DRAFT INTEGRATED DEVELOPMENT PLAN

2022-2027

INXUBA YETHEMBA MUNICIPAL

Table of Contents

LIST OF ACRONYMS

AIDS	Acquired Immune Deficiency Syndrome
B2B	Back to Basics
BP	Business Plan
CBD	Central Business District
CDK	Cradock
CHDM	Chris Hani District Municipality
COVID-19	coronavirus disease 2019
DEAT	Department of Environmental Affairs and Tourism
DLA	Department of Land Affairs
DPLG & H	Department of Provincial and Local Government and Housing
DWA	Department of Water Affairs
ESCOM	Electricity Supply Commission
GAMAP	General Accepted Municipal Accounting Practices
GRAP	Generally Reporting Accepted Practices
GEAR	Growth Employment and Redistribution
GGP	Gross Geographic Product
HIV	Human Immune Virus
HSRDP	Human Settlement Re-Development Pilot Project
HDI	Human Development
IYM	Inxuba Yethemba Municipality
LG	Local Government
MBG	Middelburg
MEC	Member of the Executive Council
MLL	Minimum Living Level
NEMA	National Environmental Management Act
NEP	Nation Electrification Programme
NER	National Electrification Regulator
NICD	National Institute Of Communicable Diseases
O & M	Operational and Maintenance
RDP	Reconstruction and Development Programme
RSS	Rapid Services Survey
SALGA	South African Local Government Association
SMME	Small Medium and Micro Enterprises
S.P.	Service Provider

EXECUTIVE MAYOR'S FOREWORD

It is my greatest honour on behalf of Inxuba Yethemba Local Municipality and in my capacity as the Mayor of the municipality to present to you the Council's Integrated Development Plan (IDP) for the period 2022-2027.
Over the next five years, we commit ourselves to services delivery excellence we shall be measured on the following outcomes:

a) Our ability to meet the growing needs of its residents through rendering quality basic services,
b) Facilitating economic development
c) Fiscal discipline
d) Ensuring that it governs effectively and facilitating growth in the municipality.
e) Employee satisfaction.

According to Section 25 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000), each municipal council must, after the start of its elected term, adopt a single, inclusive and strategic plan (Integrated Development Plan or IDP) for the development of the municipality. This must link, integrate and coordinates plans and considers proposals for the development of the municipality. In addition, it must be aligned with the resources and capacity of the municipality with the implementation of the said plan. This aims to co-ordinate a coherent plan to improve the quality of life for all our residents. As a municipality we are committed in creating a favourable conducive environment, that will attract right resources and accelerate growth.
It is common knowledge that the effect of the COVID-19 pandemic on the world economy is devastating and locally we have felt the impact with many businesses that were forced to close down, leading to massive job losses. Together with our business sector, we are now getting the economy back on track to support a growing number of disadvantaged residents – left destitute by mainly the pandemic; and looking to create jobs so that our people can earn an income, look after their own families, and have their pride restored.
In conclusion, we have noted the progress that has been made thus far and we count it all to our Councillors and officials, especially the residents of Inxuba Yethemba. This progress would not have been possible without your unwavering commitment and co-operation.
I would further like to thank the management and staff of the municipality who, despite many challenges, continue to pay attention to the task at hand.
Thank you!

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Executive Mayor.
Cllr Noncedo Zonke

EXECUTIVE SUMMARY

1. INTRODUCTION

The Integrated Development Plan (IDP) is the principal strategic planning instrument, which guides and informs all municipal planning, budgeting, management and decision-making processes in the municipality. The purpose of the IDP is to ensure the effective use of scarce resources; helps to speed up delivery and attract additional funds from all the spheres of government and the private sector; helps to overcome the legacy of apartheid by lobbying for integrated rural and urban areas and to extend services to the poor and lastly promotes co-ordination between local, provincial and national government.

This document was developed and approved for implementation by the newly appointed Council and shall be implemented for the period of 5 years aligned to the current Council, which is from the 2022-2027 financial year. The document outlines the Strategic Objective and Priorities the Inxuba Yethemba Local Municipality seeks to address.

2. LEGISLATIVE FRAMEWORK

The formulation of the IDP was guided by various pieces of legislation; amongst others are the following:

The Integrated Development Planning process originates in the **Constitution of the Republic of South Africa (Act 108 of 1996)**, which instructs local government to:

- Provide democratic and accountable government to all communities.
- Ensure the provision of services to communities in a sustainable manner.
- Promote social and economic development.
- Promote a safe and healthy environment; and
- Encourage the involvement of communities and community organisations in matters of local government.

The Municipal Structures Act (Act 117 of 1998) provides for the following:
Chapter 5: Stipulates the general functions and powers of municipalities

- Section 83 (1): Each municipality has powers and functions assigned to it in terms of the provisions of the Constitution
- Section 83 (2): Powers and functions must be divided between the District Municipality and the Local Municipalities

Chapter 5, **Section 26 of the Municipal Systems Act** indicates the core components of an IDP and that such an IDP must reflect the following:

- The municipal council's vision for the long-term development of the municipality with special emphasis on the municipality's most critical development and internal transformation needs.

- An assessment of the existing level of development in the municipality, which must include an identification of communities, which do not have access to basic municipal services.
- The council's development priorities and objectives for its elected term, including its local economic development and internal transformation needs.
- The council's development strategies, which must be aligned with any national and provincial sectoral plans, and planning requirements that are binding on the municipality in terms of legislation.
- A spatial development framework, which must include the provision of basic guidelines for a land, use management system for the municipality.
- The council's operational strategies.
- Applicable disaster management plans.
- A financial plan, which must include a budget projection for at least the next three years.
- The key performance indicators and performance targets determined in terms of Section 41 of the MSA.

Municipal Finance Management Act no 56 of 2003, which emphasizes secure sound and sustainable management of the financial affairs of the municipalities and other institutions in local government. It provides clarity on municipal budgetary processes and how these budgets should be utilized. This act addresses three critical aspects in the IDP implementation plan, namely:

- Transformation of the procurement approach.
- Alignment of the IDP, budgeting and performance management processes.
- Linkage of IDP timeframes with budget time frames.

The Municipal Planning and Performance Management Regulations (R796 of 2001) set out further requirements for an IDP:

- An institutional framework is required for the implementation of the IDP and to address the municipality's internal transformation.
- Investment initiatives;
- Development initiatives including infrastructure, physical, social and institutional development; and
- All known projects, plans and programmes to be implemented within the municipality by any organ of state.

Intergovernmental relations framework Act no 13 of 2005, which provides clarity on how all the three spheres of government must work together. The Act is a response to the limited successes in the alignment efforts among the three spheres of government. It creates a framework to support intergovernmental cooperation and coordination as required by the Constitution in its definition of "cooperative governance". It provides for the obligation of all spheres to participate in the planning processes of the municipality and in turn allow their own planning processes to be influenced by the municipal IDP's. The Act establishes structures and processes that enhance inter – governmental planning and monitoring processes for local, provincial and national spheres of governance.

Pre - Planning

The Local Government: Municipal Finance Management Act No 56 of 2003, Section 21 (1) (a) stipulates that the Executive Mayor of a Municipality must:

(a) Coordinate the processes for preparing the annual budget and for reviewing the Municipality's Integrated Development Planning; and
(b) At least 10 months before the start of the budget year, table in the Council a time schedule outlining key deadlines for the development and review of the IDP and Annual Budget.

Organizational Arrangements

Role Players and Expected Responsibilities

Role Players	Roles and Responsibilities
Council	• Approve and adopt the Process plan as well as IDP / Budget • Monitor implementation and approve any amendments of the plan when it is necessary
Mayor	• Consider IDP/ Budget Process Plan and submit to Council for approval • Overall management, coordination and monitoring of the IDP Process • Assign and delegate responsibilities in this regard to the Municipal Manager • Submission of Draft IDP/ Budget to Council for approval • Submit Final IDP and Budget to Council for adoption. • Provide political guidance in IDP and Budget (Sec, 53 (a) of the MFMA Act of 2003 • Coordinate plans and timetables for budget. • Exercise close oversight on Budget preparation process. • Overall monitoring of public participation process. • Exercise oversight on the ward committee system.
Ward Councillor/ Ward Committees	• Form a link between the Municipality and residents. • Link the IDP process to their respective wards • Assist in organizing of public consultation and participation • Monitor the implementation of IDP with respect to their wards • Encourage residents to take part in the IDP process
Municipal Manager	• Managing and coordinating the entire IDP process as assigned by the Mayor. • Chair the IDP Steering Committee. • Fulfill the duties of the Accounting Officer as set out in Sec, 68 and 69 of the MFMA 56, Act of 2003.
IDP Manager	• Prepare IDP process plan and monitor timeous implementation. • Day to day management and coordination of the IDP process • Ensure stakeholder engagement in IDP process by organizing and setting up meetings for engagement. • Ensure that the IDP process is participatory and that planning is ward-based oriented. • Respond to public and the MEC comments on the Draft IDP/ Budget. • Compile a comprehensive, neat and presentable IDP document that

	compiles with all legislative requirements. • Amend IDP document in accordance with the comments of the MEC
Public Participation Unit	• Assist the Speaker to coordinate the process of establishing ward committees. • Responsible for logistical arrangements pertaining to ward committee meetings. • The responsibility to meet regularly with the ward committees to ensure appropriate communication with the communities through the ward committee structure. • The responsibility to ensure that representation is made through ward committees and ward councilors are channeled to the appropriate structures for further attention.
Heads of Departments	• Provide relevant technical, sector and financial information for analysis for determining priority issues. • Provide technical expertise in consideration and finalization of strategies and identification of projects. • Provide departmental, operational and capital budgetary information. • Preparation of project proposals, integration of projects and sector programmes.
IDP/ Budget Steering Committee	• Refinement and quality check of IDP document to ensure compliance with legislation. • Consist of Municipal Manager, Senior Managers, IDP Manager, Mayor/ Speaker. • To provide technical assistance to the Mayor in discharging responsibilities set out in Sec, 53 of MFMA.
IDP Representative Forum	• Provide a conducive organizational platform for discussion, negotiation as well as decision making for key stakeholders. • Interests of constituencies are well presented in the IDP process. • Processes in planning, implementation and performance are monitored. • Involves the Mayor, Councillors, Ward Committees, Municipal Manager, HOD's, key stakeholders, representatives of interest groups, NGO's, Government Departments.

The IDP/PMS/BUDGET PROCESS PLAN

The Municipal Council Approved it's IDP/PMS/ Budget Process Plan in August 2021, Council Resolution No………………….

INXUBA YETHEMBA LOCAL MUNICIPALITY 2022-2027 IDP/ BUDGET-PMS PROCESS PLAN				
	Activities		**Timeframe**	**Responsible Department**
A	**Preparation phase / Pre-planning**			
2	Council Approval of Framework Plan & Process Plans (IDP & Budget)	**IDP**	**26 August 2021**	**MM**
3	IGR & IDP/PMS/ Budget Rep Forum	**IGR/ REP FORUM**	**7 September 2021**	**MM**
B+C	**Analysis Phase / Monitoring and evaluation**			
4	Assess implementation progress (HODs to present action plans for existing projects and planned completion dates for projects, aligning expenditure with progress), impact of new information/unexpected events, evaluation of achievement with regard to objectives, strategies and projects (per programme), overview of funding available per cluster (both from savings as well as new funding from operating budget and from external funds), possible implications on programmes of additional sector information.	**IDP**	**July - October 2021**	**All Depts. Championed by HOD's**
5	Collection of Community Needs	**IDP**	**October 2021**	**MM**
6	Budget Steering Committee	**BTO**	**03 November 2021**	**MM**
7	IDP/Budget Steering Committee meeting	**IDP**	**02 Dec 2021**	**MM**
8	IGR & IDP/Budget/Rep Forum	**IGR/ REP FORUM**	**08 December 2021**	**MM**
D	**Strategies Phase / Refined objectives, strategies, programmes and projects phase**			
12	Budget Steering Committee =Adjustment Budget	**BTO**	**17 February 2022**	**BTO**
13	Institutional Strategic planning session. *Adopt proposed overall direction of the 2022-2027 IDP - agree on main themes and key strategic objectives and key financial*	**IDP**	**2-3 March 2022**	**MM**

	issues. Refine objectives, strategies, programmes and draft projects as necessary for MTEF period			
14	IGR & IDP/Budget Rep Forum	**IDP**	**16 March 2022**	**MM**
15	Council Meeting - Adopt Draft IDP/Budget and Sector Plans	**IDP**	**31 March 2022**	**MM**
16	IDP/Budget Road shows - public hearings	**IDP**	**05-08 April 2022**	**MM/BTO**
17	Advertise for public comment (21days)	**IDP**	**06 April 2022**	**MM**
18	Budget Steering Committee	BTO	21 April 2022	BTO
E	**Reviewed IDP document (Integration/programme implementation and operational plan)**			
19	Incorporate relevant comments to the Draft final reviewed IDP and submit to Council For Approval	IDP	April - May 2022	MM
20	IGR & IDP/Budget Rep Forum Meeting	IGR/ REP	17 May 2022	MM
F	**Approval phase**			
23	Advertisement Final IDP		08 June 2022	MM
24	Submit draft SDBIP within 14 days after approval of the budget	PMS	12 June 2022	MM
25	Signing of MM and Section 56 Managers Performance Agreements	PMS	14 June 2022	MM
26	SDBIP Approved and Performance Agreements signed	PMS	18 June 2022	MM
G	**Performance Management System**			
27	Publicize SDBIP and Performance Agreements no later than 14 days after approval	PMS	15 July 2022	MM

ALIGNMENT OF IYM IDP WITH NATIONAL PLANS

Eastern Cape Vision 2030	National Development Plan	Medium Term Strategic Framework	12 Outcomes	Inxuba Yethemba Municipality Strategic Objectives
Capable democratic institutions	Building a capable and development state		Output 6 : Administrative and financial capability	To increase the amount of revenue collected annually
Innovative and inclusive growing economy	Employment and economy	Priority 2: Economic Transformation and Job Creation		To improve local economic development
An enabling infrastructure network	Economic Infrastructure	Priority 2: Economic transformation and job creation	Output 2: Improving access to basic services	To ensure effective construction and maintenance of municipal infrastructure
				To ensure properly maintained municipal facilities
				To ensure provision of adequate electricity supply to iym communities
	Environmental sustainability and resilience		Protection and enhancement of environmental assets and natural resources	To promote a clean environment
An educated, empowered, and innovative citizenry.				To develop the skills of the workforce and unemployed youth to enhance their competencies
Human Development	Employment and economy			To improve literacy levels
Innovative and inclusive growing economy	Employment and economy	Priority 7: A better Africa and World	Innovative and inclusive growing economy	To Implement Tourism and Heritage Management Plan
A capable democratic institutions		Priority 6: Social Cohesion and Safer Communities		To streamline special programs by ensuring functionality of all special programmes structures
			Output 4: Actions supportive of the human settlement outcome	To educate communities about home ownership
				To ensure efficient and effective spatial planning and land use management
Innovative and inclusive growing economy	Employment and economy			To support the establishment of smmes

Human Development		A capable, Ethical and Developmental State	A responsive, accountable, effective and efficient local government system	To ensure knowledge dissemination and compliance with occupational health and safety regulations
A capable democratic institutions	Fighting Corruption			To ensure an effective municipal governance in line with applicable legislation
				To ensure effective Audit and Corporate governance function that will result in improved compliance and clean administration
A capable democratic institutions	Nation Building and social cohesion		A developmental oriented public service and inclusive citizenship	To improve community participation in the affairs of the municipality

IDP ASSESSMENT RESULTS

The MEC for CoGTA has a legislative authority to assess the municipal IDP and provide outcomes on the assessment of each Key Priority Area; below are the outcomes the municipality has acquired in the last few years per KPA:

KPAs	Rating 2019/2020	Rating 2020/2021	Rating 2021/22
Basic Service Delivery	Medium	No assessment report from this KPA	Medium
Financial Planning and Budgets	Medium	Medium	Medium
Local Economic Development	High	High	High
Good Governance & Public Participation	Low	Medium	Medium
Institutional Arrangements	Low	No assessment report from this KPA	High
KPA 6: Spatial Planning, Land Use, Human Settlements, Environmental Management	High	High	High
Overall Rating	Medium	Medium	High

On assessment of the IDP the issues listed below were raised:

Outstanding IDP Compliance Issues raised by COGTA for 2021/22 FY
The following issues that were raised by COGTA as shortfalls in the previous IDP, which have now been addressed.

Compliance Issues	Comment
KPA 1: Spatial Planning, Land Use, Human Settlements and Environmental Management	
1. Ensure SDF is developed according to requirements of SDF Guidelines	
2. Reflect on Mechanisms to control Land Invasion	
3. Reflect on a climate change response activities and strategies that respond to climate change	
4. Provide summary of analysis of natural environment which includes threats and assets	
5. IDP must reflect how it intends to use and protect its natural resources or protected areas or heritage as its comperative and competitive advantage	
6. Develop a plan to address land degradation	

and revitalisation	
7. Develop environmental bylaws and reflect how they are enforced	
8. Indicate Capital Projects that require Environmental Impact Assessment (EIA Process)	
9. Develop environmental planning tools such State of the Environment Report and reflect it on the IDP.	
10. IDP must reflect on National and Provincial Initiatives (Human Resource and Projects)	
KPA2: SERVICE DELIVERY AND INFRASTRUCTURE PLANNING	
1. IDP must reflect budget for roads maintenance and	
2. Develop and approve Stormwater Management Plan	
3. IDP must reflect on coordinated forums towards Roads Planning	
4. Must plan and budget for non-motorised facilities	
5. Reflect on coordinated forums for transport planning	
6. Develop an Integrated Waste Management Plan	
7. Formally appoint a Waste Management Officer	
8. Ensure full compliance of Landfill Sites	
9. Reflect on gazetted waste management bylaws	
10. Establish a coordinated Forum on waste managment	
11. Establish an intergrated community safety forum and integrated community safety plan	
12. Municipaity to adopt disaster management bylaws	
KPA 3: FINANCIAL PLANNING AND BUDGETTING	
🎬 Reflect on promulgamation and gazetting of relevant policies	
2. Must reflect on Annual Finanncial Statement Preparzation Plan.	
3. Indicate whether the Municipality has an Asset Register that is GRAP Compliant	
4. Open separate Bank Accounts for Conditional Grants and reflect on IDP	
5. Municipality must have a repairs and maintenance plan and budget for it . Also reflect on IDP as per Circular 51	
6. Municipality must manage and report its conditional grants according to DORA and ensure that the funds are used for the intended purposes	

7. Municipality must spend 100% of its MIG	
8. Budget must be included in the IDP and must indicate wether the salary budget is per norms and standards	
9. Must service creditors in terms of financial norms ands standards and reflect it on the IDP	
10.Must have accurate data for Billing and reflect on IDP	
11.Must reflect on effective and efficient billing system as per Norms and Standards of Revenue Management	
12.Collect 50% of its revenue and reflect it on the IDP	
13.Municipality must have mechanisms to curb electricity losses	
14.Reflect on Budget and Grants received from CHDM	
15. Must publish and Gazzette Section 6 and 14 of Municipal Rates Act	
16. Must update Valuation Roll and reflect it on IDP	
17. Must have an Indigent Steering Committee and reflect on IDP	
KPA LOCAL ECONOMIC DEVELOPMENT	
1.Provide info on Economic Infrastructure Available	
2.Provide evidence of stakeholder engagement and community involvement in LED Forums,business chambers and others	
KPA GOOD GOVERNANCE	
KPA: INSTITUTIONAL ARRANGEMENTS	
1.Must Cascade PMS System to lower levels and Reflects it on IDP	

CHAPTER 1: MUNICIPAL POWERS AND FUNCTIONS, MUNICIPAL VISION, MISSION, VALUES AND DEMOGRAPHIC PROFILE

Municipal Powers and Functions.

In terms of Constitution, Municipal Structures Act and Section 12 as promulgated by MEC of Co-operative Governance and Traditional Affairs, Inxuba Yethemba Local Municipality has the following powers and functions:SCHEDULE 4 : PART B	STATUS	SCHEDULE 5 : PART B	STATUS
Air Pollution	N/A	Beaches & Amusement Facilities	N/A
Building Regulations	√	Billboards & display of Advertisements in public places	√
Child Care Facilities	N/A	Cemeteries, Funeral Parlours and Crematoria	√
Electricity & Gas Reticulation	√	Cleansing	√
Fire-fighting Services	√	Control of Public Nuisances	√
Local Tourism	√	Control of undertakings that sell liquor to the public	√
Municipal Airports	N/A	Facilities for the accommodation, care and burial of animals	SPCA
Municipal Planning	√	Fencing and Fences	√
Municipal Health Services (PHC has been provincialized)		Licensing of dogs	
Municipal Public Transport	√	Licensing and control of undertakings that sell food to the public	√
Municipal Public Works	√	Local Amenities	√
Pontoons, ferries, jetties, piers and harbours	N/A	Local Sport Facilities	√
Stormwater Management systems in built-up areas	√	Markets	√
Trading Regulations	√	Municipal Abattoirs	√
Water & Sanitation Services (potable water, domestic wastewater & sewage : WSA and WSP)	CHDM	Municipal Parks & Recreation	√
FUNCTIONS ASSIGNED TO OR BEING PERFORMED BY THE MUNICIPALITY ON AN AGENCY BASIS		Municipal Roads (Streets)	√

Municipal vision.
A Municipality working together with its citizens to ensure provision of sustainable, equitable and quality services to all.

Mission Statement.

Inxuba Yethemba Municipality commits itself to good governance, efficient delivery of services, development and retention of its human capital and thus growing the economy of Inxuba Yethemba through:

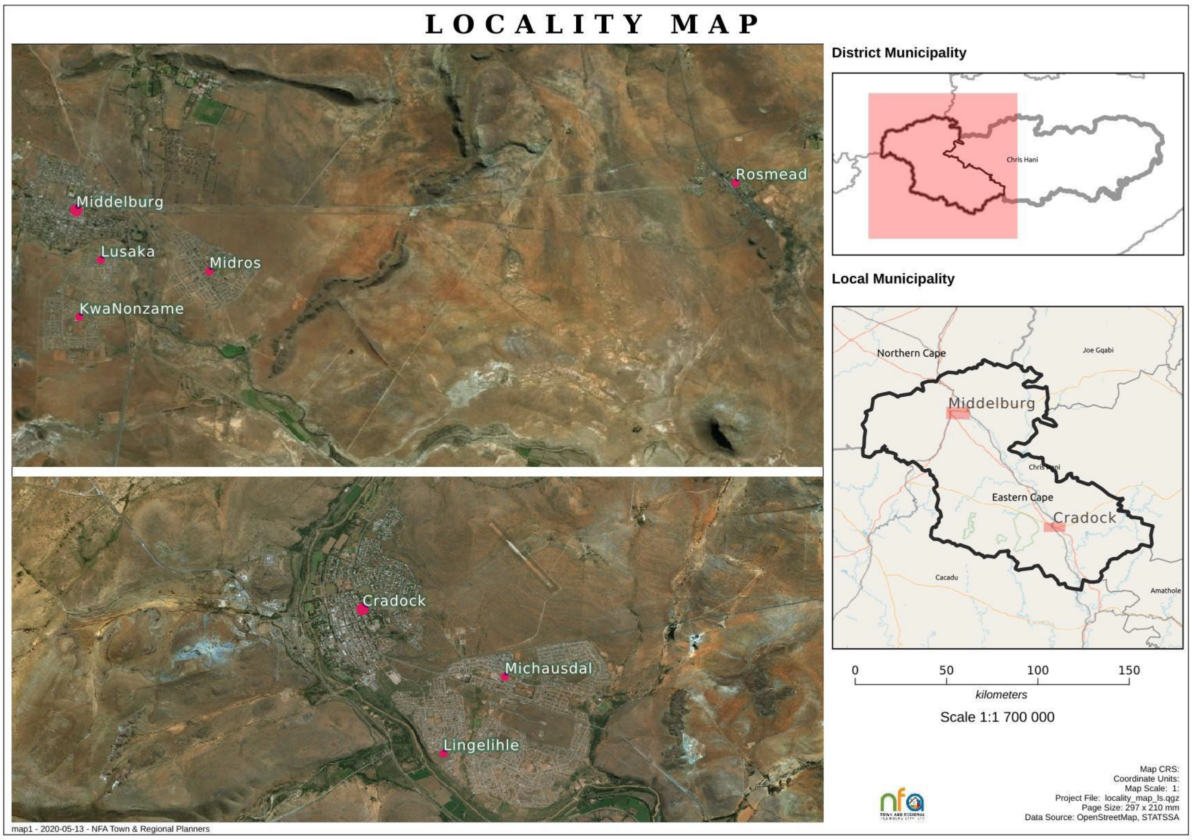
- Rendering affordable, sustainable services to our communities in a professional manner.
- Utilising all resources transparently.

Core Values.

- **Commitment**: Strive to provide quality services that is customer orientated.
- **Professionalism:** Maintaining a high level of professionalism to our staff and community and enforcing accountability to all.
- **Integrity:** Maintaining a high ethical and honest conduct at all times.
- **Respect:** Respect for self and others and serving the public with humility**.**

Profile of the Municipality

The Inxuba Yethemba Local Municipality is a Category B municipality (Area:11 663km²) located in the Chris Hani District in the Eastern Cape. It is approximately 240km north of Nelson Mandela Metropolitan Municipality and is one of six municipalities in the district, making up a third of its geographical area. Cradock consists of the suburb of Cradock, and the Lingelihle and Michausdal communities, whilst Middelburg has the suburb of Middelburg, with the Kwanonzame Lusaka and Midros communities. The two urban centres of Cradock and Middelburg are fairly similar, with well-developed CBDs and fair infrastructure. However, a lot of work still needs to be done in the former previously disadvantaged communities. The rural areas of both towns are mostly commercial farms, with small settlements in the rural areas of Fish River Mortimer and Rosmead. The N10 National Road, which is the vital economic link between Port Elizabeth and the north, runs through Cradock and skirts Middelburg. The main Cities or Towns in Inxuba Yethemba Local Municipality are Cradock, Middelburg, and Mount Zebra National Park. The municipality's economic sectors comprise of community services, finance, trade, transport, agriculture, construction, and manufacturing.


LOCALITY MAP
Middelburg
Lusaka
Midros
KwaNonzame
Rosmead
Cradock
Michausdal
Lingelihle
District Municipality
Chris Hani
Local Municipality
Northern Cape
Joe Gqabi
Middelburg
Eastern Cape
Cradock
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kilometers
Scale 1:1 700 000
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Coordinate Units:
Map Scale: 1:
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Data Source: OpenStreetMap, STATSSA
map1 - 2020-05-13 - NFA Town & Regional Planners

The Municipal Strategic Direction

Integrated development planning and its guidelines.

1.2. IDP Definition and Context

Integrated Development Plan is a central planning tool for government that embodies local government developmental goals and a comprehensive service delivery programme. Integrated planning has been developed as a consolidated municipal wide planning process that provides a framework for planning of future development in a municipality. It ensures horizontal and vertical co-ordination and integration across the national, provincial and local spheres of government.

In addition, the IDP requires community participation and stakeholder involvement. The integrated development planning process is therefore critical for the success of every South African municipality's endeavours to bring about responsive, developmental and accountable local government.

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

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

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

The aim of the new 5-year IDP for Inxuba Yethemba is to present a coherent plan to improve the quality of life for people living in the area. The intention of this IDP is to link, integrate and co-ordinate development plans for the municipality which is aligned with national, provincial and district development plans and planning requirements binding on the municipality in terms of legislation.

Inxuba Yethemba LM's Political Priorities

The Local Government elections of 2021 ushered a new political dispensation with a mandate that sets the tone for the development of a five-year IDP (2022 -2027). Inxuba Yethemba LM is guided by the following **10 (ten) priorities**, as highlighted by the **Local Government Elections Manifesto**.

1) Provision of water and sanitation, sewerage, and roads.
2) Provision of electricity.
3) Provision of land and housing.
4) Choose the best people to run municipalities.
5) Food security.
6) Fight corruption and end wastage.
7) Make municipalities financially viable.
8) Jobs, education, training, and opportunities for young people.
9) Fight against gender-based violence and safer communities.

10) A non-sexist society and commitment to gender equality.

National Development Plan

The South African Government through the Presidency has published a National Development Plan. The Plan aims to eliminate poverty and reduce inequality by 2030. The Plan has the target of developing people's capabilities to be to improve their lives through education and skills development, health care, better access to public transport, jobs, social protection, rising income, housing and basic services, and safety.

It proposes to the following strategies to address the above goals:-

a) Creating jobs and improving livelihoods.
b) Expanding infrastructure.
c) Transition to a low carbon economy.
d) Transforming urban and rural spaces.
e) Improving education and training.
f) Providing quality health care.
g) Fighting corruption and enhancing accountability.
h) Transforming society and uniting the nation.

At the core of the Plan is to eliminate poverty and reduce inequality and the special focus on the promotion of gender equity and addressing the pressing needs of youth. More importantly for efficiency in local government the NDP proposes 8 targeted actions listed below:-

a) Stabilise the political-administrative interface.

b) Make public service and local government careers of choice.

c) Develop technical and specialist professional skills.

d) Strengthen delegation, accountability, and oversight.

e) Improve interdepartmental co-ordination.

f) Take pro-active approach in improving national, provincial, and local government relations.

g) Strengthen local government.

h) Clarify the governance of SOE's.

The National Development Plan 2030 has been adopted by the National Cabinet in August 2012 and this place an injunction on the state and its agencies (including municipalities) to implement the Plan.
The Plan makes the following policy pronouncements and proposes performance targets that intersect with developmental mandates assigned to local government. Importantly, municipalities are expected to respond to these developmental imperatives when reviewing their Integrated Development Plan and developing the corresponding three-year Medium-Term Revenue and Expenditure Frameworks:-

a) Youthful population presents opportunities to boost economic growth, employment and reduce poverty.
b) Strengthen youth service programmes – community-based programmes to offer young people life skills training, entrepreneurial training;
c) Increase employment from 13 million in 2010 to 24 million in 2030.
d) Ensure that skilled, technical, professional, and managerial posts better reflect the country's racial, gender and disability makeup.
e) Establish effective, safe and affordable public transport.
f) Produce sufficient energy to support industry at competitive prices.
g) Ensure that all South African have access to clean running water in their homes.
h) Make high - speed broadband internet universally accessible at competitive prices.

National Government's Outcomes Based Approach to Service Delivery

National Government has agreed on 12 outcomes as a key focus of work between now and 2014. These outcomes have been expanded into high-level outputs and activities, which in turn formed the basis of a series of performance agreements between the President and relevant Ministers.
Whilst all of the outcomes can to some extent be supported through the work of local government, ***Outcome 9*** (A responsive, accountable, effective and efficient local government system) and its 7 outputs are specifically directed at local government: -

Table 1: Outcome 9 Outputs	
Output 1	Implement a differentiated approach to municipal financing, planning and support
Output 2	Improving access to basic services
Output 3	Implementation of the Community Work Programme
Output 4	Actions supportive of the human settlement outcome
Output 5	Deepen democracy through a refined Ward Committee model
Output 6	Administrative and financial capability
Output 7	Single window of co-ordination

CoGTA's National KPA's for Municipalities.

Department of Cooperative Governance and Traditional Affairs (CoGTA) assess the progress made by municipalities against five Key Performance Areas (KPAs) and crosscutting interventions adopted in the 5-Year Local Government Strategic Agenda.

The five KPAs that form the basis of the assessments are:-

Table 2: National KPA's	
KPA 1	Good Governance and Public Participation
KPA 2	Municipal Transformation and Organisational Development
KPA 3	Basic Service Delivery
KPA 4	Municipal Financial Viability and Management
KPA 5	Local Economic Development (LED);

The above allow CoGTA to determine how well each municipality is performing, compare its performance to targeted goals, create measures to improve performance, identify the municipalities that have under-performed and propose remedial action to improve performance of municipalities.

The New Growth Path.

This National Policy Framework deals specifically with issues such as creating decent work, reducing inequality, and defeating poverty through *"a restructuring of the South African economy to improve its performance in terms of labour absorption as well as the composition and rate of growth*".

Important and of practical consequence to local government, are the specific job drivers that have been identified: -

- Substantial public investment in infrastructure both to create employment directly, in construction, operation and maintenance as well as the production of inputs, and indirectly by improving efficiency across the economy.

- Targeting more labour-absorbing activities across the main economic sectors –the agricultural and mining value chains, manufacturing, and services.
- Taking advantage of new opportunities in the knowledge and green economies.
- Leveraging social capital in the social economy and the public services; and
- Fostering rural development and regional integration.

Eastern Cape Vision 2030

In 2014, the Executive Council of the Eastern Cape Provincial Government appointed the Eastern Cape Planning Commission (ECPC) to facilitate a participatory exercise of defining what the NDP should mean for the province. This definition has been used to inform the Eastern Cape's Provincial Development Plan (PDP). The plan aims to provide creative responses to the province's challenges.

There are five related goals that inform the PDP. Each goal aims to encourage rural development to address the spatial and structural imbalances in the Eastern Cape. Each goal has a vision, key objectives and strategic actions. Further detail is provided in Part 2 of this plan.
The five goals are interrelated and cross-enable each other. For example, good health (goal 3) is important for effective learning (goal 2) and productive economic activity (goal 1). Achieving the first three goals will inevitably create more vibrant communities (goal 4). The fifth goal, capable and accountable institutions, enables the first four goals.

a) Goal 1: A growing, inclusive and equitable economy.

The PDP aims to develop a growing, inclusive, and equitable economy. This includes a larger and more efficient provincial economy that optimally exploits the competitive advantages of the Eastern Cape, increased employment and reduced inequalities of income and wealth.

b) Goal 2: An educated, empowered, and innovative citizenry.

The PDP seeks to ensure that people define their identity, sustain their livelihoods, live healthy lives and raise healthy families, develop a just society and economy, and play an effective role in the development of their communities, as well as the politics and governance of the state at all levels.

c) Goal 3: A Healthy population.

The PDP seeks to ensure that all citizens of the Eastern Cape live longer and healthy lives. This will mainly be achieved by providing quality healthcare to people in need. The health system must value patients, care for communities, provide reliable service and value partnerships. In addition, the system should rest on a good primary healthcare platform and be integrated across primary, secondary and tertiary levels of healthcare.

d) Goal 4: Vibrant, equitable and enabled families.

The PDP seeks to ensure that by 2030, the Eastern Cape is characterised by vibrant communities in which people can responsibly exercise their growing freedoms. The plan aims to address spatial disparities across the province and seeks to guide the development and use of instruments to achieve this. These instruments include legislation and policy, spatial targeting of infrastructure and other investments, and planning itself. Where and how people live and work is the most visible manifestation of spatial equity.

e) Goal 5: Capable, conscientious and accountable institutions

The PDP seeks to build capable, conscientious and accountable institutions that engender and sustain development partnerships across the public, civic and private sectors. It aims to construct and mobilise multi-agency partnerships for development, encouraging the emergence of a strong, capable, independent and responsible civil society committed to the province's development. The province will build the necessary capabilities to anchor these multi-agency partnerships and empower people to meaningfully participate in their own development.

1.3.4. National Spatial Development Perspective.

It provides for focusing of development on areas of potential as a catalyst towards improvement of lives of communities. Areas of potential or nodal points should be prioritized for infrastructure investment. The development of the municipal SDF took into consideration proposals of the NSDP.

1.3.5. The District Development Model.

The DDM is an all-of-government approach to improve integrated planning and delivery across the three spheres of government with district and metropolitan spaces as focal points of government and private sector investment.
The DDM is aimed at facilitating integrated planning, delivery and monitoring of Government's development programmes through the concept of a joint "One Plan" in relation to 52 development spaces / impact zones through the establishment of national technical capacity as well as district hubs that will drive implementation of the programme.
This approach will not only accelerate local economic development, urbanization, economic activities but also the provision of basic services and other tailor-made solutions such as "Covid-19 interventions" at grass roots level.

1.3.6. Integrated Urban Development Framework.

The IUDF aims to guide the development of inclusive, resilient, and liveable urban settlements, while directly addressing the unique conditions and challenges facing South Africa's cities and towns. To achieve this transformative vision, four overall strategic goals are introduced:

The following entails the Integrated Urban Development Framework's 8 policy levers aimed towards addressing the structural drivers that will promote that current scenario of cities and towns: -

Table 3: Policy Levers

POLICY LEVER	*DESCRIPTION*
Policy Lever 1	Integrated Spatial Planning
Policy Lever 2	Integrated Transport and Mobility
Policy Lever 3	Integrated and Sustainable Human Settlements
Policy Lever 4	Integrated Urban Infrastructure
Policy Lever 5	Efficient Land Governance and Management

Policy Lever 6	Inclusive Economic Development.
Policy Lever 7	Empowered Active Communities.
Policy Lever 8	Effective Urban Governance

1.3.7. The SONA and SOPA Addresses.

In the State of the Nation Address (SONA) delivered by President Cyril Ramaphosa on 10 February 2022 in Parliament. The President referenced the impact of the Covid-19 pandemic on the economy, admitting it had further exposed the deep social and economic divide in SA. He also spoke of the impact of the civil unrest in July 2021. Government will take steps to strengthen democracy and revitalise the economy to end inequality and injustice. This includes ensuring those responsible for corruption will be criminally charged.

The present situation of deep poverty, unemployment and inequality is not sustainable as it is unacceptable, requiring fundamental reforms and change to revive the economy and create conditions for long-term stability and growth. Spoke of a common consensus born out of current challenges and recognition of the current unemployment, inequality and poverty.

State has to create conditions for private sector investment and an environment in which people can lead a better life. Announced a 100-day deadline to create a social compact to create jobs, end hunger and poverty based on the economic and reconstruction programme. Focus will be on overcoming impact of Covid-19, infrastructure investment, economic stimulus, energy and creating job opportunities.

The President indicated that Government intends to lift the National State of Disaster as soon as other supplementary legislation has been aligned to enable the government to respond to the pandemic and other health disasters. Currently, virtually all restrictions in response to Covid-19 have been lifted.

Water Infrastructure
Government to prioritise institutional reforms to ensure future water security, investment in water resources and maintenance of existing assets. Government has also embarked on the process of institutional reform in capacitating the Department of Water and Sanitation and reviewing water boards in as far as their mandates are concerned and ensuring that they serve municipalities in terms of the District Development Model. These reforms are being championed by the Minister of Water and Sanitation, who has visited every water source in the country.
SMME Growth
Government to implement measures to unleash the potential of small businesses, micro businesses and informal businesses. Has also started discussions with social partners as part of the social compact process to review labour market regulations for smaller businesses to enable them to hire more people, while continuing to protect workers' rights. A new, redesigned loan guarantee scheme is being introduced to enable small businesses to bounce back from the pandemic and civic unrest.

We have embarked on the process of institutional reform in capacitating the Department of Water and Sanitation (DWS) and reviewing water boards in as far as their mandates are concerned and ensuring that they serve municipalities in terms of the District Development Model (DDM).

These reforms are being championed by the Minister of Water and Sanitation, who has visited every water source in the country.

Demographic Profile

2.1.1. Total Population

Population statistics is important when analysing an economy, as the population growth directly and indirectly impacts employment and unemployment, as well as other economic indicators such as economic growth and per capita income.

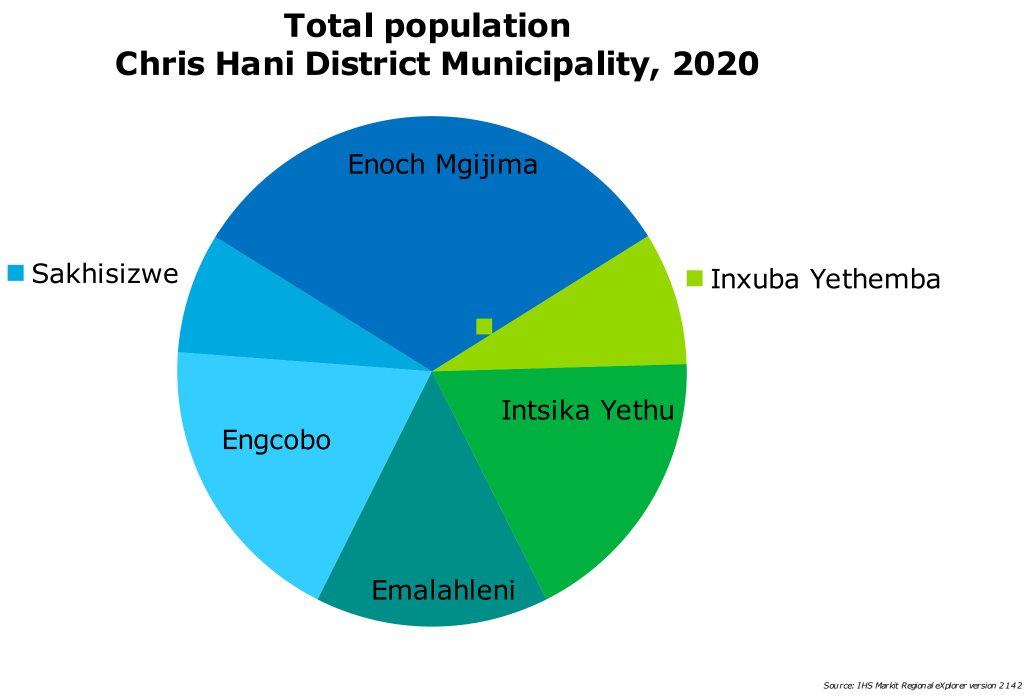
TABLE 1. TOTAL POPULATION - INXUBA YETHEMBA, CHRIS HANI, EASTERN CAPE AND NATIONAL TOTAL, 2010-2020 [NUMBERS PERCENTAGE]

	Inxuba Yethemba	Chris Hani	Eastern Cape	National Total	Inxuba Yethemba as % of district municipality	Inxuba Yethemba as % of province	Inxuba Yethemba as % of national
2010	66,600	818,000	6,680,000	51,100,000	*8.1%*	*1.00%*	*0.13%*
2011	67,300	822,000	6,740,000	52,000,000	*8.2%*	*1.00%*	*0.13%*
2012	68,100	826,000	6,800,000	52,900,000	*8.2%*	*1.00%*	*0.13%*
2013	68,900	832,000	6,870,000	53,700,000	*8.3%*	*1.00%*	*0.13%*
2014	69,700	837,000	6,930,000	54,600,000	*8.3%*	*1.01%*	*0.13%*
2015	70,500	844,000	7,010,000	55,500,000	*8.4%*	*1.01%*	*0.13%*
2016	71,300	851,000	7,080,000	56,400,000	*8.4%*	*1.01%*	*0.13%*
2017	72,100	858,000	7,150,000	57,200,000	*8.4%*	*1.01%*	*0.13%*
2018	72,800	866,000	7,220,000	58,100,000	*8.4%*	*1.01%*	*0.13%*
2019	73,600	873,000	7,290,000	59,000,000	*8.4%*	*1.01%*	*0.12%*
2020	74,300	881,000	7,360,000	59,800,000	*8.4%*	*1.01%*	*0.12%*
Average Annual growth							
2010-2020	***1.10***%	***0.74***%	***0.98***%	***1.59***%			

Source: IHS Markit Regional eXplorer version 2142

With 74 300 people, the Inxuba Yethemba Local Municipality housed 0.1% of South Africa's total population in 2020. Between 2010 and 2020 the population growth averaged 1.10% per annum which is close to half than the growth rate of South Africa as a whole (1.59%). Compared to Chris Hani's average annual growth rate (0.74%), the growth rate in Inxuba Yethemba's population at 1.10% was slightly higher than that of the district municipality.

CHART 1. TOTAL POPULATION - INXUBA YETHEMBA AND THE REST OF CHRIS HANI, 2020 [PERCENTAGE]



When compared to other regions, the Inxuba Yethemba Local Municipality accounts for a total population of 74,300, or 8.4% of the total population in the Chris Hani District Municipality, with the Enoch Mgijima being the most populous region in the Chris Hani District Municipality for 2020.

The ranking in terms of the size of Inxuba Yethemba compared to the other regions remained the same between 2010 and 2020. In terms of its share the Inxuba Yethemba Local Municipality was slightly larger in 2020 (8.4%) compared to what it was in 2010 (8.1%).

When looking at the average annual growth rate, it is noted that Inxuba Yethemba ranked highest (relative to its peers in terms of growth) with an average annual growth rate of 1.1% between 2010 and 2020.

2.1.2. Population projections

Based on the present age-gender structure and the present fertility, mortality, and migration rates, Inxuba Yethemba's population is projected to grow at an average annual rate of 0.9% from 74 300 in 2020 to 77 800 in 2025.

TABLE 2. POPULATION PROJECTIONS - INXUBA YETHEMBA, CHRIS HANI, EASTERN CAPE AND NATIONAL TOTAL, 2020-2025 [NUMBERS PERCENTAGE]

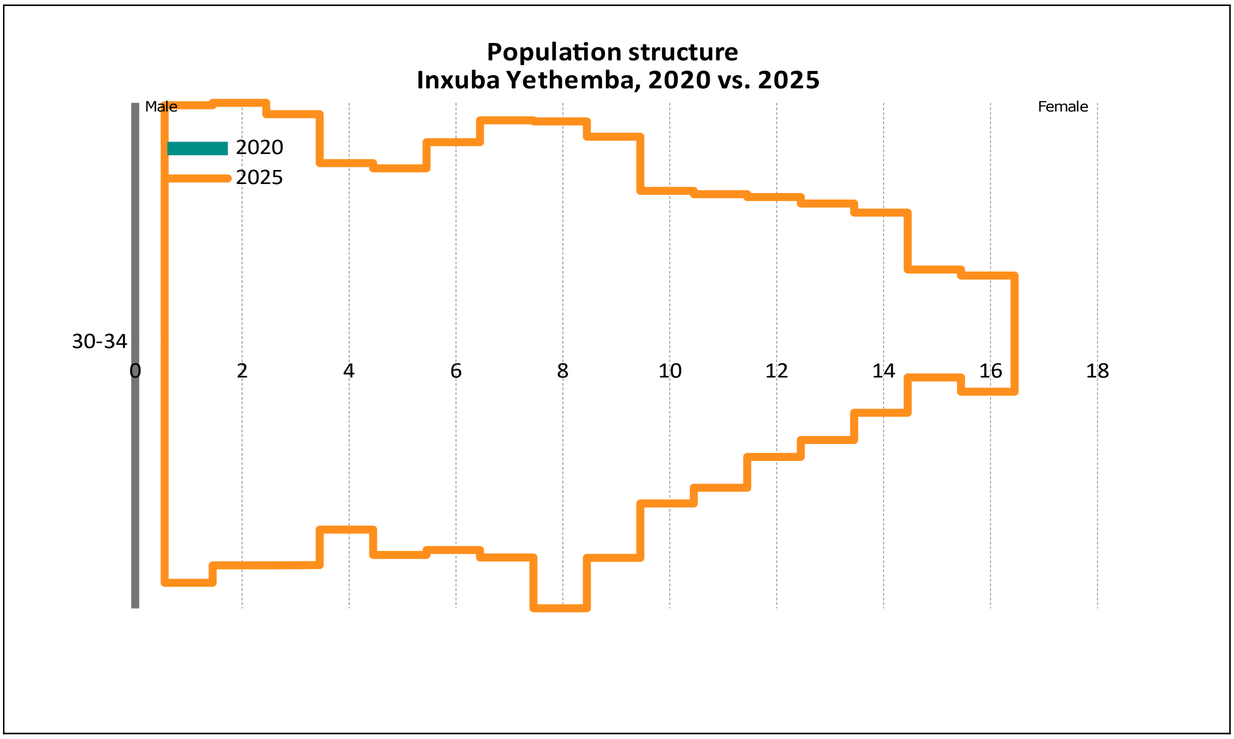
	Inxuba Yethemba	Chris Hani	Eastern Cape	National Total	Inxuba Yethemba as % of district municipality	Inxuba Yethemba as % of province	Inxuba Yethemba as % of national
2020	74,300	881,000	7,360,000	59,800,000	*8.4%*	*1.01%*	*0.12%*
2021	75,000	888,000	7,430,000	60,600,000	*8.4%*	*1.01%*	*0.12%*
2022	75,700	896,000	7,500,000	61,500,000	*8.4%*	*1.01%*	*0.12%*
2023	76,400	905,000	7,570,000	62,300,000	*8.4%*	*1.01%*	*0.12%*
2024	77,100	913,000	7,630,000	63,100,000	*8.4%*	*1.01%*	*0.12%*
2025	77,800	922,000	7,700,000	63,900,000	*8.4%*	*1.01%*	*0.12%*

	Inxuba Yethemba	Chris Hani	Eastern Cape	National Total	Inxuba Yethemba as % of district municipality	Inxuba Yethemba as % of province	Inxuba Yethemba as % of national
Average Annual growth							
2020-2025	***0.93***%	***0.91***%	***0.92***%	***1.32***%			

Source: IHS Markit Regional eXplorer version 2142

The population projection of Inxuba Yethemba Local Municipality shows an estimated average annual growth rate of 0.9% between 2020 and 2025. The average annual growth rate in the population over the projection period for Chris Hani District Municipality, Eastern Cape Province and South Africa is 0.9%, 0.9% and 1.3% respectively. The Eastern Cape Province is estimated to have an average growth rate of 0.9% which is very similar than that of the Inxuba Yethemba Local Municipality. The South Africa is estimated to have an average annual growth rate of 1.3% which is very similar than that of Inxuba Yethemba's projected growth rate.

CHART 2. POPULATION PYRAMID - INXUBA YETHEMBA LOCAL MUNICIPALITY, 2020 VS. 2025 [PERCENTAGE]



The population pyramid reflects a projected change in the structure of the population from 2020 and 2025. The differences can be explained as follows:

- In 2020, there is a significantly larger share of young working age people between 20 and 34 (24.5%), compared to what is estimated in 2025 (22.7%). This age category of young working age population will decrease over time.
- The fertility rate in 2025 is estimated to be slightly higher compared to that experienced in 2020.
- The share of children between the ages of 0 to 14 years is projected to be significant smaller (25.6%) in 2025 when compared to 2020 (27.5%).

In 2020, the female population for the 20 to 34 years age group amounts to 11.9% of the total female population while the male population group for the same age amounts to 12.6% of the total male population. In 2025, the male working age population at 11.7% still exceeds that of the female population working age population at 11.0%, although both are at a lower level compared to 2020.

2.1.3. Population by population group, Gender and Age

Inxuba Yethemba Local Municipality's male/female split in population was 94.4 males per 100 females in 2020. The Inxuba Yethemba Local Municipality appears to be a stable population with the share of female population (51.43%) being very similar to the national average of (51.03%).

TABLE 3. POPULATION BY GENDER - INXUBA YETHEMBA AND THE REST OF CHRIS HANI DISTRICT MUNICIPALITY, 2020 [NUMBER].

	Male	Female	Total
Inxuba Yethemba	36,083	38,211	74,294
Intsika Yethu	76,778	82,056	158,834
Emalahleni	62,748	67,797	130,545
Engcobo	76,875	88,599	165,475
Sakhisizwe	32,908	34,253	67,161
Enoch Mgijima	137,127	147,170	284,297
Chris Hani	**422,519**	**458,087**	**880,606**

Source: IHS Markit Regional eXplorer version 2142

In total there were 38 200 (51.43%) females and 36 100 (48.57%) males. This is different from the Chris Hani District Municipality as a whole where the female population counted 458 000 which constitutes 52.02% of the total population of 881 000.

TABLE 4. POPULATION BY POPULATION GROUP, GENDER AND AGE - INXUBA YETHEMBA LOCAL MUNICIPALITY, 2020 [NUMBER].

	African		White		Coloured	
	Female	Male	Female	Male	Female	Male
00-04	2,210	2,230	146	165	1,120	1,120
05-09	2,150	2,190	150	179	1,280	1,000
10-14	1,700	1,750	308	200	1,240	1,200
15-19	1,200	1,320	237	132	863	944
20-24	1,320	1,880	160	149	777	779
25-29	2,280	2,480	219	195	958	805
30-34	2,020	2,180	228	184	828	668
35-39	1,800	2,170	215	184	777	733
40-44	1,590	1,480	256	286	770	702
45-49	1,330	1,270	307	317	571	633
50-54	1,160	884	299	305	540	587
55-59	1,090	710	295	309	591	476
60-64	997	583	276	175	558	416
65-69	838	317	184	213	470	267
70-74	449	259	161	108	259	129
75+	376	217	297	252	224	156
Total	**22,500**	**21,900**	**3,740**	**3,350**	**11,800**	**10,600**

Source: IHS Markit Regional eXplorer version 2142

In 2020, the Inxuba Yethemba Local Municipality's population consisted of 59.83% African (44 400), 9.54% White (7 090), 30.19% Coloured (22 400) and 0.44% Asian (323) people.

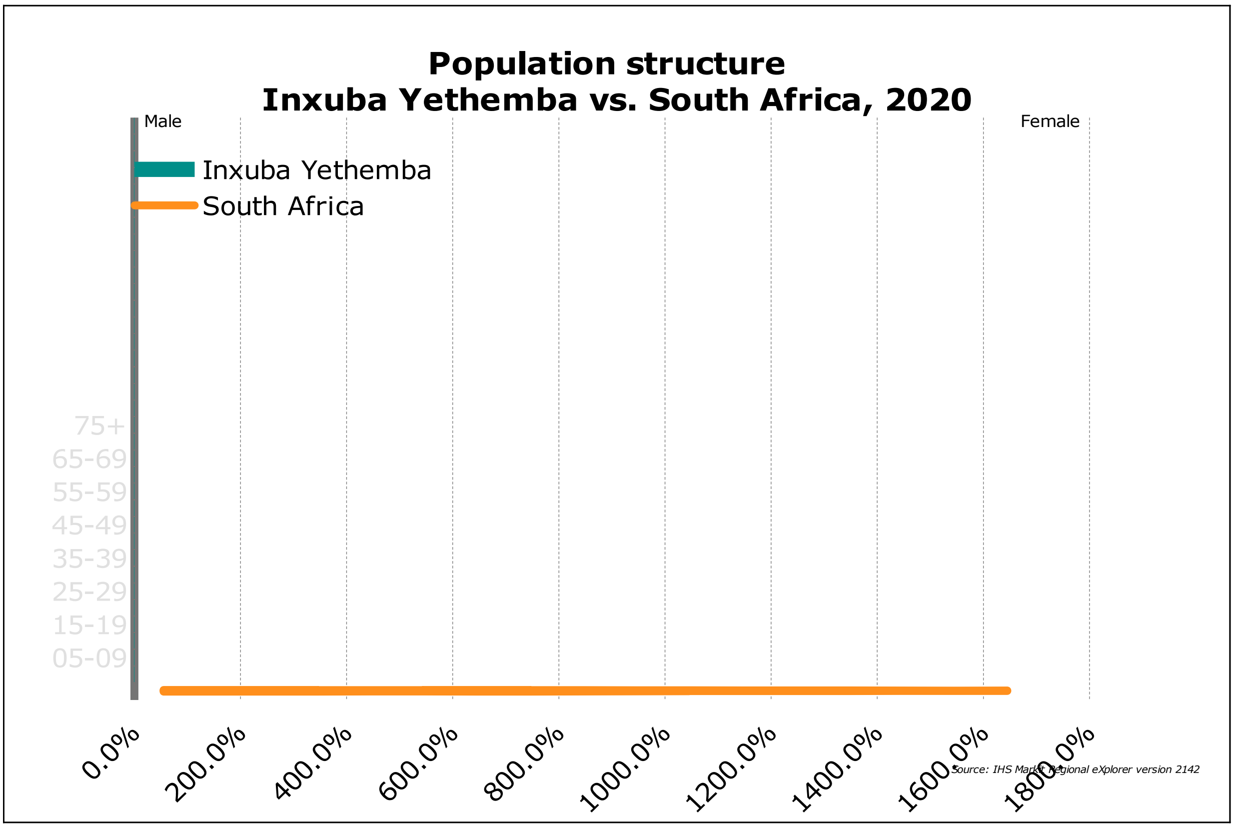
The largest share of population is within the young working age (25-44 years) age category with a total number of 24 100 or 32.5% of the total population. The age category with the second largest number of people is the babies and kids (0-14 years) age category with a total share of 27.5%, followed by the older working age (45-64 years) age category with 14 700 people. The age category with the least number of people is the retired / old age (65 years and older) age category with only 5 210 people, as reflected in the population pyramids below.

2.1.4. Population Pyramids

Definition: A population pyramid is a graphic representation of the population categorised by gender and age, for a specific year and region. The horizontal axis depicts the share of people, where the male population is charted on the left-hand side and the female population on the right-hand side of the vertical axis. The vertical axis is divided in 5-year age categories.

The chart below compares Inxuba Yethemba's population structure of 2020 to that of South Africa.

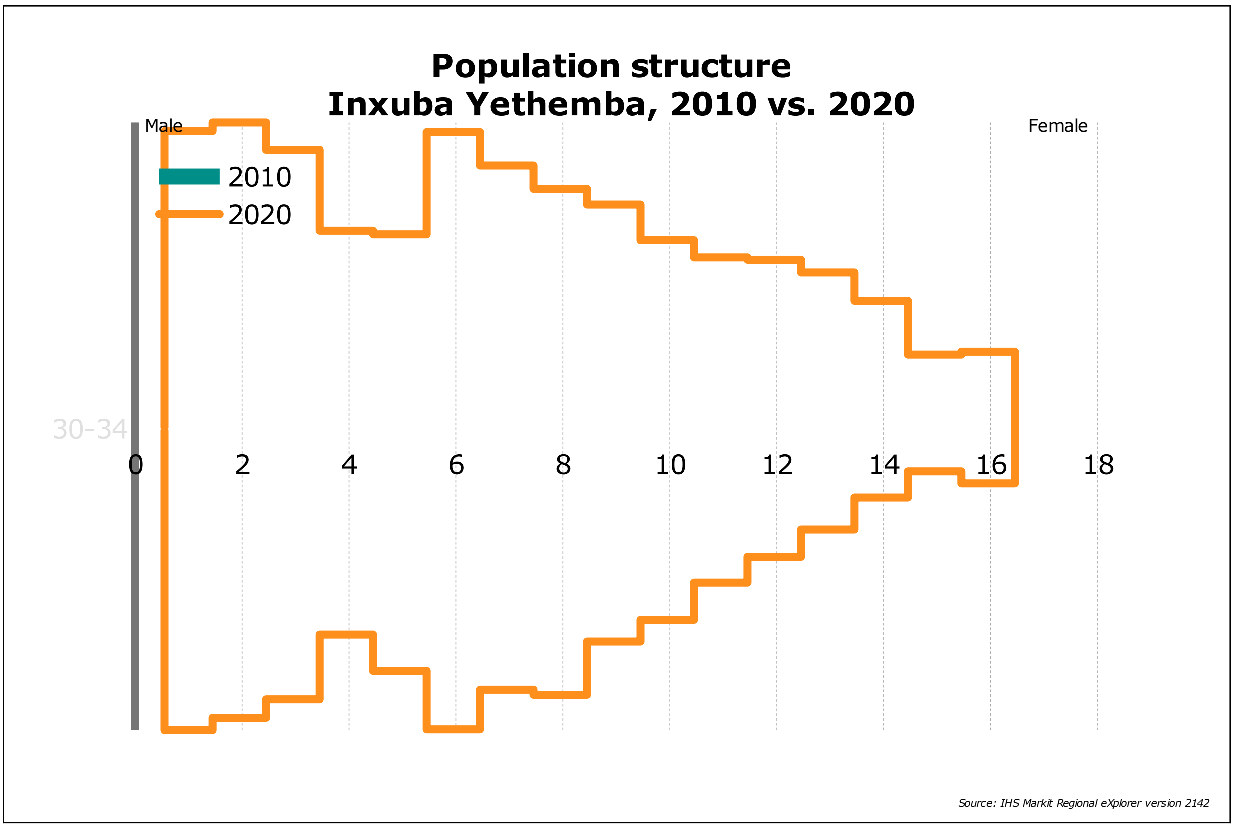
CHART 3. POPULATION PYRAMID - INXUBA YETHEMBA LOCAL MUNICIPALITY VS. SOUTH AFRICA, 2020 [PERCENTAGE]



By comparing the population pyramid of the Inxuba Yethemba Local Municipality with the national age structure, the most significant differences are:

- There is a significant smaller share of young working age people - aged 20 to 34 (24.5%) - in Inxuba Yethemba, compared to the national picture (26.4%).
- Fertility in Inxuba Yethemba is slightly higher compared to South Africa as a whole.
- Spatial policies changed since 1994.
- The share of children between the ages of 0 to 14 years is slightly smaller (27.5%) in Inxuba Yethemba compared to South Africa (28.3%). Demand for expenditure on schooling as percentage of total budget within Inxuba Yethemba Local Municipality will therefore be lower than that of South Africa.

CHART 4. POPULATION PYRAMID - INXUBA YETHEMBA LOCAL MUNICIPALITY, 2010 VS. 2020 [PERCENTAGE]



When comparing the 2010 population pyramid with the 2020 pyramid for the Inxuba Yethemba Local Municipality, some interesting differences are visible:

- In 2010, there were a slightly larger share of young working age people - aged 20 to 34 (25.0%) - compared to 2020 (24.5%).
- Fertility in 2010 was slightly higher compared to that of 2020.
- The share of children between the ages of 0 to 14 years is slightly larger in 2010 (27.7%) compared to 2020 (27.5%).
- Life expectancy is increasing.

In 2020, the female population for the 20 to 34 years age group amounted to 12.3% of the total female population while the male population group for the same age amounted to 12.8% of the total male population. In 2010 the male working age population at 12.6% still exceeds that of the female population working age population at 11.9%.

2.1.5. Number of Households by Population Group

In 2020, the Inxuba Yethemba Local Municipality comprised of 21 000 households. This equates to an average annual growth rate of 0.93% in the number of households from 2010 to 2020. With an average annual growth rate of 1.10% in the total population, the average household size in the Inxuba Yethemba Local Municipality is by implication increasing. This is confirmed by the data where the average household size in 2010 increased from approximately 3.5 individuals per household to 3.5 persons per household in 2020.

TABLE 5. NUMBER OF HOUSEHOLDS - INXUBA YETHEMBA, CHRIS HANI, EASTERN CAPE AND NATIONAL TOTAL, 2010-2020 [NUMBER PERCENTAGE]

	Inxuba Yethemba	Chris Hani	Eastern Cape	National Total	Inxuba Yethemba as % of district municipality	Inxuba Yethemba as % of province	Inxuba Yethemba as % of national
2016	20,700	229,000	1,850,000	16,100,000	*9.0%*	*1.12%*	*0.13%*
2017	21,100	234,000	1,890,000	16,400,000	*9.0%*	*1.11%*	*0.13%*
2018	21,400	238,000	1,930,000	16,600,000	*9.0%*	*1.11%*	*0.13%*
2019	21,400	236,000	1,910,000	16,800,000	*9.0%*	*1.12%*	*0.13%*
2020	21,000	231,000	1,880,000	17,000,000	*9.1%*	*1.12%*	*0.12%*
Average Annual growth							
2010-2020	***0.93***%	***0.86***%	***0.94***%	***1.88***%			

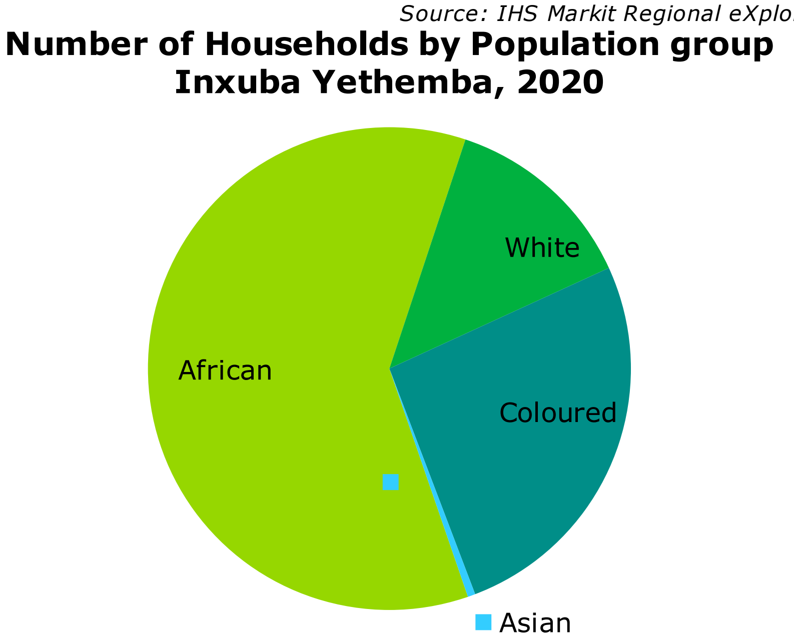
Source: IHS Markit Regional eXplorer version 2142

Relative to the district municipality, the Inxuba Yethemba Local Municipality had a higher average annual growth rate of 0.93% from 2010 to 2020. In contrast, the province had an average annual growth rate of 0.94% from 2010. The South Africa as a whole had a total of 17 million households, with a growth rate of 1.88%, thus growing at a higher rate than the Inxuba Yethemba.

The composition of the households by population group consists of 60.4% which is ascribed to the African population group with the largest amount of households by population group. The Coloured population group had a total composition of 26.1% (ranking second). The White population group had a total composition of 13.1% of the total households. The smallest population group by households is the Asian population group with only 0.5% in 2020.

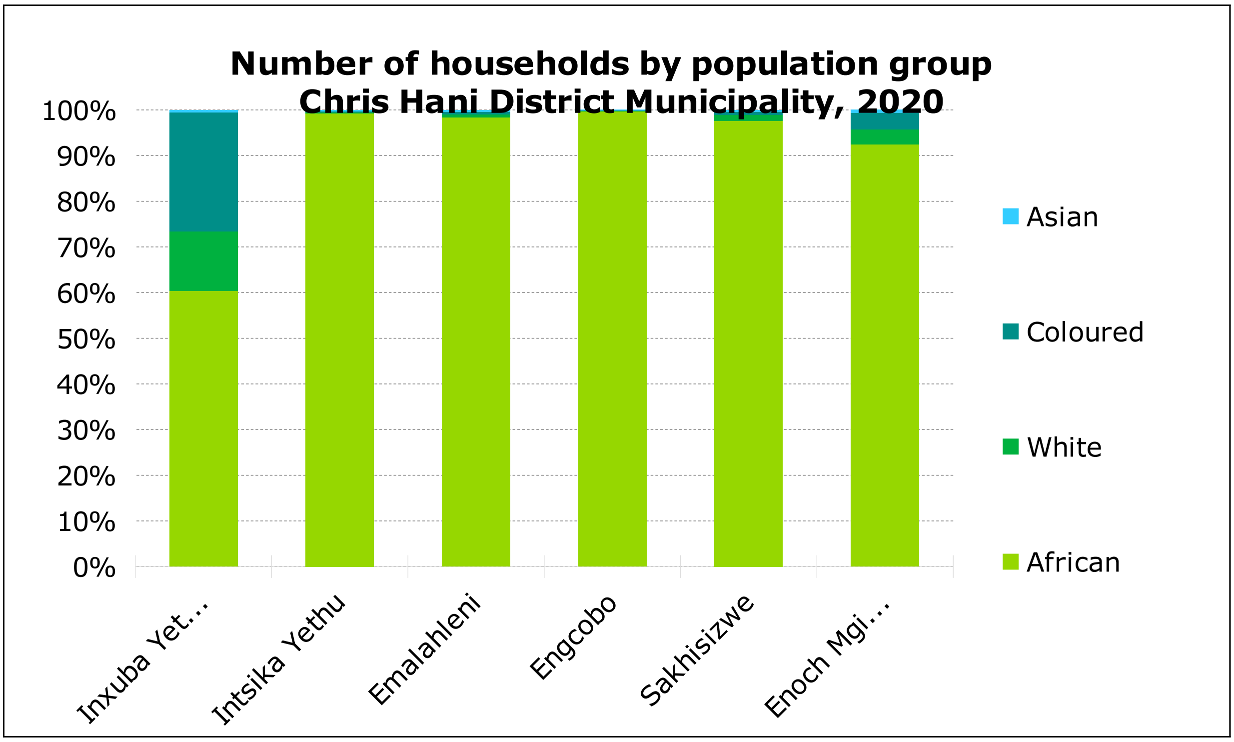
CHART 5. NUMBER OF HOUSEHOLDS BY POPULATION GROUP - INXUBA YETHEMBA LOCAL MUNICIPALITY, 2020 [PERCENTAGE]

Source: IHS Markit Regional eXplorer version 2142



The growth in the number of African headed households was on average 1.47% per annum between 2010 and 2020, which translates in the number of households increasing by 1 720 in the period. Although the Asian population group is not the biggest in size, it was however the fastest growing population group between 2010 and 2020 at 8.67%. The average annual growth rate in the number of households for all the other population groups has increased with 0.91%.

CHART 6. NUMBER OF HOUSEHOLDS BY POPULATION GROUP - INXUBA YETHEMBA LOCAL MUNICIPALITY AND THE REST OF CHRIS HANI, 2020 [PERCENTAGE]



2.2. HIV+ and AIDS estimates

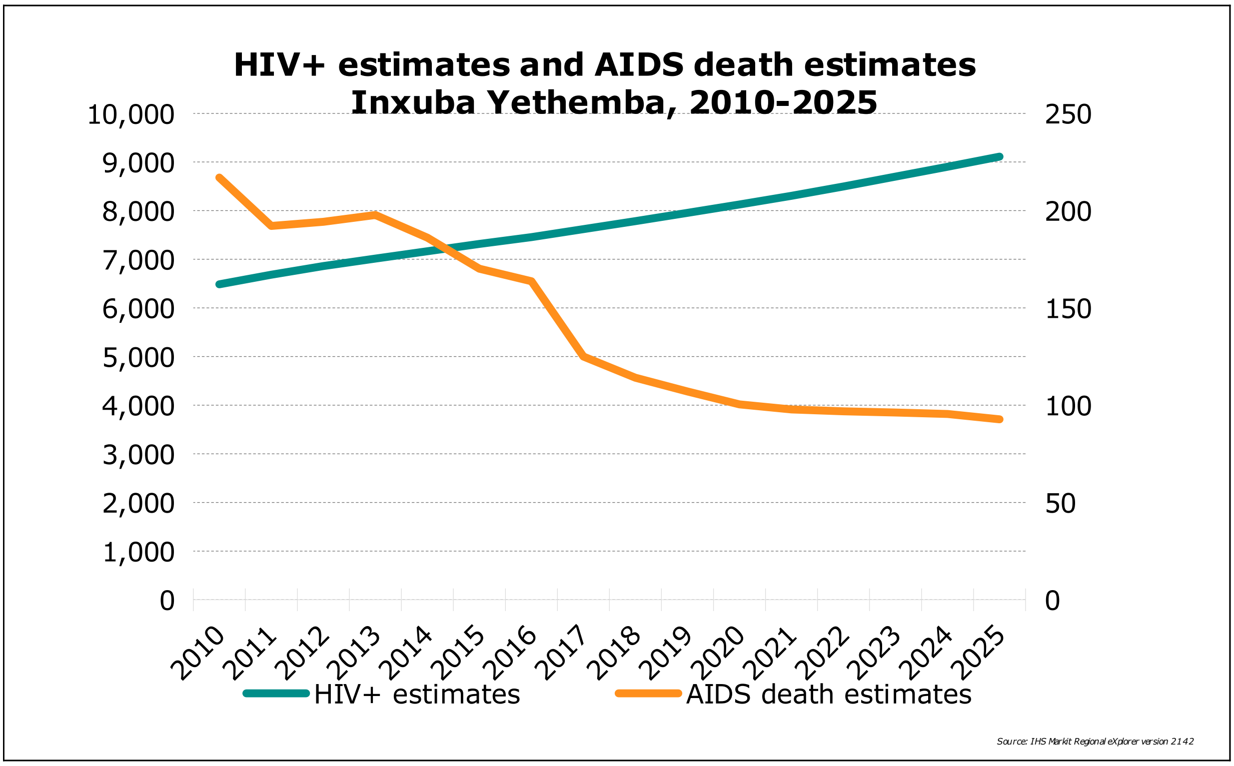
TABLE 6. NUMBER OF HIV+ PEOPLE - INXUBA YETHEMBA, CHRIS HANI, EASTERN CAPE AND NATIONAL TOTAL, 2010-2020 [NUMBER AND PERCENTAGE]

	Inxuba Yethemba	Chris Hani	Eastern Cape	National Total	Inxuba Yethemba as % of district municipality	Inxuba Yethemba as % of province	Inxuba Yethemba as % of national
2010	6,490	97,200	785,000	6,340,000	*6.7%*	*0.83%*	*0.10%*
2011	6,680	99,500	803,000	6,520,000	*6.7%*	*0.83%*	*0.10%*
2012	6,860	102,000	819,000	6,680,000	*6.8%*	*0.84%*	*0.10%*
2013	7,020	103,000	833,000	6,820,000	*6.8%*	*0.84%*	*0.10%*
2014	7,160	105,000	847,000	6,960,000	*6.8%*	*0.85%*	*0.10%*
2015	7,320	107,000	861,000	7,110,000	*6.8%*	*0.85%*	*0.10%*
2016	7,450	109,000	874,000	7,250,000	*6.8%*	*0.85%*	*0.10%*
2017	7,620	111,000	890,000	7,420,000	*6.8%*	*0.86%*	*0.10%*
2018	7,780	114,000	906,000	7,600,000	*6.8%*	*0.86%*	*0.10%*
2019	7,960	116,000	922,000	7,780,000	*6.8%*	*0.86%*	*0.10%*
2020	8,130	119,000	939,000	7,970,000	*6.8%*	*0.87%*	*0.10%*
Average Annual growth							
2010-2020	***2.28%***	***2.02%***	***1.81%***	***2.31%***			

Source: IHS Markit Regional eXplorer version 2142

In 2020, 8 130 people in the Inxuba Yethemba Local Municipality were infected with HIV. This reflects an increase at an average annual rate of 2.28% since 2010, and in 2020 represented 10.94% of the local municipality's total population. The Chris Hani District Municipality had an average annual growth rate of 2.02% from 2010 to 2020 in the number of people infected with HIV, which is lower than that of the Inxuba Yethemba Local Municipality. The number of infections in the Eastern Cape Province increased from 785,000 in 2010 to 940,000 in 2020. When looking at the South Africa as a whole it can be seen that the number of people that are infected increased from 2010 to 2020 with an average annual growth rate of 2.31%.

CHART 7. AIDS PROFILE AND FORECAST - INXUBA YETHEMBA LOCAL MUNICIPALITY, 2010-2025 [NUMBERS]



Presenting the number of HIV+ people against the number of people living with AIDS, the people with AIDS added up to 217 in 2010 and 100 for 2020. This number denotes a decrease from 2010 to 2020 with a high average annual rate of -7.42% (or -117 people).

For the year 2020, they represented 0.14% of the total population of the entire local municipality.

2.3. Economy

The economic state of Inxuba Yethemba Local Municipality is put in perspective by comparing it on a spatial level with its neighbouring locals, Chris Hani District Municipality, Eastern Cape Province and South Africa.

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

2.4. Gross Domestic Product by Region (GDP-R)

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

Definition: Gross Domestic Product by Region (GDP-R) represents the value of all goods and services produced within a region, over a period of one year, plus taxes and minus subsidies.

GDP-R can be measured using either current or constant prices, where the current prices measures the economy in actual Rand, and constant prices measures the economy by removing the effect of inflation, and therefore captures the real growth in volumes, as if prices were fixed in a given base year.

TABLE 7. GROSS DOMESTIC PRODUCT (GDP) - INXUBA YETHEMBA, CHRIS HANI, EASTERN CAPE AND NATIONAL TOTAL, 2010-2020 [R BILLIONS, CURRENT PRICES]

	Inxuba Yethemba	Chris Hani	Eastern Cape	National Total	Inxuba Yethemba as % of district municipality	Inxuba Yethemba as % of province	Inxuba Yethemba as % of national
2010	2.9	16.7	211.6	2,748.0	*17.5%*	*1.38%*	*0.11%*
2011	3.1	18.0	226.0	3,023.7	*17.5%*	*1.39%*	*0.10%*
2012	3.6	20.2	252.3	3,253.9	*17.8%*	*1.43%*	*0.11%*
2013	4.0	21.9	273.2	3,540.0	*18.1%*	*1.45%*	*0.11%*
2014	4.3	23.7	293.6	3,805.3	*18.3%*	*1.47%*	*0.11%*
2015	4.7	25.6	316.3	4,049.9	*18.3%*	*1.48%*	*0.12%*
2016	5.0	27.1	334.4	4,359.1	*18.4%*	*1.49%*	*0.11%*
2017	5.4	29.0	358.6	4,653.6	*18.4%*	*1.49%*	*0.12%*
2018	5.6	30.4	375.5	4,873.9	*18.4%*	*1.49%*	*0.11%*
2019	5.8	31.3	387.4	5,077.6	*18.4%*	*1.49%*	*0.11%*
2020	5.6	30.7	378.1	4,973.0	*18.4%*	*1.49%*	*0.11%*

Source: IHS Markit Regional eXplorer version 2142

With a GDP of R 5.64 billion in 2020 (up from R 2.92 billion in 2010), the Inxuba Yethemba Local Municipality contributed 18.39% to the Chris Hani District Municipality GDP of R 30.7 billion in 2020 increasing in the share of the Chris Hani from 17.51% in 2010. The Inxuba Yethemba Local Municipality contributes 1.49% to the GDP of Eastern Cape Province and 0.11% the GDP of South Africa which had a total GDP of R 4.97 trillion in 2020 (as measured in nominal or current prices). It's contribution to the national economy stayed similar in importance from 2010 when it contributed 0.11% to South Africa, but it is lower than the peak of 0.12% in 2015.

TABLE 8. GROSS DOMESTIC PRODUCT (GDP) - INXUBA YETHEMBA, CHRIS HANI, EASTERN CAPE AND NATIONAL TOTAL, 2010-2020 [ANNUAL PERCENTAGE CHANGE, CONSTANT 2010 PRICES]

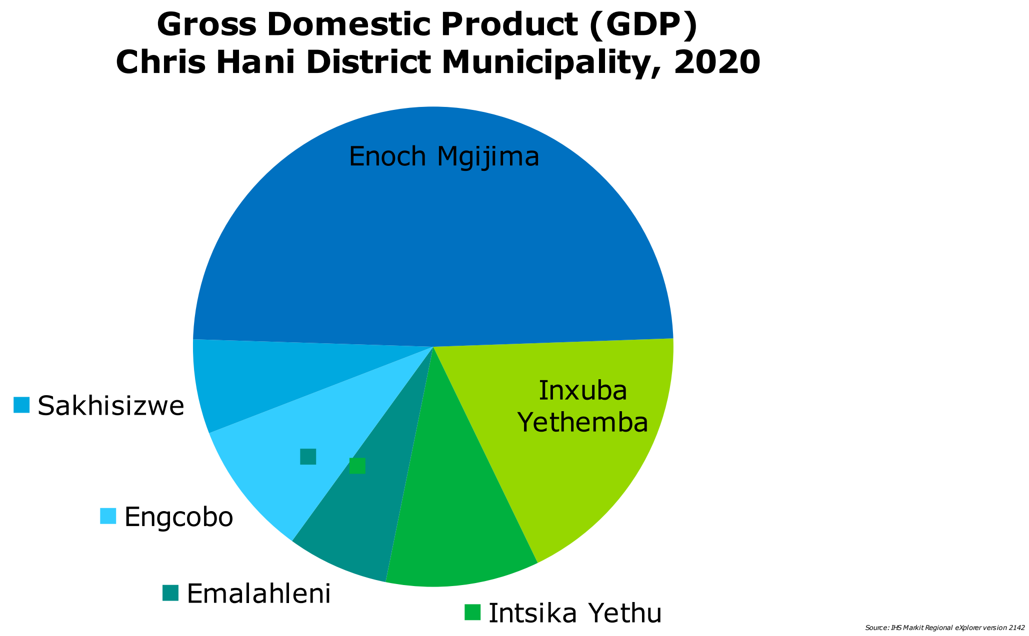
	Inxuba Yethemba	Chris Hani	Eastern Cape	National Total
2010	4.7%	1.7%	2.4%	3.0%
2011	3.7%	3.6%	3.7%	3.3%
2012	4.1%	2.1%	2.0%	2.2%
2013	3.1%	1.5%	1.4%	2.5%
2014	2.9%	2.1%	1.3%	1.8%
2015	1.5%	1.2%	0.8%	1.2%
2016	0.3%	0.6%	0.7%	0.4%
2017	1.8%	1.0%	0.6%	1.4%
2018	0.8%	0.4%	0.6%	0.8%
2019	0.5%	0.3%	0.0%	0.2%
2020	-5.9%	-5.7%	-6.7%	-7.0%
Average Annual growth 2010-2020	***1.23***%	***0.69***%	***0.41***%	***0.64***%

Source: IHS Markit Regional eXplorer version 2142

In 2020, the Inxuba Yethemba Local Municipality achieved an annual growth rate of -5.94% which is a significantly higher GDP growth than the Eastern Cape Province's -6.71%, but is higher than that of South Africa, where the 2020 GDP growth rate was -6.98%. Contrary to the short-term growth rate of 2020, the longer-term average growth rate for Inxuba Yethemba (1.23%) is slightly higher than that of South Africa (0.64%).

The economic growth in Inxuba Yethemba peaked in 2010 at 4.72%.

CHART 8. GROSS DOMESTIC PRODUCT (GDP) - INXUBA YETHEMBA LOCAL MUNICIPALITY AND THE REST OF CHRIS HANI, 2020 [PERCENTAGE]



The Inxuba Yethemba Local Municipality had a total GDP of R 5.64 billion and in terms of total contribution towards Chris Hani District Municipality the Inxuba Yethemba Local Municipality ranked second relative to all the regional economies to total Chris Hani District Municipality GDP. This ranking in terms of size compared to other regions of Inxuba Yethemba remained the same since 2010. In terms of its share, it was in 2020 (18.4%) slightly larger compared to what it was in 2010 (17.5%). For the period 2010 to 2020, the average annual growth rate of 1.2% of Inxuba Yethemba was the highest relative to its peers in terms of growth in constant 2010 prices.

TABLE 9. GROSS DOMESTIC PRODUCT (GDP) - REGIONS WITHIN CHRIS HANI DISTRICT MUNICIPALITY, 2010 TO 2020, SHARE AND GROWTH

	2020 (Current prices)	Share of district municipality	2010 (Constant prices)	2020 (Constant prices)	Average Annual growth
Inxuba Yethemba	5.64	*18.39%*	2.95	3.34	***1.23***%
Intsika Yethu	3.17	*10.34%*	1.68	1.82	***0.83***%
Emalahleni	2.09	*6.83%*	1.17	1.20	***0.29***%
Engcobo	2.80	*9.14%*	1.58	1.64	***0.40***%
Sakhisizwe	1.95	*6.35%*	1.05	1.13	***0.81***%
Enoch Mgijima	15.01	*48.95%*	8.26	8.73	***0.55***%

Source: IHS Markit Regional eXplorer version 2142

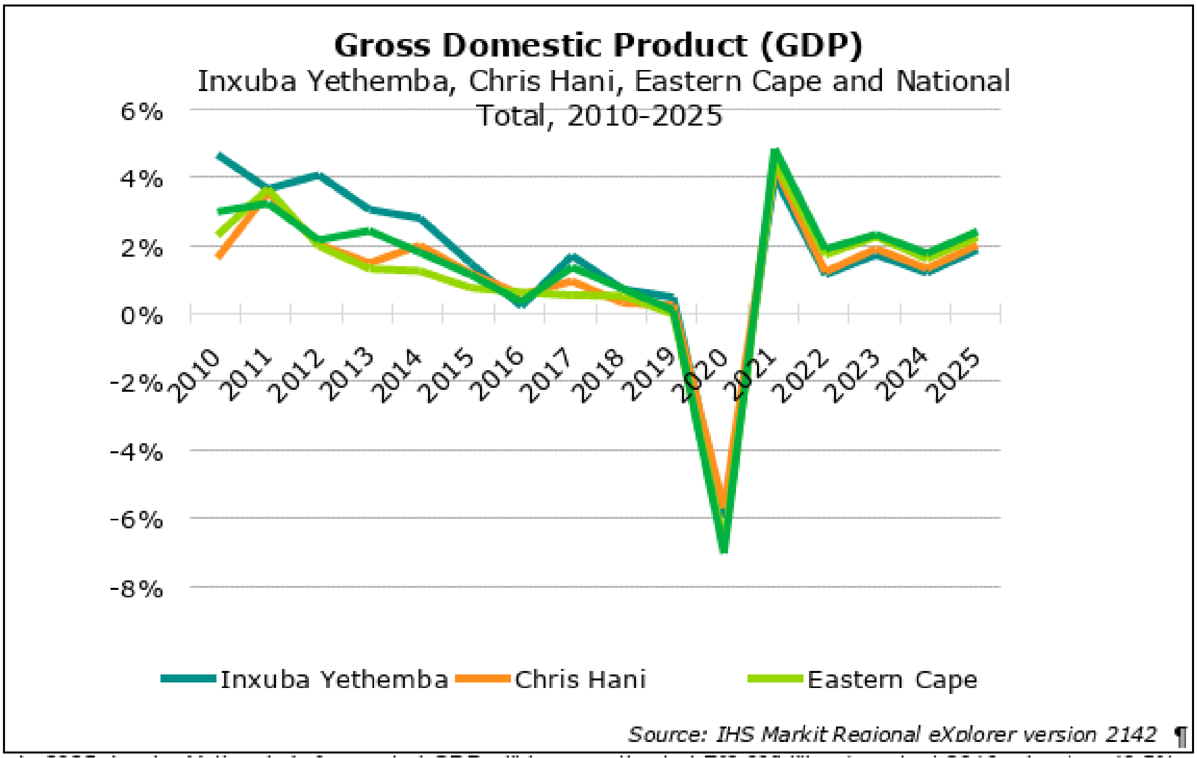
Inxuba Yethemba had the highest average annual economic growth, averaging 1.23% between 2010 and 2020, when compared to the rest of the regions within Chris Hani District Municipality. The Intsika Yethu Local

Municipality had the second highest average annual growth rate of 0.83%. Emalahleni Local Municipality had the lowest average annual growth rate of 0.29% between 2010 and 2020.

2.5. Economic Growth Forecast

It is expected that Inxuba Yethemba Local Municipality will grow at an average annual rate of 2.05% from 2020 to 2025. The average annual growth rate in the GDP of Chris Hani District Municipality and Eastern Cape Province is expected to be 2.21% and 2.51% respectively. South Africa is forecasted to grow at an average annual growth rate of 2.69%, which is higher than that of the Inxuba Yethemba Local Municipality.

TABLE 10. GROSS DOMESTIC PRODUCT (GDP) - INXUBA YETHEMBA, CHRIS HANI, EASTERN CAPE AND NATIONAL TOTAL, 2010-2025 [AVERAGE ANNUAL GROWTH RATE, CONSTANT 2010 PRICES]



In 2025, Inxuba Yethemba's forecasted GDP will be an estimated R 3.69 billion (constant 2010 prices) or 18.5% of the total GDP of Chris Hani District Municipality. The ranking in terms of size of the Inxuba Yethemba Local Municipality will remain the same between 2020 and 2025, with a contribution to the Chris Hani District Municipality GDP of 18.5% in 2025 compared to the 18.7% in 2020. At a 2.05% average annual GDP growth rate between 2020 and 2025, Inxuba Yethemba ranked the fifth compared to the other regional economies.

TABLE 11. GROSS DOMESTIC PRODUCT (GDP) - REGIONS WITHIN CHRIS HANI DISTRICT MUNICIPALITY, 2010 TO 2025, SHARE AND GROWTH

	2025 (Current prices)	Share of district municipality	2010 (Constant prices)	2025 (Constant prices)	Average Annual growth
Inxuba Yethemba	7.82	*18.30%*	2.95	3.69	***1.50***%
Intsika Yethu	4.61	*10.80%*	1.68	2.11	***1.54***%
Emalahleni	2.88	*6.73%*	1.17	1.31	***0.76***%
Engcobo	3.90	*9.13%*	1.58	1.83	***0.99***%

	2025 (Current prices)	Share of district municipality	2010 (Constant prices)	2025 (Constant prices)	Average Annual growth
Sakhisizwe	2.80	*6.54%*	1.05	1.29	***1.41***%
Enoch Mgijima	20.73	*48.51%*	8.26	9.70	***1.08***%

Source: IHS Markit Regional eXplorer version 2142

2.6. Gross Value Added by Region (GVA-R)

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

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

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

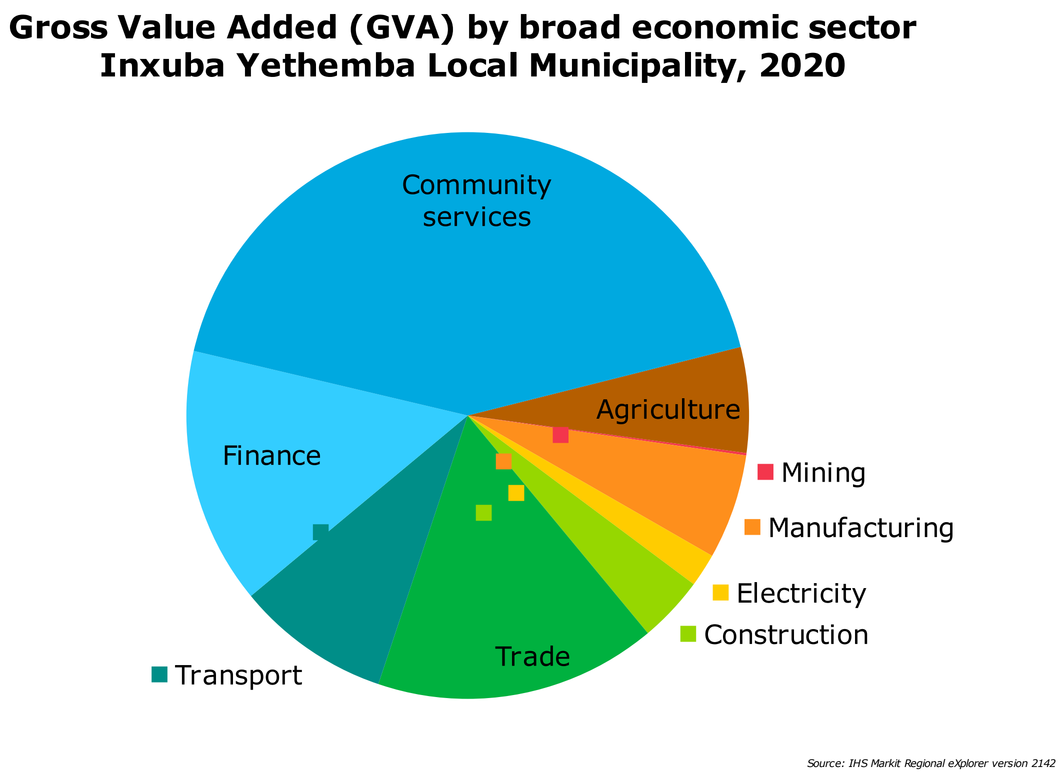
TABLE 12. GROSS VALUE ADDED (GVA) BY BROAD ECONOMIC SECTOR - INXUBA YETHEMBA LOCAL MUNICIPALITY, 2020 [R BILLIONS, CURRENT PRICES]

	IYM	Chris Hani	Eastern Cape	National Total	IYM as % of district municipality	IYM as % of province	IYM as % of national
Agriculture	0.3	0.8	6.3	119.6	*39.7%*	*4.9%*	*0.26%*
Mining	0.0	0.0	0.5	371.9	*22.9%*	*1.4%*	*0.00%*
Manufacturing	0.3	1.5	43.5	573.4	*20.7%*	*0.7%*	*0.05%*
Electricity	0.1	0.7	9.1	167.2	*14.4%*	*1.1%*	*0.06%*
Construction	0.2	0.9	10.9	140.2	*21.1%*	*1.8%*	*0.14%*
Trade	0.8	5.8	65.7	655.2	*14.5%*	*1.3%*	*0.13%*
Transport	0.5	1.9	27.0	396.4	*23.8%*	*1.7%*	*0.12%*
Finance	0.8	4.1	61.8	879.5	*18.5%*	*1.2%*	*0.09%*
Community services	2.2	12.2	111.1	1,125.3	*18.0%*	*2.0%*	*0.20%*
Total Industries	**5.2**	**28.0**	**335.8**	**4,428.7**	***18.5%***	***1.5%***	***0.12%***

Source: IHS Markit Regional eXplorer version 2142

In 2020, the community services sector is the largest within Inxuba Yethemba Local Municipality accounting for R 2.2 billion or 42.4% of the total GVA in the local municipality's economy. The sector that contributes the second most to the GVA of the Inxuba Yethemba Local Municipality is the trade sector at 16.2%, followed by the finance sector with 14.7%. The sector that contributes the least to the economy of Inxuba Yethemba Local Municipality is the mining sector with a contribution of R 7.01 million or 0.14% of the total GVA.

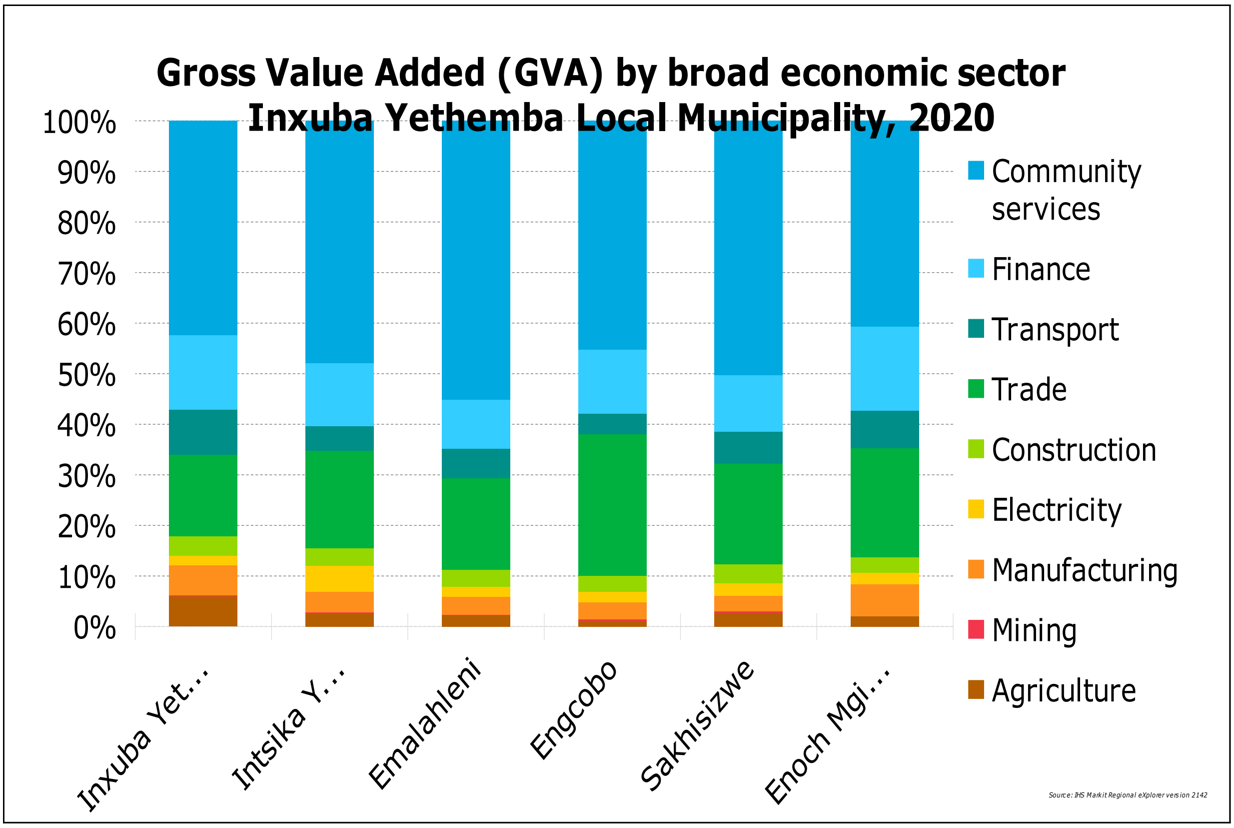
CHART 9. GROSS VALUE ADDED (GVA) BY BROAD ECONOMIC SECTOR - INXUBA YETHEMBA LOCAL MUNICIPALITY, 2020 [PERCENTAGE COMPOSITION]



The community sector, which includes the government services, is generally a large contributor towards GVA. When looking at all the regions within the Chris Hani District Municipality, it is clear that the Enoch Mgijima contributes the most community services towards its own GVA, with 45.71%, relative to the other regions within Chris Hani District Municipality.

The Enoch Mgijima contributed R 13.8 billion or 49.17% to the GVA of Chris Hani District Municipality. The Enoch Mgijima also contributes the most the overall GVA of Chris Hani District Municipality.

CHART 10. GROSS VALUE ADDED (GVA) BY BROAD ECONOMIC SECTOR - INXUBA YETHEMBA, INTSIKA YETHU, EMALAHLENI, ENGCOBO, SAKHISIZWE AND ENOCH MGIJIMA, 2020 [PERCENTAGE COMPOSITION]



2.7. Historical Economic Growth

For the period 2020 and 2010, the GVA in the mining sector had the highest average annual growth rate in Inxuba Yethemba at 3.21%. The industry with the second highest average annual growth rate is the finance sector averaging at 2.31% per year. The construction sector had an average annual growth rate of -1.12%, while the electricity sector had the lowest average annual growth of -2.36%. Overall, a negative growth existed for all the industries in 2020 with an annual growth rate of -5.56% since 2019.

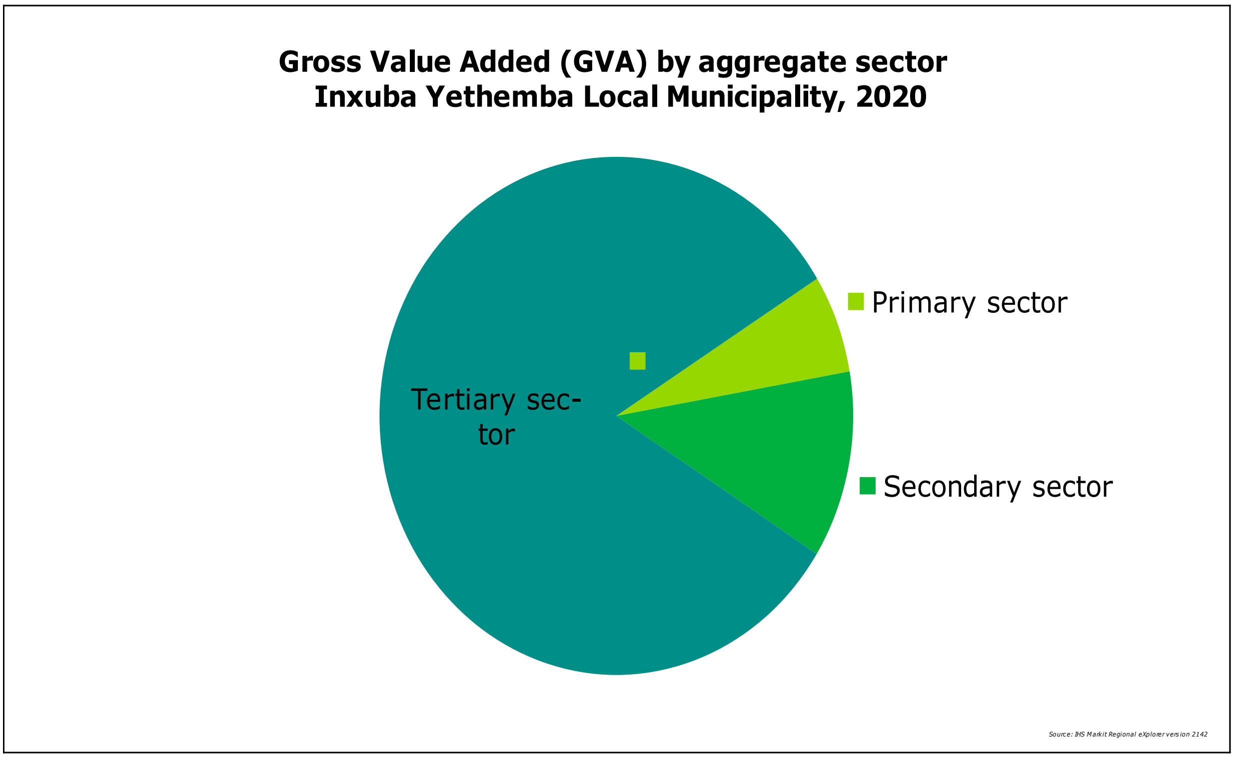
TABLE 13. GROSS VALUE ADDED (GVA) BY BROAD ECONOMIC SECTOR - INXUBA YETHEMBA LOCAL MUNICIPALITY, 2010, 2015 AND 2020 [R MILLIONS, 2010 CONSTANT PRICES]

	2010	2015	2020	Average Annual growth
Agriculture	128.7	158.8	145.0	***1.21***%
Mining	6.2	7.8	8.5	***3.21***%
Manufacturing	186.2	199.4	183.7	***-0.13***%
Electricity	32.9	29.1	25.9	***-2.36***%
Construction	130.4	149.3	116.6	***-1.12***%
Trade	456.8	533.3	500.7	***0.92***%
Transport	274.0	317.5	282.4	***0.30***%
Finance	411.7	504.9	517.5	***2.31***%
Community services	1,119.2	1,287.9	1,335.1	***1.78***%
Total Industries	**2,746.1**	**3,188.0**	**3,115.5**	***1.27***%

Source: IHS Markit Regional eXplorer version 2142

The tertiary sector contributes the most to the Gross Value Added within the Inxuba Yethemba Local Municipality at 82.2%. This is significantly higher than the national economy (69.0%). The secondary sector contributed a total of 11.7% (ranking second), while the primary sector contributed the least at 6.1%.

CHART 11. GROSS VALUE ADDED (GVA) BY AGGREGATE ECONOMIC SECTOR - INXUBA YETHEMBA LOCAL MUNICIPALITY, 2020 [PERCENTAGE]

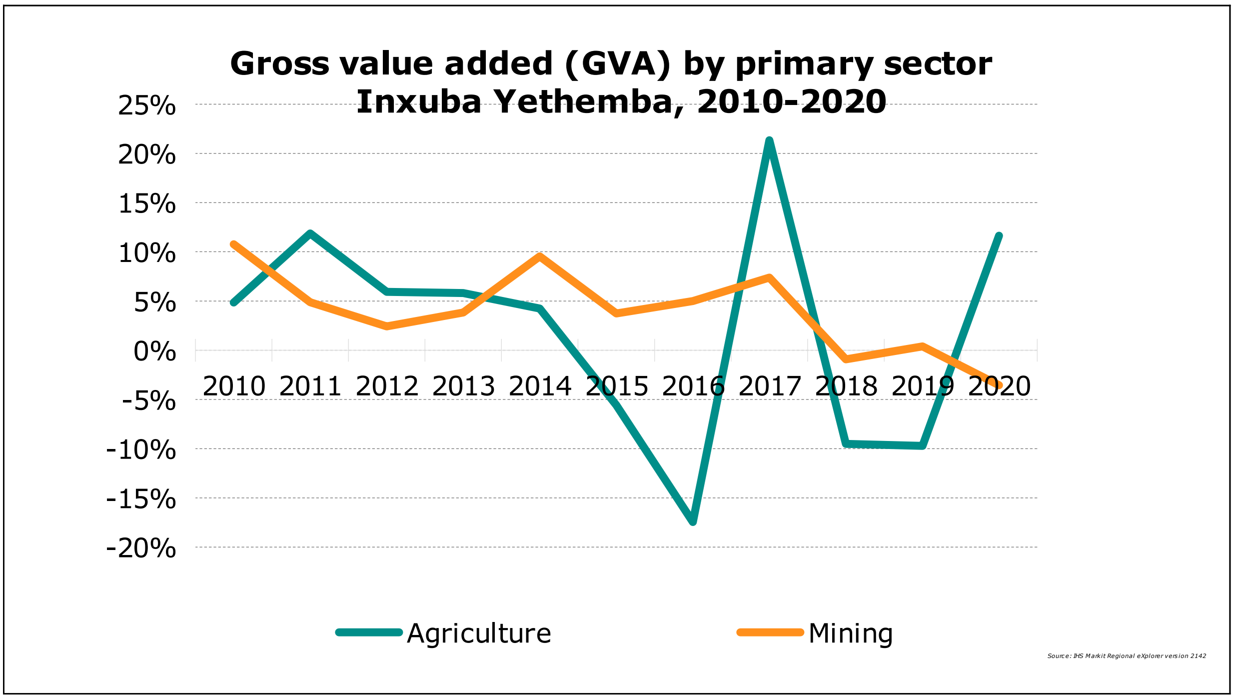


The following is a breakdown of the Gross Value Added (GVA) by aggregated sector:

2.7.1. Primary Sector

The primary sector consists of two broad economic sectors namely the mining and the agricultural sector. The following chart represents the average growth rate in the GVA for both of these sectors in Inxuba Yethemba Local Municipality from 2010 to 2020.

CHART 12. GROSS VALUE ADDED (GVA) BY PRIMARY SECTOR - INXUBA YETHEMBA, 2010-2020 [ANNUAL PERCENTAGE CHANGE]

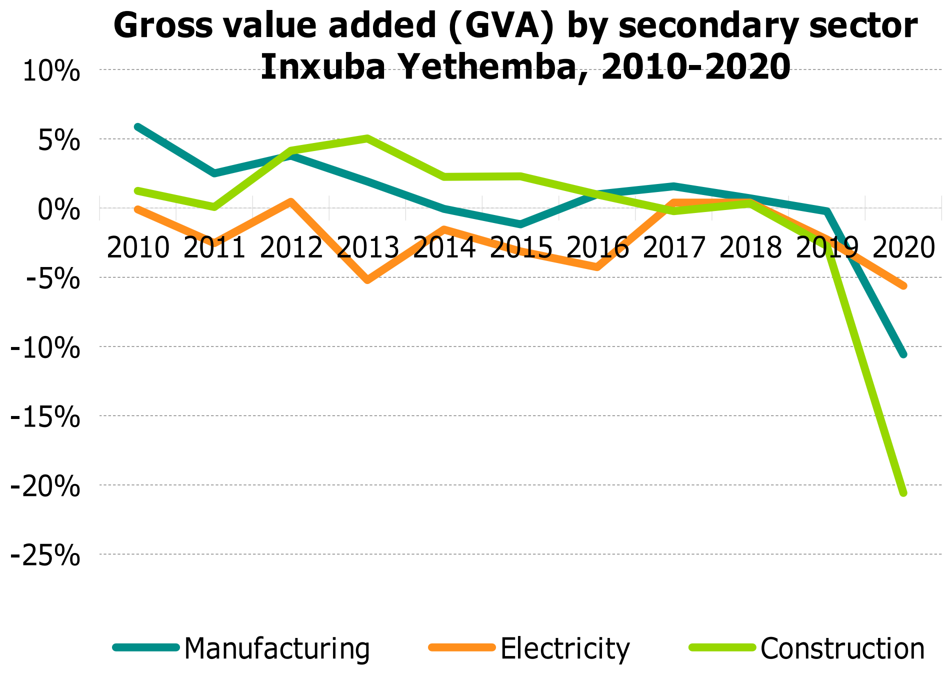


Between 2010 and 2020, the agriculture sector experienced the highest positive growth in 2017 with an average growth rate of 21.3%. The mining sector reached its highest point of growth of 10.8% in 2010. The agricultural sector experienced the lowest growth for the period during 2016 at -17.5%, while the mining sector reaching its lowest point of growth in 2020 at -3.6%. Both the agriculture and mining sectors are generally characterised by volatility in growth over the period.

2.7.2. Secondary Sector

The secondary sector consists of three broad economic sectors namely the manufacturing, electricity and the construction sector. The following chart represents the average growth rates in the GVA for these sectors in Inxuba Yethemba Local Municipality from 2010 to 2020.

CHART 13. GROSS VALUE ADDED (GVA) BY SECONDARY SECTOR - INXUBA YETHEMBA, 2010-2020 [ANNUAL PERCENTAGE CHANGE]



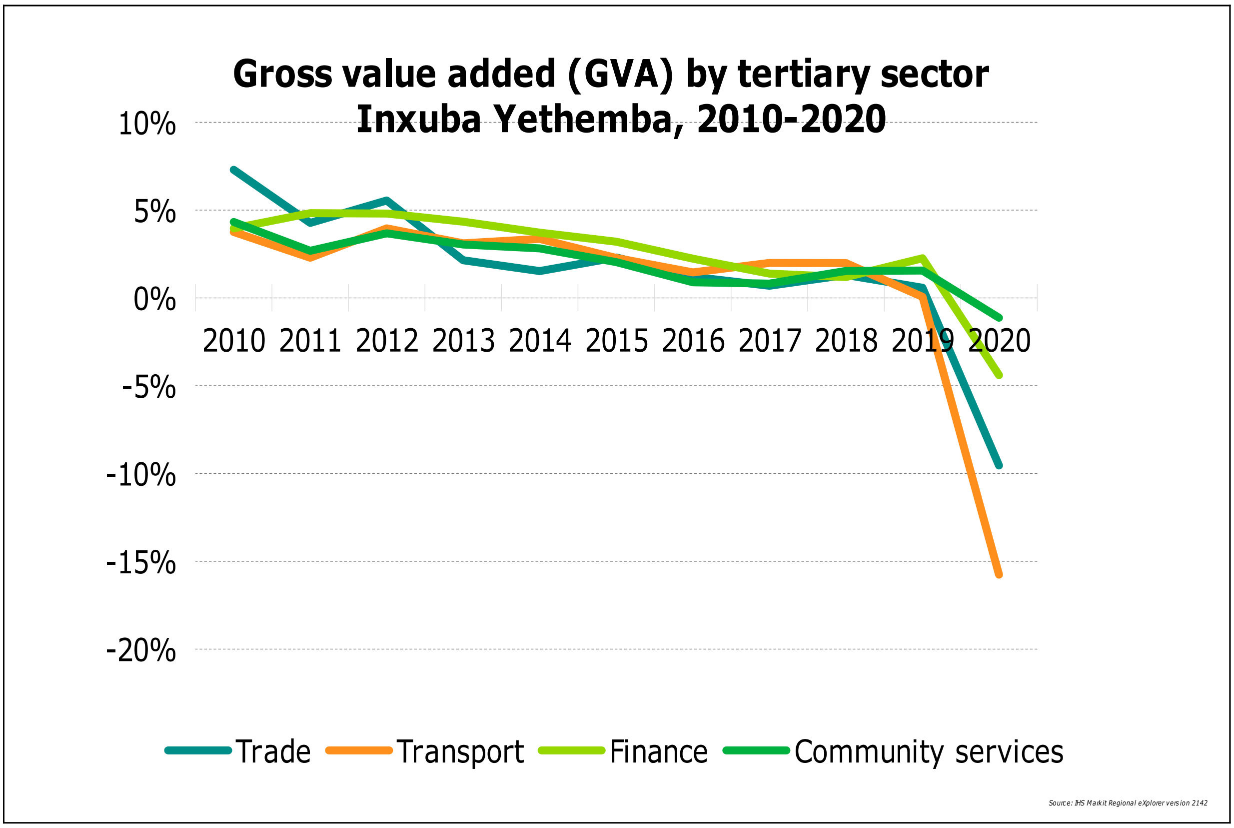
Source: IHS Markit Regional eXplorer version 2142

Between 2010 and 2020, the manufacturing sector experienced the highest positive growth in 2010 with a growth rate of 5.9%. The construction sector reached its highest growth in 2013 at 5.0%. The manufacturing sector experienced its lowest growth in 2020 of -10.6%, while construction sector also had the lowest growth rate in 2020 and it experiences a negative growth rate of -20.6% which is higher growth rate than that of the manufacturing sector. The electricity sector experienced the highest growth in 2012 at 0.4%, while it recorded the lowest growth of -5.6% in 2020.

2.7.3. Tertiary Sector

The tertiary sector consists of four broad economic sectors namely the trade, transport, finance and the community services sector. The following chart represents the average growth rates in the GVA for these sectors in Inxuba Yethemba Local Municipality from 2010 to 2020.

CHART 14. GROSS VALUE ADDED (GVA) BY TERTIARY SECTOR - INXUBA YETHEMBA, 2010-2020 [ANNUAL PERCENTAGE CHANGE]



The trade sector experienced the highest positive growth in 2010 with a growth rate of 7.3%. The transport sector reached its highest point of growth in 2012 at 4.0%. The finance sector experienced the highest growth rate in 2011 when it grew by 4.8% and recorded the lowest growth rate in 2020 at -4.4%. The Trade sector also had the lowest growth rate in 2020 at -9.5%. The community services sector, which largely consists of government, experienced its highest positive growth in 2010 with 4.3% and the lowest growth rate in 2020 with -1.1%.

2.7.4. Sector Growth forecast

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

TABLE 14. GROSS VALUE ADDED (GVA) BY BROAD ECONOMIC SECTOR - INXUBA YETHEMBA LOCAL MUNICIPALITY, 2020-2025 [R MILLIONS, CONSTANT 2010 PRICES]

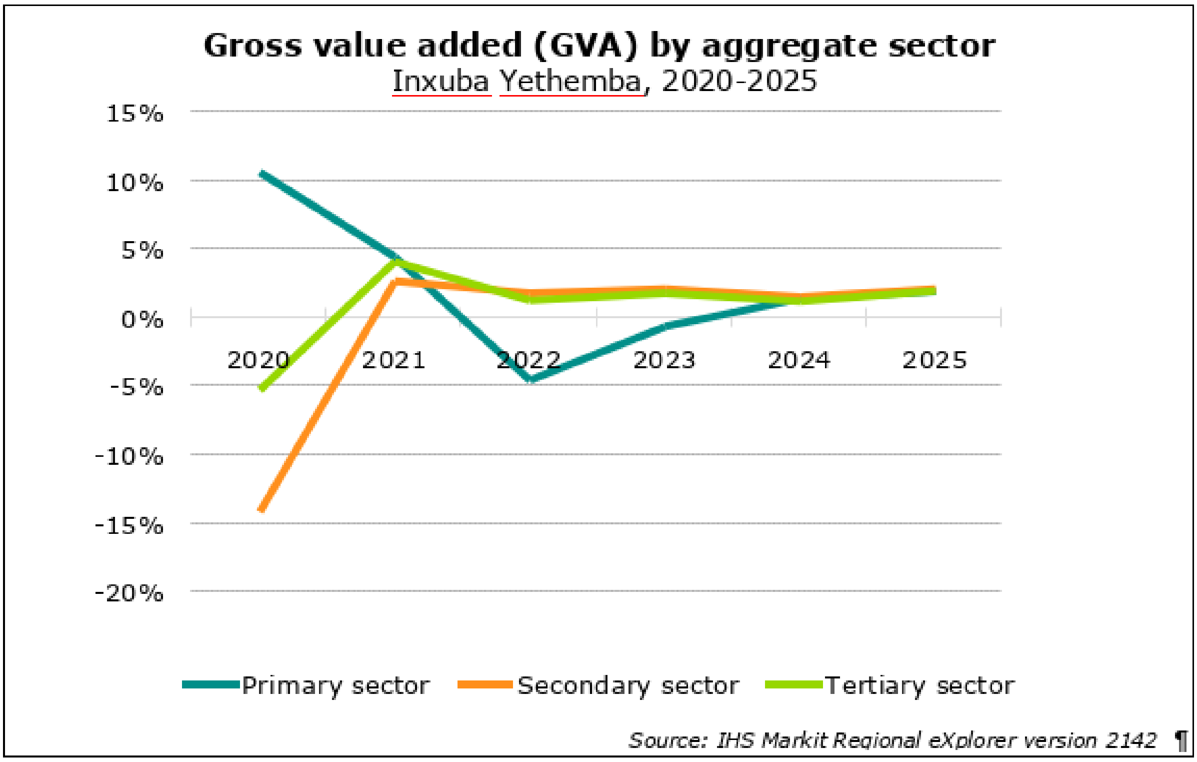
	2020	2021	2022	2023	2024	2025	Average Annual growth
Agriculture	145.0	151.1	144.1	143.5	145.9	149.1	***0.55***%
Mining	8.5	9.3	9.1	8.8	8.6	8.5	***0.19***%
Manufacturing	183.7	191.5	194.7	198.2	200.0	203.1	***2.03***%
Electricity	25.9	26.6	27.3	28.1	28.8	29.7	***2.77***%

	2020	2021	2022	2023	2024	2025	Average Annual growth
Construction	116.6	117.0	119.5	122.6	125.6	129.2	***2.07***%
Trade	500.7	536.7	551.9	568.7	575.8	587.1	***3.23***%
Transport	282.4	302.7	311.5	320.0	326.1	334.4	***3.44***%
Finance	517.5	524.3	538.3	549.4	561.0	576.1	***2.17***%
Community services	1,335.1	1,381.8	1,380.5	1,395.4	1,406.4	1,429.6	***1.38***%
Total Industries	**3,115.5**	**3,241.1**	**3,276.8**	**3,334.6**	**3,378.2**	**3,446.8**	***2.04%***

Source: IHS Markit Regional eXplorer version 2142

The transport sector is expected to grow fastest at an average of 3.44% annually from R 282 million in Inxuba Yethemba Local Municipality to R 334 million in 2025. The community services sector is estimated to be the largest sector within the Inxuba Yethemba Local Municipality in 2025, with a total share of 41.5% of the total GVA (as measured in current prices), growing at an average annual rate of 1.4%. The sector that is estimated to grow the slowest is the mining sector with an average annual growth rate of 0.19%.

TABLE 15. GROSS VALUE ADDED (GVA) BY AGGREGATE ECONOMIC SECTOR - INXUBA YETHEMBA LOCAL MUNICIPALITY, 2020-2025 [ANNUAL GROWTH RATE, CONSTANT 2010 PRICES]

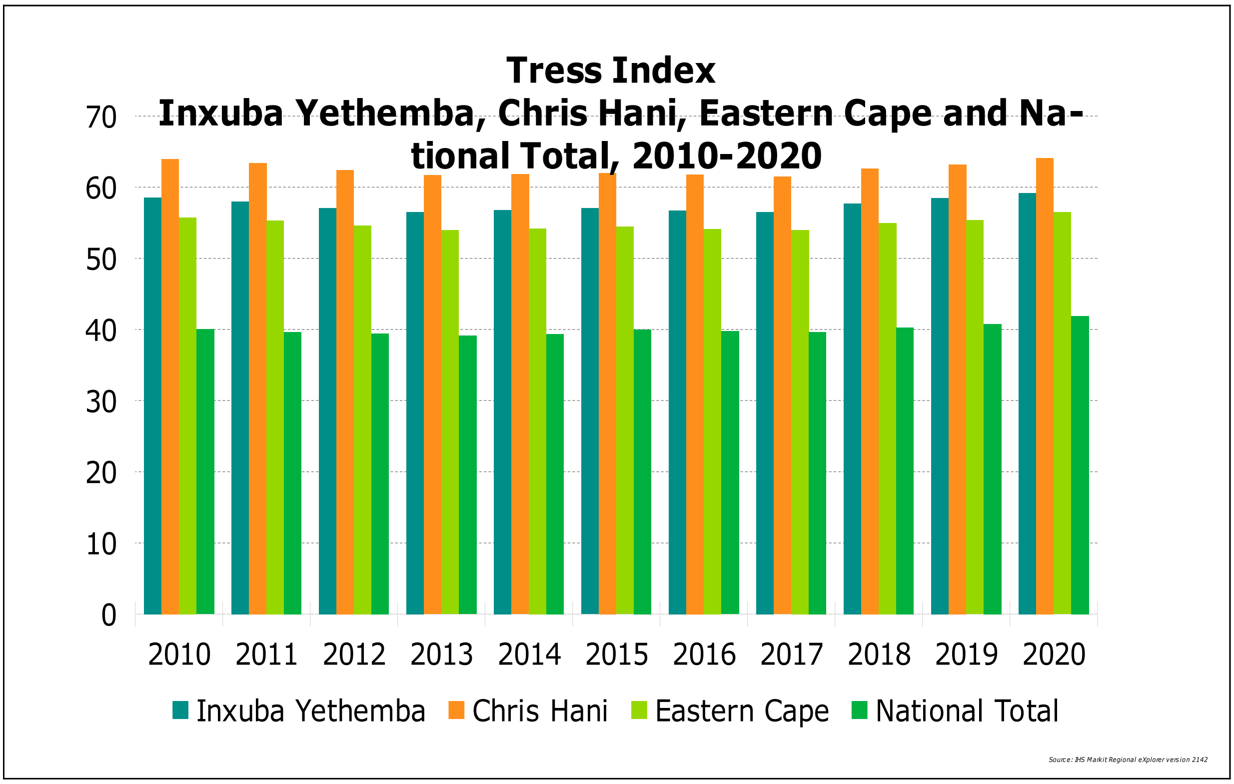


The Primary sector is expected to grow at an average annual rate of 0.53% between 2020 and 2025, with the Secondary sector growing at 2.10% on average annually. The Tertiary sector is expected to grow at an average annual rate of 2.12% for the same period.

2.8. Tress Index

Definition: The Tress index measures the degree of concentration of an area's economy on a sector basis. A Tress index value of 0 means that all economic sectors in the region contribute equally to GVA, whereas a Tress index of 100 means that only one economic sector makes up the whole GVA of the region.

CHART 15. TRESS INDEX - INXUBA YETHEMBA, CHRIS HANI, EASTERN CAPE AND NATIONAL TOTAL, 2010-2020 [NUMBER]



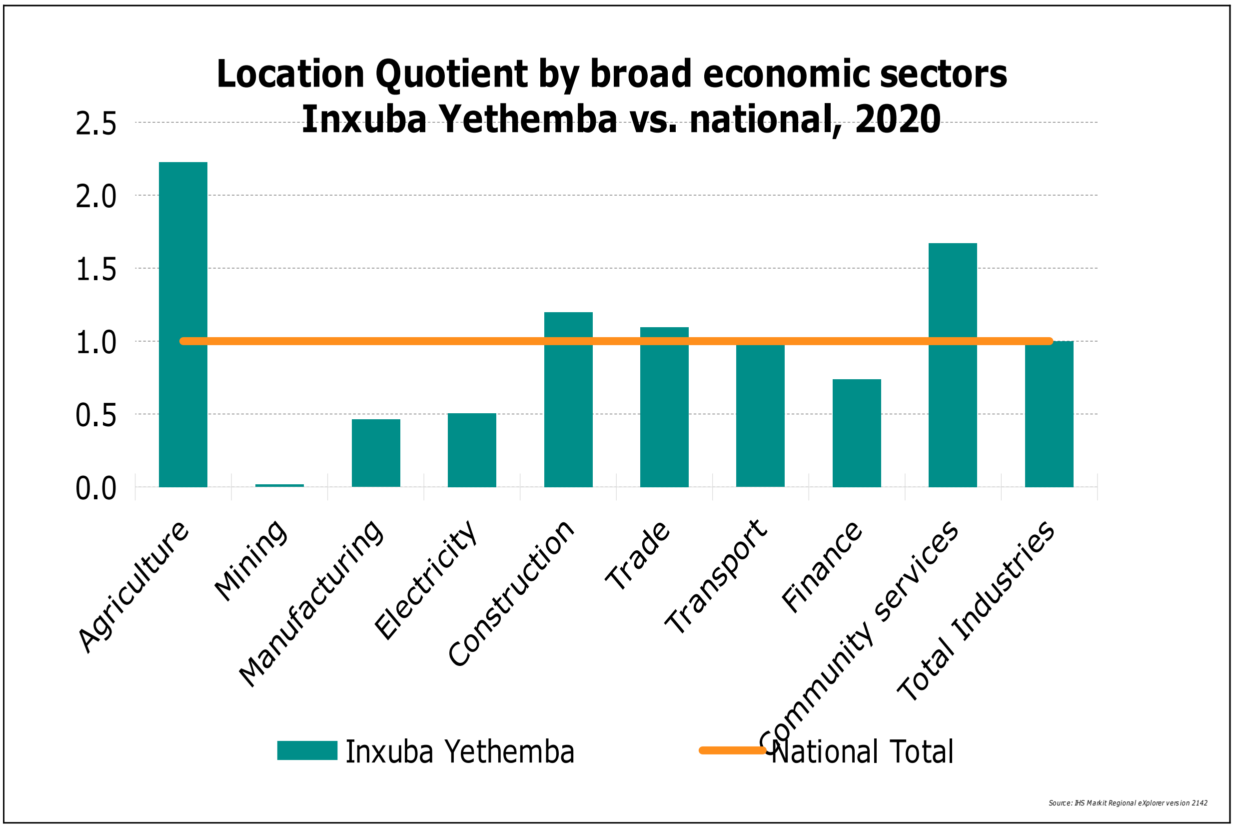
In 2020, Inxuba Yethemba's Tress Index was estimated at 59.2 which are lower than the 64.1 of the district municipality and higher than the 64.1 of the province. This implies that - on average - Inxuba Yethemba Local Municipality is less diversified in terms of its economic activity spread than the province's economy as a whole.

2.9. Location Quotient.

Definition: A specific regional economy has a comparative advantage over other regional economies if it can more efficiently produce the same good. The location quotient is one way of measuring this comparative advantage.

If the location quotient is larger than one for a specified sector within a region, then that region has a comparative advantage in that sector. This is because the share of that sector of the specified regional economy is greater than the same sector in the national economy. The location quotient is usually computed by taking the percentage share of the sector in the regional economy divided by the percentage share of that same sector in the national economy.

CHART 16. LOCATION QUOTIENT BY BROAD ECONOMIC SECTORS - INXUBA YETHEMBA LOCAL MUNICIPALITY AND SOUTH AFRICA, 2020 [NUMBER]



For 2020 Inxuba Yethemba Local Municipality has a very large comparative advantage in the agriculture sector. The community services sector also has a very large comparative advantage. The construction also has a comparative advantage when comparing it to the South Africa economy as a whole, although less prominent. The Inxuba Yethemba Local Municipality has a comparative disadvantage when it comes to the mining and manufacturing sector which has a very large comparative disadvantage. In general mining is a very concentrated economic sector. Unfortunately, the Inxuba Yethemba Local Municipality area currently does not have a lot of mining activity, with an LQ of only 0.0161.

2.10. Labour

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

TABLE 16. WORKING AGE POPULATION IN INXUBA YETHEMBA, CHRIS HANI, EASTERN CAPE, AND NATIONAL TOTAL, 2010 AND 2020 [NUMBER]

	Inxuba Yethemba		Chris Hani		Eastern Cape		National Total	
	2010	2020	2010	2020	2010	2020	2010	2020
15-19	5,730	4,720	90,400	70,400	713,000	614,000	5,220,000	4,730,000
20-24	5,900	5,100	72,600	59,900	657,000	552,000	5,350,000	4,780,000
25-29	5,850	6,980	57,800	73,000	542,000	672,000	4,780,000	5,460,000
30-34	4,910	6,130	46,400	66,100	445,000	630,000	3,900,000	5,580,000
35-39	4,980	5,920	47,100	58,100	427,000	515,000	3,420,000	4,800,000
40-44	4,520	5,110	42,200	47,100	367,000	414,000	2,810,000	3,740,000

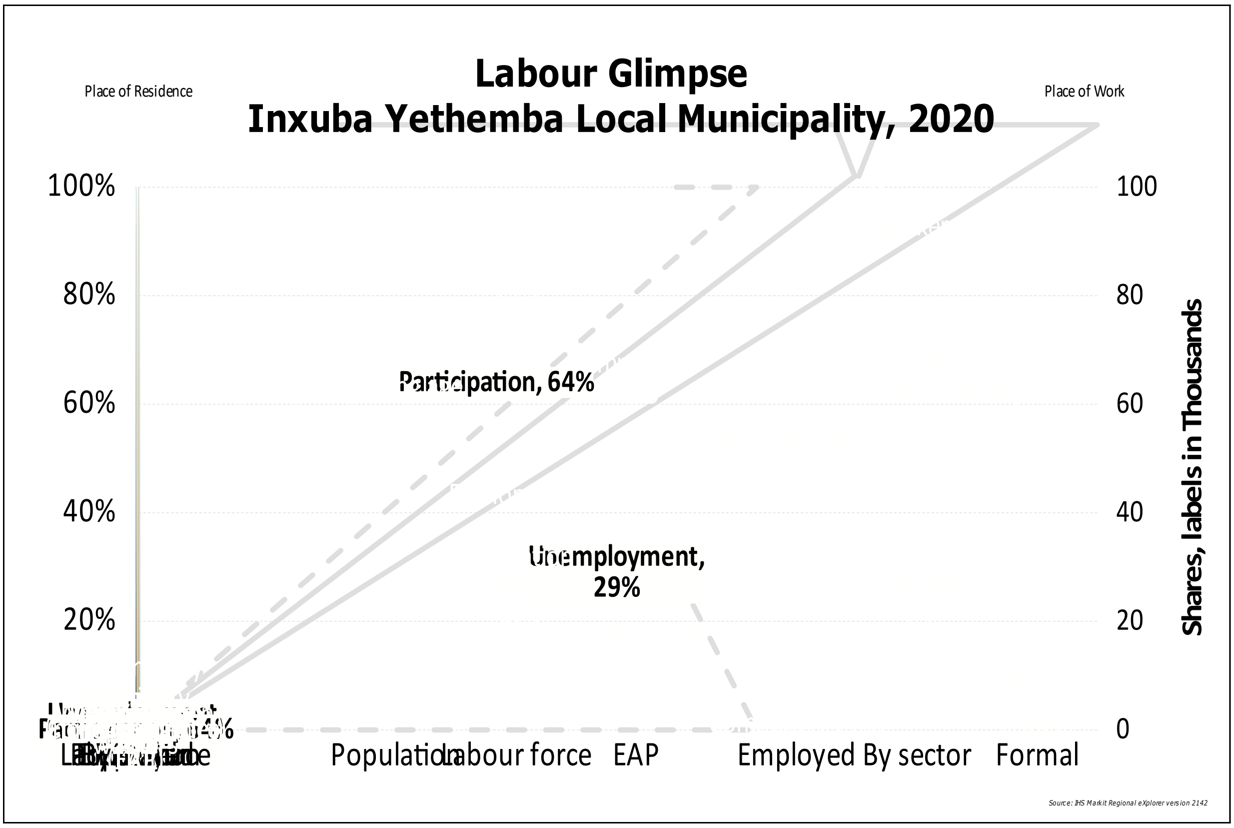
	Inxuba Yethemba		Chris Hani		Eastern Cape		National Total	
	2010	2020	2010	2020	2010	2020	2010	2020
45-49	3,840	4,440	38,900	46,200	322,000	384,000	2,520,000	3,180,000
50-54	3,340	3,800	35,700	41,200	277,000	322,000	2,150,000	2,570,000
55-59	2,620	3,470	28,400	38,400	214,000	285,000	1,750,000	2,270,000
60-64	2,150	3,010	24,800	34,300	178,000	246,000	1,410,000	1,900,000
Total	**43,800**	**48,700**	**485,000**	**535,000**	**4,140,000**	**4,630,000**	**33,300,000**	**39,000,000**

Source: IHS Markit Regional eXplorer version 2142

The working age population in Inxuba Yethemba in 2020 was 48 700, increasing at an average annual rate of 1.06% since 2010. For the same period the working age population for Chris Hani District Municipality increased at 0.99% annually, while that of Eastern Cape Province increased at 1.13% annually. South Africa's working age population has increased annually by 1.60% from 33.3 million in 2010 to 39 million in 2020.

The graph below combines all the facets of the labour force in the Inxuba Yethemba Local Municipality into one compact view. The chart is divided into "place of residence" on the left, which is measured from the population side, and "place of work" on the right, which is measured from the business side.

CHART 17. LABOUR GLIMPSE - INXUBA YETHEMBA LOCAL MUNICIPALITY, 2020



Reading the chart from the left-most bar, breaking down the total population of the Inxuba Yethemba Local Municipality (74 300) into working age and non-working age, the number of people that are of working age is about 48 700. As per definition, those that are of age 0 - 19 (youth) or age 65 and up (pensioners) are part of the non-working age population. Out of the working age group, 63.6% are participating in the labour force, meaning 31 000 residents of the local municipality forms currently part of the economically active population (EAP). Comparing this with the non-economically active population (NEAP) of the local municipality: fulltime students at tertiary institutions, disabled people, and those choosing not to work, sum to 17 700 people. Out of the economically active population, there are 9 010 that are unemployed, or when expressed as a percentage, an unemployment rate of 29.1%. Up to here all the statistics are measured at the place of residence.

On the far right we have the formal non-Agriculture jobs in Inxuba Yethemba, broken down by the primary (mining), secondary and tertiary industries. The majority of the formal employment lies in the Tertiary industry, with 10 000 jobs. When including the informal, agricultural and domestic workers, we have a total number of 21 400 jobs in the area. Formal jobs make up 56.4% of all jobs in the Inxuba Yethemba Local Municipality. The difference between the employment measured at the place of work, and the people employed living in the area can be explained by the net commuters that work outside of the local municipality.

2.11. Economically Active Population (EAP)

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

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

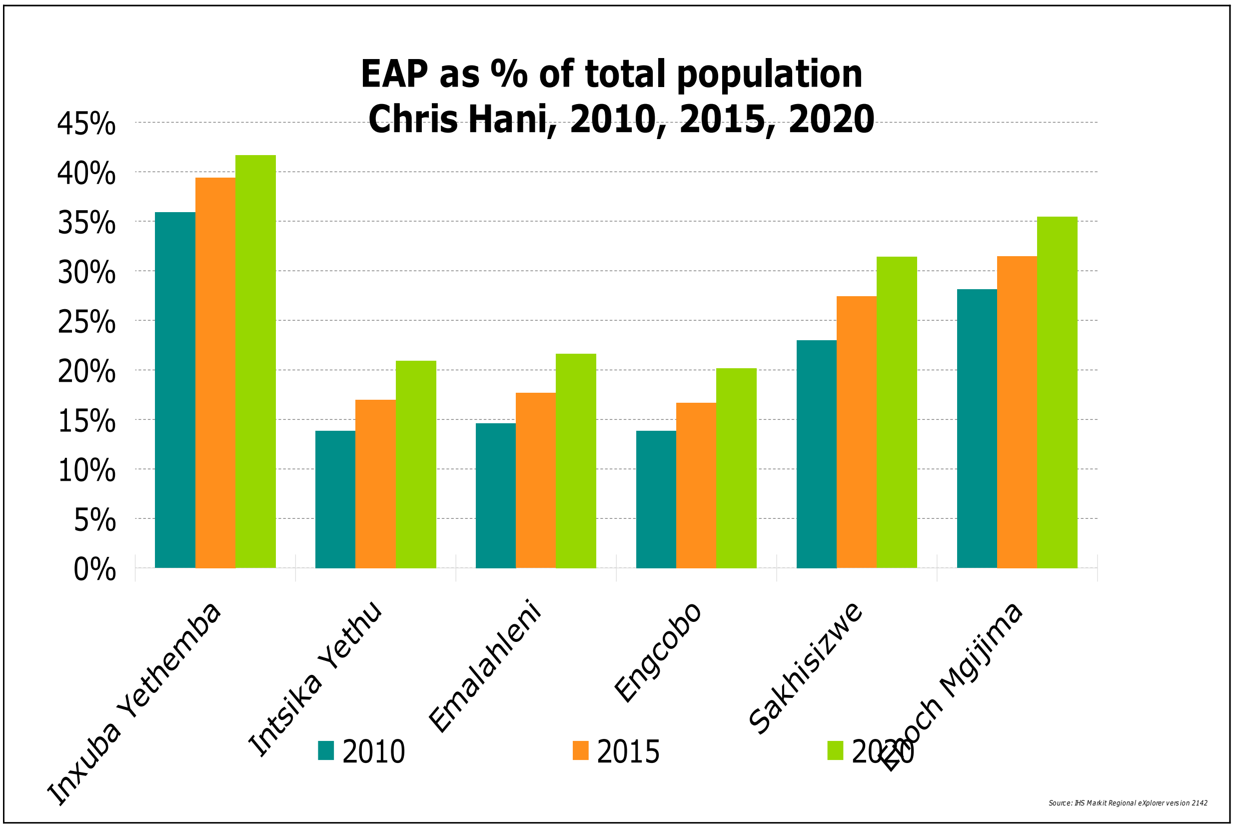
TABLE 17. ECONOMICALLY ACTIVE POPULATION (EAP) - INXUBA YETHEMBA, CHRIS HANI, EASTERN CAPE AND NATIONAL TOTAL, 2010-2020 [NUMBER, PERCENTAGE]

	Inxuba Yethemba	Chris Hani	Eastern Cape	National Total	Inxuba Yethemba as % of district municipality	Inxuba Yethemba as % of province	Inxuba Yethemba as % of national
2010	23,900	171,000	1,760,000	18,000,000	*14.0%*	*1.36%*	*0.13%*
2011	23,600	170,000	1,770,000	18,300,000	*13.9%*	*1.34%*	*0.13%*
2012	24,100	174,000	1,800,000	18,700,000	*13.9%*	*1.34%*	*0.13%*
2013	25,100	183,000	1,870,000	19,400,000	*13.7%*	*1.34%*	*0.13%*
2014	26,600	195,000	1,970,000	20,200,000	*13.6%*	*1.35%*	*0.13%*
2015	27,800	205,000	2,050,000	20,900,000	*13.5%*	*1.36%*	*0.13%*
2016	28,900	217,000	2,140,000	21,500,000	*13.3%*	*1.35%*	*0.13%*
2017	29,900	229,000	2,230,000	22,100,000	*13.0%*	*1.34%*	*0.14%*
2018	30,400	236,000	2,290,000	22,400,000	*12.9%*	*1.33%*	*0.14%*
2019	31,200	247,000	2,370,000	22,800,000	*12.6%*	*1.32%*	*0.14%*
2020	31,000	248,000	2,380,000	22,200,000	*12.5%*	*1.30%*	*0.14%*
Average Annual growth							
2010-2020	***2.62***%	***3.76***%	***3.06***%	***2.13***%			

Source: IHS Markit Regional eXplorer version 2142

Inxuba Yethemba Local Municipality's EAP was 31 000 in 2020, which is 41.66% of its total population of 74 300, and roughly 12.50% of the total EAP of the Chris Hani District Municipality. From 2010 to 2020, the average annual increase in the EAP in the Inxuba Yethemba Local Municipality was 2.62%, which is 1.14 percentage points lower than the growth in the EAP of Chris Hani's for the same period.

CHART 18. EAP AS % OF TOTAL POPULATION - INXUBA YETHEMBA AND THE REST OF CHRIS HANI, 2010, 2015, 2020 [PERCENTAGE]



In 2010, 35.9% of the total population in Inxuba Yethemba Local Municipality were classified as economically active which increased to 41.7% in 2020. Compared to the other regions in Chris Hani District Municipality, Inxuba Yethemba Local Municipality had the highest EAP as a percentage of the total population within its own region relative to the other regions. On the other hand, Engcobo Local Municipality had the lowest EAP with 20.1% people classified as economically active population in 2020.

2.12. Labour Force participation rate

Definition: The labour force participation rate (LFPR) is the Economically Active Population (EAP) expressed as a percentage of the total working age population.

The following is the labour participation rate of the Inxuba Yethemba, Chris Hani, Eastern Cape and National Total as a whole.

TABLE 18. THE LABOUR FORCE PARTICIPATION RATE - INXUBA YETHEMBA, CHRIS HANI, EASTERN CAPE AND NATIONAL TOTAL, 2010-2020 [PERCENTAGE]

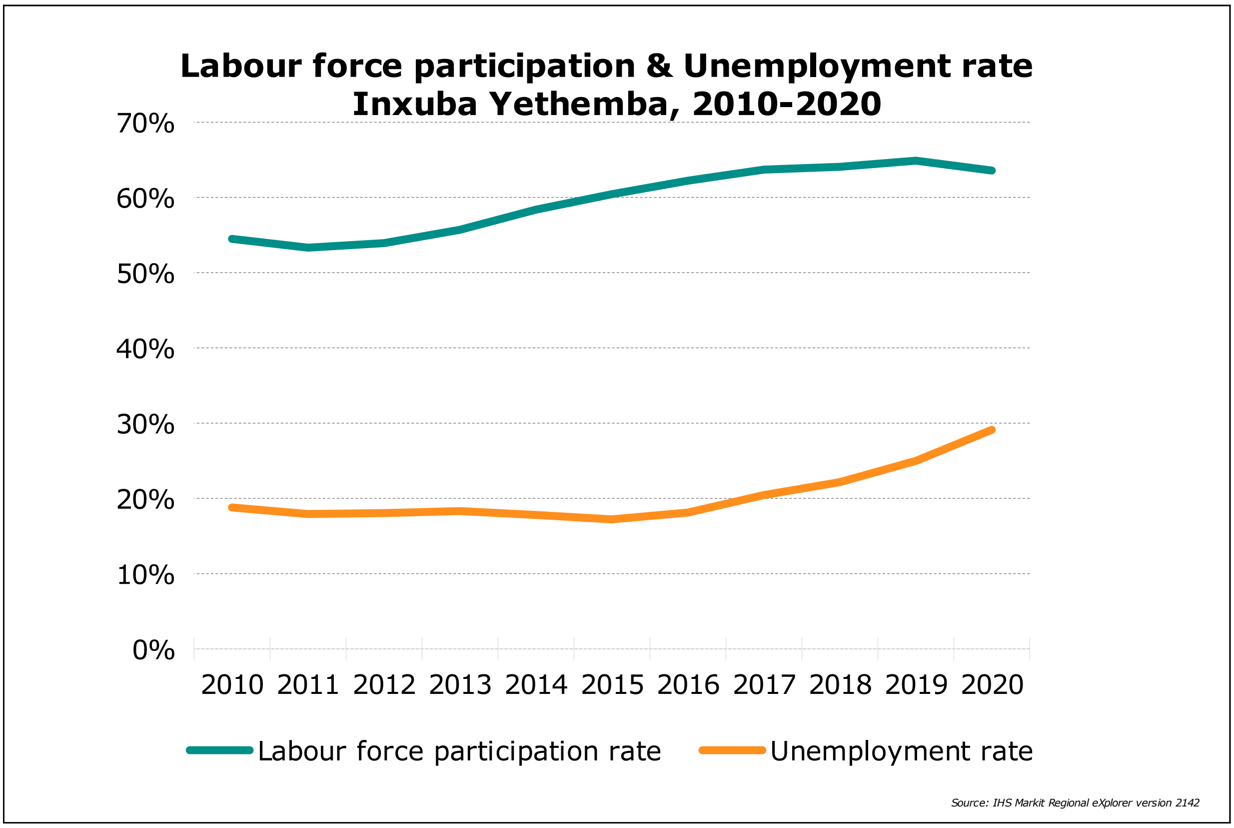
	Inxuba Yethemba	Chris Hani	Eastern Cape	National Total
2010	54.5%	35.3%	42.6%	54.1%
2011	53.3%	34.8%	42.2%	53.9%
2012	53.9%	35.4%	42.6%	54.3%
2013	55.7%	37.0%	43.9%	55.2%
2014	58.4%	39.2%	45.7%	56.6%
2015	60.4%	40.8%	47.0%	57.7%

	Inxuba Yethemba	Chris Hani	Eastern Cape	National Total
2016	62.2%	42.7%	48.6%	58.8%
2017	63.7%	44.8%	50.2%	59.5%
2018	64.1%	45.5%	50.8%	59.4%
2019	64.9%	46.9%	52.0%	59.4%
2020	63.6%	46.3%	51.4%	57.0%

Source: IHS Markit Regional eXplorer version 2142

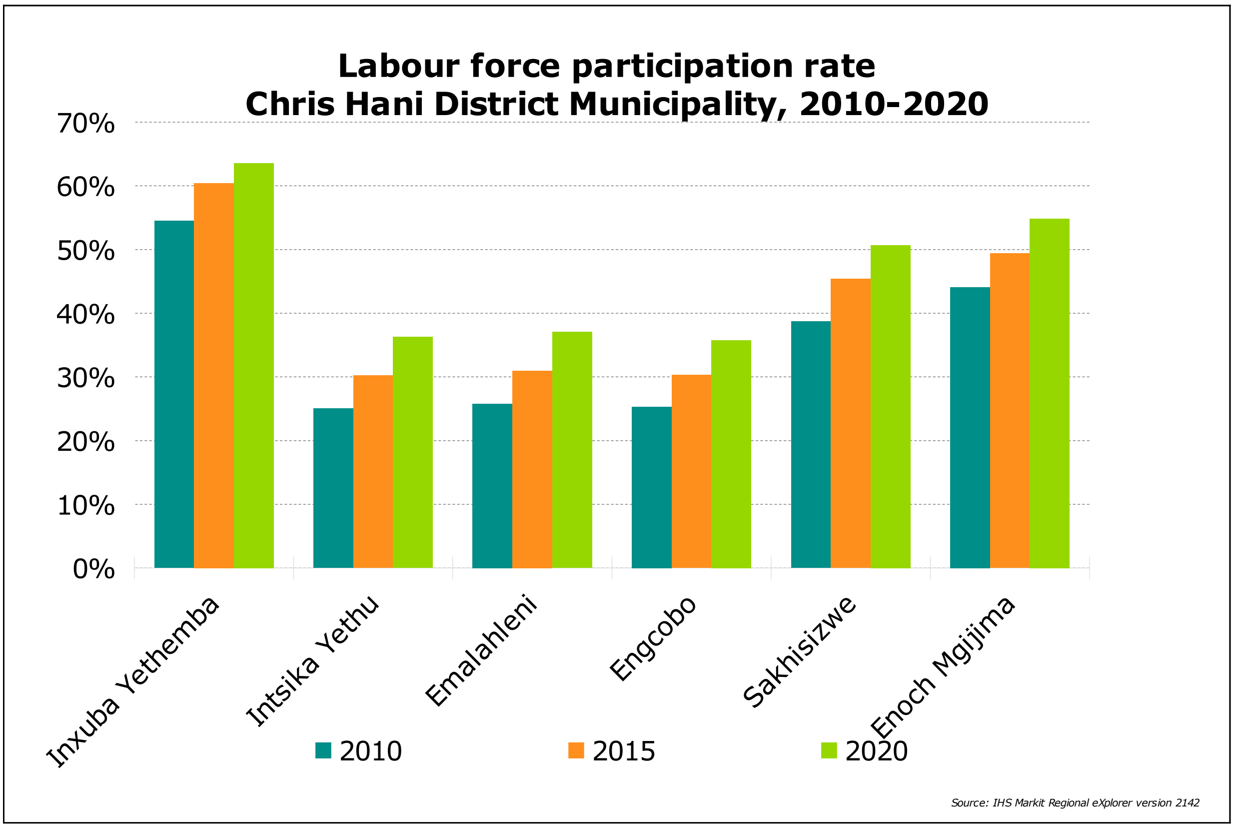
The Inxuba Yethemba Local Municipality's labour force participation rate increased from 54.50% to 63.57% which is an increase of 9.1 percentage points. The Chris Hani District Municipality increased from 35.34% to 46.30%, Eastern Cape Province increased from 42.57% to 51.42% and South Africa increased from 54.14% to 57.03% from 2010 to 2020.The Inxuba Yethemba Local Municipality labour force participation rate exhibited a higher percentage point change compared to the Eastern Cape Province from 2010 to 2020. The Inxuba Yethemba Local Municipality had a higher labour force participation rate when compared to South Africa in 2020.

CHART 19. THE LABOUR FORCE PARTICIPATION AND UNEMPLOYMENT RATES - INXUBA YETHEMBA LOCAL MUNICIPALITY, 2010-2020 [PERCENTAGE]



In 2020 the labour force participation rate for Inxuba Yethemba was at 63.6% which is significantly higher when compared to the 54.5% in 2010. The unemployment rate is an efficient indicator that measures the success rate of the labour force relative to employment. In 2010, the unemployment rate for Inxuba Yethemba was 18.8% and increased overtime to 29.1% in 2020. The gap between the labour force participation rate and the unemployment rate decreased which indicates a negative outlook for the employment within Inxuba Yethemba Local Municipality.

CHART 20. THE LABOUR FORCE PARTICIPATION RATE - INXUBA YETHEMBA AND THE REST OF CHRIS HANI, 2015 AND 2020 [PERCENTAGE]



Inxuba Yethemba Local Municipality had the highest labour force participation rate with 63.6% in 2020 increasing from 54.5% in 2010. Engcobo Local Municipality had the lowest labour force participation rate of 35.8% in 2020, this increased from 25.3% in 2010.

2.12.1. Total Employment

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

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

TABLE 19. TOTAL EMPLOYMENT - INXUBA YETHEMBA, CHRIS HANI, EASTERN CAPE AND NATIONAL TOTAL, 2010-2020 [NUMBERS]

	Inxuba Yethemba	Chris Hani	Eastern Cape	National Total
2010	18,900	114,000	1,260,000	13,500,000
2011	18,900	115,000	1,260,000	13,700,000
2012	19,300	116,000	1,270,000	14,000,000
2013	20,000	120,000	1,310,000	14,500,000
2014	21,300	129,000	1,370,000	15,100,000
2015	22,400	137,000	1,430,000	15,600,000
2016	23,100	141,000	1,470,000	15,900,000
2017	23,200	142,000	1,480,000	16,100,000
2018	23,100	140,000	1,470,000	16,300,000
2019	22,800	138,000	1,460,000	16,300,000
2020	21,400	127,000	1,380,000	15,600,000
Average Annual growth				
2010-2020	***1.26***%	***1.08***%	***0.95***%	***1.42***%

Source: IHS Markit Regional eXplorer version 2142

In 2020, Inxuba Yethemba employed 21 400 people which is 16.91% of the total employment in Chris Hani District Municipality (127 000), 1.55% of total employment in Eastern Cape Province (1.38 million), and 0.14% of the total employment of 15.6 million in South Africa. Employment within Inxuba Yethemba increased annually at an average rate of 1.26% from 2010 to 2020.

TABLE 20. TOTAL EMPLOYMENT PER BROAD ECONOMIC SECTOR - INXUBA YETHEMBA AND THE REST OF CHRIS HANI, 2020 [NUMBERS]

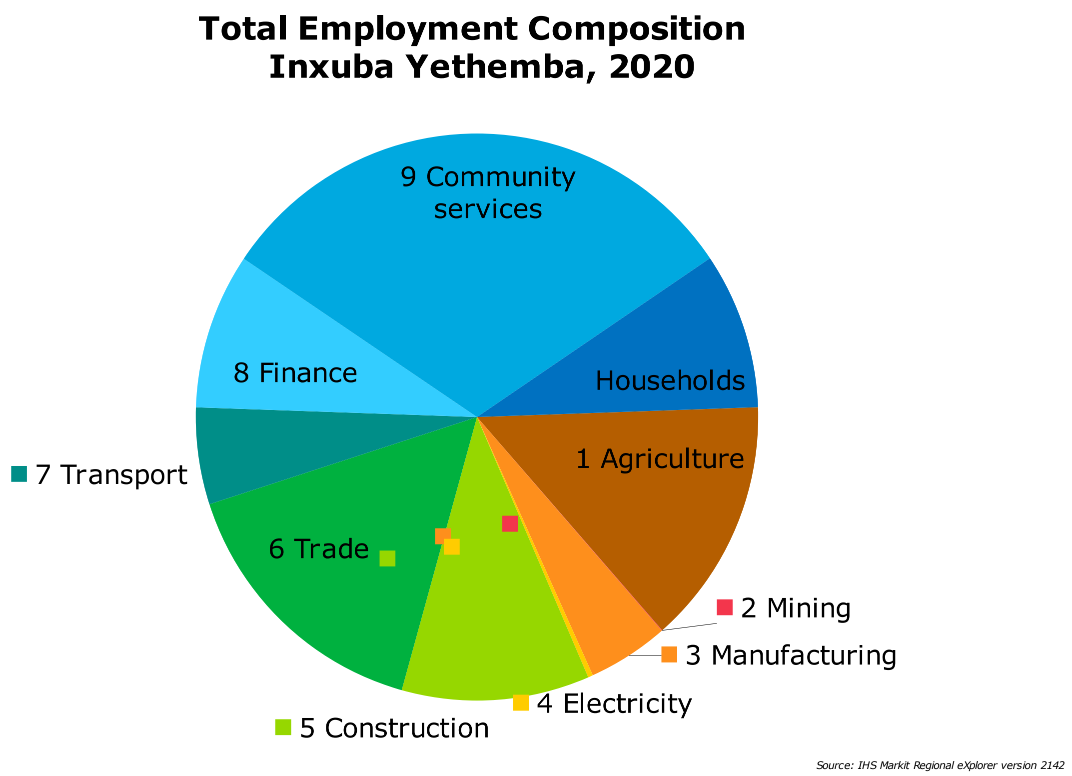
	Inxuba Yethemba	Intsika Yethu	Emalahleni	Engcobo	Sakhisizwe	Enoch Mgijima	Total Chris Hani
Agriculture	3,020	896	652	357	1,240	4,190	10,362
Mining	8	6	11	15	12	93	144
Manufacturing	998	599	328	493	200	2,580	5,193
Electricity	62	44	44	41	79	227	497
Construction	2,310	2,010	1,280	1,710	1,740	5,600	14,654
Trade	3,370	2,810	1,790	2,990	2,040	12,100	25,094
Transport	1,180	549	284	452	222	2,090	4,782
Finance	1,900	1,110	675	1,170	759	5,810	11,431
Community services	6,670	5,070	3,000	5,290	3,400	19,700	43,134
Households	1,910	1,090	774	747	827	6,120	11,474
Total	**21,400**	**14,200**	**8,850**	**13,300**	**10,500**	**58,500**	**126,764**

Source: IHS Markit Regional eXplorer version 2142

Inxuba Yethemba Local Municipality employs a total number of 21 400 people within its local municipality. The local municipality that employs the highest number of people relative to the other regions within Chris Hani District Municipality is Enoch Mgijima local municipality with a total number of 58 500. The local municipality that employs the lowest number of people relative to the other regions within Chris Hani District Municipality is Emalahleni local municipality with a total number of 8 850 employed people.

In Inxuba Yethemba Local Municipality the economic sectors that recorded the largest number of employment in 2020 were the community services sector with a total of 6 670 employed people or 31.1% of total employment in the local municipality. The trade sector with a total of 3 370 (15.7%) employs the second highest number of people relative to the rest of the sectors. The mining sector with 7.54 (0.0%) is the sector that employs the least number of people in Inxuba Yethemba Local Municipality, followed by the electricity sector with 61.6 (0.3%) people employed.

CHART 21. TOTAL EMPLOYMENT PER BROAD ECONOMIC SECTOR - INXUBA YETHEMBA LOCAL MUNICIPALITY, 2020 [PERCENTAGE]



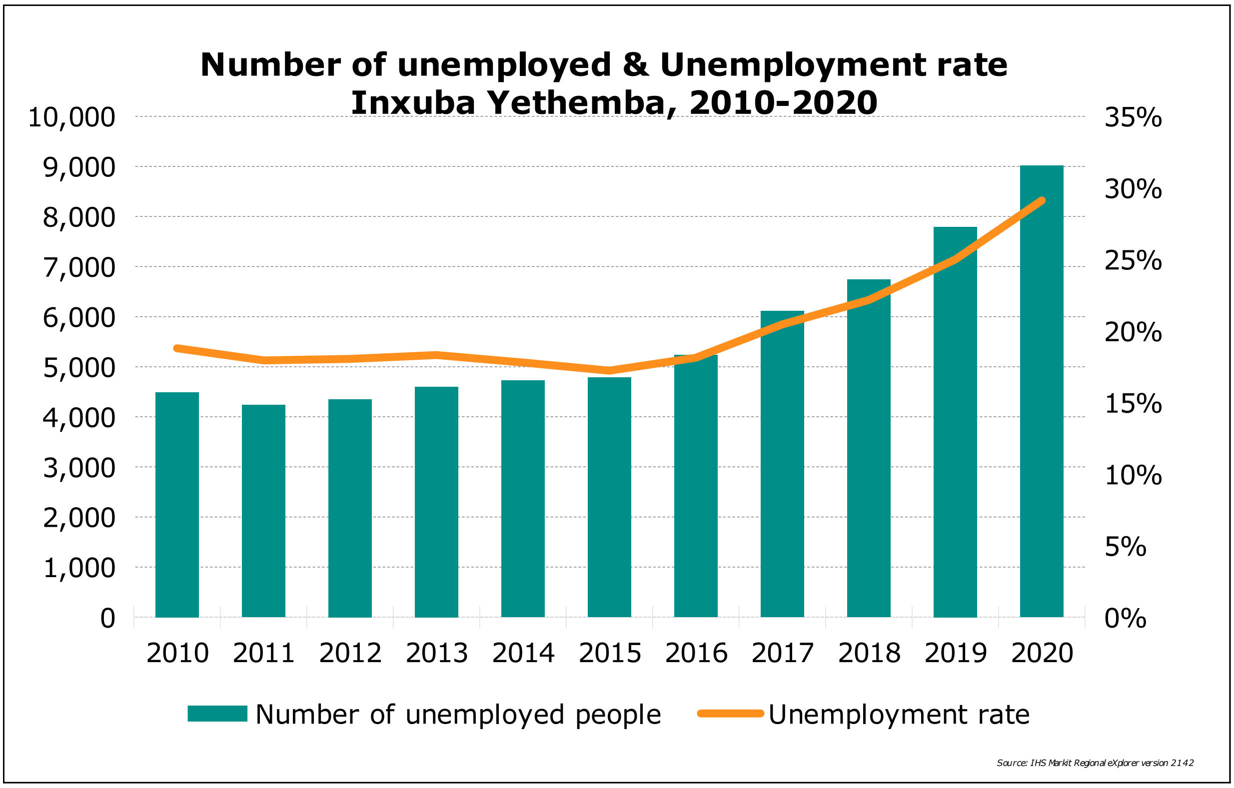
2.12.2. Formal and Informal employment

Total employment can be broken down into formal and informal sector employment. Formal sector employment is measured from the formal business side, and the informal employment is measured from the household side where formal businesses have not been established.

Formal employment is much more stable than informal employment. Informal employment is much harder to measure and manage, simply because it cannot be tracked through the formal business side of the economy. Informal employment is however a reality in South Africa and cannot be ignored.

The number of formally employed people in Inxuba Yethemba Local Municipality counted 17 000 in 2020, which is about 79.46% of total employment, while the number of people employed in the informal sector counted 4 400 or 20.54% of the total employment. Informal employment in Inxuba Yethemba increased from 3 770 in 2010 to an estimated 4 400 in 2020.

CHART 22. FORMAL AND INFORMAL EMPLOYMENT BY BROAD ECONOMIC SECTOR - INXUBA YETHEMBA LOCAL MUNICIPALITY, 2020 [NUMBERS]



In 2020 the Construction sector recorded the highest number of informally employed, with a total of 1 130 employees or 25.63% of the total informal employment. This can be expected as the barriers to enter the Construction sector in terms of capital and skills required is less than with most of the other sectors. The Manufacturing sector has the lowest informal employment with 185 and only contributes 4.20% to total informal employment.

TABLE 21. FORMAL AND INFORMAL EMPLOYMENT BY BROAD ECONOMIC SECTOR - INXUBA YETHEMBA LOCAL MUNICIPALITY, 2020 [NUMBERS]

	Formal employment	Informal employment
Agriculture	3,020	N/A
Mining	8	N/A
Manufacturing	813	185
Electricity	62	N/A
Construction	1,180	1,130
Trade	2,270	1,100
Transport	435	749
Finance	1,710	191
Community services	5,620	1,050
Households	1,910	N/A

Source: IHS Markit Regional eXplorer version 2142

2.12.3. Unemployment

Definition: The unemployed includes all persons between 15 and 65 who are currently not working, but who are actively looking for work. It therefore excludes people who are not actively seeking work (referred to as discouraged work seekers).

TABLE 22. UNEMPLOYMENT (OFFICIAL DEFINITION) - INXUBA YETHEMBA, CHRIS HANI, EASTERN CAPE AND NATIONAL TOTAL, 2010-2020 [NUMBER PERCENTAGE]

	Inxuba Yethemba	Chris Hani	Eastern Cape	National Total	Inxuba Yethemba as % of district municipality	Inxuba Yethemba as % of province	Inxuba Yethemba as % of national
2010	4,490	51,600	492,000	4,490,000	*8.7%*	*0.91%*	*0.10%*
2011	4,240	49,800	499,000	4,590,000	*8.5%*	*0.85%*	*0.09%*
2012	4,350	52,200	521,000	4,710,000	*8.3%*	*0.83%*	*0.09%*
2013	4,600	56,100	553,000	4,870,000	*8.2%*	*0.83%*	*0.09%*
2014	4,730	59,100	579,000	5,070,000	*8.0%*	*0.82%*	*0.09%*
2015	4,780	61,100	597,000	5,320,000	*7.8%*	*0.80%*	*0.09%*
2016	5,240	68,200	652,000	5,700,000	*7.7%*	*0.80%*	*0.09%*
2017	6,110	79,600	736,000	6,020,000	*7.7%*	*0.83%*	*0.10%*
2018	6,740	88,000	798,000	6,130,000	*7.7%*	*0.85%*	*0.11%*
2019	7,790	101,000	895,000	6,480,000	*7.7%*	*0.87%*	*0.12%*
2020	9,010	114,000	985,000	6,660,000	*7.9%*	*0.91%*	*0.14%*
Average Annual growth							
2010-2020	***7.22***%	***8.23***%	***7.20***%	***4.01***%			

Source: IHS Markit Regional eXplorer version 2142

In 2020, there were a total number of 9 010 people unemployed in Inxuba Yethemba, which is an increase of 4 520 from 4 490 in 2010. The total number of unemployed people within Inxuba Yethemba constitutes 7.92% of the total number of unemployed people in Chris Hani District Municipality. The Inxuba Yethemba Local Municipality experienced an average annual increase of 7.22% in the number of unemployed people, which is better than that of the Chris Hani District Municipality which had an average annual increase in unemployment of 8.23%.

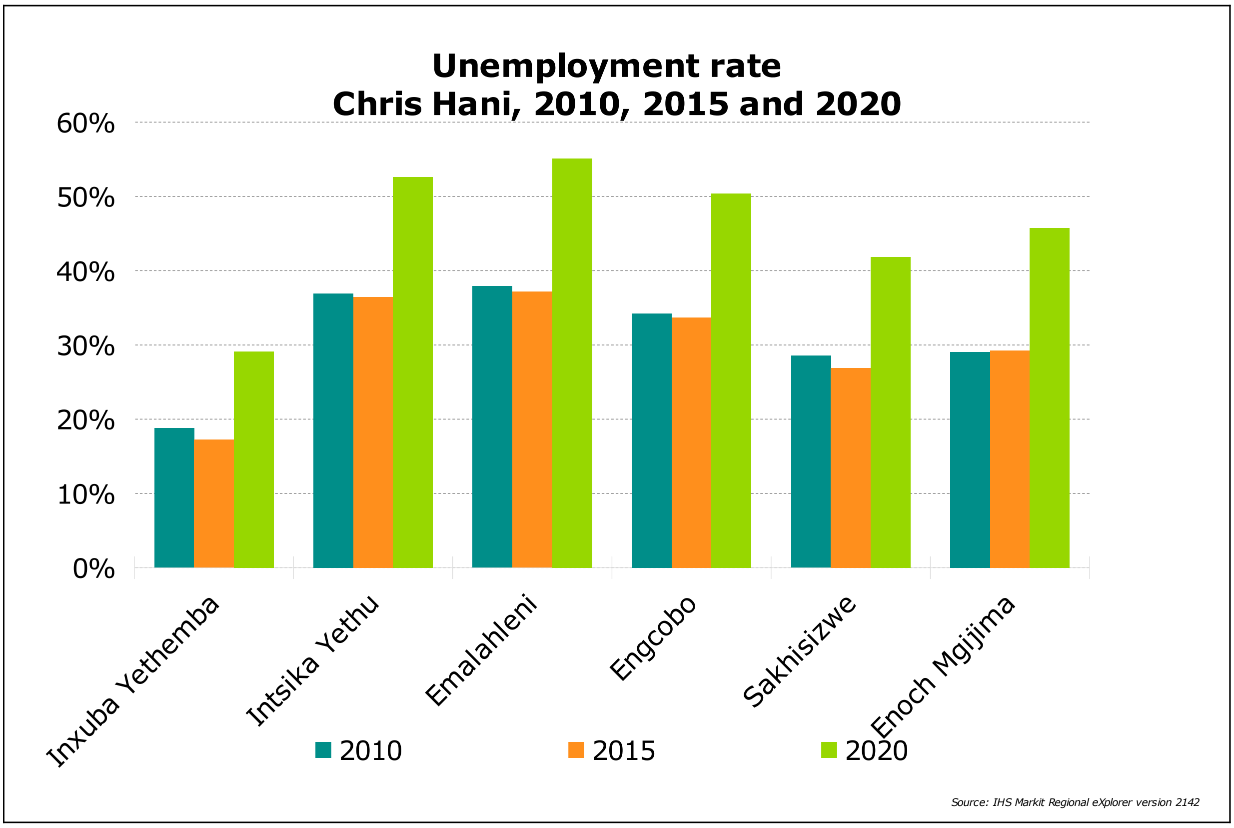
TABLE 23. UNEMPLOYMENT RATE (OFFICIAL DEFINITION) - INXUBA YETHEMBA, CHRIS HANI, EASTERN CAPE AND NATIONAL TOTAL, 2010-2020 [PERCENTAGE]

	Inxuba Yethemba	Chris Hani	Eastern Cape	National Total
2010	18.8%	30.1%	27.9%	24.9%
2011	17.9%	29.2%	28.2%	25.1%
2012	18.0%	30.0%	28.9%	25.1%
2013	18.3%	30.7%	29.6%	25.2%
2014	17.8%	30.3%	29.4%	25.2%
2015	17.2%	29.8%	29.2%	25.5%
2016	18.1%	31.5%	30.5%	26.4%
2017	20.5%	34.7%	33.0%	27.2%
2018	22.2%	37.3%	34.9%	27.4%
2019	25.0%	41.1%	37.8%	28.4%
2020	29.1%	45.9%	41.4%	29.9%

Source: IHS Markit Regional eXplorer version 2142

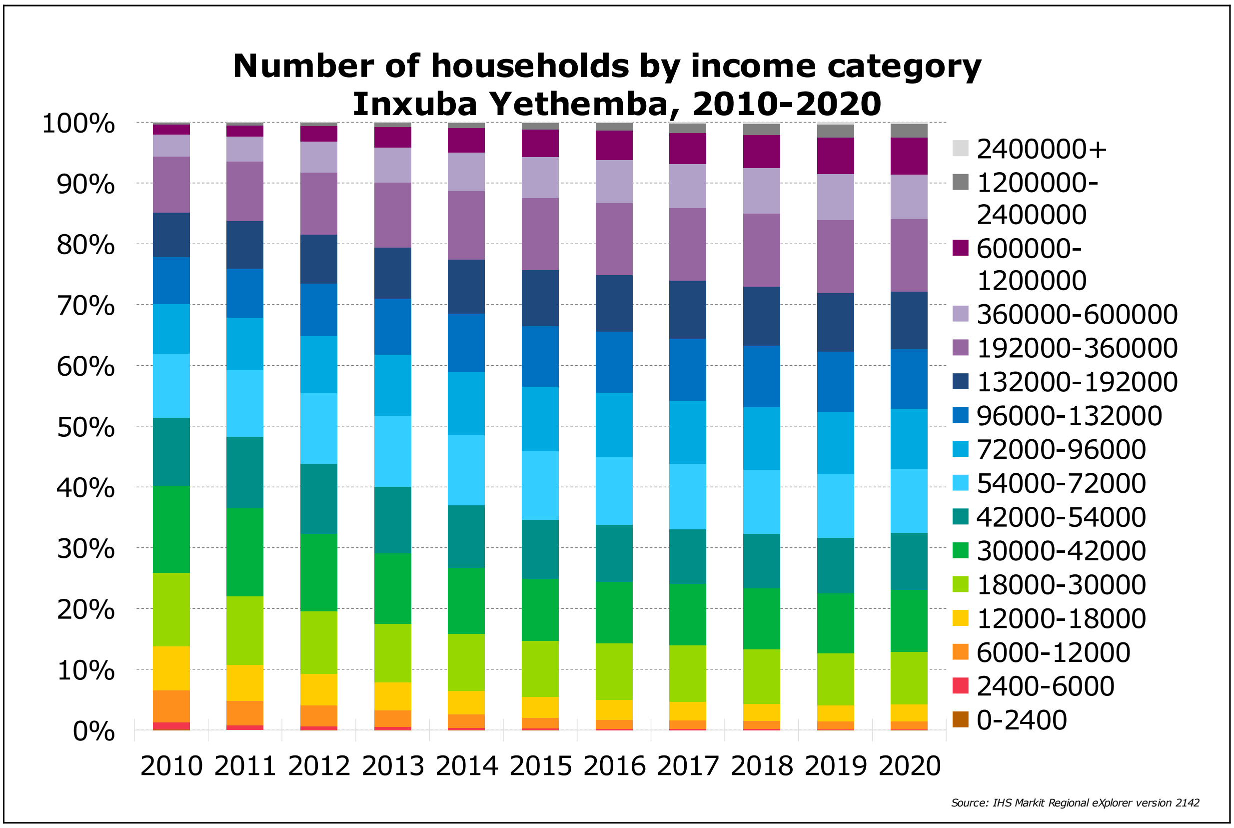
In 2020, the unemployment rate in Inxuba Yethemba Local Municipality (based on the official definition of unemployment) was 29.12%, which is an increase of 10.3 percentage points. The unemployment rate in Inxuba Yethemba Local Municipality is lower than that of Chris Hani. Comparing to the Eastern Cape Province it can be seen that the unemployment rate for Inxuba Yethemba Local Municipality was lower than that of Eastern Cape which was 41.36%. The unemployment rate for South Africa was 29.93% in 2020, which is a increase of -5 percentage points from 24.93% in 2010.

CHART 23. UNEMPLOYMENT AND UNEMPLOYMENT RATE (OFFICIAL DEFINITION) - INXUBA YETHEMBA LOCAL MUNICIPALITY, 2010-2020 [NUMBER PERCENTAGE]



When comparing unemployment rates among regions within Chris Hani District Municipality, Emalahleni Local Municipality has indicated the highest unemployment rate of 55.1%, which has increased from 37.9% in 2010. It can be seen that the Inxuba Yethemba Local Municipality had the lowest unemployment rate of 29.1% in 2020, this increased from 18.8% in 2010.

CHART 24. UNEMPLOYMENT RATE - INXUBA YETHEMBA AND THE REST OF CHRIS HANI, 2010, 2015 AND 2020 [PERCENTAGE]



2.13. Income and Expenditure

2.13.1. Number of Households by Income category

The number of households is grouped according to predefined income categories or brackets, where income is calculated as the sum of all household gross disposable income: payments in kind, gifts, homemade goods sold, old age pensions, income from informal sector activities, subsistence income, etc.). Note that income tax is included in the income distribution.

Income categories start at R0 - R2,400 per annum and go up to R2,400,000+ per annum. A household is either a group of people who live together and provide themselves jointly with food and/or other essentials for living, or it is a single person living on his/her own. These income brackets do not take into account inflation creep: over time, movement of households "up" the brackets is natural, even if they are not earning any more in real terms.

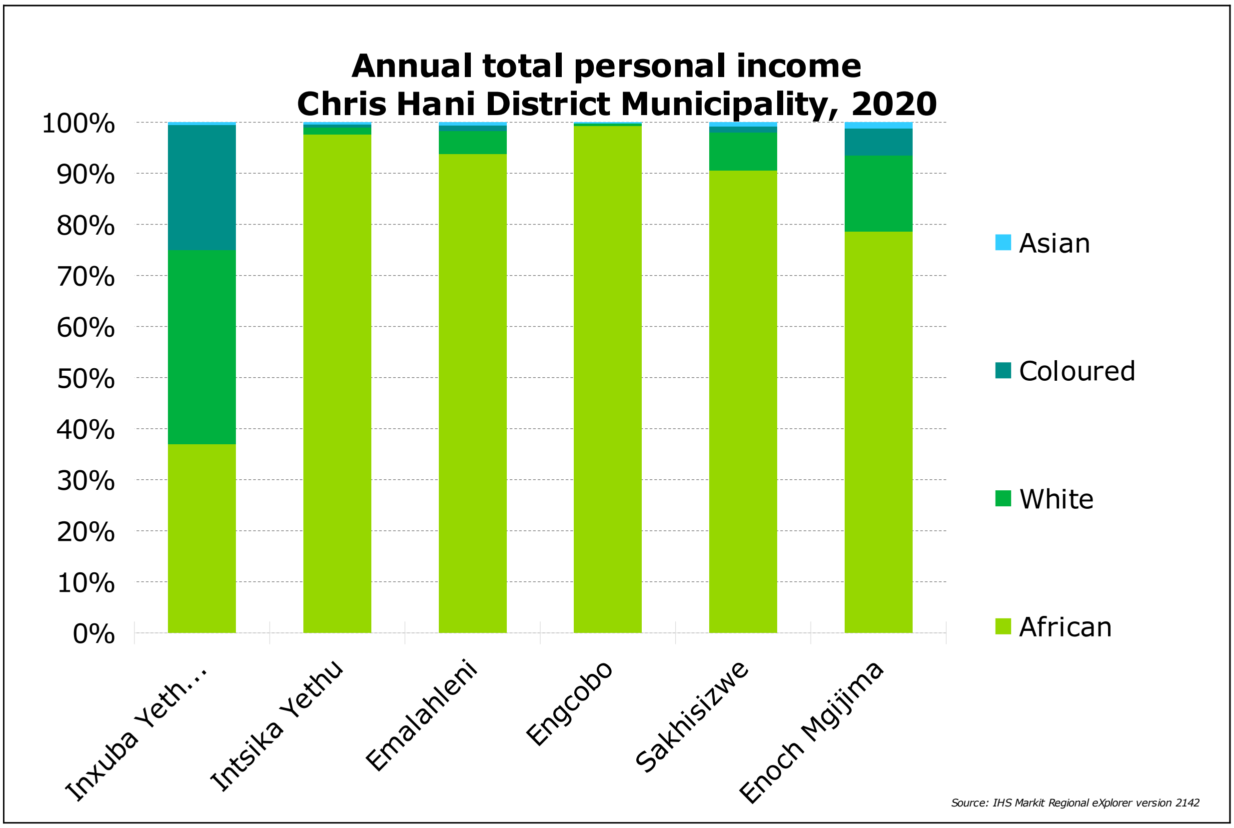
TABLE 24. HOUSEHOLDS BY INCOME CATEGORY - INXUBA YETHEMBA, CHRIS HANI, EASTERN CAPE AND NATIONAL TOTAL, 2020 [NUMBER PERCENTAGE]

	Inxuba Yethemba	Chris Hani	Eastern Cape	National Total	Inxuba Yethemba as % of district municipality	Inxuba Yethemba as % of province	Inxuba Yethemba as % of national
0-2400	1	21	167	1,760	*5.6%*	*0.69%*	*0.07%*
2400-6000	30	435	3,620	34,900	*7.0%*	*0.84%*	*0.09%*
6000-12000	269	4,780	38,800	340,000	*5.6%*	*0.69%*	*0.08%*
12000-18000	584	10,000	79,600	663,000	*5.8%*	*0.73%*	*0.09%*
18000-30000	1,800	31,200	240,000	1,840,000	*5.8%*	*0.75%*	*0.10%*
30000-42000	2,120	35,000	254,000	1,860,000	*6.1%*	*0.83%*	*0.11%*
42000-54000	1,940	28,000	208,000	1,620,000	*6.9%*	*0.93%*	*0.12%*
54000-72000	2,190	28,100	212,000	1,750,000	*7.8%*	*1.03%*	*0.13%*
72000-96000	2,040	24,100	184,000	1,590,000	*8.5%*	*1.11%*	*0.13%*
96000-132000	2,040	19,800	160,000	1,480,000	*10.3%*	*1.27%*	*0.14%*
132000-192000	1,960	16,600	142,000	1,430,000	*11.8%*	*1.38%*	*0.14%*
192000-360000	2,480	17,600	165,000	1,840,000	*14.1%*	*1.51%*	*0.13%*
360000-600000	1,520	8,560	91,900	1,170,000	*17.8%*	*1.65%*	*0.13%*
600000-1200000	1,270	5,650	70,800	974,000	*22.5%*	*1.80%*	*0.13%*
1200000-2400000	444	1,630	22,900	310,000	*27.2%*	*1.94%*	*0.14%*
2400000+	68	213	3,290	44,900	*32.0%*	*2.07%*	*0.15%*
Total	**20,800**	**232,000**	**1,880,000**	**17,000,000**	***9.0%***	***1.11%***	***0.12%***

Source: IHS Markit Regional eXplorer version 2142

It was estimated that in 2020 12.94% of all the households in the Inxuba Yethemba Local Municipality, were living on R30,000 or less per annum. In comparison with 2010's 25.88%, the number is about half. The 192000-360000 income category has the highest number of households with a total number of 2 480, followed by the 54000-72000 income category with 2 190 households. Only 1.2 households fall within the 0-2400 income category.

CHART 25. HOUSEHOLDS BY INCOME BRACKET - INXUBA YETHEMBA LOCAL MUNICIPALITY, 2010-2020 [PERCENTAGE]



For the period 2010 to 2020 the number of households earning more than R30,000 per annum has increased from 74.12% to 87.06%. It can be seen that the number of households with income equal to or lower than R6,000 per year has decreased by a significant amount.

2.13.2. Annual total Personal Income

Personal income is an even broader concept than labour remuneration. Personal income includes profits, income from property, net current transfers and net social benefits.

Definition: Annual total personal income is the sum of the total personal income for all households in a specific region. The definition of income is the same as used in the income brackets (Number of Households by Income Category), also including the income tax. For this variable, current prices are used, meaning that inflation has not been taken into account.

TABLE 25. ANNUAL TOTAL PERSONAL INCOME - INXUBA YETHEMBA, CHRIS HANI, EASTERN CAPE AND NATIONAL TOTAL[CURRENT PRICES, R BILLIONS]

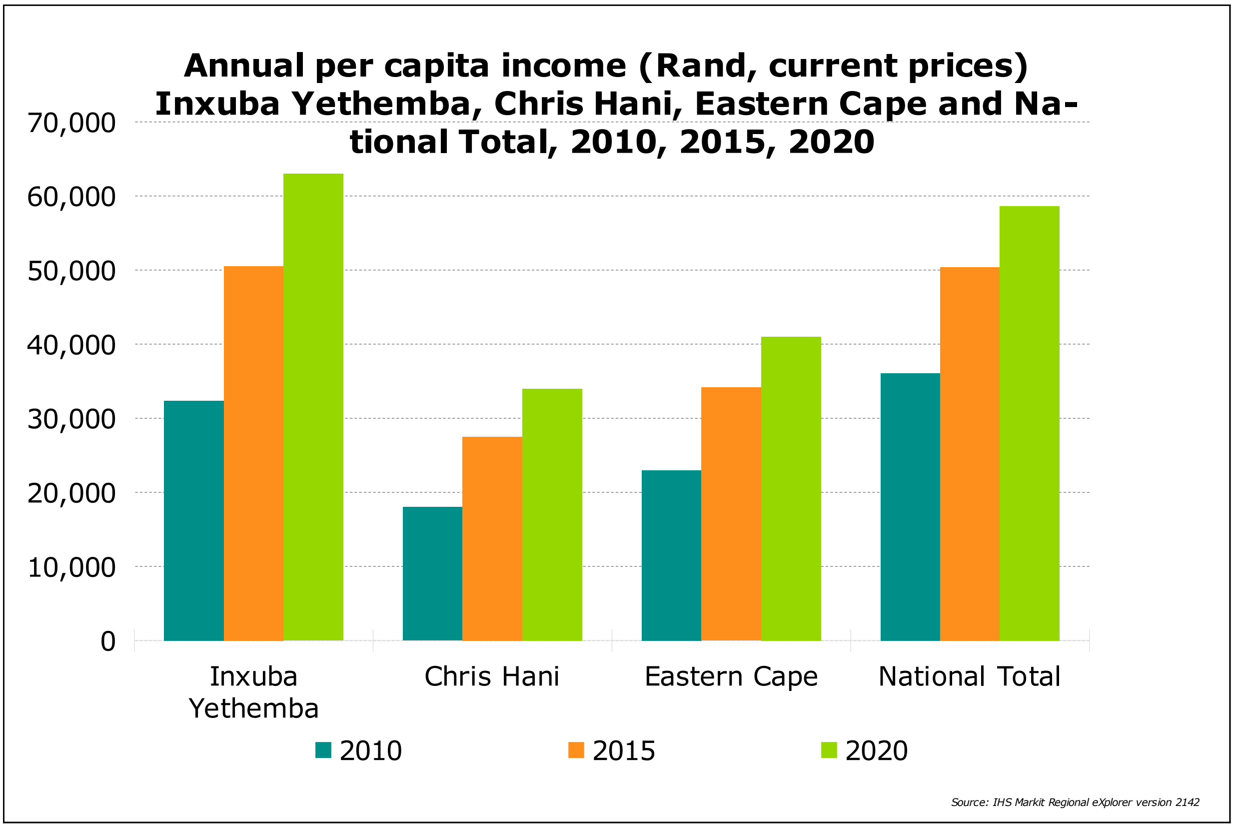
	Inxuba Yethemba	Chris Hani	Eastern Cape	National Total
2010	2.2	14.7	153.6	1,843.3
2011	2.4	16.1	167.7	2,033.0
2012	2.7	17.9	187.1	2,226.5
2013	3.0	19.6	204.3	2,412.1
2014	3.3	21.2	219.5	2,590.6

	Inxuba Yethemba	Chris Hani	Eastern Cape	National Total
2015	3.6	23.2	239.3	2,794.9
2016	3.8	24.9	255.4	2,990.4
2017	4.2	27.2	277.7	3,226.5
2018	4.5	29.0	294.4	3,413.7
2019	4.8	30.5	309.1	3,584.3
2020	4.7	29.9	302.0	3,508.3
Average Annual growth				
2010-2020	***8.06%***	***7.34%***	***6.99%***	***6.65%***

Source: IHS Markit Regional eXplorer version 2142

Inxuba Yethemba Local Municipality recorded an average annual growth rate of 8.06% (from R 2.16 billion to R 4.68 billion) from 2010 to 2020, which is more than both Chris Hani's (7.34%) as well as Eastern Cape Province's (6.99%) average annual growth rates. South Africa had an average annual growth rate of 6.65% (from R 1.84 trillion to R 3.51 trillion) which is less than the growth rate in Inxuba Yethemba Local Municipality.

CHART 26. ANNUAL TOTAL PERSONAL INCOME BY POPULATION GROUP - INXUBA YETHEMBA AND THE REST OF CHRIS HANI [CURRENT PRICES, R BILLIONS]



The total personal income of Inxuba Yethemba Local Municipality amounted to approximately R 4.68 billion in 2020. The African population group earned R 1.73 billion, or 37.93% of total personal income, while the White population group earned R 1.78 billion, or 36.98% of the total personal income. The Coloured and the Asian population groups only had a share of 24.50% and 0.59% of total personal income respectively.

TABLE 26. ANNUAL TOTAL PERSONAL INCOME - INXUBA YETHEMBA AND THE REST OF CHRIS HANI DISTRICT MUNICIPALITY [CURRENT PRICES, R BILLIONS]

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Inxuba Yethemba	2.16	2.36	2.68	2.98	3.25	3.56	3.82	4.21	4.51	4.76	4.68
Intsika Yethu	2.08	2.25	2.49	2.71	2.94	3.23	3.49	3.84	4.15	4.38	4.33
Emalahleni	1.60	1.74	1.94	2.12	2.30	2.53	2.74	3.02	3.25	3.44	3.41
Engcobo	2.05	2.23	2.45	2.66	2.86	3.11	3.33	3.64	3.90	4.10	4.03
Sakhisizwe	1.12	1.22	1.33	1.44	1.53	1.65	1.74	1.89	2.01	2.10	2.06
Enoch Mgijima	5.73	6.30	7.06	7.73	8.35	9.12	9.76	10.60	11.21	11.73	11.42

Source: IHS Markit Regional eXplorer version 2142

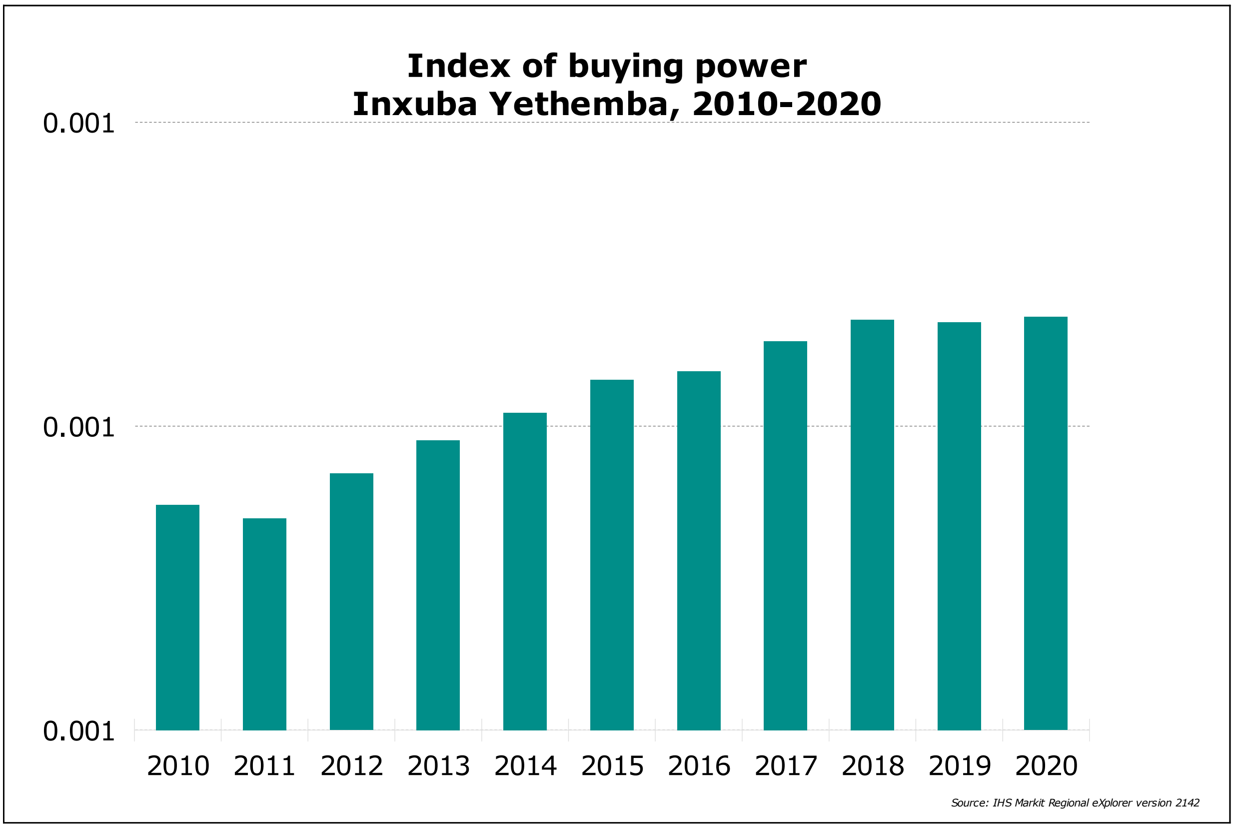
When looking at the annual total personal income for the regions within Chris Hani District Municipality it can be seen that the Enoch Mgijima Local Municipality had the highest total personal income with R 11.4 billion which increased from R 5.73 billion recorded in 2010. It can be seen that the Sakhisizwe Local Municipality had the lowest total personal income of R 2.06 billion in 2020, this increased from R 1.12 billion in 2010.

2.13.3. Annual per Capita Income

Definition: Per capita income refers to the income per person. Thus, it takes the total personal income per annum and divides it equally among the population.

Per capita income is often used as a measure of wealth particularly when comparing economies or population groups. Rising per capita income usually indicates a likely swell in demand for consumption.

CHART 27. PER CAPITA INCOME - INXUBA YETHEMBA, CHRIS HANI, EASTERN CAPE AND NATIONAL TOTAL, 2020 [RAND, CURRENT PRICES]



The per capita income in Inxuba Yethemba Local Municipality in 2020 is R 63,000 which is higher than both the Eastern Cape (R 41,000) and of the Chris Hani District Municipality (R 34,000) per capita income. The per capita income for Inxuba Yethemba Local Municipality (R 63,000) is higher than that of the South Africa as a whole which is R 58,700.

CHART 28. PER CAPITA INCOME BY POPULATION GROUP - INXUBA YETHEMBA AND THE REST OF CHRIS HANI DISTRICT MUNICIPALITY, 2020 [RAND, CURRENT PRICES]

	African	White	Coloured
Inxuba Yethemba	38,900	250,000	51,100
Intsika Yethu	26,800	N/A	N/A
Emalahleni	24,800	N/A	N/A
Engcobo	24,300	N/A	N/A
Sakhisizwe	28,300	N/A	N/A
Enoch Mgijima	34,000	231,000	53,100

Source: IHS Markit Regional eXplorer version 2142

Inxuba Yethemba Local Municipality has the highest per capita income with a total of R 63,000. Enoch Mgijima Local Municipality had the second highest per capita income at R 40,200, whereas Engcobo Local Municipality had the lowest per capita income at R 24,400. In Inxuba Yethemba Local Municipality, the White population group has the highest per capita income, with R 250,000, relative to the other population groups. The population group with the second highest per capita income within Inxuba Yethemba Local Municipality is the Coloured population group (R 51,100). Some of the population groups - where there are less than 1,000 people living in the area were excluded from the analysis.

2.13.4. Index of Buying Power.

Definition: The Index of Buying Power (IBP) is a measure of a region's overall capacity to absorb products and/or services. The index is useful when comparing two regions in terms of their capacity to buy products. Values range from 0 to 1 (where the national index equals 1), and can be interpreted as the percentage of national buying power attributable to the specific region. Regions' buying power usually depends on three factors: the size of the population; the ability of the population to spend (measured by total income); and the willingness of the population to spend (measured by total retail sales).

TABLE 27. INDEX OF BUYING POWER - INXUBA YETHEMBA, CHRIS HANI, EASTERN CAPE AND NATIONAL TOTAL, 2020 [NUMBER]

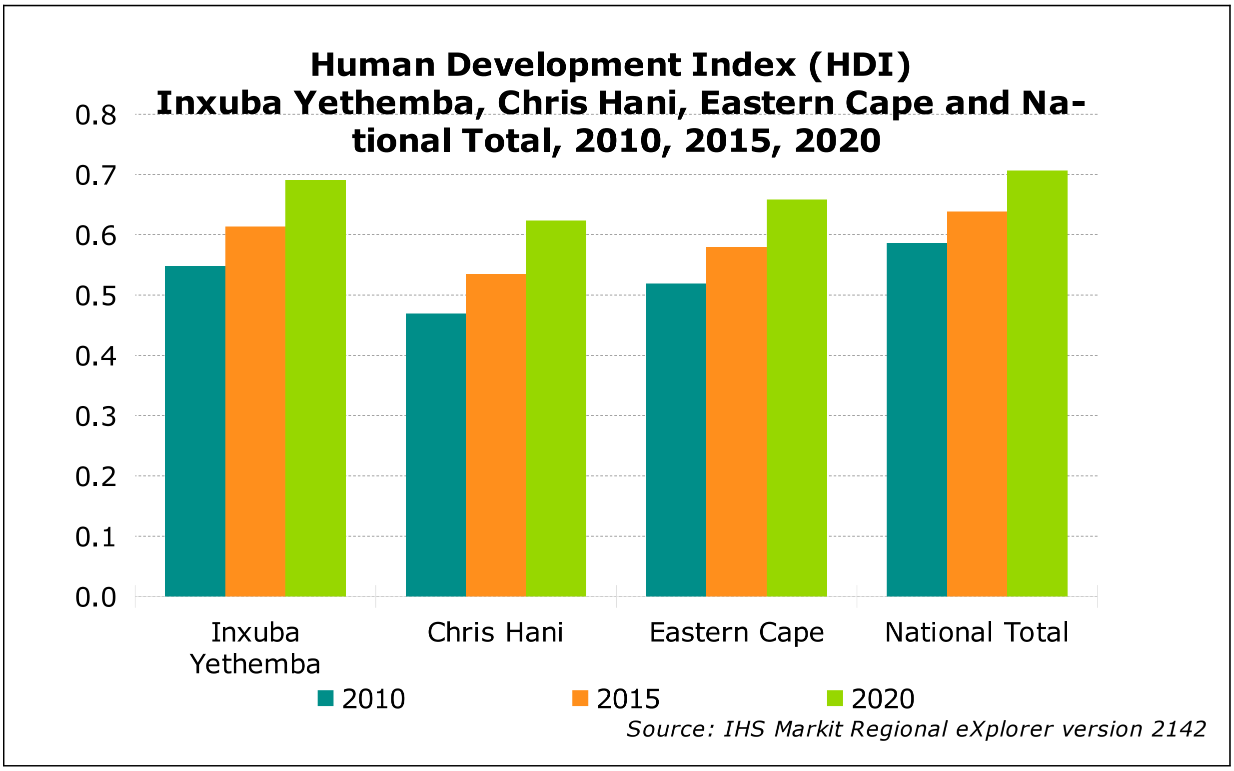
	Inxuba Yethemba	Chris Hani	Eastern Cape	National Total
Population	74,294	880,606	7,360,699	59,809,786
Population - share of national total	0.1%	1.5%	12.3%	100.0%
Income	4,680	29,920	302,047	3,508,339
Income - share of national total	0.1%	0.9%	8.6%	100.0%
Retail	1,215,042	8,933,600	86,566,731	1,049,668,438
Retail - share of national total	0.1%	0.9%	8.2%	100.0%
Index	0.00	0.01	0.09	1.00

Source: IHS Markit Regional eXplorer version 2142

Inxuba Yethemba Local Municipality has a 0.1% share of the national population, 0.1% share of the total national income and a 0.1% share in the total national retail, this all equates to an IBP index value of 0.0013 relative to South Africa as a whole. Chris Hani has an IBP of 0.0091, were Eastern Cape Province has and IBP index value of 0.089 and South Africa a value of 1 relative to South Africa as a whole.

The considerable low index of buying power of the Inxuba Yethemba Local Municipality suggests that the local municipality has access to only a small percentage of the goods and services available in all the Chris Hani District Municipality. Its residents are most likely spending some of their income in neighbouring areas.

CHART 29. INDEX OF BUYING POWER INXUBA YETHEMBA LOCAL MUNICIPALITY, 2010-2020 [INDEX VALUE]



Between 2010 and 2020, the index of buying power within Inxuba Yethemba Local Municipality increased to its highest level in 2020 (0.001272) from its lowest in 2011 (0.001139). Although the buying power within Inxuba Yethemba Local Municipality is relatively small compared to other regions, the IBP increased at an average annual growth rate of 1.03%.

2.14. Development

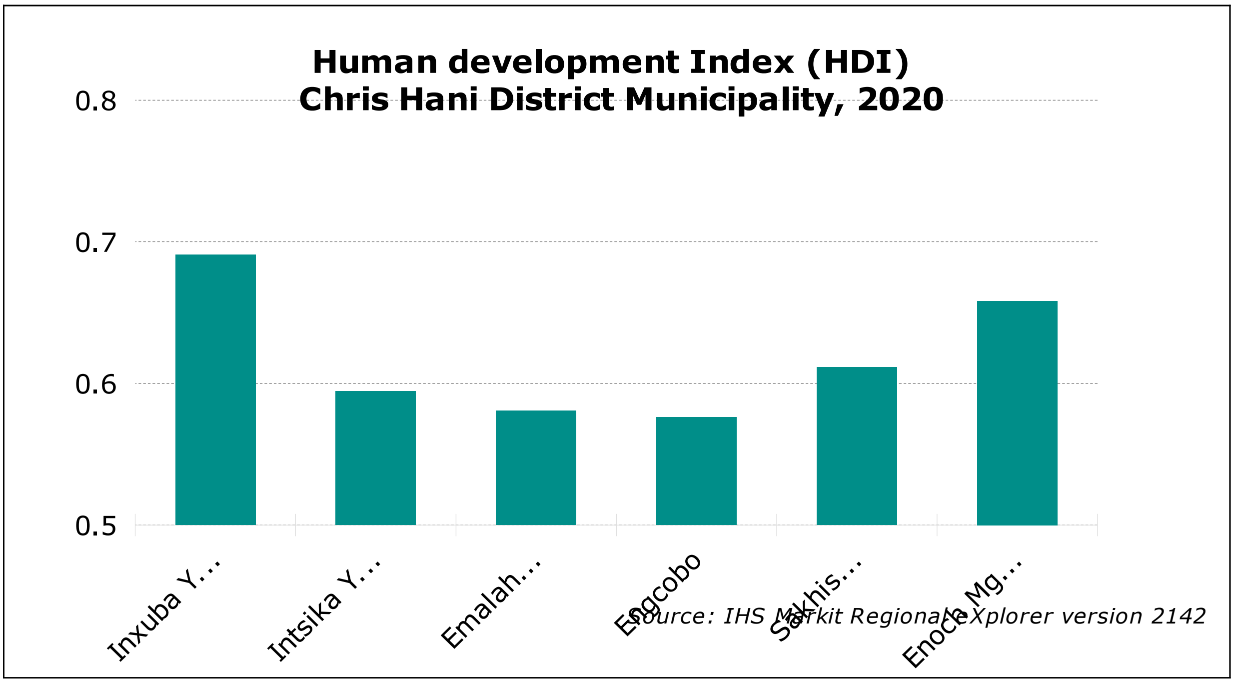
Indicators of development, like the Human Development Index (HDI), Gini Coefficient (income inequality), poverty and the poverty gap, and education, are used to estimate the level of development of a given region in South Africa relative to the rest of the country.

2.14.1. Human Development Index (HDI)

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

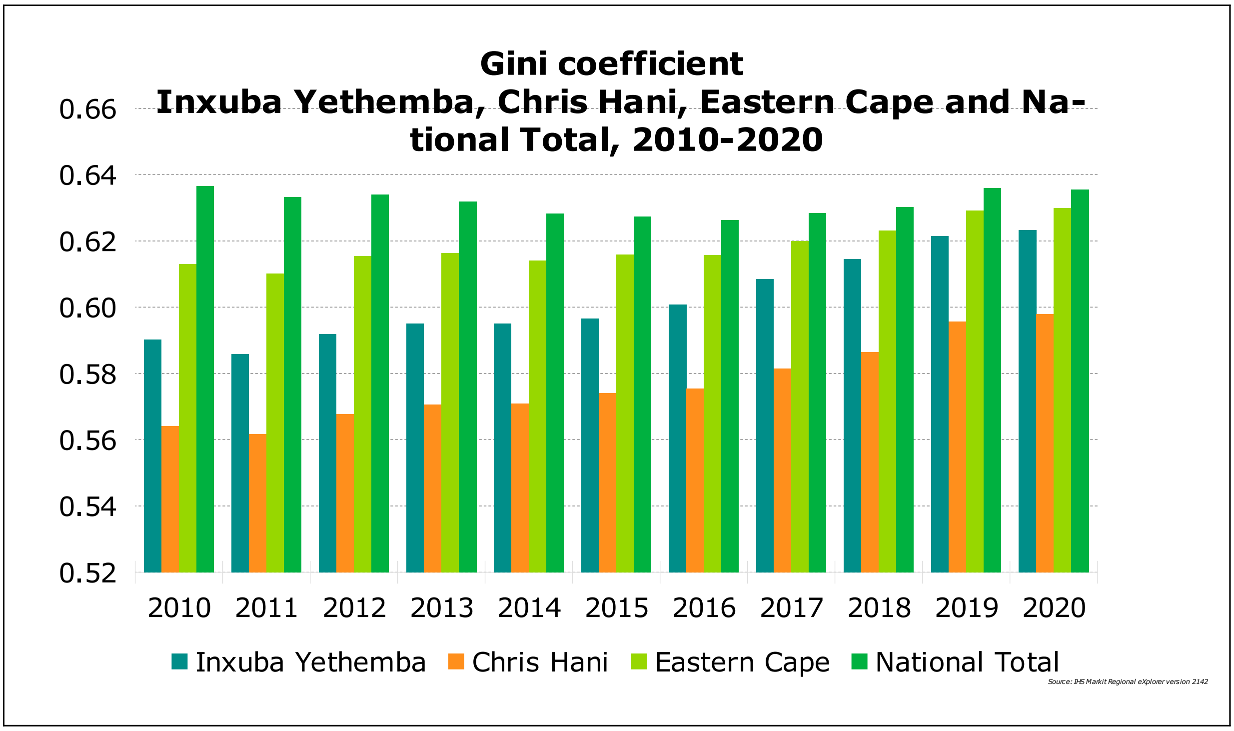
HDI is the combination of three basic dimensions of human development: A long and healthy life, knowledge and a decent standard of living. A long and healthy life is typically measured using life expectancy at birth. Knowledge is normally based on adult literacy and / or the combination of enrolment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

CHART 30. HUMAN DEVELOPMENT INDEX (HDI) - INXUBA YETHEMBA, CHRIS HANI, EASTERN CAPE AND NATIONAL TOTAL, 2010, 2015, 2020 [NUMBER]



In 2020 Inxuba Yethemba Local Municipality had an HDI of 0.691 compared to the Chris Hani with a HDI of 0.623, 0.658 of Eastern Cape and 0.706 of National Total as a whole. Seeing that South Africa recorded a higher HDI in 2020 when compared to Inxuba Yethemba Local Municipality which translates to worse human development for Inxuba Yethemba Local Municipality compared to South Africa. South Africa's HDI increased at an average annual growth rate of 1.88% and this increase is lower than that of Inxuba Yethemba Local Municipality (2.35%).

CHART 31. HUMAN DEVELOPMENT INDEX (HDI) - INXUBA YETHEMBA AND THE REST OF CHRIS HANI DISTRICT MUNICIPALITY, 2020 [NUMBER]



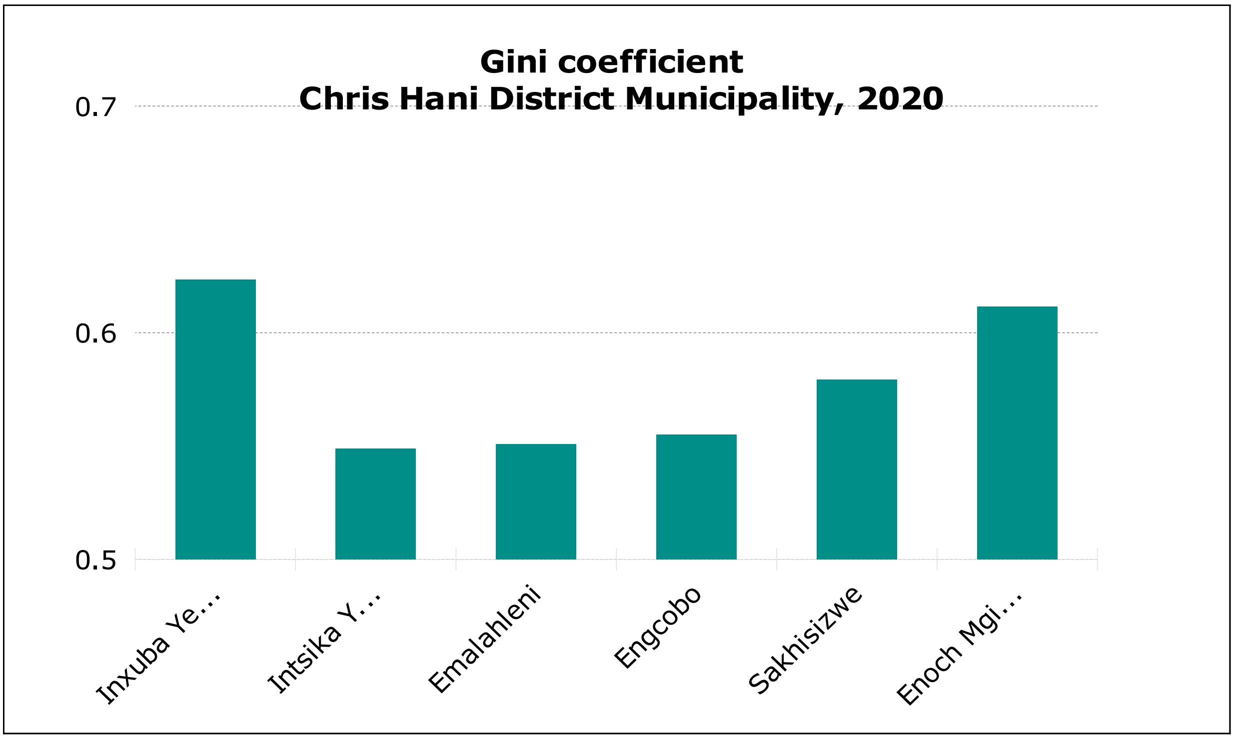
In terms of the HDI for each the regions within the Chris Hani District Municipality, Inxuba Yethemba Local Municipality has the highest HDI, with an index value of 0.691. The lowest can be observed in the Engcobo Local Municipality with an index value of 0.576.

2.14.2. Gini Coefficient

Definition: The Gini coefficient is a summary statistic of income inequality. It varies from 0 to 1.

If the Gini coefficient is equal to zero, income is distributed in a perfectly equal manner, in other words there is no variance between the high- and low-income earners within the population. In contrast, if the Gini coefficient equals 1, income is completely inequitable, i.e. one individual in the population is earning all the income and the rest has no income. Generally, this coefficient lies in the range between 0.25 and 0.70.

CHART 32. GINI COEFFICIENT - INXUBA YETHEMBA, CHRIS HANI, EASTERN CAPE AND NATIONAL TOTAL, 2010-2020 [NUMBER]



In 2020, the Gini coefficient in Inxuba Yethemba Local Municipality was at 0.623, which reflects an increase in the number over the ten-year period from 2010 to 2020. The Chris Hani District Municipality and the Eastern Cape Province had a Gini coefficient of 0.598 and 0.63 respectively. When Inxuba Yethemba Local Municipality is contrasted against the entire South Africa, Inxuba Yethemba has a more equal income distribution with a lower Gini coefficient compared to the South African coefficient of 0.635 in 2020. This has been the case for the entire 10-year history.

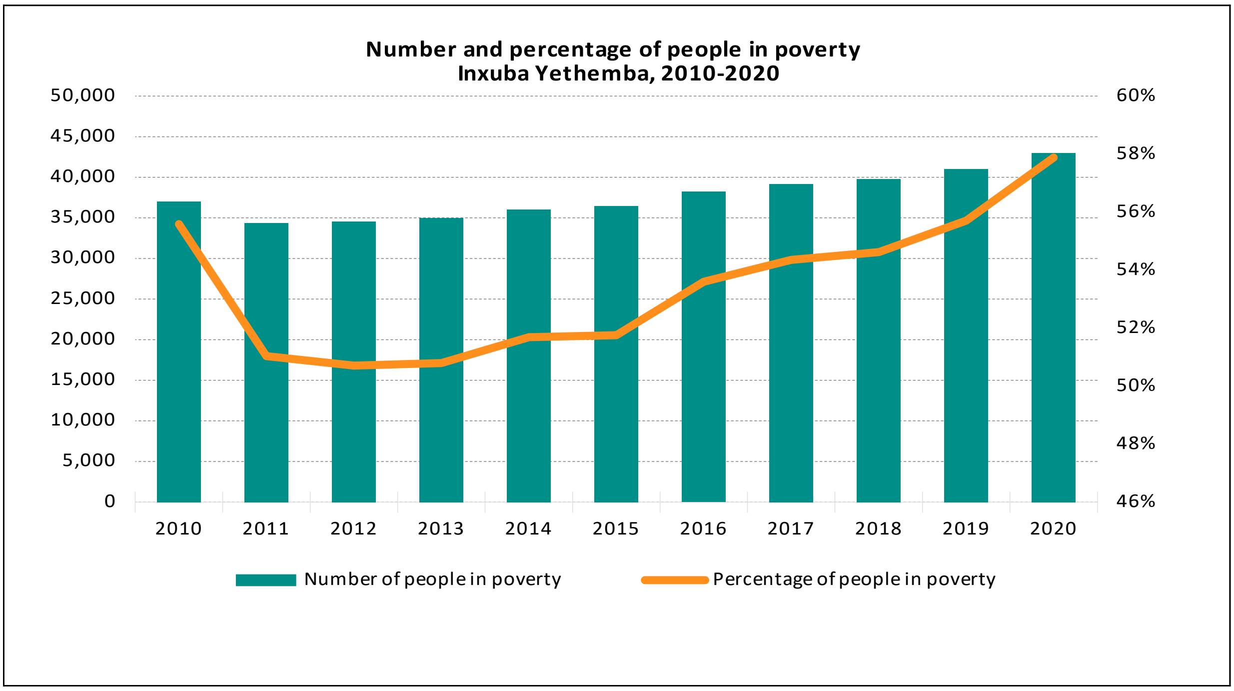
TABLE 28. GINI COEFFICIENT BY POPULATION GROUP - INXUBA YETHEMBA, 2010, 2020 [NUMBER]

	African	White	Coloured
2010	0.53	0.41	0.50
2020	0.59	0.44	0.56
Average Annual growth			
2010-2020	***1.01***%	***0.69***%	***1.12***%

Source: IHS Markit Regional eXplorer version 2142

When segmenting the Inxuba Yethemba Local Municipality into population groups, it can be seen that the Gini coefficient for the Coloured population group increased the most amongst the population groups with an average annual growth rate of 1.12%. The Gini coefficient for the White population group increased the least with an average annual growth rate of 0.69%.

CHART 33. GINI COEFFICIENT - INXUBA YETHEMBA AND THE REST OF CHRIS HANI DISTRICT MUNICIPALITY, 2020 [NUMBER]

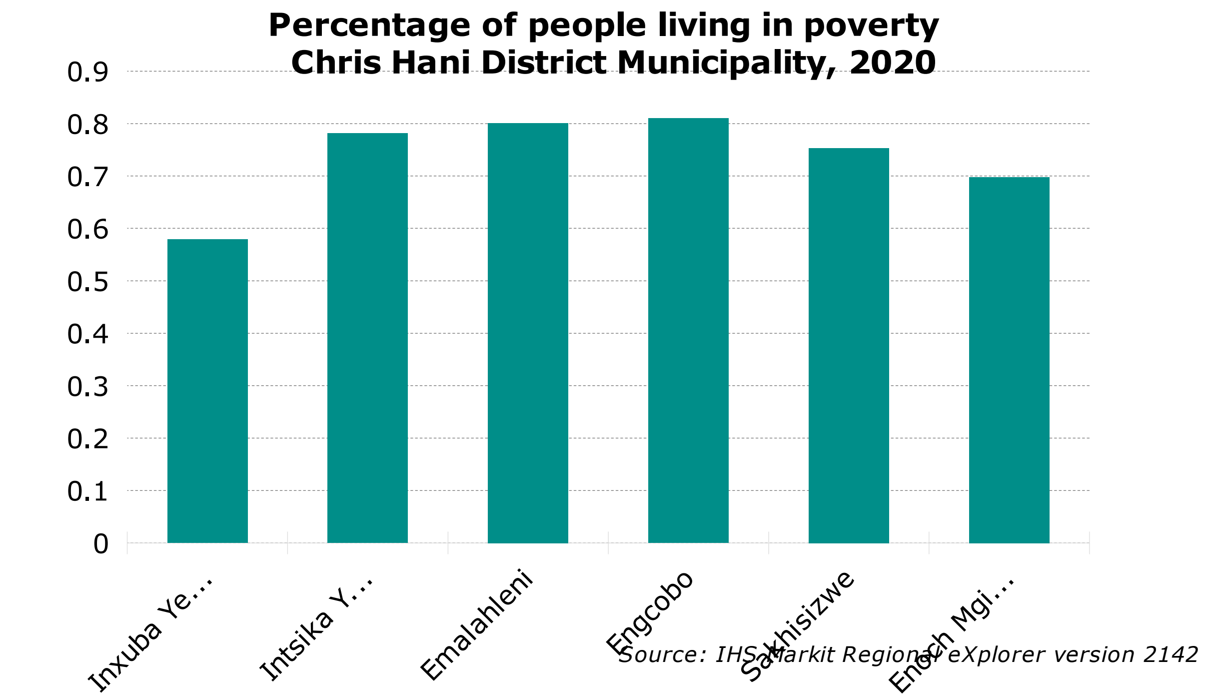


In terms of the Gini coefficient for each of the regions within the Chris Hani District Municipality, Inxuba Yethemba Local Municipality has the highest Gini coefficient, with an index value of 0.623. The lowest Gini coefficient can be observed in the Intsika Yethu Local Municipality with an index value of 0.549.

2.15. Poverty

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

CHART 34. NUMBER AND PERCENTAGE OF PEOPLE LIVING IN POVERTY - INXUBA YETHEMBA LOCAL MUNICIPALITY, 2010-2020 [NUMBER PERCENTAGE]



Source: IHS Markit Regional eXplorer version 2142

In 2020, there were 43 000 people living in poverty, using the upper poverty line definition, across Inxuba Yethemba Local Municipality - this is 16.22% higher than the 37 000 in 2010. The percentage of people living in poverty has increased from 55.59% in 2010 to 57.88% in 2020, which indicates a increase of -2.29 percentage points.

TABLE 29. PERCENTAGE OF PEOPLE LIVING IN POVERTY BY POPULATION GROUP - INXUBA YETHEMBA, 2010-2020 [PERCENTAGE]

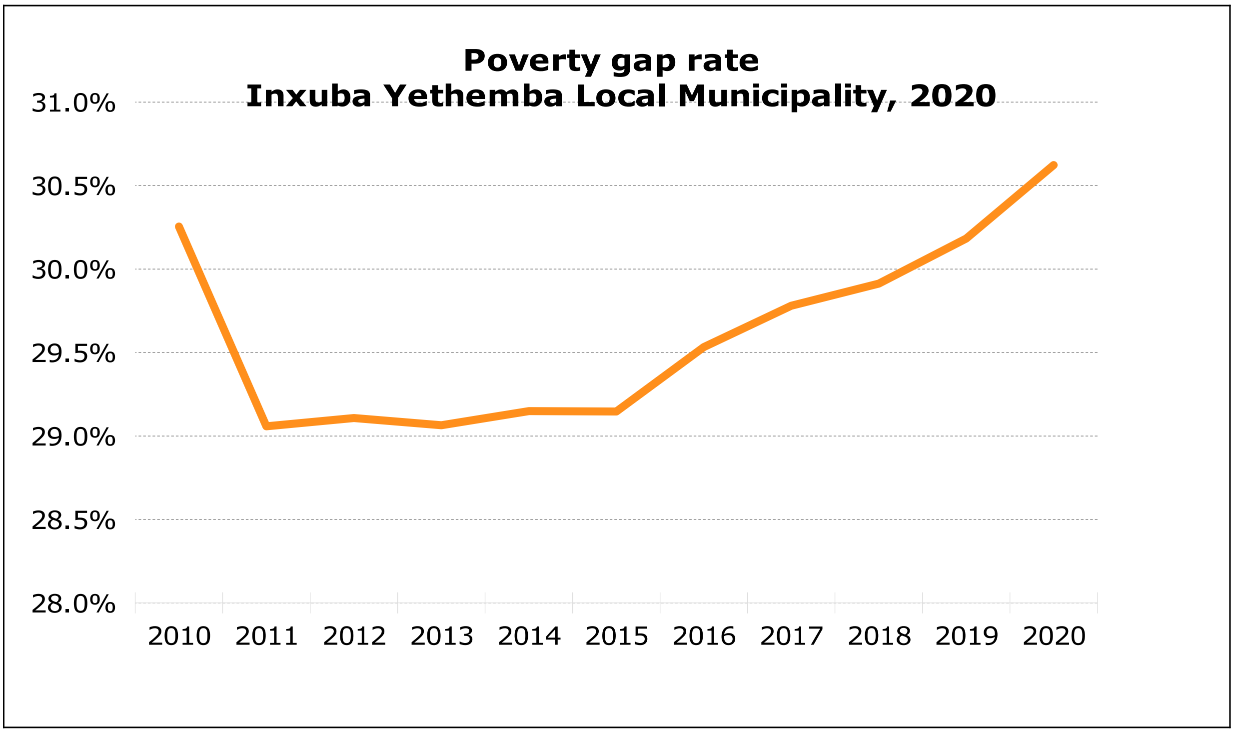
	African	White	Coloured
2010	67.6%	1.2%	53.3%
2011	62.2%	0.6%	48.6%
2012	61.6%	0.6%	48.3%
2013	61.5%	0.6%	48.4%
2014	62.3%	0.6%	49.4%
2015	62.2%	0.8%	49.5%
2016	64.3%	1.2%	51.0%
2017	65.1%	1.6%	51.3%
2018	65.6%	1.8%	50.8%
2019	66.9%	2.1%	51.3%
2020	69.2%	2.7%	53.3%

Source: IHS Markit Regional eXplorer version 2142

In 2020, the population group with the highest percentage of people living in poverty was the Coloured population group with a total of 53.3% people living in poverty, using the upper poverty line definition. The proportion of the

Coloured population group, living in poverty, decreased by -0.0816 percentage points, as can be seen by the change from 53.26% in 2010 to 53.34% in 2020. In 2020 69.21% of the African population group lived in poverty, as compared to the 67.62% in 2010.

CHART 35. PERCENTAGE OF PEOPLE LIVING IN POVERTY - INXUBA YETHEMBA AND THE REST OF CHRIS HANI DISTRICT MUNICIPALITY,2020 [PERCENTAGE]



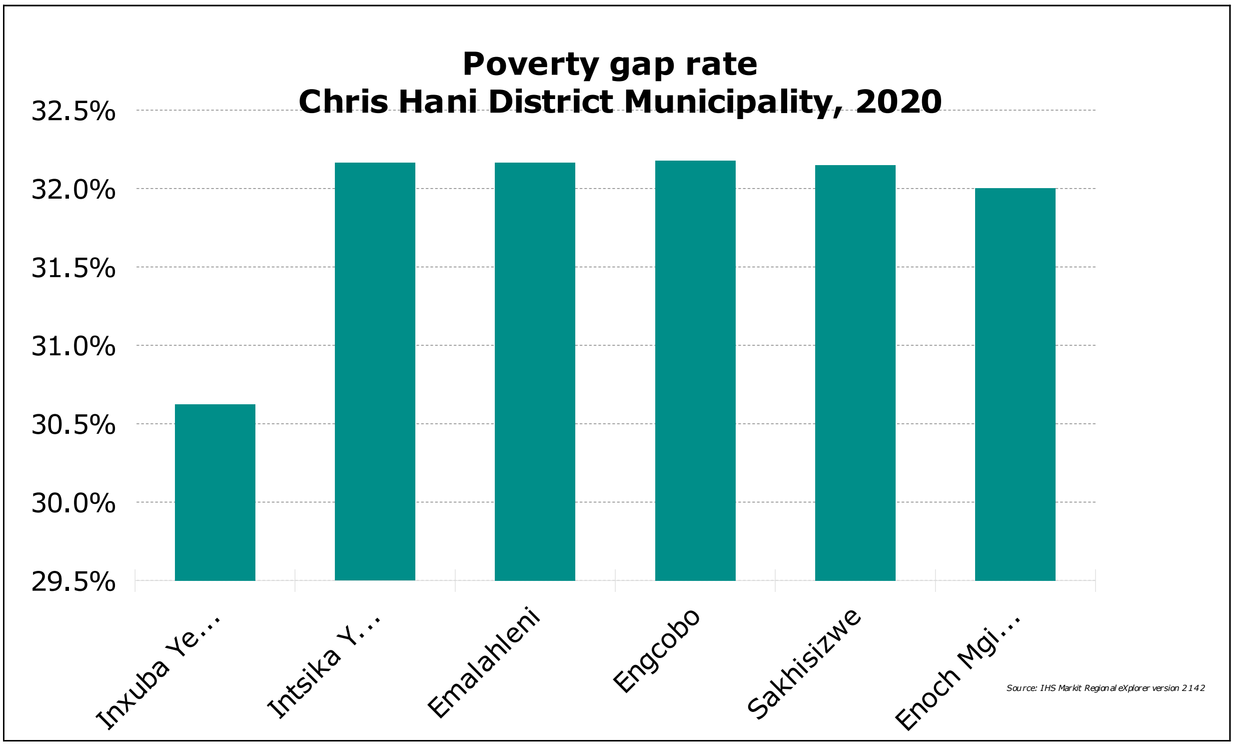
In terms of the percentage of people living in poverty for each of the regions within the Chris Hani District Municipality, Engcobo Local Municipality has the highest percentage of people living in poverty, with a total of 81.0%. The lowest percentage of people living in poverty can be observed in the Inxuba Yethemba Local Municipality with a total of 57.9% living in poverty, using the upper poverty line definition.

2.15.1. Poverty Gap Rate

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

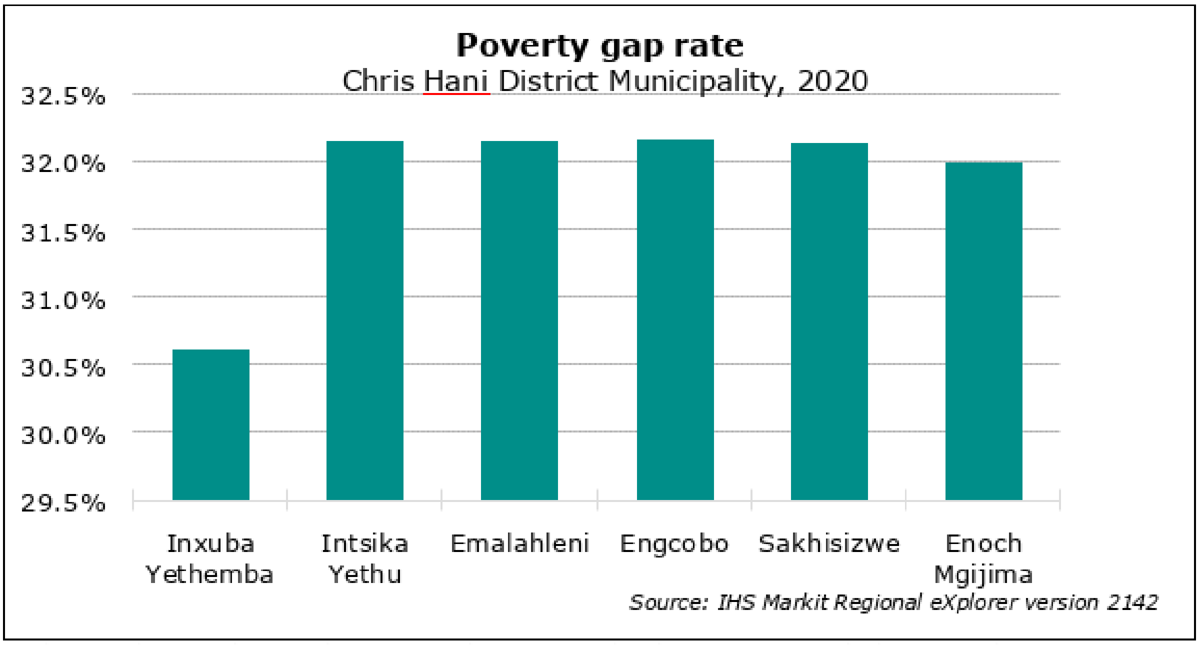
It is estimated that the poverty gap rate in Inxuba Yethemba Local Municipality amounted to 30.6% in 2020 - the rate needed to bring all poor households up to the poverty line and out of poverty.

TABLE 30. POVERTY GAP RATE BY POPULATION GROUP - INXUBA YETHEMBA LOCAL MUNICIPALITY, 2010-2020 [PERCENTAGE]



In 2020, the poverty gap rate was 30.6% and in 2010 the poverty gap rate was 30.3%, it can be seen that the poverty gap rate increased from 2010 to 2020, which means that there were no improvements in terms of the depth of the poverty within Inxuba Yethemba Local Municipality.

CHART 36. POVERTY GAP RATE - INXUBA YETHEMBA LOCAL MUNICIPALITY AND THE REST OF CHRIS HANI, 2020 [PERCENTAGE]

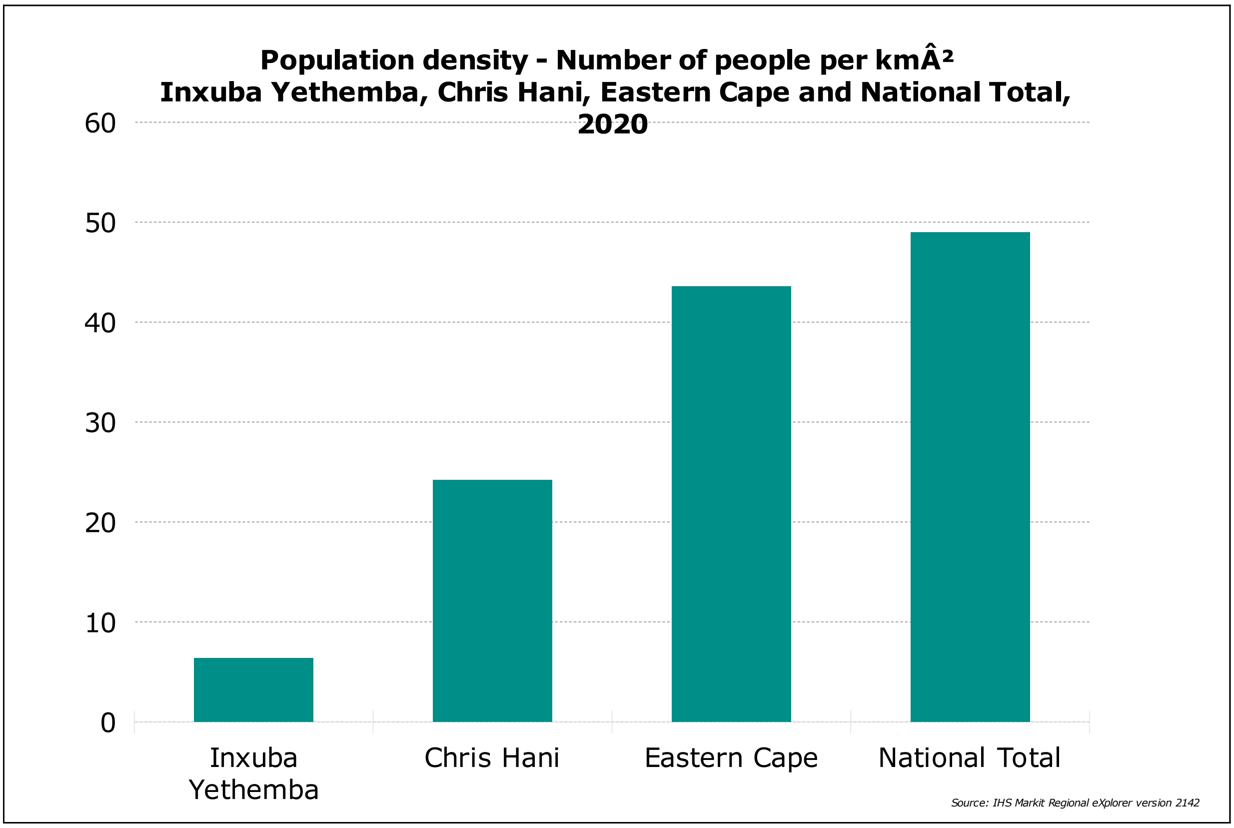


In terms of the poverty gap rate for each of the regions within the Chris Hani District Municipality, Engcobo Local Municipality had the highest poverty gap rate, with a rand value of 32.2%. The lowest poverty gap rate can be observed in the Inxuba Yethemba Local Municipality with a total of 30.6%

2.16. Population Density

Definition: Population density measures the concentration of people in a region. To calculate this, the population of a region is divided by the area size of that region. The output is presented as the number of people per square kilometre.

CHART 37. POPULATION DENSITY - INXUBA YETHEMBA, CHRIS HANI, EASTERN CAPE AND NATIONAL TOTAL, 2020 [NUMBER OF PEOPLE PER KM]



In 2020, with an average of 6.37 people per square kilometre, Inxuba Yethemba Local Municipality had a lower population density than Chris Hani (24.2 people per square kilometre). Compared to Eastern Cape Province (43.6 per square kilometre) there are less people living per square kilometre in Inxuba Yethemba Local Municipality than in Eastern Cape Province.

TABLE 31. POPULATION DENSITY - INXUBA YETHEMBA AND THE REST OF CHRIS HANI, 2010-2020 [NUMBER OF PEOPLE PER KM]

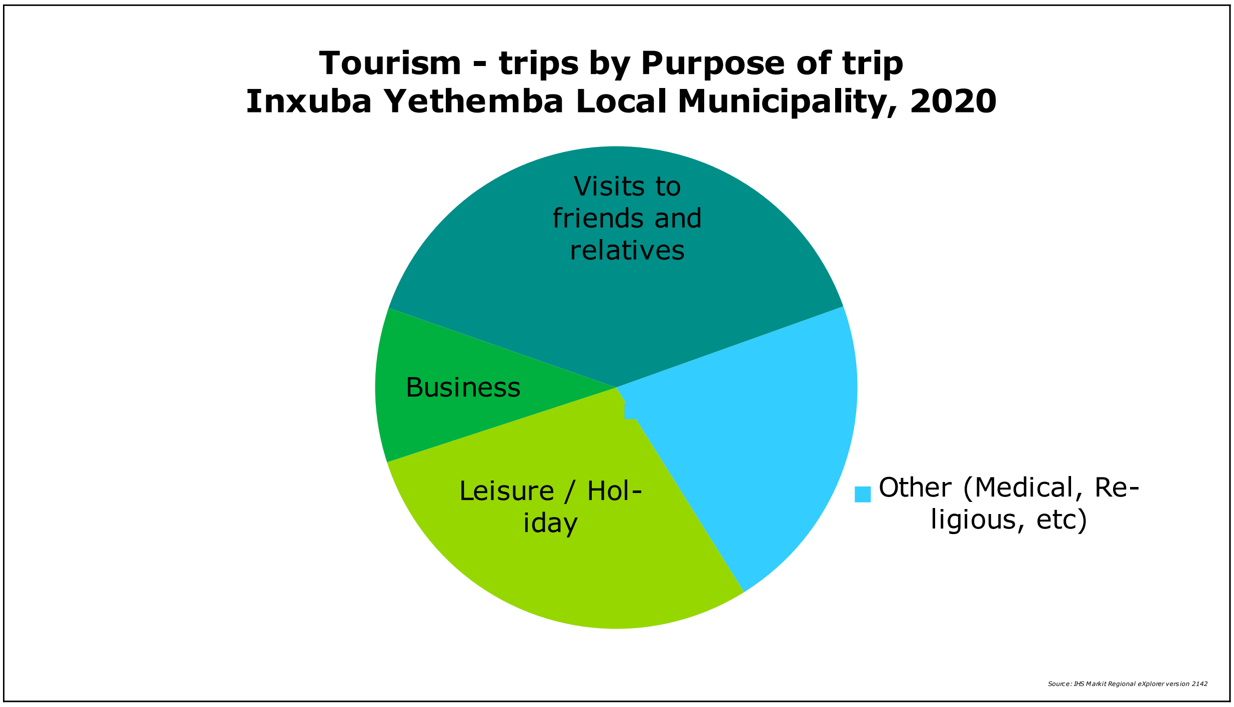
	Inxuba Yethemba	Intsika Yethu	Emalahleni	Engcobo	Sakhisizwe	Enoch Mgijima
2010	5.71	53.42	34.97	63.45	27.36	18.79
2011	5.77	53.36	35.14	63.51	27.42	18.99
2012	5.84	53.28	35.28	63.57	27.48	19.20
2013	5.91	53.31	35.46	63.74	27.60	19.41
2014	5.98	53.43	35.68	64.01	27.75	19.62
2015	6.04	53.63	35.94	64.36	27.93	19.85
2016	6.11	53.87	36.21	64.74	28.12	20.06
2017	6.18	54.18	36.51	65.19	28.33	20.29
2018	6.25	54.54	36.83	65.68	28.55	20.51

	Inxuba Yethemba	Intsika Yethu	Emalahleni	Engcobo	Sakhisizwe	Enoch Mgijima
2019	6.31	54.91	37.15	66.16	28.77	20.72
2020	6.37	55.28	37.47	66.62	28.98	20.93
Average Annual growth						
2010-2020	***1.10***%	***0.34***%	***0.69***%	***0.49***%	***0.58***%	***1.08***%

Source: IHS Markit Regional eXplorer version 2142

In 2020, Inxuba Yethemba Local Municipality had a population density of 6.37 per square kilometre and it ranked highest amongst its piers. The region with the highest population density per square kilometre was the Engcobo with a total population density of 66.6 per square kilometre per annum. In terms of growth, Inxuba Yethemba Local Municipality had an average annual growth in its population density of 1.10% per square kilometre per annum. It was also the region that had the highest average annual growth rate. The region with the lowest average annual growth rate was the Intsika Yethu with an average annual growth rate of 0.34% people per square kilometre over the period under discussion.

CHART 38. POPULATION DENSITY - INXUBA YETHEMBA AND THE REST OF CHRIS HANI DISTRICT MUNICIPALITY, 2020 [NUMBER OF PEOPLE PER KM]



In terms of the population density for each of the regions within the Chris Hani District Municipality, Engcobo Local Municipality had the highest density, with 66.6 people per square kilometre. The lowest population density can be observed in the Inxuba Yethemba Local Municipality with a total of 6.37 people per square kilometre.

2.17. Tourism

Tourism can be defined as the non-commercial organisation plus operation of vacations and visits to a place of interest. Whether you visit a relative or friend, travel for business purposes, go on holiday or on medical and religious trips - these are all included in tourism.

2.17.1. Trips by purpose of trips.

Definition: As defined by the United Nations World Tourism Organisation (UN WTO), a trip refers to travel, by a person, from the time they leave their usual residence until they return to that residence. This is usually referred to as a round trip. IHS likes to narrow this definition down to overnight trips only, and only those made by adult visitors (over 18 years). Also note that the number of "person" trips are measured, not household or "party trips".

The main purpose for an overnight trip is grouped into these categories:

- Leisure / Holiday
- Business
- Visits to friends and relatives
- Other (Medical, Religious, etc.)

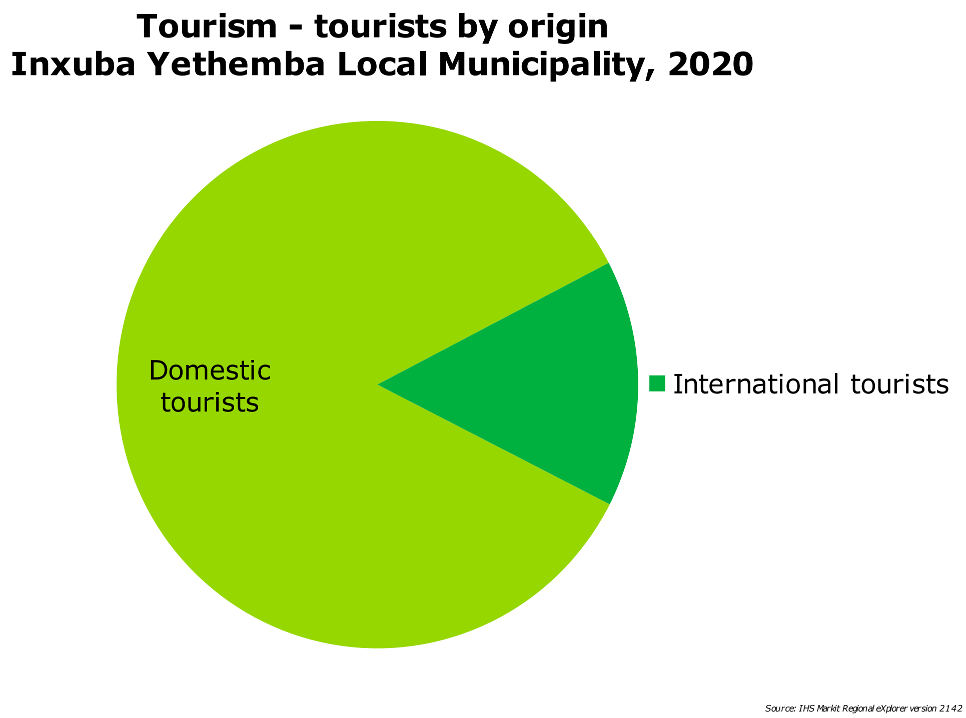
TABLE 32. NUMBER OF TRIPS BY PURPOSE OF TRIPS - INXUBA YETHEMBA LOCAL MUNICIPALITY, 2010-2020 [NUMBER PERCENTAGE]

	Leisure / Holiday	Business	Visits to friends and relatives	Other (Medical, Religious, etc)	Total
2010	31,600	11,600	46,400	20,500	110,000
2011	29,600	11,500	42,200	19,700	103,000
2012	26,500	11,600	36,700	18,700	93,500
2013	24,300	11,100	30,000	19,700	85,100
2014	21,600	10,700	29,000	19,100	80,400
2015	19,900	10,400	26,600	18,300	75,200
2016	19,300	10,300	25,100	17,900	72,500
2017	18,500	9,740	24,300	17,000	69,600
2018	18,100	9,160	23,000	15,300	65,600
2019	17,400	8,080	21,300	13,000	59,800
2020	5,820	2,090	7,900	4,350	20,200
Average Annual growth					
2010-2020	***-15.57***%	***-15.73***%	***-16.22***%	***-14.36***%	***-15.61***%

Source: IHS Markit Regional eXplorer version 2142

In Inxuba Yethemba Local Municipality, the Other (Medical, Religious, etc), relative to the other tourism, recorded the highest average annual growth rate from 2010 (20 500) to 2020 (4 350) at -14.36%. Visits to friends and relatives recorded the highest number of visits in 2020 at 7 900, with an average annual growth rate of -16.22%. The tourism type that recorded the lowest growth was Visits to friends and relatives tourism with an average annual growth rate of -16.22% from 2010 (46 400) to 2020 (7 900).

CHART 39. TRIPS BY PURPOSE OF TRIP - INXUBA YETHEMBA LOCAL MUNICIPALITY, 2020 [PERCENTAGE]



The Visits to friends and relatives at 39.18% have largest share the total tourism within Inxuba Yethemba Local Municipality. Leisure / Holiday tourism had the second highest share at 28.87%, followed by Other (Medical, Religious, etc) tourism at 21.57% and the Business tourism with the smallest share of 10.37% of the total tourism within Inxuba Yethemba Local Municipality.

2.17.2. Origin of Tourists

In the following table, the number of tourists that visited Inxuba Yethemba Local Municipality from both domestic origins, as well as those coming from international places, are listed.

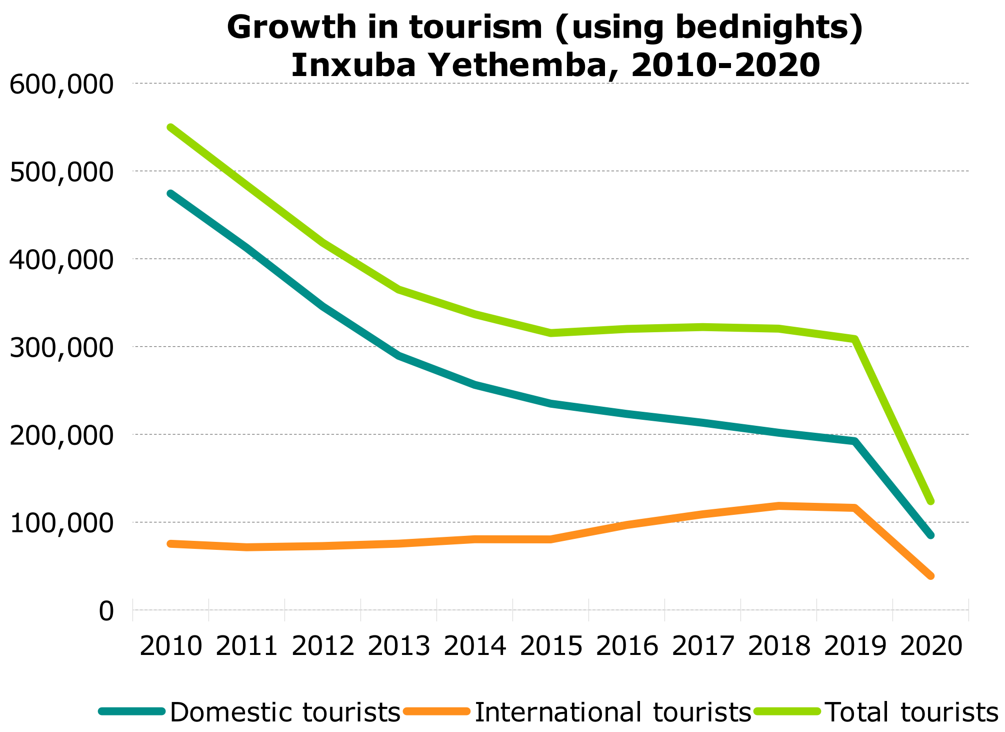
TABLE 33. TOTAL NUMBER OF TRIPS BY ORIGIN TOURISTS - INXUBA YETHEMBA LOCAL MUNICIPALITY, 2010-2020 [NUMBER]

	Domestic tourists	International tourists	Total tourists
2010	103,000	7,200	110,000
2011	95,900	7,060	103,000
2012	86,000	7,420	93,500
2013	77,500	7,650	85,100
2014	72,600	7,760	80,400
2015	67,900	7,250	75,200
2016	64,300	8,260	72,500
2017	61,000	8,600	69,600
2018	56,500	9,040	65,600
2019	50,800	9,010	59,800
2020	17,100	3,050	20,200
Average Annual growth			
2010-2020	***-16.42***%	***-8.23***%	***-15.61***%

Source: IHS Markit Regional eXplorer version 2142

The number of trips by tourists visiting Inxuba Yethemba Local Municipality from other regions in South Africa has decreased at an average annual rate of -16.42% from 2010 (103 000) to 2020 (17 100). The tourists visiting from other countries decreased at an average annual growth rate of -8.23% (from 7 200 in 2010 to 3 050). International tourists constitute 15.14% of the total number of trips, with domestic tourism representing the balance of 84.86%.

CHART 40. TOURISTS BY ORIGIN - INXUBA YETHEMBA LOCAL MUNICIPALITY, 2020 [PERCENTAGE]



Source: IHS Markit Regional eXplorer version 2142

2.17.3. Benights by origin of tourist

Definition: A bed night is the tourism industry measurement of one night away from home on a single person trip.

The following is a summary of the number of bed nights spent by domestic and international tourist within Inxuba Yethemba Local Municipality between 2010 and 2020.

TABLE 34. BEDNIGHTS BY ORIGIN OF TOURIST - INXUBA YETHEMBA LOCAL MUNICIPALITY, 2010-2020 [NUMBER]

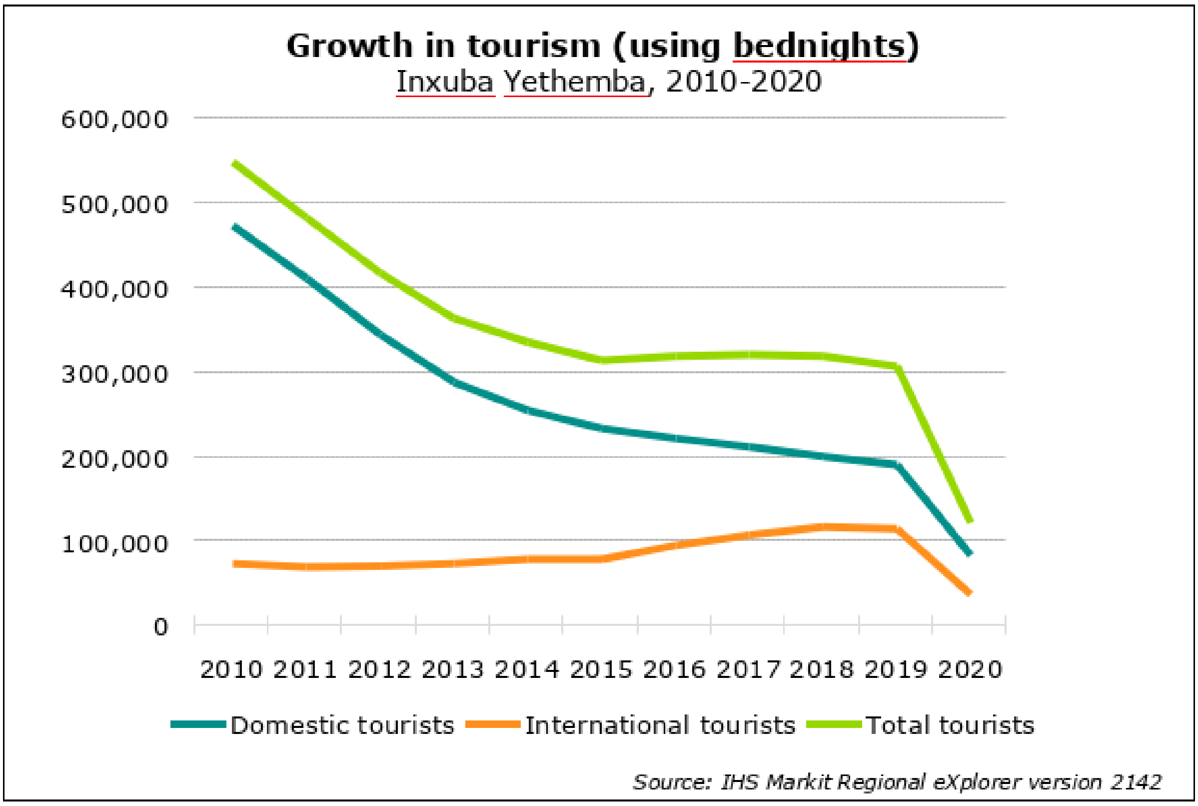
	Domestic tourists	International tourists	Total tourists
2010	474,000	75,300	550,000
2011	412,000	71,300	484,000
2012	346,000	72,700	418,000
2013	290,000	75,400	365,000
2014	256,000	80,500	337,000
2015	235,000	80,400	315,000
2016	223,000	96,800	320,000
2017	213,000	109,000	322,000

	Domestic tourists	International tourists	Total tourists
2018	202,000	119,000	320,000
2019	192,000	116,000	309,000
2020	85,000	38,800	124,000
Average Annual growth			
2010-2020	***-15.80***%	***-6.43***%	***-13.85***%

Source: IHS Markit Regional eXplorer version 2142

From 2010 to 2020, the number of bed nights spent by domestic tourists has decreased at an average annual rate of -15.80%, while in the same period the international tourists had an average annual decrease of -6.43%. The total number of bed nights spent by tourists decreased at an average annual growth rate of -13.85% from 550 000 in 2010 to 124 000 in 2020.

CHART 41. GROWTH IN TOURISM (USING BEDNIGHTS) BY ORIGIN - INXUBA YETHEMBA LOCAL MUNICIPALITY, 2010-2020 [NUMBER]



2.17.4. Tourism spending

TABLE 35. TOTAL TOURISM SPENDING - INXUBA YETHEMBA, CHRIS HANI, EASTERN CAPE AND NATIONAL TOTAL, 2010-2020 [R BILLIONS, CURRENT PRICES]

	Inxuba Yethemba	Chris Hani	Eastern Cape	National Total
2010	0.2	0.9	12.7	167.2
2011	0.2	0.9	12.7	174.5
2012	0.3	1.1	15.2	199.4
2013	0.3	1.1	16.4	217.8
2014	0.4	1.3	18.0	240.5
2015	0.3	1.2	17.2	231.4

	Inxuba Yethemba	Chris Hani	Eastern Cape	National Total
2016	0.4	1.4	20.0	267.2
2017	0.4	1.4	20.4	277.5
2018	0.4	1.4	19.4	273.2
2019	0.4	1.4	19.8	284.6
2020	0.1	0.4	5.8	84.9
Average Annual growth				
2010-2020	***-5.92***%	***-8.23***%	***-7.60***%	***-6.55***%

Source: IHS Markit Regional eXplorer version 2142

Inxuba Yethemba Local Municipality had a total tourism spending of R 125 million in 2020 with an average annual growth rate of -5.9% since 2010 (R 230 million). Chris Hani District Municipality had a total tourism spending of R 374 million in 2020 and an average annual growth rate of -8.2% over the period. Total spending in Eastern Cape Province decreased from R 12.7 billion in 2010 to R 5.75 billion in 2020 at an average annual rate of -7.6%. South Africa as whole had an average annual rate of -6.6% and decreased from R 167 billion in 2010 to R 84.9 billion in 2020.

2.17.5. Tourism Spend per Resident Capita

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

TABLE 36. TOURISM SPEND PER RESIDENT CAPITA - INXUBA YETHEMBA LOCAL MUNICIPALITY AND THE REST OF CHRIS HANI, 2010,2015 AND 2020 [R THOUSANDS]

	2010	2015	2020
Inxuba Yethemba	R 3,462	R 4,670	R 1,685
Intsika Yethu	R 480	R 633	R 202
Emalahleni	R 440	R 437	R 129
Engcobo	R 663	R 810	R 204
Sakhisizwe	R 730	R 938	R 287
Enoch Mgijima	R 1,464	R 1,807	R 515

Source: IHS Markit Regional eXplorer version 2142

In 2020, Inxuba Yethemba Local Municipality had a tourism spend per capita of R 1,680 and an average annual growth rate of -6.95%, Inxuba Yethemba Local Municipality ranked highest amongst all the regions within Chris Hani in terms of tourism spend per capita. The local municipality that ranked lowest in terms of tourism spend per capita is Emalahleni with a total of R 129 which reflects an decrease at an average annual rate of -11.55% from 2010.

2.17.6. Tourism Spend as a Share of GDP

Definition: This measure presents tourism spending as a percentage of the GDP of a region. It provides a gauge of how important tourism is to the local economy. An important note about this variable is that it does not reflect what is spent in the tourism industry of that region, but only what is spent by tourists visiting that region as their main destination.

TABLE 37. TOTAL SPENDING AS % SHARE OF GDP - INXUBA YETHEMBA, CHRIS HANI, EASTERN CAPE AND NATIONAL TOTAL, 2010-2020 [PERCENTAGE]

	Inxuba Yethemba	Chris Hani	Eastern Cape	National Total
2010	7.9%	5.3%	6.0%	6.1%
2011	7.4%	5.0%	5.6%	5.8%
2012	8.0%	5.3%	6.0%	6.1%
2013	8.0%	5.2%	6.0%	6.2%
2014	8.1%	5.3%	6.1%	6.3%
2015	7.0%	4.5%	5.4%	5.7%
2016	8.0%	5.1%	6.0%	6.1%
2017	7.9%	4.9%	5.7%	6.0%
2018	7.3%	4.5%	5.2%	5.6%
2019	7.5%	4.4%	5.1%	5.6%
2020	2.2%	1.2%	1.5%	1.7%

Source: IHS Markit Regional eXplorer version 2142

In Inxuba Yethemba Local Municipality the tourism spending as a percentage of GDP in 2020 was 2.22%. Tourism spending as a percentage of GDP for 2020 was 1.22% in Chris Hani District Municipality, 1.52% in Eastern Cape Province. Looking at South Africa as a whole, it can be seen that total tourism spending had a total percentage share of GDP of 1.71%.

2.18. IMPACT OF COVID-19 ON INXUBA YETHEMBA MUNICIPALITY

Economic Impact

South Africa and the world at large was hit by a pandemic that not only altered how we work but that also changed the economic outlook of the world. The emergence of Covid-19 in December 2019 brought with it a burden that no government was prepared for or that was not anticipated. The Hard lock down that resulted as numbers of infections and deaths rose in South Africa had such negative spin-off that were felt by everyone. Inxuba Yethemba Municipality is a rural Municipality within Chris Hani District and it has very few industries that support its economy, with most of its citizens relying mostly on farming activities which are seasonal, migrant labor system, small and medium enterprises and general retail as sources of employment.

The economy of IYM took a battering as shops and offices closed, and that meant there was no economic activity from March 2020 until a few industries were allowed to open in the later months of the year as we went to Level 3 and/or 2. This means that the citizens were faced with unemployment, poverty and lack of economic activity like 8the rest of the country, but the devastation this caused in our area is immense since we already have a high rate of unemployment and rely mostly on seasonal/casual work As the municipality, it is envisaged that our economy will start to normalize once the Covid-19 pandemic is fully controlled and managed.

Both the Primary and Secondary sectors of our economy as the municipality were hard hit during the lockdown levels 5 & 4, and some ease in activities was experienced during lockdown level 3 and below. The complete closure of the Mining and Agricultural sectors in the highest 2 levels meant there was no economic activity, no revenue generation and no direct/indirect economic spin-off for our municipality and citizens. All the major 4 industries that fall within the Primary and Secondary experienced loss of revenue, job losses and some of them had to close shop or declare a loss for the financial year.

Education

All our schools were closed during the lockdown period, and continue to operate at minimum capacity due to the regulations set out by government as per the Disaster Management Act protocols. This drastically affected the delivery of lessons as all children were forced to home school themselves or be helped by their parents. It is a known factor that the literacy rate amongst parents in IYM is low, which means that learners were on their own, more so those who were doing Matric in 2020. As per the national and provincial norm, we also experienced a decline on the quantity and quality of our Matric passes for the past academic year. Despite the challenges, including the deaths of both students, learners and education officials, we continue to strive for an improvement in our Matrix results both from a quantitative and qualitative side.

Service Delivery

There was a noticeable decline in the provision of services to the people due to the lockdown, but also due to Budget re-prioritisation where all government institutions and departments, including municipalities, had to channel available funds to emergency procurement of PPE in the fight against Covid-19. This meant that funds that had been previously earmarked for certain projects had to be channelled to efforts aimed at curbing the rise of Covid-19. Also, some capital and infrastructure projects that were planned and/or being implemented had to be halted due to the lockdown and due to budgets being redirected. This means that such projects will have to continue beyond their projected periods of completion.

Mortality

We experienced a rapid rise on the cases of deaths related to Covid-19 and this put a strain on many families and on the municipality as it affected the number of active labor force in the area.

CHAPTER 2: SITUATIONAL ANALYSIS PER KEY PERFORMANCE AREA

SITUATIONAL ANALYSIS PER KEY PERFORMANCE AREA

During the development and review of the Integrated Development Plan, the Municipality undertakes a Situational Analysis process which ultimately identifies levels of development, priority issues to be noted and addressed during the process of developing strategic objectives and targets for the institution.

The Key Performance Areas.

The Key Performance Areas (KPA's) are defined in the following table:

Table 6: DEFINITION OF THE National KPA's	
KPA 1: Basic Service Delivery and Infrastructure Development	To ensure efficient infrastructure and energy supply that will contribute to the improvement of quality of life for all citizens within Inxuba Yethemba LM.
KPA 2: Local Economic Development	To facilitate sustainable economic empowerment for all communities within Inxuba Yethemba LM and enabling a viable and conducive economic environment through the development of related initiatives including job creation and skills development.
KPA 3: Municipal Transformation & Organisational Development	To provide an effective and efficient workforce by aligning our institutional arrangements to our overall strategy to deliver quality services.
KPA 4: Good Governance & Public Participation	To promote proper governance and public participation
KPA 4:Financial Management and Viability	To ensure the financial sustainability of the municipality in order and to adhere to statutory requirements.

KPA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT.

The Service Delivery and Infrastructure Key Performance Area is shared by 2 directorates namely the Technical Services and Community Services. The functional areas within this KPA include:

- Water
- Sanitation
- Electricity
- Roads and Stormwater
- Environmental Management
- Solid Waste
- Traffic and Law Enforcement
- Public Amenities
- Safety and Security

WATER

The IYM is not a Water Service Authority nor a Water Service Provider as such all matters relating to Water Provision are a function of the District Municipality.

According to the Water Services Development Plan (2019-2020) which interprets figures taken from the STATS SA, 2016, translates the provision of water as follows within IYM

Water Access by household

Water Source	Number of Households
Piped water inside dwelling	13 639
Piped water in yard	3 928
Communal piped water: less than 200m from dwelling (At RDP-level)	167
Communal piped water: more than 200m from dwelling (Below RDP)	2
No formal piped water	1 931

Source: Census 2011	**Piped water inside dwelling**	**Piped water in yard**	**Communal piped water: less than 200m from dwelling (At RDP-level)**	**Communal piped water: more than 200m from dwelling (Below RDP)**	**No formal piped water**	**Total**
Inxuba Yethemba	11700	3690	78	166	1160	16800
Inxuba Yethemba	4320	8900	11400	5280	16500	46400
Emalahleni	2320	9200	10400	3980	8680	34600
Engcobo	5240	6670	6660	3500	20500	42600
Sakhisizwe	3040	4320	3760	1800	3990	16900
Enoch Mgijima	28600	16800	10900	3760	6720	66700
Total Chris Hani	**55192**	**49539**	**43215**	**18494**	**57567**	**224007**

- Inxuba Yethemba, has about 70% piped water inside dwelling. A fair distribution of piped water in the yard and a few households with no formal piped water.
- Chris Hani and Eastern Cape,have a fairly shared amount of dwellings with piped water inside, in the yards and communal piped water(less than 200m from dwelling) About 25% of the dwellings have not formal piped water.
- National Total, has over 40% piped water inside dwelling, a few dwellings with piped water in the yards. Minimal units with communal piped water(less than 200m from dwelling) and no formal water.

Electricity

The municipality distributes electricity to Cradock town, Michausdal and the whole of Middelburg. In Lingelihle township Eskom is the distributor. It also has a responsibility to provide and maintain street lights throughout the municipality. Electricity is purchased in bulk from Eskom and distributed through the municipality's infrastructure and network. The municipality's role is administered as follows:

- Bulk purchase of electricity supply from Eskom
- Distribution of electricity to consumers
- Management of pre-paid electricity to consumers
- Taking measures to prevent theft of electricity
- Maintaining links with government departments and institutions like DME, NERSA etc.
- Implementation of projects on housing electrification
- Maintenance and upgrade of electricity infrastructure and networks
- Public lighting of streets and maintenance of street light fittings and fixtures

Strategic objectives of the function are:

- to ensure that all communities receive adequate and uninterrupted supply of electricity
- ensure adequate street lighting so as to provide safety and security in the communities

Electrification in Inxuba Yethemba

The Municipality has reached the Universal Access, 100% electricity connections.

ELECTRIFICATION PROGRAMME

For electricity in the 2020/2021 financial year 150 households were electrified in Lusaka. And in the 2021/2022 financial year = 68 houses and 25 Highmast Lights were installed in Lusaka and Midros.

The municipality currently experiences no less than 20.43% Electricity Distribution losses

In addition to the electricity programmes, the Electricity Unit responded to (Fixed) 268 Faulty Electric Meters and 80 Faulty Streetlights.

The Electricity Unit has developed an Electricity By-Law and Electricity Maintance Plan which covers preventative and condition monitoring maintanance.

In the 2022-2027 the Electricity programmes have been funded successfully:

GRANT DESCRIPTION	ALLOCATION 2022/23	2023/24	2024/25
EEDSM – Energy Efficient Demand Side Management	R4 500 000	R5000 000	R6000 000
INEP	R0	R12 000 000	R12 539 000

In the 2022/23 the Municipality will be completing the Street Light Programme (Erection of HighMast Lights in Lusaka and Midros which was approved for R 13

The Notified Maximum Demand (NMD) for Middelburg Unit is 6 MVA, the current usage is 5.8 MVA which translates to 0. 2 MVA Spare capacity. The above statement shows that there's a limit or inability to provide electricity for future developments in Middelburg. The Municipality is unable to apply for capacity increase from Eskom due to historical debt.

Vandalism and Copper Theft (Cables) is a huge risk to Municipal economy and reliability of electricity supply.

Roads and Stormwater

Surfaced and Gravel Roads

The Road Network in CHDM in general comprises of National, Provincial and Municipal Roads. Inxuba Yethemba Municipality has been blessed with National Roads i.e N10 (National) and also R61 which runs from Cradock through to Queenstown. Out of the 8253km Road Length within the Chris Hani District Municipality, Inxuba Yethemba Municipality takes a slice of 2150km comprising of Gravel (2111km) and Surfaced (39km). The District Municipality is responsible for maintaining identified roads in IYM area in an agency basis of the Department of Roads and Transport .

Paved Roads

SANRAL covers 1202.06km of the paved roads in the Chris Hani District as compared to the Eastern Cnt of Roads and Public Works (333.06km). The Department of Roads and Public Works has a large 7963km portion paved roads and of this Inxuba Yethemba takes 109.9kms. Inxuba Yethemba has 143.9km

unpaved roads. The District Municipality, they assessed the condition of IYM paved roads according to 3 categories: Rehabilitation (32.3%), Special Maintanance (1.1%) and periodic maintenance (54.2%).

Unpaved Roads

On unpaved roads, Inxuba Yethemba Municipality as per the Unpaved Roads assessment conducted by the District, these were categorised into 3 :

- **Regravelling** : 89.1%
- **Construction** : 9.5%
- **Reshaping** : 9.1%

ROAD STRUCTURES IN IYM

Inxuba Yethemba has 1 Bridge and 2 Major Culverts

In the Division of Revenue Bill 2020 the Municipality was allocated R 16 785 000.00 for (MIG) Capital Infrastructure Projects the 2021/2022 FY. Projects implemented were as follows:

MIG PROJECTS (2021/22 FY)
Project Description
Upgrading of Municipal Commonages
Construction of Lingelihle Community Hall (Ward 2)
Paving of Makwemba Street (Ward)
Paving of Lusaka (Ward)

Paving of Fort Calata Street (Ward)
Reseal of Middelburg Streets – Van Der Walt & Van Reneen (Phase 2)
Reseal of Cradock Streets – Adderly (Phase 2)

CAPITAL PROJECTS 2022-2023 FY	Project Name	Ward	Total Project Cost	2022-2023 Allocation	2023-2024 Allocation	2024-2025 Allocation
	Paving of Midros Access Road	7&8	15 927 000,00	8 500 000,00	4 927 000,00	2 500 000,00
	Paving of Chris Hani Street & Storm Water Control	2	10 313 000,00	4 813 000,00	4 000 000,00	1 500 000,00
MIG	Paving of Joko Avenue & Storm Water Control	9	8 000 000,00	4 500 000,00	3 500 000,00	
	Paving of Michausdal Access Roads & Storm Water Control	4	9 500 000,00	0,00	4 000 000,00	5 500 000,00
	Rehabilitation of Sikulu Street	1,2 & 3	11 581 000,00	0,00	2 000 000,00	9 581 000,00
	Paving of Reymond Mhlaba Street	6	9 000 000,00	0,00	0,00	0,00
	Surfacing of Upper Long Road	7	8 000 000,00	0,00	0,00	0,00
	Paving of Solomon Mahlangu Street (KwaNonzame 2 Rooms Section)	8	15 000 000,00	0,00	0,00	0,00
	Paving of Ekuphumleni Street	9	7 000 000,00	0,00	0,00	0,00
	Paving of Thembeni Street	3	6 000 000,00	0,00	0,00	0,00
	Paving of Steenbok Street & Storm water Control	4	9 000 000,00	0,00	0,00	0,00
	Paving of Nkonjane Street Phase 2	1	12 950 000,00	0,00	0,00	0,00
	Paving of Olifants Street & Storm Water Control	6	7 800 000,00	0,00	0,00	0,00
	DORA ALLOCATION		**130 071 000,00**	**17 813 000,00**	**18 427 000,00**	**19 081 000,00**

OWN FUNDING

Project Description	Ward	Budget
Reseal/Rehabilitation of Cradock Streets- (Phase 3)	Ward 5	R8,5 m

The Roads Maintenance budget is at R500 000.00 as at May 2022

The Roads Systems

The Municipality subscribes to the RURAL ROAD ASSET MANAGEMENT SYSTEMS (RRAMS) and the Primavera-AM-ES Asset Management System. However, the Municipality needs assistance with upgrading the system to ensure full functionality.

The Approved Stormwater Management Plan

The Municipality has developed and approved its Storm Water Management Plan in the Council of May 2022.

The Roads and Transport Forum

The Municipality participates in the Roads and Transport Forum, chaired by the Community Services MMC. It convenes on a quarterly basis and reports are submitted for consideration the Technical Service Standing

Committee. Other Sector departments include Department of Transport, CHDM Transport Department, Traffic Services and external stakeholders, which include Taxi Associations.

Environmental Management

The Municipality's Environmental Management aspect is guided by the Integrated Waste Management Plan (IWMP).It must be made known that the IWMP is on reviewed stage.. The municipality is currently in the process of developing bylaws they are in draft form to better manage the environment in IYM. All related Environmental Management Activities or educational programmes are entrusted to the Environmental Management and Cleansing sections.

Waste minimisation programmes will be implemented as part of this programme to reduce the waste going to the landfill sites.

CLIMATE AND NATURAL ENVIRONMENT ANALYSIS

Climate

The municipal area stretches over a geographical area of 11594.65 square kilometers comprising of a potentially arable area with a slope ranging from 0º to 12º, with the rest of slope above 12º being mountainous area that is not arable.

The area is characterized by harsh climatic conditions with day temperatures averaging between 20ºC and 40ºC and night temperatures between - 5ºC and 16ºC. The average annual rainfall is between 200mm and 300mm with north westerly and westerly winds being more prevalent.

Most of the municipal area is covered with shrub land and low fynbos. The veld type is typical Karoo vegetation which is ideal for stock farming. Inxuba Yethemba falls within the Great Fish River drainage system and its many tributaries. Cradock receives its water from the Gariep dam through a transfer scheme which is managed by the Department of Water Affairs and Forestry whilst Middelburg on the other hand solely depends on its ground water. The present drought has thus a detrimental effect on water sources in Middelburg.

Inxuba Yethemba experienced extreme flood damage during the 70's and they still pose a potential danger. Veld fires are most common causing a threat to the agricultural sector. Drought is another major risk in the agricultural sector, which is important for the economy of the area.

Climate Change

For the last 50 years or so, rumblings about Global Warming have become louder and more urgent; as a result the past decade has seen a more concerted effort in researching the effects of Global Warming and the signs that have been associated with an increase in the earth's temperature and melting of the ice caps. Some researchers maintain that Global Warming has been with us since the end of the last Ice Age, some 18,000 – 21,000 years ago. The increase in sea levels apparently peaked about 6,000 years ago, but has continued their gradual rise, albeit at a much slower pace; research puts the sea-level rise at about 120 metres since the end of the Ice Age. Atolls and small islands are already beginning to disappear, and according to reports, oceans are becoming warmer, killing off some sensitive species of marine life.

The El Nino Phenomenon is affecting South Africa with floods. Although IYM has not yet been hit with floods, such as the floods in Johannesburg and Durban which caused devastation, it may be just a matter of time before its occurrence.

Waste management

Waste Management Includes:

- refuse removal
- solid waste disposal
- management of landfill site
- street cleaning
- waste recycling

The refuse collection functions of the municipality are administered as follows and include:

- The removal of household and business refuse industrial waste, street sweeping of the central business zone and peripheries. This also includes the management of solid waste disposal side.
- Removal of refuse from households and business premises is done once a week throughout the municipality. Each household is supplied with a refuse bag on a weekly basis

The Municipality of Inxuba Yethemba as mandated by the Constitution of South Africa has to reduce recycle, minimize and remove refuse in each household. This function is to ensure that all inhabitants of Inxuba Yethemba Municipality are living in a safe and healthy environment. The role of the Municipality is to provide machinery, equipment, human resource and allocate a budget in each financial year to render this service effectively. The National Waste Management strategy encourages that municipalities involve all stakeholders that are within their communities to form an integrated waste management forum. The Waste Management function is led by the Environmental Management Officer who ensures all relevant activities are undertaken.

Waste Management ByLaws

The municipality has in the 2021/22 financial year developed Bylaws and are in a draft form..

The Waste Management Forum

The Municipality will still establish Waste Management Forum in the new financial year, led by the Community Services MMC

Waste Management Programmes

Inxuba Yethemba, through Funding provided by the Department of Environment, Forestry and Fisheries has benefited and implemented the Good Green Deeds and Youth Community Outreach Programme. Also during the month of April 2022 conducted Cleaning Campaigns in all 9 Wards.

Greening and Land Care Programmes

The programme is the initiative of the District Municipality. A research and a management programme for Satanbos within IYM was conducted through the Greening and Environmental Rehabilitation Programme.

Awareness Campaigns??

HOUSEHOLDS BY REFUSE DISPOSAL - INXUBA YETHEMBA AND THE REST OF CHRIS HANI, 2016 [NUMBER]

	Removed weekly by authority	Removed less often than weekly by authority	Removed by community members	Personal removal (own dump)	No refuse removal	Total
Inxuba Yethemba	17500	1180	310	2040	252	21300
Inxuba Yethemba	1210	217	995	28800	6470	37700
Emalahleni	4740	144	1030	19700	4570	30200

	Removed weekly by authority	Removed less often than weekly by authority	Removed by community members	Personal removal (own dump)	No refuse removal	Total
Engcobo	858	674	704	25400	6890	34600
Sakhisizwe	2310	128	499	9300	3170	15400
Enoch Mgijima	42500	775	2940	23400	3260	72800
Total Chris Hani	**69080**	**3115**	**6476**	**108629**	**24613**	**211913**

Landfill sites

Waste in IYM is disposed at two municipal landfill sites, one at Cradock and the other one at Middelburg. The Cradock municipal landfill site is licensed for closure but is currently operational until a new suitable site is developed for a new landfill. The Middelburg landfill site is licensed for operation in terms of NEMWA and is being used for disposal of general domestic and commercial waste. Both of the municipal disposal sites are experiencing operational problems, but mainly as a result of a severe equipment and personnel shortages. None of the sites have their waste covered on a daily basis and the fencing and access controls are not in place. Windblown litter, vectors, dust and odours are common concerns in both sites.

The Municipality has appointed a service provider to manage both landfill sites until they comply with NEMWA.

Illegal dumping

Machinery is hired on a quarterly basis to remove the hips of the illegal dumped waste. Awareness campaigns are also conducted to educate community member on the risk of illegal dumping.

Traffic and Law Enforcement

Traffic Services is a shared responsibility between the Municipality and the Department of Transport. The Municipal Traffic Service is responsible for the following:

- Registration and Licensing of motor vehicles
- Renewal of Driver's Licenses
- Issuing of Learner Licenses
- Issuing of Traffic Fines

The municipality has resolved to improve law enforcement, and this will be achieved through the establishment of a bylaw enforcement unit and the installation of speed cameras in the municipality and the procurement of traffic management system. The vehicle testing machines in both units are not in working condition and this leads to revenue losses, thus a need to renovate the two machines. Pound facilities are compliant with the Animal Act and are in need of renovations. All the above services will increase the revenue for the institution.

Fire services

An emergency service centre will be established in our Fire Services Unit within the Community Service Department to ensure that our citizens are serviced in a satisfactory manner. There is a need for a proper fire station for the municipality in both Cradock and Middelburg to ensure that the service rendered is of an acceptable standard.

Public Amenities

IYM has various public amenities in both Cradock and Middelburg. The municility manages halls, libraries, sportsfields, parks, cemetaries .

The Table listed below provides more information on Public Amenities and their status quo:

Facility Type	Location	No	Status
Sports Fields	IYM in all urban areas	6	Vandalized and needs security
Parks	IYM in all urban areas	4	Vandalized and needs maintenance
Halls	Cradock (5), Midelburg (4)	9	Per Ward: 2- Functional but vandalised 3-Vandalised needs renovations 4-Vandalised needs renovations 5-Functional but roof needs to be renovated 6-Functional 7- Functional 8-Functional 9-Functional
Cemeteries	IYM in all urban areas	8	Vandalized and needs fencing and renovations. The Central cemetery in Cradock is almost full to capacity and needs reconstruction to access the burial site.
Libraries	IYM in all urban areas	6	Vandalized and needs security
Public Toilets	CBD	3	Vandalized and needs security
Animal Pounds	IYM	2	Needs renovations

There are challenges with the maintenance of other facilities whilst others are prone to vandalism which is a major setback in ensuring that our communities have access to well-maintained facilities. Communities need to own and protect facilities that have been built for them to ensure that the municipality continues to grow. We are further planning to upgrade some of our sport facilities to increase their capacity and to this extent we will be souring funding from other funding sources.

Part of the budget that has been set aside for the maintenance will go into the maintenance of our sport facilities.

SAFETY AND SECURITY

Community Safety: Inxuba Yethemba has a number of …..in its jurisdiction. All the mentioned Police Stations have their own Community Policing Forums.

Community Safety Forums

is to be established and Community Safety plan will be developed so as to have programmes that are relevant per areas of safety within IYM.

Disaster Management

The Municipal Systems Act states that the Integrated Development Plans of local authorities should contain Disaster Management Plans. The Chris Hani District Municipality has developed a Disaster Management Plan which all local municipalities adhere to.

Social Infrastructure needs

No.	Development Needs	Location
1.1	Sports Facilities Upgrade	Kwanonzame, Midros Lingelihle, Lusaka, Michausdal
1.2	Cemetery fencing, construction of guard houses and maintenance	Cradock, Lingelihle, Michausdal, Middelburg, Kwanonzame
1.3	Health Care Centres (mobile)	Inxuba Yethemba Municipality
1.5	Disaster Management Centre and Equipment	Inxuba Yethemba Municipality
1.6	Landfill sites	Inxuba Yethemba Municipality
1.7	New sport facilities	Inxuba Yethemba Municipality
1.8	Educational Facilities (Pre-schools)	Lusaka, Rosmead, Schoombee, Lingelihle
1.9	Recycling facilities	Cradock
1.10	Garden Waste Transferstation	Cradock & Middelburg

BASIC SERVICES AND INFRASTRUCTURE CHALLENGES:

Roads: An urgent need exists to upgrade access and collector roads, more particular in the newly established areas. Proper storm water channels are non-existent in the previously disadvantaged communities. The condition of the roads throughout the municipality is a serious cause of concern as this affects access to the communities of essential emergency services such as ambulance services and even the police cannot reach some of these areas. As the result of poor maintenance over the years due to cash flow problems, even those roads thought to be in a fair state are fast deteriorating. The condition of our plant vehicle and equipment further exacerbate the situation.

The roads infrastructure needs attention. The Municipality is trying as much as possible to address the issue with the little budget they get.

Electricity As is the case with water infrastructure, the electrical infrastructure requires serious and urgent attention as the municipality is currently unable to meet the increasing current demands. Middelburg unit is currently experiencing serious power supply shortcomings due to limited capacity levels. This is happening at a time when the area is experiencing an influx of people wanting to invest and local developers wanting to develop the area and the oncoming huge Sugar Beet Project. The street light fixing has become a serious challenge due to fittings, which are expensive and in short supply in stores.
Environmental Management (Illigal) dumping sites are increasing at a very high and alarming rate. The municipality also needs to invest in machinery or appropriate equipment to assist in the execution of this function.

KPA 2: LOCAL ECONOMIC DEVELOPMENT

The Local Economic Development Function is entrusted to the Integrated Planning and Economic Development (IPED) Directorate.

The KPA has the following functional areas:

- Small Enterprise Development
- Investment Promotion and Marketing
- Tourism, Heritage and Hospitality
- Agriculture
- Human Settlement
- Spatial Planning and Land Use Management

The Municipality reviewed and adopted its Local Economic Development Strategy in the 2021/22 Financial Year.

The municipality has an approved LED strategy dating back to 2009 which requires reviewed in the 2017/18 financial year as indicated in the IPED projects program. The implementation plan identifies Agricultural, Tourism, SMME, and Commercial and industrial development as strategic sectors in which we need to focus. There are clearly articulated objectives and strategic priorities with indicators, targets and milestones. The following are some of the objectives identified in the strategy:

The data on socio-economic analysis is informed by reliable and credible data from Census 2011 and HIS Global Insight 2016.

Some major strategy proposals have already been implemented while others are still in the implementation phases. The Vusubuntu Cultural village is a case in point, so are the Garden of remembrance, Egg Rock (which is part of diversification of tourist sites), etc. In some respects, the strategy is no longer appropriate to the existing economy because even some elements of the situational analysis have changed fundamentally.

The municipality needs to do more to inject a meaningful capital budget to implement its LED strategy. The institutional arrangements are quite adequate compared to other municipalities of similar size.

The IPED unit needs to be beefed up with an official who will focus on industrial/commercial development and investment. Institutional capacity to implement IPED programmes need to be established. There is also a great need for networking with other institutions and forging partnerships to be able to offer support to emerging farmers and SMME's. The potential of tourism benefits is not fully explored as it remains the domain of previously advantaged communities.

Part of the IYM LED strategy is a well-developed business incentive scheme which was adopted by council but never implemented due to challenges with revenue collection. The scheme contains a number of proposals for business attraction and retention like lower electricity rates, water rates, etc. It remains for the municipality to reconsider the implementation of the scheme if the revenue situation has improved.

As per the IYM LED Strategy the objectives of the Municipality are:

- local economic development of agricultural sector
- effective land management
- support the establishment of SMMEs
- centralise the operations of informal traders in IYM
- develop the iym owned tourism sites into major tourist attractions provincially and nationally
- effective land management

The IYM's Local Economic Development programme focuses on the following areas:

1 Agriculture

The following key characteristics of the commercial agricultural sector in IYM have been identified:

- There are approximate 100 to 130 farmers in the Middelburg area and about 350 to 400 farmers in the Cradock area;
- There are two distinct types of farming in the IYM area:

Intensive Irrigation Farms	**Dryland farming**

• Mostly next to Great Fish River (32,500 ha), on smaller scale at the Tarka River (700ha) with farmers having a supply of water
• Produce include:
  • Maize, lucern, wheat, oats, vegetables
  • Livestock: Dairy farming and pig
• Farm size:
  • Average: 40ha-60ha, but 100ha / farmer for financial sustainability
  • Max 200ha
• Cost: R25,000 – R30,000 / ha (2008)
• Location: next to Great Fish and Tarka Rivers
	• Produce:
	  • Livestock: beef, sheep (Merino & Dorper), goats
	  • Ostrich
	  • Game
	• Average Farm Size: 3,500ha to 4,000ha
	• Location: everywhere else

- There is one farmers association in the Middelburg area, and one main association in Cradock (AgriCradock) with 8 sub-regional associations underneath it.
- Local farmers assisted in establishing farming enterprises and shearing sheds in former homeland areas over past decade.
- Area is world renowned for the quality of its wool, with 95% of wool produced in area exported to northern markets.
- There has been a slight decrease in demand for hunting from overseas visitors.
- Emerging farmers in IYM:
    - There are only a about handful of emerging farmers in IYM: 2 groups in Middelburg area and about 12 groups in the Cradock area
        - Emerging farmers mostly farm in groups on the same piece of land
        - Most farm on commonages rented from the local municipality, which is only 1,200 ha in the case of Cradock
        - Produce is mostly wool and meat, with the livestock including cattle, sheep and pigs;
        - Approach government without success to install adequate infrastructure such as dipping tanks and other farming equipment.
        - Short skills development courses offered at Grootfontein Agricultural College, but language and institutional culture limit emerging farmer participation at Marlow Agricultural High School

Specific technical farming skills training required

Not enough support from Dept of Agriculture, especially to acquire mentorship support, with emerging farmers having to pay commercial farmers – an additional cost to emerging farmers.

Manufacturing

Local stakeholders described the manufacturing sector in IYM to include the following:

- There is only small scale manufacturing focussing on the local market taking place in Cradock. These include supermarket bakeries, small scale furniture manufacturers, mechanics and vehicle repair shops, and a few niche product producers.
- There are a few notable manufacturers in Middelburg producing products for the national and export markets, including:
    - GDE Leather which employs 16 permanent staff producing leather products such as saddles, hats, belts, etc
    - Rolfe Laboratories, which employs about 300 persons producing shoe polish, sprays and deodorants to name a few;
- There are also small scale manufacturers in Middelburg producing products for the local market including, cheese and craft manufacturers.
- Production that has closed down in Middelburg in the past include:
    - Coke bottling plant, which moved to Bloemfontein
    - Lucern Tech which produced chemical products for the agricultural sectors
- Stakeholders have identified the following strengths, weaknesses, opportunities and threats for the manufacturing sector in IYM.

Strengths	Weaknesses
• Well educated workforce; • Plenty of flat land available for industrial development near urban locations • Located on main transport corridor between Gauteng and Port Elizabeth provides easy access to national and international markets • Very good and reputable education institutions • Access to primary raw material from agricultural sector, such as milk, wool, leather • Some local firms integrated into national and international economy provide the area with specialist skills	• Lack of water in Middelburg hampering further industrial development • Poor electricity infrastructure in Cradock hampering industrial development; • Not enough serviced industrial land in Cradock; • Municipality focus mostly on Cradock and feeling of neglect to Middelburg • Cradock not part of national development strategies • Lack of access for local firms to national incentives/grants for economic development • No local big business to assist in SMME development through procurement policies • Many local firms source supplies from outside

Strengths	Weaknesses
	• Local labour force is over politicized and lack advanced skills for new enterprises.

Opportunities	Threats

• Agro-processing in Cradock e.g.
  ◦ Dairy producing
  ◦ Small leather tannery / hides depot
  ◦ Sugarbeet ethanol production
• Revitalise Lucern Tech in Middelburg
• Coega IDZ presents opportunities to Cradock including linkage in big business supply chain
• Making some municipal land available for manufacturing
• Toilet roll manufacturing
	• High dependency in Middelburg on Rolfe Laboratories pose serious risk to Middelburg economy
	• Relative high income leakage from Middelburg
	• High level of competition for local market reduce profitability of local enterprises

Construction

The following characteristics of the construction industry in Cradock were identified by local stakeholders:

- There are two medium size contractors in Cradock. They have approximately 200-250 permanent local employees and between 600 and 700 on a temporary basis if there is a local construction project. There are a handful of smaller builders in the Cradock area that benefits from a rotation schedule by provincial departments and local municipality. However, this also means they are occasionally unemployed.
- Most residents focus on maintenance and repair of their properties due to the current economic situation and property market prospects;
- Most construction activity in Middelburg area occurs on farms with construction of new sheds and buildings

Characteristics of the property market in IYM:

- There has a shortage of new middle income residential properties in Cradock due mostly to the lack of bulk infrastructure (electricity, water and sanitation).
- Nearly all housing development over the past 10 years has been in the underdeveloped townships, i.e. Lingelihle, Michausdal and KwaNonzame
- Some property developments in Middelburg has been halted due to the shortage of water
- The demand for residential property in Cradock from non-locals has disappeared mostly due to the national economic situation in SA.
- The demand for commercial property in Cradock has increased, but is limited by the supply of property onto the local market.
- There is urgent need for more industrial property as nearly all property zone for industrial use in Cradock is used
- Existing owners of property in Cradock are reluctant to sell property
- There is increased demand for property in Middelburg from Gauteng wishing to relocate to country side

Strengths	**Weakness**
• Well established contracting skills based • Many emerging contractors • Local contractors support local suppliers where possible such as fence manufacturing and general indoor bricks	• Limited local opportunity for local contractors • Limited preferential procurement benefit for locally based contractors • Profit margins of local hardware suppliers too high for large contractors • Poor quality of locally produced bricks • Limited demand for local construction projects • Expansion of low income housing has negatively affected maintenance and capacity of water and electricity grids • Water and electricity constraints limit future housing developments
Opportunities	**Threats**
• Higher density housing in open spaces close to Cradock town • Zoning and development of serviced industrial land • Opportunities for retirement housing in Middelburg	• High level of competitions amongst local contractors • Water and electricity infrastructure strained due to extension of the grid

2.4.5 Retail and Wholesale Trade

The following comments have been made by local stakeholders with regards to the retail and trade sector:

- The trade sector is relatively large in Cradock but small in Middelburg with many Cradock businesses also servicing Middelburg residents
- There are a wide variety of retailers, including Spar and Shoprite that focuses on the middle to high income market, as well as a few independent supermarkets focussing on the low income market
- Low income clients are mostly dependent on government grants for their income
- About 80% of employment in the retail trade sector is semi- and unskilled persons
- The retail sector SETA is slow in responding to training enquiries from local employers;
- There are three vehicle dealers in Cradock, i.e.
  - JW Auto (Ford and Mazda, Ssangyong)
  - CAT DELTA Motors (Isuzu, GM & Opel), and
  - Status Toyota Motors (Toyota and Hino)

Strengths	**Weaknesses**
• Well established industry • Large unskilled labour force • Local cooperatives supply farmers with most of their requirements	• There is limited local manufacturing to source fresh produce from • Limited size of local market • High level of unemployment lead to opportunity crime with retailers especially prone to this
Opportunities	**Threats**
• Greater opportunity for local food processing	• Exploitation of low income earners by financial institutions • Leakage of income out of IYM

Transport

Key Features

- Transport industry has relative small contribution to local GGP
- Contribution to employment is also relatively low
- Growth in transport sector GVA has been positive, but low

The following characterises the Transport Sector in IYM:

- It is the main transport route between Gauteng and Port Elizabeth and thus has many commercial and leisure travellers passing through;
- However not many trucking companies are based in IYM, the trucks are long distance trucks coming to and from Gauteng and the Eastern Cape.
- Trucking in IYM:
    - There is an average of 20-30 trucks per night in Middelburg
    - There is an average 25 to 35 trucks per night in Cradock, with as many on the side of the road into and out of Cradock
    - The growth in the national transport industry has lead to increased demand for transport related services
    - Development of Coega IDZ likely to increase traffic between Gauteng and Port Elizabeth
- Fuel filling stations:
    - There are 2 petrol filling stations in Middelburg, down from 4 stations 10 years ago;
    - There are 7 petrol filling stations in Cradock
    - There is one dedicated truck stops in IYM, located in Middelburg
    - High and sharp increase in fuel costs has had a negative impact on whole transport sector, with profits margins declining due to lower sales volumes
    - Fuel station owners finding additional revenue sources such as workshop, convenience store, car rental, take aways, to name but a few
- Courier services:
    - Number of parcel couriers with representatives in Cradock has increased by 4 in the past 2 years to 6

High level of competition

Strengths	**Weaknesses**
• Main transport route between Gauteng and Port Elizabeth • Well established transport services sector	• Lack of established truck stops in IYM blocks transit routes at night • Enforcement of local traffic by-laws with regards to heavy vehicles • Ageing and poor road condition

Strengths	Weaknesses
	• Too much traffic just pass through IYM without stopping • Not effective utilisation of rail network
Opportunities	**Threats**
• Petro-port in Middelburg and/or Cradock • Truck stop in Middelburg and/or Cradock • Development of Coega IDZ likely to lead to increased road transport between Gauteng and PE	• New filling stations will threaten existing stations sustainability • High level of competition between local courier services

Finance and Business Services

The following characteristics of the Finance and Business Services sector have been identified by local stakeholders:

- There are 4 commercial retail banks in both Cradock and Middelburg Units: ABSA, FNB, Standard Bank, Capitec Bank.
- There are many micro-lenders situated in IYM, including Louhen Financial services etc.
- There are two main auditing firms located in IYM:
    - Theron du Plessis, head office in Middelburg and branch in Cradock trading as PSG;
    - Gerber Botha Gowar Auditors in Cradock

The following brokers in Cradock provide long term and short term insurance:

Long Term insurance	Short Term Insurance
• OVK	• OVK
• SANLAM	• Karoo Brokers
• Karoo Brokers	• SANLAM
	• ABSA
	• FNB
	• PSG
	• Gerber Botha Gowar
	• Old Mutual

Strengths	Weaknesses
• Well established local financial and business services • Steady, slow growing market encourages local firms to diversify revenue sources • Growing income based encourage financial institutions to expand local operations, e.g. FNB new branch	• Limited market size with growing local competition for insurance brokers limits the profitability of firms
Opportunities	**Threats**
• Expansion of financial services into the township	• Growing competition threaten established businesses • Changes in legislation placing additional indirect costs on small, independent brokerages

Tourism

The following is extracted from the IYM Responsible Tourism Sector Plan (2008) which will be reviewed in 2016 (this process was started as planned). The supply of tourism products and services in IYM are nature-based and heritage tourism products. IYM has wildlife, scenic beauty, warm hospitality, business opportunities, culture, heritage and history, but it needs to be further developed.

Tourist attractions can be divided into four main elements:

- Natural Attractions
- Built Attractions
- Cultural Attractions
- Social Attractions

The tourist attractions in the IYM have been analysed in the Tourism Strategy according to these categories. The IYM has a reasonable selection of accommodation available to the visitor, both in Middelburg and Cradock. These include country hotels, town-based guest houses and B&Bs, guest farms (farm stays), guest cottages, game farms, lodges and camping / caravan sites. In each type, there is a reasonable selection of different establishments.

HERITAGE

Cradock Heritage Features

NAME	DESCRIPTION
Dutch Reformed Mother Church	A national monument and designed to look like London's St Martin's-in-the-field. The Mother Church was used for the christening of Statesman Paul Kruger in 1826 and its roof was used as a look-out point for British soldiers during the Anglo-Boer war. Currently maintained and used as a Church.
Old Municipal Building	Old building
Horse Trough	Old drinking trough for horses
Olive Shreiner House Museum	Devoted to the authoress's life and works. Olive was said to write the novel 'The Story of an African Farm' whilst working as a governess on farms in the district and much of her early life was spent in the town. Currently maintained and used as a museum. Hall used for small meetings.
Die Tuishuis	An excellent example of typical Karoo architecture.
The Great Fish River Museum	The Great Fish River Museum - housed in the converted second Dutch Reformed church - conveys what it was like to live as a settler after 1806, during the second British occupation of the Cape. Used as museum. Reflects the history between 1840-1900.
Calata House	Residence of Reverend James Calata (1895-1983), who was politically active for more than forty years under conditions of harsh repression, yet he remained strong to the last.

Cradock Four Grave – Garden Of Remembrance	Graves of Fort Daniel Calata; Matthew Timothy Goniwe; Sicelo Mhlauli and Sparro Thomas Mkonto, members of the Cradock Resident's Association (CRADORA) that was founded in August 1983 to fight rent increases in Lingelihle Township.
Monument to Fallen Heroes	Memorial to the 'Cradock Four' and the four sons of Cradock (JJ Goniwe, Gandhi Hlekani, LT Melani and BS Ngalo) who left the country in 1960 to Umkhonto Wesizwe and perished with the Luthuli Brigade in the Wankie Campaign of 1968.
Skweyiya Church	Named in honour of Alfred Sithethi Skweyiya (known as 'Oom Gili'), one of the unsung heroes of the Cradock struggle.
Flame of Hope	Memorial to Liberation Heroes
Mountain Zebra National Park	Has 28 000ha sanctuary of Cape Mountain Zebra, Eland, Springbok, Kudu, Black Waterbuck and Blesbok. Doornhoek Farmstead dates back to 1836.
Egg Rock	Egg Rock (near Cradock) stands 10 meters tall and weighs about 488 tons. This large piece of Dolerite rock is egg shaped and has a piece missing out the back where lightning apparently struck it in 1937.
Cradock Mineral Spa	Healing mineral waters containing equal concentrations of chlorides, sulphates and bicarbonates.
Fish River	Every October, the famous Fish River Canoe Marathon attracts large crowds to watch the best canoeists in South Africa.
Iles Oak Trees	Ilex Oak Trees, particularly on Dundas Street, have been declared a national monument.

Areas requiring focus

Attraction and retention of major events

- Renovations of Cradock SPA
- Source funding for Middelburg Tourism Hub
- Revise Tourism Sector Plan
- Review LED Strategy
- Development of SMME Development Strategy
- Develop and promote SMME's
- Land Audit has been completed in 2017
- Maintenance of Agricultural commonages
- Support to emerging farmers and all agricultural related projects
- Assist in establishment of an Agricultural Primary co-operrations
- Support Sugar Beet initiative

- Develop a local brand for agricultural products
- Facilitate establishment of emerging construction companies
- Provide support to business forums

There are various programmes that the municipality is embarking upon to improve the status quo. Amongst these are:

1. Cradock Spa redevelopment
2. Upgrading of tombstone and wall of remembrance in Middelburg

The unemployment rate of Inxuba Yethemba is 16.7 % and the municipality has several projects planned to assist in the scaling down this percentage. These include amongst others:

3. Holding an Economic and Jobs Summit before end of December 2018;
4. Enterprise Development and Support;
5. Paving bricks plant project;
    - Contractor and co-operatives support;
    - New business ventures in partnerships with SEDA, ECDC, CHDM,CHDA;
    - Learnership programmes with Seta’s (CETA & Services SETA);
    - Projects/business assistance Project;
    - Ensuring that our emerging contractors are developed and supported so that their production capacity and grading is enhanced. In this regard we will ensure that through the infrastructure projects that are happening in our jurisdiction we enforce the 30% sub-contracting. More so we will rotate the use of these contractors and all other SMME. My expectation is that Management must develop and introduce the roaster system to ensure that this rotation is realised. More so in the SDBIP of all Directors commitment must be reflected in the empowerment of our SMMEs.

In this regard lets appreciate the commitment by our District by allocating R 5 000 000. 00 for the entire District for SMME support and development and therefore we need to justify our case for this allocation. IPED must accordingly ensure that are ready to access this funding with immediate effect.

MUNICIPAL STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS ANALYSIS

STRENGTHS
▪ **Abundance through Fish River** ▪ **Accessible from Port Elizabeth, Grahamstown, and East London: captive markets for domestic and foreign tourists.** ▪ **Agricultural Tourism Route** ▪ **Available land parcels for development** ▪ **Business Forum onboard on economic development opportunities** ▪ **Complementarity of the products between the areas: Cradock, Middelburg** ▪ **Convenient stop-over between inland towns and coastal towns (Port Elizabeth & Garden Route).** ▪ **Cooperation with SEDA** ▪ **Cooperation with SMME Unit at CHDM** ▪ **Cradock Four gallery/Garden of Remembrance**

- Cradock is well-known for the windmills
- Cradock Spa
- Custom feedlot
- Die Tuishuise
- Draft SDF aligned SPLUMA
- Egg Rock
- Established outlets for agriculture equipment and implements (John Deere, Massey Ferguson, etc)
- Established vehicle retail outlets
- Farmstays - agritourism
- Fish River Canoe Marathon - an international event
- Fossil & rock art
- Freedom Challenge race (mountain bike race from Pietermaritzburg to Cape Town)
- Game farms
- Great Fish River
- Grootfontein Agricultural College
- Home of Mohair goats
- Identified & confirmed Heritage Routes
- Integrated Land Use Management Scheme
- Link to the Karoo Heartland Route
- Mountain Zebra National Park & planned expansion to the Great Karoo National Park
- Niphou birds
- Olive Schreiner legacy
- Orange Fish River Tunnel
- Position on the N9 and N10 – access to travelers between inland areas and the coast
- Predominantly dairy farmers, exporting milk to PE & Uitenhage
- R56 Route – Middelburg, Steynsburg and Maclear
- Railway Station
- Richmond Road Route – shortest distance from Cape Town to Durban
- Soil suitable for milk production (Cradock & Middelburg)
- Steve Biko legacy in Middelburg
- Strong retail sector characterized by franchise store (Spar, Shoprite, Powersave etc)
- Tourism Sector Plan
- Vusubuntu Cultural Village
- Wildlife and game

WEAKENESSES

- Access to entrepreneurship funding
- access to markets for emerging farmers
- Branding and animal identification
- Building rubble being dumped in Fish River in Cradock
- Control of waste from commercial premises
- Cradock Spa
- Difficult to market, since there is no critical mass of attractions

- Existence of racial barriers between black and white farmers
- GIS capabilities
- Hawkers' infrastructure
- Heavy vehicle parking in the town
- High dependency on tenders
- Inadequate funding of the LED Unit
- Inconsistent supply and poor quality of water
- Information offices are not benefiting from synergies with regional/provincial/national tourism organisations
- Lack of bulk infrastructure services
- Lack of business development services
- Lack of cohesion in the tourism product
- Lack of cooperation between farmers
- Lack of coordinated support from government departments
- Lack of entrepreneurial skills
- Lack of proper breeding mechanisms
- Lack of public facilities (ablutions) in town
- Lack of telecommunication infrastructure (wi-fi)
- Lack of veterinary support (meat inspectors and veterinary services)
- Livestock theft
- Low cooperative marketing and promotion of the area
- Middelburg water shortage
- No land use management scheme for Cradock
- No linkage to Surveyor General
- No veld management
- Overgrazing
- Poor road infrastructure
- Regular electricity outages for long periods
- River is not used as an attraction
- Rural and township businesses leased to and run by foreign nationals
- Shared trading spaces
- Taxi rank with trading facilities

OPPORTUNITIES

- 30% procurement set-aside
- Biofuels from sugar beat
- contractor development program
- Custom feedlot
- Custom mill
- Dairy production in Cradock (Cheese, amasi, milk, juices, etc)
- Develop the area into the preferred stop-over destination, through the development of facilities and attractions for this market
- Develop tourism cluster destinations to encourage longer length of stay by targeting niche

markets ▪ Funding opportunities from LRED, TREP, Informal Support Fund etc ▪ Improve a range of attractions to provide a varied tourism experience ▪ Improve cooperation and coordination between product owners ▪ Meat production ▪ promotion of facilities of the Inxuba Yethemba Municipal area ▪ SEFA accessed through to SEDA ▪ Sugar beet as a feed supplement for livestock ▪ Support the development of unique community-based products ▪ Training opportunities through SEDA, ECDC, CDC, CHDA, DEDEAT etc
THREATS
▪ Access to funding ▪ Building rubble being dumped in Fish River in Cradock ▪ Climate change ▪ Contamination of the Fish River by sewerage spillage and human excreta ▪ Crime targeting tourists ▪ Eastern Cape Tourism Board focuses more on coastal towns – they don't provide information on the inland areas to tourists ▪ Global warming and climate change ▪ Lack of involvement of HDI community ▪ Lack of support from Chris Hani DTO and ECPTA ▪ Water scarce Middleburg.

ECONOMIC INFRASTRUCTURE WITHIN IYM

The municipality has the following notable economic infrastructure to promote economic activity:

a) Roads Infrastructure

b) Windmills

c) Banks – Absa, Capitec, FNB

d)

SMALL TOWN REVITALISATION PROGRAMME

Inxuba Yethemba is one of the 18 small towns that was identified through Small Town Revitalisation Programme with the aim to bring or improve local economic developed to the towns. The programme was first introduced in 2013 by COGTA and SALGA. To set the programme in motion, in the town a meeting between the municipality, Salga and HSRC was convened in May 2022.

MAPPING THE KAROO INNOVATION LANDSCAPE USING THE LOCAL INNOVATION ADVACEMENT TOOLKIT

Is the first step, where SALGA with HSRC seek to develop an innovation strategy for the karoo. So for now the HSRC will be activily ollecting information about Cradock and Middelburg to feed into this strategy. The final strategy is to be expected in November 2023.

JOB CREATION

KPA 3: MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT.

MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

Introduction

This Key Performance Area is sharred between Corporate Services and the Municipal Manager's Office. The Municipality has an approved Human Resouce Policy in place and it was last reviewed in May 2022. The KPA is made up of the following indicators:

- Human Resources (Organisational Design, Recruitment and Selection, Personnel Administration, Leave Administration, Skills Development, Employment Equity, Wellness, Occupational Health and Safety
- Council Support and Committees
- Administration (Registry and Archives)
- Information Communication and Technology
- Archives and Records
- Management of Satellite Office

Human Resources

The unit is responsible for:

-
- Organisational Design (Development and Review Of Organisational Structure)- The municipaliy undertook a process to review its Structure in the 2021/22 in prepation for the 2022/2023 Financial Year. The office is in the process of developing Job Descriptions for all positions in the municipality.

The table below provides a brief summary on the number of vacant and filled positions in the municipality as at May 2022:

Filled and Vacant Posts				
No	**Emp Code**	**Dept**	**Occupation**	**Post Scale**
1	10636	99	YOUTH OUTREACH CO-ORDINATOR	T07
2	10637	99	CAREER GUIDANCE CO-ORDINATOR	T07
3	10766	100	MANAGER : UNIT HEAD MANAGER MIDDELBURG	T14
4	VACANT		MANAGER : INTERNAL AUDIT	T14
5	10749	100	INTERNAL AUDITOR	T12
6	VACANT		Public Participation Officer	T11
7	10639	102	ADMIN OFFICIAL / SECRETARY	T07
8			DIRECTOR: TECHNICAL SERVICES	S56/57

Filled and Vacant Posts				
No	Emp Code	Dept	Occupation	Post Scale
9	Filled		Manager: IDP/PMS	T14
10	VACANT		SPU Officer	T09
11			Executive Secretary	T07
12			MPAC Co-ordinator	T06
13			Risk Officer	T10
14			Junior Internal Auditor	T08
15	10887	200	IT MANAGER	T14
16	10501	200	SKILLS DEVELOPMENT FACILITATOR	T11
17	10658	200	OCCUPATIONAL HEALTH AND SAFETY OFFICER	T11
18	10682	200	LABOUR RELATIONS OFFICER	T11
19	10723	200	COMMUNICATIONS OFFICER	T11
20	10799	200	EMPLOYEE ASSISTANT PRACTIONER	T11
21	10884	200	ADMINISTRATION CLERK	T07
22	10246	200	COMMITTEE CLERK	T06
23	10512	200	SECRETARY FINANCIAL DEPARTMENT	T06
24	10909	200	CLERK: COMMITTEE	T06
25	10910	200	HUMAN RESOURCES CLERK	T06
26	10911	200	REGISTRATION CLERK	T06
27	10380	200	SWITCHBOARD	T05
28	10065	200	GENERAL CLEANER LEVEL II	T02
29	10893	200	GENERAL WORKER LEVEL II (CLEAN	T02
30	10748	202	HUMAN RESOURCES PRACTITIONER	T11
31	10930	204	ICT-SYSTEMS ADMINISTRATOR	T11
32	10625	226	SENIOR CARETAKER	T07
33	10728	226	SUPERVISOR(HALLS CLEANING SE	T07
34	10060	226	CARETAKER LINGELIHLE	T05
35	10780	226	CARETAKER	T05
36	10842	226	CLEANER : CORPORATE SERVICES	T03
37	10843	226	CLEANER : CORPORATE SERVICES	T03
38	10844	226	CLEANER : CORPORATE SERVICES	T03
39	22093	226	CLEANER: MBG	T03
40	10045	226	CLEANER: CDK	T02
41	10372	226	GENERAL CLEANER LEVEL II	T02
42	10536	226	HANDYMAN PW	T02
43	10602	226	GENERAL CLEANER LEVEL II	T02
44	10694	226	GENERAL WORKER	T02
45	10695	226	CLEANER / MESSENGER	T02
46	10840	226	CLEANER	T02
47	10845	226	CLEANER	T02
48	10846	226	GENERAL CLEANER LEVEL II	T02

Filled and Vacant Posts				
No	**Emp Code**	**Dept**	**Occupation**	**Post Scale**
49	10847	226	GENERAL CLEANER LEVEL II	T02
50	VACANT		RECORDS MANAGEMENT OFFICER	T11
51			CLERK: HUMAN RESOURCESClerk Human Resources	T06
52			DRIVER/MESSENGER	T05
53			CARETAKER X 2	T05
54			GENERAL ASSISTANT	T03
55			MANAGER: ADMINISTRATION/LEGAL SERVICES	T14
56			HUMAN RESOURCES PRACTITIONER	T11
57	VACANT		COUNCIL SUPPORT OFFICER	T11
58	10753	300	ACCOUNTANT (FINANCE)	T12
59	10876	300	DEBTORS COLLECTION : OFFICER	T11
60	10768	300	SECRETARY	T06
61	22016	300	CASHIER	T05
62	10899	300	CASHIER	T05
63	10900	300	CASHIER	T05
64	10908	300	CASHIER	T05
65	10489	322	ENQUIRY CLERK: CRADOCK	T06
66	10560	322	INCOME CLERK	T06
67	22019	322	CLERK: ASSESS. RATES VALUATION CLEARANCE	T06
68	10729	322	SENIOR CLERK(RATES)	T06
69	10490	322	RATES CLERK: CRADOCK	T05
70	10649	322	CASHIER	T05
71	10654	322	RELIEF CASHIER	T05
72	10812	322	CASHIER	T05
73	10714	322	CASHIER	T05
74	10736	322	RELIEF CASHIER	T05
75	10809	322	PREPAID SYSTEM OPERATOR	T05
76	10810	322	CUSTOMER CARE CLERK	T05
77	10813	322	CUSTOMER CARE CLERK	T05
78	10814	322	CASHIER	T05
79	10864	322	DATA CAPTURER	T05
80	10870	322	CASHIER	T05
81	10871	322	CASHIER	T05
82	10818	322	METER READER	T04
83	10820	322	METER READER	T04
84	10821	322	METER READER	T04
85	10822	322	METER READER	T04
86	10823	322	METER READER	T04
87	10929	334	MANAGER : SUPPLY CHAIN	T15
88	22018	334	ACCOUNTANT (FINANCE)	T12

Filled and Vacant Posts				
No	Emp Code	Dept	Occupation	Post Scale
89	10487	334	CONTROLLER(FINANCE)	T10
90	22034	334	CLERK: CREDITORS	T06
91	10666	334	CLERK(SALARIES)	T06
92	10675	334	CLERK(EXPENDITURE)	T06
93	10869	334	CLERK(SALARIES)	T06
94	10916	334	SUPPLY CHAIN PRACTIONER	T06
95	10934	334	SUPPLY CHAIN CLERK	T06
96	10878	335	BUYER / STORES CONTROLLER	T10
97	10051	335	STORES ASSISTANT	T04
98	10643	346	BUDGET REPORTING OFFICER	T11
99	10545	346	CLERK: ASSET MANAGEMENT	T06
100	10615	346	CLERK: BANK RECONCILIATION	T06
101	10914	346	BUDGET REPORTING CLERK	T06
102	10913	357	CLERK: DEBT COLLECTING CDK	T06
103	10653	357	CLERK: INDIGENTS CDK	T05
104	10815	357	CLERK(INDIGENTS)	T05
			MANAGER: REVENUE & EXPENDITURE	T15
	FILLED		ACCOUNTANT: BUDGET & REPORTING	T12
105				
106	VACANT		EXPENDITURE CONTROLLER	T10
108			SPECIALIST DEMAND & ACQUISITION	T12
109			ACCOUNTANT: ASSETS	T12
110	10792	400	SECRETARY	T06
111	22105	400	OFFICE ASSISTANT / CLEANER MBG	T03
112	10895	400	GENERAL WORKER	T03
113	10801	412		T15
114	10852	412	SNR LIBRARIAN ASSISTANT	T06
115	22052	412	SNR LIBRARIAN ASSISTANT	T06
116	22044	412	SNR LIBRARIAN ASSISTANT MBG	T06
117	22042	412	SNR LIBRARIAN ASSISTANT MIDROS	T06
118	10592	412	SNR LIBRARY ASSISTENT MASIZAME	T04
119	10709	412	LIBRARY ATTENDANT	T04
120	10919	412	LIBRARY ATTENDANT	T04
121	10920	412	LIBRARY ATTENDANT	T04
122	10025	412	CLEANER / MESSENGER MICHDAL.	T03
123	10616	412	GENERAL WORKER	T03
124	22060	412	CLEANER / MESSENGER MBG	T03
125	10689	439	GENERAL ASSISTANT(CLEANER/MESS	T03
126	10505	452	SUPERINTENDENT CLEANSING	T11
127	10020	452	FOREMAN ENVIRONMENTAL SERVICES	T09

Filled and Vacant Posts				
No	Emp Code	Dept	Occupation	Post Scale
128	10257	452	CLEANSING FOREMAN	T09
129	10316	452	TRUCK DRIVER REFUSE REMOVAL	T06
130	10551	452	GENERAL WORKER: MECHANICAL WORKSHOP	T06
131	10755	452	DRIVER OPERATOR	T06
132	22062	452	TRACTOR DRIVER BUS. INDUS H/HOLD REFUSE	T05
133	10283	452	GENERAL WORKER REFUSE REMOVAL	T03
134	10284	452	GENERAL WORKER (GARDEN REFUSE REMOVAL) LING	T03
135	10370	452	GENERAL WORKER (TRACTOR STREET SWEEPERS)	T03
136	10377	452	GENERAL WORKER (TRUCK REFUSE REMOVAL)	T03
137	10381	452	GENERAL WORKER STREET SWEEPER	T03
138	10383	452	GENERAL WORKER (TRUCK REFUSE REMOVAL)	T03
139	10435	452	GENERAL WORKER (TRACTOR STREET SWEEPERS)	T03
140	10463	452	GENERAL WORKER NIGHT SOIL SUCTION TANK	T03
141	10464	452	GENERAL WORKER NIGHT SOIL SUCTION TANK	T03
142	10465	452	GENERAL WORKER NIGHT SOIL SUCTION TANK	T03
143	10527	452	GENERAL WORKER REFUSE REMOVAL	T03
144	10528	452	GENERAL WORKER PUBLIC TOILET	T03
145	10529	452	GENERAL WORKER SUCTION TANK	T03
146	10549	452	GENERAL WORKER BUS. INDUS. H/HOLD	T03
147	10617	452	GENERAL WORKER	T03
148	10634	452	GENERAL WORKER REFUSE REMOVAL	T03
149	10657	452	GENERAL WORKER	T03
150	10671	452	GENERAL WORKER	T03
151	10672	452	GENERAL WORKER	T03
152	10692	452	GENERAL WORKER	T03
153	10706	452	GENERAL WORKER	T03
154	10708	452	GENERAL WORKER	T03
155	10720	452	GENERAL WORKER	T03
156	10786	452	GENERAL WORKER	T03
157	10788	452	GENERAL WORKER	T03
158	10825	452	GENERAL WORKER	T03
159	10826	452	GENERAL WORKER	T03
160	10827	452	GENERAL WORKER	T03
161	10828	452	GENERAL WORKER	T03
162	10830	452	GENERAL WORKER	T03
163	10831	452	GENERAL WORKER	T03
164	10833	452	GENERAL WORKER	T03
165	10837	452	GENERAL WORKER	T03
166	10838	452	GENERAL WORKER	T03

Filled and Vacant Posts				
No	Emp Code	Dept	Occupation	Post Scale
167	10839	452	GENERAL WORKER	T03
168	22140	452	GENERAL WORKER NIGHT SOIL SUCTION TANK	T03
169	10710	452	GENERAL WORKER	T02
170	10712	452	GENERAL WORKER	T02
171	10331	453	GENERAL WORKER PUBLIC OPEN SPACE	T03
172	10379	453	GENERAL WORKER (TRUCK REFUSE REMOVAL)	T03
173	10756	453	GENERAL WORKER	T03
174	10832	453	GENERAL WORKER	T03
175	10836	453	GENERAL WORKER	T03
176	10894	453	GENERAL WORKER	T03
177	22104	453	GENERAL WORKER STREET CLEANSING	T03
178	10115	455	SUPERINTENDENT PARKS RECREATION	T11
179	22035	455	FOREMAN ENVIRONMENTAL SERVICES	T09
180	10849	455	TRACTOR DRIVER	T05
181	10851	455	GENERAL WORKER	T03
182	10120	455	GENERAL WORKER (TRUCKS)	T03
183	10138	455	MOWER OPERATOR	T03
184	10364	455	GENERAL WORKER	T03
185	10365	455	GENERAL WORKER L	T03
186	10376	455	GENERAL WORKER M/DAL	T03
187	10405	455	GENERAL WORKER M/DAL	T03
188	10458	455	GENERAL WORKER	T03
189	10459	455	GENERAL WORKER	T03
190	10461	455	GENERAL WORKER	T03
191	10620	455	GENERAL WORKER	T03
192	10632	455	GENERAL WORKER	T03
193	10652	455	CLEANER / MESSENGER KWANOZ.	T03
194	10676	455	GENERAL WORKER	T03
195	10687	455	GENERAL WORKER	T03
196	10707	455	GENERAL WORKER	T03
197	10785	455	GENERAL WORKER	T03
198	10787	455	GENERAL WORKER	T03
199	10789	455	GENERAL WORKER	T03
200	10790	455	GENERAL WORKER	T03
201	10824	455	GENERAL WORKER	T03
202	10834	455	GENERAL WORKER	T03
203	10835	455	GENERAL WORKER	T03
204	22071	455	GENERAL WORKER	T03
205	22095	455	GENERAL WORKER	T03
206	10153	456	TRACTOR DRIVER CDK	T06

Filled and Vacant Posts				
No	**Emp Code**	**Dept**	**Occupation**	**Post Scale**
207	10165	456	TRUCK DRIVER	T05
208	10166	456	TRACTOR DRIVER MICHD LING	T05
209	10499	456	GENERAL WORKER M/DAL	T05
210	10332	456	CHALET CLEANER	T03
211	10421	456	MOWER OPERATOR	T03
212	10850	475	CASHIER	T06
213	10774	476	CHIEF PROTECTION SERVICES	T12
214	10860	476	EXAMINER OF LICENCES	T10
215	10782	476	EXAMINER OF VEHICLES	T10
216	10583	476	TRAFFIC OFFICER	T09
217	22022	476	ADMIN CLERK NATIS	T06
218	10925	476	CASHIER	T05
219	10886	476	GENERAL WORKER - TRAFFIC SECTI	T03
220	22116	476	PIT ASSISTANT / CLEANER MBG	T03
221	VACANT		Truck Driver x 4	T05
222			Tractor Driver	T05
223			Caretaker	T05
224			HIV Co-ordinator Assistant	T05
225			Librarian Assistant	T04
226			General Workers x 7	T03
227			GW Landfill site x 3	T04
228			GW Street Sweeper	T05
229			GW Chainsaw Operator x 3	T06
230			GW Brush Cutter x 6	T07
231			GW Cemetries x 1	T08
232			Traffic Officer/Examiner	T10
233			Traffic Officer x 2	T10
234			Law Enforcement Officer x 5	T06
235			Fire Fighters x 6	T06
236			Security Guards x 9	T03
237			Admin Assistant	T07
238			HIV Co-ordinator	T07
239	10630	500		T05
240	10662	500	RECEPTIONIST/WORD PROCESSING OPERATOR	T05
241	10758	500	GENERAL WORKER	T03
242	10713	562	MANAGER : TOWN PLANNING	T14
243	10917	562	SUPERINTENDENT(TOWN PLANNING)	T11
244	10867	562	BUILDING INSPECTOR	T10
245	10800	562	ADMIN OFFICER(LAND,VALUATION	T10
246	10918	562	BUILDING INSPECTOR	T10

Filled and Vacant Posts				
No	**Emp Code**	**Dept**	**Occupation**	**Post Scale**
247	10730	565	MANAGER : HUMAN SETTLEMENT	T14
248	10557	565	SENIOR HOUSING OFFICER	T12
249	10859	565	HOUSING OFFICER : CRADOCK	T10
250	10868	565	HOUSING OFFICER : MIDDELBURG	T10
251	10535	565	CLERK(HOUSING)	T06
252	10861	565	HOUSING : DATA CAPTURER : CRAD	T05
253	10226	572	HANDYMAN: MECHANICAL WORKSHOP CRADOCK	T05
254	10272	572	WELDER	T05
255	10656	572	HANDYMAN(WELDING)	T05
256	10225	572	GENERAL WORKER: MECHANICAL WORKSHOP	T03
257	10482	572	GENERAL WORKER	T03
258	10759	572	GENERAL WORKER	T03
259	10776	572	GENERAL ASSISTANT(WELDING)	T03
260	10784	572	GENERAL WORKER	T03
261	10363	574	HANDYMAN: P/WORKS CDK	T05
262	10779	574	TRACTOR DRIVER	T05
263	10854	574	ASA HEAVY PLANT OPERATOR : GRA	T05
264	10855	574	ASA HEAVY PLANT OPERATOR : TLB	T05
265	10189	574	GENERAL WORKER	T03
266	10362	574	GENERAL WORKER	T03
267	10604	574	GENERAL WORKER	T03
268	10605	574	GENERAL WORKER	T03
269	10609	574	GENERAL WORKER	T03
270	10763	574	GENERAL WORKER	T03
271	10764	574	GENERAL WORKER	T03
272	10794	574	GENERAL WORKER	T03
273	10795	574	GENERAL WORKER	T03
274	10796	574	GENERAL WORKER	T03
275	10797	574	GENERAL WORKER	T03
276	10853	574	GENERAL WORKER	T03
277	10857	574	GENERAL WORKER	T03
278	10891	574	GENERAL WORKER	T03
279	10892	574	GENERAL WORKER	T03
280	10926	574	GENERAL WORKER	T03
281	10927	574	GENERAL WORKER	T03
282	10882	580	SUPERINTENDENT(PUBLIC WORKS)	T12
283	22009	580	CHIEF: PUBLIC WORKS HSING BUILDING CTRL	T11
284	10569	580	FOREMAN	T08
285	10761	580	FOREMAN: PUBLIC WORKS CDK	T08
286	22096	580	FOREMAN	T08

Filled and Vacant Posts				
No	Emp Code	Dept	Occupation	Post Scale
287	22132	580	FOREMAN	T08
288	10478	580	TRACTOR DRIVER	T05
289	10734	580	RECEPTIONIST/RADIO OPERATOR/DATA CAPTURE	T05
290	10858	580	TRACTOR DRIVER	T05
291	22088	580	HEAVY PLANT OPERATOR: P/WORKS MBG	T05
292	10480	580	GENERAL WORKER	T03
293	10607	580	GENERAL WORKER	T03
294	10608	580	GENERAL WORKER	T03
295	10802	580	GENERAL WORKER	T03
296	10803	580	GENERAL WORKER	T03
297	10928	580	GENERAL WORKER	T03
298	10722	590	MANAGER : ELECTRICAL MECHANICAL SERVIC	T16
299	10931	590	FIELD WORKER	T03
300	10932	590	FIELDWORKER	T03
301	10933	590	FIELD WORKER	T03
302	10453	592	SUPERINTENDENT(ELECTRICAL)	T11
303	10562	592	SUPERINTENDENT(ELECTRICAL)	T11
304	10585	592	ELECTRICIAN	T10
305	10737	592	ARTISAN(ELECTRICIAN)	T10
306	10740	592	ARTISAN(ELECTRICIAN)	T10
307	10742	592	ARTISAN(ELECTRICIAN)	T10
308	10875	592	ARTISAN(ELECTRICIAN)	T10
309	10747	592	HANDYMAN(ELECTRICAL)	T05
310	10075	592	GENERAL WORKER	T03
311	10603	592	GENERAL WORKER GRADE 1	T03
312	10610	592	GENERAL WORKER	T03
313	10611	592	GENERAL WORKER	T03
314	10638	592	GENERAL WORKER	T03
315	10698	592	ASSISTANT ELECTRICIAN	T03
316	10738	592	GENERAL ASSISTANT(ELECTRICAL)	T03
317	10741	592	GENERAL ASSISTANT(ELECTRICAL)	T03
318	10777	592	SEMI-SKILLED WORKER / ELEC. AS	T03
319	10804	592	ASSISTANT ELECTRICIAN	T03
320	10805	592	ASSISTANT ELECTRICIAN	T03
321	10866	592	GENERAL WORKER : ELECTRICAL SE	T03
322	10872	592	GENERAL ASSISTANT(ELECTRICAL)	T03
323	10873	592	GENERAL ASSISTANT(ELECTRICAL)	T03
324	10874	592	GENERAL WORKER	T03
325	52018	592	GENERAL WORKER : ELECTRICAL SE	T03
326	VACANT		Snr Civil Engineering Technician	T11

Filled and Vacant Posts				
No	Emp Code	Dept	Occupation	Post Scale
327			Artisan Mechanics x 2	T10
328			ISD Officer	T10
329			Artisan Electrician	T10
330			Senior Superintendent	T11
331			Admin Assistant	T07
332			Truck Driver	T05
333			Tractor Driver	T05
334			Secretary	T06
335			Technician Electrical Services	T10
336			Superintendent Distribution	T11
337			Superintendent Electrical	T11
338			Artisan Electrical Metering	T10
339			Artisan x 2	T10
340			Meter Readers x 5	T05
341			General Worker x 16	T03
342			Handyman Public Works	T05
343			Handyman Mechanical x 4	T05
344			Meter Reader x 5	T05
345	10841	700	SMME DEVELOPMENT OFFICER	T11
346	10591	700	SECRETARY LED MANAGER	T06
347	10770	700	GENERAL WORKER	T03
348	10896	700	NIGHT WATCHMAN : CRADOCK SPA	T03
349	10897	700	NIGHTWATCHMAN	T03
350	10898	700	NIGHTWATCHMAN	T03
351	10889	700	GENERAL WORKER LEVEL II (CLEAN	T02
352	10901	700	GENERAL WORKER LEVEL II (CLEAN	T02
353	10902	700	GENERAL WORKER LEVEL II (CLEAN	T02
354	10903	700	GENERAL WORKER LEVEL II (CLEAN	T02
355	10904	700	GENERAL WORKER LEVEL II (CLEAN	T02
356	10905	700	GENERAL WORKER LEVEL II (CLEAN	T02
357	10906	700	GENERAL WORKER LEVEL II (CLEAN	T02
358	22117	710	CLEANER: CARAVAN PARK MBG	T02
359	10681	721	AGRICULTURAL DEVELOPMENT OFFIC	T11
360	10098	721	AGRIC. SERVICES ASSISTANT: CDK	T03
361	10415	721	AGRIC. SERVICES ASSISTANT: CDK	T03
362	10670	721	AGRIC. SERVICES ASSISTANT: CDK	T03
363	10772	721	GENERAL WORKER	T03
364	10773	721	GENERAL WORKER	T03
365	10863	721	GENERAL ASSISTANT(CLEANER/MESSENGER)	T03
366	10921	721	POUND ASSISTANT	T03

Filled and Vacant Posts				
No	Emp Code	Dept	Occupation	Post Scale
367	10922	721	POUND ASSISTANT	T03
368	10923	721	POUND ASSISTANT	T03
369	10924	721	POUND ASSISTANT	T03
370	10699	721	GENERAL WORKER	T02
371	10103	733	NIGHT WATCH	T03
372	10112	733	NIGHT WATCH	T03
373	10771	733	GENERAL WORKER LEVEL II (CLEAN	T03
374	10865	733	NIGHT WATCHMAN : CRADOCK SPA	T03
375	10107	733	TERRAIN CLEANER	T02
376	10633	733	CHALET CLEANER	T02
377	10673	733	CHALET CLEANER	T02
378	10732	733	GENERAL WORKER LEVEL II (CLEAN	T02
379	10733	733	GENERAL WORKER LEVEL II (CLEAN	T02
380	10793	733	GENERAL WORKER TERRAIN CLEANER	T02
381	10881	733	NIGHT WATCH	T02
382	10890	733	GENERAL WORKER LEVEL II (CLEAN	T02
383	22111	744	ASSISTANT CURATOR: MBG	T05
384	10430	744	MUSEUM CLEANER CDK	T02
385	10862	755	HOUSING : DATA CAPTURER : CRAD	T05
386	10705	756	TOURISM DEVELOPMENT OFFICER	T11
387	10668	756	TOURISM INFORMATION PRACTITIONER	T07
388	10912	756	TOURISM INFORMATION PRACTITION	T07
389	10744	756	RECEPTIONIST: VUSUBUNTHU	T05
390	VACANT		Fleet Management Officer	T11
391			Curator	T10
392			Senior Housing Officer	T12
393			LED Officer	T10
394			LED Assistant	T07
395			Supervisor	T07
396			Clerk Housing	T06
397			General Worker	T03
398			GIS Technician	T10

Political and Administrative Components

The Political Component: comprises of councillors i.e Executive Mayor, Speaker, Chief Whip, MMCs

Detailed below is a list of political office bearers and their respective portfolios

Executive Mayor - Cllr N. Zonke

Speaker	-	Cllr T. Mbotya
Chief Whip	-	Cllr L. Davids
MMC:BTO	-	Cllr Masawe
MMC: Corporate Services	-	Cllr Masawe
MMC: IPED	-	Cllr S. Ndonose
MMC: Community Services	-	Cllr N.
MPAC CHAIRPERSON	**-**	Cllr N. Biko

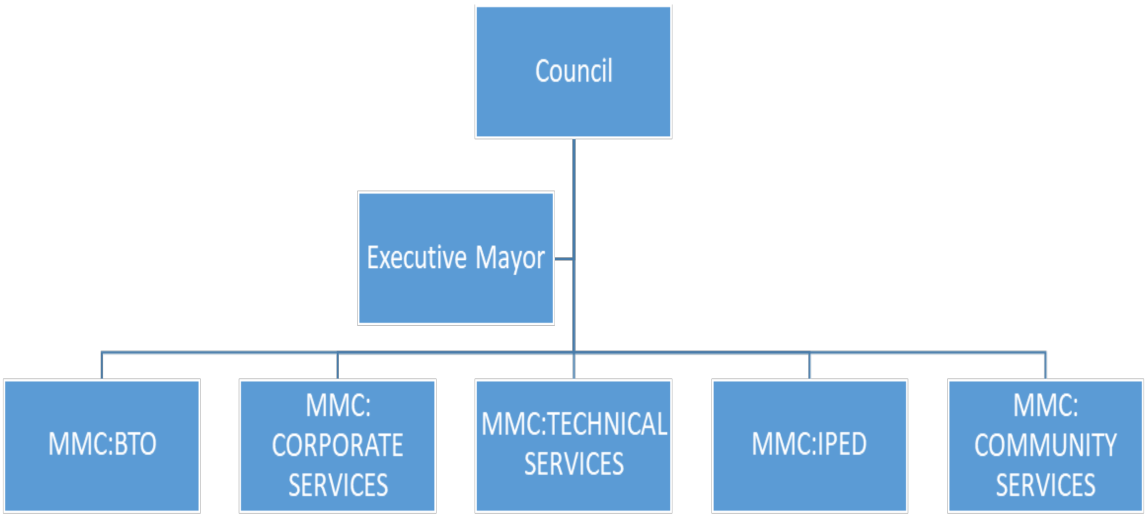
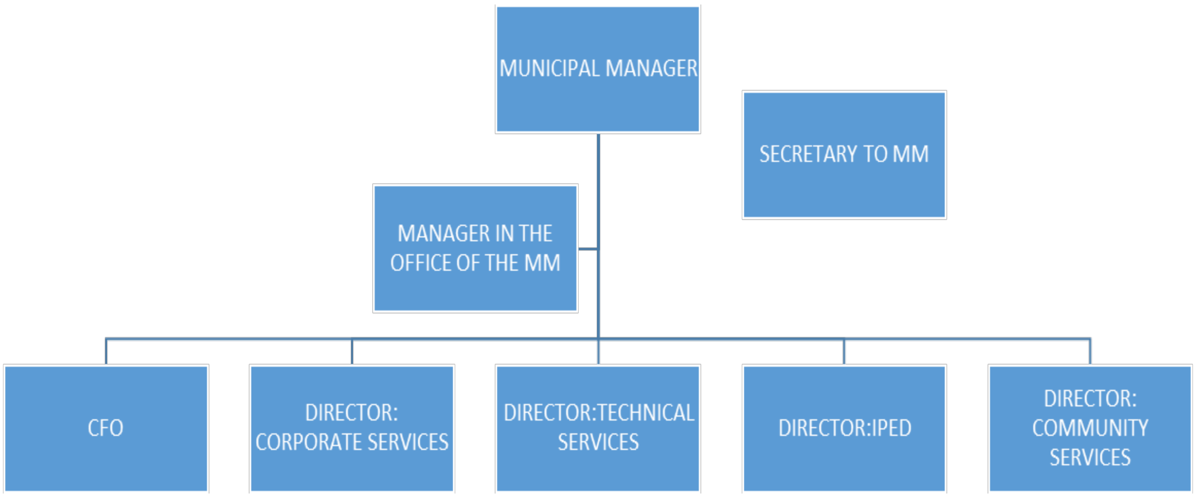


DIAGRAM: POLITICAL STRUCTURE

THE MUNICIPAL ADMINISTRATION

Below is the Municipal Administration led by the Accounting Officer

Municipal Manager	**-** Mr M.W. Mbebe
Chief Financial Officer	**–** Mr K.L. Mulaudzi
Director: Technical Services	**–** Mr S. Nomandela
Director: IPED	**–** Ms N. Makhwabe
Director: Community	**–** Mrs N. Majiba
Director: Corporate	- Vacant



Employment Equity Plan

The Municipality with the assistance of the Department of labour has developed a Draft Employment Equity Plan which will be adopted by June 2022.

Organisational Structure

The Organisational Structure is reviewed annually. The last review was in May 2022 where management tried to link the organisational structure to the planned strategic objectives of Council to ensure their successful implementation. The full organisational Structure is attached as an annexure to the IDP in a folder containing all IDP related annexures.

Council Support and Committees

The Unit provides support to the functioning of Council and all its relevant Committes. There are Standing Rules of Council that were adopted in….financial year. In addition to this the unit developes and coordinates the Council Calender which ultimately informs the convening of these meeting. The Calender is adopted on an annual basis. Council Meetings are convened Virtually and sometimes Physically, depending on Venue or area chosen by Council.

The Municipality has various committees as prescribed. These include the Section 79, Section 80, Independent Committees of Council and Management Committees. All committees are regulated by the Municipal Structures Act.

SETION 79 CONVENING FREQUENCY

No	Committee	Frequency
1.	Mayoral Committee	Bi- quarterly
2.	Budget and Treasury Standing Committee	Bi- quarterly
3.	Corporate Services Standing Committee	Bi- quarterly
4.	IPED Standing Committee	Bi- quarterly
5.	Community Services Standing Committee	Bi- quarterly
6.	Technical Services Standing Committee	Bi- quarterly
7.	IDP/BUDGET AND PMS Standing Committee	As per process plan
8.	Intergovernmental Relations Forum	Quarterly

9.	Local Labour Form	Quarterly
10.	IDP,BUDGET % PMS Rep Forum	Quarterly

SETION 80 CONVENING FREQUENCY

No	Committee	Frequency
1.	Council	As per process plan
2.	Women's Caucus	Quarterly
3.	Rules Committee	Quarterly
4.	Training and Equity Committee	Quarterly

OVERSIGHT COMMITTEES CONVENING FREQUENCY

No	Committee	Frequency
1.	Audit Committee	Quarterly
2.	MPAC	Quarterly

Skills Development and Training

The unit is responsible for conducting Skills Audit, Developing the Workplace Skills Plan and implementing training programmes. Skills Development is guided by the Skills Development Act, 97 of 1998. But there are various policies in place that govern the function and were reviewed in the Council of May 2022. These include Study On an annual basis training and capacity building programmes to various levels of employees and a budget even though limited, is made available. The department had a total of R 1 246 000 for the 2021/22 FY.

Critical and Scarce Skills

Town Planning

Mechanical Engineering

Electrical Engineering

GIS

Civil Engineering

Employee Wellness

The programme I governed by Employee Wellness Policy which was last reviewed in 2019/2020 but the municipality is in the process of reviewing. Programmes include provision of psychosocial, physical and socio-economic services to all employees.

In the 2021/22 fy various Employee Wellness were conducted. These include World Aids Day, EA Policy Roadshow, Men's Empowerment Sessions.

Labour Relations

The SALGBC Collective Bargaining regulates Labour Relations. In addition to the Collective Bargaining, there's also the Code of Conduct Policy which is also implemented. The unit holds awareness campaigns with the aim to refresh employee memory as to what is expected of them.

Registry and Archives Services

The Unit needs attention as there is no professional archiving method in place. Also there's no Records Management Plan. The Records Management Policy dates back to 1996 and is in Afrikaans

The Municipality uses a Manual System, Index Book, which is currently in Afrikaans. The Municipality has a very old system which needs urgent intervention. The Department of Sports, Recreation, Arts and Culture (Provincial Archives) was invited to assess the status quo of the Records and Archives of the institution and made a recommendation of the development and capacitation on the importance of a functional records unit.

Information and Communication Technology

The function is governed by the ICT Governance Framework Policy which was reviewed in 2021/22 financial year. The Unit is responsible for the following:

- Information Security and System Support
- Disaster Recovery (Server Rooms)
- Acquisition of hardware and software
- Monitoring and maintenance of Network
- Telephone Management

In the 2021/22 the ICT implemented 3 projects which include Network Infrastructure Upgrade, End-Point Data Protection Solution and Enterprise Server Infrastructure Upgrade. The projects are likely to carry over to the 2022/23 FY.

Legal Services

The Municipality currently does not have an established Legal Unit. At present the Municipality outsources the function to Private Firms.

As at the 2021/2022 the Municipality has a number of litigations Other cases are still ongoing while others are pending an outcome.

Individual Performance Management (Cascading): The municipality at present only cascades to Management Level (Section 54 and 56 Managers).

SATELITE OFFICES (Middleburg Offices)

The Municipality has strengthed its operations for the Middelburg Offices. The main purpose of these offices is to ensure that all Municipal Services are received by the Middelburg residents. The offices perform the following activities:

- Public Amenities Management and Maintanance;
- Roads and Stormwater Management;
- Customer Care;
- Revenue Collection;
- Stakeholder Engagements; and
- Solid Waste Management.

Challenges on Municipal Transformation:

Records and Archiving: Is none existent, needs to be started afresh as all guiding prescripts are in Afrikaans and are old.

Legal: The municipality is outsourcing the function; there is no designated personnel within the municipality**.**

Cascading Performance: The Municipality needs to cascade its performance to lower levels other than Section 54 and Section 57 as it is constantly receiving a finding on the matter.

KPA 4: GOOD GOVERNANCE AND PUBLIC PARTICIPATION.

Introduction

Good governance and Public Participation can be classified as a process of measuring how public institutions conduct public affairs, manage public resources, and guarantee the realization of human rights. This KPA is made up of following components , these include:

Communications

There is an approved Communication Strategy approved in May 2022 and is valid for a 5 year period linked to the current term of Council. The Institution has an approved Social Media Strategy whch regulates the use of social media within the institution

Communication function includes the following:

- Communication (Internal and External)
- Develop Press Release Content for BroadCasting
- Institutional Branding

Provide guidelines on Communication Processe

Customer Care

Customer Care is in the Budget and Treasury Office, currently servicing IYM Communities with only Municipal Accounts and related queries.

The Municipality needs to invest in putting together a Customer Care unit to assist Institution-wide with all IYM Customer Queries.

Municipal Public Accounts Committee

The Municipality has an established MPAC and it is responsible for the following functions:

- To oversee annual reporting and public accountability
- To assess effectiveness and efficiency and service quality of the municipality
- To oversee in-year financial and performance reporting

- Public Participation
- Special Programmes

Internal Audit and Audit Committee

The Internal Audit is responsible for review, evaluating the adequacy, efficiency and effectiveness of all internal controls of the Institution at large. On an annual basis, the Internal Audit Charter and Audit Plan are reviewed and adopted by Council. The Unit reports to the Municipal Manager, ultimately to the Audit Committee.

The Audit Committee is established as per the MFMA, Section 166. The Committee advises Council on efficiency and effectiveness of all internal controls relating to:

Risk Management

The municipality has an adopted Risk Management Policy and is reviewed on an annual basis. Riak Management entails the functions of identifying, evaluating risk and setting risks mitigating controls inorder minimize or avoid impact which might hinder service delivery by the institution to its community.
The municipality also has an established Risk Management Committee with an independent Chairperson. The Committee convenes on a quarterly basis and looks at the effective and efficient implementation of the Risk Mitigation Factors and Reports to the Audit Committee.

- Performance Management and IDP
- Financial Controls
- Accounting Policies
- Adequency, reliability, and accuracy of financial reporting and information.
- Effective Governance
- Compliance with DORA, MFMA and other applicable legislation

Intergovernmental Relations

The municipality approved its IGR Policy/Strategy in the 2020/2021 Financial Year, aligned to the Integovernmental Relations Framework Act 13 of 2005 which works as a guide to the sitting of the meetings. Members of the Forum include National and Provincial Departments, Parastatals and the District Municipality. The political IGR forum chaired by the Executive Mayor meets quarterly whilst the technical IGR consisting of officials meets bi-monthly.

Fraud Prevention

The municipality has an adopted fraud prevention plan which was approved by the province but it must be mentioned that its implementation has not been successful. The fraud prevention plan is currently under review.

Special Programmes

The unit was disadvantaged in the last three years where programmes were not properly being implemented due to incapacity and lack of financial resources. However in the year 2021/2022 in January The Special Programmes Policy was adopted by Council. In the same year, when the new term of Council started, Special Programmes Forums were appointed to align with the new term of Council.

Special Programmes is responsible for coordinating the following programmes:

- Women
- Youth
- People Living With Disability
- Children
- Elderly
- Sport

The following programmes were successfully implemented and will continue to be implemented on an annual basis, financial resources allowing:

- Youth Programmes
- Women Programmes
- Programmes for people living with Disability
- HIV/Aids

Public Participation

The Public Participation Strategy was approved under 2021/2022 Financial Year in end May with the IDP.

As per the Municipal Structures Act 117 of 1998, new Public Participation Structures were appointed to assist Council in executing its mandate:

- Ward Committees – established in all 9 wards
- Ward War Rooms – established in all 9 wards
- Community Development Workers – currently placed under the Community Services Directorate

Council annual budgets for Ward Committee Stipend. Reports of Ward Committees are considered by the Steering Committee; Mayoral Committee and finally by Council.

Various Mechanisms for Community/ Public Participation are in place to. These include:

- Mayoral Imbizo
- IDP/PMS and Budget Roadshows

IDP/PMS and Budget Representative Forum

PETITIONS MANAGEMENT PROCESS

ACTIVITY	RESPONSIBLE OFFICIAL	TIME-FRAME	ACTION
Petition Received through recognised channels	**Delegated Official**	**Seven Days**	**Petition Actioned**
Petition is acknowledged	Petition Office	Three Days	Petition is registered in the Petition Database, formal communication acknowledging receipt of the petition is sent to the practirioner
Qualification of Petition is undertaken	Petition Office	Two days	Validation of petition and referral to the relevant institution or stakeholder
Additional Information from petitioner	Petition Office	One day	Formal communication is sent to the petitioner requesting additional information
Referral	Petition Office	Two days	Referred to relevant department or unit, for action and report back on the steps undertaken to address the petition, formal communication is sent to the petitioner/s informing them of the referral
Referral Follow Up	Petition Office	Three days	Follow up is undertaken where no report has been received
Petition actioned	Petition official	Seven days	Petitioner is formally

			notified that the petition has been actioned
Additional	Petition official	Two days	Formal written or verbal

POLICY DEVELOPMENT

The Municipality undergoes a Policy Development/Review Process annually. This is undertaken to ensure that all Institutional Policies are up-to-date. The review and approval of policies was considered as follow by the IYM Council

- Communication Policy
- Social Media Policy
- Performance Management Framework
- Job Evaluation Policy
- Acting, Secondment Policy
- Bereavement Policy
- Declaration of Private Work and interest Policy
- Education, Training & Skills development Policy
- Employment Equity Policy
- Final Draft Imprisonment of Employee Policy
- Internship Learnership & Experiental Training Policy
- Leave and Attendance Policy
- Placement Policy
- Policy Governance EAP
- Promotion and Demotion Policy
- Recruitment and Selection Policy
- Succession Planning Policy
- User Access Management Policy
- BYOD –BYOMD
- Email Use Policy
- ICT Change Management Policy
- ICT Equipment Usage Policy
- Internal Policy
- Municipal Corporate Governance of ICT Charter
- Municipal Corporate ICT Governance Framework Policy.
- Disaster Management Plan
- Cemeteries By LAW
- BY LAW relating to prevention of Public Nuisances and Public Nuisance Arising from keeping of Animals.
- Final Draft Solid Waste Disposal BY LAW
- Storm Water BY LAW
- Capital Implementation and Management
- Electricity BY LAW
- ISD Policy

BUDGET RELATED POLICIES ADOPTED IN MAY 2022:

- Inventory Management Policy 2022.23 financial year.
- Credit Control and Debt Collection Policy 2022.23 financial year.
- Virement Policy 2022.23 financial year.
- Cash Management and Investment Policy 2022.23 financial year.

- Supply Chain Management Policy
- Unauthorized, Irregular, Fruitless and Wasteful Expenditure
- Budget Policy
- Asset Management Policy
- Property Rates Policy
- Grant Policy
- Indigent Policy
- Tariff Policy
- Debtors Impairment and Write-Off Policy.
- Funding and Reserve Policy
- Contract Management Policy
- TARIFF BY-LAW IYM
- Incentive Policy

KPA 5: FINANCIAL VIABILITY AND MANAGEMENT

Introduction

The Budget and Treasury Office is responsible for effective and efficient management of municipal finances.

The Budget and Treasury (BTO) Directorate has the following sections:

- Expenditure and Payroll Management
- Revenue and Debt Management
- Supply Chain Management
- Budget Planning and Reporting
- Assets Management

Budget Planning and Financial Reporting

This division is responsible for the development and monitoring of the Medium Term and Expenditure Framework in line with the legislated framework. The 3-year budget has been developed and is further outlined under chapter 7 of this document, under Sector Plans.

Financial Reporting:

Is responsible for the overall financial reporting as per the MFMA and all relevant Circulars that assist in this function. The Municipality makes use of an external service provider to assist in the preparation of Annual Financial Statements which are reviewed by the Audit Committee before they are submitted to the Auditor General for compliance. The Municipality has an approved Annual Financial Statement Preparation/Process Plan and it is implemented to assist in the development of Annual Financial Statements. In line with MFMA Section

126, the Municipality has compiled and submitted its Financial Statements to the Auditor General by no later than the 31 August on an annual basis without fail.

The following legislated reports Section 71 (Monthly), Section 52 (d) (Quarterly); Section 72 (Mid-Year Assessment) and Annual Reports are prepared and adopted by Council then religiously submitted to Treasury (Provincial and National) as per reporting requirements. Reports on expenditure on Conditional Grants are prepared and submitted to Treasury as per requirements of the DORA. At present the Municipality does not have loans.

Expenditure incurred on Conditional Grants as at April 2022:

Description	Allocation	Received to date	March Expenditure	Expenditure to date	Balance
MIG	16 785 000	16 785 000	1 020 871	13 795 712	2 989 288
DSRAC	2 510 000	2 510 000	292 950	2 261 690	248 310
FMG	3 100 000	3 100 000	331 665	2 831 124	268 876
EPWP	1 542 000	1 542 000	-	1 542 000	-
TOTAL	**23 937 000**	**23 937 000**	**1 645 486**	**18 562 807**	**3 506 474**

AUDIT OPINION TABLE FOR THE PAST 3 YEARS

2018/2019	2019/2020	2020/2021
Unqualified	**unqualified**	**Unqualified**

Expenditure and Payroll Management

The Unit handles:

- Payment of all employees
- VAT reconciliations and submissions to SARS
- Payment and reconciliation of Creditors

Expenditure reports are compiled timeously and submitted to relevant Council Committees

For noting and adoption. It must be noted that the Municipality struggles to pay its debtors on a regular basis within 30 days as prescribed by the MFMA due to financial constraints

SUPPLY CHAIN MANAGEMENT

The Municipality has a functional SCM Unit. To ensure proper implementation of programmes there's an adopted SCM Policy that is reviewed on an annual basis. In line with Treasury Regulations and SCM Policy, Bid Committees have been established and are functional. These are the Bid Specification, Evaluation and Adjudication. SCM Reports are compiled and tabled to Council and its committees as required by Section 52 (d)

ASSET MANAGEMENT

A consultant was appointed to assist the Municipality with the development and management of a GRAP Compliant Register. Asset Verifications are undertaken on Bi annually basis. The Municipal has an an approved GRAP Compliant Asset Register.

Revenue and Debt Management

Revenue Management : The Municipality has adopted the following policies

- Property Rates Policy
- Investment Policy
- Credit Control and Debt Management Policy
- Cash Management Policy
- Policy and ByLaw
- Revenue Enhancement Strategy

Revenue Sources for the Municipality include:

- Own Revenue Source – includes property rates, rentals, traffic income (vehicle licensing, learner's licences and fines)
- Government Grants – Equitable Share, MIG, INEP, EPWP.

In the 2021/2022 Financial Year the Municipality collected a Revenue of **R 110 142 08** The Municipality collects more than **67%** from its debtors. .

Debt Management: (provide a brief summary on the status quo of debt management

INCOME COLLECTED BY THE MUNICIPALITY as at March 2022

REVENUE- MARCH 2022

Description	Adjustment Budget 2021/2022	Collection to date	YTD% of budget	Budget Available
RAND				
Revenue By Source				
Property rates	47 793 724	47 793 724	100%	-
Property rates - penalties & collection charges	2 388 661	185 894	8%	2 202 767
Service charges - electricity revenue	164 928 730	81 163 365	51%	83 765 365
Service charges - refuse revenue	35 718 930	20 401 370	58%	15 317 560
Rental of facilities and equipment	1 710 458	1 122 227	63%	588 231
Interest earned - external investments	1 558 500	297 170	33%	1 261 330
Interest earned - outstanding debtors	10 909 500	5 909 254	31%	5 000 246
Fines	280 678	120 401	36%	160 277
Licences and permits	4 156 000	1 477 520	31%	2 678 480
Transfers recognised - operational	54 690 250	54 690 250	100%	-
Other revenue	3 532 600	948 096	28%	2 584 504
Gains on disposal of PPE	4 937 328		-	4 937 328
Total Revenue	**332 605 358**	**214 109 271**		**118 496 087**

EXPENDITURE- MARCH 2022

Description	Adjustment Budget 2021/2022	Expenditure to date	YTD% of budget	Budget Available
RAND				
		-		-
Expenditure By Type		-		-
Employee related costs	98 580 000	73 299 486	75%	25 280 514
Remuneration of councillors	8 215 411	6 035 808	74%	2 179 603
Debt impairment	46 000 000	-	-	46 000 000
Depreciation & asset impairment	69 235 552	-	-	69 235 552
Finance charges	9 500 000	3 423 835	36%	6 076 165
Bulk purchases	35 000 000	11 200 000	21%	23 800 000
Repairs & maintenance	12 624 785	10 447 026	80%	2 177 759
Contracted Services	8 312 000	8 015 805	93%	296 195
Transfers and grants	1 100 000	942 056	73%	157 944
Other expenditure	13 000 000	14 365 789	109%	- 1 365 789
Total Expenditure	**301 567 748**	**127 729 805**		**173 837 943**
Surplus/(Deficit)	**31 037 610**	**86 379 466**		**- 55 341 856**

Indigent Section: The Municipality has an approved Indigent Policy and Indigent Register which are both reviewed on an annual basis. As at April 2022, the Unit undertook Indigent Registration Roadshows to ensure that those who qualify are provided with the service.

EXPENDITURE INCURRED FOR FREE BASIC SERVICES FOR THE PAST 3 YEARS

2019/2020	2020/2021	2021/2022
3 240 458	3 481 938	R 4 908 219

INDICATE THE FREE BASIC SERVICES BUDGET FOR 2023/2024FY

The Municipality has an established Indigent Steering Committee and it's functional. Reports on expenditure on Free Basic Services are considered in the Indigent Steering Committee, Standing Committee, Mayoral and Council, in line with Section 52 (d) reporting requirements.

Financial Viability and Management Challenges:

The municipality in general faces a challenge of limited resources, particulary financially. The institution is unable to meet all its financial obligations as and when required. To address this challenge the municipality has developed and adopted a Revenue Enhancement Strategy. In atleast the 3 year previous years the municipality has not been able to meet its 100% debt collection rate.

The debtors book of the municipality is at **R 252 935 619** Million owned by the following:

- Government Departments: **R 51 517 790 that is 20%**
- Households: **R 169 324 792 that is 67%**
- Businesses**: R 30 353 550 that is 12%**

The debtors turnover rate is currently at % due to an outdated database which requires data cleansing

Separate Bank Account for Conditional Grant: There's a separate bank account for Conditional Grants. Capital Budget is spent at 100% without fail.

Municipal budget for salaries is above the prescribed norms and standards and its at 45% of the Total Operating Budget. Creditors are not being paid as per regulated norms and standard due to cashflow problems.

The municipality has a credible data/information to bill its debtors on a monthly basis.

STRATEGIC CONTEXT.

2.19. Municipal vision.

This chapter maps the progress made by Inxuba Yethemba LM against the manifesto for government, the 14 Outcomes, the National Development Plan, and the Sustainable Development Goals. The last part of the chapter provides the details of the Strategic Objectives that guide the development of the IYM's 2022/27 IDP.

2.20. Hierarchy of plans informing Inxuba Yethemba LM's Service Delivery Agenda.

National and Provincial Agenda

- Government priorities and focus areas are set at both a national and provincial level (NDP, MP Vision 2030 – MTSF)

District Agenda

- District plans (SDF, IDP, and District Management Area/Land Use Guidelines
- District Development Model, One Plan

Integrated Development Plan

- Five-year plan linked to long-term goals i.e. breaking down IYM's long-term objectives into five-year strategic planning

Semi-operational

- Annual IDP review that outlines overview of planning for a specific year against high-level strategic plans outlined infive-year IDP and reports on progress against those high-level goals on an annual basis

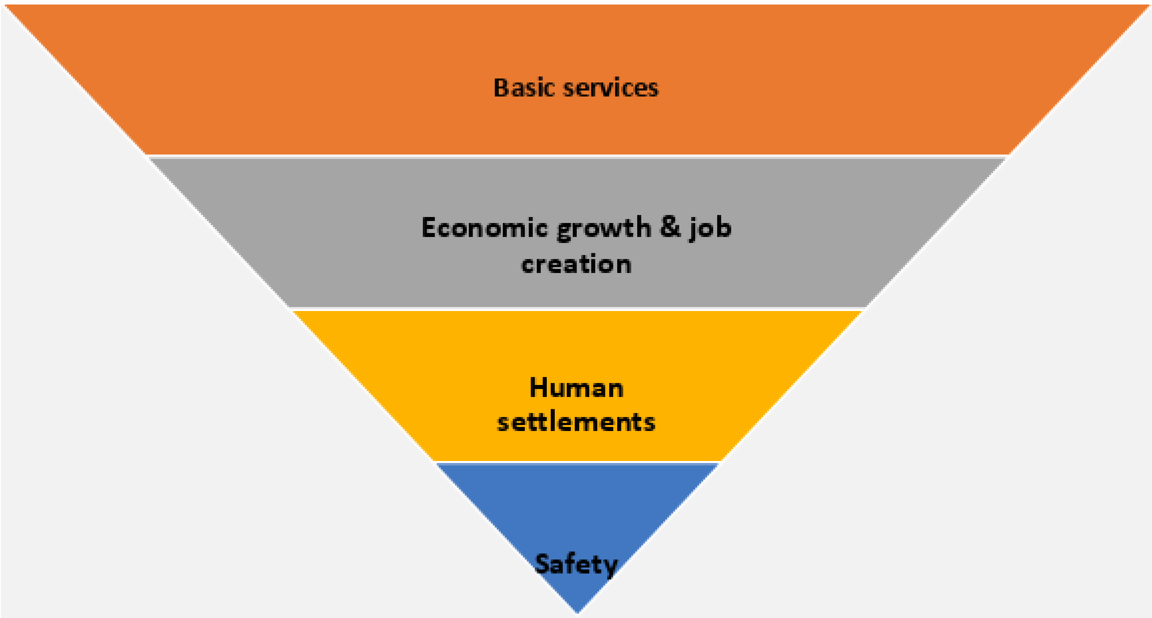
SDBIP and Business Plans

- Annual business planning by departments linked to achieving objectives outlined in the IDP.

2.21. Inxuba Yethemba LM's Strategic Direction.

2.22. Inxuba Yethemba LM's Five-Year Service Delivery Priorities SDP's).

Based on the service delivery priorities identified and submitted by IYM communities during public participation, the municipality has identified the following service delivery priorities: -



Priority 1: Provision of basic services
▪ **Patching and resealing of internal roads** ▪ Fixing electricity infrastructure ▪ Eliminate electricity outages ▪ Facilitate refurbishment of water infrastructure with Chris Hani District Municipality ▪ Eliminate water outages ▪ Refuse removal and disposal.
Priority 2: Economic growth & job creation
▪ Facilitate enterprise creation. ▪ Facilitate access to enterprise finance ▪ Facilitate entrepreneurial training and development. ▪ Facilitate access to job opportunities. ▪ Provide economic infrastructure
Priority 3: Human settlements
▪ Facilitate access to low-cost housing ▪ Facilitate access to middle income housing. ▪ Facilitate access to land for private development.
Priority 4: Safety.
▪ Pass and gazette municipal bylaws. ▪ Implement and enforce bylaws.

A Municipality working together with its citizens to ensure provision of sustainable, equitable and quality services to all

Key Performance Areas, Strategic Goals, Strategic Objectives and Priority Areas.

The inputs in the matrix are generally addressed in terms of the municipal priority issues herein grouped under five Key Performance Areas, namely: -

KPA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	**STRATEGIC GOAL**: To provide good quality and sustainable infrastructure and basic services
STRATEGIC OBJECTIVE	**PRIORITY ISSUES/FUNCTIONS.**
	Electricity, Roads and Stormwater, Environmental Management, Solid waste, Traffic and Law enforcement, public amenities, Safety and Security
KPA 2: MUNICIPAL FINANCIAL VIABILITY	**STRATEGIC GOAL**: Provision of effective and efficient management of municipal finances and assets
STRATEGIC OBJECTIVE	**PRIORITY ISSUES/FUNCTIONS.**
	Expenditure and payroll management, Revenue and Debt Management, Supply chain management, Budget planning and reporting, Asset management.
KPA 3: LOCAL ECONOMIC DEVELOPMENT	**STRATEGIC GOAL**: To facilitate enterprise development, job creation, human settlements, and town planning
STRATEGIC OBJECTIVE	**PRIORITY ISSUES/FUNCTIONS.**
To facilitate the creation, retention and re-investment in sustainable enterprises that can create jobs and improve the quality of life for the Citizens of Inxuba Yethemba by 2027.	Local economic development, agriculture, tourism and heritage, town planning and human settlements
KPA 4: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	**STRATEGIC GOAL**:
STRATEGIC OBJECTIVE	**PRIORITY ISSUES/FUNCTIONS.**
	Human resources (Organisational design, Recruitment, and selection, Personnel administration, Leave administration, Skills development, Employment equity, Wellness, Occupational health and safety), Council Support and Committees, Information Communication Technology, Archives and Records, Management of Satellite Office).
KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	**STRATEGIC GOAL**:
STRATEGIC OBJECTIVE	**PRIORITY ISSUES/FUNCTIONS.**

	Communication, Municipal Public Accounts, Internal Audit and Audit Committee, Risk Management, Fraud Prevention, Special Programs, Public Participation, Petitions Management,

CHAPTER 4: STRATEGIES, KEY PERFORMANCE INDICATORS AND TARGETS

STRATEGIES, KEY PERFORMANCE INDICATORS AND TARGETS

Org KPA	Dev Objective	department	KpiCode	KPI Description	Activity Description	Budget Allocation	Budget Source	BaseLine	Year 1 Target 2022/23	Year 2 Target 2023/24	Year 3 Target 2024/25	Year 4 Target 2025/26	Year 5 Target 2026/27
financial viability and management	To implement proper expenditure management in compliance with legislation	bto	2223.1.1.1	Number of creditors paid within 30 days	payment of creditors within 30 days			115	115	115	115	115	115
institutional development and transformation	To implement proper expenditure management in compliance with legislation	bto	2223.1.1.4	Number of smme creditors paid within 30 days	payment of SMMEs creditors within 30 days. SOPA kpi			12	12	12	12	12	12
financial viability and management	To increase the amount of revenue collected annually	bto	2223.1.2.4	Total municipal own revenue as a percentage of the total actual budget of 80 percent cogta	Enforcing of Debtors Collection and Credit Control Policy			80	80	80	80	80	80
basic service delivery	To implement proper supply chain protocols in compliance with the MFMA legislation	bto	2223.1.3.4	Number of scm reports on the implementation of supply chain management policy submitted to Council	Report on SCM activities	R0	Opex	4	4	4	4	4	4
financial viability and management	To improve compliance and adherence to legislation	bto	2223.1.4.2	Number of compliant s71 reports submitted to Council	Submission of s71 reports within 10 working days after the end of each month	R0	Opex	12	12	12	12	12	12
financial viability and management	To improve compliance and adherence to legislation	bto	2223.1.4.7	Percentage of submission of information requested by ag	Address auditor general findings and RFIs. for 2021.2022 audit	R0	Opex	100	100	100	100	100	100
local economic development	To improve local economic development	community services	2223.2.10.1	Number of work opportunities created through Public Employment Programmes	Appoint epwp workers to be deployed in technical community and iped directorates			109	150	200	250	300	350
basic service delivery	To ensure properly maintained municipal facilities	community services	2223.2.2.1	Number of facilities maintained	Maintenance will cover Activities such as grass cutting, tree cutting, irrigation, fixing of fences, litter picking. landfill Sites fenced (1 Cradock, 1 Middleburg)			8	8	8	8	8	8
basic service delivery	To improve literacy levels	community services	2223.2.3.5	Number of awareness and educational programmes	programmes targeting literacy, visits to schools, early childhood			4	4	4	4	4	4

Org KPA	Dev Objective	department	KpiCode	KPI Description	Activity Description	Budget Allocation	Budget Source	BaseLine	Year 1 Target 2022/23	Year 2 Target 2023/24	Year 3 Target 2024/25	Year 4 Target 2025/26	Year 5 Target 2026/27
				facilitated for ecd, primary and high school scholars	development and community events raising awareness on literacy and library services.								
basic service delivery	To contribute in community safety programmes within the municipalarea	community services	2223.2.5.3	Number of law enforcement fines issued	traffic enforcement indicator focusing on the issuing of law enforcement fines			600	600	600	600	600	600
basic service delivery	To promote a clean environment	community services	2223.2.7.8	Number of environmental management campaigns conducted	environmental management campaigns conducted for community and schools			7	4	4	4	4	4
basic service delivery	To ensure a safe and secure environment through mitigating the negative impacts of disasters	community services	2223.2.9.2	Number of fire awareness campaigns conducted	Conduct fire awareness campaigns			5	5	5	5	5	5
basic service delivery	To ensure effective construction and maintenance of municipal infrastructure	technical services	2223.3.1.8	Number of road segments to be patched in order to repair potholes	repairing of potholes on road sections. Section defined as length of road between two junctions			240	50	50	50	50	50
basic service delivery	To ensure provision of adequate electricity supply to iym communities	technical services	2223.3.2.1	Number of actions undertaken to reduce electricity losses	Perform annual audits on technical and non-technical losses of electricity to ensure minimum electricity losses			0	4	4	4	4	4
basic service delivery	To ensure provision of adequate electricity supply to iym communities	technical services	2223.3.2.7	Number of street lights repaired	repairing of street lights such as replacing bulbs, holders and wiring			80	100	100	100	100	100
basic service delivery	To ensure effective planning and maintance of municipal infrastructure	technical services	2223.3.3.1	Number of infrastructure maintenance plans updated	update infrastructure maintenance plan. Every year the plan must be updated and timelines provided	R0	Opex	1	1	1	1	1	1
			2223.3.3.2	Number of Roads and Stormwater Master Plan developed	Develop a Roads and Stormwater Plan			0	1	0	0	0	0

Org KPA	Dev Objective	department	KpiCode	KPI Description	Activity Description	Budget Allocation	Budget Source	BaseLine	Year 1 Target 2022/23	Year 2 Target 2023/24	Year 3 Target 2024/25	Year 4 Target 2025/26	Year 5 Target 2026/27
basic service delivery	To ensure effective construction and maintenance of municipal infrastructure	technical services	2223.3.4.4	kms of new municipal road lanes built	(Midros Access Road)	R15 927 000.00	MIG	3	3	3	3	3	3
basic service delivery	To ensure effective construction and maintenance of municipal infrastructure	technical services	2223.3.4.6	Number of highmast lights erected	Highmast Lights erected (In Rosemead))			25	0	4	0	0	0
basic service delivery	To ensure effective construction and maintenance of municipal infrastructure	technical services	2223.3.4.7	Percentage expenditure on mig funds	Percentage expenditure on MIG Funds			100	100	100	100	100	100
local economic development	To improve and protect the agricultural infrastructure	iped	2223.4.1.1	Number of meters of fencing commonages of iym	build fences on animal grazing commonages to promote agricultural activities and practices			2000	2500	2500	2500	2500	2500
local economic development	To ensure efficient and effective spatial planning and land use management	iped	2223.4.2.1	number of building applications to be approved.	Approval of Building Plans and land development applications.			110	110	110	110	110	110
local economic development	To ensure efficient and effective spatial planning and land use management	iped	2223.4.2.3	number of land development applications received and processed by iym	Processing of Land development applications received by IYM			20	15	15	15	15	15
local economic development	To support the establishment of smmes	iped	2223.4.3.5	Number of smme capacitation training workshops/ seminars conducted	Conduct Training Workshops and Seminars for smmes			4	4	4	4	4	4
local economic development	To support the establishment of smmes	iped	2223.4.3.7	Number of business licenses approved	Approve Business Licenses for operating businesses	R0	Opex	100	100	100	100	100	100
local economic development	To Implement Tourism and Heritage Management Plan	iped	2223.4.4.7	Number of tourism awareness campaigns conducted	awareness campaigns focusing on tourism month			1	4	4	4	4	4
local economic	To educate communities	iped	2223.4.6.8	Number of human settlement workshops conducted for the	Conduct workshops with our community covering aspects such			6	4	4	4	4	4

Org KPA	Dev Objective	department	KpiCode	KPI Description	Activity Description	Budget Allocation	Budget Source	BaseLine	Year 1 Target 2022/23	Year 2 Target 2023/24	Year 3 Target 2024/25	Year 4 Target 2025/26	Year 5 Target 2026/27
development	about home ownership			community	as human settleemnt activities, property ownership, title deeds								
institutional development and transformation	To provide Human Resources Support to all Directorates in the Municipality	corporate services	2223.5.1.1	Number of reports on implementation of Human Resource Policy Programmes	Report on HR related activities (Recruitment, JD Wrtiting EE)			0	3	3	3	3	3
institutional development and transformation	To provide appropriate Human Resource to support all Directorates in the Municipality	corporate services	2223.5.1.2	Number of Local Labour Forum Meetings convened	Convene LLF Meetings			4	4	4	4	4	4
institutional development and transformation	To improve institutional ict capacity	corporate services	2223.5.2.3	Number of critical weekly data backups	ensure critical weekly data backups			52	52	52	52	52	52
institutional development and transformation	To improve institutional ict capacity	corporate services	2223.5.2.4	Number of ict systems with uptime of 95 percent	ensure ICT Systems uptime of 95 percent. measured per quarter			20	5	5	5	5	5
institutional development and transformation	To ensure knowledge dissemination and compliance with occupational health and safety regulations	corporate services	2223.5.4.1	Number of occupational health and safety policy programmes implemented (PPE Provision, Medical Screening, Health and Safety Inspections)	identify hazards in department on t heir sections and recommend action thereafter (			2	3	3	3	3	3
institutional development and transformation	To create work environment in which employees are adequately informed and educated on their well-being	corporate services	2223.5.5.3	Number of employee assistance policy programmes implemented	report on the number of staff members receiving psychosocial support (Substance Abuse, Wellness (Psychological, Socio-Economic & Physical Workshop)			30	2	2	2	2	2
institutional development and transformation	To streamline special programs by ensuring functionality of all special programmes structures	omm		Number of SPU strategy programs implemented	Implement the approved Special Programmes Strategy			0	3	3	3	3	3
good governance	To ensure an effective municipal	corporate services	2223.5.7.1	Number of policies, strategies, bylaws developed and/reviewed	Compilation and submission of documentation relating to new/			5	10	10	10	10	10

Org KPA	Dev Objective	department	KpiCode	KPI Description	Activity Description	Budget Allocation	Budget Source	BaseLine	Year 1 Target 2022/23	Year 2 Target 2023/24	Year 3 Target 2024/25	Year 4 Target 2025/26	Year 5 Target 2026/27
and public participation	governance in line with applicable legislation				amended policies strategies, and bylaws								
institutional development and transformation	To develop the skills of the workforce and unemployed youth to enhance their competencies	corporate services	2223.5.8.1	number of staff that have undergone a skills audit including competency profiles within the current 5 year term cogta	Cogta kpi. skills audit report focussed on staff members over a 5 year period			1	1	0	0	0	0
institutional development and transformation	institutional development	corporate services	2223.5.8.2	number of officials and councillors trained as per the approved workplace skills plan	training based on skills audit			30	10	10	10	10	10
good governance and public participation	To ensure effective Audit and Corporate governance function that will result in improved compliance and clean administration	omm	2223.6.1.1	Number of internal audit programmes executed by financial year end	Implementation various audit programmes by year end			12	12	12	12	12	12
good governance and public participation	To ensure that the municipality operates free of anticipated risk of maladministration, fraud and corruption	omm	2223.6.3.1	Number of anti-fraud and corruption prevention initiatives undertaken	Implementation of public service anti-corruption and fraud prevention plans			2	2	2	2	2	2
good governance and public participation	To ensure effective performance management	omm	2223.6.4.1	Number of formal performance evaluations for section 56/57 conducted	valuations for section 56 and 57 manager performance			2	2	2	2	2	2
good governance and public participation	To ensure effective performance management	omm	2223.6.4.2	Number of institutional performance reports developed and submitted to council for noting	performance reports (Annual Report, Quarterly Performance Reports) developed and submitted to council for noting			5	5	5	5	5	5
good governance and public participation	To ensure effective performance management	omm	2223.6.5.3	Number of institutional strategic documents developed and submitted to council for approval	Develop 1 IDP and 1 SDBIP, submit to Council for approval as legislated			2	2	2	2	2	2
good governance and public	To Promote Public Accountability		2223.6.6.1	Number of Municipal Public Accounts Meetings held	Convene MPAC Meetings			4	4	4	4	4	4

Org KPA	Dev Objective	department	KpiCode	KPI Description	Activity Description	Budget Allocation	Budget Source	BaseLine	Year 1 Target 2022/23	Year 2 Target 2023/24	Year 3 Target 2024/25	Year 4 Target 2025/26	Year 5 Target 2026/27
participation													
good governance and public participation	To improve community participation in the affairs of the municipality	omm	2223.6.7.4	Number of public participation strategy programmes implemented	implement the public participation strategy programmes			5	5	5	5	5	5
good governance and public participation	To ensure functional systems of internal and external communication	**omm**	2223.6.7.5	Number of communication strategy programmes implemented	Implement the approved communication strategy programmes			0	4	4	4	4	4

CHAPTER 5 PUBLIC PARTICIPATION

INTRODUCTION

Chapter 4 of the Municipal Systems Act, 2000 regulates the participation of communities in the affairs of the municipality. Inxuba Yethemba Municipality adopted its Public Participation Policy in May 2022.

(a) Mechanisms For Community Participation

The Municipality undertakes various mechanisms with the sole purpose to involve its communities in the planning, development, implementation and review of the IDP and also in the activities and programmes of the municipality at large:

(i) **Ward Committee Meetings**: are convened on a monthly basis

(ii) **Ward Meetings**: are convened atleast once a quarter

(iii) **IDP Rep Forum**: convened on a quarterly basis

(iv) Newspaper

(v) **Social Media Platforms**: the municipality makes use of IYM Facebook Pages and Whatsapp Groups to communicate with relevant stakeholders.

(vi) **Mayoral Imbizo**: convened bi-annually in both towns.

(vii) **Radio Station**: the municipality uses Vukani FM to broadcast municipal affairs

Five Year (2022-2027) Identified Needs Per Ward.

Table 4: Service Delivery Needs

DATE	WARD	WARDS/PRIORITIES RAISED	COMMENT
13/10/2021	WARD 1	Paving of: 1. Sikhulu Street 2. Nkonjane Street 3. Gala Street Phase 2 4. Mpangele Street 5. Mazosiwe Street 6. Hobe Street 7. Ntlakohlaza Street 8. Ncada Street 9. Kahle Street Installation/Construction of 10. New Sewerage System in Gala Street 11. Multipurpose Youth Centre	

		12. Clinic 13. Police Station	
13/10/2021	WARD 2	Did not convene due to Community Members instigating a strike	Council will make use of the Priorities found in the 2021/22 FY IDP. Surfacing Maintenance of ff streets: 1. Chris Hani 2. Hlekani 3. Zambodla 4. Qhina 5. Nyanda 6. Mhlawu 7. Ndlovini 8. Zwelitsha Flood Lights Mobile Police Station Clinic Recreational Facilities Community Empowerment in Projects FET College Job Creation Rectification of Houses Library and Park Halls and Sportsfield Night School Facilities
14/10/2021	WARD 3	Did not convene due to Community Members instigating a strike	Council will make use of the Priorities found in the 2021/22 FY IDP. Paving of: Thembeni Street Luse Street Mali Street

14/10/2021	WARD 4	Paving of • Michausdal Access Road • Steenbok Street • Takbok Street • Pine Street • Springbok • Shannon • Eland Electricity Upgrade Water Tanks per Household Stormwater Drainage system throughout the ward Installation of Streetlights: Shannon Street, Blesbok Street, Gemsbok Street, Alpha Street, Amandel Street, New Street, Short Street, Sion Street, Viola Street Parks and Vege Gardens Upgrade of Old Sport Complex & Swimming Pool Upgrade of Michausdal Complex and Hall	
15/10/2021	WARD 6	Did not convene due to Community Members instigating a strike	Council will make use of the Priorities found in the 2021/22 FY IDP. Priorities raised by the Farmers association: 1. Paving Raymond Mhlaba Street 2. Oliphant Street 3. District roads maintenance 4. Water Infrastructure 5. Municipal Roads Maintenance Dumping and litter to be controlled
18/10/2021	WARD 5	1. Resealing of Cradock Streets 1.1 Development and provision of a Place of Shelter/ Safe Haven for abused children	

		1.2 Provide a tap in the Old Cemetery. Do regular maintenance in the old cemetery. It is a tourism attraction. 1.3 Make available serviced residential stands for sale. 1.4 Construct two new public toilet facilities at strategic places in Ward 5. 1.5 Enter into an agreement with the Cradock Animal Shelter in the Industrial Area to manage and impound stray animals in partnership with the Municipality. 2. Building the economy 2.1 Promote growth in Tourism – find a private operator to manage the abandoned Caravan Park next to the swimming pool. 2.2 Upgrade and renovate the municipal swimming pool to facilitate more sporting events to be hosted in Cradock. 2.3 Recycling project to be undertaken in Ward 5. Separating at source: Glass, tin, paper, plastic. Create opportunities for sources of income for unemployed people in Ward 5. 2.4 Relocate the Technical Services and Public Works Department to a more suitable building and location. (Industrial Area) Then redevelop the Old Boys' School Buildings into a Training facility for vocational training, to settle a College in. 2.5 Relocate the Traffic Department to more suitable location and redevelop the site into a tourism hub to be linked with Market Street and tourism activities at the internationally renowned Victoria Manor Hotel and Tuishuise. 2.6 Develop a section of the completed Hawkers' Facilities into a hub of Street food to be included in the Tourism development plans of the Municipality. 2.7 Development of an industrial hub for small business enterprises in the Industrial area. 2.8 Make available serviced	

		stands for sale in the industrial area. 3. Roads and Storm water Resealing of Adderley, Frere, Cawood and Sprigg Streets. Include streets in the industrial area into the planning as well. Nu-Stockenstroom, High, Cross, Metcalf, De Kick , J G Strydom, Protea Streets. Speed bumps to be erected in: Rocklands Street next to Coetzee Hall of Cradock High School.Neasted Street at the back of the Cradock Primary School gate. Four-way stop to be constructed on the corner of Dundas and Church Streets Maintain and upgrade all storm water drains in Ward 5. 4. Electricity Maintain and upgrade infrastructure, especially: a. Street lights b. Proper trimming & maintenance of trees overhanging the electrical lines c. Electrical lines, mini subs, transformers and ring feeds to upgrade and fix problem areas. 5. LED, Town Planning & PMU Upgrade and extension of landing strip to provide for planned expansion of businesses and tourism industry. 5.1 Obtain licence for landing strip through the Civil Aviation Authority of SA. 6. Developing an extensive expansion of an Integrated Information Technology system to enable the purchasing of electricity vouchers via cell phones and improved email and customer management services for improved service delivery and improved communication with the residents of the Municipality. Additional items added on 18 Oct 2021: 1. Upgrade & renovation of Cradock Spa 2. Completion of Taxi Rank & Hawker	

		facilities 3. Access Road to SA Police station. 4. Renovation and refurbishment of municipal flats 5. Development of middle-class housing	
21/10/2021	WARD 7	• Paving of Midros Access Road • Upper Long Road • Water & Drainage • Housing • The roof of Abe stores • Rehabilitation of Riverveg Access Road. • Return Water Service to Inxuba Yethemba Municipality • Midros Sport fields to be fixed • The extension of clinic to provide such space for TB and Covid Testing. • All roads going to the school should be paved, Johnson road,Booysen Road, Anderson Road, Grootfontein road should also be paved that goes to the school. • Esau weg. • Parks. • Train contractors	
	WARD 8	• Solomon Mahlangu Street • Clinic • Electricity vendor. • Old location in Lusaka near the river when going to town needs to be fixed or renovated. • Street light/ high-mast lights • A Cross bridge for the children that attends school • Training to local SMMES • Silver Town should be converted to the Health Centre.	
	WARD 9	• Joko Street • Ekuphumleni street and September	

		Street will also be accommodated • Victoria street • Water tanks in every house hold at ward 9 • Dineni street that overflows water due to rain, the Municipality should have a plan on how to stop the water. • Phithi stadium – there must a person employed for maintenance • Municipality and Human settlements should be on the veg on checking the houses that are no longer staying residents • Water must come to IYM. • Burst pipe should be fixed. • Maar stadium is vandalized • Youth centre.	

SUMMARY OF ISSUES RAISED DURING IDP, PMS AND BUDGET ROADSHOWS FOR 2021/2022 (APRIL)

CHAPTER 5 PROJECT/PROGRAMMES FROM OTHER STAKEHOLDERS

CHRIS HANI DISTRICT MUNICIPALITY

MIG PROJECT NAME	2022/23	2023/24	2024/25
CRADOCK BULK SERVICES	R9000 000.00	R14 000 000.00	R6 300 000.00
Refurbishment of Middelburg WWTW	R2000 000.00	R11 600 000.00	R2 000 000.00

DICLA TRAINING OPPORTUNITIES

- 100 Students under 35 to participate in Artisan Programme.
- 1500 Participants for Plant and Animal Production Programme
- 3 year Diploma in Plant and Animal Production, must have grade 12
- A programme for People with Disability in IYM must participate.

Department Agriculture, Land Reform & Rural Development

- Presidential Stimulus Programme where applicants receive vouchers to the value of R12 000.

NATIONAL DEPARTMENT OF TRANSPORT

ROAD NUMBER	AREA/WARD	ALLOCATED BUDGET	ROAD LENGTH (KM)	PROJECT DESCRIPTION
DR02524	Cradock/Ward 76	R 3 150 000,00	7km	Re-gravelling
DR02394	Cradock/Ward 6	R 3 600 00,00	8km	Re-gravelling
DR02419	Middelburg/ Ward 7	R 3 150 000.00	7km	Re-gravelling
MR00610	Middelburg/Ward 7	Not Yet Available	15km	Re-gravelling, **Planned**
DR02549	Cradock/Ward 6	Not Yet Available	10km	Re-gravelling, **Planned**

Department of Social Development

(a) **Funded Residential Facilities 2022/23**

Project/Program Name	Ward	Project Status	Allocated Budget	Number of Beneficiaries	Time Frame	Responsible Official & Contact Details
Elizabeth Jordaan Home	5 Cradock town	Funded	R720 000.00	**30**	**01 April 2022 – 31 March 2023**	**L. Hashe 0660684085**
Huis Sliwerjare Old Age Home	8 Midros	Funded	R720 000.00	30	**01 April 2022 – 31 March 2023**	**L. Hashe 0660684085**
Uniefeesherdenkingsterhuis	7 Middelburg town	Funded	R 360 000.00	15	**01 April 2022 – 31 March 2023**	**L. Hashe 0660684085**
TOTAL AMOUNT			**R1 800 000.00**			

(b) Funded Community Based Care Centres

Project/Program Name	Ward	Project Status	Allocated Budget	Number of Beneficiaries	Number of Jobs created/To be created	Time Frame	Responsible Official & Contact Details
Midros Service Centre	9 KwaNonzame	Funded	R 84530.00	34	1	**01 April 2022 – 31 March 2023**	**L. Hashe /Bobo-0660684085**
Lingelihle Old Age Centre	2 Lingelihle Qhina str	Funded	R 86 930.00	32	1	**01 April 2022 – 31 March 2023**	**L. Hashe /Bobo-0660684085**
J.A Calata Service Centre	2 Lingelihle Sikhulu str	Funded	R 84 530.00	28	1	**01 April 2022 – 31 March 2023**	**L. Hashe/Bobo-0660684085**
ACVV Sonskyn Service Center	4 Michausdal	Funded	R 84 530.00	28	1	**01 April 2022 – 31 March 2023**	**L. Hashe/Bobo-0660684085**
TOTAL AMOUNT	**Wards**		**R 340 520.00**				

<u>© Services to Persons with Disabilities</u>

Project/Program Name	Ward	Project Status	Allocated Budget	Number of Beneficiaries	Number of Jobs created/To be created	Time Frame	Responsible Official & Contact Details
Lukhanyo Adult Care Centre CBR	**Ward 1** Lingelihle	funded amount paid	R100 000.00	**27**	**2**	**01 April 2022 – 31 March 2023**	**Q. Cwayi - 0660684092**
HIV & AIDS Programme							
Noncedo HCBC	**Ward 2** (Lingelihle clinic)	funded amount paid	R291 525.00	489	10	**01 April 2022 – 31 March 2023**	**Q. Cwayi 0660684092**
Services to Families							
Cradock Family Resource Centre	**Ward 3** (Lingelihle, Masizame Building)	Funded	R145 000.00	120	3	**01 April 2022 – 31 March 2023**	L. Hashe/Bobo - 0660684085

(c) <u>Child Protection Services</u>

Project/Program Name	Ward	Project Status	Allocated Budget	Number of Beneficiaries	Number of Jobs created/To be created	Time Frame	Responsible Official & Contact Details
ACVV Cradock	5 Cradock town	Funded	R 333 664.00	1220	7	**01 April 2022 – 31 March 2023**	L Nivi 066 068 4101
CHILD WELFARE Cradock	4 Michausdal	Funded	R 333 664.00	1662	7	**01 April 2022 – 31 March 2023**	L NIVI 066 068 4101
ACVV Middelburg	9 Middelburg town	Funded	R 267 838.00	1000	4	**01 April 2022 – 31 March 2023**	L Nivi 0660684101
Total			**R 935 166.00**				
child And Youth Care Services							
Emmanuel CYCC	9 Middelburg town	Funded	R1 296 000.00	30	9	**01 April 2022 – 31 March 2023**	L Nivi 0660684101
Nomzamo Special Day Care Centre	2 Masizame Lingelihle	Funded	R179 445.00	34	2	**01 April 2022 – 31 March 2023**	L Nivi 0660684101
Substance ABUSE							
TADA	All wards	Funded	R48 016	1000	2	01 April 2022– 31 March 2023	N. Latile 0646030317

(d) <u>VICTIM EMPOWERMENT PROGRAMME</u>

Project/Program Name	Ward	Project Status	Allocated Budget	Number of Beneficiaries	Number of Jobs created/To be created	Time Frame	Responsible Official & Contact Details
Cradock White Door Centre of Hope	1 Ncanda Atlanta Cradock	Funded	R190 000.00	250	5 Care givers	**01 April 2022 – 31 March 2023**	**Mrs Z Mbusha 0660684129**
Kwakhanya White Door Centre of Hope	6 Hillside	Funded	R180 000.00	250	3 Care givers	**01 April 2022 – 31 March 2023**	**Mrs Z Mbusha 066 0684129**
Middelburg Victim Support Centre	8 Lusaka	Funded	R200 000.00	450	6 Care givers	**01 April 2022 – 31 March 2023**	**Mrs Z Mbusha 0660684129**
Total			**R570 000.00**		**14**		

Project/Program Name	Ward	Project Status	Allocated Budget	Number of Beneficiaries	Time Frame	Responsible Official & Contact Details
Elizabeth Jordaan Home	5 Cradock town	Funded	R720 000.00	**30**	**01 April 2022 – 31 March 2023**	**L. Hashe 0660684085**
Huis Sliwerjare Old Age Home	8 Midros	Funded	R720 000.00	30	**01 April 2022 – 31 March 2023**	**L. Hashe 0660684085**
Uniefeesherdenkingsterhuis	7 Middelburg town	Funded	R 360 000.00	15	**01 April 2022 – 31 March 2023**	**L. Hashe 0660684085**
TOTAL AMOUNT			**R1 800 000.00**			

Project/Program Name	Ward	Project Status	Allocated Budget	Number of Beneficiaries	Time Frame	Responsible Official & Contact Details
Elizabeth Jordaan Home	5 Cradock town	Funded	R720 000.00	**30**	**01 April 2022 – 31 March 2023**	**L. Hashe 0660684085**
Huis Sliwerjare Old Age Home	8 Midros	Funded	R720 000.00	30	**01 April 2022 – 31 March 2023**	**L. Hashe 0660684085**
Uniefeesherdenkingsterhuis	7 Middelburg town	Funded	R 360 000.00	15	**01 April 2022 – 31 March 2023**	**L. Hashe 0660684085**
TOTAL AMOUNT			**R1 800 000.00**			

(e) COMMUNITY DEVELOPMENT & RESEARCH

Project/Program Name	Ward	Project Status	Allocated Budget	Number of Beneficiaries	Number of Jobs created/To be created	Time Frame	Responsible Official & Contact Details
Khanya Ukhanyise CNDC	8 Lusaka	Funded	R 375 000.00	250	4	**01 April 2022 – 31 March 2023**	**L Mhlontlo 0679664823**
Asikhokele Primary Co-op	8 farming camps	Waiting for Provincial Recommendation	R 120 000.00	06	06	**01 April 2022 – 31 March 2023**	**L Mhlontlo 0679664823**
Sinawo Amandla Primary Co-op	9 Middelburg town	Waiting for Provincial Recommendation	R 50 000.00	13	13	**01 April 2022 – 31 March 2023**	**L Mhlontlo 0679664823**
Olunganathi CNDC	3 Lingelihle	Funded	R 360 000.00	200	**4**	01 April 2022 – 31 March 2023	**S.Nunu 0722107589**
TOTAL			R905 000.00				

SOUTH AFRICAN NATIONAL ROADS AGENCY LIMITED (SANRAL)

The Routine Road Maintanance (RRM) of The N10, R61 & R390

Project Description	**Points of Project**	**Amount**	
N10 – Section 3	Km 37.62 – Km 81.59		
R61 – Section 2	Km 17.25 – Km 85.73		
R390 – Section 1	Km 0.00 – Km 23.56		

The project will cover approximately 239.98km

DEPARTMENT OF ENERGY

PROJECT	**LOCATION**	**AMOUNT**
Construction of Main Transmission Station	Between Noupoort and Middelburg	

CHAPTER 6 – SECTOR PLANS

Financial Plan

1. **Financial Plan**
   1.1 Introduction
   (PROVIDE A BRIEF SUMMARY)

Operating and Capital Budget

Brief Summary

Grant Allocation from the Division of the Revenue Bill

Government Grants as per the Division of the Revenue Bill are as follows:

Transfers recognised - Capital			
	Allocation 2022/2023	**Allocation 2023/2024**	**Allocation 2024/2025**
MIG	17 813 000	18 427 000	19 081 000
EEDS	4 500 000	5 000 000	6 000 000
INEP	0	12 000 000	12 539 000
TOTAL	**22 313 000**	**35 427 000**	**37 620 000**

COLLECTION FROM OWN REVENUE SOURCES

Description	**Current Year 2021/22**				**2022/23 Medium Term Revenue & Expenditure Framework**		
R thousand	**Original Budget**	**Adjusted Budget**	**Full Year Forecast**	**Pre-audit outcome**	**Budget Year 2022/23**	**Budget Year +1 2023/24**	**Budget Year +2 2024/25**
Revenue By Source							
Property rates	48 511	47 794	47 794	47 794	47 585	49 678	51 914
Service charges - electricity revenue	174 929	164 929	164 929	166 804	172 845	180 451	188 571
Service charges - refuse revenue	35 719	35 719	35 719	36 232	37 433	39 081	40 839
Rental of facilities and equipment	1 710	1 710	1 710	1 710	1 793	1 871	1 956
Interest earned - external investments	1 559	1 559	1 559	1 559	1 633	1 705	1 782
Interest earned - outstanding debtors	10 910	10 910	10 910	10 910	11 433	11 936	12 473
Gains	4 937	4 937	4 937	4 937	5 174	5 402	5 645
Total Revenue (excluding capital transfers and contributions)	**278 275**	**267 557**	**267 557**	**269 946**	**277 897**	**290 124**	**303 180**

SUMMARY OF THE 2022-2025 MTREF BUDGET

Description	**Adjustment Budget 2021-22 FY**	**Draft Budget 2022-23 FY**	**Draft Budget 2023-24 FY**	**Draft Budget 2024-25 FY**
RAND				
Revenue By Source				
Property rates	47 793 724	50 087 823	52 291 687	54 644 813
Property rates - penalties & collection charges	2 388 661	2 503 317	2 613 463	2 731 068

Service charges - electricity revenue	164 928 730	172 845 309	180 450 503	188 570 775
Service charges - refuse revenue	35 718 930	37 433 439	39 080 510	40 839 133
Rental of facilities and equipment	1 710 458	1 792 560	1 871 433	1 955 647
Interest earned - external investments	1 558 500	1 633 308	1 705 174	1 781 906
Interest earned - outstanding debtors	10 909 500	11 433 156	11 936 215	12 473 345
Fines	280 678	294 150	307 093	320 912
Licences and permits	4 156 000	4 355 488	4 547 129	4 751 750
Transfers recognised - operational	54 690 250	59 248 650	55 416 121	56 213 696
Other revenue	3 532 600	3 702 165	3 865 060	4 038 988
Gains on disposal of PPE	4 937 328	5 174 320	5 401 990	5 645 079
Total Revenue	**332 605 358**	**345 497 051**	**354 259 451**	**368 504 977**
Expenditure By Type				
Employee related costs	98 580 000	103 311 840	107 857 561	112 711 151
Remuneration of councillors	8 215 411	8 609 751	8 988 580	9 393 066
Debt impairment	46 000 000	48 208 000	50 329 152	52 593 964
Depreciation & asset impairment	69 235 552	72 558 858	75 751 448	79 160 263
Finance charges	9 500 000	9 956 000	10 394 064	10 861 797
Bulk purchases	35 000 000	36 680 000	38 293 920	40 017 146
Repairs & maintenance	12 624 785	13 230 775	13 812 929	14 434 511
Contracted Services	8 312 000	10 390 000	10 847 160	11 335 282
Transfers and grants	1 100 000	1 152 800	1 203 523	1 257 682
Other expenditure	13 000 000	13 762 420	14 367 966	15 014 525
Total Expenditure	**301 567 748**	**317 860 444**	**331 846 304**	**346 779 387**
Surplus/(Deficit)	**31 037 610**	**27 636 607**	**22 413 148**	**21 725 589**

2022-2025 CASHFLOW BUDGET

Description	Ref	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
R thousand		Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
CASH FLOW FROM OPERATING ACTIVITIES								
Receipts								
Property rates		46 790	–	–	–	44 253	46 200	48 279
Service charges		189 869	–	–	–	197 829	206 534	215 828
Other revenue		9 249	–	–	–	15 314	15 988	16 707
Transfers and Subsidies - Operational	1	54 788	–	–	–	59 249	74 383	78 353
Transfers and Subsidies - Capital	1	16 785	–	–	–	84 208	85 282	86 895
Interest		–	–	–	–	1 633	1 705	1 782
Dividends		–	–	–	–	–	–	–
Payments								
Suppliers and employees		(147 749)	(175 232)	–	–	(295 699)	(303 882)	(312 620)

Finance charges		(2 598)	(9 500)	–	–	(9 956)	(10 394)	(10 862)
Transfers and Grants	1	–	–	–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES		**167 135**	**(184 732)**	**–**	**–**	**96 831**	**115 816**	**124 361**
CASH FLOWS FROM INVESTING ACTIVITIES								
Receipts								
Proceeds on disposal of PPE		–	–	–	–	–	–	–
		–	–	–	–			
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–
Payments								
Capital assets		(16 785)	–	–	–	(21 422)	(34 506)	(36 666)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(16 785)**	**–**	**–**	**–**	**(21 422)**	**(34 506)**	**(36 666)**
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts								
Short term loans		–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–
Payments								
Repayment of borrowing		–	–	–	–	–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		**–**	**–**	**–**	**–**	**–**	**–**	**–**
NET INCREASE/ (DECREASE) IN CASH HELD		**150 350**	**(184 732)**	**–**	**–**	**75 408**	**81 310**	**87 696**
Cash/cash equivalents at the year begin:	2	**108 272**	**130 609**	**–**	**–**	**20 902**	**96 310**	**177 620**
Cash/cash equivalents at the year end:	2	**258 622**	**(54 124)**	**–**	**–**	**96 310**	**177 620**	**265 316**

2022-2025 OPERATING PROJECTS

PROJECT NAME	**BUDGET ALLOCATION 2022-23 FY**	**BUDGET ALLOCATION 2023-24 FY**	**BUDGET ALLOCATION 2024-25 FY**
AFS	2 500 000	2 610 000	2 727 450
ASSETS & PMS	4 986 000	5 205 384	5 439 626
IT	2 904 000	3 031 776	3 168 206
TOTAL	**10 390 000**	**10 847 160**	**11 335 282**

EC131 Inxuba Yethemba - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue by Vote	1									
Vote 1 - MUNICIPAL MANAGER (11: IE)		–	–	–	–	–	–	–	–	–
Vote 2 - CORPORATE SERVICES (12: IE)		139	96	21	711	711	711	741	773	808
Vote 3 - FINANCIAL SERVICES (13: IE)		89 930	108 960	112 421	113 271	112 553	112 553	117 720	123 436	129 622
Vote 4 - COMMUNITY SERVICES (14: IE)		21 553	34 742	36 730	44 067	44 067	44 067	45 833	47 850	50 003
Vote 5 - TECHNICAL SERVICES (15: IE)		126 060	126 534	142 198	197 444	187 444	187 444	201 180	222 156	232 743
Vote 6 - LED. SERVICES (17: IE)		964	855	392	1 387	1 387	1 387	1 446	1 509	1 577
Total Revenue by Vote	2	**238 647**	**271 187**	**291 761**	**356 880**	**346 162**	**346 162**	**366 919**	**395 724**	**414 753**
Expenditure by Vote ***to be appropriated***	1									
Vote 1 - MUNICIPAL MANAGER (11: IE)		31 827	30 878	41 382	36 328	37 429	37 429	38 175	39 855	41 648
Vote 2 - CORPORATE SERVICES (12: IE)		14 721	15 903	17 330	16 016	18 326	18 326	16 916	17 660	18 455
Vote 3 - FINANCIAL SERVICES (13: IE)		39 412	39 114	33 615	32 278	32 444	32 444	34 539	36 059	37 681
Vote 4 - COMMUNITY SERVICES (14: IE)		54 697	63 725	78 448	75 262	75 860	75 860	80 732	84 285	88 077
Vote 5 - TECHNICAL SERVICES (15: IE)		164 585	170 028	175 410	125 229	126 336	126 336	133 315	139 181	145 444
Vote 6 - LED. SERVICES (17: IE)		8 703	8 695	8 836	12 225	11 172	11 172	13 031	13 604	14 216
Total Expenditure by Vote	2	**313 945**	**328 344**	**355 021**	**297 338**	**301 568**	**301 568**	**316 708**	**330 643**	**345 522**
Surplus/(Deficit) for the year	2	**(75 298)**	**(57 157)**	**(63 260)**	**59 542**	**44 595**	**44 595**	**50 212**	**65 081**	**69 232**

2022-2025 CAPITAL BUDGET

INXUBA YETHEMBA MUNICIPALITY CAPITAL PROJECTS 2022/2023

CAPITAL PROJECTS 2022-2023 FY	Project Name	Ward	Total Project Cost	2022-2023 Allocation	2023-2024 Allocation	2024-2025 Allocation
MIG	Paving of Midros Access Road	7&8	15 927 000,00	8 500 000,00	4 927 000,00	2 500 000,00
	Paving of Chris Hani Street & Storm Water Control	2	10 313 000,00	4 813 000,00	4 000 000,00	1 500 000,00
	Paving of Joko Avenue & Storm Water Control	9	8 000 000,00	4 500 000,00	3 500 000,00	
	Paving of Michausdal Access Roads & Storm Water Control	4	9 500 000,00	0,00	4 000 000,00	5 500 000,00
	Rehabilitation of Sikulu Street	1,2 & 3	11 581 000,00	0,00	2 000 000,00	9 581 000,00
	DORA ALLOCATION		**55 321 000,00**	**17 813 000,00**	**18 427 000,00**	**19 081 000,00**

SPATIAL DEVELOPMENT FRAMEWORK

SPATIAL PLANNING.

MUNICIPAL SPATIAL DEVELOPMENT FRAMEWORK (MSDF)

Background.

In terms of the Constitution of the Republic of South Africa, municipal planning is a core function of the local municipalities. To give effect to the constitutional mandate, Section 34 of the Municipal Systems Act, 2000 (MSA) and Section 20 Spatial Planning and Land Use Management Act No. 16 of 2013 respectively, call upon municipalities to formulate the Spatial Development Frameworks.

The Municipal Spatial Development Framework (MSDF) is a municipal spatial planning tool that indicates future areas for expansion of residential, community facilities, industrial, business, resort development and other activities. It also defines the urban edge and provides guidance with respect to areas of highest impact and priority projects. Therefore, MSDF includes spatial objectives, strategies and proposals, which are specific to broadly inform land use management and investment decisions for both public and private sectors. This tool provides spatially referenced data and complementary spatial analysis of the issues within a municipal area This analysis needs to be expanded to include the high-level spatial interactions and linkages both within a municipal area and regionally, including corridor development and national infrastructure development plans. The aim is to achieve integrated and strategic development.

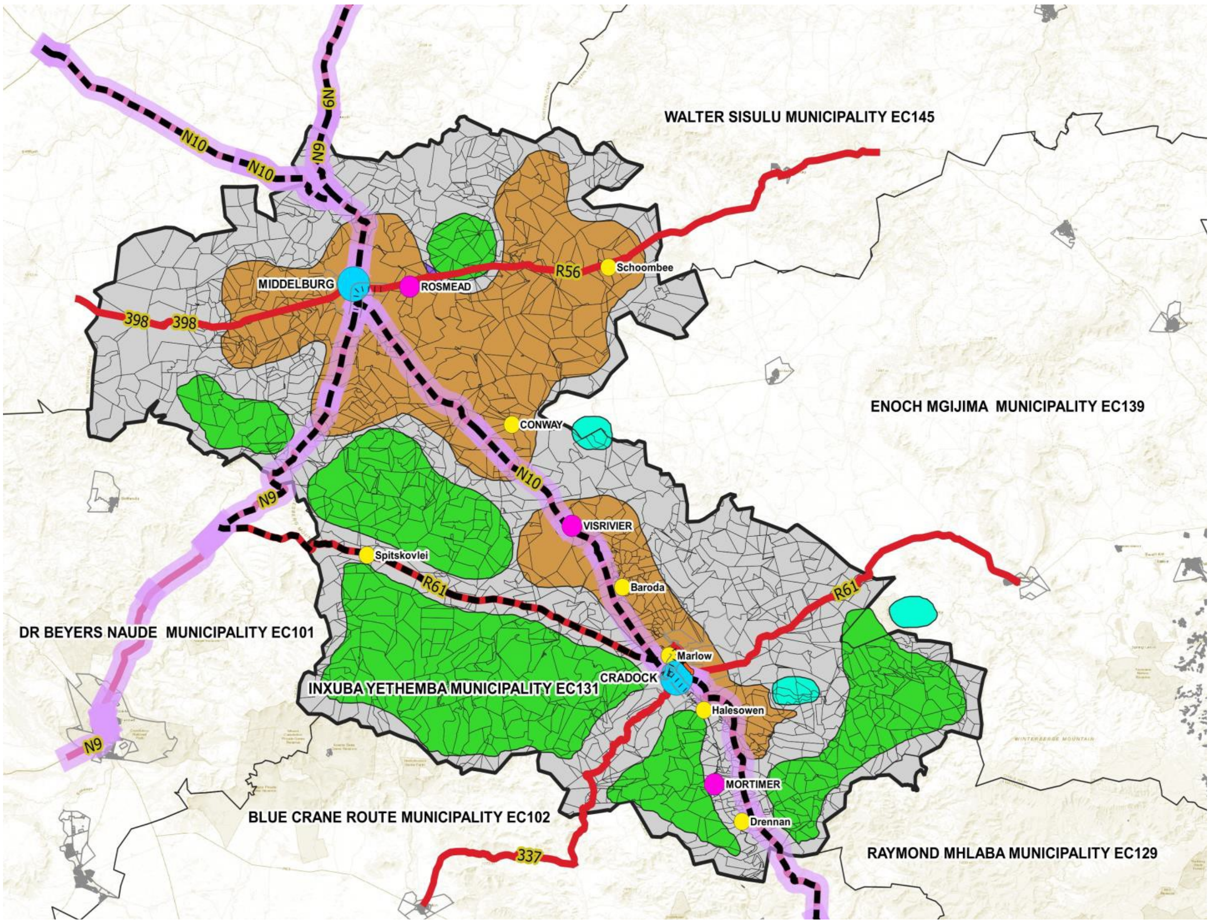
According to the MSA, the SDF forms a core component or a sector plan of an Integrated Development Plan (IDP) and should provide for basic guidelines for a land use management system for the municipality. Therefore, all land development related IDP projects should be informed by the SDF and be spatially referenced in an endeavour to achieve the desired spatial pattern of a municipality.

SPLUMA stipulates that the content of a municipal SDF must include a written spatial representation of a five-year spatial development plan for the spatial form of the municipality. It should also include a longer spatial development vision statement for the municipal area that indicates a desired spatial growth and development pattern for the next 10-20 years. The SPLUMA still links the SDF to the IDP.

The Municipal Spatial Development Framework was reviewed and adopted in 2021 to be aligned with the provisions of the Spatial Planning and Land Use Management Act No. 16 of 2013.

Purpose of the Municipal Spatial Development Framework.

The purpose of the MSDF is to provide general direction and to guide decision making on an on-going basis with the aim of creating integrated, sustainable, and habitable regions, cities, towns and residential areas. Therefore, spatial analysis of the broader Municipal area (trends and issues) is important.Heading 1



The spatial characteristics presents primary agricultural production areas along the central spine of Great Fish River and the N10 route together with more extensive agriculture in the surroundings of Middelburg and to the east towards Steynsburg.

The primary biodiversity footprint is accommodated to the east of Cradock around the Mountain Zebra National Park and includes the potential biodiversity linkages to the west.

Advantages of the Municipal Spatial Development Framework.

The SDF has the following direct advantages for IYM:

- Ensuring the identification of a common spatial vision and a set of objectives focused on a desired orderly spatial development pattern for the area.
- Informing a broad land use management policy, which can be referred to and used to objectively assess the desirability of all future development applications.
- Identification and prioritisation of capital and management projects that will be used by the local authority to inform the annual budgetary allocations in terms of the IDP.

The SDF strives to redress the spatial imbalance by seeking spatial integration, encouraging densification and the compaction of urban settlements.

Legal Framework for the MSDF.

Section 20 of the Spatial Planning and Land Use Management Act No. 16 of 2013 (SPLUMA) states that the Municipal Council must by notice in the Provincial Gazette adopt a municipal spatial development framework. It also states that the municipal spatial development framework must be prepared as part of a municipality's integrated development plan (IDP) in accordance with the provisions of the Municipal System Act. SPLUMA that before adopting the municipal spatial framework contemplated in subsection (1) and any proposed amendments to the municipal spatial development framework, the Municipal Council must-

a) Give notice of the proposed municipal spatial development framework in the Gazette and the media;

b) Invite the public to submit written representations in respect of the proposed municipal spatial development framework to the Municipal Council within 60 days after the publication of the notice referred to in paragraph (a); and
c) Consider all representations received in respect of the proposed municipal spatial development framework.
d) Previously, some municipalities would take decisions that are inconsistent with the SDF without following procedures or facing legal consequences. However, Section 22 of the SPLUMA gives a MSDF a legal effect in the sense that it states that:

According to SPLMA, a Municipal Planning Tribunal or any other authority required or mandated to make a land development decision in terms of this Act or any other law relating to land development, may not decide, which is inconsistent with a municipal spatial development framework. Deviation from the SDF may only be allowed subject to compliance with Section 42 of the SPLUMA and only if site-specific circumstances justify a departure from the provisions of such municipal spatial development framework.

Section 22(3) of the SPLUMA states that where a provincial spatial development framework is inconsistent with a municipal spatial development framework, the Premier must, in accordance with the Intergovernmental Relations Framework Act, take the necessary steps, including the provision of technical assistance, to support the revision of those spatial development frameworks to ensure consistency between the two.

Objectives of the MSDF.

The objective of Inxuba Yethemba Spatial Development Framework is to formulate strategic and spatially based policy guidelines and proposals whereby changes, needs and growth in the municipal area can be managed to the benefit of the environment and its inhabitants. The SDF process is guided by a realistic set of local goals and objectives which are contextualised within the overall vision for the municipality.

2.22.1. Contents of the Municipal Spatial Development Framework.

In terms of Section 21 of the SPLUMA, the municipal Spatial Development Framework must:

a) Give effect to the development principles and applicable norms and standards set out in Chapter 2.

b) Include a written and spatial representation of a five-year spatial development plan for the spatial form of the municipality.

c) Include a longer-term spatial development vision statement for the municipal area which indicates a desired spatial growth and development pattern for the next 10 to 20 years.

d) Identify current and future significant structuring and restructuring elements of the spatial form of the municipality, including development corridors, activity spines and economic nodes where public and private investment will be prioritized and facilitated.

e) Include population growth estimates for the next five years;

f) Include estimates of the demand for housing units across different socio-economic categories and the planned location and density of future housing developments;

g) include estimates of economic activity and employment trends and locations in the municipal area for the next five years.

h) Identify, quality and provide location requirements of engineering infrastructure and services provision for existing and future development needs for the next five years;

i) Identify the designated areas where a national or provincial inclusionary housing policy may be applicable;

j) Include a strategic assessment of the environmental pressures and opportunities within the municipal area, including the spatial location of environmental sensitivities, high potential agricultural land and coastal access strips, where applicable;

k) Identify the designation of areas in the municipality where incremental upgrading approaches to development and regulation will be applicable;

l) Identify the designation of areas in which-

   - more detailed local plans must be developed; and
   - shortened land use development procedures may be applicable and land-use schemes may be so amended;

m) Provide the spatial expression of the coordination, alignment and integration of sectoral policies of all municipal departments;

n) Determine a capital expenditure framework for the municipality's development programmes, depicted spatially;

o) Determine the purpose, desired impact and structure of the land use management scheme to apply in that municipal area and

p) Include an implementation plan comprising of-

- sectoral requirements, including budgets and resources for implementation.
- specification of institutional arrangements necessary for implementation
- specification of implementation targets, including dates and monitoring indicators
- Specification where necessary, of any arrangements for partnerships in the implementation process.

National And Provincial Policy Context and Development Guidelines.

Municipalities throughout South Africa are finding it increasingly difficult to provide their inhabitants not only with cost-effective and equitable infrastructure, but also with sufficient social infrastructure and economic opportunities. For this reason, development in South Africa is guided and directed by a range of national, provincial, and local development policies. The most prominent development directives emerging from the various developments policy documents, which should inform the development of Inxuba Yethemba MSDF include the following:

The National Development Plan

In Urban Areas, amongst others, the NDP advocates the following:

- Upgrading of informal settlements.
- Urban densification within the existing urban fabric and along development corridors.
- Extensive provision and prioritization of public transport.
- Job creation and urban renewal in former township areas.
- The diverse range of subsidized housing typologies and densities and focusing on filling the housing "gap market" in terms of bonded housing.

In Rural Areas, the NDP advocates the following:

- Spatial consolidation of rural settlements to increase densities and enhance sustainability; Innovative (green), targeted and coordinated infrastructure delivery.
- Prioritize rural development along mobility corridors and at strategic intersections.
- Rural nodal development and revitalization of small towns.
- Diversification of rural economy towards mining, tourism, and local business.

Based on Chapter 4, that Inxuba Yethemba Local Municipality and Chris Hani District Municipality should ensure that they upgrade and develop services infrastructure for existing and new developments/neighbourhoods. The infrastructure development shall ensure a sustainable growth of communities that also promotes private sector investment within the municipal area.

Based on Chapter 5, NDP give guidance to adherence to environmental regulations when for any within Inxuba Yethemba Local Municipality development through guidance of Environmental Authorisations and Environmental Management Plans as contemplated in the National Environmental Management Act, 107 of 1998. The implementation of these regulations shall assist in mitigating against activities that might lead to compromise of biodiversity in the municipal area with detrimental consequences of global warming and climate change.

Based on Chapter 6, the review of SDF to consider spatial planning that integrates Cradock and Middelburg urban centres with existing rural nodes while encouraging local spatial development frameworks (LSDFs) that are tailor made for rural nodes within the municipality. With these LSDFs, precinct plans that encompass area specific spatial elements, Rural District Development Plan for Chris Hani, spatial directive of greater Inxuba Yethemba Local municipality.

Based on Chapter 8, the review of SDF for Inxuba Yethemba Local Municipality should be biased towards integrating urban and rural planning.

The National Transport Master Plan, 2005 – 2050 (NATMAP)

This plan places greater emphasis on developing rail as a transportation medium, rather than road-based modes in South Africa. Further, integration between land use development and transportation planning should be achieved through ensuring that land development is concentrated in and around transport corridors. Corridors should be orientated towards providing sustainable rail transport rather than road-based transport modes.

Eastern Cape's Vision 2030.

- In terms of Section 4, PGDP's response to the uncoordinated and inefficient spatial planning guides a policy framework for the municipalities to initiate formulation of Integrated Development Plans (IDPs) outside the context of an embracing spatial planning that guides and coordinates such planning according to the sound norms and principles. The strategy also adopted planning approach that foster spatial development that promotes optimal investment of resources and sustainable development for areas of potential. The PGDP also promotes spatial development planning should be guided by an agreed, overarching strategy for growth and development.
- Therefore, the review of the SDF is guided by those principles of inclusive and participatory planning that is also looking into integrated planning for rural and urban areas of Inxuba Yethemba Local Municipality to redress social and economic inequalities

Chris Hani District Spatial Development Framework (SDF)

Integrating Municipal Spatial Development Framework with Integrated Urban Development Framework.

Background On the Introduction of The Urban Development Framework Grant.

A review of Local Government Infrastructure Grants was initiated in October 2013, led by National Treasury together with the COGTA, the Financial and Fiscal Commission, the South African Local Government Association, and the Department of Performance Monitoring and Evaluation. The review envisioned a grant system that included:

a) A move from focusing on rolling out new infrastructure to an increased focus on the management, maintenance, and renewal of existing infrastructure.

b) Ensuring greater coherence in the management of the grant system.

c) Ensuring greater value for money for the funds spent, and;

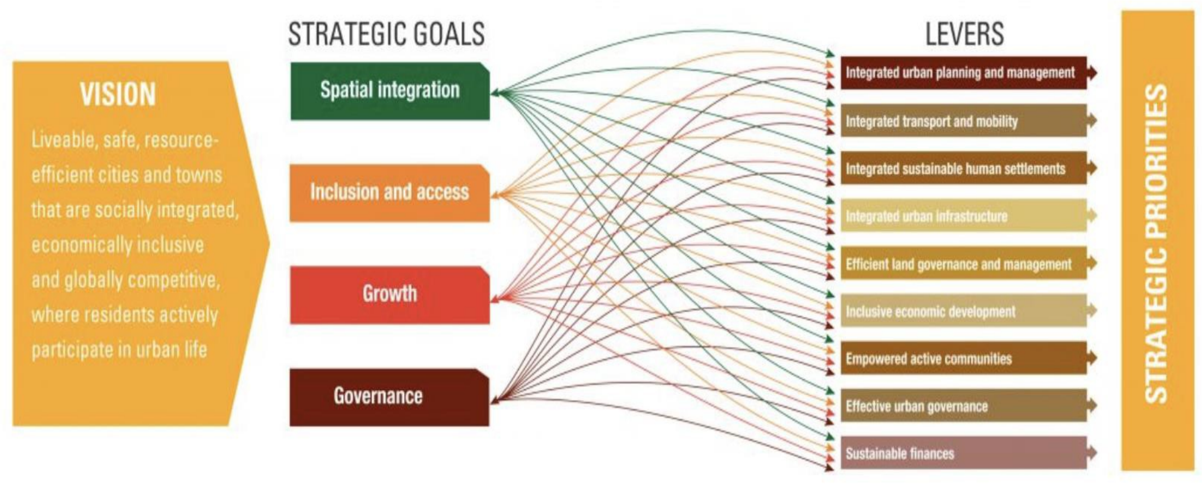
d) Greater differentiation in the type of grants provided to different municipalities.

Subsequent to the above, the government of South Africa introduced the Integrated Urban Development Framework (IUDF) which is a policy initiative coordinated by COGTA. The IUDF seeks to foster an understanding between local government and civil society on how best to manage urbanisation and achieve the goals of economic development, job creation and improved living conditions within municipalities by addressing current urban challenges as outlined in the National Development Plan. The IUDF responds to and builds on various chapters of the NDP, particularly Chapter 8 dealing with the Transformation of human settlements and the national space economy.

The IUDF marks a new deal for South African cities and towns and sets a policy framework to guide the development of inclusive, safe, productive, resourceful resilient and liveable urban settlements while addressing the unique conditions and challenges facing South Africa's cities and towns. It advocates the effective management of urbanisation so that the increasing concentration of an economically active population translates into higher levels of economic activity, greater productivity and higher rates of growth, thereby transforming our South African cities into engines of growth and prosperity. The IUDF proposes an urban growth model premised on compact and connected municipalities and towns.

The key outcome of the IUDF is spatial transformation.

The identified policy levers and priorities are crucial for maximising the potential of urban areas, by integrating and aligning investments in a way that improves the urban form, refer to Figure 1 below:



Elements of the IUDF

What Is Capital Expenditure Framework?

The term "Capital Expenditure Framework" (CEF) became a municipal mandate with the promulgation of the Spatial Planning and Land Use Management Act, Act 16 of 2013 (SPLUMA) Section 21 (n). However, the concept of a Capital Investment- or Capital Expenditure Framework has been alluded to in several other preceding legislative and policy instruments. According to the IUDG policy framework, a CEF is a comprehensive, high-level, long-term infrastructure plan that flows from a Spatial Development Framework (SDF), which estimates the level of affordable capital investment by the municipality over the long-term. The CEF is therefore the mechanism of the municipality, which aims to achieve spatial transformation by aligning capital investment in such a way that the key outcomes of the IUDF are achieved.

The Purpose of the Capital Expenditure Framework.

The IUDF is consistent with and reinforces the findings of the Review of Local Government Infrastructure Grants. The IUDG was introduced in the 2019/20 Division of Revenue Act (DORA) as a consolidated infrastructure grant for the support of the targeted 39 Intermediate City Municipalities (ICMs). The IUDG aims to support spatially aligned public infrastructure investment that will lead to functional and efficient urban spaces and ultimately unlock urban growth. In terms of the IUDG description, the purpose of the grant is to:

a) Provide funding for public investment in infrastructure for the poor.

b) Promote increased access to municipal own sources of capital finance to increase funding for public investment in economic infrastructure.

c) Ensure that public investments are spatially aligned with municipal development vision, and;

d) Promote the sound management of the assets delivered.

The purpose of the ICM support strategy is to help translate IUDF policy into practical programmes of action. In so doing, the initiative aims to give impetus to achieve the main IUDF goals, which are forging new integrated forms of spatial development; ensuring that people have access to social-economic services, opportunities, and choices; harnessing urban dynamism to achieve inclusive and sustainable growth; and enhancing the governance capacity of the state and citizens in ICMs.

Development of Precinct Plans

In line with the Spatial Development Framework, the municipality developed precinct plans for Cradock and Middelburg urban nodes. The precinct plans are spatial transformation tools used to address spatial inadequacies at various urban nodes.

Proposed Spatial Restructuring of Cradock.

The proposed Conceptual Spatial Development Framework for Cradock is introducing few changes on the existing layout and conceptual SDF.
The new changes include:

a) *Extended Urban Edge* to encompass cemetery and aerodrome expansion.

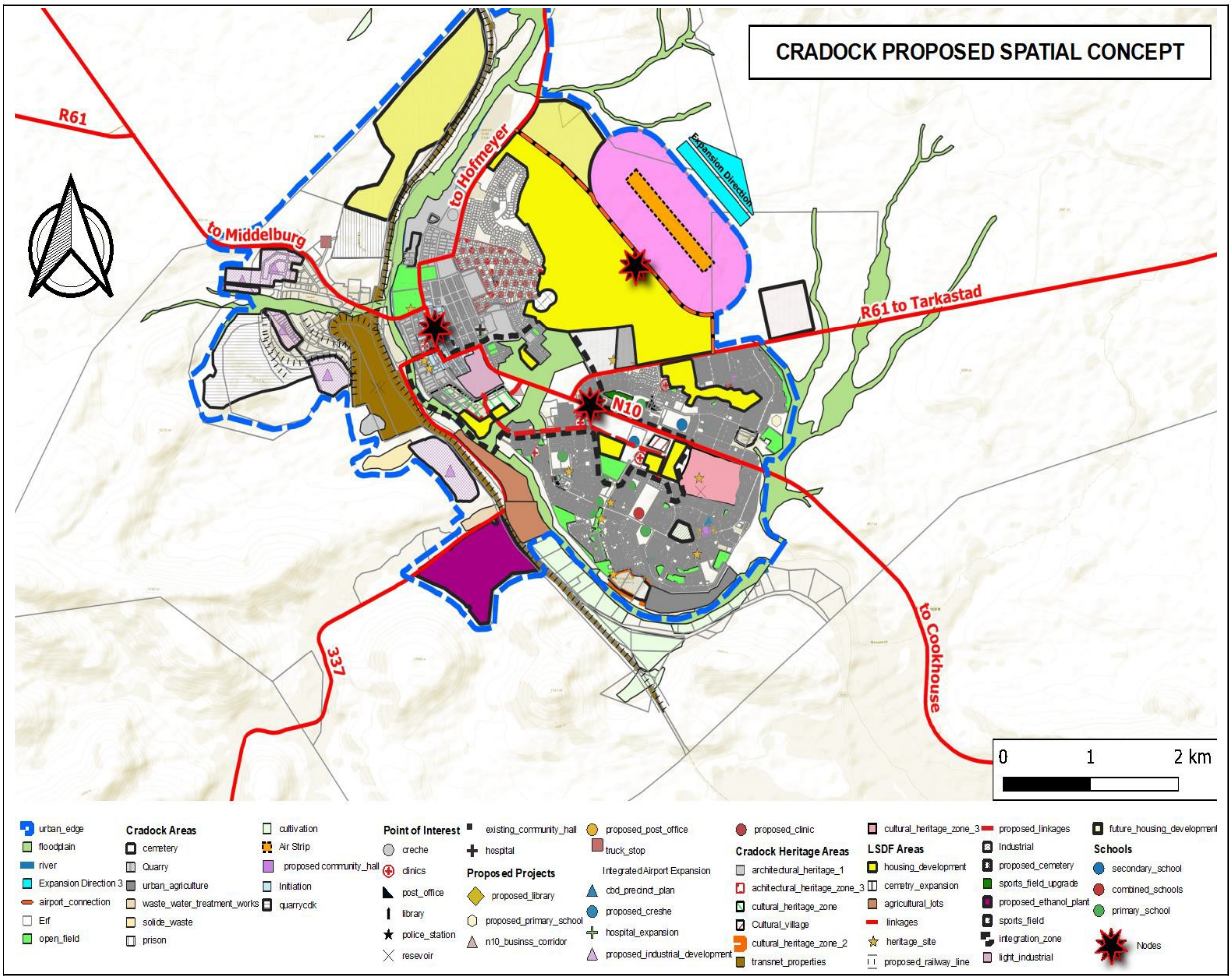
b) *Integrated Aerodrome Expansion*. This will require a Public Private Partnership initiative with Flight Schools and Tourism companies to develop a Small Non-Jet Aerodrome facility that has:

   i)Flying School Training Circuits.

   ii)Tourism facilities (Restaurants & Accommodation).

   iii)Emergency Services/Disaster Management Facility.

c) NewR390–61 Linkage: that connects Integrated Aerodrome Expansion with R390 and R61 (north of Michausdal township).



Proposed Spatial Restructuring of Middelburg.

a) The proposed ITCC is bringing socioeconomic opportunities in the area with integrated services/facilities that include:

   (i) Disaster Management facility

   (ii) Fire Services Department

   (iii) Provincial Traffic Department

   (iv) South African Police Services

   (v) Small Business Unit

   (vi) Law Court

   (vii) Educational/Training Centre

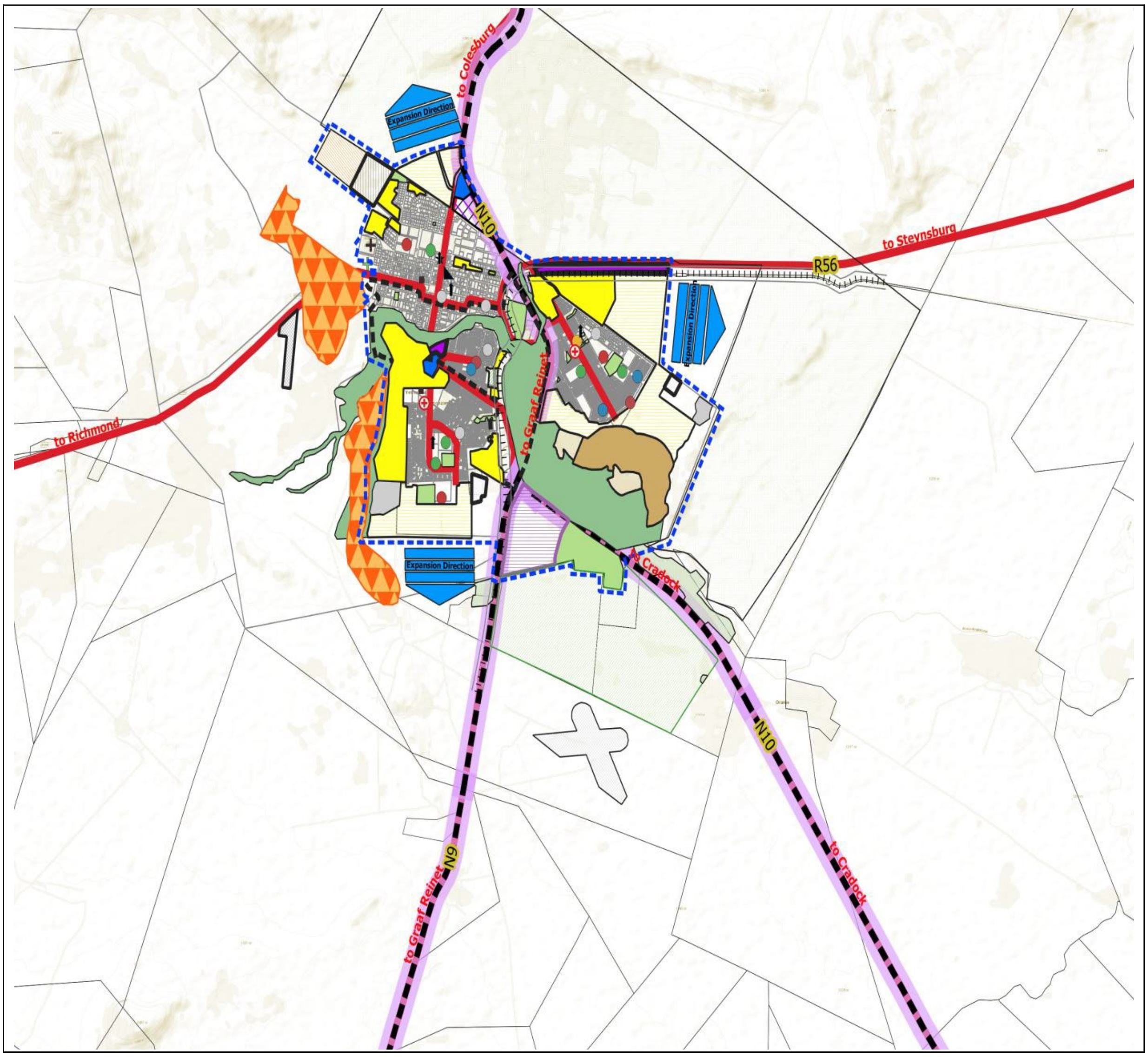
   (viii) Vehicle Maintenance

   (ix) Traffic Control Centre

   (x) Solar Farm/Covered Sound

b) Greening/tree plantation that is concealing the Wastewater Treatment Works from Midros residential area. This can also assist towards initiating relocation of the treatment works which will require dismantling of structures and other related activities that might be the eyesore from Midros and surrounding areas.

c)Growth direction remains towards the north-western, north-eastern, and south-eastern directions.



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2.22.2. Smart City in Spatial Planning.

I. Introduction.

Spatial planning can be described as a largely public-sector-led repertoire of activities to influence the future spatial distribution of activities, to enhance the integration between different sectors, to create a more rational territorial organization of land uses including the linkages between them, to balance demands for development with the need to protect the environment, and to achieve social and economic objectives. Spatial planning is regarded as a key instrument for establishing long-term sustainable frameworks for social, environmental and economic development and thus relates to the concept of a smart city.

According to the Focus Group on Smart Sustainable Cities, a smart sustainable city is an innovative city that uses ICTs and other means to improve the quality of life, efficiency of urban operation and services, and competitiveness, while ensuring that it meets the needs of present and future generations with respect to economic, social and environmental aspects.

II. Smart City in The Context of Spatial Planning.

Smart cities require intelligent planning and active citizenry rather than the overlay of technological solutions. The focus is on main issues such as harnessing smart urbanism to drive the transformation of cities, bridging the digital divide in sustainable development in the information age, and how best to realise urban mobility. A smart city should not be looked at in the context of technology rollout and about the social implications of technology. A key factor in this regard is spatial design, which considers dead corners on streets for safety and security purposes and allows for transparency, shading, natural cooling and ventilation, and planting such as roof gardens in office complexes and food gardens for housing developments.

Rapid and unplanned urbanization has led to the growth of slums, sprawl, housing and infrastructure shortages, social segregation, and exclusion. Accompanied by motorization, it has caused congestion and hazardous air pollution. Inadequate models of urban development turned cities and neighbourhoods into fragmented zones with low-density sprawl and high density disconnected residential areas, which are inefficient in terms of public transportation and service delivery point of view. All this has a strong social impact in terms of liveability, cultural diversity, adaptability of the urban pattern, and housing options. Therefore, the smart city concept should be used as an approach to spatial management, particularly in the context of rapid urbanization.

III. Aspects of a Sustainable Smart City.

Attributes	**Sustainability**: Related to city infrastructure and governance, energy and climate change, pollution, waste, and social, economic and health.
	Quality of life: Improving the quality of life in terms of emotional and financial wellbeing.
	Urban aspects: Includes technology and infrastructure, sustainability, governance, and economics.
	Intelligence or smartness: include smart economy, smart people, smart governance, smart mobility, smart living, and smart environment.
Theme	**Society:** The city is for its inhabitants.

	Economy: The city must be able to thrive – jobs, economic growth and finance.
	Environment: The city must be sustainable in its functioning for the present as well as future generations.
	Governance: The city must be robust in its ability for administrating policies.
Infrastructure	Physical infrastructure includes buildings, train tracks, roads, electric lines, gas pipelines, water, factories, etc.
	The ICT infrastructure acts as the "glue" which integrates all the other elements of the smartness of the city acting as a foundational platform. ICT infrastructure functions as the nerve centre, orchestrating all the different interactions between the various core elements.

The Smart City approach requires a combination of smart efforts to improve inhabitants' quality of life, promote economic growth, and protect the environment from degradation. Key systems of smart and sustainable cities include smart energy, smart buildings, smart transportation, smart water, smart waste, smart physical safety and security, smart health care, and smart education.

ICT based concepts such as big data, open data, Internet of Things (IoT), data accessibility and management, data security, mobile broadband, ubiquitous sensor networks are essential in smart and sustainable cities and are predicated on an ICT infrastructure to improve the Quality of Life and promote overall sustainability.

IV. Planning and Design Parameters for Archiving a Smart City.

Below are some of the key urban design parameters recommended for achieving a sustainable smart city from a spatial planning point of view:

a) **High-quality streets and public spaces**. Well-planned streets and public spaces that shape the urban structure help support the local economy, connectivity, culture, creativity, and future developments. A good street network works well for vehicles and public transport as well as for pedestrians and cyclists.

b) **Proper and well-designed density**: To meet the challenge of rapid urbanization and benefit from the economies of scale and to promote sustainable urban extension, it is important to have a proper and well-designed density of at least between 80 and 120 units/ha.

c) **Mixed Urban Uses and limited land-use specialization**: Mixed land-use planning helps create local jobs, promote the local economy, reduce car dependency and commute, encourage pedestrian, cyclist and other non-motorised transport, reduce landscape fragmentation and green-house gas emissions, provide closer public services, support mixed communities and local economies, promote safer communities and create attractive neighbourhoods.

d) **Connectivity**: The purpose of increasing connectivity is to create access to jobs and services for all and to boost local economies. This encourages walking, public transport, and ICT accessibility.

e) **Mixed social structure**: This principle aims to promote cohesion and interaction between different social classes in the same neighbourhood and ensure accessibility to equitable urban opportunities by providing different types of housing.

f) **Urban resilience**: Resilience requires policies, disaster preparedness strategies, frameworks, plans and designs that promote both, the adaptation to climate change and mitigation of GHG emissions.

g) **Energy and Resource Efficiency**: This requires managing growth addressing consumption and resource exhaustion, through strategic planning, policies and measures focused on buildings, appliances, transport and agricultural, industrial and services industries. By sustainably using resources, assisted by smart technologies cities can minimize impacts on the environment and be responsive to the needs of the poor and vulnerable.

V. Actions to put in place to achieve a Smart City.

Smart and sustainable cities must be planned, designed, implemented, and managed effectively. The below are actions put in place to ensure enforcement and incorporation of the planning and design parameters for achieving a smart and sustainable city:

a) Density Directives have to be delineated and incorporated in the MSDF and development, further, a Policy on Densification and Compaction of urban areas must be developed.

b) The assessment of land development and land use application must be done in line with development principles as contained in Chapter 2 of the SPLUMA.

c) Municipality to develop or review its Land Use Scheme so as to promotes mixed-used and high-density development and urbanism. The said land use scheme should incorporate overlay zones that depict areas prioritised for conservation, high-density residential and mixed uses.

d) SANS 10400 of National Building Regulations and Green Buildings Guidelines to be enforced when evaluating building plans.

e) Planning and design parameters guidelines to be used when planning integrated human settlements to achieve a smart and sustainable city.

f) Precinct plans for Middelburg and Cradock urban nodes have been compiled to promote spatial restructuring and revitalisation of town centres from a socio-economic and environmental point of view.

2.22.3. Recommendations from the IYM Municipal Spatial Development Framework.

a) LSDFs for Rosmead and Mortimer to consider decentralization of perceived Corridor 3 economic opportunities that are earmarked for Middelburg and Cradock.

b) Bulk Infrastructure development to accommodate settlement and industrial developments in Cradock, Middelburg, Mortimer and Rosmead.

c) Expansion of airstrip to support economic viability within the municipal area.

d) Expansion of urban edge to allow for infrastructure development in line with projected urban growth.

e) Development of densification strategy for sustainable urban growth amid topographic barriers in two urban centers.

f) The proposed expansion of the Mountain Zebra National Park a linkage to the Camdeboo National Park through voluntary participation and not land acquisition

g) Land identification in support of tourism and agricultural industrial development in Cradock with low impact to natural ambiance.

h) Improvement of access roads to heritage sites.

i) Development of heritage inventory in terms of section 30(5) of National Heritage Resources Act,1999 (Act25 of 1999)

j) Municipality register Local Heritage Conservation Bodies in terms of section 25 of National Heritage Resources Act, 1999 (Act 25 of 1999)

k) Establishment of new landfill sites in strategic areas to service all the wards.

l) Law enforcement to improve regulation of illegal dumping in all the wards.

m) Provision, maintenance, and protection of cemeteries for all areas as a measure to accommodate population growth and unforeseen disasters.

Planned Projects for 2022-2025.

The below listed projects are planned to address the growing demand for serviced land:-

<table>
<tr><th colspan="3">A: Planned Projects: Middelburg R56 Housing Development</th></tr>
<tr><td>BNG (Low Cost)</td><td>3 500</td><td rowspan="6">NB:
1. The land belongs to Dept. of Public Works.
2. The land is not serviced
3. Feasibility studies have been conducted</td></tr>
<tr><td>FLISP</td><td>250</td></tr>
<tr><td>Rental Stock (CRU)</td><td>250</td></tr>
<tr><td>Rental Stock (Social Housing)</td><td>250</td></tr>
<tr><td>Destitute Housing</td><td>80</td></tr>
<tr><td>Free Standing</td><td>1000</td></tr>
<tr><td>Total Planned</td><td colspan="2">5 330</td></tr>
<tr><th colspan="3">B: Planned Projects: Cradock</th></tr>
<tr><td>BNG (Low Cost)</td><td>5 000</td><td rowspan="6">NB:
1. The land belongs to Inxuba Yethemba Local Municipality
2. The land is not serviced</td></tr>
<tr><td>FLISP</td><td>500</td></tr>
<tr><td>Rental Stock (CRU)</td><td>500</td></tr>
<tr><td>Rental Stock (Social Housing)</td><td>500</td></tr>
<tr><td>Destitute Housing</td><td>0</td></tr>
<tr><td>Free Standing</td><td>2 000</td></tr>
</table>

		3. Feasibility studies have been conducted
Total Planned	**8 500**	
C: Planned Projects: Provincial Human Settlements Initiatives		
Street Children	40	Middelburg: 20 & Cradock: 20
Youth	4500	Middelburg: 2000 & Cradock:2500
Destitute	130	Middelburg: 80 & Cradock:50
Farm Workers	60	Fish River: 30 & Mortimer: 30
Military Veterans	60	Cradock: 60
Total Planned	**4 790**	
TOTAL (A + B + C)	**18 620**	

LOCAL ECONOMIC DEVELOPMENT STRATEGY

THE LOCAL ECONOMIC DEVELOPEMENT STRATEGY EXECUTIVE SUMMARY

The Strategy Review Process

The Integrated Strategic Planning Model **("ISPM")** has been used in compiling the Inxuba Yethemba LM's Revised LED Strategy. The ISPM is summarized in the following graphic: -

Key phases as outlined in the ISPM were carried out and implemented through various integrated activities which solicited inputs from internal and external municipal stakeholders at different engagement and public participation platforms. Each of the activities and inputs resulted in various outputs that constituted critical components of the strategy as contained in the full text of this documents whilst others have been included as annexures to the Revised Strategy.

1. THE IYM LED STRATEGIC PLAN.

The IYLM LED Strategic Plan builds upon the opportunities presented by its endowments and specialisations discussed in the SWOT Analysis above, and it also aims to address some of the weaknesses and threats.

The five elements to the Strategic Plan are derived from analysis of the existing strengths and opportunities that enhance IYLM's competitive advantages.

Each element of the Strategic Plan is accompanied by a set of early actions, which should be interpreted simply as example actions derived from the preliminary application of the Strategic Framework. It is therefore expected that there will be other actions capable of contributing to the attainment of the municipality's vision for local economic development.

Consequently, an action's alignment with the Strategy is the primary strategic consideration, rather than it being listed in this document, and all proposed actions will be subject to further qualitative and quantitative evaluative processes.

The following is a graphical illustration of the LED Strategic Framework for Inxuba Yethemba LM:-

1.1. Critical Success Factors for Implementation of the LED Strategic Plan

To ensure that the strategy is implementable, the following must happen:-

1) Political will for economic development.
2) Adequate funding for the LED unit.
3) Investment in hard and soft infrastructure.
4) Leverage private sector investment.
5) Establish clear decision-making rules and processes.
6) Ease of doing business and enforce regulations.
7) Reduce economic leakages and create economic multipliers.
8) Attract sustainable businesses.

1.1.1. Mission Statement

The LED mission statement identified for Inxuba Yethemba is as follows: -

"To facilitate the creation, retention and re-investment in sustainable enterprises that can create jobs and improve the quality of life for the Citizens of Inxuba Yethemba".

1.1.2. Strategic Goals.

The LED Unit aspires to achieve a broad set of long-term goals and outcome by implementing its mission:-

1) Build institutional capacity for sustainable tourism development
2) Create a sectorial collaboration platform with other departments
3) Develop and promote tourism sites.
4) Develop bylaws to regulate business practices.
5) Develop R & D capacity for agricultural development
6) Develop tourism support infrastructure
7) Facilitate access to market for agricultural products
8) Facilitate development of irrigation infrastructure
9) Facilitate on-going training & development of farmers
10) Facilitate small enterprise creation
11) Have well capacitated human capital in support of tourism sector
12) Implement enterprise development solutions.
13) Improve aesthetic appeal of the CBD in Cradock and Middleburg
14) Train businesses on sustainable business practices

1.2. IYLM LED Program for 2022-2027.

The LED Program for IYM will be based on the strategic pillars that are linked to the key focus areas as follows:-

1st Pillar	Support and facilitate growth in agriculture, agroprocessing and agribusiness
2nd Pillar	Support and facilitate growth in tourism and visitor economy
3rd Pillar	Support the retail sector
4th Pillar	Facilitate development of a transport and logistics sector
5th Pillar	Support and grow small, medium, and micro enterprises.

1.3. 1st Pillar: Support and facilitate growth in agriculture, agroprocessing and agribusiness.

Inxuba Yethemba has a competitive advantage in several agricultural sub-sectors, based on its significant natural resources as well as the proximity of COEGA IDZ which imports products such as milk from local farmers for processing into various dairy products. The area is also competitive in sheep, mohair goats and wool production by extension. There is a strong agribusiness sector in Cradock that supports these subsectors. There are, however, no value-adding, thus the sector is not utilized to its full potential.

1.3.1. Infrastructure Priorities to support agriculture, agroprocessing and agribusiness.

The following infrastructure priorities will be prioritized for implementation of the next 5 years (2022-2026) to support the strategic pillar:

a) **Transport infrastructure**: Build and maintain road infrastructure to improve access to primary production enterprises for freight vehicles.
b) **Telecommunication**: Provide telecommunication infrastructure to decrease mobile reception blackspots for greater mobile connectivity.

c) **Access to irrigation infrastructure**: Provide irrigation infrastructure for ease of doing business and to improve product quality.

d) **Fencing of commonages**: Commonages to be fenced for livestock control and improvement.

e) **Emerging farmer support infrastructure**: Provide infrastructure such as dipping tanks, livestock handling facilities, fodder storage sheds, etc.

1.3.2. Action Plan for agriculture, agroprocessing and agribusiness.

The following projects will be implemented by the LED Unit between 2022-2027:-

1) Establishment of a commercial Dairy Enterprise

Activity Plan		
#	**Activity**	**Possible funder**
1	Conduct feasibility study	CHDM, DEDEAT (LRED Fund), SEDA, IYM, ECDC, Department of Small Business Development
2	Develop business plan	CHDM, DEDEAT (LRED Fund), SEDA, IYM, ECDC, Department of Small Business Development
3	Identify potential investors	CHDM, DEDEAT (LRED Fund), SEDA, IYM, ECDC, Department of Small Business Development
4	Link with sources of enterprise funding.	CHDM, DEDEAT (LRED Fund), SEDA, IYM, ECDC, Department of Small Business Development

2) Establishment of a Fodder Production Plant

Activity Plan		
#	**Activity**	**Possible funder**
1	Conduct feasibility study	CHDM, DEDEAT (LRED Fund), SEDA, IYM, ECDC, DRDAR, DRDLR
2	Develop business plan	CHDM, DEDEAT (LRED Fund), SEDA, IYM, ECDC, DRDAR, DRDLR
3	Identify potential investors	CHDM, DEDEAT (LRED Fund), SEDA, IYM, ECDC, DRDAR, DRDLR
4	Link with sources of enterprise funding.	CHDM, DEDEAT (LRED Fund), SEDA, IYM, ECDC, DRDAR, DRDLR

3) Establishment of a Small Stock Feedlot (Sheep and Goats).

Activity Plan		
#	**Activity**	**Possible partners**
1	Conduct feasibility study	CHDM, DEDEAT (LRED Fund), IYM, ECDC, DRDAR, DRDLR, SHEEPCO
2	Develop business plan	CHDM, DEDEAT (LRED Fund), IYM, ECDC, DRDAR, DRDLR, SHEEPCO
3	Identify potential investors	CHDM, DEDEAT (LRED Fund), IYM, ECDC, DRDAR, DRDLR, SHEEPCO
4	Link with sources of enterprise funding.	CHDM, DEDEAT (LRED Fund), IYM, ECDC, DRDAR, DRDLR, SHEEPCO

4) Establishment of a Cattle Feedlot.

Activity Plan		
#	**Activity**	**Possible partners**
1	Conduct feasibility study	CHDM, DEDEAT (LRED Fund), IYM, ECDC, DRDAR, DRDLR
2	Develop business plan	CHDM, DEDEAT (LRED Fund), IYM, ECDC, DRDAR, DRDLR
3	Identify potential investors	CHDM, DEDEAT (LRED Fund), IYM, ECDC, DRDAR, DRDLR
4	Link with sources of enterprise funding.	CHDM, DEDEAT (LRED Fund), IYM, ECDC, DRDAR, DRDLR

5) Establishment of a Game Farm as an Agri-Tourism Enterprise.

Busi Fish to provide more details.

1.4. 2nd Pillar - Support and facilitate growth in tourism and visitor economy.

Inxuba Yethemba a significant tourism sector which caters for domestic visitors and international tourists.

Of enormous importance to the economic development of Cradock was the construction of the Orange-Fish River Tunnel. Completed in 1975 and 83 km in length, it diverts water from the Gariep Dam on the Orange River to the Great Fish River and then on as far as the Addo Valley, Grahamstown and Port Elizabeth for irrigation, household and industrial use.

The construction of the tunnel also made possible the annual Fish River Canoe Marathon. From humble beginnings in 1982, the two-day, 80 km event now attracts more than 1 500 paddlers from around the world.

Another notable attraction is the Mountain Zebra National Park just 15 kilometres from the town, where the once-endangered zebra species together with lion, cheetah, buffalo and a range of antelope species are to be seen in magnificent surroundings.

Other notable attractions in the town are the "tuishuise" (at-home houses), superbly restored Victorian era craftsmen's houses in Market Street which form part of the Victoria Manor Hotel; the Dutch Reformed Moederkerk which dates back to 1868 and was designed after the style of St Martin-in-the-Fields in Trafalgar Square, London; and Schreiner House where the renowned author of *The Story of an African Farm* lived as a young girl. The house, which is located at 9 Cross Street and is a satellite of the National English Literary Museum, contains a modern set of exhibitions portraying the life of Olive Schreiner.

The business, health and family segments of the tourism market will likely grow in line with economic and population growth.

1.4.1. Infrastructure Priorities to support tourism and visitor economy.

The following infrastructure priorities will be prioritized for implementation of the next 5 years (2022-2026) to support the strategic pillar:

a) **Tourism Infrastructure**: Investment to a range of infrastructure to develop tourism products and assets that can attract visitors to Cradock and Middleburg.

b) **Upgrade internal roads**: Improve ease of travelling and access to tourism products such as hotels, BnB's, lodges, etc.
c) **Provision of clean drinking water**: Work with CHDM to ensure consistent availability of clean drinking water.
d) **Provision of electricity**: Work with ESKOM to ensure uninterrupted supply of electricity.
e) **Telecommunication**: Provide telecommunication infrastructure (e.g., WIFI) to decrease mobile reception blackspots for greater mobile connectivity.
f) **Signage**: Signage to all tourism products.

1.4.2. Action Plan for tourism and visitor economy.

The following projects will be implemented by the LED Unit between 2022-2027: -

a) Operationalize Vusubuntu Arts & Culture Centre through a PPP.
b) Refurbishment of Cradock SPA.
c) Implement anchor projects in the Tourism Sector Plan.

1.5. 3rd Pillar - Support the retail sector.

Inxuba Yethemba is endowed with a booming retail sector which consists of established national franchise stores. Such stores have a footprint both in Cradock and Middleburg and carry out trade in food and beverage retail sector, automotive sector, building industry, clothing retail etc. this is a 2nd largest creator of employment opportunities, following the government and it is a consumer of locally produced goods. When properly supported, the sector has a potential of creating downstream economic opportunities which can result into job creation.

1.5.1. Infrastructure Priorities to support the retail sector.

The following infrastructure priorities will be prioritized for implementation of the next 5 years (2022-2026) to support the strategic pillar:

a) **Retail Infrastructure**: Investment to a range of infrastructure such a warehouses and storage facilities to support the sector.
b) **Upgrade internal roads**: Improve ease of travelling and access to retail facilities.
c) **Provision of clean drinking water**: Work with CHDM to ensure consistent availability of clean drinking water.
d) **Provision of electricity**: Work with ESKOM to ensure uninterrupted supply of electricity.

1.5.2. Action Plan for the retail sector.

The following projects will be implemented by the LED Unit between 2022-2027: -
a) Patch and reseal internal roads in Cradock and Middleburg (specific street linked to major retail outlets).
b) Investigate alternative renewable energy sources.
c) Refurbishment of water infrastructure.

1.6. 4th Pillar – Facilitate of a transport and logistics sector.

An assessment of the municipality's competitive advantages identified transport infrastructure and IYM's strategic location as an interchange for heavy duty trucks that transport manganese and other minerals from Kimberly to the Coega IDZ and the automotive sector in Gqeberha. In addition to this haulage influx, IYM is an exit and entry point for minibus taxi's transporting passengers from the Western Cape to the Eastern Cape and vice versa, and this movement picks up during the festive season.

The above opportunities provide a significant platform for the introduction of a tolling facility/weigh bridge for both trucks that transport minerals to Gqeberha and minibus taxis which transport passengers between Eastern Cape and Western Cape. Relevant authorities such as the Department of Roads and Transport as well as SANRAL will need to be onboarded for this project.

1.6.1. Infrastructure Priorities to support the transport and logistics sector.

None at present.

1.6.2. Action Plan for the transport and logistics sector.

The following projects will be implemented by the LED Unit between 2022-2027: -

1) Establishment of a Pay-Per-Load Facility/Tolling for Heavy Duty Trucks along the N10.

Activity Plan		
#	**Activity**	**Possible partners**
1	Conduct feasibility study	SANRAL, Department of Transport, IYLM
2	Develop business plan	SANRAL, Department of Transport, IYLM
3	Identify potential investors	SANRAL, Department of Transport, IYLM
4	Link with sources of enterprise funding.	SANRAL, Department of Transport, IYLM

2) Establishment of Designated Truck Inn in Middleburg.

Activity Plan		
#	**Activity**	**Possible partners**
1	Conduct feasibility study	SANRAL, Department of Transport, IYLM
2	Develop business plan	SANRAL, Department of Transport, IYLM
3	Identify potential investors	SANRAL, Department of Transport, IYLM
4	Link with sources of enterprise funding.	SANRAL, Department of Transport, IYLM

1.7. **5th Pillar – Facilitate support for growth of SMME's.**

This pillar is biased towards the provision of support to SMME's based in the townships and peri-urban areas in Cradock and Middleburg. without specific focus to any subsector, IYM will endeavor to link such SMME's with financial and non-financial support, made available to this category of businesses by all 3 spheres of government.

1.7.1. Infrastructure Priorities to support SMME Development.

The following infrastructure priorities will be prioritized for implementation of the next 5 years (2022-2026) to support the strategic pillar:

a) Automotive aftersales support infrastructure
b) Bakery equipment

c) Butchery/tshisanyama equipment.
d) Carwash/valet equipment
e) Hair and beauty equipment.
f) Establishment business development centre.
g) Hawker stalls and equipment, etc.

1.7.2. Action Plan for SMME Development.

The following are the programs to be implemented to support the SMME’s:-

a) Identify skills development opportunities as a tool for business development.
b) Enforce implementation of gazetted by-laws for compliance with business requirements.
c) To assist businesses to access government support and funding through business development service providers.
d) Linking SMME’s with existing business development service providers such as Seda, ECDC and relevant sector departments such as DEDEAT and Department of Small Business Development.
e) Link SMME’s with established businesses to access funding support through programs such as LRED and similar programs.
f) Link SMME’s and provide support to access funding opportunities such as TREP Funding, Isiqalo, Informal Sector Support, etc.

HOUSING SECTOR PLAN

The Housing Sector Plan

REVIEWED MUNICIPAL HUMAN SETTLEMENT SECTOR PLAN (HSSP) 2018-2022

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

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

Land and Housing

There is adequate municipal-owned land (situated within the urban edge) available for development with approximately 283.2Ha of municipal land reserved for housing development. In general, rural land is privately owned and has to be purchased and negotiated with private landowners. (HSSP 2018-2022)

The main problems with municipal land relates to the availability of bulk infrastructure.

The following challenges apply:

- Municipal land set aside for housing has no access to bulk infrastructure (approx. 4542 erven)
- Difficulty and long delays in obtaining Environmental Authorization (RoD) (4542 erven)
- Authorization in terms of Subdivision of Agricultural Land Act 70 is outstanding for 280 erven
- 3543 erven are situated on the periphery and far from job opportunities
- 280 erven out of the land required for housing are still under private ownership. So far, there is no land under restitution.
- A total of 21 land claims in the urban areas of the municipality. (HSP 2018- 2022)
- The Inxuba Yethemba SDF states that future housing areas need to achieve densities of at least 30 units/ Ha to achieve a compact and efficient urban form.

1 Land Ownership and Supply

There is adequate land within the urban edge that is Municipally-owned land and availability for housing is not a constraint. The problem is with rural land, which is privately owned and therefore has to be negotiated with the private landowners (HSSP 2018-2022). The municipality has resolved the issue of land in Rosmead which was owned by Transnet, has been transferred to the Municipality. However, Mortimer and Fish River are privately owned and some parts of Midros are state-owned.

DISASTER MANAGEMENT PLAN

INXUBA YETHEMBA DISASTER MANAGEMENT PLAN

Introduction

This plan confirms the arrangements for managing Disaster risk and for preparing for and responding to disasters within the Inxuba Yethemba Local Municipality as required by the Disaster Management Act, 2002 (Act 57 of 2002).

a. Legal requirements

Inxuba Yethemba LM is legally obliged to prepare a disaster management plan for its area according to the circumstances prevailing in the area; to co-ordinate and align the implementation of its plan with those of other organs of state and institutional role players; and to regularly review and update its plan. The municipality must also consult the local municipalities within its area and local communities on the preparation or amendment of its plan.

Section 53(1)(a) of the Disaster Management Act, 2002 (Act 57 of 2002-hereafter referred to as "the Act") requires the Inxuba Yethemba LM to prepare a disaster management plan for its area according to the circumstances prevailing in the area and within the ambit of its municipal disaster management framework.

Section 53(2)(a) of the Act specifies that the disaster management (DM) plan, must form an integral part of the municipality's integrated development plan (IDP).

The Municipality must submit a copy of its disaster management (DM) plan, and of any amendment to the plan, to the Disaster Management Centre of the Eastern Cape and National Disaster Management Centre.

b. Key Outcomes

This plan seeks to achieve the following key outcomes

CHART 1. Integration of Disaster Risk Management into the strategic and operational planning and project implementation of all line functions and role players within the municipality;

CHART 2. Resilient communities; and

CHART 3. An integrated, fast and efficient response to emergencies and disasters by all role-players

c. Linkage with the Integrated Development Plan of Inxuba Yethemba LM

Both the Municipality Systems Act and the Disaster Management Act requires the inclusion of this plan into the Integrated Development Plan (IDP) of Inxuba Yethemba LM. It would however not be practical to include the complete Disaster

Management Plan with its annexures within the integrated Development Plan of Inxuba Yethemba LM. Therefore, the complete plan can be considered as an annexure to the IDP, while this core document without annexures will be submitted for inclusion within the IDP document.
A separate disaster management plan included into the IPD but standing on its own and isolated from the rest of the IDP does not necessarily give evidence of the integration of disaster management into the IDP. All departments and role players submitting input to the content of the current and future IDP of the municipality are therefore urged to consider the inclusion and integration of disaster risk management into their strategies, operational planning and project implementation.
It is strongly recommended that the municipality institutes the compulsory consideration of disaster risk management in the planning and execution stages of all IDP projects. This will ensure the integration of disaster management into the IDP, and will ensure that all plans and projects are focused on contributing to disaster risk reduction and disaster preparedness – thus reducing the impact of disasters on lives, property, community activities, the economy and the environment in Inxuba Yethemba LM.

d. Linkage with the Disaster Management Framework of the Chris Hani DM

Inxuba Yethemba LM must prepare and execute its Disaster Management Plan within the disaster management framework of the CHDM. The National, Eastern Cape Provincial and CHDM frameworks will guide the development of this plan and future versions of this plan.

e. Structure of the plan

The municipal disaster management plan of Inxuba Yethemba LM consists of components as indicated below.

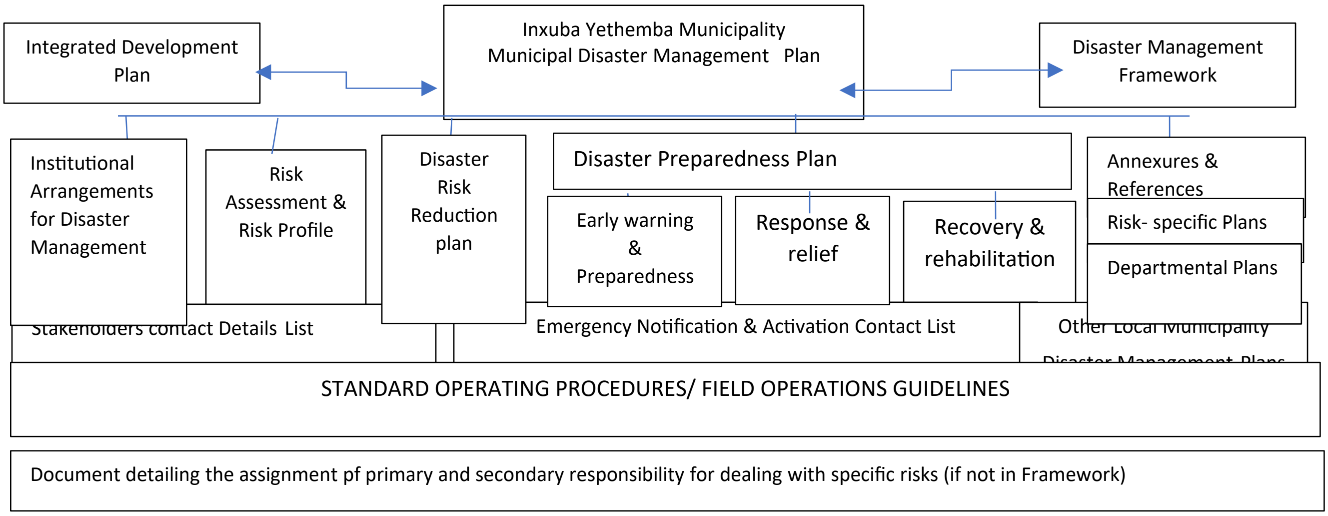


TABLE 2. **INSTITUTIONAL ARRANGEMENTS**

2.1 SHARED responsibility for disaster management

The responsibility for reducing disaster risk, preparing for disasters, and responding to disasters is shared among all departments and employees of the CHDM, local municipalities within the CHDM, all departments and employees of the Inxuba Yethemba LM, all provincial and national organs of state operating within the municipality, all sectors of society within the municipality and, perhaps most importantly, all the residents of the municipality.

The Inxuba Yethemba communication operating centre is located at CHDM Disaster Management Centre at 56 Tylden Street, Komani, to serve as Control Room using toll free NO: 0800 100 100.

2.2. Corporate Disaster Management Structure of the Inxuba Yethemba Local Municipality

Internal Bodies

Municipal Manager

Executive Director: Corporate Services

Chief Financial Officer
Executive Director: Technical Services
Executive Director: Community Services
Executive Director: Planning and Economic Development
Senior Manager: Public Safety
Manager: Fire Services
IDP Manager and
Communication Officer

External Bodies

Municipal Managers and/or Disaster Management Functionaries of the local surrounding municipalities in the same area:
Disaster Management Centre
Emergency Medical Services
Social Services
Department of Agriculture
DEDEAT
Department of Home Affairs
SAPS
Department of Social Development
SASSA and
Representatives from other public or private bodies as required.

The Corporate Disaster Management structure for the Inxuba Yethemba LM must deal with both pro-active and reactive disaster management issues and encompasses more than the department which is responsible for the function. The structure includes the following elements which may be collapsed into a smaller number of elements if less complexity is required.

3 RISK ASSESSMENT

3.1. General Area Description

The Inxuba Yethemba Local Municipality is a Category B municipality situated in the Chris Hani District in the Eastern Cape Province. It is approximately 240km North of Nelson Mandela Metropolitan Municipality. It is one of six municipalities in the district, making up a third of its geographical area.
Cradock consists of the suburb of Cradock, and the Lingelihle and Michausdal communities, whilst Middelburg has the suburb of Middelburg, with the KwaNonzame Lusaka and Midros communities. The two urban centres of Cradock and Middelburg are fairly similar, with well-developed CBDs and fair infrastructure. A lot still needs to be done in the former previously disadvantaged communities.
The rural areas of both towns are mostly commercial farms, with small settlements in the rural areas of Fish River Mortimer and Rosmead. The N10 National Road, which is the vital economic link between Port Elizabeth and the north, runs through Cradock and skirts Middelburg.

Area: 11 663km^2

Cities/Towns: Cradock, Middelburg, Mount Zebra National Park

Main Economic Sectors: Community services (58.9%), finance (13.8%), trade (7.5%), transport (5.9%), agriculture (5.4%), construction (4.2%), manufacturing (3.6%)

3.2 Risk Profile of the Inxuba Yethemba LM

The following disaster risks were identified as priority risks to be addressed by disaster risk reduction as well as preparedness plans:

- Fires Veld and Domestic
- Floods
- Transport incidents – Roads & Rail
- Communicable diseases
- Hazmat incidents
- Environmental Pollution – water, air, ground and
- Sever weather conditions

The above lists illustrate the types of disasters that pose the highest risks within the area of the Inxuba Yethemba LM and their possible effects. The communities at risk can be derived from the risk lists and are also shown in the risk assessment that was conducted for the area. It is considered necessary that a Municipal Disaster Management Advisory Forum be established to ensure adequate inputs into disaster risk management planning.

4 DISASTER RISK REDUCTION PLANS

The risk reduction plans outline in this document and its annexures which are implementable must be considered for inclusion within the IDP projects of the municipality and if included must be budgeting for in terms of the operating and capital budgets of the municipality.

Each project should be evaluated to determine which municipal department can lead its implementation. When a lead department is assigned through consensus in the DMAF, such a lead department must manage all planning and budgeting processes for said project. The disaster management department of the Inxuba Yethemba LM must assist in this regard.

Where the proposed projects fall outside the mandate of the municipality, the municipality should establish a lobbying and monitoring mechanism to motivate the need for the project in the correct government or societal sector and to track progress on the project.

It is anticipated that projects will need to be executed on a partnership level, and in such cases the department of the municipality responsible for service delivery partnerships should take the lead with support from the INXUBA Yethemba LM.

4.1. RISK REDUCTION CAPACITY FOR THE INXUBA YETHEMBA LM

The organisational structure for risk reduction within the municipality includes Inxuba Yethemba LM, Disaster Management unit, Disaster Management Advisory Forum, the top management team of Inxuba Yethemba LM, the nodal points for disaster management within municipal departments within the municipality, departmental planning groups, risk reduction project teams and preparedness planning groups.

The total structure of the municipality, with every member of personnel and every resource should be committed to disaster risk reduction.

5. PREPAREDNESS PLANS

Preparedness plans are compiled in order to enable fast and effective response to predicted and unpredicted emergencies

5.1 Preparedness plans of the Inxuba Yethemba LM

Risk-specific preparedness plans proposals for priority risks are listed in the attached preparedness plan document, along with a standard response procedure for Disaster Management. The risk-specific preparedness plans have been compiled through a participative process.

5.2 Preparedness capacity for the Inxuba Yethemba LM

The Inxuba Yethemba Disaster Management unit centre is responsible for the operational procedures associated with day-to-day operational response to emergencies by municipal departments. The Inxuba Yethemba Disaster Management unit and the Inxuba Yethemba top management team are jointly responsible for the emergency management policy framework and organisation that will be utilize to mitigate any significant emergency or disaster affecting the municipality.

Daily communication exists, using social media platforms, effectively communicating and being informed of severe weather conditions and what the fire index is for the day.

During response and recovery operations the relevant disaster preparedness plans of municipality will be executed by disaster management structures.

5.3 DECLARATION OF A STATE OF DISASTER AND DISASTER CLASSIFICATION

It is advisable that the Inxuba Yethemba LM adopts a formal policy for the declaration of a local state of disaster. Such a policy will replace this section of the plan which provides a general description of issues surrounding the declaration of a state of disaster.

When a disastrous event occurs or is threatening to occur in the area of the municipality, the DMS/ Section will determine whether the event is a disaster in terms of the Act, and, if so, Head of the Centre will immediately

- Definition: Initiate efforts to assess the magnitude and severity or potential magnitude and severity of the disaster
- Definition: Alert Disaster Management role players in the municipal area that may be of assistance in the circumstances
- Definition: Initiate the implementation of the disaster response plan or contingency plans and emergency procedures that may be applicable in the circumstances and

Definition: Inform the Eastern Cape Provincial Disaster Management Centre and the National Centre, via the CHDM Disaster Management Centre of the Disaster and its initial assessment of the magnitude and severity of potential magnitude and severity of the disaster

When informing the Eastern Cape Provincial DMC and National Centre, via the CHDM Disaster Management Centre the Inxuba Yethemba Disaster Unit may make recommendation regarding the classification of the disaster as may be appropriate.

Irrespective of whether a local state of disaster has been declared or not, the municipality is primarily responsible for the co-ordination and management of local disasters that occur in its area.

Whether or not an emergency situation is determined to exist, municipal and other agencies may take such actions under this plan as may be necessary to protect the lives and property of the inhabitants of the issue of the municipality.

Service level agreement exist between Inxuba Yethemba Municipality and CHDM allowing intergovernmental support service as required.

Declaration of local state of disaster: In the event of local disaster the municipal council may by notice in the provincial gazette declare a local state of disaster if existing legislation and contingency arrangements to do adequately provide for the municipality to deal effectively with the disaster or other special circumstances warrant the declaration of a local state of disaster.

If a local state of disaster has been declared, the Council may make or issue directions, or authorise the issue of directions to:

f) Assist and protect the public

g) Provide relief to the public

h) Prevent or combat disruption or

i) Deal with the destructive and other effect of the disaster.

6. TESTING AND REVIEW OF THE PLAN

The municipality will annually review and update its plan, as required by SECTION 48 OF THE Disaster Management Act, 2002. The Disaster Management Advisory Forum shall be responsible for the review of the municipal disaster management plan on an annual basis.

Overview

Doing Business As: INXUBA YETHEMBA LOCAL MUNICIPALITY
Company Description: INXUBA YETHEMBA LOCAL MUNICIPALITY is located in CRADOCK, Eastern Cape, South Africa and is part of the Executive, Legislative, and Other General Government Support Industry. INXUBA YETHEMBA LOCAL MUNICIPALITY has 155 total employees across all of its locations. (Employees figure is modelled).
Industry: Executive, Legislative, and Other General Government Support , Public Administration , General government, nec

CHAPTER 7: PERFORMANCE MANAGEMENT SYSTEM.

Introduction

This document constitutes a new framework for Inxuba Yethemba Municipality's Performance Management System.

The Municipal Planning and Performance Management Regulations (2001) stipulate that "a municipality's performance management-system entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, including determining the roles of the different role-players". This document is in line with this requirement

The framework acts as a municipal policy document that defines its performance management system. It constitutes council policy with regards to:

1. The requirements that a PMS for Inxuba Yethemba will need to fulfil,
2. The principles that will inform its development and application,
3. A model that describes what areas of performance will be managed, in Inxuba Yethemba Municipality,
4. What processes will be followed in managing performance,
5. What institutional arrangements are necessary for this,
6. Who will take responsibility for parts of the system,
7. How this links to S57 Performance agreements,
8. How S57 Managers will have their performance managed,

This framework is therefore a documented record of the municipality's performance management system to be implemented.

The remainder of this framework is divided into three sections:

4. Section A: Legal and Policy context

5. Section B: Performance Management System objectives and principles

6. Section C: Performance Management Process

Section A: Legal and policy context

1 Policy and Legal Context for Inxuba Yethemba PMS

1.1 The White Paper on Local Government (1998)

The White Paper on Local Government (1998) suggested that local government should introduce the idea of *performance management systems*.

The white paper acknowledges that, "involving communities in developing some municipal key performance indicators increases the accountability of the municipality. Some communities may prioritise the amount of time it takes a municipality to answer a query, others will prioritise the cleanliness of an area or the provision of water to a certain number of households. Whatever the priorities, by involving communities in setting key performance indicators and reporting back to communities on performance, accountability is increased, and public trust in the local government system enhanced" (The White Paper on Local Government, 1998).

1.2 Batho Pele (1998)

The White Paper on Transforming Public Service Delivery (Batho Pele) puts forward eight principles for good public service. Our municipality is duty bound to uphold these principles:

2 Consultation:

Communities should be consulted about the level and quality of public service they receive, and, where possible, should be given a choice about the services which are provided.

3 Service standards:

Communities should know what standard of service to expect.

4 Access:

All communities should have equal access to the services to which they are entitled.

5 Courtesy:

Communities should be treated with courtesy and consideration.

6 Information:

Communities should be given full and accurate information about the public services they are entitled to receive.

7 Openness and transparency:

Communities should know how directorates are run, how resources are spent, and who is in charge of particular services.

8 Redress:

If the promised standard of service is not delivered, communities should be offered an apology, a full explanation and a speedy and effective remedy; and when complaints are made communities should receive a sympathetic, positive response.

9 Value-for-money:

Public services should be provided economically and efficiently in order to give communities the best possible value-for-money.

Importantly, the Batho Pele White Paper notes that the development of a service-oriented culture requires the active participation of the wider community. Municipalities need constant feedback from service-users if they are to improve their operations. Local partners can be mobilized to assist in building a service culture. “For example, local businesses or non-governmental organisations may assist with funding a helpline, providing information about specific services, identifying service gaps or conducting a customer survey" - The White Paper on Local Government (1998).

9.1 Municipal Structures Act (1998)

The Municipal Structures Act Section 19 (2)(a) mandates the council of the municipality to conduct annual reviews of the municipality’s overall performance in achieving its set objectives.

9.2 The Municipal Systems Act (2000)

The Municipal Systems Act (2000) enforces the idea of local government PMS and requires all municipalities to:

- Develop a performance management system
- Set *targets*, monitor and *review performance* based on indicators linked to their IDP
- Publish an *annual report* on performance for the councillors, staff, the public and other spheres of government
- Incorporate and report on a set of *general indicators* prescribed nationally by the minister responsible for local government
- Conduct an *internal audit* on performance.
- Have their annual performance report audited by the Auditor-General
- *Involve the community* in setting indicators and targets and reviewing municipal performance

The Department of Provincial and Local Government has published national guidelines on performance management systems.

9.3 Municipal Planning and Performance Management Regulations (2001)

The Municipal Planning and Performance Management Regulations set out in detail requirements for municipal PM systems. However, the regulations do not sufficiently constitute a framework that fully proposes how the system will work. Each component of the proposed framework in this document is strongly informed by the regulations.

9.4 Municipal Finance Management Act (2003)

The Municipal Finance Management Act states requirements for a municipality to include its annual municipal performance report with its financial statements and other requirements in constituting its annual report. This must be dealt with by the municipal council within 9 months of the end of the municipal financial year.

9.5 Municipal Performance Management Regulations (2006)

The Local Government Municipal Performance Regulations for municipal managers and managers directly accountable to municipal managers (Government Gazette No.29089, 1 August 2006), sets out how the performance of Section 57 staff will be uniformly directed, monitored and improved. The regulations address both the employment contract and performance agreement of municipal managers and managers directly accountable to municipal managers. It further provides a methodology for the performance management system as well as criteria for performance bonus payments. The regulations also provide an approach for addressing under-performance, should this occur. The regulations will be discussed in greater detail in a later section of this framework document.

Section B: Performance Management System objective and principles

10 Objectives of the Performance Management System

Beyond the fulfilling of legislative requirements, Inxuba Yethemba Municipality requires a performance management system that will be constituted as the primary mechanism to plan for performance management, monitor, review and improve the implementation of the municipality's IDP. This will have to be fulfilled by ensuring that we:

10.1 Facilitate increased accountability

The performance management system should provide a mechanism for ensuring increased accountability between

- The communities of Inxuba Yethemba and the municipal council,
- The political and administrative components of the municipality,
- Each directorate and the office of the municipal manager.

10.2 Facilitate learning and improvement

While ensuring that accountability is maximised, the performance management system must also provide a mechanism for learning and improvement. It should allow for the municipality to know which approaches are having the desired impact, and enable the municipality to improve delivery. It should form the basis for monitoring, evaluation and improving IDP implementation.

10.3 Provide early warning signals

The performance management system should provide managers, the Municipal Manager, Portfolio Committees and the Mayoral Committee with diagnostic signal of the potential risks that are likely to affect the realisation of full IDP implementation. It is important that the system ensure decision-makers are timeously informed of risks, so that they can facilitate intervention, where it is necessary and possible to do so.

10.4 Facilitate decision-making

The performance management system should provide appropriate management information that will allow efficient, effective and informed decision-making, particularly in so far as indicating where the allocation of limited resources should be prioritised.

The functions listed above are not exhaustive, but summarise the intended benefits of the performance management system to be developed and implemented. These intended functions should be used to evaluate the performance management system, periodically.

11 Principles governing PM

The following principles inform and guide the development and implementation of the Inxuba Yethemba performance management system:

11.1 Simplicity

The system must be a simple user-friendly system that enables the municipality to operate it within its existing capacity of its financial, human resources and information management system.

11.2 Politically driven

Legislation clearly tasks the municipal council and mayor as the owner of the performance management system. The Mayoral Committee **must** drive both the implementation and improvement of the system.

Legislation allows for the delegation of this responsibility or aspects of it to the municipal manager or other appropriate structure as the Mayoral Committee may deem fit.

11.3 Incremental implementation

It is important that while a holistic performance management system is being developed, the municipality should adopt a phased approach to implementation, dependent on the existing capacity and resources within the municipality.

It is also important to note that municipal performance management is a new approach to local government functioning and therefore requires adequate time to be given to the organization's process of change. The performance management system will not be perfect from the start it should be constantly improved based on its workability.

11.4 Transparency and accountability

Members of the organization whose performance will be monitored and measured must ensure that the process of managing performance is inclusive open and transparent. This can only be achieved by taking effective participation in the design and implementation of the system within the municipality.

Again, the process must involve and empower communities so that they are able to understand how the municipality and its directorates are run, how resources are spent, and who is in charge of particular services. Similarly, all information on the performance of directorates should be available for other managers, employees, the public and specific interest groups.

11.5 Integration

The performance management system should be integrated into other management processes in the municipality, such that it becomes a tool for more efficient and effective management rather than an additional reporting burden. It should be seen as a central tool to the ongoing management functions.

11.6 Objectivity

Performance management must be founded on objectivity and credibility. Both the processes of managing performance and the information on which it relies need to be objective and credible. Sources of data for measuring indicators should be scrutinized to enhance credibility of information and therefore objective decision-making.

Section C: The Performance Management Process

12 What do we monitor and review?

It has become well accepted that in order to assess an organisation's performance, a balanced view is required, incorporating a multi-perspective assessment of how the organisation is performing as seen by differing categories of stakeholders. To ensure this balanced multi-perspective examination of Inxuba Yethemba's performance, a model has been adopted to guide performance management in the entire municipal organisation.

12.1 What is a model?

A model for performance management is a conceptual framework that provides guidance as to what aspects of the municipality's performance should be measured and managed.

12.2 Why do we need a model?

Models have proved useful in performance management for the following reasons. They provide:

12.2.1 Balance

A good model will prompt the organisation to take a balanced view in terms of how it measures and manages its performance. It should prevent bias by ensuring that performance measurement does not rely heavily on one facet of performance (i.e. financial viability), but rather encapsulates a multi-perspective holistic assessment of the municipality's performance.

12.2.2 Simplicity

A good model should organise simply, what would otherwise be a long list of indicators attempting to comprehensively cover performance, into a set of categories sufficiently covering all key areas of performance. Models differ most significantly in what they assert are the key aspects of performance.

12.2.3 Alignment to the Integrated Development Planning (IDP) methodology

A good performance management model for a municipality in South Africa will align the processes of performance management to the IDP processes of the municipality. It will ensure that the IDP is translated into performance plans that will be monitored and reviewed. The categories of key performance areas provided by a model should relate directly to the identified priority areas of the IDP.

12.3 The Revised Municipal Scorecard Model

The Inxuba Yethemba municipal council is advised to make use of the Municipal Scorecard Model (as revised in 2006) as its model for performance management. This model is useful for the following reasons. It is:

- Tightly aligned to the strategic planning and IDP processes of the municipality
- Directly relevant to the notion of developmental local government
- A balanced view of performance based on municipal inputs, outputs, outcomes and process
- A simple portrayal of municipal performance, where inter-relationships can be mapped (municipal-wide, sectoral/directorate and unit/programme levels)
- Compliant with the requirements of the Municipal Systems act (2002) and its subsequent Regulations (2001)
- It aligns to 5 Key Performance Areas for Local Government used in the
- Regulations
- Five Year Local Government Strategic Agenda
- Vuna Awards for Performance Excellence

The 5 Key Performance Areas from the Five Year local Government Strategic Agenda are

- Municipal Transformation & Organisational Development
- Infrastructure development and Service Delivery

- Local Economic Development
- Municipal Financial Viability & Management
- Good Governance & Public Participation

12.3.1 The Municipal Development Perspective

In this perspective, the municipality will assess whether the desired development impact in the municipal area is being achieved. It incorporates social, environmental and economic development aspects. This perspective will constitute the development priorities for the municipal area and indicators that tell us whether the desired development outcomes are being achieved. It will be difficult to isolate development outcomes for which the municipality is solely accountable. It is expected that the development priorities and indicators, will often lie within the shared accountability of the municipality, other spheres of government and civil society. The measurement of developmental outcomes in the municipal area will be useful in telling us whether our policies and strategies are having the desired development impact.

12.3.2 The Service Delivery Perspective

This perspective should tell us how a municipality is performing with respect to the delivery of services and products. This relates to the output of the municipality as a whole.

12.3.3 The Institutional Development Perspective

This perspective should tell us how a municipality is performing with respect to the management of its resources:

- Human Resources
- Information
- Organizational Infrastructure
- Asset management

This relates to the inputs of the municipality as a whole.

12.3.4 The Financial Management Perspective

This perspective tells us how a municipality is performing with respect to its financial management

- Operating income
- Operating expenditure
- Financing infrastructure investment
- Capital expenditure

12.3.5 Governance Process Perspective:

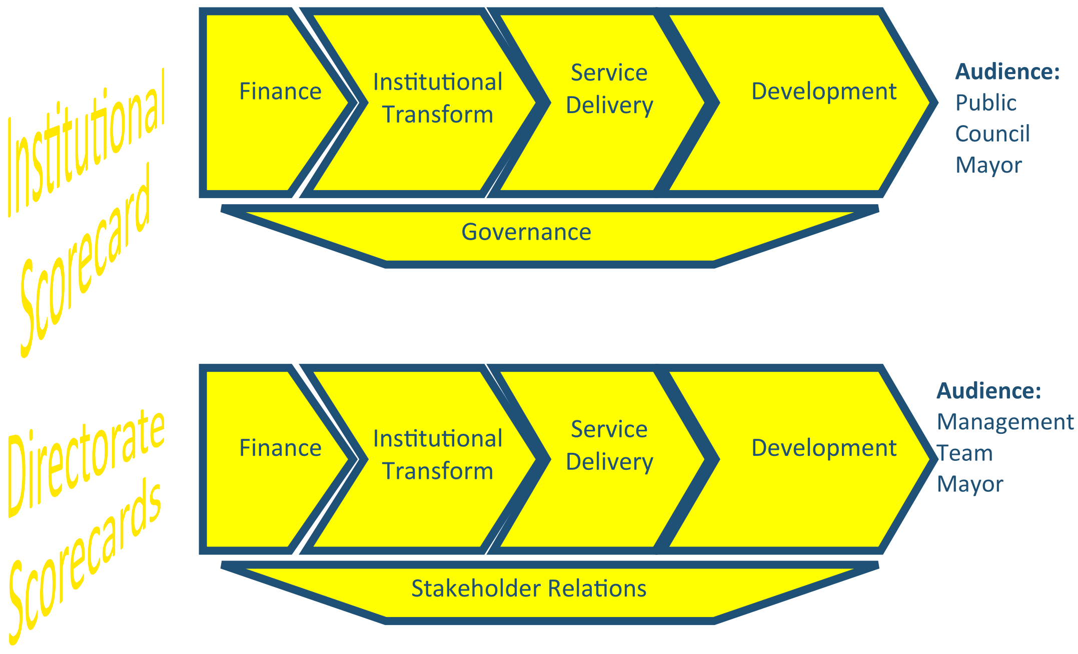
This perspective should tell us how a municipality is performing with respect to its engagement and relationship with its stakeholders in the process of governance. This perspective should include, amongst others:

- Public participation, including the functionality and impact of ward committees
- Functionality and impact of municipal governance structures (council structures including the offices of the speaker, and portfolio committees and executive)
- Access to information
- Intergovernmental relations

This relates to the governance processes of the municipality as a whole.

12.4 Organisational Scorecards at different levels

Inxuba Yethemba has two levels of scorecards as depicted in figure-2 that follows.



Figur e 1: Two levels of scorecards

12.4.1 The Institutional Scorecard

The institutional scorecard will provide an overall picture of performance for the municipality as a whole, reflecting performance on the strategic priorities set in the IDP.

The development perspective of this scorecard will therefore necessitate that information be collected from other development role players in the municipal area for reporting purposes. These include other spheres of government, business formations and civil society organisations.

The Municipal Manager and Directors will use it, after review, as a basis for reporting to the Mayoral Committee, Council and the public. The institutional scorecard has to be reported on, to the Mayoral Committee and Council on a quarterly basis.

It must be noted that the Municipal Manager is primarily responsible for performance on the institutional scorecard. As such, the institutional scorecard is closely linked and forms the largest component of how the municipal manager's performance will be appraised.

12.5 Scorecard concepts

The institutional and directorate scorecards should be presented in a consistent format so that they are easy to use and understand. Several concepts that are commonly used in the scorecard concept are defined below:

Objectives*:* are statements (often drawn from the IDP) about what a service wants to achieve.

Indicators: are variables (qualitative or quantitative) that tell us whether we are making progress towards achieving our objectives.

A baseline*:* is the value (or status quo) of the indicator before the start of the programme or prior to the period over which performance is to be monitored and reviewed. For the purpose of standardising the setting of baselines and for the sake of clarity, the following descriptions will be used:

1. If the indicator is measurable on an annual basis, the baseline will be its measure in the last financial year.
2. The baseline for annual targets that are incrementally measurable per quarter or per month will be the measure at the end of the last financial year but the targets can be set incrementally

3. The baseline for quarterly targets that are not incrementally contributing to an annual target will be the indicator's measure in the last quarter it was measured unless by its nature it is seasonally variable in which case it will be an average of the last four quarterly measures
4. The baseline for monthly targets, that are not incrementally contributing to a quarterly or annual target, will be its measure in the last month it was measured unless by its nature it varies monthly in which case it will be an average of the last three monthly measurements

A target*:* is the value (or desired state of progress) of the indicator that is intended to be achieved by a specified time period.

The diagram below provides a graphical representation of how some of the key scorecard concepts link together:

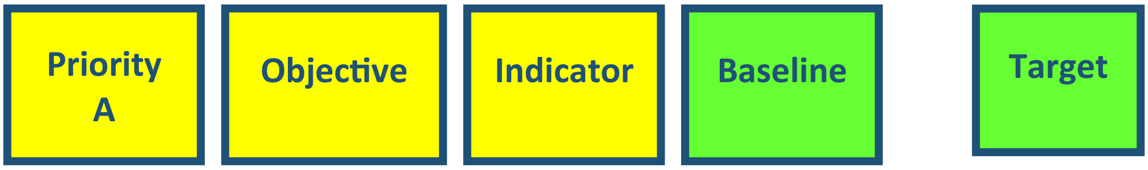


Figure 2 Linking key scorecard concepts

In addition to the above, the following are also important scorecard concepts:

The measurement source (Portfolio of Evidence) and frequency: should indicate where the data for measuring will emanate from, and how frequently the indicator will be measured and reported. This information is crucial for the auditing process.

Indicator custodian: refers to the person that takes responsibility for the monitoring of change in the indicator and report on it.

The performance management plan for Inxuba Yethemba has suggested various indicators for the goals that are set in the IDP. These indicators including those that will be further developed for directorate scorecards should be assessed against the following criteria.

12.6 Elements of a Good Indicator

In developing indicators, the municipality will ensure that adheres to the following principles:

12.6.1 Focused and Specific

Indicators should be clearly focused and stated unambiguously.

12.6.2 Measurable

An indicator should by definition contain a unit of measurement.

12.6.3 Valid and Relevant

Validity is the degree to which an indicator measures what is intended to be measured. This correlates strongly to the relevance of the indicator to the objective being measured. It is also important that the whole set of indicators chosen should be contextually relevant to the Inxuba Yethemba municipal and South African contexts.

12.6.4 Reliable

Reliability is the degree to which repeated measures, under exactly the same set of conditions will produce the same result. This is particularly relevant to those indicators that use ratios (formulas) and figures.

12.6.5 Simple

Good indicators will be simple, easy to communicate such that their relevance is apparent.

12.6.6 Minimise perverse consequences

Poorly chosen indicators, while nobly intended can have perverse consequences in the behaviours it incentivizes. Chosen indicators should ensure that the performance behaviours likely to emerge from its pursuance are those that are intended to contribute to the objectives.

12.6.7 Data Availability

Good indicators will also rely on data that is, or intended to be, available on a regular basis.

12.7 Core Government Indicators

12.7.1 National Indicators

The municipality's performance management indicators will incorporate the following indicators prescribed by the Minister of Provisional and Local Government as per the Municipal Planning and Performance Management Regulations of 2001:

a) The percentage of households with access to basic level of water, sanitation, electricity and solid waste removal;

b) The percentage of households earning less than R1100 per month with access to free basic services;

c) The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan;

d) The number of jobs created through municipality's local economic development initiatives including capital projects;

e) The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan;

f) The percentage of a municipality's budget actually spent on implementing its workplace skills plan; and

g) Financial viability as expressed by the following ratios:

(i)

$$A = \frac{B - C}{D}$$

Where -

"A" represents debt coverage

"B" represents total operating revenue received

"C" represents operating grants

"D" represents debt service payments (i.e. interest + redemption) due within the financial year;

(ii)

$$A = \frac{B}{C}$$

Where -

"A" represents outstanding service debtors to revenue

"B" represents total outstanding service debtors

"C" represents annual revenue actually received for services;

(iii)

$$A = \frac{B + C}{D}$$

Where -

"A" represents cost coverage

"B" represents all available cash at a particular time

"C" represents investments "D" represents monthly fixed

operating expenditure.

While there is no legal requirement to incorporate any other local government performance monitoring indicators used by other spheres of government other than those prescribed by the Minister, Inxuba Yethemba municipality will, in addition to indicators prescribed by the Minister, as practically feasible as possible incorporate a core set of local government indicators used by other spheres of government into its performance management system.

12.7.2 Local Government Turnaround Strategy

The Local Government Turnaround Strategy (LGTAS) is a high level government wide response to the challenges facing local government in South Africa, which was approved by Cabinet in December 2009. Its aim is to put municipalities on a path of responsive and accountable service delivery. The strategy aims to achieve this by counteracting forces that undermined the system of local government. Among these, which are critical to performance management, are: lack of municipal accountability to citizens and its staff. According to the strategy, an ideal municipality must be accountable to both the local community and its staff members. Effective monitoring and evaluation of performance is another aspect encouraged by the strategy which promotes accountability at all levels.

12.7.3 Green Paper: Monitoring & Evaluation

The Green Paper on Monitoring and Evaluation is a discussion document aimed at institutionalising the Government-Wide Monitoring and Evaluation system. The discussion document is based on the priorities of the Medium Term Strategic Framework, which are derived from the ruling party’s election manifesto. The document also introduces outcome performance system as it is of the view that citizens are not interested in processes but in outcomes, hence the importance of having a renewed focus on improving input, output and outcome measures is encouraged. It should however be noted that the purpose of outcomes performance systems is wider than just measuring outcomes and outputs, it is a mechanism that seek to guide the direction of policy implementation. For this system to work, someone will have to be held accountable. The Green Paper calls for accountability measures to go beyond the usual directorate and individual performance management scope, to holding political and management staff accountable.

12.8 District Indicators

In order to align with a district PMS system, the municipality will also include a set of indicators required by the district PMS.

13 The Process of Managing Performance

The process of performance management is central to modern notions of management i.e. it is inseparable from the things that a manager must do. It is important that performance management is mainstreamed in municipalities as an approach to daily management.

Figure 3: Performance Management as an Approach to Management

The annual process of managing the performance of the Inxuba Yethemba Municipality will involve the following components:

- Co-ordination
- Performance Planning
- Performance Measurement, Analysis
- Performance Reviews & Reporting
- Performance Auditing

For each of these components, this chapter sets out the role stakeholders in the performance management system will play and how these components are to be carried out.

13.1 Co-ordination

Oversight over co-ordination of the implementation of the planning, measurement, reporting and is the responsibility of the IDP/PMS & Budget Steering Committee which is made up of:

1. Executive Mayor
2. Speaker
3. Chief Whip
4. Mayoral Committee
5. Municipal Manager
6. Executive Management
7. Manager: IDP/PMS
8. Manager: Budget and Financial Reporting

The IDP/PMS and Budget Steering Committee is chaired by the Executive Mayor or any duly elected Councilor and will be accountable to Council in regard to the work of the committee.

The Secretariat of the Committee shall be an official from the Directorate of Corporate Services.

13.2 Performance Planning

The IDP,Strategic Scorecard and the Service Delivery and Budget Implementation Plans constitute the planning components for performance management. The Municipal Planning Process starts from the development of the 5 year IDP and Strategic Scorecard with priority areas, objectives, strategies, indicators and targets. The Service Delivery and Budget Implementation Plan is derived from the Strategic Scorecard

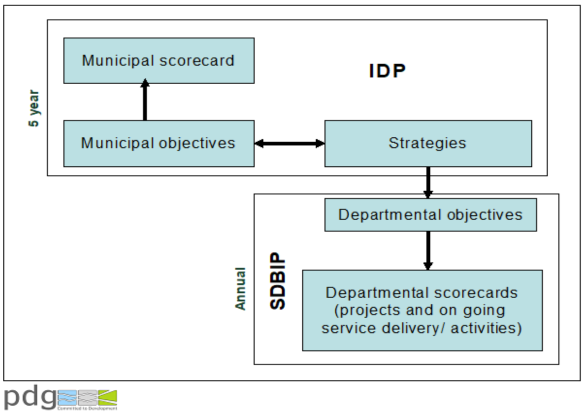


Figure: Municipal Planning

review process the strategic objectives, strategies and the institutional scorecard will be finalised. The next step is to develop directorate scorecards that should support the realisation of the objectives and targets set in the institutional scorecard. With these in place, the Municipality is now on track to implement and monitor the implementation of the IDP.

13.3 Performance Reporting and Reviewing

Measurement is the act of collecting data on identified performance indicators while analysis is the act of interpreting the meaning of such data in terms of performance.

For each Municipal Scorecard indicator, a relevant custodian has to be designated. The custodian will not necessarily be accountable for performance he/she will be responsible for conducting measurements of the applicable indicators, analysing and reporting these for reviews.

Analysis requires that current performance be compared with targets, past performance and possibly the performance of other municipalities, where data is available, to determine whether or not performance is poor. It should provide reasons for performance levels and suggest corrective action where necessary.

Reviews will be undertaken by the Municipal Manager, a committee of Councillors delegated a responsibility for performance management, and Council. Prior to reviews taking place, performance reporting will need to be tracked and co-ordinated. The Municipal Manager's Office will be responsible for this process.

The Municipal Manager's Office will provide an overall analysis of municipal performance, for quarterly and annual reviews. Such an analysis will aim to pick up trends in performance over time and over all directorates.

13.3.1 Performance analysis

Performance analysis is often conducted when an organisation wants to improve its services and wants to determine what is needed to achieve this goal. Performance analysis is also conducted when an organisation is faced with a challenge relating to its performance. The analysis of performance is useful as it assists the organisation to discover its present level of performance and the performance level it requires in order to achieve its goals. Organisational performance analysis does not only require individual performance analysis but also analysis of organisational needs, job performance needs and training needs. The holistic view of the organisation will assist in finding out what causes the gap, which is defined as the needs of the organisation minus the present performance levels.[1]

When conducting performance analysis of an organisation, it is recommended to take a long term approach. This will assist in ensuring that the improvement of the organisational performance ties in with the vision, mission and values of the organisation. Once the gap is understood, the organisation needs to respond with how the gap will be bridged.

Having noted the importance of a long-term view, the analysis of performance is an on-going exercise. It is the responsibility of each directorate to understand what its own performance levels and trends are, as well as the

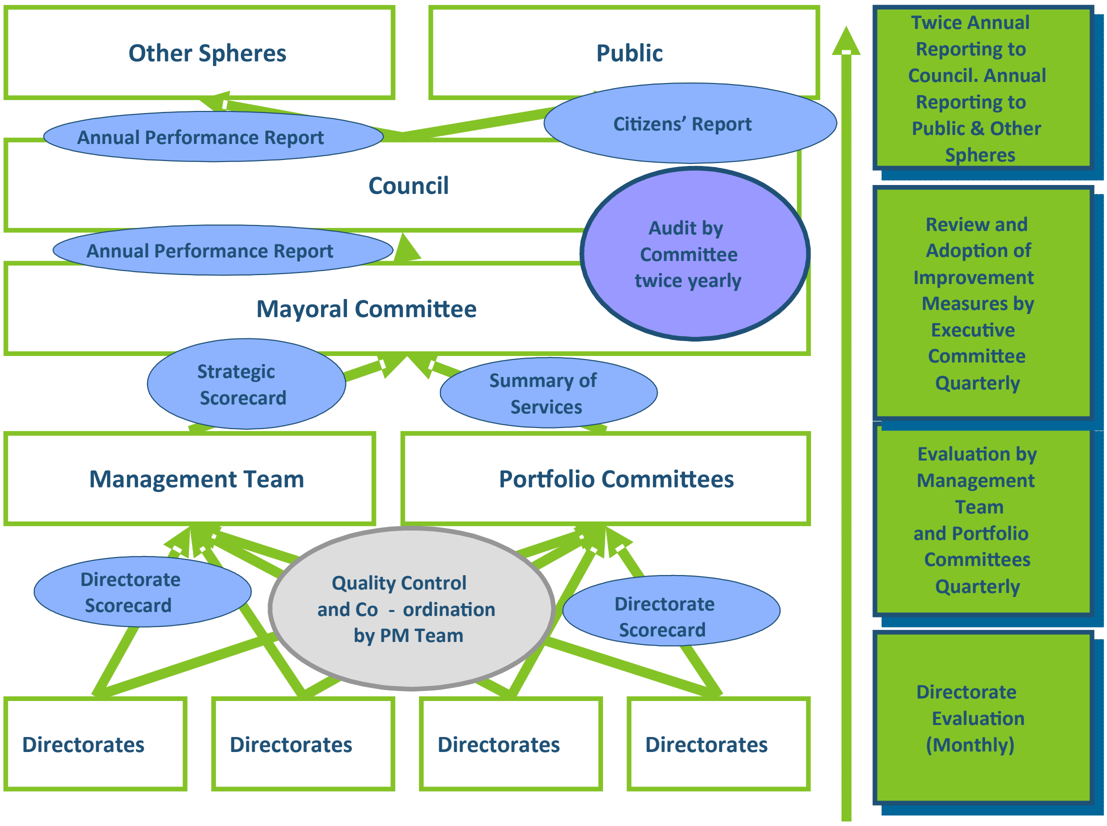
1 Phillips, J. & and Phillips, P. "Reasons Why Training & Development Fails and What You Can Do About It." *Training Magazine,* September 2002 (pp. 78-85).

factors underlying its performance. In terms of organisational performance analysis, the PMS unit is better placed to conduct performance analysis. This emphasises the importance of placing the PMS unit in the strategic position within the organisation, such as the MM's office in the case of Inxuba Yethemba. The major performance analysis activity of the municipality is the drafting of the Annual Report which reflects on annual performance across the institution. In addition, this informs future planning activities such as the drafting of the municipal budget and the development of the IDP. The different directorates also have a responsibility for ensuring that their performance is in line with the vision, mission and values of the organisation. They also have a responsibility to work with the PMS unit in ensuring integrated performance management within the municipality, including on-going reflection and analysis of performance.

13.4 Performance Reporting & Reviews

The figure below aims to provide a picture of the annual process of reporting and reviews.

Figure 4: The annual process of reporting and review



Once the system is embedded, a web-based reporting system will be considered in order to enhance the reporting process and simplify it. It must however be noted that a computer based automating system will only enhance the reporting processes within the municipality and potentially improve review processes. Most aspects of performance management still need human beings.

13.4.1 Directorate Reviews

It is intended that directorates review their performance at least monthly, using their directorate scorecards. Decision-makers should be immediately warned of any emerging failures to service delivery such that they can intervene if necessary.

Directorates should use these reviews as an opportunity for reflection on their goals and programmes and whether these are being achieved. Minutes of these reviews should be forwarded to the performance management team. Changes in indicators and targets may be proposed at this meeting but can only be approved by the relevant portfolio committee, in consultation with the Municipal Manager. The review of the SDBIP should be done bi-annually (half-yearly) immediately after the approval of the adjustment budget. This is where indicators and targets can be revisited so as to align them with the adjustment budget.

- **PERFORMANCE REVIEWS**

Performance Reviews shall be as follows:

Performance Reporting Period	Type of Review	Date
1st Quarter	Informal	07th October
Mid-Year	Formal	07th January
3rd Quarter	Informal	07th April
Annual Performance	Formal	07th July

In the event that the above mentioned dates fall on a weekend, a Friday before shall serve as the submission date

Performance reviews, formal and informal shall be coordinated by the office of the municipal manager; prior to performance information being presented to the IDP and PMS Office in the Office of the Municipal Manager

On submission of the performance information, covering report will be prepared by the IDP and PMS Manager and submitted to the internal audit unit for final verification and confirmation

13.4.2 Management Team Reviews

Directorates will then need to report on their performance in the directorate scorecard format to the municipal manager. Additional indicators that occur in the institutional scorecard will also be reviewed bi-annually (half-yearly). The formulation of the institutional scorecard and the process of review will be co-ordinated by the performance management team.

The management team will need to reflect on whether targets are being achieved, what are the reasons for targets not being achieved where applicable and corrective action that may be necessary. Where targets need to be changed, the management team can endorse these, for approval by the portfolio committee. The management team can delegate tasks to the performance management team in developing an analysis of performance prior to management team reviews. These reviews should at least take place quarterly.

13.4.3 Portfolio Committee Reviews

Each portfolio committee will be required to review the performance of their respective directorates against their directorate scorecard, at least quarterly. The portfolio committee should appraise the performance of the service against committed targets. Where targets are not being met, portfolio committees should ensure that the reasons for poor performance are satisfactory and sufficient, and the corrective strategies proposed are sufficient to address the reasons for poor performance. Changes in indicators and targets that do not appear in the institutional scorecard may be proposed to and can only be approved by the relevant portfolio committee, in consultation with the IDP/PM co-ordinator. Changes in indicators and targets that fall within the institutional scorecard will need to be approved by the Mayoral Committee.

13.4.4 Mayoral Committee Reviews

On a quarterly basis, the Mayoral Committee should engage in an intensive review of municipal performance against the institutional scorecard, as reported by the municipal manager.

Many of the indicators in the institutional scorecard will only be measurable on an annual basis. The quarterly reviews should thus culminate in a comprehensive annual review of performance in terms of both scorecards.

The review should reflect on the performance of services and the institutional scorecard. The Mayoral Committee will need to ensure that targets committed to in the institutional scorecard are being met, where they are not, that satisfactory and sufficient reasons are provided and that the corrective action being proposed is sufficient to address the reasons for poor performance.

The review should also focus on reviewing the systematic compliance to the performance management system, by directorates, portfolio committees and the Municipal Manager.

13.4.5 Council Reviews

At least twice annually, the council will be required to review municipal performance. The institutional scorecard should be used for this reporting in an annual report. The Municipal Systems Act requires that the annual report should at least constitute a performance report (the institutional scorecard), financial statements and an audit report from the Auditor General.

13.4.6 Reporting to other spheres and agencies of government

14 Auditor General and MEC

The Systems Act requires the municipal manager to give written notice of meetings, in which the municipality's the annual report, is tabled or discussed by the Council, to the Auditor-General and the MEC for local government. The Municipal Manager must also submit copies of the minutes of these meetings to the Auditor-General and the MEC for local government in the province. Representatives of the Auditor-General and the MEC for local government in the province are entitled to attend and to speak at such meetings. A copy of the report must be submitted to the MEC for local government in the province and the Auditor-General.

Table 1: Reporting and Reviews

Reporting Structure	*Reviewing structure*	*Report*	*When*
Directorates	Management Team	Directorate Scorecard	Quarterly
Directorates	Portfolio Committee	Directorate Scorecard	Quarterly
Portfolio Committee	Mayoral Committee	High Level Summary	Quarterly
Management Team	Mayoral Committee	Institutional Scorecard	Quarterly
Mayoral Committee	Council	Institutional Scorecard	Twice a year
Council	Public (IDP Forum)	Citizen's report	Annually
Council	Province	Annual Report	Annually

14.1 Auditing and Quality Control

All auditing must cover Section 14 of the Municipal Planning and Performance Management Regulations (2001). Auditing of performance reports will be conducted by the internal audit structure and be submitted to the Municipal Manager and Audit Committee, on a quarterly basis.

14.1.1 Quality Control and Co-ordination

The Office of the Municipal Manager, overseen by and reporting regularly to the PMS Management Team, will be required on an ongoing basis to co-ordinate and ensure good quality of reporting and reviews. It will be its role to ensure conformity to reporting formats and check the reliability of reported information, where possible.

15 Data validation

Data validation takes place at each stage of the PMS process in that the individuals responsible for the performance reports need to ensure that their data is accurate and quality checks should be exercised by the report recipient.

At the institutional level, data validation is essentially the shared responsibility of the Internal Audit team and the Monitoring and Evaluation unit.

16 Portfolio of evidence

It is important to note that the scorecard reports submitted by directorates and by the Municipal Manager in the case of the institutional scorecard should be accompanied by portfolio of evidence each time they are submitted.

16.1.1 Performance Investigations

The Mayoral Committee or Audit Committee will be able to recommend in-depth performance investigations where there is either continued poor performance, a lack of reliability in the information being provided or on a random ad-hoc basis. Performance investigations should assess

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

While the internal audit function may be used to conduct these investigations, it is preferable that external service providers, preferably academic institutions, who are experts in the area to be audited, should be used. Clear terms of reference will need to be adopted by the respective committee.

16.1.2 Internal Audit

The municipality's internal audit function will be continuously involved in auditing the performance reports of directorate scorecards and the institutional scorecard. As required by the regulations, they will be required to produce an audit report on a quarterly basis, to be submitted to the Municipal Manager and Audit Committee.

Auditing is necessary to identify:

- Inconsistencies in performance management definition or methodology of data collection;
- Incorrect processing and poor documentation of performance management;
- Biased information collection and reporting by those whose image is at stake in the performance management process.

The Regulations specify that any auditing must include assessment of:

- The functionality of the municipality's performance management system;
- The compliance of the system with the legislation; and
- The extent to which performance measurements are reliable in measuring performance of the municipality

16.2 Role of Stakeholders in Performance Management

Stakeholder	Performance Planning	Measurement & Analysis	Performance Reporting & Reviews
Community Structures and IDP Forum	• Be consulted on needs • Develop the long term vision for the area • Influence the identification of priorities • Influence the choice of indicators and setting of targets		• Be given the opportunity to review municipal performance and suggest new indicators and targets
Mayor	• Responsible for managing development of PMS and assign responsibilities in this regard to MM • Play the leading role in giving strategic direction and developing strategies and policies for the organisation • Manage the development of an IDP • Enters into performance agreement with Municipal Manager on behalf of Council		• Plays a leading role in evaluating the performance of the Municipal Manager against the Institutional Scorecard • Reports on organisational performance to relevant MEC
Council	• Facilitate the development of a long-term vision (IDP). • Develop strategies to achieve vision • Identify priorities for the financial year. • Adopt indicators and set targets		• Review municipal performance bi-annually • Report back to community through established structures such as ward committee meetings

Portfolio (S79) Committees	• Influence the preparation of directorate scorecards • Adopt directorate scorecards • Ensure involvement of communities in the setting of municipal targets (IDP)	• Monitor performance of relevant services	• Receive reports from service managers • Review monthly directorate scorecards • Report to Mayco • Adopt corrective actions where necessary and recommend to Mayco
Mayoral Committee	• Play the leading role in giving strategic direction and developing strategies and policies for the organisation • Manage the development of an IDP • Approve and adopt indicators and set targets • Communicate the plan to other stakeholders		• Conduct the major reviews of municipal performance, determining where goals had or had not been met, what the causal reasons were and to adopt response strategies
Municipal Manager	• Has responsibilities assigned by the Mayor regarding the PMS • Manage the drafting and implementation of the IDP • Plays a leading role in the development of the Institutional Scorecard (which is his/her personal scorecard) • Enter into Performance Agreement, in line with Regulations (2006) requirements	• Plays a leading role in monitoring implementation of IDP • Ensure that regular reporting and monitoring by directorates takes place	• Play a leading role in the evaluation of performance of directorates, including conducting quarterly reviews
Management Team	Assist the Mayoral Committee in • providing strategic direction and developing strategies and policies for the organisation • Manage the development of the IDP • Ensure that the plan is integrated • Identify and propose indicators and targets • Communicate the plan to other stakeholders • Develop SDBIPs & Budget	• Regularly monitor the implementation of the IDP, identifying risks early • Ensure that regular monitoring (measurement, analysis and reporting) is happening in the organisation • Intervene in performance problems on a daily operational basis	• Conduct quarterly reviews of performance • Ensure that performance reviews at the political level are organised • Ensure the availability of information • Propose response strategies to the Mayoral Committee • Report to Exco
Internal Audit			• Produce quarterly audit reports for MM and Audit committee
Audit Committee			• Review internal audit reports • Assess system and indicators • Provide audit report twice annually to council

16.3 Responding to Organisational Performance

This outlines how the municipality may reward good organisational performance and address poor organisational performance.

16.3.1 Good or Exceptional Organisational Performance

There will be a Mayoral Award for excellent performance that can take the form of rotating trophies or plaques for the best four directorates / units annually. These can be designated:

- Platinum
- Gold
- Silver
- Bronze

An annual entertainment fund can be used to provide funds for at least the Platinum winners to entertain themselves as determined by the Executive on an annual basis.

16.3.2 Poor Performance

Poorly performing directorates will be asked to provide an explanation and analysis of poor performance. If this is insufficient, an investigation will be conducted to deepen the understanding of the underlying problems, whether they be policy-related, systemic, structural or attributed to the poor performance of individuals.

This section does not deal with employee performance and rewarding good performance and addressing poor employee performance. These are dealt with at the end of the next section.

17 Employee Performance

This section focuses on the performance management arrangements for employees of the municipality. The following framework can be used for all employees. However, the legal framework that underpins it requires that it be enforced for all Section 57 Managers. The municipality will incrementally roll-out this system for all employees.

The legislation upon which this is based includes:

- *The Local Government Municipal Systems Act*, No. 32 of 2000.
- *The Local Government Municipal Systems Amendment Act*, No. 44 of 2003.
- *Local Government Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers*, 2006. Regulation Gazette No. 29089.
- *Draft competency guidelines for Municipal Managers and Managers directly accountable to Municipal Managers,* 2006.

17.1.1 Responsibilities for implementing system

The Municipal Manager, as head of the administration (see section 55 Municipal Systems Act or MSA) or as accounting officer (see section 60 Municipal Finance Management Act or MFMA) is responsible and accountable for the formation and development of an accountable administration operating in accordance with the municipality's performance management system. She or he is also responsible for the management of the administration in accordance with legislation.

The final responsibility for ensuring that employments contracts for all staff are in place rests with the municipal manager. The final responsibility for ensuring that performance agreements with the relevant managers, including his or her own, are in place, rests with the municipal manager.

17.1.2 Performance agreement

The performance agreement (see sub regulation 8(2) read with sub-regulation 23) provides the basis upon which the municipality will reward good performance on the part of the employee. Performance Agreements form the basis upon which the performance of Section 57 staff are measured and monitored against targets. The performance agreement is put in place to comply with the provisions of Section 57 (1)(b), (4A),(4B0 and (5) of the Municipal Systems Act as well as the employment contract entered into between the parties. This agreement must be entered into for each financial year and be reviewed annually in June.

According to the Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers (2006), the performance agreements fulfil the following key purposes:

- specify objectives and targets defined and agreed with the employee and to communicate to the employee the employer‘s expectations of the employee’s performance and accountabilities in alignment with the Integrated Development Plan, Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the municipality;
- specify accountabilities as set out in a performance plan, which forms an annexure to the performance agreement;
- monitor and measure performance against set targeted outputs;
- use the performance agreement as the basis for assessing whether the employee has met the performance expectations applicable to his or her job;
- and in the event of outstanding performance, to appropriately reward the employee;
- give effect to the employer’s commitment to a performance-orientated relationship with its employee in attaining equitable and improved service delivery.

18 Retrospectivity

The question arises whether it would be possible to enter into a performance agreement retrospectively, even after the end of the financial year for that financial year. The language of the MSA (see section 57(2)) is peremptory in this regard. It provides that a “performance agreement **must** be concluded with a reasonable time after a person has been appointed.” The regulation provides that the performance agreement must be signed within 90 calendar days after assumption of duty. The municipal council does not have the authority to change these prescripts. The absence of a performance agreement at the end of a financial year will negatively affect the ability of the municipality to hold the manager accountable for performance, as well as its ability to respond to his/her performance.

19 Legal validity after 90 days

A further issue which may arise is the legal validity of a performance agreement that is concluded after the period of 90 days has lapsed. In this regard, it is instructive to consider that the regulation provides that **employment** is subject to the compliance with sub-regulation 4(4)(a). It would appear that one would still be able to enter into a valid performance agreement after the 90 day period provided that there is consensus between the parties that the employment contract is still in force. Thus, where the performance agreement is entered into after the expiry of the 90 day limit, the agreement can still be entered into for part of that financial year (see sub-regulation 24(1)).

A performance agreement comprises a performance plan and a personal development plan.

19.1.1 Performance Plan

The performance plan establishes:

- a detailed set of objectives and targets to be met by the Municipal Manager and Section 57 employee as well as;
- the time frames within which these should be met.

The specifics of the performance plan will be determined by the Mayoral Committee, in consultation with the Municipal Manager, and will be based on the IDP, SDBIP and the Budget. Similarly the Municipal Manager and the Section 57 Managers should discuss and agree on performance plans. It shall include the following elements:

1. Key Objectives
2. Key Performance Indicators
3. Targets
4. Weightings

In addition, the employee will be measured in terms of their contribution to the goals and strategic planning as set out in the Municipality’s IDP.

Section 57 staff will be assessed against **two components**, weighted as follows:

20 Key Performance Area (KPA) which is weighted at 80%

The employees assessment will in part be based on his/her performance in terms of outcomes/outputs (performance indicators) identified in the performance plan which are linked to the KPAs. This contributes to 80% of the overall assessment result. The weightings per KPA will be agreed upon between the Mayoral Committee and the employee. For Managers directly responsible to the Municipal Manager, the KPAs are those related to their key functional areas.

For the municipal manager this will be the organizational scorecard, not dealing with outcomes, representing the IDP. For managers reporting to the municipal manager, this component will be their directorate scorecards, without outcomes.

For all other staff that this system will be rolled out to, this component will need to be drawn up for them and align with their job description.

21 Core Competency Requirement (CCR) which is weighted at 20%

The CCRs which are deemed most critical to the employee's specific function will be selected from a list and agreed upon with the employer, with consideration for proficiency levels as agreed between the two parties. Weights will further be assigned to the CCRs selected.

This refers to a separate component dealing with competency and expected behavior.

Table 2: Core Competency Requirements from Regulations (2006)

CORE COMPETENCY REQUIREMENTS FOR EMPLOYEES (CCR)		
Core Managerial and Occupational Competencies	**(Indicate choice)**	**Weight**
Core Managerial Competencies		
Strategic Capability and Leadership		
Programme and Project Management		
Financial Management	compulsory	
Change Management		
Knowledge Management		
Service Delivery Innovation		
Problem Solving and Analysis		
People Management and Empowerment	compulsory	
Client Orientation and Customer Focus	compulsory	
Communication		
Honesty and Integrity		
Core Occupational Competencies		
Competence in Self-Management		
Interpretation of and implementation within the legislative and national policy frameworks		
Knowledge of developmental local government		
Knowledge of Performance Management and Reporting		
Knowledge of global and South African specific political, social and economic contexts		
Competence in policy conceptualization, analysis and implementation		
Knowledge of more than one functional municipal field discipline		
Skills in Mediation		
Skills in Governance		

CORE COMPETENCY REQUIREMENTS FOR EMPLOYEES (CCR)		
Competence as required by other national line sector departments		
Exceptional and dynamic creativity to improve the functioning of the municipality		
Total percentage	**-**	**100%**

21.1.1 Personal Development Plan

As part of the performance agreement, a personal development plan will be included. This section should state the activities, including training, that the employee wishes to undertake to improve themselves or is required to take to better fulfill the needs of the job.

21.2 Evaluating performance

The Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers (2006), stipulates in detail how the evaluation process should be undertaken.

21.2.1 Evaluators

For purposes of evaluating the annual performance of the municipal manager, an evaluation panel constituted of the following persons will be established -

- Executive Mayor;
- Chairperson of the performance audit committee or the audit committee in the absence of a performance audit committee;
- Member of the Mayoral Committee
- Mayor and/or municipal manager from another municipality; and
- Member of a ward committee as nominated by the Mayor.

For purposes of evaluating the annual performance of managers directly accountable to the municipal managers, an evaluation panel constituted of the following persons will be established

1. Municipal Manager;
2. Chairperson of the performance audit committee or the audit committee in the absence of a performance audit committee;
3. Member of the Mayoral Committee
4. Municipal manager from another municipality.

21.2.2 Process and scoring

Performance will be reviewed on a quarterly basis within two weeks after completion of the evaluation of a unit (directorate or section) to which the employee belongs of managing. The employer will keep a record of the mid-year review and annual assessment meetings. The performance plan will include a Personal Development Plan, in order to address any weaknesses or skills gaps which may have been identified.

In summary, the annual performance appraisal will involve an assessment of results as outlined in the performance plan, discussed below:

22 KPA assessment

1. Each KPA will be assessed according to whether performance indicators have been met
2. An indicative rating on a 5-point scale will be provided for each KPA
3. The applicable assessment rating calculator will be used to add to the scores and calculate the final KPA score based on a weighted average score.

23 CCR assessment

1. Each CCR will be assessed according to performance indicators have been met

2. An indicative rating on a 5-point scale will be provided for each CCR
3. The rating is multiplied by the weighting given to each CCR, to provide a score
4. The applicable assessment rating calculator will be used to add to the scores and calculate the final CCR score, based on a weighted average score.

The scoring system suggested by the Regulations is captured in the table below. In addition, the last column provides proposed revisions to the descriptions of performance, offering a more user friendly set of definitions.

Table 3: Scoring suggested by the Regulations (2006)

Level	***Terminology***	***Description***	***Proposed revised definitions or performance against indicators***
5	Outstanding performance	Performance far exceeds the standard expected of an employee at this level. The appraisal indicates that the Employee has achieved above fully effective results against all performance criteria and indicators as specified in the PA and Performance plan and maintained this in all areas of responsibility throughout the year.	Individual has performed exceptionally on these indicators and has very significantly surpassed expectations.
4	Performance significantly above expectations	Performance is significantly higher than the standard expected in the job. The appraisal indicates that the Employee has achieved above fully effective results against more than half of the performance criteria and indicators and fully achieved all others throughout the year.	Individual has performed well and has gone slightly above expectations.
3	Fully effective	Performance fully meets the standards expected in all areas of the job. The appraisal indicates that the Employee has fully achieved effective results against all significant performance criteria and indicators as specified in the PA and Performance Plan.	Individual has met the expectations associated with these indicators.
2	Performance not fully effective	Performance is below the standard required for the job in key areas. Performance meets some of the standards expected for the job. The review/assessment 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.	Performance is below the standard required for the job in key areas.
1	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	Individual has performed poorly on these indicators – significantly below the standard required

Level	Terminology	Description	Proposed revised definitions or performance against indicators
		despite management efforts to encourage improvement.	

The combined KPA and CCR assessment scores, weighted 80% and 20% respectively, will make up the overall assessment score. While the regulations do not specify, it is assumed that the total percentage score is arrived at by dividing the combined weighted average score by 3 and reflecting as a percentage.

23.1.1 PERFORMANCE ASSESSMENTS OF SECTION 54 & 56 MANAGERS

MID – YEAR ASSESSMENTS (February)

The mid-year assessment for the Performance Cycle convene in February (after the adoption of the Audited Section 72 Report by Council

THE FINAL ASSESSMENT (January)

The final assessment for the Performance Cycle convenes during January (after the adoption of the draft annual report of the previous financial year), however no ratification and payment of bonuses may be concluded until the Annual Report for the same period under review has been submitted to and ratified by Council.

23.2 Responding to Good Employee Performance by Section 57 managers

23.2.1 Bonuses

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

- the annual report for the financial year under review has been tabled and adopted by the municipal council
- an evaluation of performance in accordance with the provisions of the Regulation
- approval of such evaluation by the municipal council as a reward for outstanding performance

In addition to the annual cost-of-living increase, the employee shall be eligible to be considered for a performance related increase (pay progression) on an annual basis.

24 Performance Bonus criteria

The regulations provide that a performance bonus between 5% and 14% of the inclusive annual remuneration package may be paid to the employee after the end of the financial year and only after an evaluation of performance and approval of such evaluation by the Municipal Council, as a reward for excellent performance. In determining the bonus payment, the regulations specify that the relevant percentage depends on the overall rating, calculated by using the applicable assessment rating calculator:

The Municipal performance regulations for s.56 Managers promulgated in August 2006 in respect of the management of performance evaluation outcomes indicate that a performance bonus ranging between 5% and 14% of all-inclusive remuneration package may be paid in order to recognize **outstanding** performance.

In determining the performance bonus, it must be noted that the relevant percentages will be required to be based on the overall rating calculated by using he applicable assessment rating calculator.

Score	% Bonus
130	5
134	6

138	7
142	8
146	9
150	10
154	11
158	12
162	13
166+	14

2. A score of 130% - 149% is awarded a performance bonus ranging between 5%-9%.
3. A score of 150% and above is awarded a performance bonus ranging 10% - 14%.

The diagram below depicts the relationship between the performance score and the performance bonus as per the Regulations.

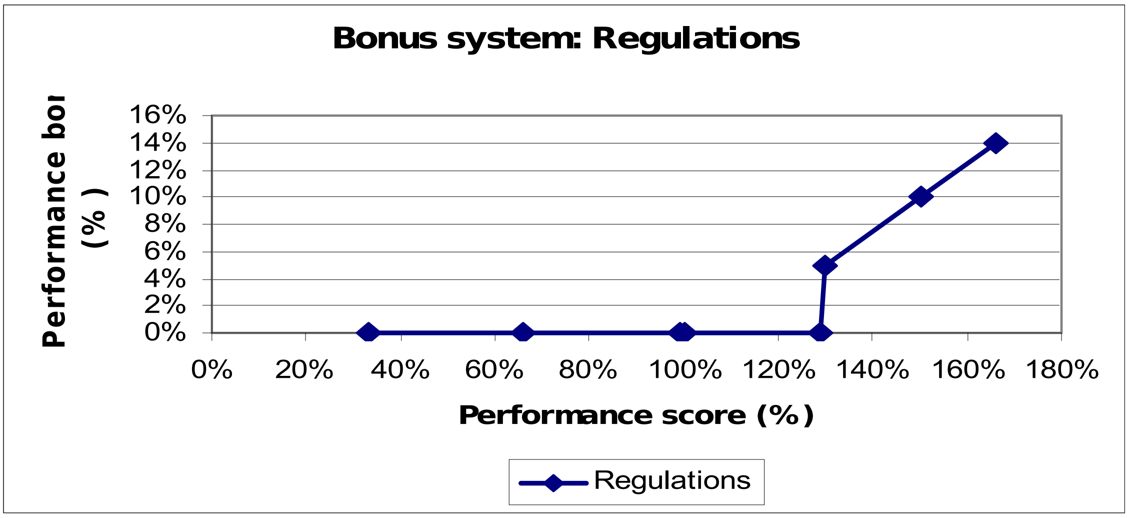


Figure *5* Bonus system as per the Regulations for Municipal Managers and Managers directly accountable to Municipal Managers, 2006

24.1 Comment on 'Acting' Directors

There is no legislation governing the performance management of individuals serving in 'Acting' positions, either in the Section 57 posts or the Municipal Manager post. The Regulations of 2006 (governing the performance management of the Municipal Manager and managers directly accountable to the Municipal Manager) do not make reference to Acting managers. However, in principle acting directors should take responsibility and accountability for the performance of the directorate or institution which he/she is responsible for managing in their capacity as Acting Director or Acting Municipal Manager, respectively. It is expected therefore that the Acting Director or Acting Municipal Manager be subjected to the PMS performance processes (such as reviews etc) and that he/she take responsibility for achieving the targets which have been established. This need not be on the basis of a signed performance contract or agreement necessarily (i.e. his/her bonus will not be determined by the performance against the scorecard targets). Rather they are accountable for performance as part of their new roles and responsibilities for the period in which they are acting.

24.2 Responding to Good Employee Performance by non- section 56 employees

24.2.1 Mayor's Merit Award

A Mayor's merit award may be introduced for all employees who are not on fixed term performance related contracts that perform excellently based on the following awards:

Figure 6 Suggested Mayor's Merit Award system

Score obtained on Performance Scorecard	**The Employee may be eligible to choose ONE of the options listed below**
Platinum (>100%)	Medal plus: a) Employee is granted 6 "free" leave days. or b) The Employee is able to attend a conference/seminar relevant to his/her work that costs a maximum of 6 leave days for that employee or c) The Employee may select a work tool that will enhance his/her ability to perform better in his/her job that costs a maximum of 6 leave days for that employee
Gold (90% – 100%)	Medal plus: a) Employee is granted 4 "free" leave days or b) The Employee is able to attend a conference/seminar relevant to his/her work that costs a maximum of 4 leave days for that employee or c) The Employee may select a work tool that will enhance his/her ability to perform better in his/her job that costs a maximum of 4 leave days for that employee
Silver (80% - 90%)	Medal plus: • Employee is granted 2 leave days or • The Employee is able to attend a conference/seminar relevant to his/her work that costs a maximum of 2 leave days for that employee or • The Employee may select a work tool that will enhance his/her ability to perform better in his/her job that costs a maximum of 2 leave days for that employee
60 % - 80%	No specific reward
< 60	Compulsory performance counselling

24.3 Addressing Poor Employee Performance

In the case of unacceptable performance, the municipality shall:

- Provide systematic remedial and developmental support to assist the employee to improve his/her performance.

- Provide appropriate performance counselling and support, offering reasonable time for improvements in performance.

If performance does not improve, the municipality will consider steps to terminate the contract of the employee on the grounds of poor performance or operational incapacity.

The Labour Relations Act, requires an employee to be given two written warnings, before termination of employment can be sought due to poor performance.

24.4 Roll-out

While some aspect of the updated Performance Management System focuses to some degree on the performance of Section 56 Managers, the system can be rolled out at a later stage, to all levels of the municipality.

25 Evaluation and Improvement of the Performance Management System

The Municipal Systems Act requires the municipality to annually evaluate its performance management system. Once the full cycle of the annual review is complete, the performance management team need to initiate an evaluation report annually, taking into account the input provided by directorates. This report will then be discussed by the Management Team and finally submitted to the Mayoral Committee for discussion and approval.

The evaluation should assess:

- The adherence of the performance management system to the Municipal Systems Act.
- The fulfilment of the objectives for a performance management system captured in this document.
- The adherence of the performance management system to the objectives and principles captured in this document.
- Opportunities for improvement and a proposed action plan.

It must once again be emphasised that there are no definitive solutions to managing municipal performance. The process of implementing a performance management system must be seen as a learning process, where there is a conscious buy-in to incremental improvement of the way the system works in order to fulfil the objectives of the system and address the emerging challenges from a constantly changing environment.

26 Implementation approach

This section provides an indication of how the PM Framework can be implemented in Inxuba Yethemba Local Municipality. The diagram below illustrates the general phases which form part of the implementation of a Performance Management System (PMS).

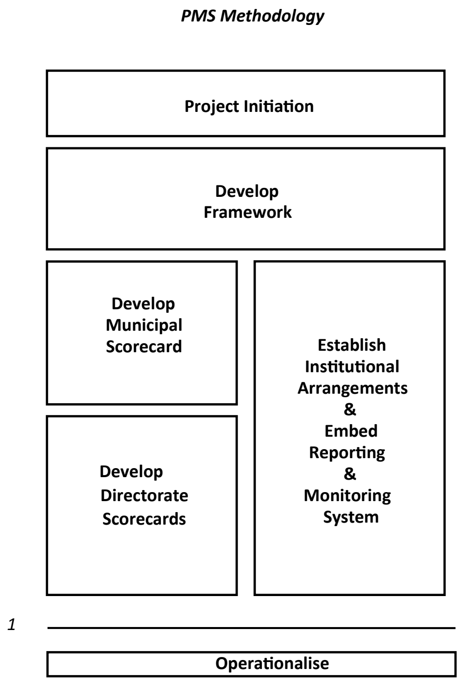


Figure 7 Process for development and implementation of PMS

26.1 Council approval of PM Framework

In the case of Inxuba Yethemba, the project initiation and development of the framework is already underway, with a draft framework being developed. The next key stage is for approval and Council adoption of the framework. Once this has taken place, Inxuba Yethemba can begin to develop and workshop the institutional and directorate scorecards and concurrently establish the reporting and monitoring systems. The envisioned approach for these stages is described below.

26.2 Develop Municipal Scorecard

This activity needs to be aligned to the IDP process, and will involve the following:

26.2.1 Conduct training for IDP process

It is believed that those involved in the next IDP process should be trained on the performance management system with particular reference to indicators, baselines, targets etc. This will help them ensure that what comes out of the IDP process can feed into the PM system.

26.2.2 Scorecard workshop

As the IDP process culminates, the institutional scorecard workshop should be conducted to populate the municipal scorecard with priorities, objectives, indicators and targets from the IDP process. This should be a one-day workshop.

26.2.3 Finalisation

The scorecard should then be finalised and circulated for adoption by Council before the start of the financial year.

26.2.4 Develop and Finalise MM’s Performance Agreement

As required by regulations the Municipal Manager’s performance agreement and individual scorecard should be finalised simultaneously.

26.3 Develop Directorate Scorecards and Section 56 & 54 Performance Agreements

26.3.1 Directorate workshops

These workshops should be used to develop and agree on directorate scorecards for all the directorates within Inxuba Yethemba Municipality.

A one-day workshop is advised for each directorate, to develop their scorecards in detail. Once it is finalised the scorecard can be for adopted and approved.

26.3.2 Section 57 Performance Scorecards

Performance Agreements for Section 57 managers should be developed simultaneously for adoption.

26.3.3 Load indicators onto Monitoring tool

Indicators and available data for all scorecards should be loaded onto a monitoring tool (to be decided upon).

26.4 Establish Institutional Arrangements and Capacity

If not already in place, the necessary institutional arrangements and capacity designed in the framework should be established. At least the following are anticipated:

26.4.1 A PMS Champion is identified

This person should ideally be identified from each Directorate.

26.4.2 Clarify roles and responsibilities

All relevant stakeholders should be clear on their role and responsibilities with respect to the institutional PMS. Training may be necessary to ensure that the institution is equipped to implement the system effectively.

26.4.3 Training on PMS for Internal Audit team

Once the PMS been finalised, those performing the Internal Audit function of Inxuba Yethemba should be briefed and trained on the PMS, so as to be able to perform their functions effectively.

26.4.4 Establish Audit Committee

The Audit committee's scope has been broadened in Inxuba Yethemba to accommodate for the auditing of financial and performance aspects. Training should be on-going.

Appendix A: Extracts of relevant policies and legislation (References)

26.4.5 The White Paper on Local Government (1998)

The White Paper on Local Government (1998)[i] nationally introduced performance management systems to local government, as a tool to ensure Developmental Local Government. It concludes that

> *" Integrated development planning, budgeting and performance management are powerful tools which can assist municipalities to develop an integrated perspective on development in their area. It will enable them to focus on priorities within an increasingly complex and diverse set of demands. It will enable them to direct resource allocations and institutional systems to a new set of development objectives".*

The White Paper adds that

> *"Involving communities in developing some municipal key performance indicators increases the accountability of the municipality. Some communities may prioritise the amount of time it takes a municipality to answer a query; others will prioritise the cleanliness of an area or the provision of water to a certain number of households. Whatever the priorities, by involving communities in setting key performance indicators and reporting back to communities on performance, accountability is increased, and public trust in the local government system enhanced".*

26.4.6 Batho Pele (1998)

Similarly, the White Paper on Transforming Public Service Delivery (Batho Pele) puts forward eight principles for good public service:

27 Consultation:

Citizens should be consulted about the level and quality of public service they receive, and, where possible, should be given a choice about the services that are provided.

28 Service standards:

Citizens should know what standard of service to expect.

29 Access:

All citizens should have equal access to the services to which they are entitled.

30 Courtesy:

Citizens should be treated with courtesy and consideration.

31 Information:

Citizens should be given full and accurate information about the public services they are entitled to receive.

32 Openness and transparency:

Citizens should know how departments are run, how resources are spent, and who is in charge of particular services.

33 Redress:

If the promised standard of service is not delivered, citizens should be offered an apology, a full explanation and a speedy and effective remedy; and when complaints are made citizens should receive a sympathetic, positive response.

34 Value-for-money:

Public services should be provided economically and efficiently in order to give citizens the best possible value-for-money.

"Importantly, the Batho Pele White Paper notes that the development of a service-oriented culture requires the active participation of the wider community. Municipalities need constant feedback from service-users if they are to improve their operations. Local partners can be mobilised to assist in building a service culture. For example, local businesses or non-governmental organisations may assist with funding a help line, providing information about specific services, identifying service gaps or conducting a customer survey" - The White Paper on Local Government (1998).

34.1.1 The Municipal Systems Act (2000)

The Municipal Systems Act, enacted in November 2000, requires all municipalities to:

- *Develop a performance management system*
- *Set targets, monitor and review performance based on indicators linked to their IDP*
- *Publish an annual report on performance for the councillors, staff, the public and other spheres of government*
- *Incorporate and report on a set of general indicators prescribed nationally by the minister responsible for local government*
- *Conduct an internal audit on performance before tabling the report.*
- *Have their annual performance report audited by the Auditor-General*
- *Involve the community in setting indicators and targets and reviewing municipal performance*

34.1.2 Municipal Planning and Performance Management Regulations (2001)

The Municipal Planning and Performance Management Regulations set out in detail requirements for municipal PM systems. However, the regulations do not sufficiently constitute a framework that fully proposes how the system will work. Each component of the proposed framework in this document is strongly informed by the regulations.

34.1.3 Municipal Finance Management Act (2003)

The Municipal Finance Management Act states requirements for a municipality to include its annual municipal performance report with its financial statements and other requirements in constituting its annual report. This must be dealt with by the municipal council within 9 months of the end of the municipal financial year.

Chapter 12: Financial Reporting and Auditing

Preparation and adoption of annual reports

121. (1) Every municipality and every municipal entity must for each financial year prepare an annual report in accordance with this Chapter. The council of a municipality must within nine months after the end of a financial year deal with the annual report of the municipality and of any municipal entity under the municipality's sole or shared control in accordance with section 129.

- The purpose of an annual report is –
  (a) to provide a record of the activities of the municipality or municipal entity during the financial year to which the report relates;
  (b) to provide a report on performance against the budget of the municipality or municipal entity for that financial year; and
  (c) to promote accountability to the local community for the decisions made throughout the year by the municipality or municipal entity.

- the annual report of a municipality must include –
  (a) the annual financial statements of the municipality, and in addition, if section 122(2) applies, consolidated annual financial statements, as submitted to the Auditor-General for audit in terms of section 126(1);
  (b) the Auditor-General's audit report in terms of section 126(3) on those financial statements;
  (c) the annual performance report of the municipality prepared by the municipality in terms of section 46 of the Municipal System Act;
  (d) the Auditor-General's audit report in terms of section 45*(b)* of the Municipal Systems Act;
  (e) an assessment by the municipality's accounting officer of any arrears on municipal taxes and service charges;
  (f) an assessment by the municipality's accounting officer of the municipality's performance against the measurable performance objectives referred to in section 12(3)*(b)*for revenue collection from each revenue source and for each vote in the municipality's approved budget for the relevant financial year;
  (g) particulars of any corrective action taken or to be taken in response to issues raised in the audit reports referred to in paragraphs *(b)* and *(d);*
  (h) any explanations that may be necessary to clarify issues in connection with the financial statements;
  (i) any information as determined by the municipality;
  (j) any recommendations of the municipality's audit committee; and
  (k) any other information as may be prescribed.

- The annual report of a municipal entity must include-
  (a) the annual financial statements of the entity, as submitted to the Auditor-General for audit in terms of section 126(2);
  (b) the Auditor-General's audit report in terms of section 126(3) on those financial statements;
  (c) an assessment by the entity's accounting officer of any arrears on municipal taxes and service charges;
  (d) an assessment by the entity's accounting officer of the entity's performance against any measurable performance objectives set in terms the service delivery agreement or other agreement between the entity and its parent municipality;
  (e) particulars of any corrective action taken or to be taken in response to issues raised in the audit report referred to in paragraph *(b)*;
  (f) any information as determined by the entity or its parent municipality;
  (g) any recommendations of the audit committee of the entity or of its parent municipality; and
  (h) any other information as may be prescribed.

ANNEXURE A: PILOT KPIS FROM COGTA (PROVISIONAL)

Performance indicator	Ref No.	Data element	Baseline (Annual Performance of 2020/21 estimated)	Annual target for 2021/2022	1st Quarter Planned output as per SDBIP	2nd Quarter Planned output as per SDBIP	3rd Quarter Planned output as per SDBIP	4th Quarter Planned output as per SDBIP	Reasons for no data, if not provided	Steps undertaken, or to be undertaken, to provide data in the future	Estimated date when data will be available	NOTES
OUTPUT INDICATORS FOR QUARTERLY REPORTING												
EE1.11 Number of dwellings provided with connections to mains electricity supply by the municipality				300								
	EE1.11(1)	(1) Number of residential supply points energised and commissioned by the municipality						300				
EE3.11 Percentage of unplanned outages that are restored to supply within industry standard timeframes												
	EE3.11(1)	(1) Number of unplanned outages restored within x hours										
	EE3.11(2)	(2) Total number of unplanned outages										
EE3.21 Percentage of planned maintenance performance			100	80								
	EE3.21(1)	(1) Actual number of maintenance 'jobs' for planned or preventative maintenance										
	EE3.21(2)	(2) Budgeted number of maintenance 'jobs' for planned or preventative maintenance		264	66	66	66	66				
WS1.11 Number of new sewer connections meeting minimum standards												
	WS1.11(1)	(1) Number of new sewer connection to consumer units										CHD (Our District Muncipality) is responsible

													and not our Municipality
		WS1.11(2)	(2) Number of new sewer connections to communal toilet facilities										
WS2.11	Number of new water connections meeting minimum standards												CHD (Our District Muncipality) is responsible and not our Municipality
		WS2.11(1)	(1) Number of new water connections to piped (tap) water										
		WS2.11(2)	(2) Number of new water connections to public/communal facilities										
WS3.11	Percentage of callouts responded to within 24 hours (sanitation/wastewater)												CHD (Our District Muncipality) is responsible and not our Municipality
		WS3.11(1)	(1) Number of callouts responded to within 24 hours (sanitation/waste water)										
		WS3.11(2)	(2) Total number of callouts (sanitation/wastet water)										
WS3.21	Percentage of callouts responded to within 24 hours (water)												CHD (Our District Muncipality) is responsible and not our Municipality
		WS3.21(1)	(1) Number of callouts responded to										

			within 24 hours (water)									
		WS3.21(2)	(2) Total water service callouts received									
TR6.12	Percentage of surfaced municipal road lanes which has been resurfaced and resealed											
		TR6.12(1)	(1) Kilometres of municipal road lanes resurfaced and resealed									
		TR6.12(2)	(2) Kilometres of surfaced municipal road lanes									
TR6.13	KMs of new municipal road lanes built			2								
		TR6.13(1)	(1) Number of kilometres of resurfaced road lanes built						3.00			
		TR6.13(2)	(2) Number of kilometres of unsurfaced road lanes built									
TR6.21	Percentage of reported pothole complaints resolved within standard municipal response time			372	80.0%							
		TR6.21(1)	(1) Number of pothole complaints resolved within the standard time after being reported									
		TR6.21(2)	(2) Number of potholes reported		320	80	80	80	80			
FD1.11	Percentage of compliance with the required attendance time for structural firefighting incidents									The municipality does not have an emergency number of it's own where fire calls are recorded. That means that there will be no way to	The municipality will have to develop it's own emergency system that would allow for the verification of times.	23/24 financial year

										verify the response time taken.		
		FD1.11(1)	(1) Number of structural fire incidents where the attendance time was less than 14 minutes									
		FD1.11(2)	(2) Total number of distress calls for structural fire incidents received									
LED1.11	Percentage of total municipal operating expenditure spent on contracted services physically residing within the municipal area											
		LED1.11(1)	(1) R-value of operating expenditure on contracted services within the municipal area									
		LED1.11(2)	(2) Total municipal operating expenditure on contracted services									
LED1.21	Number of work opportunities created through Public Employment Programmes (incl. EPWP, CWP and other related employment programmes)			100.00%	100.0%							
		LED1.21(1)	(1) Number of work opportunities provided by the municipality through the Expanded Public Works Programme									
		LED1.21(2)	(2) Number of work opportunities provided through the Community Works		109.00	109.00						

			Programme and other related infrastructure initiatives										
LED2.12	Percentage of the municipality's operating budget spent on indigent relief for free basic services												
		GG6.11(1)	(1) R-value of operating budget expenditure spent on free basic services										
		GG6.11(2)	(2) Total operating budgets for the municipality										
LED3.11	Average time taken to finalise business licence applications												
		LED3.11(1)	(1) Sum of the total working days per business application finalised										
		LED3.11(2)	(2) Number of business applications finalised										
LED3.31	Average number of days from the point of advertising to the letter of award per 80/20 procurement process												
		LED3.31(1)	(1) Sum of the number of days from the point of advertising a tender in terms of the 80/20 procurement process to the issuing of the letter of award										
		LED3.31(2)	(2) Total number of 80/20 tenders awarded as per the procurement process										
LED3.32	Percentage of municipal payments made to service providers who submitted complete forms within 30-days of invoice submission			100	100.0%								
		LED3.32(1)	(1) Number of										

			municipal payments within 30-days of complete invoice receipt made to service providers										
		LED3.32(2)	(2) Total number of complete invoices received (30 days or older)		115.00	50.00	28.00	28.00	9.00				Shouldnt the matrix say 30 days or less rather than 30 days or more?
GG1.21	Staff vacancy rate												
		GG1.21(1)	(1) The number of employees on the approved organisational structure										
		GG1.21(2)	(2) The number of permanent employees in the municipality										
GG1.22	Percentage of vacant posts filled within 3 months												
		GG1.22(1)	(1) Number of vacant posts filled within 3 months since the date (dd/mm/yyyy) of authority to proceed with filling the vacancy										
		GG1.21(2)	(2) Number of vacant posts that have been filled										
GG2.11	Percentage of ward committees with 6 or more ward committee members (excluding the ward councillor)												
		GG2.11(1)	(1) Total number of ward committees with 6 or more members										
		GG2.11(2)	(2) Total number of wards										
GG2.12	Percentage of wards that have heald at least once councillor-convened community meeting												
		GG2.12(1)	(1) Total number of councillor convened ward										

			community meetings									
		GG2.12(2)	(2) Total number of wards									
GG2.31	Percentage of official complaints responded to through the municipal complaint management system											
		GG2.31(1)	(1) Number of official complaints responded to according to municipal norms and standards									
		GG2.31(2)	(2) Number of official complaints received									
GG4.11	Number of agenda items deferred to the next council meeting											
		GG4.11(1)	(1) Sum total number of all council agenda items deferred to the next meeting									
GG5.11	Number of active suspensions longer than three months											
		GG5.11(1)	(1) Simple count of the number of active suspensions in the municipality lasting more than three months									
GG5.12	Quarterly salary bill of suspended officials											
		GG5.12(1)	(1) Sum of the salary bill for all suspended officials for the reporting period									

OUTPUT INDICATORS FOR ANNUAL REPORTING

WS5.31	Percentage of total water connections metered											
		WS5.31(1)	(1) Number of water connections metered									
		WS5.31(2)	(2) Number of connections									

			unmetered									
ENV4.11	Percentage of biodiversity priority area within the municipality											
		ENV4.11(1)	(1) Total land area in hectares classified as "biodiversity priority areas"									
		ENV4.11(2)	(2) Total municipal area in hectares									
ENV4.21	Percentage of biodiversity priority areas protected											
		ENV4.21(1)	(1) Area of priority biodiversity area in hectares which is protected									
		ENV4.21(2)	(2) Total area identified as a priority biodiversity area in hectares									
TR6.11	Percentage of unsurfaced road graded			12	100							
		TR6.11(1)	(1) Kilometres of municipal road graded									
		TR6.11(2)	(2) Kilometres of unsurfaced road network		42.00	10.00	10.00	11.00	11.00			
GG3.12	Percentage of councillors who have declared their financial interests											
		GG3.12(1)	(1) Number of councillors that have declared their financial interests									
		GG3.12(2)	(2) Total number of municipal councillors									

QUARTERLY COMPLIANCE INDICATORS

C1.	Number of signed performance agreements by the MM									

	and section 56 managers									
C2.	Number of ExCo or Mayoral Executive meetings held									
C3.	Number of Council portfolio committee meetings held									
C4.	Number of MPAC meetings held									
C6.	Number of formal (minuted) meetings between the Mayor, Speaker and MM were held to deal with municipal matters									
C7.	Number of formal (minuted) meetings - to which all senior managers were invited- held									
C8.	Number of councillors completed training									
C9.	Number of municipal officials completed training									
C10.	Number of work stoppages occurring									
C11.	Number of litigation cases instituted by the municipality									
C12.	Number of litigation cases instituted against the municipality									
C13.	Number of forensic investigations instituted									
C14.	Number of forensic investigations conducted									
C15.	Number of days of sick leave taken by employees									
C16.	Number of permanent employees employed									
C17.	Number of temporary employees employed									

C18.	Number of approved demonstrations in the municipal area									
C19.	Number of recognised traditional and Khoi-San leaders in attendance (sum of) at all council meetings									
C20.	Number of permanent environmental health practitioners employed by the municipality									
C22.	Number of Council meetings held									
C23.	Number of disciplinary cases for misconduct relating to fraud and corruption									
C24.	Number of council meetings disrupted									
C25.	Number of protests reported									
C26.	R-value of all tenders awarded									
C27.	Number of all awards made in terms of Section 36 of the MFMA Municipal Supply Chain Management Regulations									
C28.	R-value of all awards made in terms of Section 36 of the MFMA Municipal Supply Chain Management Regulations									
C29.	Number of approved applications for rezoning a property for commercial purposes									
C30.	Number of business licenses approved									
C32.	Number of positions filled with regard to municipal infrastructure									

C33.	Number of tenders over R200 000 awarded									
C34.	Number of months the Municipal Managers' position has been filled (not Acting)									
C35.	Number of months the Chief Financial Officers' position has been filled (not Acting)									
C36.	Number of vacant posts of senior managers									
C38.	Number of filled posts in the treasury and budget office									
C40.	Number of filled posts in the development and planning department									
C42.	Number of registered engineers employed in approved posts									
C43.	Number of engineers employed in approved posts									
C44.	Number of disciplinary cases in the municipality									
C45.	Number of finalised disciplinary cases									
C47.	Number of waste management posts filled									
C49.	Number of electricians employed in approved posts									
C51.	Number of filled water and wastewater management posts									
C56.	Number of customers provided with an alternative energy supply (e.g. LPG or paraffin or biogel according to supply									

	level standards)									
C57.	Number of registered electricity consumers with a mini grid-based system in the municipal service area									
C58.	Total non-technical electricity losses in MWh (estimate)									
C59.	Number of municipal buildings that consume renewable energy									
C61.	Total number of chemical toilets in operation									
C63.	Total volume of water delivered by water trucks									
C67.	Number of paid full-time firefighters employed by the municipality									
C68.	Number of part-time and firefighter reservists in the service of the municipality									
C69.	Number of 'displaced persons' to whom the municipality delivered assistance									
C71.	Number of procurement processes where disputes were raised									
C73.	Number of structural fires occurring in informal settlements									
C74.	Number of dwellings in informal settelements affected by structural fires (estimate)									
C76.	Number of SMMEs and informal businesses benefitting from municipal digitisation support									

	programmes rolled out directly or in partnership with other stakeholders										
C77.	B-BBEE Procurement Spend on Empowering Suppliers that are at least 51% black owned based										
C78.	B-BBEE Procurement Spend on Empowering Suppliers that are at least 30% black women owned										
C79.	B-BBEE Procurement Spend from all Empowering Suppliers based on the B-BBEE Procurement										
C86.	Number of households in the municipal area registered as indigent										
C89.	Number of meetings of the Excutive or Mayoral Committee postponed due to lack of quorum										

ANNUAL COMPLIANCE INDICATORS

C5.	Number of recognised traditional leaders within your municipal boundary										
C21.	Number of approved environmental health practitioner posts in the municipality										
C31.	Number of approved posts in the municipality with regard to municipal infrastructure										
C37.	Number of approved posts in the treasury and budget office										
C39.	Number of approved posts in the										

	development and planning department										
C41.	Number of approved engineer posts in the municipality										
C46.	Number of approved waste management posts in the municipality										
C48.	Number of approved electrician posts in the municipality										
C50.	Number of approved water and wastewater management posts in the municipality										
C52.	Number of maintained sports fields and facilities										
C53.	Square meters of maintained public outdoor recreation space										
C54.	Number of municipality-owned community halls										
C60.	Total number of sewer connections										
C62.	Total number of Ventilation Improved Pit Toilets (VIPs)										

COMPLIANCE QUESTIONS

Q1.	Does the municipality have an approved Performance Management Framework?									
Q2.	Has the IDP been adopted by Council by the target date?									
Q3.	Does the municipality have an approved LED Strategy?									
Q4.	What are the main causes of work stoppage in the past quarter by type of									

	stoppage?									
Q5.	How many public meetings were held in the last quarter at which the Mayor or members of the Mayoral/Executive committee provided a report back to the public?									
Q6.	When was the last scientifically representative community feedback survey undertaken in the municipality?									
Q7.	What are the biggest causes of complaints or dissatisfaction from the community feedback survey? Indicate the top four issues in order of priority.									
Q8.	Please list the locality, date and cause of each incident of protest within the municipal area during the reporting period:									
Q9.	Does the municipality have an Internal Audit Unit?									
Q10.	Is there a dedicated position responsible for internal audits?									
Q11.	Is the internal audit position filled or vacant?									
Q12.	Has an Audit Committee been established? If so, is it functional?									
Q13.	Has the internal audit plan been approved by the Audit Committee?									
Q14.	Has an Internal Audit Charter and Audit Committee charter been									

	approved and adopted?										
Q15.	Does the internal audit plan set monthly targets?										
Q16.	How many monthly targets in the internal audit plan were not achieved?										
Q17.	Does the Municipality have a dedicated SMME support unit or facility in place either directly or in partnership with a relevant roleplayer?										
Q18.	What economic incentive policies adopted by Council does the municipality have by date of adoption?										
Q19.	Is the municipal supplier database aligned with the Central Supplier Database?										
Q20.	What is the number of steps a business must comply with when applying for a construction permit before final document is received?										
Q22	Please list the name of the structure and date of every meeting of an official IGR structure that the municipality participated in this quarter:										
Q23.	Where is the organisational responsibility for the IGR support function located within the municipality (inclusive of the reporting line)?										
Q24.	Is the MPAC functional?										

	List the reasons why if the answer is not 'Yes'.										
Q25.	Has a report by the Executive Committee on all decisions it has taken been submitted to Council this financial year?										

Performance indicator	Ref No. (sub)	Data element	Baseline (Annual Performance of 2020/21 estimated)	Medium term target for 2025/26	Reasons for no data, if not provided	Steps undertaken, or to be undertaken, to provide data in the future	Estimated date when data will be available	NOTES
OUTCOME INDICATORS FOR ANNUAL MONITORING								
EE4.4		Percentage total electricity losses						
	EE4.4(1)	(1) Electricity Purchases in kWh						
	EE4.4(2)	(2 Electricity Sales in kWh						
WS3.1		Frequency of sewer blockages per 100 KMs of pipeline						
	WS3.1(1)	(1) Number of blockages in sewers that occurred						
	WS3.1(2)	(2) Total sewer length in KMs						
WS3.2		Frequency of water mains failures per 100 KMs of pipeline						
	WS3.2(1)	(1) Number of water mains failures (including failures of valves and fittings						
	WS3.2(2)	(2) Total mains length (water) in KMs						
WS3.3		Frequency of unplanned water service interruptions						
	WS3.3(1)	(1) Number of unplanned water service interruptions						
	WS3.3(2)	(2) Total number of water service connections						
WS4.1		Percentage of drinking water samples complying to SANS241						
	WS4.1(1)	(1) Number of water sample tests that complied with SANS 241 requirements						
	WS4.1(2)	(2) Total number of water samples tested						
WS4.2		Percentage of wastewater samples compliant to water use license conditions						
	WS4.2(1)	(1) Number of wastewater samples tested per determinant that meet compliance to specified water use license requirements						
	WS4.2(2)	(2) Total wastewater samples tested for all determinants over the municipal financial year						
WS5.1		Percentage of non-revenue water						
	WS5.1(1)	(1) Number of Kilolitres Water Purchased or Purified						
	WS5.1(2)	(2) Number of kilolitres of water sold						
WS5.2		Total water losses						
	WS5.2(1)	(1) System input volume						
	WS5.2(2)	(2) Authorised consumption						

WS5.2(3)	(3) Number of service connections					
WS5.4	Percentage of water reused					
WS5.4(1)	(1) Volume of water recycled and reused (VRR)					
WS5.4(2)	(2) 1.a Direct use of treated municipal wastewater (not including irrigation)					
WS5.4(3)	(3) 1.b Direct use of treated municipal wastewater for irrigation purposes					
WS5.4(4)	(4) System input volume					
ENV5.1	Recreational water quality (coastal)					
ENV5.1(1)	(1) Number of coastal water samples classified as "sufficient"					
ENV5.1(2)	(2) Total number of recreatinoal coastal water quality samples taken					
ENV5.2`	Recreationalwater quality (inland)					
ENV5.2(1)	(1) Number of inland water sample tests within the 'targeted range' for intermediate contract recreational water use					
ENV5.2(2)	(2) Total number of sample tests undertaken					
HS3.5	Percentage utilisation rate of community halls					
HS3.5(1)	(1) Sum of hours booked across all community halls in the period of assessment					
HS3.5(2)	(2) Sum of available hours for all community halls in the period of assessment					
HS3.6	Average number of library vists per library					
HS3.6(1)	(1) Total number of library visits	12871	15000			
HS3.6(2)	(2) Count of municipal libraries	6	6			
HS3.7	Percentage of municipal cemetery plots available					
HS3.7(1)	(1) Number of available municipal burial plots in active municipal cemeteries	8656				
HS3.7(2)	(2) Total capacity of all burial plots in active municipal cemeteries	8656	10000			
TR6.2	Number of potholes reported per 10kms of municipal road network					
TR6.2(1)	(1) Number of potholes reported					
TR6.2(2)	(2) Kilometres of surfaced municipal road network					
GG1.1	Percentage of municipal skills development levy recovered					
GG1.1(1)	(1) R-value of municipal skills development levy recovered					
GG1.1(2)	(2) R-value of the total qualifying value of the municipal skills development levy					
GG1.2	Top management stability					
GG1.2(1)	(1) Total sum of standard working days, in the					

		reporting period, that each S56 and S57 post was occupied by a fully appointed official (not suspended or vacant) with a valid signed contract and performance agreement)					
	GG1.2(2)	(2) Aggregate working days for all S56 and S57 Posts					
GG2.1	Percentage of ward committees that are functional (meet four times a year, are quorate, and have an action plan)						
	GG2.1(1)	(1) Functional ward committees					
	GG2.1(2)	(2) Total number of wards					
GG2.2	Attendance rate of municipal council meeting by recognised traditional and Khoi-San leaders						
	GG2.2(1)	(1) Sum of the total number of recognised traditional and Khoi-San leaders in attendance at municipal council proceedings					
	GG2.2(2)	(2) The total number of traditional and Khoi-San leaders within the municipality					
	GG2.2(3)	(3) Total number of Council meetings					
GG4.1	Percentage of councillors attending council meetings						
	GG4.1(1)	(1) The sum total of councillor attendance of all council meetings					
	GG4.1(2)	(2) The total number of council meetings					
	GG4.1(3)	(3) The total number of councillors in the municipality					

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