INTEGRATED DEVELOPMENT PLAN
2023/2024

ELUNDINI LOCAL MUNICIPALITY

No. 01 Seller Street

Nqanqarhu, 5480

Table of Contents

TABLES

A. FOREWORD FROM THE MAYOR

Subsequent to Local Government elections that were held on 01 Novemebr 2021, a new Council was elected. This new Council, in accordance with legislative prescripts, developed and adopted a strategic plan for the development of the municipality to links integrate and co-ordinate plans for the development of the municipality and to align the resources and capacity of the municipality. The Council developed this principal strategic plan document with a new vision and mission; core values; goals and strategic objectives in February 2022 to guide and inform all planning and development, and all decisions with regard to planning, management and development in the municipality.

This is an annual review of Elundini Intergrated Development Plan for 2023/2024 financial year, which seeks to evaluate the plans that were scheduled for the previous financial year and reprioritize. These plans are informed by the fiscus that is dependent on National Treasury for that particular year which is fundamental for the Council to review and evaluate such plans and ensure that the prioritization is in line with the needs of the people and the budget allocated. The strategic planning that was held on the 20- 24 February 2023 confirmed the vision and mission and deliberated on the priorities as previously adopted in 2022/23. The also Council noted that the issue of loadshedding will not be fixed immediately and prioritized the Renewable energy as one of the important aspects that the current administration needs to consider.

We further developed during the strategic planning session, priorities for our term of office as the Council. We committed ourselves to accelerate service delivery through construction, rehabilitation and maintenance of infrastructure such as access roads, stormwater drainage and bridges; sports-fields; community halls; early childhood development centres and parks. We committed to continue with household electrification program; installation and maintenance of street lights; high mast lights and electricity network. We further commited to continue to support focus groups; the indigent households; job creation initiatives; Small & Micro Enterprises development and to provide refuse collection services to our communities.

We are committed to develop Vision 2050 which will be the first long term plan for the municipality and continue to support ward-based planning. We prioritised to support waste recycling initiatives; convert the current material recovery facility in Ugie to develop a buy-back centre; convert illegal dumps into eco-parks and communal gardens; beautify open spaces and parks; establish and maintain proper functioning cemeteries and crematoria. We further prioritised to upgrade our network connectivity in order improve our security system and to explore roll-out for fiber optic throughout Elundini in order to improve the speed and performance of our network. We committed to mainitain our good financial management health; reduce our historical debt to 50%; improve the average number of days we take to pay our creditors and to receive payment from debtors;

monitor the use of municipal assets. We further committed to ensure that municipal assets are more than liabilities and the municipality is able to service its debt and meet its financial obligations. We also prioritized to invest and spend on capital projects to facilitate growth and service delivery.

We have a constitutional and legislative imperative to consult and interact with our communities. We continue to pride ourselves as a community-driven Council and various pieces of legislation such as Municipal Finance Management Act; Municipal Structures Act; Municipal System Act as Amended and the Constitution of the Republic of South Africa all emphasize the importance of community consultation and participation in everything that we do. We also appreciate the contribution of all stakeholders and government departments during the development of this documents. Their plans for development within the jurisdiction of our Council have been intergrated into this document.

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Cllr. M.P.S.S Leteba
The Mayor

DATE: _______________

B. OVERVIEW BY THE MUNICIPAL MANAGER

Elundini Municipality with its partners has developed the five- year strategy framework as a developmental road map to guide its 6th administration of government. It has refined its Vision and Mission and identified three strategic goals, 10 strategic objectives and six key priorities which are the centre of its developmental trajectory. The strategy focuses on infrastructure investment, maintenance of existing infrastructure, improving the quality of its services, linking its rural areas to urban area through Agro Industrial Development, whilst separating construction sector to deepen the local beneficiation through its procurement.

It has ensured that a public participation model is adopted and implemented during the strategic framework development, which ensures that basic community issues are addressed through the framework and more importantly that public relations with its communities is improved. The attainment of clean audit for two conservative years remains a significant milestone which reflects a new beginning of sustainable corporate governance. The municipality in its appreciation of the good milestones, has however acknowledged that a formidable task to sustain the present clean audit outcomes lies ahead as one of the challenges that underpin the transitional phase of the new term of council starting in the coming financial year. The municipality is therefore committing to maintain the good financial and performance management practices

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J.T Mdeni Date

Municipal Manager

C. BACKGROUND

Section 34 of the Local Government: Municipal Systems Act, 32 of 2000 as amended, provides for the annual review of the IDP in accordance with an assessment of its performance measurements and to the extent that changing circumstances so demands. This is the second IDP document for the five-year term of the new council 2022- 2027. The strategic objectives and targets contained in this document were reached subsequent to extensive systematic and structured internal and external consultation through various public participation mechanisms with the community and stakeholders within the Elundini Municipal area of jurisdiction. In terms of the Local Government: Municipal Systems Act, Act 32 of 2000 as amended, Section 25 (1) 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, *inter alia,* links, integrates and co-ordinates plans and considers proposals for the development of the municipality and aligns the resources and capacity of the municipality.

The ELM is a Category B municipality located within the Joe Gqabi District in the north-eastern portion of the Eastern Cape Province. The ELM is bounded by the Alfred Nzo District in the north, Chris Hani District in the south, OR Tambo District in the east, and Lesotho and Senqu in the west. It is the smallest of three municipalities in the district, making up a quarter of its geographical area (refer to map below). The ELM is one of the most scenic and attractive areas of the province, with considerable potential lying in its deep, fertile soils and high rainfall. Compared to the other municipalities in the Joe Gqabi District, Elundini has prospects of significant growth and upliftment in the quality of life for its residents due to its relative abundance of natural resources. The urban areas and commercial farming district are the highest employers, where people have found employment in the agriculture, commercial and service sectors.

1. CHAPTER ONE: LEGISLATION AND POLICY ALIGNMENT

1.1. Introduction

Elundini Local Municipality (ELM) developed its 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 Local Government: Municipal Finance Management Act 56 of 2003. In terms of the Local Government: Municipal Systems Act, Chapter 5, Section 25 (1) 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 co-ordinates 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 plans and planning requirements binding on the municipality in terms of legislation

Section 35 of the MSA clearly states that an Integrated Development Plan adopted by the Council of a municipality: (a) is the principal strategic planning instrument, which guides and informs all planning and development, and all decisions with regard to planning, management and development, in the municipality; (b) binds the municipality in the exercise of its executive authority, except to the extent of any inconsistency between a municipality's Integrated Development Plan and national or provincial legislation, in which case such legislation prevails; and (c) binds all other persons to the extent that those parts of the IDP that impose duties or affect the rights of those persons have been passed as a by-law.

Section 36 furthermore stipulates that a municipality must give effect to its integrated development plan and conduct its affairs in a manner that is consistent with its integrated development plan. The IDP is the key instrument to achieve developmental local governance for decentralized, strategic, participatory, implementation orientated, coordinated and integrated development. Preparing an IDP is not only a legal requirement in terms of the legislation but it is actually the instrument for realizing municipalities‟ major developmental responsibilities to improve the quality of life of citizens".

It seeks to speed-up service delivery by securing a buy-in of all relevant role-players and provides government departments and other social partners with a clear framework of the municipality's development trajectory to harness implementation efforts. Integrated Development Planning also promotes intergovernmental coordination by facilitating a system of communication and co-ordination between local, provincial and national spheres of government. Local development priorities, identified in the IDP process, constitute the backbone of the local government's budgets, plans, strategies and implementation activities. Hence, the IDP forms the policy framework on which service delivery, infrastructure development, economic growth, social development, environmental sustainability and poverty alleviation rests.

The IDP therefore becomes a local expression of the government's plan of action as it informs and is informed by the strategic development plans at national and provincial spheres of government. In terms of Section 26 of the Local Government: Municipal Systems Act, 32 of 2000 as amended, the core components of an IDP are:

- The municipal Council's vision for the long-term development of the municipality with special emphasis on the municipality's most critical development and internal transformation needs;
- An assessment of the existing level of development in the municipality, which must include an identification of communities which do not have access to basic municipal services;
- The Council's development priorities and objectives for its elected term, including its local economic development aims and its internal transformation needs;
- The Council's development strategies which must be aligned with any national or provincial sector plans and planning requirements binding on the municipality in terms of legislation;
- A spatial development framework which must include the provision of basic guidelines for a land use management system for the municipality;
- The Council's operational strategies;
- Applicable disaster management plans;
- A financial plan, which must include a budget projection for at least the next three years; and
- The key performance indicators and performance targets determined in terms of the Performance Management System.

1.1.1. Guiding Parameters

Within the multitude of government policy frameworks, legislation, guidelines and regulations that seek to advocate for the path, pace and direction for the country's socio-economic development agenda, the section below focuses on National Development Plan Vision 2030; Popular Mandate across Spheres of Government; Government Outcomes; Medium Term Strategic Framework (MTSF); the National Spatial Development Perspective (NSDP); National Growth Path; the Joe Gqabi Growth and Development Strategy; Millennium Development Goals; State of the Nation Address (SONA); and State of the Province Address (SOPA).

1.1.2. National Development Plan, Vision 2030

The RDP formed the basis of government's attempt to attack poverty and deprivation, and to build a united, non-racial and non-sexist South Africa. Informed by the principles of inclusivity, government translated the RDP into policies, programs and budgets. The Diagnostic Report of the National Planning Commission, released in June 2011, sets out South Africa's achievements and its shortcomings since 1994. The Vision Statement of the NDP is a step in the process of charting a new path for our country. The NDP has the following objectives:

- Seeks to eliminate poverty and reduce inequality;
- Seeks a country wherein all citizens have the capabilities to grasp the ever-broadening opportunities available;
- Plans to change the life chances of millions of our people, especially the youth; life chances that remain stunted by the apartheid history

1.1.3. Priority Programs of The District

Based on a comprehensive analysis of the District and the Strategic Goals and Objectives, the District has adopted eight "Priority Programs" to drive growth and development in the District over the next five to ten years. These priority programs were endorsed by all the social partners at the Growth and Development Summit held in February 2007 as well as in subsequent public meetings. The Strategic IDP objectives presented in the table below are aligned to the eight priority programs, MTAS and the 12 Outcomes of Government as well as the Millennium Development targets.

1.1.4. Municipal Policies

No.	Title	Approved by	Status and Date	Next Review
1.	Employee Assistance Policy	Council	Approved – December 2022	
2.	Recruitment and Selection Policy	Council	Approved - June 2018	2023
3.	Subsistence and travel Policy	Council	Approved – December 2022	
4.	Training and Development Policy	Council	Approved – December 2022	
5.	Travel /Car Allowance Policy	Council	Approved - June 2018	2023
6.	Individual Performance Management System Policy	Council	Approved – December 2022	
7.	Conditions of Employment Policy (Remuneration & Termination Policies)	Council	Approved – December 2022	
8.	Sexual Harassment Policy	Council	Approved – December 2022	

No.	Title	Approved by	Status and Date	Next Review
9.	Induction Policy (content to include Orientation, Code of conduct, DPCC)	Council	Approved - June 2018	2023
10.	Relocation Policy (combine Recruitment and relocation policy	Council	Approved - June 2018	2023
11.	Probation Policy	Council	Last Approved before 2018	2023
12.	Acting Allowance Policy	Council	Approved – December 2022	
13.	Smoking Policy	Council	Last Approved before 2018	2023
14.	Night Work & Shift Policy (reviewed in the Conditions of Employment Policy)	Council	Approved – December 2022	
15.	HIV-AIDS POLICY-	Council	Last Approved before 2018	2023
16.	Standby Allowance Policy (Reviewed in the Overtime Policy)	Council	Approved – December 2022	
17.	Overtime and Emergency Work	New	Approved – December 2022	
18.	Employee Housing Scheme Policy	Council	Last Approved before 2018	2023
19.	Job Evaluation Policy	Council	Approved – December 2022	
20.	Elundini Municipality Private Work Policy	Council	Last Approved before 2018	2023
21.	Bereavement & Funeral Assistance Policy	Council	Approved – December 2022	
22.	Reward & Recognition Policy	Council	Last Approved before 2018	2023
23.	Occupational Health & Safety Policy	Council	Approved – December 2022	
24.	Elundini Staff Movement Policy	Council	Last approved before 2018	2023
25.	Attraction and Retention Policy and Strategies	Council	Last Approved before 2018	2023

No.	Title	Approved by	Status and Date	Next Review
26.	Leave Management Policy	Council	Last Approved before 2018	2023
27.	Cell-phone allowance	New		2023
28.	Dress Code Policy	New	Approved – December 2022	
29.	Customer Care Policy	Council	Draft	2024
30.	Customer Care Strategy	Council	Draft	2026
31.	Risk Committee Charter,	Council	Draft	2024
32.	Risk Management Policy	Council	Draft	2024
33.	Risk Management Strategy	Council	Draft	2024
34.	Anti-Fraud & Corruption Risk Management Policy	Council	Draft	2024
35.	Anti-Fraud & Corruption Risk Management Strategy	Council	Draft	2024
36.	Whistle Blowing Policy	Council	Draft	2024
37.	Reviewed Communication Strategy	Council	2018	2023
38.	First Social Media Policy	Council	2018	2023
39.	First Communication and Media Policy	Council	2018	2023
40.	First Branding Manual	Council	2019	2024
41.	Draft Litigation Management Strategy and Standard Operating procedures	Council	Draft	2026
42.	Public Participation Policy	Council	2018	2023
43.	Draft Petition Management Policy & by-law	Council	2018	2023
44.	Telephone Usage Policy for Councillors and Employees	Council	Approved - June 2018	2022

No.	Title	Approved by	Status and Date	Next Review
45.	Termination of Service Policy	Council	Approved - June 2018	2022
46.	Migration and Placement Policy	Council	Last Approved before 2018	2022
47.	ELM POLICY = CORMOBIDITIES	Council	Last Approved before 2018	2022
48.	TASK Job Evaluation Policy	Council	Last Approved before 2018	2022
49.	Abscondment Policy	Council	Last Approved before 2018	2022

1.2. Purpose of the IDP

An Integrated Development Plan (IDP), once adopted by the Municipal Council, is a key strategic planning tool for the municipality. It is described in the Municipal Systems Act (MSA) 32 of 2000 as:

> *35(1) (a) "…the principal strategic planning instrument which guides and informs all planning and development, and all decisions with regard to planning, management and development, in the municipality";*
> *(b) "…binds the municipality in the exercise of its executive authority…;*

1.2.1. IDP Contents

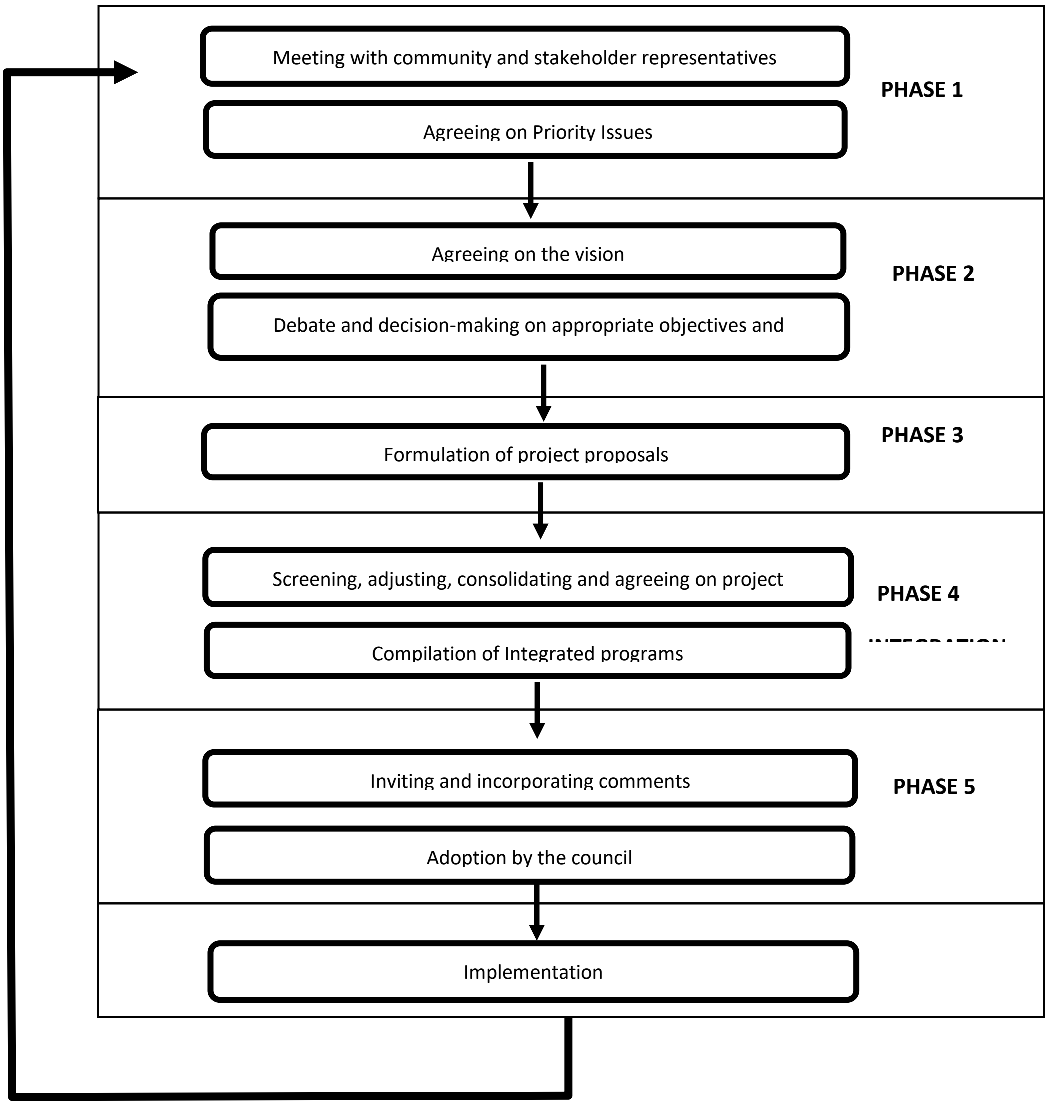
The IDP development and content is informed by legislative framework; situational analysis; National, Provincial and District plans and policies such as the National Development Plan (NDP), the Medium-term Strategic Framework, the National Spatial Development Perspective (NSDP), the Eastern Cape Provincial Spatial Development Plan (ECPSDP), the Eastern Cape Provincial Growth and Development Plan (ECPGDP), the Joe Gqabi District Growth and Development Summit (GDS), the Elundini 5-year Strategy, Ward-based Plans; State of Nation Address (SONA) and State of Provincial Address (SOPA). The IDP also contains performance management system, service delivery and budget implementation plan and financial plan

1.3. IDP/Budget Process Plan for 2023/2024 IDP Review

1.3.1. Introduction

IDP and Budget Process Plan for the review of the IDP for 2023/24 financial year was developed with the IDP for 2022/2023 and was incorporated in this IDP. The ELM 2023/2024 IDP and Budget Process Plan was noted by EXCO on 10 June 2022 with Resolution No. EXCOA/80/22 and was adopted by Council on 13 June 2021 Council Resolution No. CON/79/22 together with the 2022/2023 IDP. The IDP Process as depicted in the figure below is a continuous cycle of planning, implementation and evaluation. The draft IDP and Budget 2023/2024 financial year was noted by the Council on the 30th March 2023.

Table 1: IDP Process Flow



1.3.2. Legislative Background

Section 35 (1) (a) of the Local Government: Municipal Systems Act 32 of 2000 (MSA) states that the IDP is the principal strategic planning instrument, which guides and informs all planning and development, and all decisions with regard to planning, management and development in a municipal area. As stipulated in Section 25 of the MSA, an IDP adopted by a municipal council must:

- Link, integrate and coordinate plans and consider proposals for the development of the municipality.
- Align the resources and capacity of the municipality with the implementation of the plan;
- Form the policy framework and general basis on which annual budgets must be based;
- Complies with the provisions of the MSA, with the particular reference to Chapter 5; and

- be compatible with national and provincial plans and planning requirements binding on the municipality in terms of legislation.

1.3.3. Adoption of the Municipal Process Plan

In terms of Section 28 of the Local Government: Municipal Systems Act, 32 of 2000:

(1) each municipality Council, within a prescribed period after the start of its elected term, must adopt a process set out in writing to guide the planning, drafting, adoption and review of its integrated development plan;

(2) the municipality must through appropriate mechanisms, processes and procedures established in terms of Chapter 4, consult the local community before adopting the process;

(3) a municipality must give notice to the local community of particulars of the process it intends to follow.

1.3.4. Process to be followed

In terms of Section 29 (1) of the Local Government: Municipal Systems Act, 32 of 2000, the process to be followed by a municipality to draft its IDP, including its consideration and adoption of the draft plan, must: -

(a) be in accordance with a predetermined programme specifying time-frames for the different steps;

(b) through appropriate mechanisms, processes and procedures established in terms of Chapter 4, allow for: -

  (i) the local community to be consulted on its development needs and priorities;

  (ii) the local community to participate in the drafting of the IDP; and

  (iii) organs of state, including traditional authorities, and other role players to be identified and consulted on the drafting of the IDP;

(c) provide for the identification of all plans and planning requirements binding on the municipality in terms of national and provincial legislation; and

(d) Be consistent with ant other matters that may be prescribed by regulation

1.3.5. Management of the drafting process

In terms of Section 30 of the Local Government: Municipal Systems Act, 32 of 2000, the Executive Committee of the municipality must, in accordance with section 29: -

(a) manage the drafting of the municipality’s IDP;

(b) assign responsibilities in this regard to the Municipal Manager; and

(c) submit the draft plan to the Municipal Council for adoption by the Council.

1.3.6. Sector Plans and Binding Plans to be included in the IDP

Various Local Government legislation and regulations provide, among others, for the key sector plans that must be developed, approved implemented by municipalities. Table A below reflects some of the key sector plans that are required.

1.3.6.1. Key Sector Plans

Table 2: Compulsory sector plans to be included in IDPs

NO	SECTOR PLANS
1	Spatial Development Framework
2	Financial Plan
3	Applicable Disaster Management Plan
4	Integrated Transport Plan
5	Housing Sector Plan/Strategy
6	Environmental Management Plan
7	Water Services Development Plan, where applicable
8	(Integrated) Waste Management Plan
9	Public Participation Strategy/Plan (Stakeholder Engagement Strategy/Plan)
10	Communication Strategy/Plan
11	Workplace Skills Development Plan
12	Employment Equity Plan
13	Human Resources Plan
14	Human Resource Development Strategy
15	Performance Management Framework and Policy
16	Recruitment and Selection Strategy
17	Scarce Skills Attraction and Retention Strategy
18	Succession Plan
19	Occupational Health and Safety Plan
20	Anticorruption and Antifraud Strategy
21	LED Strategy
22	Comprehensive Infrastructure Plan
23	Delegations Framework

The legislation requires that if a municipality that has not yet developed its municipal specific sector plans or strategies, it may adopt the relevant District plan or strategy through a Municipal Council's Resolution.

1.3.6.2. Other Plans and Issues to be considered

In terms of Section 153 of the Constitution of the Republic of South Africa, 1996 municipalities must participate in national and provincial development programmes. Moreover, section 25 (1) (a) of the MSA states that an IDP adopted by the Municipality must be compatible with national and provincial development plans and planning requirements binding on the municipality. Thus, the following plans and issues must also be considered when drafting the municipal IDP:

- Ward-Based Plans
- The National Development Plan
- New Growth Path
- National Spatial Development Perspective
- Medium Term Strategic Framework
- Provincial Strategic Framework
- Provincial Growth and Development Plan
- Mandate of Local Government
- Millennium Development Goals
- National and Provincial Service Delivery targets
- Municipal Turn Around Strategies
- Comments and inputs emanating from IDP processes and engagements
- Consideration of outcomes and inputs emanating from stakeholder engagements
- Amendments due to changing circumstances
- Need for general improvements of current processes and systems.
- Resource re-allocation and prioritization
- Organizational development and its intricacies
- Alignment with National and Provincial frameworks and plans
- Review of the previous years' plans and lessons learnt
- Reviewed sector plans;

- Council's strategic plan
- National Key Performance Indicators
- Credible IDP Framework

The table B below summarises some other matters that must be considered during the reviewal of the IDPs.

Table 3: Framework Guide for credible IDPs

Focus Area	Delivery Focus Area	Performance Definition
1. Service Delivery	Sanitation	What is the plan, in collaboration with the DM, to achieve the national targets on sanitation and needs of the area?
	Water	What is the plan, in collaboration with the DM, to achieve the national targets on water provision and management needs of the area?
	Electricity	What is the plan, in collaboration with ESKOM, to achieve the national targets on electricity provision and needs of the area?
	Refuse Removal	What is the plan to achieve the national targets on waste removal and management needs of the area?
	Municipal Roads	What plans are in place to address access roads as well as existing roads maintenance?
	Infrastructure plans	Other bulk infrastructure plans for this year.
	EPWP	Projects to be undertaken this financial year and number of job opportunities to be created.
2. Institutional Arrangements	Human Resource Strategy	What is your Human Resource Management Strategy? Organogram, number of posts vacant, when do you expect to fill them, any gaps etc.
	Skills Development Plan	Skills development and attraction strategy to address the delivery needs experienced by the municipality.
	Performance Management System	How is the system aligned to the IDP delivery targets, plans to monitor the implementation of the SDBIP. Is performance management implemented with respect to all relevant officials?
	Operations and Maintenance	What is the plan of maintaining existing infrastructure (i.e. buildings)
3. Local Economic Development	Alignment (NSDP; PGDS)	What is your LED plan, elements of alignment to the NSDP, PGDS, ASGI-SA projects (where relevant)?
	DM / LM interface	What contribution do we make to the Provincial and National growth and/or vice versa? Local LED contribution to the District economic growth.

	Special groups	Does the LED and the empowerment plans empower the local economy with women, youth and the disabled to participate in the economy?
	1st and 2nd Economies	Plans to ensure economic linkages and benefit between the local first and second economies. Specific second economy plans and possible number of beneficiary households.
4. Financial Management and Corporate Governance (Compliance with MFMA and MSA)	Submission of FS	Are the financial statements timeously (two months after end of financial year) submitted to the Office of the Auditor-General?
	Audits	Have the observations of the AG been acted upon in terms of corrective governance procedures and approaches on: a) the financial audit b) the performance audits.
	Financial Plan (MSA s 26h)	Is there a financial plan that includes a budget projection for at least three years?
	Budget	Does the compilation and management of the budget comply with the provisions of the MFMA: sections 16 – 26? Are there measurable performance objectives for each vote in the budget, considering the IDP?
	Duties of office bearers re budget (Mayor: MFMA, sections 21-23 and 52 and 54) (Municipal Manager, sections 68-72)	Has the Mayor performed his or her budget duties: coordinated the processes, tabled a schedule 10 months before start of financial year and consulted with relevant stakeholders? Has the MM undertaken his or her reporting and administrative duties re the Act? Is the budget timetable adhered to (July to June)?
	Service Delivery and Budget Implementation Plan (SDBIP) (MFMA: Section 53)	The SDBIP is a tool approved by the Mayor to manage, implement and continuously monitor delivery of services, spending of budget allocations, performance of senior management and achievement of the strategic objectives set by the Council. Is this plan operative?
	SDBIP: Political and executive accountabilities	Has a Section 53 document been adopted by Council and are systems in place for effective strategic management?
	Division of Revenue DORA Equitable Share: Schedules 2 and 3 MIG (infrastructure transfers) Schedule 4B	Municipalities need to demonstrate financial planning aligned to DORA (ES; MIG; Transfers for capacity-building) and have plans to both manage revenue shortfalls and enhance revenue collection.

	Capacity building Section 14	
	Revenue Management MFMA: s 61; MSA: s 95)	Check that the accounting officer is taking all reasonable steps to comply with legal requirements.
	Project Consolidate interventions	Is the role of CDW's articulated and incorporated into the IDP? Check budget for skills and capacity development projects.
	Community participation – budget (MFMA Section 22 – 23)	Has the draft budget been made public and a meeting held with the community to ascertain development priorities? Are these priorities incorporated into the IDP?
	Anti-corruption	Does the IDP convey a discernible commitment to clean and accountable governance and evidence of investigative action in cases of malpractice?
5. Governance	Public Participation	Check compliance with MSA: Have appropriate mechanisms, processes and procedures been put in place to enable the community to participate in the affairs of the municipality? E.g. Public meetings, availability of IDP to community; involvement of community in development, implementation and review of the municipality's performance management system; Were community involved in setting of appropriate key performance indicators and targets for the municipality? Are these initiatives reflected in the IDP?
	Code of Conduct for Councillors and municipal staff members (Sections 1 and 2, MSA)	Have all staff and members signed the Code of Conduct? Are the provisions of these sections adhered to re general conduct, duties disclosures? Does the community have access to the Codes of Conduct?
	Ward Committees	Total number of Ward Committees established as per the number of demarcated municipal wards; Are Ward Committee functional; do they comply with Terms of Reference of establishment? Does the IDP report on their contribution to development in the municipality?
	Communication	Is the municipality complying with MSA (S21) directives regarding communication to the local community? E.g. Official website should be established (if affordable; if not via an intergovernmental arrangement);

		Website or public place must contain documents to be made public in terms of the MPFMA and MSA. Are there indications of a positive interface between council, ward committee and community? Does the IDP demonstrate a commitment to communication?
6. Intergovernmental relations	Cooperative governance	MSA S3 defines how local government must develop cooperative approaches to governing, resource share and solve disputes and problems within context of IGR. Are these principles discernible in the IDP?
	Establishment of IGR Forums: Provincial – Premier's Forum Interprovincial forums; Local: District forums; Inter-municipality forums	The IGRF Act requires that there are provincial and district intergovernmental forum to promote and facilitate IGR between a) provinces and local government, and b) district and local municipalities. Is the IDP benefiting from intergovernmental dialogue?
	Role of IGR Forums to promote service delivery	The forum must meet at least once a year with service providers and other role players concerned with development in the district, to coordinate effective provision of services and planning in the district. Does the IDP reflect engagement with forums?
	Reporting and sector involvement in planning	The Premier of a province must report to PCC on the implementation of national policy and legislation within the province. The role of sectors in local delivery must be clearly articulated. Is the IDP aligned to these obligations?
	Assignment of Powers and functions	Do appropriate intergovernmental agreements facilitate effective management of assignments within the municipality?
7. Spatial Development Framework	Sustainable Human Settlements	Check that municipalities are familiar with Housing dept policy on SHS and implications of new accreditation framework. Municipalities need to be working inter-governmentally to sustain joint planning in land access, economic and labour profiling, infrastructure delivery and provision of services.
	National Spatial Development Perspective (NSDP)	The updated NSDP is being communicated to provinces and municipalities between February and April. Ensure principles are understood and there are management plans to ensure these are incorporated into joint planning

		initiatives aligned to the NSDP economic and social profile for that province / region.
	Provincial Growth and Development Strategy (PGDS)	New Guidelines are available for provinces and municipalities to structure their planning aligned to regional profiles and in spirit of economic and resource cooperation.
	Economic profile	Has the NSDP overview been extrapolated and integrated into local economic development initiatives based on local and regional economic realities?
	Geographic profile	Are studies undertaken to understand environmental and geographic characteristics of the region and the implications for economic spatial choices?
	Demographic profile	Have the demographics of the region in terms of household size, poverty statistics, migration, labour preferences, birth and death rates been factored into the spatial strategy of the municipality?

1.3.6.3. *Time Schedule of Key Deadlines*

The National Treasury Department provides guidance in terms of the key deadlines and activities for the IDP-Budget process applicable to municipalities as per the Municipal Systems Act of 2000 and the Municipal Finance Management Act of 2003 as reflected in Table 6 below:

Table 4 : Key Deadlines for Process Plan

Mayor to Table in Council 10 Months Prior to Start of Budget Year		
Month	Mayor and Council / Entity Board	Administration - Municipality and Entity
June 2022	Mayor tables in Council a time schedule outlining key deadlines for: preparing, tabling and approving the budget; reviewing the IDP (as per s 34 of MSA) and budget related policies and consultation processes at least 10 months before the start of the budget year. MFMAs 21,22, 23;/ MSA s 34, Ch 4 as amended Mayor establishes committees and consultation forums for the budget process	

July 2022	Mayor begins planning for next three-year budget in accordance with co-ordination role of budget process MFMA s 53 Planning includes review of the previous year's budget process and completion of the Budget Evaluation Checklist	Accounting officers and senior officials of municipality and entities begin planning for next three-year budget MFMA s 68, 77 Accounting officers and senior officials of municipality and entities review options and contracts for service delivery MSA s 76-81
September 2022	Council through the IDP review process determines strategic objectives for service delivery and development for next three-year budgets including review of provincial and national government sector and strategic plans	Budget offices of municipality and entities determine revenue projections and proposed rate and service charges and drafts initial allocations to functions and departments for the next financial year after taking into account strategic objectives Engages with Provincial and National sector departments on sector specific programmes for alignment with municipalities plans (schools, libraries, clinics, water, electricity, roads, etc)
October 2022		Accounting officer does initial review of national policies and budget plans and potential price increases of bulk resources with function and department officials MFMA s 35, 36, 42; MTBPS
November 2022		Accounting officer reviews and drafts initial changes to IDP MSA s 34

December 2022	Council finalises tariff (rates and service charges) policies for next financial year MSA s 74, 75	Accounting officer and senior officials consolidate and prepare proposed budget and plans for next financial year considering previous years performance as per audited financial statements
January 2023	Entity board of directors must approve and submit proposed budget and plans for next three-year budgets to parent municipality at least 150 days before the start of the budget year MFMA s 87(1)	Accounting officer reviews proposed national and provincial allocations to municipality for incorporation into the draft budget for tabling. (Proposed national and provincial allocations for three years must be available by 20 January) MFMA s 36
February 2023	Council considers municipal entity proposed budget and service delivery plan and accepts or makes recommendations to the entity MFMA s 87(2)	Accounting officer finalises and submits to Mayor proposed budgets and plans for next three-year budgets considering the recent mid-year review andany corrective measures proposed as part of the oversight report for the previous years audited financial statements and annual report Accounting officer to notify relevant municipalities of projected allocations for next three budget years 120 days prior to start of budget year MFMA s 37(2)
March 2023	Entity board of directors considers recommendations of parent municipality and submit revised budget by 22nd of the month MFMA s 87(2)	Accounting officer publishes tabled budget, plans, and proposed revisions to IDP, invites local community comment and submits to NT, PT and others as prescribed MFMA s 22 & 37; MSA Ch 4 as amended

	Mayor tables municipality budget, budgets of entities, resolutions, plans, and proposed revisions to IDP at least 90 days before start of budget year MFMA s 16, 22, 23, 87; MSA s 34	Accounting officer reviews any changes in prices for bulk resources as communicated by 15 March MFMA s 42
April 2023	Consultation with national and provincial treasuries and finalise sector plans for water, sanitation, electricity etc MFMA s 21	Accounting officer assists the Mayor in revising budget documentation in accordance with consultative processes and considering the results from the third quarterly review of the current year
May 2023	Public hearings on the budget, and council debate. Council consider views of the local community, NT, PT, other provincial and national organs of state and municipalities. Mayor to be provided with an opportunity to respond to submissions during consultation and table amendments for council consideration. Council to consider approval of budget and plans at least 30 days before start of budget year. MFMA s 23, 24; MSA Ch 4 as amended Entity board of directors to approve the budget of the entity not later than 30 days before the start of the financial year, considering any hearings or recommendations of the council of the parent municipality MFMA s 87	Accounting officer assists the Mayor in preparing the final budget documentation for consideration for approval at least 30 days before the start of the budget year considering consultative processes and any other new information of a material nature
June 2023	Council must approve annual budget by resolution, setting taxes and tariffs, approving changes to IDP and budget related policies, approving measurable performance objectives for revenue by source and expenditure by vote before start of budget year MFMA s 16, 24, 26, 53 Mayor must approve SDBIP within 28 days after approval of the budget and ensure that annual performance contracts are concluded in accordance with s 57(2) of the MSA. Mayor to ensure that the annual performance agreements are linked to the measurable	Accounting officer submits to the mayor no later than 14 days after approval of the budget a draft of the SDBIP and annual performance agreements required by s 57(1) (b) of the MSA. MFMA s 69; MSA s 57 Accounting officers of municipality and entities publishes adopted budget and plans

	performance objectives approved with the budget and SDBIP. The mayor submits the approved SDBIP and performance agreements to council, MEC for local government and makes public within 14 days after approval. MFMA s 53; MSA s 38-45, 57(2) Council must finalise a system of delegations. MFMA s 59, 79, 82; MSA s 59-65	MFMA s 75, 87
Abbreviations: IDP - Integrated Development Plan; MFMA - Local Government: Municipal Finance Management Act, No. 56 of 2003; MSA - Local Government: Municipal Systems Act, No. 32 of 2000, as amended; MTBPS - National Treasury annual publication, Medium Term Budget and Policy Statement; NT - National Treasury; PT - Provincial Treasuries; SDBIP - Service Delivery and Budget Implementation Plan		

1.3.6.4. Submission of Approved IDP to MEC for Department of Cooperative Governance and Traditional Affairs

In terms of Section 32 (1) of the MSA states that: -

(a) The Municipal Manager of a municipality must submit a copy of the Integrated Development Plan as adopted by the council of the municipality and any subsequent amendment to the plan, to the MEC for local government in the province within 10 days of the adoption or amendment of the plan.

(b) The copy of the IDP to be submitted must be accompanied by: -

(i) a summary of the process in terms of Section 29 (1);

(ii) a statement that the process has been complied with, together with any explanations that may be necessary to amplify the statement;

1.3.6.5. Drafting and Adoption of Municipal Budget

The drafting of the municipal budget is regulated in terms of the Local Government: Municipal Finance Management Act of 2003 (MFMA). Section 21(1) of the MFMA states that the Mayor of a municipality must:

(a) Co-ordinate the processes for preparing the annual budget and for reviewing the municipality's integrated development plan and budget-related policies to ensure that the tabled budget and any revisions of the integrated development plan and budget-related policies are mutually consistent and credible.

(b) At least 10 months before the start of the budget year, table in the municipal council a time schedule outlining key deadlines for: -

(i) the preparation, tabling and approval of the annual budget;

(ii) the annual review of: -

(aa) the IDP in terms of section 34 of the Municipal Systems Act; and

(bb) the budget related policies;

(iii) the tabling and adoption of any amendments to the IDP and the budget-related policies; and

(iv) any consultative process forming part of the processes referred to in (i), (ii) and (iii) above.

In order for the municipal council to adopt the budget of the municipality, the mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year in terms of Section 16 (2) of the MFMA, which annual budget must be approved by the Council, in terms of Section 16 (1) of the same Act, before the start of that financial year.

1.3.6.6. Implementation Management & Monitoring

Chapter 6 of the MSA requires municipalities to develop and implement performance management systems. A municipality's performance management system entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role-players. A performance management system must be adopted before or at the same time as the commencement by the municipality of the process of setting key performance indicators and targets in accordance with its integrated development plan. The system further provides the municipality with a mechanism of early warning for under-performance and promotes accountability and good corporate governance.

In order to implement the identified performance objectives and targets through the budget, S53 of the MFMA requires that the Mayor approves the municipality's Service Delivery and Budget Implementation Plan (SDBIP) within 28 days after the approval of the budget. The implementation of the SDBIP must be linked to the performance agreement that must be concluded in terms of the Municipal Manager and managers reporting to him, in terms of S57 of the MSA. In order to continually review municipal performance. In terms of the Local Government: Municipal Planning and Performance Management Regulations of 2001 a municipality must, after consultation with the local community, develop and implement mechanisms, systems and processes for the monitoring, measurement and review of performance in respect *of* the key performance indicators and performance targets set by it. The mechanisms, systems and processes for monitoring and must:

- provide for reporting to the municipal council at least twice a year;

- be designed in a manner that enables the municipality to detect early indications of under-performance; and
- provide for corrective measures where under-performance has been identified.

A municipality must develop and implement mechanisms, systems and processes for auditing the results of performance measurements as part of its internal auditing processes. In order to fully execute the function of auditing performance, S14 (2) (a) of the Regulations require that a municipality must annually appoint and budget for a performance audit committee.

1.3.6.7. Programmes and Time Frames

Below is a table of the proposed programme that summarizes the overall time frames for various phases and highlights some of the key events and activities:

Table 5 Process Plan Timeframes

PHASES	PERIOD	KEY EVENTS/ACTIVITIES	POSSIBLE DATE
Phase 1: Present Process Plan	July 2023 – September 2023	▶ Prepare IDP and Budget Process Plan ▶ **Submit IDP and Budget and Process Plan to EXCO and Council for approval**	30 June 2023
		▶ Draft annual report preparation and annual financial statements	July –August 2023
		▶ Prepare 4th quarterly report assurance for 2022/23 FY	July 2023
		▶ Submission of AFS and APR	30 August 2023
		▶ 1st IDP & Budget Rep Forum	14 September 2023
		▶ Ward Surveys (Outreach to get priorities)	19-21 September 2023
Phase 2 : Presentation of Situation Analysis	October 2023-December 2023	▶ 1st quarter assurance	11 October 2023
		▶ IDP & Budget Steering Committee	16 October 2023
		▶ IDP & Budget Technical Committee	26 October 2023
		▶ IDP & Budget Rep Forum	08 November 2023
Objectives, Strategies, Projects & Programmes	Nov 2023– March 2024	▶ Departmental Strategic Planning Sessions	13-17 November 2023
		▶ 2nd quarter assurance	11 January 2024

		▶ SDBIP and Budget Adjustments 2023/24 ▶ Sec 72 Mid-year Budget and Performance Assessment Report 2023/24 ▶ Annual Report 2022/23	25 January 2024
		▶ Mayoral Strategic Planning Session	19-23 February 2024
		▶ Mid-year Budget and Performance Engagements/Assessments with PT	7 March 2024
		▶ IDP Steering Committee to present Draft IDP and Budget 2024/24	13 March 2024
		▶ IDP Rep Forum for IDP and Budget 2024/25	20 March 2024
		▶ Submit Draft SDBIP 2024/25	28 March 2024
		▶ Council approve draft IDP & Budget	28 March 2024
Consolidate IDP	April 2024- June 2024	3rd quarter Assurance 2023/24	15 April 2024
		▶ Advertise for comments & public participation	05 April 2024
		▶ Submit the draft IDP & Budget to MEC for Local Government and to National & Provincial Treasury for commenting	05 April 2024
		▶ 2023/2024 Municipal Budget and Benchmark Engagements with Provincial Treasury	16 April 2024
		▶ Public Consultation (Mayoral Outreach)	16 – 19 April 2024
		▶ IDP & Budget Steering Committee to present inputs from the communities	09 May 2024
		▶ IDP & Budget Technical Committee	15 May 2024
		▶ 4th IDP & Budget Rep Forum	22 May 2024
		▶ Final IDP & Budget submitted to Council for adoption	31 May 2024
		▶ Submit the final IDP & Budget to MEC for Local Government and to National & Provincial Treasury for commenting	07 June 2024
		▶ Develop draft SDBIP	03 – 14 June 2024

		► MM to Submit SDBIP to the Mayor	14 June 2024
		► Mayor to review and finalize SDBIP and MM and directors' performance plans/agreements	26-27 June 2024
		► Submit the SDBIP to Provincial Treasury	11 July 2024
		► Submit MM and directors' signed performance agreements to MEC for Local Government	31 July 2024

1.3.7. Process for Amending an Adopted IDP

In terms of Municipal Planning and Performance Management Regulations of 2001, Gazette No. R. 796, S3 only a member or committee of a municipal Council may introduce a proposal for amending the municipality's integrated development plan in the Council. Any proposal for amending a municipality's Integrated Development Plan must be aligned with the framework adopted in terms of S27 of the MSA.

In terms of the regulations, no amendment to a municipality's IDP may be adopted by the municipal Council unless:

- all the members of the Council have been given reasonable notice;
- the proposed amendment has been published for public comment for a period of at least 21 days in a manner that allows the public an opportunity to make representations with regard to the proposed amendment;
- the municipality, if it is a district municipality, has consult all the local municipalities in the area of the district municipality on the proposed amendment and has taken all comments submitted to it by the local municipalities in that area into account before it takes a final decision on the proposed amendment;
- the municipality, if it is a local municipality, has consulted the district municipality in whose area it falls on the proposed amendment, and has taken all comments submitted to it by the district municipality into account before it takes a final decision on the proposed

1.3.8. Mechanisms and Procedures for Public Participation

Notwithstanding the network connectivity challenges in the far-flung rural parts of the municipality and following national government's lockdown regulations due to the Covid-19 pandemic, all public participation process and community engagements will be held virtually in order to minimize human interaction. The municipality's Public Participation and Communication Units, together with Ward Councillor and Traditional Leaders will have to devise mechanisms on how best communities can be part of the municipality's public participation processes during this time of Coronavirus. One of the main features about IDP and Budget Processes is the involvement of community and stakeholder organizations in the process. This ensures that the IDP addresses the real issues that are being experienced by the citizens. Both the Constitution of the Republic of South Africa, 1996 and the Municipal Systems Act of 2000 stipulate that one of the objectives of municipalities is “To encourage the involvement of communities and community organizations in the matters of local government”. The White Paper on Local Government also put emphasis on public participation.

Through the Municipal Systems Act, participation in the decision-making processes of the municipality, participation of communities, residents and ratepayers is determined to be a right. The IDP is, therefore, also emphasized as a special field of public participation. It is therefore evident that public participation should be promoted in order to achieve, *inter alia*, the following objectives:

- Consult with the community on their developmental challenges
- Form basis for people-centred governance and bottom-up planning process
- Improve the relationship between council and the communities and thereby improve political accountability and transparency
- Empower communities through information dissemination/assimilation
- Establish the community feedback programme, which allows local leaders the opportunity to interact with communities on issues of service delivery.
- Provide communities with a platform to influence the developmental trajectory of municipalities and government in general
- Provides the municipality with a project/programme evaluation and implementation monitoring feedback mechanism

1.3.9. Participation Mechanism

Provisions of MSA Chapter 4 Section 17 provide for mechanisms for participation:

- IDP Rep Forum to verify and add data;
- District Municipality’s Rep Forum to ensure that local priorities are adequately reflected on the District’s IDP;
- Use Ward Councillors to call meetings to keep communities informed on IDP progress (including Ward Committees and CDWs);
- Publish annual reports on municipal progress;
- Advertise on local newspapers and community radios on the progress;

- Develop pamphlets and booklets on IDP where necessary;
- Making the IDP document available to all units and public places for public comments; and
- Making use of municipal notice boards; municipal website and municipal newsletter.

1.3.10. Involvement of Traditional Leadership

Section 81 of the Local Government: Municipal Structures Act states that traditional authorities may participate in council matters through their leaders and those traditional leaders must be allowed to attend and participate in any meeting of the council". The act further stipulates that the Council should give traditional authorities a chance to express their views if the matter in question directly affects the area of a traditional authority. It is therefore of vital importance that they continue to contribute in enhancing community participation in council matters and in government at large.

1.3.11. Involvement of Ward Committees and CDWs

Ward committees are key in this process as espoused both in the Municipal Structures Act and the MSA. Ward committees represent the development aspirations and needs of the wards they represent and also form an information assimilation/dissemination mechanism between a municipal council and the community. The ward committees are key in the development, implementation, monitoring and evaluation of municipal performance on service delivery as espoused in the municipal IDPs. Ward committees as one formal element of public representation in government affairs, in terms of the Structures Act of 1998, should be established in each ward. This will deepen the involvement of local communities in local governance processes such as Integrated Development Planning (IDP), the budget, performance management and service delivery. This applies in respect of implementation, monitoring and evaluation as well as planning. Thus, ward committee members and ward councillors should play a key role in mobilising the communities as well as in the identification of the developmental matters concerning the wards they are representing in the municipalities.

1.3.12. Alignment between the District and Local Municipalities

Alignment is the instrument that syntheses and integrates the top-down and the bottom-up planning process between different spheres of government. Not only is alignment between the District and the Local Municipalities important, but also between the Local Municipalities within the jurisdiction of the District Municipality. The alignment procedures and mechanisms should be incorporated in the process plans of the Municipalities, while the responsibility for alignment rests with the District Municipalities. Manager: IDP, PMS, RM and M&E of the municipality is responsible for ensuring smooth coordination of local municipal IDP reviews and their alignment with the district IDP compilation through the use of workshops/engagements and bilateral discussions with affected sector departments or municipalities. The Inter-Governmental Forum will also be used to ensure that beneficial alignment of programmes and projects occur.

2. CHAPTER TWO: SITUATIONAL ANALYSIS

2.1. Ward Information

The information below shows villages or towships that constitute the ward; scoail and economic infrastructure that exists in each ward.

Table 6: Ward Information

Ward	Number and Name of Villages	Name and Number of Schools	Health Facilities	Electricity Supply (Estimated Households	Sanitation (Households Estimates)	No of Community Halls	Most criminal activities	Community Projects	Common Development and Experienced Challenges
01	14, Nkalweni; Sihlahleni; Cicirha; Luthuthu; Ncembu; Nyibiba, Maplotini; Montgomery; Umnga Farms; Lunyaweni; Trustini; Phalisa; Umnga Flats; Ntendeleshe	12, Genga Ncwazi SPS; Lututu JSS; Ncembu JSS; Dinizulu SSS; Nyibiba JSS; Elunyaweni JSS; Witlands JSS; Montgomery JSS; Daluxolo JSS; Gabulinkungu JSS; Nkalweni JSS; Dalibango JSS)	2 Clinics (Umnga Flats Clinic; Ncembu Clinic) Mobile Clinic comes every 7,8 and 9th of the month.	Total Households = 2 823 Total electrified = 2 635	2 688	1 (Nkalweni Community Hall)	Assault, House breaking and theft	Zamulwazi HCBC at Ncembu Phandulwazi HCBC at Elunyaweni Family Preservation	Access Roads Mobile Clinic (Palisa) Payment point (Palisa & Lututu)
02	6(Ntokozweni; Land Camp; J K Bokwe; Mandela Park; Extension 3; Ugie Park	2,(Sibabale SSS; E.T. Thabane Primary School	Ugie Town Clinic Old Location Clinic Mobile Clinic comes once in a while	Total households = 3 275 Total electrified = 3 275	3 140	1 (Ntokozweni Community Hall)	Murder, Rape, Robbery and Housebreaking	There are no projects currently operating in the entire ward	Access Road (Land Camp, Soccerfield) Road Maintenance (Mandela Park; Bhekela)
03	12(Old location; Sonwabile; Zakhele; Newrest; Polar Park; Peter Mokhaba; Nqanqarhu Town; Sithole; TV	5,(Maclear Public Primary; Maclear High School; Umthawelanga SSS;	Nqanqarhu Town Clinic	Total Households = 2 381	2 381	2 (Sonwabile Community Hall,	Burglary at residential premises; offences under drug trafficking	Nqanqarhu Safe home.	Road Maintenance (Maxhegweni) No electricity (Tuin Blocks)

	Park; Maxhegweni; Tuin Block; Clearview	Nolufefe Public Primary; Maclear Methodist	Sonwabile Clinic Nqanqarhu General Hospital Mobile Clinics visits all Pre-Schools around Nqanqarhu on a monthly basis.	Total electrified = 2 220		Nqanqarhu Town Hall)	act; burglary at business premises; unlawful possession of fire arm	The home provides shelter to the homeless. It also provides counseling for physically, emotionally and sexually abused people.	Lack of employment Projects are not sustainable
04	23,(Ngqwaneni; Saqhuthe; Mlamla; Mission; Ephowulini; Tsikarong; Namba; Matugulu; Qobeni; Khohlomoriti; Sigoga; Komkhulu; Famini; Ndingeni; Mabalane; Eilands height Farms; Joel's Hoek; Popcorn Valley; Top Blocks; Nqanqarhu Town; Lenge; Nonkohlongo; Bethule)	9,(Henry Valtain SPS; Upper Tsitsana JSS; Gugwini SPS; Lower Tsitsana JSS; Mdeni SPS; Upper Mhlontlo SPS; Joel's Hoek SPS; Tsitsana Comprehensive SSS; Tenkop SPS	Tsitsana Clinic Mobile clinic visits on Tuesdays	Total Households = 2 336 Total electrified = 1 797	2 086	1,(Tsitsana Community Hall)	Assault GBH; Stock theft	Khulisanani Agricultural project	Toilets; Spring Protection; Electricity Lack of employment Bursaries for further studies Child-headed households
05	14,(Mbonisweni; Khwatsha; Ntushu-ntushu; Lower Ngxaza; St Augustine; Lower Ntywenka; Mtshezi; Mountain; Zwelitsha; Sithana; Hopedale; Ntabelanga; Mcwangele; Mpukone)	14(Mcwangele JSS; Nontatyana SPS; Mbonisweni JSS; Sithana JSS; Zwelidumile LPS; Ngxaza JSS; Thomas Ntaba; Ntaba JSS; Mabandla JSS; Goniwe SPS; Inxu JSS; Zandise JSS; Lower Ngxaza LPS; Ntushuntushu JSS)	Mbonisweni Clinic Mobile Clinic visits on the 6th of every month	Total Households = 2 712 Total electrified = 2 348	2 328	0	Unlawful possession of firearms; housebreaking ; drug abuse; rape	Vegetation project, specifically Cabbage.	Early Childhood Development Centre in (Mountain & Mtshezi); scholar transport (Mbonisweni-Diphini)

06	13,(Ngxotho; Mqokolweni; Upper Sinxako; Lower Sinxako; Siqhungqwini; Nkolosane; Ngcele; Ngcele Down; Sommerville; Ntywenka; Upper Ntywenka; Qurana; Ntywenka forest)	12,(Ngxotho JSS; Mqokolweni JSS; Upper Sinxako JSS; Lower Sinxako JSS; Maiyd Sididi JSS; Siqhungqwini JSS; Qurana JSS; Magwaxaza JSS; Ngcele JSS; Sommerville JSS; Ntywenka JSS; Jamangile SSS)	Mobile Clinic visits monthly in all villages in the ward Queen Noti Clinic Mqokolweni Clinic	Total Households = 4 968 Total electrified = 4 132	4 616	0	Rape, Assault with the purpose to inflict grievous bodily harm, Theft of Live stock	Bonangashe Vegetation Project	Spring Protection; Clean drinking water, Access Roads Toilets for the clinic and extension of the clinic even if it is a container No visit by government to early childhood development centres Lack of job opportunities for graduates
07	25,(Ramatee; Ramlane; Hlangalane; Golomani Sigcwabeni; Katkop; Etyeni; Lalini; Khohlopong; Platana; Magwaca; Upper Nxaxa; Rodesia; Zwelitsha; Germiston; Marhombe; Tshikitsha Jojweni; Gamakhulu; Lower Khohlopong; Mfabantu; Nxaxa Goerge; Diphini; Phamong; Botsabelo)	14,(Etyeni JSS; Botsabelo JSS; Ngqayi JSS; Mpindweni JSS; Hlangalane JSS; Khohlopong JSS; Lower Khohlopong JSS; Nkahlolo JSS; Tshikitsha JSS; Ntaboduli JSS; Nxaxa Gorge JSS; Sophonia SSS; Kuyasa SSS; Malamlela JSS)	Hlangalane Clinic Katkop Clinic Ngxaxa Clinic	Total Households = 3 378 Total electrified = 3 100	3 037	1	Stock theft, Assault and housebreaking	HCBCs Poultry Project Vegetation Project	Shearing shed; clean drinking water Shortage of nurses at Katkop clinic Bridges to various locations Police Patrol
08	16,(Umfanta; Moroka; Nkamani; Mokgalong; Lithoteng; Sekoting; Lahlangubo; Luzie Poort; Nkobongo; Pitseng; Batlokoa; Jojweni; Moreneng; Luzie Drift; Makhatlanyeng; Pitseng Farms)	19(Makhatlanyeng SPS; Lukhanyisweni JSS; Umfanta JSS; Natlane Sekonyela SPS; Nkamane SPS; Mokhalong SPS; Thembeni SPS; Moroka JSS; Luzie JSS; Lengopeng JSS; Luzie Poort SPS; Sigoga SPS; Claude Makeng SPS;	Mobile Clinic comes on the 2nd of every month	Total Households = 2 502 Total electrified = 2 499	2 320	1 (Umfanta Pension Hall)	Stock theft, Rape, Housebreaking , Assault	HCBCs Sewing projects Vegetation project	Lack of electricity, access roads and water in many villages EPWP not doing road maintenance Male citizens above 35 years are not employed

		Mbizeni SPS; Nomzamo SPS; Lower Kete-kete JSS; Batlokoa JSS; Luzie SS; Thakabanna SSS)							
09	6,(Tlokoeng Town; Thembeni; Katlehong; Ilisolomzi; Khalankomo; Mbeki)	3,(Tlokoeng Village JSS; Ilingelethu JSS; Ingwe FET)	Solomzi clinic	Total Households = 2 354 Total electrified = 2 354	2 172	2 (Tlokoeng Town Hall; Tsitsana Community Hall)	Rape, Assault; Burglary, Robbery	Piggery project Amasimi	Upgrading of electricity, upgrading of sanitation, fencing of graveyards Provision of water Improvement of sanitation system Creation of more employment opportunities for various categories
10	15,(Silindini; Xaxazana; Mathafeni 1; Skote; Westhoek; Mathafeni 2; Nkalweni; Zingonyameni; Siyalwini; Mjika; Mbambangwe; Mpharane; Madzura; Tsolobeng; Mahemeng)	9,(Tsolobeng JSS; Zamuxolo JSS; Mahemeng JSS; St Thomas JSS; Silindini SPS; Mbambangwe JSS; Sondaba SPS; Jongisizwe SPS; Zingonyameni JSS)	The mobile clinic does not really have a specific date but comes every month	Total Households = 3 962 Total electrified = 3 162	3 596	0	Business Buglary, Assauly GBH	HCBCs from Department of Health looking after disabled people Vegetation project	Water, community hall, toilets for churches, Opening and closing hours of the clinic notsuitable for emergencies Non-attendance of important meetings by other government department
11	16,(Dengwane; Thambekeni; Tinana; Mjikelweni; Ntatyana; Gobho; Fletcherville; Likonyeleng; Farview; Ligcadweni; Mafusini; Lubisini; Xaxazana; Khalazembe; Ngoliloe No2; Matshoane)	12,(Sidinane SSS; Farview JSS; Ntsasa SPS; Lubisini JSS; Dengwane JSS; Tinana JSS; Fletcherville JSS; Matshoana JSS; Edward Zibi SSS; Khulanathi JSS; Sixhotyeni SPS; Ngaqangana JSS)	There are no clinics at Ward 11, they are dependent on the one at Ward 12, Mangoloaneng clinic	Total Households = 3 065 Total electrified = 3 054	3 042	0	Assault, Murder, Burglary in residential and business properties	Vegetation project HCBCs	Bridges, New toilets, Mobile Clinic Urgent attention on the issue of age restriction for employment in EPWP. No Community Development Worker (CDW) for the ward. Soil erosion

									Community Hall renovations
12	16,(Setaka; Moleeko; Thabatlala; Popopo; Mahanyaneng; Mangoloaneng ; Ngoliloe; Ntabayikhonjwa; Kinira Poort; Polokoe; Lehlakaneng)	8,(Morulane JSS; Setaka JSS; Phaphama SPS; Popopo JSS; Polokoe SPS; Ngoliloe JSS; Mangoloaneng JSS; Mahanyaneng JSS))	Mangoloaneng clinic Mobile clinic comes once in a while	Total Households = 4 430 Total electrified = 4 420	4 397	0	Drug Abuse, Assault; Theft and Housebreaking	None in the meantime	Bridges, New Toilets, Project for rehabilitation of dongas/ soil erosion the community members once benefited from that project
13	10,(Lower Nxotshana; Mokoatlane; Phirintsu; Koebung; Mohoabatsane; Ntoko; Maluti; Sethathi; Mashata; Seqhobong)	9,(Khorong SSS; Ntoko SPS; Koebung JSS; Seqhobong JSS; Mohoabatsane JSS; Hlanganisa JSS; Maluti JSS; Makoetlane JSS; Mosana JSS)	Siqhobong Clinic Mobile Clinic comes every month but does not have a specific date	Total Households = 2 773 Total electrified = 2 456	2 264	1 Mohoabatsane Community Hall	Stock Theft,, Murder, Drug Abuse, Assault	Kopanang Based Club- Sewing project Koebong shearing shed	Toilets and electricity for new households, RDP Houses
14	14,(Vuvu; Makgoaseng; Tabakhubedu; Lehana's Pass; Phuthing; Refele; Litaung; Linokong; Nqalweni; Zindawo; Ntabelanga; Setabataba; Zanyeni; Satube)	11,(Vuvu JSS; Lehana's Pass JSS; Bethania SSS; Upper Pirintsu JSS; Matshaneng SPS; Thabakgubedu JSS; Ulundi JSS; Phuthing JSS; Nqalweni JSS; Khanya SSS; Zanyeni SSS)	Bethania Clinic Lenge Clinic Mobile clinic comes every month	Total Households = 2 708 Total electrified = 2 700	2 368	0	Assault GBH; Rape; Housebreaking ; Business Burglary; Murder	Someleze HCBC 1 House 1 Hector-Agricultural project	Access road Early Childhood Development Centre No electricity in other areas Network signal very poor High Crime Rate Unemployment Funding for projects
15	10,(Makhoaseng; Liphakoeng; Liphofung; Lower Tokoana; Basieng; Makhuleng; Khalatsu;	13(Mamontoeli JSS; Lower Thokoana JSS; Lehana SSS; Bethania SSS; Liphofung	There are no clinics at Ward 15	Total Households = 8 071	7 919	0	Rape, Assault, House and	Sewing project Agricultural project	Toilets, Water, Network pole, Electricity infills

	Tsekong; Kutloanong; Nkululekweni)	SPS; Boithatelo SPS; Upper Thokoana SPS; Liphakoeng SPS; Khalatsu SPS; Remang Motheo SPS; Tswelopele SPS; Tsekong JSS; Makhuleng SPS)		Total electrified = 7520			Business Burglary		Renovation of damaged toilets Gravel for EPWP workers High Mast lights may assist in reduction of crime
16	25,(Tsekong; Lubalweni; No 5; Ntatyaneni; Karadokhwe; Njaboya; Zwelitsha; Msasangeni; Chavy Chase; Mfengwini; Qolweni; Bhantini; Koloni; Mlube; Ndingo; Mcambalala; Sekgutlong; Ntabamkhitha; Magedla; Taung; Nondyandya; Sihom; Zinkumbini; Drayini; Kete-kete)	6,(Solomzi JSS; Taung JSS; Tlokoeng SPS; Mcambalala JSS; Magedla JSS; Koloni SPS; Thembalethu SPS; Kete-Kete JSS; Melisizwe JSS; Chavy Chase JSS; Frank Moshoeshoe JSS)	Mcambalala clinic Mobile clinic comes once in a while	Total Households = 3 960 Total electrified = 3800	3 617	0	Assault GBH, Stock theft, Rape and Drug abuse	HCBCs- provides counselling to the abused members of the community	Bridges, Electricity infills, water, access roads, library Ill-treatment of established committees by JOGEDA Lack of monitoring of projects Ambulances not responding when called
17	12,(Ghaqhala; Mbidlana; Mdangwini ; Maqhinebeni; Ngxothana; Vincent; Greenfields; Retriet Farm; Bhodi; Takalane; Robben; Ugie Town)	6,(Chebenca SPS; Ugie High School; Samuel Nombewu; Gqaqhala JSS; Msobomvu JSS; Mbidlana JSS)	Gqaqhala Clinic	Total Households = 2 866 Total electrified = 2 689	2 743	1 Ugie Veilingskraal	Rape, Burglary, Assault, Murder	Masibambane project	Water tap in each household, cutting of wattle trees, DRDAR must assist with seedling and other projects, maintenance of Thaleni access road, bridge

2.2. Elundini Local Municipality Profile

The Elundini Local Municipality (ELM) is a Category B municipality located within the Joe Gqabi District in the north-eastern portion of the Eastern Cape Province. The municipality is bounded by the Alfred Nzo District in the north, Chris Hani District in the south, OR Tambo District in the east, and Lesotho and Senqu in the west. It is the smallest of three municipalities in the district, making up a quarter of its geographical area. The Elundini Local Municipality is one of the most scenic and attractive areas of the province, with considerable potential lying in its deep, fertile soils and high rainfall. Compared to the other municipalities in the Joe Gqabi District, Elundini has prospects of significant growth and upliftment in the quality of life for its residents due to its relative abundance of natural resources.

The urban areas and commercial farming district are the highest employers, where people have found employment in the agriculture, commercial and service sectors. There are very low levels of employment in the rural settlements. This can be partly attributed to the fact that these areas do not have a strong economic base, and partly to the fact that most inhabitants are involved in subsistence-related activities with little surplus being produced for economic profit. Due to the migrant system in operation in South Africa, the impact of recessionary downturns in the economy elsewhere (such as in the mining industry, Gauteng and Cape Town) have had an impact on the Elundini area. There is still a heavy reliance on income from migrant sources. The towns in Elundini are Nqanqarhu, Tlokoeng, and Ugie. The main economic sectors are social services/government (41%), agriculture (28%), and wholesale and retail trade (14%).

ELM is the scenic and attractive area in the Eastern Cape with its potential lying in fertile soil and heavy rainfalls. The analysis of Elundini Local Municipality must be contextualized globally. The municipality covers an area of 5,064 km² and has 17 Wards and according to the recent Community Survey (CS) of 2016 released by Stats SA, the Elundini Local Municipality is the most populous municipality in the Joe Gqabi district with an estimated population of 144 929 an increase of 6 788 people, amounting to 4, 7%, from the Census 2011 figures of 138 141 people. The largest population of Elundini is made up of females which constitute 60,9% (88 247) of the total population and males constitute 39, 1% (56 682) of the total population. The ELM is one of the most scenic and attractive area of the Province, with considerable potential lying in its deep, fertile soils and high rainfall. Compared to the other municipalities in the Joe Gqabi District, Elundini has prospects of significant growth and upliftment in the quality of life for its residents, due to its relative abundance of natural resources.

MAP SHOWING LOCALITY AND SETTLEMENT DISTRIBUTION

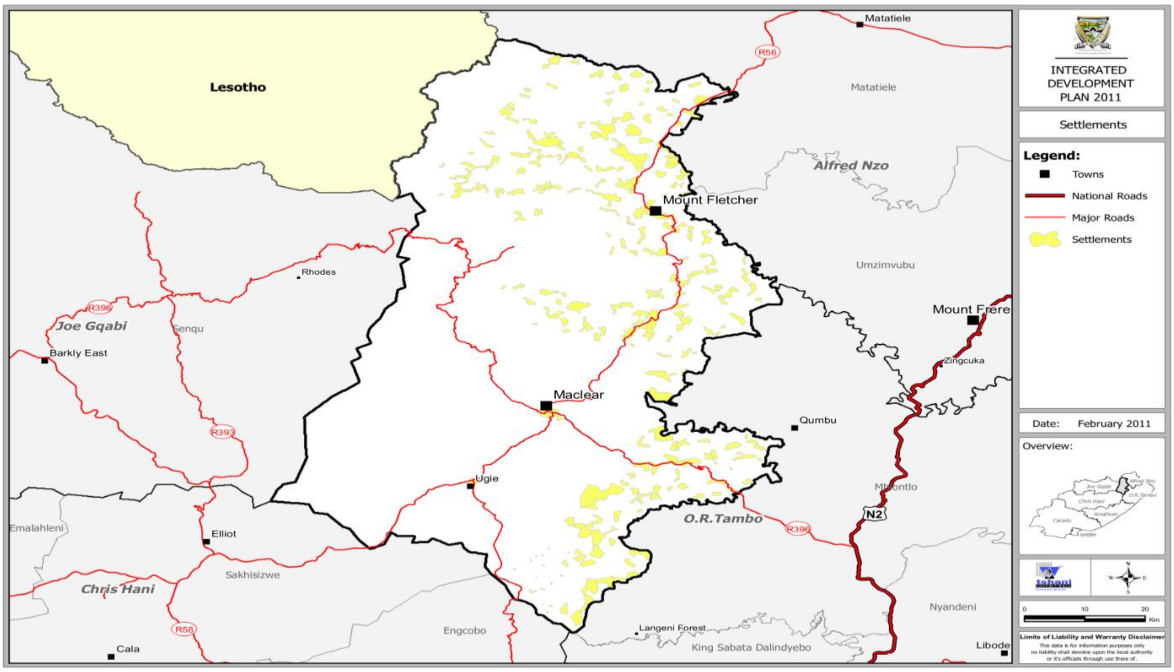


Figure 1: Map showing settlement distribution

2.3. Elundini Local Municipality Demographic Profile

According to the Community Survey 2016 figures, the JGDM total population has increased by 23 144 people from the Census 2011 figures of 349 768 to 372 912 of the CS 2016 figures. This represents a 6, 2% increase between 2011 and 2016 from an increase of 2.3% between 2001 and 2011 figures. From the JGDM total population increase, the ELM has seen a significant increase of 6 790 people representing an increase of 4, 7% between 2011 and 2016 as compared to an increase of 0, 5% between 2001 and 2011. Although there has been an increase in the number of people, between 2011 and 2016, in both the JGDM and the ELM, there is a noticeable decrease in the number of households both in the district and the municipality.

Both the municipalities have experienced a decrease of 0, 2% and 0, 5% of households respectively as depicted by the table overleaf. Of the total number of households in both the JGDM and Elundini municipalities, there has been an increase in the formal structures were the formal structures in JGDM increased from 60, 3% to 69, 6% and on ELM increased from 33% to 47, 8%.

However, with latest statistics from "*IHS Markit Regional eXplorer", Elundini* Local Municipality accounts for a total population of 152,000, or 38.8% of the total population in the Joe Gqabi District Municipality, which is the most populous region in the Joe Gqabi District Municipality for 2021. The ranking in terms of the size of Elundini compared to the other regions remained the same between 2011 and 2021. In terms of its share the Elundini

Local Municipality was slightly smaller in 2021 (38.8%) compared to what it was in 2011 (39.2%). When looking at the average annual growth rate, it is noted that Elundini ranked second (relative to its peers in terms of growth) with an average annual growthrate of 0.9% between 2011 and 2021(*Source: IHS Markit Regional eXplorer version 2257)*

The table below depicts the changes in the total numbers of households between JGDM and ELM from 2011 to 2016:

Table 7: Population Changes

Municipality	2001	2011	2016	% growth			Number of households			
				1996 - 2001	2001 – 2011	2011 - 2016	2001	2011	2016	% Change
JGDM	341 750	349 768	372 912	8.2%	2.3%	6.2%	84 835	95 294	95 107	-0.2%
Elundini	137 394	138 141	144 929	3.7%	0.5%	4.7%	33 209	35 992	35 804	-0.5%

Source: Census 2001, Census 2011 and CS 2016

Elundini Local Municipality accounts for a total population of 152,000, or 38.8% of the total population in the Joe Gqabi District Municipality, which is the most populous region in the Joe Gqabi District Municipality for 2020. The ranking in terms of the size of Elundini compared to the other regions remained the same between 2010 and 2020. In terms of its share the Elundini Local Municipality was slightly smaller in 2020 (38.8%) compared to what it was in 2010 (39.1%).

Table 8 : JQDM Statistical Information

Municipality	Male	Female	Total
Elundini	73,265	78,416	151,681
Senqu	68,713	78,705	147,419
Walter Sisulu	44,842	46,881	91,723
Joe Gqabi	186,820	204,002	390,822

(Source*: IHS Markit Regional eXplorer version 2142)*

2.3.1. Distribution of Total Population by Age and Gender

The graph below depicts the distribution of population by age and gender:

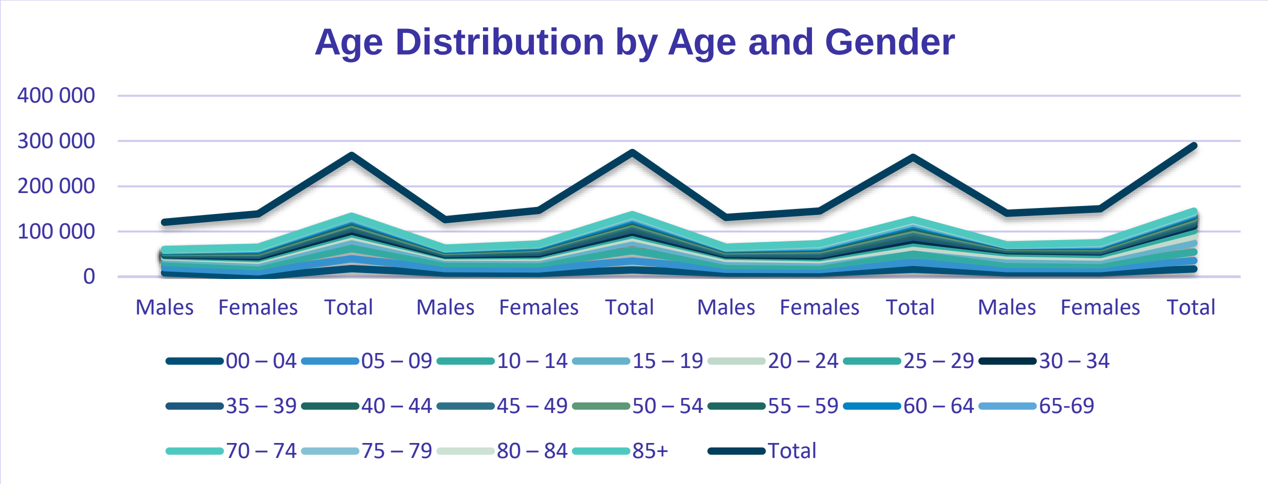


Figure 2: Source: Census 1996, Census 2001, Census 2011 and CS 2016

Although there has been an overall increase of 4, 7% in the total population in Elundini, there has been a decrease of 3, 2% of the female population and an increase of 6, 8% of the male population between 2011 and 2016. The female population in Elundini makes 51.7% of the total population and males constitute 48, 3% of the total population. In terms of the demographic distribution of the Elundini population, a younger population, between the ages of 15 and 19, comprises the largest population followed by 10 and 14, 05 and 09 and 00 and 04 respectively.

The pyramid below provides a clear depiction of age and sex distribution of the ELM population. In terms of the stages of demographic transition model, the ELM pyramid appears to be at the third stage, which shows stationary growth and mortality particularly in the 25 to 75+ years cohorts. It is clear how many people of each age range and sex are found within the municipality. Moreover, the pyramid shows that the population is generally older on average.

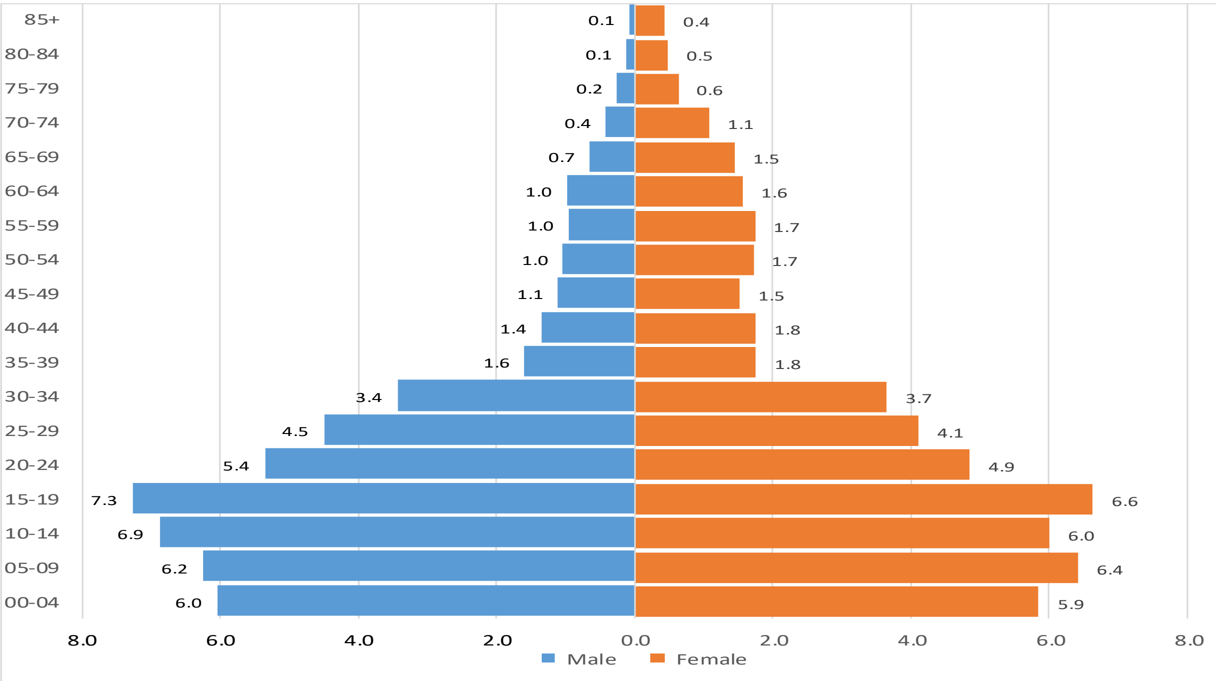


Figure 3: Population Pyramid Source: CS 2016

2.3.2. Population by Race

According to Community Survey 2016, a large part of Elundini's population is made up of Black Africans (135 593) this figure translates to 98.01% of the entire population. The remaining 1.09% (2 580) is made up of 1 323 Coloureds (1%); 172 Asians (0.01%) 903 Whites comprising (0.07%) in the other category there are 183 inhabitants contributing (0. 01%) of the entire population. (2011 Statistics SA). The table below is the presentation of the racial distribution in Elundini:

Graph showing racial distribution

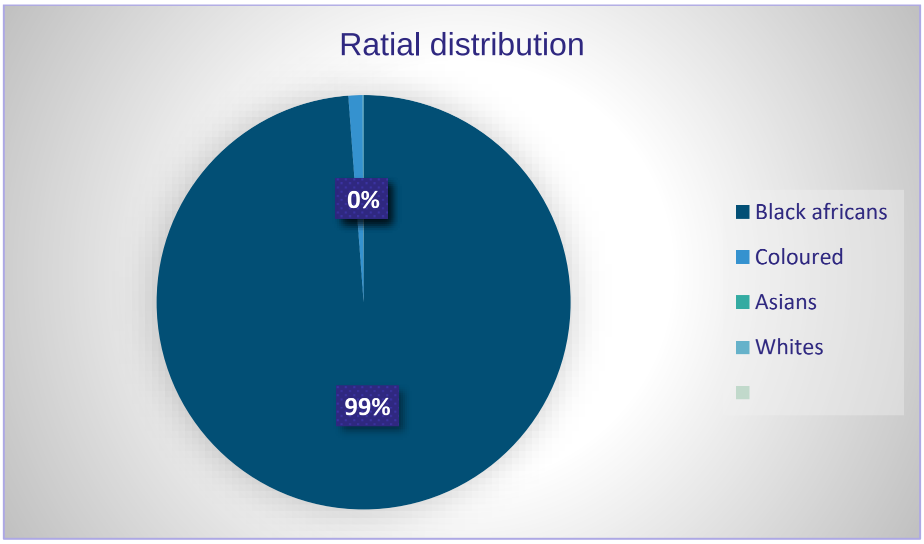


Figure 4: Racial Distribution

2.3.3. Distribution of Population by Language

As per the Community Survey 2016, the most spoke languages by households in the district including Elundini are isiXhosa, seSotho, Afrikaans and English as depicted by the table below:

Table 9: Table showing language distribution

Languages	Number of People		
	JGDM	ELUNDINI	%
IsiXhosa	275 521	104 581	38%
SeSotho	66 419	34 152	52%
Afrikaans	18 889	1 905	10%
English	2 514	673	27%
Others	9 571	3 620	38%

2.3.4. Distribution of household by income

Community Survey 2016 has not released any updated information on household income and therefore the Census 2011 were used which showed that 28, 4% of the families earn between R 9 600 – R 38 200 per annum which is R 800 - R 3 183 per month whilst 19, 1% of the households earning R38 200 - R76 400 which is R 3183-6367. 38% of the households fall in the category which earns less than 800 per month or no income at all. The table below depicts the income levels of households within Elundini Municipality:

Table 10: Table showing income levels

Income level	No. of Households	%
No income	6 391	16, 8%
1 – 4800	3 113	8, 2%
4800 - 9600	4 868	12, 8%
9 600 - 38 200	10 770	28, 4%
38 200 - 76 400	7 217	19, 1%
76400 - 153 800	2 501	6, 6%
153 800 - 307600	889	2, 3%
307 600 - 641 400	324	0, 8%
641 400 - 1 228 800	53	0, 1%
1 228 800 - 2 457 600	45	0, 1%
2 457 600 or more	23	0, 06%

2.3.5. Literacy Levels

Community Survey 2016 indicates that there has been an increase of 4.7% in the levels of education in Elundini for those between 20 years and above from 2011 to 2016 from 11.9% to 16.6% of the entire population having completed Grade 12 but there has been a slight decrease of 0.4% between 2011 and 2016 from 4.9% in 2011 to 4.5% in 2016 of the population who has studied further than Grace 12. Community Survey 2016 also revealed that 10.7% has no schooling at all, 20.7% has some primary education, 7.4% has completed some primary education and 44% has completed some secondary education. The table below depicts the percentage levels of education between the period 2011 to 2016 as provided by Census 2011 and Community Survey 2016: Below is the graph showing the education level in Elundini Local Municipality and the Joe Gqabi District Municipality.

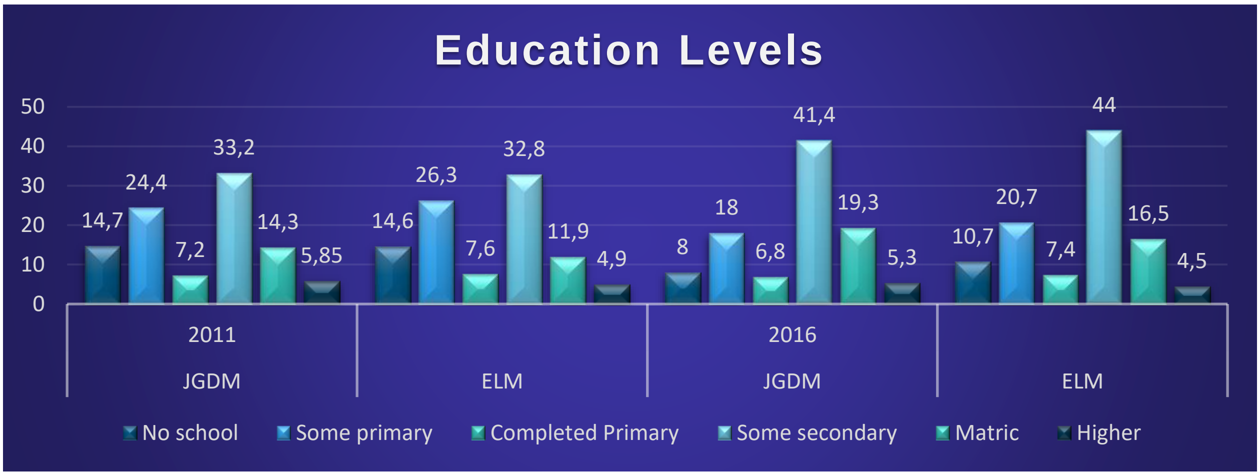


Figure 5: JGDM Literacy levels

The table overleaf depicts the highest level of education as per the Community Survey 2016 of Elundini population as against that of the district:

Table 11: Literacy Levels

	No schooling		Some primary		Completed primary		Some secondary		Matric		Higher	
	2011	2016	2011	2016	2011	2016	2011	2016	2011	2016	2011	2016
JGDM	14,7%	8%	24,4%	18%	7,2%	6,8%	33,2%	41,4%	14,3%	19,3%	5,85	5,3%
ELM	14,6%	10,7%	26,3%	20,7%	7,6%	7,4%	32,8%	44%	11,9%	16,5%	4,9%	4,5%

Table 12:Levels of Education against the District

	Joe Gqabi	Elundini	% Schooling
No schooling	55 899	19 142	13.21%
Grade 0	18 914	7 496	5.17%
Grade 1/Sub A/Class 1	13 943	5 740	3.96%
Grade 2/Sub B/Class 2	11 282	4 243	2.93%
Grade 3/Standard 1/ABET 1	19 375	7 736	5.34%
Grade 4/Standard 2	20 907	9 202	6.35%
Grade 5/Standard 3/ABET 2	19 749	8 309	5.73%
Grade 6/Standard 4	21 373	9 276	6.40%
Grade 7/Standard 5/ABET 3	19 823	8 119	5.60%
Grade 8/Standard 6/Form 1	27 160	11 819	8.16%
Grade 9/Standard 7/Form 2/ABET 4/Occupational certificate NQF Level 1	29 018	12 629	8.71%
Grade 10/Standard 8/Form 3/Occupational certificate NQF Level 2	31 218	12 557	8.66%

Grade 11/Standard 9/Form 4/NCV Level 3/ Occupational certificate NQF Level 3	30 892	11 305	7.80%
Grade 12/Standard 10/Form 5/Matric/NCV Level 4/ Occupational certificate NQF Level 3	38 641	12 331	8.51%
NTC I/N1	384	41	0.03%
NTCII/N2	231	72	0.05%
NTCIII/N3	308	78	0.05%
N4/NTC 4/Occupational certificate NQF Level 5	710	173	0.12%
N5/NTC 5/Occupational certificate NQF Level 5	362	165	0.11%
N6/NTC 6/Occupational certificate NQF Level 5	539	113	0.08%
Certificate with less than Grade 12/Std 10	83	22	0.02%
Diploma with less than Grade 12/Std 10	304	172	0.12%
Higher/National/Advanced Certificate with Grade 12/Occupational certificate NQF	1 647	470	0.32%
Diploma with Grade 12/Std 10/Occupational certificate NQF Level 6	2 630	801	0.55%
Higher Diploma/Occupational certificate NQF Level 7	1 176	308	0.21%
Post-Higher Diploma (Masters)	971	398	0.27%
Bachelor's degree/Occupational certificate NQF Level 7	1 632	552	0.38%
Honours degree/Post-graduate diploma/Occupational certificate NQF Level 8	929	376	0.26%
Masters/Professional Masters at NQF Level 9 degree	266	133	0.09%
PHD (Doctoral degree/Professional doctoral degree at NQF Level 10)	144	22	0.02%
Other	715	435	0.30%
Do not know	1 087	513	0.35%
Unspecified	599	181	0.12%
TOTAL	372 911	144 929	38, 86%

2.3.6. People with Disability

ELM established partnerships with two Non-Governmental Organizations (NGOs) – Cheshire Home and Siyamthanda Home. These partnerships are renewed annually based on satisfactory performance of these NGOs and financial support is provided to support the running of the centers and care-givers. A service level agreement is signed with each NGO annually with terms of reference and outputs. Below is the presentation of the categories of disabilities by people in the Elundini municipal area:

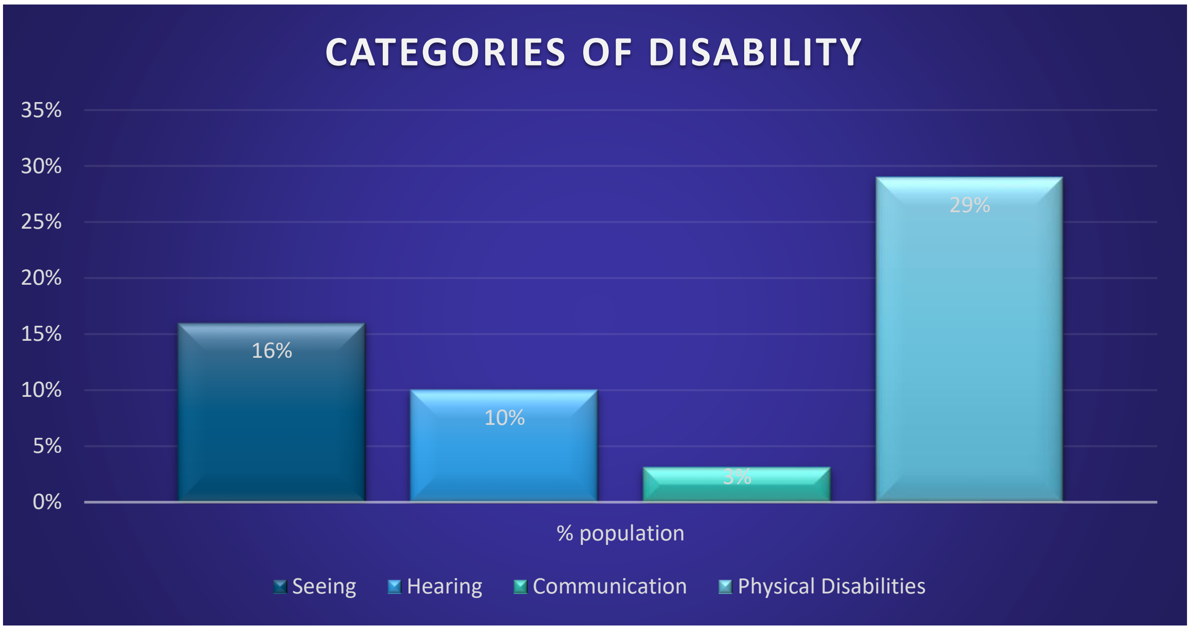


Figure 6: *Source: Census 1996, Census 2001, Census 2011 and CS 2016*

2.3.7. Unemployment

Stats SA has not released any new or updated employment statistics and therefore figures used in the analysis of employment for ELM are those that were released in 2011. Assessing employment remains a very complex task to undertake, due to the fact that there are a number of varying methodologies of measuring unemployment. The variations in methods often result in unemployment rates being very different for the same area depending on who has conducted the measurement and which methods were employed in order to do so. The table below depicts that 9% of Elundini's population is unemployed. Whilst this percentage may seem quite low it is also important to remember that 4% are classified as discouraged work seekers and are therefore technically also not gainfully employed. There is also 47 040 (34%) of the population which is not economically active. Many of those included in the (Not economically Active) population are of working age and therefore could be working. Regardless of the categories that have been used to describe those that are not employed, what is clearly evident is the fact that only 11% of those assessed in Elundini are considered gainfully employed, which is a low employment rate.

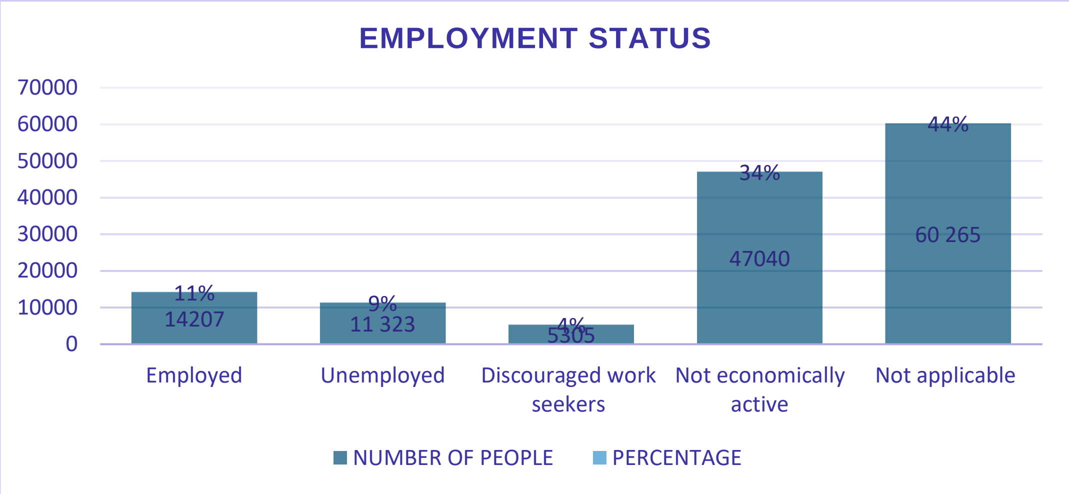


Figure 7: Source: Census 2011 and CS 2016

The working age population in Elundini in 2020 was 92 400, increasing at an average annual rate of 1.37% since 2010. For the same period the working age population for Joe Gqabi District Municipality increased at 1.30% annually, while that of Eastern Cape Province increased at 1.13% annually. South Africa's working age population has increased annually by 1.60% from 33.3 million in 2010 to 39 million in 2020. The graph below combines all the facets of the labour force in the Elundini 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.

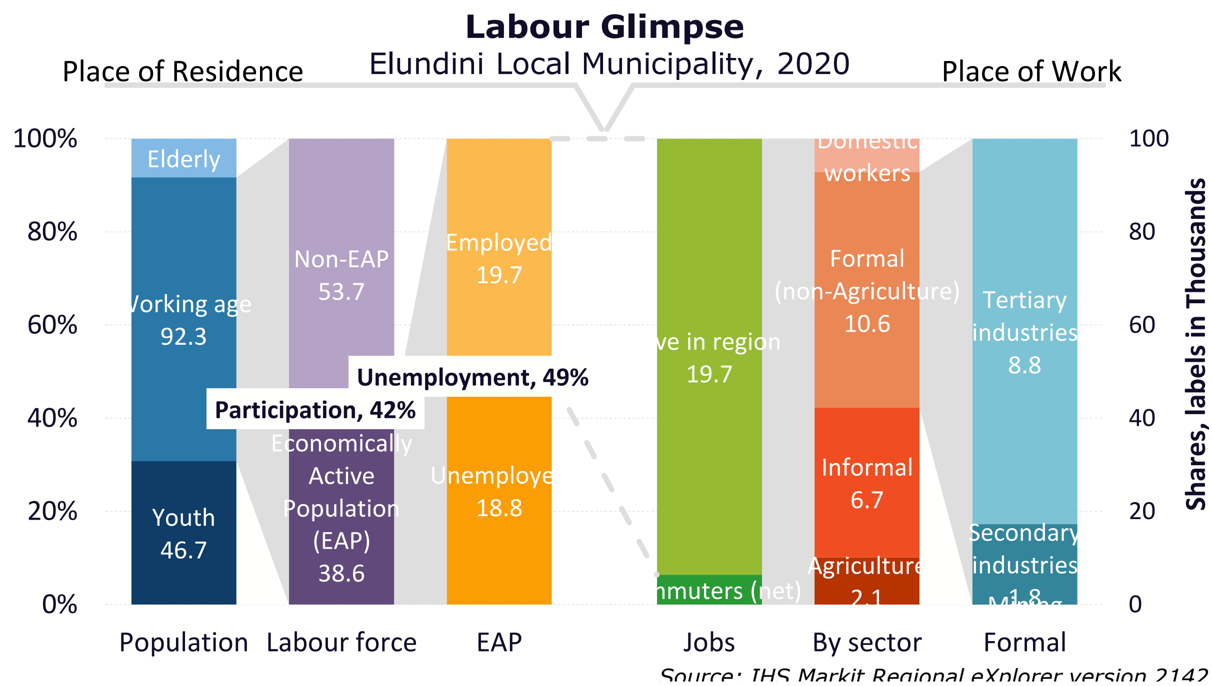


Figure 8: Labour Glimpse

2.4. Economic Indicators

The economic state of Elundini Local Municipality is put in perspective by comparing it on a spatial level with its neighbouring locals, Joe Gqabi District Municipality, Eastern Cape Province and South Africa.The Elundini Local Municipality does not function in isolation from Joe Gqabi, Eastern Cape Province, South Africa and the world and now, more than ever, it is crucial to have reliable information on its economy for effective planning. Information is needed that will empower the municipality to plan and implement policies that will encourage the social development and economic growth of the people and industries in the municipality respectively.

2.4.1. Gross Domestic Product

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 measures the economy in actual Rand, and constant prices measures the economy by removing the effect of inflation, and therefore captures the real growth in volumes, as if prices were fixed in a given base year. With a GDP of R 2.97 billion in 2021 (up from R 1.62 billion in 2011), the Elundini Local Municipality contributed 19.59% to the Joe Gqabi District Municipality GDP of R 15.2 billion in 2021 increasing in the share of the Joe Gqabi from 20.49% in 2011. The Elundini Local Municipality contributes 0.63% to the GDP of Eastern Cape Province and 0.05% the GDP of South Africa which had a total GDP of R 6.23 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 0.05% to South Africa, but it is lower than the peak of 0.05% in 2015.

Table 13: Gross Domestic Product (GDP) - Elundini, Joe Gqabi, Eastern Cape and National Total, 2010-2020

	Elundini	Joe Gqabi	Eastern Cape	National Total
2011	3.2%	4.7%	3.3%	3.2%
2012	2.2%	2.9%	2.0%	2.4%
2013	0.6%	1.3%	1.4%	2.5%
2014	2.2%	1.9%	0.7%	1.4%
2015	2.1%	1.8%	1.0%	1.3%
2016	0.2%	0.5%	0.8%	0.7%
2017	0.7%	1.3%	0.5%	1.2%
2018	0.6%	1.5%	1.1%	1.5%
2019	-0.2%	0.3%	0.1%	0.3%
2020	-6.8%	-6.1%	-6.5%	-6.3%
2021	3.0%	4.5%	5.8%	4.9%
Average Annual growth 2011-2021	*0.42%*	*0.96%*	*0.65%*	*0.95%*

Source: IHS Markit Regional eXplorer version 2142

With a GDP of R 2.48 billion in 2020 (up from R 1.41 billion in 2010), the Elundini Local Municipality contributed 20.20% to the Joe Gqabi District Municipality GDP of R 12.3 billion in 2020 increasing in the share of the Joe Gqabi from 21.52% in 2010. The Elundini Local Municipality contributes 0.66% to the GDP of Eastern Cape Province and 0.05% the GDP of South Africa which had a total GDP of R 4.97 trillion in 2020 (as measured in nominal or current prices). It's contribution to the national economy stayed similar in importance from 2010 when it contributed 0.05% to South Africa, but it is lower than the peak of 0.05% in 2015.

Table 14: Gross Domestic Product (GDP) - Elundini, Joe Gqabi, Eastern Cape and National Total, 2011-2021

Year	Elundini	Joe Gqabi	Eastern Cape	National Total
2010	0.3%	2.7%	2.4%	3.0%
2011	4.0%	5.1%	3.7%	3.3%
2012	2.6%	2.9%	2.0%	2.2%
2013	0.9%	2.1%	1.4%	2.5%
2014	2.1%	2.3%	1.3%	1.8%
2015	1.0%	1.1%	0.8%	1.2%
2016	-0.3%	-0.1%	0.7%	0.4%
2017	0.5%	0.9%	0.6%	1.4%
2018	-0.6%	0.3%	0.6%	0.8%
2019	-0.6%	-0.1%	0.0%	0.2%
2020	-6.3%	-6.3%	-6.7%	-7.0%
Average Annual growth 2010-2020	*0.29%*	*0.79%*	*0.41%*	*0.64%*

Source: IHS Markit Regional eXplorer version 2142

In 2021, the Elundini Local Municipality achieved an annual growth rate of 2.96% which is a significant lower GDP growth than the Eastern Cape Province's 5.79%, but is lower than that of South Africa, where the 2021 GDP growth rate was 4.91%. Contrary to the short-term growth rate of 2021, the longer-term average growth rate for Elundini (0.42%) is slightly lower than that of South Africa (0.95%). The economic growth in Elundini peaked in 2011 at 3.16%.

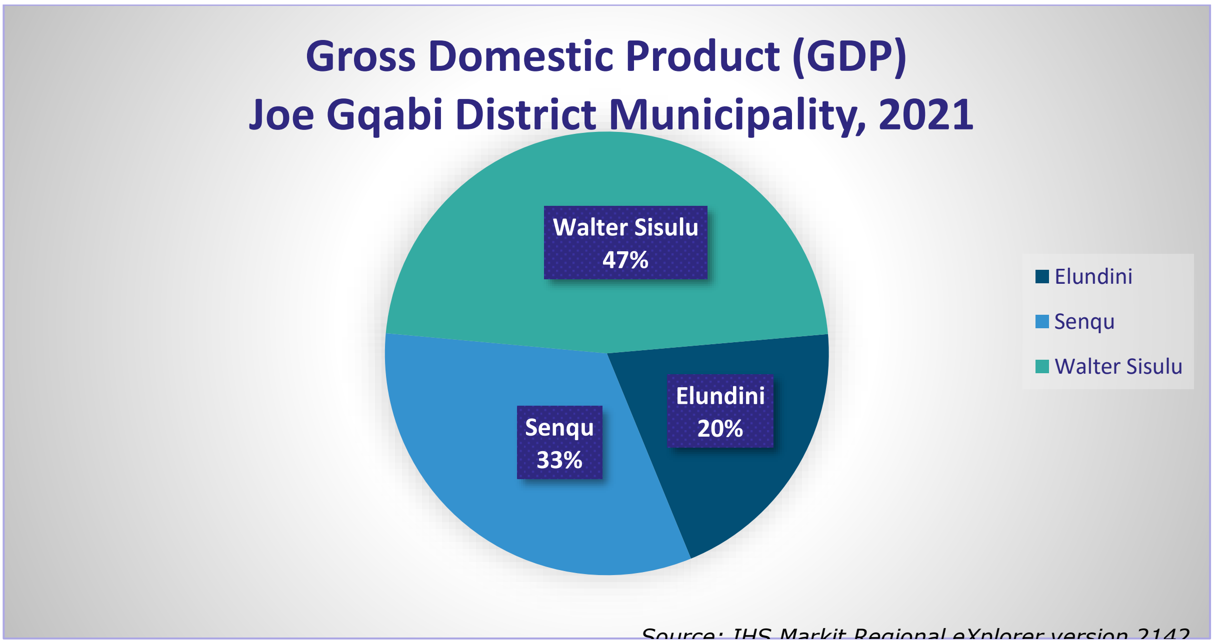


Figure 9: JGM GDP

The Elundini Local Municipality had a total GDP of R 2.97 billion and in terms of total contribution towards Joe Gqabi District Municipality the Elundini Local Municipality ranked lowest relative to all the regional economies to total Joe Gqabi District Municipality GDP. This ranking in terms of size compared to other regions of Elundini remained the same since 2011. In terms of its share, it was in 2021 (19.6%) slightly smaller compared to what it was in 2011 (20.5%). For the period 2011 to 2021, the average annual growth rate of 0.4% of Elundini was the lowest relative to its peers in terms of growth in constant 2010 prices. The Elundini Local Municipality contributes 0.63% to the GDP of Eastern Cape Province and 0.05% the GDP of South Africa which had a total GDP of R 6.23 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 0.05% to South Africa, but it is lower than the peak of 0.05% in 2015.

2.4.2. Gross Value Added

The Elundini Local Municipality's economy is made up of various industries. The GVA-R variable provides a sector breakdown, where each sector is measured in terms of its *value added* produced in the local economy. In 2021, the community services sector is the largest within Elundini Local Municipality accounting for R 1.4 billion or 52.1% of the total GVA in the local municipality's economy. The sector that contributes the second most to the GVA of the Elundini Local Municipality is the trade sector at 24.4%, followed by the finance sector with 8.2%. The sector that contributes the least to the economy of Elundini Local Municipality is the mining sector with a contribution of R 6.27 million or 0.23% of the total GVA.

Gross Value Added (GVA) by broad economic sector - Elundini Local Municipality, 2021 [percentage composition]

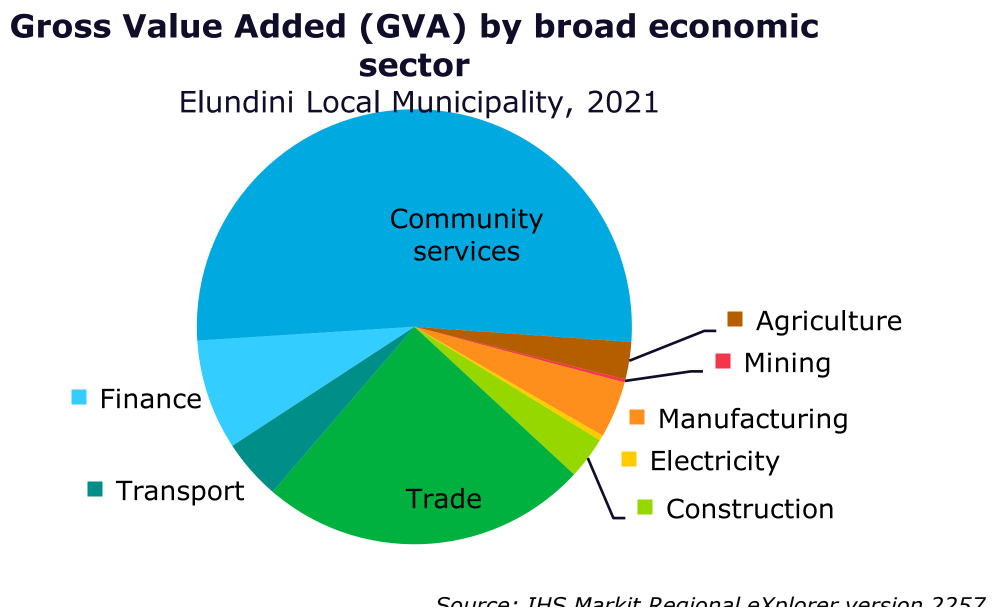


Figure 10: GVA

The community sector, which includes the government services, is generally a large contributor towards GVA. When looking at all the regions within the Joe Gqabi District Municipality, it is clear that the Senqu contributes the most community services towards its own GVA, with 38.69%, relative to the other regions within Joe Gqabi District Municipality. The Senqu contributed R 4.59 billion or 33.32% to the GVA of Joe Gqabi District Municipality. The region within Joe Gqabi District Municipality that contributes the most to the GVA of the Joe Gqabi District Municipality was the Walter Sisulu with a total of R 6.49 billion or 47.17%.

In 2021, the community services sector is the largest within Elundini Local Municipality accounting for R 1.4 billion or 52.1% of the total GVA in the local municipality's economy. The sector that contributes the second most to the GVA of the Elundini Local Municipality is the trade sector at 24.4%, followed by the finance sector with 8.2%. The sector that contributes the least to the economy of Elundini Local Municipality is the mining sector with a contribution of R 6.27 million or 0.23% of the total GVA.

Table 15: Gross Value Added (GVA) by broad economic sector - Elundini Local Municipality, 2021[R billions, current prices]

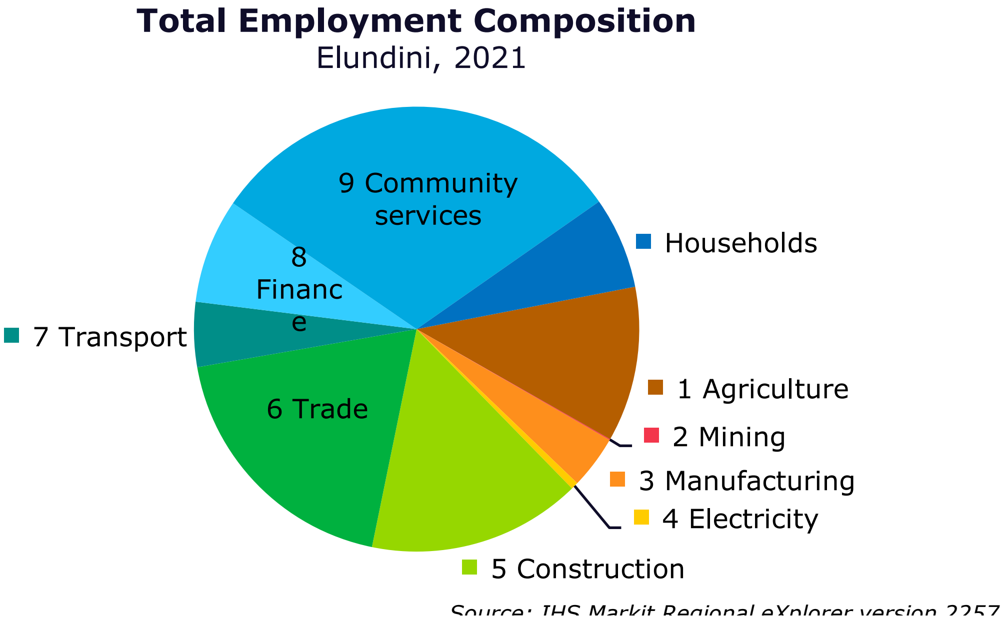
Sector	Elundini	Joe Gqabi	Eastern Cape	National Total	Elundini as % of district municipality	Elundini as % of province	Elundini as % of national
Agriculture	0.1	0.7	8.2	152.8	*10.9%*	*0.91%*	*0.05%*
Mining	0.0	0.0	0.7	474.9	*31.7%*	*0.91%*	*0.00%*
Manufacturing	0.1	1.1	55.1	729.8	*10.2%*	*0.21%*	*0.02%*
Electricity	0.0	0.2	9.2	171.7	*6.7%*	*0.12%*	*0.01%*
Construction	0.1	0.4	11.0	141.0	*22.9%*	*0.77%*	*0.06%*
Trade	0.7	2.4	75.8	751.3	*26.8%*	*0.87%*	*0.09%*
Transport	0.1	0.8	27.3	397.8	*16.0%*	*0.44%*	*0.03%*
Finance	0.2	2.1	93.4	1,320.5	*10.6%*	*0.24%*	*0.02%*
Community services	1.4	6.2	141.9	1,432.9	*22.7%*	*0.99%*	*0.10%*
Total Industries	2.7	13.8	422.6	5,572.6	*19.5%*	*0.64%*	*0.05%*

2.4.3. Employment per broad economic sector

Elundini Local Municipality employs a total number of 19 100 people within its local municipality. The local municipality that employs the highest number of people relative to the other regions within Joe Gqabi District Municipality is Walter Sisulu local municipality with a total number of 24 200. Elundini Local Municipality also employed the lowest number of people within Joe Gqabi District Municipality.

In Elundini Local Municipality the economic sectors that recorded the largest number of employments in 2021 were the community services sector with a total of 5 870 employed people or 30.7% of total employment in the local municipality. The trade sector with a total of 3 640 (19.0%) employs the second highest number of people relative to the rest of the sectors. The mining sector with 13 (0.1%) is the sector that employs the least number of people in Elundini Local Municipality, followed by the electricity sector with 101 (0.5%) people employed.

Figure 11 : Total Employment



2.4.3.1. Household Income by Income Catergory

The number of households is grouped according to predefined income categories or brackets, where income is calculated as the sum of all household gross disposable income: payments in kind, gifts, homemade goods sold, old age pensions, income from informal sector activities, subsistence income, etc.). Note that income tax is included in the income distribution. Income categories start at R0 - R2,400 per annum and go up to R2,400,000+ per annum. A household is either a group of people who live together and provide themselves jointly with food and/or other essentials for living, or it is a single person living on his/her own. These income brackets do not take into account inflation creep: over time, movement of households "up" the brackets is natural, even if they are not earning any more in real terms.

Table 16: Households by income category - Elundini, Joe Gqabi, Eastern Cape and National Total, 2020 [NUMBER PERCENTAGE]

	Elundini	Joe Gqabi	Eastern Cape	National Total	Elundini as % of district municipality	Elundini as % of province	Elundini as % of national
0-2400	5	11	167	1,760	*43.9%*	*2.9%*	*0.28%*
2400-6000	99	226	3,620	34,900	*43.8%*	*2.7%*	*0.28%*
6000-12000	1,110	2,490	38,800	340,000	*44.7%*	*2.9%*	*0.33%*
12000-18000	2,250	5,070	79,600	663,000	*44.4%*	*2.8%*	*0.34%*
18000-30000	6,900	15,700	240,000	1,840,000	*43.9%*	*2.9%*	*0.37%*
30000-42000	7,240	17,100	254,000	1,860,000	*42.3%*	*2.8%*	*0.39%*
42000-54000	5,350	13,200	208,000	1,620,000	*40.5%*	*2.6%*	*0.33%*
54000-72000	5,000	12,900	212,000	1,750,000	*38.7%*	*2.4%*	*0.29%*
72000-96000	4,080	11,000	184,000	1,590,000	*37.1%*	*2.2%*	*0.26%*
96000-132000	3,280	9,180	160,000	1,480,000	*35.7%*	*2.0%*	*0.22%*

132000-192000	2,540	7,640	142,000	1,430,000	*33.2%*	*1.8%*	*0.18%*
192000-360000	2,330	7,750	165,000	1,840,000	*30.0%*	*1.4%*	*0.13%*
360000-600000	920	3,630	91,900	1,170,000	*25.3%*	*1.0%*	*0.08%*
600000-1200000	532	2,450	70,800	974,000	*21.7%*	*0.8%*	*0.05%*
1200000-2400000	135	730	22,900	310,000	*18.5%*	*0.6%*	*0.04%*
2400000+	15	96	3,290	44,900	*15.8%*	*0.5%*	*0.03%*
Total	41,800	109,000	1,880,000	17,000,000	*38.3%*	*2.2%*	*0.25%*

Source: IHS Markit Regional eXplorer version 2142

It was estimated that in 2020 24.81% of all the households in the Elundini Local Municipality, were living on R30,000 or less per annum. In comparison with 2010's 45.49%, the number is close to half. The 30000-42000 income category has the highest number of households with a total number of 7 240, followed by the 18000-30000 income category with 6 900 households. Only 4.9 households fall within the 0-2400 income category.

CHART 1. HOUSEHOLDS BY INCOME BRACKET - ELUNDINI LOCAL MUNICIPALITY, 2010-2020 [PERCENTAGE]

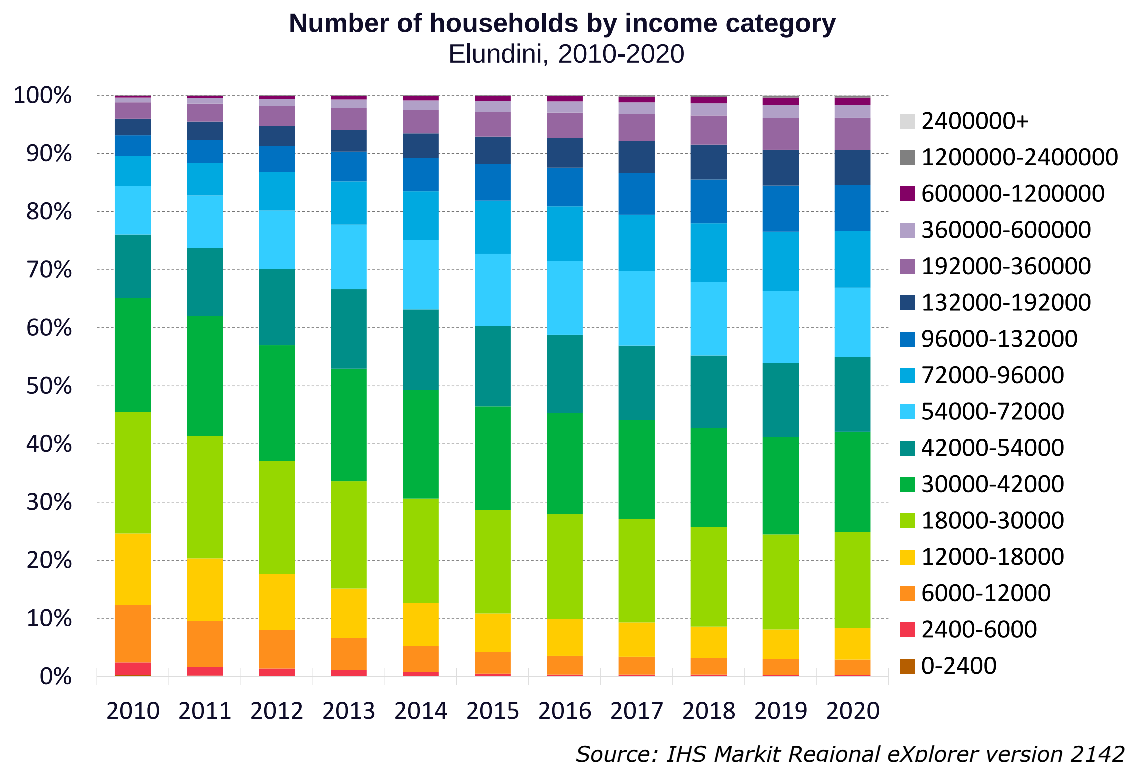


Figure 12: Household income

For the period 2010 to 2020 the number of households earning more than R30,000 per annum has increased from 54.51% to 75.19%. It can be seen that the number of households with income equal to or lower than R6,000 per year has decreased by a significant amount.

2.5. SOCIAL INDICATORS

2.5.1. Education

The Department of Education has 164 schools in Nqanqarhu, 36 Senior primary schools, 76 Junior secondary school, 51 Senior Seconday Schools and 1 FET.

Matric Performance 2022

Table 17: The table below reflects the Elundini matric performance during 2022 exams period

EICIRCUIT	INSTITUTION	WROTE	NO ACHIEVED	PASS%
Ukhahlamba	BETHANIA SENIOR	115	115	100
Maclear	MACLEAR HIGH SCHOOL	14	14	100
Ugie	UGIE HIGH SCHOOL	46	45	97,8
Ugie	DINIZULU SENIOR	41	39	95,1
Ngxaza	JAMANGILE SENIOR	93	88	94,6
Solomzi	TSITSANA COMP S S SCHOOL	32	30	93,8
Maclear	UMTHAWELANGA S S SCHOOL	133	124	93,2
Ugie	SAMUEL NOMBEWU SENIOR	54	50	92,6
HD Ndzeleni	FRANK ZIBI AGRICULTURAL	55	50	90,9
Lahlangubo	KUYASA SENIOR SECONDARY	41	35	85,4
Solomzi	THAKABANNA SENIOR	103	88	85,4
Lahlangubo	LUZIE DRIFT SENIOR	132	108	81,8
Ugie	SIBABALE SENIOR	74	59	79,7
Farview	EDWARD ZIBI SENIOR	182	140	76,9
Ngxaza	THOMAS NTABA SENIOR	82	63	76,8
HD Ndzeleni	LEHANA SENIOR SECONDARY	268	196	73,1
Ukhahlamba	KHANYA SENIOR SECONDARY	335	216	64,5
Farview	SIDINANE SENIOR	253	140	55,3
Solomzi	MHLONTLO SENIOR	45	21	46,7
Farview	KHORONG SENIOR	172	77	44,8

The following are the challenges within the area that affect the learning which require all affected stakeholders to work together to improve the learning conditions.

Infrastructure challenges

a. Inaccessable roads and unavaibility of bridges.

During the rainy days the learners do not attend school due to bad road conditions which limit the mode of transport to use such roads. This also affects the educators as well, in all the learning is compromised or there is no learning at all during rainy days. The following schools are not easily accessible due to bad roads and lack of bridges. Samuel Nombewu, Jamangile, Thomas Ntaba and all feeder school in the surrounding area. Khorong SS, Edward Zibi SS, Frank Zibi SS, Khanya SS, Bethania SS, Kuyasa SS, Mhlontlo SS, Tsitsana Comp SS.

b. Schools with no bridges

Samuel Nombewu, Thomas Ntaba, Dinizulu Khorong SS, Edward Zibi SS, Frank Zibi SS, Khanya SS, Bethania SS, Kuyasa SS, Mhlontlo SS, Tsitsana Comp SS.

c. Internet Connectivity challenges

The following schools have no internet connectivity at all:

- Samuel Nombewu, Jamangile, Thomas Ntaba. Thakabanna SS, Mhlontlo SS, Kuyasa SS, Solomzi JSS. This affects all primary schools around these secondary schools
- `These schools experience very weak internet connectivity. Sibabale, Ugie High, Bethania SS, Khorong SS, Tsitsana Comp SS, Luzie Drift SS. All primary schools around these secondary schools are directly affected

d. Scholar Transport Challenges

The following schools are in dire need of scholar transport:

- Tsitsana Comp SS and its feeder schools (Henry Valtyn PS, Upper Tsitsana JSS, Mdeni PS)
- Kuyasa SS and its feeder schools (schools within Nxaxa area)
- Mhlontlo SS and its feeder schools (Solomzi JSS)
- Rationalising & Realigning schools: Tinana Mega School, Etyeni JSS, Upper Tsitsana JSS, Edward Zibi SS, Thakabanna SS, Mhlontlo SS,
- Samuel Nombewu- feeder schools= Mbidlana, Msobomvu, Enkalweni PS.
- Thomas Ntaba and its feeder schools (Mbonsweni, Mcwangele)
- Jamangile and its feeder schools (Mqokolweni, upper esinxaku)

e. Rationalising & Realigning schools

Inxu, Zandise, Elunyaweni, Wheatlands, Khohlopong, Mbonisweni, Mcwangele, Mqokolweni, Sinxaku.

f. Play Grounds and sports facilities

There is a dire need for prepared sports grounds and facilities for schools such as Jamangile-Ngcele, Umthawelanga-Chebenca, Dinizulu –Ncembu.

2.5.2. Health

Elundin Health sub district is comprised of Mt. Fletcher, Nqanqarhu, Ugie and parts of (Tsolo and Qumbu) and is serving a population: 138 141 (Census) and 128001 (DHIS). The ELM has only two (2) hospitals and twenty-one (21) clinics and four (5) mobile clinics in its area of jurisdiction. Areas that are normally serviced by the mobile clinics are usually those that are hard to reach areas due to either population size and mostly due to poor access roads.Both hospitals has functional Hospital boards and 18 out of 19 Clinic committees are functional. The Emergency Medical Services are also found in Nqanqarhu, Ugie and Mt Fletcher. The two tables below depict the number of health facilities found in Elundini:

Table 18: PHC Facilities per Sub-District

Sub-Districts	Mobiles	Satellites	Clinics
Elundini Sub District	4	0	21
Maletswai Sub District	5	2	11
Senqu Sub District	8	2	20
District total	17	4	52

ELM Health Care Facilities

Table 18: The following is the list of health care facilities and their locations

Ward	Clinic	Ward	Clinic
1	Ncembu and Umnga Flats	11	
2	Empilisweni and Ugie Town	12	Mangoloaneng
3	Sonwabile and Nqanqarhu Town	13	Seqhobong
4	Tsitsana and Ulundi	14	Bethania
5	St. Augustine and Ngxaza	15	
6	Mqokolweni and Queen Noti	16	Hlankomo
7	Katkop, Hlangalane and Khungisizwe	17	Gqaqhala
8			
9	Taylor Bequest PHC		
10			

Poor acces roads make it difficult for Mobile clinics to get to their treatment points. There are on-going District Health Council (DHC) meetings which are held monthly in order to discuss plans to roll out primary health care facilities for better and equitable access. Possible extensions to the Ugie Clinic with a view to transforming it to a 24-hour facility/health center are as reportedly being considered by the provincial Government. Park homes are to be erected in Ugie Town as a temporary measure to accommodate space needed in clinic.

The plan overleaf indicates the spatial location of community facilities in the form of clinics, hospitals, police stations and schools in the Elundini Municipality. Challenges that characterize the functioning of some health facilities in Elundini include, but not limited to, the following:

- Shortage of staff especially Operation Managers (to take leadership in clinics) and Post Basic Pharmacists (Only 10 out of 21 clinics has Post Basic Pharmacists)
- Lack of running water;
- Poor connectivity
- Poor access roads;
- Lack of electricity – Load shedding, clinics have no backup

Conditions of health care facilities

a. Maclear Hospital

- Maclear Hospital has 48 Gazzeted beds
- Infrastructural this institution is not conducive for the clients as Casuality and OPD are too small.
- Security is so compromised in terms of fencing
- Wards were reduced to accommodate COVID 19 clients

b. Taylor Bequest Hospital

- TBH has Gazzeted 141 beds but usable 146 beds
- This is an old hospital and infrastructural is not in a good condition.
- No staff accommodation as they use caravans to accommodate themselves and some doctors are using private accommodation in Tlokoeng and others in Matatiele.
- Road in the hospital is damaged and that cause difficulties even in ambulances and wheel chairs to be driven properly.

c. Clinics

- aaUmnga Flats
- Ugie Town
- Mqokolweni

- Mangoloaneng
- Maclear Town
- Taylor Bequest PHC
- Queen Noti

The above mentioned facilities are too small to a accommodate their population as during busy day other clients wait outside regardless of the weather conditions.

d. Most prevalent diseases in the Sub-District

- Diabetes
- Hypertension
- Teenage pregnancy is also a problem although it is not a medical condition

e. Challenges in rendering Health Services

- Due to COVID 19 pandemic the small facilities cannot accommodate all the clients as social distance needs to be practiced.
- Some wards in the area does not have health facilities and they depend on Mobile Services of they don't meet turnaround time due to the vastness of the Sub-District and the conditions of roads but this matter usually communicated with Traditional Leaders & Ward Councilors.
- Taylor Bequest Hospital is the only accredited Hospital in the Sub-District for 72 hours' observation of Mental Health Care clients but there is not space to accommodate them.
- There is no space to accommodate transfer whom have to be transported to Nelson Mandela Academic in Mthatha but they normally sleep over in OPD in chairs depending on the condition and the age of a patient.
- Maclear Hospital is not accredited for 72 hour observation for Mental Health Care patients.
- Taylor Bequest PHC, Ugie Town Clinic and Nqanqarhu Town Clinic structural does not cope to the client's load as they have to wait outside as the waiting areas are not accommodative.
- Ulundi Clinic does not have electricity and that pose challenge as other equipment cannot be used.
- Shortage of staff for Outreach services.

2.5.3. HIV and TB

ELM established partnerships with Home Community Based Care Centres (HCBCs) as the main strategy to fight the scourge of HIV and AIDS within ELM. Through this partnership ELM currently supports 16 HCBCs financially and the partnership is renewed annually. The following are the deliverables for HCBCs:

- Education and awareness through door to doors, mobilization of communities to big venues and reaching out to areas where people had gathered themselves.
- Provision of care and support for orphans and vulnerable children
- Make referrals to relevant institutions like clinics, hospitals and government departments
- Create support system for people infected and affected

a. Municipal Mandate on HIV/AIDS

The mandate of the municipalities to play an active and proactive role in HIV& AIDS prevention and mitigation is contained within the developmental agenda for local government established by Constitution of South Africa, Act No. 108 of 1996. The Municipal System Act (Act No 32 of 2000) establishes a clear framework for the core processes of planning, performance management, resource mobilization and organizational change within municipalities. The multi-dimensional nature of HIV& AIDS calls for an integrated and partnership-driven response. This positions the IDP as the primary vehicle for developing and implementing local-level responses to HIV and AIDS.

b. Elundini municipal response to HIV&AIDS

In accordance with the above-mentioned mandate, the municipality has done the following:

- Appointed an HIV and AIDs Coordinator, which is a permanent position incorporated in the Special Programs Unit in the Municipal Managers office. There is an active Local Aid Council chaired by the Mayor. This is a platform for all relevant sector departments, civil society organisations, NGOs, FBOs and CBOs meet. This platform is created to ensure a multisectoral response to HIV and AIDs. The Local Aids council meets quarterly and is functional

- The municipality does not have an HIV/AIDS Strategy, as resovled by the the Provincial Aids Council, Local Aids council each year develops an implementation plan that is aligned to the SANAC Strategy

- During 2023/24 financial year, the municipality budgeted an amount of R1070 000 to ensure the coordinated response to HIV in Elundini through the Local Aids Council. The municipality supports 17 HCBC's with an amount of R13-000 each quarterly as stipend and in return the HCBC must provide quarterly reports of the services rendered as stipulated in the partnership agreement.

The HCBCs are expected to deliver the following services:

- Conduct one big education & awareness event

- Educate communities about the availability and accessibility of services for both infected and affected people.
- Conduct door to door awareness visits once a week.
- HIV and AIDS awareness campaigns targeting youth, women, PWD, taverns & children.
- Provide relevant information for people who need help.
- Display brochures and other relevant information.
- Identify public gatherings & disseminate information in funerals, meetings, tournaments, etc.
- Develop database for Orphaned and Vulnerable Children
- Identify and develop a database for relevant institutions in your ward for referrals.
- Register Referrals on the form and keep the records
- Provide home based care services to the sick and bedridden individuals
- Provide treatment and support
- Ensure functioning of support groups in communities
- Meet with support groups at least once a week
- Develop a list of Vulnerable Individuals that need social relief program

Joe Gqabi is currently at 91-73-73 in terms of performance against 90-90-90 across its total population. The District is ranked 3rd out of the 8 districts in the province against 90-90-90. Results for each of the sub-populations vary, with adult females at 93-78-76, adult males at 89-67-68, and children at 77-52-52. For adult males and females, focus must be placed not only on initiation onto ART, but also on ensuring that clients are retained in care. There is a growing number of adults who have been previously diagnosed, but are not on ART.

This includes those who had started ART and defaulted, as well as those who were never initiated. The results do show, that for women who remain on ART, suppression rates are higher. There are gaps across the cascade for children under 15 years. Case finding, ART initiation and retention have all underperformed and should be addressed through focused interventions. To achieve 90-90-90 targets, the district must increase the number of adult men on ART by 2019, the number of adult women on ART by 2131, and the number of children on ART, by 969, by December 2020.

c. Safety and Security

The fight against crime remains a challenge in the municipality and this is exacerbated by a very few numbers of police stations found in our area. Even those that are available, accessing them still remain a challenge because of poor road infrastructure and poor telecommunication. There is a Community Safety Forum chaired by Political Head responsible for Community Safety which sits quarterly. During the year under review Department of Community Safety will introduce a Court Watching Brief programme at Nqanqarhu Magistrate Court for the first time in the Joe Gqabi District. The purpose of this programme is to assess the withdrawn cases to determine if it was due to SAPS inefficiency and ineffectiveness. The focus area would be the Gender Based Violence and Femicide cases. Safety Month has been moved to November with effect from 2020. Currently ELM does not have an Intergrated Safety Plan, however in response to the Integrated Safety Plan the municipality works with SAPS and other sector departments to perform following operations: -

- Traffic department conduct Roadblocks with Saps and provincial traffic department
- Home affairs conduct foreign screening with Police officials.
- Social development works with police on cases of elderly visits and whenever a minor is raped or sexual assaulted.
- Safety and Liaison conduct crime prevention awareness Campaigns with Police.

In addition, the municipality installed and maintains high mast lights and street lights in the three town of the municipality as other means of safety plans. The integrated safety plan will be developed in 2022/23 financial year. There are only eight (8) police stations in Elundini as indicated by the table below:

Table 19: Ward with police stations

Police Station/Community Service Centre	Area
Ugie	Ward 2
Nqanqarhu	Ward 3
Elands' Height	Ward 4
Katkop	Ward 7
Mbizeni	Ward 8
Tlokoeng	Ward 9
Tabase	Ward 13
Zamuxolo	Ward 14

Crime statistics in Elundini

As reported by Department of Community Safety, out of the eight (8) police stations, four (4) stations experience highest crime statistics as shown in the table below.

Table 20: Crime Statistics

Crime category	Area of Occurance	General Comments
Contact Crimes *(Robbery; Murder; Rape; Assault GBH & Common Assualt)*	Tlokoeng	Decreased by 46.42%
	Nqanqarhu	Decreased by 23.80%
	Ugie	Decreased by 54.28%
	Katkop	Decreased by 24%
Property Crimes *(Stock theft; House Robbery; Malicious Damage to property; Buglary at business and residential properties;*	Tlokoeng	Increased by 12,76%
	Nqanqarhu	Increased by 7.84%
	Ugie	Increased by 24%
	Katkop	Decreased by 9.25%
Other serious crimes *(Theft General; Fraud)*	Tlokoeng	Decreased by 53.84%
	Nqanqarhu	Increased by 100%
	Ugie	Decreased by 42%
	Katkop	Increased by 100%

2.6. Basic Service and Infrastructure Development

2.6.1. Road infrastructure

The Elundini Road Network is made up of the following roads of which the ELM is responsible for 492 km of municipal unpaved roads and 42 km of municipal paved roads as depicted by the table below. As can be seen from Zthe table below, the municipality has 91,5% unpaved roads and only 8,5% of paved roads. Provincial Roads are proclaimed roads (51% of road network) which consist of MR (Main Roads), DR (District) roads and MM (Minor) roads. No funding has been provided for the maintenance of Minor Roads. The National Roads (8% of road network), R56 and R396 are maintained by SANRAL. Private Roads (8% of road network) are mainly farm roads.

Table 21: Types of Roads

Road Type	Category	Length (km)	Backlog (as at June 2023)	Percentage
Tar	Surfaced	42	176.37km	8,5%
Gravel		450		91,5%
Total		492	176.37 km	100%

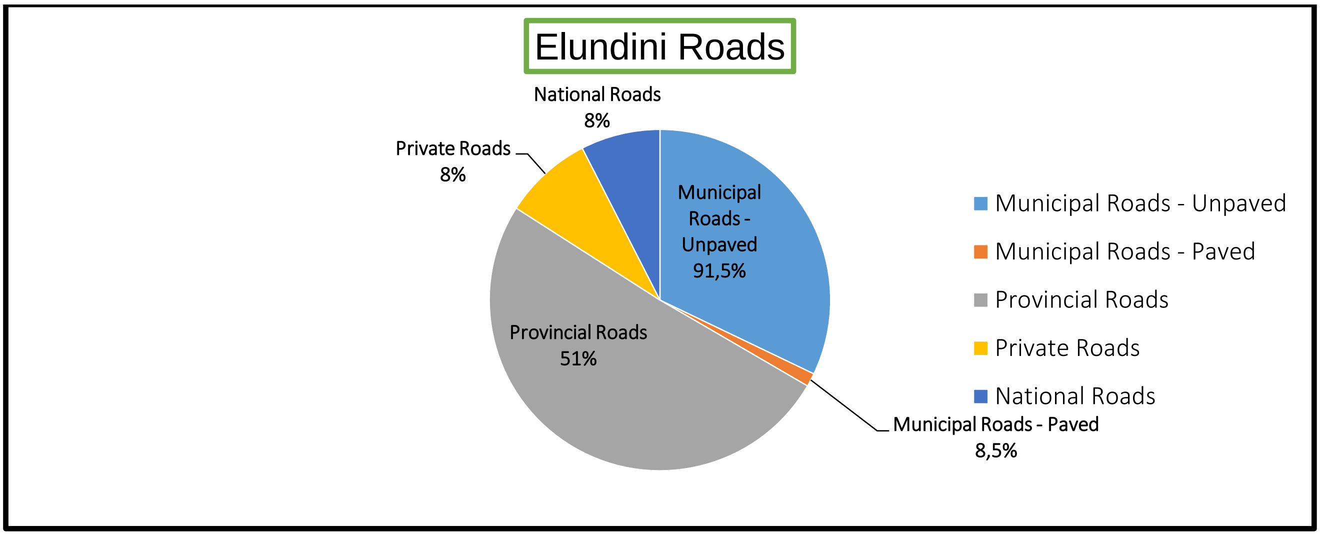


Figure 13: Elundini Roads

ELM had a service level agreement with the Department of Roads and Public Works for the maintenance of roads in the northern area of Elundini, whereby both municipal and district roads are maintained. The implementation of the SLA between the municipality and the DRPW saw the functioning of the Roads Forum with its meetings sitting quarterly chaired by the Political Head for IP&D and the secretariat from the DRPW. The Roads Section used the EASyRAMS system for the process of establishing a Gravel Road Maintenance Plan. The municipality had Service Level Agreement (SLA) with Department of Transport, however, the SLA was discontinued in 2020/21 financial year. There has not been any commitment made to further continue with road assessment required by the Roads Assest Management System.

2.6.2. Municipal Paved Roads

The table below depicts the number of Elundini's paved roads:

Table 22: Number of paved roads

Type of Road	Number of Kilometres
Tar	42 km
Block pave	4,145 km
Concrete	2,153 km
Total	48,298 km

Many of the black top (tar) municipal paved roads are beyond the period of their useful life span resulting in many which need to be reconstructed. The inclement weather conditions and volume of heavy-duty traffic has increased considerably damaging roads that were never designed to carry such heavy loads on a regular basis. The municipality is currently in the process of resurfacing priority roads. To date roads that have been constructed or are in the process of being constructed are: -

- Some identified roads and streets in the town of Tlokoeng, including the road to Hillgate has being upgraded and surfaced utilizing the grant funding provided by the Office of the Premier, under the Small-Town Revitalization Program. The Elundini Local Municipality is continuing with developing the infrastructure of Tlokoeng CBD, Ugie (Ugie Park) and Nqanqarhu (Greenfields township). A budget of R 150 million for the next three financial years (2023/24, 2024/25, 2025/26) has been allocated through Municipal Infrastructure Grant (MIG).
- Some of the streets in the township of Ugie Park/Takalani was previously constructed by the Provincial Department of Roads and Public Works. This project was left incomplete and the municipality has registered the project for construction for 2022/23 Financial year to 2024/25 Financial year.
- The municipality has prioritised Nqanqathu streets phase 2, upgrade of Tlokoeng urban roads, upgrade of greenfields. Tlokoeng urban roads and greenfields are currently on design stage and these projects will be done over three years.

2.6.3. Municipal Unpaved Roads

The table below depicts the number of Elundini's unpaved roads:

Table 23: Municipal unpaved roads

Type of Road	Number of Kilometres
Gravel roads	450 km
TOTAL	450 km

A last assessment for roads was carried out at the end of 2017 by Engineering Advice Services and a new assessment is critical to ensure the continuation of the Roads Asset Management System. It can also be noted from the above diagram how important a maintenance plan is in order to ensure that our road infrastructure does not deteriorate any further. In the development of a maintenance plan, the above roads are taken into consideration and presented for prioritization. However as reflected above the DOT has appointed the service provider to conduct the road assessment in the Eastern Cape. A new report on the condition of roads will be tabled after the assessment has been conducted.

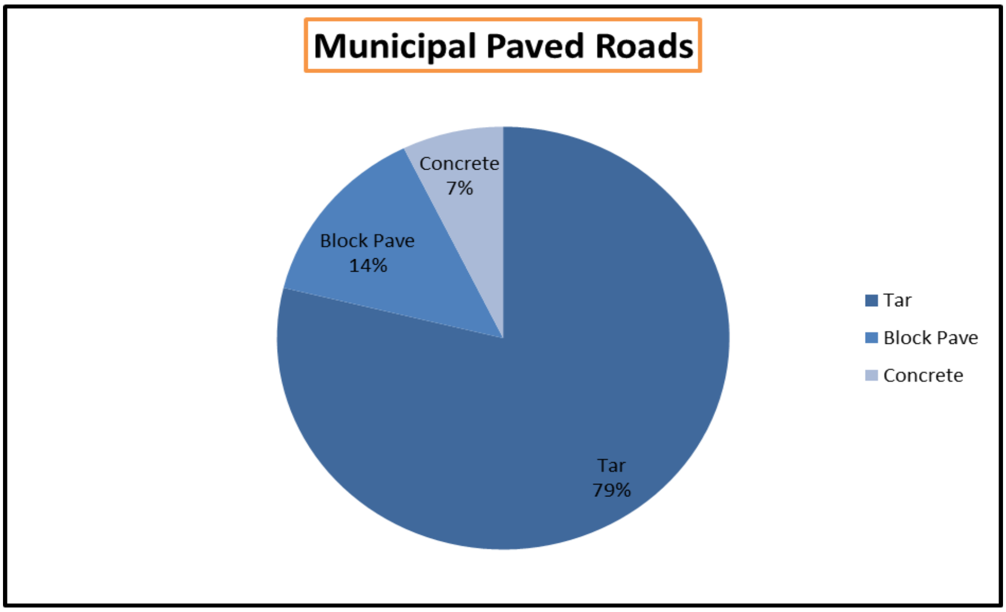


Figure 14: Municipal unpaved roads

From the chart above it can be seen that 5% of unpaved roads are earth roads and 25% of unpaved roads are tracks. No maintenance can be done on these roads and any rain would simply cause tracks to become muddy when bladed with a grader. The above chart does not take into consideration any new roads which require construction. This leaves the Roads Section with a total of 525km of gravel roads to maintain.

2.6.4. National Roads

These roads are used by heavy freight vehicles and the timber haulage vehicles which have a significant impact in the deterioration of the road pavement design. In the past there were inadequate funds to accommodate road rehabilitation of National Roads but National Roads are now maintained by SANRAL and there has been significant maintenance to the R56 which traverses from the South to North through Elundini Municipality, connecting Ugie, Nqanqarhu and Tlokoeng. It is assumed that future maintenance will be implemented by SANRAL to the R396 which connects Nqanqarhu to Tsolo.

2.6.5. Provincial Roads

Provincial Roads are proclaimed roads (51% of road network) which consist of MR (Main Roads, the MR00723 which connects Nqanqarhu to Rhodes), DR (District) roads and MM (Minor) roads. Most of provincial gravel roads have deteriorated significantly, due to recent rains, to the level where they would desperately need gravelling rather than occasional patchwork. This has resulted in most of the top surface of roads being eroded to the road bed. Poor drainage leads to roads being impassable in wet weather. No funding is being provided for the maintenance of Minor Roads of which some are in an extremely poor condition. Many of these roads lead to farms and lodges which limits transportation of produce to the market and the travel of tourists into the area. The DoT is responsible for the maintenance of Provincial Roads and in the past implemented maintenance through the appointment of a service providers. Duration of the SLA was from the 30th May 2017 and the completion date was the 29th May 2020. The municipality requested the renewal of the contract but the municipality has been informed that there is no funding available for the 2020/21 financial year. At this point in time it is not clear as to how the DoT will maintain provincial roads in the Elundini area of jurisdiction.

Completed Projects 2021/2022

3. Project		Ward	KM Planned	Km Achieved	Budget	Status
	Elundini Local Municipality					
Nqanqarhu Streets		3	1,85km	1,85km	R26m	complete
Nkululekweni		15		4,5		
Castle Rocks & Bridge		08	1,95km plus bridge	1,95km		Bridge still under construction
Sithana AR		5	4km	3,8 km		Complete

Table 29: Public Amenities

Project	Ward	h/h	Budget	Status
Phumolong ECDC	8		R6 861 746	Complete
Skote Phase 2 ECDC	10			Complete
Lower Tsitsana ECDC	4			Complete
Ugie Toilets	2			Complete
Sewer Package Plant	2			Complete

Table 30: Electricity

Project	Ward	h/h	Budget	Status
Koebong	13	290	R16 415	Complete
Nkobongo	13	172		Complete
Tabase	13	98		Complete
02 x High mast lights (Sithole & TV Park)	03	N/A	R2.7m	Complete
35 x Streetlights Nqanqarhu 2020/21	03	N/A		Complete
78 x Streetlightst Tlokoeng	09	N/A		Complete
1600 Smart meters			R12 758	Complete
8 Bulk feeder meter (4 Nqanqarhu & 4 Ugie)	2 & 3	N/A		Complete

2.6.2. Road mantainance

A number of 879, 94 km of gravel roads was maintained and reshaped in various wards of Elundini Local Municipality and 15 897.5 m^2 of surfaced road were. Also, a total of 26 681m of Stormwater drainange was maintained. A number of 717, 94 km of District roads were constructed by Department of Transport. The target for 2021/22 was 150km, currently, we are sitting at 174,9km. For 2022/23 we are targeting 150km, in 2023/24 we are targeting 200kms

a. Condition of Gravel Roads Assessed

Results from the road assessment in 2017 the municipality received a second set of roads assessment. It must be understood that another assessment is required to establish current road conditions. As the budget for assessment of our roads is with the district municipality, we are expecting our raods to be assessed either in this financial year or the next five years. Engineering Advice Services has been appointed by Department of Transport (DOT) to assess all roads in the Eastern Cape over the next five years

b. Documentation which Influences the Construction and Maintenance of Roads

There are a number of documents which set guidelines to both the PMU Section and the Roads Section when constructing or maintaining roads. They are: -

Local Integrated Transport Plan (LITP) , the local intergrated Transport Plan currently needs to be reviewed to include all stakeholders involved.

Minimum contents for a Local Municipality’s Integrated Transport Plan:

- The ELM Local Integrated Transport Plan (LITP) is prepared for every five years and submitted to the district municipality. The plan should be updated annually where appropriate;
- The plan has been prepared as an input to the District Integrated Transport Plan (DITP) and synchronised with the timing of the preparation of the DITP. The LITP must consist of the chapters as indicated below:
    - I. Introduction
    - II. Transport Status Quo (Inventory and condition of transport infrastructure)
    - III. Transport Needs Assessment
    - IV. Transport Improvement Proposals
    - V. Implementation budget and program
    - VI. The LITP is a working document in which changes are made and updated on an annual basis.
    - VII. The LITP is a comprehensive document and it identifies a number of projects that are required to be completed internally.
    - VIII. The LITP incorporates the Roads Master Plan which is linked to the municipality’s LED Strategy.

Storm Water Master Plan (SMP)

The master plan was developed in conjunction with Aurecon who was contracted to develop the municipal stormwater management plan. This is being utilised during the construction and upgrades of the roads network will continue in all future roads and stormwater projects.

The main aims of developing the SMP are, among others are:

i. Update the existing records of infrastructure assets
ii. Manage storm water assets
iii. Identify problems or problematic areas within the storm water systems
iv. Develop a rational basis from which to implement improvements
v. Develop storm water guidelines and standards for future work

Roads Asset Management Policy

The roads asset management policy was adopted by council of Elundini. The document strives to address the issues identified in ISO 55001 that need to be addressed in an Asset Management Policy namely:

i. are appropriate to the purpose of the organization
ii. provide a framework for setting asset management objectives
iii. include a commitment to satisfy applicable requirements
iv. Include a commitment to continual improvement of the asset management system.

The road infrastructure asset management policy shall:

i. be consistent with the organizational strategic plan(s)
ii. be consistent with other relevant organizational policies
iii. be appropriate to the nature and scale of the organization's assets and operations
iv. be available as documented information
v. be communicated within the organization
vi. be available to stakeholders, as appropriate
vii. be implemented and be periodically reviewed and updated.

The goal of our road infrastructure asset management policy is: *"To ensure that the Elundini Access Roads provide the best possible level of sustainable service to users and optimal economic growth of the ELUNDINI LOCAL MUNICIPALITY, subject to budget constraints."*

c. Road Maintenance Plan

The Elundini Local Municipality has recognised the need to develop a comprehensive Roads and Storm Water Maintenance Plan that provides a structure within the municipality to strategically budget for maintenance of its roads and storm water infrastructure. The purpose of the Maintenance Plan is to provide the Municipality with a broad overview of the Maintenance Strategy and how this is accommodated within the allocated budget. This plan is done on an annual basis taking into consideration available funds and infrastructure condition in critical areas. The following are the main items that are taken into consideration when developing the Maintenance Plan:

i. Assessing the road network in order to quantify the required road maintenance activities,

i. Developing a preliminary road maintenance strategy,
ii. Develop a priority list of work to be conducted which is acceptable to all stake holders to suite the available budget, and
iii. Social requirements of the community.

Activities of Road Maintenance are listed below: -

(i) Paved (Tar) Roads: -

a) Pot Hole Patching
b) The application of a slurry to the road to seal cracks
c) Maintenance of associated storm water

(ii) Gravel Roads (these roads have existing storm water infrastructure):

a) Dry Blading
b) Wet Blading
c) Special Blading
d) Patch Gravelling
e) Maintenance of associated storm water
f) Rehabilitation of the road by rip, reshape, compact and add a new gravel wearing course to the road

Any roads where there is no gravel on the road and requires the design of storm water infrastructure should be accepted as roads which require construction.

2.6.2.1. Funding for Road Maintenance

Road maintenance funding for rural access roads has always been a challenge but recently there have been new developments. Previously, the municipality has taken advantage of the SLA between the municipality and DOT to fund a majority of roads maintenance in the northern part of the municipality. With the SLA coming to an end, alternative means of funding to complement own revenue will have to be sourced.

There has been a change in the Division of Revenue Bill which states that:

- Local municipalities investing in roads infrastructure must utilise data from the Rural Roads Asset Management System (RRAMS), where available, to identify and prioritise their investment on roads projects; including roads maintenance

ELM therefore is required to develop the Roads Maintenance Plan in line with the Rural Roads Asset Management System (RRAMS) including the funds that will be allocated to the plan.

d. Status Quo in the Roads Section

ELM has a full functional Roads Construction Unit with a full set of Plant equipment to ensure quality services are rendered for the maintenance of roads in Elundini.

Table 24: Review Findings on assessment of the roads section

	Finding	Performance Area	Management Response Plan
1	Insufficient reserves built up for replenishing of the fleet	Financial performance	Majority of our plant is 13 years old, we are required to start replacing plant, we have planned to purchase Front end Loader and a new Excavator in 2023/24 financial year but additional plant will need to be replaced in future
3	The Servicing and Maintenance of the plant has not been managed properly	Plant Productivity	Schedule of maintenance of the plant has been developed and additional capacity for plant maintenance was

			sourced though hiring of two artisan aides for the in-house mechanic. This function was strengthened to implement some of the servicing in house to reduce expenditure with Bell Equipment who previously implemented all maintenance and repairs on Bell plant. We have advertised for a pool of service providers to maintain our plant.
4	Lack of standard operating procedures or guidelines in the operation of the plant	Plant Productivity	A set of Standard Operating Procedures has been formulated and the policy adopted by Council.
5	Deficiencies in preventative maintenance processes	Plant Productivity	In order to ensure preventative measures our mechanic and artisan aids check all plant on a fortnightly basis and reports are submitted to the Manager.
6	Duties and responsibilities on personnel involved in running the plant	Staffing	All operators are given a refresher course on the operating of plant every alternative year. The Foreman is to ensure that operators operate the plant according to the standard operating procedures.
8	Inefficient Records Management	Operations and Management	This was initially resolved through the appointment of a contract roads technician. Further to this, vacancies of the foreman were also filled. The municipality is developing a system to record all maintenance activities and expenditure on site through the use of tablets linked to our GIS system.
10	Lack of project management on previous projects implemented	Operations and Management	The technicians within the unit ensure proper project management for all the projects that utilises the plant

e. Service Level Agreement between ELM and Dept of Transport

The implementation of the SLA between the municipality and the DRPW saw the functioning of the Roads Forum with its meetings sitting quarterly chaired by the Political Head for IP&D and the secretariate from the DRPW. The Roads Section used the EASyRAMS system for the process of establishing a Gravel Road Maintenance Plan. With the discontinuation of the DRPW all district roads now fall under the DoT and which has made its position clear in the discontinuing of the SLA starting in the 2020/21 financial year. No commitment has been made in regard to further continue with road assessment required by the Roads Assest Management System.

2.6.2.2. Electrification

The municipality is distributing electricity to two of the three towns namely Ugie and Nqanqarhu in the south, with the whole of rural and Tlokoeng area to the north being supplied by Eskom. Access to electricity has progressively improved since the last financial years because there have been some areas around the municipality that have been electrified. This is an annual implementation of the Integrated National

Electrification Programme INEP funded by Department of Mineral Resources and Energy (DMRE). INEP implementing agencies are Eskom, municipality and non-grid service providers. ELM bills its urban consumers of electricity on a monthly basis, however, is having high electricity distribution losses and the strategy to reduce the electricity losses is the installation of smart meters. ELM is in progress of implementing the Electricity Master Plan for both Ugie and Nqanqarhu towns.

a. Household Access to Electricity

The statistics as per Community Survey 2016 for access to energy is as follows:

Table 25: Access to electricity

Source	JGDM	ELM
In-house conventional meter	21714	6165
In-house prepaid meter	283756	87741
Connected to other source which household pays for	2199	24
Connected to other source which household is not paying for	128	-
Generator	362	170
Solar home system	2832	2322
Battery	-	-
Other	4206	3659
No access to electricity	57715	44847

Source: Community Survey 2016

b. Household usage of candle

Table 26: Use of candle

	Yes	No	Unspecified
DC14: Joe Gqabi	197556	128730	46626
EC141: Elundini	94124	32907	17899

Source: Community Survey 2016

c. Electricity Distribution Licence

ELM was given license by NERSA to supply and distribute electricity to the towns of Ugie and Nqanqarhu. The municipality is also providing alternative energy, solar system, to Wards 4, 8, 11, 12, 13, 14, 15 and 16. The electrification of rural households is largely dependent on the electrification program by ESKOM. The municipality has also approved the implementation of the Solar Water Heating Systems (Solar Geysers) for low income households.

d. Electricity Backlogs

ELM is about to declare a universal access in terms of electrifation, the total number of households is 58 564, the total number of electrified households is 54 161 with a number of 4403 that are not yet electirified. The total backlog for electrification is at 8%, the backlog is caused by the infills as the most households have been electrified. The table below depicts the status quo of the electricity in the Elundini area per ward:

Table 27: Electricity backlog

WARD	Number of villages	Total households	Electrified	Not electrified (Infills)	% not electrified
1	12	2 823	2 635	188	7%
2	7	3 275	3 275	0	0%
3	12	2 381	2 220	161	7%
4	21	2 336	1 797	539	23%
5	15	2 712	2 348	364	13%
6	10	4 968	4 132	836	17%
7	24	3 378	3 100	278	8%
8	21	2 502	2499	3	0%
9	6	2 354	2 354	0	0%
10	15	3 962	3 162	800	20%
11	16	3 065	3 054	11	0%
12	12	4 430	4 420	10	0%
13	10	2 773	2746	27	11%
14	15	2 708	2700	8	0%
15	10	8 071	7520	551	7%
16	25	3 960	3800	160	4%
17	16	2 866	2 689	177	6%
TOTAL	247	58 564	54161	4403	8%

Eskom Electricity Backlog

Municiplaity	Eskom electrified	Historical Backlog	New Extensions (based on current and 10yr projection)	Total Backlog (based on current and 10yr projection)
Elundini LM	33634	756	7018	7774

e. Solar Water Heater Geysers

The municipality has also approved the implementation of the Solar Water Heating Systems (Solar Geysers) for low income households in the following areas:

Table 28: Installation of Solar Heating System

Township	No of Beneficiaries Submitted
Bhekela	343
Takalane & Robben Island	370
Mandela Park	273
Ntokozweni	460
Old Location Ugie	255
Ugie Park	1 212
Vincent Park	270
Nqanqarhu	19
Ugie	2
Greenfields	410
Ntokozweni (Ugie)	460
Landcamp (Ugie)	382
Clearview (Nqanqarhu)	29
Soccerfield (Ugie)	74
Sithole Park (Nqanqarhu)	151
Sonwabile (Nqanqarhu)	542
Ugie Town	2
Tlokoeng	284
JK Bokwe (Ugie)	72
TOTAL	5 610

2.6.2.3. Energy Efficiency and Demand Side Management

The municipality benefitted from the EEDSM Grant funded by the Department of Minerals and Energy from 2018/19 to 2021/22 and currently the municipality is not benefitting from the grant.

f. Enrolment of Small-Scale Embedded Generation (SSEG) Transition in Our Municipality

Due to increases in the price of electricity from the national grid and a steady decline in the price of decentralised generation options such as solar PV small-scale embedded generation (i.e. 'rooftop' type systems), decentralised generation sources such as SSEGs are becoming financially more attractive in South Africa. Increasingly such systems are being installed by businesses and residences. It is therefore important that approval procedures are established and standards are adhered to by municipal distributors to regularise this fast-changing situation. Considering these dynamics, municipalities are compelled to re-define their role in the electricity value chain and adapt their funding and operating models. The South African – German Energy

Programme (SAGEN) in cooperation with the Department of Energy (DOE) and the South African Local Government Association (SALGA) is providing technical support to municipalities on aspects of this transition. The Council for Scientific and Industrial Research (CSIR) and Sustainable Energy Africa NPC (SEA) are implementing partners on the SAGEN programme and are focusing on the safe integration of Small-Scale Embedded Generators (SSEG) into municipal infrastructure as well as the development of sustainable business models for municipal utilities. In this regard, our municipality has been granted support among other five municipalities in the Eastern Cape in this transition.

g. Support to Municipal Energy Management System

Since municipalities in South Africa differ widely in terms of their size, capacity and resources as well as their levels of awareness and implementation of energy efficiency measures. The project accommodated this by identifying three different “categories” of municipalities (Innovators – Aspirants – Beginners) and will implement different and adapted approaches of support suited to the needs of each. In this light, the South African-German Energy Programme (SAGEN) GIZ and its partners, the Department of Energy and South African Local Government Association (SALGA) is supporting selected municipalities to enable them to implement municipal energy management systems (MEMS) within the operational structures of the municipality, with the aim to reduce their own consumption of electricity.

In this context, an energy management system refers to a structured process to identify energy cost centres, measure energy supply, identify opportunities for energy savings, plan energy saving interventions, implement interventions and measure and report impact. The Municipal Energy Management Systems (MEMS) programme offers intense Support for 4 – 6 municipalities in developing a MEMS.

Renewable Energy

As part of aleternative energy, the municipality is in the process of conducting feasibility study to identify the type of the renewable energy that will be suitable for Elundini municipality.

2.6.3. Water Services and Sanitation

Joe Gqabi District Municipality is the Water Services Authority and provides Bulk infrastructure. The water provision services are the responsibility of District Municipality and they have been sensitized of

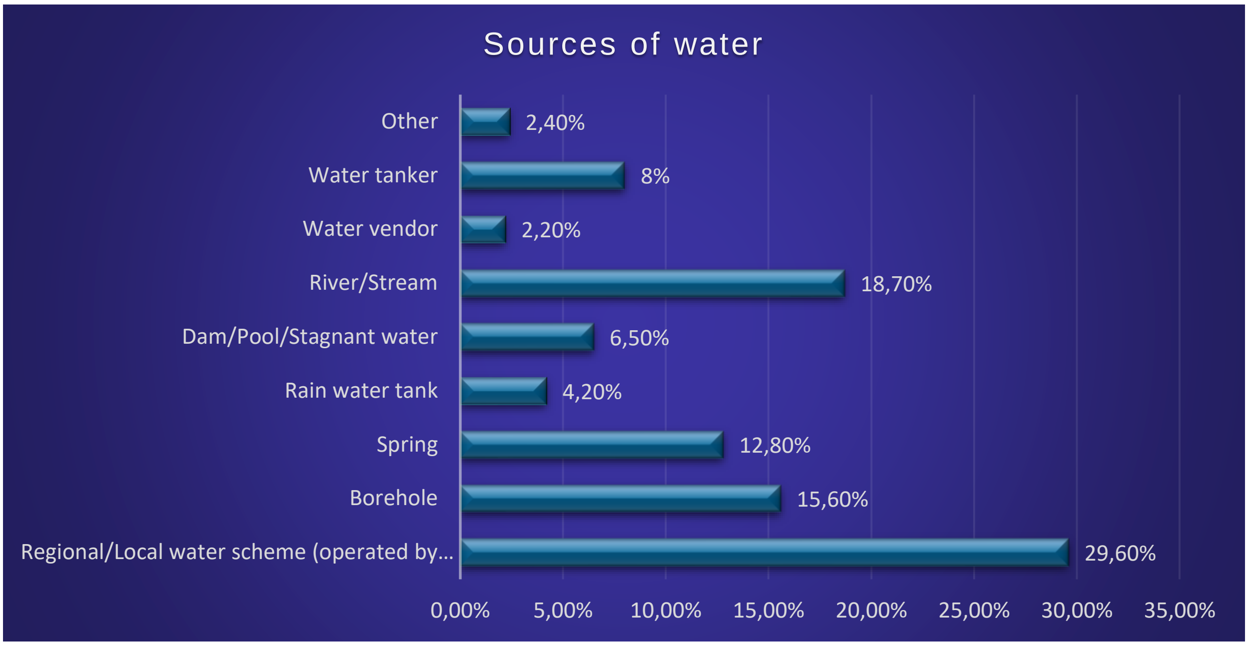


Figure 15:StatsSA Community Survey (2016)

In terms of access to water, 46.09% of households in the Elundini area do not have access to piped water at all. This percentage is quite high and speaks to major challenges in the delivery of this service to households. Only 7% of households have access to water inside the yard whilst 34% of households use a community stand as the main access to water. With regards to the sources of water, 29.06% of households in Elundini use municipal water as a main source of water whilst 15.60% of households use boreholes. 18.07% or 7071 households still use rivers or stream as a main source of water and another 6.49% of households use dams as the main source.

It is clear from the statistics presented above that there are significant challenges in terms of ensuring that access to water for all households in Elundini is realized, some of the challenges include the following:

- Many areas in Elundini Local Municipality do not have access to piped water;
- Most urban areas in Elundini have access to water, but shortages are occasionally experienced in Ugie and Nqanqarhu;
- In Tlokoeng a borehole is being utilized which also results in occasional water shortages;
- Along with the issue of poor access to potable water is the need to improve water resource management;
- In the IDP ward analysis of needs identified that 50% of wards indicated that access to water or water supply was a service delivery issue.

The growth of towns such as Ugie is placing increased strain on the existing water infrastructure. Future growth will need to be supported by additional bulk water infrastructure. The insufficient bulk water and purification infrastructure is a significant constraint to future growth as any new residential, office or industrial development in Nqanqarhu, Ugie or Tlokoeng will require additional infrastructure investment. The situation within Tlokoeng is critical due to the current borehole system being unable to supply for the demand. Since the municipality is busy with the rollout of the Ward based Planning program in all its wards, more accurate figures of people with access to water will be available. The District has embarked on a process of formulating a District Water Forum which is responsible for the monitoring of the implementation of the Water Services Master Plan.

2.6.3.2. Sanitation

Elundini Local Municipality had a total number of 9 010 flush toilets (21.15% of total households), 23 600 Ventilation Improved Pit (VIP) (55.46% of total households) and 6 670 (15.66%) of total household's pit toilets.

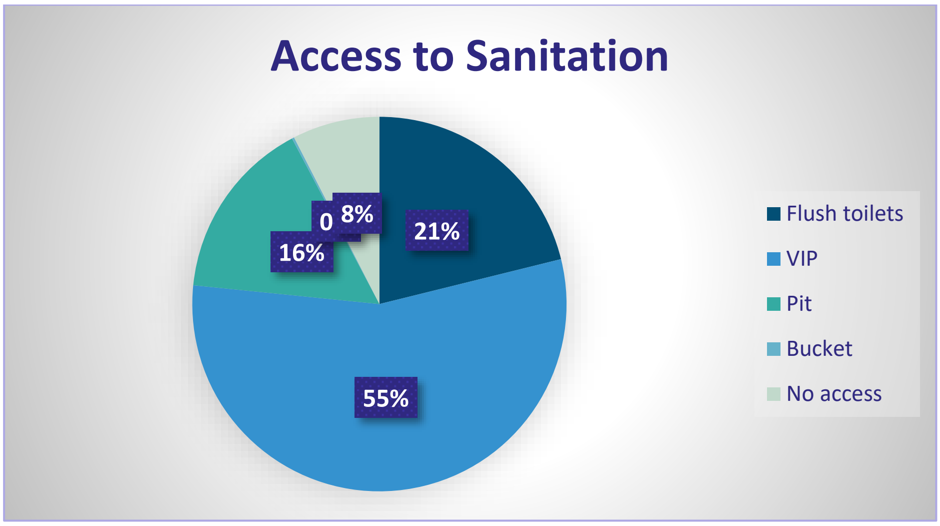


Figure 16: Access to Sanitation

HOUSEHOLDS BY TYPE OF SANITATION - ELUNDINI LOCAL MUNICIPALITY AND THE REST OF JOE GQABI, 2019 [NUMBER]

Table 29: Household type of Sanitation

Municipality	Flush toilet	Ventilation Improved Pit (VIP)	Pit toilet	Bucket system	No toilet	Total
Elundini	9,010	23,632	6,673	83	3,214	42,612
Senqu	8,939	22,065	8,491	623	2,538	42,656
Walter Sisulu	23,439	1,098	262	299	989	26,086
Total Joe Gqabi	41,388	46,795	15,425	1,005	6,741	111,355

Source: IHS Markit Regional eXplorer version 2142

2.7. LOCAL ECONOMIC DEVELOPMENT

The LED Strategy was reviewed and adopted by Council in 2020. The revised Elundini LM's Local Economic Development Strategy 2019-2024 seeks to set out a strategic path and trajectory for local economic development over the next 5 years from 2019 – 2024. The model that has been utilised to review the strategy has six pillars such as implementation review of 2012-2017 LED strategy, the situational analysis which includes socio economic factors of the area including the sector based analysis in terms of its GGP contribution, Strength, weakness, opportunities and threats (SWOT) analysis for key economic sectors which are the focus on the future strategic framework for 2019-24, the strategic framework review, program and project focus implementation plan for the next five years and the institutional arrangement of the strategy implementation and monitoring and evaluation.

The municipality in developing the strategy considered the key guiding principles of Local Economic Development set up by National Local Economic Development Framework with emphasis of a development approach, which works with National and Provincial Governments, Private sector, regional institutions, faith-based institutions, civil society and many others to fulfil a local vision of Economic Development hence the sources of information is not a result of only the LED unit but a:

- Consultative sessions with local stakeholders
- Statistics available (Formal publications & Reports) air
- Previous implementation reports
- Consultative session with National and Provincial Department
- Interaction with all Municipal Department

LED Strategy, Reviewed and adopted by Council in September 2020, Tourism Master Plan, Reviewed and adopted by Council in 2019 Container Traders Policy, developed and adopted by Council in September 2020. Sub construction plan, has just been reviewed and adopted by the last Council meeting. The main strategic goal of the Elundini Local Economic Development Strategy is to attain a sustainable economic growth, with a growth rate of 1% which is characterised by increase in output, employment growth and increase in household income in urban and rural areas in the next five years. In order to change the present economic outlook of the local economies of Elundini, ten strategic issues have been highlighted:

1) The sector-based plans should be developed and be aligned to the local Economic Development Strategy.
2) Appropriate options for institutional arrangement of the implementation of the LED strategy should be recommended and implemented.
3) The focus of the strategy should be on labour absorbing sectors with potential to create more jobs
4) Programs with linkages with neighbour municipalities to take advantage of opportunities and encourage economies of scale should be encouraged.
5) The existing LED projects which were not fully implemented should be strengthened
6) and proper models and governance framework be encouraged, and new potential LED projects be initiated
7) Economic Infrastructure Development should focus on key infrastructure development programs which will link the local urban areas to the bigger towns and create conducive environment to local investors.
8) Private Public Partnership with National, Provincial, International partners should be strengthened

9) SMME development should be encouraged through tailor made programs of support and development
10) The skills development plan for Elundini Municipality is very critical tool to be developed to tackle the skills shortage in local areas.
11) A five-year project implementation plan which will yearly be reviewed with all contributing stakeholders should be developed.

The Strategy sets out seven strategic objectives which will be underpinned by various programs and projects such as follows:

1) Strengthen the contribution of the primary sector with the GGP of 1 % by 2024.
2) Increase local manufacturing sector contribution through Agro processing
3) (Agri and Forestry) by 2 % by 2024
4) Increase local investment in economic infrastructure, land and property development by 2024
5) Strengthen the SMME development support programs to benefit individual businesses and cooperatives by 2024
6) Create enabling environment for retention, attraction and expansion of business through policy, by laws development and implementation by 2024
7) Develop and implement institutional arrangement for strategy implementation, monitoring and evaluation by 2020.

The successful implementation of the Revised LED Strategy will be underpinned by a commitment of both financial and non-financial resources by Local and District municipality, Provincial and National Government and Private sector. The ELM's Local Economic Development program focusses on the following areas:

2.7.2. Available Economic Infrastrucuture

Infrastructure affects growth through several supply and demand-side channels. Investments in energy, telecommunications, and transport networks directly impact growth, as all types of infrastructure represent an essential input in any production of goods and services. In addition, infrastructure can also reduce the cost of delivered goods, facilitate the physical mobility of people and products, remove productivity constraints, and increase competitiveness. The R56 National Road which connects the Eastern Cape to KwaZulu Natal Province through the towns of Ugie, Maclear and Mt Fletcher. This road is generally in a good condition especially from Maclear to Mt Fletcher.

The portion of this road from Elliott through to Maclear is currently undergoing major refurbishments by the South African National Roads Agency (SANRAL). There is also the R… between connects Ugie to the regional economic hub of Mthatha. This road also provides access linking the major economic hub of Mthatha to other major economic nodes like Bloemfontein and Gauteng. As previously articulated, the availability of these good roads facilitates access of goods and services through the Elundini, as well as other neighbouring areas. There are however lots of other gravel roads which are provincial and municipal roads which are not always in good condition because of constant rains and floods which have characterised the area of the last few years.There is also a planned major infrastructure investment in the area as well as in the neighbouring Mhlontlo Municipality in the form of the Ntabelanga Dam on the Tsitsa River. The dam is expected to cost around R2 billion for construction. Major developments like this one tend to have multiplier effects into other economic sectors such as Housing, accommodation, food, catering and agriculture. This investment is also expected to create hundreds of jobs for locals during the construction phase. After construction the government will be able to supply much needed basic services like water and sanitation services to villages in the area. The agricultural sector is also expected to benefit from the availability of water for irrigation services from a stable and reliable source.

2.7.3. Mechanisms for business attraction and retention

Elundini is one of the small and rural municipalities in the Eastern Cape with a low GDP and the government is the major provider of employement. There is a challenge in the attraction of investments as most of the land is privately owned, however some mechanisms can be put into action by ensuring that the municipalities utilise the resources that available.

The Elundini Municipality can achieve this through the implementation of the following projects

- Community skills development- Local Economic Development to work with the SETAs to implement additional skills development programmes for the community. Where possible, this is to be informed by a community skills development plan. The municipality intends to implement a SETA accredited training for builders in the municipal area during the 2023/24 financial year.
- Locally biased procurement – The municipality is already targeting that 50 percent of its procurement for construction should be on local contractors as part of its Sub Construction Plan. Ideally this targeting of local SMMEs should be applicable to other sectors such as manufacturing of clothing and textiles to be used by the municipality.
- Review of Informal Sector Policy. The municipality does have a Container Traders Policy in place. However, this policy needs to be reviewed to ensure that it captures the current dynamics of the informal trader’s market. Local Economic Development needs to spearhead this process.
- Business Compliance. Business Licencing is already coordinated by the SMME Division within LED. The municipality has had to relax its enforcement due to COVID. However, since COVID restrictions have been relaxed it is important that the critical stakeholders within the municipality LED, FIRE, BUILDING REGULATIONS as well as external stakeholders HEALTH (District) and IMMIGRATION (Home Affairs) and South African Police Services need to hold regular operations to enforce compliance by local businesses.

- Land Audit of municipal properties. An audit of municipal land was already completed in 2020/21. However, this information now needs to be packaged and advertised for commercial and residential buyers. This will enable development to occur in the local municipal area.
- The municipality also needs viable business formation for engagement of issues that affect businesses in general or sector-based forums that cater for the needs of a particular sector.

2.7.4. Formal and Informal Trade Development

ELM recognizes the key role that informal trading plays in poverty alleviation, income generation and entrepreneurial development and, in particular, the positive impact that informal trading has on historically disadvantaged individuals and communities. The Municipality will continue playing its central role in supporting the employment and economic initiatives of micro-enterprises, and prioritized the informal economy in its local economic development strategies. In the next five years the municipality will be developing guidelines to adopt a more developmental approach towards the informal economy and review the by law which related to street trading/ informal trading. The Formal & Informal Business Regulations Compliance which focuses on ensuring that businesses have the necessary permits and licenses to conduct their operations within the legal framework will remain as a focus in trade management. The municipality is also contributing in the sector by ensuring that the three towns have the main street trading zones in place and also provides infrastructure to the traders.

2.7.5. SMME and Cooperative Development

The National Business Act defines the small business as a separate and distinct business entity including cooperatives and the non-governmental organization’s managed by one or more owners. As per the act they are categorized into four such as the micro enterprises, very small enterprises, small enterprise and medium enterprises. Presently the SMME sector is not sustainable, it operates on a survival basis rather than growing the enterprises to create sustainable employment opportunities. ELM has begun a process of creating a necessary infrastructure to support SMMEs to operate on a platform that will grow their businesses to enter the formal sector of business. Furthermore, the ELM will work on providing programs to equip SMMEs with critical skills to become more competitive and sustainable.

This will concentrate on:

- Programs for separate segments as per the act;
- Policy development and review;
- Nonfinancial entrepreneurial support initiatives with a particular focus on entrepreneurial training;
- Research on specific sectors and the role of SMMEs in building partnerships
- Business network development and support;
- Capacity building initiatives;
- Public private partnerships for sector development

The municipality has committed itself to sustainable and meaningful socio-economic transformation of the construction sector, it has put in place a construction procurement strategy to implement in the next five years which is aiming at growing the local construction grades. A local association has also been established which serves as a voice of the sector to the municipality. The local contractor development programs developed by the municipality is being implemented and it has been also embraced by other government institutions who are working with the municipality to support the local contractors. The municipality will do the sector analysis report to reflect on the impact that is made by government as a whole in the growth of the sector.

ELM has a dedicated Cooperative Development Centre (CDC) that plays a role in promoting cooperatives through various support initiatives so that a wider spectrum of the community is able to participate in economic opportunities made available to cooperatives. The CDC also plays a role in identifying the needs for skilling local cooperatives and individuals. Secondary cooperatives are being setup to support primary cooperatives operating within the same sector. The intention is to develop the CDC into a self-sustainable institution which is able to support its local enterprises. The Municipality is concentrating on its governance as one of the elements of its sustainability and will ensure that it has a functional board in place, Centre Manager and Chairperson of the audit committee. The intension is to ensure accountability to the envisaged government funding that will be implemented through the CDC from different government institutions

2.7.6. Property Development

Property development aims to increase value of the Elundini Municipality land portfolio and generate long term recurring income for Elundini, by facilitating development of Council owned land by third party private sector developers, through private partnerships. Discussion are underway between ELM and the Department of Public Works to develop land owned by the state within Elundini. Development facilitation includes project packaging, project preparation, development contracting & actual development. The municipality will:

- Brand strategic municipal and state-owned land;
- Acquire tittle deeds for all municipal owned land that has been identifies for strategic development to expedite property development transactions;
- Revenue maximisation;
- Leveraging of private sector investment

The municipality has enhanced this function with the appointment of a skilled Project Officer in property development. The intention of the municipality going forward is also to empower municipal personnel within the LED section to effectively manage and develop municipal-owned properties. The municipality is facilitating, through its supply chain process, commercial developments in Tlokoeng and Nqanqarhu. It is also focusing on housing development programs through the department of housing, JoGeda whilst some are directly facilitated by the municipality

2.7.7. Industrial Development

Rural industrialization means focus on promoting the rural based industries by involving local people, resources and expertise or exploring the new business opportunity related with available resources in that particular rural area or cluster in a professional way. Primary beneficiary must be local farmer, artisan and labour in small or medium enterprise establishment in the rural areas and also support the local eco-system and economy. The basic purpose of rural industrialization is to create alternate model for overall development of rural society to avoid over dependency on farming by utilizing available opportunities to establish small and medium industries.

ELM will concentrate on a three-way approach which will help in exploring the rural industrialization, and they are:

i. Agriculture diversification by exploring the opportunities by farming a completely new range of grains, fruits or vegetables;

ii. Establish agro-food processing initiatives; and

iii. Non-farm product business establishment by promoting suitable rural enterprises

2.7.8. Types of Rural Industry available in Elundini (Competitive and the Comparative Advantages)

There are various types of rural industrial possibilities present in Elundini rural areas such as:

2.7.8.2. Agro Based Industries

This industry is related with the processing of agro products such as wool, fruit, oil from oil seeds and other related processing from raw agro products.

2.7.8.3. Forest Based Industries

There are possibilities to establish industries related to wood products, bamboo products, honey, preparing manure from plant leaves, herbal medicines production and others.

2.7.8.4. Mineral Based Industries

Minerals identified in the rural areas should be primarily processed in the nearby villages and therefor creating industries within the rural areas.

2.7.8.5. Arts and Craft Industry

Industries like handloom, handicraft and other local artisan product manufacturing have immense potential to become professionally managed as a small and medium industry. There is a considerable high demand in the market for traditional handloom and handicraft products and a tie-up in between local artisan and private SMEs can create a scope for small or medium scale industry in the rural areas for better growth. ELM has developed a Craft and Art Centre in Tlokoeng which started its operation in 2016 as a centre of support to the Art and Craft industry.

2.7.8.6. Renewable Energy Industry

Rural areas can be converted into industry hub for producing renewable energy by setting up of commercial alternative energy plant. The municipality will develop a renewable energy strategy which will guide the municipality of the enterprises that it should pursue in the sector.

2.7.8.7. Agriculture Development

ELM intends to use the partnership it has with Chris Hani CDC and Joe Gqabi Development Agency to attract a direct foreign investment with Argentinians and other countries. The investment aims at both extensive and intensive farming as well as livestock development. ELM and the local farmers will enter into partnership agreements that will allow large scale production which will include local processing as well. Estimated total hectares to be planted in the next five years is 30 000 for the district of Joe Gqabi and 15 000 for Elundini municipality. The Ugie Industrial park will serve as a processing site for the commercial production. The intention of the municipality, though, is to have Industrial development site in each of the three towns. Whilst the municipality supports the strategic initiatives which aims in promotion of commercial agriculture, with the aim to increase its local production and creating better jobs in the sector (RAFI), it has also partnered with the National Department of Rural Development on the programs that will sustain the food security which will also be integrated into the bigger production (1HA/1 Household).

The municipality will through its political leadership champion rural development programs that seek to alleviate poverty by targeting rural household leaving below the poverty levels. The program will concentrate on development of Farmer Support Centres that serve economic and social needs of the community as well as extensive and intensive agricultural activities. The table below depicts number of stock ownership and the type of agricultural activity undertaken in Elundini according to Community Survey 2016:

Table 30: Stock ownership

Agriculture	2016	
	Number	Percent
Agricultural households	15 209	42.5%
CATTLE		
1 – 10	5 547	75.5%
11 – 100	1 708	23.3%
100+	89	1.2%
TOTAL	7 344	100%
SHEEP		
1 – 10	1 778	30.2%
11 – 100	3 841	65.2%
100+	271	4.6%
TOTAL	5 890	100%

GOAT		
1 – 10	2 776	55%
11 – 100	2 226	44.1%
100+	46	0.9%
Total	5 048	100%
TYPE OF AGRICULTURAL ACTIVITY		
Livestock production	11 518	84.5%
Poultry production	10 549	81.1%
Vegetable production	4 730	52.3%
Other	5 145	15.3%

2.7.9. Tourism Development

Tourism as an economic sector has a potential to grow the local economy and create sustainable jobs and entrepreneurial opportunities. The municipal LED section has created internship posts to provide students who studied Tourism to get the necessary experience required for their studies and this in turn gives the municipality the necessary resources to keep the Tourism Information Centre on weekends opened. ELM in partnership with Elundini Tour guides are in the process of conducting awareness's in all the wards with attractions that were identified during the ward-based plan outreach. Various other programs offered by IDC through the national department of tourism will be introduced to the owners of the hospitality facilities.

During the process of developing ward based plans, a number of tourist attractions sites were identified and the Tourism Unit with LED Section is engaging with ward councillors to identify even more attractions that will be used in the tourism marketing material. The LED section will resource itself through the budgeting process to enable it to empower start-up entrepreneurs and community-based organisations within the tourism industry. ELM also provides financial and non-financial support to community initiatives that are tourism related and have a potential to empower local communities. ELM plans to actively participate in the tourism routes like R56 Route, Madiba Corridor, Maluti Route and any other initiatives in partnership with neighbouring municipalities and the district municipality that have been established.

ELM is also looking at exploring other funding opportunities that made available by various government departments and agencies in order to address the following challenges:

- Limited funding from municipal resources for tourism;
- Tourism education, training and awareness;
- Protection of the environment;
- Tourism infrastructure, particularly in rural areas;
- Marketing material

The Municipality has renovated its Tourism information Centre and resourced it to be able to respond to the tourists coming into the area from national international. The National Department of Tourism

2.7.10. Local Economic Development Forum

At the moment the LED Forum for Elundini Local Municipality is no functional. However, the LED Strategy does recommend the establishment of such a forum to monitor the implementation of LED programmes and projects. The municipality however does have functional sectoral forums like the Contractors Forum, the Agricultural Forum, the Local Tourism Organisation, the Informal Taders Forum, and the Business Chamber. These forums provide an opportunity for the various economic sectors to engage with the municipality on pertinent issues relating to the specific sector. The Joe Gqabi District Municipality is in the process of resuitating the District Support Team, which is a forum of LED Practitioners from the district that meets quarterly or when the need arises to discuss the monitor the implementation of LED Projects and Programmes across the District. Amongst the support to be provided to the municipalities will be the establishment of LED Forums for the Local Municipalities across the District.

2.7.11. Level of Economic Growth

The average annual GGP growth for Elundini Municipality over the period 1995 - 2011 is 7.9%;

This outpaces the growth of the Joe Gqabi District, which has an average growth rate of 5.1% and far. Outpaces the growth of the Eastern Cape, over the same period, which only shows growth of 2.8%. Elundini economic outlook has improved, but requires that we actively pursue a different trajectory if we are to address the challenges ahead.

2.7.12. Sector Contribution to GGP

The table below depicts the contribution of different sector into the GDP in our area:

Table 31: sector distribution to DGP

Sector	2004	2007	2011
Agriculture	8%	6%	4%
Manufacturing	6%	10%	12%
Construction	2%	3%	4%
Trade	12	13%	15%
Transport and communication	9%	9%	7%
Finance and business services	19%	27%	30%
Government	40%	33%	30%

2.7.13. Sector Contribution to Employment: (Census 2011)

Table 32: Contribution to employment

Sector	2004	2007	2011
Agriculture	42%	33%	26%
Manufacturing	2%	4%	6%
Construction	8%	8%	9%

Trade	19%	18%	17%
Transport and communication	2%	2%	4%
Finance and business services	4%	7%	10%
Government	26%	27%	28%

As per the statistic above agriculture contribution to employment as well as contribution to the GGP has decreased whilst the manufacturing has increased. There is a need to diversify the composition of products by value adding products. The broadening of economic space through larger consumer markets can give Elundini Municipality the opportunity to develop its economy and increase its competitiveness. Elundini should focus or target high growth markets with the objective of creating investment and export opportunities in the manufacturing sector especially in forestry and agriculture value adding initiatives which are the back-bone sectors of this economy. Exporting however should be pursued at the expense of producing for the local market must be ignored as the combination of both could stabilize the income.

2.7.14. Gross Value Added (GVA)

The table below demonstrates how the secondary sector which deals with economic activities such as manufacturing continues to be the largest earner in terms of Gross Value Added.

Table 33:GVA

Gross value added at basic prices, Rm (current prices and constant 2005 prices)				
Industries	Prices	2008	2009	2010
Primary sector	R millions, constant 2005 prices	119	120	112
Secondary sector	R millions, constant 2005 prices	1,540	1,760	1,954
Tertiary sector	R millions, constant 2005 prices	119	120	112

2.7.15. Small Town Regeneration Program

The Eastern Cape Office of the Premier allocated R106m over the MTEF beginning 2017/18 ending 2021 for small town revitalisation which covers upgrading of roads, electricity upgrades, sewer reticulation and other bulk services for revitalisation of Tlokoeng. A contractor has been appointed to oversee these upgrades over the next three years. A project steering committee has been established and is led by the municipal manager and it is responsible for overseeing the success of the project and ensuring that necessary resources to maintain the infrastructure moving forward are provided.

In support of this initiative the ELM entered into an agreement with the National Department of Public Works and agreed upon a property exchange initiative that will best suit the needs of the community. A property developer has been appointed to build shopping mall that will serve the needs of Tlokoeng and surrounding areas. Corrective measures have been put to finalise the Tlokoeng Taxi Rank as part of small-town revitalisation.

It is however that the municipality has no control over the finalisation of the building of government offices in Tlokoeng that are also part of the small-town revitalisation program. Below is the breakdown of cost for the development of Tlokoeng:

Table 34: Projects Planned for Tlokoeng

List of projects		Estimations based on engineer's report			
		Estimated cost	Year 1	Year 2	Year 3
1.	Tlokoeng Government office block development and electricity supply	R 3 million	R 3m		
2.	Tlokoeng low cost and middle-income housing development and electricity reticulation	R 2,510,000. 00		R 2,510,000. 00	
3.	Tlokoeng Main Street electrical supply upgrade	R 2,073,000. 00	R 2,073m		
4.	Tlokoeng substation and electrical network supply	R 8,250,000. 00		R 8,250m	
5.	Tlokoeng Hillgate surfaced road	R 4 million	R 4m		
6.	Tlokoeng housing bulk sewer supply	R 18 million	R 4,056m	R 7m	R 7m
7.	Tlokoeng housing bulk water supply	R 19 million	R 5m	R 7m	R 7m
8.	Tlokoeng residential access streets unpaved	R 24,5 million	R 11, 167m	R 14,167m	R 166 000
9.	Tlokoeng sewer treatment plant	R 5,3 million	R 5, 3m		
10.	Tlokoeng Thembeni surfaced ring road	R 10 million			R 10m
11.	Tlokoeng town alternative surface route	R 8 million			R 8 m
	TOTAL	R 106 636 000. 00			

2.7.16. Partnership with P.G. Bison

The municipality has partnered with the private sector, i.e. P.G Bison, in improving various issues in Elundini around Local Economic Development and Social Development. The following are among the examples:

2.7.16.2. Business Adopt a Municipality Project

In the area of Business Adopt a Municipality, P.G. Bison has partnered with the municipality around the following areas:

- Disaster Management
- Small town revitalization – Nqanqarhu & Ugie
- Furniture factory
- Skills Transfer

2.7.16.3. Community Afforestation Project

A formal strategic partnership agreement has been developed where skills transfer over a ten-year period is guaranteed through the partnership arrangement with PG Bison. PG Bison is currently offering management, administration and technical support as it is anticipated that timber in close proximity of the PG Bison board plant will be sold to PG Bison at the time of harvesting.

PG Bison has employed a Social Forester; whose responsibility is solely to provide all the support to the community Afforestation Projects. The Social Forester has been allocated a vehicle that she uses to travel to these communities on a daily basis. PG Bison offers a forestry learnerships, through funds made available by the Forestry Seta.

2.7.16.4. Imfundo Schools Learning Program

The Imfundo Schools Learning Program is an educational program aimed at assisting High School teachers in Ugie and Nqanqarhu by equipping them with better teaching skills in Mathematics, Science, Accounting and English.

2.7.16.5. Joe Gqabi and PG Bison Community Vegetable Garden

The community vegetable garden started in March 2014, and is under the ownership of 15 people from the community. The project is an initiative by Joe Gqabi District Municipality as well as PG Bison, with the hope to include Elundini Local Municipality as a partner since the project is in the municipality's jurisdiction.

2.7.17. Housing Provision

The provision of houses remains the sole responsibility of the Department of Human Settlement and the Elundini Municipality only plays the facilitation role. The facilitation responsibilities of the municipality include but not limited to:

- Identification of suitable land for building of houses in line with the SDF;
- Engaging communities on the suitable type of houses to be built on their areas;
- Collect National Housing Needs Data to all wards of Elundini Municipality
- Capture the forms to the National Housing needs register Database system for their need for adequate shelter by providing information about their current living conditions household composition and to indicate the type of housing assistance they require from government.
- The department then develops a project list of new houses to be built in dealing with the housing demand;
- Compiling of beneficiary lists and submitting it to the department for scanning;
- Engaging other sector departments for the provision of other services;

The Department of Human Settlement, in its endeavors in building more houses is confronted by the following challenges:

- Shrinking Fiscus- HSDG allocation is diminishing every year
- Over-reliance on Subsidy (RDP) conventional approach,
- Backlog on approved Beneficiaries whose houses have not been constructed due to budget constraints,
- Growing Disaster Cases vs interpretation vs limited emergency assistance / interventions,

- Lack of Material supply within Joe Gqabi Region / District,
- High Expectation vs understanding of Emergency assistance on Disaster / emergencies/ Destitute.

The Department of Human Settlement, together with the ELM, undertook a second round of reviewing the Elundini Housing Sector Plan (HSP). The review of the HSP has led to a substantive status quo analysis, aiming to meaningfully identify and assess the housing and infrastructure situation as it related to demand, supply and integration. Importantly so, when reviewing the HSP, much was put on the implementability of desired projects to ensure accelerated development of sustainable human settlement and therefore, for each identified project, a feasibility study was conducted. As a result, the HSP lists all implementable projects as ‘planned’, whereas the non-implementable ones are reflected as ‘desired’. Other housing projects for ELM can also be seen on Section G of this document.

The pivotal foci of the HSP review process were: integration – characterized by visits to the broader community, sectorial departments and stakeholders; inclusivity – characterized by presentation of the HSP to the municipal Council for endorsements, resulting in ultimate approval of the HSP by the MEC for Human Settlements; and analysis – characterized by a study of the human settlement situation, latest statistical data and other relevant documentary evidence. The HSP, with further details on human settlement is attached to this document as an annexure. Although the housing provisioning rests with the department of Human Settlement, the municipality together with the officials from the department has identified all blocked and defective housing projects and those that are ready to be implemented. The identified housing projects are located in the urban areas as well as in the prioritized areas.

ELM in line with the Municipal Property Rates Act, develops a valuation roll of all the registered properties within its area of jurisdiction. The Act requires that local municipalities to generate a valuation roll every 4 years and a supplementary valuation roll every year to update relevant information on the roll. The value of the properties reflecting on the valuation roll serves as the basis for the property rates billed to property owners to generate municipal revenue as depicted in the annual budget report. Due to the alignment process with the amended property rates Act, CoGTA has requested all municipalities to extend the validity period of the valuation roll with one year in order to facilitate an improved reporting and assessment process for all municipalities to ensure compliance to the Act. ELM was due for general valuation whose valuation date was 01 June 2017. The budget for the appointment of the general valuer has been included in the 2022/23 budget year in order to conduct a general valuation. Municipality’s Valuation Roll was approved in June 2018 for implementation on 01 July 2018. A supplementary valuation was made available for objections and commenting from 01 May 2019 and objections were closed on of 31 May 2019.

ELM is in the process of revising existing town planning schemes and policies in order to align with the Spatial Planning and Land Use Management Act. The municipality’s GIS system is being upgraded in order to ensure accuracy of all available information on properties and municipal assets and infrastructure. Importantly in line with the Property Rates Act, the municipality has a Municipal by-law and Property Rates Policy, property owners are billed rates monthly which are due and payable within 30 days of date of invoice. Of importance to note is that in ELM there were no land claims lodged in our municipal area and this was verified by the letter received by the municipality from the Land Claims Commissioner.

2.7.18. Transportation

2.7.18.2. Freight transport

Being a rural municipality, freight transport is an important facility for the Elundini. The various businesses and institutions rely on freight transport services to import most of the food, products and goods needed for local consumption. The growing timber industry in the area places a significant burden on the road network and damage to the roads is evident on most routes. National government has developed a strategy around freight transportation through rail systems. A railway line exists within the municipality but is defunct.

A truck stops in Ugie, owned by PG Bison was completed in 2008 and is operational, creating a significant impact on freight transportation in the area. PG Bison has proposed a by-pass route from MR 723 to R56 via Nqanqarhu. There are problems that are brought about by the heavy-duty trucks ferrying logs in particular between Nqanqarhu and Ugie towns resulting in excessive silt on surfaced streets and blocking storm water drainage system. In the process of negotiating a bypass around Nqanqarhu with PG Bison, there is a need for PG Bison to provide wheel washing bays for their trucks. ELM is also looking at the possibility of constructing a weigh bridge so that the money generated from it can be used back in repairing and upgrading our roads as they are being damaged by the heavy loads carried by the heavy trucks.

2.7.18.3. Public Transport

Related to provision of public transport is the need for basic essential services such as water, sanitation and shelters at key facilities. There is a need to provide these services at all the nodes (rural and urban) as defined in the Spatial Development Plan. Areas with high dependency on public transport especially the primary and secondary nodes should receive priority. These are mostly remote rural of ELM. ELM currently is currently constructing the Vehicle Testing Centre which will be situated at Tlokoeng Town. It must be noted that the municipality only provides for driving licensing for Code 8 and vehicle registration only on behalf of the Department of Transport.

There is no official taxi rank in Ugie but an informal taxi rank, on the main street is being used. This arrangement is not suitable for commuters and there are no shelters, however there are ablution facilities. There is a formal taxi rank in Nqanqarhu in Fourie Street. This taxi rank functions well as it has taxi / bus shelters and ablution facilities for commuters. The taxi rank is insufficient for all the taxis as taxis can be seen using other areas around town as informal taxi ranks. The ablution facilities in the Nqanqarhu taxi rank are not well maintained and need to be upgraded. There is a plan to close the storm water drain in the south eastern side of Fourie Street with a view to provide hawkers facilities. The municipality has completed the construction of the Tlokoeng Taxi Rank and is now embarking on the construction of the Tlokoeng Vehicle Testing Station. The taxi rank facility provides for both modes of transport, taxis and busses and as well has facilities for hawkers through the construction of hawkers' stalls. The facility also has a management building for the operators of the taxis and the busses. The following modes of public transport are prevalent in the Elundini Municipality:

- Long distance buses,
- Mini buses and taxis,
- LDV bakkies with canopies which also provide scholar transportation,
- Horseback,

Problems relating to public transportation include the following:

- Non-availability of a local integrated transport plan. However, the municipality is currently developing such a plan,
- Poor road conditions,
- Lack of designated public transport route,
- Lack of capacity at local authority levels to address public transport planning,
- Lack of sustainable and dedicated funding for public transport services, facilities and maintenance,
- Inadequate scholar, disabled and elderly transport,
- The illegal use of "bakkies" as public transport vehicles,
- Ageing of minibus-taxi vehicle fleets,
- Lack of public transport information,
- Public transport safety and security and,
- Lack of roadworthy testing station

2.7.18.4. Railway services

The weekly railway transport passenger services between Johannesburg and the Eastern Cape is only accessible at Burgersdorp to the West of the district and has very little impact on the rest of the area, especially Elundini, which is situated in the East of the district. The branch line which used to serve as a freight and passenger facility is no longer operational

2.7.18.5. Airfields

There are two airfields in the area, which comprise grassed surfaces without lighting for night use. The airfield at Nqanqarhu is 1790 meters in length and the airfield at Ugie is 1000 meters in length.

2.7.18.6. Non-motorised transportation

Mostly, pedestrians in the township walk to various destinations, few use bicycles. The municipality has also constructed sidewalks for use of bicycles.

2.7.19. Natural Environment

2.7.19.2. Topography and Hydrology

The municipal area has a distinctive topographical character with mountain ranges along the western side overlooking a central plateau, giving way to an escarpment sloping down towards the eastern side and the lower reaches of the Tsolo and Mthatha regions. Much of Elundini has slopes steeper than 1:8 as it forms part of the southern Drakensberg range. This area located along the north and western side of the municipality, due to its high altitude, is unsuitable for arable farming. The mountainous terrain also limits accessibility and therefore hampers service and infrastructure delivery in the region. The Southern Drakensberg creates a scenic environment conducive to adventure and eco- tourism activities such as mountain biking, hiking, skiing etc. The mountains form a watershed which separates the eastern and western parts of the Joe Gqabi District.

Map Showing Elevation And Topography

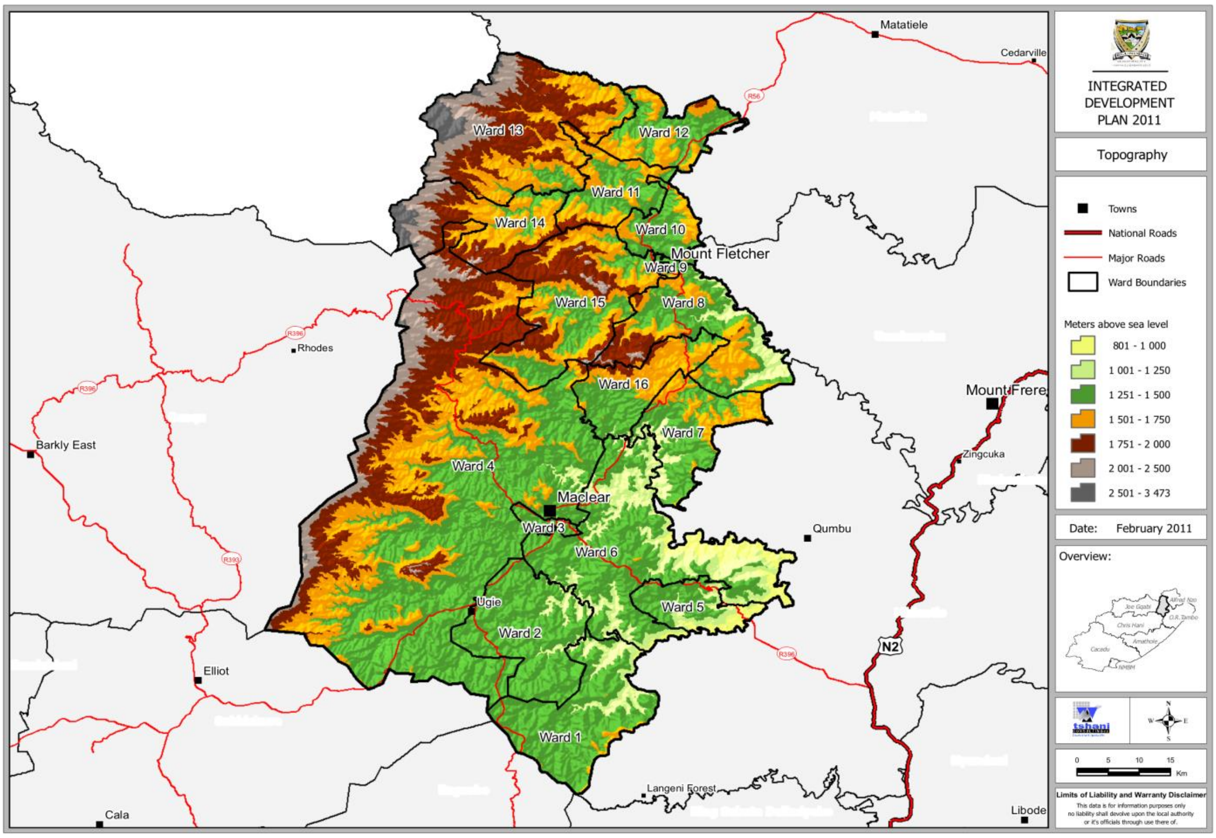


Figure 17: Topography Map

Topography influences the type of land use activities that occur, the nature and extent of settlement development and the type of agricultural activities, which are viable. Agriculture is accordingly limited to specific land pockets in the central, southern and eastern portions where the topography, water and soils are very suitable for agriculture and residential uses. The nature of slopes found within the municipality contributes to the high rate of erosion.

2.7.20. Climate and Rainfall

2.7.20.2. Temperature

The region is well known for its temperature fluctuations with temperatures ranging between 42^0C and 11^0C. On average there are 150 days of frost during the year, usually between March and November. During the winter season, areas affected mostly by snowfall are Nqanqarhu stretching to the higher lying areas of Tlokoeng and temperatures are recorder to reach an average of -5^0 C.

2.7.20.3. Rainfall

The higher mountain peaks in Elundini have between 800mm – 1200mm rain per annum. Tlokoeng which is within the municipality falls within the wettest rainfall region. The rest of the area receives an average of 600-800mm per annum.

2.7.20.4. Predominant wind

The area is vulnerable to strong winds which are coming from a westerly direction. They are mostly travelling at an average speed of 60 km/h and are very damaging to property and the environment. Coupled to damaging winds, is an observed increase of thunderstorms, lightning and hailstorms. Winds which are associated with light rain are coming from the easterly direction.

2.7.21. Climate change

With regards to environmental tools, the municipality has not yet developed its Climate Change Strategy as well as an Environmental Management Plan (EMP) due to budget constraints. As advised, we have prioritized the review of the existing IWMP for 2022/23 finanancial year. The municipality has requested the JGDM (Environmental Management Unit) as well DEDEAT for assistance with the development of these tools but due to their schedules, they have not been able to assist, budget will be allocated in 2023/24 for the development of these tools.

Climate change is affecting Elundini as the drier climate in the west moves towards the central portions of the province, wetter, higher rainfall and more frequent storms affect the eastern regions. The mountainous character of the region also has a bearing on the effects of climate change over time. The drier regions will experience loss of biomes and find water resources under increased pressure over time.

The eastern regions are expected to experience increased rainfall. This is already being seen Elundini in the form of increased storm activity resulting in disasters affecting settlements, roads and bridges, buildings, crops and livelihoods. Flooding, high winds and hailstorms are increasing in severity. Higher rainfall is also affecting the incidence of pests in the agricultural sector. Higher temperatures as a result of global warming could affect the growing characteristics of trees to the extent that certain species may no longer be viable for the forest industry in the area. If this occurs, there may be impact on the forestry sector and the municipal economy.

2.7.22. Hydrology

ELM is dissected by rivers like Tsitsa, Thina, Luzi. Within the municipality there are boreholes as well as springs. River sources within the municipality drain its water from Umzimvubu catchment area. Rivers flow eastwards draining towards the Indian Ocean. Water studies conducted for the district indicate that ELM. Elundini has very high groundwater development potential. Mooi River, Inxu River (Wildebeesrivier) and the Pot River are the main tributaries of Tsitsa River. The Nqanqarhu Dam on the Inxu River supplies water to Nqanqarhu town and the Ugie Dam on the Mooi supplies water to Ugie town. This municipality forms the catchment for the Umzimvubu River, which bisects the region and supplies large volumes of water down to the Indian Ocean.

2.7.23. Tsitsa River Basin Land Use and Environmental Management Plan

The Tsitsa River Basin Land Use and Environmental Management Plan were commissioned by ASGI-SA Eastern Cape, Elundini and Mhlontlo Municipalities to investigate possible development opportunities in the Tsitsa River basin area. The study was in response to a need for commercial land use developments in the catchment area that could assist in alleviating poverty in communal areas. The first phase of the study was to undertake a Situation Assessment of the whole catchment that could be used to inform the planning process.

As part of this situation assessment, a number of potential land use development options suitable to the area were identified. The completion of the Situation Analysis was then followed by a more detailed land use planning process for a part of the Tsitsa River Catchment referred to as the focus area. This area was located in the middle of the catchment in the poverty-stricken communal areas along the banks of the Tsitsa River and included 15 specific villages and eight Administrative Areas. A Land Use Planning Report was the final outcome of the study.

The study analyzed the status quo within administrative areas within Mhlontlo and Elundini that fell within the focus area. In Elundini these included Mqokolweni, Qurana and Sinxako all falling within Ward 6. The study considered the impact of the development of a dam, which would inundate 2,293ha of land with water. Mqokolweni and Sinxako are both areas that would lose land if a dam was constructed. The study looked at the possibility of interventions in these areas and the priority assigned to them by community representatives, these interventions included Forestry development.

2.7.24. Geology and Soils

ELM is the only area with soils suitable for cultivation in the JGDM, however, degradation is high in the communal land areas of Elundini with the primary cause found to be the overstocking of livestock and inappropriate grazing methods. The provision of infrastructure to enable the practice of controlled grazing is necessary to prioritize the rehabilitation of severely degraded areas.

2.7.25. Erosion

Degradation is high in the communal land areas of Elundini, with the primary cause found to be the overstocking of livestock and inappropriate grazing methods. The Department of Agriculture estimates that between 300 and 400 tons per hectare of soil are lost annually in the District, ELM being the highest eroded region. In addition to the provision of infrastructure to enable the practice of controlled grazing, the EMP recommends it is necessary to prioritize the rehabilitation of severely degraded areas. The district municipality has various land rehabilitation programs that it implements in the municipality to address land degradation

2.7.26. Biodiversity

2.7.26.2. Vegetation and land cover

Vegetation types represent an integration of the climate, soils and biological factors in a region and as such are a useful basis for land use and conservation planning. Unimproved Grassland dominates the Municipality, covering 56.40% of the total surface area. This is followed by Degraded Unimproved Grassland (22.70%) and Semi- Commercial or Subsistence Dryland Cultivation (10.56%). The State of the Eastern Cape Province Report (2010) highlights the serious impact of settlement sprawl that is taking place throughout most rural areas, with an increase of 47% in the cover of built up areas compared to the year 2000. Coupled with this sprawl of settlements, is the depletion of resource areas by an estimated 33% and this is expected to have a serious effect on future sustainability of rural communities.

2.7.26.3. Critical bio-diversity areas

The Eastern Cape Bio-diversity Plan has analyzed the characteristics of the various environmental attributes throughout all municipalities. The critical bio-diversity areas in Elundini have been identified (refer to map below) and these need to be conserved for the benefit of future generations and preservation of the ecological balance in the area. These are primarily associated with the environmental sensitivity of the mountain range and foothills near Nqanqarhu and Ugie. It is of paramount importance that the critical biodiversity areas be reflected in the Spatial Development framework for Elundini so as to ensure effective land use management is achieved in future, in accordance with the requirements of the National Environment Management Act and the Provincial Spatial Development Plan.

2.7.26.4. Biodiversity conservation

According to the EMP, mountain areas contain a high number of endemic species, and have been identified as being important for the protection of biodiversity and ecosystem services. Grasslands dominate the district, but in general they have been severely degraded and transformed areas dominate much of the landscape, as revealed by the Eastern Cape Biodiversity Conservation Plan (ECBCP). An opportunity therefore exists to formally protect the remaining intact grasslands, especially those classified as vulnerable and endangered, to ensure the important ecological functions they play in this area are preserved, and to build on the attractive and ecologically important landscape for tourism. One of the most important ecological ecosystem services provided by the district is the provision of good quality water, and the large numbers of wetlands found in the upper elevations within a range of vegetation types are critically important in this regard. The EMP suggests there is an opportunity to apply Payment for Ecosystem Principles for water resource protection therefore exists to ensure the protection of vegetation types dominated by wetlands.

2.7.26.5. Threats to biodiversity

The EMP states the unsuitable agricultural practices such as increasing irrigation in areas of poor soils and cash crop cultivation in marginal areas, is another threat to biodiversity in the Elundini area. The continuation of degradation of the District's land cover increases erosion. This is especially evident in Senqu and Elundini, but also prevalent in Gariep and Maletswai (now Walter Sisulu) where there is an increase of the Karoo scrubland. Unsustainable agricultural practices such as increasing irrigation in area of poor soils also contribute to erosion and undermine cash crop cultivation in marginal areas. Very little is being invested into land-care in proportion to the amount of degraded land. Ongoing urbanization and the growth of informal settlements around urban centers is increasing pressure on the environment and stretching infrastructure beyond capacity limits. The municipal area has no dedicated persons looking at environmental issues. Fire, especially in the grassland areas to the east of the District is another factor affecting the environment. Illegal sand mining threatens the aquatic and terrestrial biodiversity.

MAP SHOWING CRITICAL BIO-DIVERSITY AREAS

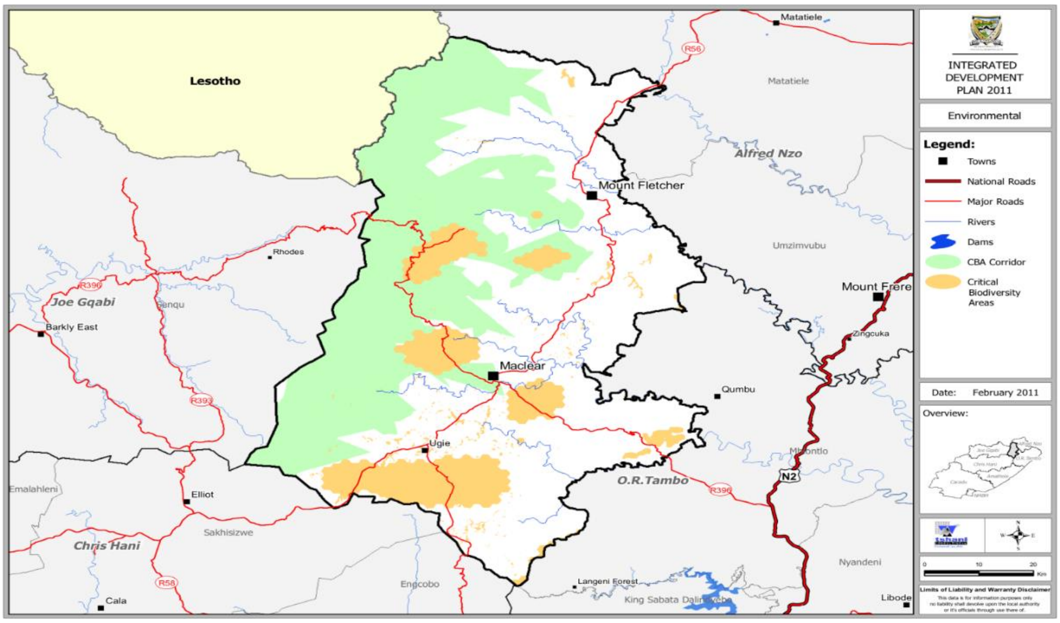


Figure 18: Map Showing Biodiversity Areas

2.8. Spatial Planning

In terms of Section 35 (2) of the Municipal Systems Act, the Spatial Development Framework for local Municipality has statutory status and overrides any other plan for the area or portions of the municipality that may have been compiled previously and which is described in the Physical Planning Act (Act No. 125 of 1991). Such plans would include regional and local development plans, regional and local structure plans and more localized plans such as Precinct Plans/Urban Structure Plans and/or Area Based Plans. As such, the Elundini

Spatial Development Framework becomes the principle instrument for forward planning and also guide decision-making on land development in the Elundini Municipal area. The municipality appointed Umhlaba Consulting to review and update its SDF to be in line with SPLUMA and other applicable regulations. The reviewed SDF has since been approved by the council in December 2018 with Council Resolution No. CON/297/18.

The ELM has embarked in developing the inner-city /town precinct plans for its three town so as to:

- To create efficient and productive cities/ towns with less poverty and sustained by dynamic Economies
- To reduce existing infrastructure and service disparities
- To provide better housing and shelter and greater security of tenure for urban residents
- To encourage affordable growth of local economies
- To tackle spatial inefficiencies, especially the mismatch between where people live and work - to improve the quality of the urban environment
- To transform local authorities into effective and accountable local government institutions
- To establish safe and secure living and working environments

All the three town, Ugie, Nqanqarhu and Tlokoeng have the finalised precinct plans. However, gaps were identified and as such, project proposals have been submitted to EC CoGTA and DBSA for funding in order to further develop the precinct plan which will incorporate local spatial development strategies for each of the three towns. Strategic projects identified through these plans will be implemented in the next four years in alignment with the budget availability.

2.8.1. SPLUMA implementation

SPLUMA requires that each municipality adopt and implement Spatial Planning and Land Use Management By-law to inform processes and procedures within the Spatial Planning and Land Use Management System. SPLUMA then advocates for development of wall to wall Spatial Development Framework (SDF) and Land Use Scheme (LUS) in order to align with relevant legislation. The Municipality must also put in place decision making structures on Land Use and Land Development applications while also categorizing applications in line with established decision make structures.

The By-law was adopted by Council and gazetted for implementation in July 2016. In 2021, the Municipality further embarked on the process to further customise and strengthen its bylaw on Spatial Planning Land Use management. These amendments were adopted for public participation by Council in the June 2021 and will now be taken through public participation and stakeholder consultative sessions. Thereafter, the Bylaw will be finalised in line with Council resolution and processes and published on the provincial gazette for implementation. The Municipality has also adopted the wall to wall Zoning Scheme Regulations, updated its zoning register and zoning maps as per the requirements of SPLUMA for Land Use Scheme. The Municipality adopted the SPLUMA aligned MSDF in December 2018 and approved categorization of applications in March 2021. For decision making structures, the Municipality also forms part of the District Municipal Planning Tribunal, while authorised officials have also been appointed with the Appeal Authority also in place. To fast-track processing of Land Use and Land Development applications, the municipality has also approved the Standard Operating Procedure that clearly outline the whole land use and land develop application process. The application forms for town planning related applications have also been adopted by Council June 2021. In terms of internal capacity, the Municipality have three registered professional planners (including manager spatial planning) appointed to deal with technical assessment and processing of land use and land development applications.

(i) Work in the planning stages for SPLUMA implementation

The Municipality has already adopted, gazetted and Implemented Spaial Planning and Land Use Management Bylaw, 2016, Establishment of Decision-Making Structure in terms of SPLUMA and reviewing the MSDF in line with requirements of SPLUMA. Furthermore, SPLUMA also requires that each institution compile a wall to wall Use Scheme (LUS) in order to align with relevant legislation. To accomplish this planning work, it is the intention of the Town Planning Unit to first compile Ward Based Plans and then the SDF and LUS. The above was to be accomplished within 5 years' transition phase since the implementation of SPLUMA on the 1st of July 2015.

Due to covid and other unprecedented delays, the Minister for Department of Agriculture, Land Reform and Rural Development granted the 18 months' extension from August 2020. Notably, Elundini Municipality has accomplished most of the things that needed to accomplished, except the implementation of the Wall to Wall Land Use Scheme. The Municipality is also on course to have the wall to wall scheme implemented as this has been adopted by Council in the Meeting of June 2021. The wall to wall scheme will now be taken through the public participation and consultative sessions which will be finalised before end of September 2021, then the Scheme will be published in provincial gazette for implementation.

(ii) By- Laws

Of the five standard by-laws received from the Department of Rural Development and Land Reform (model planning and land use by-laws; model framework for delegations; model of tariffs; transitional provision and supporting document); the institution has customised and adopted the Spatial Planning and Land Use Management by-law; This bylaw informs on the processes to be followed when undertaking spatial planning, land use management and development management initiatives. The Zoning Scheme By-law was adopted in the Council Meeting of June 2021 (Con/171/21). The Municipality has also adopted the wall to wall Zoning Scheme Regulations, updated its zoning register and zoning maps as per the requirements of

SPLUMA for Land Use Scheme. The Municipality adopted the SPLUMA aligned MSDF in December 2018 and approved categorization of applications in March 2021.

For decision making structures, the Municipality also forms part of the District Municipal Planning Tribunal, while authorised officials have also been appointed with the Appeal Authority also in place. To fast-track processing of Land Use and Land Development applications, the municipality has also approved the Standard Operating Procedure that clearly outline the whole land use and land develop application process

The application forms for town planning related applications have also been adopted by Council June 2021. In terms of internal Capacity, the Municipality have three registered professional planners (including manager spatial planning) appointed to deal with technical assessment and processing of land use and land development applications.

(iii) The establishment of Municipal Tribunal and Appointment of Authorised Official

The ELM Council has resolved that the municipality will form part of the District Tribunal with Joe Gqabi and the other local municipalities under this district and the JGDM will be a stakeholder as the WSA. The municipality has thus signed the service level agreement into this effect. The different stakeholders have identified the expertise which are required to sit in the District Tribunal. The Director: Planning and Economic Development has been appointed as the main Authorised Official for Elundini Municipality to adjudicate on applications that are in line with MSDF and recived no objections.

(iv) Processing of Land Use and Land Development Application

The Elundini Spaial Planning and Land Use Management Bylaw, 2016, sets out the process and procedure for submission and processing of land use and land development applications. These have also been further simplified through a Standard Operating Procudure (SOP)that has been approved by the Municipal Manager in terms of Section 84 of the said Bylaw. Furthemore, difirent application forms have also been developed and approved by Council in the June 2021 Council meeting. The SOP and checklist included as part of the application forms factored in the provisions and pronounciations of the Act (SPLUMA) as well as the SPLUMA Regulations for qlignment purposes. The Municipal has two registered professional planners who are responsible for processing land use and land development applications as well as preparing recommendation reports to Municipal Decision-Making Structures (MPT amd Authorised Official) established in line with SPLUMA requirements.

(v) Land Use and Land Development Application Management System

Elundini Local Municipality uses an integrated management information system (IMIS) which integrates all components of a business entity into one coherent system so as to enable the achievement of its purpose and mission.

In 2018/2019 IMIS was introduced as part of the institutional system with different modules relevant for the municipalities. Project Steering Committee was established and modules required were identified. Departments were consulted by the service provider to assess their needs and to make sure that each module is responsive to client requirements. In this system there is a Town Planning function that enables the administration and Management of Town Planning, with regard to geographical information issues. This has proven extremely beneficial to all parties involved with the town planning function of the municipality. All types of applications are available for automation including Consent Usage, Consolidation, Coverage, etc.

Information about these applications can be extracted from the system in the form of reports. The Town Planning Section has further simplified the process of applications as it prompts for all the pertinent information and automates the process to ensure timely correspondence between all parties involved. This land viewing tool is indispensable as it aids them on a day to day basis and provides enormous benefits.

2.8.1.1. Spatial Planning Elements

Land use package

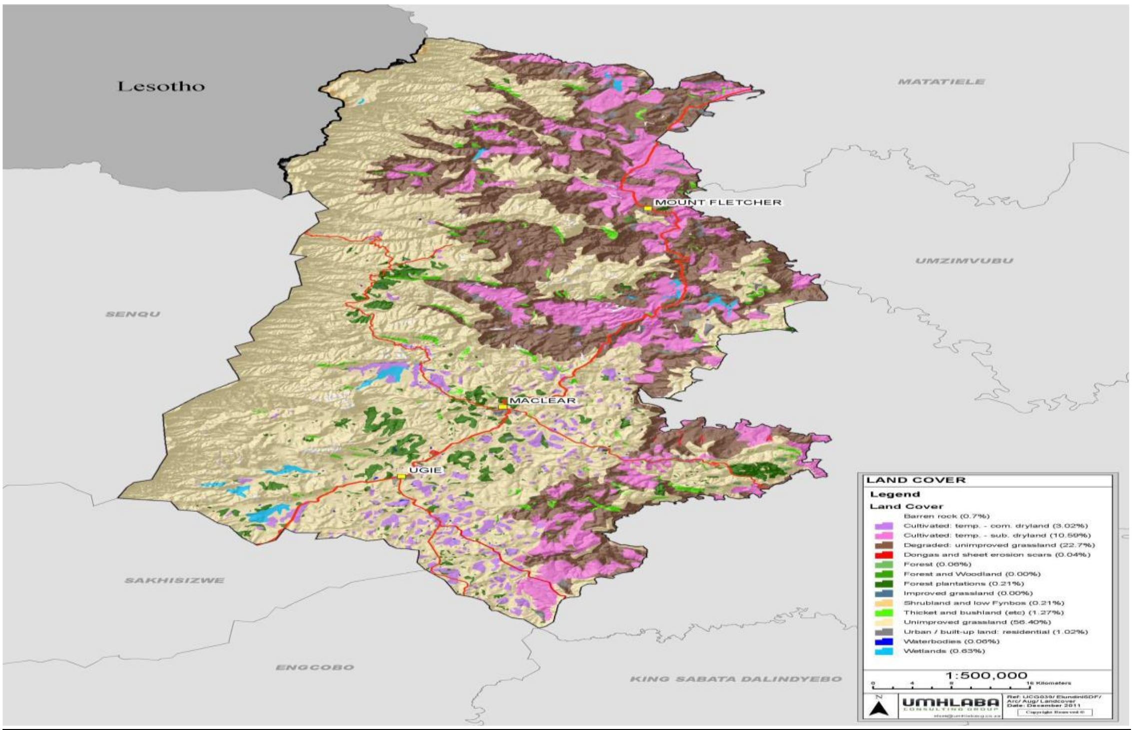


Figure 19: Land Use Package

The land cover pattern is largely determined by topographical and climatic factors. However, past political engineering, current tenure arrangements and population densities have impacted on the type of land cover. An overall view of land use (cover) in Elundini LM indicates the following:

- Unimproved grassland dominates the Municipality, covering 56.40% of the total surface area. This is followed by degraded unimproved grassland (22.70%) and semi-commercial/subsistence dry land cultivation (10.56%)

- The presence of grasslands indicates the potential for livestock and game farming in the agricultural economy of the area.
- A concern however, is the fact that some 23% of the total land area is classified as degraded/eroded. The majority of this area falls within the rural settlement areas of the former Transkei. This is indicative of:
- An imbalance between the resident population and the available land resource; and/or
- Inefficient land management practices in regard to agricultural activities. In this instance, it is likely that overstocking and overgrazing is largely responsible for the state of the land.
- The importance of agriculture in the region is highlighted by the fact that 6.3% of the land cover is forestry and commercial farming, with a further 10, 56% subsistence farming.
- Land upon which urban development and/or human settlements have been developed comprises only 1.02% of the total land area, which is indicative of a low-density settlement pattern. This emphasizes the opportunity presented now by ensuring that future development is undertaken in an environmentally friendly manner, so securing the greatest asset of the area for future generations.
- Of environmental significance is that wetlands cover 0.62% of the Municipal area.

2.8.1.2. Land Ownership

Plans illustrate the current land ownership patterns prevailing across the municipal area, as well as within the main urban settlements. The following points are noted:

- There is a lack of ownership information for the urban areas in particular the town of Tlokoeng.
- From the information that is available, it is evident that the majority of land ownership is private
- The distribution of land ownership indicates that any meaningful land reform program to be pursued in the Elundini LM area will be reliant on restitution and land redistribution programs.

2.8.1.3. Development priorities in alignment to Spatial Development Framework

The development priorities of the municipality focus on infrastructure and service delivery. The situational analysis reviled that there is a severe shortage of essential services and infrastructure in some areas of Elundini, especially in the former Transkei. There are also discrepancies in the service delivery between the rural and the urban areas. The spatial implications in providing these basic essential services and infrastructure are:

- To identify the areas in greatest need of basic essential services and those areas must be prioritise for level one investment.
- To provide affordable and sustainable level of housing, services and infrastructure.
- To ensure that the environmental factors and constraints are considered in the delivery of services.
- To ensure equitable distribution of infrastructure and services.

Addressing Spatial Fragmentation

- Spatially fragmented settlement patterns, often comprising of low density, sprawling settlements areas are costly and difficult to service. Therefore, it is necessary to develop a means to prioritise service delivery and attempt to encourage more efficient settlement patterns by focusing on areas of potential and/or greater accessibility.
- The urban nodes of Ugie, Nqanqarhu and Tlokoeng play a vital role in the functioning of the Municipality. It is where the largest concentration of economic activities, resources and services are situated. In order for the effective utilization of these resources and services, it is important that the towns' forms promote efficiency. In order to achieve this, the following approaches need to be adopted:
- Urban sprawl needs to be contained through the development of an adequate Housing Sector Plan that clearly eamark areas of future growth and development whil ensuring compact urban growth and development by means of urban intensification (infill projects & promotion of higher densities).
- Development incentives policy needs to be developed and adopted by Council in order to attract investors and developers to Elundini Municipal area of jurisdiction. This included deliberate and concise effort to prioritise processing of land use and land development applications that are critical for the economic prosperity of the three towns within the Municipality.
- Absorption of population growth within the existing urban edge. The benefits achieved from this relate to efficiency, cost, convenience and resource utilization. The continuity of urban development, as opposed to fragmentation, so as to functionally integrate urban areas. There must be integration of uses and activities, to maximize convenience and vitality.
- There must be multi-functionality and sharing of public spaces and facilities in order to make the most efficient use of public investment the integration of built and non-built environments, in order to achieve the economic, environmental and recreational interaction that potentially exists between them and to make maximum productive use of urban resources. Equitable distribution of public facilities and services throughout the Municipality.
- Incorporated into the principle of urban efficiently is the ordrly use and development of land through adequate urban growth management stratergies. A trend of urbanization is evident in the Municipality especially in Ugie and Nqanqarhu, while land invasions and haphazard use and development of land has been noted as a major challenge in the Tlokoeng core urban area. The pressure of urbanization is not only in the need for land for housing but also increased pressure on commonage land, cemeteries, social infrastructure e.g. sports field etc.
- Land use and development decisions must promote a harmonious relationship between the built and the natural environment while ensuring that land development is sustainable over the longer-term period'. Therefore, Land use planning and development in the Elundini Municipality should protect

existing natural, environmental and cultural resources. It is also important that the prime agricultural land should remain in production.

- Environmental Management principles dictate that land use and land development must be sustainable, and not to the detriment of future development. This places great emphasis on the linkage between sound land use management and environmental management and highlights the need to integrate the two functions in an operational manner in the land management functions of thee Elundini Municipality.

2.8.2. Kei Development Corridor

The Kei Development Corridor is an initiative to promote economic development in the area surrounding the main road and rail links from East London to Mthatha. The Kei Rail Project is the "anchor" project in the Kei Development Corridor and is centered on the upgrading of the railway line between East London and Mthatha. While the focus of the project has been on improvements to the rail infrastructure, the project also aims to stimulate and sustain socio-economic growth and development within the Kei Development Corridor. The Kei Rail Project just one of a number of identified Mega Projects in the Kei Development Corridor, other Mega Projects include Wild Coast Meander, N2 Toll Road EIA, Kei Rail Business Plan, East London Harbour, Umzimvubu Basin Water Projects, Ugie-Langeni Road, East London IDZ, MELD Corridor and Massive Food Production Program.

The Ugie-Langeni Road and The Umzimvubu Basin Scheme Mega Projects impact on ELM. The Kei Development Corridor Report highlighted the importance of The Ugie-Langeni Road with regard to providing access for timber and agricultural produce to markets and production facilities and increase freight opportunities for the Kei rail. In addition, the construction of the Ugie-Langeni road will have positive 'spin-offs' for the tourism industry and travel patterns by unlocking the natural resources of the Ugie and Engcobo areas.

2.8.3. Alignment with National and Provincial Policy Frameworks

A set of key national, provincial and district policy frameworks with implications for LED implementation were analysed as part of the review process, these include the following:

Table 35: Aignment with National and Provincial Policy Framework

National	EC Provincial	Joe Gqabi	Elundini LM
MTSF (2009-2014)	PGDP	SDF	SDF
NDP	ECIS	IDP	IDP
NDP	Eastern Cape Vision 2030 Provincial Development Plan	SDF	SDF

▶ NDP	▶ The Integrated Urban Development Framework (IUDF)	▶ SDF	▶ SDF
▶ National Tourism Strategy	▶ Eastern Cape Tourism Master Plan	▶ LED Strategy ▶ Tourism Strategy	▶ IDP ▶ LED Strategy ▶ Tourism Sector Plan

2.9. Social and Community Services

2.9.1. Sports and Recreation Facilities

The municipality has seen to the construction of TV Park Sport field which was officially handed over to the community. It is also in the process of completing Ugie Sport Field Phase 2 as well as the completion of Hopedale/Ngcele Sport Field and Tlokoeng Sport Field. The sport fields comprise of a combined soccer/rugby field with irrigation system, synthetic running track, tennis court, netball/basketball combi-court, palisade fencing, flood lights, ticketing room, change rooms and ablution facilities Engagements and interventions have since been made with Eskom but to date the power supply to the stadium has not been upgraded and energized. The sporting facilities are usually prone to vandalism after completion and a more community centred approach is being developed to ensure the efficient management of the sporting facilities. The municipality plans on approaching the Department of Sport and Recreation for further funding opportunities on sporting facilities.

2.9.2. Community halls

From the table below, it shows that only 11 Wards in ELM have community halls and 6 wards do not have community halls. Some of the halls are either not accessible to the communities as there is no clear-cut policy of utilization or their accessibility is a challenge because of poor roads leading to them. Most rural communities are struggling as there are no halls within their areas of residence. In every community engagement with the Mayor the issues of the construction of community halls is always raised as a need in all the wards that do not have them. Construction of Ilisolomzi Community hall in ward 9 has been completed and handed over, Tsitsana community hall in Ward 4 is still under construction. Most of the community halls in rural areas need some renovations.

The table below depicts the number of wards that have community halls and those that don't have community halls:

Table 36: Community halls

Ward No	Number Of Halls	Name Of Village(S)
01	1	Nkalweni
02	1	Ntokozweni
03	1	Sonwabile

04	1	Nqanqarhu Town
05		Hopedale / Ngcele
06	1	Hopedale Ngcele
07	1	Botshabelo
08	0	
09	1	Tlokoeng Town Ilisolomzi Community Hall
10	0	
11	0	
12	1	Mangoloaneng
13	1	Moabatsane Village
14	0	
15	1	Bethania Village
16	0	
17	1	Ugie Municipal Hall

2.9.3. Cemeteries

Most of the cemeteries in the municipality are generally nearing maximum capacity and a cemetery management system is required to co-ordinate their effective use. Of critical urgency are the numerous informal cemeteries/grave yards which are being used in and around the informal settlements of the three towns. These burial places are not registered and are not compliant in terms of environmental and other legal provisions such as EIA compliance. In Nqanqarhu, the only possible land for expansion is located on a vacant land owned by Public Works and used by the Magistrates Court. A new cemetery has been reserved on the outskirts of Nqanqarhu and this could accommodate 3000 graves. Unfortunately, the community is currently refusing to utilize this new facility.

Generally, the key challenge regarding cemeteries in the municipality is around communities being reluctant to use formally established cemeteries to avoid paying user charges. They instead resort to using informally established and unplanned cemeteries which must be closed down as a matter of urgency since this severely compromises the natural environment. Recently an assessment report was developed for all sites that are being used for burial purposes to determine their suitability or otherwise. The report found among other things that most identified burial sites were informal and involved no technical investigations as required. The municipality based on this has undertaken a process towards formalization of existing sites, closure of unsuitable sites as well as identification of new land for formal establishment of cemeteries in each town. This process will be undertaken in anticipation of the introduction of an electronic cemetery management system which is already procured.

2.9.4. Pounds for Small and Large Animals

In terms of the powers and functions, pound management is the responsibility of the municipality. Supporting legislation includes the relevant Pound Ordinance which is still applicable as well as the municipal bylaw. All three animal pounds are not in a good state and do not conform to common standards for animal keeping and care. The Nqanqarhu pound which has been located within municipal office premises has since been relocated to a suitable area on the outskirts of Nqanqarhu town. Even the above is not ideal by any measure of standard and require much more extensive infrastructure development than currently exist. In this regard a business plan has been developed in order to assist with proper project budgeting in order effect the necessary facility improvements. These include the construction of an animal pound in Ugie in 2023/24 financial year and fencing of Tlokoeng holding cell for impounded animals.

2.9.5. Parks and Open Spaces

There are five (5) existing parks in ELM located in Ugie, Nqanqarhu and Tlokoeng. Four of these parks were beautified. Caravan Park in Nqanqarhu was revamped and refurbished into an income-generating park for tourists. The refurbishment entailed the construction of swings, a braai area, tables and chairs, upgrading of electricity connections, building of walkways and installation of geysers and showers. Tlokoeng park has been prioritized for 2023/24 financial year.

A lot, though, still needs to be done on the established parks in ensuring that they are well cared for and maintained. Upgrading of these which must include re-grassing, landscaping and fencing are matters which must receive priority attention. Installation of playground equipment as well as outdoor furniture within parks themselves and on pavements are features that have a potential of making our parks practical and user-friendly spaces. There is still a challenge of providing secured ablution facilities on our parks to promote health and hygiene. Some of the parks like the one opposite the entrance to the municipal offices may need to be transformed into botanical gardens also in line with the “greenest concept” embraced as part of the municipality’s strategic goals. A Public Amenities Maintenance and Management Plan has been developed and approved by council and is being implemented.

2.9.6. Library and Information Services

Libraries are a function of the district sphere of government currently performed by the municipality on an agency basis. To give effect to this arrangement a Service Level Agreement has recently been signed with the district municipality who have committed to funding the services by way of a subsidy to the amount of R750 000 for 2022/23 financial year. All three towns operate library facilities through seconded professional librarians assisted by staff appointed by the municipality. Some of the challenges regarding libraries include:

- Lack of access to internet services (in some libraries)
- Space constraints (no discussion rooms, offices etc.)
- Lack of dedicated maintenance plans

- Adequate funding
- Non-existence of a Memorandum of Agreement

Notwithstanding the above the municipality has made provision during adjustment budget to cater for roll out of internet connection to all the libraries. This improvement will include replacement and fitment air conditioning equipment. It is expected that these improvements will make libraries more user friendly.

2.10. Public Safety

2.10.1.1. Traffic Services

The municipality maintains services of traffic officials to administer its two Driver Learner Testing Centers (DLTCs) located in Nqanqarhu and Tlokoeng. It must be noted that the municipality only provides for practical driving licensing for Code 8, plans are underway to upgrade DLTC in Nqanqarhu which is Grade D to Grade B. A Vehicle Testing Station in Tlokoeng which was under construction during the previous financial year has been completed, however, it has not yet been handed over for use. All services related to licensing, registration of vehicles and payment of traffic fines are currently in operation and a recently installed backup system operates whenever there is power failure. Electronic machines for learners and driving licenses and eye testing are operational.

Currently there are six (6) law enforcement officers for Elundini Local Municipalty, the employment of Law Enforcement Officers will somehow ease the challenge on the implementation of by-laws which are currently under reviewal.

2.10.2. Waste Management

The Solid Waste Management Section located in the Community Services Department is charged with the responsibility of rendering all Solid Waste Management activities, environmental plans and programs. The Section is responsible for refuse collection, street cleaning, and waste information or waste data management, recycling, awareness and landfill site management. The Municipality adopted its IWMP which was sent to MEC for DEDEAT for endorsement and was duly endorsed in 2016 and is currently under review. The municipality has also formally appointed the Manager: Waste and Environment as its designated waste management officer. The Municipality has also been screened by DEDEAT as part of their process of updating the Provincial IWMP with specific focus to Joe Gqabi District Municipal Area. The department has introduced a plan to implement the polluter pay principle through the revision of refuse tariffs to ensure sustainability of the service and minimal cost recovery. In this regard the tariff policy has been reviewed to incorporate cost elements for services that the municipality render for the public good.

2.10.2.1. Refuse Removal / Waste Collection

The refuse removal service only focuses in the CBD and peri-urban areas of Elundini Municipality. ELM provides a weekly waste collection service to all the households and daily service to businesses in Nqanqarhu, Ugie and

Tlokoeng. In residential areas, household waste is placed on the kerb outside the house and collected from there by municipality. This domestic waste should be contained in refuse bags which are tied or knotted. ELM provides daily refuse collection services in town focusing on Businesses and Government Institutions.

2.10.2.2. Street Cleaning / Cleansing

Street cleaning is conducted daily with the main focus being in the CBD and adjoining streets. Clearing of Illegal Dump Sites and Township Street Cleaning is done through a combination of departmental staff and EPWP workers allocated to the department. The Good Green Deeds program of the department of Environmental Affairs recently launched is planned to second around 22 local youth who will assist the municipality in heightening awareness on issues of cleanliness and environmental education among communities. They will also largely deal with cleaning illegal dumps.

There is also a skip service available and sidewalk bins placed at strategic points in Tlokoeng, Ugie and Nqanqarhu town to ensure that Businesses and people have access to them and ultimately reduce levels of littering. Sixty (60) street litter bins were procured and installed in Nqanqarhu, Ugie and Tlokoeng in 2019/20. The aim is to ensure proper waste / refuse containment in all urban areas. The municipality has been awarded a youth empowerment programme by DFFE: Municipal Cleaning and Greening (Flood mopping), where Hundred and twenty-six participants have been employed form all ELM wards. The participants will complement the existing dwingling permanent staff with undertaking refuse collection, street cleansing, greening and beautification, landfill site management as well management of public open spaces. The programme commenced in March 2023 and will lapse in March 2024.

2.10.2.3. Waste Disposal/Landfill Site

ELM has three landfill sites that are licenced for operation namely: Nqanqarhu transfer which is currently not in use, Ugie and Tlokoeng landfill sites. The three sites came into operation in 2004. The Elundini municipality entered into PPP agreement with Interwaste (PTY) Ltd. Interwaste started operating and managing the sites on the 1 July 2014. The main responsibility of Interwaste is the operation and management of Ugie, Tlokoeng and Nqanqarhu Landfill Sites and to ensure that the permit conditions of the waste facilities are adhered to. The Nqanqarhu landfill site is utilised as a transfer station, while Ugie and Tlokoeng are being utilised as disposal sites. The two operational landfill sites are managed by an external party, however, there’s partial compliance (not full) in terms of the conditions of the license as well as relevant environmental management legislation. The partial compliance is reflected in compliance and inspection reports submitted by the district municipality (EHPs) and competent authaurity (DEDEAT) through adhvoc site inspections and monitoring of the sites. The ELM requires support (financially) in order to take full control of the management and operation of landfill site function (i.e. for sourcing of proper plant, equipment and fleet for landfill management).

Other responsibilities for Interwaste in the operation and management landfill sites, is to provide monthly reports on waste volumes and also ensure that the sites are operated in accordance with the permit conditions. The Municipality regularly visits the sites to ensure compliance with the Permit Conditions of the Sites and with the terms of the Contracts with Interwaste. In addition to this monitoring regime the district Environmental Health Practitioners visit the sites on a monthly basis to check on compliance with the Department of Environmental Affairs conducting random inspections.

The Public Private Partnership agreement is due to be reviewed in 2019 to appraise the contractor's performance as well as to make any other necessary adjustments aimed at ensuring improvement in performance. The PPP contract with Interwaste will lapse on the 31st of May 2023 and the municipality through Council has approved a one-year contract to be sourced through SCM processeses, for the hiring of yellow plant forlanfill operation and management with and operations will be managed internally.

2.10.2.4. Recycling

ELM is working closely with Elundini Cooperative Development Centre to ensure that Cooperatives in the Recycling Sector are organised and assisted. This platform created an opportunity for the Municipality to consolidate the different requests that are submitted by Cooperatives and will ensure that everyone benefits from any assistance that is offered by the Municipality. There are currently six recycling cooperatives which are formally registered and plying their trade albeit on a smaller scale. ELM also has a Material Recovery Facility located at the Ugie Landfill Site. Currently the MRF is not in a suitable condition to be accepted by the Municipality and operated accordingly. The Municipality will make efforts to rectify the structure and be able to offer recyclers an opportunity to be involved in the sector. Ongoing discussions between the municipality and the implementing agents of the MRF project have yielded positive results. Accordingly, the MRF is undergoing repairs towards finalisation to enable planned operations.

ELM aims to promote waste minimization and recycling in the three towns and to create employment opportunities through that MRF. The MRF will contribute towards local economic development and increase the lifespan of landfill site. Currently the MRF is due to be repaired through internal funding mechanisms to pave way for its use and operation by local recycling cooperatives.

2.10.2.5. Education and Awareness

ELM has initiated programs to increase awareness concerning ASD and particularly to promote a cleaner environment to live in, and around urban areas. Efforts to strengthen this program has been made possible by the creation of the position of Environmental Awareness and Education Practitioner who among others is also responsible for championing waste minimisation activities. The main purpose of the programs is to raise awareness and educate Elundini Municipality residents/community about issues related to cleanliness, waste, environmental management and sustainable development. The waste management awareness focuses on the anti-littering programs for the public/clean up campaigns.

The Municipality intended to hold a minimum of two Campaigns per year in order to influence community mind set on waste and environmental management matters. Clean-up Campaigns and Awareness Campaigns have been conducted in all three towns. The position of an education and awareness officer has recently been approved and awaiting filling. ELM is an active participant of the Climate Change, Waste and Environment SALGA Forum, Provincial DEDEAT Waste Management Forum and the Joe Gqabi District Environmental Management Forum. ELM also participates on quarterly basis in the District Enviromental Forum convened by the districts Local Government Support Officer, appointed by the National Department of Forrestry, Fisheries and Environment (DFFE).

(a) *The achievements in the waste management program*

- Collection Services to more than 7336 households and 222 Businesses
- Daily Street Cleaning and Skip Bin Removal Services for Businesses
- Purchase of 2 new 4 Ton Truck for servicing Ugie and Tlokoeng
- Use of a vehicle tracking system to monitor fleet movements
- Purchase of 6 additional Skip Bins for Ugie and Nqanqarhu and refurbishment of about 8 bins in Tlokoeng
- Provision of additional Skip Bins for Tlokoeng
- Strictly monitoring the implementation and performance of Interwaste on poor performance in terms of the PPP Agreement through various monitoring and inspections
- The employment and secondment of one local young person under the Good Green Deeds program of DEA

(b) Challenges

- Inability to extend basic waste/lack of refuse removal services in rural areas
- Shortages of personnel for effective Management of Solid Waste
- Poor Condition of the Ugie MRF
- Poor road conditions for accessing landfill sites and some townships
- Landfill airspace running out
- Lack of sector plans such as the Air Quality Management Plan and the Environmental Management Plans

Table 37: Available Fleet – Refuse Removal Vehicles

Nqanqarhu	Ugie	Tlokoeng
Supervisor vehicles X 2	Supervisor vehicles X	Supervisor vehicle X 2
1 x REL Compactor Truck 1 x 4 Ton truck 2 x Tractor and trailers	2 x Tractor and Trailers 1 x 4 Ton Truck	1 x Tractor and Trailer 1 x Tractor and Skip Loader 1 x 4 Ton truck

2.10.3. Implementation of Expanded Public Works Program (EPWP)

ELM participates in the Expanded Public Works Program (EPWP) contributing mainly on the Social Sector, Infrastructure Sector and Environmental Sector. ELM has employed an EPWP Champion Coordinator, located within the Community Services Department to ensure that EPWP programs are run and managed effectively.

EPWP Grant outcomes

The impact of the EPWP grant in the lives of beneficiaries.

- High level of unemployment has been reduced.
- Skills transfer / Capacity building conducted.
- Poverty has been eradicated.
- Support systems for people living with the Virus have been created.
- Awareness campaigns on HIV and AIDS have been done.
- Promotion of Local ownership
- Communities are benefiting from the infrastructure projects that have been implemented.
- Towns are clean and Parks have been developed and maintained.
- Crime has been reduced because communities are working.

EPWP Grant Performance

Grant received for the past 2 years and expenditure including the grant received in 2022-23

EPWP Integrated Grant allocation for 2021/22 and 2022/23 financial year was R 2 569 00. The

Programme Name	Purpose	Outputs	Outcomes
Mass Job Creation: - Environment & culture Sector.:- (Waste management)	Refuse collection & Beautification of town.	Waste collected and Community Parks created.	Clean towns
Mass Job Creation:- (Infrastructure)	Roads and storm-water development and maintenance.	Roads maintained and facilities refurbished.	Maintained Roads and storm-water.
HCBCs	- To conduct Education awareness programs at wards level targeting different sectors and door to door. - Disseminate information during community events including sport. - To create support system for people living with the virus.	HIV AIDS Awareness Campaigns held.	▶ Conducted Awareness Campaigns on HIV Aids. ▶ Created support systems for people living with the virus.

	Targets	Achieved
Full Time Equivalents	176	264
	Target	Achieved
Work opportunities	418	Target Achieved

2.10.4. By-Laws and Enforcement (Promulgation of By-laws)

ELM has recently revised and adopted its waste by-laws in order to comply with the NEMWA Act, 2008. Due to lack of adequate capacity to enforce the by-laws, there are numerous sporadic cases of illegal dumping and littering by both residents and commercial businesses. Even though these are usually identified and cleared on a monthly basis they soon reoccur due to lack of enforcement. Council also passed a specific resolution for the imposition of a R4500 fine to those found to have illegally dumped waste upon investigation. At times community members with full knowledge and access to regular collection service still dump their waste indiscriminately. Other relevant municipal bylaws being enforced include the street bylaws, informal trading, nuisance, impoundment of stray animals' bylaw, cemetery and road traffic bylaws to name but a few.

ELM has also introduced regular programs aimed at raising awareness among communities against illegal dumping and other activities likely to damage the environment. To date the municipality has initiated a monthly program aimed at clearing identified illegal dumps as part of its budgeted operations and has also appointed six (6) Law Enforcement Officers to ease the challenge on the implementation of by-laws. Over and above this the municipality developed a fine schedule to enable immediate enforcement of bylaws through imposition of spot fines. Both Nqanqarhu and Tlokoeng Magistrates courts have been furnished with the fine schedule for their approval and signatures.

2.10.4.1. List of Bylaws and Gazette Dates

All Commnity Services by laws are currently under review and they will all go through the policy process. Once the Council approve they will be gazzetted and be implemented.

Table 38: Municipal B- Laws

	Name Of By-Law / By Law Description	Date Adopted	Date Gazetted	Gazette No.	Date Reviewed	Con. Res. No.
1	Childcare Services	14/06/2007	30/07/2008	1929 (Provincial)		
2	Standing Rules and Orders	14/06/2007	30/07/2008	1929 (Provincial)	Dec 2022	
3	Parking attendants / car attendance	14/06/2007	30/07/2008	1929 (Provincial)		
4	Encroachment By-law	14/06/2007	30/07/2008	1929 (Provincial)		
5	Street Trading	14/06/2007	30/07/2008	1929 (Provincial)		
6	Bed and Breakfast, Guest House facilities	14/06/2007	30/07/2008	1929 (Provincial)		
7	Property Rates	14/06/2007	30/07/2008	1929 (Provincial)		
8	Tariffs	14/06/2007	30/07/2008	1929 (Provincial)	Yearly	
9	Credit and Debit Collection	14/06/2007	30/07/2008	1929 (Provincial)	Yearly	

10	Standing Rules and Orders	14/06/2007	30/07/2008	1929 (Provincial)		
11	Parking attendants / car attendance	14/06/2007	30/07/2008	1929 (Provincial)		
12	Fire Brigade	14/06/2007	30/07/2008	1929 (Provincial)		
13	Fire Safety	14/06/2007	30/07/2008	1929 (Provincial)		
14	Fireworks	14/06/2007	30/07/2008	1929 (Provincial)		
15	Funeral Undertakers	14/06/2007	30/07/2008	1929 (Provincial)		
16	Impoundment of animals	14/06/2007	30/07/2008	1929 (Provincial)		
17	Keeping of Animals, Poultry and Bees control	14/06/2007	30/07/2008	1929 (Provincial)		
18	Keeping of dogs control	14/06/2007	30/07/2008	1929 (Provincial)		
19	Law-enforcement	14/06/2007	30/07/2008	1929 (Provincial)		
20	Lease of halls & conference facilities	14/06/2007	30/07/2008	1929 (Provincial)		
21	Library	14/06/2007	30/07/2008	1929 (Provincial)		
22	Liquor	14/06/2007	30/07/2008	1929 (Provincial)		
23	Municipal Commonage	14/06/2007	30/07/2008	1929 (Provincial)		
24	Municipal Taxi Rank	14/06/2007	30/07/2008	1929 (Provincial)		
25	Nuisance	14/06/2007	30/07/2008	1929 (Provincial)		
26	Outdoor Facility and Outdoor municipal building	14/06/2007	30/07/2008	1929 (Provincial)		
27	Parks and Open	14/06/2007	30/07/2008	1929 (Provincial)		
28	Parks for Caravans & Mobile Homes	14/06/2007	30/07/2008	1929 (Provincial)		
29	Refuse removal	14/06/2007	30/07/2008	1929 (Provincial)		
30	Swimming Pools	14/06/2007	30/07/2008	1929 (Provincial)		
31	Cemetries	14/06/2007	30/07/2008	1929 (Provincial)		
32	Barbers, Hairdressers and beauticians	14/06/2007	30/07/2008	1929 (Provincial)		
33	Aerodrome-Municipal Airports	14/06/2007	30/07/2008	1929 (Provincial)		
34	Aerial Systems	14/06/2007	30/07/2008	1929 (Provincial)		
35	Traffic By-law	14/06/2007	30/07/2008	1929 (Provincial)		

2.10.5. Air and Noise Pollution

ELM does not have a Climate Change Strategy and Air Quality Management Plan in place and will have to consider developing these as part of its compliance to Air Quality Act, 2004 (NAMAQA). As a member of the environmental quality management forum, which sits on a quarterly basis ELM understands the need to monitor and manage air pollution sources in the area given various natural and manmade sources and P.G Bison industrial operations which is a major source of air pollution in the area.

Other sources of air pollution such as manmade agricultural activities, burning of fossil fuels, vehicular traffic and natural sources as wind will receive corresponding priority. This plan will also ensure that air and noise pollution, especially in urban areas are effectively monitored and by-laws are enforced. Plans are at an advanced to designate one of the employees as an air pollution control officer. Currently the forms of pollution are dealt with through existing framework of legislation such as the approved Integrated Waste Management Plan (IWMP), waste and nuisance bylaws. Currently pollution control is achieved through various municipal bylaws such as nuisance bylaw and fire brigade bylaws. The waste disposal site bylaws also disallow any form of burning within areas demarcated as landfill sites.

2.10.6. Sewage Spillages

Sewerage spillages (water and land pollution) are also monitored. These are the most frequent type of environmental pollution. Unfortunately, their frequency is very high especially in the central business district of Nqanqarhu town due to lack of bulk services capacity, poor management and insufficient funding for maintenance. The water services authority, Joe Gqabi district, has offices stationed in Nqanqarhu in order to facilitate easy and quick response in the event of any such spillages, leakages and other water nuisances occasioned by burst water pipes.

2.10.7. Environmental Opportunities

The ELM does not have its own Environmental Management Plan and will consider developing it and is currently using the one developed by the district municipality. Some areas of the District area are endowed with scenic beauty that has significant potential for agriculture and tourism sectors. In addition, a number of endemic species contributes to the potential of the District. In addition, climatic, soil and topographic aspects show that Elundini has an environment more suited to a variety of agricultural activities. The recently adopted Spatial Development Plan and SPLUMA are implemented in a manner that ensures checks and balances are in place to ensure that any development takes cognisance of the environment and its sensitivity. Even though this plan is not in existence, our realization is such that it will be prioritized within the short budgeting period.

2.10.8. Southern Drakensberg Sustainable Development and Conservation Strategy

The Southern Drakensberg Sustainable Development and Conservation Strategy, developed for the Elundini and Senqu Local Municipalities, has the following vision: “Improving the quality of life for all by facilitating sustainable economic opportunities in balance with the environment”. This long-term developmental vision contains the following key principles:

- Improving quality of life
- Facilitating local economic development
- Sustainability
- Creating opportunities
- In balance with the environment

These principles enforce the strategy’s primary objective which is to investigate the opportunity to unlock the economic potential of the region in a sustainable manner. It aims to strengthen the environmental sustainability of the IDPs and SDFs and address key structural and systems issues that are inhibiting the economic potential of the area. The overarching goal of this strategy is to improve the quality of life of individuals in the eastern portion of the JGDM. These goals are influenced by the principles of sustainable development with the strategy using the moderate to strong definition of sustainable development which entails the improvement of human and social capital without the loss of natural capital. Through this sustainability process the strategy aims to conserve all forms of capital in the area i.e. Natural, Human, Social, Financial, and Manufactured capital. To achieve these goals, the Southern Drakensberg Sustainable Development and Conservation Strategy identified five strategic pillars. These pillars are:

- Sector Development
- Environmental Management
- Investment in Infrastructure
- Creation of Strategic Partnerships and Institutional development
- Human Resource Development

2.10.9. Waste Collection Services: Refuse Removal

Table 39: JGDM Refuse Removal

SOURCE	JGDM	ELM	%
Removed by local authority/private company/community members at least once a week	117 381	28 395	19, 59%
Removed by local authority/private company/community members less often than once a week	5 696	308	0, 21%
Communal refuse dump	6 160	2 047	1, 41%
Communal container/central collection point	1 329	108	0, 08%
Own refuse dump	220 293	96 419	66, 53%
Dump or leave rubbish anywhere (no rubbish disposal)	17 120	13 074	9, 02%
Other	4 933	4 579	3, 16%
	372 912	144 930	100%

Source: CS 2016

Elundini LM has addressed the issue of unlicensed landfill sites since 2007 when the first LED Strategy was compiled. There are capacity issues with the expansion of the existing waste site in Ugie, however a program for recycling has been put in place and it is hoped that this will reduce the volume of waste entering the site. The recycling program is to be a Public Private Partnership (PPP). Landfill sites abound in the rural areas where refuse is not collected.

2.10.10. District Disaster Management Plan

The disaster risk assessment was conducted by the district in 2008, the district is in the process of developing disaster management plan. The District has formulated a Disaster Management Framework, a generic Disaster Management Framework and a Corporate Disaster Management Plan. These plans are used by the District to exercise its powers and conduct its duties in disaster management. The District Disaster Management Centre is developing a Scientific Based and Proven District Disaster Management Plan. This quantifies various risks, and provides strategies on how to identify and classify risks, ensures proper prevention, mitigation and response mechanisms, which are to be managed by all stakeholders. The current institutional arrangement regarding fire and disaster management is not adequate for the purposes of discharging the municipality's mandate towards its citizens.

At the helm of providing response to the various incidents and disasters only two Fire and Disaster Management officers have been employed. These efforts are assisted by participation and affiliation to the local Fire Protection Agency under the auspices of PG Bison and the local farming community. Various efforts have been made to conclude a Service Level Agreement with the Joe Gqabi district municipality for the release of a Hino fire engine truck aimed at improving ELM's capacity to render a comprehensive fire response. Up till now the municipality relies on a skid vehicle, being a small bakkie carrying a mini water tank.

ELM does not have its own approved Disaster Management Plan but fully recognizes the value and importance associated with having one and is currently on a draft phase, however, the fire management plan is in place and was approved by Council. While continuing to use the district wide Disaster plan, plans are at an advance stage to free resources in order to develop one. The ability of the municipality to maintain its operations and service delivery following major incidents and or natural disasters is highly dependent on its disaster preparedness.

The municipality had incorporated the disaster function in the organogram to accommodate the planned shared fire services model in partnership with Joe Gqabi District municipality and Working on Fire.

Electing to participate in the shared model will yield various benefits to the municipality which include a complete revamp of existing fire hydrants, erection of fully equipped fire stations/disaster centers, secondment of staff from Working on Fire as well as provision of state-of-the-art fire fighting engines and equipment. The premium that the municipality will have to pay for all this would be considerably far less in comparison with what costs it would incur were it to provide these itself. The municipality has set fire tariffs at a rate of an annual increase of 4%.

2.11. Municipal Transformation and Organizational Development

2.11.1. Institutional Arrangement

Elundini Local Municipality has a political and administrative structures reflected as follows:

Table 40: Political and Administrative Structure

Potical Offices and Council Structures	Adminstrative Structures
▶ Office of the Mayor ▶ Office of the Speaker ▶ Office of the Whip ▶ Council ▶ Executive Committee ▶ Section 80 Committees ○ Strategic Governance Portfolio Committee ○ Corporate Services Portfolio Committee ○ Budget and Treasury Portfolio Committee ○ Planning and Development Portfolio Committee ○ Infrastructure Planning & Development Portfolio Committee ▶ Section 79 Committees ○ Audit committee ○ Municipal Public Accounts Committee (MPAC) ○ Women Cuaucus ○ Mandate Committee ○ Rules Committee ○ Members Interests and Ethics Committee ○ IDP and Budget Steering	▶ Office of the Municipal Manager ▶ Corporate Services ▶ Budget and Treasury Office ▶ Planning and Development ▶ Infrastructure Planning and Development ▶ Community Services ▶ Bid Committees ○ Bid Specification Committees ○ Bid Evaluation Committees ○ Bid Adjudication Committees ▶ Performance Management Project Steering Committee ▶ Employee Assistance Program Advisory Committee ▶ Local Labour Forum ▶ Local Labour Forum Sub-Committees

2.11.2. Political Structures

At present the Elundini Municipal Council consists of 34 Councillors and has 17 Wards, half of which are elected in terms of proportional representation and the remaining Councillors are directly elected, i.e. are Ward Councillors. The Elundini Municipality has a Collective Executive System with a Ward Participatory System. The Executive Committee consists of 5 members as appointed by Council and is chaired by the Her Worship the Mayor, Cllr M.P.S.S Leteba. Hon Madam Speaker, Cllr V.V. Hokwana is the chairperson of the Council. The following are the members of the Executive Committee of Elundini:

Table 41: Members of the Executive Committee

Name	Portfolio
Hon Cllr M.P.S.S Leteba	The Mayor and Exco chairperson
Hon Cllr S. Mdoda	Infrastructure Planning and Development

Hon Cllr M. Siphamla	Planning and Local Economic Development
Hon Cllr B. Nqodi	Corporate Services (Whip)
Hon Cllr P. Lephafa	Budget and Treasury
Hon Cllr T. May	Community Services

The Executive Committee is the principal committee of the Council. It is the Committee which receives reports from the Standing or Portfolio Committees of Council and it must forward these reports together with its recommendations to the Council when it cannot dispose of matters in terms of its delegated authority. The chairperson of the Municipal Council is the Speaker. The Council has defined the following roles for the Speaker (over and above the roles assigned by the Municipal Structures Act): -

- Leader of council in respect of the oversight function;
- Custodian of the interests of the members of the municipal council;
- Politically in charge of the community development workers' program; and
- Responsible for the training and development of ward committees

In terms of Section 72 – 78 of the Municipal Structures Act, council has elected the Ward Committees in compliance with the Act. The ward committees are consultative community structures without any formal powers accorded to them. Where a ward committee is fully functional and effective, it is able to influence the decision taken in Council.

ELM has established seven (7) Section 79 committees (i.e. Audit Committee; Municipal Public Accounts Committee; Women Caucus; Mandate Committee; Rules Committee; Members Interests and Ethics Committee and Budget Steering Committee) and five (5) Section 80 Committees (i.e. Corporate Services; Financial Services; Infrastructure Planning and Development; Planning and Economic Development; Community Services and Strategic Governance Portfolio Committee) which are aligned to the administrative departments and are chaired by members of the Executive Committee. These committees sit their meetings according to the adopted municipal council calendar. The following are Section 79 Committee Members:

Table 42: Section 79 Committee members

Name	Portfolio
Hon Cllr Z. Mampintsha	MPAC chairperson
Hon Cllr C.L Marrandi	Chairperson Women Cuacus
Hon Cllr M. Thokozwayo	Chairperson Mandate Committee
Hon Cllr V.V Hokwana	Chairperson Rules Committee
Hon Cllr M. Telile	Chairperson Members interest and Ethics Committee
Hon Cllr M.P.S.S Leteba	Chairperson IDP & Budget Steering Committee

2.11.3. Administrative Structure

The ELM's executive management structure consists of the Municipal Manager, appointed in terms of section 54 (a) of the Local Government: Municipal Systems Act; five directors appointed by the municipal council in terms of Section 56 of the Municipal Systems Act and one non-section 56 senior manager directly accountable to the municipal manager. The municipality's main political and administrative offices are situated in Nqanqarhu with two administrative units in Tlokoeng and Ugie headed by their respective unit heads. Only the Municipal Manager and Director Community Services are on a 5-year performance-based contracts, other senior managers have been appointed according to the new regulations for the appointment of managers directly reporting to Municipal Manager. Senior Managers have signed their performance agreements which are reviewable annually. All other employees are employed on permanent basis except for the EPWP workers and interns.

The ELM macro organizational structure consists of the following departments: -

Table 43: Top Management

No.	Name	Position	Department	Period	Functions
1.	Mr. Jack Mdeni	Municipal Manager	Office of the Municipal Manager	5-year fixed contract	▶ Strategic Support ▶ Legal Services ▶ Internal Audit ▶ IDP, PMS, Risk Management, Monitoring & Evaluation ▶ Special Programs, including HIV & AIDS, Youth, Women and People with Disabilities ▶ Public Participation, Customer Care and Communication
2.	Mrs Nonkuselo Sokutu	Senior Manager: Strategic Support Services		Permanent	
3.	Mrs Ntomboxolo C Eddie	Director	Planning and Economic Development	Permanent	▶ Spatial Planning, GIS and Town Planning ▶ Local Economic Development ▶ Property development
4.	Mr. Siqalo Mrengqwa	Director	Infrastructure Planning and Development	Permanent	▶ Project Management Unit; ▶ Building and Civil Works ▶ Electricity

5.	Mrs Lungiswa Gomana	Director	Community Services	5-year fixed contract	▶ Waste Management and Environment; ▶ Public Safety; ▶ Fire & Disaster Management; ▶ Law Enforcement ▶ Libraries ▶ EPWP/CWP
6.	Vacant	Director	Corporate Services	Permanent	▶ Human Resources ▶ Administration and Support ▶ Information Communication Technology and Support
7.	Vacant	CFO	Budget and Treasury Office	Permanent	▶ Income and Expenditure; ▶ Budget Planning, Monitoring, Financial Statements and Report; ▶ Supply Chain Management; ▶ Asset Management

2.11.4. Elundini Organizational Structure Overview

As part of the annual IDP & Budget review processes, the Municipality is in the process of reviewing its institutional Organogram in order to reflect whether the municipality will be able to deliver on its Constitutional mandate and as circumstances so demand. The reviewed Organizational structure has been reviewed and adopted by the Council as an annexure to the IDP. The position for the Municipal Manager and Community services has been filled, however Director Corporate Services tendered a resignation. The recruitment processes for the position have commenced. The new appointments were made for Director Planning and Econocmic Development; however, the position of the CFO remains vacant due to the incumbent declining the offer, recruitment processes will commence as soon as possible.

Other employees that are recruited on a contractual basis are experiential learners, casuals and those who are employed on an EPWP program. Managers that report directly to the Directors and Senior Manager annually sign their performance agreements that are aligned to the municipality's SDBIP. Below is the municipality's macro structure that was reviewed and adopted with the adoption of the IDP and Budget. The whole structure of the municipality is attached as an annexure to the document. The following are the municipal functions:

2.11.5. Municipal Functions

The table below illustrates the powers that Elundini Local Municipality is authorised to perform the terms of Part B of schedule 4 and 5 of the Constitution.

Table 44: Municipal Functions

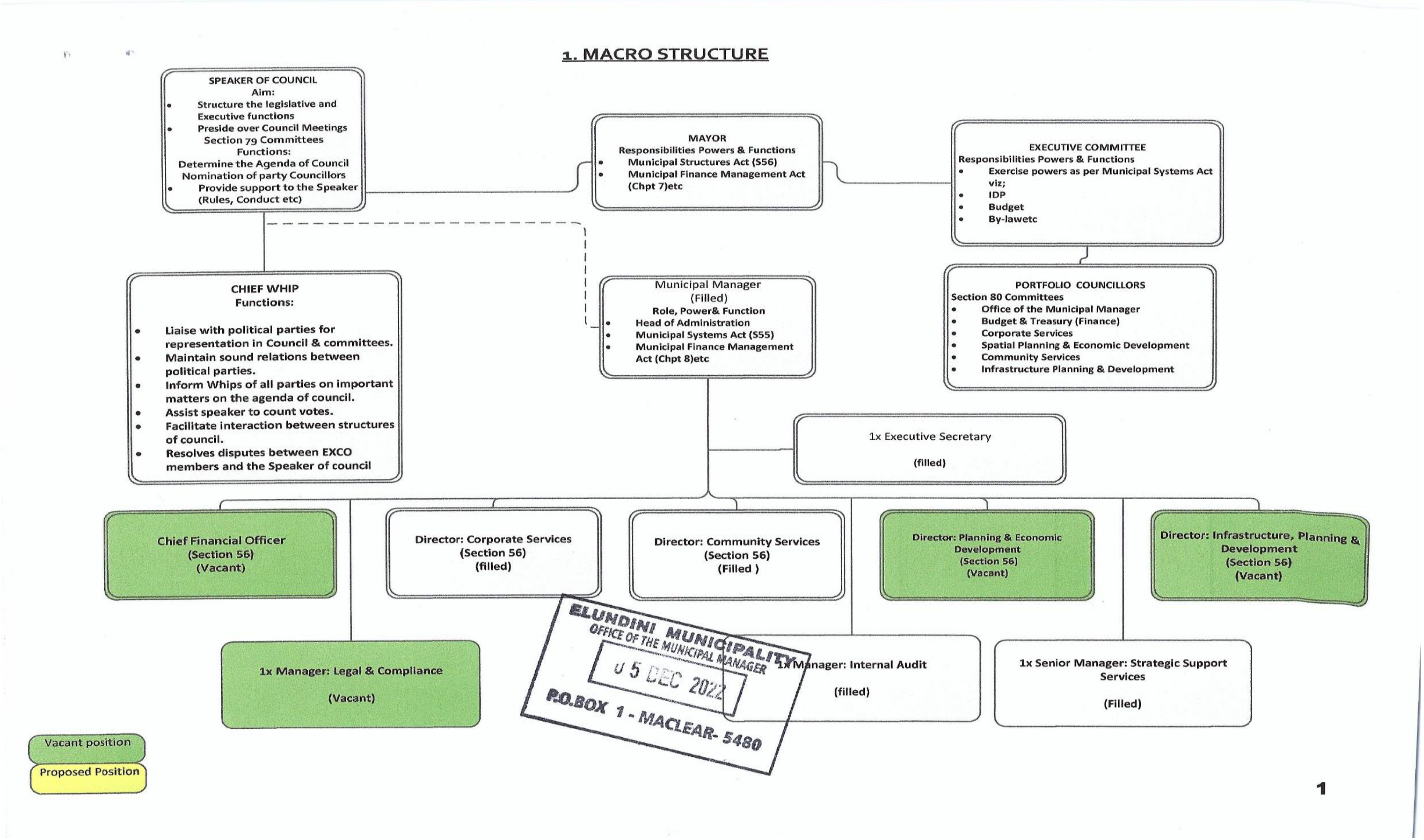
Part B of Scheduled 4	Part B of schedule 5
1. Air pollution 2. Building regulations 3. Child care facilities 4. Electricity and gas reticulation 5. Local tourism 6. Municipal Planning 7. Municipal Health services 8. Municipal public transport 9. Storm water management 10. Trading regulation 11. Pontoons, faires, settees, piers and harbours excluding the regulations of international and national shipping	12. Beaches and amusement facilities 13. Billboards and display advertisement in public places 14. Cemetries, funeral parlours and cemetoria 15. Cleansing 16. Control of public nuisance 17. Control of undertaking that sell liquor to the public 18. Facilities for the accommodation care and burial of animal 19. Fencing and fences 20. Licensing and controlling of undertaking that sell food to the public 21. Local amenities 22. Local sports facilities 23. Markets 24. Municipal abattoirs 25. Municipal parks and recreation 26. Municipal roads 27. Noise pollution 28. Pounds 29. Public places 30. Refuse removals, refuse dumps and solid waste disposals 31. Street trading 32. Street Lighting 33. Traffic and parking
Of 39 functions listed in Parts B of schedule 4 and 5 of the Constitution, Elundini Local Municipality has been allocated 34 functions which it is required to deliver on, the following 24 functions are being performed ELM.	
Part B of schedule 4	**Part of B schedule 5**
1. Solid waste 2. Municipal Planning 3. Storm water management 4. Municipal public transport 5. Trading regulations 6. Local Tourism 7. Building regulation 8. Electricity reticulation(agency) 9. Child care facilities	10. Cemetries, funeral parlour and crematora-including DM function 11. Cleansing 12. Local sport facilities 13. Municipal parks and recreation 14. Municipal roads 15. Public places 16. Refuse removal, refuse dumps and solid waste disposal 17. Traffic and parking 18. Municipal public works 19. Beaches and amusement

	20. Billboards and display advertisement in public places 21. Street trading 22. Control of undertaking that sell liquor to the public 23. Street lighting
The table below reflects function that Elundini is authorised but is not being performed:	
Part B of Schedule 4	Part B of Schedule 5
1. Air pollution 2. Child care facilities 3. Electricity and gas reticulation (not authorised function but its performed) 4. Firefighting services 5. Municipal airport 6. Municipal public transport 7. Pontoons and ferries 8. Electrification reticulation	9. Control of public nuisance 10. Fencing and fences 11. Municipal abattoirs 12. Nose pollution

2.11.6. Human Resource Policies

Policy development and review process is to provide systematic approach on policy development and review by the Municipality. This will ensure a central point of coordination and process flow and also confirm that the Municipality is having systems in place. The Municipality is required by law to have proper internal controls, i.e. systems and procedures in place to enhance effective and efficient service delivery.

Some of the human resource policies were reviewed and adopted by Council in December 2022/23 and were instantly implemented.


1. MACRO STRUCTURE
SPEAKER OF COUNCIL
Aim:
Structure the legislative and Executive functions
Preside over Council Meetings
Section 79 Committees
Functions:
Determine the Agenda of Council
Nomination of party Councillors
Provide support to the Speaker (Rules, Conduct etc)
MAYOR
Responsibilities Powers & Functions
Municipal Structures Act (S56)
Municipal Finance Management Act (Chpt 7)etc
EXECUTIVE COMMITTEE
Responsibilities Powers & Functions
Exercise powers as per Municipal Systems Act viz;
IDP
Budget
By-lawetc
CHIEF WHIP
Functions:
Liaise with political parties for representation in Council & committees.
Maintain sound relations between political parties.
Inform Whips of all parties on important matters on the agenda of council.
Assist speaker to count votes.
Facilitate interaction between structures of council.
Resolves disputes between EXCO members and the Speaker of council
Municipal Manager
(Filled)
Role, Power& Function
Head of Administration
Municipal Systems Act (S55)
Municipal Finance Management Act (Chpt 8)etc
PORTFOLIO COUNCILLORS
Section 80 Committees
Office of the Municipal Manager
Budget & Treasury (Finance)
Corporate Services
Spatial Planning & Economic Development
Community Services
Infrastructure Planning & Development
1x Executive Secretary
(filled)
Chief Financial Officer
(Section 56)
(Vacant)
Director: Corporate Services
(Section 56)
(filled)
Director: Community Services
(Section 56)
(Filled)
Director: Planning & Economic Development
(Section 56)
(Vacant)
Director: Infrastructure, Planning & Development
(Section 56)
(Vacant)
1x Manager: Legal & Compliance
(Vacant)
1x Manager: Internal Audit
(filled)
1x Senior Manager: Strategic Support Services
(Filled)
ELUNDINI MUNICIPALITY
OFFICE OF THE MUNICIPAL MANAGER
05 DEC 2022
P.O.BOX 1 - MACLEAR- 5480
Vacant position
Proposed Position
1

2.11.7. Status on Vacancies

The Municipality's approved organizational structure consists of 412 positions in total with 303 funded positions and 273 filled positions as at 31st March 2023. Thirty (30) are vacant, making a vacancy rate of 9.9%. The Municipal Manager and some Directors reporting directly to the Municipal Manager are filled except for the positions of Chief Financial Officer and Director: Planning and Economic Development that are still under recruitment processes. It must be noted that the increase in vacant and unfunded positions in the municipal organogram was introduced by the organogram review process that took place in December 2022 where most positions were added to enhance municipal performance. However, the municipality is yet to source funding for the unfunded positions in order to commence with the recruitment processes.

Below is the breakdown in the filling of posts per department:

Table 45: Status on vacancies

Department	Total Posts	Filled Posts	Vacant and Funded Posts	Vacant & Not Funded	Vacancy %
Office of the MM	39	29	3	7	10%
Corporate Services	50	46	1	3	2%
Budget & Treasury Office	47	32	6	9	18%
Community Services	197	103	14	80	13%
Planning & Economic Development	16	10	1	5	10%
Infrastructure Planning & Development	63	53	5	5	9%
TOTAL	412	273	30	109	9.9%

2.11.8. Records Management

ELM has a functional Records Management Unit located within the Corporate Services Department. The File Plan of the municipality has standards of record-keeping which are followed accordingly. The ELM's file plan has goals which are not limited to the following that are followed in the Registry office:

- To provide a systematic framework for the classification of all records in their active, semi-active and inactive stages;
- To assist registry staff in the orderly filling and retrieval of records;
- To ensure that records are retained and destroyed or preserved in accordance with legal and fiscal requirements, archival value and operational needs;
- To reduce the volume of records in the offices by providing guidelines on the retention and destruction of records.
- Transfer of records to the filling room.

2.11.9. Employment Equity Plan

ELM has adopted its three-year employment equity plan and annually reviews it and approves the review before the start of each financial year. The reviewed equity plan shows the relationship between the current workforce profile and possible barriers in employment equity policies and procedures. Below is the gender breakdown of staff compliment of ELM per occupational level: The table below contains information on all employees, including people with disabilities:

Table 46: Employees including people with Disabilities

Occupational Category	Total number of Females	Total number of Males	Total number	Race (A- African, W- White C- Coloured)	Disability Status
Top Management	0	1	1	1 – A	0
Senior Management	2	1	3	3 -A	0
Middle Management	11	9	20	19 -A 1 -W	0
Skilled	64	34	98	95 - A 1 - C 2 -W	1
Clerical	32	44	76	76 - A	0
Elementary Workers	37	38	75	74 -A 1 - C	1
Total Number Employees	147	128	273	268 - A 3 -W 2 -C TOTAL EMPLOYEES =273	3

Due to the geographic location of the municipality, as well as the size and economic level, the municipality experiences challenges in the recruitment and retaining of designated groups and scarce skills. Scarce skills relate to those occupations for which employers cannot find or retain appropriately qualified and experienced people, i.e. people with the appropriate occupational competence. A scarce skill emerges when demand for a specific occupation outstrips the supply of this occupation at a specified price (or wage) (i.e. by those who are willing to work at that specified wage). Below is the list of positions that the municipality experience high turnover as they are identified as scarce skill:

- Spatial Planning / Town Planning

- Infrastructure – Electricity
- Information and Communications Technology (ICT)

2.11.10. Human Resources/ Skills Development

Elundini Municipality develops and submits the Workplace Skills Plan (WSP) to LGSETA by 30th April each financial year. The WSP is mainly based on training needs identified in the employee's personal development plan for each financial year, skills audit results, as well as the training needs identified for councilors. Processes leading to the final submission of the WSP to LGSETA includes the submission of the WSP to the Skills Development and Employment Equity Committee for consultation and subsequently, to Council for approval.

The municipality also capacitates employees and councilors through bursaries for long term programmes e.g. Local Government Law and Administration, Public Administration, etc, in order to improve skills and knowledge. The municipality further focuses on the development of Elundini Community members, specifically the Youth, through various community learnership programmes, Career guidance, and community focused Internships and Experiential Trainings. Pipeline organizational development projects for the municipality include the development of a competency requirements analysis and configuration of the skills needs of the employees to address future needs of the municipality. The municipality currently struggles in retaining scarce skills in the employment due to competition in the labour market and the rural nature, location and weather conditions of the municipality.

2.11.11. Job Evaluation

Elundini Local Municipality, in line with the Municipal Systems Act, reviews its organizational structure annually as part of the IDP review process. A requirement of the structural review requires the costing of an organogram which is affected by the job evaluation process. Job description writing and job evaluation processes are conducted for all new positions and those that have a job content which has significantly changed. All job descriptions for new positions and positions affected by change are subjected to the SALGA job evaluation process which is conducted through District Job Evaluation Committee for evaluation and audited by the Provincial Audit Committee for confirmation of final TASK Grades. ELM uses the TASK job evaluation system that was adopted by the local government sector in 2003.

2.11.12. Occupational Health and Safety

Elundini Local Municipality is implementing the Occupational Health and Safety strategy which is intended to minimize occupational related risk and incidents, as well as promoting a healthy and safe environment. The implementation of the approved strategy will be in line with the Occupational Health and Safety Act, and related legislations. The municipality established an Occupational Health and Safety Committee which aims to improve ELM performance in terms of health and safety, increase employee knowledge on OHS matters as well as to ensure compliance to relevant legislation governing the function. The Health & Safety Committee is comprised of municipal employees from various municipal departments and levels of employment.

2.11.13. Employee Health and Wellbeing

ELM is currently implementing its Employee Wellness Strategy that was adopted by council. There are numerous activities that employees are embarking on which include among others counselling, referrals for counselling, sports events; FUN walks, observation of National Health Calendar which is done in conjunction with the Department of Health and this is done to encourage and foster Inter Governmental Relations. The municipality has also resolved to give those employees who participate in sports afternoon off on Wednesdays from 15:30 to go and participate in their various sporting codes.

2.11.14. Leave Management

The Human Resources Department has revised its policy and procedures in order to address shortcomings that have been raised by the Auditor-General and have implemented various steps aimed at improving Leave Management. An electronic system is used to record all kinds of leaves that employees have taken. The system enables the manager responsible for the leave to approve it in the system and human resource is able to assess all filed leaves in the system.

2.11.15. Labour Relations

There is general labour peace in the institution in so far as labour related issues are concerned. Management is trying by all means to consult with labour on all matters of concern. The employer has developed an open-door approach to consult with the trade unions even outside the legitimate structure created for consultation. The council calendar also includes the monthly sitting of Local Labour Forum (LLF) so as to further enhance sound labour relations and compliance with the Organizational Rights Agreement. Councillors, management and employees adhere to the Code of Conduct for both Councillors and employees.

2.11.16. Information Communication Technology and Support

a) Formulation of various ICT Governance Documents and Strategies

ELM operates with high intergrity ICT Governance Standards to ensure compliance with regulations both local and internationally recognised standards. In this regards ELM took upon itself to ensure that it complies with aforementined ICT Governance Standards in line with KING IV, ISO/IEC 38500,ISO 27001/2 POPI ACT and other relevant standrads and practices by reviewing and benchmarking its existing policies, procedures, frameworks and strategies annually in order to align them with current updated standards. As part of implementing IT Governance as per the KING IV and COBIT recommendations, ELM reviewed the following ICT Policies:

- Reviewed Disaster recovery plan, operationalize and update to talk to the IT setup;
- Reviewed Procedure manuals and team notes for disaster recovery;
- Supply and install Water and food prohibition signs at the main and disaster recovery site;
- Identified key documents and equipment for recovery plans and move copies to the recovery site;
- Developed IT Physical Access to Server Room Procedure;

- Reviewed IT Risk Register;
- Developed IT Risk Management Procedure;
- Developed Change Control Procedure;
- Developed Backup and Recovery Procedure;
- Developed Patch Management Procedure;
- Developed Firewall Management Procedure;
- Developed Antivirus Management Procedure.

b) Implementation of Information Security:

- Carry out IT security awareness initiatives and campaigns.
- Support day-to-day administration of various firewalls.
- Proactively assess potential items of risk and opportunities of vulnerability in the network.
- Design and implement IT Security policies and procedures for the administration of security measures over the network, operating system.
- Implement strong password controls to authenticate system access. Incorporate this aspect in the IT Security policy.
- Ensure the ELM correctly configures firewalls routers within the network environment to ensure optimal protection against unauthorised access.
- Ensure that there is anti-virus software across the organisation to protect information systems.
- Ensure there is patch management process to prevent exploitation of vulnerabilities.
- Ensures that activities within the system network, including databases are tracked by using audit trails by someone independent of administration functions.
- Ensure that system configuration detect security vulnerabilities and that incidents are monitored, reported and resolved on a regular basis.
- Carry out checks / tests for effectiveness that Firewall, Anti-Virus and Spyware solutions to ensure the ELM's email, intranet and internet are protected.
- Perform additional related responsibilities as required to ensure compliance with the Auditor General's requirements and relevant laws and regulations.

c) Development of IT Master Systems Plan:

- Interview key stakeholders.
- Conduct the Business, Information, Applications, and Technology GAP Analysis.
- Develop IT Master Systems Plan that incorporates Implementation Plan.

d) Implementation of POPI:

- Conduct POPI Readiness Assessment.

- Develop Plan of Action for POPI Compliance that includes the development of Data Protection Policy and Procedures, Data Privacy Plan.
- Conduct POPI Compliance Assessment to comprehensively evaluate how Plan of Action is implemented to comply with POPI.

e) Development and Implementation of Business Continuity (BC) and IT Disaster Recovery (DR) Plans:

- Conducted Business Impact Analysis and Risk Assessment.
- Identified the Recovery Strategies.
- Prepared Business Continuity and IT Disaster Recovery Plans.
- Educated and Trained on BC and IT DR Plans.
- Tested BC and IT DR Plans and update accordingly.

The above-mentioned activities were presented to Council for approval and adoption and are considered as official municipal guideline documents that will enhance service delivery.

2.11.16.1. Installation of new telephone system and cost containment strategy implementation

- ELM has previously been using a telephone system that was dependent on ordinary telephone lines. The new telephone system that has been deployed is referred to VOIP (Voice Over Internet Protocol) system. The system works over ELM’s LAN (Local Area Network) instead of ordinary telephone lines. The main purpose to deploy this system within ELM’s is to save costs when making calls to remote sites (Ugie and Tlokoeng) as the system will read the sites as internal extensions instead of a foreign external phone number which bills the municipality.
- The telephone system has been deployed at the main site in Nqanqarhu and is now fully functional.
- All network cabling was renewed and new networking cables in newly developed offices and areas that were previously connecting via wireless were added. The main purpose of the renewal is to ensure full compliance of the VOIP system as it cannot work through wireless connections.
- In terms of implementing the cost containment strategy, pins with airtime limits have been allocated to users and are being monitored by the new Ipecs system which automatically cuts off the user pins should they reach their monthly allocated pins.
- In addition to the above-mentioned, the municipality has cut allocated phone call pins into half in order to implement the cost containment strategy.

2.11.16.2. ICT Challenges

- Infrastructural incapacity
- Limited Budget
- Inadequate business continuity

2.11.16.3. Action plans to address ICT challenges

- Upgrade of Network connectivity
- Upgrade of Telephone system

- Increase budget allocation for ICT
- Upgrade of Electronic communication to address business continuity.
- Skills audit within the existing ICT official must be done and training must be provided.

2.12. Good Governance and Public Participation

The Council adopted the good governance committee to ensure oversight is exercised over governance issues and adherence to compliance with legislation. The key principle of good governance is the establishment of ethical leadership within the institution by ensuring the clearly defined roles and responsibilities of the leadership both political and administrative. This therefore ensure that good governance principles are and the Batho Pele principles are adhered to.

2.12.1. Council Oversight Role

Part 2 of Section 99 of Elundini Local Municipality By-Laws Relating to Standing Rules and Orders gives guidance to the establishment of Section 79 Committees. This section highlights the process, the Council would need to follow towards the establishment of a Section 79 Committees and areas of consideration such as the capacity, financial implications, and qualifications of members to be considered to lead these committees. These committees are required to sit on a quarterly basis to deal with issues delegated to each committee. Elundini Local Municipality established four Section 79 Committees as contained in the By-Laws Relating to Standing Rules and Orders. These Committees are: -

2.12.1.1. Audit Committe

ELM has a functional Audit Committee which was appointed in terms of Section 166 of the Municipal Finance Management Act, No 56 of 2003. The audit committee has four members, two of them were appointed effective from 01 July 2021 to 30 June 2024. The other two members' contracts were renewed effective from 01 October 2022 to 30 September 2025. The ELM Audit Committee performs its functions in terms of the adopted ELM Audit Committee Charter.

Mr. Y. Madolo (Member) - appointed effective from 01 July 2021 to 30 June 2024

Mr. R. Vuzane (Member) - appointed effective from 01 July 2021 to 30 June 2024

Mrs. N.L Mncoywa (Chairperson) - renewed effective from 01 October 2022 to 30 September 2025

Mr. NJ. Sikhosana (Member) - renewed effective from 01 October 2022 to 30 September 2025

2.12.1.2. Performance Management Committee

ELM has no performance committee but the Audit committee serves a performance committee and reviews municipal performance in audit committee meetings including the review of Annual Performance Report before submission to Auditor General SA

2.12.1.3. Municipal Public Accounts Committee (MPAC)

In order to meaningfully play its Oversight Role, the Elundini Municipal Council has formally appointed the current Municipal Public Accounts Committee (MPAC) on 30 November 2021 which will run its term with the current term of Council. Prior to this, an Oversight Committee established in terms of Circular 32 of the MFMA was operational. The purpose of the committee is to strengthen the oversight arrangements in the municipality and to ensure the efficient and effective use of municipal resources. The committee is a link in the accountability chain of the municipality. The committee will assist Council to hold Executive Committee to account as well as to ensure the effective and efficient use of public funds. The committee conducts its affairs in a non-party political manner so as to maximize the effectiveness of its work. The committee can invite media and public in their meetings to enhance transparency and accountability. The committee can invite Auditor General to their meetings to assist them on their oversight

2.12.1.4. Members Interests and Ethics Committee

A Members' Interests and Ethics Committee was established by the council as a Section 79 Committee in accordance to the Structures Act read with item 14(1) of the code of conduct and subject to the provisions of this part. The committee is responsible for carrying out investigations, submitting findings and making appropriate recommendations to the council pertaining to the alleged contravention by a councillor of the code of conduct; developing standards of ethical conduct for members, monitoring and overseeing all processes relating to the declaration of interests of councillors in terms of the code of conduct including the establishment of any registers which may be required in this regard;

2.12.1.5. Rules Committee

The Rules Committee is established by the council in terms of Section 79 of the Structures Act and By-Laws Relating to Standing Rules and Orders; and Policy on Roles and Responsibilities. The Rules Committee is responsible for the development, formulation and adoption of policy concerning the exclusive business of the Council including its proceedings, procedures, rules, orders. It is also responsible for monitoring and overseeing the implementation of policy; make recommendations to the Council on any matter falling within the functions and powers of the Committee; appointing sub-committees to assist it with the performance of any of its functions or the exercise of any of its powers.

2.12.1.6. Women Caucus Committee

Women Caucus is a Section 79 Committee established by the Council in terms of Section79 of the Municipal Structures Act. The principal function of Women Caucus is to perform a monitoring function on behalf of the council and shall advise the council, the political office bearers, the accounting officer and the management staff of the municipality on matters relating to women empowerment programs; gender; employment Equity planning and implementation; organization of awareness campaigns against harmful cultural practices; Promotion, protection and defending principles of human rights; especially those of young girls, young boys, children and mothers, gender parity, democracy and peace; enhancement of the participation of women in the political, economic and social life at a local level.

2.12.1.7. Mandate Committee

Mandate Committee was established as a Section 79 Committee for the term of Council 2022-2027 to fulfil the obligation of cooperative governance that municipalities have in terms of Section 3(1) of the Local Government: Municipal Systems Act, 2000. This Committee has been established to mandate Council members who sit in the District Council on service delivery issues that require District Council attention and report back to the Committee the District outcomes/resolutions on those matters. The responsibility of this committee is to consider service delivery issues and reports from all municipal departments on issues that need district attention; consider reports from Councillors deployed to the district to represent the municipality.

2.12.2. Risk Management

ELM has Risk Management Policy, Risk Management Strategy and Implementation Plan in place. ELM has reviewed its Risk Management Policy, Risk Management Strategy and Implementation Plan. ELM has also established a Risk Management Committee (RMC) constituted by municipal management and is chaired by the Municipal Manager. The RMC sits quarterly and functions within the municipality’s Risk Management Charter that further provides terms of reference for the Risk Management Committee. A risk register is developed annually where the municipality classifies its risks and then develops mitigating factors to deal with the identified risks.

2.12.3. Anti-Corruption, Fraud and Complaints Management

ELM has developed a Fraud Prevention Strategy, Fraud Prevention Plan and Whistle Blowing Policy which have been reviewed together with the Risk Management Strategy. ELM also established a fraud prevention hotline managed by an independent firm of auditors, Delloitte. As part of awareness, the municipality’s website, newsletter, municipal letterheads and municipal accounts bear details of the hotline prevention numbers. ELM, likewise, maintains a fully functional customer care service that receives and deals with all service delivery related complaints, including billing related queries. ELM manages all logged complaints in line with the service standards charter, which inter alia, regulates communications protocols and stringent turnaround times.

2.12.4. Complaints Management System

Elundini Local Municipality uses 03 systems to manage complaints. The first system is Deloitte Anonymous Hotline was established to manage fraud and corruption cases. The second system is the Presidential Hotline which is used to receive cases or complaints that were reported through this system. The last one is the IMIS Customer Care system which is used to manage walk-in/telephone/social media complaints as a practical way of improving customer and strengthening relations with local communities. These services are customer care help desks and IMIS electronic system. Help desks is established in the main office (Nqanqarhu) and two satellites office in Ugie and Tlokoeng to feed the main office. These offices were established to:-

- Handle customers who want to report problems and complaints
- Deal with general enquiries on municipal services
- Collect and disseminate relevant information to customers.
- Help customers with various basic needs, viz. filling of forms, translating and clarifying information, etc.
- Attend to suggestion boxes every day and process the information then submit it to relevant municipal structure like Complaints Handling Committee.

The second service is e-Scripting Service. This service was initially implemented by the municipality few years ago but the license of the system expired and in the process of renewing the contract, mSCOA was introduced in municipalities by national government. The introduction of mSCOA required municipalities to put into a halt procurement of systems because it was expected that this approach would bring about system integration. The municipality had to wait for this process to unfold. In 2018/2019 IMIS was introduced as part of the institutional system with different modules relevant for the municipalities. Project Steering Committee was established and modules required were identified. Departments were consulted by the service provider to assess their needs and to make sure that each module is responsive to client requirements. Customer Care Consultants were trained on how to use the customer care service. The purpose of this system is to offer an electronic scripting customer service to:

- Dealing with complaints
- Receiving complaints
- Redirecting complaints
- Responding to a complaint
- Record and analyse information
- Compile a report
- Update the system on progress

Petitions and complaints from communities are received by the Speaker of the council or a nominated councillor. The Troika then meets assisted by the Municipal Manager to establish an ***Adhoc*** committee to attend to the petition and submit a report to the Speaker. A feedback meeting is then organised with the complaining community.

2.12.5. Intergovernmental Relations

The ELM has prioritized the IGR as one of its priority areas of focus to strengthen and has thus established an IGR structure that incorporates all IGR activities in the municipality that will also ensure that the structure is used as a reporting structure for all government activities. The ELM uses various platforms to promote intergovernmental relations and to interact with other government departments and State-Owned Entities. These IGR platforms include, but not limited to, IDP & Budget Rep Forums, MUNIMEC, DIMAFO, SALGA Working

Groups, Provincial and District Speakers' Forum, Local Communicators Forums, LED Forums, Roads Forums, Project Steering Committees, Local AIDS Forums, etc. One-on-one engagements where possible are usually held for strategic projects.

2.12.5.1. MUNIMEC

The MUNIMEC has been established in terms of the provisions of the Intergovernmental Relations Act as a consultative forum between the Eastern Cape Provincial Government and the 39 municipalities in the Eastern Cape Province. To give credence to output 7 of delivery outcome 9, the provincial department of Local Government and Traditional Affairs is responsible for coordinating the activities of MUNIMEC. The MUNIMEC is attended by Mayors and Municipal Managers of municipalities.

The department has also constituted a technical MUNIMEC which is a forum between the departmental management as led by the Superintendent General and the Municipal Managers from municipalities. At the technical MUNIMEC and the MUNIMEC, reports from the 6 district municipalities and the Nelson Mandela Metro, inter alia, whose main focus is progress with the implementation of the municipal turnaround strategies within the DMs and their constituent local municipalities as well as the Metro are presented and discussed. Both the Mayor and the Municipal Manager of the ELM participate and contribute in the provincial MUNIMEC.

2.12.5.2. District Mayors Forum: DIMAFO

The District Mayors Forum of Joe Gqabi District, chaired by the Mayor of JGDM, which is supposed to sit quarterly to align key programs and issues between municipalities. DIMAFO is a Section 79 Committee. This is a special committee of council made up of Councillors (in this case the Mayors of the local municipalities and the Executive Mayor of the district) that deals with issues within the Municipal Managers office (communications, IGR, Special Programs dealing with Women, Youth, Disabled, People living with Aids, Elderly and Children) as well as internal audit functions. Key elements that form part of the performance of the municipal manager also form part such as statutory compliance issues.

2.12.5.3. Traditional Leadership – Partnerships

Currently there are no traditional leaders that are serving in the Council, the MEC CoGTA decides on the number of tradional leaders to serve in the Council. However, due to the rural nature of the Elundini Municipality, the participation and cooperation with Traditional Leaders is critical for the success of the municipality's development programs. To this end the municipality has categorized Traditional Leaders as a key stakeholder that the Mayor converses with on a regular basis under the guise of Mayor's Conversations with stakeholders. In recognition of the valuable contribution of Traditional Leadership authorities in the programs of Elundini Municipality, the previous Council adopted guidelines in terms of assistance to be provided to Traditional Leaders on certain defined occasions.

2.12.6. Public Participation

One of the main features about integrated development planning and budget process is the involvement of community and stakeholder organizations in the process. This ensures that the IDP addresses the real issues that are experienced by the citizens. The Constitution stipulates that one of the objectives of municipalities is "to encourage the involvement of communities and community organizations in the matters of local government". The White Paper on Local Government also put emphasis on public participation. Through the Municipal Systems Act participation in the decision-making processes of the municipality is determined to be a right of communities, residents and ratepayers. Integrated development planning is emphasized as a special field of public participation. The ELM has a fully functional Public Participation Unit located in the Office of the Municipal Manager which is responsible for coordinating all public participation activities of the municipality. The ELM reviewed and approved its Public Participation Strategy in June 2018.

2.12.6.1. Public Participation Mechanisms

Community/Ward Based Planning (CBP/WBP) is a tool that is used to enhance participation of communities in local developmental processes. It was introduced to encourage ownership by communities in any development initiative in their areas. Ward Committees have been established in all the seventeen (17) wards. Ward Committees contribute tremendously in the development of ward priorities because their meetings are the first level where ward development issues are deliberated. Below are the Issues raised in ward committee meetings that are held every quarter which are tabled before council and submitted to relevant sector departments for action.

The ward-based plans were reviewed and adopted with the IDP and Budget 2023/24 during the Council meeting that was held on the 31 May 2023. The District Municipality supported the program and was part of the review of the process as well as the Municipal outreach program on IDP and Budget 2023/24.

The following are some of the public participation mechanisms that the ELM uses in engaging with its communities:

- Ward Based Planning processes;
- Ward War Room meetings;
- IDP Representative Forum;
- Mayor's conversations with different stakeholders;
- Public Participation Forum;
- Ward community meetings convened by Councilors on quarterly basis;
- Published annual reports on municipal progress;
- Ward Committee meetings;

- Newspaper advertisements and notices;
- Making the IDP document available to all members of the public;
- Outreaches by Elundini Municipality to communities and Stakeholders;
- Use of loud hailers to invite communities to meetings;
- Information dissemination through the Blue Snow/ Lehloa Le Bolou newsletter and The Back of the Horizon;
- Stakeholder Forums such as Farmers' Forum; Local Communicators Forums; Local AIDS Council; Roads Forums; Elundini Sports Council; Elundini Youth Council; PWD Structure; etc.

2.12.6.2. Public Participation Challenges

Functionality of public participation platforms such as ward Committees, village and township-based meetings and war rooms was assessed. The following issues were identified as challenges for effective participation of communities in the affairs of the municipality:

Ward Committees

- Lack of capacitation of the ward committees
- Lack of capacity of chairpersons of the ward committees
- Lack of proper mechanism to uplift the issues raised at ward committee level to relevant structures and eventually to council for implementation and feedback
- Poor or lack of monitoring of wards performance

Village Meetings

- Poor sitting of village meetings which leads to ineffective utilization of CPLWs.
- Lack of training in minute taking and report writing for the CPLWs
- Lack of proper system for information management from the community to the municipality and sector departments for report back
- Minimal commitment from CPLWs who resign frequently
- Chairpersons' competing commitments mostly with programs of the district municipality to the detriment of local municipal programs

Information Management

- Poor recording of information including minutes during public participation engagements
- Lack of information management system to process and
- There is no clear flow of information between the different platforms
- No relationship between the IDP outreaches, the village meetings, the ward committee meetings and the Public Participation Forum

Community raised during Budget and IDP Roadshows held on the 19-21 April 2023

Table 47 Community Issues

WARD	ISSUES RAISED	OTHER NEEDS
1	▪	▪
2	• prioritization of construction of a bridge that was requested at Mandela park • Community of Bhekela living in wetlands • Re-gravelling at Mandela park	• Sector departments must also attend these meetings to reply to the community if not so then the next IDP meeting will be terminated. • The Elundini local municipality must work with Joe Gqabi to solve the issue of water connection at Mandela Park. • Ugie has no development, the trust fund is being used at Tlokoeng, hence it is suggested that Ugie should have its own trust fund • On the mayoral programs, there should be equal programs for post graduates. He suggested a special program for post graduates regarding development and employment
3	▪	▪
4	▪ Bridge at Komkhulu ▪ Bridge, access road and provision of water at Mkhoroane village ▪ RDP Houses and access road in Saqhuthe village ▪ Bridge, temporal shelters, electricity and funding of co-ops at Mabalane village ▪ Access road, bridge, mobile clinic, electricity, RDP Houses and toilets in Mlamla village. ▪ Community hall, bridge, clean drining water and temporal shelters in Betula village.	▪ Creation of job opportunities ▪ Monitoring and inspection of projects on the pipeline. ▪ Training of graduates ▪ Request an excavator and truck ▪ Request for Matuguru bridge ▪ For the school the following requests were raised (i) Request for assistance – scholar transport is not operating (ii) High usage of drugs in the area (iii) Construction of Tsitsana School (iv) Dust bins and access roads

	▪ Access road and electricity in Nokhohlong and Qobeni village ▪ Fencing of cemeteries in Mission village ▪ Access road, pedestrian bridge and water taps in Mcwangele. ▪ Provision of water, RDP houses, access road to the gravesite, electricity in Khohlomoriti ▪ Request for culverts in Bekela ▪ Water provision, toilets, electricity, access road, RDP houses and a mini hall in Tsikarong village ▪ Toilets, water provision, electricity in Diphini village ▪ Electricity and toilets in Namba village ▪ Bridge, water, access road and electricity in Matuguru village ▪	
5	▪ RDP House for an elderly person in Mcwangele ▪ Access road from the main (tar) road to Thomas SSS ▪ Early Childhood Development Centre in Mbonisweni ▪ High Mast lights in Mountain ▪ Pedestrian bridge to Thomas Ntaba SSS ▪ Access road and rehabilitation of dongas in St Augustine and Mpunkone ▪ Upgrading of electricity in Ntabelanga ▪ Access road in Mcwangele ▪ Request electricity for 5 houses at Ntushuntushu that were left undone because there is no access road to	▪ Upgrading of network, there is a very poor signal in most areas of the ward. ▪ Eskom is not responding promptly when electricity faults are reported ▪ Refusal of platform for ward committees to raise questions. ▪ Stockowners were never assisted after their livestock was hit by disaster. ▪ The presentation delivered shows more development is planned for Mount Fletcher, the rural parts of the municipality are excluded. ▪

	those houses and 4 houses in Lower Ngxaza so in total 9 old houses. ▪ Water for the project in Hopedale ▪ Electricity in Ngo'ngo'ngo. ▪ Access road in Kwatsha ▪ Scholar transport for learners from Mcwangele / Mbonisweni to Thomas Ntaba ▪ Water in Lower Ngxaza and Ntushuntushu ▪ Addition of EPWP workers. ▪ Cutting of wattle trees need in Ntushuntushu ▪ Soil Rehabilitation. ▪ Bridge at Lower Ngxaza because the old bridge was damaged by rains	
6	▪ Access roads, toilets, water, spring protection, network signal, RDP houses in Ntwyenka ▪ Access road to Eziflatini is requested ▪ Water, scholar transport, mobile clinic high school, police visibility, sportsfield, early childhood centre in Ngxotho, ▪ Access road to Queen Noti ▪ Phase two electricity is incomplete in Mqokolweni ▪ VIP toilets are full ▪ Scholar transport in Mqokolweni ▪ Water in Qurana ▪ Electricity infills, water, toilets and RDP houses in Nkolosana. ▪ Access road in Esinxako and renovations of clinic	▪ Assistance on how to advertise their registered co op. ▪ Toilets are full and are health hazard ▪ What are the plans for youth engagements ▪ When there are projects here, outsiders are employed at the expense of locals ▪ Request bridge it has been for 10 years and more requesting it. ▪ Provision of gravel loads for EPWP at least on a six month basis ▪ Scholar transport is a problem, learners have left schools here and they leave early hours of the morning and come back after sunset. ▪ Jamangile SSS has no classes for grade 6&7 and other classes are over populated. ▪ Plan for rescuing overflowing VIP toilets ▪ RDP houses are not complete in Esinxako. ▪ Construction of toilets left the holes and the holes are putting the community and livestock in danger

	• Siqhungqwini community requests toilets for the school, RDP Houses, satellite police station, maintenance of access road, community hall, clinic or mobile clinic, dipping tank	▪ Contractors should consult with committees when implementing projects
7	▪ High mast lights in all villages of the ward ▪ Walking bus in Drayini and Daweni ▪ Access road and bridge in Nqwaneni ▪ Electricity in Mabalana ▪ Bridge in Ramlane has been washed away	▪ The community requested that the IDP document should include the projects that were implemented in the previous term as well as the amount spent on those projects. ▪ The community raised disappointment on the issue that there were no plans relating to roads for ward 7 even though the issue of the road is a crisis in the ward. ▪ It was raised that there is no water in Germiston and Zwelitsha in Marhombe ▪ Access road to Marhombe is requested as it was promised by the Mayor that it will be constructed in 2023 ▪ The community request that water pumps be replaced with windmill ▪ Small scale farmers are not supported, for example, schools buy vegetables in town. ▪ Visibility of SAPS and high mast lights.
8	▪ Taps do not have water in Makhatlanyeng ▪ Water in Ntabelanga, Nkamani and Makhandleleni ▪ Access road and more taps people walk for 400 metres to get water in Moroka ▪ Upgrading of sports grounds in Moreneng ▪ Clinic and mobile clinic in Umfanta	• Inability to buy electricity from shops and banks, how do communities register? • Transport to the IDP meetings, distance to the venue is a challenge. • Disastrous road from Umfanta, Mokgalong and Nkamani people have to carry corpses and sick people for a long distance • Municipality must make use of water natural sources because they never run out • Community of Moreneng requests to have water supplied by Thembeni by connecting a pipe to Morenen.

	▪ High mast lights; transportation of recycled goods in Umfanta ▪ Access Road, clean drinking water and tapped water in Mathizeni ▪ Sportsgrounds, electricity for Pitseng Farmers, fencing of graves in Jojweni and youth employment ▪ High mast lights in Chevy chase ▪ Toilets do not have seats in Chevychase. ▪ The bridge at Pitseng must be built higher as it is too low and water covers it on rainy days. ▪ Electricity and infills, water and taps, clinic, bridge in Batlokoa. ▪ Access road in Nkobongo	• Extension of time for EPWP workers as its short notice to informed that contracts end next year. • Enquiry about the absence of other government departments as communities have questions for them • When calling Eskom for assistance communities are sent from pillar to post by Mthatha, Aliwal North and Elliot, a nearby office is needed, municipality must intervene • Legal institution is request to assist ex Mine-workers instead of strangers robbing communities of their money promising to assist communities to claim their benefits • Request for a big pipe to help in the bridge next to Nonzaba, pupils are unable to cross when going to school on rainy days • Request for security at school as food get stolen. • Employment of local communities by Construction companies working in those communities and appointment of competent contractors.
9	▪ Construction of Mbizeni bridge ▪ Toilets, water and electricity in Ilisolomzi ▪ Water and sanitation for Tlokoeng taxi rank ▪ Access roads and additional communal taps in all townships ▪ High mast lights in Ekuthuleni	▪ Youth budget need to be increased ▪ Renovations of Ilisolomzi Community Hall, it is not in a good condition. ▪ ELM need a urgent communication with JGDM to resolve water challenges ▪ The community need to know the criteria that need to be taken inorder for their small businesses to benefit in SMMES programmes ▪ Banks or mobile banks to service communities from various wards surrounding Tlokoeng.
10	▪ Access road from Mathafeni via Dzingwa to Nkalweni and from nkalweni to ePalini.	▪ Government must start with feasibility study to determine if the service to be rendered is a priority in the ward.

	▪ Non-functioning of water engine in Dzingwa ▪ Clear progress in wool washing project ▪ Speeding up of construction of clinic in ward and provision of mobile clinic in the meantime	▪ Office park to accommodate all government department in Tlokoeng is needed, they are too scattered. ▪ Government must refrain from appointing service providers who do not have knowledge and expertise of that particular project. ▪ Youth is not satisfactorily assisted by Department of Social Development ▪ Programs that will support, develop and fight poverty in rural areas. ▪ Plans to create sustainable jobs both in urban and rural areas and recreation centres to reduce alcohol and drug abuse ▪ Rural areas should be treated fairly as communities of urban areas in as far as service delivery and empowerment. ▪ Ill-treatment of people and favoritism in Taylor Bequest clinic
11	▪ Access road, water, electricity and toilets are needed in Portsef. ▪ DR road needs to be regravelled and drainage system must be installed. ▪ Bridge is requested in Tinana bridge ▪ A certain part in Dengwane village needs blading ▪ Replacement of old water pipes ▪ Gobho access road is damaged and needs culverts and slabs.	▪ IDP document is silent about the service delivery at Fletcherville. ▪ Material for toilet constructing VIP toilets is delivered far from households. ▪ Report back or feedback meeting are not held. ▪ Community compains about the quality of the road at Dengwane is not satisfying. ▪ Mr Ralarala from Ngaqangana raised that the fact that there is no CDW in the ward is a challenge. He also raised that Elundini municipality should be returned to Tlokoeng. ▪ Water that is running from Mt Fletcher Dam is damaging the graveyard.
12	▪ More water taps are required at Mangoloaneng ▪ Access road in Mangoloaneng.	▪ Struggling to get hold of Eskom the machine takes time to answer. ▪ Pound to keep animals that are abandoned by their owners

	▪ RDP houses ▪ Medication at the clinic ▪ Bridge in Mabekong ▪ Water in Mampondomise ▪ Access roads to schools and clinic in the ward ▪ Youth development programs ▪ Access road from Xaxazana to Thabachicha ▪ RDP Houses and water in Ngoliloe ▪ Access road and water in Madumasini ▪ Access road in Mahanyeng	▪ Support for an elderly person who is 102 years in Ngoliloe ▪ No electricity ever since February does not get on hold of Eskom
13	▪ Access road in Mgxojeni, Ntabeni and Mission ▪ Access road from Sithathi to Popopo, shearing shed and ram provision, sportgrounds, equipment of EPWP workers, RDP Houses, SASSA paypoint in Sethathi ▪ Access road, clinic and RDP houses in Zingxondo ▪ Water, Bridge, network in Tabase	▪ Limited medication in clinics especially in town clinics must be addressed.
14	▪ Access road from Bethania and Vuvu to Bethania by farmers. ▪ Access road from Gasethi to Ntabelanga. ▪ Fixing or clearing of blocked water pipes ▪ Request for the bridge. ▪ Bridge from Khanya to Bethania ▪ Access road from Vuvu to Masibambane shearing shed.	▪ Clarity on the issue of age restriction (18-35) when there is going to be a development in the area. ▪ Clarity was requested regarding the toilets which fell just after they were built. ▪ Scholar Transport must not drop learners from Khanya and Bethania by the rivers, they are experience difficulty when trying to cross. ▪ Community requested that they be consulted when there is a development that is coming to their villages.

	▪ Access road at Phuthini. ▪ Diphini Bridge has a huge hole that poses danger in the lives of the community. ▪ Clinic at Hlanganisa because the clinic at Lundini is far ▪ Access road at Zindawo. ▪ Access road from the Sithabathaba shop to Mbihla. ▪ Water provision at Khanya. ▪ Provision of bigger culverts instead of small culverts	▪ Request for a municipality excavator to assist with the removal of the stones that cause motorists to experience difficulty when crossing. ▪ EPWP wages must be paid on time ▪ Request for assistance regarding the water tank/ borehole that is leaking ▪ No assistance at the Tlokoeng Licencing department office of the Mayor to intervene.
15	Meeting was terminated by communities, no priorities were recorded.	
16	▪ Clinic at Mdeni. ▪ Water provision at Nkangala and Magedla. ▪ Access road at Mcambalala. ▪ Request for water and electricity provision in the new RDP houses. ▪ Request for access road at Ndingo ▪ Request electricity at Ndingo ▪ Electricity at the Katkop Police Station and Frank Moshesh JSS ▪ Water and Access road in Frank Moshesh ▪ Mobile clinic in Chavy-chase. ▪ Access road in Mcambalala. ▪ Request for water provision at Magedla, Ntabamkhitha and Nkangala. ▪ ECDC's at Magedla and Ntabamkhitha. ▪ Access road at Ntatyana. ▪ Request for scholar transport.	▪ Clarity on the Mount Fletcher Mall Development Project progress. ▪ No privacy, no confidentiality in Tlokoeng clinics – nurses infringing rights of the patients - urgent intervention requested. ▪ Request for the ELM to invite other sector departments to attend the IDP roadshows so that they could answer for their departments. ▪ Identification of ward 16 by the municipality to host horse racing ▪ Funding for older persons and Youth who are SMME's (brick laying project) ▪ Assistance regarding funding that starts from age 18-35 and advice on processes to submit proposals for forestry and tourism

	▪ Access road at Msasangeni	▪ ELM to intervene regarding the service offered to communities by Home Affairs personnel in Tlokoeng. ▪ Provision of supporting rails at Mlube to Mhlontlo Bridge which is not in good condition and posing danger to the school kids who are crossing.
17	• Bridge in Robben Island • Regravelling of Gqaqhala Access road. • Blading of sportsfield in Mbidlana • Construction of Dam and honey nurturing programme • Early childhood development centre and community hall in Robben Island • Honey-sucking should be provided for free to indigent community members. • Culverts are blocked and there is no drainage system.	▪ Follow-up with Department of Transport to construct Ndlozi bridge that was promised. ▪ Water in Ugie is not consumable and is cut off without notice. ▪ EPWP vacancies are not filled after employees resign, relocate or are deceased. ▪ Municipality and Eskom must replace meter boxes that do not show available units.

2.12.7. Communications

Elundini Local Municipal (ELM) council approved a five-year communication strategy in 2017 implementable until 2022, aimed at improving levels of communicating the affairs of the municipality and service delivery between ELM and the community using advanced platforms. A fundamental difference between the previous strategy and the reviewed strategy is the embracing of social media as one of the key strategic communication platforms for effective and instant communication. Social media has been added as the fourth pillar in the strategy and in 2018/2019 ELM developed a Social Media Policy that will guide how the social media platforms will be managed including the rules of engagement by users. To date the municipality is found in five social media platforms namely; Facebook, Twitter, Instagram and YouTube communicating service delivery. In addition, the municipality procured LED video wall to elevate municipal mechanism aimed at closing the communication gap between the municipality and the communities with a long-term plan of assisting in revenue generating.

The strength of this communication strategy will lie heavily on social media, meet and greet, and print communication. Information Technology-based communication will be used whenever possible and feasible or whenever resources allow. As a means of interacting and providing information to its communities, the municipality quarterly distributes its newsletter, Blue Snow, to its communities where communities are kept informed by the developments in their areas. ELM maintains its website, primarily to respond to legislative imperatives but also, developmentally, to provide meaningful feedback to communities.

2.12.8. King IV Code

ELM commits to align its policies, strategy and its operational procedures to the King IV Code. As indicated in the King IV Code, it applies to municipalities because they operate in a system of corporate governance which requires that the various spheres of government (National, Provincial and local) cooperate in exercising powers and performing their functions. In adhering aligning itself to the code, the municipality, will consider:

King IV Code's objectives which as follows:

- To promote corporate governance as integral to running an organisation and delivering governance outcomes such as Ethical Culture, Good performance, Effective Control and legitimacy;
- Broaden the acceptance of King IV Code to be acceptable and fit for implementation across the various sector and organisation types;
- Reinforce corporate governance as a holistic and interrelated set of arrangement to be understood and implemented;
- Encourage transparent and meaning reporting to stakeholder;
- Present corporate governance as a concerned with not only structure and processes but also with ethical consciousness and conduct.

The governance outcomes:

These are the benefits that the organisation could realise if the underlying principles are achieved. The governance outcomes are:

- Ethical culture
- Good performance
- Effective control
- Legitimacy

King IV principles such as following

- The governing body should lead ethically and effectively;
- Govern the ethics of the organisation in a way that supports the establishment of an ethical culture;
- Ensure that the organisation is and is seen to be a responsible corporate citizen;
- The governing body should appreciate that the organisation's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process;

- The governing body should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisation's performance, and its short, medium and long-term prospects;
- The governing body should serve as the focal point and custodian of the corporate governance in the organisation;
- The governing body should serve as the focal point and custodian of the corporate governance in the organisation;
- The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively;
- The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement, and assist with balance of power and the effective discharge of its duties;
- The governing body should ensure that the evaluation of its own performance and that of its committees, its chair and its individual members, support continued improvement in its performance and effectiveness;
- The governing body should ensure that the appointment of, and delegation to, management contribute to role clarity and effective exercise of authority and responsibilities;
- The governing body should govern risk in a way that supports the organisation in setting and achieving its strategic objectives;
- The governing body should govern technology and information in a way that supports the organisation setting and achieving its strategic objectives;
- The governing body should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that it supports the organisation being ethical and a good corporate citizen

ELM has infused the broad principles of the King IV report in its systems and processes in 2017/2018 financial year, by undertaking an ethics management maturity assessment, through an instrument that contains indicators that are structured around the following categories:

- Leadership commitment
- Community ownership
- Governance structures
- Integrity management strategy
- Prevention:
- Promoting a professional ethical culture

- Policies and procedures
- Corruption risk management
- Pre-employment screening
- Conflict of interest management
- Detection
- Investiations
- Resolution
- Monitoring and reporting

2.12.9. Legal Services Section

Currently, the legal services unit has not been established, only one post for Legal Services Manager and is filled. The municipality has a litigation register is currently dealing with 11 cases. (state cases instituted against and by municipality).

2.12.9.1. Litigation Register

During the year under review, the legal section of ELM facilitated the following litigation matters:

Table 48: Litigation Register

#	Case	Municipal Attorney	Particulars of the matter	Claim Amount	Status/ Progress
1	D.P. Madalane// Elundini Local Municipality	Internally handled	Claim for services rendered: Elundini Rural Turnkey Electrification Programme Phase 1	R779 148.49	The Claimant attorneys have not responded to the request for particulars of the claim
2	Lexis Nexis // Elundini Local Municipality	Internally handled	A letter of demand was received from Lexis Nexis attorneys Claiming an amount of R177 642.09 for alleged non-payment of subscription fees.	R177 642.09	The Claimant attorneys were requested to provide the Municipality with particulars of the claim and we have not received any response from them.
3	Lion of Africa// Elundini Local Municipality	Internally handled	The Municipality received a letter of Demand to recover the amount of R154 686.12, which was payment made to the Municipality for the vehicle claim which occurred on the 07 December 2018 for vehicle Toyota Corolla HPY707EC. After the payment was made the claim was repudiated by the insurer.	R154 686.12	A correspondence was sent to the Claimant attorneys, enquiring about the value of the scrap in the Possession of the insurer in order to determine the setoff against the payment to be made. The matter was settled at an amount of R98 931.24 and it was paid to the insurers' attorneys
4	Xoliswa T, Rwexana // Elundini Local Municipality	Magqabi Seth Zitha Attorneys	Plaintiff is claiming from the municipality an amount of R3, 035, 000.00 in respect of injuries she allegedly suffered after she allegedly fell into a trench that was left uncovered at night where roadworks was being carried out at Back Street, Tlokoeng.	R3 035 000	A Notice of Intention to Defend has been filed and served, and Rule 35(14) Notice served and filed, wherein we were requesting the Plaintiff to supply us with additional information in preparation for trial, in particular, documents upon which her claim is based. The Plaintiff has not responded to our Rule 35(14)

					notice, and have now applied for an order compelling a reply. In the event that the Plaintiff fails to respond to the order compelling a reply we will apply for the dismissal of the claim. Since the attorney passed on the processes of winding up the firm have started, the instructions will be terminated and another attorney will be appointed to proceed with the matter. Magqabi Seth Zitha Attorneys were appointed to take over the matter. Consultation and inspection in loco were done and Court papers were drafted and served.
5	ELUNDINI LOCAL MUNICIPALITY // UNCEDO TAXI ASSOCIATION	Gwabeni Inc	The Municipality appointed the attorney to lodge an application for Eviction proceedings against Uncedo Taxi Association in respect of Erf. 442, Ugie for illegal occupation of municipal property	None	Eviction proceedings against Uncedo Taxi Association in respect of Erf. 442, Ugie – illegal occupation of municipal property is in process. Mthatha High Court Application papers were completed however the attorney that was handling the matter passed on and instructions were withdrawn and another attorney was appointed to handle the matter. Court Papers were drafted by the newly appointed attorneys and will be forwarded for Municipal Manager's signature. Court Papers were signed and sent to the correspond attorneys in Grahamstown. We received a request for mediation of the matter from the Applicants and that the matter be transferred to Umtata High Court. Their request was not accepted and an answering

					affidavit was drafted and signed and will be served and filled in court.
6	ZILWA CONTRACTORS // ELUNDINI LOCAL MUNICIPALITY	Mgxaji Incorporated	A legal matter was instituted by Zilwa Contractors claiming an amount of R1 250.000.00 for alleged Unlawful termination of a contract by the Municipality. (Tlokoeng Craft Centre).	R1 250.000.00	A Special plea for lack of jurisdiction was filed. The attorneys applied for the trial date matter is awaiting trial but due to COVID 19, The registrar of the high court will start allocating trail dates in August 2020
7	NANGAMSO CIVILS //ELM	Joubert Gaplin Searle	Summons received for the claim of additional services rendered (LEHANA TO UPPER TOKWANA)	R961 155.60	The matter was Set down for trial on the 18th June 2020 by virtue of the lockdown and the directives from the judiciary not to conduct face-to-face trials during this period it was not proceeded with. The correspondent attorney was requested to apply for an alternative trial date which have now been favoured with being 23 November 2020. There was an amendment done to the plaintiff's particulars of claim and defendant's plea. The trial date for the matter is the 23rd of November 2020
8	MASHATA AND 31 OTHERS // ELM	Fikile Ntayiya and associates	Interdict for land invasion in Tlokoeng.	none	The matter is Awaiting trial date
9	WIKUS VAN RENSBURG ATTORNEYS//ELUNDINI LOCAL MUNICIPALITY	Klark Lain Inc	Summons were received for a Claim for fees for professional services rendered to the Municipality. The Municipality felt that the fees were excessive and requested that their bill be subjected to taxation.	R103 370.10	Attorney entered a notice of intention to defend the matter and they have requested that the bill be taxed however there was no response. The plea has been drafted served, and filled.
10.	D.P. Madalane// Elundini Local Municipality	Internally handled	Claim for services rendered: Elundini Rural Turnkey Electrification Programme Phase 1	R779 148.49	The Claimant attorneys have not responded to the request for particulars of the claim

2.12.10. IDP Assessment

Every effort is made by the municipality in addressing all issues raised on our IDP when IDPs are assessed. As can be noted from the table below, the municipality has improved and has consistently been getting high rating in all the KPAs assessed on over the last four (5) years: In review of the 2023/24 IDP MEC comments that were raised during the assessment of 2022/23 were taken into consideration. Below is the IDP assessment results for the past 5 years:

Table 49: IDP Assessment Results

KPA	RATING 2018/2019	RATING 2019/2020	RATING 2020/2021	RATING 2021/2022	RATING 2022/2023
Spatial Development Framework	High	High	High	High	High
Service Delivery	High	Medium	Medium	High	High
Financial Viability	High	High	High	High	High
Local Economic Development	High	High	High	High	High
Good Governance & Public Participation	High	High	High	High	High
Institutional Arrangements	High	High	High	High	High
Overall Rating	High	High	High	High	High

2.12.11. IDP Assessment response plan

KPA	AREAS THAT NEED IMPROVEMENT/EXPRESSION IN THE IDP DOCUMENT
1. Spatial Planning, Land, Human Settlements and Environmental Management	▶ The municipality must reflect the presence of an Air Quality Management Plan (AQMP) as contemplated in Section 15(2) of the National Environment Management : Air Quality, No. 39 of 2004.
2. Service Delivery and Infrastructure Planning	▶ The municipality must budget for public transport facilities.
3. Financial Planning and Budget	▶ The municipality must develop a trade effluent policy
1. Local Economic Development	▶ The municipality must develop an Integrated Community Safety Plan by June 2023 as planned.

2. Institutional Arrangements	- The municipality must develop the disaster management plan and stipulate emergency procurement measures.

2.12.12. Audit Outcomes

The Accounting officer is responsible for the preparation of the Annual Financial Statements and submission of the Annual report together with the AFS to the Auditor General each financial year. The following is the table reflecting the municipal audit performance for the past five years:

Table 50: Audit Outcomes

Financial Year	Audit outcomes
2021/2022	Unqualified with findings
2020/2021	Unqualified with no findings/ Clean Audit
2019/2020	Unqualified with no findings/ Clean Audit
2018/2019	Unqualified with three compliance findings

2.12.13. Audit Action Plan

The audit action plan was presented together with the annual report for 2021/22 financial in a council meeting held on the 27th January 2023 and was noted by the Council

Table 51: Audit Action Plan

Ref	Finding description	Nature (Actual Finding)	Root Cause	Auditors Recommendation	Management Response	Auditor's conclusion	Root Cause by Management	Responsible Official	Target date	Remedial action	Progress from last report date	Progress %
Coaf 1	Annual Financial Statement and Annual Performance Report High Level Review	1. The Accounting policies are not numbered in sequence.	The above findings are caused by lack of proper review of financial statements and annual performance report.	Management should ensure financial statements are submitted with all corresponding schedules and listings.	We agree with the finding, the numbering will be corrected and submitted with the adjusted AFS	AFS adjusted, finding resolved.	> Interim AFS not conducted > Moving from excel AFS to Caseware and lack of an alternative plan >Inadequate review of compiled AFS due to time constraints. >New AFS consultants.	Manager Budget and Reporting	2023/03/31	This finding was resolved on the adjusted AFS the sequence numbering has been corrected. To ensure that the numbering is done correctly on the interim AFS so that this does not become an issue on the final AFS.	None	
Coaf 1	Annual Financial Statement and Annual Performance Report High Level Review	2. The note number is not included on the statement of financial performance for the line item Loss on disposal of non-current asset, however note 32 refers to this item.	The above findings are caused by lack of proper review of financial statements and annual performance report.	Management should ensure financial statements are submitted with all corresponding schedules and listings.	We agree with the finding, corrections will made on the adjusted AFS	AFS adjusted, finding resolved.	> Interim AFS not conducted > Moving from excel AFS to Caseware >Inadequate review of compiled AFS due to time constraints. >New AFS consultants. > Lack of capacity to develop AFS within the institution	Manager Budget and Reporting	31-03-2023	To ensure that cross referencing of the face of the AFS with the notes is done correctly on the interim AFS so that this does not become an issue on the final AFS.	1. General Reviewed and corrections identified for the period July 2022 to December 2022	
Coaf 1	Annual Financial Statement and Annual Performance Report High Level Review	3. AOPO listings that agree to the submitted APR achievements were not submitted	The above findings are caused by lack of proper review of financial statements	Management should ensure financial statements are submitted with all corresponding schedules and listings.	We agree with the finding Information has been submitted to your office	The AOPO listings were subsequently submitted therefore the finding is resolved	>Limitation in the consultants. > Lack of capacity to develop AFS within the institution	Senior Manager Strategic Support	2023/08/31	Management will ensure that AOPO listing agrees with APR submitted.	None	

			and annual performanc e report.									
Coaf 1	Annual Financial Statement and Annual Performanc e Report High Level Review	4. The intangible assets register was not submitted with the financial statements	The above findings are caused by lack of proper review of financial statements and annual performanc e report.	Management should ensure financial statements are submitted with all corresponding schedules and listings.	We do not agree with the finding Intangible assets is in the movable's assets refer column L asset class of movables asset register.	Management comments noted, the finding resolved.	> Lack of capacity to develop AFS within the institution	Manager Assets	2023/09/04	Propose a meeting with AG immediately after AFS submission where the auditee will outline the components of the AFS.		
Coaf 1	Annual Financial Statement and Annual Performanc e Report High Level Review	5. The unauthorised expenditure note for capital expenditure does not have comparative figures.	The findings are caused by lack of proper review of financial statements and annual performanc e report.	Management should ensure financial statements are submitted with all corresponding schedules and listings.	We agree with the finding the note will be corrected and comparative figures from last year will be included on the adjusted AFS refer to extract note no. 47. There is no unauthorised expenditure incurred during the year, as unauthorised expenditure is defined as the total amount per vote (not separating operating and capital expenditure).	AFS adjusted, finding resolved.	> Lack of capacity to develop AFS within the institution	Manager Budget and Reporting	31-Mar-23	When compiling the interim financial statement, an exercise will be conducting to compare comparatives against the audited AFS.	None	

Coaf 1	Annual Financial Statement and Annual Performance Report High Level Review	6(a) The amounts per the annual financial statements do not agree to the amounts per the supporting schedules on contigent liabilities as per attached table on the detailed findings - Contigent Liabilities	The above findings are caused by lack of proper review of financial statements and annual performance report.	Management should ensure financial statements are submitted with all corresponding schedules and listings.	6(a)Contingent liabilities: We agree with the finding it was an error that it was included on the AFS for 2022, therefore it will be corrected in the adjusted AFS.	AFS adjusted, finding resolved.	>Poor planning	Legal Officer	2023/03/31	Draft AFS will submitted with accompanying documents for accuracy and completeness (confirmations from attorneys).		
Coaf 1	Annual Financial Statement and Annual Performance Report High Level Review	6(b) The amounts per the annual financial statements do not agree to the amounts per the supporting schedules on property plant & equipment as per attached table on the detailed findings - Assets (PPE)	The above findings are caused by lack of proper review of financial statements and annual performance report.	Management should ensure financial statements are submitted with all corresponding schedules and listings.	6(b)PPE-We agree with the finding that the register does not agree with the GL, however the difference is not R28m see attached spreadsheets and table below. We further went to the entire population to address the differences to agree the GL and PPE note. Find the attached updated Registers and Updated Note.	AFS adjusted, finding resolved.	>Poor planning	Assets Manager	31-03-2023	1. Review Asset Register totals and General Ledger	1. General Reviewed and corrections identified for the period July 2022 to December 2022	

Coaf 1	Annual Financial Statement and Annual Performance Report High Level Review	7.The amounts per the current AFS corresponding figures do not agree to the prior year audited AFS amounts	The above findings are caused by lack of proper review of financial statements and annual performance report.	Management should ensure financial statements are submitted with all corresponding schedules and listings.	The management disagree with all findings except for trade payables.	Management comments noted, the finding resolved.	> Lack of review of AFS	Chief Financial Officer	2023/03/31	A detailed note for prior period errors and reclassification on the interim AFS.		
Coaf 1	Annual Financial Statement and Annual Performance Report High Level Review	8. The following disclosure notes are not included on the financial statements as required by GRAP; >Events after reporting date. >In-Kind donations. >Private Public Partnership (PPP). >Impact of COVID-19 and Financial Sustainability. >Principal-agent Arrangement. >Non-living resources. >Segment reporting.	The above findings are caused by lack of proper review of financial statements and annual performance report.	2. An adequate review must be performed by the internal audit unit as well as the Audit Committee before Financial statements and Annual Report is submitted to the auditors.	The management agrees with all findings except for Events after reporting date.	AFS adjusted, finding resolved.	> Inadeqequate controls when migrating to Casewaaare	Chief Financial Officer	2023/03/31	Preparation of the interim financial statement that are complaint with GRAP and treasury regulations.		

Coaf 1	Annual Financial Statement and Annual Performance Report High Level Review	9. The following appear on the face of the current year AFS but there are no notes even though they are material; Bulk purchases, Sale of goods/inventory and Accumulated surplus.	The above findings are caused by lack of proper review of financial statements and annual performance report.	Management should ensure financial statements are submitted with all corresponding schedules and listings.	We agree with the finding we will correct it and include on the adjusted AFS	AFS adjusted, finding resolved	> Inadeqequate controls when migrating to Casewaaare	Chief Financial Officer	2023/03/31	Preparation of the interim financial statement that are complaint with GRAP and treasury regulations.		
Coaf 1	Annual Financial Statement and Annual Performance Report High Level Review	10.The reported indicators are not consistent with planned indicator as reflected.	The above findings are caused by lack of proper review of financial statements and annual performance report.	Management should ensure financial statements are submitted with all corresponding schedules and listings.	We agree with the finding information requested has been submitted to your office.	The correct SDBIP was submitted, therefore finding resolved.	> Inadequate review of information captured from SDBIP to action assist.	Senior Manager Strategic Support	2023/07/31	Thorough review of the information captured on action assist to ensure accuracy and completeness.		
Coaf 1	Annual Financial Statement and Annual Performance Report High Level Review	11. The amount per the statement of financial performance does not agree to the amount per note 30 for the items below:Contracted Services	The above findings are caused by lack of proper review of financial statements and annual performance report.	Management should ensure financial statements are submitted with all corresponding schedules and listings.	We agree with the finding the information will be corrected on the adjusted AFS office	AFS adjusted, finding resolved.	> Lack of a coordinated Caseware migration strategy	Chief Financial Officer	2023/03/31	When compiling the interim financial statement, an exercise will be conducting to compare the face of the financials to the notes.		

Coaf 1	Annual Financial Statement and Annual Performance Report High Level Review	12. The description per the statement of financial performance does not agree to the description per note 32 for the items below: Loss on disposal. Description per the statement of financial performance and as per note.	The above findings are caused by lack of proper review of financial statements and annual performance report.	Management should ensure financial statements are submitted with all corresponding schedules and listings.	We agree with the finding we will correct the description on the adjusted AFS	AFS adjusted, finding resolved.	> Lack of a coordinated Caseware migration strategy	Chief Financial Officer	2023/03/31	When compiling the interim financial statement, an exercise will be conducting to compare the face of the financials to the notes.		
Coaf 1	Annual Financial Statement and Annual Performance Report High Level Review	13. The bank accounts below reflect the same account number but different amounts: Standard Bank (Revenue Account); Standard Bank (EPWP)	The above findings are caused by lack of proper review of financial statements and annual performance report.	Management should ensure financial statements are submitted with all corresponding schedules and listings.	We agree with the finding EPWP account number error happened when entering the account numbers and will be corrected on the adjusted AFS see the attached bank statements	AFS adjusted, finding resolved.	> Lack of a coordinated Caseware migration strategy	Chief Financial Officer	2023/03/31	When compiling the interim financial statement, an exercise will be conducting to compare the face of the financials to the notes.		
Coaf 1	Annual Financial Statement and Annual Performance Report High Level Review	14. There is a difference between the disclosed amount on the GL and the amount on the financial statements;	The above findings are caused by lack of proper review of financial statements and annual performance report.	Management should ensure financial statements are submitted with all corresponding schedules and listings.	We agree with the finding petty cash will be corrected on the adjusted AFS	AFS adjusted, finding resolved.	> Lack of a coordinated Caseware migration strategy	Manager Income and Expenditure	2023/03/31	To ensure that during compilation of interim financial statements the reconciliation are formed.		

		FNB - Petty Cash										
Coaf 3	ICT Charter not reviewed for 2021/22	The ICT steering committee charter was not reviewed for 2021/22. The finding was raised in the prior year.	This is caused by lack of review controls over policies on a periodical basis	Management should ensure that ICT Charter and Framework are reviewed and approved on a periodically basis to ensure that any changes to legislations or standards are taken into account.	Management agrees with the finding though the reviewal processes of the ICT Charter and Framework was done and finalized in the year 2020/21 but was adopted by Council in September 2022 as it was the only ordinary council meeting that it could be tabled on.	Management agrees with the finding, therefore the finding remains and will be reported in the management report.	> The challenge of high staff turnover in the position of ICT Manager in previous years.	Director - Corporate Services	2022/12/15	The reviewal process of municipal council calendar to ensure that the policies and charters are reviewed in each financial year.	The charter has since been reviewed and adopted by Council on the 30th of September 2022	100%
Coaf 3	Assets: Disposed assets not removed from the fixed assets register and Asset count not done for investment property	1. The following asset was disposed off during the year under review but still appears on the 2021/22 fixed asset register at its carrying amount as the municipality's asset. 2. During the walkthrough done on the investment property business process, it	1. The cause of the finding is lack of controls over the asset register to ensure that disposed assets are removed from existing assets in the asset register. 2. This finding is caused by lack of oversight by	Management should ensure that they remove disposed assets from the existing assets fixed assets register and also ensure that asset count is done as per the policy for all municipal assets.	1. Asset 5394 Toyota Fortuner 2.4 GD We are in agreement with the finding. The vehicle was erroneously omitted from Disposals in the Asset Register whilst other assets disposed were removed in the Asset Register.The carrying value of the error is	Management agrees with the finding, therefore the finding remains and will be taken to statement of overs and unders, the extrapolated mistatement is R713 173.	> Inadequate review of the disposal list and assets disposed in the asset register.	Manager Assets	2023/03/31	Disposal of Assets on occurrence and reviewal and comparison of disposal list and asset disposal register.		

		was identified that no asset count was done for investment properties.	management in ensuring that the assets policy is implemented.		R260 808.98. Management will ensure that disposed assets are removed in the assets register. 2. Investment properties Count 2.1 Investment Property physical count was not conducted in the 20212022 Financial Year. 2.2. Due to limited personnel resources the municipality is not able to conduct a yearly physical count of investment property. 3. As the Investment Property does not have the risks of theft, obsolescence, wear & tear the municipality conducts physical verification at least every three years.								

Coaf 4	Provisions: Disclosure note for provisions does not comply with GRAP 19 requirements	The following disclosure note does not comply with GRAP 19 requirements as it does not reflect the increase and decrease in estimate and the unwinding of discounted interest as follows:	The cause of the finding is lack of oversight by management in ensuring that all disclosure are as per the required standard.	Management must ensure that the AFS are disclosed as per the required standards	Management agrees with the finding; the breakdown of the provisions did not agree to the amount on the face of the annual financial statements. The note has been updated and an extract of the updated note provided to the auditors.	Inspected the AFS and confirmed that the adjustment was done appropriately	> Lack of capacity to develop AFS within the institution	Chief Financial Officer	2023/08/14	Landfill Stite valuations will be perfomed timeously to enable enough time for the AFS preparation and reviews. Draft AFS will be submmited for review together with the accompanying registers and supporting documents.		
Coaf 5	Expenditure: Differences between the general ledger and the annual financial statements submitted for audit	1.The expenditure amount per the prior year audited financial statements does not agree to the comparative amount disclosed in the current year AFS. 2 .It was further noted that the amounts as per the general ledger does not correspond to the amount as per Annual Financial Statements.	The cause of the above findings is a lack of thorough reviews of the AFS	Management should ensure that proper and adequate controls are implemented during the preparation of the annual financial statements and also ensure that the AFS are fairly presented and information is properly disclosed in terms of the applicable financial reporting framework (GRAP).	As per COAF 1, we agree that the prior year had errors on organizational expenses and research and advisory. We have thus corrected these and attached here is the AFS extract to show the correction.	Finding 1: Adjusted the AFS, Refer to note 32. 2. The adjustment will not have an impact on the audit opinion and therefore not accepted and is included in the overs and unders.	> Lack of rIgorous review on the AFS.	Chief Financial Officer	2023/03/31	An exercise will be conducted to agree the comparatives with the prior year audited AFS, in instances of prior period error a detailed note will be prepared to provide details of the components restated. Monthly reconciliations are being prepared to identify misalloctions. Comparison between the interim financial statements and the reconciliations will be done to identify mismappings.		

Coaf 6	Payments were not made within 30 days as per the norm.	Payments were not made within 30 days as per the norm.	The cause of the above finding is a lack of proper controls around receiving and payment of invoices.	Management should ensure that there are proper controls around receiving of invoices. There must be an invoice receipt register in place in order to ensure that invoices are tracked and are paid to the suppliers timeously.	Refer to Detailed no.20 Findings Coaf 6	1. Management agrees with the finding, therefore the finding remains and will be reported in the management report. 2. and 3. Management comments noted, the invoices were assessed the finding is resolved	All invoices are paid by the Municipality within 30 days on receipt by the Finance department. The invoice in question was never submitted to the Municipality and it was agreed with the Service Provider (AG SA) that a credit note will be issued for interest charged.	Income and Expenditure Manager	Ongoing	Invoices received will be processed timeouly. Towards year end a memo will be issued advising HOD's to follow up on outstanding invoices. Service providers will also be asked to issue statements so as to identify unrecorded liabilities		
Coaf 8	Differences between amounts per the AFS and amounts per the supporting schedules	The amounts per the financial statements submitted for audit do not agree to the amount per the supporting schedules for the line items below: see detailed findings	The above findings are caused by lack of proper review of the annual financial statements (AFS)	Management should prepare the AFS in time and properly review them before submitting for audit	Amounts on AFS not agreeing to supporting schedules Int erestWe agree with the finding; the variance was due to interest misposted to an expenditure account. The issue has been addressed and the AFS and notes updated.Othe r income We agree with the finding, the variance was due valuation fees for R 302 000	Management agrees with the finding, the finding remains and will be reported in the management report. The adjustment will not have an impact on the audit opinion and therefore not accepted.	> Lack of implementation of identified control deficencies during AFS review	Chief Financial Officer	2023/03/31	Monthly reconciliations will be done between the billing report and the General Ledger and the reconciling items resolved timeously		

					incorrectly mapped to revenue instead of contracted services, there was also an adjustment for pound fees of R 2 592.30 incorrectly mapped as other income: the AFS have been updated and the extracts of the notes submitted to the auditors. Notes not agreeing to the face of the AFS We agree with the finding, the variance was due valuation fees for R 302 000 incorrectly mapped to revenue instead of contracted services, the AFS have been updated and the extracts of the notes submitted to the auditors.							

Coaf 9	Exchange revenue - Non - exchange interest revenue incorrectly classified	There is no split between interest charged on exchange and non-exchange receivables in note 20 of the financial statements. Therefore interest charged on property rates (non – exchange) receivables has been incorrectly disclosed under exchange revenue on the annual financial statements.	The cause of the above finding is due to management not separating interest revenue from exchange transactions and interest revenue from non– exchange transactions, as per their respective significant categories, on the annual financial statements.	Management should disclose the above interest revenue as a separate line item on the annual financial statements based on its significant category, being revenue from non - exchange transactions.	Management agrees with the finding and have updated the AFS and attached extracts from the updated AFS.	Inspected the adjusted afs, the adjustment was done correctly , finding resolved	> Poor planning	Income and Expenditure Manager	2023/03/31	Monthly reconciliations will be done between the billing report and the General Ledger and post the adjustment journals to split the two.		
Coaf 10	AoPO: The recorded target on the listing does not add up to the reported target on the APR.	During the audit it was noted that the APR listing submitted for audit purposes does not agree with reported achievement per the the Annual Performance Report (APR).	Lack of proper oversight of the Annual Performance Report (APR) and recorded supporting information .	Management should ensure that the supporting documents provided agree to the reported information on the Annual Performance Report.	1. Correction will be made on the listing to reflect 35 streetlights that were over achieved in Station street, 78 streetlights in Mt Fletcher, 1 highmast light in Sithole and 1 highmast light in TV park 2. Adjustment will be made on the APR	Management comments noted , APR has been adjusted, there will be emphasis of matter .paragraph on material adjustment to the APR.	APR figures not updated with actual achievement verified by Internal Auditors and agreed with Management.	Senior Manager Strategic Support	2023/08/31	Action assist will be updated with the audited figures.	A correct document with corresponding information was submitted to AG	

					and reflect the completion of Vincent network upgrade								
Coaf 11	Receivables from Exchange: Presentation and disclosure: Omission	The disclosure note for receivables from exchange transactions (note 3) on the annual financial statements (AFS) submitted for audit does not disclose the breakdown (ageing) for interest from overdue debtors. It was omitted on the note.	The cause of the above findings is a lack of thorough reviews of the AFS	Management should ensure that proper and adequate controls are implemented during the preparation of the annual financial statements and also ensure that the AFS are fairly presented and information is properly disclosed in terms of the applicable financial reporting framework (GRAP). Management should prepare the financial statements that are accurate, supported and comply with GRAP.	Management agrees with the finding and have updated the AFS	Finding resolved , the AFS were adjusted , refer to note 3 of the AFS	> Poor planning	Manager Income and Expenditure	2023/08/31	Preparation of the interim financial statement that are complaint with GRAP and treasury regulations.			
Coaf 12	Receivables from non-exchange: Differences between the GL and the AFS	The amounts per the financial statements do not agree to the amounts per the general ledger for the receivables from non - exchange	The cause of the above finding is due to lack of management proper reviews before Annual Financial Statements (AFS) submission.	Management should prepare the AFS in time and properly review them before submitting for audit	The variance was due to CaseWare journals incorrectly processed. The AFS have been updated and an extract note attached	Inspected the adjusted AFS - Finding is resolved.	> Poor planning	Income and Expenditure Manager	2023/03/31	All material amounts of the interim financial statements to be supported by reconciliations.			

Coaf 12	Receivables from non - exchange: Presentation and Disclosure: Differences identified.	During the audit of the receivables from non-exchange note disclosure 4, the following findings were noted: 1. Impairment reconciliation note does not agree to the main note disclosure; 2. Difference between age analysis and the amount recorded in the note per AFS 3. The following line has been incorrectly included in note 4:	The cause of the above finding is due to lack of management oversight on the preparation and review of annual financial statements (AFS).	Management should ensure that AFS is properly reviewed before submission for auditing	Impairment reconciliation note does not agree to the main note disclosure; Management accept the finding and have updated the note and attached an extract of the updated AFS.	Inspected the adjusted AFS and confirmed that the AFS were appropriately adjusted	> Poor planning	Income and Expenditure Manager	2023/08/31	Preparation of the interim financial statement that are complaint with GRAP and treasury regulations.		
Coaf 14	Statutory Receivables : Incorrect disclosure	1. The amounts relating to current year statutory receivables are not included in the statutory receivables note (note 43) of the financial statements submitted for audit. 2. Note 43 has a narration that	The cause of the above findings is a lack of thorough reviews of the financial statements submitted for audit.	Management should ensure that proper and adequate controls are implemented during the preparation of the annual financial statements and also ensure that the AFS are fairly presented and information is properly disclosed in terms of the applicable financial reporting framework	Management agrees with the finding, the statutory note has been updated	Management agrees with the finding, the statutory note has been updated	> Poor planning	Manager Income and Expenditure	2023/03/31	Preparation of the interim financial statement that are complaint with GRAP and treasury regulations.	None	

		reads, "Refer to note 24 for property rates levied for the year and basis for interest and rate used on outstanding balances" however note 24 of the financial statements submitted for audit refers to revenue from fines, penalties and forfeits and not property rates levied for the year. Furthermore the note does not specify which note to refer to for Traffic fines issued for the year		(GRAP). Management should prepare the financial statements that are accurate, supported and comply with GRAP.								

Coaf 15	VAT Receivable: General Ledger and AFS differences	The following differences were identified on the value added tax (VAT) amount disclosed in the annual financial statements (AFS) 1. Differences between the general ledger and the AFS 2. Differences between the financial position amount and note 5 of the AFS.	The above finding is due to lack of proper manageme nt reviews of AFS	Management should ensure that AFS are reviewed before they are submitted for audit	1) The difference between the GL and AFS of 193 236 is due to one vote which has an item description of consumer deposits electricity which last year was mapped as VAT and has thus been mapped under VAT in the current year. See attachment. 2. The difference between the note and the AFS was caused by the posting of Caseware journals which touched the debtors and AFS. These were done in error and now have been corrected. Please find attached the AFS extracts, adjustment.	Finding 1 - Finding stands it will be reported under statement of unders and overs- R193 236.00 Finding 2 - resolved , the AFS were adjusted, refer to note number 5 of the AFS	The difference identified was due to mapping issues.	Manager Income and Expenditure	2023/03/31	Monthly reconciliations are being prepared to identify misalloctions. Comparison between the interim financial statements and the reconciliations will be done to identify mismappings.		

Coaf 17	Payables: Inconsistencies between Retention Register and Auditor's Recalculations	Contrary to the above, whilst auditing payables from exchange transactions- Retentions it was noted that the amounts as per auditor's recalculations does not agree to the amounts disclosed in the retention register as shown below (see table on detailed findings).	The cause of the above finding is a lack of management reviews in the supporting schedules and AFS.	The Chief Financial Officer and those charged with governance should ensure that proper and adequate controls are implemented during the preparation of the annual financial statements together with supporting schedules.	Management is not in agreement with the finding. Retentions, by their nature are cumulative in line with the cumulative amounts on the progress certificate. So AG has calculated the difference based on amounts that were compounded as they were already cumulative.	Managegements comment noted, the calculation was reperformed and remaining projected mistatement is R349 which is trivial. There is however a difference of R325 062 (R13 171 783 - R12 846 711) between the retentions schedule and the amount per the afs. The two remaining mistatements will be taken to the summary of uncorrected mistatements	The variances were due to errors on retentions computations	Assets Manager	31 -03-2023	Retentions computation to be perfomed monthly and the reviews.		
Coaf 19	Cash flow statement: Differences between audited amounts and recorded amounts in the AFS	Differences between audited amounts and recorded amounts in the AFS. Table with differences on receipts, payments and note reconciliation is attached on the detailed findings.	The cause of the above finding is due to lack of management proper reviews of AFS before submission for audit.	Management should ensure that cash flows only include cash items and that proper reviews are performed before submission of AFS for audit.	Management acknowledges the errors pointed out and are agreeable to adjusting. However, as you are aware, there are adjustments that have happened on sections such as debtors,	Management response noted. The adjustments has been tested and the remaining defference of R1 498 143.27 has been identified. Therefore, the adjustment is accepted and	>Inadequate time frame to compile and conduct proper review of AFS.	Income and Expenditure Manager	31-May-23	All AFS components must be prepared and finalised on time to give preparer enough time to prepare the cashflow and also enough time for reviews.	Journals processed on Property rates revenue that was not posting to the Cash flow statement	0%

					revenue, and assets which adjustments would require a complete recalculation of the Cashflow Statement. We, as a result, are requesting that this COAF be kept open up until the finalisation of all adjustments to enable us to do a final recalculation of the Cashflow Statement.	it will lead to a material adjustments compliance paragraph						
Coaf 20	Material Losses- 26,21%. The material losses of 26.2% disclosed in the current period is above the 7% - 10% acceptable threshold.	Material Losses- 26,21%. The material losses of 26.2% disclosed in the current period is above the 7% - 10% acceptable threshold.	The material losses of 26.2% disclosed in the current period is above the 7% - 10% acceptable threshold.	Management should ensure that there are controls in place to monitor and minimise the material losses.	Management agrees with the finding	Management comment noted , finding stands	Old metering system within customer,s premisses. The old system is easy to temper and by-pass hence the losses	Director - Infrastructure & Planning		A new smart metering project is underway to replace the old system and beteer manage the losses	The smart meter have been purchaced and to be delivered in march 2023.	

Coaf 21	Budget vs Actual statement: Explanation not provided for material variances and some not reasonable (for explanations provided	Budget vs Actual statement: Explanation not provided for material variances and some not reasonable (for explanations provided)	The cause of the above finding is due to lack of management proper reviews of annual financial statements (AFS).	Management should ensure that it provides appropriate explanations for all material variances	2. Management disagrees with the finding, the contract is included in the register. The zero before the 3 on the contract number specified above is omitted which could be the reason why it was not found on the commitments register.	AFS Adjusted	> Poor planning	BTO Manager		All expenditures must be monitored against the budget before approval. All material variances will have a detailed explanation.	None	
Coaf 22	Capital Commitments: Terminated Contract included in the total commitment amount at year end	1. The contract below was terminated on 18 October 2021, however there is a commitment amount relating to it disclosed in the 2022 financial statements. The municipality had no obligation towards this project at year end and therefore it should not be	This is caused by lack on management oversight on the controls around maintenance of the Commitment register.	Management should ensure that commitments register is properly updated to ensure that all terminated and new contract are properly recorded.	1. We are in agreement with the finding on Construction of New Public toilets in Mount Fletcher. The contract has been terminated in the updated Commitment Register and there is no obligation on this project. 2. Management disagrees with the finding, the contract is included in	Management comments noted, the AFS were adjusted for the the first finding and therefore correctly adjusted and the second one is resolved.	> Lack of review of AFS	Assets Manager	31-03-2023	Updating of the Commitments Register monthly and also monthly reviews. Completeness check between the Contract register and the Commitments Register	1. Capital Commitments Updated.	

		disclosed as a commitment. Construction of New Public toilets in Mount Fletcher 2. The contract below is still in progress per the contract register, however not commitment amount is included for it on the commitments register - Conversion of Stores to Municipal Offices			the register. The zero before the 3 on the contract number specified above is omitted which could be the reason why it was not found on the commitments register.							
Coaf 23	Financial instrument s and financial risk manageme nt: Differences between the note and the face of the AFS	The amount for revenue earned from the department of transport is incorrectly disclosed on the principal agent arrangement note	The cause of the above finding is due to lack of manageme nt oversight on the preparation and review of annual financial statements (AFS)	Management should ensure that AFS is properly reviewed before submission for auditing	Management acknowledges the error and has duly adjusted the AFS. Please find attached the AFS extracts.	AFS Adjusted	> Poor planning	Income and Expenditure Manager	2023/08/31	Preparation of the interim financial statement that are complaint with GRAP and treasury regulations.		

Coaf 25	PPE Note 8 Narrations During the testing of Proppperty, plant and equipment presentation and disclosure it was noted that the following items which were disclosed as slow moving items and their carrying amounts and reason for slow moving not disclosed: -CCTV Access -Guard house controlThe cause of the above finding is the lack of management oversightthe impact of the above finding is that the disclosure is incomplete -	During the testing of Proppperty,plant and equipment presentation and disclosure it was noted that the following items which were disclosed as slow moving items and their carrying amounts and reason for slow moving not disclosed -CCTV Access -Guard house controlThe cause of the above finding is the lack of management oversightthe impact of the above finding is that the disclosure is incomplete	Financial and performance management	Management should ensure that they prepare regular,accurate and complete financial and performance reports that are supported by reliable information.	To adjust Afs	AFS were updated under note 8, finding resolved	> Poor planning	Assets Manager	31-03-2022	Preparation of the interim financial statement that are complaint with GRAP and treasury regulations.	1. Disclosures items identified.	

Coaf 26	Related Parties: Incorrect disclosure	Note 44 of the Annual Financial Statements incorrectly states that related parties for remuneration are disclosed in note 22 and 23 whereas they are disclosed in note 25 and 26.	The cause of the above findings is a lack of thorough reviews of the financial statements submitted for audit.	Management should ensure that proper and adequate controls are implemented during the preparation of the annual financial statements and also ensure that the AFS are fairly presented and information is properly disclosed in terms of the applicable financial reporting framework (GRAP). Management should prepare the financial statements that are accurate, supported and comply with GRAP	Management agrees with the finding, the AFS have been updated	Management comments noted, finding adjusted under note number 46	> Lack of review of AFS	SCM Manager	30-Mar-23	To ensure referencing between the notes is done correctly on the interim AFS so that this does not become an issue on the final AFS.	Preperation of AFS is set to sit on the 9 February 2022	

Coaf 27	Interest state:The suplier did not declare that person who is a director is in the service of the state	In testing compliance to legislation on the identified awards to persons in service of other state institutions, the following supplier did not declare that director is in the service of the state:	The supplier did not declare the interest - i.e. fraudulent declaration Impact• Non-compliance with section 112((1)j) of the MFMA and SCM reg 4 Possible fraud	Management should: Ensure that the follow up is made on suppliers who did not disclose their true status/connections and report those suppliers to National Treasury as non-compliance or as restricted suppliers, as required by SCM regulations;	Management agrees with the finding. The bidder did not disclose that he is serving in the organ of state in the MBD Forms. National Treasury designed systems for organ of state to use when procuring services e.g CSD and the Municipality continuously verifies bidders whether they are not in the organ of state on DPSA. so internal controls were utilised, however CSD which is a web-based system also failed to identify that the bidder is employed in the organ of state. This clearly misrepresentation of facts by the appointed bidder. MFMA Circular 62	Management comments noted, finding resolved , if the matter is reported again next year it will results to non-compliance and irregular expenditure.	Under utilisation of the vetting system, that has been procured for the purposes of screening employees and service providers.	SCM Manager	30-Mar-23	Apart from utelising CSD and DPSA , depending on availability of budget Management is planning to utilize services of the appointed service provider IMEI to verify all the suppliers including Councillors and municipal employees.	Collated data of employees and service provider from cash book . data from cash book will be done quarterly after approval of the budget to ensure that the task is implemented	

					also state that Municipalities and municipal entities may not have access to all HR databases across government and entities to verify upfront whether a prospective bidder is in the service of the state as defined in the SCM Regulations. I t is therefore understood that municipalities and municipal entities will not be able to verify this information but will rely on the content and disclosures made by bidders. In light of the above I dispute the citation that there is non-compliance with SCM Regulation 4. Over and above utilizing MBD Forms as							

					instructed in MFMA Circular 62, the municipality has internal controls in place however the system itself failed us and provided with incorrect information that the bidder is not in the HR database across government. As it came to light that this was indeed misrepresentation of facts, the municipality will be required to rectify this matter by instituting the necessary remedial measures, by investigating the matter, recovering the funds spent, instituting disciplinary proceedings against the liable for such actions and possible criminal							

					prosecution as may be appropriate.							

Coaf 27	Procurement and contract management: Points incorrectly calculated	In testing compliance to legislation on PPR 2017 a difference in points calculation was identified on bid ELM-3/015/2021-2022 (Framework contract for the construction of Unpaved Roads within Elundini) on the below suppliers which resulted supplier with the lower points (Abantsundu 1 Building and Civil Construction) being awarded the bid:(see table on detailed findings)	Lack of proper review of points calculation and lack of oversight over compliance with laws and regulations.	Management should ensure that points calculations are properly reviewed in order to ensure that a correct supplier is awarded the bid.	Management agrees with the finding	Management response has been acknolwledge .However, the award has been suspended pending the court case as a result of he the bidders who lodged an appeal for the disqualification of their bids.Thus if the ward is unsuspended by the court any non compliances identified on the award will be suspended pending the court case. Therefore the non compliance as a result of points calcualtion will be carried forward to the next financial period if the court unsuspend the award.	Lack of oversight on process followed when calculating points from BEC and the BAC. There was reliance on SCM practitioners due deligence on calculation of points was not conducted.	SCM Manager	30-Mar-23	BEC Chairperson and the BAC to verify the calculation of points before submission of resolutions to the Accounting Officer.	Both BEC and BAC Chairperson were notified on the 13 January 2022.	

Coaf 29	Expenditure: Bulk purchases overstated	The bulk purchases amount per the financial statements does not agree to the amount per the invoices as shown below (see detailed findings).	The cause of the above findings is a lack of thorough reviews of the AFS	Management should ensure that proper and adequate controls are implemented during the preparation of the annual financial statements and also ensure that the AFS are fairly presented and information is properly disclosed in terms of the applicable financial reporting framework (GRAP). Management should prepare the financial statements that are accurate, supported and comply with GRAP.	Management agrees with the finding. Expenditure of R 1 374 425 relates to electricity expenditure for the municipality which had been misposted to bulk purchases. This will however not be adjusted for in the AFS	The finding stands, the R1 374 425 will be taken to statement of unders and overs.	The difference identified was due to mapping issues.	Income and Expenditure Manager	2023/03/31	Monthly reconciliations are being prepared to identify misalloctions. Comparison between the interim financial statements and the reconciliations will be done to identify mismappings.		
Coaf 31	Principal Agent Arrangements: Amount for commission earned from the department of transport disclosed in the financial statements is incorrect	The amount for revenue earned from the department of transport is incorrectly disclosed on the principal agent arrangement note as follows	The cause of the above findings is a lack of thorough reviews of the AFS	Management should ensure that proper and adequate controls are implemented during the preparation of the annual financial statements and also ensure that the AFS are fairly presented and information is properly disclosed in terms of the applicable financial reporting framework (GRAP).	Management agrees with the finding	Finding stands , the R174 396.29 will be transfered to statement of unders and overs	> Poor planning	Income and Expenditure Manager	2023/03/31	Preparation of monthly reconciliations for accuracy and completeness.		

Coaf 33	Planning: Policies not reviewed	Through inspection of the municipality's policies, no evidence of review and or approved by the council was noted for the below listed policies.	This is due to lack of oversight by the manageme nt and those charged with governance	Ensure that policies are being reviewed and approved by council timeously	No management reponse received as yet	This will be reported as an internal control dificiency		Director - Corporate Services		The reviewal process of municipal council calendar to ensure that the policies are reviewed in each financial year	The policies has since been reviewed and adopted by Council on the 2nd of December 2022	
Coaf 33	Planning: Policies not reviewed	Through inspection of the municipality's policies, no evidence of review and or approved by the council was noted for the below listed policies. Credit control and Indigent Policy	This is due to lack of oversight by the manageme nt and those charged with governance	Ensure that policies are being reviewed and approved by council timeously	No management reponse received as yet	This will be reported as an internal control dificiency	The policies were available but unfortunately the CoAF was issued on the day of issuing of the audit report, there was no sufficient time to submit the evidence requested.	Income and Expenditure Manager	2022/12/31	The policies were readily as they have been reviewed and approved by the Council.	The mentioned policies were reviewed and submitted to Council and the Council approved them on 24/06/2021 with Council Resolution number 177/21. Unfortunately they were ommitted when populating the Council minutes extract.	100%
Coaf 34	Segment Reporting: Incorrect disclosure	On the disclosure note for segment reporting on the annual financial statements (AFS) submitted for audit, Governance and Administratio	The cause of finding is a lack of proper review of the financial statements to ensure that they have been prepared per the	Management should ensure that proper and adequate controls are implemented during the preparation of the annual financial statements and also ensure that the AFS are fairly presented and information is properly disclosed	Management agrees with the finding and will adjust the AFS	AFS Adjusted	> Poor planning	BTO Manager	31-Mar-23	Preparation of the interim financial statement that are complaint with GRAP and treasury regulations.	None	

		n does not meet the definition of a reportable segment. Therefore, it should not be classified as a separate reportable segment	GRAP framework.	in terms of the applicable financial reporting framework (GRAP).								
Coaf 34	Capitalised restoration costs: Incomplete disclosure	The capitalised restoration costs were disclosed separately from property plant and equipment in the prior period. In the current period they are disclosed as part of property plant and equipment. There is however no narration in the financial statements to draw the users attention to the change in classification.	The cause of finding is a lack of proper review of the financial statements to ensure that they have been prepared per the GRAP framework.	Management should ensure that the financial statements submitted are thoroughly reviewed to ensure that they comply with the GRAP framework.	No management response submitted.	AFS adjusted appropriately	> Poor planning	Assets Manager	31-03-2023	A detailed note will be prepared to provide details of the components restated when there is prior period error note and reclassification.		

Coaf 35	Budget vs Actual: Non-disclosure	The Statement of Comparison of Budget and Actual Amounts on the annual financial statements (AFS) submitted for audit does not disclose the comparison of the financial position and cash flow. They were omitted from the statement.	The cause of the above findings is a lack of thorough reviews of the financial statements submitted for audit.	Management should ensure that proper and adequate controls are implemented during the preparation of the annual financial statements and also ensure that the AFS are fairly presented and information is properly disclosed in terms of the applicable financial reporting framework (GRAP).	Management agrees with the finding, the AFS have been updated and an extract of the updated note provided to the auditors.	AFS Adjusted	> Poor planning	BTO Manager	31-Mar-23	Preparation of the annual financial statement that are complaint with GRAP and treasury regulations.	None	
Coaf 36	Provisions: Incorrect disclosure	The reconciliation of provision on note 15 of the financial statements submitted for audit does not agree with the supporting note as follows(see table detailed findings)	The cause of the finding is a lack of oversight by manageme nt in ensuring that all disclosure is as per the required standard.	Management should ensure that the disclosures on the financial statements are done as per the required standards.	No response as yet	Management adjusted the afs , disclosed the current provision sep arately	> Poor planning	Income and Expenditure Manager	2023/08/14	Preparation of the annual financial statement that are complaint with GRAP and treasury regulations.		

Coaf 37	Capitalised restoration costs were disclosed separately from property plant and equipment in the prior period. In the current period they are disclosed as part of property plant and equipment. There is however no narration in the financial statements to draw the users attention to the change in classification.	The capitalised restoration costs were disclosed separately from property plant and equipment in the prior period. In the current period they are disclosed as part of property plant and equipment. There is however no narration in the financial statements to draw the users attention to the change in classification.	The cause of finding is a lack of proper review of the financial statements to ensure that they have been prepared per the GRAP framework.	Management should ensure that the financial statements submitted are thoroughly reviewed to ensure that they comply with the GRAP framework.	Management agrees with the finding and the AFS have been subsequently adjusted to reflect that	Management adjusted the AFS (refer to note 47), finding resolved	> Poor planning	Assets Manager	2023/08/14	A detailed note will be prepared to provide details of the components restated when there is prior period error note and reclassification.		

Coaf 38	Unspent Conditional Grants and Receipts: Presentation and disclosure not as per the specimen	The note (note 13) to the annual financial statements disclosing the balance of unspent conditional grants and receipts does not show the reconciliation for the unspent conditional grants. The narration refers to note 13 for reconciliation, however note 13 does not have the reconciliation. The narration for the note is also inconsistent with the previous year's AFS.	Lack of proper review of AFS prior to submission. The impact of the finding is that the disclosure is incomplete and misleading to the users of the financial statements.	Management should prepare the financial statements that are accurate, supported and comply with GRAP.	Management conceded there was an error on our note for unspent grants. The note errenously refers to note 13 instead of note 23. Note 23 has the reconciliations of the of the unspent grants as per GRAP requirement.	Management comments noted , finding resolved , the AFS were adjusted , refer to note 23	> Poor planning	BTO Manager	31-Mar-23	Preparation of interim financial statements and correct referencing will be done between the face and the notes.	None	

2.13. ENVIRONMENTAL SCANNING

2.13.1. PESTEL FACTORS

Table 52: Pestel Factors

Political Factors	*Economic Factors*
▶ *The amendments to section 25 of the Constitution in relation to the expropriation of land without compensation has become a political football that is causing uncertainty to those who need land for development or settlement.* ▶ *Nullification of legislation leading to a change in municipal policies. [i.e Systems act]* ▶ *PPPFA 2017 used by government to advance local SMME government has been repealed by the constitutional court, meaning that the sub-contracting clause has been nullified by courts. This will lead to manipulation of SCM processes on sub-contacting threshold. Municipality will therefore need to address the sub-contracting procedures and advancement of designated groups (HDI) in its internal policies.* ▶ *New regulations vs agreements (overregulation), No local government consultation processes followed.* ▶ *Political contestations at provincial level (resolutions of provincial conference of the ruling party) may affect service delivery at local government level.* ▶ *Regulations guiding the recruitment of senior management causes instability and has a negative impact in the operations of municipality, municipal performance and service delivery.* ▶ *Government has put measures in place to fight corruption, however, there is poor and inconsistent implementation of laws, and as a result, corruption is still on the rise.*	▶ South African economy has a potential for growth and development, however, poor planning for economic growth, proper implementation as well as monitoring of introduced plans lead to poor economic state. ▶ COVID-19 damaged an economy that was already limping. ▶ Unemployment is a huge problem and has a direct impact on corruption. Moreover, the government is creating citizens that are dependent on the government. ▶ Education system is not channelled at producing entrepreneurs, but more on producing people who will still require employment from other employers. i.e the state. ▶ Employment and corruption affect the development of Elundini community. ▶ The municipality is attracting a more foreign nationals who see business opportunities. ▶ Difficulties in adapting to the Fourth Industrial Revolution with current low skills base ▶ Youth unemployment rate stands at 52%: Likely to result in Increased social ills (in crime, substance abuse)
Social Factors	Technological Factors
▶ *Societal standards that resulted from apartheid channel the behaviour of citizens away from economic independence.* ▶ *Elundini is a rural area that exports the limited skills it produces to other areas resulting in the brain drain particularly for skills in areas such as agriculture, information communication and technology, and construction.*	▶ Installation of network fibre from N2 to Nqanqarhu will improve performance of network around Elundini area. ▶ New technologies will be used to conduct business. i.e virtual /remote functioning ▶ Positive impact, as there will be improved network connectivity, and increase in revenue collection through fibre rental.

Education levels are fairly low, and fewer citizens with post graduate qualifications. *The levels of crime rate are very high especially in relation to murder cases, GBV, assault, and robbery.* *Youth unemployment, substance abuse, and child headed families has led to high crime rate in the District and Elundini.* *It has an impact on the Municipal operations due to when an essential worker is involved.* *When there's a challenge of ICT network, we are unable to conduct virtual meetings, and for service delivery we are unable to process payments and purchasing of electricity token.* *We need to be very vigilant due to well of health and hygiene by visiting offices and Ablution facilities twice a day* *People need to be transparent to disclose any diseases or health issues*	- Introduction of artificial intelligence to execute functions. - Introduction of renewable energy initiatives to complement current sources of energy - Renewable energy will address the issues relating to illegal connections and distribution losses - Government identifies and supports science and technology as drivers for economic growth. - Government focused on the improvement and development of human capabilities, reskilling to avoid job losses.
Environmental Factors	Legal Factors
Sensitive environmental areas limiting developable areas *The effects of climate change are being felt in rural parts of the province which has resulted in soil erosion due to heavy rains.* *Invasive fauna and flora affecting water sources* *Illiteracy on Waste Management and as such poor participation in Recycling, Re-use and* *Optimal weather conditions for Solar Power to reduce dependency on mainstream electricity.* *Renewable energy will impact positively impact Elundini because of clean energy, and we will be able to service more customers (as gas supply and solar systems assist more people to have access to energy), and this will contribute more on limiting over-utilisation of the grid.*	- Review of Municipal Systems Act likely to impact recruitment processes and professionalising of local government sphere. - Handling Personal information and disclosing such as prescribed in terms of POPI Act likely to affect day-to-day operations - The Local Government Demarcation Bill likely to provide for the criteria and procedures for the determination and redetermination of municipal and ward boundaries and the establishment of an appeals authority. - Uncertainty in implement the Municipal Property Rates Act and subsequent a proper rates policy. - Possible end toward Ending Spatial Fragmentation through the proposed Land Use Management Bill

2.13.2. SWOT ANALYSIS

Table 53: SWOT Analysis

KPA	INTERNAL		EXTERNAL	
	STRENGHTS	WEAKNESSES	OPPORTUNITIES	THREATS
Infrastructure and Basic Service Delivery	▶ Quality & Competent staff minimising need for procuring external service providers. ▶ Adopted policies in place, plans and agreements ▶ Availability of tools of trade for employees and specialised fleet ▶ Achieved 143km of road network ▶ Existing roads infrastructure maintenance plan ▶ Effective Procurement Strategy for implementing Service Delivery ▶ On the brink of achieving universal access to Electricity ▶ Effective Operational Systems and Policies in place	▶ Vacant and unfunded positions ▶ Poorly managed and ageing fleet ▶ Poorly implementation of internal controls ▶ Lack of consequence management ▶ Outdated Municipal by-laws that are long overdue for review and implementation ▶ Poor maintenance of existing infrastructure ▶ Poor quality of new roads infrastructure due to poor planning of infrastructure roll-out ▶ Inadequate Project Formulation, Management,	▶ We have grant funding for the implementation of Infrastructure and Basic service delivery. ▶ Favourable Government framework for enhancement of massive job creation. ▶ Operationalising the Vehicle Testing Station ▶ Placement of sufficient Skip Bins closer to communities to improve waste management. ▶ Expansion for Public Transport Facilities (Taxi & Bus Ranks)	▶ We have the perception of poor service delivery from community. ▶ Insufficient funding for infrastructure development for all Municipal wards. ▶ High poverty rate resulting in poor revenue collection. ▶ Settlements Geographical Sparsity (Settlements are located far apart) ▶ Difficulty in accessing all areas and settlements under Jurisdiction (Terrain & Geo-location)

		Implementation, Handover and Monitoring		▶ Limitations with Pandemics (Not limited to Covid-19) ▶ Climate change and its impact on infrastructure
	▶ There are existing facilities (Public amenities) ▶ Approved Integrated Waste Management Plan ▶ Improved maintenance of public amenities (Public Parks) ▶ Functioning Drivers Licencing Testing Centre and Registering Authority ▶ Existence of municipal fire services	▶ Outdated Waste Management plan that needs review ▶ Poor enforcement of by-laws ▶ Abuse of municipal Fleet ▶ Poor contract management (PPP) ▶ Lack of land for development on new cemeteries ▶ No disaster management plan and lack of capacity for fire services. ▶ Poor management and vandalism of public Amenities. ▶ Land invasion on key spaces earmarked for future projects geared at service delivery	▶ Tourism that improves revenue collection ▶ Green City (Healthy environment/Eco System) ▶ Revenue collection through DLTC ▶ Massive job creation ▶ Attract external funding	▶ Illegal Dumping ▶ Public protests ▶ Vandalism of public amenities ▶ Low electrical cables leading inaccessible roads for refuse collection ▶ Incurrence of fines due to non –compliance with environmental Legislation ▶ Unavailability of airspace for waste disposal (Landfills)
Local Economic Development	▶ Existence of LED Section, Strategies & Policies	▶ LED Strategies that do not fit local context.	▶ Tourist Attraction	▶ Low economic profile

	▶ SMME development (EPWP opportunities)	▶ Insufficient Marketing of ELM as a viable Tourism Destination ▶ Inadequate resources Available to support/ implement Local Economic Development ▶ Poor implementation of LED programmes ▶ Least contributing in JGDM GDP ▶ Poor monitoring of implementation of current By-Laws (Street Trading By-Laws, Hygiene, etc).	▶ Favourable National policies for economic stimulation ▶ Wool production ▶ Youth empowerment programmes ▶ Business development opportunities. ▶ Access to community Wi-fi ▶ Farming hub ▶ Capacitation of designated groups. ▶ There is a room for private partnership ▶ Prospects of business and job creation ▶ Sustain relations with PG Bison	▶ Least contributing in JGDM GDP
Good Governance and Public Participation	▶ Good and Stable Governance ▶ Established and functioning Council Committees ▶ Achievement of Clean Audit for past 2 consecutive years	▶ Delayed election of ward committees ▶ Poor stakeholder feedback ▶ Poor Participation from internal and External IDP Process	▶ Improved service delivery ▶ Good implementation of Batho Pele Principles ▶ Political Stability ▶ Public Trust emanating from good credit worthiness	▶ Possible Political Instability as a result of provincial elections in the ruling party ▶ Service Delivery Unrest

	▶ A Largely Functional Municipality ▶ Adopted Participation and Communication processes ▶ Credible IDP as approved by COGTA MEC ▶ Automated Performance Management System ▶ Operation Internal Audit Committee ▶ Good public participation turn-out ▶ Available communication platforms	▶ Poor Coordination of Public Participation Process.	▶ Positive Credit rating from financial institution ▶ Exploring and Maintaining Effective Inter Governmental Relations ▶ Twinning with other municipalities to share good practices.	▶ Vandalism of community infrastructure
Financial Viability and Management	▶ Sound financial controls in place ▶ Financial Viability in accordance with National Treasury norms ▶ Optimisation of allocated budget/ No rollovers from conditional grants ▶ Spending 100% of budget allocation	▶ Poor revenue collection ▶ Poor implementation of internal controls ▶ Inconsistent financial reporting. ▶ No ring-fencing of municipal collected revenue ▶ Non-enforcement of by-laws impact revenue collection	▶ Increase revenue base to supplement operational costs ▶ Increases in budget allocation as a result of effective implementation of infrastructure and basic service delivery. ▶ Implementation of retention strategy	▶ Exposure to fraud and corruption in departments ▶ Political interference ▶ Illegal electricity connection ▶ Over reliance on grants as source of revenue that own revenue generating schemes

	▶ Achievement of Clean Audit for past 2 ▶ Implementation of revenue enhancement strategy ▶ Effective MSCOA Reporting	▶ Poor re-registration of deregistered indigent beneficiaries.	▶ Expand revenue generating streams ▶ Implement Private Public Partnership for efficient and enhanced generation and collection of revenue ▶ Optimal Use of Investment Properties to generate Revenue	
Institutional Transformation and Organisational Development	▶ Adopted HR policies ▶ Approved Organogram ▶ Existing ICT policies ▶ Existence of Local Labour Forum ▶ Adopted and implemented human resource policies ▶ ICT systems in place ▶ Compliance to relevant legislative authorities (Department of Labour, LGSETA etc.)	▶ Silo mentality ▶ Low staff morale ▶ Low staff salaries ▶ ineffective staff retention strategy ▶ Inadequate awareness of Labour Relations policies among employees. ▶ Decentralised document management ▶ Lack of ICT innovative strategies (old laptops and printers) ▶ Ineffective LLF	▶ Existence of labour relations framework ▶ Training of youth on ICT to reduce high unemployment rate ▶ Introduction of fourth industrial revolution	▶ Brain drain / High staff turnover ▶ Ineffective staff retention strategy. ▶ Increase in cyber crimes ▶ Too many vacancies at senior management level.

		▶ Preference only given post-graduate bursaries ▶ Lack of succession planning ▶ Non-functioning of Local Labour Forum ▶ Lack of review of HR Policies ▶ Inconsistencies and incorrect implementation of HR Policies. ▶ Poor records management system. ▶ Poor network connectivity. ▶ High staff turnover ▶ Non-standardised departmental structures. ▶ Poor communication across different levels of employees. ▶ Resistance to change.		

3. CHAPTER THREE: STRATEGIES AND OBJECTIVES

3.1. Introduction

The municipality began a process of developing the strategies and objectives for the 5-year term (2022-2027) inconsideration of the situational analysis of the municipality. The municipality has also developed the vision and its mission looking at the future developments in the municipality. The strategic planning paved the way for the comprehensive vision development and mission for the municipal leadership.

3.2. Strategic Framework

3.2.1. Vision

"A pioneer for sustainable rural development"

3.2.2. Mission

"To deliver quality services through good governance and administration

3.2.3. Core Values

3.2.4. Strategic Goals and Objectives

During this term of office, the Strategic Objectives supporting the overarching Strategic Goals are as follows:

- Goal One: Accelerate service delivery and infrastructure development.
  - Strategic Objective 1.1. To ensure efficient construction, rehabilitation and maintenance of municipal infrastructure
  - Strategic Objective 1.2. To promote environmental health and safety of local communities

- Strategic Objective 1.3. To provide reliable basic services to households and the business sector.

- Goal Two: Promote economic growth, environmental sustainability through job-absorbing sectors
  - Strategic Objective 2.1. To facilitate industrialisation that unlocks the manufacturing potential of the local economy
  - Strategic Objective 2.2. To support the development of SMME to participate in a diversified and growing economy.
  - Strategic Objective 2.3. To increase investment through land and socio-economic infrastructure development.
  - Strategic Objective 2.4. To promote the protection and conservation of natural resources through green lifestyle.
  - Strategic Objective 2.5. To promote creation of employment opportunities and decent jobs.

- Goal Three: Improve the effectiveness of governance administrative and financial systems.
  - Strategic Objective 3.1. To improve public participation and oversight to enhance accountability.
  - Strategic Objective 3.2. To strengthen integrated planning, monitoring and evaluation of municipal programmes.
  - Strategic Objective 3.3. To enhance organisational performance, financial viability and management of municipal resources.

3.2.5. Strategic Priorities 2022-2027

The Strategic Planning process produced the following priorities for the Council over the next five years.

Table 54: Strategic Priorities

LOCAL GOVERNMENT KPA	5-YEAR PRIORITIES
Infrastructure and Service Delivery	▶ Research on renewable energy options ▶ Improve contract management capacity and increase local beneficiation to 50% on infrastructure projects. ▶ Review by-laws and create a business-friendly environment that will attract investment to the Municipal area. ▶ Refurbishment/maintanence of infrastructure as per National Treasury norm of 8%.
Local Economic Development	▶ Develop an extended SMME strategy that incorporate an incubation and capacity development programme for local SMMEs and Cooperatives. ▶ Work with ECRDA and other partners to establish an Agro-Hub by 2027.

Financial Viability	► Leveraging on the property portfolio for revenue enhancement.
Good Governance and Public Participation	► Improve public participation through ward-based planning and implementation
Municipal Transformation	► Improve internal efficiencies and effectiveness through collaboration and partnerships

3.2.6. Strategies and Projects

Table 55: Strategies and Objectives

3.2.6.1. Basic Service Delivery

FOCUS AREA	STRATEGY	OUTPUT INDICATOR	BUDGET	BASELINE	5YEAR TARGET	ANNUAL TARGET					INDICATOR
						2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	CUSTODIAN
Strategic Objective: To ensure efficient construction, rehabilitation and maintenance of municipal infrastructure											
Project Management Unit	Expand Infrastructure development	No. of kms of Roads Constructed	R138 Million	603.77km	32.914 km	7.914km	11,04km	11km	10.89km	10.86km	Director Infrastructure Planning and Dev
Project Management Unit	Expand infrastructure development	Number of public amenities constructed	R94.4 Million R4.4 Million (Halls R20 Million (ECDCs) R70 Million (public toilets)	10	7	2	2	2	3	1	Director Infrastructure Planning and Dev
Buildings and Civil Works	Improve Infrastructure planning	Number of Integrated Roads and Stormwater Maintenance Master Plans Developed	R2.3 Million	New Indicator	1	N/A	1	N/A	N/A	N/A	Director Infrastructure Planning and Dev
Electrification	Improve infrastructure planning	Number of tariff proposals submitted to NERSA	R400,000	New Indicator	3	N/A	1	N/A	N/A	N/A	Director Infrastructure Planning and Dev

Electrification	Infrastructure planning	Number of feasibility studies conducted for alternative Reliable Power Supply	R2.3 Million	New Indicator	1	N/A	1	N/A	N/A	N/A	Director Infrastructure Planning and Dev
Buildings and Civil Works	Infrastructure development	KMs of access roads maintained	7 Million	750km	750km	150km	185km	150km	150km	150km	Director Infrastructure Planning and Dev
Buildings and Civil Works	Expand Infrastructure development	% of stormwater upgraded	13.34 Million	100%	100%	100%	100%	100%	100%	100%	Director Infrastructure Planning and Dev
Buildings and Civil Works	Expand Infrastructure development	No of bridges rehabilitated	6 Million	4	5	1	1	1	1	1	Director Infrastructure Planning and Dev
Electrification	Expand Infrastructure development	Number of households in eletrification program connected:	57 Million	2406	1039	320	**687**	200	180	180	Director Infrastructure Planning and Dev
Electrification	Expand Infrastructure development	Number of kilometeres of bulk infrastructure constructed (link line)	8.9 Million	32	22	0	5km	7	7	0	Director Infrastructure Planning and Dev
Electrification	Expand Infrastructure development	No of public lights installed.	15 Million (Highmast - HML) R3.7 Million (Street lights - SL)	17 (HML) 218 (SL)	11 (HML) 105 (SL)	3 (HML) 25 (SL)	2 (HML) 20 (SL)	2 (HML) 20 (SL)	2 (HML) 20 (SL)	2 (HML) 20 (SL)	Director Infrastructure Planning and Dev

Electrification	Expand Infrastructure development	No. of electricity network upgrade completed X2	21 Million	7	10	2	2	2	2	2	Director Infrastructure Planning and Dev
Electrification	Expand Infrastructure development	% of mantainance completed for eletricity network as per the maintanance plan)	17.2 Million	100%	100%	100%	100%	100%	100%	100%	Director Infrastructure Planning and Dev
Electrification	Expand Infrastructure development	% Maintenance on Public lighting.	R190,370,000	100%	100%	100%	100%	100%	100%	100%	Director Infrastructure Planning and Dev
Infrastructure Grant expenditure	Infrastructure spending	% expenditure on all infrastructure grants		100%	100%	100%	100%	100%	100%	100%	Director IP&D

Community Services

FOCUS AREA	STRATEGY	OUTPUT INDICATOR	BUDGET	BASELINE	5YEAR TARGET	ANNUAL TARGET					CUSTODIAN
						2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	
Strategic objective: To promote environmental health and safety											
Waste management and cleansing	Provision of basic services to promote healthy environment	Number of waste management projects implemented	R17,500,000.00	New	15 (1. IWPMP review, 2. Waste Minimization, 3. Waste Transfer station, 4. management of Material Recovery Facility (MRF), 5. MRF Equipment procurement, 6. Fencing of Landfill sites, 7. Procurement and	1	9	3	3	2	Director Community Services

					installation of weigh bridge, 8. Construction of guard house with ablution facility in Ugie landfill site, 9. Procurement of a skip truck and 15 skip bins 10. Arbour Celebrations 11. Landfill site audit						
Waste Management and Cleansing	Provision of basic services to promote healthy environment	Number of areas receiving refuse collection, for household and commercial properties. 9. Procurement of a skip truck and 15 skip bins	R,00	New	39 areas	39 areas	39 areas	39 areas	39 areas	39 areas	Director Community Services
Waste Management and Cleansing	Provision of basic services to promote healthy environment	Number of Aawareness campaign projects conducted (Abbor, Waste and environment, Fire & disaster campaigns, and road safety.)	R 900,000.00	new	16	n/a	4	4	4	4	Director Community Services
Public Safety	Promote public safety and healthy environment	Number of road blocks conducted		5	25	5	5	5	5	5	Director Community Services
Public Safety	Vehicle registration	Revenue generated from vehicle's registration and licensing (rand value)	R0.00	New	5 million	1 million	1 million	1 million	1 million	1 million	Director Community Services

Traffic management	Promote public safety and healthy environment	Number of Traffic safety projects implemented (1. Road traffic infrastructure 2. Road safety campaigns 3. Learner licenses issued 4. Drivers licenses issued 5. Road worthy vehicle testing 6. Upgrading of DLTC	10,4 Million	New	6	4	5	6	5	5	Director Community Services
Parks and public amenities	Provision of parks to ensure beautification of small towns	Number of parks constructed in Tlokoeng, Nqanqarhu and Ugie	R5 Million	new	1	N/A	1	1	1	N/A	Director Community Services
Pound management	Promote public safety and healthy environment	Number of pound management projects implemented (1. Pound construction 2. Pound management implementation 3. Holding facilities mantained)	15,5 Million	New	3	1	2	3	1	1	Director Community Services
Policy development/Reviewal	Development of new policy and reviewal of available policies	Number of developed draft policies and bylaws and /or reviewed draft policies and by laws approved by Council	R400,000	New	44	8	9	9	9	9	Director Community Services

Creation of job opportunities through EPWP program to alleviate poverty	Expanded Public works program	Number of jobs created through Expanded Public Works Program	R2 569 000	209	1250	209	209	209	209	209	Director Community Services

3.2.6.2. Municipal Transformation and Organisational Development

FOCUS AREA	STRATEGY / PERFORMANCE OBJECTIVE	OUTPUT INDICATOR	BUDGET	BASELINE	5 YEAR TARGET	ANNUAL TARGET					INDICATOR CUSTODIAN
						2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	
Strategic objective: To enhance organisational performance, financial viability and management of municipal resources											
Human Resource Development	To promote sound labour relations	Percentage functionality of local labour forum and its committees		11	100%	100%	100%	100%	100%	100%	Director Corporate Services
Human Resource Development	To ensure compliance with legislation	Numberof legislative compliance reports submitted to relevant public bodies		2	10	2	2	2	2	2	Director Corporate Services
Human Resource Development	Implementation of the Workplace Skills Plan	Percentage implementation of identified training interventions		New	100%	N/A	100%	100%	100%	100%	Director Corporate Services
Human Resource Development	Implementation of the Workplace Skills Plan	Percentage expenditure of the municipal budget for		76%	100%	100%	100%	100%	100%	100%	Director Corporate Services

		training and development									
Human Resource Development	Review of the organisational strucuture 2023/24	Number of organizational structures reviewed		2022/23 adopted organogram	5	1	1	1	1	1	Director Corporate Services
IDP &PMS	Promotion of performance driven culture	Number of institutional PMS projects implemented		IDP, SDBIP & PMS Policy	2	2	2	2	2	2	Director Corporate Services
Human Resource Development	Promotion of performance driven culture	Percentage of cascading of performance management system to levels below TG 09		TG 19-09	100%	N/A	N/A	25%	25%	100%	Director Corporate Services
Human Resource Development	Implentation of OHS and wellness strategies	Percentage of implementation of programs/plans identified in the wellness and OHS strategies		New	100%	N/A	100%	100%	100%	100%	Director Corporate Services
Human Resource Development	Policy development and review	Number of HR policies reviewed		12	25	10	5	5	5	N/A	Director Corporate Services
Admin and Council Support	Functionality of security	Number of security system projects implemented		New	2 (implementation of the master and security report)	N/A	2	2	2	2	Director Corporate Services

Admin and Council Support	Document management	Percentage implementation of document management system		New	100%	N/A	100%	100%	100%	100%	Director Corporate Services
Admin and Council Support	Provision of administration and secretariat support to Council and its committees (Exco and Council)	Percentage functionality of council and its committees		100%	100%	100%	100%	100%	100%	100%	Director Corporate Services

3.6.2.3. Local Economic Development

FOCUS AREA	STRATEGY	OUTPUT INDICATOR	BUDGET	BASELINE	5YEAR TARGET	ANNUAL TARGET					INDICATOR CUSTODIAN
						2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	
strategic objectives : To facilitate industrialisation that unlocks the manufacturing potential of the local economy To support the development of SMME to participate in a diversified and growing economy											
LED- Agriculture & Forestry	Establishment of the agro processing	Number of industrial projects implemented	R2,750,000.00	Feasibility Studies Completed	1. Ugie Agroprocessing Hub. 2. Ugie Furniture Factory	2	2	2	2	2	Director – Planning & Economic Development
LED-SMME	Capacitation of SMME's	Number of SMME projects implemented	R500,000	5	5 (Masonary Hawker stalls, SMME TraininG SME branding & marketing,Business Licensing)	1. Masonary Project. 2 SMME Training	5(Masonary Hawker stalls, SMME TraininG SME branding & marketing,Business Licensing)	5(Masonary Hawker stalls, SMME TraininG SME branding & marketing,Business Licensing)	2 (SMME Training, Business Licensing)	2 (SMME Training, Business Licensing)	Director – Planning & Economic Development

LED -SMME	Improve participation of local farmers in the agricultural sector	Number of Forestry and agricultural projects implemented	R1,600,000	1	3(International Standards Wool Certification, RAFI Beef, Katsekop Farm)	2 (International Wool Standards Certification. RAFI Beef)	2(International Wool Standards Certification Katsekop Farm	2 (International Wool Standards Certification Katsekop Farm	1 (Katsekop Farm)	1. (Katsekop Farm)	Director – Planning & Economic Development
LED-Tourism	Promote Elundini as a prime tourist destination	Number of toursim projects implemented	R500,000	2	5(Tourism Month, Tourism Indaba. Grahamstown Arts Festival, Heritage Route Development Rock Art Development	1. Tourism Month. 2. Tourism Indaba	5(Tourism Month, Tourism Indaba. Grahamstown Arts Festival, Heritage Route Development Rock Art Development	4 (Tourism Month, Tourism Indaba. Grahamstown Arts Festival, Rock Art Development	2(Tourism Month, Tourism Indaba. Grahamstown Arts Festival)	2(Tourism Month, Tourism Indaba. Grahamsto wn Arts Festival)	Director – Planning & Economic Development
LED-Property investment	Investment in infrastructure land and property	Number of property investment projects implemented	R500,000	New indicator	2 (Property Development Plan, Mt Fletcher Mall Development)	1 Property Development Plan. 2. Mt Fletcher Mall Development	1 Property Development Plan. 2 Mt Fletcher Mall Development	1 Property Development Plan. 2 Mt Fletcher Mall Development	1 Mt Fletcher Mall Development	1 Mt Fletcher Mall Developme nt	Director – Planning & Economic Development
LED- SMME	Coordinate Job creation	Number of work opportunities created	R0.00	New indicator	5 (Report on Work Opportunities created)	1(Report on Work Opportunities created)	1 (Report on Work Opportunities created)	1(Report on Work Opportunities created)	1(Report on Work Opportunities created)	1(Report on Work Opportuniti es created)	Director – Planning & Economic Development
LED-SMME	Coordinate Job creation	Number of reports on work opportunities created by the municipality and other sectors	R0.00	New indicator	5 (Report on Work Opportunities created)	1(Report on Work Opportunities created)	1 (Report on Work Opportunities created)	1(Report on Work Opportunities created)	1(Report on Work Opportunities created)	1(Report on Work Opportuniti es created)	Director – Planning & Economic Development

Planning and Land Use management	Improve land use planning and management	Number of spatial planning projects implemented	R1 100 00,00	1	6 (Update/ Review of SPLUM By-law, Review of HSP Review of SDF, Cemetery Layouts, IMIS Sites put into Market, strategic land parcels packaged to support social and economic development	1. Cemetery Layouts, 2. IMIS 3. Sites put into Market	7(Update/ Review of SPLUM By-law, Review of HSP, Review of SDF, Cemetery Layouts, IMIS, Sites put into Market, strategic land parcels packaged to support social and economic development	6(Review of HSP, Review of SDF Cemetery Layouts, IMIS 5. Sites put into Market, strategic land parcels packaged to support social and economic development	3(IMIS, Sites put into Market, strategic land parcels packaged to support social and economic development	3(IMIS, Sites put into Market, strategic land parcels packaged to support social and economic developmen t)	Director – Planning & Economic Development
Special Programs	Improve short, medium & long-term planning.	Number of youth development projects implemented	**R 1 511 972**	4	4 projects (1.Youth enterprise development fund 2. Mayoral Horse Racing, Exhibition sessions		4 projects (1.Youth enterprise development fund 2. Mayoral Horse Racing, Exhibition sessions	4 projects (1.Youth enterprise development fund 2. Mayoral Horse Racing, Exhibition sessions	4 projects (1.Youth enterprise development fund 2. Mayoral Horse Racing, Exhibition sessions	4 projects (1.Youth enterprise developmen t fund 2. Mayoral Horse Racing, Exhibition sessions	Manager Special Programs

3.6.2.4. Financial Viability and Management

FOCUS AREA	STRATEGY	OUTPUT INDICATOR	BUDGET	BASELINE	5YEAR TARGET	ANNUAL TARGET					INDICATOR CUSTODIAN
						2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	

Strategic objectives: To provide reliable basic services to households and the business sector. To enhance organisational performance, financial viability and management of municipal resources.											
Income & Expenditure	Increase quantum of households receiving free basic services	Number of Households receiving Free Basic Services	R9,200,000.00	?	10 000	5,000	7,500	8,000	9,000	10,000	CFO
Income & Expenditure	Payment of Creditors within 30 Days	Average Number of days taken to pay Creditors	R0.00	11 Days	30 Days	30 Days	30 Days	30 Days	30 Days	30 Days	CFO
Income & Expenditure	Enhance organisational performance and management of municipal resources	Average Number of days to receive payment from debtors	R0.00	107 Days	360 Days	360 Days	360 Days	360 Days	360 Days	360 Days	CFO
Income & Expenditure	Improve efficiencies in management of financial resources	Percentage collection on billed revenue	R0.00	93%	95%	95%	95%	95%	95%	95%	CFO
Income & Expenditure	Incentivize Customers to keep customer accounts up to date	% Reduction in level of historical Debt owed	R0.00	New Indicator	50% of Debt owed written off	N/A	20% of Debt owed written off	30% of Debt owed written off	40% of Debt owed written off	50% of Debt owed written off	CFO

Asset & Fleet Management	Improve efficiencies in management of financial resources	Number of Asset Project implemented: 1. Asset verification conducted 2. Number of asset reconciliations performed	R0.00	New indicator	70	14	14	14	14	14	CFO
Budget & Reporting	Improve efficiencies in management of financial resources	Current ratio maintained within national guidelines	R0.00	1.494:1	1.5:1	1.5:1	1.5:1	1.5:1	1.5:1	1.5:1	CFO
	Improve efficiencies in management of financial resources	Cost coverage ratio maintained within national guidelines	R0.00		3 months	3 months	3 months	3 months	3 months	3 months	CFO
	Improve efficiencies in management of financial resources	Budgeted Capital vs Total Expenditure Ratio per budget	R0.00	18%	15%	20%	20%	20%	20%	20%	CFO
Supply Chain	Enhance organisational performance and management of municipal resources	Number of SCM projects implemented: 1. DMP development. 2. DMP implementation. 3. Contract Management 4. Section 36 reporting	R0.00	5 months	5	5	5	5	5	5	CFO

		5. SCM policy reviews									
Chief Finance Officer	Enhance organisational performance and management of municipal resources	Number of credible Interim and annual financial statements		New Indicator	2	2	2	2	2	2	CFO
Chief Finance Officer	Enhance organisational performance and management of municipal resources	% of audit action plan activities resolved	R0.00	New Indicator	5	100%	100%	100%	100%	100%	CFO
Chief Finance Officer	Enhance organisational performance and management of municipal resources	Number of Cost Reduction Strategies Developed	R0.00	New Indicator	1	1	N/A	N/A	N/A	N/A	CFO
Chief Finance Officer	Enhance organisational performance and management of municipal resources	% of Cost Reduction Strategies Implemented	R0.00	New Indicator	100%	100%	100%	100%	100%	100%	CFO
Chief Finance Officer	Enhance organisational performance and management	Number of reviewed revenue enhancement strategy developed.	R0.00	New Indicator	1	1	N/A	N/A	N/A	N/A	CFO

	of municipal resources										
Chief Finance Officer	Enhance organisational performance and management of municipal resources	Percentage of the approved revenue enhancement strategy implemented.	R0.00	New Indicator	100%	100%	100%	100%	100%	100%	CFO

3.6.2.5. Good Governance and Public Participation

FOCUS AREA	STRATEGY	OUTPUT INDICATOR	BUDGET	BASELINE	5YEAR TARGET	ANNUAL TARGET					INDICATOR CUSTODIAN
						2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	
Objectives: To enhance organisational performance, financial viability and management of municipal resource To improve public participation and oversight to enhance accountability											
IDP Planning and implementation	Improve short, medium & long-term planning.	Number of institutional plans developed.	R2,3 million	New indicator	3 (1. Annual strategic plan review. 2. Annual departmental plan. 3. Long-term plan)	2	3	2	2	2	Senior Manager Strategic Support
IDP Planning and implementation	Synergy of municipal planning with that of national, provincial, District and other parties that operate in the space of the municipality	percentage of IDP Projects implemented.	R500 000	New indicator	4 (1. Development of IDP Process plan. 2. Ward based planning. 3. IDP process plan implementation. 4. IDP review)	100%	100%	100%	100%	100%	Manager: IDP/PMS & RM

Risk Management	Promote risk awareness and risk-based decision-making processes	Number of risk management projects implemented	R900,000.00	New Indicator	4 (1. Risk assessment. 2. Risk management policy review. 3.ethics & integrity management review. 4. Risk management implementation)	4	2	2	3	2	Senior Manager: Strategic Support Services
Internal Audit	Improve effectiveness and efficiency of the internal audit	Percentage of Internal audit projects implemented	R 2,5 Mil	New indicator	2 (1. Automated audit management system. 2 Audit action plan)	100%	100%	100%	100%	100%	Manager internal audit
Public participation	Strengthen functionality of oversight and ward committees	Number of public participation and oversight projects implemented	R5 Mil	New Indicator	4. (1.Ward committee co-ordination. 2. Community based meetings. 3. Section 79 Committee co-ordination. 4. Public participation events)	4	4	4	4	4	Senior Manager: Strategic Support Services
Public participation and communications	Improve effectiveness & efficiency of communications	Number of Communication projects implemented	R1 Mil	6	5 (1. Social media. 2. Municipal publications. 3. Outdoor LED Screen. 4. LCF. 5.Website management)	5	5	5	5	5	

Public participation and communications	Improve effectiveness & efficiencies of customer care service	Number of customer care projects implemented	R0.00	4	4. (1. Satisfaction survey. 2. Anonymous hot line. 3.Presidential hotline. 4. IMIS walk-ins)	4	4	4	4	4	Senior Manager: Strategic Support Services.
Legal Services	Compliance and litigation management	Number of legal services projects implemented	R1.8 million	New indicator	4. (1. Litigation management. 2. By-laws review. 3. SLA Vetting. 4. Compliance)	4	4	4	4	4	Manager: Legal Services
Special Programs	Social relief and skills development	Number of Mayor's social investment projects implemented	R563,000	3	3 (1. Black hawks. 2. Bridge of hope. 3. School bursary fund)	3	3	3	3	3	Manager SPU
Special Programs	Mainstreaming of focus groups across the municipality	Number of focus groups social projects implemented.	R1,071,024	3	3(1. HIV/AIDS coordination . 2. PWD program 3. Gender-based Violence & Femicide programs)	2	3	3	3	4	Manager SPU
ICT	Provision of ICT services	Number of ICT projects implemented	R2 Million	New indicator	9 (1. LAN upgrade Cat 6e. 2. Installation of New LAN. 3. Cloud based solution. 4. Fibre feasibility study. 5. Monitoring of Remote backups. 6. Monitoring of	7	3	4	2		Director orporate Services

					ICT Security systems. 7. ICT Governance review. 8. Development of Information Security Systems Master Plans. 9. Implementation of nformation security system master plan)						
Administration & Council Support Services	Provision of administration and secretariat support to council and its committees	Percentage functionality of council and its committees	R500 000	New indicator	100%	100%	100%	100%	100%	100%	Director Corporate Services
Administration & Council Support Services	Promote good governance by providing efficient administrative support and municipal records management	Number of document management System projects implemented.		New indicator	3 (1. Review of File Plan. 2. Review of Records Management Policy. 3. Review of Registry Procedure Manua)	3	N/A	N/A	N/A	N/A	Director Corporate Services

3.9. District Development Model – One Plan

The Elundini Local Municipality embraces the *DDM Theory of Change* which 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, joint and coherent way of addressing them within the socio-economic, inclusive and integrated placemaking dynamics within specified spaces. The six DDM Transformation Focal Areas are:

3.9.1. 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).

3.9.2. Economic Positioning

The process by which a competitive edge is created that enables domestic and foreign investment attraction and job creation on the basis of an inclusive and transformed economy. The economic positioning informs the spatial restructuring and has to be sustained through protecting, nurturing and harnessing natural environment and resources.

3.9.3. 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.

3.9.4. Infrastructure Engineering

The process by which infrastructure planning and investment especially bulk infrastructure installation occurs in order to support the transforming spatial pattern and form, meet the needs of a competitive and inclusive local economy and integrated human settlements, and ensure demand for housing and services is met in a sustainable way over the long-term.

3.9.5. Integrated Services Provisioning

The process by which integrated human settlement, municipal and community services are delivered in partnership with communities so as to transform spatial patterns and development for planned integrated sustainable human settlements with an integrated infrastructure network. This also requires holistic household level service delivery in the context of a social wage and improved jobs and livelihoods.

3.9.6. Governance and Management

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.

3.9.7. Catalytic Projects

Project Name	Project Description	Budget Spent	Comments
RAFI programme	Increase crop yield	R1,5 million	72 Ha harvested and currently 60 Ha is under production and harvesting is expected to be completed by end of July 2022
Potato Project	Assist local farmers on potato production	R60 000	2 farmers have planted and the progress is monitored. Business case is being developed.
Elundini Middle-income	Building of adequate middle-income housing	R27 million	Project concept has been completed and awaiting approval funding application from DBSA for underground services
SMME Development Programme	Assist Emerging Small Businesses around the Joe Gqabi District	R5,2 million R1,4 million for 2022/23	118 SMME's trained and recruited 22 to be trained and graduate in the 2022/23 FY.
District Wide Wool Project	Contribute to an improvement in the wool quality produced in the district.	R50 000 (Other costs absorbed by SP)	Sheering shed in Ndofela is currently operational and more shearers will be recruited to operate in the 2022/23 FY
Maize Meat Hub	Development of the red meat value chain	R4 million	Department of Rural Development and Land Reform has funded the project and Secondary Co-op has been formed and a technical partner is being sourced to operate the Feedlot.
Tourism Liberation Route	Preservation of Liberation Heritage	R 1 million	The project is at its infancy stage
Elundini MIG Sanitation	Construction of precast concrete VIP Toilets	R99,9 million	Completed 7 444 units and approx. 3412 units remaining. Continuation of Phase 6 in the 2022/23 FY
Augmentation of Clear Water Storage	Provision of water storage tanks and associated pipeline work	R15 million	The project has commenced and it is expected to be handed over in July 2022 in Maletswai, Rhodes, Rossouw and Nqanqarhu.

4. CHAPTER FOUR: BUDGET

4.1. Financial Viability and management

In accordance with the outcomes of the latest assessment conducted as part of the mid-term review for the 2022/23 financial year in accordance with the provisions of section 72 of the Municipal Finance Management Act, the Elundini Local Municipality remains financially sustainable and is able to meet its financial commitments. Significant reforms within the adoption of new accounting standards, being Generally Recognised Accounting Practice (GRAP), coupled with significant reforms within Municipal Budgeting and Reporting Regulations has significantly enhanced the credibility, sustainability, transparency, accuracy and reliability of financial planning, management and reporting within the Elundini Local Municipality. In meeting the demands associated with modernised practices towards sustaining and enhancing financial viability; and addressing the specific needs of Elundini LM within the context of limited resources and mounting service delivery expectations, has necessitated that a comprehensive integrated approach towards financial sustainability be developed.

In terms of the approach adopted, the report will clearly define financial risks which have been identified as being a financial threat to the long termed sustainability of the Organisation, linked to key challenges, with a detailed focus on effective strategies employed to mitigate against financial threats and weaknesses, concluded by a detailed analysis of the service delivery package and associated financial implications on the operations, statement of financial position and cashflows for the MTREF which collectively aims to position Elundini LM on a sustainable approach to service delivery.

4.1.1. Financial Risks and Key Challenges

In order to maintain and improve on the financial efficiencies and position of ELM, certain risks need to be managed, while financial management practices need to be continuously improved. The key financial risks confronting the municipality can be summarised as follows:

(a) Limitation on Revenue Raising Capacity due to high poverty indices;

(b) Maintaining existing collection levels and arresting the debt composition associated with Low level Service Offerings;

(c) Financial Distress- ratio analysis- specific on Working capital elements - containment of costs within set benchmarks as established within the budget process;

(d) The escalation of electricity costs due to tariff increases imposed by Eskom and the effect on affordability and non-payment levels;

Deficit position associated with trading services

(e) Electricity distribution losses estimated in excess of 20%

(f) Increases associated with deferred maintenance and backlog eradication;

Key Challenges

(a) Maintaining an unqualified audit opinion, with material finding by 2023

(b) Affordability of a desired Organisational Structure;

(c) Reducing overall cost exposure, maximise productivity and enhance revenue streams;

(d) The need to improve customer care functioning;

(e) The need to ensure legal compliance through all procedures and programmes;

(f) Recurring under spending of the capital budget;

(g) % Capital budget allocations to refurbishment of existing infrastructure;

(h) Deficit position of trading services operations

4.2. Financial Strategies

The Financial Strategy has been formulated to ensure that the Elundini Local Municipality maximises all available opportunities that would enhance Councils financial strength especially considering the cost-shift environment that has been created with the implementation of assigned powers and functions. Council's overall Financial Strategy is structured into the following core components to allow for a clearer understanding of the overall task:

- Revenue enhancement and maximisation Strategies
- Asset Management strategies
- Financial Management Strategies
- Capital Financing Strategies
- Operational Financing Strategies
- Supply Chain Management turn-around Strategy
- Cost Containment Strategies
- Free Basic Services and indigent Support

These segments are intended to provide operational guidance to staff to assist them in achieving identified objectives and goals. Importantly the Strategies formulated are deemed to be primary mitigating tool against the financial risks identified, and giving effect to the objectives of the Integrated Development Plan, through ensuring that the performance targets as per the Budget underlying the IDP are achieved. The strategies are premised on ensuring compliance with adopted financial policies, modelled on modernised reform practices applicable to Local Government

4.2.1. Revenue Enhancement and Maximisation Strategy

The purpose of this strategy is to ensure that all possible avenues are explored to maximise the receipt of any monies available to Council by way of intergovernmental transfers and Grants or Donations, including expanding the billing database and maximising income opportunities on every registered serviced site within the LM's jurisdiction. The second component of this strategy focuses on strengthening and building capacity within credit control and debt management practices and processes of Council, ensuring the attainment and exceeding of collection rates in line with key budgetary requirements. The third component of the strategy focuses on maximising the registration of households eligible for participation within the Free Basic Services programme of Council, this component is aimed at arresting spiralling **debts associated with this user group, and limiting consumption of services in line with the FBS allocation threshold.**

In line with the strategy employed, Council has formalised the appointment of a Specialist Service Provider on a contingency arrangement over three years to undertake revenue enhancement and debt reduction, with a special focus on skills transfer to a dedicated internal unit that will be created during this financial year. The success of this programme has been profound, in that the organisation has effectively been able to sustain collection rates in excess of 80% in line with budget expectations over the MediumTerm Revenue Expenditure Framework. Financial performance as per the adopted mid term assessment reveals that the organisation is poised to achieve the anticipated revenue inflows underpinning the budget framework adopted, being a minimum of 95%. The additional revenue inflows beyond planned performance has provided significant impetus to funding additional programmes to enhance service delivery offerings eg. Outsourcing of the solid waste management site within Ugie estimated at R 2.7 Million per annum. The targeted debt collection rate over the MTREF is positioned at 95%, increasing to 100%, and 100% respectively.

4.1.1.1. Valuation of Property Rates

ELM was due for general valuation whose valuation date was 01 June 2017. The Municipality's Valuation Roll was approved in June 2018 for implementation on 01 July 2018. A supplementary valuation is made available for objections and commenting from every year towards the end of the financial year. Every three years we appoint a service provider to assist with the general valuation and supplementary valuations and the budget is included on the operational budget. Every time the property rates policy and by-laws are amended, they are published and gazette in the provincial gazette, notices on libraries and also to the municipal website. Every occurrence of a general or supplementary valuation is publicized soliciting comments and objections from rate payers.

4.1.1.2. Billing

The municipality has accurate database in place, and bills its consumer debtors on monthly bases. The municipality has effective and efficient billing system in place in order to bill consumers on monthly bases as per norms and standards of revenue management.

4.1.1.3. Subsidies and Grants

In order for Elundini LM to obtain maximum benefit from external monies available, a policy laying out the relevant procedures has been put in place within the Institution to ensure that all grants, donations and subsidies are investigated, applied for and received at the appropriate times. The policy will ensure that Council receives maximum benefit from external funding available. The Municipality has prioritised an initiative to appoint a funding agent over the MTREF to conclude business plan development and applications through various government funding agents.

4.1.1.4. Capital Transfers- MTREF

In terms of the DORA the indicative allocations as defined within table SA18 clearly defines that over the MTREF ELM will receive R 213.8 Million prioritised for road infrastructure.

4.1.1.5. In Kind Allocation

Eskom's electrification program funded through the Integrated National Electrification Grant (INEG) will see R169.9 million being invested over the MTREF within Elundini service area to address inherent service delivery backlogs.

4.3. Finance Policies – Implementation Approach

The policies below are in a process have been and were adopted with the IDP and Budget for implementation in the 2023/24 financial year**.** All budget related policies are reviewed annually.

Table 56: Financial Policies

Document	Purpose	Status
Admin Fee Policy	The Administration Fee Policy has been updated to address the needs of Council with regards to administration of contracts on behalf of third parties. Importantly, this component will result in R266.2 Million being appropriated to own revenue over the MTREF from conditional grants held within the Organisation	**In place**
Credit Control and debt collection Policy	The Policy sets out to control and manage the recovery of outstanding debt due to Council. This policy is in place and is subject to regular updates. The policy lays down the basis for distribution of accounts, collection procedures, interest and penalties to be charged in the event of non-payment, with strong focus on management reporting requirements pursuant of key legislative requirements and performance management. Giving effect to the administration of this policy, Council through the appointment of a revenue specialist has invested in a Revenue Management and Debt Collection System fully compliant with Municipal Bylaws and objects of the policy framework, the system effects have result in macro approach to debt management and collection being effected, in an effective and efficient manner, maximise the return on investment and per household	**In place**

Tariff Policy	This policy sets key guidelines on what should be considered when pricing services and guiding principles for the compilation of water, sanitation, solid waste and electricity tariffs. This policy is subject to constant review, given significant reforms within the electrification and water sectors, which impact on the price cost of services rendered, and ultimately on the sustainability of trading services. Through the policy framework adopted and implemented, Council has for the MTREF prioritised the continuation of the revenue protection strategy employed during the current financial year to further reduce existing losses of 25% to an acceptable technical loss of 10%.	
Irrecoverable debt Policy	To provide a framework for the writing off of irrecoverable debt, in order to ensure that Council is in a position where it is not carrying debt that is irrecoverable	**In place**
Rates Policy	To ensure that all the stipulation of the Municipal Property Rates Act are effected administratively and also lay-out and stipulate all the requirements for rebates for all qualifying property owners	**In place**
Budget Policy	Sets out the budgeting principles which Elundini Local Municipality will follow in preparing each annual budget To give effect to the requirements and stipulations of the MFMA	**In Place**
Borrowing, Funding and Reserves Policy	To provide a framework to ensure that the annual budget of Elundini Local municipality is fully funded To give effect to the requirements and stipulations of the MFMA	**In place**
Cash Management and Investment Policy	To regulate and provide directives in respect of investment of funds and maximise returns from authorised investments consistent with the primary objective of minimising risk	**In place**

Accounting Policy	To provide the accounting framework applicable to the finances of the municipality and is informed by the MFMA	**In place**
Petty Cash Policy	To stipulate clear processes and procedures to ensure that all transactions are processed effectively and efficiently in a bid to ensure prudent financial control	**In place**
Virementation Policy	The policy sets out the virement principles and processes which the Elundini Local Municipality will follow during a financial year. These virements will represent a flexible mechanism to effect budgetary amendments within a municipal financial year	**In place**
Asset Management Policy	This policy is deemed necessary in order to facilitate the effective management, control and maintenance of the assets. The policy is in place and is subject to regular review. The prime objectives of the policy are to ensure that the assets of Elundini are properly managed and accounted for by: ▶ Ensuring the accurate recording of asset information ▶ The accurate recording of asset movements ▶ Exercising strict control over all assets ▶ Providing correct and meaningful management information ▶ Compliance with Council's Insurance Policy and Payment Procedure ▶ Effecting adequate insurance of all assets ▶ Maintenance of Council's Assets	**In place**
Supply Chain Management Policy	To provide a system of procurement gives effect to the principles of: • Fairness • Equity • Transparency • Competitiveness	**In place**

	• Cost Effectiveness	

4.4. Asset Management Strategy

The purpose of the strategy is to optimise the use of all assets under the control of Elundini Local Municipality, given the financial exposure and the revenue streams earned by the Municipality in the rendering of services to the community. Due to the strategic importance that the entire asset base presents around the continued viability of the organisation R 169.9 million will be invested over the MTREF in capital expansion programmes.

The implication of this policy on the administration and planning of assets has been profound, in that the organisation has a comprehensive understanding of all assets under the Management Control of the Municipality, has an acute understanding of the conditions and remaining lifespan etc of the asset base, all of which are aimed at ensuring that sound financial planning occurs, especially around investment choices and reserve creation to safe guard against ageing infrastructure; the Funding and Reserves policy is directly influenced through the outcomes of the annualised conditional assessment on all infrastructural assets. The Municipality likewise has incurred losses amounting to R1.5 million due to loss on disposal on monitory assets adequately verified and accounted for in line with GRAP requirements, and has received no negative audit reports in this regard. Most importantly the municipality has and maintain a GRAP Compliant Register. It is envisaged that strict adherence to policy framework will continue to be applied in order to protect the resource of the community, and ensure the continued viability of the Municipality.

4.5. Asset Movement System

At the time of commissioning a GRAP compliant Asset Register, an asset tracking system using bar-coded discs and scanners was put in place. With the completion of the Asset Register, the asset tracking system is now fully operational. The system allows for regular audits of all assets to be completed in a shorter time frame and therefore allowing for more regular updates of the register. Asset verifications are undertaken twice a year for purposes of validating the existence and proper recording of all assets; all assets not accounted for are thoroughly investigated and reported to Council.

4.6. Financial Management Strategy

The purpose of this strategy is to ensure that the Financial Systems in place at Elundini Local

Municipality are of such quality to allow for the generation of accurate and timely reporting at all times. The Strategy has culminated in the institution being able to effectively make informed decisions around service delivery, identify financial risks and impeding financial problems, through having an acute understanding of the financial affairs of the Municipality, through a simplified qualitative analysis being provided based on the in-year reports focusing on budgeted performance(revenue, expenditure, capital); impact of the trading activity on the financial position and cash-flows within the Organisation, this is in compliance with international standards on in year reporting.

4.7. Supply Chain Management Turnaround Strategy

The Municipality has during the course of the financial year implemented a comprehensive SCM turnaround strategy aimed at significantly enhancing overall compliance with SCM regulations and addressing internal control deficiencies addressed within the last year's audit report issued by the Auditor-General, whilst improving significantly on operational efficiencies aimed at promoting quicker turnaround times and improving overall internal and external client satisfaction. This strategy has been hailed a success as evidenced by the fact that the organisation for the audited financial year received less findings relating to SCM processes. Importantly the turnaround strategy employed has seen the creation of a fully-fledged SCM unit fully compliant with SCM regulations, reporting to the office of the Chief Financial Officer. The organisational structure has been redesigned to ensure logical arrangement of critical functions overseen by the Supply Chain Manager, and is segmented into the following core functional areas, namely:

- Demand and Acquisition Management
- Bid Administrations and Contracts Management
- Logistics Management
- Disposal Management

In terms of the systems of delegations adopted, the Municipality currently uses a fully functional bid committee system that regulates all competitive bids ranging from R200 000. In terms of the committee system in use, three distinct committees are in existence, each comprising of specialists within various fields that assist in the discharge of roles and responsibilities assigned, the committee system in use comprise the following:

- Bid Specifications Committee
- Bid Evaluation Committee

- Bid Adjudication Committee

The Chairmanship in all bid committees are highly regulated and all appointment are authorised by the Accounting Officer in line with Municipal Regulations issued; all committees are furthermore represented by a senior supply chain practioner. Importantly in terms of the code of conduct applicable to bid committees, all members are required to declare annually, financial interests.

4.7.1. Budget and Finance Reform

A considerable amount of time and effort has been expended on ensuring that Elundini Local Municipality has the capacity to deliver on the finance and budget reporting requirements as prescribed by National Treasury. The institution has reaffirmed its commitment to the development of capacity to service local government interest within financial management and administration and as such has invested R 5 Million towards this program over the MTREF.

The process is being overseen by a Finance Standing committee and significant progress has been made in some areas. Specific tasks being performed are:

- Employment of 5 interns and short-term contract workers
- Reconciliation of assets
- Training
- Supply Chain Management
- Liability Management
- Revenue Management
- Financial Systems Reporting
- Automation of Section 71 reporting

4.7.2. Policy for Accessing Donor Funds

Due to the large number of projects that are being requested from the community, a policy has been developed and implemented which creates a framework for accessing funds both locally and internationally. The policy outlines the type of donors available and the conditions related to the donations. All procedures and special conditions attributable the different donors will be catalogued in the policy to ensure the smoothest approach to these donors when the occasion arises.

This policy implementation lies with the Municipal Manager's Office as an extension of the Subsidies and Grants Policy. Please refer to section on Subsidies and Grants around the successful application of the policy framework.

4.7.3. Operational Financing Strategy

The purpose of this strategy is to assess the viability (IA) of any association or alliance or partnership that may arise from time to time. Elundini Local Municipality has been assigned various functions and authorities by the MEC for Local Government, Housing and Traditional Affairs or Structures Act.

Council, through National Treasury have begun a formal process of exploring a PPP option on the landfill sites within the areas of Nqanqarhu, Ugie and Tlokoeng on a 10 year outsourced option, aimed at significantly passing financial risk onto the private party (R30 Million over 10 years); Council has provided R 9.5 Million over the MTREF for this purpose financed through enhanced debt collection initiatives.

4.7.4. Strategies to Enhance Cost Effectiveness

The purpose of this strategy is to ensure that Elundini Local Municipality employs the most cost

effective operating practices. Importantly, this strategy is driven on the principles enshrined within the Costing policy, which amongst other things advocates that the sustainability of Elundini LM is not primarily driven on resource generation capacity, rather a combination of effective resource utilisation, premised on cost conscious decision making practices and processes.The Municipality over the MTREF has adopted a formal cost reduction plan in line with the strategy requirements that will see a material shift away from consumptive based practices in favour of enhancing allocations towards building internal working capital reserves and capital replacement reserves.

4.7.5. Benchmarking and Performance Indicators

A set of performance indicators will be developed in so as to conform to Local Government benchmark indicators set for financial sustainability and performance; the Long-Term Plan presented is modelled to ensure a sustain approach to align existing performance to that of a desired performance level. Benchmarking these against similar organisations will allow for regular internal assessment and upgrading. These bench mark indicators will supplement the battery of indicators that have been developed as part of the new budget reporting formats and regulations, aimed at gauging the efficacy of financial performance and management**.**

4.7.6. Training and Staff Development

Training sessions and courses are continually being planned to ensure that all financial as well as non-financial, senior staff and councillors will be in a better position to evaluate the financial position of the Municipality. The Council also has an approved skills development plan, which is being implemented and is used to guide training of both Councillors and Officials. The training related budget provided over the MTREF supporting the workplace skills plan equates to R 6 Million. Similarly, the organisation has enrolled 2 employees on the Minimum Municipal Competency training programme for the current financial year; it is anticipated that by the end of March 2023 all officials required to be fully competent would have complied with the regulations issued.

4.7.7. Cost-Effectiveness

In line with the cost containment strategy formulated and implemented, line functions are thoroughly assessed from a business process perspective, in terms of the outcomes reports furnished line departments will be engaged in business process reengineering aimed at enhancing overall performance and reducing ELM's cost footprint. Departments will be required to develop departmental specific reduction strategies for approval and implementation in line with the key strategy developed.

4.7.8. Post Retirement Benefits

Post-retirement benefit obligations have been quantified and disclosed with the AFS in compliance with relevant accounting standards, the Funding and Reserves policy adopted has quantified the basis of cash back provisioning required to provide to wholly fund the obligations presented.

4.7.9. Free Basic Services

The basic principles of this policy are captured by indicating that the policy is to ensure that poor households are not denied their constitutional right of access to services, the Elundini LM is required to implement an indigent support policy that makes adequate financial provision to ensure the provision of efficient and sustainable services to all residents within the area of jurisdiction. The indigent support policy is an integral part of the Elundini's tariff policy that is developed and implemented in a transparent manner to ensure the sustainability of local public services to all of its citizens at an affordable cost. The indigent policy is intended to provide poor households ongoing access to a specified level of service. The subsidies contained in the policy should not compromise the quality or efficiency of service delivery**.**

Critically as part of Elundini LM commitment to improve continued access to service and provide a basket of free services as part of the poverty alleviation programme, Council has resolved to accelerate the provision of solar system to non-grid electrified homes within the region(7 500 new applications over the MTREF), to this effect the service delivery targets have been amended to reflect this target; indigent support funding envelope has significantly increased to R 37 Million over the MTREF.

4.7.10. The Indigent Support Policy:

The basic principles of this policy are captured by indicating that the policy is to ensure that poor households are not denied their constitutional right of access to services, the Elundini LM is required to implement an indigent support policy that makes adequate financial provision to ensure the provision of efficient and sustainable services to all residents within the area of jurisdiction. The indigent support policy is an integral part of the Elundini's tariff policy that is developed and implemented in a transparent manner to ensure the sustainability of local public services to all of its citizens at an affordable cost. The indigent policy is intended to provide poor households ongoing access to a specified level of service. The Indigent Register is reviewed on yearly bases. The subsidies contained in the policy should not compromise the quality or efficiency of service delivery.

The municipality has a fully fladged Free Basic Services unit and Indigent Steering Committee to deal with indigent and free basis services matters. The amount budgeted for FBS in 2024 amounted to R12 million and in 2025 it amounted to R12.5 million. Critically as part of Elundini LM commitment to improve continued access to service and provide a basket of free services as part of the poverty alleviation programme, Council has resolved to accelerate the provision of solar system to non-grid electrified homes within the region(7 500 new applications over the MTREF), to this effect the service delivery targets have been amended to reflect this target; indigent support funding envelope has significantly increased to R37 Million over the MTREF.

4.7.11. mSCOA (Municipal Standard Chart of Accounts)

The Constitution of the Republic of South Africa, Act 108 of 1996, substituted by section 1(1) of Act 5 of 2005, section 216 deals with treasury control and determines generally recognised accounting practices, Uniform expenditure classifications, Uniform treasury norms and standards. Section 168 (1) of the MFMA states that the minister of finance, acting with the concurrence of the Cabinet member responsible for local government, may make regulations for, among the other things-

a) any matter that may be prescribed
b) any other matter that may facilitate the enforcement and administration of the Act.

Elundini Local Municipality conformed to the above legislation in terms of the implementation of MSCOA in the municipality. Implementation of MSCOA came into effect on the 01 July 2017 where all municipalities expected to prepare budget in terms of MSCOA. All legislative requirements were met and the budget has been prepared in terms of the new legislation. The municipality is incompliant with the mSCOA, the IDP and budget data strings are being uploaded in compliance with the regulations. The mSCOA regulations have been implemented within the municipality. mSCOA steering committee has been established, mSCOA implementation team has also been established. The msCOA champion and mSCOA project manager.

4.8. Annual Financial Statements Plan

AFS IMPLEMENTATION PLAN	
WEEK ENDING	ACTIVITY
31-May	Produce restated and interm AFS
07-Jun	Internal Audit review on re-stated and interm AFS
21-Jun	Audit committee review on re-stated and interm AFS
14-Apr	Notice to department to close procurement
14-Jul	Compilation of the first draft of the AFS
21-Jul	Internal Audit and Provincial Treasury review the draft AFS
31-Jul	Audit committee review of the draft AFS
08-Aug	AG review the restated, Interm, and Draft AFS
22-Aug	Submission of the final AFS to Internal Audit for review
29-Aug	Internal Audit review of the final AFS

30-Aug	Submission of the final AFS to AG and Treasuries

4.9. Financial Plan

4.9.1. Executive Summary

The application of sound financial management principles for the compilation of the Municipality's financial plan is essential and critical to ensure that the Municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

The Municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low- to high-priority programs so as to maintain sound financial stewardship.

The Municipality has embarked on implementing revenue enhancement strategy to optimize the collection of debt owed by consumers. Furthermore, the Municipality has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people lead government. National Treasury's MFMA Circular No. 122 and 123 was used to guide the compilation of the 2023/24 2025/26 MTREF.

The main challenges experienced during the compilation of the 2024/26 MTREF can be summarized as follows:

- The ongoing difficulties in the national and local economy;
- Inadequate resources to reduce roads and electricity infrastructure backlogs;
- The need to reprioritize projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality;
- The increased cost of bulk electricity (due to tariff increases from Eskom), which is placing upward pressure on service tariffs to residents.
- Covid 19 pandemic resulting to a need to cater for, protective clothing and sanitizers.

The following budget principles and guidelines directly informed the compilation of the MTREF:

- The 2022/23 Adjustments Budget priorities and targets, as well as the base line allocations contained in that Adjustments Budget were adopted as the upper limits for the new baselines for the 2023/24 draft budget;

- Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;
- Tariff and property rate increases should be affordable and should generally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the cost of bulk electricity. In addition, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure backlogs;
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;
- There's also a budget allocation set for the following items:
    - Special Projects;
    - Consultant Fees;
    - Assets;
    - Special Events;
    - Subsistence, Travelling & Conference fees (national & international).

In view of the aforementioned, the following table is a consolidated overview of the proposed Medium-term Revenue and Expenditure Framework:

Table 57: Table A58 Consolidated Overview of the 2023/24-2025/26 MTREF

R thousand	**Adjustments Budget 2022/2023**	**Budget Year 2023/2024**	**Budget Year 2024/2025**	**Budget Year 2025/2026**
Total Operating Revenue	R386.5m	R416.1m	R436.5m	R457.0m
Total Operating Expenditure	R386.5m	R416.0m	R436.0m	R457.0m
(Surplus)/Deficit	R 0.0m	R 0.1m	R 0.0m	R 0.0m
Total Capital Expenditure	R137.0m	R142.1m	R128.9m	R136.2m

Total operating revenue has increased by 7 per cent or R30 million for this financial year when compared to the previous financial year on budgeted revenue. For the two outer years, operational revenue increased by 0.2% and 0.21%.

Total operating expenditure increased by 7% or R30 million for this financial year when compared to previous financial year budgeted expenditure. For two outer years, operating expenditure increased by 0.2% and 0.21%. Operating expenditure has been appropriated at R416 million for the budget year, R436 million and R457. million for the two outer years and translates into a budgeted surplus of R0.0 million, and same for the two outer years. It must also be noted budget circular 115 requires us to fund the depreciation costs from our own revenue or Equitable share and we are not allowed to use non-funding items when preparing this MTREF.

The capital program is positioned to R142.1 million, R123.1 million and R130 million in the outer years. A substantial portion of the capital budget will be funded by government grants from National, Borrowings and Internal generated funds over the MTREF.

4.9.2. Operating Revenue Framework

In order for Elundini Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Growth in the Municipality and continued economic development;
- Efficient revenue management, which aims to ensure a 95 per cent annual collection rate for property rates and other key service charges;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the municipality.

The following table is a summary of the 2024/2026 MTREF (classified by main revenue source):

Table A4 Summary of revenue classified by main revenue source

Choose name from list - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue											
Exchange Revenue											
Service charges - Electricity	2	33,062	36,769	39,535	44,580	81,161	81,161	81,161	48,169	50,529	52,904
Service charges - Water	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	2	1	5	14	-	-	-	-	-	-	-
Service charges - Waste Management	2	709	857	936	3,757	7,515	7,515	7,515	3,957	4,150	4,345
Sale of Goods and Rendering of Services		580	750	114	1,685	3,370	3,370	3,370	1,774	1,861	1,949
Agency services		–	–	–	592	1,185	1,185	1,185	624	654	685
Interest		–	–	–	–	–	–	–	–	–	–
Interest earned from Receivables		5,058	5,869	7,980	1,843	3,687	3,687	3,687	1,941	2,036	2,132
Interest earned from Current and Non Current Ass		5,419	4,821	4,786	5,125	10,251	10,251	10,251	5,397	5,661	5,927
Dividends		–	–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		6,243	1,653	1,739	2,244	4,489	4,489	4,489	2,363	2,479	2,596
Licence and permits		785	1,714	1,413	2,525	5,049	5,049	5,049	2,658	2,789	2,920
Operational Revenue		4,703	6,510	5,137	113,037	140,943	140,943	140,943	109,644	80,494	84,277
Non-Exchange Revenue											
Property rates	2	30,281	31,392	26,482	34,092	68,183	68,183	68,183	35,898	37,657	39,427
Surcharges and Taxes		–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		3,133	1,010	913	360	719	719	719	379	397	416
Licences or permits		–	–	–	–	–	–	–	–	–	–
Transfer and subsidies - Operational		162,589	204,645	174,338	187,532	376,040	376,040	376,040	202,177	205,989	193,874
Interest		–	–	1,835	–	–	–	–	–	–	–
Fuel Levy		–	–	–	–	–	–	–	–	–	–
Operational Revenue		–	–	–	–	–	–	–	–	–	–
Gains on disposal of Assets		(1,279)	(741)	–	35,234	70,468	70,468	70,468	1,101	1,155	1,209
Other Gains		–	–	–	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and		**251,282**	**295,253**	**265,222**	**432,606**	**773,059**	**773,059**	**773,059**	**416,083**	**395,853**	**392,661**
Expenditure											
Employee related costs	2	107,489	106,167	114,825	138,278	277,210	277,210	277,210	154,996	155,534	162,844
Remuneration of councillors		12,562	12,601	12,679	14,255	28,509	28,509	28,509	14,939	15,671	16,407
Bulk purchases - electricity	2	22,235	24,593	27,666	32,438	61,875	61,875	61,875	36,723	38,522	40,333
Inventory consumed	8	483	774	1,046	1,512	4,426	4,426	4,426	1,410	1,480	1,549
Debt impairment	3	–	–	–	–	–	–	–	6,655	6,982	7,310
Depreciation and amortisation		30,067	29,817	54,796	51,816	103,632	103,632	103,632	54,564	57,236	59,926
Interest		1,971	1,630	2,165	61	123	123	123	65	68	71
Contracted services		59,623	58,965	67,985	91,820	152,995	152,995	152,995	79,320	80,961	81,626
Transfers and subsidies		1,553	1,092	-	-	-	-	-	12,090	12,683	13,279
Irrecoverable debts written off		19,233	15,193	12,041	7,235	12,641	12,641	12,641	–	–	–
Operational costs		42,179	44,985	43,734	60,449	131,648	131,648	131,648	55,321	58,031	60,759
Losses on disposal of Assets		–	–	(60)	–	–	–	–	–	–	–
Other Losses		–	–	–	–	–	–	–	–	–	–
Total Expenditure		**297,396**	**295,818**	**336,878**	**397,863**	**773,060**	**773,060**	**773,060**	**416,084**	**427,168**	**444,104**
Surplus/(Deficit)		**(46,114)**	**(564)**	**(71,655)**	**34,743**	**(1)**	**(1)**	**(1)**	**(2)**	**(31,315)**	**(51,443)**
Transfers and subsidies - capital (monetary	6	80,829	63,094	53,727	56,366	120,855	120,855	120,855	69,102	70,133	74,605
Transfers and subsidies - capital (in-kind)	6	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**34,716**	**62,530**	**(17,928)**	**91,109**	**120,854**	**120,854**	**120,854**	**69,100**	**38,818**	**23,162**
Income Tax		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after income tax		**34,716**	**62,530**	**(17,928)**	**91,109**	**120,854**	**120,854**	**120,854**	**69,100**	**38,818**	**23,162**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		**34,716**	**62,530**	**(17,928)**	**91,109**	**120,854**	**120,854**	**120,854**	**69,100**	**38,818**	**23,162**
Share of Surplus/Deficit attributable to Associate	7	–	–	–	–	–	–	–	–	–	–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	1	**34,716**	**62,530**	**(17,928)**	**91,109**	**120,854**	**120,854**	**120,854**	**69,100**	**38,818**	**23,162**

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit. Our total revenue mix comprises of revenue generated from rates and services charges which are Electricity and solid waste and other revenue derived from rentals, plant income investment income and others.

4.10. Property rates

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process. Revenue generated from Property Rates totals to R35.8 million for the budget year and has increased to R37.5 million and R39.3 million for the two outer years.

The following stipulations in the Property Rates Policy are highlighted:

- The first R15 000 of the market value of a property used for residential purposes is excluded from the rate-able value (Section 17(h) of the MPRA). In addition to this rebate, a further R25 000 reduction on the market value of a property will be granted in terms of the Municipality's own Property Rates Policy;
- 35 per cent rebate will be granted on all residential properties (including state owned residential properties);
- 100 per cent rebate will be granted to registered indigents in terms of the Indigent Policy;
- For pensioners, physically and mentally disabled persons, a maximum/total rebate of 50 per cent (calculated on a sliding scale) will be granted to owners of rate-able property if the total gross income of the applicant and/or his/her spouse, if any, does not to exceed the amount equal to twice the annual state pension as approved by the National Government for a financial year. In this regard the following stipulations are relevant:
    - The rate-able property concerned must be occupied only by the applicant and his/her spouse, if any, and by dependents without income;
    - The applicant must submit proof of his/her age and identity and, in the case of a physically or mentally handicapped person, proof of certification by a Medical Officer of Health, also proof of the annual income from a social pension;
    - The applicant's account must be paid in full, or if not, an arrangement to pay the debt should be in place, and
    - The property must be categorized as residential.

- The Municipality may award a 100 per cent grant-in-aid on the assessment rates of rate-able properties of certain classes such as registered welfare organizations, institutions or organizations performing charitable work, sports grounds used for purposes of amateur sport. The owner of such a property must apply to the Chief Financial Officer in the prescribed format for such a grant.

4.10.1. Revenue from Services

4.10.1.1. Electricity

Electricity and Solid waste services are the main revenue sources for the municipality. Revenue generated from **Electricity** totals to R48.1 million for the budget year and increases to R50.5 million and R52.9 million for the two outer years. NERSA has announced the revised bulk electricity pricing structure of 18.7% for 2024 and 12.7% for the two outer years as detailed in budget circular 123. The tariff structure will be will be effective from 1 July 2023. Considering the Eskom increases, the consumer tariff had to be increased by 18.7% to offset the additional bulk purchase cost from 1 July 2023. Furthermore, it should be noted that given the magnitude of the tariff increase, it is expected to depress growth in electricity consumption, which will have a negative impact on the municipality's revenue from electricity.

Registered indigents will again be granted 50 kWh per 30-day period free of charge. In addition to those residential customers that are not registered as indigent, but that consume less than 50 kWh per 30-day period will receive 50 kWh free of charge. Currently Electricity is operating at a deficit. It is widely accepted that the rendering of this service should at least break even, which is currently not the case. Considering the deficit, it is recommended that a comprehensive investigation into the cost structure of Electricity function be undertaken, and that this include investigating alternative service delivery models. The outcomes of this investigation will be incorporated into the next planning cycle. Currently the smart meters are being installed in order to minimize the electricity losses.

4.10.1.2. Solid Waste

Revenue generated from **Solid waste** totals to R3.9 million for the budget year and increases to R4.1 million R4.3 million for the two outer years. An increase of 5.3% has been applied as this service is operating at a deficit. It must also be noted that an amount of free basic refuse has been reduced from the total revenue expected from refuse removal. These services are operating at a deficit, the revenue derived from these services is unable to cover expenditure in relation to these services. It is important that the municipality should consider come up with a cost recovery strategy to ensure that they are cost reflective. It is widely accepted that the rendering of this service should at least break even, which is currently not the case.

The Municipality will have to implement a revenue enhancement strategy to ensure that this service can be rendered in a more sustainable manner over the medium to long-term. The main contributors to this deficit are repairs and maintenance on vehicles, increases in general expenditure such as petrol and diesel and the cost of remuneration as well as to some extent lack of billing of commercial businesses in terms of the recognized Polluter Pays Principle as outline in the National Waste Management Strategy of 2008. Considering the deficit, it is recommended that a comprehensive investigation into the possibility of reviewing our approach to billing in terms of the existing tariff structure as approved by Council.

4.10.2. Other Revenue

Other sources of revenue' which consists of various items such as income received frompermits and licenses, building plan fees, connection fees, vat income, investment income and interest from debtors. Departments have been urged to review the tariffs of these items on an annual basis to ensure they are cost reflective and market related.

4.10.2.1. Operating Grants

Operating grants and transfers totals R202.1 million in the budget year and steadily increase to R205.9 million and R193.8 for the two outer years. The following table gives a breakdown of the revenue and operating grants and subsidies allocated to the municipality over the medium term:

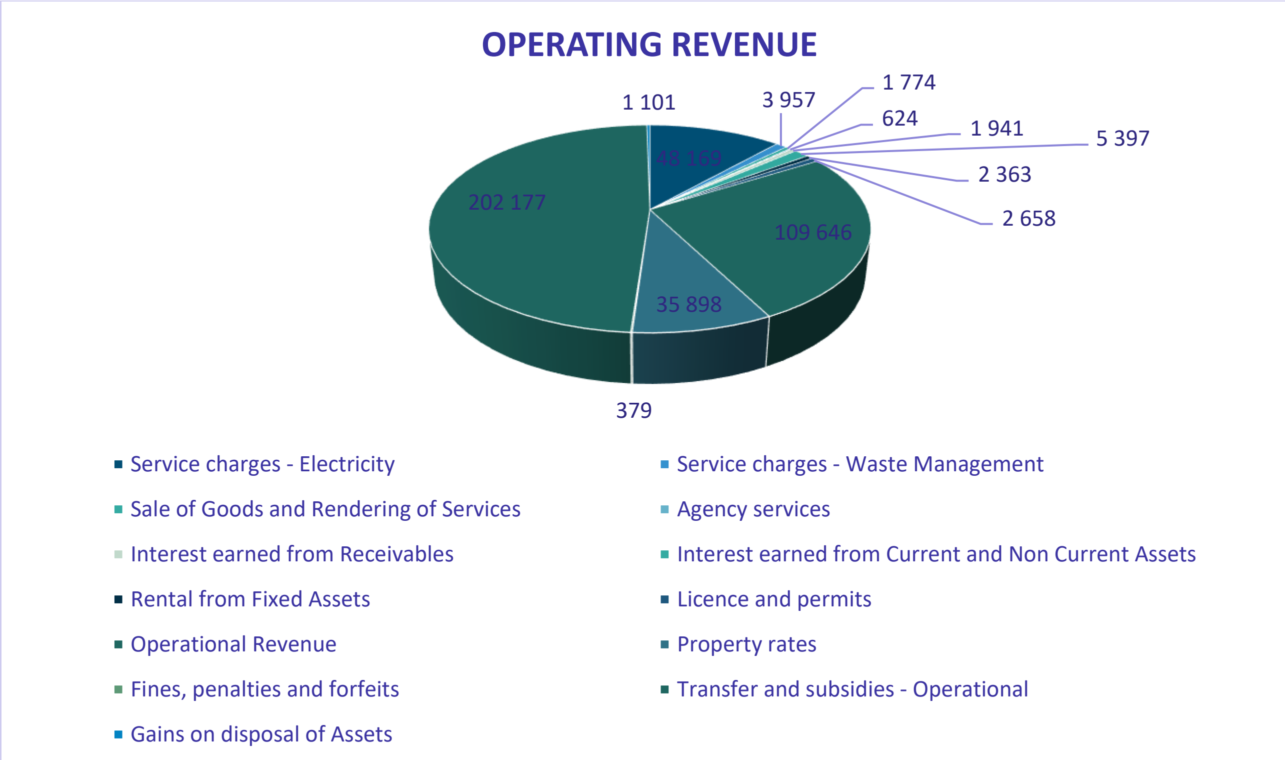


Table SA18 Operating Transfers and Grant Receipts

Table SA18									
Description	**2019/220**	**2020/21**	**2021/22**	**Current Year 2022/2023**			**2021/22 Medium Term Revenue & Expenditure Framework**		
R thousand	**Audited Outcome**	**Audited Outcom e**	**Audited Outcom e**	**Original Budget**	**Adjusted Budget**	**Full Year Forecast**	**Budget Year 2023/24**	**Budget Year 2024/25**	**Budget 2025/26**
EXPENDITURE									
Operating expenditure of Transfers and Grants									
National Gove	**1,700**	**1,700**	**1,700**	**186,782**	**186,782**	**186,782**	**196,427**	**205,239**	**198,135**
Local Government Equitable Share				180,384	180,384	180,384	190,445	201,137	193,791
EPWP				2,539	2,539	2,539	1,580	–	–
FMG	1,700	1,700	1,700	1,650	1,650	1,650	1,700	1,700	1,838
MIG Operational				2,209	2,209	2,209	2,702	2,402	2,506
Other transfers/grants [insert description]									
Provincial Go	**750**	**750**	**750**	**750**	**750**	**750**	**5,750**	**750**	**750**
Libraries	750	750	750	750	750	750	750	750	750
Dedea							5,000	–	–
Other transfers/grants [insert description]									
District Munic	–	–	–	–	–	–	–	–	–
[insert description]									
Other grant p	–	–	–	–	–	–	–	–	–
[insert description]									
Total operating	**2,450**	**2,450**	**2,450**	**187,532**	**187,532**	**187,532**	**202,177**	**205,989**	**198,885**
Capital expenditure of Transfers and Grants									
National Gove	–	–	–	**56,366**	**62,427**	**62,427**	**69,102**	**70,133**	**74,605**
MIG				41,966	48,027	48,027	51,343	45,633	47,605
INEP				14,400	14,400	14,400	17,759	24,500	27,000
Provincial Go	–	–	–	–	–	–	–	–	–
Other capital transfers/grants [insert description]									
District Munic	–	–	–	–	–	–	–	–	–
[insert description]									
Other grant p	–	–	–	–	–	–	–	–	–
[insert description]									
Total capital exp	–	–	–	**56,366**	**62,427**	**62,427**	**69,102**	**70,133**	**74,605**
TOTAL EXPEND	**2,450**	**2,450**	**2,450**	**243,898**	**249,959**	**249,959**	**271,279**	**276,122**	**273,489**

4.10.3. Tariff-Setting

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions and the affordability of services were taken into account to ensure the financial sustainability of the Municipality. National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. Municipalities must justify in their budget documentation all increases in excess of the 6 per cent upper boundary of the South African Reserve Bank's inflation target. Excessive increases are likely to be counterproductive, resulting in higher levels of non-payment.

The table below indicates the tariffs increases as per circular No. 123 and Nersa guidelines in tariff determination.

Catergory	2022/2023 Budget Year	2023/2024 Budget Year	2024/2025 Budget Year	2025/2026 Budget Year
Property Rates	4.8%	5.3%	4.9%	4.7%
Electricity	9.6%	18.7%	4.9%	4.7%
Solid waste	4.8%	5.3%	4.9%	4.7%

The following table compares **Solid Waste's** current and proposed amounts payable from 1 July 2023 with previous year's tariffs:

Refuse Removal - Per Month	**2022/2023**	**2023/2024**
Households	R151.4	R159.4
Business	R300.6	R 316.5
Townships	R62.4	R 65.7
Loads per removal Business & Refuse garden	R457.9	R 482.2
Building Rubble per Load	R847.9	R 892.8
Use of refuse site where the public off load refuse - Price is per cubic meter (Prepaid Coupon)	R41.2	R 43.3
Illegal Dumping- Fine	R5494.9	R5786.1

Electricity's current and proposed amounts that will be payable from 1 July 2023 are detailed on the tariff list which will be approved as the budget related document.

4.10.3.1. Overall impact of tariff increases on households

The following table shows the overall expected impact of the tariff increases on a large and small household, as well as an indigent household receiving free basic services.

4.10.3.2. Operating Expenditure Framework

The municipality's expenditure framework for the MTREF is informed by the following:

- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- The capital program is aligned to the asset renewal strategy and backlog eradication plan;
- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and
- Strict adherence to the principle of *no project plan, no budget*. If there is no business plan no funding allocation can be made.

The following table is a high-level summary of the MTREF (classified per main type of operating expenditure):

Table A4 Summary of operating expenditure by standard classification item

Choose name from list - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue											
Exchange Revenue											
Service charges - Electricity	2	33,062	36,769	39,535	44,580	81,161	81,161	81,161	48,169	50,529	52,904
Service charges - Water	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	2	1	5	14	-	-	-	-	-	-	-
Service charges - Waste Management	2	709	857	936	3,757	7,515	7,515	7,515	3,957	4,150	4,345
Sale of Goods and Rendering of Services		580	750	114	1,685	3,370	3,370	3,370	1,774	1,861	1,949
Agency services		–	–	–	592	1,185	1,185	1,185	624	654	685
Interest		–	–	–	–	–	–	–	–	–	–
Interest earned from Receivables		5,058	5,869	7,980	1,843	3,687	3,687	3,687	1,941	2,036	2,132
Interest earned from Current and Non Current Ass		5,419	4,821	4,786	5,125	10,251	10,251	10,251	5,397	5,661	5,927
Dividends		–	–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		6,243	1,653	1,739	2,244	4,489	4,489	4,489	2,363	2,479	2,596
Licence and permits		785	1,714	1,413	2,525	5,049	5,049	5,049	2,658	2,789	2,920
Operational Revenue		4,703	6,510	5,137	113,037	140,943	140,943	140,943	109,644	80,494	84,277
Non-Exchange Revenue											
Property rates	2	30,281	31,392	26,482	34,092	68,183	68,183	68,183	35,898	37,657	39,427
Surcharges and Taxes		–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		3,133	1,010	913	360	719	719	719	379	397	416
Licences or permits		–	–	–	–	–	–	–	–	–	–
Transfer and subsidies - Operational		162,589	204,645	174,338	187,532	376,040	376,040	376,040	202,177	205,989	193,874
Interest		–	–	1,835	–	–	–	–	–	–	–
Fuel Levy		–	–	–	–	–	–	–	–	–	–
Operational Revenue		–	–	–	–	–	–	–	–	–	–
Gains on disposal of Assets		(1,279)	(741)	–	35,234	70,468	70,468	70,468	1,101	1,155	1,209
Other Gains		–	–	–	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and		**251,282**	**295,253**	**265,222**	**432,606**	**773,059**	**773,059**	**773,059**	**416,083**	**395,853**	**392,661**
Expenditure											
Employee related costs	2	107,489	106,167	114,825	138,278	277,210	277,210	277,210	154,996	155,534	162,844
Remuneration of councillors		12,562	12,601	12,679	14,255	28,509	28,509	28,509	14,939	15,671	16,407
Bulk purchases - electricity	2	22,235	24,593	27,666	32,438	61,875	61,875	61,875	36,723	38,522	40,333
Inventory consumed	8	483	774	1,046	1,512	4,426	4,426	4,426	1,410	1,480	1,549
Debt impairment	3	–	–	–	–	–	–	–	6,655	6,982	7,310
Depreciation and amortisation		30,067	29,817	54,796	51,816	103,632	103,632	103,632	54,564	57,236	59,926
Interest		1,971	1,630	2,165	61	123	123	123	65	68	71
Contracted services		59,623	58,965	67,985	91,820	152,995	152,995	152,995	79,320	80,961	81,626
Transfers and subsidies		1,553	1,092	-	-	-	-	-	12,090	12,683	13,279
Irrecoverable debts written off		19,233	15,193	12,041	7,235	12,641	12,641	12,641	–	–	–
Operational costs		42,179	44,985	43,734	60,449	131,648	131,648	131,648	55,321	58,031	60,759
Losses on disposal of Assets		–	–	(60)	–	–	–	–	–	–	–
Other Losses		–	–	–	–	–	–	–	–	–	–
Total Expenditure		**297,396**	**295,818**	**336,878**	**397,863**	**773,060**	**773,060**	**773,060**	**416,084**	**427,168**	**444,104**
Surplus/(Deficit)		**(46,114)**	**(564)**	**(71,655)**	**34,743**	**(1)**	**(1)**	**(1)**	**(2)**	**(31,315)**	**(51,443)**
Transfers and subsidies - capital (monetary	6	80,829	63,094	53,727	56,366	120,855	120,855	120,855	69,102	70,133	74,605
Transfers and subsidies - capital (in-kind)	6	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**34,716**	**62,530**	**(17,928)**	**91,109**	**120,854**	**120,854**	**120,854**	**69,100**	**38,818**	**23,162**
Income Tax		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after income tax		**34,716**	**62,530**	**(17,928)**	**91,109**	**120,854**	**120,854**	**120,854**	**69,100**	**38,818**	**23,162**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		**34,716**	**62,530**	**(17,928)**	**91,109**	**120,854**	**120,854**	**120,854**	**69,100**	**38,818**	**23,162**
Share of Surplus/Deficit attributable to Associate	7	–	–	–	–	–	–	–	–	–	–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	1	**34,716**	**62,530**	**(17,928)**	**91,109**	**120,854**	**120,854**	**120,854**	**69,100**	**38,818**	**23,162**

4.11. Employee Related Costs

The budgeted allocation for employee related costs for the budget year totals R148.2 million, which equals 37 per cent of the total operating expenditure. Given the current economic condition exacerbated by the COVID-19 pandemic, municipalities are urged to consider projecting increases by 4.8% plus 2.5% notch increase.

4.12. Remuneration of Councilors

The cost associated with the remuneration of councilors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the Municipality's budget. Budget appropriation in this regard totals to R14.9 million and equates to 4 percent of the total operating expenditure.

4.13. Debt impairment Provision

The provision of debt impairment was determined based on an annual collection rate of 1.9 per cent and the Debt Write-off Policy of the municipality. For the budget year this amount equates to R6.6 million and equates to 1.66% of the total operating expenditure and escalates to R6.9 million and R7.3 million for the two outer years. While this expenditure is considered to be a non-cash flow item, it informed the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues.

4.14. Depreciation Provision

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation in this regard refers to the systematic write off of assets over their useful lives. Budget appropriations in this regard total R54.5 million for the budget year financial and equates to 13.6% of the total operating expenditure

4.15. Bulk purchases

Bulk purchases are directly informed by the purchase of electricity from Eskom. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. Budget appropriations in this regard total to R36.7 million for the budget year and equates to 9.2 percent of the total operating budget. The expenditure also includes distribution losses.

4.16. Other Material

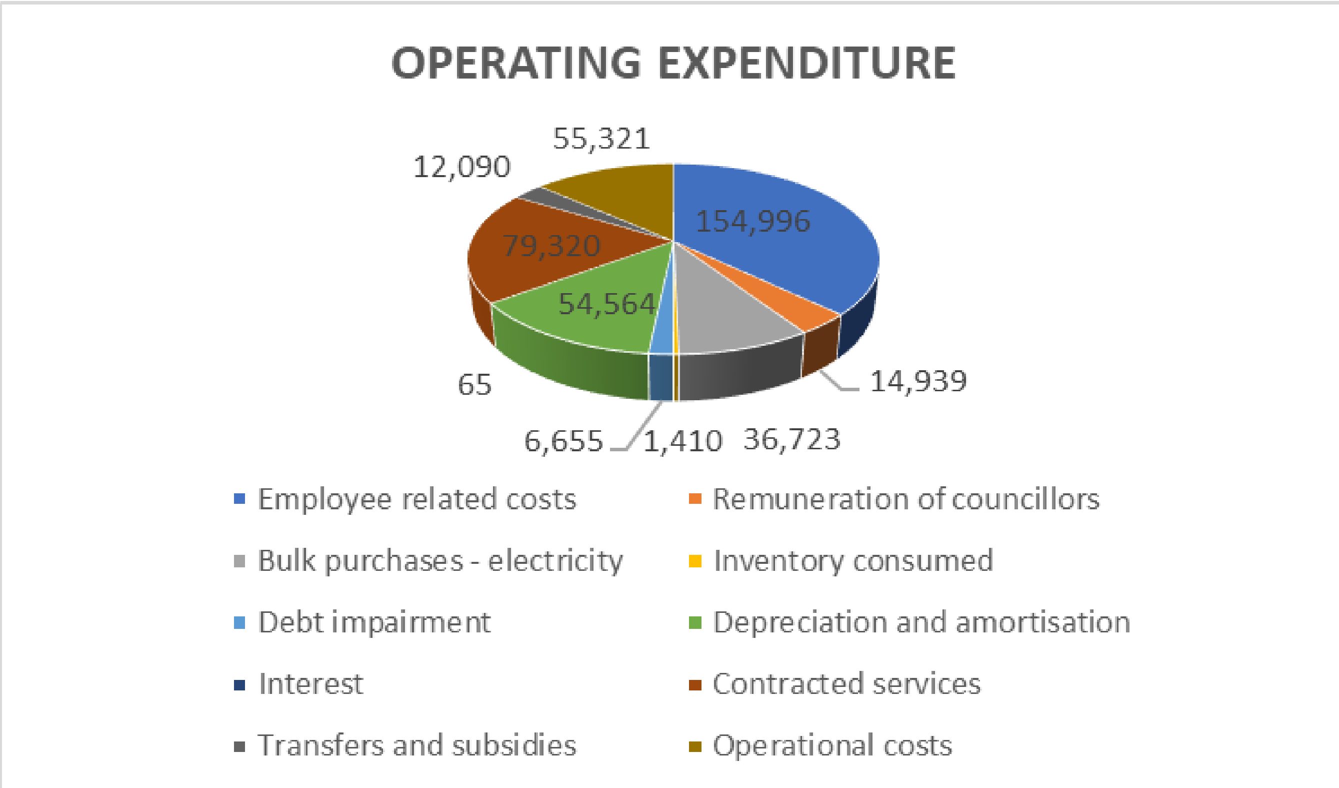
Budget appropriations in this regard totals to R1.4 million and equates 0.3% for the budget year and escalates to R1.5 and R1.5 million for the two outer years.

4.17. Contracted Services

Contracted expenditure totals to R68.7 million and equates to 17% of the total operating budget.

4.18. Other Expenditure

Other expenditure comprises of various line items relating to the daily operations of the municipality. Budget appropriations in this regard totals to R55.3 million and equates to 13.8 percent. The following graph gives a breakdown of the main expenditure categories for the 2023/24 financial year.



Free Basic Services: Basic Social Services Package

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the Municipality's Indigent Policy. The target is to register 10 000 or more indigent households during this budget year, a process reviewed annually. Detail relating to free services, cost of free basis services, revenue lost owing to free basic services as well as basic service delivery measurement is contained in Table SA21.

The cost of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act. In this budget year the municipality made a provision of R15.2 million, R15.9 and R16.7 for the two outer years for free basic services.

4.18.1. Expenditure by major type

- Bulk purchases have increased over the MTREF period escalating to R36.7 million, R38.4 million and R40.3 million. These increases can be attributed to the substantial increase in the cost of bulk electricity from Eskom.
- Employee related costs and bulk purchases are the main cost drivers within the municipality and alternative operational gains and efficiencies will have to be identified to lessen the impact of wage and bulk tariff increases in future years

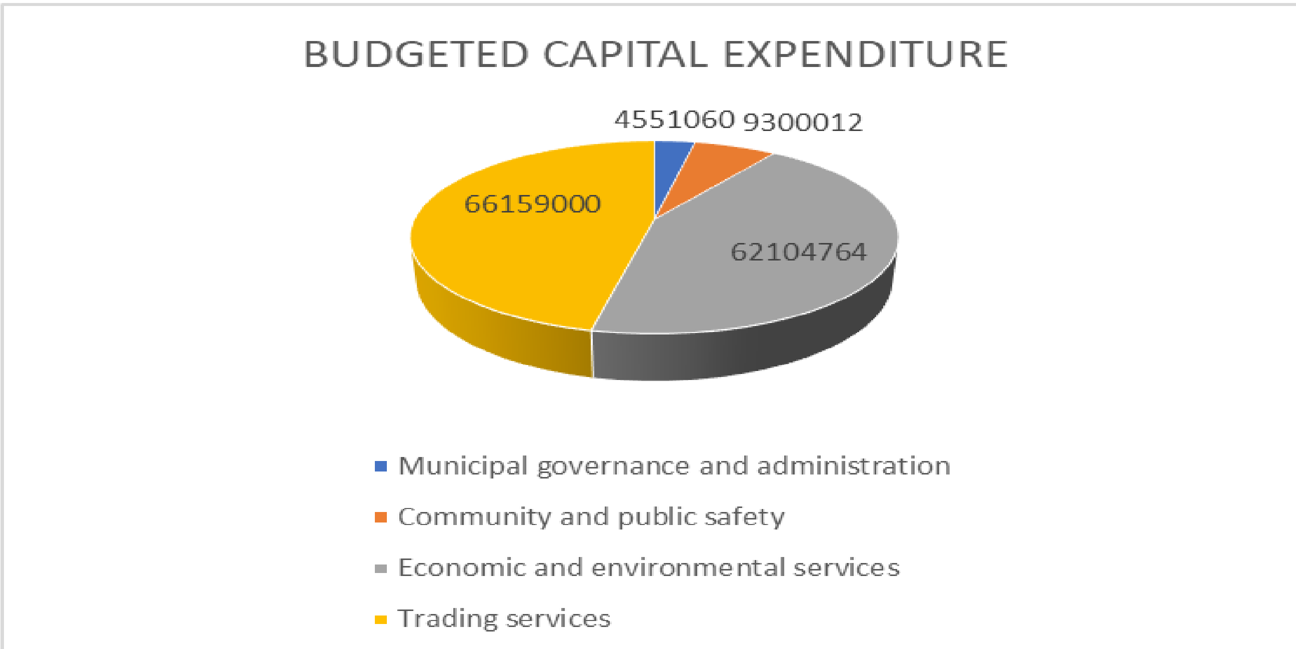
4.18.2. Capital Expenditure Framework

The following table provides a breakdown of budgeted capital expenditure by vote:

Choose name from list - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 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 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Capital expenditure - Vote											
Multi-year expenditure *to be appropriated*	2										
Vote 1 - Excutive and Council		–	–	–	–	–	–	–	–	–	–
Vote 2 - BTO		–	–	–	–	–	–	–	–	–	–
Vote 3 - Corporate Services Department		–	–	–	–	–	–	–	–	–	–
Vote 4 - Strategic Development Services		–	–	–	–	–	–	–	–	–	–
Vote 5 - Community Services Department		–	–	–	–	–	–	–	–	–	–
Vote 6 - Infrastructure Development		–	–	–	–	–	–	–	–	–	–
Vote 7 -		–	–	–	–	–	–	–	–	–	–
Vote 8 -		–	–	–	–	–	–	–	–	–	–
Vote 9 -		–	–	–	–	–	–	–	–	–	–
Vote 10 -		–	–	–	–	–	–	–	–	–	–
Vote 11 -		–	–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total	7	–	–	–	–	–	–	–	–	–	–
Single-year expenditure *to be appropriated*	2										
Vote 1 - Excutive and Council		2,022	2,587	1,186	1,102	3,944	3,944	3,944	250	262	275
Vote 2 - BTO		(4,477)	7,762	8,168	5,150	21,094	21,094	21,094	2,400	4,092	4,285
Vote 3 - Corporate Services Department		510	(258)	1,897	100	1,200	1,200	1,200	400	420	439
Vote 4 - Strategic Development Services		47,297	395	4,197	2,543	2,086	2,086	2,086	1,150	1,206	1,263
Vote 5 - Community Services Department		11,060	2,914	12,710	2,260	4,500	4,500	4,500	15,400	20,351	21,307
Vote 6 - Infrastructure Development		182,471	62,499	41,430	79,954	201,252	201,252	201,252	114,014	96,790	102,515
Vote 7 -		–	–	–	–	–	–	–	–	–	–
Vote 8 -		–	–	–	–	–	–	–	–	–	–
Vote 9 -		–	–	–	–	–	–	–	–	–	–
Vote 10 -		–	–	–	–	–	–	–	–	–	–
Vote 11 -		–	–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total		**238,884**	**75,898**	**69,587**	**91,109**	**234,077**	**234,077**	**234,077**	**133,614**	**123,121**	**130,083**
Total Capital Expenditure - Vote		**238,884**	**75,898**	**69,587**	**91,109**	**234,077**	**234,077**	**234,077**	**133,614**	**123,121**	**130,083**
Capital Expenditure - Functional											
Governance and administration		**(1,944)**	**10,090**	**11,251**	**6,352**	**26,238**	**26,238**	**26,238**	**3,050**	**4,774**	**4,998**
Executive and council		2,022	2,587	1,186	1,102	3,944	3,944	3,944	250	262	275
Finance and administration		(3,967)	7,503	10,065	5,250	22,294	22,294	22,294	2,800	4,512	4,724
Internal audit		–	–	–	–	–	–	–	–	–	–
Community and public safety		**2,878**	**138**	**198**	**1,990**	**3,960**	**3,960**	**3,960**	**12,400**	**9,756**	**10,214**
Community and social services		321	138	90	300	600	600	600	4,900	839	879
Sport and recreation		935	–	108	480	960	960	960	4,000	5,245	5,492
Public safety		1,621	–	–	1,210	2,400	2,400	2,400	3,500	3,671	3,844
Housing		–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–
Economic and environmental services		**230,154**	**57,487**	**37,506**	**63,970**	**117,541**	**117,541**	**117,541**	**61,105**	**56,923**	**59,424**
Planning and development		47,297	395	4,197	2,543	2,086	2,086	2,086	1,150	1,206	1,263
Road transport		182,858	57,093	33,309	61,427	115,455	115,455	115,455	59,955	55,716	58,161
Environmental protection		–	–	–	–	–	–	–	–	–	–
Trading services		**7,796**	**8,183**	**20,631**	**18,797**	**86,337**	**86,337**	**86,337**	**57,059**	**51,669**	**55,446**
Energy sources		(387)	5,407	8,120	18,527	85,797	85,797	85,797	54,059	41,074	44,353
Water management		–	–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–	–
Waste management		8,183	2,776	12,511	270	540	540	540	3,000	10,595	11,093
Other		–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional	3	**238,884**	**75,898**	**69,587**	**91,109**	**234,077**	**234,077**	**234,077**	**133,614**	**123,121**	**130,083**
Funded by:											
National Government		126,333	30,258	27,066	56,366	113,855	113,855	113,855	69,102	70,133	74,604
Provincial Government		20,067	20,047	–	–	–	–	–	–	–	–
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	4	**146,401**	**50,305**	**27,066**	**56,366**	**113,855**	**113,855**	**113,855**	**69,102**	**70,133**	**74,604**
Borrowing	6	–	–	–	–	40,000	40,000	40,000	30,000	–	–
Internally generated funds		10,163	21,885	22,102	34,743	80,222	80,222	80,222	34,512	52,988	55,479
Total Capital Funding	7	**156,563**	**72,190**	**49,168**	**91,109**	**234,077**	**234,077**	**234,077**	**133,614**	**123,121**	**130,083**

For this budget year an amount of R142.1 million has been appropriated for the development of infrastructure which represents 23 per cent of the total expenditure budget. The amount totals to R123.1 million and R130 million for the outer years. The following chart gives a breakdown of the Capital expenditure by vote for the 2023/24 financial year.

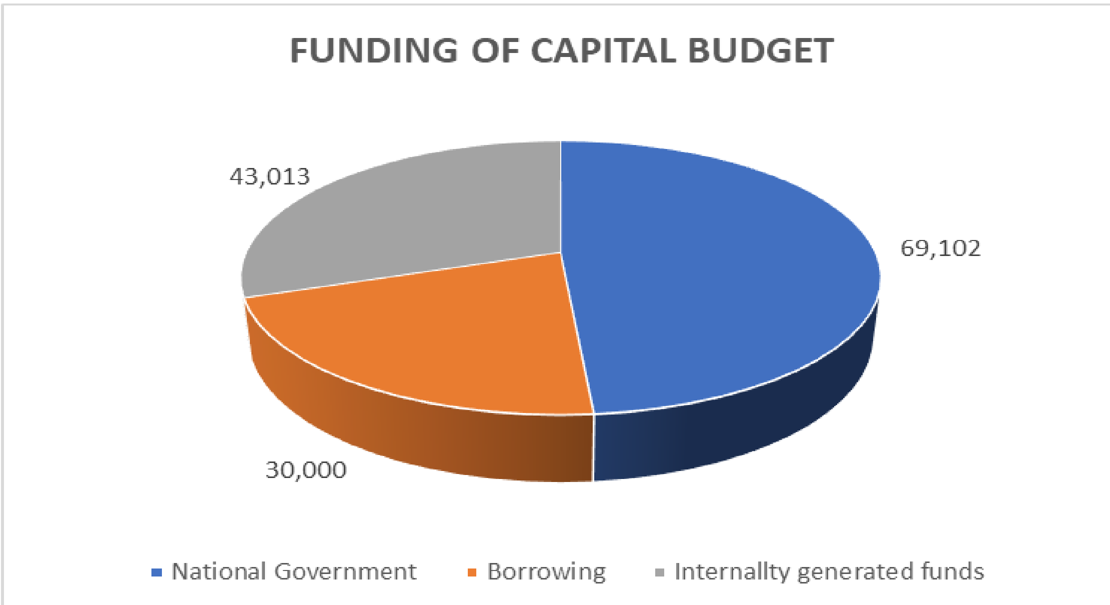


4.18.3. Funding of the Capital Budget

The capital program is funded from National grants, borrowing and internally generated funds from previous year surpluses. Capital transfers totals to R69.1 million, R30 million for borrowings and R43 million from internally generated funds.

Funded by:											
National Government		126,333	30,258	27,066	56,366	120,855	120,855	120,855	69,102	70,133	74,604
Provincial Government		20,067	20,047	–	–	–	–	–	–	–	–
District Municipality		–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	4	146,401	50,305	27,066	56,366	120,855	120,855	120,855	69,102	70,133	74,604
Borrowing	6	–	–	–	–	60,000	60,000	60,000	30,000	–	–
Internally generated funds		10,163	21,885	22,102	34,743	93,300	93,300	93,300	43,013	52,988	55,479
Total Capital Funding	7	156,563	72,190	49,168	91,109	274,154	274,154	274,154	142,115	123,121	130,083

The graph below illustrates the funding sources for Capital Expenditure



4.18.4. Annual Budget Tables

The following pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2023/24 budget and MTREF as approved by the Council.

Each table is accompanied by *explanatory notes* on the facing page.

Explanatory notes to Table A1 - Budget Summary

Choose name from list - Table A1 Budget Summary										
Description	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Financial Performance										
Property rates	30,281	31,392	26,482	34,092	68,183	68,183	68,183	35,898	37,657	39,427
Service charges	33,771	37,631	40,486	48,338	88,676	88,676	88,676	52,125	54,680	57,250
Investment revenue	5,419	4,821	4,786	5,125	10,251	10,251	10,251	5,397	5,661	5,927
Transfer and subsidies - Operational	162,589	204,645	174,338	187,532	376,040	376,040	376,040	202,177	205,989	193,874
Other own revenue	19,221	16,764	19,130	157,520	229,909	229,909	229,909	120,484	91,865	96,183
Total Revenue (excluding capital transfers and contributions)	251,282	295,253	265,222	432,606	773,059	773,059	773,059	416,083	395,853	392,661
Employee costs	107,489	106,167	114,825	138,278	277,210	277,210	277,210	154,996	155,534	162,844
Remuneration of councillors	12,562	12,601	12,679	14,255	28,509	28,509	28,509	14,939	15,671	16,407
Depreciation and amortisation	30,067	29,817	54,796	51,816	103,632	103,632	103,632	54,564	57,236	59,926
Finance charges	1,971	1,630	2,165	61	123	123	123	65	68	71
Inventory consumed and bulk purchases	22,718	25,368	28,712	33,949	66,301	66,301	66,301	38,133	40,002	41,882
Transfers and subsidies	1,553	1,092	–	–	–	–	–	12,090	12,683	13,279
Other expenditure	121,035	119,143	123,700	159,504	297,284	297,284	297,284	141,296	145,975	149,695
Total Expenditure	297,396	295,818	336,878	397,863	773,060	773,060	773,060	416,084	427,168	444,104
Surplus/(Deficit)	(46,114)	(564)	(71,655)	34,743	(1)	(1)	(1)	(2)	(31,315)	(51,443)
Transfers and subsidies - capital (monetary allocations)	80,829	63,094	53,727	56,366	120,855	120,855	120,855	69,102	70,133	74,605
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	34,716	62,530	(17,928)	91,109	120,854	120,854	120,854	69,100	38,818	23,162
Share of Surplus/Deficit attributable to Associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	34,716	62,530	(17,928)	91,109	120,854	120,854	120,854	69,100	38,818	23,162
Capital expenditure & funds sources										
Capital expenditure	238,884	75,898	69,587	91,109	274,154	274,154	274,154	142,115	123,121	130,083
Transfers recognised - capital	146,401	50,305	27,066	56,366	120,855	120,855	120,855	69,102	70,133	74,604
Borrowing	–	–	–	–	60,000	60,000	60,000	30,000	–	–
Internally generated funds	10,163	21,885	22,102	34,743	93,300	93,300	93,300	43,013	52,988	55,479
Total sources of capital funds	156,563	72,190	49,168	91,109	274,154	274,154	274,154	142,115	123,121	130,083
Financial position										
Total current assets	118,863	143,142	119,879	422,838	676,752	676,752	676,752	207,584	224,881	224,512
Total non current assets	514,151	556,162	569,620	673,313	1,438,561	1,438,561	1,438,561	87,550	150,159	216,876
Total current liabilities	84,048	86,890	94,383	59,067	102,510	102,510	102,510	80,582	124,947	171,573
Total non current liabilities	15,084	16,317	16,153	49,151	98,302	98,302	98,302	79,151	79,151	79,151
Community wealth/Equity	499,165	596,096	579,296	987,932	1,914,500	1,914,500	1,914,500	135,401	170,943	190,665
Cash flows										
Net cash from (used) operating	353,058	215,959	114,535	105,193	168,786	168,786	168,786	133,223	111,019	113,419
Net cash from (used) investing	(85,011)	(71,901)	(70,750)	(55,875)	(262,627)	(262,627)	(262,627)	(141,598)	(122,579)	(129,515)
Net cash from (used) financing	–	–	–	–	–	–	–	30,000	–	–
Cash/cash equivalents at the year end	358,169	144,058	154,314	319,335	446,194	446,194	446,194	73,300	61,739	45,643
Cash backing/surplus reconciliation										
Cash and investments available	577,450	644,598	624,564	951,435	1,816,499	1,816,499	1,816,499	267,902	330,451	383,228
Application of cash and investments	97,521	135,418	133,096	(175,533)	(416,683)	(416,683)	(416,683)	115,425	148,948	190,280
Balance - surplus (shortfall)	479,929	509,180	491,468	1,126,968	2,233,182	2,233,182	2,233,182	152,477	181,503	192,948
Asset management										
Asset register summary (WDV)	410,385	489,626	500,132	26,301	77,018	77,018	77,018	2,349	(22,065)	(47,635)
Depreciation	30,067	29,817	54,796	51,816	103,632	103,632	103,632	54,564	57,236	59,926
Renewal and Upgrading of Existing Assets	62,813	982	–	–	15,400	15,400	15,400	5,000	5,245	5,492
Repairs and Maintenance	4,615	4,517	13,036	23,054	39,882	39,882	39,882	15,251	18,999	16,751
Free services										
Cost of Free Basic Services provided	–	–	–	–	–	–	–	–	–	–
Revenue cost of free services provided	4,222	4,480	6,343	11,193	22,716	22,716	22,716	17,287	18,237	19,223
Households below minimum service level							–			
Water:	–	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:	–	–	–	–	–	–	–	–	–	–
Energy:	–	–	–	–	–	–	–	–	–	–
Refuse:	–	–	–	–	–	–	–	–	–	–

Table A1 is a budget summary and provides a concise overview of the Municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).

The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.

Financial management reforms emphasizes the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:

a. The operating surplus/deficit (after Total Expenditure) is positive over the MTREF
b. Capital expenditure is balanced by capital funding sources, of which
    i. Transfers recognized is reflected on the Financial Performance Budget;

    ii. Internally generated funds is financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains positive, and is improving indicates that the necessary cash resources are available to fund the Capital Budget.

The Cash backing/surplus reconciliation indicates that the municipality is paying much attention in managing of its finances mainly building of internal reserves that can be cash- backed to fund the budget. Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this is not being done at the expense of services to the poor. The section of Free Services shows that the amount spent on Free Basic Services and the revenue cost of free services provided by the municipality continues to increase. In addition, the municipality continues to make progress in addressing service delivery backlogs.

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

Explanatory notes to Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

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

Choose name from list - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue - Functional										
Governance and administration		193,823	235,527	207,075	359,948	634,766	634,766	315,271	324,939	323,470
Executive and council		–	65	67	–	–	–	–	–	–
Finance and administration		193,823	235,462	207,008	359,948	634,766	634,766	315,271	324,939	323,470
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		5,860	8,580	7,103	7,063	15,103	15,103	11,304	4,919	5,115
Community and social services		3,625	4,302	3,519	3,906	8,789	8,789	7,980	1,432	1,464
Sport and recreation		–	–	(3)	24	49	49	26	27	28
Public safety		2,235	4,278	3,586	3,133	6,265	6,265	3,299	3,460	3,623
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		66,752	49,443	37,123	51,879	111,881	111,881	78,289	46,434	48,443
Planning and development		548	2,088	2,187	2,934	5,868	5,868	764	801	839
Road transport		66,204	47,355	34,937	48,945	106,013	106,013	77,525	45,633	47,605
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		65,676	64,798	67,648	70,082	132,164	132,164	80,320	89,694	90,238
Energy sources		60,117	58,640	61,177	66,324	124,649	124,649	76,364	85,543	85,892
Water management		–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–
Waste management		5,559	6,158	6,471	3,757	7,515	7,515	3,957	4,150	4,345
Other	4	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	332,111	358,348	318,949	488,972	893,914	893,914	485,184	465,986	467,266
Expenditure - Functional										
Governance and administration		152,115	128,196	153,803	186,905	378,403	378,403	183,981	191,905	200,925
Executive and council		42,894	43,892	42,584	59,309	117,938	117,938	63,970	64,657	67,696
Finance and administration		109,221	84,305	111,219	127,596	260,466	260,466	120,011	127,248	133,229
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		15,881	24,831	26,360	35,188	71,077	71,077	35,953	31,819	33,314
Community and social services		5,684	7,309	7,947	9,372	19,415	19,415	13,190	5,975	6,255
Sport and recreation		8,445	6,973	6,578	9,482	19,113	19,113	8,204	9,594	10,045
Public safety		1,752	10,548	11,835	16,335	32,550	32,550	14,559	16,250	17,014
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		47,439	57,515	65,921	92,974	160,946	160,946	96,640	99,061	100,576
Planning and development		11,879	13,142	15,236	24,125	47,884	47,884	29,801	27,951	29,265
Road transport		35,560	44,373	50,686	68,849	113,062	113,062	66,839	71,110	71,312
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		81,960	85,276	91,810	82,797	162,633	162,633	99,510	104,383	109,289
Energy sources		60,003	62,381	70,428	56,193	109,557	109,557	70,438	74,067	77,548
Water management		–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–
Waste management		21,957	22,895	21,382	26,604	53,077	53,077	29,072	30,316	31,741
Other	4	–	–	–	–	–	–	–	–	–
Total Expenditure - Functional	3	297,396	295,818	337,895	397,863	773,060	773,060	416,084	427,168	444,104
Surplus/(Deficit) for the year		34,716	62,530	(18,946)	91,109	120,854	120,854	69,100	38,818	23,162

- Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms if each of these functional areas which enables the National Treasury to compile 'whole of government' reports.

- Note the Total Revenue on this table includes capital revenues (Transfers recognized – capital) and so does not balance to the operating revenue shown on Table A4.
- Note that as a general principle the revenues for the Trading Services should exceed their expenditures. The table highlights that this is not the case for Electricity and Waste management functions. As already noted above, the municipality will be undertaking a detailed study of this function to explore ways of improving efficiencies and provide a basis for re-evaluating the function's tariff structure.
- Other functions that show a deficit between revenue and expenditure are being financed from rates revenues and other revenue and Equitable share.

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

Choose name from list - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)										
Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<u>Revenue by Vote</u>	1									
Vote 1 - Excutive and Council		–	65	67	–	–	–	–	–	–
Vote 2 - BTO		193,823	235,436	207,008	359,948	634,766	634,766	315,271	324,939	323,470
Vote 3 - Corporate Services Department		–	26	–	–	–	–	–	–	–
Vote 4 - Strategic Development Services		548	2,088	2,187	2,934	5,868	5,868	764	801	839
Vote 5 - Community Services Department		11,419	14,738	13,574	10,821	22,618	22,618	15,261	9,069	9,460
Vote 6 - Infrastructure Development		126,321	105,995	96,113	115,270	230,662	230,662	153,888	131,176	133,497
Vote 7 -		–	–	–	–	–	–	–	–	–
Vote 8 -		–	–	–	–	–	–	–	–	–
Vote 9 -		–	–	–	–	–	–	–	–	–
Vote 10 -		–	–	–	–	–	–	–	–	–
Vote 11 -		–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	**332,111**	**358,348**	**318,949**	**488,972**	**893,914**	**893,914**	**485,184**	**465,986**	**467,266**
<u>Expenditure by Vote</u> *to be appropriated*	1									
Vote 1 - Excutive and Council		42,894	43,892	42,584	59,309	117,938	117,938	63,970	64,657	67,696
Vote 2 - BTO		83,310	58,770	81,967	89,138	181,516	181,516	81,125	85,507	89,525
Vote 3 - Corporate Services Department		25,912	25,534	29,253	38,458	78,949	78,949	38,886	41,742	43,704
Vote 4 - Strategic Development Services		11,837	13,142	15,236	24,125	47,884	47,884	29,801	27,951	29,265
Vote 5 - Community Services Department		37,838	47,725	47,742	61,792	124,154	124,154	65,025	62,135	65,055
Vote 6 - Infrastructure Development		95,605	106,754	121,114	125,042	222,618	222,618	137,277	145,177	148,859
Vote 7 -		–	–	–	–	–	–	–	–	–
Vote 8 -		–	–	–	–	–	–	–	–	–
Vote 9 -		–	–	–	–	–	–	–	–	–
Vote 10 -		–	–	–	–	–	–	–	–	–
Vote 11 -		–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	**297,396**	**295,818**	**337,895**	**397,863**	**773,060**	**773,060**	**416,084**	**427,168**	**444,104**
Surplus/(Deficit) for the year	2	**34,716**	**62,530**	**(18,946)**	**91,109**	**120,854**	**120,854**	**69,100**	**38,818**	**23,162**

Explanatory notes to Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the *organizational structure of the municipality. This means it is possible to present the operating surplus or deficit of a vote.*

Table A4 - Budgeted Financial Performance (revenue and expenditure)

Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)

Choose name from list - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue											
Exchange Revenue											
Service charges - Electricity	2	33,062	36,769	39,535	44,580	81,161	81,161	81,161	48,169	50,529	52,904
Service charges - Water	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	2	1	5	14	-	-	-	-	-	-	-
Service charges - Waste Management	2	709	857	936	3,757	7,515	7,515	7,515	3,957	4,150	4,345
Sale of Goods and Rendering of Services		580	750	114	1,685	3,370	3,370	3,370	1,774	1,861	1,949
Agency services		–	–	–	592	1,185	1,185	1,185	624	654	685
Interest		–	–	–	–	–	–	–	–	–	–
Interest earned from Receivables		5,058	5,869	7,980	1,843	3,687	3,687	3,687	1,941	2,036	2,132
Interest earned from Current and Non Current Ass		5,419	4,821	4,786	5,125	10,251	10,251	10,251	5,397	5,661	5,927
Dividends		–	–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		6,243	1,653	1,739	2,244	4,489	4,489	4,489	2,363	2,479	2,596
Licence and permits		785	1,714	1,413	2,525	5,049	5,049	5,049	2,658	2,789	2,920
Operational Revenue		4,703	6,510	5,137	113,037	140,943	140,943	140,943	109,644	80,494	84,277
Non-Exchange Revenue											
Property rates	2	30,281	31,392	26,482	34,092	68,183	68,183	68,183	35,898	37,657	39,427
Surcharges and Taxes		–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		3,133	1,010	913	360	719	719	719	379	397	416
Licences or permits		–	–	–	–	–	–	–	–	–	–
Transfer and subsidies - Operational		162,589	204,645	174,338	187,532	376,040	376,040	376,040	202,177	205,989	193,874
Interest		–	–	1,835	–	–	–	–	–	–	–
Fuel Levy		–	–	–	–	–	–	–	–	–	–
Operational Revenue		–	–	–	–	–	–	–	–	–	–
Gains on disposal of Assets		(1,279)	(741)	–	35,234	70,468	70,468	70,468	1,101	1,155	1,209
Other Gains		–	–	–	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and		**251,282**	**295,253**	**265,222**	**432,606**	**773,059**	**773,059**	**773,059**	**416,083**	**395,853**	**392,661**
Expenditure											
Employee related costs	2	107,489	106,167	114,825	138,278	277,210	277,210	277,210	154,996	155,534	162,844
Remuneration of councillors		12,562	12,601	12,679	14,255	28,509	28,509	28,509	14,939	15,671	16,407
Bulk purchases - electricity	2	22,235	24,593	27,666	32,438	61,875	61,875	61,875	36,723	38,522	40,333
Inventory consumed	8	483	774	1,046	1,512	4,426	4,426	4,426	1,410	1,480	1,549
Debt impairment	3	–	–	–	–	–	–	–	6,655	6,982	7,310
Depreciation and amortisation		30,067	29,817	54,796	51,816	103,632	103,632	103,632	54,564	57,236	59,926
Interest		1,971	1,630	2,165	61	123	123	123	65	68	71
Contracted services		59,623	58,965	67,985	91,820	152,995	152,995	152,995	79,320	80,961	81,626
Transfers and subsidies		1,553	1,092	-	-	-	-	-	12,090	12,683	13,279
Irrecoverable debts written off		19,233	15,193	12,041	7,235	12,641	12,641	12,641	–	–	–
Operational costs		42,179	44,985	43,734	60,449	131,648	131,648	131,648	55,321	58,031	60,759
Losses on disposal of Assets		–	–	(60)	–	–	–	–	–	–	–
Other Losses		–	–	–	–	–	–	–	–	–	–
Total Expenditure		**297,396**	**295,818**	**336,878**	**397,863**	**773,060**	**773,060**	**773,060**	**416,084**	**427,168**	**444,104**
Surplus/(Deficit)		**(46,114)**	**(564)**	**(71,655)**	**34,743**	**(1)**	**(1)**	**(1)**	**(2)**	**(31,315)**	**(51,443)**
Transfers and subsidies - capital (monetary	6	80,829	63,094	53,727	56,366	120,855	120,855	120,855	69,102	70,133	74,605
Transfers and subsidies - capital (in-kind)	6	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**34,716**	**62,530**	**(17,928)**	**91,109**	**120,854**	**120,854**	**120,854**	**69,100**	**38,818**	**23,162**
Income Tax		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after income tax		**34,716**	**62,530**	**(17,928)**	**91,109**	**120,854**	**120,854**	**120,854**	**69,100**	**38,818**	**23,162**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		**34,716**	**62,530**	**(17,928)**	**91,109**	**120,854**	**120,854**	**120,854**	**69,100**	**38,818**	**23,162**
Share of Surplus/Deficit attributable to Associate	7	–	–	–	–	–	–	–	–	–	–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	1	**34,716**	**62,530**	**(17,928)**	**91,109**	**120,854**	**120,854**	**120,854**	**69,100**	**38,818**	**23,162**

Total revenue is 416 million in the budget year and escalates to R436 million and R457 for the outer years. Revenue to be generated from property rates is R35.8 million in the budget year and increases to R37.6 million and R39.4 million in the outer years. The property Rates represents 5.7 per cent of the operating revenue base of the municipality and clearly shows that the municipality is grant depended it cannot sustain itself should the grants be taken away.

Services charges relating to electricity, and refuse removal constitutes the biggest component of the revenue basket of the municipality totaling R52.1 million in the budget year and increasing to R54.6 million and R57.2 million for the outer years. For the budget year services charges amount to 8 per cent of the total revenue base and grows by 9 per cent per annum over the medium-term.

Transfers recognized – operating includes the local government equitable share and other operating grants from national and provincial government. It needs to be noted that in real terms the grants receipts from national government are increasing over the MTREF.

Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

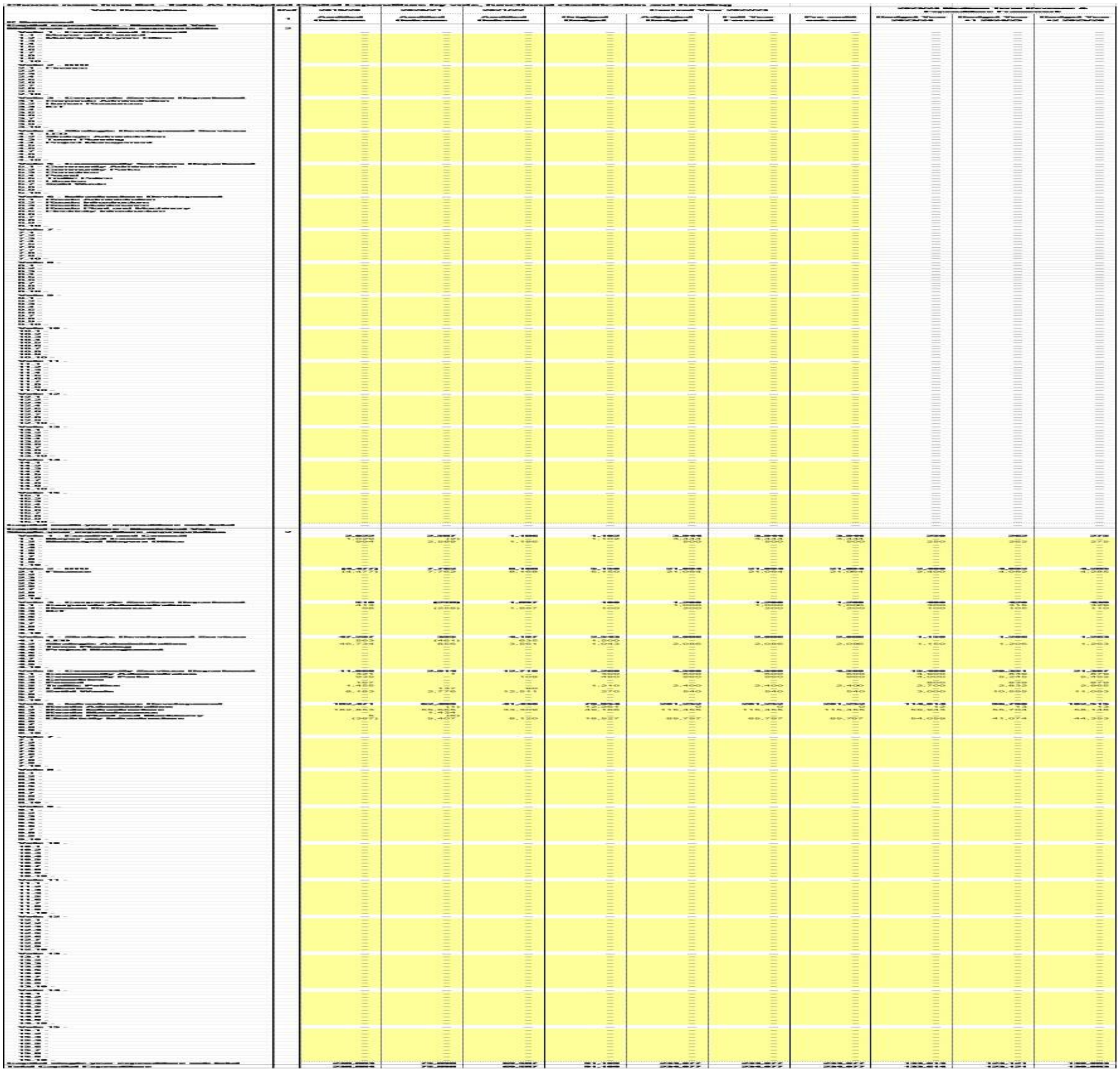


Table A5 is a breakdown of the capital program in relation to capital expenditure by municipal vote (single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.

Single-year capital expenditure has been appropriated at R142.1 million for the budget year and R123.1 million and R130 million for the two outer years.

Unlike multi-year capital appropriations, single-year appropriations relate to expenditure that will be incurred in the specific budget year such as the procurement of vehicles and specialized tools and equipment. The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the municipality. For the purpose of funding assessment of the MTREF, these appropriations have been included but no commitments will be incurred against single-year appropriations for the two outer-years.

Table A6 - Budgeted Financial Position

Choose name from list - Table A6 Budgeted Financial Position											
Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
ASSETS											
Current assets											
Cash and cash equivalents		85,254	110,529	77,313	319,335	446,194	446,194	446,194	73,300	61,740	45,644
Trade and other receivables from exchange transactions	1	23,637	23,017	22,300	794	15,757	15,757	15,757	107,064	118,577	120,746
Receivables from non-exchange transactions	1	6,507	4,068	16,516	91,366	182,732	182,732	182,732	16,027	21,676	21,676
Current portion of non-current receivables		–	–	–	–	–	–	–	–	–	–
Inventory	2	–	–	–	–	14	14	14	–	–	–
VAT		3,418	5,483	3,703	11,343	32,054	32,054	32,054	11,193	22,889	36,447
Other current assets		46	46	46	–	–	–	–	–	–	–
Total current assets		**118,863**	**143,142**	**119,879**	**422,838**	**676,752**	**676,752**	**676,752**	**207,584**	**224,881**	**224,512**
Non current assets											
Investments		–	–	–	–	–	–	–	–	–	–
Investment property		45,587	45,107	44,628	42,007	84,014	84,014	84,014	–	–	–
Property, plant and equipment	3	468,559	511,052	524,950	631,306	1,354,547	1,354,547	1,354,547	87,538	150,134	216,839
Biological assets		–	–	–	–	–	–	–	–	–	–
Living and non-living resources		–	–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–	–
Intangible assets		5	2	1	–	–	–	–	12	25	38
Trade and other receivables from exchange transactions		–	–	–	–	–	–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	40	–	–	–	–	–	–	–
Other non-current assets		–	–	–	–	–	–	–	–	–	–
Total non current assets		**514,151**	**556,162**	**569,620**	**673,313**	**1,438,561**	**1,438,561**	**1,438,561**	**87,550**	**150,159**	**216,876**
TOTAL ASSETS		**633,013**	**699,304**	**689,498**	**1,096,150**	**2,115,313**	**2,115,313**	**2,115,313**	**295,134**	**375,040**	**441,388**
LIABILITIES											
Current liabilities											
Bank overdraft		–	–	–	–	–	–	–	–	–	–
Financial liabilities		288	270	147	–	–	–	–	–	–	–
Consumer deposits		383	656	590	377	754	754	754	–	–	–
Trade and other payables from exchange transactions	4	61,796	62,010	49,541	–	(28,924)	(28,924)	(28,924)	46,901	95,746	147,063
Trade and other payables from non-exchange transaction	5	913	682	5,588	–	(0)	(0)	(0)	(17,090)	(29,773)	(43,052)
Provision		22,176	24,831	40,934	–	–	–	–	42,953	42,953	42,953
VAT		(4,258)	(4,756)	(4,436)	58,690	130,681	130,681	130,681	7,819	16,021	24,608
Other current liabilities		2,750	3,197	2,019	–	–	–	–	–	–	–
Total current liabilities		**84,048**	**86,890**	**94,383**	**59,067**	**102,510**	**102,510**	**102,510**	**80,582**	**124,947**	**171,573**
Non current liabilities											
Financial liabilities	6	417	147	(0)	–	–	–	–	30,000	30,000	30,000
Provision	7	13,348	14,736	14,736	–	–	–	–	–	–	–
Long term portion of trade payables		–	–	–	–	–	–	–	–	–	–
Other non-current liabilities		1,319	1,434	1,417	49,151	98,302	98,302	98,302	49,151	49,151	49,151
Total non current liabilities		**15,084**	**16,317**	**16,153**	**49,151**	**98,302**	**98,302**	**98,302**	**79,151**	**79,151**	**79,151**
TOTAL LIABILITIES		**99,132**	**103,208**	**110,536**	**108,218**	**200,812**	**200,812**	**200,812**	**159,733**	**204,098**	**250,724**
NET ASSETS		**533,881**	**596,096**	**578,962**	**987,932**	**1,914,500**	**1,914,500**	**1,914,500**	**135,401**	**170,943**	**190,665**
COMMUNITY WEALTH/EQUITY											
Accumulated surplus/(deficit)	8	499,165	596,096	579,296	987,932	1,914,500	1,914,500	1,914,500	84,233	119,774	139,496
Reserves and funds	9	–	–	–	–	–	–	–	51,168	51,168	51,168
Other											
TOTAL COMMUNITY WEALTH/EQUITY	10	**499,165**	**596,096**	**579,296**	**987,932**	**1,914,500**	**1,914,500**	**1,914,500**	**135,401**	**170,943**	**190,665**

Explanatory notes to Table A6 - Budgeted Financial Position

Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet). This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as "accounting" Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first. Table A6s supported by an extensive table of notes (SA3) providing a detailed analysis of the major components of a number of items, including:

- Call investments deposits;
- Consumer debtors;
- Property, plant and equipment;
- Trade and other payables;
- Provisions noncurrent;
- Changes in net assets; and
- Reserves

The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.

Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition the funding compliance assessment is informed directly by forecasting the statement of financial position.

Choose name from list - Table A7 Budgeted Cash Flows

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		–	–	–	34,138	68,276	68,276	68,276	30,514	32,009	39,427
Service charges		16,215	18,604	21,408	45,921	84,802	84,802	84,802	51,004	53,504	65,904
Other revenue		14,576	21,522	34,775	114,923	187,669	187,669	187,669	134,893	106,673	110,551
Transfers and Subsidies - Operational	1	180,360	197,485	176,347	187,532	376,040	376,040	376,040	202,177	205,989	193,874
Transfers and Subsidies - Capital	1	15,785	11,602	60,771	56,366	113,855	113,855	113,855	69,102	70,133	74,605
Interest		–	–	114	5,125	10,251	10,251	10,251	5,397	5,661	5,927
Dividends		–	–	–	–	–	–	–	–	–	–
Payments											
Suppliers and employees		126,122	(33,254)	(178,880)	(338,751)	(678,655)	(678,655)	(678,655)	(342,709)	(350,200)	(363,518)
Interest		–	–	–	(61)	(123)	(123)	(123)	(65)	(68)	(71)
Transfers and Subsidies	1	–	–	–	–	–	–	–	(12,090)	(12,683)	(13,279)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**353,058**	**215,959**	**114,535**	**105,193**	**162,115**	**162,115**	**162,115**	**138,223**	**111,019**	**113,419**
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		–	–	–	35,234	70,468	70,468	70,468	517	542	568
Decrease (increase) in non-current receivables		–	–	40	–	–	–	–	–	–	–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	–	–	–
Payments											
Capital assets		(85,011)	(71,901)	(70,750)	(91,109)	(293,017)	(293,017)	(293,017)	(133,614)	(123,121)	(130,083)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(85,011)**	**(71,901)**	**(70,710)**	**(55,875)**	**(222,549)**	**(222,549)**	**(222,549)**	**(133,097)**	**(122,579)**	**(129,515)**
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	30,000	–	–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–	–	–	–
Payments											
Repayment of borrowing		–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	–	–	–	–	–	–	**30,000**	–	–
NET INCREASE/ (DECREASE) IN CASH HELD		**268,047**	**144,058**	**43,826**	**49,318**	**(60,434)**	**(60,434)**	**(60,434)**	**35,126**	**(11,560)**	**(16,096)**
Cash/cash equivalents at the year begin:	2	**90,122**	–	**110,529**	**270,018**	**540,035**	**540,035**	**540,035**	**51,674**	**86,801**	**75,240**
Cash/cash equivalents at the year end:	2	**358,169**	**144,058**	**154,355**	**319,335**	**479,601**	**479,601**	**479,601**	**86,801**	**75,240**	**59,144**

Choose name from list - Table A7 Budgeted Cash Flows											
Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		–	–	–	34,138	68,276	68,276	68,276	30,514	32,009	39,427
Service charges		16,215	18,604	21,408	45,921	84,802	84,802	84,802	51,004	53,504	65,904
Other revenue		14,576	21,522	34,775	114,923	185,752	185,752	185,752	134,893	106,673	110,551
Transfers and Subsidies - Operational	1	180,360	197,485	176,347	187,532	376,040	376,040	376,040	197,177	205,989	193,874
Transfers and Subsidies - Capital	1	15,785	11,602	60,771	56,366	120,855	120,855	120,855	69,102	70,133	74,605
Interest		–	–	114	5,125	10,251	10,251	10,251	5,397	5,661	5,927
Dividends		–	–	–	–	–	–	–	–	–	–
Payments											
Suppliers and employees		126,122	(33,254)	(178,880)	(338,751)	(677,067)	(677,067)	(677,067)	(354,800)	(362,883)	(376,797)
Finance charges		–	–	–	(61)	(123)	(123)	(123)	(65)	(68)	(71)
Transfers and Subsidies	1	–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES		**353,058**	**215,959**	**114,535**	**105,193**	**168,786**	**168,786**	**168,786**	**133,223**	**111,019**	**113,419**
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		–	–	–	35,234	70,468	70,468	70,468	517	542	568
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	–	–	–
Payments											
Capital assets		(85,011)	(71,901)	(70,750)	(91,109)	(333,094)	(333,094)	(333,094)	(142,115)	(123,121)	(130,083)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(85,011)**	**(71,901)**	**(70,750)**	**(55,875)**	**(262,627)**	**(262,627)**	**(262,627)**	**(141,598)**	**(122,579)**	**(129,515)**
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	30,000	–	–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–	–	–	–
Payments											
Repayment of borrowing		–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	–	–	–	–	–	–	**30,000**	–	–
NET INCREASE/ (DECREASE) IN CASH HELD		**268,047**	**144,058**	**43,785**	**49,318**	**(93,841)**	**(93,841)**	**(93,841)**	**21,625**	**(11,560)**	**(16,096)**
Cash/cash equivalents at the year begin:	2	**90,122**	–	**110,529**	**270,018**	**540,035**	**540,035**	**540,035**	**51,674**	**73,300**	**61,739**
Cash/cash equivalents at the year end:	2	**358,169**	**144,058**	**154,314**	**319,335**	**446,194**	**446,194**	**446,194**	**73,300**	**61,739**	**45,643**

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below is consistent with international standards of good financial management practice and also improves understandability for councillors and management. Some specific features include:

- Clear separation of receipts and payments within each cash flow category;
- Clear separation of capital and operating receipts from government, which also enables cash from 'Ratepayers and other' to be provide for as cash inflow based on actual performance. In other words the *actual collection rate* of billed revenue.

Choose name from list - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Cash and investments available											
Cash/cash equivalents at the year end	1	358,169	144,058	154,314	319,335	446,194	446,194	446,194	73,300	61,739	45,643
Other current investments > 90 days		(249,278)	(10,512)	(54,701)	794	15,757	15,757	15,757	107,064	118,578	120,746
Investments - Property, plant and equipment	1	468,559	511,052	524,950	631,306	1,354,547	1,354,547	1,354,547	87,538	150,134	216,839
Cash and investments available:		577,450	644,598	624,564	951,435	1,816,499	1,816,499	1,816,499	267,902	330,451	383,228
Application of cash and investments											
Trade payables from Non-exchange transactions: Oth		–	–	–	–	–	–	–	(12,090)	(24,773)	(38,052)
Unspent borrowing		–	–	–	–	–	–		–	–	–
Statutory requirements	2	30,977	69,842	84,578	(47,347)	(98,627)	(98,627)	(98,627)	3,374	6,868	11,838
Other working capital requirements	3	41,618	37,547	5,565	(128,186)	(318,055)	(318,055)	(318,055)	30,020	72,732	122,372
Other provisions		24,926	28,028	42,953	–	–	–	–	42,953	42,953	42,953
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5	–	–	–	–	–	–	–	51,168	51,168	51,168
Total Application of cash and investments:		97,521	135,418	133,096	(175,533)	(416,683)	(416,683)	(416,683)	115,425	148,948	190,280
Surplus(shortfall)		479,929	509,180	491,468	1,126,968	2,233,182	2,233,182	2,233,182	152,477	181,503	192,948

Cash Backed Reserves/Accumulated Surplus Reconciliation

This following table meets the requirements of MFMA Circular 42 which deals with the funding of a municipal budget in accordance with sections 18 and 19 of the MFMA. The table seeks to answer three key questions regarding the use and availability of cash:

- What are the predicted cash and investments that are available at the end of the budget year?
- How are those funds used?
- What is the net funds available or funding shortfall?

A surplus would indicate the cash-backed accumulated surplus that was/is available. A shortfall (applications > cash and investments) is indicative of non-compliance with section 18 of the MFMA requirement that the municipality's budget must be 'funded'. Non-compliance with section 18 is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded (budgeted spending is greater than funds available or to be collected).

Choose name from list - Table A9 Asset Management

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
CAPITAL EXPENDITURE										
Total New Assets	1	176,071	74,916	69,587	91,109	258,754	258,754	137,115	117,876	124,592
Roads Infrastructure		104,139	53,998	29,229	39,388	89,098	89,098	51,343	45,633	47,604
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		(1,315)	5,175	8,120	17,681	103,383	103,383	55,459	40,445	43,694
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		8,624	–	11,994	–	540	540	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		*111,449*	*59,173*	*49,343*	*57,068*	*193,021*	*193,021*	*106,802*	*86,078*	*91,298*
Community Facilities		59,263	(272)	4,055	4,429	14,544	14,544	1,000	1,049	1,098
Sport and Recreation Facilities		5,207	–	–	–	–	–	–	–	–
Community Assets		*64,470*	*(272)*	*4,055*	*4,429*	*14,544*	*14,544*	*1,000*	*1,049*	*1,098*
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		2,567	12,632	12,870	6,043	16,994	16,994	14,027	14,714	15,405
Housing		–	–	–	–	–	–	–	–	–
Other Assets		*2,567*	*12,632*	*12,870*	*6,043*	*16,994*	*16,994*	*14,027*	*14,714*	*15,405*
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	(6)	–	–	–	–	–	–	–
Intangible Assets		–	*(6)*	–	–	–	–	–	–	–
Computer Equipment		4,788	2,646	984	13,961	6,000	6,000	3,181	3,337	3,494
Furniture and Office Equipment		(12,604)	482	828	1,152	4,704	4,704	1,500	1,574	1,647
Machinery and Equipment		(434)	(471)	355	2,060	3,260	3,260	1,106	1,160	1,214
Transport Assets		5,836	731	1,152	6,396	20,232	20,232	9,500	9,965	10,434
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Mature		–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–
Living Resources		–	–	–	–	–	–	–	–	–
Total Renewal of Existing Assets	2	26,164	–	–	–	15,400	15,400	5,000	5,245	5,492
Roads Infrastructure		1,666	–	–	–	15,400	15,400	5,000	5,245	5,492
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		*1,666*	–	–	–	*15,400*	*15,400*	*5,000*	*5,245*	*5,492*
Community Facilities		182	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		24,315	–	–	–	–	–	–	–	–
Community Assets		*24,498*	–	–	–	–	–	–	–	–
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	36,649	982	–	–	–	–	–	–	–
Roads Infrastructure		36,649	982	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		*36,649*	*982*	–	–	–	–	–	–	–
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		–	–	–	–	–	–	–	–	–

Choose name from list - Table A10 Basic service delivery measurement

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Household service targets	1									
Water:										
Piped water inside dwelling		–	–	–	–	–	–	–	–	–
Piped water inside yard (but not in dwelling)		–	–	–	–	–	–	–	–	–
Using public tap (at least min.service level)	2	–	–	–	–	–	–	–	–	–
Other water supply (at least min.service level)	4	–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		–	–	–	–	–	–	–	–	–
Using public tap (< min.service level)	3	–	–	–	–	–	–	–	–	–
Other water supply (< min.service level)	4	–	–	–	–	–	–	–	–	–
No water supply		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		–	–	–	–	–	–	–	–	–
Flush toilet (with septic tank)		–	–	–	–	–	–	–	–	–
Chemical toilet		–	–	–	–	–	–	–	–	–
Pit toilet (ventilated)		–	–	–	–	–	–	–	–	–
Other toilet provisions (> min.service level)		–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		–	–	–	–	–	–	–	–	–
Bucket toilet		–	–	–	–	–	–	–	–	–
Other toilet provisions (< min.service level)		–	–	–	–	–	–	–	–	–
No toilet provisions		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	–	–	–	–	–	–	–	–	–
Energy:										
Electricity (at least min.service level)		–	–	–	–	–	–	–	–	–
Electricity - prepaid (min.service level)		–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		–	–	–	–	–	–	–	–	–
Electricity (< min.service level)		–	–	–	–	–	–	–	–	–
Electricity - prepaid (< min. service level)		–	–	–	–	–	–	–	–	–
Other energy sources		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	–	–	–	–	–	–	–	–	–
Refuse:										
Removed at least once a week		–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		–	–	–	–	–	–	–	–	–
Removed less frequently than once a week		–	–	–	–	–	–	–	–	–
Using communal refuse dump		–	–	–	–	–	–	–	–	–
Using own refuse dump		–	–	–	–	–	–	–	–	–
Other rubbish disposal		–	–	–	–	–	–	–	–	–
No rubbish disposal		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	–	–	–	–	–	–	–	–	–
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)		–	–	–	–	–	–	–	–	–
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	–	–	–	–	–	–	–	–	–
Highest level of free service provided per household										
Property rates (R value threshold)		185,000	185,000	185,000	220,000	220,000	220,000	220,000	220,000	220,000
Water (kilolitres per household per month)		6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)		–	–	–						
Sanitation (Rand per household per month)		82	82	82	126	126	126	145	153	163
Electricity (kwh per household per month)		50	50	50	50	50	50	50	50	50
Refuse (average litres per week)		240	240	240	240	240	240	240	240	240
Revenue cost of subsidised services provided (R'000)	9									
Property rates **(tariff adjustment) (impermissable values per section 17 of MPRA)**		3,056	3,031	4,882	3,104	7,123	7,123	7,657	8,117	8,604
Property rates exemptions, reductions and rebates **and impermissable values in excess of section 17 of MPRA)**		–	–	–	–	–	–	–	–	–
Water **(in excess of 6 kilolitres per indigent household per month)**		–	–	–	–	–	–	–	–	–
Sanitation **(in excess of free sanitation service to indigent households)**		–	–	–	–	–	–	–	–	–
Electricity/other energy **(in excess of 50 kwh per indigent household per month)**		–	–	–	4,184	8,368	8,368	4,967	5,210	5,455
Refuse **(in excess of one removal a week for indigent households)**		–	–	–	2,815	5,629	5,629	2,964	3,109	3,255
Municipal Housing - rental rebates		1,166	1,449	1,461	1,090	1,596	1,596	1,699	1,801	1,909
Housing - top structure subsidies	6	–	–		–					
Other		–	–		–					
Total revenue cost of subsidised services provided		**4,222**	**4,480**	**6,343**	**11,193**	**22,716**	**22,716**	**17,287**	**18,237**	**19,223**

Choose name from list - Supporting Table SA1 Supportinging detail to 'Budgeted Financial Performance'

Description	Ref	2019/20 Audited Outcome	2020/21 Audited Outcome	2021/22 Audited Outcome	Current Year 2022/23 Original Budget	Current Year 2022/23 Adjusted Budget	Current Year 2022/23 Full Year Forecast	Current Year 2022/23 Pre-audit outcome	2023/24 Medium Term Revenue & Expenditure Framework Budget Year 2023/24	2023/24 Medium Term Revenue & Expenditure Framework Budget Year +1 2024/25	2023/24 Medium Term Revenue & Expenditure Framework Budget Year +2 2025/26
R thousand											
REVENUE ITEMS:											
Non-exchange revenue by source											
Exchange Revenue	6										
Total Property Rates		30,281	31,392	26,482	34,092	68,183	68,183	68,183	35,898	37,657	39,427
Less Revenue Foregone ***(exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)***		–	–	–	–	–	–	–	–	–	–
Net Property Rates		**30,281**	**31,392**	**26,482**	**34,092**	**68,183**	**68,183**	**68,183**	**35,898**	**37,657**	**39,427**
Exchange revenue service charges											
Service charges - Electricity	6										
Total Service charges - Electricity		33,062	36,769	39,535	48,765	89,529	89,529	89,529	53,136	55,739	58,359
Less Revenue Foregone ***(in excess of 50 kwh per indigent household per month)***		–	–	–	4,184	8,368	8,368	8,368	4,967	5,210	5,455
Less Cost of Free Basis Services (50 kwh per indigent household per month)		–	–	–	–	–	–		–	–	–
Net Service charges - Electricity		**33,062**	**36,769**	**39,535**	**44,580**	**81,161**	**81,161**	**81,161**	**48,169**	**50,529**	**52,904**
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		1	5	14					–	–	–
Less Revenue Foregone ***(in excess of free sanitation service to indigent households)***		–	–	–	–	–	–	–	–	–	–
Less Cost of Free Basis Services (free sanitation service to indigent households)		–	–	–	–	–	–		–	–	–
Net Service charges - Waste Water Management		**1**	**5**	**14**	–	–	–	–	–	–	–
Service charges - Waste Management	6										
Total refuse removal revenue		709	857	936	6,572	13,144	13,144	13,144	6,920	7,259	7,601
Total landfill revenue									–	–	–
Less Revenue Foregone ***(in excess of one removal a week to indigent households)***		–	–	–	2,815	5,629	5,629	5,629	2,964	3,109	3,255
Less Cost of Free Basis Services (removed once a week to indigent households)		–	–	–	–	–	–		–	–	–
Net Service charges - Waste Management		**709**	**857**	**936**	**3,757**	**7,515**	**7,515**	**7,515**	**3,957**	**4,150**	**4,345**
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	70,193	74,612	77,174	100,244	201,142	201,142	201,142	95,149	112,821	118,124
Pension and UIF Contributions		12,292	13,197	14,166	15,804	31,609	31,609	31,609	29,241	17,742	18,576
Medical Aid Contributions		4,660	5,109	5,275	5,976	11,952	11,952	11,952	12,463	6,707	7,023
Overtime		3,466	3,180	4,130	3,809	7,969	7,969	7,969	4,885	4,480	4,690
Performance Bonus		6,955	3,802	7,250	7,128	14,106	14,106	14,106	6,955	7,915	8,287
Motor Vehicle Allowance		3,421	1,218	852	766	1,532	1,532	1,532	2,761	862	903
Cellphone Allowance		281	322	106	110	220	220	220		124	129
Housing Allowances		136	96	130	111	222	222	222	414	125	131
Other benefits and allowances		1,910	1,659	1,911	3,732	7,264	7,264	7,264	1,820	4,088	4,280
Payments in lieu of leave		2,924	1,521	2,186	–	–	–	–	129		
Long service awards		834	940	911	–	–	–	–	515		
Post-retirement benefit obligations	4	(223)	(244)	(294)	–	–	–	–			
Entertainment		–	–	–	–	–	–	–			
Scarcity		330	270	197	59	119	119	119	216	67	70
Acting and post related allowance		309	485	833	538	1,075	1,075	1,075	392	603	631
In kind benefits		–	–	–	–	–	–	–	56		
sub-total	5	**107,489**	**106,167**	**114,825**	**138,278**	**277,210**	**277,210**	**277,210**	**154,996**	**155,534**	**162,844**
Less: Employees costs capitalised to PPE		–	–	–	–	–	–	–			
Total Employee related costs	1	**107,489**	**106,167**	**114,825**	**138,278**	**277,210**	**277,210**	**277,210**	**154,996**	**155,534**	**162,844**
Depreciation and amortisation											
Depreciation of Property, Plant & Equipment		30,063	29,814	54,795	51,816	103,632	103,632	103,632	54,564	57,236	59,926
Lease amortisation		5	3	1	–	–	–	–			
Capital asset impairment		–	–	1,018	–	–	–	–			
Total Depreciation and amortisation	1	**30,067**	**29,817**	**55,814**	**51,816**	**103,632**	**103,632**	**103,632**	**54,564**	**57,236**	**59,926**
Bulk purchases - electricity											
Electricity bulk purchases		22,235	24,593	27,666	32,438	61,875	61,875	61,875	36,723	38,522	40,333
Total bulk purchases	1	**22,235**	**24,593**	**27,666**	**32,438**	**61,875**	**61,875**	**61,875**	**36,723**	**38,522**	**40,333**
Transfers and grants											
Cash transfers and grants		1,553	1,092	–	–	–	–	–	–	–	–
Non-cash transfers and grants		–	–	–	–	–	–	–	12,090	12,683	13,279
Total transfers and grants	1	**1,553**	**1,092**	–	–	–	–	–	**12,090**	**12,683**	**13,279**
Irrecoverable debts written off											
Outsourced Services		34,099	24,469	20,583	28,655	56,032	56,032	56,032	27,409	23,507	24,612
Consultants and Professional Services		5,578	5,020	6,355	17,460	31,298	31,298	31,298	14,041	14,729	15,421
Contractors		19,946	29,475	41,046	45,704	65,666	65,666	65,666	37,869	42,725	41,592
Total contracted services		**59,623**	**58,965**	**67,985**	**91,820**	**152,995**	**152,995**	**152,995**	**79,320**	**80,961**	**81,626**
Operational Costs											
Collection costs		1,722	806	1,234	335	2,524	2,524	2,524	1,329	1,394	1,460
Contributions to 'other' provisions		–	–	–	–	–	–	–	–	–	–
Audit fees		5,292	3,740	3,511	4,500	14,000	14,000	14,000	7,371	7,732	8,096
Other Operational Costs		35,165	40,439	38,989	55,614	115,124	115,124	115,124	46,621	48,905	51,204
Total Operational Costs	1	**42,179**	**44,985**	**43,734**	**60,449**	**131,648**	**131,648**	**131,648**	**55,321**	**58,031**	**60,759**
Repairs and Maintenance by Expenditure Item	8										
Employee related costs		–	–	–	–	–	–	–	–	–	–
Inventory Consumed (Project Maintenance)		–	–	–	–	–	–	–	–	–	–
Contracted Services		4,615	4,517	13,036	23,054	39,882	39,882	39,882	15,251	18,999	16,751
Other Expenditure		–	–	–	–	–	–	–	–	–	–
Total Repairs and Maintenance Expenditure	9	4,615	4,517	13,036	23,054	39,882	39,882	39,882	15,251	18,999	16,751
Inventory Consumed											
Inventory Consumed - Water		–	–	–	–	–	–	–	–	–	–
Inventory Consumed - Other		–	–	60	1,512	4,426	4,426	4,426	1,410	1,480	1,549
Total Inventory Consumed & Other Material		–	–	**60**	**1,512**	**4,426**	**4,426**	**4,426**	**1,410**	**1,480**	**1,549**

Choose name from list - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote 1 - Excutive and Council	Vote 2 - BTO	Vote 3 - Corporate Services Department	Vote 4 - Strategic Development Services	Vote 5 - Community Services Department	Vote 6 - Infrastructure Development	Vote 7 -	Vote 8 -	Vote 9 -	Vote 10 -	Vote 11 -	Vote 12 -	Vote 13 -	Vote 14 -	Vote 15 -	Total
R thousand	1																
Revenue		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
Exchange Revenue																	
Service charges - Electricity		–	–	–	–	–	48,169	–	–	–	–	–	–	–	–	–	48,169
Service charges - Water		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - Waste Water Management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - Waste Management		–	–	–	–	3,957	–	–	–	–	–	–	–	–	–	–	3,957
Sale of Goods and Rendering of Services		–	345	–	764	666	–	–	–	–	–	–	–	–	–	–	1,774
Agency services		–	624	–	–	–	–	–	–	–	–	–	–	–	–	–	624
Interest		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Interest earned from Receivables		–	1,941	–	–	–	–	–	–	–	–	–	–	–	–	–	1,941
Interest earned from Current and Non Current Assets		–	5,397	–	–	–	–	–	–	–	–	–	–	–	–	–	5,397
Dividends		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		–	2,363	–	–	–	–	–	–	–	–	–	–	–	–	–	2,363
Licence and permits		–	71	–	–	2,588	–	–	–	–	–	–	–	–	–	–	2,658
Operational Revenue		–	75,330	–	–	660	33,654	–	–	–	–	–	–	–	–	–	109,644
Non-Exchange Revenue																	
Property rates		–	35,898	–	–	–	–	–	–	–	–	–	–	–	–	–	35,898
Surcharges and Taxes		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		–	57	–	–	61	261	–	–	–	–	–	–	–	–	–	379
Licences or permits		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfer and subsidies - Operational		–	192,145	–	–	7,330	2,702	–	–	–	–	–	–	–	–	–	202,177
Interest		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fuel Levy		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Operational Revenue		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Gains on disposal of Assets		–	1,101	–	–	–	–	–	–	–	–	–	–	–	–	–	1,101
Other Gains		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and cont		–	315,271	–	764	15,261	84,787	–	–	–	–	–	–	–	–	–	416,083
Expenditure																	
Employee related costs		23,753	25,618	19,593	16,248	44,663	25,121	–	–	–	–	–	–	–	–	–	154,996
Remuneration of councillors		14,939	–	–	–	–	–	–	–	–	–	–	–	–	–	–	14,939
Bulk purchases - electricity		–	–	–	–	–	36,723	–	–	–	–	–	–	–	–	–	36,723
Inventory consumed		435	193	190	31	–	562	–	–	–	–	–	–	–	–	–	1,410
Debt impairment		–	–	–	–	–	6,655	–	–	–	–	–	–	–	–	–	6,655
Depreciation and amortisation		1,200	12,842	1,981	868	2,360	35,314	–	–	–	–	–	–	–	–	–	54,564
Interest		–	65	–	–	–	–	–	–	–	–	–	–	–	–	–	65
Contracted services		14,358	11,188	9,651	8,480	15,150	20,493	–	–	–	–	–	–	–	–	–	79,320
Transfers and subsidies		–	3,762	–	–	2,853	5,476	–	–	–	–	–	–	–	–	–	12,090
Irrecoverable debts written off		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Operational costs		9,286	27,457	7,472	4,173	–	6,933	–	–	–	–	–	–	–	–	–	55,321
Losses on disposal of Assets		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Losses		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure		63,970	81,125	38,886	29,801	65,025	137,277	–	–	–	–	–	–	–	–	–	416,084
Surplus/(Deficit)		(63,970)	234,147	(38,886)	(29,038)	(49,764)	(52,490)	–	–	–	–	–	–	–	–	–	(2)
Transfers and subsidies - capital (monetary allocations)		–	–	–	–	–	69,102	–	–	–	–	–	–	–	–	–	69,102
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		(63,970)	234,147	(38,886)	(29,038)	(49,764)	16,612	–	–	–	–	–	–	–	–	–	69,100

Choose name from list - Supporting Table SA3 Supportinging detail to "Budgeted Financial Position"

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand											
ASSETS											
Trade and other receivables from exchange transactions											
Electricity		15,803	15,645	21,057	2,229	16,799	16,799	16,799	55,339	66,737	69,925
Water		0	0	0	–	–	–	–	–	–	–
Waste		13,160	11,311	7,989	(7,047)	(12,265)	(12,265)	(12,265)	43,843	41,823	38,568
Waste Water		–	(1,130)	(1,130)	–	–	–	–	–	–	–
Other trade receivables from exchange transactions		13,029	15,265	13,294	5,612	11,223	11,223	11,223	14,538	23,655	33,200
Gross: Trade and other receivables from exchange transactio		41,992	41,891	41,210	794	15,757	15,757	15,757	113,719	132,214	141,693
Less: Impairment for debt		(18,355)	(18,074)	(18,909)	-	-	-	-	(6,655)	(13,637)	(20,947)
Impairment for Electricity		(9,378)	(12,375)	(12,752)	–	–	–	–	(6,655)	(13,637)	(20,947)
Impairment for Water		–	–	–	–	–	–	–	–	–	–
Impairment for Waste		(11,550)	(9,722)	(5,345)	–	–	–	–	–	–	–
Impairment for Waste Water		–	–	–	–	–	–	–	–	–	–
Impairment for other trade receivalbes from exchange transaction		2,573	4,023	(812)	–	–	–	–	–	–	–
Total net Trade and other receivables from Exchange Transac		23,637	23,817	22,300	794	15,757	15,757	15,757	107,064	118,577	120,746
-											
Receivables from non-exchange transactions											
Property rates		22,098	22,555	30,554	1,705	3,409	3,409	3,409	13,062	18,710	18,710
Less: Impairment of Property rates		(17,976)	(20,333)	(15,896)	89,661	179,323	179,323	179,323	–	–	–
Net Property rates		4,122	2,222	14,658	91,366	182,732	182,732	182,732	13,062	18,710	18,710
Other receivables from non-exchange transactions		3,599	3,408	3,474	–	–	–	–	2,965	2,965	2,965
Impairment for other receivalbes from non-exchange transactions		(1,214)	(1,562)	(1,616)	–	–	–	–	–	–	–
Net other receivables from non-exchange transactions		2,385	1,846	1,858	-	-	-	-	2,965	2,965	2,965
Total net Receivables from non-exchange transactions		6,507	4,068	16,516	91,366	182,732	182,732	182,732	16,027	21,676	21,676
Inventory											
Water											
Opening Balance		–	–	–	–	–	–	–	–	–	–
System Input Volume		–	–	–	–	–	–	–	–	–	–
Water Treatment Works		–	–	–	–	–	–	–	–	–	–
Bulk Purchases		–	–	–	–	–	–	–	–	–	–
Natural Sources		–	–	–	–	–	–	–	–	–	–
Authorised Consumption	6	–	–	–	–	–	–	–	–	–	–
Billed Authorised Consumption		–	–	–	–	–	–	–	–	–	–
Billed Metered Consumption		–	–	–	–	–	–	–	–	–	–
Free Basic Water		–	–	–	–	–	–	–	–	–	–
Subsidised Water		–	–	–	–	–	–	–	–	–	–
Revenue Water		–	–	–	–	–	–	–	–	–	–
Billed Unmetered Consumption		–	–	–	–	–	–	–	–	–	–
Free Basic Water		–	–	–	–	–	–	–	–	–	–
Subsidised Water		–	–	–	–	–	–	–	–	–	–
Revenue Water		–	–	–	–	–	–	–	–	–	–
UnBilled Authorised Consumption		–	–	–	–	–	–	–	–	–	–
Unbilled Metered Consumption		–	–	–	–	–	–	–	–	–	–
Unbilled Unmetered Consumption		–	–	–	–	–	–	–	–	–	–
Water Losses		–	–	–	–	–	–	–	–	–	–
Apparent losses		–	–	–	–	–	–	–	–	–	–
Unauthorised Consumption		–	–	–	–	–	–	–	–	–	–
Customer Meter Inaccuracies		–	–	–	–	–	–	–	–	–	–
Real losses		–	–	–	–	–	–	–	–	–	–
Leakage on Transmission and Distribution Mains		–	–	–	–	–	–	–	–	–	–
Leakage and Overflows at Storage Tanks/Reservoirs		–	–	–	–	–	–	–	–	–	–
Leakage on Service Connections up to the point of Customer Me		–	–	–	–	–	–	–	–	–	–
Data Transfer and Management Errors		–	–	–	–	–	–	–	–	–	–
Unavoidable Annual Real Losses		–	–	–	–	–	–	–	–	–	–
Non-revenue Water		–	–	–	–	–	–	–	–	–	–
Closing Balance Water		–	–	–	–	–	–	–	–	–	–
Agricultural											
Opening Balance		–	–	–	–	–	–	–	–	–	–
Acquisitions		–	–	–	–	–	–	–	–	–	–
Issues	7	–	–	–	–	–	–	–	–	–	–
Adjustments	8	–	–	–	–	–	–	–	–	–	–
Write-offs	9	–	–	–	–	–	–	–	–	–	–
Closing balance - Agricultural		–	–	–	–	–	–	–	–	–	–
Consumables											
Standard Rated											
Opening Balance		(6)	(6)	(6)	–	–	–	–	–	–	–
Acquisitions		–	–	9	109	197	197	197	82	86	90
Issues	7	–	–	(9)	(109)	(172)	(172)	(172)	(82)	(86)	(90)
Adjustments	8	–	–	–	–	–	–	–	–	–	–
Write-offs	9	–	–	–	–	–	–	–	–	–	–
Closing balance - Consumables Standard Rated		(6)	(6)	(6)	–	25	25	25	–	–	–
Zero Rated											
Opening Balance		–	–	–	–	–	–	–	–	–	–
Acquisitions		–	–	–	–	–	–	–	–	–	–
Issues	7	–	–	–	–	–	–	–	–	–	–
Adjustments	8	–	–	–	–	–	–	–	–	–	–
Write-offs	9	–	–	–	–	–	–	–	–	–	–
Closing balance - Consumables Zero Rated		–	–	–	–	–	–	–	–	–	–
Finished Goods											
Opening Balance		–	–	–	–	–	–	–	–	–	–
Acquisitions		–	–	–	460	1,896	1,896	1,896	402	422	442
Issues	7	–	–	–	(460)	(1,916)	(1,916)	(1,916)	(402)	(422)	(442)
Adjustments	8	–	–	–	–	–	–	–	–	–	–
Write-offs	9	–	–	–	–	–	–	–	–	–	–
Closing balance - Finished Goods		–	–	–	–	(20)	(20)	(20)	–	–	–
Materials and Supplies											
Opening Balance		6	6	6	–	–	–	–	–	–	–
Acquisitions		–	–	51	944	2,347	2,347	2,347	927	972	1,018
Issues	7	–	–	(51)	(944)	(2,338)	(2,338)	(2,338)	(927)	(972)	(1,018)
Adjustments	8	–	–	–	–	–	–	–	–	–	–
Write-offs	9	–	–	–	–	–	–	–	–	–	–
Closing balance - Materials and Supplies		6	6	6	–	9	9	9	–	–	–
Work-in-progress											
Opening Balance		–	–	–	–	–	–	–	–	–	–
Materials		–	–	–	–	–	–	–	–	–	–
Transfers		–	–	–	–	–	–	–	–	–	–
Closing balance - Work-in-progress		–	–	–	–	–	–	–	–	–	–
Housing Stock											
Opening Balance		–	–	–	–	–	–	–	–	–	–
Acquisitions		–	–	–	–	–	–	–	–	–	–
Transfers		–	–	–	–	–	–	–	–	–	–
Sales		–	–	–	–	–	–	–	–	–	–
Closing Balance - Housing Stock		–	–	–	–	–	–	–	–	–	–
Land											
Opening Balance		–	–	–	–	–	–	–	–	–	–
Acquisitions		–	–	–	–	–	–	–	–	–	–
Sales		–	–	–	–	–	–	–	–	–	–
Adjustments		–	–	–	–	–	–	–	–	–	–
Correction of Prior period errors		–	–	–	–	–	–	–	–	–	–
Closing Balance - Land		–	–	–	–	–	–	–	–	–	–
Closing Balance - Inventory & Consumables		–	–	–	–	14	14	14	–	–	–
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. finance leases)		482,561	525,685	934,232	683,122	1,458,180	1,458,180	1,458,180	142,103	265,212	395,282
Leases recognised as PPE	3	799	400	197	–	–	–	–	–	–	–
Less: Accumulated depreciation		14,800	15,033	409,479	51,816	103,632	103,632	103,632	54,564	115,077	178,443
Total Property, plant and equipment (PPE)	2	468,559	511,052	524,950	631,306	1,354,547	1,354,547	1,354,547	87,538	150,134	216,839
LIABILITIES											
Current liabilities - Financial liabilities											
Short term loans (other than bank overdraft)		–	–	–	–	–	–	–	–	–	–
Current portion of long-term liabilities		288	270	147	–	–	–	–	–	–	–
Total Current liabilities - Financial liabilities		288	270	147	–	–	–	–	–	–	–
Trade and other payables from exchange transactions											
Trade and other payables from exchange transactions	5	61,796	62,010	49,541	–	(28,924)	(28,924)	(28,924)	46,901	95,746	147,063
Other trade payables from exchange transactions		–	–	–	–	–	–	–	–	–	–
Trade payables from Non-exchange transactions: Unspent conditional		913	682	5,588	–	(0)	(0)	(0)	(5,000)	(5,000)	(5,000)
Trade payables from Non-exchange transactions: Other		–	–	–	–	–	–	–	(12,090)	(24,773)	(38,052)
VAT		(4,258)	(4,756)	(4,436)	58,690	130,681	130,681	130,681	7,819	16,021	24,608
Total Trade and other payables from exchange transactions	2	58,450	57,937	50,693	58,690	101,757	101,757	101,757	37,629	81,994	128,620
Non current liabilities - Financial liabilities											
Borrowing	4	–	(270)	(0)	–	–	–	–	30,000	30,000	30,000
Other financial liabilities		417	417	–	–	–	–	–	–	–	–
Total Non current liabilities - Financial liabilities		417	147	(0)	–	–	–	–	30,000	30,000	30,000
Other non-current liabilities - non-current											
Retirement benefits		–	–	–	–	–	–	–	–	–	–
Refuse landfill site rehabilitation		13,348	14,736	14,736	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–	–
Total Other non-current liabilities - non-current		13,348	14,736	14,736	–	–	–	–	–	–	–
CHANGES IN NET ASSETS											
Accumulated surplus/(deficit)											
Accumulated surplus/(deficit) – opening balance		499,165	533,566	597,908	896,823	1,793,647	1,793,647	1,793,647	15,133	80,957	116,335
GRAP adjustments		–	–	–	–	–	–	–	–	–	–
Restated balance		499,165	533,566	597,908	896,823	1,793,647	1,793,647	1,793,647	15,133	80,957	116,335
Surplus/(Deficit)		34,716	62,530	(18,946)	91,109	120,854	120,854	120,854	69,100	38,818	23,162
Transfers to/from Reserves		–	–	–	–	–	–	–	–	–	–
Depreciation offsets		–	–	–	–	–	–	–	–	–	–
Other adjustments		–	–	–	–	–	–	–	–	–	–
Accumulated Surplus/(Deficit)	1	533,881	596,096	578,962	987,932	1,914,500	1,914,500	1,914,500	84,233	119,774	139,496
Reserves											
Housing Development Fund		–	–	–	–	–	–	–	51,168	51,168	51,168
Capital replacement		–	–	–	–	–	–	–	–	–	–
Self-insurance		–	–	–	–	–	–	–	–	–	–
Other reserves		–	–	–	–	–	–	–	–	–	–
Revaluation		–	–	–	–	–	–	–	–	–	–
Total Reserves	2	–	–	–	–	–	–	–	51,168	51,168	51,168
TOTAL COMMUNITY WEALTH/EQUITY	2	533,881	596,096	578,962	987,932	1,914,500	1,914,500	1,914,500	135,401	170,943	190,665

EC141 Elundini - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Good governance				42,894	43,892	42,584	59,309	58,969	58,969	61,637	64,657	67,696
Municipal Transfomation				25,912	25,534	29,253	38,458	39,475	39,475	39,792	41,742	43,704
Local Economic Development				11,837	13,142	15,236	24,125	23,942	23,942	26,645	27,951	29,265
Finacial viability				83,310	58,770	81,967	89,038	90,758	90,758	85,163	89,336	93,534
Basic services				133,443	154,480	168,855	186,933	173,386	173,386	185,518	194,608	203,755
Allocations to other priorities												
Total Expenditure			1	297,396	295,818	337,895	397,863	386,530	386,530	398,755	418,294	437,954

Choose name from list - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Good governce and Administration		A								250	262	275
Basic Service delivery		B								127,913	117,141	123,819
Local economic development		C								1,150	1,206	1,265
		D										
Financial Viabiliy		E								4,301	4,512	4,724
		F										
		G										
		H										
		I										
		J										
		K										
		L										
		M										
		N										
		O										
		P										
Allocations to other priorities			3									
Total Capital Expenditure			1	–	–	–	–	–	–	133,614	123,121	130,083

EC141 Elundini - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Borrowing Management											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.7%	0.6%	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	0.8%	0.6%	0.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
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%	13.4%	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	1.4	1.6	1.3	7.2	6.6	6.6	6.6	2.9	2.0	1.4
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.4	1.6	1.3	7.2	6.6	6.6	6.6	2.9	2.0	1.4
Liquidity Ratio	Monetary Assets/Current Liabilities	1.3	1.5	1.1	5.4	4.5	4.5	4.5	2.6	1.7	1.1
Revenue Management											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		25.3%	27.0%	32.0%	97.1%	97.6%	97.6%	61.6%	59.2%	69.6%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		25.1%	26.7%	31.9%	95.2%	95.5%	95.5%	95.5%	90.8%	90.8%	106.8%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	22.1%	18.5%	24.5%	33.5%	38.7%	38.7%	38.7%	6.8%	11.4%	15.0%
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		17.3%	43.0%	32.1%	0.0%	-6.5%	-6.5%	-6.5%	42.2%	98.9%	197.3%
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										
Water Distribution Losses (2)	Total Volume Losses (kℓ)										
	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)	42.8%	36.0%	43.3%	32.0%	35.9%	35.9%	35.9%	37.2%	39.9%	42.1%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	47.8%	40.2%	48.1%	35.3%	39.5%	39.5%		40.9%	43.9%	46.4%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	1.8%	1.5%	4.9%	5.3%	5.2%	5.2%		2.4%	2.6%	2.7%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	12.7%	10.7%	21.5%	12.0%	13.4%	13.4%	13.4%	13.7%	14.7%	15.5%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	–	2,592.3	51.7	77.5	77.5	77.5	65.1	70.2	65.6	65.0
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	28.9%	24.9%	49.8%	202.9%	230.4%	230.4%	230.4%	49.9%	77.9%	97.1%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	19.3	7.7	7.6	12.7	9.3	9.3	9.3	4.6	3.8	2.8

EC141 Elundini - Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2019/20	2020/21	2021/22	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
Demographics												
Population			137 394	122 576	138 141							
Females aged 5 - 14		Statistics SA	21 263		15 695							
Males aged 5 - 14			21 521		16 352							
Females aged 15 - 34			21 404		21 667							
Males aged 15 - 34			19 385		23 040							
Unemployment			0		11 323							
Monthly household income (no. of households)	1, 12											
No income			16,9%		3 601							
R1 - R1 600			8,25		3 113							
R1 601 - R3 200			12,95		4 868							
R3 201 - R6 400			28,5%		10 770							
R6 401 - R12 800			19,1%		7 217							
R12 801 - R25 600			6,6%		2 501							
R25 601 - R51 200			4,4%		889							
R52 201 - R102 400			2,3%		889							
R102 401 - R204 800			0,9%		324							
R204 801 - R409 600			0,1%		53							
R409 601 - R819 200			0,1%		45							
> R819 200			0,1%		23							
Poverty profiles (no. of households)												
< R5 500 per household per month	13											
Insert description	2											
Household/demographics (000)												
Number of people in municipal area			137,394	122 576	138, 141							
Number of poor people in municipal area												
Number of households in municipal area			33,209	35 553	33, 209							
Number of poor households in municipal area												
Definition of poor household (R per month)												
Housing statistics	3											
Formal			40,1%	24,7%								
Informal			1,7%	1,0%								
Total number of households			-	-	-	-	-	-	-	-	-	-
Dwellings provided by municipality	4		33 209	35 553	33 209							
Dwellings provided by province/s			1 481 640	1 586 735								
Dwellings provided by private sector	5											
Total new housing dwellings			-	-	-	-	-	-	-	-	-	-
Economic	6											
Inflation/inflation outlook (CPIX)												
Interest rate - borrowing												
Interest rate - investment												
Remuneration increases												
Consumption growth (electricity)			11,4%	28,5%								
Consumption growth (water)			32,9%	41,15								
Collection rates	7											
Property tax/service charges												
Rental of facilities & equipment												
Interest - external investments												
Interest - debtors												
Revenue from agency services												

Detail on the provision of municipal services for A10

Total municipal services	Ref.		2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
		Household service targets (000)									
		Water:									
		Piped water inside dwelling	–	–	–	–	–	–	–	–	–
		Piped water inside yard (but not in dwelling)	–	–	–	–	–	–	–	–	–
	8	Using public tap (at least min.service level)	–	–	–	–	–	–	–	–	–
	10	Other water supply (at least min.service level)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
	9	Using public tap (< min.service level)	–	–	–	–	–	–	–	–	–
	10	Other water supply (< min.service level)	–	–	–	–	–	–	–	–	–
		No water supply	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
		Sanitation/sewerage:									
		Flush toilet (connected to sewerage)	–	–	–	–	–	–	–	–	–
		Flush toilet (with septic tank)	–	–	–	–	–	–	–	–	–
		Chemical toilet	–	–	–	–	–	–	–	–	–
		Pit toilet (ventilated)	–	–	–	–	–	–	–	–	–
		Other toilet provisions (> min.service level)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
		Bucket toilet	–	–	–	–	–	–	–	–	–
		Other toilet provisions (< min.service level)	–	–	–	–	–	–	–	–	–
		No toilet provisions	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
		Energy:									
		Electricity (at least min.service level)	–	–	–	–	–	–	–	–	–
		Electricity - prepaid (min.service level)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
		Electricity (< min.service level)	–	–	–	–	–	–	–	–	–
		Electricity - prepaid (< min. service level)	–	–	–	–	–	–	–	–	–
		Other energy sources	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
		Refuse:									
		Removed at least once a week	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
		Removed less frequently than once a week	–	–	–	–	–	–	–	–	–
		Using communal refuse dump	–	–	–	–	–	–	–	–	–
		Using own refuse dump	–	–	–	–	–	–	–	–	–
		Other rubbish disposal	–	–	–	–	–	–	–	–	–
		No rubbish disposal	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–

Choose name from list Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	358,169	144,058	154,314	319,335	446,194	446,194	446,194	73,300	61,739	45,643
Cash + investments at the yr end less applications - R'000	18(1)b	2	479,929	509,180	491,468	1,126,968	2,233,182	2,233,182	2,233,182	152,477	181,503	192,948
Cash year end/monthly employee/supplier payments	18(1)b	3	19.3	7.7	7.6	12.7	9.3	9.3	9.3	2.8	2.3	1.6
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	34,716	62,530	(17,928)	91,109	120,854	120,854	120,854	69,100	38,818	23,162
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	1.8%	(9.0%)	17.1%	84.3%	(6.0%)	(6.0%)	(49.9%)	(1.1%)	(1.3%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	38.7%	49.7%	71.9%	96.1%	108.4%	108.4%	108.4%	105.3%	106.2%	113.9%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	7.6%	7.6%	7.6%
Capital payments % of capital expenditure	18(1)c;19	8	35.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	41.1%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	(10.2%)	43.3%	137.4%	115.4%	0.0%	0.0%	(38.0%)	13.9%	1.5%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	(100.0%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	1.0%	0.9%	2.5%	3.7%	2.9%	2.9%	1.1%	21.7%	11.2%	0.0%
Asset renewal % of capital budget	20(1)(vi)	14	11.0%	0.0%	0.0%	0.0%	5.6%	5.6%	5.6%	3.5%	4.3%	4.2%
References												
1. Positive cash balances indicative of minimum compliance - subject to 2												
2. Deduct cash and investment applications (defined) from cash balances												
3. Indicative of sufficient liquidity to meet average monthly operating payments												
4. Indicative of funded operational requirements												
5. Indicative of adherence to macro-economic targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)												
6. Realistic average cash collection forecasts as % of annual billed revenue												
7. Realistic average increase in debt impairment (doubtful debt) provision												
8. Indicative of planned capital expenditure level & cash payment timing												
9. Indicative of compliance with borrowing 'only' for the capital budget - should not exceed 100% unless refinancing												
10. Substantiation of National/Province allocations included in budget												
11. Indicative of realistic current arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)												
12. Indicative of realistic long term arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)												
13. Indicative of a credible allowance for repairs & maintenance of assets - functioning assets revenue protection												
14. Indicative of a credible allowance for asset renewal (requires analysis of asset renewal projects as % of total capital projects - detailed capital plan) - functioning assets revenue protection												
Supporting indicators												
% incr *total service charges (incl prop rates)*	18(1)a			7.8%	(3.0%)	23.1%	90.3%	0.0%	0.0%	(43.9%)	4.9%	4.7%
% incr Property Tax	18(1)a			3.7%	(15.6%)	28.7%	100.0%	0.0%	0.0%	(47.4%)	4.9%	4.7%
% incr Service charges - Electricity	18(1)a			11.2%	7.5%	12.8%	82.1%	0.0%	0.0%	(40.7%)	4.9%	4.7%
% incr Service charges - Water	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% incr Service charges - Waste Water Management	18(1)a			418.3%	180.5%	(100.0%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% incr Service charges - Waste Management	18(1)a			20.9%	9.3%	301.3%	100.0%	0.0%	0.0%	(47.4%)	4.9%	4.7%
% incr in Sale of Goods and Rendering of Services	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total billable revenue	18(1)a		64,053	69,023	66,967	82,429	156,859	156,859	156,859	88,024	92,337	96,677
Service charges			64,053	69,023	66,967	82,429	156,859	156,859	156,859	88,024	92,337	96,677
Property rates			30,281	31,392	26,482	34,092	68,183	68,183	68,183	35,898	37,657	39,427
Service charges - electricity revenue			33,062	36,769	39,535	44,580	81,161	81,161	81,161	48,169	50,529	52,904
Service charges - water revenue			–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue			1	5	14	–	–	–	–	–	–	–
Service charges - refuse removal			709	857	936	3,757	7,515	7,515	7,515	3,957	4,150	4,345
Agency services			–	–	–	592	1,185	1,185	1,185	624	654	685
Capital expenditure excluding capital grant funding			92,483	25,593	42,521	34,743	153,300	153,300	153,300	73,013	52,988	55,479
Cash receipts from ratepayers	18(1)a		30,791	40,126	56,183	194,982	338,830	338,830	338,830	216,411	192,186	215,882
Ratepayer & Other revenue	18(1)a		79,495	80,660	78,118	202,872	312,614	312,614	312,614	205,466	181,011	189,519
Change in consumer debtors (current and non-current)			N/A	(3,060)	11,772	53,303	106,330	106,330	106,330	(75,398)	17,162	2,169
Operating and Capital Grant Revenue	18(1)a		243,418	267,739	228,065	243,898	496,895	496,895	496,895	271,279	276,122	268,478
Capital expenditure - total	20(1)(vi)		238,884	75,898	69,587	91,109	274,154	274,154	274,154	142,115	123,121	130,083
Capital expenditure - renewal	20(1)(vi)		26,164	–	–	–	15,400	15,400	15,400	5,000	5,245	5,492
Supporting benchmarks												
Growth guideline maximum			6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
CPI guideline			4.3%	3.9%	4.6%	5.0%	5.0%	5.0%	5.0%	5.4%	5.6%	5.4%
DoRA operating grants total MFY												
DoRA capital grants total MFY												
Provincial operating grants												
Provincial capital grants												
District Municipality grants												
Total gazetted/advised national, provincial and district grants										–	–	–
Average annual collection rate (arrears inclusive)												
DoRA operating												
Local Government Financial Management Grant												
Expanded Public Works Programme Integrated Grant												
Municipal Infrastructure Grant												
Equitable Share												
National Departmental Agencies												
										–	–	–
DoRA capital												
List capital grants												
Energy Efficiency and Demand Side Management Grant												
Integrated National Electrification Programme Grant												
Municipal Infrastructure Grant												
										–	–	–
Trend												
Change in consumer debtors (current and non-current)			N/A	(3,060)	11,772	53,303	106,330	106,330	106,330	(75,398)	17,162	2,169
Total Operating Revenue			251,282	295,253	265,222	432,606	773,059	773,059	773,059	416,083	395,853	392,661
Total Operating Expenditure			297,396	295,818	336,878	397,863	773,060	773,060	773,060	416,084	427,168	444,104
Operating Performance Surplus/(Deficit)			(46,114)	(564)	(71,655)	34,743	(1)	(1)	(1)	(2)	(31,315)	(51,443)
Cash and Cash Equivalents (30 June 2024)										73,300		
Revenue												
% Increase in Total Operating Revenue				17.5%	(10.2%)	63.1%	78.7%	0.0%	0.0%	(46.2%)	(4.9%)	(0.8%)
% Increase in Property Rates Revenue				3.7%	(15.6%)	28.7%	100.0%	0.0%	0.0%	(47.4%)	4.9%	4.7%
% Increase in Electricity Revenue				11.2%	7.5%	12.8%	82.1%	0.0%	0.0%	(40.7%)	4.9%	4.7%
% Increase in Property Rates & Services Charges				7.8%	(3.0%)	23.1%	90.3%	0.0%	0.0%	(43.9%)	4.9%	4.7%
Expenditure												
% Increase in Total Operating Expenditure				(0.5%)	13.9%	18.1%	94.3%	0.0%	0.0%	(46.2%)	2.7%	4.0%
% Increase in Employee Costs				(1.2%)	8.2%	20.4%	100.5%	0.0%	0.0%	(44.1%)	0.3%	4.7%
% Increase in Electricity Bulk Purchases				10.6%	12.5%	17.2%	90.8%	0.0%	0.0%	(40.6%)	4.9%	4.7%
Average Cost Per Budgeted Employee Position (Remuneration)					–	–				–		
Average Cost Per Councillor (Remuneration)					–	–				–		
R&M % of PPE			1.0%	0.9%	2.5%	3.7%	2.9%	2.9%	2.9%	1.1%	21.7%	11.2%
Asset Renewal and R&M as a % of PPE			16.0%	1.0%	3.0%	88.0%	72.0%	72.0%	72.0%	862.0%	(110.0%)	(47.0%)
Debt Impairment % of Total Billable Revenue			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	7.6%	7.6%	7.6%
Capital Revenue												
Internally Funded & Other (R'000)			10,163	21,885	22,102	34,743	93,300	93,300	93,300	43,013	52,988	55,479
Borrowing (R'000)			–	–	–	–	60,000	60,000	60,000	30,000	–	–
Grant Funding and Other (R'000)			146,401	50,305	27,066	56,366	120,855	120,855	120,855	69,102	70,133	74,604
Internally Generated funds % of Non Grant Funding			100.0%	100.0%	100.0%	100.0%	60.9%	60.9%	60.9%	58.9%	100.0%	100.0%
Borrowing % of Non Grant Funding			0.0%	0.0%	0.0%	0.0%	39.1%	39.1%	39.1%	41.1%	0.0%	0.0%
Grant Funding % of Total Funding			93.5%	69.7%	55.0%	61.9%	44.1%	44.1%	44.1%	48.6%	57.0%	57.4%
Capital Expenditure												
Total Capital Programme (R'000)			238,884	75,898	69,587	91,109	274,154	274,154	274,154	142,115	123,121	130,083
Asset Renewal			62,813	982	–	–	15,400	15,400	15,400	5,000	5,245	5,492
Asset Renewal % of Total Capital Expenditure			40.1%	1.4%	0.0%	0.0%	5.6%	5.6%	5.6%	3.5%	4.3%	4.2%
Cash												
Cash Receipts % of Rate Payer & Other			38.7%	49.7%	71.9%	96.1%	108.4%	108.4%	108.4%	105.3%	106.2%	113.9%
Cash Coverage Ratio			19.32	7.74	7.61	12.70	9.31	9.31	9.31	2.79	2.30	1.64
Borrowing												
Most recent Credit Rating										0		
Capital Charges to Operating			0.7%	0.6%	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowing Receipts % of Capital Expenditure			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	41.1%	0.0%	0.0%
Reserves												
Uncommitted reserves after application of cash and investments			479,929	509,180	491,468	1,126,968	2,233,182	2,233,182	2,233,182	152,477	181,503	192,948
Free Services												
Free Basic Services as a % of Equitable Share			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Free Services as a % of Operating Revenue (excl operational transfers)			4.8%	4.9%	7.0%	4.6%	5.7%	5.7%	5.7%	8.1%	9.6%	9.7%
High Level Outcome of Funding Compliance												
Total Operating Revenue			251,282	295,253	265,222	432,606	773,059	773,059	773,059	416,083	395,853	392,661
Total Operating Expenditure			297,396	295,818	336,878	397,863	773,060	773,060	773,060	416,084	427,168	444,104
Surplus/(Deficit) Budgeted Operating Statement			(46,114)	(564)	(71,655)	34,743	(1)	(1)	(1)	(2)	(31,315)	(51,443)
Surplus/(Deficit) Considering Reserves and Cash Backing			479,929	509,180	491,468	1,126,968	2,233,182	2,233,182	2,233,182	152,477	181,503	192,948
MTREF Funded (1) / Unfunded (0)		15	1	1	1	1	1	1	1	1	1	1
MTREF Funded ✓ / Unfunded ✗		15	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Supporting indicators												
% incr *total service charges (incl prop rates)*	18(1)a			7.8%	(3.0%)	23.1%	90.3%	0.0%	0.0%	(43.9%)	4.9%	4.7%
% incr Property Tax	18(1)a			3.7%	(15.6%)	28.7%	100.0%	0.0%	0.0%	(47.4%)	4.9%	4.7%
% incr Service charges - Electricity	18(1)a			11.2%	7.5%	12.8%	82.1%	0.0%	0.0%	(40.7%)	4.9%	4.7%
% incr Service charges - Water	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% incr Service charges - Waste Water Management	18(1)a			418.3%	180.5%	(100.0%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% incr Service charges - Waste Management	18(1)a			20.9%	9.3%	301.3%	100.0%	0.0%	0.0%	(47.4%)	4.9%	4.7%
% incr in Sale of Goods and Rendering of Services	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total billable revenue	18(1)a		64,053	69,023	66,967	82,429	156,859	156,859	156,859	88,024	92,337	96,677
Service charges			64,053	69,023	66,967	82,429	156,859	156,859	156,859	88,024	92,337	96,677
Property rates			30,281	31,392	26,482	34,092	68,183	68,183	68,183	35,898	37,657	39,427
Service charges - electricity revenue			33,062	36,769	39,535	44,580	81,161	81,161	81,161	48,169	50,529	52,904
Service charges - water revenue			–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue			1	5	14	–	–	–	–	–	–	–
Service charges - refuse removal			709	857	936	3,757	7,515	7,515	7,515	3,957	4,150	4,345
Agency services			–	–	–	592	1,185	1,185	1,185	624	654	685
Capital expenditure excluding capital grant funding			92,483	25,593	42,521	34,743	153,300	153,300	153,300	73,013	52,988	55,479
Cash receipts from ratepayers	18(1)a		30,791	40,126	56,183	194,982	338,830	338,830	338,830	216,411	192,186	215,882
Ratepayer & Other revenue	18(1)a		79,495	80,660	78,118	202,872	312,614	312,614	312,614	205,466	181,011	189,519
Change in consumer debtors (current and non-current)			N/A	(3,060)	11,772	53,303	106,330	106,330	106,330	(75,398)	17,162	2,169
Operating and Capital Grant Revenue	18(1)a		243,418	267,739	228,065	243,898	496,895	496,895	496,895	271,279	276,122	268,478
Capital expenditure - total	20(1)(vi)		238,884	75,898	69,587	91,109	274,154	274,154	274,154	142,115	123,121	130,083
Capital expenditure - renewal	20(1)(vi)		26,164	–	–	–	15,400	15,400	15,400	5,000	5,245	5,492
Supporting benchmarks												
Growth guideline maximum			6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
CPI guideline			4.3%	3.9%	4.6%	5.0%	5.0%	5.0%	5.0%	5.4%	5.6%	5.4%
DoRA operating grants total MFY												
DoRA capital grants total MFY												
Provincial operating grants												
Provincial capital grants												
District Municipality grants												
Total gazetted/advised national, provincial and district grants										–	–	–
Average annual collection rate (arrears inclusive)												
DoRA operating												
Local Government Financial Management Grant												
Expanded Public Works Programme Integrated Grant												
Municipal Infrastructure Grant												
Equitable Share												
National Departmental Agencies												
										–	–	–
DoRA capital												
List capital grants												
Energy Efficiency and Demand Side Management Grant												
Integrated National Electrification Programme Grant												
Municipal Infrastructure Grant												
										–	–	–
Trend												
Change in consumer debtors (current and non-current)			N/A	(3,060)	11,772	53,303	106,330	106,330	106,330	(75,398)	17,162	2,169
Total Operating Revenue			251,282	295,253	265,222	432,606	773,059	773,059	773,059	416,083	395,853	392,661
Total Operating Expenditure			297,396	295,818	336,878	397,863	773,060	773,060	773,060	416,084	427,168	444,104
Operating Performance Surplus/(Deficit)			(46,114)	(564)	(71,655)	34,743	(1)	(1)	(1)	(2)	(31,315)	(51,443)
Cash and Cash Equivalents (30 June 2024)										73,300		
Revenue												
% Increase in Total Operating Revenue				17.5%	(10.2%)	63.1%	78.7%	0.0%	0.0%	(46.2%)	(4.9%)	(0.8%)
% Increase in Property Rates Revenue				3.7%	(15.6%)	28.7%	100.0%	0.0%	0.0%	(47.4%)	4.9%	4.7%
% Increase in Electricity Revenue				11.2%	7.5%	12.8%	82.1%	0.0%	0.0%	(40.7%)	4.9%	4.7%
% Increase in Property Rates & Services Charges				7.8%	(3.0%)	23.1%	90.3%	0.0%	0.0%	(43.9%)	4.9%	4.7%
Expenditure												
% Increase in Total Operating Expenditure				(0.5%)	13.9%	18.1%	94.3%	0.0%	0.0%	(46.2%)	2.7%	4.0%
% Increase in Employee Costs				(1.2%)	8.2%	20.4%	100.5%	0.0%	0.0%	(44.1%)	0.3%	4.7%
% Increase in Electricity Bulk Purchases				10.6%	12.5%	17.2%	90.8%	0.0%	0.0%	(40.6%)	4.9%	4.7%
Average Cost Per Budgeted Employee Position (Remuneration)					-	-				-		
Average Cost Per Councillor (Remuneration)					-	-				-		
R&M % of PPE			1.0%	0.9%	2.5%	3.7%	2.9%	2.9%	2.9%	1.1%	21.7%	11.2%
Asset Renewal and R&M as a % of PPE			16.0%	1.0%	3.0%	88.0%	72.0%	72.0%	72.0%	862.0%	(110.0%)	(47.0%)
Debt Impairment % of Total Billable Revenue			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	7.6%	7.6%	7.6%
Capital Revenue												
Internally Funded & Other (R'000)			10,163	21,885	22,102	34,743	93,300	93,300	93,300	43,013	52,988	55,479
Borrowing (R'000)			–	–	–	–	60,000	60,000	60,000	30,000	–	–
Grant Funding and Other (R'000)			146,401	50,305	27,066	56,366	120,855	120,855	120,855	69,102	70,133	74,604
Internally Generated funds % of Non Grant Funding			100.0%	100.0%	100.0%	100.0%	60.9%	60.9%	60.9%	58.9%	100.0%	100.0%
Borrowing % of Non Grant Funding			0.0%	0.0%	0.0%	0.0%	39.1%	39.1%	39.1%	41.1%	0.0%	0.0%
Grant Funding % of Total Funding			93.5%	69.7%	55.0%	61.9%	44.1%	44.1%	44.1%	48.6%	57.0%	57.4%
Capital Expenditure												
Total Capital Programme (R'000)			238,884	75,898	69,587	91,109	274,154	274,154	274,154	142,115	123,121	130,083
Asset Renewal			62,813	982	–	–	15,400	15,400	15,400	5,000	5,245	5,492
Asset Renewal % of Total Capital Expenditure			40.1%	1.4%	0.0%	0.0%	5.6%	5.6%	5.6%	3.5%	4.3%	4.2%
Cash												
Cash Receipts % of Rate Payer & Other			38.7%	49.7%	71.9%	96.1%	108.4%	108.4%	108.4%	105.3%	106.2%	113.9%
Cash Coverage Ratio			19.32	7.74	7.61	12.70	9.31	9.31	9.31	2.79	2.30	1.64
Borrowing												
Most recent Credit Rating										0		
Capital Charges to Operating			0.7%	0.6%	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowing Receipts % of Capital Expenditure			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	41.1%	0.0%	0.0%
Reserves												
Uncommitted reserves after application of cash and investments			479,929	509,180	491,468	1,126,968	2,233,182	2,233,182	2,233,182	152,477	181,503	192,948
Free Services												
Free Basic Services as a % of Equitable Share			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Free Services as a % of Operating Revenue (excl operational transfers)			4.8%	4.9%	7.0%	4.6%	5.7%	5.7%	5.7%	8.1%	9.6%	9.7%
High Level Outcome of Funding Compliance												
Total Operating Revenue			251,282	295,253	265,222	432,606	773,059	773,059	773,059	416,083	395,853	392,661
Total Operating Expenditure			297,396	295,818	336,878	397,863	773,060	773,060	773,060	416,084	427,168	444,104
Surplus/(Deficit) Budgeted Operating Statement			(46,114)	(564)	(71,655)	34,743	(1)	(1)	(1)	(2)	(31,315)	(51,443)
Surplus/(Deficit) Considering Reserves and Cash Backing			479,929	509,180	491,468	1,126,968	2,233,182	2,233,182	2,233,182	152,477	181,503	192,948

EC141 Elundini - Supporting Table SA13a Service Tariffs by category									
Description	Ref	Provide description of tariff structure where appropriate	2019/20	2020/21	2021/22	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
							Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Property rates *(rate in the Rand)*	1								
Residential properties			0.0086	0.0072	0.0076	0.0081	0.0085	0.0090	0.0095
Residential properties - vacant land			0.0132	0.0144	0.0152	0.0161	0.0171	0.0180	0.0190
Formal/informal settlements									
Small holdings			0.0016	0.0018	0.0019	0.0020	0.0021	0.0023	0.0024
Farm properties - used			0.0016	0.0018	0.0019	0.0020	0.0021	0.0023	0.0024
Farm properties - not used		Mining	0.0132	0.0108	0.0114	0.0121	0.0128	0.0135	0.0142
Industrial properties			0.0132	0.0144	0.0152	0.0161	0.0171	0.0180	0.0190
Business and commercial properties			0.0132	0.0108	0.0114	0.0121	0.0128	0.0135	0.0142
Communal land - residential									
Communal land - small holdings									
Communal land - farm property									
Communal land - business and commercial									
Communal land - other									
State-owned properties			0.0132	0.0144	0.0152	0.0161	0.0171	0.0180	0.0190
Municipal properties			-	-	-	-	-	-	-
Public service infrastructure			0.0016	0.0018	0.0019	0.0020	0.0021	0.0023	0.0024
Privately owned towns serviced by the owner									
State trust land									
Restitution and redistribution properties									
Protected areas									
National monuments properties									
Property rates by usage									
Business and commercial properties									
Industrial properties									
Mining properties									
Residential properties									
Agricultural properties									
Public benefit organisations									
Public service purpose properties									
Public service infrastructure properties									
Vacant land									
Sport Clubs and Fields (Bitou only)									
Sectional Title Garages (Drakenstein only)									
Exemptions, reductions and rebates *(Rands)*									
Residential properties									
R15 000 threshhold rebate									
General residential rebate									
Indigent rebate or exemption		per charges	100%	100%	100%	100%	100%	100%	100%
Pensioners/social grants rebate or exemption									
Temporary relief rebate or exemption									
Bona fide farmers rebate or exemption		Farm Rebate	50%	50%	50%	50%	50%	50%	50%
Other rebates or exemptions	2								
Water tariffs									
Domestic									
Basic charge/fixed fee *(Rands/month)*									
Service point - vacant land *(Rands/month)*									
Water usage - flat rate tariff *(c/kl)*									
Water usage - life line tariff		(describe structure)							
Water usage - Block 1 (c/kl)		(fill in thresholds)							
Water usage - Block 2 (c/kl)		(fill in thresholds)							
Water usage - Block 3 (c/kl)		(fill in thresholds)							
Water usage - Block 4 (c/kl)		(fill in thresholds)							
Water usage - Block 5 (c/kl)									
Water usage - Block 6 (c/kl)									
Other	2								
Waste water tariffs									
Domestic									
Basic charge/fixed fee *(Rands/month)*									
Service point - vacant land *(Rands/month)*									
Waste water - flat rate tariff *(c/kl)*									
Volumetric charge - Block 1 (c/kl)									
Volumetric charge - Block 2 (c/kl)									
Volumetric charge - Block 3 (c/kl)									
Volumetric charge - Block 4 (c/kl)									
Other	2								
Electricity tariffs									
Domestic									
Basic charge/fixed fee *(Rands/month)*			88.89	100.51	106.54	112.29	119.03	125.46	132.36
Service point - vacant land *(Rands/month)*									
FBE		(how is this targeted?) units	50.00	50.00	50.00	50.00	50.00	50.00	50.00

EC141 Elundini - Supporting Table SA13b Service Tariffs by category - explanatory									
Description	Ref	Provide description of tariff structure where appropriate	2019/20	2020/21	2021/22	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
							Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Exemptions, reductions and rebates *(Rands)*									
REDUCTIONS:			30%	30%	30%	30%	30%	30%	30%
All residentail section 17 MPRA			60%	80%	100%	100%	100%	100%	100%
Residential Property									
Qualifying Indigent Households									
Residential Nature Reserve									
Water tariffs									
0% Limitation:									
Block 1									
Block 2									
Block 3									
Block 4									
Block 5									
Block 6									
Block 7									
10% Limitation:									
Block 1									
Block 2									
Block 3									
Block 4									
Block 5									
Block 6									
Block 7									
20% Limitation:									
Block 1									
Block 2									
Block 3									
Block 4									
Block 5									
Block 6									
Block 7									
30% Limitation:									
Block 1									
Block 2									
Block 3									
Block 4									
Block 5									
Block 6									
Block 7									
40% Limitation:									
Block 1									
Block 2									
Block 3									
Block 4									
Block 5									
Block 6									
Block 7									
50% Limitation:									
Block 1									
Block 2									
Block 3									
Block 4									
Block 5									
Block 6									
Block 7									
60% Limitation:									
Block 1									
Block 2									
Block 3									
Block 4									
Block 5									
Block 6									
Block 7									
70% Limitation:									
Block 1									
Block 2									
Block 3									
Block 4									
Block 5									

EC141 Elundini - Supporting Table SA14 Household bills

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Rand/cent								% incr.			
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates								4.20%	532.57	554.94	579.36
Electricity: Basic levy								15.60%	185.45	193.24	201.74
Electricity: Consumption								15.60%	2,027.01	2,112.14	2,205.08
Water: Basic levy											
Water: Consumption											
Sanitation											
Refuse removal											
Other											
sub-total		–	–	–	–	–	–	–	2,745.03	2,860.32	2,986.18
VAT on Services											
Total large household bill:		–	–	–	–	–	–	–	2,745.03	2,860.32	2,986.18
% increase/-decrease			–	–	–	–	–		–	4.2%	4.4%
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates								4.2%	380.41	396.39	413.83
Electricity: Basic levy								15.6%	185.45	193.24	201.74
Electricity: Consumption								15.6%	777.05	809.69	845.31
Water: Basic levy										–	–
Water: Consumption										–	–
Sanitation										–	–
Refuse removal								4.2%	137.59	143.37	149.68
Other										–	–
sub-total		–	–	–	–	–	–	–	1,480.50	1,542.68	1,610.56
VAT on Services											
Total small household bill:		–	–	–	–	–	–	–	1,480.50	1,542.68	1,610.56
% increase/-decrease			–	–	–	–	–		–	4.2%	4.4%
Monthly Account for Household - 'Indigent' Household receiving free basic services	3										
Rates and services charges:											
Property rates								#DIV/0!	228.25	237.84	248.30
Electricity: Basic levy								#DIV/0!	123.16	128.33	133.98
Electricity: Consumption								#DIV/0!	474.24	494.16	515.90
Water: Basic levy										–	–
Water: Consumption										–	–
Sanitation										–	–
Refuse removal								#DIV/0!	137.61	143.39	149.70
Other											
sub-total		–	–	–	–	–	–	–	963.26	1,003.72	1,047.88
VAT on Services											
Total small household bill:		–	–	–	–	–	–	–	963.26	1,003.72	1,047.88
% increase/-decrease			–	–	–	–	–		–	4.2%	4.4%

EC141 Elundini - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
Parent municipality										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank								90,195	94,615	99,061
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
Municipality sub-total	1	–	–	–	–	–	–	**90,195**	**94,615**	**99,061**
Entities										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank										
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Entities sub-total		–	–	–	–	–	–	–	–	–
Consolidated total:		–	–	–	–	–	–	**90,195**	**94,615**	**99,061**

EC141 Elundini - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate ³	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Name of institution & investment ID	1	Yrs/Months												
Parent municipality														
FNB										89,445	457	20,286		110,189
STD BANK										17,902	48			17,949
														–
														–
														–
														–
														–
														–
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														–
Municipality sub-total										**107,347**		**20,286**	–	**128,138**
TOTAL INVESTMENTS AND INTEREST	1									**107,347**		**20,286**	–	**128,138**

EC141 Elundini - Supporting Table SA17 Borrowing										
Borrowing - Categorised by type	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Parent municipality										
Annuity and Bullet Loans										
Long-Term Loans (non-annuity)					30,000	20,000	20,000	7,500	–	–
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Municipality sub-total	1	–	–	–	30,000	20,000	20,000	7,500	–	–
Entities										
Annuity and Bullet Loans										
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Entities sub-total	1	–	–	–	–	–	–	–	–	–
Total Borrowing	1	–	–	–	30,000	20,000	20,000	7,500	–	–

Choose name from list - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
	1	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		8,851	8,802	8,956	10,074	20,148	20,148	10,558	11,075	11,595
Pension and UIF Contributions		–	–	–	–	–	–	–	–	–
Medical Aid Contributions		–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance		–	–	–	–	–	–	–	–	–
Cellphone Allowance		1,506	1,510	1,373	1,173	2,346	2,346	1,229	1,290	1,350
Housing Allowances		–	–	–	–	–	–	–	–	–
Other benefits and allowances		2,205	2,289	2,350	3,008	6,015	6,015	3,152	3,306	3,462
Sub Total - Councillors		12,562	12,601	12,679	14,255	28,509	28,509	14,939	15,671	16,407
% increase	4		0.3%	0.6%	12.4%	100.0%	–	(47.6%)	4.9%	4.7%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		4,958	4,018	3,142	404	807	807	19,196	454	476
Pension and UIF Contributions		138	125	136	143	287	287	747	161	169
Medical Aid Contributions		107	113	81	42	84	84	–	47	49
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		1,065	(2,315)	299	63	125	125	1,504	71	74
Motor Vehicle Allowance	3	923	724	791	602	1,203	1,203	1,155	677	709
Cellphone Allowance	3	66	56	14	–	–	–	–	–	–
Housing Allowances	3	–	–	–	–	–	–	122	–	–
Other benefits and allowances	3	518	458	233	60	120	120	480	67	70
Payments in lieu of leave		–	–	–	–	–	–	129	–	–
Long service awards		–	–	63	–	–	–	63	–	–
Post-retirement benefit obligations	6	–	–	–	–	–	–	–	–	–
Sub Total - Senior Managers of Municipality		7,775	3,179	4,760	1,313	2,626	2,626	23,396	1,478	1,547
% increase	4		(59.1%)	49.7%	(72.4%)	100.0%	–	790.8%	(93.7%)	4.7%
Other Municipal Staff										
Basic Salaries and Wages		65,235	70,594	74,032	99,840	200,335	200,335	75,952	112,367	117,648
Pension and UIF Contributions		12,154	13,073	14,030	15,661	31,322	31,322	28,494	17,580	18,407
Medical Aid Contributions		4,553	4,996	5,193	5,934	11,869	11,869	12,463	6,660	6,973
Overtime		3,466	3,180	4,130	3,809	7,969	7,969	4,885	4,480	4,690
Performance Bonus		5,890	6,117	6,950	7,066	13,980	13,980	5,452	7,845	8,213
Motor Vehicle Allowance	3	2,499	494	61	165	329	329	1,606	185	194
Cellphone Allowance	3	215	265	92	110	220	220	–	124	129
Housing Allowances	3	136	96	130	111	222	222	292	125	131
Other benefits and allowances	3	2,031	1,956	2,707	4,269	8,339	8,339	2,005	4,691	4,911
Payments in lieu of leave		2,924	1,521	2,186	–	–	–	–	–	–
Long service awards		834	940	848	–	–	–	452	–	–
Post-retirement benefit obligations	6	(223)	(244)	(294)	–	–	–	–	–	–
Sub Total - Other Municipal Staff		99,714	102,988	110,065	136,965	274,584	274,584	131,601	154,056	161,297
% increase	4		3.3%	6.9%	24.4%	100.5%	–	(52.1%)	17.1%	4.7%
Total Parent Municipality		120,051	118,768	127,504	152,532	305,720	305,720	169,935	171,205	179,252
			(1.1%)	7.4%	19.6%	100.4%	–	(44.4%)	0.7%	4.7%
Board Members of Entities										
Basic Salaries and Wages		–	–	–	–	–	–	–	–	–
Pension and UIF Contributions		–	–	–	–	–	–	–	–	–
Medical Aid Contributions		–	–	–	–	–	–	–	–	–
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance	3	–	–	–	–	–	–	–	–	–
Cellphone Allowance	3	–	–	–	–	–	–	–	–	–
Housing Allowances	3	–	–	–	–	–	–	–	–	–
Other benefits and allowances	3	–	–	–	–	–	–	–	–	–
Board Fees		–	–	–	–	–	–	–	–	–
Payments in lieu of leave		–	–	–	–	–	–	–	–	–
Long service awards		–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	6	–	–	–	–	–	–	–	–	–
Sub Total - Board Members of Entities		–	–	–	–	–	–	–	–	–
% increase	4		–	–	–	–	–	–	–	–
Senior Managers of Entities										
Basic Salaries and Wages		–	–	–	–	–	–	–	–	–
Pension and UIF Contributions		–	–	–	–	–	–	–	–	–
Medical Aid Contributions		–	–	–	–	–	–	–	–	–
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance	3	–	–	–	–	–	–	–	–	–
Cellphone Allowance	3	–	–	–	–	–	–	–	–	–
Housing Allowances	3	–	–	–	–	–	–	–	–	–
Other benefits and allowances	3	–	–	–	–	–	–	–	–	–
Payments in lieu of leave		–	–	–	–	–	–	–	–	–
Long service awards		–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	6	–	–	–	–	–	–	–	–	–
Sub Total - Senior Managers of Entities		–	–	–	–	–	–	–	–	–
% increase	4		–	–	–	–	–	–	–	–
Other Staff of Entities										
Basic Salaries and Wages		–	–	–	–	–	–	–	–	–
Pension and UIF Contributions		–	–	–	–	–	–	–	–	–
Medical Aid Contributions		–	–	–	–	–	–	–	–	–
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance	3	–	–	–	–	–	–	–	–	–
Cellphone Allowance	3	–	–	–	–	–	–	–	–	–
Housing Allowances	3	–	–	–	–	–	–	–	–	–
Other benefits and allowances	3	–	–	–	–	–	–	–	–	–
Payments in lieu of leave		–	–	–	–	–	–	–	–	–
Long service awards		–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	6	–	–	–	–	–	–	–	–	–
Sub Total - Other Staff of Entities		–	–	–	–	–	–	–	–	–
% increase	4		–	–	–	–	–	–	–	–
Total Municipal Entities		–	–	–	–	–	–	–	–	–
TOTAL SALARY, ALLOWANCES & BENEFITS		120,051	118,768	127,504	152,532	305,720	305,720	169,935	171,205	179,252
% increase	4		(1.1%)	7.4%	19.6%	100.4%	–	(44.4%)	0.7%	4.7%

Sub Total - Board Members of Entities		–	–	–	–	–	–	–	–	–
% increase	4		–	–	–	–	–	–	–	–
Senior Managers of Entities										
Basic Salaries and Wages		–	–	–	–	–	–	–	–	–
Pension and UIF Contributions		–	–	–	–	–	–	–	–	–
Medical Aid Contributions		–	–	–	–	–	–	–	–	–
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance	3	–	–	–	–	–	–	–	–	–
Cellphone Allowance	3	–	–	–	–	–	–	–	–	–
Housing Allowances	3	–	–	–	–	–	–	–	–	–
Other benefits and allowances	3	–	–	–	–	–	–	–	–	–
Payments in lieu of leave		–	–	–	–	–	–	–	–	–
Long service awards		–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	6	–	–	–	–	–	–	–	–	–
Sub Total - Senior Managers of Entities		–	–	–	–	–	–	–	–	–
% increase	4		–	–	–	–	–	–	–	–
Other Staff of Entities										
Basic Salaries and Wages		–	–	–	–	–	–	–	–	–
Pension and UIF Contributions		–	–	–	–	–	–	–	–	–
Medical Aid Contributions		–	–	–	–	–	–	–	–	–
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance	3	–	–	–	–	–	–	–	–	–
Cellphone Allowance	3	–	–	–	–	–	–	–	–	–
Housing Allowances	3	–	–	–	–	–	–	–	–	–
Other benefits and allowances	3	–	–	–	–	–	–	–	–	–
Payments in lieu of leave		–	–	–	–	–	–	–	–	–
Long service awards		–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	6	–	–	–	–	–	–	–	–	–
Sub Total - Other Staff of Entities		–	–	–	–	–	–	–	–	–
% increase	4		–	–	–	–	–	–	–	–
Total Municipal Entities		–	–	–	–	–	–	–	–	–
TOTAL SALARY, ALLOWANCES & BENEFITS		**120,051**	**118,768**	**127,504**	**152,532**	**305,720**	**305,720**	**169,935**	**171,205**	**179,252**
% increase	4		**(1.1%)**	**7.4%**	**19.6%**	**100.4%**	**–**	**(44.4%)**	**0.7%**	**4.7%**
TOTAL MANAGERS AND STAFF	5,7	**107,489**	**106,167**	**114,825**	**138,278**	**277,210**	**277,210**	**154,996**	**155,534**	**162,844**

EC141 Elundini - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1. Rand per annum	Ref	No.	Salary	Contribution 1.	Allowances	Performance Bonuses	In-kind benefits	Total Package 2.
Councillors	3							
Speaker	4		640,634		244,767			885,401
Chief Whip			324,008		144,297			468,305
Executive Mayor			858,626		296,894			1,155,521
Deputy Executive Mayor								–
Executive Committee			2,017,744		577,226			2,594,970
Total for all other councillors			6,716,502		3,118,169			9,834,671
Total Councillors	8	**–**	**10,557,514**	**–**	**4,381,353**			**14,938,867**
Senior Managers of the Municipality	5							
Municipal Manager (MM)			904,681		410,683			1,315,364
Chief Finance Officer			906,424		173,253			1,079,677
Corporate Services Director			678,538	204,000	263,253			1,145,791
Community Services Director			887,942		191,613			1,079,556
Economic Development Director			922,155		228,813			1,150,968
IP&D Director			922,166		228,813			1,150,980
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	**–**	**15,779,421**	**204,000**	**5,877,781**	**–**		**21,861,201**

Choose name from list - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue																
Exchange Revenue																
Service charges - Electricity		4,014	4,014	4,014	4,014	4,014	4,014	4,014	4,014	4,014	4,014	4,014	4,014	48,169	50,529	52,904
Service charges - Water		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - Waste Water Management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - Waste Management		330	330	330	330	330	330	330	330	330	330	330	330	3,957	4,150	4,345
Sale of Goods and Rendering of Services		148	148	148	148	148	148	148	148	148	148	148	148	1,774	1,861	1,949
Agency services		52	52	52	52	52	52	52	52	52	52	52	52	624	654	685
Interest		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Interest earned from Receivables		162	162	162	162	162	162	162	162	162	162	162	162	1,941	2,036	2,132
Interest earned from Current and Non Current Ass		450	450	450	450	450	450	450	450	450	450	450	450	5,397	5,661	5,927
Dividends		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		197	197	197	197	197	197	197	197	197	197	197	197	2,363	2,479	2,596
Licence and permits		222	222	222	222	222	222	222	222	222	222	222	222	2,658	2,789	2,920
Operational Revenue		9,137	9,137	9,137	9,137	9,137	9,137	9,137	9,137	9,137	9,137	9,137	9,137	109,644	80,494	84,277
Non-Exchange Revenue																
Property rates		2,992	2,992	2,992	2,992	2,992	2,992	2,992	2,992	2,992	2,992	2,992	2,992	35,898	37,657	39,427
Surcharges and Taxes		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		32	32	32	32	32	32	32	32	32	32	32	32	379	397	416
Licences or permits		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfer and subsidies - Operational		16,848	16,848	16,848	16,848	16,848	16,848	16,848	16,848	16,848	16,848	16,848	16,848	202,177	205,989	193,874
Interest		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fuel Levy		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Operational Revenue		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Gains on disposal of Assets		92	92	92	92	92	92	92	92	92	92	92	92	1,101	1,155	1,209
Other Gains		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and		**34,674**	**34,674**	**34,674**	**34,674**	**34,674**	**34,674**	**34,674**	**34,674**	**34,674**	**34,674**	**34,674**	**34,674**	**416,083**	**395,853**	**392,661**
Expenditure																
Employee related costs		12,916	12,916	12,916	12,916	12,916	12,916	12,916	12,916	12,916	12,916	12,916	12,916	154,996	155,534	162,844
Remuneration of councillors		1,245	1,245	1,245	1,245	1,245	1,245	1,245	1,245	1,245	1,245	1,245	1,245	14,939	15,671	16,407
Bulk purchases - electricity		3,060	3,060	3,060	3,060	3,060	3,060	3,060	3,060	3,060	3,060	3,060	3,060	36,723	38,522	40,333
Inventory consumed		118	118	118	118	118	118	118	118	118	118	118	118	1,410	1,480	1,549
Debt impairment		555	555	555	555	555	555	555	555	555	555	555	555	6,655	6,982	7,310
Depreciation and amortisation		4,547	4,547	4,547	4,547	4,547	4,547	4,547	4,547	4,547	4,547	4,547	4,547	54,564	57,236	59,926
Interest		5	5	5	5	5	5	5	5	5	5	5	5	65	68	71
Contracted services		6,610	6,610	6,610	6,610	6,610	6,610	6,610	6,610	6,610	6,610	6,610	6,610	79,320	80,961	81,626
Transfers and subsidies		1,008	1,008	1,008	1,008	1,008	1,008	1,008	1,008	1,008	1,008	1,008	1,008	12,090	12,683	13,279
Irrecoverable debts written off		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Operational costs		4,610	4,610	4,610	4,610	4,610	4,610	4,610	4,610	4,610	4,610	4,610	4,610	55,321	58,031	60,759
Losses on disposal of Assets		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Losses		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure		**34,674**	**34,674**	**34,674**	**34,674**	**34,674**	**34,674**	**34,674**	**34,674**	**34,674**	**34,674**	**34,674**	**34,674**	**416,084**	**427,168**	**444,104**
Surplus/(Deficit)		**(0)**	**(0)**	**(0)**	**(0)**	**(0)**	**(0)**	**(0)**	**(0)**	**(0)**	**(0)**	**(0)**	**(0)**	**(2)**	**(31,315)**	**(51,443)**
Transfers and subsidies - capital (monetary allocations)		5,758	5,758	5,758	5,758	5,758	5,758	5,758	5,758	5,758	5,758	5,758	5,758	69,102	70,133	74,605
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**69,100**	**38,818**	**23,162**
Income Tax		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after income tax		**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**69,100**	**38,818**	**23,162**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**69,100**	**38,818**	**23,162**
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	1	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**69,100**	**38,818**	**23,162**

Choose name from list - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue by Vote																
Vote 1 - Excutive and Council		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 2 - BTO		26,273	26,273	26,273	26,273	26,273	26,273	26,273	26,273	26,273	26,273	26,273	26,273	315,271	324,939	323,470
Vote 3 - Corporate Services Department		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 4 - Strategic Development Services		64	64	64	64	64	64	64	64	64	64	64	64	764	801	839
Vote 5 - Community Services Department		1,272	1,272	1,272	1,272	1,272	1,272	1,272	1,272	1,272	1,272	1,272	1,272	15,261	9,069	9,460
Vote 6 - Infrastructure Development		12,824	12,824	12,824	12,824	12,824	12,824	12,824	12,824	12,824	12,824	12,824	12,824	153,888	131,176	133,497
Vote 7 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 8 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 9 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 10 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 11 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue by Vote		**40,432**	**40,432**	**40,432**	**40,432**	**40,432**	**40,432**	**40,432**	**40,432**	**40,432**	**40,432**	**40,432**	**40,432**	**485,184**	**465,986**	**467,266**
Expenditure by Vote to be appropriated																
Vote 1 - Excutive and Council		5,331	5,331	5,331	5,331	5,331	5,331	5,331	5,331	5,331	5,331	5,331	5,331	63,970	64,657	67,696
Vote 2 - BTO		6,760	6,760	6,760	6,760	6,760	6,760	6,760	6,760	6,760	6,760	6,760	6,760	81,125	85,507	89,525
Vote 3 - Corporate Services Department		3,241	3,241	3,241	3,241	3,241	3,241	3,241	3,241	3,241	3,241	3,241	3,241	38,886	41,742	43,704
Vote 4 - Strategic Development Services		2,483	2,483	2,483	2,483	2,483	2,483	2,483	2,483	2,483	2,483	2,483	2,483	29,801	27,951	29,265
Vote 5 - Community Services Department		5,419	5,419	5,419	5,419	5,419	5,419	5,419	5,419	5,419	5,419	5,419	5,419	65,025	62,135	65,055
Vote 6 - Infrastructure Development		11,440	11,440	11,440	11,440	11,440	11,440	11,440	11,440	11,440	11,440	11,440	11,440	137,277	145,177	148,859
Vote 7 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 8 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 9 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 10 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 11 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure by Vote		**34,674**	**34,674**	**34,674**	**34,674**	**34,674**	**34,674**	**34,674**	**34,674**	**34,674**	**34,674**	**34,674**	**34,674**	**416,084**	**427,168**	**444,104**
Surplus/(Deficit) before assoc.		**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**69,100**	**38,818**	**23,162**
Income Tax		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	1	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**5,758**	**69,100**	**38,818**	**23,162**

Choose name from list - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue - Functional																
Governance and administration		26,273	26,273	26,273	26,273	26,273	26,273	26,273	26,273	26,273	26,273	26,273	26,273	315,271	324,939	323,470
Executive and council		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Finance and administration		26,273	26,273	26,273	26,273	26,273	26,273	26,273	26,273	26,273	26,273	26,273	26,273	315,271	324,939	323,470
Internal audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and public safety		942	942	942	942	942	942	942	942	942	942	942	942	11,304	4,919	5,115
Community and social services		665	665	665	665	665	665	665	665	665	665	665	665	7,980	1,432	1,464
Sport and recreation		2	2	2	2	2	2	2	2	2	2	2	2	26	27	28
Public safety		275	275	275	275	275	275	275	275	275	275	275	275	3,299	3,460	3,623
Housing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		6,524	6,524	6,524	6,524	6,524	6,524	6,524	6,524	6,524	6,524	6,524	6,524	78,289	46,434	48,443
Planning and development		64	64	64	64	64	64	64	64	64	64	64	64	764	801	839
Road transport		6,460	6,460	6,460	6,460	6,460	6,460	6,460	6,460	6,460	6,460	6,460	6,460	77,525	45,633	47,605
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Trading services		6,693	6,693	6,693	6,693	6,693	6,693	6,693	6,693	6,693	6,693	6,693	6,693	80,320	89,694	90,238
Energy sources		6,364	6,364	6,364	6,364	6,364	6,364	6,364	6,364	6,364	6,364	6,364	6,364	76,364	85,543	85,892
Water management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste management		330	330	330	330	330	330	330	330	330	330	330	330	3,957	4,150	4,345
Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue - Functional		40,432	40,432	40,432	40,432	40,432	40,432	40,432	40,432	40,432	40,432	40,432	40,432	485,184	465,986	467,266
Expenditure - Functional																
Governance and administration		15,332	15,332	15,332	15,332	15,332	15,332	15,332	15,332	15,332	15,332	15,332	15,332	183,981	191,905	200,925
Executive and council		5,331	5,331	5,331	5,331	5,331	5,331	5,331	5,331	5,331	5,331	5,331	5,331	63,970	64,657	67,696
Finance and administration		10,001	10,001	10,001	10,001	10,001	10,001	10,001	10,001	10,001	10,001	10,001	10,001	120,011	127,248	133,229
Internal audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and public safety		2,996	2,996	2,996	2,996	2,996	2,996	2,996	2,996	2,996	2,996	2,996	2,996	35,953	31,819	33,314
Community and social services		1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	13,190	5,975	6,255
Sport and recreation		684	684	684	684	684	684	684	684	684	684	684	684	8,204	9,594	10,045
Public safety		1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	14,559	16,250	17,014
Housing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		8,053	8,053	8,053	8,053	8,053	8,053	8,053	8,053	8,053	8,053	8,053	8,053	96,640	99,061	100,576
Planning and development		2,483	2,483	2,483	2,483	2,483	2,483	2,483	2,483	2,483	2,483	2,483	2,483	29,801	27,951	29,265
Road transport		5,570	5,570	5,570	5,570	5,570	5,570	5,570	5,570	5,570	5,570	5,570	5,570	66,839	71,110	71,312
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Trading services		8,293	8,293	8,293	8,293	8,293	8,293	8,293	8,293	8,293	8,293	8,293	8,293	99,510	104,383	109,289
Energy sources		5,870	5,870	5,870	5,870	5,870	5,870	5,870	5,870	5,870	5,870	5,870	5,870	70,438	74,067	77,548
Water management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste management		2,423	2,423	2,423	2,423	2,423	2,423	2,423	2,423	2,423	2,423	2,423	2,423	29,072	30,316	31,741
Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure - Functional		34,674	34,674	34,674	34,674	34,674	34,674	34,674	34,674	34,674	34,674	34,674	34,674	416,084	427,168	444,104
Surplus/(Deficit) before assoc.		5,758	5,758	5,758	5,758	5,758	5,758	5,758	5,758	5,758	5,758	5,758	5,758	69,100	38,818	23,162
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	1	5,758	5,758	5,758	5,758	5,758	5,758	5,758	5,758	5,758	5,758	5,758	5,758	69,100	38,818	23,162

Choose name from list - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<u>Multi-year expenditure</u> *to be appropriated*	1															
Vote 1 - Excutive and Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - BTO		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services Department		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Strategic Development Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services Department		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Infrastructure Development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 7 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<u>Single-year expenditure</u> *to be appropriated*																
Vote 1 - Excutive and Council		21	21	21	21	21	21	21	21	21	21	21	21	250	262	275
Vote 2 - BTO		325	325	325	325	325	325	325	325	325	325	325	325	3,901	4,092	4,285
Vote 3 - Corporate Services Department		33	33	33	33	33	33	33	33	33	33	33	33	400	420	439
Vote 4 - Strategic Development Services		96	96	96	96	96	96	96	96	96	96	96	96	1,150	1,206	1,263
Vote 5 - Community Services Department		1,617	1,617	1,617	1,617	1,617	1,617	1,617	1,617	1,617	1,617	1,617	1,617	19,400	20,351	21,307
Vote 6 - Infrastructure Development		9,751	9,751	9,751	9,751	9,751	9,751	9,751	9,751	9,751	9,751	9,751	9,751	117,014	96,790	102,515
Vote 7 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	2	**11,843**	**11,843**	**11,843**	**11,843**	**11,843**	**11,843**	**11,843**	**11,843**	**11,843**	**11,843**	**11,843**	**11,843**	**142,115**	**123,121**	**130,083**
Total Capital Expenditure	2	**11,843**	**11,843**	**11,843**	**11,843**	**11,843**	**11,843**	**11,843**	**11,843**	**11,843**	**11,843**	**11,843**	**11,843**	**142,115**	**123,121**	**130,083**

Choose name from list - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Capital Expenditure - Functional	1															
Governance and administration		379	379	379	379	379	379	379	379	379	379	379	379	4,551	4,774	4,998
Executive and council		21	21	21	21	21	21	21	21	21	21	21	21	250	262	275
Finance and administration		358	358	358	358	358	358	358	358	358	358	358	358	4,301	4,512	4,724
Internal audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and public safety		775	775	775	775	775	775	775	775	775	775	775	775	9,300	9,756	10,214
Community and social services		67	67	67	67	67	67	67	67	67	67	67	67	800	839	879
Sport and recreation		417	417	417	417	417	417	417	417	417	417	417	417	5,000	5,245	5,492
Public safety		292	292	292	292	292	292	292	292	292	292	292	292	3,500	3,671	3,844
Housing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		5,175	5,175	5,175	5,175	5,175	5,175	5,175	5,175	5,175	5,175	5,175	5,175	62,105	56,923	59,424
Planning and development		96	96	96	96	96	96	96	96	96	96	96	96	1,150	1,206	1,263
Road transport		5,080	5,080	5,080	5,080	5,080	5,080	5,080	5,080	5,080	5,080	5,080	5,080	60,955	55,716	58,161
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Trading services		5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513	66,159	51,669	55,446
Energy sources		4,672	4,672	4,672	4,672	4,672	4,672	4,672	4,672	4,672	4,672	4,672	4,672	56,059	41,074	44,353
Water management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste management		842	842	842	842	842	842	842	842	842	842	842	842	10,100	10,595	11,093
Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional	2	11,843	11,843	11,843	11,843	11,843	11,843	11,843	11,843	11,843	11,843	11,843	11,843	142,115	123,121	130,083
Funded by:																
National Government		5,758	5,758	5,758	5,758	5,758	5,758	5,758	5,758	5,758	5,758	5,758	5,758	69,102	70,133	74,604
Provincial Government		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
District Municipality		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital		5,758	5,758	5,758	5,758	5,758	5,758	5,758	5,758	5,758	5,758	5,758	5,758	69,102	70,133	74,604
Borrowing		2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000	–	–
Internally generated funds		3,584	3,584	3,584	3,584	3,584	3,584	3,584	3,584	3,584	3,584	3,584	3,584	43,013	52,988	55,479
Total Capital Funding		11,843	11,843	11,843	11,843	11,843	11,843	11,843	11,843	11,843	11,843	11,843	11,843	142,115	123,121	130,083

Choose name from list - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Cash Receipts By Source													1		
Property rates	2,543	2,543	2,543	2,543	2,543	2,543	2,543	2,543	2,543	2,543	2,543	2,543	30,514	32,009	39,427
Service charges - electricity revenue	3,760	3,760	3,760	3,760	3,760	3,760	3,760	3,760	3,760	3,760	3,760	3,760	45,122	47,333	58,303
Service charges - water revenue	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	490	490	490	490	490	490	490	490	490	490	490	490	5,882	6,171	7,601
Rental of facilities and equipment	197	197	197	197	197	197	197	197	197	197	197	197	2,363	2,479	2,596
Interest earned - external investments	450	450	450	450	450	450	450	450	450	450	450	450	5,397	5,661	5,927
Interest earned - outstanding debtors	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	32	32	32	32	32	32	32	32	32	32	32	32	379	397	416
Licences and permits	222	222	222	222	222	222	222	222	222	222	222	222	2,658	2,789	2,920
Agency services	52	52	52	52	52	52	52	52	52	52	52	52	624	654	685
Transfers and Subsidies - Operational	16,431	16,431	16,431	16,431	16,431	16,431	16,431	16,431	16,431	16,431	16,431	16,431	197,177	205,989	193,874
Other revenue	10,739	10,739	10,739	10,739	10,739	10,739	10,739	10,739	10,739	10,739	10,739	10,739	128,869	100,354	103,935
Cash Receipts by Source	**34,915**	**34,915**	**34,915**	**34,915**	**34,915**	**34,915**	**34,915**	**34,915**	**34,915**	**34,915**	**34,915**	**34,915**	**418,986**	**403,836**	**415,683**
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	5,758	5,758	5,758	5,758	5,758	5,758	5,758	5,758	5,758	5,758	5,758	5,758	69,102	70,133	74,605
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	43	43	43	43	43	43	43	43	43	43	43	43	517	542	568
Short term loans	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	30,000	–	–	–	–	–	–	–	–	–	–	–	30,000	–	–
Increase (decrease) in consumer deposits	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Receipts by Source	**70,717**	**40,717**	**40,717**	**40,717**	**40,717**	**40,717**	**40,717**	**40,717**	**40,717**	**40,717**	**40,717**	**40,717**	**518,604**	**474,511**	**490,855**
Cash Payments by Type															
Employee related costs	14,161	14,161	14,161	14,161	14,161	14,161	14,161	14,161	14,161	14,161	14,161	14,161	169,935	171,205	179,252
Remuneration of councillors	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Finance charges	5	5	5	5	5	5	5	5	5	5	5	5	65	68	71
Bulk purchases - electricity	3,060	3,060	3,060	3,060	3,060	3,060	3,060	3,060	3,060	3,060	3,060	3,060	36,723	38,522	40,333
Acquisitions - water & other inventory	118	118	118	118	118	118	118	118	118	118	118	118	1,410	1,480	1,549
Contracted services	6,610	6,610	6,610	6,610	6,610	6,610	6,610	6,610	6,610	6,610	6,610	6,610	79,320	80,961	81,626
Transfers and subsidies - other municipalities	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other expenditure	4,610	4,610	4,610	4,610	4,610	4,610	4,610	4,610	4,610	4,610	4,610	4,610	55,321	58,031	60,759
Cash Payments by Type	**28,564**	**28,564**	**28,564**	**28,564**	**28,564**	**28,564**	**28,564**	**28,564**	**28,564**	**28,564**	**28,564**	**28,564**	**342,774**	**350,268**	**363,589**
Other Cash Flows/Payments by Type															
Capital assets	11,843	11,843	11,843	11,843	11,843	11,843	11,843	11,843	11,843	11,843	11,843	11,843	142,115	123,121	130,083
Repayment of borrowing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Cash Flows/Payments	1,008	1,008	1,008	1,008	1,008	1,008	1,008	1,008	1,008	1,008	1,008	1,008	12,090	12,683	13,279
Total Cash Payments by Type	**41,415**	**41,415**	**41,415**	**41,415**	**41,415**	**41,415**	**41,415**	**41,415**	**41,415**	**41,415**	**41,415**	**41,415**	**496,979**	**486,072**	**506,951**
NET INCREASE/(DECREASE) IN CASH HELD	**29,302**	**(698)**	**(698)**	**(698)**	**(698)**	**(698)**	**(698)**	**(698)**	**(698)**	**(698)**	**(698)**	**(698)**	**21,625**	**(11,560)**	**(16,096)**
Cash/cash equivalents at the month/year begin:	51,674	80,976	80,279	79,581	78,883	78,185	77,487	76,789	76,091	75,393	74,695	73,998	51,674	73,300	61,739
Cash/cash equivalents at the month/year end:	80,976	80,279	79,581	78,883	78,185	77,487	76,789	76,091	75,393	74,695	73,998	73,300	73,300	61,739	45,643

Choose name from list - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		111,448	59,173	49,343	57,069	164,343	164,343	104,802	86,078	91,298
Roads Infrastructure		104,139	53,998	29,229	39,388	80,498	80,498	51,343	45,633	47,604
Roads		104,139	53,998	29,229	39,238	80,198	80,198	51,343	45,633	47,604
Road Structures		–	–	–	150	300	300	–	–	–
Road Furniture		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		(1,315)	5,175	8,120	17,681	83,305	83,305	53,459	40,445	43,694
Power Plants		–	–	–	–	–	–	–	–	–
HV Substations		–	–	–	–	–	–	–	–	–
HV Switching Station		–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
MV Switching Stations		(0)	(524)	(0)	10,389	28,800	28,800	17,759	24,500	27,000
MV Networks		(1,315)	5,699	8,120	7,292	14,505	14,505	5,700	8,077	8,457
LV Networks		–	–	–	–	40,000	40,000	30,000	7,868	8,237
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		8,624	–	11,994	–	540	540	–	–	–
Landfill Sites		–	–	–	–	–	–	–	–	–
Waste Transfer Stations		–	–	–	–	–	–	–	–	–
Waste Processing Facilities		–	–	–	–	–	–	–	–	–
Waste Drop-off Points		–	–	–	–	–	–	–	–	–
Waste Separation Facilities		–	–	–	–	–	–	–	–	–
Electricity Generation Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		8,624	–	11,994	–	540	540	–	–	–
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		64,470	(272)	4,055	4,429	14,544	14,544	1,000	1,049	1,098
Community Facilities		59,263	(272)	4,055	4,429	14,544	14,544	1,000	1,049	1,098
Halls		3,154	(231)	–	–	–	–	–	–	–
Centres		51,717	(41)	1,713	4,429	8,857	8,857	–	–	–
Crèches		–	–	–	–	–	–	–	–	–
Clinics/Care Centres		–	–	–	–	–	–	–	–	–
Fire/Ambulance Stations		–	–	–	–	–	–	–	–	–
Testing Stations		–	–	2,342	–	3,800	3,800	–	–	–
Museums		–	–	–	–	–	–	–	–	–
Galleries		–	–	–	–	–	–	–	–	–
Theatres		–	–	–	–	–	–	–	–	–
Libraries		–	–	–	–	–	–	–	–	–
Cemeteries/Crematoria		–	–	–	–	–	–	–	–	–
Police		–	–	–	–	–	–	–	–	–
Parks		–	–	–	–	–	–	–	–	–
Public Open Space		–	–	–	–	–	–	–	–	–
Nature Reserves		–	–	–	–	–	–	–	–	–
Public Ablution Facilities		–	–	–	–	–	–	–	–	–
Markets		–	–	–	–	–	–	–	–	–
Stalls		–	–	–	–	–	–	–	–	–
Abattoirs		–	–	–	–	–	–	–	–	–
Airports		–	–	–	–	–	–	–	–	–
Taxi Ranks/Bus Terminals		–	–	–	–	–	–	–	–	–
Capital Spares		4,391	–	–	–	1,886	1,886	1,000	1,049	1,098
Sport and Recreation Facilities		5,207	–	–	–	–	–	–	–	–
Indoor Facilities		–	–	–	–	–	–	–	–	–
Outdoor Facilities		5,207	–	–	–	–	–	–	–	–
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		2,567	12,632	12,870	6,043	16,994	16,994	6,927	14,714	15,405
Operational Buildings		2,567	12,632	12,870	6,043	16,994	16,994	6,927	14,714	15,405
Municipal Offices		2,567	12,632	12,870	5,543	15,394	15,394	6,200	13,952	14,607
Pay/Enquiry Points		–	–	–	–	–	–	–	–	–
Building Plan Offices		–	–	–	–	–	–	–	–	–
Workshops		–	–	–	–	–	–	–	–	–
Yards		–	–	–	–	–	–	–	–	–
Stores		–	–	–	–	–	–	–	–	–
Laboratories		–	–	–	–	–	–	–	–	–
Training Centres		–	–	–	–	–	–	–	–	–
Manufacturing Plant		–	–	–	–	–	–	–	–	–
Depots		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	500	1,600	1,600	727	762	798
Housing		–	–	–	–	–	–	–	–	–
Staff Housing		–	–	–	–	–	–	–	–	–
Social Housing		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Intangible Assets		–	(6)	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	(6)	–	–	–	–	–	–	–
Water Rights		–	–	–	–	–	–	–	–	–
Effluent Licenses		–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–
Computer Software and Applications		–	(6)	–	–	–	–	–	–	–
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–
Computer Equipment		4,788	2,646	984	13,961	6,000	6,000	2,180	3,337	3,494
Computer Equipment		4,788	2,646	984	13,961	6,000	6,000	2,180	3,337	3,494
Furniture and Office Equipment		(12,604)	482	828	1,152	4,704	4,704	5,600	1,574	1,647
Furniture and Office Equipment		(12,604)	482	828	1,152	4,704	4,704	5,600	1,574	1,647
Machinery and Equipment		(434)	(471)	355	2,060	3,260	3,260	606	1,160	1,214
Machinery and Equipment		(434)	(471)	355	2,060	3,260	3,260	606	1,160	1,214
Transport Assets		5,836	731	1,152	6,396	10,232	10,232	8,500	9,965	10,434
Transport Assets		5,836	731	1,152	6,396	10,232	10,232	8,500	9,965	10,434
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 Capital Expenditure on new assets	1	176,071	74,916	69,587	91,189	220,077	220,077	129,614	117,876	124,592

Other assets		**2,567**	**12,632**	**12,870**	**6,043**	**16,994**	**16,994**	**14,027**	**14,714**	**15,405**
Operational Buildings		2,567	12,632	12,870	6,043	16,994	16,994	14,027	14,714	15,405
Municipal Offices		2,567	12,632	12,870	5,543	15,394	15,394	13,300	13,952	14,607
Pay/Enquiry Points		–	–	–	–	–	–	–	–	–
Building Plan Offices		–	–	–	–	–	–	–	–	–
Workshops		–	–	–	–	–	–	–	–	–
Yards		–	–	–	–	–	–	–	–	–
Stores		–	–	–	–	–	–	–	–	–
Laboratories		–	–	–	–	–	–	–	–	–
Training Centres		–	–	–	–	–	–	–	–	–
Manufacturing Plant		–	–	–	–	–	–	–	–	–
Depots		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	500	1,600	1,600	727	762	798
Housing		–	–	–	–	–	–	–	–	–
Staff Housing		–	–	–	–	–	–	–	–	–
Social Housing		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Intangible Assets		–	(6)	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	(6)	–	–	–	–	–	–	–
Water Rights		–	–	–	–	–	–	–	–	–
Effluent Licenses		–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–
Computer Software and Applications		–	(6)	–	–	–	–	–	–	–
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–
Computer Equipment		4,788	2,646	984	13,961	6,000	6,000	3,181	3,337	3,494
Computer Equipment		4,788	2,646	984	13,961	6,000	6,000	3,181	3,337	3,494
Furniture and Office Equipment		(12,604)	482	828	1,152	4,704	4,704	1,500	1,574	1,647
Furniture and Office Equipment		(12,604)	482	828	1,152	4,704	4,704	1,500	1,574	1,647
Machinery and Equipment		(434)	(471)	355	2,060	3,260	3,260	1,106	1,160	1,214
Machinery and Equipment		(434)	(471)	355	2,060	3,260	3,260	1,106	1,160	1,214
Transport Assets		5,836	731	1,152	6,396	20,232	20,232	9,500	9,965	10,434
Transport Assets		5,836	731	1,152	6,396	20,232	20,232	9,500	9,965	10,434
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 Capital Expenditure on new assets	1	**176,071**	**74,916**	**69,587**	**91,109**	**258,754**	**258,754**	**137,115**	**117,876**	**124,592**

Choose name from list - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		1,666	–	–	–	14,000	14,000	4,000	5,245	5,492
Roads Infrastructure		1,666	–	–	–	14,000	14,000	4,000	5,245	5,492
Roads		1,666	–	–	–	14,000	14,000	4,000	5,245	5,492
Road Structures		–	–	–	–	–	–	–	–	–
Road Furniture		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	–	–	–	–	–	–	–
Power Plants		–	–	–	–	–	–	–	–	–
HV Substations		–	–	–	–	–	–	–	–	–
HV Switching Station		–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
MV Switching Stations		–	–	–	–	–	–	–	–	–
MV Networks		–	–	–	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–
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		–	–	–	–	–	–	–	–	–
Landfill Sites		–	–	–	–	–	–	–	–	–
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		24,498	–	–	–	–	–	–	–	–
Community Facilities		182	–	–	–	–	–	–	–	–
Halls		182	–	–	–	–	–	–	–	–
Centres		–	–	–	–	–	–	–	–	–
Crèches		–	–	–	–	–	–	–	–	–
Clinics/Care Centres		–	–	–	–	–	–	–	–	–
Fire/Ambulance Stations		–	–	–	–	–	–	–	–	–
Testing Stations		–	–	–	–	–	–	–	–	–
Museums		–	–	–	–	–	–	–	–	–
Galleries		–	–	–	–	–	–	–	–	–
Theatres		–	–	–	–	–	–	–	–	–
Libraries		–	–	–	–	–	–	–	–	–
Cemeteries/Crematoria		–	–	–	–	–	–	–	–	–
Police		–	–	–	–	–	–	–	–	–
Parks		–	–	–	–	–	–	–	–	–
Public Open Space		–	–	–	–	–	–	–	–	–
Nature Reserves		–	–	–	–	–	–	–	–	–
Public Ablution Facilities		–	–	–	–	–	–	–	–	–
Markets		–	–	–	–	–	–	–	–	–
Stalls		–	–	–	–	–	–	–	–	–
Abattoirs		–	–	–	–	–	–	–	–	–
Airports		–	–	–	–	–	–	–	–	–
Taxi Ranks/Bus Terminals		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		24,315	–	–	–	–	–	–	–	–
Indoor Facilities		–	–	–	–	–	–	–	–	–
Outdoor Facilities		24,315	–	–	–	–	–	–	–	–
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		–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	–	–	–
Municipal Offices		–	–	–	–	–	–	–	–	–
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		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
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 Capital Expenditure on renewal of existing	1	26,164	–	–	–	14,000	14,000	4,000	5,245	5,492

3.

Choose name from list - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		1,777	2,630	7,834	10,099	12,948	12,948	5,424	5,689	5,957
Roads Infrastructure		1,145	1,752	4,220	8,140	8,130	8,130	2,424	2,542	2,662
Roads		1,145	1,752	4,220	8,140	8,130	8,130	2,424	2,542	2,662
Road Structures		–	–	–	–	–	–	–	–	–
Road Furniture		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		632	878	3,615	1,909	4,818	4,818	3,000	3,147	3,295
Power Plants		–	–	–	–	–	–	–	–	–
HV Substations		–	–	–	–	–	–	–	–	–
HV Switching Station		–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
MV Switching Stations		–	–	–	–	–	–	–	–	–
MV Networks		632	878	3,615	1,909	4,818	4,818	3,000	3,147	3,295
LV Networks		–	–	–	–	–	–	–	–	–
Computer Equipment		–	89	80	500	1,000	1,000	500	524	549
Computer Equipment		–	89	80	500	1,000	1,000	500	524	549
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		1,796	925	2,176	2,283	5,290	5,290	2,177	2,284	2,391
Machinery and Equipment		1,796	925	2,176	2,283	5,290	5,290	2,177	2,284	2,391
Transport Assets		459	794	2,393	1,922	4,144	4,144	1,300	1,364	1,428
Transport Assets		459	794	2,393	1,922	4,144	4,144	1,300	1,364	1,428
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	4,615	4,517	13,036	23,054	39,882	39,882	15,251	18,999	16,751
R&M as a % of PPE		1.0%	0.9%	2.5%	3.7%	2.9%	2.9%	1.1%	21.7%	11.2%
R&M as % Operating Expenditure		1.6%	1.5%	3.9%	5.8%	5.2%	5.2%	2.0%	4.6%	3.9%

Choose name from list - Supporting Table SA34d Depreciation by asset class

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Depreciation by Asset Class/Sub-class										
Infrastructure		21,457	24,387	44,344	33,537	67,073	67,073	35,314	37,044	38,785
Roads Infrastructure		19,530	22,449	40,377	30,451	60,901	60,901	32,065	33,636	35,217
Roads		4,536	16,826	40,377	16,914	33,827	33,827	17,810	18,683	19,561
Road Structures		14,994	5,623	–	13,537	27,074	27,074	14,255	14,953	15,656
Road Furniture		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		1,926	1,938	3,968	3,086	6,172	6,172	3,249	3,409	3,569
Power Plants		–	–	–	–	–	–	–	–	–
HV Substations		–	–	–	–	–	–	–	–	–
HV Switching Station		–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	455	477	500
MV Switching Stations		771	1,938	3,968	1,790	3,580	3,580	1,885	1,977	2,070
MV Networks		385	–	–	432	864	864	455	477	500
LV Networks		385	–	–	432	864	864	–	–	–
Capital Spares		385	–	–	432	864	864	455	477	500

Investment properties		–	479	479	4,451	8,901	8,901	4,687	4,916	5,147
Revenue Generating		–	479	479	4,451	8,901	8,901	4,687	4,916	5,147
Improved Property		–	479	479	4,451	8,901	8,901	4,687	4,916	5,147
Unimproved Property		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Other assets		3,311	–	5,251	1,141	2,282	2,282	1,202	1,261	1,320
Operational Buildings		3,311	–	5,251	1,141	2,282	2,282	1,202	1,261	1,320
Municipal Offices		3,311	–	5,251	1,141	2,282	2,282	1,202	1,261	1,320
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		5	3	1	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		5	3	1	–	–	–	–	–	–
Water Rights		–	–	–	–	–	–	–	–	–
Effluent Licenses		–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–
Computer Software and Applications		5	3	1	–	–	–	–	–	–
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–
Computer Equipment		972	1,094	1,102	688	1,377	1,377	725	760	796
Computer Equipment		972	1,094	1,102	688	1,377	1,377	725	760	796
Furniture and Office Equipment		729	901	695	2,396	4,792	4,792	2,523	2,647	2,771
Furniture and Office Equipment		729	901	695	2,396	4,792	4,792	2,523	2,647	2,771
Machinery and Equipment		1,612	1,362	1,189	1,784	3,568	3,568	1,881	1,971	2,063
Machinery and Equipment		1,612	1,362	1,189	1,784	3,568	3,568	1,881	1,971	2,063
Transport Assets		1,982	1,591	1,734	7,819	15,639	15,639	8,234	8,637	9,043
Transport Assets		1,982	1,591	1,734	7,819	15,639	15,639	8,234	8,637	9,043
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 Depreciation	1	30,067	29,817	54,796	51,816	103,632	103,632	54,564	57,236	59,926

Choose name from list - Supporting Table SA35 Future financial implications of the capital budget								
Vote Description	Ref	2023/24 Medium Term Revenue & Expenditure Framework			Forecasts			
R thousand		Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	Forecast 2026/27	Forecast 2027/28	Forecast 2028/29	Present value
Capital expenditure	1							
Vote 1 - Excutive and Council		250	262	275				
Vote 2 - BTO		3,901	4,092	4,285				
Vote 3 - Corporate Services Department		400	420	439				
Vote 4 - Strategic Development Services		1,150	1,206	1,263				
Vote 5 - Community Services Department		19,400	20,351	21,307				
Vote 6 - Infrastructure Development		117,014	96,790	102,515				
Vote 7 -		–	–	–				
Vote 8 -		–	–	–				
Vote 9 -		–	–	–				
Vote 10 -		–	–	–				
Vote 11 -		–	–	–				
Vote 12 -		–	–	–				
Vote 13 -		–	–	–				
Vote 14 -		–	–	–				
Vote 15 -		–	–	–				
List entity summary if applicable								
Total Capital Expenditure		**142,115**	**123,121**	**130,083**	–	–	–	–
Future operational costs by vote	2							
Vote 1 - Excutive and Council								
Vote 2 - BTO								
Vote 3 - Corporate Services Department								
Vote 4 - Strategic Development Services								
Vote 5 - Community Services Department								
Vote 6 - Infrastructure Development								
Vote 7 -								
Vote 8 -								
Vote 9 -								
Vote 10 -								
Vote 11 -								
Vote 12 -								
Vote 13 -								
Vote 14 -								
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		**142,115**	**123,121**	**130,083**	–	–	–	–

Funding compliance measurement

National Treasury requires that the municipality assess its financial sustainability against fourteen different measures that look at various aspects of the financial health of the municipality. These measures are contained in the following table. All the information comes directly from the annual

Budget.

tments by Ma	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate [3]	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
stitution & inv	1	Yrs/Months												
Parent municipality														
FNB										89,445	457	20,286		110,189
STD BANK										17,902	48			17,949
														–
														–
														–
														–
														–
Municipality sub-total										107,347		20,286	–	128,138

For the medium-term, the funding strategy has been informed directly by ensuring financial sustainability and continuity.

EC141 Elundini - Supporting Table SA36 Detailed capital budget

R thousand														2023/24 Medium Term Revenue & Expenditure Framework		
Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Audited Outcome 2021/22	Current Year 2022/23 Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Parent municipality:																
List all capital projects grouped by Function																
Municipal Managers office																
FURNITURE & OFFICE EQUIPMENT														250	262	275
Budget and Treasury Office																
Furniture & Ofice equipment														200	210	220
Transport assets														500	525	549
Corporate Services																
COMPUTER EQUIPMENT														1,369	1,436	1,503
OTHER ASSETS CORP ADMIN														300	315	329
OFFICE EQUIPMENT														100	105	110
CONTRUCTION OF FIBRE														1,106	1,160	1,214
BACKUP POWER SUPPLY														527	552	578
OTHER ASSETS														200	210	220
Community Services																
Way bridge														1,500	1,574	1,647
FURNITURE & OFFICE EQUIPMENT create public sitting														800	839	879
Gaurd House														800	839	879
create contruction park														5,000	5,245	5,492
Skip truck														2,100	2,203	2,306
Costruction of animal pound R15m plus R2m														8,000	8,392	8,786
TRANSPORT ASSET														1,200	1,259	1,318
Strategic Services																
CONTAINER CITY														1,000	1,049	1,098
STRATEGIC ADMIN NEW FURNITURE														150	157	165
Infrastructure Development																
PUBLIC TOILETS- MOUNT FLETCHER														1,800	1,888	1,977
NETWORK UPGRADE														4,000	4,196	4,393
INSTALL OF HIGH MAST														2,800	2,937	3,075
Building														5,600	5,874	6,150
STREET LIGHTS														900	944	988
SONWABILE STREETS (WIP)														5,000	5,245	5,492
MUNICIPAL LIGHTING														600	629	659
COMPUTER EQUIPMENT														12	13	13
SMART METERS														7,500	7,868	8,237
Exchavator														2,800	2,937	3,075
Construction of Refele Sport Field PH 2														6,843	7,178	7,516
Surfacing of Ugie Park Streets & Stormwater														7,276	7,632	7,991
Surfacing of Greenfields Streets & Stormwater														10,888	11,421	11,958
Castle Rocks Access Road and Bridge Phase 3														1,100	1,154	1,208
Surfacing of Mt Fletcher Urban Roads & Stormwater														10,616	8,750	10,336
Epainette Mbeki Access Road														450	472	494
R56 to Khalankomo Upgrade														500	525	549
Construction of Xaxazana Special School Access Road														593	622	651
West Hoek Access Road														500	525	549
Katlehong Township and Ilisolomzi Township Streets														3,000	3,147	3,295
Delibawo via Maweni Access Road														500	525	549
Thutsing Access Road														500	525	549
Seqhobong Access Road														477	500	524
Upgrade of Hopedale Sportsfield (Phase 1& 2)														4,600	4,826	5,053
Construction of Refele Sport Field PH 3														3,500	3,672	3,811
Top Blocks														3,560	3,734	3,910
															–	–
Top Blocks														2,527	2,651	2,775
															–	–
Xaxazana Zone 14														1,204	1,263	1,322
															–	–
Skote														1,120	1,175	1,230
															–	–
Esilindini														1,475	1,580	1,687
															–	–
Esilindini														1,214	1,273	1,333
Mahemeng (Iketleng)														1,775	1,862	1,949
															–	–
Westhoek														1,675	1,757	1,840
															–	–
Westhoek														1,805	1,893	1,982
															–	–
Ward 17 Extensions (Mbidlana														720	755	791
															–	–
Ward 17 Extensions (Gqaqala)														684	718	751
												–	–	125,215	128,997	136,234
List all capital projects grouped by Entity																
Entity A																
Water project A																
Entity B																
Electricity project B																
Entity Capital expenditure												–	–	–	–	–
Total Capital expenditure												–	–	125,215	128,997	136,234

4.19. Overview of The Annual Budget Process

The above is tabled in the process plan on page 37 of the document

IDP and Service Delivery and Budget Implementation Plan

This is the first review of the IDP as adopted by Council in June 2022. It started in September 2022 after the tabling of the IDP Process Plan and the Budget Time Schedule for the 2023/25 MTREF in September. The Municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan. The Process Plan applicable to the fourth revision cycle included the following key IDP processes and deliverables:

- Registration of community needs;
- Compilation of departmental business plans including key performance indicators and targets;
- Financial planning and budgeting process;
- Public participation process;
- Compilation of the SDBIP, and
- The review of the performance management and monitoring processes.

The IDP has been taken into a business and financial planning process leading up to the 2023/24-2025/26 MTREF, based on the approved 2022/23 MTREF, Mid-year Review and adjustments budget. The business planning process has subsequently been refined in the light of current economic circumstances and the resulting revenue projections. With the compilation of the 2023/24-2025/26 MTREF, each department/function had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year and third quarter performance against the 2022/23 Departmental Service Delivery and Budget Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

4.19.1. Financial Modelling and Key Planning Drivers

As part of the compilation of the 2023/24-2025/26 MTREF, extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2023/24-2025/26 MTREF:

- Municipality's growth
- Policy priorities and strategic objectives
- Asset maintenance
- Economic climate and trends (i.e inflation, Eskom increases, household debt, migration patterns)
- Performance trends
- The approved 2022/23 adjustments budget and performance against the SDBIP
- Cash Flow Management Strategy
- Debtor payment levels
- Loan and investment possibilities
- The need for tariff increases versus the ability of the community to pay for services;
- Improved and sustainable service delivery

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 123 has been taken into consideration in the planning and prioritisation process.

4.19.2. Community Consultation

The draft 2024/26 MTREF as tabled before Council on 31 March 2023 for community consultation was published on the municipality's website, and hard copies were made available at customer care offices, municipal notice boards and various libraries.

Ward Committees were utilised to facilitate the community consultation process from 19-21 April 2023, in all 17 wards of Elundini Local Municipality. The applicable dates and venues were published in municipal website. Individual sessions were scheduled with organised business and imbizo's were held to further ensure transparency and interaction. Other stakeholders involved in the consultation included churches, non-governmental institutions and community-based organisations.

All documents in the appropriate format (electronic and printed) were provided to National Treasury, and other national and provincial departments in accordance with section 23 of the MFMA, to provide an opportunity for them to make inputs. Submissions received during the community consultation process and additional information regarding revenue and expenditure and individual capital projects were addressed, and where relevant considered as part of the finalisation of the 2024/26 MTREF. Feedback and responses to the submissions received are available on request.

4.19.3. Overview of Alignment of Annual Budget With IDP

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realized through a credible integrated developmental planning process.

Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five-year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality.

It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the Municipality, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the Municipality strategically complies with the key national and provincial priorities.

The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the Municipality's response to these requirements. The national and provincial priorities, policies and strategies of importance include amongst others:

- Green Paper on National Strategic Planning;
- Government Programme of Action;
- Development Facilitation Act of 1995;

- Provincial Growth and Development Strategy (GGDS);
- National and Provincial spatial development perspectives;
- Relevant sector plans such as transportation, legislation and policy;
- National Key Performance Indicators (NKPIs);
- Accelerated and Shared Growth Initiative (ASGISA);
- National 2021 Vision;
- National Spatial Development Perspective (NSDP) and
- The National Priority Outcomes.

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's five strategic objectives for the 2024/26 MTREF and further planning refinements that have directly informed the compilation of the budget:

Table 59: IDP Strategic Objectives

2022-2017 Council Term		2023/24MTREF	
1.	Accelerate service delivery and infrastructure development	1.	Accelerate service delivery and infrastructure development
2.	Promote economic grown, environment sustainability and creation of decent jobs	2.	Promote economic growth, environmental sustainability and creation of decent jobs
3.	To improve the effectiveness of governance administrative and financial systems	3.	To improve the effectiveness of governance administrative and financial systems

In order to ensure integrated and focused service delivery between all spheres of government it was important for the Municipality to align its budget priorities with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements. Local priorities were identified as part of the IDP review process which is directly aligned to that of the national and provincial priorities.

Provision of quality basic services and infrastructure which includes, amongst others:

- Provide electricity;
- Provide waste removal;
- Provide roads and storm water;

- Constructing and maintaining the infrastructure of the Municipality.

Economic growth and development that leads to sustainable job creation by:

- Ensuring there is a clear structural plan for the Municipality;
- Ensuring planning processes function in accordance with set timeframes;
- Facilitating the use of labour-intensive approaches in the delivery of services and the building of infrastructure.

Fight poverty and build clean, healthy, safe and sustainable communities:

- Effective implementation of the Indigent Policy;
- Working with the provincial department of health to provide primary health care services;
- Extending waste removal services and ensuring effective city cleansing;
- Ensuring all waste water treatment works are operating optimally;
- Working with strategic partners such as SAPS to address crime;
- Ensuring save working environments by effective enforcement of building and health regulations;
- Promote viable, sustainable communities through proper zoning; and
- Promote environmental sustainability by protecting wetlands and key open spaces.

Integrated Social Services for empowered and sustainable communities

- Work with provincial departments to ensure the development of community infrastructure such as schools and clinics is properly co-ordinated with the informal settlements upgrade programme

Foster participatory democracy and Batho Pele principles through a caring, accessible and accountable service by:

- Optimizing effective community participation in the ward committee system; and
- Implementing Batho Pele in the revenue management strategy.

Promote sound governance through:

- Publishing the outcomes of all tender processes on the municipal website

Ensure financial sustainability through:

- Reviewing the use of contracted services
- Continuing to implement the infrastructure renewal strategy and the repairs and maintenance plan

Optimal institutional transformation to ensure capacity to achieve set objectives

- Review of the organizational structure to optimize the use of personnel;

In line with the MSA, the IDP constitutes a single, inclusive strategic plan for the Municipality. The five-year programme responds to the development challenges and opportunities faced by the Municipality by identifying the key performance areas to achieve the five the strategic objectives mentioned above. In addition to the five-year IDP, the Municipality undertakes an extensive planning and developmental strategy which primarily focuses on a longer-term horizon; 15 to 20 years. This process is aimed at influencing the development path by proposing a substantial programme of public-led investment to restructure current patterns of settlement, activity and access to resources in the Municipality so as to promote greater equity and enhanced opportunity. The strategy specifically targets future developmental opportunities in traditional dormitory settlements. It provides direction to the Municipality's IDP, associated sectoral plans and strategies, and the allocation of resources of the municipality and other service delivery partners. This development strategy introduces important policy shifts which have further been translated into seven strategic focus areas/objectives as outlined below:

- Developing dormant areas;
- Enforcing hard development lines – so as to direct private investment;
- Maintaining existing urban areas;
- Strengthening key economic clusters;
- Building social cohesion;
- Strong developmental initiatives in relation to the municipal institution as a whole; and
- Sound financial fundamentals.

Lessons learned with previous IDP revision and planning cycles as well as changing environments were taken into consideration in the compilation of the fourth revised IDP, including:

- Strengthening the analysis and strategic planning processes of the Municipality;
- Initiating zonal planning processes that involve the communities in the analysis and planning processes. More emphasis was placed on area-based interventions, within the overall holistic framework;
- Ensuring better coordination through a programmatic approach and attempting to focus the budgeting process through planning interventions; and
- Strengthening performance management and monitoring systems in ensuring the objectives and deliverables are achieved.

The 2023/24- 2025/26 MTREF has therefore been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditur

4.20. Overview of Budget Assumptions

4.20.1. External Factors

It must be noted that Elundini municipality is predominantly rural, therefore there are limited job opportunities within the municipal area. Be that as it may the municipality has managed to give jobs to many households through Expanded Public Works Programme. The municipality has set aside from its own reserves an amount of R2 million for the expansion of the EPWP programme in order to give more jobs to the community. Financial resources are limited due to the non-payment of debtors, most households are indigent they cannot afford to pay municipal accounts. The municipality is forced to implement Indigent policy and write off debts for the qualifying debtors.

General inflation outlook and its impact on the municipal activities. There are five key factors that have been taken into consideration in the compilation of the 2023/24 MTREF:

- National Government macro economic targets;
- The general inflationary outlook and the impact on municipality’s residents and businesses;
- The impact of municipal cost drivers;
- The increase in prices for bulk electricity
- The increase in the cost of remuneration. Employee related costs comprise 37 per cent of total operating expenditure for the 2023/24 MTREF.

4.20.1.1. Collection rate for revenue services

The base assumption is that tariff and rating increases will increase at a rate of 4.8%. It is also assumed that current economic conditions, and relatively controlled inflationary conditions, will continue for the forecasted term. The rate of revenue collection is currently expressed as a percentage (80 per cent) of annual billings. Cash flow is assumed to be 80 per cent of billings, plus an increased collection of arrear debt from the revised collection and credit control policy. The performance of arrear collections will however only be considered a source of additional cash in-flow once the performance has been carefully monitored.

4.20.1.2. Salary increases

The collective agreement regarding salaries/wages came into operation on 1 July 2023 and shall remain in force until 30 June 2024. The salary increase that has been applied is 7.3 percent for the 2023/2024 budget year.

4.20.1.3. Impact of national, provincial and local policies

Integration of service delivery between national, provincial and local government is critical to ensure focussed service delivery and, in this regard, various measures were implemented to align IDPs, provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives:

- Creating jobs;
- Enhancing education and skill development;
- Improving Health services;
- Rural development and agriculture; and
- Fighting crime and corruption.

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link between policy priorities and expenditure thereby ensuring the achievement of the national, provincial and local objectives.

4.20.1.4. Ability of the municipality to spend and deliver on the programmes

It is estimated that a spending rate of at least 97 per cent is achieved on operating expenditure and 100 per cent on the capital programme for the MTREF of which performance has been factored into the cash flow budget.

4.21. Consolidated Investment Register for each and every grant received

Bank Accounts

		ELUNDINI INVESTMENT REPORT					
		01 FEBRUARY 2023 TO 28 FEBRUARY 2023					
NAME OF INVESTMENT	PURPOSE	ACCOUNT NO	BALANCE AS AT 01/02/2023	INTEREST RECIVED	WITHDRAWALS	DEPOSIT	TOAL AS AT 28/02/2023
ELUNDINI EXPAND PUBLIC WORKS	EX PUBLIC WORKS PROGRA	388497173-001	R 1,807,719.06	R 7,835.10			R 1,815,554.16
ELUNDINI VOTER STATION	INFRASTRUCTURE GRANT	388497165-001	R 1,556.35	R 4.54			R 1,560.89
EQUITABLE SHARE FNB	SUBSIDY FOR POOR	62189194170	R 27,865,870.03	R 117,972.05	R 17,035,068.44		R 10,948,773.64
FINANCE MANAGEMENT GRANT	CONDITIONAL GRANT	388493410-002	R 1,689,646.40	R 7,323.34			R 1,696,969.74
MAYOR'S SOCIAL INVESTMENT		62378875226	R 572,988.34	R 2,710.32			R 575,698.66
MUNICIPAL DISASTER GRANT	CONDITIONAL GRANT	388493003-001	R 1,525.48	R 4.45			R 1,529.93
MIG	CONDITIONAL GRANT	62189180111	R 28,173,100.70	R 133,396.47	R 3,251,255.51		R 25,055,241.66
NER	ELECTRICITY UPGRADING	388490810-001	R 7,177,858.19	R 32,487.18			R 7,210,345.37
WORKING CAPITAL RESERVE	RESEVERS	62284785121	R 20,831,036.44	R 148,043.03			R 20,979,079.47
JOE GQABI	WATER AND SANITAION	62557779322	R 6,182,702.67	R 32,014.55			R 6,214,717.22
ENERGY EFFICIANCY	CONDITIONAL GRANT	62785909650	R 5,391.69	R 27.92			R 5,419.61
SOLIDARITY FUND		62852498023	R 140,286.60	R 726.41			R 141,013.01
			R 0.00				
TOTAL			**R 94,449,681.95**	**R 482,545.36**	**R 20,286,323.95**	**R -**	**R 74,645,903.36**
		FNB	**R 83,771,376.47**	**R 434,890.75**	**R 20,286,323.95**	**R 0.00**	**R 63,919,943.27**
		STD BANK	**R 10,678,305.48**	**R 47,654.61**	**R 0.00**	**R 0.00**	**R 10,725,960.09**
		TOTAL	**R 94,449,681.95**	**R 482,545.36**	**R 20,286,323.95**	**R 0.00**	**R 74,645,903.36**

Grants receipts and Expenditure

ELUNDINI LOCAL MUNICIPALITY				
FINAL BUDGET 2023/24				
CONDITIONAL GRANTS				
Segment Desc	**2022 Year Receipts**	**2022 % Spent**	**2023 Year Receipts**	**Feb 2023 % Spent**
Operational Grants				
Equitable share	166231000	100%	176199816	74%
Financial Management Grant	1650000	100%	1650000	37%
EPWP	2569000	100%	2539000	75%
Library grant	750000	100%	750000	12%
Capital grants				
Municipal Infrastructure Grant	41031000	90%	41966256	30%
INEP	19740000	95%	14400000	20%

4.22. Overview of budget assumptions

4.22.1. External factors

It must be noted that Elundini municipality is predominantly rural, therefore there are limited job opportunities within the municipal area. Be that as it may the municipality has managed to give jobs to many households through Expanded Public Works Programme. The municipality has set aside from its own reserves an amount of R2 million for the expansion of the EPWP programme in order to give more jobs to the community.

Financial resources are limited due to the non-payment of debtors, most households are indigent they cannot afford to pay municipal accounts. The municipality is forced to implement Indigent policy and write off debts for the qualifying debtors.

4.22.2. General inflation outlook and its impact on the municipal activities

There are five key factors that have been taken into consideration in the compilation of the 2024/26 MTREF:

- National Government macro economic targets;
- The general inflationary outlook and the impact on municipality’s residents and businesses
- The impact of municipal cost drivers;
- The increase in prices for bulk electricity
- The increase in the cost of remuneration. Employee related costs comprise 34 per cent of total operating expenditure for the 2024/26 MTREF.

4.22.3. Collection rate for revenue services

The base assumption is that tariff and rating increases will increase at a rate of 5.3%. It is also assumed that current economic conditions, and relatively controlled inflationary conditions, will continue for the forecasted term.

The rate of revenue collection is currently expressed as a percentage (80 per cent) of annual billings. Cash flow is assumed to be 80 per cent of billings, plus an increased collection of arrear debt from the revised collection and credit control policy. The performance of arrear collections will however only be considered a source of additional cash in-flow once the performance has been carefully monitored.

4.22.4. Salary increases

The collective agreement regarding salaries/wages came into operation on 1 July 2023 and shall remain in force until 30 June 2024. The salary increase that has been applied is 7.3 percent for the 2023/2024 budget year.

4.22.5. Impact of national, provincial and local policies

Integration of service delivery between national, provincial and local government is critical to ensure focussed service delivery and in this regard various measures were implemented to align IDPs, provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives:

- Creating jobs;
- Enhancing education and skill development;
- Improving Health services;
- Rural development and agriculture; and
- Fighting crime and corruption.

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link between policy priorities and expenditure thereby ensuring the achievement of the national, provincial and local objectives.

4.22.6. Ability of the municipality to spend and deliver on the programmes

It is estimated that a spending rate of at least 97 per cent is achieved on operating expenditure and 100 per cent on the capital programme for the MTREF of which performance has been factored into the cash flow budget.

4.23. Consolidated Investment Register for each and every grant received

		ELUNDINI INVESTMENT REPORT					
		01 MARCH 2023 TO 31 MARCH 2023					
NAME OF INVESTMENT	**PURPOSE**	**ACCOUNT NO**	**BALANCE AS AT 01/03/2023**	**INTEREST RECIVED**	**WITHDRAWALS**	**DEPOSIT**	**TOAL AS AT 31/03/2023**
ELUNDINI EXPAND PUBLIC WORKS	EX PUBLIC WORKS PROGRA	388497173-001	R 1,815,554.16	R 11,303.74		R 761,000.00	R 2,587,857.90
ELUNDINI VOTER STATION	INFRASTRUCTURE GRANT	388497165-001	R 1,560.89	R 5.04			R 1,565.93
EQUITABLE SHARE FNB	SUBSIDY FOR POOR	62189194170	R 10,948,773.64	R 146,174.49	R 42,598,765.10	R 50,507,000.00	R 19,003,183.03
FINANCE MANAGEMENT GRANT	CONDITIONAL GRANT	388493410-002	R 1,696,969.74	R 8,143.13			R 1,705,112.87
MAYOR'S SOCIAL INVESTMENT		62378875226	R 575,698.66	R 2,495.22	R -		R 578,193.88
MUNICIPAL DISASTER GRANT	CONDITIONAL GRANT	388493003-001	R 1,529.93	R 4.94			R 1,534.87
MIG	CONDITIONAL GRANT	62189180111	R 25,055,241.66	R 123,632.98	R 4,545,698.56	R 6,378,000.00	R 27,011,176.08
NER	ELECTRICITY UPGRADING	388490810-001	R 7,210,345.37	R 28,395.48	R 2,914,805.97		R 4,323,934.88
WORKING CAPITAL RESERVE	RESEVERS	62284785121	R 20,979,079.47	R 131,967.04	R -	R 30,056,978.26	R 51,168,024.77
JOE GQABI	WATER AND SANITAION	62557779322	R 6,214,717.22	R 35,713.34			R 6,250,430.56
ENERGY EFFICIANCY	CONDITIONAL GRANT	62785909650	R 5,419.61	R 31.15			R 5,450.76
SOLIDARITY FUND		62852498023	R 141,013.01	R 810.34			R 141,823.35
TOTAL			**R 74,645,903.36**	**R 488,676.89**	**R 50,059,269.63**	**R 87,702,978.26**	**R 112,778,288.88**

4.24. Grants receipts and Expenditure

ELUNDINI LOCAL MUNICIPALITY				
FINAL BUDGET 2023/24				
CONDITIONAL GRANTS				
Segment Desc	**2022 Year Receipts**	**2022 % Spent**	**2023 Year Receipts**	**Feb 2023 % Spent**
Operational Grants				
Equitable share	166231000	100%	176199816	74%
Financial Management Grant	1650000	100%	1650000	37%
EPWP	2569000	100%	2539000	75%
Library grant	750000	100%	750000	12%
Capital grants				
Municipal Infrastructure Grant	41031000	90%	41966256	30%
INEP	19740000	95%	14400000	20%

4.25. Overview of budget funding

4.25.1. Medium-term outlook: operating revenue

The following chart is a breakdown of the operational revenue per main category for the 2023/24 financial year.

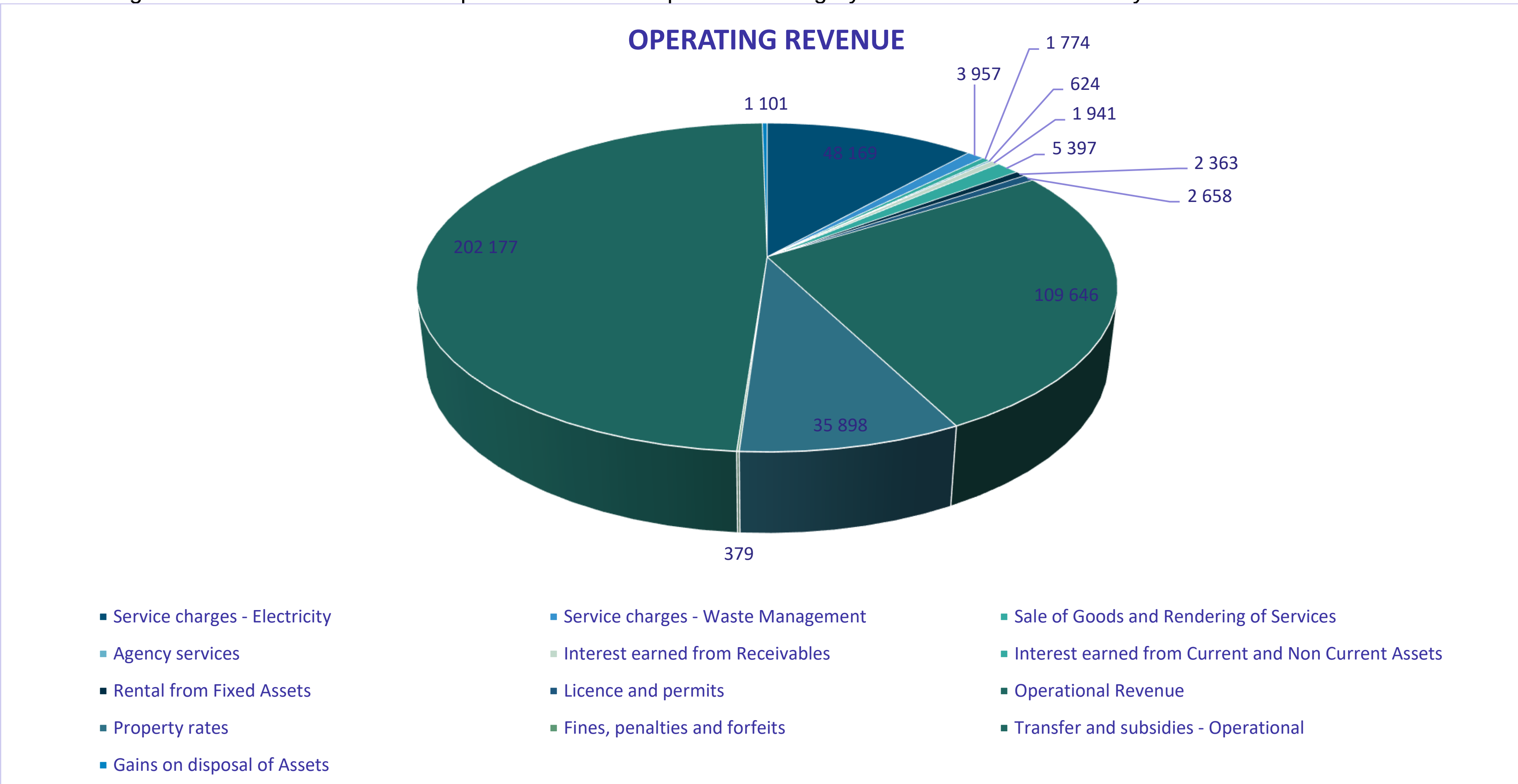

Table A8 - Cash backed reserves/accumulated surplus reconciliation

EC141 Elundini - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Cash and investments available											
Cash/cash equivalents at the year end	1	362 483	149 313	168 626	328 335	232 097	565 192	565 192	(10 092)	(48 994)	(95 722)
Other current investments > 90 days		(253 592)	(15 767)	(69 013)	(8 206)	(1 121)	(334 216)	(334 216)	3 157	13 404	42 576
Investments - Property, plant and equipment	1	468 559	511 052	524 950	631 306	677 274	677 274	677 274	70 640	71 747	76 294
Cash and investments available:		**577 450**	**644 598**	**624 564**	**951 435**	**908 249**	**908 249**	**908 249**	**63 705**	**36 157**	**23 148**
Application of cash and investments											
Trade payables from Non-exchange transactions: Other		–	–	–	–	–	–	–	–	–	–
Unspent borrowing		–	–	–	–	–	–		–	–	–
Statutory requirements	2	30 977	69 842	84 578	(47 347)	(49 314)	(49 314)	(49 314)	–	–	–
Other working capital requirements	3	55 905	53 880	34 368	(96 036)	(99 161)	(99 161)	(99 161)	(3 393)	(3 043)	–
Other provisions		24 926	28 028	42 953	–	–	–	–	–	–	–
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5	–	–	–	–	–	–	–	–	–	–
Total Application of cash and investments:		**111 808**	**151 751**	**161 899**	**(143 383)**	**(148 475)**	**(148 475)**	**(148 475)**	**(3 393)**	**(3 043)**	**–**
Surplus(shortfall)		**465 642**	**492 847**	**462 665**	**1 094 818**	**1 056 724**	**1 056 724**	**1 056 724**	**67 098**	**39 200**	**23 148**

4.26. Contracts having future budgetary implications

In terms of the Municipality's Supply Chain Management Policy, no contracts are awarded beyond the medium-term revenue and expenditure framework (three years). In ensuring adherence to this contractual time frame limitation, all reports submitted to either the Bid Evaluation and Adjudication Committees must obtain formal financial comments from the Financial Management Division of the Treasury Department.

4.27. Capital expenditure details

The following three tables present details of the Municipality's capital expenditure programme, firstly on new assets, then the renewal of assets and finally on the repair and maintenance of assets.

4.28. Legislation compliance status

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

4.28.1. In year reporting

Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) has progressively improved and includes monthly published financial performance on the municipality's website.

4.28.2. Quarterly Reports

Reporting to National Treasury in electronic format was fully complied with on quartery basis. Section 52(d) reporting to the Executive Mayor (within 30 working days) has progressively improved and includes quarterly published financial performance on the municipality's website.

4.28.3. Mid Year Reporting

Reporting to National Treasury in electronic format was fully complied with on half yearly basis. Section 72 reporting to the Executive Mayor on the 25th of January each year has progressively improved and includes mid-year published financial performance on the municipality's website.

4.28.5. Annual Reporting

Reporting to National Treasury in electronic format was fully complied with on annual report which is reported on annual bases, each year has progressively improved and it is published on the municipality's website.

4.28.6. Internship programme

The Municipality is participating in the Municipal Financial Management Internship programme and has employed five interns undergoing training in various divisions of the Financial Services Department.

4.28.7. MFMA Training

The MFMA training module in electronic format is presented at the municipality's internal centre and training is ongoing.

4.29. Elundini Three Year Capital Plan

4.29.5. Municipal Infrastrucuture Grant

ELUNDINI MUNICIPALITY: MIG THREE YEAR CAPITAL IMPLEMENTATION PLAN 2023-2024 to 2025-2026 FINANCIAL YEAR

No	Project Name	Ward No	EXTENT OF WORKS	STATUS	Project Value	REGISTRATION STATUS (YES/NO)	FUNDER	2023/2024	2024 / 2025	2025 / 2026
								R 54 045 000,00	*R 48 035 000,00*	*R 50 110 000,00*
	Project Management Unit	-	-		-		MIG	R 2 702 250,00	R 2 401 750,00	R 2 505 500,00
	Upgrading & Rehabilitation of Maclear Roads (Cluster 1 Roads) - Phase 3	3	1,11km	Complete	R 31 527 721,71	Yes	MIG			
	Construction of Refele Sport Field	8	1 unit	Complete	R 20 779 792,97	Yes	MIG			
	Construction of Chevy-Chase - Nkangala Access Road	15	4,5km	Construction	R 4 602 191,14	Yes	MIG			
	Surfacing of Ugie Park Streets & Stormwater	2	Designs	Complete	R 27 087 942,90	Yes	MIG			
	Surfacing of Greenfields Streets & Stormwater	17	Designs	Complete	R 34 780 379,44	Yes	MIG			
	Construction of Bhethula to Mrhorwana Access Road	4	2,78km	Complete	R 6 509 043,25	Yes	MIG			
	Ntokozweni / Kuyasa Preschool	2	1 unit	Complete	R 4 428 573,68	Yes	MIG			
1	Construction of Refele Sport Field PH 2	8	1 unit	Construction	R 20 779 792,97	Yes	MIG	R 10 343 152,16	-	
2	Surfacing of Ugie Park Streets & Stormwater (Ph 1,2&3)	2	3,23km	Design	R 27 087 942,90	Yes	MIG	R 7 275 849,61	R 7 483 234,56	R 7 483 234,56
3	Surfacing of Greenfields Streets & Stormwater (Ph 1,2&3)	17	5,84km	Design	R 34 780 379,44	Yes	MIG	R 10 887 834,70	R 10 129 227,10	R 10 129 227,10
5	Surfacing of Mt Fletcher Urban Roads & Stormwater	9	2km	Registration	R 17 231 531,00	No	MIG	R 10 615 765,50		R 6 615 765,50

6	Epainette Mbeki Access Road	9	2,5km	Registration	R 5 492 343,18	No	MIG	R 587 804,22	R 4 904 538,96	
7	R56 to Khalankomo Upgrade	9	2,5km	Registration	R 5 492 343,18	No	MIG	R 500 000,00		R 6 242 343,18
8	Construction of Xaxazana Special School Access Road	11	2km	Registration	R 5 093 063,18	No	MIG	R 593 063,18	4 500 000,00	-
9	West Hoek Access Road	10	6km	Registration	R 9 119 213,18	No	MIG	R 500 000,00	2 308 140,71	R 6 311 072,47
10	Madzora Access Road	10	5km	Business Plan	R 7 470 573,18	No	MIG		500 000,00	R 6 970 573,18
11	Katlehong Township and Ilisolomzi Township Streets	9	6,71km	Registration	R 54 186 436,00	No	MIG	R 1 100 000,00	-	R 5 675 682,98
12	Delibawo via Maweni Access Road	1	4,48km	Registration	R 7 661 965,91	No	MIG	R 500 000,00	R 5 861 665,91	R 1 300 300,00
13	Thutsing Access Road	14	1,7km	Registration	R 5 125 047,62	No	MIG	R 500 000,00	4 625 047,62	
14	Seqhobong Access Road	13	2km	Registration	R 5 307 250,00	No	MIG	R 476 784,86	4 830 465,14	
15	Upgrade of Hopedale Sportsfield (Phase 1& 2)	6	1 unit	Registration	R 8 000 000,00	No	MIG	R 5 700 300,00	R 2 300 000,00	
16	Roads and Storwater Master plan	All Wards	1 unit	Require Business Plan	R 2 400 000,00	No	MIG	-	2 400 000,00	
17	Community Hall for ward 14	14	1 Unit	Require Business Plan	R 4 366 870,96	No	MIG			
21	Construciton of Marhombe streets	7	5km	Require Business Plan	R 5 250 951,00	No	MIG			
22	Construction of Kose to Mbonisweni via Diphini	5	14,1km	Requires business plan	TBC	No	MIG			
23	Construction of St Augustines Access Road	6	3,5km	Requires business plan	R 5 286 487,78	Yes	MIG			
24	Construction of Mpukone Access Road	6	2,4km	Require Business Plan	TBC	No	MIG			
25	Construction of Mpukane Access Road	5	2,4km	Require Business Plan	TBC	No	MIG			

26	Queen Noti Clinic to Jamangile SSS AR	6	8km	Require Business Plan	TBC	No	MIG			
27	Tembeni housing project: infrastructure roads	9	TBC	Require Business Plan	TBC	No	MIG			
28	Community Hall for ward 12 at Kinira Poort	12	1 Unit	Require Business Plan	TBC	No	MIG			
29	Mabekang Access Road	12	TBC	Require Business Plan	TBC	No	MIG			
30	Ntywenka Access Road	6	TBC	Require Business Plan	TBC	No	MIG			
31	Upper Sinxako to Govani Access Road	6	TBC	Require Business Plan	TBC	No	MIG			
32	Community Hall for ward 05	5	1 Unit	Require Business Plan	R 4 366 870,96	No	MIG			
33	Community Hall for ward 06	6	1 Unit	Require Business Plan	R 4 366 870,96	No	MIG			
34	Community Hall for ward 08	8	1 Unit	Require Business Plan	R 4 366 870,96	No	MIG			
35	Community Hall for ward 11	11	1 Unit	Require Business Plan	R 4 366 870,96	No	MIG			
36	Community Hall for ward 13	13	1 Unit	Require Business Plan	R 4 366 870,96	No	MIG			
37	Community Hall for ward 14	14	1 Unit	Require Business Plan	R 4 366 870,96	No	MIG			
38	Community Hall for ward 15	15	1 Unit	Require Business Plan	R 4 366 870,96	No	MIG			

4.30. INEP Three Year Project Implementation Plan

INEP IMPLEMENTATION PLAN 2022/2023	**14 400 000,00**

Ward	Village Name	Number of Connections	Bulk Link Line		Original 3 year plan budget
4	Khohlong	160 connections and Associated MV&LV infrastructure		30 000,00	4 800 000,00
4	Elenge	150 connections and Associated MV&LV infrastructure		30 000,00	4 500 000,00
4	Bhetula	110 connections and Associated MV&LV infrastructure		30 000,00	3 300 000,00
4	Ulundi	60 connections and Associated MV&LV infrastructure	10km	30 000,00	1 800 000,00
Total					14 400 000,00
INEP IMPLEMENTATION PLAN 2023/2024					**22 000 000,00**
Ward	**Village Name**	**Number of Connections**	**Bulk Link Line**		Original 3 year plan budget
4	Top Blocks	178 connections and Associated MV&LV infrastructure		20 000,00	3 560 000,00
4	Top Blocks	Bulk			2 527 000,00
10	Xaxazana Zone 14	86 connections and Associated MV&LV infrastructure		14 000,00	1 204 000,00
10	Skote	80 connections and Associated MV&LV infrastructure		14 000,00	1 120 000,00
10	Esilindini	59 connections and Associated MV&LV infrastructure		25 000,00	1 475 000,00
10	Esilindini	Bulk 4 km			1 214 000,00
10	Mahemeng (Iketleng)	71 connections and Associated MV&LV infrastructure		25 000,00	1 775 000,00

10	Westhoek	67 connections and Associated MV&LV infrastructure		25 000,00	1 675 000,00
10	Westhoek	Bulk 5km			1 805 000,00
4	Ward 17 Extensions (Mbidlana	40 connections and Associated MV&LV infrastructure		18 000,00	720 000,00
1	Ward 17 Extensions (Gqaqala)	38 connections and Associated MV&LV infrastructure		18 000,00	684 000,00
Total					17 759 000,00
INEP IMPLEMENTATION PLAN 2024/2025					
Ward	**Village Name**	**Number of Connections**	**Bulk Link Line**		Original 3 year plan budget
4	Ward 4 Extensions (Matuguru, Saqhuthe, Khohlomorete, Ndingeni, Namba, Mlamlankunzi, Sigoga, Qobeni, Dipini, Mission, Farmini)	180 connections and Associated MV&LV infrastructure		13 000,00	2 340 000,00
17	Ward 17 Extensions (Mbidlana, Gqaqhala,	78 connections and Associated MV&LV infrastructure		13 000,00	1 014 000,00
11	Ward 11 Extensions (Fletcherville, Lubisini, Dengwana, Tinana)	240 connections and Associated MV&LV infrastructure		13 000,00	3 120 000,00
8,9	Ward 8& 9 extensions (Makgatlaneng Zone 14, Makhandleleni, Moroka, eThembeni)	55 connections and Associated MV&LV infrastructure		13 000,00	715 000,00
5	Ward 5 Extensions (Mcwangele, Mountain, Sidakeni, Mtshezi, Hopedale)	115 connections and Associated MV&LV infrastructure		13 000,00	1 235 000,00

15,13	Various extension (Liphofung, Makoatlana)	99 connections and Associated MV&LV infrastructure		13 000,00	1 287 000,00
12	Ward 12 Extensions (Setaka, Polokoe, Mangoloaneng, Kinira Poort, Lehlakaneng, Ntabayikhonjwa)	124 connections and Associated MV&LV infrastructure		13 000,00	1 612 000,00
Various	Pre-engineering	2025/2026 financial year			1 500 000,00
Total					10 483 000,00

4.31. Road Mantainence Plan

FY	2023-2024	
DEPARTMENT	IP&D	
SECTION	BUILDING & CIVIL WORKS	
SUB-SECTION	RURAL ROADS & STORMWATER MAINTENANCE	
WARD NO	**VILLAGES**	**KM OF ROADS**
	SEQHOBONG-KWEBUNG-SOMERSTE	
	NTOKO	
	GQWATHI	
	MANGOLOANENG	
	NGOLELOE	
	NTBAYIKHONJWA	
	SETHATHI-MASHATA	
	LOWER NXOTSHANA	
	UPPER NXOTSHANA	
13	MAFUSISNI-NEW STANDS	
	TOTAL KM	**26**
	POPOPO	
	LEHLAKANENG	
12	MAKGADITSENG	**29**

	THABATLALA	
	SETAKA	
	MOLEKO	
	MANGOLOANENG	
	MOHOABATSANA	
	POLOKOE	
	MAHANYANENG	
	MAZIZINI	
	TOTAL KM	
	TINANA- GHOBHO	
	THAMBEKENI- TATYANENI	
	DENGWANE	
	MVUMANE	
	FELTCHIVILLE	
	ROAD TO SPECIAL SCHOOL	
	MAFUSINI	
11	TABASE	
	TOTAL KM	26
	MAHEMENG	
	BRAKI	
	MPHARANE	
	XAXAZANA-MATHAFENI-NKALWENI	
	TO SONDABA SPS	
	TO MBAMBANGWE SPS	
	NTLOMBE-MPHARANE	
	MBAMBANGWE TO ZWELITSHA	
10	ZINGONYAMENI	
	TOTAL KM	22
	TSEKONG	
	MAKGULENG	
15	KGALATSU	37

	TSOLOBENG TO LOWER TOAKOANA	
	ACCESS ROAD THROUGH LEHANA	
	NKULEKWENI	
	LIPHAKWENG	
	LIPHOFUNG	
	KOLTLOANONG	
	TOTAL KM	
	UPPER TOKOANA	
	GXWALENI	
	BETHANIA	
	DIKETONG	
	THABAKHOBELU	
	VUVU	
	ZINDAWANA	
	PHIRISNTU	
	KWAXHABADIYA	
	MCHETYANA	
	DIPHOKONG	
	GASETHI	
	SITHABATHABA	
	PHUTINI	
14	ZANYENI	
	TOTAL KM	39
9	MOUNT FLETCHER	9
3,4	MACLEAR	9
2,4,17	UGIE	3
TOTAL KM		**200**

Urban Maintenance

PERIOD	Activity	Stormwater (m)	Stormwater (No)	Road Reserve Maintenance(m²)	Surfaced road maintenance Black top/ Block Pave(m²)
Quarter 1	Tlokoeng	500	30	1500	400
	Ugie	600	50	900	300
	Nqanqarhu	500	55	1000	300
		1600	**135**	**3400**	**1000**
Quarter 2	Tlokoeng	500	30	1500	4000
	Ugie	500	50	900	1300
	Nqanqarhu	600	55	1000	4000
		1600	**135**	**3400**	**9300**
Quarter 3	Tlokoeng	500	30	1500	0
	Ugie	600	50	900	0
	Nqanqarhu	500	55	1000	0
		1600	**135**	**3400**	**0**
Quarter 4	Tlokoeng	500	30	1500	350
	Ugie	500	50	900	300
	Nqanqarhu	600	55	1000	350
		1600	**135**	**3400**	**1000**
		6400	**540**	**13600**	**11300**

5. CHAPTER FIVE: PROJECT IDENTIFICATION

5.1. Infrastructure Planning and Development

FOCUS AREA	STRATEGY	OUTPUT INDICATOR	BUDGET	BASELINE	5YEAR TARGET	2023/2024	PROJECT IDENTIFICATION	INDICATOR CUSTODIAN
Project Management Unit	Infrastructure development	No. of kms of Roads Constructed	R138 Million	603.77	32.914	11,07 km	Surfacing of Ugie Park Streets & Stormwater (3,23km) , Surfacing of Greenfields Streets & Stormwater (5,84km); Surfacing of Mt Fletcher Urban Roads & Stormwater (2km)	Director Infrastructure Planning and Development
Project Management Unit	Infrastructure development	Number of public amenities constructed	R94.4 Million R4.4 Million (Halls R20 Million (ECDCs) R70 Million (public toilets)	10	7	2	Construction of Refele Sport Field PH 2; Upgrade of Hopedale Sportsfield (Phase 1& 2)	Director Infrastructure Planning and Development
Electrification	Infrastructure planning	Number of tariff proposals submitted to NERSA	R400,000	New Indicator	3	1	1	Director Infrastructure Planning and Development
Electrification	Infrastructure planning	Number of feasibility studies conducted for alternative Reliable Power Supply	R2.3 Million	New Indicator	1	1	1	Director Infrastructure Planning and Development
Buildings and Civil Works	Infrastructure development	KMs of access roads maintained	7 Million	750km	750km	185KM	Wards (2,3,4,9, 10,11,12,13,14 &15)	Director Infrastructure Planning and Development

Buildings and Civil Works	Infrastructure development	% of stormwater upgraded	13.34 Million	100%	100%	100%	100%	Director Infrastructure Planning and Development
Buildings and Civil Works	Infrastructure development	No of bridges rehabilitated	6 Million	4	5	1	1	Director Infrastructure Planning and Development
Electrification	Infrastructure development	Number of households in electrification program connected:	57 Million	2406	1039	**687**	Koebung phase 2(124), Makoatlane phase2 (60), Mlamlankunzi(55), Polokoe (48,), Westhoek(67), Mahemeng(Iketleng) 84, Sikote (85), Xaxazana Zone 14 (86), Ward 17 (Gqaqhala), 38	Director Infrastructure Planning and Development
Electrification	Infrastructure development	Number of kilometres of bulk infrastructure constructed (link line)	8.9 Million	32km	22km	5 km	Westhoek(5km)	Director Infrastructure Planning and Development
Electrification	Infrastructure development	No of public lights installed.	15 Million (High-mast - HML) R3.7 Million (Street lights - SL)	17 (HML) 218 (SL)	11 (HML) 105 (SL)	2 (HML) 20 (SL)	Mount Fletcher X 2 High Mast, Nqanqarhu various street X 20 Street Lights	Director Infrastructure Planning and Development
Electrification	Infrastructure development	No. of electricity network upgrade completed X2	21 Million	7	10	2	Nqanqarhu	Director Infrastructure Planning and Development
Electrification	Infrastructure development	% of maintenance completed for electricity network as per the maintenance plan)	17.2 Million	100%	100%	100%	100%	Director Infrastructure Planning and Development

Electrification	Infrastructure development	% Maintenance on Public lighting.	R190,370,000	100%	100%	100%	100%	Director Infrastructure Planning and Development
Infrastructure Grant expenditure	Infrastructure spending	% expenditure on all infrastructure grants	100%	100%	100%	100%		Director Infrastructure Planning and Development

5.2. Community Services

FOCUS AREA	STRATEGY	OUTPUT INDICATOR	BUDGET	BASELINE	5YEAR TARGET	2023/2024	PROJECT IDENTIFIED	DIRECTOR COMMUNITY SERVICES
Strategic objective: To promote environmental health and safety								
Waste management and cleansing	Provision of basic services to promote healthy environment	Number of waste management projects implemented	R17,500,000.00	New	15 (1. IWPMP review, 2. Waste Minimization, 3. Waste Transfer station, 4. management of Material Recovery Facility (MRF), 5. MRF Equipment procurement, 6. Fencing of Landfill sites, 7. Procurement and installation of weigh bridge, 8. Construction of guard house with ablution facility in Ugie landfill site, 9. Procurement of a skip truck and 15 skip bins 10. Arbour Celebrations 11. Landfill site audit	9	Weigh Bridge: R1500 000 in Ugie Fencing of Ugie landfill: R2100 000 in Ugie Arbor month celebrations (all wards) Landfill sites audit (Ugie, Nqanqarhu,Tlokoeng) Waste minimization MRF equipment procurement Construction of guard house at Ugie landfill site R800 000 Development of Climate change strategy R400 000.00	Director Community Services

=Waste Management and Cleansing	Provision of basic services to promote healthy environment	Number of areas receiving refuse collection, for household and commercial properties. 9. Procurement of a skip truck and 15 skip bins	R,00	New	39 areas	39 areas	39	Director Community Services
Waste Management and Cleansing	Provision of basic services to promote healthy environment	Number of Awareness campaign projects conducted (Waste and environment, Fire & disaster campaigns, and road safety.)	R 900,000.00	new	16	4	4	Director Community Services
Public Safety	Promote public safety and healthy environment	Number of road blocks conducted		5	25	5	5	Director Community Services
Public Safety	Vehicle registration	Revenue generated from vehicle's registration and licensing (rand value)	R0.00	New	5 million	1 million	1 million	Director Community Services
Traffic management	Promote public safety and healthy environment	Number of Traffic safety projects implemented (1. Road traffic infrastructure 2. Road safety campaigns 3. Learner licenses issued 4. Drivers licenses issued 5. Road worthy vehicle testing 6. Upgrading of DLTC	10,4 Million	New	6	5	Design the upgrading of DLTC in Nqanqarhu R800 000 Procument of Vehicle R1 200 000.(Traffic and waste management sections)	Director Community Services

	Promote public safety and healthy environment	Number of Fire and Disaster management projects implemented (1. Procurement of fire engine 2. Fire incidents 3. Development of Disaster Management Plan 4. Fire awareness campaigns					Development of disaster management plan R400 000.00 Fire awareness campaigns (all wards)	
Parks and public amenities	Provision of parks	Number of parks constructed in Tlokoeng, Nqanqarhu and Ugie	R5 Million	new	1	1	R5 000 000 at Tlokoeng	Director Community Services
Pound management	Promote public safety and healthy environment	Number of pound management projects implemented (1. Pound construction 2. Pound management implementation 3. Holding facilities maintained)	15,5 Million	New	3	2	Construction of Pound facility @ Ugie R8 000 000. Fencing of animal holding facilities @ Tlokoeng and Nqanqarhu	Director Community Services
Policy development/Reviewal	Development of new policy and reviewal of available policies	Number of developed draft policies and bylaws and /or reviewed draft policies and by laws approved by Council	R400,000	New	44	9	9	Director Community Services
Poverty Alleviation	Expanded Public works program	Number of jobs created through Expanded Public Works Program	R2 569 000	209	1250	209	209	Director Community Services

5.3. Municipal Transformation and Organisational Development

FOCUS AREA	STRATEGY / PERFORMANCE OBJECTIVE	OUTPUT INDICATOR	BUDGET	BASELINE	5 YEAR TARGET	2023/2024	PROJECT IDENTIFIED	INDICATOR CUSTODIAN
Strategic objective: To enhance organisational performance, financial viability and management of municipal resources								
Human Resource Development	To promote sound labour relations	Percentage functionality of local labour forum and its committees		11	100%	100%	Sitting of Local Labour Forum and its sub-committees Training of committee members	Director Corporate Services
Human Resource Development	To ensure compliance with legislation	Number of legislative compliance reports submitted to relevant public bodies		2	10	2	Compilation and submission of Workplace Skills Plan Compilation and submission of Employment Equity Report	Director Corporate Services
Human Resource Development	Implementation of the Workplace Skills Plan	Percentage implementation of identified training interventions		New	100%	100%	Conducting Skills Audit Prioritization and compilation of training needs and interventions	Director Corporate Services
Human Resource Development	Implementation of the Workplace Skills Plan	Percentage expenditure of the municipal budget for training and development		76%	100%	100%	Costing of training interventions	Director Corporate Services
Human Resource Development	Review of the organisational structure 2023/24	Number of organizational structures reviewed		2022/23 adopted organogram	5	1	Consultation and presentation of draft organisational structure Adoption of the final draft organizational structure	Director Corporate Services

Human Resource Development	Implementation of OHS and wellness strategies	Percentage of implementation of programs/plans identified in the wellness and OHS strategies		New	100%	100%	Development of plans and programs as per OHS and Wellness Strategies	Director Corporate Services
Human Resource Development	Policy development and review	Number of HR policies reviewed		12	25	5	Stakeholder consultation on policies to be developed and reviewed Development and review policies for adoption by Council	Director Corporate Services
Admin and Council Support	Functionality of security	Number of security system projects implemented		New	2 (implementation of the master and security report)	2	Implementation and monitoring of security masterplan	Director Corporate Services
Admin and Council Support	Document management	Percentage implementation of document management system		New	100%	100%	Implementation and monitoring of document management system	Director Corporate Services
Admin and Council Support	Provision of administration and secretariat support to Council and its committees (Exco and Council)	Percentage functionality of council and its committees		100%	100%	100%	Development of Council calendar Compilation of agendas and minutes	Director Corporate Services
ICT	Provision of ICT services	Number of ICT projects implemented	R2 Million	New indicator	9 (1. LAN upgrade Cat 6e. 2. Installation of New LAN. 3. Cloud based solution.	3	Development of specification for upgrades Advertisement and appointments for upgrade provision Monitoring of upgrades implementation	Director Corporate Services

					4. Fibre feasibility study. 5. Monitoring of Remote backups. 6. Monitoring of ICT Security systems. 7. ICT Governance review. 8. Development of Information Security Systems Master Plans. 9. Implementation of information security system master plan)			
Administration & Council Support Services	Provision of administration and secretariat support to council and its committees	Percentage functionality of council and its committees	R500 000	New indicator	100%	100%	Development of Council calendar Compilation of agendas and minutes	Director Corporate Services
Administration & Council Support Services	Promote good governance by providing efficient administrative support and municipal records management	Number of document management System projects implemented.		New indicator	3 (1. Review of File Plan. 2. Review of Records Management Policy. 3. Review of Registry Procedure Manual)	N/A	Review and adoption of file plan, records management policy and registry procedure manual	Director Corporate Services

5.4. Local Economic Development

FOCUS AREA	STRATEGY / PERFORMANCE OBJECTIVE	OUTPUT INDICATOR	BUDGET	BASELINE	5 YEAR TARGET	2023/2024	PROJECT IDENTIFIED	INDICATOR CUSTODIAN
Strategic objective: To facilitate industrialisation that unlocks the manufacturing potential of the local economy To support the development of SMME to participate in a diversified and growing economy								
LED-Agriculture & Forestry	Establishment of the agro processing	Number of industrial projects implemented	R2,750,000.00	Feasibility Studies Completed	1. Ugie Agro-processing Hub. 2. Ugie Furniture Factory	1 Ugie Agro-processing Hub. 2. Ugie Furniture Factory	1. Implementation of the Ugie Agro-processing Hub. 2. Implementation of the Ugie Furniture Factory	Director – Planning and Economic Development
LED-SMME	Capacitation of SMME's	Number of SMME projects implemented	R500,000	5	5 (Masonary Hawker stalls, SMME Training, SME branding & marketing, Business Licensing)	5(Masonary Hawker stalls, SMME Training SME branding & marketing, Business Licensing)	1. Implementation of the Tlokoeng Masonary Project. 2. Support to Informal trading through provision of Hawker stalls. 3. SMME Training 4. SME branding & marketing, 5. Business Premises Licensed	Director – Planning and Economic Development
LED -SMME	Improve participation of local farmers in the agricultural sector	Number of Forestry and agricultural projects implemented	R1,600,000	1	3(International Standards Wool Certification, RAFI Beef, Katsekop Farm)	2(International Wool Standards Certification Katsekop Farm	1. Certification of communal farms shearing sheds for international standards 2. Implementation of the Ugie Katsekop Farm lease for Communal Farmers.	Director – Planning and Economic Development
LED-Tourism	Promote Elundini as a prime tourist destination	Number of tourism projects implemented	R500,000	2	5(Tourism Month, Tourism Indaba. Grahamstown Arts Festival, Heritage Route Development Rock Art Development	5(Tourism Month, Tourism Indaba. Grahamstown Arts Festival, Heritage Route Development	1. Implementation of Tourism Month Celebration. 2. Participation in the National Tourism Indaba.	Director – Planning and Economic Development

						Rock Art Development	3. Participation in the Grahamstown Arts Festival. 4. Implementation of Heritage Route Development 5. Implementation of the Rock Art Development.	
LED-Property investment	Investment in infrastructure land and property	Number of property investment projects implemented	R500,000	New indicator	2 (Property Development Plan, Tlokoeng Mall Development)	1 Property Development Plan. 2 Mt Fletcher Mall Development	1. Implementation of Property Development Plan. 2. Implementation of the Tlokoeng Mall Development	Director – Planning and Economic Development
LED- SMME	Coordinate Job creation	Number of work opportunities created	R0.00	New indicator	5 (Report on Work Opportunities created)	1 (Report on Work Opportunities created)	1. Work opportunities Created	Director – Planning and Economic Development
LED-SMME	Coordinate Job creation	Number of reports on work opportunities created by the municipality and other sectors	R0.00	New indicator	5 (Report on Work Opportunities created)	1 (Report on Work Opportunities created)	1. Work opportunities Created by the municipality and other sectors	Director – Planning and Economic Development
Planning and Land Use management	Improve land use planning and management	Number of spatial planning projects implemented	R1 100 00,00	1	6 (Update/ Review of SPLUM By-law, Review of HSP Review of SDF, Cemetery Layouts, IMIS Sites put into Market, strategic land parcels packaged to support social and economic development	7(Update/ Review of SPLUM By-law, Review of HSP, Review of SDF, Cemetery Layouts, IMIS, Sites put into Market, strategic land parcels packaged to support social and economic development	1. Update/ Review of SPLUM By-law. 2. Review of Housing Sector Plan. 3. Review of Spatial Development Framework. 4. Development of Cemetery Layouts for Ugie, Nqanqarhu and Tlokoeng.	Director – Planning and Economic Development

							5. Implementation of IMIS system. 6. Sites packaged and put into Market. 7. Strategic land parcels packaged to support social and economic development	

5.5. Financial Viability and Management

FOCUS AREA	STRATEGY / PERFORMANCE OBJECTIVE	OUTPUT INDICATOR	BUDGET	BASELINE	5 YEAR TARGET	2023/2024	PROJECT IDENTIFIED	INDICATOR CUSTODIAN
Strategic objectives: To provide reliable basic services to households and the business sector. To enhance organisational performance, financial viability and management of municipal resources.								
Income & Expenditure	Increase quantum of households receiving free basic services	Number of Households receiving Free Basic Services	R9,200,000.00	?	10 000	7,500	Free Basic Services	Income & Expenditure Manager
Income & Expenditure	Payment of Creditors within 30 Days	Average Number of days taken to pay Creditors	R0.00	11 Days	30 Days	30 Days	Creditor Payment	Income & Expenditure Manager
Income & Expenditure	Enhance organisational performance and management of municipal resources	Average Number of days to receive payment from debtors	R0.00	107 Days	360 Days	360 Days	Debtors Payment	Income & Expenditure Manager
Income & Expenditure	Improve efficiencies in management of financial resources	Percentage collection on billed revenue	R0.00	93%	95%	95%	Collection Rate	Income & Expenditure Manager

Income & Expenditure	Incentivize Customers to keep customer accounts up to date	% Reduction in level of historical Debt owed	R0.00	New Indicator	50% of Debt owed written off	20% of Debt owed written off	Historical Debt	Income & Expenditure Manager
Asset & Fleet Management	Improve efficiencies in management of financial resources	Number of Asset Projects implemented.	R0.00	New indicator	70	14	1. Asset verification 2. Asset reconciliations	Supply Chain & Asset Manager
Budget & Reporting	Improve efficiencies in management of financial resources	Current ratio maintained within national guidelines	R0.00	1.494:1	1.5:1	1.5:1	Current Ratio	Budget Planning & Reporting Manager
	Improve efficiencies in management of financial resources	Cost coverage ratio maintained within national guidelines	R0.00		3 months	3 months	Cost Coverage Ratio	Budget Planning & Reporting Manager
	Improve efficiencies in management of financial resources	Budgeted Capital vs Total Expenditure Ratio per budget	R0.00	18%	15%	20%	Capital & Expenditure Ratio	Budget Planning & Reporting Manager
Supply Chain	Enhance organisational performance and management of municipal resources	Number of SCM projects implemented	R0.00	5 months	5	5	1. DMP development. 2. DMP implementation. 3. Contract Management 4. Section 36 reporting 5. SCM policy reviews	Supply Chain & Asset Manager
Chief Finance Officer	Enhance organisational performance and management of municipal resources	Number of credible Interim and annual financial statements		New Indicator	2	2	1. Interim Annual Financial Statement 2. Annual Financial Statement	Chief Financial Officer
Chief Finance Officer	Enhance organisational performance and	% of audit action plan activities resolved	R0.00	New Indicator	5	1	Audit Action Plan	Budget Planning & Reporting Manager

	management of municipal resources							
Chief Finance Officer	Enhance organisational performance and management of municipal resources	Number of Cost Reduction Strategies Developed	R0.00	New Indicator	1	N/A	Cost Reduction Strategy	Supply Chain & Asset Manager

5.6. Good Governance and Public Participation

FOCUS AREA	STRATEGY / PERFORMANCE OBJECTIVE	OUTPUT INDICATOR	BUDGET	BASELINE	5 YEAR TARGET	2023/2024	PROJECT IDENTIFIED	INDICATOR CUSTODIAN
Strategic objectives : To provide reliable basic services to households and the business sector. **To enhance organisational performance, financial viability and management of municipal resources.**								
IDP Planning and implementation	Improve short, medium & long-term planning.	Number of institutional plans developed.	R2,3 million	New indicator	3	3	1. Annual strategic plan review. 2. Annual departmental plan. 3. Long-term plan)	Senior Manager Strategic Support Services
IDP Planning and implementation	Synergy of municipal planning with that of national, provincial, District and other parties that operate in the space of the municipality	Percentage of IDP Projects implemented.	R500 000	New indicator	4	100%	1. Development of IDP Process plan. 2. Ward based planning. 3. IDP process plan implementation. 4. IDP review)	Manager IDP & PMS
Performance Monitoring and Evaluation	Institutional PMS	Number of institutional PMS projects implemented		IDP, SDBIP & PMS Policy	2	2	Development of SDBIP Implementation and reporting on the PMS policy	Manager IDP &PMS

Risk Management	Promote risk awareness and risk-based decision-making processes	Number of risk management projects implemented	R900,000.00	New Indicator	4	2	1. Risk assessment. 2. Risk management policy review. 3.ethics & integrity management review. 4. Risk management implementation	Senior Manager Strategic Support Services
Internal Audit	Improve effectiveness and efficiency of the internal audit	Percentage of Internal audit projects implemented	R 2,5 Mil	New indicator	2	100%	1. Automated audit management system. 2. Audit action plan)	Manager Internal Audit
Public participation	Strengthen functionality of oversight and ward committees	Number of public participation and oversight projects implemented	R5 Mil	New Indicator	4.	4	1.Ward committee co-ordination. 2. Community based meetings. 3. Section 79 Committee co-ordination. 4. Public participation events	Manager Public Participation
Public participation and communications	Improve effectiveness & efficiency of communications	Number of Communication projects implemented	R1 Mil	6	5	5	1. Social media. 2. Municipal publications. 3. Outdoor LED Screen. 4. LCF. 5.Website management	Manager Public Participation
Public participation and communications	Improve effectiveness & efficiencies of customer care service	Number of customer care projects implemented	R0.00	4	4	4	1. Satisfaction survey. 2. Anonymous hot line. 3. Presidential hotline. 4. IMIS walk-ins)	Manager Public Participation
Legal Services	Compliance and litigation management	Number of legal services projects implemented	R 1 011 972	New indicator	4	4	1.Youth enterprise development fund 2. Youth Skilling 3.Recreation, Arts and Craft project *(Horse racing event, Arts*	Manager Legal Services

							Exhibition sessions, Support to performing artists)	
Special Programs	Social relief and skills development	Number of women empowerment projects implemented	R 603 132	3	3	3	1. Women enterprise development fund 2. Project Sithasolwazi 3. Support to village women owned businesses	Manager: Special Programs
Special Programs	Mainstreaming of focus groups across the municipality	Number of focus groups social projects implemented.	R200 000	3	3	1	People with disability enterprise development fund	Manager: Special Programs
Special Programs	Social relief and skills development	Number of Mayor's social investment projects implemented	R363,000	3	3	3	1. Black hawk partnership 2. Bridge of hope. 3. MSI bursary fund	Manager: Special Programs
Special Programs	Mainstreaming of focus groups across the municipality	Number of focus groups social projects implemented.	R1,637,024	3	15	3	1. HIV/AIDS coordination 2. PWD program 3. Gender-based Violence & Femicide program	Manager: Special Programs

5.28. District Municipality Three Year Capital Plan 2023/24

PROJECT NUMBER	PROJECT NAME	LM	PROJECT TYPE: WATER SANITATION ROADS SOLID WASTE. STREET LIGHTING. PUBLIC MUNICIPAL SERVICES	Project Status for example Not yet registered Design and Tender Construction indicate for any status	APPROVED BUDGET	SOURCE OF FUNDING	BUDGET IMPLICATION	Projected Expenditure for 2023/24 (incl. VAT)	Projected Expenditure for 2024/25 (Incl. VAT)	Projected Expenditure for 2025/26 (Incl. VAT)
	MIG									
S/EC/17626/20/23	Senqu Rural Sanitation Programme: Phase 6	Senqu	Sanitation	Construction	R 132,220,684	MIG	OPERATIONAL	R 10,000,000	R 0	R 0
S/EC/15490/18/20	Elundini Rural Sanitation Programme: Phase 6	Elundini	Sanitation	Construction	R 132,220,684	MIG	OPERATIONAL	R 10,000,000	R 0	R 0
W/EC/14718/17/23	Elundini Rural water Programme (ORIO)	Elundini	Water	Design and Tender	R 143,813,803	MIG	CAPITAL	R 19,977,200	R 20,000,000	R 0
W/EC/15907/18/22	Maclear Water Treatment & Distribution Upgrade (WTW)	Elundini	Water	Design and Tender	R 226,644,753	MIG	CAPITAL	R 15,000,000	R 24,752,750	R 15,000,000

S/EC/15418 /17/20	Bulk Sanitation Infrastructure Upgrade for Maclear Phase 3B	Elundini	Santation	Construction	R 60,447,551	MIG	CAPITAL	R 15,000,000	R 2,686,750	R 0
W/EC/1675 5/19/21	ALIWAL NORTH WATER TREATMENT WORKS HOLDING DAMS	Elundini	Water	Design and Tender	R 29,185,579	MIG	CAPITAL	R 10,000,000	R 20,000,000	R 0
S/EC/16603 /20/22	Provision of Sanitation Infrastructure for Ugie: Phase 1	Elundini	Sanitation	Design and Tender	R 27,478,319	MIG	CAPITAL	R 15,000,000	R 20,000,000	R 0
W/EC/1846 2/21/24	Senqu Rural Water Supply for Joe Gqabi District Municipality – Work Package1	Senqu	Water	Design	R 82,987,000	MIG	CAPITAL	R 10,000,000	R 10,000,000	R 8,000,000
W/EC/1865 6/21/24	Senqu Rural Water: Work Package 2	Senqu	Water	Construction	R 123,848,088	MIG	CAPITAL	R 10,000,000	R 10,000,000	R 8,000,000
W/EC/1846 1/21/24	Senqu Rural Water: Work Package 3	Senqu	Water	Construction	R 76,309,845	MIG	CAPITAL	R 10,000,000	R 10,000,000	R 8,000,000
W/EC/1904 8/22/23	Senqu Rural Water Supply for Joe Gqabi District Municipality - Work Package 4	Senqu	Water	Design and Tender	R 76,461,394	MIG	CAPITAL	R 10,000,000	R 10,000,000	R 8,000,000
W/WEC/186 30/21/23	SENQU RURAL WATER SUPPLY FOR JOE GQABI DISTRICT MUNICIPALITY – WORK PACKAGE 5	Senqu	Water	Construction	R 54,594,823		CAPITAL	R 10,000,000	R 10,000,000	R 8,000,000

W/EC/1870 4/21/24	Senqu Rural Water Supply Scheme for Joe Gqabi District Municipality - WP6	Senqu	Water	Construction	R 31,945,218	MIG	CAPITAL	R 10,000,000	R 10,000,000	R 8,000,000
W/EC/1865 7/21/25	SENQU WATER SUPPLY FOR JOE GQABI DISTRICT MUNICIPALITY – WORK PACKAGE 7	Senqu	Water	Construction	R 136,514,258	MIG	CAPITAL	R 10,000,000	R 10,000,000	R 8,000,000
W/EC/1904 9/22/24	Lady Grey Water Supply: New Trunk and Reticulation Water Mains for KwziNaledi & Transwilger	Senqu	Water	Design and Tender	R 27,486,722	MIG	CAPITAL	R 14,206,100	R 10,000,000	R 3,000,000
NYR	Aliwal North Asbestos Pipe Replacement	WSLM	Water	Not yet registered	Not yet registered	MIG	CAPITAL	R 0	R 9,233,650	R 15,000,000
NYR	Bulk Sanitation Infrastructure Upgrade for Maclear Phase 4	Elundini	Sanitation	Not yet registered	Not yet registered	MIG	CAPITAL	R 0	R 2,968,000	R 75,000,000
NYR	Aliwal North Bulk Water Infrastructure for Housing Development	WSLM	Water	Not yet registered	Not yet registered	MIG	CAPITAL	R 0	R 8,000,000	R 8,000,000
NYR	Rehabilitation of Burgersdorp Sanitation Infrastructure: Sewage Pump Satations	WSLM	Sanitation	Not yet registered	Not yet registered	MIG	CAPITAL	R 0	R 0	R 13,458,100

NYR	Jamestown Bucket Eradication and Sanitation: Phase 3 (VIP Removal)	WSLM	Sanitation	Not yet registered	Not yet registered	MIG	CAPITAL	R 0	R 0	R 11,000,000
N/A	PMU Top Slice	N/A	N/A	Planning	Not yet registered	MIG	OPERATIONAL	R 9,430,700	R 9,875,850	R 10,339,900
	TOTAL				R 1,362,158,720			R 188,614,000	R 197,517,000	R 206,798,000
	RBIG (DWS)									
ECR046	Sterkspruit Regional Bulk Sanitation	Senqu	Sanitation	Design	388,182,775.63	RBIG	CAPITAL	R 20,000,000	R 50,000,000	R 100,225,000
TBA	Lady Grey Bulk Water Supply	Senqu	Water	Design	260,000,000.00	RBIG	CAPITAL	R 0	R 0	R 0
	TOTAL				648,182,775.63			R 20,000,000	R 50,000,000	R 100,225,000
	WATER SERVICES INFRASTRUCTURE GRANT (WSIG)									
	DC14_P10163-101_District Wide Refurbishment of WWTW	WSLM	Sanitation	Planning	20,000,000.00	WSIG	CAPITAL			
	Pre-paid Water Meters	District wide	Water	Planning	1,000,000.00	WSIG	CAPITAL			
	DC14_P10162-101_District Wide Telemetry System	District wide	Water	Implementation	15,000,000.00	WSIG	CAPITAL			

	Electro-mechanical asset replacement	District wide	water	Planning	4,000,000.00	WSIG	CAPITAL			
	Aliwal North pipe replacement	WSLM	Water	planning	5,000,000.00	WSIG	CAPITAL			
	DC14_P10162-102_Rural Rudimentary Water Supply	District wide	Water	Planning	5,000,000.00	WSIG	CAPITAL			
	DC14_P10162-103_Refurbishments of WTWs	District wide	Water	Implementation	5,000,000.00	WSIG	CAPITAL			
	DC14_P10162-104_Argumentation of Clear Water Storage	Senqu	Water	Planning	7,000,000.00	WSIG	CAPITAL			
	DC14_P10162-105_Acquire Bulk Meters	District wide	Water	Tender	7,000,000.00	WSIG	CAPITAL			
	TOTAL								R 0	R 0
	DBSA FRONT-LOADING LOAN WITH MIG FUNDS									
	TOTAL							R 208,614,000	R 247,517,000	R 307,023,000

5.28.5. District Municipality Project for 2023/2024

Project name	Description	Status	LM	Funding g Source	Budget

Elundini Rural Sanitation Programme: Phase 6	Provision of VIP Toilets using local contractors	Construction	Multiple villages	MIG	R10 000 000
Elundini Rural water Programme (ORIO)	Provision of potable water to Elundini rural areas	Design and Tender	Multiple villages	MIG	R19 977 200
Nqanqarhu Water Treatment & Distribution Upgrade (WTW)	Development of Water Treatment Works in Nqanqarhu Town with associated bulk infrastructure	Design and Tender	Nqanqarhu	MIG	R15 000 000
Bulk Sanitation Infrastructure Upgrade for Nqanqarhu Phase 3B	Construction of sewer gravity main, Concrete Sewage Pump Station, rising main to the WWTW and WWTW inlet works upgrade	Construction	Nqanqarhu	MIG	R15 000 000
Provision of Sanitation Infrastructure for Ugie: Phase 1	Decommissioning of existing septic tanks, and construct sewer reticulation network, sewage pump station, rising main to the WWTW and Refurbishment of Ugie WWTW	Design and Tender	Ugie	MIG	R15 000 000
Bulk Sanitation Infrastructure Upgrade for Nqanqarhu Phase 4	Provision of waterborne sanitation infrastructure for Nqanqarhu township of Sithole and Vincent	Not yet registered	Nqanqarhu	MIG	R0

5.29. ESKOM Projects 2023/2024

PROJECT NAME	PROJECT TYPE	DMRE TOTAL PLANNED CAPEX EXCL 15% VAT 2023/2024	TOTAL PLANNED CONNECTIONS 2023/2024	BENEFICIARIES- VILLAGE NAMES
Elundini Ext. - Maclear	Households	R11 550 000.00	350	Tsikarong, Khohlomoriti, Qobene, Polini, Sakhuthe, Saquthe, Mncangele (N'gon;gon'go, Kose, Jojweni, Papu), Hopedale, Mountain, Mtshezi, Mdeni

Elundini Ext. Mt Fletcher	Households	R15 114 000.00	458	Tsekong Extensions, Tsolobeng Extensions (Eketleng, Skote, Westhoek, Xaxazana)
Elundini Ext. Ugie	Households	R4 950 000.00	150	Palisa, Ntendeleshe , Lututu, Nyibiba, Elunyaweni

5.30. DEPARTMENT OF AGRICULTURE, LAND REFORM & RURAL DEVELOPMENT

PROJECT NAME	WARD	APPROVED AMOUNT	PROJECT DESCRIPTION
Gedlumhlanga Youth Primary Co-operative	7	R 249 921.79	Procure and Deliver Seedlings Planter Implement
Uchumo Farms Primary Co-operative	5	R 272 775.39	Procure and Deliver Land Tiller, Boom sprayer and vegetable production inputs
Lekgwakgweng Primary Co-operative	8	R 281 351,40	Procure and deliver fencing material and vegetable production inputs
Madroyi Lunyaweni Primary Co-operative	1	R200 000.00	Procure and deliver vegetable production inputs
Khulanathi Crop and vegetable Production Primary Co-operative	11	R 243 203.60	Procure and deliver fencing material and vegetable production inputs
Ncembu shearing shed Primary Co-operative	1	R 300 000.00	Procure and deliver of shearing shed equipment

Nkalweni shearing shed Primary Co-operative	1	R 300 000.00	Procure and delivery of shearing shed equipment
Magedla shearing shed Primary Co-operative	16	R 300 000.00	Procure and delivery of shearing shed equipment
Ramlane shearing shed Primary Co-operative	7	R 300 000.00	Procure and delivery of shearing shed equipment
Nxotshana Agricultural Primary Co-operative	13	R 300 000.00	Procure and delivery of shearing shed equipment
Sophonia west Secondary Co-operative (five (5) Primary Co-ops)	7	R 1 800 000.00	Procure and Delivery of grain production inputs
Hlankomo Secondary Co-operative (Four Primary Co-ops)	11	R 1 400 000.00	Procure and Delivery of grain production inputs
Thina Zingonyameni Secondary Cooperative (Three Primary Co-ops)	10	R1 500 000.00	Procure and Delivery of grain production inputs
Gaqhala Cropping Cluster (Two Primary Cooperatives)	17	R 700 000.00	Procure and Delivery of grain production inputs
Mcwangele Primary Cooperative	5	R600 000.00	Procure and Delivery of grain production inputs
Prada PLAS Farm (Stimulus Package) – Multi Year		R2 500 799	Beef/Livestock Production

5.31. DEDEAT

PROJECT NAME	PROJECT DESCRIPTION	BUDGET	STATUS	LOCALITY
Elundini EPWP Project	Waste Management (120 W/O)	R5 M	Planning for implementation	Elundini

5.32. Department Of Health

FACILITY AND PROJECT	PROJECT COST	PROJECT STATUS
Maclear hosp repairs and upgrading to guard house and security fencing	R6,5000. 000	Tender Advert : 9/12/22 Tender closed: 02/02/23 Anticipated award : April 23
Ugie Clinic Phase 1 construction of temporary park homes	R4,500.000	Tender award : 7/12/22 Tender closed : 21/01/23 Anticipated award : April 23
Taylor Bequest hospital – staff accommodation	R2000000.000	Tender advert : 4th quarter 22/23
Maclear hospital : Elevated water tank	R1,200.000	Tender advert : expected 2nd quarter 23/24
TBH : Sewer and waste water upgrade	R65 000.000	Tender advert : expected : 2nd quarter 2023/24 FY Anticipated handover : 3rd quarter 23/24 FY

5.33. DEPARTMENT OF TRANSPORT 2023/24 projects

PROJECT	BUDGET	ACTIVITIES TO BE PERFORMED
Framework	10 450 000	Routine Road Maintenance on Provincial Gravel Roads
Plant Hire	5 000 000	10km Re-gravelling on DR08195 (Gabhela)_
Disaster Projects	8 000 000	MR00723 (Maclear) and DR08647 (Vuvu)

5.34. ECRDA 2023/24 Approved Projects

PROJECT NAME	WARD	APPROVED AMOUNT	PROJECT DESCEIPTION
Wool and Mohair project. (6 Communal shearing sheds with about 120 members)		220 000	Responsible production standards required to export Wool and Mohair

5.35. Human Settlements

KEY PERFORMANCE INDICATOR	ANNUAL TARGET FOR 2023/24	ACHIEVEMENTS TO DATE	OUTSTANDING
Emergency	60	0	-60
Units	220	0	-220
Full service	0	0	0
Partial service	220	0	-220
Military veterans	17	0	0
Budget	R41 Million	R0.00	-R41 Million

5.36. SASSA

Performance Indicator	Mt Fletcher	Maclear	Expected Achievement	Timeframe
Number of grants in payment including Grant-in-Aid.	40 304	31542	71 846 00	31 March 2024
Number of social grant applications processed (new)	2 649	1957	4 606	31 March 2024
Number of children below the age of 1 in receipt of the children's grant.	4 684	3384	8 068	31 March 2024
Number of CST Top-up extended	920	719	1 369	31 March 2024
Percentage of open cash pay points reduced	60%	60%	60%	31 March 2024

5.37. Department of Envoriment, Forestry and Fisheries

Name	Description	Budget	No of work opportunities	Duration	Status
Flooding moping: Cleaning & Greening Project	Street Cleaning, Litter picking, Illegal Dumps Clearing, Tree Planting, etc. Tools of trade to be provided by Municipalities: Cleaning Material Brooms, plastic bags, litter pickers, rakes, PPE, etc. Waste to be collected as part of the municipal collection schedule	R 13,052,160	127 per Mu 386 (District wide)	12 months (March 2023-February 2024)	Under implementation
Youth Environmental Services	YES project aims to support government youth development initiatives through the involvement of young people in the delivery of crucial environmental services that benefit communities. Youth is also provided with opportunities for personal development, accredited training and exit opportunities	R23 723 173	200 **100 Graduate program** ▪ 33 Walter Sisulu LM ▪ 34 Senqu LM ▪ 33 Elundini LM **100 unemployed Youth with Grade 11 & 12**	3 Years 12 months for training and 24 months community services 5 Months	Under planning

5.38. Public Works

Project Name	Project Description	Value(R)	Location/ Ward	No of beneficiaries	No of jobs created	Status (completed/current/ planned) & Impact
1.Mt Fletcher office	Construction of New Mt fletcher Cluster offices	TBC	Mt Fletcher	Community Departments	TBC	Finalising Civil & Mechanical designs.
1.Taylor Bequest	Taylor Bequest Hospital: Accomodation	TBC	Mount Fletcher	Community Hospital	TBC	On Tender (advertized) - closing 27th June 2023.
2.Maclear Hospital	Erection of Security fence and Guard house at Maclear Hospital	R 5.7m	Maclear	Community Hospital	TBC	Under Construction (site establishment) Site handed over on 18th May 2023.
3.Ugie Clinic	Erection of Temporary Structures at Ugie Clinic	TBC	Ugie	Community Clinic	TBC	On Procurement (at Award Stage)

CHAPTER SIX -PERFORMANCE MANAGEMENT SYSTEM

6.1. Introduction

ELM's PMS is divided into two, i.e. institutional and individual. The institutional PMS is managed in the PMS, Monitoring & Evaluation Unit in the Office of the Municipal Manager and the individual PMS is managed in the Corporate Services Department. The municipality has since migrated from a manual PMS System to an automated system and has cascaded performance management to lower levels until Task Grade 09. This process necessitated the review of the municipality's PMS Policy. The PMS review process has taken place and the reviewed PMS Policy has been adopted by the municipal council. ELM conducts quarterly, mid-term and annual performance reviews for all employees on performance management and performance bonuses are therefore paid to all deserving individuals. At the end of every quarter, departments and individuals on performance management system upload their reports backed by supporting evidence on the system, which are then verified and assured by the PMS Unit for correctness. After the assurance process is completed Internal Audit Unit performs its audit function before the performance reports are submitted to the Audit Committee, EXCO and Council.

In terms of the Municipal Planning and Performance Management Regulations (2001), the Performance Management System:

"entails a framework that describes and represent how the municipality's cycle and processes of performance planning, management, measurement, review, reporting and Improvement will be conducted, organised and managed including determining of roles of different role players"

Accepting this definition as contained in the Act, the ELM has reviewed and adopted its PMS Policy to drive towards the following objectives:

- To give effect to the legislative obligations of the ELM in an open, transparent and focused manner;
- To incorporate the already implemented performance management processes applicable to Section 57 Managers and how these relate to and link with the system in a holistic, institution wide, policy;
- To provide a firm foundation from which to steer the process of performance management through all phases of implementation and devolvement; and
- To link and eventually to lock the IDP, the Budget and a Performance Management System in a cycle of prioritised, affordable and accountable municipal planning and effective service delivery involving all staff and the local community.
- The establishment of a system which translates the IDP into measurable objectives and targets;
- The institutionalisation of sound management principles ensuring effective and efficient governance of service delivery;

- Adequate provision for community consultation and the opportunity to have a clearer insight in the performance of the municipality; and
- The promotion of an accountable municipality.

6.2. Principles Governing Elundini PMS

The following principles guided and informed the process of developing the Performance Management System for Elundini Local Municipality:

- Simplicity
- Politically acceptable
- Transparency and accountability
- Efficiency and Sustainability
- Consultation and Community Involvement
- Incremental Implementation

6.3. Role Players in ELM Performance Management System

The roles and responsibilities regarding the implementation of PMS as contained in ELM policy for PMS is discussed in the table below:

Table 60: Role of Council:

PLANNING	MONITORING		
	REVIEW	REPORTING	PERFORMANCE ASSESSMENT
• Adopts priorities and objectives of the Integrated Development Plan • Adopts the municipal scorecard • Establishes the oversight committee for the purpose of the annual report.	• Approves the annual review program of the IDP. • Approves the top level SDBIP. • Approves changes to the SDBIP and adjustment Budget • Approves any changes to the priorities, objectives, key performance indicators and performance	• Report the performance of the municipality to the Community at least twice a year. (through a public Report). • Receives externally audited performance reports from the Executive Committee twice a year. • Approves the recommendations for	• Approves the annual Audit Plan and any substantial standards to it.

	targets of the municipality.	the improvement of the PMS. • Annually receives report on the Municipal Manager and the s57 managers' performance. • Submits the annual report to the MEC and Auditor General.	

Table 61: Role of Municipal Manager:

PLANNING	IMPLEMENTATION	MONITORING		
		REVIEW	REPORTING	PERFORMANCE ASSESSMENT
• Submits priorities and objectives of Integrated Development Plan to Council for Approval. • Approves Service Delivery and Budget Implementation Plan. • Enters into Performance Agreement with Municipal Manager on behalf of the Council. • Assigns the responsibility for	• Manages the overall implementation of the IDP. • Ensures that all role players implement the provisions of the role players • Ensures that the Departmental scorecards serve the strategic scorecard of the municipality.	• Formulation of the annual review program of the IDP, including the review of KPI's and targets for consideration by Council and Executive Mayor. • Formulation of the annual performance improvement measures. • Quarterly and annually reviews the	• Receives performance reports quarterly from the internal audit unit • Receives performance reports twice a year from Performance Audit Committee. • Submits annual report of the municipality to Council.	• Formulates response to the performance audit report the Auditor General and makes recommendations to the executive mayor.

the management of the PMS to the Municipal Manager. • Tables the budget and the Top level SDBIP to Council for Approval.		performance of Departmental Managers.		

Table 62: Role of S57 Managers:

PLANNING	IMPLEMENTATION	MONITORING		
		REVIEW	REPORTING	PERFORMANCE ASSESSMENT
• Participate in the identification of IDP priorities and the whole IDP. • Process. • Participate in the Formulation and Revision of the municipal strategic scorecard. • Participate in the formulation of the Top level SDBIP. • Manages Subordinates performance measurement system.	• Manages the implementation of the SDBIP. • Ensures that the annual programs are implemented according to the targets and timeframes agreed to. • Implements performance improvement measures approved by the Executive Committee. • Ensures that performance	• Participates in the Formulation of the annual review of the KPI and targets. • Annually reviews the performance of the department to improve the economy, efficiency and effectiveness of the departments. . • Quarterly and annually	• Submit quarterly departmental performance reports.	• Participates in the formulation of the response to the performance audit report of the Auditor-General and makes recommendations to the municipal manager. • Participates in the formulation of the response to the recommendations of the internal auditor and PAC.

• Enters into a performance agreement with the Municipal Manager. • Reports quarterly to Municipal Manager.	objectives in the performance agreements are achieved.	evaluates the performance of the department • Participates in Mid – Term Review.		

Table 63: Role of the Audit Committee:

PLANNING	MONITORING	
	REVIEW	REPORTING
• Participates in the formulation of the annual audit plan.	• Review quarterly reports from the internal auditors.	• Reports twice a year to the Municipal Council.

The ELM does not have a separate Performance Audit Committee, institutional performance information is reviewed by the Internal Audit Unit and then submitted to the Audit Committee on a quarterly basis. The KPIs and Targets of the S.57 managers were an essential first step in the implementation of performance management and laid the foundation for the devolvement of the KPIs and Targets process of the system down to the next level of management and thereafter to the entire workforce.

6.4. Performance Agreements with Sectional Heads

Legislation places no obligation on a municipality to enter into performance agreements with sectional heads. However, the Council recognises such agreements as a logical further step to cement the PMS in the administrative executive component of the Municipality provided these agreements are in accordance with applicable legislation.

6.5. Culture and Work Situation

The ELM is committed to establish and maintain a culture and work situation conducive for the implementation and maintenance of a performance management system including regular performance appraisals and establishing a factual foundation for the system. The activities to be embarked on will, of necessity, be running concurrently with actual monitoring and measuring of performance and will include the following:

- To introduce the performance management system via an internal brief prepared by the Management Team, having consulted the Local Labour Forum (in its PMS Subcommittee should this be established) and approved by the Council.
- The brief will be circulated to all departments and employees via formal communication channels.
- The brief will inter alia explain the legislative obligations underlying the system, the process to be followed and the principles that will be adhered to by the Council.
- The system will be regularly reviewed and, in doing so, employee evaluations and constructive suggestions will, where possible, be incorporated to ensure the system is organisation-specific while adhering to the legislative framework.
- Amendments to the system will be communicated to departments and employees in the same manner as outlined above.
- To establish and maintain a factual basis for the performance appraisals, the job analysis of each position in the Municipality will be regularly updated with respect to line functional activities and linked to the relevant department’s objectives and targets as derived from the IDP.
- Based thereon, the appraisors and appraisees will determine mutually agreed to performance criteria, based on a format designed and approved by the Corporate Services Department for standardisation and equality purposes.

The annual process of managing performance at organizational level in ELM involves the steps as set out in the diagram overleaf:

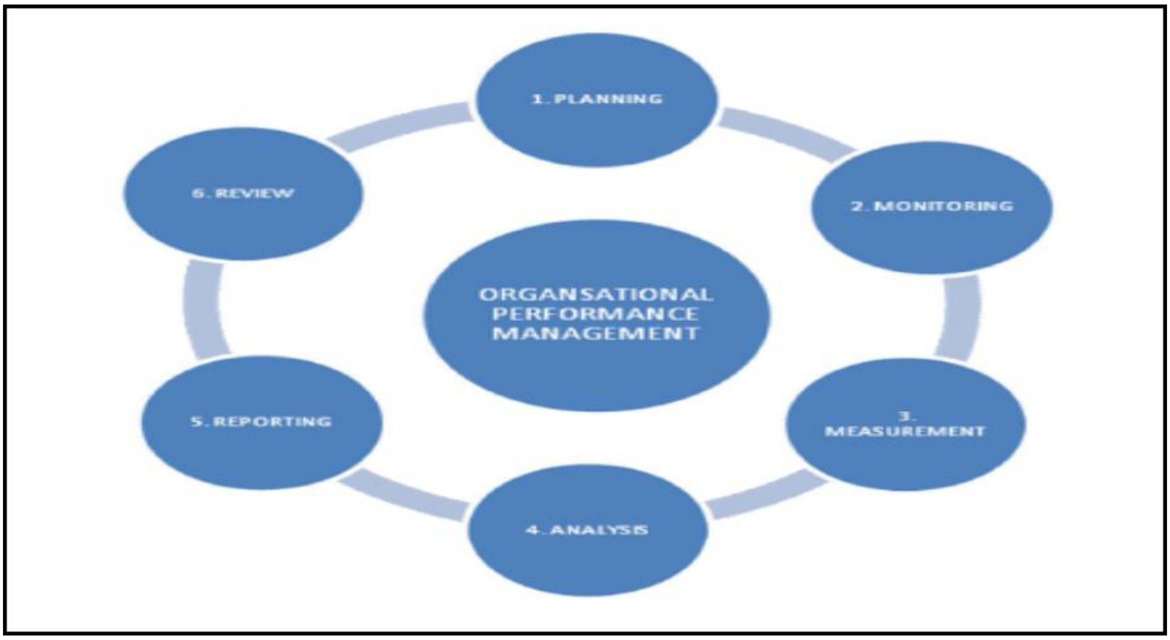

Figure 20: PMS

6.6. Planning for Performance

The process of compiling an IDP and the annual review thereof constitutes the process of planning for performance.

6.6.1. Setting Key Performance Indicators

Many of the key performance indicators are prescribed in Section 10 of the Regulations and in terms of Section 43 of the Municipal Systems Act. These are listed as:

- 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 basic free services;
- The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's IDP;
- The number of jobs created through municipality's LED initiatives including Capital projects;
- The number of people from employment equity target groups employed in three highest levels of management in compliance with an approved employment equity plan;
- The percentage of a municipality's budget actually spent on implementing its workplace skills plan;
- Financial viability.

6.6.2. Alignment of The PMS to The IDP and Budget

The IDP fulfils the planning stage of Performance Management, which in turn fulfils the implementation, management, of IDPs. The last component of the cycle of OPMS is review, and the outcome of the performance review process must inform the next cycle of the IDP compilation/review. There are several components to the integration of the PMS. PMS determines the visions of the municipality as well as its IDP priorities, objectives, performance management and budget, Council's priorities and objectives. They are based on community needs, the Constitutional mandate of Local Government, national legislation and the general KPIs within the framework of powers and functions of ELM. The Regulations for Municipal Managers and Managers directly accountable to the Municipal Managers (2006) 26(6) outlines five Key Performance Areas for Municipal Manager and the S57 Managers and these are as follows:

- Basic Service Delivery
- Municipal Transformation and Institutional Development
- Local Economic Development
- Municipal Financial Viability and Management; and
- Good Governance and Public Participation

The KPA's of the Elundini Municipality IDP 2022/23 has been reviewed and aligned accordingly.

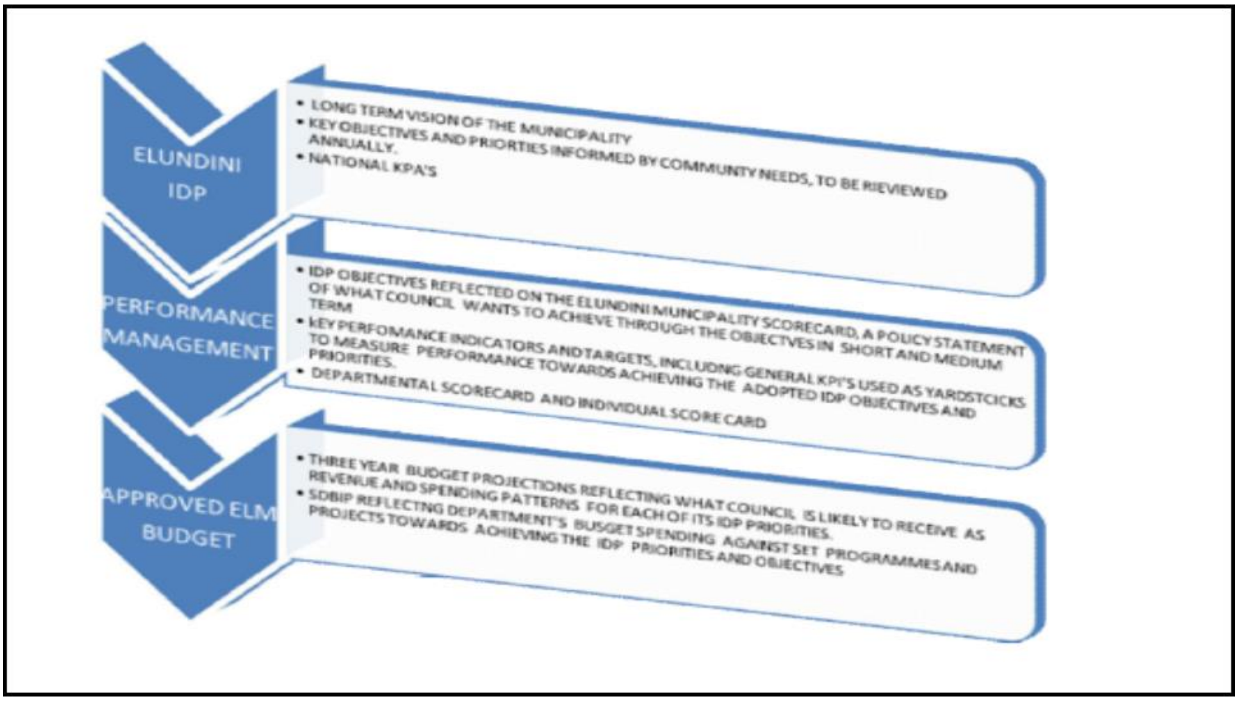

Figure 21: Linkage between IDP Budget & PMS

6.6.3. Tracking and Reporting Progress

Since the municipality has migrated for the manual performance management system to an automated one, the Office of Municipal Manager through its PMS, Monitoring & Evaluation Unit, verifies the performance reports submitted by departments and develops quarterly reports which it submits to the Internal Audit Unit to perform audit of performance information and then submits them to the municipal manager, Audit Committee, Standing Committee, EXCO and eventually the municipal council.

- The Internal Auditors provide quarterly audit reports to the Municipal Manager and the Performance Audit Committee.
- The Audit Committee convenes at least four times per annum and four audit committee reports are submitted to the Council. These reports must include enough details so that early warning signals of underperformance can be detected. The reports must also indicate corrective measures where such under-performance has been identified.
- The Municipal Manager oversees the compilation of an annual performance report to the Council, which report is then also submitted to the Auditor General.
- Within one month of receiving the AG's audit report on the Performance Information and the Audited Financial Statements of the previous financial year, the Municipal Manager must submit to the Council a consolidated Annual Report for adoption. The media, community, AG and MEC must be informed of the meetings at which this report will be tabled. The minutes of the meeting/s should be provided to the Auditor General and the MEC. The adopted annual report must be made available to the media, public and interested parties and submitted to the MEC.

The Consolidated Annual Report to include:

- Performance of the Municipality and any service provider based on the KPIs and specifying the extent to which targets were achieved;
- Measurements taken or to be taken to improve performance;
- Development and service delivery priorities and targets set for the following year and reasons for significant differences in these targets from the one to the other year;
- A statement by the external auditor concerning the reasonableness of the report.
- Audited financial statements for the year
- Annual audit of the Auditor General on the PMS report
- Any other legislated matters for reporting.

6.6.4. Publication of Performance Reports

The ELM publishes at least once a year a public report on its performance in terms of the MSA, 2000. Existing Public Participation Structures and mechanism for ELM which will be used include:

- IDP Rep Forum
- Youth & Women Groups
- Disability Groups

- Local Newspaper
- AUDIO MEDIA / LOUD HAILERS
- Public Notices
- Municipal Website

6.6.5. Public Feedback Mechanisms

The public Feedback on reported performance can be obtained if the public are aware of dedicated mechanisms for submitting feedback such as:

- Telephone numbers (toll free)
- Emails
- Feedback boxes at Municipal Services offices

The Elundini will develop a comprehensive Communications strategy to among other things propose public feedback mechanism and structures for ELM. Upon its adoption this section will be read together with that policy and or strategy.

6.6.6. Performance Reviews and Assessments

Performance review is a process whereby the municipality, after measuring its own performance, assesses whether it is doing the right things and doing them right. The municipality is required to identify strengths, weaknesses, opportunities and threats of the municipality in meeting the key performance indicators and performance targets set by it. The Municipal Manager utilises Institutional Scorecard as a basis for reporting to the Mayor, Council and most importantly to the Public through quarterly reports, Mid-Year assessments, Annual Report and performance assessment. The review framework for Elundini Municipality is conducted based on the following:

- Baseline Indicators – this entails assessing whether the current level of performance is better than the previous year by using baseline indicators.
- Community Feedback – survey to obtain feedback from the community about their views of the performance of the municipality in one PMS cycle.
- Performance Review in ELM will take place annually at least a month after all Performance Information (PI) has been audited and Auditor Report issued on PI.
- In the review process, a careful analysis of the municipality performance will be done in order to understand why it has performed well or underperformed in that particular financial year.
- The results of the review will be used to develop measures to improve performance and inform the planning stage of the following years' institutional scorecards and annual programs.

The lines of accountability with regard to Performance Review can be summarized as follows:

- Managers/Sectional Heads will review performance of their respective functions or sections on a regular basis and should cover all the organisational priorities relevant to the function or section
- Executive Management:
  - Review performance quarterly to minimise risks and poor performance.
  - Review performance before reporting to the Executive Committee. This will enable them to prepare and control the quality of performance reports and include adequate response strategies in cases of poor performance.
- Executive Committee: As the delegated authority for the management of development of the performance management system in terms of the Act, the Executive Committee plays a most significant role in reviewing the performance of the administration. Review at this level should be strategic and not restrained by operational discussions. The content of the review should be confined to agreed or confirmed priority areas and objectives.
- Standing or Portfolio Committees need to review the performance of functions or sections according to their assigned portfolios on a regular basis, i.e. quarterly.
- Council should review the performance of the municipal council, its committees and the administration at least twice per year.
- The public: It is required by the Act and the Regulations published in accordance therewith, that the municipality secure community participation in the review process. This could ideally be done when the annual report is compiled at the end of the financial year.

6.6.7. Monitoring and Measurement Framework

Monitoring is a continuous process of measuring, assessing and analysing and evaluating the performance with regard to the SDBIP, KPI’s and targets. Performance measurement is essentially the process of analysing the data provided by the monitoring system on order to assess performance. The preferred and adopted model for Performance Management in Elundini Municipality is the Municipal Scorecard Model.

According to this model, in measuring performance municipalities need to look at:

- Inputs: (Resources, Financial Perspective)
- Outputs: (Results, Service Delivery Perspective)
- Outcomes: (Impact, Customer satisfaction, growth, Quality of Life)

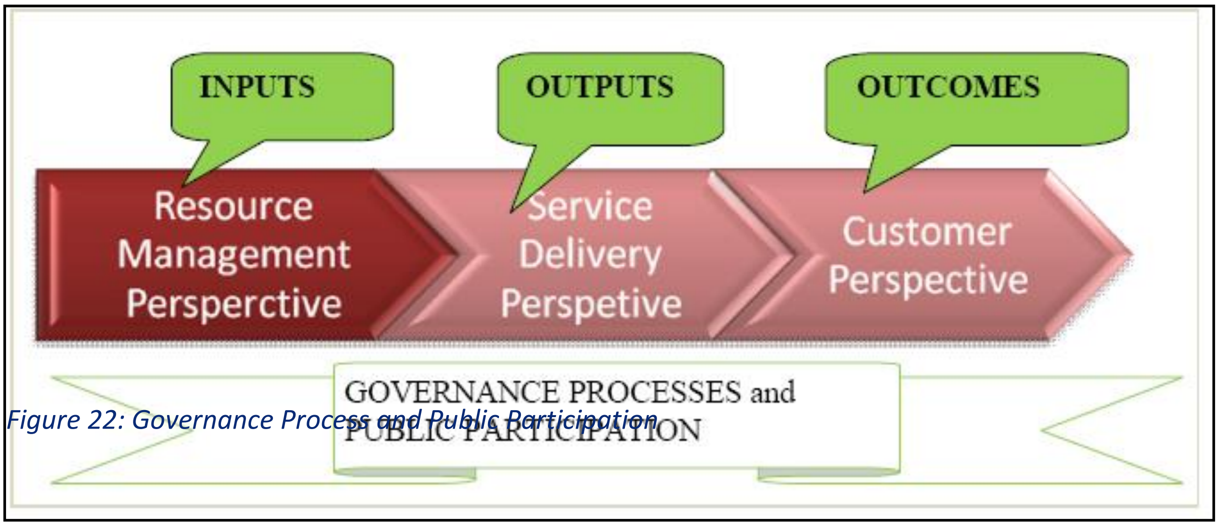

Figure 22: Governance Process and Public Participation

6.6.8. Performance Audit

The Municipal Planning and Performance Management Regulations, 2001, require municipalities to develop and implement mechanisms, systems and processes for auditing results of performance measurements as part of its auditing processes:

- Internal Auditors audit on a continuous basis which will result in quarterly reports being submitted to the Municipal Manager;
- Audit Committee receives quarterly reports from the Internal Auditors which it reviews together with PMS's economy, efficiency, effectiveness and impact based on the KPI's and Targets;
- The Audit Committee must submit at least two audit reports to the Council in a financial year.

6.6.9. Evaluation

- In terms of the adopted PMS, the Municipal Manager evaluates the quarterly performance reports from the S.57 Managers and use them to inform the steps to be taken to improve performance to meet annual targets and to intervene in case of red flag situations.
- The Municipal Manager must submit a consolidated quarterly report to the Internal Auditors. The Auditors must evaluate these reports together with other information obtained through their auditing obligations and in turn must provide the Municipal Manager with quarterly Audit Reports.
- The Municipal Manager then submits such reports as prescribed to the Council including a consolidated annual report for adoption by the Council.
- The Council must assess the performance of the Municipal Manager and S.57 Managers during June/July of each year with the assistance of an independent facilitator as further detailed in their performance agreements.

- The S.57 Managers must evaluate the quarterly performance reports from the Sectional Heads and use these to inform their own quarterly reports to the Municipal Manager.

6.7. Employee Performance Appraisal

- The performance appraisal of the Managers/ Sectional Heads will be the responsibility of the S.57 Managers with the assistance of an independent facilitator.
- These appraisals will be done on an annual basis as further detailed in the performance agreements of Managers and Sectional Heads prior to the Council's appraisal of the S.57 Managers.
- The S.57 Managers and Managers must ensure performance appraisal interviews are done on a regular basis by the appraisers within their respective departments/sections as further set out below, co-ordinate the results thereof and through their own quarterly reports report on the progress with implementation of the system, successes and failures thereof and problems experienced.
- Managers will be responsible for the performance interviews with their respective middle management employees.
- The first round of assessments executed for middle management staff could be done with the assistance of an independent facilitator should the staff so prefer.
- Thereafter the option of requesting a co-appraiser to be present at their interviews will be available to these employees.
- The appraisals of lower level employees must be carried out by their immediate supervisor or line manager who has the best knowledge of the content of the job concerned and in a position to observe the employee's performance on a daily basis.
- If no suitable supervisor or line manager is available to do the performance appraisal, the head of the section must take responsibility for the performance appraisal.
- If an employee is of the opinion that exceptional circumstances exist which requires a co-appraiser to be present at the appraisal interview, the matter must be taken up with the relevant S.57 Manager. In such circumstances the S.57 Manager or the S.57 Manager of the CSD could also fulfil the role of a co-appraiser.
- The first formal performance appraisals of a staff level will take place three months after introduction of the system to such a staff level and thereafter on an annual basis.
- The steps to be taken to rectify substandard performance or enable continued support, coaching and counselling based on the results of the performance appraisals will be implemented on a continuous basis determined by the circumstances of each individual case. These performance meetings must be of a more informal nature but still recorded in writing.

- The time and place of annual interviews must be mutually agreed between the appraiser and appraisee. An employee must not be given less than two weeks to prepare for the appraisal interview. The time allowed for the actual interview will vary according to the complexity of the job and each individual's circumstances.
- The place where a performance interview is conducted must be comfortable for both the appraiser and the appraisee and care must be taken that the place is quiet, no interruptions will occur during the duration of the interview and confidentiality is protected.
- Written feedback on the annual performance appraisal must be given to an employee within a reasonable period after the performance interview. A reasonable period would not exceed four weeks.

6.8. Performance Improvement

Although the municipality should strive to continuously improve performance to meet the needs of communities, it is poor performance that needs to be addressed as a matter of priority:

- The Council must advise the Municipal Manager on steps to be taken to improve performance based on the Auditor General's assessment. The IDP review process must provide a barometer of how well the Municipality performed in terms of service delivery and, if as prescribed, the community is provided with the Consolidated KPIs and Targets document, the latter could serve to inform the community's input in the review process.
- The training needs of staff, originating from their performance appraisals shall be fed into the Workplace Skills Plan and addressed by the sourcing of relevant providers and training courses to largely address the internal capacity shortcomings of the Municipality.

6.9. Performance Incentives and Rewards

- The municipality has reviewed its performance management system in 2018 to accommodate the performance rewards to the deserving lower level staff.
- The performance reward system of the Municipal Manager and the S.57 Managers is built into their contracts of employment and performance agreements as prescribed by the Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers, 2006.
- The Council adopted the Rewards and Incentives Policy and this policy necessitates the existence of performance agreements with employees who may benefit from such a policy.

6.10. Institutional Scorecard 2023/2024

CHAPTER 7: ALIGNMENT

7.1. Introduction

The strategic approach to the development of the ELM's integrated development plan is underpinned by policies and strategies of the national and the provincial government. The development objectives of these policies have influenced the development of the strategic direction that the Municipality has identified. The national development plan is an overarching national policy that has informed the municipal strategy formulation. The other recent and relevant developmental policies which the municipal strategy has been aligned to are National Strategic Infrastructure Projects, Millennium Development Goals, Service Delivery Agreement Outcome 9, the King IV Code and the Provincial Government Development priorities. The section will also list the sector strategies that led the strategic direction of the municipality.

7.1. National Development Plan

7.1.1. Introduction

Through previous programs (reconstruction and development program) South Africa looks different from 1994. However, there is much that looks the same. There are still short coming in the development path. There is insufficient progress in reducing poverty and inequality and unemployment**.** South Africa has a potential and capacity to eliminate poverty and reduce in equality over the next decade – Long term development plan. Elundini municipality should in the future have a long term development plan aligned to the National Plan. It should integrate the plans to the IDP and also promotes that people should be champion of their own development and government must work effectively to develop people’s capabilities to lead the lives they desire.

The National development plan is based on:

- effective participation of South African Citizens in their own development;
- redressing of the injustice of the past effectively;
- faster economic growth and higher investment and employment;
- rising standard of education;
- a healthy population and effective social protection;
- strengthening the linkages between the social and economic strategies;
- effective capable government, collaboration between government and private sector, strong sector leadership

7.1.2. Strategic Projects Priorities by President's Infrastructure Coordinating Commission

The ELM through the district initiatives has also aligned its strategies to the national strategic project initiatives which it could benefit from such as follows:

SIP 6: INTEGRATED MUNICIPAL INFRASTRUCTURE PROJECT

Develop national capacity to assist the 23 least resourced districts (19 million people) to address all the maintenance backlogs and upgrades required in water, electricity and sanitation bulk infrastructure. The road maintenance program will enhance service delivery capacity thereby impacting positively on the population.

SIP 10: ELECTRICAL INFRASTRUCTURE

Electricity transmission and distribution for all. Expand the transmission and distribution network to address historical imbalances, provide access to electricity for all and support economic development. Align the 10-year transmission plan, the services backlog, the national broadband roll-out and the freight rail line development to leverage off regulatory approvals, supply chain and project development capacity.

SIP 11: AGRO PROCESSING INFRASTRUCTURE

Investment in agricultural and rural infrastructure that supports expansion of production and employment, small-scale farming and rural development, including facilities for storage (silos, fresh-produce facilities, packing houses); transport links to main networks (rural roads, branch train-line, ports), fencing of farms, irrigation schemes to poor areas, improved R&D on rural issues (including expansion of agricultural colleges), processing facilities (abattoirs, dairy infrastructure), aquaculture incubation schemes and rural tourism infrastructure.

SIP 18: WATER AND SANITATION INFRASTRUCTURE

A 10-year plan to address the estimated backlog of adequate water to supply 1.4 million households and 2.1 million households to basic sanitation. The project will involve provision of sustainable supply of water to meet social needs and support economic growth. Projects will provide for new infrastructure, rehabilitation and upgrading of existing infrastructure, as well as improve management of water infrastructure.

7.2. Millennium Development Goals

The Millennium Declaration signed by world leaders of 189 countries in 2000, established 2015 as the deadline for achieving most of the millennium development goals. South Africa adopted vision 2014, which is derived directly from the United Nations Millennium Goals. Vision 2014 outlined the following:

- Reduce unemployment by half through new jobs, skills development, assistance to small businesses, opportunities for self- employment and sustainable community livelihoods.
- Reduce poverty by half through economic development, comprehensive social security, land reform and improved household and community assets.
- Provide the skills required by the economy, build capacity and provide resources across society to encourage self-employment with an education system that is geared for productive work, good citizenship and a caring society.
- Ensure that all South Africans, including, especially the poor and those at risk – children, youth, women, the aged and people with disabilities- are fully able to exercise their constitutional rights and enjoy the full dignity of freedom.
- Compassionate government service to the people, national, provincial and local public representatives who are accessible, and citizens who know their rights and insist on fair treatment and efficient service.
- Massively reduce cases of TB, diabetes, malnutrition and maternal deaths, and turn the tide against HIV and AIDS, and, working with the rest of Southern Africa, strive to eliminate malaria, and improve services to achieve a better national health profile and reduction of preventable causes of death, including violent crime and road accidents.
- Significantly reduce the number of serious and priority crimes as well as cases awaiting trial, with a society that actively challenges crime and corruption, and with programs that also address the social roots of criminality.
- Position South Africa strategically as an effective force in global relations, with vibrant and balanced trade and other relations with countries of the South and the North, and in an Africa that is growing, prospering and benefiting all Africans, especially the poor.

The goals consist of quantified targets to address extreme poverty in its many dimensions viz. poverty, hunger, disease, lack of adequate shelter, and exclusion whilst promoting gender equality, education, and environmental sustainability. At the same time the goals also represent basic human rights i.e. the rights of each person on the planet to health, education, shelter, and security.

7.3. Delivery Agreement: Outcome 9

The aim of Delivery Agreement: Outcome 9 is to ensure a responsive, accountable, effective and efficient local government system so as to restore the confidence of citizens in the local government sphere. As such municipalities need to ensure that the basic needs of communities are met; build clean, effective, efficient, responsive and accountable local government; improve performance and professionalism and strengthen partnerships between local government, communities and civil society. The Outcome consists of seven outputs which need to be achieved, viz.:

- Implement a differentiated approach to municipal financing, planning and support;
- Improve access to basic services;
- Implementation of the Community Work Program;
- Actions supportive of the human settlement outcome;
- Deepen democracy through a refined Ward Committee Model;
- Improve administrative and financial capability;
- A single window of coordination.

The outputs consist of targets, indicators and key activities which need to be achieved. The achievement of these outputs will go a long way in improving the lives of residents whilst at the same time improving the processes within government so they are able to operate more effectively and efficiently.

7.4. Alignment with National And Provincial Policies

National outcome	Provincial Goal	Municipal Goal	Municipal Strategic Objective	Municipal Strategy
Outcome 1: Improved quality of basic education	Goal 2: An educated, empowered, and innovative citizenry	To improve effectiveness of o governance administrative and financial systems	To enhance organisation performance, financial viability and management of municipal resources	Implementation of workplace skills plan
Outcome 2: A long and healthy life for all South Africans	Goal 3: A healthy population		To promote environmental health and safety of local communities	Provision of basic services to promote healthy environment
Outcome 3: All people in South			To promote environmental health and safety of local communities	Promote Public safety

Africa are and feel safe				
Outcome 4: Decent employment through inclusive economic growth	Goal 1: A growing, inclusive and equitable economy	Goal Two: Promote economic growth, environmental sustainability through job-absorbing sectors	To promote creation of employment opportunities and decent jobs.	- Create job opportunities through EPWP and other sectors Establishment of agro-processing - SMME capacitation - Improve participation of local farmers in the agricultural sector
Outcome 6: An efficient, competitive and responsive economic infrastructure network		Goal One: Accelerate service delivery and infrastructure development.	To ensure efficient construction, rehabilitation and maintenance of municipal infrastructure	Infrastructure development
			To facilitate industrialisation that unlocks the manufacturing potential of the local economy	Investment on infrastructure land and property
			To increase investment through land and socio-economic infrastructure development	Infrastructure planning and development
Outcome 8: Create sustainable human settlements and improved quality of household life			To provide reliable basic services to households and the business sector	- Provision of basic services to promote health environment - To increase quantum of household receiving free basic services
Outcome 9: A responsive, accountable, effective & efficient local government system.	Goal 5: Capable, conscientious and accountable institutions	Goal Three: Improve the effectiveness of governance administrative and financial systems.	To improve public participation and oversight to enhance accountability.	- Strengthen functionality of oversight and ward committees - Improve effectiveness and efficiency of communications - Improve effectiveness and efficiency of customer care
			To strengthen integrated planning, monitoring and evaluation of municipal programmes.	- Improve short, Medium and long term planning - Synergy municipal planning with that of

				national, provincial, District and other parties that operate in the space of the municipal
			To enhance organisational performance, financial viability and management of municipal resources.	- Promotion of performance driven culture - Improve efficiencies in management of financial resources - Promote risk awareness and risk-based decision making - Improve effectiveness and efficiency of internal audit
Outcome 10: Environmental assets and natural resources that are well protected and continually enhanced			To promote the protection and conservation of natural resources through green lifestyle.	- Provision of parks - Waste management - Disaster awareness

7.5. Other Polices and Strategies

The other polices and strategies that the ELM has aligned its strategies to are:

7.5.1. Provincial and National

- Provincial Growth and Development Strategy
- Cooperative Development Strategy
- Provincial Job Creation Strategy
- Rural Development Strategy
- Spatial Development Framework
- Investment and Promotion Strategy

7.5.2. District Municipality

- Integrated Transport Plan
- District Environmental Plan
- Water Services Development Plan
- Integrated Solid Waste Management Plan

- Disaster Management Plan
- Environmental Management Plan
- Agricultural Development Plan
- Forestry Sector Plan