



2023/24

# 2023/24 INTEGRATED DEVELOPMT PLAN (IDP)



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## A. MAYOR'S FOREWORD

Amahlathi Local Municipality is coming out of a terrifying past characterised by violent service delivery protests and political instability. The current state of the locality requires real visionaries and servant leadership. The council is convinced that the developmental trajectory ahead is premised on the belief that change is inevitable, a change TOWARDS A BRIGHTER FUTURE thus improving livelihoods and making the municipality an agent of that change. It is for this reason that during the process of developing the 2023/24 Integrated Development Plan, there is a compelling need to integrate our capabilities, expertise and unique God given talents to foster a collective and strategic destiny and brighter future of our locality. We must collectively claim our position of being the pioneers of local economic development in the rural South Africa.



The good comprehension of this much desired change has led to the birth of a new vision “: A RESILIENT, SUSTAINABLE AND PEOPLE-CENTRED MUNICIPALITY”. This vision will assist council, administration and our people to fulfil the constitutional mandate of local government. The future we want is based on the five key performance areas (KPA's) of local government derived from the National Priorities, National Development Plan (Vision 2030), Provincial Development Plan (EC Vision 2030), ADMs long-term Vision 2058 and the prevailing social needs of our locality. The five KPA's being:

- **S**ervice Delivery and Infrastructure Development
- **M**unicipal Finance Viability
- **L**ocal Economic Development
- **G**ood Governance and Public Participation
- **M**unicipal Transformation and Institutional Development

As the sixth administration we are mindful of the unbearable socio-economic conditions created by the triple challenge of poverty, unemployment and inequality and the impact these have on the everyday life of our people. We remain focused to the notion of a better life for all. We know that many families rely on government grants to put food on the table and this can only be reversed through creation of job opportunities for youth, women and the young professionals that dominate our population. We will be working hand-in-hand with organised youth and women forums in our locality, partner with them in furthering our ambitious service delivery praxis enshrine in this IDP.

The time has come that we do radical transformation on the economy through various means and ways of empowerment. In order to achieve that we have in this IDP provided a policy trajectory that focuses on empowering and benefiting our SMMEs. We have made provisions to capacitate and grow our SMMEs to compete at the provincial and national economic platforms.

Our aim is to keep to our promises and excellent governance by making informed decisions to improve the performance of the municipality. We want the public to actively participate in the business of the municipality throughout the term of this IDP. Our people must be involved, be informed and know the IDP. It is our duty to continuously engage and be engaged through various structures including the IDP Representative Forum duly established. This IDP as a tool that enables the municipality to align its financial and institutional resources is the principal strategy for the development of this locality. As a result this IDP and Budget are inevitably linked to one another.

It gives a great honour to present 2023/24 IDP as the first review of 2022 - 2027 IDP. This IDP unlike other years is tabled in the context of electricity crisis as the new post COVID19 reality. Life under these conditions threatens efforts of sustainable development. The 2023/24 IDP encapsulate how the council and the community commit to build and grow Amahlathi Local Municipality towards a brighter future. 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 2023/24 to Council, the communities of Amahlathi Local Municipality, the National and Provincial Treasury, the Local Government and other stakeholders.

**Cllr. N.C. Nongqayi**  
**Her 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

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**MUNICIPAL MANAGER**  
**DR. Z. SHASHA**

## **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 2023/24 Integrated Development Plan (IDP) that will be tabled to Council end of May 2023, this IDP is the first review of the five-year IDP (2023 – 2027). 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 30<sup>th</sup> August 2022, the Council of Amahlathi Local Municipality adopted the IDP/Budget Process Plan which outline time-bound milestones to be achieved in developing this IDP. 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 will embark on its IDP and Budget processes from its commencement in July 2022 to its completion in June 2023. 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 2023-2024 is scheduled for the 30<sup>th</sup> May 2023. 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.

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:

Purpose	DATE	VENUE	TIME	CLUSTER
Priority needs Identification	13 <sup>th</sup> October 2022	Cathcart Town Hall	10H00	Cathcart cluster
	13 <sup>th</sup> October 2022	Toise Community Hall	14h00	Cathcart cluster
	14 <sup>TH</sup> October 2022	Mandlakapheli Primary School	10H00	Cathcart Cluster
	14 <sup>th</sup> December 2022	Langdraai - Old abandoned house utilized as a hall by the community	14H00	Cathcart Cluster
	18 October 2022	Mlungisi Community hall	14h00	Stutterheim Cluster
	20 <sup>th</sup> October 2022	Springbok Community Hall	10H00	Keiskammahoek Cluster
	20 <sup>th</sup> October 2022	Burnshill Community Hall	14h00	Keiskammahoek Cluster

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	21 <sup>st</sup> October 2022	Ethembeni Matthew Goniwe School	10h00	King Kei Cluster
	1 <sup>st</sup> November 2022	Mgwali Community Hall	10h00	Stutterheim Cluster
	01 November 2022	Ndakana Tribal community Hall	14h00	Stutterheim Cluster
Draft IDP/Budget Public Hearings	18/04/2023	<ul style="list-style-type: none"> <li>Springbok Community Hall (Ward 1 and 2)</li> <li>Ndumangeni Community Hall</li> </ul>	10H00	Keiskammahoek  Cathcart Cluster
	24/04/2023	<ul style="list-style-type: none"> <li>Kwazidenge Community Hall (Ward 06)</li> <li>Mlungisi Community Hall (14&amp;15)</li> <li>Frankfort Hall (12)</li> </ul>	10H00	Stutterheim  And  King Kei Cluster
	26/04/2023	<ul style="list-style-type: none"> <li>Matthew Goniwe Primary School (Ward 07)</li> </ul>	10:00	KingKei Cluster
	02/05/2023	<ul style="list-style-type: none"> <li>Ngcamngeni Community Hall (10)</li> </ul>	10:00	Keiskammahoek Cluster
IDP/Budget/PMS Rep Forum	14/09/2022	<ul style="list-style-type: none"> <li>St Joseph's Church</li> </ul>	10:00	
	06/12/2022	<ul style="list-style-type: none"> <li>Springbok Hall</li> </ul>	10:00	
	28/03/223	<ul style="list-style-type: none"> <li>Ndakana Tribal Hall</li> </ul>	10:00	
	23/05/2023	<ul style="list-style-type: none"> <li>Mlungisi Community Hall</li> </ul>	10:00	

**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
<b>Basic Service Delivery and Infrastructure</b>	Roads & Storm-water, Electricity, Housing, Land Reform, Spatial Planning, Land Use Management, Community Facilities etc.
<b>Local Economic Development and Environment</b>	Tourism, Agriculture & Forestry, Food Security, Small Business and Local Enterprise Development, Environment, small towns regeneration etc.
<b>Good Governance and Public Participation</b>	Education, Disaster Management, Fire Services, Protection Services, Internal Audit, etc.
<b>Municipal Financial Viability and Management</b>	Administrative and Financial Management matters etc.
<b>Municipal Transformation and Institutional Development</b>	<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		

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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	Crete 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 transformation, and food security	2. A long and healthy life for all South Africans	Raising economic growth, promoting exports and making the	Economic growth (#8) Partnership (#17)

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	agrarian reform & food security			economy more labor intensive	
	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 improved quality of household life	Government spending on fixed investment should be focused on	Infrastructure, Industrialization (#9) Partnership (#17)	

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				localities of economic growth	Economic growth (#8)
		Building a developmental state	10. Protect and enhance our environmental assets and natural resources		

**THE STRUCTURE OF THE 2023/24-2026/27 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 resilient, sustainable people-centred local municipality

### MISSION

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

### CORE VALUES

**A**ccountability

**M**odel

**A**ccessibility

**H**ealthy

**L**oyalty

**A**uthentic

**T**rust

**H**onesty

**I**ntegrity

## CHAPTER 2: DEMOGRAPHIC PROFILE OF THE MUNICIPALITY

### 2.1 DEFINING THE MUNICIPAL AREA – AN OVERVIEW

#### 2.1.1 Geographic Locality

Amahlathi Municipality is a category B collective executive type with ward participatory system. This locality is situated in the Northern part of the Amathole District Municipality and stretches about 4266.21km<sup>2</sup> between Raymond Mhlaba, Buffalo City, Great Kei and Chris Hani District. Amahlathi Municipality has four small towns namely; Stutterheim, Cathcart, Keiskammahoek and Kei Road. Stutterheim and Cathcart are strategically placed 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. Kei Road is the most underdeveloped town followed by Keiskammahoek. The main municipal offices are situated in Stutterheim where the Council is accommodated. The locality includes the bulk of the Amathole Mountain Range, Dohne Sourveld, Gubu and Wriggleswade Dams. The municipality is the home of major economic and development giants like Manderson Hotel, Dohne Agricultural Research Institute, Rance Timbers, ANCA Foods and Newden. The Forest Way also provides the municipality great tourist attraction sites on the foot of Amathole Mountains. The locality receives an average annual rainfall of about 600mm and is blessed with good soils in various areas thus giving it a somewhat high agricultural potential. The main economic sectors are community services, finance, manufacturing, trade, agriculture, construction and transport.

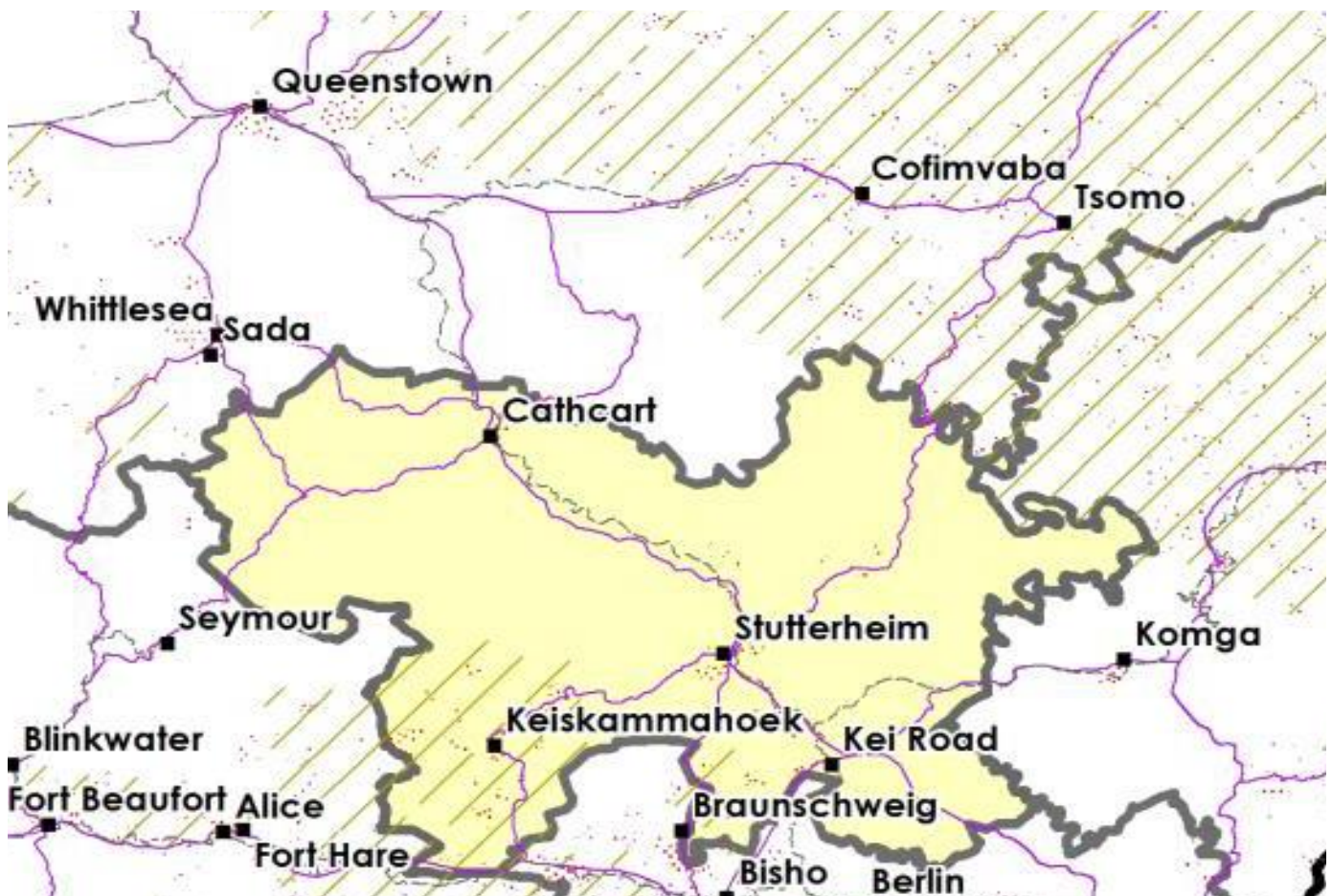


Figure 1: The Map showing the context of Amahlathi Municipality (Source: MDB 2018 Capacity Assessment)

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

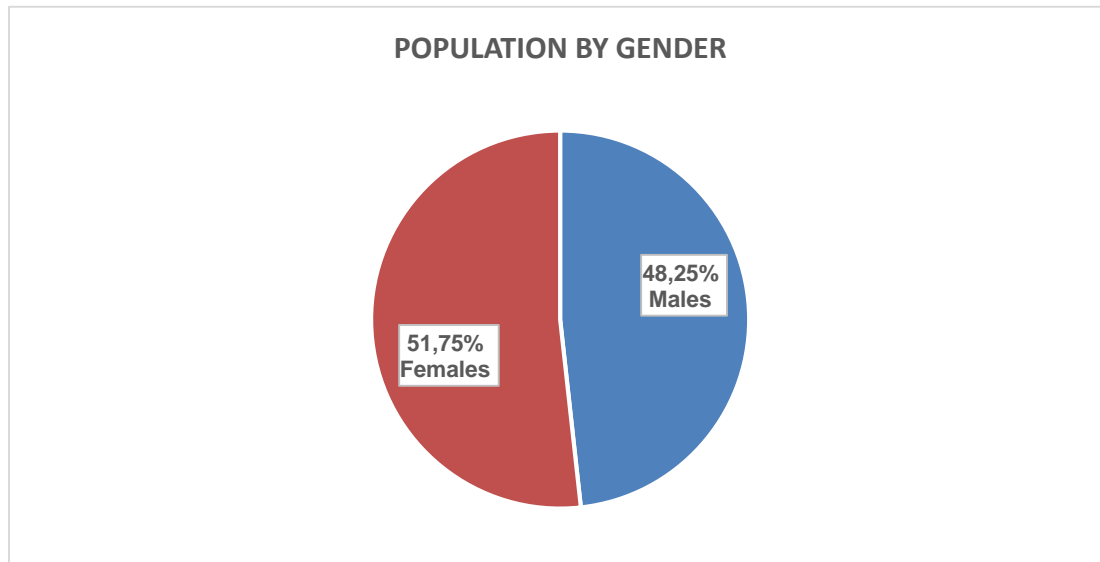
### 2.2.1 DEMOGRAPHIC PROFILE

#### 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. The expected population increase over the current term of the five (5) year IDP is estimated to reach approximately **107 000 by 2028** (IHS Markit Regional eXplorer 2021:5).

#### Population Characteristics | Population by Gender

The population's sexual distribution reflects the following composition;



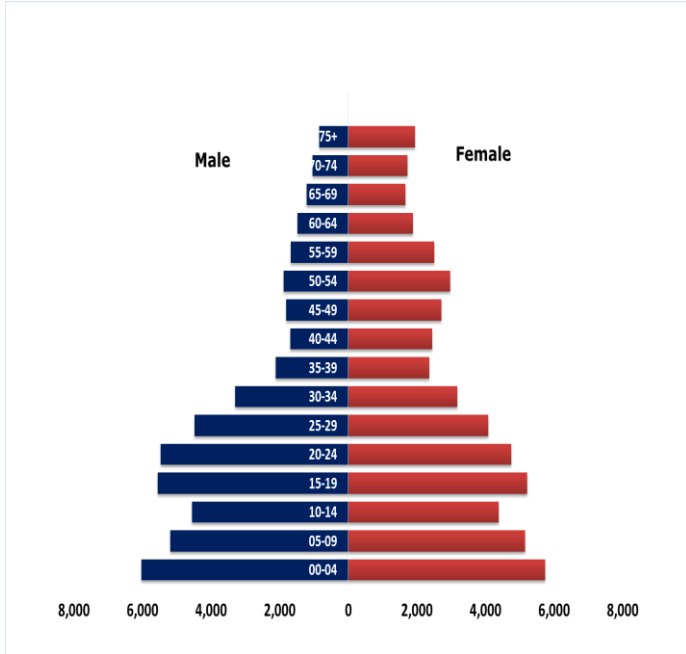
Source: Community Survey 2016

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

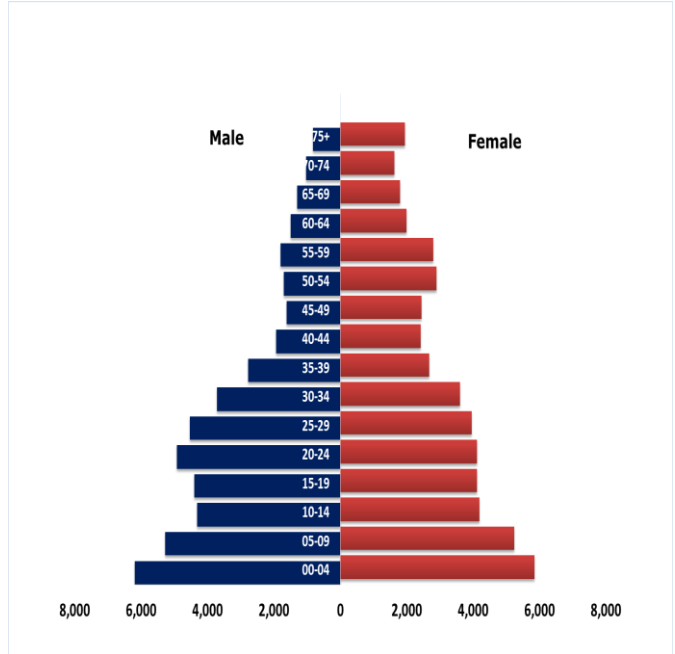
## 2023/24 INTEGRATED DEVELOPMT PLAN (IDP)

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

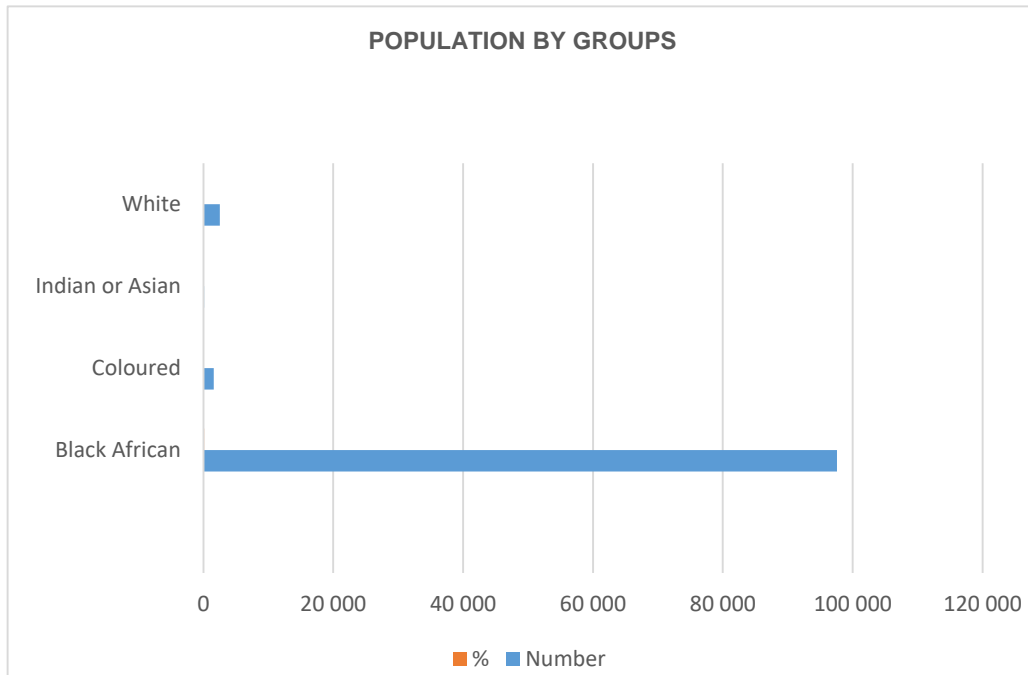
The population pyramids above provide a breakdown of the population estimates in the municipality by age, group and gender for 2011 and makes a comparison with 2016 population estimates. The population of the municipality shows a typical age structure of a very young population distribution. The economically 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
<b>Total</b>	<b>101 825</b>	<b>100%</b>

Source: Stats Community Survey 2016

**Population Characteristics | Population by Groups**

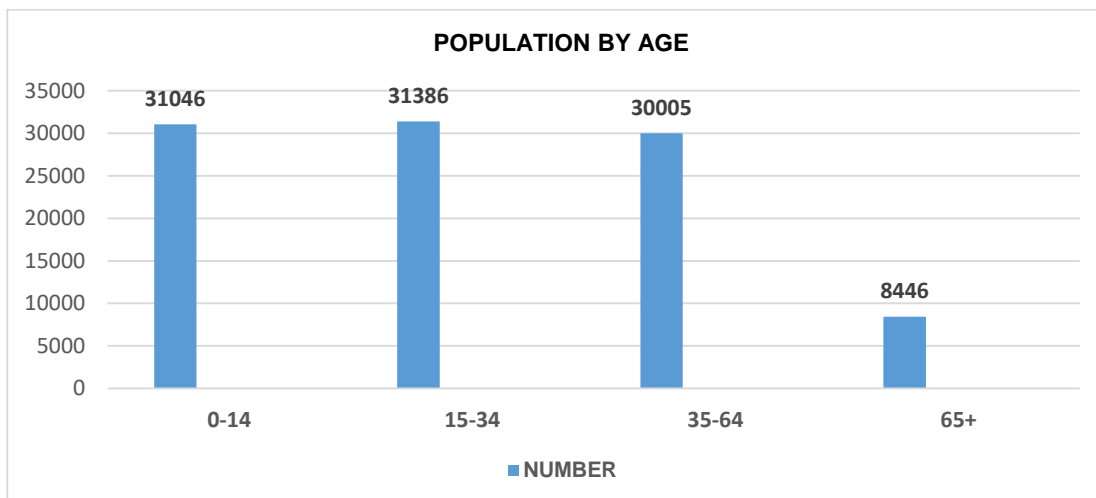


Source: Stats Community Survey 2016

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 adult-hood 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

## 2023/24 INTEGRATED DEVELOPMT PLAN (IDP)

### 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%.d

*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 Regional eXplorer 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.

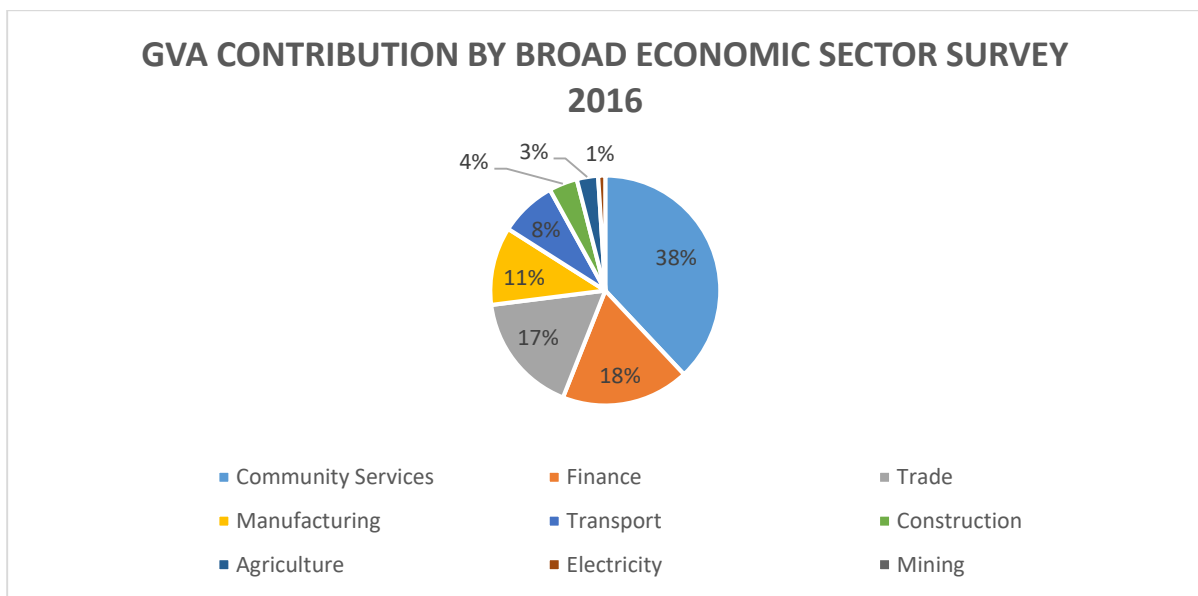
**ECONOMIC GROWTH FORECAST**

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%
<b>Total Industries</b>	<b>3.5</b>	<b>25.1</b>	<b>301.2</b>	<b>3,871.2</b>	<b>13.9%</b>	<b>1.16%</b>	<b>0.09%</b>

Source: IHS Markit Regional eExplorer version 115



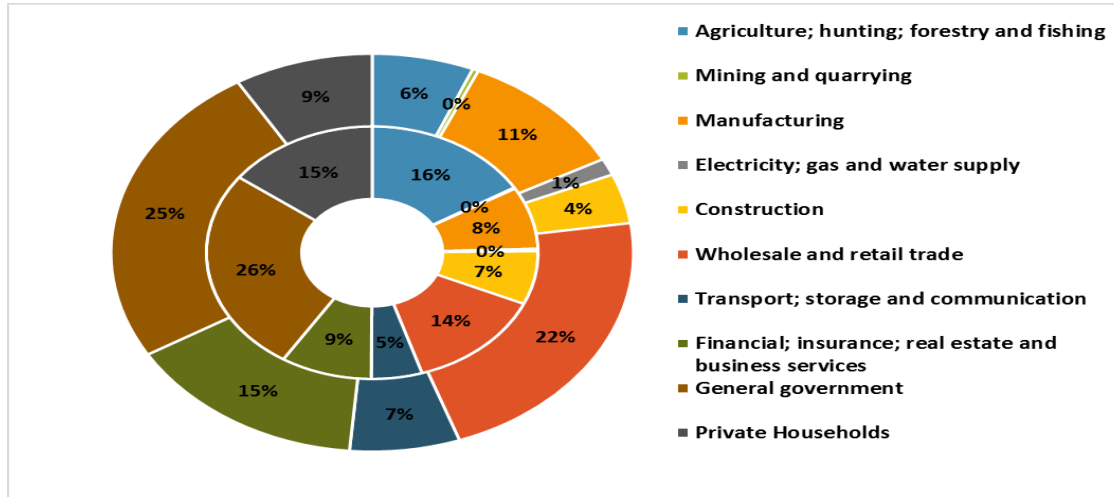
Source: IHS Markit Regional eExplorer version 1156

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%

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<b>Total Industries</b>	<b>2,416.4</b>	<b>2,414.1</b>	<b>2,419.1</b>	<b>2,444.4</b>	<b>2,490.4</b>	<b>2,548.9</b>	<b>1.07%</b>
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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
<b>Total</b>	<b>65,885</b>	<b>8,320</b>	<b>512,147</b>	<b>502,023</b>	<b>3,866,790</b>	<b>4,289,261</b>	<b>31,071,485</b>	<b>36,220,290</b>

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%

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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	<b>0.53%</b>	<b>0.51%</b>	<b>0.91%</b>	<b>1.89%</b>

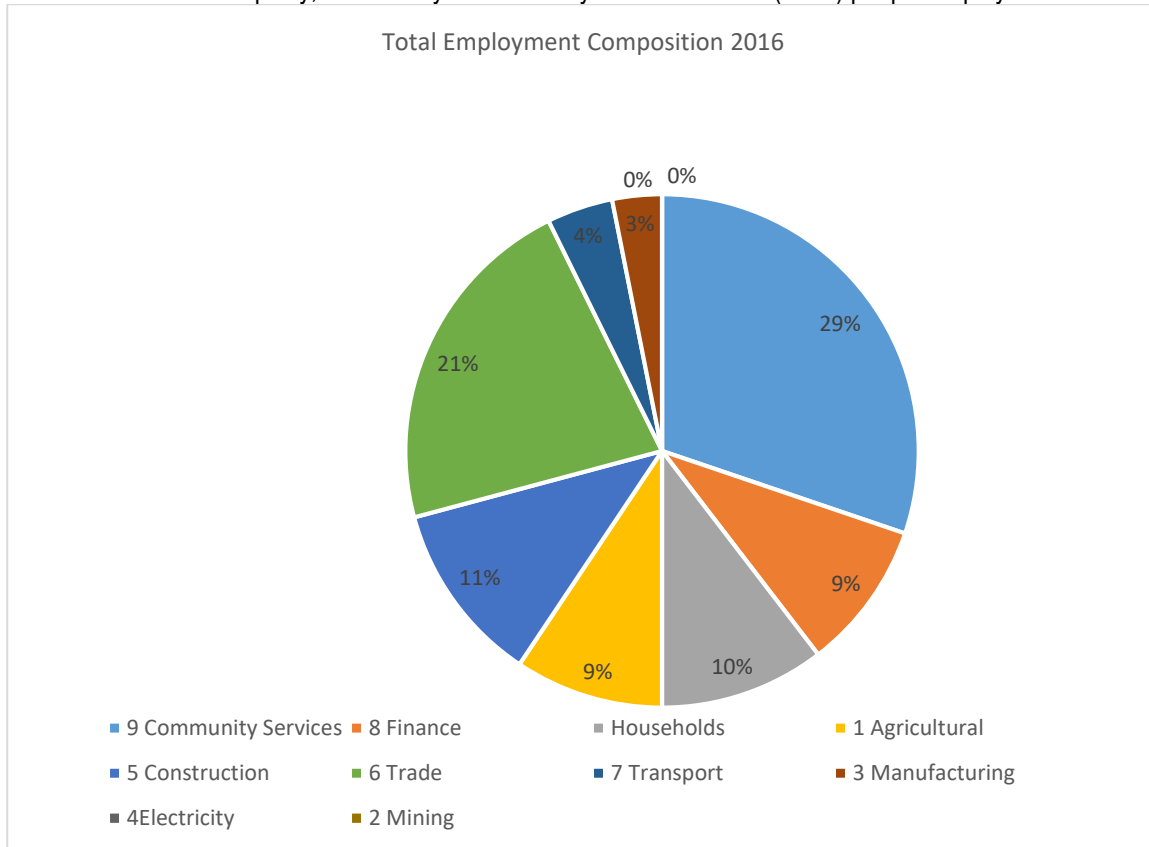
Source: IHS Markit Regional eXplorer version 1156

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

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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

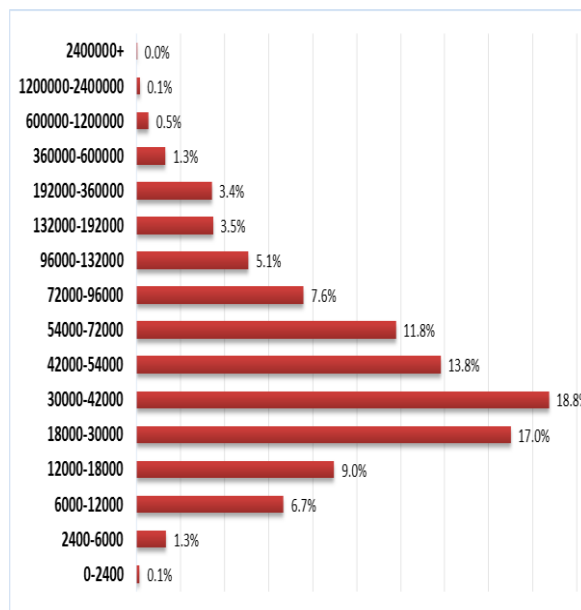
is lower than that of Amatole. Comparing to the Eastern Cape Province it can be seen that the unemployment rate for Amahlathi Local Municipality was higher than that of Eastern Cape which was 29.34%. The unemployment rate for South Africa was 26.33% in 2016, which is an increase of -0.563 percentage points from 25.77% in 2006.

**D. DISTRIBUTION OF HOUSEHOLD INCOME**

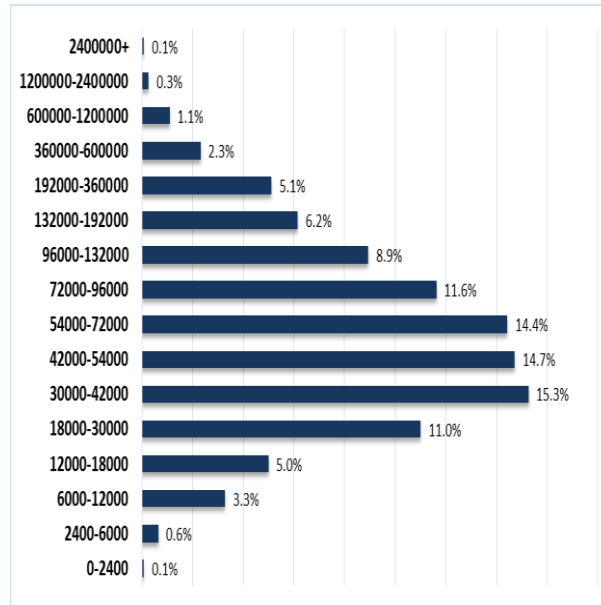
The ability to meet basic needs, such as for adequate food, clothing, shelter and basic amenities, is largely determined by the level of income earned by the households.

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

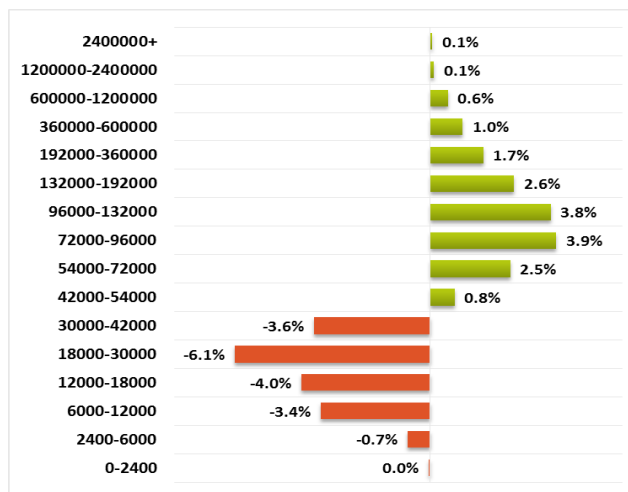


Household by income category per annum, 2016



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

Household by income category between 2011 and 2016



Source: REX Global Insight 2016

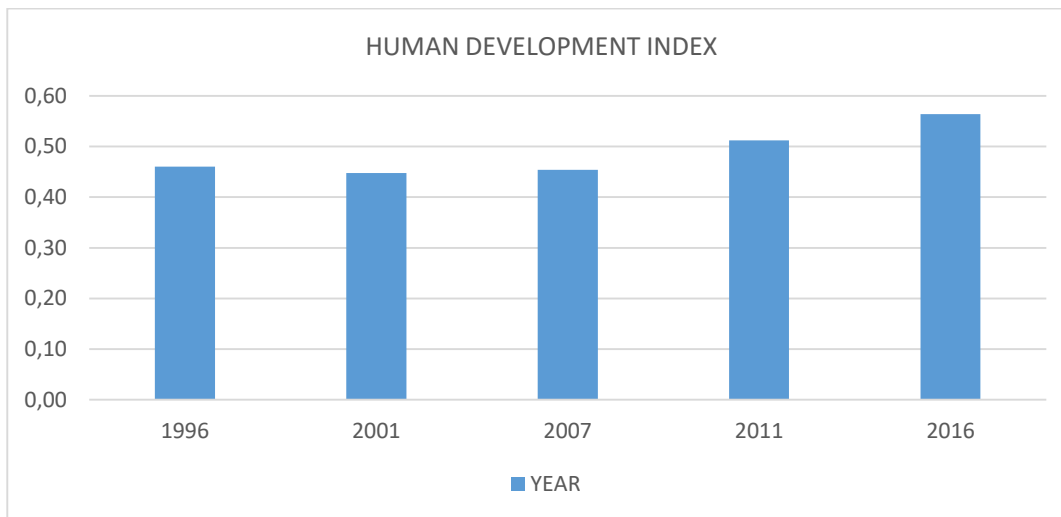
E. DEVELOPMENT

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

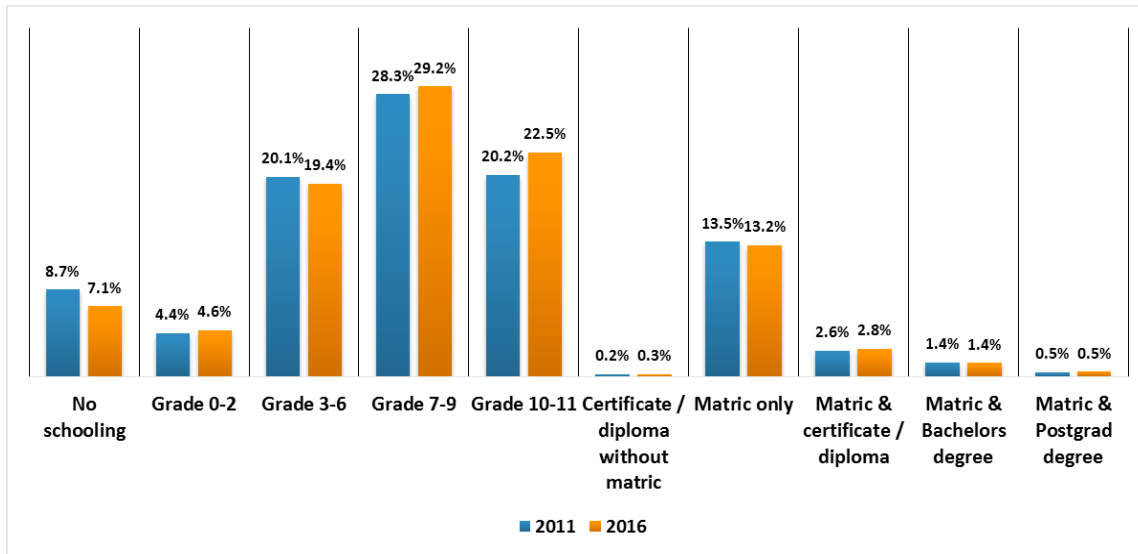
The HDI in Amahlathi municipality was **0.47** in 1996 decreased to **0.45** in 2007, increased to **0.51** in 2011 and **0.54** 2013, which is a medium HDI by international standards. This shows that there's been an improvement in the Human Development Index. The above diagram indicates there has been 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
<b>Main source of drinking water</b>				
Access to piped water	26 269	92.0%	22 041	89.7%
No access to piped water	2 278	8%	2 535	10.3%
<b>Access to Sanitation</b>				
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%

**2023/24 INTEGRATED DEVELOPMENT PLAN (IDP)**

None	1403	5.0%	1 460	5.9%
<b>Energy for lightning</b>				
Electricity	24 919	87.4%	22 610	92.7%
Other	3 590	12.6%	1 781	7.3%
<b>Energy for Cooking</b>				
Electricity	20 577	72.3%	20 840	85.9%
Other	7 880	27.7%	3 429	14.1%
<b>Access to refuse removal</b>				
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%

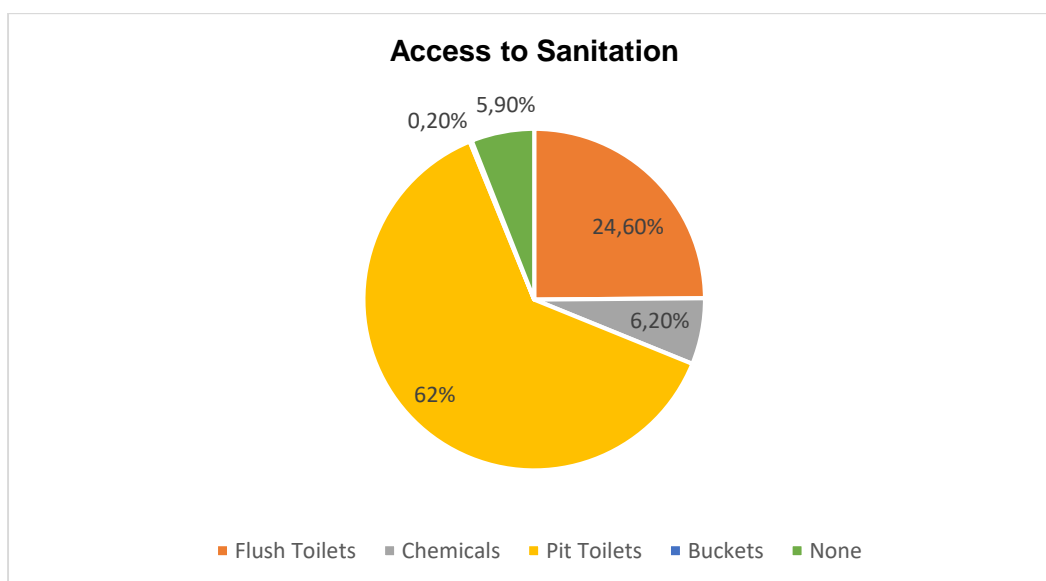
*Source: Stats SA Community Survey 2016, own calculations*

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 Community Hall	15
4.	Cenyulands Hall	15
5.	Ndakana Community Hall	9
6.	Kei Road Hall	8
7.	Frank Fort Hall	12
8.	Springbok Hall (KKH)	1
9.	Cathcart Town Hall	4
10.	Katikati Hall	5

## 2023/24 INTEGRATED DEVELOPMT PLAN (IDP)

11.	Daliwe Hall	4
12.	Goshen Hall	4
13.	Mgwali Community Hall	9
14.	Kologha Hall	13

The Municipality has public amenities in all clusters although these are in poor state due to not being maintained and as such buildings are exposed to vandalism and burglaries. The Municipality however does make effort to maintain these through a combination of in-house repair work by the handyman and outsourced maintenance through contractors. Given the current limitations on financial and human resources our efforts are but a drop in an ocean of dilapidation.

Amahlathi has 21 Clinics and 3 Hospitals (Cathcart, SS Gida 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 15<sup>th</sup> 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. The COVID 19, national state of disaster was officially terminated by the State President in April 2022. Declaration.

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.

Amahlathi LM was severely affected by heavy rains in December 2021 and January 2022, leading to the Municipality declaring a local state of disaster. In February 2023, severe weather conditions again affected the Municipality leading to floods, damage to infrastructure which included roads, bridges, and human settlements especially mud structures. All reported incidents were reported to ADM Disaster Management Centre for submission to Department of Human Settlement and Provincial Disaster Management Centre.

### **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. The Department of Community Safety and SAPS are critical stakeholders in social crime prevention programmes within the Municipality, however programme integration needs to be enhanced. Consultations on a Liquor Trading by law are underway as a measure to mitigate crime related to alcohol.

## **3.1.4 TRAFFIC & LAW ENFORCEMENT**

There is a functional traffic department at Amahlathi Local Municipality with 18 staff members, 09 traffic officers and 19 office support staff. There are currently 04 vehicles, 02 speed trap cameras and 04 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 in Stutterheim which is not yet operational due to security issues

### **DRIVING LICENSE TESTING CENTRE (VTS)**

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 07 Examiners responsible for the Driving License Testing Centre.

### **VEHICLE TESTING CENTRE**

The vehicle testing centre is also situated in the Sutterheim cluster, with 02 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 service tariffs that were developed, adopted, implemented and 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. The Fire and Rescue Services has functional equipment to respond to accidents. A fire truck was burnt in June 2022 in Cathcart during a community unrest.

### 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 Areas Act which resulted in black citizens owning only 13% of land and white counterparts owning 87% of land in South Africa by 1994.

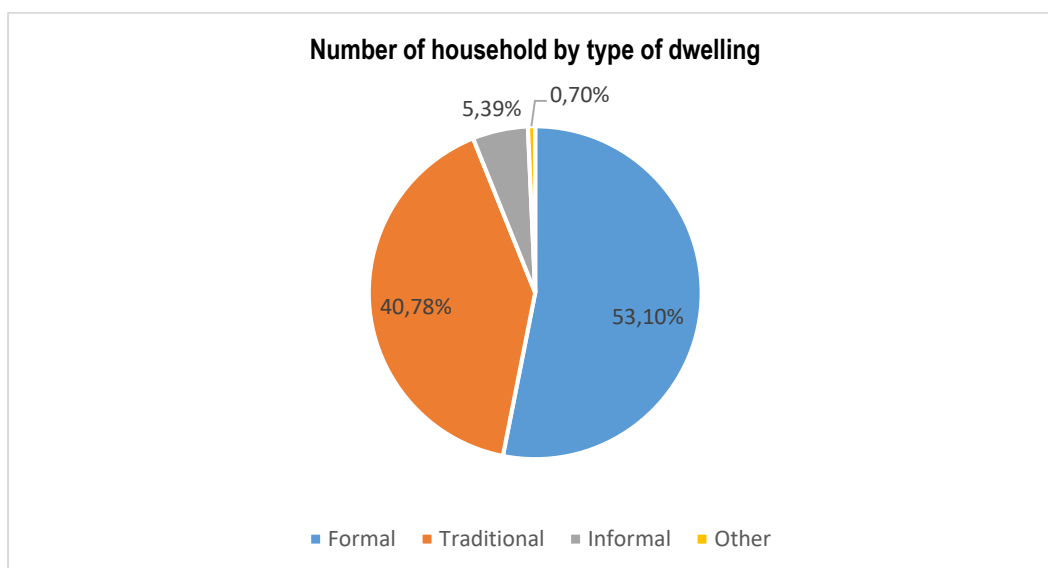
As redress to this challenge the South African government developed the Restitution of Land Rights Act 22 of 1994 and the Policy on Land Redistribution for agricultural development (2000). The afore-mentioned legislation saw the establishment of the Land Claims court and commission.

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. 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 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 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. The municipality has a SPLUMA By-Law which helps the Municipality to govern and manage land use management. The Municipality has decided to establish a Single Municipal Planning Tribunal. This was informed by the delays in the DMPT that Amahlathi LM was part of. The Municipality intends to take a cost-effective route on the formation of the Tribunal. This is due to financial constraints

The specific legislation applicable in Amahlathi Municipality includes:

- Spatial Planning and Land Use Management Act 16 of 2013
- SPLUMA By-Lay
- Draft Spatial Development Framework
- Draft Land Use Scheme

Both the SDF and the Land Use Schemes need to be gazette but the challenge is financial constraints, hence the delay in the process

#### **Land Invasion**

Land Invaders have a tendency of invading prime land, thereby hindering development and promoting haphazard planning. Thus, 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, No. 19 of 1998. It generally specifies the remedy the municipality possesses to address the challenge. Financial constraints have made it impossible to enforce of this By-Law. There is a need to jealously guard prime land and wherever there is to be a new development, we need to align it to the SPLUMA Development Principle as stated in Section 7 of SPLUMA.

#### **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. However, the Draft SDF in in place, it only needs to be published in the gazette.

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;
- Both the Provincial SDF and Amathole District Municipality's SDF have 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

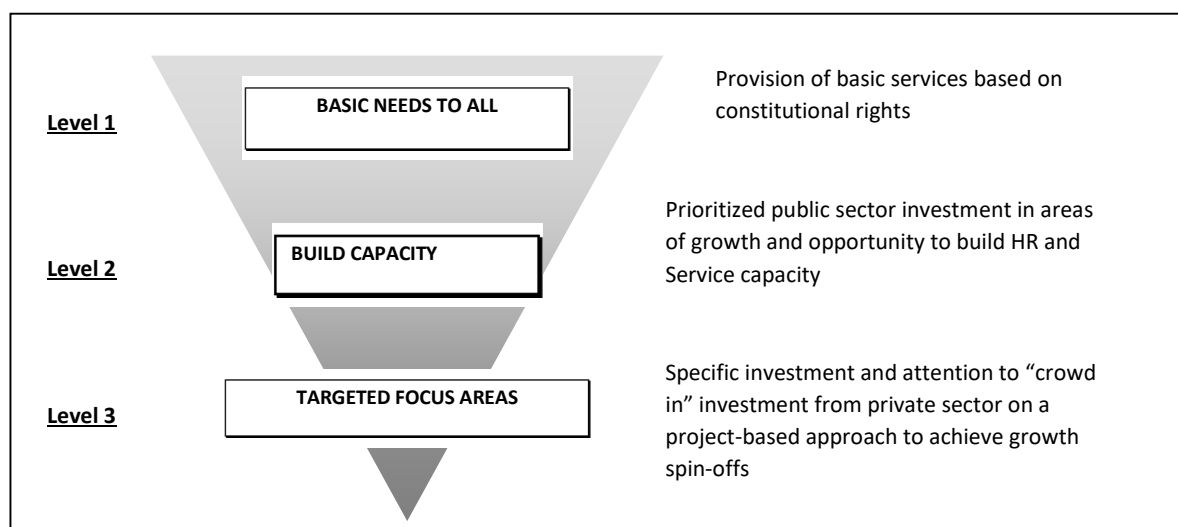
The adoption of the above philosophy and strategic approach means that the Amahlathi Municipality falls in line with the Provincial direction on these matters and will apply policies of investment and development facilitation at three levels to achieve the most significant results.

**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: -

<b>Key Spatial Development Issues</b>	
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
1. To fulfil basic needs obligations and address spatial integration within available means	<ul style="list-style-type: none"> <li>▪ 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.</li> <li>▪ Consolidate and integrate spatial development by developing land in proximity to public transport routes and existing services.</li> <li>▪ Develop infill areas within fragmented settlement areas, where appropriate.</li> </ul>
2. To manage land development in line with a structured approach to ensure sustainability	<ul style="list-style-type: none"> <li>▪ Manage land development in line with land use management guidelines related to identified spatial</li> </ul>

	<p>structuring elements and special development areas within Amahlathi</p> <ul style="list-style-type: none"> <li>▪ Support a land reform and settlement development programme by identifying zones of opportunity for land development</li> </ul>
3. To adhere to environmental law and protect environmentally sensitive areas	<ul style="list-style-type: none"> <li>▪ Implement the principles of Integrated Environment Management (IEM).</li> </ul>
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)	<ul style="list-style-type: none"> <li>▪ Implement the provisions of the Section 8 Zoning Scheme Regulations in terms of the Land Use Planning Ordinance (15 of 1985).</li> <li>▪ 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.</li> </ul>

### **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:**

<b>NODE TYPE</b>	<b>AREA/LOCALITY</b>	<b>DESCRIPTION</b>
<b>URBAN NODES</b>		
Level 3 Primary Node	<b>Stutterheim</b>	<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"> <li>▪ Investment in infrastructure to increase services capacity;</li> <li>▪ Development of public-funded housing areas;</li> </ul>

NODE TYPE	AREA/LOCALITY	DESCRIPTION
		<ul style="list-style-type: none"> <li>Development of regional social goods and facilities, including educational institutions, and sports and recreational facilities</li> <li>Land use management that focuses on the integration of disparate settlement elements in the town.</li> </ul>

Level 2 Secondary Nodes	<b>Keiskammahoek</b>	<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"> <li>Investment in infrastructure to services capacity;</li> <li>Appropriate Land use management and, infrastructural support to develop the Agricultural sector in the area.</li> </ul>
	<b>Cathcart</b>	<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"> <li>Investment in infrastructure to increase services capacity;</li> <li>Appropriate development of new residential and public-funded housing to meet local demand;</li> <li>Land use management that focuses on the improvement of the aesthetic character of the town.</li> </ul>
Level 1 Tertiary Node	<b>Kei Road</b>	<p>As a minor service center, Kei Road should be targeted for:</p> <ul style="list-style-type: none"> <li>Extension of public-funded housing area to meet local demand; as proposed in the Yellowwoods Kei Road Settlement Project</li> <li>Investment in Infrastructure</li> </ul>

#### RURAL NODES

Rural Development Nodes	<b>Frankfort</b>	Proposed as a rural nodal settlement with prioritization of higher order facilities development.
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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.

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.

#### 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
<b>Mobility Routes – Municipal level</b>	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	
<b>Special Routes – Tourism Focus</b>	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
  - Amathole Biosphere Reserve

- 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**

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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 Zenyu

#### **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:

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

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 Amatole Complex. The Amatole 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.

The Municipality gone further in the drive for alternative sources of energy by welcoming presentations by private electricity producers. The Municipality will be inviting more presentations with the view of developing a framework through which additional electrical power can be generated and supplied to the areas where the Municipality is the local authority.

### 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 three year capital plan has been submitted to council in the 2022/23 financial year and has been approved. The plan lists projects which will be implemented under the Municipality's Municipal Infrastructure Grant (MIG) programme. The lists includes roads projects and covers planning from the 2023/2024 financial year until the 2025/2026 financial years. The plan is reviewed annually in line with IDP and Budget processes. The municipality has a budget allocated for road maintenance in the draft 2023/24 financial year budget to be approved by Council.

The Municipality through its Project Management Unit is looking at accommodating the development of both roads maintenance plan and storm water management plan under the MIG budget for the outer year.

The Municipality has seen an increase in road maintenance backlogs as a result of shortage of road construction machinery. In particular the Municipality currently has no excavator for mining material for re-gravelling roads.

The Municipality has undertaken to do at least one MIG funded road construction project in-house utilising the available maintenance machines and a hired excavator. This an effort for the Municipality to raise funding for the purchasing of new plant with an excavator being the priority.

### 3.1.13 ELECTRICITY

The municipality has operating license with NERSA to distribute Electricity for Stutterheim, Amabele and Cathcart Town, Eskom holds the licence for distribution of Electricity in all remaining areas of under the jurisdiction of the Municipality. The municipality services 3800 households' with electricity under its licence, and is responsible for planning, design, operation and maintenance of electricity network feeding these households. 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 Stutterheim, 0.2MVA for Amabele and 1.4MVA for Cathcart. Currently the Actual Demand consumption for Stutterheim is 4.9MVA, Amabele is 0.08MVA and for Cathcart is 1MVA. The consumption in Stutterheim is of concern as it is close to the available capacity. The Municipality is looking at various solutions to increase the available capacity. Two main solutions that have been considered are the increasing of the capacity received from Eskom and renewable energy sources.

The Municipality currently incurs losses in excess of 30% annually through the electricity provision function. This is due to technical and non-technical losses. The technical losses being losses due to the aged network and the non-technical losses being due to faulty electricity meters, meter tempering and electricity theft.

The Municipality has appointed a service provider for three years to supply smart meters in an effort to curb non-technical losses and electricity theft. The first batch of meters has been delivered and the Municipality has embarked on a drive to replace all faulty meters. This will help to tackle some of the non- technical losses as well.

The Municipality approached the Development Bank of South Africa (DBSA) for funding of the review of the Electrical Master Plan. The review will assist in the determination of the required network upgrades which need to be done to reduce the technical losses. The Municipality is now awaiting formal confirmation of the funding approval.

The Municipal is in need of a Crane Truck. The Crane Truck, forms a vital part of carrying out the repairs and maintenance of the electrical network including the installation of new electricity connections, repairing of fault meters, streetlights and high mast lights for the community of Amahlathi Municipality at large. The Municipality has gone out to tender for the hiring of the crane truck in order to ensure that the repairs can be implemented.

The Municipality has not been receiving an allocation under the Integrated National Electrification Programme (INEP) for the last three years. This has adversely affected efforts to upgrade and maintain electricity infrastructure. The Municipality has successful engaged with the Department of Energy the resolve issues that had resulted in the Municipality to not be funded under INEP. Applications for funding will be submitted in early June 2023.

## 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. R5million has been allocated for free basic services in the 2023/2024 budget. The Municipality has dedicated personnel for Free Basic Services. The budget for free basic services for the past two financial years was R5m (2023/24) and R5m (2022/23) respectively. 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 R5.6m (2023/24) and R6m (2022/23) 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. Currently the policy is not being enforced due to logistical (office space, safety etc.) challenges in the office.

### **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 is implementing 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 2021/22 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

2021/22 financial year. The reports are prepared monthly and quarterly, submitted to the transferring officers in line with Dora requirements and conditions.

<b>Grant</b>	<b>Percentage</b>
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 85% in 2021/22 financial year. Debt collection has also been negatively affected by the Covid-19 pandemic coupled with culture of non-payment by debtors and the weak economic growth.

## **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. 2023/2024 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 30/08/2022 the Amahlathi Local Municipality Council adopted its IDP and Budget process plan. The IDP/Budget process plan outlines in detail the way in which the municipality embarked on its 2023/24 IDP from its commencement in July 2022 to its completion June 2023.

### **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 2022/23 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-** Community Consultation on priority needs identification was during the second quarter of 2022/23 financial year. 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. Councilors, Traditional Leaders, Executive Management and Labor representatives in preparation for IDP review. The roadshows were conducted during the month of April and May 2023 to all clusters for presentation of the draft IDP and Budget to solicit inputs from the community. The inputs were therefore be incorporated to the IDP and discussed in Council and the Rep forum held in 4<sup>th</sup> 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. Intergovernmental Relations forum were conducted during the review of this IDP however the Cluster IGRs were resuscitated during quarter 3 of 2022/23 financial year,

**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 final IDP will be publicized for perusal, as required in law, following its adoption subject to substantive comment by the Amahlathi Municipal Council on 25<sup>th</sup> May 2023.

### 3.3.3. PUBLIC PARTICIPATION

#### 3.3.3.1 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

The Municipal Public Account Committee (MPAC) was established on the 07<sup>th</sup> 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 Councilors and it was agreed that none of these appointed Councilors should serve in any other committee and standing committee.

The appointed members are as follows:

- Cllr Zukisa Anda Qonto (Chairperson)
- Cllr Xoliswa Neti
- Cllr Masixole Gantsho
- Cllr Phathuxolo Able Simandla
- Cllr Nichola Ncevu
- Cllr Zonke Mjandana

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 have an existing Training and Employment Equity Committee (TEEC) which sits as a LLF sub-committee on a quarterly basis and chaired by the Corporate Services Portfolio Head, consisting of the same Councilors that participate in the LLF. It is composed of the following people;

- Portfolio Head Corporate Services
- Portfolio Head Finance
- Cllr for LLF (X3)
- Director Corporate Services
- CFO
- Director Community Services
- Manager Finance
- Manager Engineering
- Manager Executive Services
- Manager D&TP
- Manager Community Services
- Manager Keiskammahoek Satellite Office
- Manager Cathcart Satellite Office
- Human Resources Manager
- Human Resources Development Officer
- Designated Group X3
- Skills Development Facilitator
- Community and Youth Development Administrator (EPWP)

- SAMWU Rep
- IMATU Rep
- Labour Relations Officer

### **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;

<b>NUMBER</b>	<b>SURNAME AND INITIAL</b>	<b>NUMBER</b>	<b>SURNAME AND INITIAL</b>
1.	Portfolio Head Corporate Services	9	SAMWU
2.	Portfolio Head Finance	10	SAMWU
3.	Any two (2) Councilors	11.	SAMWU
4.	Director Corporate Services	12.	SAMWU
5.	Chief Financial Officer	13.	SAMWU
6.	Director Community Services	14.	SAMWU
7.	HR Manager	15.	SAMWU
8.	Labour Relations Officer	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 for establishment of ward committees were advertised at a local community radio station (Forte FM) and Amahlathi Facebook Page. The process of electing Ward Committees commenced on 5<sup>th</sup> January 2022 to 8 April 2022. About 150 ward committee members have been elected however to date we have 144 ward committees as others have moved to other provinces seeking employment.

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.

Ward Committees 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)**

Community Development Workers 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.

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 Local Municipality consist of 15 Wards and out of that 7 War Rooms were launched in 2017. All these war rooms are using community halls as their sites and due to the vastness of some wards, there is a 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 Rooms 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 4 members listed hereunder and meet 4 times per annum as per its approved terms of reference.

NUMBER	SURNAME AND INITIAL
1.	Ms. Loren Smith - <b>Chairperson</b>
2.	Mr. Mlulami Mdani

3.	Mr. Mxolelanisi Manxiwa
4.	Ms. Nosipho Mabuza Hermanus

The Municipality has a functional Performance Audit Committee with 4 members. Contracts for AC Members will expire on the 31<sup>st</sup> August 2025.

### **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 charter was last reviewed in May 2022.

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 polices:

- 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 ICT unit have staff compliment of two permanent staff members and two interns that have been recruited to assist with basic administration.

ICT 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 ICT unit provides support in all the municipal sites in Stutterheim and the satellite offices although LAN connectivity has proven to be of low bandwidth over the years, thus its service offering has been revised and proposed to include an installation of WIFI Network connectivity for all the municipal offices, with limited access for employee data utilization.

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 inclusive of the 3<sup>rd</sup> party service providers for the hosting of servers and business continuity. In the revised service offerings, it has been established that Cibecs backup software provides sufficient management of the data and the storage of the data in as far as the LAN connectivity is at its optimum performance.

### 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 2021/22	RATING 2022/23
Spatial Development Framework	High	High	High	Medium	High	Medium
Service Delivery	High	High	Medium	Medium	High	Medium
Financial Viability	Medium	High	High	High	High	High
Local Economic Development	High	High	High	High	High	High
Good Governance & Public Participation	High	High	High	High	High	High
Institutional Arrangements	High	Medium	Medium	High	High	High
Overall Rating	High	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 thereafter held a session looking at the extent in which the assessment results 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 meetings 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 the preferable languages that we use are:

- English
- Xhosa

#### b. Petition Management

The policy framework has been developed to assist Amahlathi Local Municipality with Petition management 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 municipality give attention 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 7 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.

### **c. COMMUNICATION STRATEGY**

The Communication Strategy and Communication Action Plan were approved by Council in February 2014 and is reviewed annually. 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 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. There is SPU strategy in place developed and approved by council in 2017. It is partially implemented due to financial constraints. The document is due for reviewal in line with its 5 year term of relevance. Below is the Action plan that details the activities undertaken and or scheduled for 2022/23 financial year and it will be reviewed by June for implementation in 2023/24.

<b>KPA</b>	<b>PROGRAMME</b>	<b>DEPARTMENT RESPONSIBLE</b>	<b>TIME FRAME</b>	<b>BUDGET</b>
Special Programmes events targeting the 4 of the 7 Groups.	Women's Day Celebrations	SPU	1 <sup>st</sup> Quarter	n/a
	Sport related programme	SPU	2 <sup>nd</sup> Quarter	n/a
	Disabled People's Programme	SPU	2 <sup>nd</sup> Quarter	n/a
	World Aids Day Commemoration	SPU	2 <sup>nd</sup> Quarter	n/a
	16 Days of Activism	SPU	2 <sup>nd</sup> Quarter	n/a

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	HIV&AIDS PROGRAMME	SPU	3 <sup>RD</sup> Quarter	n/a
	Child Protection Month	SPU	4 <sup>th</sup> Quarter	n/a
	Youth Celebrations June	SPU	4 <sup>th</sup> Quarter	n/a
	Mayoral Cup	SPU	4 <sup>th</sup> Quarter	n/a

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3.3.9 AMAHLATHI MUNICIPALITY AUDIT ACTION PLAN 2022/23 FINANCIAL YEAR

No.	COAF No.	CAT	Audit Finding	Nature of the Finding	Classification	Number of Times Reported in Previous 3 years	Action Plan	Progress	Time Frame	Status
1	COAF 001	Internal Audit	1. 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.	Non-compliance	2	1. The internal quality assurance will be performed during the year in preparation for external quality assurance review.	Internal Quality Assurance reviews will be conducted in the next financial year 2023/24 in preparation for External Quality Assurance reviews as required by IIA Standards.  The IA unit will benchmark with other EC municipalities that have started with Internal Quality Assurance reviews.	2022/23 FY June	No progress

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2	COAF 001	Internal Audit	1. Planning: Internal Audit control deficiency	2. Internal auditor's membership for the IIA has lapsed and is still in the process of being renewed since last year, therefore not all the members are members of relevant professional bodies.	Non-compliance	2	2. To request funds for internal auditor's membership to be paid.	Quotations for IIA Membership will be sourced and membership will be renewed.	2022/23 FY June	No progress
3	COAF 001	UIFW	2. No investigation is done for prior year unauthorized expenditure	In the testing of consequence management it has been identified that no evidence of investigations have been done in order to recover prior year unauthorised expenditure.	Non-compliance	0	To ensure that where unauthorised expenditure is identified, it is promptly investigated so that it can be recovered or certified irrecoverable and written off by the council.	Training of MPAC members took place during the second quarter. Investigations into UIFW Expenditure will take place during the third and fourth quarter of the 2022/23 financial year.	2022/23 FY June	No progress
4	COAF 001	Audit Committee	4. Planning: Audit committee control deficiency	During assessment of the audit committee, the evidence relating to the following was not provided for audit purposes. 1. The audit committee has met separately with the internal audit.	Internal control deficiency	0	1. The committee meets separately with the internal audit without management being present at least once a year.	Meeting with AC without Management's presence will be convened before end of June 2023.  Supporting documentation will be filed.	2022/23 FY June	No progress

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5	COAF 001	Audit Committee	4. Planning: Audit committee control deficiency	2. The audit committee has ensured that it was involved in the review and approval of the combined assurance plan.	Internal control deficiency	0	2. The audit committee reviews and approves the combined assurance plan.	Going forward supporting evidence will be provided for AC reviews and approval of combined assurance plan.	2022/23 FY June	No progress
6	COAF 001	Audit Committee	4. Planning: Audit committee control deficiency	3. The chair of the audit committee provided regular feedback to the accounting officer or other relevant authority charged with oversight of the audit committees performance, findings and related issues.	Internal control deficiency	0	3. The chair of the audit committee provides regular feedback to the accounting officer or other relevant authority charged with oversight of the audit committees performance, findings and related issues.	Going forward supporting evidence will be provided when AC provides regular feedback to Accounting Officer and the Council.  AC prepares reports and presents to the Council on Quarterly basis. Going forward invite for AC to attend Council, attendance register for Council Meeting and AC report to the Council will be filed as supporting evidence to avoid non-compliance.	2022/23 FY June	No progress

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7	COAF 001	Audit Committee	4. Planning: Audit committee control deficiency	4. The audit committee reviewed and commented on annual reports within stipulated timeframes	Internal control deficiency	0	4. The audit committee reviews and comments on annual reports within stipulated timeframes	Going forward supporting evidence will be provided.  AC reviews and comments on Annual Report will be filed.	2022/23 FY June	No progress
8	COAF 001	Purchases and Payroll Business Process	5. Purchases and Payroll Business Process: Control Deficiencies	1. There was no evidence certain journals raised were reviewed by the delegated senior employee.	Internal control deficiency	0	1. Ensure that journals raise are reviewed and signed by manager.	This finding was resolved with the AG	Monthly	Implemented
9	COAF 001	Purchases and Payroll Business Process	5. Purchases and Payroll Business Process: Control Deficiencies	2. There is no evidence that the creditor's reconciliation has been reviewed by the delegated senior employee.  3. There was no evidence that the monthly reconciliation between creditors' age analysis and the creditors invoice is performed as stated in the business process	Internal control deficiency	0	2. Ensure that the creditor's reconciliations are prepared, reviewed and signed by manager.	This finding was resolved with the AG	Monthly	Implemented

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10	COAF 001	Purchases and Payroll Business Process	5. Purchases and Payroll Business Process: Control Deficiencies	4. Certain invoices were not signed as confirmation that the service was rendered and the payment can be processed.	Internal control deficiency	0	3. Ensure that invoices when being prepared for payments are signed by responsible recipient as proof of services rendered or goods received.	Expenditure section ensures that invoices are signed for before they are paid.	Monthly	In progress
11	COAF 001	Expenditure	6. Non-compliance - Payment of invoice not within 30 days	Invoices were not paid within 30 days of receiving the invoice.	Non-compliance	2	1. Invoices will be paid within 30 days provided that the cash flow allows.	Municipality currently implements its Financial Recovery Plan and is in the process of reviewing the Revenue Enhancement Strategy. Once cash flow stabilises then compliance will be enforced.	Monthly	In progress
12	COAF 003	Use of consultants	1. Use of Consultants Limitation: Non-submission	The municipality has not developed a consultancy reduction plans in order to reduce the reliance on consultants.	Internal control deficiency	0	To and implement the requirements of the 2019 Municipal Cost Containment Regulations.	1. Draft policy to be developed during the 3rd quarter. 2. Approval of policy will be done in May 2023.	2022/23 FY June	No progress

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13	COAF 003	Expenditure	2. Expenditure: Amounts incorrectly classified as Finance Cost	An amount relating to penalties imposed by SARS are included in finance cost.	Misstatements in financial statements	0	Prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information.	Separate vote number for penalties to be created by end March 2023 for quarterly AFS.	Monthly	Implemented
14	COAF 003	Expenditure	3. Expenditure: The electricity charged to the Municipality is not consumed by the Municipality and prior year electricity charged to current year	It could not be determined that the electricity charged on the Eskom invoices belonged to the properties owned by the municipality.	Misstatements in financial statements	0	Interrogate the invoices provided by Eskom and confirm that the billing relates to the Municipality.		Monthly	No progress
15	COAF 003	Expenditure	3. Expenditure: The electricity charged to the Municipality is not consumed by the Municipality and prior year electricity charged to current year	The expenditure recorded relates to prior year consumption of electricity.	Misstatements in financial statements	0	Perform year-end procedures to ensure that electricity consumed at the end of prior year is recorded in the prior year.	Invoices and occurrence is currently monitored before being captured.	2022/23 FY June	In progress

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16	COAF 003	Expenditure	1. Telephone and fax - Not accurate, incorrectly classified and non-occurrence	Items have been incorrectly classified as expenses as opposed to receivables as the Municipality does not have contracts/ accounts with the suppliers.	Misstatements in financial statements	0	Ensure that financial and performance reports supported and evidenced by reliable information are prepared and properly classified.	Classification of expenses is monitored. Disputed transactions to be recorded under debtors by March 2023 for quarterly AFS.	Monthly	In progress
17	COAF 003	Bulk Purchases	2. Bulk Purchases - Incorrect classification	Certain transactions have been incorrectly classified under Bulk purchases in the general ledger whereas it is for free basic electricity.	Misstatements in financial statements	0	Ensure that financial and performance reports supported and evidenced by reliable information are prepared and properly classified.	In the process of reviewing the GL transactions already processed to ensure correct recording.	Monthly	In progress
17	COAF 003	Bulk Purchases	3. Bulk Purchases - Interest on overdue account not recorded in the FWE schedule	It was noted that interest on overdue accounts amounting to R133 231.78 that was charged by Eskom was not recorded under fruitless and wasteful expenditure for 2021/22 financial year.	Misstatements in financial statements	0	Scrutinise all instances of fruitless and wasteful transactions and ensure that they are recorded in the FWE register.	The schedule of Fruitless & Wasteful Expenditure is being prepared on a quarterly basis to ensure that there are no errors.	Monthly	In progress

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18	COAF 003	Expenditure	5. Expenditure: Errors identified in the recorded expenditure amount	1. The occurrence of the certain expenditure cannot be verified as there is no approved agreement between the municipality and the supplier.	Misstatements in financial statements	0	Ensure that all transactions are backed up by contracts entered into by the municipality.	Contracts are being signed between supplier and the municipality for all long term contracts	Monthly	In progress
19	COAF 003	Expenditure	5. Expenditure: Errors identified in the recorded expenditure amount	2. The VAT amount calculated is incorrect	Misstatements in financial statements	0	Ensure the VAT calculation is performed accurately and reviewed before being processed.	In the process of reviewing the GL transactions already processed to ensure correct VAT recording.	Monthly	In progress
20	COAF 003	Expenditure	5. Expenditure: Errors identified in the recorded expenditure amount	3. The discount applied only applies to domestic/residential properties and the property is agricultural property.	Misstatements in financial statements	0	Ensure a review of all discounts and other write-offs used are accurately applied to transactions.	The incentive scheme was implemented up to June 2022.	Monthly	Implemented
21	COAF 003	Expenditure	5. Expenditure: Errors identified in the recorded expenditure amount	4. Travelling was incurred in May & June 2021 and thus relates to prior year.	Misstatements in financial statements	0	Perform year-end procedures to ensure proper cut-off of transactions.	In the process of reviewing the GL transactions already processed to ensure correct recording.	2022/23 FY June	In progress
22	COAF 003	Revenue	1. Revenue billing reports do not agree	The refuse billing reports do not agree with the GL.	Misstatements in financial statements	0	Prepare monthly billing reconciliations that are	Recons to be done and reviewed monthly	Monthly	In progress

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			with the GL accounts				reviewed and signed by manager.	effective January 2023.		
23	COAF 004	Revenue	2. Limitation: Fire levy	For certain properties the category for which the property is used for could not be verified and therefore it could not verify whether the correct tariff has been charged for billing purposes.	Misstatements in financial statements	0	Ensure that customer information is clearly categories in the register and in the system and the correct tariffs are billed.	Recons to be done and reviewed monthly effective January 2023.	Monthly	In progress
24	COAF 004	Revenue	3. Revenue billing reports do not agree with the GL accounts	The sale of electricity billing reports do not agree with the GL.	Misstatements in financial statements	0	Prepare monthly billing reconciliations that are reviewed and signed by manager.	Recons to be done and reviewed monthly effective January 2023.	Monthly	In progress
25	COAF 004	Revenue	4. Interest received debtors	In recalculating the interest on debtor's statement, differences were identified.	Misstatements in financial statements	0	Prepare monthly billing reconciliations that are reviewed and signed by manager.	Interest rate is confirmed with a senior before billing is concluded.	Monthly	Implemented
26	COAF 004	Employee related costs	5. Cut-off: Conditional Grants	Salaries that were paid for the months May 2021 to June 2021 for EPWP staff were recorded in the 2021/22 financial	Misstatements in financial statements	0	Perform year-end procedures to ensure proper cut-off of transactions.	Recording of transactions is being monitored to ensure correct period of recording.	Monthly	In progress

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				year as July 2021 basic salaries.						
27	COAF 005	SCM	1. SCM - Awards made to providers whose tax matters had not been declared by SARS to be in order	During the testing of bids, it was identified that for certain bids appointment letters were sent to suppliers at the time when the tax status of the supplier was non-compliant according to the CSD compliance history.	Non-compliance	0	Regularly check the tax compliance status of preferred bidders before the awarding is made.	Tax matters of each bidder are checked during bidding process and also at appointment stage.	Per Award	In progress
28	COAF 006	AOPO	1. CMRPD - Reported targets and achievements are not consistent with planned targets and achievement.	It was noted that the reported targets and achievements of the tested indicators are not consistent with planned targets and achievement	Non-compliance	0	Ensure that the APR is adequately reviewed for consistency with planned documents and ensure that performance information is presented appropriately.	Learning and sharing session was held with Mngquma Municipality on the 12th December and was recommended to review SDBIP during Mid-year and Reviewed SDBIP was tabled to Council in February 2023	2022/23 FY June	Implemented

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29	COAF 006	AOPO	2. AOPO-The indicators and its targets are not properly presented and disclosed	It was noted that measures taken to improve performance are not disclosed in the APR for certain indicators.	Non-compliance	0	Set realistic targets for indicators that were not achieved in the current financial year.	Learning and sharing session was held with Mngquma Municipality on the 12th December and was recommended to review SDBIP during Mid-year to ensure that all construction targets are set in percentage rather numbers. Targets have been amended on the approved Amended SDBIP that was tabled in February 2023.	2022/23 FY June	Implemented
30	COAF 006	AOPO	3. AOPO-The target set is not specific	It was noted that certain indicators are not specific about the place/location, of where the work will be performed.	Non-compliance	0	Set specific targets for indicators which clearly identify the specific locations of the work to be done.	Learning and sharing session was held with Mngquma Municipality on the 12th December and was recommended to ensure that the road maintenance plan is aligned to the target and link	2022/23 FY June	In progress

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								it to assessment reports as the trigger for doing maintenance.		
31	COAF 006	AOPO	4. AOPO – Performance Targets set for 2 KPIs are not SMART (KPI 15 & 28)	It was noted that the performance targets set are the same as the indicators for 2 KPIs that are under KPA 1 (Basic service delivery and infrastructure), with no unit measure for the targets to be achieved for each indicator.	Non-compliance	0	Ensure to set performance targets that are SMART as per Section 3.3 of FMPPI.	Learning and sharing session was held with Mnquma Municipality on the 12th December 2022 and was recommended to review SDBIP to ensure that the two targets are set in percentages and review the expected evidence. The target relating to implementation of plans were amended to be measured in percentages in 2023/24 SDBIP as the targets that were identified during 2022 Audit are not on 2022/23 SDBIP.	2022/23 FY June	Implemented

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32	COAF 008	Trade payables	1. Trade Payables - Overstatement	During the testing of trade payables it was noted that there is a difference between the amounts recorded in the trade payables age analysis and the supplier statements that were submitted for audit.	Misstatements in financial statements	0	Prepare monthly creditors reconciliations that are reviewed and signed by manager.	Creditor's recons are prepared and reviewed on a monthly basis.	Monthly	Implemented
33	COAF 008	Trade payables	2. Retention Creditors - Register not agreeing with the AFS	The Retentions Register does not agree with the annual financial statements.	Misstatements in financial statements	0	Ensure that the retentions register is regularly updated with the accurate retention from the invoice and contract. Prepare a reconciliation between the register and GL that is reviewed and signed by manager.	The WIP register is currently being updated with the columns to clearly reflect the retention withheld with each transaction.	Monthly	In progress

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34	COAF 011	Receivables	2. Long term receivables – account long outstanding	<p>The long term receivables have been presented and disclosed in the financial statements at the same amount and there has been no movement in the account since the 2017 financial year.</p> <p>There are no impairment considerations that have been made by the management on the balance. Furthermore there is no evidence that the municipality has tried to collect the debt over the years.</p> <p>Therefore the debt is uncollectable as it has been outstanding for a number of years with no movement in the account.</p>	Misstatements in financial statements	0	Investigate the long-term receivable and make necessary adjustments and/or write-offs.	A journal has been prepared to correct the finding.	2022/23 FY June	Implemented
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35	COAF 009	AOPO	1. AOPO-KPI 08-There are no customer query forms	During the testing of KPI 08, it was identified that there are faulty meters included in the report that 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.	Non-compliance		Ensure that the APR reports are supported by evidenced and reliable information.	Learning and sharing session was held with Mnquma Municipality on the 12th December 2022 and the need for HODs to review reports and ensure that POE is adequate prior submission to PMS for assessment was highlighted.	2022/23 FY June	In progress
36	COAF 009	AOPO	2. AOPO-KPI 08-Total number of faulty meters included in the POE file and the reports are different	During the testing of KPI 08, it was identified that the total number of faulty meters included in the POE file and the APR report are different.	Non-compliance		Ensure that achievement reported in the APR agrees with the close-out reports (POE). Furthermore, the total of reported achievement per quarterly reports should agree with annual achievement reported on the APR.	Learning and sharing session was held with Mnquma Municipality on the 12th December 2022 and the need for HODs to review reports and ensure that POE is adequate prior submission to PMS for assessment was highlighted.	2022/23 FY June	In progress

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37	COAF 009	AOPO	3. AOPO-KPI 08-Limitation of scope on completeness on the faulty meters	During the testing of the faulty meters repaired indicator, it was identified that for certain faulty meters reported and repaired per the customer query forms and register – there was no progress report (a report that shows all reported meters resolved and not yet resolved that is used to prepare APR)	Non- compliance		Ensure that the faulty meter report for the quarter is prepared which indicates all the faulty meters repaired for all the customer query forms during the quarter.	Learning and sharing session was held with Mnquma Municipality on the 12th December 2022 and the need for HODs to review reports and ensure that POE is adequate prior submission to PMS for assessment was highlighted.	2022/23 FY June	In progress
38	COAF 009	AOPO	4. AOPO Reliability testing – KPI 1- 4 Completeness testing	During execution of KPI 1- 4 indicators, It was identified that the municipality does not have the excel HR Register for employees who perform roadwork's, the roadwork's employees signs informal register, and that physical register is not sequentially numbered, therefore it cannot be a complete source for completeness testing. Therefore, we could not confirm that the	Non- compliance		Ensure that sufficient appropriate supporting evidence is included in the POE files and improve the review process of the APR to ensure that the reported information is complete and consistent with the supporting documentation.	Learning and sharing session was held with Mnquma Municipality on the 12th December 2022 and the need for HODs to review reports and ensure that POE is adequate prior submission to PMS for assessment was highlighted.	2022/23 FY June	In progress

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				kms reported in the APR for KPI 1 – 4 are complete.						
39	COAF 010	AOPO	1. CMRPD – Indicators with targets reported as percentages	<p>It was noted that the following targets are not measurable as the percentage of the indicator is not well-defined with measurable output. The auditee merely depends on the percentage stage of completion reported by the engineers as the output with no method of calculation documented or communicated.</p> <p>Furthermore, we could not obtain standard operating procedures (SOPs), technical indicator descriptions (TIDs) and relevant planning documents that details how indicators are defined and the inputs that will be utilised to get to the percentages (i.e. numerator and the denominator) for all</p>	Non-compliance		Prepare proper planning documents which details inputs to achieve the targets, and ensure that the output for each indicator is measurable.	Learning and sharing session was held with Mngquma Municipality on the 12th December 2022 and there were recommendations to review the SDBIP during mid-year to ensure the following; <ul style="list-style-type: none"> <li>1. Align KPI to the annual target.</li> <li>2. Unit of measurements to be consistent for KPI, quarterly and annual reporting and review SOPs accordingly</li> <li>• 3. All targets related to construction works to be measured by %</li> </ul> The 2022/23 SDBIP has been revised and the	2022/23 FY June	Implemented

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				the indicators that are reported as percentages.				finding was addressed.		
40	COAF 014	Provisions	1. Provision of landfill site: Limitations that were identified by the consultant resulted in the internal control deficiency for the municipality	During the audit of the provision for rehabilitation of landfill site it was noted that there are limitations that were highlighted by the consultant.	Internal control deficiency		During the audit of the provision for rehabilitation of landfill site it was noted that there are limitations that were highlighted by the consultant. Tool has been developed to conduct internal audits informed by the waste disposal site permit. External audits are done by DEDEA and ADM - DEDEA audit conducted during the month of February 2023 ... ( Awaiting audit report)	1. IWMP has been reviewed. 2. Action plan for dealing with the limitation will be developed during the 3rd quarter. 3. Applications for funding to be done during the 4th quarter.	2022/23 FY June	In progress

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41	COAF 016	Property, plant and equipment	1. Capital Assets: Differences identified in depreciation calculation and estimated useful life for class of transaction not applied	1. The useful life as disclosed in the Annual Financial Statements is not consistent with the useful lives documented in the Fixed Asset Register (FAR).	Misstatements in financial statements		Review the FAR regularly to ensure that the EULs are consistent with the Asset Management Policy and the AFS.	The FAR has been updated with the correct EUL and RUL per policy. The depreciation is calculated on a monthly basis and all work is reviewed. The mid-year AFS will be used to ensure that the FAR agrees with the AFS.	2022/23 FY June	In progress
42	COAF 016	Property, plant and equipment	1. Capital Assets: Differences identified in depreciation calculation and estimated useful life for class of transaction not applied	2. Assets differences have been identified in the calculation of depreciation.	Misstatements in financial statements		Recalculate the depreciation and ensure that the correct methods and estimates are used for depreciation. Reconcile and review monthly depreciation.	The FAR has been updated with the correct EUL and RUL per policy. The depreciation is calculated on a monthly basis and all work is reviewed	Monthly	In progress
43	COAF 016	Property, plant and equipment	2. Disposal of assets: The loss on disposal of assets presented in the AFS is incorrect	The loss on disposal of assets and liabilities presented in the annual financial statement is incorrect.	Misstatements in financial statements		Review of the schedules and calculations of items and ensure correct posting in the annual	Monthly asset reports and transactions are prepared which reconcile the GL and the FAR.	Monthly	Implemented

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							financial statement.			
44	COAF 017	UIFW	1. Difference between IE Register and the AFS	<p>It was noted that the amount of the irregular expenditure relating to the standardisation of salaries incurred in the current year per the irregular expenditure register does not agree to the amount that is disclosed in the face of the irregular expenditure note in the AFS.</p> <p>Further the IE write off that is disclosed in the AFS does not agree to the amount of the IE write off that is on the Council approved schedules.</p>	Misstatements in financial statements		Review and reconcile the UIFW registers to the amounts disclosed in the AFS.	The standardization amount disclosed in the face of irregular expenditure note in the AFS is being reconciled on quarterly basis to ensure that it tallies with the amount in the register.	2022/23 FY June	In progress
45	COAF 018	UIFW	1. Unauthorized Expenditure is not complete	During completeness testing, it was noted that the overspending on operating expenditure was not included on the list of unauthorized expenditure.	Misstatements in financial statements		Review and reconcile the UIFW registers to the amounts disclosed in the AFS.	This will be prepare at year-end when the overall budget v expenditure will be prepared.	2022/23 FY June	No progress

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46	COAF 019	AFS	1. Segment Reporting – Casting issue	The totals in the reconciliations of the segmental financial information to the statements per note 48 does not agree to the balances/totals in the face of the financial statements submitted for audit.	Misstatements in financial statements		Ensure proper review of AFS.	The AFS will be presented to CFO and other relevant stakeholders (i.e. IA) commencing with the mid-year AFS to ensure that they are properly reviewed.	2022/23 FY June	In progress
47	COAF 019	Receivables: Non-exchange	2. Restatement journal property rates: Impairment not included	In performing the statement journal for reversal of unknown debtor accounts, management did not process a journal to reverse the impairment that would have been recognised in the prior years in relation to these debtors.	Misstatements in financial statements		Review journals and the impact thereof on the overall financial reporting.	The finding was corrected during the audit.	Monthly	Implemented
48	COAF 019	Contingent liabilities	3. Contingent Liabilities- Disagreement between AFS, Legal Register and Legal confirmations	During the test of the contingent liabilities it was noted that there were differences between the legal register, financial statements (Note 38) and the legal confirmations.	Misstatements in financial statements		Review and reconcile the legal registers and ensure they agree.  Ensure the status of the claims and the estimated cost to settle the claims with their attorneys	This will be prepare at year-end when the 2022/23 legal register will be considered.	2022/23 FY June	No progress

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							on a regular basis.			
49	COAF 020	AFS	3. Related Parties – Not fairly presented in the AFS	In note 39 of the financial statements, the disclosure does not include close family members as per Grap 20.	Misstatements in financial statements		Ensure proper review of AFS.	This was adjusted for in the 2021/22 AFS and will be considered with mid-year and annual statements	2022/23 FY June	Implemented
50	COAF 020	Cash and cash equivalents	4. Cash and cash equivalents: Cash on hand not supported by cash in the bank	During the audit of cash and cash equivalents it was identified that there in an amount of cash on hand that is not supported with cash in the bank. And when the bank confirmations were received, these amounts were not included by the bank and therefore were not confirmed by the bank.	Misstatements in financial statements		Investigate the balance sitting on cash on hand and propose the necessary adjustment thereof.	The amount will be classified under other debtors in financial year 2023.	2022/23 FY June	In progress
51	COAF 020	Conditional grants	5. Conditional grants non-compliance: No evidence MIG report was prepared within 2 months after year-end.	Evidence that the municipality had evaluated its performance in respect of programmes funded/ partially funded by the MIG within two months after the end	Non-compliance		Ensure the MIG performance reports are dated upon signing the reports or accessible evidence of	Implemented.	2022/23 FY June	Implemented

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				of the financial year could not be obtained as the signed MIG performance report submitted is not dated.			when the evaluations were performed is kept.			
52	COAF 021	Expenditure	3. Contracted services - Overstatement	The expenditure amount of contracted services is incorrectly recorded inclusive of Vat.	Misstatements in financial statements		Review transactions before and after processing to ensure the correct posting thereof and correct accounting for VAT.	In the process of reviewing the GL transactions already processed to ensure correct VAT recording.	Monthly	In progress
53	COAF 022	UIFW	1. Fruitless & Wasteful Expenditure – Non-compliance	The reasons stipulated by council in the investigation report stating that the documents were destroyed in the municipal fire is not adequate for the write off as the supporting documents can be re-created by obtaining them from the affected suppliers therefore fruitless and wasteful expenditure was not adequately investigated to	Non-compliance		Ensure that sufficient and adequate investigations are done to support the write offs of fruitless and wasteful expenditure.	Training of MPAC members took place during the second quarter. Investigations into UIFW Expenditure will take place during the third and fourth quarter of the 2022/23 financial year.	2022/23 FY June	No progress



### **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 May 2022. The main objectives of the Fraud Prevention Plan are as follows:

- To create a culture that 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 reviewed on annual basis or when the need arises. Last review was 31<sup>st</sup> May 2022.

The following areas are being addresses 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 Unit 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 not have a Risk Management Unit.

Risk Management Activities are done by Internal Audit Staff.

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	ROOT CAUSES	CONSEQUENCES	MGT ACTIONS
1	Failure to develop and maintain a positive relationship with the internal and external stakeholders	1. Limited financial and non-financial (lack of human capacity) resources 2. Departments working in silos. 3. Non-compliance to the communication strategy, communication policy, Public Participation Policy and Petition Framework. 4. Lack of integrated Municipal calendar 5. Absence of business continuity plan 6. Ineffective implementation of internal business planning cycles (IDP, SDBIP etc.) 7. Ineffective communication plan	1. Poor communication of information between external stakeholders and the community 2. Service delivery and/ or staff protests 3. Business and service delivery negatively impacted 4. Reputational and brand risk 5. Dysfunctional war rooms 6. Instability within the municipality and community 7. Loss confidence from community and other stakeholders 8. Inadequate public participation	1. Ensure distribution of information to the satellite office and communities. 2. Implementation of the Communication Plan 3. Monthly monitoring of corrective actions to address issues raised in Petitions 4. Solicit funding from government to improve Communication Technology 5. Development of Business Continuity Plan 6. Source funding and reduce Municipal Programs

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#	RISK DESCRIPTION	ROOT CAUSES	CONSEQUENCES	MGT ACTIONS
		8. Poor communication technology 9. Lack of Customer Care/Unresolved Customer Queries 10. Ineffective communication		
2	Failure to comply with legislative and other requirements	1. Non-payment of WCA 2. Ineffective OHS Committee 3. Non-compliance with COIDA	1. Negative audit outcome 2. Litigations 3. Compromised service delivery	1. Payment arrangement with DOL 2. Risk assessment for OHS 3. Training of HOD's
3	Inability to continue as a going concern	1. Underperformance in revenue collection 2. Political interference and instability. 3. Dilapidating infrastructure. 4. By-passing of electricity meters 5. Ineffective implementation revenue enhancement strategy	1. Financial loss. ( Bankruptcy) 2. Non-compliance with the Revenue management policies. 3. Poor service delivery. 4. Slow economic development 5. Loss of investor confidence or potential donors' opportunities. 6. The going concern of the municipality might be compromised. 7. Inability to maximize collection from existing revenue streams	1. Report on the implementation of revenue enhancement strategy measured on a percentage basis. 2. Municipal rebranding and repositioning. 3. Development of a municipal customer care strategy 4. Establishment of Customer Care Centre. 5. Automation of the credit control processes in order to achieve the full value chain. 6. Review of RES and FRP. 7. Strengthening of public participation programmes.
4	Inability to facilitate economic growth within Amahlathi	1. Limited capacity to implement the programme 2. Limited funding for capacity building	1. Negative impact on the subsequent funding for the programme 2. Participants leave the	1. Basic skills assessment of participants per project 2. Full implementation of approved policies

**2023/24 INTEGRATED DEVELOPMT PLAN (IDP)**

#	RISK DESCRIPTION	ROOT CAUSES	CONSEQUENCES	MGT ACTIONS
			programme without acquiring necessary skills	
5	Failure to plan for, develop and maintain a sustainable infrastructure  Inadequate provision of sustainable road network within Amahlathi and Technical and financial losses in electricity supply	<ol style="list-style-type: none"> <li>1. Limited Resources (Tools Trades and funding)</li> <li>2. Ageing construction plan &amp; machinery</li> <li>3. Absence of electricity losses reduction plan</li> <li>4. Aging electrical infrastructure</li> <li>5. Electricity Theft</li> <li>6. Lack of implementation of meter audit recommendations to address shortcomings identified and non-compliance</li> <li>7. Inaccurate estimations of non-metered or measured supplies (public lighting, municipal facilities, park facilities).</li> <li>8. Inaccurate programming of power limits (e.g. 20A customer meter programmed 60A power limit)</li> <li>9. Ineffective customer care / Customer care not institutionalized</li> </ol>	<ol style="list-style-type: none"> <li>1. Service delivery protest</li> <li>2. Loss on public confidence</li> <li>3. Lack of accessibility</li> <li>4. Liabilities</li> <li>5. Inadequate provision of sustainable road network within Amahlathi</li> <li>6. Total collapse of the entire electrical distribution network</li> <li>7. Loss of revenue</li> <li>8. Increased criminal activities</li> <li>9. Irregular expenditure due to Eskom penalties for overreaching the electricity load capacity.</li> <li>10. Revenue loss</li> <li>11. Loss of confidence (service users)</li> <li>12. Inaccurate billing</li> <li>13. Technical and financial losses in electricity supply</li> </ol>	<ol style="list-style-type: none"> <li>1. Review and implement infrastructure maintenance plan</li> <li>2. Independednt review of contracts / SLA</li> <li>3. Purchasing of smart meters</li> <li>4. Upgrading of electricity load capacity</li> <li>5. Develop customer care</li> </ol>

**2023/24 INTEGRATED DEVELOPMT PLAN (IDP)**

#	RISK DESCRIPTION	ROOT CAUSES	CONSEQUENCES	MGT ACTIONS
6	Failure to be prepared for a Municipal Emergency and Recovery	<ol style="list-style-type: none"> <li>1. Inadequate funding</li> <li>2. Capacity constraints in terms of human capital</li> <li>3. Disaster contingents plan (to be institutionalized)</li> <li>4. Tools of trades</li> <li>5. Lack of business continuity plan (BCP) and Disaster Recovery Plan (DRP)</li> <li>6. Inadequate disaster management plan</li> <li>7. Absence of information protection strategies/plans</li> <li>8. Non alignment of ICT strategies with business objectives and sustainability</li> <li>9. BCP not embedded in the organization's culture</li> <li>10. There is no individual delegated to coordinate BCP</li> <li>11. Absence of BCP Committee</li> <li>12. Incident and corporate crisis management plans/programme</li> </ol>	<ol style="list-style-type: none"> <li>1. Service delivery protest</li> <li>2. Loss of potential revenue</li> <li>3. Compromised service delivery</li> <li>4. Loss on public confidence</li> <li>5. Collapse infrastructure</li> <li>6. Loss of life</li> <li>7. Failure to respond and recover on disaster incident</li> <li>8. Fatalities or loss of lives</li> <li>9. Loss of municipal valuable information</li> <li>10. Financial loss</li> <li>11. Tarnished reputation and brand image</li> <li>12. Regressed audit opinion</li> <li>13. Going concern impact</li> <li>14. Municipal business instability due to disaster</li> </ol>	<ol style="list-style-type: none"> <li>1. To appoint Panel of Professional Services Providers</li> <li>2. Budget for Disaster Management</li> <li>3. Review of the Disaster Contingent Plan (to be institutionalized)</li> <li>4. Develop Disaster Management Policy</li> <li>5. To review BCP and (DRP)</li> <li>6. To review and report on Disaster Management Plan</li> <li>7. Communicate BCP to raise awareness within the organization</li> <li>8. The Municipal Manager to delegate an individual or office to coordinate BCP</li> <li>9. To establish BCP Committee</li> <li>10. To integrate BCP into departmental and organizational plans</li> <li>11. Reviewed ICT Master Plan and report the Implementation Plan</li> <li>12. Revive ICT Steering Committee</li> </ol>

**2023/24 INTEGRATED DEVELOPMT PLAN (IDP)**

#	RISK DESCRIPTION	ROOT CAUSES	CONSEQUENCES	MGT ACTIONS
7	Governance Failure	<ol style="list-style-type: none"> <li>1. Non implementation of the recommendations made by governance structures</li> <li>2. Lack of consequence management within the Institution</li> <li>3. Inconsistence in application of controls</li> <li>4. Lack of standard operating procedure on how the Oversight / other Governance structures should operate</li> <li>5. Ineffective governance structures</li> <li>6. Failure to address internal and external audit findings</li> <li>7. Noncompliance to policies and laws</li> </ol>	<ol style="list-style-type: none"> <li>1. Inability to achieve core mandatory municipal obligations</li> <li>2. Reputational damage</li> <li>3. Reduced public confidence</li> <li>4. Staff low morale</li> <li>5. Dysfunctional municipality</li> <li>6. Instability among the political and administration head/s</li> <li>7. Dysfunctional performance management system</li> <li>8. Ineffective accountability</li> <li>9. Debt certificate issued by AG to the accounting officer or accounting authority</li> <li>10. Inability to comply with regulated deadlines</li> <li>11. High litigations</li> <li>12. Governance failure</li> </ol>	<ol style="list-style-type: none"> <li>1. To coordinate sittings of Financial Disciplinary Board when required to</li> <li>2. To appoint an Independent FDB Chairperson</li> <li>3. To develop annual work plan of Governance Structures</li> <li>4. Training of MPAC and Management on Governance Issues</li> <li>5. Monthly monitoring of Internal Audit Action Plans</li> <li>6. Prepare quarterly risk management reports</li> <li>7. Review ICT risk register and implement risk action plans</li> <li>8. Establish ICT Steering Committee and appointment of an independent Chairperson</li> <li>9. Training Risk Committee and ICT Steering Committee on ICT governance</li> <li>10. Develop compliance risk register</li> <li>11. Litigation risk assessment</li> <li>12. Litigation management strategy</li> <li>13. Reduction in litigations</li> </ol>

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#	RISK DESCRIPTION	ROOT CAUSES	CONSEQUENCES	MGT ACTIONS
8	Failure to provide information technology systems and controls and to secure records	1.Information Technology systems inadequate or ineffective 2.Unauthorised use of copyright material 3.Improper use of social media 4.Failure of data security measures	1. Ineffective project management. 2. Inability to make accurate decisions 1.Breach of copyright resulting in legal action against Council. 2. Financial loss arising from damages claims 3.Loss of reputation from adverse publicity 4.Unauthorised information/opinion published on social media 5.Incorrect information published on social media 6.Unauthorised access to programs and data. Data held for ransom 7.Non-compliance with statutory requirements. 8. Harm to reputation and public confidence. 9.Significant financial risk	1.Establish Electronic Records Management System 2.Ensure cyber insurance 3.Cyber Risk Training

**2023/24 INTEGRATED DEVELOPMT PLAN (IDP)**

#	RISK DESCRIPTION	ROOT CAUSES	CONSEQUENCES	MGT ACTIONS
9	Fraud and Corruption	<ol style="list-style-type: none"> <li>1. Lack of robust monitoring of and adherence to legislation, laws and financial policies</li> <li>2. Absence of control loss management control framework</li> <li>3. Ineffective revenue management (cash management)</li> <li>4. Lack of consequence management</li> <li>5. Abuse of SCM processes and procedures</li> <li>6. Absence or non-enforcement of municipal by-laws and law enforcement</li> <li>7. Inadequate fraud detection, prevention and reporting control mechanism</li> </ol>	<ol style="list-style-type: none"> <li>1. Fruitless &amp; wasteful expenditure and irregular expenditure.</li> <li>2. Regressed audit opinion.</li> <li>3. Reputational risk</li> <li>5. High legal costs</li> </ol>	<ol style="list-style-type: none"> <li>1. Review finance and risk management policies</li> <li>2. Ensure that Fraud Hotline is established</li> <li>3. Established and sitting of Disciplinary Board</li> <li>4. UIF (W) expenditure identified to be escalated to the MM for submission to Audit Committee and Financial Disciplinary Board</li> <li>5. Management to implement resolutions of Disciplinary</li> <li>6. Develop Fraud risk register and Fraud Awareness Campaigns for the municipality</li> <li>7. Monitor and report fraud risks control monitoring checklist</li> <li>8. To develop irregular expenditure control monitoring checklist</li> <li>9. To report progress in implementing MPAC resolutions relating to UIF(W)</li> </ol>
10	Ineffective Performance management Systems	<ol style="list-style-type: none"> <li>1. Human and financial constraints</li> <li>2. Non- implementation of PMS policy and regulations</li> <li>Failure to report accurately on service delivery.</li> <li>Failure to implement and monitor corrective action</li> </ol>	<ol style="list-style-type: none"> <li>1. Non-compliance with relevant laws and regulations</li> <li>2. Poor service delivery</li> <li>3. Service delivery protests</li> <li>4. Fraud and corruption</li> <li>5. Lack of consequence management</li> </ol>	<ol style="list-style-type: none"> <li>1. Develop Monitoring and evaluation framework</li> <li>2. Monitoring of corrective actions to address poor performance</li> <li>3. Bi-annual recognition of the most performing department</li> <li>4. Formulating task team to recognize and reward most 12 performing employees.</li> <li>5. Promote monthly sittings of departmental meetings with SDBP Performance monitoring</li> </ol>

**2023/24 INTEGRATED DEVELOPMT PLAN (IDP)**

#	RISK DESCRIPTION	ROOT CAUSES	CONSEQUENCES	MGT ACTIONS
				6. Develop and submit Draft SDBIP together with IDP and budget 7. Quarterly IDP/PMS Forums 8. To consider having designated person of individual performance management 9. Consequence management on late submission of quarterly performance reports by departments 10. Site visits by the Executive Management 11. Monitor performance of the service providers 12. Combined assurance on performance management

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

2019/20	2020/21	2021/22
<b>QUALIFIED</b>	<b>UNQUALIFIED</b>	<b>UNQUALIFIED</b>

### 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

The Litigation register is updated on monthly basis and the litigation reports are prepared and submitted quarterly to the Management, Legal Advisors Forum, Audit Committee and to the Council.

## 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 financial constraints hence the intervention from ECCOGTA. A new Local Economic Development Strategy is being developed in conjunction with ECCOGTA, 2022/23 Financial Year. Central to this strategy is the Post-Covid 19 Economic Resuscitation and the issue of Fourth Industrial Revolution.

However, 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 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.

<b>STRENGTHS</b>	<b>WEAKNESSES</b>	<b>OPPORTUNITY</b>	<b>THREATS</b>
Availability of primary resources	Lack of access to economic opportunities	Improved Stakeholder engagement	Red tape.
Local Economic Development Section is contributing to capacity building of the SMMEs.	High rate of community/political unrest.	Availability of opportunities such as Irrigation schemes and tourist attractions	Some leave ALM to big cities because their skills are underutilized.

ALM has got vast land pockets	Lack of budget to create residential sites	Adherence to SPLUMA, SDF and related Legislation	Land invasion and protest action by community demanding dwelling sites and loss of revenue to the municipality.
Amahlathi Municipality is rich in forest	Silo Mentality.	Creating opportunities around timber for a forest to contribute towards local economic development.	Lack of Support from relevant government department.
There is an availability of agricultural land	Land is not underutilized.	Market is available to sell the produce from farmers	Lack of Support from relevant departments. Climate Change

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 Tourism 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 out breaks 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"> <li>The challenge is the structure</li> <li>Market</li> <li>Abattoir</li> </ul>

### 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"> <li>Market price versus communal price</li> <li>Recommended piggery structure- as swine fever is a threat</li> </ul>

### Tourism:

1. Amahlathi has beautiful hiking trails at Xholorha and which are not 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 Keiskammahoeck & 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 2022.

#### MEETINGS AS SCHEDULED

- All **Council Meetings** are convened according to the Calendar, 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 quarterly to discuss quarterly reports that are submitted to the Standing Committees, however special Executive Committee meetings are convened as and when necessary.

MEETING	DATE CONVENED	COMMENT
Special Council Meeting	28 July 2022	Consider reports of the 4 <sup>th</sup> quarter of 2021/22 Financial Year.
Special Council Meting	05 August 2022	"In Committee" matters
Special Council Meeting	11 August 2022	Election of Council's Representative to Amathole District Municipality
Special Council Meeting	17 August 2022	Election of the New Troika
Ordinary Council Meeting	30 August 2022	Consideration and adoption of Special Adjustment Budget 2022/2023 FY and

## 2023/24 INTEGRATED DEVELOPMT PLAN (IDP)

		Approval of 2023/2024 IDP/Budget Process Plan
Special Council Meeting	11 October 2022	Appointment of Municipal Manager, CFO and Director Development and Town Planning
Special Council Meeting	27 October 2022	Consider 1 <sup>st</sup> Quarter Reports for 2022/23 FY
Ordinary Council Meeting	29 November 2022	Quarterly Ordinary Council meeting
Council Meeting	25 January 2023	Consider 2 <sup>nd</sup> Quarter Reports for 2022/23 FY
Council Meeting	27 February 2023	Consideration of the 2 <sup>nd</sup> Adjustment Budget for 2022/23 FY
Ordinary Council Meeting	30 March 2023	Consideration of Draft 2023/2024 IDP, Draft SDBIP, 2023/2024 Draft Budget and Draft 2023/2024 Institutional Calendar.
Special Council Meeting	26 April 2023	Consider 3 <sup>rd</sup> Quarter Reports for 2022/23 FY

### **MEMBERS OF THE COUNCIL**

The Council has got 30 members (PR and Ward Councilors) and 1 Traditional Leader.

### **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 P.QABA (Chairperson)
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 O. Mgunculu

4) *SERVICE DELIVERY*

No.	Names
1.	Cllr X.Tokwe - Chairperson
2.	Cllr N. Nyangwa
3.	Cllr N. Mbulawa
4.	Cllr R.B. Pickering
5.	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. N. Salaze

**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 Section 56 HODs and General Manager whose primary role also encompass the political advisory and administration.

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 Executive 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 Section 56 HODs.

The current functions of the municipality are as follows:-

1. The Executive Services (Municipal Manager's Office).
2. The Corporate Services.
3. The Budget and Treasury Office.
4. The Community Services
5. The Engineering Services.
6. The Development and Planning.

These functions identified by the municipality are in direct compliance with Chapter 2 of the Municipal Staff Regulations on the establishment of a category B municipality. The same broad functions are part of the currently approved proposed organogram by Council which awaits submission to the MEC for COGTA before the end of the financial year. The organogram considers both the short and medium term IDP as a result of the unique financial constraints experienced by the municipality with regards to the Cost of Employment budget and expenditure that currently sits at 67%.

The municipality took a decision to place a moratorium on filling vacant positions below the section 56 managers in await of the migration and placement of employees into the new organogram. Critical and scarce skills positions are therefore not identified for immediate filling from external candidates until the municipality has "rationalized" and placed existing employees in positions that they mostly fit into. A vacancy rate has therefore not been applied as a result of the moratorium and the state of the municipality's 67% cost of employment expenditure which is 27% above the National Treasury threshold.

All section 56 positions are filled at a 50% by 50% African males and females.

### 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**.

As a result of the moratorium on recruitment, staffing needs at departmental levels await the migration and placement of employees onto the approved organizational structure and the **Annual Recruitment Plan** of the municipality for the 2022/2023 financial year consisted of the section 56 managers and community and youth development programmes that are both internally and externally funded.

## INSTITUTIONAL COHESION

Staff turnover is very high as a result the municipality recruited four (04) Senior Managers whom two (02) females were dismissed and two (02) males resigned. All the required six (06) senior managers have been recruited and successfully placed inclusive of the personnel that was seconded from Amathole District Municipality who was acting as Director Community Services. Employee exits for the rest of the municipality is dominated by natural attrition, namely death and retirement, whilst resignations are from critical and scarce skills category.

## **SOME INITIATIVES IN SUPPORT OF INSTITUTIONAL COHESION**

### **(a) Improved Policy Regime**

New policies are developed some reviewed and submitted to council for approval after LLF consultation especially for HR and ICT policies. Workshops for councillors and employees are conducted on a yearly basis by the HR unit. These have facilitated decision making and smooth running of the municipality. Technical policy workshop was held in February 2023 and the Institutional policy workshop on 24 March 2023.

### **(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 on a quarterly basis as reflected in the Council calendar and as and when required 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 relationship between Employer and employees which is facilitated by the LLF seating's, training interventions by the HR unit and tabling of standard reports by the Corporate Services unit and those that the employee component deem necessary for engagements, should they not be a part of the Training and Employment Equity Committee standard agenda.

### **(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.

**(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. The Institution has an effective vehicle's tracker system for all its fleet including a comprehensive reporting mechanism for petrol utilisation per fleet on a monthly basis. The Fleet management Officer is appointed as an investigator of all fleet policy misuse occurrences. Control and allocation of vehicles to employees is under strict control and monitoring through the signed fleet authorisation form. Accountability for servicing and maintenance of municipal fleet has previously been compromised by the municipal financial constraints, however budget to maintain fleet has been prioritised in the 2022/23 financial year, resulting in elevated municipal services to the community, especially in the community and engineering services departments

**(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 getting the existing employees to declare their disability through education of what is legally termed as a disability instead of the visible physical disabilities. A challenge is however foreseen in the declarations, which would be the need for financial resources to ensure compliance with reasonable accommodation needs of employees whose declarations would require financially resources accommodation.

**(f) Records Management**

The municipality has a File Plan aligned to the requirements of the Department of Sports, Recreation, Arts and Culture in place to manage and control the municipal records which has been revised with the assistance of the **Provincial Archivist** in 2022. The Record Management unit has completed revision of the file plan although challenges are still experienced in fully implementing it due to its manual nature and training required. Scanning of all the municipal records is underway and expected to be fully realised once the ICT network of the municipality is fully operational and an automated file plan is introduced.

**(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 COGTA, SALGA and ADM throughout the year were all attended by Councillors and Officials. In these platforms of engagement, cooperative learning and networking has been found empowering for participants particularly on contemporary challenges facing local government, legislation and the future state crafted to steer around the local space.

**(i) Occupational Health and Safety committee**

Committee is made up of two (2) nominated employee(s) from each directorate and one (1) trade union representative of the recognized unions within the Amahlathi Local Municipality. Employees who are on contract of less than a year are not eligible for nomination to this committee.

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 has been trained by the Department of Employment and Labour to ensure that it executes its functions in compliance with the Act and the Department of COGTA has been invited to assist with compliance to the Act for optimum safe and healthy municipal operations.

**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.

The standardisation case has been filed with the high court and set down for the 08 June 2023 after the municipal lawyers completed servicing all the affected employees, excluding those that exited the municipality.

To combat the negative effect of the escalating wage bill which currently sits at 67%, placing a moratorium on new appointments was put in place in the 2022/23 financial year, organisational re- engineering is in progress before posts may be job evaluated to ascertain the correct task grades of the municipal positions and placement of employees onto the 2022/23 approved organogram.

**(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. Failure to submit the SETA grant funding applications on a yearly basis has crippled the municipality's ability to train its employees despite internal financial constraints.

**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 2022/2023 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	-
<b>TOTAL</b>		<b>36</b>	<b>0</b>

Corporate Services	Director	1	0
<b>TOTAL</b>	Support Staff	21	-
		<b>22</b>	<b>0</b>

Budget and Treasury	Chief Financial Officer	1	0
<b>TOTAL</b>	Support Staff	32	-
		<b>33</b>	<b>0</b>

Development and Town Planning	Director	1	0
	Support Staff	20	-
<b>TOTAL</b>		<b>21</b>	<b>0</b>

Community Services	Director	1	0
<b>TOTAL</b>	Support Staff	103	63
		<b>104</b>	<b>63</b>

Engineering Services	Director	1	0
<b>TOTAL</b>	Support Staff Electricity	76	40
		<b>77</b>	<b>40</b>

**TOTAL NO OF PERMANENT EMPLOYEES = 270**

**INSTITUTIONAL ORGANOGRAM**

The Municipal organogram has been reviewed in the 2022/23 FY. This is a functional organogram indicating clear reporting lines throughout the Municipality. It is informed by the need to create a lean organisational structure based on task bands as established by the EEA9 occupational levels in terms of section 21 of the Employment

Equity Act. This process seeks to re-establish the correct reporting lines assigned to a grade B local municipality and ease of employee placement once each job has been described and evaluated. The process embarked upon to review the staff establishment of the municipality was to re-engineer the entire municipality such that employees would be migrated from the old organogram and placed onto the newly approved 2022/23 organogram by the placement committee which will seek to make placement as closely linked to each job requirements and employee competencies.

The Municipality requested COGTA and SALGA to assist the municipality on the assessment of the proposed re-engineered organogram and compliance with the newly approved municipal regulations that COGTA would utilize in making recommendations to the municipality before the final approval of the organogram. The process has been guided by a process plan and consultations with labour and all departments before the proposed organogram was tabled for Council approval to make submission to the Department of COGTA. From the currently employed staff complement, a total of 322 positions have been proposed.

3.6 MUNICIPAL PRIORITIES NEEDS

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

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

**PRIORITY NEEDS RAISED PER CLUSTER**

- Roads
- Water and Sanitation
- Houses
- Electricity
- Recreational Centers (Job creation and youth development programmes)
- Sport Facilities
- Community halls
- Revitalization of towns ( Beautification of Amahlathi small towns)
- Fencing and bridges (graveyards, veld and camps)
- Heath care and security services

**WARD BASE PLANNING ISSUES**

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

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

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

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

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

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

WARD	COMMUNITY NEEDS/ DEVELOPMENT PLANS
	<ul style="list-style-type: none"> <li>• Extension of taps in Border Post, Nonkululeko, Huddon, Khayelitsha</li> <li>• Maintenance of road in Khayelitsha</li> <li>• Request for a clinic in Frankfort</li> <li>• Request for RDP houses</li> <li>• Toilets in Border Post, Nonkululeko, Huddon and Khayelitsha</li> <li>• Sewerage treatment works in Mthonjeni</li> <li>• Public Toilets in Town at Kei Road</li> <li>• RDP Houses for Border Post, Mthonjeni, Nonkululeko, Huddon, Khayelitsha and Kei Road</li> <li>• Site allocation (Mthonjeni and Squasville)</li> <li>• High mast lights in Border post, Nonkuleko and Khayelitsha</li> <li>• Electricity extention in Border Post</li> <li>• Repairing of high mast lights in Mthonjeni</li> <li>• Request for high mast in Kei road (awaits energizing by Eskom)</li> <li>• Sports field in Border Post, Nonkululeko, Huddon</li> <li>• Renovation of sports field in Mthonjeni</li> <li>• Library in Khayelitsha</li> <li>• Fencing for camps in Border Post</li> <li>• Cleaning of Dams in Border Post and Khayelitsha</li> <li>• Border Post Farmers Association needs help with funding</li> <li>• Tractor and trailer in need of attention in Kei Road Town</li> <li>• Tractor mower in Kei Road</li> <li>• Weed Eater in Kei Road</li> </ul>

WARD	COMMUNITY NEEDS/ DEVELOPMENT PLANS
	<ul style="list-style-type: none"> <li>• Commonage to be managed in Kei Road</li> <li>• Plots to be managed in Kei Road</li> <li>• Renovation of bore hole in Nonkululeko</li> <li>• Dip for animals in Nonkululeko</li> <li>• Fencing of grazing lands in Huddon, Khayelitsha</li> <li>• Cleaning of dams in Khayelitsha</li> <li>• Renovation of deep in Khayelitsha</li> <li>• Clinic in Border Post and Nonkululeko</li> <li>• Crèche in Khayelitsha</li> <li>• Border Post old age civil center</li> <li>• Renovation of dipping tank in Mthonjeni</li> <li>• Fencing of camps in Mthonjeni</li> <li>• Assistance needed for Co-ops in Nonkululeko</li> <li>• EPWP jobs in Nonkululeko</li> <li>• Youth skills development in Nonkululeko</li> <li>• Extension of street lights in Kei Road Town</li> <li>• High charges on Kei Road sports grounds by Amathole and Amahlathi</li> <li>• Upgrading of municipal buildings in Kei Road Town</li> <li>• Speed limits on main road in Kei Road Town</li> <li>• Traffic signs and street names in Kei Road Town</li> <li>• Playing ground for children in Mthonjeni</li> <li>• Site for churches in Mthonjeni</li> <li>• Frankfort bridge ,Border Post bridge</li> <li>• Renovation of community centre in Mthonjeni</li> <li>• Fencing of community hall in Mthonjeni</li> <li>• Skills development and job creation for youth in Mthonjeni</li> <li>• Extending of community hall in Mthonjeni</li> <li>• Site allocation at Sqausville</li> </ul>

WARD	COMMUNITY NEEDS/ DEVELOPMENT PLANS
	<ul style="list-style-type: none"> <li>• New grave yard at Sqausville</li> <li>• Sqausville: Roads and High Mast lights</li> <li>• Dywarhana: Water and Roads</li> <li>• Projects in Border Post need assistance</li> <li>• Internal roads and main roads in Border Post</li> <li>• EPWP job creation at Border Post</li> <li>• Fencing of grave yard in Border Post</li> <li>• Digging of small query inside the village at Border Post</li> <li>• Caretaker needed at the hall in Border Post</li> <li>• Youth Centre in Border Post</li> <li>• Garden tools and seeds at Border Post</li> </ul>
9	<ul style="list-style-type: none"> <li>• Internal roads in Mgwali Village 3</li> <li>• Spreading of blue berry</li> <li>• Construction of mille grain stone ( Central point for massive food programme)</li> <li>• Cemetery space and management ( Rockdale and Amabele)</li> <li>• Dipping tank ( Gasela, Rockdale)</li> <li>• Site allocation in Mgwali Village 5</li> <li>• Jobs in Mgwali Village 3</li> <li>• Sites allocation in Mgwali Village 3</li> <li>• Renovation of Mgwali cultural village</li> <li>• Youth Skills Development (Mgwali Village 3, 5, Freshwater, Jerseyville and Stanhope)</li> <li>• Internal road in Mgwali Village 4</li> <li>• Water for animals in Mgwali Village 4</li> <li>• EPWP jobs in Mgwali Village 4</li> <li>• Site allocation in Mgwali Village 4</li> <li>• High mast lights in Mgwali Village 4</li> <li>• Internal roads in Mgwali Village 5</li> </ul>

WARD	COMMUNITY NEEDS/ DEVELOPMENT PLANS
	<ul style="list-style-type: none"> <li>• EPWP jobs in Mgwali village 5</li> <li>• Houses in Mgwali villages</li> <li>• Youth development in Mgwali Village 5</li> <li>• Crèche construction in Mgwali Village 5</li> <li>• Community hall in Mgwali Village 5</li> <li>• Sites allocation in Mgwali Village 5</li> <li>• High mast lights in Mgwali Village 5</li> <li>• Sites allocation in Lujilo</li> <li>• Re-gravelling of internal roads in Lujilo</li> <li>• Jobs in Lujilo</li> <li>• Funding of projects in Lujilo</li> <li>• Wattle eradication in Lujilo</li> <li>• Community hall in Amabele</li> <li>• Internal roads at Amabele not completed and must be tarred</li> <li>• Job creation at Amabele</li> <li>• Space for grave yard in Amabele</li> <li>• Waste collection at Amabele</li> <li>• Grass cutting at Amabele</li> <li>• EPWP job creation for Amabele</li> <li>• EPWP job creation for Amabele</li> <li>• Internal roads in Phase two, freshwater</li> <li>• Storm water pipes for freshwater</li> <li>• Community hall in Freshwater</li> <li>• EPWP jobs at Freshwater</li> <li>• Youth programs in Freshwater</li> <li>• Graveling of access road joining from N6 to Ndakana area</li> <li>• Fencing of grave yard in Freshwater</li> <li>• Funding of project in Freshwater</li> </ul>

WARD	COMMUNITY NEEDS/ DEVELOPMENT PLANS
	<ul style="list-style-type: none"> <li>• Sites allocation in Freshwater</li> <li>• Internal roads in Rockdale</li> <li>• Creation of jobs in Rockdale</li> <li>• Community hall in Rockdale</li> <li>• Internal roads in Stanhope</li> <li>• Fencing of graveyard in Stanhope</li> <li>• Skills development in Stanhope</li> <li>• Cultivation of land in Stanhope</li> <li>• Sites allocation in Stanhope</li> <li>• Need for Library in Stanhope</li> <li>• High mast lights in Stanhope</li> <li>• Co-operatives funding and training in Stanhope</li> <li>• High mast lights in Jerseyville</li> <li>• Internal roads phase 2 in Jerseyville</li> <li>• Community hall in Jerseyville</li> <li>• Fencing of grave yard in Jerseyville, Gasela</li> <li>• Youth skills development and job creation in Jerseyville</li> <li>• Signage from N6 to Ndakana villages</li> <li>• Sites allocation in Jerseyville</li> <li>• Collection of waste in Jerseyville</li> <li>• Internal roads in Gasela</li> <li>• Fencing of graveyard in Gasela</li> <li>• Jobs creation in EPWP (Gasela)</li> <li>• Permanent voting station in Gasela</li> <li>• Renovation of building for project purposes in Gasela</li> <li>• High mast lights in Freshwater</li> <li>• Road from Mgwalii to Tsomo to be tarred</li> <li>• Mobile police station in Mgwali Village 4</li> </ul>

WARD	COMMUNITY NEEDS/ DEVELOPMENT PLANS
	<ul style="list-style-type: none"> <li>• Police station in Lujilo, Freshwater, Stanhope</li> <li>• Extension of taps in Mgwali Village 4 and 5, Freshwater, Stanhope, Jerseyville, Gasela</li> <li>• Water outages not communicated Mgwali Village 4 and Amabele</li> <li>• Water in Cemeteries in Mgwali Village 4</li> <li>• Water taps in Lujilo and Amabele, Rockdale(water pump)</li> <li>• Toilets in Mgwali Village 3, 4,5, Freshwater, Rockdale, Stanhope, Jerseyville, Gasela and Amabele</li> <li>• Extension of electricity transformer in Mgwali Village and Lujilo</li> <li>• High mast lights ( Freshwater, Mgwali No4 &amp; 5, Gasela)</li> <li>• Electricity in Lujilo</li> <li>• Repairing of high mast lights in Amabele</li> <li>• Clinic must be opened 24/7 in Mgwali village 3</li> <li>• Clinic in Freshwater, Rockdale, Jersey Valley, Gasela and Lujilo</li> <li>• Sports field in Mgwali Village 3, 4 , Amabele and Freshwater</li> <li>• Access road between Mgwali and Stutterheim town needs major construction (Mgwali No.4)</li> <li>• Bridge between jerseyville and Stanhope, Jerseyville and Nonkululeko, Mgwali village 3 and village 2, Mgwali village 4 and Village 5, Zwelitsha and Freshwater, Freshwater and Mpolweni, Stanhope and Freshwater</li> <li>• Renovation of Masiphumle primary school including toilets renovations</li> </ul>

WARD	COMMUNITY NEEDS/ DEVELOPMENT PLANS
	<ul style="list-style-type: none"> <li>• Transportation of children to school in Gasela</li> <li>• 35 RDP houses for Disabled</li> <li>• Clinic at Ndakana</li> <li>• Electricity for new Houses in Ndakana</li> </ul>
10	<ul style="list-style-type: none"> <li>• Community Halls</li> <li>• Cultural center</li> <li>• Skills development</li> <li>• Agri-spatial development co-operatives</li> <li>• Tittle deeds</li> <li>• Community hall (Rabe)</li> <li>• Mbem's cultural centre</li> <li>• Playing grounds</li> <li>• Fencing of Arable land and grazing camps</li> <li>• Library</li> <li>• Internal Roads maintenance and tarring access roads</li> <li>• Land allocation for farmers in vacant land</li> <li>• Tournaments (All sport codes) and music festivals</li> <li>• Business expo</li> <li>• Career exhibition</li> <li>• Government department exhibition</li> <li>• Mgolombane award banquet</li> <li>• House garden</li> <li>• Ward 10 Jongihlanga cultural center (Youth programmes- Beauty Contest for both Males and Females)</li> <li>• Museum</li> <li>• RDP Houses</li> <li>• Election registration workshop</li> <li>• Abattoir</li> </ul>

WARD	COMMUNITY NEEDS/ DEVELOPMENT PLANS
	<ul style="list-style-type: none"> <li>• Food processing firm</li> <li>• Brick firm</li> <li>• Wire firm</li> <li>• Recycle firm</li> <li>• Old age center</li> <li>• Jobs Hospice Centre</li> <li>-Ngcamngeni               <ul style="list-style-type: none"> <li>• Revitalization of Dams</li> <li>• -Fortwhite(new area)need electricity and toilets</li> <li>• -Blading and grading at Fortwhite</li> <li>• -Ngcamngeni access road</li> <li>• -Community hall for Ngcamngeni</li> <li>• -Remodeling of sheering shed for Ngcamngeni</li> <li>• -Highmast light</li> <li>• -Rabe Internal roads maintenance</li> <li>• -Fencing of cemeteries</li> </ul> </li> </ul>
11	<ul style="list-style-type: none"> <li>• High mast Lights ( Tshoxa and Ematolweni, Upper Ngqumeya)</li> <li>• Spreading of blue berry</li> <li>• Cleaning of Dams and Building new dams</li> <li>• Fencing of animal camps</li> <li>• Access roads in all villages</li> <li>• Construction of Internal Roads Ilitha, Tshoxa, Upper and Lower Ngqumeya, Peter's farm and extension of internal road at Zingcuka</li> <li>• Pipe burst since 2019 in Peters farm</li> <li>• Unpurified water</li> <li>• Community hall – Upper &amp; lower Rabula, Lower Ngqumeya and Peter's farm</li> </ul>

WARD	COMMUNITY NEEDS/ DEVELOPMENT PLANS
	<ul style="list-style-type: none"> <li>• Expansion of Clinic in Rabula</li> <li>• Houses for destitute 463 units</li> <li>• RDP houses all villages</li> <li>• Cleaning of dams</li> <li>• Youth Development programs</li> <li>• Sport field for Lower Rabula</li> <li>• Renovation of Tshoxa Community hall</li> <li>• Horse race track</li> <li>• Electricity extension for Marikana and Lower Rabula</li> <li>• Toilets( Upper Ngqumeya)</li> <li>• Water extension at Marikana and Lower Rabula</li> </ul>
12	<ul style="list-style-type: none"> <li>• Fencing of grave yard in Nompumelelo</li> <li>• High mast light in Nompumelelo</li> <li>• Community hall in Nompumelelo</li> <li>• Fencing of grave yard in Malindana</li> <li>• High mast light in Malindana</li> <li>• Community hall in Malindana</li> <li>• Bridge in Malindana</li> <li>• Dipping tank (Hokwana, Frankfort)</li> <li>• Access roads in Hokwana</li> <li>• Extension of water in Frankfort</li> <li>• Toilets in Upper Izele and Nothenga</li> <li>• RDP houses in Frankfort, Hokwana, Malindana, Nompumelelo</li> <li>• Upgrade of bridge in Malindana</li> <li>• Need a bridge between Gubevu and Mbaxa</li> <li>• Roads in Frankfort</li> <li>• Roads between Nothenga, Nonesi, Hokwana and bridge between Peelson and Frankfort</li> <li>• Road to cemeteries to be maintained</li> </ul>

WARD	COMMUNITY NEEDS/ DEVELOPMENT PLANS
13	<ul style="list-style-type: none"> <li>• Land fencing for ploughing in Mgwali no. 2 Village</li> <li>• Water outages</li> <li>• Tractor</li> <li>• Speed humps in town</li> <li>• Fencing of Cemeteries in Mgwali no 6 Village</li> <li>• Wattle eradication ( No.2 Village)</li> <li>• Lack of youth development</li> <li>• Poor internal roads</li> <li>• Sports ground for all codes</li> <li>• Sport Kits</li> <li>• Highmast lights in Mgwali villages</li> <li>• Houses in Mgwali</li> <li>• Mgwali internal roads</li> <li>• Street lights</li> <li>• Incomplete Houses in Xholora</li> <li>• Request RDP houses No. 1, 2 &amp; 6 Village in Mgwali, Heckel</li> <li>• Toilets in Mgwali new extension, ( Mgwali No. 1, 2, 6 and Heckel)</li> <li>• Refurbishing park in town for recreational purposes and kids entertainment</li> <li>• Refuse collection at least twice a week</li> <li>• Enforcement of by-laws in town</li> <li>• Temporal Structures for people affected by disaster(Mgwali 1,2,6)</li> </ul>
14	<ul style="list-style-type: none"> <li>• Fencing in Volweni land</li> <li>• Grazing land in Mzamomhle</li> <li>• Storm water pipe installation opposite M CCP</li> <li>• RDP Houses in Mzamomhle</li> <li>• Fencing of Cemetery</li> </ul>

WARD	COMMUNITY NEEDS/ DEVELOPMENT PLANS
	<ul style="list-style-type: none"> <li>• Garbage bins (Gardens)</li> <li>• Tarred road in the location</li> <li>• Dangerous wetlands in Chris Hani</li> <li>• Wattle eradication (Chris Hani)</li> <li>• Mlungisi Sportfield maintenance</li> <li>• Road maintenance in ward 14</li> <li>• Community Hall in Mzamomhle to be prioritized</li> <li>• Additional High mast lights in Mzamomhle</li> <li>• Demolishing of the MCCP as it became the hotspot for crime purposes</li> <li>• Request for houses in Mzamomhle</li> <li>• Clinic at Mzamomhle</li> <li>• Access Roads</li> <li>• Blading of internal roads in ward 14</li> <li>• Grading and blading of road to cemeteries</li> <li>• Fencing of grave yard</li> <li>• Refuse bins in Chrishani</li> <li>• Renovation of hall</li> <li>• Garden Street Roads in bad condition</li> <li>• Demolishing the abandoned houses or structures that end up being used for criminal acts/activities</li> </ul>
15	<ul style="list-style-type: none"> <li>• Fencing of old Cemeteries</li> <li>• Tar roads in township are in bad condition (Mlungisi)</li> <li>• Dipping tank</li> <li>• Speed humps</li> <li>• Construction of high mast lights between Jongile and White City areas</li> <li>• Storm water drains</li> <li>• Storm water drains in Khanyisa</li> </ul>

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

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WARD	COMMUNITY NEEDS/ DEVELOPMENT PLANS
	<ul style="list-style-type: none"> <li>• Maintenance of internal roads in Bongweni</li> <li>• Toilets in Whitecity, Zanoxolo and Bongweni</li> <li>• RDP Houses in Cenyulands Cenyu Village and Ohlssen</li> <li>• Maintenance of high mast lights in Bongweni, Khayelitsha, Khanyisa</li> <li>• Deeping tank for livestock</li> <li>• Extension of community stands pipe</li> <li>• Grazing land for cattle in Cenyu Lands</li> <li>• Clinic in Cenyu Lands</li> <li>• Access roads</li> </ul>

## 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.

IDP REF	Local Strategic Objective for the 5 Years and Beyond	Strategy To Achieve The Strategic Objective	Key Performance Indicator (KPI)	Budget	Target 2023/24	Target 2024/25	Target 2025/26	Target 2026/27	CUSTODIAN
<b>KPA:1 SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT</b>									
1.1	To ensure provision of a sustainable road network within Amahlathi LM by 2027.	Implementation and monitoring of maintenance plan for the Municipal Road Network Servicing the Amahlathi Local Municipal Area	No. of Kms of gravel roads maintained (Blading)	R500 000	40 kms gravel access and internal roads bladed annual	45 kms gravel access and internal roads bladed annual	50 kms gravel access and internal roads bladed annual	50 kms gravel access and internal roads bladed annual	Director Engineering Services
			No. of Kms of municipal roads re-graveled	R500 000	20 kms of municipal roads re-graveled annual	25 kms of municipal roads re-graveled annual	30 kms of municipal roads re-graveled annual	30 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	10 kms of roads with potholes maintained annual	12 kms of roads with potholes maintained annual	12 kms of roads with potholes maintained annual	Director Engineering Services
			No. of km's of storm water drainage unblocked and maintained	R100 000	4 kms of storm water drainage unblocked and maintained annual	5 kms of storm water drainage unblocked and maintained annual	6 kms of storm water drainage unblocked and maintained annual	6 kms of storm water drainage unblocked and maintained annual	Director Engineering Services
			% progress towards roads constructed at Izidenge	R500 000	10% progress towards road construction at Izidenge	100% progress towards	100% progress towards	100% progress towards	100% progress towards annual roads construction

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						annual roads construction	annual roads construction		
			% progress towards roads constructed at Ngqeqe	R244 758	10% progress towards road construction at Ngqeqe	100% progress towards annual roads construction	100% progress towards annual roads construction	100% progress towards annual roads construction	Director Engineering Services
			% progress towards roads constructed at Frankfort	R2 500 000	100% progress towards road construction at Frankfort	100% progress towards annual roads construction	100% progress towards annual roads construction	100% progress towards annual roads construction	Director Engineering Services
			% progress towards surfacing (paving) of Xholorha Main Road	R1 557 492	55% progress towards surfacing (paving) of Xholorha Main Road	100% progress towards road surfacing (Paving)	100% progress towards road surfacing (Paving)	100% progress towards road surfacing (Paving)	Director Engineering Services
		Monitoring Implementation of 3year capital plan	No of reports on implementation of capital projects	MIG budget	4 reports on implementation of capital projects	4 reports on implementation of capital projects	4 reports on implementation of capital projects	4 reports on implementation of capital projects	Municipal Manager
1.2	To ensure sustainable supply of electricity by developing new infrastructure	Reduce electricity system losses & elimination of illegal connections	% of Faulty reported meters repaired and replaced per query form	Opex	100% of Faulty reported meters repaired and replaced as	100% of Faulty reported meters repaired and replaced as	100% of Faulty reported meters repaired and replaced as	100% of Faulty reported meters repaired and replaced as per inspection report	Director Engineering Services

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	while upgrading and maintaining existing networks by 2027				per inspection report	per inspection report	per inspection report		
			No of reports on repairs and maintenance of electrical infrastructure	Opex	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
			No of electricity meters installed	Opex	200 meters electricity installed	200 meters electricity installed	200 meters electricity installed	200 electricity meters installed	Director Engineering Services
1.3	To promote safety and security in the municipality by 2027	Repair and maintenance of Streetlights	% of streetlights maintained	R150 000	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	% 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
		Implementation of the Community Safety Plan	Number of progress reports reported disaster incidents.	Opex	4 Progress reports on reported disaster incidents.	4 Progress reports on reported disaster incidents.	4 Progress reports on reported disaster incidents.	4 Progress reports on reported disaster incidents.	Director Community Services
		Implementation of the Integrated Fire	No of fire awareness campaigns conducted	Opex	4 Fire Awareness Campaigns conducted	4 Fire Awareness Campaigns conducted	4 Fire Awareness Campaigns conducted	4 Fire Awareness Campaigns conducted	Director Community Services

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		Management Plan	No. of Fire belts inspected and prepared	Opex	8 Fire belts inspected and prepared	8 Fire belts inspected and prepared	8 Fire belts inspected and prepared	8 Fire belts inspected and prepared	Director Community Services
			No. of Fire Hydrant inspected	Opex	8 Fire Hydrant inspected	8 Fire Hydrant inspected	8 Fire Hydrant inspected	8 Fire Hydrant inspected	Director Community Services
		Conduct road blocks	No. of road blocks conducted	Opex	40 road blocks conducted	40 road blocks conducted	40 road blocks conducted	40 road blocks conducted	Director Community Services
		Implementation of National Road Traffic Act	No. of tickets issued on law enforcement	Opex	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	Opex	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
1.4	To ensure provision of sustainable public facilities by 2027	Compliance with building regulations Construct public facilities	% of complying submitted building plans approved	Opex	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
			% progress towards construction of Keiskammahoek Recreation Centre	R10 351 000	20% progress towards construction of Keiskammaho	60% progress towards construction of Keiskammaho	100% progress towards construction of Keiskammaho	100% progress towards construction of Recreation Centre	Director Engineering Services

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					ek Recreation Centre	ek Recreation Centre	ek Recreation Centre		
			% progress towards construction of Stutterheim Recreation Centre	R11 550 000	20% progress towards construction of Stutterheim Recreation Centre	60% progress towards construction of Stutterheim Recreation Centre	100% progress towards construction of Stutterheim Recreation Centre	100% progress towards construction of Recreation Centre	Director Engineering Services
	Facilitate maintenance and upgrade of sport, community halls, hawker stalls, cemeteries and recreational facilities		% progress towards construction of Phumlani Community Hall	R500 000	10% progress towards construction of Phumlani Community Hall	100% progress towards construction of Phumlani Community Hall	100% progress towards construction of Community Hall	100% progress towards construction of Community Hall	Director Engineering Services
		% progress towards construction of Laangdraai Community Hall	R500 000	10% progress towards construction of Laangdraai Community Hall	100% progress towards construction of Laangdraai Community Hall	100% progress towards construction of Community Hall	100% progress towards construction of Community Hall	Director Engineering Services	
		% progress towards construction of Mbaxa Community Hall	R2 000 000	75% progress towards construction of Mbaxa Community Hall	100% progress towards construction of Mbaxa Community Hall	100% progress towards construction of Community Hall	100% progress towards construction of Community Hall	Director Engineering Services	

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			% Progress on upgrades of sport facilities(Mlungisi)	R1 000 000	100% progress on upgrade of Sports Field (Mlungisi)	100% progress on upgrade of Sports Field	100% progress on upgrade of Sports Field	100% progress on upgrade of Sports Field	Director Engineering Services
1.5	To promote the culture of reading and effective use of library resources by 2027	Facilitate maintenance and upgrade of sport facilities Compliance with building regulations Conduct library activities that promote the culture of reading and effective use of library resource	No. of library awareness campaigns conducted	Opex	04 library awareness campaigns conducted	04 library awareness campaigns conducted	04 library awareness campaigns conducted	04 library awareness campaigns conducted	Director Community Services
1.6	Ensure that solid waste is managed in an Integrated environmental friendly and sustainable manner	Implementation of the Integrated Waste Management Plan (IWMP)	No. of recycling initiatives undertaken	Opex	03 recycling initiatives undertaken	03 recycling initiatives undertaken	03 recycling initiatives undertaken	03 recycling initiatives undertaken	Director Community Services
			Number of Reports on of solid waste programmes implemented by June 2024	Opex	4 reports on solid waste programmes implemented (i.e. street cleaning , waste	4 reports on solid waste programmes implemented (i.e. street cleaning , waste	4 reports on solid waste programmes implemented (i.e. street cleaning , waste	4 reports on solid waste programmes implemented (i.e. street cleaning , waste collection and disposal)	Director Community Services

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					collection and disposal)	collection and disposal)	collection and disposal)		
			No of waste awareness campaigns conducted per cluster	Opex	4 waste awareness campaigns conducted	4 waste awareness campaigns conducted	4 waste awareness campaigns conducted	4 waste awareness campaigns conducted	Director Community Services
1.7	To facilitate a balanced spatial development form for the Municipality	Finalize and Implement the Spatial Development Framework (SDF)	% implementation of SDF (% applied cumulatively)	Opex	100 % Implementation of SDF ( year 1 )	100 % Implementation of SDF ( year 1 )	100 % Implementation of SDF ( year 1 )	100 % Implementation of SDF ( year 1 )	Director Development and Planning
1.8	To facilitate access to housing relief	To monitor the progress and implementation on housing applications submitted to Department of Human Settlements	No of progress reports on housing applications submitted to department of housing	Opex	4 progress reports on housing applications submitted to department of housing	4 progress reports on housing applications submitted to department of housing	4 progress reports on housing applications submitted to department of housing	4 progress reports on housing applications submitted to department of housing	Director Development and Planning
<b>KPA 2: MUNICIPAL FINANCIAL VIABILITY</b>									
2.1	To continuously ensure an equitable, economical, transparent, fair and value – add	Monitoring and reporting on the performance of service providers	No. of quarterly Service Provider performance reports submitted to the Mayor by	Opex	4 quarterly Service Provider performance reports submitted to	4 quarterly Service Provider performance reports submitted to	4 quarterly Service Provider performance reports submitted to	4 quarterly Service Provider performance reports submitted to the Mayor by	Chief Financial Officer

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	supply chain management system/function		the 15 <sup>th</sup> day after end of the quarter		the Mayor by the 15th day after end of the quarter	the Mayor by the 15th day after end of the quarter	the Mayor by the 15th day after end of the quarter	the 15th 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 15th day after end of the quarter	Opex	4 quarterly reports on (tenders awarded, deviations report, contract management report ) submitted to the Mayor by the 15th day after end of the quarter	4 quarterly reports on (tenders awarded, deviations report, contract management report ) submitted to the Mayor by the 15th day after end of the quarter	4 quarterly reports on (tenders awarded, deviations report, contract management report ) submitted to the Mayor by the 15th day after end of the quarter	4 quarterly reports on (tenders awarded, deviations report, contract management report ) submitted to the Mayor by the 15th day after end of the quarter	Chief Financial Officer
<b>2.2</b>	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.	Opex	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.	Zero material audit queries raised on the updated asset register by the AG.	Chief Financial Officer
<b>2.3</b>	To ensure 100% expenditure of	Monitoring and reporting on the spending	% expenditure of capital budget	Opex	100% expenditure of capital budget	100% expenditure of capital budget	100% expenditure of capital budget	100% expenditure of capital budget	Director: Engineering Services

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	capital budget by 2023	(MIG/INEP grants)	% expenditure of electricity repairs and maintenance budget	Opex	% 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
<b>2.4</b>	Ensure 90% collection of income due from consumer debtors by 2023	Collect 90% of billed income	% of billed income collected	Opex	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	Opex	90% implementation of Revenue Enhancement Strategy	100% implementation of Revenue Enhancement Strategy	100% implementation of Revenue Enhancement Strategy	100% implementation of Revenue Enhancement Strategy	Municipal Manager
<b>2.5</b>	Ensure 90% collection of income due from consumer by 2027		% Collection of revenue on motor vehicle registration and licenses	Opex	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	Opex	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

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			% Collection on roadworthy testing station	Opex	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	Opex	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
			% Collection of revenue on refuse collection from billed households and business	Opex	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	Opex	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
<b>2.6</b>	To ensure effective, compliant and credible financial planning,	Adherence to all applicable financial legislation and regulations	No. of Monthly financial reports (Sec 71 and sec 52 reports) submitted to	Opex	12 Monthly financial reports submitted to Mayor and	12 Monthly financial reports submitted to Mayor and	12 Monthly financial reports submitted to Mayor and	12 Monthly financial reports submitted to Mayor and Treasury on the	Chief Financial Officer

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	management and reporting by 2027.		Mayor and Treasury on the 10th working day of each month		Treasury on the 10th working day of each month 4 sec 52 reports within 30 days to Mayor and Treasury)	Treasury on the 10th working day of each month 4 sec 52 reports within 30 days to Mayor and Treasury)	Treasury on the 10th working day of each month 4 sec 52 reports within 30 days to Mayor and Treasury)	10th working day of each month 4 sec 52 reports within 30 days to 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	Opex	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
		Financial Viability as expressed by ratios	% Cost coverage (B+C)÷D	Opex	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
<b>2.7</b>	To prepare a realistic budget in line with the	Coordinate and develop Amahlathi	2023/2024 budget prepared and submitted to	Opex	2024/2025 budget prepared and	2025/2026 budget prepared and	2026/2027 budget prepared and	2027/2028 budget prepared and submitted to	Chief Financial Officer	

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	objectives and strategies in the IDP based on a three-year Medium-Term Revenue and Expenditure Framework (MTREF)	municipality's budget in line developmental imperatives in the IDP	council for approval on by 31 <sup>st</sup> May each year		submitted to council for approval by 31 <sup>st</sup> May 2024	submitted to council for approval by 31 <sup>st</sup> May 2025	submitted to council for approval by 31 <sup>st</sup> May 2026	council for approval by 31 <sup>st</sup> May 2027	
<b>KPA 3: GOOD GOVERNANCE AND PUBLIC PARTICIPATION</b>									
<b>3.1</b>	To strengthen democracy through improved public participation	Implement Public Participation Strategy	% Implementation of Public Participation Action Plan	Opex	100% Implementation of Public Participation Action Plan	100% Implementation of Public Participation Action Plan	100% Implementation of Public Participation Action Plan	100% Implementation of Public Participation Action Plan	Municipal Manager
		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	Opex	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
<b>3.2</b>	To capacitate Satellite offices as one stop shops for service delivery by 2027.	Implementation of Annual program of action for Satellite offices	% Implementation of Annual Program of Action	Opex	70% Implementation of the Annual	75% Implementation of the Annual	80% Implementation of the Annual	85% Implementation of the Annual Program of Action	Municipal Manager

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					Program of Action	Program of Action	Program of Action		
<b>3.3</b>	Coordination and integration of Stakeholder engagement by 2023	Strengthening of IGR structures	No. of reports on implementation IGR resolutions submitted to IGR Forum	Opex	4 reports on implementation IGR resolutions submitted to IGR Forum	4 reports on implementation IGR resolutions submitted to IGR Forum	4 reports on implementation IGR resolutions submitted to IGR Forum	4 reports on implementation IGR resolutions submitted to IGR Forum	Municipal Manager
<b>3.4</b>	To ensure a clean administration by 2027	Strengthening systems and mechanisms relating to governance processes, risks management and internal controls	No. of risk management reports submitted by HODs to Internal Audit in preparation for Risk Committee Meeting	Opex	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
			% implementation of the 2020/2021 risk-based internal audit plan (all scheduled audits implemented)	Opex	80% implementation of the 2023/2024 risk-based internal audit plan	80% implementation of the 2023/2024 risk-based internal audit plan	80% implementation of the 2023/2024 risk-based internal audit plan	80% implementation of the 2023/2024 risk-based internal audit plan	Municipal Manager
			No. of Anti-corruption and Fraud programs	Opex	4 Anti-corruption and Fraud	4 Anti-corruption and Fraud	4 Anti-corruption and Fraud	4 Anti-corruption and Fraud programs conducted	Municipal Manager

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			conducted per annum		programs conducted	programs conducted	programs conducted		
			No. of reports submitted to the Audit Committee regarding implementation of AC resolutions	Opex	4 reports submitted to the Audit Committee regarding implementation of AC resolutions	4 reports submitted to the Audit Committee regarding implementation of AC resolutions	4 reports submitted to the Audit Committee regarding implementation of AC resolutions	4 reports submitted to the Audit Committee regarding implementation of AC resolutions	Municipal Manager
<b>3.5</b>	Ensure effective & efficient resolution of legal matters	Development of annual compliance register and annual compliance plan	% Implementation of compliance plan	Opex	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	Opex	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
<b>3.6</b>	To ensure quality life through integrated welfare services for the children, women,	Review and Implementation of Strategy on	% Implementation of annual special programs action plan	Opex	100% implementation of special	100% implementation of special programmes action plan	100% implementation of special programmes action plan	100% implementation of special programmes action plan	Municipal Manager

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	youth, elderly, people with disability, HIV and AIDS by 2027	Special Programs			programmes action plan				
3.7	To ensure proactive and effective communication	Development and Implementation of an effective communications policy	% Implementation of Communications Program of Action	Opex	100% implementation of Communications Program of Action	100% implementation of Communications Program of Action	100% implementation of Communications Program of Action	100% implementation of Communications Program of Action	Municipal Manager
3.8	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	Opex	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
3.9	To ensure compliant, effective and efficient customer management by 2027 and beyond.	Modernize the telephone system for customer care and productivity improvement	Turn-around time to attend to logged faults and system related queries by users	Opex	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
		Implementation and monitoring of controls to ensure security of information and business continuity	% ICT systems implemented with itemized usage and expenditure reports	Opex	100% ICT systems implemented with itemized usage and expenditure reports	100% ICT systems implemented with itemized usage and expenditure reports	100% ICT systems implemented with itemized usage and expenditure reports	100% ICT systems implemented with itemized usage and expenditure reports	Director Corporate Services

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		Provide on-going support to users on system related queries	% of resolved system related queries	Opex	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
<b>3.10</b>	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	Opex	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
<b>KPA 4: LOCAL ECONOMIC DEVELOPMENT</b>									
<b>4.1</b>	To improve implementation of the government intervention program to eliminate poverty by 2027.	Implementation of the EPWP and municipal job creation programme especially linked to areas of scarce skills and temporal local jobs created during the roll out of capital projects	No. of work Opportunities created through Community and Youth Development Programmes (CYDP)	R1 310 000	345 Work Opportunities created	360 Work Opportunities created	380 Work Opportunities created	400 Work Opportunities created	Director Corporate Services

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		Subcontracting of the work to SMMEs residing at Amahlathi LM during the roll out of Capital Projects	No. of Sub-contract agreements signed by the main contractor and sub-contractor	Opex	4 Sub-contract agreements signed by the main contractor and sub-contractor	5 Sub-contract agreements signed by the main contractor and sub-contractor	6 Sub-contract agreements signed by the main contractor and sub-contractor	7 Sub-contract agreements signed by the main contractor and sub-contractor	Director Engineering Services
		Temporary local jobs created during the roll out Capital Projects	No of Temporary local jobs created	Opex	100 Temporary local jobs created	120 Temporary local jobs created	150 Temporary local jobs created	180 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	Opex	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	Opex	40 SMMEs supported to access SMME Support Programs	50 SMMEs supported to access SMME Support Programs	60 SMMEs supported to access SMME Support Programs	70 SMMEs supported to access SMME Support Programs	Director Development & Town Planning
			% of business with trading permits	Opex	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

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		Stimulate and Strengthen relationship between Amahlathi and other municipalities	No. of reports on implementation of signed twinning agreements with strategic institutions	Opex	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	Finalize the tourism Infrastructure Improvement Process Plan	No of funding proposal for tourism access infrastructure Improvement Plans submitted to suitable funders	Opex	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	Director Development & Town Planning
			No. of trainings conducted for LTOs and CTOs		2 support interventions for LTOs and CTOs	2 support interventions for LTOs and CTOs	2 support interventions for LTOs and CTOs	2 support interventions for LTOs and CTOs	Director Development & Town Planning

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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	Opex	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	Opex	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	Opex	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 Council for approval	Opex	20% of EGDS linked projects implemented	20% of EGDS linked projects implemented	30% of EGDS linked projects implemented	30% of EGDS linked projects implemented	Director Development & Town Planning

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	To building resilient smart towns	Implementation Master & Precinct Plans for the 4 towns	No of LED investor summit coordinated		1 LED investor summit coordinated	1 LED investor summit coordinated	1 LED investor summit coordinated	1 LED investor summit coordinated	Municipal Manager
<b>KPA 5: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT</b>									
<b>5.1</b>	To attract, retain, build capacity and maximize utilization of Amahlathi Human Capital by 2027 and beyond	Transform and Professionalize ALM through an Organizational Re-engineering process	% Implementation of the Re-Engineered and Council Approved Organogram	Opex	100% Implementation of the Re-Engineered and Council Approved Organogram	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 implemented programmes per Human Resource Strategy implementation plans	Opex	4 implemented programmes per Human Resource Strategy implementation plans (Recruitment Plan; Institutional & HR Policies and Employee Verification)	4 implemented programmes per Human Resource Strategy implementation plans (Recruitment Plan; Institutional & HR Policies and Employee Verification)	4 implemented programmes per Human Resource Strategy implementation plans (Recruitment Plan; Institutional & HR Policies and Employee Verification)	4 implemented programmes per Human Resource Strategy implementation plans (Recruitment Plan; Institutional & HR Policies and Employee Verification)	Director Corporate Services
		Strengthening systems and mechanisms relating to	No. of EAP programmes implemented as per approved plan	Opex	4 EAP programmes implemented	4 EAP programmes implemented	4 EAP programmes implemented	4 EAP programmes implemented per approved plan	Director Corporate Services

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		governance processes, risks management and internal controls	No. of reports on health and productivity of the municipality	Opex	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
		Implementation of the approved EEP	No. of quarterly reports prepared on compliance with EEP annual targets	Opex	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
<b>5.2</b>	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	Opex	4 LLF meetings	4 LLF meetings	4 LLF meetings	4 LLF meetings	Director Corporate Services
			No of LR information sessions / training held	Opex	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
		Develop and implement a blended learning and development programme strategy	No of trainings organized for employees	Opex	4 trainings organized for employees	4 trainings organized for employees	4 trainings organized for employees	4 trainings organized for employees	4 trainings organized for employees

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<b>5.3</b>	Efficient and economical utilization of council resources	Strengthening systems and mechanisms relating to governance processes, risks management and internal controls	No. of reports on the implementation of Vehicle Pound and Municipal Mechanical Workshop / Garage	Opex	4 Reports on implementation of the Vehicle pound and Municipal Mechanical Workshop	4 Reports on implementation of the Vehicle pound and Municipal Mechanical Workshop	4 Reports on implementation of the Vehicle pound and Municipal Mechanical Workshop	4 Reports on implementation of the Vehicle pound and Municipal Mechanical Workshop	Director Corporate Services
			No. of reports on implementation of fleet management systems with logistics management, fuel utilisation, accidents and maintenance submitted to fleet management committee	Opex	4 reports on fleet management systems with logistics (on-line fleet booking management), management, fuel utilisation, accidents and maintenance submitted to fleet management committee	4 reports on fleet management systems with logistics (on-line fleet booking management), management, fuel utilisation, accidents and maintenance submitted to fleet management committee	4 reports on fleet management systems with logistics (on-line fleet booking management), 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
<b>5.4</b>	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	Opex	40% implementation of the document management	60% implementation of the document management	80% implementation of the document management	100% implementation of the document management strategy and plan	Director Corporate Services

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	institutional memory by 2027 and beyond	to protect the confidentiality of data			strategy and plan	strategy and plan	strategy and plan		
			% implementation of the file plan for all active and archived documents	Opex	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
<b>5.5</b>	To optimize and improve data security by 2027	Implementation of digital Transformation Strategy	% utilization of domain emails by Staff	Opex	100% utilization of domain emails by Staff	100% utilization of domain emails by Staff	100% utilization of domain emails by Staff	100% utilization of domain emails by Staff	Director Corporate Services
			Installation of Wifi in the municipal buildings	Opex	100% Installation of Wifi in all Municipal Office Buildings	100% Installation of Wifi in all Municipal Office Buildings	100% Installation of Wifi in all Municipal Office Buildings	100% Installation of Wifi in all Municipal Office Buildings	Director Corporate Services
<b>5.6</b>	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	Opex	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	No. of days by which the SDBIP is submitted to the	Opex	2024/25 SDBIP submitted to	2025/26 SDBIP submitted to	2026/27 SDBIP submitted to	2027/28 SDBIP submitted to the Mayor for	Municipal Manager

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		throughout the organization	Mayor for approval		the Mayor for approval by the 28th day after approval of the budget	the Mayor for approval by the 28th day after approval of the budget	the Mayor for approval by the 28th day after approval of the budget	approval by the 28th day after approval of the budget	
			Date on which departmental quarterly reports with evidence files submitted to IDP/PMS Unit	Opex	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)	Opex	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
			No. of quarterly organizational performance reports submitted to Council	Opex	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

Grant (Source of Funding)	Project Name	MIG Category (B,P or E)	Ward No.	Total MTEF Project Allocation	2023/24 Allocation	2024/25 Allocation	2025/26 Allocation
<b>MUNICIPAL INFRASTRUCTURE GRANT (MIG)</b>	Stutterheim Recreation Centre	P	13	R14 550 000	R11 550 000,00	R3 000 000,00	
	Keiskammahoek Recreation Centre	P	1	R12 000 000	R10 351 000,00	R1 649 000,00	
	Surfacing of Cathcart Streets	B	4,5	R623 950	R623 950,00		
	Mbaxa Community Hall	P	7	R3 000 000	R2 000 000,00	R1 000 000,00	
	Frankfort Internal Roads	B	12	R2 500 000	R2 500 000,00		
	Paving of Xhologha Internal Roads	B	13	R10 150 050	R1 557 492,00	R8 592 558,00	
	Izidenge Internal Roads	B	6	R4 500 000	R500 000,00	R4 000 000,00	
	Pumulani Community Hall	P	2	R3 500 000	R500 000,00	R3 000 000,00	
	Langdraai Community Hall	P	4	R3 500 000	R500 000,00	R3 000 000,00	

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	Ngqeqe Internal Roads	B	11	R 2 500 000	R244 758,00	R2 255 242,00	
	Mlunigisi Sports field	P	15	R 1 000 000	R1 000 000,00		
	Mzamomhle Community Hall	P	14	R 3 500 000		R3 500 000,00	
	Waste Collection Compactor Truck			R 3 478 600		R1 718 600,00	R1 760 000,00
	Stutterheim Streets Paving	B	13	R 10 450 000		R450 000,00	R10 000 000,00
	Keiskammahoek Town Paving	B	1	R 9 700 000		R450 000,00	R9 250 000,00
	Amabele Paving	B	9	R 4 500 000			R4 500 000,00
	Stutterheim Recreational Park Revamping	P	13	R 449 650			R449 650,00
	Mandlakapheli Internal Roads	B	4	R 2 500 000			R2 500 000,00
	Keilands Roads	B	5	R 2 500 000			R2 500 000,00
	Khayelitsha Community Hall	P	8	R 2 700 000			R2 700 000,00
	Greenfields internal roads	P	3	R 300 000			R300 000,00

2023/24 INTEGRATED DEVELOPMT PLAN (IDP)

	<b>TOTAL PROJECT COST</b>			R 97 902 250	<b>R31 327 200,00</b>	<b>R32 615 400,00</b>	<b>R33 959 650,00</b>
	PMU Costs			R 5 152 450,00	R1 649 000,00	R1 716 100,00	R 1 787 350,00
<b>MTEF Total Allocation</b>					<b>R 32 976 200</b>	<b>R 34 331 500</b>	<b>R 35 747 000</b>

Pipeline of Catalytic Projects				
No.	Project Name	Project Description	Location	Budget
1.	<b>Furniture Incubation</b>	<ul style="list-style-type: none"> <li>Inspired by the defunct Abenzi-wood house initiative but now focused on the concept rather the failed business</li> <li>A collaboration between the ALM,DEDEAT &amp; the ECDC</li> <li>Will also contribute to the strengthening the local forestry value-chain – manufacturing focus</li> <li>ECDC has committed to assisting with the Feasibility Study, and is in the process of appointing a Service Provider for this.</li> </ul>	Stutterheim	None
2.	<b>Keiskammahoek Rural Market Centre</b>	<ul style="list-style-type: none"> <li>DRDAR/ADM/ALM collaboration</li> <li>Pilot for an EC wide Initiative, KKH chosen site in line with the KKH STR – Agricultural node</li> <li>ALM has availed Ervin 140 &amp; 141 in KKH</li> <li>ADM has set aside R1m</li> <li>DRDAR has set aside R8m for the project</li> </ul>	Keiskammahoek	R9m
3.	<b>Middle Income Housing</b>	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		
	<b>Stott Master &amp; Precinct Plan</b>	<p>This will entail the following:</p> <ul style="list-style-type: none"> <li>A master plan for the regeneration of town and its surrounding areas</li> <li>A precinct plan for a retail facility and new offices for the Municipality</li> </ul>	Various Stutterheim based location being considered for the Municipal Office and Retail precincts	None

**2023/24 INTEGRATED DEVELOPMT PLAN (IDP)**

		<ul style="list-style-type: none"> <li>• A Business Plan towards mobilising resources for the implementation of the Precinct Plan</li> </ul>		
	<b>SA Fine Tuned Wild Life Project</b>	<p>It's a Department of Environmental Affairs funded Wild Life Farming project, which entails the following:</p> <ul style="list-style-type: none"> <li>• Improvement of livelihoods and the environment through job creation and biodiversity awareness creation</li> <li>• Rehabilitation of degraded agricultural land</li> <li>• Utilisation of underutilised renewable natural resources to stimulate the local economy</li> <li>• Empowerment of Communities adjacent to the project site</li> </ul>	Bolo, in Ward 5	R20m
	<b>Amathole Biosphere Reserve</b>	<p>It is a program implemented by Department of Forestry, Fisheries and Environment. It traverses three Local Municipalities; Ngqushwa, Raymond Mhlaba, and Amahlathi.</p>	Ward 1	DFFE

## 1. DEPARTMENT OF HUMAN SETTLEMENTS PROJECTS

Human Settlements development is the prerogative of the Provincial Department of Human Settlements. The only thing that the municipality does is to avail land for housing development.

Below is the list of projects (in various stages) that are implemented across Amahlathi Local Municipality.

### 1. RUNNING PROJECTS

PROJECT NAME	NO. OF SUBS.	DELIVERY PLANNED	STATUS	PROJECT BUDGET	EXPENDITURE	CHALLENGES	PROGRESS TO DATE
PROJECT NAME	NO. OF SUBS.	DELIVERY PLANNED	STATUS	PROJECT BUDGET	EXPENDITURE	CHALLENGES	PROGRESS TO DATE
CENYU VILLAGE	450	Completion of project readiness	Running	R 68,063,827.21	R 36,184,226.96	Delays due to COVID 19 Lockdown. Only 206 units are enrolled with NHBRC. Storm water drainage is a needs rehabilitation.	205 units are complete 21 are at foundations 2 are at wall plates 222 are still not started
CENYULANDS	692	Completion of project readiness	Running	R 104,373,888.96	R 36,591,710.11	Delays due to COVID 19 Lockdown. Only 20 units are enrolled with NHBRC. Storm water drainage is a needs rehabilitation.	200 units are complete 30 are at foundations 3 are at finishing 459 are still not started

2023/24 INTEGRATED DEVELOPMT PLAN (IDP)

FRANKFURT	300	Construction of 289 new units and completion of 11 units at various stages.	Running	R 50,466,909.84	R0.00	Delays due to Appointment of a replacement Professional following the expiry of contract of the original one.	1 unit is at finishing 10 units are at roofs 289 are still not started
MASINCEDANE 200 DESTITUTE	200	Construction of 65 new units And completion of 34 units at various stages.	Running	R 15,589,306.00	R 706,675.90	Delayed Procurement of a replacement Contractor following the termination of the original one.	101 completed units, 19 units are at roofs, 2 at wall plates, 13 at foundations and 65 are not yet started.
KUBUSI 304	304	Construction of 38 new units, 8 VIP toilets, and complete 118 units at various stages	Running	R 17,539,828.73	R0.00	Delayed Procurement of a replacement Contractor following the termination of the original one.	148 completed houses, 2 finishing's, 10 roofs, 76 wall plates, 30 foundations, 38 still not yet started and 296 VIP toilets

2. BLOCKED PROJECTS

PROJECT NAME	NO. OF SUBS.	DELIVERY PLANNED	STATUS	CHALLENGES	INTERVENTION	PROGRESS TO DATE
MLUNGISI 270	169	Construction of 25 new units	Blocked	Contractor left the site because of outstanding payment. Items being claimed appear to have been paid before.	The Department is still making various attempts to find a solution to the matter.	No progress has been achieved yet.
NDAKANA	1300	Construction of 35 units	Blocked	Progress is stalled by the NHBRC Enrolments of replacement beneficiaries.	Contractor procurement is underway	1265 units are complete

3. PLANNED 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 even. Construction of 100 units.	New	R 68 336 138.95	R 1 151 101.54	Bulk Infrastructure Capacity Issues delayed the project start.	Project planning is underway. Contractor Procurement is underway.
Gisela 75	75	Construction of 75 new units	New	R 15 741 195.00	R 136 500.00	None	Project planning is underway.

**2023/24 INTEGRATED DEVELOPMENT PLAN (IDP)**

Kei Road Northern Node	421	Installation of internal services to 421 new even.	Unblocked	R 45 408 837.77	R 509 248.80	Delay in the EIA processes.	Project planning is underway. Contractor Procurement is underway.
Squash Ville 467	153	Complete Planning and Design Stage. Construction of 100 new units.	New	R 86 187 334.44	R0	Availability of building space within the plots	Project planning is underway.
Mthonjeni 201	80	Complete Planning and Design Stage. Construction of 80 new units.	New	R 37 095 619.32	R0	Availability of building space within the plots	Project planning is underway.
Goshen	100	Complete Planning and Design Stage	New	R 21 478 266.00	New	None	Funding Application is approved. Procurement of a Professional Service Provider is underway.

**4. CLOSEOUT PROJECTS**

PROJECT NAME	NO. OF SUBS.	CHALLENGES	PROGRESS TO DATE	INTERVENTION
MLUNGISI DUBA	22	Few housing units are outstanding. Financial reconciliation is required.	Close-out process is complete	All outstanding units will be accommodated currently in the running Mlungisi 270 project.

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MLUNGISI MPEPHO	97	Few housing units are outstanding. Financial reconciliation is required.	Close-out process is complete	All outstanding units will be accommodated currently in the running Mlungisi 270 project.
MLUNGISI ISIDENGE	634	Few housing units are outstanding. Financial reconciliation is required.	Close-out process is complete	All outstanding units will be accommodated currently in the running Mlungisi 270 project.
MLUNGISI JENNIKER	54	Few housing units are outstanding. Financial reconciliation is required.	Close-out process is complete	All outstanding units will be accommodated currently in the running Mlungisi 270 project.
MLUNGISI HECKEL	12	Few housing units are outstanding. Financial reconciliation is required.	Close-out process is complete	All outstanding units will be accommodated currently in the running Mlungisi 270 project.
MLUNGISI	300	Few housing units are outstanding. Financial reconciliation is required.	Close-out process is complete	All outstanding units will be accommodated currently in the running Mlungisi 270 project.

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

<b>MIG THREE YEAR CAPITAL PLAN 2023/24 TO 2025/26</b>	<b>VAT excl PROJECT BUDGET 2023/24</b>	<b>VAT excl PROJECT BUDGET 2024/25</b>	<b>VAT excl PROJECT BUDGET 2025/26</b>
Amahlathi Area Wide Sanitation Phase 2	-	R377 612,00	R377 612,00
Amahlathi Area Wide Sanitation Region 3A: Phase 2	R309 408,00	R682 230,00	R4 981 360,00
Cathcart Bulk Services Upgrade	R28 469 577,00	R18 787 913,00	R18 787 913,00
Stutterheim Sewer Pipe Replacement Programme	R2 475 094,00	R904 494,00	R5 203 624,00
Stutterheim Water Pipe Replacement Programme	R9 327 127,00	R9 881 504,00	R9 881 504,00
Zingcuka Water Supply (Adjustment)	R419 657,00	R200 786,00	R612 472,00
Repairs and Refurbishment of Water Infrastructure: Amahlathi LM	R447 826,00	-	-
Amahlathi LM: Emergency interventions at sewage systems in the Amathole District Municipality (COVID	R1 998 757,00	-	-
<b>TOTAL</b>	<b>R43 447 446,00</b>	<b>R30 834 539,00</b>	<b>R39 844 485,00</b>

<b>Water Services Infrastructure Grant (Wsig) Three Year Capital Plan - Budget 2023/24 To 2025/26</b>				
<b>PROJECT NAME</b>	<b>REGION</b>	<b>VAT EXCLUSIVE PROJECT AMOUNT 2023/24</b>	<b>VAT EXCLUSIVE PROJECT AMOUNT 2024/25</b>	<b>VAT EXCLUSIVE PROJECT AMOUNT 2025/26</b>
Non-Revenue Water Loss Control Project: Amahlathi	EC124 Amahlathi		-R4 413 043,00	R4 413 043,00
Dontsa Water Supply	EC124 Amahlathi	R3 530 435,00	R2 647 826,00	-
Refurbishment of Amahlathi & Ngqushwa water retaining structures	EC124 Amahlathi		-R4 413 043,00	R4 413 043,00

**2023/24 INTEGRATED DEVELOPMT PLAN (IDP)**

TOTAL	R3 530 435,00	R11 473 912,00	R8 826 086,00
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**DEPARTMENT OF FORESTRY FISHERIES AND THE ENVIRONMENT**

PRIORITY AREA	NDP OUTCOME	TARGET: 23/24	Budget	MUNICIPALITY
Biodiversity Economy	Economic Growth and Employment	Fine Tune: To establish Game ranching facility through the erection of a game fence, water supply, admin building and a lodge	20 000 000 00	Amahlathi
		Construction of Lappia Javanica processing facility in partnership with UFS	10 000 000 00	Amahlathi
		Establishment of Game breeding/ ranching facility with a game meat processing plant. Rehabilitation of water supply infrastructure, roads, fencing and lodge	8 000 000 00	Amahlathi

**PROJECTS BY ESKOM**

**2022/2023 ELECTRIFICATION PLAN – AMAHLATHI LM**

PROJECT NAME	PROJECT TYPE	DMRE TOTAL PLANNED CAPEX INCLUSIVE 15% VAT INC ADMIN 2023/24	TOTAL PLANNED CONNECTIONS 2023/24	BENEFICIARIES/ VILLAGE NAMES
Amahlathi Ward Exts (2023/24 Plan)	Households	R 23 805 000.00	700	Kwazidenge, Mlungisi, Northern Node
Amahlathi Ward exts Pre-Engineering 2024/25 plan	Pre - Engineering	R 552 000.00		
Amahlathi Schedule 5B Pre Engineering	Scheduled 5B	R 402 500.00		
Amahlathi ward Extensions 2023/24 Line	Infrastructure Line	R 5 175 000.00		15km
Total Amahlathi		R 29 934 500.00	700	15km

**PROJECTS FOR 2020/21-2022/23 FY BY DEPARTMENT OF ECONOMIC DEVELOPMENT, ENVIRONMENT AFFAIRS AND TOURISM (DEDEAT) ROLLOVER TO 2023/24**

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

**DEPARTMENT OF TRANSPORT**

PLANT HIRE CONTRACTS BUDGET SUMMARY PER LMA

LOCAL MUNICIPAL AREA	MAINTENANCE COST	%
1.Other Municipalities	R45 000 000,00	0%
2. Amahlathi	R9 999 999.00	22%
<b>TOTAL</b>		

**DEPARTMENT OF TRANSPORT- URGENT RESPONSE ON (ROUTINE MAINTENACE)**

LMA	ROAD No's	LOCATION	ACTIVITY	KM	AMOUNT
Amahlathi	DR02915 DR07675 DR07676 DR07684 DR07683 DR07785	Ward 12- Zeleni	Reshaping		No Amount allocated
Amahlathi	DR02760 DR02758 DR02761 DR02749 DR02765	Ward 8-Kie Road	Reshaping		No Amount allocated

**2023/24 INTEGRATED DEVELOPMT PLAN (IDP)**

Amahlathi	MR00650 MR00706 DR02810 DR02799 DR02809	Ward4- Goshen, Henderson, Bacela police stn	Heavy Maintenance		No Amount allocated
Amahlathi	DR07690 DR07703 DR07701 DR07702	Ward9-Ndakana	Blading		No Amount allocated
<b>ALLOCATED FUNDS FOR FLOOD DAMAGED: R5 100 00.00 ROAD NO: DR02810 (Henderson-Qwanti)</b>					
<b>PLANNED WORK FOR FRAMEWORK -BRIDGES</b>					
Amahlathi	MR00701	Stutt-kie bridge	Bridge	1	No Funds

**DEPARTMENT OF TRANSPORT - PLANNED WORK FOR THE (2023/24)**

LMA	ROAD No's	LOCATION	ACTIVITY	KM	AMOUNT
Amahlathi	DR07390	Nqolo-nqolo ,kkmahhoek	Regravelling	6.74km	R
Amahlathi	DR02758	Khayelitsha- kie road	Re-gravelling	10.2km	R
Amahlathi	MR00650	Goshen-Carthcart	Re-gravelling	10.76km	R
<b>ALLOCATED BUDGET</b>					<b>R9 999 999.00</b>
<b>PLANNED WORK FOR FRAMEWORK ( work to be allocated for SMMEs)</b>					
Amahlathi	R345	Stott-king	Grass-Cutting & Bush Clearing	35	Establishment on 8 <sup>th</sup> of May 2023
Amahlathi	MR0700	Dimbaza-kkmahhoek	Grass-Cutting & Bush Clearing	20	
Amahlathi	MR0649	Carth-carth to Hogsbag	Grass-Cutting & Bush Clearing	33	No Budget

**PROGRAMS BY COMMUNITY SAFETY AND LIAISON**

ACTIVITY	VENUE	STATUS
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## 2023/24 INTEGRATED DEVELOPMT PLAN (IDP)

Social Crime prevention programme (crime awareness programmes)	Cathcart Keiskammahoek	Done
Implement EPWP (placement of two Safety Patrollers at schools to maintain order during teaching and learning)	Steve Tshwete: Keiskammahoek and Jongile Nompondo: Stutterheim	Ongoing
Unannounced visits (assess service delivery at the Client Service Centres)	Stutterheim, Steve Tshwete, Kubusie Drift, Thomas River, Kei Road, Cathcart	Done
Domestic Violence Act Audit (assess compliance to Domestic Violence Act by SAPS)	Kei Road, Stutterheim and Cathcart	Done
Policing Accountability Engagement (imbizo focusing of police service delivery)	Stutterheim and Bolo	Done
Support municipality with functioning of CSF	Amahlathi CSF is supported as per invitation from the municipality.	

### DEPARTMENT OF PUBLIC WORKS – EPWP PERFORMANCE

FINANCIAL YEAR	ALLOCATION	WO TARGET	WO ACTUAL	FTE TARGET	FTE ACTUAL
2023/24	R1 310 000	345		124	

### DEPARTMENT OF SOCIAL DEVELOPMENT PLANNED PROGRAMMS IN 2023/24

#### THE DEPARTMENT OF SOCIAL DEVELOPMENT IN AMAHLATHI AREA HAS FIVE PRAGRAMMES

##### **1. Programme 1 : Administration**

This is the administrative support programme of the department, during 2022/23 financial year I reported that the Area Office is non-existence due to the strategic direction that the department is taking. As we begin 2023/24, the Area Offices with a new name (Local Service Office) is back and fully functional, and the used to be Service Offices no longer exist. All queries are to be sent to the Local Service Office. The three offices will remain as they are but with no programme 1 activities. Clients will visit the offices as they use to do so. This system is what the Dept. called the Three Tier Structure

**2. Programme 2 : Social Welfare Services**

2.2: Services to older persons ( @ R2000 per elderly person per month)

1. Amatole Haven, Stutterheim: 16 elderly people R 395 520,00
2. Callie Evans Lodge, Cathcart: 20 elderly people R 494 400,00

**Total = R 889 920,00**

**2.3 Funding to Service Centres @ R 200 per elderly person per month**

- |   |           |
|---|-----------|
| 1. Nonqaba Service Centre, ward 10: 20 people   | R 88 404  |
| 2. Masonwabe Service Centre, ward 13: 30 people | R 118 404 |
| 3. Umbono Service Centre, ward 10: 55 people    | R 193 404 |
| 4. S A Council for the aged: ward 14: 25 people | R 103 404 |
| 5. Sinethemba Service Centre, ward 3: 28 people | R 112 404 |
| 6. Cathcart Service Centre, ward 4: 55 people   | R 193 404 |
| 7. Makukhanye Service Centre, ward 1: 28 people | R 112 404 |
| 8. Khulani Service Centre, ward 13: 24 people   | R 100 404 |
| 9. Enkazimlweni Centre, ward 11: 28 people      | R 112 404 |
| 10. Siyazama Centre, ward 9: 30 people          | R 118 404 |

The total amount for these combined is **R 1 253 040**

**2.4 HIV/AIDS**

Home Community Based Care

Likhaya Lethemba HCBC and Kusile HCBC both funded with R 309 353, 00

**Total R 309 353,00**

**2.5. SRD**

In this financial year we will be distributing **1702** sanitary dignity towels across the Amahlathi area. We are waiting for new assessments for this financial year. The Provincial Office says the SRD money is available.

**3. Programme 3: Children and Families  
Care and Services to families**

**FAMSA funded with R1 100, 796 million  
ECD Centres**

Siyavuya Training Centre: Special Day Care with 21 children R 110 880  
Child & Youth Care Centres

**CYCC in Keiskammahoek that is funded with R1 680 960,**

**4. Programme 4: Restorative Services**

Victim Empowerment Programme (VEP)

1. Ikhwezi Women's Support Centre: ward 4, R 568 782
2. Kusile White Door Centre of Hope: ward 16, R 166 122
3. Eluncedweni White Door centre of Hope: ward 2, R 166 122

4. Toise White Door Centre of Hope: ward 5, R 166 122
  5. Frankfort White Door Centre of Hope: ward 12, R 166 122
  6. Kologa White Door Centre of Hope: ward 13, R 166 122
  7. Ethembeni White Door Centre of Hope, ward 7, R 166 122
  8. Youth with Passion: ward 14, R 76 663
  9. TADA : ward 13, R 151 170
- Total amount R 1 793 347**

**5. Programme 5: Development and Research**

This is a programme that has once brought light in some communities of Amahlathi, the Department has in the couple year's funded 29 projects around Amahlathi.

The department now is left with 1 funded projects

1. CNDC Cathcart, ward 5, **R 430 500**

## 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
Mid-Term	(July – December)	18 of January
Annual	(January – June)	18 of August

- b. In cases of section 56 Managers, the midterm and annual assessments shall be performed between the Employee and the Municipal Manager (or Mayor in the case of MM), 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 2023
*Second quarter	(October – December)	04 of January 2024
Third quarter	(January – March)	04 of April 2024
*Fourth (last) quarter	(April – June)	04 of July 2025

- 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 <b>PA</b> 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 <b>fully</b> 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:

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

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:

<b>Component</b>	<b>Weighting</b>	<b>Source</b>
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			
	• Negotiation and Dispute Management	Basic			
Programme and Project Management	• Program and Project Planning and Implementation	Superior	8.3		
	• Service Delivery Management	Advanced			

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	<ul style="list-style-type: none"> <li>• Program ad Project Monitoring and Evaluation</li> </ul>	<p align="center">Competent</p> <p align="center">Basic</p>			
Financial Management	<ul style="list-style-type: none"> <li>• Budget Planning and Execution</li> </ul>	Superior	8.3		
	<ul style="list-style-type: none"> <li>• Financial Strategy and Delivery</li> </ul>	Advanced			
	<ul style="list-style-type: none"> <li>• Financial Reporting and Monitoring</li> </ul>	<p align="center">Competent</p> <p align="center">Basic</p>			
Change Leadership	<ul style="list-style-type: none"> <li>• Change Vision and Strategy</li> </ul>	Superior			
	<ul style="list-style-type: none"> <li>• Process Design and Improvement</li> </ul>	Advanced			
	<ul style="list-style-type: none"> <li>• Change Impact Monitoring and Evaluation</li> </ul>	<p align="center">Competent</p> <p align="center">Basic</p>			
Governance Leadership	<ul style="list-style-type: none"> <li>• Policy Formulation</li> </ul>	Superior	8.3		
	<ul style="list-style-type: none"> <li>• Risk and Compliance Management</li> </ul>	Advanced			
	<ul style="list-style-type: none"> <li>• Cooperative Governance</li> </ul>	<p align="center">Competent</p> <p align="center">Basic</p>			
<b>CORE COMPETENCIES</b>	<b>Achievements Levels</b>	<b>Weight</b>	<b>SELF-SCORING-HOD</b>	<b>FINAL SCORE MM</b>	
<b>Moral Competence</b>	Superior	8.3			
	Advanced				

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	Competent			
	Basic			
<b>Planning and Organising</b>	Superior	8.3		
	Advanced			
	Competent			
	Basic			
<b>Analysis and Innovation</b>	Superior	8.3		
	Advanced			
	Competent			
	Basic			
<b>Knowledge and Information Management</b>	Superior	8.3		
	Advanced			
	Competent			
	Basic			
<b>Communication</b>	Superior	8.3		
	Advanced			
	Competent			
	Basic			
	Superior	8.3		

<b>Results and Quality focus</b>	Advanced			
	Competent			
	Basic			
<b>Total</b>	<b>100%</b>			

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.

<b>ACHIEVEMENT LEVELS</b>	<b>RATING</b>	<b>ACHIEVEMENT LEVELS</b>
Basic	<b>1-2</b>	Applies basic concepts, methods, and understanding of local government operations, but requires supervision and development intervention
Competent	<b>3</b>	Develops and applies more progressive concepts, methods and understanding. Plans and guides the work of others and executes progressive analyses
Advanced	<b>4</b>	Develops and applies complex concepts, methods and understanding. Effectively directs and leads a group and executes in- depth analyses
Superior	<b>5</b>	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	22/23
	Credit Control Policy	28 May 2015	22/23
	Indigent Policy	28 May 2015	22/23
	Rates Policy	28 May 2015	22/23
	Virement Policy	28 May 2015	22/23
	Tariff Policy	28 May 2015	22/23
	Petty Cash Policy	28 May 2015	22/23
	Housing and Rental Policy	28 May 2015	22/23
	Customer Care Policy	28 May 2015	22/23
	Financial Systems back-up Policy	28 May 2015	22/23
	Supply Chain Management Policy	28 May 2015	22/23
	Asset Policy	28 May 2015	22/23
	Cash Management and Investment Policy	28 May 2015	22/23
	User Account Management Policy	28 May 2015	22/23
	Fruitless and Wasteful Expenditure	28 May 2015	22/23
Corporate Services	1. Long Service Allowance Policy	31 May 2021	20/21
	2. Bereavement Policy	31 May 2021	20/21

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	3. Standby Allowance	31 May 2021	22/23
	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	22/23
	10. Telephone and Cellular Phone Usage Policy	31 May 2021	22/23
	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	22/23
	16. Fleet Management Policy	31 May 2021	20/21
	17. Recruitment and Selection Policy	31 May 2021	22/23
	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	22/23
	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	31 May 2021	22/23
	27. Substance Abuse Policy		20/21
	28. Employment Equity Plan	June 2007	19/20

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	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	2023
	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

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Development And Planning	37. Tourism Master Plan	2008	Currently being reviewed.
	38. Led Strategy	2012	-
	39. Housing Sector Plan	2013	-
	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	22/23
	46. Communication Strategy	2015	22/23
	47. Communication Policy	2016	22/23
	48. Public Participation Policy	June 2014	22/23
	49. Petitions Framework	June 2014	22/23
	50. Petitions Policy	2016/17	22/23
	51. Social Media Policy	Currently being developed	22/23
	52. Functionality of Ward Committees		22/23
	53. Special Programmes Strategy Covering;	16/17	
	<ul style="list-style-type: none"> <li>• Youth</li> <li>• Children</li> <li>• Disabled</li> <li>• Women</li> <li>• Elderly</li> <li>• HIV/AIDS</li> </ul>		

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	54. Sport Policy	Currently being developed	
	55. Code of Conduct	Currently being developed	20/21
	56. 3G Data Card Policy		20/21
	57. Back- up Procedure Manual		20/21
	58. Change Management		20/21
	59. Email Acceptable Use Policy		20/21
	60. ICT Acceptable Use Policy		20/21
	61. IT Governance Framework		20/21
	62. Password Policy		20/21
	63. Software Installation Policy		20/21
Office Of The Municipal Manager	64. Audit Committee Charter	May 2011	21/22
	65. Internal Audit Charter		21/22
	66. Risk Management Policy		21/22
	67. ALM Fraud Prevention & Anti-Corruption Policy		21/22
	68. Fraud Prevention Plan		21/22
	69. Amahlathi Draft Governance Framework	Currently being developed	20/21
Engineering Services	70. Private Protection Equipment (PPE) for Electricity	Currently being reviewed	20/21
	71. Electricity By Law		
	72. Bush Clearance & Maintenance Within Power line & Servitudes		
	73. By-law Standard Bush Clearance		
	74. Planting, Pruning, Removal and Treatment of Street Trees		
	75. Roads Maintenance Policy		
	76. Building Control Policy	Currently being developed	20/21

	77. OHS Toolkit PPE Policy		20/21
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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 adopted and is due for reviewal the municipality will request 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 ECDHS. 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 (2022 – 2027) has been reviewed by a Service Provider and submitted to DEDEAT for endorsement by the MEC subsequent to its Council approval in January 2023. The IWMP will then guide municipal waste operations to ensure compliance with waste Regulations.

There are 3 landfill sites and one transfer station.

- Stutterheim is licensed and operational (Notice issued for contravening the law and action plan submitted on interventions to be undertaken to address the non-compliance to DEDEAT)
- Keiskammahoek is licensed and operational
- Cathcart Transfer Station is licensed and 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 interventions over a three-year cycle period i.e. 2020 – 2022. A total of 6.6 million was allocated for the Restoration of Stutterheim waste disposal facility in the 2020/201 financial year and was registered under the Expanded Public Works Programme Abantu Environmental Consultants were appointed in October 2020 for implementing the project which was completed in June 2021. An amount of R 3.3 million was allocated for continuation of the Stutterheim waste site which is currently underway with 30 beneficiaries in the 21/22 financial year. Due to a constant breakdown in refuse collection vehicles, there is non-adherence to collection schedule and as such the service is interrupted resulting in illegal dumping which negatively impacts on the environment.

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 Municipality conducts awareness campaigns, which focus 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 Municipality is a beneficiary to cleaning programs by COGTA through the town beautification program participants and DEFF through the cleaning and mopping programme with 123 EPWP participants in all clusters. Both programs have had a positive impact as the general cleanliness and outlook of our towns has improved. In collaboration with the limited number of municipal employees, street sweeping is being conducted, clearing of illegal dumping area and vegetation around pavements and cleaning of street gutters. Grass cutting is done in all clusters although not to satisfaction due to limited resources.

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 1<sup>st</sup> 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 initiatives.

## 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 2023/24 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 2023/24 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**

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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 2023/2 to 2025/2026 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	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	1										
<b>Revenue</b>											
<b>Exchange Revenue</b>											
Service charges - Electricity	2	29 982	37 467	38 857	41 147	41 547	41 547	-	41 674	43 716	45 770
Service charges - Water	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Management	2	8 514	12 115	10 856	13 141	13 141	13 141	-	12 320	12 924	13 531
Sale of Goods and Rendering of Services		275	541	5 031	5 435	5 727	5 727	-	5 634	5 910	6 188
Agency services		1 389	1 282	1 059	1 829	1 829	1 829	-	1 829	1 918	2 009
Interest		-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		7 116	7 057	8 182	8 646	10 294	10 294	-	5 531	5 787	6 054
Interest earned from Current and Non Current Assets		1 434	1 001	366	1 040	1 055	1 055	-	1 158	1 215	1 272
Dividends		-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		58	44	171	100	291	291	-	196	205	215
Licence and permits		1 552	2 500	1 780	2 429	2 429	2 429	-	2 252	2 399	2 512
Operational Revenue		35 987	1 637	5	561	2 011	2 011	-	667	699	732
<b>Non-Exchange Revenue</b>											
Property rates	2	18 993	20 796	22 178	23 785	23 785	23 785	-	24 424	25 621	26 825
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		16	6	12	15	26	26	-	27	29	30
Licences or permits		-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational		112 294	144 141	121 995	130 728	130 989	130 989	-	138 420	142 614	136 784
Interest		-	-	-	-	-	-	-	6 318	6 628	6 939
Fuel Levy		-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	1 005	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and grants)</b>		<b>217 611</b>	<b>228 590</b>	<b>211 499</b>	<b>228 855</b>	<b>233 123</b>	<b>233 123</b>	<b>-</b>	<b>240 449</b>	<b>249 665</b>	<b>248 861</b>

### (Expenditure by Type)

EC124 Amahlathi - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	1										
<b>Expenditure</b>											
Employee related costs	2	124 000	132 726	125 340	106 959	110 264	110 264	-	134 985	127 687	127 687
Remuneration of councillors		11 993	11 599	11 533	11 996	13 501	13 501	-	14 329	14 329	14 329
Bulk purchases - electricity	2	33 309	35 884	42 658	38 070	46 923	46 923	-	51 433	53 799	56 273
Inventory consumed	8	445	300	404	267	269	269	-	247	247	247
Debt impairment	3	32 644	26 485	(7 489)	27 000	27 000	27 000	-	27 000	27 000	27 000
Depreciation and amortisation		26 647	25 570	26 055	26 000	26 000	26 000	-	26 000	26 000	26 000
Interest		2 667	3 802	2 536	4 000	4 500	4 500	-	4 500	4 721	4 942
Contracted services		13 771	16 221	10 882	19 154	21 561	21 561	-	18 230	17 832	18 543
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		-	-	-	-	-	-	-	-	-	-
Operational costs		16 037	21 717	24 369	21 891	26 064	26 064	-	28 815	29 466	31 783
Losses on disposal of Assets		4 275	1 662	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>265 788</b>	<b>275 965</b>	<b>236 287</b>	<b>255 339</b>	<b>276 082</b>	<b>276 082</b>	<b>-</b>	<b>305 538</b>	<b>301 080</b>	<b>306 804</b>
<b>Surplus/(Deficit)</b>		<b>(48 178)</b>	<b>(47 375)</b>	<b>(24 789)</b>	<b>(26 484)</b>	<b>(42 958)</b>	<b>(42 958)</b>	<b>-</b>	<b>(65 089)</b>	<b>(51 415)</b>	<b>(57 943)</b>

## 2023/24 INTEGRATED DEVELOPMT 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
<b>R thousand</b>	1										
<b>Expenditure By Type</b>											
Employee related costs	2	126 609	124 000	132 726	129 931	129 931	129 931	-	117 668	115 668	115 668
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	-	18 954	19 788	20 679
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-
Other expenditure	4, 5	30 738	16 037	17 559	17 447	17 444	17 444	-	18 090	18 886	19 736
Losses		11 360	4 275	1 662	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>303 938</b>	<b>265 788</b>	<b>271 807</b>	<b>265 782</b>	<b>264 294</b>	<b>264 294</b>	<b>-</b>	<b>262 046</b>	<b>265 207</b>	<b>270 704</b>

## 2023/24 INTEGRATED DEVELOPMT PLAN (IDP)

### (Grants and subsidies)

EC124 Amahlathi - Supporting Table SA18 Transfers and grant receipts										
Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24	Medium Term	Revenue &
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>RECEIPTS:</b>	1, 2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		110 426	136 385	120 478	128 755	128 755	128 755	136 692	142 614	136 784
Local Government Equitable Share		105 863	131 642	115 504	124 987	124 987	124 987	131 533	138 697	132 697
Finance Management		2 235	2 200	2 100	2 200	2 200	2 200	2 200	2 200	2 300
Municipal Systems Improvement		-	-	-	-	-	-	-	-	-
EPWP Incentive		887	1 000	1 263	1 568	1 568	1 568	1 310	-	-
PMU 5%		1 123	1 399	1 478	-	-	-	1 649	1 717	1 787
Disaster Relief Grant		318	145	134	-	-	-	-	-	-
Other transfers/grants [insert description]										
<b>Provincial Government:</b>		1 868	7 756	1 517	1 973	2 234	2 234	1 728	-	-
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		-	-	-	-	99	99	-	-	-
Recycling		-	122	-	-	-	-	-	-	-
Vuna Awards		-	-	-	-	-	-	-	-	-
Seta		-	-	97	773	935	935	528	-	-
Waste Grant 6m		-	-	220	-	-	-	-	-	-
Donation		668	6 200	-	-	-	-	-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
[insert description]										
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
[insert description]										
<b>Total Operating Transfers and Grants</b>	5	112 294	144 141	121 995	130 728	130 989	130 989	138 420	142 614	136 784
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		12 310	52 932	28 080	31 701	31 701	31 701	31 327	43 615	46 460
Municipal Infrastructure Grant (MIG)		12 310	52 932	28 080	31 701	31 701	31 701	31 327	32 615	33 960
INEP Grant		-	-	-	-	-	-	-	11 000	12 500
Waste Grant		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert desc]										
<b>Provincial Government:</b>		-	-	-	-	3 080	3 080	-	-	-
Waste Grant R6m (DEDEAT)		-	-	-	-	3 080	3 080	-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
[insert description]										
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
[insert description]										
<b>Total Capital Transfers and Grants</b>	5	12 310	52 932	28 080	31 701	34 781	34 781	31 327	43 615	46 460
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		124 604	197 073	150 076	162 429	165 770	165 770	169 747	186 229	183 244

### 8.1.2 Cash flow position and sustainability

### 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:-**

<b>FINANCIAL VIABILITY ASSESSMENT</b>			
		<b>As at 30 June 2022</b>	<b>As at 30 June 2021</b>
<b>Expenditure management</b>			
1.1	Creditor-payment period	409.1	291.8 Days
<b>Revenue management</b>			
2.1	Debt-collection period (after impairment)	154.4 Days	64.9 Days
2.2	Debt-impairment provision as a percentage of accounts receivable	71.1%	86.3%
	· Amount of debt-impairment provision	R91 737 792	R99 226 832
	· Amount of accounts receivable	R129 018 866	R115 032 771
<b>Asset and liability management</b>			
3.1	A deficit for the year was realized (total expenditure exceeded total revenue)	No	No
	· Amount of the surplus / (deficit) for the year	R3 291 532	R5 556 837
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	R96 704 740	R95 120 848
3.3	A net liability position was realized (total liabilities exceeded total assets)	No	No
	· Amount of the net asset / (liability) position	R271 782 313	R268 490 775
<b>Cash management</b>			
4.1	The year-end bank balance was in overdraft	No	No
	· Amount of year-end bank balance (cash and cash equivalents) / (bank overdraft)	R10 231 908	R13 426 476
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	R22 340 187	R21 433 403
4.3	Creditors as a percentage of cash and cash equivalents	1153.60%	767.40%
	· Amount of creditors (accounts payable)	R118 034 373	R103 028 739

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	· Amount of cash and cash equivalents / (bank overdraft) at year-end	R10 231 908	R13 426 476
4.4	Current liabilities as a percentage of next year's budgeted resources **	102.20%	116.80%
	· Amount of current liabilities	R147 737 470	R127 826 179
	· Amount of next year's budgeted income	R10 231 908	R13 426 476

### Budgeted Cash Flow Table:-

EC124 Amahlathi - Table A7 Budgeted Cash Flows											
Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue &			
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Property rates		9 658	11 549	12 057	19 028	19 051	19 051	-	21 520	22 574	23 635
Service charges		22 027	31 553	53 954	43 430	42 000	42 000	-	47 337	49 646	51 975
Other revenue		39 944	12 250	3 296	10 369	10 380	10 380	-	10 452	10 995	11 509
Transfers and Subsidies - Operational	1	111 626	137 729	121 776	129 955	130 216	130 216	-	136 243	140 897	134 997
Transfers and Subsidies - Capital	1	12 310	53 144	28 300	31 701	31 701	31 701	-	32 976	45 332	48 247
Interest		8 550	8 059	8 548	1 040	1 040	1 040	-	1 158	1 215	1 272
Dividends		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Suppliers and employees		(152 527)	(229 048)	(203 054)	(197 539)	(186 934)	(186 934)	-	(214 284)	(214 571)	(217 771)
Finance charges		(2 667)	(3 802)	(2 536)	(4 000)	(4 500)	(4 500)	-	(4 500)	(4 721)	(4 942)
Transfers and Subsidies	1	-	-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>48 921</b>	<b>21 433</b>	<b>22 340</b>	<b>33 984</b>	<b>42 954</b>	<b>42 954</b>	<b>-</b>	<b>30 902</b>	<b>51 368</b>	<b>48 922</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Capital assets		(11 932)	(54 762)	(26 160)	(39 791)	(41 291)	(41 291)	-	(33 076)	(45 332)	(48 247)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(11 932)</b>	<b>(54 762)</b>	<b>(26 160)</b>	<b>(39 791)</b>	<b>(41 291)</b>	<b>(41 291)</b>	<b>-</b>	<b>(33 076)</b>	<b>(45 332)</b>	<b>(48 247)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Repayment of borrowing		(172)	(177)	625	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(172)</b>	<b>(177)</b>	<b>625</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>											
		<b>36 816</b>	<b>(33 505)</b>	<b>(3 195)</b>	<b>(5 807)</b>	<b>1 662</b>	<b>1 662</b>	<b>-</b>	<b>(2 174)</b>	<b>6 036</b>	<b>675</b>
Cash/cash equivalents at the year begin:	2	10 115	46 931	13 426	13 426	10 232	10 232	-	10 232	8 058	14 093
Cash/cash equivalents at the year end:	2	46 931	13 426	10 232	7 620	11 894	11 894	-	8 058	14 093	14 768

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 and financial strategies that are 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 2023/2024 financial year:-

Project	2023	2024	2025
Keiskamahoe Recreation Center	10 351 000	1 649 000	-
Stutterheim Recreation Center	11 550 000	3 000 000	-
Surfacing of Carthcart Streets	623 950	-	-
Paving of Xhologha Internal Roads	1 557 492	8 592 558	-
Mlungisi Sportsfield	1 000 000	-	-
Mbaxa Community Hall	2 000 000	1 000 000	-
Frankfort Internal Roads	2 500 000	-	-
Izidenge Internal Roads	500 000	4 000 000	-
Pumulani Community Hall	500 000	3 000 000	-
Nqenqe Internal Roads	244 758	2 255 242	-
Upgrading of the Stutterheim Recreational Park	-	-	449 650
Langdraai Communit Hall	500 000	3 000 000	-
Stutterheim Streets Paving	-	450 000	10 000 000
Keiskammahoe Town Paving	-	450 000	9 250 000
Mandlakapheli Internal Roads	-	-	2 500 000
Amabele Paving	-	-	4 500 000
Keilands Roads	-	-	2 500 000
Mzamomhle Community Hall	-	3 500 000	-
Khayelitsha Community Hall	-	-	2 700 000
Waste Collection Truck	-	1 718 600	1 760 000
Greenfields Internal Roads	-	-	300 000

Upgrade Electricity Projects	-	11 000 000	12 500 000
Computer Equipment	350 000	-	-
Cage Trucks	1 500 000	-	-
Vehicle Mayor	700 000	-	-
<b>Total</b>	<b>33 877 200</b>	<b>43 615 400</b>	<b>46 459 650</b>

## **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 2021/22	Year 2020/21
Capital Expenditure	69%	100%

### **8.2.5 Operational Financing Strategies**

At the end of the 2021/2022 financial year, the payroll costs excluding remuneration of councillors were 53% of the total expenditure. For the 2021/22 financial year, the total expenditure, excluding capital expenditure, amounted to R236m and R275m in the 2020/21 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 37% grant income and 63% own revenue. The municipality implemented a new general valuation roll effective 1<sup>st</sup> 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 2023/24 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 2023/24 MTREF has essentially been refined and further aligned incorporating key measurable objectives and targets to ensure the planning process translates into actual performance.

## 2023/24 INTEGRATED DEVELOPMT PLAN (IDP)

EC124 Amahlathi - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	1										
<b>Revenue</b>											
<b>Exchange Revenue</b>											
Service charges - Electricity	2	29 982	37 467	38 857	41 147	41 547	41 547	-	41 674	43 716	45 770
Service charges - Water	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Management	2	8 514	12 115	10 856	13 141	13 141	13 141	-	12 320	12 924	13 531
Sale of Goods and Rendering of Services		275	541	5 031	5 435	5 727	5 727	-	5 634	5 910	6 188
Agency services		1 389	1 282	1 059	1 829	1 829	1 829	-	1 829	1 918	2 009
Interest		-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		7 116	7 057	8 182	8 646	10 294	10 294	-	5 531	5 787	6 054
Interest earned from Current and Non Current Assets		1 434	1 001	366	1 040	1 055	1 055	-	1 158	1 215	1 272
Dividends		-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		58	44	171	100	291	291	-	196	205	215
Licence and permits		1 552	2 500	1 780	2 429	2 429	2 429	-	2 252	2 399	2 512
Operational Revenue		35 987	1 637	5	561	2 011	2 011	-	667	699	732
<b>Non-Exchange Revenue</b>											
Property rates	2	18 993	20 796	22 178	23 785	23 785	23 785	-	24 424	25 621	26 825
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		16	6	12	15	26	26	-	27	29	30
Licences or permits		-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational		112 294	144 141	121 995	130 728	130 989	130 989	-	138 420	142 614	136 784
Interest		-	-	-	-	-	-	-	6 318	6 628	6 939
Fuel Levy		-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	1 005	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-	-
Discontinued Operations											
<b>Total Revenue (excluding capital transfers and contr</b>		<b>217 611</b>	<b>228 590</b>	<b>211 499</b>	<b>228 855</b>	<b>233 123</b>	<b>233 123</b>	<b>-</b>	<b>240 449</b>	<b>249 665</b>	<b>248 861</b>
<b>Expenditure</b>											
Employee related costs	2	124 000	132 726	125 340	106 959	110 264	110 264	-	134 985	127 687	127 687
Remuneration of councillors		11 993	11 599	11 533	11 996	13 501	13 501	-	14 329	14 329	14 329
Bulk purchases - electricity	2	33 309	35 884	42 658	38 070	46 923	46 923	-	51 433	53 799	56 273
Inventory consumed	8	445	300	404	267	269	269	-	247	247	247
Debt impairment	3	32 644	26 485	(7 489)	27 000	27 000	27 000	-	27 000	27 000	27 000
Depreciation and amortisation		26 647	25 570	26 055	26 000	26 000	26 000	-	26 000	26 000	26 000
Interest		2 667	3 802	2 536	4 000	4 500	4 500	-	4 500	4 721	4 942
Contracted services		13 771	16 221	10 882	19 154	21 561	21 561	-	18 230	17 832	18 543
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		-	-	-	-	-	-	-	-	-	-
Operational costs		16 037	21 717	24 369	21 891	26 064	26 064	-	28 815	29 466	31 783
Losses on disposal of Assets		4 275	1 662	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>265 788</b>	<b>275 965</b>	<b>236 287</b>	<b>255 339</b>	<b>276 082</b>	<b>276 082</b>	<b>-</b>	<b>305 538</b>	<b>301 080</b>	<b>306 804</b>
<b>Surplus/(Deficit)</b>		<b>(48 178)</b>	<b>(47 375)</b>	<b>(24 789)</b>	<b>(26 484)</b>	<b>(42 958)</b>	<b>(42 958)</b>	<b>-</b>	<b>(65 089)</b>	<b>(51 415)</b>	<b>(57 943)</b>
Transfers and subsidies - capital (monetary allocations)	6	12 310	52 932	28 080	31 701	34 781	34 781	-	31 327	43 615	46 460
Transfers and subsidies - capital (in-kind)	6	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(35 868)</b>	<b>5 557</b>	<b>3 292</b>	<b>5 217</b>	<b>(8 177)</b>	<b>(8 177)</b>	<b>-</b>	<b>(33 762)</b>	<b>(7 800)</b>	<b>(11 483)</b>
Income Tax		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after income tax</b>		<b>(35 868)</b>	<b>5 557</b>	<b>3 292</b>	<b>5 217</b>	<b>(8 177)</b>	<b>(8 177)</b>	<b>-</b>	<b>(33 762)</b>	<b>(7 800)</b>	<b>(11 483)</b>
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>(35 868)</b>	<b>5 557</b>	<b>3 292</b>	<b>5 217</b>	<b>(8 177)</b>	<b>(8 177)</b>	<b>-</b>	<b>(33 762)</b>	<b>(7 800)</b>	<b>(11 483)</b>
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	1	<b>(35 868)</b>	<b>5 557</b>	<b>3 292</b>	<b>5 217</b>	<b>(8 177)</b>	<b>(8 177)</b>	<b>-</b>	<b>(33 762)</b>	<b>(7 800)</b>	<b>(11 483)</b>

## 2023/24 INTEGRATED DEVELOPMT 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
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
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	-	131 540	135 082	141 930
Transfers and Subsidies - Capital	1	19 363	12 310	53 144	28 080	28 080	28 080	-	30 116	41 331	43 072
Interest		6 641	8 550	8 059	11 845	8 803	8 803	-	7 957	8 307	8 681
Dividends		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Suppliers and employees		(155 455)	(152 527)	(229 048)	(211 665)	(215 177)	(215 177)	-	(205 046)	(206 843)	(210 884)
Finance charges		(573)	(2 667)	(3 802)	(3 117)	(3 117)	(3 117)	-	(4 000)	(4 176)	(4 364)
Transfers and Grants	1	-	-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>20 932</b>	<b>48 921</b>	<b>21 433</b>	<b>35 504</b>	<b>33 031</b>	<b>33 031</b>	<b>-</b>	<b>33 393</b>	<b>49 732</b>	<b>57 888</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Capital assets		(17 707)	(11 932)	(54 762)	(31 130)	(39 668)	(39 668)	-	(31 416)	(41 331)	(43 072)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(17 707)</b>	<b>(11 932)</b>	<b>(54 762)</b>	<b>(31 130)</b>	<b>(39 668)</b>	<b>(39 668)</b>	<b>-</b>	<b>(31 416)</b>	<b>(41 331)</b>	<b>(43 072)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Repayment of borrowing		212	(172)	(177)	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>212</b>	<b>(172)</b>	<b>(177)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>3 437</b>	<b>36 816</b>	<b>(33 505)</b>	<b>4 374</b>	<b>(6 636)</b>	<b>(6 636)</b>	<b>-</b>	<b>1 977</b>	<b>8 401</b>	<b>14 816</b>
Cash/cash equivalents at the year begin:	2	6 678	10 115	46 931	27 056	13 426	13 426	-	13 426	15 404	23 805
Cash/cash equivalents at the year end:	2	10 115	46 931	13 426	31 431	6 790	6 790	-	15 404	23 805	38 621
<b>References</b>											
1. Local/District municipalities to include transfers from/to District/Local Municipalities											
2. Cash equivalents includes investments with maturities of 3 months or less											
3. The MTREF is populated directly from SA30.											
Total receipts		176 960	204 115	254 284	250 287	251 325	251 325	-	242 440	260 751	273 135
Total payments		(173 735)	(167 126)	(287 612)	(245 912)	(257 961)	(257 961)	-	(240 462)	(252 350)	(258 319)
		3 225	36 989	(33 328)	4 374	(6 636)	(6 636)	-	1 977	8 401	14 816
Borrowings & investments & c.deposits		-	-	-	-	-	-	-	-	-	-
Repayment of borrowing		212	(172)	(177)	-	-	-	-	-	-	-
		3 437	36 816	(33 505)	4 374	(6 636)	(6 636)	-	1 977	8 401	14 816
		-	-	-	-	-	-	-	-	-	-

## 2023/24 INTEGRATED DEVELOPMT PLAN (IDP)

### Capital Budget

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Capital Expenditure - Functional</b>											
<i>Governance and administration</i>		61	205	227	300	2 270	2 270	-	1 050	-	-
Executive and council		-	-	-	-	1 400	1 400	-	700	-	-
Finance and administration		61	205	227	300	870	870	-	350	-	-
Internal audit		-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	-	-	1 000	1 500	1 500	-	-	-	-
Community and social services		-	-	-	1 000	1 500	1 500	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		10 946	41 534	24 772	36 701	32 701	32 701	-	31 327	32 615	33 960
Planning and development		10 774	41 389	24 772	36 701	32 701	32 701	-	31 327	32 615	33 960
Road transport		172	145	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		865	7 069	2 193	1 790	4 820	4 820	-	1 500	11 000	12 500
Energy sources		865	576	2 002	1 790	1 740	1 740	-	-	11 000	12 500
Water management		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		-	6 493	191	-	3 080	3 080	-	1 500	-	-
Other		-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional</b>	3	11 871	48 808	27 192	39 791	41 291	41 291	-	33 877	43 615	46 460
<b>Funded by:</b>											
National Government		10 774	41 389	24 772	31 701	31 701	31 701	-	31 327	43 615	46 460
Provincial Government		-	6 493	-	-	3 080	3 080	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	4	10 774	47 882	24 772	31 701	34 781	34 781	-	31 327	43 615	46 460
<b>Borrowing</b>	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		1 097	926	2 420	8 090	6 510	6 510	-	2 550	-	-
<b>Total Capital Funding</b>	7	11 871	48 808	27 192	39 791	41 291	41 291	-	33 877	43 615	46 460

## 2023/24 INTEGRATED DEVELOPMT PLAN (IDP)

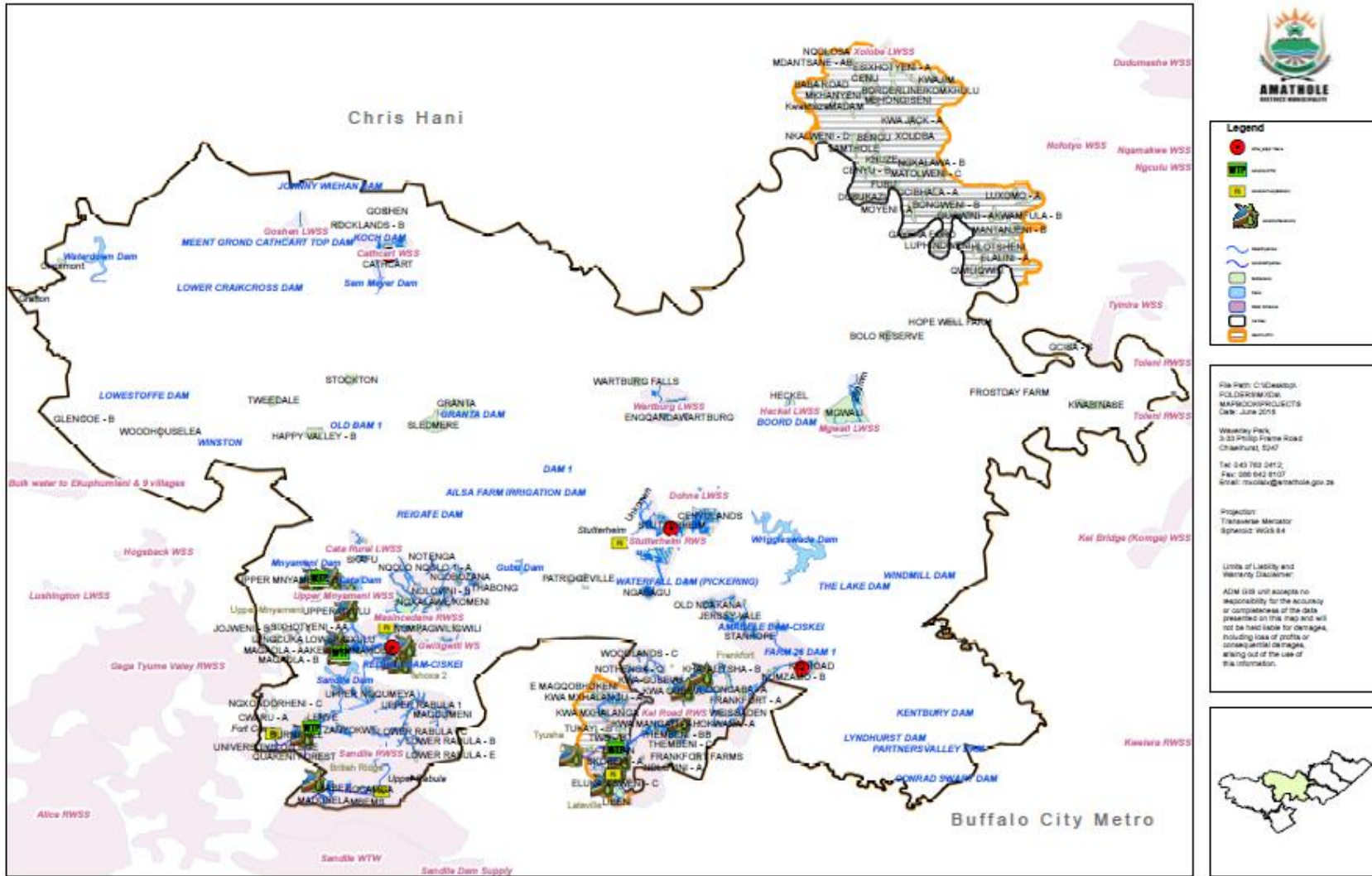
EC124 Amahlathi - Supporting Table SA19 Expenditure on transfers and grant programme										
Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>EXPENDITURE:</b>										
<b>Operating expenditure of Transfers and Grants</b>										
<b>National Government:</b>		<b>110 426</b>	<b>136 385</b>	<b>120 478</b>	<b>128 755</b>	<b>128 755</b>	<b>128 755</b>	<b>136 692</b>	<b>142 614</b>	<b>136 784</b>
Local Government Equitable Share		105 863	131 642	115 504	124 987	124 987	124 987	131 533	138 697	132 697
Finance Management		2 235	2 200	2 100	2 200	2 200	2 200	2 200	2 200	2 300
Municipal Systems Improvement		-	-	-	-	-	-	-	-	-
EPWP Incentive		887	1 000	1 263	1 568	1 568	1 568	1 310	-	-
PMU 5%		1 123	1 399	1 478	-	-	-	1 649	1 717	1 787
Disaster Relief Grant		318	145	134	-	-	-	-	-	-
Other transfers/grants [insert description]		-	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>		<b>1 868</b>	<b>7 756</b>	<b>1 517</b>	<b>1 973</b>	<b>2 234</b>	<b>2 234</b>	<b>1 728</b>	<b>-</b>	<b>-</b>
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		-	-	-	-	99	99	-	-	-
Recycling		-	122	-	-	-	-	-	-	-
Vuna Awards		-	-	-	-	-	-	-	-	-
Seta		-	-	97	773	935	935	528	-	-
Waste Grant 6m		-	-	220	-	-	-	-	-	-
Donation		668	6 200	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
[insert description]		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
[insert description]		-	-	-	-	-	-	-	-	-
<b>Total operating expenditure of Transfers and Grants:</b>		<b>112 294</b>	<b>144 141</b>	<b>121 995</b>	<b>130 728</b>	<b>130 989</b>	<b>130 989</b>	<b>138 420</b>	<b>142 614</b>	<b>136 784</b>
<b>Capital expenditure of Transfers and Grants</b>										
<b>National Government:</b>		<b>12 310</b>	<b>52 932</b>	<b>28 080</b>	<b>31 701</b>	<b>31 701</b>	<b>31 701</b>	<b>31 327</b>	<b>43 615</b>	<b>46 460</b>
Municipal Infrastructure Grant (MIG)		12 310	52 932	28 080	31 701	31 701	31 701	31 327	32 615	33 960
INEP Grant		-	-	-	-	-	-	-	11 000	12 500
Waste Grant		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert desc]		-	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 080</b>	<b>3 080</b>	<b>-</b>	<b>-</b>	<b>-</b>
Waste Grant R6m (DEDEAT)		-	-	-	-	3 080	3 080	-	-	-
<b>District Municipality:</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
[insert description]		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
[insert description]		-	-	-	-	-	-	-	-	-
<b>Total capital expenditure of Transfers and Grants</b>		<b>12 310</b>	<b>52 932</b>	<b>28 080</b>	<b>31 701</b>	<b>34 781</b>	<b>34 781</b>	<b>31 327</b>	<b>43 615</b>	<b>46 460</b>

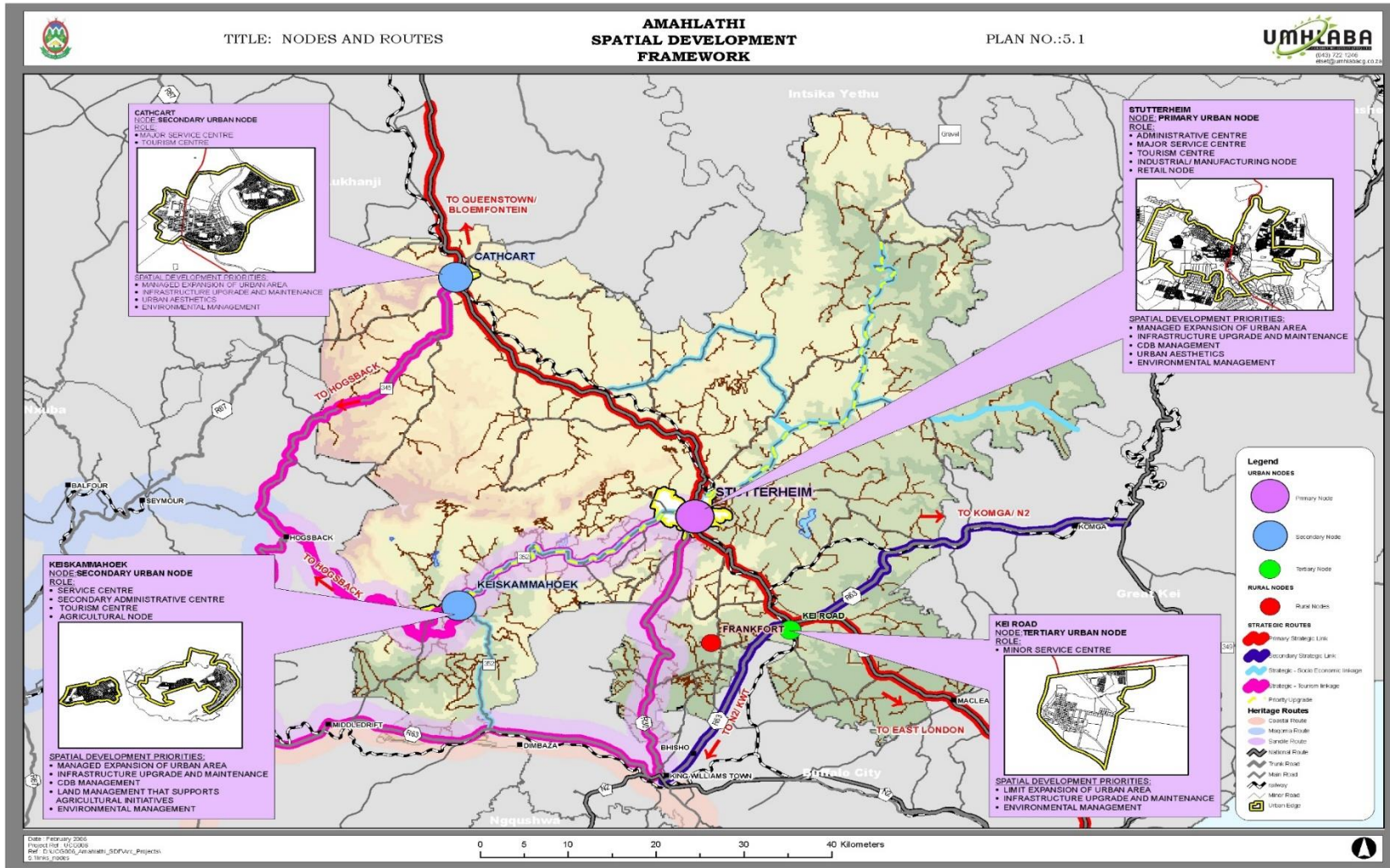
## CHAPTER 9: AMAHLATHI DEVELOPMENT PLANS

### 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.

# AMATHOLE NEW DEMARCATATIONS - AMAHLATHI





## CHAPTER 10: IDP & BUDGET PROCESS PLAN

### SECTION ONE: IDP PROCESS PLAN

#### 1. INTRODUCTION

On the 27<sup>th</sup> May 2022, Amahlathi Municipality adopted its 2022/23-2026/27 Integrated Development Plan (IDP) for the municipality which will be reviewed annually. 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.

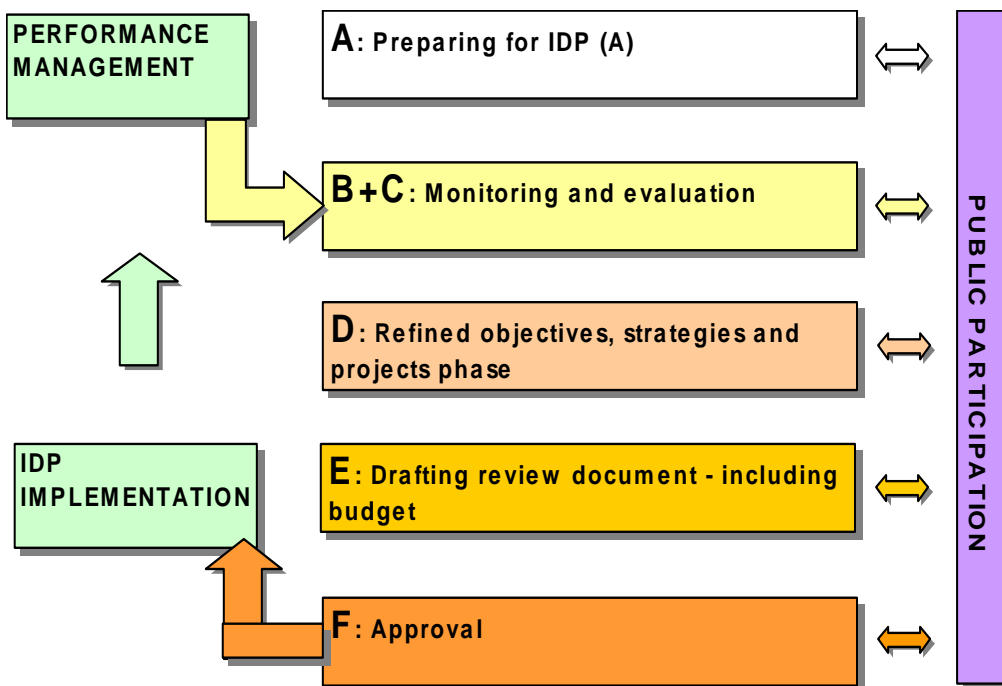
The significant development, which in all probabilities will have a huge impact on the IDP, is the Community Based Planning. The Community Based Planning is a planning instrument, which is geared towards the enhancement of the community participation component of the IDP. Of particular concern has been 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 expects 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 office of the MM
- Director Planning & Development
- Chief Financial Officer
- Director Engineering Services
- Director Corporate Services
- Director Community Services
- Senior Manager Budget
- IDP & PMS Manager
- Senior 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 Program of Action in relation to the National and Provincial Programs.
- 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 programs 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:

**2023/24 INTEGRATED DEVELOPMT PLAN (IDP)**

<b>2023/24 IDP, BUDGET &amp; PMS PROCESS ACTION PROGRAM</b>				
<b>PHASE</b>	<b>Activities</b>	<b>Timeframe</b>	<b>Responsible Department</b>	
<b>A</b>	<b>Preparation phase / Pre-planning</b>			
<b>IDP AND BUDGET</b>				
1.	Signing of Performance Agreements	31 July 2022	Strategic IDP/PMS	Services-
2.	Budget Steering Committee	19 August 2022	BTO & Strategic Services	
3.	Development of Framework Plan Process Plan (IDP & Budget), later submitted to the Council for Approval	26 August 2022	Strategic Planning / BTO / Corporate Services	
4.	Submit adopted Framework and Process Plans with Council resolution to MEC - COGTA	02 September 2022	Strategic IDP/PMS	Services-
5.	Advertise IDP Framework and IDP/Budget Process Plan	02 September 2022	Strategic IDP/PMS	Services-
6.	IDP REP Forum Meeting	14 September 2022	Mayor's Office	
<b>PERFORMANCE MANAGEMENT</b>				
7.	Submit 4th quarter report for 21/22 financial year to Council	Within 30 days after the end of each Quarter 28 July 2022	Strategic IDP/PMS	Services-
8.	Signing and Publicize Performance Agreements no later than 14 days after approval Submission to MEC COGTA	31 July 2022	Strategic IDP/PMS	Services-
9.	Development and Consolidation of Draft Annual Report (Section 127 report) and submit to Internal Audit for review	19 August 2022	Strategic IDP/PMS	Services-
10.	Submit annual performance report to Internal Audit Committee	24 August 2022	Strategic IDP/PMS	Services-
11.	Mayor tables the Draft 2021/22 Annual Report in Council	26 August 2022	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 2022	Strategic IDP/PMS	Services-
13.	Annual Evaluations sessions: Head of Departments and Accounting Officer	23 September 2022	Strategic IDP/PMS	Services-
<b>B+C</b>	<b>Analysis Phase / Monitoring and evaluation</b>			
<b>IDP AND BUDGET</b>				

## 2023/24 INTEGRATED DEVELOPMT PLAN (IDP)

14.	*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 savings as well as internal budget and external funds)	Sept - November 2022	All Departments
15.	Ward based planning (Mayoral Imbizo's for priority needs identification)	1-21 October 2022	Executive Services- IDP/PMS Mayor's Office
16.	Intergovernmental Relations (IGR) Meeting	09 November 2022	MM's office - IGR
17.	IDP REP Forum Meeting	18 November 2022	Executive Services- IDP/PMS Mayor's Office
<b>PERFORMANCE MANAGEMENT</b>			
18.	Quarter 1 Performance reporting (July - Sept)	Within 6 working days of the next month after the end of each Quarter 10 October 2022	Heads of Departments
19.	Submit Quarter 1 Performance Report to Council (Section 52d)	Within 30 days after the end of each Quarter. 27 October 2022	Executive Services - IDP/PMS
20.	Annual Report public hearings	02-10 November 2022	Mayor's Office & MPAC
<b>ANNUAL REPORT</b>			
21.	Mayor tabled Annual Report and Audit Report to Council	01 December 2022	Office of the Mayor/MM/
22.	Council adopts Oversight report	01 December 2022	MPAC/ Executive Services
23.	Annual Report and Oversight report made public e.g. posted on municipality's website	09 December 2022	Executive Services
24.	Oversight report is submitted to Legislator, Provincial /National Treasury and COGTA	09 December 2022	Executive Services
<b>MID TERM PERFORMANCE ASSESSMENT</b>			
25.	Quarterly & Mid-term Performance Report	Within 6 working days of the next month after the end of each Quarter 09 January 2023	Heads of Departments

**2023/24 INTEGRATED DEVELOPMT PLAN (IDP)**

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 16 January 2023	Strategic Services-IDP/PMS
27.	Submit Quarter 2 and mid-year performance assessment report for 2022/23 to Council	25 January 2023	Municipal Manger/Strategic Planning/BTO/Corporate Services
<b>IDP AND BUDGET</b>			
<b>D</b>	<b>Strategies Phase / Refined objectives, strategies, programs and projects phase</b>		
28.	Refine strategies, programs and draft projects as necessary for MTREF period, with key performance indicators and targets (as per strategic plan outcome)	Dec 2022- Jan 2023	All Departments
29.	Budget hearings to be held between HODs and MM to assess budgets that exceed funding envelopes	January 2023	Municipal Manager
30.	Technical Strategic Planning Session	01-03 February 2023	Executive Services-IDP/PMS
31.	Consolidate all inputs including sector plan information and prepare draft IDP and Budget	February - March 2023	Executive Services / BTO
32.	Budget Steering Committee to consider adjustment Budget allocations (IDP/ Budget link)	13 February 2023	Budget & Treasury Office
33.	Institutional Strat Plan .Adopt proposed programs and projects - agree on key financial issues	15-17 February 2023	Executive Services-IDP/PMS
34.	Mid-year Performance engagements with Treasury	28 February 2023	Executive Services/Budget & Treasury Office
35.	Council to adopt Budget and SDBIP adjustments	23 February 2023	Executive Services/Budget & Treasury Office
36.	Finalize Parameters for MTREF using guidelines from Treasury and outer year budgets	February 2023	Budget & Treasury Office
37.	Intergovernmental Relations (IGR) Meeting	02 March 2023	Executive Services - IGR
38.	Budget Steering Committee to present the draft IDP and Budget	17 March 2023	Executive Services/Budget & Treasury Office
39.	IDP REP Forum Meeting to present the draft IDP	22 March 2023	Mayor's Office/ Executive Services- IDP/PMS
40.	Council approval of the draft IDP & Budget and noting of the SDBIP	30 March 2023	Executive Services/BTO/ Corporate Services
41.	Draft IDP and Draft Budget published - Advertise for public comment (21days)	06 April 2023	Executive Services-IDP/PMS
42.	Budget and Benchmarking Engagements with Treasury	26 April 2022	Budget & Treasury Office

**2023/24 INTEGRATED DEVELOPMT PLAN (IDP)**

<b>PERFORMANCE MANAGEMENT</b>			
43.	Quarterly Performance Report submitted to IDP/PMS unit	Within 6 working days of the next month after the end of each Quarter 12 April 2023	Heads of Departments
44.	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 18 April 2023	Executive Services- IDP/PMS
45.	Submit Quarter 3 Performance Report to Council (Section 52d)	Within 30 days after the end of each Quarter. 26 April 2023	Executive Services – IDP/PMS
<b>E</b>	<b>Reviewed IDP document (Integration/ program implementation and operational plan)</b>		
<b>IDP AND BUDGET</b>			
46.	IDP/Budget Public Hearings	11-21 April 2023	Executive Services/ Budget & Treasury Office Mayor's Office
47.	Incorporate relevant comments to the Draft final reviewed IDP	April- May 2023	Executive Services- IDP/PMS
48.	Intergovernmental Relations (IGR) Meeting	10 May 2023	Executive Services - IGR
49.	Budget Steering Committee (Considering Final IDP and Budget)	12 May 2023	Executive Services/ Budget & Treasury Office
<b>F</b>	<b>Approval phase</b>		
<b>IDP AND BUDGET</b>			
50.	IDP REP Forum Meeting	16 May 2023	Mayor's Office/ Executive Services-IDP/PMS
51.	Council Approval of IDP & Budget	30 May 2023	Executive Services/BTO/ Council Support Services
52.	Submit IDP, Budget and SDBIP to MEC - COGTA, Provincial and National Treasury	05 June 2023	Executive Services- IDP/PMS
53.	Final IDP and Budget published	Within 14 days of approval) (15 June 2023)	Executive Services- IDP/PMS

### 3. MECHANISMS AND PROCEDURES FOR PUBLIC PARTICIPATION

The following public participation mechanisms are proposed for each and every milestone.

<b>Preparation Phase</b>	Notices on the Municipal Website Notices on Municipal Facebook Page Announcements on Local Radio Stations
<b>Monitoring and Evaluation Phase</b>	Representative Forum Meetings Public Hearings
<b>Objectives, strategies and Projects Phase</b>	Representative Forum Meetings
<b>Reviewed IDP Phase</b>	Public Hearings Representative Forum Meetings
<b>Approval Phase</b>	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 and virtual meetings where necessary 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"> <li>• Local Economic Development Strategy</li> <li>• Forestry Strategy</li> <li>• SMME Strategy</li> <li>• Tourism Master Plan</li> <li>• Agricultural Plan</li> </ul>	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
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	

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CATEGORY	SECTOR REQUIREMENT	NATIONAL DEPT	LEGISLATION/POLICY
	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
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 program 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 programs 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

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## SECTION TWO: BUDGET PROCESS PLAN

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### 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 2021 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 Program. 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 programs

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 <b>31 August</b>
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 <b>25<sup>th</sup> January</b> , Consolidate Adjusted Budget Proposals
February	Revised Budget approved by council not later than <b>28<sup>th</sup> February</b>
February	Consolidation Draft Budget Inputs and Prepare Draft Budget
March	Tabling the Draft budget to Council not later than <b>31<sup>st</sup> March</b>
April – May	Public Consultation on the IDP and Budget ; Council Approval not later than <b>30<sup>th</sup> May</b>
June	Submission to National Treasury within <b>10 days</b>

## 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 framework<sup>2</sup>

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
<b>AUG 2022</b>	<ul style="list-style-type: none"> <li>• Preparation of the Draft IDP and PMS Process Plan.</li> <li>• Present IDP Process Plan to IDP/Budget Steering Committee</li> <li>• IDP Process Plan tabled to Council for approval.</li> <li>• Self-assessment to identify gaps in the IDP process.</li> <li>• Council Meeting (Budget &amp; IDP Process Plan, Annual Performance Report, Financial Statements and Draft Annual Report)</li> <li>• Submissions to AG, MEC and Treasury etc. (Annual Performance Report, Annual Financial Statements and Draft Annual Report)</li> </ul>	<ul style="list-style-type: none"> <li>• Publicizing Approved SDBIP for inspection and information</li> <li>• Signing of new performance contracts for Section 57 Managers</li> <li>• 2021/22 Final S57 Managers' Performance Assessments.</li> <li>• Submission of Q4 SDBIP Reports</li> <li>• Quarter 4 performance report submitted to Council</li> <li>• Submission of Performance Agreements to EC-Cogta</li> <li>• Submission of the Annual Performance Reports prepared in terms of s46 of MSA 2000 to Council</li> <li>• Quarterly Audit Committee meeting (for the last quarter of 16/17) MFMA Sect 166 &amp; MPPR Reg. 14(3)(a)</li> <li>• Evaluation Panel Audit Committee meeting (for the last quarter of 17/18) MFMA Sect 166 &amp; MPPR Reg. 14(3)(a)</li> </ul>	<ul style="list-style-type: none"> <li>• Preparation of the Draft Budget Process Plan.</li> <li>• Present the Budget Process Plan to the IDP/Budget Steering Committee</li> <li>• Budget Process Plan tabled to Council for approval</li> </ul>

2023/24 INTEGRATED DEVELOPMT PLAN (IDP)

MONTH	ACTIVITIES		
	IDP	PMS	BUDGET
		<ul style="list-style-type: none"> <li>• Evaluation Panel Audit Committee meeting (for evaluation of Sect 57 Managers final assessments) MPPR Reg. 14(3)(b)</li> <li>• Submission of draft annual report (MFMA Circular 63)</li> </ul>	
<b>SEPT 2022</b>	<ul style="list-style-type: none"> <li>▪ Advertisement of the IDP and PMS Process Plan</li> <li>▪ Review and updating of the IDP Vision, Mission and Objectives.</li> <li>▪ IDP/Budget Steering Committee Meeting</li> <li>▪ Advertise to resuscitate the IDP Rep Forum</li> <li>▪ IDP Rep Forum meeting</li> </ul>	<ul style="list-style-type: none"> <li>▪ Reminder to be sent to HOD's to submit their Q1 SDBIP Reports in terms of s41 MSA</li> </ul>	<ul style="list-style-type: none"> <li>▪ Advertisement of the Budget Process Plan and submission to Provincial and National Treasury.</li> </ul>
<b>OCT 2022</b>	<ul style="list-style-type: none"> <li>▪ IDP/Budget Steering Committee Meeting</li> <li>▪ Process Plan and the role of the Steering Committee</li> <li>▪ Develop agenda for Rep forum</li> <li>▪ Priority needs assessment (Ward Community visits)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Submission of Q1 Reports by HOD's</li> <li>▪ Q1 Reports tabled to Council (for first quarter of 21/22) <b>MPPR Reg. 14</b></li> <li>▪ Sect 57 Managers' quarterly <b>informal</b> assessments</li> </ul>	

**2023/24 INTEGRATED DEVELOPMT PLAN (IDP)**

MONTH	ACTIVITIES		
	IDP	PMS	BUDGET
	<ul style="list-style-type: none"> <li>▪ Council Adopts Audited Annual Report</li> </ul>		
<b>NOV 2022</b>	<ul style="list-style-type: none"> <li>▪ IDP/Budget Steering Committee Meeting</li> <li>▪ Rep forum meeting</li> <li>▪ Budget Assumptions &amp; Strategies</li> <li>▪ Identification of priority needs.</li> <li>▪ Departments to submit situation analysis and or status quo for IDP review</li> <li>▪ Commencement of Departmental Strat plans</li> </ul>	<ul style="list-style-type: none"> <li>▪ Quarterly Audit Committee meeting (for the first quarter of 21/22) MFMA Sect 166 &amp; MPPR Reg. 14(3)(a)</li> <li>▪ Annual Report Public hearings</li> </ul>	<ul style="list-style-type: none"> <li>▪ Set parameters for the next three years based on market trends and circular issued by National Treasury.</li> <li>▪ Determine the funding/revenue potentially available for next three years in Dora.</li> <li>▪ Review and update pricing strategies of National Regulators e.g. NERSA</li> </ul>
<b>DEC 2022</b>	<ul style="list-style-type: none"> <li>▪ Submit Situation Analysis to Council with Community priority needs</li> </ul>	<ul style="list-style-type: none"> <li>▪ Reminder to be sent to HOD's to submit their Q2 SDBIP Reports in terms of s41 MSA</li> <li>▪ Council adopts Final Annual Report and Oversight report</li> <li>▪ Final Annual report and oversight report submitted to Treasury and Cogta</li> </ul>	<ul style="list-style-type: none"> <li>▪ Departments to submit Budget proposals for Adjustment and next 3 year MTREF Budget.</li> </ul>

**2023/24 INTEGRATED DEVELOPMT PLAN (IDP)**

MONTH	ACTIVITIES		
	IDP	PMS	BUDGET
<b>JAN 2023</b>	<ul style="list-style-type: none"> <li>▪ Review of Municipal Strategies, Objectives, KPA's, KPI's and targets.</li> <li>▪ IDP/Budget Steering Committee Meeting</li> <li>▪ Technical Strategic Planning Session</li> </ul>	<ul style="list-style-type: none"> <li>▪ Submission of Q2 Reports by HOD's</li> <li>▪ Sect 57 Managers' <b>formal</b> quarterly assessments (for second quarter of 22/23 on the 10<sup>th</sup> of January)</li> <li>▪ Municipal Manager submits Midterm/Midyear Report to the Mayor with recommendations (in terms s72 MFMA)</li> <li>▪ Midyear Reports submitted to Treasury (provincial and National)</li> <li>▪ Midterm/Midyear Report is published</li> <li>▪ Review SDBIP and publicize any amendments</li> </ul>	<ul style="list-style-type: none"> <li>▪ Review Tariffs and Charges and develop options for changes to be included in draft budget.</li> <li>▪ Prepare and submit Mid-year performance review to council by <b><u>25th January.</u></b></li> <li>▪ Consolidate Adjusted Budget Proposals and prepare Adjustment Budget.</li> </ul>
<b>FEB 2023</b>	<ul style="list-style-type: none"> <li>▪ Continuous Review of Municipal Strategies, Objectives, KPA's, KPI's and targets.</li> <li>▪ Institutional Strategic Planning Session</li> <li>▪ IDP/Budget Steering Committee Meeting</li> </ul>	<ul style="list-style-type: none"> <li>▪ Quarterly Audit Committee meeting (for the second quarter of 21/22) MFMA Sect 166 &amp; MPPR Reg. 14(3)(a)</li> <li>▪ Review PMS policy framework</li> </ul>	<ul style="list-style-type: none"> <li>▪ IDP/Budget Steering Committee for Adjustment Budget</li> <li>▪ Submit Adjustments Budget for current year to Council not later than the <b><u>28th February.</u></b></li> <li>▪ Submit Adjustment Budget to National and Provincial Treasury.</li> <li>▪ Publicize Adjustment Budget within 10 working days of approval.</li> <li>▪ Consolidate Draft Budget proposals and prepare Draft Budget</li> </ul>
<b>MARCH 2023</b>	<ul style="list-style-type: none"> <li>▪ IDP/Budget Steering Committee</li> <li>▪ IDP Rep Forum</li> <li>▪ Submission of draft IDP and Budget 2023/24 to council</li> </ul>	<ul style="list-style-type: none"> <li>▪ Draft SDBIP's for 2023/24 developed and for incorporation into draft IDP 2023/24 FY</li> </ul>	<ul style="list-style-type: none"> <li>▪ Review and workshop all budget related policies</li> <li>▪ IDP/Budget Steering Committee for Draft Budget</li> <li>▪ Table Draft Budget to Council by <b><u>31 March.</u></b></li> </ul>

2023/24 INTEGRATED DEVELOPMT PLAN (IDP)

MONTH	ACTIVITIES		
	IDP	PMS	BUDGET
	<ul style="list-style-type: none"> <li>Submit Strategic Session Report to Council</li> </ul>	<ul style="list-style-type: none"> <li>Reminder to be sent to HOD's to submit their Q3 SDBIP Reports in terms of s41 MSA</li> </ul>	
<b>APR 2024</b>	<ul style="list-style-type: none"> <li>Publicize tabled IDP (Invite Local Community to make written comments in respect of the IDP)</li> <li>IDP/Budget Steering Committee</li> <li>Public participation process launched through series of public hearings on the IDP and Budget</li> <li>Review written comments in respect of the Budget and IDP</li> </ul>	<ul style="list-style-type: none"> <li>Submission of Q3 Reports by HOD's</li> <li>Sect 57 Managers' <b>informal</b> quarterly assessments</li> <li>Quarter 3 performance report submitted to Council</li> </ul>	<ul style="list-style-type: none"> <li>Publicize tabled Budget, inviting comments and undertake community consultation on tabled Budget.</li> <li>Receive and analyze additional inputs from community and other stakeholders.</li> <li>Incorporate feedback from community and other stakeholders and if required revise the budget previously tabled to Council.</li> </ul>
<b>MAY 2023</b>	<ul style="list-style-type: none"> <li>IDP/Budget Steering Committee</li> <li>Rep forum meeting</li> <li>Adoption of the 2023/24 IDP by Council.</li> </ul>	<ul style="list-style-type: none"> <li>Community input into organization KPIs and targets</li> </ul>	<ul style="list-style-type: none"> <li>IDP/Budget Steering Committee for Final Budget</li> <li>Municipal council approves budget, tariffs and revised budget related policies by <b><u>31 May.</u></b></li> </ul>
<b>JUNE 2023</b>	<ul style="list-style-type: none"> <li>Publicize Approved IDP</li> </ul>	<ul style="list-style-type: none"> <li>Reminder to be sent to HOD's to submit their Q4 SDBIP Reports in terms of s41 MSA</li> </ul>	<ul style="list-style-type: none"> <li>Publicize Approved Budget and Tariffs</li> <li>Submission of Final Budget to National and Provincial Treasury</li> </ul>

2023/24 INTEGRATED DEVELOPMT PLAN (IDP)

MONTH	ACTIVITIES		
	IDP	PMS	BUDGET
	<ul style="list-style-type: none"> <li>Submission of the Final IDP to EC- Cogta, Treasury (National and Provincial)</li> </ul>	<ul style="list-style-type: none"> <li>Submission of final SDBIP to The Honorable Mayor for approval s53 MFMA</li> </ul>	<ul style="list-style-type: none"> <li>Complete and submit the budget returns required by National Treasury.</li> <li>Email Approved Budget to All Departments</li> </ul>

