

Sakhisizwe Local Municipality *2023/2024 IDP*



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GLOSSARY OF TERMS

ABET	Adult Based Education and Training
ABSA	Amalgamated Banks of South Africa
AIDS	Acquired Immune Deficiency Syndrome
ASGISA	Accelerated and Shared Growth Initiative for South Africa
CASP	Comprehensive Agriculture Support Programme
CBO	Community Based Organization
CHDM	Chris Hani District Municipality
CHARTO	Chris Hani Regional Tourism Organisation
CPF	Community Policing Forum
CSIR	Council for Scientific and Industrial Research
DBSA	Development Bank of South Africa
DEAT	Department of Environment and Tourism (Also known as DEA)
DFA	Development Facilitation Act No 67 of 1995
DLA	Department of Land Affairs
DLGH	Department of Local Government
DM	District Municipality
DME	Department of Mineral and Energy
DRDAR	Department of Rural Development and Agrarian Reform
DRLR	Department of Rural Development and Land Reform
DoE	Department of Education
DoH	Department of Health
DHS	Department of Human Settlements
DoSD	Department of Social Development
DoT	Department of Transport
DPLG	Department of Provincial and Local Government (National)
DRPW	Department of Roads and Public Works
DSRAC	Department of Sport, Recreational, Arts & Culture
DWS	Department of Water and Sanitation
ECA	Environmental Conservation Act
EIA	Environmental Impact Assessment
ES	Equitable Share (grant)
FBS	Free Basic Services
ECDC	Eastern Cape Development Corporation
ECPGDS	Eastern Cape Provincial Growth & Development Strategy
EXCO	Executive Committee
GGP	Gross Geographic Product
GIS	Geographical Information System

GTZ	German Technical Cooperation
GVA	Gross Value Added
HDI	Human Development Index
HIV	Human Immune Deficiency Virus
HR	Human Resource
IDC	Independent Development Corporation
IDP	Integrated Development Plan
IDT	Independent Development Trust
ICT	Information Communication & Technology
ITP	Integrated Transportation Plan
IWMP	Integrated Waste Management Plan
LDO	Land Development Objectives
LED	Local Economic Development
MEC	Member of the Executive Committee
MIG	Municipal Infrastructure Grant
MFMA	Municipal Finance Management Act
MSIG	Municipal Support & Institutional Grant
MSA	Municipal Systems Act, 2000
MSA	Municipal Structures Act, 1998
NDC	National Development Corporation
NEMA	National Environmental Management Act
NER	National Electrification Regulator
NGO	Non-Governmental Organizations
NSS	National Sanitation Strategy
PAJA	Promotion of Administrative Justice Act
PMS	Performance Management System
PPP	Public Private Partnership
RAFI	Rural Agro-Industries Finance Initiative
RDP	Reconstruction and Development Programme
REDs	Regional Electricity Distributors
RTP	Responsible Tourism Planning
SMME	Small Medium and Micron Enterprises
SoE	State Owned Enterprises
SoR	State of Environment Report
SADC	Southern African Development Community
SALGA	South African Local Government Association
SANDF	South African National Defence Force
SAPS	South African Police Service
SGB	School Governing Body

STDs	Sexual Transmitted Diseases
TB	Tuberculosis
VAT	Value Added Tax
VIP	Ventilated Improved Pit (dry sanitation facility)
WSDP	Water Services Development Plan

FOREWORD BY MAYOR

It is a great pleasure to present the 2023/2024 IDP and Budget for the municipality to all Sakhisizwe Local Municipality communities. This is the work that has been compiled working together with our entire community and different stakeholders, through engagements at different phases in ensuring that it represents what our communities have been requesting during our engagements.

In March 2020 our Honourable President Cyril Ramaphosa pronounced the state of disaster due to the outbreak of COVID19 pandemic. This severely hampered service delivery, wherein our communities could not receive rendered services as envisaged. Most of our people lost their loved ones. It became difficult as people could not conduct business, earn a living and support their families. During the lockdown period (COVID19) there was no economic growth and some of our people could not sustain themselves as they usually do.

As the President eased the COVID19 Regulations, which allowed for Municipal elections to take place. Our communities went out and took advantage of the opportunities as they casted their votes so that their voices could be had. At the elections, our Council was inaugurated, Council structures established such as the Women's Caucus. When Census 2022 was undertaken our communities took advantage of the period as they fully participated and they were counted during the Census 2022. The Census period is very crucial as it informs Government on how to plan and allocate resource that will permit service delivery to our communities.



B.E PONOSHE
HONORABLE MAYOR
SAKHISIZWE LOCAL MUNICIPALITY

EXECUTIVE SUMMARY

INTRODUCTION

The Municipal Systems Act, 2000 (Act 32 of 2000) states that each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality which (a) links, integrates and coordinates plans and takes into account proposals for the development of the municipality (b) aligns the resources and capacity of the municipality with the implementation of the plan and (c) forms the policy framework and general basis on which annual budgets must be based.

In line with the Municipal Systems Act (MSA) and the Municipal Finance Management Act, 2003 (Act 56 of 2003), the Sakhisizwe Municipality has developed its five-year IDP for 2022–2027, which is supported by the Medium-term Revenue and Expenditure Framework (MTREF) for the 2022–2026 financial years. This is the first review of the 2022- 2027 IDP and is premised key strategic goals that the Council resolved in during the development of the 5 year IDP in 2022.

The Strategic Planning Session of the municipality held on the 8th to 10th March 2023 agreed not to change the vision and mission as it is still relevant.

The document also provides a detailed list of programmes and projects to be implemented in attempting to reverse the development challenge outlined above. It further provides a framework for ensuring smooth integration, alignment and synergy in the implementation of this IDP's intention. It concludes with the outline of the processes followed in approving this IDP review for implementation.

OBJECTIVES OF THIS REVIEW

The main objectives of this review are to:

- Identify the progress, gaps and challenges in the provision of services
- Comply with legal requirements in terms of LG MSA of 2000
- Update our planning information and integrate ward based planning
- Improve credibility of our IDP document
- Address the concerns and comments made by MEC on our previous document so that we may achieve a credible plan
- Correct and prevent recurrence of the issues relating to the alignment of Planning, Governance and Performance Management processes raised as concerns to the Auditor General (AG) in our annual reports

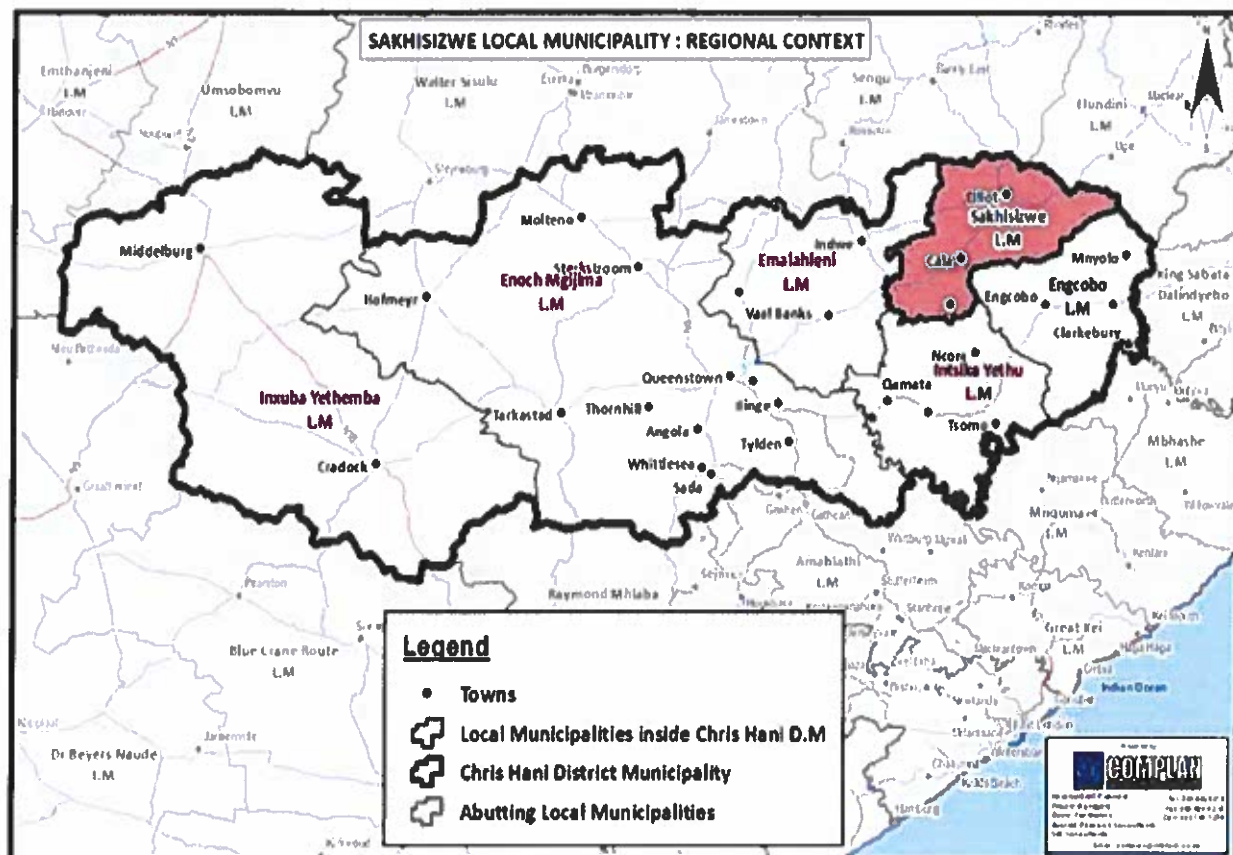

S.G. SOTSHONGAYE
MUNICIPAL MANAGER

CHAPTER 1: ENVIRONMENTAL ANALYSIS

1.1. Introduction

The Sakhisizwe Local Municipality is a Category B municipality (Area: 2 355km²) situated within the Chris Hani District in the Eastern Cape Province. It is bordered by the Joe Gqabi District to the north, Intsika Yethu to the south, Engcobo to the east, and Emalahleni to the west. The municipality is the smallest of six in the district, making up 6% of its geographical area. Sakhisizwe is an isiXhosa name meaning 'we are building the nation'.

Sakhisizwe is a category B4 type with largely rural (61%) and low revenue base) situated within the Chris Hani District of the Eastern Cape Province (see maps below). It is made up of the main town of Cala and Khowa as well as the surrounding rural villages and farms.



1.2. Soil, Land cover and vegetation types

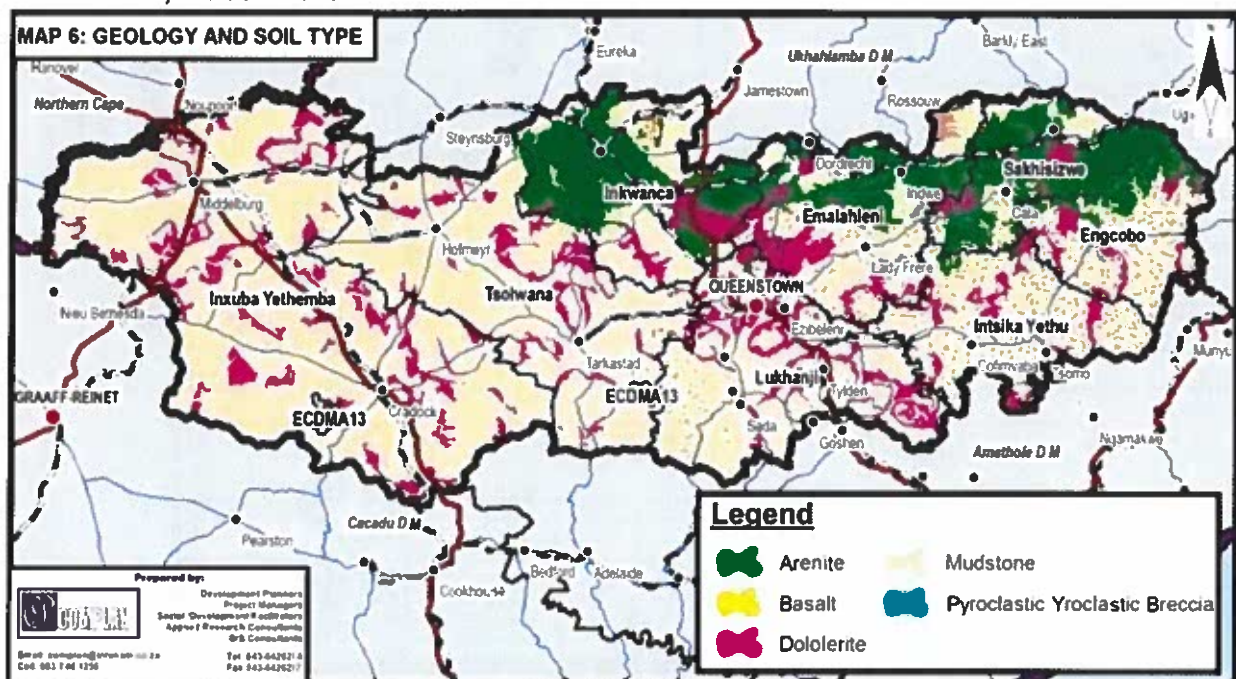
Land Capability is determined by the collective effects of soil, terrain and climate features. It indicates the most intensive long-term and sustainable use of land for rain-fed agriculture and at the same time highlights the permanent limitations associated with the different land use classes. It is therefore a more general term and conservation oriented than land suitability. The land capability in CHDM is indicated in Map 8 below.

Subarid Thorn Bushveld	Fire and grazing are ecological processes within this vegetation type. This summer rainfall grassland is invaded by Sweet Thorn Acacia Karoo. The economic uses for this vegetation are mainly grazing.
Eastern Mixed Nama Karoo	The north east region of Eastern Mixed Nama Karoo is the only Karoo type in which fire is important in shaping the communities. This type has the highest rainfall of all the Karoo types and thus ecotonal to grassland. As a result it is very sensitive to grazing pressure and, depending on stocking density and rainfall conditions may resemble either grassland or Karoo. The Eastern Mixed Nama Karoo is too dry for crop production; however this is the prime sheep and goat grazing area, producing much wool and meat. Irrigation along the Orange River is important; some of the dams on the Range River occur in this vegetation type.

1.3. Geology

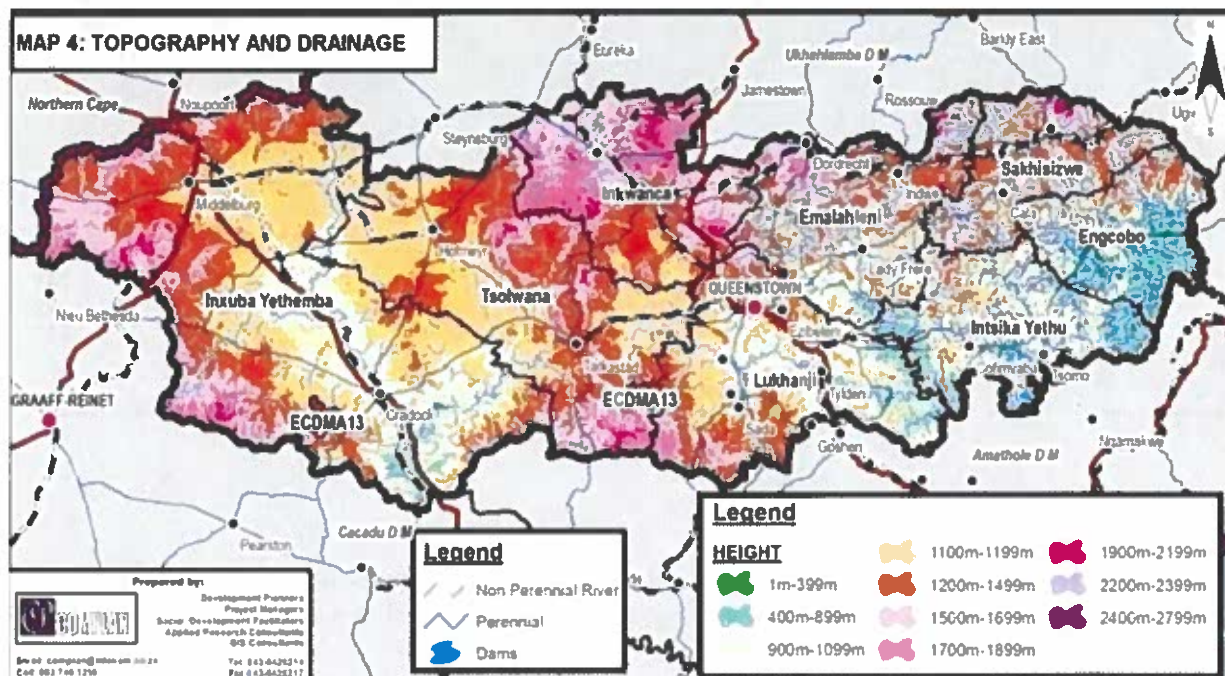
The District consists mainly of Beaufort sediments intruded by dolerite. These comprise shale, mudstone and sandstone.

The soils in the District area are mainly from the Beaufort and Molteno series of the Karoo sequence. As a result, the soils are poorly developed, shallow or duplex, which are mostly not suitable for crop production. In the Fish River Valleys, however, deeper soils do occur. In the Fish River Valley, for example, there are 15 soil forms of which the Hutton, Clovelly and Oakleaf forms (Binomial Classification) are dominant.



1.4. Topography

The Sakhisizwe municipal area comprises gently undulating “table land” forming the Drakensberg foothills. Elevations in the area range between 750m to 2600m above sea level. The soil types vary according to topography. The low-lying area is characterized by soils with high clay content (highly erodible) and the surrounding hills consist of strong litho-soils. Size of municipality is 2556 km².



1.5. Climate

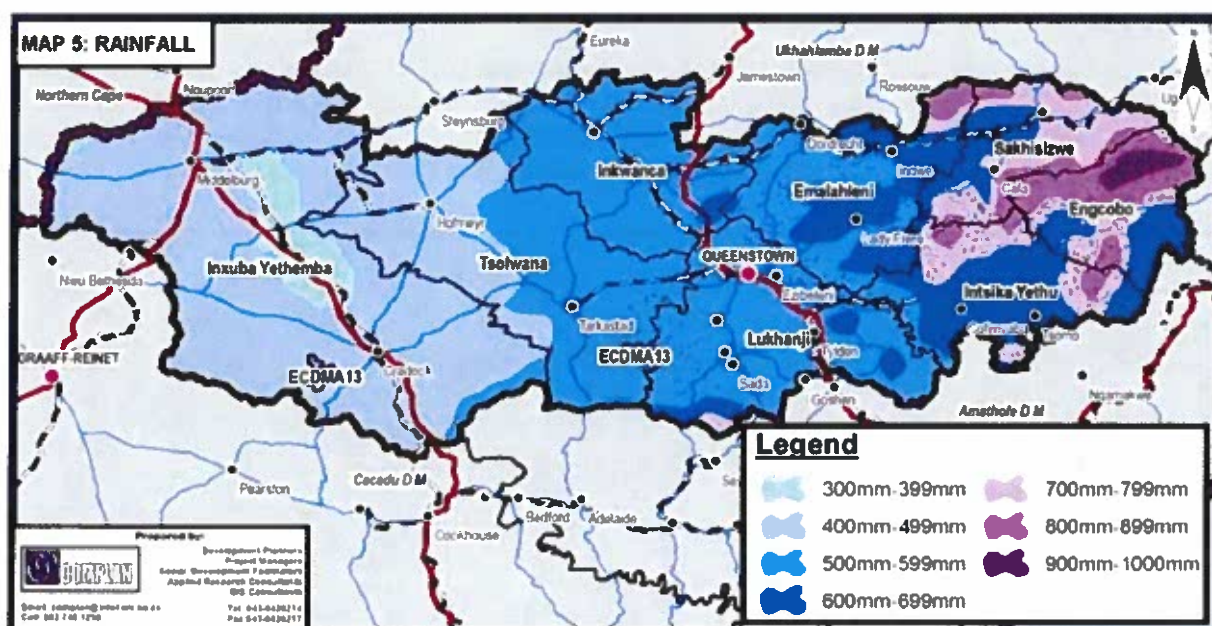
Sakhisizwe area experiences warm moist summers; cold dry winters and snow during the winter months. Some parts of the area also experience thunder for about 60 days a year.

1.6. Water Sources

The rainfall varies dramatically over the area depending mostly on altitude and distance from the coast. In the western arid areas, the average annual precipitation is between 200mm and 300mm whereas in the eastern high lying areas of Cofimvaba it is 700-800mm. the greater part of the area is, however, arid to semi-arid and receives less than 400mm per annum.

Rainfall distribution is poor and dry spells are a frequent occurrence. The rainfall of the former Transkei shows little variation and can therefore be classified as reliable. This variation of rainfall during the early summer months makes early planting of agronomic crops risky. It is a summer rainfall area with 70% - 80% of the precipitation occurring during the summer months in the form of thunderstorms. These storms are often of high intensity and are sometimes accompanied by hail. Only 20-30% of the rainfall occurs during the winter month, which usually results in snowfalls on the Chris Hani District Municipality plateau and the high lying mountainous areas of Compassberg Winterberg.

Further west, there will be poorer rainfall distribution, with severe droughts occurring fairly frequently. The rainfall in the eastern area (Cofimvaba and Ngcobo) is more evenly spread, except for the early summer months when “dry” spells can be expected, which makes the early planting of agronomic crops risky.



2. Environmental Opportunities

Sakhisizwe Local Municipality has some of the most beautiful scenery in South Africa. It has most of the highest mountain passes in the country. This can be used to promote self-drives for 4 x 4 enthusiasts.

The rugged terrain can be utilised for adventure and agricultural tourism which is already occurring like the Khowa. The numerous sandstone outcrops can be utilised for building bricks or paving as is being done. There is a lot of fine river sand for building purposes, but this needs to be monitored as much illegal sand mining is occurring without permits.

The high amount of wind and solar energy can be utilised for greener energy alternatives such as wind and solar energy (CHDM Environmental Management Plan, 201). However, these alternatives require further study and mapping. Currently the ESKOM Grid in the area is underutilised due to lack of large-scale factory production in the area and therefore it does not make economic sense for ESKOM to purchase spare electricity. However, the changes which allow for Municipalities to purchase electricity from independent producers means that the feasibility for green energy is improved.

Many paleontological species are being discovered in the area with many skeletons especially in Khowa as well as rock art. Khowa's potential is being studied as a heritage site.

3. Environmental Aspects and Challenges

- Alien vegetation. The municipality struggles with crack willow which grows along the Tsomo River and sucks up litres of water.
- Firewood collection. Persons collect firewood indiscriminately breaking down trees. The indiscriminate burning of grasslands creates air pollution and loss of biodiversity. It is impossible to determine the extent of air pollution as the municipality does not have a quality management plan.
- The location of dipping tanks. Many of these dipping tanks are located near streams which can poison water supplies.
- Borrow pits which are not adequately rehabilitated and mined without the necessary permits
- Drainage culverts placing can either hinder or promote gully erosion

- The proximity of wastewater treatment works at both Lady Grey and Barkly East to rivers poses a risk as they could be susceptible to potential flood damage.
- Soil erosion, which is the highest in the CHDM area due to marginal soils being utilised for inappropriate agricultural practices.
- The registration and management of solid waste disposal sites and limited recycling facilities and programmes. This however will change with the building of new SWS in most urban areas.
- Burning of waste and inadequate collection of waste leading to illegal dumping.
- Lack of human and financial capacity to implement environmental by-laws and act on environmental issues. This is changing due to the training of officials as peace officers.
- Inappropriate land and hygiene practices leading to increased sedimentation and eutrophication and pollution of fresh and groundwater sources.
- Increased invasion by alien and undesirable species in Cala.
- Limited protection of environmental sensitive areas.
- Poor and crumbling sanitation infrastructure (CHDM Environmental Management Plan 2011).
- Poor protection of wetlands and springs
- Flash flooding due to the steep terrain which results in rapid runoff and accelerated donga erosion. The geological nature of the soil and poor veld, animal and soil management contribute to the large-scale loss of topsoil.

4. Protection of Natural Assets and Integrated Environmental Planning Programmes

Whilst the Municipality is blessed with some of the most beautiful alpine scenery which is one of the prime factors for its tourism industry, very little is done to protect the environment and it lies in the hands of individual landowners to conserve this fragile environment.

The Municipality has a huge quantity of sandstone which is being mined and cut into bricks for building. A large quantity of sand is constantly mined for the making of bricks. The Municipality does not have control over these activities.

In general, environmental protection of assets is stressed in the SDF and the Municipality adheres to this in the planning of new developments. The protection of environmental assets is poor due to lack of human and financial resources. Large scale education of the public is required as well as strong political will.

The Municipality is busy addressing the issue of poor management of its waste sites and is in the process of building new sites and closing non-compliant waste management sites.

The Municipality is struggling with the impact brought about climate change which has resulted in increased severity of events such as increased rainfall in a short amount of time which leads to mass flooding. As a result, the Municipality is looking to mitigate against climate change as well as adapt its infrastructure provision to these changes. The Municipality is looking at developing partnerships in order to ensure that its draft climate change strategy responds adequately to the challenges identified.

In order to do this, it will be adopting an EBA (Ecosystems Based Approach) to climate change. This approach will involve intensive training of the political and administrative arms of the Municipality to ensure buy in as well as that of Traditional Leaders and communities. This approach will ensure that indigenous knowledge is applied in the design of projects as well as ensuring that projects remain sustainable. Focus will be on training, projects to decrease erosion such as stock and veld management as well as soil rehabilitation projects and lastly on how to improve household food security by the planting of water wise gardens and orchards. Further focus will be on improving water sustainability by utilising water wisely and increasing the capacity of water harvesting. This is an initiative from the UN and implemented by Rhodes University and the Department of Environmental Affairs.

The advantage of utilising this approach as well as other environmental planning tools, is that environmental plans such as a State of Environmental Report and Environmental Management Plans can be developed in the future, flowing from the draft district plans.

5. The impact of Climate Change

In 1990 South Africa was responsible for about 1.2 % of the total warming effect which placed it within the top ten contributing countries in the world. The carbon dioxide equivalent emission rate per person in South Africa is about 10 T of Carbon dioxide and above the global average of 7 T per person per year. A recent study by the Countries Studies Project predicts that climate change will cause mean temperature increases in the range of between 1 to 3 degrees centigrade by the mid-21st century with the highest increases in the most arid parts of the country.

A broad reduction of between 5 to 10 % decrease has been predicted for summer rainfall regions like Chris Hani. This is likely to be accompanied by an increased incidence of drought and floods with prolonged dry spells followed by intense storms. A marginal increase in early winter rainfall is predicted for the winter rainfall region. A rise in sea level is also predicted of about 0.9 m by 2100 (DEAT website 2000/2005)

Whilst there might be some debate on the effect of climate change, it is clear that the health sector, maize production, plant and animal biodiversity, water resources and rangelands are areas most vulnerable to climate change.

The main effects for Sakhisizwe Local Municipality would be:

- Water scarcity may increase in some areas. It is estimated that even without climate change, South Africa will use up most of its surface water resources within the next few decades. Climate change may also alter the magnitude, timing and distribution of storms that produce flood events.
- Frequency of livestock disease outbreaks could be affected
- Maize production will decrease as the climate becomes hotter and drier resulting in the decrease of about 10 to 20 % over the next 50 years.
- Decrease in biomes by 38 to 55 % by 2050, decrease in species and an expansion of insect pests such as the brown locust (DEAT website 2011)

The person responsible for environmental management is the Community Services Director. She has no assistants. The Community Services is responsible for waste management only. Other environmental management aspects are dealt with by the CHDM.

CHAPTER 2: DEMOGRAPHIC ANALYSIS

1. Socio Economic Indicators

1.1. Introduction

"Demographics", or "population characteristics", includes analysis of the population of a region. Distributions of values within a demographic variable, and across households, as well as trends over time are of interest.

In this chapter, an overview is provided of the demography of the Sakhisizwe Local Municipality and all its neighbouring regions, Chris Hani District Municipality, Eastern Cape Province and South Africa as a whole.

1.2. Population Dynamics

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.

With 67 100 people, the Sakhisizwe Local Municipality housed 0.1% of South Africa's total population in 2021. Between 2011 and 2021 the population growth averaged 0.59% per annum which is more than half than the growth rate of South Africa as a whole (1.50%). Compared to Chris Hani's average annual growth rate (0.73%), the growth rate in Sakhisizwe's population at 0.59% was very similar than that of the district municipality.

	Sakhisizwe	Chris Hani	Eastern Cape	National Total	Sakhisizwe as % of district municipality	Sakhisizwe as % of province	Sakhisizwe as % of national
2011	63,300	817,000	6,690,000	52,000,000	7.7%	0.95%	0.12%
2012	63,400	820,000	6,750,000	52,800,000	7.7%	0.94%	0.12%
2013	63,500	824,000	6,810,000	53,700,000	7.7%	0.93%	0.12%
2014	63,800	829,000	6,880,000	54,500,000	7.7%	0.93%	0.12%
2015	64,100	835,000	6,950,000	55,300,000	7.7%	0.92%	0.12%
2016	64,600	841,000	7,020,000	56,200,000	7.7%	0.92%	0.11%
2017	65,000	848,000	7,100,000	57,000,000	7.7%	0.92%	0.11%
2018	65,600	856,000	7,180,000	57,900,000	7.7%	0.91%	0.11%
2019	66,100	864,000	7,250,000	58,800,000	7.6%	0.91%	0.11%
2020	66,700	872,000	7,330,000	59,600,000	7.6%	0.91%	0.11%
2021	67,100	879,000	7,400,000	60,300,000	7.6%	0.91%	0.11%
Average Annual growth 2011-2021	0.59%	0.73%	1.01%	1.50%			

Source: IHS Markit Regional eXplorer version 2236

When compared to other regions, the Sakhisizwe Local Municipality accounts for a total population of 67,100, or 7.6% 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 2021. The ranking in terms of the size of Sakhisizwe compared to the other regions remained the same between 2011 and 2021. In terms of its share the Sakhisizwe Local Municipality was slightly smaller in 2021 (7.6%) compared to what it was in 2011 (7.7%). When looking at the average annual growth rate, it is noted that Sakhisizwe ranked fourth (relative to its peers in terms of growth) with an average annual growth rate of 0.6% between 2011 and 2021.

1.3. Population by Group, Gender and Age

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

Sakhisizwe Local Municipality's male/female split in population was 97.0 males per 100 females in 2021. The Sakhisizwe Local Municipality appears to be a fairly stable population with the share of female population (50.76%) being very similar to the national average of (51.10%). In total there were 34 100 (50.76%) females and 33 000 (49.24%) males. This is different from the Chris Hani District Municipality as a whole where the female population counted 455 000 which constitutes 51.77% of the total population of 879 000.

TABLE 1.	African		White		Coloured	
	Female	Male	Female	Male	Female	Male
00-04	3,650	3,840	38	8	36	43
05-09	3,230	3,340	23	43	24	42
10-14	3,580	3,430	26	13	19	12
15-19	2,820	3,360	12	12	24	14
20-24	2,390	2,850	12	5	28	17
25-29	2,540	3,310	19	34	24	33
30-34	2,560	3,410	30	13	9	18
35-39	2,160	2,260	25	40	17	10
40-44	1,530	1,550	26	33	18	13
45-49	1,360	915	22	7	9	30
50-54	1,390	739	34	22	17	6
55-59	1,380	859	26	35	12	12
60-64	1,690	777	16	29	11	11
65-69	1,020	682	19	17	11	0
70-74	877	495	11	11	0	9
75+	1,230	512	10	5	4	5
Total	33,400	32,300	349	325	263	273

Source: IHS Markit Regional eXplorer version 2236

1.4. Number of Households by population group

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. An individual is considered part of a household if he/she spends at least four nights a week within the household. To categorise a household according to population group, the population group to which the head of the household belongs, is used.

If the number of households is growing at a faster rate than that of the population it means that the average household size is decreasing, and vice versa. In 2021, the Sakhisizwe Local Municipality comprised of 16 800 households. This equates to an average annual growth rate of 0.54% in the number of households from 2011 to 2021. With an average annual growth rate of 0.59% in the total population, the average household size in the Sakhisizwe Local Municipality is by implication increasing. This is confirmed by the data where the average household size in 2011 increased from approximately 4 individuals per household to 4 persons per household in 2021.

Relative to the district municipality, the Sakhisizwe Local Municipality had a lower average annual growth rate of 0.54% from 2011 to 2021. In contrast, the province had an average annual growth rate of 0.81% from 2011. The South Africa as a whole had a total of 16.7 million households, with a growth rate of 1.56%, thus growing at a higher rate than the Sakhisizwe.

TABLE 2.	Sakhisizwe	Chris Hani	Eastern Cape	National Total	Sakhisizwe as % of district municipality	Sakhisizwe as % of province	Sakhisizwe as % of national
2011	15,900	215,000	1,710,000	14,300,000	7.4%	0.93%	0.11%
2012	16,100	217,000	1,730,000	14,600,000	7.4%	0.93%	0.11%
2013	16,200	218,000	1,750,000	14,900,000	7.4%	0.93%	0.11%
2014	16,300	219,000	1,760,000	15,200,000	7.4%	0.93%	0.11%
2015	16,500	222,000	1,790,000	15,600,000	7.4%	0.92%	0.11%
2016	16,900	227,000	1,830,000	16,000,000	7.5%	0.92%	0.11%
2017	17,300	232,000	1,880,000	16,300,000	7.5%	0.92%	0.11%
2018	17,500	235,000	1,900,000	16,400,000	7.5%	0.92%	0.11%
2019	17,100	230,000	1,870,000	16,500,000	7.4%	0.91%	0.10%
2020	16,700	224,000	1,830,000	16,500,000	7.4%	0.91%	0.10%
2021	16,800	227,000	1,850,000	16,700,000	7.4%	0.91%	0.10%
Average Annual growth							
2011-2021	0.54%	0.54%	0.81%	1.56%			

Source: IHS Markit Regional eXplorer version 2236

1.5. HIV and Aids Estimates

HIV and AIDS can have a substantial impact on the growth of a particular population. However, there are many factors affecting the impact of the HIV virus on population progression: adult HIV prevalence rates; the speed at which the virus progresses; age distribution of the virus; the mother-to-child transmission; child treatment; adult treatment; and the percentage by which the virus decreases total fertility. ARV treatment can also prolong the lifespan of people that are HIV+. In the absence of any treatment, people diagnosed with HIV live for approximately 10 years before reaching the final stage of the disease (called AIDS). When patients reach this stage, recovery is highly unlikely.

HIV+ and AIDS estimates are defined as follows:

The HIV+ estimates are calculated by using the prevalence rates from the HIV/AIDS model built by the Actuarial Society of Southern Africa (ASSA-2008). These rates are used as base rates on a provincial level. IHS slightly adjusted the provincial ASSA-2008 data to more accurately reflect the national HIV Prevalence rate per population group as used in the national demographic models. The ASSA model in turn uses the prevalence rates from various primary data sets, in particular the HIV/AIDS surveys conducted by the Department of Health and the Antenatal clinic surveys. Their rates are further adjusted for over-reporting and then smoothed.

TABLE 3.	Sakhisizwe	Chris Hani	Eastern Cape	National Total	Sakhisizwe as % of district municipality	Sakhisizwe as % of province	Sakhisizwe as % of national
2011	7,190	90,700	732,000	6,480,000	7.9%	0.98%	0.11%
2012	7,310	92,400	746,000	6,630,000	7.9%	0.98%	0.11%
2013	7,430	94,000	759,000	6,770,000	7.9%	0.98%	0.11%
2014	7,550	95,700	772,000	6,910,000	7.9%	0.98%	0.11%
2015	7,680	97,500	786,000	7,050,000	7.9%	0.98%	0.11%
2016	7,810	99,300	799,000	7,200,000	7.9%	0.98%	0.11%
2017	7,960	101,000	815,000	7,360,000	7.8%	0.98%	0.11%
2018	8,110	104,000	830,000	7,530,000	7.8%	0.98%	0.11%
2019	8,270	106,000	847,000	7,710,000	7.8%	0.98%	0.11%
2020	8,430	108,000	863,000	7,900,000	7.8%	0.98%	0.11%
2021	8,600	110,000	879,000	8,090,000	7.8%	0.98%	0.11%
Average Annual growth							
2011-2021	1.80%	2.00%	1.85%	2.24%			

Source: IHS Markit Regional eXplorer version 2236

2. Development Indicators

2.1. Introduction

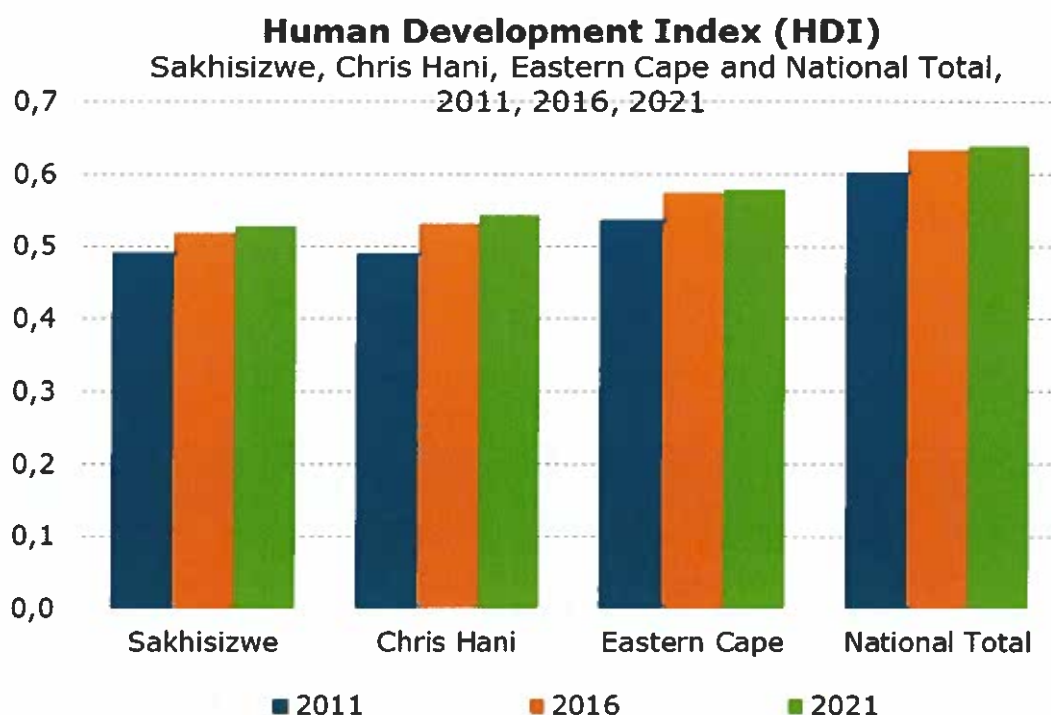
The economic state of Sakhisizwe Local Municipality is put in perspective by comparing it on a spatial level with its neighbouring locals, Chris Hani District Municipality, Eastern Cape Province and South Africa.

The Sakhisizwe 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.

2.2. Human Development Index (HDI)

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

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



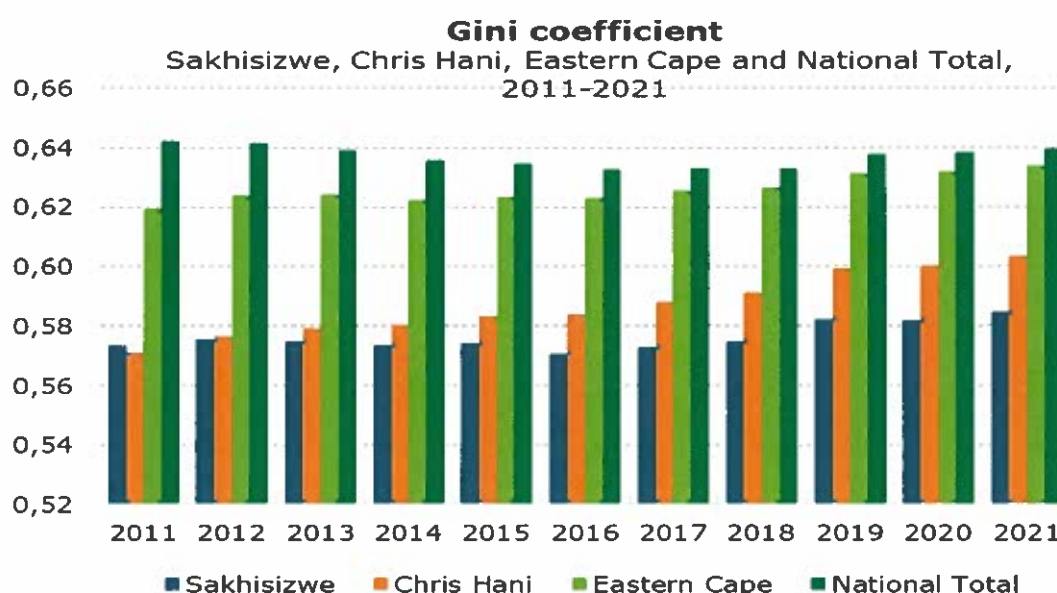
Source: IHS Markit Regional eXplorer version 2236

2.3. Gini coefficient

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.

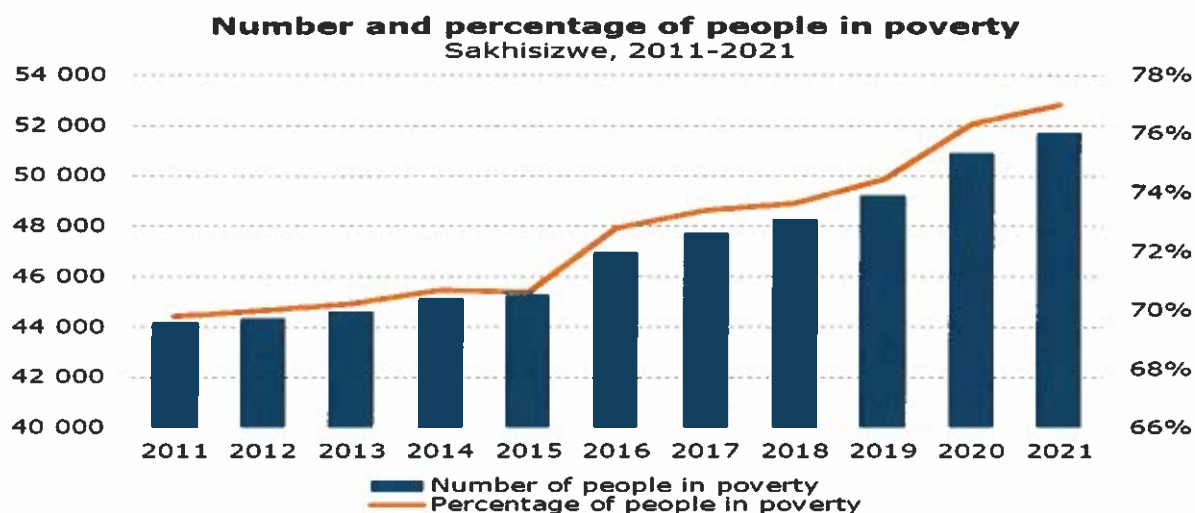
In 2021, the Gini coefficient in Sakhisizwe Local Municipality was at 0.585, which reflects an increase in the number over the ten-year period from 2011 to 2021. The Chris Hani District Municipality and the Eastern Cape Province, both had a more unequal spread of income amongst their residents (at 0.603 and 0.634 respectively) when compared to Sakhisizwe Local Municipality.



Source: IHS Markit Regional eXplorer version 2236

2.4. Poverty Gap

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.



2.5. Education, Literacy and skills levels

Within Sakhisizwe Local Municipality, the number of people without any schooling decreased from 2011 to 2021 with an average annual rate of -3.89%, while the number of people within the 'matric only' category, increased from 4,700 to 6,910. The number of people with 'matric and a certificate/diploma' increased with an average annual rate of 6.11%, with the number of people with a 'matric and a Bachelor's' degree increasing with an average annual rate of 1.96%. Overall improvement in the level of education is visible with an increase in the number of people with 'matric' or higher education.

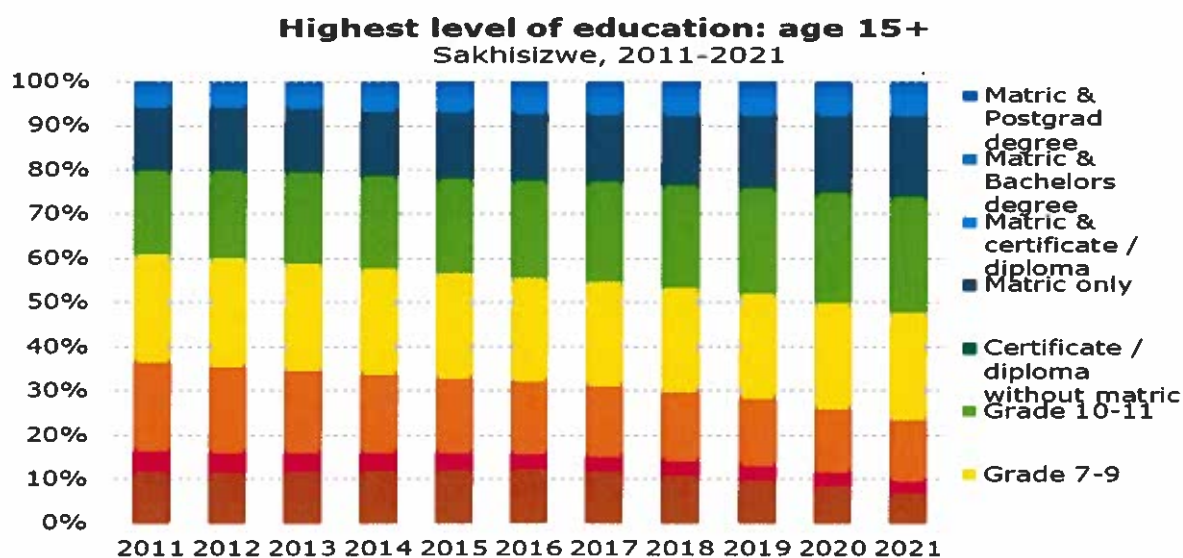


TABLE 4.	Sakhisizwe	Chris Hani	Eastern Cape	National Total	Sakhisizwe as % of district municipality	Sakhisizwe as % of province	Sakhisizwe as % of national
No schooling	2,670	31,700	186,000	1,470,000	8.4%	1.44%	0.18%
Grade 0-2	1,040	15,000	95,500	439,000	6.9%	1.09%	0.24%
Grade 3-6	5,390	73,500	483,000	2,630,000	7.3%	1.12%	0.21%
Grade 7-9	9,650	127,000	992,000	5,840,000	7.6%	0.97%	0.17%
Grade 10-11	10,300	127,000	1,180,000	9,880,000	8.1%	0.87%	0.10%
Certificate / diploma without matric	141	1,750	14,400	177,000	8.0%	0.98%	0.08%
Matric only	6,910	102,000	1,060,000	12,800,000	6.8%	0.65%	0.05%
Matric certificate / diploma	1,880	26,800	247,000	2,680,000	7.0%	0.76%	0.07%
Matric Bachelor's degree	824	11,200	126,000	1,650,000	7.3%	0.65%	0.05%
Matric Postgrad degree	382	4,200	48,500	853,000	9.1%	0.79%	0.04%

Functional literacy

Functional literacy describes the reading and writing skills that are adequate for an individual to cope with the demands of everyday life - including the demands posed in the workplace. This is contrasted with illiteracy in the strictest sense, meaning the inability to read or write. Functional literacy enables individuals to enter the labour market and contribute towards economic growth thereby reducing poverty.

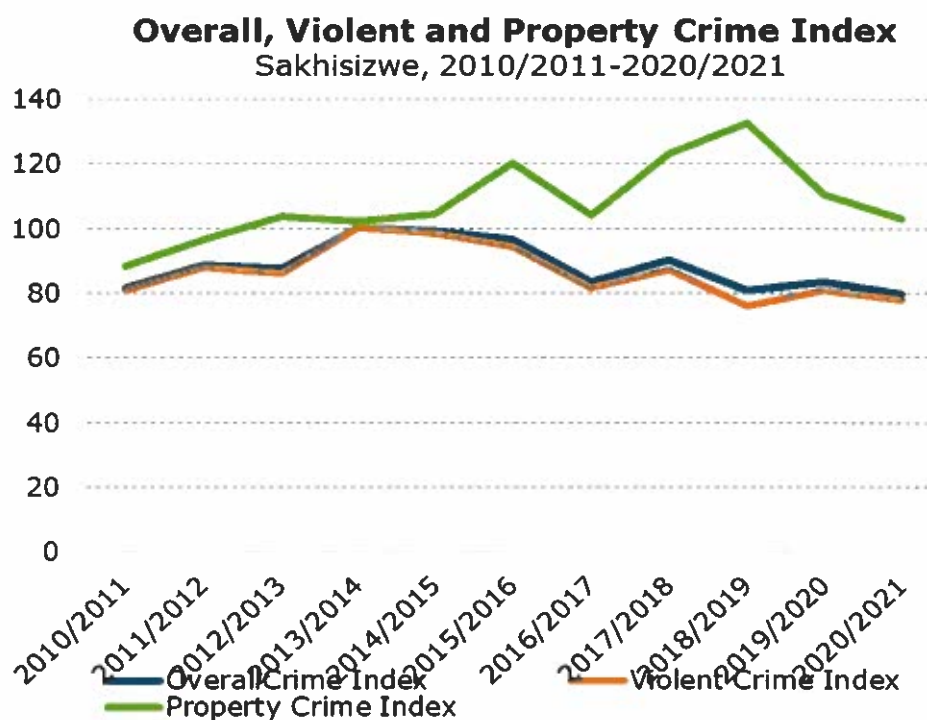
A total of 35 600 individuals in Sakhisizwe Local Municipality were considered functionally literate in 2021, while 9 710 people were considered to be illiterate. Expressed as a rate, this amounts to 78.54% of the population, which is an increase of 0.1 percentage points since 2011 (68.25%). The number of illiterate individuals decreased on average by -3.10% annually from 2011 to 2021, with the number of functional literate people increasing at 2.19% annually.

TABLE 5.	Illiterate	Literate	%
2011	13,308	28,612	68.3%
2012	13,097	28,948	68.9%
2013	12,918	29,214	69.3%
2014	12,788	29,555	69.8%
2015	12,663	29,956	70.3%
2016	12,506	30,393	70.8%
2017	12,292	30,929	71.6%
2018	11,851	31,789	72.8%
2019	11,395	32,754	74.2%
2020	10,614	34,116	76.3%
2021	9,712	35,546	78.5%
Average Annual growth 2011-2021	-3.10%	2.19%	1.41%

2.6. Crime

The state of crime in South Africa has been the topic of many media articles and papers in the past years, and although many would acknowledge that the country has a crime problem, very little research has been done on the relative level of crime. The media often tend to focus on more negative or sensational information, while the progress made in combating crime is neglected.

The crime index is a composite, weighted index which measures crime. The higher the index number, the higher the level of crime for that specific year in a particular region. The index is best used by looking at the change over time, or comparing the crime levels across regions.



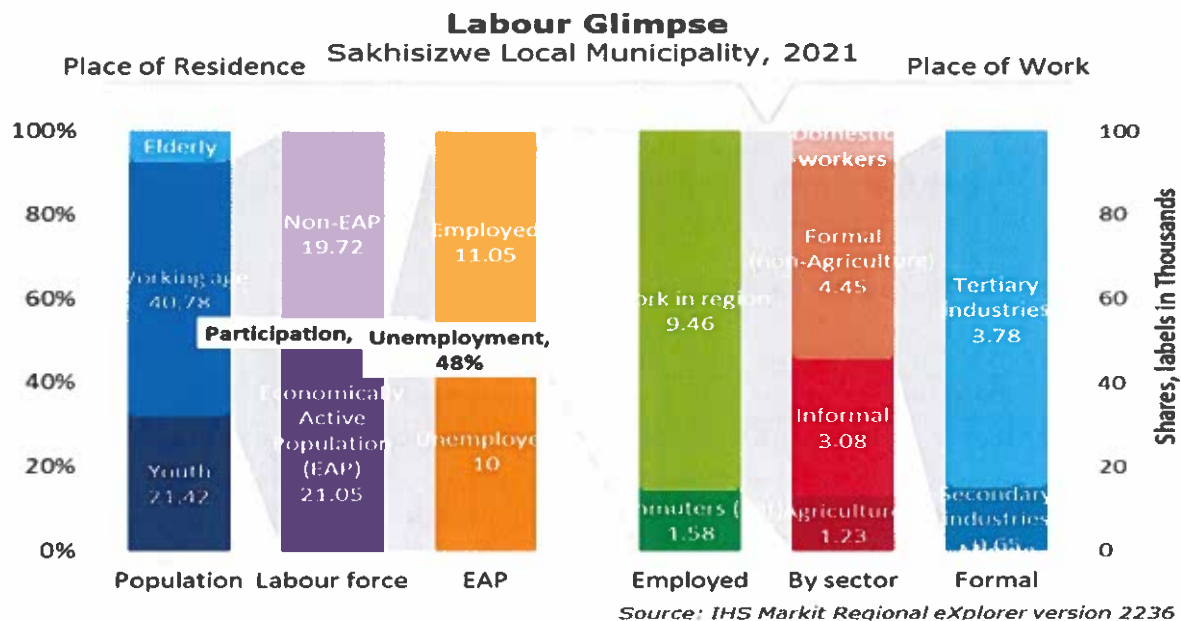
Source: IHS Markit Regional eXplorer version 2236

2.7. Labour Profile

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.

The working age population in Sakhisizwe in 2021 was 40 800, increasing at an average annual rate of 0.93% since 2011. For the same period the working age population for Chris Hani District Municipality increased at 0.92% annually, while that of Eastern Cape Province increased at 1.14% annually. South Africa's working age population has increased annually by 1.51% from 33.9 million in 2011 to 39.4 million in 2021.

The graph below combines all the facets of the labour force in the Sakhisizwe 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.



3. Migration Plan

Sakhisizwe Local Municipality has no migration plan in place as funding still must be sourced for this. This does have to be addressed as the Municipality has many illegal aliens who reside within the municipal area. The Municipality is looking at partnerships with government departments on how to address this issue as it is both a problem in that resources are drained, and no taxes paid but also an opportunity in terms of trade and skills being imported into the region.

Another in-migration which is occurring is that of foreign nationals who run and operate many of the small shops in rural areas. This does create problems, when they rent or run shops out of RDP houses. The money generated by them does not return to the economy, as in general they either buy in bulk from Komani. The Departments of Trade and Industry, Home Affairs and SARS need to assist the municipality in ensuring that the region benefits from these economic activities. It needs to be noted that these shop keepers are a boon to local communities as they provide a service which the community would otherwise be forced to travel long distances to access.

4. Population Concerns

The Municipality has a very high youthful population which indicates a high need for employment. Unfortunately, research by ECSECC has revealed the high unemployment amongst youth due to structural issues in the economy. This does require addressing. There is also a greater need for secondary and tertiary education in the region. However, the only tertiary opportunities are offered outside the region. The traditional employment opportunities in agriculture and the commercial sector for low skilled workers do not appeal to the better educated and more global orientated youth of today. This is why the Municipality in its LED strategy is aiming to develop entrepreneurs in various service sectors in order to cater for this gap. However greater assistance is required from the Department of Education and Higher Education to provide the necessary skills and institutions to build the entrepreneurial mind set.

The other population concern is that of the influx of Lesotho citizens. The border is porous and there has always been traditional movement between the two countries unhindered by border posts. As a result, there is a greater demand for educational, health and housing. Thus, all of these departments come under pressure to provide services for persons who have been born in South Africa and lived here but without any documentation. In a sense, these people are not foreigners but are in fact South Africans. Their illegal status causes many social problems for them and their families and the Department of Social Development is often faced with abandoned children without papers.

5. Incorporation of Population Issues into Planning

Population issues and efforts to mitigate

Issue	Status Quo	Proposed Sector intervention
Gender and age	Youth constitute more of the total population and most of the population are females	Youth development to be strengthened. LED Strategies to have relevant youth development initiatives
HIV and AIDS	High levels of prevalence	Focus on awareness campaigns and access to treatment Strengthen and implement the HIV and AIDS Strategy
Migration	Higher out-migration rate which is above provincial Rate	Local Economic Development strategy to deal with business retention and attraction. Introduce small town regeneration programmes
Overall population	Stable population growth throughout the District	Increase in housing need to be reflected in the HSP

Population issues and efforts to mitigate

Goal 1: No Poverty	No Poverty - End poverty in all its forms everywhere	Poorest ward programme in Ward 5
Goal 2: Zero Hunger	Increase agricultural production Increase investment in agriculture	Assisting DRDAR with the implementation of wool improvement programme
Goal 3: Good Health and Well-being	Enforcement of traffic bylaws to prevent deaths	Employee wellness programmes Increase traffic police
Goal 4: Quality Education	Promotion of access to all bursaries by communities; Skills programmes Internships	Municipal Bursaries Training Internships
Goal 5: Gender Equality	Employment Equity Plan	Recruitment according to EEP
Goal 6: Clean Water and Sanitation	DM function	
Goal 7: Affordable and Clean Energy	Utilising solar power in mountainous areas	Solar geyser and electricity programme
Goal 8: Decent Work and Economic Growth	Functioning Local Labour forum Training for LLF	EPWP CWP
Goal 9: Industry, Innovation and Infrastructure	Build infrastructure to promote investment	Regular sittings of the Economic development forum

Goal 10: Reduced Inequalities	Increase community skills to enable better work opportunities	Utilise social investment programmes of the private sector
Goal 11: Sustainable Cities and Communities	SDF SPLUMA	Enforcement of town Planning legislation
Goal 12: Responsible Consumption and Production	Waste awareness campaigns to make people aware of responsible consumption	Waste recycling programmes
Goal 13: Climate Action	Climate change strategy	Training on climate change reduction strategies Partnerships to implement climate change
Goal 14: Life Below Water	No marine resources in the area	
Goal 15: Life on Land	Donga filling	Training on stock management reduction Donga filling programmes through DRDAR Ecosystems based approach
Goal 16: Peace, Justice and Strong Institutions	Participate in IGR forums around safety	Regular sitting of Integrated Community Safety forum
Goal 17: Partnerships for the Goals	Improve IGR relationships	Develop partnerships & MOU's

CHAPTER 3: SOCIO-ECONOMIC AND LED ANALYSIS

1. Economic Overview

The economic state of Sakhisizwe 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 Sakhisizwe 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. Gross Domestic Price by Region (GDP-R)

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

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.

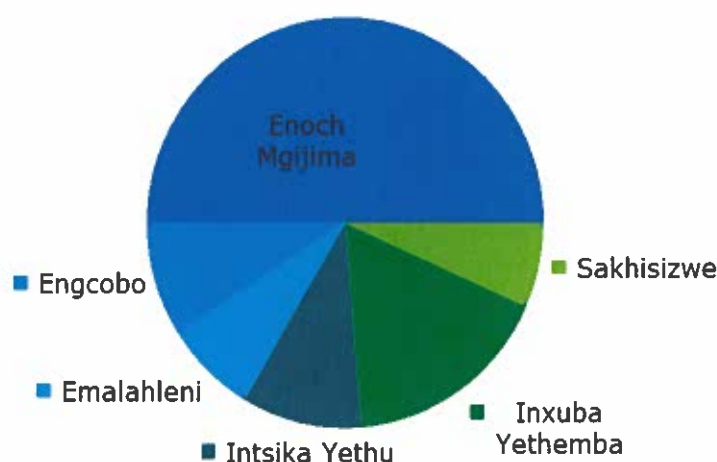
GDP-R can be measured using either current or constant prices, where the current prices measures the economy in actual Rand, and constant prices measures the economy by removing the effect of inflation, and therefore captures the real growth in volumes, as if prices were fixed in a given base year.

	Sakhisizwe	Chris Hani	Eastern Cape	National Total	Sakhisizwe as % of district municipality	Sakhisizwe as % of province	Sakhisizwe as % of national
2008	1.0	14.5	174.1	2,369.1	7.0%	0.59%	0.04%
2009	1.1	16.2	191.2	2,507.7	7.1%	0.60%	0.05%
2010	1.3	18.1	211.6	2,748.0	7.1%	0.60%	0.05%
2011	1.4	19.4	226.1	3,023.7	7.0%	0.60%	0.04%
2012	1.5	21.6	252.2	3,253.9	6.9%	0.59%	0.05%
2013	1.6	23.4	273.3	3,540.0	6.9%	0.59%	0.05%
2014	1.7	25.1	293.6	3,805.3	6.8%	0.58%	0.04%
2015	1.8	26.9	316.3	4,049.9	6.8%	0.58%	0.05%
2016	1.9	28.5	334.5	4,359.1	6.8%	0.58%	0.04%
2017	2.1	30.6	358.6	4,653.6	6.7%	0.58%	0.04%
2018	2.1	31.8	376.8	4,873.9	6.7%	0.57%	0.04%

Source: IHS Markit Regional eXplorer version 1870

In 2018, the Sakhisizwe Local Municipality achieved an annual growth rate of -0.51% which is a significant lower GDP growth than the Eastern Cape Province's 0.78%, but is lower than that of South Africa, where the 2018 GDP growth rate was 0.79%. Similar to the short-term growth rate of 2018, the longer-term average growth rate for Sakhisizwe (0.57%) is also significant lower than that of South Africa (1.50%). The economic growth in Sakhisizwe peaked in 2008 at 3.10%.

Gross Domestic Product (GDP) Chris Hani District Municipality, 2018



Source: IHS Markit Regional eXplorer version 1870

The Sakhisizwe Local Municipality had a total GDP of R 2.14 billion and in terms of total contribution towards Chris Hani District Municipality the Sakhisizwe Local Municipality ranked lowest relative to all the regional economies to total Chris Hani District Municipality GDP. This ranking in terms of size compared to other regions of Sakhisizwe remained the same since 2008. In terms of its share, it was in 2018 (6.7%) slightly smaller compared to what it was in 2008 (7.0%). For the period 2008 to 2018, the average annual growth rate of 0.6% of Sakhisizwe was the third relative to its peers in terms of growth in constant 2010 prices.

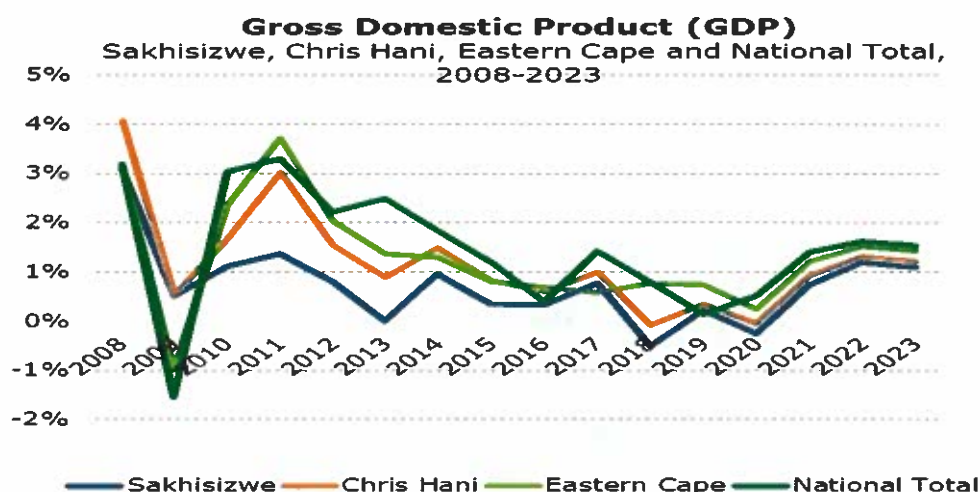
	2018 (Current prices)	Share of district municipality	2008 (Constant prices)	2018 (Constant prices)	Average Annual growth
Sakhisizwe	2.14	6.72%	1.26	1.33	0.57%
Inxuba Yethemba	5.39	16.97%	2.44	3.41	3.39%
Intsika Yethu	3.12	9.81%	2.00	1.92	-0.40%
Emalahleni	2.36	7.41%	1.39	1.45	0.42%
Engcobo	2.88	9.07%	1.90	1.79	-0.56%
Enoch Mgijima	15.90	50.03%	8.71	9.93	1.32%

Source: IHS Markit Regional eXplorer version 1870

Inxuba Yethemba had the highest average annual economic growth, averaging 3.39% between 2008 and 2018, when compared to the rest of the regions within Chris Hani District Municipality. The Enoch Mgijima Local Municipality had the second highest average annual growth rate of 1.32%. Engcobo Local Municipality had the lowest average annual growth rate of -0.56% between 2008 and 2018.

3. Economic Growth Forecast

It is expected that Sakhisizwe Local Municipality will grow at an average annual rate of 0.60% from 2018 to 2023. The average annual growth rate in the GDP of Chris Hani District Municipality and Eastern Cape Province is expected to be 0.75% and 1.03% respectively. South Africa is forecasted to grow at an average annual growth rate of 1.04%, which is higher than that of the Sakhisizwe Local Municipality



Source: IHS Markit Regional eXplorer version 1870

In 2023, Sakhisizwe's forecasted GDP will be an estimated R 1.37 billion (constant 2010 prices) or 6.7% of the total GDP of Chris Hani District Municipality. The ranking in terms of size of the Sakhisizwe Local Municipality will remain the same between 2018 and 2023, with a contribution to the Chris Hani District Municipality GDP of 6.7% in 2023 compared to the 6.7% in 2018. At a 0.60% average annual GDP growth rate between 2018 and 2023, Sakhisizwe ranked the fourth compared to the other regional economies.

4. Gross Value Added by Region

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

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

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

	Sakhisizwe	Chris Hani	Eastern Cape	National Total	Sakhisizwe as % of district municipality	Sakhisizwe as % of province	Sakhisizwe as % of national
Agriculture	0.1	0.9	6.7	106.1	6.9%	0.88%	0.06%
Mining	0.0	0.0	0.4	350.9	28.1%	2.28%	0.00%
Manufacturing	0.1	1.7	43.6	572.9	4.0%	0.15%	0.01%
Electricity	0.0	0.5	9.0	166.0	6.3%	0.35%	0.02%
Construction	0.1	1.2	13.3	170.3	7.8%	0.73%	0.06%
Trade	0.4	6.5	67.9	652.7	6.6%	0.63%	0.07%
Transport	0.2	2.3	30.3	426.7	6.5%	0.50%	0.04%
Finance	0.2	4.2	61.4	854.4	5.3%	0.36%	0.03%
Community services	0.9	11.7	102.7	1,041.3	7.7%	0.87%	0.09%
Total Industries	2.0	29.0	335.3	4,341.3	6.8%	0.58%	0.05%

Source: IHS Markit Regional eXplorer version 1870

In 2018, the community services sector is the largest within Sakhisizwe Local Municipality accounting for R 894 million or 45.6% of the total GVA in the local municipality's economy. The sector that contributes the second most to the GVA of the Sakhisizwe Local Municipality is the trade sector at 21.9%, followed by the finance sector with 11.4%. The sector that contributes the least to the economy of Sakhisizwe Local Municipality is the mining sector with a contribution of R 10.2 million or 0.52% of the total GVA.

4.1. Historical Economic Growth

For the period 2008 and 2018, the GVA in the finance sector had the highest average annual growth rate in Sakhisizwe at 1.53%. The industry with the second highest average annual growth rate is the construction sector averaging at 1.01% per year. The mining sector had an average annual growth rate of -1.42%, while the electricity sector had the lowest average annual growth of -6.44%. Overall a negative growth existed for all the industries in 2018 with an annual growth rate of -0.47% since 2017.

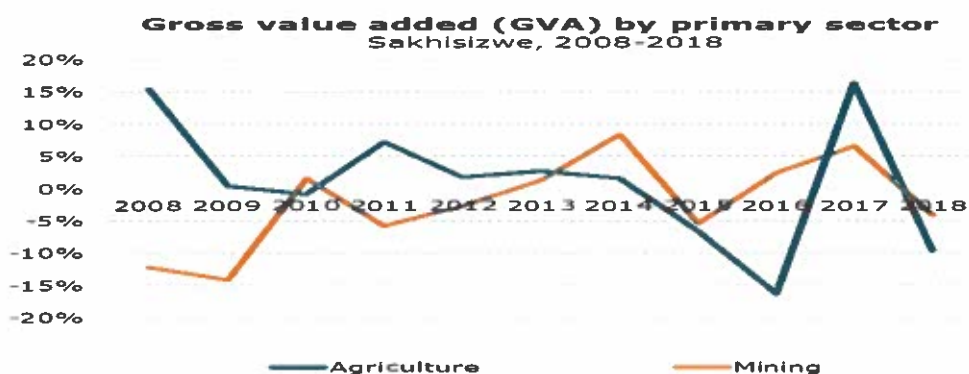
	2008	2013	2018	Average Annual growth
Agriculture	33.7	37.7	31.5	-0.70%
Mining	14.3	11.6	12.4	-1.42%
Manufacturing	43.9	40.9	39.5	-1.05%
Electricity	16.8	12.4	8.6	-6.44%
Construction	53.5	59.8	59.1	1.01%
Trade	242.5	261.1	266.6	0.95%
Transport	88.1	89.4	93.6	0.61%
Finance	135.9	148.1	158.2	1.53%
Community services	538.7	554.8	567.2	0.52%
Total Industries	1,167.4	1,215.7	1,236.8	0.58%

Source: IHS Markit Regional eXplorer version 1870

The tertiary sector contributes the most to the Gross Value Added within the Sakhisizwe Local Municipality at 86.6%. This is significantly higher than the national economy (68.5%). The secondary sector contributed a total of 9.8% (ranking second), while the primary sector contributed the least at 3.5%.

4.2. 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 Sakhisizwe Local Municipality from 2008 to 2018.

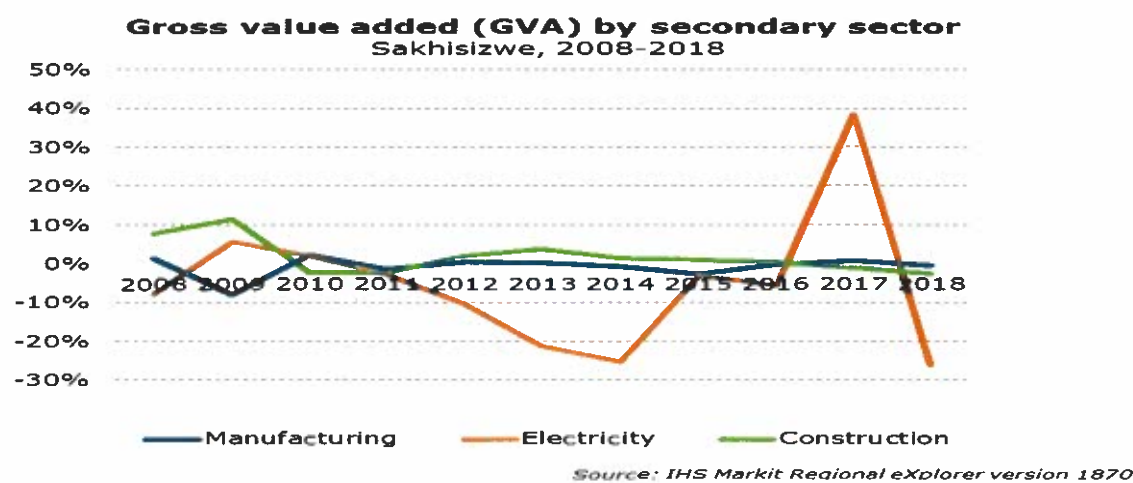


Source: IHS Markit Regional eXplorer version 1870

Between 2008 and 2018, the agriculture sector experienced the highest positive growth in 2017 with an average growth rate of 16.3%. The mining sector reached its highest point of growth of 8.4% in 2014. The agricultural sector experienced the lowest growth for the period during 2016 at -16.4%, while the mining sector reaching its lowest point of growth in 2009 at -14.2%. Both the agriculture and mining sectors are generally characterised by volatility in growth over the period.

4.3. Secondary Sector

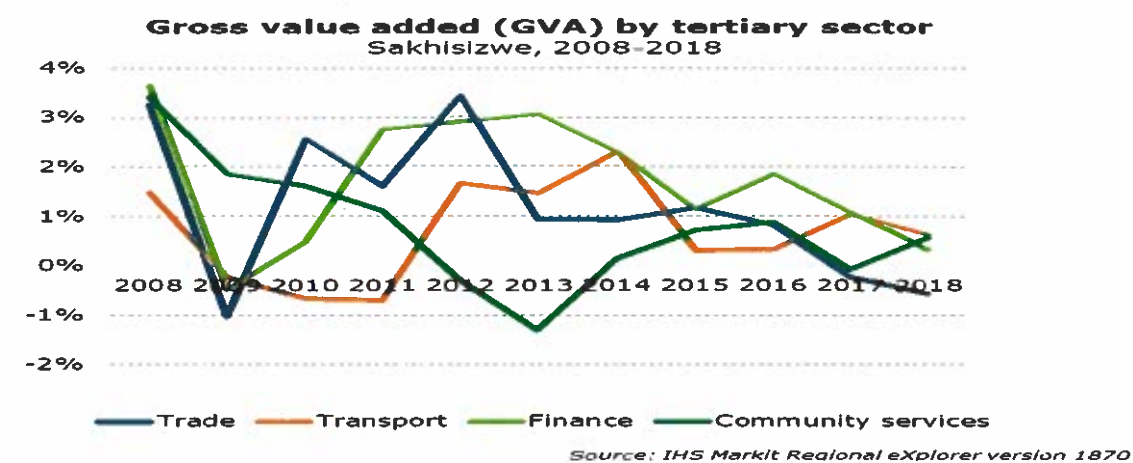
The secondary sector consists of three broad economic sectors namely the manufacturing, electricity and the construction sector. The following chart represents the average growth rates in the GVA for these sectors in Sakhisizwe Local Municipality from 2008 to 2018.



Between 2008 and 2018, the manufacturing sector experienced the highest positive growth in 2010 with a growth rate of 2.3%. The construction sector reached its highest growth in 2009 at 11.4%. The manufacturing sector experienced its lowest growth in 2018 of -8.0%, while construction sector reached its lowest point of growth in 2018 a with -2.5% growth rate. The electricity sector experienced the highest growth in 2017 at 38.5%, while it recorded the lowest growth of -26.2% in 2018.

4.4. 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 Sakhisizwe Local Municipality from 2008 to 2018.



The trade sector experienced the highest positive growth in 2012 with a growth rate of 3.4%. The transport sector reached its highest point of growth in 2014 at 2.3%. The finance sector experienced the highest growth rate in 2008 when it grew by 3.6% and recorded the lowest growth rate in 2009 at -0.5%. The Trade sector also had the lowest growth rate in 2009 at -1.0%. The community services sector, which largely consists of government, experienced its highest positive growth in 2008 with 3.4% and the lowest growth rate in 2013 with -1.3%.

4.5. 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.

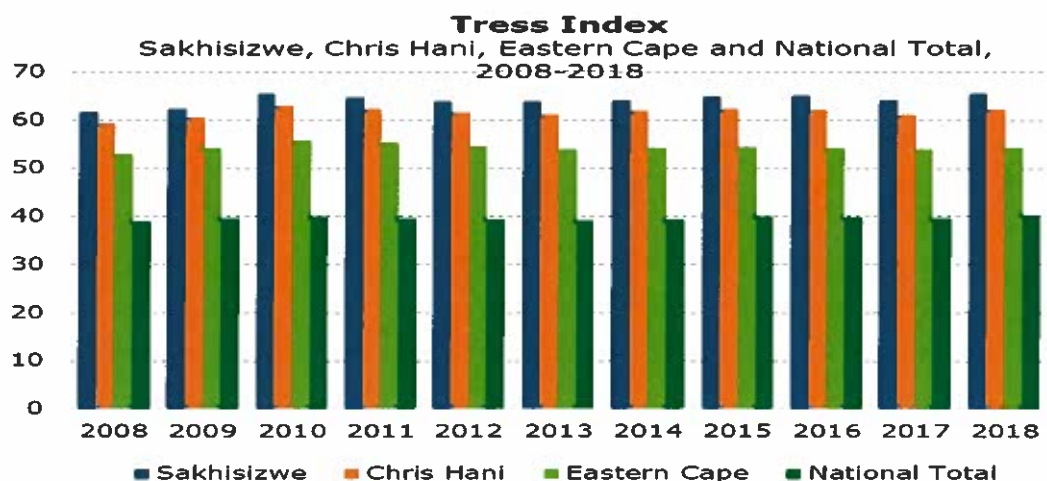
	2018	2019	2020	2021	2022	2023	Average Annual growth
Agriculture	31.5	29.7	30.9	31.9	32.5	33.2	1.09%
Mining	12.4	10.8	10.4	10.3	10.2	10.2	-3.96%
Manufacturing	39.5	39.3	39.4	39.9	40.4	40.9	0.73%
Electricity	8.6	8.1	8.2	8.3	8.5	8.7	0.13%
Construction	59.1	57.9	57.5	58.3	59.5	61.0	0.63%
Trade	266.6	266.9	269.6	275.6	281.2	286.3	1.44%
Transport	93.6	93.6	94.8	96.8	99.2	101.5	1.63%
Finance	158.2	160.6	162.4	166.0	170.3	174.3	1.95%
Community services	567.2	572.3	562.8	558.4	558.6	558.9	-0.30%
Total Industries	1,236.8	1,239.2	1,236.1	1,245.4	1,260.6	1,275.0	0.61%

Source: IHS Markit Regional eXplorer version 1870

The finance sector is expected to grow fastest at an average of 1.95% annually from R 158 million in Sakhisizwe Local Municipality to R 174 million in 2023. The community services sector is estimated to be the largest sector within the Sakhisizwe Local Municipality in 2023, with a total share of 43.8% of the total GVA (as measured in current prices), growing at an average annual rate of -0.3%. The sector that is estimated to grow the slowest is the mining sector with an average annual growth rate of -3.96%.

5. Tress Index

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.



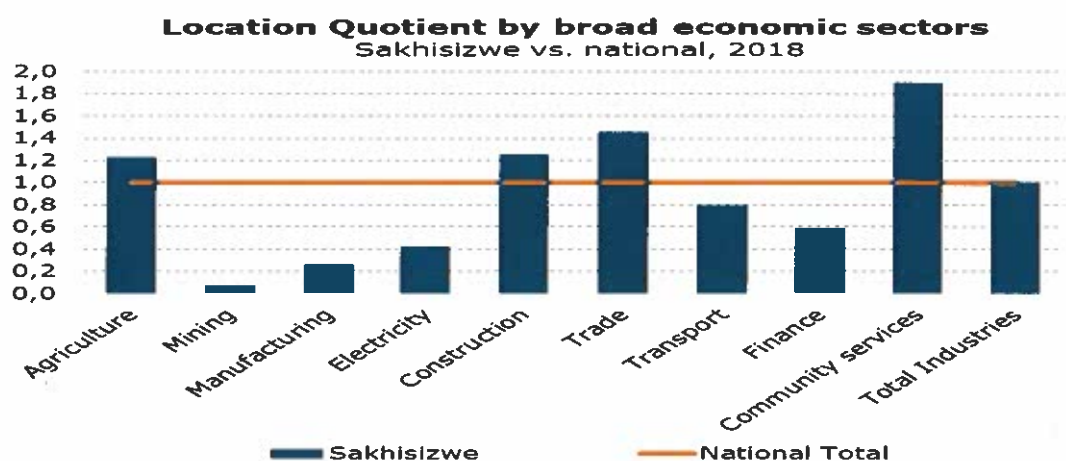
Source: IHS Markit Regional eXplorer version 1870

In 2018, Sakhisizwe's Tress Index was estimated at 65.6 which are higher than the 62.4 of the district municipality and higher than the 62.4 of the province. This implies that - on average - Sakhisizwe Local Municipality is less diversified in terms of its economic activity spread than the province's economy as a whole.

6. Location Quotient

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.



Source: IHS Markit Regional eXplorer version 1870

For 2018 Sakhisizwe Local Municipality has a very large comparative advantage in the community services sector. The trade sector has a comparative advantage. The construction also has a comparative advantage when comparing it to the South Africa economy as a whole, although less prominent. The Sakhisizwe 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 Sakhisizwe Local Municipality area currently does not have a lot of mining activity, with an LQ of only 0.0641.

7. 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.

	Leisure / Holiday	Business	Visits to friends and relatives	Other (Medical, Religious, etc)	Total
2008	2,780	857	28,500	1,950	34,100
2009	2,670	859	28,000	1,790	33,300
2010	2,520	875	27,500	1,760	32,700
2011	2,340	894	28,300	1,760	33,300
2012	2,020	937	28,000	1,780	32,700
2013	1,570	856	26,600	1,740	30,800
2014	1,320	874	24,700	1,930	28,800
2015	1,160	878	23,800	2,030	27,900
2016	1,050	870	23,100	2,170	27,200
2017	939	847	22,100	2,300	26,200
2018	810	845	21,200	2,310	25,100
Average Annual growth					
2008-2018	-11.60%	-0.14%	-2.93%	1.69%	-3.01%

Source: IHS Markit Regional eXplorer version 1870

In Sakhisizwe Local Municipality, the Other (Medical, Religious, etc), relative to the other tourism, recorded the highest average annual growth rate from 2008 (1 950) to 2018 (2 310) at 1.69%. Visits to friends and relatives recorded the highest number of visits in 2018 at 21 200, with an average annual growth rate of -2.93%. The tourism type that recorded the lowest growth was Leisure / Holiday tourism with an average annual growth rate of -11.60% from 2008 (2 780) to 2018 (810).

7.1. Origin Of Tourists

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

The number of trips by tourists visiting Sakhisizwe Local Municipality from other regions in South Africa has decreased at an average annual rate of -3.10% from 2008 (33 100) to 2018 (24 100). The tourists visiting from other countries decreased at an average annual growth rate of -0.41% (from 1 050 in 2008 to 1 000). International tourists constitute 4.00% of the total number of trips, with domestic tourism representing the balance of 96.00%.

	Domestic tourists	International tourists	Total tourists
2008	33,100	1,050	34,100
2009	32,400	963	33,300
2010	31,700	972	32,700
2011	32,400	890	33,300
2012	31,800	901	32,700
2013	29,900	868	30,800
2014	27,900	888	28,800
2015	27,100	794	27,900
2016	26,300	891	27,200
2017	25,200	960	26,200
2018	24,100	1,000	25,100
Average Annual growth			
2008-2018	-3.10%	-0.41%	-3.01%

Source: IHS Markit Regional eXplorer version 1870

7.2. bed Nights by Origin of Tourist

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 Sakhisizwe Local Municipality between 2008 and 2018.

	Domestic tourists	International tourists	Total tourists
2008	217,000	13,600	231,000
2009	210,000	13,400	223,000
2010	200,000	14,400	214,000
2011	192,000	13,300	205,000
2012	171,000	12,500	183,000
2013	142,000	11,400	154,000
2014	118,000	10,800	129,000
2015	103,000	9,630	112,000
2016	95,100	11,200	106,000
2017	89,900	13,000	103,000
2018	89,500	14,400	104,000
Average Annual growth			
2008-2018	-8.48%	0.62%	-7.66%

Source: IHS Markit Regional eXplorer version 1870

From 2008 to 2018, the number of bed nights spent by domestic tourists has decreased at an average annual rate of -8.48%, while in the same period the international tourists had an average annual increase of 0.62%. The total number of bed nights spent by tourists decreased at an average annual growth rate of -7.66% from 231 000 in 2008 to 104 000 in 2018.

7.3. Tourism Spending

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

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

	Sakhisizwe	Chris Hani	Eastern Cape	National Total
2008	0.1	1.1	11.2	152.5
2009	0.1	1.1	11.1	153.4
2010	0.1	1.1	11.7	167.2
2011	0.1	1.1	11.5	174.6
2012	0.1	1.1	12.1	199.9
2013	0.1	1.1	12.2	218.3
2014	0.1	1.1	12.8	240.7
2015	0.1	1.1	13.4	249.7
2016	0.1	1.1	14.1	265.8
2017	0.1	1.2	15.1	277.4
2018	0.1	1.1	15.1	273.2
Average Annual growth				
2008-2018	2.06%	0.04%	3.01%	6.00%

Source: IHS Markit Regional eXplorer version 1870

Sakhisizwe Local Municipality had a total tourism spending of R 73.3 million in 2018 with an average annual growth rate of 2.1% since 2008 (R 59.8 million). Chris Hani District Municipality had a total tourism spending of R 1.12 billion in 2018 and an average annual growth rate of 0.0% over the period. Total spending in Eastern Cape Province increased from R 11.2 billion in 2008 to R 15.1 billion in 2018 at an average annual rate of 3.0%. South Africa as whole had an average annual rate of 6.0% and increased from R 153 billion in 2008 to R 273 billion in 2018.

7.4. Tourism Spend as a Share of GDP

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.

	Sakhisizwe	Chris Hani	Eastern Cape	National Total
2008	5.9%	7.7%	6.5%	6.4%
2009	5.2%	6.6%	5.8%	6.1%
2010	5.1%	6.1%	5.5%	6.1%
2011	4.9%	5.6%	5.1%	5.8%
2012	4.7%	5.2%	4.8%	6.1%
2013	4.3%	4.7%	4.5%	6.2%
2014	4.1%	4.4%	4.4%	6.3%
2015	3.9%	4.1%	4.2%	6.2%
2016	3.7%	3.9%	4.2%	6.1%
2017	3.7%	3.8%	4.2%	6.0%
2018	3.4%	3.5%	4.0%	5.6%

Source: IHS Markit Regional eXplorer version 1870

In Sakhisizwe Local Municipality the tourism spending as a percentage of GDP in 2018 was 3.43%. Tourism spending as a percentage of GDP for 2018 was 3.53% in Chris Hani District Municipality, 4.01% 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 5.61%.

8. 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.

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

	Sakhisizwe	Inxuba Yethemba	Intsika Yethu	Emalahleni	Engcobo	Enoch Mgijima	Total Chris Hani
Agriculture	1,720	3,060	1,140	1,080	436	6,040	13,466
Mining	20	6	12	22	23	89	172
Manufacturing	356	1,120	953	643	754	4,280	8,109
Electricity	43	25	25	29	21	126	269
Construction	2,410	2,280	2,810	2,140	2,360	8,360	20,366
Trade	2,940	3,540	3,930	3,090	4,090	18,100	35,651
Transport	305	1,070	722	438	556	2,750	5,844
Finance	1,140	2,010	1,640	1,170	1,720	8,880	16,567
Community services	4,400	6,230	6,210	4,380	6,190	25,600	53,055
Households	1,020	1,560	1,300	1,100	872	7,650	13,494
Total	14,400	20,900	18,700	14,100	17,000	81,900	166,993

Sakhisizwe Local Municipality employs a total number of 14 400 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 81 900. 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 14 100 employed people.

In Sakhisizwe Local Municipality the economic sectors that recorded the largest number of employment in 2018 were the community services sector with a total of 4 400 employed people or 30.6% of total employment in the local municipality. The trade sector with a total of 2 940 (20.5%) employs the second highest number of people relative to the rest of the sectors. The mining sector with 20.4 (0.1%) is the sector that employs the least number of people in Sakhisizwe Local Municipality, followed by the electricity sector with 43.3 (0.3%) people employed.

8.1. 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 Sakhisizwe Local Municipality counted 10 100 in 2018, which is about 70.27% of total employment, while the number of people employed in the informal sector

counted 4 270 or 29.73% of the total employment. Informal employment in Sakhisizwe increased from 3 680 in 2008 to an estimated 4 270 in 2018.

	Formal employment	Informal employment
Agriculture	1,720	N/A
Mining	20	N/A
Manufacturing	263	93
Electricity	43	N/A
Construction	937	1,470
Trade	1,440	1,500
Transport	108	196
Finance	894	250
Community services	3,640	763
Households	1,020	N/A

Source: IHS Markit Regional eXplorer version 1870

In 2018 the Trade sector recorded the highest number of informally employed, with a total of 1 500 employees or 35.05% of the total informal employment. This can be expected as the barriers to enter the Trade sector in terms of capital and skills required is less than with most of the other sectors. The Manufacturing sector has the lowest informal employment with 93.2 and only contributes 2.18% to total informal employment.

8.2. Unemployment

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).

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

- "Without work", i.e. not in paid employment or self-employment;
- "Currently available for work", i.e. were available for paid employment or self-employment during the reference period; and
- "Seeking work", i.e. had taken specific steps in a specified reference period to seek paid employment or self-employment. The specific steps may include registration at a public or private employment exchange; application to employers; checking at worksites, farms, factory gates, market or other assembly places; placing or answering newspaper advertisements; seeking assistance of friends or relatives; looking for land.

	Sakhisizwe	Chris Hani	Eastern Cape	National Total	Sakhisizwe as % of district	Sakhisizwe as % of province	Sakhisizwe as % of national
2008	4,570	58,200	513,000	4,470,000	7.8%	0.89%	0.10%
2009	4,190	55,200	501,000	4,440,000	7.6%	0.84%	0.09%
2010	3,830	52,200	492,000	4,490,000	7.3%	0.78%	0.09%
2011	3,520	50,000	500,000	4,590,000	7.0%	0.71%	0.08%
2012	3,770	53,400	522,000	4,710,000	7.1%	0.72%	0.08%
2013	3,990	56,900	554,000	4,870,000	7.0%	0.72%	0.08%
2014	4,120	59,200	579,000	5,070,000	7.0%	0.71%	0.08%
2015	4,210	60,900	597,000	5,320,000	6.9%	0.71%	0.08%
2016	4,610	67,000	652,000	5,690,000	6.9%	0.71%	0.08%
2017	5,360	77,800	737,000	6,020,000	6.9%	0.73%	0.09%
2018	5,840	84,900	788,000	6,130,000	6.9%	0.74%	0.10%
Average Annual growth							
2008-2018	2.50%	3.85%	4.38%	3.20%			

Source: IHS Markit Regional eXplorer version 1870

In 2018, there were a total number of 5 840 people unemployed in Sakhisizwe, which is an increase of 1 280 from 4 570 in 2008. The total number of unemployed people within Sakhisizwe constitutes 6.88% of the total number of unemployed people in Chris Hani District Municipality. The Sakhisizwe Local Municipality experienced an average annual increase of 2.50% 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 3.85%.

9. Income and Expenditure

In a growing economy among which production factors are increasing, most of the household incomes are spent on purchasing goods and services. Therefore, the measuring of the income and expenditure of households is a major indicator of a number of economic trends. It is also a good marker of growth as well as consumer tendencies.

9.1. Number of Households

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.

It was estimated that in 2018 22.77% of all the households in the Sakhisizwe Local Municipality, were living on R30, 000 or less per annum. In comparison with 2008's 47.45%, the number is about half. The 18000-30000 income category has the highest number of households with a total number of 2 840, followed by the 30000-42000 income category with 2 800 households. Only 2 households fall within the 0-2400 income category.

	Sakhisizwe	Chris Hani	Eastern Cape	National Total	Sakhisizwe as % of district	Sakhisizwe as % of province	Sakhisizwe as % of national
0-2400	2	28	232	1,700	7.0%	0.86%	0.12%
2400-6000	41	555	4,640	32,900	7.4%	0.88%	0.12%
6000-12000	427	5,430	43,800	318,000	7.9%	0.98%	0.13%
12000-18000	829	10,700	85,200	627,000	7.7%	0.97%	0.13%
18000-30000	2,840	34,600	261,000	1,770,000	8.2%	1.09%	0.16%
30000-42000	2,800	35,900	261,000	1,790,000	7.8%	1.07%	0.16%
42000-54000	2,370	29,100	215,000	1,590,000	8.1%	1.10%	0.15%
54000-72000	2,430	31,300	227,000	1,730,000	7.8%	1.07%	0.14%
72000-96000	1,870	25,200	191,000	1,580,000	7.4%	0.98%	0.12%
96000-132000	1,450	20,400	163,000	1,500,000	7.1%	0.89%	0.10%
132000-192000	1,160	16,700	145,000	1,440,000	6.9%	0.80%	0.08%
192000-360000	1,130	16,700	162,000	1,870,000	6.7%	0.69%	0.06%
360000-600000	517	7,980	93,800	1,220,000	6.5%	0.55%	0.04%
600000-1200000	263	4,660	63,500	892,000	5.7%	0.42%	0.03%
1200000-2400000	49	1,240	19,800	290,000	3.9%	0.25%	0.02%
2400000+	4	151	2,950	46,700	2.8%	0.14%	0.01%
Total	18,200	241,000	1,940,000	16,700,000	7.5%	0.94%	0.11%

9.2. 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.

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.

	Sakhisizwe	Chris Hani	Eastern Cape	National Total
2008	1.0	12.8	133.9	1,587.9
2009	1.1	13.8	143.1	1,695.1
2010	1.1	14.8	153.9	1,843.3
2011	1.2	16.2	168.1	2,033.0
2012	1.3	18.0	187.6	2,226.5
2013	1.4	19.6	205.0	2,412.1
2014	1.5	21.1	220.3	2,590.6
2015	1.6	23.0	240.1	2,794.9
2016	1.7	24.7	256.4	2,990.4
2017	1.8	26.6	275.7	3,227.9
2018	1.9	28.2	292.1	3,420.9
Average Annual growth				
2008-2018	6.43%	8.24%	8.11%	7.98%

Source: IHS Markit Regional eXplorer version 1870

Sakhisizwe Local Municipality recorded an average annual growth rate of 6.43% (from R 995 million to R 1.86 billion) from 2008 to 2018, which is less than both Chris Hani's (8.24%) as well as Eastern Cape Province's (8.11%) average annual growth rates. South Africa had an average annual growth rate of 7.98% (from R 1.59 trillion to R 3.42 trillion) which is more than the growth rate in Sakhisizwe Local Municipality.

9.3. Annual Total Personal Income

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.

African	
Sakhisizwe	26,000
Inxuba Yethemba	38,500
Intsika Yethu	24,000
Emalahleni	23,300
Engcobo	22,600
Enoch Mgijima	34,300

Source: IHS Markit Regional eXplorer version 1870

The per capita income in Sakhisizwe Local Municipality is R 28,200 and is lower than both the Eastern Cape (R 40,400) and of the Chris Hani District Municipality (R 32,600) per capita income. The per capita income for Sakhisizwe Local Municipality (R 28,200) is lower than that of the South Africa as a whole which is R 58,800.

9.4. Index of Buying Power

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).

	Sakhisizwe	Chris Hani	Eastern Cape	National Total
Population	65,776	865,763	7,222,764	58,125,712
Population - share of national total	0.1%	1.5%	12.4%	100.0%
Income	1,856	28,180	292,141	3,420,872
Income - share of national total	0.1%	0.8%	8.5%	100.0%
Retail	627,318	9,327,251	91,819,665	1,056,278,508
Retail - share of national total	0.1%	0.9%	8.7%	100.0%
Index	0.00	0.01	0.09	1.00

Source: IHS Markit Regional eXplorer version 1870

Sakhisizwe 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 0.00062 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 0.09 and South Africa a value of 1 relative to South Africa as a whole.

10. Comparative and Competitive Advantage

10.1. Competitive Advantage

10.1.1. Infrastructure and Services

Sakhisizwe's Communications (transport and telecommunications) infrastructure is modest, with operational rail facilities and an air transport facility, limited road surfacing (11.63%) and a low percentage (24.52%) of direct access to telephones. Sakhisizwe is fairly close to Umtata but is a considerable distance from the Provincial secondary economy of East London and Port Elizabeth.

On Quality of Life, Sakhisizwe reflects poor access to health (71.6%) and education facilities (95%) are relatively high. Access to sanitation (31.8%), particularly municipal flush toilet is low and concentrated in the urban centres. Access to adequate shelter is moderate, while access to water (77.1%) and electricity (74.4%) is substantially higher than Provincial and District average.

10.1.2. Institutional Environment

Sakhisizwe is largely rural, with an urbanisation rate of only 27.83% and the majority of people living on tribal land, although the majority (65.04%) of all households own their properties.

The local economy is highly concentrated, dominated by the Community Services sector in terms of both GVA (5%) and employment (31%). The cost of doing business in the area is relatively high principally on the basis of transaction costs arising through distance, and travel time, to a major economic centre and considering the absence of a Telkom service branch in the area. Expenditure on transport, communication and finance is slightly more favourable than the Provincial average while access to institutional and financial support institutions is limited.

10.1.3. Economic Indicators

Sakhisizwe has a youthful population, with over half (53%) of the population aged under 20 years, and claims higher than Provincial and District average rates of unemployment (60.4%), dependency (3.89), poverty (84.66%) and households receiving less than R1500 per month (75.9%) but only 51.3% of households receive social grant. An indication of the depth of poverty in the area is revealed by the Municipality's share of the Provincial poverty gap (1.35%) compared to its share of the Provincial population (1.10%).

In terms of **Economic Performance**, Sakhisizwe Local Municipality is divided into seven wards with bulk of population residing in the extensively rural wards that encompasses the two urban centres of Cala and Khowa.

On the **Sector Performance** the greatest contributor to the GGP is the community and social services sector which employs 31% of the workforce. Private households and Agricultural sectors employ 21% and 17% respectively. Besides these two the following are the key drivers of the local municipality: cultural tourism, construction, transport and storage, and finance and insurance.

10.2. Comparative Advantage

The local economy claims a comparative advantage, for both GDP and employment, in Community Services (dominated by Education at 25.90% GVA and 31% employment) and Agriculture (dominated by the Agriculture and Hunting sub-sector at 4.63% GVA and 17% employment). A further GDP advantage is reflected for Trade, dominated by the Retail sub-sector (22.70%), while employment advantages are evidenced for Households (21%).

The Municipality claims a range of leading products, including sheep, goats, cattle, sunflowers and maize. Forestry and tourism are important sectors. Additional products identified as sustainable include a full range of grain, nuts, fruit and vegetables, as well as fodder and processed meat.

Land is identified as suitable for forestry and as under-utilised, presenting high potential for further agricultural development, particularly for dry land maize, potatoes and beans as well as irrigated maize. Potential exists for local production and marketing of vegetables, while high grazing potential favours livestock farming. Sakhisizwe falls within the "Friendly N6" tourism region and is closely tied to the Maloti (Lesotho) Route, geared at tourism opportunities around the theme of Xhosa culture, while the landscape of the area is identified as an opportunity for game and eco-tourism.

11. Challenges

11.1. Geographic Challenges

The majority of the Sakhisizwe population lives in predominantly rural areas consisting of rural villages and farm households. The average population density is 3.24 households per square kilometre, lower than the district and provincial population density of 3.27 and 3.89 households per square kilometre, respectively. The population density is 17.23 persons per square kilometre - indicating that people are scarcely located, making it extremely costly and difficult to provide the prerequisite services and conditions to address unemployment and poverty

11.2. Dependency Challenge

For every formally employed person there are 8.08 people that depend on the same income resources in Sakhisizwe. However, despite a large potentially economic active population (57% or 72 003 people), the economy is unable to provide the required economic and employment opportunities for all these people. In the current form and conditions, the local economy can only provide employment and economic opportunities for only a quarter (25.13%) of the potentially EAP.

11.3. Poverty Challenge

Despite experiencing positive economic growth between 2000 and 2010, Sakhisizwe's economy has been unable to create meaningful benefits for the poor. The poverty rate is 62.93% - much higher than the provincial average of 53.61%. Dependency on social grants is highest in Sakhisizwe (37.42%) compared to the district (34.46%), provincial (31.54%) and national (22.68%). Also, the state of household savings reveals a high degree of indebtedness (-R464) for Sakhisizwe which further exacerbates the poverty challenge. Although the Municipality has and continues to support a number of poverty alleviation projects, in many instances the impact of these poverty alleviation projects remains unknown.

11.4. Employment Challenge

Based on the official definition, more than one third (30.34%) of the economic active group in Sakhisizwe is unemployed while the district average is 23.54%. Including those not actively seeking for work, unemployment in Sakhisizwe is as high as 65% compared to 54% and 48% for the district and Eastern Cape respectively. Between 2000 and 2010 formal employment growth was negative at -2.27%, performing worse than the district (-1.23%) and province (-0.21%) respectively. However, also of concern is the quality of available jobs in Sakhisizwe. These jobs are not high paying and therefore do not necessarily provide a good quality of life.

11.5. Income Challenge

With about 50.25% of the households earning no income at all and 21.39% earning between R1 and R1600 per month, almost two thirds of Sakhisizwe households are indigent. Of these, more than one quarter of households (6134) earn R400 or less per month.

11.6. Literacy Challenge

Only 58.66% of the adult population can read and write compared to the provincial 66.7% and national average of 73.62%.

11.7. Skills Challenge

Majority of adult population (32.21%) are unskilled. There is a major shortage of technical skills (currently only 0.19%). However, Sakhisizwe has a relatively high proportion of professionally skilled persons (23.46%) compared to the district (15.49%) and province (13.53%).

11.8. Infrastructure and Land Challenge

While Sakhisizwe performs above district average in respect to all basic services with the exception of refuse removal where only 13.45% households are provided with the municipal refuse collection services, infrastructure backlogs remain an area of constraint that must be addressed to unlock better growth and new investments into the area. For example: - Surfacing the 562-km gravel road backlog and improving maintenance on existing access roads and bridges. A more integrated approach addressing social, economic and infrastructural issues is critical.

12. Stakeholder Involvement

The Municipality has an Economic Development Forum. The aim of the forum is to:

- Provide LED facilitation and support within the Sakhisizwe municipality
- Advise on development choices by understanding the local context enough to validate claims made about local potential
- Mobilise local stakeholders
- Facilitate local partnerships within and between local public and private organisations
- Develop an annual work plan to implement the LED strategy that is reported on quarterly
- Assist with and advise on local economic development initiatives
- Coordinate all local economic development initiatives within the municipality
- Provide information and create awareness about LED within the municipality
- Monitoring and evaluation of local economic development projects

The forum meets quarterly. Other stakeholder forums include the LTO, small farmer's association and agricultural forum. However, these forums require more capacitation and engagement to keep the functioning effectively. The Municipality engages with sector departments through District Support team meetings on a quarterly basis and IDP Representative Forum meetings.

13. Investment Attraction, Small Town Revitalisation and Policy Framework

The Chris Hani Regional Economic Development Strategy highlighted the need to identify and prioritise small towns along the economic corridors that have the potential to participate actively in the value chain of the differentiated sector and implement small town development initiatives.

As part of the STR, the municipality is planning on developing a STR strategy that will identify key areas that are critical to improve and attract investment to the area. The District has started the process with

budget that has been allocated for beautification of Cala Taxi Rank during the 2018/19 financial year as well as sign posts for all Sakhisizwe main entrances.

The municipality also needs to develop its own Investment attraction strategy as well as Small Town Revitalisation policy framework for future development of the two municipal towns i.e. Cala and Khowa.

14. Expanded Public Works and Community Works Programme

Sakhisizwe Municipality has successfully implemented the EPWP programme. The objectives of the EPWP programme are as follows:

- To create job opportunities through reviewing the manner that municipalities implement existing projects/programmes
- To identify and propose programmes that will contribute to additional job creation opportunities
- To ensure that the proposed job creation programmes form part of the service delivery mandates of the municipality

These principles have been incorporated into the municipality's efforts to increase employment opportunities for its residents. Projects consist paving of streets, picking up refuse and storm water channel maintenance. Over 196 jobs were created in 2021/2022. 126 jobs were created in 2021/22 for mass jobs on MIG projects. 1213 Jobs were created through mass job creation as part of the EPWP programme and CWP in 2021/22.

This excludes CWP jobs. Future projects include maintenance of municipal property, cleaning in urban areas, storm water management in townships and data collection. However, management is currently in the process of revising the current EPWP and CWP programmes to ensure that sustainable work opportunities are created and that graduates from the programme acquire skills which increase their employment activities. The CWP programme was increased to cover 2 more wards.

The municipality has been using the EPWP policy Phase 4 as adopted by Council in 2020/2021 Financial Year. The policy outlines the institutional arrangements for implementing EPWP, roles and responsibilities, the employment opportunities, training and EPWP target, conditions of employment, target groups and reporting process. The Director of Technical Services is responsible for implementing EPWP but the co-ordination will be done by the EPWP Steering Committee. There is a need to establish Committee that will consist of all directors and all relevant sector heads. The responsibility of the Committee will be to:

- Coordinate the overall municipal wide coordination of EPWP and related issues
- Review the EPWP policy
- Setting departmental EPWP targets
- Enabling environment for the successful implementation of EPWP
- Reporting to the management meeting
- Monitoring and evaluation of the EPWP programme
- Setting of performance standards
- Compiling an EPWP management plan

15. Local Economic Development (LED) Priorities

The current LED strategy is outdated and was last reviewed in 2011. It is noted that there is still a huge need to develop a new strategy that will focus on the detailed assessment of area in the context of economic growth and development. The municipality has budgeted for the review of the LED Strategy

in the 2022-23 Financial Year. In the strategy the municipality sees its role in economic development as primarily to create conducive environment for investment attraction and leveraging of efforts for sustained growth and poverty alleviation.

Sakhisizwe, the main Economic Sectors are Community services, agriculture, and trade. The municipality has vast land for agriculture and livestock that can be used to grow the economy and create employment.

Sakhisizwe municipality derives its mandate from a number of pieces of legislation and frameworks that have been developed from other spheres of government while responding to the developmental needs of the area. The figure below illustrates how the municipal LED links to the district developmental agenda.



The developmental agenda identifies the following priorities in the Local Economic Development of the Sakhisizwe Local Municipality

- Crop Production and
- Livestock Improvement

16. Local Economic Development (LED) Strategy

The current LED strategy is outdated and was last reviewed in 2011. It is noted that there is still a huge need to develop a new strategy that will focus on the detailed assessment of area in the context of economic growth and development

16.1. Proposed LED Strategy Objectives

This Sakhisizwe LED Strategy will aim at achieving the following economic outcomes:

- Improving urban infrastructure to attract investment
- Development of partnerships between public sector and the private sector to encourage investment and skills development in the area

- Improve youth, women and people with disability entrepreneurship and participation in the mainstream economy
- To build strong and sustainable LED institutions and resources
- 30 % of all infrastructure projects to benefit Local SMME's
- To alleviate poverty by utilising labour-intensive programmes and projects such as CWP and EPWP

16.2. Proposed LED Strategy Development Thrusts

16.2.1. Locality Development

The Locality Development Programme will be premised on achieving the following outcomes:

- Making the municipal area more attractive to investors, tourists and individuals;
- Improving the physical and environmental appeal of the area

16.2.2. Enterprise Development

The purpose of Enterprise Development Programme is to:

- Create a conducive environment for existing, new and start-up businesses;
- Improve profitability, competitiveness and sustainability of locally-based enterprises;
- Prioritise development of key growth and employment sectors eg Agriculture, Tourism and Green Economy.

16.2.3. Livelihoods

The purpose of the sustainable livelihoods programme is to:

- Facilitate labour intensive projects that create employment opportunities

16.2.4. Skills Development

The purpose of the skills development priority is to:

- Build the necessary skills base for economic growth and development;
- Improve employability and active economic participation;
- Support key growth and employment sectors.

16.2.5. Institutional Development

LED institutional development in Sakhisizwe is designed to:

- Foster sustainable partnerships with key and relevant stakeholders
- Improve monitoring and evaluation of LED projects and initiatives

17. Current LED Unit Staffing and Budget

Municipality has an LED Unit which is based in the Directorate: Integrated Planning & Economic Development. The Unit has 1 LED Manager and 1 LED Officer. The LED Manager reports to the Director Integrated Planning & Economic Development. The office has not been budgeted for in the past financial years. With the appointment of an LED Manager and the review of the LED strategy, the unit will be budgeted for in the coming financial years.

The LM's lack of annual growth has resulted in an unprecedented high unemployment in the Sakhisizwe area with high dependence on government grants. This coupled with access to basic household and community services which is below optimal creates tension amongst communities who compete for relatively scarce resources. Therefore, it becomes absolutely crucial that the municipality creates conducive conditions for job creation and participation in agricultural activities by availing land for

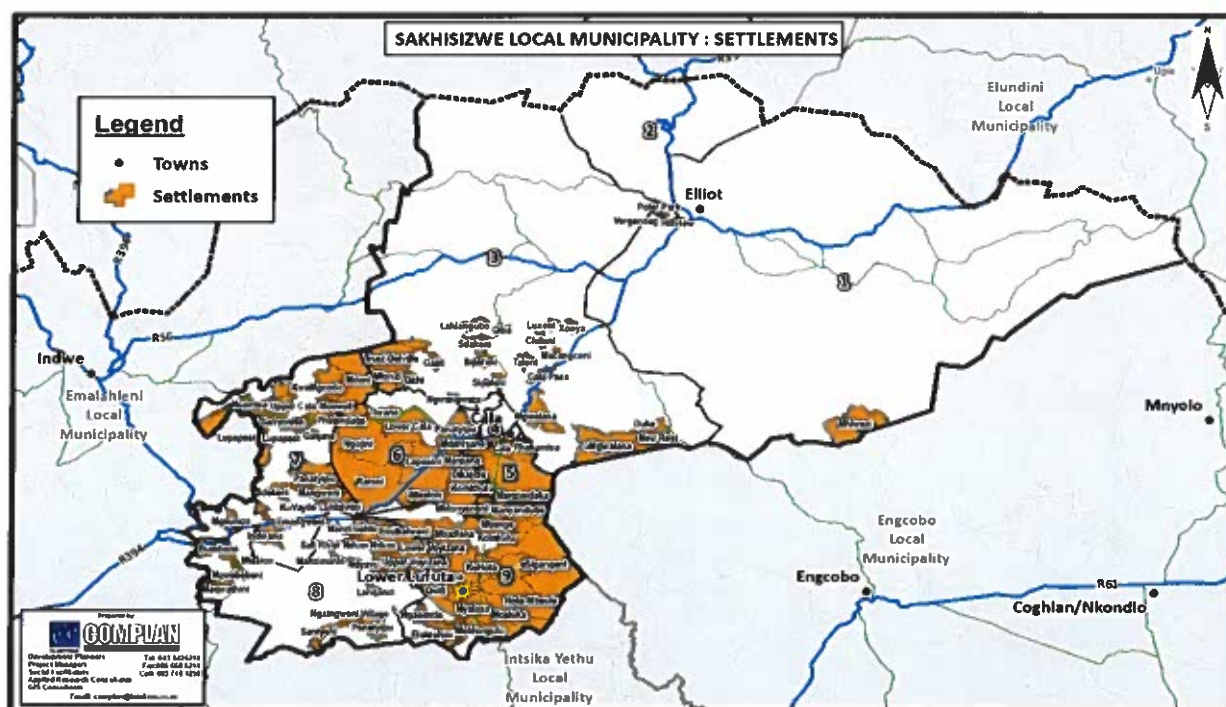
development. Businesses are not growing as SMME's as they do not receive strategic support from government institutions. Areas for great concern are centred on food security and land reform. The tourism sector is underdeveloped and needs strategic intervention to revive and contribute to the local economy meaningfully. In this regard, a responsible tourism sector plan has to be developed which could provide direction to optimise the potential that exist in the area. Agriculture remains central to the development of the area. However, it has to be done in conjunction with other programmes. Land administration and town planning seem to have been relegated to the background of the municipal priorities. This approach does impact negatively on the development trajectory of the municipality

1. SLA's and Other Institutional Arrangements

- **Department of Sport Roads, Arts and Culture:** In terms of the SLA Sakhisizwe runs the library service on behalf of DSRAC and this SLA is signed annually.
- **ESKOM:** whereby the Municipality procures electricity from ESKOM and then sells it via its internal network to urban customers.
- **Department of Transport:** had assisted the municipality in the revitalisation of taxi Ranks in both Cala and Khowa and also the revitalisation of animal pounds in both towns
- **Ikhala TVET College:** through the transformation of old Cala Senior Secondary school to a Skills Development centre

2.1. Settlement Characteristics

Sakhisizwe LM consists of nine (9) wards, with two towns namely Cala and Khowa (Elliot). These two towns show sign of compactness but there are scattered low-density rural settlements and these are loosely scattered throughout the southern portion of the municipal area and are mostly surrounded by communal grazing land, but in some instances - arable lands. The structure of most of these rural settlements clearly reflects a distinction between residential and arable/grazing uses. In a number of settlements where land use rights were in the past issued in terms of the quitrent system, the ownership and use-rights are still acknowledged and respected. The levels of service are generally low, with the majority of residential structures being self-built.



2.2. General Land Uses

The land uses within SLM include residential areas, government offices, commercial buildings, public transport facilities, education facilities, etc. There are also community facilities such as cemeteries, health facilities and community halls within the municipal area. Commercial and subsistence farming is also found in the municipality as one of land uses. The issue of competing land uses especially around the utilisation of potential agricultural land for human settlements development is noticed within the municipal area.

2.3. Settlement Hierarchy

The CHDM SDF identifies two main development hierarchy of settlements nodes, these are Cala and Khowa (Elliot). This hierarchy guides the LM in the allocation of appropriate levels of investment in infrastructure and service functions. These functions include public administration facilities / institutions, business activities, social and recreational facilities and other existing or potential economic enterprises (including tourism-related enterprises).

3. Development Nodes and Settlement Proposal

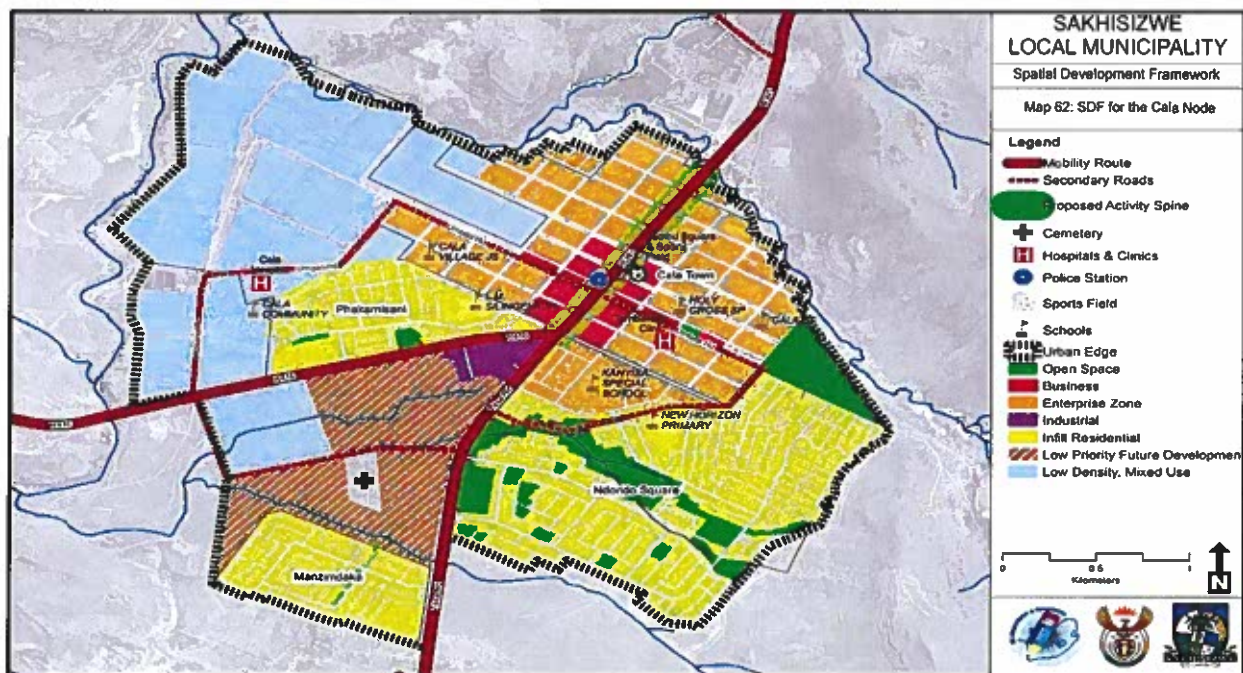
The following classes of hierarchy of settlements have been identified and proposed for Sakhisizwe LM

Type	Location	Function of Settlement and associated typical land uses	Spatial Development Priorities
Sub-District Centres	Cala	<ul style="list-style-type: none"> • Municipal-scale Administrative Centre • Municipal-scale service centre for commercial and social goods and services • Residential development covering limited range of economic bands (Middle income– Low-income) • Potential for value-adding agro-industrial processes • Potential for event-related tourism events 	<ul style="list-style-type: none"> • Land Management and Administration • CBD Revitalisation and associated planning • Sustainable Human Settlement Programme • Public-funded housing development • Urban level of service infrastructure and social facilities upgrade. • Maintenance and upgrade of existing infrastructure.
Local Centres	Khowa (Elliot)	<ul style="list-style-type: none"> • Municipal-scale administrative centre • Local-scale service centre for commercial and social goods and services • Residential development covering limited range of economic bands (middle income– low-income) • Potential for value-adding agro-industrial processes 	<ul style="list-style-type: none"> • Limit urbanization (sustainability) • Urban aesthetics and land use management to support local tourism. • Maintenance and upgrade of urban level of service infrastructure • Environmental management (to support local tourism)
Sub-Local Centres	Lower Lufuta	<ul style="list-style-type: none"> • Minor administrative Functions. • Minor service centre for social goods and services • Focused support of local economic initiatives –agriculture-based 	<ul style="list-style-type: none"> • Areas where higher order facilities should be focused in first instance • Maintenance and upgrade of existing infrastructure • Basic level of service extension with provision for higher levels of service where feasible and sustainable • Local planning to maximize use of resources and to formalize spatial elements of land rights and rights allocations • Local land use schemes to be negotiated

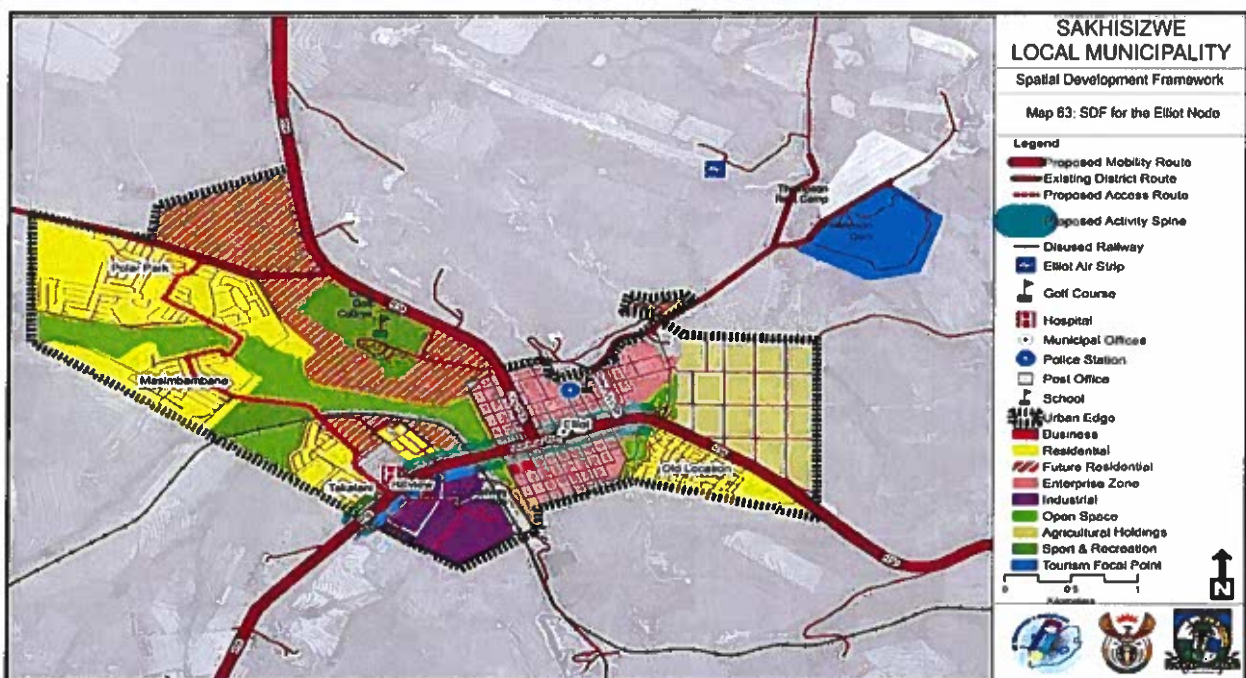
Type	Location	Function of Settlement and associated typical land uses	Spatial Development Priorities
Rural Settlements	Rural settlements across the LM	<ul style="list-style-type: none"> Primarily residential and livelihood subsistence function. Some provision of limited social goods and services 	<ul style="list-style-type: none"> Basic level of service extension. Local planning to maximize use of resources Local land use schemes to be negotiated

Settlement Nodes

Cala



Khowa



4. Spatial Proposal

4.1.1. Cala Spatial Proposals

Only areas and issues that require direct interventions are indicated in the Cala node's SDF. The following should be noted:

4.1.1.1. The development node, the urban edge, the tourism corridor and the activity spine should be dealt with as indicated in parts of the SDF.

4.1.1.2. The following apply to the specific areas highlighted in the SDF:

- The development of the **business area** requires specific attention. It should be supported and emphasized as the core area of Cala Town. The fact that it coincides with the activity spine strengthens the need to address the development of the business area as a priority for the Council.
- The old Cala Township should, with the exclusion of the business core, be treated and developed as an **enterprise zone**. The area is already subjected to redevelopment and mixed uses ranging from, offices, residential and community activities. This is clearly a transitional zone that meets a variety of needs. There should be a strong focus on densification. Any use at any density will be permitted with the exception of noxious uses which one will usually associate with the industrial area.
- The **industrial area** is already established. There are however a substantial number of vacant sites. The area should be retained as it is. There is no indication of any need for expansion but sustaining it is important in the light of the role it plays in supporting the local and regional economy.
- There are large areas of **low income residential development**. However, within these areas the majority of stands are still vacant. It is very important to ensure all vacant stands are occupied before new housing developments are proposed. The focus, like in the enterprise zone, should be on creating more compact environments.
- The areas indicated as proposed **low priority future development** are areas that in the long term could be considered for residential or mixed use development.
- The **low density mixed use** area, as indicated on the map, is largely agricultural holdings and represents an area of low intensity and density mixed activities. This low density mixed use zone should be used as is. This zone can in future be utilised as a zone for more intensive uses related to urban development in general, should the need arises.

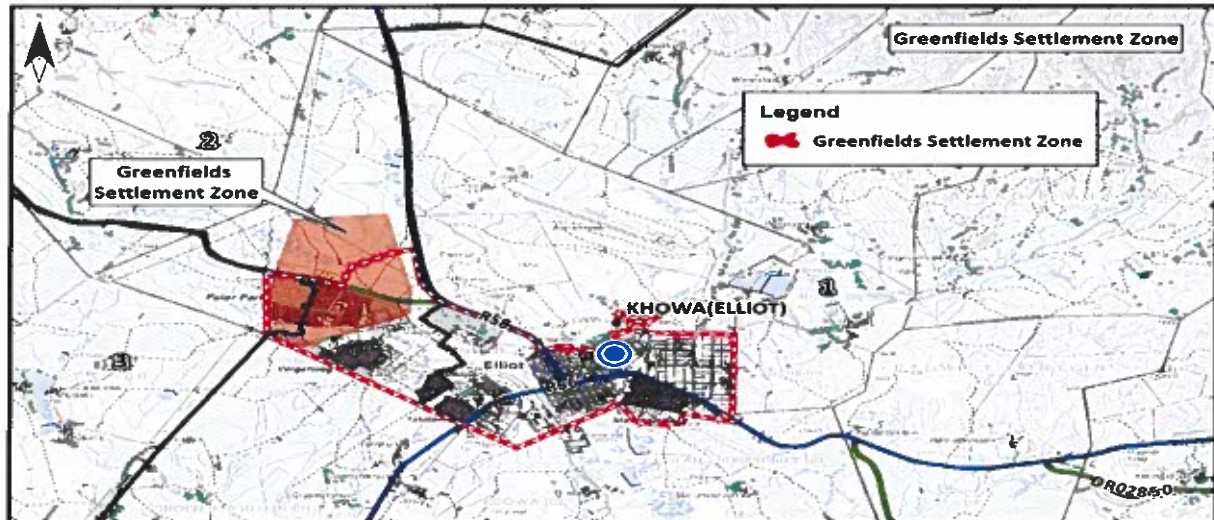
4.1.2. Khowa Spatial Proposals

The identification of a Greenfields Settlement Zone encompassing the town of Khowa (Elliot) and surrounding townships is motivated by the fact that the town remains an important service centre and the focus for more efficient provision of services and facilities to its own and surrounding residents. Given the current housing development processes underway, and the reported need for additional housing based on continued influx of farmworkers into the urban area, the area is identified for appropriate settlement development processes.

4.1.2.1. Key Proposals

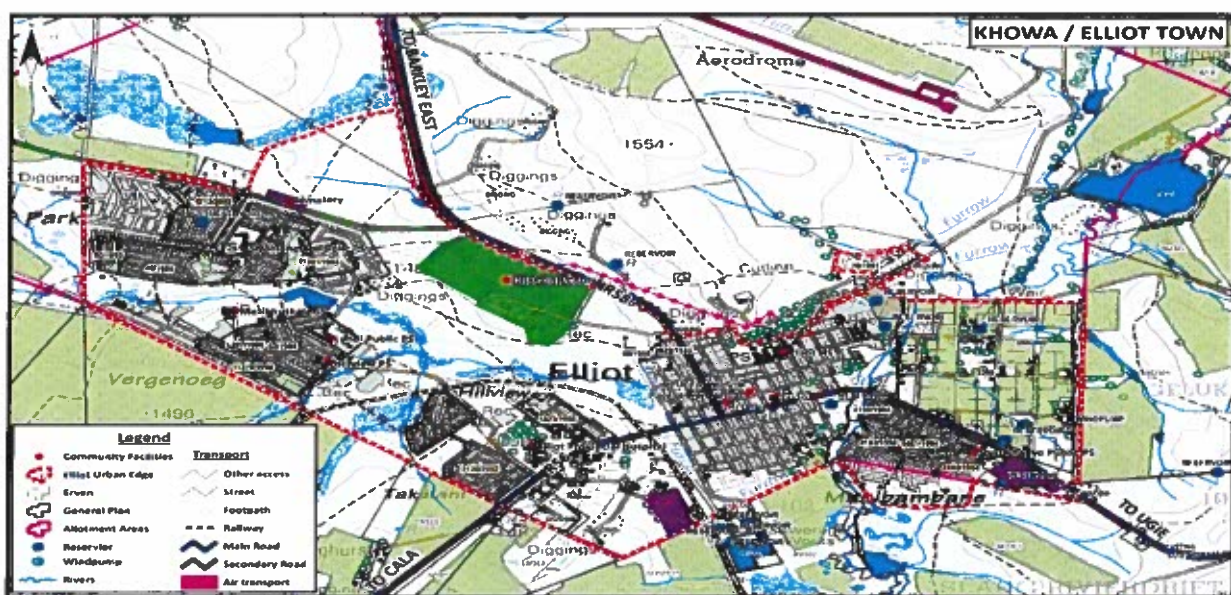
- Development of Urban-type settlement in suitable localities within the urban precincts of Khowa (Elliot), as guided by the Municipal Spatial Development Framework or local planning guidelines.

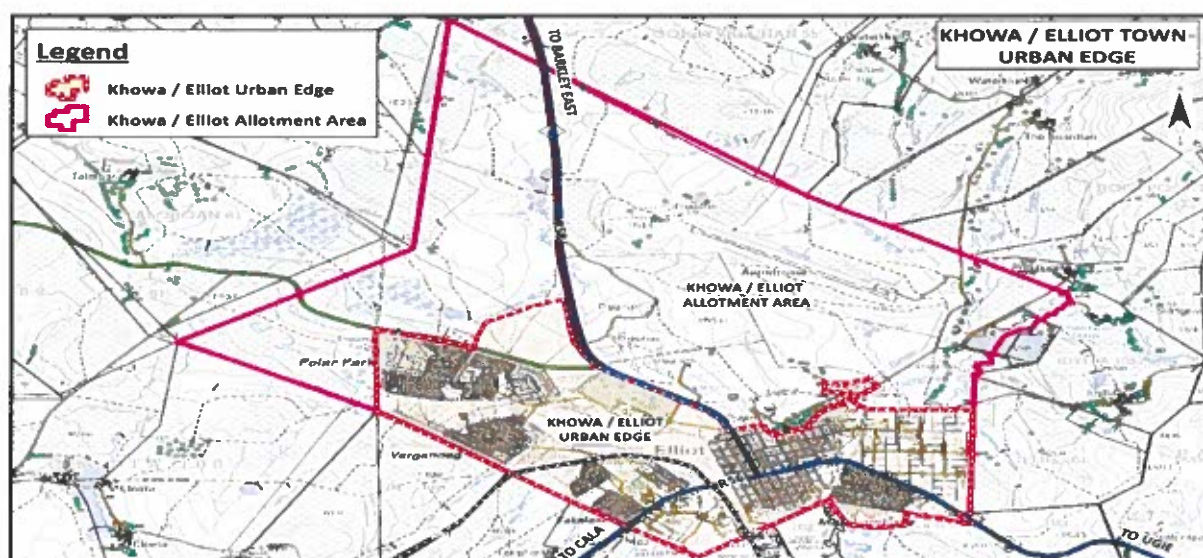
- Part of the planning initiative for this Zone would be the planning and development of a small “Urban Reception” area to accommodate some 20 – 50 households in temporary accommodation with rudimentary services. This is suggested so as to manage the influx to the town still occurring and to link new arrivals to ongoing housing development processes in Khowa (Elliott).



Khowa is a secondary node which identified by the Sakhisizwe Local Municipality SDF. It is characterised by a number of land uses which range from business offices, commercial, residential, agriculture, the spatial proposals for Khowa town are as follows:

- Central Business District (CBD) Revitalisation
- Integrated Human Settlement Development
- Movement and access / Public Transport
- Town Open Space System
- Small Town Regeneration Strategy – which will in addition to the above, will cover issues, such as, Legibility and Sense of Place, Urban Edge, Commonage Management and Urban Agriculture





Khowa CBD Revitalisation

The CBD is the nerve centre and dominant local point of any town. The condition of the CBD will therefore have a significant impact on the well-being and development outlook. Successful CBD process a distinctive character; build upon the competitive advantages, sub-regional linkages and capacity for accommodating more intense development.

Proposals

- The R58 and R56 are the two most important routes and play a very important role in the town's spatial pattern and future development. Attention must be given to managing traffic and people on these roads.
- Current developments should be maintained but traffic calming measures, such as, speed limits, bumps and pedestrian crossings measures should be introduced.
- Promote **infill and densification** on vacant, derelict, underdeveloped and underutilized land parcels to promote densification for **mixed use development**. It may necessary to identify areas within Khowa (Elliot) Town where infill development and densification will be pursued, as a tool to achieve spatial integration; increase population thresholds and address the legacy of apartheid through social inclusion by the provision of social and rental housing to accommodate the middle and low income markets in the town.
- The need to upgrade informal trading facilities, including trading premises, requires the upgrade of infrastructure in the CBD.
- Investigate the possibility of providing commercial, retail and community facilities as part of the Taxi Rank upgrade.
- Promote pedestrianisation by providing pedestrian facilities. This should include providing for the physically disabled, pedestrian path ways, sidewalks, road crossings, pedestrian gates, and pedestrian road signs. These should be enforced with new developments and should be enhanced at existing developments but should be informed by detailed Traffic Impact Assessment (TIA).
- Pedestrian movement and cycle tracks to ease movement need to be integrated by the development of pedestrian-friendly routes designed to accommodate vehicular traffic, while giving priority to pedestrians over the car. The main R58 and R56 will be structured to perform such functions.
- Undertake an extensive Traffic Impact Assessment to identify problems with more detailed recommendations and a phasing programme for taxi rank upgrade.

- Develop Informal Street Trading Policy and Management Plan to guide the manner in which the the primary node shall be utilised.
- Develop Street Naming Policy, especially within the CBD for easy identification of property location.
- Municipality should identify potential funding sources and submit funding applications thereof.
- Densification of larger residential vacant or erven in the northern portion of the town towards the direction of Khowa (Elliot).
- Residential formalisation and upgrade in existing lower income residential extensions with an informal character.
- Reserve and settlement extending along the road leading to Khowa (Elliot).
- Investment in the quality of the public environment and good urban management are key to retaining existing and attracting new high order business activities.
- Higher density residential development should be provided around the nodes.
- Focus should be on the creation of small business opportunities for local development.
- The node should be integrated with public transport facilities, and should as far as possible be located in such a manner that it is within walking distance for a large section of the local population.
- Main routes linking the nodes with the internal neighbourhood should have a strong pedestrian focus.

5. Land Tribunal and by laws

Sakhisizwe Municipality is part of the Chris Hani District Municipal Planning Tribunal. Each Municipality has 1 representative on the Council and the Director IPED/ Town Planner fulfils this role. The Director IPED is the authorised Official. The district planning tribunal is functional.

Sakhisizwe SPLUMA bylaws were gazetted in 2016. However, implementation has proved to be difficult especially with regard to land invasions mainly due to lack of political and administrative will.

6. Human Settlement

Progress in the provision of adequate housing has been made in the Sakhisizwe LM. In 2016, formal houses which made of bricks on separate stand account for 69.9% and inadequate housing which made up of traditional dwelling, house / room in backyard, Informal dwelling (shack; in backyard) and Informal dwelling (shack; not in backyard; e.g. in an informal / squatter settlement or on a farm) accounts for 30.4%.

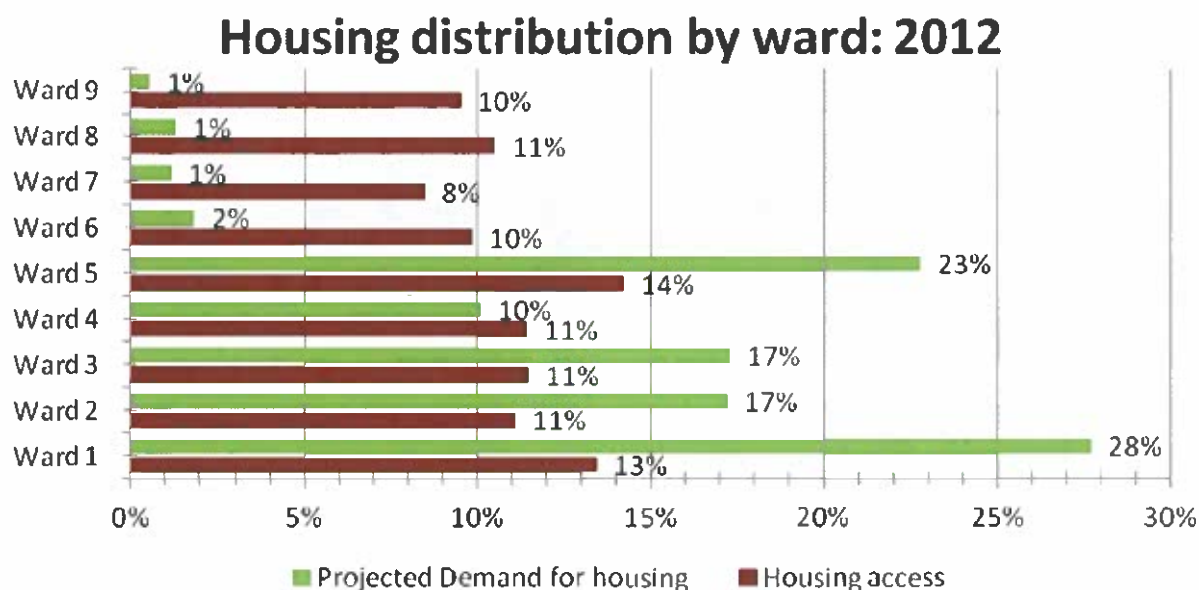
The comparison among census 2001 & 2011 and community survey 2016 indicates that formal houses in the municipality have increased from 45.9% in 2001 to 61.5% in 2011 and then increased again from 61.5% to 69.6% in 2016 although the number of households decreased to 14 848 in 2016. The housing backlog in Sakhisizwe LM amounts to 30.4%.

Formal and informal dwellings

% Formal Dwellings		% H/Holds Owned	
2001	2011	2001	2011
46.7	64.1	71.2	41.3

Source: Stats SA; 2011

The estimated housing backlog in Sakhisizwe Municipality distributed across the wards as shown below:



Overview of housing projects in Sakhisizwe Municipality – Per Project/Ward

WARD 1 VILLAGES	CLLR Z. PHONOSHE			
	NO OF APROVED BENEFICIARIES	NO OF HOUSES COMPLETED	NO OF HOUSES AT VARIOUS STAGES	NO OF HOUSES NOT STARTED
Mhlwazi	100	0	0	0
	469	0	0	0

WARD 4 VILLAGES	CLLR			
	NO OF APROVED BENEFICIARIES	NO OF HOUSES COMPLETED	NO OF HOUSES AT VARIOUS STAGES	NO OF HOUSES NOT STARTED
Cala Reserve	157	0	0	0
	469	0	0	0

WARD 6 VILLAGES	CLLR N. STOFIE			
	NO OF APROVED BENEFICIARIES	NO OF HOUSES COMPLETED	NO OF HOUSES AT VARIOUS STAGES	NO OF HOUSES NOT STARTED
Tsengiwe	410	220	0	0
Mnxé	138	0	0	0
	469	0	0	0

WARD 7 VILLAGES	CLLR T. MAYONGO			
	NO OF APROVED BENEFICIARIES	NO OF HOUSES COMPLETED	NO OF HOUSES AT VARIOUS STAGES	NO OF HOUSES NOT STARTED

White City	58	58	0	0
Sdikidini	54	54	0	0
Barracks	59	59	0	0
Sphafeni	28	28	0	0
	199	199	0	0

WARD 8 VILLAGES	CLLR P. MAHLOMBE			
	NO OF APPROVED	NO OF HOUSES COMPLETED	NO OF HOUSES AT VARIOUS STAGES	NO OF HOUSES NOT STARTED
Thembeni	11	11	0	0
Maqwathini	79	20	59	0
Mission	71	20	51	0
Manzimahle	319	0	67	252
Askeaton	106	18	88	0
Mthingwevu	137	0	30	107
Diphini	38	16	22	0
Bumbane	87	10	72	5
	848	95	389	364
WARD 9 VILLAGES	CLLR T. TASANA			
	NO OF APPROVED BENEFICIARIES	NO OF HOUSES COMPLETED	NO OF HOUSES AT VARIOUS STAGES	NO OF HOUSES NOT STARTED
Mahlungulu	27	0	0	
Nyalasa	28	0	0	
Mbenge	29	0	0	
Langanci	69	0	0	
Mbodlane	10	0	0	
Hota	35	0	5	
Lower lufutha	27	0	0	
Mbewula	12	0	0	
	237	0	0	

Planned projects

PROJECT NAME	BUDGET	EXPENDITURE	UNITS-PLAN	UNITS - ACTUAL	START DATE	COMPLETION DATE
Cala Elliot 514 - Ext 13&14 – (200 units)	R100 000	R0	0	0	TBC	TBC
Cala Elliot 514 - Ext 15 (161 units)	R100 000	R0	0	0	TBC	TBC
Cala Elliot 514 - Elliot 800 (11 units)	R200 000	R0	0	0	TBC	TBC
Chris Hani Disaster - 879 Subs - Phase 1 Manzimdaka 127)	R2 680 000	R0	10	10	TBC	TBC

The tables above provides the status of housing development in Sakhisizwe. It should be noted that the Department of Human Settlements is still struggling with meeting the needs of the community. This is attributed by a number of issues including budget.

Emergency Housing Programme

As part of responding to recent disaster, the department has set aside a budget to reconstruct and provide housing emergency relief to victims in the Chris Hani areas including 65 in Sakhisizwe. The plan is to construct 430 units for the entire Chris Hani Region (8 Municipalities) funded by Human Settlements and COGTA Grant as follows:

NO OF UNITS for Sakhisizwe LM	NO OF VERIFIED BENEFICIARIES	STATUS OF APPROVAL	PROGRESS
65	65	65	<ul style="list-style-type: none"> 3 emerging contractors were appointed for Sakhisizwe LM, each allocated 20 units. 5 will be allocated to best performing contractor. ➤ Contractor 1: Erino construction and Others services – ward (3&4) ➤ Contractor 2: Dona Trading – ward (1,2&5) ➤ Contractor 3: DMPHO Business enterprise – ward (6,7,8&9) 38 Steel fixing have been inspected. 38 Concrete slabs have been certified. 33 Wall-plates have been inspected and approved. 10 Roof structures have been inspected and approved 20 Roof structure not inspected 10 Completions with electrical connection and water rain tanks not inspected The 10 units at completion stage are being vandalized. CHDM conducted verification assessment of the units to check their status of vandalism. CHDM took a decision to hand over the 10 units to the beneficiaries as to curb the vandalism. Contractor has cited financial challenges to attend to the defects list as some houses have been affected by Tornado with major damages. Human Settlement unit

			<p>has advised the contractor to seek cessions with the material suppliers.</p> <ul style="list-style-type: none"> Contractor has been requested to submit the cession this week of the 19th of April 2021 for assistance on materials.
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CHALLENGES	MITIGATION
<ul style="list-style-type: none"> The project is on hold due to dispute between CHDM and Element Consulting Engineer who does not want to take professional accountability for the design that CHDM inherited from ECDHS. Numerous engagement has been made with the engineer regarding professional accountability agreement without any success. 	<ul style="list-style-type: none"> CHDM has issued notice of termination to Element Consulting Engineer on the 24 March 2021. CHDM is considering to surrender the programme back to the Department of Human Settlements due numerous unresolved challenges.

7. Land Tenure; SDF and Demand for Land

Sakhisizwe LM undertook a detailed land audit in 2010 aimed at establishing ownership patterns and guiding strategies to curb and control land invasion. Apart from small pockets of privately-owned land in the Cala and Elliot towns of the municipality, the largest parts of the municipal area consist of lesser forms of tenure on communal - state owned land. These forms of tenure include PTO's and Quitrent (often in overlapping allocations). The northern (former RSA) component of the Municipality consists of privately-owned farms and erven.

In order to satisfy the current demand, the recent report on ward-based planning in Sakhisizwe proposes that an estimated 464 hectares may be needed for new development demand. The SDF also proposes that there should be densification programmes in Phola Park, Old Location in, Khowa (Elliot), Ndondo Square, Phakamisa, Manzindaka, and Cala Reserve in order to maximise the use of pockets of land within these areas especially for housing development.





8. Land Redistribution

Land in South Africa is being redistributed through PLAS (Proactive Land Acquisition Strategy). This means that the state proactively looks for suitable agricultural land, buys it and then leases it to identified beneficiaries for a few years until it is satisfied that they can run the land effectively. In order to meet the land redistribution target of 30 %; 166 000 ha will need to be redistributed at a total cost of R 83 million if the price remains at around R 2500 per hectare (CHDM ABP 2010). However, the ABP clearly states that an emerging farmer will only succeed if the farm concerned contains both mountain and low-lying ground. This means that the farms to be redistributed should be carefully sourced in Sakhisizwe.

In addition, the Department must look at the variety of land needs and tenure and formulate appropriate responses, The ABP advocates redistribution occurring along the R 58 and tenure reform around the R 392 where there are immense struggles created by overlapping land rights. This affects development in the

Land Invasion and Administration

Land invasions are becoming increasingly prevalent especially in Cala town and Khowa locations. The municipality is in the process of developing its land invasion policy and serving notice on all land invaders. Signs warning against land invasion have been erected. In addition, the municipality has taken persons to court over land invasions. Municipal outreaches and roadshows have constantly outlined the problems created by land invasions and warned residents against it. The Municipality has also held many meetings with traditional leaders around land issues and is utilising the NDPG funding to consolidate settlements around both towns to ensure that communities can receive title deeds. There is a SPLUMA Bylaw and a Land Invasion Policy.

9. Migration

Migration is not a serious factor in housing demand within the Sakhisizwe municipality since very few numbers converge into our areas in search of greener pastures. The majority of people that constitute our housing demand are local inhabitants. There is therefore no need to develop a dedicated migration plan in Sakhisizwe.

10. Adequate; inadequate dwellings and Informal Settlement

	2001		2011		2016	
	No	%	No	%	No	%
Formal House	7 177	45.9	10 233	61.5	11 120	65.6
Traditional dwelling	7 585	48.5	4858	29.2	5,120	30.2
House/Room in backyard	57	0.4	613	3.7	-	-
Informal dwelling (shack; in backyard)	201	1.3	299	1.8	-	-
Informal dwelling (shack; not in backyard; e.g. in an informal / squatter settlement)	605	3.9	489	2.9	621	3.7
Other	0	0	145	0.9	99	0.6
Total	15 625	100.0	16 637	100.0	16,960	100.0

Source: Census, 2011 and Community Survey, 2016

In 2016, adequate housing (this includes formal housing) amount to 65.6 % while inadequate (this include traditional dwelling, House/Room in backyard, informal dwelling (shack; in backyard), and informal dwelling (shack; not in backyard; e.g. in an informal / squatter settlement etc) housing account for 4 518 units within the municipality. Inadequate dwellings form the housing backlog within the municipality.

As indicated in the table above, there are 780 households residing in the informal settlements and this is an indication that there is a demand for informal settlement upgrade or provision of rental housing (in cases where occupants of shacks are using the shacks as temporary accommodation) and social housing.

The National Department of Human Settlements (NDoHS) Upgrading Support Programme (NUSP) provided Informal Settlements Participatory Based Planning Support to the SLM and compiles viable and practical upgrading plans for selected informal settlements in the area. The overall intention is to facilitate the structured in-situ upgrading of informal settlements to achieve security of tenure, health and safety, and improve community empowerment and appropriate basic levels of service. This includes ensuring community participation, achieving higher settlement densification, prioritisation of well-located land and improved spatial efficiency. The following informal settlement areas in Elliot town were identified.

No.	Main Town	Name of the Informal Settlement	Estimated Households
1	Khowa (Elliot)	Phola Park	300
2	Khowa (Elliot)	Ekuthuleni	250
			550

Source: NUSP Report 2017

Phola Park	Ekuthuleni
Phola Park Informal Settlement is a category A settlement. Category A settlement is a settlement that requires an in-situ upgrading and the developmental response is full upgrading delivery of full infrastructural services, top structures and tenure including formal township establishment. Phola Park informal settlement is located approximately 4km south east of Khowa town. The total number of households is residing within the	Ekuthuleni Informal Settlement is one of the two (2) informal settlements located in Sakhisizwe LM. The informal settlement of Ekuthuleni has approximately 250 households. The settlement is located approximately one km south east of Khowa town. Ekuthuleni has access to services via the established township such as: <ul style="list-style-type: none"> ▪ Schools ▪ Churches ▪ Cemetery

<p>established township. It consists of households erected informal structures on surveyed plots, and each plot has the following services connected to:</p> <ul style="list-style-type: none"> ▪ Stand taps within the informal settlement ▪ Self-dug pits ▪ VIP toilets 	<ul style="list-style-type: none"> ▪ Health Care Centres
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11. Capacity to manage housing delivery

The Municipality does not have an accredited housing department. In terms of the Standard Charter of Accounts (SCOA) the Municipality has absorbed the staff into the directorate Integrated Planning & Economic Development. The Municipality continues to play its role in managing housing beneficiaries as well as identifying and allocating land and prioritising municipal services for identified areas.

12. Land Potential and Constraints

It is envisaged that preliminary and detailed feasibility assessment of both land and infrastructure potential will in future form part of the project readiness assessment before capital funding is allocated. With further review and refinement of the Municipal Land Audit and Housing Sector Plan, information should be acquired to enable yield calculations on strategic land parcels.

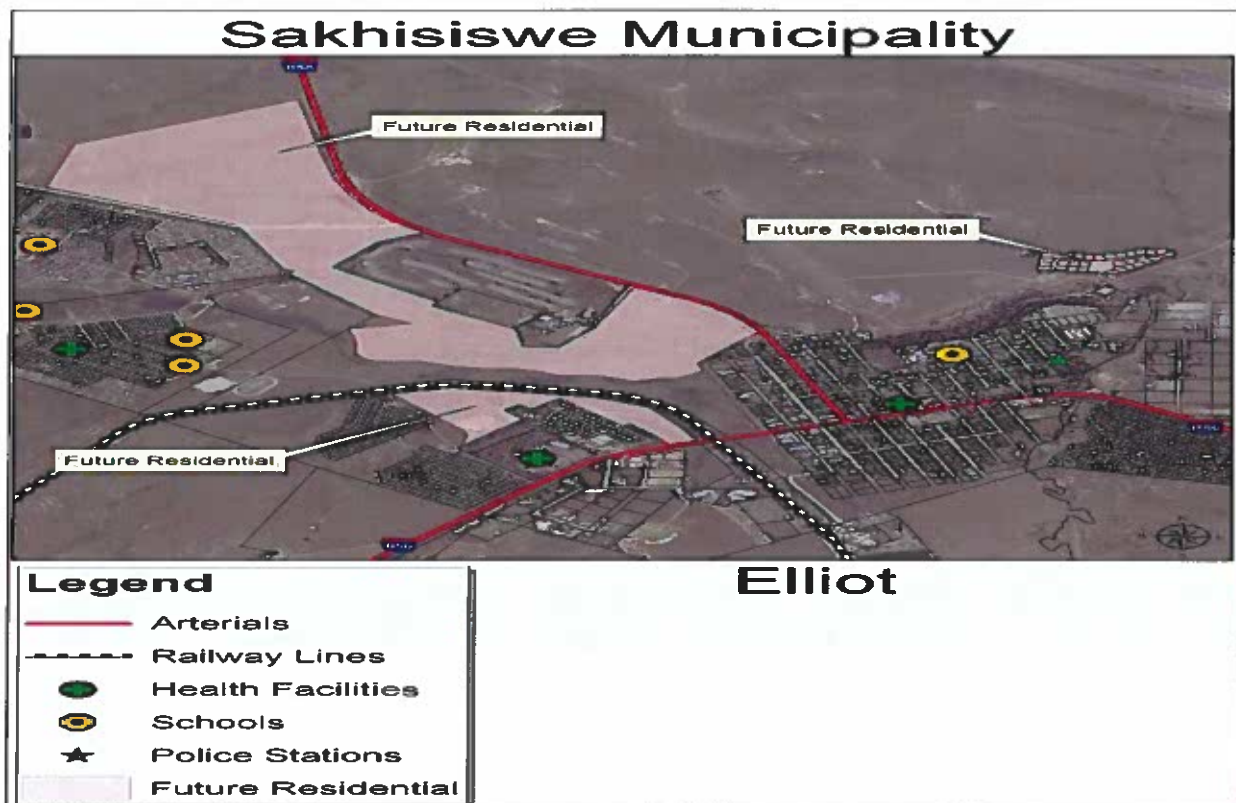
The procedures for accessing communal land for future development are guided by the Interim Protection of Informal Land Rights Act. Once a community resolution has been obtained, it is the responsibility of the Department of rural Development and Land Reform to issue formal authorisation for the release/ transfer of land. These processes are both time consuming and costly with many examples of the process never reaching a conclusion. The normal willing buyer/willing seller or alternatively expropriation procedures (with compensation) apply when accessing privately owned land for settlement development or municipal commonage purposes.

13. Analysis of Housing Needs

In order to satisfy the current demand, the recent report on ward-based planning in Sakhisizwe proposes that an estimated 464 hectares may be needed for new development demand. The SDF also proposes that there should be densification programmes in Phola Park, Old Location in Khowa (Elliot), Ndondo Square, Phakamisani, Manzindaka, and Cala Reserve in order to maximise the use of pockets of land within these areas especially for housing development. The table below gives the distribution of housing demand by ward and hectares of land needed to satisfy the demand.

	Ward 1	Ward 2	Ward 3	Ward 4	Ward 5	Ward 6	Ward 7	Ward 8	Ward 9	Total
Land required for new housing (45%)	20.2	12.3	32.6	11.7	17.8	28.2	25.8	29.2	30.9	209
Land required for ancillary land uses	11.2	6.8	18.1	6.5	9.9	15.7	14.3	16.2	17.2	116
Land required for roads	13.5	8.2	21.7	7.8	11.9	18.8	17.2	19.5	20.6	139
Total land required in hectares (ha) =	44.9	27.3	72.4	26	39.6	62.7	57.3	64.9	68.7	464

Source: SLM Housing Sector Plan 2022



14. Land Requirements for Future Developments

Existing rural settlements are not requiring more land. Social and rental housing should ideally be accommodated on underutilised land parcels central to the urban areas with good success to existing

social and infrastructure facilities and services. Feasibility assessments will be required to determine the potential for in-situ formalisation of informal settlements. The alternatives for responding to the needs of child headed households needs to be considered before the need can be determined.

15. Challenges

- Demand for land. There is a huge demand for middle to lower income houses in Cala and Khowa yet no land is demarcated and available for future development in these areas. The available sites are not serviced.
- Much of the land required for development purposes in the former Transkei (Cala) areas falls outside municipal boundaries and under the jurisdiction of traditional authorities with communal land tenure.
- Land invasions. Land demarcated for future development is often invaded by persons who are outside seeking to be closer to town
- Beneficiaries. On completion of projects many houses can't be handed over due to beneficiaries either relocating or dying. Beneficiaries who die without leaving a will, create problems as the municipality then has to decide which family member is entitled to the house.
- Vandalism. Many RDP houses are vandalised before the project is complete
- No integration of settlements. Housing developments are planned without future growth in mind like schools, clinics and churches
- Illegal usage of RDP houses. Many house owners illegally rent their houses out or sell them which results in the growth of many spaza shops.
- No fencing provided for houses. RDP houses do not cater for fencing with the result that commonage and road side fences are stolen.
- Unfiled building plans. Land owners just build according to their wants without consulting the municipality
- Disaster Houses. The municipality is not responsible for disaster management but finds that many of the reported structures do not get fixed by the Department.

16. Interventions

- By law enforcement. The municipality is in the process of restructuring some bylaws to prevent land invasions and the building of illegal structures without building permission.
- Densification. The municipality is working with service providers to densify Cala town by amalgamating it with the surrounding villages and increasing the current municipal boundaries. This will take some time as the land belongs to traditional authorities.
- Private partnerships whereby developers buy land parcels to survey and develop it for middle income buyers.
- Housing Sector Plan. The Municipality has developed a new housing sector plan in 2022.

Planned Projects

Project	Budget
Cala - Ward 4 (Wards 1,3 & 6) -1393 subs (- (New Heights 27 units))52	R 200 000
Cala - Ward 4 (Wards 1,3 & 6) -1393 subs (- (Zikhulu 27 units))	R 165 000
Cala - Ward 4 (Wards 1,3 & 6) -1393 subs (- (Happenahom 27 units))	R 350 000
Cala - Ward 4 (Wards 1,3 & 6) -1393 subs (- (Ikubantu 27 units))	R 150 000

Cala - Ward 4 (Wards 1,3 & 6) -1393 subs (- (Pickering/Micromath 27 units))	R 300 000
Cala - Ward 4 (Wards 1,3 & 6) -1393 subs (- (Moepeng 27 units))	R 350 000
Cala - Ward 2 - 1409 subs - - ZNM Engineers (432 units)	R 119 250
Elliot Old location 1000	R 285 000
Chris Hani Disaster - 879 Subs - Phase 1 (Cala - Manzimdaka 127)	R 4 845 917

R 52 866 890

Source: Dept. Human Settlements & Sakhisizwe Housing Sector Plan

Future Projects

Projects	Status Quo
Elliot Old location 1000	Blocked on Planning. : Land issues to be resolved by Municipality and engage Chris Hani D.M for bulk infrastructure. HDA has been appointed by Human Settlements to assist in planning & implementation of the project.
Phola Park & Ekuphumleni 854	This is a new & future projects identified by Municipality during 26th March 2014. Region received only application letter but without endorsed beneficiary list by Council. Documents that are required is the proof of Land Ownership, Endorsed beneficiary list, Confirmation of bulk & internal infrastructure service (Water, Sewer, Roads Electricity etc.)
Cala Ext 13&14 (1545)– Cala Ext 15 (1070) and – Cala 420	Old project were planned for installation of internal reticulation services. Due to unavailability of Bulk, project was stalled.
Chris Hani Disaster - 879 Subs - Phase 1 (Cala - Manzimdaka 127)	Appointment of a Turnkey Contractor for Construction of 127 houses. – Planned Re-Tender in 2022-23/24 F/y.
Chris Hani Disaster - 879 Subs - Phase 2 – (100 units)	Appointment of a Turnkey Contractor for construction of 100 houses in Sakhisizwe Municipality - Planned Tender in 2022-23/24 F/y.
Chris Hani Destitute - 800 Subs - Phase 1 (65 units at Sakhisizwe)	Appointment of a Turnkey Contractor for Construction of 65 houses in Sakhisizwe Municipality – Planned Tender in 2022-23 /24F/y.
Chris Hani Military Veterans 98 - Phase 1 – (20 Military Veterans approved for 20 units at Sakhisizwe).	Appointment of a Turnkey Contractor for construction of 98 houses for Military Veterans in Chris Hani District Municipality Planned Tender in 2022 - 23/24 F/y.-
Elliot Rectification 302 Units - Phase 1	Appointment of PSP for assessment of 302 houses in Sakhisizwe Municipality - Planned Tender in 2022 - 23/24 F/y.
Cala Ext 13 & 14 - (239 units) (- Phase 1): (200 units)	Appointment of SMME contractors for construction of 200 units in Sakhisizwe Municipality - Planned to reinstate SMME in 2022-23/24 F/y.
Cala Ext 15 - (255 units) - Phase 1: (161 units)	Appointment of SMME contractors for construction of 161 units in Sakhisizwe Municipality - Planned to reinstate SMME in 2022-23/24 F/y.

Elliot - R/land Ph 2 (Polapark) - 800 subs (20 units)- (11 units)	Appointment of SMME contractors for construction of 11 units in Sakhisizwe Municipality - Planned to reinstate SMME in 2022 - 23/24 F/y.
Cala - Ward 2 –(Ward 8&9) 1409 subs (409 units):(200 units)	Appointment of PSP and contractor for construction of 200 units in Sakhisizwe Municipality - Planned Tender in 2022 -23/24 F/y.
Cala - Ward 4 (Wards 1,3 & 6) -1393 subs (409 units): (200 units)	Appointment of a contractor for construction of 200 units in Sakhisizwe Municipality Planned Tender in 2022 -23/24 F/y.-

Source: Dept. Human Settlements & Sakhisizwe Housing Sector Plan

Housing Delivery

WARD 8 & 9	VILLAGES	APPROVED BENEFICIARIES	HOUSES STARTED & COMPLETED	HOUSES AT VARIOUS STAGES	HOUSES NOT YET STARTED
LOWER LUFUTA	Mangweni	102	70	22	-
	Madwaleni	126	117	3	-
	Mbodlane	123	121	1	-
	Rollwest	84	7	42	-
	Hota Mbewula	31	0	11	-
	Ncalukeni	48	0	35	-
	Sgangeni	37	0	20	-
	Sweetline	45	0	0	-
NYALASA	Lalini	15	10	0	-
	Mazizini	41	30	0	-
	Mahlungulu	30	0	0	-
MBENGE	Ngxingweni	51	41	0	-
	Komkhulu & Nomadande	129	105	24	-
	Binca	19	0	0	-
	Mangweni	57	0	0	-
	Marhuleni	28	0	7	-
UPPER LUFUTA	Upper Lufuta	22	0	0	-
TOTALS	17	988	785	203	0

WARD 7 VILLAGES	NO OF APROVED BENEFICIARIES	NO OF HOUSES COMPLETED	NO OF HOUSES AT VARIOUS STAGES	NO OF HOUSES NOT STARTED
White City	58	58	0	0
Sdikidini	54	54	0	0
Barracks	59	59	0	0
Sphafeni	28	28	0	0
Sub total	199	199	0	0

WARD 8 VILLAGES	NO OF APROVED BENEFICIARIES	NO OF HOUSES COMPLETED	NO OF HOUSES AT VARIOUS STAGES	NO OF HOUSES NOT STARTED
Thembeni	11	11	0	0
Maqwathini	79	20	59	0
Mission	71	20	51	0
Manzimahle	319	0	67	252
Askeaton	106	18	88	0
Mthingwevu	137	0	30	107
Diphini	38	16	22	0
Bumbane	87	10	72	5
Sub total	848	95	389	364

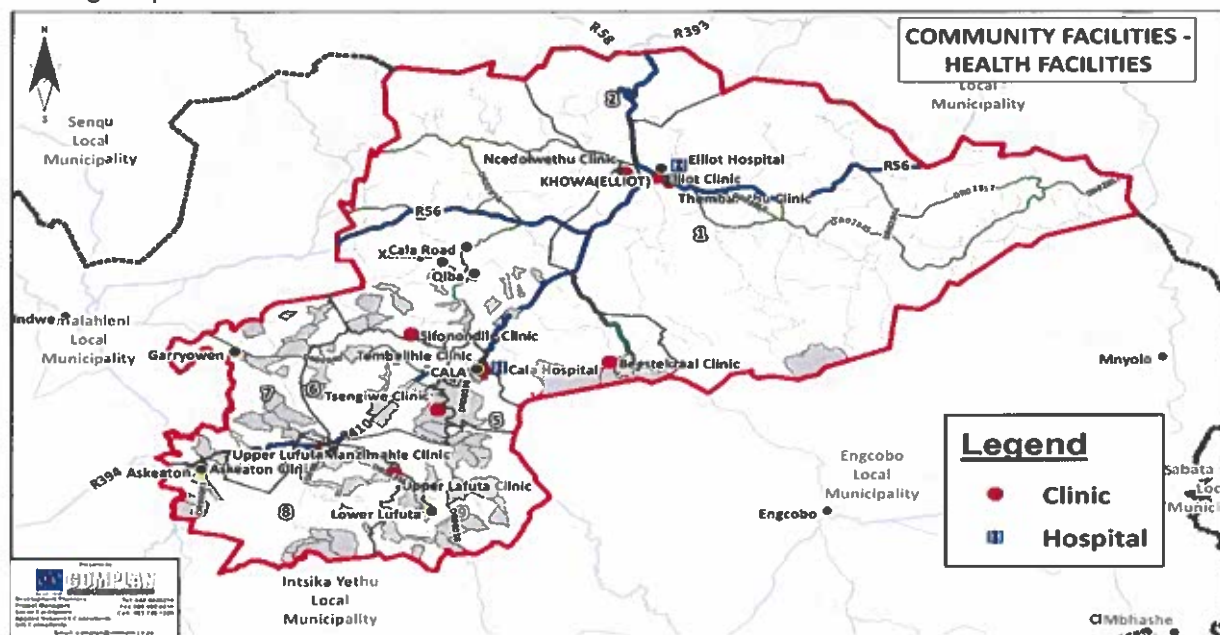
WARD 9 VILLAGES	NO OF APROVED BENEFICIARIES	NO OF HOUSES COMPLETED	NO OF HOUSES AT VARIOUS STAGES	NO OF HOUSES NOT STARTED
Mahlungulu	27	0	0	-
Nyalasa	28	0	0	-
Mbenge	29	0	0	-
Langanci	69	0	0	-
Mbodlane	10	0	0	-
Hota	35	0	5	-
Lower lufutha	27	0	0	-
Mbewula	12	0	0	-
Sub total	237	0	0	-
TOTALS	1284	767	267	250

17. Health Services

Sakhisizwe Health Sub-District consists of 2 Hospitals (Cala and Khowa), 14 Clinics, 3 Mobile Clinics and 2 EMS Stations.

Clinics	Mobiles	Hospitals
Khowa (Elliot) Clinic	1 District Mobile Clinic (CHDM)	Cala Hospital
Beestekraal	<ul style="list-style-type: none"> • Khowa (Elliot) Mobile Clinic (Gubenxa & Mhlwazi) 2 • Cala Mobile has 2 mobile vehicles with 37 stopping station 	Khowa (Elliot)
Tsengiwe		
Upper Lafuta	N/A	
Ncedolwethu	N/A	
Sifondile	N/A	
Askeaton	N/A	
Tembelihle	N/A	
Nyalasa	N/A	

Existing Hospital and clinics



Projects

Project Name	Scope	Programme Implementing Agent	Local Municipality	Start Date	End Date	Final Budget 2024/25
Elliot Hospital Infrastructure Improvements (Phase 1)	General repairs and maintenance to the building including roof repairs & health professional accommodation	DPW&I	Sakhisizwe	01/05/2018	31/05/2025	6 000 000
PVC Water tanks Chris Hani	Supply and install water tanks in Chris Hani	DPW&I	Chris Hani	01/05/2018	30/10/2025	586 279

Source: Chris Hani District: Dept. of Health

Challenges

- Increase access to health services by improvement of road infrastructure e.g. Mhlwazi; Nyalasa and Mceula
- Assistance with resolving water challenges in facilities that still remain with persistent access to water
-

18. Telecommunication

Telkom is the main provider of the landline telephone services in the Sakhisizwe area. Cellular network coverage is patchy due to the mountainous terrain, as is television and radio reception. Business telecommunication services and facilities are unreliable due to inadequate infrastructure for broadband.

General communication is largely through the mobile and fixed telecoms. The last few years have seen a rise in privately operated mobile public phone services. The municipality has identified operational projects aimed at improving plans for network signal and broadband infrastructure improvement through partnership with established operators in the ICT sector.

19. Community Facilities

Sakhisizwe municipality is responsible for provision, management and maintenance of public amenities and community facilities that are in its custody and within its jurisdictional areas. These amenities are means by which the local government is advancing service delivery and social cohesion.

▪ Sports Fields

The main challenge is that existing facilities are poorly planned and do not respond appropriately to the needs of target user communities. For example, facilities are few in number, cater for only few sporting codes and not multi-functional in their design. Due to this situation existing sports facilities in Sakhisizwe wards are multi-functional and this is compounded by the fact that limited fund availability makes it difficult for the municipality to maintain them regularly. The responsibility for provision and maintenance of sporting facilities is shared between SLM and DSRAC. However, the lack of a SLA makes it difficult to hold each partner accountable to their responsibilities.

Sports and Recreation:	Ward 1	Ward 2	Ward 3	Ward 4	Ward 5	Ward 6	Ward 7	Ward 8	Ward 9
Soccer/Cricket Field combined and park for youth/kids	1	1	1	2	1	1	1	1	1
Multi-purpose central sporting facility consisting of 2 sports fields for soccer/rugby, cricket, x2 tennis courts, athletics and netball court and a clubhouse/change room	0	1	0	1	0	0	0	0	0

Synopsis of issues relating to sporting facilities in the SLM areas:

Sporting code	Formal league / teams	Management body in place	Facilities	Issues
Soccer	Yes.	Yes.	Cala & Khowa towns	Lack of tournaments & proper facilities
Rugby	No.	No.	None	No formal structure

Cricket / Swimming Netball / Tennis	Some schools have active pupils in these codes	No	None	No organized structure
Swimming	No.	No.	Private swimming pools in Khowa	No organized structure
Gym	No	No	Informal operators in Cala and Khowa	Need for a formal gym in an accessible area
Athletics (Running, Music, Dance, Acting, etc.)	Yes	Yes	Khowa (Ward 2)	Facility is of poor standard. No facility at Cala surroundings
Sporting tournament	Soccer, netball, athletics, boxing	Mayoral cup	Indoor Sport Complex (Ward 4)	Facility is of poor standards needs proper maintenance

▪ Parks & Recreational Facilities

Sakhisizwe LM owns and operates some few recreational facilities such as the Thomson's Dam in Khowa and others. There are at least 2 formal parks developed with public furniture in Cala and Khowa. The main challenge is that they lack provision and maintenance of proper toilet and refuse facilities. There are plans underway to install these facilities in the next budget year.

These facilities are earmarked for utilization in revenue collection through hiring to private users. There are also long term plans to develop new facilities in strategic areas such as the Old Plantation near Cala town in order to boost Tourism and revenue.

▪ Cemeteries

The municipality is responsible for providing professional cemetery services to all its communities including properly planned spaces for burial, support for paupers, maintenance and security of public assets linked to cemetery services.

There is no ward that has no cemetery at all at the moment; the only challenge is that existing facilities fall short of required expectations in terms of quality of service. This is because most cemeteries are in villages managed by traditional leadership. Cemeteries managed by us are in wards 1,2,4,5 Ward 4&5 cemeteries are properly maintained while 1 & 2 are not because communities do not pay for services. For example some cemeteries are not properly fenced and this cases stray animals to roam and destroy valuable assets. Others are located in areas that have geological challenges resulting in prevalent dampness and potential risk to underground water by contamination. There is also vandalism and theft of tombstones, as a result we have started to make provisions for security.

The focus in the coming year for cemetery services will be on mobilising stakeholder support for modernization (e.g. introduce automated register) and funding for infrastructure improvements (e.g. Installation of fences, toilets and securing of land for future cemeteries).

Again, SLM will develop and ensure proper implementation of a policy to guide pauper burial support. This will provide council with a systematic framework for consideration and responding to requests for burial support by destitute families.

▪ **Pounds & Commonages:**

Sakhisizwe LM has two pounds in Khowa and Cala. These facilities serve as storages for animals that are impounded in our areas but currently.

There is a SLA between provincial Department of Transport and the Sakhisizwe Local Municipality for the Construction of Pounds in both Cala and Khowa.

The focus for the coming years will be on:

- Budgeting to procure relevant medical stock and training of staff to administer them
- Appointment of additional rangers, pound master at Khowa and improvement of security in both pounds.
- Community awareness to promote branding of animals for ease of identification

▪ **Community Halls**

Sakhisizwe LM has a responsibility to ensure provision and maintenance of reliable and accessible places of gathering and meetings for communities. The current status quo of the municipality is that all the 9 wards have community halls.

The main challenge is the poor maintenance of the community halls and poor road infrastructure to access the facilities.

20. Libraries

There are three main libraries located in Khowa and Cala and a modular library in Askeaton to service greater Sakhisizwe areas. The new Khowa Library project is underway and the municipality is in negotiations with DSRAC for its speedy delivery and operation.

We do not have established museums in our municipality but we are investigating mechanisms for possibilities linked to our historic and cultural heritage.

The main challenges for the library services can be summarised as follows:

- Lack of a comprehensive library management and maintenance plan; and
- Stock in Khowa and Cala libraries is outdated so we need to source new material.

There is functional and effective stakeholder partnerships for the betterment and funding of libraries in our areas.

21. Safe and Secure Environment

SLM currently provides traffic safety services including the operation of a licensing and testing station in Khowa.

An analysis of access to police stations was undertaken as part of our SDF process and it shows that more than 90% of the population is within a 30 minute drive from a police station. The most inaccessible areas coincide with the most sparsely populated areas. Below gives a comparison of access to a police station by local population.

Time	Population	%
0-5 Minutes	25 252	37%
5 – 10 minutes	8 083	12%
10 - 30 Minutes	28 284	42%

30 - 60 Minutes	4 593	7%
1 Hour +	1 217	2%
Total	67 433	100%

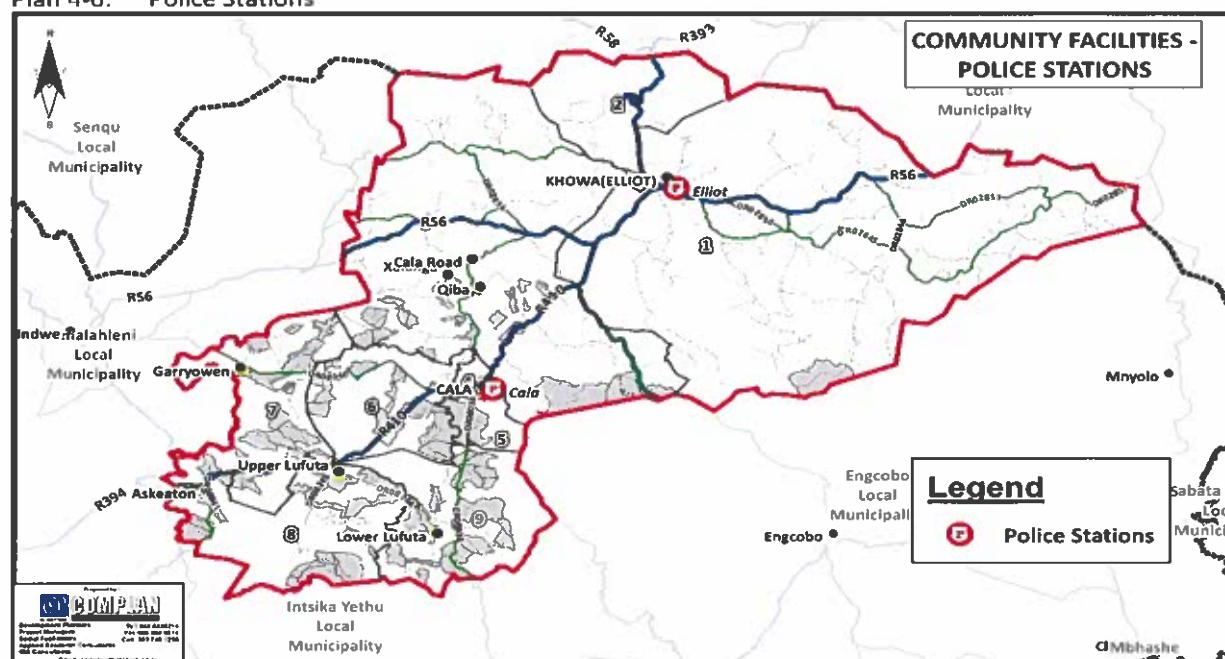
The municipality is interested in crime prevention and promotion of safety even though this function is led by the justice cluster (SAPS, Departments of Justice, Correctional Services and Community Safety in the Province). SLM participates in existing structures like policing forums and street committees with a view to curbing prevalent crimes. Crime is a problem for local government because if it is unmanaged it can get out of control and impact negatively on economic and social development.

According to information provided by local police stations in our municipality, the following crimes are common:

- ☐ Drug and Substance abuse (mainly alcohol & dagga)
- ☐ Gangsters in especially parts of Cala town and Khowa old location
- ☐ Assaults – linked to alcohol and drug abuse
- ☐ Rape - linked to alcohol and drug abuse
- ☐ Theft –of especially burglary types, animal and snatching of small potable items on unsuspecting victims

In terms of institutional responses to crime prevention, police forums exist in certain wards like 1, 2,3,4,5 and 9 but are often dysfunctional and ill-equipped with regards to support. Street committees only exist in concept but have not managed to affect a practical impact in their work or visibility. Therefore, more work is essential in this area of our crime combating strategies and programmes.

Plan 4-6: Police Stations



22. Waste Management

Refuse collection is a primary competence of the Sakhisizwe LM. Currently the municipality is providing this service to largely few urban based households and businesses. Similarly for cleansing and street cleaning, only the urban centres of Sakhisizwe receives this service.

The main challenge for rendering both these services is aging infrastructure that is prone to regular breakdowns and unplanned stoppages. Further, expansion to rural and outlying rural areas is difficult to achieve under such circumstances. In these areas households are either using own mechanism to

dispose of their waste and refuse or dump illegally anywhere which leads to degradation and costly damages to our environment.

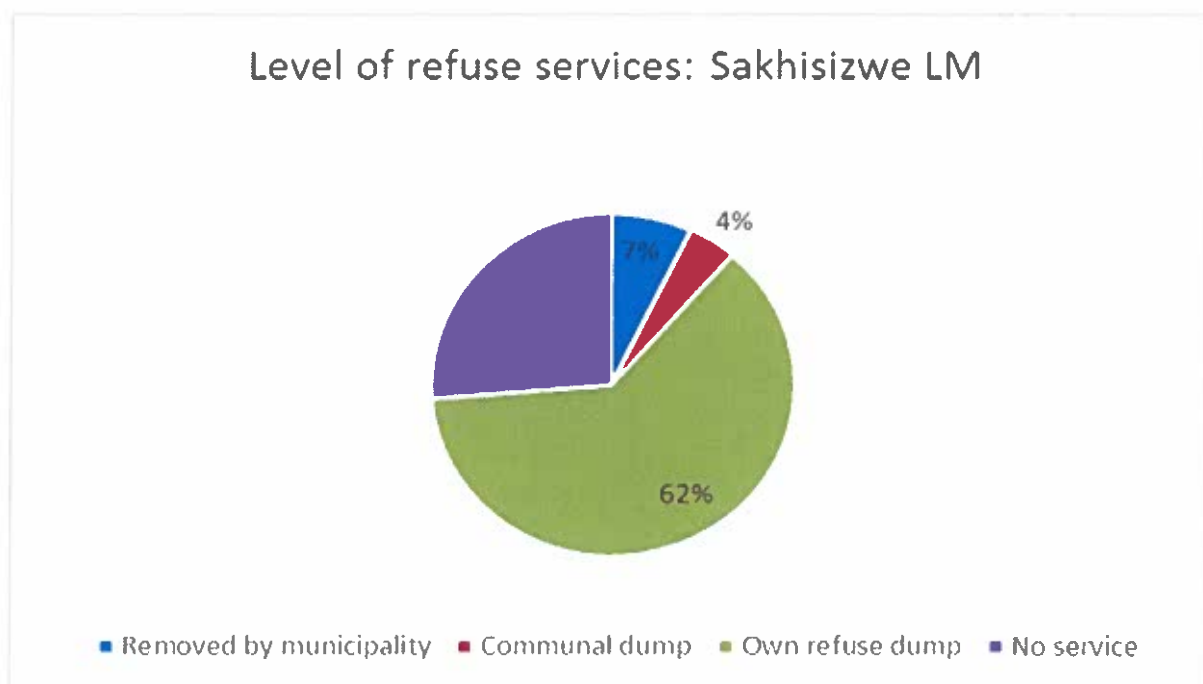
A landfill site is completed to accommodate waste and refuse collected in Cala by SLM. This is located near Cala Town and is operational although it is not licensed as required by law. In Khowa, SLM has lobbied funds from environmental affairs for establishment of Khowa transfer site and it is now operational.

The municipality is also engaged local economic development opportunities by promoting and supporting implementation of recycling projects linked to the landfill site

Backlog for provision of refuse removal remains high with 26% not served at all while another 62% of households use own means of disposing refuse and waste without any support from the municipality.

The unfortunate lack of provision in rural areas creates an unfair urban bias and spatial inequalities when comparing rural to urban household's access to refuse collection service.

The figure below uses Community survey to give an indication of coverage for refuse collection by household access to a level of service within Sakhisizwe municipality as indicated earlier under waste management refuse collection:

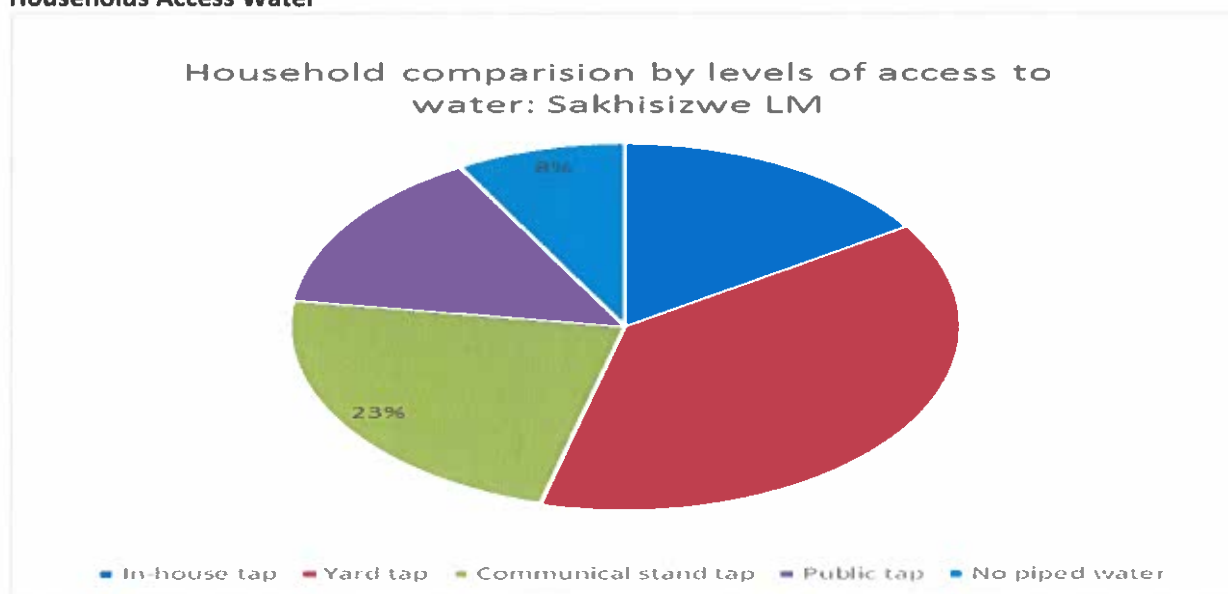


23. Water and Sanitation

Provision and governance of water and sanitation services in all our areas is a competence of the district municipality. We only play a facilitating role as Sakhisizwe municipality.

The figure below gives a comparison of household access to different levels of service for water. It draws its analysis from the community survey of 2016.

Households Access Water



According to the WSDP of 2019-2020 which has relied on household figures of the 2016 Stats SA data delivers the following as contained in the table below:

Water				
	Households		Percentage	
	Served	Unserved	Served	Unserved
Sakhisizwe	7.564	7.081	52%	48%

Source: CHDM 2022-2027 IDP

Water Service Infrastructure Grant Funding

Project		2018/19	2019/20
Cluster 4 Water Backlog	-		R 14,000,000
Cluster 4 (Lower Langanci; Upper Indwana; Upper Mnxe) -Phase 2	R 96,000	R 8,316,046	R 450,000
Khowa: Polar Park Water Services - Phase 4	R6,000,000	R 1,500,000	-
Gubenxa and Maxongo's Hoek Interim Water Supply	-	R 5,000,000	R 7,500,000
Refurbishment of Cala Bulk Water		R 2,500,000	R 2,500,000
Water Conservation Management Khowa Old Location	-	R 2,500,000	R 2,500,000
TOTAL	R 6,096,000	R 19,816,046	R 26,950,000

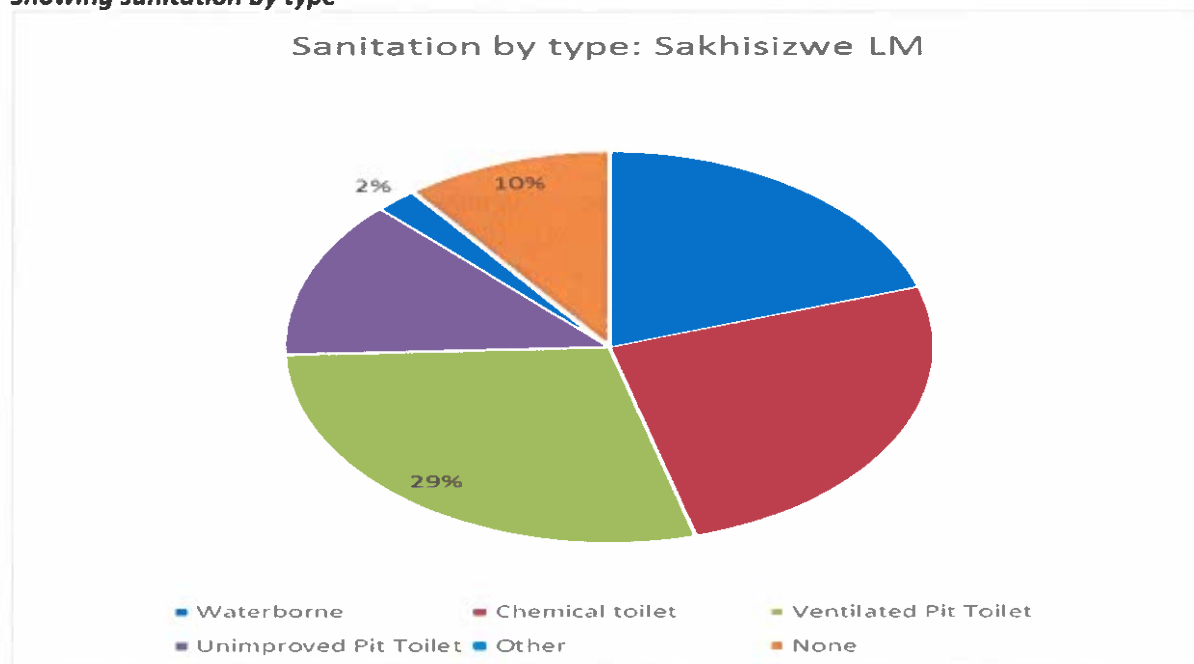
Municipal Infrastructure Grant Funding

Project	2020/21	2021/22	2022/23
Cala Waste Water Treatment Works – P/G	R 1 500 000, 00	R 3 000 000, 00	-
Cala Waste Water Treatment Works- Pumstation	R 2 000 000. 00	R 1 000 000, 00	-
Cala Waste Water Treatment Works- Professional Fees	R 2 000 000, 00	R 2 000 000, 00	-
Cala Waste Water Treatment Works- ISD Fees	R 500 000, 00	R 500 000, 00	-
Cala Waste Water Treatment Works- Clarifier	R 4 985 000, 00	R 7 000 000. 00	-
Cala Waste Water Treatment Works- Earthworks	R 4 090 000. 00	R 4 000 000. 00	-
Cala Waste Water Treatment Works- Pipelines	R 1 840 000. 00	R 1 000 000. 00	-
UPGR of Cala Bulk GRVT CLTR Sewer P1- Prof	-	-	R 2 000 000. 00
UPGR of Cala Bulk GRVT CLTR Sewer P1- ISD	-	-	R 500 000. 00
UPGR of Cala Bulk GRVT CLTR Sewer P1- P/G	-	-	R 1 800 000. 00
UPGR of Cala Bulk GRVT CLTR Sewer P1- PIP	-	-	R 7 000 000. 00
UPGR of Cala Bulk GRVT CLTR Sewer P1- RET	-	-	R 800 000. 00
Upper Lufutha EX(MBO) Interim Water Supply- Professional Fees	R 100 000. 00	-	-
CLT 4 Water Backlog: Upper Lufutha EX(MBO)- Retention	R 400 000. 00	-	-
CLT 4 Upper Indwana/ Mnxe- Prof Fees	R 80 000. 00	-	-
CLT 4 Upper Indwana/ Mnxe- Retention	R 485 000. 00	-	-
Mthingwevu Water Supply Scheme- Prof. Fees	R 30 000. 00	-	-
Mthingwevu Water Supply Scheme- Retention	R 1 600 000.00	-	-
TOTAL	R 19 610 000. 00	R 18 500 00	R 12 100 000. 00

Sanitation backlogs remain high (51%) so much so that our municipality will not be able to meet the goal of wiping our backlog for household access to basic level of sanitation (VIP toilet).

The figure below gives a comparison of household access to different levels of service for sanitation. It draws its analysis from the Community survey of 2016.

Showing sanitation by type



It shows that 13% of households are served with below RDP level VIPs and another 26% still uses chemical toilets while 10% received no access to the service at all.

In order to reduce the above backlogs, the CHDM has allocated the following budget for water and sanitation projects in SLM from its MIG allocation.

Municipal Infrastructure Grant Funding

Project	2020/21	2021/22	2022/23
Rural Sanitation Backlog Sakhisizwe: Construction of Toilets	-	R 2 207 000. 00	R 3 514 050
Total		R 2 207 000. 00	R 3 514 050

24. Roads, Transport and Storm water

Functional road infrastructure is critical to economic development of an area. Sakhisizwe municipality has a direct responsibility for construction and maintenance of its access road network while other roads are the responsibility of other spheres of government including the district municipality, province and national department of roads and transport.

The majority of our tarred road network in the Sakhisizwe municipality are provincial and district roads and few access roads. There is no classified national road passing our municipality even though some commitments were pledged by SANRAL to assist with the repair and rehabilitation work on provincial roads R56 linking Khowa to Barkly East and Aliwal North as well as the R56 linking Khowa to Indwe.

The rest of the municipality's road network is gravel. It is often characterised by poor storm water drainage designs which often put a lot of pressure on the visual road index and surface durability especially during rainy seasons. There is over 300km of this type of road network which needs regular maintenance and upgrading.

In order to inform proper operational management, maintenance and construction of new roads a **Roads Management & Maintenance Master Plan** is being considered. This plan will also cover aspects relating to the design, planning, implementation and maintenance of roads, transport, bridges and storm water infrastructure.

The main challenge to smooth delivery of roads and associated infrastructure is often lack of adequate funding and availability of engineering skills in the municipality. We depend exclusively on the limited MIG budget which is insufficient to cater for all our requirements.

Budgets for roads, transport and related activities shall be ring-fenced to our **operational and capital budgets** for infrastructure as may be approved for implementation through our PMU.

The municipality has reviewed an **EPWP policy** which is used to guide interventions for infrastructure maintenance and construction through labour intensive methods. These methods are also earmarked to contribute to short term job opportunities while delivering necessary infrastructure support.

Inputs from consultative representative forum discussions identified a number of strategic organizations which the municipality must establish links and partnerships for raising necessary capacity (funds, equipment and skill) to address our major challenges in the delivery of sustainable roads, storm water and bridge infrastructure. These include departments Public Works, Roads & Transport, Chris Hani District Municipality and Human Settlements as well as state owned enterprises like SANRAL and MISA.

It is noted with disappointment therefore that the EC department of roads and transport has not made any allocation to spend in the Sakhisizwe municipality for the remaining years in its MTREF budgeting.

The focus for the next year will be on strengthening the chosen primary and secondary nodal development (NB: Sakhisizwe is part of the recently demarcated Queenstown Provincial Development Node) as well as enforce spatial linkages identified in terms of our **spatial development framework (SDF)**. We hope that through this strategy we shall be able to integrate our space economy better. Thus able to achieve a functional road network capable of:

- Facilitating effective movement of people and goods
- Linking of places of living to social amenities, commerce and production areas
- Facilitating aesthetic improvement in our public space and CBDs
- Disposing of excess rain water to prevent unnecessary damage to existing infrastructure and properties

Roads Management & Storm water Maintenance Plan

Sakhisizwe LM has no roads and storm water management and maintenance plan in place. The municipality needs to develop the plan in order to deal with the municipal infrastructure development and maintenance. In terms of storm water management the municipality has developed a new policy that talks to the maintenance of storm water drainage and facilities.

Public Transport

Transport plays a critical role in economic development. Transport service in our context has two levels. It includes public and physical transportation systems. Our role in transport is largely focused on planning for movement of goods and people across our landscape. We are not a transport authority and currently do not have a transport plan.

However, it is our intention to develop and adopt such a sector plan in order to guide how we intervene and play our role in facilitating public transport, mobilization of transportation infrastructure support and coordination of movement patterns in support of our economic development objectives. This will prepare us to play a critical coordinating role in the planned developments by South African Railway

Services (improvements of the rail line connecting Maclear–Khowa to South Drakensburg and Karoo areas) and other similar initiatives.

Our physical transportation systems are poorly linked and overly rely on road based network. The lack of established rail system linkages is a huge obstacle to realizing the existing potential in underperforming yet promising economic sectors like tourism, forestry, manufacturing and agriculture production. The lack of established rail transport network coupled with poorly maintained road infrastructure contributes negatively to our competitive advantage. It makes it difficult for our industries to have effective distribution networks necessary to link out local produce to markets.

In order to ensure **transport integration** Sakhisizwe LM needs to work closely with the district and other relevant government organs to ensure implementation of an Integrated Transport Plan. However, the process will be led by the district and other authority agencies.

Therefore, Sakhisizwe shall not lead but participate in existing institutional arrangements such as Transport Forums and other associated structures aimed at facilitating integrated transport services.

Public transport is an integral part of our transportation services. The municipality has contributed in assisting the sector by partnering with the Department of Transport in building two taxi ranks in both Cala and Khowa towns. There has been also provision for adequate and well-designed public transport facilities such as roadside passenger shelters.

We plan to invest and lobby other relevant department to assist with development and establishment of our public transport capacity in the form of passenger waiting (**bus shelters**) infrastructure and ranks in especially Cala, Khowa and Lower Lafuta nodal areas.

There is a need to consolidate and construct proper facilities in both our main urban centres to accommodate the fast growing number of taxis and public transport operations. This however, needs to be done as collaboration with private operator organizations so as to minimise tensions and confrontational outcomes.

Sakhisizwe LM also operates a **licensing and testing station** in Khowa. The testing station services the broader Sakhisizwe areas and also serves as a potential revenue raising facility.

There is a **landing strip in Khowa** which is currently under-utilised and not properly managed either. This facility is a potential source of revenue. Since the municipality does not have relevant aviation skills or capacity to operate this facility, it is suggested that Sakhisizwe council considers offering the facility to a private investor through a service level agreement for its operations and maintenance.

Sakhisizwe LM currently participates in **local transport forums** and will continue with these engagements to ensure improved public transport services in all our areas.

Storm Water Management & Access Roads

The Municipality on an annual basis targets certain priority area for the construction of storm water as per the maintenance plan. The Technical Services department in conjunction with the Community Services Department implements the regular cleaning and maintenance of the existing storm water infrastructure. Funding has been requested to undertake a storm water plan in order to highlight the requirements for future and existing storm water needs especially as climate change has resulted in more concentrated and larger rainfall events than previously.

Challenges

- Chronic underfunding and the constant deterioration of roads due to high rainfall conditions
- Limited maintenance of access roads due to insufficient human resources and machinery
- Old out-dated road machinery
- The storm water management plan requires updating and flood lines need to be determined to ensure that development occurs outside these area
- Lining and upgrading of storm water channels in urban areas as well as installing new storm water infrastructure
- Not all villages, schools and clinics have decent access roads and not all streets in townships are tarred or paved
- Limited number of pedestrian bridges
- No cycle lanes
- Limited lighting of pedestrian walks ways although in urban areas.
- Poor road markings and potholes
- Limited road signage especially in rural areas
- Commuter facilities are primitive. Bus shelters were built in 2000 by DoT.
- Limited machinery and staff to meet the storm water function.
- Fencing of commonage and communal lands along the main R 410 route and road to Ncora (R61 Junction). The fences are constantly being stolen by community members especially RDP housing developments to fence their yards.
- Storm water is a problematic issue as the infrastructure was not designed for the huge runoff that is required. In addition, there is limited staff and equipment to maintain and keep the drains and furrows open. Huge investment is needed to develop a proper storm water plan which focuses on what infrastructure is required as well as to how storm water runoff must be managed to prevent damage to property and possible loss of human life throughout the Municipality.
- Bridges have reached the end of their life cycle and are constantly breaking.
- Storm water is a big problem in the suburbs of Khowa and Cala towns

Interventions

- A Roads and Storm water Master Plan needs to be developed to categorise roads and determine which ones are priorities. However further work is required to develop a workable plan and not just an annual maintenance plan. In addition, on an annual basis Ward Councillors indicate which roads and bridges require attention in their areas.
- Paving of township streets as part of an EPWP project and paving of sidewalks in all CBD's and the linkages between the townships as part of the pavement management system. This assists pedestrians who do not utilise vehicular transport.
- New road machinery and Operators.
- Installation of street lights in towns such as Cala
- Building of more pedestrian bridges and walk ways. This will also allow for cycling paths. Funding is also set aside for the lighting of pedestrian walk ways.
- Chris Hani District Municipality Integrated Transport Plan, 2011. The LM utilises the DM's Integrated Transport Plan as it is not a transport authority and is not required to have a plan.
- Roads Forum is an intervention although it is not fully functional and does not sit regularly
- Taxi and Bus ranks are not adequate. In Cala and Khowa, there is need for expansion. In addition, they are not properly run and maintained.
- Designated drop off points are required in urban areas to decrease congestion.

25. Energy & Electricity

Alternative Energy

The supply and demand management of energy is critical to sustainable development. Sakhisizwe council subscribes to sustainable development principles and promotes exploration and utilisation of alternative sustainable energy solutions.

We are in the process of exploring various alternatives for energy including projects on solar power (for geysers, street lighting and other uses), Wind propelled energy and others. These explorations will overtime assist the municipal economy to reduce it's over reliance on energy sources that deplete our environment such as fossil fuels and coal.

Electricity Supply

Electricity is the major source of energy utilised in our municipality. It currently accounts for over 97% of energy utilization. Eskom is the main provider of electricity in our areas. Sakhisizwe is licensed to supply only in the areas of Khowa town, Hill View Township and Takalani Township. At a recent Strategic Planning session of the municipality held in March 2014, it was recommended that council explore the possibility of negotiating the extension our license with Eskom to provide in other areas like Cala in near future. It is intended that such a move will stabilise and standardise service quality and reliability across the municipal jurisdictional areas. The move will also ensure future potential increase in our electricity sales revenue.

An analysis of supply and household access to electricity and energy sources was undertaken. StatsSA report of 2012 indicates that by 2011 the majority 79.1% of households in the Sakhisizwe municipality had access to electricity and in 2022 is approximately 86, 3% of households in the Sakhisizwe municipality that has access to electricity. The technical services department estimates that only 13, 70% of households do not have access to electricity by February 2022. In 2023 there will be 100 or more households will benefit in solar energy in between February 2023 to April 2023

In addition to the commitment by Eskom and the municipality on the electrification programme from July 2022 to June 2023. The project are still on construction as listed below

- Eskom electrification project consist of 220 connections –Started 2022-2023
- Sakhisizwe Local Municipality project consist of 282 connections - Started 2022-2023 and there are chances of the additional of 43 connection in 2023.

Non-Grid programme

This project is focus more on the area that are a remote from Eskom grid .Mostly are farmers and farm dwellers

- Sakhisizwe Local Municipality project for solar energy consist of 100 beneficiaries -2022-2023 and the number will be increase.

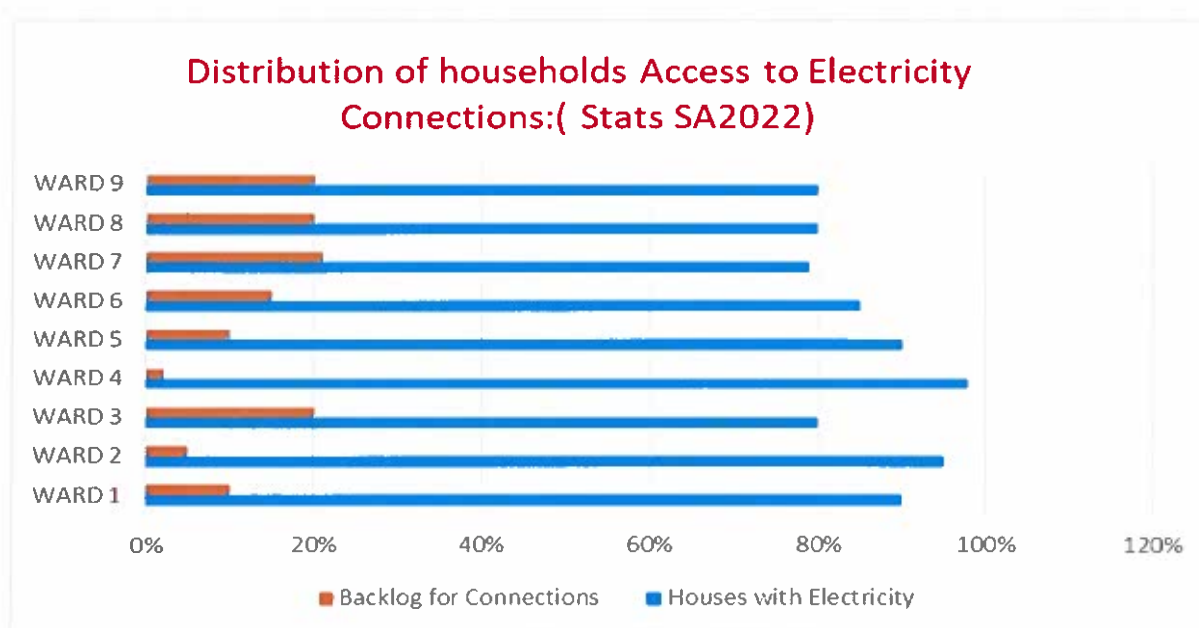
The Need for Electricity:

The recent ward based planning assessment of services found that “the municipality is doing rather well on the supply of electricity to the homes. The high number of homes that are still need of electricity are RDP houses ,farmers and farm dwellers .The demand for electricity in Sakhisizwe is less 1500 in 2022, but number is growing because there are RDP house that are on construction in Sakhisizwe areas.

There is a need for High mast lights to be installed and to Refurbishment existing High Mast in Cala Communities and Khowa communities'. There is also a need of street light in both town which is Cala and Khowa.

The following figure gives the distribution of electricity supply and demand (household connections) per ward .The graph below illustrates:

WARDS	Houses with Electricity	Backlog for Connections
WARD 1	90%	10%
WARD 2	95%	5%
WARD 3	80%	20%
WARD 4	98%	2%
WARD 5	90%	10%
WARD 6	85%	15%
WARD 7	79%	21%
WARD 8	80%	20%
WARD 9	80%	20%



26. Disaster Management

Disaster management services include a range of tasks such as fire fighting, disaster relief, emergency services and related operations.

The disaster management is normally a district function and therefore Chris Hani DM is responsible for budgeting, developing policy and disaster management plan which must inform and be informed by contributions of its LMs including SLM. Our role in this function is largely to facilitate implementation of such a plan.

Our district has developed and adopted a disaster management plan. We are in the process of customising it for implementation in our SLM areas. Our focus for the next coming year will be on lobbying for better resources and decentralisation of services (e.g. Establishment of a local disaster

centre with fire fighting equipment) and capacitation of our local ward level structures with training and basic operational equipment.

In order to guide our planning for prevention and mitigation of risks associated with potential disasters, our SDF provides a basic framework for identifying critical risk and vulnerability areas of community.

The funding for policing and monitoring of those risk factors is expected to come from the district and Province. We plan to cooperate with other spheres of government in implementing the adopted CHDM Disaster Management plan in all our areas. The implementation will relate to effective provision and execution of tasks such as:

- appointment of firefighters and deployment of dedicated disaster management staff to our areas
- funding of operations and continuous capacity building activities like training and awareness campaigns
- installation of local (SLM) disaster centre
- Collaboration on planning and coordination of disaster relief programmes
- Other emergency response activities

27. Free Basic Service Provision

The indigent register is updated annually through CART system. A Free Basic Services Committee has been established and has become functional. This is a political committee and assists the administration in updating information. It was established in January 2019. Water and sanitation are a district function and they provide all indigent households with 6 kl water free a month and sanitation. For households with no access to electricity they are supplied with 10 litres of paraffin per month.

The Municipality budgeted the following for FBS for 2020/21; 2021/22 and 2022/23 years:

	2020/21	2021/22	2022/23
Free Basic Services; Indigent and Cultural and services	R 3 606 534.15	R 3 500 00.00	R 2 500 000
Free Basic Services; Refuse	R 436 878.36	R 500 000	R 500 000

The municipality has appointed a Free Basic Services Coordinator with the assistance of staff in the community services department (EPWP). Indigent Steering Committees are in place although not yet at full operational efficiency.

28. Integration Plans

The one plan has ensured that there is integration of services between the District Municipality and Sakhisizwe Local Municipality. It has been recently adopted by the Chris Hani DM Council and is in the process of being adopted by Sakhisizwe Local Municipality.

The ISDM or integrated Service Delivery Model is the delivery model of the Department of Social Development. The Department of Social Development renders services through three core programmes, namely, welfare services, social security and integrated development. These programmes are the mechanism through which the Department of Social Development strives to ensure the provision of comprehensive, integrated, sustainable and high quality social development services to help reduce vulnerability and poverty, and to create an enabling environment for sustainable development in partnership with those committed to building a caring society. On local level where direct services are

provided, intergovernmental collaboration should integrate local integrated development plans and local social welfare service delivery planning. The integration of these plans will ensure harmonising of economic and social development and will facilitate comprehensive service delivery towards social and economic wellness, this has not yet occurred but hopefully the quarterly meetings of the Sakhisizwe LM Intergovernmental Relations and War rooms will provide a platform for the Department to begin implementation of this programme at a local level.

CHAPTER FIVE: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

1. Legislative Background

This section deals with analysis of our state of readiness to deliver on our assigned constitutional as well as powers and functions mandate. It analyses the extent to which we have put in relevant systems, processes and tools to ensure smooth operations and development of the municipal organization.

The primary role of the municipal council is that of political oversight of the municipality's functions, programmes and the management of the administration. All of the powers of local government are vested in the municipal council. It has the power to make by-laws (legislative authority) and the powers to put those laws into effect (executive authority). The municipal council has executive and legislative authority over the matters set out in Part B of schedule 4 and Schedule 5 of the Constitution. The municipality may also administer any other matter assigned to it by national or provincial legislation. In administering the matters assigned to local government, the municipal council must strive within its capacity to achieve the Constitutional objects of local government. Roles and Responsibilities within Local Government These constitutional objects are:

- to provide democratic and accountable government for local communities;
- to ensure the provision of services to communities in a sustainable manner;
- to promote social and economic development
- to promote a safe and healthy environment; and
- to encourage the involvement of communities and community organisations in the matters of local government.

The Constitution also assigns developmental duties to municipalities. Section 153 provides that a municipality must:

- Structure and manage its administration and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community; and
- Participate in national and provincial development programmes In terms of the Local Government: Municipal Structures Act, No. 117 of 1998, the municipal council must meet at least quarterly.

The Act also requires the council to annually review:

- the needs of the community
- its priorities to meet those needs;
- its processes for involving the community;
- its organisational and delivery mechanisms for meeting the needs of the community; and
- its overall performance in achieving the constitutional objectives outlined above The municipal council makes decisions concerning the exercise of all the powers and the performance of all the functions of the municipality.

The Constitution confines the performance of certain functions to the municipal council alone. These functions may not be delegated by the council under any circumstances.

- Approval of Budgets
- Passing of By-laws
- Imposition of rates, other taxes, levies, and duties
- Raising of loans

2. Powers and Functions

Our mandate stems from the section 152 and 156 of the constitutions (Act 108 of 1996) coupled with the assigned powers and functions drawing from the schedules 4b & 5b. In terms of the schedules part B 4 and 5 of the constitution, local government has the following functions:

Part B of Schedule 4			
FUNCTION		DEPARTMENT	CHALLENGES
Air pollution	No	Community Services	No capacity and financial resources to undertake the function
Building regulations	Yes (Partial)	IPED	No dedicated officials to perform the function.
Child care facilities	No	Community Services	No capacity and financial resources to undertake the function
Electricity and gas reticulation	Yes	Technical Services	
Fire-fighting services	No	CHDM	District Function
Local tourism	Yes	IPED	Limited human and financial support to fully implement the function
Municipal airport	N/A		
Municipal planning	Yes	IPED	Limited human and financial support to fully implement the function
Municipal health services	No	CHDM	District Function
Municipal public transport	No	Technical Services	No capacity and financial resources to undertake the function
Pontoons, fairies, settees, piers and harbours excluding the regulations of international and national shipping	N/A		
Municipal public works only in respect of the needs of the municipalities	N/A		
Storm water management system	Yes	Technical Services	There is no plan in place
Trading regulations	No		District Function
Part B of Schedule 5			
Beaches and amusement facilities	N/A		
Billboards and display advertisement in public places	Yes (Partial)	IPED	No dedicated officials to perform the function.
Cemeteries, funeral parlours and crematoria	Yes	Community Services	No capacity and financial resources to undertake the function

Part B of Schedule 4			
Cleansing	Yes	Community Services	No capacity and financial resources to undertake the function
Control of public nuisance	Yes	Community Services	No capacity and financial resources to undertake the function
Control of undertakings that sell liquor to the public	Yes	Community Services	No capacity and financial resources to undertake the function
Facilities for the accommodation care and burial of animals	No	Community Services	No capacity and financial resources to undertake the function
Fencing and fences	Yes	Community Services	
Licensing and controlling of undertakings that sell food to the public	No		District Function
Local amenities	No		
Local sport facilities	Yes (Partial)	Community Services	Poor maintenance
Markets	No	IPED	No capacity and financial resources to undertake the function
Municipal abattoirs	No	IPED	No capacity and financial resources to undertake the function
Municipal parks and recreation	Yes	Community Services	No capacity and financial resources to undertake the function
Municipal access roads	Yes	Technical Services	
Noise pollution	No	Community Services	No capacity and financial resources to undertake the function
Pounds	Yes	Community Services	
Public places	Yes	Community Services	No capacity and financial resources to undertake the function
Refuse removals, refuse dumps and solid waste disposals	Yes	Community Services	
Street trading	Yes	IPED	No capacity and financial resources to undertake the function
Street lighting	Yes	Technical Services	
Traffic and parking	Yes	Community Services	

3. Political and Administrative Governance

The governance system of Sakhisizwe municipality and its operation is predominantly based on the legislative framework of local government, i.e. Municipal Structures Act, Municipal Systems Act, Municipal Finance Management Act, and other laws pertinent to the local government sector. Sakhisizwe municipality has always endeavoured that the governance system, comprising of the Political and Administrative arms of the municipality, is operated effectively and that compliance with laws, regulations and related policies are complied with by all stakeholders and at all levels.

This concerted attitude on governance has in fact resulted in improved service delivery, financial management and audit opinion over the years. Notwithstanding the above, the municipality is conscious of the there is still room to improve its governance system to ensure that that enduring returns are realized, in the form of, for example, clean administration or unqualified audit opinion without matters.

3.1 Political Governance

The Mayor of the municipality heads the executive arm of the municipality and is assisted by three (3) executive committee. The mayor is the nucleus of the governance system and its effectiveness in ensuring efficient, economical and effective administration including financial management, since the executive powers are vested in him to oversight the day-to-day affairs of the municipality assisted by the municipal manager, thereby entrusting him with an overarching strategic and political responsibility.

The Sakhisizwe Municipal Council is constituted of 17 Councillors and 3 Traditional Councillors (Leaders). The traditional councillors were not deployed during the current review of the IDP. The tables below illustrates the Political Leadership of the municipality as well as the list of Councillors.

Executive Committee

It is constituted by the Mayor of the municipality as the Chairperson, Political Heads of the Standing Committees of various departments in the municipality and the top management of the municipality. The Mayor as the Chairperson convenes the meetings of the Executive Committee every month. These are held a week after the Standing Committees have met and made their recommendations to the Executive Committee.

NAME	POSITION
Councillor B. E. Ponoshe	Hon. Mayor
Councillor M. Ngqayimbana	Portfolio Head: Finance and Administration
Councillor M. Mxhonywa	Portfolio Head: Infrastructure & Integrated planning
Councillor M. Malungisa	Portfolio Head: Social needs and community service

Standing Committees

The purpose of Standing Committees is to discuss and recommend certain actions be implemented by the Executive Committee or Council. Standing Committees are as follows:

Finance and Administration

NAME	DESIGNATION
Cllr. Ngqayimbana	Chairperson
Cllr. Mayongo	Member
Cllr. Mahlombe	Member
Cllr. Mpakane	Member

Cllr. Mbebe	Member
Cllr. Miso	Member

Infrastructure and Integrated Planning

NAME	DESIGNATION
Cllr. M. Mxhonywa	Chairperson
Cllr. J. Ponoshe	Member
Cllr. Filana	Member
Cllr. Mpakane	Member
Cllr. Mayongo	Member
Cllr. Nopote	Member

Social Needs and Community Services

NAME	DESIGNATION
Cllr. M Malungisa	Chairperson
Cllr. Stofile	Member
Cllr. T. Tasana	Member
Cllr. N Nopote	Member
Cllr. W Kumsha	Member

These Standing Committees are chaired by the Portfolio Councillors who form part of the Executive Committee. The other members of the Standing Committees are Councillors elected by the Council. There are 5 Councillors in each standing committee including the Chairperson except in finance. Standing committees are representative of all political parties, Traditional Leaders and the administration of the department concerned. Standing Committees meet on a monthly basis.

Oversight Committees

Municipal Public Accounts Committee (MPAC)

NAME	MEMBER
Cllr. Thulelo	Chairperson
Cllr. Mayongo	Member
Cllr. Nopote	Member
Cllr. Kumsha	Member
Cllr. Mpakane	Member
Cllr. Mbebe	Member
Cllr. Mahlomme	Member

List of Councillors

	NAMES	DESIGNATION	WARD	POLITICAL ORGANISATION
1.	Cllr B. E. Ponoshe	Mayor	PR	ANC
2.	Cllr N. Mkati	Speaker	PR	ANC
3.	Cllr M. Mxhonywa	Councillor	PR	ANC
4.	Cllr M. Ngqayimbana	Councillor	PR	ANC
5.	Cllr M. Malungisa	Councillor	PR	DA
6.	Cllr A. Mpakane	Councillor	PR	DA
7.	Cllr W. M. Kumsha	Councillor	PR	ATM
8.	Cllr A. Mbebe	Councillor	PR	EFF
9.	Cllr Z. J. Phonoshe	Ward 1: Councillor	1	ANC
10.	Cllr V. Filani	Ward 2: Councillor	2	ANC
11.	Cllr N. S. Nopote	Ward 3: Councillor	3	ANC
12.	Cllr N. Miso	Ward 4: Councillor	4	ANC
13.	Cllr L. Thulelo	Ward 5: Councillor	5	ANC
14.	Cllr N. Stofile	Ward 6: Councillor	6	ANC
15.	Cllr T. Mayongo	Ward 7: Councillor	7	ANC
16.	Cllr P. Mahlombe	Ward 8: Councillor	8	ANC
17.	Cllr T. Tasana	Ward 9: Councillor	9	ANC

3.2 Administrative Governance

In order to give effect to the implementation and administration of the municipal vision and its objectives, it is both necessary and imperative to put in place a relevant institutional structure and administration that is able respond to the objectives and full implementation of its powers and functions. The organisational structure was adopted by the Council in 2021-2022 in line with the 5 year IDP. It provided for approximately 256 posts; 125 filled post; 73 vacant funded posts and 58 unfunded posts. There are challenges with funding for the vacant positions, this poses a challenge for the municipality as it unable to fully implement its legislated obligations.

Sakhisizwe has 6 departments. The table below gives a summarized illustration of the current top organizational structure at Sakhisizwe LM

Department	Responsibilities	Head of Directorate
Municipal Managers Office	Mayor and Speakers Office Municipal Manager's Office Public Participation Internal Audit Risk Management Special Programmes Communication	Mr S.G. Sotshongaye

Department	Responsibilities	Head of Directorate
Integrated Planning and Economic Development (IPED)	Integrated Development Planning (IDP) Land Use Management Spatial Planning Building Control Town Planning Local Economic Development Agriculture Enterprise Development Job Creation Tourism and Heritage Environmental Management Housing & Human Settlements	Mr M.M. Pamla
Technical Services Directorate	Roads and Storm water Electricity Infrastructure Planning	Mr S.S. Tunzi
Community Services Directorate	Environmental Health Waste Management Sports and Recreation Safety and traffic Services By-Law Enforcement Disaster Management Fire Services Pounds Cemeteries Libraries	Mrs P. Mngcita
Corporate Services Department	Organisational Development and Administration Council Oversight Training and Development Labour Relations Employee Wellness Employee Performance Fleet Management Occupational Health and Safety Information Communication Technology	Vacant
Budget and Treasury Office	Revenue Management Income & Expenditure Management Supply Chain Management Budgeting Financial Reporting Asset Management	Mrs B. Lubelwana

4. Administrative Structure

The Municipality has offices in the following towns; Cala and Khowa with the main office located in Cala. Cala offices houses the seat of the administrative and political arm of the organisation. Communication between offices is facilitated by an interconnected phone network.

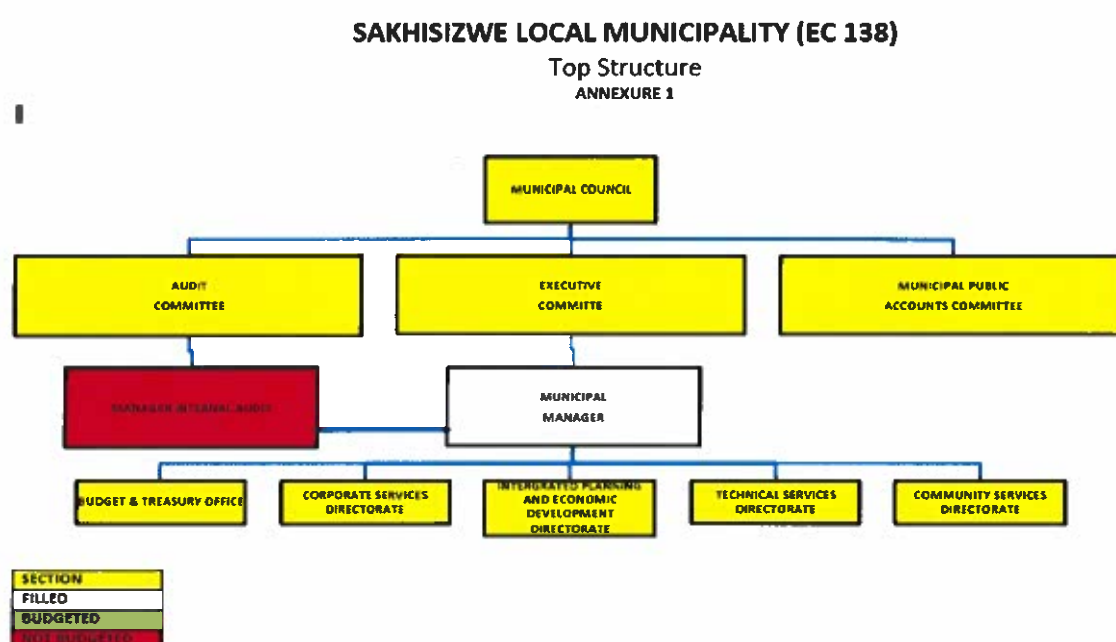
Cala Office	Khowa Office
Office Of the Mayor Office of the Speaker Portfolio Heads Offices Council Chambers Office of the Municipal Manager Corporate Services Directorate Community Services Directorate	Budget and Treasury Office Traffic Department

The current office accommodation is sufficient as all staff are housed adequately. Payment facilities for municipal services are rendered in both municipal buildings.

5. Organogram

A Detailed organogram is attached as **Annexure 1** to this document. It shows key positions identified to ensure full operational and institutional response to all our mandates. This section provides only the top structure of the institutional organogram as shown in the figure below

Top Structure



6. Municipal By-Laws, Policies and Sector Plans

In its endeavour to fully implement its legislated obligations, the municipality develop by-laws, policies and strategies to assist with the ease implementation of its responsibilities. Below is the list of by-laws, policies and strategies per department in the municipality:

DEPARTMENT	SECTOR PLAN / POLICY,	STATUS: NEW/ REVIEWED/ DRAFT REVISED	ADOPTED DATE
Finance	Credit control Policy	Reviewed	30 May 2023
	Cash management and Investment Policy	Reviewed	30 May 2023
	Revenue collection and enhancement strategy	New	30 May 2023
	Budget Policy	Reviewed	30 May 2023
	Debt write off Policy	Reviewed	30 May 2023
	Property Rates Policy	Reviewed	30 May 2023
	Free Basic and Indigent Policy	Reviewed	30 May 2023

	Supply Chain Management Policy	Reviewed	30 May 2023
	Asset Management Policy	Reviewed	30 May 2023
	Borrowing Policy	Reviewed	30 May 2023
	Tariff Policy	Reviewed	30 May 2023
	Funding and Reserves Policy	Reviewed	30 May 2023
	Cost Containment Policy	Reviewed	30 May 2023
	UIFW Policy	Reviewed	30 May 2023
	Virement Policy	Reviewed	30 May 2023
Corporate services	Human Resource Policy	Reviewed	30 May 2023
	Organogram	Reviewed	30 May 2023
	Employment Equity Policy.	Reviewed	30 May 2023
	Records Management Policy	Reviewed	30 May 2023
	Recruitment and Selection Policy	Reviewed	30 May 2023
	Registry Procedure Manual	Reviewed	30 May 2023
	Subsistence and Travelling Policy	Reviewed	30 May 2023
	Acting Allowance Policy	Reviewed	30 May 2023
	Training and Development Policy	Reviewed	30 May 2023
	Telephone Policy	Reviewed	30 May 2023
	Attendance and Punctuality Policy	Reviewed	30 May 2023
	Bereavement Policy	Reviewed	30 May 2023
	Code of conduct for Municipal Employees	Reviewed	30 May 2023
	Code of Conduct for Councillors	Reviewed	30 May 2023
	Occupational Health and Safety Policies	Reviewed	30 May 2023
	Leave Policy	Reviewed	30 May 2023
	Capacity building and training for Councillors	New	30 May 2023
	Disposal Policy	Reviewed	30 May 2023
	Filling Policy	Reviewed	30 May 2023
	Job Evaluation Policy	New	30 May 2023
	Human Capital Placement Policy	New	30 May 2023
	Political Office Bearers Vehicle Policy	New	30 May 2023
	HIV and AIDS Policy	New	30 May 2023
	Protective Clothing Policy	Reviewed	30 May 2023
	Policy on regulating Absenteeism	Reviewed	30 May 2023
	Overtime Policy	Reviewed	30 May 2023
	Fleet Management Policy	Reviewed	30 May 2023
	Long Service Policy	Reviewed	30 May 2023
	Smoking Policy	Reviewed	30 May 2023
	Security Patch Management Policy	New	30 May 2023
	Sexual Harassment Policy	Reviewed	30 May 2023
	Staff Placement Policy	Reviewed	30 May 2023
	Staff Retention Policy	Reviewed	30 May 2023
	Substance Abuse Policy	Reviewed	30 May 2023
	Password Policy	New	30 May 2023
	User Account Management Policy	New	30 May 2023
	ICT Governance Framework	New	30 May 2023
	ICT Strategy	New	30 May 2023
	ICT Change Management Policy	New	30 May 2023
	3G Card Policy	New	30 May 2023
	Rules of Order	Reviewed	30 May 2023

Office of Municipal Manager	DC Board Policy	New	30 May 2023
	Consequence Management Policy	New	30 May 2023
	Communication Policy	Reviewed	30 May 2023
	Fraud Prevention Policy	Reviewed	30 May 2023
	Risk Management Policy	Reviewed	30 May 2023
	Ward Committee Policy	Reviewed	30 May 2023
	MPAC Terms of Reference	New	30 May 2023
	Petitions Committee Policy	New	30 May 2023
	Performance Management Systems Policy	Reviewed	30 May 2023
	Public Participation Policy	New	30 May 2023
Integrated Planning & Economic Development	Building Control Bylaw	New	30 May 2023
	Land Use Management Scheme	New	30 May 2023
	Local Economic Development Strategy	Reviewed	30 May 2023
	Prevention of Land Invasion Policy	New	30 May 2023
	Town Planning Policy	New	30 May 2023
	Municipal Commonage Management Bylaw	New	30 May 2023
	Street Trading Control Bylaw	New	30 May 2023
	Unsightly and Neglected Buildings and Premises	New	30 May 2023
Community services	Law Enforcement Bylaw	Reviewed	30 May 2023
	Lease of Halls and Conference Facilities Bylaw	Reviewed	30 May 2023
	Prevention of nuisance Bylaw	Reviewed	30 May 2023
	Public Cemeteries Bylaw	Reviewed	30 May 2023
	Refuse Removal Bylaw	Reviewed	30 May 2023
Technical services	Expanded Public Works Policy	Reviewed	30 May 2023
	Capital Projects Policy	New	30 May 2023
	Policy on the maintenance of storm water drainage and facilities	New	30 May 2023
	Electricity and installation Policy	New	30 May 2023

7. Skills Retention and Wellness

The Municipality has an annual budget for EAP (Employee Assistance Programme). This focuses on providing individual employees with assistance on mental health issues that they are facing as well as individual health issues such as drug and alcohol abuse.

The Municipality also has an annual wellness programme whereby they target areas of health such as diabetes and bring in practitioners. This programme has not been implemented in the past 2 years due to COVID restrictions which meant that not all employees were at work.

Municipality has skills retention and a scarce skills retention policy but experiences difficulties attracting these types of staff and keeping them due to the rural nature of the municipality and the fact that it can't offer competitive salaries. The municipality needs to develop also a scarce skills policy that will assist in identifying the scarce and critical skills annually. Currently no scarce skills have been identified as it was decided that these skills would only be identified once the job evaluation process is complete. It is known however that there are engineering skills required in the Technical Services Directorate.

8. Human Resources Strategy and WSP

The Municipality has developed an HR strategy which was adopted on 29 May 2020. From the strategy, an annual HR plan is developed and adopted by Top Management. The HR strategy has 8 priority areas which are:

- **Workforce planning and personnel administration** whereby personnel administration attends to the administration of all employees' contracts, benefits and conditions of service as well as all administration and procedures incidental to employee appointments and terminations. Management and HR have been engaged with a comprehensive process of reviewing and developing employment contracts of all employees.
- **Employee wellness.** The municipality, through our employee wellness pillar we aim to promote healthy, resilient and productive workforce and to reduce levels of absenteeism through targeted programmes.
- **Occupational health and safety.** The Occupational Health and safety function are primarily focused on:
Creating and maintaining a safe working environment and ○ Preventing workplace accident.

A major obstacle in achieving these objectives is the absence of an integrated Occupational Health and Safety Plan that will act as the guiding principle for all OHS interventions. This is in the process of being addressed.

- **Capacity development.** This will ensure that all employees and Councillors receive relevant skills development required in line with their Personal Development Plans for which the requisite funding shall be provided. Appropriate learning organisation, knowledge management and innovation strategies will be applied to facilitate the necessary learning/skills acquisition and application in the workplace; and that employees be equipped with a level of skill and competency necessary to excel in fulfilling the purpose, objectives or requirements of function/job roles, also to address the shortage of skills brought about by the legacy of apartheid, further to unlock the inherent potential of all employees for their good and that of the Municipality, and their customers/broader Communities.
- **Recruitment & selection.** Where possible commit to filling vacant non-entry-level positions internally in line with Employment Equity and Organisational Talent Requirement Objectives and Targets. Every endeavour will be made to identify and develop the potential of existing employees to enable them to progress through their respective Career Paths and Organisational Hierarchies. Recruitment and Selection Processes will be conducted in a fair and transparent manner based on predefined Specifications, Criteria and Competency Requirements for the required Role/Position.
- **Culture and mindset change.** As an employer designated in terms of the Employment Equity Act (Act 55 of 1998), Sakhisizwe Municipality is under a legal obligation, in terms of section 20(1) of the Act to develop an Employment Equity Plan for a period not less than a year but not more than five years. Employment Equity Plan 2017/2022 has been adopted by the Council. It will be redone in the 2022/23 financial year.
- **Labour relations.** Constructive Workplace Relationships contribute to the achievement of common goals such as safety, efficiency and productivity, quality customer service, job satisfaction and career opportunities. A constructive approach will help to minimise industrial disputation and promote innovative issue resolution. Participative negotiation can provide a climate for facilitating resolution and delivering balanced results.
- **Organisational design & transformation.** Ensure fair and objective Policies and Procedures based on generally accepted and applicable Organisational Development Principles and Processes. Organisational Restructuring and/or Transformation. The Municipality in the interest of social stability and justice, will make every endeavour to ensure continued employment of employees during Organisational and Functional Reorganisation and Redesign by

accommodating them (displaced employees) in reasonable alternative positions when available and possible. This will be subject to the approved Placement Principles.

9. Internal Control Procedures

All Councillors and Administrative Staff were provided with copies of the code of conduct and were also work shopped on the Code. If the Code of Conduct is not adhered to by either staff or Councillors, disciplinary action is being instituted. Cases of a disciplinary nature were dealt with in the past year as per the Labour Relations Act. Most disciplinary cases deal with cases of absenteeism, drunk on duty and late coming.

10. Record Keeping and Information Technology

The Council has approved the Records Management Policy, Central Registry Manual and Access to Information Manual during its Council Meeting held on the 27 March 2013 which regulates the access to information. Furthermore, with the assistance of the Provincial Archivist from Department of Sports, Recreation, Arts and Culture training was conducted to the municipality's employees on the following aspects:

- Archival legislation and the role of Provincial Archives and Records Services
- Roles and responsibilities of users in File Plan implementation
- Importance of good record keeping practices
- Identification and care of different categories of records
- Allocation of reference numbers in correspondences
- Records maintenance
- Understanding the logic of the file plan

The Municipality has recently engaged a service provider to keep expired files off site in order to ensure the safety of municipal records

The IT Management ensures that the IT policy is followed and that all staff members sign the policy acknowledging their role in keeping the municipal IT system safe from intruders. In addition, the server room is kept locked at all times. The disaster recovery plan is being implemented with servers off site and constant upgrading of fire walls and antiviruses. However, the Municipality does suffer with load shedding and power surges crashing switches and servers. To counteract this, power surge protectors and generator backup is in the process of being installed.

ICT has many policies as are detailed below:

ICT Corporate Governance Framework adopted in 2017 that includes:

- ICT Governance Charter
- ICT Strategy
- ICT Internal Audit Plan
- ICT Disaster recovery Plan
- ICT Management Policy
- Municipal Corporate Governance of ICT (MCGICT) Policy
- ICT Data Backup and Retention Policy
- ICT Operating Systems Security Policy
- ICT Project and Portfolio Management Policy
- ICT Risk Management Policy
- ICT Security Controls Policy
- ICT SLA Management Policy

- IT User Access Management Policy
- ICT Corporate Governance Framework

11. Protest Actions

No staff protest actions were held in the previous & current financial year. No community protest actions occurred either. Mitigating measures are as follows:

- There is a Strike Management Committee (which sits only when there is a protest action)- comprised of Corp Services Director/ MM, LR & HR Practitioner, 1 Cllr & organised labour rep.
- There is Essential Services Agreement
- Provisions prescribed in the LRA, Act 66 of 1995 (ss 64 – 77) are / will be followed.

12. Legal Services

The Strategic Manager and Legal Services maintains a litigation register that is constantly updated. A quarterly report is sent to COGTA. A panel of legal services has been engaged to deal with the cases that arise. Most legal cases are around illegal land occupation, illegal erection of structures and defending the Municipality in tender awards that are being contested.

13. Institutional Cohesion

The Municipality runs wellness days to promote institutional cohesion. A netball and soccer team have been developed to play at the SALGA games as well as play against other sector departments and municipalities. In addition, the induction programme is also tailored to make employees feel part of the institution and promote institutional cohesion. Internal newsletters also help promote institutional cohesion. The Directorate Corporate Services has completed a survey to gauge employee's satisfaction which reflects dissatisfaction with employee working conditions. A plan has been developed to target the areas of dissatisfaction identified.

CHAPTER SIX: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

1. IDP Process Plan

Introduction

Sakhisizwe Local Municipality has developed the IDP and Budget in accordance with the requirements as set out in the Local Government: Municipal Systems Act (MSA) 32 of 2000, the Local Government: Municipal Planning and Performance Management Regulations 2001 and the Municipal Finance Management Act 56 of 2003.

2. Adopted Process Plan

The MFMA Act 53 of 2003 (S21 1b) states that the Mayor must at least 10 months before the start of the budget year table in the Municipal Council a time schedule outlining key deadlines for the preparation, tabling and approval of the Budget and the Integrated Development Plan. The process plan was adopted on 30 August 202. The Process Plan outlines the programme to be followed and provides details on issues specified in the Act.

The Local Government: Municipal Structures Act 117 of 1998, Municipal Systems Act 32 of 2000 and Municipal Finance Management Act 56 of 2003 are specific to municipalities and are the key legislation for the development of the IDP. Other national sector legislations also contain various kinds of requirements for municipalities to undertake planning.

Some important National and Provincial guiding plans and policy documents for the IDP include the Medium- term Strategic Framework, the National Spatial Development Perspective (NSDP), the National Development Plan, the new Growth Path, the Eastern Cape Provincial Spatial Development Plan (ECPSP), the Eastern Cape Provincial Growth and Development Plan (ECPGDP) and the Chris Hani District Development Plan.

3. IDP Process

The IDP Process is a continuous cycle of planning, implementation and evaluation. Institutional arrangements and roles and responsibilities. The development of the IDP and Budget involves Municipal Officials, Councillors as well as stakeholders/actors outside the Municipality.

Institution	Role & responsibility
Council	Approves, adopts the IDP and budget Participates in M&E
Executive Committee	Decides on the Process Plan. Manages, co-ordinates and monitors the process and drafts the IDP and budget
IDP Manager (Officer)	Drafting and co-ordination of the IDP process on a day to day basis
IDP and Budget Steering Committee	Provides internal technical expertise for the drafting of the IDP and budget
IDP Representative Forum	Provide community needs and priorities and indigenous knowledge. Act as a M&E mechanism

Other Actors

ACTORS	ROLES AND RESPONSIBILITIES
Ward Councillors/Ward Committees (assisted by CDWs)	Major link between municipality and residents Link the planning process to their wards or constituencies Organize public consultation and participation Represent the ward at the IDP & Budget Representative Forum Analyse ward-based issues, determine priorities, negotiate and reach consensus.
Community	Represents interests, contribute knowledge and ideas to the Representative Forum Inform interest groups, communities and organizations Analyse issues, determine priorities, negotiate and reach consensus Participate in designing project proposals Discuss and comment on the draft IDP Monitor performance in implementation Conduct meetings with groups, communities, etc. to prepare for and follow-up on relevant planning activities.

4. Mechanisms for community and stakeholder participation

One of the main features about IDP and Budget Processes is the involvement of community and stakeholder organizations in the process. This is done through the:

- IDP Representative Forum
- District Municipality's Rep Forum to ensure that local priorities are adequately reflected on the District's IDP
- Ward Councillors and ward meetings to keep communities informed about the IDP progress (including Ward Committees and CDWs)
- Annual reports on municipal progress
- Mayoral outreaches (IDP Roadshows)
- Making the IDP document available to all units and in public places for public comments
- Municipal website.
- Local Radio broadcasts
- Local newspaper advertorials
- Municipal newsletters and social media pages

English is used as a language of governance however in community meetings languages that are spoken in that community are used. Officials are responsible for arranging venues and transport for all wards to all meetings. Transport is arranged for Traditional Leaders, Designated Groups and Ward Committees at the cost of the municipality.

5. Mechanisms and procedures for alignment

The IDP Manager (Municipal Manager) and the Director IPED of Sakhisizwe Local Municipality are responsible for ensuring smooth co-ordination of the IDP process and its alignment with the District's IDP through bilateral discussions with affected sector departments and neighbouring Municipalities as well as IDP representative Forums. Inter-Governmental Forums such as the Chris Hani District IDP Representative Forum are also used to ensure that beneficial alignment of programmes and projects do occur.

SAKHISIZWE LOCAL MUNICIPALITY 2023/2024 IDP/ BUDGET-PMS PROCESS PLAN			
Planning Phase			
		Time-frame	Responsible Department
1)	Establishment of IDP Steering Committee	08 July 2022	MM/IPED
2)	Audit Committee Meeting	18 July 2022	MM
3)	PMS Reviews	20-21 July 2022	MM
4)	Draft Process Plan alignment with district	July 2022	IPED
5)	Ordinary Council Meeting: Considers and note the Draft 2023-24 IDP/Budget Process Plan	28 July 2022	IPED
6)	CHDM: LED Forum	28 July 2022	CHDM
7)	IDP Steering Committee meeting	08 August 2022	MM/IPED
8)	DIMAFO	25 August 2022	CHDM
9)	Special Council Meeting: Adopt 2023-24 IDP/Budget Process Plan	30 August 2022	MM/IPED
10)	CHDM: Council Meeting	31 August 2022	CHDM
11)	Advertise 2023-24 IDP/Budget Process Plan on Website, Local newspaper and Public Amenities	31 August 2022	MM/IPED
Analysis Phase / Monitoring and evaluation			
12)	Situational Analysis review	October – December 2022	MM/IPED
13)	CHDM: IDP Rep. Forum	08 September 2022	CHDM
14)	Technical IGR	21 September 2022	MM
15)	IDP/Budget/PMS Rep Forum Meeting	23 September 2022	MM/IPED
16)	LED Forum	27 September 2022	IPED/LED
17)	Institutional IGR	28 September 2022	MM
Strategies Phase / Refined objectives, strategies, programmes and projects phase			
18)	Risk Management Meeting	04 October 2022	MM
19)	Audit Committee Meeting	07 October 2022	MM
20)	Performance Reviews	18-19 October 2022	MM
21)	Ordinary Council Meeting	27 October 2022	MM
22)	IDP Steering Committee meeting	08 November 2022	MM/IPED
23)	CHDM: IDP Ref. Forum	17 November 2022	CHDM
24)	Budget Steering Committee meeting	23 November 2022	MM/CFO
25)	IDP/PMS/Budget Rep Forum	23 November 2022	MM/IPED
26)	DIMAFO	24 November 2022	CHDM
27)	Technical IGR	25 November 2022	MM
28)	Institutional IGR	30 November 2022	MM
29)	Special Council Meeting	14 December 2022	MM
30)	CHDM: Council Meeting	14 December 2022	CHDM
Reviewed IDP document (Integration/programme implementation and operational plan)			
31)	Risk Management meeting	09 January 2023	MM
32)	Audit Committee meeting	17 January 2023	MM
33)	Council Meeting	26 January 2023	MM

34)	Submission of Draft internal departmental project lists/Plans	31 January 2023	All Directors
35)	Departmental Strategic session	1-3 February 2023	MM
36)	CHDM: Institutional Strategic Session	6-8 February 2023	CHDM
37)	IDP Steering Committee meeting	08 February 2023	MM/IPED
38)	Technical IGR	10 February 2023	MM
39)	Institutional IGR	15 February 2023	MM
40)	CHDM: LED Forum	17 February 2023	CHDM
41)	Institutional Strategic session	20-22 February 2023	MM
42)	CHDM: Council meeting	22 February 2023	CHDM
43)	Special Council meeting	23 February 2023	MM
44)	DIMAFO	23 February 2023	CHDM
Project/ Approval phase			
45)	IDP Steering Committee meeting	08 March 2023	MM/IPED
46)	Budget Steering Committee meeting	10 March 2023	MM/CFO
47)	IDP Rep forum	22 March 2023	MM/IPED
48)	CHDM: Council Meeting	29 March 2023	CHDM
49)	Special Council meeting: Adopts 2023-2024 Draft IDP and Budget	30 March 2023	MM/IPED/MAY OR
50)	Advertise Draft IDP on Website, Local newspaper and Public Amenities	01 April 2023	IPED
51)	Commencement of IDP/Budget Roadshows per ward	03-07 April 2023	IPED/MM
52)	Performance Reviews	13-14 April 2023	MM
53)	Risk Management meeting	13 April 2023	MM
54)	Audit Committee meeting	17 April 2023	MM
55)	CHDM: IDP/ Budget Roadshows	18-20 April 2023	CHDM
56)	Ordinary Council meeting	26 April 2023	MM
Approval Phase			
57)	Budget Steering committee	05 May 2023	MM/CFO
58)	IDP Steering Committee	08 May 2023	MM/IPED
59)	Technical IGR	10 May 2023	MM
60)	CHDM: IDP Rep. Forum	10 May 2023	CHDM
61)	Institutional IGR	18 May 2023	MM
62)	IDP Rep Forum	24 May 2023	MM/IPED
63)	COUNCIL: Consider and adopt Final 2023-2024 IDP and Budget	25 May 2023	MM
64)	DIMAFO	25 May 2023	CHDM
65)	CHDM: Council Meeting	31 May 2023	CHDM
66)	Submit draft 2023/24 SDBIP within 14 days after budget approval	14 June 2023	MM/IPED
67)	CHDM: Council Meeting	28 June 2023	CHDM

6. IDP Assessment

The IDP Assessment highlighted some issues for the Municipality as per the MEC's (COGTA) assessment. Under KPAs:

KPA 2: Service Delivery and Infrastructure Planning

- The Municipality must develop Rural Roads Asset Management Systems Programme (RRAMS)
- The Municipality must budget for roads maintenance.
- The municipality must develop and approve Storm Water Management Plan.
- The municipality must develop an integrated Waste Management Plan as contemplated in Section 11 of the National Environmental Management: Waste Act (NEMWA), No. 59 of 2008
- The municipality must indicate whether the Integrated Waste Management Plan has been endorsed or approved by the Council and MECs of COGTA and DEDEAT.
- The municipality must have operational and licenced landfill sites.
- The municipality must develop a Trade Effluent Policy and budget for its operations and maintenance.
- The municipality must develop an Integrated Community Safety Plan.
- The municipality must develop a Disaster Management Plan
- The municipality must have emergency procurement measures in place to expedite expenditure during disaster.
- The municipality must draft, adopt and enforce disaster management by-laws.
- The municipality must include electricity planning in its Three Year Capital Plan.
- The municipality must plan for infrastructure reticulation or bulk infrastructure for electricity.
- The municipality must investigate alternative sources of renewable energy.
- The municipality must reflect on whether it holds a National Energy Regulator of South Africa (NERSA) licence or not.

KPA 3: Financial Planning and Budget

- The municipality must have a financial plan that is aligned to the IDP that includes the cash flow statement, projections for the financial year and a budget projection for the next 3 years in line with section 26(h) of the MSA and Treasury Regulations.
- The municipality must promulgate by-laws and gazette relevant policies.
- The municipality must develop and implement Revenue Enhancement Strategy.
- The municipality must have separate bank accounts for conditional grants.
- The municipality must have Repairs and Maintenance Plan in place and budget as per Circular 51 of Municipal Finance Management Act (MFMA)
- The municipality must spend 100% of allocated grants.
- The municipality must collect its revenue more than 50% from the consumers in terms of financial norms and standards.
- The municipality must have mechanisms to curb water losses and illegal electricity connections.
- The municipality must ensure that Service Delivery Budget Implementation Plan (SDBIP) reflect the following :- IDP priorities, SDBIP objectives, strategies, projects, budget allocations, targets, indicators in respect of each project and timeframes as guided by Circular 13 of MFMA.
- The municipality must publish and gazette Section 6 and 14 of Municipal Property Rates Act (MPRA), No. 6 of 2004
- The property Valuation Roll must be published in the municipal website.
- The municipality must have a functional contract management system in place.

KPA 5: Good Governance and Public Participation

- The municipality must adopt a Public Participation Strategy.
- The Municipality must reflect community involvement in the IDP development.
- The municipality must reflect on stakeholder communication strategy.
- The municipality must develop ward based plans.
- The municipality must reflect on institutionalized complaint management system.
- The municipality must develop petitions management policy.
- The municipality must develop and reflect a summary of fraud prevention policy and plan.
- The municipality must establish a performance management committee.
- The municipality must reflect a summary of an adopted audit action plan to address issues raised by the Auditor General (AG)
- The municipality must reflect on the adoption and gazette of applicable by-laws.
- The municipality must reflect an HIV and AIDS strategy.
- The municipality must establish a functional and effective Monitoring and Evaluation (M&E) system or unit.

KPA 6: Institutional Arrangements

- The municipality must reflect on the political and administrative seats.
- The municipality must include a council approved organisational structure or organogram that aligns to the long term development plans of the municipality
- The municipality must reflect filled and vacant posts per Department.
- The municipality must reflect ion critical and scarce skills.
- The municipality must do quarterly assessments and reflect quarterly challenges.
- The municipality must develop an ICT policy framework.
- The municipality must reflect action plans to address the ICT challenges.
- The municipality must reflect on Disaster Recovery Plan and its implementation in the IDP.
- The municipality must show proper records keeping systems.

KPA	Rating 2018/19	Rating 2019/20	Rating 2020/21	Rating 2021/22	Rating 2022/23
Spatial Development Framework	High	High	High	Medium	High
Service delivery	High	Medium	Medium	Low	Medium
Financial Viability	Medium	Medium	Medium	High	Medium
Local Economic Development	High	High	High	Medium	High
Good governance & public participation	High	Medium	High	Medium	Medium
Institutional Arrangements	Medium	Medium	Medium	Medium	Medium
Overall Rating	High	Medium	High	Medium	Medium

7. Public Participation

Public Participation Policy

The Public Participation Policy has been developed and reviewed but awaits council adoption. The policy outlines the roles and responsibilities of all stakeholders in public participation as well as the mechanisms for undertaking public participation. These include the guidelines for public events that must be followed as well as the processes that members of the public must follow if they wish to submit grievances or complaints.

Challenges and intervention for public participation

- **Geographical**

The Municipal area consists of 9 wards with many villages. Due to the mountainous terrain and the lack of infrastructure development, the road network is poorly conceived and as a result, villages, which should be directly connected are normally connected through rerouting to a main road.

- **Infrastructure**

Due to the vastness of the terrain, it is difficult to find a central meeting spot in the ward which is accessible to all by foot and has a facility large enough to accommodate all residents. The Municipality has ensured that all wards at least have one community hall.

- **Education levels**

It is an ongoing process to educate the community about local government so that they can participate in an effective and efficient manner

- **Traditional leaders**

The municipality has made a concerted effort to ensure that traditional leaders are included in all public participation events and in Council activities but this is not happening due to their elections which have not yet occurred.

- **Communication**

Due to the vastness of the area and mountainous terrain telecommunication networks are limited with the result that it is difficult to communicate with communities due to lack of telephone and email networks.

- **Financial**

Although a budget is set aside for public participation under the IDP and budget vote, it is not enough as it is expensive to cater for the transport and food that is required for all these occasions. However, departments also have operational budget for their public participation occasions.

- **Sustainability**

Many community-based organisations do not have a long-life span due to in fighting or inactivity by members

- **Apathy**

Members of the public do not feel the need to participate in government processes due to a variety of factors

Ward Committees

Ward committees have been recently formed for the 9 wards in March 2022. 9 Ward Committees have been formed. Meetings will be held on a quarterly basis per ward and officials from the Public Participation Unit attend and take minutes at these meetings. Complaints and issues raised in the meetings are then escalated to Customer Care section where these are then further escalated to relevant Departments within the municipality or relevant sector departments and followed up by Customer Care Officials to ensure that issues are speedily resolved. The District Municipality has not contributed to the functioning of the ward committees as the Municipality has sufficient capacity.

Ward Committees are chaired by the Ward Councillors and consist of up to ten elected members. The purpose of the committees is to broaden participation in the democratic process of Council and to assist the Ward Councillor with organizing consultation, disseminating information and encouraging participation from residents in the ward. The Ward Committees gather information from the communities during the IDP process which are forwarded to the IDP and Budget Steering Committee for consideration in the budget process.

In addition, problems identified by the ward committees are forwarded to the Corporate Standing Committee for resolution by the responsible Department head. These then get elevated in this way to the Executive Committee and ultimately Council through attachments in the agenda of these meetings. Officials responsible for ward committees then feedback Council resolutions to the Ward committees through IPPF meetings. Ward committees and Councillors are also utilised to mobilise ward members for outreaches. In this way both the administration and the political arm of the Municipality are aware of issues raised by Ward committees.

The municipality needs to develop new ward based plans as the current ones had not been reviewed. They need to be completed and then rechecked by all villages to ensure that they contain the correct information.

Current Wards and villages

Ward	Villages
Ward 1	Khowa Town; Gubenxa; Old Location; Maxongo's Hoek; Mhlwazi; Khowa Country Club; Hillview; Takalane (Section); Ryno Farm
Ward 2	Veregenog; Polar Park; Ekuthuleni; Masimini (Section); Takalane (Section)
Ward 3	Cala Pass; Zikhonkwane; Qhiba; Mgwala; Dike; Sifonondile; Roma; Dellville Trust; Qithi; Lahlangubo; New Rest; Siphafeni; Phindela; Sikhobeni; Tsomo Valley; Masimini (Section)
Ward 4	Cala Town; Phakamisani; Phelandaba; Prieska; Cala Farms; Cala Reserve
Ward 5	Ndondo Square; Extension 1; Extension 2; Extension 13; Extension 15; Carlifonia; Manzimdaka
Ward 6	Lower Cala; Upper Mnxé; Mnxé; Cala River; Tiwane; Polar Park; New City; Manzana; Tsengiwe; Upper Tsengiwe; Lapesini; Luxeni
Ward 7	Upper Indwana; Ngxumza; Mceula; Rebbelskloof; Nontembiso; Nonkanyiso; Mafusini; Sweetline; Gxojeni; Mtyatya; White City; Mdantsane; Indwana; Chamama
Ward 8	Askeaton; Voyizana; Seplan; Bumbane; Manzimahle; Upper Lufutha; Ndyavu; Ndum-Ndum; Upper Langanci; Mthingwevu; Zingquthu
Ward 9	Lower Lufutha; Hota; Mbewula; Nyalasa; Mbodlane; Mbhenge; Lower Langanci; Mahlunqulu

Traditional Leadership

The Municipality is committed to meeting with Traditional leaders to find solutions to the problem of acquiring sufficient land for development outside town boundaries. Traditional leaders are normally represented in Council and at all standing committees but they will only be elected in July 2023. The Municipality is experiencing some resistance from certain Traditional Leaders but in general the relationship between the Municipality and Traditional Leaders is good. Traditional Leaders have also increased their participation in municipal planning forums, Standing Committees and Council.

8. Social Cohesion

The Municipality has several social cohesion programmes. These involve door to door campaigns whereby the municipality and sector department target certain areas and run campaigns on problems being experienced in that area such as child headed households. A plan is then formulated to resolve these issues and all stakeholders state their commitment to resolving these issues.

The municipality participates in community policing forums in order to unite stakeholders to fight against crime. The municipality also forms part of the moral regeneration programme of the Presidency.

All of these programmes and public participation forums together assist in providing platforms whereby people can meet and discuss their differences and problems. This dialogue leads to nation building as people begin to realise that there is more that unites them than divides them.

The Municipality has IGR structure whereby sector departments are engaged with in order to find solutions to service delivery issues. In addition, special meetings are arranged for departments to meet outside the IPPF. Sector departments (national and provincial) are also engaged with through Munimec and the District IGR structures such as DIMAFO. Sector departments are also contacted throughout the year to respond on community queries as well as participate in public participation programmes. In addition, engagement with provincial and national departments is facilitated through the Chris Hani District IGR structures such as the various committees like governance and administration which are attended by the municipality and the IDP Rep Forum.

The Municipality also participates in all SALGA structures where it can meet and discuss issues with other municipalities. These structures facilitate inter municipal planning. The Municipality is not currently engaged in any project which requires that it forges close linkages with other Municipalities. In addition, the District DIMAFO structure provides a space for all Mayors and Municipal Managers to meet and discuss on issues which affect the District as a whole. Other relevant District forums are also attended by the Municipality such as the District Support Team, and Communicators Forum. There is no formal inter-municipal planning except for water, sanitation and road infrastructure which is discussed through the Water Forum and District Roads Forum.

9. Other Public Participation Forums and Players

IDP Representative & Public Participation Forum

This forum meets at least four times a year to discuss progress achieved on implementation as well as to give direction around the needs and requirements of the future as contained in IDP. The forum is chaired by the Mayor and is constituted by various government departments, interested parties, organised groups, CBO's, Ward committees and NGO's. Sector department participation is poor though.

Community Development Workers (CDW's) & War rooms

CDW's are another resource which the Municipality utilises in order to improve public participation. They attend Ward Committee Meetings regularly and also participate in Public Participation Meetings in LM. They also attend other meetings of the LM they are invited to, e.g., SPU meetings etc. They are an important method of improving municipal engagement with communities.

War rooms are another forum at ward level which will be revived to act as another IGR forum and a way to monitor municipal and sector department projects and programmes.

Local Economic Development Forum

This forum meets on a quarterly basis and consists of all stakeholders involved in LED. They meet to discuss issues and challenges relating to the implementation of LED and the LED Strategies. It is at the district level chaired by a Portfolio Councillor.

Communicator's Forum

This forum meets quarterly to discuss issues pertaining to communicators in the region. It consists of local municipal communicators, GCIS and media representatives.

10. Complaints & Fraud Management

The Municipality has a Public Participation Officer who mans the Presidential Hotline as well as regular liaising with Ward Councillors and Ward Committees to ensure that they are kept abreast of any developments and complaints originating in their wards. The Officer contacts the necessary department with the complaint and then monitors it to ensure that it is resolved.

11. Audit & Other Committees

Audit Committee and Audit Action Plan

The Municipality does have a functional and effective audit committee. The Audit committee is an oversight committee of the council. The committee fulfils its mandate through the use of the internal audit unit.

As one of its responsibilities, the audit committee oversees the internal audit unit and ensure that it approves an annual and / or three-year internal audit plan to guide the operations of the internal audit unit. The Audit Committee submits its quarterly meeting dates to the council for approval and ensures that these meetings do take place.

The Chairperson of the Audit Committee reports on the performance of the internal audit unit and the audit committee at the ordinary council after every quarterly audit committee meeting in accordance with the audit committee charter. The Chairperson of the Audit Committee also prepares an audit committee report on the Auditor General's Audit Report for submission to the MPAC and for inclusion to the Annual Report.

The Committee meets to discuss the annual plan/charter of the internal audit unit. A charter was developed. The quarterly performance reports from the departments are also discussed in this committee. The Audit committee has an audit committee charter (ACC) which was approved by the council which guides its operations and this charter is reviewed every year.

The following are the audit opinions for Sakhisizwe Municipality for the past few years from 2017/18 financial year to date.

2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Unqualified	Qualified	Adverse	Qualified	Qualified

The AG's recommendations on both the audit report and management report are populated in the audit action plan where corrective actions, start implementation date and final implementation date as well as the responsible department or section is indicated. The audit action plan is then used by the responsible individuals in order to ensure that corrective actions are being implemented immediately. The director of the responsible department then monitors the implementation of the audit action plan every month.

At the end of every quarter, the coordinating Manager obtains the quarterly progress made on the implementation of corrective actions and submit the status to the Accounting Officer as a monitoring tool. The internal audit unit also requests this quarterly progress on the implementation of the corrective actions from the manager in the Municipal Manager's office, conduct their reviews in order to validate the credibility of the progress which is being reported to the Accounting Officer and issue an audit report to the management and presents the report to the audit committee in line with the approved annual internal audit plan for oversight.

Section 80 Committees

The only section 80 committee in Sakhisizwe Local Municipality is the Executive Committee, which sits monthly comprising of the Mayor, Chief Whip and Portfolio Councillors. This is because Sakhisizwe has an Executive Committee system. The Executive Committee has 5 sub committees each headed by a Portfolio Councillor. These are Infrastructure and Integrated Planning, Finance and Administration, Social Needs and Community Services.

Section 79 Committees

- **MPAC Committee**

The MPAC Committee was set up to improve the oversight role of Council. It meets to discuss all issues related to oversight as well as develop the oversight report for Council on an annual basis. The Committee has 7 Councillors. The committee meets quarterly.

12. Other Committees

IT Steering Committee

This Committee consists of officials from every department and discusses issues relating to IT. This includes the purchasing of software and hardware as well as problems being experienced with the expansion or current usage of the IT system. It meets quarterly and as often held together with the Risk Management Committee. The challenge is the non-functionality of the committee.

Budget & IDP Steering Committee

This committee meets according to the annual IDP and budget process plan. It consists of top management officials from each department, Municipal Manager, Mayor and the Finance Portfolio Councillor. It is headed by the Finance Portfolio Councillor and discusses issues relating to the budget and IDP. The challenge is the non-functionality of the committee.

Extended Management Meeting

This meeting is chaired by the Municipal Manager which meets quarterly and discusses issues pertinent to the administration. It is comprised of all Directors and Managers.

Senior Executive Meeting

The meeting comprises of all Directors and is chaired by the Municipal Manager. It sits monthly.

Performance Audit Committee

This Committee meets to evaluate the performance of the municipality and S 56 employees on a quarterly basis. It consists of the members of the Audit Committee. This is because the Municipality is small and does not require another committee for the purposes of performance issues only.

Risk Management Committee

There is a Risk Management Committee of which Provincial Treasury forms part. A risk register is compiled annually and updated quarterly. The risk compliance officer is placed in office of the Municipal Manager.

Supply Chain Committees

Sakhisizwe has three committees i.e. the Specification, Evaluation and Adjudication Committee. The Specification Committee ensures that the specifications are correct and in line with supply chain legislation and approves them for tender advertisements. The Evaluation Committee evaluates bids once tenders have closed and forwards their recommendations to the Adjudication Committee. The Adjudication Committee makes the final decision on all tenders except for tenders above R 10 million. These tenders go for deliberation of the Municipal Manager. All committees meet as per their Council approved schedule unless special meetings are required.

HR Committees

HR has several committees.

- Local Labour Forum which consists of selected management, Finance and Corporate Services Portfolio Councillors and the labour Unions to discuss labour issues
- Training Committee to discuss the implementation and development of the WSP
- Employment Equity Committee to discuss recruitment and selection based on EE principles
- Placement committee which meets on an adhoc basis to discuss issues relating to the organisational structure
- Occupational Health and Safety Committee which discusses issues relating to the health and safety of officials and the buildings.

The challenge is the non-functionality of these committees

13. Special Groups

The Municipality has an SPU Officer. Portfolio Councillors for each area have been allocated from the Executive Committee

HIV and AIDS

An Officer was responsible for HIV and Aids co-ordination in the municipality and after she left the position has been neglected.

Youth Council

The Youth Forum has just been reformed and there is a need to develop a youth strategy and plan in the coming years. Also a ward youth committee needs to be launched for every ward. The municipality is required to provide funding for youth projects and ensure that more youth are assisted to find employment through the youth database. The municipality is committed to channelling all job advertisements and bursaries funded by various departments through to Ward Councillors for distribution to the youth.

Elderly Forum

The Municipality needs to develop and implements an annual plan based on activities for the elderly and promoting anti elderly abuse.

Women Forum

A women empowerment forum exists led by a Councillor. A plan is done on an annual basis. The idea behind the forum is to ensure that women are empowered to take advantage of economic opportunities in the region. A ward-based women committee has been launched for every ward.

Persons with Disabilities

Persons with a disability have their own forum, known as the Disabled Forum which like the others develops and implements an annual plan based on programmes to promote awareness and recognition for people with disabilities. A database has been developed to indicate disability types so that sector departments may utilise it to increase the level of employment amongst people with disabilities.

CHAPTER SEVEN: WARD PRIORITIES AND PROJECTS

1. Ward Priorities

In planning for the 2022-2027 five year integrated development plan the municipality undertook a programme of ward needs analysis lead by the Mayor. The programme was held in all the 9 wards of the municipality identifying the critical needs of the community.

Below is the summary of the needs analysis as per ward:

Ward No	One
Ward Councilor	Cllr. Z. J. Phonoshe
Township/ Village	Issue/ Need
Khowa Town	Animal Pound; Road to Thompson Dam; Development of Thomson dam; Cleaning of Khowa town; Storm water drainage; Quality paving for Khowa internal streets; Provision of clean water for drinking; removal of old water pipes; street maps for development
Maxongo	Water extensions; Quality sanitation (Toilets); RDP Houses;
Jonini	Water provision; Sanitation (Toilets); Electricity extensions; Land acquisition by the Municipality from Mr Dlova; Roads in dire state; Electricity extensions; Mayor and Council to visit Jonini; RDP Houses
Gubenxe	Access road in dire state, monitoring of Municipal projects (Gubenxe community Hall) ; RDP Houses
Takalani	Community visits by the Council led by the Mayor; Maintenance of public parks; Address Land invasion
Mhlwazi	Roads in dire state; Completion of the Electricity project; Electricity extensions (7 Houses); RDP Houses
Old Location	Road signs for the road from Ugie;
Arlington	High Mast Light; Provision of households waste bins
Farmers Association	Rates for farm owners; services
Hill view	Roads; RDP Houses; Community Hall

Ward No	Two
Ward Councilor	Cllr. V. Filana
Township/ Village	Issue/ Need
Ekuthuleni	Numbering of houses; Clinic; Access Road to Polar park; toilets (Sanitation); Street Lights; RDP Houses; Renovation of Municipal buildings; Sewer system; Refuse (Waste) Collection; Issuing of Title Deeds; Township establishment; Residential sites; Handing over of the Sport & Recreational Facility; Water; Monitoring of projects; Quarterly visits by Mayor
Polar Park 1,2 & 3	Feedlot Visit (Portion of land is being leased); High Mast Lights, Unfinished Sport Field; Access Road; Services Seta Certificates(Skills Centre)Sewer System project unfinished; Fencing of Graveyards; RDP Houses; Grass Cutting; Residential Sites; Title Deeds; Bridge; Paving of streets; sewer lines unblocking; Electricity extensions (Nkanini)
Takalani	High Mast lights; proper gravelling of roads; Refuse (waste) Collection; Maintenance of all internal streets; Water provision
Veregenoeg	FET College, Youth Development Programs, Drainage system
Emasimini	RDP Houses of Quality;

Ward No	Three
Ward Councilor	Cllr. N.S. Nopote
Township/ Village	Issue/ Need
Sifonondile (Sphafeni)	Roads; bridge to school; entrance roads maintenance; RDP houses; Shearing Shed; Bridge to Roma;
Phindela	Water; Network Pole; Bridge (Thafeni to Roma) Electricity extensions; Sanitation (Toilets)
Cala Pass	Roads; Fencing of arable land; Water Extensions;
Zikhonkwane	Maintenance of Access roads (Dike; Sifonondile); Water extensions; RDP Houses; Shearing Sheds; Site visits by the Municipal Council
Roma	RDP Houses; Bridge; Road maintenance; Toilets extensions
Thaleni	Access road; Shearing Shed; Dams for Livestock; Water extensions; Electricity extensions; Fencing of arable land
Masimini Portion	Access Road; Street Lights; High rate of unemployment; Toilets extensions; Electricity extensions; Sewer system is poor

Phindela	Network Pole;
Mgwalana	Police Forums; Access road not finished; Bridge
Sikhobeni	Roads unusable; No network; No Dipping tanks; Unemployment (Graduates); Youth involvement in EPWP and CWP projects

Ward No	Four
Ward Councilor	Cllr. N. Miso

Township/ Village	Issue/ Need
Priska	Support for the Old Age (Kit provision; Renovation of the Old age center;
Phakamisani	Road maintenance; Maintenance of Bashee Street, Unblocking of drainages; Community Hall; Waste collection; Site/ Land provision for Woodwork Project; Land provision and Funding for organic farming and needlework
Cala Reserve	Street lighting; Road maintenance for accessibility; Storm water management; Clearing of illegal dumping; Pre-school structure, Fixing of bridge to Lower Cala; Rural Development programs
Cala Town	Paving of Umthatha Road (between U-Save and Boxer Build); paving of all internal streets; Provision of quality paving; maintenance of the road to the cemetery (Cala to Ncora Road); Unblocking of sewer tanks (Next to Church); Cleaning of town; waste water management and leaks; Street lights; provision of households waste bins; Signage prohibiting illegal Dumping; Provision of sidewalks in all streets; Grass cutting; maintenance of unpaved streets; Local Economic development programs; Shopping Mall; Rehabilitation of Transido
Farms	Street maintenance; Fixing of water leaks; Donga rehabilitation

Ward No	Five
Ward Councilor	Cllr. L. Thulelo

Township/ Village	Issue/ Need
Ext. 10; 11; 12 (California)	Sport field; Additional Ward Committees; Completion of the paving project; Storm water management/ system; Maintenance of unpaved streets; Issuing of Tittle deeds; rates reduction; Roads maintenance; Blading of gravel roads; Street naming; Maintenance of High mast lights, Sanitation (sewer system); Police visibility; Business sites and residential sites; Shopping complex

Manzimdaka	Roads maintenance; Bridge to Emsengeni; Fencing of cemeteries; Tarring of the road from Cala to Ncora; Donga rehabilitation, Wattle and Ilapesi Removal; Fencing of arable land and grazing land; Electricity outages; Stock Theft (Police Assistance); RDP Houses; Multi-purpose Centre; High Mast Light
Ext. 1; 3 (Ezitandini)	Paving of internal streets; provision of household waste bins; Clearing of illegal dumping sites; Street Lights; Mobile social workers; Sewer systems(Sanitation); Inspection of Foreign owned Shops
Ndondo Square	Skip Bins on all illegal dumping sites; RDP Houses; Paving of internal streets, Job creation programs; Dipping tank; Animal Pound; Residential sites; Waste collection; Youth development programs; Filling of vacant RDP Houses, Storm water management; Sanitation (sewer system); Police visibility; Age restriction on job opportunities; Issuing out of title deeds; Fencing of graveyard
Extension 8; 13	Street lights; Unattended slabs for RDP Houses; Community Hall; Funding and assistance for Kamvalethu Youth Development Project;
Extension 15	Paving of internal Streets; Sanitation (Sewer System); Donga rehabilitation; High Mast lights, Road maintenance; Community Hall

Ward No	Six
Ward Councilor	Cllr. S. Stofile
Township/ Village	Issue/ Need
Upper Mnxe	Network Pole; Water extensions; Fencing of arable fields;
Mnxe (Manzana)	Electricity outages; Community development programs; maintenance of playing grounds; Career Exhibitions; Arts and culture exhibitions;
Tsengiwe; Ekuphumleni	Access road Manzana); RDP Houses not properly monitored; Fencing of grazing land; Soil erosion; Donga Rehabilitation; Power outages; Employment rotation
Sifonondile: Qithi	Maintenance of Road to IDA; Water extensions; Electricity Extensions; People employed to operate water are old and need to be replaced; Shearing Shed; Community use of the unused classrooms at the school; taps extension; drainage system;
Mnxe: Mission	Animal rails on motor gates (Road from Cala to Cacadu); Road ranger between Cala Reserve and Mission; Clinic; Community Hall; Scholar Patrol
Rareni	Demarcation; Maintenance of road to Upper Mnxe; RDP Houses; Water and Electricity extensions

Lower Cala	Water extensions; Electricity extensions; Electricity outages; Maintenance of sport grounds; Maintenance of roads from Cala Reserve and the bridge;
Manzana	Power outages; Job creation programs; funding for community based projects; Skills development programs for the Youth; Maintenance of sport grounds; Speed humps on the road to Cacadu; Water extensions; Road ranger
Mnx: Polar Park	New approach on needs collection;

Ward No	Seven
Ward Councilor	Cllr. T. Mayongo
Township/ Village	Issue/ Need
Suitline/ Sweetline	Toilets, wattle removal; water extensions; Fencing of arable land; Dipping Tank; Access road; Fencing for Noxolo Preschool; Shearing Shed; RDP Houses
Upper Indwana	No water in taps; Wattle Removal; Electricity Extensions; Toilets @ Nkanini; Tambo Access road; Wattle removal (Forest); RDP Houses for Sidakeni; Toilets; Electricity extensions
Mafusini	Dipping Tank; Fencing of fields; RDP Houses
Thembeni	Water extensions; Access Road maintenance; Donga rehabilitation; Dipping tank; Shearing Shed; Maintenance of the tarred road to Indwe; RDP houses
Ndwana	Water and Electricity extensions for RDP Houses @ Barracks and Siphafeni; bridges; Job creation
Gojini	Road to clinic; No water in taps; Fencing of arable land; Fencing and infrastructure for Preschool; RDP Houses
Polar Park	Water conservation from the farm; Maintenance of Access road; RDP Houses
Rebels Kloof	Funding for agricultural projects; Water provision materials and equipment; Chemical for Pit toilets; Funding for youth and elderly projects
Gxojeni	Water; Toilets; Access Road; RDP Houses
Mboniselweni	Taps not working; Boreholes not working; Access Roads; Bridges; Fencing of arable land; Dams for livestock; Mobile Police Station; Mobile Clinic; Shearing shed; Youth Development programs; Wattle removal; Sport ground; Toilets; Electricity extensions; loss of livestock at Gopheni; RDP Houses

Mndeni	Access road and bridge; Dams for livestock; Market for local produce; Water and Electricity extensions; RDP Houses
Ngxumza	Toilets, water, electricity extensions; Dipping tank; Access road; Manipulation EPWP replacement process; Wattle removal; Scholar Patrol (Walking bus) ; RDP Houses
Mceula	Donga rehabilitation; Taps not working; Toilets; Pay point venue for pensioners; Funding for youth development programs; Electricity for the Community Hall; RDP Houses
Chamama	Donga rehabilitation; Access roads; No water; Electricity extensions; Toilets for RDP Houses; Fencing of grazing land
Mtyatya	Access roads; Water extensions; RDP Houses

Ward No	Eight
Ward Councilor	Cllr. P. Mahlombe
Township/ Village	Issue/ Need
Ngxingweni	Bridge; Access Road
Upper Lufutha	Electricity extension @ Voyizana; Removal of iLapesi (Alien Plants); Donga rehabilitation; Bridge @ Mjikelweni; Demarcation for Lower Seplan; Shearing Shed for Ndyavu & Lower Lufutha; Food security programs for Lower Lufutha; Ndum-Ndum access road; sanitation for for Upper Lufutha, Voyizana & Mjikelu; Wattle removal; Access roads; taps
Zingquthu	Electrification of new houses; Accident hotspot at Enkalweni; RDP Houses; Apollo Light; Bridge at the river; Network Pole
Strong yard	Toilets
Manzimahle	Disaster; RDP Houses; Road to Mthingwevu
Seplan: Emaqwathini	Two Destitute Houses; RDP Houses; Bridge to school; Fencing of arable land; Infrastructure for Preschool
Bumbana	Power outages; Storm water drainage; Access Road; Pre School; Shearing Shed & fencing; Electricity extensions; RDP Houses
Upper Langanci: Zwelidala	Access Road; Toilets, Water, electricity extensions; Forest rehabilitation & fencing; Mobile clinic, Care givers;
Ndyavu	Roads; Fencing for grazing land; Dipping tank; Shearing Shed; Job creation programs; RDP Houses

Ndum-Ndum	Road from school; RDP Houses; Maintenance of sport grounds; Provision of water tanks; Stock theft (Police assistance); Electricity illegal connections
Ward No	Nine
Ward Councilor	Cllr. T. Tasana
Township/ Village	Issue/ Need
Nyalasa	Road to school & clinic; Wattle removal; Network Pole; Power outages; Delayed response from Eskom; Bridge to Tsengiwe; Funding for agricultural development; Fencing for arable land; Water for Nyalasa SPS; Tarring of road from Cala town to Nyalasa; Road from Nyalasa to Mbewuleni; Youth development programs; Sport development programs (Mayoral Cup)
Mbhenge	Maintenance of Access road; maintenance of bridges; Electricity not working; Electricity extensions; Power outages; Funding for agricultural projects; Water cuts; Maintenance of sport grounds; Tarring of the road from Cala town to Ncora; Wattle removal project not effective; Shearing Shed, RDP Housing Project slow; Toilets overflow (Sanitation); Clinic; Community Development Projects; Mobile clinic with nurses; ABET School
Hota/Mbewula	Access road; Road to cemetery; Bridge at Sgangani to Sweetline; Fencing of arable land; Electricity extensions (Sweetline; Electricity for RDP Houses; Maintenance of sport grounds; CWP for Donga rehabilitation, Toilets overflow (sanitation); Network Pole; Shearing Shed; Clean water provision, Concrete Pipes unblocking; Livestock vaccination
Lufutha; Langanci	Bridge; St. Phillip road maintenance; Assistance with transportation of concrete drainage pipes by the Municipality; Water extensions; Completion of RDP Houses; Electricity extensions; Wattle removal to enhance farming; Fencing of arable land;
Mbodlane	Electricity extensions; Water in taps; Sanitation; Wattle removal on farms; Mobile clinic; Container for Pre-School
Lower Langanci	Access Roads; Clinic; School; Bridges; RDP Houses; Mobile Clinic; Community Works Program; Electricity Extension; Water; Dipping tank, Road maintenance; SASSA Pay-point; Network Pole; Job creation programs; Scholar Transport

2. Summary of ward Based Plans

Ward based plans and priorities were compiled in the IDP Roadshows on the 14-18 February 2022. These were then taken to the wards and verified and presented at an IDP Representative Forum meeting on the 24th February 2022. In between Ward Councillors had ward meetings to verify the content.

In general, all wards suffer from poorly maintained road infrastructure and after the recent heavy rains road infrastructure has been destroyed in almost every ward. The more mountainous wards suffer from poor radio, television and cellular phone reception. More repeaters are required in the Municipality.

Most wards have access to water but that the water pressure is low and supply tends to be erratic. Sanitation provision is good except in new extensions and where projects have yet to be completed. Electricity is supplied to many except new extensions and a few houses that were built after electrification took place

The next chapter of the document deals more on the projects planned for the 2023-2024 financial year with the wards where they will be implemented.

CHAPTER EIGHT: VISION AND OBJECTIVES

1. Vision

“To be a financially sustainable and socio-economically transformed municipality by 2030.”

2. Mission

“We will provide quality sustainable service delivery, through prudent financial management and collaboration with our communities.”

3. Core Values

The Municipality’s core values are:

Value	Value Statement
Diligence	Self-driven public representative and management team, communities to serving the people, assertive in representing the interests of Sakhisizwe inhabitants
Promptness	Responding to matters of public and citizens’ interests within reasonable time including acknowledging and keeping people informed process
Integrity	Transparency, honesty, good democracy ethics, impartial of matters of public good and interest and building a public service that transcends political and social boundaries
Accountability	Responsible, taking ownership, discipline efficient and implanting a culture of a demand driven development paradigm
Participative	Building a reciprocal relationship between management and all internal stakeholders, between council and administration, between labour and organizational leadership and between the municipality and its citizens
Responsive	Building a customer friendly municipal environment, ensuring a proactive, flexible, creative and quality conscious service delivery environment.
Considerate	Implanting a culture of compassionate, caring and emotional intelligent municipal environment that prioritizes its inhabitants, employees and councillors.

4. Key Performance Areas and Municipal Priorities

The following Municipal priorities were identified through the municipal strategic sessions held in March 2023

NO	KPA	MUNICIPAL STRATEGIC GOALS
1	Spatial rationale and environmental management	Spatial planning and land use support sustainable human settlements and economic development.
2	Basic Service delivery and infrastructure	Reduce infrastructure backlogs, improve maintenance, and enhance access to services.
3	Municipal Financial Management and Viability	Grow revenue base, enhance financial management, and improve revenue collection.
4	Local Economic Development	Create an environment that enables the development of the local economy and facilitates creation of jobs.
5	Good Governance and Public Participation	Ensure effective public participation, enhance good governance, and ensure effective IGR.

6	Municipal transformation and institutional development	Improve Institutional Capability
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5. Strategic Alignment

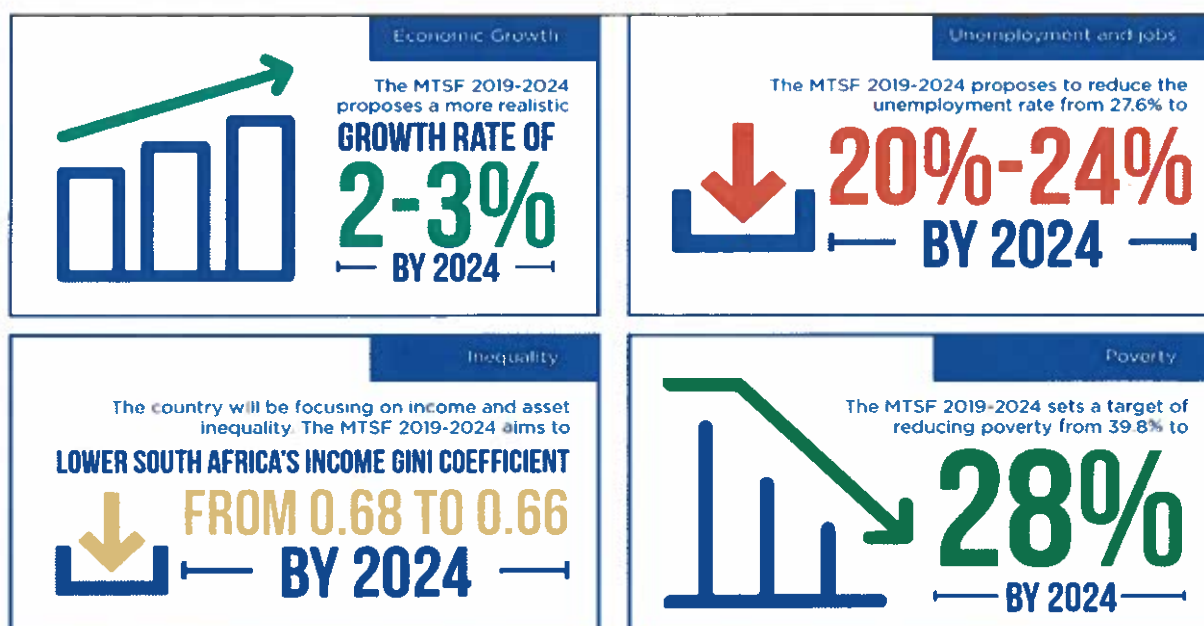
5.1 Sustainable Development Goals



5.2 National Priorities

The MTSF 2019–2024 translates the NDP goals and the governing party's electoral mandate government's priorities over a five-year period. These apex priorities were announced by the President in July 2019 at the start of the term for the 6th Administration. These apex priorities, which will be achieved through the joint efforts of all government institutions, are as follows:





Priority 1: A Capable, Ethical and Developmental State

- Modernise service processes in the public sector.
- 100% reduction of wasteful and fruitless expenditure in the public sector institutions.
- Improve financial management capability by implementing the Integrated Financial Management System in the public sector.
- Implement job competency framework for public sector by 2023 to build a professional public administration

Priority 2: Economic Transformation and Job Creation

- Facilitate and support 200 000 functional small businesses and cooperatives by 2024.
- Create 275 000 jobs per year through Job Summit Commitments, Operation Phakisa and other public sector employment programmes.
- R5 billion Infrastructure Fund established and operationalised by 2020 to improve the quality and rate of infrastructure investment.
- Implementation of revised visa regime, to ensure that 95% of visa applications adjudicated in 4 weeks by 2022
- Implement Presidential comprehensive youth employment interventions that absorb 1 million youth in NEET in employment

Priority 3: Education, Skills and Health

- 100% of Foundation Phase teachers trained in teaching, reading and numeracy
- All schools identified through the SAFE schools programme to have sanitation that meets the minimum infrastructure norms by 2024
- All provinces to meet their targets for ICT devices to support learning.
- Young teachers with the right skills are encouraged to join the teaching profession and trained through a collaboration with universities and the Funza Lushaka bursary programme.
- Introduction of Coding and Robotics curriculum implemented by 2023.
- Increase the number of universities offering accredited TVET college lecturer qualifications.
- *Develop sustainable CETs funding model, including norms and standards.*
- 2 million additional people screened for tuberculosis by 2020 and eligible people initiated on treatment
- 95% of TB treatment success rate by 2024

- 95% of people living with HIV who know their status
- 95% of HIV positive people who are initiated on antiretroviral treatment
- 95% of people on ART that are virally suppressed
- Improve the Management of Childhood Diseases of children under 5 years' severe acute malnutrition case fatality rate to <5.0% by 2024.

Priority 4: Consolidating the Social Wage through Reliable and Quality Basic Services

- 80% sector workforce capacitated on Children Act by 2024
- 3.6 million children accessing Early Childhood Development (ECD) services by 2024
- Implement food and nutrition security initiatives for vulnerable households and reduce household vulnerability to hunger from 11.8% to 5.7% by 2024.
- Ensuring integrated community-based personal assistance services to support independent living for persons with disability in communities regardless of geographical location.

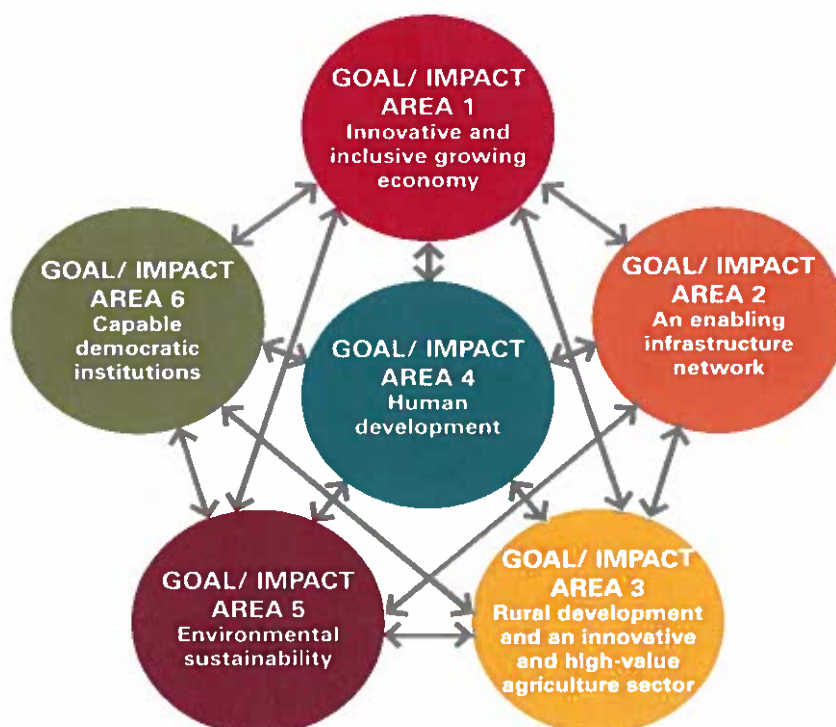
Priority 5: Spatial Integration, Human Settlements and Local Government

- Identify 3 existing towns and cities for refurbishment and transformation into smart cities.
- Profile and support enterprise development in townships through financial incentives and other non-financial forms of support
- 8 000 000 hectares of land under rehabilitation /restoration
- 900 000 hectares of land for Redistribution & Tenure Reform
- 600 000 hectares of land for Land Restitution
- Land under cultivation in traditional areas increased by 50 000 hectares
- Implement Green House Gas reduction measures within 4 sectors to reduce emission by 42% by 2024
- 300 000 Smallholder farmers supported with skills, infrastructure and financial support measures to increase productivity
- 5 Agri-hubs and agro-processing facilities established
- 9 dams' rehabilitation projects and new dams constructed
- Increase operational hours of Bus Rapid Transport (BRT) to 20 hours

Priority 6: Social Cohesion and Safe Communities

- Promote the Constitution and its values in schools, awareness campaigns, public engagements and dialogues
- Promote access to cultural facilities/ community arts centres and participation in arts, culture and heritage programmes
- 50% of municipalities supported to establish and maintain functional and effective community engagement structures, systems and processes.
- 100% of identified ports of entry equipped with biometric functionality
- 100% of identified Illegal mining operations terminated with arrests

5.3 Provincial Growth Development Plan



In line with the NDP targets, the preliminary Eastern Cape PDP targets are as follows:

- Grow the Eastern Cape economy from a GDP Growth Rate of 0.8% in 2018 to 2.8% in 2024/25 and to 5.0% by 2030; and increase investment from 16.5% of GDP in 2018 to 21.6% in 2024/25 and to 27.1% of GDP by 2030.
- Reduce unemployment from 35.4% in 2018 to 25% in 2024/25 and to 10.0% by 2030; and reduce poverty as measured by the food poverty line from 36.7% to 26.3% in 2024/25 and to 7.7% by 2030.
- Improve service delivery as measured by the service delivery index from 3.80 in 2018 to 4.20 in 2024/25 and to 5.00 by 2030. Improve human development as measured by the human development index from 0.60 in 2018 to 0.68 in 2024/25 and to 0.85 by 2030.
- Lessen inequality as measured by the Gini-coefficient from 0.63 in 2018 to 0.60 in 2024/25 and to 0.58 by 2030.

GOAL/IMPACT AREA	GOAL/IMPACT STATEMENT	2030 OUTCOME FOCUS AREAS	STRATEGIC FOCUS AREAS
GOAL/IMPACT AREA 1: Innovative and inclusive growing economy	In 2030 we envisage an Eastern Cape economy that is innovative, inclusive, larger and growing, more efficient and optimally exploits the competitive advantages of the province, increases employment (particularly of youth), and reduces inequalities of income and wealth.	Spatially-balanced and inclusive economic development characterised by high economic growth (3 – 5% GDP per annum) that exploits the economic potential of our coastal zone, and much more productive economic activity in the former homeland areas.	1.1 Create an enabling environment that supports economic enterprise development.
		Halving unemployment (particularly youth and other designated groups) and poverty that will ensure greater promotion of black economic empowerment and reduction in inequality.	1.2 Rapid development of high-potential economic sectors.
			1.3 Development of spatially balanced economy.

GOAL/IMPACT AREA 2: An enabling infrastructure network	In 2030 we envisage that the province has a well-developed and enabling infrastructure network and that infrastructure investment responds to spatial aspects of future infrastructure demand and progressively undoes apartheid geography.	Infrastructure investment responds to spatial aspects of future infrastructure demand and progressively undoes apartheid geography.	2.1 Build resilient economic infrastructure that promotes economic activity.
		The provision of infrastructure is accelerated to achieve universal access to social services.	2.2 Universal access to basic infrastructure.
		Infrastructure investment helps to unlock economic potential.	2.3 Sustainable energy and electricity provision.
		Infrastructure planning, delivery, operation and maintenance is improved.	2.4 Develop sustainable and integrated settlements.
			2.5 Improve infrastructure planning, delivery, operations and
GOAL/IMPACT AREA 3: Rural development and an innovative and high-value agriculture sector	In 2030 we envisage accelerated agricultural development and opportunities for producers across all scales in local, provincial, national and global value chains. The goal is more and better jobs, as well as economic self-sufficiency in rural areas through stimulating the growth of rural towns and strengthen the links between them and their rural surroundings.	Reduction in spatial inequality resulting from the apartheid. Bantustan legacy of the Province.	3.1 Sustainable community agriculture and diversified livelihoods.
		Improved socio-economic equity for rural communities, including livelihoods.	3.2 Development of agricultural value chains.
		Accelerated agricultural development and food security for all.	3.3 Accelerate land reform and land rehabilitation programmes.
		Increases in the total area of land under agricultural production and the number of people, households and enterprises that are active in the agriculture sector.	
		Economic self-sufficiency in rural areas through stimulating the growth of rural towns and strengthen the links between cities, towns and their rural surroundings.	
		• Increased contribution of agro-industry to GDP and employment.	
GOAL/IMPACT AREA 4: Human Development	In 2030 we envisage a society with little or no abject poverty, low levels of hunger, improved standards of living, and safer communities where conditions enable all to fulfil their human potential and longer life expectancy. Collaborative and innovative investments remain critical towards the transformation of children and designated groups.	• Increased life expectancy.	4.1 Increase access to early childhood development.
		• Transformative universal opportunities of early childhood development.	4.2 Improved quality of primary and secondary education for improved educational outcomes.
		• Universal access to quality education.	4.3 Increase skills for development of the province.
		• Improve the skills development programme.	4.4 Improved health profile and health outcomes in communities.
		• A society with enabled social determinant drivers of health and educations.	4.5 Improve the safety of the people in the Eastern Cape.
		• Improved health profile in communities (all wards) through reduction of disease burden.	4.6 Promotion of social cohesion and moral regeneration.
		• Access to social protection for all and opportunities for reduction of inequality.	4.7 Social protection and viable Communities

		<ul style="list-style-type: none"> • Empowering psycho-social services to redress social distress. 	
		<ul style="list-style-type: none"> • Safer communities and reduction of contact crime. 	
		<ul style="list-style-type: none"> • Sustainable human settlements 	
		<ul style="list-style-type: none"> • Cohesive communities with scope for moral regeneration. 	
GOAL/IMPACT AREA 5: Environmental sustainability	<p>In 2030 we envisage that developmental challenges must be addressed in a manner that ensures environmental sustainability and builds resilience to the effects of climate change, particularly in poorer communities. Investment in skills, technology and institutional capacity is critical to support the development of a more sustainable society and the transition to a low-carbon economy</p>	<ul style="list-style-type: none"> • Co-ordinated planning and investment in infrastructure and services that take account of climate change and other environmental pressures, thereby making communities more resilient to the impacts of climate change and less socioeconomically vulnerable. 	5.1 Safeguarding ecosystems and existing natural resources.
		<ul style="list-style-type: none"> • Climate change adaptation strategies are implemented, including disaster preparedness, investment in more sustainable technologies and programmes to conserve and rehabilitate ecosystems and biodiversity assets. 	5.2 Respond to climate change and green technology innovations.
		<ul style="list-style-type: none"> • Significant investment in consumer awareness, green product design, recycling infrastructure and waste-to-energy projects results in significant strides to becoming a zero-waste society. 	5.3 Improvement of environmental governance.
		<ul style="list-style-type: none"> • The Eastern Cape reduces its carbon emissions in line with South Africa's international commitments. 	
		<ul style="list-style-type: none"> • Policy and regulatory frameworks are created for land use, to determine the environmental and social costs of new developments and ensure the conservation and restoration of protected areas. 	
GOAL/IMPACT AREA 6: Capable Democratic Institutions	<p>The vision for 2030 is that the province is much more effective and efficient in utilising its human, financial and other resources, has accountable, honest and capable leadership and institutions that are engaged in sustainable partnerships for provincial development with social actors and the broader citizenry.</p>	<ul style="list-style-type: none"> • A skilled and capable workforce to support an inclusive growth path 	6.1 Building the Capability of the State to deliver.
		<ul style="list-style-type: none"> • Responsive, accountable, effective and efficient local government. 	6.2 Transformed, integrated and innovative service delivery.
		<ul style="list-style-type: none"> • Create a better South Africa and contribute to a better Africa and a better world. 	6.3 Instilling a culture of good corporate governance.
		<ul style="list-style-type: none"> • An efficient, effective and development-oriented public service. 	6.4 Build multi-agency partnerships

6. Municipal Strategic Development Objectives

LED and Spatial Planning Strategic Risks						
Ref: no	KPA	Strategic objective	Risk category	Risk Description	Cause	Effect (Impact)
15,000	Local Economic Development	Facilitate conducive environment that will attract investments	Financial	Inability to unlock investment opportunities	Lack of LED strategy No investment attractive strategy Outdated tourism sector plan Lack of LED forum Capacity constraints (human and budget) cumbersome SMME's structures	Loss of revenue
17,000	Local Economic Development	Facilitate conducive environment that will attract investments	Compliance \ Regulatory	Non alignment of IDP, Budget and SDBIP	Non sitting of IDP forums (IDP steering committee, Budget steering committee, PMS steering committee and management meetings)	Service delivery protests Negative audit outcomes
18,000	Spatial planning	Develop systems that will ensure orderly developments	Compliance \ Regulatory \ Financial loss	Fragmented human settlements and development	Land invasion Lack of community awareness of SPLUMA Contravention of municipal built environment bylaws	Illegal development (informal settlement) Loss of revenue and land invasion Poor public image Litigations Discourage investors to invest within the municipal jurisdiction

Key Performance Area		Local Economic Development			
Key Municipal Challenges		High unemployment rate			
		Limited access to land for Development and Human Settlements			
		Non-registration of Stakeholders (database)			
		Lack of Investment towards Tourism and Local Economic Development			
		Outdated bylaws and policies			
3 Year Performance Plan					
Municipal Outcomes	Priority Focus Area	Outcomes			
	1. Skills Development	1.1 Job creation			
	2. Land Disposal	1.2 Improved security of Tenure / Land Ownership			
	3. SMME Development	1.3 Capacitated Local Stakeholders			
	4. Investment Attraction	1.4 Improved Economic Development			
Priority Focus Area	5. Policy Development and Review	1.5 Functional and updated bylaws and policies			
	Municipal Programme (Intervention)	Outcome Indicator	Indicator Baseline	Leading Dept	Annual Target
	1. Skills Development	Training & Development (SETA's)	Number Completion certificates	IPED/Corporate Services	2023/20242024/20252025/2026
	2. Land Disposal	Land Disposal	Number of disposed properties in line with approved Disposal Policy	IPED/SCM	Disposal of 50 sites
					Disposal of 50 sites

	Formalisation of informal Settlements	Number of Council approved or owned formalised properties	Polar Park	IPED	1 township	1 township	1 township
3. SMME Development	SMME Capacity Development	Compliance certificates	None	IPED	30	30	40
	SMME Procurement Support	Number of targeted SMME contracts	None	IPED/SCM	5	10	15
4. Investment Attraction	Establishment of PPPs	Number of partnerships	None	IPED	3	5	5
5. Policy Development and Review	Review and Gazetting of Bylaws	Gazetted Bylaws	Outdated Bylaws	Corporate Services	Gazetting of Bylaws	Enforcement of Bylaws	Enforcement of Bylaws

Infrastructure and Service Delivery						
Ref: no	KPA	Strategic objective	Risk category	Risk Description	Cause	Effect (Impact)
11,000	Basic Service Delivery	Decrease roads and storm water infrastructure and electricity backlog by 10% by 2027 and beyond	Service delivery	Provision of poor quality roads and storm water infrastructure	Limited funding Dilapidated machinery Inadequate monitoring and supervision of projects Shortage of skills (internally) Inadequate maintenance of existing roads and storm water Natural disasters Poor planning (Non alignment between SDBIP and budget)	Service delivery unrest

13,000	Basic Service Delivery	Decrease roads and storm water infrastructure and electricity backlog by 10% by 2027 and beyond	Service delivery	Electricity losses	Tempering of metres Aging electricity infrastructure Uncontrolled bypassing Cable theft	Financial loss of life Litigation
14,000	Basic Service Delivery	Promote healthy and safety environment through the protection of natural resources		Health – Incurring illnesses and diseases Environment - Pollution	Uncollected waste Illegal dumping of waste	Litigation Loss of life Damage to natural resources

Key Performance Area		Infrastructure and Service Delivery
Key Municipal Challenges		Urban and rural roads infrastructure maintenance backlogs
		Water and sanitation provision backlogs
		Poor storm water management
		Lack effective implementation of the IWMP
		No alternative energy strategy
3 Year Performance Plan		
	Priority Focus Area	Outcomes
Municipal Outcomes	1. Road's infrastructure	1.1 Safe, convenient, and efficient urban and rural road network
	2. Water and Sanitation	Waste

	3. Energy supply	2.2. Refurbishment and upgrading of Water Treatment Works					
		2.3 Access to adequate clean water and sanitation					
		3.1 To reach universal access					
		3.2 To explore alternative sustainable energy (solar)					
		4.1 Maintenance of storm water network					
		5.1 Health and safe environment to protect natural resources					
		6.1 To ensure provision of safe roads and effective traffic services					
	7. Disaster Management	7.1 nursing preparedness through establishment of risk management					
1. Road infrastructure	Municipal Programme (Intervention)	Outcome Indicator	Indicator Baseline	Leading Dept	Annual Target		
					2023/2024	2024/2025	2025/2026
		No of kms surfaced and energised urban roads	None	Technical services	10km per annum		
		Number of kilometres to be re-gravelled	None	Technical services	25 km per annum		
2. Water and Sanitation	Refurbishment and upgrading water treatment works	Number of WTW upgraded	Two water treatment works - and package plants in Cala and Kowa, 70 boreholes in rural areas, 53 springs	CHDM	1 Water Treatment works refurbished and upgrade	1 Water Treatment works upgrade and refurbished	Upgrading rural networks

3. Energy supply	Three-year electricity plan in collaboration with ESKOM for electrifying rural areas	Number of households and streetlights electrified. Number of high masts installed	95 percentage of households electrified	Technical services	20 streetlights, 4 high mast and 120 households electrified	20 streetlights, 4 high mast and 120 households electrified	20 streetlights, 4 high mast and 120 households electrified
	Alternative (Green) energy supply investment	Progress towards the implementation of the alternative energy supply	None	Technical services	Prefeasibility and business plan	Resource mobilisation and implementation	
4. Storm Water management	Roding and jetting of storm water periodically	Number of kilometres jetted and rodded.	None	Technical services	2 km	2 km	2km
5. Waste Management	Implementation of Integrated Waste management Plan	Progress towards the implementation of the IWMP	Integrated Waste management plan approved by Council	Community Services	3 programs	3 programs	3 programs
7. Disaster Management	Development and implementation of the disaster management plan	Progress with the development and implementation of the disaster management plan	None	Community Services	Develop plan, teams, workshops and awareness programme	Implement, Monitor and Evaluate Review the plan and programs	

Financial Viability and Management						
Ref: no	KPA	Strategic objective	Risk category	Risk Description	Cause	Effect (Impact)
9,000	Municipal Financial Viability and Management	Revenue Management	Financial	Low Revenue Base	Geographical area Inaccurate billing system inconsistent application of the policies inadequate capacitation of the revenue department under-collection in the revenue streams	Negative impact on service delivery
10,000	Municipal Financial Viability and Management	Improve financial management of the municipality	Loss \ theft of assets	Poor safeguarding of assets	Poor asset management Lack of accountability Consequence management Poor monitoring compromised security controls Unauthorised movement of assets misuse of vehicles	Loss/ damage of assets
12,000	Municipal Financial Viability and Management	Improve financial management of the municipality	Financial	Irregular and unauthorised expenditure	Poor planning misapplication of SCM processes Lack of consequence management lack of accountability	Financial loss negative audit outcomes Litigations

Key Performance Areas		Financial Viability and Management				
Key Municipal Challenges		Valuation Roll				
		Grant Dependency				
		Non-Adherence to cost Containment measures				
		Poor Service Delivery (Roads, Refuse)				
		Inadequate systems (Accounts Delivery, Political Assistance)				
3 Year Performance Plan						
Municipal Outcomes	Priority Focus Area	Outcomes				
	1. Expand Revenue Base	1.1 Increase Revenue Sources				
	2. Improve Revenue collection	2.1 Increase in Revenue Collection Rate				
	3. Enhance Financial Management	3.1 Financial Sustainability leading to improved Service delivery				
Priority Focus Area	Municipal Programme (Intervention)	Outcome Indicator	Indicator Baseline	Leading Dept.	Annual Target	
					2023/2024	2024/2025
1. Expand Revenue Base	Identification of new revenue streams	No of additional revenue streams added	current revenue streams (electricity, property rates, refuse, traffic income)	BTO	Development Revenue enhancement strategy. Inclusion of pound revenue	Inclusion of Hawkers stalls, Servitudes, Cell Phone towers as revenue streams
2. Improve Revenue collection	Implementation Of Credit Control Policy	% increase revenue collection	30% collection Rate (Poor Implementation of	BTO	60%	70%
						85%

Good Governance and Public Participation						
Ref: no	KPA	Strategic objective	Risk category	Risk Description	Cause	Effect (Impact)
1,000	Good Governance and Public Participation	Promote a culture of participatory and good governance in the municipality	Reputation	Inadequate leadership and good governance	Non sitting of management meetings Non-compliance with legislation lack of accountability Poor decision making non implementation of consequence management Dereliction of management duties Lack of skills, expertise and capacity Instability Non implementation of governance structures recommendations Non adherence to council calendar	Negative impact on service delivery Bad institutional reputation
2,000	Good Governance and Public Participation	Promote a culture of participatory and good governance in the municipality	Communication	Lack of community involvement on municipal affairs Poor co-ordination of municipal public programmes Inefficient public participation programmes	Lack of staff Non adherence to council calendar Poor planning	Service delivery protests
3,000	Good Governance and Public Participation	Promote a culture of participatory and good governance in the municipality	Litigations	Financial loss	Poor decision makings Dereliction of management duties Lack of accountability	Financial loss

16,000	Good Governance and Public Participation	Promote a culture of participatory and good governance in the municipality	Knowledge and Information management	Unauthorised use of information whether personal or institutional Loss of information	No records / knowledge management, No back-up system, business inefficiency caused by poor data management, time and efficiency loss,	Inadequate engagement with internal and external stakeholders
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Key Performance Area		Good Governance & Public Participation				
Key Municipal Challenges		No Public Participation Strategy. No Petitions Management Policy. No complaint management system.				
		No communication strategy in place. Municipal website exists but non-functional. Distribution channels exist. Outdated ICT infrastructure. Inadequate municipal branding.				
		No FMDB. No UIFW Reduction Strategy. Audit Action Plan exists.				
		No Fraud and corruption prevention policy.				
3 Year Performance Plan						
Municipal Outcomes	Priority Focus Area	Outcomes				
	1. Public Participation and stakeholder management	1.1 Community and stakeholder involvement in municipal affairs				
	2. Oversight	2.1 Achievement of set objectives				
	3. Communication	3.1 Well informed citizenry about the activity of government				
	4. Improved Audit outcome	4.1 Improved public confidence in the governance and management of the municipality				
	5. Fraud and Corruption	5.1 Improved public confidence in the financial management of the municipality				
Priority Focus Area	Municipal Programme (Intervention)	Outcome Indicator	Indicator Baseline	Leading Dept.	Annual Target	
					2023/2024	2024/2025 2025/2026

GGP1. Public Participation and stakeholder management	Public Participation strategy implementation	Progress with the development and implementation of public participation policies and strategies	No Public Participation Strategy. No Petitions Management Policy. No complaint management system.	MMO	Complaints policy, public participation strategy, Petitions policy adopted	Implementation of the publish participation policies and strategies monitored
GGP2. Oversight	Oversight Councillor Capacity Development	No of councillors who have completing the oversight training programme	No oversight capacity building programme	Corporate Services	Skills Audit.	Capacity Programme Implementation
GGP3. Communication	Communication Strategy Development and Implementation	Progress with the development and implementation of policies and strategies	No approved Communication Policy and Strategy	MMO	Adoption of the Communication Policies and Strategy	Implementation of communication policies and strategies monitored
GGP4. Improved Audit outcome	Implementation of the audit action plan	Progress with the implementation of the audit action plan	Unqualified Audit Opinion with no matters of emphasis, minimal UIFW expenditure. Audit Action Plan included as part of the Performance	Finance	Develop and adopt policies for the FMDB, UIFW Reduction Strategy.	<div>Establish FMDB. Progress on Audit action plan. Monitoring and evaluation.</div> <div>Monitoring and evaluation of Reduction strategy and the functionality of the Board. Progress on Audit Action Plan.</div>

			Management System of Managers.			
GGP5. Fraud and Corruption	Development and Implementation of the fraud and corruption prevention policy	Progress towards the development and implementation of the fraud and corruption prevention policy	No Fraud and corruption prevention policy.	Corporate Services	Development, adoption and implement Fraud and corruption prevention policy	Implement, monitor and review

Municipal Transformation and Organisational Development						
Ref: no	KPA	Strategic objective	Risk Category	Risk Description	Cause	Effect (Impact)
4,000	Municipal Transformation and Institutional Development	Improve the municipal efficiency by 2027 and beyond	Recruitment	Insufficient human capital in critical positions	Slow recruitment processes diverting of funds for critical budgeted positions Poor planning in reviewal of organogram Undue influence in the recruitment process Inability to retain and attract scarce skill to geographical area, allowances and reputation Poor prioritization of critical positions Inadequate implementation of PMS Lack of Job descriptions	Negative impact on service delivery Low staff morale
5,000	Municipal Transformation and	Improve the municipal efficiency by 2027 and beyond	Fleet Management	Inadequate fleet management services	Human resource capacity constraints Shortage of municipal fleet Aging of municipal Fleet misuse of Fleet	Poor service delivery Financial loss Low staff morale

	Institutional Development				Use of un-roadworthy vehicles misuse of petrol cars Lack of maintenance	
6,000	Municipal Transformation and Institutional Development	Improve the municipal efficiency by 2027 and beyond	ICT	Ineffective ICT infrastructure, systems and governance framework	Non-existence of ICT policies	Lack of business continuity Litigations
7,000	Municipal Transformation and Institutional Development	Improve the municipal efficiency by 2027 and beyond	Employee Relations	Unsatisfactory employee wellness	Inconsistent decision making Wellness of employees not prioritised Delays to respond to labour issues Selective consequent management Human resource constraints	Labour instability

Key Performance Area		Institutional Development and Transformation
Key Municipal Challenges		No communication strategy
		No ICT governance framework of investment plan
		No wellness programmes
		Cost relating to labour relation court cases unsustainably high
		Capacity/ skills development gaps
3 Year Performance Plan		
Municipal Outcomes	Priority Focus Area	Outcomes
	1. Skills Development	1.1 Skilled and capable workforce and Councillors

2. Municipal Communication		1.2 Municipality and communities are effectively engaged					
3. ICT Strategy		1.3 Effective and efficient service delivery					
4.Labour Relations		1.4 Improved labour relations					
5. Employee Wellness		1.5 Improved wellness of employees and Councillors,					
6. Office Back Up Power		1.6 Reliable and effective service delivery					
Priority Focus Area	Municipal Programme (Intervention)	Outcome Indicator	Indicator Baseline	Leading Dept.	Annual Target		
					2023/2024	2024/2025	2025/2026
IDT1. Skills Development	Employees Skills Development	% of employees completing the training programmes	None	Corporate Services	30%	50%	70%
	Councillor Capacity Development	Progress with the development and implementation of Councillor Capacity Development Programme	No Capacity Development Programme in place	Corporate Services	Strategy development	Strategy implementation	Strategy implementation
	Municipal Communication Strategy Development and Implementation	Progress with the development and implementation of municipal communication strategy	No municipal communication strategy	OMM	Strategy adoption	Strategy implementation	Strategy implementation
IDT2. Municipal Communication	ICT Strategy Development and Implementation	Progress with the development and implementation of the ICT strategy	No ICT strategy	Corporate Services	ICT Governance Framework adoption	ICT Strategy implementation	ICT Strategy implementation
IDT3. ICT							

IDT4. Labour Relations	Labour relations improvement	% reduction in number of labour related court cases per annum	None	Corporate Services	Legal services capacity reviewed	25% reduction	25% reduction
IDT5. Employee Wellness	Employee Health and Wellness Programme	% improvement in staff health and productivity	EH&WP non-existent	Corporate Services	Adoption of EH&WP policy	5% improvement	5% improvement
IDT6. Office Back Up Power	installation of alternative power supply	% reduction in lost man-hours due to load shedding	No backup power	Corporate Services	Installation of backup power in SLM offices	Installation of backup power in SLM offices	Installation of backup power in SLM offices

7. Municipal Capital Projects

The Draft 2023-2024 IDP and Budget roadshows were conducted and comments from such interactions were considered for finalisation thereof. The below projects reflect the product of community deliberations and suggestions.

MIG			
National Registration Number	Project title	Ward	Total Planned Expenditure
R/EC/14157/17/18	Qokolo to Koppitjie Access Road Phase 3	4 & 5	R 1 849 998.01
R/EC/18354/22/24	Kuthula Access Road Phase 3	2	R 4 569 265.60
EC2021/22/12/169	Construction of Sphafeni Access Road	3	R 3 156 286.67
R/EC/17972/20/23	Construction of Surfaced Elliot Internal Streets	1	R 4 652 436.20
R/EC/18353/22/23	Construction of Garry Owen to Mtyatya Access Road	7	R 2 533 346.52
R/EC/17970/21/24	Paving of Phakamisani Access Road	4	R 3 152 567.00

INEP				
Ward	Project Name	Connection Per Village	Total Connections	Total Amount
1	Jonini	266	292	R 5 256 00
	Mhlwazi	20		
	Maxongo	6		
2	Ekuthuleni Phase 2	5	5	R 90 000
1	Arlington	12	12	R 216 000
7	Chamama	15	179	R 3 222 000
	Mdeni	5		
	Esidakeni	12		
	Mboniselo	25		
	Enkanini	10		
	Ummango	9		
	Barracks	40		
	Ngxumza	11		
	Mtyatya Phase 2	5		
	Ntsukazi	9		
	Thembeni Phase 2	5		
	Tambo	5		
	Yalula	5		
	White City	7		
	Esodikini	3		
	Stokhwes Basin	13		
6	New Rest	14	115	R 2 070 000
	Tsengiwe Phase 2	70		
	Lower Cala Phase 2	15		
	Mnxo-Mission	16		
3	Sipafeni	7	91	R 1 638 000
	Sifonondile	23		
	Esikhobeni	20		
	Polar Park	21		
	Xonya	20		
TOTAL		694		R 12 492 000

Municipal Operational Projects

Community Services

Project Name	Budget
Disaster projects	R 210 000
Security services	R 3 700 400
Pound Construction	R 3 500 000
Maintenance Landfill site	R 725 022
Equipment and Machinery (Mowers)	R 80 000
Fencing of Cemeteries	R 250 000
Wheel Waste Bins (Households)	R 200 000

Technical Services

Project Name	Budget
Roads Maintenance	R 1 094 122
Electricity Maintenance	R 400 000
Bulk Purchase	R 16 774 290
Indigent Alternative	R 520 000
EPWP	R 500 000

IPED Services

Project Name	Budget
Town Establishment	R 210 600
LUMS	R 321 165
Buildings Maintenance	R 791 000
LED Projects	R 165 300

Corporate Services

Project Name	Budget
ICT Maintenance	R 162 110
Fleet Maintenance	R 540 000
Training	R 201 275
Employee Wellness	R 40 000
Vehicles	R 837 000
Equipment and Machinery	R 425 012
Computer Assets	R 315 900

Budget & Treasury

Project Name	Budget
Valuation Roll	R 2 000 000
Accounting and Auditing	R 7 800 000
Depreciation	R 11 700 973

Executive and Council

Project Name	Budget
Annual Report	R 151 505
IDP & Budget	R 203 229

SPU Programmes	R 400 000
Municipal Branding	R 31 060
News letter	R 45 000
Communication Strategy	R 200 000
Internal Audit	R 320 000
Strategic Planning	R 200 000
Public Participation	R 184 275
Legal Expenses	R 1 126 710

8. Three Year Capital Projects

2021/2022 Project Description	2022/2023 Project Description	2023/2024 Project Description
Qokolo to Kopitjie Access Road Phase 3 Ward 4	Phakamisani Roads and Storm water Ward 4	Mnxo to Lapesini Access Road Ward 6
Elliot Town Residential Roads Ward 1	Construction of Ndondo Square roads and Storm water Ward 5	Ncalukeni to Sweetline Access road Ward 9
Construction of Sphafeni Access Road Ward 3	Cala Town Residential Streets Ward 4	Suitline Access Road Ward 7
Construction of Garry Owen to Mtyatya Access Road Ward 7	Lower Langanci Access Road Ward 9	Construction of Ext. 15 Roads and Storm water Ward 5
Construction of California Roads & Storm water Phase 3 Ward 5	Ndyavu to Upper Langanci Access Road Ward 9	Hillview Community Hall Ward 1
Phakamisani Community Hall Ward 4	Raleni Access Access Road Ward 6	Bashee Street Storm water Ward 4
Manzana Access Road Ward 6	Cala Pass Access Road Ward 3	Mzamo Access Road Ward 7
Refurbishment of Ext.1 & 3 Community Hall Ward 5	Polar Park Access Road Ward 2	Phelandaba Access Road Ward 6
Rabels Kloof Access Road Ward 7	Thembeni Access Road Ward 3	Takalani Internal Roads Ward 1

9. 2023/24 Sector Department Projects

9.1. Department of Rural Development and Agrarian Reform

Service delivery areas:

- **Food Security**
Household Agri Inputs Support
Smallholder Cropping Support (Fodder & Maize)
- **Animal Health Services**
- **Partnerships & Commercialisation of Farmers**
Jobs Funds Program through Land Bank
Blended Finance Program through ECRDA
- **Infrastructure Development**
Fencing
Shearing Sheds
Handling Facilities

Program	Beneficiaries/ ha.	Budget (R)
Household Program	820 Household beneficiaries	R 8 900 000.00
Maize Production (Inputs)	962 ha.- 38 Farmers	R 3 078 400.00
Fodder Production	1000 ha. Mechanisation support	R 3 200 000.00
Vegetable Production (Inputs)	60 ha.	R 300 000.00
Infrastructure	Fencing; Dip tank Construction; Pack Shed, Shearing Sheds	
Livestock Improvement	Genetic Improvement for livestock farmers, including Rams, Bulls, Heifers, etc.	Blended Finance

Project Name	Activity	Support	Ward
Ikhepu Feedlot	Feedlot development for beef farmers Environmental Impact Assessment (EIA)	EIA and Feed supply	2
Qwathi tolo	Potato pack house structure and sorting machine,	Over 2years	1
Kuyasa shearing shed	Shearing equipment in Sifonondile	Could be extended to infrastructure.	6
Ngxumza shearing shed	Shearing equipment in Ngxumza village	Could be extended to infrastructure	7
Phakamani shearing shed	Shearing equipment in Tiwana	Could be extended to infrastructure	6
Project Name		Planned Target	
Sheep Scab		270 000 Sheep	
Blantox Vaccination		25 000 Cattle	
Rabies Vaccination		7 000 Pets	
TB & CA Tests		5 000 Animals	

9.2 Department of Transport

Municipality	Project Name	Project Type	Total Planned Budget
Sakhisizwe	Rehabilitation of Cala and Khowa Animal Pounds	Infrastructure	R 3 250 000

Office of the Premier and SANRAL

Municipality	Project Name	Project Type	Total Planned Budget
Sakhisizwe	Cala to Ncora DR38	Infrastructure	-

Office of the Premier and Department of Human Settlements

Municipality	Project Name	Project Type	Total Planned Budget
Sakhisizwe	Multi-purpose Community Centre	Infrastructure	-

9.3 Chris Hani District Municipality Projects

MIG: Water

PROJECT NAME	2023/24	WARD NUMBER	VILLAGES TO BE SERVED
CALA BULK WATER & SAN SERVICES - WWTW	10,000,000.00	4,5	Cala Town and Suburbs
CLT 4 MANZIMAHLE WATER SUPPLY	1,000,000.00	8	Manzimahle, Emangweni(Tofile), Upper Lufuta-A, Ndum ndum, Saltriver, Dolophini
TOTAL	11 000 000		

MIG: Sanitation

PROJECT NAME	2023/24	STATUS/PROGRESS	WARD NUMBER	VILLAGES TO BE SERVED
Rural Sanitation Backlog -Sakhisizwe	4,000,000.00	Planning	1, 3, 4, 5, 6, and 7	To be determined after consultation
TOTAL	4,000,000.00			

RBIG

PROJECT NAME	2023/24	STATUS/PROGRESS	WARD NUMBER	VILLAGES TO BE SERVED
CLT 4 WTR BACKLOG SUPPLY NORTHERN SCHEME NDUMNDUM TO CALA	1,200,000.00	Construction. Expected Completion – June 2023	4,5	Ndum Ndum, Cala

CLT 4 WTR BACKLOG SUPPLY NORTHERN SCHEME NGXUMZA TO EAST	600,000.00	Contract Terminated. New contractor appointed. Expected completion – August 2023.	7,20	Ngxumza, Cala
CLT 4 WTR BACKLOG SUPPLY NDUM NDUM TO LOWER LUFUTHA	32,500,00.00	Procurement – Tender to be advertised	4,5	Ndum Ndum, Lower Lufutha
CLT 4 WTR BACKLOG SUPPLY NDUM NDUM TO UPPER INDWANA	24,200,000.00	Procurement – Tender to be advertised	4,5	Ndum Ndum, Upper Indwana
TOTAL	58,500,000.00			

Project Name	23/24	STATUS/PROGRESS	WARD NUMBER	VILLAGES TO BE SERVED
Rural Sanitation Backlog – Sakhisizwe LM	7,000,000.00	Planning	1	Maxongoshoek, Gubenxa
TOTAL:	7,000,000			

9.4 ESKOM

Municipality	Project Name	Project Type	Total Planned Budget	Total Planned Connections
Sakhisizwe	Sakhisizwe Extensions	Household	R 6 578 000. 00	207
	Sakhisizwe Ext. Link/Line	Infrastructure	R 1 667 500. 00	-
	Sakhisizwe Type 2 infills	Infills	R 1 656 000. 00	90
	Sakhisizwe Pre- engineering	Pre-engineering	R 517 500. 00	-
	Sakhisizwe Schedule 5B	Pre-engineering	R 402 500. 00	-
Total Sakhisizwe			R 10 821 500. 00	310

CHAPTER NINE: FINANCIAL PLAN 2023-2026

1. INTRODUCTION

Sakhisizwe Municipality has implemented mSCOA July 2018, this means that the Municipality had to comply with this changed reform. Municipality got and used the opportunity to align the Budget to each function and individual items, and justifying the actual needs per item.

2. NATIONAL TREASURY CIRCULARS

Municipal Budget Circular no. 122 and 123 for the 2023/2024 MTREF.

3. MACROECONOMIC PERFORMANCE AND PROJECTIONS 2021 TO 2026

2021/2022	2022/2023	2023/2024	2024/2025	2025/2026
Actual	Estimate	Forecast	Forecast	Forecast
4.9%	6.9%	5.3%	4.9%	4.7%

4. SALARY AND WAGE INCREASE FOR THE PERIOD 1 JULY 2023 TO 30 JUNE 2024

Sakhisizwe Local Municipality made a provision for salaries as per the South African Local Government Bargaining Council: Circular 1/2023 Wage and Salary if 1 July 2023-30 June 2024.

5. MUNICIPAL RUNNING AND OPERATING COSTS

Most of the operating costs has been increased by 5.3% and Zero based budgeting on some operating expenditure has been implemented.

6. TOTAL BUDGET

The consolidated budget for the 2023/2024 MTREF period has Total Revenue of **R166, 5 million (2023/2024)**, **R166 million (2024/2025)** and **R163, 8 million (2025/2026)**. With a surplus **R8, 8 million**, **R12, 6million** and **R5 million** throughout the MTREF.

For the purpose of the 2023/2024 budget compilation, National allocations are based on the 2023 Division of Revenue Bill (DoRA).

Salaries have increased from **R39,296,463** to **R43 881 585** this as result of salary increment an additional **R2,000,000** reserved for prioritisation of vacant position.

7. OPERATING BUDGET

Description	ADJUSTMENT BUDGET 2022/23	BUDGET YEAR 2023/24	BUDGET YEAR 2024/25	BUDGET YEAR 2025/26
Total Revenue	156 495 159	166 565 481	163 045 215	163 861 449
Operating Expenditure	109 808 898	117 973 365	122 079 946	127 710 381
Capital Expenditure	34 205 070	39 779 062	28 301 685	31 145 185
Total Expenditure	144 013 968	157 752 427	150 381 631	158 855 566
Surplus/(Deficit)	12 481 191	8 813 054	12 663 583	5 005 883

Include in the above revenue is the mixed funding of Capital expenditure budget. An amount of **R29, 9million** is funding MIG including 5% for PMU costs in the Budget year, and an amount of **R13, 8 million** is funding INEP. The **3,5million** funding expected to be received from Department

of Transport for the Construction of Pound. The remainder of capital budget of R2.4 million will funded from internal generated surpluses.

8. BUDGET POLICIES IN LINE WITH SECTION 17 OF THE MFMA

- Budget policy
- Credit control policy
- Debt Write Off policy
- Interest Reversal policy
- Property rates policy
- Free Basic and Indigent policy
- Supply Chain Management policy
- Infrastructure Procurement and Delivery Management
- Asset Management policy
- Loans policy
- Tariff policy
- Cash Management and Investment policy
- Funding and reserves policy
- Cost containment policy
- Unforeseen and unavoidable policy

9. TARIFF SUMMMARY FOR 2023/2024

The Municipality is generating its internal revenue from service Charges Electricity, refuse, Property Rates. Property rentals and other revenue sources.

Below table that indicate the municipal tariffs for 2023/2024 financial year: The tariffs presented in the following tables are exclusive of VAT

Electricity	2023/2024	2022/2023
Domestic Conventional		
Energy Charge - per Unit (c/kWh) consumed		
Block 1 - 0 - 50 kWh	155.8045	131.3144
Block 2 - 51 - 350 kWh	198.4425	167.2503
Block 3 - 351 - 600 kWh	272.1419	229.3653
Block 4 - > 600	326.5554	275.2258
Domestic Prepaid		
Energy Charge - per Unit (c/kWh) consumed		
Block 1 - 0 - 50 kWh	155.8045	131.3144
Block 2 - 51 - 350 kWh	198.4425	167.2503
Block 3 - 351 - 600 kWh	272.1419	229.3653
Block 4 - > 600	326.5927	275.2572
	2023/2024	2022/2023
Commercial Tariffs - Small Users 0-59 Amps (Conventional)		
Basic / Availability Charge - per month	491.8847	414.5678
Energy Charge - per Unit (Kwh) consumed	196.6271	165.7202

	2023/2024	2022/2023
Commercial Tariffs - Small Users 0-59 Amps (Prepaid)		
Basic / Availability Charge - per month	491.8847	414.5678
Energy Charge - per Unit (Kwh) consumed	196.6271	165.7202
Commercial Tariffs - Medium Users 60-100 Amps (Conventional)		
Basic / Availability Charge - per month	799.1169	673.5077
Energy Charge - per Unit (Kwh) consumed	261.8834	220.7193
Commercial Tariffs - Medium Users 60-100 Amps (Prepaid)		
Basic / Availability Charge - per month	799.1169	673.5077
Energy Charge - per Unit (Kwh) consumed	261.8834	220.7193
Industrial Large Power Users 0-15 Amp		
Basic / Availability Charge - per month	1 780.1134	1 500.3063
Energy Charge - c/kWh	196.3908	165.5211
Demand Charge: /kVa	207.6938	175.0474
Industrial Large Power Users 16-30 Amp		
Basic / Availability Charge - per month	1 780.1134	1 500.3063
Energy Charge - c/kWh	196.3659	165.5002
Demand Charge: /kVa	207.6938	175.0474
Industrial Large Power Users > 100 Amp		
Basic / Availability Charge - per month	1 780.1134	1 500.3063
Energy Charge - c/kWh	196.3659	165.5002
Demand Charge: /kVa	254.1243	214.1798
Consumer Deposits (to be paid prior connection)		
Domestic / Residential	2 182.0460	1 839.0611
Businesses / Commercial (Small): 0 - 59 Amp	2 651.7421	2 234.9280
Businesses / Commercial (Medium): 60 - 100 Amp	3 710.7481	3 127.4741
Businesses / Commercial (Large): 100 + Amp	5 303.4654	4 469.8402
<u>Availability Fees</u>		
Electricity	9.7897	8.2509
<u>Other</u>		
New Connection (to be paid in Advance) - Material & Labour plus	0.3730	0.3144
Re-connecting existing connection	373.0356	314.4000
Re-connecting (after default / disconnection) - 1st Offence	4 352.0820	3 668.0000
2nd	8 704.1640	7 336.0000
3rd	17 408.3280	14 672.0000
4th Criminal Charge - Permanently disconnect	22 382.1360	18 864.0000

	2023/2024	2022/2023
Test Meter (Not Refundable)	435.2082	366.8000
% Increase	0.1865	
Standard Interest + 1.00% would be charged on all late payments Implementation subject to NERSA approval Tariffs are applicable throughout SAKHISIZWE Municipality unless indicated otherwise All Tariffs excludes VAT.		

Rates	2023/2024	2022/2023
		Cent
On total value of property	0.005875818	0.005612051
Differential Rating Different rates shall be applied to different category of property. The choice of rate shall take into consideration socio economic objectives of the municipality. Rates shall be charged at the following ratios:		
Special Residential: Ratio 1.0	0.005875818	0.005612051
General Residential: Ratio 1.0	0.005875818	0.005612051
Industrial: Ratio 1.5	0.008813726	0.008418077
Agricultural land for Farming: Ratio 0.25	0.001468954	0.001403013
Agricultural land for Eco-Tourism: Ratio 0.25	0.001468954	0.001403013
Agricultural land for Trading: Ratio 0.25	0.001468954	0.001403013
Business: Ratio 1.5	0.008813726	0.008418077
Government Property use by local people only: Ratio 1.5	0.008813726	0.008418077
Government Property serving communities in Sakhisizwe and neighbouring municipalities: Ratio 1.5	0.008813726	0.008418077
Government Properties that serves national interest Ratio 1.5	0.008813726	0.008418077
Increase % Standard Interest rate + 1% would be charged on all late payments. Tariffs are applicable throughout SAKHISIZWE Municipality unless indicated otherwise The tariff is cents in the rand	4.70%	4.80

Refuse	2023/2024	2022/2023
<u>Domestic Consumers</u>		
Per month for one removal per week	89.19	85.11
Additional removal	89.10	85.02
<u>Commercial Consumers Small / Medium</u>		
Per month for two removal per week	183.46	175.06
Additional removal (per load or part thereof)	222.76	212.55
<u>Commercial Consumers Large</u>		
Per month for two removals per week	445.51	425.11
Additional removal (per load or part thereof)	445.51	425.11
<u>Government Departments (Schools, Hostels, SAPS, Prison, Hospitals, etc.</u>		
Per month for two removals per week	891.02	850.21
Additional removal (per load or part thereof)	222.76	212.55
<u>Garden Refuse</u>		
Per load (to be paid in advance)	222.76	212.55
<u>Building Rubble</u>		
Per load (to be paid in advance)	267.31	255.06
<u>Cleaning of Erven</u>	259.73	247.84
<u>Cutting / Cleaning of pavement per erven</u>	63.82	60.90
<u>Increase %</u>	4.70%	4.80%
All tariffs exclude VAT		
Standard Interest rate + 1% would be charged on all late payments.		
Tariffs are applicable throughout SAKHISIZWE Municipality unless indicated otherwise		

	2023/2024	2022/2023
Valuation Certificate	274.31	262.00
Clearance Certificate	274.31	262.00
Tender document fees from R 201 000 - R 4 000 000(printed hard copy)	R350	
Tender document fees from R 4 000000 - R 10 000 000(printed hard copy)	R1 000	-
Document Search Fee	87.78	83.84
Full Map	274.31	262.00
Portion of Map	164.59	157.20
Address List	340.15	324.88

10. AUDITOR GENERAL REPORTS

AG opinions for the past five years:

FINANCIAL YEAR	AUDIT OPINION
2017-2018	Unqualified
2018-2019	Qualified
2019-2020	Adverse
2020-2021	Qualified
2021-2022	Qualified

The municipality is aiming for Clean Audit Opinion towards **2027**. Sakhisizwe Municipality does have an AFS Process Plan / year end preparation plan in place. The internal audit unit does a Risk Assessment on an annual basis. These assessments are managed by the Internal Audit unit during the financial year. See annexure 2 for the 2021-2022 Auditor General Report

11. DEBTORS

Consumers are billed on a monthly basis as per the norms and standards of revenue management. The debtor's turnover rate is 2.91. The development of the Revenue Enhancement Strategy will assist on improved revenue collection rate.

12. CREDITORS

There are no long outstanding creditors of Sakhisizwe Municipality and creditors are paid within 30 days, as per the MFMA. The creditor's turnover rate is 3.59.

13. INFORMATION AND COMMUNICATION TECHNOLOGY

The ICT Software used by Sakhisizwe Local Municipality is summarized in below:

COMPANY		PROGRAMME		APPLICATION
1. Sebata	1.	Sebata FMS	1	Billing
			2	Creditors
			3	Stores
			4	Ledger
			5	Assets
			6	Cash Book
			7	Payroll
	2.	Windows	1	Operating System
2. Microsoft	1.	MS Office	1	Word
			2	Excel
			3	Power Point
			4	Presentations and Publisher
			5	Adobe Acrobat 6.0, 8 & 5
	2.	Outlook	1	Email
3. Windeed	1.	Win Deed	1	Property transfers
	2.	Win Search	2	Title deed searches
	3.	Win Transfer	3	Report on property transfers
4. First National Bank	1.	Corporate Banking	1	Electronic Banking
5. SITA	1.	eNatis Pals	1	Motor Vehicle Registration
	2.		1	Library Book issues

14. BUDGET PREPARATION

The IDP has been prepared for the Medium Term Revenue and Expenditure period which includes instances up to 2025/2026. A Budget and IDP Process Plan was developed and approved by Council during August 2022 Council meeting. The whole development of the Budget and IDP was based on the Budget and IDP Process Plan.

All the wards were visited and community needs and inputs were sought. All relevant stakeholders were consulted through the Intergovernmental Relations and Steering Committee meetings. The Integrated Development Plan of 2023-2024 was developed in partial response to:

- The requirements of compliance with the Local Government Municipal Systems Act (MSA) 32 of 2000 which prescribes for the review of municipal integrated development plan (IDP), in which it prescribes for the municipality to:
- Identify the gaps that warrant review in its IDP and revise accordingly
- Review its performance and incorporate the outcomes of the review in its IDP review
- Comments raised by MEC on the previous IDP
- Queries raised by the auditor general in the municipality's annual statements which bear relevance for IDP and PMS linkages
- A gap analysis conducted on the current IDP document pointed to the following key areas for specific attention and improvement during the formulation of this IDP.

15. LEGISLATION COMPLIANCE STATUS

- **Municipal Finance Management Act - No 56 of 2003**

The MFMA became effective on 1st July 2004. The Act modernises budget and financial management practices within the overall objective of maximising the capacity of municipalities to deliver services. The MFMA covers all aspects of municipal finance including budgeting, supply chain management and financial reporting. The various sections of the Act are phased in according to the designated financial management capacity of municipalities. Sakhisizwe municipality has been designated as a low capacity municipality. The MFMA is the foundation of the municipal financial management reforms which municipalities are implementing.

- **The MFMA and the budget**

The following explains the budgeting process in terms of the requirements in the MFMA. It is based on National Treasury's guide to the MFMA.

- **The budget preparation process**

The MFMA requires a Council to adopt three-year capital and operating budgets that take into account, and are linked to, the municipality's current and future development priorities and other finance-related policies (such as those relating to free basic service provision).

These budgets must clearly set out revenue by source and expenditure by vote over three years and must be accompanied by performance objectives for revenue and expenditure, a cash flow statement and any particulars on borrowings, investments, municipal entities, service delivery agreements, grant allocations and details of employment costs.

The budget may be funded only from reasonable estimates of revenue and cash-backed surplus funds from the previous year and borrowings (the latter for capital items only).

- **Budget preparation timetable**

The first step in the budget preparation process is to develop a timetable of all key deadlines relating to the budget and to review the municipality's IDP and budget-related policies.

The budget preparation timetable is prepared by senior management and tabled by the Mayor for Council adoption by 31 August (ten months before the commencement of the next budget year).

- **Budget preparation and review of IDP and policy**

The Mayor must co-ordinate the budget preparation process and the review of Council's IDP and budget-related policy, with the assistance of the municipal manager.

The Mayor must ensure that the IDP review forms an integral part of the budget process and that any changes to strategic priorities as contained in the IDP document have realistic projections of revenue and expenditure. In developing the budget, the management must take into account national and provincial budgets, the national fiscal and macro-economic policy and other relevant agreements or Acts of Parliament. The Mayor must consult with the relevant district Council and all other local municipalities in that district as well as the relevant provincial treasury and the National Treasury when preparing the

budget, and must provide the National Treasury and other government departments with certain information on request.

This process of development should ideally occur between August and November, so that consolidated three-year budget proposals, IDP amendments and policies can be made available during December and January. This allows time during January, February and March for preliminary consultation and discussion on the budget

- **Tabling of the budget**

The initial draft budget must be tabled by the Mayor before Council for review by 31 March of the financial year.

- **Publication of the budget**

Once tabled at Council, the Municipal Manager must make public the appropriate budget documentation and submit it to National Treasury and the relevant provincial treasury and any other government departments as required. At this time, the local community must be invited to submit representations on what is contained in the budget.

- **Opportunity to comment on budget**

When the draft budget is tabled, Council must consider the views of the local community, the National Treasury and the relevant provincial treasury and other municipalities and government departments that may have made submissions on the budget

- **Opportunity for revisions to budget**

After considering all views and submissions, Council must provide an opportunity for the Mayor to respond to the submissions received and if necessary to revise the budget and table amendments for Council's consideration.

Following the tabling of the draft budget at the end of March, the months of April and May should be used to accommodate public and government comment and to make any revisions that may be necessary. This may take the form of public hearings, Council debates, formal or informal delegations to the National Treasury, provincial treasury and other municipalities, or any other consultative forums designed to address stakeholder priorities

- **Adoption of the annual budget**

The Council must then consider the approval of the budget by 31 May and must formally adopt the budget by 30 June. This provides a 30-day window for Council to revise the budget several times before its final approval.

If a Council fails to approve its budget at its first meeting, it must reconsider it, or an amended draft, again within seven days and it must continue to do so until it is finally approved – before 1 July.

Once approved, the Municipal Manager must place the budget on the municipality's website within five days.

A1 SCHEDULE 2022/2023 SUPPORTING TABLES

R thousands	Description	2018/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework					
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26			
Financial Performance														
Property rates					6 630	6 630	6 630	6 630	6 630	7 324	7 668			
Service charges	13 079	13 240	18 956	16 832	20 321	20 321	20 321	23 701	21 398	22 447	23 502			
Investment revenue	482	381	811		1 777	1 777	1 777	1 777	1 872	1 963	2 055			
Transfer and subsidies - Operational	72 206	89 308	78 980	85 157	85 057	85 057	85 057	85 057	88 981	94 131	90 195			
Other own revenue	7 113	14 825	10 859	11 403	10 018	10 018	10 018	10 018	10 064	10 534	11 029			
Total Revenue (excluding capital transfers and contributions)	92 859	117 752	109 402	120 023	123 604	123 604	123 604	127 184	129 276	136 399	134 449			
Employee costs		39 999	42 644	40 158	39 208	39 208	39 208	39 208	44 178	46 288	48 382			
Remuneration of councillors	6 986	7 099	7 047	6 947	6 947	6 947	6 947	6 947	7 322	7 674	8 019			
Depreciation and amortisation	45 475	8 811	10 586	9 971	11 511	11 511	11 511	11 511	11 701	12 274	12 851			
Finance charges	551	119	2 129	2 80	422	422	422	422	353	370	387			
Inventory consumed and bulk purchases	12 980	14 172	17 428	17 771	16 909	16 909	16 909	16 909	17 328	17 905	18 746			
Transfers and subsidies			2 066											
Other expenditure	31 446	40 445	41 431	33 985	34 815	34 815	34 815	34 815	37 291	38 182	37 876			
Total Expenditure	131 603	110 844	123 331	109 109	109 809	109 809	109 809	109 809	118 173	120 703	126 262			
Surplus/(Deficit)	(38 744)	7 108	(13 929)	10 914	13 984	13 984	13 984	17 374	11 103	15 696	8 186			
Transfers and subsidies - capital (monetary allocations)	23 511	27 416	31 685	33 191	32 691	32 691	32 691	32 691	37 291	26 646	29 412			
Transfers and subsidies - capital (in-kind)	(15 233)	34 524	17 756	44 106	46 686	46 686	46 686	50 066	48 394	42 342	37 600			
Surplus/(Deficit) after capital transfers & contributions														
Share of Surplus/Deficit attributable to Associate														
Surplus/(Deficit) for the year	(15 233)	34 524	17 756	44 106	46 686	46 686	46 686	50 066	48 394	42 342	37 600			
Capital expenditure & funds sources														
Capital expenditure	16 344	27 363	36 342	34 845	34 205	34 205	34 205	34 205	39 579	28 302	31 145			
Transfers recognised - capital	16 260	24 969	36 919	32 741	32 701	32 701	32 701	32 701	37 291	26 646	29 412			
Borrowing														
Internally generated funds	84	2 414	(577)	2 104	1 504	1 504	1 504	1 504	2 288	1 655	1 733			
Total sources of capital funds	16 344	27 363	36 342	34 845	34 205	34 205	34 205	34 205	39 579	28 302	31 145			
Financial position														
Total current assets	13 792	43 013	55 196	121 218	115 504	115 504	115 504	115 504	130 804	131 749	137 188			
Total non current assets	477 730	468 262	554 492	290 570	289 930	289 930	289 930	289 930	314 277	328 071	341 951			
Total current liabilities	36 986	60 173	46 084	22 190	22 190	22 190	22 190	22 190	11 960	13 849	14 287			
Total non current liabilities		1 073	1 035	(0)	(0)	(0)	(0)	(0)	2 696	2 696	2 696			
Community wealth/Equity	195 682	231 175	257 519	377 708	380 288	380 288	380 288	380 288	397 567	385 957	376 471			
Cash flows														
Net cash from (used) operating			(16 084)	71 059	62 969	62 969	62 969	62 969	53 093	48 910	45 236			
Net cash from (used) investing				(1 000)	(1 000)	(1 000)	(1 000)	(1 000)	(39 129)	(27 852)	(30 825)			
Net cash from (used) financing														
Cash/cash equivalents at the year end			(16 084)	70 059	61 969	61 969	61 969	61 969	40 285	61 323	75 734			
Cash backing/surplus/reconciliation														
Cash and investments available	475 437	485 760	570 326	391 897	385 543	385 543	385 543	385 543	392 221	401 413	413 547			
Application of cash and investments	8 504	16 133	12 727	14 321	14 896	14 896	14 896	15 059	(11 496)	(14 335)	(16 939)			
Balance - surplus (shortfall)	466 933	469 626	557 599	377 576	370 647	370 647	370 647	370 484	403 719	415 747	430 486			
Asset management														
Asset register summary (WDV)	181 643	172 893	163 665	261 236	241 679	241 679	241 679	261 636	282 825	293 939				
Depreciation														
Renewal and Upgrading of Existing Assets														
Repairs and Maintenance														
Free services														
Cost of Free Basic Services provided	2 123	2 413	1 426	2 803	3 360	3 360	3 360	(0)	4 260	4 461				
Revenue cost of free services provided		298		577	477	477	477	4 061						
Households below minimum service level														
Water														
Sanitation/sewerage														
Energy														
Refuse														

Table A2-Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2019/20		2020/21		2021/22		Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome		Audited Outcome		Audited Outcome		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue - Functional	1												
<i>Governance and administration</i>													
Executive and council		75 424		106 298		97 523		92 867	95 808	95 808	101 317	108 373	105 117
Finance and administration		75 424		106 298		97 523		92 867	95 808	95 808	101 317	108 373	105 117
Internal audit													
<i>Community and public safety</i>													
Community and social services		1 462		1 401		3 786		3 436	2 823	2 823	1 887	1 979	2 072
Sport and recreation		562		34		32		660	559	559	554	581	609
Public safety		880		1 367		1 379		2 748	2 237	2 237	1 305	1 369	1 433
Housing		20				2 376		27	27	27	28	29	31
Health													
<i>Economic and environmental services</i>													
Planning and development		23 337		29 193		26 550		38 013	35 476	35 476	39 793	27 968	30 785
Road transport		4 036		19 943		17 064		34 836	32 299	32 299	36 265	27 938	30 754
Environmental protection		19 301		9 249		9 485		3 177	3 177	3 177	3 528	29	31
<i>Trading services</i>													
Energy sources		16 147		8 277		13 229		18 899	22 388	22 388	23 571	24 725	25 888
Water management		9 433		3 574		8 103		12 003	15 493	15 493	16 310	17 110	17 914
Waste management													
Other		6 714		4 702		5 126		6 896	6 896	6 896	7 260	7 616	7 974
Total Revenue - Functional	2	116 370		145 168		141 087		153 214	156 495	156 495	166 568	163 045	163 862
Expenditure - Functional													
<i>Governance and administration</i>													
Executive and council		91 599		56 861		73 710		55 750	61 228	61 228	62 632	64 228	67 182
Finance and administration		16 934		13 792		20 621		17 250	18 055	18 055	19 528	19 713	20 610
Internal audit		74 865		43 069		53 089		38 500	43 172	43 172	42 919	44 321	46 369
<i>Community and public safety</i>													
Community and social services		6 122		17 017		4 728		11 501	7 696	7 696	11 214	11 757	12 295
Sport and recreation		2 245		10 440		(430)		6 731	3 622	3 622	6 595	6 915	7 235
Public safety		52		240				0	0	0	0	0	0
Housing		3 684		5 895		4 709		4 090	3 549	3 549	4 067	4 263	4 455
Health		140		442		449		679	524	524	552	578	605
<i>Economic and environmental services</i>													
Planning and development		11 250		13 603		16 868		12 844	13 512	13 512	15 707	14 914	15 597
Road transport		8 404		10 476		9 542		7 260	7 298	7 298	9 453	8 580	8 970
Environmental protection		2 847		3 127		7 326		5 583	6 213	6 213	6 254	6 334	6 627
<i>Trading services</i>													
Energy sources		22 632		23 163		28 026		29 014	27 375	27 375	28 621	29 805	31 187
Water management		15 991		16 783		21 899		19 939	18 806	18 806	19 728	20 694	21 665
Waste management													
Other		6 641		6 432		6 127		9 075	8 569	8 569	8 893	9 111	9 523
Total Expenditure - Functional	3	131 603		110 644		123 331		109 109	109 809	109 809	118 173	120 703	126 262
Surplus/(Deficit) for the year		(15 233)		34 524		17 756		44 106	46 686	46 686	48 394	42 342	37 600

Table A3-Budgeted Financial Performance functional classification

R thousand	Functional Classification Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
1	Revenue - Functional										
	<i>Governance and administration</i>										
	Executive and council		75 424	105 298	97 523	92 867	95 808	95 808	101 317	108 373	105 117
	Finance and administration		75 424	105 298	97 523	92 867	95 808	95 808	101 317	108 373	105 117
	Internal audit										
	<i>Community and public safety</i>										
	Community and social services		1 462	1 401	3 786	3 436	2 823	2 823	1 887	1 979	2 072
	Sport and recreation		562	34	32	660	559	559	554	581	609
	Public safety					1	1	1			0
	Housing		880	1 367	1 379	2 748	2 237	2 237	1 305	1 369	1 433
	Health		20		2 376	27	27	27	28	29	31
	<i>Economic and environmental services</i>										
	Planning and development		23 337	29 193	26 550	38 013	35 476	35 476	39 793	27 968	30 785
	Road transport		4 036	19 943	17 064	34 836	32 299	32 299	36 265	27 938	30 754
	Environmental protection		19 301	9 249	9 485	3 177	3 177	3 177	3 528	29	31
	<i>Trading services</i>										
	Energy sources		16 147	8 277	13 229	18 899	22 388	22 388	23 571	24 725	25 888
	Water management		9 433	3 574	8 103	12 003	15 493	15 493	16 310	17 110	17 914
	Waste water management										
	Waste management		6 714	4 702	5 126	6 896	6 896	6 896	7 260	7 616	7 974
	<i>Other</i>										
4	Total Revenue - Functional	2	116 370	145 168	141 087	153 214	156 495	156 495	166 568	163 045	163 862
	Expenditure - Functional										
	<i>Governance and administration</i>										
	Executive and council		91 599	56 861	73 710	55 750	61 228	61 228	62 632	64 228	67 182
	Finance and administration		16 934	13 792	20 621	17 250	18 055	18 055	19 528	19 713	20 610
	Internal audit		74 665	43 069	53 089	38 500	43 172	43 172	42 919	44 321	46 369
	<i>Community and public safety</i>										
	Community and social services										
	Sport and recreation		6 122	17 017	4 728	11 501	7 696	7 696	11 214	11 757	12 295
	Public safety		2 245	10 440	(430)	6 731	3 622	3 622	6 595	6 915	7 235
	Housing		52	240		0	0	0	0	0	0
	Health		3 684	5 895	4 709	4 090	3 549	3 549	4 067	4 263	4 455
	<i>Economic and environmental services</i>										
	Planning and development		11 250	13 603	16 868	12 844	13 512	13 512	15 707	14 914	15 597
	Road transport		8 404	10 476	9 542	7 260	7 298	7 298	9 453	8 580	8 970
	Environmental protection		2 847	3 127	7 326	5 583	6 213	6 213	6 254	6 334	6 627
	<i>Trading services</i>										
	Energy sources		22 632	23 163	28 026	29 014	27 375	27 375	28 621	29 805	31 187
	Water management		15 991	16 783	21 899	19 939	18 806	18 806	19 728	20 694	21 665
	Waste water management										
	Waste management		6 641	6 432	6 127	9 075	8 569	8 569	8 893	9 111	9 523
	<i>Other</i>										
4	Total Expenditure - Functional	3	131 603	110 644	123 331	109 109	109 809	109 809	118 173	120 703	126 262
	Surplus/(Deficit) for the year		(15 233)	34 524	17 756	44 106	46 686	46 686	48 394	42 342	37 600

Table A3 Budgeted Financial by municipal vote)

Vote Description	Ref	2019/20		2020/21		2021/22		Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome		Audited Outcome		Audited Outcome		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue by Vote	1												
Vote 1 - MM OFFICE		-		9 936		861		-	-	-	-	-	0
Vote 2 - BUDGET AND TREASURY		75 277		96 288		96 589		97 064	104 614	104 614	110 590	118 076	115 276
Vote 3 - COMMUNITY SERVICES		8 176		6 103		6 537		8 269	7 656	7 656	6 975	7 317	7 660
Vote 4 - Corporate Services		144		74		72		202	202	202	211	221	232
Vote 5 - IPED		1 427		3 940		6 682		13 356	12 856	12 856	16 136	7 087	9 127
Vote 6 - TECHNICAL SERVICES		31 342		28 827		30 346		34 324	31 167	31 167	32 656	30 345	31 566
Vote 7 - COUNCIL		-		-		-		-	-	-	-	-	0
Vote 8 - COMMUNITY & SOCIAL SERVICES		3		-		-		-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-		-		-		-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-		-		-		-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-		-		-		-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-		-		-		-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-		-		-		-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-		-		-		-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-		-		-		-	-	-	-	-	-
Total Revenue by Vote	2	116 370		145 168		141 087		153 214	156 495	156 495	166 568	163 045	163 862
Expenditure by Vote to be appropriated	1												
Vote 1 - MM OFFICE		3 579		13 879		6 226		4 938	5 202	5 202	6 379	6 429	6 721
Vote 2 - BUDGET AND TREASURY		51 876		19 955		37 753		22 673	28 194	28 194	30 161	30 945	32 379
Vote 3 - COMMUNITY SERVICES		12 762		23 397		10 854		20 576	16 265	16 265	20 107	20 868	21 817
Vote 4 - Corporate Services		22 292		11 648		18 705		16 915	16 302	16 302	14 151	14 836	15 518
Vote 5 - IPED		7 525		9 130		9 512		6 243	6 281	6 281	8 318	7 391	7 727
Vote 6 - TECHNICAL SERVICES		19 716		21 255		29 255		26 539	26 036	26 036	27 117	28 217	29 535
Vote 7 - COUNCIL		12 855		11 378		11 026		11 224	11 529	11 529	11 941	12 017	12 565
Vote 8 - COMMUNITY & SOCIAL SERVICES		997		-		-		-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-		-		-		-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-		-		-		-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-		-		-		-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-		-		-		-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-		-		-		-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-		-		-		-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-		-		-		-	-	-	-	-	-
Total Expenditure by Vote	2	131 603		110 644		123 331		109 109	109 809	109 809	118 173	120 703	126 262
Surplus/(Deficit) for the year	2	(15 233)		34 524		17 756		44 106	46 686	46 686	48 394	42 342	37 600

Table A4 Budgeted Financial Performance (revenue and expenditure)

R thousand	Ref	Description	2019/20		2020/21		2021/22		Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
			Audited Outcome		Audited Outcome		Audited Outcome		Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25
Revenue														
Exchange Revenue	2	Service charges - Electricity	8 602		9 034		14 569		12 000	15 490	15 490	18 870	18 310	17 914
	2	Service charges - Water	-		3		-		-	-	-	-	-	-
	2	Service charges - Waste Water Management	4 475		4 202		4 391		4 832	4 832	4 832	4 832	5 088	5 588
	2	Service charges - Waste Management	421		209		253		634	664	664	664	320	327
		Sale of Goods and Rendering of Services	634		1 280		1 108		2 503	1 991	1 991	1 991	1 046	1 149
		Agency services	-		-		-		-	-	-	-	-	-
		Interest	-		-		-		-	-	-	-	-	-
		Interest earned from Receivables	4 602		2 392		4 028		6 188	4 119	4 119	4 119	4 337	4 764
		Interest earned from Current and Non Current Assets	462		381		811		-	1 777	1 777	1 777	1 872	2 055
		Dividends	-		-		-		-	-	-	-	-	-
		Rent on Land	-		-		-		-	-	-	-	-	-
		Rent from Fixed Assets	208		276		677		280	280	280	280	295	324
		Licence and permits	13		110		284		268	268	268	268	324	355
		Operational Revenue	70		19		6		94	97	97	97	5	5
Non-Exchange Revenue														
	2	Property rates	-		-		-		6 630	6 630	6 630	6 630	7 324	7 668
		Surcharges and Taxes	-		-		-		-	-	-	-	-	-
		Fines, penalties and forfeits	825		57		16		1 431	20	20	20	21	23
		Licences or permits	30		570		873		5	517	517	517	1 544	1 696
		Transfer and subsidies - Operational	75 206		89 306		78 980		85 157	85 057	85 057	85 057	88 961	90 195
		Interest	237		1 948		3 220		-	2 063	2 063	2 063	2 172	2 386
		Fuel Levy	-		-		-		-	-	-	-	-	-
		Operational Revenue	-		-		-		-	-	-	-	-	-
		Gains on disposal of Assets	71		7 869		390		-	-	-	-	-	-
		Other Gains	-		95		-		-	-	-	-	-	-
Discontinued Operations														
Total Revenue (excluding capital transfers and cont			92 859		117 752		109 402		120 023	123 804	123 804	127 184	125 276	136 399
Expenditure														
	2	Employee related costs	34 186		39 999		42 644		40 156	39 206	39 206	39 206	44 178	46 298
		Remuneration of councillors	6 984		7 099		7 947		6 947	6 947	6 947	6 947	7 322	7 624
	2	Bulk purchases - electricity	11 967		13 430		15 840		15 930	15 930	15 930	15 930	16 774	17 596
	8	Inventory consumed	993		742		1 589		1 641	979	979	979	554	308
	3	Debt impairment	-		-		-		-	-	-	-	-	-
		Depreciation and amortisation	45 475		8 811		10 596		9 971	11 511	11 511	11 511	11 701	12 274
		Interest	551		119		2 129		280	422	422	422	436	457
		Transfers and subsidies	17 753		17 178		14 384		13 878	15 988	15 988	15 988	16 429	14 856
		Irrecoverable debts written off	215		6 170		13 265		4 135	4 135	4 135	4 135	4 315	4 568
		Operational costs	13 479		15 056		13 282		15 971	14 692	14 692	14 692	16 507	17 542
		Losses on disposal of Assets	-		40		-		-	-	-	-	-	-
		Other Losses	-		-		-		-	-	-	-	-	-
Total Expenditure			131 603		110 644		123 331		109 109	109 809	109 809	109 809	118 173	120 703
Surplus/(Deficit)			(38 744)		7 108		(13 929)		10 914	13 994	13 994	17 374	11 103	15 696
	6	Transfers and subsidies - capital (monetary)	23 511		27 416		31 585		33 191	32 691	32 691	32 691	37 291	26 646
	6	Transfers and subsidies - capital (in-kind)	-		-		-		-	-	-	-	-	-
		Surplus/(Deficit) after capital transfers & contributions	(15 233)		34 524		17 756		44 106	46 686	46 686	50 066	48 394	42 342
		Income Tax	-		-		-		-	-	-	-	-	-
		Surplus/(Deficit) after income tax	(15 233)		34 524		17 756		44 106	46 686	46 686	50 066	48 394	42 342
		Share of Surplus/Deficit attributable to Joint Venture	-		-		-		-	-	-	-	-	-
		Share of Surplus/Deficit attributable to Minorities	-		-		-		-	-	-	-	-	-
		Surplus/(Deficit) attributable to municipality	(15 233)		34 524		17 756		44 106	46 686	46 686	50 066	48 394	42 342
	7	Share of Surplus/Deficit attributable to Associates	-		-		-		-	-	-	-	-	-
		Intercompany/Parent subsidiary transactions	-		-		-		-	-	-	-	-	-
Surplus/(Deficit) for the year	1		(15 233)		34 524		17 756		44 106	46 686	46 686	50 066	48 394	42 342

Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

R thousand	Vote Description	Ref	2019/20			2020/21			2021/22			Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
			Audited Outcome			Audited Outcome			Audited Outcome			Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Capital expenditure - Vote Multi-year expenditure to be appropriated	Vote 1 - MM OFFICE	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 2 - BUDGET AND TREASURY	2	5 113	1 001	-	11 470	-	-	3 150	3 150	-	3 150	3 150	3 150	3 600	0	0
	Vote 3 - COMMUNITY SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 4 - Corporate Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 5 - IPED		9 462	11 854	-	13 942	-	-	18 119	18 119	-	18 119	18 119	18 119	16 758	17 338	17 950
	Vote 6 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 7 - COUNCIL		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 8 - COMMUNITY & SOCIAL SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 9 - NAME OF VOTE 9 [10]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 10 - NAME OF VOTE 10 [11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 11 - NAME OF VOTE 11 [12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 12 - NAME OF VOTE 12 [13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 13 - NAME OF VOTE 13 [14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 14 - NAME OF VOTE 14 [15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 15 - NAME OF VOTE 15 [16]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total			14 574	13 755	-	26 132	-	-	20 609	21 269	-	21 269	21 269	21 269	20 268	17 339	17 950
Single-year expenditure to be appropriated			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital expenditure - Vote Multi-year expenditure to be appropriated	Vote 1 - MM OFFICE	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 2 - BUDGET AND TREASURY	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 3 - COMMUNITY SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 4 - Corporate Services		75	283	-	(2 070)	-	-	1 788	988	-	988	988	988	1 471	1 197	1 253
	Vote 5 - IPED		-	-	-	-	-	-	315	415	-	415	415	415	437	459	480
	Vote 6 - TECHNICAL SERVICES		1 894	11 622	-	15 289	-	-	12 132	11 532	-	11 532	11 532	11 532	17 413	9 307	11 462
	Vote 7 - COUNCIL		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 8 - COMMUNITY & SOCIAL SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 9 - NAME OF VOTE 9 [10]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 10 - NAME OF VOTE 10 [11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 11 - NAME OF VOTE 11 [12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 12 - NAME OF VOTE 12 [13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 13 - NAME OF VOTE 13 [14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 14 - NAME OF VOTE 14 [15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 15 - NAME OF VOTE 15 [16]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total			1 769	13 627	-	13 210	-	-	14 236	12 936	-	12 936	12 936	12 936	19 321	10 862	13 198
Total Capital Expenditure - Vote			16 344	27 382	-	39 342	-	-	34 845	34 205	-	34 205	34 205	34 205	39 579	28 302	31 148
Capital expenditure - Functional	Executive and council		76	283	-	(19)	-	-	315	415	-	415	415	415	437	459	480
	Finance and administration		76	283	-	(19)	-	-	315	415	-	415	415	415	437	459	480
	Infrastructure		5 113	1 001	-	12 073	-	-	3 478	3 438	-	3 438	3 438	3 438	4 054	318	333
	Community and public safety		190	1 948	-	11 472	-	-	3 478	3 438	-	3 438	3 438	3 438	4 054	318	333
	Sport and recreation		4 023	1 183	-	-	-	-	-	-	-	-	-	-	-	-	-
	Public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Housing		-	-	-	901	-	-	-	-	-	-	-	-	-	-	-
	Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Economic and environmental services		10 285	21 090	-	23 213	-	-	19 219	19 219	-	19 219	19 219	19 219	20 291	20 646	21 412
	Planning and development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Road transport		10 285	21 090	-	23 213	-	-	19 219	19 219	-	19 219	19 219	19 219	20 291	20 646	21 412
	Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Energy sources		870	2 878	-	3 076	-	-	11 832	11 132	-	11 132	11 132	11 132	14 797	6 878	8 919
	Water management		870	2 878	-	3 076	-	-	10 332	10 432	-	10 432	10 432	10 432	13 880	6 005	8 900
	Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Waste management		-	-	-	(2 073)	-	-	1 500	700	-	700	700	700	917	878	919
Other			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional			16 344	27 383	-	39 342	-	-	34 845	34 205	-	34 205	34 205	34 205	39 579	28 302	31 145
Capital expenditure - Functional	National Government	3	15 445	10 602	-	34 776	-	-	28 551	28 551	-	28 551	28 551	28 551	33 791	20 646	29 412
	Provincial Government		815	8 367	-	4 143	-	-	3 190	3 150	-	3 150	3 150	3 150	3 500	0	0
	District Municipality		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Transfers and subsidies - capital (in kind)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Transfers recognised - capital		16 260	24 969	-	38 919	-	-	32 741	32 701	-	32 701	32 701	32 701	37 291	26 646	29 412
	Borrowing	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Internally generated funds	7	84	2 414	-	(577)	-	-	2 104	1 504	-	1 504	1 504	1 504	2 288	1 855	1 733
	Total Capital Funding		16 344	27 383	-	39 342	-	-	34 845	34 205	-	34 205	34 205	34 205	39 579	28 302	31 145

Table A6 Budgeted Financial Position

Description		Ref	Current Year 2022/23					2023/24 Medium Term Revenue & Expenditure Framework				
			2019/20	2020/21	2021/22	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand			Audited Outcome	Audited Outcome	Audited Outcome							
ASSETS												
Current assets												
	Cash and cash equivalents		3 625	19 083	10 137	32 049	26 335	26 335	26 335	40 265	41 154	39 454
1	Trade and other receivables from exchange transactions		6 360	10 687	17 965	83 443	83 443	83 443	83 443	51 842	46 352	46 307
1	Receivables from non-exchange transactions		(4)	(4)	(4)	—	0	0	0	30 580	33 243	36 874
	Current portion of non-current receivables		—	—	—	—	—	—	—	—	—	—
2	Inventory		805	805	805	1 474	1 474	1 474	1 474	2 116	4 406	8 406
	VAT		2 937	7 813	21 725	4 253	4 253	4 253	4 253	1 500	1 574	1 647
	Other current assets		67	4 628	4 567	0	0	0	0	4 500	4 500	4 500
	Total current assets		13 792	43 013	55 196	121 218	115 504	115 504	115 504	130 804	131 749	137 188
Non current assets												
	Investments		—	—	—	—	—	—	—	—	—	—
	Investment property		12 278	12 273	12 267 840.95	14 164	14 164	14 164	14 164	14 164	14 164	14 164
3	Property, plant and equipment		465 452	455 989	542 224	276 406	275 766	275 766	275 766	300 113	313 907	327 787
	Biological assets		—	—	—	—	—	—	—	—	—	—
	Living and non living resources		—	—	—	—	—	—	—	—	—	—
	Heritage assets		—	—	—	—	—	—	—	—	—	—
	Intangible assets		—	—	—	—	—	—	—	—	—	—
	Trade and other receivables from exchange transactions		—	—	—	—	—	—	—	—	—	—
	Non-current receivables from non-exchange transactions		—	—	—	—	—	—	—	—	—	—
	Other non-current assets		—	—	—	—	—	—	—	—	—	—
	Total non current assets		477 730	468 262	554 492	290 370	289 930	289 930	289 930	314 277	328 071	341 951
	TOTAL ASSETS		491 521	511 275	609 688	411 788	405 434	405 434	405 434	443 081	459 820	479 139
LIABILITIES												
Current liabilities												
	Bank overdraft		—	—	—	—	—	—	—	—	—	—
	Financial liabilities		2 000	2 000	2 000	548	548	548	548	548	548	548
	Consumer deposits		87	85	105	823	823	823	823	88	88	88
4	Trade and other payables from exchange transactions		8 504	16 133	12 727	18 924	18 924	18 924	18 924	2 023	2 142	2 243
5	Trade and other payables from non-exchange transactions		2 272	11 678	160	0	0	0	0	6 839	7 174	7 512
	Provision		26 202	25 950	26 414	1 896	1 896	1 896	1 896	461	1 896	1 896
	VAT		(3 173)	4 228	7 574	(1)	(1)	(1)	(1)	(1)	(1)	(1)
	Other current liabilities		1 094	100	104	(0)	(0)	(0)	(0)	2 000	2 000	2 000
	Total current liabilities		36 986	60 173	49 084	22 190	22 190	22 190	22 190	11 960	13 849	14 287
Non current liabilities												
6	Financial liabilities		—	—	—	—	—	—	—	—	—	—
7	Provision		546	283	(3 009)	632	632	632	632	632	632	632
	Long term portion of trade payables		—	(6 085)	(3 009)	24 954	24 954	24 954	24 954	16 106	14 016	12 006
	Other non-current liabilities		—	—	—	—	—	—	—	—	—	—
	Total non current liabilities		—	1 073	1 035	(0)	(0)	(0)	(0)	2 698	2 698	2 698
	TOTAL LIABILITIES		—	1 073	1 035	(0)	(0)	(0)	(0)	2 698	2 698	2 698
	NET ASSETS		38 986	61 246	50 119	22 190	22 190	22 190	22 190	14 658	16 547	18 985
	Accumulated surplus/(deficit)		454 536	450 029	558 569	389 597	383 243	383 243	383 243	430 423	443 273	463 154
8	Accumulated surplus/(deficit)		195 882	231 175	257 519	377 708	380 288	380 288	380 288	397 587	385 957	376 471
9	Reserves and funds		—	—	—	—	—	—	—	—	—	—
	Other		—	—	—	—	—	—	—	—	—	—
	TOTAL COMMUNITY WEALTH/EQUITY		195 882	231 175	257 519	377 708	380 288	380 288	380 288	397 587	385 957	376 471
10	TOTAL COMMUNITY WEALTH/EQUITY		195 882	231 175	257 519	377 708	380 288	380 288	380 288	397 587	385 957	376 471

Table A7 Budgeted Cash Flows

R thousand	Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework								
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26						
CASH FLOW FROM OPERATING ACTIVITIES																		
	Receipts		-	-	-	6 227	6 227	7 836	6 227	6 227	6 227	6 227	3 491	4 394	5 367			
	Property rates		-	-	-	7 836	7 836	7 836	7 836	7 836	7 836	7 836	15 592	18 067	18 916			
	Service charges		-	-	-	6 553	6 553	6 553	6 553	6 553	6 553	6 553	6 874	7 197	7 197			
1	Other revenue		-	-	-	83 559	85 604	85 604	85 604	85 604	85 604	85 604	88 961	94 131	90 195			
	Transfers and Subsidies - Operational		-	-	-	42 826	32 691	32 691	32 691	32 691	32 691	32 691	37 291	26 646	29 412			
1	Transfers and Subsidies - Capital		-	-	-	6 320	6 320	6 320	6 320	6 320	6 320	6 320	3 417	3 584	3 752			
	Interest		-	-	-	-	-	-	-	-	-	-	-	-	-			
	Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-			
	Payments		-	-	-	-	-	-	-	-	-	-	-	-	-			
	Suppliers and employees		-	-	(16 084)	(82 262)	(82 262)	(82 262)	(82 262)	(82 262)	(82 262)	(82 262)	(101 858)	(104 417)	(109 217)			
	Finance charges		-	-	-	-	-	-	-	-	-	-	(353)	(370)	(387)			
1	Transfers and Subsidies		-	-	-	-	-	-	-	-	-	-	-	-	-			
NET CASH FROM/(USED) OPERATING ACTIVITIES																		
CASH FLOWS FROM INVESTING ACTIVITIES																		
	Receipts		-	-	-	(1 000)	(1 000)	(1 000)	(1 000)	(1 000)	(1 000)	(1 000)	450	450	320			
	Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-			
	Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-	-	-	-			
	Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-	-	-	-			
	Payments		-	-	-	-	-	-	-	-	-	-	-	-	-			
	Capital assets		-	-	-	-	-	-	-	-	-	-	(39 579)	(28 302)	(31 145)			
NET CASH FROM/(USED) INVESTING ACTIVITIES																		
			-	-	-	(1 000)	(1 000)	(1 000)	(1 000)	(1 000)	(1 000)	(1 000)	(39 129)	(27 852)	(30 825)			
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																		
2			-	-	(16 084)	70 059	61 969	61 969	61 969	61 969	61 969	61 969	13 964	21 058	14 411			
	Cash/cash equivalents at the year begin:		-	-	-	-	-	-	-	-	-	-	26 301	40 265	61 323			
2	Cash/cash equivalents at the year end:		-	-	(16 084)	70 059	61 969	61 969	61 969	61 969	61 969	61 969	40 265	61 323	75 734			

Table A8 Cash backed reserves/accumulated surplus reconciliation

Description		Ref	2019/20		2020/21		2021/22		Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework			
R thousand			Audited Outcome		Audited Outcome		Audited Outcome		Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	
Cash and investments available																
1	Cash/cash equivalents at the year end		-		(16 084)		70 059	61 969	61 969	61 969	61 969	61 969	40 265	61 323	75 734	
	Other current investments > 90 days		9 985		44 186		45 433	47 809	47 809	47 809	47 809	47 809	51 842	26 182	10 026	
1	Investments - Property, plant and equipment		465 452		542 224		276 406	275 766	275 766	275 766	275 766	275 766	300 113	313 907	327 787	
	Cash and investments available:		475 437		570 326		391 897	385 543	385 543	385 543	385 543	385 543	392 221	401 413	413 547	
Application of cash and investments																
	Trade payables from Non-exchange transactions: Other		-		-		-	-	-	-	-	-	-	-	-	
	Unspent borrowing		-		-		-	-	-	-	-	-	-	-	-	
2	Statutory requirements															
3	Other working capital requirements		8 504		12 727		14 321	14 896	14 896	14 896	14 896	15 059	(11 498)	(14 335)	(16 939)	
	Other provisions						-	-	-	-	-	-	-	-	-	
4	Long term investments committed		-		-		-	-	-	-	-	-	-	-	-	
5	Reserves to be backed by cash/investments															
	Total Application of cash and investments:		8 504		12 727		14 321	14 896	14 896	14 896	14 896	15 059	(11 498)	(14 335)	(16 939)	
	Surplus(shortfall)		466 933		557 599		377 576	370 647	370 647	370 647	370 647	370 484	403 719	415 747	430 486	
References																
1. Must reconcile with Budgeted Cash Flows																
2. For example: VAT, taxation																
3. Council approval for policy required - include sufficient working capital (e.g. allowing for a % of current debtors > 90 days as uncollectable)																
4. For example: sinking fund requirements for borrowing																
5. Council approval required for each reserve created and basis of cash backing of reserves - Total Reserves to be backed by cash/investments exd Valuation reserve																
Other working capital requirements																
	Debtors		-		-		4 603	4 028	4 028	4 028	4 028	3 865	13 521	16 477	19 182	
	Creditors due		8 504		12 727		18 924	18 924	18 924	18 924	18 924	18 924	2 023	2 142	2 243	
	Total		(8 504)		(12 727)		(14 321)	(14 896)	(14 896)	(14 896)	(14 896)	(15 059)	11 498	14 335	16 939	
Debtors collection assumptions																
	Balance outstanding - debtors		13 079		13 070		15 638	15 638	15 638	15 638	15 638	15 638	46 860	52 334	59 444	
	Estimate of debtors collection rate		0.0%		0.0%		29.4%	25.8%	25.8%	25.8%	25.8%	24.7%	28.9%	31.5%	32.3%	

Table A9 Asset Management

ASSET REGISTER SUMMARY - PPE (WDV)		191 643	172 893	183 885	261 238	241 679	241 679	261 636	282 825	293 939
5										
Roads Infrastructure		82 165	82 336	81 354	18 819	0	0	0	0	0
Storm water Infrastructure		5 774	(2 003)	(3 430)	-	0	0	0	0	0
Electrical Infrastructure		(16 676)	(16 267)	(14 985)	232 261	232 261	232 261	251 234	276 306	287 341
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		666	666	1 853	0	0	0	0	0	0
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		71 929	64 732	64 791	251 081	232 261	232 261	251 234	276 306	287 342
Community Assets		24 039	31 679	41 732	(6 110)	(6 150)	(6 150)	(5 800)	(9 300)	(9 300)
Heritage Assets		-	-	-	-	-	-	-	-	-
Investment properties		12 278	12 273	12 268	14 164	14 164	14 164	14 164	14 164	14 164
Other Assets		30 615	(4 604)	(4 003)	0	0	0	0	0	0
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		696	813	756	200	300	300	316	331	347
Furniture and Office Equipment		432	392	304	115	115	115	121	127	133
Machinery and Equipment		27 045	34 300	34 021	288	288	288	764	318	333
Transport Assets		1 142	9 842	10 549	1 500	700	700	837	878	919
Land		23 467	23 467	23 467	0	0	0	0	0	0
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	191 643	172 893	183 885	261 238	241 679	241 679	261 636	282 825	293 939

Table A10 Basic service delivery measurement

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework					
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26			
Cost of Free Basic Services provided - Formal Settlements (R'000)													
Water (6 kilolires per indigent household per month)		-	-	-	-	-	-	-	-	-			
Sanitation (free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-			
Electricity/other energy (50kwh per indigent household per month)		2 123	2 413	1 426	2 803	3 380	3 380	(0)	(0)	-			
Refuse (removed once a week for indigent households)		-	-	-	-	-	-	-	-	-			
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)													
Total cost of FBS provided	8	2 123	2 413	1 426	2 803	3 380	3 380	(0)	(0)	-			
Highest level of free service provided per household													
Property rates (R value threshold)													
Water (kilolires per household per month)													
Sanitation (kilolires per household per month)													
Sanitation (Rand per household per month)													
Electricity (kwh per household per month)													
Refuse (average litres per week)													
Revenue cost of subsidised services provided (R'000)													
Property rates (tariff adjustment) (impermissable values per section 17 of MPRA)	9												
Property rates exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)													
Water (in excess of 6 kilolires per indigent household per month)		-	-	-	-	477	477	502	527	552			
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-			
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	298	-	577	-	-	3 559	3 734	3 909			
Refuse (in excess of one removal a week for indigent households)		-	-	-	-	-	-	-	-	-			
Municipal Housing - rental rebates													
Housing - bp structure subsidies													
Other	6												
Total revenue cost of subsidised services provided		-	298	-	577	477	477	4 061	4 260	4 461			

Table SA1 Supporting detail to 'Budgeted Financial Performance'

[illegible]

Table SA3 Supporting detail to 'Budgeted Financial Position'

Description	Ref	2019/20				2020/21				2021/22				Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26					
R thousand																					
ASSETS																					
Trade and other receivables from exchange transactions																					
Electricity		7 381	10 344		14 952	33 857	33 857	33 857	33 857	33 857	33 857	33 857	33 857	33 857	33 857	33 857					
Water		-	-	-	-	0	0	0	0	0	0	0	0	0	0	0					
Waste		48 682	54 902		62 369	43 918	43 918	43 918	43 918	43 918	43 918	43 918	12 317	6 827	6 827	6 782					
Waste Water		-	-	-	-	0	0	0	0	0	0	0	0	0	0	0					
Other trade receivables from exchange transactions		326	3 459		413	(0)	-	-	-	-	-	-	-	-	-	-					
Gross: Trade and other receivables from exchange transactions		56 389	68 705		77 735	77 774	77 774	77 774	77 774	77 774	77 774	77 774	46 174	40 684	40 684	40 639					
Less: Impairment for debt		(50 028)	(58 018)		(59 770)	5 668	5 668	5 668	5 668	5 668	5 668	5 668	5 668	5 668	5 668	5 668					
Impairment for Electricity		(3 807)	(6 053)		(8 495)	2 467	2 467	2 467	2 467	2 467	2 467	2 467	2 467	2 467	2 467	2 467					
Impairment for Water		-	-	-	-	0	0	0	0	0	0	0	0	0	0	0					
Impairment for Waste		(45 998)	(51 603)		(50 918)	3 201	3 201	3 201	3 201	3 201	3 201	3 201	3 201	3 201	3 201	3 201					
Impairment for Waste Water		-	-	-	-	0	0	0	0	0	0	0	0	0	0	0					
Impairment for other trade receivables from exchange transactions		(224)	(362)		(357)	0	0	0	0	0	0	0	0	0	0	0					
Total net Trade and other receivables from Exchange Transactions		6 360	10 687		17 965	83 443	83 443	83 443	83 443	83 443	83 443	83 443	51 842	46 352	46 352	46 307					
Receivables from non-exchange transactions																					
Property rates		-	-	-	-	-	-	-	-	-	-	-	27 248	29 911	33 542	33 542					
Less: Impairment of Property rates		-	-	-	-	-	-	-	-	-	-	-	3 332	3 332	3 332	3 332					
Net Property rates		-	-	-	-	-	-	-	-	-	-	-	30 580	33 243	36 874	36 874					
Other receivables from non-exchange transactions		(4)	(4)		(4)	0	0	0	0	0	0	0	0	0	0	0					
Impairment for other receivables from non-exchange transactions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
Net other receivables from non-exchange transactions		(4)	(4)		(4)	0	0	0	0	0	0	0	0	0	0	0					
Total net Receivables from non-exchange transactions		(4)	(4)		(4)	0	0	0	0	0	0	0	30 580	33 243	36 874	36 874					

Closing Balance - Land Closing Balance - Inventory & Consumables Property, plant and equipment (PPE) PPE at cost/valuation (excl. finance leases) Leases recognised as PPE Less: Accumulated depreciation Total Property, plant and equipment (PPE)																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																						</
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Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand												
Planning For Movement Of Goods And People Across Our Landscape	Roads and Railway Lines			(1 000)	(9 249)	(2 764)	3 150	3 150	3 150	3 500	-	-
To ensure electrification of all households and streets by 2022	Electrification			-	-	(2 376)	-	-	-	-	-	0
To ensure that the Municipality has a fully functional and capable human resource	Human Resource Management			(68)	-	-	-	-	-	-	-	-
To ensure that the Municipality has a fully functional and capable human resource	Skills Development Facilitation			-	(66)	(33)	-	-	-	-	-	0
To ensure that the Municipality monitors its Expenditure (Opex & Capex)	Budgeting And Financial Control			(95 117)	(104 935)	(104 101)	114 214	113 613	113 613	121 732	119 720	118 511
To ensure the Municipality optimises its revenue and debt collection function by 2022	Revenue Enhancement			(17 975)	(10 203)	(13 990)	31 986	23 556	23 556	19 704	20 669	21 640
To ensure the Municipality promotes sound Financial Management and Accountability	Financial Management			(1 950)	(20 215)	(17 324)	6 687	19 556	19 556	21 631	22 856	23 710
To ensure the Municipality provides Health Conscious, Safe And Supportive Working Environment For Employees And Councilors To Improve Productivity	Wellness Programme			(259)	-	-	-	-	-	-	-	-
To ensure the Municipality uses its assets effectively and efficiently by 2022	Planning and Development			-	-	-	-	-	-	-	-	0
To ensure the Municipality uses its assets effectively, efficiently and economically by 2022	Asset Management System			-	-	-	(2 803)	(3 380)	(3 380)	-	-	-
To promote sustainable economic development within Sakhiizwe LM by 2022	Local Economic Development			-	(500)	(500)	-	-	-	-	-	0
Allocations to other priorities												
Total Revenue (excluding capital transfers and contributions)				(116 370)	(145 188)	(141 087)	153 214	156 495	156 495	166 568	163 045	163 862

Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2019/20		2020/21		2021/22		Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework			
		Audited Outcome		Audited Outcome		Audited Outcome		Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	
Borrowing Management															
Credit Rating	Interest & Principal Paid /Operating Expenditure	0.4%		0.1%		1.7%		0.3%	0.4%		0.4%	0.3%	0.3%	0.3%	
Capital Charges to Operating Expenditure	Finance charges & Repayment of borrowing /Own Revenue	0.6%		0.1%		2.0%		0.2%	0.3%		0.3%	0.3%	0.3%	0.3%	
Capital Charges to Own Revenue	Borrowing/Capital expenditure excl transfers and grants and contributions	0.0%		0.0%		0.0%		0.0%	0.0%		0.0%	0.0%	0.0%	0.0%	
Borrowed funding of own capital expenditure	Long Term Borrowing/ Funds & Reserves	0.0%		0.0%		0.0%		0.0%	0.0%		0.0%	0.0%	0.0%	0.0%	
Safety of Capital															
Geering	Current assets/current liabilities	0.4		0.7		1.1		5.5	5.2		5.2	10.9	9.5	9.6	
Liquidity	Current assets less debtors > 60 days/current liabilities	0.4		0.7		1.1		5.5	5.2		5.2	10.9	9.5	9.9	
Current Ratio	Monetary Assets/Current Liabilities	0.3		0.5		0.6		5.2	4.9		4.9	7.7	6.3	6.0	
Revenue Management															
Annual Debtors Collection Rate (Payment Level %)	Least 12 Mths Receipts/Least 12 Mths Billing			0.0%		0.0%		0.0%	67.0%		67.0%	57.7%	87.9%	98.7%	
Current Debtors Collection Rate (Cash receipts % of Repayer & Other revenue)				0.0%		0.0%		80.5%	67.0%		67.0%	87.9%	98.7%	101.9%	
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue			17.2%		31.8%		16.6%	16.1%		16.1%	37.4%	39.5%	45.4%	
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old														
Creditors Management															
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA § 65(e))			0.0%		-79.1%		27.0%	30.5%		30.5%	5.0%	3.5%	3.0%	
Other Indicators															
Total Volume: Losses (kW) technical															
Total Volume: Losses (kW) non technical															
Total Cost of Losses (Rand '000)															
Electricity Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated														
Bulk Purchase															
Water treatment works															
Natural sources															
Total Volume: Losses (kW)															
Total Cost of Losses (Rand '000)															
Water Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated														
Employee costs															
Employee costs	Employee costs/(Total Revenue - capital revenue)	36.8%		34.0%		39.0%		33.5%	31.7%		30.8%	34.2%	33.9%	36.0%	
Remuneration	Total remuneration/(Total Revenue - capital revenue)	0.0%		0.0%		0.0%		0.0%	0.0%		0.0%	0.0%	0.0%	0.0%	
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	0.0%		0.0%		0.0%		0.0%	0.0%		0.0%	0.0%	0.0%	0.0%	
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	49.6%		7.5%		11.8%		8.5%	9.6%		9.4%	9.3%	9.3%	9.8%	
Water Volumes - System input															
Water Distribution Losses (2)															
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Water Distribution Losses (2)															
Water Distribution Losses (2)															
Water Distribution Losses (2)															

Table SA19 Expenditure on transfers and grant programme

R thousand EXPENDITURE:	Ref	Description	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Operating expenditure of Transfers and Grants	1										
National Government:											
Equitable Share			88 378	87 164	94 552	75 480	76 522	76 522	83 769	84 897	88 798
Expanded Public Works Programme Integrated Grant			67 248	79 570	88 550	73 972	74 831	74 831	79 487	82 414	86 207
Local Government Financial Management Grant			1 122	7 118	5 705	1 368	1 552	1 552	2 316	1 862	1 214
Municipal Disaster Recovery Grant			8	476	298	140	140	140	1 965	1 321	1 377
Municipal Infrastructure Grant			-	-	-	-	0	0	0	0	0
Other transfers/grants [insert description]			-	-	-	-	0	0	0	0	0
Provincial Government:											
Speedy (Add grant description)			-	-	-	-	-	-	-	-	-
Other transfers/grants [insert description]											
District Municipality:											
[insert description]											
Other grant providers:											
[insert description]											
Total operating expenditure of Transfers and Grants:			88 378	87 164	94 552	75 480	76 522	76 522	83 769	84 897	88 798
Capital expenditure of Transfers and Grants											
National Government:											
Integrated National Electrification Programme Grant			15 445	16 002	34 776	28 551	29 551	29 551	33 791	26 646	29 412
Municipal Disaster Recovery Grant			870	1 977	3 676	10 332	10 332	10 332	13 880	6 000	6 000
Municipal Emergency Housing Grant			-	-	601	-	-	-	0	0	0
Municipal Infrastructure Grant			-	-	-	-	-	-	0	0	0
Other capital transfers/grants [insert desc]			14 574	14 025	30 459	19 219	19 219	19 219	19 911	20 646	21 412
Provincial Government:											
Speedy (Add grant description)			91	6 387	4 143	3 190	3 150	3 150	3 506	6	6
District Municipality:											
[insert description]			-	-	-	-	-	-	-	-	-
Other grant providers:											
[insert description]			-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants			15 536	24 969	38 919	32 741	32 701	32 701	37 291	26 646	29 412
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS			83 914	112 132	133 471	108 221	109 224	109 224	121 060	111 544	118 210

Table SA25 Budgeted monthly revenue and expenditure

R thousand	Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
			July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue	Exchange Revenue													16 310	17 110	17 914	
	Service charges - Electricity													—	—	—	
	Service charges - Water													—	—	—	
	Service charges - Waste Water Management													5 088	5 337	5 588	
	Service charges - Waste Management													320	312	327	
	Sale of Goods and Rendering of Services													1 046	1 098	1 149	
	Agency services													—	—	—	
	Interest													4 337	4 550	4 764	
	Interest earned from Receivables													1 872	1 963	2 055	
	Interest earned from Current and Non Current Assets													—	—	0	
	Dividends													—	—	—	
	Rent on Land													295	309	324	
	Rent from Fixed Assets													324	339	355	
	Licence and permits													5	5	5	
	Operational Revenue													6 982	7 324	7 668	
	Non-Exchange Revenue													—	—	—	
	Property rates													—	—	—	
	Surcharges and Taxes													21	22	23	
	Fines, penalties and forfeits													1 544	1 620	1 696	
	Licences or permits													88 961	94 131	90 195	
	Transfer and subsidies - Operational													2 172	2 279	2 386	
	Interest													—	—	—	
	Fuel Levy													—	—	—	
	Operational Revenue													—	—	—	
	Gains on disposal of Assets													—	—	—	
	Other Gains													—	—	—	
	Discontinued Operations													—	—	—	
	Total Revenue (excluding capital transfers and cont		—	—	—	—	—	—	—	—	—	—	—	129 276	136 399	134 449	
Expenditure	Employee related costs													44 178	46 298	48 382	
	Remuneration of councillors													7 322	7 674	8 019	
	Bulk purchases - electricity													16 774	17 596	18 423	
	Inventory consumed													554	308	323	
	Debt impairment													—	—	0	
	Depreciation and amortisation													11 701	12 274	12 851	
	Interest													353	370	387	
	Contracted services													16 429	14 858	15 551	
	Transfers and subsidies													—	—	—	
	Irrecoverable debts written off													4 355	4 568	4 783	
	Operational costs													16 507	16 756	17 542	
	Losses on disposal of Assets													—	—	—	
	Other Losses													—	—	—	
	Total Expenditure		—	—	—	—	—	—	—	—	—	—	—	118 173	120 703	126 262	
	Surplus/(Deficit)		—	—	—	—	—	—	—	—	—	—	—	11 103	15 696	8 188	
	Transfers and subsidies - capital (monetary allocations)													37 291	26 646	29 412	
	Transfers and subsidies - capital (in-kind)													—	—	—	
	Surplus/(Deficit) after capital transfers & contributions		—	—	—	—	—	—	—	—	—	—	—	48 394	42 342	37 600	
	Income Tax													—	—	—	
	Surplus/(Deficit) after income tax		—	—	—	—	—	—	—	—	—	—	—	48 394	42 342	37 600	
	Share of Surplus/Deficit attributable to Joint Venture													—	—	—	
	Share of Surplus/Deficit attributable to Minorities													—	—	—	
	Surplus/(Deficit) attributable to municipality		—	—	—	—	—	—	—	—	—	—	—	48 394	42 342	37 600	
	Share of Surplus/Deficit attributable to Associate													—	—	—	
	Incorporation/Parent subsidiary transactions													—	—	—	
	Surplus/(Deficit) for the year	1	—	—	—	—	—	—	—	—	—	—	—	48 394	42 342	37 600	

Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Ref	Description	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	Revenue by Vote															0
	Vote 1 - MMI OFFICE												110 590	110 590	118 076	115 276
	Vote 2 - BUDGET AND TREASURY												6 975	6 975	7 317	7 660
	Vote 3 - COMMUNITY SERVICES												211	211	221	232
	Vote 4 - Corporate Services												18 136	16 136	7 087	9 127
	Vote 5 - IPED												32 656	32 656	30 345	31 566
	Vote 6 - TECHNICAL SERVICES												-	-	-	0
	Vote 7 - COUNCIL												-	-	-	-
	Vote 8 - COMMUNITY & SOCIAL SERVICES												-	-	-	-
	Vote 9 - [NAME OF VOTE 9]												-	-	-	-
	Vote 10 - [NAME OF VOTE 10]												-	-	-	-
	Vote 11 - [NAME OF VOTE 11]												-	-	-	-
	Vote 12 - [NAME OF VOTE 12]												-	-	-	-
	Vote 13 - [NAME OF VOTE 13]												-	-	-	-
	Vote 14 - [NAME OF VOTE 14]												-	-	-	-
	Vote 15 - [NAME OF VOTE 15]												-	-	-	-
	Total Revenue by Vote	-	-	-	-	-	-	-	-	-	-	-	166 568	166 568	163 045	163 862
	Expenditure by Vote to be appropriated															
	Vote 1 - MMI OFFICE												6 379	6 379	6 429	6 721
	Vote 2 - BUDGET AND TREASURY												30 161	30 161	30 945	32 379
	Vote 3 - COMMUNITY SERVICES												20 107	20 107	20 868	21 817
	Vote 4 - Corporate Services												14 151	14 151	14 836	15 518
	Vote 5 - IPED												8 318	8 318	7 391	7 727
	Vote 6 - TECHNICAL SERVICES												27 117	27 117	28 217	29 535
	Vote 7 - COUNCIL												11 941	11 941	12 017	12 565
	Vote 8 - COMMUNITY & SOCIAL SERVICES												-	-	-	-
	Vote 9 - [NAME OF VOTE 9]												-	-	-	-
	Vote 10 - [NAME OF VOTE 10]												-	-	-	-
	Vote 11 - [NAME OF VOTE 11]												-	-	-	-
	Vote 12 - [NAME OF VOTE 12]												-	-	-	-
	Vote 13 - [NAME OF VOTE 13]												-	-	-	-
	Vote 14 - [NAME OF VOTE 14]												-	-	-	-
	Vote 15 - [NAME OF VOTE 15]												-	-	-	-
	Total Expenditure by Vote	-	-	-	-	-	-	-	-	-	-	-	118 173	118 173	120 703	126 262
	Surplus/(Deficit) before assoc.	-	-	-	-	-	-	-	-	-	-	-	48 394	48 394	42 342	37 600
	Income Tax												-	-	-	-
	Share of Surplus/Deficit attributable to Minorities												-	-	-	-
	Intercompany/Parent subsidiary Transactions												-	-	-	-
	Surplus/(Deficit)	-	-	-	-	-	-	-	-	-	-	-	48 394	48 394	42 342	37 600

Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Ref	Description	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand																
	Revenue - Functional															
	Governance and administration													101 317	108 373	105 117
	Executive and council															0
	Finance and administration													101 317	108 373	105 117
	Internal audit															
	Community and public safety													1 887	1 979	2 072
	Community and social services													554	581	609
	Sport and recreation															0
	Public safety													1 305	1 368	1 433
	Housing													28	29	31
	Health															
	Economic and environmental services													39 793	27 968	30 785
	Planning and development													36 265	27 938	30 754
	Road transport													3 528	29	31
	Environmental protection															
	Trading services													23 571	24 725	25 888
	Energy sources													16 310	17 110	17 914
	Water management															
	Waste water management															
	Waste management													7 260	7 616	7 974
	Other															
	Total Revenue - Functional													166 568	163 045	163 862
	Expenditure - Functional															
	Governance and administration													62 832	64 228	67 182
	Executive and council													19 528	19 713	20 610
	Finance and administration													42 919	44 321	46 368
	Internal audit													185	194	203
	Community and public safety													11 214	11 757	12 285
	Community and social services													6 595	6 915	7 235
	Sport and recreation													0	0	0
	Public safety													4 067	4 263	4 455
	Housing													552	578	605
	Health															
	Economic and environmental services													15 707	14 914	15 597
	Planning and development													9 453	8 580	8 970
	Road transport													6 254	6 334	6 627
	Environmental protection															
	Trading services													28 821	29 805	31 187
	Energy sources													19 728	20 694	21 665
	Water management															0
	Waste water management															0
	Waste management													8 893	9 111	9 523
	Other															
	Total Expenditure - Functional													118 173	120 703	126 262
	Surplus(Deficit) before assoc.													48 394	42 342	37 600
	Intercompany/Parent subsidiary transactions															
	Surplus(Deficit)													48 394	42 342	37 600

Table SA28 Budgeted monthly capital expenditure (municipal vote)

R thousand	Ref	Description	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
			July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Multi-year expenditure to be appropriated	1																
Vote 1 - MM OFFICE															-	-	-
Vote 2 - BUDGET AND TREASURY															-	-	-
Vote 3 - COMMUNITY SERVICES														3 500	3 500	0	0
Vote 4 - Corporate Services															-	-	-
Vote 5 - IPED															-	-	-
Vote 6 - TECHNICAL SERVICES														16 758	16 758	17 950	17 950
Vote 7 - COUNCIL															-	-	-
Vote 8 - COMMUNITY & SOCIAL SERVICES															-	-	-
Vote 9 - [NAME OF VOTE 9]															-	-	-
Vote 10 - [NAME OF VOTE 10]															-	-	-
Vote 11 - [NAME OF VOTE 11]															-	-	-
Vote 12 - [NAME OF VOTE 12]															-	-	-
Vote 13 - [NAME OF VOTE 13]															-	-	-
Vote 14 - [NAME OF VOTE 14]															-	-	-
Vote 15 - [NAME OF VOTE 15]															-	-	-
Capital multi-year expenditure sub-total	2		-	-	-	-	-	-	-	-	-	-	-	20 258	20 258	17 339	17 950
Single-year expenditure to be appropriated																	
Vote 1 - MM OFFICE															-	-	-
Vote 2 - BUDGET AND TREASURY															-	-	-
Vote 3 - COMMUNITY SERVICES														1 471	1 471	1 197	1 253
Vote 4 - Corporate Services														437	437	459	480
Vote 5 - IPED														0	0	0	0
Vote 6 - TECHNICAL SERVICES														17 413	17 413	9 307	11 462
Vote 7 - COUNCIL															-	-	-
Vote 8 - COMMUNITY & SOCIAL SERVICES															-	-	-
Vote 9 - [NAME OF VOTE 9]															-	-	-
Vote 10 - [NAME OF VOTE 10]															-	-	-
Vote 11 - [NAME OF VOTE 11]															-	-	-
Vote 12 - [NAME OF VOTE 12]															-	-	-
Vote 13 - [NAME OF VOTE 13]															-	-	-
Vote 14 - [NAME OF VOTE 14]															-	-	-
Vote 15 - [NAME OF VOTE 15]															-	-	-
Capital single-year expenditure sub-total	2		-	-	-	-	-	-	-	-	-	-	-	19 321	19 321	10 962	13 196
Total Capital Expenditure	2		-	-	-	-	-	-	-	-	-	-	-	39 579	39 579	28 302	31 145

Table SA29 Budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Capital Expenditure - Functional	1															
Governance and administration														437	459	480
Executive and council														-	-	-
Finance and administration														437	459	480
Internal audit														-	-	-
Community and public safety														4 054	318	333
Community and social services														4 054	318	333
Sport and recreation														-	-	-
Public safety														0	0	0
Housing														0	0	0
Health														-	-	-
Economic and environmental services														20 291	20 646	21 412
Planning and development														0	0	0
Road transport														20 291	20 646	21 412
Environmental protection														-	-	-
Trading services														14 797	6 878	8 919
Energy sources														13 880	6 000	8 000
Water management														-	-	-
Waste water management														-	-	-
Waste management														917	878	919
Other														-	-	-
Total Capital Expenditure - Functional	2													39 579	28 302	31 145
Funded by:																
National Government														33 791	26 646	29 412
Provincial Government														3 500	0	0
District Municipality														-	-	-
Transfers and subsidies - capital (in-kind)														-	-	-
Transfers recognised - capital														37 291	26 646	29 412
Borrowing														-	-	-
Internally generated funds														2 288	1 655	1 733
Total Capital Funding														39 579	28 302	31 145

Table SA30 Budgeted monthly cash flow

R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Cash Receipts By Source															
Property rates	291	291	291	291	291	291	291	291	291	291	291	291	3 491	4 394	5 367
Service charges - electricity revenue	1 087	1 087	1 087	1 087	1 087	1 087	1 087	1 087	1 087	1 087	1 087	1 087	13 048	15 399	16 122
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	212	212	212	212	212	212	212	212	212	212	212	212	2 544	2 669	2 794
Rental of facilities and equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned - external investments	285	285	285	285	285	285	285	285	285	285	285	285	3 417	3 584	3 752
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and tributes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licences and permits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies - Operational	7 413	7 413	7 413	7 413	7 413	7 413	7 413	7 413	7 413	7 413	7 413	7 413	88 961	94 131	90 195
Other revenue	546	546	546	546	546	546	546	546	546	546	546	546	6 553	6 874	7 197
Cash Receipts by Source	9 835	9 834	9 834	9 834	9 834	9 834	9 834	9 834	9 834	9 834	9 834	9 834	118 013	127 551	125 425
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National/ Provincial and District)	3 108	3 108	3 108	3 108	3 108	3 108	3 108	3 108	3 108	3 108	3 108	3 108	37 291	26 646	29 412
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Deparm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on Disposal of Fixed and Intangible Assets	38	38	38	38	38	38	38	38	38	38	38	38	450	450	320
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source	12 980	12 980	12 980	12 980	12 980	12 980	12 980	12 980	12 980	12 980	12 980	12 980	155 754	154 147	155 161
Cash Payments by Type															
Employee related costs	3 794	3 794	3 794	3 794	3 794	3 794	3 794	3 794	3 794	3 794	3 794	3 794	45 523	45 523	45 523
Remuneration of councillors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance charges	29	29	29	29	29	29	29	29	29	29	29	29	353	370	387
Bulk purchases - electricity	1 283	1 283	1 283	1 283	1 283	1 283	1 283	1 283	1 283	1 283	1 283	1 283	15 396	17 965	22 755
Acquisitions - water & other inventory	131	131	131	131	131	131	131	131	131	131	131	131	1 575	1 575	1 575
Contracted services	1 545	1 545	1 545	1 545	1 545	1 545	1 545	1 545	1 545	1 545	1 545	1 545	18 538	18 538	18 538
Transfers and subsidies - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	1 735	1 735	1 735	1 735	1 735	1 735	1 735	1 735	1 735	1 735	1 735	1 735	20 826	20 826	20 826
Cash Payments by Type	8 518	8 518	8 518	8 518	8 518	8 518	8 518	8 518	8 518	8 518	8 518	8 518	102 211	104 787	109 604
Other Cash Flow/Payments by Type															
Capital assets	3 298	3 298	3 298	3 298	3 298	3 298	3 298	3 298	3 298	3 298	3 298	3 298	39 579	28 302	31 145
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flow/Payments	11 816	11 816	11 816	11 816	11 816	11 816	11 816	11 816	11 816	11 816	11 816	11 816	141 790	133 089	140 749
Total Cash Payments by Type	11 816	11 816	11 816	11 816	11 816	11 816	11 816	11 816	11 816	11 816	11 816	11 816	141 790	133 089	140 749
NET INCREASE/(DECREASE) IN CASH HELD	1 163	1 164	1 164	1 164	1 164	1 164	1 164	1 164	1 164	1 164	1 164	1 164	13 964	21 058	14 411
Cash/cash equivalents at the month/year begin:	26 301	27 464	28 628	29 792	30 956	32 119	33 283	34 447	35 610	36 774	37 938	39 102	26 301	40 265	61 323
Cash/cash equivalents at the month/year end:	27 464	28 628	29 792	30 956	32 119	33 283	34 447	35 610	36 774	37 938	39 102	40 265	40 265	61 323	75 734

Table SA35 Future financial implications of the capital budget

Vote Description		Ref	2023/24 Medium Term Revenue & Expenditure Framework				Forecasts			
R thousand			Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	Forecast 2026/27	Forecast 2027/28	Forecast 2028/29	Present value	
Capital expenditure										
	Vote 1 - MM OFFICE	1	-	-	-					
	Vote 2 - BUDGET AND TREASURY		-	-	-					
	Vote 3 - COMMUNITY SERVICES		4 971	1 197	1 253					
	Vote 4 - Corporate Services		437	459	480					
	Vote 5 - IPED		0	0	0					
	Vote 6 - TECHNICAL SERVICES		34 171	26 646	29 412					
	Vote 7 - COUNCIL		-	-	-					
	Vote 8 - COMMUNITY & SOCIAL SERVICES		-	-	-					
	Vote 9 - [NAME OF VOTE 9]		-	-	-					
	Vote 10 - [NAME OF VOTE 10]		-	-	-					
	Vote 11 - [NAME OF VOTE 11]		-	-	-					
	Vote 12 - [NAME OF VOTE 12]		-	-	-					
	Vote 13 - [NAME OF VOTE 13]		-	-	-					
	Vote 14 - [NAME OF VOTE 14]		-	-	-					
	Vote 15 - [NAME OF VOTE 15]		-	-	-					
	List entity summary if applicable									
	Total Capital Expenditure	2	39 579	28 302	31 145	-	-	-	-	
Future operational costs by vote										
	Vote 1 - MM OFFICE	2								
	Vote 2 - BUDGET AND TREASURY									
	Vote 3 - COMMUNITY SERVICES									
	Vote 4 - Corporate Services									
	Vote 5 - IPED									
	Vote 6 - TECHNICAL SERVICES									
	Vote 7 - COUNCIL									
	Vote 8 - COMMUNITY & SOCIAL SERVICES									
	Vote 9 - [NAME OF VOTE 9]									
	Vote 10 - [NAME OF VOTE 10]									
	Vote 11 - [NAME OF VOTE 11]									
	Vote 12 - [NAME OF VOTE 12]									
	Vote 13 - [NAME OF VOTE 13]									
	Vote 14 - [NAME OF VOTE 14]									
	Vote 15 - [NAME OF VOTE 15]									
	List entity summary if applicable									
	Total future operational costs	3	-	-	-	-	-	-	-	
Future revenue by source										
	Exchange Revenue	3								
	Service charges - Electricity									
	Service charges - Water									
	Service charges - Waste Water Management									
	Service charges - Waste Management									
	Agency services									
	List other revenues sources if applicable									
	List entity summary if applicable									
	Total future revenue			39 579	28 302	31 145	-	-	-	-
	Net Financial Implications									

Table SA36 Detailed capital budget

[illegible]

CHAPTER TEN: PERFORMANCE MANAGEMENT

In line with the requirements of the Local Government Municipal Systems Act – 2000 (hereinafter referred to as the Systems Act) read in conjunction with its Local Government Municipal Planning and Performance Management Regulations passed in August 2001 (hereinafter referred to as the Regulations), Sakhisizwe Local Municipality embarked on a process of establishing its comprehensive PMS.

In order to ensure smooth implementation of a municipal PMS, it is necessary to first develop and agree on a policy (framework).

The main goal of this document is to provide the Sakhisizwe Local Municipality with a written policy that will serve as a guide in terms of the key processes, procedures and mechanisms to be followed when implementing performance planning, measurement, review, reporting and auditing. This framework document will also outline timeframes as to when (in the cycle of municipal planning) should the processes of *performance planning, measurement, monitoring, review, reporting and auditing as well as review of the PMS itself* unfold. Further, the framework outlines the PMS model to be followed in implementing performance management at Sakhisizwe LM.

1. STATUS OF THE POLICY DOCUMENT

This document represents a policy which was commented upon and finalised. After it was adopted by council it served as a binding policy that guides how performance management should be implemented at Sakhisizwe. It also serves as a document reference that is aimed at enhancing the awareness and understanding (among all role players) of how the performance management system should operate.

2. WORKING DEFINITION

Performance management is viewed as a continuous and cyclic process of evaluating our actions and operations to determine whether we are delivering the desired level of development committed in our IDP. It is envisaged as a process that will roll-out incrementally following the steps illustrated in the figure below:

Sakhisizwe municipality subscribes to the view that PMS is a strategic management tool which equips (with a set of tools and techniques) leaders, managers, workers and stakeholders at different levels of an organization to regularly plan, continuously monitor, periodically measure, review and report performance of the organization in terms of a set of chosen indicators and targets for achieving development efficiency, effectiveness and impact.

In practical terms, performance management refers to the use of indicators to show how the organisation is performing on its development objectives as set out in the ruling integrated development plan. In Sakhisizwe, this will involve among other things:

- developing performance scorecards (two levels - Strategic and Departmental)
- setting of clear objectives, indicators and targets for performance (Based on IDP)
- determining baseline levels for indicators before finalizing targets
- gathering of measurement information to determine progress against set indicators and targets
- regular reviewing of performance (monthly, quarterly & annually)
- periodic reporting on performance (monthly, quarterly & annually)
- regular auditing of performance reports
- periodic assessing, evaluating and reviewing of the effectiveness of PMS itself

3. POLICY CONTEXT FOR MUNICIPAL PMS

In 1997 the white paper on local government introduced the concept of performance management systems as a mechanism to improve accountability and enhance public trust on local government. The white paper further suggests that 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 is also enhanced. In 1998, the White Paper on Transforming Public Service Delivery (Batho Pele) was adopted as a policy to enhance and enforce quality service among civil servants. All employees of public entities (government institutions including local government municipalities) are obliged to adhere to the provisions of the Batho Pele policy. These provisions are captured in the form of the following eight key principles:

- **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 which are provided.
- **Service standards:** Citizens should know what standard of service to expect and should be consulted if promised service standards are to change including development targets set in terms of the IDP.
- **Access:** All citizens should have equal access to the services to which they are entitled. State of exposure to income or poverty should not be reason enough to lack access to a basic level of service.
- **Courtesy:** Citizens should be treated with courtesy and consideration.
- **Information:** - Citizens should be given full and accurate information regarding public services they are entitled to receive.
- **Openness and transparency:** Citizens should know how departments are run, how resources are spent, and who is in charge of particular services.
- **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.
- **Value-for-money:** Public services should be provided economically and efficiently in order to give citizens the best possible value-for-money.

The two policies mentioned above provide the framework for implementing performance management system in a municipality.

In order to ensure compliance with the objects of the constitution and national policy, Sakhisizwe municipality accepted the local government and Batho Pele white papers as its policy framework for performance management system and for advancing the cause of local government transformation.

4. LEGAL CONTEXT FOR MUNICIPAL PMS

The municipal systems act 32 of 2000 calls for all municipalities to establish and implement performance management systems. In its chapter six, the act prescribes for all municipalities to:

- develop a performance management system
- set targets, monitor and review performance based on indicators linked to their integrated development plan (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

In August 2001 regulations on municipal planning and performance management were published by Department of Provincial and Local Government (**DPLG**) to further explain the requirements of the act.

The regulations provide minimum requirements for a municipal performance management system and prescribe a set of seven national key performance indicators that must be measured and reported to national government by all municipalities annually. According to the regulations a municipal PMS must ensure that it:

- complies with all the requirements set out in the Municipal Systems Act;
- demonstrates how it is to operate and be managed from the planning stage up to the stages of performance and reporting;
- clarifies the roles and responsibilities of each role-player, including the local community, in the functioning of the system;
- clarifies the processes of implementing the system within the framework of the integrated development planning process;
- determines the frequency of reporting and the lines of accountability for performance;
- relates to the municipality's employee performance management processes;
- provides for the procedure by which the system is linked to the municipality's integrated development planning processes;

The regulations also prescribe that municipalities must monitor their performance and report on these national indicators (in addition to their local level indicators):

- the percentage of households with access to basic level of water, sanitation, electricity and solid waste removal;
- the percentage of households earning less than R1100 per month with access to free basic services;
- the percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan;
- the number of jobs created through municipality's local economic development initiatives including capital projects
- the number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan;
- the percentage of a municipality's budget actually spent on implementing its workplace skills plan; and
- financial viability as expressed in ratios

In terms of section 53 of the Municipal Finance Management Act (MFMA) 2003, the mayor of a municipality must take reasonable steps to ensure that the annual performance agreements of the municipal manager and all senior managers are linked to the measurable performance objectives approved with the budget and to the service delivery and budget implementation plan; and are concluded in accordance with section 57(2j) of the Municipal Systems Act.

Coupled with the MSA: 2000, the MFMA: 2003 provide for the development of a mid-term budget and performance assessment of the municipality. The development of the mid-year budget and performance assessment report should give an indication on the progress made by the municipality for the past six months. The MFMA requires that the accounting officer of the municipality take into account the performance of the municipality against the performance expectations set by senior managers and their departments.

The legislative framework referred to above provides a solid case for the implementation of Sakhisizwe performance management systems in local municipalities.

5. OTHER BENEFITS FOR ESTABLISHING PMS

For Sakhisizwe LM, the rationale for establishing PMS goes much deeper than the mere partial fulfilment of the legislative requirements. The following are other benefits for implementing a PMS.

Increased accountability

The performance management system should aim to provide a mechanism for ensuring increased accountability between:

- The residents of the Sakhisizwe Local and the municipal council,
- The political and administrative components of the municipality,
- Each department and the executive office.

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, evaluating and improving the Integrated Development Plan.

Early warning signals

The performance management system should provide Managers, the Municipal Manager, Standing Committees and the Executive Committee with early warning of non-performance of the full implementation of the Integrated Development Plan. It is important that the system ensures decision-makers are timeously informed of possible non-performance, so that they can facilitate pro-active intervention, if necessary.

Effective decision-making

The performance management system should provide appropriate management information that will allow efficient, effective and informed decision-making, particularly on the allocation of resources.

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.

Principles guiding PMS implementation

This policy provides for implementation of a comprehensive Sakhisizwe PMS based on the following set of guiding principles:

- **UNIFORMITY** - System must apply uniformly to all affected
- **DEVELOPMENTAL** - Must be developmental in nature, not punitive. Therefore, must focus on outcomes or development impact achievements rather than short term individual benefits like earning bonuses
- **EQUITY OF RIGHT** -Must balance organisational needs and employee rights
- **PERFORMANCE CONTRACTS** -Must provide for signing of performance contracts by section 57 managers
- **PMS MODEL** -Must identify suitable model commensurate with existing organisational capacity, constraints & LG legal context.
- **EARLY WARNING** -Must promote use as an early warning system
- **TRANSPARENCY** – Must provide for effective participation of affected parties in arriving at final targeted performance commitments (setting of targets to be discussed and agreed with those the people / units whose performance will be managed)
- **DEMOCRATIC** - Must provide for involvement of key stakeholders in the processes of PM planning, monitoring, review, reporting and auditing

6. INSTITUTIONAL ARRANGEMENTS

PMS Co-ordination

For purposes of coordinating PMS activities inside the municipality the policy provides for the delegation of authority to the corporate services manager to be the PMS coordinator. In terms of the envisaged role the PMS coordinator shall:

- Facilitate PMS communication
- Coordinate daily liaison
- Issue memos inviting inputs and reports from managers
- Facilitate implementation (monitoring & measurements of KPIs, reviews, report consolidation & submission, liaison with PMS audit committee etc.)

PMS Audit function

For purposes of meeting legal requirements for the appointment of an independent audit committee to audit PM reports, the policy provides for:

- Maintaining current status quo whereby the district PM Audit committee also audits reports of the local municipality via an agreement with the district
- Creation of internal audit function to look at municipal PM reports prior to them being forwarded to the audit committee
- The extension of the terms of reference of the current audit structure which currently audits financial statements only to also incorporate the task of auditing performance reports of the municipality
- Preparation and submission of PM reports to be audited at least twice a year. This will happen during the months of January and June of each year. In this instance the policy suggests that the second report be an annual report to prevent duplication.

Public participation

For purposes of ensuring effective participation by all relevant stakeholders in the PM processes, the policy provides for the recognition and use of the same structures set for the IDP. In terms of this policy, public participation for the planning of PMS takes place during IDP formulation which must cater for the formulation of:

- Key development priorities agreed for each year
- Development objectives
- Key development targets agreed

Therefore, IDP steering committee and Representative forums will serve as main key platforms for public and broader stakeholder participation.

Stakeholder Roles and Responsibilities

The following figure outlines the key roles and responsibilities to be discharged by the various role players in the process.

Council / Exco	Adopt the framework & PMS Adopt Strategic Scorecard Conduct Annual Review Commission performance audits Report to Public & Province
Management Team	Plan for PM Adopt the framework Draft scorecards Approve Department Scorecards Conduct Performance Measurements Commission performance reviews Produce PM reports Commission performance audits
Audit Committee	Audit PM Reports
IDP Steering Comm.	Participate in performance Management planning, monitoring and review
IDP Rep Forum	
Ward Committees	

7. PMS MODEL FOR SAKHISIZWE LM

What is a model?

A model for performance management provides simplified mechanisms for understanding how better to organise and roll-out the various aspects of performance that should be measured, reported on and managed. It also provides a useful tool to predict and project future scenarios so that current decision-making could influence the desired future.

Why is a model important for PM?

Models have proved useful in performance management for the following reasons. They provide:

- **Balance:** A good model will ensure balance in how the organisation measures and manages its performance. It should not bias performance measurement by relying on one facet of performance, but represent a multi-perspective holistic assessment of municipal performance.
- **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.
- **Mapping of Inter-relationships:** A good model will map out the inter-relationships between different areas of performance. These inter-relationships relate to the extent to which poor performance in one category would lead to poor performance in other related areas and the converse. These inter-relationships help in both the planning stage and the review stage, particularly in the diagnosis of causes of poor performance.
- **Alignment of resources to strategy:** A good model will align the processes of performance management to the Integrated Development Plan & budgeting processes of the organisation. It will ensure that the Integrated Development Plan 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 Integrated Development Plan.

International experience in both the private and public sectors has shown that traditional approaches to measuring performance that tends to be heavily reliant on financial measures are severely lacking. These approaches tended to over-emphasise financial efficiency over other equally important variables of performance measurement and thereby providing a skewed perspective of the organisation's performance, particularly for a municipal organisation.

However, with recent developments in performance measurement literature in both the public and private sector, 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.

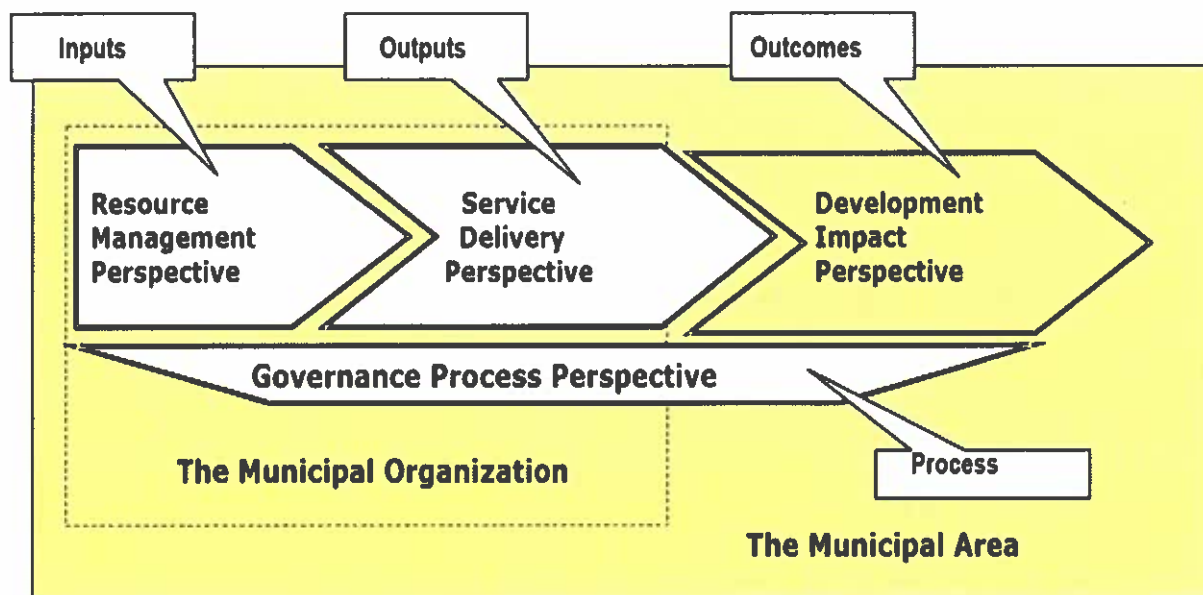
The Municipal Scorecard model

In terms of this policy the municipal scorecard model is to be used as a preferred model for the municipality. This model provides a modified version of the balanced scorecard model which has been adapted to SA local government legislation environment. It is also based on four key perspectives outlined later in this section.

The choice of this model is based on the strengths that it is:

- Tightly aligned to the strategic planning (IDP) and Budget processes
- Directly relevant to the notions of developmental local government and co-operative governance
- Fits neatly with the envisaged legal process of managing performance in a municipal organisation in SA
- A balanced view of performance based on inputs, outputs, outcomes and processes
- A simple portrayal of municipal performance, where inter-relationships can be mapped
- Has been adopted as the recommended model for municipalities by the South African Local Government Association (SALGA) because of its simplicity and relevance to local government environment.

The Municipal Scorecard is based on four key perspectives, outlined in the figure below.



The Development Impact Perspective: In this perspective the municipality will need to assess whether the desired development impact in the municipal area is being achieved. 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.

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.

The Resource Management Perspective: This perspective should tell us how a municipality is performing with respect to the management of its resources:

- Budget & other financial Resources
- Human Resources
- Systems & Information
- Organisational Infrastructure (enabling equipment)

This relates to the inputs of the municipality as a whole.

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
- Intergovernmental relations
- Customer care relations
- Citizen satisfaction
- Access to Information
- Communication strategies

This relates to the governance processes of the municipality as a whole.

DEFINITION OF CONCEPTS USED IN THE SCORECARDS

Objectives: are statements about what a service wants to achieve.

Indicators: are measures that tell us whether we are making progress towards achieving our objectives.

A baseline measure: is the value of the indicator before the start of the programme or prior to the period over which performance is to be reviewed.

A target: is the value of the indicator that we want to achieve by a specified time.

The measurement source and frequency: should indicate where the data emanates from, and how frequently it can be measured and reported. This information will assist the auditing process.

These have been used as the basis of the plans for the strategic and service scorecards.

CRITERIA ADOPTED TO GUIDE SELECTION OF SUITABLE INDICATORS

Focused and Specific: Is the indicator selected clear, focused and not stated in an ambiguous way?

Measurable: Does the indicator have defined unit of measurement? Note that this unit must also be used in determining the target.

Valid and Relevant: Validity is the degree to which an indicator measures what it is intended to be measured. Is the indicator relevant to the objective of the performance being measured?

Reliable: Reliability is the degree to which repeated measures, under exactly the same conditions will produce the same result. How reliable is your indicator?

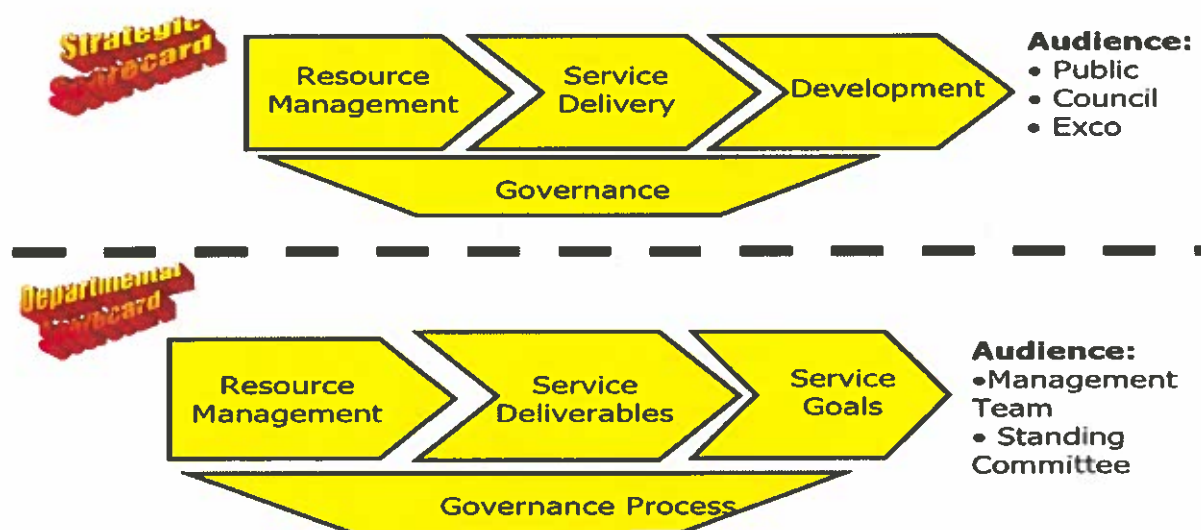
Simple: Good indicators will be simple, easy to communicate. A composite indicator would try to measure a series of performance dimensions at the same time, this may confuse. Where possible avoid using complex or composite indicators.

Minimize perverse consequences: Poorly chosen indicators, while they may have noble intentions, can have perverse consequences in the behaviours it incentives. Choose indicators that will incentives behaviour that is desired and not unintended results.

Data Availability: Good indicators will also rely on data that is, or intended to be, available on a regular basis. Be careful of choosing indicators that will not have data to be measured against.

Levels of scorecards in a municipal scorecard model

There are two levels of scorecards recommended in the municipal scorecard model. These include the strategic and the services outcome scorecards as depicted in the figure below.



The Strategic Scorecard: The strategic scorecard will provide an overall picture of performance for the municipality as a whole, reflecting performance on its strategic priorities. The Municipal Manager and Managers of Departments will use it after review as a basis for reporting to the Executive Committee, Council and the public. In terms of this policy this scorecard is to be reported to Executive Committee quarterly, to Council six-monthly and the public annually for review.

Service Scorecards: The service scorecards will capture the performance of each defined service (can be a directorate or department line-function). Unlike the strategic scorecard, which reflects on the strategic priorities of the municipality, a service scorecard will provide a comprehensive picture of the performance of that service. It will consist of objectives, indicators and targets derived from the service plan and service strategies. It will be crucial that service scorecards should not duplicate current

reporting, but be integrated to form a core component and simplify all regular reporting from departments to the Municipal Manager and Standing Committees. Service Scorecards will be comprised of the following components:

- Service Outcomes, which set out the developmental outcomes that the service is to impact on,
- Service Deliverables, which set out the products and services that the service will deliver,
- Resource Management, which sets out how the service will manage its Human and Financial resources, Information and Organisational Infrastructure
- Stakeholder Relations, which sets out how the service will improve its relationship with its key stakeholders

Performance in the form of a service scorecard will be reported to the Municipal Manager and relevant Standing Committee for review. The policy provides for the reporting in terms of this level of scorecard to be undertaken at least monthly. The policy assumes that the reporting on this level scorecard will be preceded by internal departmental reporting (reports from unit managers and supervisors to be consolidated by the head of departments) which is expected to happen more regularly than monthly intervals and would ideally inform the monthly management reports.

The policy suggests that municipal scorecard formats be designed to reinforce aggregation of information and alignment with service delivery budget and implementation plans (SDBIPs).

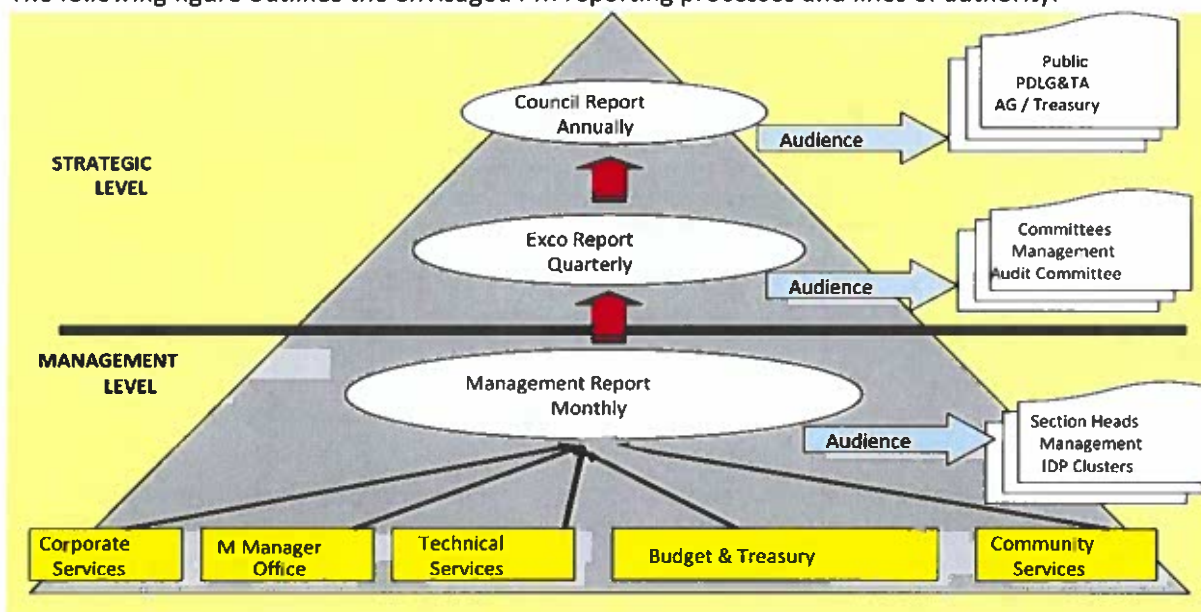
8. MONITORING AND MEASUREMENT OF INDICATORS

For each indicator the scorecard require a responsible official, usually the respective line manager, to be designated by name. While this official is not necessarily fully accountable for performance on this indicator, he/she has the responsibility for conducting measurements of that indicator, analysing information and reporting results for reviews.

Analysis requires that line managers compare current performance with targets, past performance and possibly the performance of other municipalities, where data is available, to determine whether or not performance is poor. They should also analyse the reasons for performance levels and suggest corrective action where necessary.

Municipal-wide outcome indicators and satisfaction surveys may need to be co-ordinated centrally. It is recommendable that the PMS coordinator be tasked with this responsibility. An effort should also be made to undertake regular (annually) surveys in order to provide data for indicators organizationally and for the different service scorecards.

The following figure outlines the envisaged PM reporting processes and lines of authority.



Performance reporting: As indicated in the above diagram reporting will commence from the internal department (weekly and chaired by HoD) then cascade to management (receive monthly management reports and chaired by municipal manager), thereafter, a bi-monthly report will be tabled to EXCO by management. This report will move be consolidated with comments of EXCO into a quarterly report to be tabled to council. At least two six-monthly reports will be forwarded for auditing by the audit committee during January and June of each year.

At the end of the year, an annual performance report will be produced and summarized for public reporting by the mayor via Imbizos and by the manager to auditor general and COGTA.

Quality Control: All auditing should comply with Section 14 of the Municipal Planning and Performance Management Regulations (2001). Managers responsible for line functions should undertake quality control of the information gathered and presented in the scorecard.

Co-ordination: The performance management coordinator is required by the framework to co-ordinate and ensures good quality of reporting and reviews. It is his or her role to ensure conformity to reporting formats and check the reliability of reported information, where possible or when asked to do so by EXCO / council.

Performance Investigations: This policy provides for the Executive Committee or Audit Committee when deemed necessary to can commission 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 could cover assessment of:

- The reliability of reported information
- The extent of performance gaps from targets
- The reasons for performance gaps
- Corrective action and improvement strategies
- Validity of evidence material submitted in support of claims

While the internal audit function may be used to conduct these investigations, it is preferable that external service providers, preferably academic institutions/practitioners, who are experts in the area to be audited, should be used. Clear terms of reference will need to be adopted by the Executive Committee, should such a need for investigation arise.

Audit Committee: As indicated earlier the municipality will make use of the district committee via a service level agreement. This facility will be complemented by the internal audit function which shall have been made by extending the current terms of reference for the existing audit committee currently responsible for financial statements to also cater for auditing of PM reports at least twice per annum.

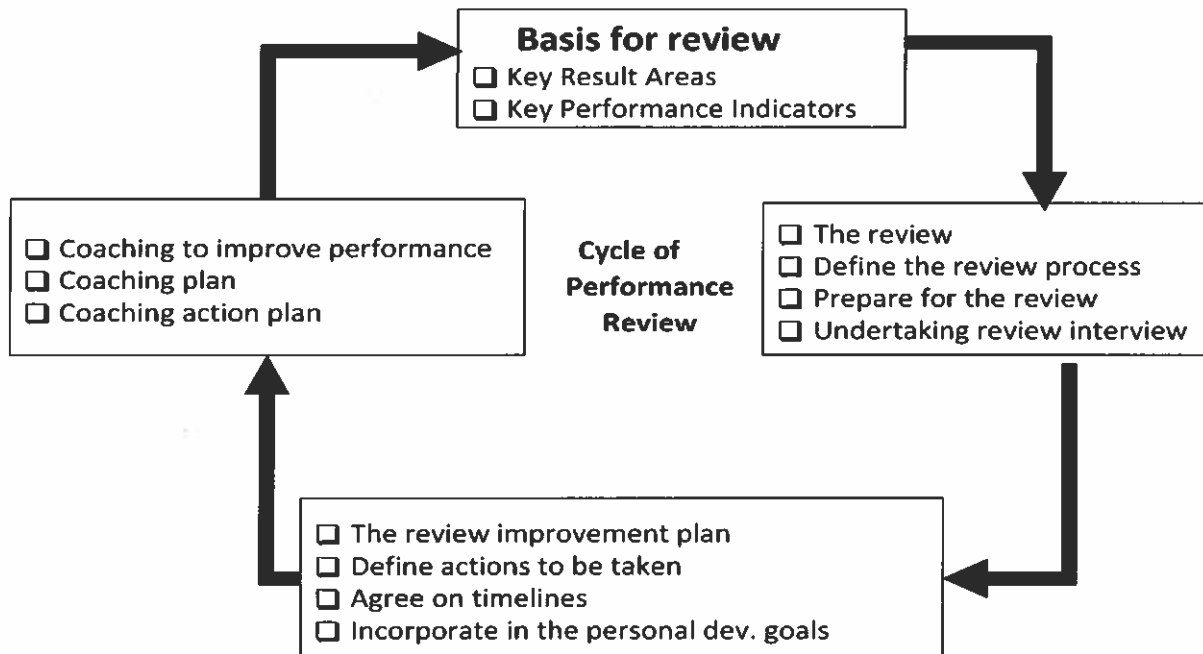
Performance reviews

Performance reviews must be conducted at various intervals and levels of authority in order to determine as to the progress made against committed performance targets. Every review session must be documented and evidence material filed in case it is called by senior level reviews or the audit committee. Prior to reviews taking place by the Management Team, Executive Committee and Council, performance reporting will need to be tracked and coordinated. The Performance Management coordinator is responsible for this process.

It will also be useful to provide an overall analysis of municipal performance with respect to the strategic scorecards and department scorecards, at least for quarterly and annual reviews. Such an analysis could pick up trends in performance over time and over all departments. It is proposed that the Performance Management Coordinator be responsible for this.

How should reviews be conducted?

The following figure provides a guideline for setting-up a review process.



The review process should involve the following guideline steps:

1. Prepare for the review
 - Set appointments and schedule interview sessions
 - Produce and circulate scorecard templates (FORMS)
 - Commission self-appraisals
2. Conduct review interviews
3. Discuss and agree on improvement plan
4. Feedback review outcomes to those concerned

During the review, the reviewing person / committee or structure must ensure the following things happen:

- Confirm what is expected of employee / department being reviewed
- Encourage those reviewed to feel comfortable and create conducive atmosphere for discussing issues frankly and fairly
- Fairly and equitably measure performance of individual / department.
- Agree on the final determination of performance achieved
- Identify strengths and areas of improvement
- Give feedback in terms of the reward/ recognition of good performance / excellence or the steps to be taken to address poor performance
- Align individual performance behaviour with organizational performance goals (IDP vision)
- Incorporate lessons of the previous year's performance into the following year's performance (Learning curve) by jointly developing a Performance Improvement Plan with the manager concerned
- Agree on a performance improvement plan

If the review session is to lead to the determination of salary progressions and bonuses in the case of individual management reviews, then the following rules should apply:

- Determination of final scores will be based on the scoring model which uses a rating scale of 1 – 5 combined with point system
- The employee will be allowed during the review to provide evidence to his /her claims should this be necessary
- An aggregate score should be determined after adding all KPA scores achieved in the review
- The decision of the audit committee ON SCORES is final
- A manager can only qualify for a bonus portion when he/ she has achieved a minimum of level 3 overall score
 - A score of 251 – 300 will qualify for 50% of bonus possible
 - A score of 301 – 350 will qualify for 60% of bonus possible
 - A score of 351 – 400 will qualify for 75% of bonus possible
 - A score of 401 – 450 will qualify for 90% of bonus possible
 - A score of 451 – 500 will qualify for 100% of bonus possible

Combining points & rating on a scale with 5 levels

Points	Rating	Meaning
451-500	5	outstanding performance
351-450	4	commendable performance
251-350	3	satisfactory performance
151-250	2	marginal performance
0-150	1	unsatisfactory performance

EXPLANATION OF LEVELS

Level 5: Outstanding performance: Performance far exceeds the standard expected of a member at this level. The incumbent has achieved exceptional results against all performance criteria agreed and has maintained this all year round.

Level 4: Performance significantly above expectations. Significantly higher than expected. Incumbent has achieved exceptional results against more than half of the performance criteria and indicators and fully achieved all others throughout the year.

Level 3: Fully effective. Performance fully meets the standard expected in all areas of the job. Incumbent has achieved results against all significant performance criteria and indicators and incumbent has achieved results significantly above expectation in one or two less significant areas.

Level 2: Performance is below standard required for the job in key areas (judge per weight etc). Incumbent has achieved adequate results against many key but not all others during the course of the year.

Level 1: Performance does not meet the standard expected for the job. The incumbent has not met one or more fundamental requirements and / or is achieved results that are below expectation in most result areas.

Suggested levels of reviews

Section 56 Management Reviews: It is intended that a review committee comprising of the municipal manager, a standing committee councillor of that department and an independent auditor who must be a member of the audit committee review their performance of a section 56 manager at least every second month, using his/her personal contract scorecard. Managers will be reviewed on their overall

annual performance during the period 01 July and 30 July of every year to conclude the year ended 30 June and to determine salary progression moves and bonuses.

Departmental Reviews: It is intended that departments review their performance at least monthly, using their department scorecards and SDBIPs. Decision-makers should be immediately warned of any emerging failures to service delivery to ensure that they can intervene if necessary. It is important that departments use these reviews as a platform to reflect on their goals and programmes and whether these are being achieved. Minutes of these reviews should be forwarded to the performance management coordinator. Changes in indicators and targets may be proposed at this meeting but can only be approved by the relevant standing committee, in consultation with the Performance Management Coordinator.

Management Team Reviews: Departments have to report on their performance in the department scorecard format to the Municipal Manager and the Managers of departments every month. These reviews must also provide for section 56 managers to report on their individual scorecards to the municipal manager. In order to avoid duplication of reporting efforts the SDBIPs must also be reported at these platforms. Additional indicators that occur in the departmental scorecard & SDBIP should also be reviewed. The formulation of the process of review will be coordinated by the proposed performance management coordinator.

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 relevant standing Committee. The Management Team can delegate tasks to the performance management coordinator in developing an analysis of performance prior to Management Team reviews.

Standing Committee Reviews: Each Standing Committee is required to review the performance of their respective departments against their department scorecard every second month. The Standing Committee should appraise the performance targets. Where targets are not being met, the Standing Committee 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 strategic scorecard may be proposed to and can only be approved by the relevant Standing Committee, in consultation with the IDP manager and Performance Management Coordinator (Strategic Planning Manager). Changes in indicators and targets that fall within the strategic scorecard will need to be approved by the EXCO / Council.

Executive Committee Reviews: On a quarterly basis, the Executive Committee is tasked to engage in an intensive review of municipal performance against both the department scorecards and the strategic scorecard, as reported by the Municipal Manager. This must also incorporate reviews based on SDBIPs in order to avoid duplication of reporting processes.

Many of the indicators in the strategic 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 strategic scorecard. The Executive Committee will need to ensure that targets committed to in the strategic 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 departments, Standing Committees and the Municipal Manager.

Incentives for Excellent Performance: It is the intention of the PMS framework that the Executive Committee not only pay attention to poor performance but also to good performance. It is expected of the Executive Committee to acknowledge good performance, where departments have successfully met targets in their department scorecards.

Council Reviews: At least annually, the Executive Committee is required to report to Council on municipal performance. This reporting takes place using the strategic scorecard in an annual report. The Municipal Systems Act requires that the annual report should at least constitute a performance report (the strategic scorecard), financial statements and an audit report.

Public Reviews: The Municipal Systems Act requires the public to be given the opportunity to review municipal performance. Therefore in addition to the annual report mentioned above, user-friendly citizens' report is intended to be produced as part of our PMS for public consumption. The citizens' report has not yet been produced at our municipality but it is envisaged to be a simple, easily readable and attractive document that translates the strategic scorecard for public consumption.

It is envisaged also that a public campaign shall be annually embarked on to involve citizens in the review of municipal performance. Such a campaign could involve the following methodologies:

- Ward committees would be reported to (once systems are developed fully) and submit their review of the municipality to council. The performance management team should be used to summarize this input.
- Various forms of media including radio, newspapers and billboards would be used to convey the citizens' report. The public should be invited to submit comment via telephone, fax, email and public hearings to be held in a variety of locations.

The public reviews are planned to be concluded by a review by the Integrated Development Plan Representative Forum or Mayoral Imbizos.

Evaluation and improvement of the municipal PMS

The Municipal Systems Act requires the Sakhisizwe Local Municipality to annually evaluate its performance management system. At the end of the planning year cycle as part of the annual review of the municipality's IDP, the council must always evaluate:

The adherence of the performance management system to the Municipal Systems Act.

- The fulfilment of the objectives for a performance management system captured earlier in this document.
- The adherence of the performance management system to the principles captured earlier in this and those subscribed to in terms of the Batho Pele white paper discussed under section 3 of this document.
- Opportunities for improvement and a proposed action plan for areas to be revised.

The process of implementing a performance management system in Sakhisizwe LM is viewed as a learning process, where we are continuously improving the way the system works to fulfil the objectives of the system and address the emerging challenges from a constantly changing environment.

CHAPTER ELEVEN: CHRIS HANI DEVELOPMENT MODEL

1. Introduction

Chris Hani District Municipality is situated on the northern region of the Eastern Cape Province and covers a surface area of 36,756 Km². Only 35.2% of the district population live in areas classified as urban, while 63.8% live in predominantly rural areas. The district also shares borders with five other districts, namely, Pixley ka Seme DM, Joe Gqabi DM, Sarah Baartman DM, Amathole DM and O.R. Tambo DM. The district has sixteen functional satellite offices in the following towns: Komani, Whittlesea, Tarkastad, Hofmeyer, Sterkskroom, Molteno, Middleburg, Cradock, Tsomo, Cofimvaba, Engcobo, Cala, Khowa, Cacadu, Dordrecht and Indwe.

2. Purpose

The purpose of the Chris Hani District Municipality DDM One Plan is:

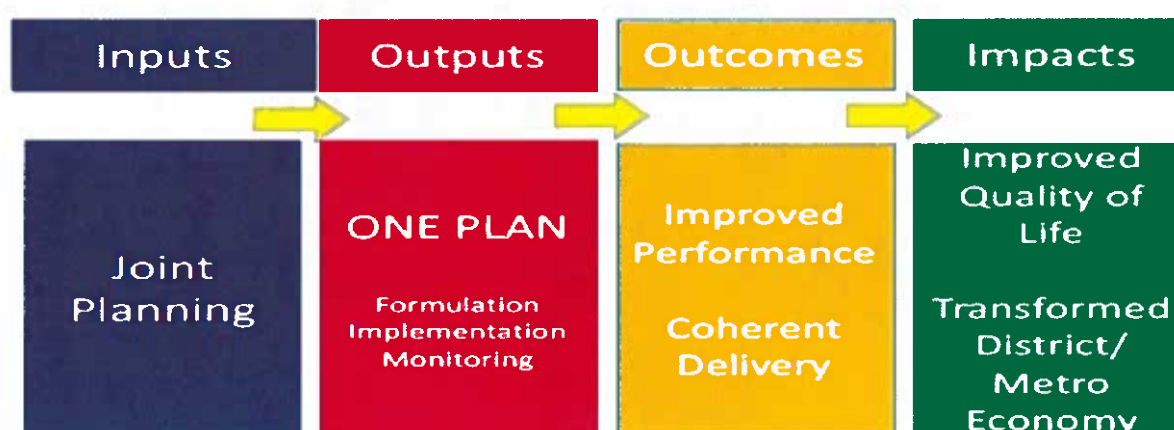
- To give effect to the District Development Model (DDM) approved by Cabinet as a practical method to improve service delivery and development impact in the Chris Hani District Municipality space through integrated planning, budgeting, and delivery by all three spheres of government working together with stakeholders and communities.
- To localise and synergise the National Development Plan (NDP), the Medium-Term Strategic Framework (MTSF), National Spatial Development Framework (NSDF), Integrated Urban Development Framework (IUDF) and key national and provincial sector policies/strategies/plans with socio-economic and spatial development logic of the Chris Hani District Municipality.
- To express a coherent and predictable government approach in relation to these key priorities through a Long-Term Strategic Framework (One Plan) for growth and development of the Chris Hani District Municipality space that is co-produced by all three spheres of government together with stakeholders and communities.
- To enable a programmatic Intergovernmental Relations approach in relation to Chris Hani District Municipality through implementation of the One Plan that will serve as an impact performance framework tracking the commitments and spending of national and provincial sector departments and the Chris Hani District Municipality according to the shared vision and desired future development of Chris Hani District Municipality and its people.
- To create an environment which is conducive for investment.
- To stabilize governance and financial management practices in the Chris Hani District Municipality.

Cooperative Governance Integrated Planning, Budgeting and Implementation



3. Chris Hani District One Plan

The Chris Hani District One Plan was formulated following a DDM Theory of Change postulates six transformations to move from the current problematic situation to a desired better future. Whilst existing plans across government seek to align to the NDP and to each other, there is no clear single line of sight and logical rationale or relations in terms of commonly agreed priorities and joint and coherent way of addressing them within the socio-economic and inclusive and integrated place making dynamics within specified spaces. The One Plan has been formulated through joint collaborative inter-governmental engagement sessions and in consultation with social partners, and expresses a long – term strategic framework of up to 2050 to guide investment, service delivery and development in the district, and consisted of the following elements: Inputs as Joint and Collaborative Processes, Outputs, Outcomes, and Impacts as shown below:



These six DDM Transformation Focal Areas are:

- **People Development and Demographics** – the process of understanding the current population profile and development dynamics and by which a desired demographic profile and radical improvement in the quality of life of the people is achieved through skills development and the following 5 transformations discussed below (economic positioning, spatial restructuring and environmental sustainability, infrastructure engineering, housing and services provisioning, and governance and management).
- **Economic Positioning** – the process by which a competitive edge is created that enables domestic and foreign investment attraction and job creation on the basis of an inclusive and transformed economy. The economic positioning informs the spatial restructuring and has to be sustained through protecting, nurturing and harnessing natural environment and resources.
- **Spatial Restructuring and Environmental Sustainability** – the process by which a transformed, efficient and environmentally sustainable spatial development pattern and form is created to support a competitive local economy and integrated sustainable human settlements. Spatial restructuring informs infrastructure investment in terms of quantum as well as location and layout of infrastructure networks.
- **Infrastructure Engineering** – the process by which infrastructure planning and investment especially bulk infrastructure installation occurs in order to support the transforming spatial pattern and form, meet the needs of a competitive and inclusive local economy and integrated human settlements, and ensure demand for housing and services is met in a sustainable way over the long-term.
- **Integrated Services Provisioning** – the process by which integrated human settlement, municipal and community services are delivered in partnership with communities so as to transform spatial patterns and development for planned integrated sustainable human settlements with an integrated infrastructure network. This also requires holistic household level service delivery in the context of a social wage and improved jobs and livelihoods.

- **Governance and Finance** – the process by which leadership and management is exercised that planning, budgeting, procurement, delivery, financial and performance management takes place in an effective, efficient, accountable and transparent manner. It also includes spatial governance, that is, the process by which the spatial transformation goals are achieved through assessing and directing land development and undertaking effective land use management and release of municipal/public land. The six DDM Transformation Focal Areas can summarily be schematically presented as follows:



4. Diagnostic Summary

Diagnostic summary points	Suggested Actions
1. Underdeveloped rural communities with high levels of poverty within the CHDM	Economically self-sustained rural villages
2. Low economic growth in CHDM	Infrastructure development linked to economic growth opportunities
3. Majority of citizens, especially Black Africans are mainly excluded from the mainstream economy, with limited or no access to resources and factors of production	Infrastructure development linked to economic growth opportunities
4. CHDM and its local municipalities not being able to provide adequate government services that are necessary to transform the spatial planning that is predominantly inherent of the apartheid government	Transformed land use and ownership
5. CHDM has no aggressive and effective marketing strategies that are collaborated with strategic public investment that will guarantee conducive business and industrial development environment	Revived small towns
5. CHDM has no aggressive and effective marketing strategies that are collaborated with strategic public investment that will guarantee conducive business and industrial development environment	Revitalised industries
6. Underfunded and ineffective local municipalities within the CHDM	Effective and efficient municipalities.
7. Lack of proper and effective communication and partnership between the local municipalities and the	Active and able citizenry

communities that are less informed of the government policies and plans	
Low literacy rate especially for post-matric qualification, and high unemployment rate	Entrepreneurial and skills development linked to key sectors

5. Summary of District Profile According to Six Pillars

Pillar 1	Demographic Change and People Development
Key Issues	Trends/ Challenges/Opportunities
Population Dynamics (Size & Structure)	The total population in Chris Hani was in 727 652 in 2020 ³ with Enoch Mgijima Local Municipality having the largest share of the District Population 234,932, whilst Sakhisizwe had the lowest share of 56,713 people.
	Population Growth Trends
	Total population in Chris Hani District is projected to decline by 7.3% between 2020 and 2025, from 727652 to 674 386 people ⁴ . Chris Hani projected to decline by 4.8% from 62 722 in 2020 to 59 734 in 2025
	Poverty Levels
	<ul style="list-style-type: none"> In 2020, there were 656 000 people living in poverty, using the upper poverty line definition, across Chris Hani, which is 9.31% higher than the 600 000 in 2010. The percentage of people living in poverty increased from 73.30% in 2010 to 74.44% in 2020, which indicates an increase of -1.15 percentage points. <ul style="list-style-type: none"> It has been observed that in terms of the percentage of people living in poverty for each of the regions within the Chris Hani, Engcobo Local Municipality had the highest percentage of people living in poverty, with a total of 81.0%, and the lowest percentage of people living in poverty was observed in the Inxuba Yethemba Local Municipality with a total of 57.9% living in poverty.
	Literacy/Education Levels
	<ul style="list-style-type: none"> Within Chris Hani, the number of people without any schooling decreased from 2010 to 2020 with an average annual rate of -3.60%, while the number of people within the '<i>matric only</i>' category, increased from 66,200 to 97,800. <ul style="list-style-type: none"> The number of people with '<i>matric and a certificate/diploma</i>' increased with an average annual rate of 4.50%, with the number of people with a '<i>matric and a Bachelor's</i>' degree increasing with an average annual rate of 2.29%.
	Health & Vulnerability
	<ul style="list-style-type: none"> According to the District Health Barometer 2019/2020, the top 3 causes of death in the district were HIV/AIDS and Tuberculosis, and the HIV/AIDS prevalence rate increase at an average annual rate of 1.82% since 2010, and in 2020 13.75% of the local municipality's total population were infected with HIV/AIDS The outbreak of the Novel Coronavirus (2019-nCoV) Pandemic across the globe (commonly referred to as Covid-19) in March 2020 has been reported as the single biggest humanitarian crisis of this generation, and to date, the Eastern Cape has reported a total of 223 477 confirmed cases; 12 572 deaths; 204 663 recoveries; and a reported 6 243 active cases, with the District reporting 21 102 cumulative cases and 467 active cases out of a population of 733 743 people, with an overall recovery rate of 86,9% as at the 25 July 2021.

	<ul style="list-style-type: none"> • In terms of the ratio for medical practitioners per 100 000 uninsured population for District municipalities between March 2009 and March 2020, the ratio for the Eastern Cape was 243.3, while for Chris Hani the rate was 22.7. • In terms of "health beds per 10 000" which refers to the ration between the number of inpatient beds across public sector health facilities in a given area and the target population for that area, Chris Hani DM had 27.4 beds per 10 000 uninsured population, which includes inpatient beds approved in all categories of health facilities in public sector, namely, district, regional, provincial, national centre, specialised TB, specialised psychiatric, specialised orthopaedic, and specialised chronic hospitals as well as rehabilitation centres. • The antenatal 1st visit coverage measures the proportion of pregnant women visiting a health facility for at least one antenatal visit before 20 weeks pregnancy. Five provinces exceeded the national coverage of 83.1%, and four provinces (including the Eastern Cape) achieved an antenatal 1st visit coverage of between 68% and 80%. The Chris Hani DM performance for antenatal visits before 20 weeks in 2019/20 is at 59.2%, which is significantly lower than the provincial coverage of 68.7% and national coverage stated above. • The annual trends for the in-facility delivery rate delivery amongst 10–19 years old declined slightly in some districts in the province (e.g. Alfred Nzo and OR Tambo, and fluctuated in Sarah Baartman between 2017/18 and 2019/20). The in-facility delivery rate for Chris Hani was 17.8% in 2019/20. This is a one percent increase from 2018/19. The delivery for 10–14 years old in-facility rate in 2019/20 in Chris • Service delivery in districts with high rates of delivery in 10–19 year's in-facility should be given special attention. Expanding interventions to local municipalities/sub-districts to promote contraceptive use among 10–19-year-olds should be considered. • The maternal mortality in-facility ratio in the Chris Hani DM was 81.9 maternal deaths per 100 000 live births in 2019/20. Whilst still worryingly high, it is lower than the provincial ratio (108.2 maternal deaths per 100 000 live births) and national ratio (88.0 maternal deaths per 100 000 live births). • Although child mortality rates have declined over the past decade, these rates remain unacceptably high for an upper-middle-income country such as South Africa and these should be carefully monitored and addressed. • The couple year protection rate (CYPR) is defined as women protected against pregnancy by using modern contraceptive methods, including sterilisation. The indicator is calculated as the number of women 15–49 years using a contraceptive method, divided by the total number of women 15–49 years in the population expressed as a percentage. In 2019/20 South Africa had an overall national CYPR of 54.5 % in 2019/20. The Eastern Cape has improved on the CYPR between 2017/18 and 2019/20 with 2.0 percentage point difference observed between 2018/19 and 2019/20. The CYPR for Chris Hani DM in 2019/20 was 69.7%. This was higher than the national rate and provincial rate (55.2%).
	<p>Unemployment</p> <ul style="list-style-type: none"> • In 2020, Chris Hani employed 125 000 people which was 9.00% of the total employment in Eastern Cape Province (1.39 million) and 0.80% of total employment in South Africa (15.7 million).

	<ul style="list-style-type: none"> • Employment within Chris Hani increased annually at an average rate of 0.91% from 2010 to 2020. • The unemployment rate for Chris Hani was 30.1% and increased overtime to 46.2% in 2020, and the gap between the labour force participation rate and the unemployment rate decreased, which was indicative of a negative outlook.
	Migration Patterns <ul style="list-style-type: none"> • There is evidence of both migrations between the District and major metropolitan centres and within the district itself. • The migration of males to look for work in major metropolitan areas is evident by the fact that women head 58% of households in the District. • According to Stats SA data, the level of out-migration from the district is alarming. This high rate of migration is attributed to a combination of a limited local economy, access to tertiary education and significant challenges in local service delivery and infrastructure. The rural-urban migration is also resulting in an increased growth in Urban Nodes (e.g. Queenstown) and an associated decrease in the growth rate of the rural population.

Pillar 2	Economic Positioning
Key Issues	Trends/ Challenges/Opportunities
Key Economic Growth Sectors	<ul style="list-style-type: none"> • The district has a Council approved Regional Economic Development Strategy (REDS) that has identified the agriculture and a sector that can build economic value chains from primary production agricultural activities, towards the creation of a developed agriculture - driven rural economy which can contribute towards the growth of other industry economic sectors currently underperforming in the District e.g. the manufacturing sector, and the growth of this sector can significantly contribute to the growth of other economic sectors, as well as ensure the integration of small businesses into the mainstream economy in the District. • The REDS further promotes of rural - urban integration and equity in infrastructure development, services expansion, and stimulation of economic opportunities. • The district should thus structure its COVID 19 Economic Recovery Plan in accordance with the National and Provincial 5-point plan, using its agriculture sector potential as a fundamental pillar and a spring - board for economic growth, and this could primarily be driven with the District's Economic Development Agency i.e., the Chris Hani Development Agency (CHDA).
Economic Sector Performance (Primary, Secondary, Tertiary)	<ul style="list-style-type: none"> • In 2020, the community services sector was the largest performing economic sector within Chris Hani, accounting for R 11.9 billion or 44.1% of the total GVA. • The sector that contributed the second most to the GVA of the Chris Hani was the trade sector at 20.6%, followed by the finance sector with 14.7%. • The sector that contributed the least to the economy was the mining sector with a contribution of R 31.1 million or 0.11% of the total GVA • The economic sectors that recorded the largest number of employments in 2020 were the community services sector with a total of 42 400 employed people or 34.0% of total employment in the district. • The trade sector employed the second highest number of people relative to the rest of the sectors, with a total of 25 000 (20.1%) people

	<ul style="list-style-type: none"> The mining sector employed the least number of people i.e 143 accounting for (0.1%) people, followed by the electricity sector with 460 (0.4%) people employed
GVA contribution Per Economic sector	<ul style="list-style-type: none"> The mining sector is expected to grow fastest at an average of 6.14% annually from R 44.5 million to R 60 million in 2025. The community services sector is estimated to be the largest sector within District in 2025, with a total share of 42.4% of the total GVA (as measured in current prices), growing at an average annual rate of 0.9%. The sector that is estimated to grow the slowest is the agriculture sector with an average annual growth rate of -0.26%.
Economic Growth Trends	<ul style="list-style-type: none"> It is expected that the Chris Hani District economy is expected grow at an average annual rate of 1.70% from 2020 to 2025, compared to an average annual growth rate of Eastern Cape Province and South Africa that is expected to grow at 2.39% and 2.55% respectively. Sakhisizwe Local Municipality had the highest average annual economic growth, averaging 2.97% between 2010 and 2020, when compared to the rest of the regions within Chris Hani. On the other hand, the region that performed the poorest relative to the other regions was the Intsika Yethu Local Municipality with an average annual growth rate of 0.02%.
Informal Trade Performance	<ul style="list-style-type: none"> In 2020 the Trade sector recorded the highest number of informally employed, with a total of 11 500 employees or 36.62% of the total informal employment, and this can be expected as the barriers to enter the Trade sector in terms of capital and skills required is less than with most of the other sectors. The Manufacturing sector had the lowest informal employment with 1 380 and only contributes 4.38% to total informal employment.

Pillar 3	Spatial Restructuring & Environmental Sustainability
Key Issues	Trends/ Challenges/Opportunities
Land Ownership Patterns	<ul style="list-style-type: none"> The Chris Hani District comprises parts of the former Transkei and Ciskei homelands and former RSA (Cape Province), and the most common form of tenure in the former Transkei and Ciskei areas is the communal land tenure system. All the land for development in the urban areas is owned by the Municipality and private individuals, whilst the State owns the rural
Settlement Patterns (Rural vs Urban)	<ul style="list-style-type: none"> The district municipality is predominantly rural in character with a number of urban settlements. They are as follows: Cradock, Middleburg, Komani, Whittlesea, Tarkastad, Molteno, Hofmeyer, Cacadu (Lady Frere), Dordrecht, Indwe, Cofimvaba, Tsomo, Cala, Khowa and Engcobo. Komani is an economic hub, due to its strategic position in the Chris Hani District Municipality. Komani has signs of more compactness compare to other small urban areas in the district municipality. The settlement patterns that occur within district municipality are in the form of rural sprawl and lowdensity urban sprawl in small towns in municipality. This reflects the existent texture of the already existing urban centres together with the rural villages. These above-mentioned patterns are not sustainable or effective and has given rise to settlements that range from low density agrarian communities to relatively high density urban settlements. The layout of these rural villages is informal and are based firstly on family units and secondly on community units.

Densification	<ul style="list-style-type: none"> • In 2017, with an average of 23.3 people per square kilometre, Chris Hani District Municipality had a lower population density than Eastern Cape (41.9 people per square kilometre). Compared to South Africa (46.3 per square kilometre) it can be seen that there are less people living per square kilometre in Chris Hani District Municipality than in South Africa. • In 2017, Chris Hani District Municipality had a population density of 23.3 per square kilometre and it ranked highest amongst its peers. The region with the highest population density per square kilometre was the Nelson Mandela Bay with a total population density of 650 per square kilometre per annum. In terms of growth, Chris Hani District Municipality had an average annual growth in its population density of 0.58% per square kilometre per annum. • The region with the highest growth rate in the population density per square kilometre was Sarah Baartman with an average annual growth rate of 1.65% per square kilometre. In 2017, the region with the lowest population density within Eastern Cape Province was Sarah Baartman with 8.58 people per square kilometre. • The region with the lowest average annual growth rate was the Amatole with an average annual growth rate of -0.21% people per square kilometre over the period under discussion. • Using population density instead of the total number of people creates a better basis for comparing different regions or economies. A higher population density influences the provision of household infrastructure, quality of services, and access to resources like medical care, schools, sewage treatment, community centres, etc. • 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 65.1 people per square kilometre. The lowest population density can be observed in the Inxuba Yethemba Local Municipality with a total of 6.03 people per square kilometre.
Informal Settlements	<ul style="list-style-type: none"> • Chris Hani District Municipality had a total number of 43 200 (18.80% of total households) very formal dwelling units, a total of 92 200 (40.08% of total households) formal dwelling units and a total number of 31 900 (13.85% of total households) informal dwelling units. • Households by dwelling unit type - Inxuba Yethemba, Intsika Yethu, Emalahleni, Engcobo, Sakhisizwe and Enoch Mgijima local municipalities, 2017. • The region within the Chris Hani District Municipality with the highest number of very formal dwelling units is the Enoch Mgijima Local Municipality with 25 800 or a share of 59.72% of the total very formal dwelling units within Chris Hani District Municipality. The region with the lowest number of very formal dwelling units is the Engcobo Local Municipality with a total of 238 or a share of 0.55% of the total very formal dwelling units within Chris Hani District Municipality.
Land Invasions (if any)	<ul style="list-style-type: none"> • The Chris Hani District Municipality comprises parts of the former Transkei and Ciskei homelands and former RSA (Cape Province). The most common form of tenure in the former Transkei and Ciskei areas is the communal land tenure system. Ownership of land in the urban areas and former RSA areas is held by Free-hold Title Deeds. • A considerable amount of land in the area of the former homelands remain in state ownership. This situation results in difficulty in obtaining land and use rights for developmental purposes.

	<ul style="list-style-type: none"> • There have been calls from communities in the rural areas to be given title to their land on an individual basis. • Spatial planning professionals working within the district are faced with developmental challenges due to the varying perceptions of communities and prevailing administrative practices which are largely still based on past legal frameworks. This has led the district to focus on creating of spatial development plans and guidelines that outline the development direction of the key nodes within our area, namely SDFs, Precinct / Small town development plans and Land Use Management systems. • Although these initiatives are new to our district, it serves as evidence that the district and its LMs' are committed to create an environment to promote economic growth in both the urban and rural environs, which benefits the residents, the business community and the Local municipalities.
Climate Change Impact	<p>The key elements of the district Environmental Framework are identified as follows:</p> <ul style="list-style-type: none"> • The area along the Great Kei River and its tributaries from the Xonxa and Lubisi Dams southwards consists of important valley thicket vegetation. • The area north of Ngcobo contains pockets of <i>afromontaine</i> forests. Both these areas are important natural areas, which should be protected. • The formal protected area network is relatively extensive with the Mountain Zebra National Park (SANP) and the Commando Drift and Tsolwana provincial reserves • Formally protected water sources include a number of large water catchments, including the dams: Grassridge, Lake Arthur, Commando Drift, Xonxa, Lubisi and Ncora.

Pillar 4	Infrastructure Re-engineering
Key Issues	Trends/ Challenges/Opportunities
Water Supply	<ul style="list-style-type: none"> • The Chris Hani District had a total number of 47 800 (or 20.24%) households with piped water inside the dwelling, a total of 57 900 (24.51%) households that had piped water inside the yard and a total number of 47 100 (19.92%) households had no formal piped water. • The regions within Chris Hani with the highest number of households with piped water inside the dwelling is Enoch Mgijima Local Municipality with 25 600 or a share of 53.44% of the households. • The region with the lowest number of households with piped water inside the dwelling is Emalahleni Local Municipality with a total of 1 990 or a share of 4.16% of the total households with piped water. • When looking at the water backlog (number of households below RDP-level) over time, in 2009 the number of households below the RDP-level were 81 500 within Chris Hani, this decreased annually at -1.88% per annum to 67 400 in 2019. • For local municipalities, the following is observed that the number of households below the RDP-level were 1 520 within Inxuba Yethemba Local Municipality decreased highly annually at -8.81% per annum to 603 in 2019, and Engcobo Local Municipality that was having 27 200 households below the RDP-level decreasing the least annually at -0.70% per annum to 25 400.

Sanitation	<ul style="list-style-type: none"> • The region within Chris Hani with the highest number of flush toilets is Enoch Mgijima Local Municipality with 47 000 or a share of 53.20%. • The region with the lowest number of flush toilets is Intsika Yethu Local Municipality with a total of 3 460 or a share of 3.91%. • When looking at the sanitation backlog (number of households without hygienic toilets) over time, in 2009 the number of Households without any hygienic toilets was 108 000 in the district, which decreased annually at a rate of -6.86% to 53 100 in 2019. • For local municipalities without any hygienic toilets, it was observed that in 2009 the highest number of Households were 30 400 residents under Intsika Yethu Local Municipality which decreased annually at a rate of -5.30%, and Inxuba Yethemba Local Municipality having the least with 2 100 households, which decreased annually at a rate of -3.53% to 1 470 in 2019.
Energy & Electricity	<ul style="list-style-type: none"> • Chris Hani District had a total number of 18 400 (7.81%) households with electricity for lighting only, a total of 200 000 (84.45%) households had electricity for lighting and other purposes, and a total number of 18 300 (7.75%) households did not use electricity. • The region within Chris Hani with the highest number of households with electricity for lighting and other purposes is Enoch Mgijima Local Municipality with 71 100 or a share of 35.62% within the District, with Sakhisizwe Local Municipality holding the lowest number of 15 400 or a share of 7.74% of the total households with electricity for lighting and other.
Roads & Transportation Networks	<ul style="list-style-type: none"> • The overall condition of the road network in the province and in the Chris Hani, District has not improved, mainly due to insufficient funds for maintenance and inherited backlogs. • Gravel roads require regular maintenance especially with heavy • Rains and high traffic volumes as can be seen in the photograph above. • From an economic point of view, gravel roads suppress economic development since they lead to high vehicle operating costs and often lead to the damage of crops transported. • With reference to local municipalities, the Enoch Mgijima Local Municipality has the most paved road network system (235.2 kms) as compared to the others, with IntsikaYethu LM having the least (6.7 kms)
Waste Management/Refuse Removal	<ul style="list-style-type: none"> • The region within Chris Hani with the highest number of households where the refuse is removed weekly by the authority is Enoch Mgijima Local Municipality with 45 500 or a share of 60.23%. • The region with the lowest number of households where the refuse is removed weekly by the authority is Engcobo Local Municipality with a total of 1 720 or a share of 2.28%. • When looking at the number of households with no formal refuse removal, it can be seen that in 2009 the households with no formal refuse removal in the district was 153 000, which increased annually at 0.22% per annum to 157 000 in 2019, with Inxuba Yethemba Local Municipality having the least at 3 320, which increased annually at 0.04% per annum to 3 330 in 2019.

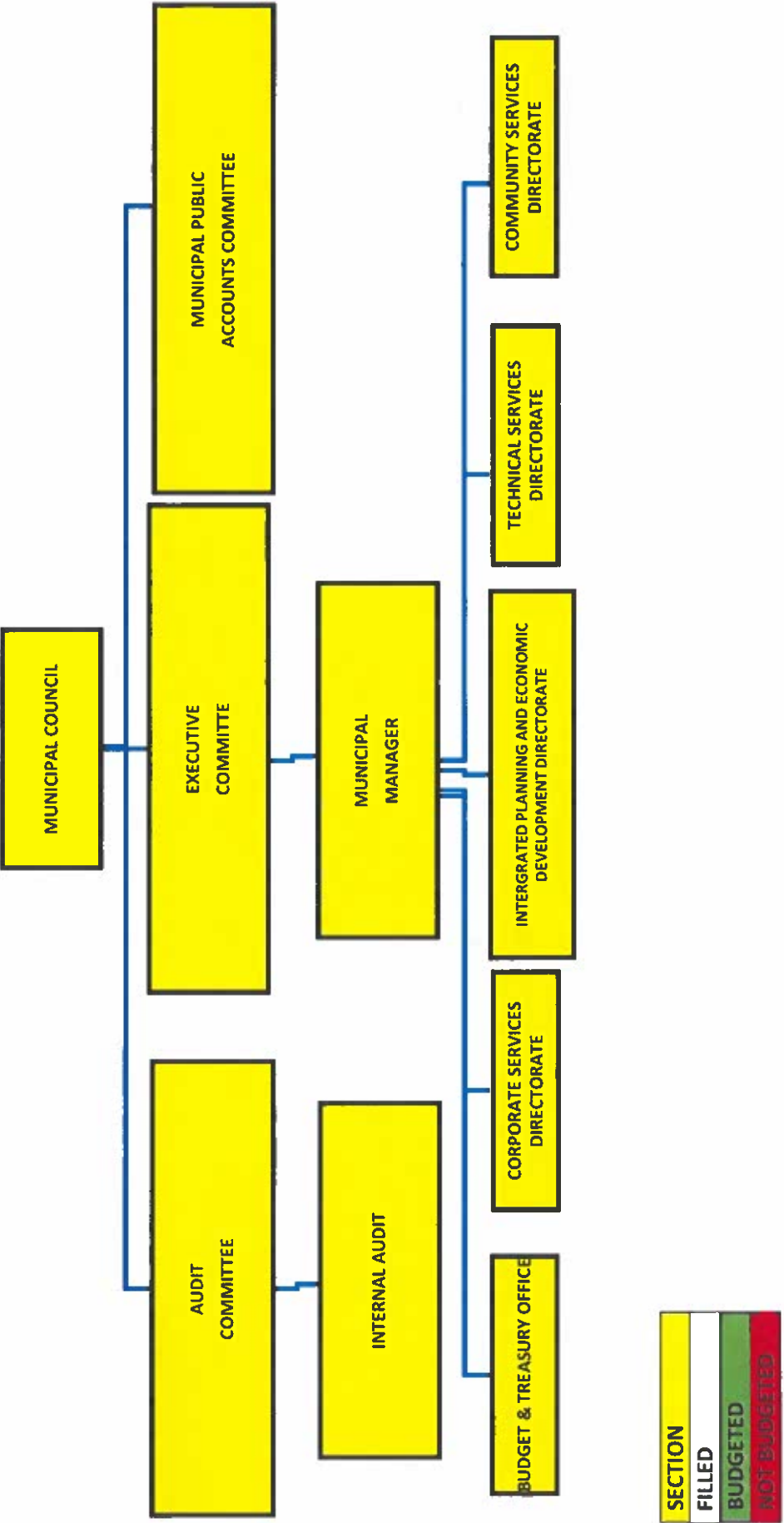
Pillar 5	Integrated Service Provisioning
Key Issues	Trends/ Challenges/Opportunities
Integrated Human Settlements/Housing	<ul style="list-style-type: none"> Chris Hani District had a total number of 44 200 (18.72% of total households) living in very formal dwelling units, a total of 93 600 (39.61% of total households) formal dwelling units, and a total number of 21 400 (9.07% of total households) informal dwelling units. The region within the district with the highest number of very formal dwelling units is the Enoch Mgijima Local Municipality, with 27 000 or a share of 61.01%. The region with the lowest number of very formal dwelling units is the Engcobo Local Municipality with a total of 295 or a share of 0.67%. When looking at the formal dwelling unit backlog (number of households not living in a formal dwelling) over time, in 2009 the number of households not living in a formal dwelling were 83 800 within Chris Hani and this number increased at an average annual rate of 1.17%, which is higher than the annual increase of 1.96% in the number of households in South Africa. <ul style="list-style-type: none"> For local municipalities, in 2009 the number of households not living in a formal dwelling were the highest at Intsika Yethu Local Municipality, which increased annually at 1.50% to 32 000, and Inxuba Yethemba Local Municipality with the least at 444, a number that decreased annually at -1.69% to 374.
Public Facilities	<ul style="list-style-type: none"> Looking at the number of health facilities within Province, Chris Hani district has the highest number of public health facilities with 152 public clinics, followed by Amathole DM with 144 public clinics. Chris Hani District has a total of 177 Health Facilities which include 152 Primary Health Care (PHC) facilities, 7 Community Health Centres (CHC), 14 District Hospitals, 1 regional hospital and 3 other hospitals.

Pillar 6	Governance & Financial Management
Key Issues	Trends/ Challenges/Opportunities
Municipal Financial (Budgeting) Planning	<ul style="list-style-type: none"> EC-Treasury analysis of budgets adopted by local authorities has identified that the following municipalities in the CHDM to have adopted 'unfunded' budgets for 2021/22, these included: The CHDM, Enoch Mgijima LM, and the Sakhisizwe LM, and the impact of this phenomenon is wide and manifest in service delivery and effectiveness, and the overall financial viability of the institutions involved. Furthermore, in the context of the three municipalities cited above, it is evident that this problem has persisted in these municipalities over several years and has become a recurring feature within these institutions. In this regard, Sakhisizwe LM has been identified by EC-Treasury as having adopted 'unfunded' budgets since 2017/18.
Municipal Management expenditure) Financial (UIFW	<ul style="list-style-type: none"> The overall performance by the Chris Hani (including the CHDA - Development Agency) together with all of its LMs has been varied, with all registering some improvement on UIFW during the current reporting

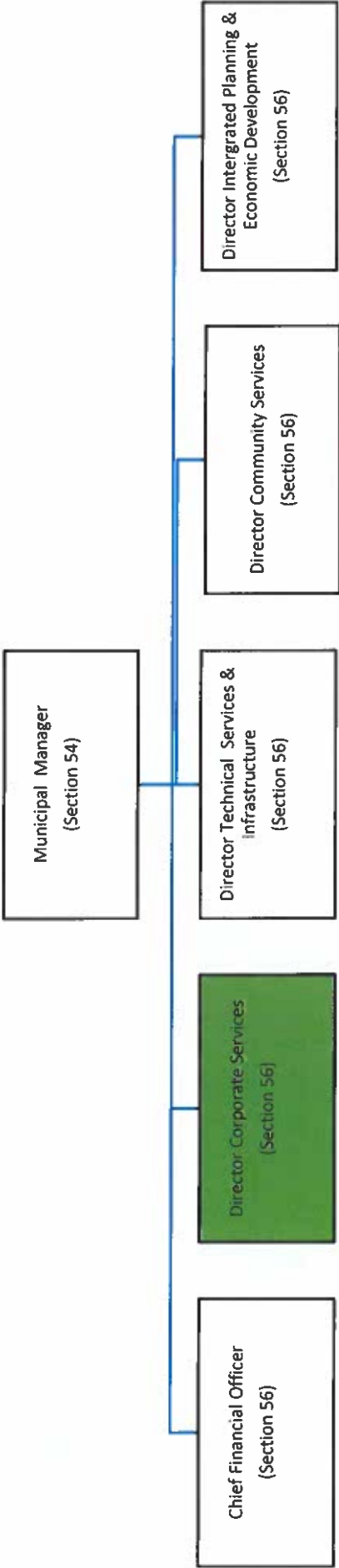
	<p>period. However, these improvements are marred by regressions in their management of UIFW.</p> <ul style="list-style-type: none"> • Lastly, the AG has noted with concern the use of consultants for financial reporting by municipalities around the country without a visible improvement in the management of controls in these institutions. In this regard the CHDM is identified by the AG as having a consultant budget of R24,3m, which is not only disproportionately higher than any other MFMA audited in the EC Province but is also conspicuous due to its inability to improve from its disclaimer opinion since its previous audit.
Audit Outcomes	<ul style="list-style-type: none"> • In terms of audit outcomes in the district, the performance by the DM and the LMs were varied, and most notable in this regard were the regression by Sakhisizwe LM, and the continued Disclaimer received by the CHDM. • In terms of reported improvements, the Enoch Mgijima LM was able to move from an adverse outcome to a qualified outcome with findings. • The audit outcomes for the district and LMs are reported by the AG as being driven by poor compliance with legislation, and all auditees in the district were found to be repeat offenders in this area of control. • Similarly, in the management of predetermined objectives, all but the Emalahleni LM and Engcobo, were identified as having recurrent findings in this critical area of institutional governance. Particularly worrying in this regard is the link between the management of predetermined objective, performance information and service delivery to local communities. In this regard the AG identifies Sakhisizwe LM as t Outcomes Report (Annexure one of the seven (45%) Consultant costs) for 2019/20.of LMs around the country which <i>submitted performance reports without complete and accurate underlying records</i>". • Another area of significant concern in this year's report was that of Supply Chain Management, in which all municipalities were identified with material findings in SCM linked to <i>Uncompetitive or unfair procurement processes</i> • In its assessment of the underlying root courses for the prevailing audit outcomes in the district, the 2019/20 Report the AGSA identifies "Inadequate consequences for poor performance and transgressions" as a driving factor for four of the seven audit outcomes in the district, except for Engcobo LM and Intsika Yethu LM
Human Resource Capacity (Vacancy Rates), especially at senior management level	<ul style="list-style-type: none"> • Currently there no vacancies reported at the level of senior management in the district according to the final IDP review for 2021/22. • In the context of the LMs the following was accessible from the final 2021/22 IDPs available on individual municipal websites: • Sakhisizwe LM: IDP reports that 4 of the 5 Section 56 managers 'posts are filled, except for the Community Services Director post still vacant at the time of finalisation of the IDP. According to the IDP the adopted organisational structure accommodates approximately 250 posts, with 162 filled post and 88 vacant posts. The LM notes that there are challenges with funding for the vacant positions, but it isn't clear if the LM adopted an unfunded structure? • Emalahleni LM: Reported in the IDP that 80% of budgeted/funded posts in the LM are filled. In terms of the senior management cohort (Sec. 56

	managers), the IDP identifies 3 of the 6 directorates as currently occupied by Acting Directors, namely, corporate services, Community services, Environment and Waste
Vertical & Horizontal Inter-Governmental Collaborations (IGR)	<ul style="list-style-type: none"> • Chris Hani uses the DIMAFO as being for co-ordinating the district municipality and its local municipalities to ensure horizontal alignment of the IDPs of the local municipalities in the district area of jurisdiction for vertical alignment between district and local planning. • In enhancing the effectiveness of this structure, the CHDM also hosts IGR Technical Committee Meetings in preparations for the DIMAFO. • In terms of the horizontal integration and coordination between neighbouring and adjacent local authorities located outside of the CHDM area, the DM has indicated that it utilises its SDF and existing IGR structures and process to ensure that this horizontal interface is effectively coordinated. These structures remain the DIMAFO and the Technical IGR forum in the district.
Public Participation/ Communication with Communities (Key issues/ service delivery needs/ priorities highlighted by them)	<ul style="list-style-type: none"> • Public Participation is conducted through IDP Roadshows during IDP Processes, Mayoral Imbizos and community outreaches

ANNEXURE 1: Detailed Institutional Organogram

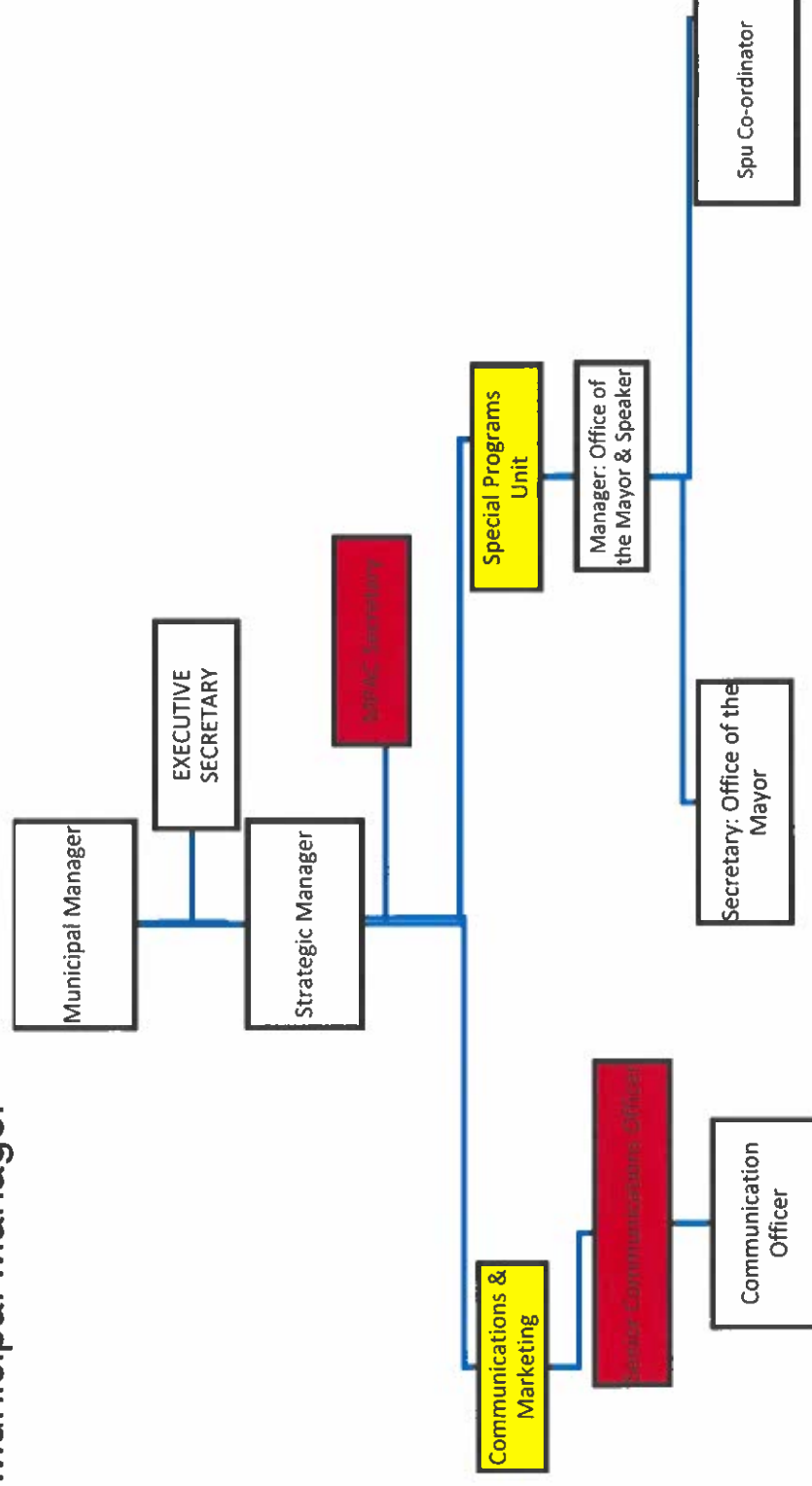


Office of the Municipal Manager



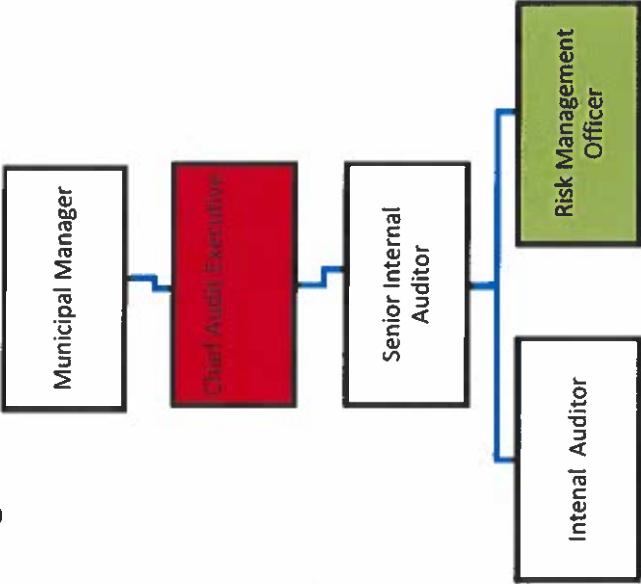
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1. Office of the Municipal Manager



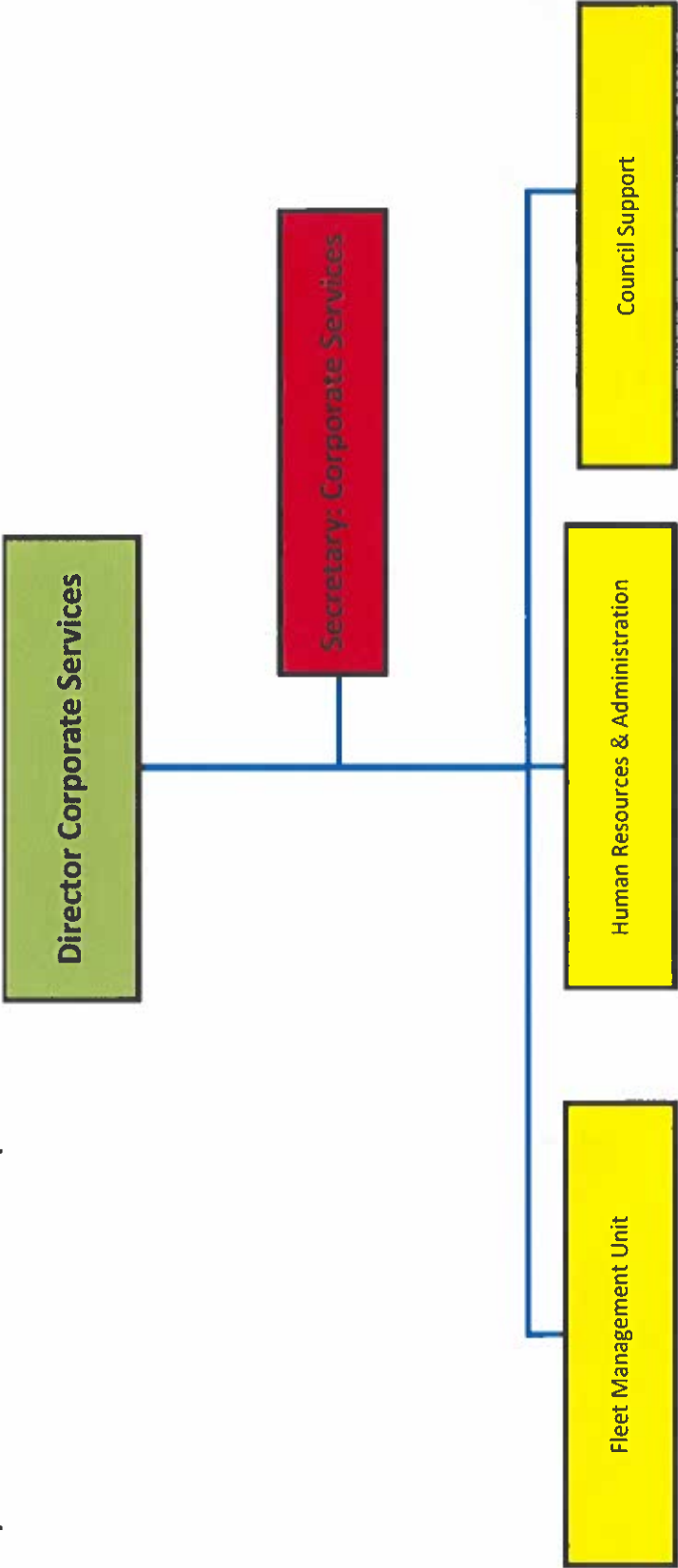
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1.1 Office of the Municipal Manager



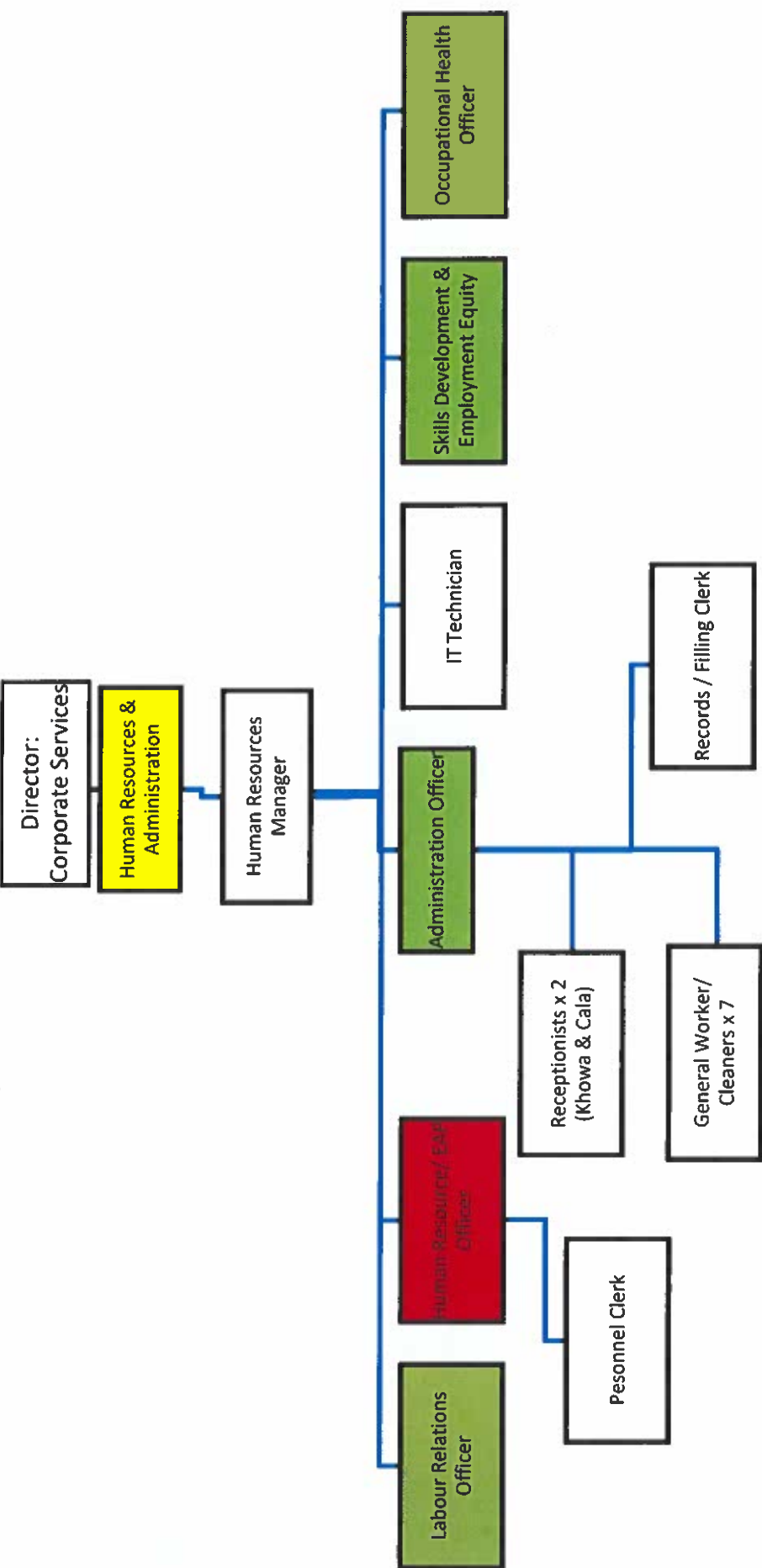
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2. Corporate Services Department



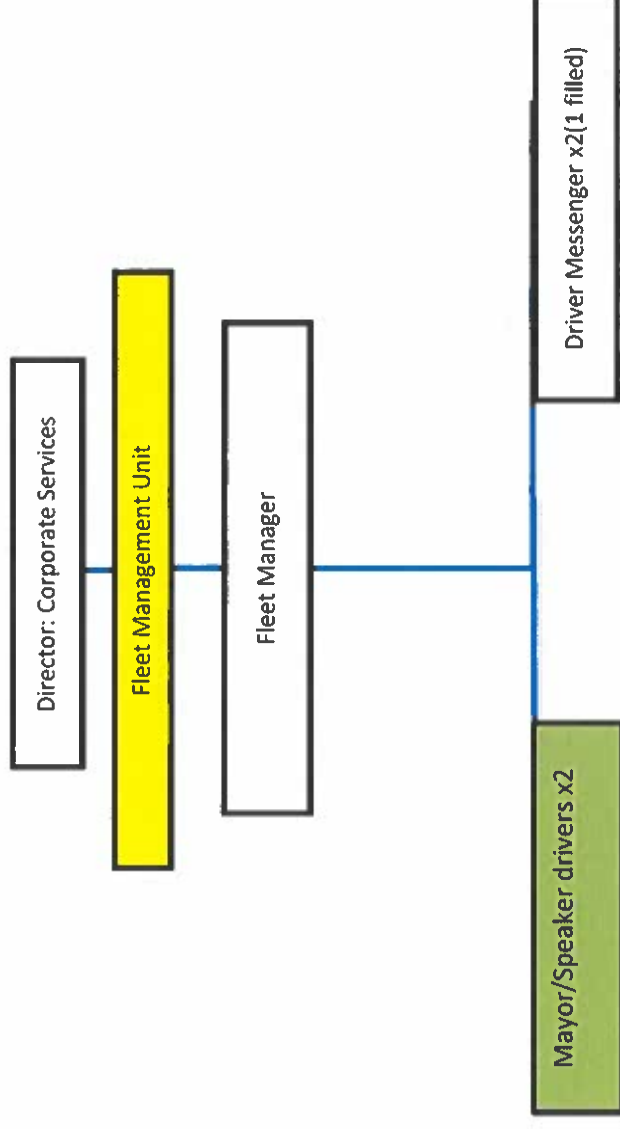
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2.1 Corporate Services Department



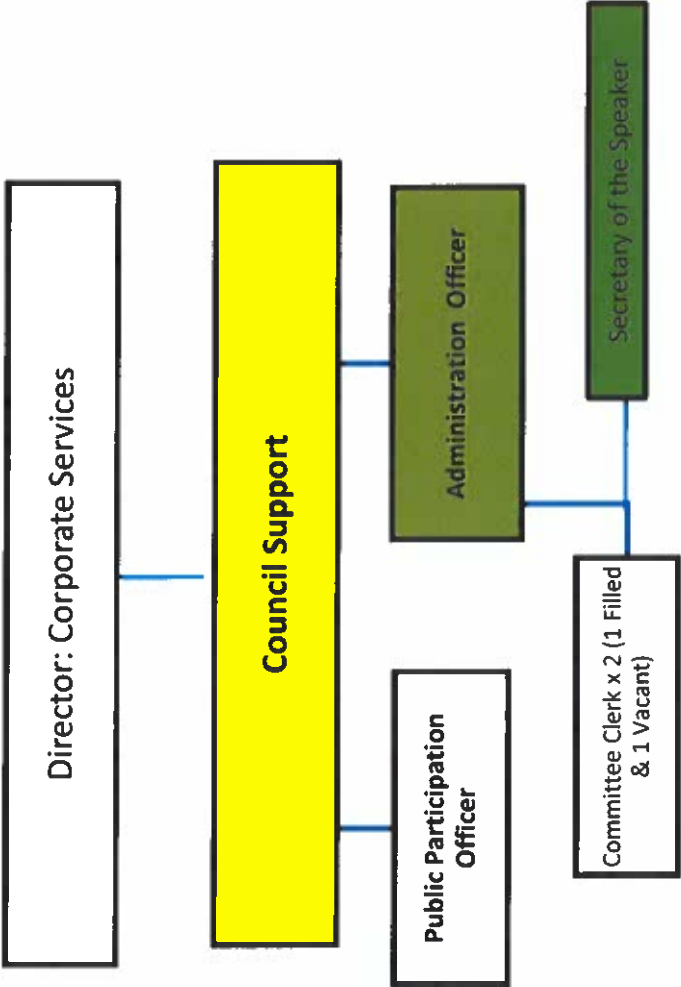
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2.2 Corporate Services Department



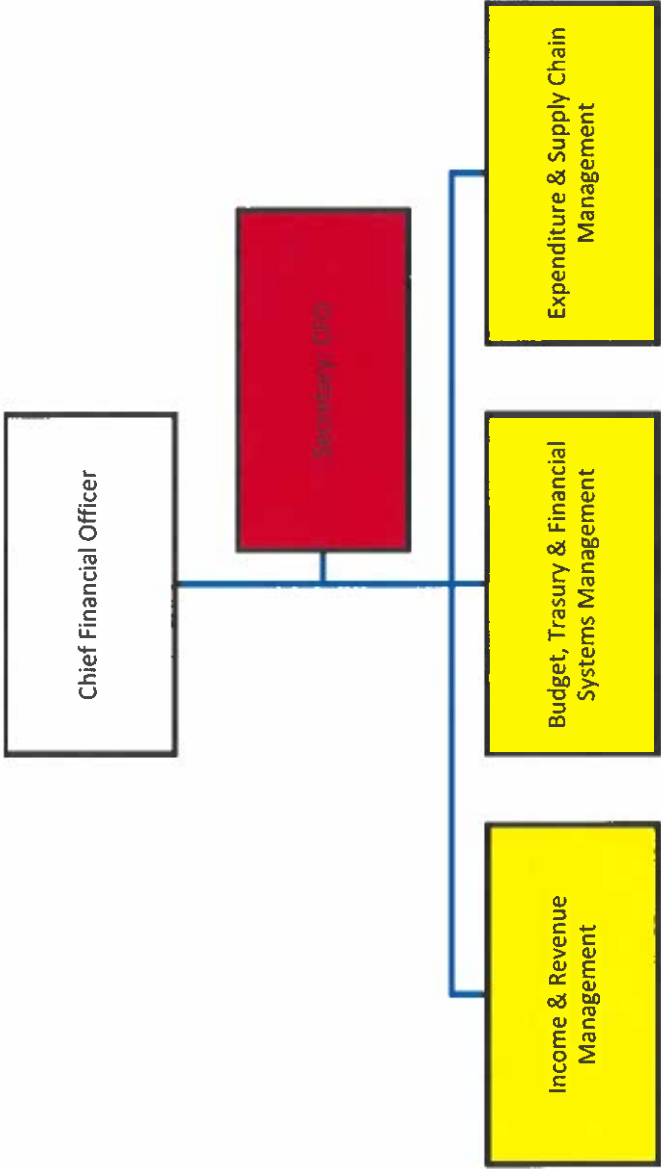
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2.3 Corporate Services Department



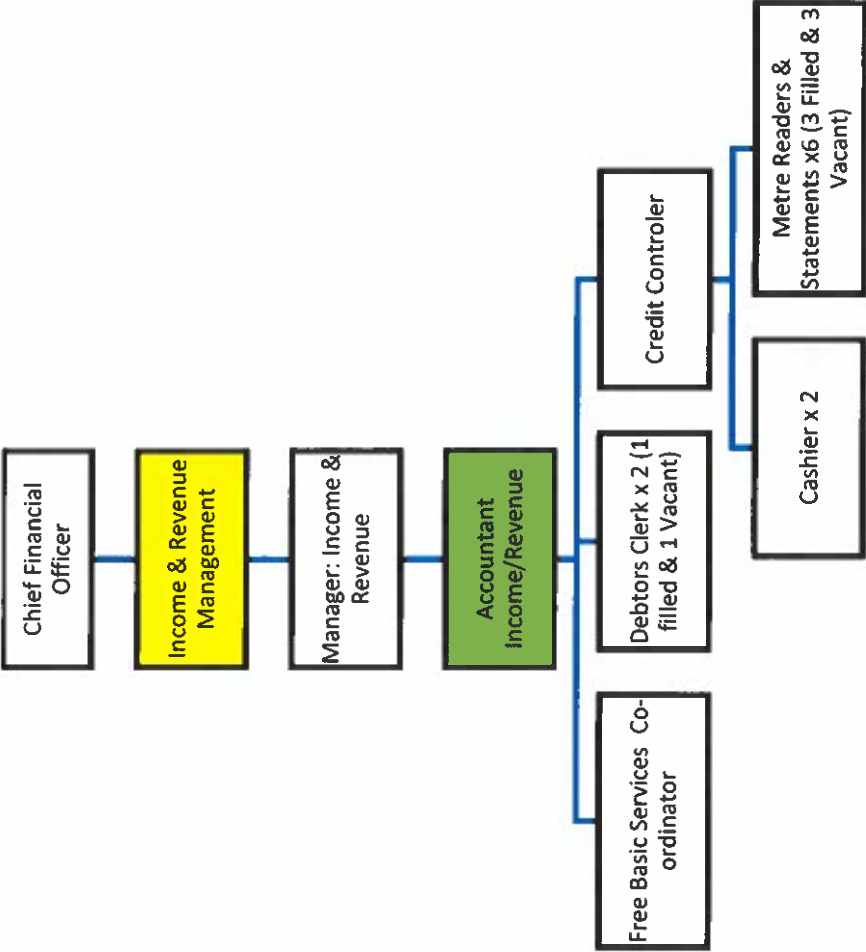
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3. Finance Department



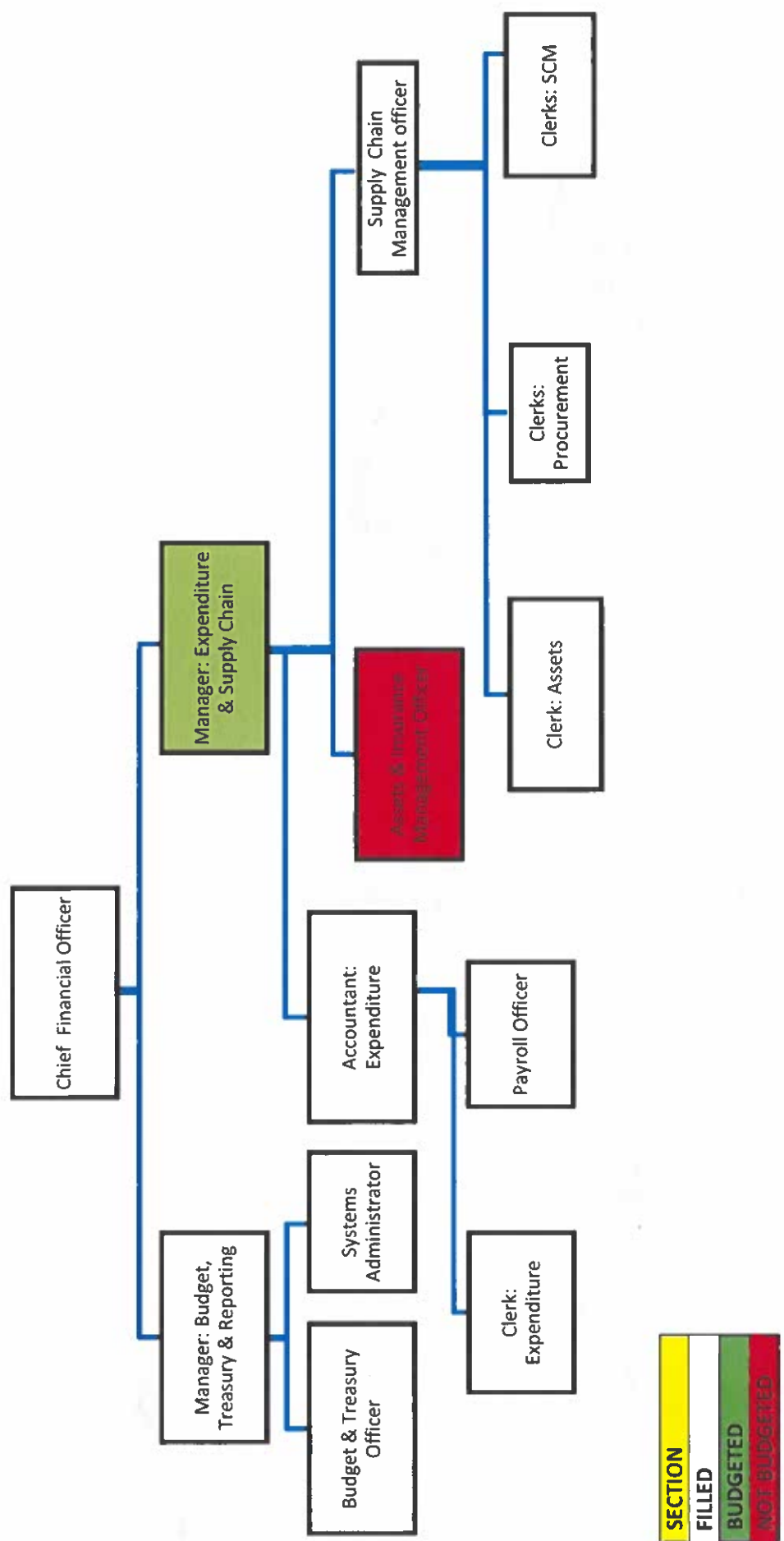
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3.1 Finance Department

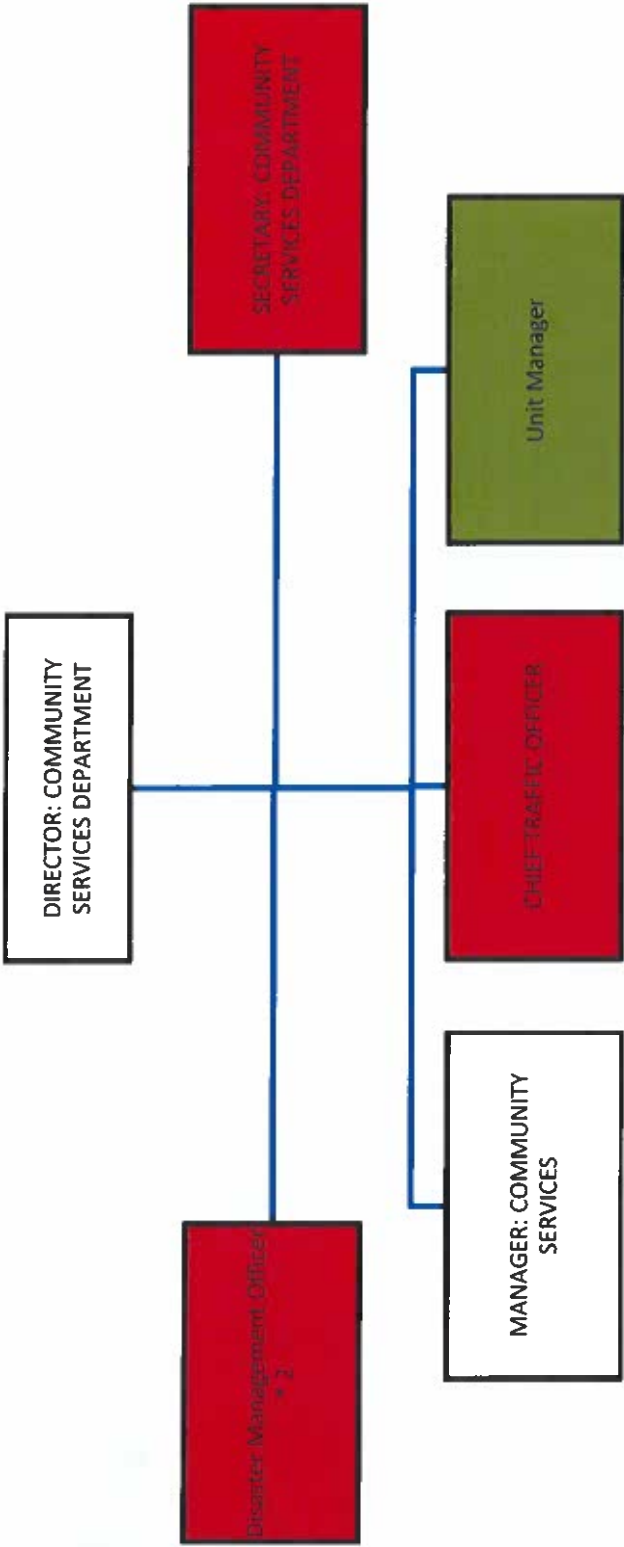


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3.2 Finance Department

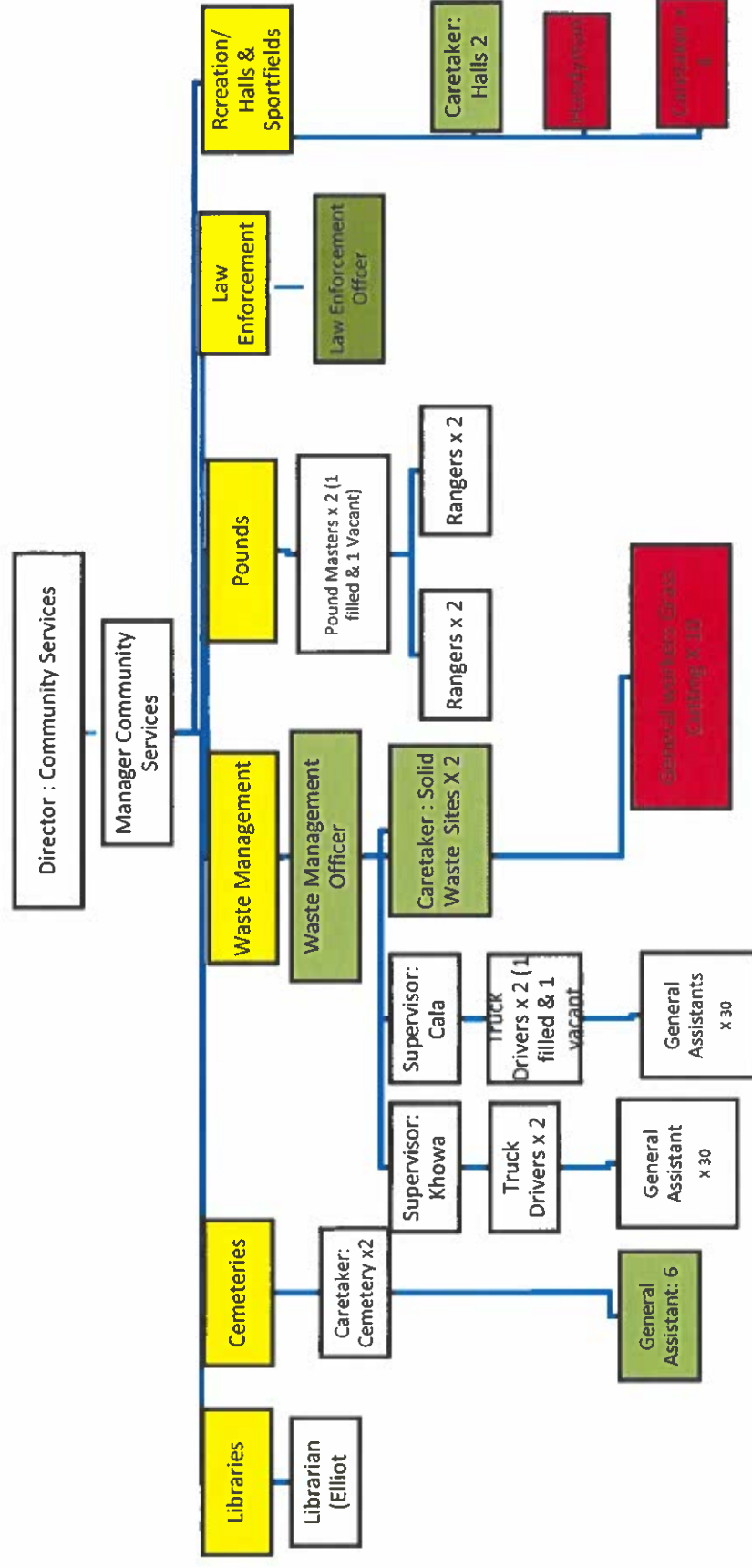


4. Community Services Department



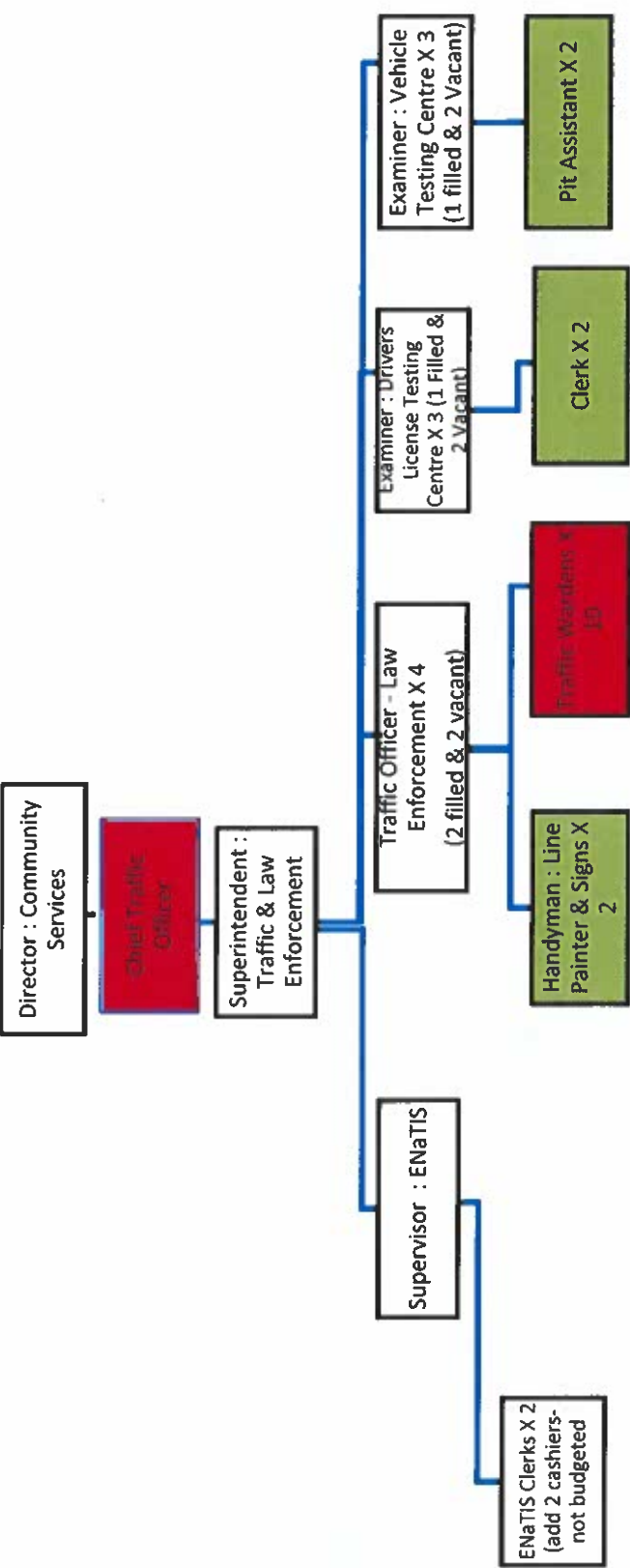
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4.1 Community Services Department



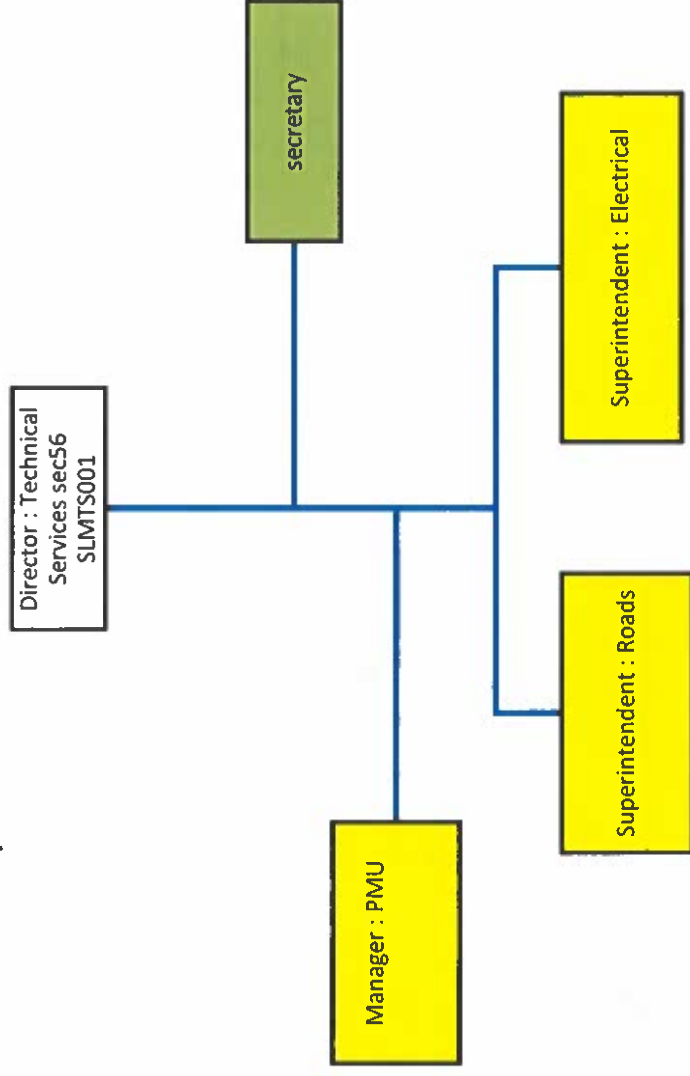
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4.2 Community Services Department



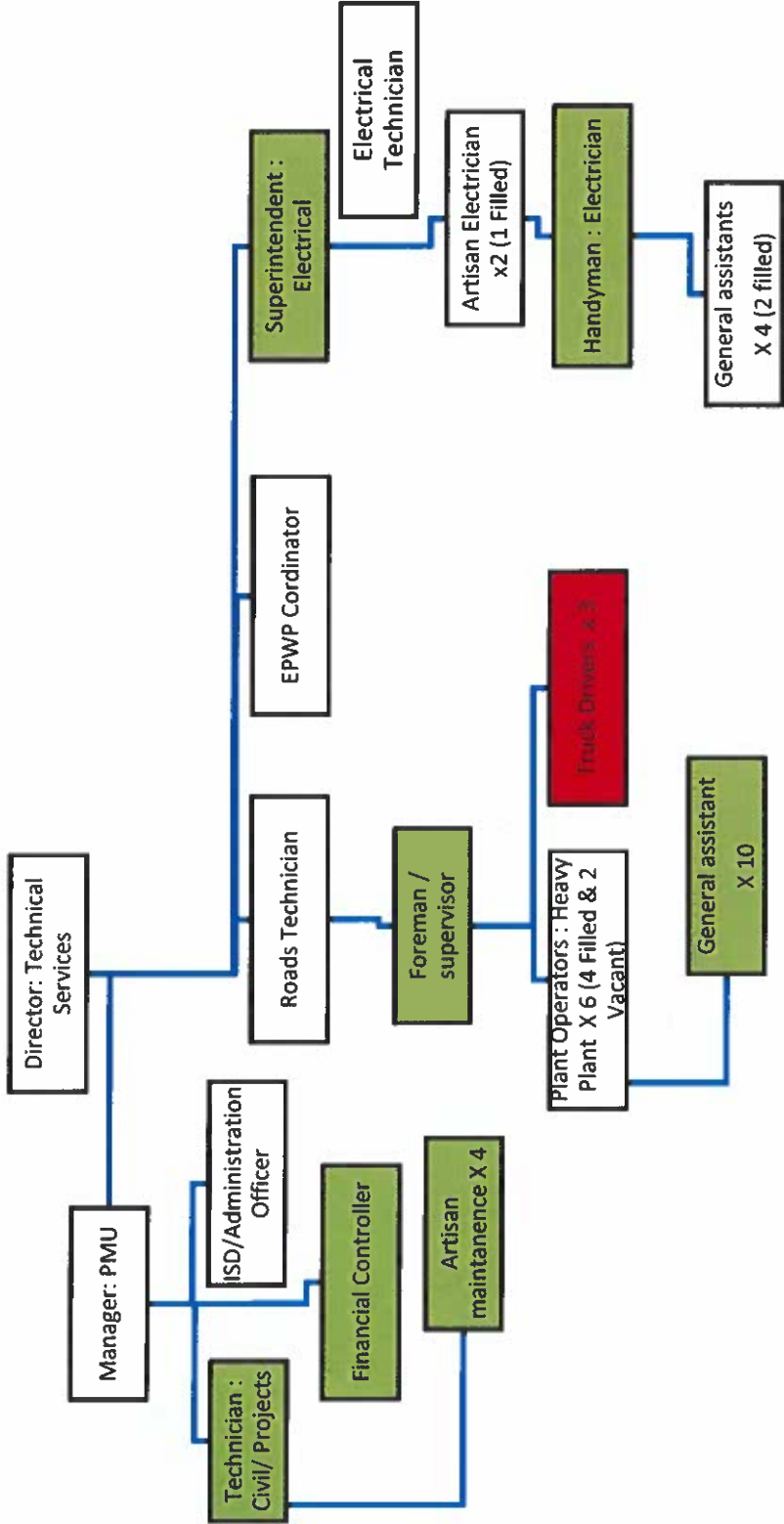
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5. Technical Services Department



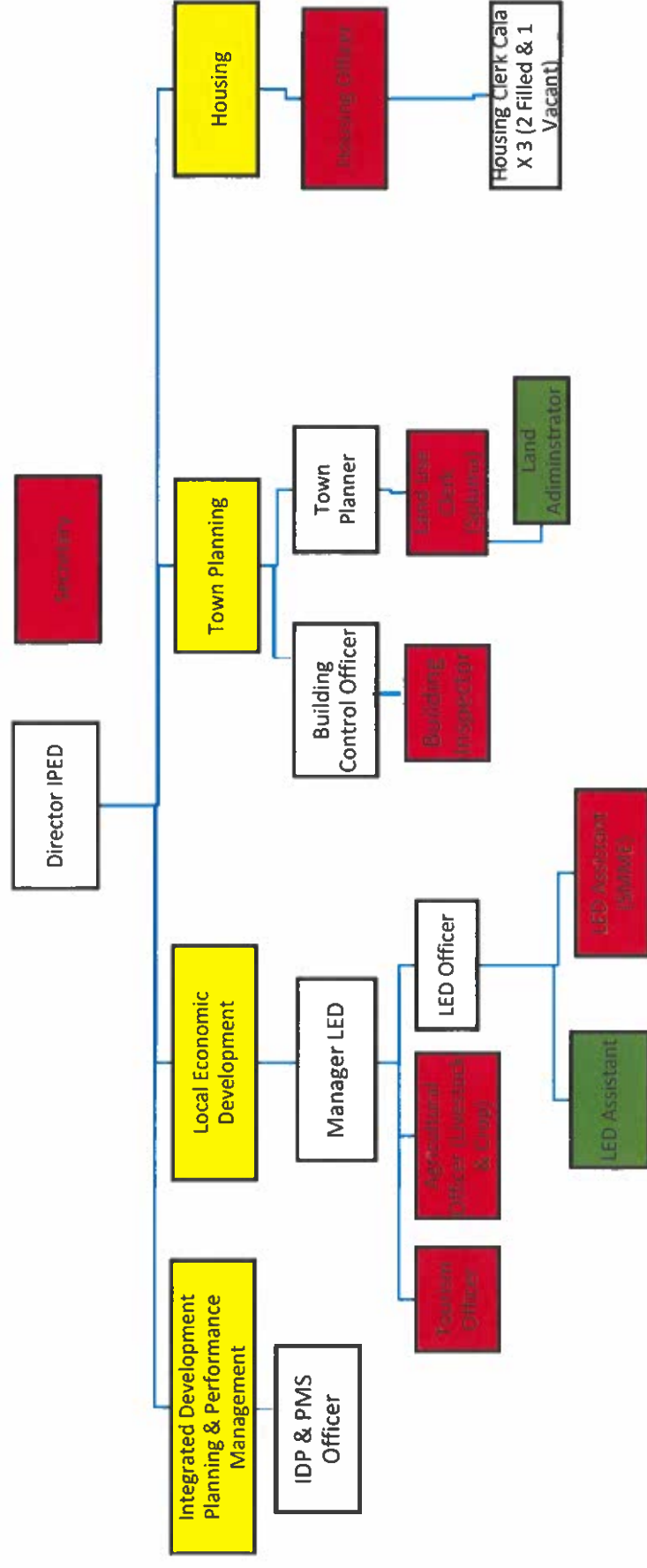
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5.1 Technical Services Department



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6. Integrated Planning & Economic Development Department



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Annexure 2: 2023-2024 Service Delivery & Budget Implementation Plan

DEPARTMENT		OFFICE OF THE MUNICIPAL MANAGER								
RESPONSIBLE PERSON		MR MDYOSI								
STRATEGIC OBJECTIVES: Promote culture of participatory and good governance in the municipality										
KPA	IDP REF	KPI	BASELINE	ANNUAL TARGET	2023/2024 QUARTERLY TARGET				BUDGET	PORTFOLIO OF EVIDENCE
					Q1	Q2	Q3	Q4		
Good Governance and Public Participation	MM01	Number of MPAC Meetings held as per the approved Plan 2023/2024	4 MPAC Meetings	4 MPAC Meetings held by 30 June 2024	1 MPAC meeting held by 30 September 2023	1 MPAC meeting held by 31 December 2023	1 MPAC meeting held by 31 March 2024	1 MPAC meeting held by 30 June 2024	R0.00	Q1: Minutes and attendance registers Q2: Minutes and attendance registers Q3: Minutes and attendance registers Q4: Minutes and attendance registers Q1: Report and attendance register Q2: Report and attendance register Q3 Report and attendance register Q4 Report and attendance register
	MM02	Number of Women's Programmes to be implemented by 30 June 2024	NIL	4 Women's Programmes to be implemented by 30 June 2024	-Induction of Women's Forum by 30 September 2023 -Commemoration of woman's month by 30 September 2023	GBV Awareness Campaign by 31 December 2023	GBV Awareness Campaign by 31 March 2024	Empowerment of 5 Women in business by 30 June 2024	R0.00	Q1: Report and attendance register Q2: Report and attendance register Q3 Report and attendance register Q4 Report and attendance register
	MM03	Number Youth Programmes to be implemented by 30June 2024	Nil	4 Youth Programmes to be implemented by 30 June 2024	Awareness Campaign against Drug and Substance abuse by 30 September 2023	Awareness Campaign against Drug and Substance abuse by 31 December 2023	Back to School awareness campaign by 31 March 2024	Empowerment of 10 Youth in business by 31 March 2024	R0.00	Q1 Attendance Register and Report Q2 Attendance Register and Report Q3 Attendance Register and Report Q4 Attendance Register and Report
	MM04	Number of Local Aids Council Programmes to be implemented by June 2024	Nil	4 programmes to be implemented by 30 June 2024	Establishment and induction of Local Aids Council by 30 September 2023.	Build-up activity for the World Aids Day by December 2023.	Quarterly Local Aids Council meeting by March 2024	Quarterly Local Aids Council meeting by June 2024	R0.000	Q1 Attendance Register and Report Q2 Attendance Register and Report Q3 Attendance Register and Report Q4 Attendance Register and Report
	MM05	Number of Elderly Programmes to be implemented by 30 June 2024	Nil	Programme to be implemented by 30 June 2024	Mandela Day for elderly distressed persons by September 2023	Visit of 2 service centres by December 2023.	Visit of 2 service centres by March 2024	Visit of 2 service centres by June 2024	R0.00	Q1: Report and attendance register Q2: Report and attendance register Q3 Attendance Register and Report Q4 Report and attendance register

Good Governance and Public Participation									
MM06	Number of Audit Action Plan reports submitted to Audit Committee by June 2024	4 Approved audit Action Plan Reports	4 Audit Action Plan Reports submitted to Audit Committee by 30 June 2024	1 Audit Action Plan Report submitted to Audit Committee 30 September 2023	1 Audit Action Plan Report submitted to Audit Committee 31 December 2023	1 Audit Action Plan Report submitted to Audit Committee 31 March 2024	1 Audit Action Plan Report submitted to Audit Committee 30 June 2024	R0,00	Q1: Quarterly report submitted to Audit Committee and minutes of the Audit Committee meeting. Q2: Quarterly report submitted to Audit Committee and minutes of the Audit Committee meeting. Q3: Quarterly report submitted to Audit Committee and minutes of the Audit Committee meeting. Q4: Quarterly report submitted to Audit Committee and minutes of the Audit Committee meeting.
MM07	Number of Audit Committee Meetings held by June 2024.	4 Audit Committee Meetings	04 Audit Committee Meetings held by 30 June 2024.	1 Audit Committee Meetings held by 30 September 2023	1 Audit Committee Meetings held by 31 December 2023	1 Audit Committee Meetings held by 31 March 2024.	1 Audit Committee Meetings held by 30 June 2024	R0,00	Q1: Minutes of the Audit committee meeting and Attendance register Q2: Minutes of the Audit committee meeting and Attendance register Q3: Minutes of the Audit committee meeting and Attendance register Q4: Minutes of the Audit committee meeting and Attendance register
MM08	Number of Risk Committee Meetings held by June 2024.	4 Risk Committee Meetings	04 Risk Committee Meetings held by 30 June 2024.	1 Risk Committee Meetings held by 30 September 2023	1 Risk Committee Meetings held by 31 December 2023	1 Risk Committee Meetings held by 31 March 2024	1 Risk Committee Meetings held by 30 June 2024	R0,00	Q1: Minutes of Risk the committee meeting and Attendance register Q2: Minutes of Risk the committee meeting and Attendance register Q3: Minutes of Risk the committee meeting and Attendance register Q4: Minutes of the Risk committee meeting and Attendance register
MM09	Number of Internal Audit Plan projects implemented by June 2024.	8 Internal Audit Plan Projects completed	8 projects of the Audit Plan implemented by 30 June 2024	2 projects of the Audit Plan implemented by 30 September 2023	2 projects of the Audit Plan implemented by 31 December 2023	2 projects of the Audit Plan implemented by 31 March 2024	2 projects of the Audit Plan implemented by 30 June 2024	R0,00	Q1: Internal Audit reports Q2: Internal Audit reports Q3: Internal Audit reports Q4: Internal Audit reports
MM10	Number of Risk Management reports Submitted to the RMC by June 2024.	4 Risk Management Reports	4 Risk Management Implementation Reports submitted to the RMC by 30 June 2024.	1 Risk Management Report Submitted by 30 September 2023.	1 Risk Management Report Submitted by 31 December 2023.	1 Risk Management Report Submitted by 31 March 2024.	1 Risk Management Report submitted by 30 June 2024.	R0,00	Q1: Quarterly Risk Implementation Report Q2: Quarterly Risk Implementation Report Q3: Quarterly Risk Implementation Report Q4: Quarterly Risk Implementation Report

Good Governance and Public Participation									
MM11	Development of a communication Strategy by 30 June 2024	Nil	Development of a communication Strategy by 30 June 2024	Appointment of a service provider by 30 September 2023	Development of a draft communication Strategy by December 2023	Internal Stakeholder consultation Workshop for the draft communication Strategy by 31 March 2024	Complete communication Strategy by 30 June 2024	R200 000	Q1: Appointment letter Q2: Draft Communication Strategy Q3: Attendance register and report Q4: Complete Communication Strategy
MM12	Number of petitions committee meetings held June 2024	2 petitions committee meetings	4 petitions committee meetings held by 30 June 2024	1 petitions committee meetings held by 30 September March 2023	1 petitions committee meetings held by 31 December 2023	1 petitions committee meetings held by 31 March 2024	1 petitions committee meetings held by 30 June 2024.	R 000,00	Q1: : Minutes of petitions committee meeting and Attendance register Q2: Minutes of petitions committee meeting and Attendance register Q3: Minutes of petitions committee meeting and Attendance register Q4: Minutes of petitions committee meeting and Attendance register
MM13	Attending all Petitions registered by 30 June 2024.	2022/2023 petitions registered	Attending to all petitions registered by 30 June 2024.	Attending to all petitions registered by 30 September 2023	Attending to all petitions registered by 31 December 2023	Attending to all petitions registered by 31 March 2024.	Attending all Petitions registered by 30 June 2024.	R0,00	Q1: : Updated petitions register and report on resolved petitions Q2: Updated petitions register and report on resolved petitions Q3: Updated petitions register and report on resolved petitions Q4: Updated petitions register and report on resolved petitions
MM14	5 Initiation awareness campaigns on customary male initiation at 5 hotspot areas (high schools) by 30 June 2024.	11 Initiation awareness campaigns on customary male initiation	10 awareness campaigns on customary male initiation at all high schools under Sakhisizwe municipal jurisdiction by 30 June 2024.	N/A	5 awareness campaigns on customary male initiation at all high schools under SLM jurisdiction by 31 December 2023.	N/A	5 awareness campaigns on customary male initiation at all high schools under SLM jurisdiction by 30 June 2024.	R0,00	Q1: N/A Q2: Attendance register and minutes of awareness campaigns Q3: N/A Q4: Attendance register and minutes of awareness campaigns
MM15	Number of awareness campaigns on customary male initiation in Traditional Authorities under Sakhisizwe municipal jurisdiction by 30 June 2024	NONE	8 awareness campaigns on customary male initiation in Traditional Authorities under Sakhisizwe municipal jurisdiction by 30 June 2024.	N/A	4 awareness campaigns on customary male initiation in Traditional Authorities under Sakhisizwe municipal jurisdiction by 31 March 2024	N/A	4 awareness campaigns on customary male initiation in Traditional Authorities under Sakhisizwe municipal jurisdiction by 31 March 2024	R0,00	Q1: N/A Q2: Attendance register and minutes of awareness campaigns Q3: N/A Q4: Attendance register and minutes of awareness campaigns

Good Governance and Public									
MM16	Number of external communication outreaches / engagements with media and through Public Participation by 30 June 2024.	12 external communication outreaches / engagements	12 external communication outreaches / engagements by 30 June 2024.	3 communication outreaches / engagements by 30 September 2023	3 communication outreaches / engagements by 31 December 2023	3 communication outreaches / engagements by 31 March 2024	3 communication outreaches / engagements by 30 June 2024	R6 000,00	Q1: media links, social media insights and pictures Q2: media links, social media insights and pictures Q3: media links, social media insights and pictures Q4: media links, social media insights and pictures
MM17	No. of internal communication platforms created by 30 June 2024.	8 internal awareness campaigns implemented.	4 internal Awareness Campaigns implemented by 30 June 2022.	1 Awareness Campaigns	1 Awareness Campaigns	1 Awareness Campaigns	1 Awareness Campaigns	R0	Q1: Report and Attendance Register Q2: Report and Attendance Register Q3: Report and Attendance Register Q4: Report and Attendance Register
MM18	Number of progress reports on litigations by 30 June 2024	NONE	4 progress reports on litigations by 30 June 2024.	1 progress report on litigations by 30 September 2023	1 progress report on litigations by 31 December 2023	1 progress report on litigations by 31 March 2024.	1 progress report on litigations by 30 June 2024.	R0,00	Q1: Progress report and litigation register Q2: Progress report and litigation register Q3: Progress report and litigation register Q4: Progress report and litigation register

DEPARTMENT		CORPORATE SERVICES								
RESPONSIBLE PERSON		CORPORATE SERVICES DIRECTOR								
KPA	IDP REF	KPI	BASELINE	ANNUAL TARGET	2023/2024 QUARTERLY TARGET				BUDGET	PORTFOLIO OF EVIDENCE
					Q1	Q2	Q3	Q4		
STRATEGIC OBJECTIVES: Improve municipal efficiency by 2027 and beyond										
Institutional Development and Transformation	CORP001	Number of Ordinary Council meetings to be held as per the approved Council Calendar by 30 June 2024	Number of Ordinary Council Meetings	4 Ordinary Council meetings to be held as per the approved council calendar by 30 June 2024	1 Ordinary Council Meeting to be held as per the approved council calendar by 30 September 2023	1 Ordinary Council Meeting to be held as per the approved council calendar by 31 December 2023	1 Ordinary Council Meeting to be held as per the approved council calendar by 31 March 2024	1 Ordinary Council Meeting to be held as per the approved council calendar by 30 June 2024	R0,00	Q1: Advert, Council minutes and Attendance register
										Q2: Advert, Council minutes and Attendance register
										Q3: Advert, Council minutes and Attendance register
										Q4: Advert, Council minutes and Attendance register
							</			

Institutional Development and Transformation							
CORP004	Workplace Skills Plan submitted to LGSETA by 30 June 2024	2023 Workplace Skills Plan	Workplace Skills Plan submitted to LGSETA by 30 June 2023	N/A	N/A	Completed Skills Audit questionnaire and Conduct needs analysis by 31 March 2024	Submission of the Workplace Skills Plan LGSETA by 30 June 2024 WSP was submitted on the 25 April 2024
							R0,00
							Q1 N/A
							Q2 N/A
							Q3 Signed questionnaires and Needs analysis report
							Q4 Proof of submission from LGSETA
CORP005	Number of trainings attended as per Work Place Skills Plan by 30 June 2024	Implemented Training plan for 2022/2023	4 trainings attended as per Work Place Skills Plan by 30 June 2024	1 training conducted by 31 December 2023	1 training conducted by 31 March 2024	1 training conducted by 30 June 2024	Q1 Attendance register and report
							Q2 Attendance register and report
							Q3 Attendance register and report
							Q4 Attendance register
CORP006	Number of Local Labour Forum meetings held by 30 June 2024	4 Local Labour Forum meetings held in 2022/2023 FY	4 Local Labour Forum meetings held by 30 June 2024	1 Local Labour Forum meeting held by 31 December 2023	1 Local Labour Forum meeting held by 31 March 2024	1 Local Labour Forum meeting held by 30 June 2024	Q1 Q2 Attendance register and minutes
							Q2 Attendance register and minutes
							Q3 Attendance register and minutes
							Q4 Attendance register and minutes
CORP007	Number of reviewed and adopted Organizational structure by 30 June 2024	Adopted Organizational structure	1 reviewed and Adopted Organizational Structure by 30 June 2024	Consultation with Labour by 31 December 2023	Consultation with Executive Committee by 31 March 2024	Adopted Organogram with council resolution by 30 June 2024	Q1 Gap Analysis report
							Q2 Attendance register and minutes and draft organogram
							Q3 Minutes, attendance register and draft organogram
							Q4 Council minutes, attendance register and adopted organisational organogram
CORP008	Number of fleet management reports submitted by 30 June 2024	2 Fleet management Reports	4 fleet management reports submitted by 30 June 2024	1 fleet management report submitted by 30 September 2023	1 fleet management report submitted by 30 March 2024	1 fleet management report submitted by 30 June 2024	Q1 Fleet management report
							Q2 Fleet management report
							Q3 Fleet management report
							Q4 Fleet management report
							R0,00

Institutional Development and Transformation	CORP09	Number of fleet management fuel consumption reconciliation reports to be submitted by 30 June 2024	4 fleet management reports on fuel consumption in 2022/2023	4 fleet management fuel consumption reconciliation report to be submitted by 30 June 2024	1 fleet management fuel consumption reconciliation report to be submitted by 30 September 2023	1 fleet management fuel consumption reconciliation report to be submitted by 31 December 2023	1 fleet management fuel consumption reconciliation report to be submitted by 31 March 2024	1 fleet management fuel consumption reconciliation report to be submitted by 30 June 2024		Q1 Fleet management report on fuel consumption for consolidation with West bank auto report, trip authority (mileage) and petrol slip signed by the HOD. Q2 Fleet management report on fuel consumption for consolidation with West bank auto report, trip authority (mileage) and petrol slip signed by the HOD. Q3 Fleet management report on fuel consumption for consolidation with West bank auto report, trip authority (mileage) and petrol slip signed by the HOD. Q4 Fleet management report on fuel consumption for consolidation with West bank auto report, trip authority (mileage) and petrol slip signed by the HOD.
	CORP010	Number of leave management reports submitted by 30 June 2023	2022/2023 leave reconciliation reports submitted	4 leave management reports submitted by 30 June 2023	1 leave management report by 30 September 2023	1 leave management report by 31 December 2023	1 leave management report by 31 March 2024	1 leave management report by 30 June 2024	R0.00	Q1 attendance register, leave and system Q2 attendance register, leave and system Q3 attendance register, leave and system Q4 attendance register, leave and system
	CORP011	Number of municipal bylaws reviewed and gazette by 30 June 2023	None	Council Approved bylaws by 30 June 2024	N/A	N/A	Review of municipal bylaws by 31 March 2024	Conduct Public consultation on By-Laws by 30 June 2024	R0.00	Q1 N/A Q2 N/A Q3 Draft bylaws Q4 Attendance register on public consultation
	CORP012	Development and review of Municipal policies by 30 June 2024	2022-2023 Municipal policy review	Development and review of Municipal policies by 30 June 2024	N/A	N/A	Development and Review of municipal policies by 31 March 2024	Submission of reviewed municipal policies to Council by 30 June 2024	R0.00	Q1 N/A Q2 N/A Q3 Draft policies Q4 Reviewed Municipal Policies & Council Resolution
	CORP012	Development of Human Resource Plan by 30 June 2024	None	1 Human Resource Plan by 30 June 2024	Assessment of Human Resource Capacity through assistance of CoGTA by 30 September 2023	Human Resource Environmental Scan by 31 December 2023	Draft Human Resource Plan by 31 March 2024	Completed Human Resource Plan by 30 June 2024		Q1 Human Resource Assessment Report Q2 Q3 Q4

DEPARTMENT		BUDGET AND TREASURY								
RESPONSIBLE PERSON		MRS BUSISIWE LUBHELWANA								
KPA	IDP REF	KPI	BASELINE	ANNUAL TARGET	2023/2024 QUARTERLY TARGET				BUDGET	PORTFOLIO OF EVIDENCE
					Q1	Q2	Q3	Q4		
STRATEGIC OBJECTIVES: Improve financial management of the municipality and revenue management										
Municipal Financial Viability	BT01	No of additional revenue streams added	Current General Valuation Roll	Completed new General Valuation Roll	25% of General valuation roll timetable implemented	50% of General valuation roll timetable implemented	75% of General valuation roll timetable implemented	100% of General valuation roll timetable implemented	R2 000 000	Q1- Progress report on implementation of General valuation roll Timetable Q2- Progress report on implementation of General valuation roll Timetable Q3 -Progress report on implementation of General valuation roll Timetable Q4 Progress report on implementation of General valuation roll Timetable
	BT02	% increase revenue collection	30% collection Rate (Poor Implementation of Credit Control Policy)	60% Increase in collection rate on current year Billing.	N/A	N/A	20% increase in collection rate on current year Billing.	30% increase in collection rate on current year Billing.	R0	Q1 N/A Q2 N/A Q3 Signed collection report Q4 Signed collection report
	BT03	Increase in revenue Collection Rate	None	4 outreach session per annum	1. One meeting with Rate payers and Businesses	1.One meeting with Rate payers and Businesses	1. One meeting with Rate payers and Businesses	1. One meeting with Rate payers and businesses	R0	Q1 Invite , attendance register and minutes Q2 Invite , attendance register and minutes Q3 Invite , attendance register and minutes Q4 Invite , attendance register and minutes
	BT04	Reduction UIFW	R188,682,815	MPAC processing of 30% OLD	N/A	N/A	N/A	30 %UIFW written off.		Q1 Not Applicable Q2 Not Applicable Q3 Not Applicable Q4 MPAC Report with amounts writing of UIFW

BT05	Number of MSCOA Steering committee meetings held by 30 June 2023	2 MSCOA Steering Committee meetings	4 MSCOA Steering committee sittings by 30 June 2022.	1 MSCOA Steering committee Meetings held by 30 September 2022.	1 MSCOA Steering committee Meeting held by 31 March 2023	1 MSCOA Steering committee meeting held by 30 June 2023	Q1 Minutes and credentials Q2 Minutes and credentials Q3 Minutes and credentials Q4 Minutes and credentials
	Percentage of Competitive bids outcomes achieved within 90 days after the closing of bids by 30 June 2024	100% of Competitive Bids received to processed within 90 days after closing	100% Competitive bids outcomes achieved within 90 days after the closing of bids by 30 June 2024	100% competitive Bids awarded by 30 September 2023	100% competitive Bids awarded by 31 March 2024	100% competitive Bids awarded by 31 March 2024	Q1 SCM Q1 Report on quarterly awards – signed by CFO Q2 SCM Q2Report on quarterly awards – signed by CFO Q3 SCM Q3 Report on quarterly awards – signed by CFO Q4 SCM Q4 Report on quarterly awards – signed by CFO
	Percentage Reduction in Municipal operational expenditure (fuel costs, telephone costs, catering, employee costs (prioritise critical posts)	none	10 percent in operational expenditure, (fuel costs, telephone costs, catering, employee costs (prioritise critical posts)	None	None	10 percent reduction in operational expenditure (compared to prior year figures)	Q1 Not Applicable Q2 Not Applicable Q3 Not Applicable Q4 Expenditure report on Fuel, Vehicle maintenance, Employee costs, catering, Telephone
	Number of Updates municipal asset register by end 30 June 2024	2023/2024 Municipal asset Register	4 Updates of the municipal asset register by end 30 June 2024	Q1 Quarterly Report on the update of the municipal asset register (addition & disposals) by 30 September 2023	Q3 Quarterly Reports on the update of the municipal asset register by (addition & disposals) 30 March 2023	Q4 Quarterly Reports on the update of the municipal asset register by (addition & disposals) 30 June 2024	Q1- Progress report of Asset register and Asset management Q2 -Progress report of Asset register and Asset management Q3- Progress report of Asset register and Asset management Q4 -Progress report of Asset register and Asset management
BT08	Submitted AFS by 31 August 2022	2021/2022 submission of AFS to AG	Set of annual financial statements submitted to the AG by 31 August 2022	Submit AFS by 31 August 2022	None	None	Q1 confirmation of submission of AFS 2023 Q2 None Q3 None Q4 None
Municipal Financial Viability							
BT09							

Municipal Financial Viability							
BT010	Percentage of subsidized indigents households registered by 30 June 2024	2023/24 update indigent register	Subsidization of 100% of registered indigents households by 30 June 2024	Confirmation report of updated indigent register signed by CFO by 30 September 2023	Confirmation report of updated indigent register signed by CFO (Forms and actual register will be available on request 31 December 2023	Confirmation report of updated indigent register signed by CFO (Forms and actual register will be available on request) by 31 March 2024	Confirmation report of updated indigent register signed by CFO (Forms and actual register will be available on request by 30 June 2024
				Q1 Confirmation report of updated indigent register signed by CFO (Forms and actual register will be available on request)			
				Q2-Confirmation report of updated indigent register signed by CFO (Forms and actual register will be available on request)			
				Q3 Confirmation report of updated indigent register signed by CFO (Forms and actual register will be available on request)			
				Q4 Confirmation report of updated indigent register signed by CFO (Forms and actual register will be available on request)			
BT011	Increase in Cash backed reserves by 30 June 2024	No cash backed reserves	R 1m per annum at year end by 30 June 2024	R250 000 reserved by 30 September 2023	R500 000 reserved by 31 December 2023	R750 000 reserved by 31 March 2024	R1 million reserved by 30 June 2024
				Q1 Proof of Reserves account			
				Q2 Proof of Reserves account			
				Q3 Proof of Reserves account			
				Q4 Bank Statement showing account balance and interest as end of the quarter			

DEPARTMENT												INTEGRATED PLANNING AND ECONOMIC DEVELOPMENT															
RESPONSIBLE PERSON				MR MAHLUBI PAMLA																							
KPA	IDP REF	KPI	BASELINE	ANNUAL TARGET	2023/2024 QUARTERLY TARGET				BUDGET	PORTFOLIO OF EVIDENCE																	
					Q1	Q2	Q3	Q4																			
STRATEGIC OBJECTIVES: LED: Facilitate conducive Environment that will attract investments														SPATIAL PLANNING: Develop systems that will ensure orderly developments													
Spatial Planning	IPED01	Planning Phase for a Township Establishment in Cala 30 June 2024	No of township establishments	1 Township establishment planning phase completed for a township in Cala by 30 June 2024	Appointment of Service provider by 30 September 2023	Public consultation and Project initiation report by 31 December 2023	Draft layout plan and Land Use Report (application) by 31 March 2024	Submission of the application to the District MPT and obtain township approval with conditions Presentation by 30 June 2024	R210 600					Q1: Appointment letter Q2: Project initiation report & Attendance register of the public consultation meeting Q3: Draft layout plan and township establishment report Q4: Letter of approval by DMPT													
	IPED02	Planning Phase for a township establishment in Khowa 30 June 2024	No of township establishments	1 Township establishment planning phase completed for a township in Khowa by 30 June 2024	Appointment of Service provider	Public consultation and Project initiation report 31 December 2023	Draft layout plan and Land Use Report (application) by 31 March 2024	Submission of the application to the District MPT and obtain township approval with conditions by 30 June 2024						Q1: Appointment letter Q2: Project initiation report & Attendance register of the public consultation meeting Q3: Draft layout plan and township establishment report Q4: Letter of approval by DMPT													
	IPED03	Adherence to SPLUMA and Land Use Management Scheme (LUMS) 30 June 2024	None	Consolidation of municipal sites for the Khowa taxi rank	Appointment of a service provider by 30 September 2023	Submission of land use application and provisional diagram 31 December 2023	Public participation and Sign Record of Decision by 31 March 2024	Surveyor General Approval by 30 June 2024						Q1: Appointment Letter Q2: Copy of land use application and provisional diagram Q3: Advert and Signed RoD Q4: Approved SG diagram													
	IPED04			None	Identification of properties that are on adhering to SPLUMA & submit 30 contravention notices to Corporate Services for delivery by 30 June 2024	Conduct an assessment and mapping of properties that are contravening SPLUMA by September 2023	Preparing 10 contravention notices and handover to Corporate Services by 31 December 2023	Preparing 10 contravention notices and handover to Corporate Services by 31 March 2024	Preparing 10 contravention notices and handover to Corporate Services by 30 June 2024	R321 165					Q1 Assessment report & maps Q2 Signed contravention notices and handover note Q3 Signed contravention notices and handover note Q4 Signed contravention notices and handover note												

Spatial Planning	IPED05		1 Land Use Management Scheme completed	Draft Land Use Management Scheme & Council Approval for public consultation by 30 September 2023	Public Participation for the draft Land Use Management Scheme by 31 March 2024	Completed Land Use Management Scheme by 30 June 2024	None	None		Q1: Draft Land Use Scheme and Council Resolution Q2: Public participation report Q3: Land Use Management Scheme Q4: None
	IPED06	Number of Municipal Buildings renovated by 30 June 2024	2 municipal buildings	3 Municipal buildings renovated by 30 June 2024	Preparation of Terms of Reference by 30 September 2023	Appointment of Service Provider by 31 December 2023	Renovation of Municipal building by 31 March 2024	Final completion of Municipal Building Renovation	R500 000	Q1: Signed Terms of Reference Q2: Advert and Appointment letter Q3: Progress report Q4: Completion Certificate
	IPED07	Number of Municipal Halls renovated by 30 June 2024	None	5 Municipal halls renovated by 30 June 2024	Preparation of Terms of Reference	Appointment of Service Provider	Renovation of Municipal halls	Final completion of Municipal Halls Renovation	R291 000.00	Q1: Signed Terms of Reference Q2: Advert and Appointment letter Q3: Progress report Q4: Completion certificate
	IPED08	Number of contravention notices for Building legislation handed over to Corporate services for delivery by 30 June 2024	35 Contravention notices	40 Contravention notices issued by 30 June 2024	10 contravention notices handed over to Corporate Services by 30 September 2023	7 contravention notices given to Corporate Services for delivery by 31 December 2023	10 contravention notices given to Corporate Services for delivery 31 March 2024	13 contravention notices given to Corporate Services for delivery 30 June 2024	R0.00	Q1: 10 Contravention notices & signed handover slip Q2: 07 Contravention notices & signed handover slip Q3: 10 Contravention notices & signed handover slip Q4: 13 Contravention notices & signed handover slip
Local Economic	IPED09	Number of SMME Development Programs by 30 June 2024	None	4 SMME Development Programs by 30 June 2024	Supplier Day by 30 September 2023	Funding Opportunities Workshop by 31 December 2023	Heritage and Tourism Indaba by 31 March 2024	Cooperatives Education Workshop by 30 June 2024	R165 000	Q1: Advert and Attendance Register Q2: Advert and Attendance Register Q3: Advert and Attendance Register Q4: Advert and Attendance Register
	IPED010	Number of meetings(LRC) held for CWP monitoring by 30 June 2024	None	4 meetings (LRC) held for CWP Monitoring by 30 June 2024	1 meeting (LRC) held for CWP Monitoring by 30 September 2023	1 meeting (LRC) held for CWP Monitoring by 31 December 2023	1 meeting (LRC) held for CWP Monitoring by 31 March 2024	1 meeting (LRC) held for CWP Monitoring by 30 June 2024	R0.00	Q1: Signed invitation; Attendance Register & Signed report Q2: Signed invitation; Attendance Register & Signed report Q3: Signed invitation; Attendance Register & Signed report Q4: Signed invitation; Attendance Register & Signed report

Local Economic Development	IPED011	Number of business plans submitted for funding of LED projects 30 June 2024	None	2 business plans submitted for LED projects by June 2024	Draft business plans for funding two LED Projects	Submit signed business plans to potential funder	None	None	R0.00	Q1 Draft business plans Q2 Signed business plans and proof of submission Q3 None Q4 None
	IPED012	% of emergency housing application submitted to the Department of Human Settlement by 30 June 2024	None	100% emergency housing applications submitted of the Department of human Settlement by 30 June 2024	100% applications signed and submitted to the Department of Human Settlement by 30 September 2023	100% applications signed and submitted to the Department of Human Settlement by 31 December 2023	100% applications signed and submitted to the Department of Human Settlement by 31 March 2024	100% applications signed and submitted to the Department of Human Settlement by 30 June 2024	R0.00	Q1 Copy of signed application forms & submitted to the Department of Human Settlements Q2 Copy of signed application forms & submitted to the Department of Human Settlements Q3 Copy of signed application forms & submitted to the Department of Human Settlements Q4 Copy of signed application forms & submitted to the Department of Human Settlements
	IPED013	Development & implementation of 2024/2025 IDP & Budget Process Plan	2023/2024 IDP & Budget Process Plan	1 IDP & budget Process Plan by 30 June 2024	Develop 2024/2025 IDP & Budget Process Plan by 30 September 2023	Implement the process plan by conducting the IDP Roadshow by 31 December 2023	Implement the process plan by conducting the IDP Roadshow by 31 March 2024	Implement the process plan by conducting the IDP Roadshow by 31 December 2023	R203 229	Q1 2024/2025 IDP Process Plan Q2 Invitation, attendance register & report Q3 Invitation, attendance register & report Q4 Invitation, attendance register & report
	IPED014		2023/2024 IDP & Budget Process Plan	4 IDP Representative Forum meetings by 30 June 2024	1 IDP Representative Forum meetings by 30 September 2023	1 IDP Representative Forum meetings by 31 December 2023	1 IDP Representative Forum meetings by 31 March 2024	1 IDP Representative Forum meetings by 30 June 2024		Q1 Advert; Attendance Register Q2 Advert; Attendance Register Q3 Advert; Attendance Register Q4 Advert; Attendance Register
	IPED015		2023/2024 IDP	Development of 2024/2025 IDP by 30 June 2024	2023/24 IDP Process plan by 30 September 2023	Situational Analysis report by 31 December 2023	Draft 2023/24 IDP by 31 March 2024	Final 2023/24 IDP by 30 June 2024		Q1 2024/2025 IDP Process Plan Q2 Signed Situational Analysis Report Q3 Draft 2024/2025 IDP Q4 Final 2024/2025 IDP

DEPARTMENT		COMMUNITY SERVICES									
RESPONSIBLE PERSON		MRS PUMEZA MNGCITA									
KPA	IDP REF	KPI	BASELINE	ANNUAL TARGET	2023/2024 QUARTERLY TARGET				BUDGET	PORTFOLIO OF EVIDENCE	
					Q1	Q2	Q3	Q4			
STRATEGIC OBJECTIVE: Promote healthy and safety environment through protection of natural resources											
Basic Service Delivery	COM01	Licensing of Cala Landfill site by 30 June 2024	Unlicensed Cala Landfill Site	Licensed Cala landfill site by 30 June 2024	Appointment of EAP (Environmental Assessment Practitioner) by 30 September 2023	Submission of draft of NEMA S24G application report to DEDEAT by 31 December 2023	Submission of final draft of NEMA S24G report to DEDEAT by 30 March 2024	Authorisation / rejection letter from DEDEAT by 30 June 2024	R 200 000	Q1 Appointment letter of the EAP Q2 Copy of draft NEMA S24g Report. Q3 Copy of final copy of NEMA S24G Report Q4 Authorisation / Rejection letter	
	COM02	Number of businesses waste collected by 30 June 2024.	Refuse is collected in businesses fo Cala & Khowa	Collection of refuse 800 businesses for Khowa and Cala towns by 30 June 2024	Collection of refuse in 200 businesses for Khowa and Cala towns by September 2024	Collection of refuse in 200 businesses for Khowa and Cala towns 31 December 2024	Collection of refuse in 200 businesses for Khowa and Cala towns by 31 December 2024	Collection of refuse in 200 businesses for Khowa and Cala towns by 31 December 2024	R 0.00.00	Q1 Weekly refuse collection schedule reflecting number of businesses refuse collected signed by supervisor. - 3 monthly reports reflecting number of businesses refuse collected for monthly by Manager. - Quarterly Report signed by HOD. - Q2 Weekly refuse collection schedule reflecting number of businesses refuse collected signed by supervisor. - 3 monthly reports reflecting number of businesses refuse collected for monthly by Manager. - Quarterly Report signed by HOD.	
										Q3 Weekly refuse collection schedule reflecting number of businesses refuse collected signed by supervisor. - 3 monthly reports reflecting number of businesses refuse collected for monthly by Manager. - Quarterly Report signed by HOD.	

Basic Service Delivery									
COM05	Procurement of 200 household waste bins by 30 June 2024	Household waste bins were previously purchased 5 years ago.	200 household waste bins be purchased by 30 June 2024	-Drafting of specification document	Procurement processes -Advertisement	N/A	Delivery of waste bins.	R1 200 000.00	Q1 Specification document Q2 Advert Q3 N/A Q4 Delivery note
COM06	Fencing of 2 Cemeteries by June 2024	1 Cemetery fenced out of 6 in SLM	2 Cemeteries fenced by June 2024	-Drafting of specification document. - Advertisement for service provider, by September 2023	-Appointment of service provider -Service provider on site, by December 2023	1 Cemetery fencing complete, by March 2024	1 Cemetery fencing completed, by June 2024	R 250 000	Q1 -Specification document -Advert Q2 -Appointment letter -Copy of SLA Q3 Completion report Q4 Completion report
COM07	Number of tickets fines issued by Traffic section by June 2024	660 Tickets fines issued	680 Ticket fines issued by Traffic section: 30 June 2024	170 Tickets fines issued by 30 September 2024	170 Tickets fines issued by 31 December 2024	170 Tickets fines issued by 31 March 2023	170 Tickets fines issued by 30 June 2023	R0.00	Q1 Signed report on ticket fines issued by HOD Q2 Signed report on ticket fines issued by HOD Q3 Signed report on ticket fines issued by HOD Q4 Signed report on ticket fines issued by HOD
COM08	Number of Traffic Awareness Campaigns by June 2024	2 Traffic Awareness Campaigns	2 Traffic Awareness Campaigns by 30 June 2024	N/A	1 Traffic Awareness Campaign by December 2024	1 Traffic Awareness Campaign by March 2024	N/A	R50 000.00	Q1 N/A Q2 Attendance register and photos Q3 Attendance register and photos Q4 N/A
COMM 09	Landfill site maintenance by June 2023		Landfill site maintained by 30 June 2024	Appointment of service provider	Landfill site maintained by 31 December 2024	Landfill site maintained by 30 March 2024	Landfill site maintained by 30 June 2024		Q1-Specification document -Appointment of service provider Q2- Before and after photos -Report signed by HOD Q3- Before and after photos -Report signed by HOD Q4- Before and after photos -Report signed by HOD

DEPARTMENT		TECHNICAL SERVICES									
RESPONSIBLE PERSON		MR SIFUNDO TUNZI									
KPA	IDP REF	KPI	BASELINE	ANNUAL TARGET	2023/2024 QUARTERLY TARGET				BUDGET	PORTFOLIO OF EVIDENCE	
					Q1	Q2	Q3	Q4			
Strategic Objective: Decrease roads & storm water infrastructure and electricity backlog by 10% by 2027 and beyond											
Basic Service Delivery	TECH01	Number of paved metres on Construction of Qokolo to Koppitjje Access Road Phase 3 by 30 June 2024.	0.8km done in 2023	1km paved on Construction Qokolo to Koppitjje Access Road Phase 3 by 30 June 2024	Appointment of plant hire and procurement of material	Processing of 0.4km of G5 layer	0.8km of paved road	N/A	R 1 849 998.01	Q1 Appointment of plant hire and delivery notes Q2 Progress report with pictures Q3 Progress report with pictures and Practical Completion Certificate Q4 N/A	
	TECH02	Number of paved kilo metres on Construction of Kufhula Access Road Phase 2 by 30 June 2024	0.8km done in 2023	1km paved on Construction of Kufhula Access Road Phase 2 by 30 June 2024	Procurement and Appointment of Contractor by 30 September 2023. Site handover and establishment	Roadbed preparation and wearing course	Laying brick pavers on 1km road	Completion of 1km paved road	4 569 265.60	Q1 Advert and Appointment letters and site handover minutes Q2 Progress report with pictures Q3 Progress report with pictures Q4 Completion certificate	
	TECH03	Number of km's re-gravelling on Construction of Garry Owen to Mtyatya Access Road by 30 June 2024.	None	1.7km re-gravelling on Construction of Garry Owen to Mtyatya Access Road gravel road done by 30 June 2023	Procurement and Appointment of Contractor by 30 September 2022. Site handover and establishment	Roadbed preparation and wearing course	Practical completion by 31 March 2024	N/A	R2 533 346.52	Q1 Advert and Appointment letters and site handover minutes Q2 Progress report with pictures Q3 Practical completion Q4 N/A	
	TECH 04	Number of km's regravelling on Construction of Siphafeni Access Road by 30 June 2024	None	3.5km gravelling on Construction of Siphafeni Access Road by 30 June 2024	Procurement of Contractor and Site Establishment by 30 September 2024	3.5km of roadbed and wearing course	Practical Completion by 31 March 2024	N/A	R3 156 286.67	Q1 Advert and Appointment letters and site handover minutes Q2 Progress report with pictures Q3 Practical completion Q4 N/A	

TECH 05	Number of km's Construction Elliot Surfaced Internal Street by 30 June 2024.	None	1.km of paved road on Construction Elliot Surfaced Internal Street by 30 June 2024	Procurement of Contractor and Site Establishment by 30 September 2024	Roadbed preparation and base layer	Preparation of G2 and kerb laying	Practical completion	R 4 652 536.20	Q1 Advert and appointment letters, site handover minutes Q2 Progress report, Site Progress meeting minutes Q3 Progress report, site progress meeting minutes Q4 Practical completion certificate
	Number of km's Construction of Phakamisani Access Road by 30 June 2024.	None	1km of Phakamisani Access Road paved road done by 30 June 2024	Procurement of Contractor and Site Establishment by 30 September 2024	Roadbed preparation and base layer	Preparation of layer works	Practical completion	R 3 152 567	Q1 advert and appointment letters, site handover minutes Q2 Progress report with pictures Q3 Progress report with pictures Q4 Practical Completion certificate
	Electrification of households, in Ward 1, 2,3, 6,7 by June 2024	Jonini, Mhlwazi, Maxongo, Ekuthuleni Phase 2, Arlington, Chamama, Mdeni , Esidakeni, Mboni selo, Enkanini, Um mango, Barracks, Ngxumza, Myatya Phase2 , Ntsukazi, Thembeni Phase 2 , Tambo, Yalula, White City, Esidikini, New Rest, Tsengiwe Phase 2, Lower Cala Phase 2, Mxe-Mission, Spafeni, Sifonondile, Esikhobeni, Polar Park, Xonva Phase 2	694 Electrified households by June 2022	Appointment of Engineers, Designing, Advertisement	Appointment of a service provider/Contractor by 30 October 2023. Project Handover. Site Establishment. Purchase the Material .Pole Planting and LV string	Connection of 150 Households in Ward 1,2,3,7,2 30 March 2024	Connection of 544 Households in Ward 1,2,3,6,7 by 30 June 2024 and Close Report	R13 880 000	Q1 : Advert Q2 Appointment Letter Handover Minutes, Access To Site Certificate ,Progress Report and photographing images Q3 : Progress Report with photographing images ,Happy Letter Q4 : Completion Certificate: Happy Letters ,PCS file
	TECH 07								
Basic Service Delivery									

Basic Service Delivery										
TECH08	Maintenance of Electricity infrastructure by June 2023	Khowa Town	237 Street light Elliot.	Advertisement and Appointment Letter for service provider by 30 September 2021	Delivery of the electrical Material. Maintenance of 70 streetlight in Khowa by 31 December 2023	Maintenance of 100 streetlight in Khowa by 31 December 2023	Maintenance of 67 streetlight in Khowa by 31 December 2023	R331 695	Q1: Advertisement Appointment Letter	
									Q2 Progress Report with photographing images	
									Q3: Progress Report with photographing images	
									Q4: Reports with photographing images	
TECH09	Number of High Mast Lights Maintained in Cala and Elliot and Khowa by 30 June 2024	Cala and Khowa	Maintenance of 7 in Cala and 4 in Khowa High and Mast Lights by 30 June 2023	Advertisement and Appointment Letter for service provider by 30 September 2023	Delivery of the material. 6 High Mast Lights maintained by 31 December 2023.	5 High Mast Lights maintained by 31 March 2024	N/A		Q1: : Advertisement Appointment Letter	
									Q2: Progress Report with photographing images	
									Q3: Reports with photographing images	
									Q4: N/A	