INGQUZA HILL LOCAL MUNICIPALITY

INTERGRATED DEVELOPMENT PLAN 2024/2025 FINANCIAL YEAR

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1.1 FOREWORD BY THE MAYOR

VISION

"A DEVELOPMENTAL AND RESPONSIVE MUNICIPALITY"

MISSION

"TO PROMOTE SUSTAINABLE DEVELOPMENT BY ENSURING SERVICE DELIVERY IN AN EQUITABLE MANNER PRIORITIZING COMMUNITY NEEDS AND GOOD GOVERNANCE".

This year 2024 is a important year in the history of South Africa as we are going to evidence the general elections (for provincial and national representatives), as well being the year in which we will commemorate 64th Anniversary of Mpondo Revolt (that we know as Ingquza Hill Massacre).

Our 2024/2025 Integrated Development Plan (IDP) and Budget may not, and dare not, be the same as the preceding ones as it must reflect the action prescribed by the provincial and national agenda of improving lives of our people with zeal and zest.

The inherent reality is that IDP determines our mandate as a municipality. It is for this reason that this current IDP and Budget processes must and will be externally focused and be driven by community needs. It is going to be geared towards meeting community aspirations gleaned from IDP roadshows and others stakeholder consultations and engagements throughout.

In order to ensure that we contribute meaningfully in the quest of the envisaged economy growth, Local Economic Development (LED) and Supply Chain Management will have to have prioritise capacity building of local small and medium-sized enterprises (SMMEs) during 2024/2025 Financial Year, with implementation an Incubation Policy as it is part of our policies. While we acknowledge the resource constraints, a lot is being done in this area, and a lot more is in the pipeline. We also have a duty and responsibility to mainstream and utilise our communication platforms in making members of the public aware.

Our area is rich in Tourism of which we are fully aware that there is a lot that must be done to improve and attract necessary and required infrastructure so that we can join the group of leading tourist destinations in the country and worldwide.

Our area is also having fertile conditions that allow Agricultural activities. We therefore have a responsibility to ensure that women and youth get proper trainings and we encourage establishment of Agricultural Cooperatives so that we can evidence what is referred to as Fresh Produce Market. The need for training and employment of designated groups during work of government and this has to be carried out in line with the Extended Public Works Program (EPWP) principles, including but not restricted to the employment of designated groups among others.

This IDP, in the main, seeks to and provide solutions to pressing issues such as the access road construction programme; -

- Construction of new access roads,
- the road maintenance programme, and
- the expansion of licensing services.

The need to develop an ICT connectivity master plan is long overdue, as is the centralized call centre service, all of these to be concluded with the intensive and deliberate bias towards the inclusion of designated groups.

All of the above will count for nothing, unless we have a capacitated and motivated staff complement, whose potential can only be released through a quality workplace skills plan. This plan needs to be informed by the need to address the shortage of critical skills in the municipality as opposed to the upward mobility of a personal nature without the attendant skill retention strategy.

It is with the above in mind, coupled with the overarching needs of our communities, that will see an IDP and its application that will ensure a content and proud citizenry of Ingquza Hill that will be proud to call this our beautiful local municipality, their home. We can no longer withhold what needs to be delivered under the pretext that there is still another two (2) years to go. Our communities demand action.

With the above assertion, this IDP comes at the time when we are faced with protest marches, of which some of the demands are beyond our control. Under the pretext of service delivery dissatisfaction while others are using the election period, some of communities have gone on rampage demanding that they want actions before voting day. In all these, we responsible public representatives, we must condemn destroying public properties and some evidenced criminal element. In the same vain, as the municipality we must not be sidetracked by spurious demands paraded as genuine community concerns.

Our IDP therefore, must first and foremost reflect our commitment to goals in our quest to meet the 2021 Local Government Elections Manifesto of the ruling party, which was subsequently adopted as our guiding light for the municipality for the five years including the period under review in this IDP, where we have committed ourselves to the following key deliverables:

- our municipality must become more effective in meeting the needs of the citizens,
- Sporting and recreational facilities must be built (finalise those still in progress).
- Local services like waste removal must be improved.
- Free basic services must be provided to communities and;
- As public representatives, we must be accessible to our people.

It is through the projects as reflected in the IDP, that we seek to leave a lasting legacy to the communities of our municipality, which will set the tone for a caring, people-centred, people-driven and developmental local government for generations to come.

As we continue on our march to deliver on the ruling party Manifesto commitments, we pledge ourselves to continue to work with our people to leave no stone unturned in fulfilling objectives of accelerating and doubling our efforts to bring about a better life to all our people.

We will do so in an accountable, responsible and ethical manner, as we have been proven to do over the years. We have no choice but to improve our municipality image when it comes to

Auditor General Audit report as this can indeed give an indication that we have commitment of having clean governance.

We have to deal with misperceptions of maladministration and gross financial mismanagement, we have to account for each and every penny of public funding entrusted to us. We must look back with pride in future as we will approach the final phase of the current term of our political office.

It is this achievement, coupled with our confidence, commitment and loyalty which will see us standing proud of our legacy and at the end of our political term ultimately.

To that end, the need for this successiveness of this IDP, must surely seek to address many, if not most of the perceived shortcomings, flowing from genuine community concerns.

Best regards,

CLLR PN PEPPING
MAYOR OF INGQUZA HILL LOCAL MUNICIPALITY

1.2. Executive Summary

The key focus of the municipality is to provide service delivery to communities of Ingquza Hill jurisdiction, especially the vulnerable groups, ensuring that the municipality is welcoming to all people, and making residents feel at home. In order to achieve these key focus areas, it is the Municipality's objective to be excellent in basic service delivery and mainstreaming basic services for urban, rural dwellers and informal settlement.

The Integrated Development Plan (IDP) is a five-year strategic document that is being reviewed annually to ensure alignment of needs with available resources. The Integrated Development Plan 2024/2025 financial is the third review for 2022/2027. The reality is 2023/2024 financial year has been a tough year, but services have been planned and delivered to people sustainably.

The municipality is still embedded with a service delivery backlog with construction of roads and water provision being the most concerning. As Ingquza Hill Local Municipality, even though it is not a water service authority, working together with the other two spheres of government, we can do more.

The operating budget totals to R460 million, including the depreciation and provision for bad debt impairment, with a total amount of R520 of the budget in inclusive of the capital budget of R60 million.

Personnel Expenditure :38%

Capital Expenditure: 21.89%

Repairs and Maintenance: 7.5%

The organization structure of the municipality has been reviewed to ensure that there is alignment with the strategic vision of the municipality. It is therefore the responsibility of the administration to ensure that things happen and that an enabling environment is created to support local democracy in enhancing the service delivery to the communities.

The municipality will also ensure that all resources will be distributed optimally and that the value for money is achieved.

V.C MAKEDAMA

THE MUNICIPAL MANAGER

1.3. INTRODUCTION

An integrated development plan, adopted by the Council of a municipality, is the key strategic planning tool for the municipality. The Municipal Systems Act 32 of 2000 (MSA) describes the IDP as "

a) "the *principal strategic instrument which guides and informs all planning and development, and all decisions with the regard to planning, management and development in the municipality''*

b) "Binds the municipality in the exercise of its executive authority''.

In terms of the MSA section 34 a municipality is required to review its IDP annually. Annual reviews allow the municipality to expand upon or refine plans and strategies, to include additional issues and to ensure that these plans and strategies inform institutional and financial planning. Thus, the review and amendment of the IDP is crucial in ensuring that municipal priorities are reflected and implemented, and that the document remains the principal management tool and strategic planning instrument of the municipality.

1.3.1 OVERVIEW OF THE MUNICIPALITY

Ingquza Hill Local Municipality is one of 5 Local Municipalities that comprises the OR Tambo District Municipal Area. Ingquza Hill LM is located along the Wild Coast stretching from the Mzintlava River (that forms the south western boundary) to the Mtentu River which forms the north eastern boundary of Ingquza Hill LM. The Mkambati Wildlife Reserve and Marine Sanctuary are situated along the coast in the northern- eastern extent of the Municipality. Neighbouring municipalities include:

- Mbizana LM (Alfred Nzo DM) that forms the northern-eastern boundary of the LM;
- Ntabankulu LM (Alfred Nzo DM) that forms the northern boundary;
- Nyandeni (Or Tambo DM) that forms the north western boundary;
- Port St Johns LM (OR Tambo DM) that forms the south- western boundary;

Flagstaff and Lusikisiki are the two main towns and service centres within the municipal area. Flagstaff serves as the administrative seat of the Ingquza Hill LM. The Ingquza Hill LM is comprised of 32 wards, which form the geographic basis for political representation in the Ingquza Hill LM.

1.4. INSTITUTIONAL ARRANGEMENT

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

Political and Council Structures	Administrative Structures
▶ The Mayor ▶ Speaker ▶ Executive Committee ▶ 64 Councilors ▶ 2 Traditional leaders ▶ 32 Wards with 320 Ward Committee members ▶ Whip of the Council ▶ Six (6) standing committees ▶ Municipal Public Accounts Committee ▶ Ethics and Member's interest ▶ Public Participation and petitions committee ▶ Women's Caucus ▶ Audit committee ▶ Municipal Disciplinary Board	▶ Office of the Municipal Manager ▶ Corporate Services ▶ Budget and Treasury Office ▶ Planning and Development ▶ Infrastructure and engineering services ▶ Community Services

The development of the IDP is led by the political structure through the stakeholder engagements, community-based engagement as reflected clearly on ward profiles, public participation programs ensuring the thorough involvement of the people of Ingquza on developmental programs. The administration ensures the execution of the decisions taken in the Council and provides reports through the Municipal Manager as the direct elect of the Council. This therefore cements the direct link between the administrative and the political arm of the institutions.

CHAPTER 1

1. LEGISLATIONS AND POLICY ALIGNMENT

This section outlines the detailed legislative guidelines which must be considered during the IDP process in order to ensure the IDP complies with such guidelines. South African legislation is largely enabling in nature. It does not prescribe to municipalities but creates the necessary legal environment within which development and planning can take place. The legislation recognizes local government as one of the three spheres of government that puts a specific emphasis on intergovernmental relations. The legislation emphasizes the need for government departments to ensure that they are involved in the affairs of the municipality.

The implication is that each Council has a primary responsibility to do their own planning while considering the interests and demands of the communities and stakeholders. This takes place within a reciprocal consideration of the planning done in neighboring municipalities and the other spheres of government. The compilation of IDPs by municipalities is regulated in terms of the Municipal Systems Act (MSA), 32 of 2000 with Section 25 stipulates that:

"Each municipal Council must adopt a single, inclusive and strategic plan for the development of the municipality which:

(a) links, integrates and coordinates plans and takes into account proposals for the development of the municipality;

(b) aligns the resources and capacity of the municipality with the implementation of the plan;

(c) forms the policy framework and general basis on which annual budget 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..."*

As far as the status of an IDP is concerned, Section 35 states that an IDP 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 integrated development plan that impose duties or affect the rights of' those persons have been passed as a by-law".

1.1. Municipal Council has the power in of Local Government: Municipal Systems Act32 of 2000 to:

- Pass by-laws – local laws and regulations about any of the functions they are responsible for. By-laws may not contradict or over-rule any national laws
- Approve budgets and development plans – every year a municipal budget must be passed that sets down how money will be raised and spent. The Council should approve an overall plan for how development should take place in the area. This is called an IDP, and all projects and planning should happen within the framework of the IDP.
- Impose rates, charge service fees, impose fines, by-laws and other taxes – property rates are a form of tax that municipalities can place on the value of properties. It is an important source of income.
- Borrow money – the Council may agree to take a loan for a development or other project and to use the municipal assets as surety.

Decisions about most of the above must be made in the Council meetings. Many of the minor decisions that municipalities have to take can be delegated to Executive Committee, portfolio committees or to officials or other agencies that are contracted to deliver services, when there are agencies that will deliver services in a municipal space. The councils must develop delegation of authority framework policy and adopt it, as that will ensure that all functions performed by council and its administration are in line with policy prescripts of the council.

1.2. Applicable Legislations in the IDP Development Process

The Constitution of the Republic of South Africa; Act 108 of 1996, provides the primary fundamental framework within the Local Government Planning which must be understood. The Constitution further gives Local Government a mandate to implement the following Objects of Local Government:

- To provide a democratic and accountable government for local communities
- To ensure the provision of services to communities in a suitable manner
- To promote social and economic development
- To promote a safe and healthy environment and

- To encourage the involvement of communities and community organisations in the matters of local government.

1.3. Spatial Development Framework

- Set out objectives that reflect the desired spatial form of the city.
- Contain a strategic assessment of the environmental impact of the Spatial Development Framework.
- Identify programmes and projects for the development of land.
- Provide visual representation of the desired spatial form of the city, indicating the following:
- where public and private development and infrastructure investment should take place;
- desired or undesired utilisation of space in particular areas;
- urban edge;
- areas where strategic intervention is required;
- areas where priority spending is required; and
- alignment with the Spatial Development Frameworks of neighboring

1.4. Municipal Finance Management Act

Section 21 provides that the mayor must:

- Co-ordinate the processes for preparing the annual budget and the review of the municipality's IDP and budget related policies to ensure that the tabled budget and any revisions of the IDP and budget related policies are mutually consistent and credible.
- 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) annual review of
    - (aa) the IDP, in terms of section 34 of the Systems Act; and
    - (bb) the budget related policies
  - (iii) The tabling and adoption of any amendments to the IDP and budget - related policies

1.5. LEGISLATION AND POLICIES

TABLE NO.1 LEGISLATIONS IN THE IDP DEVELOPMENT PROCESS	
Municipal Structures Act 117 of 1998	Municipal Property Rates Act, Act No 6 of 2004,
Credible IDP Framework	Municipal Demarcation Act, Act No 27 of 1998
Promotion of Access to Information Act 2 of 2000	Auditor-General Act 12 of 1995
National Water Act 36 of 1997	
Preferential Procurement Act 5 of 2000	National Water Act 36 of 1997
Municipal Systems Act 32 of 2000	The National Environmental Management Act, 1998 (Act 107 of 1998)
Disaster Management Act 57 of 2002	Municipal Property Rates Act, Act No 6 of 2004,
Municipal Finance Management Act 56 of 2003	Municipal Demarcation Act, Act No 27 of 1998
Local Government: Municipal Planning and Performance Management Regulations, 2001	Auditor-General Act 12 of 1995
Local Government: Performance Management Regulations of Section 57 of 2006	
The National Spatial Development Perspective	

TABLE NO.2 POLICIES IN THE IDP DEVELOPMENT PROCESS	
1. Budget Policy	2. Banking and Investment Policy
3. Property Rates Policy	4. Credit Control and Debt Collection policy
5. Supply Chain Management Policy	6. Asset management policy
7. Tarrifs policy	8. Indigent policy
9. Cost Containment policy	10. Fleet management policy
11. Donation policy	12. Travel and subsistence policy
13. Remuneration of Ward Committee Members policy	14. Amended Anti-Fraud and Corruption policy
15. Amended Risk management policy	16. Communication strategy
17. Communication policy	18. IHLM combined Assurance Model
19. Youth development policy	20. Youth Development strategy

21. Public Facilitates maintenance	22. Road maintenance policy
23. LED funding policy	24. Street trading and allocation policy
25. Street and place naming policy	26. Dilapidated building policy
27. Prevention and land invasion policy	28. Environmental management policy
29. Spatial planning and land use management bylaw	30. Outdoor advertising bylaw
31. IHLM Grass cutting policy	32. Bereavement policy for councilors and employees
33. Employee dress code policy	34. Policy for external bursary scheme for student in rare skills
35. Employee leave policy and procedure	36. Occupational health and safety policy
37. Overtime, shift and stand-by allowance policy	38. Recruitment, selection and promotion policy
39. Training and development policy	40. Performance Management Framework policy
41. Records management policy	42. File management policy
43. Customer relations policy	44. Telephone and cellular phone policy
45. Dress code policy	46. Cleaning and hygiene policy
47. ICT policy and procedure	48. ICT internet usage and password management policy
49. ICT disaster recovery plan	50. ICT data backup and recovery procedure manual
51. Email acceptable user manual	52. ICT governance framework
53. ICT change management manual	54. Patch managing policy
55. Organizational development and design policy	56. Task job evaluation system policy
57. Placement policy	58. Employee equity policy
59. Remuneration policy	60. Work integrated learning policy
61. Integrated health and wellness policy	62. Resettlement policy
63. Acting and additional responsibility allowance	64. Danger allowance policy
65. Retention strategy	66. Sexual harassment policy
67. Standard code of conduct	

1.6. The National Development Plan (NDP), 2030

The National Development Plan 2030 (NDP) sets out government's long-term VISION and strategic approach to exercising it mandate, with the stated overall aim of eliminating poverty and reducing inequality by 2030. It also sets out its basic objectives and proposed actions in relation to what is perceived as South Africa's fundamental development challenges, from developing the economy and creating employment, to fighting corruption and achieving nation building and social cohesion.

From a spatial development perspective, Chapter 8 of the NDP deals with transforming human settlement and the national space economy. Targets set out in this chapter include:

- More people living closer to their places of work;
- Better quality public transport; and
- More jobs in close proximity to low income residential areas.

To achieve these targets the NDP advocates measures to prevent further development of housing in marginal places, increased urban densities to support public transport, incentivising economic activity in and adjacent to townships; and engaging the private sector in the gap housing market. Importantly, it also proposes the embracing of a principle-led approach to planning (as opposed to past control-oriented planning).

Of importance to the Ingquza Hill LM, that supports a large rural hinterland, is that Chapter 6 of the NDP sets out specific targets and goals towards establishing a more inclusive rural economy through integrated rural development. The focus here is on increased investment in new agricultural technologies, research and the development of adaptation strategies for the protection of rural livelihoods and expansion of commercial agriculture.

1.7. NATIONAL SPATIAL DEVELOPMENT FRAMEWORK (NSDF), 2018

1.7.1. MANDATE

Chapter 8 of the National Development Plans calls for the preparation of a National Spatial Development Framework to achieve the desired future national spatial development pattern for South Africa in 2050 and in so doing, contribute to the realisation of the NDP's core development objectives of inclusive economic growth, job creation and poverty eradication.

In terms of legislation, Section 5(3) (a) of Spatial Planning and Land Use Management Act (SPLUMA), 2013 provides for the compilation, approval and review of the a national spatial development framework and Sections 13(1) and (2) of the Act, mandates the Minister…*"after consultation with other organs of state and with the public, to compile and publish a national spatial development framework"* and to review the NSDF at least once every five years

The NSDF, 2018 is supported by four NSDF sub-frames. Their importance in guiding the formulation of the Ingquza Hill LM is summarised herewith:

- NSDF SUB-FRAME 1: NATIONAL URBAN NETWORK
- NSDF SUB-FRAME 2: NATURAL RESOURCE PRODUCTION REGIONS
- NSDF SUB-FRAME 3: NATIONAL CONNECTING AND MOVEMENT INFRASTRUCTURE
- NSDF SUB-FRAME 4: NATIONAL ECOLOGICAL INFRASTRUCTURE AND NATURAL RESOURCE BASE

ALIGNMENT WITH NATIONAL AND PROVINCIAL LEAGISLATION AND MUNICIPAL GOALS.

National out come	Municipal Goal	Strategic Outcome indicators	EC Provincial Development Plan
1. Quality Basic Education	Community Development Empowerment	• Provision of bursaries to deserving students	• An educated, empowered, and innovative
2. A long and healthy life	Integrated Wellness Programme.	• Sporting activities • Marathon • Waste management	• Healthy population
3. Safety environment	Crime Prevention	• Crime prevention awareness • Strengthening of Community Policing Forums	

National out come	**Municipal Goal**	**Strategic Outcome indicators**	**EC Provincial Development Plan**
4. Decent employment through economic growth	SMME Development & Support	• Support to local SMME's. • Partnership with other society sectors to unlock and beneficiate the local economy • Training of emerging contractors • Create 1000 FTE jobs per annum	
5. A skilled and capable workforce to support inclusive growth	Community Development Empowerment	• Implementation of Workplace Skills Plan.	
6. An efficient competitive and responsive economic infrastructure	Construction of new roads and rehabilitation of existing road network	• SANRAL N2 road (investment attractions) • Access to Hospitals, clinics and rehabilitate existing infrastructure in school	• A growing, inclusive, and equitable economy
7.Vibrant, equitable and sustainable rural communities contributing to food security for all	Agricultural Development	• Construction of 2 Fresh Produce markets • Support of farmers with production inputs	• vibrant and equitable enabled communities
8. Sustainable human settlements and improved	Provision of housing	• Construction of houses through Human settlements	

National out come	Municipal Goal	Strategic Outcome indicators	EC Provincial Development Plan
9. A responsible, accountable local government	Strengthen the IGR forum Integration of risks planning with entire planning Capacity building of all oversight structures	• Sitting of IGR structures • Functioning of oversight structures • encourage transparency and public participation	• Capable, conscientious and accountable institutions

1.8. ADOPTION OF THE IDP, PMS AND BUDGET PROCESS PLAN 2024/2025.

According to with Section 21(b) of the Local Government Municipal Finance Management Act No 56 of 2003 the IDP, Budget and PMS process plan for 2024/2025 was adopted by the Council held in August 2023 and has been posted on Municipal website and Municipal libraries in compliance with the Act. The delay of the Local Government Elections affected the adopted process plan and the some of the dates had to be revised

1.6.1. Role Players

The following internal and external role players have played a vital role and contributed immensely in the review of the 2024/2025 IDP : Councilors, House of Traditional Leaders, Council of Churches, ward committees, Heads of sector departments, CDW's, private sector, CBO's and NGO, Parastatals, Municipal Trade Unions and District Municipality

Following are the activities performed in the review of the 2024/2024 IDP.

IDP PHASE	TARGET / ACTIVITY	ROLE PLAYERS	OUTPUT	TIMEFRAMES	Progress to date
Preparation phase – IDP process plan for 2024/25 financial year	Develop draft 2024/2025 IDP, PMS and Budget Process Plan (Section 27, 28 & 29 of MSA No.32 0f 2000 and Section 21 of MFMA No.56 of 2003)	Director Planning, CFO and Manager IDP and PMS	IDP, PMS and Budget Process Plan for 2024-2025 Financial Year	14 June 2023	Done
Stakeholder participation on IDP processes	Advertise for stakeholder participation on municipal activities	Manager IDP & PMS	Compliance and public participation	07 July 2023	Done
Submission of SDBIP to Mayor and provincial treasury	Submit the approved SDBIP within 14 days after approval.	Manager IDP & PMS	Compliance	14 July 2023	Done
Fourth quarter performance review	Quarterly SDBIP performance report for fourth quarter. Section 80 Committees, EXCO and Council	Senior Management	SDBIP performance reported	31 July 2023	Done
Pre-preparation phase of the IDP	IDP Budget & PMS Tech Committee	Municipal Administration and Sector Departments	Present draft process plan to stakeholders 2024/25 financial year	22 August 2023	Done

Pre-preparation phase of the IDP	IDP Budget & PMS Rep Forum	Municipal Council, Administration, Sector Departments and Public	Present draft process plan 2024/25 to stakeholders	24 August 2023	Done on the 23 August 2023
Compliance	Table Draft 2024/2025 IDP, Budget & PMS process plan to the council for approval (Section 28 of MSA No.32 of 2000) and Fourth quarter report	Municipal Council, Administration, Sector Departments and Public	Approval by the Council	29/30/31 August 2023	30 August 2023
Analysis Phase: Review Situational Analysis	IDP, Budget & PMS Technical Committee	Municipal Administration and Sector Departments	Assessment of existing levels of development. Stats Information on available resources. SWOT analysis	13 September 2023	Done on the 17 November 2023
	IDP, PMS and Budget Representative Forum	Municipal Council, Administration, Sector Departments and Public	Finalization of situational analysis	11 October 2023	Done on the 29 November 2023
First quarter performance reviews	Quarterly SDBIP performance progress report for	Senior Management	SDBIP performance reported	15 October 2023	Done

	first quarter Section 80 Committees, EXCO and Council				
Compliance PMS	Noting of the 1st quarter performance report by council	Municipal Council, Administration, Sector Departments and Public	First quarter report	30 October 2023	Done
Public Accountability	EXCO outreach	Ingquza Hill Municipality and Sector Departments	Community involvement in municipal programs	06-10 November 2023	Not done
Strategies Phase: Review mission and vision, Strategies	IDP, Budget & PMS Departmental Strategic Planning Sessions	Municipal Administration and Sector Departments and Standing Committee Members	Review strategies and objectives	05-08 December 2023	Done on the 30 January- 02 February 2024
	IDP, PMS and Budget Technical Forum	Municipal Administration and Sector Departments	Review Strategies and Objectives	11 January 2024	Done
Second quarter performance review	Quarterly SDBIP performance progress report for second quarter Section 80 Committees, EXCO and Council	Senior Management	SDBIP performance reported	15 January 2024	Done
Midterm budget	Mid-year budget **MFMA Section 72 (1)(2)(3)**	Senior Management	Mid-Term finance and service	25 January 2024	Done

			delivery performance report compliant with MFMA		
Tabling of adjusted Budget and SDBIP, and Mid Term Report.	Chief Financial Officer tables adjustment Budget and SDBIP to Management Committee	CFO and IDP Manager	Compile Annual report	16 February 2024	
EXCO strategic planning	Exco Lekgotla	EXCO members plus TROIKA	EXCO strategic planning to review strategies and objectives	14-16 February 2024	Done
Draft Adjusted Budget 2023/24	Budget steering committee meeting for final draft of the adjusted budget	Chief Financial Officer	MFMA	21 February 2024	
Strategic planning	Council Strategic planning	Ingquza Hill Municipality and all its stakeholders	Identifying projects and set outputs & targets	19-23 February 2024	Done
Draft Adjusted Budget 2023-2024 Financial Year	Mayor tables adjustment budget for Approval, Annual and Second Quarter report for noting by Council MFMA Section 28	Provincial Treasury, Management	Adjusted Budget, Annual Report and Second Quarter Report	28 February 2024	Done

Compliance	Publicise both the Annual Report (Invite Public inputs into the report- MFMA 127 and MSA section 21A) and the adjustment budget on the municipal website and local news papers	Executive Council Secretary	Public participation and compliance	04 March 2024	Done
Strategies, Vision, and Mission	IDP, PMS and Budget Representative Forum	Municipal Council, Administration, Sector Departments and Public	Presentation of Strategies as well as Projects to all stakeholders	06 March 2024	27 March 2024
Mid-term Budget and performance assessments	Budget and Steering Committee	Exco and Troika	Mid-term Budget and performance assessments	11 March 2024	27 March 2024
Project Identification: Review projects	IDP, PMS and Budget Representative Forum	Ingquza Hill Municipality, Sector Departments and all other stakeholders participating in the IDP processes	Finalization and synchronization of projects and strategies as per recommendations made in the Strategic Planning	20 March 2024	27 March 2024

Compliance	Publicise Annual & Oversight Report, within 7 days of adoption **MFMA Section 129(3) & MSA Section 21A**	Executive Council Secretary	Public participation and compliance	30 March 2024	11 April 2024
Compliance	Table the Draft IDP and Budget 2023/24 to the council to consider and adopt Annual & Oversight Report by end March **MFMA Section 129 (1)**	Municipal Manager & Mayor	Approve draft IDP Approved Annual Report & Oversight Report	Within 29, 30 & 31 March 2024	30 March 2024
Compliance	Within 7 days of adoption of Annual Report & Oversight Report submit to Provincial Legislature/MEC for Local Government	Manager IDP &PMS	Submit annual report to legislature and MEC	05 April 2024	13 April 2024
Compliance	Publicise Annual & Oversight Report, within 7 days of adoption **MFMA Section 129(3) & MSA Section 21A**	Executive Council Secretary	Public participation and compliance	05 April 2024	Done
	Advertise Draft IDP and Budget for public comments	Executive Council Secretary	Public participation and compliance	05 April 2024	Done

Third quarter Performance report	Quarterly SDBIP performance progress report for Third quarter, Section 80 Committees, EXCO and Council	Senior Management	SDBIP performance reported	09 April 2024	Done
Performance reviews	Institutional Management Quarterly Performance Review Session	Management	Review Quarter 3 Performance	10 April 2024	Done
	IDP and Budget Road Shows for 2024-2025	Ingquza Hill Municipality, Sector Departments and all other stakeholders participating in the IDP processes	Public participation	9-12 April 2024	08-11 May Done
Final Draft Budget 2024/2025	Finalization of the draft Budget and IDP	Management	Consideration of draft budget	22 April 2024	
Integration	IDP and Budget Representative forum	All stakeholders	Presentation of outcomes of the roadshows and Integration	25 April 2024	Not Yet done
Final Draft Budget 2024/2025	Budget steering committee to present the final draft of IDP Budget and SDBIP	Chief Financial Officer	EXCO inputs on final draft	26 April 2024	Not Yet done

Approval / Adoption phase	Presentation of the draft IDP and Budget to the IDP Technical Forum	Municipal Administration and Sector Departments	Presentation of the consolidated final IDP, PMS and Budget Document for 2024/25 Financial Year	09 May 2024	
	Presentation of the draft IDP and Budget to the IDP Representative Forum	Municipal Administration and Sector Departments	Presentation of the consolidated final IDP, PMS and Budget Document for 2024/25 Financial Year	23 May 2024	
	Budget steering committee to present the final draft of IDP Budget and SDBIP	Chief Financial Officer	Approval of 2024-2025 IDP Document	26 May 2024	Not yet done
	Table the IDP and Budget to the council	Mayor Municipal Manager	Approval of 2024/25 IDP document	Within 29, 30 & 31 May 2024	Not yet done
	Submission of approved IDP and Budget 2023-2024 to MEC	Manager IDP& PMS	Compliance Approved IDP for the Municipality	06 June 2024	Not yet done
	Publication of approved IDP and Budget on website and local newspaper	Mayor Council Secretary	Compliance and public participation	06 June 2024	Not yget

PMS	Finalization and submission of draft 2024/25 SDBIP to the Mayor	Manager IDP & PMS	Alignment of the SDBIP with IDP and ensure alignment of targets	12 June 2024	
PMS	Finalization and submission of draft 2024-2025 SDBIP to the Mayor	Municipal Manager	Presentation of draft SDBIP to the Mayor Committee	13 June 2024	Not yet done
Approval of the SDBIP 2024/25	Mayor approves the 2022-2023 SDBIP and annual performance agreements of the Municipal Manager and Senior Managers within 28 days after the approval of the IDP and Budget	Mayor	Presentation of the SDBIP to the Council	Within 20 & 21 June 2024	Not yet done
Compliance	Submission of 2024-2025 SDBIP	Municipal Manager	Submission of final SDBIP to Treasury	28 June 2024	Not Yet done

CHAPTER 2: SITUATIONAL ANALYSIS

2. DEMOGRAPHIC INFORMATION

2.1. Population Size and Distribution

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

Name	2022	2011
Total population	354 573	278 481
Young children (0-14 years)	38,3%	42,4%
Working age population (15-64 years)	56,3%	52,2%
Elderly (65+ years)	5,4%	5,4%
Dependency ratio	77,5	91,6
Sex ratio	89,9	86,3
No schooling (20+ years)	12,9%	20,8%
Higher education (20+ years)	7,2%	5,2%
Number of households	64 051	56 212
Average household size	5,5	5,0
Formal dwellings	76,6%	40,5%
Flush toilets connected to sewerage	17,9%	3,3%
Weekly refuse disposal service	18,0%	3,2%
Access to piped water in the dwelling	17,6%	3,7%
Electricity for lighting	93,2%	62,8%

2.1.1. Gender and Age Group

Name	Male	Male (%)	Female	Female (%)
85+	532	0,2%	1 943	0,5%
80-84	659	0,2%	1 784	0,5%
75-79	779	0,2%	2 307	0,7%
70-74	1 549	0,4%	2 774	0,8%
65-69	2 554	0,7%	4 140	1,2%
60-64	3 652	1,0%	5 660	1,6%

55-59	3 732	1,1%	6 317	1,8%
50-54	3 759	1,1%	6 403	1,8%
45-49	5 466	1,5%	7 368	2,1%
40-44	6 609	1,9%	8 660	2,4%
35-39	8 681	2,4%	10 666	3,0%
30-34	10 217	2,9%	11 445	3,2%
25-29	14 640	4,1%	16 003	4,5%
20-24	15 811	4,5%	15 643	4,4%
15-19	20 113	5,7%	18 936	5,3%
10-14	22 713	6,4%	21 766	6,1%
5-9	21 608	6,1%	20 710	5,8%
0-4	24 755	7,0%	24 219	6,8%

2.2.2.Dwelling Type

Name	Frequency	%
Formal dwelling	49 044	76,6%
Traditional dwelling	13 462	21,0%
Informal dwelling	1 136	1,8%
Other	410	0,6%

2.2.3.Access to Piped Water

Name	Frequency	%
Piped (tap) water inside the dwelling	11 275	17,6%
Piped (tap) water inside the yard	2 199	3,4%
Piped (tap) water on community stand	4 601	7,2%
No access to piped water	45 976	71,8%

2.2.4. Main Toilet Facilities

Name	Frequency	%
Flush toilet	11 458	17,9%
Chemical toilet	8 665	13,5%

Pit toilet	36 023	56,2%
Bucket toilet	1 740	2,7%
Other	2 695	4,2%
None	3 470	5,4%

2.2.5. Refuse Disposal

Name	Frequency	%
Removed by local authority at least once a week	11 521	18,0%
Removed by local authority less often	328	0,5%
Communal refuse dump	996	1,6%
Communal container/central collection point	170	0,3%
Own refuse dump	41 653	65,0%
No Rubbish Disposal	8 015	12,5%
Other	1 369	2,1%

2.2.6. Energy for Cooking

Name	Frequency	%
Electricity from mains	34 493	53,9%
Gas	11 520	18,0%
Paraffin	1 583	2,5%
Wood	16 243	25,4%
Coal	39	0,1%
Animal dung	35	0,1%
Solar	15	0,0%
Other	28	0,0%
None	95	0,1%

2.2.7. Energy for lighting

Name	Frequency	%
Electricity from mains	59 677	93,2%
Gas	356	0,6%

Paraffin	625	1,0%
Candles	3 036	4,7%
Solar	224	0,3%
Other	32	0,0%
None	101	0,2%

2.2.8. NUMBER OF HOUSEHOLDS BY INCOME CATEGORY

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

2.2.9. HIV+ and AIDS estimates

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

HIV+ and AIDS estimates are defined as follows:

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

NUMBER OF HIV+ PEOPLE - INGQUZA HILL, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2011-2021 [NUMBER AND PERCENTAGE]

	Ingquza Hill	O.R.Tambo	Eastern Cape	National Total	Ingquza Hill as % of district municipality	Ingquza Hill as % of province	Ingquza Hill as % of national
2011	29,400	152,000	732,000	6,480,000	*19.4%*	*4.0%*	*0.45%*
2012	30,000	155,000	746,000	6,630,000	*19.4%*	*4.0%*	*0.45%*
2013	30,500	158,000	759,000	6,770,000	*19.4%*	*4.0%*	*0.45%*
2014	31,000	160,000	772,000	6,910,000	*19.4%*	*4.0%*	*0.45%*
2015	31,500	163,000	786,000	7,050,000	*19.4%*	*4.0%*	*0.45%*
2016	32,000	165,000	799,000	7,200,000	*19.3%*	*4.0%*	*0.44%*
2017	32,500	168,000	815,000	7,360,000	*19.3%*	*4.0%*	*0.44%*
2018	33,000	171,000	830,000	7,530,000	*19.3%*	*4.0%*	*0.44%*
2019	33,400	174,000	847,000	7,710,000	*19.2%*	*3.9%*	*0.43%*
2020	33,900	177,000	863,000	7,900,000	*19.2%*	*3.9%*	*0.43%*
2021	34,400	179,000	879,000	8,090,000	*19.2%*	*3.9%*	*0.43%*
Average Annual growth							
2011-2021	***1.56***%	***1.67***%	***1.85***%	***2.24***%			

Source: IHS Markit Regional eXplorer version 2257

In 2021, 34 400 people in the Ingquza Hill Local Municipality were infected with HIV. This reflects an increase at an average annual rate of 1.56% since 2011, and in 2021 represented 10.65% of the local municipality's total population. The O.R.Tambo District Municipality had an average annual growth rate of 1.67% from 2011 to 2021 in the number of people infected with HIV, which is higher than that of the Ingquza Hill Local Municipality. The number of infections in the Eastern Cape Province increased from 732,000 in 2011 to 879,000 in 2021. When looking at the South Africa as a whole it can be seen that the number of people that are infected increased from 2011 to 2021 with an average annual growth rate of 2.24%.

The lifespan of people that are HIV+ could be prolonged with modern ARV treatments. In the absence of any treatment, people diagnosed with HIV can live for 10 years and longer before they reach the final AIDS stage of the disease.

2.3. ECONOMY

The economic state of Ingquza Hill Local Municipality is put in perspective by comparing it on a spatial level with its neighbouring locals, O.R. Tambo District Municipality, Eastern Cape Province and South Africa.

The Ingquza Hill Local Municipality does not function in isolation from O.R. Tambo DM, 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.

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

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

Gross Domestic Product by Region (GDP-R) represents the value of all goods and services

produced within a region, over a period of one year, plus taxes and minus subsidies.

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

GROSS DOMESTIC PRODUCT (GDP) - INGQUZA HILL, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2011-2021 [R BILLIONS, CURRENT PRICES]

	Ingquza Hill	O.R.Tambo	Eastern Cape	National Total	Ingquza Hill as % of district municipality	Ingquza Hill as % of province	Ingquza Hill as % of national
2011	2.8	27.4	255.4	3,327.0	*10.1%*	*1.09%*	*0.08%*
2012	3.1	30.4	283.4	3,566.4	*10.1%*	*1.08%*	*0.09%*
2013	3.2	32.7	305.7	3,868.6	*9.9%*	*1.06%*	*0.08%*
2014	3.4	35.2	326.3	4,133.9	*9.8%*	*1.06%*	*0.08%*
2015	3.7	38.5	352.9	4,420.8	*9.6%*	*1.05%*	*0.08%*
2016	3.9	41.3	373.2	4,759.6	*9.5%*	*1.05%*	*0.08%*
2017	4.2	44.8	400.4	5,078.2	*9.3%*	*1.04%*	*0.08%*
2018	4.4	47.5	420.2	5,348.6	*9.2%*	*1.04%*	*0.08%*
2019	4.5	50.1	436.0	5,613.7	*9.0%*	*1.03%*	*0.08%*
2020	4.4	49.9	426.6	5,556.9	*8.8%*	*1.03%*	*0.08%*
2021	4.8	55.6	473.5	6,225.4	*8.7%*	*1.02%*	*0.08%*

Source: IHS Markit Regional eXplorer version 2257

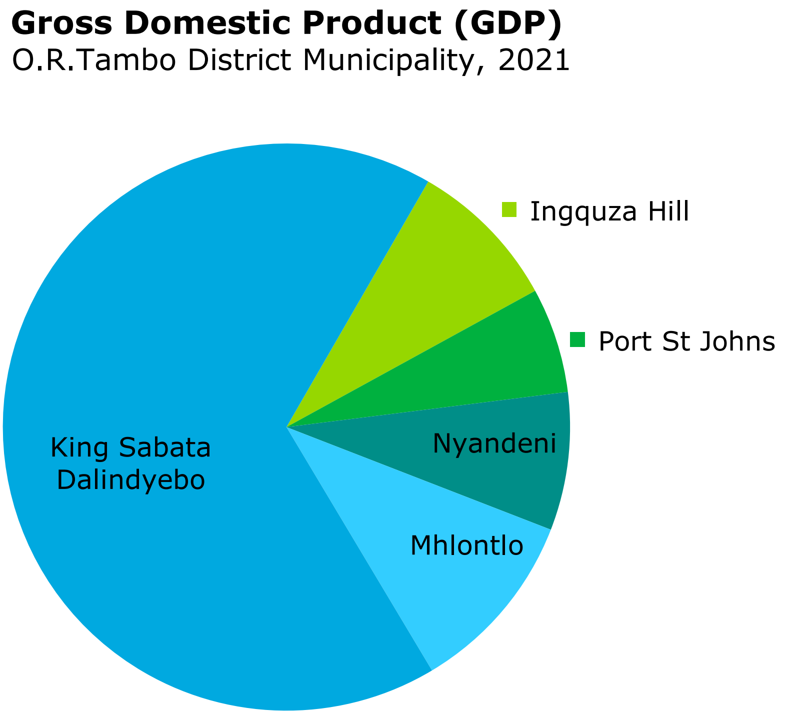
GDP of R 4.83 billion in 2021 contributed up from R 2.77 billion in 2011, Ingquza Hill Local Municipality contributed 8.68% to O.R. Tambo District Municipality GDP of R 55.6 billion in 2021 increasing in the share of the O.R. Tambo DM from 10.11% in 2011. The Ingquza Hill Local Municipality contributes 1.02% to the GDP of Eastern Cape Province and 0.08% 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 0.08% to South Africa, but it is lower than the peak of 0.09% in 2012.

GROSS DOMESTIC PRODUCT (GDP) - INGQUZA HILL, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2011-2021 [ANNUAL PERCENTAGE CHANGE, CONSTANT 2010 PRICES]

	Ingquza Hill	O.R.Tambo	Eastern Cape	National Total
2011	2.2%	1.9%	3.3%	3.2%
2012	-0.4%	0.8%	2.0%	2.4%
2013	-0.8%	1.0%	1.4%	2.5%
2014	0.4%	1.5%	0.7%	1.4%
2015	0.9%	2.4%	1.0%	1.3%
2016	0.3%	2.0%	0.8%	0.7%
2017	-0.3%	1.6%	0.5%	1.2%
2018	0.3%	2.3%	1.1%	1.5%
2019	-0.2%	1.7%	0.1%	0.3%
2020	-6.4%	-4.7%	-6.5%	-6.3%
2021	3.2%	5.1%	5.8%	4.9%
Average Annual growth 2011-2021	***-0.32***%	***1.33***%	***0.65***%	***0.95***%

Source: IHS Markit Regional eXplorer version 2257

In 2021, the Ingquza Hill Local Municipality achieved an annual growth rate of 3.21% 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%. Similar to the short-term growth rate of 2021, the longer-term average growth rate for Ingquza Hill (-0.32%) is also significant lower than that of South Africa (0.95%).



Source: IHS Markit Regional eXplorer version 2257

The Ingquza Hill Local Municipality had a total GDP of R 4.83 billion and in terms of total contribution towards O.R.Tambo District Municipality the Ingquza Hill Local Municipality ranked third relative to all the regional economies to total O.R.Tambo District Municipality GDP. This ranking in terms of size compared to other regions of Ingquza Hill remained the same since 2011. In terms of its share, it was in 2021 (8.7%) significant smaller compared to what it was in 2011 (10.1%). For the period 2011 to 2021, the average annual growth rate of -0.3% of Ingquza Hill was the lowest relative to its peers in terms of growth in constant 2010 prices.

GROSS DOMESTIC PRODUCT (GDP) - REGIONS WITHIN O.R. TAMBO DISTRICT MUNICIPALITY, 2011 TO 2021, SHARE AND GROWTH

	2021 (Current prices)	Share of district municipality	2011 (Constant prices)	2021 (Constant prices)	Average Annual growth
Ingquza Hill	4.83	*8.68%*	3.56	3.45	***-0.32***%
Port St Johns	3.34	*6.00%*	2.43	2.43	***0.00***%
Nyandeni	4.38	*7.87%*	2.96	3.18	***0.72***%
Mhlontlo	5.85	*10.53%*	4.11	4.23	***0.28***%
King Sabata Dalindyebo	37.20	*66.91%*	21.78	26.49	***1.98***%

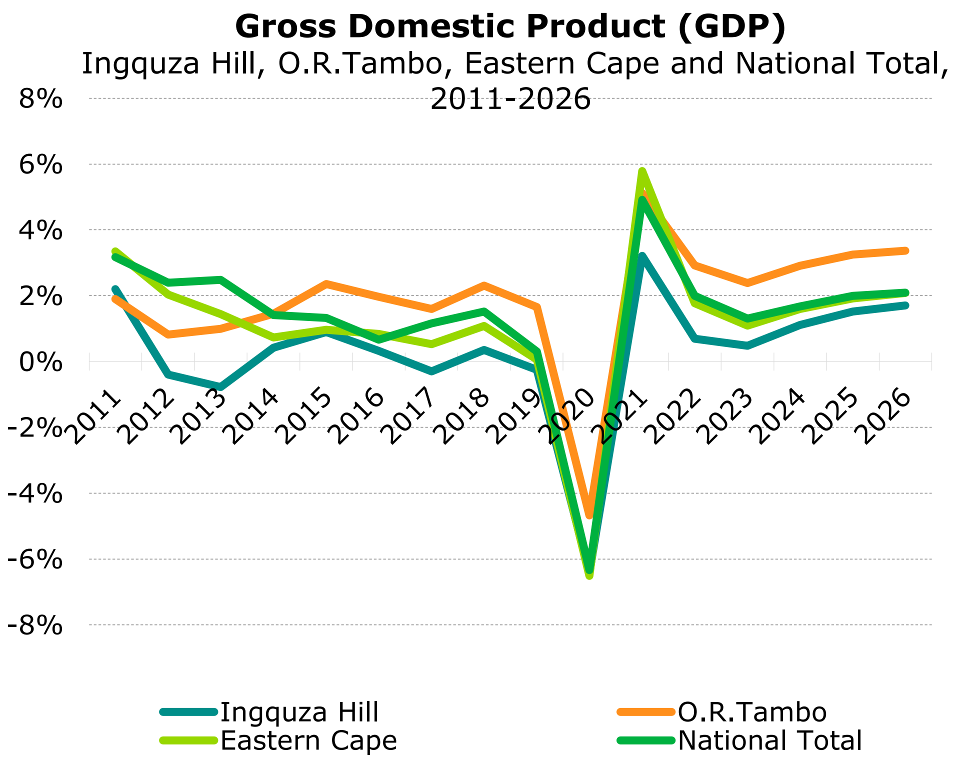
Source: IHS Markit Regional eXplorer version 2257

King Sabata Dalindyebo had the highest average annual economic growth, averaging 1.98% between 2011 and 2021, when compared to the rest of the regions within O.R. Tambo District Municipality. The Nyandeni Local Municipality had the second highest average annual growth rate of 0.72%. Ingquza Hill Local Municipality had the lowest average annual growth rate of -0.32% between 2011 and 2021.

2.4. Economic Growth Forecast

It is expected that Ingquza Hill Local Municipality will grow at an average annual rate of 1.10% from 2021 to 2026. The average annual growth rate in the GDP of O.R. Tambo District Municipality and Eastern Cape Province is expected to be 2.96% and 1.69% respectively. South Africa is forecasted to grow at an average annual growth rate of 1.81%, which is higher than that of the Ingquza Hill Local Municipality.

GROSS DOMESTIC PRODUCT (GDP) - INGQUZA HILL, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2011-2026 [AVERAGE ANNUAL GROWTH RATE, CONSTANT 2010 PRICES]



Source: IHS Markit Regional eXplorer version 2257

In 2026, Ingquza Hill's forecasted GDP will be an estimated R 3.64 billion (constant 2010 prices) or 7.9% of the total GDP of O.R. Tambo District Municipality. The ranking in terms of size of the Ingquza Hill Local Municipality will remain the same between 2021 and 2026, with a contribution to the O.R. Tambo District Municipality GDP of 7.9% in 2026 compared to the 8.7% in 2021. At a 1.10% average annual GDP growth rate between 2021 and 2026, Ingquza Hill ranked the lowest compared to the other regional economies.

GROSS DOMESTIC PRODUCT (GDP) - REGIONS WITHIN O.R.TAMBO DISTRICT MUNICIPALITY, 2011 TO 2026, SHARE AND GROWTH

	2026 (Current prices)	Share of district municipality	2011 (Constant prices)	2026 (Constant prices)	Average Annual growth
Ingquza Hill	6.37	*8.08%*	3.56	3.64	***0.15***%
Port St Johns	4.54	*5.76%*	2.43	2.64	***0.57***%
Nyandeni	6.00	*7.61%*	2.96	3.52	***1.17***%
Mhlontlo	7.76	*9.85%*	4.11	4.47	***0.56***%
King Sabata Dalindyebo	54.11	*68.69%*	21.78	31.75	***2.54***%

Source: IHS Markit Regional eXplorer version 2257

Gross Value Added by Region (GVA-R)

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

Gross Value Added (GVA) is a measure of output (total production) of a region in terms of the value that was created within that region. GVA can be broken down into various production. sectors. The summary table below puts the Gross Value Added (GVA) of all the regions in perspective to that of the Ingquza Hill Local Municipality.

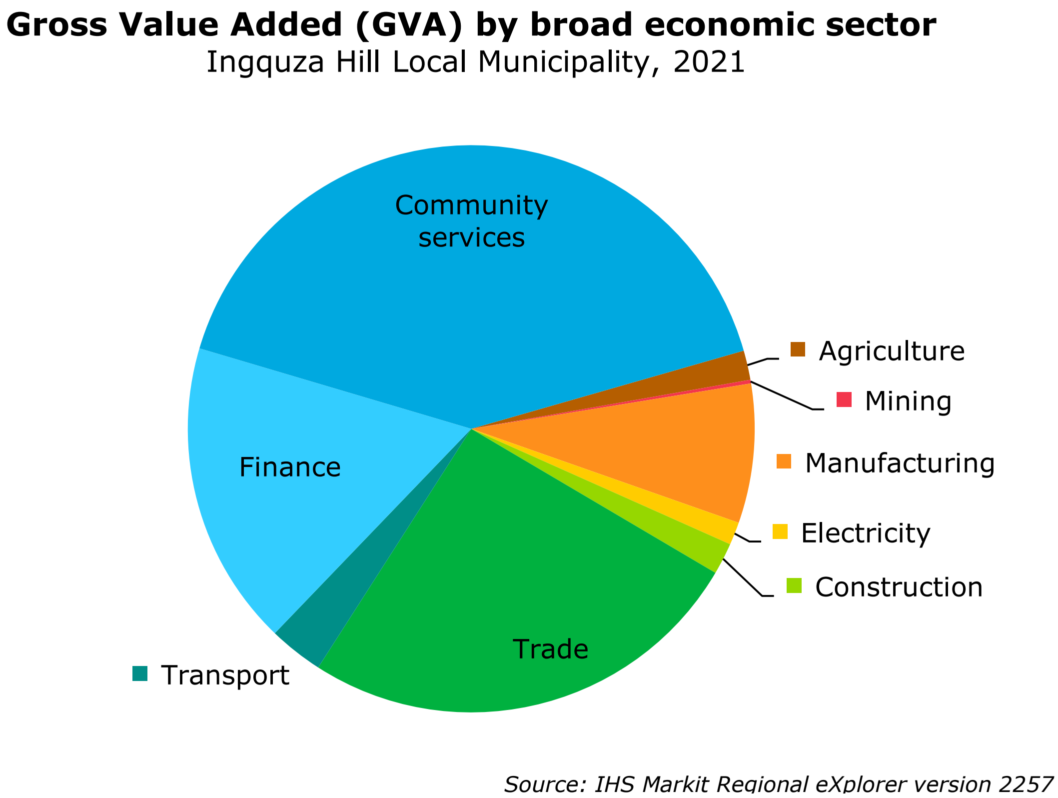
GROSS VALUE ADDED (GVA) BY BROAD ECONOMIC SECTOR - INGQUZA HILL LOCAL MUNICIPALITY, 2021 [R BILLIONS, CURRENT PRICES]

	Ingquza Hill	**O.R.Tambo**	**Eastern Cape**	**National Total**	**Ingquza Hill as % of district municipality**	**Ingquza Hill as % of province**	**Ingquza Hill as % of national**
Agriculture	0.1	0.6	8.2	152.8	*12.2%*	*0.88%*	*0.05%*
Mining	0.0	0.1	0.7	474.9	*8.5%*	*1.30%*	*0.00%*
Manufacturing	0.3	2.2	55.1	729.8	*15.7%*	*0.62%*	*0.05%*
Electricity	0.1	2.9	9.2	171.7	*1.9%*	*0.61%*	*0.03%*
Construction	0.1	1.0	11.0	141.0	*7.9%*	*0.71%*	*0.06%*
Trade	1.1	10.2	75.8	751.3	*10.8%*	*1.46%*	*0.15%*
Transport	0.1	1.9	27.3	397.8	*7.0%*	*0.49%*	*0.03%*
Finance	0.8	11.4	93.4	1,320.5	*6.6%*	*0.80%*	*0.06%*
Community services	1.8	20.8	141.9	1,432.9	*8.5%*	*1.25%*	*0.12%*
Total Industries	**4.3**	**51.2**	**422.6**	**5,572.6**	***8.4%***	***1.02%***	***0.08%***

Source: IHS Markit Regional eXplorer version 2257

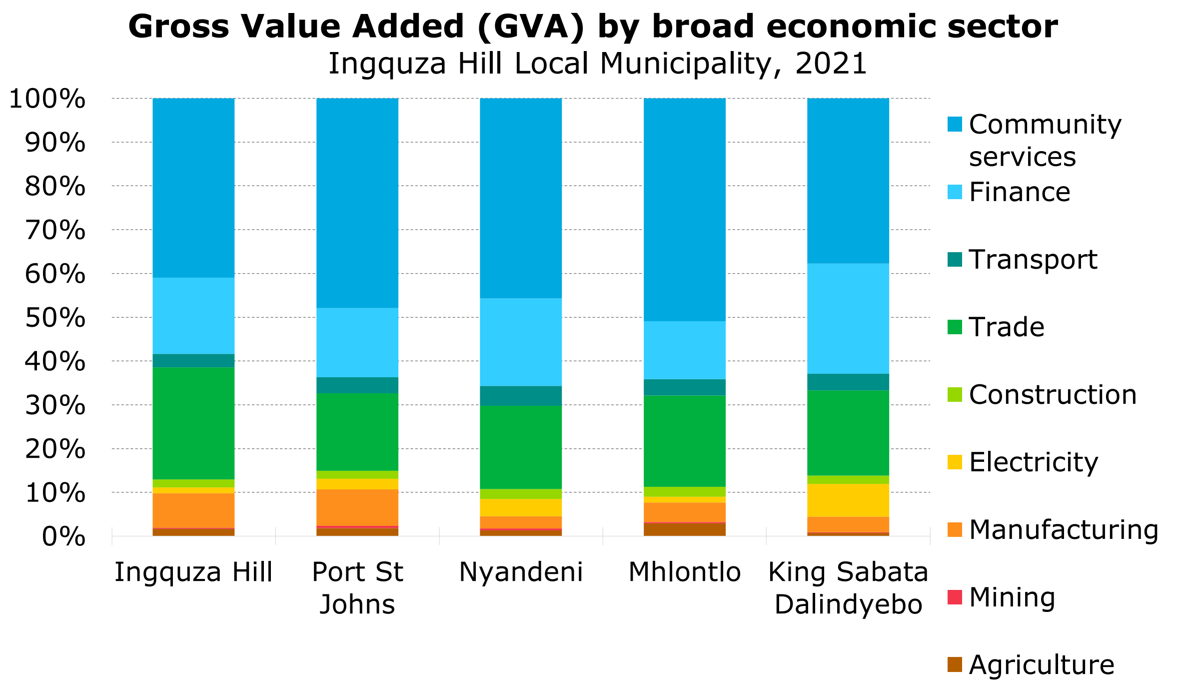
In 2021, the community services sector is the largest within Ingquza Hill Local Municipality accounting for R 1.77 billion or 41.0% of the total GVA in the local municipality's economy. The sector that contributes the second most to the GVA of the Ingquza Hill Local Municipality is the trade sector at 25.6%, followed by the finance sector with 17.4%. The sector that contributes the least to the economy of Ingquza Hill Local Municipality is the mining sector with a contribution of R 8.99 million or 0.21% of the total GVA.

GROSS VALUE ADDED (GVA) BY BROAD ECONOMIC SECTOR - INGQUZA HILL LOCAL MUNICIPALITY, 2021 [PERCENTAGE COMPOSITION]



The community sector, which includes the government services, is generally a large contributor towards GVA. When looking at all the regions within the O.R. Tambo District Municipality, the King Sabata Dalindyebo contributes the most community services towards its own GVA, with 62.80%, relative to the other regions within O.R. Tambo District Municipality. The King Sabata Dalindyebo contributed R 34.6 billion or 67.56% to the GVA of O.R. Tambo District Municipality. The King Sabata Dalindyebo also contributes the most the overall GVA of O.R. Tambo District Municipality.

GROSS VALUE ADDED (GVA) BY BROAD ECONOMIC SECTOR - INGQUZA HILL, PORT ST JOHNS, NYANDENI, MHLONTLO AND KING SABATA DALINDYEBO, 2021 [PERCENTAGE COMPOSITION]



Source: IHS Markit Regional eXplorer version 2257

2.5. HISTORICAL ECONOMIC GROWTH

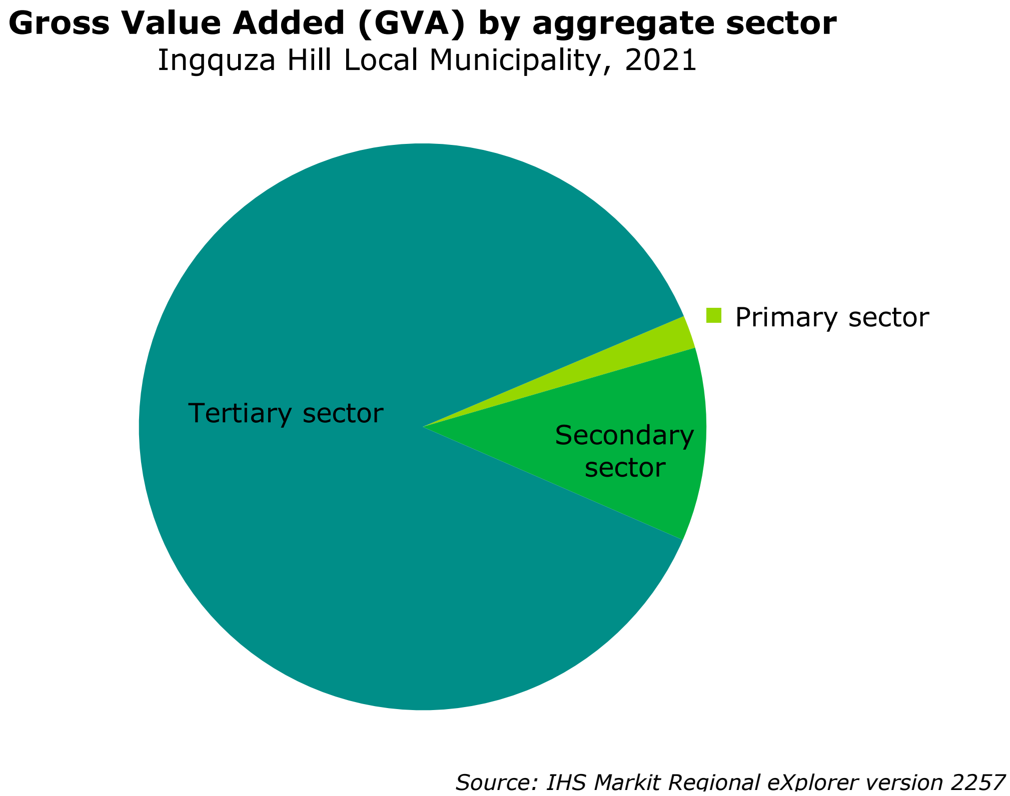
For the period 2021 and 2011, the GVA in the finance sector had the highest average annual growth rate in Ingquza Hill at 2.24%. The industry with the second highest average annual growth rate is the agriculture sector averaging at 0.22% per year. The electricity sector had an average annual growth rate of -1.79%, while the construction sector had the lowest average annual growth of -3.59%. Overall a positive growth existed for all the industries in 2021 with an annual growth rate of 2.74% since 2020.

GROSS VALUE ADDED (GVA) BY BROAD ECONOMIC SECTOR - INGQUZA HILL LOCAL MUNICIPALITY, 2011, 2016 AND 2021 [R MILLIONS, 2010 CONSTANT PRICES]

	2011	2016	2021	Average Annual growth
Agriculture	46.3	41.2	47.3	***0.22***%
Mining	10.2	9.6	8.7	***-1.60***%
Manufacturing	256.3	236.7	245.5	***-0.43***%
Electricity	28.1	24.2	23.5	***-1.79***%
Construction	88.1	88.6	61.1	***-3.59***%
Trade	817.3	841.5	730.6	***-1.12***%
Transport	129.1	129.0	111.0	***-1.50***%
Finance	454.7	551.0	567.6	***2.24***%
Community services	1,354.9	1,311.7	1,318.7	***-0.27***%
Total Industries	**3,185.0**	**3,233.4**	**3,114.0**	***-0.23%***

Source: IHS Markit Regional eXplorer version 2257

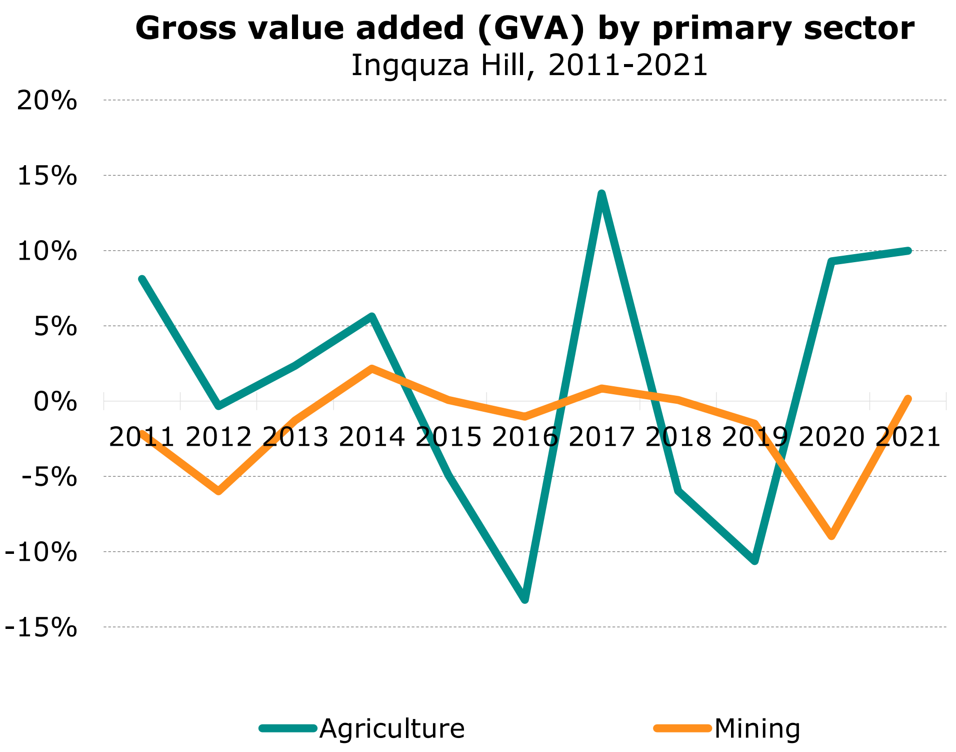
The tertiary sector contributes the most to the Gross Value Added within the Ingquza Hill Local Municipality at 87.1%. This is significantly higher than the national economy (70.0%). The secondary sector contributed a total of 11.0% (ranking second), while the primary sector contributed the least at 1.9%.



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

2.6. Primary Sector

The primary sector consists of two broad economic sectors namely the mining and the agricultural sector. The following chart represents the average growth rate in the GVA for both of these sectors in Ingquza Hill Local Municipality from 2011 to 2021.



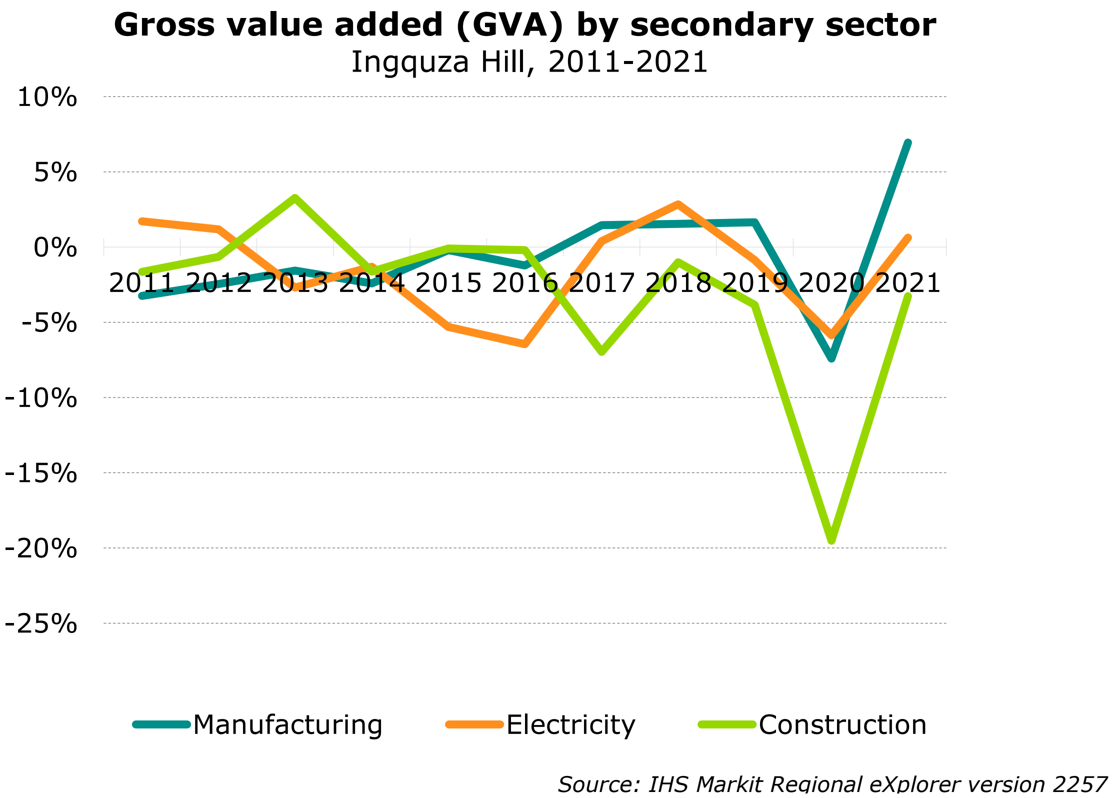
Source: IHS Markit Regional eXplorer version 2257

Between 2011 and 2021, the agriculture sector experienced the highest positive growth in 2017 with an average growth rate of 13.8%. The mining sector reached its highest point of growth of 2.2% in 2014. The agricultural sector experienced the lowest growth for the period during 2016 at -13.2%, while the mining sector reaching its lowest point of growth in 2020 at -9.0%. Both the agriculture and mining sectors are generally characterised by volatility in growth over the period.

2.7. Secondary Sector

The secondary sector consists of three broad economic sectors namely the manufacturing, electricity and the construction sector. The following chart represents the average growth rates in the GVA for these sectors in Ingquza Hill Local Municipality from 2011 to 2021.

GROSS VALUE ADDED (GVA) BY SECONDARY SECTOR - INGQUZA HILL, 2011-2021 [ANNUAL PERCENTAGE CHANGE]

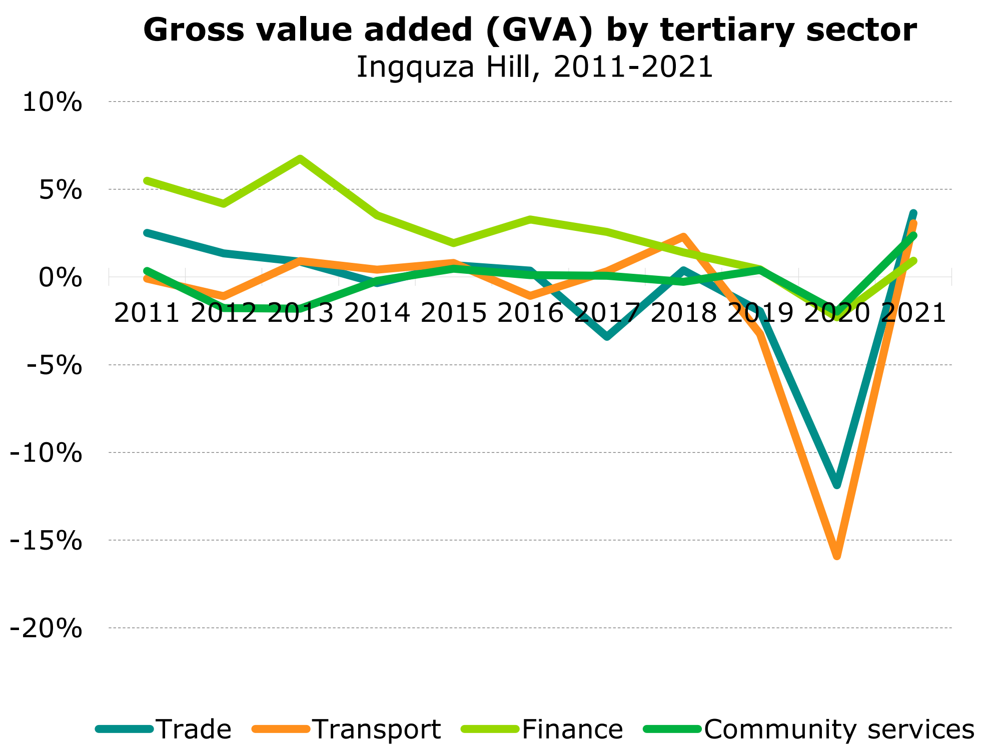


Between 2011 and 2021, the manufacturing sector experienced the highest positive growth in 2021 with a growth rate of 7.0%. The construction sector reached its highest growth in 2013 at 3.3%. The manufacturing sector experienced its lowest growth in 2020 of -7.4%, while construction sector also had the lowest growth rate in 2020 and it experiences a negative growth rate of -19.5% which is higher growth rate than that of the manufacturing sector. The electricity sector experienced the highest growth in 2018 at 2.8%, while it recorded the lowest growth of -6.5% in 2016.

2.8. Tertiary Sector

The tertiary sector consists of four broad economic sectors namely the trade, transport, finance and the community services sector. The following chart represents the average growth rates in the GVA for these sectors in Ingquza Hill Local Municipality from 2011 to 2021.

GROSS VALUE ADDED (GVA) BY TERTIARY SECTOR - INGQUZA HILL, 2011-2021 [ANNUAL PERCENTAGE CHANGE]



Source: IHS Markit Regional eXplorer version 2257

The trade sector experienced the highest positive growth in 2021 with a growth rate of 3.6%. It is evident for the transport sector that the highest positive growth rate also existed in 2021 at 3.1% which is lower than that of the manufacturing sector. The finance sector experienced the highest growth rate in 2013 when it grew by 6.7% and recorded the lowest growth rate in 2020 at -2.3%. The Trade sector also had the lowest growth rate in 2020 at -11.9%. The community services sector, which largely consists of government, experienced its highest positive growth in 2021 with 2.4% and the lowest growth rate in 2020 with -2.0%.

2.9. Population Density

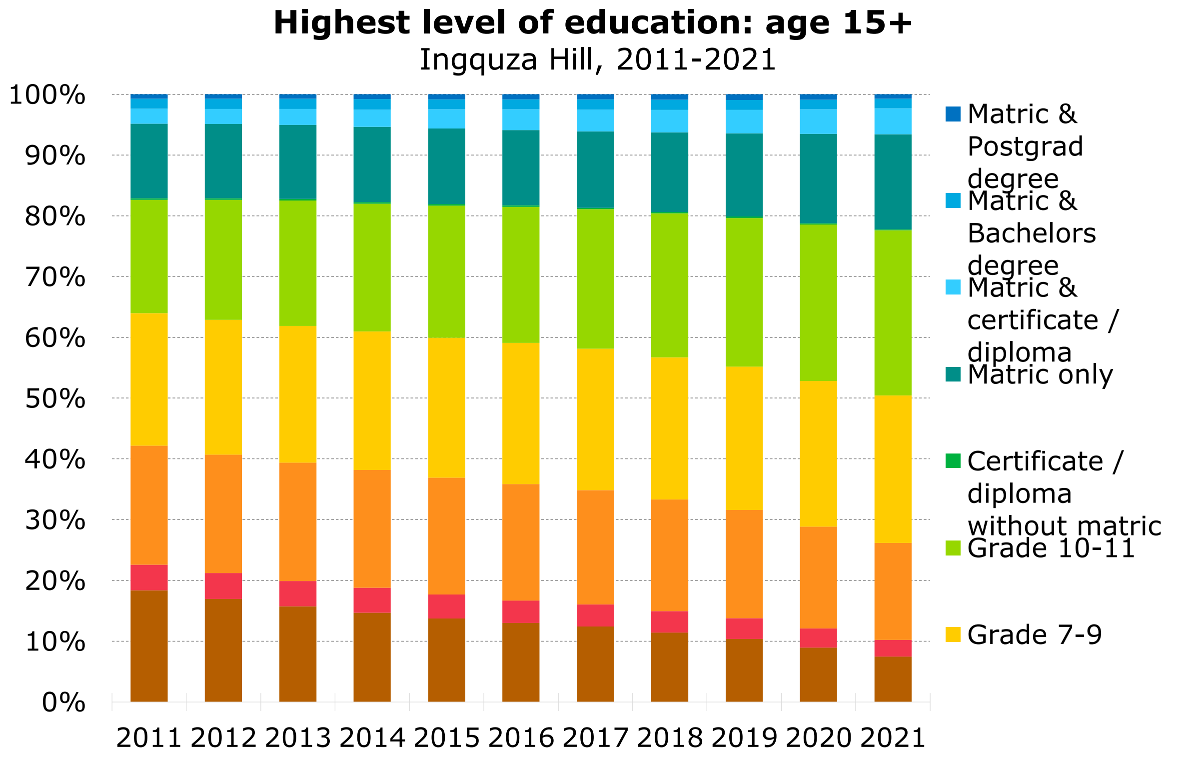
In 2021, Ingquza Hill Local Municipality had a population density of 130 per square kilometre and it ranked highest amongst its piers. The region with the highest population density per square kilometre was the King Sabata Dalindyebo with a total population density of 174 per square kilometre per annum. In terms of growth, Ingquza Hill Local Municipality had an average annual growth in its population density of 1.23% per square kilometre per annum. The region with the highest growth rate in the population density per square kilometre was King Sabata Dalindyebo with an average annual growth rate of 1.26% per square kilometre. In 2021, the region with the lowest population density within O.R.Tambo District Municipality was Mhlontlo with 68.7 people per square kilometre, it was also the region with the lowest average annual growth rate of 0.15% people per square kilometre over the period under discussion.

2.10. Level of Education

Educating is important to the economic growth in a country and the development of its industries, providing a trained workforce and skilled professionals required.

The education measure represents the highest level of education of an individual, using the 15 years and older age category. (According to the United Nations definition of education, one is an adult when 15 years or older. IHS uses this cut-off point to allow for cross-country comparisons. Furthermore, the age of 15 is also the legal age at which children may leave school in South Africa).

HIGHEST LEVEL OF EDUCATION: AGE 15+ - INGQUZA HILL LOCAL MUNICIPALITY, 2011-2021 [PERCENTAGE]



Source: IHS Markit Regional eXplorer version 2257

Within Ingquza Hill Local Municipality, the number of people without any schooling decreased from 2011 to 2021 with an average annual rate of -6.87%, while the number of people within the 'matric only' category, increased from 15,700 to 24,100. The number of people with 'matric and a certificate/diploma' increased with an average annual rate of

7.85%, with the number of people with a 'matric and a Bachelor's' degree increasing with an average annual rate of 1.27%. Overall improvement in the level of education is visible with an increase in the number of people with 'matric' or higher education.

HIGHEST LEVEL OF EDUCATION: AGE 15+ - INGQUZA HILL, O.R. TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2021 [NUMBERS]

	Ingquza Hill	O.R.Tambo	Eastern Cape	National Total	Ingquza Hill as % of district municipality	Ingquza Hill as % of province	Ingquza Hill as % of national
No schooling	11,500	59,000	189,000	1,440,000	*19.5%*	*6.1%*	*0.80%*
Grade 0-2	4,220	19,700	90,500	433,000	*21.4%*	*4.7%*	*0.97%*
Grade 3-6	24,700	102,000	473,000	2,600,000	*24.2%*	*5.2%*	*0.95%*
Grade 7-9	37,400	189,000	979,000	5,780,000	*19.8%*	*3.8%*	*0.65%*
Grade 10-11	41,900	215,000	1,190,000	9,790,000	*19.5%*	*3.5%*	*0.43%*
Certificate / diploma without matric	290	2,120	14,000	169,000	*13.7%*	*2.1%*	*0.17%*
Matric only	24,100	155,000	1,080,000	13,000,000	*15.6%*	*2.2%*	*0.19%*
Matric certificate / diploma	6,620	39,100	256,000	2,710,000	*16.9%*	*2.6%*	*0.24%*
Matric Bachelors degree	2,420	18,700	118,000	1,560,000	*13.0%*	*2.1%*	*0.16%*
Matric Postgrad degree	1,120	7,000	52,900	957,000	*16.0%*	*2.1%*	*0.12%*

Source: IHS Markit Regional eXplorer version 2257

The number of people without any schooling in Ingquza Hill Local Municipality accounts for 19.47% of the number of people without schooling in the district municipality, 6.08% of the province and 0.80% of the national. In 2021, the number of people in Ingquza Hill Local Municipality with a matric only was 24,100 which is a share of 15.58% of the district municipality's total number of people that has obtained a matric. The number of people with a matric and a Postgrad degree constitutes 12.98% of the district municipality, 2.05% of the province and 0.16% of the national.

2.11. Overview of the Department of Education.

The district is in the O.R. Tambo District Municipality, covering the area of Ingquza Hill Local Municipality, Nyandeni Local Municipality and Port St John's Local Municipality. The ORTCD, as it is shortened, was established on 1 April 2017, due to the introduction of the Service Delivery Model. Five CMCs, namely: Flagstaff CMC, Libode CMC, Lusikisiki CMC, Ngqeleni CMC and Port St John's CMC lead by Circuit Management Centre Managers. All CMCs are made up of 26 Circuits each with its Circuit Manager.

There are 79 FET schools which include realigned secondary schools and 572 GETs. There are 254 102 learners, predominantly from poverty-stricken families and 7 785 educators. 184 of 608 officials are placed at the District Office, whilst the rest will be spread across the Circuit Offices and CMC Offices, which are yet be provided with physical infrastructure to operate.

Development Challenges and back logs

Departmental Challenges	Development Backlogs
Inadequate budget to build schools and eliminate mud structures	Infrastructure backlogs
Existence of small and unviable schools	Late delivery of LTSM
Vandalism in schools, burglaries and stealing of equipment	Unfavourable Post Provisioning Norm (PPN) based on the Peter Morkel Model: Teacher Provisioning based on learner numbers than on learning areas (subjects)
Inadequate scholar transport services due to inadequate budget	Lack of security personnel in schools
Lack of security personnel in schools	
Resistance to rationalize small schools i.e. closure and merger	

2.12. Health

Ingquza Hill health Sub-district has few facilities as against its population of 321 142 and that affects the referral system, contributes to maternal and child mortalities and non-compliance to treatment with high rate of defaulters. Ingquza Hill has the following infrastructure:

- 02 District Hospitals, 04 Community Health Centers, 08 New Clinics, Guard room for Holy cross gateway clinic, Extension of Mantlaneni and St Elizabeth's gateway clinic. Extension of Xurana, Xopozo and Mpoza clinics.

2.12.1. Achievements

Success rate: Target = 85% the sub-district annual performance is at 86 %. TB screening under 5 years: Target = 95% then the Sub-district performance is at 99.3%. Tb screening 5 years and older: Target = 95%, Sub-district performance is at 99.7%. Severe acute malnutrition has dropped to 6%. Ante Natal Care (ANC) started on ART rate: Target = 97 %, performance is at 100%. Infant PCR positive around 10 weeks: Target = < 1 %, performance is 0.62%. Ante Natal Care (ANC) visits before 20 weeks: Target = 63 %, performance is at 74%.

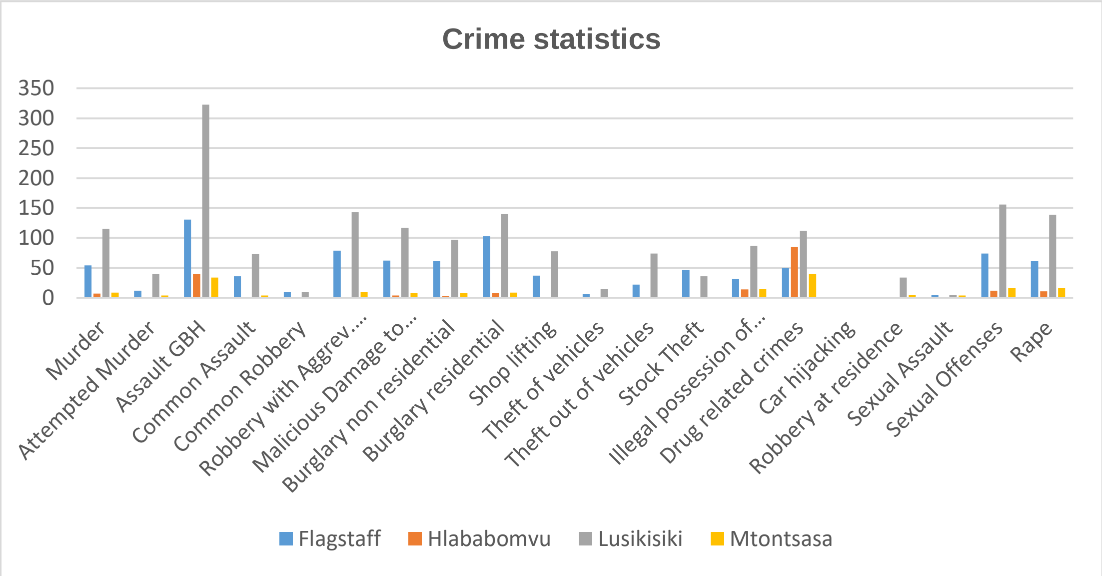
2.13. Safety and Security

There are only four police stations under the vast jurisdiction of Ingquza Hill Local Municipality, namely Flagstaff, Hlababomvu, Lusikisiki and Mtontsasa. There is no valid Community Safety Plan in place and the municipality has requested support from Department of Safety and Liaison for the development of CSP. The Community Safety Forum is functional and awareness campaigns are conducted to address the predominant crime patterns such as murder perpetuated by witchcraft belief, rape, domestic violence and other crimes.

2.13.1. Crime statistics

The municipality has recently been amongst the high crime areas in the Eastern Cape province with the incidents of abductions, murder, rape, robberies and the recent gangsterism (Amavondo) which attracted the attention of the State President, Minister of Police, National Prosecuting Authority, etc.

The criminal activities in the area have risen with the contact crimes such as murder, rape, assault with the intent to cause gross bodily harm and abduction topping the ladder. The abduction has put our municipality on the eyes of the entire world which is a wrong reason of becoming famous. The peripheries of our towns have become breeding grounds of criminal elements which then migrate to villages. The initiatives like community policing forum had long been introduced and recently the introduction of community safety forum are used to involve the community in the fight against crime. The apathy on the side of community is paralyzing the progress out of these initiatives with such good cause.



As a plan to mitigate crime the municipality has responded by installing 20 high masts on the strategic areas in both towns (Flagstaff and Lusikisiki) to address the challenge of darkness. The street lights were also maintained. The project of addressing the challenge of darkness is being spread to areas outside the towns especially junctions along R61 and surfaced road to Holy Cross Hospital. The installation of the high mask also contributes to road safety during the night time.

KEY PERFORMANCE AREA: ONE: BASIC SERVICE DELIVERY

3. INFRASTRUCTURE

Service infrastructure plays a critical role in the development of the economy of the municipal area as well as the maintenance of environmental and health standards. Service backlogs are rampant. The other reality is that areas with huge infrastructural backlogs tend to do poorly in attracting investment. Whilst it has favorable geographical conditions, this municipality has been unable to attract established industries to come and invest in its area. The District Municipality is currently providing the infrastructure upgrade for Flagstaff and Lusikisiki towns.

3.1. Roads

The Project Management Unit (PMU) was founded in 2009 and has been utilizing MIG funds as well as supplementary funding from municipal equitable share for the advancement of service delivery. The usage of the grant ranges from access roads, community halls, sporting facilities and street lighting. In its endeavors to maximize service delivery efforts, the municipality is considering using the 5% top slice of the MIG for PMU. The nature of the municipality is such that it is grant dependent with a small revenue base. Within its allocation the municipality plans to utilize up to a maximum of 15% of its MIG allocation on Operations and Maintenance, as guided by the MIG Framework.The unit also makes use of a building technician to monitor building projects as well as the electrification project manager for the monitoring of electrification projects.

Project implementation Plan is done in line with the approved 3-year capital plan. Since year 2016 of the previous term of the Council, the municipality has managed to construct about 159 km of access roads across the wards of Ingquza Hill Municipality.

During 2022/23, the unit is responsible for the construction of 47 km of access roads, two(2) combined sports field(Ward 26 and ward 02), two(2) public toilets in both towns (Flagstaff and Lusikisiki). The construction of new office buildings in Lusikisiki is planned for this financial year though it is a multi-year projects. Bridges are constructed as part of access road construction and no bridges will be constructed. Allowance in project planning has been made for non-motorised transport in that sidewalks are constructed as part of the urban roads network.

Creation of employment for the municipality remains a priority and the municipality plans to open employment opportunities that will contribute to the Public Works Expanded Program.

All projects are implemented in a labour-intensive manner as far as practicable. Rolling out of EPWP Phase 3 is in progress and amendments have been made to the adopted EPWP policy in line with the Phase 3 roll out.

3.2. COMPLETED PROJECTS

Ward No	Project Name	Kms	Financial Year
Ward 19	• Mbudu Access Road	10km,	2021/2022
Ward 22	• Thyuphu Access Road	9km,	2021/2022
Ward 23	• Rhole Access Road - 13,5km,	13,5km,	2021/2022
Ward 29	• KuGqweza Access Road	8km,	2021/2022
Ward 30	• Jaca via Qojana Access Road	8km,	2021/2022
Ward 06 - 1,5km	• Flagstaff Internal Streets - Phase 1	1,5km,	2021/2022
Ward 19 Lusikisiki	• Public Toilets -	Phase 2 (40 m^2),	2021/2022
Ward 06 (Flagstaff)	• Public Toilets	Phase 2 (40 m^2),	2021/2022
Ward 06,15 &19	• Construction of 102 streetlights in Wards 06 & 19	56 streets flagstaff completed	2021/2022
Wards 06, 15 and 19.	• Maintenance of 100 streetlights in	100 maintenance	2021/2022

3.3. ROAD MAINTENANCE

The municipality has an overall road network of 985km, of which 433km are maintained by the Department of Roads and Public Works. The Rural Roads Asset Management System (RRAMS) has been rolled out within the municipality and is used in the quantification of backlogs. It is also used to complement the municipal assessment tool which informs the Annual Roads Maintenance plan municipality budgeted for roads maintenance. The municipality also coordinated forums towards Roads planning. Routine road maintenance is carried out in line with this concept plan as well as emergency maintenance where a need arises. The maintenance unit is equipped with a Wacker as well as a TLB to carry out routine maintenance.

3.4. SERVICE DELIVERY BACKLOGS

The municipality has the following backlogs in terms of basic service delivery.

Category	Muncipal Target	Backlogs	Served	Annual Target
Electricity(H/H)	56213h/h	4292h/h	51921h/h	691h/h
Access Roads(km)	981,35km	350,75	630,6km	43,6km
Surfaced roads (km)	26km	21,5km	4.5km	10km
Sports fields(No.)	32	28	4	3(ward 2;ward 16 and ward 26).
Community Halls(No.)	34	0	32	2

3.4.1. INFRASTRUCTURE THREE YEAR PROJECTS

2021/2022 PROJECTS	KM/M2	WARD NO	STATUS	BUDGET
Ward 26 Multi-purpose Sports Field: Phase 1, 1045, ward 26	1045	26	Construction stage	R18 169 6822,69
R61 Surfacing Flagstaff	2.5	06	Construction stage	R71208 741.87
Malola Access Road 10,3 km, ward 25	10,3km	25	Construction stage	R9 285 313,17
Kugqweza Access Road, 8km, ward 29	8km	29	Construction stage	R10 224 486,30
Jaca via Qojana Access Road, 8km, ward 30	8km	30	Construction stage	R7 562 285,12
Phase 2 of Multi-Purpose Sport Facility – Ward 2	2300	2	Construction	R33 191 654,56

3.4.2. 2022/2023 INFRASTRUCTURE PROJECTS

PROJECT	TARGET	WARD NO	Status	BUDGET
Bukazi Access Road	5km	12	Litigation	R10 852 725,20
Singembeni Access Road	7km	32	Litigation	R6 801 316,74
Mathe to Gqina Access Road	15km	31	Retention Stage	R 12 913 235,00
Mavaleleni Access Road	13km	2	Construction	R 13 432 000,00
Maqadini to Mpafane via Maphetho	7km	5	Construction	R7 598 006,68
Qhamangweni bridge		11	Tender Stage	R7 236 786,57
Construction of Ward 6 Sports Facility Phase 2	9000m^2	6	Design Stage	R26 000 000,00
8 High mast lights	8	9,14,18,19,20,22,27,& 32	Planning stage	R 9 600 000,00
Nqayimbana and Newrest A/R	5km	9	Tender Stage	R 3 820 267
Noteku A/R	5km	28	Tender Stage	R 3 565 582
Kanana A/R	5km	17	Tender Stage	R 2 801 529
Nyasa A/R	2.3km	1	Tender Stage	R 1 273 422
Zihagwini to Mbayi A/R	2,4km +1.8km slab	4	Tender Stage	R 1 273 422

3.4.3. 2023/2024 Projects

PROJECT	WARD NO	Status	Budget
Flagstaff Internal Streets Phase 2	6	Planning Stage	R 5 721 462,51
Lusikisiki Internal Streets Phase 3	15&19	Planning Stage	R 5 721 462,51
Tumse via Heleni to Hlwama	10	Planning Stage	R 5 766 049.63
JB to Kimbili via Scwenza A/R	10	Planning Stage	R 641 250,01
Pelepele A/R	28	Planning Stage	R 650 250.00
Simvini A/R	20	Planning Stage	R 457 447.00
Xesibe to T-Road A/R	17	Planning Stage	R 273 332,68
Thafabanzi A/R	4	Planning Stage	R 4 750 231,7

Joe Slovo A/R	19	Planning Stage	R 371 588.00
Top Area A/R	14	Planning Stage	R 542 777.00
Nyasa Access Road	1	Tender Stage	R 2 035 362,3
Zihagwini to Mbhayi Concrete Slab	4	Tender Stage	R 9 263 247,2
Bisi Access Road and bridge	7	Planning Stage	R 500 000.00
Ngqayimbana(NEW REST) Access Road	9	Tender Stage	R 390 038,94
Mtshayazafe to Madlelweni Access Road	20	Planning stage	R 4 080, 188,56
Kanana Extension Access Road	17	Tender Stage	R 1 585 098,80
Noteku Access Road	28	Tender Stage	R 898 617, 17
Construction of Xhophozo AR	08	Planning Stage	R 6 498, 607.34
Construction of New Rest Community Hall	19	Planning Stage	R 4 603 750.00
Construction of Ward 31 Community Hall	31	Planning Stage	R 4 603 750.00

3.4.4. 2024/2025 Infrastructure projects as per the Project Implementation Plan

Project Title	Project	Total project Cost	Project Cost 2024/25	Total planned expenditure on MIG for 2024/25
Flagstaff Internal Streets Phase 2	Roads and stormwater	R 50 820 403,77	R 10 300 890,00	**10 300 890**
Lusikisiki Intenal Streets Phase 3	Roads and stormwater	R 59 930 774,92	R 11 584 500,00	**11 584 500**
Ward 2 MPCC	MPCC	R 27 476 941,58	R 2 000 000,00	**2 000 000**
Ward 31 Community Hall (Bhungeni)	Community Hall	R 4 603 750,00	R 500 000,00	**500 000**
New rest Community Hall in ward 19	Community Hall	R 4 603 750,00	R 500 000,00	**500 000**
Tumse Via Heleni to Hlwama Access road and Bridges	Roads and stormwater	R 6 442 472,07	R 1 142 472,07	**1 142 472**
Bisi Access road and Bridge	Roads and stormwater	R 4 437 609,02	R 448 471,10	**448 471**
Mtshayazafe to Madlelweni Access road and a Bridge	Roads and stormwater	R 4 542 716,64	R 1 242 716,84	**1 242 717**
Xhopozo Access Road in ward 8	Roads and stormwater	R 6 498 607,34	R 500 000,00	**500 000**
Galatyeni to Mfinca Access road in ward 13	Roads and stormwater	R 5 462 500,50	R 5 462 500,00	**5 462 500**
Mgojweni Extention via mvimvane to	Roads and stormwater	R 4 844 999,99	R 4 844 999,99	**4 845 000**

Fama Access road in ward 18				
Mtshayelo Access road in ward 27	Roads and stormwater	R 6 555 000,00	R 5 791 100,00	**5 791 100**
Ngonyameni to Maqanyeni Access road and bridge in ward 11	Roads and stormwater	R 9 113 750,00	R 4 113 750,00	**4 113 750**
Nqaqhumbe Access road in ward 16	Roads and stormwater	R 6 037 500,00	R 6 037 500,00	**6 037 500**
Sirhetshe to Sibuthe Access Road in ward 3	Roads and stormwater	R 6 152 500,00	R 6 152 500,00	**6 152 500**
PMU Bussiness Plan			R 3 190 600,00	**3 190 600**
				0
	TOTAL	**R 207 523 275,83**	**R 63 812 000,00**	**63 12 000**

***3.5.*Electrification**

The electricity sector has been in a state of limbo over the last few years as the electricity distribution industry (EDI) grapples with the concept of regional electricity distributors (RED's). There is still lack of clarity about how they will relate to local government. This probably stems from the fact that policy has been driven by the electricity sector with insufficient engagement with municipalities who remain, after all, responsible for providing the electricity reticulation service in terms of the Constitution. In principle, six REDs will be established, each with their own boundaries. The RED's will cover the whole country. This has been approved by cabinet and the EDI is proceeding with business planning for these entities.

There is a principal agreement at national level that those municipalities, which appoint REDs as service providers, will give up their assets to the RED concerned. In return they will be given shares in the RED. Therefore, the RED's will be co-owned by national government (contributing the assets associated with Eskom's current distribution system within the RED) and a group of municipalities. The basis for the allocating of shares has not been finalized yet.

Ingquza Hill Local Municipality had a total number of 13 000 (19.95%) households with electricity for lighting only, a total of 47 500 (72.92%) households had electricity for lighting and other purposes and a total number of 4 640 (7.13%) households did not use electricity.

3.5.1. Electricity Backlog

Ingquza Hill Local Municipality had a total number of 13 000 (19.95%) households with electricity for lighting only, a total of 47 500 (72.92%) households had electricity for lighting and other purposes and a total number of 4 640 (7.13%) is the backlog of households without electricity. Electrification of 338 households is under construction for 2022/23 and Electrification of 187 is underway for 2023/24 financial year.

3.5.2. 2024/2025 Electrification Projects by Municipality:

Listed below are the electricity projects that will be executed by the municipality, who is not licensed, whom upon completion will be handed over to Eskom for energise from its own work.

Project Name	Ward	Number of Standard Households
Ntlonyane ext	Ward 14	6
Mhlophekazi	Ward 04	10
Thafabanzi ext	Ward 04	25
Nozayo Ext	Ward 03	7
Skitini ext	Ward 15	111
Malizole ext	Ward 21	54
Madikane phase 3 ext	Ward 15	32
Katilumla	Ward 15	57
New Rest ext	Ward 19	56
Unity Park ext	Ward 19	55
Qebedu	Ward 04	5
Ntsimbini	Ward 19	27
Qhathula	Ward 17	32
Gunyeni	Ward 14	11
Khonjwayo	Ward 19	6
Zwelitsha	Ward 19	7
France	Ward 19	32
Mkhumeni Ext Phase 2	Ward 08	43

Zadungeni ext Phase	Ward 08	11
Mhlanga Ext	Ward 08	26
Cumngce Ext Phase 2	Ward 31	14
Madamini	Ward 20	50
Mbondleleni	Ward 03	14
Total Number of Connections	**691H/H**	

3.5.3. Alternative energy initiatives

There are alternative energy bilateral discussions with Department of Energy to deploy alternative energy solution for areas that do not have road access. Application for alternative energy has been submitted to Department of Energy. Although response is taking longer, there is hope that Department will assist connecting households to solar energy this year.

3.5.4. Public lighting

Municipality has prioritized installation of new high mast lights in order to provide lighting that would take a huge coverage. There are 75 high mast lights installed since the current tem of the Council across Ingquza Hill wards, prioritising the areas with high rate of crime. 30 high mast lights so far have covered urban surround and major junctions along road and outside urban area. Installed high mast lights are standardised at 30m tall with 9 luminaires covering 360 degrees. This is done to assist in curbing crime wherein commuters dropping, and bus stops are subjected to mugging during dark hours. The Designs of 10 high mast lights is underway for 2023/24 financial year.

3.5.5.**Provision of Electricity**

Provision of electricity is done by Eskom Distribution although constitution of the republic puts upon municipality to provide such service. The current arrangement deprives municipality to generate its own revenue from electricity and use of service for credit and debt control. Electrification of households using INEP is done by municipality and Eskom through identification and prioritization of areas to be electrified. The INEP has been deteriorating over the past three years from the high of R2 340 000 in 2020/21 zero in 2021/22 and R 8 064 000 2022/23.

There are 5 substations around the area and they include Mfinizo, Hombe and Taweni, Siphaqeni and Dumasi substations. The whole municipality is Eskom area of supply. Eskom and Municipality have collaborative plans in Eskom area of supply. Project identification will include Municipality and Eskom projects.

For the financial year 2022/2023 the indigent register was 15 507:

INFORMAL SETTLEMENTS: FBS Household benefitting and (Improvement)			
	Households	**Percentage**	**Improvement**
No of all h/h for Eskom and alternative energy	14 400		
No of h/h that are supposed to benefiting from Eskom	7 504	53% (3963)	16%
No of h/h benefiting from alternative energy	4100	100%	100%

For the financial year 2023/2024 the indigent register is 18 051:

INFORMAL SETTLEMENTS: FBS Household benefitting and (Improvement)			
	Households	**Percentage**	**Improvement**
No of all h/h for Eskom and alternative energy	12 384		
No of h/h that are supposed to benefiting from Eskom	7 504	72% (5 377)	19%
No of h/h benefiting from alternative energy	4880	100%	100%

3.6. BUILDING CONSTRUCTION AND MAINTENANCE

The municipal building unit is responsible for construction of new building projects as well as maintenance of existing facilities. Capital building projects are implemented through the PMU unit. They form part of the three-year capital plan. Current projects include the following:

- Construction of Lusikisiki Municipal Offices
- Building of public toilets in both towns
- Maintenance of new and old office buildings

Routine maintenance of buildings is also carried out, with emergency maintenance being undertaken when the situation deems fit. The municipality has inventory stocked to undertake minor building repairs which are observed by the municipal plumber and handy man.

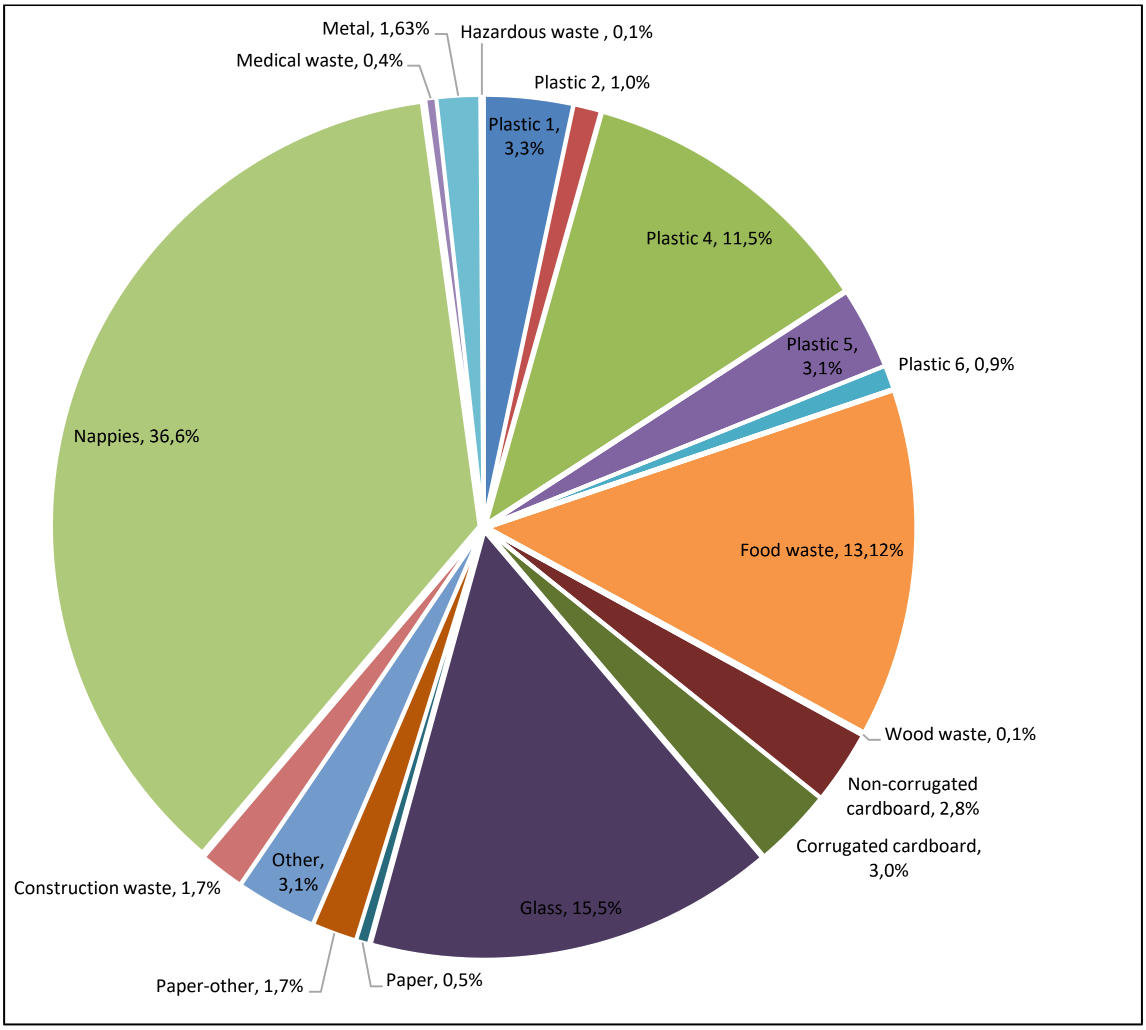
3.7. HUMAN SETTLEMENT LIST OF COMPLETED PROJECTS IN 2023/2024 FY

PROJECT	STATUS	NO. OF UNITS	EXPENDITURE
1. FLAGSTAFF 504	COMPLETE	504	R33.3m
2.KHANYAYO 42	COMPLETE	42	R 6.6m
3.INGQUZA 301	COMPLETE	301	R 34m
4. DIMFI 500	COMPLETE	500	R58m
5. MPOZA 500	COMPLETE	500	R70m
TOTAL		1347	R 201.9m

3.8.ESTIMATED WASTE CHARACTERIZATION

The following were noted from the results of the 2020 waste characterisation:

- 36.6% of the waste stream by mass consisted of nappy waste.
- 29.4% of the waste stream by mass consists of recyclables such as glass, plastic 1 (PET) & 2 (HDPE), paper, cardboard and metals.
- 13.2% of the waste stream by mass was organics, the majority (13.1%) of which was food waste.



3.9. MUNICIPAL BY-LAWS PERTAINING TO WASTE

Ingquza Hill Local Municipality has a set of by-laws, promulgated on the 17 August 2013, pertaining to solid waste disposal. Although the by-laws are quit comprehensive, it is recommended that the by-laws should be expanded to include aspects of waste minimization e.g. recycling and other issues as set out in the National Environmental Management: Waste Management Act, 59 0f 2008 as amended to promote integrated waste management. SALGA has drafted good framework for all municipalities, IHLM has used these bylaws to review its By-Laws that are in public participation phase.

3.10. REFUSE REMOVAL

Ingquza Hill Local Municipality had a total number of 2 770 (4.24%) households which had their refuse removed weekly by the authority, a total of 320 (0.49%) households had their refuse removed less often than weekly by the authority and a total number of 57 600 (88.41%) households which had to remove their refuse personally (own dump).

Most of the household's resort to environmentally insensitive and illegal mechanisms for disposing of waste which in turn poses health risks to the community. Littering is prevalent throughout the entire municipality including discarding of dangerous forms of waste such as scrap metal. There is no municipal beach cleaning service in the coastal area.

The Municipality provides street cleaning (litter picking, sweeping, and cleaning of ablution facilities) daily in both towns of the Municipality, in residential area the service is provided from Monday to Friday.

3.10.1. WASTE RECEPTACLES AND FLEET

Ingquza Hill Local Municipality utilizes a black refuse bag system for all the households and businesses in the municipal area. The Municipality provides the residents in Ingquza Hill Local Municipality with one black bags per week and wheel bins. The Municipality accepts any number of bags per household or business, so there is no specific limit. The IHLM has 40 skip bins, procuring and 100 street litter bins.
The waste management fleet is managed by the municipal fleet management department. At present the refuse collection fleet consists of three operational 4compactors, one skip truck, one (1) light utility vehicles (bakkies), one tractor and one new staff transport vehicle. The compactor trucks frequently require repairs which results in strain on the other trucks that are operational.

3.10.2. ILLEGAL DUMPING

Ingquza Hill Local Municipality is experiencing a high rate due to lack of Land fill site in its jurisdiction. This is partly caused by insufficient skip bins and little knowledge by community about waste management. The Municipality has to collect this waste at an unnecessary cost. The Municipality has recognized the need for education of the people regarding this practice. The Municipality is also experiencing the dumping of waste by the public along R61 access roads to the landfill sites, as well as areas on the open spaces. To address this issue of illegal dumping the municipality has begun an initiative called Green Wednesday aiming to clear illegal dumping, extend services to more communities. Other means of clearing illegal dumping sites include;

- Placing skip bins in areas of high risk
- Beautification of those areas
- Clearing of illegal dumping site within 24 hours at the expense of an illegal dumper.

3.10.3. LANDFILL SITES

The municipality is currently operating in two landfill sites with different licenses one in Lusikisiki operating with license for closure and one in Flagstaff with license to operate. Community uprising in both landfill sites areas make it difficult for the municipality to operate productively. The landfill sites in the Municipal area do not have weighbridges and therefore the quantities of waste disposed of are not exactly known, although a certain level of record-keeping takes place at the landfill facilities.

The areas has beautiful virgin coast which is underdeveloped and requires a lot of infrastructure development. With the construction of N2, the plans should be in place to uplift our coastal nodal points such as Mkhambathi, Msikaba and Mbotyi.

3.10.4. Challenges:

- No ablution facilities.
- No parking space.
- Poor condition of roads leading to the beaches.

KEY PERFORMANCE AREA: INSTITUTIONAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT.

4. LOCATION OF THE OFFICES

Ingquza Hill is made up of 32 wards with 66 Councillors which include the 2 Traditional leaders and is composed of 2 offices, the main office is Flagstaff, and the Council seat is Lusikisiki as per Council resolution of the 26 March 2006. The coordination and management of these satellite Offices is done through Heads of Departments per Satellite wherein the overall accountability still rests with the Accounting Officer.

The setup of both offices is as follows:

Flagstaff	Lusikisiki
▶ Office of the Mayor ▶ Municipal Managers office ▶ Technical Services ▶ Budget and Treasury ▶ Planning and Development ▶ ICT and Records management	▶ Office of the Speaker ▶ Whips of the Council Office ▶ Community Services ▶ Corporate Services

4.1. COUNCIL STRUCTURE

The municipality has 32 Ward Councilors each responsible for the 32 wards with 32 members who are proportional representatives and 02 councilors representing the traditional leadership. In total, there are 64 councilors including the traditional leaders. Ingquza Hill has the Mayor in the name of Cllr. Prudence Nonkosi Pepping.

The Speaker: Honorable Councilor S.B. Vatsha with Councilor I. M Nkungu as the Chief Whip.

There are 10 executive committee members reflected below:

Cllr P. N Pepping as the Mayor, Cllr N. A Gagai, Cllr. B. N Mvulana, Cllr. V Somani, Cllr. K Vava, Cllr. N. Jam-jam, Cllr. B. N Nkani, Cllr. Z. Mhlongo, Cllr. L. Ndziba, and Cllr. Z. Sigcu.

six (6) key performance areas. Each quarter there is a standing committee meeting which reports to the Executive Committee for ratification and confirmation of decisions and taken to a Council meeting for accountability, oversight, and decision-making. Council meetings meet at least once per quarter to consider a quarterly report with a section 71 report, a half-yearly report, an annual report, and oversight reports submitted by the management for oversight purposes. Emergency Council meetings are called when necessary to discuss emergency and urgent matters of the Council. During the national pandemic, the Council took a decision that the Standing Orders and Rules of the Council be revised to accommodate the virtual platform based on the Disaster Management Act and subsequent Gazette issued by the Minister of Cooperative Governance and Traditional Affairs (COGTA).

4.2. Administrative Structure

The municipality has both administrative and political structures; the administration is led by the Municipal Manager heading 6 divisions as per the KPA's outlined by SALGA. Ingquza Hill has been operating with the Acting Municipal Manager since 2019 and the Council has approved the advert for the Municipal Manager and the recruitment processes are underway. Currently the municipality is operating with 2 Senior Managers namely Senior Manager for Community Services and Chief Finance Officer. The Senior Manager for Planning and LED, senior Manager for Corporate services and Senior manager for Technical Services are vacant and the recruitment processes are also underway.

The current composition of the management of Ingquza Hill Local Municipality Management is as follows:

Directorate	Position	Period
Political leadership: Her Worship the Mayor – Hon Cllr Prudence Nonkosi Pepping Hon Speaker: Cllr S. B Vatsha and Hon Cllr N. Jam-Jam (Good Governance)		
MM's Office	Municipal Manager	5 years
	Manager: Mayor's Office	Vacant
	Manager: IDP& PMS	5 years
	Manager: Council Support	5 years
	Manager Strategic Communications	Vacant
	Executive Liaison Officer	5 years
	Executive PA to the Mayor	5 years
Political head: Honorable Cllr. N Gagai		
Corporate Services	Senior Manager Corporate Services	Vacant
	Manager: Human Resources	5 years
	Manager: Admin & ICT Systems Manager	5 years

Political head: Honorable Cllr. B. J Nkani		
Budget & Treasury	Chief Finance Officer	Filled (Permanent)
	Manager: Financial Planning & Reporting	5 years
	Manager: Supply Chain Management	Vacant
	Manager: Asset Management	5 years
Political Head: Honorable Cllr. Z. Mhlongo		
Community Services	Senior Manager Community Services	Filled (permanent)
	Manager: Public Safety	5 years
	Manager: Waste Management	5 years
Political Head: Hon Cllr. K.Vava		
Engineering & Infrastructure	Senior Manager Technical Services	Vacant
	Manager: PMU	5 years
	Manager: Technical (O&M)	5 years
Political head: Hon Cllr B.N Mvulana and Hon Cllr. V. Somani		
Planning & Development	Senior Manager: Planning & Development	Vacant
	Manager: Local Economic Development	5 years
	Manager: Planning and Development	5 years

4.3.Municipal Functions

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

Part B of Scheduled 4	Part B of schedule 5
1. Air pollution 2. Building regulations 3. Childcare 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	12. Beaches and amusement facilities 13. Billboards and display advertisement in public places 14. Cemeteries, funeral parlours and crematoria 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

11. Pontoons, fairs, settees, piers and harbors excluding the regulations of international and national shipping	19. Licensing and controlling of undertaking that sell food to the public. 20. Local amenities 21. Local sports facilities 22. Markets 23. Municipal abattoirs 24. Municipal parks and recreation 25. Municipal roads 26. Noise pollution 27. Pounds 28. Public places 29. Refuse removals, refuse dumps and solid waste disposals 30. Street trading 31. Street Lighting 32. Traffic and parking

of 39 functions listed in Parts B of schedule 4 and 5 of the Constitution, Ingquza Hill Local Municipality has been allocated 34 functions which it is required to deliver on, the following 24 functions are being performed Ingquza Hill Local Municipality.

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. Childcare facilities	10. Cemeteries, funeral parlor and crematoria- 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 24. Fencing and fences

The table below reflects function that Ingquza Hill is authorized but is not being performed:

Part B of Schedule 4	**Part B of Schedule 5**
1. Air pollution 2. Childcare facilities 3. Electricity and gas reticulation (not authorized 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. Municipal abattoirs 11. Nose pollution

4.4. ORGANIZATIONAL DEVELOPMENT

The process of reviewing the organisational structure has begun and is done concurrently with the review of the IDP to ensure that it responds to the strategic objectives of the Council. The consultation processes are still to follow, and the adoption of the organisational structure has been adopted and referred to MEC for Local Government for comments and thereafter approval therefore by the council before the end of June 2024.

4.5. WORKPLACE SKILLS PLAN

The Ingquza Hill Local Municipality is regarded as one of the employers who are required to development Workplace Skills Plan as per the Skills Development Act 97 of 1998 which is submitted to Local Government Sector Education and Training Authority (LGSETA) on or before 30th of April every year. The Workplace Skills Plan is the strategic document which aligns to Municipalities needs and goals. The document also outlines a Municipalities skills development and trainees for its employees. It provides the basis for identifying and planning of skills development initiatives that are relevant to Ingquza Hill Local Municipality's strategies and individual development needs. The Skills development Act offers the following benefits: It enhances improvement in productivity in the workplace. It also enhances improvement in the quality of life of workers

The Municipality does have a WSP in compliance with legislation adopted and this was submitted to the LGSETA by the 25 April 2024.The Human Resource Development Section is fully staffed with qualified and skilled personnel in order to implement the WSP. Study Assistance will also be used to encourage the municipal staff to further their studies with relevant qualifications especial in areas of scarce skills. The Workplace Skills Plan will focus on the following:-

- Regular Trainings / Workshops for all professional body registered employees are conducted to ensure that they always updated of the developments of respective Council requirements;
- Training of Municipal Competency Levels to Directors, Managers and Finance Officials is ongoing;
- Solid waste personnel will be trained in order to be able to operate new equipment acquired to improve cleanliness in both Flagstaff and Lusikisiki;
- Training of people participating in cooperatives; LED projects *is ongoing*
- Giving work experience to unemployed graduates through in-service/ *Learnership /* and internship programmes; and
- Provision of Bursary/Financial study assistance to employees and youth community members.

4.5.1. ANNUAL TRAINING PLAN (WORKPLACE SKILLS PLAN FOR 2024/2025

Name of the Learning Intervention	Type of Learning Interventions	Beneficiaries
GIS Training Programme	Skills programme	08 Employees from Technical Services
JBCC NEC 3 (Contracts)	Skills Programme	06 Employees from Technical Services
Pothole Patching	Skills Programme	08 Employees from Technical Services
Customer Care Training	Skills Programme	08 Employees from Technical Services
Trade Test Training	Skills Programme	05 Employees from Technical Services
First Aid NQF Level 3	Skills Programme	10 Employees
Fall Arrest Training	Skills Programme	04 Officials from Technical Services
SAMTRAC Training	Skills Programme	04 Employees from Technical Services
Pothole Patching	Skills Programme	08 Employees from Technical Services
GIS Training	Skills Programme	07 Employees from Technical Services
Advanced Project Management NQF Level 7	Skills Programme	08 Employees from Technical Services
CPMD Programme	Learnership Programme	All Departments
GRAP Standards	Learnership Programme	05 Employees from BTO
Contract Management Training	Training Programme	05 Employees from BTO
Credit Management Training	Skills Programme	01 Employee from BTO
Creditors Reconciliation-Munsoft Training	Skills Programme	01 Employee from BTO
Payroll Management	Skills Programme	1 Employee from BTO
Case Ware	Skills Programme	3 Employees from BTO
Fraud and Corruption	Skills Programme	Employees From Community Services

Refresher on Peace Officers	Skills Programme	Employees from Community Services
Training of management reps for VTS and DLTC	Skills Programme	Employees from Community Services
Pound Management training	Skills Programme	Employees from Community Services
Supervision and HR matter	Skills Programme	Employees From Community Services
Event Management	Skills Programme	Employees From Community Services
Lifeguard training /Surf lifeguards training award	Skills Programme	Employees from Community Services
Marine Studies training	Skills Programme	Employees from Community Services
Security management	Skills Programme	Employees from Community Services
Monitoring and Evaluation Programme	Skills Programme	Employees from Community Services
Petition Management	Skills Programme	15 Officials from Municipal Managers Office
Ward base Plan and Ward Profiling	Skills Programme	20 Officials from Municipal Managers Officer
Mobilization strategy	Skills Programme	4 Officials from Municipal Managers Office
Risk Management	Skills Programme	Employees from Municipal Managers Officer
Bylaw Administration and Formulation	Skills Programme	Employees from MMs office
Municipal Compliance Management	Skills Programme	Employees from MMs office
Government Protocol	Skills Programme	Employees from MMs Office
Graphic Design	Skills Programme	Employees from MMs Office
Sign Language Interpreting	Skills Programme	Employees from MMs Office
IT General Controls- Refresher training	Skills Programme	Employees from Municipal Managers Office

Financial Performance Compliance Audit (Refresher Training)	Skills Programme	Employees from Municipal Managers Office
Talent Management Training	Skills Programme	10 Employees From Corporate Services
Principles of Payroll	Technical Training Programme	2 Employees from Corporate Services
Individual Performance Management Systems Training	Skills Programme	30 Employees from all Departments
Development of Organisational Structure Training	Skills Programme	Employee from CPS
EAP Short Course	Learnership Programme	EAP Clerk and Committee Members From Corporate Services
Record Management Training	Skills Programme	Employees Corporate Services
Cleaning and Hygiene Training	Skills Programme	Employees Corporate Services
Employment Equity and Skills Module	Skills Programme	02 Employees from Corporate Services
Server Management	Skills Progranme	ICT Staff
Cloud Management System	Skills Programme	ICT Staff
Cyber Security	Skills Programme	ICT Staff
LLF Training	Skills Programme	01 Employee from CPS
SANS 10400	Skills Programme	Employees from Planning and Development
GIS Training	Skills Programme	Employees from Planning and Development
SAMTRAC Training	Skills Programme	Planning and Development
Construction Contracts (FIDIC JBCC NEC GCC) and Estimation and Tendering Workshop	Skills Programme	Employees from Planning and Development
Environmental Management Inspectorate	Skills Programme	Employees from Planning and Development
Occupational Health Safety for Committee Members on safety regulations	Skills Programme	OHS Committee Members

Performance Management (NQF Level 5)	Skills Programme	Exco Members
Project Management Programme –Non-Credit Barring)	Skills Programme	All Councillors
CPMD Programm	Learnership Programme	06 Councillors
Good Governance Training	Skills Programme	All Councillors
Public Speaking	Skills Programme	All Councillors
Voice Clinic	Skills Programme	All Councillors
Varies Construction Programmes	Learnerships and Skills Programme	60 Unemployed Youth

4.6. EMPLOYMENT EQUITY PLAN:

The Employment Equity Plan was adopted by the Municipality. The Plan was presented to the Employment Equity Committee which is responsible for the adoption of the plan and further than that, the plan has also been presented to the Portfolio committee and the Local Labour Forum. The Employment Equity Report has always been submitted to the Department of Labour in compliance with section 21 of the Employment Equity Act, Act 55 of 1998. The municipality has been able to implement most of the affirmative action measures as reflected in the Employment Equity Plan. Training has helped the municipality to improve the representation of women at middle management level. However, there is still a challenge to attracting applicants from the disabled group.

4.6.1. Numerical targets, including people with disabilities (01 October 2022-End date: 30 September 2024)

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Eastern Cape (EAP)	41.8%	5.3%	0.6%	4.0%	40.3%	4.7%	0.3%	3.0%			

Top management	1	0	0	0	0	0	0	0	0	0	1
Senior management	8	2	0	1	8	1	0	0	0	0	20
Professionally qualified and experienced specialists and mid-management	3	1	0	0	3	1	0	0	0	0	8
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	26	4	1	0	26	3	1	2	0	0	63
Semi-skilled and discretionary decision making	61	2	0	0	54	2	0	0	0	0	149
Unskilled and defined decision making	49	2	0	0	69	1	0	0	0	0	121
TOTAL PERMANENT	187	4	0	0	168	3	0	0	0	0	362
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTAL	187	4	0	0	168	3	0	3	0	0	362

4.7. INTEGRATED WELLNESS PROGRAMME & OCCUPATION HEALTH AND SAFETY

Integrated wellness consist of four pillars that is TB & HIV /AIDS Management, health & Productivity Management, Safety, Health, Environment & Quality Management and Wellness Management. Currently the institution is working with two pillars that is Occupational health and Safety under (SHEQ Pillar) and Employee Assistance Programme under (EWM Pillar) the other two pillars are not filled yet but are partially done by the EAP office. The status Quo for EAP & OHS currently as follows:

- EAP has conducted 4 quarterly wellness committee meetings, 4 quarterly workshops and 100 percent referral and external Psychologist according to municipal Strategies for 5 years. The office has also conducted Workshops / awareness campaigns in line with SDBIP and also complying with Covid Regulations. Three employees have been referred to the contracted psychologist Integrated Wellness policy is in place and Bereavement and HIV /AIDS policy are still in the process of adoption.

- The OHS unit four quarterly meetings have been conducted; four Safety Audits have been done.

4.8. DEVELOPMENT OF THE INTEGRATED HR PLAN FOR INGQUZA HILL LOCAL MUNICIPALITY

The municipality has developed in the year 2022/2023 and its currently unders review. The Human Resource Plan (HRP) is the process which the organization undertakes with collaboration with the various stakeholders, in order to ensure that the municipality has the correct number of people, with the right skills, in the right places, at the right time and performs effectively with available resources, economically and efficiently.

The HR Plan seeks to address issues that are related to the implementation of the Skills Development Act, Labour Relations, Integrated Health and Wellness including Occupational Health and Safety programmes and the implementation of the provisions of the Main Collective agreement as well as the Basic Conditions of Employment Act. The HRP has been aligned with the municipal IDP and the Service Delivery Budget Implementation Plan (SDBIP) that will ensure that challenges and risks identified are addressed and that the various departmental managers are also playing an active role, whilst the Department of Corporate Services provides professional support and development of personnel in the municipality.

Ingquza Hill HR plan reflects the alignment of human capital with strategic organizational goals as outlined in the 5 Year Integrated Development Plan. The following approach has been adopted:

- Overview of the municipality and its strategic direction as outlined in the IDP,
- Scanning of both internal and external environment in as far as it affect Human Resource Planning and Provision,
- Profiling of the current workforce, identification of gaps in the HR functions,
- Development of an action plan to close the identified gaps.

The main objective of the HRP is:

- To ensure appropriate utilization of available personnel,
- To attract and retain scarce skills,
- To standardize HR processes and procedures to be followed when employees enter/ exit the municipality,
- To ensure that all employees and unemployed have the required competency levels,

- To create an Environment that promotes employee Health and Wellness.

4.8.1. Action Plan/ Implementation Plan

The municipality has developed an IDP and SDBIP in which all departments will contribute to the realization of the overall vision and continuously monitor and evaluate the performance and effectiveness of the implementation of programs and budget utilization, taking into consideration the impact on the communities and relevant stakeholders. The HR Plan shall be reviewed on an annual basis in order to determine the effectiveness and capability of the municipality to achieve and utilize its human resources effectively and accordingly align with the overall objectives. The table below summarizes plans and strategies for the current coming Financial Year.

HRP Objectives	***Priority***	***Key Activities***	***Risk***	***Outcomes***	***Responsible Manager***	***Budget required***	***M & E Date of submission of progress report***
Improving skills of the workforces through vigorous implementation of WSP	High	• Conduct a workplace skills analysis. • Submit the WSP to LGSETA • Implement the WSP.	• Funding of Training and Development intervention	• Upward mobility of staff Motivated workforce	Manager: Human Resources Management	Consult BTO and HRD Officer& EE	Quarterly
Reviewing of the organogram and alignment with the IDP, Budget and Service Delivery Model.	High	• Develop process plan to be communicated to management. • Consultation with the HODs, staff and trade union representatives.	• Non-compliance with MSA section 66. • Creating unrealistic structure with emphasis on unfunded mandate	• Structure that is service delivery oriented and achieves the mandate of the Municipality	Manager: Human Resources Management	None required	Annually
Implementation of PMS at all levels in the municipality	High	• Alignment of the institutional PMS policy with IPMS. • Development of the performance agreement and personal development. • Cascading of IPMS to middle management level positions.	• Poor and ineffective service delivery to the citizens. • Non-compliance with MSA and performance regulations.	• Increased accountability and consequence management. • Achievement of IDP objectives and service delivery mandate.	Manager: Human Resources Management	Consult BTO and OD & IPMS Officer	Bi-Annually
Updating of Job Descriptions and implementation of Job Evaluation	Low	• Updating job descriptions that have changed in terms of content and	• Non-compliance with MSA and National TASK JE	Graded jobs in order to attract and retain competent employees.	Manager: Human Resources Management	Consult OD & IPMS Officer	Bi-Annually

		responsibilities. • Submit to the DJEC for grading and PAC for auditing.	Policy for local government.				
Implementation of an integrated Employee Wellness Programme	High	• Review of the Occupational Health and Safety Policy.	• Non-compliance with the OHS and standards.	Revised OHS policy that is aligned with the legislation.	Manager: Human Resources Management	Consult OHS Officer	Quarterly
Improvement of Employer – employee Relations	High	• LLF Functionality. • Roadshows for employees on their rights and responsibilities including policies and procedures.	• Labour unrest. • Unhealthy employee-employer relations	Maintain sound employee-employer relationship	Manager: Human Resources Management	Consult LR Officer	Bi-Annually and Quarterly
Building municipal capacity with appointment of competent and skilled officials in line with applicable legislative prescripts	Low	1. Develop Annual Recruitment Plan. 2. Set up EE Targets. 3. Fill all funded vacant posts within 3 months	• Sourcing externally with tight labour markets. • Rural nature of the municipality	Improved capacity and enhanced service delivery	Manager: Human Resources Management	Consult with BTO HRA Officer	Quarterly

4.9. ICT STRATEGY AND IMPLEMENTATION PLAN 2022-2027.

The concept of the paradigm shift in the business industry impacts the way in which services are delivered to our communities, as the industrial revolution transforms social and industrial processes by generally shifting the way people live, work, and communicate with each other. These changes need a greater efficient and agile workforce to enable the business processes and effective service delivery. It is undoubtable that Information Communication and Technology (ICT) plays a significant role in enabling the process of change within business operations. It becomes critical to have a well-managed ICT resources for all areas of development in the Corporate Industry. Consequently, to maintain the business strategy and ensure growth, there is a critical need for the design of ICT Strategy that will align ICT capabilities with business requirements as to keep up with the evolving and advancing world of technology. Therefore, this document serves as a guiding roadmap for municipal ICT advancement as the business enabler and, in responding to the following questions:

- **Where is ICT in the municipality now?** This involves understanding the status quo of ICT within the municipality and the business drivers.
- **Where do we want to take ICT?** This will be informed by IDP and municipal strategy. It will help to define ICT vision, mission, objectives, values, techniques, and goals.
- **What needs to be done to get there?** This details what must be done to address the business drivers.

4.9.1. Objectives

The primary objectives of creating this ICT Strategy and Implementation plan are to:

- Align ICT activities and investments with the municipal strategic goals.
- Outline and understand municipal ICT current and future business requirements.
- Create an ICT vision and mission.
- Develop a strategic guide to ICT decision making.
- Realise and prioritize immediate ICT business needs.
- Estimate, guide ICT budgets and furnishes for IT issues such as networks, services, developments, and more.
- Ensure that the ICT budget create value to the business.

4.9.2. Legislation, Frameworks And Standards

This plan has been developed with the following instruments of legislation in mind, amongst others that regulates the mandate and operations of the local government sphere:

- Constitution of the Republic of South Africa Act, Act No. 108 of 1996.
- Municipal Finance Management Act, Act No. 56 of 2003.
- Municipal Structures Act, Act No. 117 of 1998.
- Municipal Systems Act, Act No. 32, of 2000.
- Treasury Regulations for departments, trading entities, constitutional institutions and public entities, Regulation 17 of 2005.
- National Archives and Record Service of South Africa Act, Act No. 43 of 1996.
- Promotion of Access to Information Act, Act No. 2 of 2000.
- Protection of Personal Information Act, Act No. 4 of 2013.
- Electronic Communications and Transactions Act, Act No. 25 of 2002.

4.9.3. Ingquza Hill Municipal ICT Strategy Phases

The considerations and contributing aspects to the successful development, delivery, and implementation of this plan are shown in the diagram below:

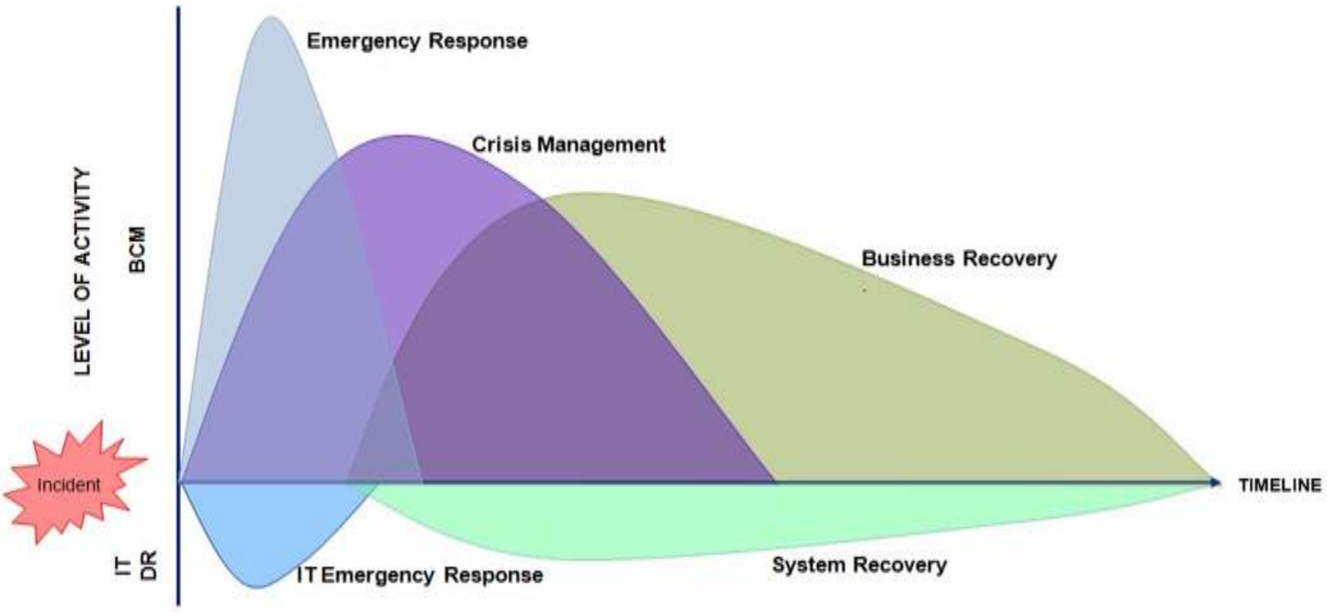
4.9.4. ICT Disaster Recovery and Business Continuity Plan

firewall : there is firewall in place however the municipality lack skills to operate the system to monitor the activities and block certain websites.

antivirus :the antivirus functional and regularly updates functional eset 8.1. when a user is connected to the municipal network the software updates automatically.
Systems: The Municipality utilise the following systems:

- Financial system – Munsoft hosted solution (MSCOA compliant however the system does not have payroll module)
- Emails – Exchange hosted by ITNA
- Payroll – PAYDAY on premises
- User files – Microsoft Office 2013 from OR Tambo DM. Busy deploying Microsoft 365.

Figure 1. The role of IT DRP in DRP



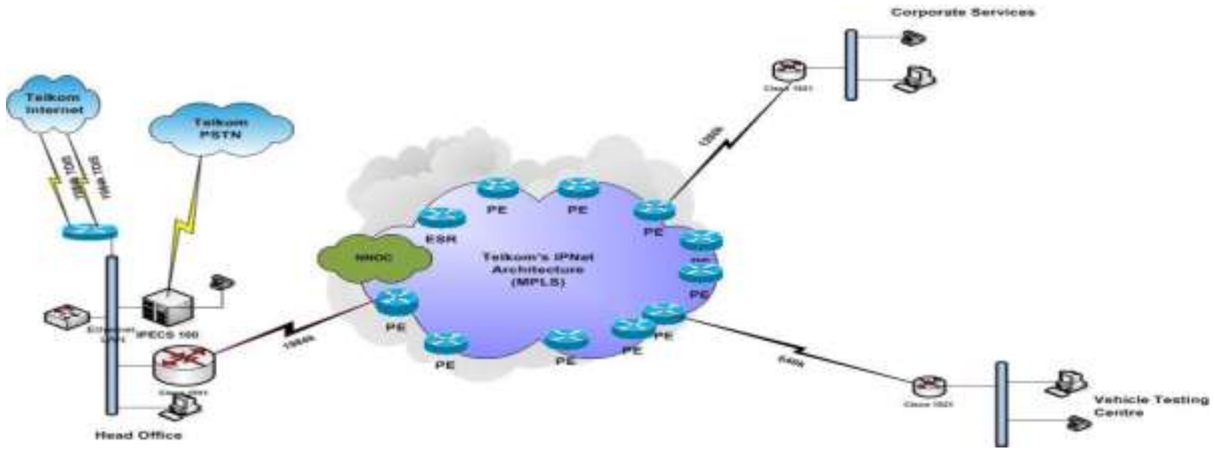
4.9.5. Data Backup and Restore

The municipality has no Disaster Recovery site or other alternative. ICT Business Continuity and Recovery Plan and Backup Procedure or Policy and ICT Disaster Recovery Plan needs to be considered by the municipality. Daily backups (Munsoft, Payday, and Emails) are kept in ITNA. The user files are backup onsite via Domain Controller with different time intervals. Other systems are backup through the cloud by different service providers example MIS uses its own service provider, Evaluations uses another service provider.

KEY RISKS AND MITIGATION MEASURES

TABLE NO.1	Key Risk	Risk Mitigation Plan
Outcome 1: Efficient, secured, and reliable network infrastructure	Insufficient funding	Conduct market analysis of the required services prior to budgeting processes
	Lack of funding	Conduct market analysis of the required services prior to budgeting processes
	Non responsiveness of bidders	Re-advertise
	Non sitting of SCM committees	Make regular follow ups
	Lack proper specification	Consultation with relevant stakeholder to gather more information
	Project exceeds available budget	Re-advertise to get more bidders
	Non-performance of appointed service provider	Clearly defined project plan and monitoring of scope and SLA
	Dispute on scope	Confirm project scope prior to the start of project
Outcome 2: Maintained ICT systems	Same as above	Same as above

ICT Replication Diagram



4.9.6. The current IT server replication environment is set up in the following manner

FLAGSTAFF SITE	LUSIKISIKI SITE	PRETORIA SITE
IHLM has 4 primary servers that are running or hosted in Flagstaff offices. Munsoft, Payday, File servers and Email Server are situated Flagstaff and are stand-alone. Please note that the file server is used to store/backup users folder every day between backup will automatically be done through server drive. At 7 p.m. the data is copied from all primary servers to the Centurion Data Center every day.	IHLM has 2 primary servers that are running or hosted in Flagstaff offices. File servers and Email Server are situated Flagstaff and are stand-alone. Please note that the file server is used to store/backup users folder every day between 10 A.M. to 12 P.M., if the laptop is not plugin on the network, the forced backup will automatically be done through server drive. At 7 p.m. the data is copied from all primary servers to the Centurion Data Center every day.	The Pretoria site copies all files that are in the secondary server/Flagstaff site every day after the secondary server/Flagstaff server has finished copying all files from the primary servers. A file can be retrieved back to the secondary server if something happened in the secondary server.

4.7. Server details

Currently the IHLM has the following server infrastructure in its server farm

Sites	Number of Servers	Conditions	Remarks
Flagstaff	X2 Servers excluding Financial system	Poor	Out of Warranty – No-longer supported by Microsoft
Lusikisiki(Corporate Services)	One Server	Poor	Out of Warranty – No-longer supported by Microsoft
DLTC Testing Centre	One Server	Poor	

GOOD GOVERNANCE AND PUBLIC PARTICIPATION

5.INTRODUCTION

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 ensures that good governance principles are implement and the Batho Pele principles are adhered to.

5.1 COUNCIL AND ITS COMMITTEES

Ingquza Hill Council is made up of 66 members (32 Ward Councillors, 32 PR Councillors and 02 Traditional Leaders). The Council sits at least once a quarter, as per the adopted Council calendar, to consider compliance matters as guided by the various legislations. Council established Section 79 committees namely:

- Municipal Public Accounts Committee (MPAC)
- Public Participation and Petitions Committee
- Women's Caucus
- Ethics and Members' Interest Committee
- Risk management committee
- Disciplinary Board

5.2. AUDIT COMMITTEE

Council established the Audit Committee in terms of Section 166 of the Municipal Finance Management Act, No. 56 of 2003. The section also regulates the functions of the committee with respect to composition and frequency of meetings. It seeks to provide minimum requirements with which to comply.

The Audit Committee comprises of 5 members who are non executive directors. There is a minimum of one meeting per quarter and it may be improved. The audit committee is required in terms of the Municipal Finance Management Act(MFMA) and Internal Audit Charter tomeet at least once a quarter. However the audit committee can arrange a special meetings to attend to any matter that is within its mandate.

The role of the audit committee is to assist municipality to achieve its strategic goals and objectives by overseeing internal controls, risk management, financial reporting and corporate governance processes,and proposing improvement thereof. It provides and independent and impartial advice and recommendations to the Municipal Manager and Council on financial and non-financial matters to improve accountability and clean governance. The committee is independent from management and Council and its accountable to Council on the execution of its mandate.

5.3. MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)

The committee is accountable to the Council and its Chairperson is elected by the Council. 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 in 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. The committee sits at least once a quarter as per adopted Co calendar to present its report to the Council.

5..4 PUBLIC PARTICIPATION & PETITIONS COMMITTEE

This committee is accountable to the Council. The Chairperson is elected by the Council. The committee is established to comply with the constitutional imperative to ensure elements of Local Government as prescribed in the Constitution of the Republic of South Africa are achieved. It has to give impact and expression to Chapters 4, 5 & 6 of the Municipal Systems Act No. 32 as amended. It provides a platform for the public to participate in and express their views on service delivery and issues affecting them. It educates the public on legislative processes through which petitions can be submitted.

This committee ensures maximum involvement of public in all municipal affairs. Facilitates and manages the petitions processes and ensures that it complies with the manner stipulated on the adopted Public Participation policy. Receives and registers petitions and process them and report to the Council on any matter relating to the petitions. May meet the aggrieved complainants on any matter that was raised to determine if it was addressed properly within the prescribed laws, regulations and procedures.
The committee sits at least once per quarter to report to the Council as adopted calendar.

5.5. WOMEN'S CAUCUS

The committee is constituted by all women in the Council including representative from Traditional Leadership. The Chairperson is a female and directly elected by the Council. The main purpose of the committee is to advocate issues of women in the area of Ingquza Hill. The committee also ensures to bring women to a level where they would be able to fairly compete with men in all levels. Women's caucus makes recommendations on appropriate remedies and identify specific challenges to improve the status of women so as to contribute to the achievement of gender equality in municipal structures. Ensures the gender mainstreaming of all the policies of the municipality. The committee sits at least once per quarter and reports to the Council as per the adopted calendar.

5.6. ETHICS & MEMBERS' INTEREST COMMITTEE

The committee is directly accountable to the Council and the Chairperson is elected by the Council. The committee is responsible for the welfare of councillors, by ensuring that they are provided with necessary support to fulfill their mandate. It also seeks to encourage councillors to abide by a Code of Conduct.

The committee works with the Speaker to ensure compliance with the Code of Conduct for councillors. Ensures development of policies to regulate implementation of the Code of Conduct for Councillors. Ensures that Councillors submit declarations of interest as required in terms of the legislation and Standing Rules of Order at the beginning of each financial year. Investigates any alleged breach of the Code of Conduct for Councillors and reports to the Council on findings. Recommends appropriate sanction for Councillors found guilty of a breach of Code of Conduct. Educates and sensitize the public about ethical issues in the Local Government sphere. The committee sits at least once per quarter and reports to the Council.

5.7. EXECUTIVE COMMITTEE

Executive committee is the principal committee of the Council exercising oversight responsibility over administration to ensure that all decisions taken by the Council are implemented on time. The committee is entrusted by the Council to ensure that all resolutions are implemented on time, set targets are met. It also ensures that the administration fulfils its duties. It is directly accountable to the Council. The committee is chaired by the mayor. The committee elects within its members 6 members to head Section 80 committees. Section 80 committees assist the Executive Committee in terms of playing oversight over respective departments and make necessary recommendations.

- The committee receives reports from other committees of the Council, review the reports and present it to the Council with its recommendations.
- Identifies the needs of the community, review and evaluate those needs in the order of their priority as informed by available budget.
- Recommends or determines best methods, including partnership and other approaches to deliver council strategies, programmes and services to the maximum benefit of the community.

The committee sits at least bi-monthly to consider management reports and all other related compliance reports.

5.8 LEGAL SERVICES

The municipality has a functional legal services unit with a Manager Legal Services which was appointed. The unit has legal office and cleck which then shows the full functionality of the office as per the approved organogram. This will enable the unit to ensure proper management of litigations and contract management. The municipality has a litigation register and has budgeted for litigations. Currently the number of pending cases is 28. There are 20 cases instituted against the municipality, 6 cases instituted by the municipality and 2 Labour Case.

Our cases are in 6 different Courts.

- Mthatha High Court : 14 cases
- Lusikisiki Magistrate Court : 7 cases
- Labour Court : 2 cases
- Flagstaff Magistrate Court : 3 Cases
- Grahamstown High Court : 2 cases
- Supreme Court of Appeal : 0 Case

5.8.1. MUNICIPAL BYLAWS

The following is the list of Ingquza Hill bylaws, draft waste management bylaw that is still undergoing the consultation process. The municipality doesn't not have a bylaw related to Disaster management, the district has to promulgate the bylaw and consult all relevant stakeholders including the local municipalities.

BY LAW	DATE	GAZZETTE NO.
By Law relating to Street Trading	27 August 2013	No. 3019
By Law relating to Use of containers	27 August 2013	No. 3019
By law relating to Nuisance	27 August 2013	No. 3019
By Law relating to Food handing	27 August 2013	No. 3019
By Law relating to Refuse Removal	27 August 2013	No. 3019
By Law relating to Cemetry Management	27 August 2013	No. 3019
Enterprise Grant Funding Policy	27 August 2013	
Business Licencing Policy	27 August 2013	
Tourism Sector Plan	27 August 2013	
SMME Sector Plan	27 August 2013	
Agricultural Development Sector Plan	27 August 2013	
Forestry Sector Plan	27 August 2013	
Housing Sector Plan (Gazette)	27 August 2013	
LED Strategy	27 August 2013	
Spatial Development Framework	25 May 2018	
Prevention of illegal invasion Policy	25 May 2018	
Encroachment policy	25 May 2018	
LED Funding Policy	25 May 2018	
Land use scheme	30 October 2019	
SPLUM Bylaw	24 March 2016	
Building Bylaw	25 May 2018	

5.9. INTERGOVERNMENTAL RELATIONS

The municipality does have a functional IGR system in that, sector departments and state-owned enterprises are the role players in the development of the IDP. IDP representative forum is comprised of the same stakeholders, so they participate fully for IGR and IDP respectively. The Council adopted the IGR policy which is in line with the policy of the OR Tambo District Municipality and the Province. There is an improvement on submission of information and reports by the sector departments.

5.10. COMPLAINTS MANAGEMENT SYSTEM

In response to the call of the presidential hotline, the municipality established a complaints management system to ensure that there is a reliable system to follow up on logged complaints by the community. The complaints are logged through the system that is managed provincially and through the suggestion boxes. These are recorded and channelled to the relevant departments including the OR Tambo District Municipality. Some of the complaints are related to the services that are not in the competency of the municipality hence the strengthening of the IGR fora is enforced to response and attendance of such complaints.

5.11. COMMUNICATIONS

Ingquza Hill Local Municipality has reviewed its communication strategy and policy on the 30 June 2022. Communication unit even though it is not fully functional, but there is an appointed Manager, Officer and two communication clerk is a fully fledged unit with Manager, Officer and two communication clerks. The unit is responsible for managing IHLM Facebook, website and municipal profiling.

5.11 PUBLIC PARTICIPATION

The municipality has a fully functional Public Participation and Petitions unit with a section 79 committee which was established by the Council with terms of reference. There is a Public Participation policy which was reviewed and amended in 2022 to accommodate the integrated service delivery model in the form of War Rooms or Operation Masiphathisane.

In 2016, the Province of the Eastern Cape through Premier's office advocated for the establishment of the War Rooms known as Operation Masiphathisane which is a tool to accelerate service delivery in our areas. In response, the municipality established war room structures in all the 32 wards which were proceeded by the workshop to orientate the communities on the role of War Rooms.

Ward Committees are being established in all the 32 wards according to the Amended Municipal Structures Act no. 3 of 2021 section 73 and are fully functional as they submit reports monthly to the Office of the Speaker. The ward committees were inducted on their roles and responsibility and provided working tools to enhance their role within their wards. They receive their monthly stipend as mandated by the Municipal Structures Act. All wards have ward-based plans which are used in the development of the IDP.

5.11.1 Public Participation Channels

The public participation enhances community involvement through various ways which include the following:
Ward Committee Meetings which are attended by Community Liaison Officers, Ward community meetings, Community surveys , Awareness campaigns, Municipal Newsletter, Municipal Facebook page, Community Radio slots for Councillors, Stakeholder engagement, Advertisements and publication of municipal and government events, Advertisement of Compliance documents like Council to adopt Budget, IDP, rates and IDP, Mobilisation of communities for all Municipal and Government programs, Mayoral campaigns which include EXCO outreach and IDP Road shows which are done in wards every year.

5.11.2. Social Cohesion Activities

The municipality is involved in the following programs for social cohesion:
Ingquza Hill Mpondo revolt, Mandela day, O.R. Tambo month, World Aids Day, 16 days of Activism and Mayoral week – career expo and sporting activities, and Miss Ingquza Hill Local Municipality.

5.12. SPECIAL GROUPS

The Municipality has a fully functional Special Programmes Unit which caters for all the vulnerable groups or sectors (children, youth, women, and the disabled). The municipality focuses on establishment of structures and also gives support in order to change their living conditions. The municipalities also focus on the integration of vulnerable groups to the greater society by providing awareness campaigns and education. The municipality observes the days which are attributed to the vulnerable groups like disability month, 16 Days of activism, World Aids Day, and Down syndrome days. The municipality also works with the Departments of Education, Health, Social Development, and the South African Social Security Agency (SASSA)

5.12.1. Children and Women

There is a women's caucus which is used to champion all the women issues inside and outside the Council. Women are always supported in establishment of cooperatives and businesses as a way to fight poverty. There are awareness campaigns against violence on women and children every year the municipality donates school uniform to 100 needy, vulnerable children in 5 or more schools throughout the municipality. Also, pre-schools are supported with learning and playing material which is always preceded by an assessment.

5.12.2. Youth Development

The municipality has an annual mayoral week which focuses on the exposure of school pupils to career options and the promotion of sports. The career exhibition has grown to include 28 high schools within Ingquza Hill and PSJ municipality.

The municipality launched a youth council which is fully utilized and supported by the municipality. Through the youth council, the youth in school is supported with NSFAS forms, application forms for registration to tertiary institutions, and sanitary towels. Out of school youth is trained on business issues and establishment of cooperatives.

5.12.2. Disability

The municipality assists the sector with workshops, trainings and sport for disabled people every year. There are disability centres and cooperatives which are supported by the municipality. The municipality also celebrates the national disability month.

5.12.3. Veterans/ Elderly

The municipality supports the elderly people in their sporting activities. They are invited to the social cohesion activities of the institution like Mpondo Revolt and State of the Municipality Address by the Mayor.

The municipality is considerate of the following pieces of legislations

- Children's Charter
- HIV and Aids Policy
- Constitution of the Republic of South Africa: Chapter 2 , Bill of rights

5.13. MUNICIPAL AUDIT

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 municipality has considered the previous assessment such as the audit information, public participation, summary of the sector plans, human resources information and performance management system. The municipality has been rated high in the previous years. During the **2018/19** and **2019/20** financial years Ingquza Hill regressed and received a Disclaimer, prior to that in **2017/18** an unqualified opinion was received which was preceded by a clean ***audit*** 2016**/2017**. In **2020/21** and **2021/2022** financial year the municipality received Qualified Audit opinion.

2022/2023 financial year the municipality received qualified Audit Opinion

5.13.1. Action plan 2023/224.

Audit Action Plan is drafted as part of municipal compliance with MFMA section 131 (1) with regard to addressing matters raised by AGSA in the audit report.

The Audit Action Plan serves both legislative requirements through approval by Council as well as operational requirements as a tool to focus management on key matters which may negatively impact the audit report which if adequately addressed enables a culture of clean administration within the municipality. The Audit Action Plan will address the following issues:

credible and there is no integrity to the information being provided. The auditor's expectation is either that the evidence is being created during the audit or information is being requested from external service providers for the purposes of responding to the audit .

5.13.1.1. Audit Action Plan ANNEXURE K

NO	COMPONENT	COAF REFERENCE	FINDING	ROOT CAUSE	ACTION PLAN	TIMELINES	UNCORRECTED MISSTATEMENTS	RESPONSIBILITY LEADER	RESPOSNSIBLE MANAGER	RESPONSIBLE OFFICER	STATUS	START	END
Audit Report													
1	Cashflow Statements	1. ISS 69 COAF 26	**Issues 1.** During the audit of Cashflow statement, we noted differences between the Cashflow amounts disclosed in the financial statements and the recalculated amounts by the auditors. **Issue 2.**	This is due to lack of reviews by management, internal audit, and those in charge of governance for financial statement submitted to the auditors. Interest received on property rates and	1. Compile an AFS Plan 2. Implement and monitor various stages in the AFS Plan 3. Compile AFS	1. 29 February 2024 2. Monthly/Per AFS Plan 3. 15 July 2024 - First Draft	4 471 675	B. Fikeni - CFO	A. Ndabeni - Manager: Financial Planning	All Accounts	Not Started	2024/03/01	31-Aug-24

			Differences were noted on recalculation the cash generated from operation as disclosed under note 38 of the financial statement **Issue 3.** Adjustments made on corresponding figures of the cash flow statement were not disclosed under note 51 of the financial statement	service charges were omitted on the cash flow statement under cash generated from operating activities. Retention held on construction contract which is non-cash item was not considered on determine purchases of PPE under investing activities.									

2	Employee Costs	COAF 12 ISS. 13: Planning:	During the audit it has been identified that the municipality did not assess the performance of its employees throughout the year(2022/23)	Adequate oversight was not performed to ensure that necessary evaluations and performance assessments of employees are performed as prescribed by laws and regulations. This finding was also reported in the prior year and the municipality has not implement	To start the Individual Performance Assessment of Senior Managers	2024/02/29	-	Acting SM: Corporate Services	HR Manager	Acting Job Evaluation and Organizational Development Officer.	Performance Agreement signed.	2024 February	

				proper oversight controls to deal with the root causes of the finding and ensure non-recurrence thereof.									
3	Employee Costs	COAF 12:ISS 14 Planning	The municipality did not develop the performance agreements of staff members other than managers and the municipal manager.	Adequate oversight was not performed to ensure the development of performance agreements of staff members as prescribed by laws and regulations.	All Performance Agreements have been signed.	N/A	-	Acting SM: Corporate Services	HR Manager	HR Officer	Performance Agreement signed.		

4	Employee Costs	COAF 12: ISS 17 Planning:	1. The annual leave application for the following employee was not approved on Payday system. 2. The annual leave application for the following employee was approved late on the Payday system.	Lack of oversight to ensure timeous reviews and authorisation of leave by management on the Payday system.	Regular verification of attendance registers and ensure that Managers approve or authorize leave on Payday System.	Monthly	-	Acting SM: Corporate Services	HR Manager	HR Officer	Verrification of Attendance Register and ensure regular check of payday system if annual leaves are approved.	2024/02/29	30 June and on-going
5	Employee Costs	COAF 12: ISS 18 Planning	The leave reconciliation is not approved by the Director:Corporate Services as	Adequate oversight was not performed to ensure that there's accuracy and	To ensure that leave applications is completed and approved on the Payday System.	Monthly	-	Acting SM: Corporate Services	HR Manager	HR Officer	To do regular vericatio n to ensure accuracy and complet	2024/02/29	30 June and on-going

			documented in the business process.	completeness of leave applications .							eness of Leave Applicati onl		
6	Employee Costs	COAF 12: ISS 25 Planning:	During the planning stage of the audit we identified the following control deficiencies related to HR Management : 1. The HR plan of the municipality was requested by auditors and submitted by the municipality, however we identified that the plan is not signed by the	This is due to lack of management oversight over the human resources plan of the municipality . There is also lack of proper record and document management	To develop an HR Plan in line with Local Government Regulations.	Annualy	-	Acting SM: Corporate Services	HR Manager	HR Officer	To develop an HR Plan and review it on a annual basis.	2024/ 02/29	

			delegated officials of the municipality 2. No submission of information or documentation was made by the municipality regarding informing the MEC of the appointment process and outcome of Municipal manager/ Senior managers within 14 days including submission of all										

			information relevant to the recruitment process as required.										
7	Employee Costs	COAF 12: ISS. 29 Planning:	During the panning and risk assessment of the audit, it was noted that the 2022/2023 Payroll report reconciliation was not signed for approval by Manager: Asset, Fleet and Expenditure as required.	Lack of adequate oversight to ensure implementation of key controls in order to mitigate the risk of inaccurate and incompleteness of payroll information.	To ensure that housing allowance is calculated and paid according to Bargaining Counci Agreements.		-	Acting SM: Corporate Services	HR Manager	HR Officer	Bargaining Council Agreement in plase	2024 February	
8	Employee Costs	COAF 18: ISS. 59 Employee	While testing allowances, it was identified that	The finding is caused by improper review of	To ensure that overtime is agreeed on, worked		-	Acting SM: Corporate	HR Manager	HR Officer	Municipality Overtime Policy	2024 February	

		related costs:	the employee listed below is entitled to a housing allowance, and on recalculating the housing allowance it was noted that the housing allowance is below 15% of the employee's housing allowance.	the payroll and implementation of controls around the payroll records.	and paid according to Leave Policy and the Basic Conditions of Employment Ac.			Services			Basic Conditions of Employment Act in place.		
9	Employee Costs	COAF 52: ISS 76. Employee Cost: Overtime Paid	While agreeing the overtime paid to the employees as per the payroll report to the auditors recalculated paid overtime	Lack of controls to ensure adequate review of overtime records and payment made to employees.	1. Review the entire population for overtime for alignment of hours claimed to hours worked 2. Propose Adjustments based on the	31 March 2024 10 April 2024 15 April 2024	-8 010	SM: Corporate Services	F. Msumza - Manager: Human Resources		Not Started	2024/03/01	30-Apr-24

			as per the municipalities policies and procedures for the year ended 30 June 2023, it was noted that there are differences in the figures paid over as overtime to employees as per the payroll report and the auditors recalculated paid overtime to employees as per the municipalities policies and procedures,		review performed 3. Implement the proposed adjustments								
10	General IT Controls	ISA COAF 04: Inadequate User	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT	See Tab on IT Control	See Tab on IT	See Tab on IT Controls Action	See Tab on IT Contro	See Tab on IT Controls Action

		Access Management-Munsoft.						Controls Action	s Action	Controls Action		ls Action	
11	General IT Controls	ISA CoAF 04: Inadequate IT Governance	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action
12	General IT Controls	ISA CoAF 04: Inadequate User Access Management	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action
13	General IT Controls	ISA CoAF 04: Inadequate Program Change	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action
14	General IT Controls	ISA CoAF 04: Inadequate IT Security Management	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action

15	General IT Controls	ISA CoAF 04: Inadequate IT Service Continuity	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action	See Tab on IT Controls Action
16	Planning	MR* COAF 12: ISS 2. Planning: Internal audit:	During the review of internal audit unit, the following internal control and compliance deficiencies were identified: 1. The internal audit charter for 2022/23 was only reviewed by the audit committee but it was not approved. 2. The Chief Audit	Lack of oversight to ensure compliance with applicable laws and regulations and to ensure that the internal audit unit is fully independent and adheres to the principles and best practices outlined by the IIA.	1. The review of the Internal Audit Charter for 2023-24 will reviewed by the Audit Committee during quarter 4 of 2023-24 financial year for as per its annual audit committee calendar. 2. The post for a permanent internal audit and risk manager will be appointed			S. Ngidi - Acting Manager: Internal Audit	S. Ngidi - Acting Manager: Internal Audit	Ms. N. Ruba			

			Executive was not permanently employed as recommended in terms of circular 65 of the MFMA. 3. The internal audit team is not independent of the municipality as the Internal audit head (CAE) was involved in the operational activities of the municipality and one of the internal audit team members was seconded to		in the fourth quarter of 2023-24 financial year. 3. The review of the Internal Audit Charter for 2023-24 will performed by the Audit Committee during the fourth quarter where assessments regarding factors that impair independence of the Internal Audit Unit as well conformance Institute of Internal Auditors Standard								

			assist in the operational activities of the Budget and Treasury office of the municipality in the prior year and current year. 4. No evidence that the submitted internal audit reports were presented to audit committee except for (SCM quarter 1 and quarter 2 reports)		4. Internal Audit Reports will be presented to the audit committee meeting for quarterly reviews								
17	Planning	MR* COAF 12: ISS 23. Planning: Performance management,	During the review of performance management, monitoring and reporting, we	This is caused by lack of oversight to ensure that the performanc	Prepare the 2023/24 Mid-Term report in compliance with the legislation -	25-Jan-24	0	B. Fikeni - CFO	A. Ndabeni - Manager: Financial	A. Ndabeni - Manager: Financial	Completed	2024/01/15	25-Jan-24

		monitoring and reporting	identified that the mid-year performance assessment report of the municipality did not take into account the monthly budget statements for the first half of the year as required in terms of section 72(1)(a)(i) of the MFMA	e management, monitoring and reporting is done in terms of all the applicable requirements of the MFMA.	Municipal Budget Regulations				Planning A. Mvovo - Manager IDP/PMS	Planning A. Mvovo - Manager IDP/PMS			
18	Planning	MR* COAF 12: ISS.28 Planning:	During the audit it was identified that performance assessment was performed by the accounting officer,	This is due to lack of record keeping and document management to ensure that documentary evidence	Prepare the 2023/24 Mid-Term report in compliance with the legislation - Municipal Budget Regulatios	25-Jan-24	0	B. Fikeni - CFO	A. Ndabeni - Manager: Financial Planning A.	A. Ndabeni - Manager: Financial Planning A.	Completed	2024/01/15	25-Jan-24

			however there is no evidence for the date on which it was performed, therefore we could not determine whether the assessment was performed before 25 of January 2023 or not as required by section 72 (1) of the MFMA. Consequently, we are unable to confirm whether the municipality complied with section 72(1) of the	is provided to the auditors to confirm whether or not the municipality complied with the legislation or regulation in question. There seems to be lack of adequate oversight to ensure that all the municipal documents are properly dated to ensure that they are easily linked to the period in	Ensure the document and signed and dated				Mvovo - Manager IDP/PMS	Mvovo - Manager IDP/PMS			

			MFMA. Furthermore, the mid-year performance assessment report has no date for the accounting officer signature.	which the activity relates to.									
19	Irregular Expenditure	MR* COAF 02: ISS.9 Irregular Expenditure	The irregular expenditure opening balance for the current year is understated by an unknown difference of R202 582, this also affected corresponding figures to the current years AFS. The listing for the irregular	This is due to lack of detailed reviews by both management, internal audit and the audit committee over the financial statements and ensuring that all the line items in the AFS are supported	1. Review the UIFW Register as at 30 June 2023 2. Update the Register to accurately include all the irregular expenditure Incurred 3. Prepare the updated Irregular Expenditure disclosure note to be	1. 15 March 2024 2. 25 March 2024 3. 31 March 2024	1 414 676	B. Fikeni - CFO	S. Mzana: Manager Expenditure, Assets and Fleet	N. Mgilane - Accountant: Expenditure and Payroll	Not Started	2024/03/01	31-Mar-24

			expenditure written off amounting to R3 297 983 was not submitted as part of the underlying supporting schedules to the annual financial statements, resulting to a limitation misstatement on the write-off amounts disclosed.	by underlying information before submission to the AGSA.	included in the AFS								
20	Irregular Expenditure	MR* COAF 19:ISS.57 Irregular expenditure: Opening balance amount per the listing does not agree	The difference in the opening balance for irregular expenditure shown in the table below was identified	This is due to lack of detailed reviews by both management, internal audit and the audit committee	1. Review the UIFW Register as at 30 June 2023 2. Update the Register to accurately include all the irregular	1. 15 March 2024 2. 25 March 2024 3. 31 March 2024	1 414 676	B. Fikeni - CFO	S. Mzana: Manager Expenditure, Assets and Fleet	N. Mgilane - Accountant: Expenditure and Payroll	Not Started	2024/03/01	

		to the AFS(Iss.57)	between the listing /schedule and the AFS:	over the financial statements and ensuring that all the line items in the AFS are supported and corresponds to accurate underlying records or schedules before submission to the AGSA.	expenditure Incurred 3. Prepare the updated Irregular Expenditure disclosure note to be included in the AFS								
21	Irregular Expenditure	MR* COAF 77:ISS.58 Deviations:	Contrary to the requirements stated above, During the audit of deviations we identified that the	The finding is caused by lack of proper planning of events and monitoring to ensure that enough	1. Review the population of deviations disclosed and establish the validity of reasons stated for deviation	1. 15 March 2024 2. 31 March 2024 3. Monthly/Per deviation	160 810	B. Fikeni - CFO	Manager: SCM	P. Dlomo - Senior SCM Practitioner	Not Started	2024/03/01	30 June and on-going

			divisions listed in the table below were not valid due to reasons provided not meeting the set criteria. The reasons for deviation provide above are invalid because they are an indication of poor planning on the side of the municipality because the nature of transactions are such that the municipality would have	time is given to issue out quotations prior to the date of the event. Furthermore, there seems to be a lack of oversight in ensuring that SCM policies and regulations are followed in order to avoid non-compliance and possible irregular expenditure.	2. Update the Deviations and Irregular Expenditure Listing 3. Monitor reasons given for deviations going forward	to be processed								

			known in time and obtained quotes from different providers.										
22	Fruitless and Wasteful Expenditure	COAF 71: ISS.73 Fruitless and wasteful expenditure:	The fruitless and wasteful expenditure transactions listed below were identified during the current year audit of various expenditure items and it was identified that these were not included in the fruitless and wasteful expenditure disclosed in note 45 to	This is due to lack of review of invoice list or invoice book and lack of monthly reconciliation of invoices.	1. Visit the entire population of expenditure to identify all the Interest Incurred 2. Propose Adjustments for the Interest Paid identified not included in the Fruitless and Wasteful Expenditure 3. Report the identified fruitless and wasteful expenditure for an investigation	1. 31 March 2024 2. 15 April 2024 3. Monthlty - Starting from the S71 Reports 4. 15 July 2024 - Compilation of AFS	7 215	B. Fikeni - CFO	S. Mzana: Manager Expenditure, Assets and Fleet	N. Mgilane - Accountant: Expenditure and Payroll	Not Started	2024/03/01	30 June and on-going

			the AFS. 1. Interest charged by the suppliers: During the audit of expenditure, we identified that interest was charged by the supplier in the table below but not included in the disclosure for fruitless and wasteful expenditure.		process to be followed - Circular 68 of the MFMA 4. Update the Fruitless and Wasteful Expenditure Note								
			2. Unauthorised debit orders: The unauthorised debit orders listed in the table below	This is due to lack of review of invoice list or invoice book and lack of monthly	1. Appoint a Forensic Investigator for the unauthorised debit orders for the 5 year period ending	1. 29 February 2024 2. Weekly 3. Monthly	1 072 139	B. Fikeni - CFO	S. Mzana: Manager Expenditure, Assets	N. Mgilane - Accountant: Expenditure	On-going	2023/07/01	30 June and on-going

			were deducted from the municipality bank account and there was no audit evidence submitted to prove that these debit orders were disputed and successfully collected by the municipality at 30 June 2023, However the municipality did not disclose these transactions as part of the fruitless & wasteful expenditure	reconciliatio n of invoices.	with the 2022/23 financial year 2. Identify unathorised debit orders from the municipal bank account 3. Follow the process of reversal of identified unauthorised debit orders				and Fleet	and Payroll			

			in note 45 to the AFS as these payments were made in vain. This finding was communicated to management through CoAF 51 of 2023 bit there were no management responses submitted.										
23	Fruitless and Wasteful Expenditure	COAF 71: Fruitless and wasteful expenditure – Completeness findings identified (Iss.24)											

24	Non-Compliance with legislation	COAF 77:ISS.113 Compliance: Non-compliance issues identified	**Annual financial statements, performance reports and annual reports** 1. The financial statements submitted for auditing on 31 August 2022 were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of non-current assets; current	This is caused by a lack of adequate implementation and review of the municipality's internal control processes. Furthermore, this is caused by management not exercising their oversight responsibility of ensuring compliance with all related strategic and budget regulations	1. Compile the AFS Compilation Plan for the 2023/24 - Clearly stating the AFS Section, Actions Required, Timelines/Frequency and responsible officials 2. Implement/Monitor the AFS Plan 3. Subject the Draft/Final AFS to the strict review process - Internal Audit, Audit Comittee, Provincial Treasury	1. 29 February 2024 - 31 March 2024 - Appointment of AFS Consultant 2. Per timelines in the AFS Plan - Weekly, Monthly, Quarterly 3. Quarterly/Per scheduled timeframes	-	B. Fikeni - CFO	A. Ndabeni - Manager: Financial Planning	A. Ndabeni - Manager: Financial Planning	On-going	2024/02/01	30 June and on-going

			assets; liabilities; revenue; expenditure and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and/or the supporting records were provided subsequently, but the uncorrected material misstatements and/ or supporting records that could not be	contained in the Municipal Finance Management Act.									

			provided resulted in the financial statements receiving a qualified audit opinion.									
			Expenditure management 4.Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.	This is caused by a lack of adequate implementation and review of the municipality's internal control processes. Furthermore, this is caused by management not exercising their oversight responsibility of	1. Review and update the Process flow for the payment of creditors/suppliers 2. Implement and monitor the process flow - recording of date of reciept of invoices/dated stamp, capturing into the accounting system 3. Prepare and reveiew	1. 29 February 2024 2. Monthly 3. Monthly	0	B. Fikeni - CFO	S. Mzana: Manager Expenditure, Assets and Fleet	N. Mgilane - Accountant: Expenditure and Payroll	On-going	2023/07/01	15 July 2024 and on-going

				ensuring compliance with all related strategic and budget regulations contained in the Municipal Finance Management Act.	creditors reconciliation - including follow up on long outstanding creditors							
			5.Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R1 072 138, as disclosed in note 45 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed		1. Visit the entire population of expenditure to identify all the Interest Incurred 2. Propose Adjustments for the Interest Paid identified not included in the Fruitless and Wasteful Expenditure 3. Report the identified fruitless and wasteful expenditure for an	1. 31 March 2024 2. 15 April 2024 3. Monthlty - Starting from the S71 Reports 4. 15 July 2024 - Compilation of AFS	1 072 138	B. Fikeni - CFO	S. Mzana: Manager Expenditure, Assets and Fleet	N. Mgilane - Accountant: Expenditure and Payroll	Not Started	2024/03/01	30 June and on-going

			fruitless and wasteful expenditure was caused by interest charge by creditors on payments not made within 30 days.		investigation process to be followed - Circular 68 of the MFMA 4. Update the Fruitless and Wasteful Expenditure Note								
			Asset management 6.An effective system of internal control for assets was not in place, as required by section 63(2)(c) of the MFMA.	This is caused by a lack of adequate implementation and review of the municipality's internal control processes. Furthermore, this is caused by management not exercising their	1. Review the entire population of assets for existence and valuation:- - Physical Verification of Infrastructure and moveable assets - Review of the alignment of the results of physical verification with the FAR	Prior Year Review and Adjustments - 31 May 2024 Current year transactions - 15 July 2024 - PPE Reconciliations - Monthly	-	B. Fikeni - CFO	S. Mzana: Manager Expenditure, Assets and Fleet	Asset Management Officer	On-going	2023/12/01	15 July 2024 and on-going

				oversight responsibility of ensuring compliance with all related strategic and budget regulations contained in the Municipal Finance Management Act.	- Identify and rectify discrepancies - review of formulas utilised for depreciation and related calculations - Propose adjustments where necessary - PPE Reconciliations								
			Strategic planning and performance management 7.The SDBIP for the year under review did not include monthly	This is caused by a lack of adequate implementation and review of the municipality's internal control processes. Furthermor	1. Review the SDBIP of the municipality and ensure that it also includes monthly revenue projections by source of collection and the monthly	29-Feb-24	0	V. Makedama - MM	A. Mvovo - Manager: IDP/PMS	PMS Officer	On-going	2023/12/01	30 June and on-going

			revenue projections by source of collection and the monthly operational and capital expenditure by vote, as required by section 1 of the MFMA.	e, this is caused by management not exercising their oversight responsibility of ensuring compliance with all related strategic and budget regulations contained in the Municipal Finance Management Act.	operational and capital expenditure by vote, as required by section 1 of the MFMA								
			Procurement and contract management 8.The performance	This is caused by a lack of adequate implementation and review of	1. Compile an updated contract register - detailing all the contracts of the	1. 31 March 2024 and Monthly 2. Monthly 3. 31 March	-	B. Fikeni - CFO	Manager: SCM Managers in all	P. Dlomo - Senior SCM Practitioner Officers	On-going	2023/ 12/01	30 June and on-going

			of contractors or providers was not monitored on a monthly basis, as required by section 116(2)(b) of the MFMA. This non-compliance was identified in the procurement processes for the Construction of 0.11ha of ward 26 Multi-purpose Sports Field at Jikindaba village.	the municipality’s internal control processes. Furthermore, this is caused by management not exercising their oversight responsibility of ensuring compliance with all related strategic and budget regulations contained in the Municipal Finance	municipality - Commencement and termination dates, appointment amounts, expenditure, VO's, extension of scope. 2. Compile a file with supporting documentation for all contracts 3. Upload the information into Contract Management Module on Munsoft 4. Collect and file all monthly performance	2024 4. Monthly 5. Monthly			Departments	from all departments			

			9.Sufficient appropriate audit evidence could not be obtained that contract performance and monitoring measures were in place to ensure effective contract management as required by section 116(2)(c)(ii) of the MFMA. Similar limitation was also reported in the prior year.	Manageme nt Act.	reports from user departments for all active contracts 5. Follow-up on the monthly performance evaluations for all service providers								
25	Segment Reporting	AR* COAF 23: ISS.60 Segment reporting:	During the audit of segment reporting, we	This is due to inadequate reviews of	1. Document a process flow for the identification	1. 31 March 2024	-	B. Fikeni - CFO	A. Ndabe ni - Manag	A. Ndaben i - Manage	Not Started	2024/ 03/01	15-Jul-24

		Differences between the amounts in the S71 reports and the disclosure note to the AFS(Iss.60)	requested the S71 reports and compared to the segment reporting note disclosed in the AFS and the differences	section 71 reports and annual financial statements to ensure that the figures disclosed in the segment note to the AFS corresponds to the S71 reports.	of segments for IHLM - to align with Section 71 Reports 2. Follow actions as per the AFS Plan above	2. Per AFS Plan			er: Financial Planning	r: Financial Planning			
26	Segment Reporting	AR* COAF 23: ISS.33 Segment Reporting:	1. Differences were identified between the segment reporting note and the face of the annual financial statements. 2. There	The above findings are due to inadequate review of the segment reporting note to ensure that figures used are accurate	1. Follow the process of identification of segments as per process flow developed 2. Prepare a disclosure note for the prior year utilising the process flow	1. 31 March 2024 2. Per AFS Plan	-	B. Fikeni - CFO	A. Ndabeni - Manager: Financial Planning	A. Ndabeni - Manager: Financial Planning	Not Started	2024/03/01	15 July 2024 and on-going

			were differences identified between the segment reporting and trial balance.	and aligned to the AFS and the underlying schedules and Trial balance.	3. Follow AFS Plan to prepare Segment Reporting								
27	Segment Reporting	COAF 22: Segment reporting: Classification issues identified (Iss.43)	During the audit of segment reporting the classification issues outlined below were identified. 1. Other income was incorrectly disclosed as gains on disposal of assets in the segment reporting note amounting to R138 942. 2. Interest on	This is due to inadequate review of underlying information to the segment reporting disclosure in the AFS to ensure that the disclosure is supported by properly classified and accurate reports/schedules underlying	1. Follow the process of identification of segments as per process flow developed 2. Prepare a disclosure note for the prior year utilising the process flow 3. Follow AFS Plan to prepare Segment Reporting	1. 31 March 2024 2. Per AFS Plan	-	B. Fikeni - CFO	A. Ndabeni - Manager: Financial Planning	A. Ndabeni - Manager: Financial Planning	Not Started	2024/03/01	15 July 2024 and on-going

			outstanding debtors was incorrectly disclosed as interest revenue - investment in the segment reporting note, And the amount disclosed was incorrectly stated at R823 693 instead of R742 151. 3. We further identified that the S71 reports submitted for audit purposes were not credible and adequate	the disclosure.									

			enough to enable the auditors to audit and confirm the classification of the segment amounts and categories disclosed in the segment note to the AFS. The following issues were noted: • The S71 reports submitted were neither signed by the municipal official for evidence of review and approval. • There was no evidence										

			submitted to confirm whether the S71 reports were communicated to Treasury for review and whether or not the review queries were addressed if there were any. • The information reported in the S71 reports is not categorized in terms of the eight business units stated in information for identification of segments										

			and disclosure of segment information in the notes to the AFS.										
28	Statement of Changes in Net Assets	ISS:72: COAF 74: Statement of changes in net assets:	During the audit of statement in changes in net assets differences were noted	The cause of the above finding was due to the lack of management oversight in the preparation of the annual financial statements and management not ensuring that amounts in the statements of changes	1. Compile an AFS Plan 2. Implement and monitor various stages in the AFS Plan 3. Compile AFS	1. 29 February 2024 2. Monthly/Per AFS Plan 3. 15 July 2024 - First Draft	4 471 675	B. Fikeni - CFO	A. Ndabeni - Manager: Financial Planning	All Accounts	Not Started	2024/03/01	31-Aug-24

				in net assets and annual financial statements are accurate and supported by sufficient appropriate evidence									
29	Emerging Risk	ISS.61 {Emerging Risk} COAF 29: Integrated National Electrification Grant:	The municipality did not recognise expenditure incurred for the construction of the bulk electrification infrastructure projects funded by Integrated National Electrification Grant(INEP	The finding was caused by incorrect application of the accounting standards in accounting for the INEP grant related transactions and this finding is transversal as the guidance	1. Revisit the entire expenditure and revenue on the INEP Grant 2. Investigate the best approach to deal with INEP, taking into consideration recommendations of the auditors 3. If	1. 31 March 2024 2. 31 March 2024 3. Compilation of AFS - per AFS Plan	11 899 525	B. Fikeni - CFO	A. Ndabeni - Manager: Financial Planning	All Accounts	Not Started	2024/03/01	31-Aug-24

			in accordance with GRAP 11 on construction contracts. The municipality received a schedule 5B conditional grant of R6,5 million from the Department of Mineral Resources and Energy(DMRE). The purpose of the grant is to provide for capital subsidies to municipalities to address the electrification	from Treasury relating to the proposed correct treatment of these transactions only came in later in the financial year as the municipalities were still in dispute with the National treasury due to their own interpretation of the guide and the GRAP standards. Inadequate application of the	applicable, process prior year adjustments on the INEP Grant Revenue and Expenditure, as well as Construction Contracts								

			backlog of all existing and planned residential dwellings (including informal settlements, farm dwellers, new and existing dwellings) and the installation of relevant bulk infrastructure. Funds are paid directly into the primary bank accounts of the municipality, as verified by the National Treasury. The municipality	accounting framework for contraction contracts.									

			incurred a total expenditure of R11 899 525.38 onward 6&7 approved electrification project in the current financial year. It is indicated that R5 314 525.34 of the total expenditure related to projects that were internally funded through own funds or equitable share. However the asset being constructed										

			still did not being to the municipality in terms of the provisions of the grant. Contrary to the National Treasury (NT) Accounting for Integrated National Electrification Programme (INEP) allocations guide and GRAP 11 principles, the municipality recognised the above expenditure as additions to Work in										

			progress (WIP) in the current financial year, thus overstating the WIP balance for the period ending 30 June 2023. The corresponding entry was recognised under non-exchange revenue: Government Grants and Subsidies. We further identified that the municipality did n ot recognised the										

			transactions emanating from this grant in accordance with the principles of GRAP 11, Construction contracts thus misstating various components and elements of the financial statements.										
30	Prior-Year Adjustments	ISS.77 COAF 76: Prior-year adjustments:	During the audit of prior year adjustments, we noted that the municipality did not address all the prior year uncorrected	The cause of the above finding was due to the lack of management oversight in the preparation of the	1. Compile an Audit Action Plan that will identify areas that require prior year adjustments - Include process to be followed in	1. 29 February 2024 2. 31 March 2024 3. 15 April 2024 4. Quarterly/S	Various	B. Fikeni - CFO	A. Ndabeni - Manager: Financial Planning	A. Ndabeni - Manager: Financial Planning	Not Started	2024/02/01	15-Jul-24

			misstatements.	annual financial statements and management not ensuring that amounts in the statements of changes in net assets and annual financial statements are accurate and supported by sufficient appropriate evidence. There seems to have been inadequate oversight in	the AFS Plan 2. Revisit populations of items that require adjustments, or have finding raised on them 3. Propose the adjustments to be made to prior year figures disclosed - ensure accurate and complete Prior Year disclosure note 4. Engage with the AG on the proposed adjustments - utilising the quarterly key	cheduled Meetings							

				ensuring that prior period uncorrected misstatements are followed up and dealt with in terms of GRAP standards and disclosed as such in the prior period error note in the AFS.	controls assesment by the AG								
31	Immoveable Assets	ISS.12: COAF 05: Property, Plant and Equipment	The unknown differences shown in the table below were identified between the prior year audited AFS and	Improper review of financial information and asset registers by the municipality management to ensure	1. Review the entire population of assets for existence and valuation:- - Physical Verification of Infrastructure	Prior Year Review and Adjustments - 31 May 2024 Current year transactions - 15 July 2024	736 675	B. Fikeni - CFO	S. Mzana: Manager Expenditure, Assets and Fleet	Asset Management Officer	On-going	2023/12/01	15 July 2024 and on-going

			Corresponding amounts per current year financial statements for Property, plant and Equipment	that figures presented in the AFS are accurate.	and moveable assets - Review of the alignment of the results of physical verification with the FAR - Identify and rectify discrepancies - review of formulas utilised for depreciation and related calculations - Propose adjustments where necessary - PPE Reconciliations	- PPE Reconciliations - Monthly							
32	Immoveable Assets	ISS.20 COAF 28: Property, Plant and	During the audit of depreciation and	This is caused by inconsistencies in	1. Review the entire population of assets for	Prior Year Review and Adjustments - 31 May	-211 865	B. Fikeni - CFO	S. Mzana: Manager	Asset Management Officer	On-going	2023/12/01	15 July 2024 and on-going

		Equipment – Depreciation	amortisation expense we recalculated the depreciation expense and identified the differences listed in the table below. We further identified that the residual values and useful lives of property, plant and equipment were not reviewed in accordance with GRAP 17 and some assets were depreciated using incorrect useful lives due to	applying assets useful lives between accounting policy and useful lives per asset management policy, the useful lives used in calculating depreciation per the accounting policy are not the same as useful lives in the approved asset management policy. There was also no review of	existence and valuation: - - Physical Verification of Infrastructure and moveable assets - Review of the alignment of the results of physical verification with the FAR - Identify and rectify discrepancies - review of formulas utilised for depreciation and related calculations - Propose adjustments where necessary - PPE	2024 Current year transactions - 15 July 2024 - PPE Reconciliations - Monthly			Expenditure, Assets and Fleet				

			inconsistencies between the asset management policy and the accounting policy of the municipality in relation to the estimated useful lives of assets used in calculating the annual depreciation of the assets thus resulting to misstatements in the depreciation expense recognized in the financial records.	useful lives performed by management resulting to misstatements in the depreciation expense recognised in the accounting records.	Reconciliations								

33	Immoveable Assets	ISS.41 COAF 43: Property, plant and equipment - WIP additions - Discrepancies in the amount recorded in the WIP register (Iss.41)	During the audit of WIP additions the following differences were identified: Issue 1: The suppliers in the table below are not VAT vendors and did not charge VAT to the municipality, however the municipality recorded the expenditure exclusive of VAT in the WIP additions. Issue 2: The amount recorded in the WIP	The errors in item 1 were caused by the municipality excluding VAT on non-VAT vendor's suppliers when recording expenditure in the WIP register. The municipality should have not accounted for VAT on non-VAT registered suppliers. The errors in item 2 were caused by	1. Revisit the entire population of WIP Additions to identify discrepancies relating to VAT 2. Propose and process adjustments resulting from the exercise 3. Review current year additions for VAT discrepancies, and maintain	Prior Year Review and Adjustments - 31 May 2024 Current year transactions - 15 July 2024 - PPE Reconciliations - Monthly	-523 302	B. Fikeni - CFO	S. Mzana: Manager Expenditure, Assets and Fleet	Asset Management Officer	On-going	2023/ 12/01	15 July 2024 and on-going

			listing does not agree with the amount per the supplier Invoice for the transactions listed in the table below.	lack of reviews to ensure that the amount recorded in the WIP register corresponds to the amounts per supplier invoices.									
34	Immoveable Assets	ISS.44 COAF 60: WIP Transfers – Internal control deficiency - Incorrect project source of funding recorded in the FAR and GL(Iss.44)	While testing WIP transfers and source of the funding for transfers it was noted that the below project the funding source in the GL and FAR was incorrectly documented as INEP grant even	This is due to the accounting system of recording all electricity project to the INEP grant	1. Revisit the entire expenditure and revenue on the INEP Grant 2. Investigate the best approach to deal with INEP, taking into consideration recommendations of the auditors 3. If	1. 31 March 2024 2. 31 March 2024 3. Compilation of AFS - per AFS Plan	11 899 525	B. Fikeni - CFO	A. Ndabeni - Manager: Financial Planning	All Accounts	Not Started	2024/03/01	31-Aug-24

			though the project is funded from own internal funds:		applicable, process prior year adjustments on the INEP Grant Revenue and Expenditure, as well as Construction Contracts								
35	Immoveable Assets	ISS.49 COAF 36: Property, plant and equipment: WIP: Project recorded twice in the WIP register	During the WIP assets physical verification, we selected the Bukazi Access road for physical verification, however it was identified that this project was recorded twice on the WIP register as Bhukazi Access road	Inadequate review of WIP register to ensure that the register does not contain duplicate projects. This creates duplication errors which could only be identified through thorough review of	1. Review the entire population of assets for existence and valuation: - - Physical Verification of Infrastructure and moveable assets - Review of the alignment of the results of physical verification	Prior Year Review and Adjustments - 31 May 2024 Current year transactions - 15 July 2024 - PPE Reconciliations - Monthly	6 528 005	B. Fikeni - CFO	S. Mzana: Manager Expenditure, Assets and Fleet	Asset Management Officer	On-going	2023/ 12/01	15 July 2024 and on-going

			as well as Construction of Ward 12 Access Road.	WIP registers prior to preparation of AFS.	with the FAR - Identify and rectify discrepancies - review of formulas utilised for depreciation and related calculations - Propose adjustments where necessary - PPE Reconciliations								
36	Immoveable Assets	ISS.62 COAF 66: Work in progress (WIP): Opening Balances – Non-submission of information	During the audit of WIP Opening balance, Electrification of ward 18 household documents, progress report and project payment	During the audit of WIP Opening balance, Electrification of ward 18 household documents, progress report and project	1. Review the entire population of assets for existence and valuation: - - Physical Verification of Infrastructure and moveable	Prior Year Review and Adjustments - 31 May 2024 Current year transactions - 15 July 2024 - PPE Reconciliati	846 953	B. Fikeni - CFO	S. Mzana: Manager Expenditure, Assets and Fleet	Asset Management Officer	On-going	2023/12/01	15 July 2024 and on-going

			form were requested in RFI 96, the documents were not submitted.	payment form were requested in RFI 96, the documents were not submitted.	assets - Review of the alignment of the results of physical verification with the FAR - Identify and rectify discrepancies - review of formulas utilised for depreciation and related calculations - Propose adjustments where necessary - PPE Reconciliations	ons - Monthly								

37	Immoveable Assets	ISS.64 COAF 66: WIP - Opening balance - Naming of the project	During the audit of WIP opening balance the project of installing hawker's stalls in Flagstaff and Lusikisiki Town had an opening balance of R0 the project started in 18 November 2021 at a contract price of R 3 802 500.00.We could not confirm the project opening balance figure.	This is caused by inadequate review of WIP register to ensure that opening balance of WIP is not misstated.	1. Review the entire population of assets for existence and valuation: - - Physical Verification of Infrastructure and moveable assets - Review of the alignment of the results of physical verification with the FAR - Identify and rectify discrepancies - review of formulas utilised for depreciation and related calculations - Propose	Prior Year Review and Adjustments - 31 May 2024 Current year transactions - 15 July 2024 - PPE Reconciliations - Monthly	0	B. Fikeni - CFO	S. Mzana: Manager Expenditure, Assets and Fleet	Asset Management Officer	On-going	2023/ 12/01	15 July 2024 and on-going

					adjustments where necessary - PPE Reconciliations								
38	Immoveable Assets	ISS.65 COAF 73: Property, Plant and Equipment : Misclassification of assets in Fixed asset register	During the audit of fixed asset register compliance scrutinized the asset register and confirmed that the following assets are included in land and building in annual financial assets, and they are not land and building and land and building is	This is caused by inadequate reviews to ensure that the assets are correctly classified in the fixed asset register. The above error is not quantitatively material; however, it is indicative of lack of review controls over fixed	1. Review the entire population of assets for existence and valuation: - - Physical Verification of Infrastructure and moveable assets - Review of the alignment of the results of physical verification with the FAR - Identify and rectify discrepancie	Prior Year Review and Adjustments - 31 May 2024 Current year transactions - 15 July 2024 - PPE Reconciliations - Monthly	0	B. Fikeni - CFO	S. Mzana: Manager Expenditure, Assets and Fleet	Asset Management Officer	On-going	2023/12/01	15 July 2024 and on-going

			with other assets in the fixed asset register.	asset register to ensure that assets are correctly classified.	s - review of formulas utilised for depreciation and related calculations - Propose adjustments where necessary - PPE Reconciliations								
39	Immoveable Assets	ISS.71 ICD* COAF 53: Fixed asset register – Inappropriate recording of disposed assets in the FAR(Iss.71)	During the audit of PPE, it was identified that the fixed assets register of the municipality contained assets with R1 value at year end. We further noted that majority of these	This is caused by the system recording disposed assets at R1 value and inadequate reviews ensuring that disposed assets are removed from the	1. Review the entire population of assets for existence and valuation: - - Physical Verification of Infrastructure and moveable assets - Review of the alignment of the results	Prior Year Review and Adjustments - 31 May 2024 Current year transactions - 15 July 2024 - PPE Reconciliations - Monthly	1 625	B. Fikeni - CFO	S. Mzana: Manager Expenditure, Assets and Fleet	Asset Management Officer	On-going	2023/12/01	15 July 2024 and on-going

			assets were no longer under the control of the municipality as they were disposed off in the prior years, Therefore the fixed assets register of the municipality was not properly reviewed to ensure that disposed assets are either flagged as such or removed from the population of municipal fixed assets in the fixed	fixed asset assets and the land that was removed from property plant and equipment to investment property is not removed from the asset register.	of physical verification with the FAR - Identify and rectify discrepancies - review of formulas utilised for depreciation and related calculations - Propose adjustments where necessary - PPE Reconciliations							

			assets register instead of being kept at R1 value. Furthermore it should be noted that recognizing assets at R1 value does not provide useful information to users to inform accountability and decision-making. If a reliable value cannot be determined for the asset, it should not be recognized and/or measured in										

			the financial statements as the recognition criteria are not met.										
40	Immoveable Assets	ISS.98 COAF 54: Infrastructure – Opening balances - Limitations identified during testing of NBV	During the audit of infrastructure opening balances, we requested practical completion certificates, completion certificates and/or last payment certificates and any other valid supporting documentation in order to audit the valuation of the closing balance of	This is caused by poor record keeping and document management within the municipality. The municipality has been receiving qualifications in its assets for the past years due to misstatements related to valuation of assets, Therefore	1. Review the entire population of assets for existence and valuation: - - Physical Verification of Infrastructure and moveable assets - Review of the alignment of the results of physical verification with the FAR - Identify and rectify discrepancies - review of	Prior Year Review and Adjustments - 31 May 2024 Current year transactions - 15 July 2024 - PPE Reconciliations - Monthly	380 728 587	B. Fikeni - CFO	S. Mzana: Manager Expenditure, Assets and Fleet	Asset Management Officer	On-going	2023/12/01	15 July 2024 and on-going

			the assets at 30 June 2022. The information was requested via RFI 98, however upon the RFI reconciliation and testing there were 3 issues identified 1. Non-submission of information for testing: The supporting information requested for the assets in the table below was not submitted to the auditors	*it is expected that the municipality should have introduced document management and archiving of information controls for future period to enable the auditors to audit the assets in order to obtain improved audit outcomes over the audit of infrastructure assets	formulas utilised for depreciation and related calculations - Propose adjustments where necessary - PPE Reconciliations								

			2. Inadequate supporting information submitted: Practical completion certificates for the following projects were submitted but with no value incurred to complete the project and no payment certificates were submitted to support the cost price of the asset. 3. Insufficient information submitted: The practical completion certificates										

			were submitted for the assets in the table below and the certificates have the cost of completing the asset, However, the access roads were unbundled in the asset register and no information provided (bill of quantities or any supporting documents) that was used for the calculation of the unbundled asset value										

			(each street) in the asset register.										
41	Immoveable Assets	ISS.107 COAF 68: WIP Opening balance – Opening balance for merged (Ward 2& 3) project incorrectly casted(Iss. 107)	During the audit of opening balances for work in progress (WIP) a difference between project expenditure history and a value of opening balance for ward 2 opening balance of R24 266 183,78 includes the opening balance of both ward 2 and ward 3	The finding is caused by lack of detailed reviews of calculations for values of assets in the work in progress register to ensure that all assets are valued properly in terms of the applicable GRAP principles. Management also failed to ensure that opening balances	1. Review the entire population of assets for existence and valuation: - - Physical Verification of Infrastructure and moveable assets - Review of the alignment of the results of physical verification with the FAR - Identify and rectify discrepancies - review of formulas utilised for	Prior Year Review and Adjustments - 31 May 2024 Current year transactions - 15 July 2024 - PPE Reconciliations - Monthly	2 916 097	B. Fikeni - CFO	S. Mzana: Manager Expenditure, Assets and Fleet	Asset Management Officer	On-going	2023/ 12/01	15 July 2024 and on-going

			sport field opening balance. It was indicated through discussion with management that the project that was initially at ward 3 was amalgamated to ward 2 resulting to zero opening balance at ward 3 and this opening balance was included to ward 2. We casted and recalculated the opening balance using	from the amalgamated project were correctly transferred and casted accurately to the new project.	depreciation and related calculations - Propose adjustments where necessary - PPE Reconciliations								

			payment history claim forms and identified the difference										
42	Immoveable Assets	ISS.101 COAF 57: Property, plant and equipment - WIP specific additions - Discrepancies in the amount recorded in the WIP register(Iss.101)	During the audit of WIP expenses related to Ward 6 & 7 electrification project we identified that the municipality either did not calculate the retention amount or inaccurately calculated the amount resulting to misstatements on the expenditure amount recorded in	The errors are caused by lack of reviews to ensure that the amount recorded in the WIP register are accurate. The municipality should always ensure that the supplier invoices are reviewed for accuracy and ensuring that the amounts	1. Review the entire population of assets for existence and valuation: - - Physical Verification of Infrastructure and moveable assets - Review of the alignment of the results of physical verification with the FAR - Identify and rectify discrepancies - review of	Prior Year Review and Adjustments - 31 May 2024 Current year transactions - 15 July 2024 - PPE Reconciliations - Monthly	87 721	B. Fikeni - CFO	S. Mzana: Manager Expenditure, Assets and Fleet	Asset Management Officer	On-going	2023/12/01	15 July 2024 and on-going

			the WIP register.	claimed for retentions does not exceed the percentage agreed upon in the contract. i.e 10% in this case. Impact The above errors have resulted to the WIP additions being understated by a factual disagreement misstatement of R87 721 The above misstatement is not individually	formulas utilised for depreciation and related calculations - Propose adjustments where necessary - PPE Reconciliations									

				material however it will be accumulated with other misstatements of similar nature and these will be aggregated together, assessed against materiality and may result to a modification of audit opinion in the audit report if found to be material.									

43	Immoveable Assets	ISS.84 COAF 41: Property, Plant and Equipment : Community Assets Opening Balances: Assets incorrectly valued at 30 June 2022(Iss.84)	During the audit of opening balances for community assets we selected a sample of assets and performed a recalculation of asset carrying values on 30 June 2022 using the information in the fixed assets register submitted for audit as well as the guidelines as stated in the asset management policy of the municipality.	The finding is caused by lack of detailed reviews of calculations for values of assets in the fixed assets register to ensure that all assets are valued properly in terms of the applicable GRAP principles. It appears that management did not apply the GRAP 17 principles that requires an entity to	1. Review the entire population of assets for existence and valuation: - - Physical Verification of Infrastructure and moveable assets - Review of the alignment of the results of physical verification with the FAR - Identify and rectify discrepancies - review of formulas utilised for depreciation and related calculations - Propose	Prior Year Review and Adjustments - 31 May 2024 Current year transactions - 15 July 2024 - PPE Reconciliations - Monthly	2 786 632	B. Fikeni - CFO	S. Mzana: Manager Expenditure, Assets and Fleet	Asset Management Officer	On-going	2023/12/01	15 July 2024 and on-going

			Based on the audit work perform we identified that the assets in the table below were not correctly valued at 30 June 2022.	assess the useful lives, residual values and depreciation methods of assets at every reporting date.	adjustments where necessary - PPE Reconciliations								
44	Immoveable Assets	ISS.106 COAF 68: WIP Opening balances - Internal control deficiency identified (Iss.106)	During the audit of WIP opening balances, we identified that sport field in ward 3 was transferred to ward 2 due to demarcation that happened in 2019 of those wards. We noted that management did not cast	This is caused by inadequate reviews to ensure that the closed project is removed from the WIP register and that all figures are transferred correctly to the new amalgamated project.	1. Review the entire population of assets for existence and valuation: - - Physical Verification of Infrastructure and moveable assets - Review of the alignment of the results of physical verification with the FAR	Prior Year Review and Adjustments - 31 May 2024 Current year transactions - 15 July 2024 - PPE Reconciliations - Monthly	-	B. Fikeni - CFO	S. Mzana: Manager Expenditure, Assets and Fleet	Asset Management Officer	On-going	2023/12/01	15 July 2024 and on-going

			the revised merged opening balances for ward 2 correctly resulting to the finding stated in finding 1 above. We further noted that management did not remove ward 3 from the register and erroneously recorded additions to the same project separately resulting to the merged project appearing twice with	Management also failed to ensure that all the variables of the asset/project are recorded in one line in the register to avoid inconsistencies and duplication of information in the register which might lead to fundamental errors and misstatements in future.	- Identify and rectify discrepancies - review of formulas utilised for depreciation and related calculations - Propose adjustments where necessary - PPE Reconciliations								

			difference project references and names in the same WIP register and the opening balance being recorded at zero in ward 3 project(project reference 000088) which is the same project that management recorded additions into even though it was supposed to have been removed.										

45	Investment Property	ISS.85 COAF 38: Investment property - Change in accounting policy inappropriately applied	In the 2022/23 financial year, the municipality changed its accounting policy for investment property from fair value gain model to cost model. The municipality voluntarily measured the investment property at fair value gain subsequently after the initial measurement at cost. According to GRAP 16 par	This is caused by inadequate application of GRAP standard by management in considering the voluntary change in accounting policies for major assets.	1. Review the prior year - 2021/22 audit finding and process adjustment/prior correction in terms of the original policy - Fair Valuation. 2. Process prior-year adjustment to deal with the finding raised 3. Consider whether the change of policy is necessary, if necessary, set out a process to be followed (documented) 4. Implement change of	1. 31 March 2024 2. 15 April 2024 3. 15 April 2024 4. 15 July 2024/AFS Plan	399 597 891	B. Fikeni - CFO	S. Mzana: Manager Expenditure, Assets and Fleet	Asset Management Officer	On-going	2023/12/01	15 July 2024 and on-going

			70 if an entity has previously measured an investment property at fair value, it shall continue to measure the property at fair value until disposal (or until the property becomes owner-occupied property or the entity begins to develop the property for subsequent sale in the ordinary course of operations) even if		policy if applicable									

			comparable market transactions become less frequent or market prices become less readily available. The investment property in question is not owner occupied and there is no development in the property for subsequent sale in the ordinary course of operations.										
46	Leases	ISS.22 COAF 12: Planning: Lease commitme	During the audit of Ingquza hill Local municipality,	Adequate oversight was not performed to ensure	1. Compile current Lease Register and ensure	Monthly	-	B. Fikeni - CFO	S. Mzana: Manag er Expen	Asset Manage ment Officer	On-going	2023/ 07/01	15 July 2024 and on-going

		nts - Lease register not signed (Iss.22)	we noted that the lease register that was submitted for our review was not signed as evidence of review by an appropriate official.	that there is application of review controls to ensure accuracy and completeness of lease register.	reviews and proof of reviews - Signed Registers				diture, Assets and Fleet				
47	Moveable Assets	ISS.47 COAF 20: Property, plant, and equipment: Movable assets opening balance: Assets recorded twice in the FAR(Iss.47)	During assets verification it was identified that a machinery and equipment asset was recorded twice in the asset register using the vehicle registration and using VIN number.	Inadequate review of fixed asset registers to ensure that the asset register does not consist duplicate assets. There seems to be inconsistent application of controls in recording	1. Review the entire population of assets for existence and valuation: - - Physical Verification of Infrastructure and moveable assets - Review of the alignment of the results of physical	Prior Year Review and Adjustments - 31 May 2024 Current year transactions - 15 July 2024 - PPE Reconciliations - Monthly	-	B. Fikeni - CFO	S. Mzana: Manager Expenditure, Assets and Fleet	Asset Management Officer	On-going	2023/ 12/01	15 July 2024 and on-going

				of movable assets who contain barcodes and serial numbers in that some of the assets are recorded using barcodes and some are recorded using serial numbers and some both, this creates duplication errors which could only be identified through thorough review of asset registers	verification with the FAR - Identify and rectify discrepancies - review of formulas utilised for depreciation and related calculations - Propose adjustments where necessary - PPE Reconciliations								

				prior to preparation of AFS.									
48	Moveable Assets	ISS.68 COAF 33: Property, Plant and Equipment : Movable Assets Opening Balances: Assets incorrectly valued at 30 June 2022(Iss.68)	During the audit of opening balances for movable assets we selected a sample of assets and performed a recalculation of asset carrying values at 30 June 2022 using the information in the fixed assets register submitted for audit as well as the guidelines as stated in the	The finding is caused by lack of detailed reviews of calculations for values of assets in the fixed assets register to ensure that all assets are valued properly in terms of the applicable GRAP principles. It appears that management did not apply the GRAP 17	1. Review the entire population of assets for existence and valuation: - - Physical Verification of Infrastructure and moveable assets - Review of the alignment of the results of physical verification with the FAR - Identify and rectify discrepancies - review of formulas utilised for	Prior Year Review and Adjustments - 31 May 2024 Current year transactions - 15 July 2024 - PPE Reconciliations - Monthly	-	B. Fikeni - CFO	S. Mzana: Manager Expenditure, Assets and Fleet	Asset Management Officer	On-going	2023/12/01	15 July 2024 and on-going

			asset management policy of the municipality. Based on the audit work perform we identified that the assets in the table below were not correctly valued at 30 June 2022.	principles that requires an entity to assess the useful lives, residual values and depreciation methods of assets at every reporting date.	depreciation and related calculations - Propose adjustments where necessary - PPE Reconciliations								
49	Operating Expenditure	ISS.35 COAF 10: Expenditure: Contracted services - Differences identified in the corresponding figures to the current year	The differences in the table below were identified between the prior year audited AFS and the corresponding figures in the current year AFS	This due lack of management reviews over the financial statement submitted for audit and lack of submission of properly referenced and clear to understand	1. Compile the AFS Compilation Plan for the 2023/24 - Clearly stating the AFS Section, Actions Required, Timelines/Frequency and responsible officials 2.	1. 29 February 2024 - 31 March 2024 - Appointment of AFS Consultant 2. Per timelines in the AFS Plan - Weekly, Monthly,	-	B. Fikeni - CFO	A. Ndabeni - Manager: Financial Planning	A. Ndabeni - Manager: Financial Planning	On-going	2024/02/01	30 June and on-going

		AFS(Iss.35)		prior period adjustments information.	Implement/Monitor the AFS Plan 3. Subject the Draft/Final AFS to the strict review process - Internal Audit, Audit Committee, Provincial Treasury	Quarterly 3. Quarterly/Per scheduled timeframes							
50	Operating Expenditure	ISS.40 COAF 48: Expenditure-Fuel and Oil: Difference between GL amount and amount per invoice (Iss.40)	During the audit Difference were noted between the amount per general ledger and amount per invoice.	The errors above are caused by the following: • Lack of review of the expenditure recorded in the general ledger. • VAT input charged was not	1. Review the total population of fuel and oil to identify transactions with VAT portion not accurately accounted for; 2. Propose and process adjustments	1. 31 March 2024 2. 15 April 2024	126 941	B. Fikeni - CFO	S. Mzana: Manager Expenditure, Assets and Fleet	Asset Management Officer	Not Started	2024/03/01	30-Apr-24

				taken out on the amount recorded on the general	where necessary								
51	Operating Expenditure	ISS.79 & ISS.81 COAF 37: Expenditure - Unauthorized Debit Orders: Debit order payments made to service providers with no evidence for occurrence of expenditure	The service providers listed in the table below were identified to have had unauthorized debit order payments for goods or services that were not received by the municipality. We selected all payments made to these suppliers from the GL and requested	This is caused by lack of oversight responsibility in ensuring that all payments that are made to service providers by the municipality relates to goods or services that were received by the municipality and that there is an	1. Review all debit order transactions 2. Create a file for supporting documentation for all debit orders - SLA/Contract /Invoices 3. Monitor debit order transactions and reverse unauthorised ones	1. 31 Marrch 2024 2. 31 March 2024 3. Weekly	269 192	B. Fikeni - CFO	S. Mzana: Manager Expenditure, Assets and Fleet	N. Mgilane - Accountant: Expenditure and Payroll	On-going	2024/07/01	30 June and on-going

			supporting documents to confirm the occurrence and classification of the expenditure recorded. Based on audit work performed, we identified that there were no service level agreements/ contracts/ invoices/requ isitions or goods received notes between the service provider and the municipality, It was further	existing SLA/ Contract/ requisition and/or goods received note between the service provider and the municipality .									

			confirmed through discussions with management and per inspection of the internal audit report as well as bank statements that these debit orders were also reversed by the municipality before year end, thus confirming that the expenditure recorded in the accounting records did not occur. In addition,										

			the debit order payment in the table below was identified from the internal audit report relating to a service provider whereby the goods or services were not received by the municipality. We also identified that there was no service level agreement/ contract entered into between the service provider and											

			the municipality for the deduction, it was also confirmed that the municipality reversed the payment to this service provider, however we could not prove the reversal due to non-submission of the underlying supporting documents. We further could not confirm the occurrence of the expenditure as there										

			were no supporting documents submitted to substantiate the validity of the transaction. We also could not confirm the expenditure class to which the transaction was posted as we were unable to trace the payment to the accounting records due to limitations imposed above.												

52	Operating Expenditure	ISS.109 COAF 70: Expenditure Management - Invoices were not paid within 30 days (Iss.109)	During the current year audit, we identified that the transactions in the table below were not paid within 30 days from the date of receipt of invoice as required in terms of the MFMA	This is due to lack of review of invoice list or invoice book and lack of monthly reconciliation of invoices to ensure that invoices are paid timeously or within 30 days of receipt of invoices from suppliers.	1. Review and update the Process flow for the payment of creditors/suppliers 2. Implement and monitor the process flow - recording of date of receipt of invoices/dated stamp, capturing into the accounting system 3. Prepare and review creditors reconciliation - including follow up on long outstanding creditors	1. 29 February 2024 2. Monthly 3. Monthly	0	B. Fikeni - CFO	S. Mzana: Manager Expenditure, Assets and Fleet	N. Mgilane - Accountant: Expenditure and Payroll	On-going	2023/07/01	15 July 2024 and on-going

53	Operating Expenditure	ISS.105 COAF 64: Expenditure Management - Invoices were not paid within 30 days	During the year it was noted that the below expenditure were not paid within 30 days	This is due to lack of review of invoice list or invoice book and lack of monthly reconciliation of invoices to ensure that invoices are paid timeously or within 30 days of receipt of invoices from suppliers.	1. Review and update the Process flow for the payment of creditors/suppliers 2. Implement and monitor the process flow - recording of date of receipt of invoices/dated stamp, capturing into the accounting system 3. Prepare and review creditors reconciliation - including follow up on long outstanding creditors	1. 29 February 2024 2. Monthly 3. Monthly	0	B. Fikeni - CFO	S. Mzana: Manager Expenditure, Assets and Fleet	N. Mgilane - Accountant: Expenditure and Payroll	On-going	2023/07/01	15 July 2024 and on-going

54	Payables	ISS.78 AR* COAF 30: Payables from exchange transactions - Trade Creditor Accruals - Trade Creditor Accruals incorrectly classified (Iss.78)	It was noted that suppliers appointed before year-end were incorrectly recognised as accruals even though there was no evidence that goods and services have been received but have not been invoiced.	Lack of review of amounts recorded in the annual financial statements. Management recognised accruals based on the suppliers appointed just before year end.	1. Revisit the population of Trade Creditors Accruals to identify accruals incorrectly raised - appointments /purchase orders issued at the end of the financial year 2. Propose an adjustment to correct the Trade Creditors Accruals - Prior year adjustments	1. 31 March 2024 2. 15 April 2024	16 615 810	B. Fikeni - CFO	S. Mzana: Manager Expenditure, Assets and Fleet	N. Mgilane - Accountant: Expenditure and Payroll	The journal to be processed was already proposed, it needs to be processed	01-Nov-24	30-Apr-24
55	Payables	MR* COAF 47: Payables from exchange	During the audit of retentions differences were noted	Lack of detailed reviews to ensure that amounts			1 344 956						

		transactions – Retentions: Incorrectly recognised.	between retention amount per retention list and auditor's calculation.	recorded in the annual financial statements are supported by accurate and complete underlying records									
56	Pre-Determined Objectives	ISS.1 COAF 42: AOPO - Differences between APR listing and the reported achievement on the APR	The following differences were identified between the APR Listing and the APR submitted for audit:	Upon enquiry the management indicated that this was an error on compilation on the APR, therefore there was lack of adequate review of the APR before it was	Management and supervisors will, during consolidation process of the APR, review that proof of evidence supporting targets reported in the APR is reviewed on timely basis and reconciliation	30 April 2024 30 June 2024	No	S. Nomandela	A. Mvovo	S. Gono	Q2 has been reviewed during mid-term	Mar-24	30-Jun-24

				submitted for audit.	of progress done as per POE is performed against draft APR separate Quarterly Reports.								
57	Pre-Determined Objectives	ISS.3 COAF 12: Planning: Strategic planning BP: Non-complianc e in compilatio n of the SDBIP(Iss. 3)	The 2022/23 SDBIP submitted for audit by the municipality did not include the projections for each month of— 1. revenue to be collected, by source; and 2. operational and capital expenditure, by vote;	This is caused by a lack of adequate implementat ion and review of the municipality' s internal control processes. Furthermor e, this is caused by manageme nt not exercising their oversight	Adjustment of the service Delivery and Budget Implementati on after the mid-terms review to ensure that the SDBIP includes projections for each month: 1. Revenue to be collected, by source; and 2. Operational	30 April 2024 30 June 2024	Yes	B. Fikeni	A. Mvovo	S. Gono	Q2 has been reviewe d during mid-term	Mar-24	30-Jun-24

				responsibility of ensuring compliance with all related strategic and budget regulations contained in the Municipal Finance Management Act.	and capital expenditure, by vote;.								
58	Pre-Determined Objectives	ISS.15 COAF 49: AOPO-Usefulness : Project name inaccurately recorded in the planned indicator per SDBIP(Iss. 15)	The name of the project for the planned indicator in the table below was incorrectly recorded in the SDBIP as “Mavalela” instead of “Mavaleleni”, However	Inadequate reviews of the APR and the SDBIP to ensure consistency in the manner in which the planned indicators are recorded	Quarterly: Compare approved SDBIP with quarterly reports and APR to ensure that project names are consistent. During adjustment: Review the	30 April 2024 30 June 2024	Yes	S. Nomandela	A. Mvovo	S. Gono	Q2 has been reviewed during mid-term	Mar-24	30-Jun-24

			management did not transfer the same planned indicator name in the APR resulting to minor differences between the planned indicator per SDBIP and APR.	from planning document to the reporting documents. There were also lack of reviews to ensure that errors are minimized in the planning documents in order to eliminate quality errors on the reported performance information at year end	adjsuted SDBIP by the Technical Services Department to ensure that project names are consistent								
59	Pre-Determined Objectives	AOPO: Target is inaccurately written in the SDBIP			Quarterly: Compare approved SDBIP with quarterly	30 April 2024 30 June 2024	Yes	S. Nomandela	A. Mvovo	S. Gono	Q2 has been reviewed during	Mar-24	30-Jun-24

		and APR (control deficiency)			reports and APR to ensure that project names are consistent. During adjustment: Review the adjusted SDBIP by the Technical Services Department to ensure that project names are consistent						mid-term		
60	Pre-Determined Objectives	ISS.30 COAF 49: AOPO: Usefulness: No logical link between the indicator and the	During the audit of the usefulness for KPA1: Basic service delivery, we identified that there is no clear logical link between the reported	The cause is that management did not implement the application of the Framework for Managing	Quarterly: Compare approved SDBIP with quarterly reports and APR to ensure that project targets are consistent	30 April 2024 30 June 2024	Yes	S. Nomandela	A. Mvovo	S. Gono	Q2 has been reviewed during mid-term	Mar-24	30-Jun-24

		target(Iss.4 9)	indicator and the target for the reported indicators and targets	Programme Performance Information adequately. There were also lack of reviews and proper consultation to ensure that the planned targets are relevant to the scope of the municipality. Management and those charged with also dint exercise oversight to ensure that adequate	both in SDBIP and APR. During adjustment: Review the adjusted SDBIP performed by the Technical Services Department to address the audit finding to ensure that projects align with Performance indicators and descriptions both in SDBIP and APR.									

				reviews are performed in both the planning documents and the APR to ensure that there is consistency and between the planned information and reported information and that the planned targets meets the SMART criteria as stated in the requirements of this finding.									

61	Pre-Determined Objectives	ISS.32 COAF 42: AOPO: Internal control deficiency – Performance indicators and targets not well written	The following indicators are not well written in both the APR and the SDBIP as a result they may be misleading to the user and give impression that they are duplicated indicators	Management did not provide oversight to ensure that adequate controls are implemented to ensure that APR and SDBIP documents are adequately reviewed.	Quarterly: Compare approved SDBIP with quarterly reports and APR to ensure that project targets are consistent both in SDBIP and APR. During adjustment: Review the adjusted SDBIP performed by the Technical Services Department to address the audit finding to ensure that projects alignwith	30 April 2024 30 June 2024	Yes	S. Nomandela	A. Mvovo	S. Gono	Q2 has been reviewed during mid-term	Mar-24	30-Jun-24

					Performance indicators and descriptions both in SDBIP and APR.								
62	Pre-Determined Objectives	ISS.37 COAF 49: AOPO: Usefulness: Presentation & disclosure – Reasons for non-achievement not adequate and/or supported by proper supporting documents.	The municipality did not provide supporting documents for reasons of non-achievement of the indicators in the table below and some of the reasons provided are not valid, Refer to the auditor's comments for detailed findings:	Inadequate review of APR to ensure that the variance and corrective measures included in the APR are valid and have supporting documents.	Management and supervisors will, during consolidation process of the APR, review that proof of evidence supporting targets reported or reasons for variances in the APR is reviewed on timely and that reconciliation and commitment	30 April 2024 30 June 2024	No	S. Nomandela	A. Mvovo	S. Gono	Q2 has been reviewed during mid-term	Mar-24	30-Jun-24

					of progress done as per POE is performed against draft APR separate Quartery Reports.								
63	Pre-Determined Objectives	ISS 39 COAF 69: AOPO Reliability test: Progress reports are not signed or/and contain errors	The progress reports for the following indicators are either not signed or contain some errors, therefore this results to internal control deficieny for the following indicators was identified	Management did not provide oversight to ensure that adequate controls are implemented to ensure that the underlying suipporting documents to the APR and SDBIP are adequately reviewed.	Management and supervisors will, during submssion of POE, review that proof of evidence supporting targets to ensure that reports are signed as stipulated in the SDBIP under "Mean of Verification".	30 April 2024 30 June 2024	No	S. Nomandela	A. Mvovo	S. Gono	Q2 has been reviewed during mid-term	Mar-24	30-Jun-24

64	Pre-Determined Objectives	ISS.46 COAF 49: AOPO - Usefulness : Indicator and its related target not consistent and/or verifiable	The following performance indicators and targets in the table below have inconsistencies between the reported indicator and the target and some lack specific details to enable the users to clearly identify and locate the specific area of reported performance: refer to the auditor's comments for detailed findings	Inadequate review of the APR and the SDBIP to ensure that the projects are clear and specific, and that the APR is consistent	Management and supervisors will, during submssion of POE, review SDBIP to ensure Indicator and its related target consistent and/or verifiable.	30 April 2024 30 June 2024	No	S. Nomandela	A. Mvovo	S. Gono	Q2 has been reviewed during mid-term	Mar-24	30-Jun-24

65	Pre-Determined Objectives	ISS.103 COAF 67: AOPO : Differences between APR listing and the reported achievement on the APR(Iss.103)	The following differences were identified between the APR Listing and the APR submitted for audit We further scrutinised the supporting evidence submitted for audit and confirmed that the information reported in the APR is valid and accurate. Therefore management mislead the council and other relevant	Upon enquiry the management indicated that this was an error on compilation on the APR, therefore there was lack of adequate review of the APR before it was submitted for audit.	Management and supervisors will, during consolidation process of the APR, review that proof of evidence supporting targets reported in the APR is reviewed on timely basis and reconciliation of progress done as per POE is performed against draft APR separate Quartery Reports.	30 April 2024 30 June 2024	No	S. Nomandela	A. Mvovo	S. Gono	Q2 has been reviewed during mid-term	Mar-24	30-Jun-24

			stakeholders in their compilation and presentation of quarterly reports as they did not present the actual output in all four quarters of the year under review										
66	Pre-Determined Objectives	ISS.108 COAF 62: AOPO: Usefulness : Presentation & disclosure – Reasons for non-achievement not adequate and/or supported	The municipality did not provide supporting documents for reasons of non-achievement of the indicators in the table below and some of the reasons	Inadequate review of APR to ensure that the variance and corrective measures included in the APR are valid and have supporting documents.	Management and supervisors will, during consolidation process of the APR, review that proof of evidence supporting targets reported or reasons for variances in	30 April 2024 30 June 2024	No	S. Nomandela	A. Mvovo	S. Gono	Q2 has been reviewed during mid-term	Mar-24	30-Jun-24

		by proper supporting documents .	provided are not valid, Refer to the auditor's comments for detailed findings		the APR is reviewed on timely and that reconciliation and commitment of progress done as per POE is performed against draft APR separate Quarterly Reports.								
67	Procurement and Contract Management	ISS.19 CoAF 07: SCM - Local content: No communication sent to DTI about the appointment of winning	During the audit of SCM Local Content & Production, it was identified that the municipality did not send any communication to DTI	Through an inspection on the management response in COAF 03 of 2023 which previously communicated the non-submission on the	1. Source/Develop a checklist for SCM Compliance; 2. Identify bids/procurement that has a local content requirement (compliance with the	1, 31 March 2024 2. 31 March 2024 3. 31 March 2024 and ongoing	0	B. Fikeni - CFO	SCM Manager	P. Dlomo - Senior SCM Practitioner	Not Started	2024/ 03/01	31 March 2024 and On-going

		bidders (Iss.19)	regarding the following requirements : • The appointment of the successful bidder and the value of the contract. • Providing DTI with copies of the contracts and the bidder's MBD 6.2 certificate.	matter, It was indicated that this was caused by difficulties encountered when communicating with the department (DTI), and in some instances lack of responses to emails sent to them (DTI).	PPPFA Regulations of 2022 and Treasury Instruction Note No.2 of 2016/17) 3. Communicate with the DTI about appointment of winning bids in relation to local content								
68	Procurement and Contract Management	ISS.66 COAF 24: SCM: Non-submission of information on RFI 90 (SCM – Contract	Request for information (RFI) number 90 of 2023 relating to the SCM Contract Management was issued	Lack of document management and management did not review the RFI submission	1. Review and update the contracts register for all active contracts of the municipality 2. Compile a	1. 29 February 2024 and on-going 2. 29 February and on-going	0	B. Fikeni - CFO	SCM Manager	P. Dlomo - Senior SCM Practitioner	In-Progress	01-Nov-24	30 June 2024 and on-going

		Management)	to the Ingquza Hill Local Municipality management on the 15 November 2023 with the due date being set as 17 November 2023. Upon the RFI reconciliation it was noted that the following information/documents for the contracts included in Annexure A of RFI 90 were still outstanding	to ensure that all the requested information is submitted.	file with supporting documentation for each contract (Appointment Letter, SLA, Progress Report, VO's, Extensions, etc.)									

69	Procurement and Contract Management	ISS.88 MR* COAF 39: SCM: Non-submission of information on RFI 97 (SCM – Additional Competitive bids & PPR)	Request for information (RFI) number 97 of 2023 relating to the SCM Additional Competitive bids & PPR was issued to the Ingquza Hill Local Municipality management on the 30 November 2023 with the due date being set as 04 December 2023. Upon the RFI reconciliation it was noted that the following information/documents for	Lack of document management and management did not review the RFI submission to ensure that all the requested information is submitted.	1. Review and update the contracts register for all active contracts of the municipality 2. Compile a file with supporting documentation for each contract (Appointment Letter, SLA, Progress Report, VO's, Extensions, etc.)	1. 29 February 2024 and on-going 2. 29 February and on-going	0	B. Fikeni - CFO	SCM Manager	P. Dlomo - Senior SCM Practitioner	In-Progress	01-Nov-24	30 June 2024 and on-going

			this contract (IHLM/16/2022-23/TECH) were still outstanding: 1. Tender files for the losing bidders. 2. List of specifications committee. No communication yet sent by the management to the auditors indicating when the outstanding information will be submitted and there was no extension requested.										

70	Procurement and Contract Management	ISS.90 COAF 44: SCM - Contract Management (The contract was not signed by both the successful bidder and a municipality delegated official)	During the SCM Contract Management testing it was noted that the contract agreement(s) for the following contracts were not signed by the successful bidders.	Lack of management oversight in ensuring that the contract agreement/ appointment letter is signed by the successful bidder.	1. Review and update the contracts register for all active contracts of the municipality 2. Compile a file with supporting documentation for each contract (Appointment Letter, SLA, Progress Report, VO's, Extensions, etc.)	1. 29 February 2024 and on-going 2. 29 February and on-going	0	B. Fikeni - CFO	SCM Manager	P. Dlomo - Senior SCM Practitioner	In-Progress	01-Nov-24	30 June 2024 and on-going
71	Procurement and Contract Management	ISS.91 AR* COAF 44: SCM - Contract Management (The performance of the contractor/	During the SCM Contract Management testing it was identified that the municipality did not	Lack of management oversight in ensuring that the performance of the contractors/ providers is	1. Review and update the contracts register for all active contracts of the municipality 2. Compile a	1. 29 February 2024 and on-going 2. 29 February and on-going	0	B. Fikeni - CFO	SCM Manager	P. Dlomo - Senior SCM Practitioner	In-Progress	01-Nov-24	30 June 2024 and on-going

		provider is not monitored monthly)	monitor the performance of the contractor/provider monthly as the progress reports submitted to the auditors were not inclusive of all the months that the contracts were active during the 2022/23 financial year.	monitored monthly until the contract expires.	file with supporting documentation for each contract (Appointment Letter, SLA, Progress Report, VO's, Extensions, etc)								
72	Procurement and Contract Management	ISS.80 SCM: Deviations: Reason for deviation not valid (Iss.80)			1. Review the population of deviations disclosed and establish the validity of reasons stated for deviation	1. 15 March 2024 2. 31 March 2024 3. Monthly/Per deviation	160 810	B. Fikeni - CFO	Manager: SCM	P. Dlomo - Senior SCM Practitioner	Not Started	2024/03/01	30 June and on-going

					2. Update the Deviations and Irregular Expenditure Listing 3. Monitor reasons given for deviations going forward	to be processed							
73	Receivables	COAF 21: Receivables from Non-Exchange Transaction - Limitation on the audit of gross debtors relating to rates	During the audit of the opening balances of Receivables from Non-Exchange Transactions, we were unable to obtain sufficient audit evidence related to the gross rates amount as the municipality	Management did not prepare separate debtors' statements for the rates and refuse services provided. Furthermore, the amounts deducted on the statements as payments were	1. Extract information from the billing system detailing the opening balance from the prior year 2. Provide the detailed information to the AG	1. 31 March 2024 2. On a timeframe agreed with AG	3 969 909	B. Fikeni - CFO	A. Ndabeni - Manager: Financial Planning	A. Ndabeni - Manager: Financial Planning	Not Started	01-Mar-24	15-Apr-24

			did not have separate supporting statements for the receivables related to rates. The debtor statements provided for audit included amounts relating to receivables from exchange transactions which made it difficult for the auditors to determine the accuracy of the amount relating to gross rates.	unclear whether they relate to rates or refuse services.									

74	Receivables	ISS.63 COAF 25: Receivables from non-exchange transactions: Differences between client prepared reports and the amounts disclosed in the annual financial statements for gross rates. (Iss.63)	During the audit of Receivables from non-exchange transactions closing balance, we noted that there were differences between the municipal prepared schedules and the amount disclosed as per the annual financial statements for gross rates.	Management did not prepare a proper reconciliation in order to ensure that the amount disclosed in the annual financial statements submitted for audit agrees with the amounts per the submitted underlying reports.	1. Rework/recalculate the schedule for receivables, ensure alignment with balance disclosed in the AFS; 2. Follow the AFS Compilation Plan	1. 31 March 2024	947 623	B. Fikeni - CFO	A. Ndabeni - Manager: Financial Planning	A. Ndabeni - Manager: Financial Planning	Not Started	01-Mar-24	15-Apr-24
75	Receivables	ISS.111 COAF 72: Debt impairment:											

		Limitations and material differences between the AFS and the debt impairment schedules (Iss111)											
76	Related Parties	MR* COAF 61: Related Parties – Key management personnel not included in the disclosure note	While inspecting the minutes of the council it was established that there are officials that were appointed as Acting Director during the 2022/2023 financial year end who were not included in	Lack of controls to keep track of the related parties and reviews to ensure that the figures reported in the annual financial statement's notes are correct and complete	1. Compile a related parties schedule for the prior year, tying up to the payroll report/reconciliations 2. Process an updated Related Parties Disclosure note 3. Follow AFS Compilation	31-Mar-24	1 876 622	B. Fikeni - CFO	S. Mzana: Manager Expenditure, Assets and Fleet	N. Mgilane - Accountant: Expenditure and Payroll	The journal to be processed was already proposed, it needs to be processed	01-Nov-24	30-Apr-24

			Note 44 of the related parties		plan - for the current financial year								
77	Related Parties	ISS>100 COAF 58: Related Parties - Remuneration of management not disclosed	During the audit of related parties, it was identified that even though the disclosure related to related parties in the table below was omitted, there was a difference between the figures reported in the annual financial statements and the figures recorded in	During the audit of related parties, it was identified that even though the disclosure related to related parties in the table below was omitted, there was a difference between the figures reported in the annual financial statements and the figures recorded in	1. Compile a related parties schedule for the prior year, tying up to the payroll report/reconciliations 2. Process an updated Related Parties Disclosure note 3. Follow AFS Compilation plan - for the current financial year	31-Mar-24	-564 571	B. Fikeni - CFO	S. Mzana: Manager Expenditure, Assets and Fleet	N. Mgilane - Accountant: Expenditure and Payroll	The journal to be processed was already proposed, it needs to be processed	01-Nov-24	30-Apr-24

			the payroll system.	the payroll system.									
78	Revenue From Exchange Transactions	ISS.82 COAF 35: Revenue from exchange transactions: Agency services - Accuracy errors identified in the amounts recorded (Iss.82)	During the audit of revenue from exchange transactions we identified that there were differences between the amount recorded in the GL and the amount per the supporting documents submitted for audit (Customer receipts). We also recalculated the revenue amount due to the municipality	This finding is caused by lack of review of the recorded amounts for agency fees to ensure that correct percentage is applied, failure of which a correction journal should be made in the accounting records.	1. Engage with the Department of Transport to determine the cause of the differences, and possibility of correcting prior year figures.	30-Apr-24	336 246	B. Fikeni - CFO Z. Masumpa - SM Community Services	A. Ndabeni - Manager: Financial Planning B. Godo	N. Hlonti	Not Started	01-Mar-24	30-Apr-24

			for Agency services using the applicable rates, and identified that there were differences between the GL, submitted receipts and the auditor's recalculation										
79	Taxes	ISS.31 COAF 12: Planning: Value Added Tax - No evidence of review for VAT control account (Iss.31)	We inspected the Vat control account prepared by Maximum Profit Recovery Pty Ltd and noted that it was not signed by the preparer and reviewer for approval.	This is caused by lack of oversight to ensure proper isolation of responsibility in preparation and review of financial records.	1. Review and sign all VAT Reconcilitions for proof of review	31 March and monthly	0	B. Fikeni - CFO	S. Mzana: Manager Expenditure, Assets and Fleet	A. Guma - VAT Accountant	Monthly reconciliations reviewed and signed	01-Jul-24	30 June 2024 and on-going

			Thus, we could not conclude whether there was adequate isolation of responsibility on the preparation and proper reviews of the VAT control account.										
80	Taxes	MR* COAF 59: VAT Receivable – Difference noted on VAT receivable balance	There is a difference identified between the auditor's calculations and the amount disclosed in the annual financial statements.	Lack of management review of the VAT reconciliation.	1. Review and sign all VAT Reconciliations for proof of review	31 March and monthly	319 423	B. Fikeni - CFO	S. Mzana: Manager Expenditure, Assets and Fleet	A. Guma - VAT Accountant	Monthly reconcilliations reviewed and signed	01-Jul-24	30 June 2024 and on-going

81	Taxes	ISS.75 COAF 59: VAT Receivable – Difference noted on restated VAT receivable opening balance (Iss.75)	The difference in the table below was identified between the auditor's calculations and restated annual financial statements during the testing of prior year adjustments. This means the opening balances for VAT receivables might be understated by the difference.	Lack of review or reconciliation of the audit findings to restated annual financial statements to ensure all the audit differences have been adjusted on the restated annual financial statements.	1. Review and sign all VAT Reconciliations for proof of review 2. Follow the AFS Plan for the processing of prior year adjustments	31 March and monthly	1 212 355	B. Fikeni - CFO	S. Mzana: Manager Expenditure, Assets and Fleet	A. Guma - VAT Accountant	Monthly reconciliations reviewed and signed	01-Jul-24	30 June 2024 and on-going

IT ACTIONS FOR THE AUDIT ACTION PLAN

No	Component	Coaf Reference	Finding	Root cause	Action plan	Timelines	Responsibility Leader	Responsible Manager	Responsible Officer	Status
1	General IT Controls	ISS.51-ISA CoAF 04: Inadequate User Access Management	**Munsoft** **1.** Active user list was provided for audit purposes however, a user form for Moipone Masebata Morabe-MMM created on 07 October 2022 was not available. b) There were 910 terminated users that were still active on the system. c) A user access review form was not available for audit purposes. As such assurance could not be provided that users' access and privileges on all financial systems are periodically reviewed to confirm that such access and privileges were still commensurate with their job responsibilities. 2. There was no formally documented administrator review form available for audit purposes to assess the	1.Poor records keeping. b) System Limitations. c)Nonadherence to user access rights Policy. 2. Nonadherence to user access rights Policy.	1.Accurate recordings. b) System Upgrades. quarterly reviews. c)Duplicated users will be rectified 2. access rights policy reviewal quarterly	30-Jun-24	F. Msumza	M. Mfingwana	B. Mbathane	In progress

			activities of the person responsible for granting users access to the network, application systems and performance reporting systems. The reviews of the system administrator activities at a minimum include: - User access creations - Password resets - Termination of users who no longer requires access to the system. - Monitoring of users access 3. There were 855 Duplicate usernames that were active on the system.							

			Payday 1. Assurance could not be provided that user creation on the system was adequately performed as the system generated reports with username and surname, unique identifier, creation date last logon date was not available for audit purposes. 2. Assurance could not be provided that users who had their access/functions changed on the system in the year under review was performed adequately as there was no system generated list of users with changes performed on access was available for Audit testing. 3. Assurance could not be provided that users who had their password reset on the system in the year under review was performed adequately and approved as there was no authorisation form or request indicating the	1.System limitations 2.System limitations 3. Poor Records keeping by ICT staff also system limitation. 4. terminated users are domant in the system.	1.Generate report quartely. 2.Generate report quartely with Munsoft assistance. 3. Generate report from the system Monthly 4.Generate a report every time when there is terminated user. 5. ICT will provide forms when necessary 6.Admin and ICT manager will have access rights to view System	30-Jun-24	F. Msumza	M. Mfingwana	B. Mbathane	In progress

			reason for the passwords reset on the system. 4. Assurance could not be provided that terminated users were removed from the system as the system generated list of terminated users was not available for audit purposes. 5. A user access review form was not available for audit purposes. As such assurance could not be provided that users' access and privileges on all financial systems are periodically reviewed to confirm that such access and privileges are still commensurate with their job responsibilities. 6. There here was no formally documented administrator review form available for audit purposes to assess the activities of the person responsible for granting users access to the network, application systems and performance reporting		Administrators rights.					

			systems. The reviews of the system administrator activities at a minimum include: • User access creations • Password resets • Termination of users who no longer requires access to the system. • Monitoring of user's access 4. Assurance could not be provided that there were no duplicate or generic accounts on the system, as a system generated list of all active users was not provided in the year under review.								

			Active Directory 1. Assurance could not be provided that user creation on the system was adequately performed as a system generated active user list was not provided for audit purposes. 2. System generated list of password resets done on the users was obtained, however assurance could not be obtained that authorisation was granted to have the user's password rest on the system as the system generated list could not be linked to the password rest form. 3. Assurance could not be provided that terminated users were removed from the system as the system generated list of terminated users was not obtained from the system. 4. There was no formally documented administrator review form available for	System Limitations	Require an AD Managers App that will assist to generate a report from the Active directory.	30-Jun-24	F.Msumza	M.Mfingwana	B. Mbathane	InProgress

			audit purposes to assess the activities of the person responsible for granting users access to the network, application systems and performance reporting systems. The reviews of the system administrator activities at a minimum include: • User access creations • Password resets • Termination of users who no longer requires access to the system. • Monitoring of user's access 5. Assurance could not be provided that there were no duplicate or generic accounts on the system, as a system generated list of all active users was not provided in the year under review. Lack of IT management oversight on internal information systems a) Lack of correct archiving may result in inadequate verification processes							

			followed for user creation and not monitoring user creations could result in unauthorised access to the systems. b) User account or access that is not used for extended periods or that exist without a valid business reason might be used to effect unauthorised changes/updates to information or may be used to process unauthorised transactions. This could negatively impact data integrity of information systems. c) Lack of regular review of user access to information systems may result in users with inappropriate access to process unauthorised transactions that could negatively impact the integrity of data generated by these information systems. d) Lack of regular review of administrator access to information systems may							

			result in administrator with inappropriate access to process unauthorized transactions that could negatively impact the integrity of data generated by these information systems. e) Use of duplicate user accounts makes it impossible to apportion accountability in the event when unauthorized transactions are processed.								

			Payday a) Lack of system generated reports that include all active users may result in inadequate verification processes followed for user creation and not monitoring user creations could result in unauthorized access to the systems. b) Lack of system generated reports that include all user function amendments may result in inadequate verification processes followed for function amendments, monitoring of functions amendments and could result in unauthorized access to the systems. c) Lack of system generated report may result in inadequate verification processes followed for password resets. d) User account or access that is not used for extended periods or that exist without a valid business reason might	System Limitations	generate report from Payday Quaterly assisted by Munsoft	30-Jun-24	F. Msumza	M. Mfingwana	B. Mbathane	In progress

			be used to effect unauthorized changes/updates to information or may be used to process unauthorized transactions. This could negatively impact data integrity of information systems. e) Lack of regular review of user access to information systems may result in users with inappropriate access to process unauthorized transactions that could negatively impact the integrity of data generated by these information systems. f) Lack of regular review of administrator access to information systems may result in administrator with inappropriate access to process unauthorized transactions that could negatively impact the integrity of data generated by these information systems. g) Lack of system generated reports that include all active							

			users may result in inadequate verification processes followed for user creation and not monitoring user creations could result in unauthorised access to the systems.							
			Active Directory a) Lack of system generated reports that include all active users may result in inadequate verification processes followed for user creation and not monitoring user creations could result in unauthorized access to the systems. b) Lack adequate verification processes followed for password resets could result in unauthorized access to the systems. c) User account or access	System limitations	AD Manager will be required to assist on generating reports from an Active Directory	30-Jun-24	F. Msumza	M. Mfingwana	B. Mbathane	In progress

			that is not used for extended periods or that exist without a valid business reason might be used to effect unauthorised changes/updates to information or may be used to process unauthorized transactions. This could negatively impact data integrity of information systems. d) Lack of regular review of administrator access to information systems may result in administrator with inappropriate access to process unauthorized transactions that could negatively impact the integrity of data generated by these information systems. e) Lack of system generated reports that include all active users may result in inadequate verification processes followed for user creation and not monitoring user creations could result in							

			unauthorized access to the systems.							
2	General IT Controls	ISS.50 ISA CoAF 04: Inadequate IT Governance	1. The IT Strategic Plan was not adequately documented as it lacked the following type of activities and processes: • Resource requirements • IT Projects identified that needs to be undertaken to drive the implementation of the IT Strategic Goals. Lack of intervention from the IT Management to ensure adequate controls were in place. Without an adequately documented IT Strategic Plan, Resource requirements and Identifying critical IT Projects- the municipality might not understand and manage proper critical IT Project and resource requirements processes, this might result in Municipal funds to be mismanaged. The lack of adequate documentation of the framework by management	nonalignment between ICT Strategy and SDBIP	Align SDBIP with ICT Strategy and review ICT Framework	30-Jun-24	F. Msumza	M. Mfingwana	B. Mbathane	In progress

			might result in ineffective responsibilities and accountabilities for implementation of IT processes.							
3	General IT Controls	ISS.52 ISA CoAF 04: Inadequate User Access Management	1. There is no evidence that changes on Munsoft and Payday (system upgrades and changes in modules) are following a formal change management process that involves a change request form that should be approved by management before the changes are initiated. 2. Assurance could not be provided as to whether segregation of duties exist between the requestor, the person making the change, the tester and the person moving the changes to production. 3. Assurance could not be obtained that vendor had access to the Payday system and that their access is granted as and when	poor records keeping.	will review Change Management Policy quaterly. Keep records on changes	30-Jun-24	F. Msumza	M. Mfingwana	B. Mbathane	InProgress

			requested with monitoring should they perform activities on the system. Lack of IT management oversight on internal information systems a) Without an adequate change management process, unnecessary changes, and unauthorized changes, might be made, not all changes might be documented, approved and tested before being implemented. b) Without an adequate change management process, segregation of duties may not be realised between the requestor, the person making the change, the tester and the person moving the changes to production. c) If vendor access is not monitored this could result in unauthorized and malicious changes done on the system that host							

			financial data of the municipality leading to data loss, unexplained IT expenditure due to changes performed on the system.							
6	General IT Controls	ISA CoAF 04: Inadequate IT Service Continuity	1. The Disaster Recovery plan (DRP) in place was not tested in the year under review for the ICT environment. 2. There was no assurance that backups were performed for other systems apart from the financial system and that restoration was being performed to ensure that in the event of a disaster the municipality will be able to recover its data. 3. Backup register was not provided for audit purposes in the year under review, as such assurance could not be provided that backups are stored in a secure offsite location on a regular basis. Lack of intervention from the IT Management to ensure adequate controls were in	no adherence to a Backup policy	annual testing DR and daily backup review	30-Jun-24	F. Msumza	M. Mfingwana	B. Mbathane	In progress

			place. If the DR Plan is not tested, the municipality may not be able to recover in the event of a disaster. b) If backups are not performed business may not be able to continue with normal operations c) If backup media is not taken to an off-site location, and on-site data is not available, the auditee might not be able to continue with normal operations in the event of a disaster.							

5.14. IDP ASSESSMENT

Below is an illustration of how well the municipality performed as per the comments from the MEC. Physical assessment was conducted at Mphekweni Beach Resort on the 27 August 2023 where all OR TAMBO DM where all Municipalities conducted desktop assessment of the IDPs focuses on assessing the alignment of programs and plans of sector departments and SOEs to municipal development priorities; assessed all KPAs with assistance of officials responsible for the KPA in the municipality.

It has been noted that Ingquza Hill Local municipality has somehow regressed from the previous year's performance. It is noted that KPA (Basic Service Delivery) has got medium ratings for three consecutive years and there must be an action plan to address the issue.

IDP Assessment ratings for the past 3 years are as follows:

Overview of Ingquza Hill Local Municipality reviewed IDP							
Key Performance Area	**KPA 1- Spatial Development Framework**	**KPA 2- Service Delivery**	**KPA 3- Financial Viability**	**KPA 4- Economic Development**	**KPA 5- Good Governance**	**KPA 6- Institutional Arrangements**	**Overall Ratings**
Ratings 2021/2022	HIGH	Medium	HIGH	HIGH	HIGH	HIGH	HIGH
Ratings 2022/2023	HIGH	MEDIUM	HIGH	HIGH	HIGH	HIGH	HIGH
Ratings 2023/2024	HIGH	MEDIUM	HIGH	HIGH	HIGH	HIGH	HIGH

5.15. Ward Based Needs Analysis (32 Wards)

The Municipal Systems Act entrenches participation as a central concept of Integrated Development Planning, using community-based needs methodology gives municipalities a way to strengthen the participatory aspects of the IDP. The approach that has been developed does not simple improve participation in the IDP, but also assists wards to develop locally owned ward needs / plans that build on local strengths, focus on local actions as well as identify support needed externally through the IDP and from sector departments jointly. The OR Tambo has been part of the IDP rep forum and presented the programs to be implemented at Ingquza Hill but did not provide support in the development of ward-based plans.

Service delivery issues	
Electrification	A number of 51921h/h households are connected to electricity Challenge is the rapid growth of infills with a number of 4 292h/h households not connected to electricity.
Infrastructure	Construction of new access roads, construction of bridges maintenance of access roads. Maintenance of existing infrastructure including community halls. Close monitoring of all projects
Water and sanitation	Completion of unfinished water projects. Protection of springs, purification of water. There is still a high demand of sanitation. Utilisation of 440 piped water in the municipal area to curb water challenges
Human Development	Skills development program, Learneship programs and Jo opportunities
Tourism	Capacity building and marketing on tourist attraction, Development of heritage sites. Access roads to heritage sites and all tourism attraction areas.
Agriculture	102 functioning agric projects, provision of support to 29 not functioning projects. Training of SMME's on project management. Provision of Irrigation schemes
Forest	Protection of forests against fire, workshops on importance of forests

SMME Development	Training of SMME's, close monitoring of cooperatives, Provision of infrastructure, Hombe dam (identified as a dam with potential for fish farming). Training for youth on Fish farming (in preparation for Ocean Economy as a national programme [Challenge is dam is a health risk because it is not fenced
Designated groups	Proper infrastructure for old age homes, Capacity building on youth through NHBRC programs. Health and safety programmes. Certification in Trade Test (Electricity, motor mechanics, panel beating, spray painting, welding etc.) in preparation for the SANRAL N2 route.
Town Planning	Parking bays, Taxi ranks, road markings, paving , potholes in town
Housing	Incomplete housing projects, close monitoring of housing projects. Some words do not have low cost housed
Finance	Incorrect billing and non-payment of rates
Good governance	Appointment of CDW's not done in all wards, no proper communication of municipal programs
Early Childhood development	Support to preschools
Education	Eradication of mud schools

5.16. IDP Roadshows 2024/2025 Financial Year

The Constitution of the Republic of South Africa outlines the importance of the participatory governance wherein people within the different localities are able to influence the outcomes of service delivery. Chapter 4 (16) (1) of the Municipal Systems Act promotes that a municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance and must for this purpose:

a) Encourage and create conditions for the local community to participate in the affairs of the municipality including

(i) The preparation, implementation and review of its integrated development plan.

The 2024/25 IDP, PMS and Budget Road Shows were held physical in all 32 wards and the Executive Committee presented the following:

- Priorities for the next financial year
- Projects identified per ward
- Projects to be implemented by other government departments
- Budget allocation

Ward 01	• The request for construction of Tshezi Access Road was submitted to the IDP Roadshows in 2022 and has not yet been done. • Request RPD houses. • Bhuqa Access Road from Cokotho to Zimponganeni is slippery when wet and needs a slab. • Request for slab at Mbudu to Mzimvubu Access Road • Thembukazi Access Road is not in good condition. • Magungululu Access Road needs a slab. • No electrification at Mangungululu village • No paraffin was received at Mangululu village. • Tshayela Access Road does not appear in the IDP Document and was submitted in previous years. • Request for sports field.
Ward 02	Mdumazulu village: • Maintenance of Mavaleleni access road. • Access to Water • To develop springs that are currently available. • Ntlembeni village electrification is incomplete with 18 households left because there is no access road. • Ntlembeni RDP houses. Ntontela village. • We need toilets for new sites and Eskom to install electricity. Ngqubungeni village: • Ngqubungeni access road, access to water, construction of a dipping tank and sports ground maintenance for Nogwitsi village. Ngcengce village • We need access roads. • Toilets • RDP houses. Cikolo village • We need clean drinkable water. • We need electricity. • We need toilets for new sites. • Multipurpose stadium to be finished. • We, the people of Cikolo, Ntontela Ncutuncutu demanded scholar transport for children studying at Jiba school. • Also, food parcels and seedlings. Ngcengce village : • We need water • My house was blown away. We need RDP houses, and they must not be selective. • School transport for school children as they wake up in the early hours of the morning still dark, risking being raped. Nkalam village • We need access roads, toilets, water, RDP houses, electricity – as solar panels we were given are no longer working. Ngqobongeni – Nogwitsi • We need livestock deeping, animal feeding. • Electricity and free basic services – paraffin to be specific. Ngqubungeni village

	• The access road has not been completed. Sigcawini village: • We appreciate the construction of Mavaleleni access road, but appreciate the municipality must look at Hlabakazi Bridge, which remains incomplete. • We need assistance on our local projects, such as the Lelethu project which deals with sheep shearing and projects that deal with vegetables. • The municipality must finish that multipurpose sports field. • The Eluphilisweni care centre for disabled children needs the intervention of the municipality and close monitoring as they face many challenges such as shortages of food. There are no sports activities for kids. Ngqubungeni village: • We need assistance of water in our village when there are funerals. We do not know why the municipality is providing us with water. Our spring becomes dry as it no longer rains. • Sivukile access road is incomplete and impassable during rainy days. We also ask for concrete slab in steep areas. Sigcawini village. • I run a pre-school in Qolombeni with an enrollment of 37 children, it's unfunded, and we use a community hall for classes. We do have a site, but we were unable to build it by ourselves. We ask assistance from the municipality in terms of structure, furniture and toys. • The Corn Mill Grinder we were given in 2019 demands higher voltage of electricity we are unable to use. Maybe the municipality will assist us to upgrade the voltage in our electricity meter box. • Qoqheni access road. • Mtontsasa Moscow Access Road • Access to Water • We need toilets Gcuda village • Multipurpose sports have been under construction for years now. The contractor has been awarded another tender to construct an access road. This is wrong for a person who hasn't finished the first project. • Ward 02 projects are incomplete, but reports from IHLM say the opposite. • High rate of unemployment. • The municipality must do follow-ups on projects and the budget allocated to them, especially those in ward 02. • Ntontela Cikolo Clinic has been requested. • At Qhasa village, Food Parcels have been requested. • High rate of unemployment • These villages request the following Access Roads: eLuthuthu Access Road, village, Khweletyeni access road, Gaqeleni access road. • On next IDP roadshow bring Sport office, our youth is active in sport the manner in which the Mayors cup is at Ingquza hill, it has no proper impact in far as sport is concerned and has cheap items. • Improvement of Road Maintenance. Qhasa village • The municipality donated to our pre-school with chairs, but now structure is required. • High-mast lights children are raped now and again. • Agriculture must assist us with vouchers. • High rate of unemployment.
Ward 03	**Noratshaza Village** • Water pipes installed but no water • Requesting DIP for live stock • Dams and grazing fields for live stock • Games for pre-school at Noratshaza school • Requesting RDP Houses for old and poor people • Access road and slab needed in Mmangweni to be extended • Proposing Ndayini access road • Proposing Mthembeni AR • Maintenance of the road next to the hall down to the village • Submission of the proposal for a clinic in Mantlaneni, Nkozo, Lutshaya is too far • Crime is too much in the area. As a result, school security got killed. • Proposition of high mast light most in Noratshaza • Skills training needed for the youth

	• Repeat of grade 12 schools in IHLM as a whole. Schools offering Grade 12 repeats are far • High school in the area and hostel Mangena Village • Magqireni to Buziba AR • Mosabalala AR • Proposal of water tanks with water in villages Upper Mkhathi Village • No water but pipes are there • Provision of Borehole atleast • Water tanks in villages • Maintenance of roads • Slahliwe AR, Debhese AR, bridge and borehole • Supply of water during an event or funeral Skhulu Village • Slab from Mcombo to Ngozi slab is demolished and it needs to be fixed • There must be a sport field • Access road from Mathithibe to Mzimvubu access road as there is sand in the river • Provision of ambulance to collect elderly to clinic. • Water issue, there is a borehole but its not working • Proposal of water tanks • Skills program and librarie Mathithibe Village • Maintenance of access road and construction of slab – Dikathole • Toilets and RDP houses, EPWP must be introduced. Network is scarce. Gangeni Village And Bhokoleni • Water issue or fencing of existing water source • Proposal of Tarred roads or Surfaced Road AMadikizela Nene Village • Ward 3 is a huge proposition of another central community hall. • Mqotyeni a hall as well • People living with disabilities need skills • Community police forum and career exhibitions as learners don’t know which career to do and hand skills, e.g. sewing, building etc • The solar system provided in Mqatyeni is not working and needs electricity. • Construction of concrete slab • Ward 3 is a huge proposition of another central community hall. • Mqotyeni a hall as well • People living with disabilities need skills • Community police forum and career exhibitions as learners don’t know which career to do and hand skills, e.g. sewing, building etc • The solar system provided in Mqatyeni is not working and needs electricity. • Construction of concrete slab •
Ward 04	• The Municipality is requested to increase the number of Learnerships & Internship posts to 10 instead of five, which has been a norm for many years. • Request for a high mast in Qebedu due to a high crime rate. • There has been a request for a road for many years now, in Zulu Village, named Mbhayi to Zulu. Kids struggle to attend school when it is raining. • Request for maintenance of the Bonginkosi Nongoma Community Hall, the roof is falling down. • Request for the electrification of houses in Mbhayi Village that were left out in the electrification project. • Due to the increased population in ward 4, the community is requesting temporary classes in Mfinizweni School as they await public works for a permanent structure. • Request for a high Mast near the school. This is not a new request. • A mini bridge is requested for Mfinizweni School. • A high mast is also required in the Magwambu Village. • Request for Maintenance of the Mbilikati access road. • Request for a sign board signboard for the school in Qebedu.

	• Request for water in Qebedu S.P.S • Request for a sign board post in Mhlophekazi School. • Water taps are not working in the ward, so a request for water tanks in the meantime has been made. • No water in Ntlongwana Village. • Request for honey sucking in ward 4, all their toilets are full now. • The Municipality must do its due diligence in terms of supervising and monitoring work being done in communities, as officials have a tendency to approve substandard work as complete. • When will the Magwambu high mast be done? • Sport Field • In ward 4, there are two places called Zulu. The proposal is that the Municipality should name the other one as kwa Zulu -Ekugxwaleni. • A proposal has been made that at the next IDP meetings, a document that will be presented must only show ward 4 projects. They have no interest in seeing all 32 wards. • No Improvement in the Mayors Cup in terms of the prizes for the winners and the losers. • Request for a second borehole in the ward. • CPW Stipend must be increased.
Ward 05	• The access road at Nkonzo for the new village was raised in the last IDP Consultation. It is still not prioritized • Not happy with the approach used by O. R. Tambo on the implementation of Sanitation Projects • The staff attitude at DLTC is not pleasing and consider changing the closing time on Friday, which is 12H00. • There is no parking at DLTC for the public, so consider creating a conducive environment for the public. • Pre-school at New Town village • Access Road • Water challenges in all villages of ward 5 • Extensions with no electricity • What is the alternative toilets are full • We need clean water • RDP housing standards are not the same if you compare the first housing projects with the current housing project. • Why are there delays with 5 km that was promised for the Bisana maintenance project? • Water challenges in all villages • No water • No access road • The Municipality is not giving feedback on the request for slab • Bladding should be done before the election. • The Municipality only consults people when approaching elections. • High Masks at Mcelu • Improved network which is currently a problem • More streetlights • Municipality to intervene in the challenge of electricity units that has dropped • Consider a borehole due to failure of construction of a dam project • People that were affected by the disaster are still waiting for housing. • Request that the Municipality consider a Training Development Centre to empower youth • Access road Mcelu, Nkonzo, gxelesha via Guqa • The grader that was on site moved out, yet the project is not complete. • Canabis license support and development programmes (urgent) • Increase programmes that are directed to unemployed youth • The Water Scheme of ward 4 is failing the people of Gxelesha as it is the source of water. • There is a household that needs urgent attention because of intervention by Human Settlement. They are a beneficiary of the Destitute project. • Request funding for Agricultural programmes • Housing Project • Water challenges are unbearable • Agricultural Support as they have suffered with loss of produce • High mast for all schools in Dikidikini and surrounding villages • Unemployed graduate programmes • Clinic at Mcelu • Access road Bhekani – Nkozo, gxelesha via Guqa • Rate of electricity units too expensive for poor people • Skills Development Center • High rate of unemployment • Disabled people are not employed by the Municipality, starting from EPWP to full-time employment. • TWK & Nkantolo Vouchers provided by the Department of Agriculture do not cover everything. • An existing Farmers project that has a tractor needs the support of a disc machine • Streetlights • Slow pace of housing projects • Land Care has fenced some of the maize fields they request for inputs and chemicals. • Schoolar transport challenges affect school children as some do not have transport. • Sports Ground

	Bisana • Maize fields were surveyed, but no fencing took place. • Food parcels to be provided as an intervention to farmers who have lost their production due to climate change (which they take for as disater) Nkozo Village • Agricultural support through inputs • The impact of forest growers. There are other villages interested in participating in the programe The Mayors Cup is supported by local locals, but they request the Municipality to arrange for a supply of water. They will provide containers. They are playing this Saturday at Mcelu.
Ward 06	Mngeni Village • Appreciated the progress on some service delivery • Request assistance on Sport Field • Police Camp • At Didi, some holds have electricity but not energized, some were left. Gabajana Village • Issuue of water is affecting community members badly. • Gabajana Access Road to town is bad. This access road affects community members who go to several vilages list Mngeni • Request for 4 highmast to assist schools such as Gabajana SPS and central village Nkululekweni • In this area, there is not ground, cresh, and ground for sports, • Promised RDPs houses which was promised never came. Mbeki • The issue of water at Mbeki is a problem water while this area is regarded as township. Community members requires sewerage system and running water to Houses. • The stones which are there at Nkululekweni needs urgent attention. • A request of 4 highmast at Mbeki. Mthwaku Villige • There is no access road and water and sanitation.
Ward 07	• Lack of implementation in the municipality. • Toilets needs to be reconstructed. • RDP Houses. • Rape cases. • Access to Water • Training on how to develop business plan. • Requested business funding. • Requested pre-school at Sphezini. • Construction of Sport fields. • Job creation. • CDW not replaced • High rate of unemployment. • Youth centre has been requested. • Fencing of green fields. • Access Road at Manxiweni. • High mast at Manxiweni Nyathi Access Road at KwaNyathi Village.
Ward 08	• Luthulini clinic has been requested • Request for maintenance for access roads. • The O. R Tambo District Municipality to assist by removing soil at the dam in Luthulini village. • Request for network pole Mkhovu • Request for a sports ground for the ward. • The government must construct RDP houses in each household. • Request for construction of internal streets. • Access roads must be constructed for the newly established settlements. • The municipality is behind on the maintenance of existing roads. • Mhlanga access roads need to be maintained. • The government must prioritize employment of disabled people in institutions. • There must be transparency in employment. • There must be a rotation in the employment of EPWP's.

	• The mayoral cup program is not properly organized/planned. • Maintenance of the existing grounds, especially when the municipality is preparing for the Mayoral Cup at ward level in terms of grass cutting. • Poor attendance of the communities in the LED department • Water cuts must be used to distribute water in areas where there is no water in the ward. **Engcungeni village** has no water. **Zadingeni Villages:** request sportfield, • Sanitation project, • support of the Youth agricultural project and • LED projects' distribution be revived. • Access to Water • RDP Houses
Ward 09	Sgubudwini village • They are happy with the electrification of villages • Maintenance of roads is done as well • High mast light next to teba is faulty and needs to be checked Newtown village • Before issuing of IDP documents, there must be a prior to conduct community meeting • Raised that their place is not in the map and they don't have toilets as a results • They have no access road • Water pipes were installed but there is no water coming out • Tourisim should be taken seriously in ingquza hill Bhala viilage • Land owned, where is the money for the land owners • Water issue • Need high mast light in spaqeni and in sport fields • Funding of local business e.g copiers, internet , computers Zone 12 village • Nothing was ever done in zone 12 • Water pipes installed are in the middle of the road and are exposed • There is no road and there is nothing of service delivery in zone 12 v . Newrest village • Registration of people to vote so that more funding can be allocated • No water and toilets electricity in infills and extensions
Ward 10	• Access Road to Diphini • Mgwaza to diphini to zulu with a bridge • Water issue – employment when the is a project. Lukhahlambeni • No water • No fencing for plough fields • Temporal Structures were completed. Fama village • Water issue in all villages • Bursarry farmming – need to find ways to advertise because the data is expensive. • Houses must be built for the most poor • Skilles development • Toilets in the area
Ward 11	o Tar Road from town to villages. o Request for Sportsfield o Nzaka Bridge, which will connect Mxhokozweni and Hlwahlwazi. o Support for youth in farming at Sicwenza and Hlwahlwazi villages. o Request for RDP Houses o Water - proposed boreholes in the meantime. o Support Sewing Cooperative based at Sicwenza. o Access Road and Electrification in Kimbili Extension. o Issue of toilets that are full. o Creation of employment for graduates and young business people. o High Mast in Mxhokozweni and Bhodweni due to a high rate of crime.
Ward 12	• Need for RDP houses in Qhamangweni and misplacement of beneficiaries • There is a huge water shortage even in areas where there is infrastructure, but water is not coming out of the taps.

	• Construction of Bukazi Spor field • The newly constructed bridge is not up to standard. • Construction of toilets, electricity and RDP houses for disaster affected families at Phandaphantsi. • Stones left unattended for a long time • Construction of a road from Chibini that was promised in October last year • Construction of Didi RDP Houses affected by disaster • Support for a farming project (Access Road) to Majiza • Placement of young people on EPWP and other opportunities • Construction of Bukazi Sportfield and Phandaphantsi • Problem of land invasion in both towns • Construction of speed humps in Bukazi where school children pass. • Need for a high mast close to that school; • Construction of road from Tshetshi to Majiza • Electrification of New Houses in Sphezini • Lubala's new houses need electricity.
Ward 13	• Sanitation is the problem in the entire ward (Toilets) • Water supply remains the main problem in the ward. • Unemployment for both skilled and unskilled labour and poverty remain th problem. • Delivery of free basic services • The is a need for construction of a bridge between Sangoni and Bushula schools • Construction of the bridge going to Bushula Junior School • Equal allocation of CWP workers from all Villages. • Need for Slab at the road going to Ndimbaneni from Palmerton • Need for construction of high mast after parlmatorn school towards the bridge.
Ward 14	• Complaints about water and toilets are the responsibility of OR Tambo. • The need for a high school, the Municipality to assist on the platform of IGR to address the need for a high school at Ward 14. • Houses were built, but there were those that were not addressed and the situation of those beneficiaries is worse than before. • Access roads, rehabilitation • Electrification • To give information on matters of employment opportunities and LED assistance on community projects (fencing) • Request for a High Must • Request for Sassa payouts to be taken back to the communities like before and old people are robbed of their money in town. • Progress made by the Municipality in terms of service delivery, (e.g. access roads) was appreciated.
Ward 15	• How it can be if the Municipality train its own workers to fill the potholes. • How does the Municipality manage animals that entering in our town? • In New town the must be EPWP Workers who works there permanently • What is the progress on the Land invasion in town, Title deeds of sites and Rank? • Streetlights are changed but are not working properly, there be a follow up on the constructor that was doing the work • There are sites in town which were burnt down by fire and from that time are still the same. We request the Municipality to do something about these sites. All sites that are in town should be occupied. • The town should be fenced to stop these animals entering. • The compliance about Malizole potholes • The community request that the Sport Ground at Malizole should build as they hosted their tournaments on it. • All the Departments that are involved in the Development Project must be in the IDP next time to answer the community. • The unfished projects • Why are the citizens of our town given the sites in town? • The Municipality should remove these cars wash near the roads. • There is water issue in Slovo and Malizole. • Tar Road has been requested by Joe Slovo • The community request the document of the IDP to be produced prior to the meeting. • The issue of house piping phase two and the road from Mdikane goes through Slovo to town • On the road from town to Slovo the High mast lights are not in the higher ground. • Grade one has been taken from Bizana to work in ward 21 so SMTs at Ingquza are going to stop that project. • How the Municipality monitoring the project? • Town should be in one ward not to be demarcated into two wards. •
Ward 16	• Poor state of the Access Road in Nqaqhumbe

	• Housing projects within the whole ward not in place • Malangeni Access road requested • The municipality does not close monitor the Accees Roads and, as such, access, the contractors cut the KM'S • Access Roads for the new extensions • VIP Toilets in Nqaqhumbe • Kilometres were cut by contractor for the A/R called Malangeni to Mbalini and the municipality is alleged to have signed the documents with consulting the ward stakeholders for quality assurance
Ward 17	• Feasibility study that the ORDM mentioned in the report has been for more than 10 years. • Lusikisiki municipality offices must be built, it's an embarrassment to go there. • Amapara in town, municipality to find a way to deal with them. • Ntsimbini access road to Palmerton High school is very bad, the bridge is short, a car was washed away by water, which resulted in 3 people dying. • Yellow plants bought by the municipality are political, just like water services for funerals. • Tshandatshi needs internal streets and also request EPWP to clean around the bus stop for safety. • At least a high mast requested for the forthcoming financial year, Sitshayelo and Bhambai, as amaphara are taking advantage of people from and to Plaza. • There are houses without electricity at Sitshayelo. • As much as the water issue is a huge problem across the municipality, there is a borehole that has lots of water next to Slangwe, but the engine was removed by someone who was to fix it, and it was never brought back, ORTDM followed up on it. • Request for just blading of the grounds to support the youth.
Ward 18	Banana Village • Access Road to Jongikhata School Mvivane Village: • Water Project has not been completed. • Access Road to engine scheme Fama Village • Electricity project has not been completed. Ntongwana Village • Electrification request Phumlo Village • Request for bridge from Chalu to Mtontsasa and the second bridge from Mayalweni to Mdikane through to the forest. Mdakeni • Access to Water • Support for carpentry project. Mvimvane Village • Disaster beneficiaries' issue has not been started. Bazana village • Access Road • Road maintenance Gcoko Village • Lack of information sharing from the ward. • Water project is requested. • Road maintenance.
Ward 19	• Ngobozana, Khonjwayo requested access road rehabilitation, High Mast, Access to Water. • Housing projects have not been completed since 2006. • Khonjwayo is waiting for TLB and pipes to complete the high-water supply. • The Municipality must do the monitoring of projects in order to track the quality of the work done. • High rate of Crime and Drug abuse • Town Hall must be completed. • RDP Houses • Access to Water. • High rate of unemployment • France access road has not been completed. • Newrest access road and a bridge that crosses to Ngobozana village. • Access to Water at Newrest. • Community Police Forum must be established at Newrest. • EPWP recruitment must be transparent. • High-mast at Roberts.
Ward 20	• Request for electrification of Madamini Village.

	• A request was made as far back as 2017, for a bridge separating Mavela and Dubana Village. • A high mast has been requested in Dubana Village next to Gospel Church. • Request for an access road in Masadala Village. • Request for the maintenance near the school in ward 20 • Request for internal streets. • No water in Dlibona Village • Request for a high mast in Mthathambi Village • Next to Ntshangase homestead in Mtshayazafe, there is a lost electrical cable that needs urgent attention. • Request for water taps in the centre of Mtshayazafe Village. • Request for a bridge going towards Mavela S.P.S • Request for a bridge going towards Goso Forest. • Request for a Multipurpose centre with a sports field • Request for a mini–Hospital In mthathambi Village. • Request for an access road going to Sibomvini new sites and extension. • Maintenance of tatu Mafolwana road is going down to new sites. • The Municipality should attend to the issue of infrastructure that is left without supervision in wards. • Request for preschools in ward 20 • Political intervention is requested in relation to the issue of dilapidated structures in Mqikela School. • Request for training of CPS • What is happening with the Clinic that was going to be built at Tyeni Village, follow-up from the department of Health. • High unemployment rate in ward 20. • The electrification of Moyeni should have happened last year, but the constructor left the site and started in Ward 16, only surveying was done.
Ward 21	• Nqabeni Village request for slab • Mevana Village request for slab • Ben Mali request humps and sidewalks • Request bridge between Holomisa and Ntsimbini village. • Request for the streets in Samkelo Village • Ntsimbini Village need assistance with sport activities. • The road next to Mahlofela is very bad. • Ngqungqushe Village need assistance with registration of CO-OP. • Request bridge between Mantusini and Siwali (Mzintlava Bridge) • Request of Access Road to Matumbu sport ground • Bridge kwa Mlonitshwa France need pipe. • High mast and electricity • Request of streetlights in Ntsimbini village next to Royal Household. • Request of high mast next to Mayekiso turn off because of high crime. • Water and Sanitation • Water challenges in Ntsimbini Village and toilets were selective. • No toilet in Heden shop
Ward 22	• Electrification of in-fills at Vellem. • Bore for Egxeni Village. • Maintenance of existing access road. • High rate of unemployment. • They requested the intervention of the municipality in the issue of e- mine workers. • Cwecwela Access Road has been requested. • Access to Water • Sanitation. • Provision of more recreational facilitates as a strategy to fight crime. • Magwa Bridge. • The Municipality must intervene in the issue of illegal dumping site at Lukhahlambeni as it affects the water that they have. • Electrification at Lukhahlambeni village.
Ward 23	• Some of the access roads have been damaged by the rains. • Community request assistance with preparing of sports grounds • There is high unemployment in the whole Ward. • Water and sanitation infrastructure in the Ward is a serious challenge.

	• Community request protection of spring and river water for the benefit of people. • Community raised concern that when some members have applied for funding, there is nothing that comes back indicating why they are not being considered. They further stated that when one has applied, it is encouraging to learn from the mistakes committed during submission of applications. • There are destitute and homeless people who are still waiting for RDP Houses. • Some community members were promised RDP Houses,they have not been delivered ever since. • Community expressed concern that there is no project for the Ward in the plans for the 2024/2025 Financial Year, and they are suspecting that the Ward is being deliberately excluded from Municipal Plans. • Community members request to be assisted with agricultural inputs so that they can continue producing food for themselves. The following Access roads are in bad condition; - • From Khonjwayo, • Mbotyi Beach, • Ndengane, • Rhole
Ward 24	• Request an access road at Njombela Village • The municipality must prioritise the maintenance of existing access roads. • Request for access road from Ntanyana -Masimini access road. • The Access Road Siyanda to Matheko was not done to its completion. • Employment must be transparent when it's being done. • Food Parcels must be given to all communities that are indigent. • The municipality does not report back after they have adopted the IDP. • There is a shortage of water in the ward, therefore the community requests that O.R.Tambo District Municipality dispatch water cuts once or twice a week. • The municipality must start making a ward-based budget.
Ward 25	**Sikhulu village** • In IDP of 2023/24 we requested water taps, streetlights and Ngqibane access road. **Lupondo village** • We need RDP houses, toilets, high mast lights, drinkable water and a borehole. • Mqabavini (Mathaba) village • My 3 houses were blown away, till to date the house and promised was made for its reconstruction. **Sikhulu village** • Request for toilets, boreholes, Makolwenini access road, Ngqibane access road, high mast light as there is a high crime rate in this village, RDP houses. We need assistance with agricultural related projects, construction of sports grounds for soccer and netball, food parcels or vouchers. **Mathaba village.** • We need access roads, drinkable water and assistance with agricultural-related projects. **Ngunyeni village.** • RDP houses for needy poor people who registered a long time ago. **Lupondo** • Sanral constructed 4 boreholes, but only one is functioning. We are asking the municipality to intervene in the 3 functioning boreholes. • We need RDP houses for people who live in decaying mud rooms. • Maintanince of existing access roads **Nayitsetse village** • The water scheme in Tolofiyeni is no longer functioning, we need municipality assistance. • Access road from Wisile to Ntlabathini • Sports ground renovations • RDP houses • We need toys for a crèche and a proper classroom. • We need a library • Installation of solar panels as sometimes we live without electricity for weeks **Emasimini village** • Access road from Ebumnanndini to Emasimini village • The access road from Mandla akapheli to Phowulini access road. • Emasimini access road • Emarwaqa village needs sports grounds, sports, sports kits and soccer and netball.

	Mdeni village. • Need access road maintenance, toilets, RDP houses and fencing for agricultural projects **Lupondo** • Ziyawo has no access road • Her house was burnt to the ground. She requested donations of any kind. • Sikhulu village – needs drinkable water, electrification of houses. • Zolani from Mkamela - all grivances submitted here must be attended to before elections. • Nosicelo from Makmela village – municipality provides water when there are funerals in villages. • Sphile from Ngwenyeni village – needs access roads and RDP houses. • Elubala village needs RDP houses, access roads, maize and potato seeds.
Ward 26	• There is high unemployment in the whole Ward. • Water and sanitation in the entire Ward is a challenge such that all households share spring and river water with animals. • Community members were promised RDP House but many of them are still waiting. • A request for the building of Mhlanga SSS and Jikindaba SSS. • The community expressed concern that there is no project for the Ward in the plans for the 2024/2025 Financial Year. • There is a high level of crime,as such, community members request additional personnel and tools of trade for Mtontsasa Police Station. • Community members request highmast at Mtontsasa, KwaMgxekwa and Dolophini. • Request for routine maintenance of Road to Mkhambati. The following Access roads required maintenance: • From KwaMgxekwa to Ngquza Memorial Site, • Dolophini Access Road, • Babane Access Road, • Ntakana Access Road
Ward 27	• Ndaliso village service provider is not completing the housing project. • No water • Poor roads • Nepotism in EPWP posts • Upper-Qoqo village No water • Request RDP houses • High unemployment rate • Thaweni village needs support for small farming production inputs. • Ndaliso Village's poverty rate is too high. • No water, no roads, the unemployment rate too high, community hall. • Ndaliso Village No water, maintenance of community hall • Vumindaba village No access road, corpses to transport corpses for burial. • Mqhume village roads, some are in bad state. • Amanxiwa amatsha has no electricity and people drink water from animals. • Vumindaba fencing of water dam. • Flei village has no water, request High mast, access roads, poverty. • Ndaliso village Ngxarame access road, no water, unemployment rate too high, Holy Cross hospital people sleep on benchies • Mqhume Village, no toilets. Some are full. There are poor access roads, job creation must be prioritized, and local people must work on local projects. • Upper Qhoqho village. There is no access road from Ngxangxadi to Upper Qhoqho school. No jobs • Ndaliso indigent people are not taken care of, the poverty rate is too high, and are not prioritised. • Mtshayelo Village has poor service delivery, water, roads, sanitation, houses, job creation, • Ngxarhabe has proper communication with traditional leaders when there are service delivery projects. • Ndaliso Mhlanga to dip ku qathu access road, access roads. • Forest plantation, Access Roads, and opening a timber producing project. • The Ward 27 crime rate is too high. • They are requesting compensation for a community policing forum and firefighters, and tools of trade.
Ward 28	• Access to Water. • Abuse of elderly people. • High rate of unemployment. • Housing Development. • Houses affected by the disaster have not been attended. • Nkumanda access road has been requested. • Maintenance of the existing access roads. • Some houses have been demolished by the community members.

	• RDP Houses khabingele. • Support in agriculture. • Mobile clinic. • Toilets to be constructed.
Ward 29	• The type 2 electrification process caused a change in some of the households not reflected on the map. • Maintenance of access roads • Community Hall. • At least a high mast is requested for the forthcoming financial year, prioritizing George Ntanta as there is a high school. • Ward 29 has boreholes that only need maintenance (Gqweza, Lubala, Manqilo) Manqilo borehole needs an emergency inspection.
Ward 30	• Request for development of Meyisi Sports Field • Request of katazweni sports field Request of fixing for the following water schemes • Tazwi to lujecweni water scheme • Kwayhuuto Luphandlazi water scheme • Marashu to Njimbinxeni water scheme • It must also be noted by the municipality, that all water schemes are not working due to vandalism and need allocation of funds
Ward 31	• Document be translated to Xhosa. • Poor contract management by the municipality service providers does not monitor poor workmanship. • Speed up electrification. • Fencing of Project • Access road to Qhinyana (amanxiwa amatsha) • Boreholes not working in Xhophozo • Sihlehleni bridge to Mdutshane High School • Pre-school and sports field (area Xhopozo) • Lack of access to water • Support for small farming projects. • Gxina kwa Tshona boreholes aziphumi Mandi • Request for a Clinic kwa Gxina • No toilets at Gxina • Mbandane requested a bridge. • Rhwantsana ncakini access road • Roma Requests toilets • Cab lack of employement • Mathe kubNcuche and mbandane request RDP house • Xhophozo extended existing damn nge TLB. • Kwa Bhala taps aziphumi Manzi / electrification and mast lights / pre-school be submitted / Libraries / firefighters/ access roads / sports field/ toilet. • Cumnce water pumps are not working, RDP houses, • Roma lack of water taps dry/ RDP house / request for sports field. • Gqina Bridge • Ku Mathe there is a water crisis
Ward 32	• High mast to be installed at Ndungunyeni • The high mast at Mkhankomo is next to the school for the safety of learners who attend night classes. • Maintenance of A/R to Mkhambathi • Request for access road at Mfihladaka • Mbuthweni road to have a bridge to Kwa Shewe • Request for a hall at Mgwedlweni • Ngwenya access road must have a bridge at Vangomfazi • Zitha farming project requests assistance with fencing • To minimise the issue of water scarcity, municipalities must drill at least one bore hills one. • To with temporary shelters to those households whose houses have collapsed since they have nowhere to stay as they were evicted from the hall. • Before the sitting or during IDP roadshows, the municipality must bring along or consult the relevant stakeholders i.e. Housing, O.R Tambo, Sassa etc • Access road at kwashongo • Crèche at zwelibongile request with atleast one classroom as the one they have is not in good condition

5.17. SPATIAL DEVELOPMENT FRAMEWORK

The municipality acquired services of professional town & regional planners to assist the municipality in developing a five-year Spatial Development Framework in order to guide the future development of the urban nodal areas and also the rural areas.

The final SDF was adopted by the municipal council of the 25 May 2018 and gazetted on the 06th August 2018. The new SDF 2017/2022 has been reviewed in 2023/2024fy is aligned to the new legislation and address all the imbalances of the past and covers all 32 wards as per the municipal demarcation of 2016. The Spatial development framework has taken consideration of cross boarder planning, in terms of aligning the municipal SDF with neighboring municipalities. The local SDF is aligned to the District SDF to ensure integration of plans and resources. The municipality is in a process hold of engaging the traditional authorities to acquire more land for future developments.

However there are new proposed developments that require review of Spatial Development Framework and in some instances crafting of Local SDF such as;

- Proposed private Hospital in Xura-Gqathula area in Lusikisiki just outside urban area.
- Proposed Shopping Mall in Fama-Mangquzu area in Flagstaff just outside urban area.
- Proposed Filling station in Nxarhabe location in Flagstaff outside urban area.
- Proposed Gender Based Violence Center (GBV) in Holy Cross village which falls under Flagstaff.

5.17.1. Spatial Planning and Land Use Management Act, Act 16 of 2013

The Spatial Planning and Land Use Management Act 16 of 2013 (SPLUMA) is a national law that was passed by Parliament in 2013. The law gives the Department of Rural Development and Land Reform (DRDLR) the power to pass Regulations in terms of SPLUMA to provide additional detail on how the law should be implemented. The law came into effect on 1 July 2015. SPLUMA aims to develop a new framework to govern planning permissions and approvals, sets parameters for new developments and provides for different lawful land uses in South Africa. SPLUMA is a framework law, which means that the law provides broad principles for a set of provincial laws that will regulate planning. SPLUMA also provides clarity on how planning law interacts with other laws and policies.

The law is important because the repeal of many apartheid era laws has left our planning laws fragmented, complicated and inconsistent. For this reason, section 3 of SPLUMA says that the law tries to develop a ‘uniform, effective and comprehensive system’ of planning that ‘promotes social and economic inclusion’.

The Joint Municipal Planning tribunal; is functional. It holds meetings quarterly depending on the demand. Quarterly reports on activities of the Tribunal are tabled before Council as stipulated by law. The Municipality have appointed Authorized Official in 2018 in terms of the Delegations framework.

5.18. LAND CLAIMS

Land claims are another issue that affect the municipal commonage. Both the Lusikisiki and Flagstaff municipal commonage has been under claim, but these claims have since been resolved. In flagstaff, the commonage boundary was reduced as a result of the settlement agreement. In essence, this means that, the municipality needs to actively embark on land acquisition for the extension of the commonage boundary to cater for land demand for future generations. The issue of shortage of commonage land is glaring in both towns.

Land ownership is still a major challenge for the rural municipal areas. Permission to Occupy (PTO) tenure system is still in place and has major implications for use of land. This tenure system allows for use and development of land but does not provide legal rights to the land.

After President Jacob Zuma signed the Restitution of Land Rights Amendment Act, which reopened the restitution claims process that closed at the end of 1998 and gives claimants five years - to 30 June 2019 - to lodge land claims.

The victims of land repossession, who missed the original land claim deadline, have been granted an opportunity to lodge their claims, until end of 2019.

The claims that were lodged are as follows:

- Land claim for erf 93, Flagstaff: R93 million compensation was given to the communities.
- Land Claim for Lusikisiki erf 49, the land was given to the municipality wherein financial compensation was granted to the communities,
- Lambasi area: it is currently under the Communal Property Association and Mkhambati.
- And many other rural claims that are still at initial phases of investigation.

5.19. LAND DEGRADATION

The Ingquza Hill Local Municipality solicited proposals to conduct Feasibility study for Land Degradation and the project will be undertaken by a private service provider which will do feasibility study on land degraded sites within the municipal jurisdiction.

The preferred bidder will be expected to explore different possible means suitable for the municipality to rehabilitate the soil degraded sites. Therefore the suitable Service provider developed a feasibility study and implementation plan.

The municipality is made up of 32 wards and mostly rural in nature. The communities within our jurisdiction are dependent on agriculture and subsistence farming, in order for this activity to take place land must be preserved. The area of Ingquza Hill is along the rainfall belt and experiences heavy showers from time to time causing soil erosion which results in land degradation.

The study focused on 12 wards listed as follows; 1,2,3,4,5,11,12,20,21,22,30 & 31.

The objective of the feasibility study is to determine the following;

- To identify all areas that are affected by soil degradation.
- To establish an extent, nature and cause of degradation.
- To draft a layout plan for all the identified degraded areas.
- To develop a rehabilitation plan of soil degraded sites.

5.19.1. Land invasion

Land invasion remains a major challenge for the municipality. This manifests itself in the form of land grabbing by the villages close to town (per urban). The municipality has lifted this up as a major risk for development as it leads poor land use practices and severely reduces future developable land. Several strategies are currently being used to curb this scourge; these include land invasion awareness campaigns, direct discussion and negotiations.

The municipality has experienced major land invasions as from 1994, with areas such as the following invading:

- Lusikisiki: Mdikane A/A, Malizole Community, Gqathula village, Ngobozana and Nyuswa A/A
- Flagstaff: Sgubudwini, Enkululekweni and Sphaqeni area

The municipality had adopted a zero tolerance strategy to land invasions and as such land invasions are not encouraged. In line with the need for housing the Migration plans will be developed which will be linked to housing demand to eliminate the proliferation of informal settlements. The municipality has the following plan to deal with the land invasion:

- Quarterly engagements with the traditional leaders in general,
- The council has developed a policy on land invasion,
- Improve working relations between the municipality and the traditional councils,
- Increase the public participation in areas where land invasion is the challenge, and
- Environmental awareness programmes earmarked at reducing land invasions.

5.19.2. Land Audit

Ingquza Hill Local Municipality in 2018 had identified the need to conduct a comprehensive land investigation and audit in order to establish firstly, the land that is owned by the Municipality and secondly, to determine whether those properties that the municipality disposed of have been properly transferred. The project of land audit was finished in 2019 and it focused on ownership information that is obtained from two sources, namely the municipal Valuation Roll and Deeds. In any land audit strategy, a primary concern and fundamental prerequisite to any physical planning strategy is land availability. That is its location, its size, its surroundings, and its natural and man-made constraints, within, between and without. Given the topographical and urban edge limitations of expansion of the municipal area, special emphasis is required to seek optimum land utilization. This is precisely what the municipality seeks to achieve.

The land ownership categories that are derived from the land audit include, but not limited to, at least the following.

- Privately owned land
- State owned enterprises (Telkom, Transnet< SA Roads Agency etc.)
- Municipal Land (District and Local)
- Provincial Government
- Republic of South Africa (State Land)
- Worship sites (Churches, Mosques, etc.)

5.20. CONGESTION IN TOWNS

Municipal development planning in South Africa is regulated by the Municipal Systems Act (Act No 32 of 2000). This act requires the preparation and adoption of Integrated Development Plans (IDPs) to guide and regulate all planning and development in the Municipality. The National Land Transport Act NLTA (Act No 5 of 2009) requires the integration of land transport planning with the land development process and the preparation of integrated transport plans which constitutes the transport component of the integrated development plans of municipalities. These integrated transport plans include the regulation and provision of transport infrastructure for all modes of transport. According to the National Land Transport Act, property developments within a transport area are subject to traffic impact and transport assessments.

Ingquza Hill Local Municipality has taken an initiative of conducting a traffic impact assessment for two towns (Flagstaff and Lusikisiki), therefore seeking services of a professional team. The purpose of this traffic assessment was to analyse the cause of the congestion being experienced in towns, its impact and come up with turn-around implementation plan. The implementation plan must show support for sustainable development by protecting the overall integrity of the transportation system for the benefit of all users. Neither public nor private interests are served if transportation systems are needlessly degraded due to poor development planning and control

5.21. ENVIRONMENT

Environment is an ancillary service to health existence of life like plants and animals (humans included). Integrity of our environment is paramount to ensure a continuous support and sustainability of current and future generations. There is a globally growing awareness of the foundational importance of natural environment in enhancing climate resilience thus reducing risks associated climate change and ensuring sustainable communities. This is reflected, for example, in the latest 2018 National Biodiversity Asset report on Biodiversity and ecosystem services for South Africa, which urges consideration of ecological infrastructure and biodiversity as strategic assets in the pursuit of sustainable development.

Biodiversity is central to Ingquza hill Local Municipality (IHLM)'s objectives of addressing poverty, inequality and unemployment, support local development, and improved service delivery for all its locals. Ingquza Hill is a region with remarkable geological wealth and exceptional biodiversity that is mostly still in its pristine form along the coast and is rich in endemism. The Ingquza Hill wild-coast forms part of the Pondoland Wild-coast known as the transitional zone between subtropical waters of the north and temperature waters to the south, making it an eco-region that habituates unique fish species exclusive only to this region. Also, Ingquza Hill is rich in plant biodiversity thus recognized as one of the six national botanical biomes containing rare plant species.

IHLM has an operational Environmental management unit with two personnel. This is a unit that is in its process of developing this municipality's Environmental Management Plan/Framework that will govern both inland and coastal environment in the IHLM's jurisdiction. Currently in place and being used by this unit to guide development and preservation, is the District Municipality (DM)'s Environmental Management Plan. The municipality is also in intensive collaborative work with the DM and the Department of Economic Development, Environmental Affairs, and tourism (DEDEAT). Projects are listed in the project identification from DEDEAT and the DM. The collaborative work is inclusive of the Climate Change Strategy, Coastal Climate Change Adaptation, Estuarine Management, Waste Management, etc.

5.21.1. Climate Change Strategy

The municipality is in partnership with the DM and the provincial of office of DEDEAT in the climate change program for the OR Tambo District. This is a five (5) yearlong project that is still in its consultative process. The intention of this project is to develop projects that will mitigate climate change in this region. Part one and the current phase of this project is the stakeholder engagement assessing the skills and training process in the following years. This would apply to officials and communities. IHLM is also included in the project work for Coastal Climate Change adaptation championed by the Department of Forestry and Fisheries (DFFE) office. DFFE has a Climate Change Coastal Vulnerability Assessment (CoVu) tool in place. A tool that was developed by Council for Scientific and Industrial Research (CSIR) with the support from GIZ (Deutsche Gesellschaft für Internationale Zusammenarbeit). The Tool has been packaged into a Decision Support Tool (DST) for coastal decision makers and planners at local, provincial, and national level to make use of when making decisions pertaining to coastal developments.

- *Part of the strategy: comply with existing District Plan, align policies to international declarations such as COP 17, ensure community mobilization and acquire necessary skills to assist in environment.*

5.21.2. Current Project: Estuarine Management

- The Msikaba Estuary forms part of the existing Pondoland Marine Protected Area (MPA) (Gazetted 17 Feb, 2004),
- Integrated Coastal Management Act stipulates a need for EMP - & provides for EMF,
- The purpose of the Msikaba Estuary Management Plan (EMP) is to provide a framework - management decisions and implemented in accordance with existing legislation and policy over a five-year period, Highlights the role of protected areas in sustainable development, conservation and poverty reduction,
- ECPTA lead authority – responsible for implementation and reporting on this EMP
- 2 sets of workshops last year: Mkhambathi and Msikaba campsite
- Introduction and gathering issues
- Learning about estuaries and how they can be managed

5.21.3. Waste recycling Feasibility study

The Municipality appointed a service provider to conduct a feasibility study on waste recycling. The preferred bidder will be expected to explore different possible means suitable for the municipality to convert waste into an alternative energy, reusable products and composting. Therefore the suitable Service provider will develop a feasibility study and bankable documents (Business plan) to lobby funding from relevant Funding institutions.

The objective of the feasibility study is to determine the following;

- How much waste is generated within the Municipal Jurisdiction?
- What are the main sources of waste generation?
- If the waste generated within the municipal jurisdiction produce renewable energy?
- Which reusable products can be obtained from waste generated?
- What are the strategies that can be employed to maximize benefits from waste generated?

- Can the waste water be recycled to drinkable water, at what cost and how?

The implementation plan will partly address both climate change and Air Quality management but over and above that the IWMP cover most aspects of the Air quality management which was adopted by Council on 29 March 2021.

5.21.4. N2 Wild Coast Biodiversity Offset

In April 2010 the Department of Environmental Affairs' (DEA) issued to the South African National Roads Agency (SOC) Limited (SANRAL) a positive Record of Decision (RoD) in terms of the Environment Conservation Act, 1989, for the construction of the N2 Wild Coast Road. The RoD required that *a* Biodiversity Offset Agreement (BOA) and all feasible alternative options be considered, evaluated and agreed upon with specialist input and in agreement with authorities, to counterbalance the residual impact of the planned road. The RoD also stipulated among others, that the BOA be in line with the existing policy on offsets for forest areas, as well as the national guideline which was being developed at the time. In 2014 a duly investigated and designed Biodiversity Offset phase was executed in consultation with the Department of Environmental Affairs (DEA), Department of Agriculture, Forestry and Fisheries (DAFF), Eastern Cape Department of Economic Development, Environmental Affairs and Tourism (DEDEAT), the Eastern Cape Parks and Tourism (ECPTA), and Working for Water (one of the DEA programmes) for the following circumstances:

- The nature and extent of the residual biodiversity loss as detailed in the Biodiversity Offset Report (BOR).
- ECPTA was identified by the Authorities Reference Group representing SANRAL, ECPTA, DEA, DAFF, DEDEAT and the specialists appointed by these entities to facilitate the development of the biodiversity offset as the appropriate agency to implement the Biodiversity Offset project on behalf of SANRAL.
- SANRAL appointed ECPTA as the implementing agent for the biodiversity offset project and the parties signed the Biodiversity Offset Agreement for ECPTA to: a) take all necessary steps to declare (in terms of the Protected Areas Act or other appropriate legislation) the Offset Areas set out in the BOR1.1.3.2 develop an Implementation Plan and implement such plan in accordance with the law, the RoD and the BOR and b) to report on the measures taken by it in accordance with the Implementation Plan and to perform all other necessary functions as required in terms of the Agreement.

The following sites were identified as appropriate for the offset, and the sites can be grouped into five (5) polygons refers to as offset receiving sites as follows:

- Port St Johns: Mount The singer and Caguba Corridor,
- Ntsubane State Forest cluster: Mbotyi,
- Lambasi,
- Ntentule Falls and
- Mkhambati: Mkhambati Extension (Tracor lands), Mthentu and Msikaba Gorges.

- Thahle and Cele (Msikaba river gorge), & Mthentu river gorge are land parcels that were also included in the list due to their biodiversity value.

These offset sites will be secured as proclaimed most possible as Protected Environments in terms of sections 23 and 28 of the NEM: Protected Areas Act (2003). This is because rangeland ecological management is essential to manage disputes on land acquisition and change of land use where livestock farming practices appeared mostly preferred.

The municipality currently regulates all the developments that require environmental permits, be it funeral parlors or land uses that will have negative impact on the environmental management. The land invasions that were taking place along the coastal area of the municipality have been dealt with by the municipality, DEDEA and the local traditional leader along the coastal area. (Kindly refer to the District Environmental Management which covers the municipal area).

5.22. DEPARTMENT OF EDUCATION STATUS QUO

The province, similar to the rest of the country, is faced with significant schools' infrastructure backlogs which will take years and substantial budgets to address. Required to address the infrastructure backlog to get schools on par with the Minimum Uniform Norms and Standards for Public School Infrastructure (MUNS-PSI).

5.22.1. Practically Achieved Infrastructrural Projects

No.	EMIS NO.	SCHOOL NAME	IMPLEMENTING AGENT
1.	200500264	Goso Forest JSS	TMT
2.	200500944	Nozayi SPS	NECT
3.	200500716	Mneliswa SPS	TMT
4.	200500588	Masizakhe SPS	NECT
5.	200301134	St Dennis JSS	TMT
6.	200500022	Bekabantu JSS	NECT
7.	200500460	Lukhahlambeni SPS	NECT
8.	200500775	Mqhume SPS	TMT
9.	200500798	Mthombolwazi	NECT
10.	200501040	Qamangweni JSS	NECT

11.	200500177	Emantlaneni JSS	NECT
12.	200500294	Hillside JSS	NECT
13.	200500388	KwaVelile JSS	NECT
14.	200500412	Lingelethu JSS	NECT
15.	200501292	Wayo JSS	TMT
16.	200500588	Masizakhe Primary School	TMT
17.	200500716	Mneliswa JSS	TMT
18	200500825	Mzameni SPS	NECT
19.	200500636	Mdabuka JSS	NECT
20.	200500830	Mzizangwa JSS	NECT
21.	2005001272	Vellem JSS	TMT
22.	200500291	Hertzogville JSS	NECT
23.	20050005	Botha Sigcawu SSS	NECT
24.	200500161	Ebuhlanyanga JSS	NECT

5.20.2.CONSTRUCTION IN PROGRESS

No.	EMIS NO.	SCHOOL NAME	IMPLEMENTING AGENT
1.	200500176	Emangquzu JSS	NECT
2.	200500176	Lukhanyisweni JSS	NECT
3.	200500491	Mabalengwe JSS	NECT
4.	200500644	Mdingi JSS	NECT
5.	200500811	Mvimvane JSS	NECT
6.	200500721	Nomathemba JSS	NECT
7.	200500997	Nzaka JSS	NECT
8.	200501285	Vulindlela SSS	NECT
9.	200500825	Mzameni SPS	NECT
10.	200500433	Flagstaff SSS	NECT
11.	200500305	Hlwahlwazi JSS	NECT

12.	200500400	Ludiwane JSS	NECT
13.	200500471	Luphondo JSS	NECT
14.	200500693	Mketengeni	NECT
15.	200501342	Zwelibongile SSS	NECT
16.	200500200	Emzenge JSS	NECT
17.	200500212	Esigubudwini JSS	NECT
18.	200500431	Lower Mzenge JSS	NECT
19.	200501376	Mampelazwe JSS	NECT
20.	200500632	Mcelu JSS	NECT
21.	200500807	Mtwaku JSS	NECT
22.	200500819	Mwelo JSS	NECT
23.	200500850	Ndabankulu JSS	NECT
24.	200500870	Nelson Sigcawu JSS	NECT
25.	200500037	Bisi JSS	NECT
26.	200501004	Pakamani JSS	NECT

CHAPTER 3: STRATEGIES AND OBJECTIVES

6. INTRODUCTION

The municipality developed the strategies and objectives for the next financial year looking at 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.

6.1. KEY GOVERNMENT PRIORITIES 2024

The review of the Ingquza Hill IDP has taken cognisance of the issues that were most priorities in the state of nations address by the President of the Republic of South Africa. These priorities are as follows:

- Restore energy security.
- Growing the economy and jobs
- Building better lives
- Fighting corruption
- Making communities safer
- Making government work
- Construction and maintenance of Infrastructure

6.2. PROVINCIAL PRIORITIES

Economic opportunities;

Provision of quality healthcare

Quality education;

Provision of water,

Roads,

Accelerate the implementation of the Magwa-Majola Ecotourism project

Electricity and

Building safer communities.

6.3. PESTEL FACTORS

The macro-economic climate within which the 2023/2024 strategy review is formulated is important. It determines the external factors that have a direct bearing on the municipal plans – the municipality has to take cognisance of these. Critically, although the municipality has no control over these factors, any plan that does not consider these factors will have implementation risks.

Analysis of Key Pestel Factors

Factor	Description	Potential Impact	Recommended action
	National Government Elections	Community demands	Clear pre-election communication strategy
	New policy direction – expropriation of land without compensation	Increase rate of land invasion	Community engagements
Economic	High external Debt	External reliance External grant conditions dictate the development agenda	Build a strong economy base on available assets (natural resources; land and the ocean)
	Economic grading at all-time low	Increased inflation	Encourage local production
	High youth unemployment	Further marginalisation of the youth	All Government departments & Municipalities to have clear youth participation Programmes in social and economic development
Factor	Description	Potential Impact	Recommended action

Economic	Policy on free tertiary education	Budget downward adjustment for other Programmes of State	Organs of state to take cognizance of such budget downward adjustments and effect the same
	Budget policy speech on increase of Value Added Tax	Affect the poor as this occurs in a weak economic climate	Alleviate the cost of doing business with the state e.g. service people at closest points. For marginalized poor communities that spend on high transport costs; priority should be bringing services closer to where they are
Factor	**Description**	**Potential Impact**	**Recommended action**
Social	High crime rate	Investment disincentive	Improve policing Improve community lighting.
	High rate of new HIV infections	Increase cost of health care	Early education of the affected high-risk groups
Technological	Broadband boom and promotion by Provincial Government	Reduction in cost of getting information	Government buildings, libraries, public service points (e.g. malls) to aim to have free hot spots.
	E- services	Red-tape reduction Improved customer care Investment incentive E- business sector for youth	Organs of state to consider e-services as an additional service. Support for technology, innovation & e-business

Factor	Description	Potential Impact	Recommended action
Technological	Cellular communications	Ease of information dissemination especially marginalized youth	Organs of state to set up & manage popular social media platforms
Environmental	Climate change National Pandemic	Affects agricultural produce	Development of climate change resilience & response strategies. Organs of state to have early warning systems in place / link with existing national centres
	Alien species control	Depletion of water resources	Identification, mapping, and eradication
Legal	***New legislation***		
Disruption in systems	Financial and HR Implication		• Training of stakeholders • Budgeting • Employ required personnel

6.4. INGQUZA HILL: SWOT ANALYSIS

The municipality considered its strengths considering what is done exceptionally well, the comparative and competitive advantages, considering the municipal resources in form of the physical and fiscal support for the implementation of its programs. It also critically considers areas where improvement is encouraged and what needs to be done to address the weaknesses. The opportunities that the municipality is exposed to and how the municipality must exploit those opportunities. The external forces which has a direct impact on municipal functions and must duly be considered the planning process.

- The SWOT analysis reflects organizational analysis in order to identify strengths, weaknesses, opportunities and threats.

- The analysis assists in shaping the municipal strategies together with the municipal risk management framework.
- The IDP strategies have attempted to build on the strengths and mitigate the weaknesses.

STRENGTHS	WEAKNESSES
• Good working relations • Audit Committee • Municipal Disciplinary Board • Natural environment • LLF • Political stability • Credible IDP • Fully functioning Council and its Committees • Delegation of Authority	• Some sections not fully capacitated in terms of personnel. • Unfilled funded personnel vacancies • Office space, furniture and (Flagstaff) ablution facilities (Lusikisiki Offices). • Sitting of departmental meetings • Channels of communication • Working in silos • Continuous improvement of oversight and capacity
OPPORTUNITIES	THREATS
• Cannabis exploration (value chain) • Tourism (N2 Wild Coast Opportunities) • Multi Sectorial departmental programs • PPPs	• Community protests • Inflation • Land invasion. • Climate change weather conditions • Crime • Gender Based Violence

6.5. INSTITUTIONAL STRATEGIES FOR 2024/2025 FINANCIAL YEAR

6.5.1. BASIC SERVICE DELIVERY STRATEGIES FOR 2024/2025 FINANCIAL YEAR

FOCUS AREA	KEY ISSUES/CHALLENGES	STRATEGY	BASELINE	PERFORMANCE INDICATOR
Expansion of roads infrastructure (Access Road)	Some communal areas do not have road facilities ranging from provincial road needs to access road	Construction of new roads	591 km existing gravel roads	Number of total km of access road constructed
Maintain usefulness of roads (Rehabilitation of Access Roads and bridges)	As roads are used and exposed to rainy weather, they require rehabilitation	Rehabilitation of existing roads	591 km existing gravel roads	Number of total kms rehabilitated access road
Maintain usefulness of roads	As roads are used and exposed to rainy weather, they require rehabilitation	Rehabilitation of existing roads	591 km existing gravel roads	Number of total km of rehabilitated access road
Maintain usefulness of roads	As roads are used and exposed to rainy weather, they require rehabilitation	Rehabilitation of existing roads	3 3281m²	Number of m2 rehabilitated surfaced street
Expansion of roads infrastructure (Paving)	Majority of streets in the urban area are not surfaced	Surfacing of streets	4.5km of surfaced roads existing in both towns	Number of total km of surfaced streets
Provision of sport facilities Provision of water supply	Limited number of available sports fields	Provision of sport facilities	5 sports field existing	Number of multi-purpose facility constructed

			5 sports field existing	Number of sports fields constructed
Maintain usefulness of sports facilities	Some sports facilities require renovations	Renovation of sports facilities	5 sport fields existing	Number of sports fields renovated
Expansion of building infrastructure	Some wards do not have community halls	Construction of community halls	32 community halls existing	Number of constructed community halls
	Municipality requires new office buildings	Construction of new offices	Lusikisiki existing offices are dilapidated	Number of Constructed Municipal offices
	Flagstaff Municipal offices requires renovation	Renovations of Flagstaff Municipal Offices	Flagstaff new offices are practically completed	Number of Renovated Municipal offices
Provision of public lighting	There is a backlog in provision of public lighting around the whole municipal area where people reside.	Provision of public lighting	76 high mast lights existing in Lusikisiki and Flagstaff	Number of installed high mast lights
Provision of public lighting	There is a backlog in provision of public lighting around the whole municipal area where people reside.	Provision of public lighting	351 streetlights existing in Lusikisiki and Flagstaff	Number of streetlights installed

Maintain usefulness of public lighting	Some streetlights require maintenance	Maintenance of streetlights	351 streetlights existing	Number of streetlights maintained
Electrification of h/h	There is a backlog of h/h to be electrified which constitute number of extensions that are aged	Electrification of h/h	53085 h/h electrified	Number of households electrified

6.5.2. INSTITUTIONAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT STRATEGIES 2024/2025 FINANCIAL YEAR

FOCUS AREA	KEY ISSUES/CHALLENGES	STRATEGY	BASELINE	PERFORMANCE INDICATOR
Human Resources Administration	Non-compliance with the BCEA &SALGBC Collective Agreement	Monitoring of leave reconciliation of attendance register and ESS	Employee Self Service in place, leave policy adopted	Number of ESS reports reconciled
Human Resources Administration	Non-compliance with the BCEA &SALGBC Collective Agreement	Development and Implementation	16 Policies adopted 2023/24fy	Number of policies reviewed
Human Resource administration	Poor implementation of Retention and Recruitment policies	Reduction of vacancy in the adopted organogram	Adopted organogram for 2023/2024 fy	% of vacancies field on the adopted organogram

FOCUS AREA	KEY ISSUES/CHALLENGES	STRATEGY	BASELINE	PERFORMANCE INDICATOR
Human Resources Administration	Non - compliance with Section 166	Conducted Job Evaluation	Existing Job evaluation for 2023/2024fy	% of posts re-evaluated/evaluated and graded
Human Resources Administration	In-ability to implement and measure institutional performance	Implementation of Individual Performance Management System	PMS Framework Policy Adopted in 2023/2024 fy	Number of signed performance agreement
				% of signed accountability agreements for all municipal employees
				Number of performance assessment held
Human Resources Administration Human Resources Administration	Improved labour Relations	Sitting of Local Labour Forum	Fully Functioning Local labour Forum	Number of LLF of meetings held
Human Resources Administration	Proper Implementation of the workplace skills plan effectively	Provision of bursaries to tertiary deserving	Adopted external bursary policy by Council in 2022/2023fy.	Number of students received bursaries

FOCUS AREA	KEY ISSUES/CHALLENGES	STRATEGY	BASELINE	PERFORMANCE INDICATOR
		students that performed exceptionally/ outstanding	5 students currently benefited in 2023/2024 fy	
Human Resource Administration	Slow implementation of Workplace Skills Plan	Implementation of Training and Development Policy and Adopted WSP	Adopted Training and Development Policy. Adopted WSP	Number of trainings conducted
	Integration of EAP, OHS, HIV&TB, Safety Health Quality Risk Management services.	Provide referrals / EAP consultations of Councilor's & Employees to be made.	EAP unit is fully functional. Policy and procedures in place.	% of referrals / EAP consultations of Councilor's & Employees to be made.
	Integration of EAP, OHS, HIV&TB, Safety Health Quality Risk Management services.	Conduct EAP workshops and wellness Events conducted.	EAP unit is fully functional. Policy and procedures in place.	

FOCUS AREA	KEY ISSUES/CHALLENGES	STRATEGY	BASELINE	PERFORMANCE INDICATOR
	Integration of EAP, OHS, HIV&TB, Safety Health Quality Risk Management services	Promotion of routine Safe Healthy Environment.	Occupational Health and Safety Act 85 of 1993. OHS Policy and procedures in place.	Number of EAP workshops and wellness Events conducted
	Integration of EAP, OHS, HIV&TB, Safety Health Quality Risk Management services.	Conduct fire drills and provision of safety evacuation plans	OHS unit is fully functional. Policy and procedures in place.	
ICT governance and Infrastructure	Compromised ICT environment	Maintenance of ICT Hardware's (servers, workstations, and ICT networking)	Policies and procedures in place.	Number of routine inspections for Healthy Environment
ICT governance and Infrastructure	Compromised ICT environment	Maintenance of ICT Software licenses and upgrades	Policies and procedures in place. All ICT software licenses are up to date and monitored as per signed Service Level Agreements.	Number fire drills conducted and provision of safety evacuation plans.

FOCUS AREA	KEY ISSUES/CHALLENGES	STRATEGY	BASELINE	PERFORMANCE INDICATOR
ICT governance and Infrastructure	Outdated website	Maintenance of website	Existing Website	
ICT Governance and Infrastructure	ICT Governance Committee not fully functional	Facilitate sitting of ICT Governance committee.	Existing ICT governance committee.	Number of times ICT Hardware maintained (Servers; workstations)
Customer relations services	Low level of participation and response from complaints register and suggestion boxes by Stake holders.	Implementation of customer care policy	Customer care policy in place	% of ICT Software licenses maintained
Customer Relations	Low level of participation and response from complaints register and suggestion boxes by Stake holders.	Installation of digital sign boards	Customer care Policy in place	Number of times websites is maintained
Records and document	- Registry not fully functional.	Facilitate transfer of records to the registry and archives	Registry infrastructure in place.	Number of ICT Governance Committee meetings facilitated

FOCUS AREA	KEY ISSUES/CHALLENGES	STRATEGY	BASELINE	PERFORMANCE INDICATOR
management system				
Admin Support Services	Shortage of office furniture.	**Provision of office furniture**	Existing insufficient office furniture	% on implementation of customer care policy.
Admin Support Services	Lack of cleaning material	**Provision of hygiene and cleaning services**	Admin support services in place	Number of digital signs installed.

6.5.3. **PLANNING AND LOCAL ECONOMIC DEVELOPMENT STRATEGIES AND PROPOSED PROJECTS FOR 2024/2025 FY**

FOCUS AREA	KEY ISSUES/CHALLENGES	STRATEGY	BASELINE	PERFORMANCE INDICATOR
Agricultural Development	Inadequate infrastructure for crop production	Provision of Agricultural infrastructure	3 projects have been fenced	Number agricultural initiatives supported
		Provide boreholes and irrigation system	2	Completed boreholes & irrigation systems

	Shortage of inputs for crop producers	Provision of crop-to-crop producers	9 projects have been provided with agricultural inputs	Number of crop producers supported
Tourism Development				
	Wetland project	Finalisation of access track and rehabilitation of viewing deck (Wetland project)	50% completion of access track	Completed access track and viewing deck
	Feasibility study for Hombe dam	Provision of tourism infrastructure	Tourism Development strategy	Completed feasibility study
	Inadequate marketing of Ingquza hill municipality as tourist destinations.	Host tourism promotion events	Annual event held in 2023	Number of promotion events held
Forestry and Fisheries	Inadequate support for fishing initiatives	Support fishing initiatives	3 fishing cooperatives supported	Number of fishing initiatives supported
	Lack of harvesting equipment for forestry growers	Support forestry growers	Forestry development strategy	Number of forestry growers supported with harvesting equipment
				Number of forestry growers supported with firefighting equipment

Bee Keeping and Honey Production	Lack of honey production equipment for bee keeping farmers	Support bee keeping farmers with equipment	Forestry development strategy	Number of bees keeping farmers supported
Enterprise Development & Informal Trade Support	Unsustainable MSMEs	Support MSMEs and cooperatives	4 capacity building sessions held in 23/4	Number of capacity building sessions held
	Lack of access to markets	Create marketing platforms	3 pop up markets held	Number of Hosted pop-up markets
	Lack of funding	Provision of enterprise support funding	22 enterprises supported	Number of enterprises supported
	Limited number of trading stalls	Provision of livestock trading stalls	60 Stalls provided in 22/23fy	Number of stalls provided
	Stakeholder management	Create engagement platforms	2 sessions	Number of cluster sessions convened
	Inability to attract & retain investments	Develop trade and investments strategy	LED strategy	Completed trade and Investment strategy

6.5.3.1 Planning Unit

FOCUS AREA	KEY ISSUES/CHALLENGES	STRATEGY	BASELINE	PERFORMANCE INDICATOR

Settlement Planning Land Use Management	Unregistered Township Author Homes, Households are unbale to transferee their sites	Formalised Author Homes Settlement by validating township	Existing Author Homes Settlement	Completed Layout Plan for Author Hoes
	Limited Space in Lusikisiki cemetery site	Extend Lusikisiki Cemetery site	Existing cemetery	Approved subdivision and consolidation of erf 49 ad 132 Lusikisiki
Land Use Management	Limited Space in Lusikisiki cemetery site	Extend Lusikisiki Cemetery site	Existing cemetery	Approved subdivision and rezoning of Erf 93 Flagstaff
	Extension 20 Lusikisiki invaded sites	Rezoning and subdivision of erf 49 Lusikisiki to accommodate site owners of extension 20	Land is available at new town	Completed Layout Plan Layout Plan
Spatial Planning	Uncoordinated coastal development	Develop Coastal Nodal development f plan	Existing SDF	Completed Coastal Nodal Plan for Msikaba
Spatial Planning	Uncoordinated coastal development	Develop Coastal Nodal development	Existing SDF	Completed Coastal Nodal Plan for Mbotyi
Environmental Planning	Disaster caused by climate change.	Develop Climate change strategy	Exiting SDF	Completed Climate change strategy

6.5.4. FINANCIAL VIABILITY AND MANAGEMENT

FOCUS AREA	KEY ISSUES/CHALLENGES	STRATEGY	BASELINE	PERFORMANCE INDICATOR
Budget planning	Budget approval	Budget planning	Approved budget with the required supporting documents by 31 May 2024.	Number of adopted annual budgets prepared and submitted in compliance with budget circular
Budget planning	Budget approval	Budget planning	Approved adjustment budget with the required supporting documents by 28 February 2024.	Number of adopted adjustment budgets by 28 February 2025
Budget planning	Compliance with MFMA	Budget planning	Complied with the Budget Circular 2023/24	Number of S71 reports submitted to the Mayor and Treasury with 10 working days
Budget implementation and reporting process	In-year reporting	Budget implementation and reporting process	The municipality complies with section 71 of the MFMA. 12 Monthly reports submitted	Number of S71 reports submitted to the Mayor and Treasury with 10 working days
Budget implementation and reporting process	In-year reporting	Budget implementation and reporting process	The municipality complies with section 52 (d) of the MFMA. 4 quarterly reports submitted	Number of S52 (d) reports submitted to the Mayor and Treasury within 30 days after the end of the quarter

FOCUS AREA	KEY ISSUES/CHALLENGES	STRATEGY	BASELINE	PERFORMANCE INDICATOR
Budget implementation and reporting process	In-year reporting	Budget implementation and reporting process	The municipality complies with section 72 of the MFMA. 1 mid-term report submitted annually	Number of S72 reports submitted to Mayor and Treasury by 25 January 2025
Budget implementation and reporting process	Preparation and submission of annual financial statements	Budget implementation and reporting process	AFS for 2022/23 were submitted on 31 August 2023	Number times the annual financial statements are submitted to Auditor General, National Treasury and Provincial Treasury by 31 August
Budget implementation and reporting process	Bank and grants reconciliation	Budget implementation and reporting process	Bank and grants reconciliations were prepared and submitted monthly for 2023/24 Financial year	Number of bank reconciliations prepared.
Expenditure management	Compliance with MFMA	Expenditure management	All invoices that were received and confirmed were paid within 30 days in 2023/24	Percentage of invoices paid within 30 days after receipt and confirmation
Expenditure management	Reconciliation of accounts	Expenditure management	Creditors reconciliations were prepared and submitted monthly in 2023/24	Number of reconciliations compiled and reviewed
Expenditure management	Reconciliation of accounts	Expenditure management	Payroll reconciliations were prepared and submitted monthly in 2023/24	Number of creditors' reconciliations prepared.

FOCUS AREA	KEY ISSUES/CHALLENGES	STRATEGY	BASELINE	PERFORMANCE INDICATOR
Expenditure management	Reconciliation of accounts	Expenditure management	VAT reconciliations were prepared and submitted monthly in 2023/24	Number of payroll reconciliation prepared and submitted.
Revenue management	Low revenue base and/or collection	Revenue management	Revenue enhancement strategy has been reviewed in 2023/24 Financial year	Number of VAT reconciliations prepared and submitted
Revenue management	Low revenue base and/or collection	Revenue management	Report on Revenue Enhancement Strategy was prepared in the 2020/21 FY	Review of Revenue Enhancement Strategy annually in 2023/24 financial year.
Revenue management	Interaction with key stakeholders	Revenue management	Revenue committee meetings were held on a quarterly basis in 2023/24 FY	Number of meetings convened for the revenue committee
Revenue management	Revenue Collection	Revenue management	Collection level is at 53%	Number of reports on the implementation of the Revenue Enhancement Strategy.
Revenue management	80% Reduction of debtors book	Revenue management	Total debtors' book is R115 million	Percentage reduction in the total debtors book
Free basic services	Indigent review	Free basic services	Free Basic Services indigent register review	Reviewed Indigent Register

FOCUS AREA	KEY ISSUES/CHALLENGES	STRATEGY	BASELINE	PERFORMANCE INDICATOR
Free basic services	Free basic services implementation plan	Free basic services	Free basic Services implementation policy in place	Number of beneficiaries
Fleet management	Fleet management implementation plan	Fleet management	Fleet Management Policy in place	Percentage of Revenue collected
Asset management	Compliance with MFMA section 63	Asset management	Fixed Asset Register is updated monthly and submitted with the AFS to AG	GRAP Compliant Asset Register with no audit findings
Asset management	Insurance of municipal assets	Asset management	All Municipal assets were insured by 2020/21 financial year. Assets are insured as they are procured	Insurance report indicating that all assets are insured
Supply chain management	Compliance with MFMA	Supply chain management	The report is prepared in compliance with MFMA regulation 6. Reports are prepared monthly	Number of reports prepared
Supply chain management	Procurement plan	Supply chain management	Procurement plan was implemented on a monthly basis in 2020/21 financial year	Percentage compliance to the Procurement Plan
Supply chain management	Contract management	Supply chain management	Contractor performance assessment report was prepared in financial year	Number of Contractors/Service Providers for which Performance evaluation has been performed

FOCUS AREA	KEY ISSUES/CHALLENGES	STRATEGY	BASELINE	PERFORMANCE INDICATOR
Supply chain management	Contract management	Supply chain management	Contract register is in place and has been updated for 2023/24 financial year	Accurate and complete Contracts Register as at end of 2024/25

6.5.6. Good Governance and Public Participation

FOCUS AREA	KEY ISSUES/CHALLENGES	STRATEGY	BASELINE	PERFORMANCE INDICATOR
Integrated Development Planning (Idp)	Lack Integration and collaboration with stakeholders. Non-Adherence to the IDP, PMS & Budget process plan	Review of the IDP document 2024-2025 fy	Adopted IDP 2023-2024 fy. IDP and Budget Process Plan for 2023/2024 fy.	Number of IDP Documents to be adopted
Integrated Development Planning (**IDP**)	Lack Integration and collaboration with stakeholders.	Facilitation of departmental and Institutional strategic planning sessions	Adopted IDP 2023-2024 fy. IDP and Budget Process Plan for 2023/2024 fy.	Number of departmental and Institutional strategic planning sessions

	Non-Adherence to the IDP, PMS & Budget process plan			
Monitoring and Evaluation	Deficiencies in compliance with legislation and internal controls on PMS	Implementation of PMS Policy	Adopted IDP, SDBIP, Performance Management Framework for 2023/2024 fy.	Number of quarterly reports to be reviewed by Management.
Monitoring and Evaluation	Deficiencies in compliance with legislation and internal controls on PMS	Implementation of PMS Policy	Adopted IDP, SDBIP, Performance Management Framework for 2023/2024 fy	Number of monthly reports to be reviewed by Management.
Communications	Integrated and effective communication	Continuous reviewal of Communication Strategy	Existing Communication Strategy	Reviewed Communication Strategy
Communications	Cohesive corporate branding and marketing	Development of the municipal branding manual	Logo and Corporate colours	Development Municipal Branding Manual
Internal Audit	Weaknesses in system of internal controls	Implementation of internal Audit plan	Internal Audit Charter and Audit Committee Charter	Percentage on implementation of internal Audit plan

Internal Audit	Non-implementation of recommendations of the Internal Audit, Audit Committee and AGSA	Implementation of Combined Assurance Model	Audit Committee Charter Combined Assurance Model	Percentage on implementation of the Combined Assurance Model
Risk Management	Low maturity rate of Risk Management processes	Implementation Integrated Risk Management Charter/ Plan Implementation of the Anti-Fraud and Corruption Policy	Risk Management Policy, Existing Risk Management charter/plan. Anti-Fraud and Corruption Policy	Percentage on implementation of Risk Management Plan
Risk Management	Long lead time to Tabling of Investigation Report by Municipal Disciplinary Board (MDB) to the Council	Implementation of the MDB Term of Reference on matters referred to by the Council. Development of MDB Policy	Council Resolution MDB Terms of Reference	Percentage on implementation of cases referred by the Council to the MDB
Special Programs	Lack of Integrated SPU	Development of SPU Strategy	Adopted SPU policy and Strategy	Developed SPU Strategy
Translation Of Municipal Documents	Translation of key documents into dominant Language (isiXhosa)	Review of Language Policy	Existing Language Policy	Reviewed language Policy

Legal Services	Lack Litigations Management	Implementation of Legal Management Policy	Legal Framework Policy is in place	Percentage on the Implementation of the policy
Legal Services	High rate of litigations in the municipality	Implementation of Legal Management Policy	Legal Framework is in place	Percentage of completed reviewal of legal documents
Public Participation	The municipality does not have public participation strategy	Develop public participation strategy	Public Participation Policy is in place	Development of Public Participation Strategy
Public Participation	Integrated and effective public participation by community members	Implementation of participation policy	Public Participation Policy in Place	Percentage of Public Participation Activities
Intergovernmental Relations (IGR)	Poor effectiveness of the Intergovernmental Relation	Development of IGR Framework	Existing draft IGR Framework	Developed IGR Framework

6.5.5. SOCIAL SERVICES STRATEGIES FOR 2024/2025 FINANCIAL YEAR

FOCUS AREA	KEY ISSUES/CHALLENGES	STRATEGY	PERFORMANCE INDICATOR
Traffic Services	The compliance of traffic regulation is low.	Enforcement Traffic Law Enforcement	Number of traffic fines issued
			Number of parking billing systems installed
Registration and Licensing	Registration and licensing of motor vehicles	Examination of driving license applicants	Number of driving licenses examined
	Vehicle Roadworthy and examination	Examination of Vehicles	Number of vehicles examined
Crime Prevention	Lack of participation by community	Development of community safety plan	Number of developed community plan
			Number of crime prevention awareness campaigns conducted
	Poor Law Enforcement	Reviewal of the existing by-laws	Number of by-laws reviewed

		Empowerment of citizen-based community policy forums	Number of CPF's supported with equipment
		Installation of CCTV cameras	Number of premises provided with cameras
Pound Management	Stolen and forceful taking of livestock by owners	Facilitation of Land acquisition for pond	Number Land acquisition for pounds.
	IHLM is exposed to natural disasters	Relief material provided and responsive speedily	Number of relief material acquired

Library Services	High rate of illiteracy	Advocacy for increased usage of Library services	Literacy rate is low	Number of patrons utilizing libraries
				Number of schools visited 16 Wards
				Number of LIASA Calendar events held
				Availability of newspapers on libraries
				Facilitate provision of furniture for all libraries
Beach Safety Management	Loss of lives in the beaches.	Provision of manpower	Lifeguards are available everyday	Number of lifeguards and coastal patrollers deployed
				Number of times lifeguards' equipment provided

				Number of shelters received
Sport activities	Sport advocacy	Sport promotion and development	Sport Council advocacy	Number of sport events hosted
Sport activities	Sport advocacy	Sports promotion through support of federation and players	Sport Council advocacy	Number of federations and players assisted
Sport development	Poor maintenance of sport facilities and equipment	Provision of sport equipment	Sport Council Advocacy	Number of times sport equipment is procured
Arts and Culture activities	Arts and Culture advocacy	Promotion of Arts and Culture Promotion	Arts Council and Initiation Forum	Number of arts and culture activities or events supported
Childhood Development	Cognitive development	Provision of Early Childhood Development learning material	Early Childhood Development Forum	Number of Early Childhood Development Centres supported with learning material
Waste management	Waste generators inadequate knowledge on waste management	Provision of capacity building on waste management	Waste management campaigns	Number of Waste management awareness conducted
	Inadequate yellow fleet for landfill site	Provision of Yellow fleet for landfill	Only Landfill Compactor is available	Procurement of (Excavator, TLB).
	Waste infrastructure master plan.	Construction and maintenance of waste management infrastructure	Lack of waste infrastructure master plan.	Credible waste management infrastructure master plan.

	Limited recycling initiatives	Increase recycling initiatives	Two Buy Back Centres for the whole area	Construction of Buy Back Centres
				Number of composting done in the municipality
				Number of wheelie bins are procured
	Equipping of waste management personnel	Protection of employees	Shortage of working tools, safety equipment and skills.	Number of times personnel provided with protective clothing and uniform
Parks	Old dry foreign invasive trees	Removal of old and dangerous trees	The long and old trees are posing danger to the community properties	Number of trees removed
	Unbeautified town surroundings and overgrown vegetation	Face lifting of both towns	No clear town entrance greening and landscaping	Number of entrances beautified.
Cemetery Management	Unprotected Cemeteries	Fencing of cemeteries	Unprotected cemeteries	Purchase of Grass cutting machines mounted lawn mower
	Identification of graves	Smart Mun cemetery management programme	Poor grave identification	Number of acquired of pags
Community Halls	Shortage of hall chairs	Provide chairs for community halls	Certain community halls without chairs	Number of cemeteries fenced

6.6. PROPOSED PROJECT FOR 2024/2025 FINANCIAL FOR THE INTERNAL DEPARTMENTS

6.6.1. BASIC SERVICE DELIVERY

FOCUS AREA	STRATEGY	PERFORMANCE INDICATOR	PROPOSED PROJECT IDENTIFIED FOR 2024/25 FY	BUDGET
Expansion of roads infrastructure (Access Road)	Construction of new roads	Number of total km of access road constructed	Construction of new access roads in ward 3,7,8,10,11,13,16,18,20,27	R36 499 910.00
Maintain usefulness of roads (Rehabilitation of Access Roads and bridges)	Rehabilitation of existing roads	Number of total kms rehabilitated access road	Rehabilitation of access roads in ward 12,18,21,24, and 30	R9 741 500.00
Maintain usefulness of roads	Rehabilitation of existing roads	Number of total km of rehabilitated access road	Rehabilitation of access roads in various wards	R12 000 000.00
Maintain usefulness of roads	Rehabilitation of existing roads	Number of m2 rehabilitated surfaced street	Pothole patching in ward15 and19	R2 000 000.00
Expansion of roads infrastructure (Paving)	Surfacing of streets	Number of total km of surfaced streets	Surfacing of Flagstaff and Lusikisiki streets	R22 885 390.00

Provision of sport facilities	Provision of sport facilities	Number of multi-purpose facility constructed	Completion of multi-purpose facility in Ward 2	R22 000 000.00
Provision of water supply		Number of sports fields constructed	Construction of Zone 5 Sports Field	R10 000 000.00
Maintain usefulness of sports facilities	Renovation of sports facilities	Number of sports fields renovated	Renovation of sports field in ward	R4 000 000.00
Expansion of building infrastructure	Construction of community halls	Number of constructed community halls	Completion of community halls in ward 19 and 31	R 8 100 000.00
	Construction of new offices	Number of Constructed Municipal offices	Construction of new offices in Lusikisiki	R 30 000 000.00
	Renovations of Flagstaff Municipal Offices	Number of Renovated Municipal offices	Renovation of Flagstaff Municipal Offices	R 15 000 000.00
Provision of public lighting	Provision of public lighting	Number of installed high mast lights	Completion of installation of 10 high mast lights in ward 4,9,14,17,18,19,20,22,27 and 32	R 9 000 000.00
Provision of public lighting	Provision of public lighting	Number of streetlights installed	Replacement of 8 streetlights and installation of 5 streetlights in ward 19	R8 400 000.00

Maintain usefulness of public lighting	Maintenance of streetlights	Number of streetlights maintained	Maintenance of streetlights in Ward 6,15 and 19	R1 800 000.00
Electrification of h/h	Electrification of h/h	Number of households electrified	Electrification of h/h in various wards	R18 146 000.00

6.6.2. INSTITUTIONAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT PROPOSED PROJECTS FOR 2024/2025 FINANCIAL YEAR

FOCUS AREA	STRATEGY	PERFORMANCE INDICATOR	PROJECT IDENTIFIED	Annual Target	BUDGET
Human Resources Administration	Monitoring of leave reconciliation of attendance register and ESS	Number of ESS reports reconciled	Leave Reconciliation of attendance register and ESS	4 Payday reports produced.	R300 000.00
Human Resources Administration	Development and Implementation	Number of policies reviewed	Review of policies	16	R50 000.00
Human Resource administration	Reduction of vacancy in the adopted organogram	% of vacancies field on the adopted organogram	Recruitment and Selection	16	R217 950.00

FOCUS AREA	STRATEGY	PERFORMANCE INDICATOR	PROJECT IDENTIFIED	Annual Target	BUDGET
Human Resources Administration	Conducted Job Evaluation	% of posts re-evaluated/evaluated and graded	Job Evaluation p	65%	R200 000.00
Human Resources Administration	Implementation of Individual Performance Management System	Number of signed performance agreement	Signed performance agreements	100%	R250 000.00
		% of signed accountability agreements for all municipal employees	IPMS Cascading	23	
		Number of performance assessment held	Conduct performance assessment	100%	R0.00.00
Human Resources Administration Human Resources Administration	Sitting of Local Labour Forum	Number of LLF of meetings held	Local Labour Forum	2	R30 000.00
Human Resources Administration	Provision of bursaries to tertiary deserving	Number of students received bursaries	Provide bursaries to deserving students	4	R1 000 000.00

FOCUS AREA	STRATEGY	PERFORMANCE INDICATOR	PROJECT IDENTIFIED	Annual Target	BUDGET
	students that performed exceptionally/ outstanding				
Human Resource Administration	Implementation of Training and Development Policy and Adopted WSP	Number of trainings conducted	Training of Councillors and employees as per the Workplace Place Skills	5	R1 500 000.00
	Provide referrals / EAP consultations of Councilor's & Employees to be made.	% of referrals / EAP consultations of Councilor's & Employees to be made.	Referrals / EAP consultations of Councilor's & Employees to be made.	4	R400 000.00
	Conduct EAP workshops and wellness Events conducted.	Number of wellness events to be held	Conduct EAP workshops and wellness Events conducted.	8	R510 000.00

FOCUS AREA	STRATEGY	PERFORMANCE INDICATOR	PROJECT IDENTIFIED	Annual Target	BUDGET
	Promotion of routine Safe Healthy Environment.	Number of EAP workshops and wellness Events conducted	Conduct routine inspections for Healthy Environment	6	R410 000.00
	Conduct fire drills and provision of safety evacuation plans	Number of fire drills conducted	Conduct fire drills conducted and provision of safety evacuation plans	2	R50 000.00
ICT governance and Infrastructure	Maintenance of ICT Hardware's (servers, workstations, and ICT networking)	Number of routine inspections for Healthy Environment	Maintenance of ICT Hardware	2	R1 550 000.00

FOCUS AREA	STRATEGY	PERFORMANCE INDICATOR	PROJECT IDENTIFIED	Annual Target	BUDGET
ICT governance and Infrastructure	Maintenance of ICT Software licenses and upgrades	Number fire drills conducted and provision of safety evacuation plans.	Maintenance of ICT Software licenses and upgrades	4	R2 500 000.00
ICT governance and Infrastructure	Maintenance of website	Number of times website is maintained	Maintenance of website	2	R400 000.00
ICT Governance and Infrastructure	Facilitate sitting of ICT Governance committee.	Number of times ICT Hardware maintained (Servers; workstations)	Fully Functional ICT Governance Committee	4	R50 000.00
Customer relations services	Implementation of customer care policy	% of ICT Software licenses maintained	Implementation of customer care policy	4	R350 000.00
Customer Relations	Installation of digital sign boards	Number of times websites is maintained	Installation of digital sign boards	100%	R500 000.00

FOCUS AREA	STRATEGY	PERFORMANCE INDICATOR	PROJECT IDENTIFIED	Annual Target	BUDGET
Records and document management system	Facilitate transfer of records to the registry and archives	Number of ICT Governance Committee meetings facilitated	Transferring of records to the registry and archives	4	R1 000 0000.00
Admin Support Services	**Provision of office furniture**	% on implementation of customer care policy.	Facilitate acquisition of office furniture	100%	R1 000 000.00
Admin Support Services	**Provision of hygiene and cleaning services**	Number of digital signs installed.	Facilitate acquisition of Cleaning Material	100%	R1 000 000.00

6.6.3. **PLANNING AND LOCAL ECONOMIC DEVELOPMENT PROPOSED PROJECTS FOR 2024/2025 FY**

FOCUS AREA	STRATEGY	PERFORMANCE INDICATOR	PROPOSED PROJECTS FOR 2024/2025	ANNUAL TARGET	BUDGET

Agricutural Development	Provision of Agricultural infrastructure	Number agricultural initiatives supported	Fencing of mealie fields	10 km	R2 000 000.00
	Provide boreholes and irrigation system	Number of boreholes & irrigation systems	Provision of boreholes & irrigation systems	2	R1 200 000.00
	Provision of crop-to-crop producers	Number of crop producers supported	Provision of inputs for crop producers	15	R1 000 000.00
	Provide support livestock Farmers	Number of livestock farmers supported	Support of farmers with RAMs	6	R220 000.00
		Number of livestock farmers supported.	Support of livestock farmers with feed & medication	08	R1 500 000.00
Tourism Development, Branding & Marketing	Provision of digital marketing platforms	Number of digital screens provided	Provision of digital marketing platform	2 digital screens	R350 000.00
	Installation of signages to tourism attractions	Number of signages provided	Installation of signages to tourism attractions	5	R350 000.00
	Host tourism promotion event	Number of promotion events held	Host tourism promotion event	1	R1 000 000.00
	Develop tourism feasibility and business plan for Hombe Dam	Completed feasibility study and business plan for Hombe Dam	Completed feasibility study and business plan for Hombe Dam	1	R350 000.00
Forestry and Fisheries	Support fishing initiatives	Number of fishing initiatives supported	Provision of fishing initiatives supported	3 projects	R1 200 000.00

	Support forestry growers	Number of forestry growers supported with harvesting equipment	Provision of harvesting equipment	2 cooperatives	R1 000 000.00
		Number of forestry growers supported with firefighting equipment	Provision of firefighting equipment	2 cooperatives	R500 000.00
Bee Keeping And Honey Production	Support bee keeping farmers with equipment	Number of bees keeping farmers supported	Support Beekeepers with equipment	2 farmers	R1 000 000.00
Enterprise Development & Informal Trade Support	Support MSMEs	Number of capacity building sessions held	Provided Capacity building for MSMEs	4	R 300 000.00
	Create marketing platforms	Number of Hosted pop up markets	Host pop up markets	4	R120 000.00
	Provision of enterprise support funding	Number of enterprises supported	Support of enterprises with machinery & equipment	10	R4 000 000.00
	Development of an integrated policy & by law	Developed Integrated Policy and by law	Development of an integrated Business policy & Bylaw	1	R350 000.00
	Review LED Strategy	Completed reviewed LED Strategy	Reviewed LED Strategy	1	R100 000.00
	Provide capacity building to Cooperatives	Number of cooperatives capacitated	Capacity building for cooperatives	20	R200 000.00
	Provide training to Local clothing producers	Number of clothing producers trained	Training of clothing producers	10	R250 000.00

	Provision of trading stalls	Number of stalls provided	Provision of trading stalls	20	R3 000 000.00
	Develop trade and investments strategy	Completed trade and Investment strategy	Development of Investment Strategy	1	R350 000.00

6.6.3.1 Planning Unit

FOCUS AREA	STRATEGY	PERFORMANCE INDICATOR	PROPOSED PROJECTS FOR 2024/2025	ANNUAL TARGET	BUDGET
Settlement Planning Land Use Management	Formalised Author Homes Settlement by validating township	Completed Layout Plan for Author Hoes	Subdivision and Rezoning of Author Homes	Complete a Lay Out Plan for Author homes	R6 000 000.00
	Extend Lusikisiki Cemetery site	Approved subdivision and consolidation of erf 49 ad 132 Lusikisiki	Subdivision of ERF 49 and consolidation with ERF 132	Approved Subdivisional on and consolidation plan of Erf 49 and 132 lusikisiki	R350 000.00
Land Use Management	Extend Lusikisiki Cemetery site	Approved subdivision and rezoning of Erf 93 Flagstaff	Subdivision and rezoning of Erf 93 Flagstaff	Approved Subdivisional on and rezoning of ERF 93 Flagstaff	R350 000.00

	Rezoning and subdivision of erf 49 Lusikisiki to accommodate site owners of extension 20	Completed Layout Plan Layout Plan	Subdivision and rezoning of Erf 49 Lusikisiki next to new town	Approved lay out plan	R550 000.00
Spatial Planning	Develop Coastal Nodal development f plan	Completed Coastal Nodal Plan for Msikaba	Development of Msikaba Coastal nodal	Completed Msikaba Nodal plan	R350 000.00
Spatial Planning	Develop Coastal Nodal development	Completed Coastal Nodal Plan for Mbotyi	Development of Motyi Coastal nodal	Completed Mbotyi Nodal plan	R350 000 .00
Environmental Planning	Develop Climate change strategy	Completed Climate change strategy	Development of IHLM Climate change strategy	Completed IHLM Climate change strategy	R500 000 .00

6.6.4. FINANCIAL VIABILITY AND MANAGEMENT FOR PROPOSED FOR 2024/2025 FINANCIAL YEAR

FOCUS AREA	STRATEGY	PERFORMANCE INDICATOR	PROJECT IDENTIFIED	ANNUAL TARGET	BUDGET
Budget planning	Budget planning	Number of adopted annual budgets prepared and submitted in compliance with budget circular	Preparation and submission of annual budget by 31 May 2025.	1	N/A
Budget planning	Budget planning	Number of adopted adjustment budgets by 28 February 2025	Preparation and submission of adjustment budget by 28 February 2025	1	N/A
Budget planning	Budget planning	Number of S71 reports submitted to the Mayor and Treasury with 10 working days	Compliance with the Budget Circular issued for 2024/25	1	N/A
Budget implementation and reporting process	Budget implementation and reporting process	Number of S71 reports submitted to the Mayor and Treasury with 10 working days	Preparation and submission of section 71 financial monthly reports	12	N/A
Budget implementation and reporting process	Budget implementation and reporting process	Number of S52 (d) reports submitted to the Mayor and Treasury within 30 days after the end of the quarter	Preparation and submission of Section 52 (d) quarterly reports	4	N/A

FOCUS AREA	STRATEGY	PERFORMANCE INDICATOR	PROJECT IDENTIFIED	ANNUAL TARGET	BUDGET
Budget implementation and reporting process	Budget implementation and reporting process	Number of S72 reports submitted to Mayor and Treasury by 25 January 2025	Preparation and submission of section 72 (mid-term) report	1	N/A
Budget implementation and reporting process	Budget implementation and reporting process	Number times the annual financial statements are submitted to Auditor General, National Treasury and Provincial Treasury by 31 August	Preparations and submission of the AFS for 2023/24 by 31 August 2024	1	N/A
Budget implementation and reporting process	Budget implementation and reporting process	Number of bank reconciliations prepared.	Preparation of bank reconciliations on a Monthly basis by 2024/25.	12	N/A
Expenditure management	Expenditure management	Percentage of invoices paid within 30 days after receipt and confirmation	Payment of creditors within 30 days after receipt and confirmation of invoices on a monthly basis by 2024/25	100%	N/A

FOCUS AREA	STRATEGY	PERFORMANCE INDICATOR	PROJECT IDENTIFIED	ANNUAL TARGET	BUDGET
Expenditure management	Expenditure management	Number of reconciliations compiled and reviewed	Preparation and submission of Creditors reconciliations on a Monthly basis by 2024/25	12	N/A
Expenditure management	Expenditure management	Number of creditors' reconciliations prepared.	Preparation and submission of Payroll reconciliation on a monthly basis for 2024/25	12	N/A
Expenditure management	Expenditure management	Number of payroll reconciliation prepared and submitted.	Preparation and submission of VAT reconciliation on a monthly basis in 2024/25 financial year.	12	N/A
Revenue management	Revenue management	Number of VAT reconciliations prepared and submitted	Review of Revenue Enhancement Strategy by 30 June 25	1	N/A
Revenue management	Revenue management	Review of Revenue Enhancement Strategy annually in 2023/24 financial year.	Preparation of report on the implementation of Revenue Enhancement Strategy	12	N/A
Revenue management	Revenue management	Number of meetings convened for the revenue committee	Sitting of Municipal Revenue Committee meetings	4	R 100 000.00

FOCUS AREA	STRATEGY	PERFORMANCE INDICATOR	PROJECT IDENTIFIED	ANNUAL TARGET	BUDGET
Revenue management	Revenue management	Number of reports on the implementation of the Revenue Enhancement Strategy.	85% Revenue Collection from all revenue sources by 2025	85% Collection	N/A
Revenue management	Revenue management	Percentage reduction in the total debtors book	80% Reduction of debtor's book	80% Reduction	N/A
Free basic services	Free basic services	Reviewed Indigent Register	Review of Free Basic Services indigent register by 30 June 2025	1	R
Free basic services	Free basic services	Number of beneficiaries	Report on the implementation of Free Basic Services Strategy	1	R 9,000,000.00
Fleet management	Fleet management	Percentage of Revenue collected	Preparation of report on the implementation of the Fleet Management Plan	6	R 5,000,000.00
Asset management	Asset management	GRAP Compliant Asset Register with no audit findings	Updating and submission of GRAP compliant Fixed Asset Register	12	R 1,000,000.00
Asset management	Asset management	Insurance report indicating that all assets are insured	Preparation of monthly reports on insurance of all municipal assets	12	R 2,500,000.00
Supply chain management	Supply chain management	Number of reports prepared	Preparation and submission of quarterly report on SCM processes	12	N/A

FOCUS AREA	STRATEGY	PERFORMANCE INDICATOR	PROJECT IDENTIFIED	ANNUAL TARGET	BUDGET
Supply chain management	Supply chain management	Percentage compliance to the Procurement Plan	Preparation and submission of the progress report on the implementation of procurement plan	12	N/A
Supply chain management	Supply chain management	Number of Contractors/Service Providers for which Performance evaluation has been performed	Preparation and submission of a report on the assessment of contractor performance	12	N/A
Supply chain management	Supply chain management	Accurate and complete Contracts Register as at end of 2024/25	Preparation and submission of report on updating of contract management register	12	N/A

6.6.5. GOOD GOVERNANCE AND PUBLIC PARTICIPATION PROPOSED PROJECTS FOR 2024/2025 FINANCIAL YEAR

Objectives: To promote good governance and public participation

FOCUS AREA	STRATEGY	PERFORMANCE INDICATOR	PROPOSED PROJECTS	ANNUAL TARGET	BUDGET
Integrated Development Planning (IDP)	Review of the IDP document 2024-2025 fy	Number of IDP Documents to be adopted	Credible IDP	1	R 340 000.00
Integrated Development Planning (IDP)	Facilitation of departmental and Institutional strategic planning sessions	Number of departmental and Institutional strategic planning sessions	Departmental and institutional Strategic Planning sessions	1	R4 321 000.00
Monitoring and Evaluation	Implementation of PMS Policy	Number of quarterly reports to be reviewed by Management.	PMS Monthly, Quarterly and Annual Reports	4	R0.00
Monitoring and Evaluation	Implementation of PMS Policy	Number of monthly reports to be reviewed by Management.	Monthly reports reviewed by Management	12	R0.00

Communications	Continuous reviewal of Communication Strategy	Reviewed Communication Strategy	Adopted Communications Strategy.	1	R0.00
Communications	Development of the municipal branding manual	Development Municipal Branding Manual	Adopted Municipal Brading Manual	1	R1 50 000.00
Internal Audit	Implementation of internal Audit plan	Percentage on implementation of internal Audit plan	Implementation of the Internal Audit Plan	100%	R0.00
Internal Audit	Implementation of Combined Assurance Model	Percentage on implementation of the Combined Assurance Model	Implementation of the Combined Assurance Model	100%	R0.00
Risk Management	Implementation Integrated Risk Management Charter/ Plan Implementation of the Anti-Fraud and Corruption Policy	Percentage on implementation of Risk Management Plan	Implementation of Risk Management Plan	100%	R0.00
Risk Management	Implementation of the MDB Term of Reference on matters referred to by the Council.	Percentage on implementation of cases referred by the Council to the MDB	Implementation of cases referred by the Council to the MDB	100%	R0.00

	Development of MDB Policy				
Youth Development	Reviewal of the Youth Strategy and Implementation.	Number of Youth Programms Held	Implementation of the Youth programms	6	R 2 170 000.00
Special Programs	Development of SPU Strategy	Developed SPU Strategy	Implementation of the developed SPU strategy	100%	R0.00
Translation of municipal documents	Review of Language Policy	Number of the reviewed language policy	Reviewed language Policy	1	R0.00
Legal Services	Implementation of Legal Management Policy	Percentage on the Implementation of the policy	Case management	100%	R5,500 000.00
Legal Services	Implementation of Legal Management Policy	Percentage of completed reviewal of legal documents	Reviewal of legal documents	100%	R0.00
Public participation	Develop public participation strategy	Development of Public Participation Strategy	Adopted public participation strategy	1	R0.00

Public participation	Implementation of participation policy	Percentage of Public Participation Activities	Public Participation Activities	100%	R1 721340.00
Intergovernmental relations (IGR)	Development of IGR Framework	Developed IGR Framework	Adopted Intergovernmental Framework	1	R237 000.00

6.6.6. SOCIAL SERVICES PROPESED PROJECTS FOR 2024/2025 FINACIAL YEAR

FOCUS AREA	PERFORMANCE INDICATOR	PROPOSED PROJECTS FOR 2024/2025 FY	ANNUAL TARGET	BUDGET
Traffic Services	No of traffic fines issued	Issuing of traffic fines	2000	R0.00
	No of transport forum sitting	Facilitate establishment of transport forum	04	R20 000.00
	No of times the equipment is secured	Roadblock equipment	01	R200 000.00
	No of times road markings and road signs maintained	Provision and maintenance of road markings and road signs		R300 000.00
Registration and Licensing	No of driving licenses examined	Examination of driving license applicants	02	R0.00
	No of vehicles examined	Examination of Vehicles	2000	R0.00

Crime Prevention	No of times Community Safety Plan sit	Community safety Plan	1	R20 000.00
	No of times community safety forum sit	Community Safety Forum	3	R20 000.00
	No of awareness campaigns conducted	Crime prevention Awareness Campaigns	04	R20 000.00
	No of by-laws reviewed	Workshop in by laws and reviews on enforcement	02	R50 000.00
	No of structure supported	Facilitation of law enforcement committee	04	R20 000.00
	No of CPF's supported	Strengthening of Community Policing Forums	04	R80 000.00
	No of premises provided with cameras	Installation of CCTV cameras	01	R500 000.00
Pound Management		Land requisition for pounds and Fencing of pounds	01	R600 000.00
Disaster	No of material provided	Provision of co- ordinated relief	04	R300 000.00
Library Services	Number of patrons utilizing libraries	Library usage promotion	12 000	R0.00
	Number of schools visited 16 Wards	Library advocacy in schools	16	R0.00
	Number of LIASA Calendar events held	Honouring LIASA Calendar of events	3	R100 000.00

	Number of Book launch successfully held	Facilitate book launch	1	R20 000.00
	Number computers procured	Procurement of computers		R90 000.00
	Availability of newspapers on libraries	Subscription on newspapers	04	R10 000.00
Beach Safety Management	Number of lifeguards and coastal patrollers deployed	EPWP	30	Funded by EPWP
	Number of times lifeguards' equipment provided	Provision of lifeguard's equipment.	01	R300 000.00
Sport activities	Number of sport events hosted	Sport promotion through events hosted	02	R200 000.00
Sport activities	Number of federations and players assisted	Sports development through the assistance of federations and players.	04	R390 000.00
Arts and Culture activities	Number of arts and culture activities or events supported	Arts and Culture promotion through activities or events supported	04	R30 000.00
To provide an effective, efficient and sustainable community support service	Number of Early Childhood Development Centres supported with learning material	Procurement of Early Childhood Development learning material	06	R150 000.00
Waste Management	Number of Awareness Campaigns conducted.	Waste management awareness	4	R100 000.00

	Number of Wheel bins procured	Provision of Wheel bins	800	R500 000.00
	Procurement of (Excavator, TLB).	Provision of waste management equipment (Excavator, TLB).	1	R3 000 000.00
	Number of times personnel provided with protective clothing and uniform	Provision of protective clothing and uniform	1	R3 000 000.00
Parks	Number of trees removed	Tree felling	30	R780 000.00

6.7. PROGRAMS FROM SECTOR DEPARTMENTS

6.7.1 OR TAMBO DISTRICT MUNICIPALITY :MAJOR PROJECTS – UNDER PLANNING

Project Name	Project Scope	Amount	Wards	Status
KwaNyathi Regional Bulk Water Supply Scheme	Feasibility Study	R6 491 584.95	PSJ wards 13, 17, 18, 19 & 20 and Ingquza Hill wards 1, 2, 3, 4, 13, 17 & 19	Feasibility Study – And attending to the technical report comments regarding sources – **Progress Report was presented to ECTAC on 08 March 2021**
Msikaba Regional Bulk Water Supply Scheme	Feasibility Study	R5 313 077.74	Ingquza Hill Wards 16, 18, 21, 22, 23, 24, 25, 26, 27, 28 & 32	Feasibility in progress – Project tabled to ECTAC awaiting response - **Progress Report was presented to ECTAC on 08 March 2021**

Lusikisiki Regional Bulk Water Supply – ***Planning Phase***	Technical Feasibility Study (To Implementation Readiness)	R 9 million	Lusikisiki town and surroundings (Ward 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 24 & Port St Johns Ward 19)	Project Presented and Recommended by ECTAC and is Funded through MIG. Started with the Desktop Study and Modelling.
Refurbishment of Flagstaff Regional Water Supply	Refurbishment Report	R 118 million	Ward 5, 6, 7, 9 & 30	The PSP is busy with the Refurbishment Report.
Flagstaff Regional Water scheme- Phase 2 (Ludiwane Scheme)	Mechanical & Electrical at the abstraction and water treatment works	R37 448 836.52	Ward 5, 6 & 7 Baleni & Mngeni	The project was under commissioning with the refurbishment of bulk and reticulation network in progress. Currently the Project is vandalised.
The project is also implemented under COVID-19 MIG Reprioritization. Work is in progress but has recently been challenged with non-payment of the Contractor. The Labourers have closed the site until payment has been done. The Plant was Closed and Vandalism is taking place.				
Flagstaff Sewage Phase 3	construction of Flagstaff sewer networks	R 73 million	Flagstaff town and surroundings	Procurement Stage – Briefing Held on Feb 15, and Closing on March 11.
Lusikisiki Sewer – Phase 2A	Construction of a 1ML WWTW including M&E	R 18,5 million	Ward 15: Lusikisiki Town	96% Progress on Construction. Contractor is busy with the Bioreactor and M&E.
Lusikisiki Sewer – Phase 2B	Construction of 3,5 Km Outfall Sewer from	R 6,98 million	Ward 15: Lusikisiki Town	97% Progress on Construction. Contractor Busy with Pipelines and Manholes.

	Lusikisiki College to the Plant			
Lusikisiki Sewer – Phase 2C	Construction of 12,5 Km Sewer Reticulation Pipelines in Newtown	R 22,8 million	Ward 15: NewTown	55% Progress on Construction. Contractor still busy with Establishment and Pipelines
Lusikisiki Sewer – Phase 3B	Construction of 8,5 Km Sewer Reticulation Pipelines in Town / CBD and Hill brow	R 37,8 million	Ward 15: Town/CBD and Hill brow	55% Progress on Construction. Contractor still busy with Establishment and Pipelines
Lusikisiki Sewer – Phase 3C	Construction of 8,5 Km Sewer Reticulation Pipelines in Arthur Homes	R 17,7 million	Ward 15: Arthur Homes	30% Progress on Construction. Contractor was stopped by the Community due to Water Supply issues. The Contractor is back to Site.
Flagstaff WTW – Jadu Weir Study	The Scope of Works entails the Study if the Water Resources, Refurbishment Plans vs Demand	R 3,2 million	Flagstaff Town and Surroundings	Hydro Census, Testing of Boreholes, and Hydrological Study of the Jadu River

Ground Water Development	Siting, Desktop Study, Site investigation (Hydro-census, Geological reconnaissance, Geophysical investigation), Ground Water Source Development (Drilling Supervisor, water quantity and water quality Testing), Borehole Licensing	R 1,21 million	Ndimakude – Successful	100% Borehole Drilled, Tested, but Contains Nitrates – Not Recommended for Human Consumption without Treatment
			Hlwahlwazi – Successful	100% Borehole Drilled, Tested, but Contains Arsenic – Not Recommended for Human Consumption without Treatment
			Mgojweni – Very Low Yield	100% Borehole Drilled, Tested, but Contains Coliform – Not Recommended for Human Consumption without Treatment

6.7.2. DEPARTMENT OF FORESTRY, FISHERIES AND ENVIRONMENT.

PROJECT NAME	BUDGET	MUNICIPALITY	Progress

1. EC WftC IP Ingquza Hill working for the coast project (Mkhambathi & Mbotyi beach)	R 10 000 000.00	Ingquza Hill LM	• A Lead Consultant has been appointed by DFFE. • The project is in the planning phase: the project deliverables triggered the EIA; therefore, EIA has commenced. • Draft EIA report in place for internal commenting prior submission to the competent authority- delays due to water connection.
PLANNED PROJECT ENVIRONMENTAL OUTPUTS AND DELIVERABLES	○ Development of Boardwalk at Mkhambathi beach, ○ Parking at Mbotyi beach, ○ Ablution facilities at the boat launch ○ Coastal signage		
2. EC Mkhambathi Nature Reserve Precinct Development Project	R 17 000 000.00	Ingquza Hill LM	○ Construction of Admin Block in progress ○ Refurbishment of internal infrastructure within the reserve.
PLANNED PROJECT ENVIRONMENTAL OUTPUTS AND DELIVERABLES	○ Development of Infrastructure in and around the Mkhambathi Nature Reserve ○ Upgrading of access Road ○ Construction of Admin Block		

6.7.3. DEPARTMENT OF HUMAN SETTLEMENTS: LIST OF RUNNING PROJECTS FOR 2024/2025 FINANCIAL YEAR

PROJECT	STATUS	NO. OF UNITS	BUDGET
1. HOLY CROSS 500	Running	500	R 78.3m
2. INGQUZA 347	Running	347	R 31.1m
3. XOPOZO 500	Planning	500	R 78.3m
4. INGQUZA 192-(111 Units)	Running	111	R 19.4m
TOTAL		**1458**	**R 207,1m**

6.7.3.1. LIST OF PROJECTS IMPLEMENTED BY OR TAMBO DM

PROJECT	STATUS	NO. OF UNITS	BUDGET
1. INGQUZA 500 (390Units)	RUNNING	390	R 60.2m
2. LUBALA 91 (58 Units)	PLANNING	58	R 10m
3. INGQUZA 158	PLANNING	158	R 29.2m

4. INGQUZA 76	RUNNING	76	R 13.6m
5. INGQUZA 500 DEST.	RUNNING	500	90.1m
6. INGQUZA 100	RUNNING	100	15.7M
TOTAL		1182	R 218,8m

6.7.3.2. PRORESS REPORT ON RUNNING PROJECTS

Project Name	Current progress	Expenditure	Comments
HOLY CROSS 500 (WARD 27) MAHIRI CONSTRUCTION END DATE: 30 June 2025	Not started -140 Various stages- 15 Completed – 345	Budget = R72 294 262,20 Expenditure = R 45 123 231.00	Contractor is on site

INGQUZA 347 (WARD 26) MAHIRI CONSTRUCTION END DATE: 30 June 2025	Not started -72 Various stages -15 Completed - 260	Budget = R48 203 516,28 Expenditure = R29 619 878.00	Contractor is on site
MPOZA 530 (238 Units) (WARD 12) EXPRESS BUILDERS END DATE 31 June 2023	Completed- 238	Budget = R86 683 649,78 Expenditure = R65 400 205.00	Contractor has completed all 238 that were allocated to them.
XOPOZO 500 OR-TAMBO MUNICIPALITY END DATE: 30 November 2025	Not started -325 Various stages- 15 Completed – 57	Budget = R72 294 262,20 Expenditure = R 45 123 231.00	Contractor is on site
O.R. TAMBO 850 (192) (111 Units) MWENDANE SKILLS PROIDERS (Ward: 2, 4, 7, 11, 12, 13, 14, 15, 16, 17,19 and 21) START DATE: JUNE 2021 END DATE: JUNE 2024	Not started - 50 Various stages - 24 Completed – 37	Budget = R19 425 000.00 Expenditure = R11,530 980.00	Contractor is on site

INGQUZA 500 DESTITUDE MAHIRI CONSTRUCTION END DATE: 30 June 2025	Not started -470 Various stages -20 Completed - 10	Budget = R48 203 516,28 Expenditure = R29 619 878.00	Contractor is on site
INGQUZA HILL 76 (Ward: 8, 10, 27 and 31) OR TAMBO MUNICIPALITY START DATE: JUNE 2022 END DATE: JUNE 2024	Not started - 1 Various stages -0 Completed – 75	Budget = R13 599 177.00 Expenditure = R9,736 135 . 00	The project is being implemented by OR Tambo Municipality. The Contractor has been appointed and is currently working on site
INGQUZA 500 (390 Units) OR TAMBO MUNICIPALITY START DATE: JANUARY 2023 END DATE: DECEMBER 2024	Not Started- 36 Various stages –137 Completed – 327	Budget = R60 227 876.00 Expenditure = R49 885 000. 00	The project is being implemented by OR Tambo Municipality. The Contractor has been appointed and is currently working on site

6.7.3.3. FUTURE PROJECTS

Project Name	Expenditure	Comments
LUSIKISIKI 1117 RETIFICATION (Ward 15)	Not yet started	The project funding has not yet been approved due to limited Departmental Cash Flow. The Project will be implemented when funding/Budget commitments are reduced
UNITY PARK 1000 URBAN (Ward 19)	Not yet started	The project funding has not yet been approved due to limited departmental Cash Flow. The Project will be implemented when funding/Budget commitments are reduced
BABINI LANGA 1000 (Ward 7,9, &10) RURAL	Not yet started	The project funding has not yet been approved due to limited departmental Cash Flow. The Project will be implemented when funding/Budget commitments are reduced
SIMPHIWE MNGUNI 1000 (Ward 4,17,&13) Rural	Not yet started	The project funding has not yet been approved due to limited departmental Cash Flow. The Project will be implemented when funding/Budget commitments are reduced
LUSI PARK 800 URBAN (Ward 19)	Not yet started	The project funding has not yet been approved due to limited departmental Cash Flow. The Project will be implemented when funding/Budget commitments are reduced
ENKULULEKWENI 800 URBAN (Ward 6)	Not yet started	The project funding has not yet been approved due to limited departmental Cash Flow. The Project will be implemented when funding/Budget commitments are reduced

ZWELITSHA 800 URBAN (Ward 19)	Not yet started	The project funding has not yet been approved due to limited departmental Cash Flow. The Project will be implemented when funding/Budget commitments are reduced

6.7.4. Eskom Ingquza Hill 2023/2024 Plan : Ingquza Hill 2024/2025 Revised Plan - Budget Cuts

Project Name	Project Type	DMRE TOTAL Planned CAPEX Excl 15% VAT 2024/2025	TOTAL Planned Connections 2024/2025	Comments
Ingquza Hill Extensions 3A	Household	R 9 765 000.00	200	Cluster 3, Municipality to assist to prioritize the villages from the village list.
Ingquza Hill Pre-engineering (2025/26 Plan)	Pre-engineering	R 1 300 000.00		These fees are used to design for 2025/2026 beneficiaries
Ingquza Hill Schedule 5B Pre-Engineering	Pre-engineering	R 192 125 .00		Funds are planning for energizing Ingquza Hill Schedule 5B project

Ingquza Hill Type 1 Infills	Infills	R 780 000.00	100	Municipality to submit the list of all type 1 infills for data capturing
TOTAL		**R 12 037 125**	**300**	

6.7.5. Department Of Public Works- EPWP Projects For 2024/2025 Financial Year:

FOCUS AREA	KEY ISSUES/CHALLENGES	STRATEGY	BASELINE	PERFORMANCE INDICATOR	PROJECT IDENTIFIED	ANNUAL TARGET	BUDGET
Provision of basic Infrastructure	Office accommodation	Provisioning of office accommodation	None	Completed construction	Construction of new Ngquza Hill Library	24 months	R32 mil
Provision of basic Infrastructure	Basic infrastructure	Provision of basic infrastructure	Old structures	Completed renovations	Repairs and Renovations to King House in Lusikisiki	6 month	R1 mil

Provision of basic Infrastructure	Basic infrastructure	Provision of basic infrastructure	None	Completed construction	St Elizabeth Hospital: Core block	24 month	R800 mill
Provision of basic Infrastructure	Basic infrastructure	Provision of basic infrastructure	None	Completed construction	Holy Cross Hospital water and Sanitation	12 months	R10 mil
Expanded public works programme	Creation of work opportunities	Creation of work opportunities	34 participants	Work opportunities created	Building Maintenance Project	18 months	R 611.784. 00

Expanded public works programme	Skills development	To implement artisan development (Accelerated Professional and Trade Competencies development (APTCoD)Programme to create employment and skills for young people.	39 participants	Number of participants in the APTCoD programme	APT Cod Project (Artisan development).	24 months	R 1,544 400
Expanded public works programme	Skills development	Youth development.	6 participants	Number of participants in the APTCoD programme	National Youth Service	18 months	R 194 400.

6.7.6. SANRAL : MSIKABA BRIDGE: TARGETS VERSUS PROGRESS

	Target	Actual to date

Contact Value	R 1,719 billion (Excl. VAT, excl. CPA)	R 1,276 billion (55% by value) August 2023, certificate 54 Excl. VAT, incl. CPA
Construction Start Date	January 2019	
Construction End Date	August 2023	March 2025 (19 months behind schedule).

Targeted Labour	5%
	R 86,0 million
		At the end of August 2023
		• 108% of 5% CPG target achieved.
		• R 92,8 million (excl. VAT) in wages.
		• Staff = 80% local employed persons
		• 391 Local persons employed (of 453 total)
		    • 119 By main contractor
		    • 272 by Sub-Contractors
		    • 221/170 Unskilled/Skilled

	30% Youth	179% of target achieved.
	30% Women	73% of target achieved.

Targeted Enterprises (TEs)	30% R 515,8 million	R 553,2 million (107% of target). 157 SMME Targeted Enterprises: • 44 suppliers. • 52 service providers. • 61 sub-contractors.
TA 1: Ingquza Hill	20% Women owned	84,2%
TA 2: OR Tambo, Alfred Nzo	20% Youth owned	22,9%
	50% TA 1 and 2	193,0%
	4% CIDB 1 and 2, TA1	281,4%
	6% CIDB 3, 4 and 5, TA 2	53,2%
	10% CIDB 6 and 7, TA 2	89,6%
	50% CIDB 1 to 7, any area	140,9%
	30% of TE Suppliers, TA 1	12,4%
	50% of TE Suppliers, TA 1 and 2	37,3%

6.7.6.1. Provincial and local roads & ancillary

Package	Brief Description	Scope	Grade	Approx. Budget
27, 28	Bush clearing East of Mzimvubu river	Trees above 300mm girth to stockpile	2 x Grade 3	R 5,8 million
35 - 38		Trees smaller than 300mm to road reserve	4 x Grade 2 & Gr 1	R 3,1 million
19 - 21	Bush Clearing West of Mzimvubu river	Trees above 300mm girth to stockpile	3 x Grade 3	R 9,8 million
29 – 34		Trees smaller than 300mm to road reserve	6 x Grade 2 & Gr 1	R 5,4million
22	Ndwalane / Ntafufu	19 km	5	R 9,1 million
23	Lusikisiki bypass	5 km	6	R 19,7 million
24	Lusikisiki / Zalu	14 km	6	R 18,3 million
25	Bukazi / Flagstaff	14 km	6	R 18,8 million
26	Flagstaff town bypass / Holy Cross	32 km	5	R 11,5 million
			TOTAL	R101,5 million

6.7.6.2. Community Legacy Projects

SANRAL will implement a Community Legacy Project(s) associated with each SANRAL projects. These projects are beyond road construction.

- Buildings built or rehabilitated for use by the Contractor or Engineering site staff during construction for use as community halls, business hubs, tourist accommodation etc.

- Magwa dilapidated buildings were revamped under Msikaba & will be donated back after road construction as accommodation establishment.
- Visitor information centre on the north bank Msikaba (require additional land)

On Package 4 SANRAL is piloting a legacy programme funded by IDC

- i.e. agro-processing, farming, manufacturing, tourism, hospitality, etc. 22 Mill approved for a period of 10 months.
- 18 Million for salaries
- 110 Supervisors employed and under training
- 1000 General labour
- 10 Months Contract
- Commenced on 20 July 2023.
- PPE and tools and equipment allocated in the same budget.

6.7.7. DEDEAT- PROGRAMMES

PROJECT NAME	Description	Budget
Consumer education and awareness workshop	2 consumer rights workshops 1 in Lusikisiki and 1 in Flagstaff with LM & Business Advice centre	DEDEAT Operational budget (allocated Provincially)
Monitoring & Evaluation-Joint Enforcement Operations	Consumer rights protection compliance monitoring operations with municipality health & enforcement services in identified areas	Operational budget

Processing of consumer complaints received	Consumer protection by resolving complaints received	Operational budget
Micro Small Medium Enterprize support and development	Development of Township & Rural economies Bill to facilitate support Local & Regional Economic Development application for SMME funding Imvaba cooperative grant fund at ECDC Provincial MSME Summit	Provincial budget
Provincial career expo	Tourism annual youth in business opportunities	Provincial budget
Agro-processing services	Wool certification multi year support Agro-processing professional services	Provincial budget
Market intelligence portal	Provincial development of market intelligence portal	Provincial budget
Environmental awareness & capacity building	Annual schools environmental awards (entry forms) Municipal Greenest Town competition (municipal entry & assessment) EPWP Environmental sector projects Women in environment SMME support events	DEDEAT Ops budget
Leopard Research	Research scoping of occurrence of leopards (consider scoping for coastal forests in IHLM)	

OR Tambo Climate change response program	Development of project business plan: • District LMs House Hold food gardens pilots for food security • District nodal recycling and waste management system in local municipality node • Coastal municipality management plan review	
Coastal management	Review of EC Coastal management program	
N2 WC Biodiversity offset- ECPTA	Protected area expansion focusing on rehabilitation and protected area declaration (IHLM- Mbotyi; Mkambati; Lambasi; Ntentule falls) anardend study for a botanical	
Environmental management	Regulatory activities EIA (Lusikisiki internal roads is one of the 4 approved EIAs), Coastal development, Waste & Air quality management environmental authorization (Lusikisiki & Flagstaff land fills are non complaint)	

6.7.8. SASSA POGRAMMES

IDENTIFIED PROGRAMS	ANNUAL TARGETS
Number of new social grant applications processed.	12 474 new grant applications processed.
Number of active grants in payment	193 024 grants in payment.

Number od active CSG Top-up	1496 active CSG
Number of active CSG grants for children below the age of one year	5852 children below I year in receipt of grant.
Turnaround times on processing of new applications	95% of all new applications completed within 7 days.
Number of learners support with school uniforms.	508 supported with school uniforms.
Turnaround time on reported disasters	95% of reported disasters must be attended to within 48 hours.
Number of Integrated Community Registration Outreach Progams (ICROP) conducted.	02 ICROP programs to be conducted in 3rd quarter
Improved customer care	All enquiries must be attended within 5 days and disputes be resolves within 14 days.

6.12.

6.7.9. Department Of Transport For 2024/2025 FY

FOCUS AREA	KEY ISSUES/CHALLENGES	STRATEGY	PERFORMANCE INDICATOR	PROJECT IDENTIFIED	ANNUAL TARGET	BUDGET
Routine Maintenance	Loss of gravel materials/stormwater challenges	Regravelling	3.9km	DR08139	100%	R1.9m
Routine Maintenance	Loss of gravel materials/stormwater challenges	Regravelling	5.2km	DR08141	100%	R2.6m
Routine Maintenance	Loss of gravel materials/stormwater challenges	Regravelling	5km	DR08135	100%	R2.5m
Routine Maintenance	Loss of gravel materials/stormwater challenges	Regravelling	7km	DR08025	100%	R3.5m
Stormwater management	Inadequate pipe crossing	Construct box culvert bridge.	Bridge structure	DR08154	100%	R1.5m

Routine Maintenance	To make the road drivable	Wet and dry blading	Blade all roads at least once a quarter	All roads	100%	In-house plant

6.7.9. EASTERN CAPE PARKS AND TOURISM AGENCY

FOCUS AREA	KEY ISSUES/CHALLENGES	STRATEGY	BASELINE	PERFORMANCE INDICATOR	PROJECT IDENTIFIED	ANNUAL TARGET	BUDGET
ECPTA – Mkhambathi Nature Reserve	Poor road infrastructure	Infrastructure revitalisation	The construction of access roads and rehabilitation of storm water structures at Mkhambathi Nature Reserve	Infrastructure maintenance	Road upgrade, 5,5 kms	Road maintenance.	R 8,8M (Incl. VAT and contingencies).

6.7.9.1. ECPTA- Programmes

Program	Description
Biodiversity Management	Management of Provincial Nature reserves and Protected Areas Expansion
Tourism Development	Enhancing tourism & product development in the province
Wildlife Economy	Unlocking economic benefits through wildlife management
Marketing	Marketing of Tourism attractions and products for the province
Stakeholder Engagement	Coordination of activities, collaboration with other stakeholders and resource leveraging – People and Parks
Investment	Unlocking Investment opportunities within Protected Areas
N2 Biodiversity Off-set Project	Implementation of the N2 Biodiversity Off-set as per the biodiversity off-set Agreement between SANRAL and ECPTA

Programme / Project	Activity	Timeframe	Budget

Biodiversity Conservation	Mkambati Nature Reserve Management – Reserve operations	Ongoing	R700 000
	Reserve infrastructure – Internal Road	November 2024	R8m
	Pondoland Marine Protected Area – MPA	Ongoing	R300 000
	SANBI Internship program	April 2023 – March 2025	R624 000
Tourism Development	Training of Tour Guides	As funds available	
	Wild Coast Trail Homestays training	As funds available	
	Support the functioning of the IHLM Local Tourism Organization	Ongoing	
Mkambati Concession	Gwegwe/Riverside development	On-going Investment	R65m
Programme / Project	Activity	Timeframe	Budget
Environmental Education and Awareness	Schools Competition	June 2024	R50 000
	Environmental Calendar Days Celebrations	Year round	R30 000
	Career Exhibition	August 2024	R30 000

6.7.10. DEPARTMENT OF SOCIAL DEVELOPMENT

FOCUS AREA	KEY ISSUES/CHALLENGES	STRATEGY	BASELINE	PERFORMANCE INDICATOR	PROJECT IDENTIFIED	ANNUAL TARGET	BUDGET
Services to Older persons.	Infringement of right to have older person's dignity respected and protected. The abuse, ill treatment, violence or neglect strips the person's dignity.	To render care and support services to Older Persons community-based care and support services which are within communities promoting recreation, social cohesion and active ageing. The emphasis is on improvement of	**725** older persons accessing community-based support services in funded (588) and non-funded (137) organisations.	Number of older persons accessing Community Based Care and Support Services.	**22** funded organisations .	725	R4 196 953

		social wellbeing and the protection of Older Persons against any form of abuse.					
Services to persons with disabilities.	Loss or elimination of opportunities to take part in the community, equitable with others that is encountered by persons having physical, sensory, psychological, developmental, learning, neurological or other impairments which may be permanent, temporary or episodic in nature thereby causing activity limitations and participation restriction with the mainsteam society.	The promotion of the social well-being and the socio-economic empowerment of persons with disabilities through psychosocial support, capacity building, advocacy and implementation of community-based rehabilitation services that are developmental.	**43** persons with disabilities access residential facilities. **1067** persons accessing community-based rehabilitation services. **26** families caring for children and adults with disabilities who	Number of Persons with disabilities accessing residential facilities. Number of Persons accessing Community Based Rehabilitation Services	**01** funded residential facility. **01** funded community-based rehabilitation centre.	43 1067 26 103	R688 569

			have access to a well-defined basket of social support services. **103** persons with disabilities receiving personal assistance services.				
HIV and Aids.	Increase in HIV prevalence.	To train implementers trained on social and behaviour change programmes.	**104** implementers trained on social and behaviour change programmes. **2900** people reached through social	Number of implementers trained on Social and Behaviour Change Programmes. Number of beneficiaries reached	**02** Home Community Based Care Centres	104 2900 2300	R648 306

			and behaviour change programmes **2300** people receive psychosocial Support Services	through social and behaviour change programmes. Number of beneficiaries receiving Psychosocial Support Services.			
Social Relief of Distress	Increased levels of poverty and vulnerability resulting in undue hardship materialistically.	To develop a safety net for individuals, families and communities in difficult circumstances and to respond to situations of disaster declared and undeclared and to contribute to	**152** households benefit from DSD Social Relief Programmes in the form of food parcels, school uniform and household items.	Number of beneficiaries who benefited from DSD Social Relief Programmes. Number of leaners who benefitted	-	152 4897	R304 000 -

		the Integrated School Health Programme in ensuring that indigent learners from Quintile 1,2 &3 schools receive material support in partnership with Department of Education and Department of Health.	**4897** leaners who received sanitary pads.	through Integrated School Health Programmes			
Care and Support to Families	Dysfunctional families characterised by conflict, misbehaviour or abuse causing poor relationship between family members.	To render programmes and services that promote stable, healthy, resilient, well functional families and prevent vulnerability in families by	**1604** family members participate in family preservation services. **09** family members re-	Number of family members participating in family preservation service Number of family	**03** family resource centres	1604 09	R508 569

		intensifying family preservation, fatherhood and parenting programmes with a special focus on implementing the Strategy for Teenage Parents to vulnerable groups.	united with their families. **1239** family members participating in parenting programmes.	members re-united with their families. Number of family members participating in parenting programmes.		1239	
Child Care and Protection.	Increased number of children deprived of parental care and who suffer violence, abuse, neglect, and exploitation.	To focus on care and protection of children against Violence, Child Abuse, Neglect and Exploitation (VCANE) undertaken through provision of Community Based Prevention and Early Intervention Services to support	**135** reported cases of child abuse. **3101** children with valid foster care orders. **78** children placed in foster care.	Number of reported cases of child abuse. Number of children placed with valid foster care orders Number of children	**04** child protection organisations	135 3101 78 02	R2 186 364

		Vulnerable Children in communities. It also ensures provision of Therapeutic, Psychological, Rehabilitative services as well as Alternative Care Services for children found to be in need of care and protection through Temporary Safe Care, Foster Care, Child and Youth Care Centres including Adoption Services for those requiring permanency.	**02** children placed in foster care. **980** people accessing funded Prevention and Early Intervention Programmes. **1300** children reached through community-based Prevention and Early Intervention Programmes	placed in Foster Care Number of children in foster care re-unified with their families. Number of people accessing funded Prevention and Early Intervention Programmes (PEIP) Number of Children reached through		980 1300	

				community-based Prevention and Early Intervention Programmes			
Social Crime Prevention	Increased number of children, young persons, and adults who are in conflict with the law or at risk.	To implement social crime prevention programmes and provide probation services targeting children, youth and adult offenders and victims within the criminal justice process.	**2620** reached through social crime prevention programmes. **08** persons in conflict with the law who completed Diversion Programmes.	Number of persons reached through social crime prevention programmes. Number of persons in conflict with the law who completed Diversion Programmes	-	2620 08	

Victim Empowerment	Increase number of children and women affected by crime and violence.	To implement integrated victim empowerment programme providing care, support, prevention and protection services and programmes to victims of crime and violence inclusive of victims of trafficking in persons, sexual offence and victims of hate crimes.	**445** victims of crime and violence accessing psycho- social support services. **5472 p**ersons reached through prevention programmes	Number of persons reached through prevention programmes. Number of persons reached through prevention programmes.			R1 056 822
Substance Abuse and Rehabilitation	Heightened usage of substances.	To implement integrated support services (prevention, governance, establishment of support structures,	**3300** victims of crime and violence accessing support services.	Number of people reached through substance abuse	**01** TADA group	3300 16	R185 600

		stakeholder management and capacity building) for substance abuse, prevention, treatment and rehabilitation.	**16** Service users who accessed Substance Use Disorder (SUD) treatment services.	prevention programmes. Number of service users who accessed Substance Use Disorder (SUD) treatment services			
Community Mobilisation	Lack of social cohesion	To build safe and sustainable communities through the creation of strong community networks, based on principles of trust and respect for local diversity, and nurturing a sense	**1054** people reached through community mobilization programmes. **05** communities organised to coordinate	Number of people reached through community mobilization programmes. Number of communities organised to	-	1054 05	-

		of belonging and confidence in local people.	their own development.	coordinate their own development.			
Institutional Capacity Building and Support	Maladministration in the Non-profit organisations.	To provide capacity building support to Community Based Organizations (i.e. Non-Profit Organizations and Cooperatives) and Social Service Practitioners to enhance the capacity of these organizations and practitioners with the aim of improving services provided to the communities.	**14** NPOs capacitated. **05** **c**ooperatives capacitated. **143** work opportunities created.	Number of NPOs capacitated. Number of Cooperatives capacitated. Number of Work opportunities created through EPWP.	-	14 05 143	-
Community Based Research and Planning		To identify and analyse family and community needs	**637** households profiled.	Number of households profiled.	-	637	-

		to inform interventions through household, community profiling and community-based planning.	**04** Community Based Plans developed **05** communities profiled in a ward. **53** profiled households linked sustainable livelihood programmes	Number of Community Based Plans developed Number of communities profiled in a ward Number of profiled households linked to sustainable livelihood programmes		04 05 53	
Youth Development	Increased unemployment and lack of job opportunities among youth.	To create a conducive environment that enables young people to develop	**04** youth development structures supported.	Number of youth development structures supported.	**01** entrepreneur ship project.	04 80	R250 000

		constructive, affirmative and sustainable relationships while concurrently providing opportunities for them to build their competencies and needed skills to engage as partners in their own development and that of their communities.	**80** young persons participate in skills development programmes. **470** young persons participate in youth mobilisation programmes	Number of youth participating in skills development Programmes. Number of youth participating in youth mobilisation programmes.		470	
Women Development	Increased unemployment and lack of job opportunities among women and shortage of skills.	To create an environment to help women to develop constructive, affirmative and sustainable relationships while	**668 w**omen participate in women empowerment programmes. **58** child support grant	Number of women participating in women empowermen t programmes	**-**	668 58	-

		concurrently providing opportunities for them to build their competencies and needed skills to engage as partners in their own development and that of their communities through Intervention Programmes and Services (Leadership and Life-skills, Service Centres, Inter-generational programmes and Support Structures).	beneficiaries linked to sustainable livelihoods opportunities	Number of child support grant beneficiaries linked to sustainable livelihoods opportunities			

6.7.11. Department of Public Works- Properties

Status of Construction Projects done by DPWI under IHLM

No	Project Name	Budget	Status	Area	EPWP Work opportunities (WO)	Comments
1.	Lusikisiki Magistrate's Office Condition Based Maintenance	R12, 958, 417.22	Active	Lusikisiki	19 NYS 25 Local Labour	NYS exited in Dec 2023
2.	Lusikisiki Police Station Interior repairs	R306, 935	Closed	Lusikisiki	3 WO	Close 17 Oct 2023
3.	Lusikisiki POPS	R287 480	Active	Lusikisiki	3 WO	Final delivery is scheduled for February 2024
4.	Hlababomvu Police Station Drilling And Testing For Water	R-	Planning	Lusikisiki	-	Budget estimate cannot be revealed
5	Flagstaff Police Station Repairs to cell doors & paining	R-	Planning	Flagstaff	3 WO	Budget estimate cannot be revealed
6.	Lusikisiki Police Station Installation Of Burglar Bars To Windows And Doors In Various Offices, buildings & Motor Gate	R-	Planning	Lusikisiki	N/a	Budget estimate cannot be revealed
7.	Hlababomvu Replacement of Generator	R-	Planning	Lusikisiki	N/A	Budget estimate cannot be revealed

	Set And Maintenance of DB Box					
8	HLABABOMVU PLACEMENT OF PARK HOMES	R4,612, 234	Planning but finalized	Lusikisiki	10	To awarded in March 2024

CHAPTER 5: BUDGET AND TARIFFS 2023/2024 FINANCIAL YEAR

5.1. DRAFT BUDGET RESOLUTION

The MFMA Budget Reporting Regulations require that the Council must resolve and adopt the following resolutions for the annual budget in accordance with section 24 of the MFMA.

The Ingquza Hill Local Municipality Council, acting in terms of section 16(1) of the MFMA No. 56 of 2003, resolves to adopt the annual budget as per the following resolutions: -

a) Multi-year Draft budget of the capital and operating expenditure for the 2024/25 and the indicative outer years – 2025/26 and 2026/27, which must be tabled for public scrutiny.

b) Multi-year Capital Budget – Council resolves that the multi-year capital appropriations and associated funding be approved.

c) Property Rates and Other Municipal Taxes – Council resolves that in terms of the Local Government Municipal Property Rates Act No. 6 of 2004, rates differentiating amongst different categories of properties determined by the actual use, the zoning and/or permitted use of properties, for property tax to be levied on the market value of all ratable properties within the municipal area for the period starting from 01 July 2024 to 30 June 2025, provided that the rebates, as indicated and on application be allowed. The council also resolves to approve that the tariffs remain the same for 2024/25, and the CPI be applied for outer years.

d) Measurable Performance Objectives – Council resolves that the measurable objectives for the budget for each of the years in the 2024/25 Medium Term Revenue and Expenditure Framework be approved.

e) Budget Related Policies – All budget related policies be approved after review. The following are the budget related policies: -

i. Asset Management Policy
ii. Cash and Investment Policy
iii. Virement Policy
iv. Bad Debts and Write-Off Policy
v. Budget Policy
vi. Cost Containment Policy
vii. Credit Control and Debt Management Policy
viii. Donations Policy
ix. Indigent Policy
x. Property Rates Policy
xi. Subsistence and Travelling Policy
xii. Supply Chain Management Policy
xiii. Tariffs Policy
xiv. Unknown Deposits Policy
xv. Fleet Management Policy
xvi. Irregular Expenditure Policy

5.2. OVERVIEW OF THE PROCESS FOLLOWED

The Municipal Finance Management Act No. 56, in section 16(1), requires that a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year. To achieve this, the municipality must follow a number of prescribed steps, ending up with the approval of the annual budget at least 30 days before the start of the financial year.

To achieve this, the Mayor tabled to council, and IDP and Budget Process Plan which clearly identified the different targets to be achieved, and the dates at which those set targets needed to be achieved. The tabling of the process plan happened in August 2023.

In the implementation of the Budget Process Plan, the following can be highlighted:

- In February 2024, a council strategic planning session was convened to ensure that the municipality identified priorities that need to be attended to, whilst taking into account the limited resources available within the municipality's own funds, and expected allocations in terms of the Division of Revenue by the National Treasury.

- The 2024/25 draft budget and the medium-term revenue and expenditure framework was tabled to the municipal council on March 29, 2024, in terms of section 16(2) of the

MFMA which requires the Mayor of the municipality to table the annual budget at a council meeting at least 90 days before the start of the budget year.

- The tabled budget was then published, and communities were invited to comment on it in various IDP and Budget Roadshows which were held in each of the municipality's 32 Wards during the first week of May 2024. The received comments have been incorporated into this budget compilation process.

- To comply with MFMA No 56 of 2003, section 22(b), the budget was submitted to the National and Provincial Treasuries for their comments and reviews. A Budget Benchmarking exercise was held on April 29, 2024, with the Provincial Treasury to receive feedback on the review they had performed. The feedback as received from the Provincial Treasury has been incorporated into the budget as far as is possible.

The municipality had to make difficult decisions in terms of choices to be made because of limited resources, whilst there are unlimited demands for service delivery from various communities within the municipality.

5.3. ANNUAL BUDGET TABLES :Budget Summary - Revenue

The table below shows the overall budget summary of the municipality for the 2024/25 Medium-Term Revenue and Expenditure Framework. The total revenue for the 2024/25 financial period is R460 million, excluding capital transfers.

Description	2024/25 Medium Term Revenue and Expenditure Framework		
	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Financial Performance			
Property Rates	41 551 968	43 441 015	45 301 302
Service Charges	1 700 004	1 778 196	1 858 224
Investment Revenue	15 734 100	16 457 868	17 198 484
Transfers and Subsidies - Operational	382 598 600	368 979 412	348 591 666
Other Own Revenue	18 883 188	19 029 004	19 926 836
Total Revenue - Excluding Capital Transfers	460 467 860	449 685 495	432 876 512

Employee Costs	172 754 844	180 701 544	171 048 132
Remuneration of Councillors	30 315 288	31 073 160	31 850 016
Depreciation and Amortisation	54 000 000	56 646 000	59 251 716
Interest	3 800 004	3 800 000	3 699 996
Inventory Consumed and bulk purchases	-	-	-
Transfers and Subsidies	10 549 996	11 066 946	7 609 226
Other Expenditure	267 125 148	227 850 493	200 958 227
Total Expenditure	538 545 280	511 138 143	474 417 313
Surplus/(Deficit)	- 78 077 420	- 61 452 648	- 41 540 802
Transfers and Subsidies - Capital (Monetary)	60 796 396	63 718 596	69 157 346
Surplus/(Deficit) - after capital transfers	- 17 281 024	2 265 948	27 616 544

5.3.1. The municipality receives allocations from the national treasury referred to as the transfers and subsidies and are detailed in the table below:

TRANSFERS AND SUBSIDIES - OPERATIONAL			
Description	**Tabled Budget 2024/25**	**2026 Draft Budget**	**2027 Draft Budget**
Library grant	1 495 000	1 495 004	1 546 004
LG SETA	500 000	500 000	500 000
Municipal Infrastructure Grant - operational	3 190 600	3 344 400	3 630 650
Integrated National Electrification Programme	18 162 000	8 000 004	8 501 004
Local Government Financial Management Grant '15FEB20	2 825 004	2 825 004	2 825 004
Equitable Share	346 719 996	343 107 996	329 996 004
Municipal Disaster Response Grant	8 113 000	8 114 004	-
EPWP Grant	1 593 000	1 593 000	1 593 000
	382 598 600	368 979 412	348 1 666

53.2. The other revenue, totalling to just over R18 million in the 2024/25 financial year can be detailed as follows:

OTHER OWN REVENUE			
Description	**Tabled Budget 2024/25**	**2026 Draft Budget**	**2027 Draft Budget**
Agency Services	6 400 004	7 740 408	8 088 732
Licences And Permits	200 004	209 196	218 616
Operational Revenue	188 004	196 644	205 500
Rental from Fixed Assets	1 200 000	1 300 000	1 400 000
Sales of Goods and Rendering of Services	615 596	922 308	963 804
Fines Penalties and Forfeits	1 361 280	1 423 908	1 487 988
Interest On overdue accounts	8 918 300	7 236 540	7 562 196
	18 883 188	19 029 004	19 926 836

Budget Summary – Expenditure

Description	**2024/25 Medium Term Revenue and Expenditure Framework**		
	Budget Year 2024/25	**Budget Year +1 2025/26**	**Budget Year +2 2026/27**
<u>Financial Performance</u>			
Property Rates	41 551 968	43 441 015	45 301 302
Service Charges	1 700 004	1 778 196	1 858 224
Investment Revenue	15 734 100	16 457 868	17 198 484
Transfers and Subsidies - Operational	382 598 600	368 979 412	348 591 666
Other Own Revenue	18 883 188	19 029 004	19 926 836
Total Revenue - Excluding Capital Transfers	460 467 860	449 685 495	432 876 512
Employee Costs	172 754 844	180 701 544	171 048 132
Remuneration of Councillors	30 315 288	31 073 160	31 850 016

Depreciation and Amortisation	54 000 000	56 646 000	59 251 716
Interest	3 800 004	3 800 000	3 699 996
Inventory Consumed and bulk purchases	-	-	-
Transfers and Subsidies	10 549 996	11 066 946	7 609 226
Other Expenditure	267 125 148	227 850 493	200 958 227
Total Expenditure	538 545 280	511 138 143	474 417 313
Surplus/(Deficit)	- 78 077 420	- 61 452 648	- 41 540 802
Transfers and Subsidies - Capital (Monetary)	60 796 396	63 718 596	69 157 346
Surplus/(Deficit) - after capital transfers	- 17 281 024	2 265 948	27 616 544

As indicated in the budget assumptions, a CPI as guided by the National Treasury was utilised to determine the incremental value on Employee Costs. The decision to utilise the CPI rate is because there is no new Bargaining Council Agreement that will be applicable in the budget year yet.

This was however coupled with considerations of the movements within the organisational structure where there are new positions that have been introduced, or some that have been fused and some that have been done away with.

This has resulted in an amount of just over R172 million being budgeted for the 2024/25 financial year.

The remuneration of councillors is guided by the gazette on the Upper Limits for Office Bearers and the practice has been that it is increased at 2%, and this is what we have applied.

5.4. ALIGNMENT OF THE ANNUAL BUDGET WITH THE IDP

The submissions received from departments and utilised in the compilation of the budget are informed by strategic objectives that are set out in IHLM Integrated Development Plan. The key performance areas are then cascaded down from those strategic objectives, resulting in key performance indicators and projects that are listed in the SDBIP. Management then ensures that the budget allocations are aligned with the strategic objectives.

Having said this, it is important to indicate there is a lot of work to be done by management to ensure that there is seamless alignment of the budget and the IDP/SDBIP, both in terms of aligned budgets with strategic objectives, and clear referencing between the two documents. This would facilitate easy and meaningful oversight by various stakeholders.

Management has followed a process that would ensure that the key performance objectives and indicators satisfy the SMART principle – specific, measurable, achievable, realistic and timebound. This is an area where management must continue to pay attention to so that there is effective implementation of the objectives, but as well as achievement of a clean audit when the annual performance report is audited by the AG.

5.5. OPERATIONAL EXPENDITURE OVERVIEW

The expenditure of the municipality is forecast to be as tabulated below:

General Expenditure

Description	2024/25 Medium Term Revenue and Expenditure Framework		
	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Employee Costs	172 754 844	180 701 544	171 048 132
Remuneration of Councillors	30 315 288	31 073 160	31 850 016
Contracted Services	93 447 124	77 607 078	74 265 269
Depreciation and Amortisation	54 000 000	56 646 000	59 251 716
Interest	3 800 004	3 800 000	3 699 996
Inventory Consumed and bulk purchases	-	-	-
Transfers and Subsidies	10 549 996	11 066 946	7 609 226
Irrecoverable Debt	39 999 996	39 999 996	39 999 996
Other Expenditure	133 678 028	110 243 419	86 692 962
Total Expenditure	538 545 280	511 138 143	474 417 313

a) **Employee Related Costs –** The employee related costs have been adjusted as guided by the CPI. This is because the SALGBC agreement for the period starting from July 01, 2024, has not been finalised. These costs including the remuneration of councillors account for 38% of the operational expenditure.

b) **Contracted Services -** The following expenditure items can be highlighted and are included in the contracted services totalling to just over R93 Million: -

Description	DRAFT BUDGET 2025	DRAFT BUDGET 2026	DRAFT BUDGET 2027
Accounting and Auditing	5 000 000	5 230 000	5 465 350
Cleaning Material	1 500 000	1 569 000	1 639 605
Consumable Materials	2 560 000	2 677 760	2 798 259
Disaster Response Grant	10 812 000	2 928 800	
Environmental Impact Assessment	1 100 000	1 150 600	1 202 377
EPWP Workers	1 593 000	-	-
Legal Advice and Litigation	5 200 000	5 439 200	5 683 964
Maintenance of Access Roads	10 000 000	10 060 000	10 512 700
Maintenance of Buildings and Facilities	4 500 000	4 707 000	4 918 815
Maintenance of Equipment - Municipal Fleet	4 200 000	4 393 200	4 590 894
Maintenance of Equipment - Yellow Fleet	3 000 000	3 138 000	3 279 210
Maintenance Of streetlights	1 800 000		
Municipal Casual Workers	4 000 000	4 184 000	4 372 280
Sewerage Services	3 000 000	3 138 000	3 279 210

c) **Operational Expenditure:** The following expenditure items can be highlighted from the operational expenditure which totals to just over R133 million: -

Description	DRAFT BUDGET 2025	DRAFT BUDGET 2026	DRAFT BUDGET 2027
Bursaries (Employees)	2 500 000,00	2 615 000,00	2 732 675,00
Cellular contracts	4 000 000,00	4 184 000,00	4 372 280,00
Telephone	2 500 000,00	2 615 000,00	2 732 675,00
External Audit Fees	7 500 000,00	7 845 000,00	8 198 025,00
MAINTAINANCE OF NETWORK AND EMAILS	2 000 000,00	2 092 000,00	2 186 140,00
System support	6 650 000,00	6 955 900,00	7 268 915,50
System Adviser	1 500 000,00	1 569 000,00	1 639 605,00
Hire charges for plant	2 000 000,00	2 092 000,00	2 186 140,00
Hiring charges	2 000 000,00	2 092 000,00	2 186 140,00
Free basic and Indigent support services	14 000 000,00	14 644 000,00	15 302 980,00
Insurance premium for municipal assets	2 500 000,00	2 615 000,00	2 732 675,00
Learnerships and Internships	3 600 000,00	3 765 600,00	3 935 052,00
Electricity purchase	8 400 000,00	8 786 400,00	9 181 788,00
Salga staff	2 800 000,00	2 928 800,00	3 060 596,00
Accommodation	5 800 000,00	6 066 800,00	6 339 806,00
Car Rental for principals	1 500 000,00	1 569 000,00	1 639 605,00

Uniform and Protective Clothing	3 000 000,00	3 138 000,00	3 279 210,00
Ward Committee stipend	9 000 000,00	9 414 000,00	9 837 630,00
Fuel & Oil	7 000 000,00	7 322 000,00	7 651 490,00
Wet fuel for municipal plant	2 500 000,00	2 615 000,00	2 732 675,00
Workmen's compensation	1 600 000,00	1 673 600,00	1 748 912,00

5.6. BUDGET FOR REPAIRS AND MAINTENANCE

The following table shows the repairs and maintenance that have been budgeted for. For the year 2024/25, the percentage of the repairs and maintenance to operational budget is just below 7,89% and can be detailed as follows:

Description	Final Budget 2024	Draft Budget 2025	Draft Budget 2026	Draft Budget 2027
Renovations of libraries	-	9 996	10 456	10 926
Maintenance of Buildings and Facilities	4 500 000	4 500 000	4 707 000	4 918 815
VTC equipment calibration	260 000	260 000	271 960	284 198
Maintenance of Equipment - Municipal Fleet	4 099 996	4 200 000	4 393 200	4 590 894
Maintenance of Equipment	200 004	200 000	209 200	218 614
Maintenance of Equipment	50 000	200 000	209 200	218 614
Maintenance of Grass Cutters	150 000	150 000	156 900	163 961
Maintenance of Equipment - Yellow Fleet	3 300 000	3 000 000	3 138 000	3 279 210
Pavements @ ward 6	-	1 000 000	1 046 000	1 093 070
Maintenance of Access Roads	9 399 996	10 000 000	10 060 000	10 512 700
Disaster relief ward 30	1 250 000	1 250 000	1 307 500	
Disaster relief ward 21	335 000	339 000	354 594	
Road markings and signs	300 000	300 000	313 800	327 921
Maintenance of Pavements	1 800 000	1 000 000	1 046 000	1 093 070
Disaster relief ward 24	4 927 000	4 923 000	1 954 106	
Disaster relief ward 12	2 800 000	2 800 000	2 928 800	
Disaster relief ward 18	1 786 678	1 500 000	1 569 000	
Electrical: Buildings	100 004	100 004	104 604	109 311
Electrical: Ward 6	900 000	900 000	941 400	983 763
Electrical: Ward 15	655 500	655 500	685 653	716 507
Maintenance of Network and Emails	1 300 000	2 000 000	2 092 000	2 186 140

Computer Maintenance	99 996	100 000	104 600	109 307
Maintenance of Modula Library	500 000	500 000	523 000	546 535
Maintenance of streetlights	-	1 800 000	-	-
	38 714 174	**41 687 500**	**38 126 973**	**31 363 557**

5.7. CAPITAL EXPENDITURE OVERVIEW

The following is the listing of capital expenditure that is funded out of the Municipal Infrastructure Grant:

PROJECT NAME	PROJECT TYPE	PROJECT COST 2024/25
Flagstaff Internal Streets Phase 2	Roads & stormwater	5 300 890,00
Lusikisiki Intenal Streets Phase 3	Roads & stormwater	6 584 500,00
Ward 2 MPCC	Sport and recreation	2 000 000,00
Ward 31 Community Hall (Bhungeni)	Community facilities	500 000,00
New rest Community Hall in ward 19	Community facilities	500 000,00
Tumse Via Heleni to Hlwama Access road and Bridges	Roads & stormwater	1 142 472,07
Bisi Access road and Bridge	Roads & stormwater	448 471,10
Mtshayazafe to Madlelweni Access road and a Bridge	Roads & stormwater	1 242 716,84
Xhopozo Access Road in ward 8	Roads & stormwater	500 000,00
Galatyeni to Mfinca Access road in ward 13	Roads & stormwater	5 462 500,00
Mgojweni Extention via mvimvane to Fama Access road in ward 18	Roads & stormwater	4 844 999,99
Mtshayelo Access road in ward 27	Roads & stormwater	5 791 100,00
Ngonyameni to Maqanyeni Access road and bridge in ward 11	Roads & stormwater	3 613 750,00
Nqaqhumbe Access road in ward 16	Roads & stormwater	6 037 500,00
Sirhetshe to Sibuthe Access Road in ward 3	Roads & stormwater	6 152 500,00
Planning of Lusikisiki Landfill Site	Solid waste disposal site	500 000,00
Zone 5 sports field in ward 16	Sport and recreation	10 000 000,00
		60 621 400,00

The following is the listing of internally funded capital projects/expenditure: -

Description	DRAFT BUDGET 2025	DRAFT BUDGET 2026	DRAFT BUD 2027
ICT computer software	100 000	104 600	109 307
Sports field - Ward 6	4 000 000	4 184 000	4 872 28
Fencing - Ward 6 - Parks	900 000	941 400	983 763
FENCING OF WARD 18 LANDFILL SITE	1 000 000	2 092 000	2 186 14
Fencing Ward 6 - Yards	885 000	925 710	967 367
ICT Computer equipment	2 500 000	2 615 000	2 732 67
Plotter Machines	300 004	313 804	327 925
Public High masts	9 000 000	-	-
community halls chairs	2 000 000	1 046 000	1 093 07
Office furniture and office equipment	1 500 000	1 569 000	1 639 60
Speakers; loud hailers; speaker tops and voice recorder '15F	200 000	209 200	218 614
Machinery and Equipment: Sound and components	300 000	313 800	327 921
Purchase of Digital Camera	1 180 000	1 234 280	1 289 82
machinery and equipment for landfill site	3 100 000	3 242 600	3 388 51
Street Litter Bins	1 700 000	1 778 200	1 858 21
Lusikisiki Offices	30 000 000	31 380 000	32 792 10
Flagstaff Offices	15 000 000	15 690 000	16 396 05
Networking	1 500 000	-	-

Device locker	100 000	104 600	109 307
	75 265 004	**67 744 194**	**71 292 68**

5.8. IHLM DRAFT TARIFFS 2024/25

CATEGORY	2024/25	2025/26	2026/27
BUSINESS LICENCES			
Formal Businesses			
Big Business(Chain stores with more than 150m2	2076.10	2171.60	2271.50
Small Business (Small Stores with less than 150m2)	692.04	723.87	757.17
Liquor stores	2076.10	2171.60	2271.50
Liquor stores (with special trading hours)	2768.15	2895.49	3028.68
Informal Businesses			
Hawker Stall Registration	184.85	193.36	202.25
Hawker Stalls annual rental	618.68	647.14	676.91
Chicken stalls	1082.73	1132.54	1184.64
Sheep stalls	486.40	508.78	532.18
Fruit and Vege	694.67	726.62	760.05
Kitchen	416.54	435.70	455.74
Small Commodities(General)	416.54	435.70	455.74
ADVERTISING			
Local			
Bill Board 1m(h) x3m(w)-Local	447.96	468.57	490.12
Bill Board 1,5m(h) x2m(w)-Local	523.13	547.19	572.36
Bill Board 2m(h)x 3m(w)-Local	598.27	625.79	654.57
Bill Board 3m(h)x4m(w)-Local	671.98	702.89	735.22
National			
Bill board 1,5m(h) x 3m(w)-National	229.30	239.85	250.88
Bill board 3m(h) x 6m(w)-National	323.73	338.62	354.19
Bill board 6m(h)x 4m(w)-National	431.64	451.50	472.27
Bill board 3w m(h) x 12m(w)-National	694.67	726.62	760.05
Bill board 9m(h)x 6m(w)-National	1213.98	1269.83	1328.24
Lease rentals (Municipal Properties)			
It will depend on lease agreement conditions, rental calculation by valuator and extent of the areas leased (Will increase 5,4%)			
PLAN FEES AND SERVITUDES			
Plan fee for dwelling House	544.16	569.19	595.37
Plan fee outbuilding	195.04	204.01	213.40
Plan fee for offices, flats, hotels, shops, government development etc (all Non-Residential development)	20.21	21.14	22.11

Plan fees outbuilding	2197.48	2298.56	2404.29
Plan fee for offices, flats, hotels, shops, government development etc (all Non-Residential development)	2370.51	2479.55	2593.61
Flats/Hotels /Town houses	2512.73	2628.32	2749.22
Patio/verandah	942.68	986.05	1031.40
Minor Work: Boundary walls etc (per plan)	394.04	412.16	431.12
Drainage Plan per plan	472.92	494.68	517.43
Swimming Pools (Per plan)	315.27	329.77	344.94
Cellphone base station applications	7911.89	8275.84	8656.53
PLAN FINES			
Construction within commonage without building plan approved by the municipality as outlined in the National Building Regulations and Standard Act 103 of 1977			
Residential	7464.05	7807.39	8166.53
Businesses	7464.05	7807.39	8166.53
Commercials	7464.05	7807.39	8166.53
Valuation certificate and Clearance Certificate	50.44	52.77	55.19
LAND USE APPLICATION FEES			
Category 1-Land Development Applications			
Rezoning			
(a)Advertising Fees	3555.45	3719.00	3890.07
(b) Erven 0-2500m2	3519.14	3681.02	3850.34
(c)Erven 2501-5000m2	3646.66	3814.40	3989.87
(d)Erven 5001-10 000 m2	3920.16	4100.48	4289.11
(e)Erven 1 ha -5 ha	4102.32	4291.03	4488.41
(f)Erven over 5 ha	4284.60	4481.69	4687.85
Removal,amendment, suspensions of restrictive or obsolete condition, servitude or reservations against the title of the land	788.97	825.26	863.22
Amendment or cancellation of a general plan of a township	2233.30	2336.03	2443.49
Subdivision of land			
(a)Basic fee	1945.71	2035.21	2128.83
(b) Charge per subdivision (remainder considered a subdivision)	176.88	185.01	193.52
© Subdivision into more than 80 erven(Township establishment)	16096.26	16836.69	17611.17
Permanent closure of a public place per closure	675.72	706.80	739.31
Development on communal land	6479.73	6777.80	7089.58
Encroachment application fees	2027.15	2120.39	2217.93
Catergory 2- Land use application			
Subdivision of land provided for land use scheme or town planning	662.99	693.49	725.39
Subdivision of land	662.99	693.49	725.39
Consent use	1641.56	1717.08	1796.06
The removal , amendment or suspension of a restrictive title	788.97	825.26	863.22

Departures			
(a) Advertising fee for departures	3490.56	3651.13	3819.08
(b)Erven smaller than 500 m2	585.36	612.28	640.45
© Erven 500-750 m2	1135.10	1187.32	1241.93
(d) Erven larger than 750 m2	2036.05	2129.71	2227.67
8. Material amendments to original application prior to approval/refusal			
Miscellaneous Fees			
Extension of validity period of approval	1507.96	1577.32	1649.88
Certificates			
(a)Zoning cerficate per certificate	183.24	191.67	200.49
(b) Any other certificate per certificate	183.24	191.67	200.49
3.Public hearing and inspection	4429.69	4633.45	4846.59
4. Reason for decision of municipal planning tribunal, land development officer or appeal authority	2251.11	2354.67	2462.98
5. Re-issuing of any notice of approval of any application	327.04	342.09	357.83
6. Copy of the tittle deed for informal only	207.42	216.96	226.94
Public notice			
Public notice and advertisements in the legal section of the paper	2027.15	2120.39	2217.93
Public notice and advertisements in the body of the paper	3649.62	3817.50	3993.11
8. Wayleave application (Application to determine where the council's services are located or a specific area where new services are to be installed)	3192.78	3339.65	3493.27
9. Any other application not provided for elsewhere in this schedule of fees	4429.69	4633.45	4846.59
Copies of planning documents			
1. Spatial development framework			
(a)Hard copy per region	221.42	231.60	242.26
(b) In electronic format per region	104.35	109.15	114.17
2. Copy of Land Use Scheme OR Town planning scheme (Scheme Book)	510.30	533.77	558.32
3. Scheme Regulation per set	848.79	887.83	928.67
4. Search fees per erf	34.37	35.95	37.60
5. Search fees per Diagrams	34.37	35.95	37.60
6. Valuation Roll (GV or SV)	848.79	887.83	928.67
SALE OF SITE/LAND			
The values of properties are determined by the valuation carried out by registered valuator			
REFUSE CHARGES			
Domestic/Residential	126.86	132.69	138.80

Commercial/Business	248.71	260.15	272.12
Government properties	376.80	394.14	412.27
Special refuse- Residential	817.28	854.88	894.20
Special refuse- Business	1533.14	1603.67	1677.44
HALL HIRE			
Town Hall			
Security deposit	2666.34	2788.99	2917.28
Hiring (Church, Memorial service and Meetings)	933.22	976.15	1021.05
Hiring (Weddings and Concerts etc)	1999.75	2091.74	2187.96
CEMETERIES			
Sale of adult Plot	938.59	981.76	1026.92
Sale of adullt Plot (double)	1770.82	1852.28	1937.49
Sale of Children's Plot	567.57	593.68	620.99
Digging of the hole	447.92	468.52	490.07
POUND FEES			
Pound fees per head per day (Cattle, Horse and Donkey)	136.42	142.70	149.26
Pound fees per head per day (Sheep and Goat)	81.90	85.67	89.61
Sustenance per day for donkeys, cattle and horses	54.52	57.03	59.65
Sustenance per day for Pigs	61.43	64.26	67.21
Damages	68.21	71.34	74.63
SPORTS FIELD			
Occasion with no gates	682.12	713.49	746.31
Occasion with gates	954.96	998.89	1044.84
School per day	682.10	713.48	746.30
PROPERTY RATES			
Residential Property	0.0165	0.0173	0.0181
Business /industrial and commercial property	0.0220	0.0230	0.0241
Government Properties	0.0220	0.0230	0.0241
Agricultural Property	0.0042	0.0044	0.0046
Public Service Infrastructure Property (PSI)	0.0042	0.0044	0.0046
Interest	**Interest is charged at 10% of the outstanding debt in arrears**		

CHAPTER 6: PERFORMANCE MANAGEMENT SYSTEM

6. INTRODUCTION

Many of South Africa's municipalities, including Ingquza Hill Local Municipality, continue to endure the legacy of under-development, poverty, infrastructure backlogs and inequitable access to basic services. In response to these, Government is putting in place various mechanisms and measures to fight poverty and unemployment.

In the local government context, a comprehensive and elaborate system of monitoring performance of municipalities has been legislated. This system is intended to continuously monitor the performance of municipalities in fulfilling their developmental mandate. Central to this is the development of key performance indicators as instruments to assess performance. These indicators help to translate complex socio-economic development challenges into quantifiable and measurable outputs. They are therefore crucial if a proper assessment is to be done of the impact of government in improving the quality of life for all.

In terms of Section 19 of the Structures Act, Sections 39, 40 and 41 of the Municipal Systems Act and Section 7 (2) of the Municipal Planning and Performance Management Regulations, a Local Government Structure shall develop a Performance Management System (PMS). This system is to contain the following core elements:

- Performance measurement;
- Performance monitoring, reviewing and evaluation;
- Performance Auditing;
- Performance reporting; and
- Intervention.

The Municipal Manager in conjunction with the Executive Committee has the responsibility to ensure the management of performance and the establishment of a financial incentives and rewards, subject to the availability of adequate funds in the Municipal budget and the medium-term expenditure framework. It is thus within the Councils discretionary powers to allow, or disallow the payment of any performance incentives and rewards for a particular financial year.

6.1. Organisational Performance Management

Although organizational and individual performance management are linked, as the latter cannot be meaningfully developed without the former, it is important to manage these two fields of performance management as two separate systems. Once organizational objectives (Integrated Development Plan) and targets have been set for the Municipality, municipal departments and sections, it is possible to cascade them down to individuals within the sections through the use of individual performance plans. In turn, the achievement of individual, section and municipal department objective, contribute towards the achieving the overall objectives of the Integrated Development Plan.

6.2. Legislative Framework for SDBIP and PMS

The framework for Performance Management is informed by the following policy and legislation on performance management:

- The Constitution of the RSA, 1996 (Act 108 of 1996)
- The Batho Pele White Paper (1998)
- The White Paper on Local Government (1998)
- The Municipal Systems Act, 2000 (Act 32 of 2000)
- Municipal Planning and Performance Management Regulations 2001(No 796, 24 August 2001)
- Regulations for Municipal Managers and Managers reporting directly to Municipal Managers, 1 August 2006
- The Local Government : Municipal Structures Act, 1998 (Act 117 of 1998)
- The Municipal Financial Management Act , 2003 (Act 66 of 2003)

In accordance to the legislative requirements and good business practices, the Ingquza Hill Local Municipality needs to develop and implement a performance management system. The main objectives of the system are to guide and manage the performance of the municipality (as an organisation) and employees (as individuals) throughout the municipality.

Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006

These regulations articulate issues of employment contracts, performance contracts and performance appraisal of Municipal Managers and Managers directly accountable to them. Furthermore, Section 43 of the Systems Act authorises the Minister to prescribe general KPIs that every municipality must report on. Regulation 5(1) mentions the following general KPIs:

- The percentage of households with access to basic level of water, sanitation, electricity and solid waste removal.

- The percentage of households earning less than R1100-00 per month with access to free basic services.
- The percentage of the Municipality's capital budget actually spent on capital projects in terms of the IDP.
- The number of local jobs created through the Municipality's local, economic development initiatives, including capital projects.
- The number of people from employment equity target groups employed in the three highest levels of management in compliance with a Municipality's approved employment equity plan.
- The percentage of a Municipality's budget actually spent on implementing its workplace skills plan.
- Financial viability with respect to debt coverage; outstanding debtors in relation to revenue and cost coverage.

6.3. Municipal Finance Management Act (2003)

It is also important to note that the Municipal Finance Management Act (MFMA) contains various important provisions related to municipal performance management. It requires municipalities to annually adopt a Service Delivery and Budget Implementation Plan (SDBIP) with service delivery targets and performance indicators. Whilst considering and approving the annual budget the Municipality must also set measurable performance targets for each revenue source and vote.

Section 1 of the MFMA defines the SDBIP as:

"a detailed plan approved by the mayor of a municipality in terms of section 53(1)(c)(ii) for implementing the municipality's delivery of services and the execution of its annual budget and which must include (as part of the top layer) the following:

a) Projections for each month of-

(i) Revenue to be collected, by source; and

(ii) Operational and capital expenditure, by vote

b) Service delivery targets and performance indicators for each quarter.

Municipal Score Card

A number of performance models are available and any of them could be applied by the Ingquza Hill Local Municipality. Some of the available models include the Municipal Scorecard, Balanced Scorecard and the Key Performance Area Model. However, the Municipality has chosen the Balanced Score Card (BSC) as its preferred performance management model.

Performance Management is also underpinned by policies and PMS guidelines.

6.4. The Performance Management Cycle

6.4.1. Performance Planning

This ensures that the strategic direction of the municipality informs and aligns the IDP with all planning activities and resources, like the development of departmental SDBIP's, development of Performance Contracts for Section 57 employees and the Performance Plans of all employees. The key performance areas and key performance indicators are aligned to the IDP and the national requirements and the targets are set at this stage.

6.4.2. Performance Measurement, Review and Analyses

Performance review sessions- the cycle for performance runs throughout the year. Monitoring is a process of consistently measuring performance and providing ongoing feedback to the employee or group of employees on their own progress towards reaching the set objectives.

Accountability to the Councillors of the Portfolio Committees takes place every month, hence the monthly Portfolio committee meetings. This is where the quarterly KPA are worked on and accounted upon monthly and the next month's plan is agreed upon and where the Councillors give input on the next month's programme and projects. This should be seriously considered at the platform in which the Councillors exercise their oversight role. It is therefore imperative that the time is invested in the process for the**:**

- Self-assessment by the employee;
- Assessment by the employee's manager
- Joint discussion between the employee and the responsible manager; and\reaching consensus on the outcomes, detecting problems and jointly devising solutions.

The performance reviews will take place as follows:

- All Departments to submit their Quarterly Reports to the Performance Management Unit on the 10th after the end of the Quarter.

- The consolidated quarterly review report will be presented to Portfolio Committees on the 15th after the end of the quarter.
- The Consolidated Review Report and Performance Analysis Report will be presented to Top Management and the Extended Top Management on the 20th after the end of the quarter.
- The Quarterly Review Meeting will then take place on the 24th after the end of the quarter when all inputs from various committees have been incorporated into the review reports
- Departments will be requested to provide evidence of their performance against targets as and when required, as this information may be requested by Internal Audit from time to time as a means of verification of what has been reported in the quarterly reports.

6.4.3. Performance Reporting

Sections report weekly to the Managers. These reports are consolidated into monthly reports where line managers' report to their General Managers. The monthly reports will be presented and discussed at the Extended Top Management on monthly basis. These departmental reports will then be consolidated into quarterly reports by respective departments. The quarterly reports are sent to the Portfolio Committees and the Internal Audit prior it being sent to Council and the performance Audit committee. Quarterly reports are consolidated and reporting is done twice a year to management and communities in the form of an Annual Report at the end of the Financial Year.

6.4.4. Performance Appraisal

Section 56 Employees

Section 56 employees are assessed on an 80:20 basis, where 80% represents the Key Performance Areas and the 20% represent the Core Competency Requirements (CCR).

A performance bonus for outstanding performance or an in-kind recognition of effective performance shall only be effected after,

I. The annual report for the financial year under review has been tabled and adopted by the municipal Council ;
II. An evaluation of performance in accordance with the provisions of regulation 23 and this contract; and
III. Approval of such evaluation by the municipal Council as a reward for outstanding performance or effective performance.

6.4.5. Performance Evaluation for Section 56 employees

The monitoring and performance evaluation of section 56 employees shall be done in accordance with the Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers, regulations of 2006, which prescribes as follows:

For purposes of evaluating the annual performance of the municipal manager, an evaluation panel constituted of the following persons must be established –

Executive Mayor or Mayor;

a) Chairperson of the performance audit committee or the audit committee in the absence of a performance audit committee;

b) Member of the mayoral or executive committee or in respect of a plenary type municipality, another member of Council ;

c) Mayor and/or municipal manager from another municipality; and

d) Member of a ward committee as nominated by the Executive Mayor or Mayor.

For purposes of evaluating the annual performance of managers directly accountable to the municipal managers, an evaluation panel constituted of the following persons must be established –

I. Municipal Manager;

II. Chairperson of the performance audit committee or the audit committee in the absence of a performance audit committee;

III. Member of the mayoral or executive committee or in respect of a plenary type municipality, another member of Council ; and

IV. Municipal manager from another municipality.

The Manager: Corporate Services shall provide secretariat services to the evaluation team referred to above.

6.4.6. Management of evaluation outcomes

Regulation 32(1) (2) (a) and (b) states that

(1) The evaluation of the employee's performance will form the basis for rewarding outstanding performance or correcting unacceptable performance.

(2) A performance bonus ranging from 5% to 14% of the all-inclusive remuneration package may be paid to an employee in recognition of outstanding performance. In determining the performance bonus the relevant percentage is based on the overall rating, calculated by using the applicable assessment-rating calculator; provided that -

(a) A score of 130% to 149% is awarded a performance bonus ranging from 5% to 9%.

(b) A score of 150% and above is awarded a performance bonus ranging from 10% to 14%.

The performance bonus based on affordability of the municipality shall therefore be paid to the section 57 employees after the annual report for the financial year under review has been tabled and adopted by the municipal Council.

6.5. Cascading Performance Management

By cascading performance measures from strategic to operational level, both the IDP and the SDBIP, forms the link to individual performance management .This ensures that performance management at the various levels relate to one another which is a requirement of the Municipal Planning and Performance Regulations and the MFMA. The MFMA specifically requires that the annual performance agreements of managers must be linked to the SDBIP of a municipality and the measurable performance objectives approved with the budget (circular 13 of the MFMA). The SDBIP in essence becomes the main operational tool to translate and manage the performance objectives as formulated in the IDP.

This process is illustrated by the diagram below and as described in circular 13.

For all officials other than the Section 56 Managers who are permanent staff members of Ingquza, performance is not directly linked to a financial reward. In addition, there is no merit increase system for these officials who receive an annually bargained increase determined by the South African Local Government Bargaining Council. Officials whose remuneration is subject to the Bargaining Council, recognised as having rendered superior performance, are to receive a non-financial reward as indicated hereunder:

PERFORMANCE SCORE	
Performance Score	**Nature of the Recognition**
70% - 79%	Certificate of recognition presented by the Municipal Manager
80% - 89%	Certificate of Recognition presented by the Mayor at a Council meeting
90% - 100%	Certificate of recognition presented by the Mayor at a Council meeting together with a course in the functional field of the official to the maximum cost of R5000.

6.5.1. Performance reporting

The Municipal Systems Act 32 of 2000 prescribes that every municipality must compile an SDBIP which is a mechanism to assess performance and should ensure that it is properly aligned with the Municipality's IDP and the budget. It is central to the monitoring and evaluation of the performance of the Municipality in implementing its IDP and Budget.

In terms of performance monitoring, the performance is reviews on monthly basis where performance reports which includes financial and non-financial reports are tabled on management meeting. These reports include section 71 reports which are submitted to the Mayor as per the legislation requirements. Section 72 report s are tabled to the Council and Section 52 d reports are tabled as per requirements of the Act. The performance reviews should be conducted twice a year on sections 72 (half year) and 52 d reports (annual report) to assess the performance against targets and objectives as per reviewed IDP.

CHAPTER 7: SECTOR PLANS

7.1. SPATIAL DEVELOPMENT FRAMEWORK (SDF)

The Spatial Development framework has been reviewed in 2023/2024 finacial year and adopted by the council in May 2024. The Ingquza Hill Municipality's Spatial Development Framework Plan seeks to guide the overall spatial distribution of current and future land use within a municipality in order to give effect to the vision, goals and objectives of the Ingquza Hill Municipality's Integrated Development Plan (IDP). This report is a review of the Spatial Development Framework (SDF) that was adopted by the Municipal Council in 2018 and is formulated in compliance with the requirements of Section 26(e) of the Municipal Systems Act (Act 32 of 2000), the Municipal Planning & Performance Management Regulations (R796/2001) and the Spatial Planning and Land Use Management Act (SPLUMA), 2013.

In terms of the Chapter 3 of the SDF document provides a synthesis of the key ***Policy Context and Vision Directives*** for the review and formulation of the IHLM SDF. The national development mandate for South Africa is one that envisages a country where "all our people are living in s*hared and transformed places in an integrated, inclusive, sustainable and competitive national space economy"*[1]*, with the* core development objectives focussing on inclusive economic growth, job creation and poverty eradication. A key spatial construct for the formulation of the Ingquza Hill LM SDF is the spatially defined *National Transformation Corridor* (National Spatial Development Framework Plan (NSDF, 2018) recognised as *a high-value national agriculture and strategic water source production region.*

Key focus areas (sub frames) of the NSDF (2018) that guide the formulation of the IHLM SDF, include:

- *National Development Corridor and Special Economic Zone* that accommodates the proposed National (N2) Coastal Road - focussed on improving access, infrastructure development and trade along the route from Nelson Mandela Bay via Mthatha and Lusikisiki to Port Shepstone.
- Lusikisiki and Mthatha recognised as *regional development anchor towns* along this corridor.
- *Ecological infrastructure and resource base*: Recognition of strategic high value natural assets of biodiversity, ecology and tourism significance. These include national protected areas, marine reserves and strategic national water resource areas.

- *Focus on productive rural regions forming the cornerstone for development in rural areas, with national investment focus to support agri-enterprise and small-scale farming resource potential.*

In light of this, the NSDF (2020) puts forward the *Regional Rural Development Model Concept,* focussed on fostering inter-connectedness between defined urban and rural areas of varying scale - promoting potential intra-regional trade between towns and villages and the *Social Services Provisioning Model* that serves to guide the provision of varying levels of social services in villages, towns and regional anchors, (refer to Section 3.3.2).

Aligned to national spatial development imperatives, key focus areas and spatial informants drawn from provincial and regional level policy planning (refer Sections 3.3 and 3.4 and as depicted on the plan following) include:

- Recognition of high value natural resource and agricultural production areas for rural development
- Importance of appropriate land use management systems to protect sensitive environments and valuable natural resource areas (agricultural, coastal economy and tourism) in the region.
- High potential development in agriculture, mining, tourism and the oceans economy sectors.
- Mthatha and Lusikisiki, identified as regional development anchors for focussed economic and infrastructure investment along the Wild Coast N2 corridor.
- A specific objective of the Eastern Seaboard Regional SDF (2022) is to determine the viability of a new African Coastal City “Smart City” in the region –a people and techno-centred approach - using technologies to address social and spatial problems (refer to Section 3.4.2).
- Proposed Future Metro Region (FMR), (EC SDF, 2017) a spatially defined area that incorporates the N2 Wild Coast Corridor from Mzamba to Lusikisiki, focused on high level of service and infrastructure investment and small town regeneration.
- National Movement Networks: New N2 Wild Coast toll road: The upgrading of the existing R61 route from Mthatha to Lusikisiki and then a new link from Lusikisiki to Port Edward, then following the existing road from Port Edward to Port Shepstone

- Inter-regional movement networks : serves as major movement networks between settlements in the Region: The R61 from Mthatha via Port St Johns, Lusikisiki – Palmerton -Flagstaff, - Bizana Port Edward and Margate to Port Shepstone (proposed new N2 toll road)
- Economic/Tourism Corridors: Nelson Mandela Cultural (Heritage) Route & Wild Coast Agri-tourism

7.2. LED STRATEGY

7.2.1. Introduction

This document provides an overview of the Ingquza Hill Local Economic Development (LED) Strategy's methodology and its objectives. It also highlights the theoretical framework for the development of the report, which is based on the Department of Cooperative Governance and Traditional Affairs' (CoGTA) National Framework for Local Economic Development.

7.2.2. Objectives and Goals

LED objectives constitute a set of critical interventions that must be pursued in the short, medium and long terms to realise the Ingquza Hill LED vision. The strategic planning literature and practice require that objectives be constructed in a manner that is specific, measurable, achievable, relevant and time-bound (SMART). Flowing from the vision, the Ingquza Hill objectives are stated as follows:

Objective 1: Skills development

Skills development is a critical component of ensuring inclusive LED (CoGTA, 2017). At the core of development is the enlargement of a population's capacity to live a healthy and fulfilling life. Lack of skills and education serve the opposite purpose, i.e., to limit a population's capacity to take advantage of opportunities for the betterment of their lives. To have a lasting impact, the LED strategy must therefore seek to contribute towards the improvement of, especially, the youth and women's access to skills and education (Ingquza Hill Local Municipality, 2011). It should further ensure the reskilling of municipal officials to be able to carry out LED in the fast-changing development dynamics. Future skill sets deemed to be critical going forward include communication and coordination, project management, conflict management, negotiation, digital literacy, and complex problem solving (Department of Communication and Digital Technologies, 2018).

Objective 2: Promote entrepreneurship and SMME development in diverse sectors of the economy

Promotion of entrepreneurship encompasses the encouragement of more entrepreneurs starting businesses in sectors where local municipality has comparative advantage and new opportunities. This involves entrepreneurial programmes targeted at community members within the municipality to start new businesses to combat poverty and high levels of unemployment. SMME development speaks to the capacity development of informal enterprises and emerging and micro enterprises through the provision of financial and non-financial support to help businesses grow.

Objective 3: Achieve measurable growth in specifically targeted sectors

To improve the standard of living of the Ingquza Hill population, the economy must attain inclusive, environmentally sustainable and consistently high growth rates. Specific sectors with high growth potential—such as agriculture, forestry and tourism—should be targeted for growth. This, in turn, depends largely on the ability of the economy to attract and retain competitive investments. To achieve these levels, the economy must create and maintain an investor-friendly environment, which in turn is dependent on good governance, practices, efficient economic infrastructure and effective business support services. In addition to community upliftment and job creation, LED projects must also incorporate expansion in output and the attraction of new investment as core outcomes (Ingquza Hill Local Municipality, 2011).

Objective 4: Investment in and maintenance of infrastructure

Economic infrastructure ensures the mobility of labour and capital for a local economy. It results in the overall growth of towns. Infrastructures provide for a significant amount of employment generation and employment opportunities. Osakwe et al. (2018) assert that infrastructure programmes have the potential to lead to trade diversification and stimulate economic development. There is a positive relationship between infrastructure development and poverty reduction because when people have access to infrastructure platforms such as rail, roads and communication platforms, an avenue is created for entrepreneurship and local business development (Seetanah et al., 2009). It will be critical for Ingquza Hill to develop its social and economic infrastructure to promote local economic growth as any investments depend on the state of infrastructure for the local municipality.

Implementation Plan of the LED Strategy

This section provides details on the implementation of the identified projects for the Ingquza Hill LM. It lists the Key Performance Indicators, activities, the respective implementing party, project partners, and the timeframe of the project and whether the budget has a budget identified and where this funding could be sourced from. The implementation plan is organised by strategic pillars as follows:

Strategic Pillar 1: Agriculture and Forestry Development

Goal (Provide on-site agriculture training support to smallholder farmers in partnership with relevant agriculture entities and Facilitate the compilation of a forestry and environmental strategy by 2025)

Strategic Pillar 2: Blue Economy

Goal (Identify economic opportunities in marine and coastal tourism and Expansion of coastal tourism leisure-oriented activities)

Strategic Pillar 3: SMME Development

Goal (Facilitate access to funding for a minimum of 50 SMMEs by 2025 through public and private entities and Establish partnerships with Department of Small Business Development (DSBD) entities with memoranda of understanding to support SMMEs by 2022)

Strategic Pillar 4: Tourism Development

Goal (Grow Ingquza Hill as a tourism destination in the next five years, realising a 10% growth in business tourism numbers and 15% growth in leisure tourism numbers and To assist Umzimvubu tourism community to establish a well-resourced LTO by 2025)

LED Priority Projects are as follows:

- Establishment of Communal Shearing Sheds
- Cannabis Community Projects
- Modular Abattoir
- Informal and hawker trading facilities
- Satellite Business Facility
- Conduct Feasibility Study for the development of Msikaba Business experience
- Facilitate for the Resuscitation of LTO organisation

- Pondoland Cultural Festival
- Cultural and Tourism Information Centre

7.3. Human Resource Management Plan

Executive Summary

The Human Resource Plan (HRP) is the process which the organization undertakes with the collaboration **with the various stakeholders in order to ensure that** the municipality have the correct number of people, with the right skills, in the right places, at the right time and performing effectively with available resources, economically and efficiently. In the present situation, the municipality has posts that are not filled due to funding, shortage of office space and tools of trade and staff that are not yet placed to post in the staff establishment. Therefore the municipality has developed a 5 year HRP in order to craft solutions to the challenges identified, this plan will be reviewed annually during the process and review of the Integrated Development Plan (IDP).

The municipality has developed a plan in order to identify the gaps in it Human Resource in terms of the current number of employees, their skills, competencies, knowledge of the Municipal intentions and the future requirements. The policies that will enable the Department of Corporate Services to effectively facilitate the achievement of the HRP goals include the Recruitment and Selection, Skills Development Policy, Bursary Policy, Integrated Health and Wellness and Organisational Design and Development. The HR Plan also addresses issues that are related to the implementation of the Skills Development Act, Labour Relations, Occupational Health and Safety programmes.

The HRP has been aligned with the municipal IDP and the Service Delivery Budget Implementation Plan (SDBIP) that will ensure that challenges and risks identified are addressed and that the various departmental managers are also playing an active role whilst the Department of Corporate Services provides professional support and development of personnel in the municipality.

Ingquza Hill Local Municipality (IHLM) has developed this HRP in order to plan and align its human capital with strategic organizational goals as outlined in the 5 Year Integrated Development Plan. The following approach has been adopted:

- Overview of the municipality and its strategic direction as outlined in the IDP,
- Scanning of both internal and external environment in as far as it affect Human Resource Planning and Provision,

- Profiling of the current workforce, identification of gaps in the HR functions,
- Development of an action plan to close the identified gaps.

The main objectives of the HRP is:

- To ensure appropriate utilization of available personnel,
- To attract and retain scarce skills,
- To standardize HR processes and procedures to be followed when employees enter/ exit the municipality,
- To ensure that all employees and unemployed have the required competency levels,
- To create an Environment that promotes employee Health and Wellness.

7.4. HOUSING SECTOR PLAN

7.4.1. Preamble

This HSP has been reviewed in 2023/2024 financial year and adopted by the council in May 2024. The sector plan was revised in accordance with the prescripts of the Blue Book for Municipal Housing Planning and the related National Treasury Planning dispensation.

The methodology used to review the HSP consisted of the review of the current IDP, HSP, SDF and other relevant chapters of the IDP and sectorial plans. In addition to this, a desktop analysis was undertaken to better understand the demand for housing, the supply side study included primary level survey and collection of data related to land and land packaging, infrastructure planning and availability, organisation capacity and projects including, planned, current and blocked and lastly an integration study to establish cross cutting issues and related planning and availability especially as it relates to health, education, roads and transportation, social and recreational and safety facilities. The results of all these studies were used in the production of a situation analysis report which was utilised to inform the development of the HSP. The HSP consist of strategic goals and priorities for the Municipality which is detailed into programmes for year 1 of a 5 year horizon. Lastly, a project pipeline together with a project tracking tool was developed and provided to enable the Municipality to improve its planning, tracking and monitoring of projects.

The engagement processes with the Municipalities and the client (ECDoHS) was multi layered. A provincial project management forum was established and monitored inception and progress on the project. An orientation workshop was held with the Municipalities to create the understanding and awareness of the project, to create the conduit for information to be collected and to undertake an initial desktop exercise to understand the dynamics and nuances related to housing delivery. Individual visits to the Municipalities, districts, other departments resulted in the collection of the required primary level information this included the administration of a structured questionnaire with key officials.

7.4.2. National Housing Needs Register

To eliminate the housing waiting list, the municipality is working with the DoHS. We are now creating questionnaires and distributing them to create a housing needs register, which we will subsequently record on the National Housing, Needs Register. The system is brand-new and IHLM HSP REVIEW 2023 36 | P a g e computerized, which is the current challenge. We only have a limited number of internet connections; thus it can only be accessed through them (IHLM IDP, 2022). The National Housing Needs Register will be the sole official register from which potential beneficiaries will be selected now that it has been established. The municipality has trained 3 field workers per ward to distribute surveys and 5 officials to record beneficiary information on the system (IHLM IDP, 2022).

Table 14 of the Housing Sector Plan: Ingquza Hill LM Housing Needs Register.

	Approved on HSS	On NHNR only	NHNR and Approved on HSS Total
Eastern Cape	72 382	586 792	659174
Ingquza Hill Local Municipality	398	11 961	12359
Flagstaff	126	5 429	5 555
Lusikisiki	272	6 532	6 804

The recent Housing Needs Register from the National Department of Human Settlements (2022) shows that the municipality has total of 398 approved from a total of 11 961 applicants. Lusikisiki had more recorded applicants at 6 532 compared to 5 429 applicants from Flagstaff

7.4.3.Housing demand profile of the municipality

The previous Housing Sector Plan indicated that the municipal housing waiting list has over 2 000 applications for housing units in the urban areas and a total demand of 33 502 households. Whilst it is presumed that a large proportion of rural communities still require housing units, the exact housing need in rural areas is, however, unclear. The municipality also has no information of the need in terms of the various categories and associated instruments, i.e. informal settlement upgrade, social and rental, project linked individual etc.

There are 42 military veterans appearing on the Department’s database for Ngquza Hill.

The quantified housing demand in based on information from the 2001 Census, 2007 Household Survey and DWA structure count, can be summarized as follows:

RURAL	SOCIAL AND RENTAL	INFORMAL SETTLEMENT STRUCTURES	CHILD HEADED HOUSEHOLDS
32 641	1 566	248 (365 – dot count)	764

The table above provides a more accurate estimation of informal settlement structures within the Municipality. The dot count figure reflects the informal structures concentrated within informal settlements whilst the Census and Household survey figure includes informal structures within existing settlements.

7.4.4.Land and Housing

Surveyed land in the municipality is largely commonage, and there are land claims on both the Flagstaff and Lusikisiki commonage areas. The municipal area is predominantly made up of communal land under tribal ownership. Ownership of the Mkambati Nature Reserve has been restored to the community (following a successful land claim) and the reserve is presently being managed in terms of a co-management agreement between EC Parks and the community.

Inland of the reserve is a large tract of unsettled former TRACOR land. The Magwa Tea plantation is another large tract of land under productive agriculture with limited settlement inside the Estate. In addition to the above, the following state owned properties have been approved for transfer from the Provincial Government to the municipality for human Settlement development purposes:

ERF NUMBER	TOWN NAME	EXTENT(HA)
142	FLAGSTAFF	97.9359
147	FLAGSTAFF	1

It is proposed that feasibility assessments be carried out to determine the development potential of the land and if found feasible, business plans be prepared for submission to Province motivating the transfer of the land.

7.4.5.Municipal Capacity and

Information from the previous Housing Sector Plan indicates that there is 1 Officer, Town Planner and Manager for Planning. The SDF states that the municipality has Land Use Scheme Policy .

7.4.6.Progress on Housing Provision

The table below shows the number of approved beneficiaries by age group for Ingquza Hill LM, O.R Tambo DM and Eastern Cape Province. It indicates that 47.7% the beneficiaries are adults between the ages of 36-59, followed by adults over the age of 60 with 46.5%. This may be attributed to adults moving out of their main homes and starting new families. A similar trend may be observed for Ingquza Hill LM and O.R Tambo DM where adults over the age of 36 are dominant beneficiaries as opposed to youth (age 18-35).

Table 16: Age Profile of Households Approved on HSS – Eastern Cape

Age Group	Total Number Approved on HSS in IHLM	Total Number Approved on HSS O.R. TAMBO DM	Total Number Approved on HSS
Adult (Age 35-59)	2 635	19 891	200 911
Adult (Age 60+)	2 513	20 819	195 816
Youth (Age 18-35)	374	3 164	24 625
Total	5 522	43 874	421 352

Source:HSS(2023)

The figure above shows that 48% of the housing subsidy beneficiaries are between the ages of 36-59, followed by adults over the age of 65 at 45% while youth under 35 years constitute of 7% of housing subsidy beneficiaries.

7.4.7.Informal settlements

The following are informal settlements in Ingquza Hill:

- Unity Park,
- Nkululekweni in Flagstaff,
- Malizole,
- Gqathule,
- Katilumla,
- New rest,
- Nyuswa,

7.5.DRAFT ENVIRONMENTAL MANAGEMENT PLAN

7.5..1. INTRODUCTION

Ingquza Hill Local Municipality (IHLM) has appointed Leago Environmental Solutions as an external Environmental Consultant to undertake an Environmental Status Quo analysis and to compile an Environmental Management Plan (EMP) for the Ingquza Hill Local Municipality. The document is currently at draft stage wherein it's the stage of sourcing commends from stakeholds before its finality.

The rationale for the EMP is to ensure protection of sensitive environmental features and sustainable use of environmental resources such as water, air, land, vegetation and animal species. Early considerations and proper planning of the environmental consequences resulting from development of projects within the IHLM would ensure environmental sustainability thus positively contributing to the economic development of the region. It is fundamentally important that local municipalities play a vital part in the protection of the environment, although this is often not acknowledged or given the emphasis that it should be given. Pressures to deliver vital services and to enhance opportunities for development at the local level can be seen as conflicting with custodianship of the environment. As a result, the environment compliance is often seen as a complex and low priority aspect for local government and, as a result, performance of many municipalities in fulfilling their mandates tends to be poor (Environmental Management and Local Government, 2011).

7.5.2. Who must use this EMP

This Environmental Management Plan is primarily for use by the IHML for managing and guiding activities and projects within the municipality, this report also highlights key issues that must be taken into cognisance by other stakeholders doing work or intend to do projects within the IHLM. The EMP is also valuable to the decision makers responsible for administering the relevant legislation and for making decisions on projects in terms of the various processes and acts. It also aids the municipality to assess the sustainability of development projects.

7.5.3. Municipal Priorities listed in the Draft EMP

CLUSTER	SECTOR PRIORITIES	OUTCOME	INFLUENCE ENVIRONMENTAL MANAGEMENT
Spatial Priorities	• An Effective Land-use management • A compact urban structure • The implementation of proper environmental management plan and need for spatial integration. • Air,land and water pollution.	Compliance and effective development	Sustainable land use
Infrastrucure Cluster Priorities	• Roads(tar and gravel) • Electricity provision • Storm-water drainage systems Public transport system • Water distribution networks • Sanitation nertwork and systems • Housing • Sports facilities • Community facilities,eg Libraries and Community Halls • Cemetries • Health care centers • Recreational facilities • Safety and security facilities e.g police stations,municipalpolice satellite stations,etc	Improved service and community infrastructure support	Controlled/regulated land use
Social Cluster	• The reduction of the spread of HIV/Aids • Community development • The provision of housing/housing support centres • The promotion of equity,specially regarding disadvantaged people(e.g.women,youth,disabled and aged people) • Proper disaster management regarding:Flood disasters	Improve Health and Safety of community Human Development	Healthy living environment

Economic Cluster	• Creation of anenablingenviromentfor economic development • Creation of jobs • Poverty alleviation • Agricultural/Agro-processing & manufacturing • Promotion of Tourism • Promotion of Mining • Support Small Micro and Medium Enterprises andCooperatives development	Economic Inclusion	Sustanaible utilisation of natural resources

7.5.4. Municipal Compliance status and Recommendation in terms of the EMP

MUNICIPAL ACTIVITY	SUB ACTIVITY	APPLICABLE LEGISLATION	COMPLIANCE STATUS	RECCOMMENDATION
Waste Management	Waste collection	• National Environmental Management Act: Waste Act 59, 2008 as amended in 07 April 2017 • National Waste Domestic Collection Standards 2011	The Municipality collects from few areas within the municipality.	Waste should be collected in all areas within Ingquza Hill Local Municipality jurisdiction
	Watse disposal and landfill	• National Environmental Management Act: Waste Act 59, 2008 as amended in 07 April 2017 • Minimum Requirements for Waste Disposal by Landfill, 2nd Edition (DWAF, 1998) • National water Act (Act 36 of 1998	The municipality does not have a licensed landfill site.	This operating landfill should be regularly audited.

	Waste transport	• National Environmental Management Act: Waste Act 59, 2008 as amended in 07 April 2017 • National Road Traffic Act (Act 93 of 1996) • National Waste Domestic Collection Standards 2011	Waste compactors are used for waste collection	Waste compactors should always be available on site and should be regularly serviced
	Waste treatment	• National Environmental Management Act: Waste Act 59, 2008 as amended in 07 April 2017 • Health Act (Act 63 1977) • Occupational Health and safety Act (Act 85 of 1993) • Hazardous Substance Act (Act 15 of 1973) • Air Quality Act (Act 39 of 2004)	There is no waste treatment done in the municipality.	A municipality should develop a waste treatment facility.
	Waste Recycling	• National Environmental Management Act: Waste	Recycling is done informally by community members.	The recycling should be done by registered recyclers and the

		Act 59, 2008 as amended in 07 April 2017 • National Waste Domestic Collection Standards 2011 • Department of Environmental Affairs guideline on recycling		municipality must lead the recycling initiatives.
	Waste awareness	• National Environmental Management Act: Waste Act 59, 2008 as amended in 07 April 2017 • National Waste Management Strategy,2011 • National Waste Domestic Collection Standards 2011	There is no environmental awareness done within the municipality.	Environmental (waste) awareness must be done often within all communities.
	Integrated Waste Management Plan	• National Environmental Management Act: Waste Act 59, 2008 as amended in 07 April 2017	The municipality has a IWMP.	The municipality must adhere to the IWMP and ensure that the plan is reviewed on 5 years basis.

		• National Waste Management Strategy, 2011 • National Waste Domestic Collection Standards 2011 • Minimum Requirements for Waste Disposal by Landfill, 2nd Edition (DWAF, 1998) • National Norms and Standards for Disposal of Waste to landfill 2013		
	Waste Minimization	• National Environmental Management Act: Waste Act 59, 2008 as amended in 07 April 2017 • National Waste Management Strategy, 2011 • Department of Environmental Affairs guideline on recycling	The Municipality does not have initiative to implement the Waste Minimization strategy.	Waste minimization strategies should be well-emphasized.

	Waste Information System	• National Environmental Management Act: Waste Act 59, 2008 as amended in 07 April 2017 • National waste Information Regulation 13 August 2012	Waste is recorded	A waste records should be regularly updated as per Waste Information System.
	Waste Management by Law	• National Environmental Management Act: Waste Act 59, 2008 as amended in 07 April 2017	The Municipality has an Environmental Management by-law	The Municipality gazette a Waste Management By-laws to enforce waste management issues within the municipality.
	Waste Management Policy	• National Environmental Management Act: Waste Act 59, 2008 as amended in 07 April 2017	The Municipality has an Environmental Management by-law	The Municipality gazette a Waste Management By-laws to enforce waste management issues within the municipality.
	Waste Management Budget	• National Environmental Management Act: Waste Act 59, 2008 as amended in 07 April 2017 • Municipal Systems Act (Act 32 of 2000 Chapter 8) • National Waste Management Strategy	Budget is part of community services.	A budget focused in waste management should form part municipal yearly budget.

	Personel	• National Environmental Management Act: Waste Act 59, 2008 as amended in 07 April 2017 • Health Act (Act 63 1977) • Occupational Health and safety Act (Act 85 of 1993) • Hazardous Substance Act (Act 15 of 1973) • National Waste Domestic Collection Standards 2011	There are waste service personnel / waste pickers.	Capable and enough personnel should be available all the times to reduce amount of waste around the Municipality
Environmental Management	Envoromental Management Plan	• National Environmental Management Act, Act No 107 of 1998 as amended in 07 April 2017 • Integrated Environmental Management Information series 12	Municipality is currently compiling the EMP.	The EMP should be implemented as soon as it has been approved.
	Environmental Management Policy	• National Environmental Management Act, Act No 107 of 1998 as amended in 07 April 2017	There is no Environmental Policy.	The municipality should develop an Environmental Management Policy

		• Green Paper on an Environmental policy for South Africa 1996		
	Environmental Awareness	• National Environmental Management Act, Act No 107 of 1998 as amended in 07 April 2017 • Integrated Environmental Management Information series	The Municipality does not have adequate Environmental awareness within the municipality.	Environmental (waste) awareness must done often and visible to all the communities and visitors within the Municipality
	Environmental Plan for projects in the IDP	• National Environmental Management Act, Act No 107 of 1998 as amended in 07 April 2017 • Municipal Systems Act (Act 32 of 2000 Chapter 8)	The Municipality IDP outlines key issues that requires environmental assessments on developments.	IDP must include environmental requirements for all the projects.
	Environmental by laws	• National Environmental Management Act, Act No 107 of 1998 as amended in 07 April 2017 • Ingquza Hill Local Municipality Draft	The Municipality has an Environmental Management by-law.	Compliance to the Environmental Management by-laws must be enforced by the municipality.

		Environmental Management: By-Law		
	Noise and vibration management	• Occupational Health and Safety Act, 1993); (Act No. 85 of 1993) • Noise-induced hearing loss regulation, 2003	The municipality is partially compliant.	Any activity that may cause noise should be undertaken during the day. Surrounding residents should be notified incase if immense vibration and noise may result, equipment should be serviced regularly.
Biodiversity	Biodiversity Management Plan	• National Environmental Management: Biodiversity Act, 2004 (Act no. 10 of 2004) as amended in 30 May 2017	The Municipality does not have by laws on biodiversity management and there are no plans to guide the compliance with. Biodiversity management	The Municipality must adopt and comply with the Eastern Cape Biodiversity Management Plan
	By law	• National Environmental Management: Biodiversity Act, 2004 (Act no. 10 of 2004) as amended in 30 May 2017	There is no by law specific for biodiversity.	The Municipality must develop their own Biodiversity By law.

	Biosphere forums	• National Environmental Management: Biodiversity Act, 2004 (Act no. 10 of 2004) as amended in 30 May 2017 • Guiding principles for projects on biosphere reserve 22 March 2002 • Guideline for establishing man and the biosphere reserve (MAB) committees	Available	The municipality should occasionally host Biosphere forums
	Aquatic Biodiversity Management	• National Environmental Management: Biodiversity Act, 2004 (Act no. 10 of 2004) • National Water Act, Act No. 36 of 1998	Biodiversity within the water bodies (e.g. wetland, river, etc) are being conserved and the municipality must use the OR Tambo District Municipality Coastal Management Programme	The biodiversity within the water bodies should be preserved were possible or conserved as they support the life system within the aquatic environment.

Air Quality	Air Quality Management Plan	• National Environmental Management: Air Quality Act, 2004 (Act No. 39 of 2004) as amended in 03 April 2017 • National Dust Control Regulations November 2013 • National for Air Quality Management Planning	The Municipality has an Environmental Management by-law	The Environmental by-laws must be enforced and ensure that air quality management is adhered to.
	Air Quality Officer	• National Environmental Management: Air Quality Act, 2004 (Act No. 39 of 2004) as amended in 03 April 2017	The municipality does not have an air quality officer.	The municipality must assign the responsibility of air quality management to the municipal environmental officer.
	Air Quality Policy	• National Environmental Management: Air Quality Act, 2004 (Act No. 39 of 2004) as amended in 03 April 2017	The municipality does not have a policy on air quality.	An Air Quality Policy must be developed.

		• The National Framework for Air Quality Management		
Water Management	Water Management Plan	• National Water Act, Act No. 36 of 1998	There is no Water Management Plan of the municipality	The municipality should develop a Water Management Plan.
	Water Conservation	• National Water Act, Act No. 36 of 1998 • Conservation of Agricultural Resources Act (Act 43 of 19830 • Nature and Environmental Conservation Ordinance No. 19 of 1974	Efforts are being done through Blue Drop	The municipal should enforce measures that are in place to ensure water conservation and it should also comply with Blue and Green Drop System.
	Sensitive areas (e.g. Wetland, Watercourse, Flood lines)	• National Water Act, Act No. 36 of 1998 • Guidelines for delineation of wetland boundary and wetland zones 1999 • Wetland and Riparian Delineation Guidelines 2008	Sensitive areas are delineated in maps.	Sensitive areas as well as wetland buffer zones should not interfered with. • All necessary licenses should be obtained from relevant department.

		• Department of Water Affairs wetland delineation manual		• Cease, modify, or control any act or process causing the pollution/degradation. • Comply with any prescribed waste standard or management practice. • Contain or prevent the movement of pollutants or the source of degradation. • Remedy the effects of the pollution/degradation. • Remedy the effects of any disturbance to the bed and banks of a river/watercourse/wetland. • An awareness programme should be undertaken for activities surrounding these sensitive area

	Waste water Management	• • National Water Act, Act No. 36 of 1998 • Blue and Green Drop System • SANS 241: 2015 for Portable Water	The municipality does not Waste Water Treatment facilities.	The municipality Waste Water Treatment facilities should fully comply with the Green drop System, SANS 241: 2015 and National Water Act.
	Water Supply Monitoring and records	• National Water Act, Act No. 36 of 1998 • Water Supply and Sanitation Policy White paper 1994 • Water service Act (Act 107 of 1997) • Water and Sanitation Services ByLaws	The municipality supply some of the areas within the municipality and monitoring of the water quality is done.	Water quality and quality monitoring should regularly monitored.
Energy	Greening and Alternative Energy Sources	• National Energy Act, Act No 34 of 2008 • National energy efficiency strategy 2005 • White paper on the Renewable Energy Policy of the Republic of South Africa 2003.	The Municipality does not have a plan on green energy and alternative energy sources. However a wind energy development has been proposed within the municipality.	The Municipality should develop a Greening Plan and all Planning and projects should take into account the "Go Green" initiative.

Land Use Management	Municipal Strategic Development Framework	• Act No. 26 of 2013: Spatial Planning and Land use Management Act 2013	Town Planning team is adequate and has an SDF.	The Town Planners must fully take into account the Municipal's Strategic Development Framework.
	Environmental Management Framework	• National Environmental Management Act (Act No. 107 of 1998) • Environmental Management Framework Guideline, 2012	The municipality must comply to the district and provincial environmental management framework.	The municipality must comply to the district and provincial environmental management framework
	Mining Controls	• Mineral, Petroleum Development Resources Act (Act 28 0f 2012) • Mine Health and safety Act (Act 29 of 1996)	Illegal mining activities mostly in rural areas is a major concern particularly that of sand and clay mining and this causes huge soil erosions.	Penalties should be introduced were necessary to people who mine sand illegally without proper permission / permits.
	Land Contamination	• National waste Act (Act 59 of 2008) • National Norms and Standards for the Remediation of contaminated Land and	The municipality is slightly complying.	The municipal vehicles should be regularly serviced and sewage pipelines should be frequently monitored. Any resulted contamination should be reported to within 24 hours.

		Soils Quality in the Republic of South Africa, 2013		
	Infrastructure Development	• Infrastructure Development Act (Act 23 of 2014) • Standard for an Infrastructure Delivery Management System	Municipality is partially complying with the Infrastructure Development Act in their Infrastructure Developments	All infrastructure developments should be fully monitored at construction phase and should be approved by qualified engineer before it can be handed over for use.
Disaster Management	Disaster Management	• Disaster Management Act (No. 57 of 2002) • EC Provincial Disaster Risk Policy (2020) • National Veld and Forest Fire Act, (Act No. 101 of 1998)	The Municipality is in compliance.	The disaster management plans should be followed and initiatives such as Working for Fire should always.

7.6. DISASTER MANAGEMENT PLAN

The municipality has an existing disaster mitigation plan which seeks to outline key measures to be considered when disaster strikes. The municipality has experienced increasing levels of disaster, most notable in areas along the cost more especially during December period. Most of the disasters are related to climatic conditions such as severe storms and some caused by field fires. The councillors are currently mobilizing communities in dealing with disaster related problems. The following sectors are in a way responding to disaster challenges such as the District Disaster Management Plan, Environmental Management Plan and the Provincial Climate Change Plan.

O.R Tambo DM has provided additional support in the form of the local office with substantial personnel being deployment. There are challenges in terms of personnel and the function of Disaster in the form of competences. Fire fighters are not enough to respond to challenges and the detail of the information is contained in the strategies and objectives. The detailed plan is taken from District Municipality.

7.6.1. DISASTER MANAGEMENT STATUS QUO

Disaster Management has become one of the key components of an IDP's credibility. Section 26(g) of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) lists 'applicable disaster management plans' as core components of an IDP.

Disaster management plan was developed and adopted by the Council in 2015/2016 financial year.

Social relief on disaster by the local municipality is available, the LM works with district employees deployed to the area in coordinating other role players and in the provisioning of social relief. Departments such as Social Development, Home Affairs and SASSA play their part in providing the needed help when disaster has stricken.

The area is prone to natural disasters such as floods, thunderstorms, tornados, etc and manmade disasters such as veld fires, road traffic accidents, etc.

The natural disasters are most prevalent during summer season and veld fires are common during winter season, whereas the road accidents are the order of the day.

To address the challenge of information gap, the Council resolved that a Disaster Management Officer should be employed, that is already in place. The Disaster Management Officer is complimenting the district personnel as this function is a competency of the district. The Disaster Advisory forum was established and is functional. It is being chaired by the

Portfolio Head. The awareness campaigns are conducted and fire protection associations were established in some areas.

In order to comply with the National Disaster Management Framework (NDMF), the Ingquza Hill Municipality Disaster Management Plan is structured around the four KPA's of the NDMF which is also reflected in the Provincial and O.R. Tambo Disaster Management Frameworks.

7.7. WASTE MANAGEMENT

The municipality seeks to fulfill Section 24 of the Constitution of the Republic of South Africa, Act No: 108 of 1996, which stipulates that everyone has a right to an environment that is not harmful to their health and wellbeing and to have their environment protected for present and future generations.

Solid waste management activities refer to the importation and exportation of waste, the generation of waste, the undertaking of any activity or process that is likely to result in the generation, the accumulation and storage, the collection and handling of waste, the reduction, re-use, recycling and recovery of waste, the trading in waste, the transportation of waste, the transfer of waste, the treatment of waste and the disposal of waste. National Environmental Management Act No 107 of 1998 (NEMA) and National Environmental Management Waste Act no 59 of 2008, as amended (NEMWA) are the principal legislations governing waste to provide compliance with the Constitution of the Republic. Waste management norms and standards as well as Integrated Waste Management Plan are also used to guide municipality in terms of solid waste management.

7.8. INTEGRATED WASTE MANAGEMENT PLAN (IWMP)

The municipality has Integrated Waste Management Plan (IWMP) approved by the Municipal Council and endorsed by the Member of Executive Committee. This Integrated Waste Management Plan discusses situation analysis that includes a description of the population and development profiles of the IHLM, an assessment of the quantities and types of waste that are generated in the area; a description of the services that are provided, or that are available, for the collection, minimization, re-use, recycling and recovery, treatment and disposal of waste; and the number of persons in the area who are not receiving waste collection services.

The IHLM IWMP provides a framework for the development of an adequate service with guidance on all aspects of the service. The key areas include the development of institutional capacity comprising policy, budget, management, human resources and facilities. Recycling and disposal practices are the other focus areas.

The plan identified among other the following goals which the municipality has to achieve in order to improve waste management for IHLM:

- Effective waste information management and reporting
- Improved education and awareness20% of IWMP has been implemented
- Improved institutional functioning and capacity.
- Provision of efficient and financially viable waste management services
- Increased waste minimization and recycling
- Improved compliance and enforcement
- Improved future infrastructure planning

7.8. WASTE MANAGEMENT OFFICER

IHLM has designated Waste Management Officer as required by NEMWA No. 59 of 2008, which stipulates that each municipality authorised to carry out waste management services by the Municipal Structures Act, 1998 (Act No. 117 of 1998), must designate in writing a waste management officer from its administration to be responsible for co-ordinating matters pertaining to waste management in that municipality.

7.8.1. MUNICIPAL WASTE MINIMIZATION INITIATIVES

The programme seeks to implement waste management hierarchy as it is stipulated in the National Environmental Management: Waste Act no 59 of 2008. The Act lists waste management hierarchy as avoidance of waste, minimization, reuse, recycling, treatment and safe disposal. The programme seeks to increase life span of landfill sites by reducing waste that end up to the landfill site. Decrease or elimination of environmental pollution through reduction of illegal dumping of waste and burning of waste is the aim of this programme. The programme aim to improve waste reporting to South African Waste Information System. Economically the programme aim to create sustainable employment and provide support to SMME trough cooperatives and individual pickers

The municipality working with OR Tambo District Municipality has established two Buy Back Centres programme one in each town. They are put in strategic positions to ensure easy access by waste pickers. Furthermore the municipality intend to improve the infrastructure of these Buy Back Centers.

7.9. WATER SECTOR PLAN (WSP)

Under the Municipal Structures Act No 117 of 1998, the function of Water Service Authority (WSA) and Water Service Provider was given to OR Tambo District Municipality; therefore OR Tambo District Municipality is responsible for developing the Water Sector Plan for Ingquza Hill Local Municipality. Currently, there is no stand- alone plan but overall plan of the seven local municipalities in the OR Tambo District Municipality and current plan was approved in May 2018; therefore, the District is in the process of reviewing the Water Services Development Plan (WSDP).

7.10. INTEGRATED TRANSPORT PLAN

7.10.1. Introduction

The Constitution of the Republic of South Africa Act, 1993 (Act 200 of 1993) replaced by the Act of 1996 (Act 108 of 1996), states that the Department of Transport (DOT) is responsible for maximizing the contribution of transport to the economic and social development goals of society by providing fully integrated transport operations and infrastructure.

The National Land Transport Act No. 5 of 2009 (NLTA) stipulate that all district municipalities must develop the District Integrated Transport Plans. Generally, a DITP is considered as the mechanism by which an authority can plan to, develop, manage, integrate and promote public transport. More specifically, section 26(1) of the NLTTA states that a DITP must be prepared with a view to determining and specifying the public transport services, provided in terms of the matters listed in sections 23(3)(a) and (b) of the Act. The latter refer to:

- *All the scheduled and unscheduled services that are operated in the area concerned, as well as the public transport services; operating across the boundaries of neighbouring authorities; and all the facilities and infrastructure currently being developed, or already utilized.*

O. R. Tambo District Municipality (ORTDM) has two of the extensively used road networks in the Eastern Cape Province. These roads are used by formal and informal transport operators including mini bus taxis, buses, LDVs and animals drawn carts. Since the development of the last District Integrated Transport Plan (DITP), many aspects of public transport in the district have changed. The changes that occur are being attributed to fast growing population and economic opportunities presented by the district. These change therefore require a review of existing situation including public transport in order to align the demand to the offer.

The NDP acknowledges transport as an enabler of getting South Africa to work. It states that the ultimate goal to be achieved by 2030 is a situation whereby the transport system supports economic development, job creation and growth while providing equitable access to opportunities, services and reducing poverty. It further indicates that more emphasis should be placed on the total system and efficiency to maximize the strength of different modes. It suggests that public transport and non-motorised modes may foster a different culture i.e. social interaction, health practices and street-level movement resulting in a sense of place as well as social Draft Integrated Development Plan 2023-2024 inclusion that the country needs. It further indicates that in areas such as Ingquza Hill, where people have settled in isolated rural settlement which are far away from economic opportunities the aim should be to focus on basic needs which include access roads and schedule public transport services to ensure access to public health care and other service points, however subsidized services should be limited to such places.

7.10.2. Situational Analysis

The review of Integrated Transport Plans prepared by local municipalities within the jurisdiction of the ORT District Municipality suggested the following:

- Ingquza Hill: The majority of roads within the municipality are district roads and are poorly maintained. These roads are characterised by potholes, water pooling and cracks; lack of drainage system etc. Most of the access roads are made of gravel and lack basic road sign and road markings. Basic infrastructure such as loading and off-loading facilities for passengers and goods are lacking, hence creating congestion and threat to passengers' life.
- King Sabata Dalindyebo: Although KSD is striving to ensure adequate public transport for the public, the main concerns remain the condition of the roads (despite some upgrade that have been observed), congestion, lack of adequate infrastructure and spurious maintenance. Some areas are still lacking proper access roads, and where these are available, they are not accommodating for certain types of vehicular.
- Mhlontlo: The ITP highlights a number of challenges pertaining the public transport. These include the general poor condition and lack of maintenance of all roads, poor access to areas, facilities and services of the municipality and traffic safety.
- Nyandeni: While some of improvements are being observed, the LITP highlight a number of challenges faced by commuters and transport operators. A number of proposals for improvement are being suggested and some of these are being implemented.

- Port St Johns: Despite effort by local authorities to implement a number of strategies related to public transport, PSJ LM is facing a number of challenges including the upgrade and maintenance of roads, and the provision of adequate public transport infrastructure that respond commuters' needs.

7.10.3. Challenges of Transportation

Although ORTDM is striving to provide better public transport services, many challenges are hampering this vision. Further to the transport operators and commuters' satisfaction, another survey was conducted to document the main transport problems and their related causes.

Infrastructure: these issues are those related to the provision, availability, and condition of public transport infrastructure. In terms of provision, the investigation looked at whether the infrastructure required was provided where needed;

Public transport services: problems are mainly related to organisation and coordination of public transport activities including traveling time, schedule, crowd management etc.

Safety, security and law enforcement: relate to the way commuters and operators are feeling when using a public transport;

7.10.4. Integrated Transport Plan versus Integrated Development Plan 2024-2025

- Awareness and promotion: relate to the issues of traffic education and promotion of alternative transport modes to alleviate congestion and overcrowding; and
- Planning and administration: refer to the problems faced by transport operators to obtain license and way the transport portfolio (at LM and DM levels) manage public transport in general.

CHAPTER 8: INTEGRATION

Integration and alignment are critical components for a credible IDP. The alignment of plans (both internal and external) is deemed as good as it increases efficiency and accountability thus reducing the wastage in terms of resources and time. No sector or department can operate without the other, all plans are to be aligned and integrated. National government plans are to be aligned with Provincial Government, Which In Turn Have to Filter down To Local Government.

8.1. DRAFT MUNICIPAL DEVELOPMENT PLAN VISION 2035

The overall purpose of the draft Ingquza Hill Vision 2035 Municipality Development Plan (MDP) is to articulate the key long-term development priorities and how they are to be achieved in the District between 2020 and 2035 and beyond however the former president of the Republic of South Africa launched the District Development Model which is an operational model for improving Cooperative Governance aimed at building a capable, ethical Developmental State. All of Government and Society Approach; A method by which all three spheres of government and state entities work in unison in an impact-oriented way, where there is higher performance and accountability for coherent and effective service delivery and development outcomes. It influences Spatialisation and Reprioritisation of Government Planning, Budgeting, Implementation and Reporting in relation to jointly agreed outcomes and commitments in a District Space. It expresses jointly agreed outcomes and commitments as an IGR Plan or whole of Government plan (“One Plan”) in relation to each district space over short, medium and long-term.

Catalytic District Development Model are as follows:

- N2 Wild Coast biodiversity offset
- Port Grosvenor
- Lusi-park Mixed use development
- College of Education
- Coastal Development Plan
- N2 Corridor layout plan
- Mkhambathi Nature Reserve

Therefore; Municipal Development Plan Vision outlines various strategic goals/ impact areas and priority actions/ interventions to achieve the related desired LM level outcomes linked to the National Development Plan (NDP) and the Provincial Development Plan (PDP) Vision 2030.

The IHLM Vision 2035 MDP aligns itself to the reviewed EC PDP and the following 6 strategic goals for the draft MDP have been selected, which are:

Goal One: **An innovative, inclusive and growing economy**

By 2035 we envisage that the IHLM has an innovative, inclusive, and growing economy which is larger and more efficient, and optimally exploits its competitive advantages, increases employment, and reduces inequalities of income and wealth. IHLM also becomes a more productive economy as opposed to its current consumptive nature.

IHLM contains some valuable natural assets. For example, arable and grazing lands, warm subtropical temperatures, fairly good soils and frost-free conditions.[1] The Wild Coast is considered the most spectacular eco-tourism destination in SA.[2]

Agriculture and tourism have long been identified as high-potential sectors to drive development, but despite several public sector interventions, these sectors have not yet taken off.

Future key points are as follows as per the LED strategy adopted in 2016.

- Construction the new N2 Wild Coast highway
- Implementation of the Integrated Wild Coast Development Plan
- Unlocking Lambasi development node, including Diary Processing
- Mthonjeni Development – leading to development of coastal areas through supporting co-operatives, SMMEs, and agricultural development, etc.
- Construction of the Lusipark residential and retail development
- Implementation of the Mbotyi and Msikaba Development Concepts
- Leveraging of Mkambathi Nature Reserve
- Revitalisation of Magwa Tea Estate

Goal Two: Rural Development and an innovative and high-value agriculture sector

IHLM needs better agricultural interventions that can create and support profitable smallholder enterprises (through, for example, CPPP's, contract farming arrangements/out grower schemes, and collection/aggregation systems). DRDAR's new partnership fund should be relevant here. Young people are motivated and interested in joining the agricultural sector. There is plenty of unused fertile land and water available (higher productivity *isitiya*).

Strategic priorities include:

- Implementation of AETS and the DRDAR Partnership Fund
- Raising value of production of communal farmers: high-value crops etc.
- More focus on irrigation: rainwater harvesting
- Grow existing fruit industry with partnerships (and high-value nuts)
- Urban periphery fresh produce (for the large urban food economies)
- More integration of livestock and animal feed (feedlots)
- Agri-food science park and incubators
- Interventions to develop small town informal food traders
- Partnership interventions to address land, skills and infrastructural enablers

Goal Three: An enabling infrastructure network

By 2035 we envisage that the IHLM has a well-developed and enabling infrastructure network and that infrastructure investment responds to spatial aspects of future infrastructure demand and progressively undoes apartheid geography. Infrastructure assets provide a flow of valuable goods and services that are used by both households and enterprises. Social infrastructure contributes directly to meeting basic needs (such as water, sanitation and domestic electrification) and the provision of good quality health and education services.

Priorities include:

- Universal access to water by 2035
- Ring-fence O&M budgets and split infrastructure development from O&M functions

- Governance and institutional development in the water sector
- Eliminate remaining sanitation backlogs by 2020
- Implement Eastern Cape Provincial Integrated Waste Management Plan within IHLM

Goal Four: Human Development

The draft IHLM Vision 2035 MDP has human development aspirations that focus on the holistic contribution to communities with the aim to improve the human condition.

Future priorities include:

- Improve the quality of education in IHLM and reduce classroom and school infrastructure backlogs.
- Ingwe TVET Campus at Lusikisiki to provide skills, particularly for infrastructure, construction and maintenance and modern farming practices. Ideally the Lusikisiki campus should be extended, and a full range of relevant curricula should be offered (in view of the very youthful population of IHLM).
- Development partnerships between Lusikisiki TVET campus and, for example, SANRAL, War on Leaks, Youth Farming Initiatives, etc.
- Work with DHET for the rapid upgrading of the Lusikisiki TVET expansion and other post-school offerings and upgrading through relevant SETAs, mining companies, etc.
- Ideally NARYSEC should also be scaled-up in IHLM.
- Focus on improving the skills pipeline for growth sectors and major projects and specifically SETA resource mobilization and curriculum development.

Goal Five: Capable democratic governance

- Develop and maintain local, African and International multi-agency partnerships (including with traditional leaders (within and outside government by jointly implementing agreed upon development priority initiatives that are underpinned by relevant compacts, formal agreements and resources)
- Promote an active, responsible citizenry through the leadership development of a critical mass of relevant social change agents in communities
- Ensure that there is a maximising of benefits from each partnership agreement

Goal Six: Environmental Sustainability

- Key interventions towards 2035 include:
- Mitigation and adaption measures in place (migration);
- Disaster management needing to be proactive and ORTDM's closer assistance needs to be optimally explored and built on.
- Optimizing renewable energy

Priorities

- Land degradation[i] caused by livestock over-grazing (estimated at 30% in IHLM), indicating the need for land rehabilitation projects (and fencing)
- Human settlement encroachment on agricultural land.
- Untreated sewage flowing into rivers.
- Illegal building on the Wild Coast. DEDEAT's Wild Coast Nature Conservation Plan and the nodal development approach need to be strictly enforced.
- Absence of solid waste disposal