Sakhisizwe Local Municipality 2024-2025 Integrated Development Plan



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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 2024-2025 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.

The implementation and success of the IDP will rely on strong and constant interactive partnerships with sector departments, private business and traditional leaders. The financial viability of the Municipality is dependent on improving the tax base of the Municipality and improving current collection rates.

Communities have expressed their needs through village ward meetings and the development of five-year ward plans However, the continuing depressed economic climate and the hardships created by the implementation of COVID containment measures have resulted in many households struggling to meet their required financial needs.
Our municipality has been one of those that were hardly affected by disasters that damaged most of our road infrastructure. It is therefore very crucial that this plan should address the challenges that the municipality had encountered.

It is therefore important that municipal services are not only affordable but that they are financially sustainable. Rising unemployment means that Council's infrastructure and service delivery must be geared towards creating an environment which will assist the economy to grow and flourish.



B.E PONOSHE
HOUNORABLE 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 fourth 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.

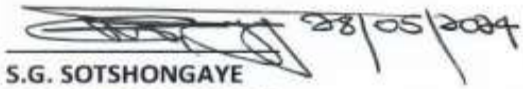
The Strategic Planning Session of the municipality held on the 28th to 29th February 2024 agreed not to change the vision and mission as it is still relevant.

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.

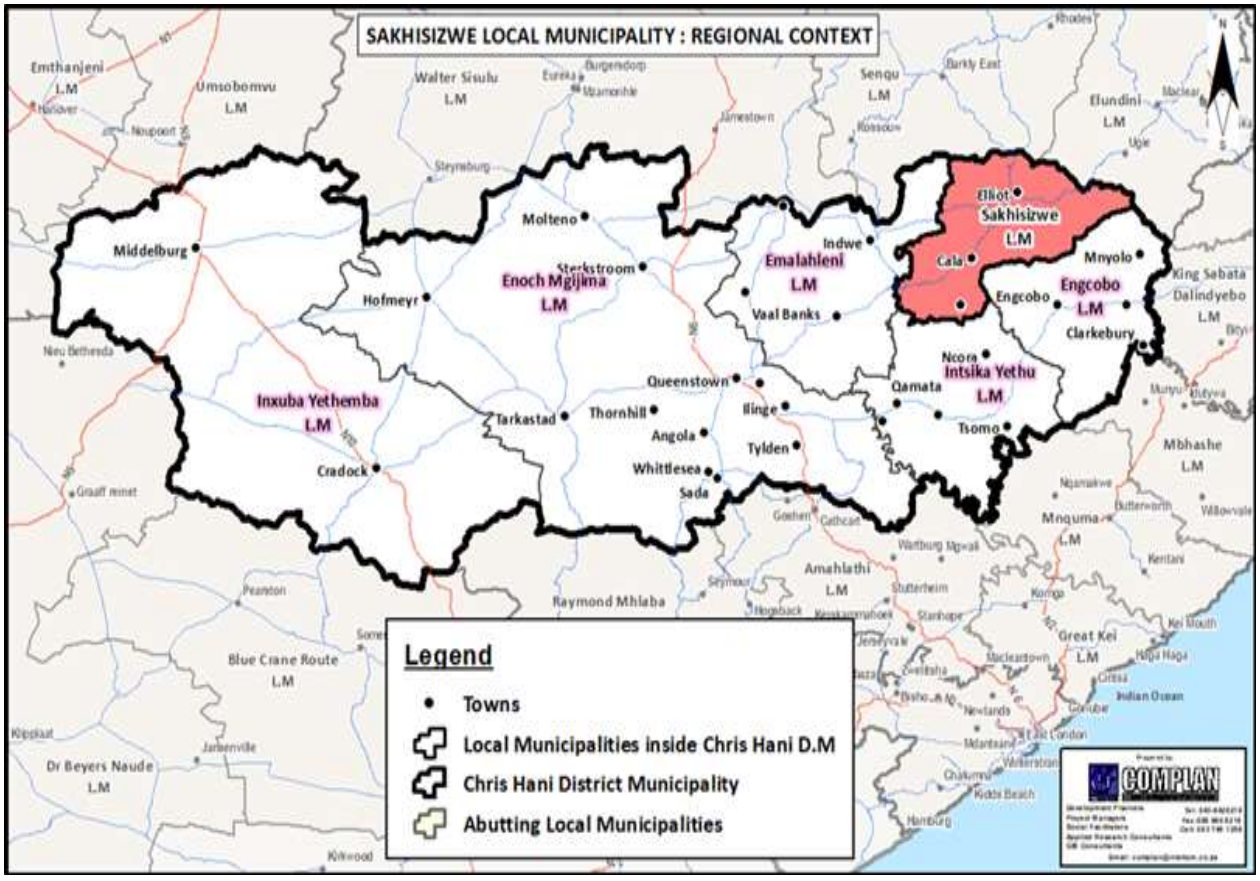


S.G. SOTSHONGAYE
MUNICIPAL MANAGER

CHAPTER 1: ENVIRONMENTAL ANALYSIS

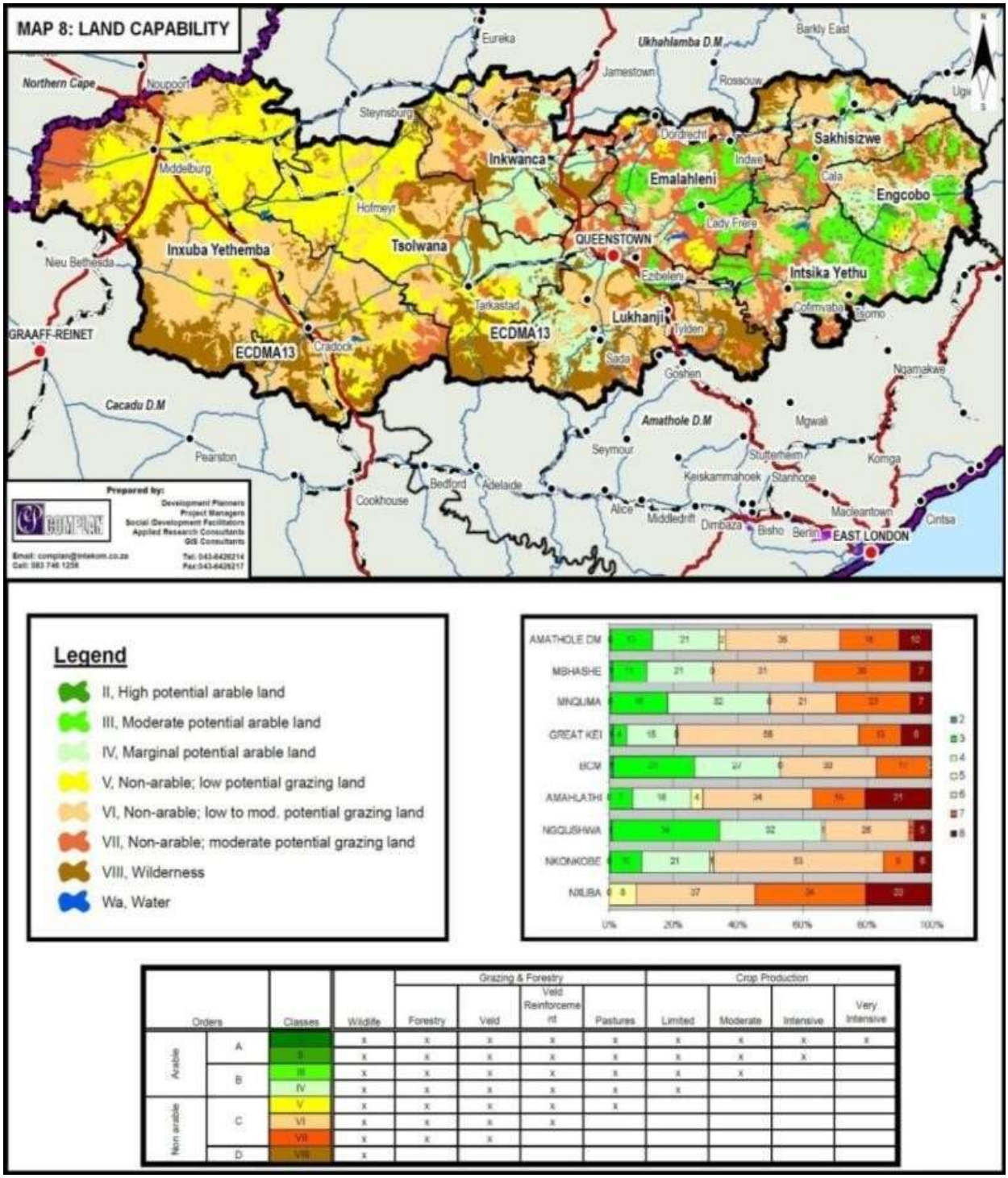
1. Introduction

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.



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.



About 50% of the entire area of CHDM is covered by South-eastern Mountain Grassland and Subarid Thorn Bushveld vegetation types. Eastern Mixed Nama Karoo, South-Eastern Mountain Grassland and Moist Upland Grassland also cover significant areas of the CHDM. A single layer of grasses dominates grasslands; however, the amount covers depends on rainfall and degree of grazing. The western section of Chris Hani District Municipality consists mostly of mixed Nama Karoo Veld whilst the eastern section consists mostly of moist upland grassland.

Existing Pressure on the Vegetation Types

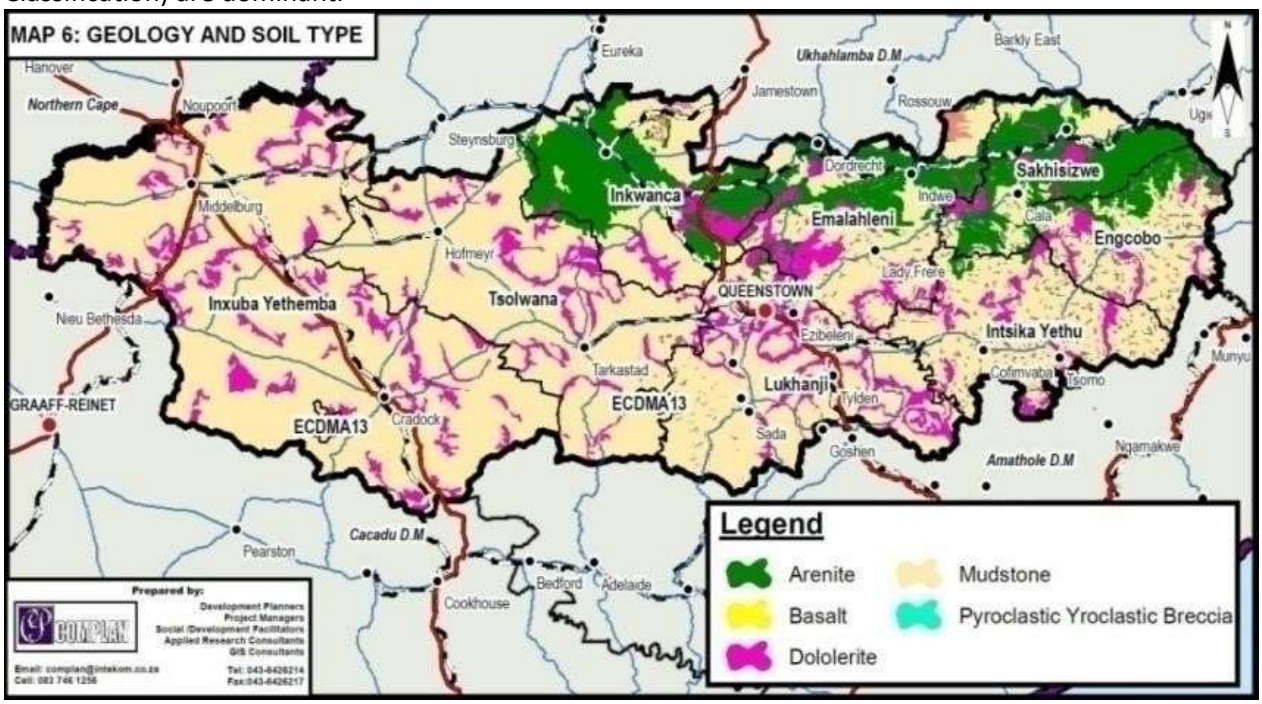
South-Eastern Mountain Grassland	This sweet grassland type is important land owing to suitable winter grazing. However, injudicious, selective grazing can convert it to sourveld or result in the invasion of Karriod of Fynbos elements. The economic use for this vegetation type is mainly for grazing for sheep and cattle.

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 northeast 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.

3. Geology

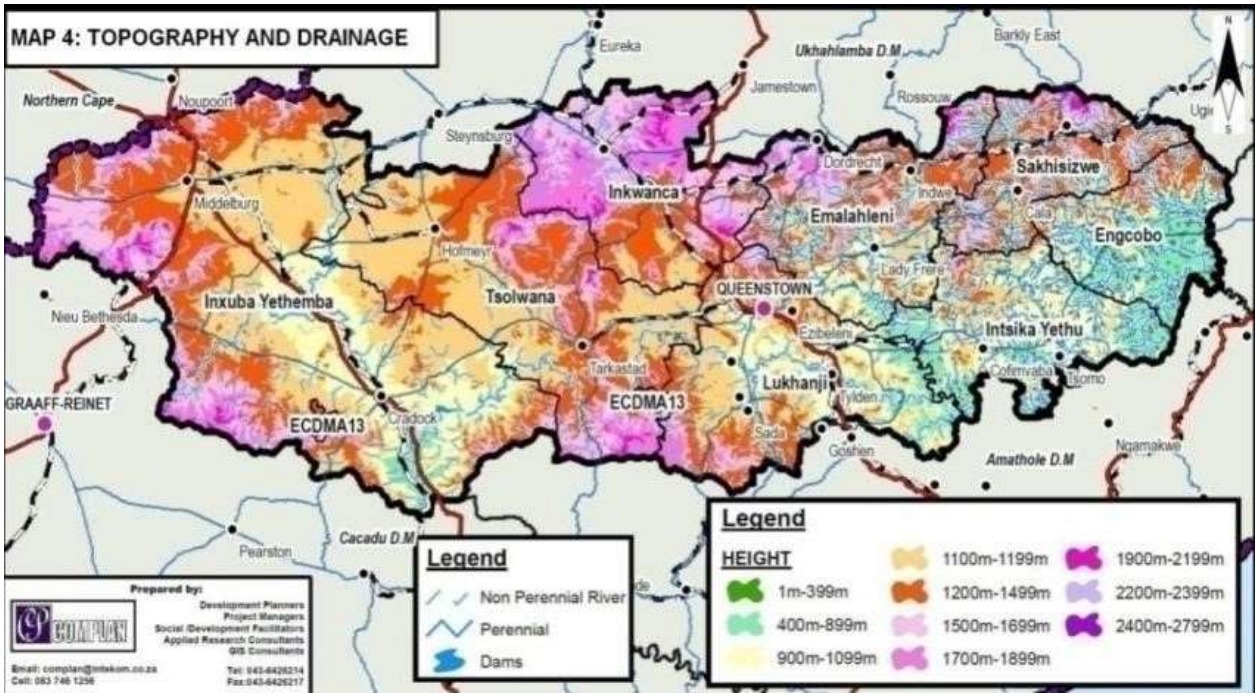
The district consists mainly of Beaufort sediments intruded by dolerite. These comprise shale, mudstone, and sandstone.

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.



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.



5. Climate

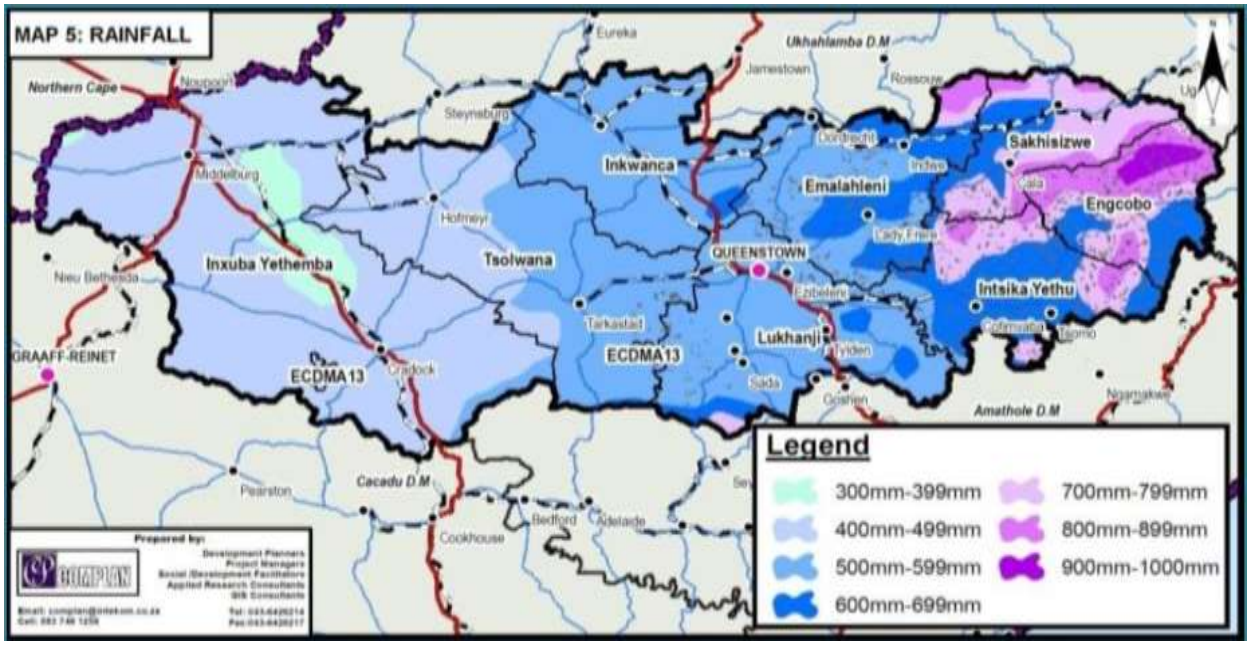
Sakhisizwe area experiences warm moist summers; cold dry winters and snow during the winter months. Some parts of the area also experience thunder for about 60 days a year.

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 astern 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.



6. 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.

7. 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 gulley 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 crumbing 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.

8. 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 to ensure that its draft climate change strategy responds adequately to the challenges identified.

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.

9. 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 between1 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 20002005)
Whilst there might be some debate on the effect of climate change, 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 about10 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 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 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 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 reflect the national HIV Prevalence rate more accurately 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

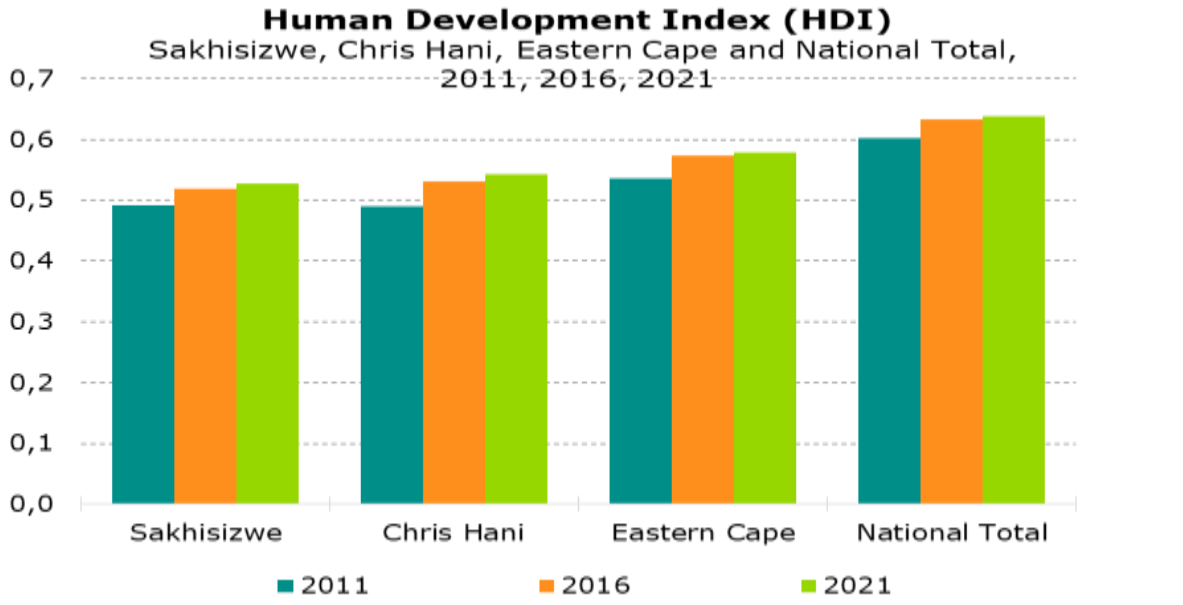
2. Development Indicators

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. 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.



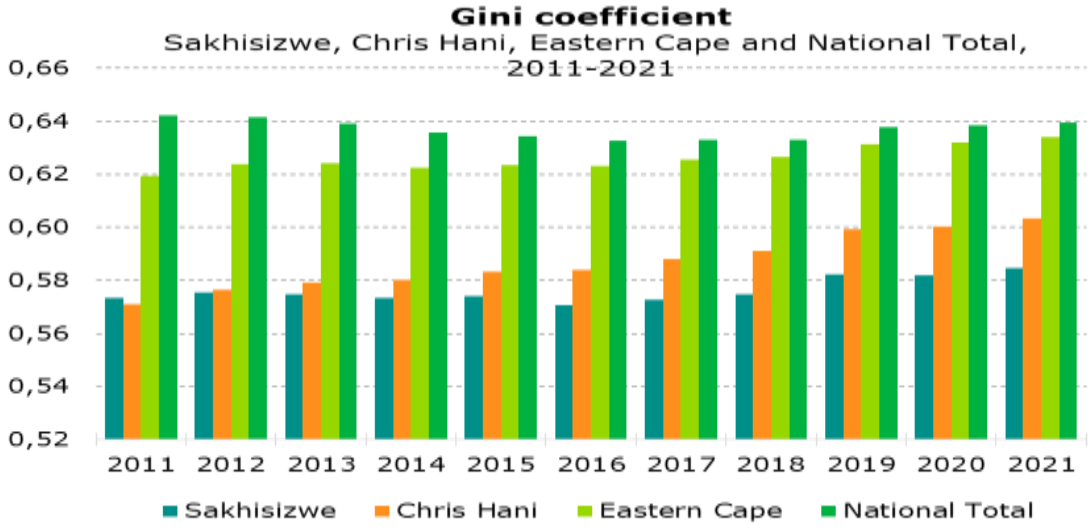
Source: IHS Markit Regional eXplorer version 2236

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.

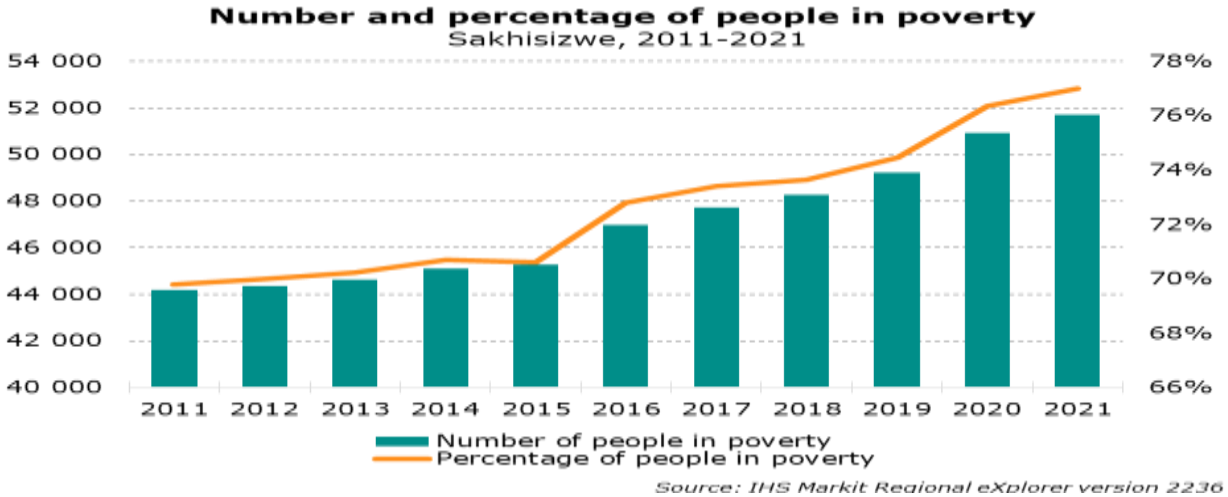
In 2021, the Gini coefficient in Sakhisizwe Local Municipality was at 0.585, which reflects an increase in the number over the ten-year period from 2011 to 2021. The Chris Hani District Municipality and the Eastern Cape Province, both had a more unequal spread of income amongst their residents (at 0.603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



Source: IHS Markit Regional eXplorer version 2236

2.4. Poverty Gap

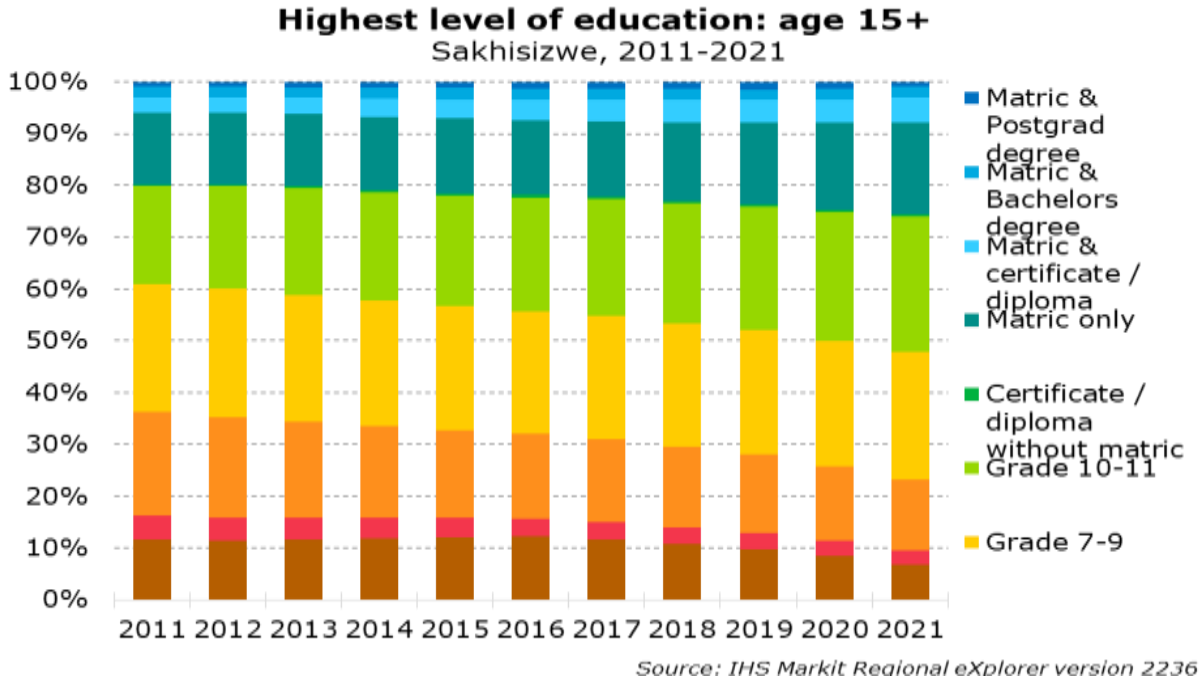
The upper poverty line is defined by Stats SA as the level of consumption at which individuals can purchase both sufficient food and non-food items without sacrificing one for the other. These variable measures the number of individuals living below that level of consumption for the given area and is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



Source: IHS Markit Regional eXplorer version 2236

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.



Source: IHS Markit Regional eXplorer version 2236

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%*

Source: IHS Markit Regional eXplorer version 2236

2.5.1 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 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.

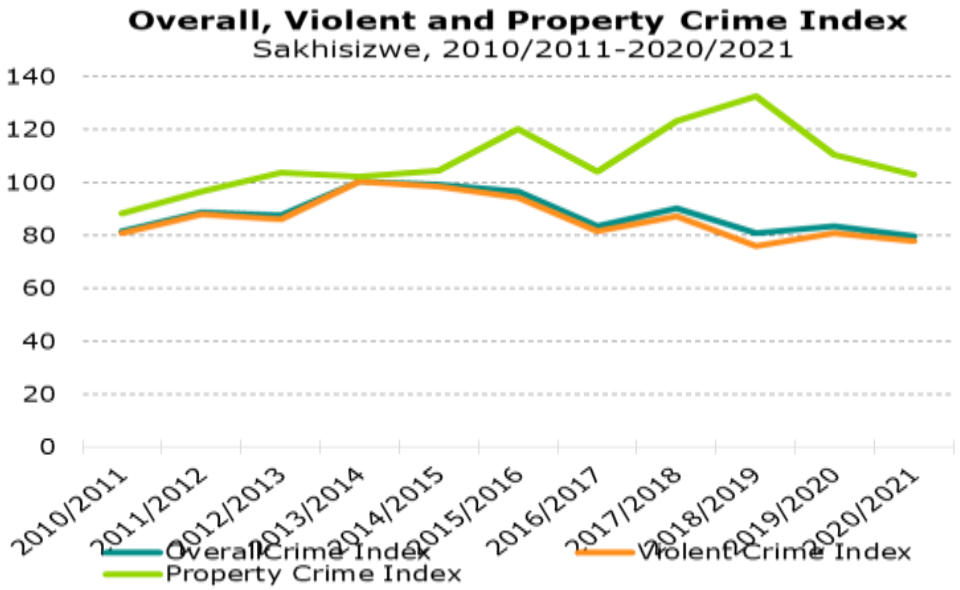
TABLE 5.	**Illiterate**	**Literate**	**%**
2011	13,308	28,612	68.3%
2012	13,097	28,948	68.9%
2013	12,918	29,214	69.3%
2014	12,788	29,555	69.8%
2015	12,663	29,956	70.3%
2016	12,506	30,393	70.8%
2017	12,292	30,929	71.6%
2018	11,851	31,789	72.8%
2019	11,395	32,754	74.2%
2020	10,614	34,116	76.3%
2021	9,712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

Source: IHS Markit Regional eXplorer version 2236

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.



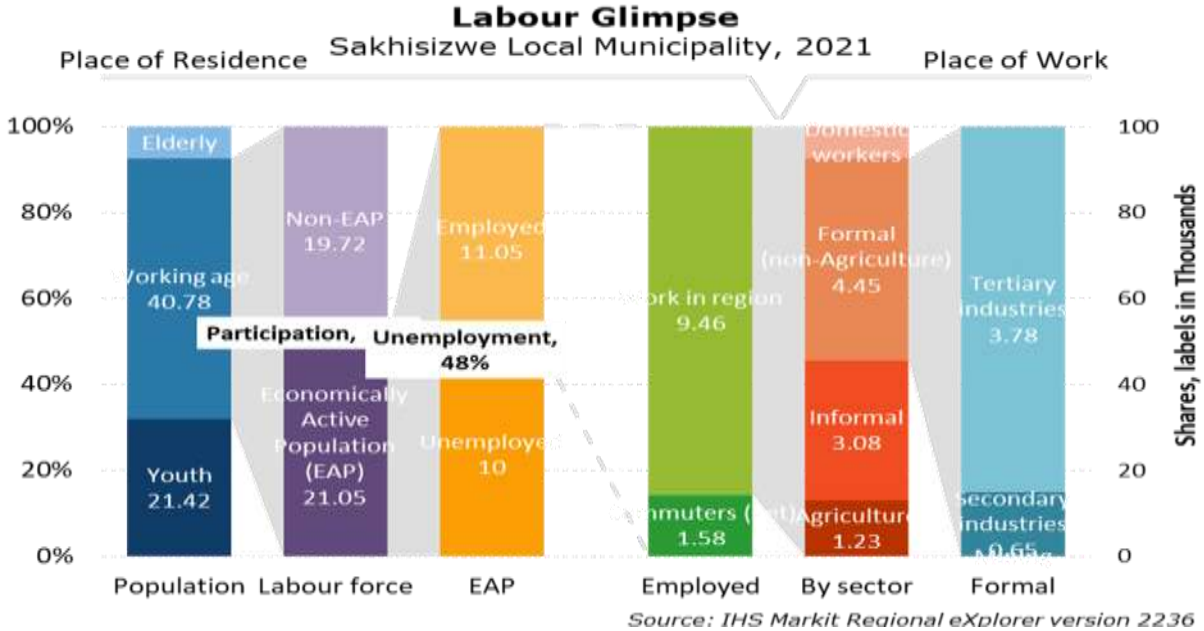
Source: IHS Markit Regional eXplorer version 2236

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.



Source: IHS Markit Regional eXplorer version 2236

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 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 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 Strategy 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.

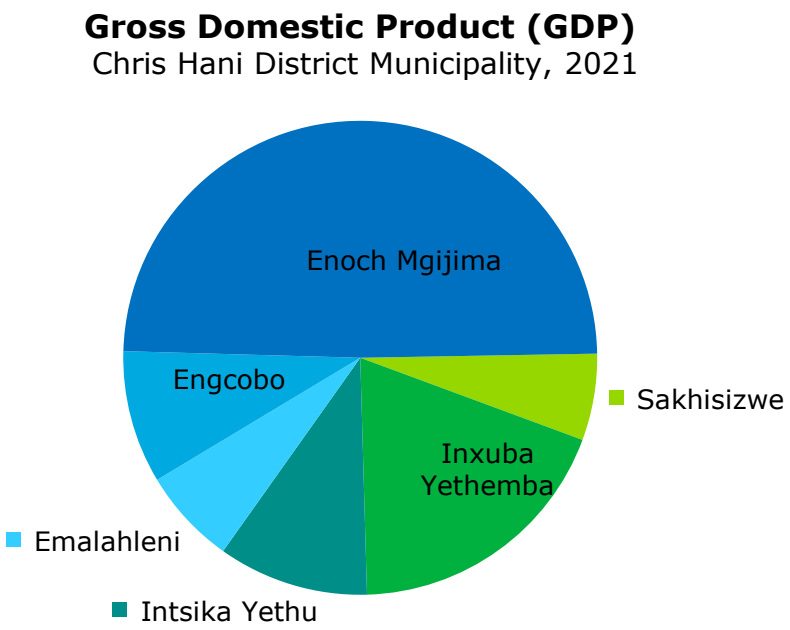
2. Gross Domestic Price by Region (GDP-R)

The Gross Domestic Product (GDP), an important indicator of economic performance, is used to compare economies and economic states.
GDP-R can be measured using either current or constant prices, where the current prices measure the economy in actual Rand, and constant prices measures the economy by removing the effect of inflation, and therefore captures the real growth in volumes, as if prices were fixed in a given base year.

	Sakhisizwe	Chris Hani	Eastern Cape	National Total	Sakhisizwe as % of district municipality	Sakhisizwe as % of province	Sakhisizwe as % of national
2011	1.2	20.1	255.4	3,327.0	*5.8%*	*0.46%*	*0.04%*
2012	1.3	22.5	283.4	3,566.4	*5.8%*	*0.46%*	*0.04%*
2013	1.4	24.3	305.7	3,868.6	*5.8%*	*0.46%*	*0.04%*
2014	1.5	26.1	326.3	4,133.9	*5.8%*	*0.47%*	*0.04%*
2015	1.7	28.3	352.9	4,420.8	*5.8%*	*0.47%*	*0.04%*
2016	1.8	30.1	373.2	4,759.6	*5.9%*	*0.47%*	*0.04%*
2017	1.9	32.3	400.4	5,078.2	*5.9%*	*0.47%*	*0.04%*
2018	2.0	34.0	421.2	5,357.6	*5.9%*	*0.47%*	*0.04%*
2019	2.1	35.2	435.6	5,605.0	*5.9%*	*0.48%*	*0.04%*
2020	2.0	34.4	423.5	5,521.1	*5.9%*	*0.48%*	*0.04%*
2021	2.2	37.7	467.8	6,206.3	*5.9%*	*0.48%*	*0.04%*

Source: IHS Markit Regional eXplorer version 2236

With a GDP of R 2.23 billion in 2021 (up from R 1.18 billion in 2011), the Sakhisizwe Local Municipality contributed 5.91% to the Chris Hani District Municipality GDP of R 37.7 billion in 2021 increasing in the share of the Chris Hani from 5.84% in 2011. The Sakhisizwe Local Municipality contributes 0.48% to the GDP of Eastern Cape Province and 0.04% the GDP of South Africa which had a total GDP of R 6.21 trillion in 2021 (as measured in nominal or current prices).It's contribution to the national economy stayed similar in importance from 2011 when it contributed 0.04% to South Africa, but it is lower than the peak of 0.04% in 2015.



Source: IHS Markit Regional eXplorer version 2236

The Sakhisizwe Local Municipality had a total GDP of R 2.23 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 2011. In terms of its share, it was in 2021 (5.9%) very similar compared to what it was in 2011 (5.8%). For the period 2011 to 2021, the average annual growth rate of 0.9% of Sakhisizwe was the third relative to its peers in terms of growth in constant 2010 prices.

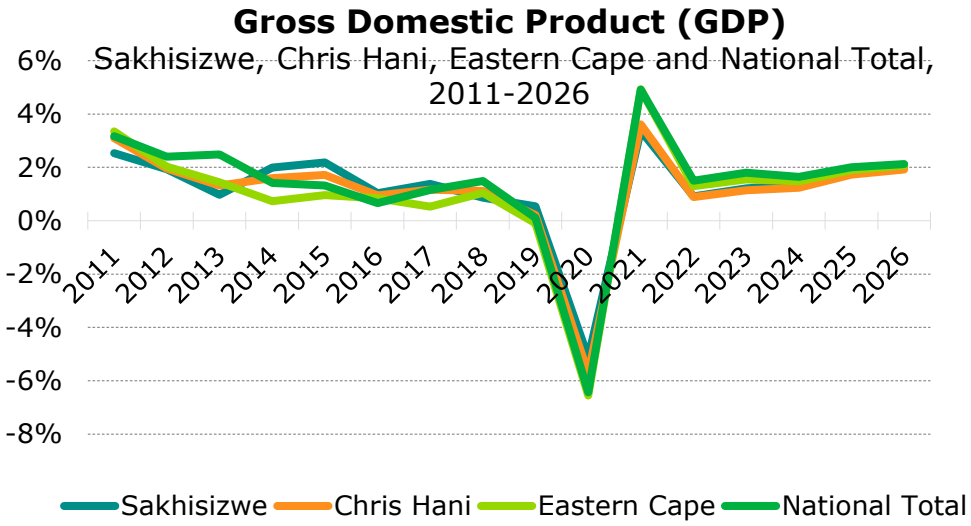
	2021 (Current prices)	Share of district municipality	2011 (Constant prices)	2021 (Constant prices)	Average Annual growth
Sakhisizwe	2.23	*5.91%*	1.49	1.63	***0.89***%
Inxuba Yethemba	7.13	*18.91%*	4.71	5.37	***1.32***%
Intsika Yethu	3.88	*10.28%*	2.55	2.81	***0.98***%
Emalahleni	2.48	*6.57%*	1.73	1.82	***0.48***%
Engcobo	3.42	*9.06%*	2.39	2.47	***0.34***%
Enoch Mgijima	18.59	*49.28%*	12.80	13.61	***0.61***%

Source: IHS Markit Regional eXplorer version 2236

Inxuba Yethemba had the highest average annual economic growth, averaging 1.32% between 2011 and 2021, when compared to the rest of the regions within Chris Hani District Municipality. The Intsika Yethu Local Municipality had the second highest average annual growth rate of 0.98%. Engcobo Local Municipality had the lowest average annual growth rate of 0.34% between 2011 and 2021.

3. Economic Growth Forecast

It is expected that Sakhisizwe Local Municipality will grow at an average annual rate of 1.47% from 2021 to 2026. The average annual growth rate in the GDP of Chris Hani District Municipality and Eastern Cape Province is expected to be 1.38% and 1.66% respectively. South Africa is forecasted to grow at an average annual growth rate of 1.81%, which is higher than that of the Sakhisizwe Local Municipality.



Source: IHS Markit Regional eXplorer version 2236

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

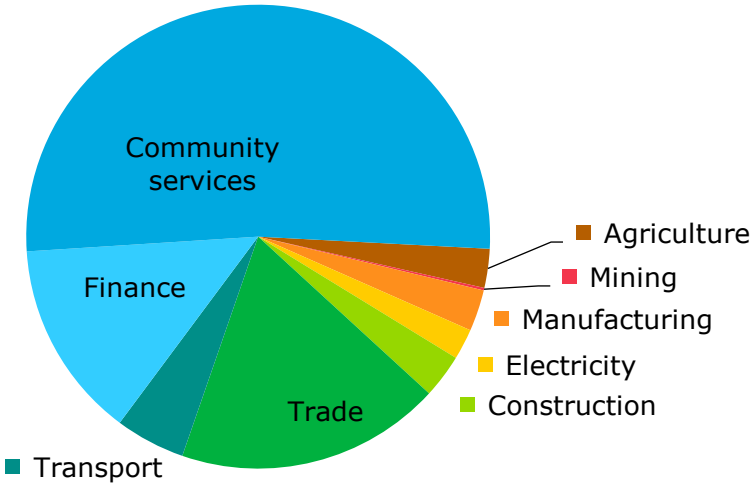
In 2026, Sakhisizwe's forecasted GDP will be an estimated R 1.76 billion (constant 2010 prices) or 5.9% of the total GDP of Chris Hani District Municipality. The ranking in terms of size of the Sakhisizwe Local Municipality will remain the same between 2021 and 2026, with a contribution to the Chris Hani District Municipality GDP of 5.9% in 2026 compared to the 5.9% in 2021. At a 1.47% average annual GDP growth rate between 2021 and 2026, Sakhisizwe ranked the second compared to the other regional economies.

	Sakhisizwe	Chris Hani	Eastern Cape	National Total	Sakhisizwe as % of district municipality	Sakhisizwe as % of province	Sakhisizwe as % of national
Agriculture	0.1	1.0	8.1	150.9	*5.6%*	*0.69%*	*0.04%*
Mining	0.0	0.0	0.7	481.0	*9.3%*	*0.49%*	*0.00%*
Manufacturing	0.1	1.9	54.4	726.4	*3.1%*	*0.11%*	*0.01%*
Electricity	0.0	0.7	9.2	171.9	*5.9%*	*0.48%*	*0.03%*
Construction	0.1	0.9	10.8	139.0	*6.9%*	*0.58%*	*0.05%*
Trade	0.4	6.5	76.0	759.8	*5.8%*	*0.50%*	*0.05%*
Transport	0.1	1.8	26.4	392.3	*5.5%*	*0.38%*	*0.03%*
Finance	0.3	6.2	92.3	1,319.9	*4.5%*	*0.31%*	*0.02%*
Community services	1.1	15.4	140.0	1,422.3	*6.9%*	*0.76%*	*0.07%*
Total Industries	**2.0**	**34.5**	**417.9**	**5,563.5**	***5.9%***	***0.49%***	***0.04%***

Source: IHS Markit Regional eXplorer version 2236

In 2021, the community services sector is the largest within Sakhisizwe Local Municipality accounting for R 1.06 billion or 51.8% 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 18.5%, followed by the finance sector with 13.8%. The sector that contributes the least to the economy of Sakhisizwe Local Municipality is the mining sector with a contribution of R 3.65 million or 0.18% of the total GVA.

Gross Value Added (GVA) by broad economic sector
Sakhisizwe Local Municipality, 2021



Source: IHS Markit Regional eXplorer version 2236

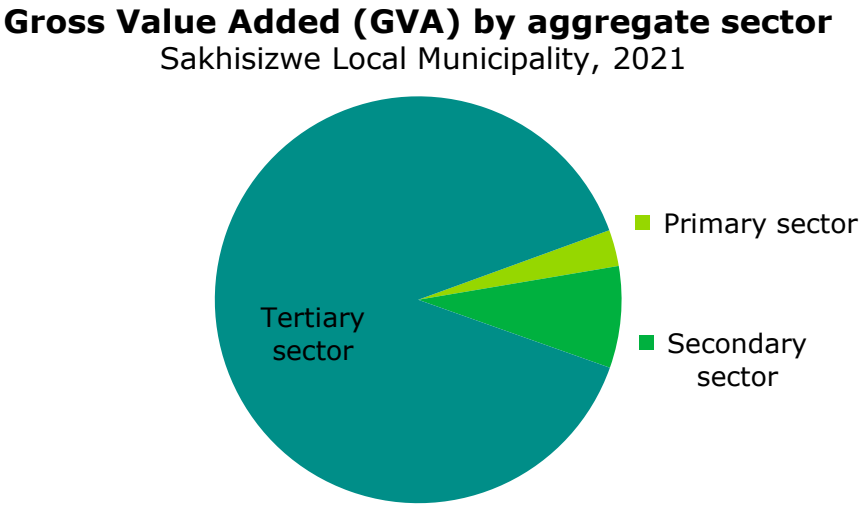
4.1. Historical Economic Growth

For the period 2021 and 2011, the GVA in the finance sector had the highest average annual growth rate in Sakhisizwe at 2.34%. The industry with the second highest average annual growth rate is the agriculture sector averaging at 1.36% per year. The mining sector had an average annual growth rate of -2.15%, while the construction sector had the lowest average annual growth of -2.20%. Overall, a growth existed for all the industries in 2021 with an annual growth rate of 3.03% since 2020.

	2011	2016	2021	Average growth	Annual
Agriculture	30.8	30.1	35.3	***1.36***%	
Mining	7.1	5.8	5.8	***-2.15***%	
Manufacturing	41.0	42.1	43.4	***0.56***%	
Electricity	22.9	20.3	18.7	***-2.02***%	
Construction	62.1	68.9	49.7	***-2.20***%	
Trade	248.8	278.1	259.5	***0.42***%	
Transport	84.8	96.7	89.2	***0.51***%	
Finance	169.5	195.5	213.7	***2.34***%	
Community services	704.5	756.2	794.8	***1.21***%	
Total Industries	**1,371.6**	**1,493.6**	**1,509.9**	***0.97%***	

Source: IHS Markit Regional eXplorer version 2236

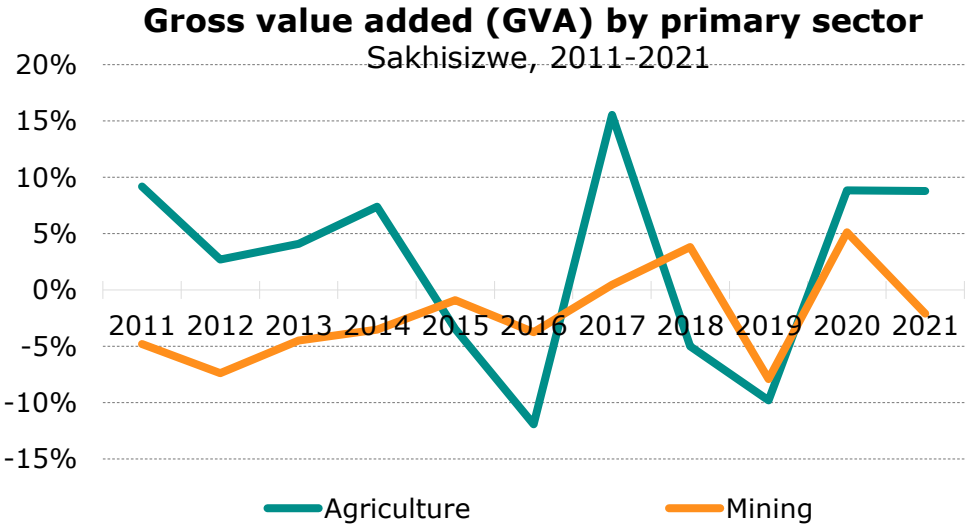
The tertiary sector contributes the most to the Gross Value Added within the Sakhisizwe Local Municipality at 89.0%. This is significantly higher than the national economy (70.0%). The secondary sector contributed a total of 8.1% (ranking second), while the primary sector contributed the least at 2.9%.



Source: IHS Markit Regional eXplorer version 2236

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 sectors in Sakhisizwe Local Municipality from 2011 to 2021.

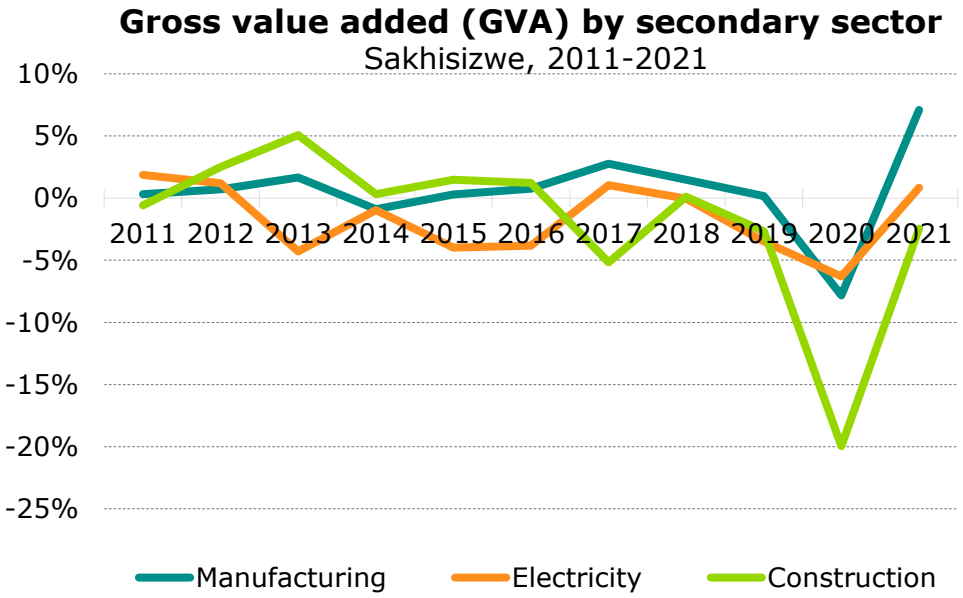


Source: IHS Markit Regional eXplorer version 2236

Between 2011 and 2021, the agriculture sector experienced the highest growth in 2017 with an average growth rate of 15.5%. The mining sector reached its highest point of growth of 5.1% in 2020. The agricultural sector experienced the lowest growth for the period during 2016 at -11.9%, while the mining sector reaching its lowest point of growth in 2019 at -7.9%. 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 2011 to 2021.

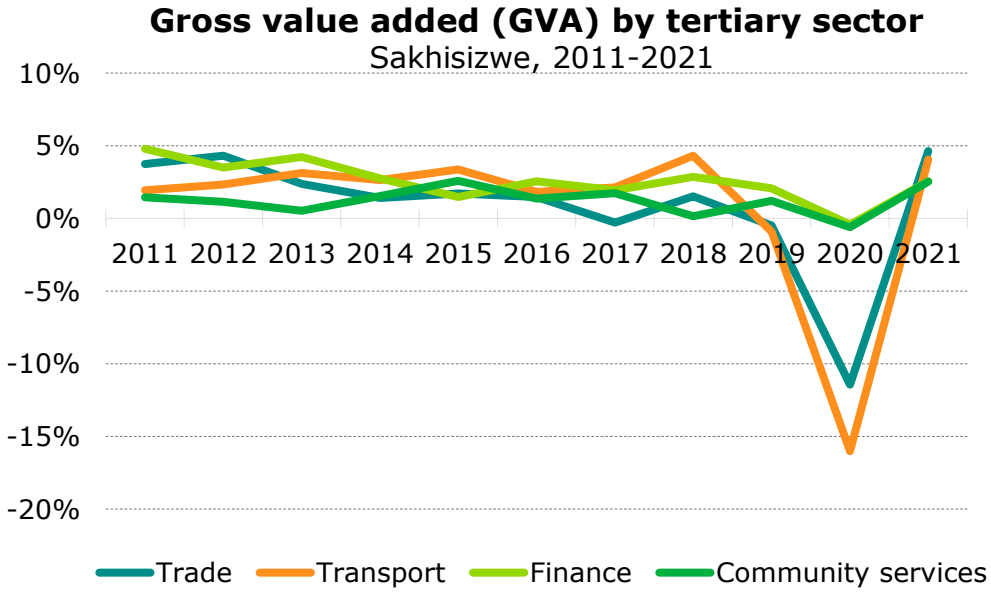


Source: IHS Markit Regional eXplorer version 2236

Between 2011 and 2021, the manufacturing sector experienced the highest growth in 2021 with a growth rate of 7.1%. The construction sector reached its highest growth in 2013 at 5.1%. The manufacturing sector experienced its lowest growth in 2020 of -7.8%, while construction sector also had the lowest growth rate in 2020 and it experiences a negative growth rate of -20.0% which is higher growth rate than that of the manufacturing sector. The electricity sector experienced the highest growth in 2011 at 1.9%, while it recorded the lowest growth of -6.3% in 2020.

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 2011 to 2021.



Source: IHS Markit Regional eXplorer version 2236

The trade sector experienced the highest growth in 2021 with a growth rate of 4.6%. The transport sector reached its highest point of growth in 2018 at 4.3%. The finance sector experienced the highest growth rate in 2011 when it grew by 4.8% and recorded the lowest growth rate in 2020 at -0.4%. The Trade sector also had the lowest growth rate in 2020 at -11.4%. The community services sector, which largely consists of government, experienced its highest growth in 2015 with 2.6% and the lowest growth rate in 2020 with -0.6%.

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.

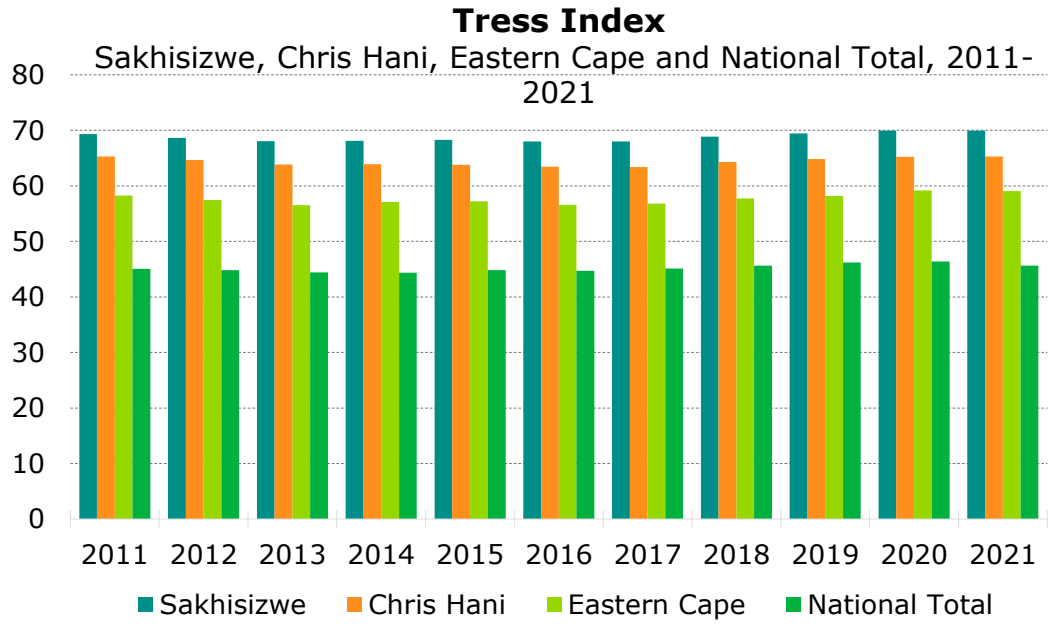
	2021	2022	2023	2024	2025	2026	Average Annual growth
Agriculture	35.3	33.8	33.7	34.2	35.0	35.7	***0.27***%
Mining	5.8	5.4	5.4	5.2	5.2	5.1	***-2.50***%
Manufacturing	43.4	44.1	44.8	45.3	45.9	46.5	***1.41***%
Electricity	18.7	19.2	19.7	20.1	20.7	21.3	***2.66***%
Construction	49.7	51.3	52.6	54.0	55.4	57.0	***2.78***%
Trade	259.5	264.5	269.4	273.3	277.7	282.9	***1.74***%
Transport	89.2	90.6	92.7	94.7	97.2	99.8	***2.28***%
Finance	213.7	220.1	225.8	231.2	237.4	244.0	***2.68***%
Community services	794.8	787.8	790.2	795.8	807.4	821.3	***0.66***%
Total Industries	**1,509.9**	**1,517.0**	**1,534.3**	**1,553.9**	**1,581.9**	**1,613.6**	***1.34%***

Source: IHS Markit Regional eXplorer version 2236

The construction sector is expected to grow fastest at an average of 2.78% annually from R 49.7 million in Sakhisizwe Local Municipality to R 57 million in 2026. The community services sector is estimated to be the largest sector within the Sakhisizwe Local Municipality in 2026, with a total share of 50.9% of the total GVA (as measured in current prices), growing at an average annual rate of 0.7%. The sector that is estimated to grow the slowest is the mining sector with an average annual growth rate of -2.50%.

6. 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.



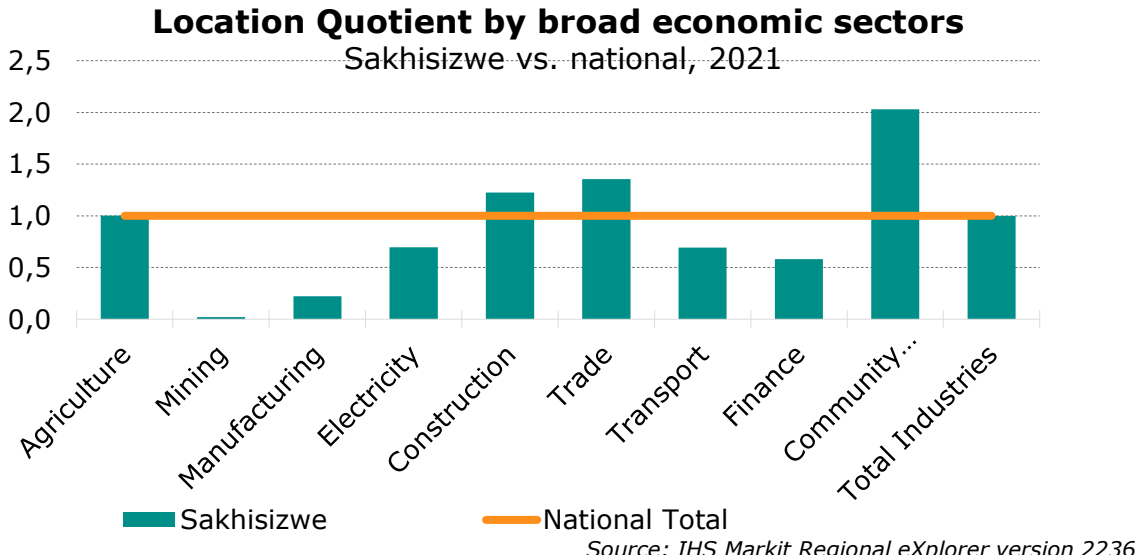
Source: IHS Markit Regional eXplorer version 2236

In 2021, Sakhisizwe's Tress Index was estimated at 70 which are higher than the 65.3 of the district municipality and higher than the 65.3 of the provinces. This implies that - on average - Sakhisizwe Local Municipality is less diversified in terms of its economic activity spread than the province's economy.

7. 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.



For 2021 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, 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 0.0206.

8. 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.

8.1. Trips by purpose of Trips

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

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

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

	Leisure / Holiday	Business	Visits to friends and relatives	Other (Medical, Religious, etc)	Total
2011	4,080	908	38,900	2,280	46,100
2012	3,640	918	34,400	2,200	41,100
2013	2,930	834	31,000	1,970	36,800
2014	2,810	835	29,100	2,160	34,900
2015	2,600	822	28,000	2,090	33,500
2016	2,420	830	27,400	2,120	32,800
2017	2,320	800	26,600	2,170	31,900
2018	2,240	760	25,700	2,080	30,800
2019	2,220	655	24,800	1,930	29,600
2020	1,280	378	11,100	1,110	13,800
2021	770	298	11,200	1,060	13,300
	Average Annual growth				
2011-2021	***-15.36***%	***-10.55***%	***-11.73***%	***-7.39***%	***-11.70***%

Source: IHS Markit Regional eXplorer version 2236

In Sakhisizwe Local Municipality, the Other (Medical, Religious, etc), relative to the other tourism, recorded the highest average annual growth rate from 2011 (2 280) to 2021 (1 060) at -7.39%. Visits to friends and relatives recorded the highest number of visits in 2021 at 11 200, with an average annual growth rate of -11.73%. The tourism type that recorded the lowest growth was Leisure / Holiday tourism with an average annual growth rate of -15.36% from 2011 (4 080) to 2021 (770).

8.2. 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.

	Domestic tourists	International tourists	Total tourists
2011	45,100	1,020	46,100
2012	40,000	1,120	41,100
2013	35,600	1,180	36,800
2014	33,600	1,300	34,900
2015	32,200	1,260	33,500
2016	31,300	1,490	32,800
2017	30,300	1,550	31,900
2018	29,200	1,600	30,800
2019	28,000	1,550	29,600
2020	13,300	525	13,800
2021	12,900	389	13,300
Average Annual growth			
2011-2021	***-11.77***%	***-9.23***%	***-11.70***%

Source: IHS Markit Regional eXplorer version 2236

The number of trips by tourists visiting Sakhisizwe Local Municipality from other regions in South Africa has decreased at an average annual rate of -11.77% from 2011 (45 100) to 2021 (12 900). The tourists visiting from other countries decreased at an average annual growth rate of -9.23% (from 1 020 in 2011 to 389). International tourists constitute 2.93% of the total number of trips, with domestic tourism representing the balance of 97.07%.

8.2.1 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 2011 and 2021.

	Domestic tourists	International tourists	Total tourists
2011	200,000	14,700	215,000
2012	167,000	14,700	182,000
2013	142,000	14,800	157,000
2014	128,000	15,400	143,000
2015	120,000	15,000	135,000
2016	118,000	18,300	136,000
2017	115,000	20,800	136,000
2018	112,000	22,000	134,000
2019	139,000	20,100	159,000
2020	55,700	6,160	61,800
2021	64,100	4,260	68,300
Average Annual growth			
2011-2021	***-10.76***%	***-11.64***%	***-10.82***%

Source: IHS Markit Regional eXplorer version 2236

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.

8.3. Tourism Spending

In their Tourism Satellite Account, StatsSA defines tourism spending as all expenditure by visitors for their trip to the 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 considered.

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
2011	0.1	1.1	15.4	205.8
2012	0.1	1.3	17.9	229.8
2013	0.1	1.4	19.6	253.3
2014	0.1	1.5	21.2	275.4
2015	0.1	1.3	19.4	253.9
2016	0.1	1.4	21.0	277.6
2017	0.1	1.3	19.3	264.0
2018	0.1	1.4	20.9	291.3
2019	0.1	2.2	29.3	405.7
2020	0.0	0.6	9.2	130.2
2021	0.1	1.2	19.8	296.0
Average Annual growth				
2011-2021	***2.42***%	***0.93***%	***2.58***%	***3.70***%

Source: IHS Markit Regional eXplorer version 2236

Sakhisizwe Local Municipality had a total tourism spending of R 64.2 million in 2021 with an average annual growth rate of 2.4% since 2011 (R 50.5 million). Chris Hani District Municipality had a total tourism spending of R 1.19 billion in 2021 and an average annual growth rate of 0.9% over the period. Total spending in Eastern Cape Province increased from R 15.4 billion in 2011 to R 19.8 billion in 2021 at an average annual rate of 2.6%. South Africa as whole had an average annual rate of 3.7% and increased from R 206 billion in 2011 to R 296 billion in 2021.

8.3. Tourism Spend as a Share of GDP

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Average Annual growth				
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Source: IHS Markit Regional eXplorer version 2236

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9. 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	Chris Hani	Eastern Cape	National Total
2011	9,050	112,000	1,230,000	13,700,000
2012	9,130	113,000	1,240,000	14,000,000
2013	9,520	117,000	1,270,000	14,400,000
2014	10,300	126,000	1,340,000	15,000,000
2015	10,900	133,000	1,400,000	15,500,000
2016	11,200	137,000	1,430,000	15,800,000
2017	11,300	138,000	1,440,000	16,000,000
2018	11,200	136,000	1,440,000	16,200,000
2019	11,100	134,000	1,430,000	16,200,000
2020	10,100	123,000	1,340,000	15,400,000
2021	9,470	115,000	1,290,000	14,700,000
Average Annual growth				
2011-2021	***0.45***%	***0.23***%	***0.47***%	***0.74***%

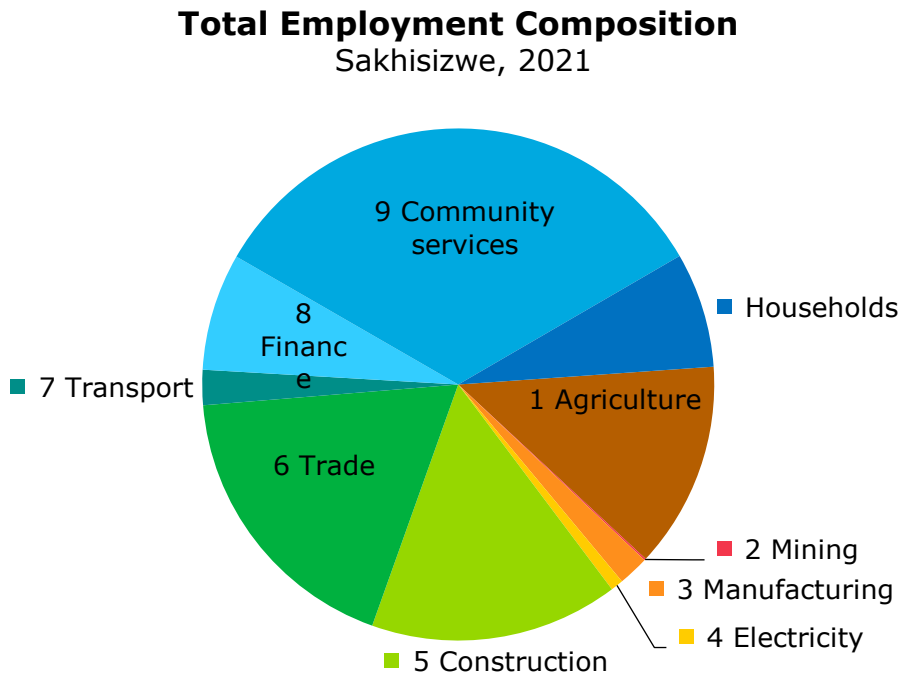
Source: IHS Markit Regional eXplorer version 2236

In 2021, Sakhisizwe employed 9 470 people which is 8.26% of the total employment in Chris Hani District Municipality (115 000), 0.74% of total employment in Eastern Cape Province (1.29 million), and 0.06% of the total employment of 14.7 million in South Africa. Employment within Sakhisizwe increased annually at an average rate of 0.45% from 2011 to 2021.

	Sakhisizwe	Inxuba Yethemba	Intsika Yethu	Emalahleni	Engcobo	Enoch Mgijima	Total Chris Hani
Agriculture	1,230	3,130	880	653	353	4,240	10,494
Mining	10	8	6	9	13	90	136
Manufacturing	183	949	534	305	449	2,350	4,766
Electricity	75	63	42	43	39	222	485
Construction	1,490	2,070	1,690	1,100	1,460	4,790	12,590
Trade	1,730	2,890	2,340	1,500	2,490	10,100	21,015
Transport	210	1,170	509	260	405	1,920	4,472
Finance	700	1,820	1,000	624	1,070	5,320	10,534
Community services	3,150	6,590	4,690	2,820	4,920	18,400	40,571
Households	687	1,620	894	643	609	5,080	9,543
Total	**9,470**	**20,300**	**12,600**	**7,950**	**11,800**	**52,500**	**114,604**

Source: IHS Markit Regional eXplorer version 2236

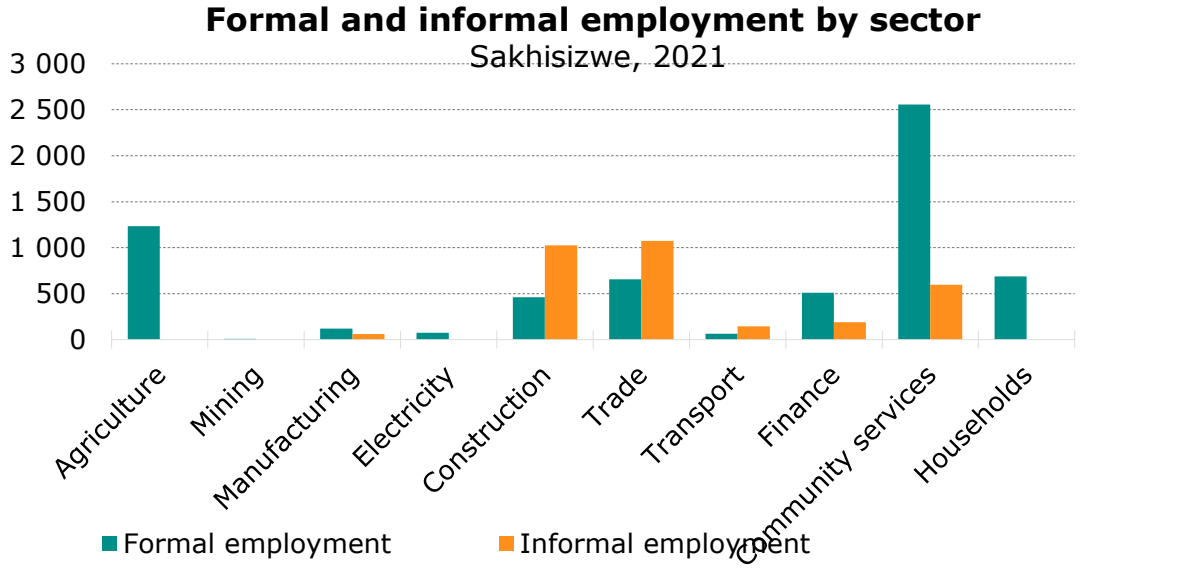
Sakhisizwe Local Municipality employs a total number of 9 470 people within its local municipality. The local municipality that employs the highest number of people relative to the other regions within Chris Hani District Municipality is Enoch Mgijima local municipality with a total number of 52 500. The local municipality that employs the lowest number of people relative to the other regions within Chris Hani District Municipality is Emalahleni local municipality with a total number of 7 950 employed people.
In Sakhisizwe Local Municipality the economic sectors that recorded the largest number of employments in 2021 were the community services sector with a total of 3 150 employed people or 33.3% of total employment in the local municipality. The trade sector with a total of 1 730 (18.2%) employs the second highest number of people relative to the rest of the sectors. The mining sector with 9.76 (0.1%) is the sector that employs the least number of people in Sakhisizwe Local Municipality, followed by the electricity sector with 75 (0.8%) people employed.



Source: IHS Markit Regional eXplorer version 2236

9.1. 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 6 380 in 2021, which is about 67.37% of total employment, while the number of people employed in the informal sector counted 3 090 or 32.63% of the total employment. Informal employment in Sakhisizwe increased from 2 810 in 2011 to an estimated 3 090 in 2021.



Source: IHS Markit Regional eXplorer version 2236

In 2021 the Trade sector recorded the highest number of informally employed, with a total of 1 070 employees or 34.72% 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 60.9 and only contributes 1.97% to total informal employment.

	Formal employment	Informal employment
Agriculture	1,230	N/A
Mining	10	N/A
Manufacturing	122	61
Electricity	75	N/A
Construction	462	1,020
Trade	655	1,070
Transport	65	145
Finance	510	190
Community services	2,560	596
Households	687	N/A

Source: IHS Markit Regional eXplorer version 2236

9.2. 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 municipality	Sakhisizwe as % of province	Sakhisizwe as % of national
2011	3,870	48,700	487,000	4,580,000	*8.0%*	*0.80%*	*0.08%*
2012	4,040	51,000	509,000	4,700,000	*7.9%*	*0.79%*	*0.09%*
2013	4,320	54,700	540,000	4,850,000	*7.9%*	*0.80%*	*0.09%*
2014	4,520	57,600	565,000	5,060,000	*7.9%*	*0.80%*	*0.09%*
2015	4,660	59,600	583,000	5,300,000	*7.8%*	*0.80%*	*0.09%*
2016	5,180	66,300	636,000	5,670,000	*7.8%*	*0.81%*	*0.09%*
2017	6,020	77,200	718,000	5,990,000	*7.8%*	*0.84%*	*0.10%*
2018	6,640	85,700	782,000	6,100,000	*7.8%*	*0.85%*	*0.11%*
2019	7,680	99,700	885,000	6,450,000	*7.7%*	*0.87%*	*0.12%*
2020	8,600	111,000	968,000	6,710,000	*7.7%*	*0.89%*	*0.13%*
2021	10,000	129,000	1,100,000	7,420,000	*7.8%*	*0.91%*	*0.13%*
Average Annual growth							
2011-2021	***9.95***%	***10.23***%	***8.48***%	***4.94***%			

Source: IHS Markit Regional eXplorer version 2236

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%.

10. 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 several economic trends. It is also a good marker of growth as well as consumer tendencies.

10.1. 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 consider inflation creep: over time, movement of households "up" the brackets are natural, even if they are not earning any more in real terms.

	Sakhisizwe	Chris Hani	Eastern Cape	National Total	Sakhisizwe as % of district municipality	Sakhisizwe as % of province	Sakhisizwe as % of national
0-2400	1	15	127	1,260	*7.3%*	*0.85%*	*0.09%*
2400-6000	20	283	2,440	22,200	*7.2%*	*0.84%*	*0.09%*
6000-12000	206	2,740	23,100	197,000	*7.5%*	*0.89%*	*0.11%*
12000-18000	399	5,320	43,700	361,000	*7.5%*	*0.91%*	*0.11%*
18000-30000	1,660	21,400	172,000	1,350,000	*7.8%*	*0.97%*	*0.12%*
30000-42000	2,030	25,800	199,000	1,480,000	*7.9%*	*1.02%*	*0.14%*
42000-54000	2,030	26,000	194,000	1,440,000	*7.8%*	*1.04%*	*0.14%*
54000-72000	2,490	32,600	246,000	1,910,000	*7.7%*	*1.02%*	*0.13%*
72000-96000	2,090	27,300	209,000	1,730,000	*7.7%*	*1.00%*	*0.12%*
96000-132000	1,890	25,100	196,000	1,770,000	*7.5%*	*0.97%*	*0.11%*
132000-192000	1,420	19,300	159,000	1,520,000	*7.4%*	*0.90%*	*0.09%*
192000-360000	1,380	19,300	173,000	1,870,000	*7.2%*	*0.80%*	*0.07%*
360000-600000	748	11,000	108,000	1,310,000	*6.8%*	*0.69%*	*0.06%*
600000-1200000	443	7,010	81,000	1,100,000	*6.3%*	*0.55%*	*0.04%*
1200000-2400000	182	3,220	41,100	567,000	*5.7%*	*0.44%*	*0.03%*
2400000+	21	451	7,110	102,000	*4.6%*	*0.29%*	*0.02%*
Total	**17,000**	**227,000**	**1,850,000**	**16,700,000**	***7.5%***	***0.92%***	***0.10%***

Source: IHS Markit Regional eXplorer version 2236

It was estimated that in 2021 13.46% of all the households in the Sakhisizwe Local Municipality, were living on R30,000 or less per annum. In comparison with 2011's 30.86%, the number is about half. The 54000-72000 income category has the highest number of households with a total number of 2 490, followed by the 72000-96000 income category with 2 090 households. Only 1.1 households fall within the 0-2400 income category.

10.2 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 considered.

	Sakhisizwe	Chris Hani	Eastern Cape	National Total
2011	1.4	18.2	188.7	2,314.9
2012	1.5	20.3	210.7	2,525.0
2013	1.6	22.2	229.3	2,729.4
2014	1.7	24.1	247.1	2,938.2
2015	1.9	26.4	269.7	3,180.0
2016	2.0	28.3	288.4	3,413.6
2017	2.1	30.8	311.8	3,662.1
2018	2.3	33.2	333.0	3,899.6
2019	2.4	34.9	349.6	4,092.3
2020	2.3	33.8	338.7	3,970.5
2021	2.5	37.0	370.2	4,348.5
Average Annual growth				
2011-2021	***6.21***%	***7.36***%	***6.97***%	***6.51***%

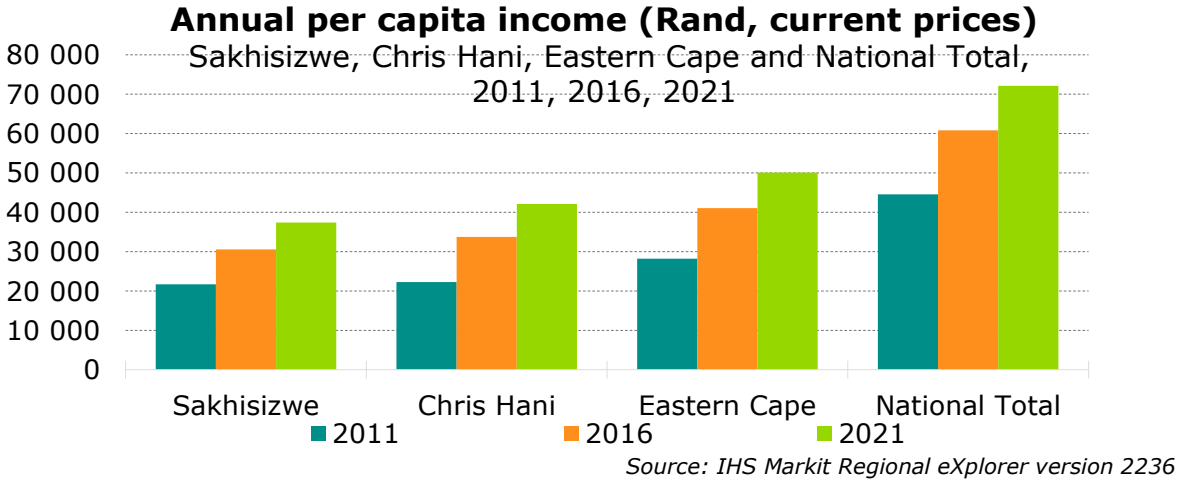
Source: IHS Markit Regional eXplorer version 2236

Sakhisizwe Local Municipality recorded an average annual growth rate of 6.21% (from R 1.38 billion to R 2.51 billion) from 2011 to 2021, which is less than both Chris Hani's (7.36%) as well as Eastern Cape Province's (6.97%) average annual growth rates. South Africa had an average annual growth rate of 6.51% (from R 2.31 trillion to R 4.35 trillion) which is more than the growth rate in Sakhisizwe Local Municipality.

10.3 Annual Per Capita 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.



Source: IHS Markit Regional eXplorer version 2236

The per capita income in Sakhisizwe Local Municipality is R 37,400 and is lower than both the Eastern Cape (R 50,000) and of the Chris Hani District Municipality (R 42,100) per capita income. The per capita income for Sakhisizwe Local Municipality (R 37,400) is lower than that of the South Africa which is R 72,100.

	African
Sakhisizwe	34,500
Inxuba Yethemba	46,700
Intsika Yethu	33,700
Emalahleni	31,700
Engcobo	29,800
Enoch Mgijima	41,400

Source: IHS Markit Regional eXplorer version 2236

Inxuba Yethemba Local Municipality has the highest per capita income with a total of R 78,100. Enoch Mgijima Local Municipality had the second highest per capita income at R 49,300, whereas Engcobo Local Municipality had the lowest per capita income at R 29,900. In Sakhisizwe Local Municipality, the African population group has the highest per capita income, with R 34,500, relative to the other population groups. Some of the population groups - where there are less than 1,000 people living in the area were excluded from the analysis.

10.4 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	67,131	879,204	7,398,907	60,324,819
Population - share of national total	0.1%	1.5%	12.3%	100.0%
Income	2,511	37,039	370,246	4,348,489
Income - share of national total	0.1%	0.9%	8.5%	100.0%
Retail	700,007	10,181,452	98,304,368	1,166,202,000
Retail - share of national total	0.1%	0.9%	8.4%	100.0%
Index	0.00	0.01	0.09	1.00

Source: IHS Markit Regional eXplorer version 2236

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 0.00064 relative to South Africa as a whole. Chris Hani has an IBP of 0.0092, where Eastern Cape Province has and IBP index value of 0.089 and South Africa a value of 1 relative to South Africa as a whole.
The considerable low index of buying power of the Sakhisizwe Local Municipality suggests that the local amunicipality has access to only a small percentage of the goods and services available in all the Chris Hani District Municipality. Its residents are most likely spending some of their income in neighbouring areas.

11. Comparative and Competitive Advantage

11.1. Competitive Advantage

- ***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 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.

- ***Institutional Environment***

Sakhisizwe is largely rural, with an urbanisation rate of only 27.83% and most 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 based on 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.

- **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 loss 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.

11.2 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.

12. Challenges

12.1 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.

12.2 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.

12.3 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 several poverty alleviation projects, in many instances the impact of these poverty alleviation projects remains unknown.

12.4 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.

12.5 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.

12.6 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%.

12.7 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%).

12.8 Infrastructure and Land Challenge

While Sakhisizwe performs above district average in respect to all basic services apart from 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.

13. Stakeholder Involvement

The Municipality has established a Local 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, Business 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.

14. 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 signposts 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. Now the municipality has none of the two documents.

15. 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 of paving of streets, picking up refuse and storm water channel maintenance. Over 1154 jobs were created in 2023-2024 financial year. 86 jobs were created in from Municipal Infrastructure Grant projects. 130 Jobs were created through mass job creation as part of the Expanded Public Works Programme and 938 jobs were created through Community Works Programme.

The municipality has been using the EPWP policy as adopted by Council. 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

16. Local Economic Development (LED) Priorities

The current LED strategy is outdated and was last reviewed in 2011 but during the 2023-2024 financial year the municipality reviewed its strategy. 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 several 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

17. Local Economic Development (LED) Strategy

The Sakhisizwe municipality LED strategy is being currently reviewed.
The overall goal is to formulate a new LED Strategy informed by newly identified development needs, opportunities, priorities; guide the budgeting and implementing process, unlocking investor potential, and creating economic and job opportunities; measuring economic performance and impact of private investment. The LED Strategy plays a major role in allowing Sakhisizwe Municipality to meet its constitutional obligations, to promote and drive economic development in the local community as well as open new economic and employment opportunities. The intention of the municipality to review LED Strategy with the implementation plan will result in stimulation of economic growth and development and sustainability of substantial economic sectors. The objective of the project is to provide a broader context for local economy and undertake an analysis of the current demographic, social and economic characteristics for the Sakhisizwe area. This analysis must include an in-depth look into the implications that these characteristics may have for the future development of the area. The specific study objectives and project deliverables are as contained in the following table.

17.1 LED Strategy Objectives

- To undertake a detailed economic analysis to enable identification of appropriate interventions that will lead to economic development of the area.
- To formulate an implementable LED Strategic framework to guide the promotion and support of sustainable economic development within Sakhisizwe Municipality.
- Improve coordination of economic development planning and implementation across government and between government and non-governmental actors.
- Identify needs and gaps in enterprise support and business infrastructure in Sakhisizwe region.
- Explore incentives that the municipality can provide or source to support existing businesses to grow their operations and create more jobs within the municipality.

- Identify ways to attract and promote inward investment.
- Identify approaches to support SMME development and regulation of informal trading.
- To create a database of projects within the municipality including those being implemented, economic opportunities and future potential projects.
- To undertake a detailed economic analysis to enable the identification of appropriate market interventions that will lead to economic development of the area.
- To formulate an implementable LED Strategic Framework to guide the promotion and support of sustainable economic development.
- To formulate a matrix to guide the Municipality in terms of identification and prioritizing strategic projects for investigation and implementation.
- To optimize the creation of new economic and business opportunities that will translate into meaningful economic growth, job creation and poverty alleviation in the study area.

17.2 Proposed LED Strategy Development Thrusts

17.2.1 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

17.2.2 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 e.g. Agriculture, Tourism and Green Economy.

17.2.3 Livelihoods

The purpose of the sustainable livelihoods programme is to:

- Facilitate labour intensive projects that create employment opportunities.

17.2.4 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.

17.2.5 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.

18. 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 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 must 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 must 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.

CHAPTER 4: BASIC SERVICE DELIVERY

1. SLA's and Other Institutional Arrangements

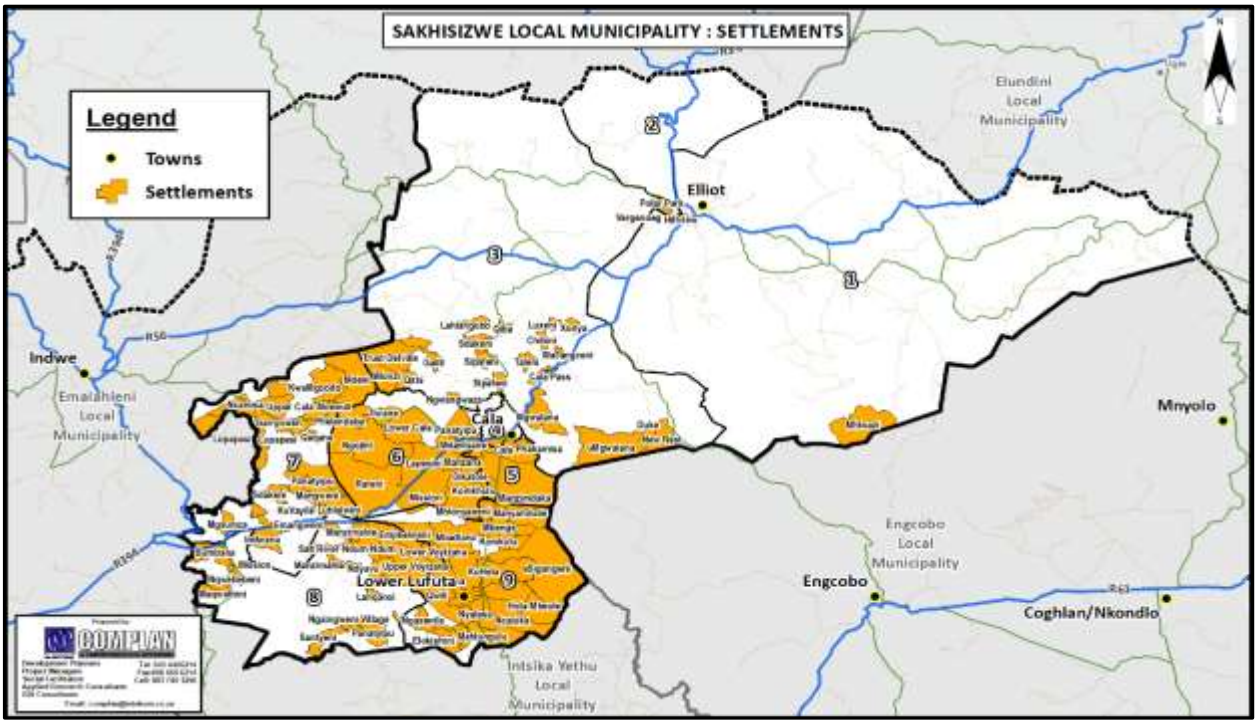
The municipality has an SLA with the following departments:

- **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 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. Spatial Analysis

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 several 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 most 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).

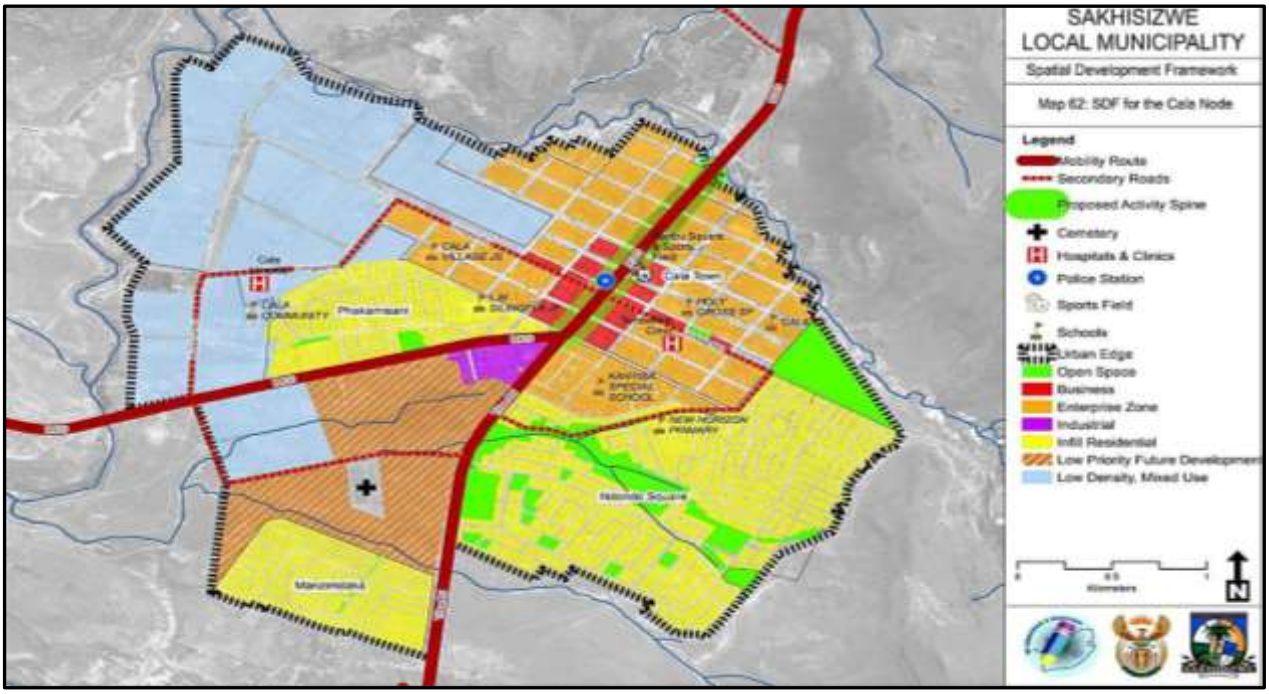
3. Development Nodes and Settlement Proposal

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

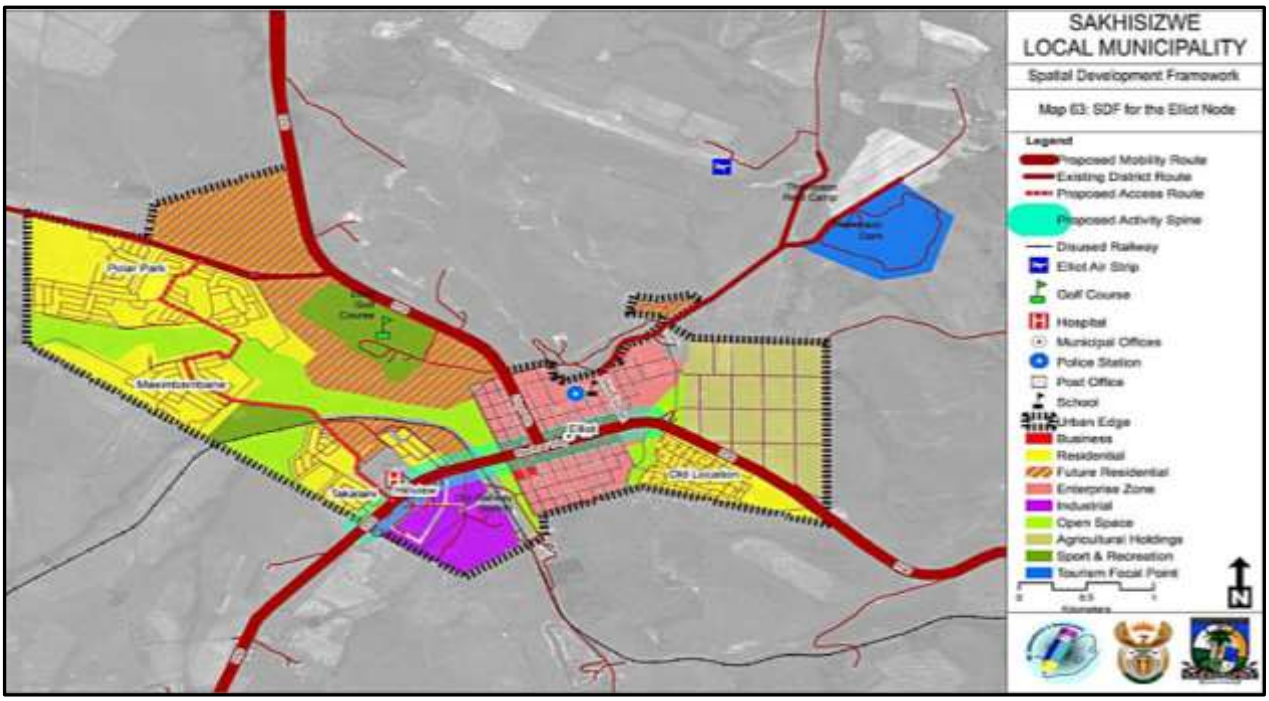
Type	Location	Function of Settlement and associated typical land uses	Spatial Development Priorities
Sub-District Centres	Cala	• Municipal-scale Administrative Centre • Municipal-scale service centre for commercial and social goods and services • Residential development covering limited range of economic bands (Middle income–Low-income) • Potential for value-adding agro-industrial processes • Potential for event-related tourism events	• 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)	• 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	• 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	• Minor administrative Functions. • Minor service centre for social goods and services • Focused support of local economic initiatives –agriculture-based	• 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
Rural Settlements	Rural settlements across the LM	• Primarily residential and livelihood subsistence function. • Some provision of limited social goods and services	• 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:

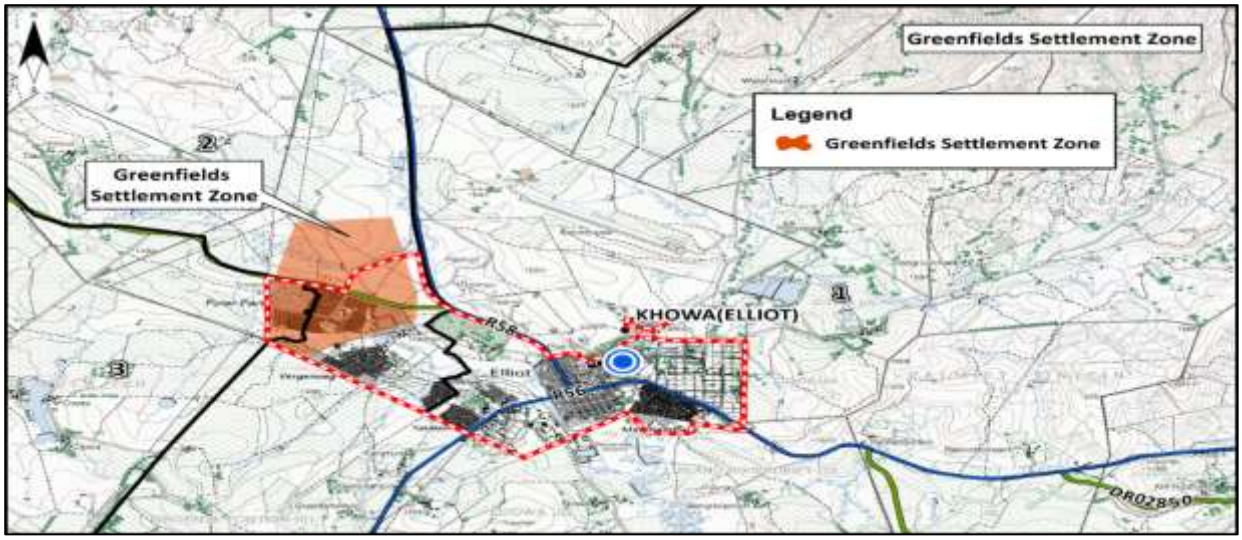
- The development of the **business area** requires specific attention. It should be supported and emphasized as the core area of Cala Town. The fact that it coincides with the activity spine strengthens the need to address the development of the business area as a priority for the Council.
- The old 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 except for 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 most 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 arise.

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.

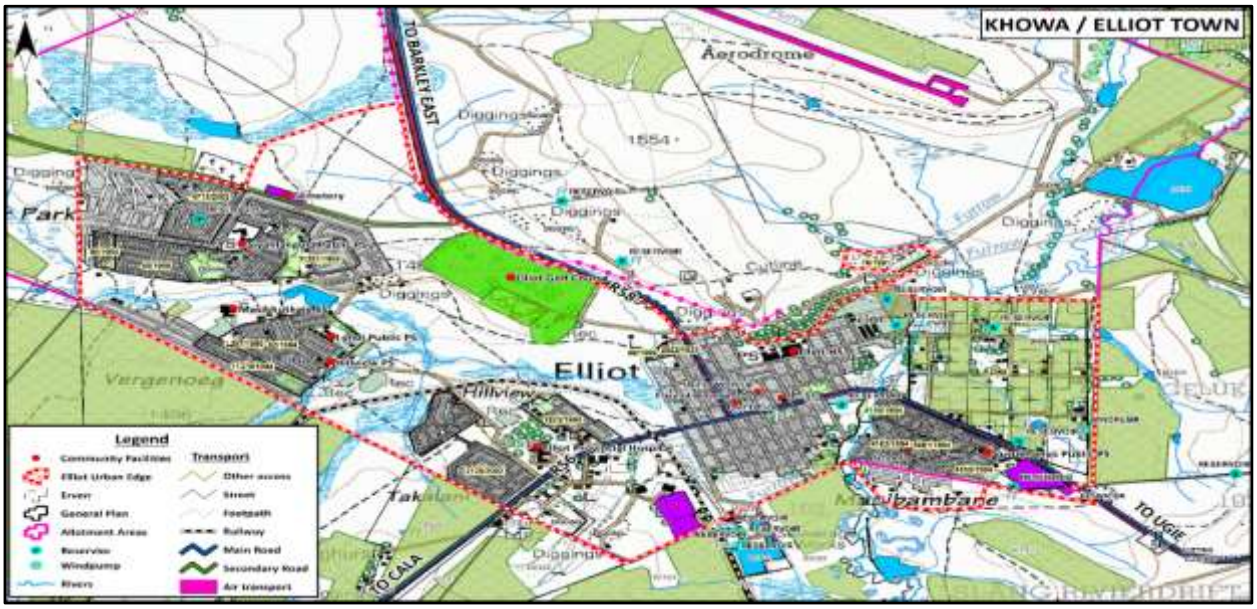
4.1.2.1. Key Proposals

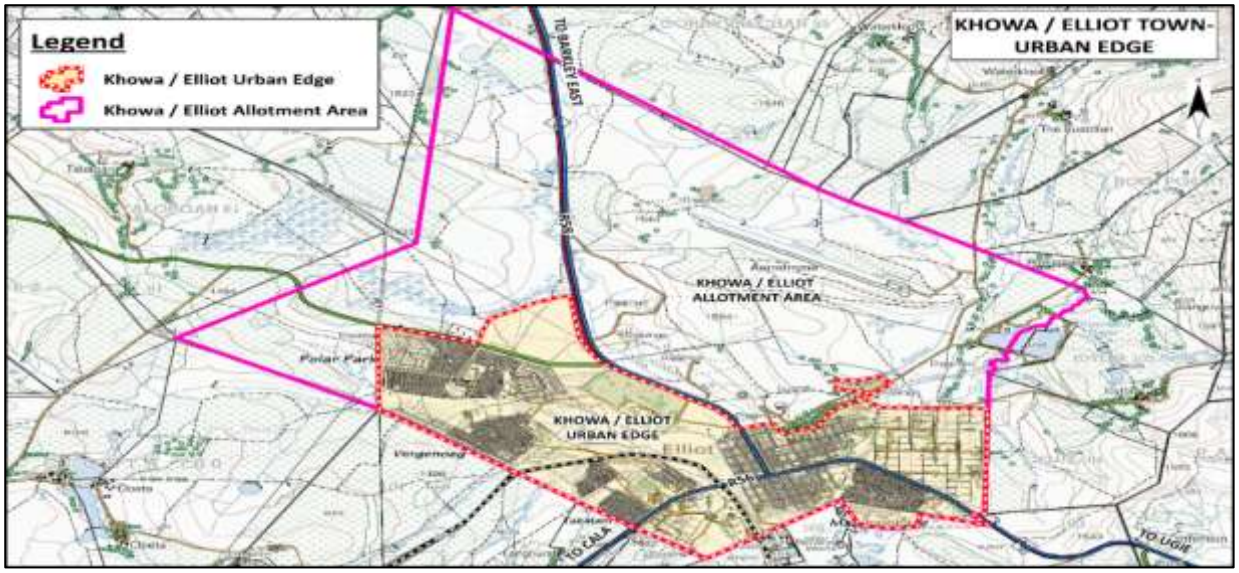
- Development of Urban-type settlement in suitable localities within the urban precincts of Khowa (Elliot), as guided by the Municipal Spatial Development Framework or local planning guidelines.
- Part of the planning initiative for this Zone would be the planning and development of a small “Urban Reception” area to accommodate some 20 – 50 households in temporary accommodation with rudimentary services. This is suggested to manage the influx to the town still occurring and to link new arrivals to ongoing housing development processes in Khowa (Elliot).



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 be 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 posibility 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 pathways, 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 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 regarding 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%.

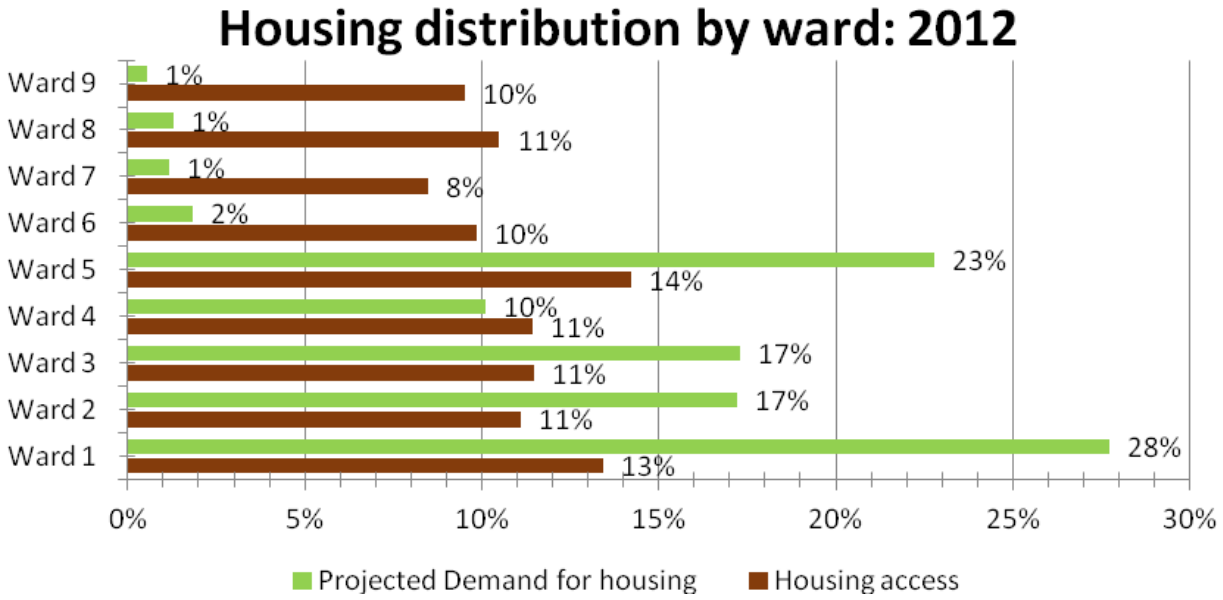
The comparison among census 2001 & 2011 and community survey 2016 indicates that formal houses in the municipality have increased from 45.9% in 2001 to 61.5% in 2011 and then increased again from 61.5% to 69.6% in 2016 although the number of households decreased to 14 848 in 2016. The housing backlog 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: Statts 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 1,3,4 & 6 VILLAGES	NO OF APROVED BENEFICIARIES	NO OF HOUSES COMPLETED	NO OF HOUSES AT VARIOUS STAGES	NO OF HOUSES NOT STARTED
TSENGIWE	410	220	0	0
MNXE	138	0	0	0
CALA RESERVE	157	0	0	0
MHLWAZI	100	0	0	0
	469	**0**	**0**	**0**
TOTALS	**1 269**	**566**	**399**	**304**

WARD 8 & 9	VILLAGES	APPROVED BENEFICIARIES	HOUSES STARTED & COMPLETED	HOUSES AT VARIOUS STAGES	HOUSES NOT YET STARTED
LOWER LUFUTA	Mangweni	102	102	0	
	Madwaleni	126	126	0	
	Mbodlane	123	123	0	
	Rollwest	84	74	10	
	Hota Mbewula	31	31	0	
	Ncalukeni	48	48	0	
	Sgangeni	37	37	0	
	Sweetline	45	0	0	
NYALASA	Lalini	15	15	0	
	Mazizini	41	41	0	
	Mahlungulu	30	30	0	
MBENGE	Ngxingweni	51	42	9	
	Komkhulu & Nomadande	129	129	0	
	Binca	19	19	0	
	Mangweni	57	57	0	

	Marhuleni	28	28	0	
UPPER LUFUTA	Upper Lufuta	22	22	0	
TOTALS	***17***	***988***	***969***	***19***	***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
	199	**199**	0	**0**

WARD 8 VILLAGES	**NO OF APROVED**	**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
Totals	**848**	**95**	**389**	**364**

WARD 9 VILLAGES	**CLLR T. TASANA 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	
Total	**237**	**0**	**0**	

Planned projects.

PROJECTS	STATUS QUO
Phola Park & Ekuthuleni 854	This was a new project identified by Municipality during 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.) ▪ A service provider, **GIC- Gap infrastructure Cooperation** is appointed in this project & was introduced to the municipality in October 2023 ▪ The service provider will facilitate readiness of this project for implementation. They will be doing feasibility study. ▪ Confirmation of availability of internal & bulk services and Land availability. ▪ Feasibility study has been concluded. Will be submitted to the dept with recommendation.
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. The findings on the assessment of the project by HDA, was that the project is densely populated. Other beneficiaries will be moved to the land identified by the municipality. The land is a private land, it must be bought for the beneficiaries to occupy. ▪ HDA is busy with facilitation of buying of the land. When that process is done, planning of installation of services & construction of houses will follow. ▪ HAD has started with beneficiary administration processes.
Cala Ext 13&14 (1545)– Cala Ext 15 (1070) and – Elliot 800	Old projects were planned for installation of internal reticulation services. Due to unavailability of Bulk, project was stalled. ▪ Contractors were appointed (14 SMME`s) ▪ Service provider – **AES** is appointed to facilitated readiness of the project. ▪ Assessment of beneficiaries & house/site numbers is done. ▪ 172Beneficaries assessed and verified. ▪ Service provider is busy with enrollment of the project with NHBRC. Will also do validation renewal of contracts for SMME. ▪ Chris Hani DM is busy with installation of Bulk services in the project. GIC (Gap Infrastructure Cooperation) Is appointed by the dept for installation of internal services.
Elliot Rectification 302 Units - Phase 1	**COEGA** Development Corp. was appointed to implement the project. COEGA has since withdrawn from the project. Dept is busy with framework of contractors, where an appointment letter will be issued to the contractor to do implementation of the project.
Chris Hani Disaster - 879 Subs - Phase 1 (Cala - Manzimdaka 127)	▪ This project forms part of the department framework. ▪ Department is busy with framework of contractors, where an appointment letter will be issued to the contractor to do implementation of the project.
Chris Hani Military Veterans 98 - Phase 1 – (20 Military Veterans approved for 20 units at Sakhisizwe).	▪ Procurement for appointment of a Turnkey Contractor on construction of **20** houses for Military Veterans in Sakhisizwe Local Municipality

The table above provide 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 several 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 64 in Sakhisizwe. The plan

is to construct 800 units for the entire Chris Hani District funded by Human Settlements and COGTA as follows:

Chris Hani Destitute - 800 Subs - Phase 1 (64 units at Sakhisizwe)	A service provider, Ayavelisa Consulting has been appointed for implementation of **64** units in Sakhisizwe Local Municipality. ▪ **Ayavelisa** has done verification of units to be constructed. Submitted drawings to the municipality for approval. ▪ Contractor to construction of houses appointed Fanaka Construction & site was handed over in October 2023. ▪ Contractor delayed with construction on site due to the delays on processes of approval of construction drawing. The municipality has since issued provisional approval of drawing for the rural houses. ▪ Status of internal services also had to be verified.

CHALLENGES	**MITIGATION**
1. Topography of the area, with high mountain plateaus incised by steep valleys. Some houses are at upper whereas some are at Lower levels in the villages.	Re – establishment of the site, plant is necessary.
2. Tremendous change in altitude above mean sea level from on village to another.	Contractor to make means on delivery on construction materials.
3. Access to the villages is generally poor.	Municipality to assist with maintenance of the roads and create access in some areas.
4. Beneficiary administration – Most of the applicants are youth of which department is looking most on destitute people as per beneficiary allocation policy i.e. (10%=Youth, 10%=Military Veterans, 58 % =Senior Citizens based on need, 20 % = Destitute &Vulnerable groups & balance of 2%= people with Disabilities).	Beneficiary committees together with ward councillors to assist on getting the needy /destitute beneficiaries as per departmental allocation policy. Continuous awareness and Consumer Education.

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.

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 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. 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 tittle 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. Most 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 includes 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 southeast of Khowa town. The total number of households is residing within the established township. It consists of households erected informal structures on surveyed plots, and each plot has the following services connected to: ▪ Stand taps within the informal settlement. ▪ Self-dug pits ▪ VIP toilets	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 southeast of Khowa town. Ekuthuleni has access to services via the established township such as: ▪ Schools ▪ Churches ▪ Cemetery ▪ Health Care Centres

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.

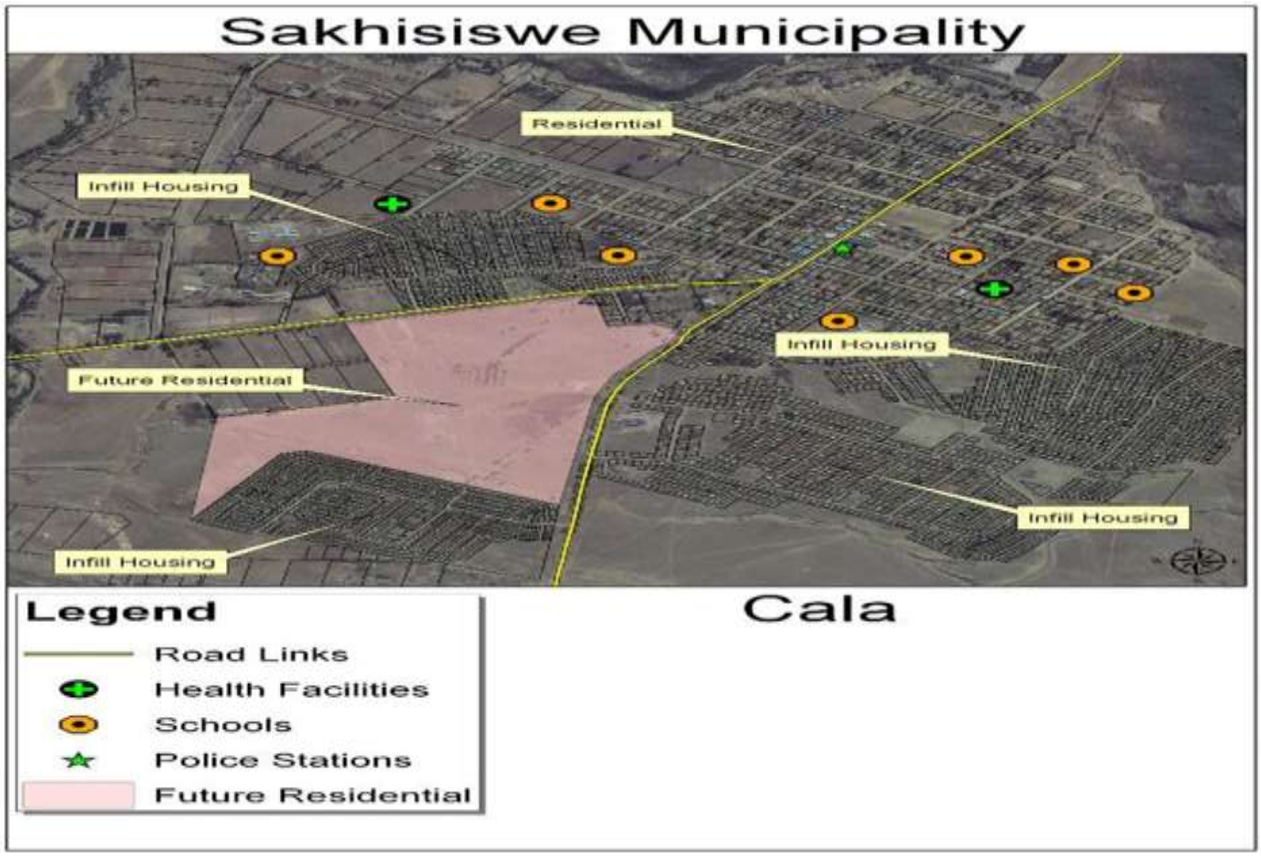
The procedures for accessing communal land for future development are guided by the Interim Protection of Informal Land Rights Act. Once a community resolution has been obtained, it is the responsibility of the Department of rural Development and Land Reform to issue formal authorisation for the release/ 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.

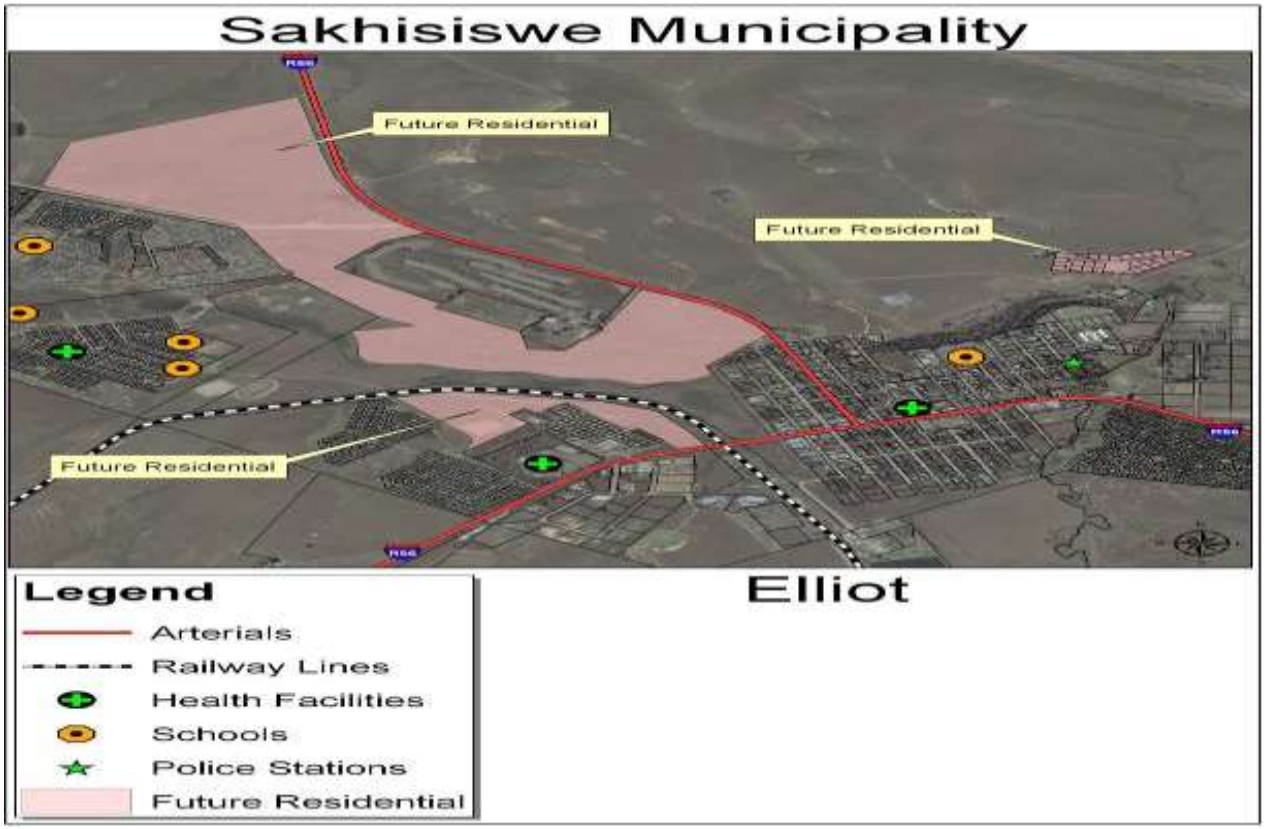
13. Analysis of Housing Needs

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 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 cannot be handed over due to beneficiaries either relocating or dying. Beneficiaries who die without leaving a will, create problems as the municipality then must 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 roadside fences are stolen.
- Unfiled building plans. Landowners 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.

17. 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

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 project 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 projects 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**

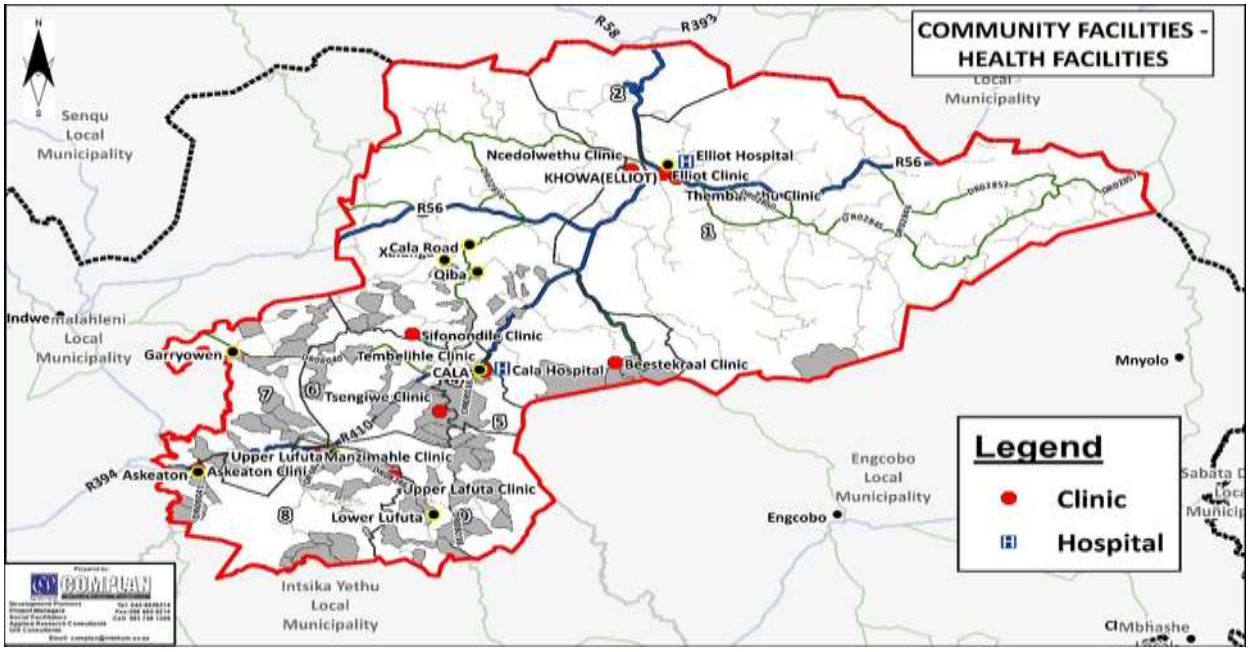
WARD 9 VILLAGES	NO OF APROVED BENEFICIARIES	NO OF HOUSES COMPLETED	NO OF HOUSES AT VARIOUS STAGES	NO OF HOUSES NOT STARTED
Mahlungulu	27	0	0	-
Nyalasa	28	0	0	-
Mbenge	29	0	0	-
Langanci	69	0	0	-
Mbodlane	10	0	0	-
Hota	35	0	5	-
Lower lufutha	27	0	0	-
Mbewula	12	0	0	-
Sub total	**237**	**0**	**0**	**-**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

18. 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 Tsengiwe	• Khowa (Elliot) Mobile Clinic (Gubenxa & Mhlwazi) 2 • Cala Mobile has 2 mobile vehicles with 37 stopping station	Khowa (Elliot)
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 remain with persistent access to water.

19. 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.

20. 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, cater for only few sporting codes and not multi-functional in their design. Due to this situation existing ports 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 an 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 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 now; 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 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 an SLA between provincial Department of Transport and the Sakhisizwe Local Municipality for the Construction of Pounds in both Cala and Khowa. The one in Cala has been completed and the one in Khowa is being constructed.

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. The municipality has budgeted for the maintenance of all community halls.

21. 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.

22. 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%**

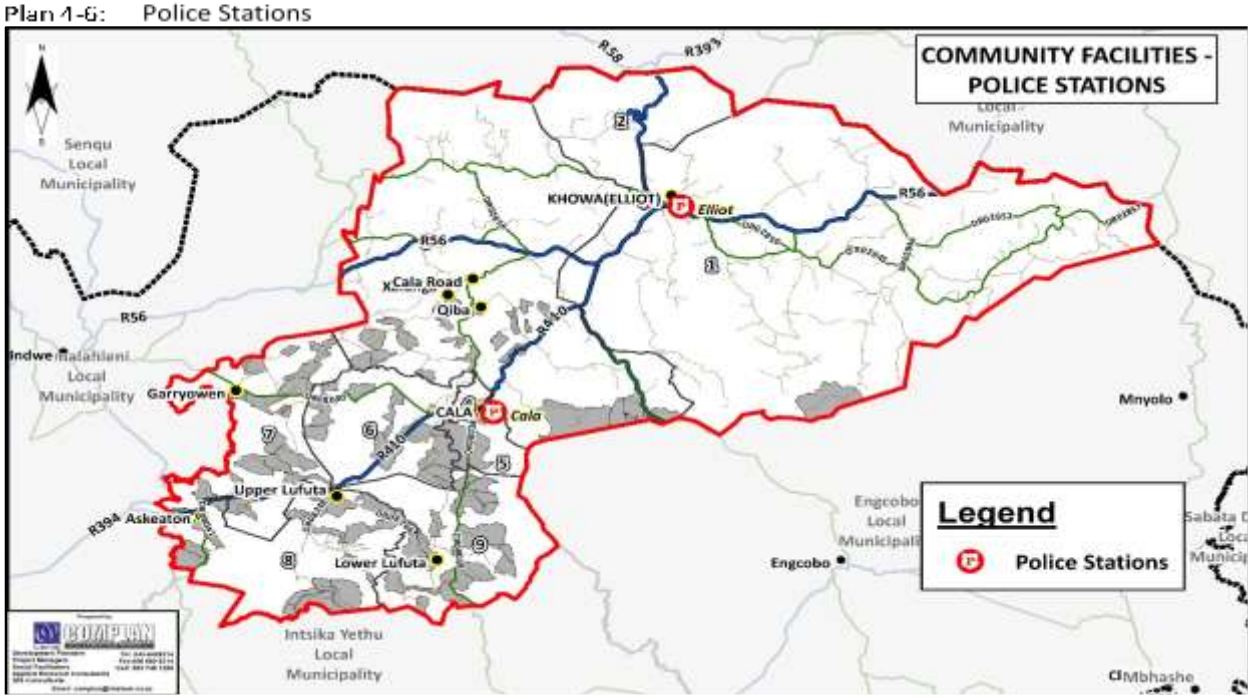
The municipality is interested in crime prevention and promotion of safety even though this function is led by the justice cluster (SAPS, Departments of Justice, Correctional Services and Community Safety in the Province). SLM participates in existing structures like policing forums and street committees 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.
- Stock theft especially in the villages in Cala.

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



23. 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 road infrastructure especially in the municipal townships. 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 has also engaged local economic development opportunities by promoting and supporting implementation of recycling projects linked to the landfill site.

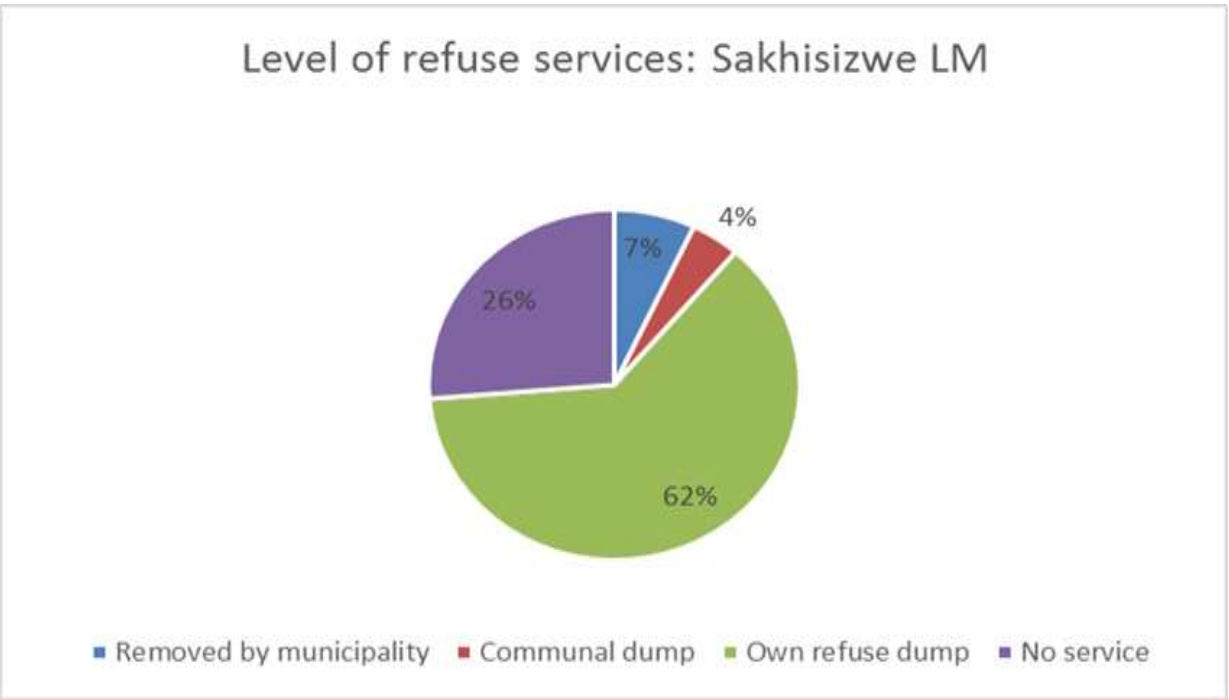
Backlog for provision of refuse removal remains high with 26% not served at all while another 62% of households use own means of disposing refuse and waste without any support from the municipality.

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 municipality has developed an Integrated Waste Management Plan, and it was endorsed by MEC.

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.

Sakhisizwe Integrated Waste Management Plan has been reviewed and adopted by the Council in May 2023 and the municipality is waiting for endorsement of IWMP by DEDEAT. *Annexure F.*

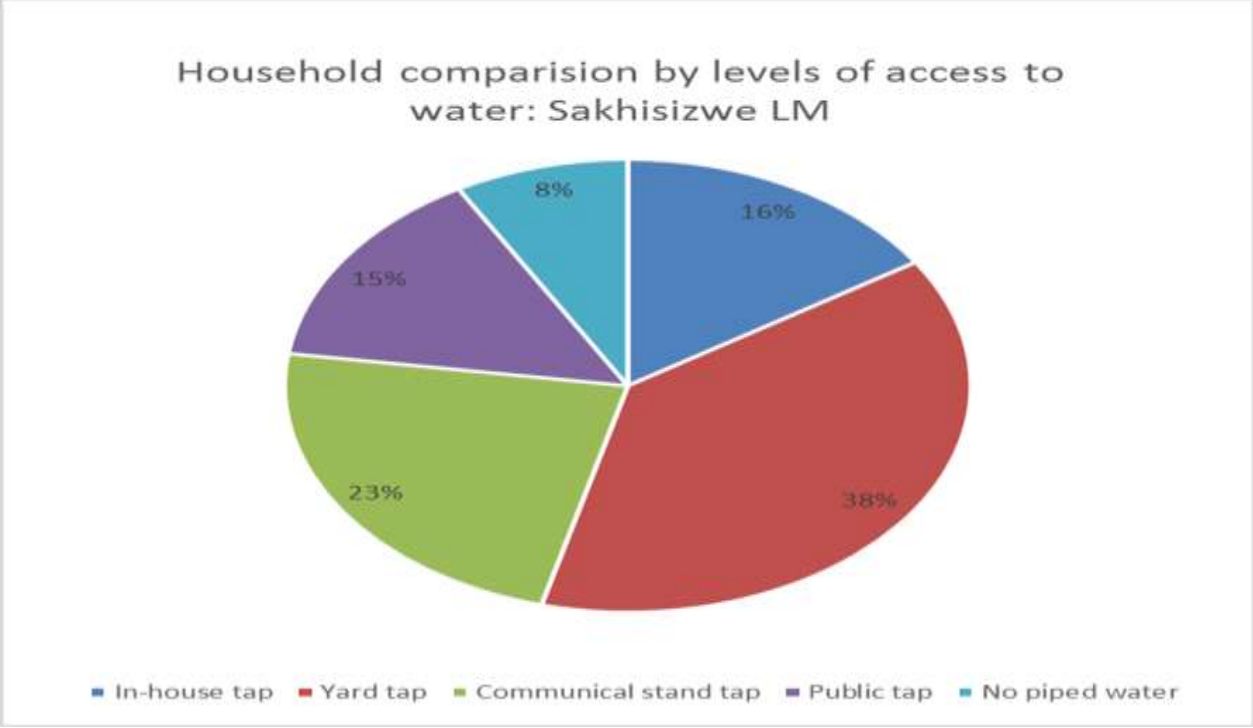


24. Water and Sanitation

24.1 Water

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 Name	Estimated Allocation
Elliot Spillages	R 11 100 000,00
Refurbishment Of Elliot Wastewater Treatment Works	R 4 320 000,00
Gubenxa, Maxongoshoek Water Supply	R10 000 000,00

Municipal Infrastructure Grant Funding

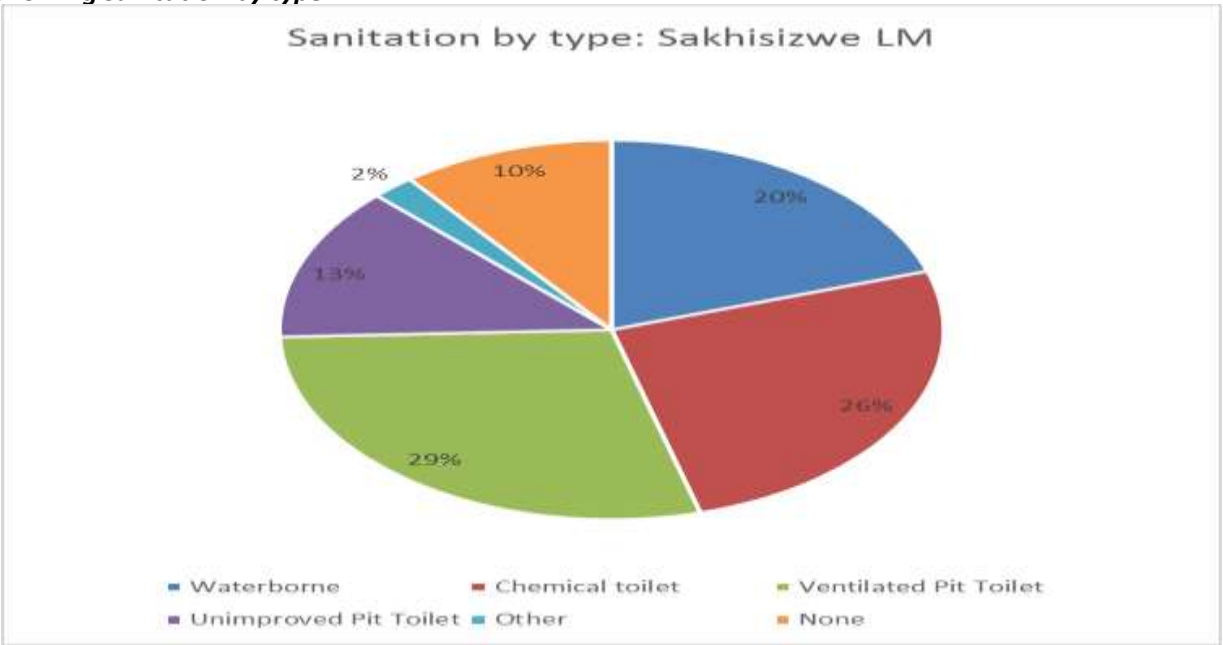
Project Name	Estimated Allocation
Cala Wastewater Treatment Works	R 500 000,00
Rural Sanitation Backlog: Sakhisizwe	R 10 000 000,00

24.2 Sanitation

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.

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

Chris Hani District Municipal Infrastructure Grant Funding

Grant	2024/2025	2025/2026	2026/2027
Municipal Infrastructure Grant			
Water	R 2 500 000. 00	R 200 000. 00	R 4 303 627. 23
Sanitation	R 10 922 080. 02	R 5 000 000. 00	R 10 000 000. 00
Regional Bulk Infrastructure Grant			
Water	R 40 306 390. 35	R 2 156 068. 06	-
Water Services Infrastructure Grant			
Water	R 14 320 000. 00	R 15 350 000. 00	-
Sanitation	R 11 100 000. 00	R 5 350 000. 00	-

25. Roads, Transport and Storm water

25.1 Roads

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.

Most 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.

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.
Currently the municipality uses the district municipality's Rural Roads Asset Management Plan, and that funding is being sourced from various departments and institutions to develop a municipal system or plan.

The municipality 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. During the 2024/2025 IDP and Budget consultation process the communities requested that the municipality should increase the budget for roads maintenance in order to cover the gap amongst the wards with planned projects and those who are not budgeted for in the MIG for 2024/2025 Financial Year.

The municipality has reviewed an **EPWP polic**y 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 several 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.

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 rainwater to prevent unnecessary damage to existing infrastructure and properties.

25.2 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 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. To maintain the stormwater, the municipality has employed people through the EPWP as the municipality has no plant machinery at its disposal. Plans are currently being made whether to dispose or fix the available plant machinery.

25.3 Public Transport

Developments, transport systems planning and legislative changes within the transportation environment which substantiate the requirement of another review of the existing Integrated Transport Plan. As a Type 2 Planning Authority, it is required according to the National Department of Transport (DoT) Minimum Guidelines of the National Land Transport Act No 5 of 2009 (NLTA) to prepare a DITP.

The Chris Hani District has not formulated a vision specifically for transport. The existing Municipal vision is to be “a well capacitated Municipality, characterised by a good quality of life and a vibrant, self-sufficient economy driven by skilled communities living in a safe and healthy environment”. This vision is also relevant to the transport sector.

The vision reflected in the Municipal mission statement, is “to provide affordable quality services, alleviate poverty and facilitate social and economic development of the area, through integrated development planning, co-operative governance, skills development and the sustainable utilisation of resources”. (Source: CHDM IDP, 2010/2011)

The key underpinnings of prevailing transport policy and legislation today are the provision of sustainable transport, especially the need to drive public transport over private transport. The provisions of prevailing legislation encourage public transport to be seen as one of the principal drivers of the economy.

The update of the DITP for the Chris Hani District Municipality (CHDM) will, therefore, serve as a platform to enhance the transport system within Chris Hani District Municipality, conformity to prevailing legislation, and guide to vital inputs required for the development of a new Chris Hani District Municipality Integrated Transport Plan that must meet new developmental challenges and other imperatives in the future.

The review and update of the District Integrated Transport Plan for the Chris Hani DM has been prepared to ensure that the updated document keeps within the legislation, specifically the National Land Transport Act, 2009 (Act No. 05 of 2009).

The Department of Transport has taken note of the disjuncture between the National Land Transport Act and the Municipal Structures Act and was already in the process of addressing it. The public transport system in Sakhisizwe Local Municipality area is limited and primarily constituted by private minibus taxis that service the area on a regular basis. Ensure that the updated document keeps within the legislation, specifically the National Land Transport Act, 2009 (Act No. 05 of 2009).
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25.4 None Motorised Public Transport System

There are inadequate facilities to accommodate this form of public transport and organised taxi ranks and commuter shelters are needed at all settlements. The municipality does not have an integrated transport plan to mitigate the above.
There are privately owned cars and bicycles, and most of the population is pedestrians who have to rely on foot as a mode of travel. Pedestrians are not adequately catered for especially in terms of safety.

There are no formal crossing arrangements to cater for pedestrians and animals between settlements and to compound this problem many of these informal crossings traverse national and trunk roads which have adverse effects on safety within the area.

Sakhisizwe Local Municipality is predominantly poor municipality with about less than 50 percent of the population owning cars, with means of transportation being non-motorized public transport system such as Donkey cart, walking and cycling.

25.5 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 this 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.

25.6 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 streetlights in towns such as Cala
- Building of more pedestrian bridges and walkways
- 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.
- The municipality needs to also develop the Rural Roads Asset Management plan to respond to IDP assessments findings by the MEC of Cooperative Governance and Traditional Affairs.

26. Energy & Electricity

26.1 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.

26.2 Electricity Supply

The municipality developed its Electricity Master plan in September 2019. The master plan is a very important document for the Municipality as it identifies deficiencies within the current network and remedial actions required to address them. It also gives the municipality an overview of the overall status of the network and strengthening work required to ensure reliability and availability of the power supply. The master plan further provides a short term, medium term, and long-term plans to ensure continuous supply of electricity. *See Annexure E*

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 connections in 2023.

26.3 non-grid programme

This project is focus more on the areas that are a remote from Eskom grid which are mostly farmers and farm dwellers.

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

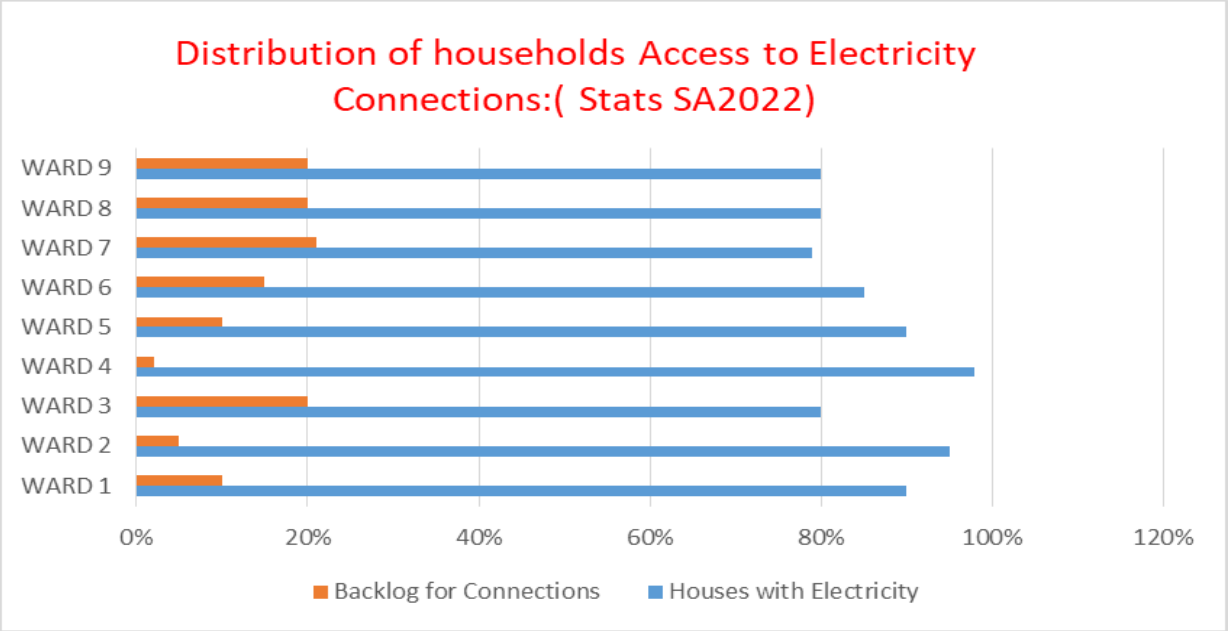
26.4 The Need for Electricity:

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 Refurbish the existing High Mast in Cala Communities and Khowa communities. There is also a need of streetlight h 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%



27. Disaster Management

Disaster management services include a range of tasks such as firefighting, disaster relief, emergency services and related operations. The municipality has no disaster management plan in place and is being assisted by the Chris Hani District Municipality.

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 firefighting equipment) and capacitation of our local ward level structures with training and basic operational equipment.

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 firelighters 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

28. 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.

29. 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 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.
Childcare 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
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

Part B of Schedule 4			
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 two (2) and one part time 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 illustrate 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. Ngqayimbana	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. Ngqayimbana	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 quarterly.

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. Mahlombe	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

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 posts; 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**
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	**Vacant**

Department	Responsibilities	Head of Directorate
	Fleet Management Occupational Health and Safety Information Communication Technology	
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. The Khowa offfices are currently under the management of the Chief financial Officer.

Administrative Structure location

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 Integrated Planning & Economic Development Directorate Technical 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. Organisational Structure

The organogram for the Municipality has been reviewed and adopted by council in May 2024. In September 2021, COGTA promulgated Municipal Staff Regulations which in Chapter two prescribe how staff establishments should be designed and developed. SALGA conducted a diagnosis of the current structure and found that it was not compliant with the Municipal Staff Regulations on many fronts. The areas of non-compliance range from provision of support to the offices of the political bearers, the core to support rations, number of Directorates, the structural shape, structural layers, and the span of control.

The Municipality through the support of SALGA is committed to addressing all the concerns raised in the report by SALGA. It further wants to have a complete overhaul of its operations through a business re-engineering process to ensure that its structure will support its long-term objectives and the district 's One Plan. This exercise is complex and as a result the Municipality has decided to do this through a phased in approach which will be driven by a Steering Committee which will comprise of various internal stakeholders and will be driven by Corporate Services with the assistance of SALGA and guidance from COGTA. *See Annexure A*

The planned phased in approach be as follows; Phase 1: Diagnostic exercise and addressing non-compliance Phase 2: Establishing Organisational Requirements Phase 3: Design and Pilot Municipal Staff Establishment Phase 4: Job Evaluation and costing Phase 5: Implementation of Placement Phase 1 is complete and all other non-compliance areas will be addressed in phase two which we envisage will be

completed by 28 February 2025. Phases three to five will be completed by 30 June 2025. A detailed report with how the Municipality will be rolling out the above will be submitted to the MEC for guidance and approval.

The current posts have not been provisionally evaluated according to TASK through a benchmarking exercise. The Municipality has decided to take this process forward by evaluating all posts through the SALGA structures.

Contract Workers

Designation	Department	Contract Period
Municipal Manager	Municipal Managers' Office	5 years
Director: Integrated Planning & Economic Development	Integrated Planning & Economic Development	5 years
Director: Community Services	Community Services	5 years

Organogram Posts per Department

Department	Funded	Unfunded	Total
Municipal Manager	15	7	22
Corporate Services	20	10	30
Budget and Treasury	19	8	27
Integrated Planning & Economic Development	07	10	17
Community Services	62	78	140
Technical Services	13	27	40

Identified posts to be filled in 2024-2025 have not been identified due to cost constraints. The Municipality has staff members.

6. Employment Equity

The Employment Equity Plan of the Municipality was approved in 2022. It is implemented through the recruitment and selection process and through training and development. Implementation is monitored by the Employment Equity Committee, Training committee and Labour Forum. The objectives of the plan are to increase the number of people with disabilities, increase training for staff, increase the number of learnerships and internships.

Employment Equity Staffing Levels

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top Management	4				2						6
Senior Management	6				4						10
Professionally qualified and experienced specialists and mid-management	6			1	9						16
Skilled Technical and academically qualified workers, junior management, supervisors, foreman, and superintendents	16				25						41
Semi-skilled and discretionary decision making	12	1									13
Unskilled and defined decision making	24				26						50
Total Permanent	68	1		1	66						136
Temporary Employees	4				2						6

Grand Total	72	1		1	68						142

The Employment Equity Forum consists of Portfolio Head: Corporate Services, Top Management Representative: Director – Corporate Services, Manager HR, LR and Legal Services, Senior Management Representative: Executive Co-coordinator: Political Affairs, Technical Support Staff: HR Practitioner, Training and Development : Skills Development Facilitator ,Secretary, Designated groups Representative, People with Disability : Representative, Professionally Qualified and experienced specialist Mid Management Representative, Skilled Technical and Academically Qualified workers Representative, Semi – Skilled and Discretionary decision making, Unskilled and defined decision making Representative and 1 representative from each labour Union. Employment Equity Committee meets once a quarter.

The Local labour forum sits monthly. The Local Labour Forum is fully functional. It consists of representatives of the labour unions, Director Corp Services, Manager HR, Portfolio Head of Finance and Administration, 2 Employer Representatives and the Secretary. It sits as per the 2023-24 council Callender sat dates.

The OHS Committee sits quarterly. It consists of a representative from each town and from the Unions and service departments like electricity, roads and waste management and is headed by Corporate Services. It deals with issues of health and safety. All staff are issued with the necessary tools and protective clothing. Monthly inspections are done of the tools and vehicles to ensure that they are safe. The PMU Unit ensure that all appropriate OHS is done on their project sites. Any issues are forwarded to the Corporate Services Standing committee and top management for resolution. A resolution register is compiled at OHS Committee meetings and the implementation of these are tracked. As a result of the committee's work, change rooms with showers have been built in Barkly East and Lady Grey for general assistants of waste management. Corporate Services is responsible for ensuring that OHS issues raised by the Committee are resolved.

7. 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	17 May 2024
	Cash management and Investment Policy	Reviewed	17 May 2024
	Revenue collection and enhancement strategy	New	17 May 2024
	Budget Policy	Reviewed	17 May 2024
	Debt writes off Policy	Reviewed	17 May 2024
	Property Rates Policy	Reviewed	17 May 2024
	Free Basic and Indigent Policy	Reviewed	17 May 2024
	Supply Chain Management Policy	Reviewed	17 May 2024
	Asset Management Policy	Reviewed	17 May 2024
	Borrowing Policy	Reviewed	17 May 2024
	Tariff Policy	Reviewed	17 May 2024
	Funding and Reserves Policy	Reviewed	17 May 2024
	Cost Containment Policy	Reviewed	17 May 2024
	UIFW Policy	Reviewed	17 May 2024

	Virement Policy	Reviewed	17 May 2024
Corporate services	Human Resource Policy	Reviewed	17 May 2024
	Organogram	Reviewed	17 May 2024
	Employment Equity Policy.	Reviewed	17 May 2024
	Records Management Policy	Reviewed	17 May 2024
	Recruitment and Selection Policy	Reviewed	17 May 2024
	Registry Procedure Manual	Reviewed	17 May 2024
	Subsistence and Travelling Policy	Reviewed	17 May 2024
	Acting Allowance Policy	Reviewed	17 May 2024
	Training and Development Policy	Reviewed	17 May 2024
	Telephone Policy	Reviewed	17 May 2024
	Attendance and Punctuality Policy	Reviewed	17 May 2024
	Bereavement Policy	Reviewed	17 May 2024
	Code of conduct for Municipal Employees	Reviewed	17 May 2024
	Code of Conduct for Councillors	Reviewed	17 May 2024
	Occupational Health and Safety Policies	Reviewed	17 May 2024
	Leave Policy	Reviewed	17 May 2024
	Capacity building and training for Councillors	New	17 May 2024
	Disposal Policy	Reviewed	17 May 2024
	Filling Policy	Reviewed	17 May 2024
	Job Evaluation Policy	New	17 May 2024
	Human Capital Placement Policy	New	17 May 2024
	Political Office Bearers Vehicle Policy	New	17 May 2024
	HIV and AIDS Policy	New	17 May 2024
	Protective Clothing Policy	Reviewed	17 May 2024
	Policy on regulating Absenteeism	Reviewed	17 May 2024
	Overtime Policy	Reviewed	17 May 2024
	Fleet Management Policy	Reviewed	17 May 2024
	Long Service Policy	Reviewed	17 May 2024
	Smoking Policy	Reviewed	17 May 2024
	Security Patch Management Policy	New	17 May 2024
	Sexual Harassment Policy	Reviewed	17 May 2024
	Staff Placement Policy	Reviewed	17 May 2024
	Staff Retention Policy	Reviewed	17 May 2024
	Substance Abuse Policy	Reviewed	17 May 2024
	Password Policy	New	17 May 2024
	User Account Management Policy	New	17 May 2024
	ICT Governance Framework	New	17 May 2024
	ICT Strategy	New	17 May 2024
	ICT Change Management Policy	New	17 May 2024
	3G Card Policy	New	17 May 2024
Office of Municipal Manager	Rules of Order	Reviewed	17 May 2024
	DC Board Policy	New	17 May 2024
	Consequence Management Policy	New	17 May 2024
	Communication Policy	Reviewed	17 May 2024
	Fraud Prevention Policy	Reviewed	17 May 2024
	Risk Management Policy	Reviewed	17 May 2024
	Ward Committee Policy	Reviewed	17 May 2024
	MPAC Terms of Reference	New	17 May 2024

	Petitions Committee Policy	New	17 May 2024
	Performance Management Systems Policy	Reviewed	17 May 2024
	Public Participation Policy	New	17 May 2024
Integrated Planning & Economic Development	Building Control Bylaw	New	17 May 2024
	Land Use Management Scheme	New	17 May 2024
	Local Economic Development Strategy	Reviewed	17 May 2024
	Prevention of Policy	New	17 May 2024
	Town Planning Policy	New	17 May 2024
	Municipal Commonage Management Bylaw	New	17 May 2024
	Street Trading Control Bylaw	New	17 May 2024
	Unsightly and Neglected Buildings and Premises	New	17 May 2024
Community services	Integrated Waste management Plan	Reviewed	17 May 2024
	Law Enforcement Bylaw	Reviewed	17 May 2024
	Lease of Halls and Conference Facilities Bylaw	Reviewed	17 May 2024
	Prevention of nuisance Bylaw	Reviewed	17 May 2024
	Public Cemeteries Bylaw	Reviewed	17 May 2024
	Refuse Removal Bylaw	Reviewed	17 May 2024
Technical services	Expanded Public Works Policy	Reviewed	17 May 2024
	Capital Projects Policy	New	17 May 2024
	Policy on the maintenance of storm water drainage and facilities	New	17 May 2024
	Electricity and installation Policy	New	17 May 2024

8. 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 also develop 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.

9. 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 o 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.

10. 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 be 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 ns Act. Most disciplinary cases deal with cases of absenteeism, drunk on duty and late coming.

11. 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 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 always locked. 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

12. 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.

13. 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.

14. 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 (ECPSDP), 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 2024/2025 IDP/ BUDGET-PMS PROCESS PLAN			
Planning Phase			
		Timeframe	**Responsible Department**
1)	**SLM:** Ordinary Council Meeting	25 July 2023	MM
2)	Audit Committee Meeting	26 July 2023	MM
3)	**CHDM:** Ordinary Council Meeting	26 July 2023	MM
4)	Performance Reviews	28 July 2023	MM
5)	2024-2025 IDP Process Plan Alignment	03 August 2023	MM/IPED/CHDM
6)	**CHDM:** DIMAFO	24 August 2023	CHDM
7)	**CHDM:** Special Council Meeting	29 August 2023	CHDM
8)	**SLM:** Special Council Meeting	30 August 2023	MM
	Analysis Phase / Monitoring and evaluation		
9)	**SLM:** Technical IGR meeting	07 September 2023	MM
10)	**SLM:** IDP Rep. Forum	12 September 2023	MM/IPED
11)	**CHDM:** IDP Rep. Forum	14 September 2023	CHDM
12)	**SLM:** MPAC Meeting	21 September 2023	MM/IPED
	Strategies Phase / Refined objectives, strategies, programmes, and projects phase		
13)	**SLM:** IDP Roadshows: Community Needs Analysis	3-5 October 2023	MM/IPED
14)	Audit Committee Meeting	25 October 2023	MM
15)	**CHDM:** Ordinary Council Meeting	25 October 2023	CHDM
16)	**SLM:** Ordinary Council Meeting	26 October 2023	MM
17)	IDP Steering Committee	14 November 2023	MM/IPED
18)	**SLM:** Technical IGR Meeting	15 November 2023	MM/IPED
19)	**CHDM:** IDP Rep. Forum Meeting	16 November 2023	CHDM
20)	**SLM:** IDP Rep. Forum Meeting	21 November 2023	MM/IPED
21)	**AG Report**	29-30 November 2023	MM/BTO
22)	**CHDM:** Alignment Session	5 December 2023	CHDM/IPED/MM
23)	**SLM:** Special Council Meeting	12 December 2023	MM
24)	**CHDM:** Special Council Meeting	13 December 2023	CHDM
	Reviewed IDP document (Integration/programme implementation and operational plan)		
25)	Audit Committee meeting	24 January 2024	MM
26)	**SLM:** Ordinary Council Meeting	25 January 2024	MM
27)	**CHDM:** Ordinary Council Meeting	31 January 2024	CHDM
28)	**CHDM:** Technical IGR	6 February 2024	CHDM
29)	**SLM:** Institutional Strategic Session	28-29 February 2024	MM/IPED
30)	**SLM:** Special Council Meeting	28 February 2024	MM
	Project/ Approval phase		

31)	**SLM:** Technical IGR Meeting	12 March 2024	MM/IPED
32)	**CHDM:** IDP Rep. Forum Meeting	14 March 2024	CHDM
33)	**SLM:** IDP Rep. Forum Meeting	19 March 2024	MM/PED
34)	**CHDM:** Special Council Meeting	27 March 2024	CHDM
35)	**SLM:** Special Council Meeting	29 March 2024	MM
36)	**SLM:** IDP Roadshows: Draft IDP & Budget	2-5 April 2024	MM/IPED
37)	Audit Committee Meeting	24 April 2024	MM
38)	**CHDM:** Ordinary Council Meeting	24 April 2024	CHDM
39)	**SLM:** Ordinary Council Meeting	25 April 2024	MM
	Approval Phase		
40)	**CHDM:** Technical IGR	7 May 2024	CHDM
41)	**SLM:** Technical IGR	14 May 2024	MM/IPED
42)	IDP Steering Committee	14 May 2024	MM/IPED
43)	Risk Assessment	15-17 April 2024	MM
44)	**CHDM:** IDP Rep. Forum Meeting	16 May 2024	CHDM
45)	**SLM:** IDP Rep. Forum Meeting	21 May 2024	MM/IPED
46)	**CHDM:** DIMAFO	23 May 2024	CHDM
47)	**CHDM:** Special Council Meeting	29 May 2024	CHDM
48)	**SLM:** Special Council Meeting	30 May 2024	MM
49)	**CHDM:** Ordinary Council Meeting	26 June 2024	CHDM
50)	**SLM:** Ordinary Council Meeting	27 June 2024	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 I s 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, indictors 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 2019/20	Rating 2020/21	Rating 2021/22	Rating 2022/23	Rating 2023/24
Spatial Development Framework	High	High	medium	High	High
Service delivery	Medium	Medium	Low	Medium	Low
Financial Viability	Medium	Medium	High	Medium	Medium
Local Economic Development	High	High	Medium	High	High
Good governance & public participation	Medium	High	Medium	Medium	High
Institutional Arrangements	Medium	Medium	Medium	Medium	High
Overall Rating	Medium	High	Medium	Medium	High

7. Public Participation

Public Participation Policy

The Public Participation Policy has been developed and was adopted by Council in 2023. 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. The stakeholder register has been developed and updated. The municipality is in the process of developing its Public Participation strategy.

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 complete 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	Veregenoeg; Polar Park; Ekuthuleni; Masimini (Section); Takalane (Section)
Ward 3	Cala Pass; Zikhonkwane; Qhiba; Mgwalana; Dike; Sifonondile; Roma; Dellvile 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 Mnxe; Mnxe; 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; Mahlungulu

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 to unite stakeholders to fight against crime. The municipality also forms part of the moral regeneration programme of the Presidency. The municipality has just resuscitated the Mayoral Cup whereby all sports codes participate in their codes and winners receive prizes and cups.

All 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 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. 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 to improve public participation. They attend Ward Committee Meetings regularly and 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. Currently the forum is busy with the review of the municipal LED strategy that was last reviewed in 2011.

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 using 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 five years from 2018/19 to 2022/23.

2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Qualified	Adverse	Qualified	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 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. *For Audit Action Plan and Auditor General Report see Annexures C&D.*

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

13.1. HIV and AIDS

SPU Coordinator has been assigned the function of HIV and Aids Coordination for the municipality and will resume the duties in the year in review. The Council has developed an HIV & Aids mainstreaming policy which has been adopted by Council 17 May 2024.

HAST Indicators

Data element	Planned target	Actual target
HIV test done sum	5750	6478
ART adults remain in care rate	95%	88.4%
ART chid remain in care rate	95%	53.8%
ART adult VL suppressed rate	95%	86.8%
DS-TB treatment start rate	95%	84.4%
All DS-TB client treatment success rate	79%	31.7%
All DS-TB lost to follow-up rate	10%	16.5%
TB/HIV co-infected client on ART rate	95%	96.4%

Prevention Strategies

- Implementation of Youth Zones in all high schools that are having Adolescent Youth Friendly Services (AYFS) champ nurses in their catchment areas. Like in February 2024 we had STI and CONDOM week and 9 schools were visited.
- Utilisation of all relevant screening tools for early detection and treatment.
- Emphasizing the CCMDD programme to our clinicians to return clients in care and the multi-month dispensing (MMD).
- PrEP initiation to those tested negative and PEP to those expose to HIV for prevention purposes.
- Weekly radio slots (Vukani FM) visits for health talks and to address the issue of stigma and discrimination in our communities.

- Usage of health calendar for the improvement of services according to the health calendar through outreach programmes and health awareness.
- Implementation of Thumamina in all Wards from March 2024 to June 2024 as suggested by the province.

Challenges	Possible solutions
Parents that stop their children from taking PrEP.	To do child parent dialogs to involve parents on education and to gain more understanding on Prep.
Breastfeeding women and grannies that are still using herbal intoxication (Iyeza lomoya).	To give our CHWs slots on our Imbizos to do education. Continuous education during pregnancy up until delivery.
Non-disclosure from biological mothers that leaves their children with grannies.	Continuous health talks in our facilities and in Vukani FM.
CHWs that are scared to do door-to-door because they are threaten with rape	Izibonda to assist in addressing the issue in the community gathering, and Assisting our facilities to nominate the clinic committee

13.2. 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.

13.3. Elderly Forum

The Municipality has an annual plan based on activities for the elderly and promoting anti elderly abuse.

13.4. 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.

13.5. 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.
The community needs and priorities have been classified to Non-municipal Competency Community Needs and municipal Competency Community Needs:

1.1. Non-Municipal Competency Community Needs

IDP REF	COMMUNITY NEED	LOCATION	WARD	DEPTISOE	YEAR CAPTURED
IDP01	Animal Pound	Khowa Town	1	Transport	2022-2027
IDP02	RDP Houses	Maxongo	1	Human Settlements	2022-2027
IDP03	RDP Houses	Mhlwazi	1	Human Settlements	2022-2027
IDP04	Road signs for the road from Ugie	Old Location	1	SANRAL	2022-2027
IDP05	Clinic	Kuthuleni	2	Health	2022-2027
IDP06	RDP Houses	Polar Park	2	Human Settlements	2022-2027
IDP07	FET College	Veregenoeg	2	Education	2022-2027
IDP08	RDP Houses	Masimini	2	Human Settlements	2022-2027
IDP09	Network	Sifonondile	3	Communications	2022-2027
IDP10	Shearing Shed	Sifonondile	3	Rural Development & Agrarian Reform	2022-2027
IDP11	RDP houses	Sifonondile	3	Human Settlements	2022-2027
IDP12	Network Pole	Phindela	3	Human Settlements	2022-2027
IDP13	Fencing of arable land	Cala Pass	3	Rural Development & Agrarian Reform	2022-2027
IDP14	RDP Houses;	Zikhonkwane	3	Human Settlements	2022-2027
IDP15	Shearing Sheds	Zikhonkwane	3	Rural Development & Agrarian Reform	2022-2027
IDP16	RDP Houses	Roma	3	Rural Development & Agrarian Reform	2022-2027
IDP18	Shearing Shed;	Thaleni	3	Rural Development & Agrarian Reform	2022-2027
IDP19	Dams for Livestock	Thaleni	3	Rural Development & Agrarian Reform	2022-2027
IDP20	Fencing of arable land	Thaleni	3	Rural Development & Agrarian Reform	2022-2027
IDP21	Network Pole	Phindela	3	Communications	2022-2027
IDP22	Police Forum	Mgwalana	3	SAPS	2022-2027

NON-MUNICIPAL COMPETENCY COMMUNITY NEEDS					
IDP REF	COMMUNITY NEED	LOCATION	WARD	DEPTISOE	YEAR CAPTURED
IDP23	Network	Sikhobeni	3	Communications	2022-2027
IDP24	Dipping tanks	Sikhobeni	3	Rural Development & Agrarian Reform	2022-2027
IDP25	Funding for organic farming	Phakamisani	4	Rural Development & Agrarian Reform	2022-2027
IDP26	Pre-school structure	Cala Reserve	4	Education / Social Development	2022-2023
IDP27	Rural Development programs	Cala Reserve	4	Rural Development & Agrarian Reform	2022-2027
IDP28	Donga rehabilitation	Cala Farms	4	Environmental Affairs	2022-2027
IDP29	Police visibility	Ext. 10; 11 & 12	5	SAPS	2022-2027
IDP30	Sport field	Ext. 10; 11 & 12	5	Sports & Recreation	2022-2027
IDP40	Community Development Worker	Ext. 10; 11 & 12	5	Cooperative Government	2022-2027
IDP41	Electricity outages	Manzimdaka	5	ESKOM	2022-2027
IDP42	Donga rehabilitation	Manzimdaka	5	Environmental Affairs	2022-2027
IDP43	Tarring of the road from Cala to Ncora	Manzimdaka	5	Transport/ SANRAL	2022-2027
IDP44	Wattle and Ilapesi Removal	Manzimdaka	5	Environmental Affairs	2022-2027
IDP45	Fencing of arable land and grazing land	Manzimdaka	5	Rural Development & Agrarian Reform	2022-2027
IDP46	Stock Theft (Police Assistance)	Manzimdaka	5	SAPS	2022-2027
IDP47	RDP Houses	Manzimdaka	5	Human Settlements	2022-2027
IDP48	Mobile social workers	Ext. 1 & 3	5	Social Development	2022-2027
IDP49	Inspection of Foreign owned Shops	Ext. 1 & 3	5	SAPS	2022-2027
IDP50	Police visibility	Ndondo Square	5	SAPS	2022-2027

NON-MUNICIPAL COMPETENCY COMMUNITY NEEDS					
IDP REF	COMMUNITY NEED	LOCATION	WARD	DEPTSOE	YEAR CAPTURED
IDP51	Dipping tank:	Ndondo Square	5	Rural Development & Agrarian Reform	2022-2027
IDP52	Animal Pound	Ndondo Square	5	Transport	2022-2027
IDP53	Unattended slabs for RDP Houses	Ext. 8 & 13	5	Human Settlements	2022-2027
IDP54	Funding and assistance for Kamvalethu Youth Development Project	Ext. 8 & 13	5	Social Development	2022-2027
IDP55	Donga rehabilitation	Ext. 15	5	Environmental Affairs	2022-2027
IDP56	Network Pole	Mnxe	6	Communications	2022-2027
IDP57	Fencing of arable fields	Mnxe	6	Rural Development & Agrarian Reform	2022-2027
IDP58	Arts and culture exhibitions	Manzana	6	Sport and Refreation	2022-2027
IDP59	Career Exhibitions	Manzana	6	Education	2022-2027
IDP60	Electricity outages:	Manzana	6	ESKOM	2022-2027
IDP61	RDP Houses not properly monitored	Tsengiwe (Ekuphumleni)	6	Human Settlements	2022-2027
IDP62	Power outages	Tsengiwe (Ekuphumleni)	6	ESKOM	2022-2027
IDP63	Donga Rehabilitation	Tsengiwe (Ekuphumleni)	6	Environmental Affairs	2022-2027
IDP64	Soil erosion	Tsengiwe (Ekuphumleni)	6	Environmental Affairs	2022-2027
IDP65	Shearing Shed	Sifonondile (Qithi)	6	Rural Development & Agrarian Reform	2022-2027
IDP66	Electricity Extensions	Sifonondile (Qithi)	6	ESKOM	2022-2027
IDP67	Scholar Patrol	Mnxe (Mission)	6	Transport	2022-2027
IDP68	Clinic	Mnxe (Mission)	6	Health	2022-2027

NON-MUNICIPAL COMPETENCY COMMUNITY NEEDS					
IDP REF	COMMUNITY NEED	LOCATION	WARD	DEPTISOE	YEAR CAPTURED
IDP69	Road ranger between Cala Reserve and Mission	Mnxe (Mission)	6	Transport	2022-2027
IDP70	Animal rails on motor gates (Road from Cala to Cacadu)	Mnxe (Mission)	6	Transport	2022-2027
IDP71	RDP Houses	Rareni	6	Human Settlements	2022-2027
IDP72	Electricity extensions	Rareni	6	ESKOM	2022-2027
IDP73	Electricity outages	Lower Cala	6	ESKOM	2022-2027
IDP74	Electricity extensions;	Lower Cala	6	ESKOM	2022-2027
IDP75	Speed humps on the road to Cacadu	Manzana	6	SANRAL	2022-2027
IDP76	Power outages	Manzana	6	ESKOM	2022-2027
IDP77	Funding for community based projects	Manzana	6	Social Development	2022-2027
IDP78	Road ranger	Manzana	6	Transport/ SANRAL	2022-2027
IDP79	RDP Houses	Sweetline	7	Human Settlements	2022-2027
IDP80	Wattle removal	Sweetline	7	Environmental Affairs	2022-2027
IDP81	Fencing of arable land	Sweetline	7	Rural Development & Agrarian Reform	2022-2027
IDP82	Dipping Tank	Sweetline	7	Rural Development & Agrarian Reform	2022-2027
IDP83	Fencing for Noxolo Preschool	Sweetline	7	Social Development	2022-2027
IDP84	Shearing Shed	Sweetline	7	Rural Development & Agrarian Reform	2022-2027
IDP85	Electricity Extensions;	Upper Idwana	7	ESKOM	2022-2027
IDP86	Wattle Removal;	Upper Idwana	7	Environmental Affairs	2022-2027
IDP87	RDP Houses for Sidakeni & Nkanini	Upper Idwana	7	Human Settlements	2022-2027

NON-MUNICIPAL COMPETENCY COMMUNITY NEEDS					
IDP REF	COMMUNITY NEED	LOCATION	WARD	DEPT/SOE	YEAR CAPTURED
IDP88	RDP Houses	Mafusini	7	Human Settlements	2022-2027
IDP89	Dipping Tank:	Mafusini	7	Rural Development & Agrarian Reform	2022-2027
IDP90	Fencing of fields:	Mafusini	7	Rural Development & Agrarian Reform	2022-2027
IDP91	RDP houses	Thembeni	7	Human Settlements	2022-2027
IDP92	Donga rehabilitation:	Thembeni	7	Environmental Affairs	2022-2027
IDP93	Dipping tank:	Thembeni	7	Rural Development & Agrarian Reform	2022-2027
IDP94	Shearing Shed:	Thembeni	7	Rural Development & Agrarian Reform	2022-2027
IDP95	Maintenance of the tarred road to Indwe:	Thembeni	7	Transport	2022-2027
IDP96	RDP Houses @ Barracks and Siphafeni	Indwana	7	Human Settlements	2022-2027
IDP97	Fencing and infrastructure for Preschool	Gojini	7	Social Development	2022-2027
IDP98	Fencing of arable land	Gojini	7	Rural Development & Agrarian Reform	2022-2027
IDP99	Water conservation from the farm	Polar Park	7	Rural Development & Agrarian Reform	2022-2027
IDP100	RDP Houses	Polar Park	7	Human Settlements	2022-2027
IDP101	Funding for agricultural projects	Rebels Kloof	7	Rural Development & Agrarian Reform	2022-2027
IDP102	RDP Houses	Rebels Kloof	7	Human Settlements	2022-2027
IDP103	Funding for youth and elderly projects	Rebels Kloof	7	Social Development	2022-2027
IDP104	RDP Houses	Gxojini	7	Human Settlements	2022-2027
IDP105	Dams for livestock	Mboniselweni	7	DRDAR	2022-2027
IDP106	RDP Houses	Mboniselweni	7	DRDAR	2022-2027

NON-MUNICIPAL COMPETENCY COMMUNITY NEEDS					
IDP REF	COMMUNITY NEED	LOCATION	WARD	DEPT/SOE	YEAR CAPTURED
DP107	Stock theft at Gopheni	Mboniselweni	7	SAPS	2022-2027
IDP108	Electricity extensions	Mboniselweni	7	ESKOM	2022-2027
IDP109	Sport ground	Mboniselweni	7	Arts, Sports & Recreation	2022-2027
IDP110	Wattle removal	Mboniselweni	7	Environmental Affairs	2022-2027
IDP111	Shearing shed	Mboniselweni	7	Rural Development & Agrarian Reform	2022-2027
IDP112	Mobile Clinic	Mboniselweni	7	Health	2022-2027
IDP113	Mobile Police Station	Mboniselweni	7	SAPS	2022-2027
IDP114	Dams for livestock	Mndeni	7	Rural Development & Agrarian Reform	2022-2027
IDP115	RDP Houses	Mndeni	7	Human Settlements	2022-2027
IDP116	Electricity extensions	Mndeni	7	ESKOM	2022-2027
IDP117	Electricity extensions	Ngxumza	7	ESKOM	2022-2027
IDP118	RDP Houses	Ngxumza	7	Human Settlements	2022-2027
IDP119	Scholar Patrol (Walking bus	Ngxumza	7	Transport	2022-2027
IDP120	Wattle removal	Ngxumza	7	Environmental Affairs	2022-2027
IDP121	Manipulation EPWP replacement process	Ngxumza	7	Transport	2022-2027
IDP122	Dipping tank	Ngxumza	7	Rural Development & Agrarian Reform	2022-2027
IDP123	Donga rehabilitation	Mceula	7	Environmental Affairs	2022-2027
IDP124	RDP Houses	Mceula	7	Human Settlements	2022-2027
IDP125	Pay point venue for pensioners	Mceula	7	SASSA	2022-2027
IDP126	Donga rehabilitation	Chamama	7	Environmental Affairs	2022-2027
IDP127	RDP Houses	Chamama	7	Human Settlements	2022-2027

NON-MUNICIPAL COMPETENCY COMMUNITY NEEDS					
IDP REF	COMMUNITY NEED	LOCATION	WARD	DEPT/SOE	YEAR CAPTURED
IDP128	Fencing of grazing land:	Chamama	7	Rural Development & Agrarian Reform	2022-2027
IDP129	Electricity extensions	Chamama	7	ESKOM	2022-2027
IDP130	RDP Houses	Mtyatya	7	Human Settlements	2022-2027
IDP131	Food security programs for Lower Lufutha	Upper Lufutha	8	Rural Development & Agrarian Reform	2022-2027
IDP132	Wattle removal	Upper Lufutha	8	Environmental Affairs	2022-2027
IDP133	Electricity extension @ Voyizana	Upper Lufutha	8	ESKOM	2022-2027
IDP134	Removal of iLapesi (Allien Plants	Upper Lufutha	8	Environmental Affairs	2022-2027
IDP135	Donga rehabilitation	Upper Lufutha	8	Environmental Affairs	2022-2027
IDP136	Shearing Shed for Ndyavu & Lower Lufutha	Upper Lufutha	8	Rural Development & Agrarian Reform	2022-2027
IDP137	Electrification of new houses	Zingquthu	8	ESKOM	2022-2027
IDP138	Network Pole	Zingquthu	8	Communications	2022-2027
IDP139	RDP Houses	Zingquthu	8	Human Settlements	2022-2027
IDP140	RDP Houses	Manzimahle	8	Human Settlements	2022-2027
IDP141	Sportfield	Manzimahle	8	Arts, Sport & Recreation	2022-2027
IDP142	Disaster Houses	Manzimahle	8	Human Settlements	2022-2027
IDP143	Two Destitute Houses	Seplan: Maqwathini	8	Human Settlements	2022-2027
IDP144	Infrastructure for Preschool	Seplan: Maqwathini	8	Social Development	2022-2027
IDP145	Fencing of arable land	Seplan: Maqwathini	8	Rural Development & Agrarian Reform	2022-2027
IDP146	RDP Houses	Seplan: Maqwathini	8	Human Settlements	2022-2027

NON-MUNICIPAL COMPETENCY COMMUNITY NEEDS					
IDP REF	COMMUNITY NEED	LOCATION	WARD	DEPT/SOE	YEAR CAPTURED
IDP146	Power outages	Bumbane	8	ESKOM	2022-2027
IDP147	Pre School	Bumbane	8	Social Development	2022-2027
IDP148	Shearing Shed & fencing	Bumbane	8	Rural Development & Agrarian Reform	2022-2027
IDP149	Electricity extensions	Bumbane	8	ESKOM	2022-2027
IDP150	RDP Houses	Bumbane	8	Human Settlements	2022-2027
IDP151	Electricity extensions:	Upper Langanci	8	ESKOM	2022-2027
IDP152	Care givers	Upper Langanci	8	Social Development/ Health	2022-2027
IDP153	Mobile clinic.	Upper Langanci	8	Health	2022-2027
IDP154	Forest rehabilitation & fencing:	Upper Langanci	8	Forestry and Environment	2022-2027
IDP155	Fencing for grazing land	Ndyavu	8	Rural Development & Agrarian Reform	2022-2027
IDP156	Shearing Shed	Ndyavu	8	Rural Development & Agrarian Reform	2022-2027
IDP157	RDP Houses	Ndyavu	8	Human Settlements	2022-2027
IDP158	Dipping tank	Ndyavu	8	Rural Development & Agrarian Reform	2022-2027
IDP159	Stock theft (Police assistance)	Ndum-Ndum	8	SAPS	2022-2027
IDP160	Electricity illegal connections	Ndum-Ndum	8	ESKOM	2022-2027
IDP161	Delayed response from Eskom	Nyalasa	9	ESKOM	2022-2027
IDP162	Wattle removal	Nyalasa	9	Environmental Affairs	2022-2027
IDP163	Network Pole	Nyalasa	9	Communications	2022-2027
IDP164	Power outages	Nyalasa	9	ESKOM	2022-2027

NON MUNICIPAL COMPETENCY COMMUNITY NEEDS					
IDP REF	COMMUNITY NEED	LOCATION	WARD	DEPTISOE	YEAR CAPTURED
IDP165	Tarred road from Cala town to Nyalasa	Nyalasa	9	Transport	2022-2027
IDP166	Agricultural development	Nyalasa	9	Rural Development & Agrarian Reform	2022-2027
IDP167	Fencing for arable land	Nyalasa	9	Rural Development & Agrarian Reform	2022-2027
IDP168	Electricity not working Electricity extensionsPower outages	Mbhenge	9	ESKOM	2022-2027
IDP169	ABET School	Mbhenge	9	Education	2022-2027
IIDP170	Mobile clinic with nurses	Mbhenge	9	Health	2022-2027
IDP171	Clinic	Mbhenge	9	Health	2022-2027
IDP172	RDP Housing Project slow	Mbhenge	9	Human Settlements	2022-2027
IDP173	Shearing Shed	Mbhenge	9	Rural Development & Agrarian Reform	2022-2027
IDP174	Wattle removal	Mbhenge	9	Environmental Affairs	2022-2027
IDP175	Tarred road from Cala town to Ncora	Mbhenge	9	Transport	2022-2027
IDP176	Funding for agricultural projects	Mbhenge	9	Rural Development & Agrarian Reform	2022-2027
IDP177	Fencing of arable land	Hota/Mbewula	9	Rural Development & Agrarian Reform	2022-2027
IDP178	Livestock vaccination	Hota/Mbewula	9	Rural Development & Agrarian Reform	2022-2027
IDP179	Shearing Shed;	Hota/Mbewula	9	Rural Development & Agrarian Reform	2022-2027
IDP180	Network Pole	Hota/Mbewula	9	Communications	2022-2027
IDP181	Donga rehabilitation	Hota/Mbewula	9	Environmental Affairs	2022-2027
IDP182	Electricity for RDP Houses	Hota/Mbewula	9	ESKOM	2022-2027
IDP183	Electricity extensions	Hota/Mbewula	9	ESKOM	2022-2027

NON-MUNICIPAL COMPETENCY COMMUNITY NEEDS					
IDP REF	COMMUNITY NEED	LOCATION	WARD	DEPT/SOE	YEAR CAPTURED
IDP184	Completion of RDP Houses	Lufutha: Langanci	9	Human Settlements	2022-2027
IDP185	Fencing of arable land	Lufutha: Langanci	9	Rural Development & Agrarian Reform	2022-2027
IDP186	Wattle removal to enhance farming	Lufutha: Langanci	9	Rural Development & Agrarian Reform	2022-2027
IDP187	Electricity extensions	Lufutha: Langanci	9	ESKOM	2022-2027
IDP189	Electricity extensions	Mbodlane	9	ESKOM	2022-2027
IDP190	Container for Pre-School	Mbodlane	9	Social Development	2022-2027
IDP191	Mobile clinic	Mbodlane	9	Health	2022-2027
IDP192	Wattle removal on farms	Mbodlane	9	Environmental Affairs	2022-2027
IDP193	Clinic	Lower Langanci	9	Health	2022-2027
IDP194	Scholar Transport	Lower Langanci	9	Transport	2022-2027
IDP195	Network Pole	Lower Langanci	9	Communications	2022-2027
IDP196	SASSA Pay-point	Lower Langanci	9	SASSA	2022-2027
IDP197	Dipping tank	Lower Langanci	9	Rural Development & Agrarian Reform	2022-2027
IDP198	Electricity Extension	Lower Langanci	9	ESKOM	2022-2027
IDP199	Community Works Program	Lower Langanci	9	COGTA	2022-2027
IDP200	Mobile Clinic	Lower Langanci	9	Health	2022-2027
IDP201	RDP Houses	Lower Langanci	9	Human Settlements	2022-2027
IDP202	School	Lower Langanci	9	Education	2022-2027

1.2. Municipal Competency Community Needs

7. MUNICIPAL COMPETENCY COMMUNITY NEEDS						
IDP REF	COMMUNITY NEED	YEAR CAPTURED	LOCATION	WARD	STATUS	COMMENT
IDP202	Road to Thompson Dam	2022-2027	Khowa Town	1	Not budgeted	To be prioritised
IDP203	Development of Thomson dam	2022-2027	Khowa Town	1	Not budgeted	To be prioritised
IDP204	Storm water drainage	2022-2027	Khowa Town	1	Not budgeted	To be prioritised by Chris Hani DM
IDP205	Paving of Khowa Town internal streets	2022-2027	Khowa Town	1	Budgeted	1 km of surfaced Elliot internal streets
IDP206	Provision of clean water	2022-2027	Khowa Town	1	Not budgeted	To be prioritised by Chris Hani DM
IDP207	Removal of old water pipes	2022-2027	Khowa Town	1	Not budgeted	To be prioritised by Chris Hani DM
IDP208	Upgrading of the sewer infrastructure	2022-2027	Khowa Town	1	Not budgeted	To be prioritised by Chris Hani DM
IDP209	Water extensions	2022-2027	Maxongo	1	Not budgeted	To be prioritised by Chris Hani DM
IDP210	Quality sanitation (Toilets)	2022-2027	Maxongo	1	Not budgeted	To be prioritised by Chris Hani DM
IDP211	Maxongo Access Roads and Bridge	2022-2027	Maxongo	1	Not budgeted	To be prioritised
IDP212	RDP Houses	2022-2027	Maxongo	1	Not budgeted	To be prioritised by Human Settlements
IDP213	Sanitation	2022-2027	Maxongo	1	Not budgeted	To be prioritised by Chris Hani DM
IDP214	Maintenance of public parks	2022-2027	Takalani	1	Not budgeted	To be prioritised
IDP215	Address Land invasion	2022-2027	Takalani	1	Budgeted	Township Establishment project
IDP216	Mayoral Committee Visits	2022-2027	Takalani	1	N/A	Mayoral Committee to respond
IDP217	Access Roads	2022-2027	Mhlwazi	1	Not budgeted	To be prioritised
IDP218	Completion of the Electricity project	2022-2027	Mhlwazi	1	Not budgeted	To be prioritised
IDP219	Electricity extensions (7 Houses)	2022-2027	Mhlwazi	1	Not budgeted	To be prioritised

MUNICIPAL COMPETENCY COMMUNITY NEEDS						
IDP REF	COMMUNITY NEED	YEAR CAPTURED	LOCATION	WARD	STATUS	COMMENT
IDP220	Water taps extensions	2022-2027	Mhlwazi	1	Not budgeted	To be prioritised by Chris Hani DM
IDP221	Sanitation	2022-2027	Mhlwazi	1	Not budgeted	To be prioritised by Chris Hani DM
IDP222	High Mast Light	2022-2027	Arlington	1	Not budgeted	To be prioritised
IDP223	Provision of households waste bins	2022-2027	Arlington	1	Budgeted	200 Waste bins to be procured
IDP224	Community Hall	2022-2027	Hill-view	1	Not budgeted	To be prioritised
IDP225	Road maintenance	2022-2027	Hill-view	1	Budgeted	1 km to be maintained
IDP226	Access Road to Polar Park	2022-2027	Kuthuleni	2	Not budgeted	To be prioritised
IDP227	Toilets (Sanitation	2022-2027	Kuthuleni	2	Not budgeted	To be prioritised by Chris Hani DM
IDP228	Street Lights	2022-2027	Kuthuleni	2	Budgeted	237 Street lights to be maintained in Khowa
IDP229	Renovation of Municipal buildings	2022-2027	Kuthuleni	2	Budgeted	3 Municipal buildings to be maintained
IDP230	Sewer system	2022-2027	Kuthuleni	2	Not budgeted	To be prioritised by Chris Hani DM
IDP231	Refuse (Waste) Collection	2022-2027	Kuthuleni	2		
IDP232	Issuing of Title Deeds	2022-2027	Kuthuleni	2		
IDP234	Township establishment	2022-2027	Kuthuleni	2		
IDP235	Residential sites	2022-2027	Kuthuleni	2		
IDP236	Handing over of the Sport & Recreational Facility	2022-2027	Kuthuleni	2		
IDP237	Water	2022-2027	Kuthuleni	2		
IDP238	Mayoral Committee Visits	2022-2027	Kuthuleni	2		
IDP239	Monitoring of projects	2022-2027	Kuthuleni	2		
IDP240	High Mast Lights	2022-2027	Polar Park	2		

MUNICIPAL COMPETENCY COMMUNITY NEEDS						
IDP REF	COMMUNITY NEED	YEAR CAPTURED	LOCATION	WARD	STATUS	COMMENT
IDP241	Access Road	2022-2027	Polar Park	2		
IDP242	Unfinished Sewer system project	2022-2027	Polar Park	2		
IDP243	Fencing of Graveyards	2022-2027	Polar Park	2		
IDP244	Grass Cutting	2022-2027	Polar Park	2		
IDP245	Disposal of Residential Sites	2022-2027	Polar Park	2		
IDP246	Title Deeds	2022-2027	Polar Park	2		
IDP247	Bridge	2022-2027	Polar Park	2		
IDP248	Paving of streets	2022-2027	Polar Park	2		
IDP249	Unblocking of sewer lines	2022-2027	Polar Park	2		
IDP250	Electricity extensions (Nkanini)	2022-2027	Polar Park	2		
IDP251	Water provision	2022-2027	Polar Park	2		
IDP252	High Mast lights	2022-2027	Takalani	2		
IDP253	Proper gravelling of roads	2022-2027	Takalani	2		
IDP254	Refuse (waste) Collection	2022-2027	Takalani	2		
IDP255	Maintenance of all internal streets	2022-2027	Takalani	2		
IDP256	Water provision	2022-2027	Takalani	2		
IDP257	Youth Development Programs	2022-2027	Veregenoeg	2		
IDP258	Drainage system	2022-2027	Veregenoeg	2		
IDP259	Access Roads	2022-2027	Masimini	2		
IDP260	Bridge to Roma	2022-2027	Sifonondile	3		

MUNICIPAL COMPETENCY COMMUNITY NEEDS						
IDP REF	COMMUNITY NEED	YEAR CAPTURED	LOCATION	WARD	STATUS	COMMENT
IDP261	Access Roads	2022-2027	Sifonondile	3		
IDP262	Bridge (Thafeni to Roma)	2022-2027	Phindela	3		
IDP263	Electricity extensions	2022-2027	Phindela	3		
IDP264	Sanitation (Toilets)	2022-2027	Phindela	3		
IDP265	Water Provision	2022-2027	Phindela	3		
IDP266	Water Extensions	2022-2027	Cala Pass	3		
IDP267	Access Roads	2022-2027	Cala Pass	3		
IDP268	Maintenance of Access roads (Dike: Sifonondile)	2022-2027	Zokhonkwane	3		
IDP269	Mayoral Committee Visits	2022-2027	Zokhonkwane	3		
IDP270	Water extensions	2022-2027	Zokhonkwane	3		
IDP271	Bridge	2022-2027	Roma	3		
IDP272	Road maintenance	2022-2027	Roma	3		
IDP273	Toilets extensions	2022-2027	Roma	3		
IDP274	Access road:	2022-2027	Thaleni	3		
IDP275	Water extensions	2022-2027	Thaleni	3		
IDP276	Electricity extensions	2022-2027	Thaleni	3		
IDP277	Access Road	2022-2027	Polar Park 3	3		
IDP278	Sewer system is poor	2022-2027	Polar Park 3	3		
IDP279	Electricity extensions	2022-2027	Polar Park 3	3		
IDP280	Toilets extensions	2022-2027	Polar Park 3	3		
IDP281	High rate of unemployment	2022-2027	Polar Park 3	3		
IDP282	Street Lights	2022-2027	Polar Park 3	3		

MUNICIPAL COMPETENCY COMMUNITY NEEDS						
IDP REF	COMMUNITY NEED	YEAR CAPTURED	LOCATION	WARD	STATUS	COMMENT
IDP283	Access road	2022-2027	Mgwalana	3		
IDP284	Unemployment	2022-2027	Sikhobeni	3		
IDP285	Roads unusable	2022-2027	Sikhobeni	3		
IDP286	EPWP and CWP projects	2022-2027	Sikhobeni	3		
IDP287	Access Road	2022-2027	Lahlangubo	3		
IDP289	Support for the Old Age (Kit provision;	2022-2027	Prieska	4		
IDP290	Renovation of the Old age center	2022-2027	Prieska	4		
IDP291	Road maintenance provision and	2022-2027	Phakamisani	4		
IDP292	Maintenance of Bashee Street	2022-2027	Phakamisani	4		
IDP293	Unblocking of drainages	2022-2027	Phakamisani	4		
IDP294	Community Hall	2022-2027	Phakamisani	4		
IDP295	Waste collection	2022-2027	Phakamisani	4		
IDP296	Site/ Land provision for Woodwork Project	2022-2027	Phakamisani	4		
IDP297	Funding for needlework project	2022-2027	Phakamisani	4		
IDP298	Paving of Access Road	2022-2027	Phakamisani	4		
IDP299	Street lighting	2022-2027	Cala Reserve	4		
IDP300	Fixing of bridge to Lower Cala	2022-2027	Cala Reserve	4		
IDP301	Clearing of illegal dumping sites	2022-2027	Cala Reserve	4		

MUNICIPAL COMPETENCY COMMUNITY NEEDS						
IDP REF	COMMUNITY NEED	YEAR CAPTURED	LOCATION	WARD	STATUS	COMMENT
IDP302	Storm water management	2022-2027	Cala Reserve	4		
IDP303	Road maintenance	2022-2027	Cala Reserve	4		
IDP304	Paving of Umthatha Road	2022-2027	Cala Town	4		
IDP305	Paving of all internal streets	2022-2027	Cala Town	4		
IDP306	Maintenance of the road to the cemetery (Cala to Ncora Road	2022-2027	Cala Town	4		
IDP307	Maintenance of unpaved streets	2022-2027	Cala Town	4		
IDP308	Unblocking of sewer lines	2022-2027	Cala Town	4		
IDP309	Cleaning of town	2022-2027	Cala Town	4		
IDP310	Street lights	2022-2027	Cala Town	4		
IDP311	Households waste bins	2022-2027	Cala Town	4		
IDP312	Signage prohibiting illegal Dumping	2022-2027	Cala Town	4		
IDP313	Provision of sidewalks in all streets	2022-2023	Cala Town	4		
IDP314	Grass cutting	2022-2023	Cala Town	4		
IDP315	Street maintenance	2022-2027	Cala Farms	4		
IDP316	Fixing of water leaks	2022-2027	Cala Farms	4		
IDP317	Shopping complex	2022-2027	Ext. 10: 11 & 12	5		
IDP318	Storm water management/ system	2022-2027	Ext. 10: 11 & 12	5		
IDP319	Maintenance of unpaved streets	2022-2027	Ext. 10: 11 & 12	5		

MUNICIPAL COMPETENCY COMMUNITY NEEDS						
IDP REF	COMMUNITY NEED	YEAR CAPTURED	LOCATION	WARD	STATUS	COMMENT
IDP320	Issuing of Tittle deeds	2022-2027	Ext. 10; 11 & 12	5		
IDP321	Roads maintenance	2022-2027	Ext. 10; 11 & 12	5		
IDP322	Blading of gravel roads	2022-2027	Ext. 10; 11 & 12	5		
IDP323	Street naming	2022-2027	Ext. 10; 11 & 12	5		
IDP324	Maintenance of High mast lights	2022-2027	Ext. 10; 11 & 12	5		
IDP325	Sanitation (sewer system	2022-2027	Ext. 10; 11 & 12	5		
IDP326	Business sites and residential sites	2022-2027	Ext. 10; 11 & 12	5		
IDP327	Roads maintenance	222-2027	Manazimdaka	5		
IDP327	Community Hall	222-2027	Manazimdaka	5		
IDP328	Fencing of cemeteries	222-2027	Manazimdaka	5		
IDP329	Bridge to Emsengeni	2022-2027	Manazimdaka	5		
IDP400	Paving of internal streets:	2022-2027	Ext. 1 & 3	5		
IDP401	Sewer systems (Sanitation)	2022-2027	Ext. 1 & 3	5		
IDP402	Street Lights	2022-2027	Ext. 1 & 3	5		
IDP403	Clearing of illegal dumping sites	2022-2027	Ext. 1 & 3	5		
IDP404	Provision of household waste bins	2022-2027	Ext. 1 & 3	5		

MUNICIPAL COMPETENCY COMMUNITY NEEDS						
IDP REF	COMMUNITY NEED	YEAR CAPTURED	LOCATION	WARD	STATUS	COMMENT
IDP405	Job creation programs	2022-2027	Ndondo Square	5		
IDP406	Skip Bins on all illegal dumping sites	2022-2027	Ndondo Square	5		
IDP407	RDP Houses	2022-2027	Ndondo Square	5		
IDP408	Paving of internal streets	2022-2027	Ndondo Square	5		
IDP409	Fencing of graveyard	2022-2027	Ndondo Square	5		
IDP410	Issuing out of title deeds	2022-2027	Ndondo Square	5		
IDP411	Age restriction on job opportunities	2022-2027	Ndondo Square	5		
IDP412	Sanitation (sewer system	2022-2027	Ndondo Square	5		
IDP413	Storm water management	2022-2027	Ndondo Square	5		
IDP414	Filling of vacant RDP Houses	2022-2027	Ndondo Square	5		
IDP415	Youth development programs	2022-2027	Ndondo Square	5		
IDP416	Waste collection	2022-2027	Ndondo Square	5		
IDP417	Residential sites	2022-2027	Ndondo Square	5		
IDP418	Community Hall	2022-2027	Ext. 8 & 13	5		
IDP419	Street lights	2022-2027	Ext. 8 & 13	5		
IDP420	Rood maintenance:	2022-2027	Ext. 15	5		

MUNICIPAL COMPETENCY COMMUNITY NEEDS						
IDP REF	COMMUNITY NEED	YEAR CAPTURED	LOCATION	WARD	STATUS	COMMENT
IDP421	Paving of internal Streets	2022-2027	Ext. 15	5		
IDP422	Sanitation (Sewer System	2022-2027	Ext. 15	5		
IDP433	High Mast lights	2022-2027	Ext. 15	5		
IDP444	Community Hall	2022-2027	Ext. 15	5		
IDP445	Water extensions	2022-2027	Mnxe	6		
IDP446	Community development programs	2022-2027	Manzana	6		
IDP447	Maintenance of playing grounds	2022-2027	Manzana	6		
IDP448	Employment rotation	2022-2027	Tsengiwe (Ekuphumleni)	6		
IDP449	Access road Manzana	2022-2027	Tsengiwe (Ekuphumleni)	6		
IDP450	Maintenance of Road to IDA	2022-2027	Sifonondile (Qithi)	6		
IDP451	Drainage system	2022-2027	Sifonondile (Qithi)	6		
IDP452	Taps extension	2022-2027	Sifonondile (Qithi)	6		
IDP453	People employed to operate water are old and need to be replaced	2022-2027	Sifonondile (Qithi)	6		
IDP454	Water extensions	2022-2027	Sifonondile (Qithi)	6		

MUNICIPAL COMPETENCY COMMUNITY NEEDS						
IDP REF	COMMUNITY NEED	YEAR CAPTURED	LOCATION	WARD	STATUS	COMMENT
IDP455	Demarcation	2022-2027	Rareni	6		
IDP456	Water extensions	2022-2027	Rareni	6		
IDP457	Maintenance of road to Upper Mnxe	2022-2027	Rareni	6		
IDP458	Maintenance of roads from Cala Reserve and the bridge	2022-2027	Lower Cala	6		
IDP459	Water extensions	2022-2027	Lower Cala	6		
IDP460	Maintenance of sport grounds	2022-2027	Lower Cala	6		
IDP461	Maintenance of sport grounds	2022-2027	Manzana	6		
IDP462	Job creation programs	2022-2027	Manzana	6		
IDP463	Skills development programs for the Youth	2022-2027	Manzana	6		
IDP464	Water extensions	2022-2027	Manzana	6		
IDP465	New approach on needs collection	2022-2027	Mnxe: Polar Park	6		
IDP467	Toilets	2022-2027	Sweetline	7		
IDP468	Water extensions	2022-2027	Sweetline	7		
IDP469	Access road	2022-2027	Sweetline	7		
IDP470	Toilets @ Nkanini	2022-2027	Upper Indwana	7		
IDP471	Tambo Access road;	2022-2027	Upper Indwana	7		
IDP472	No water in taps;	2022-2027	Upper Indwana	7		
IDP473	Access Road maintenance	2022-2027	Thembeni	7		

MUNICIPAL COMPETENCY COMMUNITY NEEDS						
IDP REF	COMMUNITY NEED	YEAR CAPTURED	LOCATION	WARD	STATUS	COMMENT
IDP471	Water extensions;	2022-2027	Thembeni	7		
IDP472	Water extensions	2022-2027	Indwana	7		
IDP472	Bridges	2022-2027	Indwana	7		
IDP473	Job creation	2022-2027	Indwana	7		
IDP474	Electricity extensions	2022-2027	Indwana	7		
IDP475	Road to clinic;	2022-2027	Gojini	7		
IDP478	No water in taps	2022-2027	Gojini	7		
IDP479	Water conservation from the farm	2022-2027	Polar Park	7		
IDP480	Maintenance of Access road	2022-2027	Polar Park	7		
IDP481	Water provision materials and equipment	2022-2027	Rebels Kloof	7		
IDP482	Chemical for Pit toilets	2022-2027	Rebels Kloof	7		
IDP483	Water; Toilets	2022-2027	Gxojini	7		
IDP484	Access Road;	2022-2027	Gxojini	7		
IDP485	Taps not working	2022-2027	Mboniselweni	7		
IDP486	Youth Development programs	2022-2027	Mboniselweni	7		
IDP487	Bridges	2022-2027	Mboniselweni	7		
IDP488	Access Roads	2022-2027	Mboniselweni	7		
IDP489	Boreholes not working	2022-2027	Mboniselweni	7		
IDP490	Toilets	2022-2027	Mboniselweni	7		
IDP491	Access road and bridge	2022-2027	Mndeni	7		
IDP492	Water extensions	2022-2027	Mndeni	7		

MUNICIPAL COMPETENCY COMMUNITY NEEDS						
IDP REF	COMMUNITY NEED	YEAR CAPTURED	LOCATION	WARD	STATUS	COMMENT
IDP493	Market for local produce	2022-2027	Mndeni	7		
IDP494	Toilets	2022-2027	Ngxumza	7		
IDP495	Access road	2022-2027	Ngxumza	7		
IDP496	Water	2022-2027	Ngxumza	7		
IDP497	Taps not working	2022-2027	Mceula	7		
IDP498	Electricity for the Community Hall	2022-2027	Mceula	7		
IDP499	Funding for youth development programs	2022-2027	Mceula	7		
IDP500	Toilets	2022-2027	Mceula	7		
IDP501	Access roads	2022-2027	Chamama	7		
IDP502	Toilets for RDP Houses	2022-2027	Chamama	7		
IDP503	No water	2022-2027	Chamama	7		
IDP504	Access roads	2022-2027	Mtyatya	7		
IDP505	Water extensions	2022-2023	Mtyatya	7		
IDP506	Bridge	2022-2027	Mthingwevu	7		
IDP507	Overflow of toilets	2022-2027	Mthingwevu	7		
IDP508	Access Road	2022-2027	Mthingwevu	7		
IDP509	Bridge @ Mjikelweni	2022-2027	Upper Lufutha	8		
IDP510	Access roads; taps	2022-2027	Upper Lufutha	8		
IDP511	Sanitation for for Upper Lufutha. Voyizana & Mjikelo	2022-2027	Upper Lufutha	8		
IDP512	Ndum-Ndum access road	2022-2027	Upper Lufutha	8		
IDP513	Bridge at the river	2022-2027	Zingquthu	8		

MUNICIPAL COMPETENCY COMMUNITY NEEDS						
IDP REF	COMMUNITY NEED	YEAR CAPTURED	LOCATION	WARD	STATUS	COMMENT
IDP514	Accident hotspot at Enkalweni	2022-2027	Zingquthu	8		
IDP515	Apollo Light	2022-2027	Zingquthu	8		
IDP516	Road to Mthingwevu	2022-2027	Manzimahle	8		
IDP517	Toilets	2022-2027	Manzimahle	8		
IDP518	Bridge to school	2022-2027	Seplan: Maqwathini	8		
IDP519	Storm water drainage	2022-2027	Bumbane	8		
IDP520	Access Road	2022-2027	Bumbane	8		
IDP521	Toilets	2022-2027	Upper Langanci	8		
IDP522	Access Road	2022-2027	Upper Langanci	8		
IDP523	Water	2022-2027	Upper Langanci	8		
IDP524	Roads	2022-2027	Ndyavu	8		
IDP525	Job creation programs	2022-2027	Dyavu	8		
IDP526	Road from school	2022-2027	Ndum-Ndum	8		
IDP527	Provision of water tanks	2022-2027	Ndum-Ndum	8		
IDP528	Maintenance of sport grounds	2022-2027	Ndum-Ndum	8		
IDP529	Road to school & clinic	2022-2027	Nyalasa	9		
IDP530	Sport development programs (Mayoral Cup)	2022-2027	Nyalasa	9		
IDP531	Youth development programs	2022-2027	Nyalasa	9		

MUNICIPAL COMPETENCY COMMUNITY NEEDS						
IDP REF	COMMUNITY NEED	YEAR CAPTURED	LOCATION	WARD	STATUS	COMMENT
IDP532	Road from Nyalasa to Mbewuleni	2022-2027	Nyalasa	9		
IDP533	Water for Nyalasa SPS	2022-2027	Nyalasa	9		
IDP534	Bridge to Tsengiwe	2022-2027	Nyalasa	9		
IDP535	Maintenance of Access road:	2022-2027	Mbenge	9		
IDP536	Maintenance of sport ground	2022-2027	Mbenge	9		
IDP537	Water cuts	2022-2027	Mbenge	9		
IDP538	Maintenance of bridges	2022-2027	Mbenge	9		
IDP539	Community Development Projects	2022-2027	Mbenge	9		
IDP540	Toilets overflow (Sanitation)	2022-2027	Mbenge	9		
IDP541	Access road	2022-2027	Hota/Mbewula	9		
IDP542	Concrete Pipes unblocking	2022-2027	Hota/Mbewula	9		
IDP543	Provision of clean water	2022-2027	Hota/Mbewula	9		
IDP545	Toilets overflow (sanitation);	2022-2027	Hota/Mbewula	9		
IDP546	Maintenance of sport grounds	2022-2027	Hota/Mbewula	9		
IDP547	Bridge at Sgangeni to Suitline	2022-2027	Hota/Mbewula	9		
IDP548	Road to cemetery	2022-2027	Hota/Mbewula	9		
IDP549	Bridge	2022-2027	Lufutha: Langanci	9		
IDP550	Water extensions	2022-2027	Lufutha: Langanci	9		

MUNICIPAL COMPETENCY COMMUNITY NEEDS						
IDP REF	COMMUNITY NEED	YEAR CAPTURED	LOCATION	WARD	STATUS	COMMENT
IDP551	Assistance with transportation of concrete drainage pipes by the Municipality	2022-2027	Lufutha: Langanci	9		
IDP552	St. Phillip road maintenance	2022-2027	Lufutha: Langanci	9		
IDP553	Water in taps:	2022-2027	Mbodlane	9		
IDP554	Sanitation	2022-2027	Mbodlane	9		
IDP555	Access Roads	2022-2027	Lower Langanci	9		
IDP556	Job creation programs	2022-2027	Lower Langanci	9		
IDP557	Road maintenance	2022-2027	Lower Langanci	9		
IDP558	Water Provision	2022-2027	Lower Langanci	9		
IDP559	Bridges	2022-2027	Lower Langanci	9		

2. Summary of ward Based Plans

Ward based priorities were compiled in the IDP Roadshows on the 30-31 October 2023. These were then taken to the wards and verified and presented at an IDP Representative Forum meeting held in November 2023 and was later shared with the district municipality in December 2023. 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.
Commitment	the state or quality of being dedicated to a cause, activity, etc.
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 Strategic Goals**

The following Municipal priorities were identified through the municipal strategic sessions held in February 2024.

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 organizational capacity to ensure effective service delivery.

5. Strategic Alignment

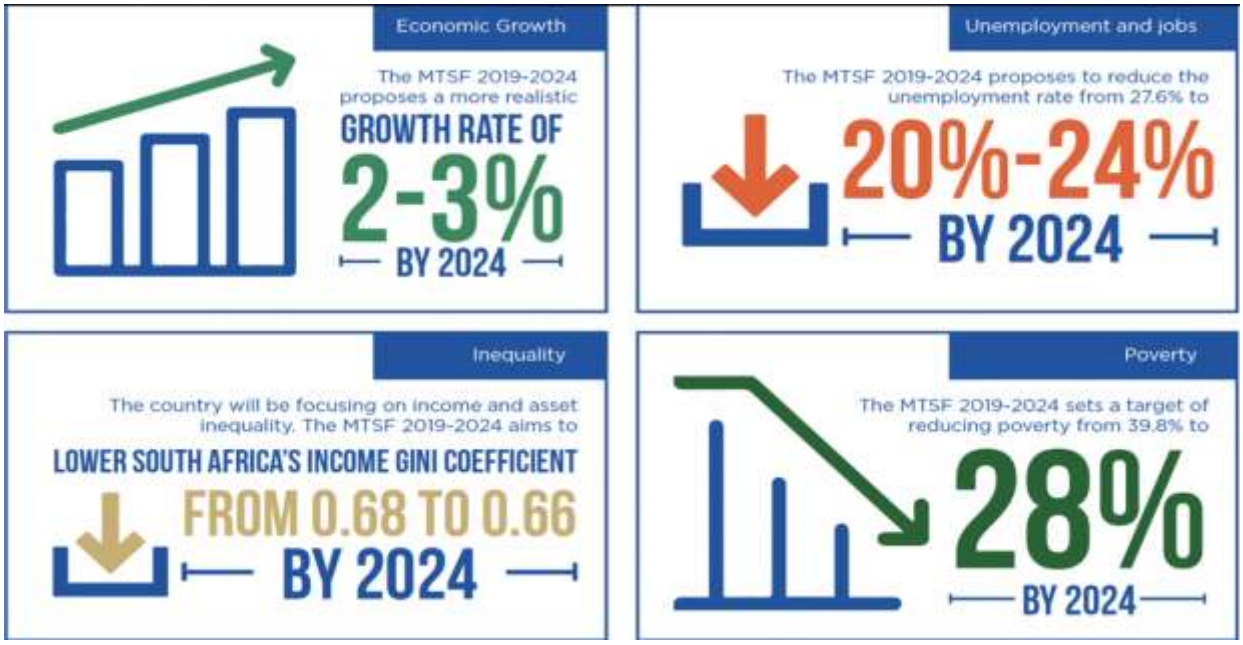
5.1 Sustainable Development Goals



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 school's 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	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.

	income and wealth.		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	• 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

	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.		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
		• Empowering psycho-social services to redress social distress.	
		• Safer communities and reduction of contact crime.	
		• Sustainable human settlements	
		• Cohesive communities with scope for moral regeneration.	
GOAL/IMPACT AREA 5: Environmental sustainability	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	• 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.
		• 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.
		• 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.

	transition to a low-carbon economy	• The Eastern Cape reduces its carbon emissions in line with South Africa's international commitments.	
		• 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	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.	• A skilled and capable workforce to support an inclusive growth path	6.1 Building the Capability of the State to deliver.
		• Responsive, accountable, effective, and efficient local government.	6.2 Transformed, integrated and innovative service delivery.
		• Create a better South Africa and contribute to a better Africa and a better world.	6.3 Instilling a culture of good corporate governance.
		• An efficient, effective, and development-oriented public service.	6.4 Build multi-agency partnerships

5.4 Chris Hani District development Model

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), the 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 the 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 that is conducive for investment.

- To stabilize governance and financial management practices in the Chris Hani District Municipality.

Pillar #	Diagnostic summary points	Suggested Actions
1	Underdeveloped rural communities with high levels of poverty within 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 factors of production	Transformed land use and ownership
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	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 CHDM	Effective and efficient municipalities.
7	Lack of proper and effective communication and partnership between the local municipalities and the communities that are less informed of the government policies and plans	Active and able citizenry
8	Low literacy rate especially for post-matric qualification, and high unemployment rate	Entrepreneurial and skills development linked to key sectors

6. Municipal Strategic Development Objectives

6.1. Service Delivery, Infrastructure & Community Services

- Community Services: SWOT Analysis

CORE FUNCTION	WASTE MANAGEMENT
STRENGTHS	**WEAKNESSES**
• Integrated Waste Management Plan • Good relations with DEFF, DEDEA and CHDM, supported through environmental programmes. • Waste Management Officer designated by Council. • S24G application submitted to rectify the non-compliance regarding Waste License. • Internal and external risks identified and a program them is in place.	• Lack of equipment in both landfill sites • Weigh pad to weigh refuse collected and be able to quantify the refuse collected by both households and businesses. • Excavators, skip bins. • Human resource constraints impede the capacity to quantify, monitor, and submit waste reports to SAWIS. • The review of mandatory by-laws has not resulted in their gazetting, which has a detrimental impact on implementation and enforcement. • Landfill Site • Waste management license expired.
OPPORTUNITIES	**THREATS**
• Implementation of recycling Programme. • Generation of revenue through waste disposal.	• Land availability. • Vandalism of fencing and infrastructure at landfill site • Public resistance to pay for waste disposal by • residents using the landfill site. • Public non-compliance with the Animal Protection Act.

CORE FUNCTION	STRAY ANIMAL MANAGEMENT
STRENGTHS	**WEAKNESSES**

• Animal pound construction is complete at Cala and construction is in progress at Khowa. • Public education and engagement initiatives are ongoing. • Improving emergency response capability by securing the necessary competent personnel. • Pound Master and two rangers at Khowa and two rangers at Cala.	• Animal pound By-law developed, reviewed and not yet gazetted. • Neglectful animal management results in the municipality suffering financial losses.

OPPORTUNITIES	THREATS
• Reduction in animal-related incidents. • Public education on better animal care for stray animals that often suffer from malnutrition, disease, and injuries. • There are prospects for enhanced data collection and analysis, which could facilitate improved collaboration with the Department of Agriculture and other relevant stakeholders in the pursuit of enhancing animal welfare.	• Stray animals pose risks to public health and safety. Increasing spread of parasites and diseases to the animals, water and the people interacting with them. • Increase in road accidents and safety of pedestrians. • Litigations due to animals roaming. • Disruption to the ecosystems and stray animal waste contributes to pollution.
CORE FUNCTION	**LIBRARIES**
STRENGTHS	**WEAKNESSES**
• Functional libraries with adequate infrastructure (Khowa and Cala). • Modular library in place and functional in Askeaton. • Policies and procedures in place. • Computerised library stock register (Khowa and Cala). • Library security systems and security officers in place. • Conducive work relationship with DSRAC. • Connectivity infrastructure (WIFI) is in place in all three libraries.	• Due to insufficient allocation of resources, the Librarian was remunerated in full using DSRAC funds, which hindered the fulfillment of the agreed-upon SLA deliverables and general improvement of library services. • Poor infrastructure and facility maintenance for all three libraries.

OPPORTUNITIES	THREATS
• Maximise and leverage support from DSRAC. • Opportunity to provide citizens with greater access to information resources, including books, digital materials, and online databases. This will empower individuals with knowledge and support lifelong learning, leading to a more educated and informed population. • Local libraries are well positioned to contribute to supporting education and literacy initiatives in the community.	• Exposure to vandalism (Askeaton library). • Under-resourced libraries will fail to fulfill their mission of providing access to information, supporting literacy, and serving as community hubs. • Budget reduction severely impact library operations and reduces public confidence in finding information from the local library.

CORE FUNCTION	TRAFFIC
STRENGTHS	**WEAKNESSES**
• Licensing section is in operations (VTS, RA, DLTC, Traffic Control). • The operational unit is equipped with the necessary resources and systems to collect l revenue for the municipality. • Key vacancies are filled, Work plans are in place and communicated to staff. • Well-coordinated work plans for emergency response and incident management minimize disruptions caused by traffic accidents, breakdowns, or other incidents.	• Not fully complying with DoT standards. • Insufficient law enforcement equipment (speed measuring machine, firearms/pepper sprays and handcuffs). • By-Laws on Traffic Law enforcement not gazetted yet.

OPPORTUNITIES	THREATS
• Increasing the availability of services to the public, thereby increasing the municipality's revenue. The following services are provided: - Driver's licenses - Licenses for learners - A duplicate of the learner's permit - Implementation of driver - The process of obtaining novice licenses - Professional Diving Permits (PRDPs) - Vehicle inspections – (license issuance) - Traffic fines	• Loss of revenue through fraud and corruption. • Escalating violation of traffic regulations and disregard of laws. • Increase in traffic incidents and accidents. • Drivers with valid licenses who lack the necessary knowledge and abilities to comply with traffic regulations contributing to road accidents. • Adverse audit opinion due the non-compliance with the Road Traffic Act.

• Better data collection and analysis of traffic data, including vehicle counts, travel times, and crash statistics, enable improved traffic control measures and collaboration with other spheres of government.	
CORE FUNCTION	**CEMETERIES**
STRENGTHS	**WEAKNESSES**
• Land availability. • Cemetery Planning in place with demarcation, • Full fencing of some cemetery sites.	• Lack of a cemetery managing policy and/or by-law. • Not all cemeteries are fenced. • Lack of a cemetery management systems • Cemeteries are not safeguarded. • Lack of equipment to dig graves
OPPORTUNITIES	**THREATS**
• Revenue generation through selling of grave sites	• Loss of revenue at Khowa • Loss of revenue through lack of equipment for digging graves

- **Service Delivery & Infrastructure: SWOT Analysis**

STRENGTHS (+)	**WEAKNESSES (–)**
Being a licenced distributor of electricity	No infrastructure maintenance plan
Experienced and competent personnel in service delivery	Lack of credible master plans and asset management plans
Good Inter-Municipal relations and support from Provincial government e.g. DLGTA	Lack of pound bylaws/policy.
Integrated Waste Management Plan adopted by council.	Khowa infrastructure not complying with the Animal Protection Act.
Good relations with DEFF and DEDEA and CHDM, support regarding Waste Management	Litigations due to accidents because of stray animals
Funding available for Pounds	Financial constraint
Good spending on conditional grants	Lack of resources (budget, plant & machinery)
MOU with DSRAC in place	Non-existence of SLA with other government organisations
OPPORTUNITIES	**THREATS (–)**
Sector department support (COGTA, MISA & DOT)	Inadequate storm water management system in both towns
Revenue generation through waste recycling, driving & business licences, issuing ticket, selling of grave sites	Ageing infrastructure
Existence of the buy-back centre to revenue	Vandalism and Theft

Existence of Cala animal pound	Non-compliance with Animal Protection Act.
	Illegal connections to Municipal services.
	Litigations due to accidents because of stray animals
	Loss of revenue
	Service Delivery Protests
	Uncoordinated DDM approach between SLM, CHDM and Sector Departments in infrastructure delivery
	Poor retention strategy (retaining qualified & competent staff)

- **Three-year Performance Plan**

Key Municipal Challenges	Urban and rural roads infrastructure maintenance backlogs	
	Water and sanitation provision backlogs	
	Poor stormwater management	
	Lack effective implementation of the IWMP	
	Non-utilisation of existing buy-back centre that leads to low revenue collection	
	No alternative energy strategy	
3 Year Performance Plan		
Municipal Outcomes	**Priority Focus Area**	**Outcomes**
	1. Road's infrastructure - construction & maintenance	1.1 Safe, convenient, and efficient urban and rural road network
	2. Water and Sanitation	2.2. Refurbishment and upgrading of Water Treatment Works
		2.3 Access to adequate clean water and sanitation
	3. Energy supply	3.1 To reach universal access
		3.2 To explore alternative sustainable energy (solar)
	4. Storm water management	4.1 maintenance of storm water network
	5. Waste management	5.1 health and safe environment to protect natural resources
	6. Traffic Services	6.1 To ensure provision of safe roads and effective traffic services
	7. Disaster Management	7.1 ensuring preparedness through establishment of risk management

Priority Focus Area	Municipal Programme (Intervention)	Outcome Indicator	Indicator Baseline	Leading Dept	Annual Targets		
					2024/2025	2026/2027	2027/2028
1. Road's infrastructure	Surfaced roads and storm water infrastructure	No of kms surfaced and energised urban roads	1,4kms	Technical services	8kms over three years		
	Re-gravelling and installation of storm water network	Number of kilometres to be re-gravelled	5kms	Technical services	25 km per annum (45kms over three years)		
2. Water and Sanitation	Coordination & prioritisation of Refurbishment and upgrading water treatment works	Service Level Agreement with WSA on prioritisation of water & sanitation projects. Number of WTW upgraded	Two Water Treatment works - and package plants in Cala and Kowa, 70 boreholes in rural areas, 53 springs	Water Services Dept	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 maintained	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	No Feasibility initiated but incomplete	Technical services	Prefeasibility and business pan	Resource mobilisation and implementation	
4. Storm Water management	Roding and jetting of storm water periodically on Municipal roads	Number of kilometres jetted and roded	0,6kms	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	Community Services	3 programs	3 programs	3 programs

			plan approved by Council				
7. Disaster Management	Facilitate and Coordinate Development and implementation of the disaster management plan	Progress with the development and implementation of the disaster management plan Sign Service Level Agreement with CHDM & with Disaster Management Centre	None	Community Services	Develop plan, teams, workshops, and awareness programme	Implement, Monitor and Evaluate Review the plan and programs	

6.2. Institutional Development and Municipal Transformation

- **SWOT Analysis.**

STRENGTHS (+)	WEAKNESSES (–)
The Institution is politically stable.	The established PMS has not been disseminated to lower organisational levels.
The calendar authorized by the council is strictly adhered to.	In addition to other factors, the implementation of the approved workplace skills plan is hindered by financial limitations.
Implementation of cost-containment measure	Customer service is regarded as subpar and requires deliberate endeavours to enhance.
The adopted organisational chart is in place, and all essential positions are staffed using approved job descriptions.	Policies that have been adopted are not completely implemented.
Performance Management Framework in place, PMS assessed to Senior Managers	Limited evidence of Implementation of the ICT Strategy in an operational capacity and oversight of compliance with the ICT governance framework
Implementation of the communication strategy will be better facilitated by the authorised reallocation of internal communication duties.	No electronic document management system
Workplace Skills Plan in place and adopted,	At present, despite the existence of acknowledged limitations in the nationwide energy provision, the municipality does not have an officially sanctioned energy management strategy to address their energy requirements and secure adequate power for internal demand.
Commitment on customer care is well communicated with the municipality and measures to implement and monitor are established.	The municipality faces a significant number of litigations and currently lacks an internal legal advisor.
Policies and procedures guiding institutional development are adopted	
ICT Governance Framework and Strategy have been formulated	
Manual records management, file plan and records management policy in place	
Developed structured collaborative partnerships with key service delivery partners, including CHDM, that include sharing information, resources and support capabilities on critical services such as fire services.	
Sound labour relations between Employer and Employees of all levels	

OPPORTUNITIES (+)	THREATS (–)
Increased productivity and staff loyalty because of well managed relations between employer and employee	Financial reprioritisation of provincial and national budget allocations presents a risk to programmes that rely on external funding, such as funding opportunities for the execution of training work plans and other initiatives that are also supported by external funding sources.
Opportunities of closing gaps in the implementation of the workplace skills plan by leveraging funding of training available from the LGSETA	Inherent threats on data and information security and stability of internal ICT infrastructure

- **Three-year Performance Plan**

Key Performance Area	**Institutional Development and Transformation**	
Key Municipal Challenges	No communication strategy	
	Operationalising the ICT Strategy and monitoring compliance with the ICT governance framework are still lacking.	
	No employee 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 Informed communities and municipal staff
	3. ICT Strategy	1.3 Tech-enabled service delivery and effectively managed municipal information
	4.Labour Relations	1.4 Positive and productive work environment
	5. Employee Wellness	1.5 Positive work culture and physically and mental wellbeing of staff

	6. Office Backup Power	1.6 Reliable power supply and uninterrupted delivery of services

Priority Focus Area	Municipal Programme (Intervention)	Outcome Indicator	Indicator Baseline	Leading Dept	Annual Target		
					2023/2024	2024/2025	2025/2026
1. Skills Development	Employees Skills Development	% of employees completing the training programmes	WSP in place	Corporate Services	30%	50%	70%%
	Councillor Capacity Development (this should be skills development not capacity development)	Progress with the development and implementation of Councillor Capacity Development Programme	No Capacity Development Programme in place (councillors trained in the financial year)	Corporate Services	Strategy development (Training policy, WSP)	Strategy implementation	
2. Municipal Communication	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	
3. ICT	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	
4. Labour Relations	Labour relations improvement	% reduction in number of labour related court cases per annum	No labour related cases in court)	Corporate Services	Legal services capacity reviewed	25% reduction	50% reduction
5. 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	50% improvement

6. Office Back Up Power		% reduction in lost man-hours due to loadshedding	No back up power	Corporate Services & Technical Services	Installation of back-up power in SLM offices		

6.3. Financial Viability

- **SWOT Analysis**

Strengths (+)	Weaknesses (-)
Strong Governance Framework	Poor Debt Collection
Qualified and Competent personnel in selected portfolios	Capacity Constraints (shortage of qualified staff)
Budget is Funded (Budget is cash Backed)	Use of Consultants
Requisite policies are in place	Customer Care services.
Revenue Enhancement Strategy in place	Non-Adherence to Regulations and laws.
Updated General Valuation Roll	Financial systems have recurring issues.
Approved Funded Budget	Grant Dependent
Opportunities	**Threats (–)**
Customers are willing to pay (Community Participation)	Rural Nature of Municipality with limited revenue base and risks of losing business, investors, and residents to developed cities
Revenue from Municipal Property (Land Audit)	High number on indigents result in revenue base reduction
Unrealised revenue mobilisation opportunities partnership (DBSA, SALGA, NATIONAL TREASURY, MISA and IDZ)	Climate change and environmental factors making the municipality more susceptible to natural disasters
Accelerated Grant Related Spending and Improvement on Reporting thereon.	National Fiscus shrinkage and changes in funding priorities within the MTEF influencing externally funded projects
There are numerous opportunities arising from the municipality having young professionals	Population decreases leading to decreased revenue base and decline in equitable share from national fiscus.
SPLUMA Implementation create opportunities enabling economic development by identifying opportunities for growth and investment,	

attracting businesses and investors to the municipality, and creating revenue opportunities for the municipality
Agricultural Produce Land create opportunities for revenue to the council and employment opportunities increasing residents who can contribute

- **Three-year Performance Plan**

Key Performance Areas	**Financial Viability**
Key Municipal Challenges	**Ongoing maintenance of the Valuation Roll**
	Grant Dependency
	Non-Adherence to cost Containment measures
	Poor Service Delivery (Roads) -
	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**		
					2024/2025	**2025/2026**	**2026/2027**
1. Expand Revenue Base	Identification of new revenue streams	No of additional revenue streams added	current revenue streams (electricity, property rates,	BTO	Development Revenue enhancement strategy.	Inclusion of Lease Revenue, Hall Revenue, Cemetery Revenue,	Inclusion of Hawkers stalls, Servitudes, Cell Phone towers and pound revenue.

			refuse, traffic income)			Additional Grants (EEDSM, MISA)	
2. Improve Revenue collection	Implementation Of Credit Control Policy	% increase revenue collection	30% collection rate (Poor Implementation of Credit Control Policy)	BTO	60%	70%	85%
	Revenue Collection Campaign by Politicians	Increase in revenue Collection Rate	None	MMO	4 outreach session per annum		
3. Enhance Financial Management	Expenditure management	Reduction UIFW	R188,682,815	BTO			
		% Reduction in Municipal operational expenditure (fuel costs, telephone costs, catering, employee costs (prioritise critical posts)	Poor implementation of cost containment and Control measures	BTO	Reduction in Fuel, Vehicle maintenance, Employee costs, catering, Telephone		
	Budget Management	Increase in Cash backed reserves	No cash backed reserves	BTO	R 1m per annum at year end		

6.4. Local Economic Development & Spatial Planning

- **SWOT Analysis**

Internal Factors	
Strengths (+)	**Weaknesses (–)**
Vast tracts of land suitable for crop production and livestock	Outdated LED Strategy
Effective Implementation of SPLUMA	Capacity to implement existing By-Laws
Housing Sector Plan in place	Community adherence to SPLUMA and Building Control
Revitalisation, Planning and Survey of Umtata Road	No implementation of bylaws
Land Disposal Policy	Transfer of sites in Mthatha Road and California.
Municipal Land Audit & GIS	Lack of funding allocation for maintenance of Municipal buildings
Existence of safety net programmes like CWP and EPWP	Non-existence of investment attraction strategy
Existence of LED forums, Agricultural and LTO forums	Lack of monitor lease agreement for use of building due to capacity
External Factors	
Opportunities (+)	**Threats (–)**
Dedicate percentage of MIG for LED projects	Lack of funding and resources
Enhancement of tourism and forestry opportunities through development of new and existing tourism infrastructure	Uncontrolled land development and land use management (land invasion)
Small Town Revitalisation (STR)	Vandalism and lack of existing municipal buildings
Functional relations with CHDM SPLUMA Tribunal	Service delivery protests
	High rate of unemployment, inequality, and poverty
Availability of Municipal land for development	
Development of an Investment Attraction Strategy	

- **Three-Year Performance Plan**

Key Performance Area	**Local Economic Development and Spatial Planning**
Key Municipal Challenges	Limited access to land for Development and Human Settlements
	Nonregistration of Stakeholders (database)
	Lack of Investment towards Tourism and Local Economic Development
	Outdated bylaws and policies
	High unemployment rate

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 SMMEs
	4. Investment Retention and Attraction	1.4 Improved Economic Development
	5. Policy Development and Reviewal	1.5 Functional and updated bylaws and policies
	6.Human Settlement	1.6 Sustainable human settlements

Priority Focus Area	**Municipal Programme (Intervention)**	**Outcome Indicator**	**Indicator Baseline**	**Leading Dept.**	**Annual Target**		
					2024/2025	**2025/2026**	**2026/2027**
1. Skills Development	Training & Development (SETA's) and CHDA	Number Completion certificates	Unskilled communities	Corporate Services	30 learners	30 learners	40 learners
2. Land Disposal	Land Disposal	Number of disposed properties in line with approved Disposal Policy	Policy not gazetted	IPED/BTO	Gazetting of Land Disposal Policy	Disposal of 50 sites	Disposal of 50 sites
	Formalisation of informal Settlements	Number of Council-approved or owned formalized properties	Polar Park	IPED	Formalisation of Ekuthuleni	Formalisation of Polar Park 3 and Masimini	Formalisation of Emasimini
3. SMME Development	SMME Capacity Development	Number of SSMEs benefiting from capacity development `s	Incapacitated communities Unregistered SMMEs	IPED	50 SMME's	50 SMME`s	50 SMME`s
	SMME Procurement Support	Number of targeted SMME contracts	No set aside policy	IPED/SCM	Development of set aside policy	Implement and monitor	Implement and monitor
	Business compliance	Business compliance with trading laws	50 businesses	IPED	50	100	150

4. Investment Attraction	Establishment of PPPs	Number of partnerships	1	IPED	2	2	5
5. Policy Development and Reviewal	Development, Review and Gazetting of Bylaws	Gazetted Policy and By-laws	Outdated Bylaws	Corporate Services	Gazetting of Bylaws	Enforcement of Bylaws	Enforcement of Bylaws

6.5. Good Governance & Public Participation

- **SWOT Analysis**

Good Governance and Public Participation	
Internal Factors	
Strengths (+)	**Weaknesses (–)**
Council structures functional, ward committees, IDP Rep Forum	Insufficient resources with financial and human capacity
There is an effective public participation workplan in place	Stagnant audit outcome
Communication and Public participation posts are filled	Poor implementation of Audit Action Plan
Improved stakeholder management and relations	Non-compliance with legislation
Appointment of Disciplinary Board	Standby generator and UPS not functional
	No adopted public participation and communication policy adopted
External Factors	
Opportunities (+)	**Threats (–)**
Whistleblowing and corruption hotline	Vulnerability to cyber-crime &information loss
Clean audit which can attract investors	Fraud and corruption conduct undetected
Creating a platform for "skilled middle class" participation	Political unrest and community unrest due to lack of transparency
CHDM established fraud and corruption hotline	Service delivery protests
Innovative ideas to efficiently render services	Protection of whistle blowers

- **Three-Year Performance Plan**

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		
	Priority Focus Area	**Outcomes**
Municipal 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
1. Public Participation and stakeholder management	Public Participation strategy implementation	Improved relations with stakeholder and communities/ Empowered citizens	Petitions Management Policy and Public participation policy	MMO	Complaints policy, public participation strategy, Petitions policy adopted	Development and Implementation of the publish participation policies and strategies monitored	
2. Oversight	Oversight Councillor Capacity Development	Improved service delivery No of councillors who have completing the oversight	No of councillors who have completing the oversight	Corporate Services	Skills Audit.	Capacity Programme Implementation	

		training programme	training programme				
3. Communication	Communication Strategy Development and Implementation	Informed citizenry Progress with the development and implementation of policies and strategies	Communication Policy	MMO	Adoption of the Communication Strategy	Implementation and review of communication policies and strategies monitored	
4. Improved Audit outcome	Implementation of the audit action plan	Improve audit opinion	Qualified Audit Opinion	Finance	Develop and adopt policies for the FMDB, UIFW Reduction Strategy.	Development and implementation of AAP	Development and implementation of AAP
5. Integrated Development Planning	Development and review of the IDP	Addressing community needs	Adopted IDP, SDBIP	MMO	Review and implementation of IDP and SDBIP	Review and implementation of IDP and SDBIP	Review and implementation of IDP and SDBIP
6. Monitoring and Evaluation	Monitoring of Institutional Performance	Improved service delivery	Annual Performance report	MMO	Monitoring and evaluation of the SDBIP	Monitoring and evaluation of the SDBIP	Monitoring and evaluation of the SDBIP
5. Fraud and Corruption	Development and Implementation of the fraud and corruption prevention policy	Reduction of the fraud and corruption	Fraud and corruption prevention policy.	Corporate Services	Development, adoption and implement Fraud and corruption prevention policy	Implement, monitor and review	

7. Municipal Capital Projects

The Draft 2024-2025 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.

Municipal Infrastructure grant: 2024-2025 FY				
National Registration Number	**Project title**	**Ward**	**Total Planned Expenditure**	**Project Status**
R/EC/14157/17/18	Qokolo to Koppitjie Access Road Phase 3	**4 & 5**	**R 3 670 350. 00**	Registered
R/EC/18354/22/24	Manzana Access Road	**6**	**R 4 732 000. 00**	Registered
R/EC/17972/20/23	Construction of Surfaced Elliot Internal Streets	**1**	**R 5 803 450. 00**	Registered
R/EC/18353/22/23	Askeaton Access Road	**8**	**R 4 944 000. 00**	Registered
	Construction of Cala Sportfield	**5**	**R 10 000 000. 00**	Not Registered
	PMU Admin	N/A	**R 1 534 200. 00**	
			R 30 684 000. 00	

Integrated National Electrification Programme			
Project Name	**Ward**	**No. of Connections**	**Budget (R)**
Electrification of Mthingwevu Phase 2	8	15	412 000. 00
Electrification of Zingquthu Phase 2	8	23	625 000. 00
Electrification of Manzimahle	8	35	951 000. 00
Electrification of Upper Langanci	8	20	550 000. 00
Electrification of Ndum-Ndum Phase 2	8	21	578 000. 00
Electrification of Ekuphumleni Phase 2	8	21	587 000. 00
Electrification of New City Phase 2	6	10	275 000. 00
Electrification of Polar Park	6	10	275 000. 00
Electrification of Gubenxe	1	17	481 000. 00
Electrification of Luxeni Phase 2	6	15	405 000. 00
Total		**187**	**5 140 000. 00**

8. Three Year Capital Plan

Project Name	Ward	2023/2024	2024/2025	2025/2026	2026/2027	Status
Construction of Surfaced Elliot Internal Streets	1	R 3 139 220,60	R 5 803 450. 00			Registered
Khuthula Access Road	2	R 4 514 882,71				Registered
Sphafeni Access Road	3	R 4 649 506,01				Registered
Qokolo to Koppetjie	4&5	R 1 849 998,01	R 3 670 350. 00			Registered
Manzana Access Road	6		R 4 732 000. 00			Registered
Garry Owen to Mtyatya Access Road	7	R 2 533 346,52				Registered
Askeaton to Panatjiep	8		R 4 944 000. 00			Registered
Hillview Community Hall	1					Not Registered
Takalani Internal Streets	1					Not Registered
Polar Park Access Road	2					Not Registered
Cala Pass Access Road	3					Not Registered
Thembeni Access Road	3					Not Registered
Phakamisani Community Hall	4					Not Registered

Phakamisani Roads and Stormwater	4	R 3 224 096,15				Not Registered
Cala Residential Streets	4					Not Registered
Bashee Street Sidewalks and Stormwater	4					Not Registered
California Roads and Stormwater	5					Not Registered
Refurbishment of Ext. 1&3 Community Hall	5					Not Registered
Ndondo Square Roads and Stormwater	5					Not Registered
Ext.15 Roads and Stormwater	5					Not Registered
Raleni Access Road	6					Not Registered
Mnxe to Lapesini Access Road	6					Not Registered
Phelandaba Access Road	6					Not Registered
Rabels Kloof Access Road	7					Not Registered
Ndyavu to Upper Langanci Access Road	7					Not Registered
Suitline Access Road	7					Not Registered
Mzamo Access Road	7					Not Registered
Lower Langanci Access Road	9					Not Registered
Ncalukeni to Sweetline Access Road	9					Not Registered
Hota - Mbeula Access Road	9					Not Registered
Construction of Cala Sportfiled	5		R 10 000 000. 00			Not Registered
PMU admin		R 1 047 950,00	R 1 534 200. 00			
		R 20 959 000,00	**R 30 684 000,00**			

9. 2024/25 Sector Department Projects

- **Chris Hani District Municipality**

Grant	**2024/2025**	**2025/2026**	**2026/2027**
Municipal Infrastructure Grant			
Water	R 2 500 000. 00	R 200 000. 00	R 4 303 627. 23
Sanitation	R 10 922 080. 02	R 5 000 000. 00	R 10 000 000. 00
Regional Bulk Infrastructure Grant			
Water	R 40 306 390. 35	R 2 156 068. 06	-
Water Services Infrastructure Grant			
Water	R 14 320 000. 00	R 15 350 000. 00	-
Sanitation	R 11 100 000. 00	R 5 350 000. 00	-

Municipal Infrastructure Grant (Water)			
Project Name	**2024-2025 Budget**	**Ward**	**Villages to be served**
Completion of Cala Wastewater Treatment Works	R 2 500 000. 00	4 & 5	Cala town and Suburbs
Municipal Infrastructure Grant (Sanitation)			
Rural Sanitation Backlog-	R 10 922 080. 00	1,3,4,5,6,7,8 & 9	
Regional Bulk infrastructure Grant (Water)			
Cluster 4 Water backlog: Northern Scheme: Ndum-Ndum to Cala	R 250 000. 00	4 & 5	Cala
Cluster 4 Water backlog: Northern Scheme: Ngxumza East	R 250 000. 00	7	Ngxumza, Cala
Cluster 4 Water backlog: Northern Scheme: Ndum-Ndum to Lower Lufutha	R 25 500 000. 00	8 & 9	Lower Lufutha
Cluster 4 Water backlog: Northern Scheme: Ndum-Ndum to Upper Indwana Pumping Main	R 1 965 815. 00	7	Upper Indwana
Cluster 4 Water backlog: Northern Scheme: Ndum-Ndum to Upper Indwana Gravity Main	R 12 340 575. 00		Ndum-Ndum; Upper Indwana
Water Services Infrastructure Grant (Water)			
Gubenxa, Maxongos Hoek & Polar Park	R 10 000 000. 00	1	Maxongos Hoek; Gubenxa
Refurbishment of Elliot Water Treatment Works	R 4 320 000. 00	1	Khowa
Water Services Infrastructure Grant (Sanitation)			
Elliot Spillages and Refurbishment of Wastewater Treatment Works	R 11 100 000. 00	1	Khowa
Equitable Share Projects			
▪ Irrigation Schemes			R 1 500 000. 00
▪ Small Town Revitalization Program			R 7 000 000. 00
▪ Special Programs			R 1 300 000. 00
▪ RAFI			R 1 000 000. 00
▪ Livestock Program			R 2 000 000. 00
▪ SMME			R 1 000 000. 00
▪ Poverty Alleviation			R 500 000. 00

▪ Tourism Development	R 2 000 000. 00
▪ Liberation Heritage	R 4 100 000. 00
▪ Forestry	R 1 250 000. 00
▪ Destitute Housing Development	R 2 000 000. 00
▪ Environmental Management	R 1 000 000. 00
▪ Municipal Health Programs	R 1 000 000. 00
▪ Disaster Management Programs	R 2 500 000. 00

- **ESKOM**

Municipality	Project	Project Type	DOE Total Planned CAPEX Excl. VAT 2024-25	DOE Total Planned CAPEX Excl. VAT 2024-25	DOE Total Planned Connections: 2024-25
Sakhisizwe	Sakhisizwe Extensions	Household	R 6 930 000	R 7 969 500	**300**
	Sakhisizwe Ext.Link/Line	Infrastructure	R 1 525 000	R 1 753 750	
	Sakhisizwe Schedule 5B	Pre-engineering	R 349 435	R 401 850.25	
Total			**R 10 154 435. 00**	**R 11 677 600. 25**	**300**

Villages	Ward	No. of Connections
Mbuqe	**9**	**79**
Mbodlana	**9**	**10**
Hota	**9**	**19**
Sigangeni	**9**	**9**
Sweetline	**9**	**20**
Nyalasa	**9**	**34**
Ncalukeni/Mbewuleni	**9**	**3**

- **Department of Social Development**

AREA OFFICE	LOCATION	WARD	PROJECT NAME	NO OF BENEFICIARIES	ALLOCATION
HIV AIDS PROGRAMME					
Khowa	Old Location	1	Siyakhana Home Based Care & Growth Monitoring	250	R 324 125. 00
Cala	Cala Town	4	Sophilasonke Community Health	250	R 324 125. 00
CHILD PROTECTION SERVICES					
Cala	Elliot	1	Isibindi Elliot	800	R 759 336. 00
Khowa	Elliot	1	CMR	1680	R 436 472. 00
Cala	Cala	4	Isibindi Ndondo	1200	R 1 494 156. 00

DISABILITY					
Khowa	New Location	2	Anako Special Needs Centre	8	R 44 352. 00
VICTIM EMPOWERMENT PROGRAMME					
Cala	Cala Town	4	Domestic Violence Unit	700	R 211 352. 00
Khowa	Elliot Police Station	1	Elliot Victim Support Centre	350	R 219 787. 00
Cala	Cala	4	Sakhisizwe Men as Partners	400	R 152 812. 00
TADA (DRUG ABUSE PROGRAMME)					
Cala	Cala and Elliot	ALL	TADA Sakhisizwe	800	R 160 699. 00
OLDER PERSONS					
Khowa	Khowa	1	Masincedane SC	30	R 118 404. 00
Khowa	Vergenoeg	2	Ekuphumleni	20	R 90 000. 00
Cala	Cala Town	4	Masifundisane	26	R 106 404. 00
Khowa	Old Location	1	Lumanyano	23	R 99 000. 00
Cala	Ndondo	5	Ndondo Old Age Project	20	R 90 000. 00
Cala	Mnxe	6	Isidima Somntomdala	20	R 90 000. 00
Cala	California	5	Intlonipho Yomntomdala	20	R 90 000. 00
Cala	Cala Recerve	4	Sibanye	20	R 90 000. 00
Cala	Mbenge	9	Noncedo	20	R 90 000. 00
Cala	Zikhonkwane	3	Mzomhle	20	R 90 000. 00
Cala	Mceula	7	Mceula Old Age Project	20	R 90 000. 00
Cala	Mgwalana	3	Masakhane	30	R 120 000. 00
Cala	Mhlwazi	1	Masiphakame	20	R 90 000. 00
Cala	Lower Cala	6	Xolisanani	31	R 123 000. 00
Cala	Manzimdaka	5	Uthando labadala	26	R 108 000. 00
COMMUNITY DEVELOPMENT PROGRAMMES					
Cala	Phindela	3	Sinenjongo Cummunity Garden	31	R25 000
Elliot	Old Location	1	Elliot Beaders & Comm Dev Prpject	8	R 70 000
Elliot	Polar Park	2	Isabelo Soup Kitchen	120	R268 150
SANITARY DIGNITARY PROGRAMME					
Cala & Elliot	Needy Schools	All Wards	Sanitary Towels Distribution	1565 Girl Learners	N/A

- **Department of Human Settlements**

PROJECTS	**STATUS QUO**
Phola Park & Ekuthuleni 854	This was a new project identified by the Municipality during March 2014. Region received only. application letter but without endorsed beneficiary list by Council. Documents that are required are the proof of Land Ownership, Endorsed beneficiary list, Confirmation of bulk & internal infrastructure service (Water, Sewer, Roads Electricity etc.) ✓ A service provider, **GIC- Gap infrastructure Cooperation** is appointed in this project & was introduced to the municipality in October 2023 ✓ The service provider will facilitate readiness of this project for implementation. They will be doing feasibility study. ✓ Confirmation of availability of internal & bulk services and Land availability. ✓ Feasibility study has been concluded. Will be submitted to the dept with recommendation.

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. The findings on the assessment of the project by HDA, was that the project is densely populated. Other beneficiaries will be moved to the land identified by the municipality. The land is private land, it must be bought for the beneficiaries to occupy. ✓ HDA is busy with facilitation of buying of the land. When that process is done, planning of installation of services & construction of houses will follow. HAD has started with beneficiary administration processes
Cala Ext 13&14 (1545)– Cala Ext 15 (1070) and – Elliot 800	Old projects were planned for installation of internal reticulation services. Due to unavailability of Bulk, the project was stalled. ✓ Contractors were appointed (14 SMME`s) ✓ Service provider – AES is appointed to facilitate readiness of the project. Assessment of beneficiaries & house/site numbers is done. ✓ 172Beneficaries assessed and verified. ✓ Service provider is busy with enrollment of the project with NHBRC. Will also do validation renewal of contracts for SMME. ✓ Chris Hani DM is busy with installation of Bulk services in the project. GIC (Gap Infrastructure Cooperation) Is appointed by the dept for installation of internal services.
Elliot Rectification 302 Units - Phase 1	Coega Dev Corp was appointed to implement the project. Coega has since withdrawn from the project. The department is busy with the framework of contractors, where an appointment letter will be issued to the contractor to do implementation of the project.
Chris Hani Destitute - 800 Subs - Phase 1 (64 units at Sakhisizwe)	A service provider, Ayavelisa Consulting has been appointed for implementation of **64** units in Sakhisizwe Local Municipality. ✓ Ayavelisa has done verification of units to be constructed. Submitted drawings to the municipality for approval. ✓ The contractor to construction of houses appointed Fanaka Construction & site was handed over in October 2023. ✓ Contractor delayed construction on site due to the delays on processes of approval of construction drawing. The municipality has since issued provisional approval of drawing for the rural houses. ✓ The status of internal services also had to be verified.
Chris Hani Emergency 427 (65 units)	✓ 65 Units to be constructed for Sakhisizwe L. M. ✓ Service provider JTP is appointed to do the assessment of the units at various stages and verification of the beneficiaries.
Chris Hani Disaster - 879 Subs - Phase 1 (Cala - Manzimdaka 127)	This project forms part of the dept framework. The department is busy with the framework of contractors, where an appointment letter will be issued to the contractor to do implementation of the project.
Chris Hani Military Veterans 98 - Phase 1 – (20 Military Veterans approved for 20 units at Sakhisizwe).	Procurement for appointment of a Turnkey Contractor on construction of **20** houses for Military Veterans in Sakhisizwe Local Municipality

- **Department of Rural Development and Agrarian Reform**

INFRASTRUCTURE PROJECTS			
PROJECT NAME	**ACTIVITY**	**SUPPORT**	**WARD**
Mbenge Shearing Shed	Fencing Food Security program- practising conservation agriculture	Full Construction	9
Lagg Farm	Requires fencing for cropping & horticulture	10km fencing	1
Innerstone	Fencing for the proposed fodder development	10 km fencing	2
Xonya Dipping Facility	Rural community dipping tank to support over 1000 animals	Full Construction	7
SG POWER Horticulture	Supply Horticulture Storage Shed	Full Storage	8
Masonwabisane Shed	Shearing equipment	Support Outstanding	3
Esikhobeni Shed	Shearing equipment	Support Outstanding	3

ANIMAL HEALTH SERVICES		
PROJECT NAME	**WARD**	**PLANNED TARGET**
Sheep Scab	All	270 000 SHEEP
Blantrax Vaccination	All	25 000 CATTLE
Rabies Vaccination	All	7 000 PETS
TB & CA Tests	All	5 000 ANIMALS

FOOD SECURINTY PROJECTS		
PROGRAM	**BENEFICIARIES/ HA**	**BUDGET (R)**
HOUSEHOLD PROGRAM	900 Household beneficiaries	**R1 800 000.00**
MAIZE PRODUCTION	1000 Ha - 42 farmers Maize inputs	**R3 200 000.00**
FODDER PRODUCTION	1000 Ha- Fodder support	**R3 200 000.00**
VEGETABLE PRODUCTION	60ha – Vege inputs	**R 300 000**
INFRASTRUCTURE	Fencing, Dip Tank Construction, Pack shed, Shearing sheds.	N/A
LIVESTOCK IMPROVEMENT	Genetic Improvement for livestock farmers, including RAMS, BULLS, HEIFERS, etc.	**Blended finance**

- **Department of Transport**

Project Name	Ward	Amount
Construction of Khowa Animal Pound	1	R 1 941 000

BRIDGE NAME	TYPE OF BRIDGE	VILLAGE	WARD
Mthingwevu- Ngxingweni	Vehicular	Ngxingweni	8
Mthingwevu - Zingquthu	Vehicular	Zingquthu	8

ROAD NO.	WARD	VILLAGE
DR08240	6	Sifonondile
DR02825	1	Mhlwazi
DR02831	9	Lower Lufutha
DR08449	6 – 9	Tsengiwe to Lower Lufutha
DR08238	3	R410 to Mgwalana
MN20454	3	Mgwalana
DR02859	1	Maxongo's Hoek
MN20462	2	Farm Road
MN20451	1	Tea Boma
MN20453	3	Farm Road

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.
The municipality in preparation of its budget complies with the General Recognised Accounting Standards.

2. NATIONAL TREASURY CIRCULARS

Municipal Budget Circular no. 126 and 128 for the 2024/2025 MTREF. For the 2024/2025 budget compilation, National allocations are based on the 2024 Division of revenue Bill (DoRa).

3. MACROECONOMIC PERFORMANCE AND PROJECTIONS 2022 TO 2027

2022/2023	2023/2024	2024/2025	2025/2026	2026/2027
Estimate	**Forecast**	**Forecast**	**Forecast**	**Forecast**
6.9%	6.0%	4.9%	4.6%	4.6%

4. SUMMARY OF BUDGET FOR 2024-2025

Description	Budget 2024/25	Budget 2025/26	Budget 2026/27
Revenue	-221 230 860.16	-217 388 566.78	-213 785 681.90
Operational Expenditure	145 771 045.43	147 536 535.52	162 566 893.15
Capital Expenditure	74 651 637.64	68 331 495.97	35 555 068.73
Surplus/ deficit	-808 177.09	-1 520 535.29	-15 663 720.02

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. OPERATING BUDGET

The municipality's total budget amounts to **R 221 230 million.** Total operating revenue amounts to **R 148 491 million** and Capital transfers of **R 72 245 million**.

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue											
Exchange Revenue											
Service charges – Electricity	2	9 034	13 721	13 473	17 996	19 194	19 194	19 94	21 635	24 387	27 489
Service charges – Water	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	2	3	5	11	-	-	-	-	-	-	-
Service charges - Waste Management	2	4 202	7 956	8 480	5 088	5 088	5 088	5 088	5 337	5 583	5 840
Sale of Goods and Rendering of Services		209	253	308	320	320	320	320	325	340	356

Agency services		1 280	1 108	916	1 046	1 130	1 130	1 130	1 186	1 240	1 297
Interest		-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		2 392	4 028	5 269	4 337	4 337	4 337	4 337	3 550	3 713	3 884
Interest earned from Current and Non-Current Assets		381	811	1 921	1 872	1 872	1 872	1 872	2 963	3 100	3 242
Dividends		-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	0
Rental from Fixed Assets		276	677	71	295	295	295	295	300	314	328
Licence and permits		110	284	110	324	324	324	324	210	220	230
Operational Revenue		19	6	4	5	5	5	5	15	16	17
Non-Exchange Revenue											
Property rates	2	-	-	-	6 982	8 056	8 056	8 056	13 765	14 398	15 060
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-
Fines, penalties, and forfeits		57	16	16	21	21	21	21	22	23	24
Licences or permits		570	673	1 088	1 544	1 544	1 544	1 544	1 749	1 829	1 914
Transfer and subsidies – Operational		89 306	78 980	83 572	88 961	89 026	89 026	89 026	95 155	92 839	116 700
Interest		1 948	3 220	4 456	2 172	2 172	2 172	2 172	2 279	2 383	2 493
Fuel Levy		-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		7 869	(4 110)	131	-	-	-	-	-	-	-
Other Gains		95	-	(1 978)	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		**117 752**	**107 629**	**117 847**	**130 962**	**133 383**	**133 383**	**33 383**	**148 492**	**150 386**	**178 874**

- The municipality has increased the revenue items by 4.9% based on the guiding circular however in cases where the items were increased under increased the municipality has applied the projections using the actual trends as the point of departure. Property rates the was projected using the draft General Valuation considering that they still a draft.
- Interests on investments- The municipality aim to put more monies on our short-term investment accounts resulting in an increase of interest received.
- Interest on outstanding debtors- Based on the more effective implementation of the credit control and debt management policy.

6. COLLECTION RATE REVENUE SERVICES

The rate of revenue collection is currently expressed as a percentage of annual billings. The collections of the municipality on outstanding debtors are anticipated to increase during the coming financial period due to the implementation of effective credit control and the revenue enhancement strategy. The collection is set at 75%.

7. DRAFT TARIFF INCREASE

- Service charges- Electricity has increased by 12.7% for 2024/2025. This is based on the average increase in approval from NERSA.
- Property rates tariffs- 4.9% increase.
- Service charges- 4.9% increase.

8. OPERATING EXPENDITURE BUDGET

- The 2024/2025 operating expenditure budget amounts to **R 145 771 million** (including non-cash items) of **R 7 440 million.**
- Most of the operating costs have been increased by 4.9% and zero based/activity-based costing budgeting on some operating expenditure has been implemented.

Expenditure											
Employee related costs	2	39 999	42 644	45 191	43 936	47 633	47 633	47 633	50 443	52 763	55 191
Remuneration of councillors		7 099	7 047	7 806	7 322	7 820	7 820	7 820	8 196	8 573	8 968
Bulk purchases	2	13 430									
Electricity			15 840	16 978	17 996	18 097	18 097	18 097	20 884	21 844	22 849
Inventory consumed	8	742	1 589	960	634	395	395	395	539	564	590
Debt impairment	3	-	-	-	5 595	5 595	5 595	5 595	5 169	5 407	5 655
Depreciation and amortisation		8 811	10 581	9 955	11 701	5 468	5 468	5 468	5 736	6 000	8 276
Interest		119	2 129	2 938	353	114	114	114	120	125	131
Contracted services		17 103	14 401	12 875	16 334	24 157	24 157	24 157	28 412	26 660	34 130
Transfers and subsidies		-	3 790	8 899	500	1 206	1 206	1 206	1 215	1 271	1 329
Irrecoverable debts written off		-	-	-	-	-	-	-	2 272	2 377	2 486
Operational costs		15 056	13 450	15 336	16 650	20 007	20 007	20 007	22 786	21 952	22 962
Losses on disposal of Assets		40	-	1 580	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-	-
Total Expenditure		**102 398**	**111 471**	**122 518**	**121 020**	**130 491**	**130 491**	**130 491**	**145 772**	**147 537**	**162 568**

9. EMPLOYEE COST

The total employee cost for 2024/2025 including Councilor Allowance amounts to **39%** of the total operating expenditure. It should be noted that the casual wages, standby allowances, and overtime are included as part of employee related cost.

- The Salary and Wage Collective Agreement for the period 01 July 2021 to 30 June 2024 has come to an end and a new agreement is under consultation, which is anticipated to consider the current fiscal constraints faced by government. Therefore, in the absence of any information in this regard from the South African Local Government Bargaining Council (SALGBC), Sakhisizwe Municipality made provision for salaries to be 5.9% which is CPI+1.

- Bulk purchase increase is because of the percentage increase computed using NERSA D-form template by 1 March 2024 in accordance with the provisions of Section 16(2) of the Electricity Regulation Act, 2006.
- Inventory consumed increase is as per municipal need for inventory related issues. During the budgeting period it was decided to prioritize on these expenditures:

Municipal Vehicle Fuel	Registration for Conference
Printing, Publications and Books	Professional and Regulatory Bodies
Travel and Subsistence	Own Transport
Corporate and Municipal Activities	Skills Development Fund Levy
Motor Vehicle License and Registrations	Telephone, Fax, Telegraph
Municipal Services	Uniform and Protective Clothing
Workmen's Compensation Fund	

10. CAPITAL EXPENDITURE

- Included in the above revenue is the mixed funding of the Capital expenditure budget. The amount of **R 30 684 000** is funding MIG including 5% for PMU costs in the budget year. Included in the budget of MIG is Cala Sport Field to be constructed for **R 10 000 000.**
- The amount of **R 5 140 000** is funding INEP.
- The amount of **R 1 941 000** for the construction of Pound from Department of Transport.
- An amount of **R 35 515 000** funding to be received in the form the Municipal Disaster Recovery Grant. The remainder of capital budget of **R 2 405 837** will be funded from internal generated surpluses.

11. OTHER ASSUMPTIONS

- Investments- Sakhisizwe municipality does not have long-term investments, only call accounts which are included in the cash and cash equivalents as per our annual financial statements.
- Borrowings- the municipality is not in the process of applying for any loans.

12. INTERNAL CHARGES

The current method of cost recovery between service departments is not implemented, it still needs to be reviewed in terms of Activity-Based Costing Principles and Standards. Activity-Based costing principles, if correctly applied, will ensure that all costs applicable to a specific service are recorded. This can also improve that tariff setting.

13. BUDGET PROCESS OVERVIEW

Schedule of key deadlines relating to budget process [MFMA s21(1)(b)] council meeting in August 2023. The needs analysis roadshow has taken place. The municipality has held IDP and Budget forums., IGR and budget steering committee sat. All these have taken place according to the IDP process plan and the council calendar.

- The consultations were done including from Strategic session held in February 2024.

14. TARIFF SUMMMARY FOR 2024/2025

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

- 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

Below table that indicate the municipal tariffs for 2024/2025 financial year: The tariffs presented in the following tables are exclusive of VAT.

ELECTRICTY TARRIFS

Description	2024/2025	2023/2024
Basic / Availability Charge - per month	551.469	489.324
Energy Charge - per Unit (Kwh) consumed	220.445	195.604
Commercial Tariffs - Medium Users 60-100 Amps (Conventional)	0.000	
Basic / Availability Charge - per month	895.917	794.957
Energy Charge - per Unit (Kwh) consumed	293.606	260.520
Commercial Tariffs - Medium Users 60-100 Amps (Prepaid)	0.000	
Basic / Availability Charge - per month	895.917	794.957
Energy Charge - per Unit (Kwh) consumed	293.606	260.520
Industrial Large Power Users 0-15 Amp	0.000	
Basic / Availability Charge - per month	1 995.745	1 770.848
Energy Charge - c/kWh	220.180	195.369
Demand Charge: /kVa	232.853	206.613
Industrial Large Power Users 16-30 Amp	0.000	
Basic / Availability Charge - per month	1 995.745	1 770.848
Energy Charge - c/kWh	220.180	195.369
Demand Charge: /kVa	232.853	206.613
Industrial Large Power Users > 100 Amp	0.000	
Basic / Availability Charge - per month	1 995.745	1 770.848
Energy Charge - c/kWh	220.153	195.344
Demand Charge: /kVa	284.907	252.802
Consumer Deposits (to be paid prior connection)	0.000	
Domestic / Residential	2 446.366	2 170.688
Businesses / Commercial (Small): 0 - 59 Amp	3 115.660	2 764.561
Businesses / Commercial (Medium): 60 - 100 Amp	4 359.937	3 868.622
Businesses / Commercial (Large): 100 + Amp	6 231.297	5 529.102
Availability Fees	0.000	
Electricity	10.976	9.739
Other	0.000	
New Connection (to be paid in Advance) - Material & Labour plus	0.368	0.326
Re-connecting existing connection	418.223	371.094
Re-connecting (after default / disconnection) - 1st Offence	4 879.266	4 329.429
2nd	9 758.533	8 658.858
3rd	19 517.066	17 317.716
4th Criminal Charge - Permanently disconnect	25 093.370	22 265.635
Test Meter (Not Refundable)	475.805	422.187
	0.000	

TARIFFS & CHARGES - ASSESSMENT RATES		
Description	2024/2025	2023/2024
	Cent	Cent
On total value of property	0.006199055	0.00590949
Differential Rating		0
Different rates shall be applied to different category of property.	0	0
The choice of rate shall take into consideration socio economic objectives of the municipality.	0	0
Rates shall be charged at the following ratios:	0	0
Special Residential: Ratio 1.0	0.006199055	0.005909
General Residential: Ratio 1.0	0.006199055	0.005909
Industrial: Ration 1.5	0.009298582	0.008864
Agricultural land for Farming: Ratio 0.25	0.001549764	0.001477
Agricultural land for Eco-Tourism: Ration 0.25	0.001549764	0.001477
Agricultural land for Trading: Ration 0.25	0.001549764	0.001477
Business: Ratio 1.5	0.009298582	0.008864
Government Property use by local people only: Ratio 1.5	0.009298582	0.008864
Government Property serving communities in Sakhisizwe and neighbouring municipalities: Ratio 1.5	0.009298582	0.008864
Government Properties that serves national interest Ratio 1.5	0.009298582	0.008864
Increase %	5.5597	5.30
Standard Interest rate + 1% would be charged on all late payments.	0	
Tariffs are applicable throughout SAKHISIZWE Municipality unless indicated otherwise	0	
The tariff is cents in the rand	0	
	0	

TARIFFS & CHARGES - REFUSE REMOVAL		
Description	2024/2025	2023/2024
Domestic Consumers		
Per month for one removal per week	89.62	85.11
Additional removal	89.53	85.02
Commercial Consumers Small / Medium	-	-
Per month for two removal per week	184.34	175.06
Additional removal (per load or part thereof)	234.78	223.82
Commercial Consumers Large	-	-
Per month for two removals per week	469.57	447.64
Additional removal (per load or part thereof)	469.57	447.64
Government Departments (Schools, Hostels, SAPS, Prison,	-	-
Hospitals, etc.	-	-
Per month for two removals per week	939.14	895.27
Additional removal (per load or part thereof)	234.78	223.82
Garden Refuse	-	-
Per load (to be paid in advance)	234.78	223.82
Building Rubble	-	-
Per load (to be paid in advance)	281.74	268.58
Cleaning of Erven	273.76	260.97
Cutting / Cleaning of pavement per erven	67.27	64.12
Increase %	0.06	5%
All tariffs exclude VAT	-	
Standard Interest rate + 1% would be charged on all late payments.	-	
Tariffs are applicable throughout SAKHISIZWE Municipality unless indicated otherwise	-	

TARIFFS & CHARGES - TECHNICAL & ENGINEERING SERVICES		
Description	**2024/2025**	**2023/2024**
	-	-
Hiring of Plant & Equipment (All rates per Hour)	-	-
Grader	995.49	948.99
TLB	746.62	711.74
Tractor with trailer	746.62	711.74
Bush Cutter	746.62	711.74
Grader for funeral	497.74	474.49
Roller	189.16	180.32
Excavator	1 086.09	1 035.36
Weed Eater	78.82	75.13
All Rates for Plant & Equipment are per hour or part thereof. All Rates exclude VAT. Rates include Operator	-	-
Crusher Material per cubic meter + Vat	312.29	297.70
Crusher Material Dust per cubic meter + Vat	356.90	340.23
Sand Mining per ton ex vat	264.70	252.34
Other	-	-
Request Street Light - Actual Material & Labour Cost	-	-
Plans & Maps	-	-
A4	157.35	150.00
A3	183.58	175.00
A2	209.80	200.00
A1	236.03	225.00
A0	262.25	250.00

TARIFFS & CHARGES - COMMUNITY & SOCIAL SERVICES		
Description	2024/2025	2023/2024
POUND		
Billboards Rental		
Single - 9m(h) X 6m(w)	1 888.20	1 800.00
Single - 5m(h) X 4m(w) Structure	944.10	900.00
Single - 3m(h) X 6m(w) Panel	314.70	300.00
Single - 3m(w) Structure p/m	210.85	201.00
Single - 3m(h) X 4(m)	188.82	180.00
Single - 2m(h) X 3m(w)	136.37	130.00
Single - 1.5m(h) X 2m(w)	52.45	50.00
Single - 1m(h) X 1.5m(w)	52.45	50.00
Single - 1.8m(h) X 1.2 m(w)	136.37	130.00
Double - 9m(h) X 6m(w)	2 727.40	2 600.00
Double - 5m(h) X 4m(w) Structure	1 049.00	1 000.00
Double - 3m(h) X 6m(w) Panel	314.70	300.00
Double - 3m(w) Structure p/m	262.25	250.00
Double - 3m(h) X 4(m)	209.80	200.00
Double - 2m(h) X 3m(w)	136.37	130.00
Double - 1.5m(h) X 2m(w)	52.45	50.00
Double - 1m(h) X 1.5m(w)	52.45	50.00
Double - 1.8m(h) X 1.2 m(w)	157.35	150.00
Triange - 9m(h) X 6m(w)	4 720.50	4 500.00
Triangle - 5m(h) X 4m(w) Structure	1 049.00	1 000.00
Triangle - 3m(h) X 6m(w) Panel	472.05	450.00
Triangle - 3m(w) Structure p/m	-	-
Triangle - 3m(h) X 4(m)	209.80	200.00
Triangle - 2m(h) X 3m(w)	-	-
Triangle - 1.5m(h) X 2m(w)	41.96	40.00
Triangle - 1m(h) X 1.5m(w)	31.47	30.00
Triangle - 1.8m(h) X 1.2 m(w)	157.35	150.00
Above are montly rental prices	-	
Town / Community Halls	-	
Town Halls: Churches: (Deposit)	-	-
(Rent: per day)	839.20	800.00
Non-profitable Organization: (Deposit)	-	-
(Rent: per day)	734.30	700.00
All Other: (Deposit)	-	-
(Rent: per day)	-	-
Hall Chairs	10.49	10.00
Delivery (Rate as per Department of Transport Approved tarrif/KM)	-	
Libraries	-	
Membership	52.45	50.00
Fines (per day)	3.15	3.00

TARRIFFS AND CHARGES ECONOMIC DEVELOPMENT AND PLANNING		
Description	2024/2025	2023/2024
Building Plan / Land Development Process		
Residential Sites - Ress less than 200 square meters	3 135.79	2 989.31
Residential Sites - Ress more than 200 square meters	3 555.31	3 389.24
Business Sites - Building covering less than 200 s.q.m	5 925.52	5 648.74
Business Sites - Building covering more than 200 s.q.m	7 110.63	6 778.48
Underground Tanks - Any size	11 851.05	11 297.47
Swimming Pool - any size	6 021.16	5 739.91
Major Shopping Complex - Charge per s.q.m.	31.47	30.00
Outbuildings - Any size	3 135.79	2 989.31
Residential Flats - Charge per s.q.m.	20.98	20.00
	0.00	
Building Plan Fees	0.00	
Pre-scrutiny Plan	262.25	250.00
Sceptic Tank per M^2	52.45	50.00
Occupation Certificate	629.40	600.00
Second call site Inspection for the same inspection stage	314.70	300.00
Demolition permit	524.50	500.00
	0.00	
Hoarding permit	0.00	
Commercial (for 3 months)	1 049.00	1 000.00
Residential (for 3 months)	524.50	500.00
Industrial (for 3 months)	1 573.50	1 500.00
CBD Buildings (for 3 months)	1 049.00	1 000.00
	0.00	
Minor building works application	0.00	
Residential	681.85	650.00
None Residential	1 049.00	1 000.00
	0.00	
Exemption Certificate	0.00	
Fee payable for minor building work as contemplated in Section 13 of the National Building Regul	262.25	250.00
	0.00	
	0.00	
Demolition fee	501.25	477.83
	0.00	
Temporal Structures	0.00	
Tent	472.05	450.00
Carport	944.10	900.00
Container or site storage during construction	367.15	350.00
Storage of material on municipal pavement	209.80	200.00
	0.00	
Billboard application fee	367.15	350.00
	0.00	

TARIFFS & CHARGES - CORPORATE & SUPPORT SERVICES		
Description	2024/2025	2023/2024
Document copies		
A4 Copies	18.04	17.20
A3 Copies	24.06	22.93

TARIFFS & CHARGES - BUDGET & TREASURY		
Description	**2024/2025**	**2023/2024**
Document Copies: A4 per page	18.04	17.20
A3 per page	24.06	22.93
Valuation Certificate	367.15	350.00
Document Search Fee	104.90	100.00
Clearance Certificate	367.15	350.00
Purchasing of Tender documents	-	
Contract value from R200 000 to R4 000 000	367.15	350
	-	
Contract value from R4 000 000 to R10 000 000	-	
suggested fee - R1 000 000.	1 049.00	1000

15. AUDITOR GENERAL REPORTS

AG opinions for the past five years:

FINANCIAL YEAR	AUDIT OPINION
2018-2019	**Qualified**
2019-2020	**Adverse**
2020-2021	**Qualified**
2021-2022	**Qualified**
2022-2023	**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 Annexures C&D*

16. DEBTORS

Consumers are billed monthly 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.

17. 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.

18. Conditional Grants Expenditure: 2022-2023

Grant	Amount Received	Amount Spent/ Realised	Unspent Conditional Grant	%
	(R)	(R)	(R)	
Municipal Infrastructure Grant (MIG)	20 231 000.00	20 231 000.00	-	100.00
Expanded Public Works Program (EPWP)	1 522 000.00	1 522 000.00	-	100.00
Financial Management Grant	1 700 000.00	1 700 000.00	-	100.00
Integrated Energy (Municipal Program) Grant	10 332 000.00	10 135 834.07	196 165.93	98.10
Department of Transport (Pound)	1 579 849.41	1 579 849.41	-	100.00
	39 304 876.01	**35 168 683.48**	**4 136 192.53**	**498.10**

19. 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

20. 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 consider, 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 consider 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 – before1 July.
Once approved, the Municipal Manager must place the budget on the municipality's website within five days.

21. Supporting Tables

EC138 Sakhisizwe – Table A1 Budget Summary

Description	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousands	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Financial Performance							
Property rates	6 982	8 056	8 056	8 056	13 765	14 398	15 060
Service charges	23 084	24 282	24 282	24 282	27 466	31 095	35 252
Investment revenue	1 872	1 872	1 872	1 872	2 963	3 100	3 242
Transfer and subsidies - Operational	88 961	89 026	89 026	89 026	95 155	92 839	89 700
Other own revenue	10 064	10 148	10 148	10 148	9 636	10 080	10 543
Total Revenue (excluding capital transfers and contributions)	130 962	133 383	133 383	133 383	148 985	151 511	153 797
Employee costs	43 936	47 633	47 633	47 633	50 443	52 763	55 191
Remuneration of councillors	7 322	7 820	7 820	7 820	8 196	8 573	8 968
Depreciation and amortisation	11 701	5 468	5 468	5 468	5 736	6 000	8 276
Interest	353	114	114	114	120	125	131
Inventory consumed and bulk purchases	18 630	18 492	18 492	18 492	21 423	22 409	23 439
Transfers and subsidies	500	1 206	1 206	1 206	1 215	1 271	1 329
Other expenditure	42 933	50 113	50 113	50 113	58 638	56 396	65 234
Total Expenditure	125 374	130 846	130 846	130 846	145 772	147 537	162 568
Surplus/(Deficit)	5 587	2 537	2 537	2 537	3 214	3 974	(8 770)
Transfers and subsidies - capital (monetary allocations)	37 543	85 607	85 607	85 607	72 246	65 878	32 988
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	43 130	88 144	88 144	88 144	75 459	69 852	24 218
Share of Surplus/Deficit attributable to Associate	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	43 130	88 144	88 144	88 144	75 459	69 852	24 218
Capital expenditure & funds sources							
Capital expenditure	39 831	88 039	88 039	88 039	74 652	68 331	35 555
Transfers recognised - capital	37 543	85 607	85 607	85 607	72 246	65 878	32 988
Borrowing	–	–	–	–	–	–	–
Internally generated funds	2 288	2 432	2 432	2 432	2 406	2 454	2 567
Total sources of capital funds	39 831	88 039	88 039	88 039	74 652	68 331	35 555
Financial position							
Total current assets	139 105	122 164	122 164	122 164	174 195	193 441	225 624
Total non current assets	295 877	344 031	344 031	344 031	348 183	365 450	381 605
Total current liabilities	5 420	23 591	23 591	23 591	8 080	8 452	8 841
Total non current liabilities	19 436	18 804	18 804	18 804	19 725	20 632	21 581
Community wealth/Equity	372 392	372 392	372 392	372 392	437 972	461 090	504 795
Cash flows							
Net cash from (used) operating	106 397	136 642	136 642	136 642	80 203	74 604	57 444
Net cash from (used) investing	(39 381)	(87 589)	(87 589)	(87 589)	(74 652)	(68 331)	(35 555)
Net cash from (used) financing	–	13 000	13 000	13 000	13 000	6 000	3 000
Cash/cash equivalents at the year end	93 317	80 206	80 206	80 206	22 551	34 823	59 712
Cash backing/surplus reconciliation							
Cash and investments available	50 040	33 705	33 705	33 705	22 551	34 823	59 712
Application of cash and investments	(40 258)	(33 284)	(33 284)	(33 284)	(117 708)	(122 372)	(127 082)
Balance - surplus (shortfall)	90 298	66 989	66 989	66 989	140 259	157 195	186 793
Asset management							
Asset register summary (WDV)	261 836	261 836	261 836		275 537	299 154	348 179
Depreciation	11 701	5 468	5 468		5 736	6 000	8 276
Renewal and Upgrading of Existing Assets	3 752	51 078	51 078		37 456	39 448	4 109
Repairs and Maintenance	2 525	2 690	2 690		5 738	5 056	6 530
Free services							
Cost of Free Basic Services provided	5 500	5 742	6 000		6 264	6 546	6 841
Revenue cost of free services provided	–	–	–		–	–	–
Households below minimum service level							
Water:	–	–	–		–	–	–
Sanitation/sewerage:	–	–	–		–	–	–
Energy:	–	–	–		–	–	–
Refuse:	–	–	–		–	–	–

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

Functional Classification Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue - Functional										
Governance and administration		**106 298**	**92 185**	**87 324**	**101 317**	**102 457**	**102 457**	**115 344**	**115 487**	**140 372**
Executive and council		–	–	–	–	–	–	–	–	0
Finance and administration		106 298	92 185	87 324	101 317	102 457	102 457	115 344	115 487	140 372
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		**1 401**	**3 786**	**1 530**	**1 887**	**1 971**	**1 971**	**63 771**	**41 750**	**6 508**
Community and social services		34	32	539	554	554	554	2 730	4 723	4 927
Sport and recreation		–	–	–	–	–	–	–	–	0
Public safety		1 367	1 379	992	1 305	1 389	1 389	1 328	1 389	1 453
Housing		–	2 376	–	28	28	28	59 713	35 639	128
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		**29 193**	**26 550**	**28 182**	**40 045**	**88 109**	**88 109**	**37 452**	**27 719**	**30 255**
Planning and development		19 943	17 064	23 404	36 265	33 063	33 063	37 452	27 719	30 255
Road transport		9 249	9 485	4 778	3 780	55 046	55 046	–	–	0
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		**8 277**	**16 793**	**32 757**	**25 256**	**26 454**	**26 454**	**28 251**	**31 307**	**34 728**
Energy sources		3 574	8 103	19 018	17 996	19 194	19 194	22 284	25 066	28 199
Water management		–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–
Waste management		4 702	8 691	13 739	7 260	7 260	7 260	5 967	6 241	6 528
Other	4	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	**145 168**	**139 314**	**149 794**	**168 505**	**218 990**	**218 990**	**244 818**	**216 264**	**211 862**

Expenditure - Functional										
Governance and administration		**56 861**	**77 647**	**92 299**	**68 773**	**69 604**	**69 604**	**76 836**	**77 289**	**82 933**
Executive and council		13 792	22 345	29 805	20 152	21 929	21 929	24 053	24 078	25 386
Finance and administration		43 069	55 302	62 494	48 436	47 490	47 490	52 589	53 009	57 335
Internal audit		–	–	–	185	185	185	194	203	212
Community and public safety		**17 017**	**4 614**	**7 959**	**11 214**	**11 674**	**11 674**	**13 079**	**12 769**	**18 270**
Community and social services		10 440	(543)	2 657	6 594	7 045	7 045	3 778	3 940	4 135
Sport and recreation		240	–	–	0	0	0	–	–	0
Public safety		5 895	4 709	4 368	4 067	4 077	4 077	8 717	8 217	13 495
Housing		442	449	934	552	552	552	584	611	639
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		**13 527**	**16 863**	**15 818**	**15 465**	**17 000**	**17 000**	**19 294**	**19 236**	**21 062**
Planning and development		10 476	9 542	8 268	8 256	10 846	10 846	10 895	11 397	11 921
Road transport		3 051	7 321	7 550	7 210	6 154	6 154	8 399	7 839	9 141
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		**23 163**	**28 043**	**25 594**	**29 922**	**32 567**	**32 567**	**36 561**	**38 243**	**40 302**
Energy sources		16 783	21 916	19 576	20 949	23 514	23 514	26 888	28 125	29 719
Water management		–	–	–	–	–	–	–	–	0
Waste water management		(51)	–	–	–	–	–	–	–	0
Waste management		6 432	6 127	6 018	8 973	9 053	9 053	9 673	10 118	10 583
Other	4	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Expenditure - Functional	3	**110 568**	**127 167**	**141 670**	**125 374**	**130 846**	**130 846**	**145 772**	**147 537**	**162 568**
Surplus/(Deficit) for the year		**34 600**	**12 147**	**8 124**	**43 130**	**88 144**	**88 144**	**99 047**	**68 727**	**49 295**

Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)										
Vote Description	**Ref**	**2020/21**	**2021/22**	**2022/23**	**Current Year 2023/24**			**2024/25 Medium Term Revenue & Expenditure Framework**		
R thousand		**Audited Outcome**	**Audited Outcome**	**Audited Outcome**	**Original Budget**	**Adjusted Budget**	**Full Year Forecast**	**Budget Year 2024/25**	**Budget Year +1 2025/26**	**Budget Year +2 2026/27**
Revenue by Vote	1									
Vote 1 - MM OFFICE		9 936	861	–	–	–	–	–	–	–
Vote 2 - BUDGET AND TREASURY		96 288	91 251	98 314	110 590	113 056	113 056	126 149	127 629	153 947
Vote 3 - COMMUNITY SERVICES		6 103	10 101	11 519	6 975	7 059	7 059	9 513	11 817	12 348
Vote 4 - Corporate Services		74	72	111	211	276	276	243	191	200
Vote 5 - IPED		3 940	6 682	6 141	16 136	14 336	14 336	67 193	42 591	8 152
Vote 6 - TECHNICAL SERVICES		28 827	30 346	33 709	34 593	84 263	84 263	41 720	34 036	37 216
Vote 7 - COUNCIL		–	–	–	–	–	–	–	–	0
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	2	**145 168**	**139 314**	**149 794**	**168 505**	**218 990**	**218 990**	**244 818**	**216 264**	**211 862**
Expenditure by Vote *to be appropriated*	1									
Vote 1 - MM OFFICE		13 879	6 226	4 927	6 376	7 450	7 450	7 890	8 053	8 624
Vote 2 - BUDGET AND TREASURY		19 955	39 685	48 082	35 689	35 537	35 537	37 050	37 616	41 209
Vote 3 - COMMUNITY SERVICES		23 397	10 741	13 977	20 187	20 727	20 727	22 752	22 886	28 853
Vote 4 - Corporate Services		11 648	20 710	24 426	14 741	13 947	13 947	17 928	17 615	18 451
Vote 5 - IPED		9 130	9 512	7 470	7 121	9 011	9 011	9 363	9 364	9 795
Vote 6 - TECHNICAL SERVICES		21 180	29 267	27 924	29 294	31 504	31 504	37 230	37 997	40 986
Vote 7 - COUNCIL		11 378	11 026	14 865	11 968	12 671	12 671	13 558	14 004	14 649

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	2	**110 568**	**127 167**	**141 670**	**125 374**	**130 846**	**130 846**	**145 772**	**147 537**	**162 568**
Surplus/(Deficit) for the year	2	**34 600**	**12 147**	**8 124**	**43 130**	**88 144**	**88 144**	**99 047**	**68 727**	**49 295**

Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue											
Exchange Revenue											
Service charges - Electricity	2	9 034	13 721	13 473	17 996	19 194	19 194	19 194	21 635	24 387	27 489
Service charges - Water	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	2	3	5	11	-	-	-	-	-	-	-
Service charges - Waste Management	2	4 202	7 956	8 480	5 088	5 088	5 088	5 088	5 337	5 583	5 840
Sale of Goods and Rendering of Services		209	253	308	320	320	320	320	325	340	356
Agency services		1 280	1 108	916	1 046	1 130	1 130	1 130	1 186	1 240	1 297
Interest		-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		2 392	4 028	5 269	4 337	4 337	4 337	4 337	3 550	3 713	3 884
Interest earned from Current and Non Current Assets		381	811	1 921	1 872	1 872	1 872	1 872	2 963	3 100	3 242
Dividends		-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	0
Rental from Fixed Assets		276	677	71	295	295	295	295	300	314	328

Licence and permits		110	284	110	324	324	324	324	210	220	230
Operational Revenue		19	6	4	5	5	5	5	15	16	17
Non-Exchange Revenue											
Property rates	2	-	-	-	6 982	8 056	8 056	8 056	13 765	14 398	15 060
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		57	16	16	21	21	21	21	22	23	24
Licences or permits		570	673	1 088	1 544	1 544	1 544	1 544	1 749	1 829	1 914
Transfer and subsidies - Operational		89 306	78 980	83 572	88 961	89 026	89 026	89 026	95 155	92 839	116 700
Interest		1 948	3 220	4 456	2 172	2 172	2 172	2 172	2 279	2 383	2 493
Fuel Levy		-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		7 869	(4 110)	131	-	-	-	-	-	-	-
Other Gains		95	-	(1 978)	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		**117 752**	**107 629**	**117 847**	**130 962**	**133 383**	**133 383**	**133 383**	**148 492**	**150 386**	**178 874**
Expenditure											
Employee related costs	2	39 999	42 644	45 191	43 936	47 633	47 633	47 633	50 443	52 763	55 191
Remuneration of councillors		7 099	7 047	7 806	7 322	7 820	7 820	7 820	8 196	8 573	8 968
Bulk purchases - electricity	2	13 430	15 840	16 978	17 996	18 097	18 097	18 097	20 884	21 844	22 849
Inventory consumed	8	742	1 589	960	634	395	395	395	539	564	590
Debt impairment	3	-	-	-	5 595	5 595	5 595	5 595	5 169	5 407	5 655
Depreciation and amortisation		8 811	10 581	9 955	11 701	5 468	5 468	5 468	5 736	6 000	8 276
Interest		119	2 129	2 938	353	114	114	114	120	125	131
Contracted services		17 103	14 401	12 875	16 334	24 157	24 157	24 157	28 412	26 660	34 130
Transfers and subsidies		-	3 790	8 899	500	1 206	1 206	1 206	1 215	1 271	1 329
Irrecoverable debts written off		-	-	-	-	-	-	-	2 272	2 377	2 486
Operational costs		15 056	13 450	15 336	16 650	20 007	20 007	20 007	22 786	21 952	22 962
Losses on disposal of Assets		40	-	1 580	-	-	-	-	-	-	-

Other Losses		-	-	-	-	-	-	-	-	-	-
Total Expenditure		**102 398**	**111 471**	**122 518**	**121 020**	**130 491**	**130 491**	**130 491**	**145 772**	**147 537**	**162 568**
Surplus/(Deficit)		**15 354**	**(3 842)**	**(4 671)**	**9 942**	**2 892**	**2 892**	**2 892**	**2 720**	**2 849**	**16 306**
Transfers and subsidies - capital (monetary allocations)	6	27 416	31 685	31 947	37 543	85 607	85 607	85 607	96 327	65 878	32 988
Transfers and subsidies - capital (in-kind)	6	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**42 770**	**27 843**	**27 276**	**47 485**	**88 499**	**88 499**	**88 499**	**99 047**	**68 727**	**49 295**
Income Tax		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after income tax		**42 770**	**27 843**	**27 276**	**47 485**	**88 499**	**88 499**	**88 499**	**99 047**	**68 727**	**49 295**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		**42 770**	**27 843**	**27 276**	**47 485**	**88 499**	**88 499**	**88 499**	**99 047**	**68 727**	**49 295**
Share of Surplus/Deficit attributable to Associate	7	–	–	–	–	–	–	–	–	–	–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	1	**42 770**	**27 843**	**27 276**	**47 485**	**88 499**	**88 499**	**88 499**	**99 047**	**68 727**	**49 295**

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

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Capital expenditure - Municipal Vote Multi-year expenditure appropriation	2										
Vote 1 - MM OFFICE		–	–	–	–	–	–	–	–	–	–
1.1 - [Name of sub-vote]									–	–	–
									–	–	–
									–	–	–
									–	–	–
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									–	–	–
									–	–	–
									–	–	–
									–	–	–
Vote 2 - BUDGET AND TREASURY		–	–	–	–	–	–	–	–	–	–
2.1 - [Name of sub-vote]									–	–	–
									–	–	–
									–	–	–
									–	–	–
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									–	–	–
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									–	–	–
									–	–	–
Vote 3 - COMMUNITY SERVICES		**1 901**	**11 470**	**6 328**	**3 752**	**3 752**	**3 752**	**3 752**	**1 941**	**3 932**	**4 109**
3.1 - [Name of sub-vote]									–	–	–
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									–	–	–
									–	–	–
Vote 4 - Corporate Services		–	–	–	–	–	–	–	–	–	–
4.1 - [Name of sub-vote]									–	–	–
									–	–	–
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									–	–	–
									–	–	–
									–	–	–
Vote 5 - IPED		–	–	–	–	–	–	–	–	–	–
5.1 - [Name of sub-vote]									–	–	–
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Vote 6 - TECHNICAL SERVICES		**11 854**	**5 576**	**17 953**	**16 758**	**66 359**	**66 359**	**66 359**	**74 302**	**50 898**	**16 600**
6.1 - [Name of sub-vote]									–	–	–
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Vote 7 - COUNCIL		–	–	–	–	–	–	–	–	–	–
7.1 - [Name of sub-vote]									–	–	–
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Vote 8 - COMMUNITY & SOCIAL SERVICES		–	–	–	–	–	–	–	–	–	–
8.1 - [Name of sub-vote]									–	–	–
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Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–	–
9.1 - [Name of sub-vote]									–	–	–
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									–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–	–
10.1 - [Name of sub-vote]									–	–	–
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Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–
11.1 - [Name of sub-vote]									–	–	–
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Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–
12.1 - [Name of sub-vote]									–	–	–
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									–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–
13.1 - [Name of sub-vote]									–	–	–

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									–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–
14.1 - [Name of sub-vote]									–	–	–
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									–	–	–
									–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–
15.1 - [Name of sub-vote]									–	–	–
									–	–	–
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									–	–	–

Capital multi-year expenditure sub-total		**13 755**	**17 045**	**24 281**	**20 510**	**70 111**	**70 111**	**70 111**	**76 243**	**54 830**	**20 709**
Capital expenditure - Municipal Vote Single-year expenditure appropriation	2										
Vote 1 - MM OFFICE		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
1.1 - [Name of sub-vote]											
Vote 2 - BUDGET AND TREASURY		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**60**	**–**	**–**
2.1 - [Name of sub-vote]											
Vote 3 - COMMUNITY SERVICES		**1 722**	**(2 670)**	**(0)**	**1 471**	**1 411**	**1 411**	**1 411**	**11 618**	**1 693**	**1 771**
3.1 - [Name of sub-vote]											
Vote 4 - Corporate Services		**283**	**(19)**	**287**	**437**	**587**	**587**	**587**	**727**	**761**	**796**
4.1 - [Name of sub-vote]											

Vote 5 - IPED		**–**	**(2 653)**	**–**	**0**	**54**	**54**	**54**	**–**	**–**	**0**
5.1 - [Name of sub-vote]											
Vote 6 - TECHNICAL SERVICES		**11 622**	**19 359**	**(11 343)**	**17 413**	**15 876**	**15 876**	**15 876**	**10 084**	**11 047**	**12 280**
6.1 - [Name of sub-vote]											
Vote 7 - COUNCIL		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
7.1 - [Name of sub-vote]											
Vote 8 - COMMUNITY & SOCIAL SERVICES		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
8.1 - [Name of sub-vote]											
Vote 9 - [NAME OF VOTE 9]		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
9.1 - [Name of sub-vote]											

Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–	–
10.1 - [Name of sub-vote]											
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–
11.1 - [Name of sub-vote]											
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–
12.1 - [Name of sub-vote]											
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–
13.1 - [Name of sub-vote]											
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–
14.1 - [Name of sub-vote]											

Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–
15.1 - [Name of sub-vote]											
Capital single-year expenditure sub-total		**13 627**	**14 016**	**(11 056)**	**19 321**	**17 928**	**17 928**	**17 928**	**22 490**	**13 501**	**14 846**
Total Capital Expenditure		**27 383**	**31 062**	**13 224**	**39 831**	**88 039**	**88 039**	**88 039**	**98 732**	**68 331**	**35 555**

Table A6 Budgeted Financial Position

Description	**Ref**	**2020/21**	**2021/22**	**2022/23**	**Current Year 2023/24**				**2024/25 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 2024/25**	**Budget Year +1 2025/26**	**Budget Year +2 2026/27**
ASSETS											
Current assets											
Cash and cash equivalents		19 083	10 139	18 153	50 040	33 705	33 705	33 705	22 551	34 823	59 712
Trade and other receivables from exchange transactions	1	10 687	19 169	21 171	51 842	51 842	51 842	51 842	32 079	33 554	35 098
Receivables from non-exchange transactions	1	(4)	(4)	771	30 580	30 580	30 580	30 580	62 079	64 934	67 921
Current portion of non-current receivables		–	–	–	–	–	–	–	–	–	–
Inventory	2	575	894	136	642	36	36	36	36	36	36
VAT		5 550	9 473	12 118	1 500	1 500	1 500	1 500	600	628	656
Other current assets		4 628	67	67	4 500	4 500	4 500	4 500	1 000	1 046	1 094
Total current assets		**40 519**	**39 738**	**52 417**	**139 105**	**122 164**	**122 164**	**122 164**	**118 345**	**135 022**	**164 518**
Non-current assets											
Investments		–	–	- 14 594	–	–	–	–	–	–	–
Investment property		12 448	14 713	278,15	14 164	14 164	14 164	14 164	14 164	14 164	14 164

Property, plant and equipment	3	220 384	232 877	243 916	281 713	329 867	329 867	329 867	335 924	353 278	369 525
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		**232 832**	**247 590**	**258 510**	**295 877**	**344 031**	**344 031**	**344 031**	**350 088**	**367 442**	**383 689**
TOTAL ASSETS		**273 351**	**287 328**	**310 926**	**434 982**	**466 195**	**466 195**	**466 195**	**468 433**	**502 464**	**548 207**
LIABILITIES											
Current liabilities	-										
Bank overdraft		–	–	–	–	–	–	–	–	–	–
Financial liabilities		2 000	2 000	2 000	548	548	548	548	–	–	(0)
Consumer deposits		85	105	93	88	13 080	13 080	13 080	88	92	96
Trade and other payables from exchange transactions	4	16 133	13 072	10 252	2 323	7 547	7 547	7 547	7 547	7 894	8 257
Trade and other payables from non-exchange transactions	5	11 678	160	4 279	0	16	16	16	16	17	18
Provision		26 050	26 518	26 770	2 461	2 400	2 400	2 400	429	449	470
VAT		4 228	7 983	11 674	–	–	–	–	–	–	–
Other current liabilities		–	–	–	–	–	–	–	–	–	–
Total current liabilities		**60 173**	**49 838**	**55 067**	**5 420**	**23 591**	**23 591**	**23 591**	**8 080**	**8 452**	**8 841**
Non current liabilities											
Financial liabilities	6	283	–	–	632	(0)	(0)	(0)	–	–	(0)
Provision	7	(7 158)	(4 044)	(34)	16 106	16 106	16 106	16 106	16 895	17 672	18 485
Long term portion of trade payables		–	–	–	–	–	–	–	–	–	–
Other non-current liabilities		1 073	1 035	1 035	2 698	2 698	2 698	2 698	2 830	2 960	3 097
Total non current liabilities		**(5 801)**	**(3 009)**	**1 001**	**19 436**	**18 804**	**18 804**	**18 804**	**19 725**	**20 632**	**21 581**

TOTAL LIABILITIES		**54 372**	**46 829**	**56 068**	**24 856**	**42 395**	**42 395**	**42 395**	**27 805**	**29 084**	**30 422**
NET ASSETS		**218 979**	**240 499**	**254 858**	**410 125**	**423 800**	**423 800**	**423 800**	**440 628**	**473 380**	**517 785**
COMMUNITY WEALTH/EQUITY											
Accumulated surplus/(deficit)	8	195 135	239 966	256 683	371 392	371 392	371 392	371 392	436 972	460 090	503 795
Reserves and funds	9	–	–	–	1 000	1 000	1 000	1 000	1 000	1 000	1 000
Other											
TOTAL COMMUNITY WEALTH/EQUITY	10	**195 135**	**239 966**	**256 683**	**372 392**	**372 392**	**372 392**	**372 392**	**437 972**	**461 090**	**504 795**

Table A7 Budgeted Cash Flows

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 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 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		–	–	–	9 063	9 063	9 063	9 063	9 635	10 078	10 542
Service charges		–	–	–	25 904	25 904	25 904	25 904	25 371	28 295	31 577
Other revenue		–	–	–	6 553	9 553	9 553	9 553	2 665	2 788	2 916
Transfers and Subsidies - Operational	1	–	–	–	88 961	89 026	89 026	89 026	95 153	92 837	116 700
Transfers and Subsidies - Capital	1	–	–	–	37 543	85 607	85 607	85 607	96 327	65 878	32 988
Interest		–	–	–	3 417	3 417	3 417	3 417	7 727	8 481	8 871
Dividends		–	–	–	–	–	–	–	–	–	–
Payments											
Suppliers and employees		–	(16 084)	(46 366)	(107 467)	(125 449)	(125 449)	(125 449)	(131 260)	(132 358)	(144 690)
Interest		–	–	–	(353)	(114)	(114)	(114)	(120)	(125)	(131)
Transfers and Subsidies	1	–	–	–	(500)	(1 206)	(1 206)	(1 206)	(1 215)	(1 271)	(1 329)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**–**	**(16 084)**	**(46 366)**	**63 120**	**95 800**	**95 800**	**95 800**	**104 284**	**74 604**	**57 444**

CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		–	–	–	450	450	450	450	–	–	0
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	–	–	–
Payments											
Capital assets		–	–	–	(39 831)	(88 039)	(88 039)	(88 039)	(98 732)	(68 331)	(35 555)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**–**	**–**	**–**	**(39 381)**	**(87 589)**	**(87 589)**	**(87 589)**	**(98 732)**	**(68 331)**	**(35 555)**
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		–	–	–	–	13 000	13 000	13 000	13 000	6 000	3 000
Payments											
Repayment of borrowing		–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		**–**	**–**	**–**	**–**	**13 000**	**13 000**	**13 000**	**13 000**	**6 000**	**3 000**
NET INCREASE/ (DECREASE) IN CASH HELD		**–**	**(16 084)**	**(46 366)**	**23 739**	**21 211**	**21 211**	**21 211**	**18 551**	**12 272**	**24 888**
Cash/cash equivalents at the year begin:	2	**3 629**	**19 083**	**10 139**	**26 301**	**18 153**	**18 153**	**18 153**	**4 000**	**22 551**	**34 823**
Cash/cash equivalents at the year-end:	2	**3 629**	**3 000**	**(36 227)**	**50 040**	**39 364**	**39 364**	**39 364**	**22 551**	**34 823**	**59 712**

Table A8 Cash backed reserves/accumulated surplus reconciliation.

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 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 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Cash and investments available											
Cash/cash equivalents at the year end	1	3 629	3 000	(36 227)	50 040	39 364	39 364	39 364	22 551	34 823	59 712
Other current investments > 90 days		15 454	7 139	54 380	0	(5 659)	(5 659)	(5 659)	–	–	–
Non-current Investments	1	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		**19 083**	**10 139**	**18 153**	**50 040**	**33 705**	**33 705**	**33 705**	**22 551**	**34 823**	**59 712**
Application of cash and investments											
Unspent conditional transfers		11 678	160	4 279	500	1 222	1 222	1 222	1 231	1 288	1 347
Unspent borrowing											
Statutory requirements	2	(1 322)	(1 490)	(444)	(1 500)	(1 500)	(1 500)	(1 500)	(600)	(628)	(656)
Other working capital requirements	3	16 133	13 072	10 252	(41 719)	(35 406)	(35 406)	(35 406)	(72 623)	(76 499)	(80 577)
Other provisions		26 050	26 518	26 770	2 461	2 400	2 400	2 400	429	449	470
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5	–	–	–	–	–	–	–	–	–	–
Total Application of cash and investments:		**52 539**	**38 261**	**40 857**	**(40 258)**	**(33 284)**	**(33 284)**	**(33 284)**	**(71 563)**	**(75 390)**	**(79 416)**
Surplus(shortfall) - Excluding Non-Current Creditors Trf to Debt Relief Benefits		**(33 456)**	**(28 122)**	**(22 704)**	**90 298**	**66 989**	**66 989**	**66 989**	**94 114**	**110 213**	**139 128**
Creditors transferred to Debt Relief - Non-Current portion		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Surplus(shortfall) - Including Non-Current Creditors Trf to Debt Relief Benefits		**(33 456)**	**(28 122)**	**(22 704)**	**90 298**	**66 989**	**66 989**	**66 989**	**94 114**	**110 213**	**139 128**

Table A9 Asset Management

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
CAPITAL EXPENDITURE										
Total New Assets	1	**26 974**	**28 990**	**11 779**	**36 079**	**36 961**	**36 961**	**37 196**	**28 883**	**31 446**
Roads Infrastructure		12 723	10 984	31 108	19 911	22 449	22 449	19 650	20 430	21 879
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		1 977	7 736	(21 909)	13 880	12 080	12 080	5 140	6 000	7 000
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		***14 701***	***18 720***	***9 199***	***33 791***	***34 529***	***34 529***	***24 790***	***26 430***	***28 879***
Community Facilities		8 367	4 143	4 882	250	340	340	400	418	438
Sport and Recreation Facilities		3 084	11 470	–	–	–	–	10 000	–	–
Community Assets		***11 451***	***15 612***	***4 882***	***250***	***340***	***340***	***10 400***	***418***	***438***
Heritage Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		–	–	–	–	–	–	–	–	–
Housing		–	(2 653)	–	0	0	0	–	–	0
Other Assets		**–**	***(2 653)***	**–**	***0***	***0***	***0***	**–**	**–**	***0***
Biological or Cultivated Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**

Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Computer Equipment		**283**	**72**	**287**	**316**	**520**	**520**	**600**	**628**	**656**
Furniture and Office Equipment		**–**	**(91)**	**–**	**121**	**121**	**121**	**127**	**133**	**139**
Machinery and Equipment		**47**	**2**	**(2 590)**	**764**	**614**	**614**	**305**	**256**	**268**
Transport Assets		**492**	**(2 673)**	**(0)**	**837**	**837**	**837**	**973**	**1 018**	**1 065**
Land		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Zoo's, Marine and Non-biological Animals		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Mature		–	-	-	-	-	-	-	-	-
Immature		–	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	2	**409**	**2 072**	**1 446**	**3 752**	**51 078**	**51 078**	**61 537**	**39 448**	**4 109**
Roads Infrastructure		–	–	–	–	47 326	47 326	59 596	35 516	0
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		409	2 072	–	–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		***409***	***2 072***	***–***	***–***	***47 326***	***47 326***	***59 596***	***35 516***	***0***
Community Facilities		–	–	1 446	3 752	3 752	3 752	1 941	3 932	4 109
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Community Assets		***–***	***–***	***1 446***	***3 752***	***3 752***	***3 752***	***1 941***	***3 932***	***4 109***
Heritage Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–

Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Mature		–	-	-	-	-	-	-	-	-
Immature		–	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
Total Upgrading of Existing Assets	6	–	–	–	–	–	–	–	–	–
Roads Infrastructure		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		–	–	–	–	–	–	–	–	–
Community Facilities		–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Community Assets		–	–	–	–	–	–	–	–	–

Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Mature		–	-	-	-	-	-	-	-	-
Immature		–	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4	**27 383**	**31 062**	**13 224**	**39 831**	**88 039**	**88 039**	**98 732**	**68 331**	**35 555**
Roads Infrastructure		12 723	10 984	31 108	19 911	69 775	69 775	79 246	55 946	21 879
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		2 386	9 808	(21 909)	13 880	12 080	12 080	5 140	6 000	7 000
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–

Infrastructure		***15 110***	***20 792***	***9 199***	***33 791***	***81 855***	***81 855***	***84 386***	***61 946***	***28 879***
Community Facilities		8 367	4 143	6 328	4 002	4 092	4 092	2 341	4 350	4 547
Sport and Recreation Facilities		3 084	11 470	–	–	–	–	10 000	–	–
Community Assets		***11 451***	***15 612***	***6 328***	***4 002***	***4 092***	***4 092***	***12 341***	***4 350***	***4 547***
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	–	–	–
Housing		–	(2 653)	–	0	0	0	–	–	0
Other Assets		–	***(2 653)***	–	***0***	***0***	***0***	–	–	***0***
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		**283**	**72**	**287**	**316**	**520**	**520**	**600**	**628**	**656**
Furniture and Office Equipment		–	**(91)**	–	**121**	**121**	**121**	**127**	**133**	**139**
Machinery and Equipment		**47**	**2**	**(2 590)**	**764**	**614**	**614**	**305**	**256**	**268**
Transport Assets		**492**	**(2 673)**	**(0)**	**837**	**837**	**837**	**973**	**1 018**	**1 065**
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Mature		–	-	-	-	-	-	-	-	-
Immature		–	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		**27 383**	**31 062**	**13 224**	**39 831**	**88 039**	**88 039**	**98 732**	**68 331**	**35 555**
ASSET REGISTER SUMMARY - PPE (WDV)	5	173 068	177 273	192 237	261 836	261 836	261 836	253 362	301 146	350 263
Roads Infrastructure		82 336	79 156	90 620	0	0	0	–	–	0

Storm water Infrastructure		(2 003)	(3 430)	(3 430)	0	0	0	–	–	0
Electrical Infrastructure		(16 267)	(19 575)	(17 099)	241 882	241 828	241 828	237 192	284 947	333 970
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		666	1 853	1 585	0	0	0	–	–	0
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		***64 732***	***58 004***	***71 677***	***241 882***	***241 828***	***241 828***	***237 192***	***284 947***	***333 970***
Community Assets		31 679	41 732	44 927	3 752	3 752	3 752	–	–	0
Heritage Assets		–	–	–	–	–	–	–	–	–
Investment properties		**12 448**	**14 713**	**14 594**	**14 164**	**14 164**	**14 164**	**14 164**	**14 164**	**14 164**
Other Assets		(4 604)	(6 273)	(6 467)	0	0	0	–	–	0
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		**813**	**756**	**672**	**316**	**520**	**520**	**600**	**628**	**656**
Furniture and Office Equipment		**392**	**304**	**175**	**121**	**121**	**121**	**187**	**133**	**139**
Machinery and Equipment		**34 300**	**34 021**	**33 663**	**764**	**614**	**614**	**245**	**256**	**268**
Transport Assets		**9 842**	**10 549**	**9 529**	**837**	**837**	**837**	**973**	**1 018**	**1 065**
Land		**23 467**	**23 467**	**23 467**	**0**	**0**	**0**	**–**	**–**	**0**
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Living Resources		–	–	–	–	–	–	–	–	–
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	**173 068**	**177 273**	**192 237**	**261 836**	**261 836**	**261 836**	**253 362**	**301 146**	**350 263**

EXPENDITURE OTHER ITEMS		**9 678**	**9 913**	**10 497**	**14 226**	**8 158**	**8 158**	**11 474**	**11 056**	**14 806**
Depreciation	7	8 811	8 819	8 933	11 701	5 468	5 468	5 736	6 000	8 276
Repairs and Maintenance by Asset Class	3	**867**	**1 094**	**1 565**	**2 525**	**2 690**	**2 690**	**5 738**	**5 056**	**6 530**
Roads Infrastructure		95	261	587	264	66	66	1 268	380	1 339
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	4	279	392	392	1 300	1 360	1 722
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		125	–	300	470	470	470	581	607	635
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		***220***	***261***	***891***	***1 013***	***928***	***928***	***3 149***	***2 348***	***3 697***
Community Facilities		86	56	52	–	–	–	–	–	0
Sport and Recreation Facilities		65	–	–	–	–	–	–	–	0
Community Assets		***151***	***56***	***52***	***–***	***–***	***–***	***–***	***–***	***0***
Heritage Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		51	139	153	68	0	0	–	–	0
Housing		–	–	–	–	–	–	–	–	–
Other Assets		***51***	***139***	***153***	***68***	***0***	***0***	***–***	***–***	***0***
Biological or Cultivated Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Computer Equipment		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Furniture and Office Equipment		**18**	**–**	**–**	**53**	**53**	**53**	**44**	**46**	**48**
Machinery and Equipment		**22**	**27**	**41**	**253**	**253**	**253**	**310**	**324**	**339**
Transport Assets		**406**	**612**	**427**	**1 138**	**1 457**	**1 457**	**2 235**	**2 338**	**2 445**

Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Mature		–	-	-	-	-	-	-	-	-
Immature		–	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS		**9 678**	**9 913**	**10 497**	**14 226**	**8 158**	**8 158**	**11 474**	**11 056**	**14 806**
Renewal and upgrading of Existing Assets as % of total capex		*1,5%*	*6,7%*	*10,9%*	*9,4%*	*58,0%*	*58,0%*	*62,3%*	*57,7%*	*11,6%*
Renewal and upgrading of Existing Assets as % of depreciation		*4,6%*	*23,5%*	*16,2%*	*32,1%*	*934,1 %*	*934,1 %*	*1072, 8%*	*657,5 %*	*49,7%*
R&M as a % of PPE & Investment Property		*0,5%*	*0,6%*	*0,8%*	*1,0%*	*1,0%*	*1,0%*	*2,3%*	*1,7%*	*1,9%*
Renewal and upgrading and R&M as a % of PPE and Investment Property		*0,7%*	*1,8%*	*1,6%*	*2,4%*	*20,5%*	*20,5%*	*26,6%*	*14,8%*	*3,0%*

Table A10 Basic service delivery measurement

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		–	–	–	–	–	–	–	–	–
Sanitation (free minimum level service)		–	–	–	–	–	–	–	–	–
Electricity/other energy (50kwh per household per month)		–	–	–	–	–	–	–	–	–
Refuse (removed at least once a week)		–	–	–	–	–	–	–	–	–
Informal Settlements		–	–	–	–	–	–	–	–	–
Cost of Free Basic Services provided - Formal Settlements (R'000)										
Water (6 kilolitres per **indigent** household per month)		–	–	–	–	–	–	–	–	–
Sanitation (free sanitation service to **indigent households**)		–	–	–	–	–	–	–	–	–
Electricity/other energy (50kwh per **indigent** household per month)		2 413	1 426	1 075	(0)	(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	**2 413**	**1 426**	**1 075**	**(0)**	**(0)**	**(0)**	**–**	**–**	**–**
Highest level of free service provided per household										
Property rates (R value threshold)										
Water (kilolitres per household per month)										
Sanitation (kilolitres 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)	9									
Property rates **(tariff adjustment) (impermissible values per section 17 of MPRA)**										
Property rates exemptions, reductions and rebates **and impermissible values more than section 17 of MPRA)**		–	–	–	502	502	502	527	551	576
Water **(more than 6 kilolitres per indigent household per month)**		–	–	–	–	–	–	–	–	–
Sanitation **(more than free sanitation service to indigent households)**		–	–	–	–	–	–	–	–	–
Electricity/other energy **(more than 50 kwh per indigent household per month)**		298	–	–	3 559	3 559	3 559	4 012	4 522	5 097
Refuse **(more than one removal a week for indigent households)**		–	–	–	–	–	–	–	–	–
Municipal Housing - rental rebates										
Housing - top structure subsidies	6									
Other										
Total revenue cost of subsidised services provided		**298**	**–**	**–**	**4 061**	**4 061**	**4 061**	**4 539**	**5 073**	**5 674**

Table SA1 Supporting detail to 'Budgeted Financial Performance.

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand											
REVENUE ITEMS:											
Non-exchange revenue by source											
Exchange Revenue	6										
Total Property Rates					7 484	8 558	8 558	8 558	14 291	14 949	15 636
Less Revenue Foregone ***(exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)***		–	–	–	502	502	502	502	527	551	576
Net Property Rates		**–**	**–**	**–**	**6 982**	**8 056**	**8 056**	**8 056**	**13 765**	**14 398**	**15 060**
Exchange revenue service charges											
Service charges - Electricity	6										
Total Service charges - Electricity		11 745	15 148	14 548	21 555	22 753	22 753	22 753	25 647	28 909	32 587
Less Revenue Foregone ***(more than 50 kwh per indigent household per month)***		298			3 559	3 559	3 559	3 559	4 012	4 522	5 097
Less Cost of Free Basis Services (50 kwh per indigent household per month)		2 413	1 426	1 075	(0)	(0)	(0)		–	–	–
Net Service charges - Electricity		**9 034**	**13 721**	**13 473**	**17 996**	**19 194**	**19 194**	**19 194**	**21 635**	**24 387**	**27 489**
Service charges - Water	6										
Total Service charges - Water											
Less Revenue Foregone ***(in excess of 6 kilolitres per indigent household per month)***											
Less Cost of Free Basis Services (6 kilolitres per indigent household per month)		–	–	–	–	–	–		–	–	–
Net Service charges - Water		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Service charges - Waste Water Management											

Total Service charges - Waste Water Management		**3**	**5**	**11**							
Less Revenue Foregone ***(more than free sanitation service to indigent households)***											
Less Cost of Free Basis Services (free sanitation service to indigent households)		–	–	–	–	–	–		–	–	–
Net Service charges - Waste Water Management		**3**	**5**	**11**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Service charges - Waste Management	6										
Total refuse removal revenue		4 202	7 956	8 480	5 088	5 088	5 088	5 088	5 337	5 583	5 840
Total landfill revenue		–	–	–	–	–	–	–	–	–	–
Less Revenue Foregone ***(more than one removal a week to indigent households)***		–	–	–	–	–	–	–	–	–	–
Less Cost of Free Basis Services (removed once a week to indigent households)		–	–	–	–	–	–		–	–	–
Net Service charges - Waste Management		**4 202**	**7 956**	**8 480**	**5 088**	**5 088**	**5 088**	**5 088**	**5 337**	**5 583**	**5 840**
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	28 245	30 782	32 936	32 535	35 434	35 434	35 434	37 247	38 961	40 753
Pension and UIF Contributions		4 169	4 497	4 852	5 825	5 711	5 711	5 711	6 108	6 389	6 683
Medical Aid Contributions		2 052	2 243	2 346	2 159	2 497	2 497	2 497	2 644	2 766	2 893
Overtime		223	446	421	214	295	295	295	312	327	342
Performance Bonus		1 879	2 042	2 172	1 225	1 360	1 360	1 360	1 580	1 653	1 729
Motor Vehicle Allowance		591	589	518	552	567	567	567	550	575	602
Cell phone Allowance		70	69	75	94	94	94	94	100	104	109
Housing Allowances		–	–	–	72	61	61	61	65	68	71
Other benefits and allowances		481	591	345	605	747	747	747	878	918	960
Payments in lieu of leave		209	410	468	327	379	379	379	351	367	384
Long service awards		122	–	355	30	71	71	71	75	79	82
Post-retirement benefit obligations	4	554	412	355	–	48	48	48	50	53	55
Entertainment		–	–	–	–	–	–	–	–	–	–

Scarcity		–	157	182	111	161	161	161	261	272	285
Acting and post related allowance		1 403	405	166	187	209	209	209	221	231	242
In kind benefits		–	–	–	–	–	–	–	–	–	–
sub-total	5	**39 999**	**42 644**	**45 191**	**43 936**	**47 633**	**47 633**	**47 633**	**50 443**	**52 763**	**55 191**
Less: Employees costs capitalised to PPE		–	–	–	–	–	–	–	–	–	(0)
Total Employee related costs	1	**39 999**	**42 644**	**45 191**	**43 936**	**47 633**	**47 633**	**47 633**	**50 443**	**52 763**	**55 191**
Depreciation and amortisation											
Depreciation of Property, Plant & Equipment		8 811	8 819	8 933	11 701	5 468	5 468	5 468	5 736	6 000	8 276
Lease amortisation		–	–	–	–	–	–	–	–	–	–
Capital asset impairment		–	1 762	1 022	–	–	–	–	–	–	–
Total Depreciation and amortisation	1	**8 811**	**10 581**	**9 955**	**11 701**	**5 468**	**5 468**	**5 468**	**5 736**	**6 000**	**8 276**
Bulk purchases - electricity											
Electricity bulk purchases		13 430	15 840	16 978	17 996	18 097	18 097	18 097	20 884	21 844	22 849
Total bulk purchases	1	**13 430**	**15 840**	**16 978**	**17 996**	**18 097**	**18 097**	**18 097**	**20 884**	**21 844**	**22 849**
Transfers and grants											
Cash transfers and grants		–	–	–	500	1 206	1 206	1 206	1 215	1 271	1 329
Non-cash transfers and grants		–	3 790	8 899	–	–	–	–	–	–	–
Total transfers and grants	1	**–**	**3 790**	**8 899**	**500**	**1 206**	**1 206**	**1 206**	**1 215**	**1 271**	**1 329**
Contracted Services											
Outsourced Services		14 669	9 112	10 141	10 647	18 350	18 350	18 350	16 110	15 538	21 229
Consultants and Professional Services		1 492	3 728	1 156	2 769	2 572	2 572	2 572	5 405	5 287	5 530
Contractors		942	1 561	1 578	2 918	3 234	3 234	3 234	6 897	5 835	7 371
Total contracted services		**17 103**	**14 401**	**12 875**	**16 334**	**24 157**	**24 157**	**24 157**	**28 412**	**26 660**	**34 130**

Operational Costs	-										
Collection costs		157	–	190	72	72	72	72	106	111	116
Contributions to 'other' provisions		–	–	–	–	–	–	–	–	–	–
Audit fees		4 707	4 066	4 516	2 633	4 633	4 633	4 633	4 859	4 083	4 271
Other Operational Costs		10 192	9 384	10 629	13 945	15 303	15 303	15 303	17 821	17 759	18 576

Table SA3 Supporting detail to 'Budgeted Financial Position

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 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 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
ASSETS											
Trade and other receivables from exchange transactions											
Electricity		10 344	13 989	18 734	33 857	33 857	33 857	33 857	-	-	0
Water		-	-	-	0	0	0	0	-	-	0
Waste		54 902	66 468	78 143	12 317	12 317	12 317	12 317	-	-	0
Waste Water		-	-	-	0	0	0	0	-	-	0
Other trade receivables from exchange transactions		3 459	413	260	-	-	-	-	32 079	33 554	35 098
Gross: Trade and other receivables from exchange transactions		**68 705**	**80 870**	**97 136**	**46 174**	**46 174**	**46 174**	**46 174**	**32 079**	**33 554**	**35 098**
Less: Impairment for debt		**(58 018)**	**(61 701)**	**(75 966)**	**5 668**	**5 668**	**5 668**	**5 668**	**-**	**-**	**0**
Impairment for Electricity		(6 053)	(6 857)	(8 929)	2 467	2 467	2 467	2 467	-	-	0
Impairment for Water		-	-	-	0	0	0	0	-	-	0
Impairment for Waste		(51 603)	(54 487)	(66 680)	3 201	3 201	3 201	3 201	-	-	0
Impairment for Wastewater		-	-	-	0	0	0	0	-	-	0
Impairment for other trade receivables from exchange transactions		(362)	(357)	(357)	0	0	0	0	-	-	0

Total net Trade and other receivables from Exchange Transactions	**10 687**	**19 169**	**21 171**	**51 842**	**51 842**	**51 842**	**51 842**	**32 079**	**33 554**	**35 098**
Receivables from non-exchange transactions										
Property rates	-	-	(0)	27 248	27 248	27 248	27 248	62 079	64 934	67 921
Less: Impairment of Property rates	-	-	-	3 332	3 332	3 332	3 332	-	-	0
Net Property rates	**-**	**-**	**(0)**	**30 580**	**30 580**	**30 580**	**30 580**	**62 079**	**64 934**	**67 921**
Other receivables from non-exchange transactions	(4)	(4)	771	0	0	0	0	-	-	0
Impairment for other receivables from non-exchange transactions	-	-	-	-	-	-	-	-	-	-
Net other receivables from non-exchange transactions	**(4)**	**(4)**	**771**	**0**	**0**	**0**	**0**	**-**	**-**	**0**
Total net Receivables from non-exchange transactions	**(4)**	**(4)**	**771**	**30 580**	**30 580**	**30 580**	**30 580**	**62 079**	**64 934**	**67 921**

Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Planning For Movement of Goods and People Across Our Landscape	Roads and Railway Lines			(9 249)	(2 764)	(1 580)	3 752	3 752	3 752	–	–	0
To ensure electrification of all households and streets by 2022	Electrification			–	(2 376)	–	–	–	–	59 596	35 516	–
To ensure social and economic facilitation of Sakhisizwe Communities by 2022.	Recreational Facilities			–	–	–	–	–	–	1 941	3 932	4 109
To ensure that the Municipality has a fully functional and capable human resource	Skills Development Facilitation			(66)	(33)	(76)	–	65	65	60	–	–
To ensure that the Municipality monitors its Expenditure (Opex & Capex)	Budgeting And Financial			(104 935)	(104 101)	(113 864)	121 732	169 796	169 796	128 206	117 554	143 768

	Control											
To ensure the Municipality optimises its revenue and debt collection function by 2022	Revenue Enhancement			(10 203)	(17 554)	(20 558)	21 390	21 280	21 280	23 950	26 032	28 334
To ensure the Municipality promotes sound Financial Management and Accountability	Financial Management			(20 215)	(11 986)	(14 792)	21 631	24 097	24 097	31 065	33 230	35 651
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			–	–	1 075	–	–	–	–	–	–
To promote sustainable economic development within Sakhisizwe LM by 2022	Local Economic Development			(500)	(500)	–	–	–	–	–	–	0
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	**(145 168)**	**(139 314)**	**(149 794)**	**168 505**	**218 990**	**218 990**	**244 818**	**216 264**	**211 862**

Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Borrowing Management											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0,1%	1,9%	2,4%	0,3%	0,1%	0,1%	0,1%	0,1%	0,1%	0,1%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	0,1%	1,9%	2,5%	0,3%	0,1%	0,1%	0,1%	0,1%	0,1%	0,1%
Borrowed funding of 'own' capital expenditure	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%	0,0%
Safety of Capital											
Gearing	Long Term Borrowing/ Funds & Reserves	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Liquidity											
Current Ratio	Current assets/current liabilities	0,7	0,8	1,0	25,7	5,2	5,2	5,2	14,6	16,0	18,6
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	0,7	0,8	1,0	25,7	5,2	5,2	5,2	14,6	16,0	18,6
Liquidity Ratio	Monetary Assets/Current Liabilities	0,5	0,6	0,7	18,8	3,6	3,6	3,6	6,8	8,1	10,7
Revenue Management											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing	0,0%	0,0%	0,0%	0,0%	149,4%	142,1%	142,1%	142,1%	128,2%	126,6%
Current Debtors Collection		0,0%	0,0%	0,0%	149,4%	142,1%	142,1%	142,1%	128,2%	126,6%	125,0%

Rate (Cash receipts % of Ratepayer & Other revenue)											
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	15,8%	23,3%	23,4%	35,8 %	34,7%	34,7 %	34,7%	51,8 %	53,0 %	46,3 %
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within`MFMA's 65(e))										
Creditors to Cash and Investments		444,6 %	435,8 %	-28,3%	4,6%	19,2%	19,2 %	19,2%	33,5 %	22,7 %	13,8 %
Other Indicators											
Electricity Distribution Losses (2)	Total Volume Losses (kW) technical Total Volume Losses (kW) non technical Total Cost of Losses (Rand '000) % Volume (units purchased and generated less units sold)/units purchased and generated										
Water Volumes :System input	Bulk Purchase Water treatment works Natural sources Total Volume Losses (kℓ)										
Water Distribution Losses (2)	Total Cost of Losses (Rand '000) % Volume (units purchased and generated less units sold)/units										

	purchased and generated										
Employee costs	Employee costs/(Total Revenue - capital revenue)	34,0%	39,6%	38,3%	33,5%	35,7%	35,7%	35,7%	34,0%	35,1%	30,9%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	40,0%	46,2%	45,0%	39,1%	41,6%	41,6%	44,0%	39,5%	40,8%	35,9%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	0,7%	1,0%	1,3%	1,9%	2,0%	2,0%	4,3%	3,9%	3,4%	3,7%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	7,6%	11,8%	10,9%	9,2%	4,2%	4,2%	4,2%	3,9%	4,1%	4,7%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	–	–	34,5	38,3	39,0	39,0	17,3	17,5	17,0	20,2
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	41,6%	45,0%	56,2%	133,8%	124,8%	124,8%	124,8%	220,2%	207,9%	196,1%
iii. Cost coverage	(Available cash + Investments)/ monthly fixed operational expenditure	0,5	0,4	(4,7)	6,1	4,2	4,2	4,2	2,2	3,3	5,2

Table SA19 Expenditure on transfers and grant programme

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		**87 164**	**98 371**	**102 272**	**84 574**	**87 456**	**87 456**	**98 979**	**98 604**	**111 069**
Equitable Share		79 570	92 368	98 090	80 652	83 445	83 445	92 990	92 478	104 800
Expanded Public Works Programme Integrated Grant		7 118	5 705	4 127	2 075	2 316	2 316	2 834	2 964	3 100
Local Government Financial Management Grant		476	298	55	1 847	1 695	1 695	3 155	3 162	3 169
Municipal Disaster Recovery Grant		–	–	–	0	0	0	–	–	0
Municipal Infrastructure Grant		–	–	–	0	0	0	–	–	0
Other transfers/grants [insert description]										
Provincial Government:		**–**	**–**	**–**	**–**	**–**	**–**	**262**	**262**	**288**
Specify (Add grant description)		–	–	–	–	–	–	262	262	288
Other transfers/grants [insert description]										
District Municipality:		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
[insert description]										
Other grant providers:		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
[insert description]										
Total operating expenditure of Transfers and Grants:		**87 164**	**98 371**	**102 272**	**84 574**	**87 456**	**87 456**	**99 241**	**98 866**	**111 357**
Capital expenditure of Transfers and Grants										
National Government:		**16 602**	**27 496**	**9 114**	**33 791**	**81 855**	**81 855**	**94 386**	**61 946**	**28 879**
Integrated National Electrification Programme Grant		1 977	7 736	(21 994)	13 880	12 080	12 080	5 140	6 000	7 000
Municipal Disaster Recovery Grant		–	(2 653)	–	0	47 326	47 326	59 596	35 516	0

Municipal Disaster Response Grant		–	–	–	–	3 940	3 940	–	–	0
Municipal Emergency Housing Grant		–	–	–	0	0	0	–	–	0
Municipal Infrastructure Grant		14 625	22 412	31 108	19 911	18 509	18 509	29 650	20 430	21 879
Other capital transfers/grants [insert desc]										
Provincial Government:		**–**	**–**	**–**	**–**	**–**	**–**	**1 941**	**3 932**	**4 109**
Specify (Add grant description)		–	–	–	–	–	–	1 941	3 932	4 109
Specify (Add grant description)		8 367	4 143	6 328	3 752	3 752	3 752	–	–	0
Specify (Add grant description)		8 367	4 143	6 328	3 752	3 752	3 752	–	–	0
Specify (Add grant description)		8 367	4 143	6 328	3 752	3 752	3 752	–	–	0
Specify (Add grant description)		8 367	4 143	6 328	3 752	3 752	3 752	–	–	0
Specify (Add grant description)		8 367	4 143	6 328	3 752	3 752	3 752	–	–	0
Specify (Add grant description)		8 367	4 143	6 328	3 752	3 752	3 752	–	–	0
Specify (Add grant description)		8 367	4 143	6 328	3 752	3 752	3 752	–	–	0
Specify (Add grant description)		8 367	4 143	6 328	3 752	3 752	3 752	–	–	0
District Municipality:		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
[insert description]										
Other grant providers:		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
[insert description]										
Total capital expenditure of Transfers and Grants		**16 602**	**27 496**	**9 114**	**33 791**	**81 855**	**81 855**	**96 327**	**65 878**	**32 988**
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		**103 766**	**125 867**	**111 386**	**118 365**	**169 312**	**169 312**	**195 567**	**164 743**	**144 346**

Table SA25 Budgeted monthly revenue and expenditure.

Description	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue Exchange Revenue																
Service charges - Electricity		1 803	1 803	1 803	1 803	1 803	1 803	1 803	1 803	1 803	1 803	1 803	1 803	21 635	24 387	27 489
Service charges - Water		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - Waste Water Management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - Waste Management		445	445	445	445	445	445	445	445	445	445	445	445	5 337	5 583	5 840
Sale of Goods and Rendering of Services		27	27	27	27	27	27	27	27	27	27	27	27	325	340	356
Agency services		99	99	99	99	99	99	99	99	99	99	99	99	1 186	1 240	1 297
Interest		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Interest earned from Receivables		296	296	296	296	296	296	296	296	296	296	296	296	3 550	3 713	3 884
Interest earned from Current and Non-Current Assets		247	247	247	247	247	247	247	247	247	247	247	247	2 963	3 100	3 242
Dividends		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–	–	–	–	–	–	0
Rental from Fixed Assets		25	25	25	25	25	25	25	25	25	25	25	25	300	314	328
Licence and permits		18	18	18	18	18	18	18	18	18	18	18	18	210	220	230
Operational Revenue		1	1	1	1	1	1	1	1	1	1	1	1	15	16	17
Non-Exchange Revenue																
Property rates		1 147	1 147	1 147	1 147	1 147	1 147	1 147	1 147	1 147	1 147	1 147	1 147	13 765	14 398	15 060
Surcharges and Taxes		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

Fines, penalties and forfeits		2	2	2	2	2	2	2	2	2	2	2	2	22	23	24
Licences or permits		146	146	146	146	146	146	146	146	146	146	146	146	1 749	1 829	1 914
Transfer and subsidies - Operational		7 930	7 930	7 930	7 930	7 930	7 930	7 930	7 930	7 930	7 930	7 930	7 930	95 155	92 839	116 700
Interest		190	190	190	190	190	190	190	190	190	190	190	190	2 279	2 383	2 493
Fuel Levy		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Operational Revenue		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Gains on disposal of Assets		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Gains		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		**12 374**	**12 374**	**12 374**	**12 374**	**12 374**	**12 374**	**12 374**	**12 374**	**12 374**	**12 374**	**12 374**	**12 374**	**148 492**	**150 386**	**178 874**
Expenditure																
Employee related costs		4 204	4 204	4 204	4 204	4 204	4 204	4 204	4 204	4 204	4 204	4 204	4 204	50 443	52 763	55 191
Remuneration of councillors		683	683	683	683	683	683	683	683	683	683	683	683	8 196	8 573	8 968
Bulk purchases - electricity		1 740	1 740	1 740	1 740	1 740	1 740	1 740	1 740	1 740	1 740	1 740	1 740	20 884	21 844	22 849
Inventory consumed		45	45	45	45	45	45	45	45	45	45	45	45	539	564	590
Debt impairment		431	431	431	431	431	431	431	431	431	431	431	431	5 169	5 407	5 655
Depreciation and amortisation		478	478	478	478	478	478	478	478	478	478	478	478	5 736	6 000	8 276
Interest		10	10	10	10	10	10	10	10	10	10	10	10	120	125	131
Contracted services		2 368	2 368	2 368	2 368	2 368	2 368	2 368	2 368	2 368	2 368	2 368	2 368	28 412	26 660	34 130
Transfers and subsidies		101	101	101	101	101	101	101	101	101	101	101	101	1 215	1 271	1 329
Irrecoverable debts written off		189	189	189	189	189	189	189	189	189	189	189	189	2 272	2 377	2 486
Operational costs		–	–	–	–	–	–	–	–	–	–	–	22 786	22 786	21 952	22 962

Losses on disposal of Assets		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Losses		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure		**10249**	**10249**	**10249**	**10249**	**10249**	**10249**	**10249**	**10249**	**10249**	**10249**	**10249**	**33035**	**145772**	**147537**	**162568**
Surplus/(Deficit)		**2125**	**2126**	**2126**	**2126**	**2126**	**2126**	**2126**	**2126**	**2126**	**2126**	**2126**	**(20660)**	**2720**	**2849**	**16306**
Transfers and subsidies - capital (monetary allocations)		8027	8027	8027	8027	8027	8027	8027	8027	8027	8027	8027	8027	96327	65878	32988
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**10153**	**10153**	**10153**	**10153**	**10153**	**10153**	**10153**	**10153**	**10153**	**10153**	**10153**	**(12633)**	**99047**	**68727**	**49295**
Income Tax		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after income tax		**10153**	**10153**	**10153**	**10153**	**10153**	**10153**	**10153**	**10153**	**10153**	**10153**	**10153**	**(12633)**	**99047**	**68727**	**49295**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		**10153**	**10153**	**10153**	**10153**	**10153**	**10153**	**10153**	**10153**	**10153**	**10153**	**10153**	**(12633)**	**99047**	**68727**	**49295**
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Intercompany/ Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	1	**10153**	**10153**	**10153**	**10153**	**10153**	**10153**	**10153**	**10153**	**10153**	**10153**	**10153**	**(12633)**	**99047**	**68727**	**49295**

Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue by Vote	-															
Vote 1 - MM OFFICE		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 2 - BUDGET AND TREASURY		10 512	10 512	10 512	10 512	10 512	10 512	10 512	10 512	10 512	10 512	10 512	10 512	126 149	127 629	153 947
Vote 3 - COMMUNITY SERVICES		793	793	793	793	793	793	793	793	793	793	793	793	9 513	11 817	12 348
Vote 4 - Corporate Services		20	20	20	20	20	20	20	20	20	20	20	20	243	191	200
		5	5	5	5	5	5	5	5	5	5	5	5	67	42	8
Vote 5 - IPED		599	599	599	599	599	599	599	599	599	599	599	599	193	591	152
Vote 6 - TECHNICAL SERVICES		3 477	3 477	3 477	3 477	3 477	3 477	3 477	3 477	3 477	3 477	3 477	3 477	41 720	34 036	37 216
Vote 7 - COUNCIL		–	–	–	–	–	–	–	–	–	–	–	–	–	–	0
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		**20 402**	**20 402**	**20 402**	**20 402**	**20 402**	**20 402**	**20 402**	**20 402**	**20 402**	**20 402**	**20 402**	**20 402**	**244 818**	**216 264**	**211 862**

Expenditure by Vote to be appropriated																
Vote 1 - MM OFFICE		658	658	658	658	658	658	658	658	658	658	658	658	7 890	8 053	8 624
Vote 2 - BUDGET AND TREASURY		3 088	3 088	3 088	3 088	3 088	3 088	3 088	3 088	3 088	3 088	3 088	3 087	37 050	37 616	41 209
Vote 3 - COMMUNITY SERVICES		1 896	1 896	1 896	1 896	1 896	1 896	1 896	1 896	1 896	1 896	1 896	1 896	22 752	22 886	28 853
Vote 4 - Corporate Services		1 494	1 494	1 494	1 494	1 494	1 494	1 494	1 494	1 494	1 494	1 494	1 494	17 928	17 615	18 451
Vote 5 - IPED		780	780	780	780	780	780	780	780	780	780	780	780	9 363	9 364	9 795
Vote 6 - TECHNICAL SERVICES		3 103	3 103	3 103	3 103	3 103	3 103	3 103	3 103	3 103	3 103	3 103	3 102	37 230	37 997	40 986
Vote 7 - COUNCIL		1 130	1 130	1 130	1 130	1 130	1 130	1 130	1 130	1 130	1 130	1 130	1 130	13 558	14 004	14 649
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		**12 148**	**12 148**	**12 148**	**12 148**	**12 148**	**12 148**	**12 148**	**12 148**	**12 148**	**12 148**	**12 148**	**12 147**	**145 772**	**147 537**	**162 568**
Surplus/(Deficit) before assoc.		**8 254**	**8 254**	**8 254**	**8 254**	**8 254**	**8 254**	**8 254**	**8 254**	**8 254**	**8 254**	**8 254**	**8 254**	**99 047**	**68 727**	**49 295**
Income Tax		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	**1**	**8 254**	**8 254**	**8 254**	**8 254**	**8 254**	**8 254**	**8 254**	**8 254**	**8 254**	**8 254**	**8 254**	**8 254**	**99 047**	**68 727**	**49 295**

Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue - Functional	-															
Governance and administration		**9 612**	**9 612**	**9 612**	**9 612**	**9 612**	**9 612**	**9 612**	**9 612**	**9 612**	**9 612**	**9 612**	**9 612**	**115 344**	**115 487**	**140 372**
Executive and council		–	–	–	–	–	–	–	–	–	–	–	–	–	–	0
Finance and administration		9 612	9 612	9 612	9 612	9 612	9 612	9 612	9 612	9 612	9 612	9 612	9 612	115 344	115 487	140 372
Internal audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and public safety		**5 314**	**5 314**	**5 314**	**5 314**	**5 314**	**5 314**	**5 314**	**5 314**	**5 314**	**5 314**	**5 314**	**5 314**	**63 771**	**41 750**	**6 508**
Community and social services		228	228	228	228	228	228	228	228	228	228	228	228	2 730	4 723	4 927
Sport and recreation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	0
Public safety		111	111	111	111	111	111	111	111	111	111	111	111	1 328	1 389	1 453
Housing		4 976	4 976	4 976	4 976	4 976	4 976	4 976	4 976	4 976	4 976	4 976	4 976	59 713	35 639	128
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		**3 121**	**3 121**	**3 121**	**3 121**	**3 121**	**3 121**	**3 121**	**3 121**	**3 121**	**3 121**	**3 121**	**3 121**	**37 452**	**27 719**	**30 255**
Planning and development		3 121	3 121	3 121	3 121	3 121	3 121	3 121	3 121	3 121	3 121	3 121	3 121	37 452	27 719	30 255

Road transport	–	–	–	–	–	–	–	–	–	–	–	–	–	–	0
Environmental protection	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Trading services	**2 354**	**2 354**	**2 354**	**2 354**	**2 354**	**2 354**	**2 354**	**2 354**	**2 354**	**2 354**	**2 354**	**2 354**	**28 251**	**31 307**	**34 728**
Energy sources	1 857	1 857	1 857	1 857	1 857	1 857	1 857	1 857	1 857	1 857	1 857	1 857	22 284	25 066	28 199
Water management	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste water management	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste management	497	497	497	497	497	497	497	497	497	497	497	497	5 967	6 241	6 528
Other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	**20 402**	**20 402**	**20 402**	**20 402**	**20 402**	**20 402**	**20 402**	**20 402**	**20 402**	**20 402**	**20 402**	**20 402**	**244 818**	**216 264**	**211 862**
<u>Expenditure - Functional</u>															
Governance and administration	**6 403**	**6 403**	**6 403**	**6 403**	**6 403**	**6 403**	**6 403**	**6 403**	**6 403**	**6 403**	**6 403**	**6 403**	**76 836**	**77 289**	**82 933**
Executive and council	2 005	2 004	2 004	2 004	2 004	2 004	2 004	2 004	2 004	2 004	2 004	2 004	24 053	24 078	25 386
Finance and administration	4 383	4 382	4 382	4 382	4 382	4 382	4 382	4 382	4 382	4 382	4 382	4 382	52 589	53 009	57 335
Internal audit	16	16	16	16	16	16	16	16	16	16	16	16	194	203	212
Community and public safety	**1 090**	**1 090**	**1 090**	**1 090**	**1 090**	**1 090**	**1 090**	**1 090**	**1 090**	**1 090**	**1 090**	**1 090**	**13 079**	**12 769**	**18 270**
Community and social services	315	315	315	315	315	315	315	315	315	315	315	315	3 778	3 940	4 135
Sport and recreation	–	–	–	–	–	–	–	–	–	–	–	–	–	–	0
Public safety	726	726	726	726	726	726	726	726	726	726	726	726	8 717	8 217	13 495
Housing	49	49	49	49	49	49	49	49	49	49	49	49	584	611	639
Health	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services	**1 608**	**1 608**	**1 608**	**1 608**	**1 608**	**1 608**	**1 608**	**1 608**	**1 608**	**1 608**	**1 608**	**1 608**	**19 294**	**19 236**	**21 062**

Planning and development		908	908	908	908	908	908	908	908	908	908	908	908	10 895	11 397	11 921
Road transport		700	700	700	700	700	700	700	700	700	700	700	700	8 399	7 839	9 141
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Trading services		**3 047**	**3 047**	**3 047**	**3 047**	**3 047**	**3 047**	**3 047**	**3 047**	**3 047**	**3 047**	**3 047**	**3 047**	**36 561**	**38 243**	**40 302**
Energy sources		2 241	2 241	2 241	2 241	2 241	2 241	2 241	2 241	2 241	2 241	2 241	2 241	26 888	28 125	29 719
Water management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	0
Waste water management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	0
Waste management		806	806	806	806	806	806	806	806	806	806	806	806	9 673	10 118	10 583
Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure - Functional		**12 148**	**12 148**	**12 148**	**12 148**	**12 148**	**12 148**	**12 148**	**12 148**	**12 148**	**12 148**	**12 148**	**12 147**	**145 772**	**147 537**	**162 568**
Surplus/(Deficit) before assoc.		**8 254**	**8 254**	**8 254**	**8 254**	**8 254**	**8 254**	**8 254**	**8 254**	**8 254**	**8 254**	**8 254**	**8 254**	**99 047**	**68 727**	**49 295**
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	**1**	**8 254**	**8 254**	**8 254**	**8 254**	**8 254**	**8 254**	**8 254**	**8 254**	**8 254**	**8 254**	**8 254**	**8 254**	**99 047**	**68 727**	**49 295**

Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Multi-year expenditure *to be appropriated*	1															
Vote 1 - MM OFFICE		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 2 - BUDGET AND TREASURY		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 3 - COMMUNITY SERVICES		162	162	162	162	162	162	162	162	162	162	162	162	1 941	3 932	4 109
Vote 4 - Corporate Services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 5 - IPED		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 6 - TECHNICAL SERVICES		6 192	6 192	6 192	6 192	6 192	6 192	6 192	6 192	6 192	6 192	6 192	6 192	74 302	50 898	16 600
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	2	**6 354**	**6 354**	**6 354**	**6 354**	**6 354**	**6 354**	**6 354**	**6 354**	**6 354**	**6 354**	**6 354**	**6 354**	**76 243**	**54 830**	**20 709**

expenditure sub-total																
Single-year expenditure *to be appropriated*																
Vote 1 - MM OFFICE		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 2 - BUDGET AND TREASURY		5	5	5	5	5	5	5	5	5	5	5	5	60	–	–
Vote 3 - COMMUNITY SERVICES		968	968	968	968	968	968	968	968	968	968	968	968	11 618	1 693	1 771
Vote 4 - Corporate Services		61	61	61	61	61	61	61	61	61	61	61	61	727	761	796
Vote 5 - IPED		–	–	–	–	–	–	–	–	–	–	–	–	–	–	0
Vote 6 - TECHNICAL SERVICES		840	840	840	840	840	840	840	840	840	840	840	840	10 084	11 047	12 280
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	**1 874**	**1 874**	**1 874**	**1 874**	**1 874**	**1 874**	**1 874**	**1 874**	**1 874**	**1 874**	**1 874**	**1 874**	**22 490**	**13 501**	**14 846**
Total Capital Expenditure	2	**8 228**	**8 228**	**8 228**	**8 228**	**8 228**	**8 228**	**8 228**	**8 228**	**8 228**	**8 228**	**8 228**	**8 228**	**98 732**	**68 331**	**35 555**

Table SA29 Budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Capital Expenditure - Functional	1															
Governance and administration		**66**	**66**	**66**	**66**	**66**	**66**	**66**	**66**	**66**	**66**	**66**	**66**	**787**	**761**	**796**
Executive and council		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Finance and administration		66	66	66	66	66	66	66	66	66	66	66	66	787	761	796
Internal audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and public safety		**1 042**	**1 042**	**1 042**	**1 042**	**1 042**	**1 042**	**1 042**	**1 042**	**1 042**	**1 042**	**1 042**	**1 042**	**12 502**	**4 519**	**4 723**
Community and social services		209	209	209	209	209	209	209	209	209	209	209	209	2 502	4 519	4 723
Sport and recreation		833	833	833	833	833	833	833	833	833	833	833	833	10 000	–	–
Public safety		–	–	–	–	–	–	–	–	–	–	–	–	–	–	0
Housing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	0
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		**6 604**	**6 604**	**6 604**	**6 604**	**6 604**	**6 604**	**6 604**	**6 604**	**6 604**	**6 604**	**6 604**	**6 604**	**79 246**	**55 946**	**21 879**
Planning and development		–	–	–	–	–	–	–	–	–	–	–	–	–	–	0
Road transport		6 604	6 604	6 604	6 604	6 604	6 604	6 604	6 604	6 604	6 604	6 604	6 604	79 246	55 946	21 879
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Trading services		**516**	**516**	**516**	**516**	**516**	**516**	**516**	**516**	**516**	**516**	**516**	**516**	**6 197**	**7 106**	**8 157**

Energy sources		428	428	428	428	428	428	428	428	428	428	428	428	5 140	6 000	7 000
Water management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste management		88	88	88	88	88	88	88	88	88	88	88	88	1 057	1 106	1 157
Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional	2	**8 228**	**8 228**	**8 228**	**8 228**	**8 228**	**8 228**	**8 228**	**8 228**	**8 228**	**8 228**	**8 228**	**8 228**	**98 732**	**68 331**	**35 555**
Funded by:																
National Government		7 865	7 865	7 865	7 865	7 865	7 865	7 865	7 865	7 865	7 865	7 865	**7 865**	**94 386**	**61 946**	**28 879**
Provincial Government		162	162	162	162	162	162	162	162	162	162	162	162	1 941	3 932	4 109
District Municipality		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital		**8 027**	**8 027**	**8 027**	**8 027**	**8 027**	**8 027**	**8 027**	**8 027**	**8 027**	**8 027**	**8 027**	**8 027**	**96 327**	**65 878**	**32 988**
Borrowing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Internally generated funds		200	200	200	200	200	200	200	200	200	200	200	201	2 406	2 454	2 567
Total Capital Funding		**8 228**	**8 228**	**8 228**	**8 228**	**8 228**	**8 228**	**8 228**	**8 228**	**8 228**	**8 228**	8 228	8 228	98 732	68 331	35 555

Table SA30 Budgeted monthly cash flow.

MONTHLY CASH FLOWS	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Cash Receipts by Source													1		
Property rates	803	803	803	803	803	803	803	803	803	803	803	803	9 635	10 078	10 542
Service charges - electricity revenue	1 803	1 803	1 803	1 803	1 803	1 803	1 803	1 803	1 803	1 803	1 803	1 803	21 635	24 387	27 489
Service charges - water revenue	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	311	311	311	311	311	311	311	311	311	311	311	311	3 736	3 908	4 088
Rental of facilities and equipment	18	18	18	18	18	18	18	18	18	18	18	18	210	220	230
Interest earned - external investments	247	247	247	247	247	247	247	247	247	247	247	247	2 963	3 100	3 242
Interest earned - outstanding debtors	397	397	397	397	397	397	397	397	397	397	397	397	4 764	5 382	5 629
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	1	1	1	1	1	1	1	1	1	1	1	1	15	16	17
Licences and permits	114	114	114	114	114	114	114	114	114	114	114	114	1 372	1 435	1 501
Agency services	69	69	69	69	69	69	69	69	69	69	69	69	830	868	908
Transfers and Subsidies - Operational	7 929	7 929	7 929	7 929	7 929	7 929	7 929	7 929	7 929	7 929	7 929	7 929	95 153	92 837	116 700
Other revenue	20	20	20	20	20	20	20	20	20	20	20	20	238	249	261
Cash Receipts by Source	**11 713**	**11 713**	**11 713**	**11 713**	**11 713**	**11 713**	**11 713**	**11 713**	**11 713**	**11 713**	**11 713**	**11 713**	**140 552**	**142 480**	**170 606**
Other Cash Flows by Source															

Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	8 027	8 027	8 027	8 027	8 027	8 027	8 027	8 027	8 027	8 027	8 027	8 027	96 327	65 878	32 988
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Proceeds on Disposal of Fixed and Intangible Assets	–	–	–	–	–	–	–	–	–	–	–	–	–	–	0
Short term loans	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits	2 167	2 167	2 167	2 167	2 167	2 167	2 167	(433)	(433)	(433)	(433)	(433)	13 000	6 000	3 000
VAT Control (receipts)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	(0)
Decrease (increase) in non-current receivables	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Receipts by Source	**21 907**	**21 907**	**21 907**	**21 907**	**21 907**	**21 907**	**21 907**	**19 307**	**19 307**	**19 307**	**19 307**	**19 307**	**249 878**	**214 358**	**206 595**
Cash Payments by Type															
Employee related costs	4 204	4 204	4 204	4 204	4 204	4 204	4 204	4 204	4 204	4 204	4 204	4 204	50 443	52 763	55 191
Remuneration of councillors	683	683	683	683	683	683	683	683	683	683	683	683	8 196	8 573	8 968
Interest	10	10	10	10	10	10	10	10	10	10	10	10	120	125	131

Bulk purchases - electricity	1 740	1 740	1 740	1 740	1 740	1 740	1 740	1 740	1 740	1 740	1 740	1 740	20 884	21 844	22 849
Acquisitions - water & other inventory	45	45	45	45	45	45	45	45	45	45	45	45	539	564	590
Contracted services	2 368	2 368	2 368	2 368	2 368	2 368	2 368	2 368	2 368	2 368	2 368	2 368	28 412	26 660	34 130
Transfers and subsidies - other municipalities	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - other	101	101	101	101	101	101	101	101	101	101	101	101	1 215	1 271	1 329
Other expenditure	1 899	1 899	1 899	1 899	1 899	1 899	1 899	1 899	1 899	1 899	1 899	1 899	22 786	21 952	22 962
Cash Payments by Type	**11 050**	**11 050**	**11 050**	**11 050**	**11 050**	**11 050**	**11 050**	**11 050**	**11 050**	**11 050**	**11 050**	**11 050**	**132 595**	**133 754**	**146 151**
Other Cash Flows/Payments by Type															
Capital assets	8 228	8 228	8 228	8 228	8 228	8 228	8 228	8 228	8 228	8 228	8 228	8 228	98 732	68 331	35 555
Repayment of borrowing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Cash Flows/Payments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Payments by Type	**19 277**	**19 277**	**19 277**	**19 277**	**19 277**	**19 277**	**19 277**	**19 277**	**19 277**	**19 277**	**19 277**	**19 277**	**231 327**	**202 086**	**181 706**
NET INCREASE/(DECREASE) IN CASH HELD	**2 629**	**2 629**	**2 629**	**2 629**	**2 629**	**2 629**	**2 629**	**29**	**29**	**29**	**29**	**29**	**18 551**	**12 272**	**24 888**
Cash/cash equivalents at the month/year begin:	4 000	6 629	9 259	11 888	14 517	17 146	19 776	22 405	22 434	22 463	22 493	22 522	4 000	22 551	34 823
Cash/cash equivalents at the month/year end:	6 629	9 259	11 888	14 517	17 146	19 776	22 405	22 434	22 463	22 493	22 522	22 551	22 551	34 823	59 712

Table SA35 Future financial implications of the capital budget

Vote Description	Ref	2024/25 Medium Term Revenue & Expenditure Framework			Forecasts			
R thousand		Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27	Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Present value
Capital expenditure	1							
Vote 1 - MM OFFICE		–	–	–				
Vote 2 - BUDGET AND TREASURY		60	–	–				
Vote 3 - COMMUNITY SERVICES		13 559	5 625	5 880				
Vote 4 - Corporate Services		727	761	796				
Vote 5 - IPED		–	–	0				
Vote 6 - TECHNICAL SERVICES		84 386	61 946	28 879				
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		**98 732**	**68 331**	**35 555**	**–**	**–**	**–**	**–**
Future operational costs by vote	2							
Vote 1 - MM OFFICE								
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		–	–	–	–	–	–	–
Future revenue by source	3							
Exchange Revenue								
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		–	–	–	–	–	–	–
Net Financial Implications		**98 732**	**68 331**	**35 555**	**–**	**–**	**–**	**–**

Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		**220**	**261**	**891**	**1 013**	**928**	**928**	**3 149**	**2 348**	**3 697**
Roads Infrastructure		95	261	587	264	66	66	1 268	380	1 339
Roads		69	140	587	264	66	66	1 268	380	1 339
Road Structures		–	–	–	–	–	–	–	–	–
Road Furniture		26	121	–	–	–	–	–	–	0
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–

Electrical Infrastructure	–	–	4	279	392	392	1 300	1 360	1 722
Power Plants	–	–	–	–	–	–	–	–	–
HV Substations	–	–	4	263	376	376	450	471	792
HV Switching Station	–	–	–	–	–	–	–	–	–
HV Transmission Conductors	–	–	–	–	–	–	–	–	–
MV Substations	–	–	–	–	–	–	–	–	–
MV Switching Stations	–	–	–	–	–	–	–	–	–
MV Networks	–	–	–	–	–	–	–	–	–
LV Networks	–	–	–	16	16	16	850	889	930
Capital Spares	–	–	–	–	–	–	–	–	–
Water Supply Infrastructure	–	–	–	–	–	–	–	–	–
Dams and Weirs	–	–	–	–	–	–	–	–	–
Boreholes	–	–	–	–	–	–	–	–	–
Reservoirs	–	–	–	–	–	–	–	–	–
Pump Stations	–	–	–	–	–	–	–	–	–
Water Treatment Works	–	–	–	–	–	–	–	–	–
Bulk Mains	–	–	–	–	–	–	–	–	–
Distribution	–	–	–	–	–	–	–	–	–
Distribution Points	–	–	–	–	–	–	–	–	–
PRV Stations	–	–	–	–	–	–	–	–	–
Capital Spares	–	–	–	–	–	–	–	–	–
Sanitation Infrastructure	–	–	–	–	–	–	–	–	–
Pump Station	–	–	–	–	–	–	–	–	–
Reticulation	–	–	–	–	–	–	–	–	–
Waste Water Treatment Works	–	–	–	–	–	–	–	–	–
Outfall Sewers	–	–	–	–	–	–	–	–	–
Toilet Facilities	–	–	–	–	–	–	–	–	–
Capital Spares	–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure	125	–	300	470	470	470	581	607	635
Landfill Sites	125	–	300	470	470	470	581	607	635
Waste Transfer Stations	–	–	–	–	–	–	–	–	–
Waste Processing Facilities	–	–	–	–	–	–	–	–	–

Waste Drop-off Points	–	–	–	–	–	–	–	–	–
Waste Separation Facilities	–	–	–	–	–	–	–	–	–
Electricity Generation Facilities	–	–	–	–	–	–	–	–	–
Capital Spares	–	–	–	–	–	–	–	–	–
Rail Infrastructure	–	–	–	–	–	–	–	–	–
Rail Lines	–	–	–	–	–	–	–	–	–
Rail Structures	–	–	–	–	–	–	–	–	–
Rail Furniture	–	–	–	–	–	–	–	–	–
Drainage Collection	–	–	–	–	–	–	–	–	–
Storm water Conveyance	–	–	–	–	–	–	–	–	–
Attenuation	–	–	–	–	–	–	–	–	–
MV Substations	–	–	–	–	–	–	–	–	–
LV Networks	–	–	–	–	–	–	–	–	–
Capital Spares	–	–	–	–	–	–	–	–	–
Coastal Infrastructure	–	–	–	–	–	–	–	–	–
Sand Pumps	–	–	–	–	–	–	–	–	–
Piers	–	–	–	–	–	–	–	–	–
Revetments	–	–	–	–	–	–	–	–	–
Promenades	–	–	–	–	–	–	–	–	–
Capital Spares	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure	–	–	–	–	–	–	–	–	–
Data Centres	–	–	–	–	–	–	–	–	–
Core Layers	–	–	–	–	–	–	–	–	–
Distribution Layers	–	–	–	–	–	–	–	–	–
Capital Spares	–	–	–	–	–	–	–	–	–
Community Assets	**151**	**56**	**52**	**–**	**–**	**–**	**–**	**–**	**0**
Community Facilities	86	56	52	–	–	–	–	–	0
Halls	86	56	52	–	–	–	–	–	0
Centres	–	–	–	–	–	–	–	–	0
Crèches	–	–	–	–	–	–	–	–	–
Clinics/Care Centres	–	–	–	–	–	–	–	–	–

Fire/Ambulance Stations	–	–	–	–	–	–	–	–	–
Testing Stations	–	–	–	–	–	–	–	–	–
Museums	–	–	–	–	–	–	–	–	–
Galleries	–	–	–	–	–	–	–	–	–
Theatres	–	–	–	–	–	–	–	–	–
Libraries	–	–	–	–	–	–	–	–	–
Cemeteries/Crematoria	–	–	–	–	–	–	–	–	0
Police	–	–	–	–	–	–	–	–	–
Parks	–	–	–	–	–	–	–	–	0
Public Open Space	–	–	–	–	–	–	–	–	–
Nature Reserves	–	–	–	–	–	–	–	–	–
Public Ablution Facilities	–	–	–	–	–	–	–	–	–
Markets	–	–	–	–	–	–	–	–	–
Stalls	–	–	–	–	–	–	–	–	–
Abattoirs	–	–	–	–	–	–	–	–	–
Airports	–	–	–	–	–	–	–	–	–
Taxi Ranks/Bus Terminals	–	–	–	–	–	–	–	–	–
Capital Spares	–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities	65	–	–	–	–	–	–	–	0
Indoor Facilities	–	–	–	–	–	–	–	–	–
Outdoor Facilities	65	–	–	–	–	–	–	–	0
Capital Spares	–	–	–	–	–	–	–	–	–
Heritage assets	–	–	–	–	–	–	–	–	–
Monuments	–	–	–	–	–	–	–	–	–
Historic Buildings	–	–	–	–	–	–	–	–	–
Works of Art	–	–	–	–	–	–	–	–	–
Conservation Areas	–	–	–	–	–	–	–	–	–
Other Heritage	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Revenue Generating	–	–	–	–	–	–	–	–	–
Improved Property	–	–	–	–	–	–	–	–	–

Unimproved Property	–	–	–	–	–	–	–	–	–
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Improved Property	–	–	–	–	–	–	–	–	–
Unimproved Property	–	–	–	–	–	–	–	–	–
Other assets	**51**	**139**	**153**	**68**	**0**	**0**	**–**	**–**	**0**
Operational Buildings	51	139	153	68	0	0	–	–	0
Municipal Offices	51	139	153	68	0	0	–	–	0
Pay/Enquiry Points	–	–	–	–	–	–	–	–	–
Building Plan Offices	–	–	–	–	–	–	–	–	–
Workshops	–	–	–	–	–	–	–	–	–
Yards	–	–	–	–	–	–	–	–	–
Stores	–	–	–	–	–	–	–	–	–
Laboratories	–	–	–	–	–	–	–	–	–
Training Centres	–	–	–	–	–	–	–	–	–
Manufacturing Plant	–	–	–	–	–	–	–	–	–
Depots	–	–	–	–	–	–	–	–	–
Capital Spares	–	–	–	–	–	–	–	–	–
Housing	–	–	–	–	–	–	–	–	–
Staff Housing	–	–	–	–	–	–	–	–	–
Social Housing	–	–	–	–	–	–	–	–	–
Capital Spares	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Intangible Assets	–	–	–	–	–	–	–	–	–
Servitudes	–	–	–	–	–	–	–	–	–
Licences and Rights	–	–	–	–	–	–	–	–	–
Water Rights	–	–	–	–	–	–	–	–	–
Effluent Licenses	–	–	–	–	–	–	–	–	–
Solid Waste Licenses	–	–	–	–	–	–	–	–	–
Computer Software and Applications	–	–	–	–	–	–	–	–	–

Load Settlement Software Applications		–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		18	–	–	53	53	53	44	46	48
Furniture and Office Equipment		18	–	–	53	53	53	44	46	48
Machinery and Equipment		22	27	41	253	253	253	310	324	339
Machinery and Equipment		22	27	41	253	253	253	310	324	339
Transport Assets		406	612	427	1 138	1 457	1 457	2 235	2 338	2 445
Transport Assets		406	612	427	1 138	1 457	1 457	2 235	2 338	2 445
Land		–	–	–	–	–	–	–	–	–
Land										
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Living resources		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Policing and Protection Zoological plants and animals		– –	– –	– –	– –	– –	– –	– –	– –	– –
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection Zoological plants and animals		– –	– –	– –	– –	– –	– –	– –	– –	– –
Total Repairs and Maintenance Expenditure	1	**867**	**1 094**	**1 565**	**2 525**	**2 690**	**2 690**	**5 738**	**5 056**	**6 530**

R&M as a % of PPE & Investment Property		*0,5%*	*0,6%*	*0,8%*	*1,0%*	*1,0%*	*1,0%*	*2,3%*	*1,7%*	*1,9%*
R&M as % Operating Expenditure		*0,8%*	*1,0%*	*1,3%*	*2,1%*	*2,1%*	*2,1%*	*4,4%*	*3,5%*	*4,4%*

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.

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 oversees 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 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.
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.
- has 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 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 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 consider 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

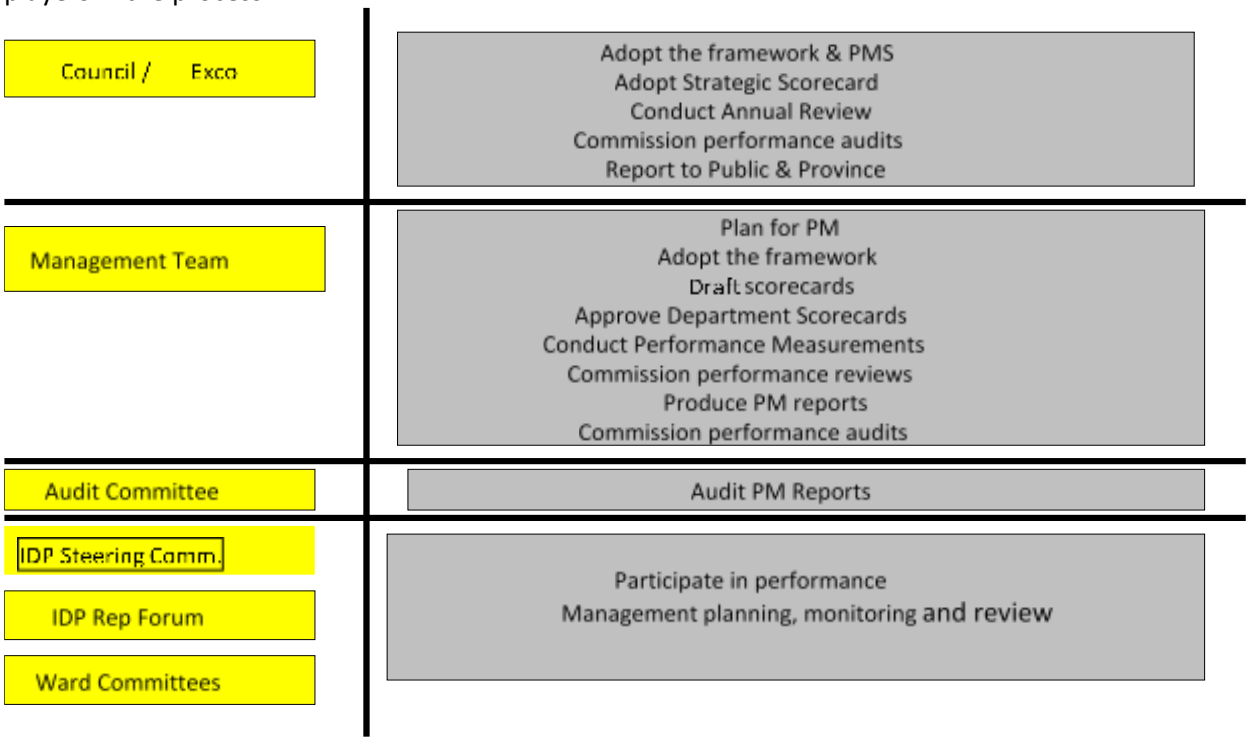
For purposes of ensuring effective participation by all relevant stakeholders in the PM processes, the policy provides for the recognition and use of the same structures set for the IDP. In terms of this policy, public participation for the planning of PMS takes place during IDP formulation which must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



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.

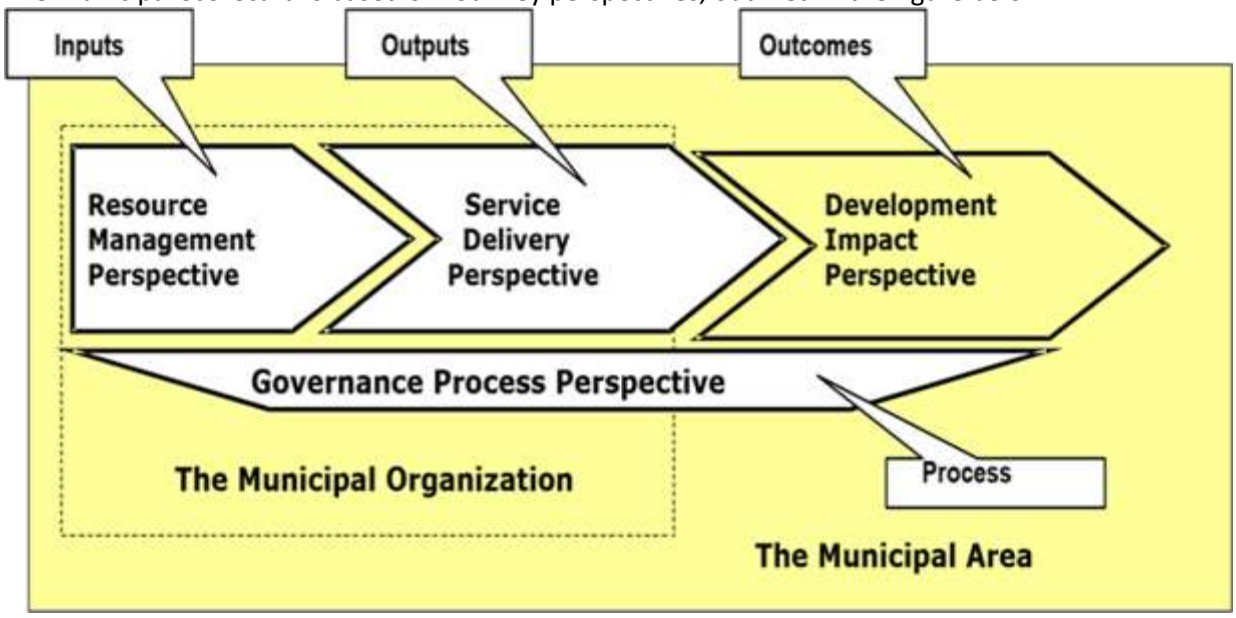
International experience in both the private and public sectors has shown that traditional approaches to measuring performance that tends to be heavily reliant on financial measures are severely lacking. These approaches tended to over-emphasise financial efficiency over other equally important variables 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 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 models.

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.

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.

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.

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 the same conditions will produce the same result. How reliable is your indicator?

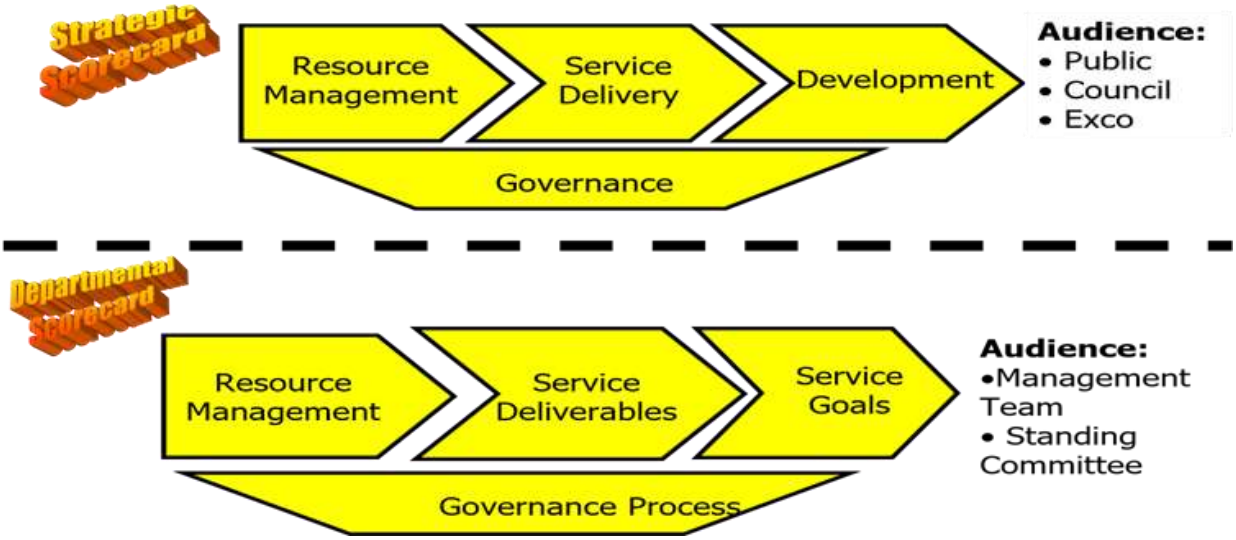
Simple: Good indicators will be simple, easy to communicate. A composite indicator would try to measure a series of performance dimensions at the same time, this may confuse. Where possible avoid using complex or composite indicators.

Minimize perverse consequences: Poorly chosen indicators, while they may have noble intentions, can have perverse consequences in the behaviours its 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, 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).

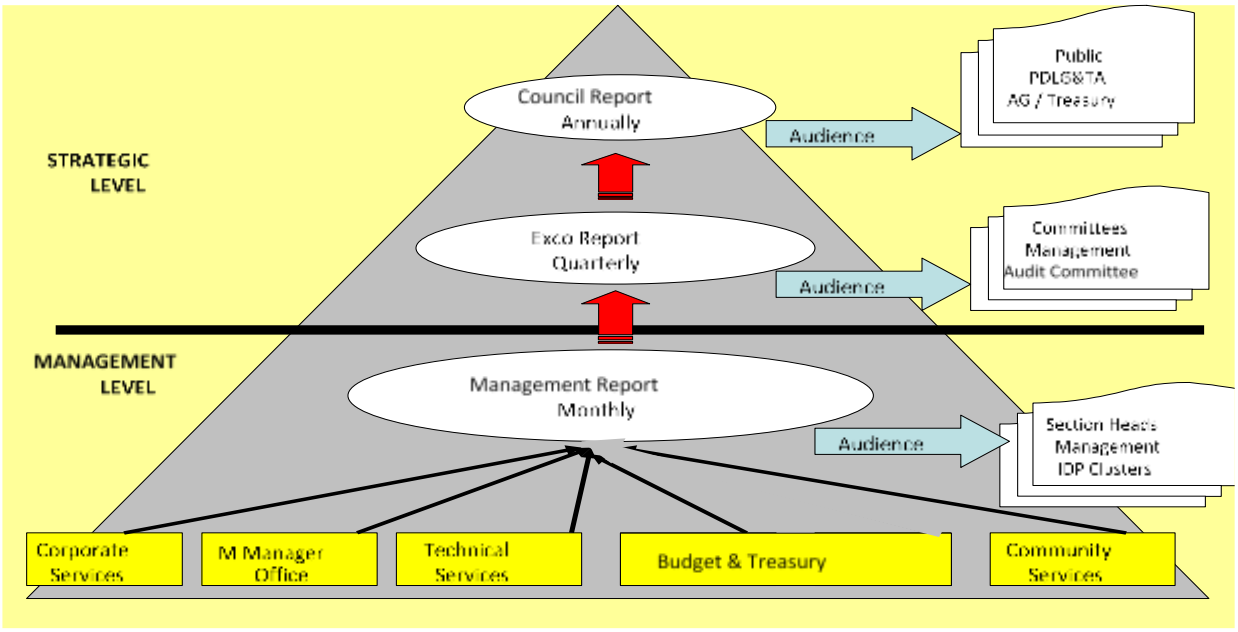
8. MONITORING AND MEASUREMENT OF INDICATORS

For each indicator the scorecard requires 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 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 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.

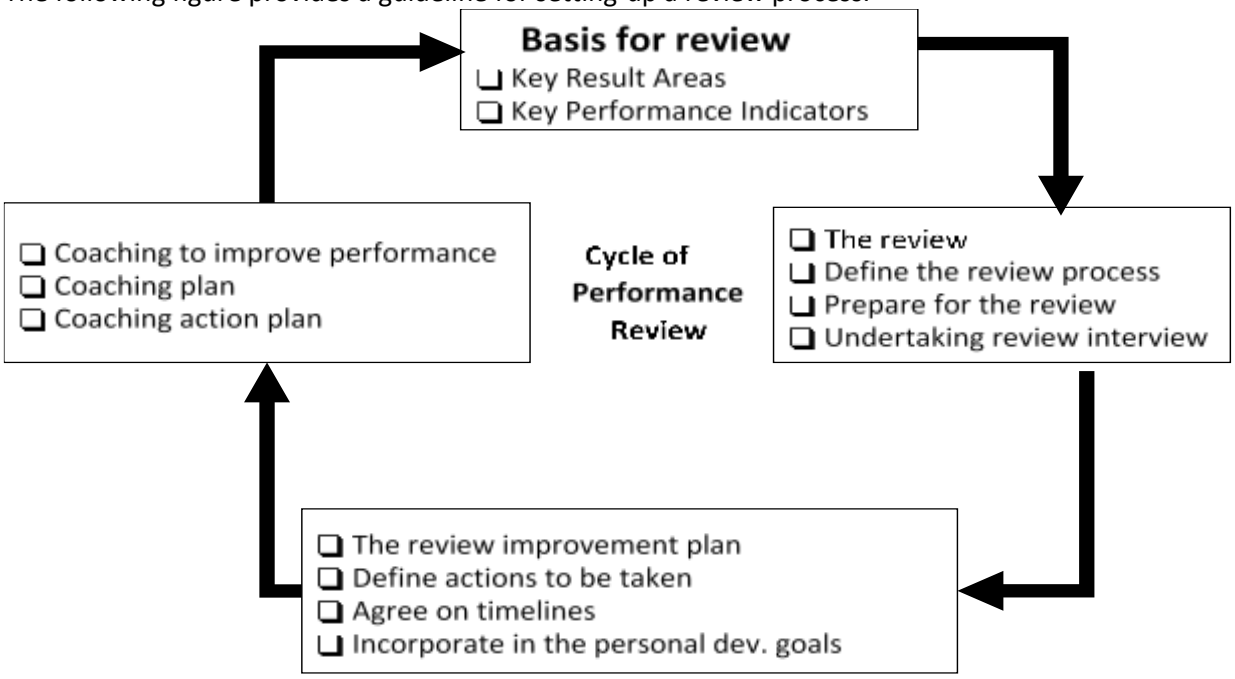
Audit Committee: As indicated earlier the municipality will make use of the district committee via a service level agreement. This facility will be complemented by the internal audit function which shall

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.

9. Performance reviews

Performance reviews must be conducted at various intervals and levels of authority 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 keys 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 must 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 mangers to report on their individual scorecards to the municipal manager. 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 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

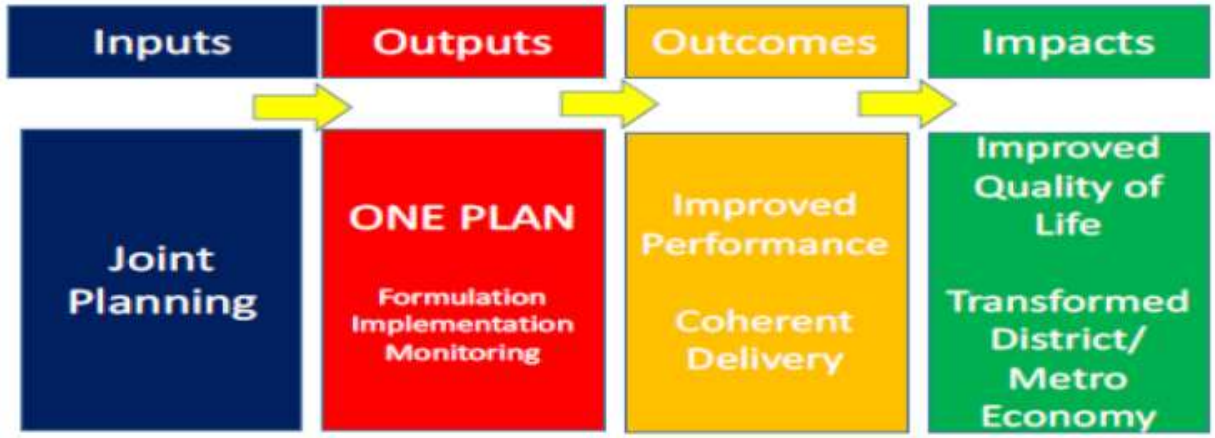
The purpose of the Chris Hani District Municipality DDM One Plan is:

- 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.



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 based on an inclusive and transformed economy. The economic positioning informs the spatial restructuring and must 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 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 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
	• 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. • 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
	• 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 '*matric only'* category, increased from 66,200 to 97,800. • The number of people with '*matric and a certificate/diploma'* increased with an average annual rate of 4.50%, with the number of people with a '*matric and a Bachelor's'* degree increasing with an average annual rate of 2.29%.
	Health & Vulnerability
	• 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.

	• 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 2019/10 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 years 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%).
	Unemployment
	• 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).

	• 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
	• 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	• 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)*	• 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

	• 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	• 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	• 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	• 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	• 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)*	• The district municipality is predominantly rural in character with several 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 compared 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 low-density 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	• 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) 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	• 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)*	• 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.

	• 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	The key elements of the district Environmental Framework are identified as follows: • 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 *Afromontane* 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 several 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	• 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	• 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	• 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	• 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	• 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, 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	• 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. • 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	• 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	• 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 recuring 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	• The overall performance by the Chris Hani (including the CHDA - Development Agency) together with all its LMs has been varied, with all registering some improvement on UIFW during the current reporting period. However, these improvements are marred by regressions in their management of UIFW.

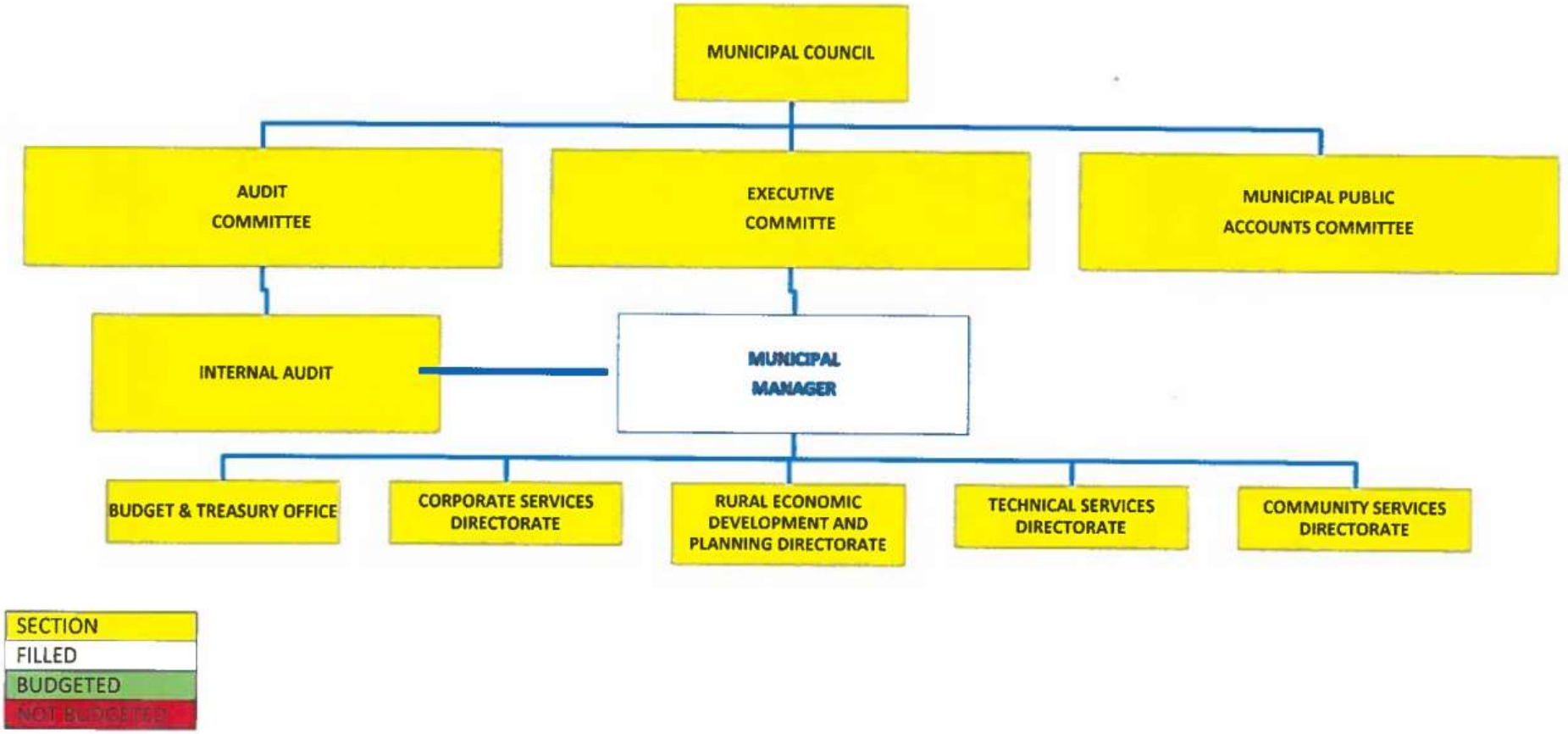
	• Lastly, the AG has noted with concern the use of consultants for financial reporting by municipalities around the country without a visible improvement in the management of controls in these institutions. In this regard the CHDM is identified by the AG as having a consultant budget of R24,3m, which 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	• 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 *submitted performance reports without complete and accurate underlying records".* • 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 *Uncompetitive or unfair procurement processes.* • 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	• 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? • Emalehleni 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)	• 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)	• Public Participation is conducted through IDP Roadshows during IDP Processes, Mayoral Imbizos and community outreaches

Annexure A. Institutional Organogram

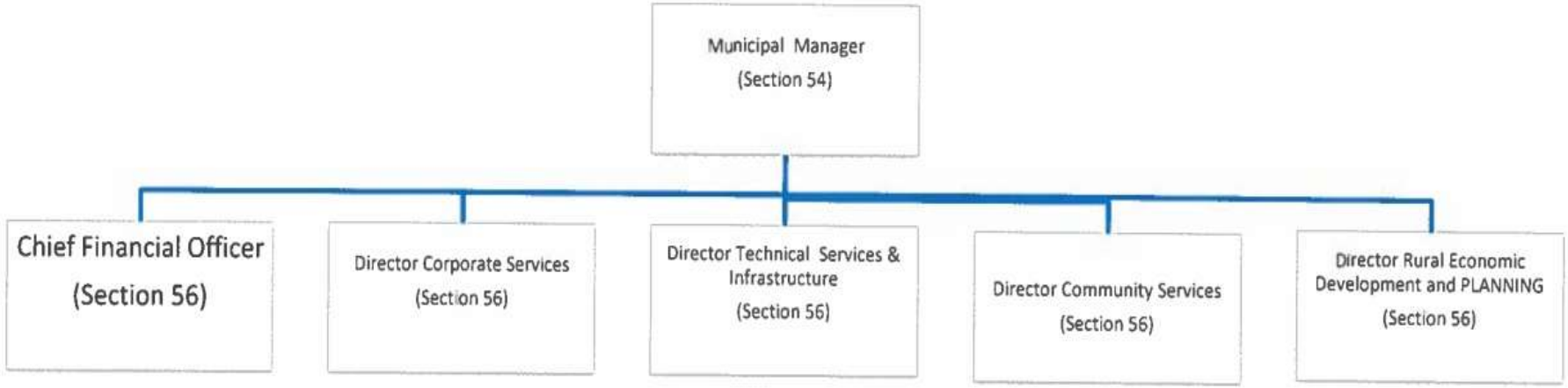
SAKHISIZWE LOCAL MUNICIPALITY (EC 138)

Top Structure



SAKHISIZWE LOCAL MUNICIPALITY (EC 138)

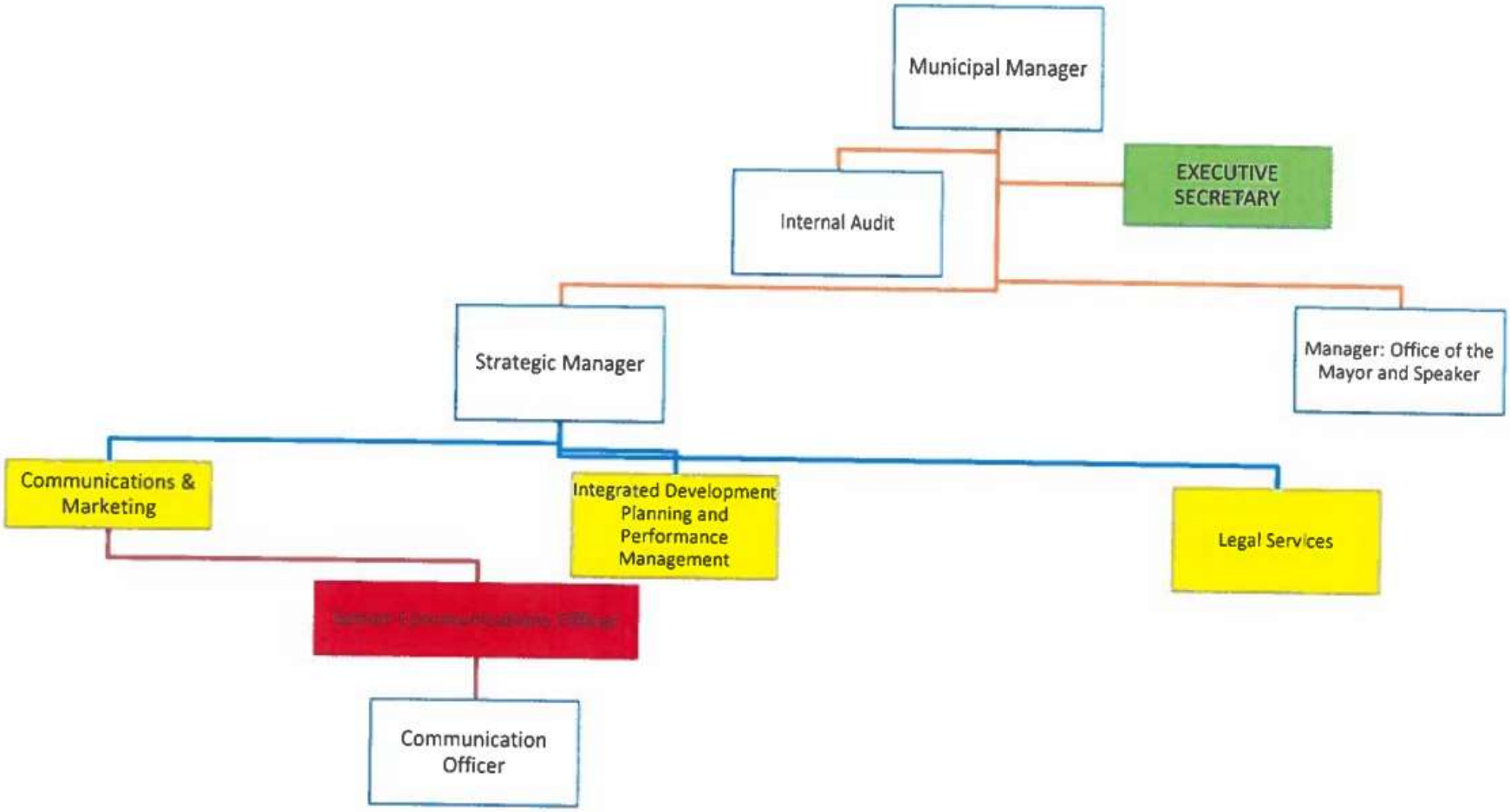
Office of the Municipal Manager



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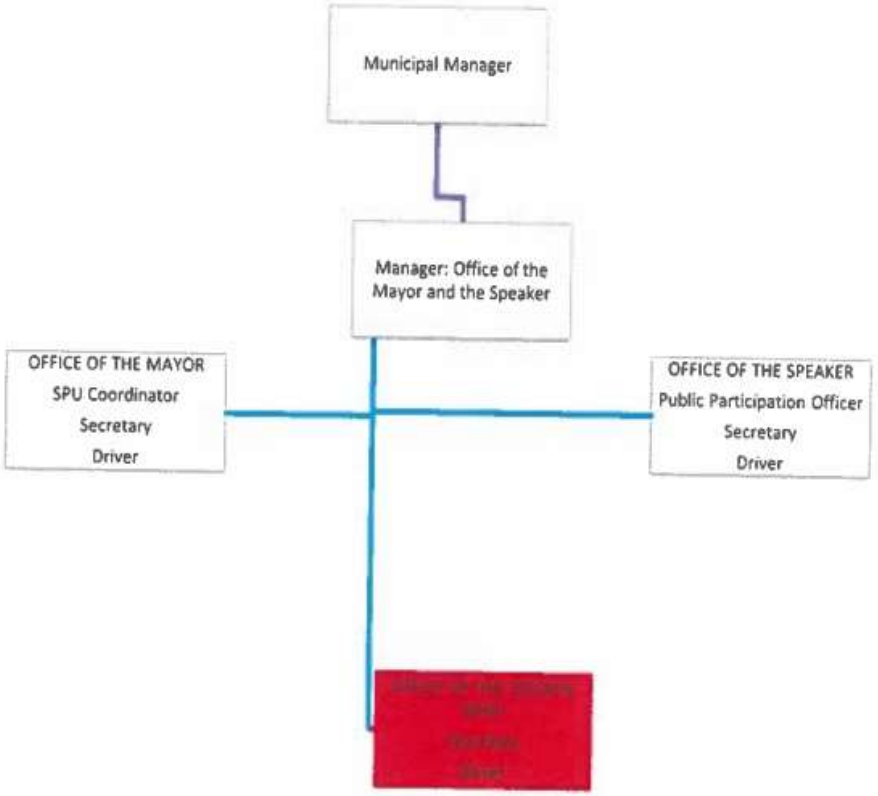
SAKHISIZWE LOCAL MUNICIPALITY (EC 138)

Office of the Municipal Manager



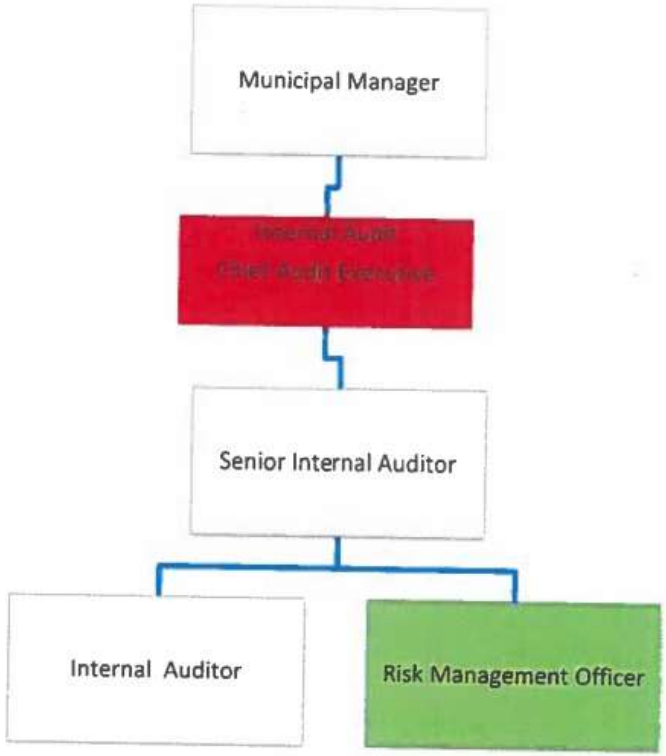
SAKHISIZWE LOCAL MUNICIPALITY (EC 138)

Office of the Municipal Manager



SAKHISIZWE LOCAL MUNICIPALITY (EC 138)

Office of the Municipal Manager

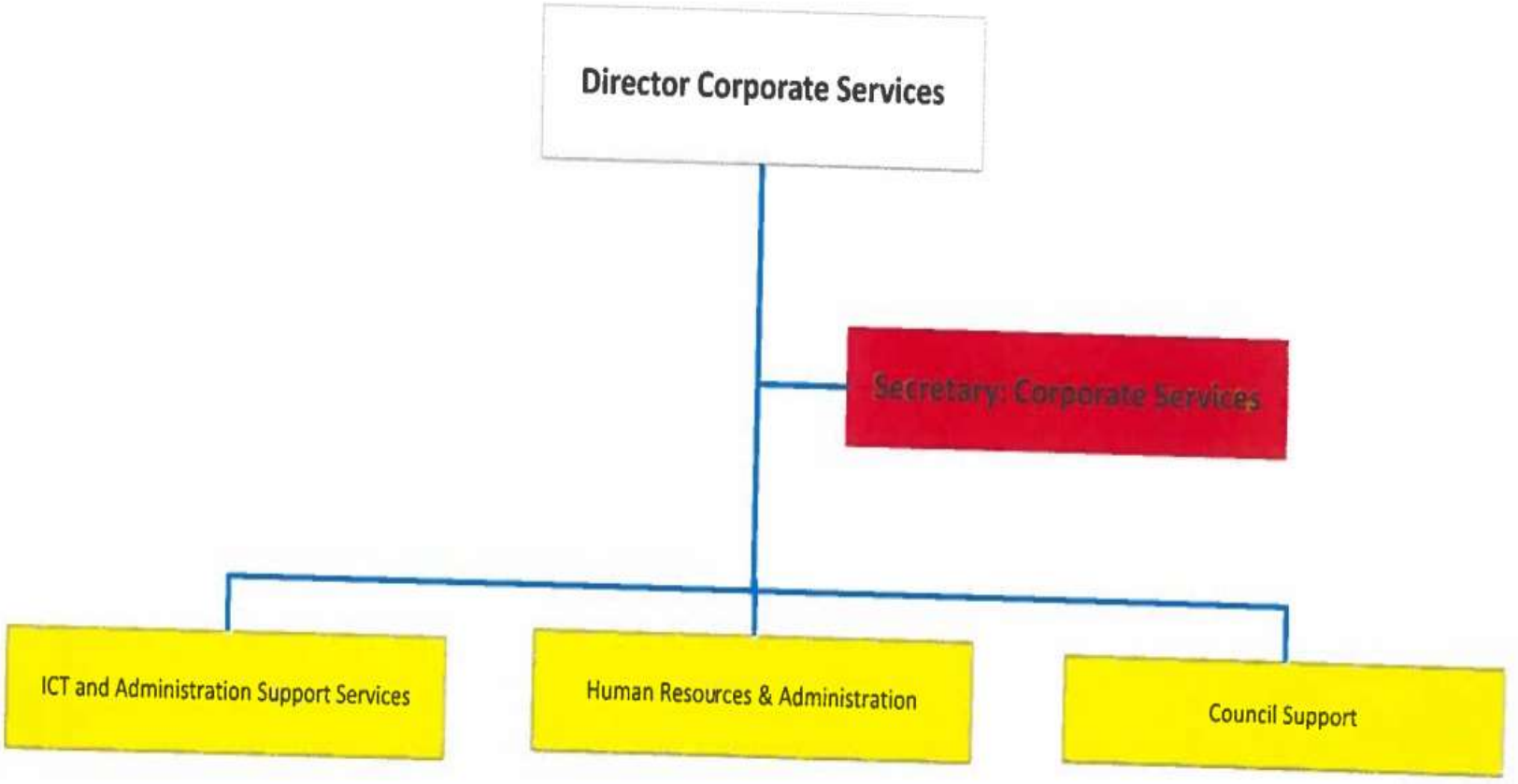


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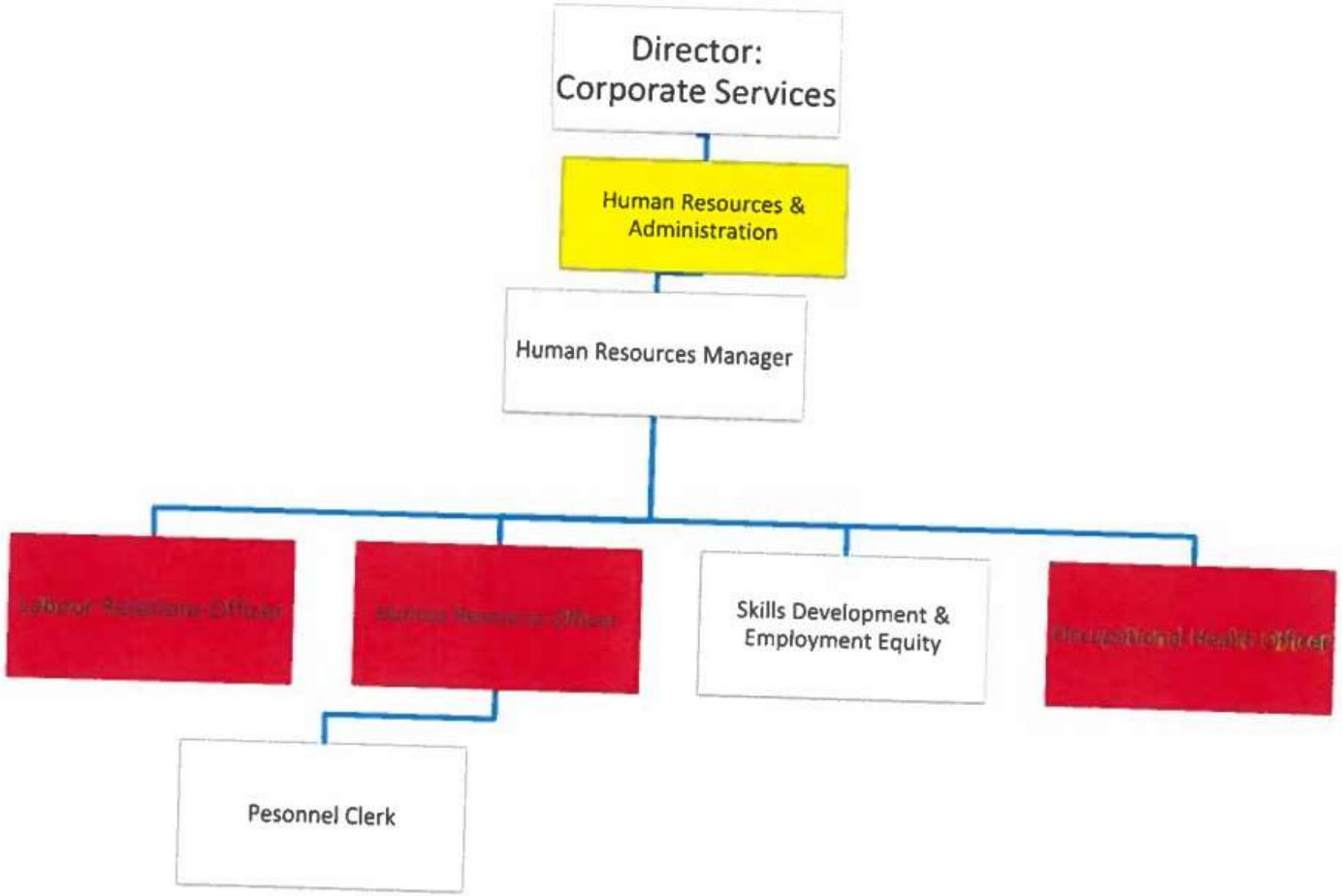
SAKHISIZWE LOCAL MUNICIPALITY (EC 138)

Corporate Services Department

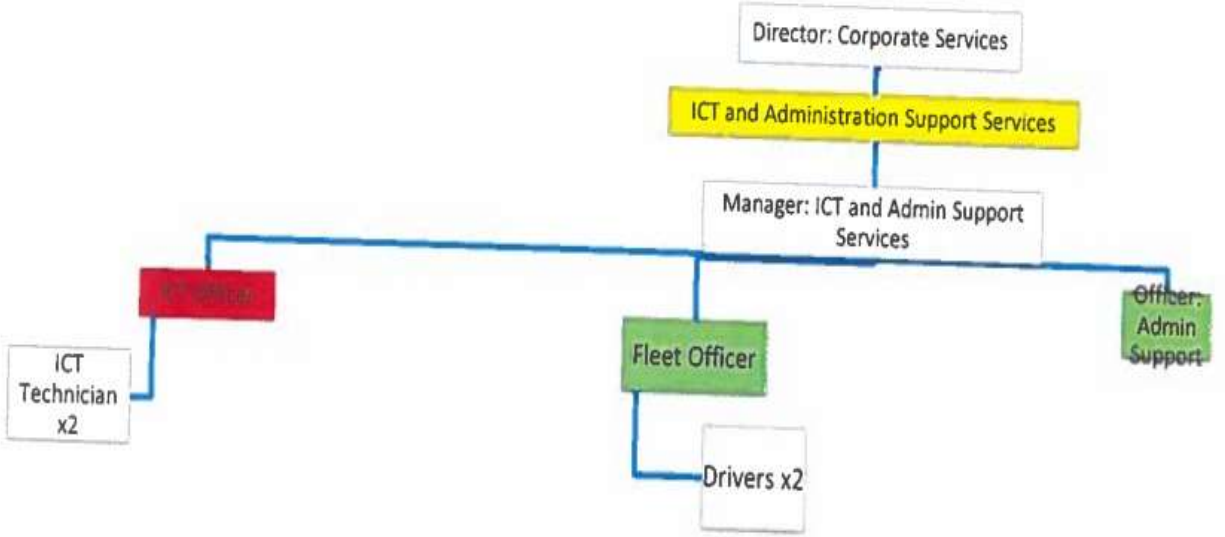


SAKHISIZWE LOCAL MUNICIPALITY (EC 138)

Corporate Services Department



SAKHISIZWE LOCAL MUNICIPALITY (EC 138)



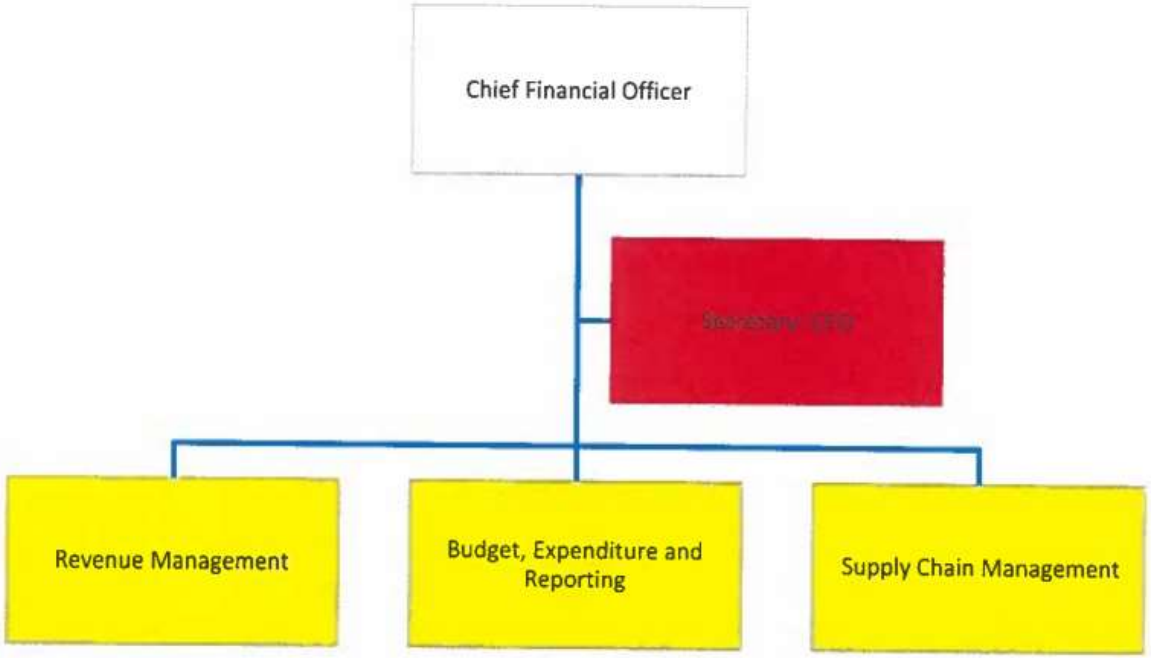
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Corporate Services Department



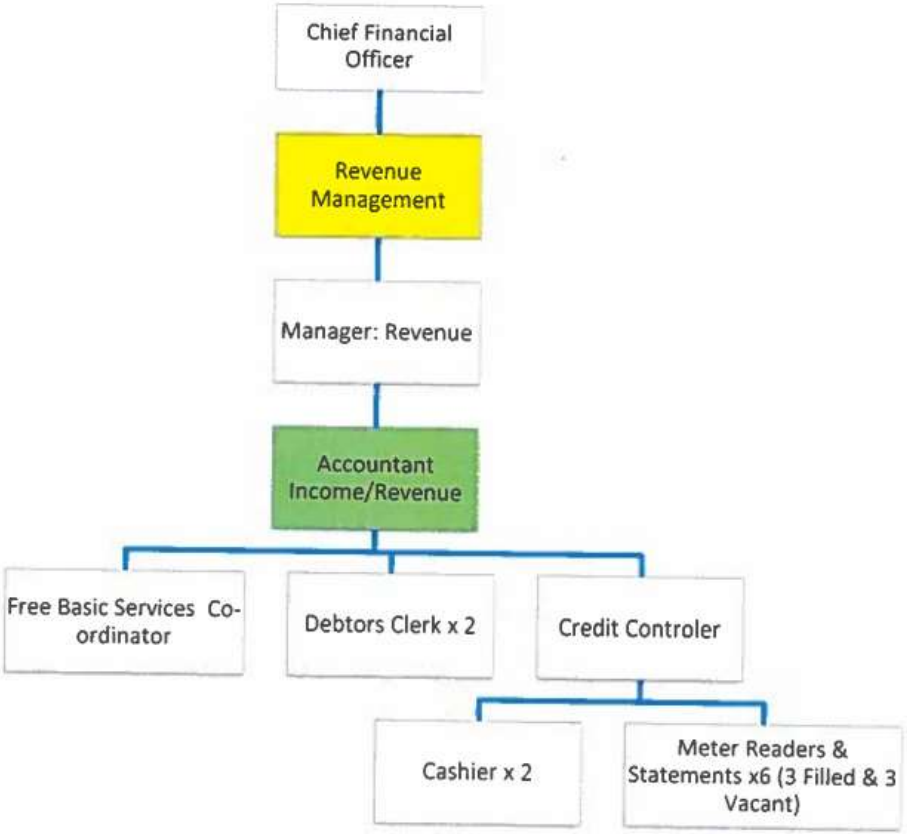
SAKHISIZWE LOCAL MUNICIPALITY (EC 138)

Finance Department



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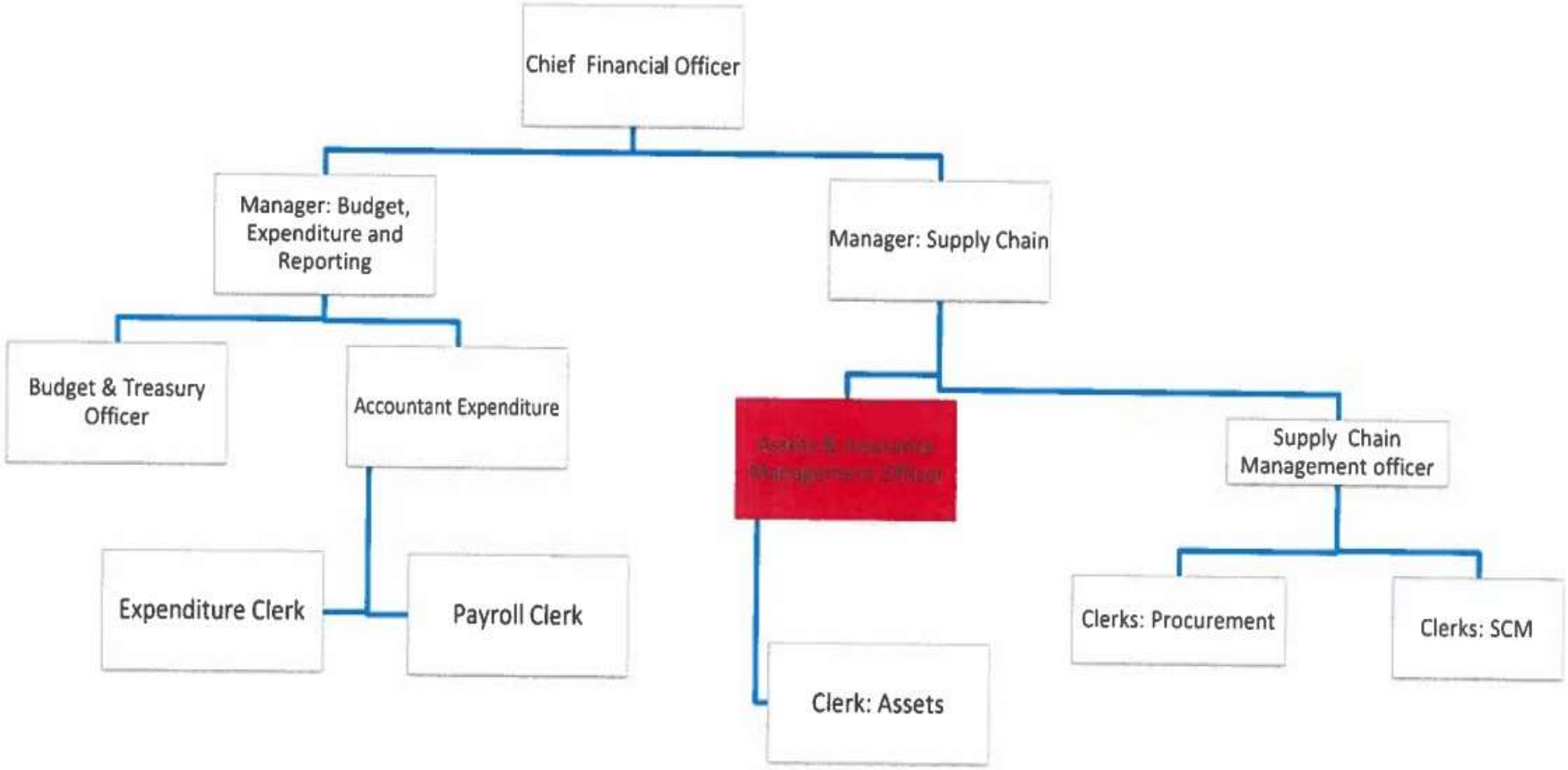
Finance Department



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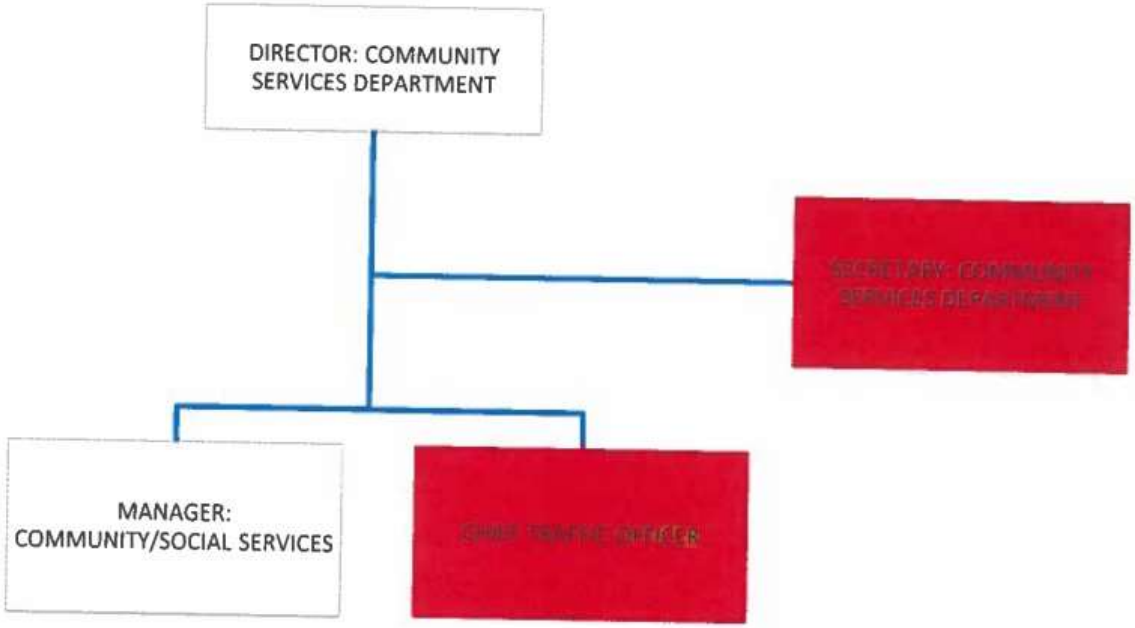
SAKHISIZWE LOCAL MUNICIPALITY (EC 138)

Finance Department



SAKHISIZWE LOCAL MUNICIPALITY (EC 138)

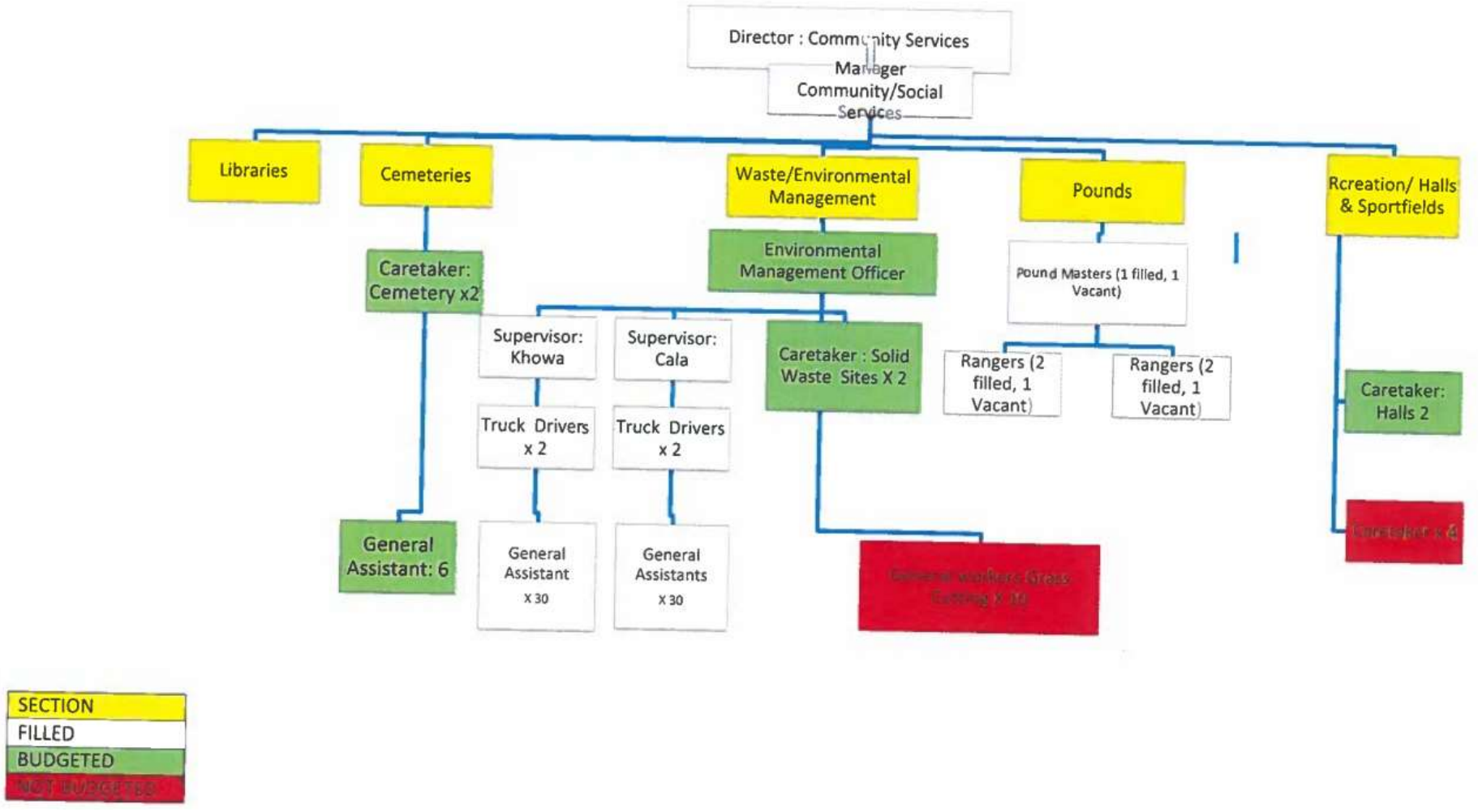
Community Services Department



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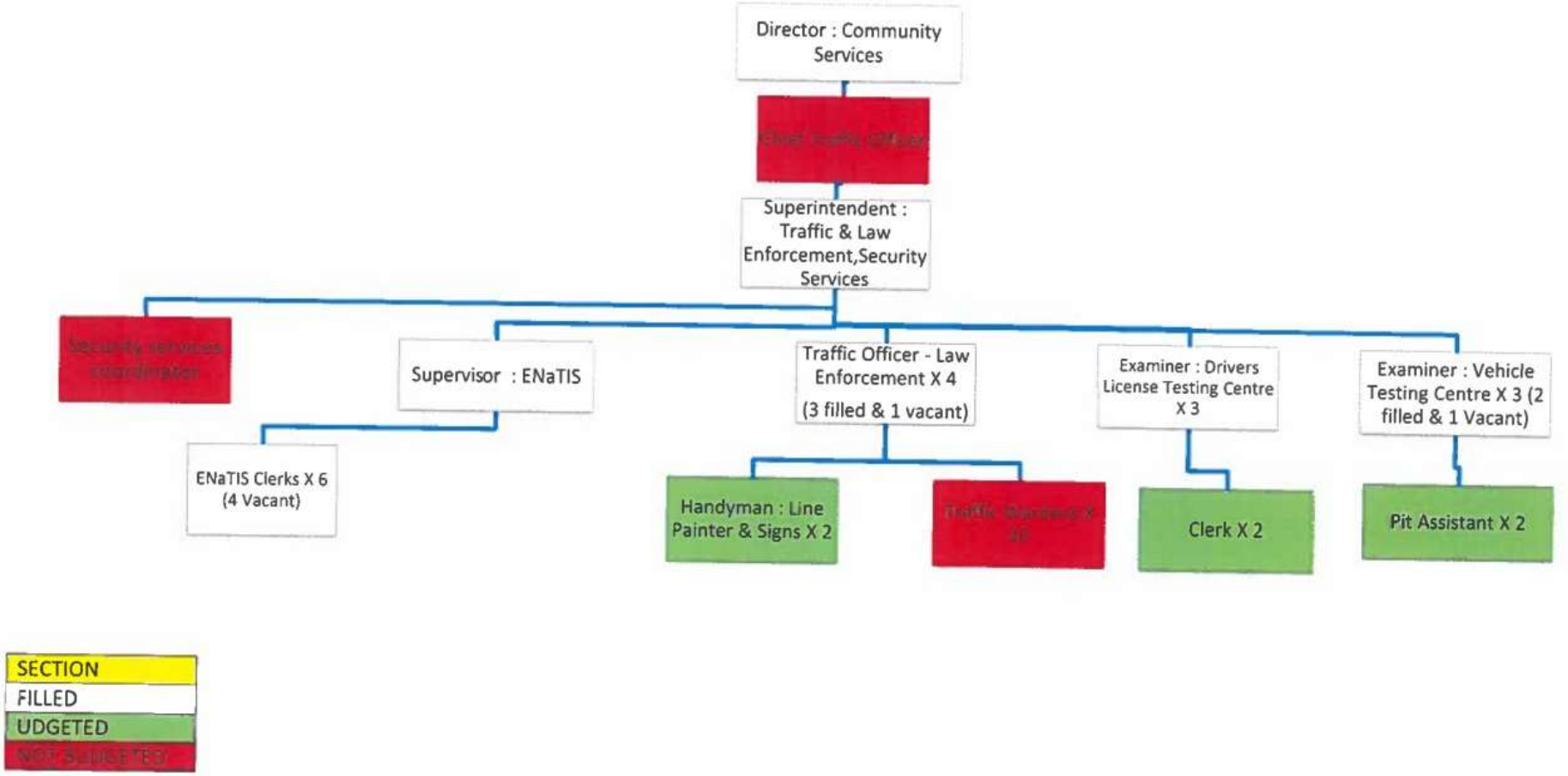
SAKHISIZWE LOCAL MUNICIPALITY (EC 138)

Community Services Department



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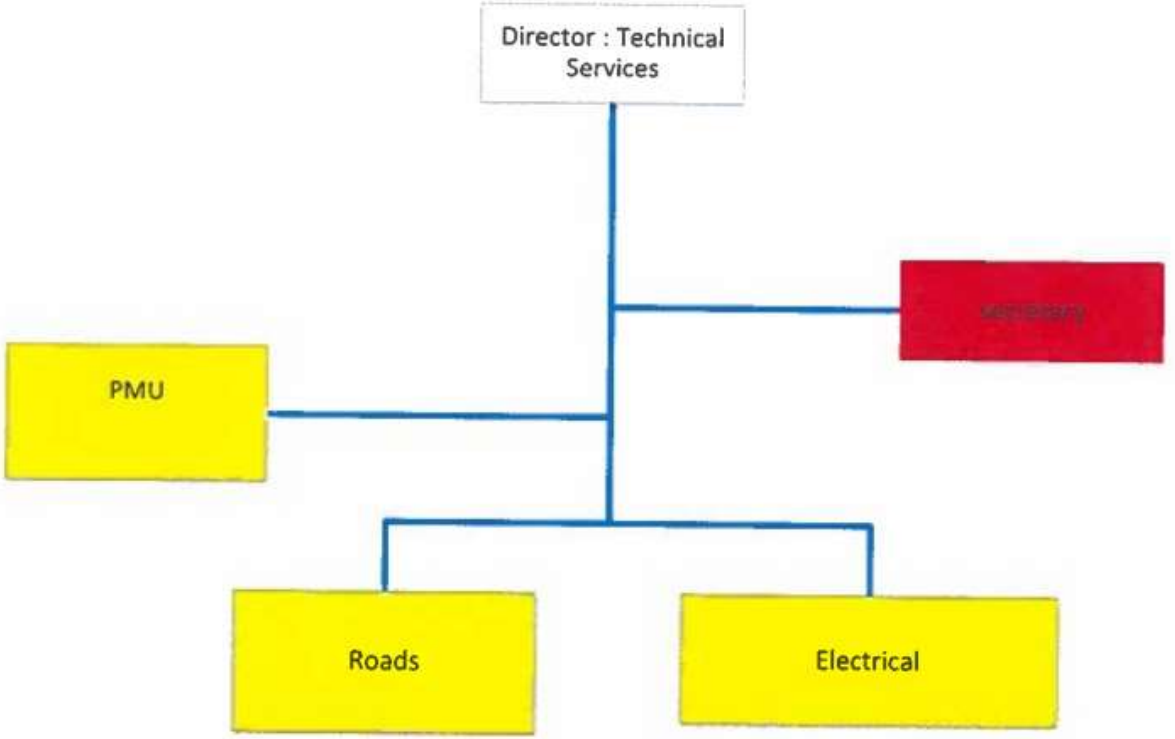
Community Services Department



Community Services Department

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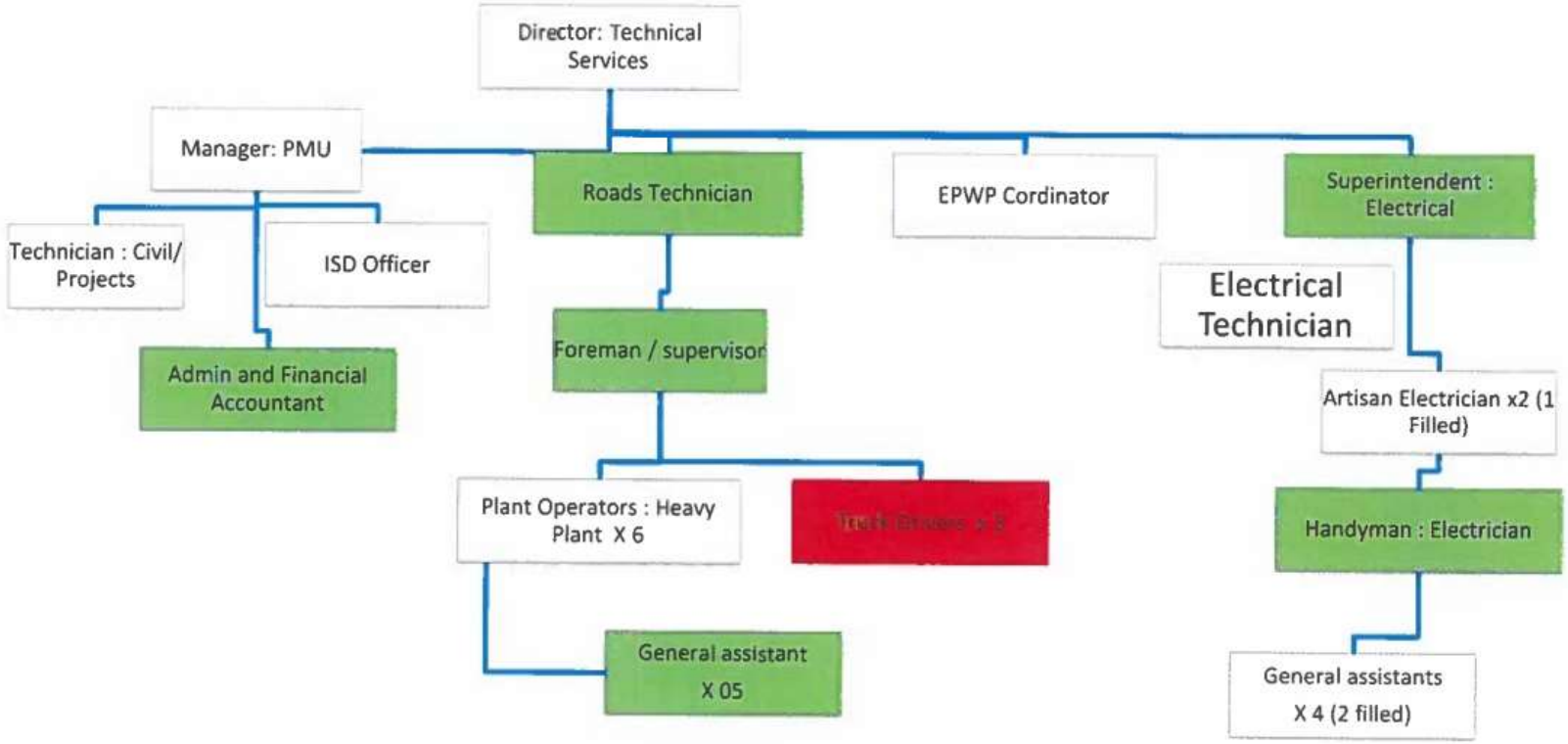




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SAKHISIZWE LOCAL MUNICIPALITY (EC 138)

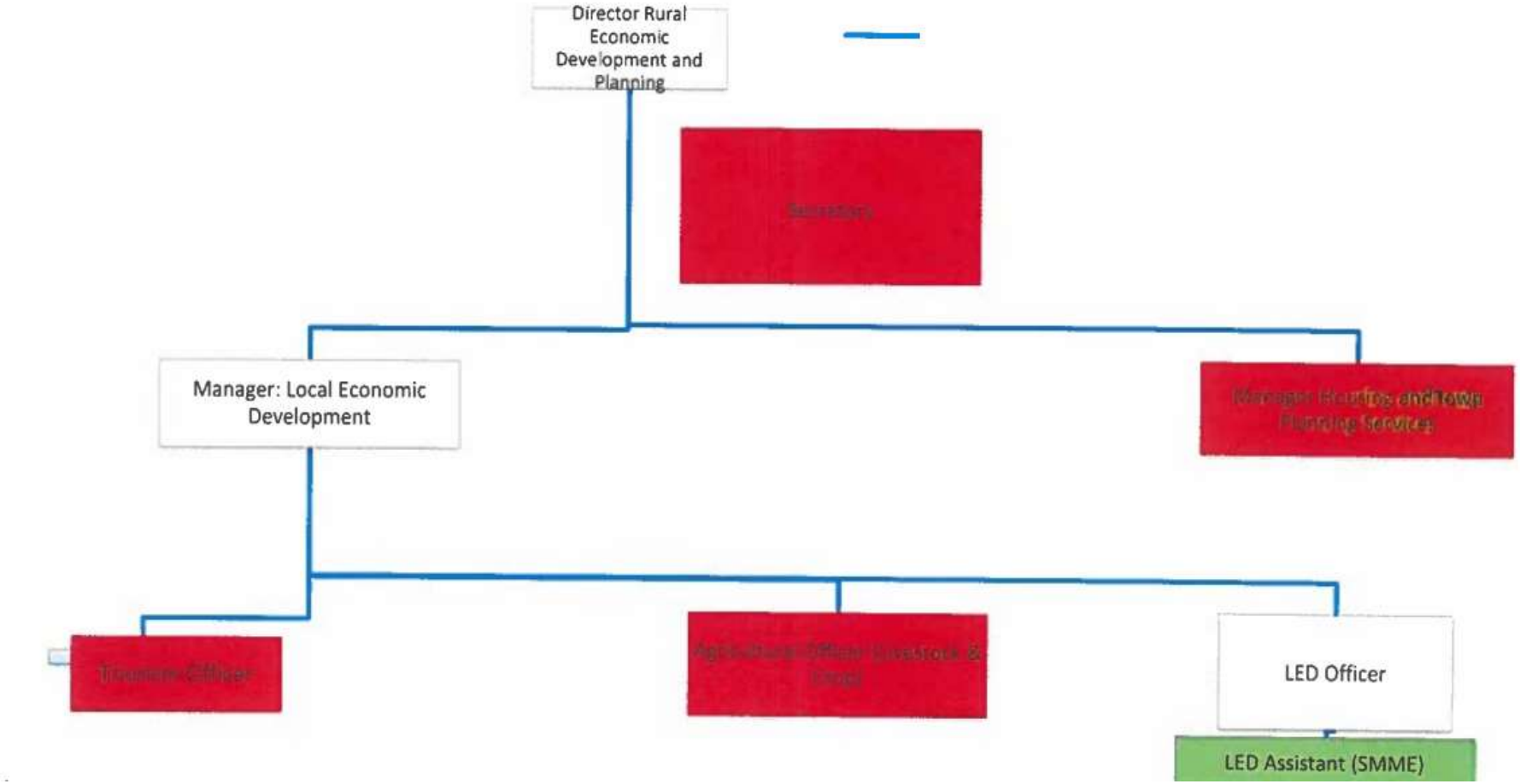
Technical Services Department



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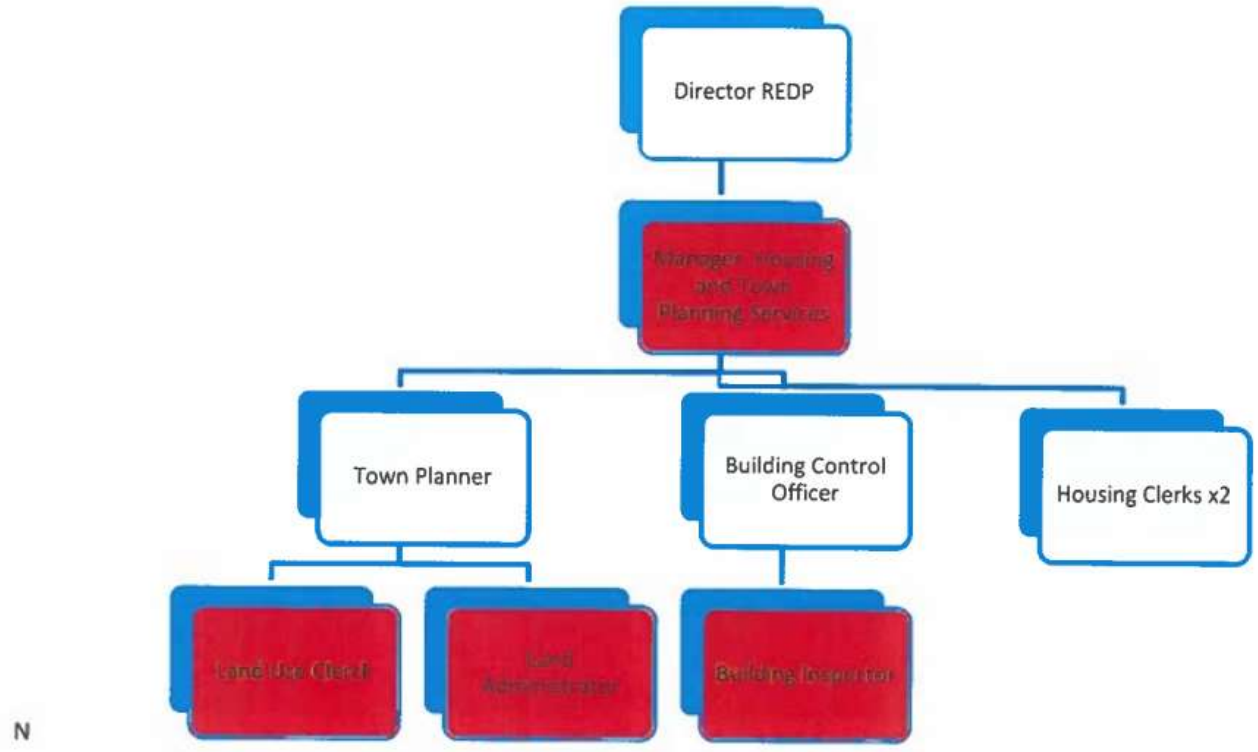
SAKHISIZWE LOCAL MUNICIPALITY (EC 138)

Rural Economic Development and Planning



SAKHISIZWE LOCAL MUNICIPALITY (EC 138)

Rural Economic Development and Planning



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Annexure B. Service Delivery and Budget Implementation Plan

DEPARTMENT	OFFICE OF THE MUNICIPAL MANAGER
RESPONSIBLE PERSON	MUNICIPAL MANAGER

STRATEGIC OBJECTIVES: Promote culture of participatory and good governance in the municipality

KPA	IDP REF	KPI	BASELINE	ANNUAL TARGET	2024/2025 QUARTERLY TARGET				BUDGET	PORTFOLIO OF EVIDENCE
					Q1	Q2	Q3	Q4		
Good Governance and Public Participation	MM01	Number of MPAC Meetings held by 30 June 2025	4 MPAC Meetings	4 MPAC Meetings held by 30 June 2025	1 MPAC meeting held by 30 September 2024	1 MPAC meeting held by 31 December 2024	1 MPAC meeting held by 31 March 2025	1 MPAC meeting held by 30 June 2025	R0,00	Q1: Minutes and attendance registers Q2: Minutes and attendance registers Q3: Minutes and attendance registers Q4: Minutes and attendance registers
	MM02	Number of Women's Programmes to be implemented by 30 June 2025	3 Women's programmes	3 Women's Programmes to be implemented by 30 June 2025	Commemoration of women's month by 30 September 2024	GBV Awareness Campaign by 31 December 2024	GBV Awareness Campaign by 31 March 2025	GBV Awareness Campaign by 30 June 2025	R0.00	Q1: Report and attendance register Q2: Report and attendance register Q3 Report and attendance register Q4 N/A
	MM03	Number Youth Programmes to be implemented by 30June 2024	4 Youth programmes	4 Youth Programmes to be implemented by 30 June 2024	Awareness Campaign against Drug and Substance abuse in Cala by 30 September 2024	Mayoral Cup Knock out in all wards by 31 December 2024	Back to School awareness campaign by 31 March 2025	Mayoral Cup Quarter and Finals in Khowa by 30 June 2025	R50 000	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 30 June 2025	4 Local Aids Council programmes	4 programmes to be implemented by 30 June 2025	Establishment of Ward Aids Council in all 9 Wards by 30 September 2024	Build-up activity for the World Aids Day in Khowa by 31 December 2024.	STI and Condom Week Awareness Campaign by 31 March 2025	Quarterly Local Aids Council meeting by 30 June 2025	R30 000	Q1 Attendance Register and Report Q2 Attendance Register and Report Q3 Attendance Register and Report Q4 Attendance Register and Minutes
	MM05	Number of Elderly Programmes to be implemented by 30 June 2025	7 Elderly Programmes	Programme to be implemented by 30 June 2025	Mandela Day for elderly persons at Ekuphumleni Service Centre in Khowa by 30 September 2024	Golden Games for Elderly at Cala Indoor Sports Centre by 31 December 2024	Visit of 2 service centres by 31 March 2025	Elderly Lunch with Mayor by 30 June 2025	R0,00	Q1: Report and attendance register Q2: Report and attendance register Q3: Attendance Register and Report Q4: Report and attendance register
	MM06	Number of disability programmes implemented by 30 June 2025	2 disability programmes	2 disability programmes to be implemented by 30 June 2024	N/A	Conduct a disability awareness day 31 December 2024	Back to school awareness campaign by 31 March 2025.	N/A	R30 000	Q1: N/A Q2: Report and attendance register Q3: Report and attendance register Q4: N/A

Good Governance and Public Participation	MM07	Number of Audit Action Plan reports submitted to Audit Committee by 30 June 2025	4 Approved audit Action Plan Reports	4 Audit Action Plan Reports submitted to Audit Committee by 30 June 2025	1 Audit Action Plan Report submitted to Audit Committee 30 September 2024	1 Audit Action Plan Report submitted to Audit Committee 31 December 2024	1 Audit Action Plan Report submitted to Audit Committee 31 March 2025	1 Audit Action Plan Report submitted to Audit Committee 30 June 2025	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.
	MM08	Number of Audit Committee Meetings held by 30 June 2025.	4 Audit Committee Meetings	04 Audit Committee Meetings held by 30. June 2025.	1 Audit Committee Meetings held by 30 September 2024	1 Audit Committee Meetings held by 31 December 2024	1 Audit Committee Meetings held by 31 March 2025.	1 Audit Committee Meetings held by 30 June 2025	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
	MM09	Number of Risk Committee Meetings held by 30 June 2025.	4 Risk Committee Meetings	04 Risk Committee Meetings held by 30 June 2025.	1 Risk Committee Meetings held by 30 September 2024	1 Risk Committee Meetings held by 31 December 2024	1 Risk Committee Meetings held by 31 March 2025	1 Risk Committee Meetings held by 30 June 2025	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
	MM10	Number of Internal Audit Plan projects implemented by June 2025.	8 Internal Audit Plan Projects completed	8 projects of the Audit Plan implemented by 30 June 2025	2 projects of the Audit Plan implemented by 30 September 2024	2 projects of the Audit Plan implemented by 31 December 2024	2 projects of the Audit Plan implemented by 31 March 2025	2 projects of the Audit Plan implemented by 30 June 2025	R0,00	Q1: Internal Audit reports Q2: Internal Audit reports Q3: Internal Audit reports Q4: Internal Audit reports
	MM11	Number of Risk Management reports Submitted to the RMC by 30 June 2025.	4 Risk Management Reports	4 Risk Management Implementation Reports submitted to the RMC by 30 June 2025.	1 Risk Management Report Submitted by 30 September 2024.	1 Risk Management Report Submitted by 31 December 2024.	1 Risk Management Report Submitted by 31 March 2025.	1 Risk Management Report submitted by 30 June 2025.	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	MM12	Number of awareness campaigns on the communication Strategy implemented by 30 June 2025	Development of a communication Strategy	4 Awareness campaigns on the Communication Strategy by 30 June 2025	2 internal Awareness campaigns on the Communication Strategy by 30 September 2024	2 external Awareness campaigns on the Communication Strategy (1 local media & 1 LCF/LPPF) by 31 December 2024	N/A	N/A	R200 000	Q1: Attendance register and report Q2: Attendance register and report Q3: N/A Q4: N/A
	MM13	Attending all Petitions registered by 30 June 2025.	2024/2025 petitions registered	Attending to all petitions registered by 30 June 2025.	Attending to all petitions registered by 30 September 2024	Attending to all petitions registered by 31 December 2024	Attending to all petitions registered by 31 March 2025.	Attending all Petitions registered by 30 June 2025.	R0,00	Q1: Updated petitions register and report on petitions Q2: Updated petitions register and report on petitions Q3: Updated petitions register and report on petitions Q4: Updated petitions register and report on petitions
	MM14	Number of public participation programmes by 30 June 2025	4 public participation programmes	4 Public participation programmes by the Council Speaker by 30 June 2025	1 public participation programme by 30 September 2024	1 public participation programme by 31 December 2024	1 public participation programme by 31 March 2025	1 public participation programme by 30 June 2025	R0.00	Q1: Attendance register and report Q2: Attendance register and report Q3: Attendance register and report Q4: Attendance register and report
	MM15	Number of Mayoral Imbizo	4 Mayoral Imbizo's	4 Mayoral Imbizo's by June 2025	1 Mayoral Imbizo by 30 September 2024	1 Mayoral Imbizo by 31 December 2024	1 Mayoral Imbizo by 31 March 2025	1 Mayoral Imbizo by 30 June 2025	R0.00	Q1: Attendance register and report Q2: Attendance register and report Q3: Attendance register and report Q4: Attendance register and report
	MM16	Number of Initiation awareness campaigns on customary male initiation at high schools by 30 June 2025.	11 Initiation awareness campaigns on customary male initiation	11 awareness campaigns on customary male initiation at high schools under Sakhisizwe municipal jurisdiction by 30 June 2025.	N/A	6 awareness campaigns on customary male initiation at 6 high schools under SLM jurisdiction by 31 December 2024.	N/A	5 awareness campaigns on customary male initiation at 5 high schools under SLM jurisdiction by 30 June 2025.	R0,00	Q1: N/A Q2: Attendance register and minutes of awareness campaigns Q3: N/A Q4: Attendance register and minutes of awareness campaigns
	MM17	Number of awareness campaigns on customary male initiation in Traditional Authorities under Sakhisizwe municipal jurisdiction by 30 June 2025	4 awareness campaigns on customary male initiation in Traditional Authorities under Sakhisizwe municipal jurisdiction	4 Awareness campaigns on customary male initiation at Traditional Authorities under Sakhisizwe municipal jurisdiction by 30 June 2024.	N/A	2 awareness campaigns on customary male initiation in Traditional Authorities under Sakhisizwe municipal by 31 December 2024	N/A	2 awareness campaigns on customary male initiation in Traditional Authorities under Sakhisizwe municipal jurisdiction by 31 March 2025	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 Participation	MM18	Number of external communication outreaches / engagements with media and through Public Participation by 30 June 2025.	12 externals communication outreaches / engagements	24 external communication outreaches / engagements by 30 June 2025.	6 communication outreaches / engagements by 30 September 2024	6 communication outreaches / engagements by 31 December 2024	6 communication outreaches / engagements by 31 March 2025	6 communication outreaches / engagements by 30 June 2025	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
	MM19	No. of internal communication platforms created by 30 June 2025.	4 internal awareness campaigns implemented.	8 internal Awareness Campaigns implemented by 30 June 2024	2 Awareness Campaigns by 30 September 2024	2 Awareness Campaigns 31 December 2024	2 Awareness Campaigns 31 March 2025	2 Awareness Campaigns 30 June 2025	R0.00	Q1: Report and Attendance Register Q2: Report and Attendance Register Q3: Report and Attendance Register Q4: Report and Attendance Register
	MM20	Number of progress reports on litigations by 30 June 2025	4 Progress reports on litigation	4 progress reports on litigations by 30 June 2025.	1 progress report on litigations by 30 September 2024	1 progress report on litigations by 31 December 2024	1 progress report on litigations by 31 March 2025.	1 progress report on litigations by 30 June 2025.	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
MFV	MM21	Number of mSCOA Steering Committee meetings by 30 June 2025	12 mSCOA Steering Committee meetings	12 mSCOA Steering Committee meetings held by 30 June 2025	03 mSCOA Steering Committee meetings held by 30 September 2024	03 mSCOA Steering Committee meetings held by 31 December 2024	03 mSCOA Steering Committee meetings held by 31 March 2025	03 mSCOA Steering Committee meetings held by 30 June 2025	R0,00	Q1: Attendance register and mSCOA progress report Q2: Attendance register and mSCOA progress report Q3: Attendance register and mSCOA progress report Q4: Attendance register and mSCOA progress report
Good Governance and Public Participation	MM22	Percentage accumulative implementation of MM's audit findings / actions implemented by 30 June 2025.	100% implementation of accumulative implementation of the AAP	100% implementation of accumulative Implementation of the Audit Action Plan by 30 June 2025	25% implementation MM audit findings in the Audit Action Plan Implemented by 30 September 2024	50% implementation of MM audit findings in the Audit Action Plan Implemented by 31 December 2024	75% implementation of MM audit findings in the Audit Action Plan Implemented by 31 March 2025	100% implementation of MM findings in the Audit Action Plan Implemented by 30 June 2025	R0.00	Q1 Progress report on audit action plan Q2 Progress report on audit action plan Q3 Progress report on audit action plan Q4 Progress report on audit action plan
	MM23	Percentage implementation of action plan to mitigate identified risks by 30 June 2025	100% implementation of action plan mitigate identified risks	100% implementation of action plan mitigate identified risks by 30 June 2025	25% implementation of action plan mitigate identified risks by 30 September 2024	25% implementation of action plan mitigate identified risks by 31 December 2024	25% implementation of action plan mitigate identified risks by 31 March 2025	25% implementation of action plan mitigate identified risks by 30 June 2025	R0.00	Q1: Risk action plan report with portfolio of evidence Q2: Risk action plan report with portfolio of evidence Q3: Risk action plan report with portfolio of evidence Q4: Risk action plan report with portfolio of evidence
	MM 25	Number of MFMA compliance reports submitted by 30 June 2025	1 annual report	Development and submission of the annual report by 30 June 2025	Draft annual report submitted AG with AFS by 30 August 2024	Verification and modification process by 31 December 2024	Tabling of the annual report to Council by 31March 2025	Submission of the final annual report to CoGTA, PT and AG by 30 April 2025	R0.00	Q1: Draft annual report and Confirmation from AG Q2: Modified annual report Q3: Annual report Q4: Confirmation of submission

Good Governance and Public Participation	MM25	Number of MFMA compliance reports submitted by 30 June 2025	4 quarterly PMS reports 1 Mid-Term PMS report & 1 Annual PMS report	4 quarterly PMS reports 1 Mid-Term PMS report & 1 Annual PMS report developed by 30 June 2024	1 quarterly PMS report and 1 by 30 September 2023 and 2022/2023 Annual PMS report by 31 July 2023	1 quarterly PMS report 1 Mid-Term PMS report by 31 December 2023	1 quarterly PMS reports by 31 March 2024	1 quarterly PMS reports	R0.00	Q1: Quarterly report and 2022/ 2023 APR Q2: Quarterly report & Mid-Term report Q3: Quarterly report Q4: Quarterly report
	MM26	Number of IGR meeting conducted by 30 June 2025	4 IGR meetings	4 IGR meetings conducted by 30 June 2025	1 IGR meeting by 30 September 2024	1 IGR meeting by 31 December 2024	1 IGR meeting by 31 March 2025	1 IGR meeting by 30 June 2025	R0.00	Q1: Attendance register and minutes Q2: Attendance register and minutes Q3: Attendance register and minutes Q4: Attendance register and minutes
	MM27	Number of 2025/26 IDP Review by 30 June 2025	2024/25 IDP	1 2025/26 IDP Reviewed by 30 June 2021	Development of the 2025/26 IDP Process Plan by 30 September 2024	Conduct Situational Analysis by 31 December 2024	Draft 2025/26 IDP 31 March 2025	Final 2025/26 by 30 June 2025	R0.00	**Q1:** Signed IDP Process Plan **Q2:** Signed Situational Analysis Report **Q3:** Signed Draft 2025/26 IDP **Q4:** Signed Final 2025/26 IDP
	MM28	Number of IDP Representative Forum Meetings held by 30 June 2025	4 IDP Representative Forum Meetings	4 IDP Representative Forum meetings by 30 June 2025	1 IDP Representative Forum meetings by 30 September 2024	1 IDP Representative Forum meetings by 31 December 2024	1 IDP Representative Forum meetings by 31 March 2025	1 IDP Representative Forum meetings by 30 June 2023	R0.00	**Q1:** Advert, Attendance Register & Minutes **Q2:** Advert, Attendance Register & Minutes **Q3:** Advert, Attendance Register & Minutes **Q4:** Advert, Attendance Register & Minutes
	MM29	Number of IDP Roadshows held by 30 June 2025	2 IDP Roadshows	2 IDP Roadshows by 30 June 2025	N/A	1 Community needs Analysis Roadshows by 31 December 2024	N/A	2025/25 Draft IDP Roadshows by 30 June 2025	R0.00	**Q1:** N/A **Q2:** Advert and attendance registers **Q3:** N/A **Q4:** Advert and attendance registers
	MM30	Number of 2025/26 Service Delivery & Budget Implementation Plan Developed by 30 June 2025	2024/25 Service Delivery & Budget Implementation Plan	1 2025/26 Service Delivery & Budget Implementation Plan developed by 30 June 2025	N/A	N/A	Draft 2025/26 SDBIP developed by 31 March 2025	Final 2025/26 SDBIP Developed by 30 June 2025	R0.00	**Q1:** N/A **Q2:** N/A **Q3:** Signed Draft 2025/2026 SDBIP **Q3:** Signed Final 2025/2026 SDBIP

DEPARTMENT	CORPORATE SERVICES
RESPONSIBLE PERSON	CORPORATE SERVICES DIRECTOR

KPA	IDP REF	KPI	BASELINE	ANNUAL TARGET	2024/2025 QUARTERLY TARGET				BUDGET	PORTFOLIO OF EVIDENCE
					Q1	Q2	Q3	Q4		
STRATEGIC OBJECTIVES: Improve municipal efficiency by 2027 and beyond										
Good Governance and Public Participation	CORP01	Number of Ordinary Council meetings to be held as per the approved Council Calendar by 30 June 2025	Number of Ordinary Council Meetings	4 Ordinary Council meetings to be held as per the approved council calendar by 30 June 2025	1 Ordinary Council Meeting to be held as per the approved council calendar by 30 September 2024	1 Ordinary Council Meeting to be held as per the approved council calendar by 31 December 2024	1 Ordinary Council Meeting to be held as per the approved council calendar by 31 March 2025	1 Ordinary Council Meeting to be held as per the approved council calendar by 30 June 2025	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
	CORP02	Number of Executive Committee Meetings as per the approved Council Calendar by 30 June 2025	Number of Executive Committee Meetings	4 Executive Committee Meetings held by 30 June 2025	1 Executive Committee Meeting held by 30 September 2024	1 Executive Committee Meeting held by 31 December. 2024	1 Executive Committee Meeting held by 31 March 2025	1 Executive Committee Meeting held by 30 June. 2025	R0,00	Q1: EXCO minutes and Attendance register Q2: EXCO minutes and Attendance register Q3: EXCO minutes and Attendance register Q4: EXCO minutes and Attendance register
	CORP03	Number of Standing Committee Meetings held as per the approved Council Calendar by 30 June 2025	Number of Standing Committee Meetings held	12 Standing Committee Meetings held by 30 June 2025	3 Standing Committee Meetings held by 30 September 2024	3 Standing Committee Meetings held by 31 December 2024	3 Standing Committee Meetings held by 31 March 2025	3 Standing Committee Meetings held by 30 June 2025	R0,00	Q1: Minutes and attendance registers Q2: Minutes and attendance registers Q3: Minutes and attendance registers Q4: Minutes and attendance registers
ITD	CORP04	Workplace Skills Plan submitted to LGSETA by 30 June 2025	2023/24 Workplace Skills Plan	Workplace Skills Plan submitted to LGSETA by 30 June 2025	Skills Audit conducted by 30 September 2024	Prioritised needs by internal departments by 31 December 2024	Prepare and present draft WSP (Workplace Skills Plan) by 31 March 2025	Submission of the Workplace Skills Plan to LLGF and submission to LGSETA by 30 June 2025	R0,00	Q1 Skills audit questionnaires Q2: Minutes of meeting to prioritise training needs Q3 Draft WSP Q4 LLF resolution and Proof of submission from LGSETA

Institutional Development and Transformation	CORP05	Number of trainings attended as per Work Place Skills Plan by 30 June 2025	Implemented Training plan for 2023/2024	4 trainings attended as per Workplace Skills Plan by 30 June 2025	1 training conducted by 30 September 2024	1 training conducted by 31 December 2024	1 training conducted by 31 March 2025	1 training conducted by 30 June 2025	R0,00	Q1 Attendance register and report Q2 Attendance register and report Q3 Attendance register and report Q4 Attendance register
	CORP06	Number of Local Labour Forum meetings held by 30 June 2025	4 Local Labour Forum meetings held in 20223/2024 FY	4 Local Labour Forum meetings held by 30 June 2025	1 Local Labour Forum meeting held by 30 September 2024	1 Local Labour Forum meeting held by 31 December 2024	1 Local Labour Forum meeting held by 31 March 2025	1 Local Labour Forum meeting held by 30 June 2025	R0,00	Q1 Q2 Attendance register and minutes Q2 Attendance register and minutes Q3 Attendance register and minutes Q4 Attendance register and minutes
	CORP07	Number of reviewed and adopted Organizational structure by 30 June 2024	Adopted Organizational structure	1 reviewed and Adopted Organizational Structure by 30 June 2025	Departmental gap analysis on organogram by 30 September 2024	Consultation with Labour by 31 December 2024	Draft Organizational Structure by 31 March 2025	Adopted Organogram with council resolution by 30 June 2025	R0,00	Q1 Gap Analysis report Q2 Attendance register and minutes and draft organogram Q3 Draft Organizational Structure Document Q4 Council minutes, attendance register and adopted organisational organogram
Institutional Development and Transformation	CORP08	Number of fleet management reports submitted by 30 June 2025	4 Fleet management Reports	4 fleet management reports submitted by 30 June 2024	1 fleet management report submitted by 30 September 2024	1 fleet management report submitted by 31 December 2024	1 fleet management report submitted by 30 March 2025	1 fleet management report submitted by 30 June 2025	R0,00	Q1 Fleet management report Q2 Fleet management report Q3 Fleet management report Q4 Fleet management report
	CORP09	Number of fleet management fuel consumption reconciliation reports to be submitted by 30 June 2024	4 fleet management reports on fuel consumption in 202432024	4 fleet management fuel consumption reconciliation report to be submitted by 30 June 2025	1 fleet management fuel consumption reconciliation report to be submitted by 30 September 2024	1 fleet management fuel consumption reconciliation report to be submitted by 31 December 2024	1 fleet management fuel consumption reconciliation report to be submitted by 31 March 2025	1 fleet management fuel consumption reconciliation report to be submitted by 30 June 2025	R0.00	Q1 Fleet management report on fuel consumption reconciled with West Bank. Q2 Fleet management report on fuel consumption reconciled with West Bank. Q3 Fleet management report on fuel consumption reconciled with West Bank. Q4 Fleet management report on fuel consumption reconciled with West Bank

Institutional Development and Transformation	CORP010	Number of leave management reports submitted by 30 June 2025	2023/2024 leave reconciliation reports submitted	4 leave management reports submitted by 30 June 2025	1 leave management report by 30 September 2024	1 leave management report by 31 December 2024	1 leave management report by 31 March 2025	1 leave management report by 30 June 2025	R0,00	Q1 attendance register reconciled with electronic report generated from the system Q2 attendance register reconciled with electronic report generated from the system Q3 attendance register reconciled with electronic report generated from the system Q4 attendance register reconciled with electronic report generated from the system
	CORP011	Development/Review of Municipal policies by 30 June 2024	2023-2024 Municipal policy development/review	Development and review of Municipal policies by 30 June 2024	N/A	N/A	Development/Review of municipal policies by 31 March 2024	Submission of developed/reviewed municipal policies to Council by 30 June 2025	R0,00	Q1 N/A Q2 N/A Q3 Draft policies Q4 Developed/ Reviewed Municipal Policies & Council Resolution
	CORP012	Development/Review of Human Resource Plan by 30 June 2024	1 HR Plan Submitted for 2023/2024 FY	1 Human Resource Plan by 30 June 2025	Assessment of Human Resource Capacity through assistance of CoGTA by 30 September 2024	Human Resource Environmental Scan by 31 December 2024	Draft Human Resource Plan by 31 March 2025	Completed Human Resource Plan by 30 June 2025	R0.00	Q1 Human Resource Assessment Report Q2 Environmental Scan report Q3 Draft Human Resources Plan Q4 Complete Human Resource Plan
	CORP013	Development and submission of Employment Equity Plan (EEP)	1 HR Plan Submitted	Development/Review of the Employment Equity Plan by 30 June 2025	Draft Reviewed EE Plan by 30 September 2024	Conduct a workshop for the draft Equity Plan by 31 December 2024	Submission of Employment Equity Plan to the Local Labour Forum by 31 March 2025	Submission of the EEP to the Department of Labour by 30 June 2025	R0.00	Q1: Draft EEP Q2: Attendance register and report Q3: Register and minutes of the LLF Q4: Proof of submission to the Department of Labour
	CORP014	Number of Health safety inspection conducted by 30 June 2024	1 Health Inspection Report Submitted	4 Health safety inspection conducted by 30 June 2025	1 Health safety inspection conducted by 30 September 2024	1 Health safety inspection conducted by 31 December 2024	1 Health safety inspection conducted by 31 March 2025	1 Health safety inspection conducted by 30 June 2025	R0.00	Q1: Inspection report Q2: Inspection report Q3: Inspection report Q4: Inspection report
Good Financial Viability	CORP015	Number of mSCOA meetings conducted by 30 June 2024	12 MSCOA meetings	12 mSCOA meetings held by 30 June 2025	03 mSCOA meetings held by 30 September 2024	03 mSCOA meetings held by 31 December 2024	03 mSCOA meetings held by 31 March 2025	03 mSCOA meetings held by 30 June 2025	R0,00	Q1: Attendance register and mSCOA progress report Q2: Attendance register and mSCOA progress report Q3: Attendance register and mSCOA progress report Q4: Attendance register and mSCOA progress report

Good Governance &	CORP16	Percentage implementation of Corporate findings / actions implemented by 30 June 2024.	Nil	100% accumulative implementation of the Audit Action Plan by 30 June 2025	25% implementation of Corporate Services findings in the Audit Action Plan Implemented by 30 September 2024	50% implementation of Corporate Service findings in the Audit Action Plan Implemented by 31 December 2024	75% implementation of Corporate Service findings in the Audit Action Plan Implemented by 31 March 2025	100% implementation Corporate Service findings in the Audit Action Plan Implemented by 30 June 2025	R0.00	Q1 Progress report on audit action plan Q2 Progress report on audit action plan Q3 Progress report on audit action plan Q4 Progress report on audit action plan
Institutional Transformation	CORP17	Develop and maintain effective ICT infrastructure by 30 June 2024	The backup and Wi-Fi network points are in place	Maintenance of ICT Backup and WiFI network. Procurement of Website by 30 June 2025	ICT Backup and Wi-Fi maintenance by 30 September 2024	Maintenance of ICT Backup and WiFI by 31 December 2024	Procurement and implementation of Website by March 2025	N/A	R162 110.	Q1: ICT Backup and Wi-Fi functionality report Q2: ICT Backup and Wi-Fi functionality report Q3: Website Completion Report Q4: N/A
Good Governance	COPR18	Percentage implementation of action plan to mitigate identified risks by 30 June 2024	100% implementation of action plan to mitigate risk	100% implementation of action plan mitigate identified risks by 30 June 2025	25% implementation of action plan mitigate identified risks by 30 September 2024	50% implementation of action plan mitigate identified risks by 31 December 2024	75% implementation of action plan mitigate identified risks by 31 March 2025	100% implementation of action plan mitigate identified risks by 30 June 2024	R0.00	Q1: Risk action plan report with portfolio of evidence Q2: Risk action plan report with portfolio of evidence Q3: Risk action plan report with portfolio of evidence Q4: Risk action plan report with portfolio of evidence

DEPARTMENT	BUDGET AND TREASURY
RESPONSIBLE PERSON	CHIEF FINANCIAL OFFICER

KPA	IDP REF	KPI	BASELINE	ANNUAL TARGET	2024/2025 QUARTERLY TARGET				BUDGET	PORTFOLIO OF EVIDENCE
					Q1	Q2	Q3	Q4		
STRATEGIC OBJECTIVES: Improve financial management of the municipality and revenue management										
Municipal Financial Viability	BTO1	No of additional revenue streams added Monthly Billing for municipal services and rates by 30 June 2025	Updated General Valuation Roll	Completed new General Valuation Roll 12 Monthly Billing by 30 June 2025	25% of General valuation roll timetable implemented 3 Monthly Billings and Quarterly Reconciliation 30 September 2024	50% of General valuation roll timetable implemented 3 Monthly Billings and Quarterly Reconciliation 31 December 2024	75% of General valuation roll timetable implemented 3 Monthly Billings and Quarterly Reconciliation 31 March 2025	100% of General valuation roll timetable implemented 3 Monthly Billings and Quarterly Reconciliation 30 June 2025	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
	BTO2	% increase revenue collection by 30 June 2025	30% collection Rate (Poor Implementation of Credit Control Policy)	60% Increase in collection rate on current year Billing by 30 June 2025	N/A	N/A	20% increase in collection rate on current year Billing. 50% by 31 March 2025	30% increase in collection rate on current year Billing. 60%	R0.00	Q1 N/A Q2 N/A Q3 Signed collection report Q4 Signed collection report
	BTO3	Increase in revenue Collection Rate Implementation of the Revenue Enhancement Strategy by 30 June 2025	Nil	4 outreach session per annum by 30 June 2025	1 meeting with Rate payers and Businesses by 30 September 2024	1 meeting with Rate payers and Businesses by 31 December 2024	1 meeting with Rate payers and Businesses by 31 March 2025	1 meeting with Rate payers and businesses by 30 June 2025	R0.00	Q1 Invite , attendance register and minutes Q2 Invite , attendance register and minutes Q3 Invite , attendance register and minutes Q4 Invite , attendance register and minutes
	BTO4	Reduction of UIFWE by 30 June 2025	R188,682,815	MPAC processing of 30% OLD by 30 June 2025	N/A	N/A	N/A	60 % UIFW written off. 60% of Historical UIFWE Reduction by 30 June 2025	R0.00	Q1 N/A Q2 N/A Q3 N/A Q4 MPAC Report with amounts writing off UIFWE

Municipal Financial Viability	BTO5	Number of mSCOA Steering Committee meetings by 30 June 2025	4 mSCOA Steering Committee meetings	12 mSCOA Steering Committee meetings held by 30 June 2025	3 mSCOA Steering Committee meetings held by 30 September 2024	3 mSCOA Steering Committee meetings held by 31 December 2024	3 mSCOA Steering Committee meetings held by 31 March 2025	3 mSCOA Steering Committee meetings held by 30 June 2025	R0,00	Q1: Attendance register and mSCOA progress report Q2: Attendance register and mSCOA progress report Q3: Attendance register and mSCOA progress report Q4: Attendance register and mSCOA progress report
	BTO6	Percentage of responsive competitive bids outcomes achieved within 90 days after the closing of bids by 30 June 2024	100% of responsive competitive Bids received to processed within 90 days after closing	100% responsive competitive bids outcomes achieved within 90 days after the closing of bids by 30 June 2025	100% responsive competitive Bids awarded by 30 September 2024	100% responsive competitive Bids awarded by 31 December 2024	100% responsive competitive Bids awarded by 31 March 2025	100% r esponsive competitive Bids awarded by 31 March 2025	R0.00	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
	BTO7	Percentage Reduction in Municipal operational expenditure (fuel costs, telephone costs, catering, employee costs (prioritise critical posts) by 30 June 2025	Nil	10 percent in operational expenditure, (fuel costs, telephone costs, catering, employee costs (prioritise critical posts) by 30 June 2025	N/A	N/A	N/A	10 percent reduction in operational expenditure (compared to prior year figures) by 30 June 2025	R0.00	Q1 N/A Q2 N/A Q3 N/A Q4 Expenditure report on Fuel, Vehicle maintenance, Employee costs, catering, Telephone
	BTO8	Number of Updates municipal asset register by end 30 June 2025	2023/2024 Municipal asset Register	4 Updates of the municipal asset register by end 30 June 2025	1 Quarterly Report on the update of the municipal asset register (addition & disposals) by 30 September 2023	1 Quarterly Report on the update of the municipal asset register (addition & disposals) by 31 December 2023	1 Quarterly Reports on the update of the municipal asset register by (addition & disposals) 31 March 20234	1 Quarterly Reports on the update of the municipal asset register by (addition & disposals) 30 June 2024	R0.00	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
	BTO9	Submitted AFS by 31 August 2024	2024/2025 submission of AFS to AG	Set of annual financial statements submitted to the AG by 31 August 2024	Submit AFS by 31 August 2024	N/A	N/A	N/A	R0.00	Q1 confirmation of submission of AFS 2023 Q2 N/A Q3 N/A Q4 N/A

Municipal Financial Viability	BTO10	Percentage of subsidized indigents households registered by 30 June 2025	2024/25 update indigent register	Subsidization of 100% of registered indigents households by 30 June 2025	Confirmation report of updated indigent register signed by CFO by 30 September 2024	Confirmation report of updated indigent register signed by CFO (Forms and actual register will be available on request 31 December 2024	Confirmation report of updated indigent register signed by CFO (Forms and actual register will be available on request) by 31 March 2025	Confirmation report of updated indigent register signed by CFO (Forms and actual register will be available on request by 30 June 2025	R0.00	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)
	BTO11	Increase in Cash backed reserves by 30 June 2025	No cash backed reserves	R 2000 000m per annum at year end by 30 June 2025	R 1 250 000m 250 000 reserved by 30 September 2024	R1500 000 reserved by 31 December 2024	R1750 000 reserved by 31 March 2025	R2 million reserved by 30 June 2025	R0.00	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
GGP	BTO 12	Number of BTO audit findings / actions implemented by 30 June 2025.	Nil	100% accumulative Implementation of the Audit Action Plan by 30 June 2024	25% implementation of BTO findings in the Audit Action Plan Implemented by 30 September 2024	50% implementation of BTO findings in the Audit Action Plan Implemented by 31 December 2024	75% implementation of BTO findings in the Audit Action Plan Implemented by 31 March 2025	100% implementation of BTO audit findings in the Audit Action Plan Implemented by 30 June 2025	R0,00	Q1 Progress report on audit action plan Q2 Progress report on audit action plan Q3 Progress report on audit action plan Q4 Progress report on audit action plan
Municipal Financial Viability	BTO13	Number of MFMA compliance reports submitted by 30 June 2025	12 reports	Preparation and Submission of 12 Section 71 reports submitted to Mayor, Provincial Treasury and National Treasury by 30 June 2024	Submission of 3 Section 71 reports to Mayor, Provincial Treasury, National Treasury by 30 September 2023	Submission of 3 Section 71 reports to Mayor, Provincial Treasury, National Treasury by 31 December 2023	Submission of 3 Section 71 reports to Mayor, Provincial Treasury, National Treasury by 31 March 2024	Submission of 3 Section 71 reports to Mayor, Provincial Treasury, National Treasury by 30 June 2024	R0.00	Q1: Section 71 reports & proof of submission Q2: Section 71 reports & proof of submission Q3: Section 71 reports & proof of submission Q4: Section 71 reports & proof of submission

	BTO14	Number of MFMA compliance reports submitted by 30 June 2025	4 reports	Preparation and submission of 4 Section 52(d) reports submitted to Mayor, Provincial Treasury and National Treasury by 30 June 2024	Preparation and submission of 1 Section 52 reports submitted to Mayor, Provincial Treasury and National Treasury by 30 September 2024	Preparation and submission of 1 Section 52 reports submitted to Mayor, Provincial Treasury and National Treasury by 31 December 2024	Preparation and submission of 4 Section 52 reports submitted to Mayor, Provincial Treasury and National Treasury by 31 March 2025	Preparation and submission of 4 Section 52 reports submitted to Mayor, Provincial Treasury and National Treasury by 30 June 2025	R0.00	Q1: Section 52 report & proof of submission Q2: Section 52 report & proof of submission Q3: Section 52 report & proof of submission Q4: Section 52 report & proof of submission
	BTO15		1 report	Prepare and submit a Section 72 report to Council by 25 January 2025	N/A	N/A	Submit a Mid-Term report by 25 January 2025	N/A	R0.00	Q1: N/A Q2: N/A Q3: Mid-Term report and proof of submission Q4: N/A
MFV	BTO16	Number of days taken to pay service providers by 30 June 2025	4 quarterly reports	30 days taken to pay service providers by 30 June 2025	30 days taken to pay service providers by 30 September 2024	30 days taken to pay service providers by 31 December 2024	30 days taken to pay service providers by 31 March 2025	30 days taken to pay service providers by 30 June 2025	R0.00	Q1: Invoice register, creditors age analysis and proof of payment Q2: Invoice register, creditors age analysis and proof of payment Q3: Invoice register, creditors age analysis and proof of payment Q4: Invoice register, creditors age analysis and proof of payment
Good Governance & Publ	BTO017	Percentage implementation of action plan to mitigate identified risks by 30 June 2025	Nil	100% implementation of action plan mitigate identified risks by 30 June 2025	25% implementation of action plan mitigate identified risks by 30 September 2024	25% implementation of action plan mitigate identified risks by 31 December 2024	25% implementation of action plan mitigate identified risks by 31 March 2025	25% implementation of action plan mitigate identified risks by 30 June 2025	R0.00	Q1: Risk action plan report with portfolio of evidence Q2: Risk action plan report with portfolio of evidence Q3: Risk action plan report with portfolio of evidence Q4: Risk action plan report with portfolio of evidence

DEPARTMENT	COMMUNITY SERVICES
RESPONSIBLE PERSON	DIRECTOR COMMUNITY SERVICES

KPA	IDP REF	KPI	BASELINE	ANNUAL TARGET	2024/2025 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	Implementation of IWMP by 30 June 2025	Endorsed IWMP	3 programs to be implemented by 30 June 2025	Develop a database of all clinics, medical facilities, commercial wholesalers, abattoirs, vehicle repair centres, etc., and monitor the safe disposal of their waste by 30 September 2024	Establish communal waste collection points at strategic points within the currently un-serviced and inaccessible townships and informal settlements by 30 December 2024	-Enter a public-private partnership contract for the operation of Buy-Back Centre by 31 March 2025 2025	N/A	R 200 000	Q1 Copy of database Q2 Report signed by HOD and Photos of strategic collection points. Q3 Report signed by HOD Q4 N/A
	COM02	Number of businesses waste collected by 30 June 2025.	Refuse is collected in businesses for Cala & Khowa	Collection of refuse 1000 businesses for Khowa and Cala towns by 30 June 2024	Collection of refuse in 250 businesses for Khowa and Cala towns by 30 September 2024	Collection of refuse in 250 businesses for Khowa and Cala towns 31 December 2024	Collection of refuse in 250 businesses for Khowa and Cala towns by 31 March 2025	Collection of refuse in 250 businesses for Khowa and Cala towns by 30 June 2025	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.

										Q4 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	COM04	Procurement of household waste bins by June 2025	400 Household waste bins procured in year 2023/2024	400 household waste bins procured by 30 June 2025.	Advertisement and appointment of service provider by 30 September 2024.	N/A	Delivery of household waste bins.	Bins distributed to households.	R450 00 000	Q 1 Copy of advert & appointment letter Q2 N/A Q3 Delivery note Q4 Distribution list
	COM03	Number of households, waste collected by 30 June 2025.	Refuse is collected in households, Cala & Khowa	Collection of refuse in 10000 households for Khowa and Cala by 30 June 2024	Collection of refuse in 2500 households for Khowa and Cala by 30 September 2024	Collection of refuse in 2500 households for Khowa and Cala by 31 March 2025	Collection of refuse in 2500 households for Khowa and Cala by 31 March 2025	Collection of refuse in 2500 households for Khowa and Cala by 30 June 2025	R0.00.00	**Q1** Weekly refuse collection schedule reflecting number o households 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 households 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 households refuse collected signed by supervisor. 3 monthly reports reflecting number of businesses refuse collected for monthly by Manager. Quarterly Report signed by HOD. **Q4** Weekly refuse collection schedule reflecting number of households refuse collected signed by supervisor. 3 monthly reports reflecting number of businesses refuse collected for monthly by Manager. Quarterly Report signed by HOD.

	COM04	Number of Waste Management Awareness Campaigns in Cala and Khowa by 30 June 2025	4 Waste Management Awareness Campaigns.	8 Waste Management Awareness Campaigns in Cala and Khowa by 30 June 2025	2 Waste Management Awareness Campaign (1 Cala & 1 Khowa) by 30 September 2024	2 Waste Management Awareness Campaign (1 Khowa& 1 Cala) by 31 December 2024	2 Waste Management Awareness Campaign (1 Cala & 1 Khowa) by 31 March 2025	2 Waste Management Awareness Campaign (1 Cala & Khowa by 30 June 2025	R50 000.00	**Q1** Attendance register and photos **Q2** Attendance register and photos **Q3** Attendance register and photos **Q4** Attendance register and photos.
Basic Service Delivery	COM05	Development of Community Safety Plan by 30 June 2025	Community Safety Committee established.	Community Safety Plan developed by 30 June 2025	Planning Community Safety Forum meeting. -Introducing Community Safety Forum to the SLM wards. by 30 September 2024	Draft of Community Safety Plan -Submitting the plan to council by 31 December 2024.	Final Community Safety Plan submitted to Council by 31 March 2025	Implementation of the Community Safety Plan by 30 June 2025	R 200 000.00	**Q1** Attendance register & Minutes for CSF meeting. Attendance registers for wards visited. **Q2** Copy of Draft of Community Safety Plan **Q3** Copy of Community Safety Plan, Council resolution. Q4 Report signed by HOD on implementation of the CSP.
	COM 06	Fencing of 2 Cemeteries by June 2025	2 Cemetery fenced out of 6 in SLM	2 Cemeteries fenced by 30 June 2025	Drafting of specification document. Advertisement for service provider, by 30 September 2024	-Appointment of service provider -Service provider on site, by December 2024	1 Cemetery fencing complete, by 31March 2025	1 Cemetery fencing completed, by June 2025	R390 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 2025	800 Tickets fines issued in year 2023/2024	880 Ticket fines issued by Traffic section: 30 June 2025	220 Tickets fines issued by 30 September 2024	220 Tickets fines issued by 31 December 2024	220 Tickets fines issued by 31 March 2025	220 Tickets fines issued by 30 June 2025	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 30 June 2025	2 Traffic Awareness Campaigns	2 Traffic Awareness Campaigns by 30 June 2025	N/A	1 Traffic Awareness Campaign by 31 December 2024	1 Traffic Awareness Campaign by 31 March 2025	N/A	R50 000	Q1 N/A Q2 Attendance register and photos Q3 Attendance register and photos Q4 N/A
	COMM 09	Landfill site maintenance by 30 June 2025		Landfill site maintained by 30 June 2025	Landfill site maintained by 31 December 2024	Landfill site maintained by 31 December 2024	Landfill site maintained by 31 March 2025	Landfill site maintained by 30 June 2025	R400 000	Q1- Before and after photos -Report signed by HOD 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

Financial Viability	COM10	Number of mSCOA Steering Committee meetings by 30 June 2025	4 mSCOA Steering Committee meetings	12 mSCOA Steering Committee meetings held by 30 June 2025	03 mSCOA Steering Committee meetings held by 30 September 2024	03 mSCOA Steering Committee meetings held by 31 December 2024	03 mSCOA Steering Committee meetings held by 31 March 2025	03 mSCOA Steering Committee meetings held by 30 June 2025	R0,00	Q1: Attendance register and mSCOA progress report Q2: Attendance register and mSCOA progress report Q3: Attendance register and mSCOA progress report Q4: Attendance register and mSCOA progress report
GGP	COM 11	Percentage of Community Services findings / actions implemented by 30 June 2025.	Nil	100% accumulative Implementation of the Audit Action Plan by 30 June 2025	25% implementation of Community Services findings in the Audit Action Plan Implemented by 30 September 2024	50% implementation of Community Services findings in the Audit Action Plan Implemented by 31 December 2024	75% implementation of Community Services findings in the Audit Action Plan Implemented by 31 March 2025	100% implementation of Community Services findings in the Audit Action Plan Implemented by 30 June 2025	R0.00	Q1 Progress report on audit action plan Q2 Progress report on audit action plan Q3 Progress report on audit action plan Q4 Progress report on audit action plan
	COMM12	Development of Disaster Management Plan by 30 June 2025	Nil	Assessment conducted by 30 June 2025	Final assessment report submitted to Council by 30 September 2024	Draft Disaster Management Plan developed by 31 December 2024	Final Disaster Management Plan 31 March 2025	Final Disaster Management Plan approved by Council by 30 June 2025	R0.00	Q1: Signed Report on list of areas covered by assessment conducted. Q2: Copy of final assessment report. Q3: Copy of draft Disaster Management Plan Q4: Copy of approved Final Disaster Management Plan approved by council. Copy of Council Resolution.
	COM13	Percentage implementation of action plan to mitigate identified risks by 30 June 2024	Nil	100% implementation of action plan mitigate identified risks by 30 June 2024	25% implementation of action plan mitigate identified risks by 30 September 2024	25% implementation of action plan mitigate identified risks by 31 December 2024	25% implementation of action plan mitigate identified risks by 31 March 2025	25% implementation of action plan mitigate identified risks by 30 June 2025	R0.00	Q1: Risk action plan report with portfolio of evidence Q2: Risk action plan report with portfolio of evidence Q3: Risk action plan report with portfolio of evidence Q4: Risk action plan report with portfolio of evidence
BSD	COM 14	Fencing of Khowa Monument Park by 30 June 2025.	Monument park not fenced	Monument Park completed by 30 June 2025	Procurement process completed by 30 September 2024	N/A	Contactor on site by 31 March 2025	Fencing completed by 30 June 2025	R350 000.00	Q1 Copy of appointment letter Q2 N/A Q3 Progress report on audit action plan Q4 Progress report on audit action plan
BSD	COM 15	Maintenance and cleaning of landfill site by 30 June 2025.	4 Quarterly Report on maintenance	Landfill site maintained and cleared by 30 June 2025	1 Report on maintenance and cleaning of landfill site by 30 September 2024	1 Report on maintenance and cleaning of landfill site by 31 December 2024.	1 Report on maintenance and cleaning of landfill site by 31 March 2025	1 Report on maintenance and cleaning of landfill site by 30 June 2025		Q1 Report signed by HOD and photographs. Q2 Report signed by HOD and photographs. Q3 Report signed by HOD and photographs. Q4 Report signed by HOD and photographs.

DEPARTMENT				TECHNICAL SERVICES						
RESPONSIBLE PERSON				DIRECTOR TECHNICAL SERVICES						
KPA	IDP REF	KPI	BASELINE	ANNUAL TARGET	2024/2025 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 Koppitjie Access Road Phase 3 by 30 June 2025.	0.8km done in 2024	0.8km paved on Construction Qokolo to Koppitjie Access Road Phase 3 by 30 June 2025	Appointment of plant hire and procurement of material by 30 September 2024	Processing of 0.4km of G5 layer by 31 December 2024	0.8km of paved road by 31 March 2025	N/A	R 3 670 350.00	Q1 Appointment of plant hire and delivery notes Q2 Progress report with date stamped pictures Q3 Progress report with pictures and Practical Completion Certificate Q4 N/A
	TECH02	Number of km's Construction Elliot Surfaced Internal Street by 30 June 2025.	None	1.km of paved road on Construction Elliot Surfaced Internal Street by 30 June 2025	Roadbed preparation and base layer by 30 September 2024	0.5Km of Kerbing and Paving block laying by 31 December 2024	0.5Km of Kerbing and Paving block laying by 31 March 2025	N/A	R 5 803 450.00	Q1 Progress Report with date stamped photos Q2 Progress report with pictures Q3 Progress report with pictures and Practical Completion Certificate Q4 N/A
	TECH03	Number of km's re-gravelling on Construction of Manzana A Access Road by 30 June 2025.	None	3.34Km re-gravelling on Construction of Manzana Access Road gravel road done by 30 June 2025	3.34Km of Roadbed preparation and Base layer done by 31 September 2024.	3.34Km of wearing course completed by 31 December 2024	Practical completion by 31 March 2025	N/A	R 4 732 000.00	Q1 Progress report with date stamped pictures Q2 Progress report with date stamped pictures Q3 Practical completion Q4 N/A
	TECH 04	Number of km's regravelling on Construction of Askeaton to Panatjiep Access Road by 30 June 2025	None	1.5km gravelling on Construction of Askeaton to Panatjiep Access Road by 30 June 2025	1.5Km of roadbed and base layers by 30 September 2024	1.5Km of wearing course by 31 December 2024	Practical Completion by 31 March 2025	N/A	R 4 994 000.00	Q1 Progress report with date stamped pictures Q2 Progress report with date stamped pictures Q3 Practical completion Q4 N/A
	TECH 05	Number of constructions of Sport Facilities in Construction of Cala Sportfield by 30 June 2025.	None	No. of 1 Construction of Cala Sportfield by 30 June 2025	Installation of underground services to be completed by 30 September 2024	All Base layers Completed by 31 December 2024	Grassing and Line Marking of Field and Athletic Track by 31 March 2025	Practical Completion by 30 June 2025	R 10 000 000.00	Q1 Progress Report with date stamped Photos Q2 Progress Report with date stamped Photos Q3 Progress Report with date stamped Photos Q4 Practical Completion Certificate

Basic Service Delivery	TECH 06	Electrification of households, in Ward 1, 2,3, 6, 7 8 by June 2025	Mthingwevu Phase 2, Zingquthu Phase 2, Manzimahle, Upper Langanci, Ndum-ndum Phase 2, Ekuphumleni Phase 2, New City Phase 2, Polar Park, Gubenxa, Luxeni Phase 2	187 Electrified households by June 2025	Appointment Letter of the service provider, Site Establishment and Purchase the Material by 30 September 2024	Pole Planting, Stringing and connection for 30 households by 31 December 2024	Connection of 157 Households in Ward 1,2,3, 6, and 8 by 31 March 2025	Completion Certificate by 30 June 2025	R 5 140 000.00	Q1: Appointment letter, Progress Report with date stamped photos Q2 Progress Report with date stamped photos Q3: Progress Report with date stamped photos, Q4: Completion Certificate; Happy Letters, PCS file
	TECH07	Maintenance of Electricity infrastructure by 30 June 2025	Khowa Town	100 Street light Khowa by 30 June 2025	Advertisement and Appointment Letter for service provider and Delivery of materials by 30 September 2024	Delivery of the material. Maintenance of 25 streetlights in Khowa by 31 December 2024	Maintenance of 50 streetlights in Khowa by 31 March 2025	Maintenance of 25 streetlights in Khowa by 30 June 2025	R 1 300 000.00	Q1: Advertisement Appointment Letter Q2 Progress Report with photographing images Q3: Progress Report with photographing images Q4: Reports with photographing images
	TECH08	Number of High Mast Lights Maintained in Cala and Khowa by 30 June 2025	Cala and Khowa	Maintenance of 11 Mast Lights in Cala and Khowa High and by 30 June 2025	Advertisement and Appointment Letter for service provider by 30 September 2024	Delivery of the material. 4 High Mast Lights maintained by 31 December. 2024	7 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
	TECH09	Number of High Mast Lights Refurbishment in Cala/Khowa by 30 June 2025	Khowa/Cala	Refurbishment of 1 High Mast Light in Khowa/Cala	Advertisement and Appointment Letter for service provider by 30 September 2024	Refurbishment of the 1 Mast Lights by 31 December 2024	Completion Certificate by 31 March 2025	N/A		Q1: Advertisement Appointment Letter Q2 Progress Report with photographing images Q3: Completion Certificate Q4: N/A
	TECH10	Maintenance of Electricity infrastructure by 30 June 2025	Khowa Town	Maintenance LV by changing 600m of LV (Low Voltage) bare wire to ABC (Aerial bundle conductor)	Advertisement and Appointment Letter for service provider by 30 September 2024		Maintenance LV by changing 300m of LV (Low Voltage) bare wire to ABC (Aerial bundle conductor) by 31 March 2025	Maintenance LV by changing 300m of LV (Low Voltage) bare wire to ABC (Aerial bundle conductor) by 30 June 2025		Q1: Advertisement Appointment Letter Q2.N/A Q3: Progress Report with photographing images Q4: Progress Report with photographing images
	TECH11	Kms of roads maintained in all Wards by 30 June 2025	20km of road maintained	Maintenance of 27km of roads in Cala and Khowa by 30 June 2025	Maintenance of 3km in Ward 1, 3km in Ward 2 and 3km in Ward 8 by 30 September 2024	Maintenance of 3km in Ward 6, 3km in Ward 9 and 3km in Ward 7 by 31 December 2024	Maintenance of 3km in Ward 3, 3km in Ward 4 and 3km in Ward 5 by 31 March 2025	N/A	R2 376 024	Q4: Reports with photographing images Q2: Progress report with photos Q3: Progress report with photos Q4: N/A

Basic Service Delivery	TECH12	Kms of roads rehabilitated in Jonini, Ngcangcazela & Polar Park by 30 June 2024	Nil	5Km of Gravel Road Base to be rehabilitated in Jonini (2Km), Ngcangcazela(2km) and Polar Park(1Km) by 30 June 2024	5Km base layer and Wearing course rehabilitated by 30 September 2024	Practical Completion by 31 December 2024	N/A	N/A	R6 426 000	Q1: Progress Report with Date Stamped Photos Q2: Practical Completion Certificate Q3: N/A Q4: N/A
	TECH13	Kms of roads rehabilitated in Lahlangubo and Sifonondile by 30 June 2024	Nil	2Km of Gravel Road basein Lahlangubo and 1 portal culvert in Sifondile to be rehabilitated by 30 June 2024	2Km gravel road wearing course completed in Lahlangubo and Installation of portal culverts completed in Sifondile by 30 September 2024	Practical Completion by 31 December 2024	N/A	N/A	R4 800 000	Q1: Progress Report with Date Stamped Photos Q2: Practical Completion Certification Q3: N/A Q4: N/A
	TECH14	Kms of roads rehabilitated in Mankazana and Extension 15 by 30 June 2024	Nil	4.4Km of gravel road rehabilitated in Mankazana and Extension 15 by 30 June 2024	4.4Km of gravel road wearing course completed by 30 September 2024	Practical Completion by 31 December 2024	N/A	N/A	R3 600 000	Q1: Progress Report with Date Stamped Photos Q2: Practical Completion Certificate Q3: N/A Q4: N/A
	TECH 15	Number of Culverts Rehabilitated in Luxeni by 30 June 2024	Nil	Construction of 2 base slabs for Portal Culverts in Luxeni by 30 June 2024	Installation of Culverts and approaches completed by 30 September 2024	Practical Completion by 31 December 2024	N/A	N/A	R6 800 000	Q1: Progress Report with date stamped photos Q2: Practical Completion Certificate Q3: N/A Q4: N/A
	TECH16	Kms of roads rehabilitated in Mdantsane by 30 June 2024	Nil	3.4Km of gravel road-base rehabilitated in Mdantsane by 30 June 2024	3.4Km of gravel road wearing course completed by 30 September 2024	Practical Completion by 31 December 2024	N/A	N/A	R3 900 000	Q1: Progress Report with date stamped photos Q2: Practical Completion Certificate Q3: N/A Q4: N/A
	TECH17	Kms of roads rehabilitated in Zingquthu by 30 June 2024	Nil	10.6Km of gravel road-base rehabilitated in Zingquthu by 30 June 2024	10.6Km of gravel road wearing course completed by 30 September 2024	Completion of stormwater and river crossing structures Completed by 31 December 2024	Practical completion by 31 March 2025	N/A	R20 000 000	Q1: Progress Report with date stamped photo Q2: Progress Report with date stamped photo Q3: Practical Completion Certificate Q4: N/A
	TECH18	Number of Culverts Rehabilitated in Ntlanjeni by 30 June 2024	Nil	Construction of Portal Culvert in Ntlanjeni by 30 June 2024	Installation of Portal Culvert by 30 September 2024	Practical Completion by 31 December 2024	N/A	N/A	R1 800 000	Q1: Progress Report with date stamped photos Q2: Practical Completion Q3: N/A Q4: N/A

DEPARTMENT		INTEGRATED PLANNING AND ECONOMIC DEVELOPMENT								
RESPONSIBLE PERSON		DIRECTOR IPED								
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 2025	No of township establishments	1 Township establishment planning phase completed for a township in Khowa by 30 June 2024	Appointment of Service provider by 30 September 2023	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 2025	Nil	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	R321 165	Q1: Appointment Letter Q2: Copy of land use application and provisional diagram Q3: Advert and Signed RoD Q4: Approved SG diagram
	IPED04		Nil	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		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
SP	IPED05		Nil	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 December 2023	Completed Land Use Management Scheme by 31 March 2024	N/A		Q1: Draft Land Use Scheme and Council Resolution Q2 Public participation report Q3 Land Use Management Scheme Q4 N/A

Basic Service Delivery	IPED06	Renovated / Maintained Municipal Building by 30 June 2025	3 municipal buildings	ERF 379 Phase 2 renovated/ maintained by 30 June 2025	Preparation of Terms of Reference by 30 September 2024	Appointment of Service Provider by 31 December 2024	Renovation of Municipal buildings by 31 March 2025	Final completion of Municipal Building Renovation by 30 June 2025	R350 000.00	Q1: Signed Terms of Reference Q2: Advert and Appointment letter Q3: Progress report Q4: Completion Certificate
	IPED07	Renovated / Maintained Municipal Building by 30 June 2025	3 municipal buildings	Burb Veries Phase 2 renovated/ maintained by 30 June 2025	Preparation of Terms of Reference by 30 September 2024	Appointment of Service Provider by 31 December 2024	Renovation of Municipal buildings by 31 March 2025	Final completion of Municipal Building Renovation by 30 June 2025	R200 000.00	Q1: Signed Terms of Reference Q2: Advert and Appointment letter Q3: Progress report Q4: Completion Certificate
	IPED08	Renovated / Maintained Municipal Building by 30 June 2025	3 municipal buildings	Khowa Library Phase 2 renovated/ maintained by 30 June 2025	Preparation of Terms of Reference by 30 September 2024	Appointment of Service Provider by 31 December 2024	Renovation of Municipal buildings by 31 March 2025	Final completion of Municipal Building Renovation by 30 June 2025	R100 000.00	Q1: Signed Terms of Reference Q2: Advert and Appointment letter Q3: Progress report Q4: Completion Certificate
	IPED09	Refurbishment Designs for Khowa Traffic Offices by 30 June 2025	Nil	Approved refurbishment Designs & specifications for Khowa Traffic Offices by 30 June 2025	Preparation of Terms of Reference by 30 September 2024	Appointment of Architect by 31 December 2024	Proposed Concept drawings and 3D renders by 31 March 2025	Approval of Designs and Specifications by 30 June 2025	R 80 000.00	Q1: Signed Terms of Reference Q2: Advert and Appointment letter Q3: Layout designs & 3D renders Q4: Approved building plans.
	IPED10	Renovated/ maintained Municipal Hall renovated by 30 June 2025	5 Municipal Halls	Masibambane Phase 2 renovated/ maintained by 30 June 2025	Preparation of Terms of Reference by 30 September 2024	Appointment of Service Provider by 31 December 2024	Renovation of Municipal halls by 31 March 2025	Completion of Municipal Halls Renovation by 30 June 2025	R300 000.00	Q1: Signed Terms of Reference Q2: Advert and Appointment letter Q3: Progress report Q4: Completion certificate
	IPED11	Renovated/ maintained Municipal Hall renovated by 30 June 2025	5 Municipal Halls	Cala Indoor Sports Centre renovated/ maintained by 30 June 2025	Preparation of Terms of Reference by 30 September 2024	Appointment of Service Provider by 31 December 2024	Renovation of Municipal halls by 31 March 2025	Completion of Municipal Halls Renovation by 30 June 2025	R150 000.00	Q1: Signed Terms of Reference Q2: Advert and Appointment letter Q3: Progress report Q4: Completion Certificate
	IPED12	Renovated/ maintained Municipal Hall renovated by 30 June 2025	5 Municipal Halls	renovated/ maintained by 30 June 2025	Preparation of Terms of Reference by 30 September 2024	Appointment of Service Provider by 31 December 2024	Renovation of Municipal halls by 31 March 2025	Completion of Municipal Halls Renovation by 30 June 2025	R100 000.00	Q1: Signed Terms of Reference Q2: Advert and Appointment letter Q3: Progress report Q4: Completion Certificate
SP	IPED013	Number of contravention notices for Building legislation handed over to corporate services for delivery by 30 June 2025	26 Contravention notices	40 Contravention notices issued by 30 June 2025	National Building Regulation Contravention awareness in Cala and Khowa by 30 September 2024	20 contravention notices given to Corporate Services for delivery by 31 December 2024	National Building Regulation Contravention awareness in Cala and Khowa by 31 March 2025	13 contravention notices given to Corporate Services for delivery 30 June 2025	R0.00	Q1: Public Invite and Attendance Register Q2: 13 Contravention notices Q3: 13 Contravention notices Q4: Public Invite and Attendance Register

	IPED014	Number of SMME Development Programs by 30 June 2025	Nil	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
Local Economic Development	IPED015	Number of Co-operatives established and supported by 30 June 2025	Nil	9 Co-operatives established and supported by 30 June 2024	9 Co- operatives established by 30 September 2023	9 Co- operatives supported in cooperative governance by 31 December 2023	9 Co- operatives supported in Business and Financial Management by 31 March 2024	N/A	R0.00	Q1: Report and Attendance Register Q2: Report and Attendance Register Q3: Report and Attendance Register Q4: N/A
	IPED016	Number of Co-ordinated Agricultural forum meetings by 30 June 2025	Nil	4 Co-ordinated Agricultural forum meetings by 30 June 2024	1 Co-ordinated Agricultural forum meeting by 30 September 2023	1 Co-ordinated Agricultural forum meeting by 31 December 2023	1 Co-ordinated Agricultural forum meeting by 31 March 2024	1 Co-ordinated Agricultural forum meeting by 30 June 2024	R0.00	Q1:Signed report , Attendance Register and Minutes Q2: Signed report , Attendance Register and Minutes Q3: Signed report , Attendance Register and Minutes Q4: Signed report , Attendance Register and Minutes
	IPED017	Number of Local Tourism Organisation meetings by 30 June 2025	Nil	4 Number of Local Tourism Organisation meetings by 30 June 2024	Election and Induction of Local Tourism Organisation structure by 30 September 2023	1 Meeting of Local Tourism Organisation structure by 31 December 2023	1 Meeting of Local Tourism Organisation structure by 31 March 2024	1 Meeting of Local Tourism Organisation structure by 30 June 2024	R0.00	Q1:Signed report Election and Induction, Attendance Register Q2: Signed report , Attendance Register Q3: Signed report , Attendance Register Q4: Signed report , Attendance Register
Local Economic Development	IPED018	Number of meetings(LRC) held for CWP monitoring by 30 June 2025	Nil	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
	IPED019	Number of business plans submitted for funding of LED projects 30 June 2025	Nil	2 business plans submitted for LED projects by June 2024	Draft business plans for funding two LED Projects 30 September 2023	Submit signed business plans to potential funder by 31 December 2023	N/A	N/A	R0.00	Q1 Draft business plans Q2 Signed business plans and proof of submission Q3 None Q4 None
	IPED20	% of emergency housing application submitted to the Department of Human Settlement by 30 June 2025	Nil	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
Good Financial Viability	IPED21	Number of mSCOA Steering Committee meetings June 2025	4 mSCOA Steering Committee meetings	12 mSCOA Steering Committee meetings held by 30 June 2024	03 mSCOA Steering Committee meetings held by 30 September 2023	03 mSCOA Steering Committee meetings held by 31 December 2023	03 mSCOA Steering Committee meetings held by 31 March 2024	03 mSCOA Steering Committee meetings held by 30 June 2024	R0,00	Q1: Attendance register and mSCOA progress report
										Q2: Attendance register and mSCOA progress report
										Q3: Attendance register and mSCOA progress report
										Q4: Attendance register and mSCOA progress report
GGP	IPED22	Percentage implementation of IPED audit findings / actions implemented by 30 June 2025.	No implementation of the Audit Action Plan	100% accumulative Implementation of the Audit Action Plan by 30 June 2024	25% implementation of IPED audit findings in the Audit Action Plan Implemented by 30 September 2023	50% implementation of IPED audit findings in the Audit Action Plan Implemented by 31 March 2023	75% implementation of IPED audit findings in the Audit Action Plan Implemented by 31 March 2024	100% implementation of IPED findings in the Audit Action Plan Implemented by 30 June 2024	R0.00	Q1 Progress report on audit action plan
										Q2 Progress report on audit action plan
										Q3 Progress report on audit action plan
										Q4 Progress report on audit action plan
	IPED26	Percentage implementation of action plan to mitigate identified risks by June 2025	Nil	100% implementation of action plan mitigate identified risks by 30 June 2024	25% implementation of action plan mitigate identified risks by 30 September 2023	25% implementation of action plan mitigate identified risks by 31 December 2023	25% implementation of action plan mitigate identified risks by 31 March 2024	25% implementation of action plan mitigate identified risks by 30 June 2024	R0.00	Q1: Risk action plan report with portfolio of evidence
										Q2: Risk action plan report with portfolio of evidence
										Q3: Risk action plan report with portfolio of evidence
										Q4: Risk action plan report with portfolio of evidence

Annexure C. 2022-2023 Auditor General Report

Report of the auditor-general to Eastern Cape Provincial Legislature and the council of the Sakhisizwe Local Municipality

Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of the Sakhisizwe Local Municipality set out on pages …to …, which comprise the statement of financial position as at 30 June 2023, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, except for the possible effects of the matter described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the Sakhisizwe Local Municipality as at 30 June 2023, its financial performance and cash flows for the year ended 30 June 2023 in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No.56 of 2003) (MFMA), and the Division of Revenue Act of South Africa 2022 (Act No. 5 of 2022) (Dora).

Basis for qualified opinion

Property, plant and equipment

3. I was unable to obtain sufficient appropriate audit evidence for property, plant and equipment, as I was unable to confirm existence of the infrastructure assets due to assets being recorded with duplicate coordinates. I was unable to confirm these physical assets by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to property, plant and equipment stated at R247,7 million (2022: R235,9 million), and depreciation and amortisation stated at R8,8 million (2022: R8,5 million) in the statement of financial performance and note 27 the financial statements.

Context for opinion

4. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.

5. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of matters

7. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Restatement of corresponding figures

8. As disclosed in note 42 to the financial statements, the corresponding figures for 30 June 2022 were restated as a result of an error in the financial statements of the municipality and for the year ended, 30 June 2023.

Electricity distribution losses

9. As disclosed in note 44 to the financial statements, material electricity losses of R3,4 million (2021-22: R0,7 million) was incurred, which represents 20% (2021-22: 5%) of total electricity purchased.

Other matters

10. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited disclosure notes

11. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

Responsibilities of the accounting officer for the financial statements

12. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the GRAP and the requirements of the MFMA; and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

13. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

14. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but

is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

15. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

16. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected development priorities presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

17. I selected the following development priority presented in the annual performance report for the year ended 30 June 2023 for auditing. I selected a development priority that measures the municipality's performance on its primary mandated functions and that are of significant national, community or public interest.

Development priority	Page numbers	Purpose
Basic services delivery	XX	Decrease roads and storm water infrastructure and electricity backlog by 10% by 2027 and beyond

18. I evaluated the reported performance information for the selected development priority against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the municipality's planning and delivery on its mandate and objectives.

19. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated

- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner
- there is adequate supporting evidence for the achievements reported and for the measures taken to improve performance.

20. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

21. The material findings on the reported performance information for the selected development priority are as follows:

Basic service delivery

22. Material findings reporting paragraphs – per indicator.

Number of households electrified in ward 3,4,5,6 and 8 by 30 June 2023

23. An achievement of 309 was reported against a target of 327. However, the audit evidence did not support this achievement. I could not determine the actual achievement, but I estimated it to be materially less than reported. Consequently, it is likely that the achievement against the target was lower than reported.

Number of km's paved on construction of California Roads and Storm Water Infrastructure phase 3.

24. An achievement of 200 meters was reported against a target of 200 meters. However, the audit evidence showed the actual achievement to be only 22 meters. Consequently, the achievement against the target was lower than reported.

Number of km's construction Elliot surfaced internal street by 30 June 2023

25. An achievement of busy with kerbing was reported in the annual performance report. However, the indicator and target in the approved service delivery and budget implementation plan was 1,1 km's construction of Elliot surfaced internal street by 30 June 2023.

Other matters

26. I draw attention to the matters below.

Achievement of planned targets

27. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- or under achievements/measures taken to improve performance. This information should be considered in the context of the material findings on the reported performance information.

Material misstatements

28. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for basic service delivery. Management did not correct the misstatements and I reported material findings in this regard.

Report on compliance with legislation

29. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the municipality's compliance with legislation.

30. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

31. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the [type of auditee], clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

32. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual financial statements and annual reports

33. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of receivables from exchange transactions, receivables from non-exchange transactions, property, plant and equipment, cash flow statement, statement of comparison of budget and actual amounts and segment information identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records were provided subsequently, but the uncorrected material misstatements and supporting records that could not be provided resulted in the financial statements receiving a qualified audit opinion.

Expenditure management

34. Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.

35. Reasonable steps were not taken to prevent irregular expenditure amounting to R16,4 million as disclosed in note 41 to the annual financial statements, as required by section 62(1)(d) of the MFMA. The majority of the irregular expenditure was caused by the non-compliance with SCM legislation.

36. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R1 million, as disclosed in note 40 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed fruitless and wasteful expenditure was caused by late payment and Sars penalties and interest.

37. Reasonable steps were not taken to prevent unauthorised expenditure amounting to R24,6 million, as disclosed in note 39 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the unauthorised expenditure was caused by impairment losses.

Revenue management

38. Revenue due to the municipality was not calculated on a monthly basis, as required by section 64(2)(b) of the MFMA.

Asset management

39. An effective system of internal control for assets (including an asset register) was not in place, as required by section 63(2)(c) of the MFMA.

Strategic planning and performance

40. The performance management system and related controls were not maintained as it did describe how the performance planning, monitoring, measurement, review, reporting and improvement processes should be conducted, as required by municipal planning and performance management regulation 7(1).

Consequence management

41. Unauthorised expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(a) of the MFMA.

42. Some of the irregular expenditure incurred by the municipality were not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.

43. Fruitless and wasteful expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.

Procurement and contract management

44. Sufficient appropriate audit evidence could not be obtained that invitations to tender for procurement of commodities designated for local content and production, stipulated the minimum threshold for local production and content as required by the 2017 Preferential Procurement Regulations 8(2).

Other information in the annual report

45. The accounting officer is responsible for the other information included in the annual report, which includes the audit committee's report. The other information referred to does not include the

financial statements, the auditor's report and those selected development priorities presented in the annual performance report that have been specifically reported on in this auditor's report.

46. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

47. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected development priorities presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

48. I did not receive the other information prior to the date of the auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

49. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.

50. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified of opinion and, the material findings on the annual performance report and the material findings on compliance with legislation included in this report.

51. Leadership did not adequately discharge its oversight responsibility with regards to the implementation and monitoring of internal controls, which includes adequate document management, to ensure sound financial and performance management and compliance with laws and regulations.

52. Management did not enforce the implementation of processes in place to ensure that financial and performance reports are subjected to credibility testing by internal audit and the audit committee in order to produce reliable financial statements and performance reports as reported information was not always supported and evidenced by reliable information.

53. The municipality' s compliance review and monitoring processes were not effective to ensure compliance with applicable laws and regulations. This contributed to repeat non-compliance findings being reported.

54. Management did not design and implement daily and monthly controls to ensure the financial statements and annual performance report were supported by accurate and complete underlying records.

55. Management did not respond to all the recommendations of the internal audit unit, which affected the effectiveness of the governance structure and resulted in repeat audit findings being raised.

Auditor-General

East London

30 November 2023

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure D. Summary of Audit Action Plan 2022/23 Financial Year

<table>
<tr><th>Summary Of finding</th><th>Directorate</th><th>Suggested Control Improvements</th><th>Progress Status</th><th>Annually</th><th>Due date</th></tr>
<tr><td>During the physical verification of infrastructure assets, it was noted that there were assets that are duplicated as they share the same coordinates. An activity was performed to trace whether those assets are not the same assets that were identified to have duplicate coordinates in the prior year, it was noted that these assets are the same assets that were identified in the prior which resulted in the qualification of infrastructure assets. This has resulted to a limitation misstatement on the infrastructure assets by a projected amount of R7 945 860</td><td>BTO</td><td>Management should ensure that an audit action plan is developed and properly implemented to address the prior year audit findings</td><td>In progress</td><td>Annually</td><td>31 August 2024</td></tr>
<tr><td>1. Differences were noted between the amount disclosed on the financial statements and the supporting schedule submitted with the AFS:
<table><tr><th>Description</th><th>Amount Per AFS</th><th>Amount per schedule.</th><th>In progress</th></tr><tr><td>Authorised operational expenditure</td><td>R 4 052 997.00</td><td>R 4 940 438,83</td><td>In progress</td></tr></table>2. We identified that the commitment balance for the following projects were incorrectly calculated
<table><tr><th>Service Provider</th><th>Commitment as of 30 June 2023 per register</th><th>Recalculated commitments</th><th>In progress</th></tr><tr><td>Sizanane Property Services</td><td>-0.00</td><td>-R 1 885 425,00</td><td>In progress</td></tr></table></td><td>BTO</td><td>Management should ensure that adequate and proper reviews are conducted during preparation of the financial statements so as to ensure that the commitment disclosure note, and the respective register are accurate and complete</td><td>In progress</td><td>Annually</td><td>31 August 2024</td></tr>
<tr><td>The Municipality is not licenced for electricity distribution on the area where the two INEP project were implemented. Therefore, since the municipality is unlicenced in the areas it is constructing the assets on behalf of Eskom, it will be incurring construction costs in terms of GRAP 11 as the asset is built for Eskom. Through assessing and inspection of the fixed asset register (WIP), it is noted that the Municipality has included the electrification project that is in progress as capital assets (WIP) in the statement of financial position as per the table below instead of an expense in the statement of financial performance.
This has resulted to the following.
• overstatement of infrastructure assets by a factual amount of R7 368 390 (2022: R4 060 189)</td><td>BTO</td><td>Management should ensure that they apply the requirements of GRAP 11 for transactions relating to INEP grant. The expenditure incurred to date on the INEP grant must be reclassified from fixed assets to expenditure.</td><td>In progress</td><td>Annually</td><td>31 August 2024</td></tr>
<tr><td>The municipality has incorrectly disclosed the claim against Ntsiki Pakade attorneys as part of its contingent assets. However, this matter has already been recognised in financial position of the municipality as a receivable under other receivables, as the attorneys have an obligation to pay back the municipality the funds transferred to them.</td><td>BTO</td><td>Management should ensure that only the liabilities that meet the definition of financial liabilities are included and disclosed as the financial</td><td>In progress</td><td>Annually</td><td>31 August 2024</td></tr>
</table>

<table>
<tr><td>Furthermore, the amount does not meet the definition of contingent asset. Therefore, the municipality has double counted for this amount on their financial statements.</td><td></td><td>instruments in the financial statements.</td><td></td><td></td><td></td></tr>
<tr><td>Remaining useful lives of 18 years for both sites: The experts used in the current year relied on EMS report (report of the previous expert) and only reduced by one year to obtain the estimated useful lives. However, the OPES report does not engage with the appropriateness of the 18 years.

Discount rate of 12.62%: The experts relied on the discount rate which was used by EMS report from last year. The report seems not to consider that the long-term bond yield rate as at 30 June 2022 would differ from the long term bond yield rate as at 30 June 2023. Furthermore, the report does not engage on the appropriateness of the adjusting considerations relating specifically to both sites.

CPI was determined based on JSE bond rates: The experts have indicated the need to use a forward-looking percentage rate and that the rate obtained from Stats SA is retrospectively looking and as such does not reflect investors' future expectations. The OPES report does not engage on the impact of such in the opening balance as EMS report for the financial year ended 30 June 2022 relied on the CPI rate from Stats SA.

Balance of change in provision of obligation of R2 370 842: Per the OPES report, the amount relating to balance of change in provision of obligation is made up of effect of change in discount rate, change in engineering priced quotations and assumptions and Changes in site lives, based on more accurate statistics.

Interest cost of R1 638 919: The interest cost determined as per the OPES report is the same interest charge for the financial year ended 30 June 2022. Such is not reasonable especially as the experts relied on the closing balance from last year.
This has resulted to auditors not been able to rely on the work of management experts. Furthermore, this has resulted to a material limitation on provisions disclosed in financial statements amounting to R20 115 400. Consequently, the accuracy of the finance cost relating to landfill site amounting R1 638 919 and actuarial losses amounting to R2 370 842 could not be confirmed.</td><td>BTO</td><td>Management should ensure that a proper assessment of the legal matters is conducted to ensure that correct classification of the contingent assets.</td><td>In progress</td><td>Annually</td><td>31 August 2024</td></tr>
<tr><td colspan="4">During the audit of the allowance for doubtful debts, differences were identified between management's calculation of the allowance and the auditor's recalculations:
<table><tr><th>Service charge debtor type</th><th>Managements Impairment Provision</th><th>Recalculated Impairment Provision</th><th>In progress</th></tr><tr><td>Property Rates</td><td>3 186 319,00</td><td>3 233 833,58</td><td>In progress</td></tr><tr><td>Refuse</td><td>3 910 023,29</td><td>3 933 951,54</td><td>In progress</td></tr><tr><td>Electricity</td><td>379 580,30</td><td>465 991,87</td><td>In progress</td></tr><tr><td></td><td>7 475 922,59</td><td>7 633 776,99</td><td>In progress</td></tr></table></td><td>BTO</td><td>Management should ensure that proper reviews are conducted during preparation of the financial statements to ensure that the financial records are accurate and complete.</td><td>In progress</td><td>Annually</td><td>31 August 2024</td></tr>
</table>

The finding has resulted to the following projected misstatements: • overstatement of property rates receivables by a material amount of R1 528 912 • overstatement of refuse receivables by an amount of R833 688 • overstatement of electricity receivables by a material amount of R3 984 944 • understatement of debt impairment by a material amount of R6 347 544					
During the audit of the cash flow statement for the year ended 30 June 2023, differences were noted between the cash flow statement and recalculated amounts: The impact of the above is as follows: 2022/23 cash flow statement ⍰ Net cash flows from operating activities are misstated by R18 764 927 ⍰ Net cash flows from investing activities are materially misstated by R2 096 820 ⍰ Reconciliation of net cash flows from operating activities to surplus is materially misstated by R9 091 691 2021/22 cash flow statement (comparatives) ⍰ Net cash flows from operating activities are materially misstated by R21 385 627 ⍰ Net cash flows from investing activities are materially misstated by R6 474 199 ⍰ Reconciliation of net cash flows from operating activities to surplus is materially misstated by R26 437 844 The finding could potentially result in a material non-compliance with the provisions of the MFMA. This may result to modification of audit opinion as the above misstatements are material.	**BTO**	Management should properly review the assumptions used in determining the provision liability considering the reasonability and the sources used to obtain the inputs.	**In progress**	**Annually**	**31 August 2024**
During physical verification of infrastructure assets, it was noted that the sampled electrical infrastructure assets to the value of R1 583 188 do not belong to the municipality, however they were included in the fixed asset register of the municipality. This infrastructure could not be verified due the fact that it does not belong to the municipality. Furthermore, the assets were not known by the municipal official responsible for verification such that it was impractical to verify those assets. The finding has resulted to an overstatement of the infrastructure assets by a projected amount of R2 585 551	**BTO**	Management should ensure that the age analysis on 30 June 2023 is used for the assessment. Furthermore, in calculating the recovery rate (payment history percentage) the total receipts amount should be considered	**In progress**	**Annually**	**31 August 2024**
We noted that the disclosure of the reported segment information was inaccurate. There were differences noted between the segment reporting schedule (GL) and Note 45 2. Inconsistencies were identified in the signs used for the amounts disclosed in the Segment Information Note 45 and the Statement of Financial Performance/ Position. 3. The reported segment surplus does not cast. The finding will result to a factual material disagreement misstatement. a) Total segment and non-segment revenue are materially misstated by an amount of R13 990 726 and R246 988 502, respectively b) Total segment and non-segment expenditure are materially misstated by the same amount of R2 993 619 c) Total segment and non-segment assets are materially misstated by R25 057 764 and R24 576 693, respectively.	**BTO**	Management should ensure adequate reviews of the financial statements to ensure information presented is accurate and complete.	**In progress**	**Annually**	**31 August 2024**

<table>
<tr>
<td>During the audit of statement of comparison of budget and actual amounts, we noted the difference between final budget amounts as per statement of budget and approved budget</td>
<td>BTO</td>
<td>Management should ensure that the fixed asset register is properly reviewed to ensure that it only includes assets of the municipality</td>
<td>In progress</td>
<td>Annually</td>
<td>31 August 2024</td>
</tr>
<tr>
<td>During the audit of MFMA disclosure note 44, the following differences were identified:
<table>
<tr><th>Disclosed item</th><th>Amounts per Note 44</th><th>Audited amounts</th><th>Difference</th></tr>
<tr><td>PAYE and UIF</td><td>6 781 571,00</td><td>7 183 274,68</td><td>-401 703,68</td></tr>
<tr><td>Pension and medical aid</td><td>9 003 133,00</td><td>11 272 189,09</td><td>-2 269 056,09</td></tr>
<tr><td>Auditor general of South Africa</td><td>4 515 990,00</td><td>4 605 705,90</td><td>-89 715,90</td></tr>
<tr><td></td><td></td><td></td><td>-2 760 475,67</td></tr>
</table>
</td>
<td>BTO</td>
<td>Management should ensure that proper reviews are conducted during preparation of the financial statements to ensure that the financial records are accurate and complete</td>
<td>In progress</td>
<td>Annually</td>
<td>31 August 2024</td>
</tr>
<tr>
<td>During testing of waste disposal revenue, a random sample of properties was selected from the general valuation roll and traced to the waste disposal billing report to confirm that each property was billed for waste disposal. The following properties were noted to have individual municipal accounts which were not billed for waste disposal during the 2022/23 financial year. It was further established that no actual billing was done for these properties in the prior year. Additional information was sought from management which confirmed that the waste disposal services were provided, and management had recognised the revenue on that basis. However, actual billing to the individual property accounts was not done. Based on the evidence obtained from management, it was established that about 3532 accounts were not billed in the 2022/23 financial year
This has resulted to non-compliance with the provisions of MFMA on revenue management.
In addition, there is a financial loss suffered by the municipality because of the unbilled waste disposal service charges. The municipality has determined the actual amount that should have been billed to be R4 207 980 in the current year and R5 349 749 in the prior year</td>
<td>BTO</td>
<td>Management must ensure that the final budget adjustment figures are used in the preparation of financial statements. In addition, management should ensure that the actual figures used in the statement of comparison of budget and actual are agreed to the figures reported in the financial statements. Furthermore, thorough review of the financial statements should be conducted at different levels to ensure that amounts presented and disclosed are correct.</td>
<td>In progress</td>
<td>Annually</td>
<td>31 August 2024</td>
</tr>
<tr>
<td>During the recalculation testing of distribution losses, it was confirmed that the loss rate is 20% which is above the industry norm of 7% to 10%.</td>
<td>BTO</td>
<td>Management should ensure that Annual financial statement is properly reviewed before submitting them to AGSA.</td>
<td>In progress</td>
<td>Annually</td>
<td>31 August 2024</td>
</tr>
<tr>
<td>There is no evidence that the performance in respect of programmes funded by the EPWP was evaluated within two months after the end of the financial year.</td>
<td>BTO</td>
<td>Management should ensure that the municipality has proper systems in place ensure that the suppliers are paid within 30 days of receiving the invoice to ensure that the municipality comply with the requirements of the MFMA and</td>
<td>In progress</td>
<td>Annually</td>
<td>31 August 2024</td>
</tr>
</table>

<table>
<tr><td></td><td></td><td>does not further incur fruitless and wasteful expenditure in the form of interest and penalties charged on overdue accounts. Where applicable, payment arrangements should be agreed upon with service providers</td><td></td><td></td><td></td></tr>
<tr><td>During the audit of predetermined objectives, the following differences were identified between the listings and the actual performance achievement.
<table>
<tr><th>Reported performance indicator</th><th>Audited the listed</th><th>Reported achievement per APR submitted for audit</th><th>Differences</th></tr>
<tr><td>Number of household electrified in ward 3,4,5,6, and 8 by 30 June 2023</td><td>314</td><td>309</td><td>-5</td></tr>
<tr><td>Number of paved metres on construction of Qokolo to Koppitjie Access road phase 3 by 30 June 2023</td><td>396,6</td><td>398,6</td><td>2</td></tr>
</table></td><td>BTO</td><td>The accounting officer should ensure adequate steps are taken to ensure that all municipal customers are billed for the municipal services provided to them. Furthermore, management should ensure that the billing system is configured for the billing of all accounts for the services provided to the municipal.</td><td>In progress</td><td>Annually</td><td>31 August 2024</td></tr>
<tr><td>While testing the consistency of the Annual Performance Report for the 2022/23 it was noted that the reported achievement as per the APR is not consistent with planned indicator per the SDBIP
<table>
<tr><th>IDP Ref</th><th>Indicator Per SDBIP</th><th>Reported Actual Achievement per the APR</th></tr>
<tr><td>Tech 06</td><td>No of km’s construction Elliot surfaced internal streets by June 2023</td><td>Busy with kerbing</td></tr>
<tr><td>Tech014 A</td><td>No of streetlights maintained in Khowa by June 2023</td><td>Nothing Achieved</td></tr>
<tr><td>Tech014 B</td><td>No of high masts maintained in Cala by June 2023</td><td>Nothing Achieved</td></tr>
<tr><td>Comm0 1</td><td>Licensing of Cala Landfill site by June 2023</td><td>Service provider appointed</td></tr>
<tr><td>Comm0 6</td><td>Construction Cala animal pound by June 2023</td><td>The construction progress is at 60%. There has been delays regarding the construction of pound at Cala. Time lapsed is 80%. Expenditure is at 21%</td></tr>
<tr><td>Comm0 7</td><td>Appointment of Service provider for construction of Khowa animal pound by June 2023</td><td>Specification drafted submitted to supply chain. Advert out for tender</td></tr>
</table></td><td>TECHNICAL</td><td>Management should ensure that there is regular monitoring of losses of electricity to ensure that they are below the industry norm.</td><td>In progress</td><td>Annually</td><td>31 August 2024</td></tr>
</table>

	Comm08	Renovation of Khowa library by June 2023	Specification drafted				
	Comm10	Construction of ablution facilities at Cala Public Park	Specification drafted				
	Comm11	Maintenance of Cala public ablution facilities by June 2023	Specification drafted submitted to supply chain				
	Comm09	Renovation of Cala town hall by June 2023	Specification drafted				
1. It was noted that for the following indicators there was no performance in the previous financial year but in the 2022/23 APR, baseline was reported **IDP ref** / **Reported indicators** TECH05 — Number of km's regravelling on construction km construction of Siphafeni Access Road by 30 June 2023. COMM011 — Maintenance of Cala public ablution facility by 30 June 2023 COMM09 — Renovation of Cala town hall by 30 June 2023 COMM07 — Appointment of service provider for construction of Khowa animal pound by 30 June 2023				**TECHNICAL**	Management should ensure that the municipality is adhering to their applicable legislation and preparing evaluation reports for all conditional grants. Furthermore, information requested for the purpose of audit should be submitted within the agreed upon timeframes	**In progress**	**Annually**	**31 August 2024**
2. Measures taken to improve performance was not disclosed in the APR for the following indicator that was not achieved **IDP ref** / **Reported indicators** TECH011 — Number of household electrified in ward 3,4,5,6, and 8 by 30 June 2023				**TECHNICAL**	Management should regularly reconcile the predetermined objectives schedule to the annual performance report to ensure the information submitted for audit is accurate. Management responsible for reviewing and other supervisory controls over the annual performance report should ensure that final calculations checks and control total checks are performed on the final predetermined objectives schedule before submission for audit	**In progress**	**Annually**	**31 August 2024**
3. It was noted that for the following indicator there was performance in the previous financial year, however in the 2022/23 APR the comparison of the actual performance and targets was not disclosed **IDP ref** / **Reported indicators** TECH011 — Number of household electrified in ward 3,4,5,6, and 8 by 30 June 2023 TECH14B — Number of high masts maintained in Cala by 30 June 2023				**TECHNICAL**	Management should ensure that the annual performance report is reviewed prior to submission for audit. During the review the consistency between the planning and	**In progress**	**Annually**	**31 August 2024**

<table>
<tr><td></td><td></td><td>reporting documents should be assessed</td><td></td><td></td><td></td></tr>
<tr><td>During the audit of indicator TECH011: Number of households electrified in ward 3,4,5,6, and 8 by 30 June 2023, 5 houses from the sampled houses were reported as having been electrified, however, these houses could not be verified due to the following:
• Electricity was connected, but is no longer working
• Electricity was connected, but it never worked since connection
• Three houses could not be verified as they were in one village where there is no access road, the councillor confirmed that connection was done, but not electrified.
Furthermore, it was noted that the municipality relies of the report and completion certificate from the service provider which is not supported by any evidence which confirms that the houses have been electrified. We noted that the municipality does not make use of happy letters to validate the achievement as indicated in the completion certificates by service provider(s)</td><td>TECHNICAL</td><td>Management should ensure that a comparison between the current actual performance and planned targets and prior year performance is presented and disclosed in the APR. Furthermore, management should ensure that for the indicators not achieved in each year, measures that the municipality has taken to improve performance of those indicators is disclosed with the supporting evidence being made available.</td><td>In progress</td><td>Annually</td><td>31 August 2024</td></tr>
<tr><td>During the audit of performance information, the following where issues were identified.
a) The municipality did not submit the IDP to the MEC within 10 days of the amendment of the plan.
b) Performance Management System has been adopted by Council but there is no adherence to the system the municipality</td><td>TECHNICAL</td><td>Management should ensure that verification of the electrified houses is confirmed through obtaining happy letters signed by the beneficiaries confirming that the house has been successfully electrified.</td><td>In progress</td><td>Annually</td><td>31 August 2024</td></tr>
<tr><td>Differences were identified for the following indicators between the reported achievement in the APR and the supporting evidence as per portfolio of evidence (POE)
<table>
<tr><th>IDP ref</th><th>KPI</th><th>Actual achievement as per APR</th><th>Actual achievement as per the supporting evidence</th><th>Variance</th></tr>
<tr><td>TECH14B</td><td>Number of paved metres on construction of Qokolo to Koppitjie Access road phase 3 by 30 June 2023</td><td>398,6m</td><td>398,4m</td><td>0,2m</td></tr>
<tr><td>TECH07</td><td>Number of km's construction of Phakamisani Access Road by 30 June 2023</td><td>320m</td><td>750m (Variance of 20m) – Performance of 410m was reported in the prior year</td><td>20m</td></tr>
<tr><td>TECH013</td><td>Number of km's paved on construction of California Roads and storm water infrastructure phase 3</td><td>200m</td><td>822m (Variance of 178) – Performance of 800m was reported in the prior year</td><td>178m</td></tr>
</table></td><td>TECHNICAL</td><td>The accounting officer should ensure that it submit the IDP to the MEC within 10 days of the amendment of the plan. Furthermore, accounting officer should ensure that the approved performance management system is implemented and complied with.</td><td>In progress</td><td>Annually</td><td>31 August 2024</td></tr>
<tr><td>The municipality does not have consultancy reduction plan/strategy in place</td><td>ALL</td><td>Management should ensure that a consultancy reduction plan is developed, to avoid the</td><td>In progress</td><td>Annually</td><td>31 August 2024</td></tr>
</table>

		over-reliance on the work of consultants			
There is no evidence that the management has performed a skills gap analysis prior to the appointment its consultants used during the current financial year. Furthermore, the performance of consultants is not monitored at least monthly	**ALL**	Management should ensure that skills gap analysis is performed prior to the appointment of consultants. The analysis will assist management in revealing the variances between the existing and required skills levels as well as identifying the best strategies to close the gab or reduce variations. A gap analysis should provide a clear overview of the method and tools used to analyse the gaps such as surveys, results of audits, assessments and checklists and the need for the appointment of consultants	**In progress**	**Annually**	**31 August 2024**
During the audit it was identified that the identical misstatements reported in the previous years were identified during the audit. Also noted that internal audit unit does monitor the Audit Action Plan in place, the issue lies to the management as it does as a result some of the external findings that were identified in the prior years have not yet been corrected.	**IA**	The accounting officer should ensure that the developed action plan is constantly monitored during the financial year to ensure that it is implemented to	**In progress**	**Annually**	**31 August 2024**
While performing the review audit of the general IT controls, the following control deficiencies were identified on the specific focus areas within the IT environment: IT Governance • Noted that the municipality does not have an approved IT governance framework and the IT strategic plan in place	**CORPORATE/ BTO**	Management should ensure that IT policies and procedures are in place and are regularly reviewed and approved to manage the IT environment risks of the municipality. As most of the findings were raised even in prior years, this indicates that management has not taken reasonable steps to action/ implement ways to address the findings. It is therefore recommended that management should also	**In progress**	**Annually**	**31 August 2024**
User Access Management • The municipality does not have formal access change request documentation being completed for termination of access on financial and performance information systems. • There is no formal access change request documentation being completed for termination of access on all financial and performance information systems • The municipality does not have an IT manager and as per the approved organogram, the System Administrator reports to the Manager: Budget, Treasury & Financial Systems. However, we noted that there is no evidence that the activities of the System Administrator are being reviewed periodically by the line manager (Manager: Budget, Treasury & Financial Systems).			**In progress**	**Annually**	**31 August 2024**

• There is no evidence that the users' access privileges are periodically reviewed by the users' Line Manager to confirm that the access assigned to the users still provide for adequate segregation of duties and to ensure that mitigating controls are implemented where segregation of duties are not possible. • There is not a formally documented process in place to ensures that users' access and privileges on all financial systems are periodically reviewed. • There is no formal approval from management for access granted to privileged users. • User access privileges are not formally approved by management		ensure that there is a meaningful audit action plan developed to address all prior year audit findings relating to Information technology (ITEC), this plan should regularly be reviewed to ensure that necessary follow ups are being made for actions/ implementation of the recommendations relating to information technology at the municipality. IT governance framework serves as the basis for the proper functioning of IT department. Also IT strategic plan as a detailed plan of how the IT department will function is more important. Management should therefore ensure that there is an approved IT governance framework and IT strategic plan that govern the functioning of the municipality's IT department.			
Program Change Management • There is no formal change request documentation being completed for program changes/upgrade/update • Vendors have access to production live environment as they are the owners of the system, however changes are not monitored because the system is at the premises of the vendor. • Changes into the application production environment is done by the vendor without being tested within a separate environment before it is moved into production. • Changes into the application production environment are done by the vendor and conversion of data is done at the time when the change is made as such there is no evidence of data conversion balance checks and reconciliations for changes made to the system			**In progress**	**Annually**	**31 August 2024**
Security Management (IT Operations) • There is no approved IT security policy • There is no anti-virus in place. The anti- virus currently being used is ECET and has expired. • There is no patch management software that is installed to ensure up-to-date security of all systems.	**CORPORATE**	Management should ensure that policies and procedures are reviewed, updated, and approved prior to beginning of every year to ensure implementation of policies that are in line with applicable laws and regulations.	**In progress**	**Annually**	**31 August 2024**
IT Service Continuity • There are no backups performed. • There are no backup plans for data stored on the application systems. • There is no Approved disaster recovery plan.			**In progress**	**Annually**	**31 August 2024**
The municipality did not compile the Human Resource Plan for the period 2022/23 as required by the Municipality Systems Act		Management should ensure that a proper Human Resource Plan is compiled, reviewed and modified for changes in the	**In progress**	**Annually**	**31 August 2024**

		entity and strategic plans to ensuring proper monitoring of HR processes			
There was no evidence that performance reviews for the section 56 managers and the municipal manager were conducted as required by the Municipality Systems Act	**IPED/MM**	The municipality must ensure that during any financial period there are ongoing performance reviews as stipulated in the performance agreement and the accounting officer should oversee the process.	**In progress**	**Annually**	**31 August 2024**
There is no evidence provided confirming that investigations were conducted on the amounts relating to unauthorised as well as fruitless and wasteful expenditure as disclosed in prior year financial statements as a result no council decision were made to certify UFW expenditure as irrecoverable or not as there were no investigation results to base on	**MM**	Management should ensure that investigations on unauthorised expenditure are done by council committee in terms of S32(2) of the MFMA	**In progress**	**Annually**	**31 August 2024**
The annual financial statements were submitted without a complete accounting file containing all the underlying records and supporting schedules for the line items presented in the annual financial statements. The supporting schedules for the following financial statements line items were not submitted as at 31 August 2023, some of the schedules were subsequently submitted:	**BTO**	Management should ensure that the financial statements are submitted together with detailed schedules supporting the amounts disclosed in the financial statements. Management should also ensure that thorough and proper reviews are conducted by all relevant assurance providers and that issues and recommendations from the reviews are properly addressed.	**In progress**	**Annually**	**31 August 2024**
The annual performance report was submitted without the working paper file containing underlying schedules/listings supporting the achievement of targets reported in the performance report.	**IPED**	Management should ensure that the annual performance report is submitted together with all the underlying schedules/listings to avoid possible limitation of scope and budget over-runs. Furthermore, in the absence of listings, management should consider submitting an alternative POE that will enable us to audit	**In progress**	**Annually**	**31 August 2024**

During the audit of irregular expenditure, it was identified that the municipality recognizes and discloses duplicated irregular expenditure transactions.	**BTO**	Management should ensure that irregular register is properly reviewed to eliminate duplicates	**In progress**	**Annually**	**31 August 2024**
During the audit of irregular expenditure, it was identified that the municipality recognizes and discloses its irregular expenditure transactions exclusive of VAT.		Management should ensure that irregular expenditure is disclosed inclusive of VAT where applicable as the entire contract amount is irregular expenditure. It is therefore important to include VAT in the register and the AFS disclosure note for them to also be complete	**In progress**	**Annually**	**31 August 2024**
During the audit of Irregular expenditure noted the following differences between invoice amount and the amount recorded on the irregular expenditure		The management should ensure that the prior period error note is appropriately disclosed and complies with the GRAP 3 requirements	**In progress**	**Annually**	**31 August 2024**
During the audit of irregular expenditure, the following issues were identified: as “Irregular expenditure incurred in prior year but identified in current year”. However, management has incorrectly disclosed this amount as irregular expenditure current year. 2. Irregular expenditure that was incurred and identified in the prior year, was incorrectly disclosed as irregular expenditure current year 3. Furthermore, these amounts were disclosed exclusive of VAT		Management should review the financial statements to ensure that accurate financial information is presented and is supported and evidenced by reliable information.	**In progress**	**Annually**	**31 August 2024**
A request for information (RFI) 39 of 2023 was issued to management on 29 September 2023 October 2023, due for submission on 03 October 2023; requesting the invoices, payment vouchers and evidence supporting reasons for irregular expenditure; however, no information was submitted. Project name Awarded Bidder Date of discovery Date of payment Amount Vat Amount excl. of Vat Provision of Short-term Insurance Indwe Risk Services 30-Jun-23 2022/07/28 116 014,89 17 402,24 133 417,13		Management should ensure the segment reported information reflect the economic segments where resources were allocated, reviewed by management and performance was assessed in line with GRAP 18. Furthermore management should ensure there is correct application of GRAP 18, specifically par.5, 21 and 27 to 29 by exercising proper review of the annual financial statements and ensure amounts disclosed in	**In progress**	**Annually**	**31 August 2024**

		the segment information note are accurate.			
During the audit of unauthorised expenditure, we noted the differences between the unauthorised expenditure register and the recalculated amount. Unauthorised expenditure registers Recalculated amount by the auditors Differences. 24 556 412,89 24 712 671,00 - 156 258,11	**BTO/IPED**	Management should ensure that proper reviews are conducted during preparation of the financial statements so as to ensure that the disclosure notes are accurate and complete and ensure that the schedule agree with AFS	**In progress**	**Annually**	**31 August 2024**
During the testing of Note 42: Prior period error, it was noted that the nature given for restatement on payables from exchange transactions related to investment property and therefore not appropriate		Management should effectively monitor and track all information requested by the auditors and ensure that all information requested by the Auditor General of South Africa is submitted within the agreed upon timeframes	**In progress**	**Annually**	**31 August 2024**
During the audit of statement of changes in net assets, differences were identified on the restated balance as of 01 July 2022:		Management should effectively monitor and track all information requested by the auditors and ensure that all information requested by the Auditor General of South Africa is submitted within the agreed upon timeframes	**In progress**	**Annually**	**31 August 2024**
The municipality has not reported information about each qualifying segment identified in accordance with GRAP 18. The municipality only disclosed two segments (i.e. Refuse and Electricity) on the basis of disclosing a segment that relates to its core service functions. 2. The municipality has changed the composition of its reportable segment as disclosed in note 45 to the financial statements. However, there were no changes in the internal structure of the municipality that could have causes the composition of its reportable segments to change in the current year.	**COMMUNITY**	Management should ensure that the process initiated to obtain the licence/permit from the Department of Water Affairs (Minister) is completed speedily for the municipality to be compliant to section 20(1) of the Environment Conservation Act and section 20(b) of the National Environmental Management Waste Act 59 of 2008.	**In progress**	**Annually**	**31 August 2024**
The amount relates to a fruitless and wasteful expenditure that was incurred in the prior year the municipality but was identified by the management during the current financial period and therefore should be disclosed in the current financial year as “Fruitless and	**TECHNICAL**	It is recommended that management should disclose these projects separately	**In progress**	**Annually**	**31 August 2024**

wasteful expenditure incurred in prior year but identified in current year". However, management has incorrectly disclosed this amount as a restatement to the prior year closing balance. Description Amount per prior year audited AFS Comparative amount per current year AFS Variance Prior year adjustment 0,00 81 929,00 - 81 929,00 2. The following difference was noted between the schedule and annual financial statements which is because of not including the fruitless and wasteful expenditure identified in the current but incurred in the prior year		rather than in classes to avoid the misclassification. Furthermore, management must ensure that information disclosed in the financial reports are supported and evidenced by reliable information			
A request for information (RFI) 39 of 2023 was issued to management on 29 September 2023 October 2023, due for submission on 03 October 2023; requesting the invoices, payment vouchers and evidence supporting reasons for irregular expenditure; however, no information was submitted for the following irregular expenditure incident	**BTO**	Management should ensure that they review that annual financial statements and supporting schedules to ensure that all calculations are accurately reflect the amounts disclosed on the annual financial statements. Fixed asset register should be properly reviewed before the amounts are transferred to the general ledger, trial balance and financial statements to ensure that the amounts are accurate. Further, all calculations made on the supporting schedules such as depreciation schedules should be reviewed by different levels of reviewers for accuracy and completeness.	**In progress**	**Annually**	**31 August 2024**
During the audit performance information, the following request for information were issued, and not all information was submitted. 1. a request for information (RFI) 62 of 2023 was issued to management on 18 October 2023, due for submission on 23 October 2023; requesting the supporting evidence for the reasons for deviation, remedial action taken, and time frame provided on the APR for the following not achieved indicators	**IPED**	Management should effectively monitor and track all information requested by the auditors and ensure that all information requested by the Auditor General of South Africa is submitted within the agreed upon timeframes	**In progress**	**Annually**	**31 August 2024**
During the testing of provision liability relating to the landfill sites (Cala and Elliot), it was noted that the municipality does not have or hold a license/permit from the Department of Water Affairs to operate its landfill sites, which results in the contravention of section	**COMMUNITY**	Management should ensure that the process initiated to obtain the licence/permit from	**In progress**	**Annually**	**31 August 2024**

20(1) of the Environment Conservation Act and section 20(b) of the National Environmental Management Waste Act 59 of 2008.		the Department of Water Affairs (Minister) is completed speedily in order for the municipality to be compliant to section 20(1) of the Environment Conservation Act and section 20(b) of the National Environmental Management Waste Act 59 of 2008.			
During the audit of property, plant and equipment, the following was identified: Inconsistencies in the PPE note 10, it is disclosed that only projects (assets) within the Roads class of PPE are taking significantly longer period to complete than expected. However, upon inspection of the schedule listing the specific project provided by management, the following projects were noted as the property, plant and equipment that is taking a significantly longer period to complete than expected, included in these projects is a project falling within the class of community assets which was incorrectly classified as roads for the purpose of this disclosure note: Project Name Amount PPE Class Construction of Manzana Access Road 2 281 267,38 Roads Refurbishment/ Construction of Gubenxa Hall 1 929 240,66 Community assets Qokolo Paving 7 998 285,41 Roads 12 208 793,45 2. We could not assess the reasons provided by management on the note for the projects taking significantly longer period to complete as no supporting evidence was provided to corroborate the reasons for the following projects Project Name Amount PPE Class Refurbishment/ Construction of Gubenxa Hall 1 929 240,66 Community assets Qokolo Paving 7 998 285,41 Roads 9 927 526,07	**TECHNICAL**	It is recommended that management should disclose these projects separately rather than in classes to avoid the misclassification. Furthermore, management must ensure that information disclosed in the financial reports are supported and evidenced by reliable information	**In progress**	**Annually**	**31 August 2024**
During the audit of property plant and equipment, while performing a depreciation calculation on the sample of property plant and equipment items, it was noted that depreciation for the following assets was not correctly calculate. Shape/ Asset ID Major Group Description Minor Group Description Asset Category Description Asset Description Depreciation 2022/2023 Recalculated depreciation Difference. (27.43912824694894, -31.627578166180623) Property Plant and Equipment Infrastructure assets Roads Unpaved Road 40 985,97 44 900,61 -3 914,64 (27.676691622508237, -31.525986661998864) Property Plant and Equipment Infrastructure assets Roads Paved Road 88 219,58 46 133,33 42 086,25	**BTO**	Management should ensure that they review that annual financial statements and supporting schedules to ensure that all calculations are accurately reflect the amounts disclosed on the annual financial statements. Fixed asset register should be properly reviewed before the amounts are transferred to the	**In progress**	**Annually**	**31 August 2024**

16015 Property Plant and Equipment Other Assets Transport Assets Vehicle Light Duty Vehicle (Ldv) Club Cab 16 722,96 38 813,43 -2 090,47 16 081,14		general ledger, trial balance and financial statements to ensure that the amounts are accurate. Further, all calculations made on the supporting schedules such as depreciation schedules should be reviewed by different levels of reviewers for accuracy and completeness.			
During the testing of Accrued Leave Provision, it was noted that there was a difference between the amount raised by the municipality and the amount recalculated by the engagement team.	**CORPORATE**	Management should ensure that the work performed on leave provision is reviewed to minimise errors and omissions relating to accumulative and non-accumulative days	**In progress**	**Annually**	**31 August 2024**
During the testing of trade payables, it was noted that there was a debtor with a credit balance who was included under the trade payables. Debtor with credit balance Amount CAKATA UNKNOWN 16 625,47	**BTO**	Management should ensure that trade payables are appropriately classified and accurate	**In progress**	**Annually**	**31 August 2024**
During the testing of the retentions as at 30 June 2023, there were differences noted between the closing balance of the project retentions and the recalculated amounts based on GCC (third edition, 2015) as well as service level agreements.	**BTO**	Management should ensure that the retention withheld is in line with the General Conditions of Contract for Construction Works (GCC Third Edition, 2015) and project service level agreement.	**In progress**	**Annually**	**31 August 2024**
While testing unspent conditional grants it was noted that the municipal bank accounts had insufficient funds at year-end to cover the unspent conditional grants, per the table below there is a total shortfall of R145 483: Grants Available funds per bank Unspent Amount per AFS Differences Integrated National Electrification Programme 185 479,18 330 951,93 - 145 472,75	**BTO**	Management should make implement internal controls and reviews to make sure that money that has been received via DORA conditional grant allocations is not used for anything other than the conditions agreed upon.	**In progress**	**Annually**	**31 August 2024**
During the audit of finance costs, the following differences were noted between the prior years audited financial statements and the current year comparative amounts. It was noted that the interest cost amount relating to Landfill Site Provision for the comparative period has been misallocated to finance leases in the financial statements. Note 28: Finance costs Amount per comparatives in the Current year AFS Amount per Prior Year Audited AFS Difference	**BTO**	Management should ensure that proper reviews are conducted during preparation of the financial statements so as to ensure that the financial	**In progress**	**Annually**	**31 August 2024**

Interest cost - Landfill Site Provision 1 638 919,00 - - 1 638 919,00 Finance lease 12 021,00 1 650 940,00 1 638 919,00		records are accurate and correctly classified.			
During the audit of finance costs, the following differences were noted between the amount disclosed in the financial statements for the comparative figures for interest cost – Landfill Site Provision and the amount as per the actuarial report prepared by One Pangeae Expertise Solutions Finance costs Amount per Prior Year Audited AFS Amount per Actuarial Report Difference Interest cost - Landfill Site Provision 1 638 919,00 528 214,00 - 1 110 705,00	**BTO**	Management should ensure that supporting schedules used for preparing annual financial statements are properly reviewed to ensure that the financial statements accurately incorporate all the information on the supporting schedules.	**In progress**	**Annually**	**31 August 2024**
Differences were identified on the recorded amount per the general ledger and the supporting petrol slips, as not all fuel slips were submitted	**CORPORATE**	Management should maintain appropriate records to support the fuel and oil expenditure disclosed on the financial statements.	**In progress**	**Annually**	**31 August 2024**
During the audit of deviations, it was noted that for the following items for reasons that were not justifiable, thus not made under any of the circumstances as required by SCM reg 36	**BTO**	Management should always ensure that if they are to deviate from the competitive bidding process it is within the stipulated circumstances as set out in the SCM regulations and internal policies. Management should also ensure that considerations and marketing analysis are adequately done when limited bidding deviations are considered. Management should also refer to the NT SCM: Guide for accounting officers of municipality and municipal entities for guidance.	**In progress**	**Annually**	**31 August 2024**
The following deviations identified during audit of quotation were not included in the deviation register; not reported to the next council meeting; and not disclosed in the notes to the annual financial statements: Item no. Supplier name Project details Deviation Amount not included 1 Mfingo Development CC Hiring of machinery 182 850,00. 2 KDBS Consulting Facilitation of Strategic Planning session 194 350,00 377 200,00 2. Monthly deviations amounts do not agree with the amount disclosed in the AFS.	**BTO**	Management should ensure that all deviations from procurement through competitive and quotations processes are completely disclosed on the annual financial statements	**In progress**	**Annually**	**31 August 2024**

Month Amounts per the AFS Amounts per the Deviation Register Difference 22-Oct - 78 150,00 - 78 150,00 23-Mar 171 172,00 214 497,00 - 43 325,00 23-May 656 675,00 722 332,00 - 65 657,00 -187 132,00					
The advert issued stipulated that only bidders that has attained a minimum of 70 points on functionality will be further evaluated for price and specified criteria for functionality assessment. However, per inspection of the evaluation score sheets noted that the 20 points attained for specific goals were incorrectly included as part of the functionality points. Further noted that had the correct points been allocated to the bidders none would have met the minimum requirement of 70 points for functionality. Agria Trading (Pty) LTD Supply and delivery of alternative energy cluster 1 Kumilitha Civils (Pty) LTD Supply and delivery of alternative energy cluster 2 Mzilikazi Suppliers (Pty) LTD Supply and delivery of alternative energy cluster 3	**BTO**	Management shall ensure that for all products to be procured that are within a designated sector, an invite includes a specific condition that only locally produced goods or locally manufactured goods, meeting the stipulated minimum threshold for local production and content, will be considered.	**In progress**	**Annually**	**31 August 2024**
While obtaining an understanding of the audit committee of the municipality, the following control deficiencies that relate to the responsibilities of the committee were noted. • The Audit Committee was not involved in the review and approval of the combined assurance plan. • The audit committee did not ensure that the implementation of the combined assurance plan is reported to it. • The audit committee has not reviewed the annual report. • The audit committee did not consider and satisfy itself of the appropriateness of the expertise and adequacy of resources of the auditees finance function	**BTO**	Management should allocate functionality points based on the evaluation criteria as per the advert issued separately from the points per the preferential point system.	**In progress**	**Annually**	**31 August 2024**
It was noted that the planned internal audit work relating to the sections included in the table below was not performed by the internal audit during the 2022/23 financial year as per the approved Internal Audit Plan covering the operational plans for 2022/2023. Planned audits not performed. Review of Performance Information - Q4 Review of Audit Action Plan - Q1, Q2, Q3 and Q4 Review of ICT governance framework Human Resources Management Review Follow up audit on previous Internal Audit reports. Planning & Risk Assessment	**MM**	The accounting officer and municipal council as oversight bodies in which the audit committee reports to should review the effectiveness and efficiency of the committee to ensure that it performs all its duties in accordance to its responsibilities as outlined on the audit committee charter	**In progress**	**Annually**	**31 August 2024**
It was noted that internal audit department is 50% understaffed with the Internal Audit Manager position being vacant and also noted that there were no trainings conducted for the internal audit members to ensure that they are equipped to perform their duties efficient and effectively	**MM**	When the internal audit function determines that one of the planned audits will not be performed, this matter	**In progress**	**Annually**	**31 August 2024**

		should be brought to the attention of the audit committee as this amounts to a deviation from the approved internal audit plan. The audit committee should assess the reasons for the deviation and pass a resolution whether the approved internal audit plan to be amended and the amendments be approved or to approve the deviation from the approved internal audit plan. The reasons for the deviation should be recorded and approved by the audit committee.			
The Internal Audit function is required to have external quality assurance review/assessment conducted every 5 years by a qualified independent reviewer. However, through enquiry with the internal auditor it was noted that an external quality assurance review/assessment was not performed on the internal audit function as required by IIA standard 1312.	**MM**	Management should ensure that internal audit department is attends training to keep up with the changes in the nature of work they perform, and also internal audit department should be adequately staffed to ensure that it can perform its duties efficient and effectively.	**In progress**	**Annually**	**31 August 2024**
It was identified that the internal audit charter and annual plan for the 2022/23 financial year were only approved seven (7) months into the year on 14 February 2023 as evidenced by the audit committee minutes	**MM**	The audit committee should ensure that internal audit department complies with the requirements on the Institute of Internal Auditors	**In progress**	**Annually**	**31 August 2024**
During the audit of Principal-agent disclosure noted that the municipality has omitted to include amount relating to the commission on the amount collected on behalf of Department of Transport (Principal) and has also omitted to submit detailed schedules supporting/reconciliation relating to that when submitting annual financial statements on 31 August 2023.	**MM**	The accounting officer and audit committee as the structures in which the internal audit reports should ensure that the internal audit charter and its annual plan are reviewed and approved prior to beginning of every year to ensure timeous	**In progress**	**Annually**	**31 August 2024**

		implementation of the planned audit work.			
Infrastructure assets (Limitation): Differences identified on the disclosure note and supporting schedule. difference was noted between the work-in-progress (WIP) reconciliation disclosure note and the reconciliation note to the main disclosure note of PPE for the current year figures: difference was noted between the reconciliation note to the main disclosure note of PPE and the WIP register for the current year figures	**BTO**	Management should ensure that thorough and proper reviews are conducted by all relevant assurance providers and that issues and recommendations from the reviews are properly addressed	**In progress**	**Annually**	**31 August 2024**
During the audit of the contingent liabilities, we noted the differences between amount disclosed on the contingent liabilities note 36 and the legal confirmation from external legal practitioners. Litigation cases Amount disclosed External legal practitioner's estimate Difference. Hlamukhanye Security//Sakhisizwe LM 1 604 215,00 2 000 000,00 - 395 785,00	**BTO**	Management should properly review and reconcile the AFS disclosure notes with the supporting schedules to ensure accuracy and completeness of the disclosed amounts	**In progress**	**Annually**	**31 August 2024**
While performing a reconciliation between the general ledger and the amounts disclosed on the annual financial statement, the following difference was noted for infrastructure assets. Item Amount per the General ledger Amounts per the financial statement Difference. Opening balance 154 808 209,00 154 808 209,00 - Additions 21 644 185,64 21 644 186,00 - 0,36 Disposals - 932 680,06 - 932 680,00 - 0,06 WIP - 1 030 141,24 - 100 052,00 - 930 089,24 Depreciation - 5 764 153,67 - 5 764 154,00 0,33 Impairment loss - 1 021 969,37 - 1 021 969,00 - 0,37 167 703 450,30 168 633 540,00 - 930 089,70	**MM**	Management must ensure that the amount disclosed on the contingent liabilities note 36 corresponds with the legal confirmation from external legal practitioner's estimate	**In progress**	**Annually**	**31 August 2024**
During the audit of property, plant, and equipment a sample of assets were selected for verification, however, following assets could not be verified: Furniture and fixtures Asset new barcode Asset Category Description Asset Type Description Asset Description Amount 12768 Furniture and Office Equipment Cabinets and Cupboards Cupboard Roller Door 21 402,28 Community: GlobalID Asset Description Shape Sizing Measure Town Project ref Amount {1B6C75D7-BD1D-4005-B038-B5710D2E18B1} Market (27.847539862587787, -31.334648430621712) (SQM) Square Meter Elliot Hawker Stalls 73 067,56	**BTO**	Management should ensure that thorough review of the annual financial statement is conducted by all different levels of reviews to ensure accuracy and completeness.	**In progress**	**Annually**	**31 August 2024**
While performing a reconciliation between the general ledger and the amounts disclosed on the annual financial statement, the following difference was noted for infrastructure assets.	**BTO**	Management should ensure that asset management is properly implemented at the municipality by ensuring that	**In progress**	**Annually**	**31 August 2024**

Description Amount per the General ledger Amounts per the financial statement Difference. Opening balance 14 712 520,49 14 599 099,00 113 421,49 Additions - - - Depreciation - 118 242,34 - 118 242,00 - 0,34 14 594 278,15 14 480 857,00 113 421,15		physical verification is conducted to identify assets are no longer existing at the municipality. Management should also ensure that for proper record keeping, all assets that do not exist at the municipality are removed from the records, fixed asset registers and other records.			
Employee benefit obligation: Incorrect data used in determining the closing balance of long service awards As per the OPES Report Recalculated Difference Number of eligible employees 133 124 9	**BTO**	Management should ensure that thorough review of the annual financial statement is conducted by all different levels of reviews to ensure accuracy and completeness.	**In progress**	**Annually**	**31 August 2024**
During the testing of Interest on trade and other receivables, difference were noted in the recalculation of interest as follows• overstatement on interest on trade and other receivables by an amount of R674 398 • overstatement of receivables from exchange transactions by an amount of R646 150 • overstatement of receivables from non-exchange transactions by an amount of R18 687 • overstatement of other receivables by an amount of R9 561	**BTO**	Management should ensure that the data used in determining long service awards provision is correct and relevant.	**In progress**	**Annually**	**31 August 2024**

Annexure E. Electricity Master Plan

SAKHISIZWE LOCAL MUNICIPALITY-ELECTRICITY MASTER PLAN

DRAFT ELECTRICITY MASTER PLAN REPORT: SAKHISIZWE LOCAL MUNICIPALITY

29 September 2021

Project Number: RFP099/2019

Province of the EASTERN CAPE
COOPERATIVE GOVERNANCE & TRADITIONAL AFFAIRS

Xahumba
Electrical. Mechanical. Solar
XAHUMBA ENGINEERING CONSULTING (PTY) LTD

DBSA
Building Africa's Prosperity

DOCUMENT CONTROL SHEET

DOCUMENT TITLE: ELECTRICITY MASTER PLAN REPORT: SAKHISIZWE LOCAL MUNICIPALITY

DOCUMENT NUMBER: XECSLM001

REVISION HISTORY

VERSION	PREPARED BY	APPROVED BY	ISSUES AS	DATE ISSUED
Rev 0	M.H. Mathebula	M. Chauke	Draft	12 March 2021
Rev 1	M.H. Mathebula	M. Chauke	Draft	09 July 2021
Rev 2	M.H. Mathebula	M. Chauke	Final	30 September 2021

CURRENT REVISION CERTIFICATION

The information contained in this report is a true reflection of the works conducted by Xahumba Engineering Consulting on the electrical infrastructure of Sakhisizwe Local Municipality in the Eastern Cape Province. The report also contains information from other documents provided by some of the stakeholders involved.

DESCRIPTION	PREPARED BY	APPROVED BY
Name	Matimba Mathebula Pr.Tech.Eng, MSAIEE	Max Chauke Pr.Eng, MSAIEE
Position	Project Manager	Lead Engineer
Signature		
Date	29 September 2021	29 September 2021

APPROVAL BY OTHER STAKEHOLDERS

DESCRIPTION	FOR SAKHISIZWE LOCAL MUNICIPALITY	FOR DEVELOPMENT BANK OF SOUTHERN AFRICA
Name		
Position		
Signature		
Date		

EXECUTIVE SUMMARY

Xahumba Engineering Consulting (Pty) Ltd has been appointed by Development Bank of Southern Africa to prepare the Electricity Master Plan for the electrical network of Sakhisizwe Local Municipality in the Eastern Cape.

A master plan is a very important document for the Municipality as it identifies deficiencies within the current network and remedial actions required to address them. It also gives the municipality an overview of the overall status of the network and strengthening work required to ensure reliability and availability of the power supply. The master plan further provides a short term, medium term and long term plans to ensure continuous supply of electricity.

The objective of the project was to identify system components of the municipality's electricity network within the study area that may require strengthening, refurbishment or upgrading as a result of various factors such as insufficient network capacity and damage or deterioration of equipment. This is to ensure that the network has sufficient electricity capacity to adequately service the foreseen future energy needs of the area.

The project was divided into sub tasks and the first task was inspection of the entire electrical infrastructure in order to gain more understanding. A number of points of concern on the state of the network were noted. The identified problems were generally assessed against relevant standards as well as OEM recommendations.

The information and findings of the physical inspection were used primarily as input to the:

- Network Model to allow load flow, contingency and scenario analysis.
- Refurbishment analysis.
- Development of a single line diagram.
- Development of LV and MV layout.

The Municipality is supplied through a 1250A circuit breaker from Eskom substation. From Eskom substation, there are two MV (22kV) lines supplying the Municipality from the east and west sides. The lines are supplied through auto-reclose switches positioned after the Municipality check meter just outside Eskom substation. 22kV/415V distribution transformers (29 in total) are used to distribute power throughout the study area.

LV lines have a mixture of Bare and ABC conductors. Bare conductors are old technology type of conductors, hence the Municipality has started replacing them with ABC conductors which are more effective. All LV lines shall be changed to ABC conductors.

The breaker supplying the Municipality also supplies Eskom customers. The protection on the Municipality's side is not on par (some protection equipment are bypassed) and needs to be strengthened in order to ensure that electrical faults that occurs on the Municipality's side do not trip the main breaker and affect Eskom customers supplied by the same breaker.

The load profiles from 2017/18 to 2019/20 financial years have been analysed. The analysis show high consumption during high demand season (June-August) and low during low demand season (September-May). The yearly average for the past financial year (2019/20) was 1587.91kVA, and the maximum demand occurred in August at 1738,9 kVA. The highest demand to date was recorded in June 2019 reaching a peak of 2095,39kVA, which was very close to a maximum notified capacity of 2100kVA allocated for the Municipality.

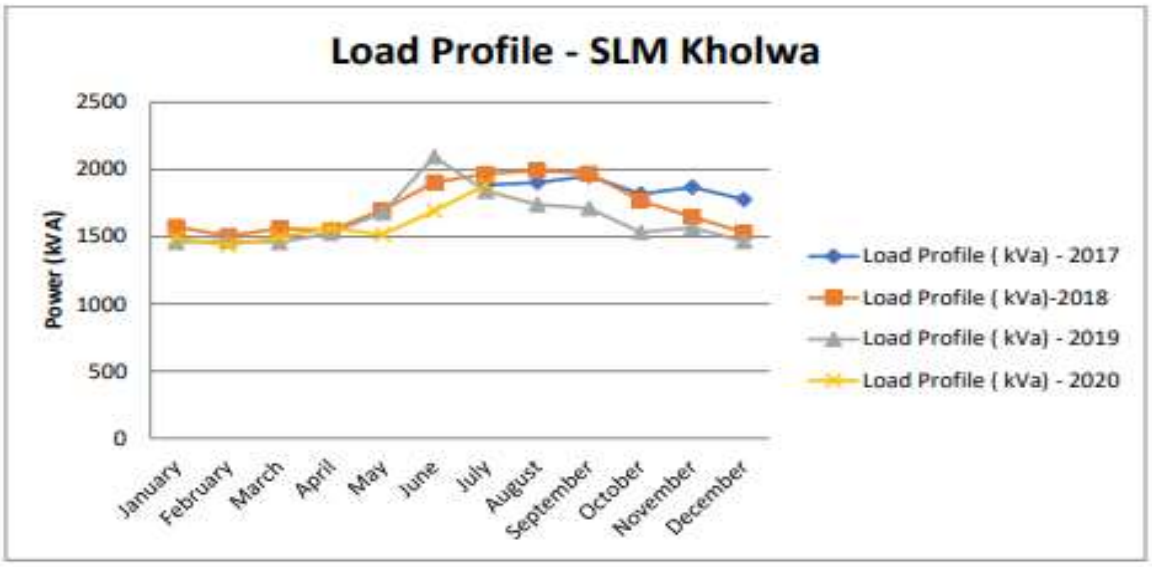


Figure 1: SLM Load Profile

A load forecast was then performed for the next twenty years. The figure below shows that between 2024 and 2025 the municipality will exceed its notified maximum demand.

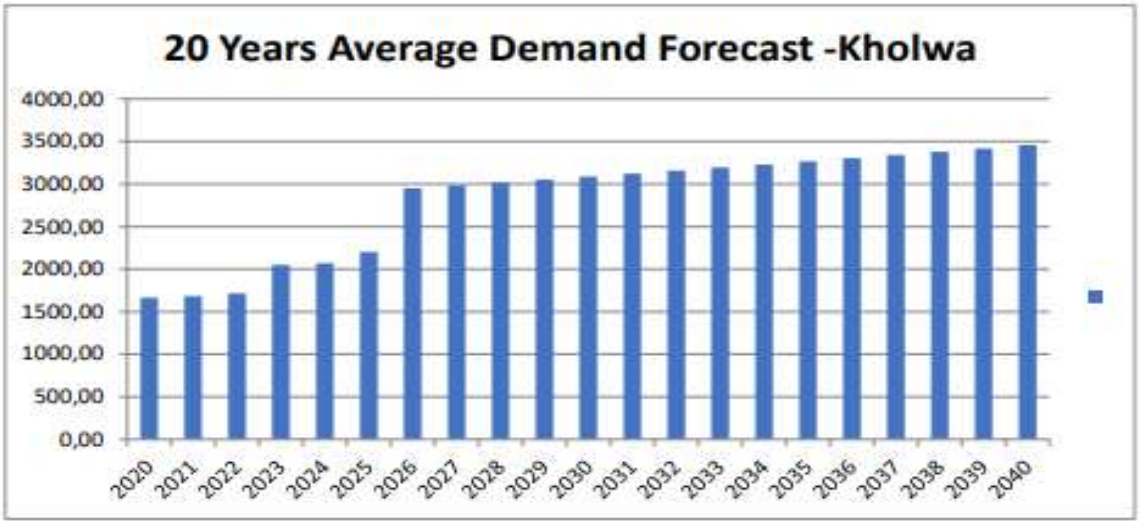


Figure 2 Maximum demand forecast

A list of strengthening projects has been compiled. The capital projects will cost an estimated amount of R20.82million excluding yearly maintenance costs. The projects are grouped into three different terms, namely Short-Term (1-2 years), Medium-Term (3-5 years), and Long-Term (6-20 years). Below is the figure showing the budget requirements for the study period.

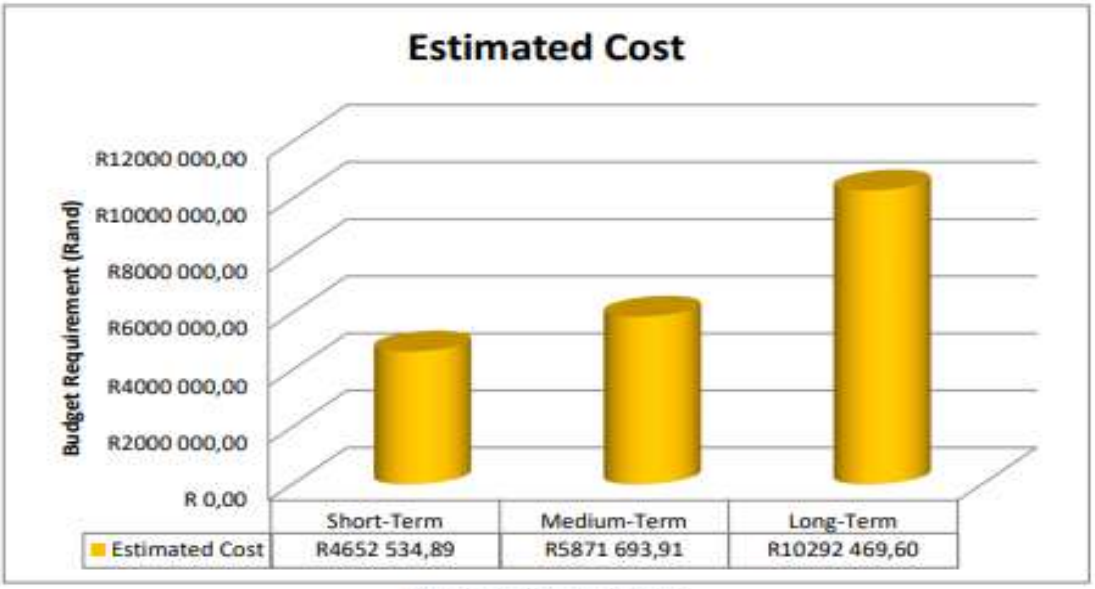


Figure 3: Budget requirements

The current situation and compliance of Sakhisizwe Local Municipality is undesirable for a licensed municipality with the authority to distribute electricity within South Africa. It is the license requirement, that a licensed distributor must have the capacity to operate and maintain the electricity infrastructure. According to the Distribution Grid Code the Distributor's protection system shall be appropriately designed and maintained to ensure optimal discrimination, safety and minimum interruptions to customers. **The municipality protection systems doesn't currently comply with grid code requirements for a licenced municipality.**

In order to remedy this unfortunate situation, It is recommended that the projects identified are executed in order to ensure availability and reliability of the supply and compliance to regulatory requirements. It is further recommended that the following be attended to:-

- Execute the identified capital and maintenance projects with immediate effect.
- That the municipality is adequately capacitated by suitably qualified engineers (could be external), technicians and artisans to ensure a smooth implementation of the identified projects.
- That the project management office is also capacitated to ensure that the procurement processes are adhered to and for the smooth execution of projects.
- That the municipality contract the services of suitably qualified engineers to draft the maintenance philosophy, operation and maintenance procedures for the different municipal electrical infrastructure.

2. INTRODUCTION

Xahumba Engineering Consulting (Pty) Ltd was appointed by the Development Bank of Southern Africa to undertake the compilation of an Electricity Master Plan for Sakhisizwe Local Municipality.

The objective of the project was to identify system components within the Municipality's electricity network that may require strengthening, refurbishment or upgrading due to various factors. This is to ensure that the network is reliable and has sufficient electricity capacity to adequately service the foreseen future energy needs of the area.

There is a direct relationship between power system reliability and component reliability; therefore, the integrated components within the network should continuously be taken care of. To prevent a low-quality supply and ensure reliability, provision should be made for continuous maintenance and availability of spares.

The objectives of the master are summarized as follows;

- To provide the best suitable technical resolution for meeting the customer needs which is both economical and feasible.
- To increase network capacity
- To improve performance of the network
- To improve reliability of the network
- To improve continuity of supply

XEC was appointed on a 9-month contract and started with the exercise immediately after an inception meeting was held on the 28th of November 2019 with DBSA and SLM, and the exercise was concluded in March 2021. The project took longer than it was anticipated due to the following factors:

- National lockdown announced by the President of South Africa to combat the spread of Corona virus.
- Lack of infrastructure data and information from the Municipality and other stakeholders.
- Insufficient stakeholder involvement.
- Prolonged delays by the municipalities and other stakeholders in providing available information relevant to the development of the EMP.

It was very difficult to finalize the report due to the above-mentioned factors. Despite the availability of information that could have assisted in providing a concrete report, XEC has managed to carry on with works by making assumptions.

3. METHODOLOGY

The planning and methodology employed in the compilation of the plan is briefly described below.

The first step was to collect field information from various sources. Some of the collected information includes the following;

- Geographic and topographic maps showing the geographic layout and location of the area as well as the topologic features of the area.
- Demographic (socio-economic) data and population growth projection data (Sourced from the IDP 2019/20)
- Spatial Development Framework and Local Economic Development Plans.
- Billing information from Eskom.
- Town planning information on land usage, planned developments and possible future development growth points.
- Reports provided by other stakeholders.

These sources of information were then linked to each other to determine the future demand on the electrical network.

4. BACKGROUND

Sakhisizwe Local Municipality is a Category B municipality situated within the Chris Hani District in the Eastern Cape Province. The Municipality has 9 wards. 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'. The Municipality has a geographical area of 2 318 km^2. The municipality has two towns, Cala and Khowa (Elliot).

The two towns are fed from two different electricity licensed distributors. Khowa and surrounding townships (Hillview and Takalani) are fed by Sakhisizwe Local Municipality while Cala and the other parts of the Municipality are fed by Eskom. SLM has a network capacity of 2.1MVA.



Figure 4: Sakhisizwe Local Municipality Layout

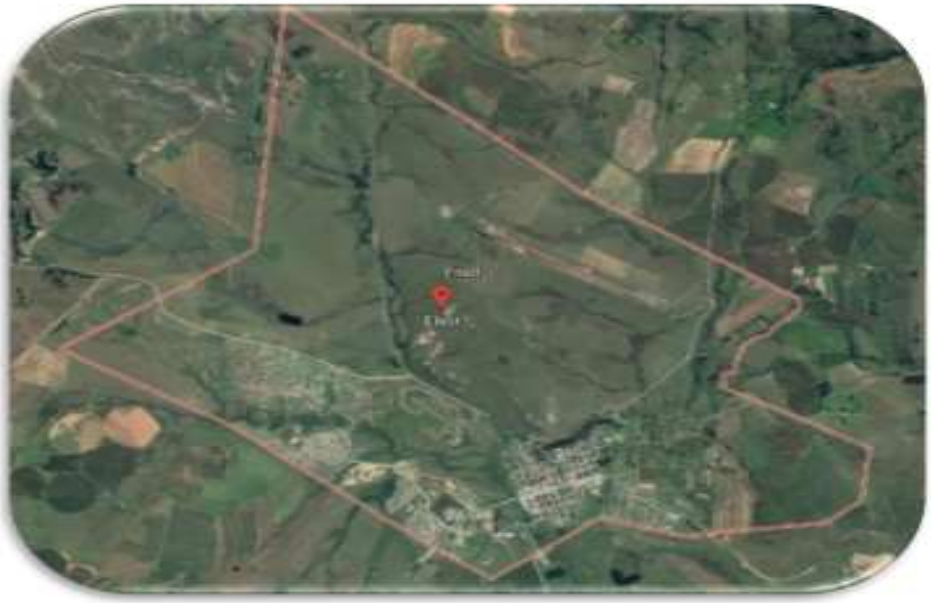


Figure 5: Khowa (Elliot) Town Layout

5. AVAILABLE/PROVIDED INFORMATION

The following information was provided to Xahumba Engineering Consulting by stakeholders involved:

5.1. SLM 2019/2020 IDP, SDF & LED Reports

The reports assisted XEC in the identify the following planned project that would require a provision of electricity in Khowa:

PROJECT	PLANNING PHASE (Y/N)	IN PROGRESS (Y/N)	COMPLETE (Y/N)
Construction of pump station for Old Township, Takalani and Hillview.	N	N	N
Upgrading of Elliot recreational parks	N	N	N
Social Housing Development in Khowa	N	N	N
Upgrading/Resurfacing of CBD streets in Khowa	N	N	N
Provision of Taxi Rank (Development of Shelter, Ablution Facilities and Trading Stalls) at Khowa	N	Y	N
Construction of Spar Supermarket*	Y (Capacity:315kVA)	N	N

Table 1: SLM Planned Khowa Projects

*Project not mentioned in any of the reports.

5.2. Chris Hani District 2019/20 IDP Report

The reports assisted XEC in the identify the following planned project that would require a provision of electricity in Khowa:

PROJECT	PLANNING PHASE (Y/N)	IN PROGRESS (Y/N)	COMPLETE (Y/N)
New Khowa town Library	N	N	N
Wood Cluster programme	N	N	N
Construction of new shearing sheds with equipment pama	N	N	N

Table 2: CHDM Planned Khowa Projects

5.3. Geographic Layout

The layout was obtained from the Town Planner. It assisted XEC in preparations of both LV and MV reticulation.

5.4. Latest EMP Report

The report was done in 2005 by Ballenden & Robb Consulting Engineers (Pty) Ltd to assist SLM strengthened its electrical infrastructure to accommodate growth and development. According to the plan, the intake capacity should have been upgraded to 3MVA before winter 2017. Besides the intake capacity, there were other electrical components that should have been upgraded.

Projects recommended in the EMP have not been conducted.

5.5. Billing Information

SLM's finance department only provided electricity bills information of 2017/2018 and 2018/2019 financial years. The billing information confirms that the maximum capacity is at 2.1MVA and that the municipality is on the **Nightsave Rural kVa Interval** tariff.

5.6. MISA 2018 Report

The report was written in 2018 with the inputs from Municipality's representatives. The report shows that the maximum demand registered then was 1.99MVA.

It is also highlighted that the bulk check meter was vandalised, and that there was no distribution network metering. The report shows that the Municipality was experiencing electrical losses due to the following factors:

- Conventional meters readings not conducted properly. There were also damaged conventional meters.
- By-passing and tempering on prepaid meters.
- Old equipment.

The municipality was still using the old technology (incandescent) of lights instead of the latest ones (CFL and LED's) in municipal buildings and facilities. However, energy-efficient LED street lighting has been installed in the CBD.

There was no maintenance plan and the maintenance carried out on the network was mainly corrective maintenance.

Note: The Municipality resolved the challenge with regards to the meter and started checking readings from 2018.

5.7. Maintenance reports and failure history

No information was obtained.

5.8. Current and previous load demand information

No information was obtained.

5.9. Single Line Diagram

No single line diagram existed prior to the study

6. EXISTING SITUATION ASSESSMENT

6.1. Objective

The objective of this activity was to capture equipment information on the existing network elements. A field team performed data collection within the electrical infrastructure network starting from the Eskom substation, bulk meter, MV/LV lines, distribution transformers and switchgears.

6.2. Assessment Outcomes

During the assessment of the electricity network conducted throughout the project, a number of points of concern on the state of the network were noted. The identified problems were generally assessed against relevant standards as well as OEM recommendations.

However, the observations and subsequently the conclusions drawn are based solely on the visual inspection and are given as such. The primary causes or reasons for these network deficiencies have not been taken into consideration. In a few of the instances, these deficiencies have been deemed serious enough to warrant immediate action.

The complete review on the status of each switching substation is included as a separate document in partial fulfilment of the requirements of this master plan. This is presented in a form of an inspection sheet with equipment nameplate details, the condition of the equipment as per the assessment and recommended action.
The information and findings of the physical inspection were used primarily as input to the:

- Preparation of Single Line Diagram.
- Preparation of MV and LV Reticulation.
- Preparation of the infrastructure strengthening projects.

6.2.1. Eskom Substation

Khowa and the surrounding townships are supplied from Eliot Substation (Eskom) which is situated on the northern side of the town at 32° 52' 55" S 30° 15 '52"E. From the Eskom substation, Khowa is supplied through a 22kV 1250A circuit breaker. MV lines throughout the electrical infrastructure are rated 22kV, with the LV voltage of 415V. The image below shows the MV layout from the substation:

7. DISTRIBUTION NETWORK MODEL

The network was modelled on eTap software.

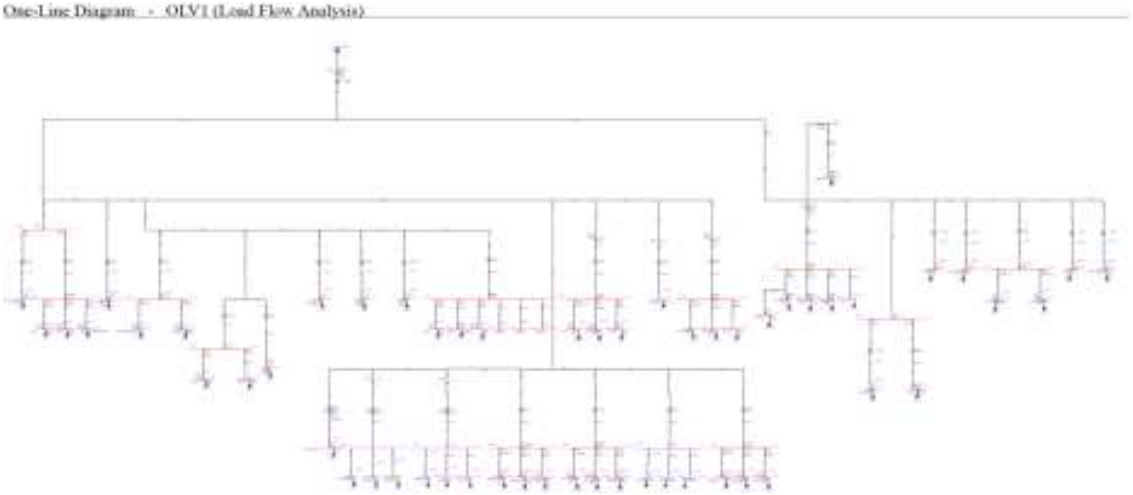


Figure 24: SLM Network Model

Annexure D contains the network modelling done on eTap. It shows the flow analysis including the current loading of the various components within the system.

8. LOAD FORECASTING

8.1. HISTORIC PROFILE

Month	Load Profile (kVa) - 2017	Load Profile (kVa)- 2018	Load Profile (kVa) - 2019	Load Profile (kVa) - 2020
January		1574,90	1458,85	1492,87
February		1507,36	1470,60	1434,33
March		1560,06	1458,42	1498,21
April		1549,38	1527,12	1564,38
May		1698,73	1678,53	1517,19
June		1906,12	2095,39	1691,81
July	1885,75	1966,22	1839,83	1885,34
August	1903,50	1993,07	1738,97	
September	1951,79	1971,84	1711,23	
October	1817,64	1768,60	1532,88	
November	1868,43	1648,68	1567,52	
December	1777,65	1530,73	1465,60	

Table 3: SLM Historic Load Profile

The load profile for the years 2017 to 2020 is presented above. The demand is lower during the summer season and starts increasing from April, peaks in June and start going down again from August.

The highest demand was recorded in June 2019 reaching a peak of 2095,39kVA. This is very close to maximum capacity of 2100kVA. According to the data presented above, the load demand has **decreased** by an average of 3% from 2017 to 2018 and 5% between 2018 and 2019 and back to 3% for 2019 to 2020.

TARRIF STRUCTURE AND BILLING

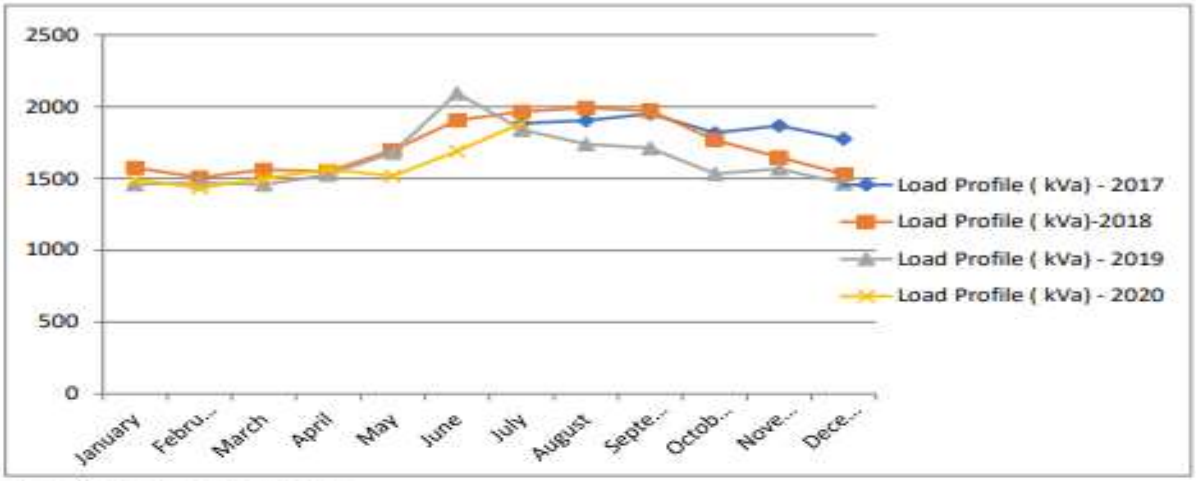


Figure 25: SLM Historic Load Profile

Sakhisizwe Municipality is on the Rural Nightsave tariff.

Based on the available information, below is a summary of Eskom invoices to the municipality.

Month	Total Charge - 2017	Total Charge - 2018	Total Charge - 2019	Total Charge - 2020
January		R766 307,82	R776 969,21	R876 706,66
February		R779 900,32	R803 175,65	R879 408,42
March		R734 608,94	R743 912,59	R880 100,45
April		R781 875,62	R776 647,16	R893 456,88
May		R813 862,45	R840 751,80	R883 590,10
June		R1 032 661,25	R1 056 996,69	R1 120 227,11
July	R1 220 920,94	R1 309 902,69	R1 347 644,32	R1 538 849,02
August	R1 289 532,05	R1 395 936,20	R1 457 130,05	
September	R1 193 234,19	R1 251 856,37	R1 314 810,82	
October	R850 591,94	R880 829,01	R924 846,10	
November	R866 865,86	R875 401,95	R931 467,15	
December	R823 369,57	R782 282,77	R872 512,48	

Table 4: Eskom Billing History

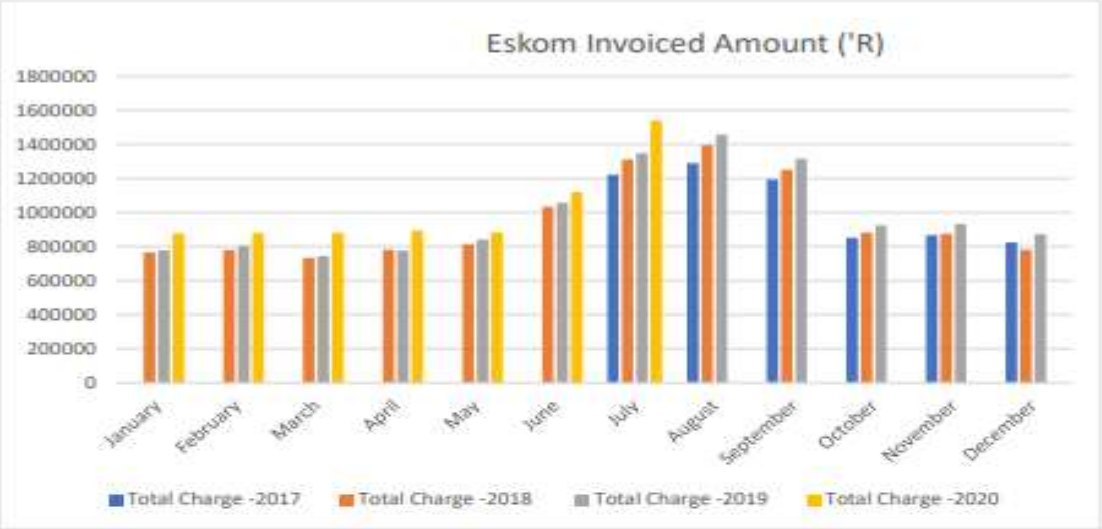


Figure 26: Eskom Billing History

The detailed analysis of the tariffs, Eskom invoices and municipality recoveries will be discussed in detail on the Management Plan Report. In the last financial year, the municipality was billed a total amount of R12 022 834.00. Although very limited information regarding the revenue data was provided for the study period, the we can confirm based on previous data that the municipality is running at a loss.

8.2. DEMAND FORECAST

The demand forecast is based on historic power demand profiles for the past few year, the population growth in the Sakhisizwe Municipality, Spatial Development Planning and as well as planed economic activities as per the municipality's LED Plan.

8.2.1. POPULATION GROWTH

According to Stats SA's census 2011, Sakhisizwe has seen a decline in population growth of -0,44% between 2001 and 2011. The population decreased from 66447 in 2001 to 63582 in 2011. Between 1996 to 2001 there was an increase of 0,37%. According to 2016 stats, Sakhisizwe population stands at a population of 63846 people. (https://municipalities.co.za/demographic/1026/sakhisizwe-local-municipality).

8.2.2. SPATIAL DEVELOPMENT PLAN

According to the SDF, the following are the planned development projects within the municipality as stated above:

PROJECT	Estimated Capacity (KVA)	Expected Date*
Upgrading of Elliot recreational parks and Street lights	4	2022-05
Social Housing Development in Khowa	110	2025-01
Provision of Taxi Rank (Development of Shelter, Ablution Facilities and Trading Stalls) at Khowa	25	2022-05
Construction of Spar Supermarket*	315	2022-09
Construction of pump station for Old Township, Takalani and Hillview.	750	2026-01

Table 5: Planned Development Projects

*These are estimated dates used in the forecast

8.3. FORECASTING



Figure 27: SLM 20 Years Load Forecast

The load profile is expected to remain the same for the duration of the study period, i.e. higher demand in winter and higher demand in winter. In the next five years from 2021 the demand is expected to remain steady with until 2022 when some increase in load is expected due to planned activities as per SDF. A more substantial increase in load is also expected in 2025/2026 with the realization of the social housing project and Spar Supermarket.

9. PROJECTS PRIORITIZATION AND COST ESTIMATES

Projects have been categorized as Short-Term, Medium-Term, and Long-Term.

Short-Term- Tasks to be executed in the first 2 financial years and include: -

- Replacement of faulty equipment.
- Cleaning and painting.
- Replacement of undersized and oversized equipment.

Medium-Term- Tasks to be executed between 3-5 financial years and include: -

- Replacement of very old equipment.
- Replacement of LV cables to same type.

Long-Term - Tasks to be executed between 6-20 financial years and include: -

- Replacement of aging transformers.

Note:

The prioritization has been done taking into cognisance the financial challenges the municipality is going through. However, projects under medium categories can be executed early provided there is enough budget.

9.1. Short-Term Projects

SHORT-TERM PROJECTS SCHEDULE (1-2 YEARS)						
ITEM	DESCRIPTION	UNIT	QUANTITY	MATERIAL COST	LABOUR COST	AMOUNT (EXCL. VAT)
1	**Transformer 01 (250kVA, 22kV/415V)**					
1,1	Removal of vegetations around the transformers	Sum	1	R0,00	R2 800,00	R2 800,00
1,2	Supply and install gland and shroud for incomming 50mm2 4C armoured cable	Each	2	R520,00	R208,00	R1 456,00
1,3	Supply and replace main breaker with 400A adjustable	Each	1	R20 904,00	R8 361,60	R29 265,60
2	**Transformer 02 (200kVA, 22kV/415V)**					
2,1	Supply and replace encloser complete with padlock including rewiring	Each	1	R9 171,25	R16 468,50	R25 639,75
2,2	Supply and replace main breaker with 400A adjustable breaker	Each	1	R20 904,00	R8 361,60	R29 265,60
3	**Transformer 03 (200kVA, 22kV/415V)**					
3,1	Supply and replace encloser complete with padlock including rewiring	Each	1	R9 171,25	R16 468,50	R25 639,75
3,2	Supply and replace transformer with 250kVA transformer and breaker	Each	1	R140 000,00	R56 000,00	R196 000,00
4	**Transformer 04 (200kVA, 22kV/415V)**					

4,1	Cleaning of the enclosure, breakers and cable inside including rewiring	Sum	1	R4 800,00	R1 920,00	R6 720,00
4,2	Painting of the enclosure	Each	1	R1 560,00	R1 400,00	R2 960,00
4,3	Supply and replace main breaker with 400A adjustable breaker	Each	1	R20 904,00	R8 361,60	R29 265,60
4,4	Supply and install 200A MCCB for load	Each	1	R8 632,50	R3 453,00	R12 085,50
4,5	Supply and install fuse isolation links	Each	1	R27 550,00	R35 992,00	R63 542,00
5	**Transformer 05 (315kVA, 22kV/415V)**					
5,1	Supply and replace main breaker with 500A adjustable breaker	Each	1	R32 718,40	R13 087,36	R45 805,76
5,2	Supply and install 200A 3P breaker for load	Each	1	R8 632,50	R3 453,00	R12 085,50
6	**Transformer 06 (315kVA, 22kV/415V)**					
7	**Transformer 07 (315kVA, 22kV/415V)**					
7,1	Supply and replace transformer with 315kVA	Each	1	R176 400,00	R70 560,00	R246 960,00
8	**Transformer 08 (100kVA, 22kV/415V)**					
9	**Transformer 09 (315kVA, 22kV/415V)**					
10	**Transformer 10 (200kVA, 22kV/415V)**					
10,1	Supply and replace main breaker with 400A adjustable breaker	Each	1	R20 904,00	R8 361,60	R29 265,60
11	**Transformer 11 (100kVA, 22kV/415V)**					
11,1	Supply and replace main 175A breaker with 250A adjustable breaker	Each	1	R10 272,50	R4 109,00	R14 381,50
12	**Transformer 12 (100kVA, 22kV/415V)**					
12,1	Supply and install 200kVA transformer	Each	1	R112 000,00	R44 800,00	R156 800,00
12,2	Supply and replace main 175A breaker with 250A adjustable breaker	Each	1	R10 272,50	R4 109,00	R14 381,50
13	**Transformer 13 (100kVA, 22kV/415V)**					
13,1	Supply and replace main 175A breaker with 250A adjustable breaker	Each	1	R10 272,50	R4 109,00	R14 381,50
14	**Transformer 14 (100kVA, 22kV/415V)**					
15	**Transformer 15 (100kVA, 22kV/415V)**					
15,1	Supply and replace main 175A breaker with 250A adjustable breaker	Each	1	R10 272,50	R4 109,00	R14 381,50
16	**Transformer 16 (100kVA, 22kV/415V)**					
16,1	Supply and replace transformer with 200kVA	Each	1	R112 000,00	R44 800,00	R156 800,00
16,2	Supply and replace main 175A breaker with 250A adjustable breaker	Each	1	R10 272,50	R4 109,00	R14 381,50
17	**Transformer 17 (100kVA, 22kV/415V)**					

17,1	Supply and replace main 175A breaker with 250A adjustable breaker	Each	1	R10 272,50	R4 109,00	R14 381,50
18	**Transformer 18 (300kVA, 22kV/415V)**					
18,1	Supply and replace main isolator with 500A adjustable breaker	Each	1	R32 718,40	R13 087,36	R45 805,76
19	**Transformer 19 (200kVA, 22kV/415V)**					
20	**Transformer 20 (315kVA, 22kV/415V)**					
20,1	Supply and replace transformer with 315kVA	Each	1	R176 400,00	R70 560,00	R246 960,00
20,2	Supply and replace main breaker with 500A adjustable breaker	Each	1	R32 718,40	R13 087,36	R45 805,76
20,3	Connect industrial area load to 200A breaker	Each	1	R0,00	R3 453,00	R3 453,00
20,4	Supply and install 150A breaker for milling company	Each	1	R4 313,75	R1 725,50	R6 039,25
20,5	Supply and install 80A breaker for funeral palour	Each	1	R3 211,25	R1 284,50	R4 495,75
20,6	Supply and replace encloser complete with padlock including rewiring	Each	1	R9 171,25	R16 468,50	R25 639,75
21	**Transformer 21 (300kVA, 22kV/415V)**					
21,1	Supply and replace transformer with 315kVA	Each	1	R176 400,00	R70 560,00	R246 960,00
21,2	Supply and replace main breaker with 500A adjustable breaker	Each	1	R32 718,40	R13 087,36	R45 805,76
21,3	Remove vegetations around the transformer	Each	1	R0,00	R2 800,00	R2 800,00
21,4	Repositioning of the main Kiosk	Each	1	R10 400,00	R35 400,00	R45 800,00

22	**Transformer 22 (250kVA, 22kV/415V)**					
22,1	Supply and replace encloser complete with padlock including rewiring	Each	1	R9 171,25	R16 468,50	R25 639,75
22,2	Supply and replace main breaker with 500A adjustable breaker	Each	1	R32 718,40	R13 087,36	R45 805,76
22,3	Supply and replace cable from the transformer to the kiosk with 70mm2 4C amoured cable	m	15	R650,65	R910,91	R23 423,40
22,4	Excavation, back filling and compacting for the cable (300 wide X 600 deep)	m	10	R0,00	R278,00	R2 780,00
22,5	Remove vegetations around the transformer	Each	1	R0,00	R2 800,00	R2 800,00
23	**Transformer 23 (200kVA, 22kV/415V)**					
24	**Transformer 24 (315kVA, 22kV/415V)**					
24,1	Supply and install indoor enclosure for mail breaker including wiring	Each	1	R9 171,25	R16 468,50	R25 639,75
24,2	Supply and replace main breaker with 500A adjustable breaker	Each	1	R20 904,00	R8 361,60	R29 265,60
25	**Transformer 25 (200kVA, 22kV/415V)**					
25,1	Supply and replace transformer with 250kVA and breaker	Each	1	R140 000,00	R56 000,00	R196 000,00
25,2	Supply and replace main breaker with 400A adjustable breaker	Each	1	R3 211,25	R1 284,50	R4 495,75
25,3	Supply and replace encloser complete with padlock including rwiring	Each	1	R9 171,25	R16 468,50	R25 639,75

26	**Transformer 26 (200kVA, 22kV/415V)**					
26,1	Supply and replace main breaker with 500A adjustable breaker	Each	1	R32 718,40	R13 087,36	R45 805,76
26,2	Supply and install 200A breaker for loads	Each	1	R7 193,75	R2 877,50	R10 071,25
26,3	Painting of the enclosure	Each	1	R1 500,00	R1 400,00	R2 900,00
26,4	Fix enclosure locking mechanisim and provide padlock	Each	1	R1 500,00	R1 200,00	R2 700,00
27	**Transformer 27 (200kVA, 22kV/415V)**					
27,1	Supply and replace transformer with 250kVA	Each	1	R140 000,00	R56 000,00	R196 000,00
27,2	Supply and replace main breaker with 400A adjustable breaker	Each	1	R32 718,40	R13 087,36	R45 805,76
27,3	Supply and replace ground mounted encloser complete with padlock including reqiring	Each	1	R18 750,00	R25 600,00	R44 350,00
28	**Transformer 28 (200kVA, 22kV/415V)**					
28,1	Supply and replace main 450A breaker with 350A adjustable breaker	Each	1	R10 272,50	R4 109,00	R14 381,50
28,2	Painting of the enclosure	Each	1	R1 500,00	R1 400,00	R2 900,00
29	**Transformer 29 (100kVA, 22kV/415V)**					
30	**Transformer 30 (315kVA, 22kV/415V): New Project**					
31	**Auto-Reclose Switch**					
31,1	Supply and replace faulty 22kV auto-reclose switch	Each	1	R243 125,00	R97 250,00	R340 375,00
32	**Labeling**					
32,1	Labelling and creating record keeping system of all electrical assets	Sum	1	R50 000,00	R150 000,00	R200 000,00
					Sub-Total	**R3 164 989,72**
					P&G's	**R791 247,43**
					Design	**R474 748,46**
					Project Management	**R221 549,28**
					Grand Total	**R4 652 534,89**

9.2. Medium-Term Projects

MEDIUM-TERM PROJECTS SCHEDULE (3-5 YEARS)						
ITEM	**DESCRIPTION**	**UNIT**	**QUANTITY**	**MATERIAL COST**	**LABOUR COST**	**AMOUNT (EXCL. VAT)**
1	**Transformer 01 (250kVA, 22kV/415V)**					
1,2	Supply and replace bare aluminium conductorswith with 70mm ABC conductor	m	1250	R98,40	R39,36	R172 200,00
2	**Transformer 02 (200kVA, 22kV/415V)**					
2,1	Supply and replace 200kVA transformer with 250kVA transformer and breaker	Each	1	R140 000,00	R56 000,00	R196 000,00
2,2	Supply and replace bare aluminium conductors with with 95mm ABC conductor	m	1800	R98,40	R39,36	R247 968,00
3	**Transformer 03 (200kVA, 22kV/415V)**					
4	**Transformer 04 (200kVA, 22kV/415V)**					
4,1	Supply and replace bare aluminium conductor with 70mm ABC conductor	m	2300	R98,40	R39,36	R316 848,00
5	**Transformer 05 (315kVA, 22kV/415V)**					
6	**Transformer 06 (315kVA, 22kV/415V)**					

7	**Transformer 07 (315kVA, 22kV/415V)**					
7,1	Supply and relplace bare aluminium conductor with 95mm ABC conductor	m	1500	R122,20	R48,88	R256 620,00
8	**Transformer 08 (100kVA, 22kV/415V)**					
9	**Transformer 09 (315kVA, 22kV/415V)**					
10	**Transformer 10 (200kVA, 22kV/415V)**					
10,1	Supply and relplace bare aluminium conductor with 70mm ABC conductor	m	200	R98,40	R39,36	R27 552,00
11	**Transformer 11 (100kVA, 22kV/415V)**					
12	**Transformer 12 (100kVA, 22kV/415V)**					
13	**Transformer 13 (100kVA, 22kV/415V)**					
14	**Transformer 14 (100kVA, 22kV/415V)**					
15	**Transformer 15 (100kVA, 22kV/415V)**					
16	**Transformer 16 (100kVA, 22kV/415V)**					
17	**Transformer 17 (100kVA, 22kV/415V)**					
18	**Transformer 18 (300kVA, 22kV/415V)**					
18,1	Supply and replace transfromer with 315kVA	Each	1	R176 400,00	R70 560,00	R246 960,00
18,2	Supply and relplace bare aluminium conductor with 70mm ABC conductor	m	1350	R98,40	R39,36	R185 976,00
19	**Transformer 19 (200kVA, 22kV/415V)**					
20	**Transformer 20 (200kVA, 22kV/415V)**					
20,1	Supply and replace bare aluminium conductors with 70 ABC conductor	m	1000	R98,40	R39,36	R137 760,00
21	**Transformer 21 (300kVA, 22kV/415V)**					
22	**Transformer 22 (250kVA, 22kV/415V)**					
22,1	Supply and replace bare aluminium conductor with 70mm ABC conductor	m	1000	R98,40	R39,36	R137 760,00
23	**Transformer 23 (200kVA, 22kV/415V)**					
23,1	Supply and relplace bare aluminium conductor with 70mm ABC conductor	m	1500	R98,40	R39,36	R206 640,00
24	**Transformer 24 (315kVA, 22kV/415V)**					
25	**Transformer 25 (200kVA, 22kV/415V)**					

25,1	Supply and replace bare aluminium conductor with 70mm ABC conductor	m	600	R98,40	R39,36	R82 656,00
26	**Transformer 26 (200kVA, 22kV/415V)**					
26,1	Supply and replace transfromer with 315kVA	Each	1	R20 904,00	R8 361,60	R29 265,60
26,2	Supply and replace bare aluminium conductor with 70mm ABC conductor	m	2000	R98,40	R39,36	R275 520,00
27	**Transformer 27 (200kVA, 22kV/415V)**					
27,1	Supply and replace bare aluminium conductor with 95mm ABC conductor	m	800	R122,20	R48,88	R136 864,00
28	**Transformer 28 (200kVA, 22kV/415V)**					
28,1	Supply and replace bare aluminium conductor with 70mm ABC conductor	m	1000	R98,40	R39,36	R137 760,00
29	**Transformer 29 (100kVA, 22kV/415V)**					
30	**Transformer 30 (315kVA, 22kV/415V): New Project**					
31	**Electrification: New Project**					
31,1	Electrification of social housing	Each	100	R9 000,00	R3 000,00	R1 200 000,00
					Sub-Total	**R3 994 349,60**
					P&G's	**R998 587,40**
					Design	**R599 152,44**

9.3. Long-Term Projects

LONG-TERM PROJECTS SCHEDULE (6-10 YEARS)						
ITEM	**DESCRIPTION**	**UNIT**	**QUANTITY**	**MATERIAL COST**	**LABOUR COST**	**AMOUNT (EXCL. VAT)**
1	**Transformer 01 (250kVA, 22kV/415V)**					
1,1	Supply and replace transformer with 315kVA and breaker	Each	1	R176 400,00	R70 560,00	R246 960,00
2	**Transformer 02 (200kVA, 22kV/415V)**					
3	**Transformer 03 (200kVA, 22kV/415V)**					
4	**Transformer 04 (200kVA, 22kV/415V)**					
4,1	Supply and replace transformer with 250kVA and breaker	Each	1	R140 000,00	R56 000,00	R196 000,00
5	**Transformer 05 (315kVA, 22kV/415V)**					
5,1	Supply and replace transformer with 315kVA and breaker	Each	1	R176 400,00	R70 560,00	R246 960,00

6	**Transformer 06 (315kVA, 22kV/415V)**					
7	**Transformer 07 (315kVA, 22kV/415V)**					
8	**Transformer 08 (100kVA, 22kV/415V)**					
9	**Transformer 09 (315kVA, 22kV/415V)**					
10	**Transformer 10 (200kVA, 22kV/415V)**					
11	**Transformer 11 (100kVA, 22kV/415V)**					
11,1	Supply and replace transformer with 200kVA and breaker	Each	1	R112 000,00	R44 800,00	R156 800,00
12	**Transformer 12 (100kVA, 22kV/415V)**					
13	**Transformer 13 (100kVA, 22kV/415V)**					
13,1	Supply and replace transformer with 200kVA and breaker	Each	1	R112 000,00	R44 800,00	R156 800,00
14	**Transformer 14 (100kVA, 22kV/415V)**					
14,1	Supply and replace transformer with 200kVA and breaker	Each	1	R112 000,00	R44 800,00	R156 800,00

15	**Transformer 15 (100kVA, 22kV/415V)**					
15,1	Supply and replace transformer with 200kVA and breaker	Each	1	R112 000,00	R44 800,00	R156 800,00
16	**Transformer 16 (100kVA, 22kV/415V)**					
17	**Transformer 17 (100kVA, 22kV/415V)**					
17,1	Supply and replace transformer with 200kVA and breaker	Each	1	R112 000,00	R44 800,00	R156 800,00
18	**Transformer 18 (300kVA, 22kV/415V)**					
					R278,24	
19	**Transformer 19 (200kVA, 22kV/415V)**					
20	**Transformer 20 (200kVA, 22kV/415V)**					
21	**Transformer 21 (300kVA, 22kV/415V)**					
22	**Transformer 22 (250kVA, 22kV/415V)**					
22,1	Supply and replace transformer with 315kVA and breaker	Each	1	R176 400,00	R70 560,00	R246 960,00
23	**Transformer 23 (200kVA, 22kV/415V)**					
23,1	Supply and replace transformer with 250kVA and breaker	Each	1	R140 000,00	R56 000,00	R196 000,00

24	**Transformer 24 (315kVA, 22kV/415V)**					
24,1	Supply and replace transformer with 315kVA and breaker	Each	1	R176 400,00	R70 560,00	R246 960,00
25	**Transformer 25 (200kVA, 22kV/415V)**					
26	**Transformer 26 (200kVA, 22kV/415V)**					
27	**Transformer 27 (200kVA, 22kV/415V)**					
28	**Transformer 28 (200kVA, 22kV/415V)**					
28,1	Supply and replace transformer with 250kVA and breaker	Each	1	R140 000,00	R56 000,00	R196 000,00
29	**Transformer 29 (100kVA, 22kV/415V)**					
				R347,80		
30	**Transformer 30 (315kVA, 22kV/415V): New Project**					
31	**Ring Main Unit**					
31,1	Supply and installation of 22kV 630A ring main unit complete with MV cables, enclosure and accessories	Sum	1	R642 000,00	R256 800,00	R898 800,00
32	**Solar Led Street Light: New Project for main streets**					
32.1	Supply and installation of 80W solar street lights complete with 6m pole, 260W solar module, battery enclosure, 210Ah battery, charge controller and luminaire.	Each	75	R52 500,00	R3 937 500,00	R3 990 000,00
					Sub-Total	**R7 001 680,00**
					P&G's	**R1 750 420,00**
					Design	**R1 050 252,00**
					Project Management	**R490 117,60**
					Grand Total	**R10 292 469,60**

Table 8: Long-Term Projects and Cost

9.4. Transformers Maintenance and Replacement Schedule

Transformer	Short-Term		Medium-Term		Long-Term	
	Maintenance	Replace	Maintenance	Replace	Maintenance	Replace
Transformer 01 (250kVA)	X		X			X
Transformer 02 (200kVA)	X			X	X	
Transformer 03 (200kVA)		X	X		X	
Transformer 04 (200kVA)	X		X			X
Transformer 05 (315kVA)	X		X			X
Transformer 06 (315kVA)	X		X		X	
Transformer 07 (315kVA)		X	X		X	
Transformer 08 (100kVA)	X		X		X	
Transformer 09 (315kVA)	X		X		X	
Transformer 10 (200kVA)	X		X		X	
Transformer 11 (100kVA)	X		X			X
Transformer 12 (100kVA)		X	X		X	
Transformer 13 (100kVA)	X		X			X
Transformer 14 (100kVA)	X		X			X
Transformer 15 (100kVA)	X		X			X
Transformer 16 (100kVA)		X	X		X	
Transformer 17 (100kVA)	X		X			X
Transformer 18 (300kVA)	X			X	X	
Transformer 19 (200kVA)	X		X		X	
Transformer 20 (315kVA)		X	X		X	
Transformer 21 (300kVA)		X	X		X	
Transformer 22 (250kVA)	X		X			X
Transformer 23 (200kVA)	X		X		X	
Transformer 24 (315kVA)	X		X			X
Transformer 25 (200kVA)		X	X		X	
Transformer 26 (200kVA)	X			X	X	
Transformer 27 (200kVA)		X	X		X	
Transformer 28 (200kVA)	X		X			X
Transformer 29 (100kVA)	X		X		X	
Transformer 30 (100kVA)	X		X		X	
Total	17	8	26	3	18	11

Table 9: Transformers Maintenance and Replacement Schedule

9.5. Projects Cost Summery



Figure 29: Projects Cost Summery

10. RISK ASSESSMENT

	Risk	Probability			Impact			Consequence	Mitigation
		L	M	H	L	M	H		
1	Loss of primary substation transformer			X			X	Loss in major capacity resulting in large customers out of service which could lead to social unrest	-Continuous maintenance by Eskom. -Municipality to strengthen protection
2	Loss of switch gear			X			X	Substation explosions, possible loss of life, prolonged outages	Maintain and replace as recommended
3	Cable Faults			X			X	Fire, or circuit failure, or equipment damage, failure of protective devices to operate correctly, and flickering or variation of power output	Maintain and replace as recommended
4	Protection Failure			X			X	Substation explosions, possible loss of life, prolonged outages	Audit, maintain and replace as recommended
5	Inability for controller to alert or isolate the system			X			X	Loss of life, unplanned costs to municipality, loss of skill, loss of credibility	Audit, maintain and replace as recommended
6	Poor systems planning		X				X	Loss of revenue, loss of trust by investors, hindering in city growth	Develop a power system planning tool by ensuring full operation of the control room. Re-commission the load reading and recording to enable accurate future load projections
7	Lack of electricity maintenance plan			X			X	Loss of revenue, loss of trust by investors, hindering in city growth	Develop a maintenance plan for both primary and secondary reticulation networks
8	Failure to collect revenue		X				X	Unstable municipal cash flow, reduced maintenance finances, reduced growth	implement a smart metering system.
9	lack of replacement parts (spares)			X			X	Prolonged outages, loss of trust by customers, negative perceptions	Develop asset management system. Ensure buying of spares for all equipment in service (Cables, transformers, switchgears.). Ensure full operation of all stores with personnel
10	Lack of personnel transport and equipment			X			X	Prolonged outages, loss of trust by customers, negative perceptions	Buy new transport and equipment for electricity personnel. Maintain the existing transport (if any).
11	lack of maintenance infrastructure (Crane, trucks etc..)			X			X	Inability to perform maintenance effectively, loss of skilled staff, increase in expenses to municipality, prolonged outages, loss of trust by customers, negative perceptions	Purchase new Cranes, Trucks, Cable trailers etc. from the maintenance budget
12	Lack of responsible person			X			X	Municipality can loose distribution license (due to non-compliance with the law), in case of loss of life the Accounting officer will be held responsible	Appoint the responsible person (Engineer) immediately, can be contracted from outside
13	Lack of responsible person on standby			X			X	Customers without electricity for days, prolonged outages, affect Municipality revenue collection.	Always have personnel on standby to attend callouts
14	Inadequate maintenance teams			X			X	Inability to perform maintenance effectively, increase in expenses to municipality, prolonged outages, loss of trust by customers, negative perceptions	Develop competent maintenance teams, adequately equip the teams to respond as required

15	Lack of maintenance plan			X			X	Electrical infrastructure not continuously maintained, causing equipment to be defective while such should have been prevented	Always have a preventative maintenance plan in place.
16	Lack of maintenance budget			X			X	Electrical infrastructure not continuously maintained, causing equipment to be defective while such should have been prevented. Defective equipment not repaired/replaced, loss of trust by customers	Always have maintenance budget to attend to both corrective and preventative maintenance
15	Lack of leadership		X				X	Lack of planning, guidance & focus.	Develop strategic plan, clearly defining the strategic direction of the municipality to meet community service delivery needs.
16	Physical Infrastructure security		X				X	Cable theft, infrastructure vandalism leading to prolonged outages and loss of revenue	Employ physical and automated security measures where applicable

Table 10: Risk Assessment

PROBABILITY

Risk position explanation

- Probability – The likelihood or how often the event/risk will occur (When probability is high, the greater the chance of the risk occurring).
- Impact – The effect the risk will have on the municipality and its customers (the higher the impact, the more sever the result will be)
- Rating
  - Low
  - High

  } Severity of risk

11. CONCLUSION

A master plan is a very important document for the Municipality as it identifies deficiencies within the current network and remedial actions required to address them. It also gives the municipality an overview of the overall status of the network and strengthening work required to ensure reliability and availability of the power supply. The master plan further provides a short-term, medium-term, and long-term plans to ensure continuous supply of electricity. The master plan also took into consideration the future development.

The Municipality has a 22kV medium network and fed from Eskom substation. According to the data received, the maximum demand has once reached 2095kVA which is a few kVAs short of the maximum notified demand of 2100kVA.

Protection within the electrical infrastructure is compromised. Some components have been bypassed while some are allowed to operate outside their safe working condition due to oversized protection equipment.

Preventative maintenance is not conducted, and the Municipality does not have plans in place. The MV reticulation equipment such as transformers, miniature substations and distribution kiosks throughout the town are mostly old and unsafe. Some of these needs to be attended to urgently as they pose danger to the public e.g. some kiosks doors are broken.

A 20-year load forecast has been done and it shows that the load will increase steadily at an average of about 1% per annum. To cater for future demand, the Municipality should apply for upgrade of the notified maximum demand from Eskom, at least from the maximum demand of 2.1MVA to 2.5MVA.

Projects have been recommended to strengthen the electrical infrastructure with the overall cost of **R20 816 698.40**

12. RECOMMENDATIONS

It is recommended that the projects identified are executed in order to ensure availability and reliability of the supply. It is also recommended: -

- That the municipality is adequately capacitated by suitably qualified engineers (could be external), technicians and artisans to ensure a smooth implementation of the identified projects.
- That the project management office is also capacitated to ensure that the procurement processes are adhered to and for the smooth execution of projects.
- That the municipality contract the services of suitably qualified engineers to draft the maintenance philosophy, operation, and maintenance procedures for the different municipal electrical infrastructure.
- Installation of check meters on strategic feeders measure load demand and to confirm what is being billed by Eskom.
- Replace all damaged switchgears and install locks on all Switchboards.
- Clear vegetation around areas where transformers are installed.
- Replace all old transformers (>40+ years)
- Investigate and repair oil leaks on transformers.
- SLM should have spares of critical parts.
- Beef up the electrical technical team to enforce compliance of the electrical network.
- Replace all the meters that are not functioning with smart meters.
- Remove all the lines that are no longer in operation.
- The Municipality should consider looking at other energy sources, such as solar, wind, and other energy programmes.

13. REFERENCES

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Annexure F. Integrated Waste Management Plan

INTEGRATED WASTE MANAGEMENT PLAN (IWMP)

SAKHISIZWE LOCAL MUNICIPALITY

SUSTAINABILITY THROUGH UNITY

SAKHISIZWE

MUNICIPALITY

MAY 2023

1. INTRODUCTION

1.1 INTRODUCTION TO THE STUDY AREA

Sakhisizwe Local Municipality (SLM) extends over a total area of approximately 2 355 km^2. SLM is located within the Chris Hani District Municipality (CHDM) which extends over an area of approximately 36 144km^2 and located in the central part of the Eastern Cape Province of South Africa (Figure 1.1). SLM covers approximately 6.5% of the total district area and approximately 8% of the district population, and it is one of six local municipalities (administrative areas) under the jurisdiction of CHDM. A greater area of SLM is predominantly rural, with approximately 52% of the municipality settled in areas categorised as traditional. Urban settlements cover approximately 43% of SLM while the remainder is farms which cover a smaller portion (5.2%) of the municipal area (SLM IDP Review, 2020/21).



Figure 1.1: Locality of SLM within the district and the province.

1.2 WHAT IS WASTE?

We are surrounded by materials in all aspects of our lives, whether natural or man-made. When any of such materials become unwanted or unusable, it is regarded as waste. The natural environment is able to process unwanted natural materials for its own enrichment. However, humans have disrupted this cycle, and the production of man-made materials has resulted in the concept of waste. Waste can be generated at any stage of a product's life cycle; during the extraction of raw materials, the processing, the consumption of the product and at the end-of-life of a product. All waste must therefore be managed to reduce the adverse effects on human health and the environment.

1.3 THE IMPACT OF WASTE

While poorly managed waste has the potential to impact negatively on the society, the economy and the environment, well managed waste can contribute to economic growth and improve the living conditions of people while reducing the negative impacts on the environment. It is therefore important to look at both the positive and negative impacts of integrated waste management. Waste should be looked at from both perspectives on:

- Society;
- The Environment; and
- The Economy.

Impact on society

Waste management starts at home where members of society consume food and other goods and discard of the waste. One can argue that waste management starts with the choice of what we buy and how long it will be used before it is discarded as waste.

Waste is a cost to society in that households have to pay waste collection fees to the municipality or the cost of poor health and living conditions when exposed to poorly managed waste. Therefore, the costs to society can be reduced if the amount of waste being discarded can be reduced.

Waste separation at source is a good place to start at household level as it will allow for good quality, clean recyclables becoming available for re-introduction into the economy and thereby stimulating job creation. It also allows for household composting of organic waste which can be used as soil enhancers in local gardens. Converting organic waste to compost which is used for food production in vegetable gardens contribute to food security and reduce the negative environmental impacts of waste disposal as discussed in the next section.

Impact on the environment

Historic problems experienced with municipal waste disposal facilities include waste disposal sites that are poorly sited, designed and operated and thus impact negatively on both the environment and quality of life (DEA, 2000). Environmental impacts of waste relate to impacts on air, soil and water (surface and groundwater). Each of these will be discussed briefly.

Air

Air pollution from waste is typically emissions as the result of uncontrolled burning of waste and the decomposition of organic waste when disposed of at landfill. Toxic substances such as dioxins are released into the atmosphere when chlorinated plastics such as PVCs are burnt at low temperatures. The organic waste fractions (garden and food waste) generate methane gas (a greenhouse gas with a climate change potential at least 20 times worse than mere carbon dioxide) when left to decompose, in a landfill.

Landfill gas extraction is the best way of mitigating air pollution from landfills. The extracted gas can be flared; converting the methane to CO_2 which is less harmful to the environment, or used as fuel or even to generate electricity.

Prevention of greenhouse gas emissions from waste is however always the best option. Composting of organic waste is one way of reducing the greenhouse gas emissions as composting is an aerobic process and therefore does not generate methane.

Soil

Waste disposal sites may result in soil pollution if not designed, constructed and managed properly. Illegal dumping sites is of particular concern as contaminants can leach from the waste into the soil, rendering the land unfit for certain uses i.e. agriculture, town development etc. Remediation of contaminated land is a cumbersome and costly process.

Water

One of the biggest impacts of waste on water in urban areas is as a result of littering. Litter causes blockages in storm water systems, which can result in flooding of built-up areas.

Decomposition of organic waste in landfills is one of the main causes of leachate which, if not managed properly, can lead to both surface and groundwater pollution. Rainfall is also a contributing factor to leachate as the rain percolates through the waste body, dissolving contaminants and acting as transport medium for pollution into the surrounding environment.

Impact on economy

A survey of the South African formal waste sector (Department of Science Technology (DST), 2013) depicts the sector in 2012. The waste sector provides formal employment to at least 29,833 people and has a financial value of R15.3 billion, or 0.51% of GDP. The majority of this revenue (88% of private sector revenue and 80.4% of public sector revenue) is situated in large enterprises and metropolitan municipalities.

The typical landfilling costs of different types of waste are provided in Table 1.1. These typical costs vary substantially as it is not currently based on full cost accounting.

Table 1.1: Typical disposal costs (2012) (DST, 2013)

Waste type	(R/tonne)
General waste	100-150
Unclassified waste	100-150
Hazardous waste	600-800

An assessment to estimate the economic value of the resources currently being recovered through recycling in South Africa found that R8.2 billion worth of resources is currently being recovered and recycled back into the economy (based on 2012 data) (DST, 2014). This value could increase to R25.2 billion, if all the recyclable material going to landfill could be recovered, (DST, 2014). Estimated unit values for 13 selected waste streams are provided in Table 1.2. Unit values (R/tonne) for 13 selected waste streams (2013) (DST, 2014).

Table 1.2: Estimated recycling unit values for waste streams

Waste stream	Range in prices (R/t)	Unit value (R/t)
Municipal waste (non-recyclable portion)	N/A	367
Organic component of municipal Waste	N/A	189
Biomass waste from industry	N/A	189
Construction and demolition waste	85 – 90	88
Paper	200 – 2000	744
Plastic	1900 – 3960	3120

Waste stream	Range in prices (R/t)	Unit value (R/t)
Glass	450 – 500	490
Metals	1000 – 7000	2270
Tyres	N/A	367
Waste Electrical and Electronic Equipment (WEEE)	1000	1000
Slag	170 – 180	175
Ash	0 – 5	3
Waste oils	2778	2778

1.4 WASTE LIFE CYCLE (VALUE CHAIN) AND ITS HANDLING

The life cycle of waste starts at the manufacturing of consumer goods using virgin resources and ends when the consumer goods reach the end of its useful life. The end of life handling of waste depends on the waste type. Where possible, end-of-life products should be reconditioned for re-use or sent for recycling where the maximum resource value of the material can be realised. The waste life cycle is illustrated in Figure 1.2 and includes generation, collection, transport, reuse, recycling, recovery and disposal.

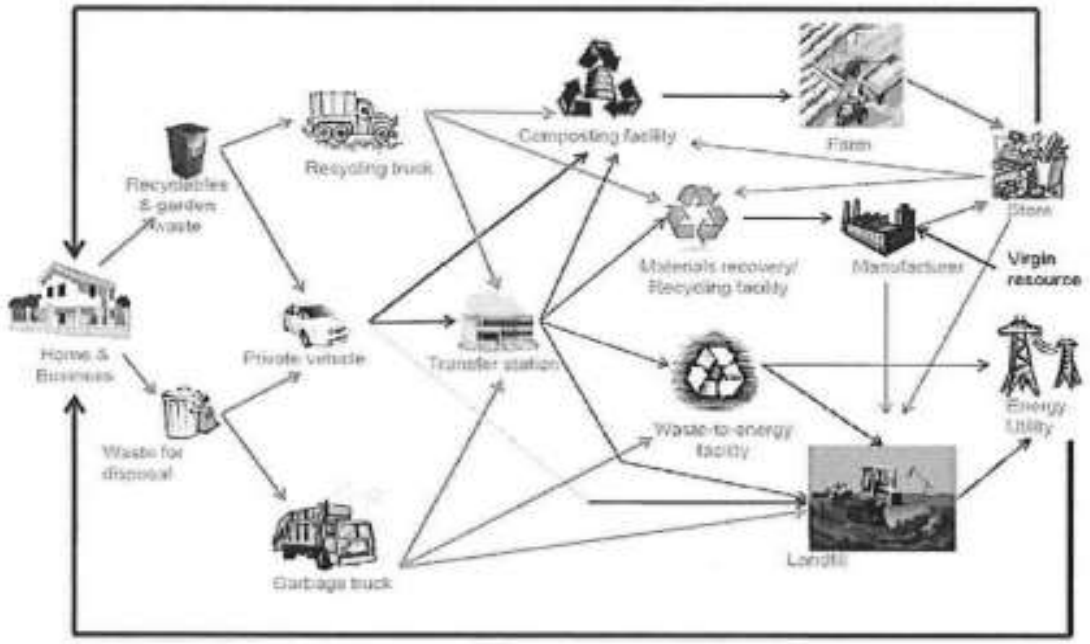


Figure 1.2: Waste life-cycle.

Waste handling infrastructure includes:

- Receptacles in the form of bins, bags or other suitable containers
- Drop-off sites i.e. garden sites
- Transfer stations bulking facilities where waste is compacted and loaded onto long-haul vehicles for transport to landfill
- Buy-back centres
- Materials recovery facilities (MRF)
- Composting sites
- Waste-to-energy facilities

- Waste treatment facilities
- Waste disposal facilities (landfills)

1.5 HISTORICAL OVERVIEW IN THE DEVELOPMENT OF IWMPs

South Africa has come a long way with regard to the management of waste. Historically, waste was managed by various pieces of legislation that were governed by different government departments and which were fragmented in nature, resulting in gaps and poor waste management practises. The promulgation of the National Environmental Management: Waste Act (At 59 of 2008) was a key milestone in South Africa's environmental policy and legislation, and gives effect to the principles of the Constitution, NEMA and the White Paper on Integrated Pollution and Waste Management (IP&WM). Apart from providing a coherent regulatory framework for sound waste management practices, it presents a great opportunity to ensure that the country's approach to waste management contributes to environmental wellness as well as support the country's economic and social priorities. Waste management also has an important role to play in mitigating climate change, and the successful implementation of the waste hierarchy is a part of a range of responses aimed at reducing the country's greenhouse gas emissions. A transition to a low carbon "green" economy as anticipated in a coherent national response to climate change would see a proliferation of green jobs in the waste sector ranging from life-cycle engineering to informal waste recovery.

The IWMP must as a minimum contain all aspects listed in Section 12 of NEM: WA from generation of waste, through to primary storage, collection, transport, separation, and alternative waste treatment and final disposal of the waste. Financial planning, funding of the service, setting of tariffs, participation of the community, partnerships with other role players, and the role of suppliers of equipment should all be covered in an IWMP.

In accordance with the National Environmental Management: Waste Act (59 of 2008), all spheres of government that are responsible for waste management, including local municipalities, must develop an Integrated Waste Management Plan (IWMP). The IWMP is a critical sector plan forming part of the Integrated Development Plan (IDP), that all municipalities are required to develop in terms of the Municipal Systems Act (32 of 2000). The promulgation of the Waste Act on 1 July 2009 was a key milestone in a bid to have common goals and understanding of how South Africa's waste should be managed.

In order to assist municipalities in the development of IWMPs, the then Department of Environmental Affairs (DEA) developed a document entitled *'Guideline for the Development of Integrated Waste Management Plans'*. A revised IWMP guideline was developed by the Department of Forestry, Fisheries and the Environment (DFFE) in 2022, which informs the current SLM.

1.6 THE IWMP PROCESS

One of the first steps in the development and implementation of an effective IWMP is to ensure that there is clarity as to the overriding policy/political goals of the plan including the following:

- Policy principles specified in NEMA, NEM:WA, IP&WM e.g. accountability, cradle-to-grave, equity, full cost accounting, good governance, integration, open information, participation and polluter pays;
- Job creation, focusing on previously disadvantaged communities;
- Waste management hierarchy; and
- Secondary resources economy.

The primary objective of integrated waste management planning is to integrate and optimise waste management, in order to maximise efficiency and minimise the associated environmental impacts and financial costs, and to improve the quality of life of all South Africans. The integration must be both horizontal and vertical within the government departments as well as in sectors. The diagram below (Figure 1.3) summarises the integrated waste management planning process.

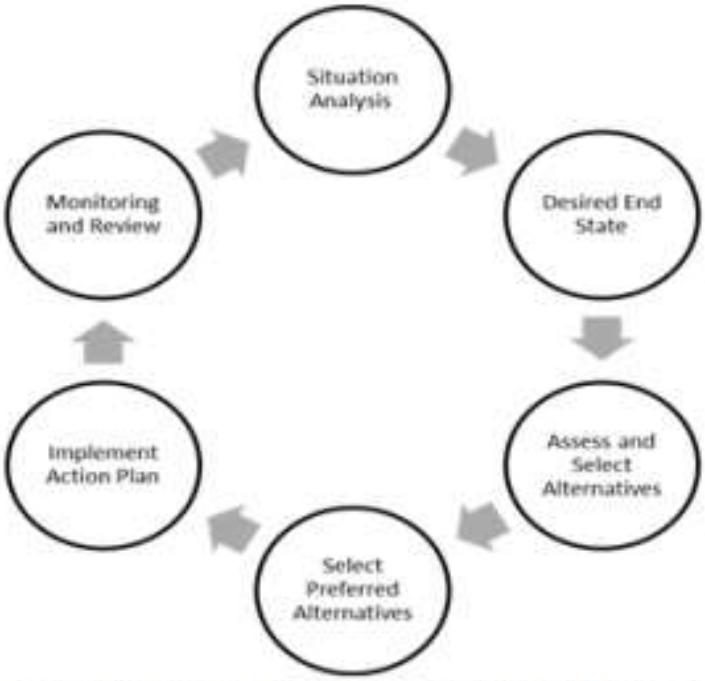


Figure 1.3: Integrated Waste Management Planning Process

The IWMP process consists of two main parts, the first being an assessment of the status (situation analysis) and needs analysis (desired end state), and the second part consists of future planning. The status quo entails the assessment of the following:

- Current status of waste collection;
- Existing disposal sites;
- Service delivery capacity; and
- Needs analysis for each of the above aspects.

The following methodology was followed for the current SLM status quo assessment:

- Interviews with the relevant municipal officials;
- Review of relevant waste records;
- Visit to areas in SLM to gather information on the existing status of the waste management service rendered;
- Interviews with private organisations involved in waste management, such as recyclers; and
- Assessment of the municipal area was assessed in reference of waste generation, collection volumes, collection systems, equipment, personnel and disposal site status.

The needs analysis entails the identification of "gaps" in the current waste management practices, such that waste management planning can focus on addressing the major shortfalls in respect of current waste management practices.

The goals and objectives make up the second part of the IWMP which include the alternative assessment. The alternatives identified are evaluated on a high-level basis. Based on the recommended alternatives selected for implementation, a programme and cost estimation (the implementation plan) is developed, which sets the timeframes over which specific projects should be rolled out by the municipality.

Performance assessment is the last step in the IWMP process, although this happens outside the development of the plan. This includes the evaluation and review of the plan to ensure the respective objectives are being met.

SLM must ensure that it has the necessary capacity in terms of human and financial resources to develop an IWMP. Co-operation between all departments responsible for waste management within a municipality such as Community services, Engineering, Parks, Planning and Finances, will be required to ensure all aspects related to integrated waste management are covered and addressed in the final IWMP.

In order to assist municipalities in the development of IWMPs, the Department of Environmental Affairs (DEA) developed a document entitled "Guideline for the Development of Integrated Waste Management Plans. This IWMP guideline document was revised in 2022 by the now Department of Forestry, Fisheries & the Environment (DFFE) to align with the revised National Waste Management Strategy (NWMS) of 2020. This current SLM IWMP has been aligned with both the NWMS (2020) and IWMP Guidelines (2022).

1.7 POLICY AND LEGISLATION: WASTE AND THE LAW

Central to the development and implementation of an IWMP at local government level is the identification of the relevant government policies and legislation so that specific legal aspects of the IWMP are properly addressed. The following section highlights relevant national and local legislation and policy that are relevant to the SLM IWMP.

Below is a brief overview of the key laws under which solid waste management is governed in South Africa.

1.7.1 The Constitution of South Africa (Act 106 of 1996)

The Constitution is the supreme law of the Republic of South Africa and any act or conduct inconsistent with it is invalid and will have no force of law. Environmental provisions are included in the Bill of Rights in Chapter 2 of the Constitution Act, No. 108 of 1996. In terms of section 24 of the Act, everyone has the right:

a) to an environment that is not harmful to their health or well-being; and

b) *to have the environment protected, for the benefit of present and future generations, through reasonable legislative and other measures that:*

- prevent pollution and ecological degradation;
- promote conservation; and
- secure ecologically sustainable development and use of natural resources while promoting justifiable economic and social development.

The Constitution provides the legal basis for allocating powers to different spheres of government, and is thus relevant to the institutional regulation of integrated pollution and waste management. Table 1.3 below provides a summary of duties relevant to SLM in terms of the Constitution.

Table 1.3: Summary of waste management related powers allocated in terms of the Constitution

Constitution Competency:	The Division in section 84(1) and (2) of the Municipal Structures Act		
Schedule 5B		**District Municipality – section 84(1)**	**Local Municipality – section 84(2)**
Cleansing	Provision of service to clean and maintain public streets and public places and the regulation and control thereof	No powers	Full powers in the area of jurisdiction
Refuse removal, refuse dumps and solid waste disposal	Establishment, operation, management, control and regulation of a system for the removal refuse Establishment, operation, management, control and regulation of refuse dumps and solid waste disposal sites	Solid waste disposal sites, insofar as it relates to – (i) the determination of a waste disposal strategy (ii) the regulation of waste disposal (iii) the establishment, operation and control of waste disposal sites, bulk waste transfer facilities and waste disposal facilities for more than one local municipality in the district	Remaining powers in the area of jurisdiction, including the establishment, operation, management, control and regulation of refuse dumps and of solid waste disposal sites that serve the area of local municipality

1.7.2 The National Environmental Management Act (Act 107 of 1998)

The National Environmental Management Act (Act No. 107 of 1998) (NEMA) was promulgated in November 1998. It is the key legislation for environmental management. NEMA promotes social, economic and environmental sustainability with the key focus on the conversation of the environment.

The objective of NEMA is: *"To provide for co-operative environmental governance by establishing principles for decision-making on matters affecting the environment, institutions that will promote co-operative governance and procedures for coordinating environmental functions exercised by organs of state; and to provide for matters connected therewith."*

NEMA seeks to realise the environmental rights, which are enshrined in the Constitution of the Republic of South Africa. The National Environmental Management Act is the framework law that provides for environmental protection in South Africa. The principles endorsed within this Act therefore form the basis for dealing with environmental issues in this country.

National Environmental Management Principles

NEMA stipulates that development must be socially, environmentally and economically sustainable. Sustainable development requires, amongst other factors, that all necessary steps be taken to avoid:

a) The disturbance of ecosystems and the loss of biological diversity; pollution and degradation of the environment;
b) The disturbance of culturally important landscapes and sites;
c) The pollution and degradation of the environment;

d) Waste or where it cannot be altogether avoided, minimized and reused or recycled where possible and otherwise disposed of in a responsible manner.

Furthermore, it requires the responsible use and exploitation of non-renewable natural resources and that the use of renewable resources does not exceed the level beyond which their integrity is jeopardised. Finally, sustainable development requires the prevention of negative impacts on the, environment by the early anticipation of such impacts.

Participation of all interested and affected parties in governance is encouraged as well as community wellbeing and empowerment. Of particular importance is the recognition of the fact that the environment is held in public trust for the people, the beneficial use of environmental resources must serve the public interest and the environment must be protected as the people's common heritage.

Another important principle within NEMA is that social, economic and environmental impacts of activities, including disadvantages and benefits, must be considered, assessed and evaluated through an Environmental Impact Assessment (EIA), and decisions taken must be appropriate in the light of such consideration and assessment.

The NEMA Second Amendment Act (2010) makes provision for the Minister, with the concurrence of the MEC to identify activities which may not be commenced without prior authorisation from the Minister or MEC and to identify existing authorised and permitted activities which must be considered, assessed, evaluated and reported on.

Organs of state are also entitled to have access to information relating to the environment held by any person where that information is necessary to enable organs of state to carry out their duties in terms of NEMA or any other law concerned with the protection of the environment.

1.7.3 The National Environmental Management: Waste Act (No. 59 of 2008) (NEM: WA)

NEMA: WA, commonly referred to as **The Waste Act**, came into effect on 3 July 2009 and was amended in November 2013 and again in June 2014.

The Waste Act covers a wide spectrum of issues including requirements for a National Waste Management Strategy, definition of priority waste, waste minimisation, treatment and disposal of waste, Industry Waste Management Plans, licensing of activities, and waste information management. It now forms the central waste legislation for South Africa. This Act aims to enforce an integrated approach to waste management, with emphasis on prevention and reduction of waste at source and, where this is not possible, to encourage reuse and recycling in preference to disposal.

The municipal responsibilities as defined by the Waste Act are summarised in the Table 1.4 below.

Table 1.4: Summary of municipal waste management responsibilities as defined in the NEM: Waste Act No. 59 of 2008

Relevant Section	Municipal Responsibilities
Chapter 2	**National Waste Management Strategy, Norms and Standard**
Waste service standards	
(9)	*(1) A municipality must exercise its executive authority to deliver waste management services, including waste removal, waste storage and waste disposal services, in a manner that does not conflict with section 7 or 8 of this Act.* *(2) Each municipality must exercise its executive authority and perform its duty in relation to waste services, including waste collection, waste storage and waste disposal services, by –* *a) adhering to all national and provincial norms and standards;* *b) integrating its waste management plans with its integrated development plans;* *c) ensuring access for all to such services;* *d) providing such services at an affordable price, in line with its tariff policy referred to in Chapter 8 of the Municipal Systems Act;* *e) ensuring sustainable services through effective and efficient management;* *f) keeping separate financial statements, including a balance sheet of the services provided.* *(3) In exercising its executive authority contemplated in subsection (1), a municipality may furthermore, amongst other things, set—* *a) local standards for the separation, compacting and storage of solid waste that is collected as part of the municipal service or that is disposed of at a municipal waste disposal facility;* *b) local standards for the management of solid waste that is disposed of by the municipality or at a waste disposal facility owned by the municipality, including requirements in respect of the avoidance and minimisation of the generation of waste and the re-use, recycling and recovery of solid waste;* *c) local standards in respect of the directing of solid waste that is collected as part of the municipal service or that is disposed of by the municipality or at a municipal waste disposal facility to specific waste treatment and disposal facilities; and* *d) local standards in respect of the control of litter.* *(5) (a) Whenever a municipality intends passing a by-law so as to give effect to subsection (1), it must follow a consultative process provided for in Chapter 4 of the Municipal Systems Act. (b) Paragraph (a) need not be complied with if the by-law is amended in a non-substantive manner.*
Chapter 3	**Institutional and Planning Matters**
Designation of waste management officers	
(10)	*(3) Each municipality authorised to carry out waste management services by the Municipal Structures Act, 1998 (Act No. 117 of 1998), must designate in writing a waste management officer from its administration to be responsible for co-ordinating matters pertaining to waste management in that municipality.*
Certain organs of state to prepare integrated waste management plans	
(11)	*(4) (a) Each municipality must—* *(i) submit its integrated waste management plan to the MEC for approval and (ii) include the*

Relevant Section	Municipal Responsibilities
	approved integrated waste management plan in its integrated development plan contemplated in Chapter 5 of the Municipal Systems Act. *(7) (b) A municipality must, before finalising its integrated waste management plan, follow the consultative process contemplated in section 29 of the Municipal Systems Act, either as a separate process or as part of the consultative process relating to its integrated development plan contemplated in that section.*
Chapter 4	**Waste Management Measures**
Waste collection services	
(23)	*(2) Every municipality must, subject to this Act, and as far as is reasonably possible, provide containers or receptacles for the collection of recyclable waste that are accessible to the public.*

The Waste Act introduces the waste management hierarchy (Figure 1.4) as the basis for waste management decision making.



Figure 1.4: Waste Management hierarchy

According to the National Environmental Management Act: Waste Act and Waste Amended Act the waste hierarchy definitions are as follows:

Re-use: means 'to utilise the whole, a portion of or a specific part of any (articles) substance, material object from the waste stream (again) for a similar or different purpose without changing the form or properties of such substances, materials or objects';
Recycling: means 'a process where waste us reclaimed for further use, which process involves the separation of waste from a waste stream for further use and the processing of that separated material as a product or raw material'
Recovery: means the 'controlled extraction (of material) or retrieval of (energy) any substance (or) material object from waste (to produce a product)'

The overall purpose of the Waste Act is to regulate the management of waste in order to protect the health of people as well as the environment (plants, animals, land, air, water, etc.). The Waste Act makes businesses and industries that create waste responsible for the waste they generate. It also holds businesses involved in waste management and recycling accountable for the waste they manage. This helps minimise illegal dumping, pollution and with it, harmful effects on human health and the environment.

To ensure that waste is managed correctly across all sectors (from the household to businesses and government); the Waste Act regulates the licensing and control of waste management activities. A list of waste management activities, requiring a license have been published in 2009 and an updated list on 29 November 2013. The 'Listed Activities' include:

- Storage of waste
- Recycling and recovery of waste
- Treatment of waste
- Disposal of waste
- Construction, expansion or decommissioning of facilities and associated structures and infrastructure

Only activities exceeding the thresholds as published in the Government Gazette require a waste management license.

The Waste Management Listed Activities are divided into the three categories below:

- ***Category A*** requires a Basic Assessment Process set out in the Environmental Impact Assessment Regulations under section 24(5) of NEMA, 1998 (Act 107 of 1998) as part of a waste management license application.
- ***Category B*** requires a Scoping and Environmental Impact Assessment Process set out in the EIA Regulations under section 24(5) of NEMA, 1998 (Act 107 of 1998) as part of the application process before a Waste Management License may be issued.
- ***Category C*** requires the prospective operator to comply with the relevant Norms and Standards that are provided for the storage, recycling or recovery of waste as determined by the minister:
    - Norms and standards for the storage of waste, 2013; or
    - Standards for Extraction, Flaring or Recovery of Landfill Gas, 2013; or
    - Standards for Scrapping or Recovery of Motor Vehicles, 2013
    - National Norms and Standards for the Sorting, Shredding, Grinding, Crushing, Screening or Baling of General Waste, 2017.

1.7.4 National Environmental Management: Waste Amendment Act (No 26 of 2014) (NEM: WAA)

This amendment act does not repeal the Waste Act; it merely adds to and amends certain sections of the Waste Act. The Waste Act and the Amendment should be read together.

The Waste Amendment Act, 2014 is important to note since it introduced:

- A new definition of waste;
- Established the Waste Management Bureau to:
    - Function as a specialist implementing agent within DEA
    - Promote and facilitate waste minimisation, re-use. recycling and recovery of waste
    - Manage the disbursement of incentives and funds derived from waste management charges
    - Monitor the implementation of industry waste management plans
    - Progressively build capacity within the Bureau to provide specialist support for the development and implementation of the municipal waste management plans
    - Support and advice on the development of waste management plans, tools, instruments, processes, systems, norms, standards and municipal waste management plans and capacity building programmes
- A Pricing Strategy for imposing waste management charges; and
- Schedule 3 which contains a list of defined waste streams.

1.7.5 National Water Act (Act 36 of 1998) (NWA)

National Water Act (36 of 1998) (NWA) is the main statute dealing with managing and controlling the nation's water resources. General Authorisations in terms of Section 39 of the Act provides for the discharge of waste or water containing waste into a water resource through a pipe, canal, sewer or other conduit; and disposing in any manner of water which contains waste from, or which has been heated in, any industrial or power generation process.

The authorisation permitted in terms of this Schedule replaces the need for a water user to apply for a license in terms of the National Water Act provided that the discharge is within the limits and conditions set out in the Act. Discharge up to 2 000 m3 of wastewater on any given day into a non-listed Water Resource must adhere to the General Limit Values while wastewater discharge into a Listed Water Resource must adhere to the Special Limit Values provided for in the Act. Discharge of Complex Industrial Wastewater is however prohibited in both cases.

For all these forms of water uses one will need a water license unless the activities fall under general authorisation or exempted water uses. SLM will have to make a clear provision on how it intends to deal with its waste water or water containing waste.

1.7.6 National Health Act (63 of 2003)

The National Health Act (2003) defines "municipal health services" to include the following:

- Water quality monitoring;
- Food control;
- Waste management;
- Health surveillance of premises;
- Surveillance and prevention of communicable diseases, excluding immunizations;
- Vector control;
- Environmental pollution control;

- Disposal of the dead; and
- Chemical safety.

Section 32 of the Act requires that the municipal health services (including waste management) must be effectively and equitably provided. Furthermore, national and provincial government must enter into a service level agreement as contemplated in section 156 (4) of the Constitution, assigning the administration of the listed matters to the municipality.

The National Health Act also pertains to health care waste management. The Act in relation to waste activities designates the municipal services by including waste management in terms of formulating regulations regarding medical and health care waste by the Minister responsible.

1.7.7 The National Waste Management Strategy (NWMS) (2020)

The National Waste Management Strategy (NWMS) is a legislative requirement of the National Environmental Management: Waste Act (Act No.59 of 2008), and its purpose is to translate policy into action and to achieve the objectives of the Waste Act.

The first NWMS (1999) laid the foundations for a coherent waste management regime by putting forward action plans for short-term priority initiatives. The second NWMS was gazetted in 2012, which was structured around a framework of eight goals with targets to be met by 2016. A third revision of the NWMS was gazetted in 2020, which builds on the successes and lessons from the implementation of NWMS (2011), and addresses the challenges and gaps identified. The NWMS (2020) is mainly focused on the prevention of waste and diversion of waste from landfill by leveraging the concept of circular economy to drive sustainable, inclusive economic growth and development in the waste sector, whilst reducing the social and environmental impacts of waste.

Significant strategic shifts from the 2011 strategy made in the NWMS 2020 includes:

- Addressing the role of vulnerable groups, waste pickers and the informal sector and supporting women, youth and people living with disabilities in the circular economy;
- Promoting approaches to the design of products and packaging that reduce waste or encourage reuse, repair and preparation for recycling, support markets for source separated recyclables;
- Investigating potential regulatory or economic interventions to increase participation rates in residential separation at source programmes;
- Investing the economies associated with transporting of recyclables to waste processing facilities;
- Addressing the skills gap within the sector with a special focus on women, youth and people living with disabilities; and
- Engagement with the National Treasury regarding the operational expenditures for municipalities associated with implementing the NWMS and the Waste Act.

The success of the NWMS 2020 greatly depends on the extent to which it finds a foothold in local and provincial government and the private sector. A concerted effort is also required from the private sector through the increase of recycling rates to promote circular economy and consumer behaviour change to extend practises such as separation of waste at source.

The NWMS (2020) is premised on three pillars which aim to see a future South Africa with zero waste to landfills; cleaner communities; well managed and financially stable waste services; and a culture of zero tolerance of pollution, litter and illegal dumping. The three strategic pillars are described below:

Table 1.5: National Waste Management Strategic Pillars (2020).

Pillars	Strategic Thrust	Expected Outcomes	Key Interventions
Pillar 1: Waste Minimisation	• Minimising the impact of waste especially plastic packaging in our coasts, rivers, wetlands and our human settlement environments, by amongst others, diverting waste away from landfill. • Increasing re-use, recycling, recovery and alternative waste treatment. • Maximising the role of the waste sector in the circular economy.	• Zero waste to landfill through the following targets: o 5 years - 40% reduction of waste disposed in landfills; o 10 years – 55% reduction of waste disposed in landfills; o 15 years – 70% reduction of waste disposed in landfills.	• Prevent waste generation through cleaner production, industrial symbiosis and extended producer responsibility; • Prevent Food Waste; • Increase re-use, recycling and recovery rates; • Divert organic waste from landfill through composting and the recovery of energy; • Divert construction and demolition waste from landfill through beneficiation; and • Increase technical capacity and innovation for beneficiation of waste.
Pillar 2: Effective and Sustainable Waste Services	• Recognising and addressing the very different circumstances and waste management challenges that exist between local government authorities. • Developing and implementing flexible approaches to service delivery that incorporates the informal sector while addressing local needs. • Guiding public investment and	• All South Africans live in clean communities with waste services that are well managed and financial sustainable.	• Separate waste at source; • Safe and environmentally sustainable disposal of hazardous household waste; • Cities Support Programme Implementation; and • Effective integrated waste management planning.

Pillars	Strategic Thrust	Expected Outcomes	Key Interventions
	partnerships with the private sector in waste management infrastructure and projects. • Ensuring that the delivery of waste services contributes to sustainable development.		
Pillar 3: Compliance, Enforcement and Awareness	• Mitigating and preventing the environmental and social damage caused by waste due to non-compliance. • Increasing compliance to local, provincial, national and international legislation and standards. • Mitigating and preventing pollution, littering and illegal dumping of waste. • Improving the visibility and awareness of the socio-economic and environmental benefits of compliance, effective waste management and environmentally compliant infrastructure.	• Mainstreaming of waste awareness and a culture of compliance resulting in zero tolerance of pollution, litter and illegal dumping.	• Reduce pollution, littering and illegal dumping; • Enhance capacity to monitor compliance and enforce the Waste Act and International Agreements; and • Ensure municipal landfill site and waste management facilities comply with licensing requirements.

1.7.8 National Domestic Waste Collection Standards, January 2011

The main purpose of the Waste Collection Standards is to redress past imbalances in provision of waste collection services, where it has become imperative that acceptable, affordable and sustainable waste collection services be rendered to all South Africans. The provision of waste collection services will improve the quality of life of citizens and will ensure that citizens live in a clean and more acceptable environment. The lack of waste collection services can result in a number of environmental and human and health problems and therefore proper planning is crucial.

It is the responsibility of SLM to:

- Provide equitable waste collection services to all households within its jurisdiction. In areas where travelling distances and the resulting costs may render regular waste collection services impractical, the municipality, through by-laws, must allow for more feasible alternative ways of waste handling, such as appropriate and regularly supervised on-site disposal;
- Provide clear guidelines to households regarding types of waste, the sorting of the waste, appropriate containers, and removal schedules for each type of waste;
- Encourage community involvement in recycling and provide an enabling environment for household to recycle domestic waste. Where the LM does not provide for kerbside collection of the recyclable component of source separated waste, it must co-operate with the recycling sector to ensure the provision of facilities where recyclables can be dropped-off for collection by service providers; and
- Ensure that communal collection points for recyclables are kept tidy at all times.

1.7.9 National Policy for the provision of basic refuse removal services to indigent households

This National Policy for the Provision of Basic Refuse Removal Services to Indigent Households paves the way for municipalities in South Africa to provide basic refuse removal services within their areas of jurisdiction. It has emerged over the years that South Africa has a backlog in terms of provisioning of basic refuse removal services. Most of the households that suffer from the prolonged lack of refuse removal are those from previously disadvantaged localities such as the high density, low-income areas. These are, in many instances the same households that are currently eligible for receiving free basic water and free basic electricity.

The purpose of the National Policy for the Provision of Basic Refuse Removal Services to Indigent Households is to ensure that poor (indigent) households have access to at least basic (essential) refuse removal services from the relevant municipality. Meeting this purpose requires aligning the Policy with already existing key relevant legislation, indigent policies for different municipalities, financial management systems, while being mindful of the need to ensure that there is uniformity when dealing with various cases of the indigent households.

1.7.10 Municipal Solid Waste Tariff Strategy (2012)

The Municipal Solid Waste Tariff Strategy (2012) provides guidelines to assist municipalities in improving the financial sustainability of waste services within their jurisdiction. The strategy covers areas such as:

- Scope of services and service levels
- Financial and subsidy framework
- Revenue streams and tariff approaches
- Costing of services
- Principles of municipal solid waste tariff setting

- Municipal solid waste tariff options (e.g. flat rate versus waste generated)
- Implementation

1.7.11 National Pricing Strategy for Waste Management Charges (2014)

The National Pricing Strategy for Waste Management Charges (2014) provides a framework for the implementation of economic instruments in the South Africa waste sector.

The strategy addresses economic instruments both at a national and local level with the main aim of implementing economic instruments which will:

- Mainstream the Polluter Pays Principle
- Reduce generation of waste
- Increase diversion of waste away from landfill toward reuse, recycling and recovery
- Support the growth of the SA secondary resource economy from waste

Of particular relevance to local government are the possible "down-stream" instruments for setting waste management charges including:

- Flat rates
- Volumetric tariffs or "pay-as-you-go"
- Disposal taxes

Other factors that needed to be considered when deciding of a tariff mechanism include:

- Existing pricing of waste services
- Monitoring and enforcement capacity
- Local socio-economic conditions
- Pricing against the demand for the service

1.7.12 Municipal Structures Act and Municipal Systems Act

The Municipal Structures Act (Act 117 of 1998) and the Municipal Structures Amendment Act (Act 33 of 2000) provides for the establishment of municipalities provides for the establishment of municipalities in accordance with the requirements relating to categories and types of municipality and defines the structures these municipalities must provide for government function.

Section 84(1) of the Act relates to the function and powers of the District Municipality including:

- Integrated development planning
- The regulation of waste disposal
- The establishment, operation and control of waste disposal sites, bulk transfer stations and disposal facilities for more than one local municipality in the district.

General refuse removal remains the responsibility of the local municipality. However, section 88 deals with the co-operation required between the District and Local Municipalities.

1.7.13 Local Government: Municipal Systems Act (Act 32 of 2000)

The Municipal Systems Act is part of a series of legislation which aims to empower local government fulfil its Constitutional Objectives, including empowering local government for the provision of waste management services. The act further provides that the national Minister responsible for local Government may take regulations or issue guidelines for incentives and penalties to encourage the efficient use of resources when

providing services, the recycling of waste and other environmental objectives. It dictates community participation in its decision-making processes, implementation of by-laws & integrated development plans amongst other managerial functions.

Local Government planning is done through the integrated Development (IDP's), every 5 years with an annual review on their progress. Waste management is a core component of the IDP and is often supported by an integrated Waste Management Plan.
The Municipal Finance Management Act (2003) ensures sound and sustainable management of the financial affairs of municipal and other institutions in local sphere of government.

1.7.14 The Eastern Cape Provincial Integrated Waste Management Plan (2019)

The Eastern Cape Provincial Integrated Waste Management Plan (PIWMP) was developed and endorsed in 2019 and is currently under review for alignment with the National Waste Management Strategy 2020 version.

The draft revision PIWMP is premised on 8 objectives, which inform the implementation plan, as listed below:

1. Ensure sufficient institutional capacity to implement integrated waste management.
2. Improved integrated waste management and future planning.
3. Increased waste minimisation, re-use, recycling and recovery.
4. Effective waste information management.
5. Improved waste facility management.
6. Provide effective and financially viable services.
7. Improved education, awareness and waste information sharing.
8. Effective compliance monitoring and enforcement.

The following targets of the PIWMP are relevant and will be aligned with the current SLM IWMP:

- All municipalities to have a designated WMO by year 2 of the gazetted PIWMP.
- All LM's to review performance of WMs against the DFFE Guidelines on WMO appointments, using the DEDEAT template.
- All municipalities to have integrated IWMP projects into IDPs.
- All municipalities to report on IWMP implementation on an annual basis to DEDEAT.
- Develop and operate MRFs at LM level.
- Municipalities to create an enabling environment for composting.
- All municipalities to facilitate the development of at least one recycling public drop-off centre in the main town.
- All municipalities to implement an in-house waste recycling programme.
- At all waste facilities without weighbridges, the SAWIS manual system for estimating incoming waste is to be implemented, so as to allow disposal tonnages to be estimated.
- All municipalities to report on SAWIS.
- 100% of landfill sites to be permitted.
- All waste facilities to have operational plans in place. Where operational plans are already in place, these should be reviewed.
- Full cost accounting exercises to be undertaken by all LM's.
- All municipal landfill facilities are to be audited internally by municipalities at least once per annum.

1.7.15 Chris Hani District Municipality Integrated Waste Management Plan (2020)

The Chris Hani District Municipality (CHDM) commenced the development of the district IWMP, for which SLM is a constituent. The CHDM IWMP is still in draft stage and not currently revised to align with the NWMS 2020. In terms of Section 84.1 of the Municipal Structures Act, CHDM is mandated to ensure that there is integrated development planning, determination and regulation of a waste disposal strategy for the district as a whole and the establishment, operation and control of waste of disposal sites, bulk waste transfer facilities and waste disposal facilities for more than one local municipality within its jurisdiction. Since the district doesn't deal directly with waste collection, its role is in ensuring that there is a framework that encourages less waste going into its landfill sites.

1.7.16 Sakhisizwe LM Integrated Development Plan (2020/21 Review)

The latest review of the SLM Integrated Development Plan (IDP) was 2020/21. This IDP review confirms the main challenge to efficient solid waste service provision within SLM is ageing infrastructure that is prone to constant breakdowns resulting in unplanned stoppages. This challenge has rendered difficulty in expanding the service to rural and other outlying areas of SLM. Based on the IDP, there is still quite a backlog in refuse removal within SLM with 26% of households not receiving any service, and a further 62% of households making use of their own means of refuse disposal, with no support from the municipality.

According to the IDP, the municipality has engaged local economic development opportunities by promoting and supporting the implementation of recycling projects linked to the landfill site. The municipality has also identified the need to conduct community awareness campaigns aimed at improving waste management within SLM.

1.7.17 Municipal Waste Management By-Laws

In terms of the Local Government Municipal Systems Act, 2000 (Act 32 of 2000), read with section 156 of The Constitution of the Republic of South Africa, a municipality may make and administer by-laws for the effective administration of the matters which it has the right to administer. According to the Constitution, a by-law that conflicts with national and provincial legislation is invalid. A municipal by-law may only be enforced after it has been published in the official gazette of the relevant province, upon request by the municipality. Municipal by-laws must also be accessible to the public.

There is only a Refuse Removal By-Law in SLM, which was promulgated in September 2013 in the Provincial Gazette No. 3032, and is currently under review to incorporate updated information and requirements.

1.7.18 Other Relevant Legislation Pertaining to Waste Management

The following Acts (and their amendments) are to be noted when understanding the requirements for management of waste in South Africa:

- The NEM: Air Quality Act (Act 39 of 2004) (NEM: AQA)
- The Hazardous Substances Act (Act 15 of 1973) as amended in 1992 and regulations
- The Occupational Health and Safety Act (Act 85 of 1993) (OHSA) and regulations
- The National Road Traffic Act (Act 93 of 1996) and regulations
- Physical Training Act (Act of 125 of 1991)

- The National Petroleum Resources Development Act (Act 28 of 2002)
- Mineral and Petroleum Resources Development Act (Act 28 of 2002)
- Consumer Protection Act (Act 68 of 2008)
- The NEM: Protected Areas Act (Act 45 of 2003) (Act No.57 of 2003)
- The NEM: Biodiversity Act (Act No.10 of 2004)
- National Environmental Management Laws Second Amendment Act (Act 201 of 2013)
- Second Hand Goods Act (Act 6 of 2009)

1.7.19 Local Agenda 21

Agenda 21 is a global plan of action for sustainable development which was agreed to by most United Nations members at the United Nations Conference on Environment and Development (UNCED) held in Rio de Janeiro, Brazil, in 1992. The agreement was to aim for balanced development in order to minimise any adverse environmental impacts on the earth. The agenda focuses on strengthening public-private-community partnerships to address environmental management issues and to strategically plan for long term sustainable environmental management. Waste management is central to the key goals of Agenda 21, as listed below:

- Sustainable development.
- Eradication of poverty.
- Elimination of threats to the environment.
- Creation of sustainable job opportunities.

1.7.20 Polokwane Waste Summit Declaration (September 2001)

A national waste summit was held in Polokwane during September 2001. This summit was attended by all stakeholder groups in the waste field in order to jointly chart a way forward in terms of waste management. The resultant Polokwane Declaration includes a vision and goal for the management of all waste.

- Vision – To implement a waste management system, which contributes to sustainable development and a measurable improvement in the quality of life by harnessing the energy and commitment of all South Africans for the effective reduction of waste.
- Goals – To reduce waste generation and disposal by 50% and 25% respectively by 2012 and develop a plan for zero waste by 2022. The Polokwane Declaration has significant implications for local government. In order to move towards the goal, it will be necessary for government and other stakeholders to engage more closely towards the achievement of this goal in a realistic and practical manner. The key actions in the Polokwane Declaration that impact on local government include the following:
    - Implement the NWMS (2011)
    - Develop and implement legislative and regulatory framework
    - Waste reduction and recycling
    - Develop waste information and monitoring systems.

1.7.21 Applicable National Environmental Standards and Guidelines

Norms and Standards for assessment of waste for landfill disposal

- The ***National Norms and standards for assessment of waste for landfill and disposal*** specify the analysis required to identify the chemical substances present in the waste and defines the threshold limits for the total concentration and leachable concentration of a particular element or chemical substance in a waste.

- In terms of the Norms and Standards, certain wastes are prohibited or restricted for disposal to landfill and these have various effective dates/compliance time frames from the date of the promulgation of the Norms and Standards.

Norms and standards for storage of waste

- The National Norms and Standards for the Storage of Waste, GN 926 of 29 November 2013, provide for the following requirements in terms of storage of waste:
    - A uniform national approach to the management of waste storage facilities;
    - To ensure best practice in the management of such facilities;
    - To implement minimum standards for the design and operation of new and existing facilities.

A ***"general waste storage facility"*** is defined as a facility that has a capacity to store in excess of $100m^3$ of general waste continuously.
A ***"hazardous waste storage facility"*** is defined as a facility that has a capacity to store in excess of $80m^3$ of hazardous waste continuously.

It is therefore important that the waste has been classified Hazardous or General in order to correctly apply the Norms and Standards.

The norms and standards apply to any person storing wither general or hazardous waste. No Basic Assessment or waste license will be required but the facility must comply with the norms and standards. The norms and standards do not apply to the storage of general or hazardous waste in surface impoundments or lagoons. New facilities must be registered with the competent authority within 90 days prior to construction taking place. In locating the facility, consideration must be given to the public health and environmental protection.

A new hazardous waste storage facility must be located in an industrial demarcated zone. A facility not located in such a zone must have a buffer zone of at least 100m unless there is a prescribed buffer zone by the relevant municipality. The location must also consider the hazards, including the flammability and toxicity of the waste stored and applicable codes and standards (e.g. SANS codes and standards).

A general waste storage facility may be located in a residential area and must be easily accessible to the public. Both facilities must be easily accessible to emergency response personnel and equipment. The Norms and Standards also list several construction and design requirements, including building requirements, impermeable and chemical resistant floor requirements.

Access to the facilities must be controlled and weatherproof, durable and legible signs in at least three official languages must be displayed. The signs, as a minimum, must indicate the risks involved in entering the site, hours of operation, name and contact details of the person responsible for the facility. Access to hazardous waste storage facilities must be limited to employees trained in the operation of such a facility and emergency response procedures. Various requirements for waste storage containers, including above and underground storage facilities, are included in the norms and standards. Continuous training must be provided to all employees working with waste and to all contract workers that may be exposed to the waste.

All storage facilities must have an emergency preparedness plan dealing with at least the following:

- Hazardous identification

- Prevention measures
- Emergency planning
- Emergency response
- Remedial actions

Section 15 of the Norms and standards sets out various monitoring and inspection requirements. Some inspections are as frequent as weekly. A registered engineer must inspect tanks containing hazardous waste at least once a year to determine tank integrity, corrosion, piping, valves, bunding and permeability of the bund wall and floor.

Internal audits must be conducted bi-annually and each occasion an official report must be compiled by the relevant auditor which must be made available to the external auditor. An independent external auditor must audit the facility biennially, and must submit his/her report to the relevant authority. Various requirements for the external audit report are set out in section 16 of the Norms and Standards. The norms and standards do not set out what qualifications an external auditor must have, but this would presumably be somebody with relevant experience in waste management and auditing of waste management facilities.

Records dealing with the number of storage containers or tanks must be kept, so to the date of collection as well as the authorised collector(s) and proposed final point of treatment, recycling or the disposal. If it is intended to discontinue a waste storage facility it must be rehabilitated to the satisfaction of the relevant authority.

A person who lawfully operated a facility prior to 29 November 2013 may continue with the activity for the duration stipulated in the permit or license until such a document expires, where after compliance with the Norms and Standards is required.

1.7.22 Other Applicable Waste Management Regulations

- National Waste Management Strategy (DEA, 2011).
- Minimum Requirements for the Handling, Classification and Disposal of Hazardous Waste, 3rd ed. (DWAF, 2005a).
- Minimum Requirements for Waste Disposal by Landfill, 3rd ed. (DWAF, 2005b).
- Minimum Requirements for Water Monitoring at Waste Management Facilities, 3rd ed. (DWAF, 2005c).
- White Paper on Integrated Pollution and Waste Management for South Africa (2000).
- Waste Classification and Management Regulations, Government Notice R634 of 2013.
- National Norms and Standards for Disposal of Waste to Landfill, Government Notice R636 of 2013.
- Guidelines for the Utilization and Disposal of Wastewater Sludge (Vol.1 to 5) DWAF, 2006.
- Framework for the Management of Contaminated Land (DEA, 2010).
- Draft Standards for Assessment of Waste for Landfill Disposal. Notice 613 of 2012.
- Waste Classification and Management Regulations 2013.
- National Norms and Standards for the Remediation of Contaminated Land and Soil Quality 2014.
- National Policy on Thermal Treatment of General and Hazardous Waste GG32439, GN777, 24 July 2009.
- Waste Tyre Regulation, GG31901, GN 149, 2009.
- Framework for the Management of Contaminated land, 2010.
- Change of licensing authorities in terms of Section 43(3), GG34019, GN 77, 19 February 2011.
- Draft Regulations for site Assessment and Reports, 35161, GN 234, 19 March 2012.

- Municipal waste sector plan, GG35206, GN 270, 30 March 2012.
- Draft regulations regarding health Care Risk Waste Management (HCRW), 35405, GN 452, 1 June 2012.
- Proposed national standards for validation of the treatment efficacy and operation of a non-combustion technology for the treatment of health care waste, 1 June 2012.
- National Waste Information Regulations, GG35583, GN 615, 13 August 2013.
- Waste Classification & Management Regulations, GG36784, GN 634, 23 August 2013.
- National Norms and Standards for Assessment for Waste for Landfill Disposal, GG36784, GN 635, 23 August 2013.
- National Norms and Standards for Disposal of Waste to Landfill, GG36784, GN 636, 23 August 2013.
- National Standards for Extraction, flaring or recovery to landfill gas, GG37087, GN 925, 29 November 2013.
- National Standards for the Scrapping or Recovery of Motor Vehicles, GG37088, GN 926, 29 November 2013.
- Draft national norms and standards for organic waste composting, 7 February 2014.
- National Norms and Standards for Remediation for Contaminated Land and Soil Quality, GG37603, GN 331, 2 May 2014.
- Radioactive Waste Management Policy and Strategy for South Africa.
- Waste Picker Integration Guideline for South Africa, August 2020.

1.7.23 Relevant Regulations under the OHS Act, 1993

- Hazardous Substances Regulations, GN R1179, August 1995.
- Asbestos Regulations, GN R155, February 2001 and GN 30904, March 2008.
- Major Hazard Installation Regulations, GN Regulations, GN R692, July 2001.
- Hazardous Biological Agents Regulations, GN R1390, December 2001.
- Construction Regulations, 2003, and amendment 2014.

1.7.24 International Obligations

Environmental legislation gives effect to South Africa's obligations in terms of international Environmental agreements. *The Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, 22 March 1989 (Basel*) is one example of an international agreement, ratified by the South African Government that is applicable to waste management.

2. SITUATION ANALYSIS

SLM is a category B municipality and it is divided into 9 municipal wards, with the main administrative centre being located in Cala (Figure 2.1). There are two main towns in SLM, Khowa (ward 1) and Cala (ward 5).

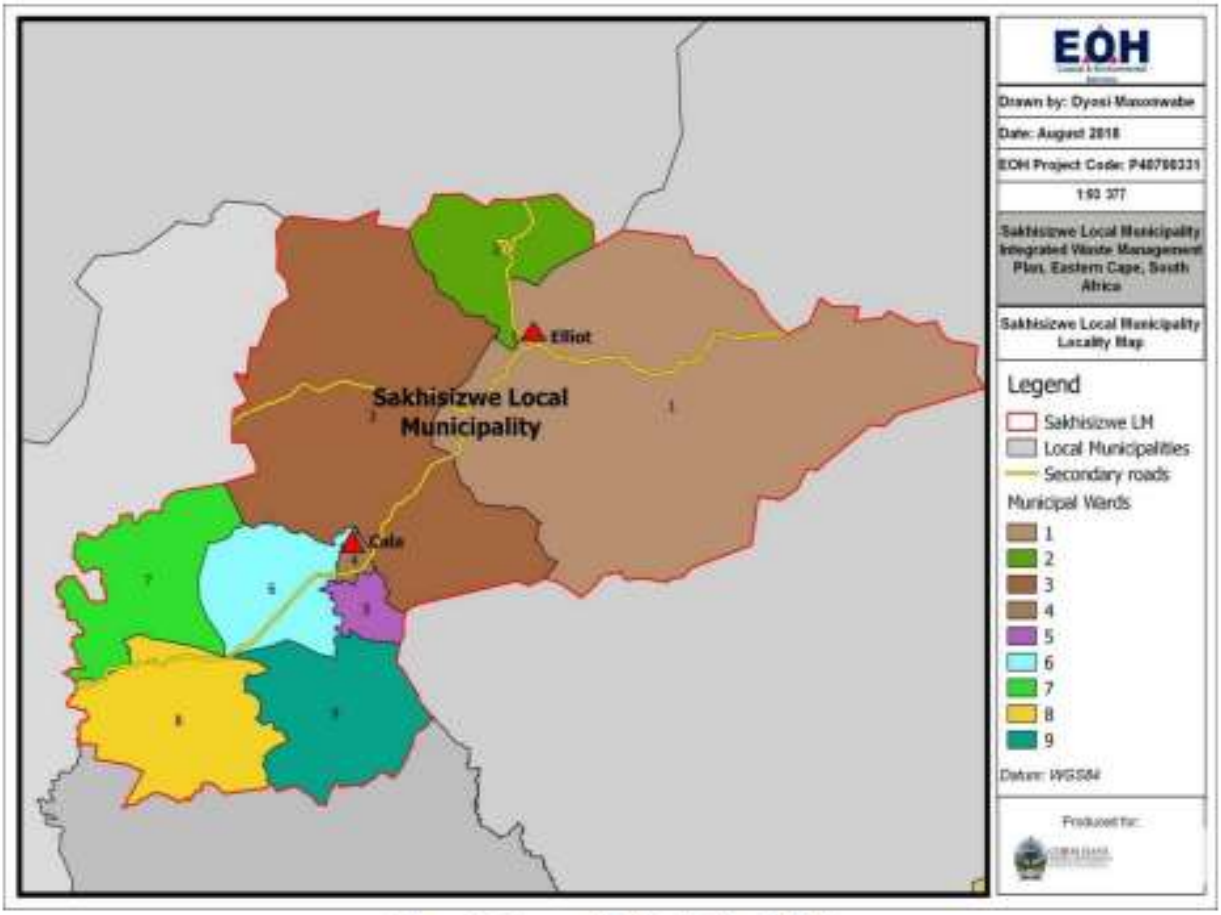


Figure 2.1: Geographic distribution of SLM.

Apart from the small pockets of privately-owned land in the Cala and Khowa towns, the largest parts of the municipality consist of lesser forms of tenure on communal-state owned land. The northern part of the municipality consists of privately-owned farms and erven. Low density rural residential settlements are loosely scattered throughout the southern municipal area and are surrounded by communal grazing and some arable land. The communal agricultural lands make up the balance of the former Transkei part of SLM (i.e. outside the Cala commonage boundary and rural settlement areas). Commercial farms make up the rural component outside the Khowa commonage boundary. Urban settlements are comprised of the towns of Khowa and Cala, and these have a higher level of social and infrastructure service and hence fulfil the role of the main service centres to the surrounding residents (SLM IDP Review, 2015-2016).

2.1 DEMOGRAPHICS (POPULATION AND DEVELOPMENT PROFILES)

2.1.1 Growth & Demographic Profile

Based on the 2016 Community Survey, SLM had a total population of approximately 63 846 persons and 14 848 households with a population growth rate estimated at 0.56% in 2016. SLM has the lowest population relative to other LMs within the CHDM, with an approximately 8% contribution to the total district population. Table 2.1 below summarises the population dynamics of SLM in relation to the district and the province at large.

Table 2.1: Baseline demographics for SLM, CHDM and Eastern Cape Province.

Variable	SLM	CHDM	Eastern Cape Province
Surface Area	2 355km^2	36 144km^2	168 966km^2
Population Size (2016)	63 846	769 562	6.5 million
Households (2016)	14 848	176 009	1.7 million

Source: StatsSA (Community Survey 2016)

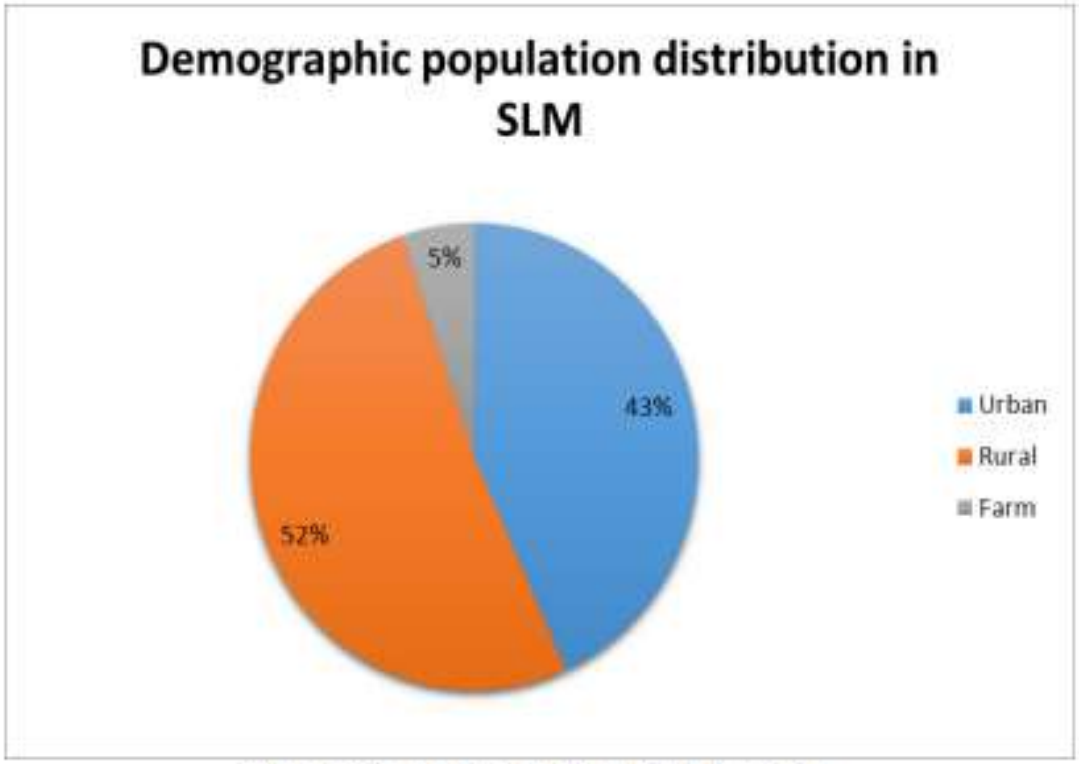


Figure 2.2: Demographic population distribution of SLM.

The population density of SLM is depicted by Figure 2.2b below, where very small portions of wards 1, 2, 3, 4, 5 and 6 are densely populated with more than 100 people per square kilometre, these portions comprise the urban and peri-urban centres of SLM. This is followed by portions of wards 3, 5, 7, 8 and 9 with a density of 50 to 100 and 25 to 50 people per square kilometre, comprising of townships and the in-between informal settlements. However, the greater part of the municipality (mainly the farm and former homeland areas) is sparsely distributed and less populated with a maximum of 5 people per square kilometre.

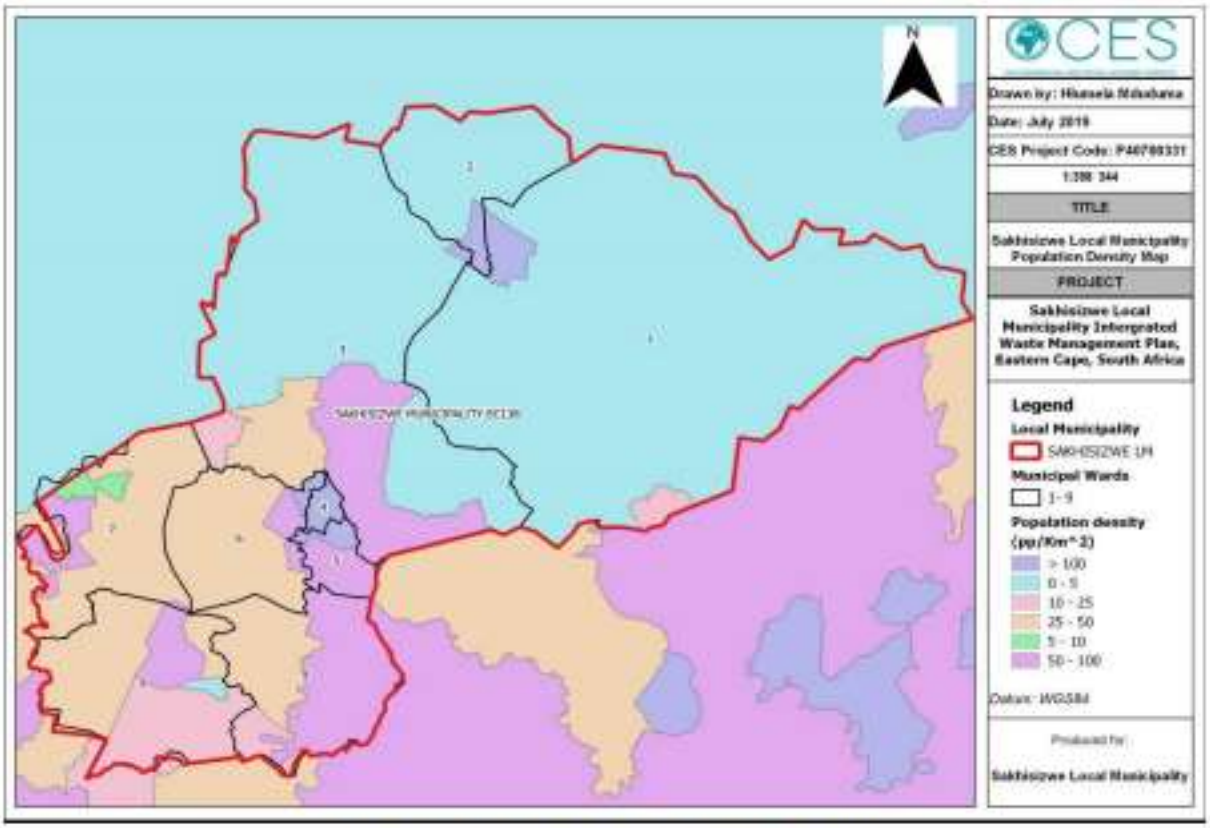


Figure 2.2b: Demographic population density of SLM

Age and Gender

The population at SLM is dominated by young (i.e. youth) people (Figure 2.3) and the female population being slightly greater (52%) than the male population (48%), as seen on Figure 2.4 below.

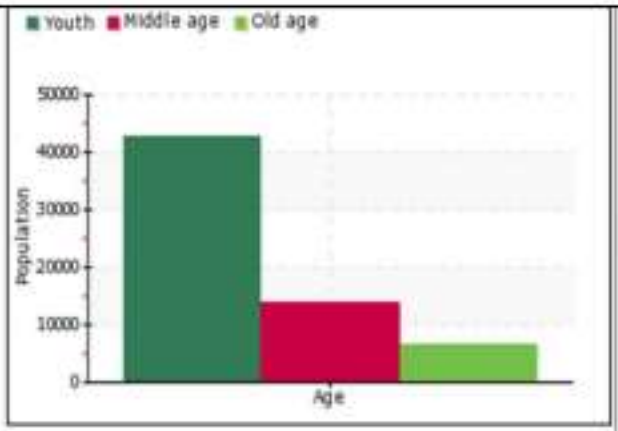


Figure 2.3: Age distribution in SLM.

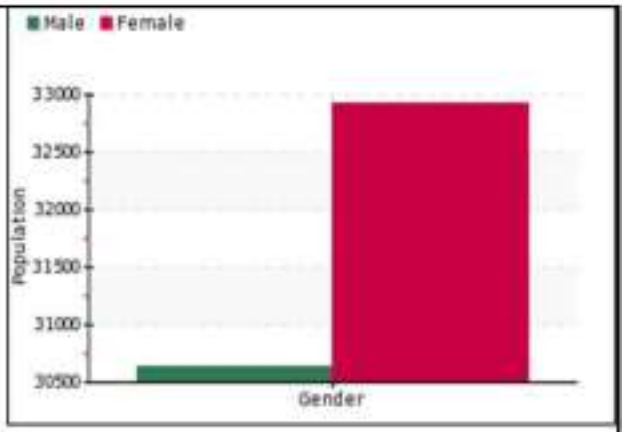


Figure 2.4: Gender distribution in SLM.

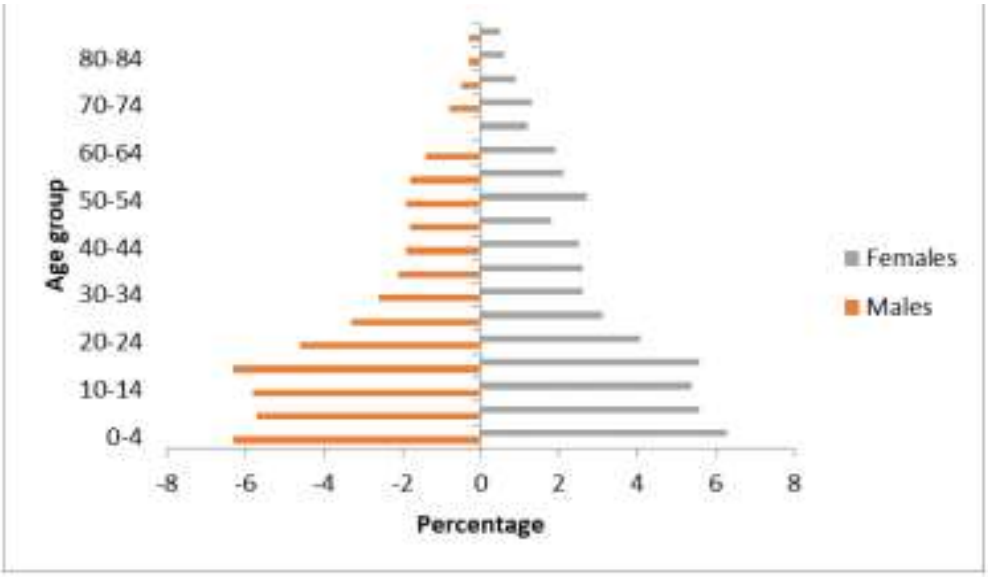


Figure 2.5: Age and gender profile for SLM.

The age and gender profile are important as the figures indicate the labour supply of a region. We note from the pyramid above (Figure 2.5) that SLM is predominantly constituted by young people as the pyramid is bottom heavy from the age group 0-24.

Education

Approximately a combined 75% of the SLM population completed a primary and secondary education level; while a mere 3% of the population has a tertiary education level (see Figure 2.6). Approximately 22% of the population may have no form of education background.

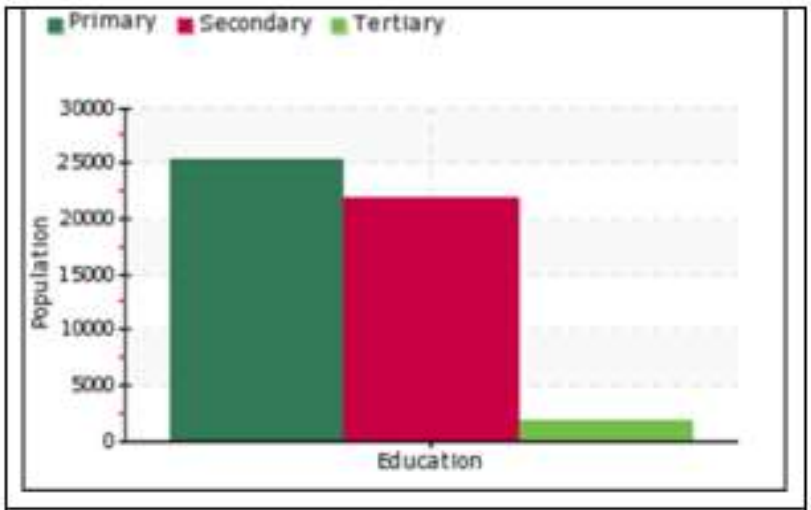


Figure 2.6: Education levels in SLM.

Income, employment and economic development

Over half of the population at SLM is unemployed (56%) while only 14% of the population is employed (see Figure 2.7). The unemployment rate is estimated at 38.8% while the youth unemployment rate is estimated at 48.6%. Approximately 30% of the population comprises of self-employed individuals, discouraged work-seekers and those individuals that are not economically active. According to the SLM IDP (2015/16 Review), SLM has an

underperforming local economy, and as such is unable to deal with strategic challenges such as poverty, unemployment and the low revenue base. Agriculture, forestry, manufacturing and tourism are the key sectors with potential in SLM but all are currently underperforming and need focused interventions. The current comparative advantage for SLM economy lies mainly in community services, agriculture and the trade sector.

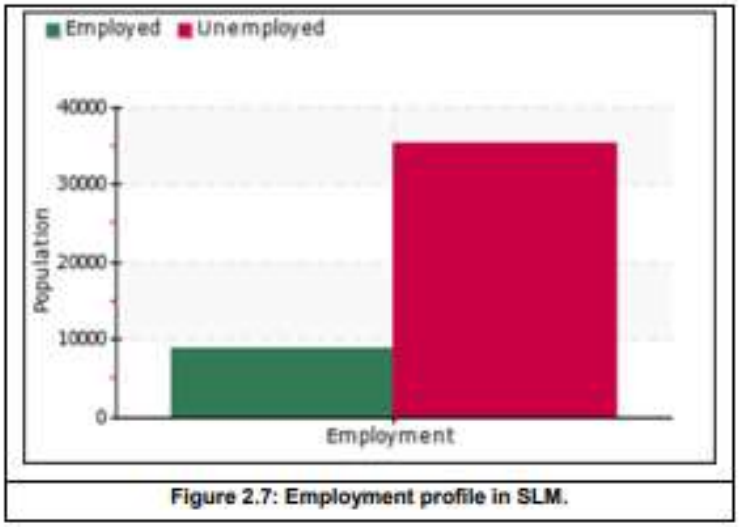


Figure 2.7: Employment profile in SLM.

Household income is important to determine welfare and the standard of living. Household income is a measure of the ability to meet basic needs (i.e. food, shelter and clothing), and one of the important poverty indicators. A majority of the population in SLM fall within the low- and middle-income groups. Almost 15% of the SLM population earns no income, which clearly indicates the significance of the unemployment rate. The overall image depicted in Figure 2.8 below is that of the great division between the rich and the poor.

Another general trend is for waste to increase with household income even though there is no direct correlation. It is therefore acceptable to only assume that a dramatic economic growth could be accompanied by an associated increase in waste generation before possible waste minimization strategies take effect.

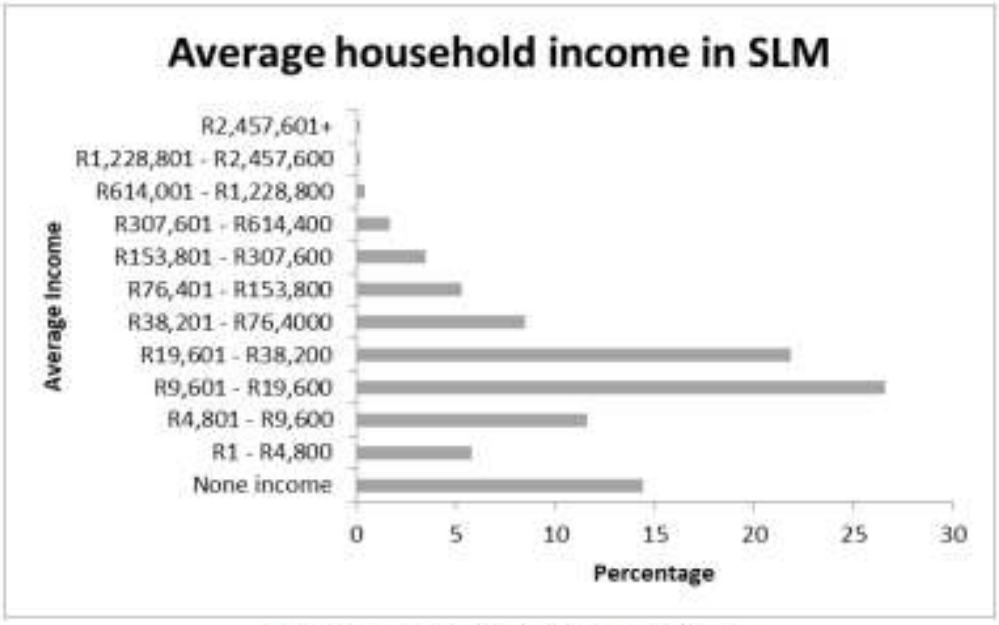


Figure 2.8: Average household income in SLM.

Table 2.2: Summary of the demographic and economic profile of SLM.

Growth estimates		
Municipality Population (2016 – per IDP)	65 200	
Estimated Population Growth (%)	0.56 (per annum)	
Estimated current population as of 2022 (year is a parameter):	67 756	
Estimated households (2022)	15 757	
Demographic profile (2016)		
Age:		
Youth	43 500	67%
Middle age	14 284	22%
Old age	7 142	11%
Gender:		
Male	31 164	48%
Female	33 761	52%
Education:		
Primary	25 970	40%
Secondary	22 724	35%
Tertiary	1 948	3%
Employment:		
Employed	9 090	14%
Unemployed	36 358	56%
Unknown	19 478	30%

Source: StatsSA (Census 2011); StatsSA (Community Survey 2016).

Table 2.2 above indicates that the current population in SLM is estimated at approximately 64 925 people in 15 099 households. It is important to note the current population and household demographics are completely based on the 2016 estimated population growth rate. As estimates, the current demographics may not necessarily be the truest reflection considering the very fast uncontrollable population growth especially relating to the growth of informal settlements within the municipality. Therefore, the estimated demographic profile remains conservatively valid.

2.1.2 Dwelling Types

SLM has a spread-out settlement pattern with a few urban centres and the majority of settlements in peri-urban and rural/traditional areas. More than half (50.8%) of the households in SLM live in formalised houses with own separate yard, with the second greatest number of households (30%) being traditional dwellings. The remainder of the significant portion of households reside in flats/apartments, backyard room/flat and informal settlements (14.7%). An insignificant proportion of SLM households reside in cluster houses, townhouses, backyard informal dwellings, flatlets and caravans.

Table 2.3: Dwelling framework of SLM.

Dwelling type	**Households**	**Percentage**
House or brick/concrete block structure on a separate stand or yard or on a farm:	8209	50.8

Dwelling type	Households	Percentage
Traditional dwelling/hut/structure made of traditional materials:	4858	30.1
Flat or apartment in a block of flats:	1317	8.2
Cluster house in complex:	73	0.5
Townhouse (semi-detached house in a complex):	116	0.7
Semi-detached house:	32	0.2
House/flat/room in backyard:	563	3.5
Informal dwelling (shack in backyard):	299	1.9
Informal dwelling (shack not in backyard e.g. in an informal/squatter settlement or on a farm:	489	3.0
Room/flatlet on a property or larger dwelling/servants quarters/granny flat:	49	0.3
Caravan/tent:	16	0.1
Other:	130	0.8
TOTAL	***16 151***	***100%***

Source: StatsSA (Census 2011)

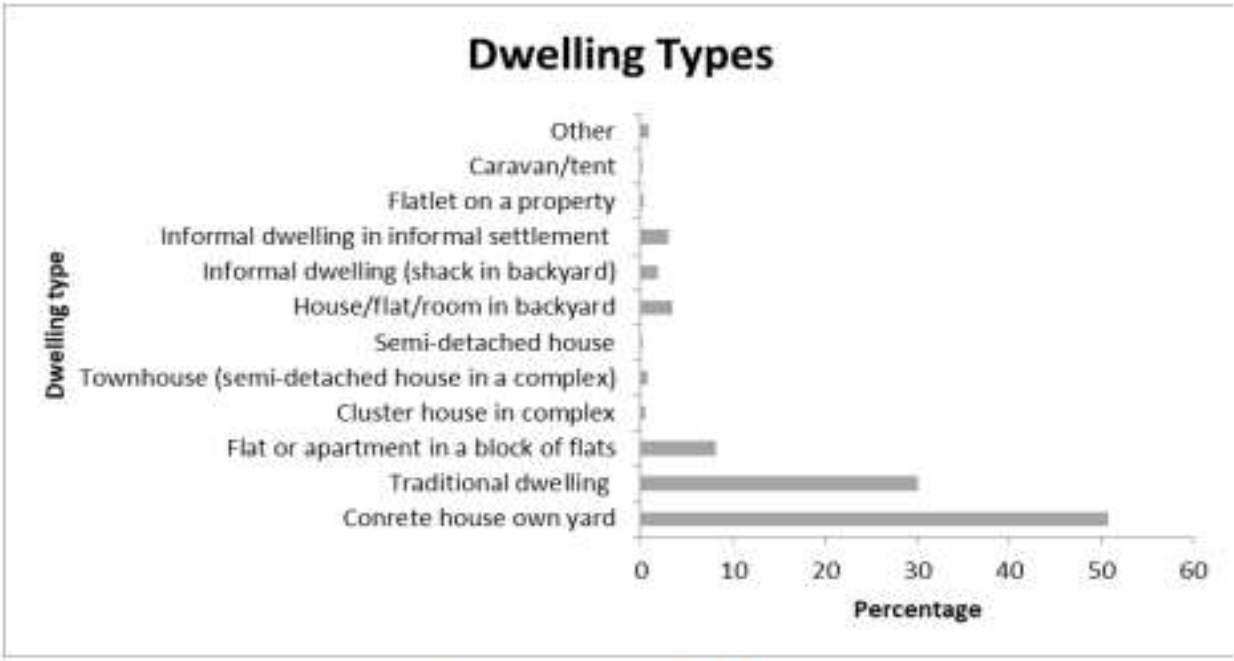


Figure 2.9: Dwelling types in SLM.

2.2 DETERMINING CURRENT WASTE GENERATION AND ESTIMATING FUTURE WASTE GENERATION RATES AND QUANTITIES

2.2.1 Waste Generation

Domestic (Household)

Waste generation at source is seldom quantifiable due to inherent complexities and difficulties in recording the waste which the population of SLM generates. Therefore, there is currently no waste quantification taking place in

SLM and no information available on waste collected and disposed within the waste facilities in SLM. There is access to a weigh pad which was donated by DEA, however, this is no longer used as there is no capacitated operator. There is no monitoring of waste vehicles during collection and disposal, and thus no records of the number of truck collection and disposal trips. There are no relevantly qualified/capacitated landfill operators at the Cala landfill site to ensure accurate and consistent record taking. There is also no access control, which also hinders the regulation of disposal.

The settlement pattern in SLM can be described as one with a small urban area and the majority of settlements in peri-urban and rural/farm areas. Figures 2.10 and 2.11 below provide an indication of the typical waste profiles found in high- and low-density areas, as well as with higher and lower household income. Low income households typically generate between 0.25 and 0.5kg of waste per day while middle income households generate between 1 and 2kg of waste per day. Figure 2.10 is based on a waste profile from densely settled low income urban/peri-urban area, while Figure 2.9 is based on a low-density high-income area. The figures below are informed by the *Working with Waste: Guidelines on Recycling of Solid Waste* compiled by DEA. The difference in waste composition in these figures is measured by mass, which would yield a different scenario if the composition of waste was measured by the volume of waste.

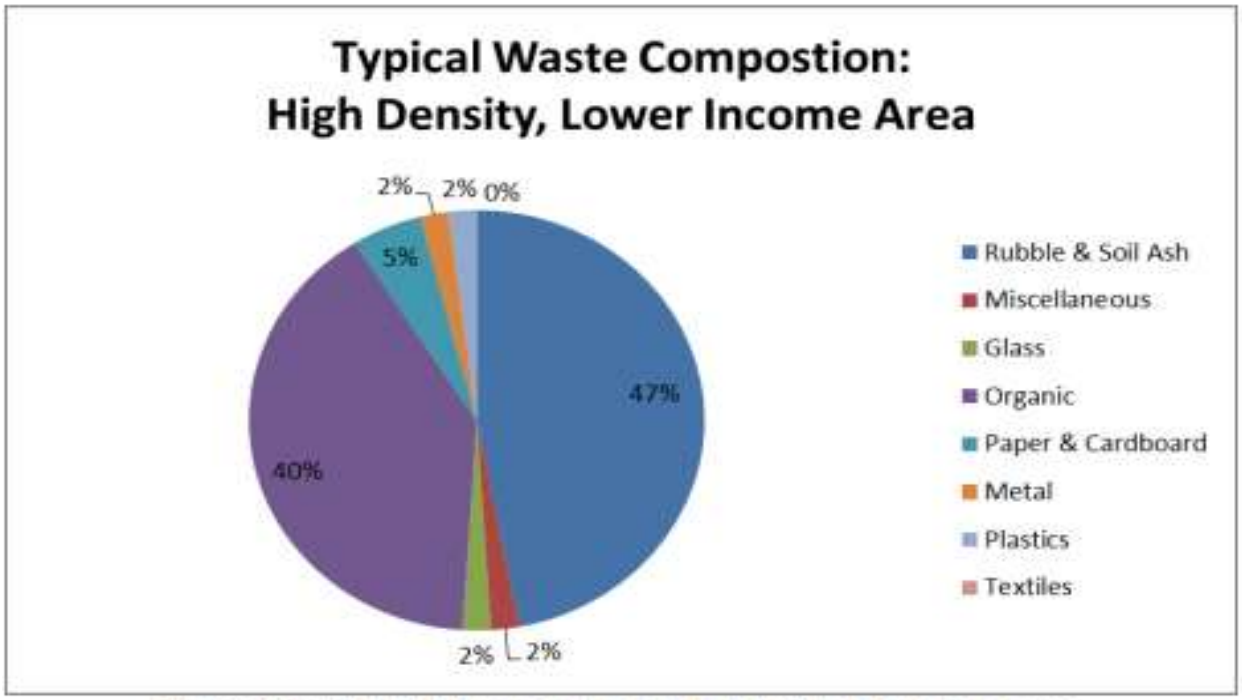


Figure 2.10: Typical municipal waste composition in high density and lower income areas.

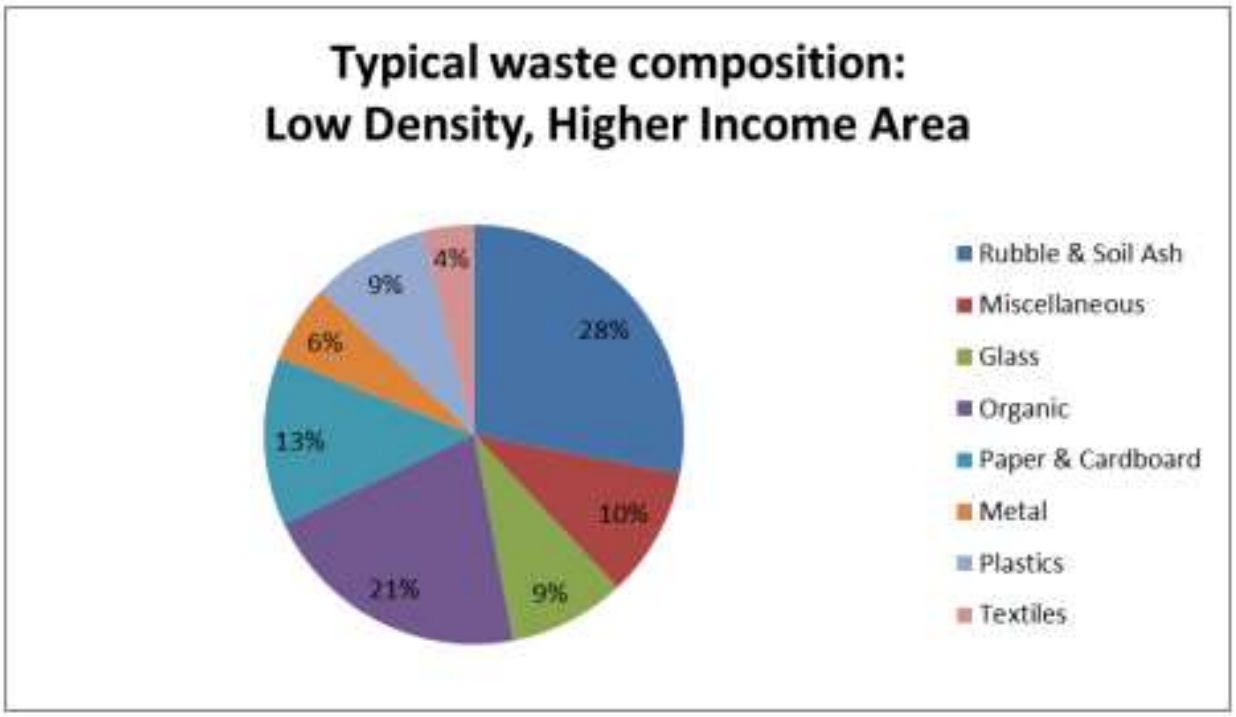


Figure 2.11: Typical municipal waste composition in low density and higher income areas.

The waste profiles from the different areas influence the waste management strategy that should be adopted. For example, the success of recycling and composting initiatives will be greatly influenced by both the quantity and composition of the waste stream.

While population growth may not be expected to increase materially over the next five years, probably the main driver of waste generation will be the rate of urbanisation and the change in the socio-economic profile of the LM's population.

Businesses

Business areas have a different waste generation profile. They are also significant waste generators, just with a higher percentage of packaging material in their waste composition. The composition can vary for different businesses, which makes it difficult to estimate the quantities of waste generated by the various business units. There is also a higher potential for recycling business waste, due to its homogenous nature and higher concentrations, particularly compared to household waste.

Waste from the informal businesses (mostly in residential areas) is often problematic, often contributing to high occurrences of littering and the illegal dumping of waste.

Farms

Agricultural producers and farms generate a variety of waste, sometimes even including hazardous waste such as fertilizer and pesticide residues. Farm dwellers have waste generation profiles similar to those in rural settlements but because they're on private land, they wouldn't be covered by municipal administration. The relative contribution of agricultural waste is comparted to other waste streams, and no records have been kept for waste arising from the agricultural activities. It is also difficult to regulate the agricultural waste stream as most generators tend to independently deal with their own waste, often leading to the unfavourable burning or private burying of waste.

Health care facilities

Health service provision is a competency of provincial government. Hospitals, clinics, pharmacies and other health care facilities produce more health care risk than general waste. Health Care Risk Waste (HCRW) is by definition hazardous waste mostly generated by both public and private hospitals, clinics, surgeries, pharmacies, funeral parlours, etc.

There is no hazardous landfill site or any HCRW treatment facility in SLM and HCRW has to be treated in a specific way and presently all clinics and hospitals are under the control of the provincial Department of Health to ensure that all HCRW is disposed accordingly. Currently, the contract for the collection and disposal of HCRW is with Compass Waste Services. Compass Waste collects all waste from the medical facilities in SLM to a medical treatment facility in Port Elizabeth. The Environmental Health Practitioners who are stationed at hospitals are responsible for the control of waste management in hospitals and clinics.

Although there have been no documented incidences of medical waste being illegally disposed or disposed in general waste disposal sites, it still remains unclear how some of the private health care facilities (e.g. private medical practises, mortuaries, pharmacies, etc.) and households (i.e. medication, used injections, etc.) deal with and dispose their health care risk waste.

2.3 WASTE QUANTITIES AND TYPES

This section focuses on quantifying and qualifying the general waste stream currently generated within SLM. The primary objectives of waste quantification and qualification are to assign management costs to the different general waste types and categories generated and to identify the amount of waste for which a service is not yet established.

2.3.1 Weighbridge

The Department of Environmental Affairs (DEA) (now Department of Fisheries, Forestry and the Environment) donated a weigh-pad to the SLM which was operated by the beneficiaries of the "Youth Jobs in Waste" programme, as managed by Cokisa Consulting. The operation of the weigh-pad was discontinued at the end of the said programme, as a result of the absence of a suitable weigh-pad operator within SLM.

Another weigh-pad has been donated by DFFE as part of the equipment for the MRF at eKhowa, this is also not in operation yet.

There is no weigh-bridge at the Cala landfill site and there is no other method of waste quantification undertaken in SLM, such as the monitoring of waste vehicle trips for collection and disposal. Therefore, there is currently no information available on waste collected and disposed within the waste facilities in SLM.

2.3.2 Volume Density Estimation System

In cases where there is no data on the amounts of waste generated in a municipality, a per capita projection is used to estimate the amount of waste generated. The Minimum Requirements for Waste Disposal by Landfill prescribes that daily tonnage of waste generation may be calculated on the basis of incoming (disposed) volumes. This involves counting incoming vehicles and estimating the volumes carried in cubic meters.

Daily tonnages may also be obtained by applying per capita waste generation rates to the figures for the

population served. Generally, these rates vary with the socio-economic standing of the population ranging from 0.4kg per capita per day in the poor areas to 1.29kg per capita per day in the affluent areas (SA 3rd Generation Environment Outlook Report, 2018).

The DEA IWMP Guidelines also suggests various techniques that can be adopted for estimating waste generation rates and characteristics. These include:

- Modelling techniques – generally an inexpensive technique based on generic data but only provides a general idea of the waste volumes and types.
- Physical sampling techniques – A more accurate method but a more time-consuming and expensive exercise.
- Direct measurement techniques – Even more costly than physical sampling.

For the purpose of the SLM IWMP, a modelling approach was adopted (as per the IWMP Guidelines section 2.2.1) to estimate waste generation using current and future estimated population statistics.

The South Africa 3rd Generation Environment Outlook Report (SA 3rd Generation Environment Outlook Report, 2018) recorded that the estimated waste generated by an individual person is approximately 0.7kg each day. This is further broken down according to income category as follows:

- Low Income 0.41kg/capita/day
- Middle Income 0.74kg/capita/day
- High Income 1.29kg/capita/day

The reference waste generation averages for different income levels were applied to income categories sourced from the 2016 Community Survey Statistics. Table 2.4a below is an attempt to quantify the amount of waste generated within the SLM.

Table 2.4a: Current waste projections by mass and volume in SLM.

SLM	Households	Current estimated Households	Population	Current estimated population	Current estimated total persons by income group	Waste generation rate (kg/capita/day)	Daily Mass (kg/day)	Waste density (kg/m³)	Volume (m³/day)
No income	2 326	2 174	8 605	9 349					
R 1 - R 4800	937	876	3 466	3 766					
R 4801 - R 9600	1 874	1 751	6 932	7 531	20 646	0,41	8 465	330	26
R 9601 - R 19 600	4 296	4 016	15 896	17 270					
R 19 601 - R 38 200	3 521	3 292	13 027	14 154					
R 38 201 - R 76 400	1 373	1 283	5 079	5 519					
R 76 401 - R 153 800	856	800	3 167	3 441	40 384	0,74	29 884	330	91
R 153 801 - R 307 600	565	528	2 092	2 272					
R 307 601 - R 614 400	275	257	1 016	1 104					
R 614 001 - R 1 228 800	65	60	239	260					
R 1 228 801 - R 2 457 600	32	30	120	130					
R 2 457 601 or more	32	30	120	130					
Unspecified	-	-	2 525	-	3 896	1,29	5 025	330	15
Grand Total	16 151	15 099	62 284	64 926	64 926	**Total kg per day**	**43 374**		131
Average persons per household	3,70	4,30				**Total kg per year**	**15 831 606**		
						Total tons per year	**15 832**		

Based on the analysis above, it is conservatively estimated that the current domestic waste generated in SLM is in the order of approximately **16 000 tons** per annum.

Table 2.4b below provides an overview of the estimated future waste generation rates for SLM, quantified per household income group (i.e. low, middle and high).

Table 2.4b: Future estimated quantities of waste generation in SLM.

Population	Estimated Domestic Waste Generation (Tons)			Volume m^3/day
	Per day	Per Month	Per year	
2016	43	1 297	15 568	129
2017	43	1 305	15 656	130
2018	43	1 312	15 743	131
2019	43	1 319	15 831	131
2020	44	1 327	15 920	132
2021	44	1 334	16 009	133
2022	44	1 342	16 099	134
2023	44	1 349	16 189	134

The following assumptions relate to the future waste generation projections above:

- The population ratio relating to annual income range will remain constant for the period of estimation (i.e. 2019 -2023).
- The population growth rate remains the same as provided by the Stats SA Community Survey 2016.

2.3.3 South African Waste Information System (SAWIS)

The South African Waste Information System (SAWIS) is the national waste information systems that was developed by the national Department of Environmental Affairs (DEA, now DFFE) in order to provide a platform to record data on the handling of waste throughout South Africa. The National Waste Information Regulations, 2012 (GN No. R. 625 of 13 August 2012) require the Minister to establish a waste information system for the recording, collection, management and analysis of data and information which must include the quantity, type and characteristics of waste generated, reused, recycled, recovered, stored, transported, treated, transformed and disposed of and a register of waste management activities that have been licensed. The SAWIS was developed by DEA and voluntarily implemented over the period 2004-2007. The National Waste Information Regulations, 2012 came into effect on 1 January 2013. These regulations changed the SAWIS from voluntary to mandatory reporting. They also provide guidance on the data required to be reported and those who are required to submit data.

SLM is registered on the South African Waste Centre but it does not report on its waste quantities.

2.4 WASTE STREAM ANALYSIS

Below is a description of the various waste sources generated potentially generated in SLM. This analysis is not based on any waste stream characterisation exercise.

- **Residential (household waste)** is waste consisting of consumable goods, paper, plastic (e.g. bags, bottles, containers, etc.), metal, glass. Household waste also includes organic waste such as food and garden refuse.

- **Building and demolition rubble** from construction activities. However, this is not usually disposed at the waste disposal facilities.

- **Business waste** consisting of a different waste profile and businesses are significant waste producers with a higher percentage of packaging material. The composition of business waste can vary significantly between different types of businesses. Business waste has a higher potential of recycling owing to their homogenous materials and concentrations. Most businesses generate general waste such as paper, cardboard boxes (cartons), plastic, tins, and metals from wholesalers and warehouses. Waste from informal businesses is usually most problematic and may result in illegal dumping and littering. This includes informal workshops often producing hazardous waste by way of batteries and used oil and grease. These hazardous wastes need to be disposed of accordingly because of the high risk of improper disposal which may result in groundwater pollution.

- **Healthcare risk waste (HCRW) including hazardous medical waste** is generated by both public and private hospitals clinics, surgeries, pharmacies, funeral parlours, and other medical health care facilities. HCRW includes contaminated needles, syringes, swabs, body parts, and other infectious waste from clinics, hospitals, doctors' rooms and some funeral parlours. Management of HCRW from medical facilities is the competence of the Department of Health. However, the municipality is still facing a challenge of HCRW such as insulin injection and vials within domestic waste bags.

  Animal carcasses are another form of infectious waste that is produced by abattoirs, and disposal thereto is prohibited at landfills, however, with the very limited regulation at SLM sites, it is difficult to control such disposal. Another global concern is the disposable nappies, which also introduce hazardous contamination at the landfill sites.

- **Industrial waste** typically consists of varying quantities and diversity of general and hazardous waste classes, from industries and mines. Such waste may include scrap metal, rubber, plastic pipes, wood mixed inert materials, oil and greases, filters, chemicals, explosives, etc.

- **Agricultural waste** typically includes waste such as pesticides, herbicides and fertilizer residues or containers which may also be categorised as hazardous waste. SLM comprises of numerous livestock, game and crop farmers, who like most rural settlements, bury and burn their own waste as they may not be covered under municipal administration. Most of their hazardous waste containers are mostly kept for secondary use until they are generally discarded where there is a possibility of toxic contamination to the environment.

- **Hazardous waste** is waste which may have a detrimental effect on public health and is categorised according to the degree at which it might cause harm. Hazardous waste includes explosives, gases, flammable liquids and solids, oxidising substances and organic peroxides, toxic and infectious substances, radioactive substances, corrosives and other miscellaneous substances. Typical examples of hazardous

waste types include sewage sludge, animal carcasses (mainly from local abattoirs) and skins, paint, oil, asbestos, cement residual and disposable nappies.

- **Electronic waste (E-waste)** which consists electronic equipment such as discarded computer parts, old batteries, fluorescent tubes and compact fluorescent lamps and other household electrical appliances. Some electronic waste contains chemical contaminants which may pose major environmental and health risks.

Below is a series of images depicting the various waste types from various sources in SLM:





Domestic and commercial - Various types of plastic observed at the Cala waste disposal site.



Commercial (glass bottles) waste.



Domestic and commercial – cardboard waste.



Domestic - building rubble.



Domestic - mixed garden waste.







Medical and hazardous – healthcare risk waste observed at the Khowa General Hospital.



Commercial and/or industrial – Cement bags (HDPE/PP). Residual cement may be potentially hazardous.



Industrial – scrap metal waste at a local scrap metal reclamation facility in Khowa.

GAP ASSESSMENT: WASTE STREAM CHARACTERISATION

- There is no effective waste stream analysis and characterisation in SLM.
- There is no regulation of the other various waste generators (i.e. medical facilities, industries, business, etc.), and monitoring of their disposal methods.
- There is no other means of waste quantification, and therefore there is no recording of waste collected and disposed within SLM.
- There is no reporting on SAWIC.

2.5 WASTE RECYCLING, TREATMENT AND DISPOSAL

2.5.1 Status Quo of Waste Disposal Facilities

There are two main nodes in SLM namely Cala and Khowa. There is only one official waste disposal facility in SLM and it is situated in Cala.

Cala waste disposal site:

The Cala waste disposal site is located approximately 3km north east of the central business district (CBD) of Cala (31°30'22.37"S 27°41'39.25"E) – Figure 2.12 below. The site was permitted until 2017 by the Department of Economic Development, Environmental Affairs and Tourism (DEDEAT). The permit lapsed in June 2017 and from then; the site has been operating unlicensed and therefore illegally. Numerous interventions have been

undertaken by the DEDEAT to assist SLM in initiating the license renewal process, however, this never took effect until the license had lapsed. Table 2.5 below summarizes the status quo of the Cala waste disposal site.

The outdated permit classified the Cala landfill site as a G: C: B- class, and this means that it was licensed for the disposal of general waste only, into a communal landfill that can take no more than 25 tons of waste per day.



Figure 2.12: Locality of the Cala waste disposal site.

As depicted by Figure 2.12 above, the previously permitted area for the Cala landfill site is depicted as the red boundary, however, upon site observations it was noted that the site was extended and has encroached into adjacent non-permitted land, as depicted by the opaque area.

Table 2.5: Status of the Cala waste disposal site in SLM.

Position of site	31°30'22.37"S 27°41'39.25"E
Permit	Permit lapsed in 2017
Year issued	June 2012, for five-year period
Classification of site	GCB-
Type of operation (end-tip, trench, cell)	Currently no formal operation
Estimated size of site	Approximately 4 ha (permitted) and additional 1.5 ha (encroachment)
Total capacity (m^3)	Unknown
Remaining capacity (m^3)	Unknown
Estimated remaining life of site	Unknown
Separation of fresh and contaminated water	None
Groundwater monitoring	None
Volumes per day, week or month	No waste quantification

Is cover material available?	Yes
Is the drainage sufficient?	Yes
Is there access control?	No
Is the site fenced?	Yes
Does the site have a sufficient buffer zone?	Yes
Type of equipment utilised on site?	None, there is no standard operation on site except for bulldozing and spreading of waste from time to time to make space for more waste disposal.
Site facilities, i.e. ablutions, guard house	Site facilities are mostly dilapidated/vandalised
Operating hours	No standard operating hours, though the gate is locked and the site is manned overnight.
Saving plan for closure	No closure plan in place or associated savings.

The images below are a depiction of the state of the Cala waste disposal site, as assessed on the 22nd June 2018.



Waste blown outside the landfill site boundary.



Traces of waste burnt on site.



Landfill site is still adequately fenced.



The site premises and equipment are protected by 24 hour security.





There is no formal waste disposal procedure, waste is scattered all over the site and beyond.



Vandalised waste reclamation facility.



Vandalised guard house at entrance to site.

GAP ASSESSMENT: WASTE DISPOSAL SITE

- The Cala waste disposal site operational permit lapsed in 2017.
- The disposal area has encroached beyond the permitted site boundary resulting in pollution and contamination of the surrounding environment.
- The site is not operated in line with the permit conditions and the Minimum Requirements for Waste Disposal by Landfill, i.e.:
    - There is no signage;
    - The site is fenced with a gate but there is no access control;
    - There is no resident supervisory staff on site;
    - There is no formal and regulated disposal procedure; therefore, waste is not timeously compacted and covered;
    - Waste is disposed outside the boundaries of the site; and
    - There is no groundwater monitoring.
- Waste is burned on site (often by reclaimers freely accessing the site).
- There is no regulation of reclaimers that access the site.

2.5.2 Status Quo of Waste Treatment Facilities

There are no general or hazardous waste treatment facilities within SLM. The treatment of hazardous contaminated general waste prior to disposal is crucial for reducing the detrimental impact on human health and the environment. Hazardous or hazardous contaminated waste can result in illness, death or destruction to the

environment if is not properly treated or disposed. Hazardous waste may pollute the soil, air, surface water or underground water, which will in turn affect the people who use the resource.

2.5.3 Status Quo of Waste Recyclers

SLM currently does not internally undertake any recycling or any other waste minimisation initiatives. The recovery of recyclable waste is mostly undertaken at a less formal scale by individual waste pickers, who are not registered with, supported by or regulated by the municipality. There are also very small and private reclaimers who process (e.g. crushing, compacting and baling) recyclable waste such as glass, plastic and carboard, and transport to other commercial recyclers in Queenstown, Port Elizabeth, Durban and Johannesburg.

SLM does not solely undertake any education and awareness campaigns aimed at promoting waste minimisation within the municipality. However, they participate on the campaigns undertaken by the district from time to time.

The following are some images showing the low scale and informal recovery and processing of recyclable waste within SLM:



Waste pickers collecting and sorting recyclable waste material from the Cala landfill site.




Bales of recyclable plastic and cardboard at a private recycling facility in Cala.




Baling machine at a private recycling facility in Cala.




Private storage facility for reclaimed waste.

GAP ASSESSMENT: WASTE MINIMISATION

- A Material Recovery Facility (MRF) has been established at eKhowa but it is currently unregistered and not operational.
- There are no formal waste minimisation strategies by SLM, such as:
  - Recyclable waste drop-off centres at the main centres of the LM;
  - Waste separation at source initiatives;
  - No waste-picker integration intervention programmes;

- Collection and re-use of garden (organic) waste and builder's rubble; and
- A municipal composting facility.

The current and common practice of simply removing waste to landfill sites is fast becoming a serious challenge to authorities as airspace on landfill sites runs out. Not only is the practice of disposal damaging to the environment but it is flawed as large volumes of valuable resources are discarded rather than being re-used or recycled. This is not only of great importance from and environmental perspective but there are also a number of social benefits associated with recycling and re-use. The main benefits are the opportunities for entrepreneurs and the subsequent empowerments of often marginalized individuals.

Waste recovery and recycling has been identified as one on the main objectives of the 1999 National Waste Management Strategy. The objectives were listed as follows:

- Increasing and extending waste recycling in selected pilot areas;
- Identification of new waste streams for recycling;
- Expansion of the existing recycling initiatives and improvement as well as implementation of new recycling initiatives; and
- Identification and development of appropriate mechanisms to promote sustainable recycling by all members of the recycling chain.

The efficiency of waste reduction can only be determined through the implementation of a waste information system (WIS). This system tracks the quality and quantity of recyclables recovered and compost produced. Public awareness and education campaigns are also critical to ensure the much-needed support of the general public.

2.5.4 Status Quo of Other Types of Facilities

SLM received a closure and rehabilitation permit from DEDEAT on the Khowa waste disposal site, with recommendation to re-establish the site as a waste transfer and recycling facility. Waste continues being dumped at the Khowa site and it is not evident that the site was effectively closed and rehabilitated. Therefore, SLM must still invest in officially closing and efficiently rehabilitating the dumping area, to deter any further dumping of waste by locals.

SLM received funding from the National Department of Environmental Affairs (DEA) (now Department of Forestry, Fisheries and the Environment) for the establishment of the Khowa transfer and recycling facility. The MRF has been established and is located adjacent the dumping area in Khowa (31°20'25.44"S 27°50'20.34"E) – Figure 2.13, approximately 35km from the Cala waste disposal site.

The MRF is fully established and sufficiently equipped but not yet in operation. The municipality is still in the process of preparing an operational plan which must be approved by the DEDEAT for registration of the facility to ensure the compliant commencement of operation. Due to the lack of capacity to manage the facility, the municipality intends to outsource this function to a service provider.



Figure 2.13: Locality of the Khowa transfer facility and dump site.

The images below are a depiction of the Khowa waste transfer facility and surrounds pending the completion of construction. The site was assessed on the 23rd June 2018.

	
Signage at the waste transfer facility entrance.	**The waste transfer facility premised are well fenced but there is no access gate, and thus access control.**



Guard house at the transfer facility.



The transfer facility site still under construction, as such no waste is disposed within the site.



Waste disposed outside the transfer facility and on the acces road.



Domestic waste disposed outside the transfer facility.





Waste being burned at the temporary disposal space outside the transfer facility.





Waste from Khowa is currently being disposed extensively on open land adjacent the waste transfer facility.

The images below depict the complete MRF at eKhowa, as assessed on 7th April 2022:





All round fenced chromodek MRF structure.



Ablutions at the MRF site.



Guard house at the MRF site.





All round fenced material sorting area. The sorting area is, however, not concrete slab, as required by the norms and standards for sorting of waste.












The Khowa MRF is sufficiently equipped with operating equipment.

2.6 ILLEGAL DUMPING

Illegal dumping is a major problem in localized areas within SLM, especially within townships and informal residential areas where waste is not collected by the municipality due to inaccessibility, with no communal waste collection receptacles. Waste is usually illegally dumped on open stands and on settlement verges and from time to time, the municipality clears and cleans up these spots. Apart from domestic waste, there is also the not so frequent issue of building/construction and garden waste being illegally dumped at random open spaces with the municipality.

Unfortunately, the "no dumping" signage placed at some of the hotspots has not assisted with curbing the problem, as the communities have very limited means of alternative disposal if the waste is not collected by the municipality. The municipality does not have any communal collection receptacles at these hotspots to encourage proper disposal that doesn't harm the environment.

SLM is in the process of reviewing its Refuse Removal by-laws, which were promulgated in September 2013. The by-law will address the offence associated with illegal dumping of waste. The municipality also needs to look into the appointment of relevant EMIs for the successful enforcement of the by-laws, otherwise there is no weight carried by the by-laws.

The following is a series of images showing illegal dumping hotspots throughout the SLM area:




Domestic waste illegally disposed along a stream near a residential area.



A cleaned-up dumping spot on the roadside and in a storm water channel.



Empty bottles from a local liquor store dumped on a nearby open area.



Waste dump near an informal settlement, waste is also burned at the dump spot.



Waste dumped near a river at the Khowa township.





Signage to deter illegal dumping at the biggest dumping spot near a river in Khowa township.




Illegal dumping spots at Cala townships.

GAP ASSESSMENT: ILLEGAL DISPOSAL OF WASTE

- Though currently under review, there is no enforcement of the Refuse Removal By-Law, which was promulgated in September 2013 in the Provincial Gazette No. 3032. This by-law addresses the issue of illegal dumping.
- The Environmental Health Practitioners were trained and designated by the district as Environmental Management Inspectors (EMIs), however, only one EMI is designated in SLM and cannot fulfil all the functions of an EMI throughout the municipal jurisdiction.
- There is no education and awareness officer specifically designated within SLM, there is no programme for local education and awareness campaigns. SLM currently relies on the less frequent and campaigns undertaken by CHDM and DEDEAT.
- Some residential areas that are meant to be receiving waste collection services are inaccessible due to poor road network. This results in increased illegal dumping of garden waste, builder's rubble and domestic waste.
- The irregular collection of waste from households due to vehicle breakdowns etc., results in increased illegal dumping of waste by residents.
- There are no alternative means for waste collection especially in less accessible areas, such as communal waste receptacles, which may potentially reduce illegal dumping.

2.7 COLLECTION SERVICES

2.7.1 Waste Removal

Urban and peri-urban areas:

SLM provides a high level of waste collection service mostly in the urban and peri-urban areas. Households are responsible for their own waste receptacles (usually plastic bags) and place their full bags on the kerbside for collection as per the refuse collection schedule in Table 2.6 below. The schedule is not always adhered to, due to irregular availability of collection vehicles and re-shuffles as a result of collection backlogs.

Table 2.6: Waste collection schedule in SLM.

Days	Cala	Khowa
Monday	Mankazana via Prieska Ndondo Square	Old Location Main Street USave Shoprite
Tuesday	Bashee Street via Farms	Pola Park Main Street
Wednesday	Sdubun Street Zitandini Extension 1and 3 via Phakamisani	New Location Main Street Hillview Hospital
Thursday	California via Cala High SSS	Ekuthuleni Main Street Shoprite USave Eskom
Friday	Extension 15 via Amos Mlungwana Primary School	Takalani Main Street Thompson Dam Show ground
Saturday	No collection	No collection
Sunday	No collection	No collection

All waste from both towns is collected and disposed at the Cala landfill site, following the closure of the Khowa site for disposal. There is no designated site for the disposal of organic(garden) and building waste which results in these waste streams being disposed in the landfill sites if not illegally dumped.

According to SLM records, general waste is currently collected from 6 875 households in the urban and peri-urban area, inclusive of Cala and Khowa. Table 2.7 below breaks down the household waste removal records by SLM.

Table 2.7: Household waste removal statistics in SLM.

Area	Total households (in urban and peri-urban areas)	Total households serviced (urban and peri-urban)	Households un-serviced (urban and peri-urban)	Total serviced indigent households	Total un-serviced indigent households
Cala	4169	3870	299	315	0
Khowa	3210	3005	205	487	0
	7379	**6875**	**504**	**802**	**0**

The SLM IDP Review 2015-2016 confirms that SLM is largely a rural municipality, with approximately 43% of the households residing in the urban and peri-urban areas of Cala and Khowa. Based on current estimated statistics drawn from the StatSA Community Survey 2016, SLM currently has approximately 15 099 total households (2019 estimation). Of the 15 099 households, SLM confirms to have 7 379 (49%) households in urban and peri-urban

areas, and 6 875 (46%) receive a waste collection service from SLM. According to these statistics, 504 households (3%) of the urban and peri-urban households do not receive a waste collection service from SLM. Of the total serviced households in the urban and peri-urban areas, 802 households (12%) are indigent and therefore receive a free basic waste collection service.

Businesses:

Businesses also receive a daily (weekdays) door to door collection service from SLM. General waste from businesses is stored in depots that can be easily accessed by the municipality for collection. Swing bins are placed strategically in the CBD for the general public.



Swing bins strategically placed around the CBD.

Rural areas, informal settlements and farms:

SLM provides no waste collection service for the informal settlements, rural areas and surrounding farms. This encourages illegal dumping and burning of waste. Illegal dumping and burning of waste contribute to contamination, pollution, damage to tourist assets and the environment at large.

The main challenge to the profile of waste collection in SLM will be the development/expansion of the urban centres, especially as a result of the rural to urban migration and the development of these areas. This could manifest itself in the following manner:

- The establishment of new low- and middle-income housing;
- Growth of informal settlements (if migration is not managed);
- Increased service-based industry to support the demands of the influx of people and the development of the region in general; and
- Peri-urban type settlements along the main transport corridors.

Other anticipated trends include:

- Low or negative rural population growth rates; and
- An aging rural population.

The SLM IDP Review 2015-2016 noted a backlog of approximately 930 of low- and middle-income houses. With reference to domestic waste, there will be a need for SLM to expand household waste collection services in urban areas as new housing developments come on line.

2.7.2 Waste Disposal

Based on the Census 2011 data, the greatest proportion of the households in SLM (62%) make use of their own refuse dump, which may attribute to the high incidence of illegal dumping. This is followed by a much smaller proportion of households (18%) who handle their own waste, and most of these are possibly rural and farmers' households who usually dispose of domestic waste in informal pits or by burning the waste. SLM collects general waste from approximately 16% of the total households at least once a week or less often (Figure 2.14).

Table 2.8: Status quo of general waste disposal within SLM (Census 2011).

	Removed by SLM at least once a week	Removed by SLM less often	Communal refuse dump	Own refuse dump	No rubbish disposal	Other	Total households
Total households	2342	194	436	9965	2907	339	16 151
Total households %	14.5	1.2	2.7	61.7	18	2.1	100

Source: StatsSA (Census 2011)

The SLM demographic profile for 2016 shows that the households in SLM decreased by 1303 households between 2011 (16 151 households) and 2016 (14 848 households). This resulted in the consequent decline in the weekly waste collection service provision, from 14.5% to 7.1% (7.4% difference) (StatsSA Community Survey 2016).

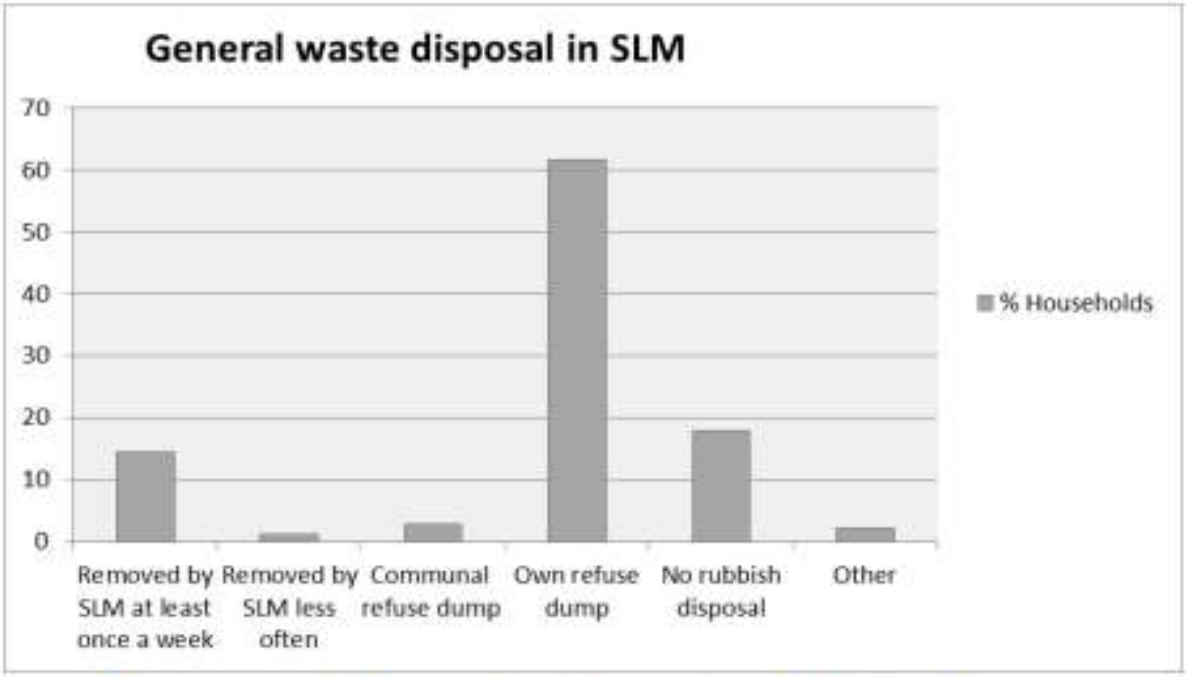


Figure 2.14: Assessment of general waste collection and disposal within the SLM (Census 2011).

2.7.3 National Domestic Waste Collection Standards

The National Domestic Waste Collection Standards should be used as a guideline for the acceptable standards for waste collection for the different settlement types within the SLM. Table 2.9 below depicts the backlog in waste collection within the SLM, based on the National Domestic Waste Collection Standards.

Table 2.9: Assessment of SLM per the National Domestic Waste Collection Standards.

Item	Total number
Households	16 151 (Census 2011) 14 848 (Community Survey 2016) 15 757 (Estimation 2022)
Serviced households	2342 (Census 2011) 1054 (Community Survey 2016) 6875 (SLM Records, 2018/19)
Un-serviced households	13 809 (Census 2011) 13 794 (Community Survey 2016) 8222 (SLM Records, 2018/19)
Indigent households	802
Un-serviced indigent households	Unknown
Service Level A: On-site appropriate and regularly supervised disposal	2342 (Census 2011) 1054 (Community Survey 2016) 6875 (SLM Records, 2018/19)
Service Level B: Community transfer to central collection point:	436
Service Level C: Organised transfer to central collection points and/or kerbside collection:	194
Service Level D: Mixture of Service Level B and Service Level C:	630
Total Serviced households as per the National Domestic Waste Collection Standards:	2342 (Census 2011) 1054 (Community Survey 2016) 6875 (SLM Records, 2018/19)

Source: StatsSA (Census 2011); StatsSA (Community Survey 2016).

One of the key features of development, is ensuring that all citizens have access to basic services, and it is a constitutional responsibility of the government to ensure that such services are expanded to all, obviously within the limits of available resources. Poor waste collection service provision results in illegal unregulated dumping of waste, which requires attention from the municipality.

GAP ASSESSSMENT: WASTE COLLECTION AND DISPOSAL

- There is a significantly high backlog in waste collection service provision (approximately 55%).
- There is no waste collection on farms and rural areas surrounding SLM.
- There is no adherence to waste collection schedule and routes which hinders optimal waste collection.
- There are no alternative disposal means for inaccessible areas and informal settlements, where kerbside collection is impossible.

2.8 MUNICIPAL PLANT, FLEET AND EQUIPMENT

Plant, fleet and equipment are important aspects to waste management, whether they are outsourced or municipal owned. The availability of fleet improves the overall outlook of waste management within a

municipality, as it facilitates the transportation of waste from the households to the various receiving facilities of material recovery and finally to the disposal facility for landfilling.

Another key aspect to efficient waste management is timeous availability of plant (i.e. bulldozer, TLB, excavator) to ensure efficient operation and maintenance of the waste disposal facility/ies. The frequency for plant usage is greatly determined by the operational procedure, the size of a facility and the amount of waste received on a daily basis. There is no plant specifically dedicated for use at the SLM landfill site, plant is shared between directorates. SLM plant is quite aged with frequent mechanical breakdowns which has and will continue to hinder efficient operation of the landfill site. Based on this analysis, the SLM council needs to assess alternative approaches such as the hiring of plant as and when needed, as this will reduce their capital and operational costs. This alternative needs to be thoroughly assessed and cannot only be dealt with in this IWMP as it implicates the operations of other directorates.

Table 2.10 below is a summary of typical available plant, fleet and equipment available to SLM, and status thereof, which is critical to the provision of efficient waste management services.

Table 2.10: Status of plant, fleet and equipment for waste management in SLM.

Vehicle/Equipment description	Availability	Quantity	In use	Area	Condition	Required
Bulldozer	Yes	1	No	SLM	Poor	Can be leased
Excavator	Yes	1	No	SLM	Poor	Can be leased
TLB	Yes	2	No	SLM	Poor	Can be leased
Low bed Horse and Trailer	Yes	1	No	SLM	Poor	No
Grader	Yes	2	No	SLM	Poor	Can be leased
Dump truck	Yes	2	No	SLM	Poor	Yes
Water cart	Yes	1	No	SLM	Poor	Can be leased
Roller	Yes	1	No	SLM	Poor	Can be leased
Compactor (Plant)	Yes	1	No	SLM	Poor	Can be leased
Compactor truck	Yes	2	Yes	Khowa Cala	Good	No
Light Delivery Vehicle (LDV)	No	None	-	Khowa Cala	-	Yes, 2
Tractor	Yes	2	Yes	Khowa Cala	Good	No
Trailer	Yes	3	Yes	Khowa Cala	Good	No
Caged truck	Yes	2	Yes	Khowa Cala	Fair	No
Wheelie bins	Yes	10	No	Khowa MRF	-	Yes
Skip loader	No	None	-	-	-	Yes, 1
Skip bins	No	None	-	-	-	Yes, 10
Bailer	Yes	2	No	Khowa	Excellent	Yes, 2

Vehicle/Equipment description	Availability	Quantity	In use	Area	Condition	Required
				MRF		
Plastic bottle crusher	Yes	1	No	Khowa MRF	Excellent	Yes, 2
Glass crusher	No	None	-	-	-	Yes, 2
Weigh-bridge	No	None	-	-	-	Yes
Weigh-pad	Yes	2	No	Khowa Cala	Good	No
Chipper	No	None	-	-	-	Yes, 1
Shredder	No	None	-	-	-	Yes, 1

Plant and equipment:



Truck for residential waste collection in Cala.



Truck for waste collection in Khowa.



Municipal TLB.



Khowa compactor truck (with mechanical problems) observed at the municipal premises.



Municipal grader (old and dilapidated).

Another key aspect to waste collection and the optimal use of collection fleet is proper route planning. This ensures the safe movement of the vehicle between the loading and offloading points. A specific route must be planned and must consider the following factors:

- Minimised risk of accidents;
- Least harm to people and the environment;
- Quick response from emergency services; and
- Approved stopping points for the driver to rest and inspect the vehicle.

GAP ASSESSMENT: FLEET AND EQUIPMENT

- The aged fleet that is prone to regular fleet breakdowns and unplanned stoppages prevents the proper rendering of waste collection services.
- There is no adherence to waste collection schedule and routes which hinders optimal waste collection.
- The poor road network and un-tarred roads hinder municipal vehicles from accessing most areas for collection, especially during rainy seasons.
- Vehicles have to travel long during the daily rounds, sometimes having to transport waste from Khowa to Cala, which hinders the optimal use of fleet.

2.9 FINANCING OF WASTE MANAGEMENT

While municipalities may receive grants from national and provincial government spheres, the funds fall short to fulfil the functions of the council, due to the associated grant expenditure conditions. Grant allocations by national and provincial government are greatly influenced by the income of the institutions and the population of the of the municipalities. This is unfortunately to the disadvantage of the rural municipalities, who in turn, get less budget allocations (CHDM Draft IWMP, 2020).

2.9.1 Budget/Expenditure: Income and Expenditure

Budgeting for waste management service provision is dependent on accurate costing of the required services. The complete cost of waste service provision is seldom understood by both the municipality and the public, which often results in waste management services being under estimated and the public being reluctant to pay the rightful cost of the service. Properly set tariffs have the potential to fully cover the costs of providing the services, but the charges are often set below the actual costs.

Implementing recycling programmes will also significantly reduce the cost of disposal and generate revenue for the municipality. The cost accounting should also include the costs of recycling programmes by presenting the real monetary returns and savings associated with increased landfill life span through the saving of air space.

A full cost accounting for waste management services is presently not undertaken within SLM, which should include aspects such as collection, landfill, street cleansing, tariff collection, debt payment and depreciation of asset value. Efficient waste service provision is largely determined by accurate costing of the required services. Also, the precondition for the successful implementation of the IWMP is access to sufficient funds to carry out the plan. Therefore, SLM should undertake a full cost accounting exercise for waste management services to include aspects of collection, transportation, landfill management, street cleansing, tariff and fee collection, etc.

2.9.2 Revenue Sources

Apart from MIG and poorly collected tariffs, there is currently no further clarity on any other revenue sources for waste management service implementation.

Some of the funding organisation that can assist SLM in implementing waste management activities are listed below:

LOCAL FUNDING SOURCES	
CHDM	
DEDEAT	
Municipal infrastructure Investment Unit (MIIU)	
DBSA	
Special MIG Innovation Fund	
Industrial Development Corporation (IDC)	
Capital Expenditure Program (CAPEX)	
South African Infrastructure Fund	
Department of Trade and Industry / Department of Transport	
DFFE	
GOVERNMENT FUNDING SOURCES	
Equitable Share Grant	
Municipal Infrastructure Grant (MIG)	
Capacity Building and Restructuring Grant	
OTHER FUNDING SOURCES	
Consolidated Municipal Infrastructure Programme (CMIP)	Product Revenue
Own municipal funding	Tariffs, Recycling Revenue
Extended Public Works Programme	Equitable Shares

It is essential for SLM to project their revenue collection. In the event that the revenue is less than the projected income for the service provided, the municipality must consider the adjustment of rates and tariffs accordingly or source funds to ensure the effective and efficient management of waste within the municipality. SLM should be

looking into improving their income by strictly enforcing activities such as landfill charges, illegal disposal fines and rental of open spaces, etc.

GAP ASSESSMENT: FINANCING OF WASTE MANAGEMENT SERVICES

- There is no tariff structure for waste disposal at the landfill sites and special waste removals.
- The is no full costing for waste service provision by the municipality.
- There is no clarity on incoming revenue and expenses solely on waste services.
- Revenue is lost through the lack of collection of disposal tariffs and service fees.

2.10 ORGANISATIONAL AND INSTITUTIONAL MATTERS

As informed by the Constitutional assignment of powers and functions, the Waste Act assigns clear responsibilities for waste management activities to each sphere of government. Some of the responsibilities require partnerships between government, communities and the private sector.

Waste Management in South Africa is administered at three spheres of government: National Government, Provincial Government, and Local Government.

National Government is responsible for National policy formulation and regulatory framework, national standards, funding and maintenance of national information systems. The Minister must designate in writing an officer in the Department as the national management officer responsible for co-ordinating matters pertaining to waste management in the national government.

Provincial Government is responsible for the enforcement of legislation, establishment of provincial waste management plans and regulating local government matters; cleansing, control of public nuisances, refuse removal, refuse dumps and solid waste disposal. The MEC must designate in writing an officer in the provincial administration as the provincial waste management officer responsible for co-ordinating matters pertaining to waste management in the province.

Local Government is responsible for municipal planning and service provision of sewage disposal systems, cleansing control of public nuisances, refuse removal, refuse dumps and solid waste disposal and the implementation of regulating systems (by-laws) and information collection and the maintenance thereof. The municipality authorised to carry out waste management services by the Municipal Structures Act (Act No. 117 of 1998) must designate in writing a Waste Management Officer (WMO) from its administration to be responsible for co-ordinating matters pertaining to waste management in the municipality.

A power delegated or a duty assigned to a Waste Management Officer (WMO) may be sub-delegated or further assigned by that officer to another official in the service of the same administration, subject to such limitations or conditions as may be determined by the municipality. A WMO must co-ordinate its activities with other waste management activities in the manner set out in the national waste management strategy.

In terms of Section 10(1-3) the Waste Act, any organ of state (including a municipality) that is authorized to carry out waste management services, **MUST** designate in writing a Waste Management Officer (WMO) to coordinate waste management within the municipality. This addresses the historical fragmentation of waste management functions within government by ensuring that a dedicated authority in each sphere of government is responsible for implementing the policy and regulations of the Waste Act. Department of Environmental Affairs has produced

guidelines for the designation of WMOs, setting out their role, powers, profile and rank. The duties and responsibilities that the Waste Act and the NWMS assign to each sphere of government determine the roles and powers of their WMOs.

WMOs perform a regulatory function and should be located in functional divisions separate from service-delivery functions where possible. This is particularly important for overseeing adherence to national norms and standards, which is fundamental to achieving the objectives of the Waste Act.

The Act assigns specific regulatory powers to the National WMO and Provincial WMOs. They may request that holders of waste management licences appoint waste management control officers, and they may require waste impact reports when waste management licences are being reviewed.

The responsibilities of the national, provincial, and local WMOs are summarised in Table 2.11 below.

Table 2.11: Responsibilities of National, Provincial, and Local WMOs.

National Waste Management Officer	Provincial Waste Management Officer	Local Waste Management Officers
Chairperson of the National Waste Forum.	Chairperson of Provincial Waste Forum	
Advises the Minister about the declaration of priority waste, EPRs, and mandatory Industry Waste Management Plans.	Advises the MEC.	
Sorting out co-operative governance issues.	Sorting out co-operative governance issues.	
Address overlapping mandates, particularly at national and provincial level.		
Manage stakeholders in Waste Act implementation.	Manage stakeholders in Waste Act implementation.	Manage stakeholders in Waste Act implementation.
Liaise with national EMI compliance monitoring activities.	Liaise with provincial EMI compliance monitoring activities.	Liaise with EMI compliance monitoring activities in the municipality.
National IWMP: align planning and reporting cycles.	Provincial IWMP: align planning and reporting cycles	Municipal IWMP: planning and reporting cycles.
Build capacity in relation to Waste Act implementation.	Build capacity in relation to Waste Act implementation	Build capacity in relation to Waste Act implementation.
Formulate and oversee Waste Act implementation plan.		Monitor adherence to norms and standards in the delivery of waste services.

Furthermore, the designation of a WMO at a municipal level is important in order to ensure that there is constant communication between all three spheres of government on the implementation of the Waste Act. In relation to the development of IWMP, a WMO could potentially play a critical role in ensuring that a municipality develops its IWMP for compliance purposes. This includes the development and implementation of IWMPs which will assist Provinces or the National department in obtaining any information pertaining to the implementation of the IWMPs, i.e. reporting on a municipality's progress with regards to reaching its targets as per the IWMP, as well as ensuring that a municipality includes IWMP reporting in the annual performance reports as called for by the Municipal Systems Act (MSA).

As part of their regulatory functions, the WMOs support the Environmental Management Inspectors (EMIs) who enforce the provisions of the Waste Act. This requires a close working relationship between WMOs and EMIs. The WMOs will assist the Department of Economic Development, Environmental Affairs & Tourism (DEDEAT) Environmental Management Inspectorate to identify priorities for monitoring activities that present a significant

threat to health and the environment. WMOs and EMIs will also work together to prepare Waste Impact reports. Under certain circumstances, both the EMI and WMOs can request a waste impact report, which will be done in consultation and co-operation with each other.

Waste management in SLM falls within the Directorate of Community Services (refer to Figure 2.15 below) as sub-directorate Waste and Cleansing. The Waste and Cleansing sub-directorate consist of 22 approved posts, 9 of which are filled and 13 are vacant. The organisational structure reveals an under capacitated section that lacks skilled waste management staff. There is also very limited man-power capacity considering the number of planned but vacant positions.

The current organisational structure makes no accommodation for a dedicated and designated Waste Management Officer in SLM, as required in terms of NEMWA. There is also no provision for law enforcement officers, qualified and capacitated landfill personnel and education and awareness coordinators for waste management. The organisational structure does not provide a clear split between the number of employees responsible for refuse removal and street cleansing.

Organogram: SLM Community Services Directorate – Sub-Directorate Waste and Cleansing Services

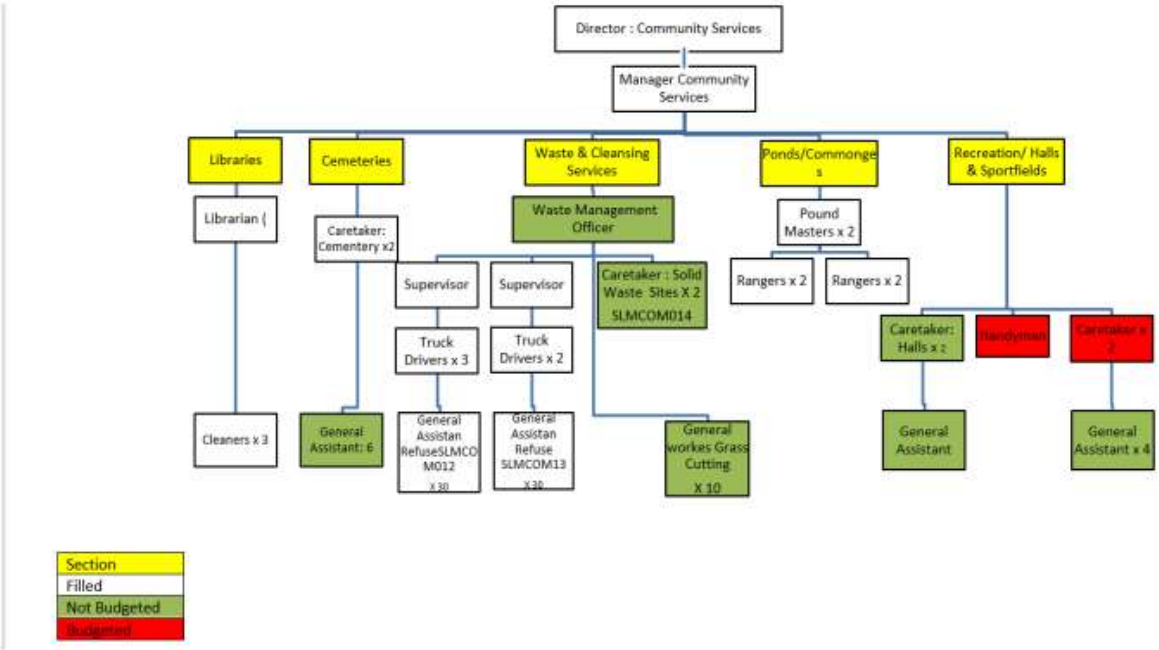


Figure 2.15: Organisational structure of SLM waste management.

GAP ASSESSMENT: INSTITUTIONAL MATTERS

- The Director Community Services is designated as a WMO for the SLM, which hinders the successful fulfilment of the responsibilities of a WMO whose sole function within the municipality must be waste management.
- The current organisational structure depicts an insufficiently capacitated waste management sector, which disables SLM from rendering an efficient service.
- The current organisational structure makes no accommodation for the following key personnel:
  - Environmental Management Inspectors (EMIs) for the implementation of by-laws and regulation against illegal dumping;
  - Landfill site personnel (i.e. security guards, clerks, operators and supervisors); and
  - Education and awareness officer.

3. DESIRED END STATE

3.1 SUMMARY OF CHALLENGES WITH WASTE MANAGEMENT IN SLM

The desired end state entails identifying priorities and goals that SLM wishes to attain with regards to waste management. The information collected on the historical and present waste management situation as well as the desired end state for the environmental sound management of waste will be the basis of the strategic goals for the SLM. The strategic goals for this plan will be based on relevant waste legislation, regulations, policies including the National Waste Management Strategy 2020 taking into consideration the waste management hierarchy principles that emphasise the diversion of waste from landfill disposal as much as possible, towards its use where possible.

The main issues and concerns in SLM are summarised in Table 3.1 below, this information is based on historical and present state of waste management in SLM. The Desired End State and Implementation Plan for successful waste management in SLM will be informed by the issues below.

Table 3.1: Gap assessment of waste management within SLM.

WASTE MANAGEMENT THEMES	GAP ASSESSMENT
WASTE STREAM CHARACTERISATION	• There is no effective waste stream analysis and characterisation in SLM. • There is no regulation of the other various waste generators (i.e. medical facilities, industries, business, etc.), and monitoring of their disposal methods. • There is no other means of waste quantification, and therefore there is no recording of waste collected and disposed within SLM. • There is no reporting on SAWIC.
WASTE DISPOSAL SITES	• The Cala waste disposal site operational permit lapsed in 2017. • The disposal area has encroached beyond the permitted site boundary resulting in pollution and contamination of the surrounding environment. • The site is not operated in line with the permit conditions and the Minimum Requirements for Waste Disposal by Landfill, i.e.: o There is no signage; o The site is fenced with a gate but there is no access control; o There is no resident supervisory staff on site; o There is no formal and regulated disposal procedure; therefore, waste is not timeously compacted and covered; o Waste is disposed outside the boundaries of the site; and o There is no groundwater monitoring. • Waste is burned on site (often by reclaimers freely accessing the site). • There is no regulation of reclaimers that access the site.
WASTE MINIMISATION	• A Material Recovery Facility (MRF) has been established at eKhowa but it is currently unregistered and not operational. • There are no formal waste minimisation strategies by SLM, such as:

WASTE MANAGEMENT THEMES	GAP ASSESSMENT
	○ Recyclable waste drop-off centres at the main centres of the LM; ○ Waste separation at source initiatives; ○ No waste-picker integration intervention programmes; ○ Collection and re-use of garden (organic) waste and builder's rubble; and ○ A municipal composting facility.
ILLEGAL DISPOSAL OF WASTE	• Though currently under review, there is no enforcement of the Refuse Removal By-Law, which was promulgated in September 2013 in the Provincial Gazette No. 3032. This by-law addresses the issue of illegal dumping. • The Environmental Health Practitioners were trained and designated by the district as Environmental Management Inspectors (EMIs), however, only one EMI is designated in SLM and cannot fulfil all the functions of an EMI throughout the municipal jurisdiction. • There is no education and awareness officer specifically designated within SLM, there is no programme for local education and awareness campaigns. SLM currently relies on the less frequent and campaigns undertaken by CHDM and DEDEAT. • Some residential areas that are meant to be receiving waste collection services are inaccessible due to poor road network. This results in increased illegal dumping of garden waste, builder's rubble and domestic waste. • The irregular collection of waste from households due to vehicle breakdowns etc., results in increased illegal dumping of waste by residents. • There are no alternative means for waste collection especially in less accessible areas, such as communal waste receptacles, which may potentially reduce illegal dumping.
WASTE COLLECTION AND DISPOSAL	• There is a significantly high backlog in waste collection service provision (approximately 55%). • There is no waste collection on farms and rural areas surrounding SLM. • There is no adherence to waste collection schedule and routes which hinders optimal waste collection. • There are no alternative disposal means for inaccessible areas and informal settlements, where kerbside collection is impossible.
FLEET AND EQUIPMENT	• The aged fleet that is prone to regular fleet breakdowns and unplanned stoppages prevents the proper rendering of waste collection services. • There is no adherence to waste collection schedule and routes which hinders optimal waste collection. • The poor road network and un-tarred roads hinder municipal vehicles from accessing most areas for collection, especially during

WASTE MANAGEMENT THEMES	GAP ASSESSMENT
	rainy seasons. • Vehicles have to travel long during the daily rounds, sometimes having to transport waste from Khowa to Cala, which hinders the optimal use of fleet.
FINANCING OF WASTE MANAGEMENT SERVICES	• There is no tariff structure for waste disposal at the landfill sites and special waste removals. • The is no full costing for waste service provision by the municipality. • There is no clarity on incoming revenue and expenses solely on waste services. • Revenue is lost through the lack of collection of disposal tariffs and service fees.
INSTITUTIONAL MATTERS	• The Director Community Services is designated as a WMO for the SLM, which hinders the successful fulfilment of the responsibilities of a WMO whose sole function within the municipality must be waste management. • The current organisational structure depicts an insufficiently capacitated waste management sector, which disables SLM from rendering an efficient service. • The current organisational structure makes no accommodation for the following key personnel: o Environmental Management Inspectors (EMIs) for the implementation of by-laws and regulation against illegal dumping; o Landfill site personnel (i.e. security guards, clerks, operators and supervisors); and o Education and awareness officer.

3.2 NEEDS ASSESSMENT

3.2.1 Waste by-laws

Though currently under review, a gap exists in the implementation and enforcement of the SLM waste management by-law which was initially gazetted in 2013. SLM needs to appoint and capacitate EMIs for the efficient enforcement of the by-law, to especially respond to the illegal dumping of waste and other adverse waste management practises.

3.2.2 Institutional and planning matters

The main purpose of an institutional arrangement is to present a structured plan on how to grow the institutional capacity of the solid waste management section in line with its future plan. The institutional structure must be designed to support the growth of waste management services, thereby ensuring that there is sufficient capacity to manage the work in the foreseeable future.

The organisational structure must be reviewed to most importantly include the appointment of a designated and dedicated WMO; and other functional positions such as EMIs, education and awareness officer, landfill operators,

administrators and general workers. Funding should be secured to fill all vacant posts to render an efficient waste management service to alleviate the demand for waste services.

3.2.3 Illegal dumping and littering

Illegal dumping is noted as a major challenge in open spaces in and around the residential areas, and sometimes on private abandoned properties. Where possible and feasible, SLM cleans up the illegal dumping spots but this does not seem to be an effective response.

It is recommended for the municipality to look into a strategy of identifying the landowners of the open stands with incomplete, dilapidated and/or abandoned structures. The municipality must engage the respective owners and encourage them to fence their stands to prevent easy access by surrounding residents thereby reducing the occurrences of illegal dumping of waste. Should the event of illegal dumping proceed in these open stands, the owners should be liable to a fine or the clean-up of the dumped waste.

Some, if not most, illegal dumping occurrences are noted within residential areas, especially in townships where waste is not regularly collected due to breakdowns and/or inaccessibility. The municipality should identify these areas and look into the placement of collection receptacles such as skips bins, which can be collected by the municipality when they are full. SLM also needs to look into the rehabilitation of the illegal dumping spots and re-establish them into spots that will deter any further dumping of waste; such as parks, gardens, playgrounds, bus stops, etc.

Upon the appointment of EMIs, illegal dumping should be addressed. If any further instances occur, it should be taken as an opportunity for the municipality to generate income through the fining of the perpetrators.

3.2.4 Waste avoidance

Currently, SLM relies on the district wide community education and awareness programmes, which are not necessarily widely enrolled for the extensive benefit of all local municipality communities. Public education and awareness are central to developing a culture of waste avoidance in a municipality. The widely implemented local based public education and awareness campaigns will highlight ways in which the public community of SLM can avoid or prevent waste generation and suggest alternatives to high waste products and activities. These local based campaigns should be streamlined according to the various types of waste, generators and the various alternative methods of waste reduction relevant to the different generators. Ultimately, this ensures an alignment with the National Waste Management Strategy (NWMS 2020) which promotes community education about waste that can be reduced, re-used and recycled.

This project will explore the setting of realistic waste avoidance targets and means to encourage households, businesses and schools to participate.

3.2.5 Disposal facilities

The Cala waste disposal site currently operates illegally following the lapsing of its permit in June 2017. A thorough audit of the site is required to determine the remaining disposal and airspace, which will inform the municipality and the authorities of the future potential of the site for continued use as a waste disposal facility.

To facilitate the legal continued operation of the site, SLM is required to obtain a renewed operational permit from the DEDEAT which is obtainable by following the rectification process as required and specified under Section

24G of the National Environmental Management Act (Act 107 of 1998). A pre-compliance notice has been issued to SLM by the competent authority, which necessitates the SLM to act swiftly on its attempts to relicense the site.

Once a permit has been obtained, the site must be operated in line with the permit requirements and the Minimum Requirements for Disposal of Waste by Landfill. The municipality will be required to appoint key personnel for the site (i.e. operator, supervisor, administrative staff and security guards). Alternatively, the municipality may consider outsourcing the operation of the landfill site to a suitable service provider, in the absence of required internal capacity.

3.2.6 Treatment and recycling

The most cost-effective initial step towards increasing recycling in SLM, would be the development of community drop-off centres for recyclable material. This initiative can make use of existing public facilities in the communities. The drop-off centres should be equipped with a number of skips bins for the different types of recyclable waste such as paper, glass, plastic, tins, metals, builder's rubble and hazardous waste. The municipality can also set up collection points for recyclable or hazardous waste items at shopping centres. However, this initiative may prove unsuccessful if it does not benefit the communities. An incentive-based approach or programme must be developed to encourage communities to recover recyclable materials from their household waste.

SLM must facilitate the registration and appointment of a service provider to operate and manage the Khowa MRF. The process of registering the facility requires the development of an operational plan that is in line with the following norms and standards:

- National Norms and Standards for Storage of Waste (2013); and
- National Norms and Standards for the Sorting, Shredding, Grinding, Crushing, Screening, or Baling of General Waste (2017).

The operational plan must be submitted to DEDEAT as the competent authority for approval and registration of the transfer and recycling facility prior to commencement of operation.

SLM should consider refurbishing and rehabilitating the existing structure at the Cala landfill for establishing and operating an MRF for the Cala area, where all recyclable materials can be reclaimed from the waste collected for disposal. The recyclable waste can either be reclaimed, sorted and stored and processed at the facility, or when enough volumes have been accumulated, they can be transported to the Khowa MRF for processing (i.e. shredding, crushing, bailing, etc.). The process of operating an MRF requires the development of an operational plan that is in line with the following norms and standards:

- National Norms and Standards for Storage of Waste (2013); and
- National Norms and Standards for the Sorting, Shredding, Grinding, Crushing, Screening, or Baling of General Waste (2017).

The operational plan must be submitted to DEDEAT as the competent authority for approval and registration of the MRF prior to commencement.

A waste picker integration guideline was developed and issued by the DFFE in August 2020. This guideline aims to assist municipalities and industries to recognise and acknowledge the value of waste pickers in the waste management value chain. Municipalities need to recognise that waste pickers are key actors in extracting

recyclables from the waste stream and contribute in the achievement of key government priorities such as the diversion of recyclable waste from landfill, in terms of the NWMS goals. The impressive recycling rate is largely due to informal waste pickers who, in the absence of formal programmes to collect recyclables, realised that valuable materials were being buried instead of being put to productive use. Waste pickers are already deeply integrated into the waste management system, and in moving forward and aiming to achieve goals relating to recycling, the country needs to harness and capitalize on the existing strength of the waste pickers for their benefit, and equally that of the environment and the economy.

It is highly recommended of the municipality to study, understand and implement the recommendations provided in the waste picker guideline. This will ultimately assist the municipality in developing a plan for collaborative approaches aimed at improving recycling within their jurisdiction.

SLM should also consider the feasibility of establishing a composting facility within SLM to divert all organic waste from landfill sites and to reduce the amount of organic waste that is illegally dumped. SLM can refer to the DEA National Organic Waste Composting Strategy: Draft Guideline Document for Composting (2013) for composting initiatives and models and the National Norms and Standards for Organic Waste Composting (2021). SLM can partner with a local private recycler or farmers for the operation of the composting facility. Builder's rubble can also be recovered for land rehabilitation, building fills or as cover material for the landfill sites.

SLM should consider to formally outsource their recycling operations to a private recycler or appoint a waste recycling co-ordinator to initiate and implement recycling opportunities.

3.2.7 Establishing separation at source initiative

There is currently no separation at source initiatives at SLM. Such an initiative will require an education and awareness training programme for the community. Separation at source must be supported by a service delivery system that is capable of transporting non-organic waste recyclables separate from the final disposal waste. However, this is also an opportunity to share with private recycling companies. The municipality can begin by supplying colour coded bags and/or bins for various waste types.

3.2.8 Collection services

The lack of provision of waste collection services is what leads to illegal dumping of waste, and this requires immediate attention. Estimating the cost of extending waste collection services to all residents is very difficult to achieve as the selection of various methods of service provision remains uncertain.

To ensure a cost-effective collection service and make provision for expanding of collection services, the municipality should consider option of introducing a second shift for collection. Collecting waste in shifts will ensure the optimum use of trucks and that households receive an effective waste collection service.

The municipality should also consider providing waste disposal containers (e.g. skip bins) in inaccessible residential areas and informal settlements, to ensure maximum coverage for waste disposal.

3.2.9 Fleet management and equipment

The lack of financial and human resources are the key constraints in the provision of standard waste management services. There is no access to enough fleet and equipment required for waste collection and handling.

When attempting to identify equipment requirements, the following should be taken to consideration:

- The number of trucks required to transport the estimated amount of volumes waste produced per day;
- The size of each of the vehicles/containers used to pick up waste per day; and
- The weight of the waste inside each container.

Other aspects need to be considered when choosing vehicles and equipment required for the collection, transportation and handling of waste. These are listed below:

- The waste type to be removed (recyclable or non-recyclable);
- Waste volumes;
- Geographical area of collection;
- Container/receptacle type;
- Distance between collection points and disposal facilities;
- Road conditions;
- Traffic conditions;
- Driver/operator skills;
- Vehicle maintenance capacity;
- Supplier after sales support;
- Efficiency/fuel consumption; and
- Optimal use of fleet.

Therefore, it is important that there is a proper assessment of the logistics and equipment requirements, to ensure that the appropriate equipment/vehicles are selected and that the overall system functions well and delivers an acceptable level of service to all households.

3.2.10 Waste Quantification and the Waste Information System

There is currently no waste quantification and characterisation taking place at the disposal facility in SLM. It is recommended for SLM to initiate the waste characterisation process with the help of DFFE. Waste characterisation is very important for the municipality to plan for future waste management activities such as assigning management costs to the different general waste types and categories generated and to identify the amount of waste for which a service is not yet established. The DFFE can assist the municipality with the waste characterisation process.

Reporting to the South African Waste Information System (SAWIS) is a requirement of the NWMS and it can only be successfully executed if the waste management activities are effective in terms of structure, system, personnel, infrastructure and services.

SLM is responsible for monitoring the waste quantities generated within its jurisdiction, and to ensure that the waste information submitted to the SAWIS is correct. This will be beneficial for future planning purposes in SLM.

3.2.11 Education and awareness

An education and awareness strategy and plan need to be prepared and implemented by SLM. This is considered one of the top priorities for SLM as it is central to the improvement in handling and management of waste in SLM.

3.2.12 Financing of waste management

Efficient waste service provision is largely determined by accurate costing of the required services. The full cost of waste service provision is seldom understood by the municipal officials and the general public and this often results to waste management services being under budgeted and residents being reluctant to pay the proper cost of the service. Some of the costs of waste management service provision can be recovered from tariff charges but these are often set below the actual cost of service.

Since the precondition for the successful implementation of the IWMP is access to sufficient funds to carry out the plan, SLM should undertake a full cost accounting exercise for waste management services to include aspects of collection, transportation, landfill, street cleansing, tariff and fee collection, etc.

Funding instruments

The following funding instruments can be considered for financing various aspects of waste management.

Funding mechanisms for Waste Prevention, Minimisation and Recycling:

The primary source of initial funding for the waste prevention, minimisation and recycling activities may be sourced from:

- Municipal budget;
- Donor funding;
- Recycling agencies; and
- Public/private partnerships.

Privately funded programmes should be promoted where possible.

Funding mechanisms for Waste Collection and Transportation:

Possible sources for waste collection and transportation include:

- Payment for services (tariff revisions);
- Municipal budget allocations (equitable share);
- Donor funding for specific projects; and
- Public-private partnerships.

Funding mechanisms for Waste Treatment and Disposal:

The cost associated with general waste disposal should mainly be funded by service fees (tariffs) or as part of other waste charges for the municipality.

The following two strategic documents must be consulted by SLM when reviewing and revising its tariff structure.

- DEA - Municipal Solid Waste Tariff Strategy (2012)
- DEA - National Pricing Strategy for Waste Management Charges (2016)

The National Pricing Strategy for Waste Management (NPSWM) was published in August 2016 with the aim of providing the basis and guiding methodology for setting waste management charges. The NPSWM identifies the following primary instruments for solid waste management:

Category	Instrument
Downstream instruments	• Volumetric tariffs ("pay-as-you-throw") • Waste disposal taxes (including landfill and incineration taxes)
Upstream instruments	• Material and input taxes

	• Product taxes • Advance recycling fees (also known as advance disposal fees) • Deposit-refund schemes • Extended Producer Responsibility (EPR) fees
Subsidy-based instruments	• Recycling subsidies • Tax rebates and benefits • Capital financing

More detail on the above funding instruments is provided in the NPSWM. However, it is important when considering an instrument or combination thereof, that "double taxation" is avoided.

Based on the review of SLMs current situation, it is suggested that the municipality investigates implementing waste tariffs that are volumetric based or "pay-as-you-throw" versus a flat rate where there is no incentive to reduce waste and proper matching of costs.

User Guide for DEA Solid Waste Tariff

Coming out of the Municipal Solid Waste Tariff Strategy, DEA has developed User Guide for DEA Solid Waste Tariff. Municipalities can access the tariff strategy, guidelines, step-by-step guide and the excel based spread-sheet through the DEA website - http://sawic.environment.gov.za/

3.3 SETTING STRATEGIC GOALS, TARGETS AND INDICATORS

The desired end state entails the identification goals and priorities that SLM wishes to attain in their effort towards waste management. Using the information collected on the historical and current waste management situation, strategic goals for the IWMP are developed. These goals should aim to address the gaps and the needs of the municipal area but most importantly should respond to the requirements of the Waste Act. A program on how these goals will be attained is developed as an implementation plan. The strategic goals are based on the relevant waste legislation, regulations and policies and are guided by the waste management hierarchy principles. It includes the setting of targets for waste management services such as collection, recycling, recovery and disposal. The setting of goals, objectives and targets take into consideration the municipal response to the goals and targets set in the National Waste Management Strategy. The National Waste Management Strategy provides a set of goals that municipalities must achieve in the next five years in order to give effect to the Waste Act. It contains an action plan with various targets to be achieved by municipalities in the next five years.

There are various waste related policies, legislation and guidelines applicable to SLM. All key requirements are listed in Table 3.2 below, regardless of SLM compliance.

Table 3.2: Key legal/policy requirements for Integrated Waste Management.

Theme	Legal/Policy Requirement
Waste planning	**National Environmental Management: Waste Act (59 of 2008):** • SLM must submit an IWMP to the MEC for approval. • SLM must integrate the IWMP into the IDP. SLM must also follow the consultative process in Section 29 of the Municipal Systems Act (MSA) (separately or as part of the IDP). • SLM must formally designate a Waste Management Officer (WMO). • SLM must submit annual reports of the implementation of the IWMP in terms of

Theme	Legal/Policy Requirement
	Section 46 of the Municipal Systems Act. **National Policy for the Provision of Basic Refuse Removal (BRR) Services to Indigent Households (GN413 of 2011)** • SLM to integrate the national BRR policy into their Indigent Policy, if exists. • SLM to consider formally identifying deserving households/areas for BRR services. • SLM to implement and maintain indigent register system in line with policy, and implement management programmes to minimise fraudulent activities. • SLM to regularly update the indigent register.
Financial Management	**National Environmental Management: Waste Act (59 of 2008):** • All municipalities must keep separate financial statements including a balance sheet of services provided.
Waste Information Management System	**National Waste Information Regulations (GNR 625, 13 August 2012)** • All those conducting activities listed in Annex 1 must register on SAWIS. • Activities at different facilities must be registered individually. Includes landfills. Excludes transfer stations. • Quarterly information to be submitted to the SAWIS. • All information submitted must be kept for minimum of 5 years.
Waste Reduction, Recovery, Re-use and Recycling	**National Environmental Management: Waste Act (59 of 2008):** • SLM must put in place measures that seek to reduce the amount of waste generated, and where generated, measures to ensure that it is re-used, recycled and recovered, treated and disposed of. **National Domestic Waste Collection Standards (GN21 of 2011)** • SLM must provide guidelines to households on how to separate waste. • SLM must encourage community involvement in recycling. • SLM must provide an enabling environment for household recycling to include either a) undertaking kerbside collection of recyclables, or b) ensuring Communal Collection Points for recyclables (including "nonmainstream recyclables" such as batteries, fluorescent tubes etc.) for collection by private service providers. • Collection of full containers from drop-off centres must be done within 24hours of being reported full. **National Norms and Standards for the Sorting, Shredding, Grinding, Crushing, Screening or Baling of General Waste (2017)**
Waste Collection	**National Domestic Waste Collection Standards (GN21 of 2011)** • Non-recyclable waste (i.e. domestic): A weekly service is required as a minimum. • Weekly collections must be consistent – the same day of the week and the time which waste is put out for collection must be stipulated. • If a collection is missed or the service is interrupted the service must resume as soon as possible and the waste must be removed no later than on the next scheduled collection day. • Changes to collection service e.g. public holidays must be publicized in advance. • Recyclable waste: to be collected once every two weeks.

Theme	Legal/Policy Requirement
	• Bulk containers and Communal Collection Points: to be collected when full, or within 24hrs of reported as full, but not less than once per week. • All refuse collection workers must receive regular medical check-ups, appropriate PPE and health and on-going health and safety training. • Roadworthiness of all collection vehicles to be ensured. • Waste must be transported in closed vehicles. • Skips should be managed in line with the Collection Standards. **National Policy for the Provision of Basic Refuse Removal Services to Indigent Households (GN413 of 2011)** • SLM must identify indigent households and maintain a register of indigent households (GN 34385). • Households to be provided with free receptacles for refuse storage. • Appropriate collection frequencies are a) weekly for biodegradable waste, b) monthly for recyclables (rural areas), c) fortnightly for recyclables (in urban areas). • Skips must be considered a last resort, and should be cleared often enough to prevent dumping outside of skips.
Storage of Waste	**Waste Tyre Regulations (2008)** • If owning or managing stockpiles, SLM may have responsibilities under Section 8 of these regulations for waste tyre stockpiles (>500 m2). • Waste Tyre Storage Plans by any industry are to be approved by the SLM Fire Department.
Landfill sites	**National Standards for the Disposal of Waste to Landfill (GN 636 of 2013)** • SLM to note likely future restrictions on disposal of certain waste e.g. E-waste (cease within 8 years), whole tyres (immediate) quartered tyres (cease within 5 years), and required reduction in garden waste disposal 25% reduction in 5 years).
Transfer Stations	**National Norms and Standards for the Storage of Waste (GN 926 of 2013)** • Any new waste management facility with the capacity to store more than 100m^3 of general waste must be registered with DEDEAT before construction commences. • The site must be operated to avoid nuisance emissions, odours and litter. • Waste must be separated into categories at source. A documented procedure must be implemented to prevent any mixing of general or hazardous waste. • Training must be provided to all employees working on site. • An emergency preparedness plan must be developed. • Internal audits must be conducted bi-annually. • External audits must be completed annually. • Records of waste entering the site and being recycled must be kept.
Public Awareness and Communication	**National Domestic Waste Collection Standards (GN 21 of 2011)** • All complaints regarding waste must be dealt with promptly, and responded to within 24hours. • An effective register of complaints must be maintained. • SLM must create awareness around key waste issues as defined in the standards including illegal dumping, recycling and composting

4. COMMUNICATION AND STAKEHOLDER PARTICIPATION

4.1 CONSULTATION PROCESS SUMMARY

A list of stakeholders (as seen in Appendix A) were identified and engaged as part of the SLM IWMP development process. Stakeholder engagement sessions were held as follows:

- 7th May 2019 Presentation of the Draft Status Quo Report, and workshop on the Desired End State
- 7th April 2022 Stakeholder Workshop on the revised Draft IWMP
- 13th & 14th June 2022 Public Participation Process on the Draft IWMP
- 10th November 2022 Presentation of the Draft IWMP to SLM Council for adoption

Attendance registers for the above-mentioned engagements are provided in Appendix B.

The draft IWMP was released for a 30 days public comment period which commenced on 3rd June 2022 to 3rd July 2022. The report was placed at the following information centres:

- Sakhisizwe LM Main Office – Cala
- Sakhisizwe Main Office – Elliot

Notices on the availability of the report were strategically placed in various areas including the CBD, library, municipal notice boards and offices. Notifications were also sent to ward councillors to advise their respective committees and communities. An advert was also placed on the Daily Dispatch (a local newspaper) on the 2nd June 2022, where the public engagement held on 13th and 14th June 2022 was also published. The proof of advert placement is provided in Appendix C.

The following issues/comments and responses were received from the stakeholders.

Issues/concerns	Comments	Response
The poor adherence to the collection schedule by the municipality exacerbates the occurrence of illegal dumping. The closure of the Khowa dump site also hinders the efficiency of collection and results in backlogs due to the long distance between collection points and disposal.		Noted. The poor adherence to the collection schedule can be confirmed to be mostly caused by the shortage of collection vehicles, regular mechanical breakdowns with no resources for interim arrangements. This IWMP has highlighted the dire need for additional collection vehicles to increase waste collection efficiency. It is the responsibility of the municipality to source funds for such capital investments. Upon commencement of operation of the Khowa MRF, trucks will no longer need to be carting all waste

Issues/concerns	Comments	Response
		to Cala. Waste will be temporarily delivered and sorted at the Khowa MRF, and only the non-recyclable waste will be transported to Cala for final disposal. This will hopefully reduce the collection backlog which is currently caused by travel time between collection points and the disposal site.
	Can the municipality consider the placement of skip bins at the illegal dumping hotspots such as the one opposite the hospital, so as to prevent the uncontrolled travel of waste.	Noted. This IWMP has recommended the identification of illegal dumping hotspots and placement of skip bins which must be regularly emptied/carted by the municipality.
Will the municipality need to wait until the IWMP is endorsed before it commences with implementation thereof?		No, some of the items within the implementation plan are already underway, especially the administrative goals and those which are within the capacity of the municipality in terms of resources. The endorsement of the IWMP is mostly important for the bigger projects which the municipality needs to source funding for, the potential funders require that the IWMP is endorsed before the can consider assisting the municipality.
	To ensure the relevance and effectiveness of the IWMP, the management should proactively internally review the implementation process at least once a year.	Annual internal review and reporting is one of the key performance indicators on the implementation of the IWMP. Therefore, the municipality is indeed required to report on the implementation plan on an annual basis.
The issue of poor access roads appears regularly and may potentially hinder the successful implementation of the IWMP. Therefore, it is recommended that the management team of the municipality engages the Department of Public Works and/or		Noted. As much as this won't form part of the implementation plan, it will be recommended to officials to address it with the relevant directorate that can take it forward.

Issues/concerns	Comments	Response
Roads and Infrastructure Department to advise whether there is no assistance that they can provide to rehabilitate the internal access roads.		
	For the implementation of the IWMP to be a success, education and awareness training should be a priority, which can be achieved by also introducing the recognition and celebration of environmental calendar days at schools and within the municipality.	Noted. Education and awareness are key to the success of the IWMP. This IWMP identifies education and awareness as one of the priority programmes that must be implemented by the municipality.
	Introduce fines and penalties for businesses that illegally dispose and poorly manage their waste.	Noted. The by-laws on waste control are currently under review, and should incorporate fines associated with illegal disposal of waste.
	Boreholes must be installed to monitor the contamination of groundwater in the vicinity of the landfill site. Water samples must be taken bi-annually to check for possible leachate runoff and infiltration for both surface and underground water.	Noted. The IWMP does recommend the municipality to facilitate the re-licensing of the Cala landfill site and ensure operation procedures are in line with the permit requirements, which include contamination monitoring and control at the landfill site.
What are the requirements for the appointment of EMIs? The understanding is that EMIs are Environmental Scorpions, and for them to fulfil their duties, they must have a full environmental qualification and a short course from an accredited assessor as per the LGSETA requirements.		Currently, the municipality is being assisted by the district environmental health practitioners, who have been trained/capacitated and endorsed by the provincial Department of Environmental Affairs as EMIs. Therefore, they have the necessary educational background to fulfil the role of EMIs. If the municipality intends to appoint their own EMIs, they would definitely need to appoint professionally relevant candidates who understand the background of their duties.
	Does the organisation have a	No, currently there is no costing

Issues/concerns	Comments	Response
	costing model or options on how to cost effectively employ required resources for some of the functions? For example, based on the tons on waste generated and handled per year, one could be able to work back the number of hours required per plant per week. From there you can be able to schedule the equipment required and exact times. This will potentially reduce the plant standing time and the municipality could consider hiring as opposed to buying plant and employing operators thereof. The saving would then be on capital cost, maintenance, fleet management, human resources and depreciation.	model in place. The municipality has no reliable data on waste generated and disposed within their jurisdiction as no form of quantification has been taking place. Until waste is quantified and reported, it will be difficult to determine the resources required by the municipality to provide an efficient and effective waste service.
	For a small municipality like SLM it may be unaffordable to employ senior (professional) staff like WMO and EMIs on a full-time basis. Is there no model to calculate the hours per week required for these functions, based on waste generated, population density, etc. This will present options such as resource sharing with neighbouring municipalities.	The designation of a dedicated WMO by a local municipality is a legislative requirement of the Waste Act, and has to be recommended as such within this IWMP. Perhaps the resource sharing can be investigated and recommended within a district IWMP, as that would address inter-municipal statistics and resources.
The draft IWMP makes no comment on the current status of the "closed" Khowa site, with reference to the closure permit requirements. There seems to have been no proper closure and rehabilitation of the Khowa landfill site, prior the recommendation to convert it to an MRF.		Noted. The IWMP will recommend that the municipality oversees efficient closure and rehabilitation of the now dump site in order to discourage further disposal at the site.
	Considering that SLM is a small municipality, there may be budget constraints for the appointment of	Noted, it will be included in the IWMP as an alternative.

Issues/concerns	Comments	Response
	all recommended positions. The recommended alternative is for the WMO to deal with education and awareness programmes as well, as opposed to appointing a dedicated officer.	
	Rehabilitation of illegal dump sites should also be one of the objectives identified in the IWMP.	Noted, it will be included in the IWMP.
	The municipality must appoint a service provider to operate the Khowa MRF as they are currently incapacitated to do so inhouse.	The IWMP implementation plan has recommended for the municipality to appoint a service provider to operate the Khowa MRF, as it already has been established that the municipality is under capacitated to effect the function.
	New equipment such as skip bins must be proposed to address the issue of illegal dumping.	Skip bins to address organised waste collection especially in inaccessible and high-density settlements has already been included as part of the IWMP implementation plan.
	The public wishes to have an opportunity to comment on the by-laws that are currently under revision.	Noted, the municipality will be advised as such.
The waste collection schedule presented by the municipality is untrue as most townships receive no waste collection services at all.		The schedule has been confirmed to be true, it is the adherence thereto that is an issue. This is as a result of many challenges including but not limited to collection vehicle breakdowns, inaccessibility in some of the residential areas.
The SLM statistics on waste collection are not a true reflection of on-the-ground reality. Perhaps they need to be verified to ensure proper planning and budgeting for waste services.		The statistics are informed by census data from StatsSA which is also not current. Therefore, any future extrapolations would be based on estimates and averages, which may not necessarily be accurate. It is understood how this affects proper planning and budgeting; but with an improved system of waste management, the municipality may be able to collect

Issues/concerns	Comments	Response
		their data on which they can base any future waste management plans.
How did the municipality receive proposals to operate the MRF as it was required to follow the procurement process where all interested parties are invited to submit proposals, when was this undertaken?		The proposals to operate the MRF were received from individuals who had personally engaged the municipality, no invitation to bid was advertised. However, an official bid process will be followed to seek the services of a suitable service provider, to ensure a fair procurement process.
	The Cala landfill site cannot be deemed to not pose any risk when it has been operating with no operational procedure. The risk can also be attributed to animals around the site that may find themselves consuming hazardous foods as there is encroachment of dumping outside the site as well as lack of access control.	Noted. It has been highlighted as such in the IWMP, hence the implementation plan prioritizes the licensing and operational improvements of the landfill site.
	When considering a composting facility, it must be established close to the MRF to reduce the costs associated with transportation of waste material from recovery to the facility.	Noted.
	The municipality must consider alternating shifts between municipal personnel and that of CWP and EPWP in order to ensure effective and efficient use of resources.	Noted.

5. IMPLEMENTATION INSTRUMENTS

5.1 PARTNERSHIPS

An effective waste management system requires participation from various stakeholders. It is thus important for SLM to develop partnerships with different stakeholders as an important mechanism for providing services and facilities required to promote effective and efficient waste management practices. There are a wide range of partnerships that can be formed; including Public-Public, Public-Private and Non-Governmental Organisations (NGO) or Community Based Organisations (CBO) partnerships.

5.1.1 Public-Public Partnerships

This is a partnership between two public sector institutions or organisations where neither partner seeks profit from the partnership. A typical example of such a partnership could be in cases of operating regional waste facilities. All concerned municipalities would come together in the joint development of such a facility and share the costs.

5.1.2 Public-Private Partnerships

This is normally a partnership between a public sector institution/organisation and a private company or party. The private company or party takes the financial risks for the project including capital costs, designing and building the facility as well as the operational costs. The land typically belongs to the public entity with the fixed asserts sponsored by the private entity but ultimately becoming state property. Public-private partnerships are mainly for collaborating on waste services, establishment of waste management facilities, implementation of source separation, establishment of MRFs, transfer stations and recycling facilities. Some of the partnerships that should be considered are as follows:

Basic Refuse Removal

Partnerships with small community based SMMEs can be established to collect general waste in areas that are currently not receiving waste services and to dispose this waste in designated skip bins for ultimate collection by the municipality. This means that the municipality will be able to provide widespread waste collection services. The SMMEs can be provided with basic collection equipment such as carts and trolleys to collect from areas where trucks cannot easily access.

Composting

Organic waste can be collected by the municipality or a private partner and deposited at a municipality or community owned/managed composting site. The waste can be fed into a chipper and compost made using basic low technology and cost-effective methods. SLM can also refer to the DEA National Organic Waste Composting Strategy: Draft Guideline Document for Composting (2013) for composting initiatives and models, and the NEMWA National Norms and Standards for Organic Waste Composting (2021).

Developing partnerships with the private sector is critical for the implementation of particularly waste minimization, reuse and recycling opportunities. In this regard, the following commercial entities should be approached:

- SAPPI and Mondi for paper recycling
- Scrap metal recyclers
- Glass Recycling
- Used oil recyclers

- Waste tyres recyclers

5.1.3 NGO/CBO Partnerships

This partnership includes members of the community receiving the service forming part of the partnership with the public entity giving the service.

SLM may explore opportunities for collaboration with respect to waste management programmes with the following organisations:

- **South African Local Government Association (SALGA)**
  - SALGA provides support in a broad range of disciplines, including waste management - http://www.salga.org.za/
- **Clean City Campaign Africa (CCCA)**
  - CCC, which includes the Recycling Forum and gathers important stakeholders including councillors, private companies and NGOs - http://www.foundation-development-africa.org/africa_clean_city_campaign/index.htm
- **Institute for Waste Management South Africa (IWMSA)**
  - SLM officials should participate in the various programmes offered by the IWMSA Eastern Cape Branch - http://www.iwmsa.co.za/
- **Other waste recycling organizations**
  - SLM officials should engage with the various recycling industry groups, such as:
    - National Recycling Forum - http://www.recycling.co.za/
    - Remade Recycling - http://www.remade.co.za/
    - The Glass Recycling Company - http://www.theglassrecyclingcompany.co.za/
    - Recycle Paper ZA - https://recyclepaper.co.za/
    - National Oil Recycling Association of South Africa - http://www.norasa.co.za/splash.asp
    - Rose Foundation - https://rosefoundation.org.za/

5.2 LEGISLATIVE INSTRUMENTS

A critical component to the implementation of the IWMP is the supporting legal framework. The Integrated Waste Management policies and by-laws are tools for assisting local municipalities in driving an effective and sustainable waste management service throughout its area of jurisdiction. Local municipalities have the legal capacity in terms of the Municipal Systems Act to develop by-laws to supplement national and provincial regulatory requirements and to address issues and challenges that are specific or unique to the LM.

Objectives of the by-laws

By-laws must aim to give effect to Section 24 of the Constitution relating to the "protection of the environment for the benefit of present and future generations" including the effective management of waste within the jurisdiction of the LM. By-laws must provide an effective legal and administrative framework to give effect to the objectives of the Waste Act, which amongst other things include:

- Minimising the consumption of natural resources;
- Avoiding ad minimising the generation of waste;
- Reducing, reusing, recycling and recovery of waste;
- Treating and disposing of waste as a last resort;
- Preventing pollution and ecological degradation; and
- Achieving integrated waste management reporting and planning.

The Waste Act also specifically places an obligation on LMs to provide for the compliance with the above measures.

Municipalities also need to enforce any waste by-laws that they may have promulgated, through municipal mechanisms such as Environmental Management Inspectors (EMI's), WMO's or Environmental Health Practitioner's (EHPs) or other delegated authority within the municipality.

Whatever the designated enforcement agency, the LM should explore appropriate training on its waste by-laws and related matters to ensure that they are equipped to issue fines for non-compliance with waste by-laws.

5.3 FUNDING MECHANISMS

A critical precondition for the successful implementation of waste management services is accurate costing and securing access to sufficient funds. All costs associated with providing waste services need to be identified (both capital and operational costs) so that appropriate tariffs can be levied. The full cost of waste service provision is seldom understood by both municipal officials as well as the general public. This results in waste management services often being under budgeted and/or communities' reluctance to pay the rightful cost of the service. Tariffs should cover the costs of providing the services, but the charges are often set below actual costs.

Some of the interventions that can be implemented include the following:

- Undertake on a full cost accounting exercise for waste management services to include all costs incurred for collection, transportation, landfill operation and management, street cleansing, tariff collection, debt payment and depreciation.
- Implementing recycling programmes to reduce the costs of disposal and to generate revenue for the municipality. The cost accounting exercise could include the costs of these recycling programmes against their gains in terms of real monetary returns as well as cost savings relating to increased landfill life span through saved air space.
- Increasing the service charges to correlate with the actual costs of service provision. The concept of "pay-as-you-throw" may be a better approach to discourage disposal, where the service charge will be proportional to the waste produced per household.

Funding will possibly be required for the following recommended priority projects:

- Funding for various proposed programmes:
    - Waste management training and awareness programme for officials and councillors
    - Waste management training and awareness programme for the public
    - Waste management awareness information for rural villages and their ward councillors
    - Schools waste awareness programmes
    - Capacitating of officials and enforcement of by-laws
    - Formulate and implement an Operations Management Plan for expanding waste services by investigating alternative service delivery mechanisms, such as:
        - Communal bins or skips, especially in the illegal dumping hotspots
        - Establishing specific waste collection points
    - Implementation of the Waste Information System
    - Audit programme for operating waste sites
    - Conducting legal compliance audit
- Operational funding for:

    - Maximum implementation of the SLM waste minimisation/recycling plan
    - Expanded services and alternative services
    - Better management of existing permitted sites
- Capital funding for
    - New equipment
- Funding for the development of various business plans:
    - Cleaner town and anti-litter awareness campaign and the cleanest town competition
    - Paper waste
    - Communal collection points
    - Used oil recycling

5.3.1 Funding Instruments

The successful implementation of this IWMP will require both capital and operational costs and can be funded through potential funding instruments as listed below:

Mechanisms for capital funding:

- Municipal budget
- Municipal Infrastructure Grant
- Consolidated Municipal Infrastructure Programme (CMIP)
- Extended Public Works Programme (EPWP)
- Donor Funding
- Financial Institutions (DBSA)
- Public-Private Partnerships
- Recycling Agencies
- Provincial and National Government Allocations

Mechanisms for operational funding:

- Tariffs
- Rates
- Revenue (from fines)
- Equitable Share Allocation
- Donor Funding
- Public-Private Partnerships

As already described above, the following two strategy documents must be consulted by SLM when reviewing and revising its tariff structure.

- Municipal Solid Waste Tariff Strategy (2012)
- National Pricing Strategy for Waste Management Charges (2014)

In particular, it is suggested that SLM investigate implementing waste tariffs that are volumetric based or "pay-as-you-throw" versus a flat rate where there is no incentive to reduce waste and proper matching of costs. Additional sources of funding which can also serve to achieve some of the IWMP objectives, is the implementation of taxes. The use of taxes can encourage and/or discourage certain attitudes towards waste management. Certain taxes can encourage recycling and discourage production of certain products of the usage of certain materials in the production process.

Financial plan for the implementation of the IWMP

A financial plan should be developed for the implementation of the SLM IWMP.

User Guide for DEA Solid Waste Tariff

Coming out of the Municipal Solid Waste Tariff Strategy, DEA has developed User Guide for DEA Solid Waste Tariff. Municipalities can access the tariff strategy, guidelines, step-by-step guide and the excel based spread-sheet through the DEA website - http://sawic.environment.gov.za/

5.4 IMPLEMENTATION PLAN

Table 5.1 below constitutes an Implementation Plan of projects that should be implemented by SLM to achieve its strategic goals with respect to waste management, and includes:

- Desired end state (goals)
- Targets
- Timing
- Selected alternatives (selected activities)
- Resources, comprising:
    - Human
    - Equipment and
    - Finance

Some indicative budgets are provided which mainly relate to the engagement of specialist waste management consultants. However, such tasks could just as well be undertaken by a well capacitated municipal WMO. It is believed that a properly capacitated WMO could address most of the issues without having to outsource to external service providers or consultants. **The appointment of a competent WMO would therefore be well worth the investment.**

Table 5.1: SLM IWMP Implementation Plan.

Strategic Pillar	Situation Analysis (Current Status)	Desired end state (goal)	Targets	Selected alternatives (activities)	Y1	Y2	Y3	Y4	Y5	Implementation mechanisms (Resources)		
										Human Resource (HR)	Equipment (EQP)	Finance (HR + EQP)
Pillar 1: Waste minimisation		• Prevent waste generation through cleaner production, industrial symbioses and extended producer responsibility; • Prevent food waste; • Increased re-use, recycling and recovery rates; • Divert organic waste from landfill through composting and the recovery of energy; • Divert construction and demolition waste from landfill through beneficiation; and • Increase technical capacity and innovation for beneficiation of waste.	40% of waste diverted from landfill within 5 years.	Undertake waste characterisation exercise to understand the baseline waste types and estimated quantities within the municipality	X					Casual General Workers (and assistance from DEA)	PPE	R500 000
				Develop a programme to formalise, incentivise and capacitate waste pickers into the municipal waste management system	X					In house	N/A	TBC
				Collaborate with waste pickers to separate recyclable waste from the receiving areas of refuse transfer/disposal sites	X					4 x Waste pickers	PPE	R100 000 (PPE) R200 000 (HR) pa
				Undertake a feasibility study and draft a strategy for the efficient handling of municipal organic waste, to ensure diversion thereof from the disposal site		X				Outsource (consultant)	None required	R500 000
				Establish recyclable material drop-off centres at Cala and Khowa CBDs by strategically placing receptacles for the various recyclable waste types			X			In house	6 x stainless steel shipping containers (3 x Khowa, and 3 x Cala – for plastic, glass and paper)	R2 million
				Identify urban and peri-urban areas to initiate a pilot project on waste separation at source, and provide different colour refuse bags to the identified residents.			X			Outsource collection of source-separated waste to a local recycler/SMME	Refuse bags	R2 million
				Initiate food for waste programmes to promote recyclable waste recovery in partnership with local private recyclers/SMMEs.			X			Outsource implementation and management to a local recycling entity or SMME.	None required	R5 million (depending on the detailed project implementation plan)

Strategic Pillar	Situation Analysis (Current Status)	Desired end state (goal)	Targets	Selected alternatives (activities)	Y1	Y2	Y3	Y4	Y5	Implementation mechanisms (Resources)		
										Human Resource (HR)	Equipment (EQP)	Finance (HR + EQP)
Pillar 2: Effective and Sustainable Services		• Separate waste at source; • Safe and environmentally sustainable disposal of hazardous household waste; • Cities Support Programme implementation; and • Effective integrated waste management planning.	Ensure all South Africans live in clean communities with waste services that are well managed and financially sustainable.	Establish communal waste collection points at strategic points within the currently un-serviced and inaccessible townships and informal settlements.	X					In house	10 x skip bins	R2 million
				Re-design the waste collection route using a GIS route planning model and install route tracking devices on the collection vehicles.	X					Outsource to GIS Service Provider	None required	R500 000
				Review organisational structure to include key personnel for efficient solid waste service provision and management. Present the structure for approval by council, to secure funding for the vacancies, such as: • Waste Management Officer • Environmental Management Inspector • Landfill Site Personnel • Education and Awareness Officer	X					In house	None required	None required
				Facilitate the appointment of a designated Waste Management Officer.	X					1 x WMO	None required	R700 000 (pa)
				Develop a database of all clinics, medical facilities, commercial laboratories, abattoirs, vehicle repair centres, mines, etc., and monitor the safe disposal of their waste.	X					In house (in conjunction with District EHPs)	None required	N/A
				Refurbish and rehabilitate the dilapidated storage structure at the Cala landfill site into a MRF for the Cala area.	X					Outsource (refurbishments)		R2 million
				Strategically install mounted waste		X				Outsource (supply and	Waste bins	R300 000

Strategic Pillar	Situation Analysis (Current Status)	Desired end state (goal)	Targets	Selected alternatives (activities)	Y1	Y2	Y3	Y4	Y5	Implementation mechanisms (Resources)		
										Human Resource (HR)	Equipment (EQP)	Finance (HR + EQP)
				disposal bins in the CBDs.						mounting of waste bins)		
				Facilitate the appointment of and capacitate EMIs to act against illegal dumping and other waste management issues.		X				2 x EMIs	None required	R600 000 (pa)
				Facilitate the appointment of qualified landfill site personnel (i.e. supervisors, security guards, operators) for the Cala waste disposal site.		X				1 x landfill site supervisor 2 x Security guards 2 x admin officers 4 x general workers	None required	R1 million (pa)
				Secure budget and purchase additional capital equipment required to provide an efficient waste service.		X				In house	• Skip loader and bins • Wheelie Bins • Baler • Chipper • Crushers • Shredder • Weigh-bridge	R10 million
			Improve financial sustainability of waste management in SLM.	Develop a full costing for waste management service provision by the municipality	X					In house	None required	N/A
				Review tariffs according to the various service levels, aligned with the cost of waste services provided in the various residential, business and industrial areas.	X					In house	None required	N/A
				Establish tariffs for all waste types to recover costs of collection and disposal (e.g. garden waste	X					In house	None required	N/A

Strategic Pillar	Situation Analysis (Current Status)	Desired end state (goal)	Targets	Selected alternatives (activities)	Y1	Y2	Y3	Y4	Y5	Implementation mechanisms (Resources)		
										Human Resource (HR)	Equipment (EQP)	Finance (HR + EQP)
				[illegible]								
			Prevent hazardous and industrial waste from entering the general waste stream; reduce and prevent any further increase in illegal dumping in SLM.	Finalise the review of waste management by-laws.	X					In-house	None required	N/A
				Train EMIs to ensure efficient implementation and enforcement of waste management by-laws.		X				District to assist with training of EMIs	None required	N/A
				Develop a waste management legal register and initiate an internal legal compliance monitoring programme for illegal disposal of hazardous, medical and industrial waste streams.		X				In-house, in conjunction with district EHPs.	None required	R20 000

Strategic Pillar	Situation Analysis (Current Status)	Desired end state (goal)	Targets	Selected alternatives (activities)	Y1	Y2	Y3	Y4	Y5	Implementation mechanisms (Resources)		
										Human Resource (HR)	Equipment (EQP)	Finance (HR + EQP)
Pillar 3: Compliance, Enforcement and Awareness		• Reduce pollution, littering and illegal dumping; • Enhance capacity to monitor compliance and enforce the Waste Act and International Agreements; and • Ensure municipal landfill sites and waste management facilities comply with licensing requirements.	Mainstreaming of waste awareness and a culture of compliance resulting in zero tolerance of pollution, litter and illegal dumping.	[illegible]	• Conduct NEMA Section 24G Application as a rectification process to re-license the site. • Conduct external operational audit for the site to determine remaining airspace. • Develop action plan and operational plan for continued operation of the site.					Outsource to consulting service provider	None required	R500 000
				[illegible]	X					Service provider (development of operational plan and registration of Knowa MRF)	None required	TBC
				[illegible]	X					In house	Training material and	R200 000 (pa)

Strategic Pillar	Situation Analysis (Current Status)	Desired end state (goal)	Targets	Selected alternatives (activities)	Y1	Y2	Y3	Y4	Y5	Implementation mechanisms (Resources)		
										Human Resource (HR)	Equipment (EQP)	Finance (HR + EQP)
				[illegible]							materials (signage, pamphlets	
				[illegible]	X					Outsource (rehabilitation)	None required	R300 000
				Ensure compliance of the Cata waste disposal facility with the operational permit and other relevant legislation, policies and guidelines.		• Erect proper site signage • Properly fence the site • Install lockable gate • Refurbish office and security booth • Refurbish Ablutions				Outsource (refurbishments)	None required	R3 million
				Increase the gathering of information to include waste types and quantities of collected, recycled and disposed waste in SLM		X				In house	None required	N/A
				Initiate reporting of waste disposal and recovery quantities on the SAWIS.		X				In house	None required	N/A
				Enter into a public-private partnership contract for the operation of the Cata MRF. The appointed service provider must also be appointed to facilitate the development of an operation and management plan for the			X			Service provider (development of operational plan and registration of Cata MRF)	None required	TBC

Strategic Pillar	Situation Analysis (Current Status)	Desired end state (goal)	Targets	Selected alternatives (activities)	Y1	Y2	Y3	Y4	Y5	Implementation mechanisms (Resources)		
										Human Resource (HR)	Equipment (EQP)	Finance (HR + EQP)
				facility, which must be submitted to the DEDEAT for registration of the facility								
				Initiate community and school's awareness and clean up campaigns twice a year.	X	X	X	X	X	Partnership with cooperative	Refuse bags, PPE	R500 000 (pa)
				Develop a programme for and initiate "greenest" community competitions.	X	X	X	X	X	In house	None required	R500 000 (pa)
			Timeous auditing and monitoring of the waste disposal sites.	Audit compliance of the waste disposal sites twice a year.	X	X	X	X	X	Outsource	None required	R100 000
			Implementation and monitoring of the success of the IWMP	Monitor and report on the success of the IWMP implementation annually.	X	X	X	X	X	In house	None required	N/A
				Review IWMP after a five-year cycle.					X	Outsource	None required	R700 000

6. REPORTING ON MONITORING

Section 13(3) of the Waste Act requires that annual performance reports are prepared in terms of Section 46 of the Municipal Systems Act and must contain information on the implementation of the municipal IWMP, including:

- The extent to which the IWMP has been implemented during the period.
- The waste management initiatives that have been undertaken during the reporting period.
- The delivery of waste management services and measures undertaken to secure the efficient delivery of waste management services.
- The level of compliance with the plan and any applicable waste management standards.
- The measures taken to secure compliance with waste management standards.
- The waste management monitoring activities.
- The actual budget expended on implementing the plan.
- The measures taken to make necessary amendments to the plan.

6.1 WASTE MANAGEMENT IMPLEMENTATION AND MONITORING PROGRAMME

An ongoing monitoring framework for the implementation of the SLM IWMP is provided in Table 6.1 below.

Table 6.1: Programme for implementation of the SLM IWMP.

Key Performance Indicator	Responsibility	Timeframe
Undertake waste characterisation exercise to understand the baseline waste types and estimated quantities within the municipality.	WMO	Year 1
Develop a programme to formalise, incorporate and capacitate waste pickers into the municipal waste management system.	WMO	Year 1
Collaborate with waste pickers to separate recyclable waste from the receiving yards of major businesses.	WMO	Year 1
Establish communal waste collection points at strategic points within the currently un-serviced and inaccessible townships and informal settlements.	WMO	Year 1
Re-design the waste collection route using a GIS route planning model and install route tracking devices on the collection vehicles.	Service Provider	Year 1
Revise organisational structure to include key personnel for efficient solid waste service provision and management. Present the structure for approval by council, to secure funding for the vacancies, such as: • Waste Management Officer • Environmental Management Inspectors • Landfill Site Personnel • Education and Awareness Officer	Director: Community Services/WMO	Year 1
Facilitate the appointment of a designated Waste Management Officer.	Municipal Manager/Council	Year 1
Develop a database of all clinics, medical facilities, commercial wholesalers, abattoirs, vehicle repair centres, mines, etc., and monitor	EMIs/EHPs	Year 1

Key Performance Indicator	Responsibility	Timeframe
the safe disposal of their waste.		
Refurbish and rehabilitate the dilapidated storage structure at the Cala landfill site into a MRF for the Cala area.	Service Provider	Year 1
Develop a full costing for waste management service provision by the municipality.	CFO	Year 1
Review tariffs according to the various service levels, aligned with the cost of waste services provided in the various residential, business and industrial areas.	CFO and WMO	Year 1
Establish tariffs for all waste types to recover costs of collection and disposal (e.g. garden waste collection).	CFO and WMO	Year 1
Finalise the review of waste management by-laws.	WMO/Council	Year 1
Obtain an operation permit from DEDEAT for the Cala landfill site.	Service Provider	Year 1
Enter into a public-private partnership contract for the operation of the Khowa MRF. The appointed service provider must also be appointed to facilitate the development of an operation and management plan for the facility, which must be submitted to the DEDEAT for registration of the facility.	WMO	Year 1
Develop waste management awareness material for communities and schools and collaborate with the DFFE for the provision of waste management training material.	WMO/Education and Awareness Officer	Year 1
Officially close and efficiently rehabilitate the Khowa dump site, in line with the closure and rehabilitation permit requirements.	WMO	Year 1
Undertake a feasibility study and draft a strategy for the efficient handling of municipal organic waste, to ensure diversion thereof from the disposal site.	WMO/Service Provider	Year 2
Strategically install mounted waste disposal bins in the CBDs.	WMO	Year 2
Facilitate the appointment of EMIs to act against illegal dumping and other waste management issues.	Directorate/Council	Year 2
Secure budget and purchase additional capital equipment required to provide an efficient waste service.	WMO	Year 2
Train EMIs to ensure efficient implementation and enforcement of waste management by-laws.	WMO	Year 2
Develop a waste management legal register and initiate an internal legal compliance monitoring programme for illegal disposal of hazardous, medical and industrial waste streams.	EMIs/EHPs	Year 2
Ensure compliance of the Cala waste disposal facility with the operational permit and other relevant legislation, policies and	WMO	Year 2

Key Performance Indicator	Responsibility	Timeframe
guidelines.		
Increase the gathering of information to include waste types and quantities of collected, recycled and disposed waste in SLM.	WMO/Landfill site administrator	Year 2
Initiate reporting of waste disposal and recovery quantities on the SAWIS.	WMO/Landfill site administrator	Year 2
Establish recyclable material drop-off centres at Cala and Khowa CBDs, by strategically placing receptacles for the various recyclable waste types.	WMO	Year 3
Identify urban and peri-urban areas to initiate a pilot project on waste separation at source, and provide different colour refuse bags to the identified residents.	WMO	Year 3
Initiate food for waste programmes to promote recyclable waste recovery in partnership with local private recyclers/SMMEs.	WMO	Year 3
Enter into a public-private partnership contract for the operation of the Cala MRF. The appointed service provider must also be appointed to facilitate the development of an operation and management plan for the facility, which must be submitted to the DEDEAT for registration of the facility.	Service Provider	Year 3
Initiate community and school's awareness and clean up campaigns twice a year.	Education and Awareness Officer	Bi-annually
Develop a programme for and initiate "greenest" community competitions.	Education and Awareness Officer	Annually
Audit compliance of the waste disposal sites twice a year.	WMO	Bi-annually
Monitor and report on the success of the IWMP implementation annually.	WMO	Annually
Review IWMP after a five-year cycle.	Service Provider	Year 5

The results of the SLM IWMP monitoring activities must be compiled into a monitoring report. SLM must compile a report on the implementation of the IWMP on an annual basis and submit to DEDEAT.

6.2 PERFOMANCE

A critical evaluation and review of the monitoring reports will provide information for assessing the achievement of the SLM IWMP goals and targets. This process will ensure the re-appraisal of the IWMP and assess the relevance of policies, goals and objectives, and whether they need to be amended and/or adjusted. **An IWMP must be reviewed every five years**, in line with the IDP requirements.

REFERENCES

Department of Environmental Affairs, Guideline for the designation of Waste Management Officers (WMOs) as provided for in Section 10 of the National Environmental Management: Waste Act (Act No. 59 of 2008).

Department of Environmental Affairs, 2011, National Waste Management Strategy.

Department of Environmental Affairs, 2018, South African 3rd Generation Environment Outlook Report.

Department of Environmental Affairs, 2013, National Norms and Standards for Disposal of Waste to Landfill.

National Environmental Management: Waste Act (Act No.59 of 2008).

Department of Water Affairs and Forestry, 2nd Edition 1998, Minimum Requirements for Waste Disposal by Landfill.

Environmental Conservation Act: Waste Tyre Regulations (Act No. 149 of 2001).

Municipal Solid Waste Tariff Strategy, 2012.

Municipal Systems Act (Act No. 32 of 2000).

National Domestic Waste Collection Standards, 2011.

National Environmental Management: The Waste Amendment Act (Act No.26 of 2014).

National Environmental Management Act (NEMA) (Act No. 107 of 1998).

National Health Act (Act No. 63 of 2003).

National Organic Waste Composting Strategy: Draft Guideline Document for Composting, 2013.

National Pricing Strategy for Waste Management Charges, 2014.

National Water Act (Act No. 36 of 1998)

Sakhisizwe Municipality Integrated Development Plan, Review 2015 – 2016.

South African Constitution (Act No. 108 of 1996).

Statistics South Africa: Census 2011 Data.

Statistics South Africa: Community Survey 2016 Data.

Annexure G. 2023-24 MEC IDP Assessment Comments Action Plan

KPA NO	Overall Rating	Area of Concern	Responsible Person	Time Frame	Implemented/ not implemented	Reasons for non-implementation	Corrective measures
1. SPATIAL PLANNING	**HIGH**	Municipality must develop Air Quality Management Plan	Director Community Services	**31-May-24**	**Not yet**	Director to submit draft by 30 April 2024	Follow up with director
		Municipality must develop Environmental By-laws	Director Community Services	**31-May-24**	**Not yet**	Director to submit draft by 30 April 2024	Follow up with director
		Municipality must develop Environmental Planning Tools	Director Community Services	**31-May-24**	**Not yet**	Director to submit draft by 30 April 2024	Follow up with director
2. SERVICE DELIVERY AND INFRASTRUCTURE PLANNING	**LOW**	Municipality must develop Rural Road Asset Management System (RRAMS).	Director Technical Services	**31-May-24**	**Not yet**	Director to submit draft RRAMS by 30 April 2024	Follow up with director
		Municipality must develop a Storm water Management Plan.	Director Technical Services	**31-May-24**	**Not yet**	Director to submit draft urban - STORMWATER management plan by 30 April 2024	Follow up with director
		Municipality must establish a coordinated forum for roads and transport planning.	Director Technical Services	**31-May-24**	**Forum is functional**	To revive the sitting of the forum by 30 April 2024	Provide terms of reference
		Municipality must plan for non-motorised facilities	Director Technical Services	**31-May-24**	**Not yet**	Municipality to request for assistance from another sector department and Municipality by 19 April 2024.	Follow up with director
		Municipal IDP must reflect an adopted Integrated Transport Plan.	Director Technical Services	**31-May-24**	**Not yet**	To revive the sitting of the forum by 30 April 2024	Follow up with director
		Municipal IDP must reflect a Waste Management Plan as per Section 11 of NEMWA	Director Community Services	**31-May-24**	implemented	The IWMP was endorsed by MEC after the IDP was approved by Council.	The IWMP will be submitted in the next IDP.
		Municipality must appoint a designated waste management official.	Director Community Services	**31-May-24**	Implemented	None	Seconded from the District Municipality
		Municipality must comply with the licensing and management requirements of landfill sites	Director Community Services	**31-May-24**	Not yet	NEMA S24G application and report submitted to DEDEAT for decision committee.	The Municipality to follow up with DEDEAT for decision.
		Municipality must address illegal dumping and littering in accordance with NEMWA	Director Community Services	**31-May-24**	**Implemented:** Illegal dumpsites are cleaned	N/A	N/A

					weekly, refuse collected in the townships where was previously not collected.		
		Municipality must establish a coordinated forum for waste management	Director Community Services	**31-May-24**	**Not yet**	SLM Municipality affiliates to the District Waste Management Forum	Follow up with director
		Municipality must develop an integrated community safety plan	Director Community Services	**31-May-24**	**Implemented**	In progress	Meeting to present ToR for drafting ICSP is scheduled for 19 February 2024. Provide Terms of Reference
		Municipality must indicate the alignment of disaster management plan with spatial development framework.	Director Community Services	**31-May-24**	**Not yet**	Draft Disaster management Plan will be aligned to the SDF by 31 May 2024.	Development of Disaster Management Plan will be budgeted in the next financial year. Mr Pamla to coordinate the meeting by 09 April 2024.
		Municipal IDP must indicate the emergency procurement measures of the Disaster Management Plan	Director Community Services	**31-May-24**	**Not yet**	Disaster Management Plan, not yet drafted	Development of Disaster Management Plan will be budgeted in the next financial year. BTO and Community services should meet
		Municipality must reflect a three year capital plan that is inclusive of electricity planning	Director Technical Services	**31-May-24**	**Implemented**		Provide 3-year capital plan including the electrification projects
		Municipality must provide a plan with provisions for infrastructure reticulation or bulk infrastructure for electricity	Director Technical Services	**31-May-24**	**Implemented**	N/A	Electricity Master Plan is available
		Municipal IDP must reflect alternative sources of renewable energy	Director Technical Services	**31-May-24**	**Not yet**	Municipality to make a feasibility study on utilisation of Solar Energy.	Follow up with director.

3. FINANCIAL PLANNING AND BUDGETS	**MEDIUM**	Municipality must develop and maintain a GRAP compliant Asset Register	Chief Financial Officer	**31-May-24**	**Implemented**	N/A	Provide evidence. To be included on the IDP.
		Municipality must open separate bank account for conditional grants	Chief Financial Officer	**31-May-24**	**Implemented**	N/A	Corporate Cheque Account. Current Account. MIG Account.
		Municipality must develop a budgeted repairs and maintenance plan as per Circular 51 of the MFMA	Chief Financial Officer	**31-May-24**	**Implemented**	N/A	
		Municipality must spend 100% for the capital budget and grants	Chief Financial Officer	**31-May-24**	**Implemented**	N/A	Provide evidence
		Municipality must manage and report its conditional grants according to DORA requirements	Chief Financial Officer	**31-May-24**	**Implemented**	N/A	Reports are done Quarterly (*SDBIP)*
		Municipality must implement its revenue enhancement strategy	Chief Financial Officer	**31-May-24**	**Implemented**	N/A	Revenue Enhancement in place and is being implemented
		Municipal IDP must indicate mechanisms to curb water losses and illegal electricity connections	Chief Financial Officer	**31-May-24**	**Implemented**	N/A	Municipality to express it on the IDP.
		Municipality must publish and gazette Sections 6 and 14 of the Municipal Property Rates Act (MPRA)	Chief Financial Officer	**31-May-24**	**Not Implemented**	N/A	To be implemented 2024-25 FY
		Municipality must have an updated property valuation roll that is published on the website	Chief Financial Officer	**31-May-24**	**Implemented**	N/A	Website Updated
		Municipality must reflect the promulgation of the notice in terms Section 49 of the MPRA for public inspection of the valuation roll	Chief Financial Officer	**31-May-24**	**Implemented**	N/A	N/A
		Municipality must compile and submit the following reports (Section 52d, 71, 72 and annual reports in accordance with MFMA	Chief Financial Officer	**31-May-24**	**Implemented**	N/A	Reports are available
4. LOCAL ECONOMIC DEVELOPMENT	**HIGH**	Situational analysis chapter in the IDP must reflect the available economic infrastructure	Director IPED	**31-May-24**	**Implemented**	N/A	N/A
		Municipality must clearly identify objectives and strategic priorities with a clear set of indicators, targets and deliverables or milestones	Director IPED	**31-May-24**	**Implemented**	N/A	Strategic Planning Report
		Municipality must have mechanisms for business expansion, retention of existing businesses and of further investments	Director IPED	**31-May-24**	**Not yet**	N/A	To be implemented 2024-25 FY
		Municipality must set targets for enterprise development support, like SMMEs and cooperatives	Director IPED	**31-May-24**	**Not yet**	To be provided by 27 March 2024	Follow up with director
5. GOOD GOVERNANCE AND PUBLIC PARTICIPATION	**HIGH**	Municipality must reflect implementation of the recommendations of the previous IDP Assessment through the development of an Action Plan	Director IPED	**31-May-24**	**Implemented**	N/A	Action plan has been developed.
		Municipality must develop Ward Based Plan	Municipal Manager	**31-May-24**	**Not Implemented**	Ward based plans not available	To be developed by 30 June 2025

		Municipal IDP must reflect programmes or activities that enhance social cohesion and contribute to nation building	Municipal Manager	**31-May-24**	**Implemented**	N/A	Develop concept documents for the following: - MRM - Mayoral Cup - Crime prevention through Traditional council meetings led by the office of the Speaker
		Municipality must develop a clear petitions management system	Municipal Manager	**31-May-24**	**Not Implemented**	N/A	To be implemented 2024-25 FY
		Municipality must indicate whether the council and its structures are convened according to the adopted council calendar	Municipal Manager	**31-May-24**	**Implemented**	N/A	To be implemented 2024-25 FY
		Municipal IDP must reflect the findings on predetermined objectives and compliance issues	Municipal Manager	**31-May-24**	**To be implemented**	N/A	To be implemented 2024-25 FY
		Municipal IDP must reflect an adopted audit action plan to address the issues raised by the AG	Municipal Manager	**31-May-24**	**Implemented**	N/A	Audit action plan available
		Municipality must adopt and gazette applicable by-laws	Municipal Manager	**31-May-24**	**Not Implemented**	N/A	To be implemented 2024-25 FY
		Municipality must have functional and effective Monitoring and Evaluation (M&E) system unit	Municipal Manager	**31-May-24**	**Implemented**	N/A	Unit to function in the 24-25 FY
6. INSTITUTIONAL ARRANGEMENTS	**HIGH**	Municipality must indicate mechanisms in place for proper management of satellite offices	Director Corporate Services	**31-May-24**	**Implemented**		CFO currently manages the satellite office.
		Municipality must indicate whether the LLF is functional	Director Corporate Services	**31-May-24**	Implemented	N/A	**LLF is Functional and will be indicated.**
		Municipality must cascade the implementation of PMS to lower levels	Director Corporate Services	**31-May-24**	**Not implemented**		To be implemented 2024-25 FY
		Municipality must develop and implement a disaster recovery plan for Internal Communication Technology (ITC)	Director Corporate Services	**31-May-24**	**Not Yet**		Provide evidence

Annexure G. Council Resolution

SAKHISIZWE LOCAL MUNICIPALITY
EC 138

MINUTES

MINUTES OF THE SPECIAL COUNCIL MEETING HELD ON FRIDAY, 17 MAY 2024 AT 10H00 AT SAKHISIZWE MUNICIPALITY HALL - CALA.

(Ref N.3/2/1/1)

SPEC 45/2024

ADOPTION OF INTEGRATED DEVELOPMENT PLAN FOR 2024 /2025 FINANCIAL YEAR

PURPOSE

This is submitted to the Council with an intention of obtaining Council adoption of the 2024-2025 Integrated Development Plan.

BACKGROUND

Section 25 of the Municipal Systems Act 32 of 2000 states that:

(1) Each municipality 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 co-0rdinates plans and considers proposals for the development of the municipality.
   (b) Aligns the resources and capacity of the municipality with the implementation of the plan.
   (c) Forms the policy framework and general basis on which annual budgets must be based.
   (d) Complies with the provisions of this Chapter; and
   (e) Is compatible with national and provincial development plan and planning requirements binding on the municipality in terms of legislation.

(2) An integrated development plan adopted by municipal council may, in terms of subsection (1) may be amended in terms of section 34 and remains in force until an integrated development plan is adopted by the next elected council.

(3) (a) A newly elected municipal council may, within the prescribed period referred to in in subsection (1), adopt the integrated development plan of its predecessor, but before taking a decision it must comply with section 29 (1)(b)(i), (c) and (d).
   (b) A newly elected municipal council adopts the integrated development plan of its predecessor with amendments, must affect the amendments in accordance with the process referred to in section 34 (b)

(4) A municipality must, within 14 days of the adoption of its integrated development plan in terms of subsection (1) or (3) –
(a) Give notice to the public–
(i) Of adoption of the plan; and
(ii) That the copies of or extracts of from the plan are available for public inspection at specified places; and
(b) Publicise a summary of the plan

Section 26 (h) states that, "an integrated development plan must reflect: a financial plan which must include budget projection for at least the next three years".

Section 34 states that, a municipality –

(a) Must review its integrated development plan-

(i) Annually in accordance with an assessment of its performance measures in terms of section 4 (i); and
(ii) To the extent that changing circumstances so demand.

(b) May amend its integrated development plan in accordance with the prescribed process.

It is upon this background that the draft IDP and budget for 2024/2025 is submitted to the Council.

DISCUSSION

The discussion is based on the phases of the 2024/2025 IDP Process Plan that outlines the activities to be undergone during the review of the 2024/2025 IDP and Budget.

Phase 1: Research, Information Collection and Analysis: During this phase the current situation in the municipality is analysed. Problematic issues impacting on the lives of people are identified and prioritised. The community needs analysis roadshows were held in the month of October 2023.

Phase 2: Objectives and Strategies: Once the municipality understands the problems affecting the people of the area and their causes, as well as opportunities and unique aspects, it must then formulate the solutions to address the problems and gain benefit from the opportunities. The development or review of objectives provide a practical statement of what the municipality wishes to achieve. Once the municipality knows where it wants to go and what it needs to achieve, it must then develop or review its strategies. This provides answers to the question of how the municipality will reach its objectives. This phase could not be achieved as the planned institutional strategic section was not conducted as per the adopted IDP Process Plan. Internal departments were therefore requested to review their departmental strategies. The strategic planning session was held in the month of February 2024.

Phase 3: Development of Programmes, Projects, and Budget: this phase involves identification of programmes and projects that the municipality intends to undertake in the year in review. In this phase the municipality should strive to get the inputs of other spheres of government, state entities, as well as key private sector players; on what their development programmes, projects or intentions are, within the municipality. IDP representative forum was held on the 19th of March 2024 to present the draft 2024/2025 IDP and budget and the plans from sector departments and other relevant stakeholders.

Phase 4: Integration and Consolidation: Once the programmes and projects have been articulated, there is a need to step back and assess the relevance and interdependence of the programmes and projects. This is done to ensure the following:

- That the programmes and projects support the vision and objectives of the municipality.
- That the programmes and projects respond or address the priority problems outlined in the analysis phase.

- That the programmes and projects comply with the applicable policy and legislative framework.

This phase is an opportunity for the municipality to harmonise the programmes and projects in terms of content, location, and timing to arrive at consolidated and integrated strategy. Here it is vital for the municipality to ensure that the programmes and projects being implemented by 'external' non-municipal role players are harmonised with the municipality's own programmes, and to ensure that they gain maximum benefit from each other.

Once the consolidation process has been concluded, the following components of the IDP should be developed:

- A financial plan.
- An indication of how, over the five-year period, the municipality, and other external parties, including the SOEs and the private sector, will invest capital in the municipality.
- An indication of the spatial pattern of development in the municipality – this should provide a spatial summary of the problems, opportunities, strategies, and programmes and must reflect the SDF.
- Integrated sectorial programs (LED, HIV, poverty alleviation, gender equity, disaster management etc.).
- A Performance Management System.
- A high-level institutional plan that outlines how the municipality is geared to undertake the programs and projects required.
- Reference to sector plans.

Phase 5: Approval, adoption, and publication: Once the IDP has been compiled, a draft must be submitted to the municipal council for consideration and approval. The Municipal Finance Management Act requires municipalities to table both a draft IDP and budget at least 90 days before the start of the financial year (by the end of March).

The council should consider whether the IDP correctly identifies the issues (problems) that affect the municipality and the extent to which the strategies and projects will contribute to addressing the problems. The council must also ensure that the IDP complies with the legal requirements before it is approved.

The draft IDP is then published for public comment for at least 21 days. Relevant comments should be incorporated. Once the IDP is amended with this input, the council can consider it for approval.

The IDP must then be adopted by the full council. The act also notes that the media and members of the public may not be excluded from such a council meeting. Once adopted, municipalities must then give notice to the public within 14 days of adoption of the IDP and publish a summary of the IDP.

The table below summarises the status of the IDP development process that the municipality has followed in the review and development of the 2024-2025 IDP and Budget. It should be noted that the process was hindered during the election period which then affected the IDP Processes as was planned and adopted by the Council in August 2023.

TIME FRAME	PROCESS OF IDP	STATUS
Phase 1	Research, Information Collection and Analysis	Situational analysis done. Ward Needs conducted
Phase 2	Objectives and Strategies	Strategic Planning sat 28 – 29 February 2024
Phase 3	Development of Programmes, Projects, and Budget	IGR and IDP rep forum have set
Phase 4	Integration and Consolidation	Done
Phase 5	Approval, adoption and publication	On-going process

Summary of the IDP Meetings in preparation for the development and review of the 2024-2025 IDP and Budget for effective public participation

Meetings	Planned Dates	Status
IDP Representative Forum	- 12 September 2023 - 21 November 2023 - 19 March 2024 - 21 May 2024	- Held - Held - Held - Pending
IDP Roadshows	- 30-31 October 2023 - 15-19 April 2024	- Held - Held

FINANCIAL IMPLICATIONS

The financial implication will be known once the IDP/budget processes have been finalised. The budget projections will include operational and capital budget for the municipality for the 2024-2025 Financial Year as per the Municipal Finance Management act requires.

STAKEHOLDER CONSULTATION AND PARTICIPATION

Once the document is approved by Council, it will be shared with the local communities through publications at the community libraries and local newspapers and will be made available at the municipal offices. A copy of the document will then also be sent to the MEC for local government.

These are the confirmed stakeholders:

- Mayor of Sakhisizwe Local Municipality
- MEC Cogta
- Councillors
- Ward Committees
- Community Development Workers
- District Municipality
- Sector Departments
- Private Sector Stakeholders

- All community organisations
- Traditional Leadership
- Organised Business
- Community of Sakhisizwe Local Municipality
- Various municipal departments

LEGAL IMPLICATIONS

This has been guided by the following legislative requirements among many:

- The Constitution of the Republic of South Africa
- Municipal Systems Act No. 32 of 2000
- Municipal Finance Management Act No. 56 of 2003

RECOMMENDATIONS

It is recommended that the Council adopts the 2024-2025 IDP with the following conditions:

- That after adoption by the Council the document will be placed in all the community halls, Libraries, municipal offices, and the municipal website and that an advert for the publication of the document will be procured within 21 days.
- That the adopted document will be sent to CoGTA, AG and Provincial Treasury with all the necessary attachments such as the SDBIP and others.

VOTING (14 PRESENT)

All presented voted for the acceptance of the recommendations.

COUNCIL RESOLVED

- That the Community Inputs be attached in the final IDP.

S.G. SOTSHONGAYE
MUNICIPAL MANAGER

30/05/2024
DATE

N.P. MKATI
SPEAKER

20/05/2024
DATE