 636)	-	(5 807)	9 475	15 420
Cash/cash equivalents at the year begin:	2	6 678	10 115	46 931	27 056	13 426	13 426	-	13 426	7 620	17 095
Cash/cash equivalents at the year end:	2	10 115	46 931	13 426	31 431	6 790	6 790	-	7 620	17 095	32 515

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

Capital Budget

EC124 Amahlathi - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding											
Vote Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand	1										
Capital Expenditure - Functional											
<i>Governance and administration</i>		700	61	205	250	3 388	3 388	-	300	-	-
Executive and council		635	-	-	-	2 938	2 938	-	-	-	-
Finance and administration		65	61	205	250	450	450	-	300	-	-
Internal audit		-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	-	-	-	-	-	-	1 000	-	-
Community and social services		-	-	-	-	-	-	-	1 000	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		13 006	10 946	41 534	30 880	30 880	30 880	-	36 701	30 331	32 623
Planning and development		13 006	10 774	41 389	28 080	28 080	28 080	-	36 701	30 331	32 623
Road transport		-	172	145	2 800	2 800	2 800	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		5 000	865	7 069	-	5 400	5 400	-	1 790	10 000	10 449
Energy sources		5 000	865	576	-	2 100	2 100	-	1 790	10 000	10 449
Water management		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		-	-	6 493	-	3 300	3 300	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	18 706	11 871	48 808	31 130	39 668	39 668	-	39 791	40 331	43 072
Funded by:											
National Government		18 006	10 774	41 389	28 080	28 080	28 080	-	31 701	40 331	43 072
Provincial Government		-	-	6 493	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	18 006	10 774	47 882	28 080	28 080	28 080	-	31 701	40 331	43 072
Borrowing	6	-	-	-	2 800	2 800	2 800	-	-	-	-
Internally generated funds		700	1 097	926	250	8 788	8 788	-	8 090	-	-
Total Capital Funding	7	18 706	11 871	48 808	31 130	39 668	39 668	-	39 791	40 331	43 072

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

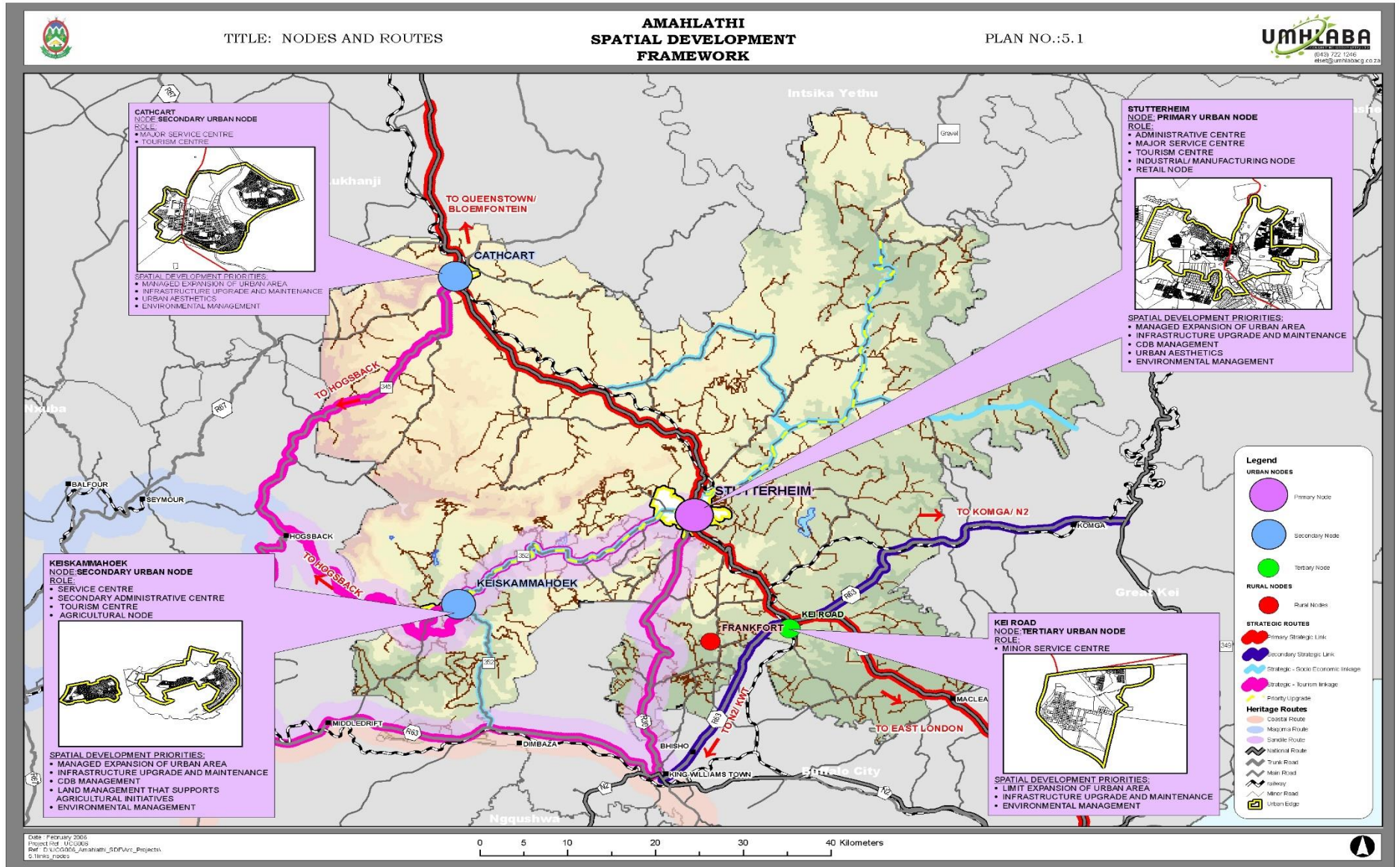
EC124 Amahlathi - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		101 187	110 426	136 385	120 345	120 478	120 478	128 755	135 082	141 930
Local Government Equitable Share		97 114	105 863	131 642	115 504	115 504	115 504	124 987	131 233	138 013
Finance Management		1 770	2 235	2 200	2 100	2 100	2 100	2 200	2 200	2 200
Municipal Systems Improvement		-	-	-	-	-	-	-	-	-
EPWP Incentive		921	887	1 000	1 263	1 263	1 263	1 568	-	-
PMU 5%		1 382	1 123	1 399	1 478	1 478	1 478	-	1 649	1 717
Disaster Relief Grant		-	318	145	-	134	134	-	-	-
Other transfers/grants [insert description]										
Provincial Government:		1 200	1 868	7 756	1 200	5 273	5 273	1 973	-	-
Sport and Recreation		1 200	1 200	1 200	1 200	1 200	1 200	1 200	-	-
LED Promotions										
Waste Grant 2m										
Waste Grant 770k		-	-	234						
Capacity										
Recycling		-	-	122						
Vuna Awards										
Seta					-	773	773	773	-	-
Waste Grant 6m		-	-	-	-	3 300	3 300	-	-	-
Donation		-	668	6 200						
Other transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total operating expenditure of Transfers and Grants:		102 387	112 294	144 141	121 545	125 751	125 751	130 728	135 082	141 930
Capital expenditure of Transfers and Grants										
National Government:		19 363	12 310	52 932	28 080	28 080	28 080	31 701	41 331	43 072
Municipal Infrastructure Grant (MIG)		14 363	12 310	52 932	28 080	28 080	28 080	31 701	31 331	32 623
INEP Grant		5 000	-	-				-	10 000	10 449
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total capital expenditure of Transfers and Grants		19 363	12 310	52 932	28 080	28 080	28 080	31 701	41 331	43 072
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		121 749	124 604	197 073	149 625	153 831	153 831	162 429	176 413	185 002

CHAPTER 9: AMAHLATHI DEVELOPMENT PLANS

THERE ARE FOUR SPATIAL DEVELOPMENT PLANS:-

1. Amahlathi Spatial Development plan that was adopted in 2006 reviewed and adopted in 2013.
2. Ndakana Spatial development plan has been developed in 2015.
3. Mlungisi Spatial Development plan that was adopted by the council on May 2009 and will be consolidated with Stutterheim SDF.
4. Keiskammahoek was adopted in 2011 and will be consolidated with the Stutterheim SDF review.



CHAPTER 10: IDP & BUDGET PROCESS PLAN

SECTION ONE: IDP PROCESS PLAN

1. INTRODUCTION

On the 31st May 2021, Amahlathi Municipality adopted its reviewed 2021/2022 Integrated Development Plan (IDP) for the municipality. The IDP was developed in accordance with requirements set out in the Municipal Systems Act (32 of 2000) and Local Government Municipal Planning and Performance Management Regulations (2001).

Section 28 (1) of the Municipal Systems Act no. 32 of 2000 states that each municipal council must, within a prescribed period after the start of council's elected term, adopt a process set out in writing to guide the planning, drafting, adoption and review of its IDP. The way in which the IDP process will be undertaken is outlined in Process Plans which all municipalities must prepare. These Process Plans need to comply with this Framework Plan to ensure alignment and co-ordination between district and local municipalities as stipulated in the Municipal Systems Act.

The Local Government: Municipal Planning and Performance Management Regulation, 2001 provides elaborately on the contents of the Integrated Development Plan and the processes the Municipality must subject the IDP process into when doing its development or review.

1.1 Legal context

According to Section 27(2) of the Municipal Systems Act, the framework plan binds both the district municipality and the local municipalities. The Act states that the framework plan must at least cover the following issues:

- Identify plans and planning requirements binding in terms of national and provincial legislation on the district municipality and the local municipalities or on any specific municipality;
- Identify matters to be included in the integrated development plans of the district municipality and the local municipalities that require alignment;
- Specify the principles to be applied and co-ordinate the approach to be adopted in respect of those matters; and
- Determine procedures:
 - i) For consultation between the district municipality and the local municipalities during the process of drafting their respective integrated development plans; and
 - ii) To effect essential amendments to the framework.

The Municipal Finance Management Act (MFMA) is very clear in respect to time-frames for the IDP and the budget. The MFMA requires the budget and IDP schedule (or the IDP Process Plan) to be adopted by Council by the end of August, the budget and IDP to be tabled before the council in March and Budget and IDP to be adopted by council in May (section 21 and 24).

1.2 Elements of IDP Reviewal Process

The IDP reviewal process is mainly geared towards picking up on early-warning sign for corrective action whenever it is required. The Performance Indicators are flowing from the IDP and constitute the heart of the Performance Management System. The above lay the basis for the review of the Integrated Development Plan.

Aside from the statutory imperative, it is necessary for Amahlathi Municipality to review its IDP in order to:

- Ensure the IDP's relevance as the municipality's strategic plan
- Inform other components of the municipal business processes, including institutional and financial planning and budgeting
- Inform the cyclical inter-governmental planning and budget processes

In the IDP review cycle changes to the IDP may be required from these main sources:

- Comments from the MEC, if any;
- Incorporation of the most recent descriptive data
- Review and refinement of the objectives and strategies
- Review and refinement of the projects
- Amendments in response to changing circumstances; and
- Improving the IDP process and content.

The significant development, which in all probabilities will have a huge impact on the IDP, is the Community Based Planning. The Community Based Planning is a planning instrument, which is geared towards the enhancement of the community participation component of the IDP. Of particular concern has been the inability of the IDP to translate community participation into an organic process.

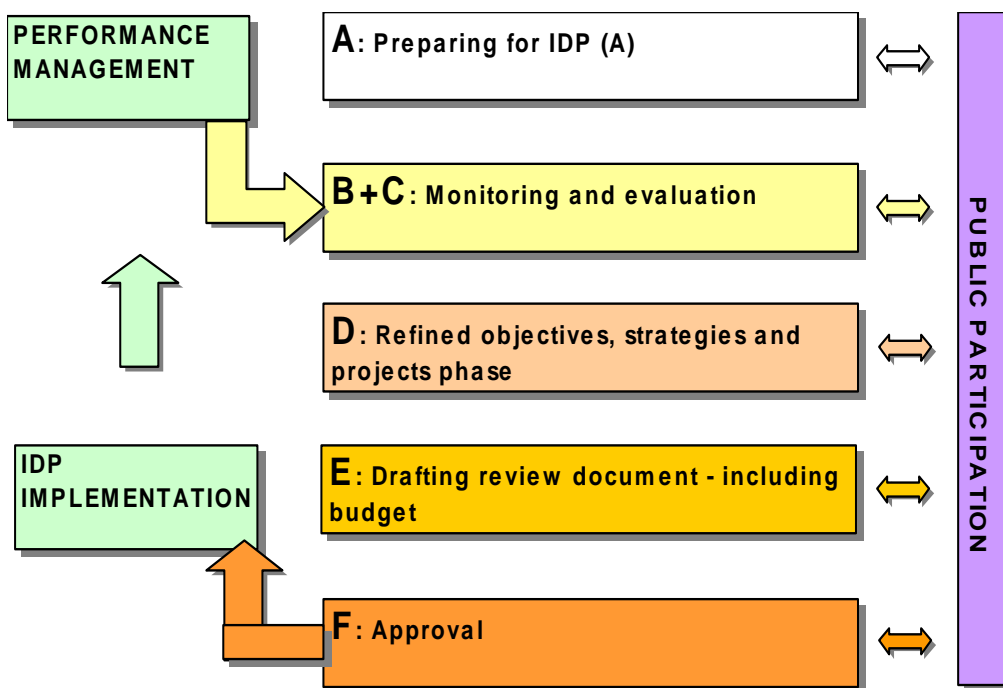
The main output is a 5-year strategic document. This strategic document is likely to comprise a number of components, including:

- Institutional Plan
- Financial Plan
- Spatial Development Framework,
- Performance Management Framework
- Various Sector Plans,
- List of programs and projects,

- Service Delivery and Budget Implementation Plan.

1.3 IDP Process

This process describes a continuous cycle of planning, implementation and review as can be seen in the figure below. During the year new information becomes available and unexpected events may occur. Some of the information can make immediate changes to the planning and the implementation of the IDP. After the developed IDP has been adopted, implementation as well as situational changes will continue to occur, which is again monitored throughout the year and evaluated for consideration in the next IDP review (DPLG, IDP Guide Pack, Guide IV).



Each of these steps is reflected in the Action Plan which outlines the time frames and activities within which these steps should take. Because the roll out of the PMS is part of the review process, it is also included in the Action Plan.

2. ORGANISATIONAL ARRANGEMENTS

Three structures will guide the IDP Process within the Amahlathi Municipal Area

- 2.1 IDP & Budget Steering Committees

2.2 Inter-Governmental Relations

2.3 IDP Representative Forums

2.1 *IDP & Budget Steering Committee*

The Mayor of a municipality must establish a Budget Steering committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act (MFMA). The Budget Steering Committees shall be comprised as follows guided by MBRR.

- (a) the councilor responsible for financial matters;
- (b) the municipal manager;
- (c) the chief financial officer;
- (d) the senior managers responsible for at least the three largest votes in the municipality;
- (e) the manager responsible for budgeting;
- (f) the manager responsible for planning and any technical experts on infrastructure.
- (g) The manager responsible for internal auditing.

An IDP & Budget Technical Working Committee (Task Team) that would function as a technical working team consists of the following members:

- Municipal Manager – Chairperson
- General Manager: Monitoring and Reporting, IDP & Annual Reporting
- Director Planning & Development
- Chief Financial Officer
- Director Engineering Services
- Director Corporate Services
- Director Community Services
- Manager: Budgeting, Financial Reporting & Asset Management
- Manager: IDP & PMS
- Accountant Budget and Reporting, to provide secretariat
- IDP Officer to assist secretariat
- Senior and middle management

The steering committee would provide a technical support to the IDP Driver to ensure a smooth planning process. It is supposed to guide the process. This means that amongst other things it will be responsible for:

- Establishment of the Representative Forum
- Define criteria to choose members of the Forum
- Inform public about the establishment of the forum, request submissions of applications from stakeholders and communities (indicate objectives, activities and number of members)
- Identify additional stakeholders from unorganized groups, e.g. potential academics, advocates, doctors and resource persons.
- Submit proposed groups/ members to the Council for consideration

2.2 *Inter-Governmental Relations*

The main objective of the Amahlathi Local Municipality IGR Forum is to enhance coordinated, integrated and aligned development and consider priorities in the entire municipal area. Additional objectives include the following:

- h) Development of a Local Government Programme of Action in relation to the National and Provincial Programmes.
- i) To facilitate the coordination, integration and alignment of provincial and municipal strategic planning and to put in place mechanisms and procedures that will ensure that provincial strategic planning informs and is informed by the IDP of the Amahlathi Local Municipality.
- j) To consult on policy issues that materially affects Local Government.
- k) To develop and provide mechanisms to engage Provincial Government and the Office of the Premier on IGR related matters and/or challenges.
- l) To consider such other matters of mutual interest as either party may place on the agenda of a meeting from time to time.
- m) To promote economic growth and development through trade, investment and tourism.
- n) To share knowledge and expertise in local governance generally or in agreed functional areas.

The goal of the Amahlathi Local Municipality IGR Forum is to ensure that the decisions reached are implemented by:

- d) Sharing of information on/and understanding of the respective programmes of all stakeholders.
- e) A clearer understanding of mutual strategic priorities and how these complement each other.
- f) A commitment to collaborate, engage continually and share information on policy implementation, success stories and co-ordinate activities.

Role of Amahlathi Local Municipality in the IGR Forum

The Amahlathi Local Municipality IGR Forum is a consultative forum for Amahlathi Local Municipality to discuss and consult with stakeholders on matters of mutual interest, including:

- i. Coordinating, overseeing and monitoring the implementation of national, provincial and district governance policies and legislations relating to matters affecting local government interests in Amahlathi Local Municipality;
- j. Matters arising in the District Mayors Forum (DIMAFO), Provincial MuniMEC and the Premier's Coordinating Forum affecting Amahlathi Local Municipality;
- k. Mutual support in terms of the section 88 of Local Government Municipal Structures Act 117 of 1998;

- l. The provision of services in Amahlathi Local Municipality as well as the performance of the Amahlathi Local Municipality in the provision of services in order to detect failures and to initiate supportive, preventive or corrective action when necessary;
- m. Coherent planning and development in Amahlathi Local Municipality;
- n. The coordination and alignment of the strategic and performance plans and priorities, objectives and strategies between the Amahlathi Local Municipality, District Municipality and other spheres of government.
- o. Any other matters of strategic importance which affects the interests of Amahlathi Local Municipality
- p. Coordination of IGR cluster forums that are aligned to Key Performance Areas of local government

2.3 *Integrated Development Plan Representative Forum*

The most critical structure established for this process, especially for purposes of ensuring maximized participation of different interest groups and sectors, is the IDP Representative Forum. The rationale behind the establishment of this committee is to ensure that communication channels are kept smooth and efficiently.

The function of the IDP Representative Forum includes the following:

- To ensure that every activity and decisions taken in the IDP development process are communicated to the communities.
- To monitor and ensure that all decisions that are taken with regards to routes that the IDP must take from time to time are followed to the latter.
- To reflect and safeguard the community inputs. This means that they are the mouthpiece of the communities.
- To represent the interests of their communities.
- To provide an organizational mechanism for discussion, negotiation and decision making between stakeholders including the municipal government.
- To participate in the process of setting and monitoring key performance indicators.

Ward/PR Councilors, Traditional Leaders and Ward Committees:

Their responsibility is to ensure that at all times their mandate in the Integrated Development Forum comes from communities which they represent particularly on issues affecting them. The Ward/PR Councilors, Traditional Leaders and ward Committees are further expected to communicate deliberations of the IDP Representative Forum and always ensure that feedback is given to the communities on progress registered. The minutes on the forums convened are always reported to the Council for considerations.

Ward Planning Forum:

Voices of the community responsible for social mobilization, stressing the need to engage with local government to secure services and resources. This forum will champion the planning review processes at a ward level.

District Municipality:

The main role of the Amathole District Municipality is to provide technical inputs and assistance on the processes.

2.4 Schedule of activities

In addition, various activities are required for the IDP Review Process:

2022/23 IDP, BUDGET & PMS PROCESS ACTION PROGRAM				
PHASE	Activities	Timeframe		Responsible Department
A	Preparation phase / Pre-planning			
IDP AND BUDGET				
1.	Signing of Performance Agreements	31 July 2021		Strategic Services- IDP/PMS
2.	Budget Steering Committee	20 August 2021		BTO & Strategic Services
3.	Development of Framework Plan Process Plan (IDP & Budget), later submitted to the Council for Approval	27 August 2021	Revised IDP & Budget Process Plan submitted to Council for Approval (08 December 2021)	Strategic Planning / BTO / Corporate Services
4.	Submit adopted Framework and Process Plans with Council resolution to MEC - COGTA	04 September 2021	Submit Revised IDP/Budget Process Plan (10 December 2021)	Strategic Services- IDP/PMS
5.	Advertise IDP Framework and IDP/Budget Process Plan	04 September 2021	Advertise IDP/Budget Process Plan (10 December 2021)	Strategic Services- IDP/PMS
PERFORMANCE MANAGEMENT				
6.	Head of Department's performance evaluations	26 July 2021		Municipal Manger
7.	Submit 4th quarter report for 20/21 financial year to Council	Within 30 days after the end of each Quarter 29 July 2021		Strategic Services- IDP/PMS
8.	Signing and Publicize Performance Agreements no later than 14 days after approval	31 July 2021		Strategic Services- IDP/PMS

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

	Submission to MEC COGTA			
9.	Development and Consolidation of Draft Annual Report (Section 127 report) and submit to Internal Audit for review	18 August 2021		Strategic Services- IDP/PMS
10.	Submit annual performance report to Internal Audit Committee	25 August 2021		Strategic Services- IDP/PMS
11.	Mayor tables the Draft 2020/21 Annual Report in Council	27 August 2021		Office of the Mayor/ Municipal Manager
12.	Council to submit tabled draft annual report to MPAC for vetting and verification of councils' directive on service delivery and the committee to evaluate Senior Managers' performance against agreement entered into	31 August 2021		Strategic Services- IDP/PMS
B+C	Analysis Phase / Monitoring and evaluation			
IDP AND BUDGET				
13.	*Assessment of existing level of development - Situational analysis *Prepare analysis information on existing services, current backlogs and identification of development priorities *Collect data from other sources, analyze impact of new information and unexpected events *Evaluate achievement of objectives and strategies *Get inputs from Sector Plan information *Assess implementation progress, overview of funding available per department (both from	Sept - November 2021		All Departments

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

	savings as well as internal budget and external funds)			
14.	Ward based planning (Mayoral Imbizo's for priority needs identification)	1-22 October 2021	Ward based planning (Mayoral Imbizo's for priority needs identification) 13-14 December 2021	Strategic Services-IDP/PMS Mayor's Office
15.	Intergovernmental Relations (IGR) Meeting	12 October 2021		MM's office - IGR
16.	Commencement of Departmental Strat Plans	25-26 November 2021	Commencement of Departmental Strat Plans 10-14 January 2022	All Directorates
PERFORMANCE MANAGEMENT				
17.	Quarter 1 Performance reporting (July - Sept)	Within 6 working days of the next month after the end of each Quarter 08 October 2021		Heads of Departments
18.	Head of Department's performance evaluations	18th of the next month after the end of the quarter 22 October 2021		Municipal Manager's Office
19.	Submit Quarter 1 Performance Report to Council (Section 52d)	Within 30 days after the end of each Quarter. 29 October 2021		Strategic Services – IDP/PMS
20.	Annual Report public hearings	03-09 November 2021	Annual Report public hearings 10-11 February 2022	Mayor's Office & MPAC
ANNUAL REPORT				
21.	Mayor tabled Annual Report and Audit Report to Council	03 December 2021	Mayor tabled Annual Report and Audit Report to Council 24 February 2022	Office of the Mayor/MM/Strategic Manager
22.	Council adopts Oversight report	03 December 2021	Council adopts Oversight report 29 March 2022	MM/Strategic Manager
23.	Annual Report and Oversight report made	09 December 2021	Annual Report and Oversight report made public e.g.	Strategic Services – IDP/PMS

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

	public e.g. posted on municipality's website		posted on municipality's website 01 April 2022	
24.	Oversight report is submitted to Legislator, Provincial /National Treasury and COGTA	09 December 2021	Oversight report is submitted to Legislator, Provincial /National Treasury and COGTA 01 April 2022	Strategic Services – IDP/PMS
MID TERM PERFORMANCE ASSESSMENT				
25.	Quarterly & Mid-term Performance Report	Within 6 working days of the next month after the end of each Quarter 08 January 2022		Heads of Departments
26.	Consolidated Directorates Quarterly & Mid-Year Performance Reports and later submitted to Internal Audit	Within 10 working days of the next month after the end of the Quarter 13 January 2022		Strategic Services-IDP/PMS
27.	Head of Department's performance evaluations	18th of the next month after the end of the quarter 19 January 2022		Municipal Manager's Office
28.	Submit Quarter 2 and mid-year performance assessment report for 2021/22 to Council	25 January 2022		Municipal Manger/Strategic Planning/BTO/Corporate Services
IDP AND BUDGET				
D	Strategies Phase / Refined objectives, strategies, programmes and projects phase			
29.	Refine strategies, programmes and draft projects as necessary for MTREF period, with key performance indicators and targets (as per strategic plan outcome)	Dec 2020- Jan 2022	Refine strategies, programmes and draft projects as necessary for MTREF period, with key performance indicators and targets (as per strategic plan outcome) Dec-Feb 2022	All Departments
30.	Budget hearings to be held between HoDs and MM to	January 2022		Municipal Manager

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

	assess budgets that exceed funding envelopes			
31.	Technical Strategic Planning Session	02-04 February 2022		Strategic Services-IDP/PMS
32.	Consolidate all inputs including sector plan information and prepare draft IDP and Budget	February - March 2022		Strategic Services / BTO
33.	Budget Steering Committee to consider adjustment Budget allocations (IDP/ Budget link)	15 February 2022		Budget & Treasury Office
34.	Institutional Strat Plan .Adopt proposed programs and projects - agree on key financial issues	16-18 February 2022		Strategic Services- IDP/PMS
35.	Mid-year Performance engagements with Treasury	22 February 2022		Strategic Services/Budget & Treasury Office
36.	Council to adopt Budget and SDBIP adjustments	25 February 2022		Strategic Services/Budget & Treasury Office
37.	Finalize Parameters for MTREF using guidelines from Treasury and outer year budgets	February 2022		Budget & Treasury Office
38.	Intergovernmental Relations (IGR) Meeting	03 March 2022		Strategic Planning - IGR
39.	Council Executive Committee to consider the draft IDP and Budget	16 March 2022		Strategic Services/Budget & Treasury Office
40.	IDP REP Forum Meeting to present the draft IDP	18 March 2022		Mayor's Office/ Strategic Services- IDP/PMS
41.	Council approval of the draft IDP & Budget and noting of the SDBIP	29 March 2022		Strategic Services/BTO/ Corporate Services
42.	Draft IDP and Draft Budget published - Advertise for public comment (21days)	06 April 2022		Strategic Services- IDP/PMS
43.	Budget and Benchmarking Engagements with Treasury	26 April 2022		Budget & Treasury Office

PERFORMANCE MANAGEMENT				
44.	Quarterly Performance Report submitted to IDP/PMS unit	Within 6 working days of the next month after the end of each Quarter 08 April 2022		Heads of Departments
45.	Consolidated Directorates Quarterly Performance Reports and later submit to Internal Audit	Within 10 working days of the next month after the end of the Quarter 14 April 2022		Strategic Services- IDP/PMS
46.	Head of Department's performance evaluations	18th of the next month after the end of the quarter 19 April 2022		Municipal Manager
47.	Submit Quarter 3 Performance Report to Council (Section 52d)	Within 30 days after the end of each Quarter. 29 April 2022		Strategic Services – IDP/PMS
E	Reviewed IDP document (Integration/ programme implementation and operational plan)			
IDP AND BUDGET				
48.	IDP/Budget Public Hearings	06-15 April 2022		Strategic Services/ Budget & Treasury Office Mayor's Office
49.	Incorporate relevant comments to the Draft final reviewed IDP	April- May 2022		Strategic Services- IDP/PMS
50.	Intergovernmental Relations (IGR) Meeting	12 May 2022		Strategic Planning - IGR
51.	Budget Steering Committee (Considering Final IDP and Budget)	13 May 2022		Strategic Services/ Budget & Treasury Office
F	Approval phase			
IDP AND BUDGET				
52.	IDP REP Forum Meeting	18 May 2022		Mayor's Office/ Strategic Services-IDP/PMS
53.	Council Approval of IDP & Budget	27 May 2022		Strategic Services/BTO/ Council Support Services
54.	Submit IDP, Budget and SDBIP to MEC - COGTA,	03 June 2022		Strategic Services- IDP/PMS

	Provincial and National Treasury			
55.	Final IDP and Budget published	Within 14 days of approval) (17 June 2022)		Strategic Services- IDP/PMS

3. MECHANISMS AND PROCEDURES FOR PUBLIC PARTICIPATION

The following public participation mechanisms are proposed for each and every milestone.

Preparation Phase

Notices on the Municipal Website
 Notices on Municipal Facebook Page
 Announcements on Local Radio Stations

Monitoring and Evaluation Phase

Representative Forum Meetings
 Public Hearings

Objectives, strategies and Projects Phase

Representative Forum Meetings

Reviewed IDP Phase

Public Hearings
 Representative Forum Meetings

Approval Phase

Notices on the Municipal Website
 Notices on Municipal Facebook Page
 Announcements on Local Radio Stations
 Representative Forum Meetings

3.1 Public Participation Strategy

The Municipality has a Public Participation Policy that was adopted by Council on 1 September 2015. In accordance with Municipal systems Act 2000, the municipality should hold regular IDP/PMS/ Budget Representative Forum meeting in drafting IDP and Budget. Forum meetings must be convened quarterly in preparation of each phase, these meetings will be convened virtual in compliance with COVID 19 regulations.

The following forms are used in calling the interested parties

- Website to publish our notices
- Community Radio Stations to reach those parts of our community that do not read newspaper

- Daily Dispatch
- Posters, pamphlets, ward councillors and announcements through community gatherings and community based organizations
- Loud hailing

Other structures used to enhance public participation is through Ward Committee Meetings, LED Forums and SPU Forums and Local Communicator's forum which are convened quarterly.

To ensure that the needs of unorganized groups are represented as well, advocacy groups and Non-Governmental Organizations (NGOs) are used as well for communication. Meetings of the Representative Forum will be held in any appropriate Municipal buildings however due to this pandemic virtual meetings will be convened in compliance with the COVID-19 Regulations and the preferable languages that we use during these sessions are:

- English
- Xhosa

4. SECTOR PLANS

The Municipality have identified and developed a number of strategies and plans as reflected in the IDP. New sector plans are developed and/or existing ones reviewed during the IDP process.

It is important to note that all Sector Plan studies were conducted on the local space and as such covers the entire Amahlathi local area.

Following is the list of sectors that the municipality has developed:

ECONOMIC DEVELOPMENT	LAND CARE DEVELOPMENT	SOCIAL AND HEALTH SERVICES	GOVERNANCE OPERATIONS	FINANCIAL VIABILITY
<ul style="list-style-type: none"> • Local Economic Development Strategy • Forestry Strategy • SMME Strategy • Tourism Master Plan • Agricultural Plan 	Spatial Development Framework	Integrated Waste Management Plan	Employment Equity Plan	Revenue Enhancement Strategy
		Community Safety Plan	Communications Strategy	
		Employee Assistance Plan	Performance Management and Development	
	Disaster Management Plan: All Hazard Contingency Plan	Occupational Health and Safety Plan	Fraud Prevention Plan	Financial Recovery Plan
		Special Programme Strategy	Recruitment Plan	
	Housing Sector Plan	Integrated Fire Management Plan	Human Resources Development Strategy	

		Fleet Management Strategy
		Workplace Skills Plan

5. BINDING PLANS AND LEGISLATION

National legislation can be distinguished between those that deal specifically with municipalities arising from the Local Government White Paper on the one hand and sector planning legislation on the other.

The Municipal Structures and Systems Acts are specific to municipalities. The Systems Act has a specific chapter dedicated to IDPs and is the driving piece of legislation for the development of IDPs. Arising from the Systems Act, the IDP Regulations need to be complied with.

National sector legislation contains various kinds of requirements for municipalities to undertake planning. Sector requirements vary in nature in the following way:

- Legal requirements for the formulation of a district sector plans (e.g. a water services development plan).
- A requirement that planning be undertaken as a component of, or part of, the IDP (like a housing strategy and targets).
- Links between the IDP and budget process as outlined in the Municipal Finance Management Bill.
- Legal compliance requirement (such as principles required in the Development Facilitation Act – DFA – and the National Environmental Management Act – NEMA).
- More a recommendation than a requirement, which is deemed to add value to the municipal planning process and product (in this case, Local Agenda 21).

CATEGORY	SECTOR REQUIREMENT	NATIONAL DEPT	LEGISLATION/POLICY
Legal requirement for a district/local plan	Water Services Development Plan	Department of Water Affairs and Forestry	Water Services Act
	Integrated Transport Plan	Department of Transport	National Transport Act
	Waste Management Plan	Department of Environmental Affairs & Tourism	White Paper on Waste Management
	Spatial planning requirements	Department of Rural Development and Land Reform	Land Use Management Act

CATEGORY	SECTOR REQUIREMENT	NATIONAL DEPT	LEGISLATION/POLICY
Requirement for sector planning to be incorporated into IDP	Housing strategy and targets	Department of Human Settlements	Housing Act (Chapter 4, Section 9)
	Coastal management issues	Department of Environmental Affairs & Tourism	
	LED	Department of Economic Development, Environmental Affairs and Tourism, Department of Local Government and Traditional Affairs	Municipal Systems Act
	Integrated Infrastructure Planning	Department of Local Government and Traditional Affairs	
	Spatial framework	Department of Rural Development and Land Reform, Department of Local Government and Traditional Affairs	Municipal Systems Act, Land Use Management Act Bill
	Integrated Energy Plan	Department of Minerals & Energy	White Paper on Energy Policy, December 1998
Requirement that IDP complies with	National Environmental Management Act (NEMA) Principles	Department of Economic Development Environmental Affairs & Tourism	National Environment Management Act (107 of 1998)
	Development Facilitation Act (DFA) Principles	Department of Rural Development and Land Reform	Development Facilitation Act
	Environmental Implementation Plans (EIPs)	Department of Economic Development, Environmental Affairs & Tourism	National Environment Management Act (107 of 1998)
	Environmental Management Plans (EMPs)	Department of Economic Development Environmental Affairs & Tourism	National Environment Management Act (107 of 1998)
	IDP/ budget link	National Treasury	Municipal Finance Management Act

CATEGORY	SECTOR REQUIREMENT	NATIONAL DEPT	LEGISLATION/POLICY
Value adding contribution	Local Agenda 21		

The National Development Plan should be also considered during the review phase.

Each local municipality and the district municipality needs to include those planning documents that have been approved by Council or other strategies that might be relevant to the IDP process in their process plans.

6. PROGRAMME OF ACTION

The action programme will be broken into five phases

- Preparation phase
- Monitoring and evaluation phase
- Objectives, Strategies, Projects phase and Scorecards
- Consolidate Reviewed IDP and Budget
- Approval phase

7. MECHANISM AND PROCEDURE FOR ALIGNMENT

The District framework plan was provided as the guiding document to the municipality. The municipality was part of the process of drawing up the framework plan together with other Municipalities that are under the Amatole District Municipality. The municipality participates in the District Wide Planning Forum that aims to strengthen Intergovernmental planning through mechanisms to ensure the full participation of local municipalities in IDP processes. The Inter-Governmental Forum will also be used to ensure that beneficial alignment of programmes and projects occur with other spheres of government.

8. EXISTING DOCUMENTS

- Legally Binding Documents
 - Municipal Systems Act
 - Municipal Finance Management Act
- Other Documents
 - Spatial Development Framework
 - Amahlathi LED Strategy
 - Tourism Strategy
 - Indigent Policy

- Integrated Waste Management Plan
- Agricultural Plan
- Housing Sector Plan
- Employment Equity Plan
- Workplace Skills Plan
- Employee Performance Management Policy Framework
- Community Safety Strategy
- Disaster, Risk Management and All Hazards Contingency Plan
- Tariffs Policy
- Rates Policy
- Credit Control and debt write-off Policy
- Cash Management and Investment Policy
- Asset Management Policy
- Budget Policy
- Customer Care Policy
- Supply Chain Management Policy
- Communication Strategy
- Petition Policy
- Public Participation Policy

SECTION TWO: BUDGET PROCESS PLAN

1. INTRODUCTION

The concept of a 3-year budget is now well-entrenched in the Council's budgeting process and has been improved upon over the last number of years. Guidelines issued on budget processes by National Treasury from time to time have helped to refine and improve our systems.

The budget proposals for the 2023 MTREF should be informed by Council's Integrated Development Planning Process, particularly in terms of objectives, outputs and targets envisioned for the next 3 years. In this way, budget proposals and the Integrated Development Plan will be properly aligned.

Better budgeting enhances service delivery. This is the main message underlying the Municipal Finance Management and Budgeting Reform Programme. In particular, integrated planning, budgeting and monitoring of service delivery performance strengthens the link between the services that departments provide and the benefits and costs of these services. The performance management system gives effect to the emphasis on improved transparency and accountability for the management and use of public resources.

The *Budget Process Plan* is issued to the Council, Executive Committee, Municipal Manager and various departments for the preparation of their 2023 MTREF budget proposals. It sets out the tasks to be performed and timeframes for each process. It is imperative that the timeframes are strictly adhered to in order to finalize the budget on time.

2. BUDGET PROCESS

The Medium Term Revenue and Expenditure Framework (MTREF) details 3-year rolling expenditure and revenue plans for Amahlathi Municipality. The MTREF budget process is designed to match the overall resource envelope, estimated through 'top-down' macroeconomic and fiscal policy processes, with the bottom-up estimation of the current and medium-term cost of existing departmental plans and expenditure programmes

The budget process allows Council to:

- Strengthen and evaluate the alignment between medium and long-term plans and funding proposals
- Revise its policy priorities, macroeconomic framework and resource envelope
- Evaluate departmental plans and allocate available resources in line with policy priorities
- **Obtain the required authority from Council to spend [service delivery]**
- **Align parameter setting with budget outcomes and resource allocations.**
- **Link the Integrated Development Planning Process with the budget process**

The purpose of the 2023 budget process will be the completion of a medium-term expenditure framework that apportions resources in line with Council's policy priorities for the next three years. How this will be achieved is described below.

2.1.1 Matching policy priorities and resources

Deciding and agreeing on the best allocation of scarce resources to fund Council's many social, economic and political goals is the main purpose of the budget process.

Drafting these three-year plans will guide the policy prioritization and budgeting process for the 2022/2023 to 2025 MTREF.

Formulating an MTREF that has a three-year outlook will be put together by various role-players who interact at various stages of the budget process.

2.1.2 Medium term policy review

The budget process starts early in the year with a review of the IDP and budget processes of the previous year. Additional resources for funding new priorities arise from a review of the overall budget framework, including fiscal policy considerations, overall spending growth, inflation assumptions, and debt interest projections [if applicable at this stage].

The allocation of resources to the different sections and departments will be largely determined by Council's policies and priorities, which are reviewed during the process of developing the MTREF/budget and will take into account the various departments responsibilities for service delivery.

The timeline for critical budget decisions in the policy review stage of the process is outlined in table 1.

Table 1: Process plan timeline

July – August	Establishment of Budget Steering Committee, IDP and budget process plan review and table to council before 31 August
November - December	Setting budget parameters Consideration of the revision of the Council's establishment plan – meeting the HR capacity needs and the cost application of such capacity (functions to be considered)
December - January	Mid-year review process, Costing of personnel requirements, Submission of Budget Proposals
January	Mid- year review approved by council not later 25th January , Consolidate Adjusted Budget Proposals
February	Revised Budget approved by council not later than 28th February
February	Consolidation Draft Budget Inputs and Prepare Draft Budget
March	Tabling the Draft budget to Council not later than 31st March
April – May	Public Consultation on the IDP and Budget ; Council Approval not later than 30th May
June	Submission to National Treasury within 10 days

3. COMPILING MTREF BUDGET PROPOSALS

3.1.1 Budget Principles

Budgeting within the Medium Term Revenue and Expenditure Framework is based on a set of core principles that relate to:

- Fiscal policy and the budget framework
- Policy priorities and public expenditure
- Political oversight of the budget process

Budgeting for service delivery

3.1.2 Fiscal policy and the budget framework2

Medium-term spending plans of the various clusters for the period 2022/23 to 2024/2025 will be prepared within the context of Council's macroeconomic and fiscal framework.

As part of a three-year rolling budget process, the budget framework is revised each year. Additional resources for new expenditure will form part of the macroeconomic forecast. Growth in external funding particularly for capital projects is

important if Council is to meet the objectives established in the IDP. Council is dependent on the Equitable Share to provide free basic services and support to the indigent in terms of council's Indigent support Policy.

The various role-players will have to examine the fiscal implications of new spending pressures and match them to available resources.

3.1.3 Policy priorities and public expenditure

Strengthening the link between Council policy priorities and expenditure is at the core of medium-term budgeting. Expenditure allocation translates policy priorities into the delivery of services to communities, and is therefore a key tool for accomplishing Council's goals.

3.1.4 Political Oversight of the Budget Process

The key to strengthening the link between priorities and spending plans lies in enhancing political oversight of the budget process. The Mayor has established a Budget Steering Committee to provide technical assistance to the mayor in discharging the responsibilities set out in section 53 of the MFMA.

Political oversight of the budget process is essential to ensure that

- The political executive is responsible for policy and prioritization

Policy priorities are linked to cluster spending plans and the delivery of quality services

The Budget process commences with parameter and policy assessment and formulation.

Budgeting is primarily about the choices and trade-offs that Council has to make in deciding how to meet the agreed set of policy objectives through better service delivery. Political oversight of the budget process allows Council to manage the tension between competing policy priorities and fiscal realities.

3.1.5 Budgeting for Service Delivery

Strengthening the link between Council's priorities and spending plans is not an end in itself. The goal is to improve delivery of services and ultimately the quality of life of people throughout Amahlathi.

Better budgeting, as mentioned in the introduction, leads to enhanced service delivery. In particular, integrated planning, budgeting and monitoring of service delivery performance strengthens the link between the services that departments provide and the benefits and costs of these services. It is important to emphasize the role of performance management which serves to monitor performance against measurable performance objectives that are informed by service delivery targets as captured in the IDP.

The municipality must develop and approve measurable performance objectives for revenue from each source and for each vote in the budget, taking into account the municipality's IDP. These measurable performance objectives must inform the Service Delivery and Budget Implementation Plan which must be approved by the Mayor within 28 days after the approval of the budget.

ACTION PLAN FOR IDP/PMS/BUDGET

MONTH	ACTIVITIES		
	IDP	PMS	BUDGET
AUG 2021	<ul style="list-style-type: none"> • Preparation of the Draft IDP and PMS Process Plan. • Present IDP Process Plan to IDP/Budget Steering Committee • IDP Process Plan tabled to Council for approval. • Self-assessment to identify gaps in the IDP process. • Council Meeting (Budget & IDP Process Plan, Annual Performance Report, Financial Statements and Draft Annual Report) • Submissions to AG, MEC and Treasury etc. (Annual Performance Report, Annual Financial Statements and Draft Annual Report) 	<ul style="list-style-type: none"> • Publicizing Approved SDBIP for inspection and information • Signing of new performance contracts for Section 57 Managers • 2019/20 Final S57 Managers' Performance Assessments. • Submission of Q4 SDBIP Reports • Quarter 4 performance report submitted to Council • Submission of Performance Agreements to EC-Cogta • Submission of the Annual Performance Reports prepared in terms of s46 of MSA 2000 to Council • Quarterly Audit Committee meeting (for the last quarter of 16/17) MFMA Sect 166 & MPPR Reg. 14(3)(a) • Evaluation Panel Audit Committee meeting (for the last quarter of 17/18) MFMA Sect 166 & MPPR Reg. 14(3)(a) • Evaluation Panel Audit Committee meeting (for evaluation of Sect 57 Managers final assessments) MPPR Reg. 14(3)(b) 	<ul style="list-style-type: none"> • Preparation of the Draft Budget Process Plan. • Present the Budget Process Plan to the IDP/Budget Steering Committee • Budget Process Plan tabled to Council for approval

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

MONTH	ACTIVITIES		
	IDP	PMS	BUDGET
		<ul style="list-style-type: none"> Submission of draft annual report (MFMA Circular 63) 	
SEPT 2021	<ul style="list-style-type: none"> Advertisement of the IDP and PMS Process Plan Review and updating of the IDP Vision, Mission and Objectives. IDP/Budget Steering Committee Meeting Advertise to resuscitate the IDP Rep Forum IDP Rep Forum meeting 	<ul style="list-style-type: none"> Reminder to be sent to HOD's to submit their Q1 SDBIP Reports in terms of s41 MSA 	<ul style="list-style-type: none"> Advertisement of the Budget Process Plan and submission to Provincial and National Treasury.
OCT 2021	<ul style="list-style-type: none"> IDP/Budget Steering Committee Meeting Process Plan and the role of the Steering Committee Develop agenda for Rep forum 	<ul style="list-style-type: none"> Submission of Q1 Reports by HOD's Q1 Reports tabled to Council (for first quarter of 21/22) MPPR Reg. 14 Sect 57 Managers' quarterly informal assessments 	
NOV 2021	<ul style="list-style-type: none"> IDP/Budget Steering Committee Meeting Budget Assumptions & Strategies 	<ul style="list-style-type: none"> Quarterly Audit Committee meeting (for the first quarter of 21/22) MFMA Sect 166 & MPPR Reg. 14(3)(a) Annual Report Public hearings 	<ul style="list-style-type: none"> Set parameters for the next three years based on market trends and circular issued by National Treasury. Determine the funding/revenue potentially available for next three years in Dora.

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

MONTH	ACTIVITIES		
	IDP	PMS	BUDGET
	<ul style="list-style-type: none"> ▪ Departments to submit situation analysis and or status quo for IDP review 		<ul style="list-style-type: none"> ▪ Review and update pricing strategies of National Regulators e.g. NERSA
DEC 2021	<ul style="list-style-type: none"> ▪ Priority needs assessment (Ward Community visits) ▪ Prepare Situation Analysis with Community priority needs 	<ul style="list-style-type: none"> ▪ Reminder to be sent to HOD's to submit their Q2 SDBIP Reports in terms of s41 MSA 	<ul style="list-style-type: none"> ▪ Departments to submit Budget proposals for Adjustment and next 3 year MTREF Budget.
JAN 2022	<ul style="list-style-type: none"> ▪ Review of Municipal Strategies, Objectives, KPA's, KPI's and targets. ▪ IDP/Budget Steering Committee Meeting ▪ Commencement of Departmental Strat plans 	<ul style="list-style-type: none"> ▪ Submission of Q2 Reports by HOD's ▪ Sect 57 Managers' formal quarterly assessments (for second quarter of 21/22 on the 11th of January) ▪ Municipal Manager submits Midterm/Midyear Report to the Mayor with recommendations (in terms s72 MFMA) ▪ Midyear Reports submitted to Treasury (provincial and National) ▪ Midterm/Midyear Report is published ▪ Review SDBIP and publicize any amendments 	<ul style="list-style-type: none"> ▪ Review Tariffs and Charges and develop options for changes to be included in draft budget. ▪ Prepare and submit Mid-year performance review to council by <u>25th January.</u> ▪ Consolidate Adjusted Budget Proposals and prepare Adjustment Budget.

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

MONTH	ACTIVITIES		
	IDP	PMS	BUDGET
FEB 2022	<ul style="list-style-type: none"> ▪ Continuous Review of Municipal Strategies, Objectives, KPA's, KPI's and targets. ▪ Technical Strategic Planning Session ▪ Institutional Strategic Planning Session ▪ IDP/Budget Steering Committee Meeting 	<ul style="list-style-type: none"> ▪ Quarterly Audit Committee meeting (for the second quarter of 21/22) MFMA Sect 166 & MPPR Reg. 14(3)(a) ▪ Review PMS policy framework 	<ul style="list-style-type: none"> ▪ IDP/Budget Steering Committee for Adjustment Budget ▪ Submit Adjustments Budget for current year to Council not later than the <u>28th February</u>. ▪ Submit Adjustment Budget to National and Provincial Treasury. ▪ Publicize Adjustment Budget within 10 working days of approval. ▪ Consolidate Draft Budget proposals and prepare Draft Budget
MARCH 2022	<ul style="list-style-type: none"> ▪ IDP/Budget Steering Committee ▪ IDP Rep Forum ▪ Submission of draft IDP and Budget 2022/23 to council ▪ Submit Strategic Session Report to Council 	<ul style="list-style-type: none"> ▪ Council adopts Final Annual Report and Oversight report ▪ Final Annual report and oversight report submitted to Treasury and Cogta ▪ Draft SDBIP's for 2022/23 developed and for incorporation into draft IDP 2022/23 FY ▪ Reminder to be sent to HOD's to submit their Q3 SDBIP Reports in terms of s41 MSA 	<ul style="list-style-type: none"> ▪ Review and workshop all budget related policies ▪ IDP/Budget Steering Committee for Draft Budget ▪ Table Draft Budget to Council by <u>31 March</u>.
APR 2022	<ul style="list-style-type: none"> ▪ Publicize tabled IDP (Invite Local Community to make 	<ul style="list-style-type: none"> ▪ Submission of Q3 Reports by HOD's ▪ Sect 57 Managers' informal quarterly assessments 	<ul style="list-style-type: none"> ▪ Publicize tabled Budget, inviting comments and undertake community consultation on tabled Budget.

2022/23-2026/27 INTEGRATED DEVELOPMENT PLAN (IDP)

MONTH	ACTIVITIES		
	IDP	PMS	BUDGET
	<ul style="list-style-type: none"> written comments in respect of the IDP) ▪ IDP/Budget Steering Committee ▪ Public participation process launched through series of public hearings on the IDP and Budget ▪ Review written comments in respect of the Budget and IDP 	<ul style="list-style-type: none"> ▪ Quarter 3 performance report submitted to Council 	<ul style="list-style-type: none"> ▪ Receive and analyze additional inputs from community and other stakeholders. ▪ Incorporate feedback from community and other stakeholders and if required revise the budget previously tabled to Council.
MAY 2022	<ul style="list-style-type: none"> ▪ IDP/Budget Steering Committee ▪ Rep forum meeting ▪ Adoption of the 2022/23 IDP by Council. 	<ul style="list-style-type: none"> ▪ Community input into organization KPIs and targets 	<ul style="list-style-type: none"> ▪ IDP/Budget Steering Committee for Final Budget ▪ Municipal council approves budget, tariffs and revised budget related policies by 31 May.
JUNE 2022	<ul style="list-style-type: none"> ▪ Publicize Approved IDP ▪ Submission of the Final IDP to EC- Cogta, Treasury (National and Provincial) 	<ul style="list-style-type: none"> ▪ Reminder to be sent to HOD's to submit their Q4 SDBIP Reports in terms of s41 MSA ▪ Submission of final SDBIP to The Honorable Mayor for approval s53 MFMA 	<ul style="list-style-type: none"> ▪ Publicize Approved Budget and Tariffs ▪ Submission of Final Budget to National and Provincial Treasury ▪ Complete and submit the budget returns required by National Treasury. ▪ Email Approved Budget to All Departments

