ELUNDINI
LOCAL MUNICIPALITY
IKAMVA ELIQAQAMBILEYO

INTEGRATED DEVELOPMENT PLAN
2024/2025

ELUNDINI LOCAL MUNICIPALITY
No. 01 Seller Street
Nqanqarhu, 5480

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A. FOREWORD FROM THE MAYOR

Having been elected into office in 2021, as this council we are exactly in the middle of our term of office. As we reflect on the past two years and a half of our term, we note a mixture of challenges and attainments. For each of the past years and in accordance with the legislative prescripts, we developed and adopted, together with our communities and stakeholders Strategic plan to act as a guide document for the development of our area. This strategic plan has constantly been annually reviewed to align our developmental priorities with the ever-changing circumstances. We have been registering progress in our developmental work despite a decline in the grant funding from the national fiscus which is our main source of funding for our development goals.

It should however be registered that the effects of the climate change have affected our plans negatively. The recent torrential rains and floods in the previous years destroyed work in progress in the rehabilitation of bridges, road maintenance works as well as housing. This, not only provided challenges to our road network, but depicted the reality of the challenges of poverty in our area as many people had their houses destroyed and were left with nothing. Strides have, however been made in the construction and rehabilitation of access roads, building of ECDCs, construction of sports fields as well as household electrification.

For the next financial year which would be the beginning of the last half of our tenure, we have again committed ourselves in the development of our vision 2050 which is a long-term plan for the municipality and we will also continue to support ward-based development planning. We commit to support waste recycling initiatives, upgrade our network connectivity in order to improve our security system as well as supporting government programs fighting HIV/AIDs and supporting the vulnerable and marginalised society groups.

We commit to maintain our good financial management, reduce our historical debt, improve the average number of days we take to pay our creditors and to receive money from our debtors. Our gains as an institution have been achieved by working closely with our communities and stakeholders. We commit to strengthen our public participation mechanisms to ensure that all our plans are influenced by community views and needs.

May I take this opportunity to thank all the people of Elundini and all Sector Departments as well as Government Agencies who contributed during the development of this development guiding document.

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Cllr. M.P.S.S Leteba
The Mayor
31 May 2024

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
Municipal Manager
31 May 2024

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 third IDP document for the five-year term of the 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 co-ordination 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	Status and Date	Next Review
1.	Employee Assistance Policy	Approved – December 2022	
2.	Recruitment and Selection Policy	Approved - June 2018	2024
3.	Subsistence and travel Policy	Approved – December 2022	
4.	Training and Development Policy	Approved – December 2022	
5.	Travel /Car Allowance Policy	Approved - June 2018	2024
6.	Individual Performance Management System Policy	Approved – December 2022	
7.	Conditions of Employment Policy (Remuneration & Termination Policies)	Approved – December 2022	
8.	Sexual Harassment Policy	Approved – December 2022	
9.	Induction Policy (content to include Orientation, Code of conduct, DPCC)	Approved - June 2018	2024
10.	Relocation Policy (combine Recruitment and relocation policy	Approved - June 2018	2024
11.	Probation Policy	Last Approved before 2018	2024
12.	Acting Allowance Policy	Approved – December 2022	
13.	Smoking Policy	Last Approved before 2018	2024

No.	Title	Status and Date	Next Review
14.	Night Work & Shift Policy (reviewed in the Conditions of Employment Policy)	Approved – December 2022	
15.	HIV-AIDS POLICY-	Last Approved before 2018	2024
16.	Standby Allowance Policy (Reviewed in the Overtime Policy)	Approved – December 2022	
17.	Overtime and Emergency Work	Approved – December 2022	
18.	Employee Housing Scheme Policy	Last Approved before 2018	2024
19.	Job Evaluation Policy	Approved – December 2022	
20.	Elundini Municipality Private Work Policy	Last Approved before 2018	2024
21.	Bereavement & Funeral Assistance Policy	Approved – December 2022	
22.	Reward & Recognition Policy	Last Approved before 2018	2024
23.	Occupational Health & Safety Policy	Approved – December 2022	
24.	Elundini Staff Movement Policy	Last approved before 2018	2024
25.	Attraction and Retention Policy and Strategies	Last Approved before 2018	2024
26.	Leave Management Policy	Last Approved before 2018	2024
27.	Cell-phone allowance		2024
28.	Dress Code Policy	Approved – December 2022	
29.	Customer Care Policy	Draft	2024
30.	Customer Care Strategy	Draft	2026
31.	Risk Committee Charter,	Draft	2024
32.	Risk Management Policy	Draft	2024
33.	Risk Management Strategy	Draft	2024
34.	Anti-Fraud & Corruption Risk Management Policy	Draft	2024
35.	Anti-Fraud & Corruption Risk Management Strategy	Draft	2024

No.	Title	Status and Date	Next Review
36.	Whistle Blowing Policy	Draft	2024
37.	Reviewed Communication Strategy	2018	2024
38.	First Social Media Policy	2018	2024
39.	First Communication and Media Policy	2018	2024
40.	First Branding Manual	2019	2024
41.	Draft Litigation Management Strategy and Standard Operating procedures	Draft	2026
42.	Public Participation Policy	2018	2024
43.	Draft Petition Management Policy & by-law	2018	2024
44.	Telephone Usage Policy for Councillors and Employees	Approved - June 2018	2024
45.	Termination of Service Policy	Approved - June 2018	2024
46.	Migration and Placement Policy	Last Approved before 2018	2024
47.	ELM POLICY = CORMOBIDITIES	Last Approved before 2018	2024
48.	TASK Job Evaluation Policy	Last Approved before 2018	2024
49.	Abscondment Policy	Last Approved before 2018	2024
50.	Container Traders Policy	2020	2025
51.	Land Use Scheme	2022	2027
52.	Land Use Bylaw	2016	Unknown as yet
53.	Spatial Development Framework	2019	2024
54.	Draft Building Control Bylaw	Pending Council adoption	
55.	LED Strategy	2020	2024
56.	Tourism Plan	2019	2024
57.	Informal traders' policy	Pending Council adoption	2025
58.	Fixed Asset Policy (Land disposal policy)	Pending Council adoption	2027

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

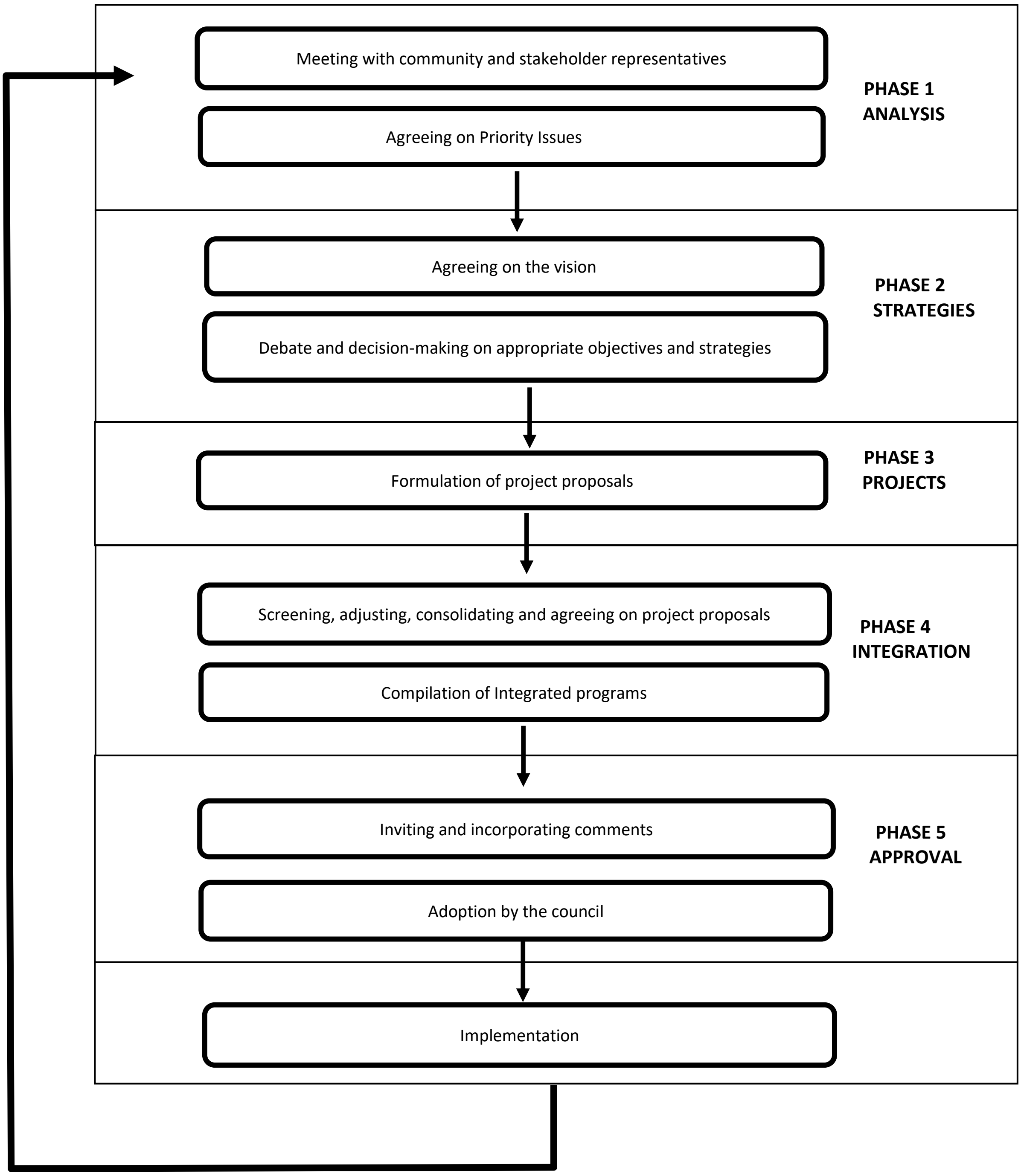
The IDP development and content is informed by legislative framework; situational analysis; National, Provincial and District plans and policies such as the National Development Plan (NDP), the Medium-term Strategic Framework, the National Spatial Development Perspective (NSDP), the Eastern Cape Provincial 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 2024/2025 IDP Review

1.3.1. Introduction

The ELM 2024/2025 IDP and Budget Process Plan was noted by EXCO on 22 June 2023 with Resolution No. EXCOA/128/23 and was adopted by Council on 30 June 2023 Council Resolution No. CON/132/2023. The Draft IDP and Busget for 2024/2025 financial year was noted by the Council on the 27th March 2024, Council Resolution No. CONA/053/24. The IDP Process as depicted in the figure below is a continuous cycle of planning, implementation and evaluation.

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 are also 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 Capacity building Section 14	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.
	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 the table 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
July	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	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		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		Accounting officer reviews and drafts initial changes to IDP MSA s 34
December		

	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	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	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	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 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 Accounting officer reviews any changes in prices for bulk resources as communicated by 15 March MFMA s 42

April	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 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	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	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	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 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	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 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 2024 – September 2024	▶ Prepare IDP and Budget Process Plan ▶ **Submit IDP and Budget and Process Plan to EXCO and Council for approval**	26 June 2024

		▶ Draft annual report preparation and annual financial statements	July –August 2024
		▶ Prepare 4th quarterly assurance report for 2024/25 FY	16-17 July 2024
		▶ Submission of AFS and APR	30 August 2024
		▶ 1st IDP & Budget Rep Forum	04 September 2024
Phase 2 : Presentation of Situation Analysis	October 2024- December 2024	▶ 1st quarter assurance	14 October 2024
		▶ IDP & Budget Steering Committee	23 October 2024
		▶ Outreach to get priorities	04-07 November 2024
		▶ IDP & Budget Rep Forum	13 November 2024
Objectives, Strategies, Projects & Programmes	Nov 2024– March 2025	▶ Departmental Strategic Planning Sessions	18 November- 30 November 2024
		▶ 2nd quarter assurance	17-20 January 2025
		▶ Sec 72 Mid-year Budget and Performance Assessment Report 2024/25 ▶ Annual Report 2023/24	27 January 2025
		▶ Mayoral Strategic Planning Session	18-22 February 2025
		▶ SDBIP and Budget Adjustments 2024/25	27 February 2025
		▶ Mid-year Budget and Performance Engagements/Assessments with PT	05 March 2025
		▶ IDP Steering Committee to present Draft IDP and Budget 2025/26	12 March 2025
		▶ IDP Rep Forum for IDP and Budget 2025/26	20 March 2025
		▶ Submit Draft SDBIP 2025/26	26 March 2025
		▶ Council approve draft IDP & Budget	26 March 2025
Consolidate IDP	April 2025- June 2025	▶ 3rd quarter Assurance 2024/25	14 April 2025
		▶ Advertise draft IDP & Budget for comments & public participation	04 April 2025

		▶ Submit the draft IDP & Budget to MEC for Local Government and to National & Provincial Treasury for commenting	04 April 2025
		▶ 2024/2025 Municipal Budget and Benchmark Engagements with Provincial Treasury	14 April 2025
		▶ IDP & Budget Steering Committee to present inputs from the communities	12 May 2025
		▶ Public Consultation (Mayoral Outreach)	08 – 10 April 2025
		▶ 4th IDP & Budget Rep Forum	15 May 2025
		▶ Final IDP & Budget submitted to Council for adoption	30 May 2025
		▶ Submit the final IDP & Budget to MEC for Local Government and to National & Provincial Treasury for commenting	09 June 2025
		▶ Develop final SDBIP 2025/26	02 – 13 June 2025
		▶ MM to Submit SDBIP to the Mayor	17 June 2025
		▶ Mayor to review and finalize SDBIP and MM and directors' performance plans/agreements ▶ Council approval of final SDBIP 2025/26	26-27 June 2025 30 June 2025
		▶ Submit the SDBIP to Provincial Treasury	07 July 2025
		▶ Submit MM and directors' signed performance agreements to MEC for Local Government	31 July 2025

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

The municipality will conduct roadshows and imbizos to get public inputs in preparation for the IDP review and approval thereof. 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.

1.3.11.1 Community Development Workers (CDWs)

Department of Cooperative Governance and Traditional Affairs employed Community Development Workers (CDWs) who serve as the secretariat of the ward war rooms. Of the 17 Wards, there is only one (1) Ward that still has no CDW. Elundini Local Municipality embraced the Community Development Worker (CDW) program and viewed it as a positive step towards bridging the gap between Government and communities. The municipality therefore committed herself to providing all the necessary support, including the provisioning of resources within the relevant legislative mandate, to ensure that the program runs smoothly and fulfills its objectives. In 2009/2010 Elundini Local Municipality pioneered setting up of CDWs integration systems. These included development of CDW Integrative Model; Memorandum of Agreement and CDWs Operational Plan. CDWs Integrative Model was developed and presented to the provincial department – COGTA. The model proposed the following:

- The CDWs to be integrated into the Communications and Public Participation unit and to be convened by Public Participation

- The CDWs to be accorded ex officio status in all the meetings of the ward committee, which they must attend diligently and at which they must table reports in relation to their activities for the month. Such reports must constitute an integral part of the ward report and recommendations to be escalated to the municipality;

- The ward reports and recommendations must be sent to the Office of the Municipal Manager, whereat they will be studied and where applicable, matters emanating there from will be referred to the relevant Councilor, official, political structure or government department;

- The CDWs would maintain a timesheet detailing all their activities for the month, which would be signed off by the Ward Councilor as confirmation that work for the month was carried out and would also be supported by the monthly report. Any disputes would be referred to the Office of the Municipal Manager for adjudication.

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, 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	Nkalweni; Sihlehleni; Cicirha; Luthuthu; Ncembu; Nyibiba; Maplotini; Montgomery; Umnga farms; Lunyaweni; Trustin; Phalisa; Ntendeleshe; Lalini	Genga ncwazi SPS; Lututu JSS; Ncembu JSS; Dinizulu SSS ; Nyibiba JSS. Witlands JSS, Montgomery JSS; Daluxolo JSS; Nkalweni JSS; Dalibango JSS; Enyaweni JSS	2clinics (umnga flats ;Ncembu clinic) mobile clinic comes every 7,8 and 9 of the month	Total households =283 Total electrified =2795	2848	Nkalweni community Hall, Ncembu SASSA Hall	Assault, House breaking and stock theft, rape	Zamulwazi HCBC Ncembu; Phanduncedo HCBC at Elunyaweni; family preservation at Lunyaweni ; Imibongo old age home project, Vukuzele old age home project; Buyambo V.E.P at Nkalweni; luniko food security project	Access roads; mobile clinic; Phalisa and paypoint at Phalisa and Luthuthu

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
02	6 Ntokozweni; Land Camp; J K Bokwe; Mandela Park; Extension 3; Ugie Park	2 Sibabale S. S. S; E. T. Thabane Primary School	1. Empilisweni Clinic	3080 house holds	Pit Toilets= 1223 Flushing = 1833	1 Ntokozweni Comm. Hall	Assault; Rape; GBV; Murder	1. Masibambisane 2. Bread making business 3. Vegetable garden	Lack of funding and buildings to continue with business
03	12 Old Location; Sonwabile; Maxhegweni; Zakhele Newrest; Phola Park; Sithole; Tivi Park; Peter Mkhaba; Clearview; Garden Blocks; Town	5 Maclear High School Maclear Methodist Primary School Umtha-Welanga High School Nolufefe Primary School Maclear Public School.	Nqanqarhu Town clinic; Sonwabile Clinic; Nqnqarhu General Hospital; Mobile clinics visits all preschools on monthly basis and during outbreaks.	Total households=2381 Total electrified=2220	2220	2 Nqanqarhu Town Hall and Sonwabile Community Hall.	Burglary at residential premises, offences under drug trafficking act and selling of drugs	Nqanqarhu Safe Home (home provides shelter to the homeless, it also provides counseling for physically, emotionally and sexually abused people) Ntonjane Sewing project(They sew and also doing hand work like beads)	Road maintenance, No electricity at Garden Blocks High rate of unemployment and drug abuse. Over flowing toilets.

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
04	24 villages. Saquthe, Ngqwaneni, Mlamla, Mission, Ephowulini, Tsikarong, Namba, Matugulu Qobeni, Khohlomoriti, Diphini Sigoga, Komkhulu, Famini, Ndingeni, Mabalane, Elandsheight Farms, Joelshoek farms, Popcornvalley, Topblocks, Nqanqarhu Town, Lenge, Nonkohlongo, Bethule	6. Henry Faltein SPS; UpperTsitsana JSS; Lower Tsitsana JSS, Mdeni SPS; Joelshoek SPS and Tsitsana Comprehensive SSS.	Tsitsana clinic	Total household 2336 Total electrified=1797	2086	1(Tsitsana Community hall	Assault,GBVand Stock theft and housebreaking	Lithalethu agricultural project	Toilets,lack of employment Bursaries to further studies,Child headed household,Spring water was protected but some are vandalized at Diphini and Ephowulini.
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	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)

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
06	10 Nkolosane Ngcele down Ngcele Ntywenka Sommerville Siqhunqwini Lower sinxako Upper sinxako Mqokolweni Ngxotho	Sobantu SPS Ngcele SPS Jamangile sss Magwaxaza SPS Ntywenka SPS Sommerville SPS QURHANA SPS Siqhunqwini spa Mirnad SIgidi Lower sinxako Upper sinxako Mqokolweni Ngxotho	2 Mqokolweni clinic; Queen Noti clinic;						Stock theft; mobile clinic; network; water; drug abuse; unemployement; unqualified skilled young
07	25 Ramatee; Ramlane; Hlangalane; Golomane; Sigcwabeni; Katkop; Etyeni; Lalini; Khohlopong; Platina; Magwaca; Upper Nxaxa; Rodesia; Zwelitsha; Germiston; Marhombe; Tshikitsha; Jojweni; Gamakhulu; Lower Khohlopong; Mfabantu; Nxanxa George; Diphini; Phamomg; Botsabelo	14 Etyeni J.S.S; Botsabelo J.S.S; Ngqayi J.S.S; Mpindweni J.S.S; Hlangane J.S.S; Khohlopong J.S.S; Lower Khohlopong J.S.S; Nkahlolo J.S.S; Tshikitsha J.S.S; Ntaboduli J.S.S; Nxaxa George J.S.S; Sophonia S.S.S; Kuyasa S.S.S; Malamlela J.S.S	3 Hlangalane Clinic; Katkop Clinic; Khungisizwe Clinic	Total households= 3 378; Total electrified= 3 100	Estimated= 2 967	Botsabelo Community Hall	Stocktheft; House break-ins	**Youth Owned Projects** Success Internet Cafe- Ramatee; Nosango Agric Projects-Ramatee; Incebisoyethu Pimary Cooperative-Ramatee **Women Projects** Focused Women Project-Ramatee; TSNA NPC-Ngqayi;	Roads; Bridges; Water taps; RDP houses

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
								Khohlopong Ncedisizwe Primary Cooperative- Khohlopong; Bk 24 Trading PTY LTD; Ilungelolethu Shearing-shed- Ramatee	
08	17 Sekoting; Umfanta; Lithuteñg; Nkamane; Mokhalong; Makhatlanyeng; Moroka; Luzie drift; Luzie poort; Pitseng; Pitseng farms; Lahlangubo; Nkobongo ; Pitoli; Moreneng; Batlokoa; Jojweni	15 Moroka JPS; Thembeni JPS; Mokhalong JPS; Claude Makeng JPS; Mbizeni JPS; Nkamane JPS; Natlane Sekonyela JPS; Lower Ketekete; Batlokoa JPS; Luzie Poort JPS; Luzie drift JPS; Luzie drift SSS; Thakabanna SSS; Umfanta JPS; Lukhanyisweni JPS	Mobile Clinic	All villages have electricity, but there also infills	All villages	Umfanta pay point	House breaking; Stock theft; Killing of people	Shearing sheds; food security; pig farming	Shortage of water taps; Poor access roads; Clinic

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
09	06 Khalankomo, Thembeni, Ilisolomzi,Katlehong, Eiphanette Mbeki, Tlokoeng town,	03 Lehana SSS, Mount Fletcher SPS, Ilingelethu SPS; **03 ECDCs** Bongani preschool; Vuyolwethu preschool; Assembly of God preschool.	02 Taylor Bequest clinic and Taylor Bequest Hospital.	2354 previously recorded electrified Households; 48 new Household need electricity.		02 halls belong to municipality, i.e Ilisolomzi and town hall. 01 hall belong to COGTA.	Burglary; robbery; assault; substance abuse,		Bulk sanitation infrastructure, Unbearable urban roads, non-existence of RDP houses,
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

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
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; 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	Mangoloaneng East Comm Hall	Bluglary; Robbery; Substance / Drug Abuse; Assualt	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; Assualt	Kopanang Based Club-Sewing project Koebong shearing shed	Toilets and electricity for new households, RDP Houses

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
14	10 Refele; Litaung; Makgoaseng; Sathube; Thabakgubedu; Lehana Pass; Vuvu; Phuthing; Phirintshu; Ndabelanga; Sethabathaba.	11 schools. Mamontwedi S.P.S.; Boithatelo S.P.S; Bethania J.S.S; Bethania S.S.S; Matsheneng S.P.S; Thabakgubedu S.P.S; Lehana Pass S.P.S; Vuvu J.S.S; Phiritshu S.P.S; Ndabelanga S.P.S; Zanyang J.S.S and Khanya S.S.S	I clinic Bethania Clinic.	All villages are electrified and working.	10 villages they have sanitation only new household that do not have sanitation	1 Bethania Comm. Hall	Murder and rape	Sharing sheds; household siyazodla and farming for crops.	House disaster and no access roads in the villages. No Network for communication in all villages.
15	10 Makhoaseng; Liphakoeng; Liphofung; Lower Tokoana; Basieng; Makhuleng; Khalatsu; Tsekong; Kutloanong; Nkululekweni	13 Mamontoeli JSS; Lower Thokoana JSS; Lehana SSS; Bethania SSS; Liphofung SPS; Boithatelo SPS; Upper Thokoana SPS; Liphakoeng SPS; Khalatsu SPS; Remang Motheo SPS; Tswelopele SPS; Tsekong JSS; Makhuleng SPS	There are no clinics at Ward 15	Total Households = 8 071 Total electrified = 7520	7 919	0	Rape; Assault; House and Business Burglary	Sewing project; Agricultural project	Toilets; Water; Network pole; Electricity infills; Renovation of damaged toilets; Gravel for EPWP workers; High Mast lights may assist in reduction of crime

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
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	10 Solomzi PS; Taung PS; Tlokoeng PS; Mcambalala PS; Magedla PS; Koloni PS; Thembalethu PS; Kete-Kete PS; Melisizwe PS; Chavy Chase PS; Frank Moshoeshoe PS; Mhlontlo PS; Mhlontlo SS	Hlankomo clinic	Total Households = 3 960 Total electrified = 3800	3 617	0	Assault; GBV; Stock theft; Rape and Drug Abuse	2HCBCs-provides counselling to the abused members of the community, 2 Old age care center looking after elderly, 1 disability center for the people living with disability,	Bridges; access roads; water; Housing in particular for destitute and temporal structures that stays longer that required; Community Hall; available educational projects that lacks stakeholder recognition; Ambulances not responding when called; non-availability of clinic in Mdeni even Mobile clinic no longer comes; sporting field
17	10 Gqaqhala; Mbidlana; Takalane; Robben; Greenfield, Vincent Park; Ncotha farm; Vipan farm; Bhodi; Prentjiesberg	6 Ugie high school; Samuel Nombewu; Gqaqhala JSS; Msobomvu JSS; Mbidlana JSS; Chebenca SPS	Gqaqhala Clinic	Total households 2866 Total electrified 2689 In Mbidlana the are 100 new RDP Houses	2734	1 Kruger Hall	Murder; Drug abuse; Domestic violence; House breaking; Rape	Masibambisane survivor Project; Siyakha HCBC	Water tap in 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 Census of 2022 released by Stats SA, the Elundini Local Municipality is the second populous municipality in the Joe Gqabi district with an estimated population of 141 762 an increase of 3 621 people, amounting to 2,55%, from the Census 2011 figures of 138 141 people. The largest population of Elundini is made up of females which constitute 51,5% (72 994) of the total population and males constitute 48,5% (68 768) 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

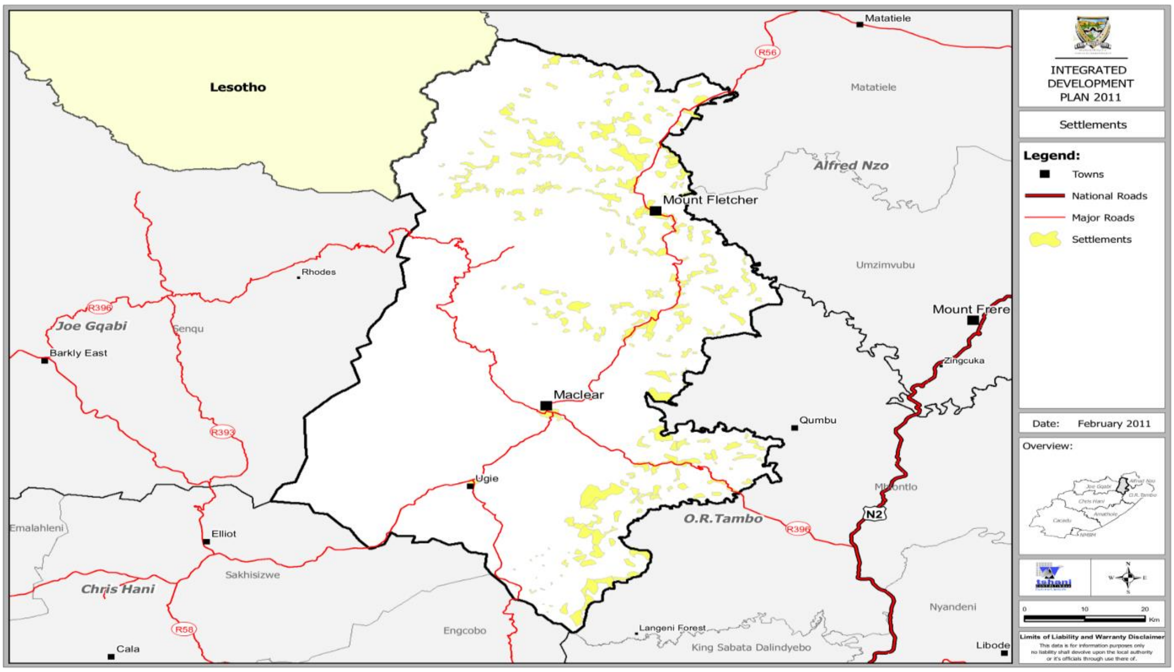


Figure 1: Map showing settlement distribution

2.3. Elundini Local Municipality Demographic Profile

According to the Census 2022 figures, the JGDM total population has increased by 44 375 people from the Census 2011 figures of 348 673 to 393 048 of the Census 2022 and an increase of 20 136 from the CS 2016 figures of 372 912. This represents a 11,0% increase between 2011 and 2022. From the JGDM total population increase, the ELM has seen a significant increase of 3 621 people representing an increase of 2.55% between 2011 and 2022 as compared to an increase of 0, 5% between 2001 and 2011. Between 2022 and 2011, in both the JGDM and the ELM, there is a noticeable increase in the number of households by 3 659 in ELM and 26 823 in the JGDM.

Both the municipalities have experienced an increase of 9,7% and 27,5% 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 where the formal structures in JGDM increased from 69,6% to 86, 1% and on ELM increased from 47,8% to 76, 5%.

The table below depicts the changes in the total numbers of households between JGDM and ELM from 2011, 2016 to 2022:

Table 7: Population Changes

Municipality	2011	2016	2022	% growth			Number of households			
				2001 – 2011	2011 - 2016	2016 - 2022	2011	2016	2022	% Change
JGDM	349 768	372 912	393 048	2.3%	6.2%		95 294	95 107	124 294	27.5%
Elundini	138 141	144 929	141 762	0.5%	4.7%		35 992	35 804	41 210	9.7%

Source: Census 2011, CS 2016 and Census 2022

2.3.1. Distribution of Total Population by Age and Gender

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

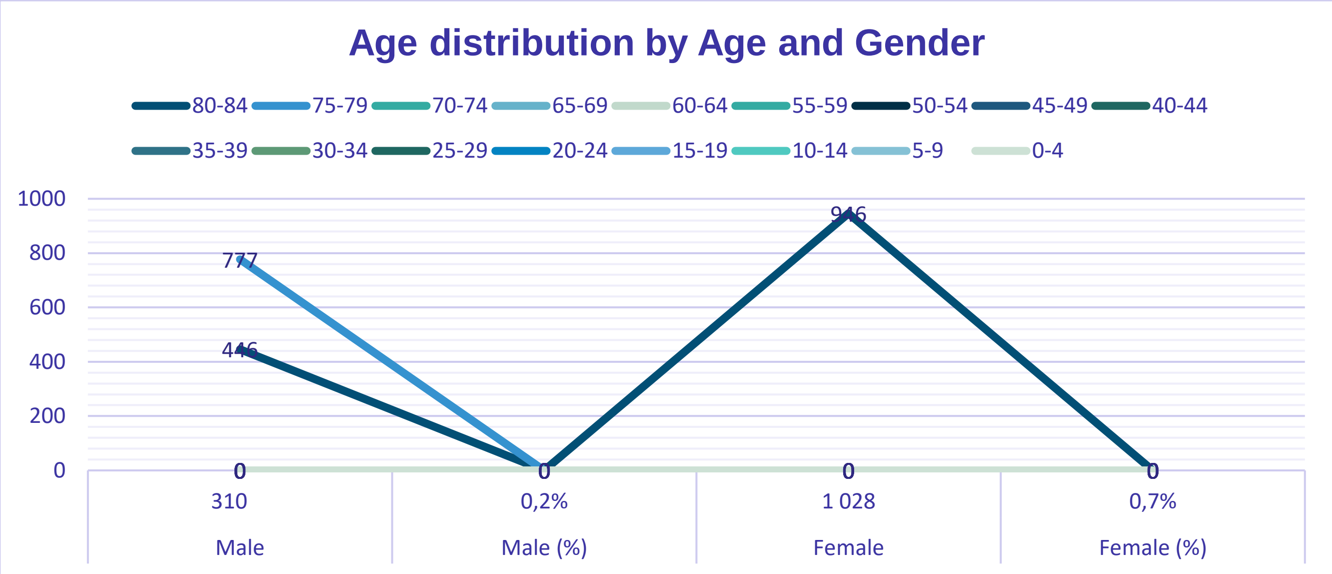


Figure 2: Source: Census 1996, Census 2001, Census 2011, CS 2016 and Census 2022;

Age group	Males	% Males	Females	% Females
85+	310	0.2	1028	0.7
80-84	446	0.3	946	0.7
75-79	777	0.5	1275	0.9
70-74	1334	0.9	2067	1.5
65-69	1919	1.4	2945	2.1
60-64	2349	1.7	3648	2.6
55-59	2344	1.7	3727	2.6
50-54	2457	1.7	3318	2.3
45-49	2932	2.1	3606	2.5
40-44	3588	2.5	3773	2.7
35-39	4506	3.2	4332	3.1
30-34	4918	3.5	4539	3.2
25-29	5357	3.8	5106	3.6
20-24	5755	4.1	5077	3.6
15-19	7385	5.2	6144	4.3
10-14	7498	5.3	6955	4.9
5-9	7109	5	6691	4.7
0-4	7779	5.5	7816	5.5

Although there has been an overall increase of 3,4% in the total population in Elundini, there has been a decrease of 2,5% of the female population and an increase of 2, 5% of the male population between 2011 and 2022. The female population in Elundini makes 51.5% of the total population and males constitute 48, 5% of the total population. In terms of the demographic distribution of the Elundini population, a younger population, between the ages of 0-4, comprises the largest population with 15 595 followed by 10-14 with 14 453, 05-09 with 13 800 and 15-19 with 13 529.

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.

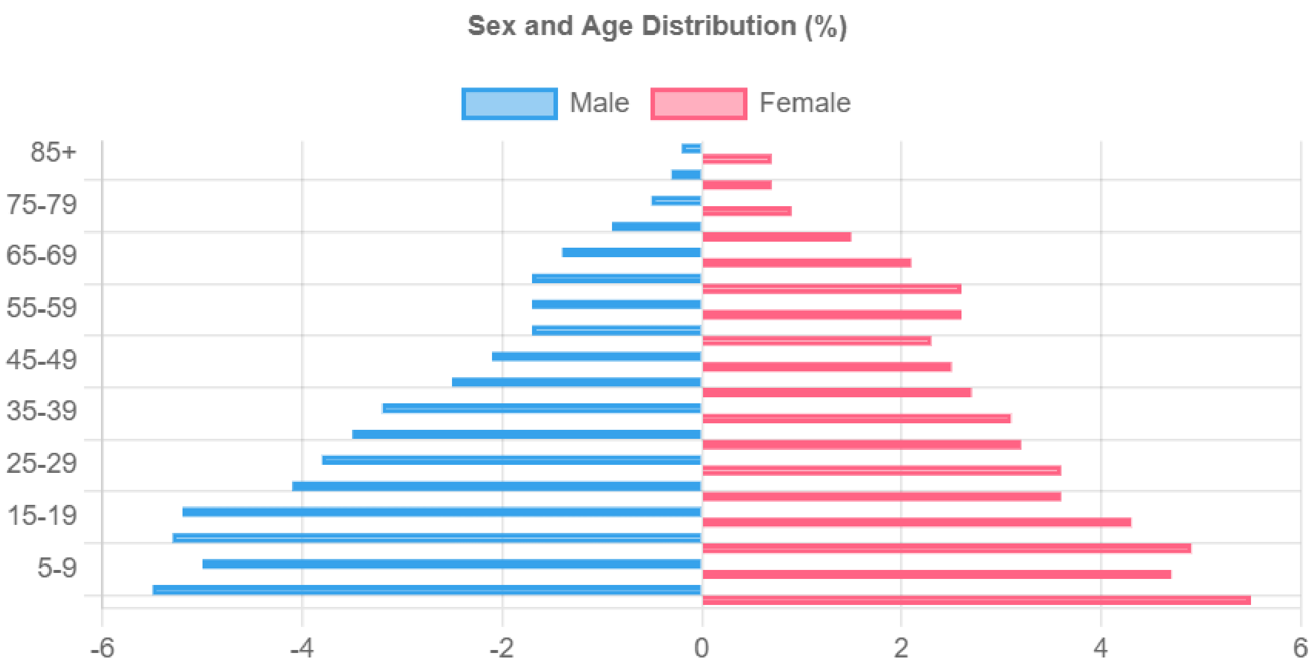
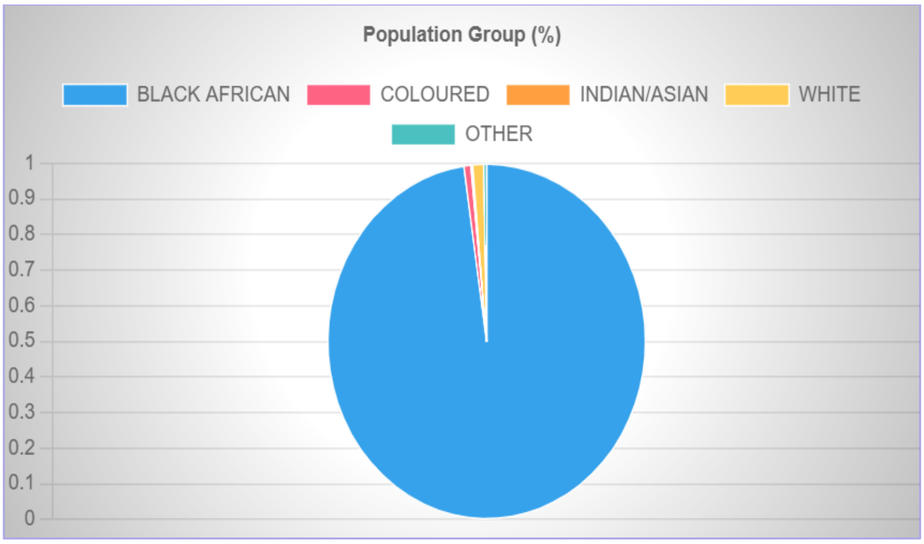


Figure 3: Population Pyramid Source: Stats 2022

2.3.2. Population by Race

According to Census 2022, a large part of Elundini's population is made up of Black Africans (138 436) this figure translates to 97.7% of the entire population. The remaining 2.3% (3 316) is made up of 1 005 Coloureds (0.7%); 349 Indians/Asians (0.2%) 1561 Whites comprising (1.1%) in the other category there are 401 inhabitants contributing (0.3%) of the entire population. (2022 Statistics SA). The table below is the presentation of the racial distribution in Elundini:

Figure 4: Racial Distribution



Source: Statistics 2022

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 8: 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

Census 2022 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 9: Table showing income levels

Income	Percentage
No income	5,4%
R1 - R4,800	2,7%

R4,801 - R9,600	9,5%
R9,601 - R19,600	17,6%
R19,601 - R38,200	24,3%
R38,201 - R76,400	35,1%
R76,401 - R153,800	4,1%
R153,801 - R307,600	1,4%
R307,601 - R614,400	0%
R614,001 - R1,228,800	0%
R1,228,801 - R2,457,600	0%
R2,457,601+	0%

2.3.5. Literacy Levels

Census 2022 indicates that there has been an increase of 0.5% 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 as provided by Census 2012.

Table 10 : Levels of Education against the District

ELM EDUCATION LEVELS			JGDM EDUCATION LEVELS		
Description	**Number**	**Percentage**	**Description**	**Number**	**Percentage**
No Schooling	7106	8.9	No Schooling	21000	9.4
Some Primary	15725	19.8	Some Primary	38397	17.3
Completed Primary	5687	7.2	Completed Primary	14054	6.3
Some Secondary	30538	38.4	Some Secondary	81687	36.7
Grade 12/Std10	15700	19.7	Grade 12/Std10	51009	22.9
Higher Education	4481	5.6	Higher Education	15098	6.8
Other	286	0.4	Other	1123	0.5

The table overleaf depicts the highest level of education as per 2022 Census of Elundini population as against that of the district:

Table 11: Literacy Levels

	No schooling		Some primary		Completed primary		Some secondary		Matric		Higher	
	2011	2022	2011	2022	2011	2022	2011	2022	2011	2022	2011	2022
JGDM	14,7%	9,4%	24,4%	17,3%	7,2%	6,3%	33,2%	36,7%	14,3%	22,9%	5,85	6,8%
ELM	14,6%	8,9%	26,3%	19,8%	7,6%	7,2%	52,9%	38,4%	11,9%	19,7%	4,9%	5,6%

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:

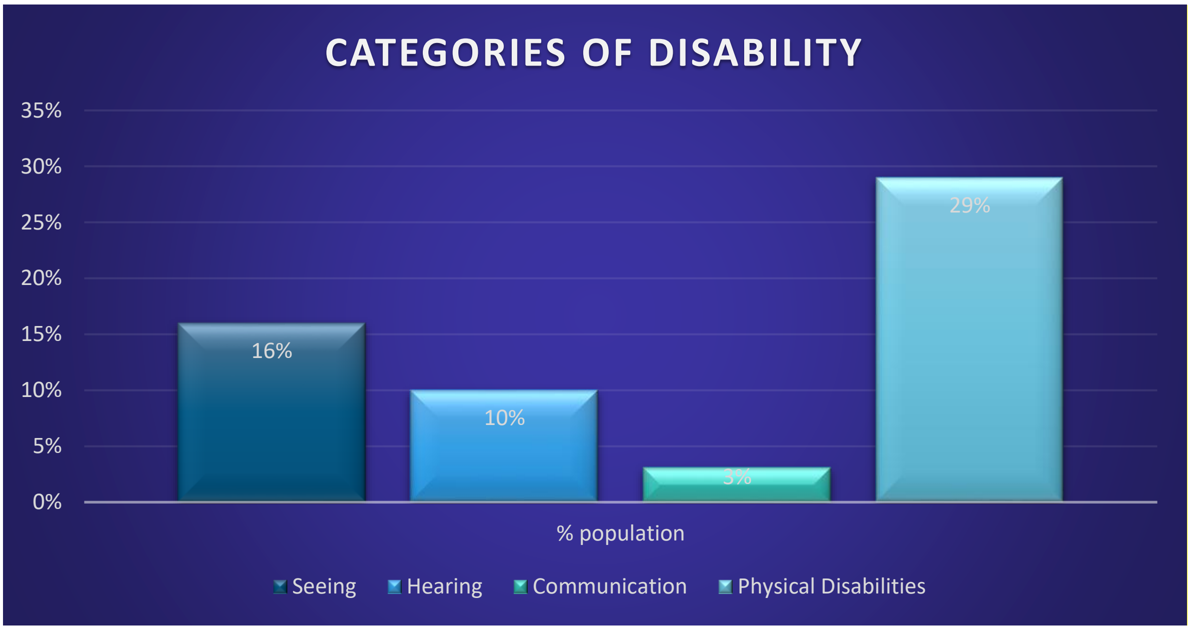


Figure 5: *Source: Census 1996, Census 2001, Census 2011 and CS 2016*

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.

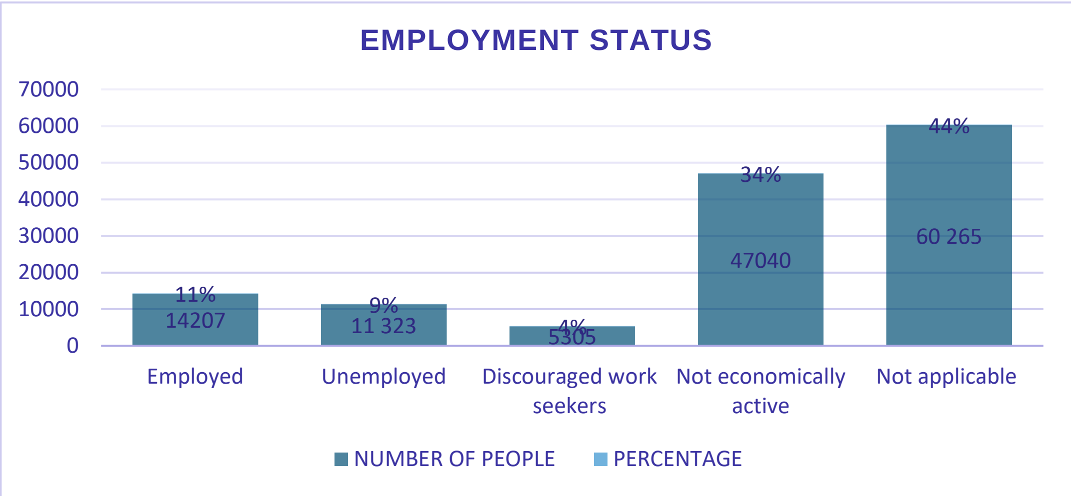


Figure 6: Source: Census 2011 and CS 2016

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.

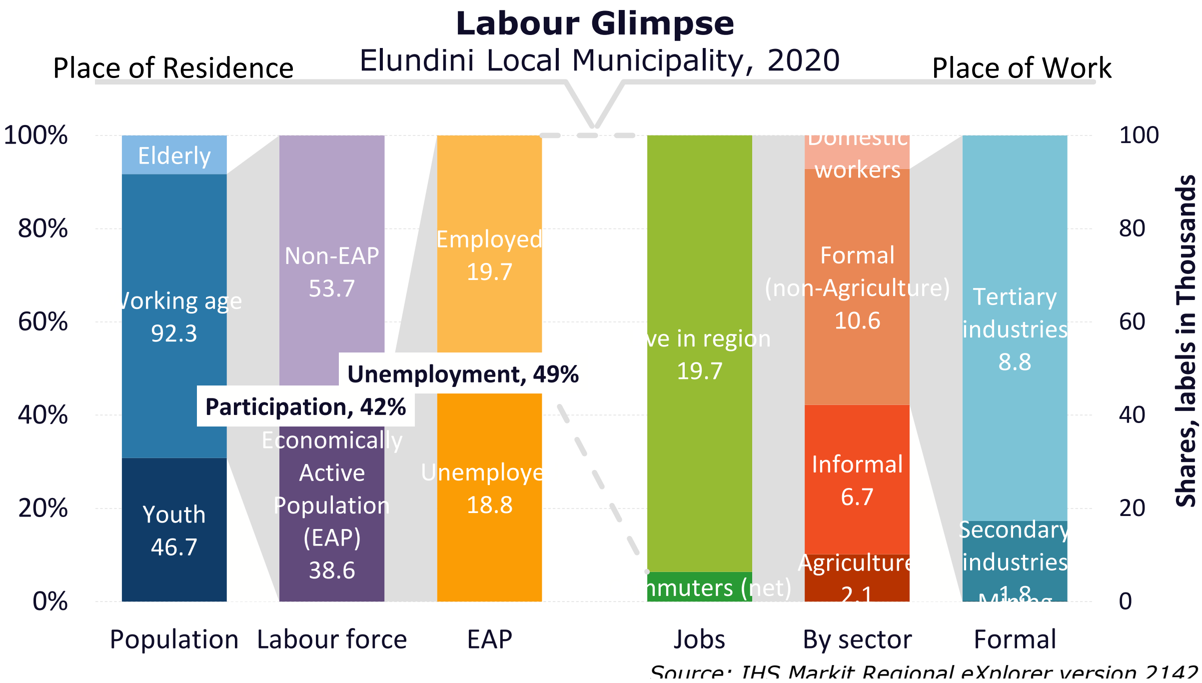


Figure 7: Labour Glimpse

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 12: 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 13: 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%.

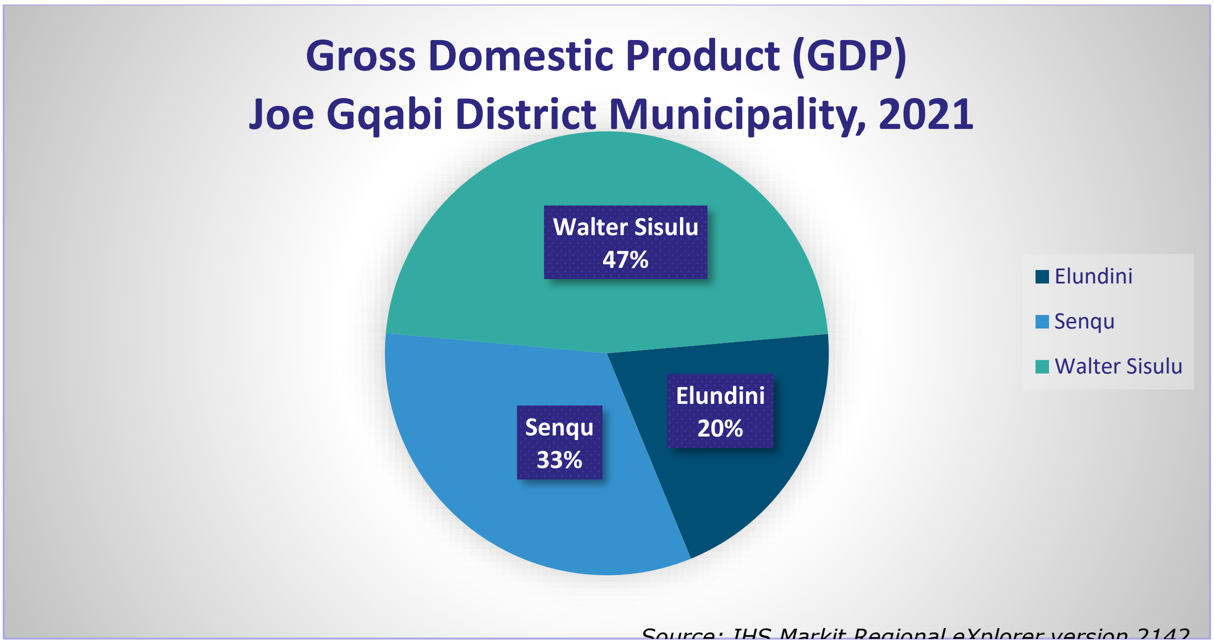


Figure 8: JGM GDP

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]

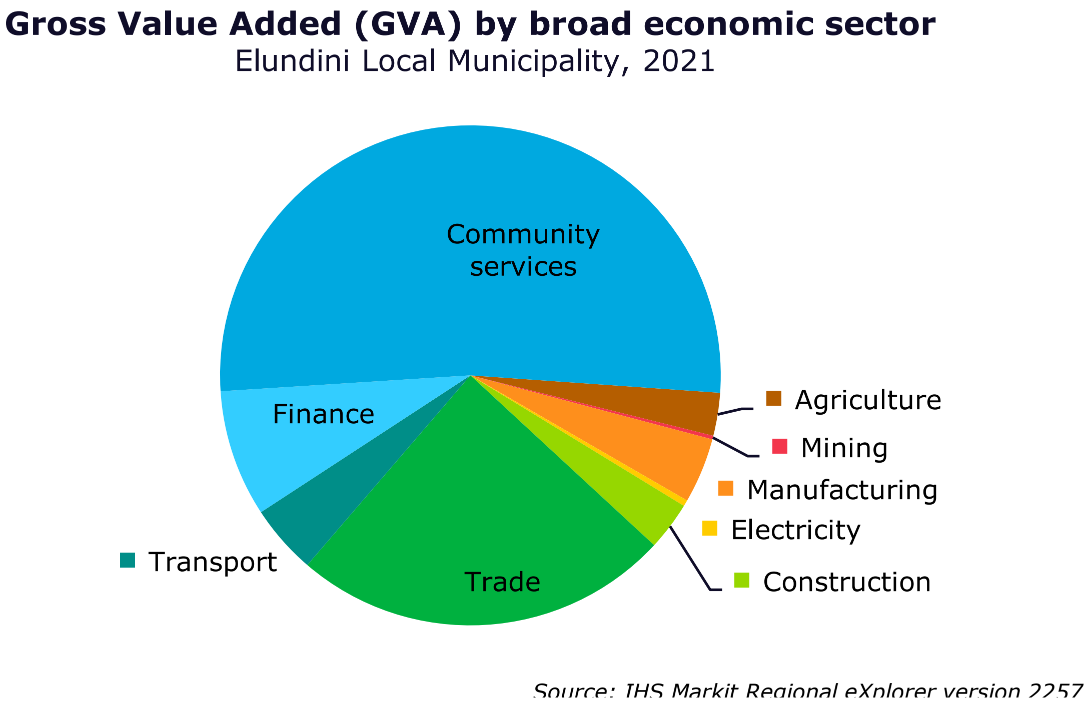


Figure 9: GVA

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.

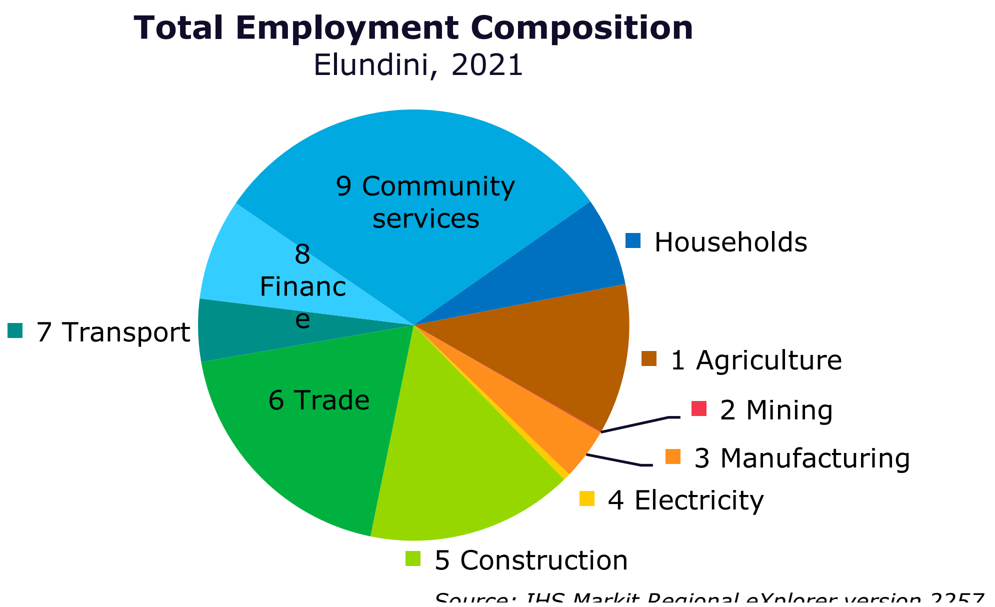
Table 14: Gross Value Added (GVA) by broad economic sector - Elundini Local Municipality, 2021[R billions, current prices]

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 10 : 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 15: 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 11: 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. The tables below reflects the Elundini matric performance during 2023 exams period.

Table 16: Matric Performance 2023 (Bachelor Pass Comparison in the District : 2023)

cmc	Total	Bachelor Pass	bachelor%	Diploma Pass	Diploma%	Target Bachelor Pass%	Var B%Vs Btarget%
Ugie/Maclear	509	246	48.3	170	33.4	45	3.3
Sterkspuit	604	234	38.7	206	34.1	45	-6.3
Mt Fletcher	1683	625	37.1	534	31.7	45	-7.9
Maletswai	539	188	34.9	216	40.1	45	-10,1
Joe Gqabi	3335	1293	38.8	1204	36.1	45	-6,2

Table 17 : Top Achievers in Elundini

Position	**Circuit**	**School**	**Average %**	**Category Pass**	**No of level 7**
1.	Solomzi	Thakabanna	92%	Bachelor	7
2.	Maclear	Umthawelanga	91%	Bachelor	7
3.	Farview	Sidinane	87%	Bachelor	7
4.	Ngxaza	Jamangile	86	Bachelor	7

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.

2.5.4. 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, the municipality is in the process of developing the community safety plan. 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; Assualt 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 the 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%

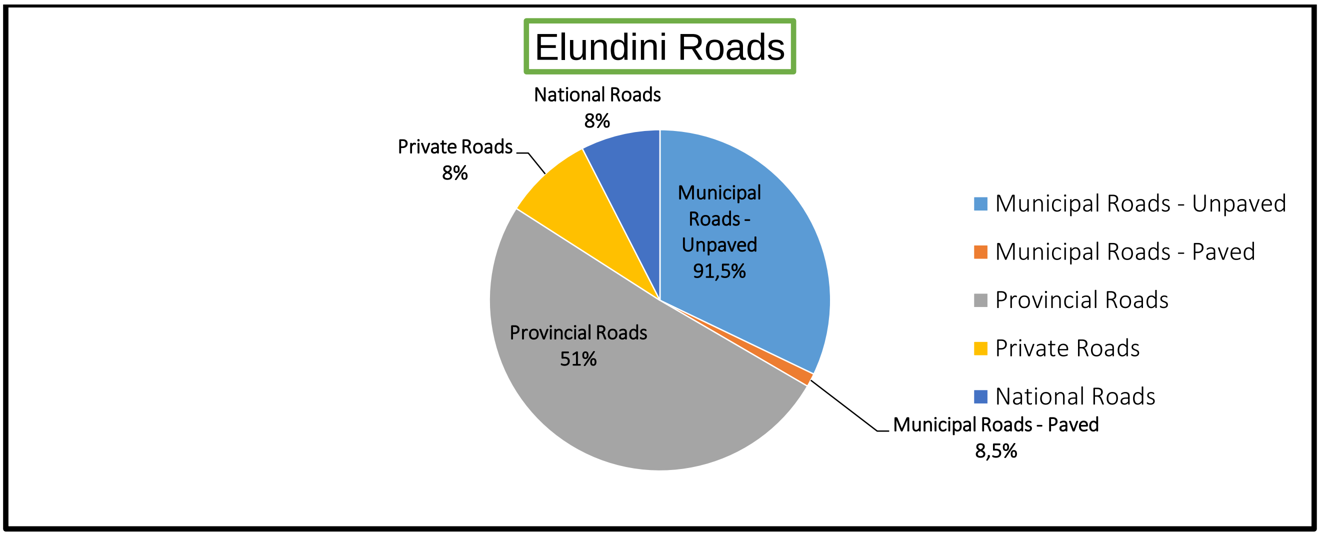


Figure 12: Elundini Roads

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.

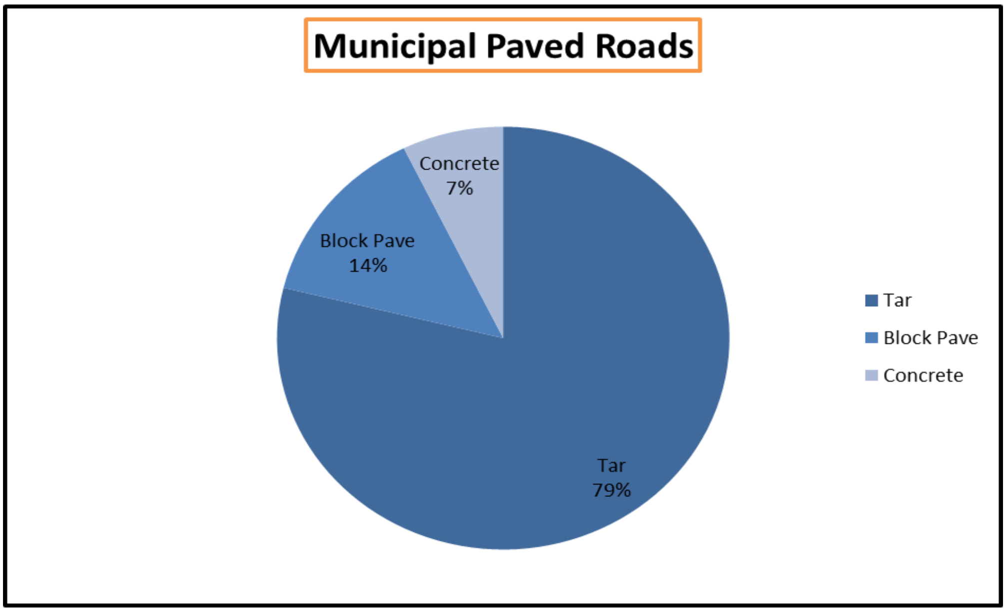


Figure 13: Municipal unpaved roads

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 the department 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. 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 2022/2023 - 2023/2024

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 (Tlokoeng)	09	N/A	R2.7m	Complete
20 x Streetlights Nqanqarhu	03 & 04	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.

c. 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

d. 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.”*

e. 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.

f. 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

g. 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 houseshold 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	% not electrified	Electrified 2022/23

						ELM
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%	327
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%	172
9	6	2 354	2 354	0	0%	
10	15	3 962	3 162	800	20%	
11	16	3 065	3 054	11	0%	98
12	12	4 430	4 420	10	0%	
13	10	2 773	2456	317	11%	230
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%	**827**

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	107	7018	7125

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.

a. 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.

b. 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

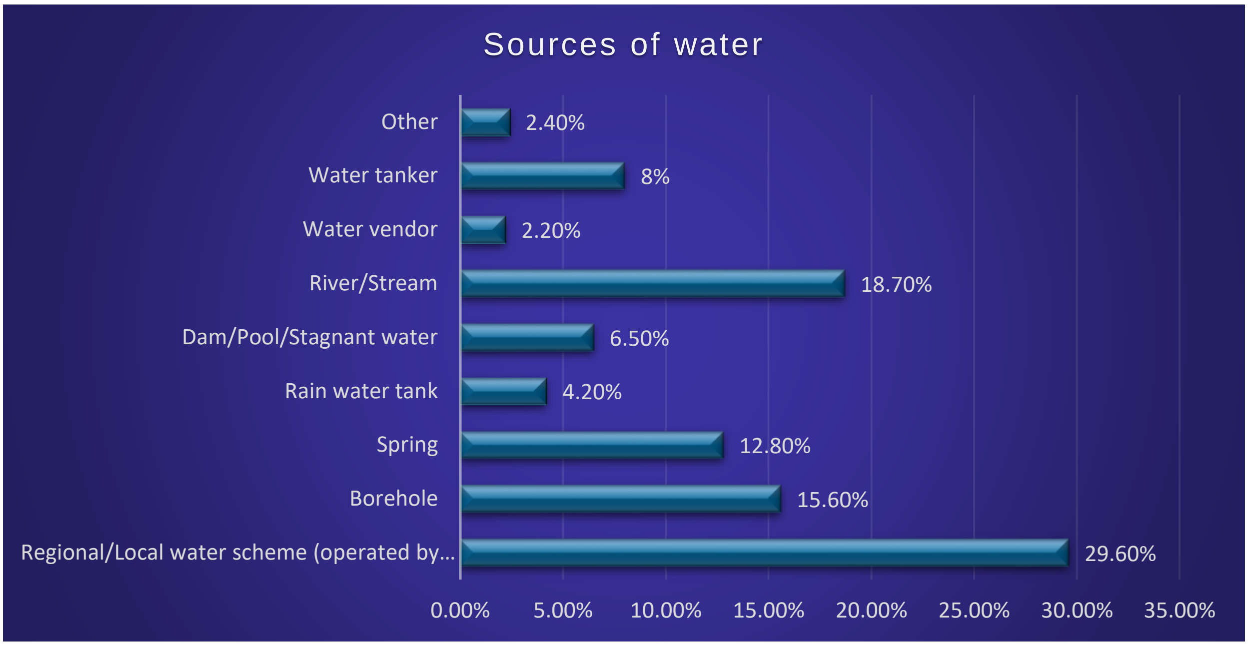


Figure 14:StatsSA Community Survey (2016)

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.

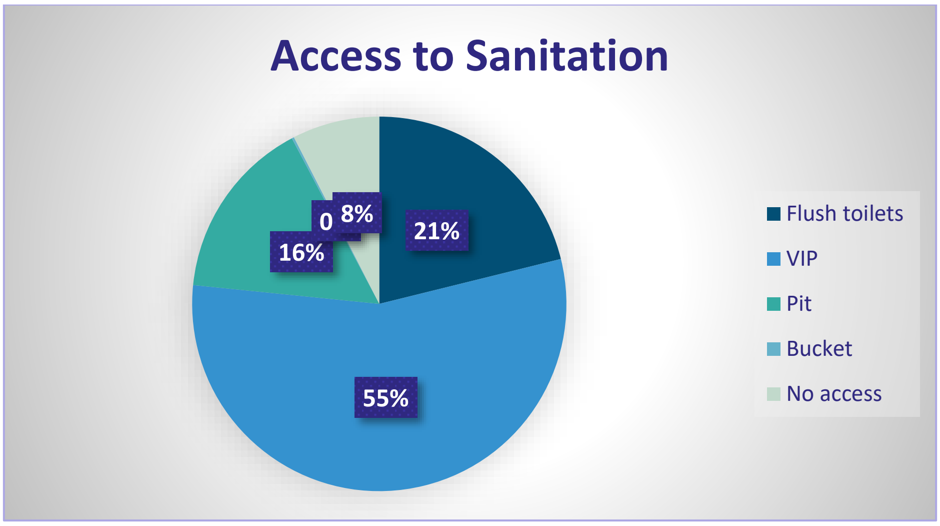


Figure 15: Access to Sanitation

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.

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. 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. 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 in line with the Municipal Property Rates Act, has in October 2023 reviewed the valuation roll of all the registered properties within its area of jurisdiction to supplement the current general valuation roll with considerations of new properties, alterations through approved building plans and/or changes to property values contained in the current general valuation roll.

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 constructed sidewalks which are maintained on a regular basis for use of bicycles in the three towns, Nqanqarhu, Tlokoeng and Ugie. Budget has been allocated for construction of more sidewalks and maintenance of existing one in the three-year capital plan.

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

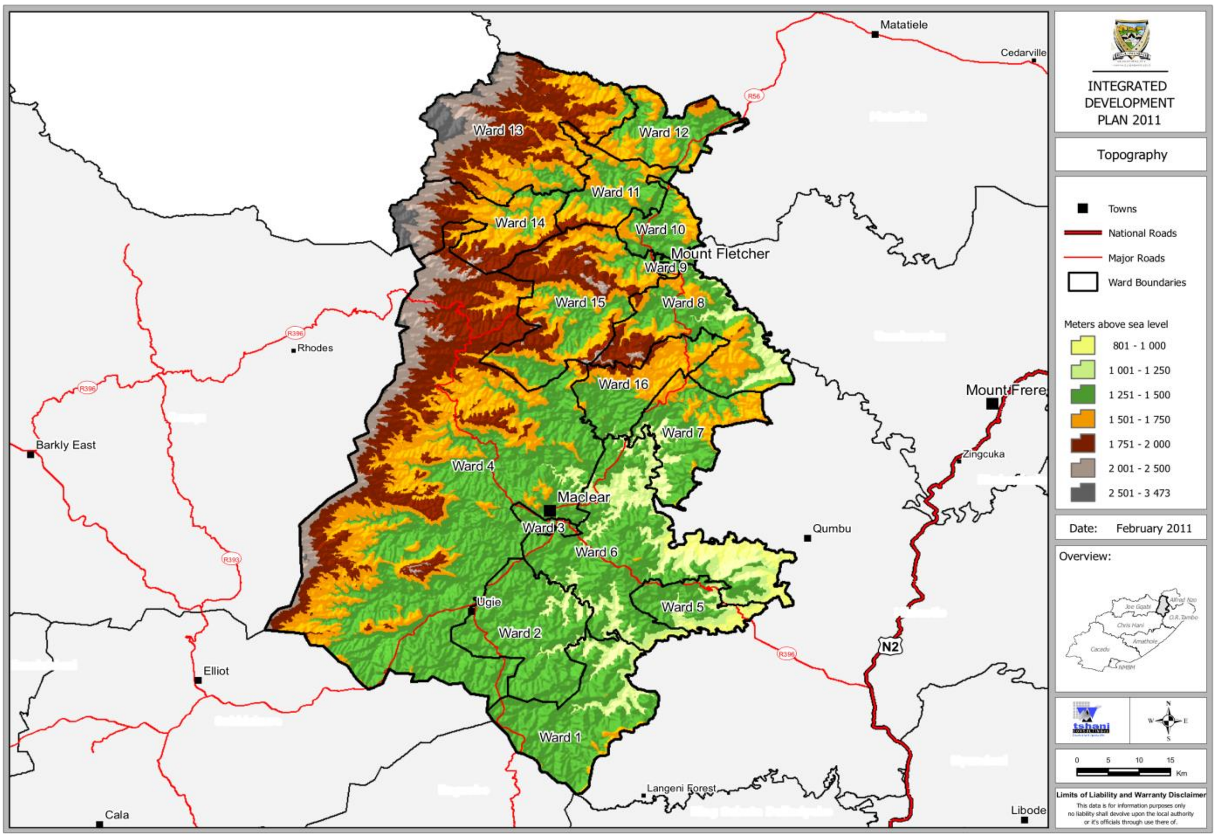


Figure 16: Topography Map

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^{0}C and 11^{0}C. 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), budget has been allocated in 2024/2025 financial year to develop the plans. As advised, we have prioritized the review of the existing IWMP for 2024/25 finanancial year.

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

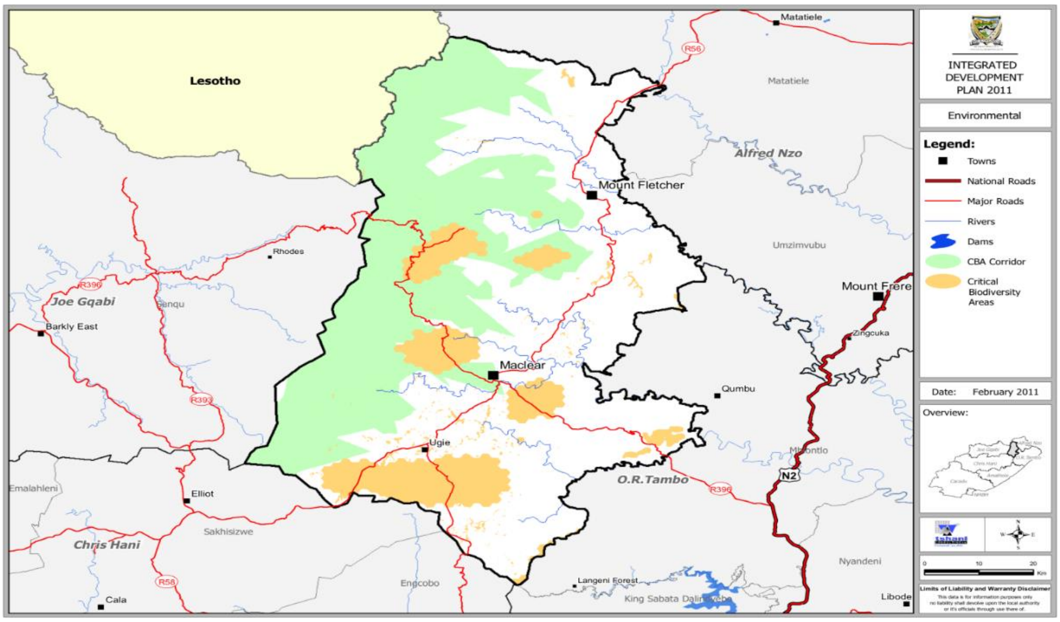


Figure 17: Map Showing Biodiversity Areas

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.

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.

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(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 Spatial 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

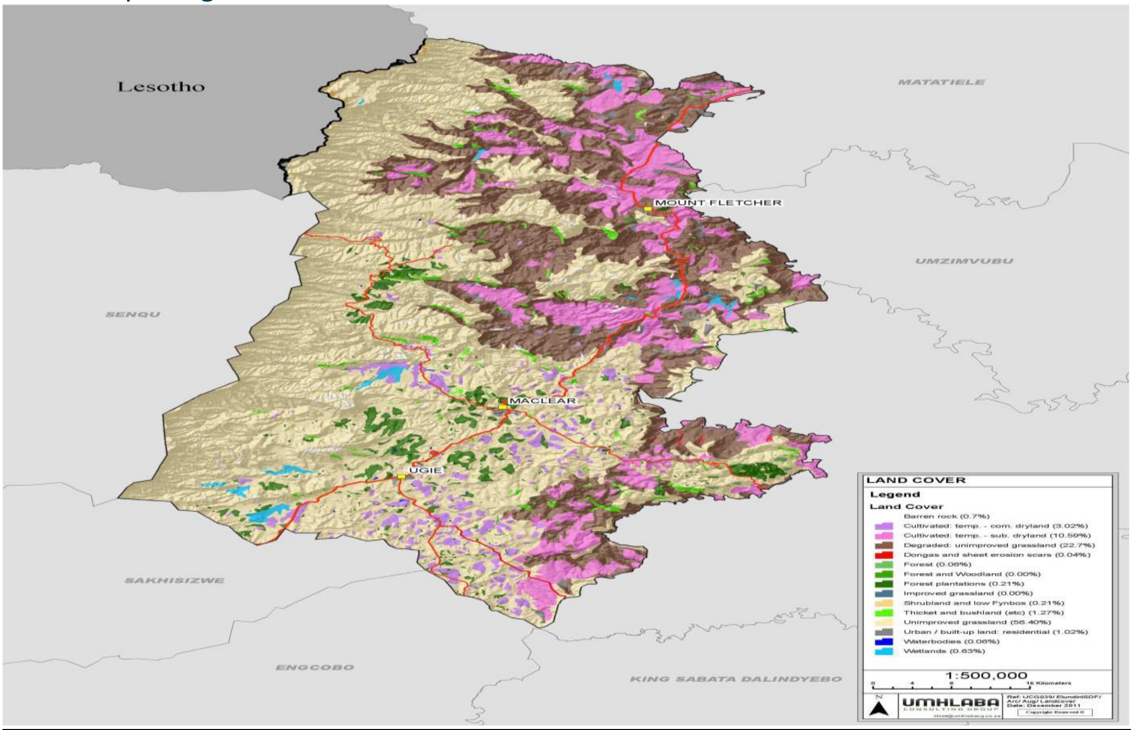


Figure 18: Land Use Package

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: Alignment 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 completed Ugie Sport Field Phase 2 and is currently with the renovation 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 Tsitsana Community hall in ward 4 has been completed and handed over. 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

<table>
<tr><th>Ward No</th><th>Number Of Halls</th><th>Name Of Village(S)</th></tr>
<tr><td>01</td><td>1</td><td>Nkalweni</td></tr>
<tr><td>02</td><td>1</td><td>Ntokozweni</td></tr>
<tr><td>03</td><td>1</td><td>Sonwabile</td></tr>
<tr><td>04</td><td>1</td><td>Nqanqarhu Town; Tsitsana</td></tr>
<tr><td>05</td><td rowspan="2">1</td><td>Hopedale / Ngcele</td></tr>
<tr><td>06</td><td>Hopedale Ngcele</td></tr>
<tr><td>07</td><td>1</td><td>Botshabelo</td></tr>
<tr><td>08</td><td>0</td><td></td></tr>
<tr><td>09</td><td>1</td><td>Tlokoeng Town
Ilisolomzi Community Hall</td></tr>
</table>

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 2025/26 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 2024/25 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 R1.3 million for 2024/25 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 lapsed 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 lapsed on the 31st of May 2023 and the municipality through Council approved a one-year contract sourced through SCM processeses and has prioritised procurement of Specialised Waste Management Yellow Plant in 2024/2025.

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

EPWP Integrated Grant allocation for 2024/2025 financial year is R 2.1 million

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

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

Programme Name	Purpose	Outputs	Outcomes
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.

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, however, disaster and fire unit continuously conducts awareness campaigns as per the plan and also attends to all reported cases of fires, oil spillages and floods

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, awaiting availability of budget. 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	▶ Office of the Municipal Manager ▶ Corporate Services ▶ Budget and Treasury Office

▶ 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	▶ 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.	Mr. Zibele Xuba	Director	Corporate Services	Permanent	▶ Human Resources ▶ Administration and Support ▶ Information Communication Technology and Support
7.	Ms Balisa Mbana-Gantsho	CFO	Budget and Treasury Office	Permanent	▶ Income and Expenditure; ▶ Budget Planning, Monitoring, Financial Statements and Report; ▶ Supply Chain Management; ▶ Asset Management

2.11.4. Powers and Functions

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

Table 44: Municipal Functions

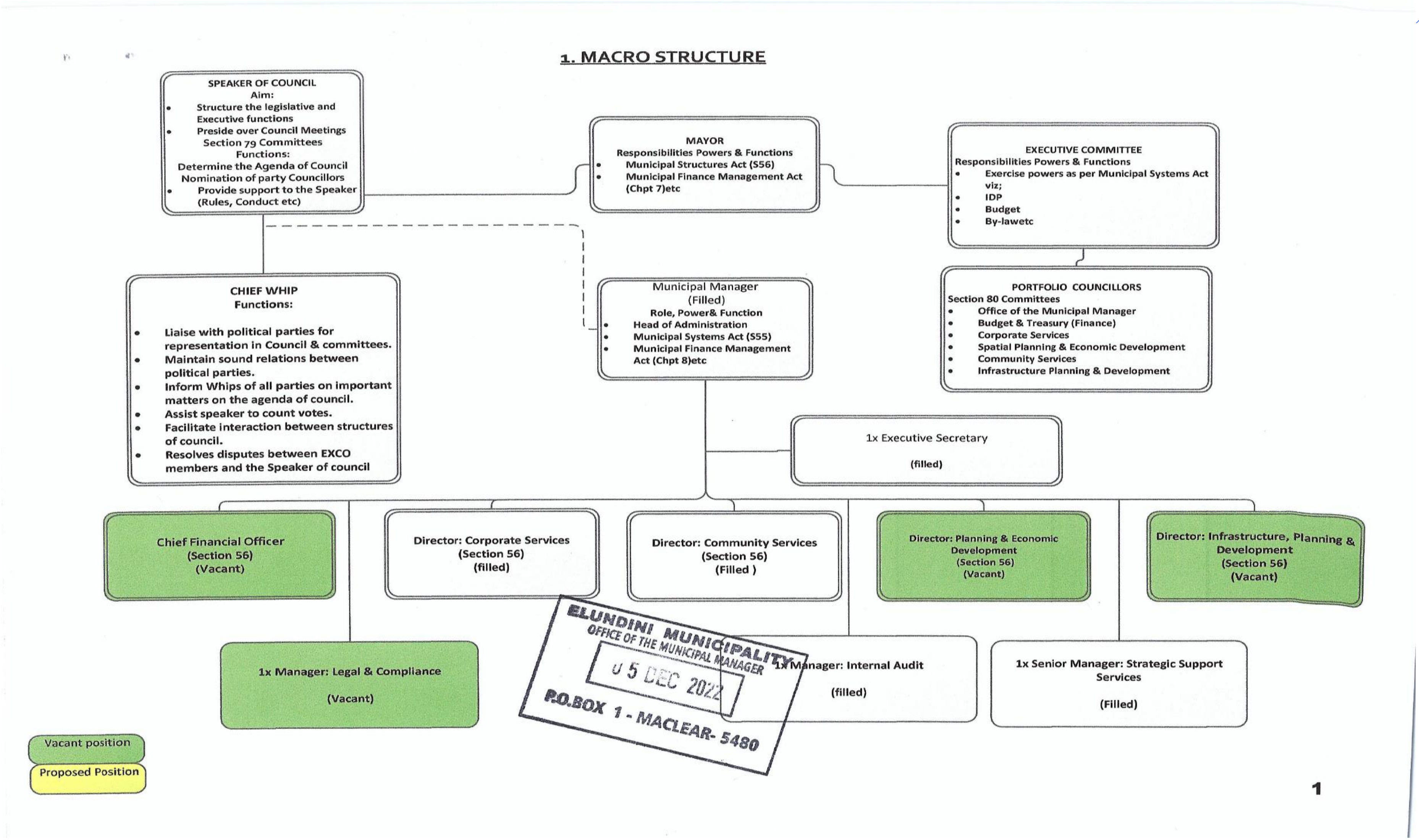
Part B of Scheduled 4	Part B of schedule 5
1. Air pollution 2. Building regulations 3. Child care facilities 4. Electricity and gas reticulation 5. Local tourism 6. Municipal Planning 7. Municipal Health services 8. Municipal public transport 9. Storm water management 10. Trading regulation 11. Pontoons, 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

2.11.5. 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 below to the document.


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)
ELUNDINI MUNICIPALITY
OFFICE OF THE MUNICIPAL MANAGER
05 DEC 2022
P.O.BOX 1 - MACLEAR- 5480
1x Manager: Internal Audit
(filled)
1x Senior Manager: Strategic Support Services
(Filled)
Vacant position
Proposed Position
1

2.11.6. 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 2024. 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%

2.11.7. 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.

2.11.8. 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)

2.11.9. 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.

2.11.10. 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.

2.11.11. 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.

2.11.12. 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.

2.11.13. 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.

2.11.14. 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.

2.12 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.

2.12.1 *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.

2.12.1.1 *ICT Challenges*

- Infrastructural incapacity
- Limited Budget
- Inadequate business continuity

2.12.1.2 *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.

2.13 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.

2.13.1 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: -

2.13.1.1 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

2.13.1.2 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

2.13.1.3 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

2.13.1.4 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;

2.13.1.5 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.

2.13.1.6 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.

2.13.1.7 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.

2.13.2 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.

2.13.3 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.

2.13.4 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.

2.14 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.

2.14.1 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.

2.14.2 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.

2.14.3 Traditional Leadership – Partnerships

Currently there are two 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.

2.15 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.

2.15.1 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. After adoption of ward based plans, the municipality continued to give support to wards by performance of Phase two deliverables which are in progresss. 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 2024/25 to give clarity on issues that relate to water and sanitation.

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.

2.15.2 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

2.15.3 Community Priorities

The table below contains community needs that were raised during Budget and IDP Roadshows held on the 19-21 April 2024

Table 47 : Community Issues

Ward	2024-2025
1	▪ Access roads from Ntendeleshe to Mbonxa and Taleni ▪ Gravel heaps at Mbozisa road ▪ Trustini streets need to be constructed they are in bad condition ▪ Bridge between Mission and Ngxoxo, Trustini ▪ Mamfengwini road to Drayini need to be maintained ▪ Bridge is requested next to Gengancwasa. ▪ Request for a bridge from Ncembu J.S.S to Mbola village. ▪ The community also requested playing grounds. ▪ Mount Gomery- street need culvert ▪ Road to Mount Gomery developed a dam ▪ They do not have electricity at all in Mount Gomery ▪ Bridge at Mount Gomey is requested ▪ There is no water in the Mount Gomery village they requested water tanks so far ▪ Palisa, Ntendeleshe and Lututu- water taps are too far from households. ▪ Toilets for new households are requested.

	▪ Electricity infills at Ntendeleshe in ward 1 ▪ Fencing of grave yards in ward 1 ▪ Water requested at Dinizulu and Trustini ▪ Fencing of School at Trustini is requested ▪ Water taps are requested at Maplotini and Nkalweni. ▪ Toilets are not yet finished at Nkalweni ▪ shearing shed requested at Elunyaweni in ward 1 ▪ They also requested construction of playing grounds for youth in Nyibiba ▪ JGDM took a generator for water at Nyibeni stated that the community vandalized it community requested it back and promise to look for it ▪ They request building for creche it is too small for their children at Lunyawen ▪ Toilets are not yet finished. ▪ They requested fencing of School at Nkalweni. ▪ Home Affairs offices are requested in ward 01 ▪ Gel for stove is requested at Taleni, Luthuthu and Mamfengwini ▪ Access road needed at Qolombane in Elunyanyaweni
Ward 2	▪ The meeting did not sit on the arranged date, it has been rescheduled
Ward 3	▪ A faulty geyser in Peter Mokhaba was never attended ▪ Crossing bridge in Nxovu is needed. ▪ RDP houses are requested in Peter Mokhaba. ▪ Pit toilets are over-flowing and the tarred road is eroded. ▪ Fencing of grave-yard and construction of access road. ▪ The youth centre and the TVET college is requested in Nqanqarhu. ▪ Geysers were not installed in Polar Park. ▪ Toilets in TV Park sportfiled need to be rehabilitated. ▪ A community member reported that Old location request blading of access road ▪ A community member reported that access road is needed in Polar Park (Thambekeni) ▪ Access road at Pola park ward 3 is requested ▪ Gravel heaps for streets are requested at Zakhele ▪ Fencing of grave yards in ward 3 ▪ Sithole community in ward 3 request water taps and Toilets are over-flowing ▪ Maintenance of Stormwater drains at Sithole Park

	▪ Water tap next to Siziba family at New Rest is requested, their tap was taken by the time the municipality constructed road there. ▪ Lack of job opportunities ▪ Sithole request water taps ▪ Youth centre is requested ▪ TV Park 2 houses their taps are not working after installation of geysers ▪ Fencing of grave yards ▪ Grazing land is requested ▪ TVET College is requested at Nqanqarhu ▪ Access road at TV Park is requested ▪ Contractor that maintain road at TV Park left deep trench that is dangerous for people
Ward 4	▪
Ward 5	• Lower Ngxaza requested bridge and complains about no progress in water provision as only boreholes were made. • Goniwe requested water. access roads, RDP houses, Toilets, and electricity for new households • Mbonisweni requested RDP houses, road to be maintained and water. • Mcwangele requested community hall, stadium or sportfields for youth, gravel, road maintenance, road from Mcwangele to graveyard, RDP houses. • Maplotini requested road streets. • Ezinkampini requested access road, RDP houses, water taps near to the community, renovations of Zwelidumile school and access road to the school. • Lower Ngxaza requested pedestrian bridge and gravel road.

	• Ngo'ngo'ngo requested electricity, roads and toilets • Hopedale requested electricity in RDP houses, temporal structures for the destitute, community hall and road maintenance from Hopedale to Zwelidumile school. • Sithana requested electricity for infills, gravel road in all streets, network pole, acces road.
Ward 6	• Request for an access road from Ntabelanga to Gasethi. • Esinxako community requested clinic, completion of unfinished toilets, intervention on non-payment of labourers, shelter for disaster-stricken family. • Construction of Gabele access road and clearing of loose stones as a matter of urgency. • Provision of water in all villages of the ward • Jamangile SSS requested access road, borehole or provision of water. • Ngxotho community requested a high school or high school to be built in the centre of the ward.
Ward 7	• Timeframe for construction of the Marhombe access road. • The water in the Marhombe village is only available for 2days in a week due to the non-availability of diesel. • There is no access road in Nxaxa Gorge • No water in Nxaxa Gorge • No electricity in Nxaxa Gorge • Plan and time frame for the construction of Golomane access road is requested. • Water is needed in Golomane • Slab is needed in Mfabantu village

Ward 8	**Jojweni** ▪ Request water for the village ▪ Request access road at Moreneng community member hired plant last time ▪ Request job opportunities for youth at Batlokoa ▪ Request clarity on why other Government attend IDP Outreach **Batlokoa** ▪ Request water they do not have water at the village ▪ Request access road no access road at the village from R56 to the village ▪ Request access road no access roads at all at the village ▪ Request RDP houses ▪ Request toilets ▪ Request clinic that they were promised ▪ Request jobs for people over 35 years ▪ Struggling to get hold of Eskom the machine takes time to answer
Ward 9	• Access road needed in all locations • Grave site almost ful and new graveyard is requested • Community is complaining that they use their own money to maintain access road • High mast lights at Ekuthuleni are needed • High mast light No 2 & 3 have a problem in Ilisolomzi • Water requested at Ilisolomzi • Toilets needed at Ilisolomzi • Toilets infills needed at Ethembeni • Additional communal water taps in all locations • Sanitation for Tlokoeng town is a challenge • There is no employment for PWD in the projects. When there is a project, the nature of disability should be considered not to be excluded in all projects. • There is no representation for PWD in the municipality. • The Tlokoeng Post Office has been disconnected and does not have electricity since February. • There is problem of land invasion • Training of SMMES is requested • Renovation of Municipal building is requested • Gravel heaps for ward 09 streets requested • Street names are requested

	• There is no water and toilets at Ilisolomzi community hall • Electricity is requested at ilisolomzi community hall • The rate that is payed for TLB to dig grave is too high • Community of Khalankomo, Tembeni and Showini request clarity for which ward they belong to
Ward 10	• These electricity projects have already started and will end at the end of June 2024 • Roads • The Community members are requesting additional of EPWP to clean Skote community hall • requested access from Palin to Nkalweni (not Nkalwani next to Nkalweni) • CWP do not have payslips they also are requesting working tools • They are requesting assistance of funds for small businesses (farming and livestock) • They are requested speed humps Zingonyameni to Nkalweni. (community members want to build for themselves the humps) • They are asking for assistance in working tools to get farming projects (Braki Tsolobeng) • Blading of sport ground for the youth.
Ward 11	• Leratong / Fletcherville requested pipes for water, access road and water • Xaxazana requested provision of water to all surrounding villages and access road. • Mtswane requested water and access road as the ambulance cannot enter the village because of the condition of the road. • Portsef requested attention to electricity issues as there are boxes that are burnt, temporal structures' standard is very poor as they are leaking, water and access road also in Motsoane. • Thambekeni requested bridge to Ntatyana, solar, electricity and reconstruction of pedestrian bridge. • There is no water in Lubisini though boreholes have been made • Ngaqangana requested access road and water. • Qalabutsha requested water, electricity, mobile clinic, early childhood development centre, land for farming, access road and clarity on why the village does not appear in the map.

	• Ngaphezulu-Ngaqangana requested RDP houses, more scholar transport taxis to reducing overloading, employment opportunities. • Plantation community requested scholar transport • Fletcherville requested culverts, water tanks while waiting for Orio project, walking bus, soil rehabilitation, weatherguard shelters for labourers and caution when cleaning Fletcherville dam to avoid damaging graves and roads.
Ward 12	• Makgaditseng requested community hall, clinic and clarity on why other government departments do not attend IDP/Budget outreach meetings. • Mangoloaneng requested water taps, only 9 are available; provision of water, access road, RDP houses, yard or land for animals, medication at the clinic and affordable means of contacting ESKOM. • Mangoloaneng, Mabekong and Mampondomiseni requested access road, bridge, water and youth development programmes. • Ngoliloe requested kit for soccer, access road from Xaxazana to Tabatshitsha, RDP Houses, water, support to an elderly person who has 102 years. • Madumasini Village requested access road, clean drinking water, Eskom to attend outages, loads of gravel and road maintenance. • Mahanyaneng requested access road since 2017 without help.
Ward 13	• Nxotshana community requested access road from Blorhweni to Lower Nxotshana, fixing of water pipes that were broken by a road construction company, RDP Houses, electricity, removal of dangerous cables lying around, registering of community toilets. • Makoatlane requested water provision in Diphokong and Bothabelo, Electricity for infills, toilets for infills, completion of unfinished toilets, RDP houses, access road from Tsolobeng, addition of classrooms in Khanya, employment opportunities for youth and clinic. • Mashata requested provision of water, access roads, job opportunities and inclusion of Mashata village in the budget.

	• Sethathi requested electricity infills, access roads, RDP houses, water and access road to creche. • In Tabase there are no proper roads, the community requested urgent attention to a bridge from Maluti to Tabase Police Station, network signal, water taps, electricity infills, RDP houses, rehabilitation of dongas and temporal structures. • Kuebung requested attention to the slippery road from Seqhobong to Kuebung, slab for Sommerset, reconstruction of a bridge, RDP houses, fixing of water pipes that were damaged by truck, dams, community hall, clinic / mobile clinic, sportsground and infrastructure for Kopanong Old Age Home. • Mohoabatsane requested RDP houses, sportsground, access road, mobile clinic, water taps, borehole, 45 electricity infills, completion of 40 unfinished toilets, job creation, rehabilitation of dongas, early childhood development centre, community hall renovations, shearing shed building and conversion of network signal from diesel to electricity. • Seqhobong requested access road from Dikomaneng to Matabeneng, RDP houses, job creation for youth, sposrtground youth, temporal structure for homeless family, wattle removal, water taps, borehole, shearing shed, network signal. • Pirintsu requested access road, clinic / mobile clinic, community hall, water taps in the households and in Khanya SSS, network signal, job opportunities for youth, sportground and provision of temporal structures. • Ntoko community requested access road, RDP houses, water provision, boreholes, shearing shed, sportsground, temporal structure for disaster-stricken communities, early childhood development centre, bridge, funding for projects, electricity infills, tar road, payment for a community member who was working on a toilet project, request for more toilets, centre for vulnerable people and relocation of shearing shed which belong to Mohoabatsane from Mangoloaneng.
Ward 14	• Request for filling of vacant posts- EPWP. • Request for provision of water at Sithabathaba- Thusing • Request for completion of a bridge between Sathube and Tabakhubedu • No information for Sathube village in the report. • Bridge has cracks community requested culverts. • Request for provision of toilets at Tabakhubedu.

	• Request for ELM to fix bridge at ward 14. • Request for RDP houses at Lehanaspass. • Complaint about a scholar transport not doing its work properly. • Request for a bridge at Vuvu. • Request for access road at Vuvu. • Request for cutting of wattle at Vuvu.
Ward 15	• Culvert is needed at Tsekong curve to hillgate and speed hump. • Nkululekweni streets are very bad they need to be constructed. • Tsekong upgrade of the public toilets to VIP toilets. • Mpeke culvert additional water projects at Iphokoeng just stopped. • Plumbing to drive storm water direction at Nkululekweni. • Gysers are not working properly they produce little water. • Bridge at polar park. • Electricity extension are not there; Tsekong extension streets are requesting control of water that then lead to wetlands there. • Lehana bridge road is very damaged culverts are closed and needs to be cleaned. • Street next to Norman is badly damaged. • Grave heaps Mpeke Lophofung. • Tsekong extension community taps. • Tsekong extension hall requests Municipality to finish it. • Polar day care Ikamvelihle request funds. • Maruleng electricity is needed.
Ward 16	• KwaZulu community requested speed humps, completion of toilets in Ediphini, provision of electricity for infills, temporary shelter, RDP houses, provision of water, electricity for Zulu village, HCBC for the ward and access road. • Koloni & Drayini villages requested funding for agricultural activities, access road in Drayini, provision of toilets at school and reconstruction of steep access road which causes danger to the community.

	Mlube requested toilets, electricity, access road, culverts, walking bus, rails at the bridge. • Hlankomo requested electricity, toilets, bridge at Mngcutha, filling of EPWP jobs • Frank requested building of toilets on pits that were dug which can cause danger to the children. • Magedla/ Nkangala requested taps, electricity, completion of toilets, toilets that are suitable for disabled people, improvement of operations and visibility of SAPS. • Msasangeni requested bridge, mobile clinic, electricity and toilets at Calu-calu. • Chevy chase requested clean drinking water, network signal, access roaa at Ntatyana village, two high mast lights. • Nidngo Requested bridge, rails, access road gravelling, temporary shelters, RDP houses and toilets.
Ward 17	• Access roads should not be bladed but gravelled because blading makes them worse. • A bridge in Gqaqhala is a problem. • An explanation should be given to the affected communities for targets not achieved.

2.15.4 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. The strategy needs to be reviewed, however, processes for reviewal are underway. 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.

2.15.5 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

2.15.6 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 15 cases. (state cases instituted against and by municipality).

2.15.6.1 *Litigation Register*

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

Table 48: Litigation Register

	Parties	Case Number	Municipal Attorney	Particulars Of the matter	Claim Amount	Status/ Progress
1	MANXIWA GROUP // ELUNDINI LOCAL MUNICIPALITY		Internally handled	The municipality invited bidders for bid No: ELM-3/005/2020-2021 Manxiwa Group is one of the bidders who submitted tender documents for the bid and their bid offer was unsuccessful. They then lodged an appeal after receipt of letter informing them that their bid offer was unsuccessful. After receiving their response that the appeal was unsuccessful, they then made a request for access to information, requesting Manxiwa group bid document and adjudication report	N/A	They were furnished with the form for formal request in terms of PAIA manual. Copies for the requested information were made available and are awaiting their proof of payment for access fee. They were informed that they will have to pay access fee of R35.00 and request fee for R140.40. The case is Dormant.
2	XOLISWA T, RWEXANA // ELUNDINI LOCAL MUNICIPALITY	3170/2019	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	R3 035 000.00	The matter has not moved since July 2023, due to the Plaintiffs attorney's that had failed to comply with Rules of the Court in

	Parties	Case Number	Municipal Attorney	Particulars Of the matter	Claim Amount	Status/ Progress
				allegedly fell into a trench that was left uncovered at night where roadworks was being carried out at Back Street, Tlokoeng.		respect of carrying a Joinder of the independent contractor as a co-defendant in this matter. It remains their prerogative to take the matter further.
3	ELUNDINI LOCAL MUNICIPALITY // UNCEDA TAXIE ASSIATION (UGIE)	2189/2020	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	The matter was lost on a technicality. The matter is going to be started afresh after the appointment of the panel of attorneys.
4	COUNTERPOINT TRADING // ELUNDINI LOCAL MUNICIPALITY		Mgxaji Incorporated	The Municipality terminated the contract of Counterpoint trade as a result of non-performance in March 2014. The Municipality thereafter received summons from their attorney's claiming loss of profit as a result of the termination	R1 250 000.00	The Matter is ready for trail and the attorneys are waiting for the allocation of a trial date.
5	NANGAMSO CIVILS //ELM	4279/2016	Joubert Gaplin Searle	Summons were received for the claim of additional services rendered (LEHANA TO UPPER TOKWANA)	R961 155.60	Matter was withdrawn in court by the Plaintiff, and they were to pay legal cost of the Municipality. Cost consultant was appointed for the Municipality to have its bills of cost prepared and then taxed so that Municipality can request payment from the plaintiff.

	Parties	Case Number	Municipal Attorney	Particulars Of the matter	Claim Amount	Status/ Progress
						A request for confirmation of receipt of payment has been made, upon receipt the matter will be removed from the register.
6	ELUNDINI LOCAL MUNICIPALITY// MARAWU	N/A	Magqabi Seth Zitha Attorneys	The Municipality identified a Building Regulations contravention in Erf 466 Ugie for the Building which have not been constructed in compliance with the legislation. Correspondence has been issued dating back from 2018 on contraventions relating to the National Building Regulations. On record, construction was noted on the site on 14 May 2018. As a result, a noncompliance notice was issued and received (and signed) by a representative of the owner on 29 May 2018. The matter highlighted in the notice of non-compliance was that the owner had proceeded with construction works without submitting a building plan application. The owner was advised to stop with the works and proceed with the necessary application process.	None	A notice was served in December 2020, on behalf of the Municipality by the attorneys instructing Marawu to comply by submitting "as Built" building plans within 21 days. 21 days lapsed and there was no response received. As per the Council resolution the Attorney was instructed to serve another demand to the property owner seeking her action within a specified period of time and indeed the letter was served by the sheriff on the 04th day of March 2021. The time having elapsed without the property owner having acted in terms of the correspondence from the attorney, the attorney requested instruction from the Municipality to proceed with an application for a demolition order for erf 466 Ugie. A report was drafted for exco and the Council to recommend and take a decision on this matter.

	Parties	Case Number	Municipal Attorney	Particulars Of the matter	Claim Amount	Status/ Progress
				The owner did not respond to this request. Following further inspection in the area, it transpired that the works had only been suspended, because on inspection on 03 April 2019, it was noted that further work has been done on the site and the flats were ready for occupation. The owner was contacted to ensure rectification of the works which had been done in contravention of the National Building Regulations. She was further advised to provide confirmation that all the necessary approvals for construction had been done by a registered Professional Engineer and that there are built drawings and certificates of approval be submitted so that she could be provided with a building permit. But still there was no response.		We are planning to resubmit the report for EXCO and the Council to recommend and take a resolution on this matter. So that we may procced to seek Court Order for demolition or the matter be closed and be removed from the register.

	Parties	Case Number	Municipal Attorney	Particulars Of the matter	Claim Amount	Status/ Progress
7	WIKUS VAN RENSBURG ATTORNEYS//ELUNDINI LOCAL MUNICIPALITY	62/2019	Clark Laing 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	The matter has been settled, a request for confirmation of Payment has been submitted. Upon receipt the matter will be removed from the register.
8	ELUNDINI LOCAL MUNICIPALITY. COMMUNITY TRUST	N/A	Clark Laing Inc	Investigation into current status of the trust and revival of the business established in terms of the new trust to be established	None	The Matter was Finalised, A request of the Final report with recommendations, have been requested from the user department, once received the matter will be removed from the register.
9	SMAFIKA AND OTHERS //ELUNDINI LOCAL MUNICIPALITY	398 /2023	T.L Luzipho Attorneys	The Municipality had an agreement for the provision of electricity to the property known as Erf 3488 Maclear, with Ms. Nosipho Flora Nyezi (Ms. Nyezi) as the owner of the property. Ms Nyezi gave notice of termination of services rendered by the municipality and requested to pay all the dues owed to the municipality for services rendered hereto in the property. After the necessary due consideration was given the electricity supply to the property was disconnected.	N/A	Application for leave to appeal in respect of this matter has since been dismissed with costs by Hight Court. The applicants if they still want to pursue this matter, they are to approach the Supreme Court of Appeal for special leave to appeal. The Applicants approached Supreme Court of appeal, for a special leave to appeal, we have prepared answering Affidavit on the matter as we want the SCA to Dismiss their application for leave to appeal.

	Parties	Case Number	Municipal Attorney	Particulars Of the matter	Claim Amount	Status/ Progress
				As a result of the disconnection, the occupiers launched an application to force the Municipality to reconnect the municipality, at the time of notice of termination the municipality was not aware of who resided and/or, was residing in the property.		
10	BASSIE TRAVEL // ELUNDINI LOCAL MUNICIPALITY	RC204/2020	Gwabeni Inc	The Municipality received summons from the plaintiff claiming an amount of R268 271.71 for alleged non-payment of services rendered by the plaintiff.	R268 271.71	The matter is settled, we have requested the Court order that dismissed the case, once received the matter will be removed from the register.
11	ELUNDINI LOCAL MUNICIPALITY// VARIOUS MUNICIPAL LAND INVADORS		T.L Luzipho Attorneys	These are evictions proceedings against various land invaders in Mount Fletcher. Municipality launched Application for Interim Relief to prohibit the continued unlawful land invasion	None	The Court order was granted in favour of the municipality and was served to the respondents. A Court Order is requested for this matter, once received the matter will be removed from the register.

	Parties	Case Number	Municipal Attorney	Particulars Of the matter	Claim Amount	Status/ Progress
12	NKAOLISE JOSEPH JAKIE// ELUNDINI LOCAL MUNICIPALITY		Makade incorporated	The Plaintiff's claim is for damages resulting from alleged unlawful confiscation of his driving licence by the municipal traffic police.	R 800 000.	The matter is currently defended, and the municipality's attorneys of record have filed all the necessary pleadings and answering Affidavit and Plaintiff's attorneys have replied to the answering affidavit but have not yet set down the matter for hearing on the opposed motion roll.
13	SPSCA Mt Fletcher// ELUNDINI LOCAL MUNICIPALITY		Mbabane Maswazi Inc	The SPCA opened a case against municipal employees and security guard for cruelty to animals	None	Matter previously came before court and was postponed.
14	DIRK MARINUS VAN STADEN//MINISTER OF POLICE AND OTHERS		Tonise Attorneys	The plaintiff is claiming for damages arising from an alleged unlawful arrest by Municipal Officials	R 200 000.00	The Municipality is defending the matter as the Municipality was not involved in the arrest. The arrest was made by provincial Traffic Officers. The plaintiff served the municipality with notice to discover information where they requested the particulars of certain officials, which the municipality responded and informed the plaintiff's representatives, of the fact that municipality have no

	Parties	Case Number	Municipal Attorney	Particulars Of the matter	Claim Amount	Status/ Progress
						record of the information requested. Further particulars from the plaintiff were requested as follows. 1. How did the Plaintiff identify the alleged members who arrested him to be members of the second defendant (Municipality) herein. 2. On what grounds is the second defendant liable for the alleged arrest, thus a party to these current proceedings? 3. We requested the Plaintiff's to discover Bail receipt, and SAPS Cas number for the arrest. We have not yet received these particulars from the Plaintiff legal representatives.
15	ELUNDINI LOCAL MUNICIPALITY// SIMPHIWE MNYUKWANA AND OTHERS, MUNICIPAL LAND INVADORS.	1012/2024	T.L Luzipho Attorneys	The Municipality launched an urgent application in High Court to restrain the respondents from demarcating and allocating sites and plots in two immovable properties which are owned by the municipality in UGIE	N/A	The matter was heard in the High Court and the respondents requested that the matter be postponed so that they may get legal representation to defend them. The matter was postponed and rescheduled to be heard on the 26 March 2024, where the court granted the order in favour of the

	Parties	Case Number	Municipal Attorney	Particulars Of the matter	Claim Amount	Status/ Progress
						municipality for Part A. We are now preparing for Part B seeking Court Oder for demolition.

2.15.7 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 maintained its standard as it has consistently been getting high rating in all the KPAs assessed on over the last three (3) years. In review of the 2024/25 IDP, MEC comments that were raised during the assessment of 2023/24 were taken into consideration. Below is the IDP assessment results for the past 5 years:

Table 49: IDP Assessment Results

KPA	RATING 2019/2020	RATING 2020/2021	RATING 2021/2022	RATING 2022/2023	RATING 2023/2024
Spatial Planning	High	High	High	High	High
Service Delivery	Medium	Medium	High	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

2.12.10.1 IDP Assessment response plan

Table 50 : Response Plan

KPA	FINDINGS RAISED DURING ASSESSMENT OF 2023/2024 INTEGRATED DEVELOPMENT PLAN	RESPONSE PLAN
1. Spatial Planning, Land, Human Settlements and Environmental Management	The municipality must develop a Spatial Development Framework (SDF) informed by disaster vulnerability and risk assessment reports.	Municipality has received no-lending support to update the ELM SDF of 2019 at an amount of R700 000.00 in the 2024/2025 financial year.

2. Service Delivery and Infrastructure Planning	The municipal IDP must indicate whether an Air Quality Management Plan (AQMP) as contemplated in Section 15(2) of the National Environment Management : Air Quality, No. 39 of 2004 exists.	The ELM does not have an AQMP currently as there's a backlog in terms of the development of numerous legislated environmental tools/plan. The ELM is prioritizing one tool per FY, and for 2024/2025 there's budget set aside for the development of a Climate Change Strategy.
	The municipality must develop a climate change response strategy or activities that respond to climate change.	There's a budget set aside for the development of a Climate Change Strategy for 24/25 FY. An advert has been made, SCM processes underway with regards to finalization of the procurement processes and appointment if suitable bidders meet the criteria.
	The municipality must develop a stormwater management plan.	An Integrated Roads and Stormwater Development and Maintenance Master Plan will be developed in the 2024/25 Financial year. Tenders for consultants closed end April 2024 and a consultant will be appointed by 31 May 2024.
	The municipal IDP must reflect plans and budget for non-motorized road facilities.	Non-motorised facilities including sidewalks in town and townships are provided for in the annual maintenance plan.
	The municipality must gazette and enforce waste management by-laws that are	Waste management by-laws have been reviewed and are aligned

	compliant with the National Environmental Management : Waste Management Act No. 59 of 2008.	with NEM: WA and noted by Council, the process is at public participation phase, once finalized, all institutional by-laws will be gazetted.
	The municipality must develop a trade effluent policy.	As discussed with DEDEAT, there seems to be a need for clarification in terms of roles and responsibilities here. COGTA needs to intervene and clarify who's responsible for the development of trade effluent policy between the district (as grey water is discharged into the municipal sewer which is a district function). Local municipalities can only collaborate with the district in ensuring compliance with the policy as per district function & requirements.
	The municipal IDP must reflect the emergency procurement measures of the Disaster Management Plan	Each Directorate within the Elundini Local Municipality have roles and responsibilities as per the Disaster Act. Joe Gqabi District Municipality (JGDM) has sourced funding from SANTAM for the development of Disaster Management Plans for the entire district (i.e. all Local Municipalities with JGDM).

	The municipality must develop an Integrated Community Safety Plan by June 2023 as planned.	The department of Safety and Liaison in collaboration with the ELM are at planning stages with regards to the development of an integrated community safety plan.
	The municipality must develop a budgeted repairs and maintenance plan as per Circular 51 of the Municipal Finance Management Act (MFMA), No 56 of 2003.	The IP&D will by 07 June 2024 will submit a budgeted repairs and maintenance plan that will be funded from 8% EQS in 2024/25 FY as envisaged by the MEC RAS OPEX 2nd Non-Negotiable.
3. Financial Planning and Budget	The municipality must budget for salaries (councillors' remuneration and employee costs) as per norms and standards.	Employee and Councillor's remuneration costs are budgeted at 40% as per norm.

2.15.8 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 51: Audit Outcomes

Financial Year	Audit outcomes
2022/2023	Unqualified with findings
2021/2022	Unqualified with findings
2020/2021	Unqualified with no findings/ Clean Audit
2019/2020	Unqualified with no findings/ Clean Audit

2.15.9 Audit Action Plan

The audit action plan was presented together with the annual report for 2022/23 financial in a council meeting held on the 27th March 2024 and was noted by the Council

Table 52: Audit Action Plan

Reference	Component	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 percentage	POE
Coaf 2b	Annual Financial Statement and Annual Performance Report High Level Review	Annual Financial Statement and Annual Performance Report High Level Review	2. The amounts per the current Annual Financial Statements corresponding figures do not agree to the prior year audited AFS amounts for the line item below:	The above findings are caused by lack of proper review of financial statements and annual performance report.	The above findings are caused by lack of proper review of financial statements and annual performance report.	Management is not in agreement with the manner in which the finding is structured, however, management agrees that the prior year adjustment note was not updated to balance to balance to the PPE note. The note will be updated during the adjustment of AFS.	Management notes that an adjustment will be made in the financial statements. The proposed adjusted note was not submitted with the response. The finding remains and will be assess when the adjusted AFS have been submitted for audit purposes.	Late submission and lack of review of supporting information relating to prior year adjustments to allow adequate review processes to ensure credible financial statetments.	Chief Financial Officer	2024/03/31 On going	Adherence to accruals cut-off date. Constant communication between all participants involved in the AFS preparation. During interim FS a starting point will be to agree comparatives to prior year AFS. Constant monitoring of adjustments made in the GL prior to submision of draft AFS.. All changes should be disclosed in the prior	Mid-term Interim Financial Statements were prepared and prior year adjustments were agreed to the AFS. The AFS were reviewed by QC and other relevant parties to avoid future errors from occuring. Preparations of Third quarter Interim Financials statements are on-going, and they will be reviewed by QC and other relevant parties to avoid future casting errors from occuring.	61%	Interim Afs

											error note			

Coaf 2c		Annual Financial Statement and Annual Performance Report High Level Review	3. The amounts per the Fixed Assets Register as at 30 June 2023 do not agree with the amounts per the AFS as at 30 June 2023	The above findings are caused by lack of proper review of financial statements and annual performance report.	The above findings are caused by lack of proper review of financial statements and annual performance report.	Management is in disagreement with the finding. Please see extract of the differences between FAR/Calculations and AFS.	Management comments noted, the remaining misstatement is R31 665 and will be accumulated with other misstatements.	Late submission and lack of review for supporting of information relating to FAR to allow proper reconciliation and adequate review processes to ensure credible financial statetments.	Chief Financial Officer	2024/03/31 On going	Adherence to cut-off dates for submission of supporting documentation relating to FAR allow proper reconciliation and adequate review processes to ensure credible financial statetments	During the preparation of Mid-term Interim Financial Statements, supporting documentations were provided and reconciliations were done to agree the FAR to the Financial Statements. Adequate review processes were followed to avoid future errors from occuring. Preparations of Third quarter Interim Financials statements are on-going, and they will be reviewed by QC and other relevant parties to avoid future casting errors from occuring.	61%	Interim Afs

Coaf 2d		Annual Financial Statement and Annual Performance Report High Level Review	4. The amounts per the current Annual Financial Statements 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.	The above findings are caused by lack of proper review of financial statements and annual performance report.	Management agrees with the finding. The prior period error note will be modified during the adjustment stage of the AFS.	Management agrees with the finding notes that an adjustment will be made in the financial statements. The proposed adjusted note was not submitted with the response. The finding remains and will be assess when the adjusted AFS have been submitted for audit purposes.	Non adherence to the Annual Financial Statements plan, as there was lack of review of the AFS	Chief Financial Officer	2024/03/31 On going	Adherence to accruals cut-off date. During interim FS a starting point will be to agree comparatives to prior year AFS. AFS reviews by QC, and all levels of reviews in line with the AFS plan.	Mid-term Interim Financial Statements were prepared and prior year adjustments were agreed to the AFS. The AFS were reviewed by QC and other relevant parties to avoid future errors from occuring. Preparations of Third quarter Interim Financials statements are on-going, and they will be reviewed by QC and other relevant parties to avoid future casting errors from occuring.	61%	Interim Afs

Coaf 3a		Annual Financial Statement and Annual Performance Report High Level Review	The casting errors below were identified on the following items on the financial statements: 1. Cash flow statement	The above findings are caused by lack of proper review of financial statements and annual performance report.	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.	1. We agree with the finding. We are in the process of correcting the Cash Flow Statement and will ensure that we have a Cash Flow Statement that casts.	Management response has been noted, the adjusted annual financial statemements have been received, further audit work has been performed on the statement of cash flows and statement of net assets, there were no misstatements identified therefore the finding is resolved.	Incorrect configuration of Caseware formulas and lack of reviews of Annual Financial Statements.	Chief Financial Officer	2024/03/31 On going	Caseware formulas have been reconfigured and advanced Caseware training was also attended. AFS reviews by QC, and all levels of reviews in line with the AFS plan.	Caseware formulas were reconfigured before the preparation of Mid-term Interim Financial Statements and the Cash flow statement was reviewed for casting errors by QC and other relevant parties. Preparations of Third quarter Interim Financials statements is on-going, and they will be reviewed by QC and other relevant parties to avoid future casting errors from occuring.	61%	Interim Afs
Coaf 3b		Annual Financial Statement and Annual Performance Report High Level Review	The casting errors below were identified on the following items on the financial statements: 2. Statement of changes in net assets	The above findings are caused by lack of proper review of financial statements and annual performance report.	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.	1. We agree with the finding. The casting error was due to a typing error on Caseware. This casting error have been corrected and will be corrected in the Adjusted Financial Statements.	Management response has been noted, the adjusted annual financial statemements have been received, further audit work has been performed on the statement of cash flows and statement of net assets, there were no misstatements identified therefore the finding is resolved.	Non adherence to the Annual Financial Statements plan, as there was lack of review of the AFS	Chief Financial Officer	2024/03/31 On going	Caseware formulas have been reconfigured and advanced Caseware training was also attended. AFS reviews by QC, and all levels of reviews in line with the AFS plan.	Caseware formulas were reconfigured before the preparation of Mid-term Interim Financial Statements and the Changes in Net Assets statement was reviewed for casting errors. The AFS were reviewed by QC and other relevant parties to avoid future errors from occuring.	61%	Interim Afs

Coaf 4a		Annual Financial Statement and Annual Performance Report High Level Review	1. On the reconciliation of Property Plant and Equipment (PPE) under note 8 of the AFS, a positive balance of R1 764 062 has been included as “Transfer to Capital Assets” under Motor Vehicle.	The above findings are caused by lack of adequate review of financial statements and lack of implementation of the recommendations by different role players in the review process.	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. Management must implement the recommendations provided by the internal audit and the Audit Committee when they were performing the review of the AFS.	1. We agree with the finding and we have moved the amount of R 1 764 062 stated to “Additions” from “Transfer to Capital Assets” on Caseware set of financial statements.	Management adjusted the AFS. The adjustments were audited and assessed to be correct	Inadequate implementation of GRAP due to incorrect classification of donated assest. Lack of proper review of the PPE note to ensure correct classification of transport assets.	Manager SCM & Assets	2024/03/31 On going	Regular training will be provided to those responsible for accounting and reporting to enable them to correctly interpret and apply current and updated accounting standards. During Interim FS and going forward AFS will be balanced to supporting documentation and proper reviews done to ensure any variances are identified and corrected.	Interim FS was prepared and the columns in the PPE note was agreed to the supporting schedules (eg. Transfers from, Decommissioning Calculations and Additions).	61%	Interim Afs

Coaf 4b		Annual Financial Statement and Annual Performance Report High Level Review	2. On the reconciliation of PPE under note 8 of the AFS, a negative balance of R5 716 861 has been included as a revaluation under "Capitalised Restoration Cost – Landfill Sites" while the Property, Plant & Equipment of the municipality is measured using the cost model.	The above findings are caused by lack of adequate review of financial statements and lack of implementation of the recommendations by different role players in the review process.	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. Management must implement the recommendations provided by the internal audit and the Audit Committee when they were performing the review of the AFS.	2. We agree with the finding and we have changed the heading stating "revaluation" to "change in decommissioning of assets" of R 5 716 861 on Caseware set of financial statements.	Management adjusted the AFS. The adjustments were audited and assessed to be correct	Inadequate implementation of GRAP. Incorrect classification of Landfill sites assets on the PPE Note from "Revaluation to change is the decomission of assets". Lack of proper review of the PPE note to ensure correct classification of Landfill sites assets	Manager SCM & Assets	2024/03/31 On going	Regular training will be provided to those responsible for accounting and reporting to enable them to correctly interpret and apply current and updated accounting standards. During Interim FS and going forward AFS will be balanced to supporting documentation and proper reviews done to ensure any misclassifications are identified and corrected.	Interim FS was prepared and the columns in the PPE note was agreed to the supporting schedules (eg. Transfers from, Decommissioning Calculations and Additions).	61%	Interim Afs

Coaf 4c		Annual Financial Statement and Annual Performance Report High Level Review	3. On the disclosure of receivables from exchange in note 3 of the AFS, it was noted that an impairment of R811 545 has been disclosed under housing rentals while the gross receivable under housing rentals is R530 408 (which is less than Impairment).	The above findings are caused by lack of adequate review of financial statements and lack of implementation of the recommendations by different role players in the review process.	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. Management must implement the recommendations provided by the internal audit and the Audit Committee when they were performing the review of the AFS.	3. We agree with the finding and a reconciliation has been done and corrective journals have been proposed.	Management adjusted the AFS. The adjustments were audited and assessed to be correct	Inadequate implementation of GRAP, a sincorrect classifiaction of the impairment from receivables Lack of proper review of the Debtors note to ensure correct disclosure and non-adherence to the AFS plan.	Chief Financial Officer	2024/03/31 On-going	Regular training will be provided to those responsible for accounting and reporting to enable them to correctly interpret and apply current and updated accounting standards. During Interim FS and going forward the Debtors note will be reviewed to ensure correct disclosure on the Financial Statements.	Caseware training was attended before the preparation of Mid-term Interim Financial Statements and receivables reconciliations were performed, agreed to the Financial Statements. The AFS were reviewed by QC and other relevant parties to avoid future errors on receivables from occuring. Preparations of Third quarter Interim Financials statements are on-going, and they will be reviewed by QC and other relevant parties to avoid future errors from occuring.	61%	Interim Afs

Coaf 4d		Annual Financial Statement and Annual Performance Report High Level Review	4. In the Statement of Changes in Net Assets, the following was noted: • The restated balance at 01 July 2022 has been included before the adjustments is made • The adjustment is R14 341 276 is different from what is being disclosed on the Prior-year adjustments Note (R15 473 169)	The above findings are caused by lack of adequate review of financial statements and lack of implementation of the recommendations by different role players in the review process.	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. Management must implement the recommendations provided by the internal audit and the Audit Committee when they were performing the review of the AFS.	4. We agree with the finding and have made changes to Statement of Changes in Net Assets on Caseware set of financial statements.	Management adjusted the AFS. The adjustments were audited and assessed to be correct	Non adherence to the Annual Financial Statements plan, as there was lack of review of the AFS	Chief Financial Officer	2024/03/31 On going	Adherence to accruals cut-off date. During interim FS a starting point will be to agree comparatives to prior year AFS. AFS reviews by QC, and all levels of reviews in line with the AFS plan.	Mid-term Interim Financial Statements were prepared and prior year adjustments were agreed to the AFS. The AFS were reviewed by QC and other relevant parties to avoid future errors from occuring. Preparations of Third quarter Interim Financials statements are on-going, and they will be reviewed by QC and other relevant parties to avoid future casting errors from occuring.	61%	Interim Afs

Coaf 4e		Annual Financial Statement and Annual Performance Report High Level Review	5. Spelling errors have been identified on the annual financial statements, for an example refer to note 8 of the AFS, "Infrastracture instead of Infrastructure"	The above findings are caused by lack of adequate review of financial statements and lack of implementation of the recommendations by different role players in the review process. No spell check was performed due to time constraint	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. Management must implement the recommendations provided by the internal audit and the Audit Committee when they were performing the review of the AFS.	5. We agree with the finding and have done spell check of the financial statements to detect any other issues.	Management adjusted the AFS. The adjustments were audited and assessed to be correct	Non adherence to the Annual Financial Statements plan, as there was lack of review of the AFS	Chief Financial Officer	31-Mar-24	AFS will be exported from Caseware to word to perform a spell check review. AFS reviews by QC, and all levels of reviews in line with the AFS plan.	Mid-term Interim Financial Statements were prepared and checked for numbering errors. The AFS were reviewed by QC and other relevant parties. Preparations of Third quarter Interim Financials statements are on-going, and they will be reviewed by QC and other relevant parties to avoid future numbering errors from occuring.	81%	Interim Afs

Coaf 4f		Annual Financial Statement and Annual Performance Report High Level Review	6. On the accounting policy disclosure, on page 27 of the annual financial statements the sub-numbering on 1.11 financial instruments is wrong.	The above findings are caused by lack of adequate review of financial statements and lack of implementation of the recommendations by different role players in the review process.	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. Management must implement the recommendations provided by the internal audit and the Audit Committee when they were performing the review of the AFS.	6. We agree with the finding and financial statements have been updated to correct the numbering in the accounting policies.	Management adjusted the AFS. The adjustments were audited and assessed to be correct	Non adherence to the Annual Financial Statements plan, as there was lack of review of the AFS	Chief Financial Officer	31-Mar-24	AFS reviews by QC, and all levels of reviews in line with the AFS plan.	Mid-term Interim Financial Statements were prepared and checked for spelling errors. The AFS were reviewed by QC and other relevant parties. Preparations of Third quarter Interim Financials statements are on-going, and they will be reviewed by QC and other relevant parties to avoid future spelling errors from occuring.	81%	Interim Afs

Coaf 4g		Annual Financial Statement and Annual Performance Report High Level Review	7. On accounting officer's responsibilities and approval, the following statement is included stating the page numbers that are not understandable: "The annual financial statements set out on page 6 - 79s 6 to 81."	The above findings are caused by lack of adequate review of financial statements and lack of implementation of the recommendations by different role players in the review process.	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. Management must implement the recommendations provided by the internal audit and the Audit Committee when they were performing the review of the AFS.	7. We agree with the finding and this have been corrected on caseware to reflect pages 6 – 80.	Management adjusted the AFS. The adjustments were audited and assessed to be correct	Non adherence to the Annual Financial Statements plan, as there was lack of review of the AFS	Chief Financial Officer	2024/03/31 On-going	AFS reviews by QC, and all levels of reviews in line with the AFS plan.	Mid-term Interim Financial Statements were prepared and checked for numbering errors. The AFS were reviewed by QC and other relevant parties. Preparations of Third quarter Interim Financials statements are on-going, and they will be reviewed by QC and other relevant parties to avoid future numbering errors from occuring.	81%	Interim Afs

Coaf 4h		Annual Financial Statement and Annual Performance Report High Level Review	8. Under employee benefit obligations in Note 12 of the AFS, the following statements have been included with no numbers next to the percentages which is not understandable: • "The defined benefit plan, to which -% (2022: -%) belong, consists of the (specify Pension Fund)" • "The actuarial valuation determined that the retirement plan was in a sound financial position, however that it	The above findings are caused by lack of adequate review of financial statements and lack of implementation of the recommendations by different role players in the review process.	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. Management must implement the recommendations provided by the internal audit and the Audit Committee when they were performing the review of the AFS.	8. We agree with the finding and we are currently working on Note 12 in the financial statements.	Management adjusted the AFS. The adjustments were audited and assessed to be correct	Non adherence to the Annual Financial Statements plan, as there was lack of review of the AFS	Chief Financial Officer	31-Mar-24	AFS reviews by QC, and all levels of reviews in line with the AFS plan.	Mid-term Interim Financial Statements were prepared and checked for errors. The AFS were reviewed by QC and other relevant parties. Preparations of Third quarter Interim Financials statements are on-going, and they will be reviewed by QC and other relevant parties to avoid future errors from occuring.	81%	Interim Afs

			was recommended that the contribution should be increased by -% for – months"										
Coaf 4i		Annual Financial Statement and Annual Performance Report High Level Review	9. On the face of the AFS, the Provisions as at 30 June 2023 shows an amount of R31 868 879 while the Reconciliation on note 14 of the AFS show an amount	The above findings are caused by lack of adequate review of financial statements and lack of implementation of the recommendations by different role players in the review process.	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. Management must implement the recommendations provided by the internal audit and the Audit Committee when they were performing the review of the AFS.	9. We agree with the finding and the amount on the face of the AFS is correct. The disclosure note was updated on Caseware set of financial statements to reflect the same figure as on the face of the AFS of R31 868 879.	Management adjusted the AFS. The adjustments were audited and assessed to be correct	Non adherence to the Annual Financial Statements plan, as there was lack of review of the AFS	Manager Assets	31-Mar-24	AFS reviews by QC, and all levels of reviews in line with the AFS plan.	Reconciliations was done during the 3rd quarter between the calculartions, Notes to the financial statements and the face of the financial statements to ensure that all figures agrees.	61%	Interim Afs

			of R22 911 204.										
Coaf 6		Vat Receivable	The comparative figure for Value Added Tax (VAT) receivables in the annual financial statements as disclosed in note 5 amounts to R8 139 678 whereas the restated figure for VAT receivable as per note 46 prior period error amounts to R8 507 707, therefore there is a factual	This is due to lack of management oversight and adequate review to ensure that the Annual Financial Statements are free from errors.	Management should ensure that the comparative figure for VAT receivables in the current year annual financial statements agrees to the restated figures in the prior period error note and is adjusted for accurately.	Management agrees with the finding. The finding is because of prior period note 46 which was not updated. Note 46 has since been updated.	Management response has been noted, adjusted financial statements have been received and further audit work has been performed, there were no misstatements identified therefore the finding has been resolved.	Non adherence to the Annual Financial Statements plan, as there was lack of review of the AFS	Manager Income and Expenditure	2024/03/31 On going	AFS reviews by QC, and all levels of reviews in line with the AFS plan.	The finding was resolved on the adjusted Annual Financial Statements for the year ended 30 June 2023.	61%	Interim Afs

			misstatement of R368 029.											

Coaf 8		Vat Receivable	The VAT suspense amount as per the debtors listing submitted for audit does not agree to the amount as per the annual financial statements, refer to the table below;	This is due to lack of management oversight and adequate review to ensure that the Annual Financial Statements are free from errors.	Management should ensure that the amount as per the annual financial statements agree to the supporting debtors schedules submitted for audit.	Management agrees with the finding. The difference of R 1 157 893.30 is caused by an increase in VAT on impairment provision of R 1 55 794 which was not processed and R 2 099.68 consumer deposits which was incorrectly mapped to VAT. A journal to correct the VAT on impairment has been proposed and consumer deposit amount has been remapped correctly. See attachment.	Management response has been received, the adjusted annual financial statements have been received, further audit has been performed therefore no misstatements have been identified therefore the findings have been resolved.	Non adherence to the Annual Financial Statements plan, as there was lack of review of the AFS	Manager Income and Expenditure	2024/03/31 On going	AFS reviews by QC, and all levels of reviews in line with the AFS plan.	During the preparation of Mid-term Interim Financial Statements, reconciliations were done to agree the Vat schedules to the Financial Statements. Adequate review processes were followed to avoid future Vat receivable errors from occuring. Preparations of Third quarter Interim Financials statements are on-going, and they will be reviewed by QC and other relevant parties to avoid future errors from occuring.	61%	Interim Afs

Coaf 9		Employee Related Costs general ledger and AFS differences	The amounts per the annual financial statements (AFS) submitted for audit do not agree to the amount per the supporting schedules for the line items below:	This is due to lack of management oversight and adequate review to ensure that the Annual Financial Statements are free from errors.	Management should ensure that the amount as per the annual financial statements agree to the supporting schedules submitted for audit.	We do not agree that the amount as per the G.L. does not agree with the amount as per the AFS relating to the following vote: Expenditure: Employee Related Cost: Municipal Staff: Post-retirement Benefit However, the amount cannot be allocated to an income vote as it is in the AFS, due to MsCOA only having expense votes for Post-retirement Benefit Obligations. The Actuarial gains is an expense vote and for AFS purposes we then map it to Income to comply with GRAP 25.In terms of GRAP 25.74 the net amount of Current Services, Interest Costs and Actuarial Gains shall be recognised in Surplus/ Deficit for the year. Therefor this still result in compliance with GRAP 25 as the amount have been included in the Deficit for the year and the GRAP is not clear whether the amount should be included under Income or Expenses hence the amount have been recognised as Income in the financial statements, refer to below table that shows disclosure in AFS and the GL Vote used.	Finding 1, Management comments noted, the finding is resolved. Finding 2, Management comments noted however this reveals an internal control issue regarding budgeting. The item should have been budgeted where it belongs, The finding therefore remains.Finding 3, Management comments noted, the finding is resolved.	The cause for this is that there are financial line items but with no budget hence the particular votes have been used. There are weaknesses in the financial system being used.	Manager Budget and Reporting	2024/03/31 On going	To esure that the system is configured in ensuring that it rejects zero budgeted transactions. Journalise the actuals to the budgeted line items, verify if payroll quick codes are correct	The system indicates when the budget is likely to be overspent when the journal is processed however the captures force the transaction. Capturers will no longer force the transaction on the system. A virement will be processed if there is no enough budget by 30 April 2024.	61%	

Coaf 11		SCM: Supplier in service of 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:	Lack of proper controls around declaration in the municipality.	Management should ensure that monitoring controls relating to declaration of interest by suppliers are developed and implemented.Management should further ensure that a register of suppliers that have in the past failed to submit declaration or submitted false declaration is maintained and ensure that no further awards are made to these suppliers.	Management is in agreement with the finding. The service provider although provided prescribed document to declare its employ in the organ of state, they falsified information. LENSKILLS (PTY) LTD was appointed through seven (7) days' notice. In term of section 44 of ELM supply chain policy and national treasury regulation state that, it is prohibited to appoint a person who is employed in the service of the state. The documentation such as MDB 4 that was presented by the service provider did not indicate that the director of the company is employed in the service of the state. Central Data Base (CSD) that was attached and the one that was printed at the time of evaluation did not indicate that the service provider is in the service of the state. In light of the above, all the process was followed by the municipality to mitigate non-compliance in SCM processes. There are currently three systems in place to verify the persons in the organ of state and in terms of Regulation 46, Viz CSD , DPSA and MBD 4 Form and unfortunately having followed the processes of verification to the latter as per the designed internal controls the bidder is found through AG System to be in the organ of state . The municipality after the finding had communicated	Management comments noted, the finding is resolved, if the matter is reported again next year it will results to non-compliance and irregular expenditure.	False declaration by the service providers.	Manager SCM & Assets	2024/03/31 On going	Update the declaration forms and will also write to that company and inform of non-disclosure.	The finding was resolved on the adjusted Annual Financial Statements for the year ended 30 June 2023.	100%	Declaration form

							with the service provider who admitted that he is employed by Mayibuye Bus Transport as Secretary on a contractual basis with effect from 2010 to date.Provisions of MFA Circular No 62 will be followed in investigating and treatment of the matter. This is a first offence on this service provider and contract in this instance, accordingly, it will not be disclosed as irregular as the circular prescribes.								

Coaf 12		Receivables - Internal control deficiency	When performing the analytical procedures it was identified that receivables from exchange transactions and debt impairment have increased significantly (refer to the table below) and it was indicated that this is due to management not implementing debt collection mechanism, therefore this indicates that management has not implemented the municipality's debt collection policy.	This is caused by lack of management oversight, controls were not implemented due to shortage of staff in electricity section.	Management should implement the debt collection mechanisms to recover debt from consumers.	1) Management is not in agreement with the finding to the extent that "This is caused by lack of management oversight, controls were not implemented due to the shortage of staff in electricity section 2) As the municipality we have assessed the capacity gap in revenue managament and determined a need to capacitate the BTO department at middle management level. This culminated in the review of the organogram by inclusion of the position of senior accountant : Revenue Management to bridge the gap identified for the long run revenue enhancement and sustainability of the institution. 3) To enforce debt recovery from consumers, Elundini Municipality identified a smart metering project as a project that will assist enforce recivery in that non-paying consumers will be blocked from purchasing in the system amd the system willalso be used, upon agreement with the consumer, to recover a percentage of electricity purchases towards the debt. The project is at implementation stage and is anticipated to be completed by April 2024 to start reaping the rewards in the 2025 financial year.	Management response has been noted however the finding remains and will be reported on the management report and audit report.	This is due to old debts and irrecoverable debt that the municipality needs to deal with	Manager Income and Expenditure	2024/03/31 On going	Data cleansing and implement debt and credit polcy	Engagements with Munsoft are on-going and receivables reconciliations were performed during the preparations of Mid-term Interim Financial Statements. The AFS were reviewed by QC and other relevant parties to avoid non-compliant notes on the Financial Statements. More reconciliations are being performed during preparations of third quarter Interim Financial Statements to identify any variances between the GL and the debtors ageing.	41%

Coaf 13		Revenue from non-exchange: Incomplete disclosure	The disclosure in note 22 for property rates in the annual financial statements (AFS) submitted for audit purposes is not in line with the requirements of the specimen AFS and GRAP 23. The not does not include the basis on which the fair value of non-exchange revenue has been determined (for major classes).It also does not include a description of when the municipality last updated	This is due to lack of management oversight and adequate review to ensure that the annual financial statements are free from errors. The impact of the finding is noncompliance with GRAP 24.	Management should ensure that the AFS are presented in line with the specimen AFS and the requirements of GRAP.	We agree with the finding raised and have amended the disclosure note for Property Rates to be inline with the Specimen AFS. Please see extracts of the amended Disclosure note and the extract before amendments were made.	Management agreed to the finding and submitted adjusted AFS, assessed the adjusted AFS and noted that the adjustment was done appropriately.	An older version of Caseware was used which did not have latest Note on Property rates. Inadequate implementation of GRAP. Lack of review of the AFS and non-adherence to the AFS plan.	Manager Income and Expenditure	2024/03/31 On going	Caseware has been updated to the lastest version which has notes that are GRAP Compliant. To ensure that the latest version of Caseware is used in the preparation of the AFS. AFS reviews by QC, and all levels of reviews in line with the AFS plan.	Caseware version was updated for latest GRAP compliant notes and Mid-term Interim Financial Statements were prepared and the notes reviewed for errors. The AFS were reviewed by QC and other relevant parties to avoid non-compliant notes on the Financial Statements. Consistantly checking for Caseware updates during preparations of third quarter Interim Financial Statements.	81%	Interim Afs

			its valuation roll and whether interim valuations were performed and when. It also does not include the basic rate levied for the different consumer types; the date that rates are levied and the regularity of billing (monthly or annually). Also whether interest is charged on outstanding amounts and the rate used along with any rebates granted.											

Coaf 15		Budget vs Actual	Upon review of the annual financial statements it was noted that the statement of comparison of budget and actual amounts is not accompanied by explanations for the material differences.	This is due to lack of management oversight to ensure that all relevant information is disclosed in the annual financial statements.	Management should disclose on the annual financial statements all information that is relevant to the users of financial statements and should also prepare the annual financial statements in terms of the relevant reporting framework; GRAP standards.	We agree with the finding and the reasons for variances between budgets and actuals have been added to the financial statements and cross referenced from Financial Statements to Note 58.	Management agreed to the finding and submitted adjusted AFS, assessed the adjusted AFS and noted that the adjustment was done appropriately.	Inadequate implementation of GRAP. Lack of review of the AFS and non-adherence to the AFS plan.	Manager Budget and Reporting	2024/03/31 On going	AFS reviews by QC, and all levels of reviews in line with the AFS plan.	Reconciliations were performed during the preparations of Mid-term Interim Financial Statements. The AFS were reviewed by QC and other relevant parties to avoid any errors on the Financial Statements. More reconciliations are being performed during preparations of third quarter Interim Financial Statements to identify any variances between the GL, AFS and the Actuarial valuations.	100%	Interim Afs

Coaf 17		Incomplete disclosure	The disclosure in note 6 for Cash and Cash equivalents in the annual financial statements (AFS) submitted for audit purposes is not in line with the requirements of the specimen AFS and GRAP 2. The note does not include the narrations and the disclosure of differences between the cash book and bank statement for each account and the reasons for differences. The note also does not	This is due to lack of management oversight and adequate review to ensure that the annual financial statements are free from errors.	Management should ensure that the AFS are presented in line with the specimen AFS and the requirements of GRAP.	We do not agree with the audit finding raised.GRAP 2 does not require reasons for differences between Cash Book and Bank Statements hence no disclosure has been made. The recommended disclosure in Specimen AFS is best practice but not a requirement in terms of GRAP and also not inline with industry norms (i.e. how other municipalities discloses cash and cash equivalents). Paragraph 49 and 50 applies to Cash and cash equivalents that are not available for use by the municipality. Therefor these paragraphs are not applicable.Paragraph 51 is additional information that may assist users in understanding financial position and liquidity of the municipality. This is not compulsory and hence the municipality did not disclose information like restriction of cash balances. See below extract of GRAP 2 “encouraged disclosure”	Management comments noted, the finding is resolved.	The recommended disclosure in Specimen AFS is best practice but not a requirement in terms of GRAP and also not inline with industry norms (i.e. how other municipalities discloses cash and cash equivalents)	Chief Financial Officer	2024/03/31 On going	We started implementing AG's recommendation which is best practise, from the audit adjustments going forward.	Checked GRAP compliant disclosure notes during the preparation of Mid-term Interim Financial Statements for latest notes updates. The AFS were reviewed by QC and other relevant parties to avoid non-compliant notes on the Financial Statements. Consistantly checking for GRAP compliant updates during preparations of third quarter Interim Financial Statements.	81%	Interim Afs

			include the disclosure together with a commentary by management, of the amount of significant cash and cash equivalent balances held by the entity that are not available for use by the economic entity i.e. moneys that must be used for specific projects as per the requirements of the specific grants. The note also does not include the headings and the accounts split											

			under each heading such as contractual rights; Demand and time loans, Bankers' acceptance; deposits taking institutions; Marketable securities; National Government investment securities; Short term portion of investment; Special deposit for the payment of dividend; Unamortized discount under the heading Call deposits and Investments as applicable to the											

			municipality. It also did not include the heading Cash at Bank and the split of accounts such as Bank account and savings account under the heading. The note also did not include the heading Cash on Hand and the split of accounts under it such as Cashier floats, Cash in transit and pretty cash. The note only disclosed the list of bank accounts without sub headings.											

Coaf 18a		Disclosure note not in line with GRAP	During the audit of employee benefits the disclosure note 12 did not have a breakdown of items that are included in the total amount of employee benefits as presented on the face of the statement of financial position. Furthermore, there was no disclosure of the type of benefit plan, no reconciliation of the opening and closing balance and the movement of each employee	The cause of the finding is lack of adequate review of AFS by management.	Management should ensure that annual financial statements are properly reviewed and in line with the applicable GRAP prior submitting the financials for audit	We agree with the finding.The disclosure was subsequently updated to reflect short term, post retirement and other employee benefits with reconciliations between the Opening Balance and Closing Balance.See attached extracts of the disclosure that was submitted and the amended disclosure.	Management agreed to the finding and submitted adjusted AFS, assessed the adjusted AFS and noted that the adjustment was done appropriately.	Distorted employee benefit obligation note due to inadequate implementation of GRAP. Lack of review of the AFS and non-adherence to the AFS plan.	Chief Financial Officer	2024/03/31 On going	AFS reviews by QC, and all levels of reviews in line with the AFS plan.	Checked GRAP compliant disclosure notes during the preparation of Mid-term Interim Financial Statements for latest notes updates. The AFS were reviewed by QC and other relevant parties to avoid non-compliant notes on the Financial Statements. Consistantly checking for GRAP compliant updates during preparations of third quarter Interim Financial Statements.	81%	Interim Afs

			benefit as required by GRAP 25.											

Coaf 19		Bottling Plant	During the Audit of the Elundini Local Municipality for the financial year ended 30 June 2023, we have identified the following Issues:1. Old Bottling Plant • This has been reflected on the financial records as a "Refurbishment of an old bottling plant", however on physical verification we could not find the bottling plant reflected on the Fixed Asset Register however, we have	The above findings are caused by lack of adequate review of Fixed Asset register.	The municipality must ensure that the description on the fixed asset register is changed and it describes the exact asset that the municipality has.	Management is in agreement with the finding. The asset will be renamed Nqanqarhu Traffic Offices in the asset register. The updated asset register will be shared with the auditors.	The management response has been noted and reviewed by the auditors, therefore the conclusion is as follows: Finding is resolved, however a further review will be performed on the updated fixed asset register once is made available.	Physically verification of all existing assets and updating of the registers was not properly conducted. Inadequate implementation of GRAP. Lack of review of the AFS and non-adherence to the AFS plan.	Manager SCM & Assets	2024/03/31 On going	To ensure complete verfication of all existing assets and updating of the FAR. AFS reviews by QC, and all levels of reviews in line with the AFS plan.	The fixed asset register was reviewed for the correct descriptions by management whilst preparing interim AFS and this is an ongoing process.	100%	Interim Afs

			found the Traffic Department (we were expecting to find a Refurbished Bottling Plant). • This information is misleading and therefore the asset described and reflected on the Fixed Asset Register does not exist.											
Coaf 21		Misstatements identified	During the audit of statement of changes in Net Asset, the following issues were noted	The cause of the finding is due to lack of adequate review of the annual financial statement by the management.	Management response has been noted, the adjusted annual financial statements have been received and further audit work has been performed on the statement of changes in net assets, the finding has been resolved.	1, The management agrees with the finding. 2. The casting error have been resolved. Please refer to updated workings and extract of statement of changes in net assets	Management response has been noted, the adjusted annual financial statements have been received and further audit work has been performed on the statement of changes in net assets, the finding has been resolved.	Non adherence to the Annual Financial Statements plan, as there was lack of review of the AFS	Chief Financial Officer	2024/03/31 On going	Advanced Caseware training was also attended to avoid casting error from the system recurring. AFS reviews by QC, and all levels of reviews in line with the AFS plan.	Caseware training was provided and formulas were reconfigured before the preparation of Mid-term Interim Financial Statements and the Changes in Net Assets statement was reviewed for casting errors. The AFS were reviewed by QC and other relevant parties to avoid future errors from occuring.	61%	Training attendance register

Coaf 22		Non-Submission & Accounting Policy	During the Audit of the Elundini Local Municipality for the financial year ended 30 June 2023, we have identified the following Issues:	This is due to the following:Lack of proper recording keeping of the supporting documentation to ensure that it is readily available and accessible upon request.Non-compliance with the accounting policy	The management should ensure that there is proper record keeping of supporting documentation to ensure that it is readily available and accessible upon request.	1. Non-submission of RFI 60 · Transfer from WIP to Buildings (R 2 826 700): These containers were depreciated from the date of invoice as they were available for use from that date, and were not transferred from WIP as one item on a particular completion date. Invoices are attached in the invoices folder. · Transfer from WIP to Machinery & Equipment (R2 624 129): The completion certificate and the agreement stating the recognition date have been attached as filename Completion Cert Brickmaking Machinery.pdf. · Reclassification of Security Assets (R13 216, 00). Security assets was a separate class of PPE in prior years however we have disclosed it under Machinery and Equipment in the current financial year as this is “Emergency/Rescue equipment” that falls under “Other Machinery and Equipment” as per the Asset Policy and Capital Asset Guideline issued by National Treasury. There were no transactions recorded in the General Ledger for the reclassification the assets were normally separated on the financial statements. This was not done in the current financial year.	The management response has been noted and reviewed by the auditors, therefore the conclusion is as follows:1. No submission of Rfi 60 -After careful review of the information provided by management, we are satisfied with the finding therefore the finding is resolved . Useful life of some buildings to not agree with the Accounting policy.	Lack of proper recording keeping of the supporting documentation to ensure that it is readily available and accessible upon request. Lack of review of the AFS and Non-compliance with the accounting policy.	Manager SCM & Assets	2024/03/31 On going	Maintain a proper record keeping management system and ensure that all requested information is readily available and submitted within stipulated time frames. Ensure that the FAR is reviewed and updated on a monthly basis for alignment with current policies.	Accounting Policy The fixed asset register was reviewed to ensure that the useful lifes actually used in the FAR agrees to the fixed asset management policy and the accounting policy by management whilst preparing interim AFS and this is an ongoing process. Non Submission During the interim AFS preparation the audit file was reviewed to ensure that all completed projects are supported by vouchers, completion certificates and any other relevant supporting documents.	61%	Interim Afs & Accounting policy

Coaf 25a		Misstatement between the report and AFS	During the audit of provision, the amount disclosed per the annual financial statement is not the same as the amount expert report, for the below landfill sites:	The cause of the finding is due to management disclosing an amount that is different from the report.	An adequate review must be performed by management before financial statements and annual report is submitted to the auditors.	Additional rows have been added on the Statement of Changes in Net Assets to show the balances as per prior year signed financial statements (R 597 908 249)	Management agreed to the finding and submitted adjusted AFS, assessed the adjusted AFS and noted that the adjustment was done appropriately.	Lack of proper review of the Provisions note to ensure correct disclosure and non-adherence to the AFS plan.	Manager Assets	2024/03/31 On going	To ensure that during Interim FS preparations and going forward, the Provisions note will be reviewed by QC and all other levels of review for correct disclosure on the Financial Statements.	Reconciliations will be done in July 2024 between valuation reports from the Experts and the Financial Statements to ensure compliance with GRAP 17 and iGRAP 2	21%	
Coaf 25b		Misstatement between the report and AFS	2. The amount disclosed in note 14 for the comparatives does not agree with the amount presented on the AFS	The cause of the finding is due to management disclosing an amount that is different from the report.	An adequate review must be performed by management before financial statements and annual report is submitted to the auditors.	1. Management agrees with the finding.Note 14 reconciliation between Opening and Closing Balance will be amended after adjusting journals have been processed. 2, Management disagrees with the finding.No split between Current and Non-Current Portion is required as the whole Provision is a non-current liability	Management agreed to the finding and submitted adjusted AFS, assessed the adjusted AFS and noted that the adjustment was done appropriately.	Lack of proper review of the Provisions note to ensure correct disclosure and non-adherence to the AFS plan.	Manager Assets	2024/03/31 On going	To ensure that during Interim FS preparations and going forward, the Provisions note will be reviewed by QC and all other levels of review for correct disclosure on the Financial Statements.	Reconciliations was done during the 3rd quarter between the calculartions, Notes to the financial statements and the face of the financial statements to ensure that all figures agrees.	61%	Interim Afs

Coaf 26		Incorrect disclose d amounts	1. During the audit of commitm ents, the following issues were identified :The disclosed amount of the below projects were misstate ments	The cause of the finding is lack of adequate review of the Annual Financial Statement s (AFS) by manageme nt.	Management should ensure proper review is done before submission of the AFS.	Management agrees with the finding, the AFS have been updated.	Management adjusted the financial statements, the adjustment was assessed and noted to be appropriate	Lack of proper review of Commitments to ensure correct amounts ared disclosured and non-adherence to the AFS plan.	Manager Assets	2024/0 3/31 On going	To ensure that during Interim FS preparations and going forward, Commitment s will be reviewed by QC and all other levels of review for correct disclosure on the Financial Statements.	Commitments disclosure has been reviewed adequately. Additional control procedure on the reviewal of Commitments schedule was formulated in order to detect errors.	81%	Commit ment Register

Coaf 27a		Cash Flow Statement Differences	During the audit of the Statement of Cash Flows of Elundini Local Municipality for the year ended 30 June 2023, we have identified the following:	The above findings are caused by lack of proper review of financial statements and annual performance report.	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.	We agree with the finding.Movements in working capital have been updated as per the updated workings attached and the extract of the adjusted financial statements.	Management has provided us with the Adjusted AFS and we have further audited the adjusted statement of cash flows with no exceptions noted except for differences which are clearly trivial. The following Differences will be included in Summary Of Uncorrected Misstatements: 1. Net cash flow from operating activities =R407 2. Net cash flow from investing activities = R1 621 3. Net cash flow from financing activities = R8 741	Inadequate implementation of GRAP. Lack of proper review of the Cash Flow to ensure correct disclosure and non-adherence to the AFS plan.	Chief Financial Officer	2024/03/31 On going	Adherence to AFS plan, accruals and journal processing cut-off period. AFS reviews by QC, and all levels of reviews in line with the AFS plan.	Caseware training was provided and formulas were reconfigured before the preparation of Mid-term Interim Financial Statements and the Cash flow statement was reviewed for casting errors by QC and other relevant parties. Preparations of Third quarter Interim Financials statements is on-going, and the Cash flow statment will be reviewed by QC and other relevant parties to avoid future casting errors from occuring.	61%	Attendance register for the caseware training

Coaf 27b		Cash Flow Statement Differences	1. Under note 38 of the Annual Financial Statement, a non-cash adjustment of Actuarial Loss of R 1 047 668 had been made on the Deficit for the year and also a non-cash adjustment of the same amount named Actuarial Gain had been made, however on the statement of financial performance we are only having Actuarial Loss of R1 047 668	The above findings are caused by lack of proper review of financial statements and annual performance report.	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.	We agree with the finding. The amount for actuarial gains are only included once now and the positive amount have been removed.	Management has provided us with the Adjusted AFS and we have further audited the adjusted statement of cash flows with no exceptions noted except for differences which are clearly trivial. The following Differences will be included in Summary Of Uncorrected Misstatements: 1. Net cash flow from operating activities =R407 2. Net cash flow from investing activities = R1 621 3. Net cash flow from financing activities = R8 741	Inadequate implementation of GRAP. Lack of proper review of the Cash Flow to ensure correct disclosure and non-adherence to the AFS plan.	Chief Financial Officer	2024/03/31 On going	Adherence to AFS plan, accruals and journal processing cut-off period. AFS reviews by QC, and all levels of reviews in line with the AFS plan.	Caseware training was provided and formulas were reconfigured before the preparation of Mid-term Interim Financial Statements and the Cash flow statement was reviewed for casting errors by QC and other relevant parties. Preparations of Third quarter Interim Financials statements is on-going, and the Cash flow statment will be reviewed by QC and other relevant parties to avoid future casting errors from occuring.	61%	Attendance register for the caseware training

Coaf 27c		Cash Flow Statement Differences	1. Other Cash Flow differences noted	The above findings are caused by lack of proper review of financial statements and annual performance report.	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.	1) Service charges have been updated to reflect an amount of R 28 188 553. 2) Finance charges have been changed to the amount of R 8 580 3) The purchase of property, plant and equipment have been updated to reflect R 63 674 091 4)The repayment of finance lease amount has been updated to reflect the correct figure of R 147 486	Management has provided us with the Adjusted AFS and we have further audited the adjusted statement of cash flows with no exceptions noted except for differences which are clearly trivial. The following Differences will be included in Summary Of Uncorrected Misstatements: 1. Net cash flow from operating activities =R407 2. Net cash flow from investing activities = R1 621 3. Net cash flow from financing activities = R8 741	Inadequate implementation of GRAP. Lack of proper review of the Cash Flow to ensure correct disclosure and non-adherence to the AFS plan.	Chief Financial Officer	2024/03/31 On going	Adherence to AFS plan, accruals and journal processing cut-off period. AFS reviews by QC, and all levels of reviews in line with the AFS plan.	Caseware training was provided and formulas were reconfigured before the preparation of Mid-term Interim Financial Statements and the Cash flow statement was reviewed for casting errors by QC and other relevant parties. Preparations of Third quarter Interim Financials statements is on-going, and the Cash flow statment will be reviewed by QC and other relevant parties to avoid future casting errors from occuring.	61%	Attendance register for the caseware training

Coaf 27d		Cash Flow Statement Differences	Movement in Working Capital and adjustments named as Other: Under note 38 of the Annual Financial Statements, there is a "Movement in Other" of R20331183, therefore we are limited to determine what is included in "Movement In Other" On the calculation of Cash paid to Suppliers, there is a an adjustment named "Other", therefore we cannot determine what is	The above findings are caused by lack of proper review of financial statements and annual performance report.	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.	4. We agree with the finding. Note 30 have been updated and no longer has a line item named "Movement in other". Refer to extract of updated financial statements Refer to updated workings for calculation of "Cash paid to Suppliers"	Management has provided us with the Adjusted AFS and we have further audited the adjusted statement of cash flows with no exceptions noted except for differences which are clearly trivial. The following Differences will be included in Summary Of Uncorrected Misstatements: 1. Net cash flow from operating activities =R407 2. Net cash flow from investing activities = R1 621 3. Net cash flow from financing activities = R8 741	Inadequate implementation of GRAP. Lack of proper review of the Cash Flow to ensure correct disclosure and non-adherence to the AFS plan.	Chief Financial Officer	2024/03/31 On going	Adherence to AFS plan, accruals and journal processing cut-off period. AFS reviews by QC, and all levels of reviews in line with the AFS plan.	Caseware training was provided and formulas were reconfigured before the preparation of Mid-term Interim Financial Statements and the Cash flow statement was reviewed for casting errors by QC and other relevant parties. Preparations of Third quarter Interim Financials statements is on-going, and the Cash flow statment will be reviewed by QC and other relevant parties to avoid future casting errors from occuring.	61%	Attendance register for the caseware training

			included in “Other”On the calculation of Cash paid to Suppliers, there is a an adjustment named “Other”, therefore we cannot determine what is included in “Other”										
Coaf 29		Presentation and disclosure inaccurate	The ageing disclosed on both note 3 and note 4 of the annual financial statements (AFS) is inaccurate as there is a difference between the age analysis submitted with the AFS and the amount recorded in the	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.	1. Management disagrees with the finding as the amounts per Note 3 & 4 can be agreed to supporting documents (Age analysis PLUS Debtors reconciliation). There is a difference between the AFS/ GL and Age Analysis. However, this difference can be supported by valid supporting documents that is referenced on the Debtors reconciliation spreadsheet.	Management comments noted, however through discussions with management and review of the subsequently submitted documents the differences were not resolved. Therefore the finding remains and will be accumulated in the summary of uncorrected misstatements.	Legacy imbalances between the GL and sub-module (Ageing). Lack of review of AFS	Chief Financial Officer	2024/03/31 On-going	Munsoft was engaged for proper investigation and recommendation. Monthly reconciliations are being performed.	Engagements with Munsoft are on-going and receivables reconciliations were performed during the preparations of Mid-term Interim Financial Statements. The AFS were reviewed by QC and other relevant parties to avoid non-compliant notes on the Financial Statements. More reconciliations are being performed during preparations of	41%

			note per AFS as follows Refer to Coaf 29									third quarter Interim Financial Statements to identify any variances between the GL and the debtors ageing.	

Coaf 29		Presentation and disclosure inaccurate	2. The amounts for bad debts written of per note 3 and note 4 of the AFS is not the amount approved by council Refer below for the difference noted.	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.	Management disagrees with the finding (Exchange)The amount of R 3 033 076.47 is part of the total write offs amounting to R 3 584 452, of which R 2 933 706 relates to exchange transactions and R 650 746 relates to non-exchange transactions. Management disagrees with the finding (Non-exchange)Amount of R 229 594 relates to indigents and R 650 746 relates to Property rates that was actually written off. No council approval are required for property rates	Management comments noted, however through discussions with management and review of the subsequently submitted documents the differences were not resolved. Therefore the finding remains and will be accumulated in the summary of uncorrected misstatements.	Management did not agree with the finding council resolutions to support bad debt written off were provided.	Manager Income and Expenditure	2023/11/30	The council resolution and a listings for bad debt written off is being included in the audit file as supporting documents.	During the preparations of Mid-term Interim Financial Statements, debt write offs supporting documentations were provided and reviewed for correct presentation and disclosure. The AFS were reviewed by QC and other relevant parties to avoid non-compliant notes on the Financial Statements. More reconciliations are being performed during preparations of third quarter Interim Financial Statements to avoid any inaccurate presentation and disclosure of receivables.	61%	Interim Afs

Coaf 30a		Misstatement on performance bonus	During the audit of performance bonus, the below misstatements were identified	The cause of the finding is due to use of 2020/21 PM rating results instead of 2021/22 results as per accounting policy.	Management is agreement with this finding. At the time of determining the provision, most recent information was not readily available. We have taken the latest performance assessments for 2022 and recalculated the entire population per attached file named "2023 provision PMS.xlsx	Management agrees with the finding.An adjusting journal will be processed to correct the above difference identified.Refer to worksheet "issue 1" for proposed journal entries.	The management response is noted, the adjusted AFS were received and further audit work has been performed and no misstatements identified therefore the finding has been resolved.	Non-availability of recent PM rating results to perform correct calculations therefore non-adherence to the AFS plan.	Manager Income and Expenditure	2024/03/31 On going	To ensure that latest PM rating results are available and being used for Performance Bonus calculations during AFS preparations.	The finding was resolved on the adjusted Annual Financial Statements for the year ended 30 June 2023.	100%	Interim Afs
Coaf 30b		Staff Leave accrual: misstatement identified	During the audit of staff leave accrual, the below misstatements were identified	The cause of the finding is due to lack of adequate review of the annual financial statement by the management.	Management should ensure that the schedules submitted for audit are reviewed properly.	Management disagrees with the finding. The annual leave balance report shows the leave taken in the leave cycle of each employee, not the financial year cycle. This leave consists of the days moved from annual leave to accumulated leave at the end of the cycle and the annual leave days that were taken in the current leave cycle.	Based on the discussions and reperforming the calculation the finding is resolved. The remaining projected misstatement is R48 707 and will be accumulated in the summary of uncorrected misstatements.	Management did not agree with the finding as incorrect calculations were performed by the auditor.	Manager Income and Expenditure	2024/03/31 On going	No remedial action as the calculations were correct.	The calculations submitted were correct. To engage with AG regarding this COAF	81%	
Coaf 30c		Difference between GL and AFS	During the audit of staff leave accrual, the below misstatements were identified	The cause of the finding is due to lack of adequate review of the annual financial statement by the management.	Management should ensure that annual financial statements are properly reviewed and accurate prior submitting the financials for audit	Management agrees with the finding. An adjusting journal will be processed to correct the above difference identified. Refer to worksheet "issue 1" of the file named "Annexure to COAF 30.xlsx" for proposed journal entries. Please also the see the attached updated note 12 on long service award	Management agreed to the finding and submitted adjusted AFS, assessed the adjusted AFS and noted that the adjustment was done appropriately	Lack of review of the AFS and non-adherence to the AFS plan.	Manager Income and Expenditure	2024/03/31 On going	To ensure reconciliation of the AFS and G.L. to the actuarial reports are being done and reviewed by QC and all other levels of review for correct disclosure on	Reconciliations were performed during the preparations of Mid-term Interim Financial Statements. The AFS were reviewed by QC and other relevant parties to avoid any errors on the Financial	61%	Interim Afs

											the Financial Statements.	Statements. More reconciliations are being performed during preparations of third quarter Interim Financial Statements to identify any variances between the GL, AFS and the Actuarial valuations.		
Coaf 31		Incorrect amounts for budgets	During the audit of appropriation statement, the following issue was noted:1. The budgeted amounts disclosed in the appropriation statement are inaccurate and the statement was incorrectly casted.	The cause of the finding is due to lack of adequate review of the annual financial statement by the management.	An adequate review must be performed by the management before financial statements and annual report is submitted to the auditors.	Management agrees with the finding that the budgeted amounts are inaccurate.The revenue figures have been updated to reflect a total of R 428 538 000. Refer to attached extract of Appropriation Statement and the Approved budget (as per Table B4) that was used as supporting document.The expenditure figures have been updated to reflect a total of R 387 324 000. Refer to attached extract of Appropriation Statement and the Approved budget (as per Table B4) that was used as supporting document.The “Net increase/(decrease) in cash and cash equivalents” has been updated to reflect a decrease of R 9 476 000. Refer to attached extract of Appropriation Statement and the Approved budget (as per Table B7) that was used as supporting document.Significant changes have also been made to the actual amounts	Management response was not received. However, management submitted the adjusted Annual Financial Statements. By inspection of the adjusted annual financial statements it can be confirmed that the annual financial statements have been adjusted appropriately. Therefore, the finding is resolved.	Incorrect configuration of Caseware formulas and lack of reviews of Annual Financial Statements.	Chief Financial Officer	2024/03/31 On going	Caseware formulas have been reconfigured and advanced Caseware training was also attended. AFS reviews by QC, and all levels of reviews in line with the AFS plan.	Caseware formulas were reconfigured before the preparation of Mid-term Interim Financial Statements and the Appropriation statement was reviewed for casting errors. The AFS will be reviewed by QC and other relevant parties to avoid future errors from occuring.	61%	Interim Afs

						in the Cash Flows figures due to material misstatements identified by auditors, this is subject to further adjustments.								

Coaf 33		Presentation and disclosure inaccurate	The amount for private public partnerships (PPP) disclosed in note 54 of the annual financial statements (AFS) submitted for audit purposes is inaccurate as follows:	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 are properly reviewed before submission for auditing.	Management is in agreement with the finding. The PPP note disclosure will be updated. Please see attached the extract of amended disclosure and GL Extract of transactions.	Management comments noted, the finding is resolved. The afs were adjusted from R6 679 164 to R 3 907 779.	Lack of review of the AFS and non-adherence to the AFS plan.	Chief Financial Officer	2024/03/31 On going	AFS reviews by QC, and all levels of reviews in line with the AFS plan.	Mid-term Interim Financial Statements were prepared and Private Public Partnerships amounts were agreed to the AFS. The AFS were reviewed by QC and other relevant parties to avoid future errors from occuring. Preparations of Third quarter Interim Financials statements are on-going, and they will be reviewed by QC and other relevant parties to avoid future errors from occuring.	81%	Interim Afs
Coaf 34		Cash and Cash equivalents	The balance recorded in the cash book balance does not agree to the balance as per bank statement.	This is due to lack of management oversight and adequate review to ensure that the annual financial statements are free	Management should ensure that amounts per the financial statements agree to the relevant supporting documents.	We however disagree with the amount of the difference raised above. It is supposed to be R 871 639 (R 6 967 083,03 – R 6 095 444,02) instead of 841 639,01. Refer to the attached reconciliation between the Bank Statement and Cashbook which shows what it consists of. These are valid reconciling items.We agree with the finding relating to cash on hand amounting to	1. Finding resolved through discussions with management. 2. Finding remains, a limitation of R1 477 190 will be taken to statement of overs and unders.	The variances are arising from legacy balances.	Manager Income and Expenditure	2024/03/31 On going	Munsoft was engaged for proper investigation and recommendation. Monthly reconciliations are being performed.	A resolution for write-off has been proposed to the Standing Committee.	61%	Item for write off has been prepared and will be presented to Finance standing committee.

				from errors.		R 1 477 190. This is as a result of legacy balances that have been carried forward from prior financial periods.								
Coaf 35		Financial Instrument and Risk Management	The amounts per note 39 and the face of the financial statements do not agree for the line items below:	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 are properly reviewed before submission for auditing.	Management agrees with the finding.Please see attached extracts of Statement of Financial Position and Risk Management Disclosure.	The adjusted AFS were assessed and the note was correctly adjusted.	Lack of review of the AFS and non-adherence to the AFS plan.	**Chief Financial Officer**	2024/03/31 On going	AFS reviews by QC, and all levels of reviews in line with the AFS plan.	Mid-term Interim Financial Statements were prepared and Financial Instruments and Risk Management disclosure note was reviewed. The AFS were reviewed by QC and other relevant parties to avoid future errors from occuring. Preparations of Third quarter Interim Financials statements are on-going, and they will be reviewed by QC and other relevant parties to avoid future errors from occuring.	81%	Interim Afs

Coaf 36		Statement of comparison of budget vs actual	The amounts disclosed in the statement of budget vs actual for the 2022/23 actual figures do not agree to the amounts presented in the face of statement of performance, statement of financial position and statement of cash flows, refer to the attached Annexure (Tabs "A, B & C")	This is due to lack of management oversight to ensure that the financial statements are free errors.	Management should disclose in the statement comparison of budget vs actual amounts that are accurate and free from error as presented in the face of the financial statements.	Management agrees with the finding. The Statement of budget vs Actuals have been updated to agree with the current actual figures on Statement of financial position, statement of financial performance and statement of cash flows.Refer to extracts attached for evidence of changes made.Please note that the figures on these financial statements are subject to change after processing of audit adjustments.	Management response was not received. However, management submitted the adjusted Annual Financial Statements. By inspection of the adjusted annual financial statements it can be confirmed that the annual financial statements have been adjusted appropriately. Therefore, the finding is resolved.	Incorrect configuration of Caseware formulas and lack of reviews of Annual Financial Statements.	Chief Financial Officer	2024/03/31 On going	Caseware formulas have been reconfigured and advanced Caseware training was also attended. AFS reviews by QC, and all levels of reviews in line with the AFS plan.	Caseware formulas were reconfigured before the preparation of Mid-term Interim Financial Statements and the Budget vs Actuals statement was reviewed for casting errors. The AFS will be reviewed by QC and other relevant parties to avoid future errors from occuring.	61%	Interim Afs

2.16 ENVIRONMENTAL SCANNING

2.16.1 PESTEL FACTORS

Table 53: 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

2.16.2 SWOT ANALYSIS

Table 54: 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 delivery of reliable basic services and resilient infrastructure.
  - 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 55: Strategic Priorities

LOCAL GOVERNMENT KPA	5-YEAR PRIORITIES
Infrastructure and Service Delivery	▶ Meeting the basic needs and improving service delivery through infrastructure development & maintenance; electrification of households and businesses; exploration of renewable energy options;

	refurbishment / maintenance of infrastructure as per National Treasury norm of 8%. ▶ 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.
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	▶ defend democracy and advance freedom through promoting and defending the rights of children, youth, older persons, persons with disability; taking action against drugs, organised crime, gender-based violence and femicide; tackling corruption and improve public accountability; participation in the District Development Model platforms; promotion of arts and sports development. ▶ 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 56: Strategies and Objectives

3.2.6.1. Basic Service Delivery

FOCUS AREA	STRATEGY	OUTPUT INDICATOR	BUDGET	BASELINE	5 YEAR TARGET	ANNUAL TARGET					INDICATOR CUSTODIAN
						2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	
Strategic Objective: To ensure efficient construction, rehabilitation and maintenance of municipal infrastructure											
Project Management Unit	Expand Infrastructure development	No. of kms of Roads Constructed	R230 Million	611.07km	26.2 km	7.3km	3.9km	4km	4km	7km	Director Infrastructure Planning and Development
Project Management Unit	Expand infrastructure development	Number of public amenities constructed	R20 Million (Halls ECDCs Public toilets & VTS)	12	7	2	2	2	0	1	Director Infrastructure Planning and Development
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	N/A	1	N/A	N/A	Director Infrastructure Planning and Development
Buildings and Civil Works	Expand Infrastructure Development	Number of bridges rehabilitated	R6 million	4	2	1	0	0	0	1	Director Infrastructure Planning and Development
Electrification	Expand Infrastructure Development	Number of households in electrification program connected	R57 million	2406	1039	320	304	200	180	180	Director Infrastructure Planning and Development

Electrification	Expand Infrastructure Development	Number of kilometres of bulk infrastructure constructed (linkline)	R8.9 million	44km	40km	14km	3km	7km	7km	9km	Director Infrastructure Planning and Development
Electrification	Expand Infrastructure Development	Number of pulic lights installed	R15 million (High mast lights R9 million (Street lights)	20 Highmast 234 Streetlights	11 Highmast 107 Streetlights	3 Highmast 25 Streetlights	2 Highmast 22 Streetlights	2 Highmast 20 Streetlights	2 Highmast 20 Streetlights	2 Highmast 20 Streetlights	Director Infrastructure Planning and Development
Electrification	Expand Infrastructure Development	Number of electricity network upgrade completed X 2	R21 million	7	10	2	2	2	2	2	Director Infrastructure Planning and Development
Electrification	Expand Infrastructure Development	% of maintenance completed for electricity network as per maintenance plan	R17.2 million	100%	100%	100%	100%	100%	100%	100%	Director Infrastructure Planning and Development
Electrification	Improve infrastructure planning	% maintenance on public lighting	R190 370 000	100%	100%	100%	100%	100%	100%	100%	Director Infrastructure Planning and Development
Infrasturcture Grant Expenditure	Infrastructure spending	% expenditure on all infrastructure grants		100%	100%	100%	100%	100%	100%	100%	Director Infrastructure Planning and Development

3.2.6.2. 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 provide reliable basic services to households and business sector											
Waste Management and Cleansing	Provision of basic services to promote healthy environment	Number of areas receiving refuse collection, for household and commercial properties.	R,00	New	59 areas	39 areas	59 areas	59 areas	59 areas	99 areas	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	11 (1. IWPMP review, 2. Waste Transfer station, 3. Material Recovery Facility (MRF), MRF Equipment procurement, 4. Fencing of Landfill sites, 5. Procurement and installation of weigh bridge, 6. Construction of guard house with ablution facility in Ugie landfill site, 7. Procurement of a skip truck and 15 skip bins 8. Arbour Celebrations 9. Landfill site audit	1	5 P1 P3 P4 P6 P8	8 P2 P3 P4 P5 P6 P7 P8 P9	3 P8 P9	2 P8 P9	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	105	20	20	25	25	25	Director Community Services
Public Safety	Vehicle registration	Own revenue generated from vehicle's registration and licensing (rand value)	R0.00	New	4 million	R800 000	R800 000	R800 000	R800 000	R800 000	Director Community Services
	Promote public safety and healthy environment	Number of community public safety initiatives conducted	R0.00	New	13	-	1	4	4	4	Director Community Services
Traffic management	Promote public safety and healthy environment	Number of Traffic safety projects implemented	10,4 Million	New	5 (1. Learner licenses issued 2. Drivers licenses issued 3. Road worthy vehicle testing 4. Upgrading of DLTC, 5.Establishment of Pound Vehicle Centre	4	5	6	5	5	Director Community Services
Strategic Objective 2.4 To promote protection and conservation of natural resources through greening lifestyle											

Environmental Management	Promote public safety and healthy environment	Number of environmental management systems in place (policies, plans and strategies)			4 1. Climate Change Strategy 2. Integrated Environmental Management Policy 3. Green procurement policy 4. Air Quality Management Plan	N/A	N/A	2	2	N/A	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	3 1 x Tlokoeng 1 x Nqanqarhu 1 x Ugie	N/A	1 Tlokoeng (Designs)	1 Tlokoeng (Construction) Nqanqarhu & Ugie (Designs)	1 Nqanqarhu (Construction)	1 Ugie (Construction)	Director Community Services
	Provision of public amenities under the control of the department maintained	Number of public amenities under the control of the department maintained.	R500 000	New	1 x Tlokoeng cemeteries (Solomzi), 2 x Ugie cemeteries (Bhekela & Kruger), 1 x Nqanqarhu Cemeteries (Town Cemetery) 2 x Ugie Community Hall (Kruger Hall & Ntokozweni)	N/A	11	11	11	11	Director Community Services
Pound management	Promote public safety and healthy environment	Number of pound management projects implemented	15,5 Million	New	3 1.Pound construction 2. Pound management implementation 3. Holding facilities mantained	1	1 Ugie pound designs	1 Ugie Pound Construction	1 Maintenance of holding facilities	1 Maintenance of holding facilities	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

3.2.6.3. 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	13	2	2	3	3	3	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 training and development		104%	100%	100%	100%	100%	100%	100%	Director Corporate Services
Human Resource Development	Review of the organisational strucuture 2023/24	Number of organizational structures reviewed		2018/19 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	Number of Task Grades cascaded for performance management as per Staff Regulations		TG 19-09	100%	TG 8-3	N/A	TG 8-7	TG 6-5	TG 4-3	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		New	25	10	100%	100%	100%	100%	Director Corporate Services
Admin and Council Support	Functionality of security	Number of security system projects implemented		New	4 (implementation of the master and security report)	N/A	1	1	1	1	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
Information Communication & Technology	ICT Projects	Number of ICT Projects implemented 1. Upgrade to Cat6e 2. Cloud Based Solutions 3. Remote backups 4. ICT Asset Register 5. ICT Governance		New Indicator	1. Upgrade to Cat6e 2. Cloud Based Solutions 3. Remote backups 4. ICT Asset Register 5. ICT Governance 6. ICT Security Applications	N/A	6	5	6	5	Director Corporate Services

3.2.6.4. Local Economic Development

FOCUS AREA	STRATEGY	OUTPUT INDICATOR	BUDGET	BASELINE	5YEAR TARGET	ANNUAL TARGET					INDICATOR CUSTODIAN
						2023/2024	2024/2025	2025/202	2026/2027	2027/2028	
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 initiatives implemented towards the establishment of Agro Processing	R2,750,000.00	Feasibility Studies Completed, Developer Appointed, Master Plan & Business Developed by 23/24 Q4	7	3	1	1	1	1	Director – Planning & Economic Development
LED-SMME	Capacitation of SMME's	Number of SMME projects implemented	R500,000	50	63	12	55	12	12	12	Director – Planning & Economic Development
LED-SMME	Street Trading	Number of street trading facilities provided	R1 million	12	40	10	N/A	10	10	10	Director – Planning & Economic Development
LED-Agriculture & Forestry	Wool industry development support	Number of initiatives implemented towards wool industry development	R1 600 000	10 (International Woll Standard)	7	3	1	1	1	1	Director – Planning & Economic Development
LED-Tourism	Marketing Elundini as a prime tourist destination	Number of destination marketing initiatives	R500 000	2	10	2	2	2	2	2	Director – Planning & Economic Development
LED-SMME	Improved business licensing & permitting	% of submitted business licence applications processed	R0.00	New	100%	-	100%	100%	100%	100%	Director – Planning & Economic Development
Strategic Objective : To increase investment through land and socio-economic infrastructure											

LED-Property investment	Investment in infrastructure land and property	Number of property investment projects implemented	R500,000	New indicator	10	2	2	2	2	2	Director – Planning & Economic Development
Planning and Land Use Management	Improved land use planning & management	Number of initiatives implemented towards improving land use & planning	R0.00	1	5	1	1	1	1	1	
Planning and Land Use Management	Improved building control environment	% of compliant building plans processed within 60 days	R0.00	New	100%	-	100%	100%	100%	100%	Director – Planning & Economic Development
Property / Asset / Land Management	General Valuation Roll	Number of milestones completed towards completion and implementation of the general valuation roll		New	5	1	1	1	1	1	Director – Planning & Economic Development

3.2.6.5. Financial Viability and Management

FOCUS AREA	STRATEGY	OUTPUT INDICATOR	BUDGET	BASELINE	5YEAR TARGET	ANNUAL TARGET					INDICATOR CUSTODIAN
						2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	
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	5934	10 000	7,500	8,000	9,000	10,000	11,000	CFO
Income & Expenditure	Payment of Creditors within stipulated periods	Average Number of days taken to pay Creditors	R0.00	09 Days	30 Days	30 Days	30 Days	30 Days	30 Days	30 Days	CFO
Income & Expenditure	Improve revenue enhancement	Average Number of days to receive payment from debtors	R0.00	617 Days	360 Days	360 Days	360 Days	360 Days	360 Days	360 Days	CFO
Income & Expenditure	Improve revenue enhancement	Percentage collection on billed revenue	R0.00	111%	95%	95%	95%	95%	95%	95%	CFO
Income & Expenditure	Improve revenue enhancement	% Reduction in level of historical Debt owed	R0.00	New Indicator	10% of Debt owed written off	10% of Debt owed written off	10% of Debt owed written off	10% of Debt owed written off	10% of Debt owed written off	10% of Debt owed written off	CFO
Income & Expenditure	Revenue enhancement	Number of cost containment and revenue enhancement strategies reviewed and implemented	R0.00	2	2 Revenue enhancement strategy reviewed; Cost containment strategy implemented	2 Reviewed revenue enhancement strategy; Implementation of cost containment strategy	2 Reviewed revenue enhancement strategy; Implementation of cost containment strategy	2 Implementation of Revenue enhancement strategy; Implementation of Cost Containment Strategy	2 Implementation of Revenue enhancement strategy; Implementation of Cost Containment Strategy	2 Implementation of Revenue enhancement strategy; Implementation of Cost Containment Strategy	CFO

Asset & Fleet Management	Improve efficiency of asset and fleet management to ensure compliance of asset register and reduce abuse of fleet and management of fleet	Number of Asset management and fleet projects implemented:	R0.00	2 1. Asset management; 2. Fleet management	2 1. Asset management; 2. Fleet management	2 1. Asset management; 2. Fleet management	2 1. Asset management; 2. Fleet management	2 1. Asset management; 2. Fleet management	2 1. Asset management; 2. Fleet management	2 1. Asset management; 2. Fleet management	CFO
Budget & Reporting	Improved financial health, budget planning and reporting	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
Budget & Reporting	Improved financial health, budget planning and reporting	Cost coverage ratio maintained within national guidelines	R0.00	1 month	3 months	3 months	3 months	3 months	3 months	3 months	CFO
Budget & Reporting	Improved financial health, budget planning and reporting	Budgeted Capital vs Total Expenditure Ratio per budget	R0.00	22%	15%	20%	20%	20%	20%	20%	CFO
Budget & Treasury	Improved financial health, budget planning and reporting	Number of credible Financial Statements developed	R	Annual Financial Statement	2 1. Interim 2. Annual Financial Statements	2 1. Interim 2. Annual Financial Statements	2 1. Interim 2. Annual Financial Statements	2	2 1. Interim 2. Annual Financial Statements	2 1. Interim 2. Annual Financial Statements	CFO
Supply Chain	Maximise efficiency in demand	Number of SCM projects implemented:	R0.00	5	5 1. Demand Management	5 1. Demand Management	5 1. Demand Management	5 1. Demand Management	5 1. Demand Management	5 1. Demand Management	CFO

	management, acquisition and contract management				Plan 2. Contract Management 3. SCM Compliance 4. SCM policy reviews 5. SMME beneficiation report	Plan 2. Contract Management 3. SCM Compliance 4. SCM policy reviews 5. SMME beneficiation report	Plan 2. Contract Management 3. SCM Compliance 4. SCM policy reviews 5. SMME beneficiation report	Plan 2. Contract Management 3. SCM Compliance 4. SCM policy reviews 5. SMME beneficiation report	Plan 2. Contract Management 3. SCM Compliance 4. SCM policy reviews 5. SMME beneficiation report	Plan 2. Contract Management 3. SCM Compliance 4. SCM policy reviews 5. SMME beneficiation report	
Budget & Treasury	Reviewal of finance by-laws	Number of by-laws reveiwed	R0.00	Outdated Finance by-laws	3		3				CFO

3.2.6.6. Good Governance and Public Participation

FOCUS AREA	STRATEGY	PROJECT	OUTPUT INDICATOR	BUDGET	BASELINE	5YEAR TARGET	ANNUAL TARGET					INDICATOR CUSTODIAN
							2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	
Strategic Objective: To strengthen integrated planning, monitoring and evaluation of municipal programmes. **Goal 3 : Improve the effectiveness of governance administrative and financial systems.**												
IDP Planning and implementation	Develop a long term plan for future development	Vision 2050 Annual Strategic Plan Departmental Strategic Plans	Number of municipal strategic plans developed.	R1,2 million	New indicator	3	2	3	2	2	3	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	Integrated Development Planning	% implementation of IDP/Budget Process Plan	R1m	100%	100%	100%	100%	100%	100%	100%	Manager: IDP/PMS/M&E
Performance Management	Efficient and effective performance management system	Institutional PMS	% implementation of institutional PMS Process Flow	R1.5m	100%	100%	100%	100%	100%	100%	100%	Manager: IDP/PMS/M&E
Risk Management	Promote Risk Management culture	1.Risk Management Implementation Plan 2.Anti-Fraud Corruption Implementation Plan 3.Ethics & Integrity management strategy 4.Legislative compliance activities implemented	Number of risk & ethics management projects implemented	R2.1 m	New Indicator	4 (1. Risk assessment. 2. Risk management policy review. 3.ethics & integrity management review. 4. Risk management	4	4	4	4	4	Senior Manager: Strategic Support Services

						implement ation)						
Strategic Objective : To improve public participation and oversight to enhance accountability												
Internal Audit	Improve effectiveness and efficiency of the internal audit	Development of Internal Audit Plan	% of completed internal audit projects of the approved internal audit plan	R1.3 m	100%	100%	100%	100%	100%	100%	100%	Manager : Internal audit
Public participation	Strengthen functionality of oversight and ward committees	1.Ward committee co-ordination. 2. Community based meetings. 3. Section 79 Committee co-ordination. 4. Public participation events 5. Petition Management	Number of public participation and oversight projects implemented	R20 m	4	5	4	5	5	5	5	Senior Manager: Strategic Support Services
Public participation and communications	Improve effectiveness & efficiency of communications	1. Social media. 2. Municipal publications. 3. Website Management 4. Outdoor LED Screen. 5. LCF. 6. Tintswalo Project	Number of Communication projects implemented	R2.5 m	6	5	5	5	5	5	5	Manager : Governance and Political Support

Public participation and communications	Improve effectiveness & efficiencies of customer care service	1. Satisfaction survey. 2. Anonymous hot line. 3.Presidential hotline. 4. IMIS walk-ins) 5. Proof of residence	Number of customer care projects implemented	R0.00	4	5	4	5	5	5	5	Senior Manager: Strategic Support Services.
Legal Services	Compliance and Litigation	1. Litigation management 2. By-laws 3. SLA Vetting. 4.Compliance	Number of legal services projects implemented	R1.8 million	4	3	3	4	4	4	4	Manager: Legal Services & Compliance
Strategic Objective : To support the development of SMME to participate in a diversified and growing economy												
Special Programs	Focus group mainstreaming	1. PWD Program 2. Gender Based Violence & femicide programs 3. Youth Skilling 4. Horse Racing / Mayoral Cup 5. Arts Development	Number of focus groups social projects implemented	TBC	New indicator	5	2	2	3	3	3	Manager : SPU/HIV & AIDS
Special Programs	Focus groups SMME support	1. 2 X Youth enterprise development 2. 2 X Women enterprise development 3. 1 X People with Disability Enterprise Development	Number of focus groups enterprise development projects supported.	TBC	New Indicator	5	5	5	5	5	5	Manager : SPU/HIV & AIDS

Special Programs	Youth Development	1. Bursary 2. Black Hawk Foundation partnership 3. Bridge of Hope. 4. Military Veterans	Number of MSI projects implemented	TBC	3	4	1	1	4	4	4	Manager : SPU/HIV & AIDS
Special Programs	HIV/AIDS	1. Local Aids Council 2. Training of care givers 3. Partnership Agreements	Number of HIV/AIDS programs implemented	TBC	New Indicator	3	3	3	3	3	3	Manager : SPU/HIV & AIDS

3.3. 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:

3.3.1. 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).

3.3.2. 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.

3.3.3. 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.

3.3.4. 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.

3.3.5. 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.

3.3.6. 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.

3.3.7. Catalytic Projects

Project Name	Project Description	Project Value	Comments
Tlokoeng (Mt. Fletcher) Bulk Sanitation Services Upgrade:	The town requires Bulk sewer pipelines, pumpstations and upgrade of WWTW from 0.5Ml to 2Ml. In order to provide sanitation services, the existing bulk water systems also need upgrading.	R1bn	The Town of Tlokoeng does not have sanitation infrastructure, they are relying on septic/conservancy tanks which are expensive for residents to maintain. Funding for the project has not been secured as yet, application process is still progress

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 2023/24 financial year with reference to 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 1 Million per annum. The targeted debt collection rate over the MTREF is positioned at 95%, increasing to 100%, and 100% respectively.

Valuation of Property Rates

ELM was due for general valuation whose valuation date was 01 June 2017. ELM in line with the Municipal Property Rates Act, has in October 2023 reviewed the valuation roll of all the registered properties within its area of jurisdiction to supplement the current general valuation roll with considerations of new properties, alterations through approved building plans and/or changes to property values contained in the current general valuation roll.

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 gazetted 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. An amount of R2 Million has been set aside in the budget for general valuation.

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.

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.

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 226 Million prioritized for road infrastructure.

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 of adoption with the IDP and Budget for implementation in the 2024/25 financial year**.** All budget related policies are reviewed annually.

Table 57: 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 25 Million over the MTREF. For the past two years the actual costs for FBS were R4.9 Million and R5.2 Million respectively.

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

Table 58 : AFS Implementation 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. 128 was used to guide the compilation of the 2024/25 2026/27 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.

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

- The 2023/24 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 2024/25 final 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 A59 Consolidated Overview of the 2024/25-2026/27 MTREF

R thousand	**Adjustments Budget 2023/2024**	**Budget Year 2024/2025**	**Budget Year 2025/2026**	**Budget Year 2026/2027**
Total Operating Revenue	R412.9m	R447.2m	R456.6m	R477.1m
Total Operating Expenditure	R412.9m	R447.2m	R456.6m	R477.1m
(Surplus)/Deficit	R 0.00	R 0.0m	R 0.0m	R 0.0m
Total Capital Expenditure	R129.6m	R 68.0m	R 75.5m	R 81.7m

Total operating revenue has increased by 8 per cent or R34.3 million for this budget year when compared with the previous prior year on budgeted revenue. For the two outer years, operational revenue increased by 2% and 4%.

Total operating expenditure increased by 8% or R34.2million for this budget year when compared with prior year budgeted expenditure. For two outer years, operating expenditure increased by 2% and 4% .
Operating expenditure has been appropriated at R447.2 million for the budget year, R456.8 million and R477.1 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 R68 million, and R75 million and R81 million for the outer years. A substantial portion of the capital budget will be funded by government grants from National 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

EC141 Elundini - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	###	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue											
Exchange Revenue											
Service charges - Electricity	2	36 769	39 535	36 511	48 169	32 778	32 778	32 778	29 649	31013	32 408
Service charges - Water	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	2	5	14	10	-	-	-	-	-	-	-
Service charges - Waste Management	2	857	936	1140	3 957	7 024	7 024	7 024	7 368	7 707	8 054
Sale of Goods and Rendering of Services		750	114	385	1774	1774	1774	1774	1861	1947	2 034
Agency services		–	–	–	624	624	624	624	654	684	715
Interest		–	–	–	–	–	–	–	–	–	–
Interest earned from Receivables		5 869	7 980	5 520	1941	1941	1941	1941	2 036	2 130	2 226
Interest earned from Current and Non Current Assets		4 821	4 786	6 367	5 397	5 397	5 397	5 397	5 661	5 922	6 188
Dividends		–	–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		1653	1739	1758	2 363	2 363	2 363	2 363	2 479	2 593	2 710
Licence and permits		1714	1413	1416	2 658	2 658	2 658	2 658	2 789	2 917	3 048
Operational Revenue		6 510	4 925	6 251	109 644	123 463	123 463	123 463	151332	163 105	185 743
Non-Exchange Revenue											
Property rates	2	31392	26 482	27 909	35 898	31443	31443	31443	30 745	32 160	33 607
Surcharges and Taxes		–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		1010	913	2 367	379	379	379	379	397	416	434
Licences or permits		–	–	–	–	–	–	–	–	–	–
Transfer and subsidies - Operational		204 645	174 338	188 146	202 177	202 042	202 042	202 042	211061	204 847	198 754
Interest		–	1835	3 197	–	–	–	–	–	–	–
Fuel Levy		–	–	–	–	–	–	–	–	–	–
Operational Revenue		–	–	–	–	–	–	–	–	–	–
Gains on disposal of Assets		(741)	376	882	1101	1101	1101	1101	1155	1208	1262
Other Gains		–	–	–	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and		**295 253**	**265 387**	**281 859**	**416 083**	**412 988**	**412 988**	**412 988**	**447 188**	**456 649**	**477 185**
Expenditure											
Employee related costs	2	106 167	114 782	124 528	154 996	152 639	152 639	152 639	165 009	171281	178 990
Remuneration of councillors		12 601	12 679	13 413	14 939	14 939	14 939	14 939	15 803	16 638	17 387
Bulk purchases - electricity	2	24 593	27 666	27 313	36 723	28 761	28 761	28 761	32 413	33 904	35 430
Inventory consumed	8	774	1046	1434	1410	1229	1229	1229	1596	1669	1744
Debt impairment	3	–	–	–	6 655	–	–	–	4 197	4 391	4 588
Depreciation and amortisation		29 817	47 574	49 145	54 564	51672	51672	51672	51672	54 049	56 481
Interest		1630	2 165	4 177	65	5 688	5 688	5 688	5 966	6 241	6 522
Contracted services		58 965	67 068	57 634	79 320	66 656	66 656	66 656	90 059	84 354	88 137
Transfers and subsidies		1092	917	1085	12 090	7 639	7 639	7 639	-	-	-
Irrecoverable debts written off		15 193	12 041	17 439	–	19 001	19 001	19 001	15 735	16 459	17 199
Operational costs		44 985	42 354	57 745	55 321	64 765	64 765	64 765	64 737	67 663	70 707
Losses on disposal of Assets		–	(263)	31	–	–	–	–	–	–	–
Other Losses		–	–	–	–	–	–	–	–	–	–
Total Expenditure		**295 818**	**328 029**	**353 944**	**416 084**	**412 988**	**412 988**	**412 988**	**447 187**	**456 648**	**477 185**
Surplus/(Deficit)		**(564)**	**(62 643)**	**(72 085)**	**(2)**	**0**	**0**	**0**	**1**	**1**	**0**
Transfers and subsidies - capital (monetary	6	63 094	53 727	56 801	69 102	60 620	60 620	60 620	56 067	63 077	68 808
Transfers and subsidies - capital (in-kind)	6	–	–	2 552	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**62 530**	**(8 916)**	**(12 732)**	**69 100**	**60 620**	**60 620**	**60 620**	**56 068**	**63 079**	**68 808**
Income Tax		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after income tax		**62 530**	**(8 916)**	**(12 732)**	**69 100**	**60 620**	**60 620**	**60 620**	**56 068**	**63 079**	**68 808**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		**62 530**	**(8 916)**	**(12 732)**	**69 100**	**60 620**	**60 620**	**60 620**	**56 068**	**63 079**	**68 808**
Share of Surplus/Deficit attributable to Associate	7	–	–	–	–	–	–	–	–	–	–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	1	**62 530**	**(8 916)**	**(12 732)**	**69 100**	**60 620**	**60 620**	**60 620**	**56 068**	**63 079**	**68 808**

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.

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 R30.2 million for the budget year and has increased to R31.6 million and R33 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.

4.9.3. Revenue from Services

Electricity

Electricity and Solid waste services are the main revenue sources for the municipality.
Revenue generated from **Electricity** totals to R29.6 million for the budget year and increases to R30 million and R32.3 million for the two outer years. NERSA has announced the revised bulk electricity pricing structure of 12.7% for the two outer years as detailed in budget circular 128. The tariff structure will be effective from 1 July 2024.

Considering the Eskom increases, the consumer tariff had to be increased by 12.7% to offset the additional bulk purchase cost from 1 July 2024. 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.

Solid Waste

Revenue generated from **Solid waste** totals to R7.3 million for the budget year and increases to R7.6 million R4.3 million for the two outer years. An increase of 4.9% 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.

Other Revenue

Other sources of revenue' which consists of various items such as income received from permits 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.

Operating Grants

Operating grants and transfers totals R211.0 million in the budget year and steadily decreases to R205.5 million and R199.4 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:

EC141 Elundini - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	###	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue											
Exchange Revenue											
Service charges - Electricity	2	36 769	39 535	36 511	48 169	32 778	32 778	32 778	29 649	31013	32 408
Service charges - Water	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	2	5	14	10	-	-	-	-	-	-	-
Service charges - Waste Management	2	857	936	1140	3 957	7 024	7 024	7 024	7 368	7 707	8 054
Sale of Goods and Rendering of Services		750	114	385	1774	1774	1774	1774	1861	1947	2 034
Agency services		–	–	–	624	624	624	624	654	684	715
Interest		–	–	–	–	–	–	–	–	–	–
Interest earned from Receivables		5 869	7 980	5 520	1941	1941	1941	1941	2 036	2 130	2 226
Interest earned from Current and Non Current Assets		4 821	4 786	6 367	5 397	5 397	5 397	5 397	5 661	5 922	6 188
Dividends		–	–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		1653	1739	1758	2 363	2 363	2 363	2 363	2 479	2 593	2 710
Licence and permits		1714	1413	1416	2 658	2 658	2 658	2 658	2 789	2 917	3 048
Operational Revenue		6 510	4 925	6 251	109 644	123 463	123 463	123 463	151332	163 105	185 743
Non-Exchange Revenue											
Property rates	2	31392	26 482	27 909	35 898	31443	31443	31443	30 745	32 160	33 607
Surcharges and Taxes		–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		1010	913	2 367	379	379	379	379	397	416	434
Licences or permits		–	–	–	–	–	–	–	–	–	–
Transfer and subsidies - Operational		204 645	174 338	188 146	202 177	202 042	202 042	202 042	211061	204 847	198 754
Interest		–	1835	3 197	–	–	–	–	–	–	–
Fuel Levy		–	–	–	–	–	–	–	–	–	–
Operational Revenue		–	–	–	–	–	–	–	–	–	–
Gains on disposal of Assets		(741)	376	882	1101	1101	1101	1101	1155	1208	1262
Other Gains		–	–	–	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and		**295 253**	**265 387**	**281859**	**416 083**	**412 988**	**412 988**	**412 988**	**447 188**	**456 649**	**477 185**

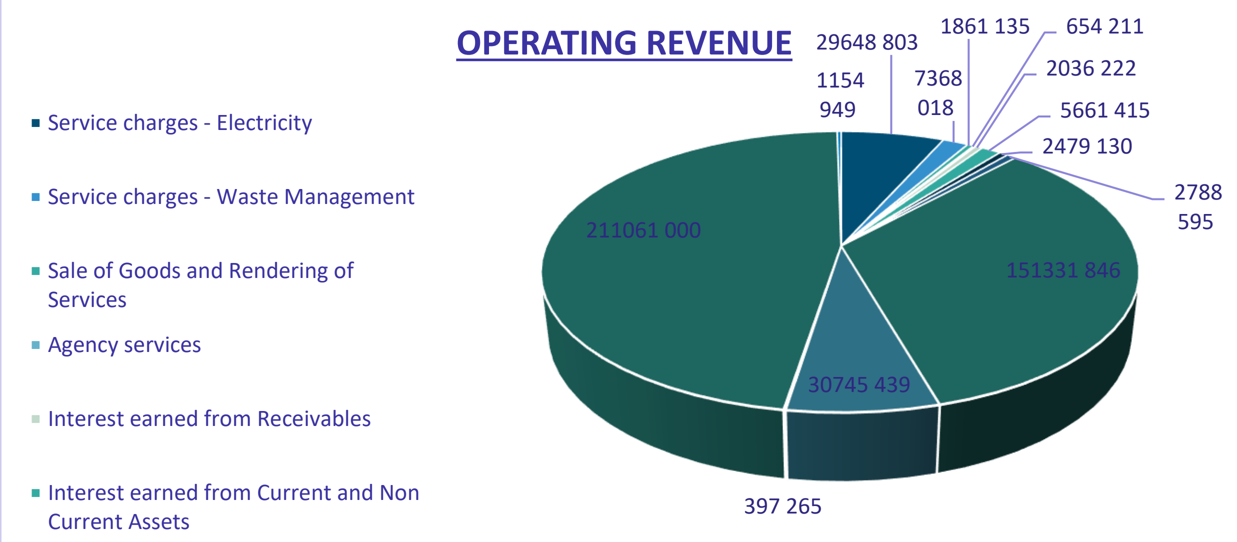


Table SA18 Operating Transfers and Grant Receipts

EC141 Elundini - Supporting Table SA18 Transfers and grant receipts										
Description	###	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
RECEIPTS:	1, 2									
Operating Transfers and Grants	t									
National Government:	ant	239 957	171 450	184 573	196 427	196 292	194 075	205 049	201 710	195 389
Expanded Public Works Programme Integrated Gran		3 239	2 569	2 539	1 580	1 580	1 930	2 114	-	-
Local Government Financial Management Grant		1 700	1 650	1 650	1 700	1 700	1 700	1700	1800	2000
Municipal Infrastructure Grant		38 228	-	-	2 702	2 567	-	2 267	2 372	2 569
Energy Efficiency and Demand Side Management Gr		4 500	1 000	-	-	-	-			
Equitable Share		192 290	166 231	180 384	190 445	190 445	190 445	200 668	199 337	192 820
Provincial Government:		750	750	750	5 750	5 750	5 750	4 312	1 338	1 365
Specify (Add grant description)		-	-	-	5 000	5 000	5 000	3 000	-	-
Specify (Add grant description)		750	750	750	750	750	750	1 312	1 338	1 365
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	240 707	172 200	185 323	202 177	202 042	199 825	211 061	204 847	198 754
Capital Transfers and Grants										
National Government:		15 739	60 771	55 433	69 102	60 620	65 889	56 067	63 077	68 808
Municipal Infrastructure Grant		-	41 031	41 033	51 343	45 161	50 430	43 073	45 077	48 808
Integrated National Electrification Programme Grant		15 739	19 740	14 400	17 759	15 459	15 459	12 994	18 000	20 000
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	15 739	60 771	55 433	69 102	60 620	65 889	56 067	63 077	68 808
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	256 446	232 971	240 756	271 279	262 662	265 714	265 428	266 125	265 562

4.9.5 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. 128 and Nersa guidelines in tariff determination.

Catergory	2023/2024 Budget Year	2024/2025 Budget Year	2025/2026 Budget Year	2026/2027 Budget Year
Property Rates	5.3%	4.9%	4.6%	4.6%
Electricity	18.7%	12.7%	4.6%	4.6%
Solid waste	5.3%	4.9%	4.6%	4.6%

4.9.6 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 highlevel summary of the MTREF (classified per main type of operating expenditure):

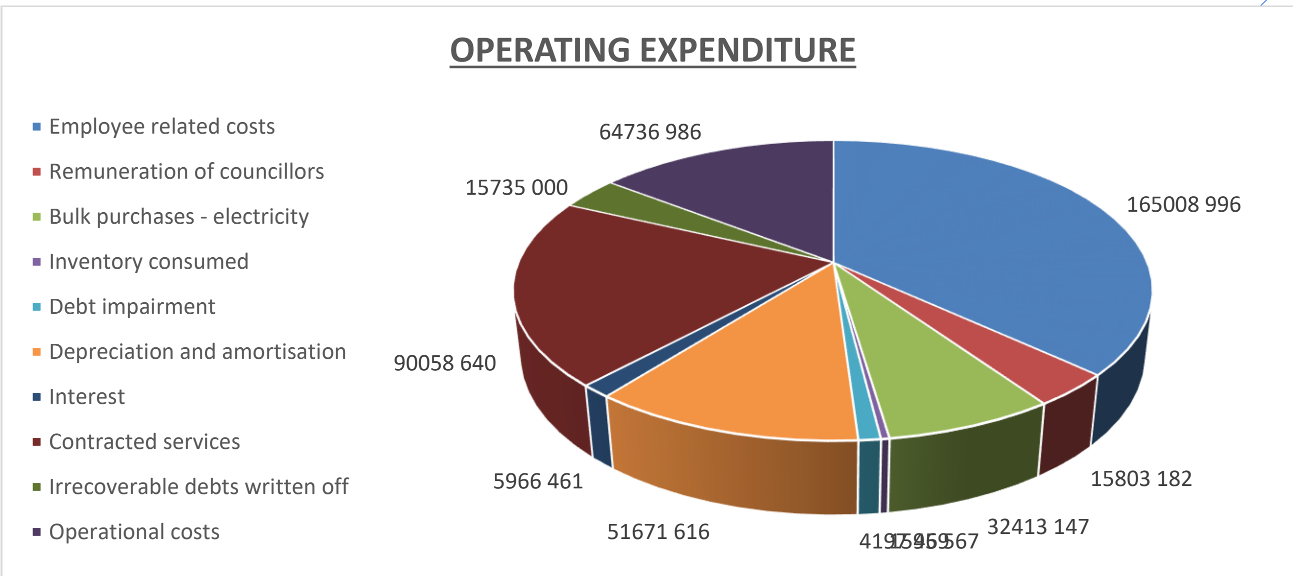


TABLE A4 SUMMARY OF OPERATING EXPENDITURE BY STANDARD CLASSIFICATION ITEM

EC141 Elundini - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	###	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Expenditure											
Employee related costs	2	106 167	114 782	124 528	154 996	152 639	152 639	152 639	165 009	171281	178 990
Remuneration of councillors		12 601	12 679	13 413	14 939	14 939	14 939	14 939	15 803	16 638	17 387
Bulk purchases - electricity	2	24 593	27 666	27 313	36 723	28 761	28 761	28 761	32 413	33 904	35 430
Inventory consumed	8	774	1046	1434	1410	1229	1229	1229	1596	1669	1744
Debt impairment	3	–	–	–	6 655	–	–	–	4 197	4 391	4 588
Depreciation and amortisation		29 817	47 574	49 145	54 564	51672	51672	51672	51672	54 049	56 481
Interest		1630	2 165	4 177	65	5 688	5 688	5 688	5 966	6 241	6 522
Contracted services		58 965	67 068	57 634	79 320	66 656	66 656	66 656	90 059	84 354	88 137
Transfers and subsidies		1092	917	1085	12 090	7 639	7 639	7 639	-	-	-
Irrecoverable debts written off		15 193	12 041	17 439	–	19 001	19 001	19 001	15 735	16 459	17 199
Operational costs		44 985	42 354	57 745	55 321	64 765	64 765	64 765	64 737	67 663	70 707
Losses on disposal of Assets		–	(263)	31	–	–	–	–	–	–	–
Other Losses		–	–	–	–	–	–	–	–	–	–
Total Expenditure		**295 818**	**328 029**	**353 944**	**416 084**	**412 988**	**412 988**	**412 988**	**447 187**	**456 648**	**477 185**
Surplus/(Deficit)		**(564)**	**(62 643)**	**(72 085)**	**(2)**	**0**	**0**	**0**	**1**	**1**	**0**
Transfers and subsidies - capital (monetary	6	63 094	53 727	56 801	69 102	60 620	60 620	60 620	56 067	63 077	68 808
Transfers and subsidies - capital (in-kind)	6	–	–	2 552	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**62 530**	**(8 916)**	**(12 732)**	**69 100**	**60 620**	**60 620**	**60 620**	**56 068**	**63 079**	**68 808**
Income Tax		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after income tax		**62 530**	**(8 916)**	**(12 732)**	**69 100**	**60 620**	**60 620**	**60 620**	**56 068**	**63 079**	**68 808**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		**62 530**	**(8 916)**	**(12 732)**	**69 100**	**60 620**	**60 620**	**60 620**	**56 068**	**63 079**	**68 808**
Share of Surplus/Deficit attributable to Associate	7	–	–	–	–	–	–	–	–	–	–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	1	**62 530**	**(8 916)**	**(12 732)**	**69 100**	**60 620**	**60 620**	**60 620**	**56 068**	**63 079**	**68 808**

4.9.7 Employee Related Costs

The budgeted allocation for employee related costs for the budget year totals R165 million, which equals 36 per cent of the total operating expenditure. Municipalities are urged to consider projecting salaries and wage increases that would reflect their affordability given the economic challenges. We have projected 7.7% including 2.5% notch increase for this budget year.

4.9.8 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 R15.8 million and equates to 4 percent of the total operating expenditure.

4.9.9 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 R19.9 million and equates to 4% of the total operating expenditure and escalates to R20.8 million and R21.7 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.

4.9.10 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 R51.6 million for the budget year financial and equates to 11% of the total operating expenditure.

4.9.11 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 R32.4 million for the budget year and equates to 7 % of the total operating budget. The expenditure also includes distribution losses.

Other Material

Budget appropriations in this regard totals to R1.5 million and equates 0.3% for the budget year and escalates to R1.6 and R1.7 million for the two outer years.

Contracted Services

Contracted expenditure totals to R90 million and equates to 21% of the total operating budget.

Other Expenditure

Other expenditure comprises of various line items relating to the daily operations of the municipality. Budget appropriations in this regard totals to R64.7 million and equates to 14 percent.

The following chart gives a breakdown of the main expenditure categories for the 2024/25 budget 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 R8.8 MILLION, R9.2 AND R9.6 FOR THE TWO OUTER YEARS FOR FREE BASIC SERVICES.

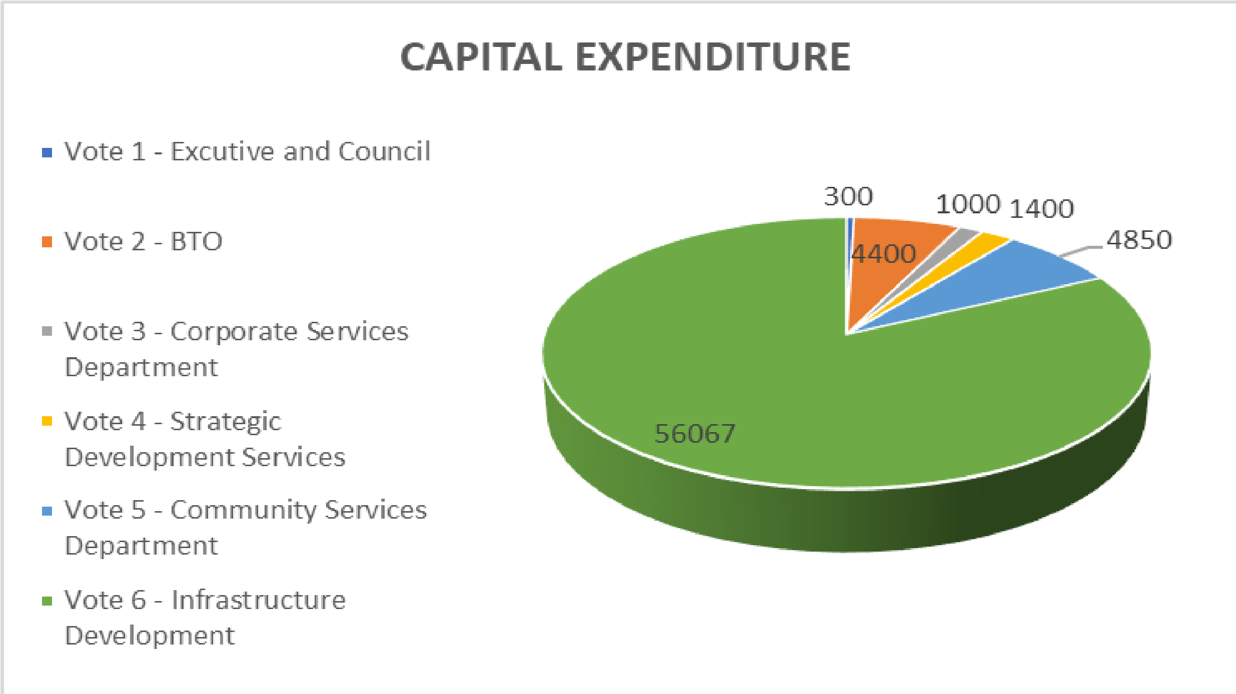
4.9.12 CAPITAL EXPENDITURE FRAMEWORK

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

Vote Description R thousand	## # 1	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1	Budget Year +2
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		2 488	1 186	1 182	250	832	832	832	300	314	328
Vote 2 - BTO		6 768	9 831	9 235	2 400	2 750	2 750	2 750	4 400	4 602	4 810
Vote 3 - Corporate Services Department		151	(263)	36	400	600	600	600	1000	1046	1093
Vote 4 - Strategic Development Services		940	4 197	25	1 150	1650	1650	1650	1400	1464	1530
Vote 5 - Community Services Department		2 946	12 710	549	15 400	13 900	13 900	13 900	4 850	5 073	5 301
Vote 6 - Infrastructure Development		58 049	41430	57 649	114 014	109 932	109 932	109 932	56 067	63 077	68 808
Vote 7 -		–	–	–	–	–	–	–	–	–	–
Vote 8 -		–	–	–	–	–	–	–	–	–	–
Vote 9 -		–	–	–	–	–	–	–	–	–	–
Vote 10 -		–	–	–	–	–	–	–	–	–	–
Vote 11 -		–	–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total		**71 341**	**69 090**	**68 676**	**133 614**	**129 664**	**129 664**	**129 664**	**68 017**	**75 577**	**81 870**
Total Capital Expenditure - Vote		**71 341**	**69 090**	**68 676**	**133 614**	**129 664**	**129 664**	**129 664**	**68 017**	**75 577**	**81 870**
Capital Expenditure - Functional											
Governance and administration											
Executive and council Finance and administration Internal audit		**9 407**	**10 754**	**10 453**	**3 050**	**4 182**	**4 182**	**4 182**	**5 700**	**5 962**	**6 230**
Community and public safety Community and social		2 488	1 186	1 182	250	832	832	832	300	314	328
services Sport and recreation		6 919	9 568	9 271	2 800	3 350	3 350	3 350	5 400	5 648	5 903
Public safety Housing Health		–	–	–	–	–	–	–	–	–	–
Economic and environmental services		**140**	**198**	**549**	**12 400**	**12 400**	**12 400**	**12 400**	**650**	**680**	**710**
Planning and development Road transport Environmental protection		140	90	369	4 900	847	847	847	–	–	–
Trading services Energy sources Water management		–	108	180	4 000	953	953	953	250	261	273
Waste water management Waste management		–	–	–	3 500	10 600	10 600	10 600	400	418	437
Other		–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–
		53 058	**37 506**	**41054**	**61 105**	**59 923**	**59 923**	**59 923**	**44 473**	**46 542**	**50 338**
		940	4 197	25	1 150	1650	1650	1650	1400	1464	1530
		52 118	33 309	41029	59 955	58 273	58 273	58 273	43 073	45 077	48 808
		–	–	–	–	–	–	–	–	–	–
		8 737	**20 631**	**16 621**	**57 059**	**53 159**	**53 159**	**53 159**	**17 194**	**22 393**	**24 591**
		5 931	8 120	16 621	54 059	51659	51659	51659	12 994	18 000	20 000
		–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–
		2 806	12 511	–	3 000	1500	1500	1500	4 200	4 393	4 591
		–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional	3	**71 341**	**69 090**	**68 676**	**133 614**	**129 664**	**129 664**	**129 664**	**68 017**	**75 577**	**81 870**
Funded by:											
National Government Provincial Government District Municipality		32 651	27 066	53 459	69 102	60 620	60 620	60 620	56 067	63 077	68 808
Transfers and subsidies - capital (monetary allocations) (Nat /		14 212	(2 624)	–	–	–	–	–	–	–	–
Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital											
Borrowing											
Internally generated funds		–	–	–	–	–	–	–	–	–	–
	4	**46 863**	**24 442**	**53 459**	**69 102**	**60 620**	**60 620**	**60 620**	**56 067**	**63 077**	**68 808**
	6	–	–	(455)	30 000	30 000	30 000	30 000	–	–	–
		21402	26 389	4 791	34 512	39 044	39 044	39 044	11950	12 500	13 062
Total Capital Funding	7	**68 265**	**50 831**	**57 796**	**133 614**	**129 664**	**129 664**	**129 664**	**68 017**	**75 577**	**81 870**

For this budget year an amount of R68 million has been appropriated for the development of infrastructure which represents 13 per cent of the overall total expenditure budget. The amount totals to R76 million and R82 million for the outer years.

The following chart gives a breakdown of the Capital expenditure by vote for the 2024/25 financial year.

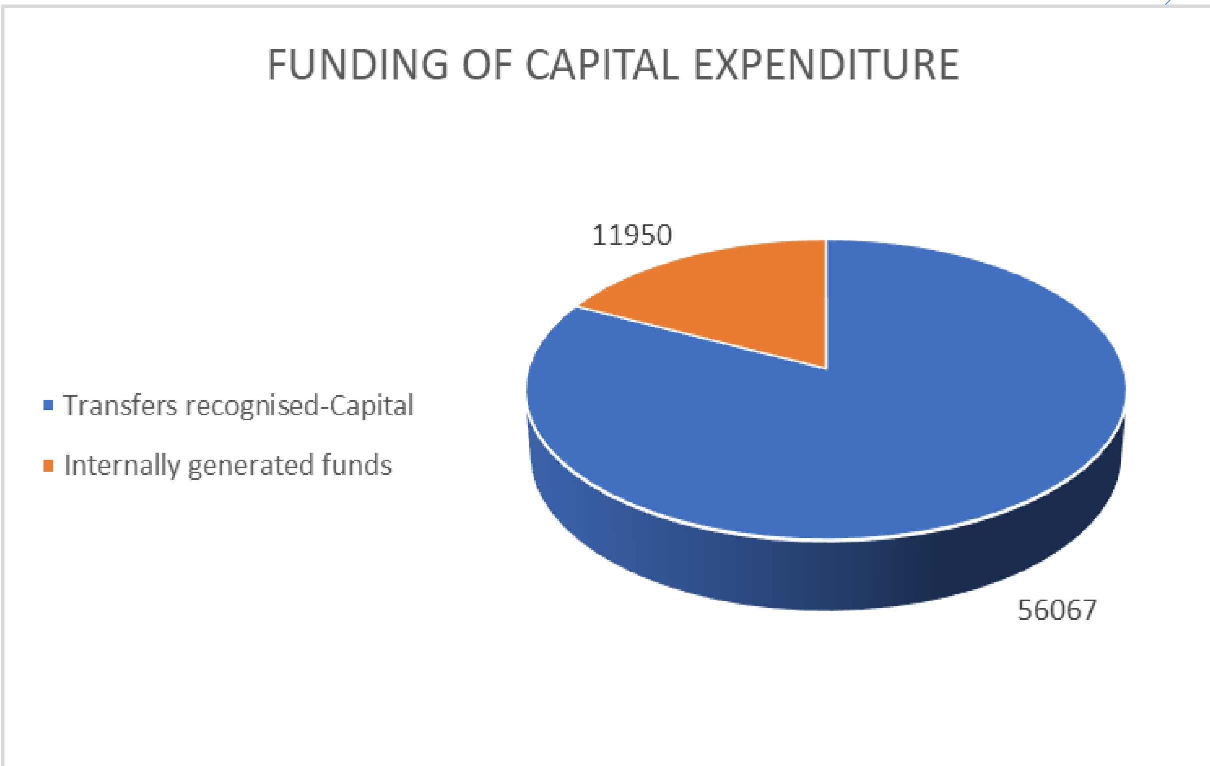


4.9.12.1 FUNDING **OF THE CAPITAL BUDGET**

The capital program is funded from National grants and internally generated funds. Capital transfers totals to R56 million and R11.9 million from internally generated funds.

Vote Description R thousand	## # 1	2020/21 Audited Outcome	2021/22 Audited Outcome	2022/23 Audited Outcome	Current Year 2023/24 Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	2024/25 Medium Term Revenue & Expenditure Framework Budget Year 2024/25	Budget Year +1	Budget Year +2
Funded by:											
National Government Provincial Government District Municipality		32 651	27 066	53 459	69 102	60 620	60 620	60 620	56 067	63 077	68 808
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		14 212	(2 624)	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	4	**46 863**	**24 442**	**53 459**	**69 102**	**60 620**	**60 620**	**60 620**	**56 067**	**63 077**	**68 808**
Borrowing	6	–	–	(455)	30 000	30 000	30 000	30 000	–	–	–
Internally generated funds		21402	26 389	4 791	34 512	39 044	39 044	39 044	11950	12 500	13 062
Total Capital Funding	7	**68 265**	**50 831**	**57 796**	**133 614**	**129 664**	**129 664**	**129 664**	**68 017**	**75 577**	**81 870**

The graph below illustrates the funding sources for Capital Expenditure



4.9.12.2 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 2024/25 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

EC141 Elundini - Table A1 Budget Summary

Description R thousands	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Financial Performance										
Property rates	31 392	26 482	27 909	35 898	31 443	31 443	31 443	30 745	32 160	33 607
Service charges	37 631	40 486	37 662	52 125	39 802	39 802	39 802	37 017	38 720	40 462
Investment revenue	4 821	4 786	6 367	5 397	5 397	5 397	5 397	5 661	5 922	6 188
Transfer and subsidies - Operational	204 645	174 338	188 146	202 177	202 042	202 042	202 042	211 061	204 847	198 754
Other own revenue	16 764	19 295	21 775	120 484	134 304	134 304	134 304	162 703	175 000	198 173
Total Revenue (excluding capital transfers and contributions)	295 253	265 387	281 859	416 083	412 988	412 988	412 988	447 188	456 649	477 185
Employee costs	106 167	114 782	124 528	154 996	152 639	152 639	152 639	165 009	171 281	178 990
Remuneration of councillors	12 601	12 679	13 413	14 939	14 939	14 939	14 939	15 803	16 638	17 387
Depreciation and amortisation	29 817	47 574	49 145	54 564	51 672	51 672	51 672	51 672	54 049	56 481
Interest	1 630	2 165	4 177	65	5 688	5 688	5 688	5 966	6 241	6 522
Inventory consumed and bulk purchases	25 368	28 712	28 747	38 133	29 990	29 990	29 990	34 009	35 573	37 174
Transfers and subsidies	1 092	917	1 085	12 090	7 639	7 639	7 639	–	–	–
Other expenditure	119 143	121 200	132 849	141 296	150 422	150 422	150 422	174 728	172 866	180 632
Total Expenditure	295 818	328 029	353 944	416 084	412 988	412 988	412 988	447 187	456 648	477 185
Surplus/(Deficit)	(564)	(62 643)	(72 085)	(2)	0	0	0	1	1	(0)
Transfers and subsidies - capital (monetary allocations)	63 094	53 727	56 801	69 102	60 620	60 620	60 620	56 067	63 077	68 808
Transfers and subsidies - capital (in-kind)	–	–	2 552	–	–	–	–	–	–	–
	62 530	(8 916)	(12 732)	69 100	60 620	60 620	60 620	56 068	63 079	68 808
Surplus/(Deficit) after capital transfers & contributions	–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Associate **Surplus/(Deficit) for the year**	62 530	(8 916)	(12 732)	69 100	60 620	60 620	60 620	56 068	63 079	68 808
Capital expenditure & funds sources Capital expenditure	71 341	69 090	68 676	133 614	129 664	129 664	129 664	68 017	75 577	81 870
Transfers recognised - capital	46 863	24 442	53 459	69 102	60 620	60 620	60 620	56 067	63 077	68 808
Borrowing	–	–	(455)	30 000	30 000	30 000	30 000	–	–	–
Internally generated funds	21 402	26 389	4 791	34 512	39 044	39 044	39 044	11 950	12 500	13 062
Total sources of capital funds	68 265	50 831	57 796	133 614	129 664	129 664	129 664	68 017	75 577	81 870
Financial position Investments LIABILITIES	–	–	–	–	–	–	–	–	–	–
Financial liabilities NET ASSETS	–	–	–	–	–	–	–	–	–	–
Community wealth/Equity	147	(0)	(0)	30 000	35 623	35 623	35 623	6 073	5 005	6 636
	596 096	594 260	579 924	135 401	622 152	622 152	622 152	630 968	736 227	838 497
	–	–	–	–	–	–	–	–	–	–
Cash flows	215 989	119 791	140 837	138 223	116 111	116 111	116 111	146 787	155 330	165 590
Net cash from (used) operating Net cash from (used)	(71 901)	(70 710)	(73 830)	(133 097)	(129 147)	(129 147)	(129 147)	(67 475)	(75 010)	(81 278)
investing Net cash from (used) financing	–	–	–	30 000	30 000	30 000	30 000	–	–	–
Cash/cash equivalents at the year end	144 088	159 610	144 321	86 801	95 771	95 771	95 771	79 312	159 632	243 945
Cash backing/surplus reconciliation	682	5 588	40	–	43	43	43	(1 658)	(1 756)	(1 954)
Non current Investments Statutory requirements **Balance -**	103 407	93 288	88 110	143 568	53 043	53 043	53 043	59 607	137 081	212 984
surplus (shortfall)	(102 724)	(87 700)	(88 070)	(143 568)	(53 001)	(53 001)	(53 001)	(61 264)	(138 836)	(214 937)
Asset management										
Asset register summary (WDV)	489 626	523 234	544 142	(3 152)	546 520	546 520		586 497	550 227	509 463
Depreciation	29 817	46 556	38 433	54 564	51 672	51 672		51 672	54 049	56 481
Renewal and Upgrading of Existing Assets	–	–	19 510	4 000	1 696	1 696		1 500	1 569	1 640
Repairs and Maintenance	4 517	13 036	8 261	15 251	16 151	16 151		27 483	25 296	26 436
Free services Cost of Free Basic Services provided Revenue cost of free services provided	–	–	–	–	–	–		6 659	6 965	7 285
Households below minimum service level	–	–	12	7 930	1 884	1 884		2 239	2 342	2 440
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)

EC141 Elundini - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	###	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue - Functional										
Governance and administration		**235 527**	**207 240**	**226 574**	**315 271**	**298 810**	**298 810**	**246 585**	**247 388**	**243 155**
Executive and council		65	67	52	-	-	-	-	-	-
Finance and administration		235 462	207 173	226 522	315 271	298 810	298 810	246 585	247 388	243 155
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		**8 580**	**7 103**	**10 467**	**11 304**	**11 304**	**11 304**	**9 929**	**5 002**	**5 195**
Community and social services		4 302	3 519	6 468	7 980	7 980	7 980	6 442	1 355	1 383
Sport and recreation		-	(3)	-	26	26	26	27	28	29
Public safety		4 278	3 586	3 998	3 299	3 299	3 299	3 460	3 619	3 782
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		**49 443**	**37 123**	**44 869**	**78 289**	**100 499**	**100 499**	**194 182**	**207 951**	**234 397**
Planning and development		2 088	2 187	2 699	764	764	764	3 068	3 210	3 444
Road transport		47 355	34 937	42 170	77 525	99 736	99 736	191 114	204 741	230 952
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		**64 798**	**67 648**	**59 304**	**80 320**	**62 994**	**62 994**	**52 558**	**59 384**	**63 246**
Energy sources		58 640	61 177	52 633	76 364	55 971	55 971	44 876	51 348	54 849
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		6 158	6 471	6 670	3 957	7 024	7 024	7 683	8 036	8 398
Other	4	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	**358 348**	**319 114**	**341 213**	**485 184**	**473 608**	**473 608**	**503 255**	**519 726**	**545 993**
Expenditure - Functional										
Governance and administration		**128 196**	**145 058**	**180 223**	**183 981**	**201 660**	**201 660**	**198 448**	**205 267**	**214 492**
Executive and council		43 892	42 584	50 511	63 970	62 670	62 670	59 134	61 907	64 693
Finance and administration		84 305	102 474	129 712	120 011	138 990	138 990	139 313	143 360	149 799
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		**24 831**	**26 360**	**27 972**	**35 953**	**42 133**	**42 133**	**46 812**	**43 616**	**45 580**
Community and social services		7 309	7 947	7 384	13 190	16 665	16 665	16 302	11 703	12 230
Sport and recreation		6 973	6 578	7 712	8 204	9 215	9 215	12 345	12 913	13 494
Public safety		10 548	11 835	12 877	14 559	16 254	16 254	18 165	19 001	19 856
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		**57 515**	**64 802**	**58 965**	**96 640**	**90 046**	**90 046**	**106 437**	**107 882**	**112 736**
Planning and development		13 142	14 116	15 608	29 801	30 246	30 246	25 540	26 715	27 918
Road transport		44 373	50 686	43 357	66 839	59 801	59 801	80 897	81 166	84 819
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		**85 276**	**91 810**	**86 783**	**99 510**	**79 149**	**79 149**	**95 490**	**99 882**	**104 376**
Energy sources		62 381	70 428	62 879	70 438	59 348	59 348	67 827	70 947	74 139
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		22 895	21 382	23 905	29 072	19 800	19 800	27 663	28 936	30 238
Other	4	–	–	–	–	–	–	–	–	–
Total Expenditure - Functional	3	**295 818**	**328 029**	**353 944**	**416 084**	**412 988**	**412 988**	**447 187**	**456 648**	**477 185**
Surplus/(Deficit) for the year		**62 530**	**(8 916)**	**(12 732)**	**69 100**	**60 620**	**60 620**	**56 068**	**63 079**	**68 808**

- 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)

EC141 Elundini - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	###	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue by Vote	1									
Vote 1 - Excutive and Council		65	67	52	-	-	-	-	-	-
Vote 2 - BTO		235 436	207 173	226 522	315 271	298 810	298 810	246 585	247 388	243 155
Vote 3 - Corporate Services Department		26	-	-	-	-	-	-	-	-
Vote 4 - Strategic Development Services		2 088	2 187	2 699	764	764	764	3 068	3 210	3 444
Vote 5 - Community Services Department		14 738	13 574	17 137	15 261	18 328	18 328	17 612	13 038	13 592
Vote 6 - Infrastructure Development		105 995	96 113	94 803	153 888	155 706	155 706	235 990	256 089	285 801
Vote 7 -		-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	**358 348**	**319 114**	**341 213**	**485 184**	**473 608**	**473 608**	**503 255**	**519 726**	**545 993**
Expenditure by Vote *to be appropriated*	1									
Vote 1 - Excutive and Council		43 892	42 584	50 511	63 970	62 670	62 670	59 134	61 907	64 693
Vote 2 - BTO		58 770	73 082	97 960	81 125	101 326	101 326	102 856	105 226	109 961
Vote 3 - Corporate Services Department		25 534	29 391	31 752	38 886	37 664	37 664	36 458	38 135	39 838
Vote 4 - Strategic Development Services		13 142	14 116	15 608	29 801	30 246	30 246	25 540	26 715	27 918
Vote 5 - Community Services Department		47 725	47 742	51 877	65 025	61 933	61 933	71 475	72 552	75 818
Vote 6 - Infrastructure Development		106 754	121 114	106 236	137 277	119 149	119 149	148 724	152 113	158 957
Vote 7 -		-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	**295 818**	**328 029**	**353 944**	**416 084**	**412 988**	**412 988**	**444 187**	**456 648**	**477 185**
Surplus/(Deficit) for the year	2	**62 530**	**(8 916)**	**(12 732)**	**69 100**	**60 620**	**60 620**	**59 068**	**63 079**	**68 808**

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)

EC141 Elundini - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	###	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue											
Exchange Revenue											
Service charges - Electricity	2	36 769	39 535	36 511	48 169	32 778	32 778	32 778	29 649	31013	32 408
Service charges - Water	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	2	5	14	10	-	-	-	-	-	-	-
Service charges - Waste Management	2	857	936	1140	3 957	7 024	7 024	7 024	7 368	7 707	8 054
Sale of Goods and Rendering of Services		750	114	385	1774	1774	1774	1774	1861	1947	2 034
Agency services		–	–	–	624	624	624	624	654	684	715
Interest		–	–	–	–	–	–	–	–	–	–
Interest earned from Receivables		5 869	7 980	5 520	1941	1941	1941	1941	2 036	2 130	2 226
Interest earned from Current and Non Current Assets		4 821	4 786	6 367	5 397	5 397	5 397	5 397	5 661	5 922	6 188
Dividends		–	–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		1653	1739	1758	2 363	2 363	2 363	2 363	2 479	2 593	2 710
Licence and permits		1714	1413	1416	2 658	2 658	2 658	2 658	2 789	2 917	3 048
Operational Revenue		6 510	4 925	6 251	109 644	123 463	123 463	123 463	151332	163 105	185 743
Non-Exchange Revenue											
Property rates	2	31392	26 482	27 909	35 898	31443	31443	31443	30 745	32 160	33 607
Surcharges and Taxes		–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		1010	913	2 367	379	379	379	379	397	416	434
Licences or permits		–	–	–	–	–	–	–	–	–	–
Transfer and subsidies - Operational		204 645	174 338	188 146	202 177	202 042	202 042	202 042	211061	204 847	198 754
Interest		–	1835	3 197	–	–	–	–	–	–	–
Fuel Levy		–	–	–	–	–	–	–	–	–	–
Operational Revenue		–	–	–	–	–	–	–	–	–	–
Gains on disposal of Assets		(741)	376	882	1101	1101	1101	1101	1155	1208	1262
Other Gains		–	–	–	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and		**295 253**	**265 387**	**281 859**	**416 083**	**412 988**	**412 988**	**412 988**	**447 188**	**456 649**	**477 185**
Expenditure											
Employee related costs	2	106 167	114 782	124 528	154 996	152 639	152 639	152 639	165 009	171281	178 990
Remuneration of councillors		12 601	12 679	13 413	14 939	14 939	14 939	14 939	15 803	16 638	17 387
Bulk purchases - electricity	2	24 593	27 666	27 313	36 723	28 761	28 761	28 761	32 413	33 904	35 430
Inventory consumed	8	774	1046	1434	1410	1229	1229	1229	1596	1669	1744
Debt impairment	3	–	–	–	6 655	–	–	–	4 197	4 391	4 588
Depreciation and amortisation		29 817	47 574	49 145	54 564	51672	51672	51672	51672	54 049	56 481
Interest		1630	2 165	4 177	65	5 688	5 688	5 688	5 966	6 241	6 522
Contracted services		58 965	67 068	57 634	79 320	66 656	66 656	66 656	90 059	84 354	88 137
Transfers and subsidies		1092	917	1085	12 090	7 639	7 639	7 639	-	-	-
Irrecoverable debts written off		15 193	12 041	17 439	–	19 001	19 001	19 001	15 735	16 459	17 199
Operational costs		44 985	42 354	57 745	55 321	64 765	64 765	64 765	64 737	67 663	70 707
Losses on disposal of Assets		–	(263)	31	–	–	–	–	–	–	–
Other Losses		–	–	–	–	–	–	–	–	–	–
Total Expenditure		**295 818**	**328 029**	**353 944**	**416 084**	**412 988**	**412 988**	**412 988**	**447 187**	**456 648**	**477 185**
Surplus/(Deficit)		**(564)**	**(62 643)**	**(72 085)**	**(2)**	**0**	**0**	**0**	**1**	**1**	**0**
Transfers and subsidies - capital (monetary	6	63 094	53 727	56 801	69 102	60 620	60 620	60 620	56 067	63 077	68 808
Transfers and subsidies - capital (in-kind)	6	–	–	2 552	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**62 530**	**(8 916)**	**(12 732)**	**69 100**	**60 620**	**60 620**	**60 620**	**56 068**	**63 079**	**68 808**
Income Tax		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after income tax		**62 530**	**(8 916)**	**(12 732)**	**69 100**	**60 620**	**60 620**	**60 620**	**56 068**	**63 079**	**68 808**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		**62 530**	**(8 916)**	**(12 732)**	**69 100**	**60 620**	**60 620**	**60 620**	**56 068**	**63 079**	**68 808**
Share of Surplus/Deficit attributable to Associate	7	–	–	–	–	–	–	–	–	–	–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	1	**62 530**	**(8 916)**	**(12 732)**	**69 100**	**60 620**	**60 620**	**60 620**	**56 068**	**63 079**	**68 808**

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

- Total revenue is 447 million in the budget year and escalates to R456 million and R477 for the outer years.
- Revenue to be generated from property rates is R30.7 million in the budget year and increases to R32 million and R33 million in the outer years. The property Rates represents 6.8 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 R40.1 million in the budget year and increasing to R41.9 million and R43.8 million for the outer years. For the budget year services charges amount to 9 per cent of the total revenue 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 decreasing over the MTREF.

Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

Vote Description R thousand	### 1	2020/21 Audited Outcome	2021/22 Audited Outcome	2022/23 Audited Outcome	Current Year 2023/24 Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	2024/25 Medium Term Revenue & Expenditure Framework Budget Year 2024/25	Budget Year +1	Budget Year +2
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		2 488	1186	1182	250	832	832	832	300	314	328
Vote 2 - BTO		6 768	9 831	9 235	2 400	2 750	2 750	2 750	4 400	4 602	4 810
Vote 3 - Corporate Services Department		151	(263)	36	400	600	600	600	1000	1046	1093
Vote 4 - Strategic Development Services		940	4 197	25	1150	1650	1650	1650	1400	1464	1530
Vote 5 - Community Services Department		2 946	12 710	549	15 400	13 900	13 900	13 900	4 850	5 073	5 301
Vote 6 - Infrastructure Development		58 049	41430	57 649	114 014	109 932	109 932	109 932	56 067	63 077	68 808
Vote 7 -		–	–	–	–	–	–	–	–	–	–
Vote 8 -		–	–	–	–	–	–	–	–	–	–
Vote 9 -		–	–	–	–	–	–	–	–	–	–
Vote 10 -		–	–	–	–	–	–	–	–	–	–
Vote 11 -		–	–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total		**71 341**	**69 090**	**68 676**	**133 614**	**129 664**	**129 664**	**129 664**	**68 017**	**75 577**	**81 870**
Total Capital Expenditure - Vote		**71 341**	**69 090**	**68 676**	**133 614**	**129 664**	**129 664**	**129 664**	**68 017**	**75 577**	**81 870**
Capital Expenditure - Functional											
Governance and administration											
Executive and council Finance and administration Internal audit		**9 407**	**10 754**	**10 453**	**3 050**	**4 182**	**4 182**	**4 182**	**5 700**	**5 962**	**6 230**
Community and public safety Community and social services Sport and recreation		2 488	1186	1182	250	832	832	832	300	314	328
Public safety Housing Health		6 919	9 568	9 271	2 800	3 350	3 350	3 350	5 400	5 648	5 903
Economic and environmental services		–	–	–	–	–	–	–	–	–	–
Planning and development Road transport Environmental protection		**140**	**198**	**549**	**12 400**	**12 400**	**12 400**	**12 400**	**650**	**680**	**710**
		140	90	369	4 900	847	847	847	–	–	–
Trading services Energy sources Water management		–	108	180	4 000	953	953	953	250	261	273
Waste water management Waste management		–	–	–	3 500	10 600	10 600	10 600	400	418	437
Other		–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–
		53 058	**37 506**	**41 054**	**61 105**	**59 923**	**59 923**	**59 923**	**44 473**	**46 542**	**50 338**
		940	4 197	25	1150	1650	1650	1650	1400	1464	1530
		52 118	33 309	41029	59 955	58 273	58 273	58 273	43 073	45 077	48 808
		–	–	–	–	–	–	–	–	–	–
		8 737	**20 631**	**16 621**	**57 059**	**53 159**	**53 159**	**53 159**	**17 194**	**22 393**	**24 591**
		5 931	8 120	16 621	54 059	51659	51659	51659	12 994	18 000	20 000
		–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–
		2 806	12 511	–	3 000	1500	1500	1500	4 200	4 393	4 591
		–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional	3	**71 341**	**69 090**	**68 676**	**133 614**	**129 664**	**129 664**	**129 664**	**68 017**	**75 577**	**81 870**
Funded by:											
National Government Provincial Government District Municipality		32 651	27 066	53 459	69 102	60 620	60 620	60 620	56 067	63 077	68 808
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		14 212	(2 624)	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	4	**46 863**	**24 442**	**53 459**	**69 102**	**60 620**	**60 620**	**60 620**	**56 067**	**63 077**	**68 808**
Borrowing	6	–	–	(455)	30 000	30 000	30 000	30 000	–	–	–
Internally generated funds		21402	26 389	4 791	34 512	39 044	39 044	39 044	11950	12 500	13 062
Total Capital Funding	7	**68 265**	**50 831**	**57 796**	**133 614**	**129 664**	**129 664**	**129 664**	**68 017**	**75 577**	**81 870**

Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

1. 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.

2. Single-year capital expenditure has been appropriated at R68 million for the budget year and R76 million and R81 million for the two outer years.

3. 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

EC141 Elundini - Table A6 Budgeted Financial Position

Description	###	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1	Budget Year +2
ASSETS											
Current assets											
Cash and cash equivalents		110 529	77 313	45 752	86 801	95 771	95 771	95 771	125 064	205 385	284 886
Trade and other receivables from exchange transactions	1	23 017	22 110	8 241	107 064	14 816	14 816	14 816	21095	22 066	23 074
Receivables from non-exchange transactions	1	4 068	16 516	21840	16 027	20 829	20 829	20 829	21850	22 855	23 906
Current portion of non-current receivables		–	–	–	–	–	–	–	–	–	–
Inventory	2	–	–	–	–	–	–	–	–	0	0
VAT		5 483	3 703	4 501	11 193	16 146	16 146	16 146	16 587	17 306	18 149
Other current assets		46	46	3 819	–	–	–	–	–	–	–
Total current assets		**143 142**	**119 688**	**84 153**	**221085**	**147 561**	**147 561**	**147 561**	**184 596**	**267 611**	**350 015**
Non current assets	3										
Investments		–	–	–	–	–	–	–	–	–	–
Investment property		45 107	44 628	44 149	–	46 798	46 798	46 798	46 798	48 951	51202
Property, plant and equipment		511052	540 185	554 843	79 037	587 019	587 019	587 019	598 042	625 552	654 328
Biological assets		–	–	–	–	–	–	–	–	–	–
Living and non-living resources		–	–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–	–
Intangible assets		2	1	430	12	456	456	456	473	495	518
Trade and other receivables from exchange transactions		–	–	–	–	–	–	–	–	–	–
Non-current receivables from non-exchange transactions		–	40	931	–	–	–	–	–	–	–
Other non-current assets		–	–	–	–	–	–	–	–	–	–
Total non current assets		**556 162**	**584 854**	**600 353**	**79 049**	**634 273**	**634 273**	**634 273**	**645 314**	**674 998**	**706 048**
TOTAL ASSETS		**699 304**	**704 543**	**684 506**	**300 134**	**781835**	**781835**	**781835**	**829 910**	**942 609**	**1 056 063**
LIABILITIES											
Current liabilities											
Bank overdraft		–	–	–	–	–	–	–	–	–	–
Financial liabilities		270	147	0	–	–	–	–	13 785	14 419	15 096
Consumer deposits		656	590	500	–	424	424	424	424	444	464
Trade and other payables from exchange transactions	4	62 010	49 288	61523	34 810	57 270	57 270	57 270	92 048	95 941	100 751
Trade and other payables from non-exchange transactions	5	682	5 588	40	–	43	43	43	(1658)	(1756)	(1954)
Provision		24 831	40 934	16 685	42 953	27 391	27 391	27 391	33 781	35 335	36 960
VAT		(4 756)	(4 436)	(3 187)	7 819	8 073	8 073	8 073	5 553	5 808	6 069
Other current liabilities		3 197	2 019	2 477	–	–	–	–	–	–	–
Total current liabilities		**86 890**	**94 130**	**78 039**	**85 582**	**93 201**	**93 201**	**93 201**	**143 933**	**150 190**	**157 388**
Non current liabilities											
Financial liabilities	6	147	0	0	30 000	35 623	35 623	35 623	6 073	5 005	6 636
Provision	7	14 736	14 736	25 156	–	21958	21958	21958	24 468	25 594	26 771
Long term portion of trade payables		–	–	–	–	–	–	–	–	–	–
Other non-current liabilities		1434	1417	1387	49 151	8 901	8 901	8 901	24 468	25 594	26 771
Total non current liabilities		**16 317**	**16 153**	**26 543**	**79 151**	**66 482**	**66 482**	**66 482**	**55 009**	**56 192**	**60 178**
TOTAL LIABILITIES		**103 208**	**110 283**	**104 582**	**164 733**	**159 682**	**159 682**	**159 682**	**198 942**	**206 382**	**217 566**
NET ASSETS		**596 096**	**594 260**	**579 924**	**135 401**	**622 152**	**622 152**	**622 152**	**630 968**	**736 227**	**838 497**
COMMUNITY WEALTH/EQUITY											
Accumulated surplus/(deficit)	8	596 096	596 139	579 924	135 401	622 152	622 152	622 152	668 753	760 021	863 268
Reserves and funds	9	–	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	10	**596 096**	**596 139**	**579 924**	**135 401**	**622 152**	**622 152**	**622 152**	**668 753**	**760 021**	**863 268**

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.

Description R thousand	## #	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1	Budget Year +2
CASH FLOW FROM OPERATING ACTIVITIES									29 686	31051	32 449
Receipts									39 308	41 116	42 966
Property rates Service charges Other revenue		–	–	6 697	30 514	26 504	26 504	26 504	180 586	193 408	217 788
Transfers and Subsidies - Operational Transfers and		18 604	21408	18 182	51004	34 472	34 472	34 472	211061	202 506	196 307
Subsidies - Capital Interest		21522	34 775	20 818	134 893	129 392	129 392	129 392	56 067	63 077	68 808
Dividends		197 485	176 347	185 081	202 177	202 042	202 042	202 042	5 661	5 922	6 188
Payments	1	11602	60 771	55 075	69 102	60 620	60 620	60 620	–	–	–
Suppliers and employees Interest	1	–	114	368	5 397	5 397	5 397	5 397	(369 617)	(375 509)	(392 395)
Transfers and Subsidies	1	–	–	–	–	–	–	–	(5 966)	(6 241)	(6 522)
									–	–	–
		(33 224)	(173 625)	(145 384)	(342 709)	(328 988)	(328 988)	(328 988)			
		–	–	–	(65)	(5 688)	(5 688)	(5 688)			
		–	–	–	(12 090)	(7 639)	(7 639)	(7 639)			
NET CASH FROM/(USED) OPERATING		**215 989**	**119 791**	**140 837**	**138 223**	**116 111**	**116 111**	**116 111**	**146 787**	**155 330**	**165 590**
CASH FLOWS FROM INVESTING ACTIVITIES									542	567	593
Receipts									–	–	–
Proceeds on disposal of PPE VAT Control (receipts)									–	–	–
Decrease (increase) in non-current receivables Decrease		–	–	–	517	517	517	517	–	–	–
(increase) in non-current investments		–	–	–	–	–	–	–	(68 017)	(75 577)	(81870)
Payments		–	40	931	–	–	–	–			
Capital assets		–	–	–	–	–	–	–			
		(71901)	(70 750)	(74 761)	(133 614)	(129 664)	(129 664)	(129 664)			
NET CASH FROM/(USED) INVESTING		**(71 901)**	**(70 710)**	**(73 830)**	**(133 097)**	**(129 147)**	**(129 147)**	**(129 147)**	**(67 475)**	**(75 010)**	**(81 278)**
CASH FLOWS FROM FINANCING ACTIVITIES									–	–	–
Receipts									–	–	–
Short term loans									–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		–	–	–	30 000	30 000	30 000	30 000			
Payments		–	–	–	–	–	–	–			
Repayment of borrowing											
		–	–	–	–	–	–	–			
NET CASH FROM/(USED) FINANCING		**–**	**–**	**–**	**30 000**	**30 000**	**30 000**	**30 000**	**–**	**–**	**–**
NET INCREASE/ (DECREASE) IN CASH HELD		**144 088**	**49 081**	**67 007**	**35 126**	**16 964**	**16 964**	**16 964**	**79 312**	**80 320**	**84 312**
Cash/cash equivalents at the year begin: Cash/cash	2								**–**	**79 312**	**159 632**
equivalents at the year end:	2	**–**	**110 529**	**77 313**	**51 674**	**78 807**	**78 807**	**78 807**	**79 312**	**159 632**	**243 945**
		144 088	**159 610**	**144 321**	**86 801**	**95 771**	**95 771**	**95 771**			

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.

Description R thousand	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1	Budget Year +2
Cash and investments available Cash/cash equivalents at the year end Other	1	144 088	159 610	144 321	86 801	95 771	95 771	95 771	79 312	159 632	243 945
current investments > 90 days	1	(33 559)	(82 297)	(98 568)	–	–	–	–	45 752	45 752	40 941
Non current Investments		–	–	–	–	–	–	–	–	–	–
Cash and investments available:		**110 529**	**77 313**	**45 752**	**86 801**	**95 771**	**95 771**	**95 771**	**125 064**	**205 385**	**284 886**
Application of cash and investments Unspent conditional transfers Unspent borrowing		682	5 588	40	–	43	43	43	(1658)	(1756)	(1954)
Statutory requirements		–	–	–	–	–	–	–	–	–	–
Other working capital requirements Other provisions	2										
Long term investments committed	3	(69 842)	(84 578)	(104 435)	(3 374)	(8 073)	(8 073)	(8 073)	(11035)	(11498)	(12 080)
Reserves to be backed by cash/investments	4	48 254	20 062	42 874	(96 346)	23 367	23 367	23 367	44 369	46 223	48 975
	5	28 028	42 953	19 162	42 953	27 391	27 391	27 391	33 781	35 335	36 960
		–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–
Total Application of cash and investments:		**7 123**	**(15 975)**	**(42 358)**	**(56 767)**	**42 727**	**42 727**	**42 727**	**65 458**	**68 304**	**71902**
Surplus(shortfall) - Excluding Non-Current Creditors Trf to Debt Relief		**103 407**	**93 288**	**88 110**	**143 568**	**53 043**	**53 043**	**53 043**	**59 607**	**137 081**	**212 984**
Creditors transferred to Debt Relief - Non-Current portion		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Surplus(shortfall) - Including Non-Current Creditors Trf to Debt Relief Benefits		**103 407**	**93 288**	**88 110**	**143 568**	**53 043**	**53 043**	**53 043**	**59 607**	**137 081**	**212 984**

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).

Description R thousand	## ##	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1	Budget Year +2
CAPITAL EXPENDITURE										
Total New Assets	1	71 341	69 090	49 166	129 614	127 968	127 968	66 517	74 008	80 231
Roads Infrastructure		49 746	26 604	34 615	51343	47 114	47 114	41573	43 508	47 169
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		5 699	8 120	16 038	53 459	50 939	50 939	12 994	18 000	20 000
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	11994	–	–	–	–	2 100	2 197	2 295
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		55 445	46 719	50 654	104 802	98 053	98 053	56 667	63 705	69 464
Community Facilities		–	4 055	(11 350)	1000	9 900	9 900	1250	1307	1366
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Community Assets		–	4 055	(11 350)	1 000	9 900	9 900	1 250	1 307	1 366
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		11 939	12 370	4 198	6 927	8 330	8 330	250	261	273
Housing		–	–	–	–	1500	1500	–	–	–
Other Assets		11 939	12 370	4 198	6 927	9 830	9 830	250	261	273
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		2 654	984	2 178	2 180	1 947	1 947	2 000	2 092	2 186
Furniture and Office Equipment		569	831	495	5 600	2 082	2 082	1 000	1 046	1 093
Machinery and Equipment		1	2 979	1 227	606	480	480	2 500	2 615	2 733
Transport Assets		733	1 152	1 764	8 500	5 676	5 676	2 850	2 981	3 115
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Mature		–	-	-	-	-	-	-	-	-
Immature		–	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	2	–	(1)	111	6 750	(1 600)	(1 600)	1 589	21	7 389
Roads Infrastructure		–	–	112	6 750	(1600)	(1600)	1589	21	7 389
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		–	–	112	6 750	(1 600)	(1 600)	1 589	21	7 389
Community Facilities		–	(1)	(1)	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Community Assets		–	(1)	(1)	–	–	–	–	–	–
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	**(133)**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Roads Infrastructure		(133)	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		***(133)***	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Community Facilities		–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Community Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Heritage Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Biological or Cultivated Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Computer Equipment		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Furniture and Office Equipment		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Machinery and Equipment		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Transport Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Land		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Zoo's, Marine and Non-biological Animals		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Mature		–	-	-	-	-	-	-	-	-
Immature		–	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4	**71 208**	**69 089**	**49 277**	**136 364**	**126 368**	**126 368**	**68 106**	**74 029**	**87 620**
Roads Infrastructure		49 613	26 604	34 727	58 093	45 514	45 514	43 162	43 529	54 557
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		5 699	8 120	16 038	53 459	50 939	50 939	12 994	18 000	20 000
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	11 994	–	–	–	–	2 100	2 197	2 295
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		***55 312***	***46 719***	***50 765***	***111 552***	***96 453***	***96 453***	***58 256***	***63 726***	***76 853***
Community Facilities		–	4 054	(11 350)	1000	9 900	9 900	1250	1307	1366
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Community Assets		**–**	***4 054***	***(11 350)***	***1 000***	***9 900***	***9 900***	***1 250***	***1 307***	***1 366***
Heritage Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		11 939	12 370	4 198	6 927	8 330	8 330	250	261	273
Housing		–	–	–	–	1500	1500	–	–	–
Other Assets		***11 939***	***12 370***	***4 198***	***6 927***	***9 830***	***9 830***	***250***	***261***	***273***
Biological or Cultivated Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Computer Equipment		**2 654**	**984**	**2 178**	**2 180**	**1 947**	**1 947**	**2 000**	**2 092**	**2 186**
Furniture and Office Equipment		**569**	**831**	**495**	**5 600**	**2 082**	**2 082**	**1 000**	**1 046**	**1 093**
Machinery and Equipment		**1**	**2 979**	**1 227**	**606**	**480**	**480**	**2 500**	**2 615**	**2 733**
Transport Assets		**733**	**1 152**	**1 764**	**8 500**	**5 676**	**5 676**	**2 850**	**2 981**	**3 115**
Land		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Zoo's, Marine and Non-biological Animals		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Mature		–	-	-	-	-	-	-	-	-
Immature		–	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		**71 208**	**69 089**	**49 277**	**136 364**	**126 368**	**126 368**	**68 106**	**74 029**	**87 620**

EC141 Elundini - Supporting Table SA1 Supportinging detail to 'Budgeted Financial Performance'

Description R thousand	## #	2020/21 Audited Outcome	2021/22 Audited Outcome	2022/23 Audited Outcome	Current Year 2023/24 Original Budget	 Adjusted Budget	 Full Year Forecast	 Pre-audit outcome	2024/25 Medium Term Revenue & Expenditure Framework Budget Year 2024/25	 Budget Year +1 2025/26	 Budget Year +2 2026/27
REVENUE ITEMS:											
Non-exchange revenue by source Exchange Revenue	6										
Total Property Rates		31392	26 482	27 909	35 898	31443	31443	31443	32 984	34 502	36 054
Less Revenue Foregone ***(exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)***		–	–	–	–	–	–	–	2 239	2 342	2 447
Net Property Rates		**31392**	**26 482**	**27 909**	**35 898**	**31443**	**31443**	**31443**	**30 745**	**32 160**	**33 607**
Exchange revenue service charges Service charges - Electricity	6										
Total Service charges - Electricity		36 769	39 535	36 524	53 136	33 944	33 944	33 944	35 554	37 190	38 863
Less Revenue Foregone ***(in excess of 50 kwh per indigent household per month)***		–	–	12	4 967	1166	1166	1166	–	0	(6)
Less Cost of Free Basis Services (50 kwh per indigent household per month)		–	–	–	–	–	–		5 905	6 177	6 461
Net Service charges - Electricity		**36 769**	**39 535**	**36 511**	**48 169**	**32 778**	**32 778**	**32 778**	**29 649**	**31 013**	**32 408**
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		5	14	10					–	–	–
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		**5**	**14**	**10**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Service charges - Waste Management	6										
Total refuse removal revenue		857	936	1140	6 920	7 742	7 742	7 742	8 121	8 495	8 877
Total landfill revenue									–	–	–
Less Revenue Foregone ***(in excess of one removal a week to indigent households)***		–	–	–	2 964	718	718	718	0	0	(1)
Less Cost of Free Basis Services (removed once a week to indigent households)		–	–	–	–	–	–		753	788	824
Net Service charges - Waste Management		**857**	**936**	**1 140**	**3 957**	**7 024**	**7 024**	**7 024**	**7 368**	**7 707**	**8 054**
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages Pension and UIF Contributions	2	74 612	77 174	82 209	95 149	93 802	93 802	93 802	101644	105 004	109 731
Medical Aid Contributions Overtime		13 197	13 984	14 892	29 241	29 280	29 280	29 280	31534	32 985	34 469
Performance Bonus Motor Vehicle Allowance Cellphone		5 109	5 275	5 747	12 463	12 463	12 463	12 463	13 422	14 040	14 672
Allowance Housing Allowances		3 180	4 130	4 395	4 885	3 785	3 785	3 785	4 077	4 264	4 456
Other benefits and allowances Payments in lieu of leave		3 802	7 250	9 042	6 955	6 955	6 955	6 955	7 487	7 832	8 184
Long service awards		1218	852	3 787	2 761	2 761	2 761	2 761	2 973	3 110	3 250
Post-retirement benefit obligations Entertainment		322	106	192	–	–	–	–			
Scarcity		96	130	141	414	414	414	414	446	467	488
Acting and post related allowance In kind benefits		1659	1911	1035	1820	1820	1820	1820	1963	2 051	2 143
Less: Employees costs capitalised to PPE		1521	2 186	1460	129	129	129	129	138	145	151
Total Employee related costs		940	911	999	515	515	515	515	555	580	606
	4	(244)	(155)	(839)	–	–	–	–			
		–	–	–	–	–	–	–			
		270	197	177	216	216	216	216	232	243	254
		485	833	1068	392	442	442	442	476	498	520
		–	–	225	56	56	56	56	61	64	66
	5	**106 167**	**114 782**	**124 528**	**154 996**	**152 639**	**152 639**	**152 639**	**165 009**	**171 281**	**178 990**
		–	–	–	–	–	–	–			
sub-total	1	**106 167**	**114 782**	**124 528**	**154 996**	**152 639**	**152 639**	**152 639**	**165 009**	**171 281**	**178 990**

EC141 Elundini - Supporting Table SA1 Supportinging detail to 'Budgeted Financial Performance'

Description R thousand	###	2020/21 Audited Outcome	2021/22 Audited Outcome	2022/23 Audited Outcome	Current Year 2023/24 Original Budget	Current Year 2023/24 Adjusted Budget	Current Year 2023/24 Full Year Forecast	Current Year 2023/24 Pre-audit outcome	2024/25 Medium Term Revenue & Expenditure Framework Budget Year 2024/25	2024/25 Medium Term Revenue & Expenditure Framework Budget Year +1 2025/26	2024/25 Medium Term Revenue & Expenditure Framework Budget Year +2 2026/27
REVENUE ITEMS: **Non-exchange revenue by source Exchange Revenue**	6										
Total Property Rates		31392	26 482	27 909	35 898	31443	31443	31443	32 984	34 502	36 054
Less Revenue Foregone ***(exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)***		–	–	–	–	–	–	–	2 239	2 342	2 447
Net Property Rates		**31 392**	**26 482**	**27 909**	**35 898**	**31 443**	**31 443**	**31 443**	**30 745**	**32 160**	**33 607**
Exchange revenue service charges Service charges - Electricity	6										
Total Service charges - Electricity		36 769	39 535	36 524	53 136	33 944	33 944	33 944	35 554	37 190	38 863
Less Revenue Foregone ***(in excess of 50 kwh per indigent household per month)***		–	–	12	4 967	1166	1166	1166	–	0	(6)
Less Cost of Free Basis Services (50 kwh per indigent household per month)		–	–	–	–	–	–		5 905	6 177	6 461
Net Service charges - Electricity		**36 769**	**39 535**	**36 511**	**48 169**	**32 778**	**32 778**	**32 778**	**29 649**	**31 013**	**32 408**
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		5	14	10					–	–	–
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		**5**	**14**	**10**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Service charges - Waste Management	6										
Total refuse removal revenue		857	936	1140	6 920	7 742	7 742	7 742	8 121	8 495	8 877
Total landfill revenue									–	–	–
Less Revenue Foregone ***(in excess of one removal a week to indigent households)***		–	–	–	2 964	718	718	718	0	0	(1)
Less Cost of Free Basis Services (removed once a week to indigent households)		–	–	–	–	–	–		753	788	824
Net Service charges - Waste Management		**857**	**936**	**1 140**	**3 957**	**7 024**	**7 024**	**7 024**	**7 368**	**7 707**	**8 054**
EXPENDITURE ITEMS: **Employee related costs**											
Basic Salaries and Wages Pension and UIF Contributions	2	74 612	77 174	82 209	95 149	93 802	93 802	93 802	101644	105 004	109 731
Medical Aid Contributions Overtime		13 197	13 984	14 892	29 241	29 280	29 280	29 280	31534	32 985	34 469
Performance Bonus Motor Vehicle Allowance Cellphone		5 109	5 275	5 747	12 463	12 463	12 463	12 463	13 422	14 040	14 672
Allowance Housing Allowances		3 180	4 130	4 395	4 885	3 785	3 785	3 785	4 077	4 264	4 456
Other benefits and allowances Payments in lieu of leave		3 802	7 250	9 042	6 955	6 955	6 955	6 955	7 487	7 832	8 184
Long service awards		1218	852	3 787	2 761	2 761	2 761	2 761	2 973	3 110	3 250
Post-retirement benefit obligations Entertainment		322	106	192	–	–	–	–			
Scarcity		96	130	141	414	414	414	414	446	467	488
Acting and post related allowance In kind benefits		1659	1911	1035	1820	1820	1820	1820	1963	2 051	2 143
Less: Employees costs capitalised to PPE		1521	2 186	1460	129	129	129	129	138	145	151
Total Employee related costs		940	911	999	515	515	515	515	555	580	606
	4	(244)	(155)	(839)	–	–	–	–			
		–	–	–	–	–	–	–			
		270	197	177	216	216	216	216	232	243	254
		485	833	1068	392	442	442	442	476	498	520
		–	–	225	56	56	56	56	61	64	66
	5	**106 167**	**114 782**	**124 528**	**154 996**	**152 639**	**152 639**	**152 639**	**165 009**	**171 281**	**178 990**
		–	–	–	–	–	–	–			
sub-total	1	**106 167**	**114 782**	**124 528**	**154 996**	**152 639**	**152 639**	**152 639**	**165 009**	**171 281**	**178 990**

EC141 Elundini - Supporting Table SA3 Supporting detail to Budgeted Financial Position

ELM INTERGRATED DEVELOPMENT PLAN AND BUDGET 2024-2025

Strategic Objective R thousand	Goal	Goal Code	Ref	2020/21 Audited Outcome	2021/22 Audited Outcome	2022/23 Audited Outcome	Current Year 2023/24 Original Budget	Adjusted Budget	Full Year Forecast	2024/25 Medium Term Revenue & Expenditure Framework Budget Year 2024/25	Budget Year +1	Budget Year +2
Good governance										–	–	–
Financial Viability										246 585	423 898	404 369
Local Economic development										3 068	3 210	3 444
Basic service delivery										253 602	92 618	138 180
Municipal Transformation										–	–	–
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and			1	–	–	–	–	–	–	503 255	519 726	545 993

Strategic Objective R thousand	Goal	Goal Code	Ref	2020/21 Audited Outcome	2021/22 Audited Outcome	2022/23 Audited Outcome	Current Year 2023/24 Original Budget	Adjusted Budget	Full Year Forecast	2024/25 Medium Term Revenue & Expenditure Framework Budget Year 2024/25	Budget Year +1	Budget Year +2
Good governance										–	–	–
Financial Viability										246 585	423 898	404 369
Local Economic development										3 068	3 210	3 444
Basic service delivery										253 602	92 618	69 372
Municipal Transformation										–	–	–
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and			1	–	–	–	–	–	–	503 255	519 726	477 185

EC141 Elundini - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective R thousand	Goal	Goal Code	Ref	2020/21 Audited Outcome	2021/22 Audited Outcome	2022/23 Audited Outcome	Current Year 2023/24 Original Budget	Adjusted Budget	Full Year Forecast	2024/25 Medium Term Revenue & Expenditure Framework Budget Year 2024/25	Budget Year +1	Budget Year +2
Good governance		A								300	314	328
Financial Viability		B								5 400	5 648	5 903
Local Economic development		C								1400	1464	1530
Basic service delivery		D								55 517	62 663	68 201
Municipal Transformation		E								5 400	5 468	5 908
Allocations to other priorities			3									
Total Capital Expenditure			1	–	–	–	–	–	–	68 017	75 557	81 870

EC141 Elundini - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Borrowing Management											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing	0.0%	0.0%	0.0%	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	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity											
Current Ratio	Current assets/current liabilities	16	13	11	2.6	16	16	16	15	2.0	2.4
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current	16	13	11	2.6	16	16	16	15	2.0	2.4
Liquidity Ratio	Monetary Assets/Current Liabilities	15	11	0.7	2.3	12	12	12	12	17	2.1
Revenue Management											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors >										
Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within`MFMA' s 65(e))										
Creditors to Cash and Investments		0.0%	44.6%	79.6%	67.4%	72.7%	72.7%	72.7%	188.3%	718%	47.0%
Other Indicators											
	Total Volume Losses (kW) technical										
	Total Volume Losses (kW) non technical										
Electricity Distribution Losses (2)	Total Cost of Losses (Rand '000)										
	% Volume (units purchased and generated less units sold)/units purchased and generated										
	Bulk Purchase										
Water Volumes :System input	Water treatment works										
	Natural sources										
	Total Volume Losses (kℓ)										
	Total Cost of Losses (Rand '000)										
Water Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated										
Employee costs Remuneration	Employee costs/(Total Revenue - capital Total	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Repairs & Maintenance	remuneration/(Total Revenue - capital	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Finance charges & Depreciation	R&M/(Total Revenue excluding capital	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
IDP regulation financial viability indicators	FC&D/(Total Revenue - capital revenue)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
i. Debt coverage	(Total Operating Revenue - Operating Total	2 592.3	720.7	52.1	76.9	76.3	76.3	72.8	76.0	74.0	0.0%
ii.O/S Service Debtors to Revenue	outstanding service debtors/annual	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
iii. Cost coverage	(Available cash + Investments)/monthly fixed	–	–	–	–	–	–	–	–	–	
											– –

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	2020/21 Outcome	2021/22 Outcome	2022/23 Outcome	Current Year 2023/24 Original Budget	2024/25 Medium Term Revenue & Expenditure Framework Outcome	Outcome	Outcome
Demographics												
Population		Census / Mid-year estimates						16	16	16	16	16
Females aged 5 - 14		Census / Mid-year estimates						17	17	17	17	17
Males aged 5 - 14		Census / Mid-year estimates						22	22	22	22	22
Females aged 15 - 34		Census / Mid-year estimates						23	23	23	23	23
Males aged 15 - 34		Census / Mid-year estimates						11	11	11	11	11
Unemployment		Census / Mid-year estimates										
Monthly household income (no. of households)	1, 12											
No income								6 391	6 391	6 391	6 391	6 391
R1 - R1 600		Census / Mid-year estimates										
R1 601 - R3 200		Census / Mid-year estimates										
R3 201 - R6 400		Census / Mid-year estimates										
R6 401 - R12 800		Census / Mid-year estimates										
R12 801 - R25 600		Census / Mid-year estimates										
R25 601 - R51 200		Census / Mid-year estimates										
R52 201 - R102 400		Census / Mid-year estimates										
R102 401 - R204 800		Census / Mid-year estimates										
R204 801 - R409 600		Census / Mid-year estimates										
R409 601 - R819 200		Census / Mid-year estimates										
> R819 200		Census / Mid-year estimates										
Poverty profiles (no. of households)												
< R5 500 per household per month	13											
Insert description	2											
Household/ demographics (000)												
Number of people in municipal area		Census / Mid-year estimates										
Number of poor people in municipal area		Census / Mid-year estimates										
Number of households in municipal area		Census / Mid-year estimates										
Number of poor households in municipal area		Census / Mid-year estimates										
Definition of poor household (R per month)												
Housing statistics	3											
Formal		Census / Mid-year estimates										
Informal		Census / Mid-year estimates										
Total number of households			-	-	-							
Dwellings provided by municipality Dwellings provided by province/s	4 5											
Dwellings provided by private sector												
Total new housing dwellings			-	-	-							
Economic	6											
Inflation/ inflation outlook (CPIX) Interest rate - borrowing Interest rate - investment Remuneration increases Consumption growth (electricity) Consumption growth (water)												
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.		2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year	Budget Year	Budget Year
		Household service targets (000)									
		***Water*:**									
		Piped water inside dwelling	–	–	–	–	–	–	–	–	–
		Piped water inside yard (but not in dwelling)	–	–	–	–	–	–	–	–	–
		Using public tap (at least min.service level)	–	–	–	–	–	–	–	–	–
		Other water supply (at least min.service level)	–	–	–	–	–	–	–	–	–
	8	*Minimum Service Level and Above sub-total*	–	–	–	–	–	–	–	–	–
	10	Using public tap (< min.service level)	–	–	–	–	–	–	–	–	–
		Other water supply (< min.service level)	–	–	–	–	–	–	–	–	–
		No water supply	–	–	–	–	–	–	–	–	–
	9	*Below Minimum Service Level sub-total*	–	–	–	–	–	–	–	–	–
	10	**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	–	–	–	–	–	–	–	–	–

Municipal in-house services	Ref.		2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year	Budget Year	Budget Year
		Household service targets (000)									
		***Water*:**									
		Piped water inside dwelling									
		Piped water inside yard (but not in dwelling)									
		Using public tap (at least min.service level)									
		Other water supply (at least min.service level)									
	8	*Minimum Service Level and Above sub-total*									
	10	Using public tap (< min.service level)									
		Other water supply (< min.service level)									
		No water supply									
	9	*Below Minimum Service Level sub-total*									
	10	**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	–	–	–	–	–	–	–	–	–

Detail on the provision of municipal services for A10

Total municipal services	Ref.		2020/21 Outcome	2021/22 Outcome	2022/23 Outcome	Current Year 2023/24 Original Budget	Current Year 2023/24 Adjusted Budget	Current Year 2023/24 Full Year Forecast	2024/25 Medium Term Revenue & Expenditure Framework Budget Year	Budget Year	Budget Year
		Household service targets (000)									
		***Water*:**									
		Piped water inside dwelling	–	–	–	–	–	–	–	–	–
		Piped water inside yard (but not in dwelling) Using public tap (at least min.service level) Other water supply (at least min.service level)	–	–	–	–	–	–	–	–	–
	8	*Minimum Service Level and Above sub-total*	–	–	–	–	–	–	–	–	–
	10	Using public tap (< min.service level) Other water supply (< min.service level) No water supply	–	–	–	–	–	–	–	–	–
	9	*Below Minimum Service Level sub-total* **Total number of households**	–	–	–	–	–	–	–	–	–
	10	***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	–	–	–	–	–	–	–	–	–

Municipal in-house services	Ref.		2020/21 Outcome	2021/22 Outcome	2022/23 Outcome	Current Year 2023/24 Original Budget	Current Year 2023/24 Adjusted Budget	Current Year 2023/24 Full Year Forecast	2024/25 Medium Term Revenue & Expenditure Framework Budget Year	Budget Year	Budget Year
		Household service targets (000)									
		***Water*:**									
		Piped water inside dwelling									
		Piped water inside yard (but not in dwelling) Using public tap (at least min.service level) Other water supply (at least min.service level)									
	8	*Minimum Service Level and Above sub-total*									
	10	Using public tap (< min.service level) Other water supply (< min.service level) No water supply									
	9	*Below Minimum Service Level sub-total* **Total number of households**									
	10	***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									

0 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	Full Year	Pre-audit	Budget Year	Budget Year	Budget Year
Funding measures												
Cash/cash equivalents at the year beg - R'000	18(1)b	1	–	110 529	77 313	51 674	78 807	78 807	78 807	45 752	125 064	200 573
Cash + investments at the yr end less applications - R'000	18(1)b	2	89 651	64 062	69 461	12 412	19 140	19 140	19 140	16 126	86 922	145 477
Cash year end/monthly employee/supplier payments	18(1)b	3	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	62 530	(8 916)	(12 732)	69 100	60 620	60 620	60 620	56 068	58 266	48 630
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	(9.0%)	(8.1%)	28.2%	(25.1%)	(6.0%)	(6.0%)	(10.9%)	(1.4%)	(1.5%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	14.2%	23.1%	17.2%	22.9%	19.2%	19.2%	19.2%	101.8%	101.8%	101.8%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	0.0%	0.0%	0.0%	7.6%	0.0%	0.0%	0.0%	6.2%	6.2%	6.2%
Capital payments % of capital expenditure	18(1)c;19	8	0.0%	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%	0.0%	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.	42.6%	(22.1%)	309.2%	(71.0%)	0.0%	0.0%	20.5%	4.6%	4.6%
Long term receivables % change - incr (decr)	18(1)a	12	N.A.	0.0%	2201.5%	(100.0%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	0.9%	2.5%	1.5%	(482.0%)	3.0%	3.0%	4.7%	4.6%	5.2%	0.0%
Asset renewal % of capital budget	20(1)(vi)	14	0.0%	(0.0%)	0.2%	5.1%	(1.2%)	(1.2%)	0.0%	2.3%	0.0%	9.0%

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

Description	MFMA section	Ref	2019/20	2020/21	2021/22	Original Budget	Adjusted	Full Year	Pre-audit	Budget Year	Budget Year	Budget Year
Supporting indicators												
% incr *total service charges (incl prop rates)*	18(1)a		0.0%	(3.0%)	(2.1%)	34.2%	(19.1%)	0.0%	0.0%	(4.9%)	4.6%	4.5%
% incr Property Tax	18(1)a		0.0%	(15.6%)	5.4%	28.6%	(12.4%)	0.0%	0.0%	(2.2%)	4.6%	4.5%
% incr Service charges - Electricity	18(1)a		0.0%	7.5%	(7.6%)	31.9%	(32.0%)	0.0%	0.0%	(9.5%)	4.6%	4.5%
% 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%	0.0%
% incr Service charges - Waste Water Management	18(1)a		0.0%	180.5%	(27.5%)	(100.0%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% incr Service charges - Waste Management	18(1)a		0.0%	9.3%	21.8%	247.0%	77.5%	0.0%	0.0%	4.9%	4.6%	4.5%
% 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%	0.0%
Total billable revenue	18(1)a		69 023	66 967	65 571	88 024	71 246	71 246	71 246	67 762	70 879	74 069
Service charges			69 023	66 967	65 571	88 024	71 246	71 246	71 246	67 762	70 879	74 069
Property rates			31 392	26 482	27 909	35 898	31 443	31 443	31 443	30 745	32 160	33 607
Service charges - electricity revenue			36 769	39 535	36 511	48 169	32 778	32 778	32 778	29 649	31 013	32 408
Service charges - water revenue			–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue			5	14	10	–	–	–	–	–	–	–
Service charges - refuse removal			857	936	1 140	3 957	7 024	7 024	7 024	7 368	7 707	8 054
Agency services			–	–	–	624	624	624	624	654	684	715
Capital expenditure excluding capital grant funding			24 478	44 648	15 217	64 512	69 044	69 044	69 044	11 950	12 500	13 062
Cash receipts from ratepayers	18(1)a		40 126	56 183	45 697	216 411	190 368	190 368	190 368	236 479	247 357	258 653
Ratepayer & Other revenue	18(1)a		282 136	242 996	265 707	946 001	989 863	989 863	989 863	232 195	242 876	253 970
Change in consumer debtors (current and non-current)			N/A	11 582	(7 655)	92 079	(87 446)	–	–	7 300	1 975	2 060
Operating and Capital Grant Revenue	18(1)a		267 739	228 065	244 947	271 279	262 662	262 662	262 662	263 566	267 337	266 947
Capital expenditure - total	20(1)(vi)		71 341	69 090	68 676	133 614	129 664	129 664	129 664	68 017	75 577	81 870
Capital expenditure - renewal	20(1)(vi)		–	(1)	111	6 750	(1 600)	(1 600)		1 589	21	7 389
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												
List operating grants												
										–	–	–
DoRA capital												
List capital grants												
										–	–	–
Trend Change in consumer debtors (current and non-current)			N/A	11 582	(7 655)	92 079	(87 446)	–	–	7 300	1 975	2 060
Total Operating Revenue			295 253	265 387	281 859	416 083	412 988	412 988	412 988	451 026	458 989	464 496
Total Operating Expenditure			295 818	328 029	353 944	416 084	412 988	412 988	412 988	451 025	463 800	484 673
Operating Performance Surplus/(Deficit)			(564)	(62 643)	(72 085)	(2)	0	0	0	1	(4 811)	(20 178)
Cash and Cash Equivalents (30 June 2012)										45 752		
Revenue												
% Increase in Total Operating Revenue				(10.1%)	6.2%	47.6%	(0.7%)	0.0%	0.0%	9.2%	1.8%	1.2%
% Increase in Property Rates Revenue				(15.6%)	5.4%	28.6%	(12.4%)	0.0%	0.0%	(2.2%)	4.6%	4.5%
% Increase in Electricity Revenue				7.5%	(7.6%)	31.9%	(32.0%)	0.0%	0.0%	(9.5%)	4.6%	4.5%
% Increase in Property Rates & Services Charges				(3.0%)	(2.1%)	34.2%	(19.1%)	0.0%	0.0%	(4.9%)	4.6%	4.5%
Expenditure												
% Increase in Total Operating Expenditure			0.0%	10.9%	7.9%	17.6%	(0.7%)	0.0%	0.0%	9.2%	2.8%	4.5%
% Increase in Employee Costs			0.0%	8.1%	8.5%	24.5%	(1.5%)	0.0%	0.0%	7.7%	3.8%	4.5%
% Increase in Electricity Bulk Purchases			0.0%	12.5%	(1.3%)	34.5%	(21.7%)	0.0%	0.0%	12.7%	4.6%	4.5%
Average Cost Per Budgeted Employee Position (Remuneration)			0	0	0	0	0	0	0	0	0	0
Average Cost Per Councillor (Remuneration)			0	0	0	0	0	0	0	0	0	0
R&M % of PPE			0.9%	2.5%	1.5%	(482.0%)	3.0%	3.0%	4.7%	4.7%	4.6%	5.2%
Asset Renewal and R&M as a % of PPE			0.9%	2.5%	1.5%	(695.3%)	2.7%	2.7%	5.0%	5.0%	4.6%	6.6%
Debt Impairment % of Total Billable Revenue			0.0%	0.0%	0.0%	7.6%	0.0%	0.0%	0.0%	6.2%	6.2%	6.2%
Capital Revenue												
Internally Funded & Other (R'000)			–	–	(455)	30 000	30 000	30 000	30 000	–	–	–
Borrowing (R'000)			–	–	–	–	–	–	–	–	–	–
Grant Funding and Other (R'000)			71 341	69 090	68 676	133 614	129 664	129 664	129 664	68 017	75 577	81 870
Internally Generated funds % of Non Grant Funding			(93.8%)	(57.2%)	(83.0%)	(100.0%)	(100.0%)	(100.0%)	(100.0%)	(100.0%)	(100.0%)	(100.0%)
Borrowing % of Non Grant Funding			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grant Funding % of Total Funding			333.3%	261.8%	1433.4%	387.2%	332.1%	332.1%	332.1%	569.2%	604.6%	626.8%
Capital Expenditure												
Total Capital Programme (R'000)			–	–	–	–	–	–	–	–	–	–
Asset Renewal			–	–	–	–	–	–	–	–	–	–
Asset Renewal % of Total Capital Expenditure			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Cash												
Cash Receipts % of Rate Payer & Other			14.2%	23.1%	17.2%	22.9%	19.2%	19.2%	19.2%	101.8%	101.8%	101.8%
Cash Coverage Ratio			–	–	–	–	–	–	–	–	–	–
Borrowing												
Most recent Credit Rating Capital Charges to Operating Borrowing Receipts % of Capital Expenditure			0.0% 0.0%	0.0% 0.0%	0.0% 0.0%	0.0% 0.0%	0.0% 0.0%	0.0% 0.0%	0.0% 0.0%	0 0.0% 0.0%	0.0% 0.0%	0.0% 0.0%
Reserves Uncommitted reserves after application of cash and			89 651	64 062	69 461	12 412	19 140	19 140	19 140	16 126	86 922	145 477
Free Services Free Basic Services as a % of Equitable Share (excl operational transfers)			0.0% 0.0%	0.0% 0.0%	0.0% 0.0%	0.0% 3.7%	0.0% 0.9%	0.0% 0.9%	0.0% 4.2%	0.0% 3.7%	0.0% 3.7%	0.0% 3.7%
High Level Outcome of Funding Compliance												
Total Operating Revenue			295 253	265 387	281 859	416 083	412 988	412 988	412 988	451 026	458 989	464 496
Total Operating Expenditure			295 818	328 029	353 944	416 084	412 988	412 988	412 988	451 025	463 800	484 673
Surplus/(Deficit) Budgeted Operating Statement			(564)	(62 643)	(72 085)	(2)	0	0	0	1	(4 811)	(20 178)
Surplus/(Deficit) Considering Reserves and Cash Backing			89 651	64 062	69 461	12 412	19 140	19 140	19 140	16 126	86 922	145 477
MTREF Funded (1) / Unfunded (0)		15	1	1	1	1	1	1	1	1	1	1
MTREF Funded ' / Unfunded '		15	ü	ü	ü	ü	ü	ü	ü	ü	ü	ü

References

15. Subject to figures provided in Schedule.

ELM INTERGRATED DEVELOPMENT PLAN AND BUDGET 2024-2025

Description	## #	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Valuation:	1									
Date of valuation:		0	0	0	0	0	0	0	0	0
Financial year valuation used		0	0	0	0	0	0	0	0	0
Municipal by-laws s6 in place? (Y/N)	2	0	0	0	0	0	0	0	0	0
Municipal/assistant valuer appointed? (Y/N)		0	0	0	0	0	0	0	0	0
Municipal partnership s38 used? (Y/N)		0	0	0	0	0	0	0	0	0
No. of assistant valuers (FTE)	3	0	0	0	0	0	0	0	0	0
No. of data collectors (FTE)	3	0	0	0	0	0	0	0	0	0
No. of internal valuers (FTE)	3	0	0	0	0	0	0	0	0	0
No. of external valuers (FTE)	3	0	0	0	0	0	0	0	0	0
No. of additional valuers (FTE)	4	0	0	0	0	0	0	0	0	0
Valuation appeal board established? (Y/N)		0	0	0	0	0	0	0	0	0
Implementation time of new valuation roll (mths)		0	0	0	0	0	0	0	0	0
No. of properties	5	0	0	0	0	0	0	0	0	0
No. of sectional title values	5	0	0	0	0	0	0	0	0	0
No. of unreasonably difficult properties s7(2)		0	0	0	0	0	0	0	0	0
No. of supplementary valuations		0	0	0	0	0	0	0	0	0
No. of valuation roll amendments		0	0	0	0	0	0	0	0	0
No. of objections by rate payers		0	0	0	0	0	0	0	0	0
No. of appeals by rate payers		0	0	0	0	0	0	0	0	0
No. of successful objections	8	0	0	0	0	0	0	0	0	0
No. of successful objections > 10%	8	0	0	0	0	0	0	0	0	0
Supplementary valuation		0	0	0	0	0	0	0	0	0
Public service infrastructure value (Rm)	5	0	0	0	0	0	0	0	0	0
Municipality owned property value (Rm)		0	0	0	0	0	0	0	0	0
Valuation reductions:										
Valuation reductions-public infrastructure (Rm)		0	0	0	0	0	0	0	0	0
Valuation reductions-nature reserves/park (Rm)		0	0	0	0	0	0	0	0	0
Valuation reductions-mineral rights (Rm)		0	0	0	0	0	0	0	0	0
Valuation reductions-R15,000 threshold (Rm)		0	0	0	0	0	0	0	0	0
Valuation reductions-public worship (Rm)		0	0	0	0	0	0	0	0	0
Valuation reductions-other (Rm)		0	0	0	0	0	0	0	0	0
Total valuation reductions:		–	–	–	–	–	–	–	–	–
Total value used for rating (Rm)	5	0	0	0	0	0	0	0	0	0
Total land value (Rm)	5	0	0	0	0	0	0	0	0	0
Total value of improvements (Rm)	5	0	0	0	0	0	0	0	0	0
Total market value (Rm)	5	0	0	0	0	0	0	0	0	0
Rating:										
Residential rate used to determine rate for other categories? (Y/N)		0	0	0	0	0	0	0	0	0
Differential rates used? (Y/N)	5	0	0	0	0	0	0	0	0	0
Limit on annual rate increase (s20)? (Y/N)		0	0	0	0	0	0	0	0	0
Special rating area used? (Y/N)		0	0	0	0	0	0	0	0	0
Phasing-in properties s21 (number)		0	0	0	0	0	0	0	0	0
Rates policy accompanying budget? (Y/N)		0	0	0	0	0	0	0	0	0
Fixed amount minimum value (R'000)		0	0	0	0	0	0	0	0	0
Non-residential prescribed ratio s19? (%)		0	0	0	0	0	0	0	0	0
Rate revenue:										
Rate revenue budget (R '000)	6	0	0	0	0	0	0	0	0	0
Rate revenue expected to collect (R'000)	6	0	0	0	0	0	0	0	0	0
Expected cash collection rate (%)		0	0	0	0	0	0	0	0	0
Special rating areas (R'000)	7	0	0	0	0	0	0	0	0	0
Rebates, exemptions - indigent (R'000)		0	0	0	0	0	0	0	0	0
Rebates, exemptions - pensioners (R'000)		0	0	0	0	0	0	0	0	0
Rebates, exemptions - bona fide farm. (R'000)		0	0	0	0	0	0	0	0	0
Rebates, exemptions - other (R'000)		0	0	0	0	0	0	0	0	0
Phase-in reductions/discounts (R'000)		0	0	0	0	0	0	0	0	0
Total rebates,exemptns,reductns,discs (R'000)		–	–	–	–	–	–	–	–	–

EC141 Elundini - Supporting Table SA12a Property rates by category (current year)

Description	###	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)
Current Year 2023/24												
Valuation:												
No. of properties		–	–	–	–	–	–	–	–	–	–	–
No. of sectional title property values		–	–	–	–	–	–	–	–	–	–	–
No. of unreasonably difficult properties s7(2)		–	–	–	–	–	–	–	–	–	–	–
No. of supplementary valuations		–	–	–	–	–	–	–	–	–	–	–
Supplementary valuation (Rm)		–	–	–	–	–	–	–	–	–	–	–
No. of valuation roll amendments		–	–	–	–	–	–	–	–	–	–	–
No. of objections by rate-payers		–	–	–	–	–	–	–	–	–	–	–
No. of appeals by rate-payers		–	–	–	–	–	–	–	–	–	–	–
No. of appeals by rate-payers finalised		–	–	–	–	–	–	–	–	–	–	–
No. of successful objections	5	–	–	–	–	–	–	–	–	–	–	–
No. of successful objections > 10%	5	–	–	–	–	–	–	–	–	–	–	–
Estimated no. of properties not valued		–	–	–	–	–	–	–	–	–	–	–
Years since last valuation **(select)**		–	–	–	–	–	–	–	–	–	–	–
Frequency of valuation **(select)**		–	–	–	–	–	–	–	–	–	–	–
Method of valuation used **(select)**		–	–	–	–	–	–	–	–	–	–	–
Base of valuation **(select)**		–	–	–	–	–	–	–	–	–	–	–
Phasing-in properties s21 (number)		–	–	–	–	–	–	–	–	–	–	–
Combination of rating types used? (Y/N)		–	–	–	–	–	–	–	–	–	–	–
Flat rate used? (Y/N)		–	–	–	–	–	–	–	–	–	–	–
Is balance rated by uniform rate/variable rate?		–	–	–	–	–	–	–	–	–	–	–
Valuation reductions:												
Valuation reductions-public infrastructure (Rm)		–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-nature reserves/park (Rm)		–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-mineral rights (Rm)		–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-R15,000 threshold (Rm)		–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-public worship (Rm)		–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-other (Rm)	2	–	–	–	–	–	–	–	–	–	–	–
Total valuation reductions:		–	–	–	–	–	–	–	–	–	–	–
Total value used for rating (Rm)	6											
Total land value (Rm)	6											
Total value of improvements (Rm)	6											
Total market value (Rm)	6											
Rating:												
Average rate	3	–	–	–	–	–	–	–	–	–	–	–
Rate revenue budget (R '000)		–	–	–	–	–	–	–	–	–	–	–
Rate revenue expected to collect (R'000)		–	–	–	–	–	–	–	–	–	–	–
Expected cash collection rate (%)	4	–	–	–	–	–	–	–	–	–	–	–
Special rating areas (R'000)		–	–	–	–	–	–	–	–	–	–	–
Rebates, exemptions - indigent (R'000)		–	–	–	–	–	–	–	–	–	–	–
Rebates, exemptions - pensioners (R'000)		–	–	–	–	–	–	–	–	–	–	–
Rebates, exemptions - bona fide farm. (R'000)		–	–	–	–	–	–	–	–	–	–	–
Rebates, exemptions - other (R'000)		–	–	–	–	–	–	–	–	–	–	–
Phase-in reductions/discounts (R'000)		–	–	–	–	–	–	–	–	–	–	–
Total rebates,exemptns,reductns,discs (R'000)		–	–	–	–	–	–	–	–	–	–	–

EC141 Elundini - Supporting Table SA12b Property rates by category (budget year)

Description	###	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)
Budget Year 2024/25												
Valuation:												
No. of properties		–	–	–	–	–	–	–	–	–	–	–
No. of sectional title property values		–	–	–	–	–	–	–	–	–	–	–
No. of unreasonably difficult properties s7(2)		–	–	–	–	–	–	–	–	–	–	–
No. of supplementary valuations		–	–	–	–	–	–	–	–	–	–	–
Supplementary valuation (Rm)		–	–	–	–	–	–	–	–	–	–	–
No. of valuation roll amendments		–	–	–	–	–	–	–	–	–	–	–
No. of objections by rate-payers		–	–	–	–	–	–	–	–	–	–	–
No. of appeals by rate-payers		–	–	–	–	–	–	–	–	–	–	–
No. of appeals by rate-payers finalised		–	–	–	–	–	–	–	–	–	–	–
No. of successful objections	5	–	–	–	–	–	–	–	–	–	–	–
No. of successful objections > 10%	5	–	–	–	–	–	–	–	–	–	–	–
Estimated no. of properties not valued		–	–	–	–	–	–	–	–	–	–	–
Years since last valuation **(select)**		–	–	–	–	–	–	–	–	–	–	–
Frequency of valuation **(select)**		–	–	–	–	–	–	–	–	–	–	–
Method of valuation used **(select)**		–	–	–	–	–	–	–	–	–	–	–
Base of valuation **(select)**		–	–	–	–	–	–	–	–	–	–	–
Phasing-in properties s21 (number)		–	–	–	–	–	–	–	–	–	–	–
Combination of rating types used? (Y/N)		–	–	–	–	–	–	–	–	–	–	–
Flat rate used? (Y/N)		–	–	–	–	–	–	–	–	–	–	–
Is balance rated by uniform rate/variable rate?		–	–	–	–	–	–	–	–	–	–	–
Valuation reductions:												
Valuation reductions-public infrastructure (Rm)		–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-nature reserves/park (Rm)		–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-mineral rights (Rm)		–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-R15,000 threshold (Rm)		–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-public worship (Rm)		–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-other (Rm)	2	–	–	–	–	–	–	–	–	–	–	–
Total valuation reductions:		–	–	–	–	–	–	–	–	–	–	–
Total value used for rating (Rm)	6	–	–	–	–	–	–	–	–	–	–	–
Total land value (Rm)	6	–	–	–	–	–	–	–	–	–	–	–
Total value of improvements (Rm)	6	–	–	–	–	–	–	–	–	–	–	–
Total market value (Rm)	**6**	–	–	–	–	–	–	–	–	–	–	–
Rating:												
Average rate	3	–	–	–	–	–	–	–	–	–	–	–
Rate revenue budget (R '000)		–	–	–	–	–	–	–	–	–	–	–
Rate revenue expected to collect (R'000)		–	–	–	–	–	–	–	–	–	–	–
Expected cash collection rate (%)	4	–	–	–	–	–	–	–	–	–	–	–
Special rating areas (R'000)		–	–	–	–	–	–	–	–	–	–	–
Rebates, exemptions - indigent (R'000)		–	–	–	–	–	–	–	–	–	–	–
Rebates, exemptions - pensioners (R'000)		–	–	–	–	–	–	–	–	–	–	–
Rebates, exemptions - bona fide farm. (R'000)		–	–	–	–	–	–	–	–	–	–	–
Rebates, exemptions - other (R'000)		–	–	–	–	–	–	–	–	–	–	–
Phase-in reductions/discounts (R'000)		–	–	–	–	–	–	–	–	–	–	–
Total rebates,exemptns,reductns,discs (R'000)		–	–	–	–	–	–	–	–	–	–	–

EC141 Elundini - Supporting Table SA13a Service Tariffs by category

Description	Ref	Provide description of tariff structure where appropriate	2020/21	2021/22	2022/23	Current Year 2023/24	2024/25 Medium Term Revenue & Expenditure Framework		
							Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Property rates *(rate in the Rand)*	1								
Residential properties			-	-	-	-	-	-	-
Residential properties - vacant land			-	-	-	-	-	-	-
Formal/informal settlements			-	-	-	-	-	-	-
Small holdings			-	-	-	-	-	-	-
Farm properties - used			-	-	-	-	-	-	-
Farm properties - not used			-	-	-	-	-	-	-
Industrial properties			-	-	-	-	-	-	-
Business and commercial properties			-	-	-	-	-	-	-
Communal land - residential			-	-	-	-	-	-	-
Communal land - small holdings			-	-	-	-	-	-	-
Communal land - farm property			-	-	-	-	-	-	-
Communal land - business and commercial			-	-	-	-	-	-	-
Communal land - other			-	-	-	-	-	-	-
State-owned properties			-	-	-	-	-	-	-
Municipal properties			-	-	-	-	-	-	-
Public service infrastructure			-	-	-	-	-	-	-
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			0	0	0	0	0	0	0
Indigent rebate or exemption			0	0	0	0	0	0	0
Pensioners/social grants rebate or exemption			0	0	0	0	0	0	0
Temporary relief rebate or exemption			0	0	0	0	0	0	0
Bona fide farmers rebate or exemption			0	0	0	0	0	0	0
Other rebates or exemptions	2		0	0	0	0	0	0	0
Water tariffs									
Domestic									
Basic charge/fixed fee *(Rands/month)*			0	0	0	0	0	0	0
Service point - vacant land *(Rands/month)*			0	0	0	0	0	0	0
Water usage - flat rate tariff *(c/kl)*			0	0	0	0	0	0	0
Water usage - life line tariff		(describe structure)	0	0	0	0	0	0	0
Water usage - Block 1(c/kl)		(fill in thresholds)	0	0	0	0	0	0	0
Water usage - Block 2 (c/kl)		(fill in thresholds)	0	0	0	0	0	0	0
Volumetric charge - Block 4 (c/kl)		(fill in structure)	0	0	0	0	0	0	0
Other	2		0	0	0	0	0	0	0
Electricity tariffs									
Domestic									
Basic charge/fixed fee *(Rands/month)*									
Service point - vacant land *(Rands/month)*			0	0	0	0	0	0	0
FBE			0	0	0	0	0	0	0
Life-line tariff - meter Life-line tariff - prepaid		(how is this targeted?)	0	0	0	0	0	0	0
Flat rate tariff - meter *(c/kwh)* Flat rate tariff - prepaid*(c/kwh)* Meter - IBT Block 1(c/kwh) Meter - IBT		(describe structure)	0	0	0	0	0	0	0
Block 2 (c/kwh) Meter - IBT Block 3 (c/kwh) Meter - IBT		(describe structure)	0	0	0	0	0	0	0
Block 4 (c/kwh) Meter - IBT Block 5 (c/kwh) Prepaid - IBT			0	0	0	0	0	0	0
Block 1(c/kwh) Prepaid - IBT Block 2 (c/kwh) Prepaid - IBT Block 3 (c/kwh) Prepaid - IBT Block 4 (c/kwh) Prepaid - IBT			0	0	0	0	0	0	0
Block 5 (c/kwh)		(fill in thresholds)	0	0	0	0	0	0	0
Other		(fill in thresholds)	0	0	0	0	0	0	0
Waste management tariffs		(fill in thresholds)	0	0	0	0	0	0	0
Domestic		(fill in thresholds)	0	0	0	0	0	0	0
Street cleaning charge Basic charge/fixed fee 80l bin - once a week		(fill in thresholds)	0	0	0	0	0	0	0
250l bin - once a week		(fill in thresholds)	0	0	0	0	0	0	0
		(fill in thresholds)	0	0	0	0	0	0	0
		(fill in thresholds)	0	0	0	0	0	0	0
		(fill in thresholds)	0	0	0	0	0	0	0
		(fill in thresholds)	0	0	0	0	0	0	0
	2		0	0	0	0	0	0	0
			0	0	0	0	0	0	0
			0	0	0	0	0	0	0
			0	0	0	0	0	0	0
			0	0	0	0	0	0	0

EC141 Elundini - Supporting Table SA14 Household bills

Description	###	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework			
Rand/cent		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25 % incr.	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Monthly Account for Household - 'Middle Income	1										
Rates and services charges:											
Property rates		–	–	–	–	–	–	0.00%	–	-	-
Electricity: Basic levy		–	–	–	–	–	–	0.00%	–	-	-
Electricity: Consumption		–	–	–	–	–	–	0.00%	–	-	-
Water: Basic levy		–	–	–	–	–	–	0.00%	–	-	-
Water: Consumption		–	–	–	–	–	–	0.00%	–	-	-
Sanitation		–	–	–	–	–	–	0.00%	–	-	-
Refuse removal		–	–	–	–	–	–	0.00%	–	-	-
Other		–	–	–	–	–	–	0.00%	–	-	-
sub-total		–	–	–	–	–	–	–	–	–	–
VAT on Services		–	–	–	–	–	–	0.00%	–	-	-
Total large household bill:		–	–	–	–	–	–	–	–	–	–
% increase/-decrease		–	–	–	–	–	–	–	–	–	–
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates		–	–	–	–	–	–	0.00%	–	-	-
Electricity: Basic levy		–	–	–	–	–	–	0.00%	–	-	-
Electricity: Consumption		–	–	–	–	–	–	0.00%	–	-	-
Water: Basic levy		–	–	–	–	–	–	0.00%	–	-	-
Water: Consumption		–	–	–	–	–	–	0.00%	–	-	-
Sanitation		–	–	–	–	–	–	0.00%	–	-	-
Refuse removal		–	–	–	–	–	–	0.00%	–	-	-
Other		–	–	–	–	–	–	0.00%	–	-	-
sub-total		–	–	–	–	–	–	–	–	–	–
VAT on Services		–	–	–	–	–	–	0.00%	–	-	-
Total small household bill:		–	–	–	–	–	–	–	–	–	–
% increase/-decrease		–	–	–	–	–	–	–	–	–	–
				-	-	-	-				
Monthly Account for Household - 'Indigent' Household receiving free basic services	3										
Rates and services charges:											
Property rates		–	–	–	–	–	–	0.00%	–	-	-
Electricity: Basic levy		–	–	–	–	–	–	0.00%	–	-	-
Electricity: Consumption		–	–	–	–	–	–	0.00%	–	-	-
Water: Basic levy		–	–	–	–	–	–	0.00%	–	-	-
Water: Consumption		–	–	–	–	–	–	0.00%	–	-	-
Sanitation		–	–	–	–	–	–	0.00%	–	-	-
Refuse removal		–	–	–	–	–	–	0.00%	–	-	-
Other		–	–	–	–	–	–	0.00%	–	-	-
sub-total		–	–	–	–	–	–	–	–	–	–
VAT on Services		–	–	–	–	–	–	0.00%	–	-	-
Total small household bill:		–	–	–	–	–	–	–	–	–	–
% increase/-decrease		–	–	–	–	–	–	–	–	–	–

Investment type R thousand	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Parent municipality										
Securities - National Government Listed Corporate Bonds								69 119	72 298	75 624
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 Municipal Bonds										
Municipality sub-total		–	–	–	–	–	–	69 119	72 298	75 624
Entities										
Securities - National Government Listed Corporate Bonds	1									
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:		–	–	–	–	–	–	69 119	72 298	75 624

EC141 Elundini - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity Name of institution & investment ID	Ref 1	Period of Investment Yrs/Months	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
Parent municipality														
FNB										69 679	1432	(30 092)	–	41 020
STD Bank										23 042	84		4 974	28 099
														–
														–
														–
														–
														–
Municipality sub-total										92 721		(30 092)	4 974	69 119
Entities														
														–
														–
														–
														–
														–
														–
														–
Entities sub-total										–		–	–	–
TOTAL INVESTMENTS AND INTEREST	1									92 721		(30 092)	4 974	69 119

EC141 Elundini - Supporting Table SA17 Borrowing

Borrowing - Categorised by type R thousand	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1	Budget Year +2
Parent municipality										
Annuity and Bullet Loans								25 756	26 941	28 181
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										
Municipality sub-total	1	–	–	–	–	–	–	25 756	26 941	28 181
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	–	–	–	–	–	–	25 756	26 941	28 181

Unspent Borrowing - Categorised by type	Ref	2020/21	2021/22	2022/23	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1	Budget Year +2
Parent municipality										
Long-Term Loans (annuity/reducing balance) 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										
Municipality sub-total	1	–	–	–	–	–	–	–	–	–
Entities										
Long-Term Loans (annuity/reducing balance) 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 Unspent Borrowing	1	–	–	–	–	–	–	–	–	–

EC141 Elundini - Supporting Table SA18 Transfers and grant receipts

Description	###	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
RECEIPTS:	1, 2									
Operating Transfers and Grants	t									
National Government:	ant	239 957	171 450	184 573	196 427	196 292	194 075	205 049	201 710	195 389
Expanded Public Works Programme Integrated Gran		3 239	2 569	2 539	1 580	1 580	1 930	2 114	-	-
Local Government Financial Management Grant		1 700	1 650	1 650	1 700	1 700	1 700	1700	1800	2000
Municipal Infrastructure Grant		38 228	-	-	2 702	2 567	-	2 267	2 372	2 569
Energy Efficiency and Demand Side Management Gr		4 500	1 000	-	-	-	-			
Equitable Share		192 290	166 231	180 384	190 445	190 445	190 445	200 668	199 337	192 820
Provincial Government:		750	750	750	5 750	5 750	5 750	4 312	1 338	1 365
Specify (Add grant description)		-	-	-	5 000	5 000	5 000	3 000	-	-
Specify (Add grant description)		750	750	750	750	750	750	1 312	1 338	1 365
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		–	–	–	–	–	–	–	–	–
Total Operating Transfers and Grants	5	240 707	172 200	185 323	202 177	202 042	199 825	211 061	204 847	198 754
Capital Transfers and Grants										
National Government:		15 739	60 771	55 433	69 102	60 620	65 889	56 067	63 077	68 808
Municipal Infrastructure Grant		-	41 031	41 033	51 343	45 161	50 430	43 073	45 077	48 808
Integrated National Electrification Programme Grant		15 739	19 740	14 400	17 759	15 459	15 459	12 994	18 000	20 000
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	15 739	60 771	55 433	69 102	60 620	65 889	56 067	63 077	68 808
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	256 446	232 971	240 756	271 279	262 662	265 714	265 428	266 125	265 562

EC141 Elundini - Supporting Table SA19 Expenditure on transfers and grant programme

Description	###	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		240 051	173 502	187 139	196 427	196 292	193 693	206 749	203 510	197 389
Expanded Public Works Programme Integrated Grant		3 333	2 569	2 539	1 580	1 580	1 749	2 114	-	-
Local Government Financial Management Grant		1 700	1 650	1 650	1 700	1 700	1 430	1 700	1 800	2 000
Municipal Infrastructure Grant		38 228	2 052	2 566	2 702	2 567	69	2 267	2 372	2 569
Energy Efficiency and Demand Side Management Grant		4 500	1 000	-	-	-	-	-	-	-
Equitable Share		192 290	166 231	180 384	190 445	190 445	190 445	200 668	199 337	192 820
Provincial Government:		887	837	1 238	5 750	5 750	2 908	4 312	1 338	1 365
Specify (Add grant description)		-	-	-	5 000	5 000	2 729	3 000	-	-
Specify (Add grant description)		-	837	1 238	750	750	179	1 312	1 338	1 365
Specify (Add grant description)		887	-	-	-	-	-	-	-	-
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		–	–	–	–	–	–	–	–	–
Total operating expenditure of Transfers and Grants:		240 938	174 338	188 378	202 177	202 042	196 601	211 061	204 847	198 754
Capital expenditure of Transfers and Grants										
National Government:		15 739	53 727	57 859	69 102	60 620	39 811	56 067	63 077	68 808
Municipal Infrastructure Grant		-	34 918	42 527	51 343	45 161	35 816	43 073	45 077	48 808
Integrated National Electrification Programme Grant		15 739	18 809	15 331	17 759	15 459	3 995	12 994	18 000	20 000
Provincial Government:		–	–	–	–	–	–	–	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		15 739	53 727	57 859	69 102	60 620	39 811	56 067	63 077	68 808
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		256 677	228 065	246 236	271 279	262 662	236 412	267 128	267 925	267 562

EC141 Elundini - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Operating transfers and grants:	1,3									
National Government										
Balance unspent at beginning of the year		(371)	0	2 052	-	-	4 618	-	0	0
Current year receipts		47 667	5 219	4 189	5 982	5 847	3 280	6 081	4 172	4 569
Repayment of grants										
Conditions met - transferred to revenue		**47 761**	**7 271**	**6 755**	**5 982**	**5 847**	**2 868**	**6 081**	**4 172**	**4 569**
Conditions still to be met - transferred to liabilities		(466)	(2 052)	(515)	-	-	5 030	0	0	0
Provincial Government:										
Balance unspent at beginning of the year		(6)	(614)	(527)	-	-	(39)	-	-	-
Current year receipts		750	750	750	5 750	5 750	5 000	750	750	750
Conditions met - transferred to revenue		**887**	**837**	**1 238**	**5 750**	**5 750**	**2 482**	**750**	**750**	**750**
Conditions still to be met - transferred to liabilities		(143)	(701)	(1 016)	-	0	2 478	-	-	-
District Municipality:										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Other grant providers:										
Balance unspent at beginning of the year		(717)	(68)	(1)	-	-	(1)	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Conditions still to be met - transferred to liabilities		(717)	(68)	(1)	-	-	(1)	-	-	-
Total operating transfers and grants revenue		**48 648**	**8 107**	**7 994**	**11 732**	**11 597**	**5 351**	**6 831**	**4 922**	**5 319**
Total operating transfers and grants - CTBM	2	**(1 326)**	**(2 820)**	**(1 532)**	**–**	**0**	**7 507**	**0**	**0**	**0**
Capital transfers and grants:	1,3									
National Government										
Balance unspent at beginning of the year		182	0	(7 044)	-	(43)	(4 618)	(42)	(44)	(46)
Current year receipts		15 739	60 771	55 433	69 102	60 620	53 304	56 067	63 077	68 808
Conditions met - transferred to revenue		**15 739**	**53 727**	**57 859**	**69 102**	**60 620**	**33 513**	**56 067**	**63 077**	**68 808**
Conditions still to be met - transferred to liabilities		182	7 044	(9 470)	-	(43)	15 173	(42)	(44)	(46)
Provincial Government:										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
District Municipality:										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Other grant providers:										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Total capital transfers and grants revenue		**15 739**	**53 727**	**57 859**	**69 102**	**60 620**	**33 513**	**56 067**	**63 077**	**68 808**
Total capital transfers and grants - CTBM	2	**182**	**7 044**	**(9 470)**	**–**	**(43)**	**15 173**	**(42)**	**(44)**	**(46)**
TOTAL TRANSFERS AND GRANTS REVENUE		**64 387**	**61 834**	**65 852**	**80 834**	**72 217**	**38 863**	**62 898**	**68 000**	**74 127**
TOTAL TRANSFERS AND GRANTS - CTBM		**(1 144)**	**4 224**	**(11 002)**	**–**	**(43)**	**22 680**	**(42)**	**(44)**	**(46)**

EC141 Elundini - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	### #	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1	Budget Year +2
	1	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		8 802	8 956	9 379	10 558	10 558	10 558	11 370	11 893	12 429
Pension and UIF Contributions		–	–	–	–	–	–	–	–	–
Medical Aid Contributions		–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance		–	–	–	–	–	–	–	–	–
Cellphone Allowance		1 510	1 373	1 545	1 229	1 229	1 229	1 324	1 492	1 560
Housing Allowances		–	–	–	–	–	–	–	–	–
Other benefits and allowances		2 289	2 350	2 489	3 152	3 152	3 152	3 109	3 252	3 398
Sub Total - Councillors		**12 601**	**12 679**	**13 413**	**14 939**	**14 939**	**14 939**	**15 803**	**16 638**	**17 387**
% increase	4		**0.6%**	**5.8%**	**11.4%**	**–**	**–**	**5.8%**	**5.3%**	**4.5%**
Senior Managers of the Municipality	2									
Basic Salaries and Wages		4 018	3 142	3 028	19 196	19 196	19 196	6 699	7 008	7 323
Pension and UIF Contributions		125	136	182	747	747	747	805	842	880
Medical Aid Contributions		113	81	20	–	–	–	–	–	–
Overtime		–	–	546	–	–	–	–	–	–
Performance Bonus		(2 315)	299	210	1 504	1 504	1 504	1 619	1 694	1 770
Motor Vehicle Allowance	3	724	791	2 085	1 155	1 155	1 155	1 244	1 301	1 359
Cellphone Allowance	3	56	14	22	–	–	–	–	–	–
Housing Allowances	3	–	–	9	122	122	122	132	138	144
Other benefits and allowances	3	188	36	5	264	264	264	284	297	311
Payments in lieu of leave		–	–	106	129	129	129	138	145	151
Long service awards		–	63	71	63	63	63	68	71	74
Post-retirement benefit obligations	6	–	–	–	–	–	–	–	–	–
Entertainment		–	–	–	–	–	–	–	–	–
Scarcity		270	197	177	216	216	216	232	243	254
Acting and post related allowance		–	–	–	–	–	–	–	–	–
In kind benefits		–	–	79	–	–	–	–	–	–
Sub Total - Senior Managers of Municipality		**3 179**	**4 760**	**6 539**	**23 396**	**23 396**	**23 396**	**11 222**	**11 738**	**12 266**
% increase	4		**49.7%**	**37.4%**	**257.8%**	**–**	**–**	**(52.0%)**	**4.6%**	**4.5%**
Other Municipal Staff										
Basic Salaries and Wages		70 594	74 032	79 181	75 952	74 606	74 606	94 945	97 997	102 408
Pension and UIF Contributions		13 073	13 848	14 710	28 494	28 533	28 533	30 729	32 143	33 589
Medical Aid Contributions		4 996	5 193	5 727	12 463	12 463	12 463	13 422	14 040	14 672
Overtime		3 180	4 130	3 850	4 885	3 785	3 785	4 077	4 264	4 456
Performance Bonus		6 117	6 950	8 832	5 452	5 452	5 452	5 868	6 138	6 414
Motor Vehicle Allowance	3	494	61	1 702	1 606	1 606	1 606	1 729	1 809	1 890
Cellphone Allowance	3	265	92	170	–	–	–	–	–	–
Housing Allowances	3	96	130	133	292	292	292	314	329	344
Other benefits and allowances	3	1 471	1 875	1 030	1 556	1 556	1 556	1 679	1 753	1 832
Payments in lieu of leave		1 521	2 186	1 353	–	–	–	–	–	–
Long service awards		940	848	928	452	452	452	487	509	532
Post-retirement benefit obligations	6	(244)	(155)	(839)	–	–	–	–	–	–
Entertainment		–	–	–	–	–	–	–	–	–
Scarcity		–	–	–	–	–	–	–	–	–
Acting and post related allowance		485	833	1 068	392	442	442	476	498	520
In kind benefits		–	–	146	56	56	56	61	64	66
Sub Total - Other Municipal Staff		**102 988**	**110 022**	**117 990**	**131 601**	**129 243**	**129 243**	**153 787**	**159 543**	**166 724**
% increase	4		**6.8%**	**7.2%**	**11.5%**	**(1.8%)**	**–**	**19.0%**	**3.7%**	**4.5%**
Total Parent Municipality		**118 768**	**127 461**	**137 941**	**169 935**	**167 577**	**167 577**	**180 812**	**187 919**	**196 377**
			7.3%	**8.2%**	**23.2%**	**(1.4%)**	**–**	**7.9%**	**3.9%**	**4.5%**
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	–	–	–	–	–	–	–	–	–
Entertainment		–	–	–	–	–	–	–	–	–
Scarcity		–	–	–	–	–	–	–	–	–
Acting and post related allowance		–	–	–	–	–	–	–	–	–
In kind benefits		–	–	–	–	–	–	–	–	–

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	Contributions 1.	Allowances	Performance Bonuses	In-kind benefits	Total Package 2.
Councillors	3							
Speaker	4	–	689 961		263 624		–	953 585
Chief Whip		–	554 411		348 961		–	903 372
Executive Mayor		–	924 738	–	33 778		–	958 516
Deputy Executive Mayor		–	–		–		–	–
Executive Committee		–	2 173 106		621 670		–	2 794 776
Total for all other councillors		–	7 233 679		2 869 254		–	10 102 933
Total Councillors	8	**–**	**11 575 895**	**–**	**4 137 287**			**15 713 182**
Senior Managers of the Municipality	5							
Municipal Manager (MM)		–	1 112 059	182 920	387000	–	–	1681979
Chief Finance Officer		–	1 143 864	114 067	273 924	–	–	1531855
General Manager Corporate Services			1 143 864	114 067	273 924			1531855
General Manager Community Services			1 143 864	114 067	273 924			1531855
General Manager Technical Srvices			1 143 864	114 067	273 924			1531855
General Manager Economic Development and Planning			1 143 864	114 067	273 924			1531855
List of each offical with packages >= senior manager								
								–
								–
								–
								–
								–
								–
								–
								–
								–
								–
								–
								–
								–
Total Senior Managers of the Municipality	8,10	**–**	**6 831 379**	**753 255**	**1 756 620**	**0**		**9 341 254.00**

EC141 Elundini - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	###	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1	Budget Year +2
Revenue																
Exchange Revenue																
Service charges - Electricity		2 471	2 471	2 471	2 471	2 471	2 471	2 471	2 471	2 471	2 471	2 471	2 471	29 649	31013	32 408
Service charges - Water		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - Waste Water Management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - Waste Management		614	614	614	614	614	614	614	614	614	614	614	614	7 368	7 707	8 054
Sale of Goods and Rendering of Services		155	155	155	155	155	155	155	155	155	155	155	155	1861	1947	2 034
Agency services		55	55	55	55	55	55	55	55	55	55	55	55	654	684	715
Interest		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Interest earned from Receivables		170	170	170	170	170	170	170	170	170	170	170	170	2 036	2 130	2 226
Interest earned from Current and Non Current Assets		472	472	472	472	472	472	472	472	472	472	472	472	5 661	5 922	6 188
Dividends		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		207	207	207	207	207	207	207	207	207	207	207	207	2 479	2 593	2 710
Licence and permits		232	232	232	232	232	232	232	232	232	232	232	232	2 789	2 917	3 048
Operational Revenue		12 611	12 611	12 611	12 611	12 611	12 611	12 611	12 611	12 611	12 611	12 611	12 611	151332	163 105	185 743
Non-Exchange Revenue																
Property rates		2 562	2 562	2 562	2 562	2 562	2 562	2 562	2 562	2 562	2 562	2 562	2 562	30 745	32 160	33 607
Surcharges and Taxes		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		33	33	33	33	33	33	33	33	33	33	33	33	397	416	434
Licences or permits		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfer and subsidies - Operational		866	866	51033	866	866	866	81133	866	866	866	866	71100	211061	204 847	198 754
Interest		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fuel Levy		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Operational Revenue		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Gains on disposal of Assets		96	96	96	96	96	96	96	96	96	96	96	96	1155	1208	1262
Other Gains		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and		**20 543**	**20 543**	**70 710**	**20 543**	**20 543**	**20 543**	**100 811**	**20 543**	**20 543**	**20 543**	**20 543**	**90 777**	**447 188**	**456 649**	**477 185**
Expenditure																
Employee related costs		13 751	13 751	13 751	13 751	13 751	13 751	13 751	13 751	13 751	13 751	13 751	13 751	165 009	171281	178 990
Remuneration of councillors		1317	1317	1317	1317	1317	1317	1317	1317	1317	1317	1317	1317	15 803	16 638	17 387
Bulk purchases - electricity		2 701	2 701	2 701	2 701	2 701	2 701	2 701	2 701	2 701	2 701	2 701	2 701	32 413	33 904	35 430
Inventory consumed		133	133	133	133	133	133	133	133	133	133	133	133	1596	1669	1744
Debt impairment		350	350	350	350	350	350	350	350	350	350	350	350	4 197	4 391	4 588
Depreciation and amortisation		4 306	4 306	4 306	4 306	4 306	4 306	4 306	4 306	4 306	4 306	4 306	4 306	51672	54 049	56 481
Interest		497	497	497	497	497	497	497	497	497	497	497	497	5 966	6 241	6 522
Contracted services		7 505	7 505	7 505	7 505	7 505	7 505	7 505	7 505	7 505	7 505	7 505	7 505	90 059	84 354	88 137
Transfers and subsidies		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Irrecoverable debts written off		1311	1311	1311	1311	1311	1311	1311	1311	1311	1311	1311	1311	15 735	16 459	17 199
Operational costs		5 395	5 395	5 395	5 395	5 395	5 395	5 395	5 395	5 395	5 395	5 395	5 395	64 737	67 663	70 707
Losses on disposal of Assets		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Losses		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure		**37 266**	**37 266**	**37 266**	**37 266**	**37 266**	**37 266**	**37 266**	**37 266**	**37 266**	**37 266**	**37 266**	**37 266**	**447 187**	**456 648**	**477 185**
Surplus/(Deficit)		**(16 722)**	**(16 722)**	**33 445**	**(16 722)**	**(16 722)**	**(16 722)**	**63 545**	**(16 722)**	**(16 722)**	**(16 722)**	**(16 722)**	**53 512**	**1**	**1**	**0**
Transfers and subsidies - capital (monetary allocations)		4 672	4 672	4 672	4 672	4 672	4 672	4 672	4 672	4 672	4 672	4 672	4 672	56 067	63 077	68 808
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**(12 050)**	**(12 050)**	**38 117**	**(12 050)**	**(12 050)**	**(12 050)**	**68 217**	**(12 050)**	**(12 050)**	**(12 050)**	**(12 050)**	**58 184**	**56 068**	**63 079**	**68 808**
Income Tax		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after income tax		**(12 050)**	**(12 050)**	**38 117**	**(12 050)**	**(12 050)**	**(12 050)**	**68 217**	**(12 050)**	**(12 050)**	**(12 050)**	**(12 050)**	**58 184**	**56 068**	**63 079**	**68 808**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		**(12 050)**	**(12 050)**	**38 117**	**(12 050)**	**(12 050)**	**(12 050)**	**68 217**	**(12 050)**	**(12 050)**	**(12 050)**	**(12 050)**	**58 184**	**56 068**	**63 079**	**68 808**
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	1	**(12 050)**	**(12 050)**	**38 117**	**(12 050)**	**(12 050)**	**(12 050)**	**68 217**	**(12 050)**	**(12 050)**	**(12 050)**	**(12 050)**	**58 184**	**56 068**	**63 079**	**68 808**

ELM INTERGRATED DEVELOPMENT PLAN AND BUDGET 2024-2025

EC141 Elundini - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description R thousand	###	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1	Budget Year +2 2026/27
Revenue by Vote																
Vote 1 - Excutive and Council		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 2 - BTO		3 826	3 826	53 993	3 826	3 826	3 826	84 094	3 826	3 826	3 826	3 826	74 060	246 585	247 388	243 155
Vote 3 - Corporate Services Department		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 4 - Strategic Development Services		256	256	256	256	256	256	256	256	256	256	256	256	3 068	3 210	3 444
Vote 5 - Community Services Department		1468	1468	1468	1468	1468	1468	1468	1468	1468	1468	1468	1468	17 612	13 038	13 592
Vote 6 - Infrastructure Development		19 666	19 666	19 666	19 666	19 666	19 666	19 666	19 666	19 666	19 666	19 666	19 666	235 990	256 089	285 801
Vote 7 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 8 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 9 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 10 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 11 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue by Vote		**25 216**	**25 216**	**75 383**	**25 216**	**25 216**	**25 216**	**105 483**	**25 216**	**25 216**	**25 216**	**25 216**	**95 449**	**503 255**	**519 726**	**545 993**
Expenditure by Vote to be appropriated																
Vote 1 - Excutive and Council		4 928	4 928	4 928	4 928	4 928	4 928	4 928	4 928	4 928	4 928	4 928	4 928	59 134	61 907	64 693
Vote 2 - BTO		8 571	8 571	8 571	8 571	8 571	8 571	8 571	8 571	8 571	8 571	8 571	8 571	102 856	105 226	109 961
Vote 3 - Corporate Services Department		3 038	3 038	3 038	3 038	3 038	3 038	3 038	3 038	3 038	3 038	3 038	3 038	36 458	38 135	39 838
Vote 4 - Strategic Development Services		2 128	2 128	2 128	2 128	2 128	2 128	2 128	2 128	2 128	2 128	2 128	2 128	25 540	26 715	27 918
Vote 5 - Community Services Department		5 956	5 956	5 956	5 956	5 956	5 956	5 956	5 956	5 956	5 956	5 956	5 956	71 475	72 552	75 818
Vote 6 - Infrastructure Development		12 394	12 394	12 394	12 394	12 394	12 394	12 394	12 394	12 394	12 394	12 394	12 394	148 724	152 113	158 957
Vote 7 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 8 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 9 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 10 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 11 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure by Vote		**37 016**	**37 016**	**37 016**	**37 016**	**37 016**	**37 016**	**37 016**	**37 016**	**37 016**	**37 016**	**37 016**	**37 016**	**444 187**	**456 648**	**477 185**
Surplus/(Deficit) before assoc.		**(11 800)**	**(11 800)**	**38 367**	**(11 800)**	**(11 800)**	**(11 800)**	**68 467**	**(11 800)**	**(11 800)**	**(11 800)**	**(11 800)**	**58 434**	**59 068**	**63 079**	**68 808**
Income Tax		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities Share		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
of Surplus/Deficit attributable to Associate		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	1	**(11 800)**	**(11 800)**	**38 367**	**(11 800)**	**(11 800)**	**(11 800)**	**68 467**	**(11 800)**	**(11 800)**	**(11 800)**	**(11 800)**	**58 434**	**59 068**	**63 079**	**68 808**

EC141 Elundini - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description R thousand	###	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1	Budget Year +2
Revenue - Functional		**3 826**	**3 826**	**53 993**	**3 826**	**3 826**	**3 826**	**84 094**	**3 826**	**3 826**	**3 826**	**3 826**				
Governance and administration													**74 060**	**246 585**	**247 388**	**243 155**
Executive and council		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Finance and administration		3 826	3 826	53 993	3 826	3 826	3 826	84 094	3 826	3 826	3 826	3 826	74 060	246 585	247 388	243 155
Internal audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and public safety		**827**	**827**	**827**	**827**	**827**	**827**	**827**	**827**	**827**	**827**	**827**	**827**	**9 929**	**5 002**	**5 195**
Community and social services		537	537	537	537	537	537	537	537	537	537	537	537	6 442	1355	1383
Sport and recreation		2	2	2	2	2	2	2	2	2	2	2	2	27	28	29
Public safety		288	288	288	288	288	288	288	288	288	288	288	288	3 460	3 619	3 782
Housing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		**16 182**	**16 182**	**16 182**	**16 182**	**16 182**	**16 182**	**16 182**	**16 182**	**16 182**	**16 182**	**16 182**	**16 182**	**194 182**	**207 951**	**234 397**
Planning and development		256	256	256	256	256	256	256	256	256	256	256	256	3 068	3 210	3 444
Road transport		15 926	15 926	15 926	15 926	15 926	15 926	15 926	15 926	15 926	15 926	15 926	15 926	191 114	204 741	230 952
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Trading services		**4 380**	**4 380**	**4 380**	**4 380**	**4 380**	**4 380**	**4 380**	**4 380**	**4 380**	**4 380**	**4 380**	**4 380**	**52 558**	**59 384**	**63 246**
Energy sources		3 740	3 740	3 740	3 740	3 740	3 740	3 740	3 740	3 740	3 740	3 740	3 740	44 876	51348	54 849
Water management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste management		640	640	640	640	640	640	640	640	640	640	640	640	7 683	8 036	8 398
Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
		25 216	**25 216**	**75 383**	**25 216**	**25 216**	**25 216**	**105 483**	**25 216**	**25 216**	**25 216**	**25 216**	**95 449**	**503 255**	**519 726**	**545 993**
Expenditure - Functional																
Governance and administration		**16 537**	**16 537**	**16 537**	**16 537**	**16 537**	**16 537**	**16 537**	**16 537**	**16 537**	**16 537**	**16 537**	**16 537**	**198 448**	**205 267**	**214 492**
Executive and council		4 928	4 928	4 928	4 928	4 928	4 928	4 928	4 928	4 928	4 928	4 928	4 928	59 134	61907	64 693
Finance and administration		11 609	11 609	11 609	11 609	11 609	11 609	11 609	11 609	11 609	11 609	11 609	11 609	139 313	143 360	149 799
Internal audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and public safety		**3 901**	**3 901**	**3 901**	**3 901**	**3 901**	**3 901**	**3 901**	**3 901**	**3 901**	**3 901**	**3 901**	**3 901**	**46 812**	**43 616**	**45 580**
Community and social services		1359	1359	1359	1359	1359	1359	1359	1359	1359	1359	1359	1359	16 302	11 703	12 230
Sport and recreation		1029	1029	1029	1029	1029	1029	1029	1029	1029	1029	1029	1029	12 345	12 913	13 494
Public safety		1514	1514	1514	1514	1514	1514	1514	1514	1514	1514	1514	1514	18 165	19 001	19 856
Housing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		**8 870**	**8 870**	**8 870**	**8 870**	**8 870**	**8 870**	**8 870**	**8 870**	**8 870**	**8 870**	**8 870**	**8 870**	**106 437**	**107 882**	**112 736**
Planning and development		2 128	2 128	2 128	2 128	2 128	2 128	2 128	2 128	2 128	2 128	2 128	2 128	25 540	26 715	27 918
Road transport		6 741	6 741	6 741	6 741	6 741	6 741	6 741	6 741	6 741	6 741	6 741	6 741	80 897	81 166	84 819
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Trading services		**7 957**	**7 957**	**7 957**	**7 957**	**7 957**	**7 957**	**7 957**	**7 957**	**7 957**	**7 957**	**7 957**	**7 957**	**95 490**	**99 882**	**104 376**
Energy sources		5 652	5 652	5 652	5 652	5 652	5 652	5 652	5 652	5 652	5 652	5 652	5 652	67 827	70 947	74 139
Water management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste management		2 305	2 305	2 305	2 305	2 305	2 305	2 305	2 305	2 305	2 305	2 305	2 305	27 663	28 936	30 238
Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
#REF!		**37 266**	**37 266**	**37 266**	**37 266**	**37 266**	**37 266**	**37 266**	**37 266**	**37 266**	**37 266**	**37 266**	**37 266**	**447 187**	**456 648**	**477 185**
Surplus/(Deficit) before assoc.		**(12 050)**	**(12 050)**	**38 117**	**(12 050)**	**(12 050)**	**(12 050)**	**68 217**	**(12 050)**	**(12 050)**	**(12 050)**	**(12 050)**	**58 184**	**56 068**	**63 079**	**68 808**
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	1	**(12 050)**	**(12 050)**	**38 117**	**(12 050)**	**(12 050)**	**(12 050)**	**68 217**	**(12 050)**	**(12 050)**	**(12 050)**	**(12 050)**	**58 184**	**56 068**	**63 079**	**68 808**

EC141 Elundini - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	###	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Multi-year expenditure *to be appropriated*	1															
Vote 1 - 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	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Single-year expenditure *to be appropriated*																
Vote 1 - Excutive and Council		25	25	25	25	25	25	25	25	25	25	25	25	300	314	328
Vote 2 - BTO		367	367	367	367	367	367	367	367	367	367	367	367	4 400	4 602	4 810
Vote 3 - Corporate Services Department		83	83	83	83	83	83	83	83	83	83	83	83	1 000	1 046	1 093
Vote 4 - Strategic Development Services		117	117	117	117	117	117	117	117	117	117	117	117	1 400	1 464	1 530
Vote 5 - Community Services Department		404	404	404	404	404	404	404	404	404	404	404	404	4 850	5 073	5 301
Vote 6 - Infrastructure Development		4 672	4 672	4 672	4 672	4 672	4 672	4 672	4 672	4 672	4 672	4 672	4 672	56 067	63 077	68 808
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	**5 668**	**5 668**	**5 668**	**5 668**	**5 668**	**5 668**	**5 668**	**5 668**	**5 668**	**5 668**	**5 668**	**5 668**	**68 017**	**75 577**	**81 870**
Total Capital Expenditure	2	**5 668**	**5 668**	**5 668**	**5 668**	**5 668**	**5 668**	**5 668**	**5 668**	**5 668**	**5 668**	**5 668**	**5 668**	**68 017**	**75 577**	**81 870**

EC141 Elundini - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

Description	###	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Capital Expenditure - Functional	1															
Governance and administration		**475**	**475**	**475**	**475**	**475**	**475**	**475**	**475**	**475**	**475**	**475**	**475**	**5 700**	**5 962**	**6 230**
Executive and council		25	25	25	25	25	25	25	25	25	25	25	25	300	314	328
Finance and administration		450	450	450	450	450	450	450	450	450	450	450	450	5 400	5 648	5 903
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and public safety		**54**	**54**	**54**	**54**	**54**	**54**	**54**	**54**	**54**	**54**	**54**	**54**	**650**	**680**	**710**
Community and social services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		21	21	21	21	21	21	21	21	21	21	21	21	250	261	273
Public safety		33	33	33	33	33	33	33	33	33	33	33	33	400	418	437
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		**3 706**	**3 706**	**3 706**	**3 706**	**3 706**	**3 706**	**3 706**	**3 706**	**3 706**	**3 706**	**3 706**	**3 706**	**44 473**	**46 542**	**50 338**
Planning and development		117	117	117	117	117	117	117	117	117	117	117	117	1 400	1 464	1 530
Road transport		3 589	3 589	3 589	3 589	3 589	3 589	3 589	3 589	3 589	3 589	3 589	3 589	43 073	45 077	48 808
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services		**1 433**	**1 433**	**1 433**	**1 433**	**1 433**	**1 433**	**1 433**	**1 433**	**1 433**	**1 433**	**1 433**	**1 433**	**17 194**	**22 393**	**24 591**
Energy sources		1 083	1 083	1 083	1 083	1 083	1 083	1 083	1 083	1 083	1 083	1 083	1 083	12 994	18 000	20 000
Water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management		350	350	350	350	350	350	350	350	350	350	350	350	4 200	4 393	4 591
Other		-	-	-	-	-	-	-	-	-	-	-	-	–	–	–
Total Capital Expenditure - Functional	2	**5 668**	**5 668**	**5 668**	**5 668**	**5 668**	**5 668**	**5 668**	**5 668**	**5 668**	**5 668**	**5 668**	**5 668**	**68 017**	**75 577**	**81 870**
Funded by:																
National Government		4 672	4 672	4 672	4 672	4 672	4 672	4 672	4 672	4 672	4 672	4 672	4 672	**56 067**	**63 077**	**68 808**
Provincial Government		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital		**4 672**	**4 672**	**4 672**	**4 672**	**4 672**	**4 672**	**4 672**	**4 672**	**4 672**	**4 672**	**4 672**	**4 672**	**56 067**	**63 077**	**68 808**
Borrowing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds		996	996	996	996	996	996	996	996	996	996	996	996	11 950	12 500	13 062
Total Capital Funding		**5 668**	**5 668**	**5 668**	**5 668**	**5 668**	**5 668**	**5 668**	**5 668**	**5 668**	**5 668**	5 668	5 668	68 017	75 577	81 870

EC141 Elundini - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS R thousand	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1	Budget Year +2
Cash Receipts By Source													1		
Property rates	2 474	2 474	2 474	2 474	2 474	2 474	2 474	2 474	2 474	2 474	2 474	2 474	29 686	31051	32 449
Service charges - electricity revenue	2 667	2 667	2 667	2 667	2 667	2 667	2 667	2 667	2 667	2 667	2 667	2 667	31999	33 471	34 977
Service charges - water revenue	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	609	609	609	609	609	609	609	609	609	609	609	609	7 309	7 646	7 990
Rental of facilities and equipment	207	207	207	207	207	207	207	207	207	207	207	207	2 479	2 593	2 710
Interest earned - external investments	472	472	472	472	472	472	472	472	472	472	472	472	5 661	5 922	6 188
Interest earned - outstanding debtors	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	30	30	30	30	30	30	30	30	30	30	30	30	358	374	391
Licences and permits	232	232	232	232	232	232	232	232	232	232	232	232	2 789	2 917	3 048
Agency services	55	55	55	55	55	55	55	55	55	55	55	55	654	684	715
Transfers and Subsidies - Operational	297	297	52 309	297	297	297	82 316	1997	297	297	297	72 064	211061	202 506	196 307
Other revenue	14 526	14 526	14 526	14 526	14 526	14 526	14 526	14 526	14 526	14 526	14 526	14 526	174 307	186 839	210 924
Cash Receipts by Source	**21 567**	**21 567**	**73 579**	**21 567**	**21 567**	**21 567**	**103 587**	**23 267**	**21 567**	**21 567**	**21 567**	**93 334**	**466 303**	**474 003**	**495 698**
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	–	–	14 017	–	–	–	22 427	–	–	–	–	19 623	56 067	63 077	68 808
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	45	45	45	45	45	45	45	45	45	45	45	45	542	567	593
Short term loans	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
VAT Control (receipts)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Receipts by Source	**21 612**	**21 612**	**87 641**	**21 612**	**21 612**	**21 612**	**126 059**	**23 312**	**21 612**	**21 612**	**21 612**	**113 003**	**522 912**	**537 647**	**565 099**
Cash Payments by Type Employee related costs Remuneration of councillors Interest Bulk purchases - electricity Acquisitions - water & other inventory	13 751 1317 497 2 701 133	13 751 1317 497 2 701 133	13 751 1317 497 2 701 133	13 751 1317 497 2 701 133	13 751 1317 497 2 701 133	13 751 1317 497 2 701 133	13 751 1317 497 2 701 133	13 751 1317 497 2 701 133	13 751 1317 497 2 701 133	13 751 1317 497 2 701 133	13 751 1317 497 2 701 133	13 751 1317 497 2 701 133	165 009 15 803 5 966 32 413 1596	171281 16 638 6 241 33 904 1669	178 990 17 387 6 522 35 430 1744
Contracted services	7 505	7 505	7 505	7 505	7 505	7 505	7 505	7 505	7 505	7 505	7 505	7 505	90 059	84 354	88 137
Transfers and subsidies - other municipalities Transfers and subsidies - other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other expenditure	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Cash Payments by Type	5 395	5 395	5 395	5 395	5 395	5 395	5 395	5 395	5 395	5 395	5 395	5 395	64 737	67 663	70 707
	31 299	**31 299**	**31 299**	**31 299**	**31 299**	**31 299**	**31 299**	**31 299**	**31 299**	**31 299**	**31 299**	**31 299**	**375 583**	**381 750**	**398 916**
Other Cash Flows/Payments by Type Capital assets Repayment of borrowing Other Cash Flows/Payments	5 668 – –	5 668 – –	5 668 – –	5 668 – –	5 668 – –	5 668 – –	5 668 – –	5 668 – –	5 668 – –	5 668 – –	5 668 – –	5 668 – –	68 017 – –	75 577 – –	81870 – –
Total Cash Payments by Type	**36 967**	**36 967**	**36 967**	**36 967**	**36 967**	**36 967**	**36 967**	**36 967**	**36 967**	**36 967**	**36 967**	**36 967**	**443 600**	**457 327**	**480 787**
NET INCREASE/(DECREASE) IN CASH HELD	**(15 355)**	**(15 355)**	**50 674**	**(15 355)**	**(15 355)**	**(15 355)**	**89 092**	**(13 655)**	**(15 355)**	**(15 355)**	**(15 355)**	**76 036**	**79 312**	**80 320**	**84 312**
Cash/cash equivalents at the month/year begin:	–	(15 355)	(30 709)	19 965	4 611	(10 744)	(26 098)	62 994	49 339	33 985	18 630	3 276	–	79 312	159 632
Cash/cash equivalents at the month/year end:	(15 355)	(30 709)	19 965	4 611	(10 744)	(26 098)	62 994	49 339	33 985	18 630	3 276	79 312	79 312	159 632	243 945

EC141 Elundini - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	### 1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year	Budget Year +1	Budget Year +2
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		**2 630**	**7 834**	**3 418**	**5 424**	**6 824**	**6 824**	**12 424**	**9 543**	**9 975**
Roads Infrastructure		1752	4 220	1724	2 424	3 824	3 824	6 924	3 790	3 961
Roads		1752	4 220	1724	2 424	3 824	3 824	6 924	3 790	3 961
Road Structures		–	–	–	–	–	–	–	–	–
Road Furniture		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		878	3 615	1694	3 000	3 000	3 000	5 500	5 753	6 014
Power Plants		–	–	–	–	–	–	–	–	–
HV Substations		–	–	–	–	–	–	–	–	–
HV Switching Station		–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
MV Switching Stations		–	–	–	–	–	–	–	–	–
MV Networks		878	3 615	1694	3 000	3 000	3 000	3 500	3 661	3 826
LV Networks		–	–	–	–	–	–	2 000	2 092	2 188
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		**79**	**–**	**–**	**–**	**1 650**	**1 650**	**5 185**	**5 423**	**5 667**
Community Facilities		79	–	–	–	1650	1650	5 185	5423	5667
Halls		–	–	–	–	–	–	–	–	–
Centres		–	–	–	–	–	–	–	–	–
Crèches		–	–	–	–	–	–	–	–	–
Clinics/Care Centres		–	–	–	–	–	–	–	–	–
Fire/Ambulance Stations		–	–	–	–	–	–	–	–	–

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0	**553**	**751**	**5 850**	**2 050**	**2 050**	**–**	**–**	**–**
0	553	751	5 850	2 050	2 050	–	–	–
0	549	751	5 600	1800	1800	–	–	–
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89	80	420	500	500	500	500	523	547
89	80	420	500	500	500	500	523	547
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925	2 176	2 037	2 177	2 557	2 557	6 960	7 280	7 608
925	2 176	2 037	2 177	2 557	2 557	6 960	7 280	7 608
794	2 393	1635	1300	2 570	2 570	2 415	2 526	2 640
794	2 393	1635	1300	2 570	2 570	2 415	2 526	2 640
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Mature		-	-	-	-	-	-	-	-	-
Policing and Protection		–	–	–	–	–	–	–	–	–
Zoological plants and animals		–	–	–	–	–	–	–	–	–
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection		–	–	–	–	–	–	–	–	–
Zoological plants and animals		–	–	–	–	–	–	–	–	–
Total Repairs and Maintenance Expenditure	1	**4 517**	**13 036**	**8 261**	**15 251**	**16 151**	**16 151**	**27 483**	**25 296**	**26 436**

EC141 Elundini - Supporting Table SA34d Depreciation by asset class

Description R thousand	### 1	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year	Budget Year +1	Budget Year +2
Depreciation by Asset Class/Sub-class										
Infrastructure		**24 387**	**36 131**	**25 852**	**35 314**	**32 421**	**32 421**	**32 421**	**33 913**	**35 439**
Roads Infrastructure		22 449	32 163	22 634	32 065	29 172	29 172	25 672	26 853	28 061
Roads		16 826	32 163	22 634	17 810	20 540	20 540	17 040	17 824	18 626
Road Structures		5 623	–	–	14 255	8 631	8 631	8 631	9 028	9 435
Road Furniture		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		1938	3 968	3 219	3 249	3 249	3 249	3 249	3 399	3 552
Power Plants		–	–	–	–	–	–	–	–	–
HV Substations		–	–	–	–	–	–	–	–	–
HV Switching Station		–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	455	455	455	455	476	497
MV Switching Stations		1938	3 968	3 219	1885	1885	1885	1885	1971	2 060
MV Networks		–	–	–	455	455	455	455	476	497
LV Networks		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	455	455	455	455	476	497
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		–	–	–	–	–	–	3 500	3 661	3 826
Landfill Sites		–	–	–	–	–	–	–	–	–
Waste Transfer Stations		–	–	–	–	–	–	–	–	–
Waste Processing Facilities		–	–	–	–	–	–	–	–	–
Waste Drop-off Points		–	–	–	–	–	–	–	–	–
Waste Separation Facilities		–	–	–	–	–	–	–	–	–
Electricity Generation Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	3 500	3 661	3 826
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		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Community Facilities		–	–	–	–	–	–	–	–	–
Halls		–	–	–	–	–	–	–	–	–
Centres		–	–	–	–	–	–	–	–	–
Crèches		–	–	–	–	–	–	–	–	–
Clinics/Care Centres		–	–	–	–	–	–	–	–	–
Fire/Ambulance Stations		–	–	–	–	–	–	–	–	–

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479	**479**	**479**	**4 687**	**4 687**	**4 687**	**4 687**	**4 902**	**5 123**
479	479	479	4 687	4 687	4 687	4 687	4 902	5 123
479	479	479	4 687	4 687	4 687	4 687	4 902	5 123
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–	**4 764**	**5 505**	**1 202**	**1 202**	**1 202**	**1 202**	**1 257**	**1 314**
–	4 764	5 505	1202	1202	1202	1202	1257	1314
–	4 764	5 505	1202	1202	1202	1202	1257	1314
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3	1	140	–	–	–	–	–	–
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3	1	140	–	–	–	–	–	–
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–	–	–	–	–	–	–	–	–
3	1	140	–	–	–	–	–	–
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–	–	–	–	–	–	–	–	–
1094	1293	1752	725	725	725	725	758	792
1094	1293	1752	725	725	725	725	758	792
901	695	639	2 523	2 523	2 523	2 523	2 639	2 758
901	695	639	2 523	2 523	2 523	2 523	2 639	2 758
1362	1451	1424	1881	1881	1881	1881	1967	2 056
1362	1451	1424	1881	1881	1881	1881	1967	2 056
1591	1741	2 642	8 234	8 234	8 234	8 234	8 613	9 000
1591	1741	2 642	8 234	8 234	8 234	8 234	8 613	9 000
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-	-	-	-	-	-	-	-	-

Mature		-	-	-	-	-	-	-	-	-
Policing and Protection		–	–	–	–	–	–	–	–	–
Zoological plants and animals		–	–	–	–	–	–	–	–	–
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection		–	–	–	–	–	–	–	–	–
Zoological plants and animals		–	–	–	–	–	–	–	–	–
Total Depreciation	1	**29 817**	**46 556**	**38 433**	**54 564**	**51 672**	**51 672**	**51 672**	**54 049**	**56 481**

EC141 Elundini - Supporting Table SA34e Capital expenditure on the upgrading of existing assets by asset class

Description R thousand	# # # 1	2020/21 Audited Outcome	2021/22 Audited Outcome	2022/23 Audited Outcome	Current Year 2023/24 Original Budget	Current Year 2023/24 Adjusted Budget	Current Year 2023/24 Full Year Forecast	2024/25 Medium Term Revenue & Expenditure Framework Budget Year	2024/25 Medium Term Revenue & Expenditure Framework Budget Year +1	2024/25 Medium Term Revenue & Expenditure Framework Budget Year +2
Capital expenditure on upgrading of existing assets by Asset Class/Su			–	–	–	–	–	–	–	–
Infrastructure		(133)								
Roads Infrastructure		(133)	–	–	–	–	–	–	–	–
Roads		(133)	–	–	–	–	–	–	–	–
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		–	–	–	–	–	–	–	–	–
Community Facilities		–	–	–	–	–	–	–	–	–
Halls 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		–	–	–	–	–	–	–	–	–
Indoor Facilities Outdoor Facilities 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 upgrading of existing	1	(133)	–	–	–	–	–	–	–	–
Upgrading of Existing Assets as % of total capex		-0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Upgrading of Existing Assets as % of deprecn"		-0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

EC141 Elundini - Supporting Table SA35 Future financial implications of the capital budget

Vote Description	Ref	2024/25 Medium Term Revenue & Expenditure Framework			Forecasts			
R thousand		Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27	Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Present value
Capital expenditure	1							
Vote 1 - Excutive and Council		300	314	328				
Vote 2 - BTO		4 400	4 602	4 810				
Vote 3 - Corporate Services Department		1 000	1 046	1 093				
Vote 4 - Strategic Development Services		1 400	1 464	1 530				
Vote 5 - Community Services Department		4 850	5 073	5 301				
Vote 6 - Infrastructure Development		56 067	63 077	68 808				
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		**68 017**	**75 577**	**81 870**	**–**	**–**	**–**	**–**
Future operational costs by vote	2							
Vote 1 - Excutive and Council		59 134	61 907	64 693				
Vote 2 - BTO		102 856	105 226	109 961				
Vote 3 - Corporate Services Department		36 458	38 135	39 838				
Vote 4 - Strategic Development Services		25 540	26 715	27 918				
Vote 5 - Community Services Department		71 475	72 552	75 818				
Vote 6 - Infrastructure Development		148 724	152 113	158 957				
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		444 187	456 648	477 185	-	-	-	-
Future revenue by source	3							
Exchange Revenue								
Service charges - Electricity		29 649	31 013	32 408				
Service charges - Water		-	-	-				
Service charges - Waste Water Management		-	-	-				
Service charges - Waste Management		7 368	7 707	8 054				
Agency services		654	684	715				
List other revenues sources if applicable								
List entity summary if applicable								
Total future revenue		37 671	39 404	41 177	-	-	-	-
Net Financial Implications		**474 533**	**492 821**	**517 878**	**–**	**–**	**–**	**–**

EC141 Elundini - Supporting Table SA36 Detailed capital budget

R thousand Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Lattitude	Audited Outcome 2022/23	Current Year 2023/24 Full Year	2024/25 Medium Term Revenue & Expenditure Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Parent municipality:																
List all capital projects grouped by Function																
Roads Infrastructure																
Surfacing of Ugie Park Streets & Stormwater														5 695	5 957	6 231
Surfacing of Greenfields Streets & Stormwater														6 692	6 999	7 321
Surfacing of Mt Fletcher Urban Roads & Stormwater														5 868	6 138	6 420
Epainette Mbeki Access Road														6 222	6 508	6 807
R56 to Khalankomo Upgrade														6 760	7 071	7 396
Construction of Xaxazana Special School Access Road														5 093	5 327	5 572
Katlehong Township and Ilisolomzi Township Streets														1 500	1 569	1 641
Delibawo via Maweni Access Road (Planning)														500	523	547
Seqhobong AR (Planning)														477	499	522
Thutsing AR (Planning														500	523	547
Roads and Storwater Master plan														1 500	1 569	1 641
Procurement of Specialised Waste Management Yellow Plant														2 267	2 371	2 480
Electrical Infrastructure															–	–
INEP														12 994	18 000	20 000
Corporate Services															–	–
ICT-Construction of fibre														2 500	2 615	2 735
Computers														1 500	1 569	1 641
Cameras														500	523	547
Furniture														500	523	547
Community Services															–	–
Way bridge														1 500	1 569	1 641
Transport assets														2 500	2 615	2 735
Skip bins														600	628	656
															–	–
Strategic services																
Container city														1 000	1 046	1 094
														1 351	1 415	3 146
Parent Capital expenditure												–	–	68 018	75 557	81 870
Entities:																
List all capital projects grouped by Entity																
Entity A																
Water project A																
Entity B																
Electricity project B																
Entity Capital expenditure												–	–	–	–	–
Total Capital expenditure												–	–	68 018	75 557	81 870

EC141 Elundini - Supporting Table SA37 Projects delayed from previous financial year/s

R thousand Function	Project name	Project number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Lattitude	Previous target year to complete	Current Year 2023/24 Original Budget	Current Year 2023/24 Full Year	2024/25 Medium Term Revenue & Expenditure Framework Budget Year	Budget Year +1	Budget Year +2
Parent municipality:																	
List all capital projects grouped by Function																	
Executive & Council															300	314	328
Finance															–	–	–
Corporate services															5 400	5 648	5 908
Community services															4 850	5 073	5 306
Strategic services															1400	1464	1532
IP&D															56067	63057	68796
Entities:																	
List all capital projects grouped by Entity																	
Entity Name																	
Project name																	

EC141 Elundini - Supporting Table SA38 Consolidated detailed operational projects

R thousand Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Lattitude	Prior year outcomes		2024/25 Medium
												Audited Outcome 2022/23	Current Year 2023/24 Full Year	Budget Year 2024/25
Parent municipality:														
List all operational projects grouped by Function														
Executive & Council														
Travelling subsistance														2 412
Ward Committees														2 100
Advertising& media														3 048
Printing														603
Finance Budget & Treasury														
Travelling subsistance														997
Wet Fuel														995
Audit fees														7 732
Insurance														4 633
Corporate Services														
Basariy														900
Communication														596
External computer services														11631
Training fees														2 060
Travelling subsistance														1633
Workmans compensation														600
Community services														
Travelling subsistance														1615
Uniorm & Protective clothing														1040
Wet Fuel														990
Strategic services														
Travelling subsistance														496
Traini of SMMEs														715
Infrastructure Development														
Unifform & Protective clothing														746
Travelling subsistance														1497
Parent Operational expenditure												–	–	47 040
Entities:														
List all Operational projects grouped by Entity														
Entity A														
Water project A														
Entity B														
Electricity project B														
Entity Operational expenditure												–	–	–
Total Operational expenditure												–	–	47 040

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. For the medium-term, the funding strategy has been informed directly by ensuring financial sustainability and continuity.

4.9.13 Overview of The Annual Budget Process

The above is tabled in the process plan under heading 1.3.6.7 above

4.9.14 IDP and Service Delivery and Budget Implementation Plan

This is the third review of the IDP as adopted by Council in May 2023. It started in September 2023 after the tabling of the IDP Process Plan and the Budget Time Schedule for the 2024/25 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 2023/24 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 2023/24 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.

4.9.15 Financial Modelling and Key Planning Drivers

As part of the compilation of the 2024/25-2026/27 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 2024/25-2026/27 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 2023/24 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 128 has been taken into consideration in the planning and prioritisation process.

Community Consultation

The draft 2025/27 MTREF as tabled before Council on 27 March 2024 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 2024, 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 2025/27 MTREF. Feedback and responses to the submissions received are available on request.

4.9.16 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 2025/27 MTREF and further planning refinements that have directly informed the compilation of the budget:

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 2024/25- 2026/27 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 expenditure

4.10. Overview of budget assumptions

4.10.1. 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.

4.10.2. 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 2025/27 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 2025/26 MTREF.

4.10.3. 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.

4.10.4. Salary increases

The collective agreement regarding salaries/wages came into operation on 1 July 2024 and shall remain in force until 30 June 2025. The salary increase that has been applied is 7.7 percent for the 2024/2025 budget year.

4.11.5. Creditors and Loans

The municipality is procuring goods and services from service providers, when good and services are delivered then municipality is paying its creditors within 30 days as per the norm.

The municipality has a long term loan with Standard Bank financial institution for an amount of R30 Million for a period of three years, the municipality is servicing its loan on month bases as per service level agreement.

4.10.5. 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.

4.10.6. 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.

4.11. Consolidated Investment Register for each and every grant received

		ELUNDINI INVESTMENT REPORT					
		01 APRIL 2024 TO 30 APRIL 2024					
NAME OF INVESTMENT	**PURPOSE**	**ACCOUNT NO**	**BALANCE AS AT 01/03/2024**	**INTEREST RECIVED**	**WITHDRAWALS**	**DEPOSIT**	**TOAL AS AT 30/04/2024**
ELUNDINI EXPAND PUBLIC WORKS	EX PUBLIC WORKS PROGRA	388497173-001	R 1 997 797.13	R 20 469.60			R 2 018 266.73
ELUNDINI VOTER STATION	INFRASTRUCTURE GRANT	388497165-001	R 1 635.06	R 13.15			R 1 648.21
EQUITABLE SHARE FNB	SUBSIDY FOR POOR	62189194170	R 26 724 410.77	R 149 086.05	R 18 003 017.96		R 8 870 478.86
FINANCE MANAGEMENT GRANT	CONDITIONAL GRANT	388493410-002	R 1 789 104.93	R 19 938.45			R 1 809 043.38
MAYOR'S SOCIAL INVESTMENT		62378875226	R 617 242.45	R 3 486.15			R 620 728.60
MUNICIPAL DISASTER GRANT	CONDITIONAL GRANT	388493003-001	R 12 308 602.63	R 76 852.96			R 12 385 455.59
MIG	CONDITIONAL GRANT	62189180111	R 12 186 182.89	R 72 787.83	R 2 428 848.74		R 9 830 121.98
NER	ELECTRICITY UPGRADING	388490810-001	R 8 916 484.28	R 121 104.31		R 1 200 000.00	R 10 237 588.59
WORKING CAPITAL RESERVE	RESEVERS	62284785121	R 535 106.80	R 27 012.11		R 10 000 000.00	R 10 562 118.91
JOE GQABI	WATER AND SANITAION	62557779322	R 6 748 790.41	R 42 988.87			R 6 791 779.28
ENERGY EFFICIANCY	CONDITIONAL GRANT	62785909650	R 5 885.36	R 37.49			R 5 922.85
SOLIDARITY FUND		62852498023	R 153 131.23	R 975.42			R 154 106.65
SMART METERS	SMART METERS	63043360592	R 15 845 682.48	R 100 934.83			R 15 946 617.31
CLEANSING PROJECT		63062748513	R 5 263 878.14	R 33 530.18			R 5 297 408.32
SECURITY ACCOUNT	SECURITY	388490365-001	R 3 117 106.85	R 27 353.45			R 3 144 460.30
TOTAL			**R 96 211 041.41**	**R 696 570.85**	**R 20 431 866.70**	**R 11 200 000.00**	**R 87 675 745.56**
		FNB	**R 68 080 310.53**	**R 430 838.93**	**R 20 431 866.70**	**R 10 000 000.00**	**R 58 079 282.76**
		STD BANK	**R 28 130 730.88**	**R 265 731.92**	**R 0.00**	**R 1 200 000.00**	**R 29 596 462.80**
		TOTAL	**R 96 211 041.41**	**R 696 570.85**	**R 20 431 866.70**	**R 11 200 000.00**	**R 87 675 745.56**
		FNB	**R 4 544 246.56**	**R 12 875.38**			**R 2 264 491.86**
		FNB VENDOR	**R 639 281.52**	**R 3 209.86**			**R 824 108.68**
		STD BANK	**R 12 773 304.45**				**R 2 452 038.09**
		TOTAL	**R 17 956 832.53**	**R 16 085.24**	**R 0.00**	**R 0.00**	**R 5 540 638.63**

4.12. Grants receipts and Expenditure

ELUNDINI LOCAL MUNICIPALITY				
DRAFT BUDGET 2024/25				
CONDITIONAL GRANTS				
Segment Desc	**2023 Year Receipts**	**Feb 2023 % Spent**	**2024 Year Receipts**	**Feb 2024 % Spent**
Operational Grants				
Equitable share	176 199 816	100%	190 445 000	75%
Financail Management Grant	1 650 000	100%	1 700 000	88%
EPWP	2 539 000	100%	1 580 000	80%
Library Grant	750 000	100%	750 000	56&
Capital Grants				
Municipal Management Grant	41 966 256	100%	45 160 630	78%
INEP	25 500 000	100%	15 459 000	20%

4.13. Overview of budget funding

4.13.1. Medium-term outlook: operating revenue

The following chart is a breakdown of the operational revenue per main category for the 2024/25 financial year.

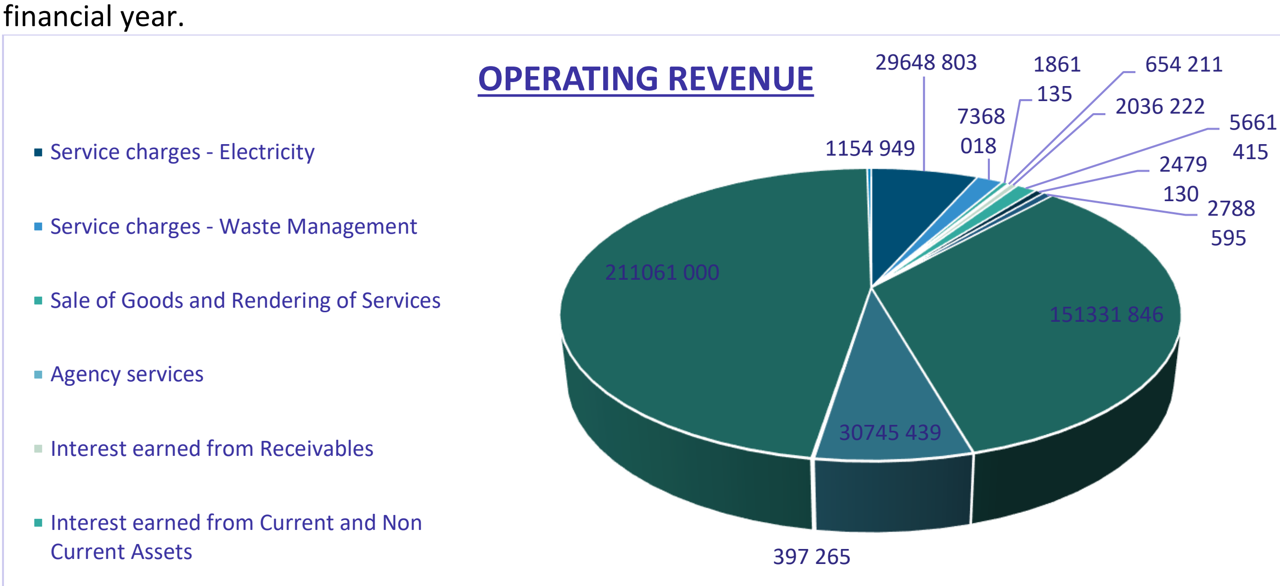

Table A8 - Cash backed reserves/accumulated surplus reconciliation

Description R thousand	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1	Budget Year +2
Cash and investments available Cash/cash equivalents at the year end Other	1	144 088	159 610	144 321	86 801	95 771	95 771	95 771	79 312	159 632	243 945
current investments > 90 days	1	(33 559)	(82 297)	(98 568)	–	–	–	–	45 752	45 752	40 941
Non current Investments		–	–	–	–	–	–	–	–	–	–
Cash and investments available:		**110 529**	**77 313**	**45 752**	**86 801**	**95 771**	**95 771**	**95 771**	**125 064**	**205 385**	**284 886**
Application of cash and investments Unspent conditional transfers Unspent											
borrowing		682	5 588	40	–	43	43	43	(1658)	(1756)	(1954)
Statutory requirements		–	–	–	–	–	–	–	–	–	–
Other working capital requirements Other provisions	2										
Long term investments committed	3	(69 842)	(84 578)	(104 435)	(3 374)	(8 073)	(8 073)	(8 073)	(11035)	(11498)	(12 080)
Reserves to be backed by cash/investments	4	48 254	20 062	42 874	(96 346)	23 367	23 367	23 367	44 369	46 223	48 975
	5	28 028	42 953	19 162	42 953	27 391	27 391	27 391	33 781	35 335	36 960
		–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–
Total Application of cash and investments:		**7 123**	**(15 975)**	**(42 358)**	**(56 767)**	**42 727**	**42 727**	**42 727**	**65 458**	**68 304**	**71 902**
Surplus(shortfall) - Excluding Non-Current Creditors Trf to Debt Relief		**103 407**	**93 288**	**88 110**	**143 568**	**53 043**	**53 043**	**53 043**	**59 607**	**137 081**	**212 984**
Creditors transferred to Debt Relief - Non-Current portion		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Surplus(shortfall) - Including Non-Current Creditors Trf to Debt Relief Benefits		**103 407**	**93 288**	**88 110**	**143 568**	**53 043**	**53 043**	**53 043**	**59 607**	**137 081**	**212 984**

4.14. 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.

4.15. 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.

4.16. Legislation compliance status

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

4.16.1. 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.

4.16.2. 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.

4.16.3. 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

4.29.1 Municipal Infrastrucuture Grant (MIG)

No	Project Name	Ward No	EXTENT OF WORKS	Project Value	REGISTRATION STATUS (YES/NO)	FUNDER	2024/2025	2025 / 2026	2026 / 2027
							R 45,340,000.00	***R47,450,000.00***	***R51,377,000.00***
	Project Management Unit	-	-	-		MIG	R2,267,000.00	R2,372,500.00	R2,568,850.00
1	Upgrading & Rehabilitation of Maclear Roads (Cluster 1 Roads) - Phase 3	3	1,11km	R 31,527,721.71	Yes	MIG			
2	Construction of Refele Sport Field	14	1 unit	R 20,779,792.97	Yes	MIG			
3	Construction of Chevy-Chase - Nkangala Access Road	16	4,5km	R 4,602,191.14	Yes	MIG			
4	Castle Rocks and Bridge	16	1.95	R 3,781,042.18	Yes	MIG			
5	Surfacing of Ugie Park Streets & Stormwater	2	3.23	R 27,087,942.90	Yes	MIG			
6	Surfacing of Greenfields Streets & Stormwater	17	5.84	R 34,780,379.44	Yes	MIG			
7	Construction of Bhethula to Mrhorwana Access Road	4	2,78km	R 6,509,043.25	Yes	MIG			
8	Ntokozweni / Kuyasa Preschool	2	1 unit	R 4,428,573.68	Yes	MIG			
9	Castle Rocks and Bridge								
10	Construction of Refele Sport Field PH 2	8	1 unit	R 20,779,792.97	Yes	MIG			
11	Surfacing of Ugie Park Streets & Stormwater (Ph 1,2&3)	2	3,23km	R 27,087,942.90	Yes	MIG	R5,695,109.67	R16,541,622.37	
12	Surfacing of Greenfields Streets & Stormwater (Ph 1,2&3)	17	5,84km	R 34,780,379.44	Yes	MIG	R12,298,153.79	R12,095,849.01	

13	Surfacing of Mt Fletcher Urban Roads & Stormwater	9	2km	R 17,231,531.00	No	MIG	R1,761,331.07		
14	Epainette Mbeki Access Road	9	2,5km	R 5,492,343.18	No	MIG	R6,221,742.43	R3,471,742.43	
15	R56 to Khalankomo Upgrade	9	2,5km	R 5,492,343.18	No	MIG	R6,759,815.00	R865,528.18	
16	Construction of Xaxazana Special School Access Road	11	2km	R 5,093,063.18	No	MIG	R5,093,063.18		
17	West Hoek Access Road	10	6km	R 9,119,213.18	No	MIG	R	R3,678,879.01	R5,440,334.17
19	Katlehong Township and Ilisolomzi Township Streets	9	6,71km	R 54,186,436.00	No	MIG	R		
20	Delibawo via Maweni Access Road	1	4,48km	R 7,661,965.91	No	MIG	R500,000.00	R3,678,879.01	R3,983,086.90
22	Seqhobong Access Road	13	2km	R 5,307,250.00	No	MIG	R476,784.86		R4,830,465.14
21	Thutsing Access Road	14	1,7km	R 5,125,047.62	No	MIG	R500,000.00		R5,125,047.62
22	Roads and Storwater Master plan	All Wards	1	R2,401,750.00	No	MIG	R1,500,000.00		
23	Procurement of Specialised Waste Management Yellow Plant	All Wards	1	R2,401,750.00	No	MIG	R13,000,000.00	R3,236,250.00	R
24	Upgrade of Hopedale Sportsfield (Phase 1& 2)	6	1 unit	R 8,000,000.00	No	MIG			
26	Community Hall for ward 14	14	1 Unit	R 4,366,870.96	No	MIG			
27	Sonwabile PH1 & PH2 remedial work								
31	Construction of Kose to Mbonisweni via Diphini	5	14,1km	TBC	No	MIG			R9,000,000.00

32	Construction of St Augustines Access Road	6	3,5km	R 9,000,000.00	Yes	MIG			
33	Construction of Mpukone Access Road	5	2,4km	R 8,000,000.00	No	MIG			R8,000,000.00
34	Construction of Mpukane Access Road	6	2,4km	TBC	No	MIG			
35	Queen Noti Clinic to Jamangile SSS AR	6	8km	TBC	No	MIG			
36	Tembeni housing project: infrastructure roads	9	TBC	TBC	No	MIG			
37	Community Hall for ward 12 at Kinira Poort	12	1 Unit	TBC	No	MIG			
38	Mabekang Access Road	12	TBC	TBC	No	MIG			
39	Ntywenka Access Road	6	TBC	TBC	No	MIG			
40	Upper Sinxako to Govani Access Road	6	TBC	TBC	No	MIG			
41	Community Hall for ward 05	5	1 Unit	R 4,366,870.96	No	MIG			
42	Community Hall for ward 06	6	1 Unit	R 4,366,870.96	No	MIG			R7,291,516.17
43	Community Hall for ward 08	8	1 Unit	R 4,366,870.96	No	MIG			
44	Community Hall for ward 11	11	1 Unit	R 4,366,870.96	No	MIG			
45	Community Hall for ward 13	13	1 Unit	R 4,366,870.96	No	MIG			
46	Community Hall for ward 14	14	1 Unit	R 4,366,870.96	No	MIG			

47	Community Hall for ward 15	15	1 Unit	R 4,366,870.96	No	MIG			
	Maintenance of Roads	All Wards						R2,372,500.00	R2,568,850.00
							R 45,340,000.00	**R47,450,000.00**	**R48,808,150.00**

4.30. INEP Three Year Project Implementation Plan

Ward	Village Name	No of connections	Cost per connection	Bulk Infrastructure	Project Cost	Three Year Period		
						2024/2025	**2025/2026**	**2026/2027**
						R12,994,000.02	**R 18,000,000.00**	**R 20,000,000.00**
1	Umnga flats (pre-eng 100HH)	100	-		R165,000.00	R165,000.00		
1	Cicirha (pre-eng)	60	-		R99,000.00	R 99,000.00		
7	Ngxaxha Goji (pre-eng)	21	-		R276,000.00	R276,000.00		
13	Makoatlane Phase 2	60	R27 500.00		R1,650,000.00	R1,650,000.00		
12	Polokoe	48	R27 500.00		R1,320,000.00	R1,320,000.00		
	Showini	60	R27 500.00		R1,650,000.00	R1,650,000.00		
	Showini	-		5km	R2,500,000.00	R2,500,000.00		
11	Lubisini	155	R27 496.77		R4,262,000.00	R4,262,000.00		
13	Nxotshana	39	R27 487.18		R1,072,000.02	R1,072,000.02		
1	Cicirha	60	R30 000.00		R1,800,000.00		R1,800,000.00	
7	Ngxaxha Goji	21	R27 500.00		R577,500.00		R577,500.00	
1	Umnga flats (pre-eng 100HH)	55	R27 500.00		R1,512,500.00		R1,512,500.00	
	Tuin Block	160	R27 500.00		R4,400,000.00		R4,400,000.00	
6	Ward 6 Extensions (Siqugqwini, Sommerville, Qurana, Lower Sinxaku, Ngcele	50	R27 500.00		R1,375,000.00		R1,375,000.00	

	Down, Lower Ntywenka, Ngcele Village, Upper Ntywenka, Upper Sinxaku and Qokolweini)							
13	Koebung Phase 2	121	R27 500.00		R3,327,500.00		R3,327,500.00	
9	Khalazembe	30	R27 500.00		R825,000.00		R825,000.00	
	Mabalane	30	R27 500.00		R825,000.00		R825,000.00	
11	Ward 11 extention(Dengwane, Ntatyana, Tinana, Mjikelweni and Fairview)	50	R27 500.00		R1,375,000.00		R1,375,000.00	
10	Mathafeni No.2	40	R27 500.00		R1,100,000.00		R1,100,000.00	
	Tsolobeng Ha Boraki	35	R27 500.00		R962,500.00		R962,500.00	
10	Ward 10 extension (Mpharane, Nkalweni, Mbambangwe, Mjika, Siyalwini, Mathafeni No.1, Ezingonyameni)	115	R27 500.00		R3,162,500.00			R3,162,500.00
14	Ward 14 Extensions (Thabakgubedu, Setabataba, Sathube, Ntaelanga, Makoaseng, refele, Phuthing,Vuvu, Ditaung)	86	R27 500.00		R2,365,000.00			R2,365,000.00
7	Jojweni/Nkunyana	100	R27 500.00		R2,750,000.00			R2,750,000.00
8	Ward 8 Extensions (Luzie, Moroka, Mokgalong, Sekoting, Batlokoa Village,	57	R17 000.00		R969,000.00			R969,000.00

	Umfanta, Makhatlanyeng)							
	Makhaditseng	82	R27 500.00		R2,255,000.00			R2,255,000.00
12	Ward 12 extensions (Thabatlala, Leqolong, Popopo, Setaka,Lehlokaneng, Moleko, Mahanyaneng)	75	R17 000.00		R1,275,000.00			R1,275,000.00
16	(Balweni, Nkalweni, Calucalu, Mafusini, Nkangala, Ntabamkhitha, Kwaza, Magedla, Chevychase, Zwelitsha, Msasangeni, Sihom, Dryin, Qolwein, Bhantiti, Taung, No.5, Ntatyaneni, Mabalala)	350	R17 000.00		R5,950,000.00			R5,950,000.00
5	Ward 5 Extensions (Embonisweni, Mountain,Hope dale, Mpunkone, ST- Augustines	65	R20 000.00		R1,300,000.00			R1,300,000.00

4.31. Roads Maintenance Plan

4.31.1 Rural Roads and Stormwater Mantainance

WARD NO	VILLAGES	KM OF ROADS
2, 3 & 17	Ugie & Maclear	**4 kms**
4	Matiguru	**32.9 kms**
	Mcwangele	
	Mafusini	
	Mafusini 2	
	Upper Tsitsana	
	Saqhute	
	Maromeni	
	Platana	
7	Tsitsana to Sphonia	**39.6km**
	Mpindweni-Gamakhulu	
	Khohlopong	
	Great Place	
	Great Place	
	Mfabantu	
	Ramatee	
	Ngqayi	
08	Nkobongo C TO Phezulu	**25km**
	Luzzie Drift	
	Luzzie Drift	
	Moroka	
	Ntabelanga	
	Nkamane	
	Sigodini	
16	Nqayi c	**56.6 kms**
	Nkobongo C	
	Bumbane c	
	Magedla	
	Nkangala	
	Lubalweni SP	
	Chievy chase	
	Jojweni E	

	Kethekethe	
	Nkalwenic- to Calucalu	
	KwaGoli	
TOTAL KM = 155kms		

4.31.2 Urban Maintenance

Activity	Stormwater (m)	Stormwater (No)	Road Reserve Maintenance(m²)	Surfaced road maintenance Black top/ Block Pave(m²)	Period
Tlokoeng	500	15	1000	300	Quarter 1 July – September 2024
Ugie	500	30	1000	300	
Nqanqarhu	500	20	1000	500	
	1500	**65**	**3000**	**1100**	
Tlokoeng	500	15	1000	300	Oct. – Dec. 2024 Quarter 2
Ugie	500	30	1000	300	
Nqanqarhu	500	20	1000	500	
	1500	**65**	**3000**	**1100**	
Tlokoeng	500	15	1000	100	Jan. – March 2025 Quarter 3
Ugie	500	30	1000	100	
Nqanqarhu	500	20	1000	100	
	1500	**65**	**3000**	**300**	
Tlokoeng	500	15	1000	100	April – May 2025 Quarter 4
Ugie	500	30	1000	100	
Nqanqarhu	500	20	1000	100	
	1500	**65**	**3000**	**300**	
	6000	**260**	**12000**	**2800**	

5. CHAPTER FIVE: PROJECT IDENTIFICATION

5.1. Service Delivery

5.1.1 Basic Service Delivery

Strategic Objective	FOCUS AREA	STRATEGY	OUTPUT INDICATOR	PROJECT IDENTIFICATION	BUDGET	BASELINE	5 YEAR TARGET	2024/2025	INDICATOR CUSTODIAN
To ensure efficient construction, rehabilitation and maintenance of municipal infrastructure	Project Management Unit	Expand Infrastructure development	No. of kms of Roads Constructed	Surfacing of Ugie Park Streets & Stormwater (3,23km) , Surfacing of Greenfields Streets & Stormwater (5,84km); Surfacing of Mt Fletcher Urban Roads & Stormwater (2km)	R230 Million	611.07km	26.2 km	4km	Director Infrastructure Planning and Development
	Project Management Unit	Expand infrastructure development	Number of public amenities constructed	(Halls ECDCs Public toilets & VTS)	R20 Million (Halls ECDCs Public toilets & VTS)	12	7	2	Director Infrastructure Planning and Development
	Buildings and Civil Works	Improve Infrastructure planning	Number of Integrated Roads and Stormwater Maintenance Master Plans Developed	Roads and Storwater Master plan	R1.5 Million	New Indicator	1	1	Director Infrastructure Planning and Development
	Buildings and Civil Works	Expand Infrastructure Development	Number of bridges rehabilitated		R6 million	4	2	0	Director Infrastructure Planning and Development

	Electrification	Expand Infrastructure Development	Number of households in electrification program connected	Makoatlane (Phase 2) (60) Polokoe (48) Showini (60) Lubisini (155) Nxotshana (39)	R57 million	2406	1039	200	Director Infrastructure Planning and Development
	Electrification	Expand Infrastructure Development	Number of kilometres of bulk infrastructure constructed (linkline)	Umnga flats (pre-eng) Cicirha (pre-eng) Ngxaxha Goji (pre-eng)	R8.9 million	44km	40km	7km	Director Infrastructure Planning and Development
	Electrification	Expand Infrastructure Development	Number of pulic lights installed		R15 million (High mast lights R9 million (Street lights)	20 Highmast 234 Streetlights	11 Highmast 107 Streetlights	2 Highmast 20 Streetlights	Director Infrastructure Planning and Development
	Electrification	Expand Infrastructure Development	Number of electricity network upgrade completed X 2		R21 million	7	10	2	Director Infrastructure Planning and Development
	Electrification	Expand Infrastructure Development	% of maintenance completed for electricity network as per maintenance plan		R17.2 million	100%	100%	100%	Director Infrastructure Planning and Development
	Electrification	Improve infrastructure planning	% maintenance on public lighting		R190 370 000	100%	100%	100%	Director Infrastructure Planning and Development

	Infrasturcture Grant Expenditure	Infrastructure spending	% expenditure on all infrastructure grants			100%	100%	100%	Director Infrastructure Planning and Development

5.1.2 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 provide reliable basic services to households and business sector											
Waste Management and Cleansing	Provision of basic services to promote healthy environment	Number of areas receiving refuse collection, for household and commercial properties.	R,00	New	59 areas	39 areas	59 areas	59 areas	59 areas	59 areas	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	1.Climate Change Strategy 2. Integrated Environmental Management Policy 3. Green procurement policy 4. Air Quality Management Plan healthy environment	1	5 P1 P3 P4 P6 P8	P1 P2 P3 P4	3 P8 P9	2 P8 P9	Director Community Services
Waste Management and Cleansing	Provision of basic services to promote healthy environment	Number of environmental and public safety awareness campaigns conducted. (. Abor Month, 2. Waste and environment, 3. fire and disaster, 4. 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	105	20	20	20	20	20	Director Community Services
Public Safety	Vehicle registration	Own revenue generated from vehicle's registration and licensing (rand value)	R0.00	New	3 million	800 000	800 000	3 million	3 million	3 million	Director Community Services
Libriaries	Promote public safety and healthy environment	Number of functional libraries managed through the SLA with Department of Sports, Recreation, Arts and Culture.	R0.00	New	3	-	3	3	3	3	Director Community Services
Traffic management	Promote public safety and healthy environment	Number of Traffic safety projects implemented	10,4 Million	New	5 (1. Learner licenses issued 2. Drivers licenses issued 3. Road worthy vehicle testing 4. Upgrading of DLTC, 5.Establishment of Pound Vehicle Centre	4	5	3	3	3	Director Community Services
Strategic Objective 2.4 To promote protection and conservation of natural resources through greening lifestyle											
Environmental Management	Promote public safety and healthy environment	Number of Open Spaces beautified			7 Projects?	N/A	N/A	7	7	7	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	3 1 x Tlokoeng 1 x Nqanqarhu 1 x Ugie	N/A	1 Tlokoeng (Designs)	1 Tlokoeng (Construction) Nqanqarhu & Ugie (Designs)	1 Nqanqarhu (Construction)	1 Ugie (Construction)	Director Community Services

	Provision of public amenities under the control of the department maintained	Number of public amenities under the control of the department maintained.	R500 000	New	1 x Tlokoeng cemeteries (Solomzi), 2 x Ugie cemeteries (Bhekela & Kruger), 1 x Nqanqarhu Cemeteries (Town Cemetery) 2 x Ugie Community Hall (Kruger Hall & Ntokozweni)	N/A	11	11	11	11	Director Community Services
Pound management	Promote public safety and healthy environment	Number of pound management projects implemented	15,5 Million	New	3 1.Pound construction 2. Pound management implementation 3. Holding facilities mantained	1	1 Ugie pound designs	1 Ugie Pound Constructio n	1 Maintenanc e of holding facilities	1 Maintenanc e of holding facilities	Director Community Services
Policy development/ Reviewal	Development of new policy and reviewal of available policies	Number of developed draft policies and bylaws /or reviewed draft policies and by laws approved by Council	R400,000	New	44	8	9	2	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

5.1.3 Municipal Transformation and Organisational Development

FOCUS AREA	STRATEGY / PERFORMANCE OBJECTIVE	OUTPUT INDICATOR	BUDGET	BASELINE	5 YEAR TARGET	ANNUAL TARGET					INDICAT CUSTODI
						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	13	2	2	3	3	3	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 training and development		104%	100%	100%	100%	100%	100%	100%	Director Corporate Services
Human Resource Development	Review of the organisational strucuture 2023/24	Number of organizational structures reviewed		2018/19 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	Number of Task Grades cascaded for performance management as per Staff Regulations		TG 19-09	100%	TG 8-3	N/A	TG 8-7	TG 6-5	TG 4-3	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		New	25	10	100%	100%	100%	100%	Director Corporate Services
Admin and Council Support	Functionality of security	Number of security system projects implemented		New	4 (implementation of the master and security report)	N/A	1	1	1	1	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
Information Communication & Technology	ICT Projects	Number of ICT Projects implemented 1. Upgrade to Cat6e 2. Cloud Based Solutions 3. Remote backups 4. ICT Asset Register 5. ICT Governance		New Indicator	1. Upgrade to Cat6e 2. Cloud Based Solutions 3. Remote backups 4. ICT Asset Register 5. ICT Governance 6. ICT Security Applications	N/A	6	5	6	5	Director Corporate Services

5.1.4 Local Economic Development

FOCUS AREA	STRATEGY	OUTPUT INDICATOR	BUDGET	BASELINE	5YEAR TARGET	ANNUAL TARGET					INDIC CUST
						2023/2024	2024/2025	2025/202	2026/2027	2027/2028	
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 initiatives implemented towards the establishment of Agro Processing	R2,750,000.00	Feasibility Studies Completed, Developer Appointed, Master Plan & Business Developed by 23/24 Q4	7	3	1	1	1	1	Direc Plann & Econ Devel ent
LED-SMME	Capacitation of SMME's	Number of SMME projects implemented	R500,000	50	63	12	55	12	12	12	Direc Plann & Econ Devel ent
LED-SMME	Street Trading	Number of street trading facilities provided	R1 million	12	40	10	N/A	10	10	10	Direc Plann & Econ Devel ent
LED-Agriculture & Forestry	Wool industry development support	Number of initiatives implemented towards wool industry development	R1 600 000	10 (Internation al Woll Standard)	7	3	1	1	1	1	Direc Plann & Econ Devel ent

LED-Tourism	Marketing Elundini as a prime tourist destination	Number of destination marketing initiatives	R500 000	2	10	2	2	2	2	2	Direc Plann & Econo Devel ent
LED-SMME	Improved business licensing & permitting	% of submitted business licence applications processed	R0.00	New	100%	-	100%	100%	100%	100%	Direc Plann & Econo Devel ent
Strategic Objective : To increase investment through land and socio-economic infrastructure											
LED-Property investment	Investment in infrastructure land and property	Number of property investment projects implemented	R500,000	New indicator	10	2	2	2	2	2	Direc Plann & Econo Devel ent
Planning and Land Use Management	Improved land use planning & management	Number of initiatives implemented towards improving land use & planning	R0.00	1	5	1	1	1	1	1	
Planning and Land Use Management	Improved building control environment	% of compliant building plans processed within 60 days	R0.00	New	100%	-	100%	100%	100%	100%	Direc Plann & Econo Devel ent
Property / Asset / Land Management	General Valuation Roll	Number of milestones completed towards completion and implementation of the general valuation roll		New	5	1	1	1	1	1	Direc Plann & Econo Devel ent

5.1.5 Financial Viability and Management

FOCUS AREA	STRATEGY	OUTPUT INDICATOR	BUDGET	BASELINE	5YEAR TARGET	ANNUAL TARGET					IND CUS
						2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	
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	5934	10 000	7,500	8,000	9,000	10,000	11,000	
Income & Expenditure	Payment of Creditors within stipulated periods	Average Number of days taken to pay Creditors	R0.00	09 Days	30 Days	30 Days	30 Days	30 Days	30 Days	30 Days	
Income & Expenditure	Improve revenue enhancement	Average Number of days to receive payment from debtors	R0.00	617 Days	360 Days	360 Days	360 Days	360 Days	360 Days	360 Days	
Income & Expenditure	Improve revenue enhancement	Percentage collection on billed revenue	R0.00	111%	95%	95%	95%	95%	95%	95%	
Income & Expenditure	Improve revenue enhancement	% Reduction in level of historical Debt owed	R0.00	New Indicator	10% of Debt owed written off	10% of Debt owed written off	10% of Debt owed written off	10% of Debt owed written off	10% of Debt owed written off	10% of Debt owed written off	
Income & Expenditure	Revenue enhancement	Number of cost containment and revenue enhancement strategies reviewed and implemented	R0.00	2	2 Revenue enhancement strategy reviewed; Cost containment strategy implemented	2 Reviewed revenue enhancement strategy; Implementation of cost	2 Reviewed revenue enhancement strategy; Implementation of cost	2 Implementation of Revenue enhancement strategy; Implementation of Cost	2 Implementation of Revenue enhancement strategy; Implementation of Cost	2 Implementation of Revenue enhancement strategy; Implementation of Cost	

						containment strategy	containment strategy	Containment Strategy	Containment Strategy	Containment Strategy
Asset & Fleet Management	Improve efficiency of asset and fleet management to ensure compliance of asset register and reduce abuse of fleet and management of fleet	Number of Asset management and fleet projects implemented:	R0.00	2 1. Asset management; 2. Fleet management	2 1. Asset management; 2. Fleet management	2 1. Asset management; 2. Fleet management	2 1. Asset management; 2. Fleet management	2 1. Asset management; 2. Fleet management	2 1. Asset management; 2. Fleet management	2 1. Asset management; 2. Fleet management
Budget & Reporting	Improved financial health, budget planning and reporting	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
Budget & Reporting	Improved financial health, budget planning and reporting	Cost coverage ratio maintained within national guidelines	R0.00	1 month	3 months	3 months	3 months	3 months	3 months	3 months
Budget & Reporting	Improved financial health, budget planning and reporting	Budgeted Capital vs Total Expenditure Ratio per budget	R0.00	22%	15%	20%	20%	20%	20%	20%

Budget & Treasury	Improved financial health, budget planning and reporting	Number of credible Financial Statements developed	R	Annual Financial Statement	2 1. Interim 2. Annual Financial Statements	2 1. Interim 2. Annual Financial Statements	2 1. Interim 2. Annual Financial Statements	2	2 1. Interim 2. Annual Financial Statements	2 1. Interim 2. Annual Financial Statements	
Supply Chain	Maximise efficiency in demand management, acquisition and contract management	Number of SCM projects implemented:	R0.00	5	5 1. Demand Management Plan 2. Contract Management 3. SCM Compliance 4. SCM policy reviews 5. SMME beneficiation report	5 1. Demand Management Plan 2. Contract Management 3. SCM Compliance 4. SCM policy reviews 5. SMME beneficiation report	5 1. Demand Management Plan 2. Contract Management 3. SCM Compliance 4. SCM policy reviews 5. SMME beneficiation report	5 1. Demand Management Plan 2. Contract Management 3. SCM Compliance 4. SCM policy reviews 5. SMME beneficiation report	5 1. Demand Management Plan 2. Contract Management 3. SCM Compliance 4. SCM policy reviews 5. SMME beneficiation report	5 1. Demand Management Plan 2. Contract Management 3. SCM Compliance 4. SCM policy reviews 5. SMME beneficiation report	
Budget & Treasury	Reviewal of finance by-laws	Number of by-laws reveiwed	R0.00	Outdated Finance by-laws	3		3				

5.1.6 Good Governance and Public Participation

FOCUS AREA	STRATEGY	PROJECT	OUTPUT INDICATOR	BUDGET	BASELINE	5YEAR TARGET	ANNUAL TARGET					INDICATOR CUSTODIAN
							2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	
Strategic Objective: To strengthen integrated planning, monitoring and evaluation of municipal programmes. **Goal 3 : Improve the effectiveness of governance administrative and financial systems.**												
IDP Planning and implementation	Develop a long term plan for future development	Vision 2050 Annual Strategic Plan	Number of municipal strategic plans developed.	R1,2 million	New indicator	3	2	3	2	2	3	Senior Manager Strategic Support

		Departmental Strategic Plans										
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	Integrated Development Planning	% implementation of IDP/Budget Process Plan	R1m	100%	100%	100%	100%	100%	100%	100%	Manager: IDP/PMS/M&E
Performance Management	Efficient and effective performance management system	Institutional PMS	% implementation of institutional PMS Process Flow	R1.5m	100%	100%	100%	100%	100%	100%	100%	Manager: IDP/PMS/M&E
Risk Management	Promote Risk Management culture	1.Risk Management Implementation Plan 2.Anti-Fraud Corruption Implementation Plan 3.Ethics & Integrity management strategy	Number of risk & ethics management projects implemented	R2.1 m	New Indicator	4 (1. Risk assessment. 2. Risk management policy review. 3.ethics & integrity management review. 4. Risk	4	4	4	4	4	Senior Manager: Strategic Support Services

		4.Legislative compliance activities implemented				management implementation)						
Strategic Objective : To improve public participation and oversight to enhance accountability												
Internal Audit	Improve effectiveness and efficiency of the internal audit	Development of Internal Audit Plan	% of completed internal audit projects of the approved internal audit plan	R1.3 m	100%	100%	100%	100%	100%	100%	100%	Manager : Internal audit
Public participation	Strengthen functionality of oversight and ward committees	1.Ward committee co-ordination. 2. Community based meetings. 3. Section 79 Committee co-ordination. 4. Public participation events 5. Petition Management	Number of public participation and oversight projects implemented	R20 m	4	5	4	5	5	5	5	Senior Manager: Strategic Support Services
Public participation and communications	Improve effectiveness & efficiency of communications	1. Social media. 2. Municipal publications. 3. Website Management 4. Outdoor LED Screen. 5. LCF. 6. Tintswalo Project	Number of Communication projects implemented	R2.5 m	6	5	5	5	5	5	5	Manager : Governance and Political Support

Public participation and communications	Improve effectiveness & efficiencies of customer care service	1. Satisfaction survey. 2. Anonymous hot line. 3.Presidential hotline. 4. IMIS walk-ins) 5. Proof of residence	Number of customer care projects implemented	R0.00	4	5	4	5	5	5	5	Senior Manager: Strategic Support Services.
Legal Services	Compliance and Litigation	1. Litigation management 2. By-laws 3. SLA Vetting. 4.Compliance	Number of legal services projects implemented	R1.8 million	4	3	3	4	4	4	4	Manager: Legal Services & Compliance
Strategic Objective : To support the development of SMME to participate in a diversified and growing economy												
Special Programs	Focus group mainstreaming	1. PWD Program 2. Gender Based Violence & femicide programs 3. Youth Skilling 4. Horse Racing / Mayoral Cup 5. Arts Development	Number of focus groups social projects implemented	TBC	New indicator	5	2	2	3	3	3	Manager : SPU/HIV & AIDS
Special Programs	Focus groups SMME support	1. 2 X Youth enterprise development 2. 2 X Women enterprise development 3. 1 X People with Disability Enterprise Development	Number of focus groups enterprise development projects supported.	TBC	New Indicator	5	5	5	5	5	5	Manager : SPU/HIV & AIDS

Special Programs	Youth Development	1. Bursary 2. Black Hawk Foundation partnership 3. Bridge of Hope. 4. Military Veterans	Number of MSI projects implemented	TBC	3	4	1	1	4	4	4	Manager : SPU/HIV & AIDS
Special Programs	HIV/AIDS	1. Local Aids Council 2. Training of care givers 3. Partnership Agreements	Number of HIV/AIDS programs implemented	TBC	New Indicator	3	3	3	3	3	3	Manager : SPU/HIV & AIDS

5.2. JOE GQABI DISTRICT MUNICIPALITY PLANNED PROJECTS

PROJECT NAME	WARD / BENFICIARIES	APPROVED AMOUNT	PROJECT DESCRIPTION
Elundini Rural Sanitation Programme: Phase 6	Wards 1,5,6,7,8,10,11,12,13,14 & 16	R 15 million	Construction of VIP toilets in Elundini rural areas.
Elundini Rural Water Programme (ORIO)	Wards 1,5,6,7,8,10,11, 12,13,14 & 16	R 15 million	Construction of water supply infrastructure
Bulk Sanitation Infrastructure Upgrade	Nqanqarhu	R 17 801 000	Construction of Sewer gravity main, pump station.
Provision of Sanitation Infrastructure	Ugie and surrounding townships (Ward 2)	R 17 862 400	Upgrading of Ugie internal sewer line
Nqanqarhu Water Treatment	Nqanqarhu	R 2 milion	Replacement of AC pipes in Nqanqarhu town

5.3. ESKOM PROJECTS

PROJECT NAME	PROJECT TYPE	BUDGET	TOTAL PLANNED	BENEFICIARIES- VILLAGE NAMES
Elundini Ext. (Tlokoeng)	Households Electrification	R 12 570 000.00	419	Esiyalwini, Fletcherville, Mahemeng, Mbambangwe, Mjika, Nkalweni, Tsolobeni, Fairview, Tsekong

5.4. DEPARTMENT OF AGRICULTURE, LAND REFORM & RURAL DEVELOPMENT

PROJECT DESCRIPTION	BENEFICIARIES	WARD	APPROVED AMOUNT

Land Development Support (Completion of Infrastructure)	Prada Farm		R 2 833 353.94

3.10 DEPARTMENT OF RURAL DEVELOPMENT AND AGRARIAN REFORM

PROJECT NAME	WARD / BENFICIARIES	APPROVED AMOUNT	PROJECT DESCRIPTION
Vegetables	Elundini Communities	R600 000	Supply and Delivery of fertilizer, Seeds, and chemicals for Vegetable Production Projects
Households	Elundini Communities	R1 800 000	Supply and Delivery of fertilizer, Seeds, and chemicals for Household food production
Piggery	Elundini Communities	R300 000	Supply and Delivery of pig feed and medication for piggery Projects
Poultry	Elundini Communities	R500 000	Supply and Delivery of poultry feed and medication for poultry Projects
Cropping Programme	1,2,4,7,8,14,5,15,11,10,12, 13,17	R5 295 520,00	Tlokoeng, Ugie and Nqanqarhu grain production (communal and smallholder farmers)
Fencing and Handling Facilities	Upper Tokoana	R1 350 000,00	Shearing Shed with Holding Kraals, Shearing Equipment and Plunge Dip
	Ntushu-ntushu(Ward 5)	R238 368.00	Supply and Delivery of Fencing Material

3.11 DEPARTMENT OF ECONOMIC DEVELOPMENT, ENVIRONMENTAL AFFAIRS & TOURISM (DEDEAT)

PROJECT NAME	PROJECT DESCRIPTION	BUDGET	STATUS	BENEFICIARIES
Elundini EPWP Project	Waste Management (120 W/O)	R5 M	In progress	All Elundini Wards

3.12 DEPARTMENT OF FORESTRY, FISHERIES AND ENVIRONMENT (DFFE)

PROJECT NAME	PROJECT DESCRIPTION	BUDGET AND WORK OPP	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 Municipality)	12 Months	Under Implementation
Youth Environmental Services	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 **Graduate program** 33 Elundini LM	3 Years 12 months for training and 24 months community services	Under Implementation

3.13 DEPARTMENT OF SOCIAL DEVELOPMENT

PROGRAMMES	Allocated Budget for 2024/2025	BENEFICIARIES
Services to older person.	R2 245 500	Elderly
Support to children and families	R150 044	Children and Families
Services to people with Disabilities	R676 352	Children living with disabilities
Child Care and Protection	R483 158	Communities
Integrated health and therapeutic services (HIV/AIDS)	R806 919	People living with and affected by HIV/AIDS
Substance Abuse and Rehabilitation	R191 854	Communities
Victim empowerment and support services	R1 355 880	Victims of violence and users of substance
Food Gardening	R50 000	Communities
Community Nutrition Development Centre	R419 312.50	Communities

3.14 DEPARTMENT OF TRANSPORT

PROGRAMME	BUDGET	BENEFICIARIES
Routine Road Maintenance on Various Provincial Gravel Roads	R 8 187 972	✓ Tabachicha- Xaxazana(Tlokoeng) ✓ Gqaqala (Ugie) ✓ Katkop, Chevy Chase (Tlokoeng) ✓ St. Augustine (Nqanqarhu) ✓ Blading on various roads within ELM
Re-gravelling on DR08074	R 5 000 000	✓ Tabachicha Xaxazana

Bridge Maintenance	R 6 000 000	✓ Stormwater Structures on DR08018 (Mbizeni), ✓ DR08075 (Tinana Bridge) ✓ DR08204 (St Augustine)

3.15 ECRDA 2024/25 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

3.16 DEPARTMENT OF HUMAN SETTLEMENTS

PROJECT NAME	**WARD / BENFICIARIES**	**APPROVED AMOUNT**	**PROJECT DESCRIPTION**
Sinxako 486 ; Kuebung 267 with (23 remaining units); Mbidlana 300(200) and Mqokolweni 304(200)	Ward 6, 13, 17	R41+ Million for 2023/2024 was set aside however due to performing projects within Elundini this budget has been exceeded	Construction of housing units
Upgrading of Informal Settlements	Kutloanang Community, Ward 09		Upgrading of 700 Informal Settlements in Kutloanong to permanent services
Elundini Destitute	All wards		77 units
Ethembeni 2400	Katlehong, Ilisolomzi and Nkululekweni		Units and Disaster cases.

3.17 SASSA

PROGRAMME	Beneficiaries in Tlokoeng	Beneficiaries in Nqanqarhu / Ugie	Total Number of Beneficiaries
Grants in payment including Grant-in-Aid.	40 021	31 320	71 341
Eligible children below the age of 1 in receipt of the children's grants.	1 028	805	1 833
Number of CSG Top-up extended	361	283	644

3.18 DEPARTMENT OF PUBLIC WORKS

Project Name	Project Description	Value(R)	Location/ Ward	No of beneficiaries
Mt Fletcher office	Construction of New Tlokoeng Cluster offices	TBC	Ward 9, Tlokoeng	Community Departments

3.19 DEPARTMENT OF COMMUNITY SAFETY

PROGRAMME	POLICE STATION/ AREA	BUDGET	TIME FRAME
Service delivery evaluation at police stations.	Katkop, Zamuxolo, Ugie	R12 000	April -July 2024
Assessment of the implementation of Domestic Violence Act	Tlokoeng, Nqanqarhu, Katkop	R12 000	April – November 2024
Court Watching Brief Programme	Tlokoeng, Katkop	R20 000	April 2024- February 2025
Conduct unannounced visit at police stations	Elandsheight, Mbizeni, Tabase, Tlokoeng	R12 000	

Conduct policing accountability engagements	Tlokoeng, Ugie, Katkop	R84 000	July 2024; November 2024; February 2025
Conduct social crime prevention programmes	Tabase, Tlokoeng	R58 000	July & October 2024
Support of Community Safety Forum	Elundini	R25 000	April 2024- March 2025

3.20 DEPARTMENT OF HEALTH

Project	**Description**	**Budget/Cost**	Beneficiaries
High-security fencing upgrades - Cluster 1	New high security fencing in 10 clinics	**R8 007 452 (allocated for selected clinics in JG)**	Sonwabile Clinic
Maclear Hospital – elevated water tank	New Elevated Water Tank	**R1 000 000.00**	Maclear Hospital
Clean-up maintenance program in the Joe Gqabi district:	Minor maintenance (Painting, plumbing and carpentry) at 10 facilities	R2 000 000 (R1m per facility)	Maclear Hospital Elundini LSA offices
Taylor Bequest hospital Mount Fletcher	• New thirty(30) - bed isolation facility, • A new Radiology department (X – Ray building), • refurbished patient ablutions and waiting area upgrades, • water and sewer upgrades, • paved roads, and walkways	R37 436 776.79	Elundini Communities
Taylor Bequest	Taylor Bequest Hospital: Accomodation	R2 million	Tlokoeng & surrounding communities

Maclear Hospital	Erection of Security fence and Guard house at Maclear Hospital	R6.5 milion	Nqanqarhu & surrounding communities
Ugie Clinic	Erection of Temporary Structures at Ugie Clinic	R4.5 million	Ugie & surrounding communities

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	• Approves the annual review program of the IDP. • Approves the top level SDBIP.	• Report the performance of the municipality to the Community at least twice a year.	• Approves the annual Audit Plan and any substantial standards to it.

• Adopts the municipal scorecard • Establishes the oversight committee for the purpose of the annual report.	• Approves changes to the SDBIP and adjustment Budget • Approves any changes to the priorities, objectives, key performance indicators and performance targets of the municipality.	(through a public Report). • Receives externally audited performance reports from the Executive Committee twice a year. • Approves the recommendations for 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.	• Manages the overall implementation of the IDP. • Ensures that all role players implement the	• Formulation of the annual review program of the IDP, including the review of	• Receives performance reports quarterly from the internal audit unit	• Formulates response to the performance audit report the Auditor General and makes recommendations

• Approves Service Delivery and Budget Implementation Plan. • Enters into Performance Agreement with Municipal Manager on behalf of the Council. • Assigns the responsibility for the management of the PMS to the Municipal Manager. • Tables the budget and the Top level SDBIP to Council for Approval.	provisions of the role players • Ensures that the Departmental scorecards serve the strategic scorecard of the municipality.	KPI's and targets for consideration by Council and Executive Mayor. • Formulation of the annual performance improvement measures. • Quarterly and annually reviews the performance of Departmental Managers.	• Receives performance reports twice a year from Performance Audit Committee. • Submits annual report of the municipality to Council.	to the executive mayor.

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. • Enters into a performance agreement with the	• 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 objectives in the performance agreements are achieved.	• 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 evaluates the performance of the department • Participates in Mid – Term Review.	• 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.

Municipal Manager. • Reports quarterly to Municipal Manager.				

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:

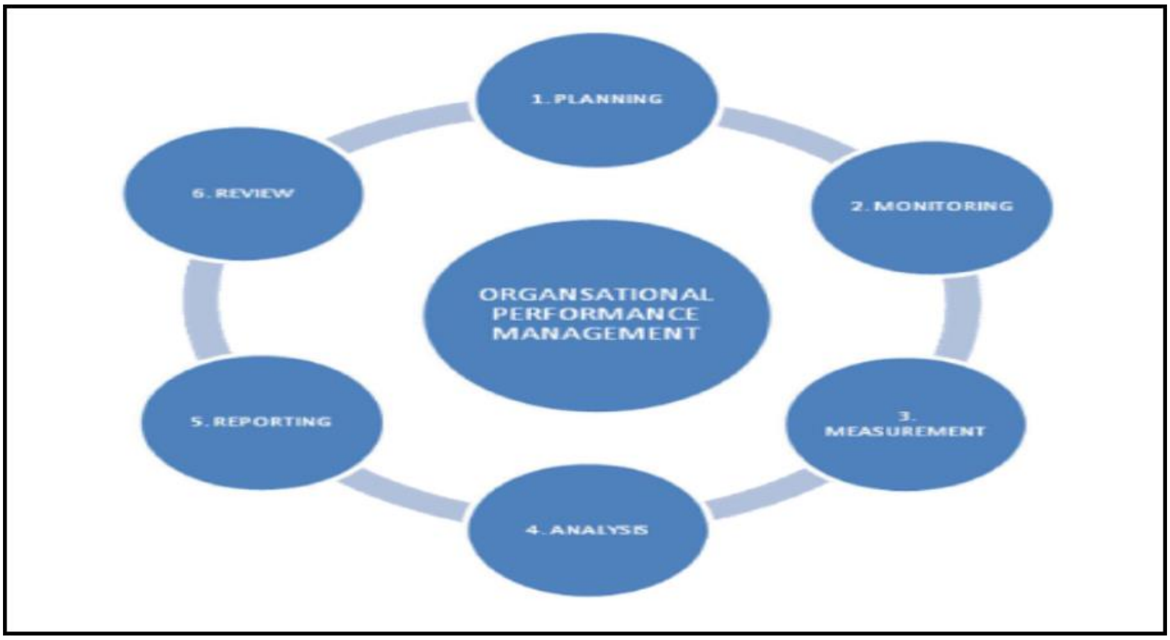

Figure 19: PMS

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 2024/25 has been reviewed and aligned accordingly.

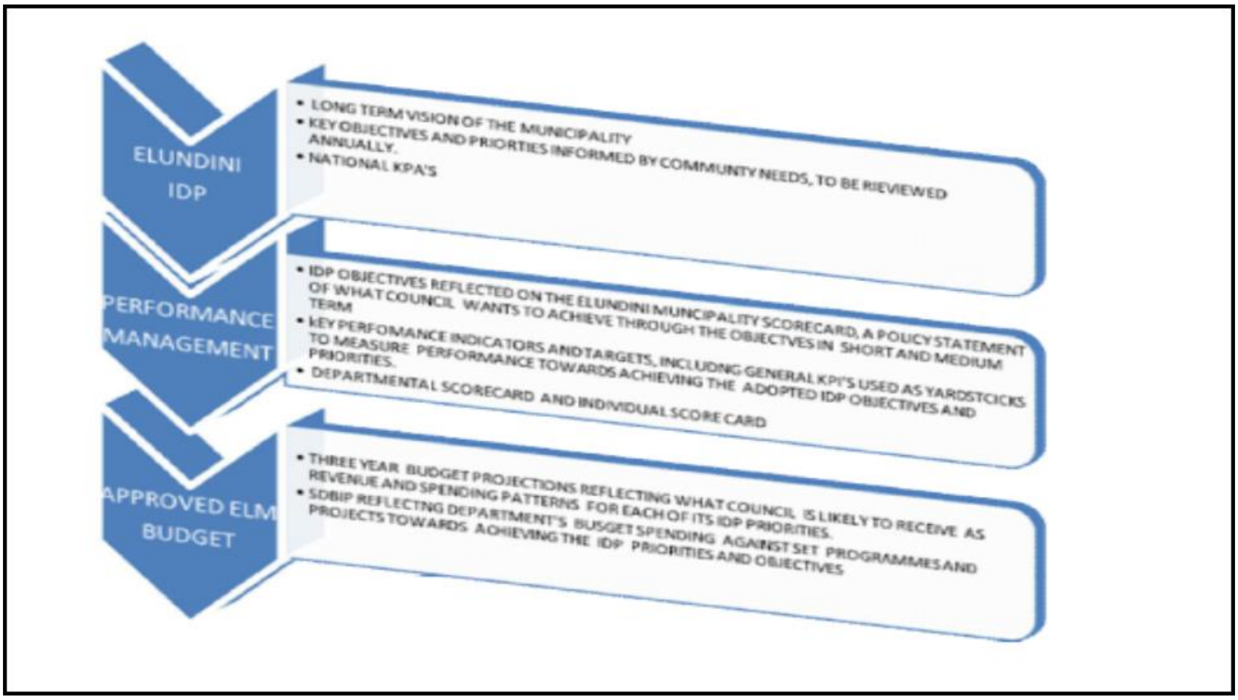

Figure 20: Linkage between IDP Budget & PMS

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)

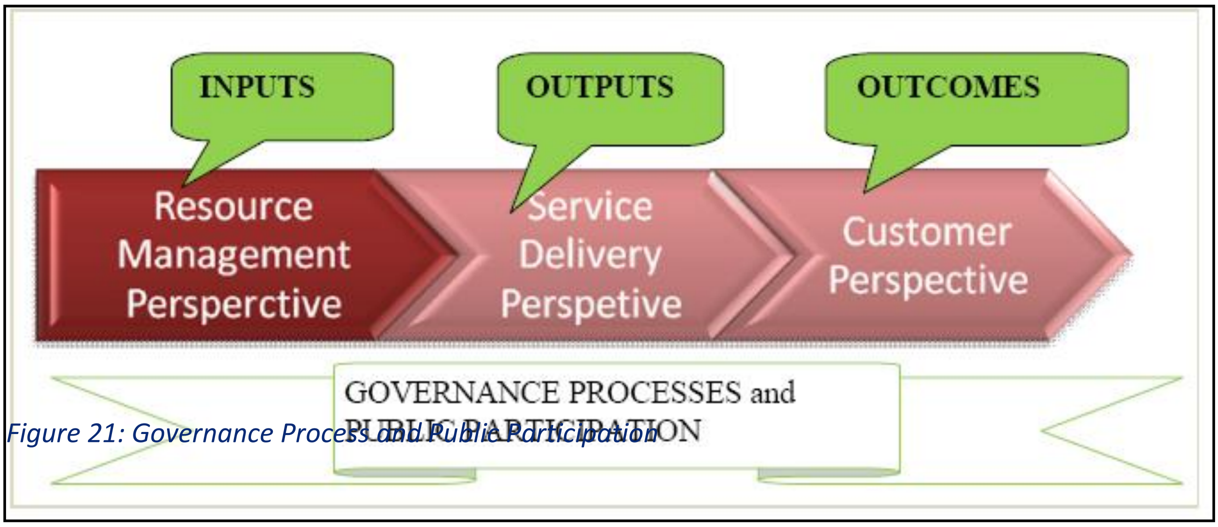

Figure 21: Governance Process and Public Participation

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 2024/2025

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 Africa are and feel safe			To promote environmental health and safety of local communities	Promote Public safety
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