

INGQUZA HILL LOCAL MUNICIPALITY



INTERGRATED DEVELOPMENT PLAN 2023/2024 FINANCIAL YEAR

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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”.



The Integrated Development Plan review and amendment of the IDP is crucial in ensuring that municipal priorities are reflected and implemented. This document remains the principal management tool and strategic planning instrument of the municipality.

The development of the IDP is led by the political structure through the stakeholder engagements, community based engagements as reflected clearly on ward profiles, public participation programs ensuring the thorough involvement of the people of Ingquza on developmental programs.

During the IDP and Budget Roadshows processes and consultations, our community had shown a great zeal and patience in listening to their Leaders as they were providing guidance and leadership. Approved Budget for 2023/2024 is indicating that municipality will have to utilize resources in a manner that promotes value for money. The top five (5) key issues that were a standout on community participation were as follows:

- Electrification backlogs
- Lack of access to drinkable piped water in the municipal jurisdiction (Flagstaff Town and all rural areas)
- Access Roads (New Access Roads and Maintenance of existing Roads) and Bridge
- RDP Housing backlogs
- Sanitation backlogs

The municipality prior to its adoption of the Budget, an annual Strategic Planning Session was held from 14-17 March 2023. Representatives of the various municipal stakeholders were invited to give input and voice the priorities of their constituencies so that they could be considered in the strategic direction of the municipality as outlined in this IDP document.

As Leaders, assisted by our Administrators, we have a duty and responsibility to ensure that services are delivered as outlined in the IDP and Budget document.

In so doing, we must further coordinate the delivering of services by all government departments and state entities in an efficient and effective manner for the betterment of the lives of people of Ingquza.

There is no doubt that as part of ensuring collection of more revenue for the municipality, we must ensure that municipal performance and audit opinion get improve into acceptable levels.

The backlog on services delivery remains high as the municipality strives to improve the lives of our people through rendering of basic services needed in our jurisdiction. The Municipality embarked on a community participation program from 18-24 April 2023 wherein the draft Integrated Development Plan and Budget for 2023/2024 were presented to the community across all 32 wards with an opportunity afforded for noting and capturing of additional inputs and proposals for the Council to consider.

The above matters are the essential human rights of our communities as they form basic service delivery, which are enshrined on the Constitution of the Republic of South Africa, Act 108 of 1996.

We welcome all community members across the 32 municipal wards to read the IDP and familiarise themselves with the programs that have been approved for the next financial and use the IDP to hold the Council accountable in its implementation.

Yours in developmental local government.

P. N PEPPING
THE MAYOR

EXECUTIVE SUMMARY

The integrated development Plan (IDP) is a strategic tool that guides all activities of local government in consultation with communities and stakeholders. The focus of the IDP is on development in the broader sense and it is a structured plan that informs budget priorities, decision making and the allocation of resources. Local government exist in terms of section 152 of the Constitution of the Republic of South Act 108 of 1996 which states clearly exist to provide municipal services to all communities of Ingquza Local Municipality. The public participation element for communication participation.

The IDP is a strategic plan of the municipality and it is important that the budget enables the achievement of the IDP objectives. The review of IDP 2023/2024 financial year started in July 2022 with the presentation and adoption of the IDP and Budget Process Plan that guides the execution of all IDP phases. The final engagements with relevant stakeholders was done in compliance with Chapter 4 of the Municipal Systems Act and such inputs have been reflected in the document.

The municipality of Ingquza Hill Local Municipality has held its strategic planning which was held on the 14-17 March 2023 which highlighted priorities of the municipal council that needs to be implemented during the current term of the Council. The development of strategies and objectives is therefore in line with strategic document as adopted by the Council.

The total municipal running costs which fund the continued provision of services provided by the municipality. Capital Expenditure **R132 684 324**, Personnel Expenditure **R68 941 960**, Contracted Expenditure **R63 345 452**, Remuneration of Councilors **R29 720 868**, and General Expenditure **R114 476 488**

The municipality has a challenge of low revenue base and as such it depends on grants for functioning. As a results the municipality is faced with huge service delivery backlogs which the municipality is unable to achieve. The IDP document has been adopted with the organizational structure which is a tool that will ensure that municipality has enough skills to carry out the mandate of the Council.

Yours in Developmental Local Government

V.C Makedama

Municipal Manager

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.

Ingquza Hill Area

Ingquza Hill Local Municipality is one of the five local municipalities which falls under the jurisdiction of O.R. Tambo District Municipality. The municipality is bordered by the Mbizana Local Municipality to the North, Port St Johns Local Municipality to the South and Ntabankulu Local Municipality to the North West, Nyandeni Local Municipality to the South West and Indian Ocean to the East. It comprises the magisterial areas of Lusikisiki and Flagstaff. The surface area of Ingquza Hill is 2477 km² and the population density is 112, 4 people per square kilometer. The municipal area is also divided into 32 wards.

Institutional Arrangement

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

Political and Council Structures	Administrative Structures
<ul style="list-style-type: none">▶ The Mayor▶ Speaker▶ Executive Committee▶ 64 Councilors▶ 2 Traditional leaders▶ 32 Wards with 320 Ward Committee members▶ Whip of the Council	<ul style="list-style-type: none">▶ Office of the Municipal Manager▶ Corporate Services▶ Budget and Treasury Office▶ Planning and Development▶ Infrastructure and engineering services▶ Community Services

<ul style="list-style-type: none"> ▶ 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 	
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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: 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. Profile of Local Municipalities

South Africa is divided into local municipalities, with each municipality comprising of a Council where decisions are made, and municipal officials and staff who implement the work of the municipality. The council is composed of elected members from different political parties, with powers to approve policies and by-laws in line with legislation for their area. The Council has to approve a budget for its municipality each year, and also decide on development plans and service delivery for their municipal area. The work of the Council is coordinated by a mayor who is elected by the Council. The mayor in implementing his/her duties is assisted by an executive or mayoral committee. The mayor together with the executive also oversees the day to day work of administration which is led by the appointed Municipal Manager. The work of the municipality is done by the municipal administration that is headed by the Municipal Manager and the management with the inclusion of the all municipal officials. The responsibilities of the Municipal Manager are listed in the Local Government: Municipal Structures Act, 2021(Act No.3 of 2021)

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.

1.1 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.

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

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

1.2 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 Facilities 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	

1.3 National Spatial Development Perspective.

The analysis of the national space economy also reveals that only 26 locations represent the engine of the South African economy. These areas and their immediate hinterlands (within a 60 km radius) are home to 77.3% of all people living below the minimum level in the country, 84.5% of the total population and generate 95.6% of the national Gross Value Added. Hence, government's policy objectives of promoting sustainable economic growth and alleviating poverty operate largely in the same space. However, while these areas share similar characteristics, they are not homogenous entities.

The NSDP 2003 provided a spatial vision and framework to steer detailed policies and investment decisions towards the achievement of common national objectives. In accordance with this vision, the NSDP envisaged a situation where South Africa will become a nation in which investment in infrastructure and development programmes support government's growth and development objectives by:

- ▶ focusing economic growth and employment creation in areas where this is most effective and sustainable;
- ▶ supporting restructuring where feasible to ensure greater competitiveness;
- ▶ fostering development on the basis of local potential; and
- ▶ Ensuring that development institutions are able to provide basic needs throughout the country.

The NSDP 2006 supports and advances the realization of this vision by providing a systematic overview and framework for understanding and interpreting the national space economy. It provides a far finer-grained analysis to enhance its role as providing a basis for strategic dialogue within government about where to focus infrastructure investment and development spending, and optimize intergovernmental impact within specific localities.

This can be achieved only if it is used by all in government in all forms of planning, budgeting and implementation. The NSDP should be understood both as a policy directive in terms of its methodology and an indicative tool in terms of its content. The principles and methodology of the NSDP should inform the development plans, policies and programmes of all spheres and agencies of government as a matter of policy;

- The details of economic potential and demographic patterns in localities to be the subject of ongoing dialogue among state and non-state actors; and Districts and metropolitan areas should be positioned as the geographical units for building an understanding of the nature and distribution of potential and demographic patterns across the country.

1.4. The relevance of National SDP in the local sphere of government.

The ultimate purpose of the NSDP in the South African setting is to fundamentally reconfigure apartheid spatial relations and to implement spatial priorities that meet the constitutional imperative of providing basic services to all and alleviating poverty and inequality.

The NSDP represents a major achievement in intergovernmental collaboration, being the outcome of intense engagements between national government and provincial and municipal structures. It provides a framework for deliberating the future development of the national space economy and recommends mechanisms to bring about optimum alignment between infrastructure investment and development programmes within localities, it utilizes principles and the notions of need and potential as a common backdrop against which investment and spending decisions should be considered and made.

Following are the NSDP Principles:

Principle 1: Rapid economic growth that is sustained and inclusive is a pre-requisite for the achievement of other policy objectives, among which poverty alleviation is key.

Principle 2: Government has a constitutional obligation to provide basic services to all citizens (e.g. water, energy, health and educational facilities) wherever they reside.

Principle 3: Beyond the constitutional obligation identified in Principle 2 above, government spending on fixed investment should be focused on localities of economic growth and/or economic potential in order to gear up private-sector investment, to stimulate sustainable economic activities and to create long-term employment opportunities.

Principle 4: Efforts to address past and current social inequalities should focus on people, not places. In localities where there are both high levels of poverty and demonstrated economic potential, this could include fixed capital investment beyond basic services to exploit the potential of those localities. In localities with low demonstrated economic potential, government should, beyond the provision of basic services, concentrate primarily on human capital development by providing education and training, social transfers such as grants and poverty-relief programmes. It should also reduce migration costs by providing labour-market

intelligence to give people better information, opportunities and capabilities, to enable them to gravitate - if they choose to - to localities that are more likely to provide sustainable employment and economic opportunities.

Principle 5: In order to overcome the spatial distortions of apartheid, future settlement and economic development opportunities should be channeled into activity corridors and nodes that are adjacent to or that link the main growth centres. Infrastructure investment should primarily support localities that will become major growth nodes in South Africa and the SADC region to create regional gateways to the global economy

1.5. National Development Plan

This IDP has taken into cognisance the National Development Plan (NDP) objectives as outlined below. The programs identified talk directly to the national goals. The strategies and objectives are derived from the National Development Goals Vision 2030 and mandate municipalities to ensure that there are strategies and plans that address the vision 2030 on NDP. The current statistics shows that, some work has been done but there is still more to be done in terms of water supply and sanitation as well as provision of housing. The 2030 vision aims to ensure that all South Africans attain a decent standard of living through the elimination of poverty and reduction of inequality.

National Development Plan targets for 2030

- ▶ Increase employment from 13 million in 2010 to 24 million in 2030.
- ▶ Raise per capita income from R50 000 in 2010 to R120 000 by 2030.
- ▶ Increase the share of national income of the bottom 40 percent from 6 percent to 10 percent.
- ▶ Establish a competitive base of infrastructure, human resources and regulatory frameworks.
- ▶ Ensure that skilled, technical, professional and managerial posts better reflect the country's racial, gender and disability makeup.
- ▶ Broaden ownership of assets to historically disadvantaged groups.
- ▶ Increase the quality of education so that all children have at least two years of preschool education and all children in grade 3 can read and write.
- ▶ Provide affordable access to quality health care while promoting health and wellbeing.
- ▶ Establish effective, safe and affordable public transport.

- Produce sufficient energy to support industry at competitive prices, ensuring access for poor households, while reducing carbon emissions per unit of power by about one-third.
- Ensure that all South Africans have access to clean running water in their homes.

1.6. ALIGNMENT WITH NATIONAL AND PROVINCIAL LEGISLATION AND MUNICIPAL GOALS.

National outcome	out	Municipal Goal	Strategic Outcome indicators	EC Provincial Development Plan
1. Quality Education	Basic	Community Development Empowerment	<ul style="list-style-type: none"> • Provision of bursaries to deserving students 	<ul style="list-style-type: none"> • An educated , empowered and innovative
2. A long and healthy life		Integrated Wellness Programme.	<ul style="list-style-type: none"> • Sporting activities • Marathon • Waste management 	<ul style="list-style-type: none"> • Healthy population
3. Safety environment		Crime Prevention	<ul style="list-style-type: none"> • Crime prevention awareness • Strengthening of Community Policing Forums 	
4. Decent employment through economic growth		SMME Development & Support	<ul style="list-style-type: none"> • Support to local SMME's • Partnership with other society sector's 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	<ul style="list-style-type: none"> • Implementation of Workplace Skills Plan. 	
6. An efficient competitive and responsive economic infrastructure		Construction of new roads and rehabilitation of existing road network	<ul style="list-style-type: none"> • SANRAL N2 road (investment attractions) • Access to Hospitals, clinics and rehabilitate existing infrastructure in school 	<ul style="list-style-type: none"> • A growing, inclusive and equitable economy

National outcome	out	Municipal Goal	Strategic Outcome indicators	EC Provincial Development Plan
7. Vibrant, equitable and sustainable rural communities contributing to food security for all		Agricultural Development	<ul style="list-style-type: none"> Construction of 2 Fresh Produce markets Support of farmers with production inputs 	<ul style="list-style-type: none"> vibrant and equitable enabled communities
8. Sustainable human settlements and improved		Provision of housing	<ul style="list-style-type: none"> Construction of houses through Human settlements 	
9. A responsible, accountable local government		Strengthen the IGR forum Integration of risks planning with entire planning Capacity building of all oversight structures	<ul style="list-style-type: none"> Sitting of IGR structures Functioning of oversight structures encourage transparency and public participation 	<ul style="list-style-type: none"> Capable, conscientious and accountable institutions

1.7. ADOPTION OF THE IDP, PMS AND BUDGET PROCESS PLAN 2023/2024.

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 2023/2024 was adopted by the Council held in August 2022 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

1.7.1. Role Players

The following internal and external role players have played a vital role and contributed immensely in the review of the 2023/2024 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 2023/2024 IDP

IDP PHASE	TARGET / ACTIVITY	ROLE PLAYERS	OUTPUT	MECHANISMS/TOOLS	TIMEFRAMES	Progress to Date
Draft annual report 2021/22	Commence with the compilation of the Annual Report	Senior Management	Compile Annual report	Desktop work	04 July 2022	Done
Stakeholder participation on IDP processes	Advertise for stakeholder participation on municipal activities	Manager IDP & PMS	Compliance and public participation	Media advertisement	08 July 2022	Done
Fourth quarter performance reviews	Quarterly SDBIP performance progress report for fourth quarter. Section 80 Committees, EXCO and Council	Senior Management	SDBIP performance reported	Management meeting	12 July 2022	Done
Pre-preparation phase of the IDP	IDP Budget & PMS Tech Committee	Municipal Administration and Sector Departments	Present draft process plan to stakeholders 2023/24 financial year	Meeting	20 July 2022	Done
Submission of SDBIP and performance agreements	Submit the approved SDBIP and performance agreements to MEC, Local Government, within 14 days after approval.	Manager IDP & PMS	Compliance	Courier	29 July 2022	Done
Pre-preparation phase of the IDP	IDP Budget & PMS Rep Forum	Municipal Council, Administration, Sector Departments and Public	Present draft process plan to stakeholders 2023/24	Meeting	04 August 2022	Done

Compliance	Table Draft 2023/2024 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	Council Meeting	30 August 2022	Done
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	Meeting	08 September 2022	Done
	IDP, PMS and Budget Representative Forum	Municipal Council, Administration, Sector Departments and Public	Finalization of situational analysis	Meeting	29 September 2022	Done
First quarter performance reviews	Quarterly SDBIP performance progress report for first quarter Section 80 Committees, EXCO and Council	Senior Management	SDBIP performance reported	Desktop work & Management Meeting	07 October 2022	Done
Compliance PMS	Noting of the 1 st quarter performance report by council	Municipal Council, Administration, Sector Departments and Public	First quarter report	Council meeting	27 October 2022	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	Departmental Strategic planning Sessions to Review Strategies	01, 02, 03 November 2022	Not done scheduled (23,24 and 26 November 2022) Done on the 24 January 2023
	IDP, PMS and Budget Technical Forum	Municipal Administration and Sector Departments	Review Strategies and Objectives	Meeting	16 November 2022	Done on the 07 February 2022
Accountability / Public participation	Taking council to the people	Ingquza Hill Municipality and Sector Departments	Table progress report (annual and first quarter reports)	Meeting	22 November 2022	Not Done
2021/2022 Audit Process	2021/2022 Audit Report release to the Executive Mayor & MM	Executive Mayor, MM and EXCO, AGSA	2021/2022 Audit Report	Final Audit Report signed-off and issued to the municipality	30 November 2022	Not yet Done (Audit Report Delayed
Budget Performance	Issue budget report in preparation for adjustment			Chief Financial Officer	13 December 2022	
Compliance	Draft Annual Report, AG's Audit Report and Action Plan, Oversight Report on 1 st Quarter Report 2022/2023)			Council Meeting	14 December 2022	Not Done (due to delay in tabling of Audit report) The Oversight report for the 1 st Quarter

Second quarter performance reviews	Quarterly SDBIP performance progress report for second quarter Section 80 Committees, EXCO and Council	Senior Management	SDBIP performance reported	Desktop work & Management Meeting	12 January 2023	
2021/22 Final Annual Report	Compile final 2021/2022 Annual Report. Embed AGSA 2021/2022 Audit Report. Send final copy of the Annual Report to the AGSA offices (hardcopy and softcopy)	IDP/PMS Manager, CFO, MM, AGSA Audit Manager and AGSA Engagement Senior Manager	2021/2022 Annual Report with AGSA Audit Report included.	Correspondence by email and use of Courier service for hardcopy distribution	18 January 2023	
Draft Adjusted Budget 2022/23	Budget steering committee meeting for final draft of the adjusted budget	Chief Financial Officer	MFMA	Management and councilors	19 January 2023	
Draft Adjusted budget 2022/23	Submission of draft adjusted and SDBIP	Chief Financial Officer	Present adjustment made on the IDP, budget and SDBIP	Meeting	25 January 2023	
Midterm budget and performance assessments	Mid-year budget and performance assessment MFMA Section 72 (1)(2)(3)	Senior Management	Mid-Term finance and service delivery performance report compliant with MFMA	Management Session	09 January 2023	
Tabling of adjusted budget and	Mayor tables budget for	Mayor	Approved Adjusted Budget and	Council meeting	30 January 2023	

SDBIP, and mid-term report	approval , Annual and second quarter report for noting by Council MFMA Section 28		SDBIP, Noting of midterm			
Midyear Engagements	Provincial Treasury to engage municipalities on mid-year performance assessment	Provincial Treasury , Management	Draft Annual report and midterm report	Management	09 February 2023	
Public Accountability	EXCO outreach	Ingquza Hill Municipality and Sector Departments	Community involvement in municipal programs	Outreach	13-15 February 2023	Not done
Draft annual report 2021/22	Council meeting	Mayor	Table Draft Annual report 2021/22	Council meeting	16 February 2023	Done on the 31 January 2023
EXCO strategic planning	Exco Lekgotla	EXCO members plus TROIKA	EXCO strategic planning to review strategies and objectives	Strategic planning	20-22 February 2023	13-14 March 2023
IDP/SDBIP/ Adjustment Budget Review	Audit Committee Meeting	Audit Committee members & Senior Management	Reviewed Draft IDP, Adjusted Budget, SDBIP	Audit Committee Meeting	24 February 2023	

Compliance	Publicise both the Annual Report (invite public inputs into the report – MFMA 127 & MSA section 21A) and the adjustment budget on the municipal website and in local newspapers.	Executive Council Secretary	Annual Report and adjustment budget publicized	Media and website	03 March 2023	
Strategic planning	Council Strategic planning	Ingquza Hill Municipality and all its stakeholders	Identifying projects and set outputs & targets	Strategic Planning Session	06-10 March 2023	The dates have changed to (13-17 March 2023)
Strategies, Vision and Mission	IDP, PMS and Budget Representative Forum	Municipal Council, Administration, Sector Departments and Public	Presentation of Strategies to all stakeholders	Meeting	16 March 2023	Would be on the 23 March 2023
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	IDP rep forum meeting	28 March 2023	
Compliance	Publicise Annual & Oversight Report, within 7 days of adoption MFMA Section 129(3) & MSA Section 21A	Executive Council Secretary	Public participation and compliance	Media	30 March 2023	

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	Council meeting	Within 29, 30 & 31 March 2023	
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	Courier	Within 29, 30 & 31 March 2023	
Risk Management	Annual Risk Assessment Process	Risk Management Committee members and Senior Management	Annual Risk Assessment Review Comments	Risk Management Committee meeting	31 March 2023	
Performance reports	Quarterly SDBIP performance progress report for Third quarter, Section 80 Committees, EXCO and Council	Senior Management	SDBIP performance reported	Management reviews	06 April 2023	
Integration Phase	Advertise Draft IDP and Budget for public comments	Executive Council Secretary	Integration	Advert	07 April 2023	
Performance reviews	Institutional Management Quarterly	Management	Review Quarter 3 Performance	Management Meeting	10 April 2023	

	Performance Review Session					
MTREF Engagement and Benchmarking	Provincial MTREF Engagement and Benchmarking	Provincial Treasury, Management	Budget Engagement	Management	14 April 2023	
	IDP and Budget Road Shows for 2023-2024	Inguza Hill Municipality, Sector Departments and all other stakeholders participating in the IDP processes	Public participation	Community meetings	18-21 April 2023	18-24 April 2023
Draft 2023/2024 Budget	2023/2024 Draft Budget Review by Audit Committee	Audit Committee members and Senior Managers	2023/2024 Draft Budget Review comments	Audit Committee meeting	21 April 2023	
Final Draft Budget 2023/2024	Finalization of the draft Budget and IDP	Management	Consideration of draft budget	Management meeting	24 April 2023	
Integration	IDP and Budget Representative forum	All stakeholders	Presentation of outcomes of the roadshows and Integration	IDP representative forum	26 April 2023	
Final Draft Budget 2023/2024	Budget steering committee to present the final draft of IDP and Budget and SDBIP	Chief Financial Officer	EXCO inputs on final draft	Budget steering committee meeting	28 April 2023	
Approval / Adoption phase	Presentation of the draft IDP and	Municipal Administration and Sector	Presentation of the consolidated final IDP, PMS	IDP, PMS and Budget	10 May 2023	

	Budget to the IDP Technical Forum	Departments	and Budget Document for 2023/24 Financial Year	Technical Forum		
	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 2023/24 Financial Year	IDP, PMS and Budget Representative Forum	24 May 2023	Done
	Table the IDP and Budget to the council	Mayor Municipal Manager	Approval of 2023/24 IDP document	Council Meeting	Within 29, 30 & 31 May 2023	Done on the 30 May 2023
	Submission of approved IDP and Budget 2023-2024 to MEC	Manager IDP& PMS	Compliance Approved IDP for the Municipality	Courier	06 June 2023	
	Publication of approved IDP and Budget on website and local newspaper	Mayor Council Secretary	Compliance and public participation	Advert	09 June 2023	
PMS	Finalization and submission of draft 2023/24 SDBIP and annual performance agreement by Municipal Manager to the Mayor	Manager IDP & PMS	Alignment of the SDBIP with IDP and ensure alignment of targets	Management Meeting	12 June 2023	
PMS	Finalization and submission of draft 2023-2024 SDBIP and annual performance agreement by Municipal	Municipal Manager	Presentation of draft SDBIP to the Mayor Committee	EXCO meeting	15 June 2023	

	Manager to the Mayor					
Approval of the SDBIP 2023/24	Mayor approves the 2023-2024 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	Council Meeting	Within 20 & 21 June 2023	
Compliance	Submission of 2023-2024 SDBIP	Municipal Manager	Submission of final SDBIP to Treasury	Courier	30 June 2023	

CHAPTER 2.

SITUATIONAL ANALYSIS

2. Demographic Information

The demographic information includes population groups, age and location. Distributions of values within demographic variables, and across households as well as trends over time are of interest. This section therefore provides an overview of Ingquza Hill Local Municipality.

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.

TOTAL POPULATION - INGQUZA HILL, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2011-2021 [NUMBERS PERCENTAGE]

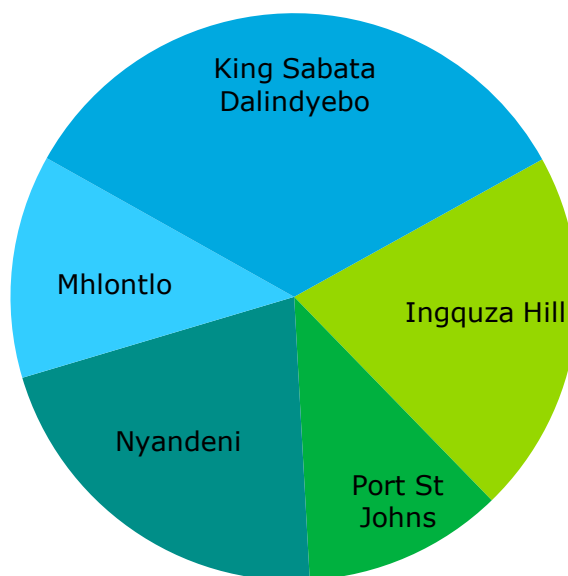
	Ingquza Hill	O.R.Tambo	Eastern Cape	National Total	Ingquza Hill as % of district municipality	Ingquza Hill as % of province	Ingquza Hill as % of national
2011	286,000	1,400,000	6,690,000	52,000,000	20.4%	4.3%	0.55%
2012	289,000	1,410,000	6,750,000	52,800,000	20.4%	4.3%	0.55%
2013	292,000	1,430,000	6,810,000	53,700,000	20.5%	4.3%	0.55%
2014	296,000	1,440,000	6,880,000	54,500,000	20.6%	4.3%	0.54%
2015	300,000	1,460,000	6,950,000	55,300,000	20.6%	4.3%	0.54%
2016	304,000	1,470,000	7,020,000	56,200,000	20.6%	4.3%	0.54%
2017	308,000	1,490,000	7,100,000	57,000,000	20.7%	4.3%	0.54%
2018	312,000	1,510,000	7,180,000	57,900,000	20.7%	4.3%	0.54%
2019	316,000	1,520,000	7,250,000	58,800,000	20.8%	4.4%	0.54%
2020	320,000	1,540,000	7,330,000	59,600,000	20.8%	4.4%	0.54%
2021	323,000	1,550,000	7,400,000	60,300,000	20.8%	4.4%	0.54%
Average Annual growth							
2011-2021	1.23%	1.03%	1.01%	1.50%			

Source: IHS Markit Regional eXplorer version 2257

The population projection of Ingquza Hill Local Municipality shows an estimated average annual growth rate of 0.9% between 2021 and 2026. The average annual growth rate in the population over the same period for the O.R.Tambo District Municipality, Eastern Cape Province and South Africa is projected at 1.0%, 1.0% and 1.3% respectively. The Eastern Cape Province is estimated to have an average growth rate of 1.0% which is very similar to that of the Ingquza Hill Local Municipality. South Africa is estimated to have an average annual growth rate of 1.3%, which is 0.4% higher than the projected growth rate of Ingquza Hill Local Municipality.

TOTAL POPULATION - INGQUZA HILL AND THE REST OF O.R.TAMBO, 2021 [PERCENTAGE]

Total population O.R.Tambo District Municipality, 2021



Source: IHS Markit Regional eXplorer version 2257

When compared to other regions, the Ingquza Hill Local Municipality accounts for a total population of 323,000, or 20.8% of the total population in the O.R.Tambo District Municipality, with the King Sabata Dalindyebo being the most populous region in the O.R.Tambo District Municipality for 2021. The ranking in terms of the size of Ingquza Hill compared to other regions remained the same between 2011 and 2021. Ingquza Hill Local Municipality was slightly larger in 2021 (20.8%) compared in 2011. In terms of average annual growth rate, it is noted that Ingquza Hill ranked second compared with its peers with an average annual growth rate of 1.2% between 2011 and 2021.

2.2. Population projections

Based on the present age-gender structure and the present fertility, mortality and migration rates, Ingquza Hill's population is projected to grow at an average annual rate of 0.9% from 323 000 in 2021 to 338 000 in 2026.

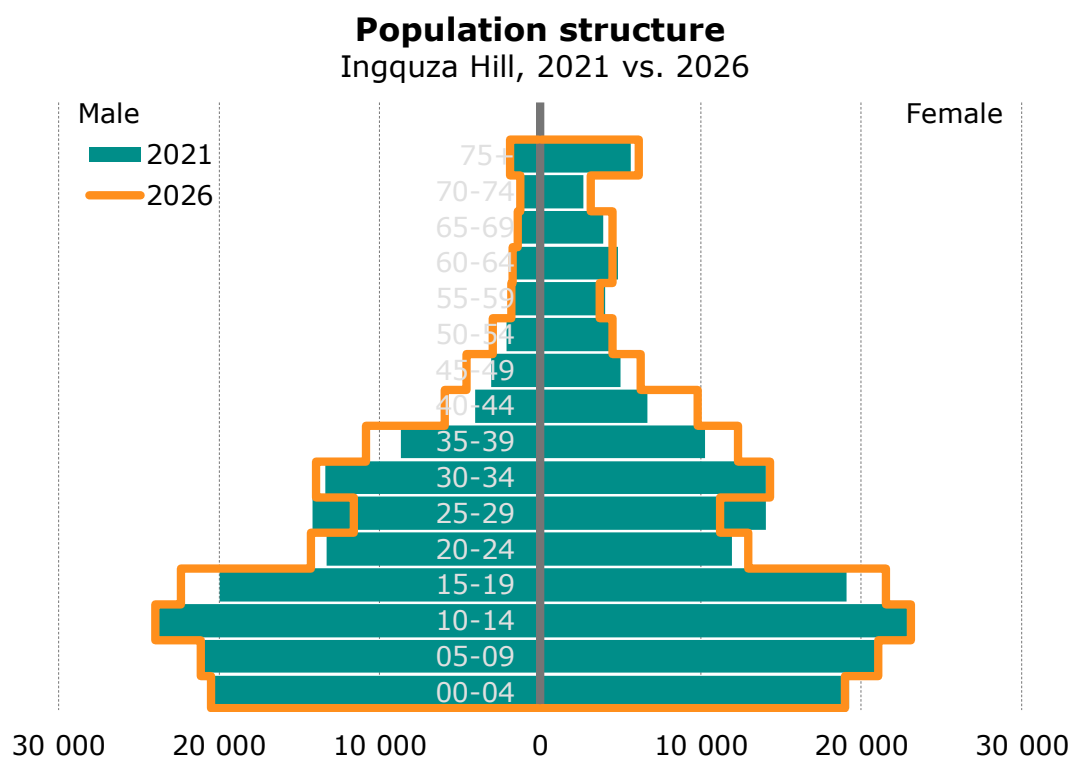
POPULATION PROJECTIONS - INGQUZA HILL, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2021-2026 [NUMBERS PERCENTAGE]

	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
2021	323,000	1,550,000	7,400,000	60,300,000	20.8%	4.4%	0.54%
2022	326,000	1,570,000	7,470,000	61,100,000	20.8%	4.4%	0.53%
2023	329,000	1,580,000	7,550,000	61,900,000	20.8%	4.4%	0.53%
2024	333,000	1,600,000	7,630,000	62,700,000	20.8%	4.4%	0.53%
2025	336,000	1,620,000	7,710,000	63,500,000	20.8%	4.4%	0.53%
2026	338,000	1,630,000	7,780,000	64,300,000	20.7%	4.3%	0.53%
Average Annual growth							
2021-2026	0.93%	0.98%	1.02%	1.29%			

Source: IHS Markit Regional eXplorer version 2257

The population projection of Ingquza Hill Local Municipality shows an estimated average annual growth rate of 0.9% between 2021 and 2026. The average annual growth rate in the population over the projection period for O.R.Tambo District Municipality, Eastern Cape Province and South Africa is 1.0%, 1.0% and 1.3% respectively. The Eastern Cape Province is estimated to have an average growth rate of 1.0% which is very similar than that of the Ingquza Hill Local Municipality. The South Africa as a whole is estimated to have an average annual growth rate of 1.3% which is very similar than that of Ingquza Hill's projected growth rate.

POPULATION PYRAMID - INGQUZA HILL LOCAL MUNICIPALITY, 2021 VS. 2026 [PERCENTAGE]



Source: IHS Markit Regional eXplorer version 2257

The population pyramid reflects a projected change in the structure of the population from 2021 and 2026. The differences can be explained as follows:

- In 2021, there is a significantly larger share of young working age people between 20 and 34 (25.1%), compared to the estimated figure in 2026 (23.2%). This age category of young working age population will decrease over time.
- The fertility rate in 2026 is estimated to be slightly higher compared to 2021.
- The share of children between the ages of 0 to 14 years is projected to be significant smaller (38.1%) in 2026 when compared to 2021 (40.0%).

In 2021, the female population for the 20 to 34 years age group represents 12.4% of the total female population while the male population for the same age group represents 12.7% of the total male population. In 2026, the male working age population which is projected at 11.8% still exceeds that of the female population working age population at 11.4%, although both are at a lower level compared to 2021.

2.3. POPULATION BY POPULATION GROUP, GENDER AND AGE

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

POPULATION BY GENDER - INGQUZA HILL AND THE REST OF O.R.TAMBO DISTRICT MUNICIPALITY, 2021 [NUMBER].

	Male	Female	Total
Ingquza Hill	152,307	170,487	322,794
Port St Johns	81,880	94,984	176,864
Nyandeni	153,938	176,381	330,318
Mhlontlo	93,110	104,706	197,816
King Sabata Dalindyebo	245,883	279,129	525,012
O.R.Tambo	727,117	825,688	1,552,805

Source: IHS Markit Regional eXplorer version 2257

Ingquza Hill Local Municipality's male/female split in population was 89.3 males per 100 females in 2021. The Ingquza Hill Local Municipality has significantly more females (52.82%) than males, when compared to a typical stable population. This is most probably an area with high male out migration to look for work elsewhere. In total, there were 170 000 (52.82%) females and 152 000 (47.18%) males in 2021. This is different from the O.R.Tambo District Municipality as a whole where the female population counted 826 000 which constitutes 53.17% of the total population of 1.55 million.

POPULATION BY POPULATION GROUP, GENDER AND AGE - INGQUZA HILL LOCAL MUNICIPALITY, 2021 [NUMBER].

	African		Coloured		Asian	
	Female	Male	Female	Male	Female	Male
00-04	19,200	20,500	37	66	25	41
05-09	21,200	20,900	36	26	39	39
10-14	23,000	23,800	39	71	22	24
15-19	19,000	19,900	66	49	31	30
20-24	11,900	13,200	69	84	9	46
25-29	14,000	14,100	41	51	33	23
30-34	14,000	13,300	58	51	5	55
35-39	10,200	8,610	33	39	6	44
40-44	6,660	3,990	4	16	26	24
45-49	5,000	3,020	17	17	5	4
50-54	4,520	2,040	27	24	16	13
55-59	4,020	1,800	36	40	3	0
60-64	4,820	1,780	30	24	7	8
65-69	3,910	1,280	22	13	7	3
70-74	2,690	1,260	1	11	3	0
75+	5,580	1,720	29	24	16	3
Total	170,000	151,000	544	607	253	358

Source: IHS Markit Regional eXplorer version 2257

In 2021, the Ingquza Hill Local Municipality's population consisted of 321 000 (99.34%) African, 372 (0.12%) White (372), 1 150 (0.36%) Coloured and 610 (0.19%) Asian people.

Babies and kids between the age of 0 to 14 years, represents the largest share of the population at 129 000 or 40.0% of the total population. The age category with the second largest number of people is the young working age category (25-44 years) with a total share of 26.5% of the entire population, followed by the teenagers and youth (15-24 years) age category with 64 300 people. The age category with the least number of people is the retired / old age category (65 years and older) with only 16 600 people, representing the total population. The Figure below demonstrates the population structure of the Ingquza Hill Local Municipality.

2.4. POPULATION PYRAMIDS:

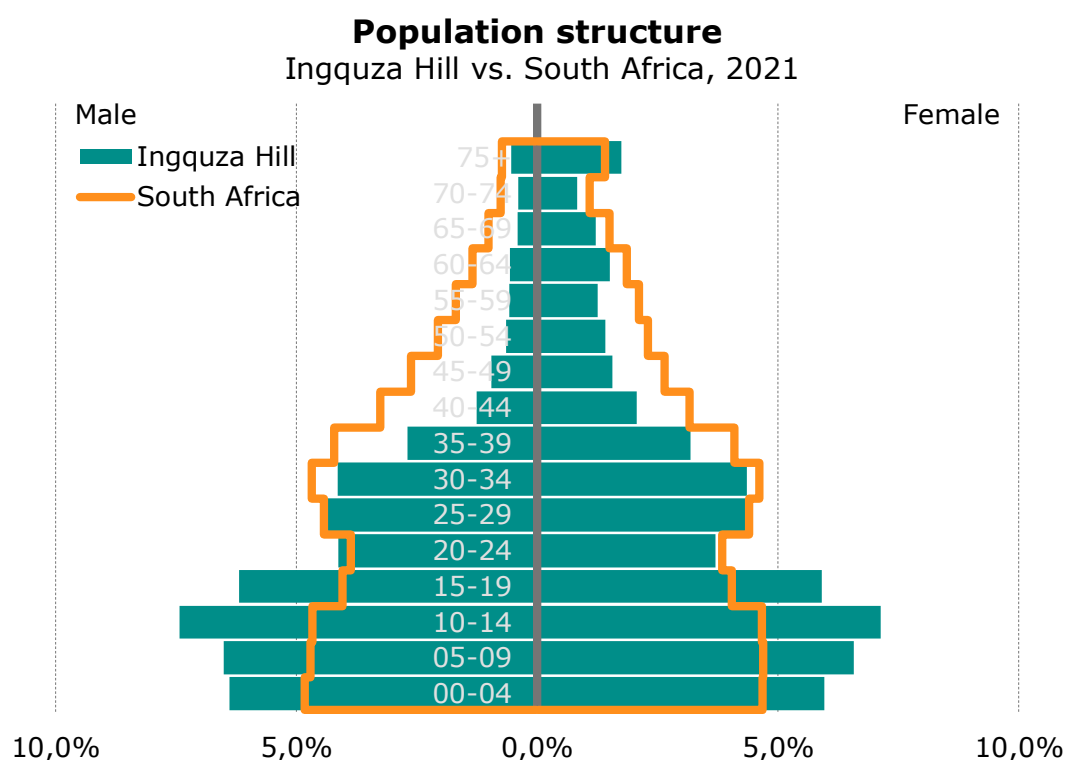
A population pyramid is a graphic representation of the population categorised by gender and age, for a specific year and region. The horizontal axis depicts the share of people, where the male population is charted on the left-hand side and the female population on the right-hand side of the vertical axis. The vertical axis is divided in 5-year age categories.

With the African population group representing 99.3% of the Ingquza Hill Local Municipality's total population, the overall population pyramid for the region will mostly reflect that of the

African population group. The Figure below compares Ingquza Hill's population structure of 2021 to that of South Africa.

POPULATION PYRAMID - INGQUZA HILL LOCAL MUNICIPALITY VS. SOUTH AFRICA, 2021

[PERCENTAGE]



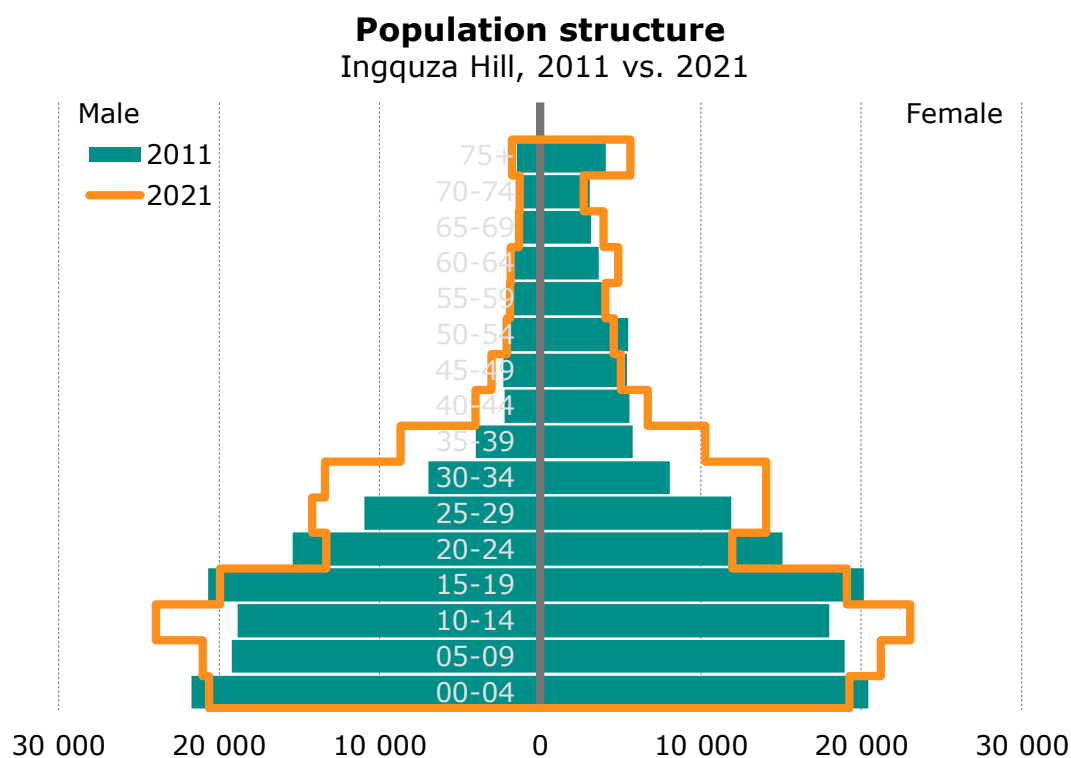
Source: IHS Markit Regional eXplorer version 2257

When comparing the 2011 population pyramid with the 2021 pyramid for the Ingquza Hill Local Municipality, some interesting differences are visible:

- In 2011, there were a significant smaller share of young working age people - aged 20 to 34 (23.9%) - compared to 2021 (25.1%).
- Fertility in 2011 was significantly higher compared to that of 2021.
- The share of children between the ages of 0 to 14 years is significantly larger in 2011 (41.0%) compared to 2021 (40.0%).
- Life expectancy is increasing.

In 2021, the female population for the 20 to 34 years age group amounted to 12.3% of the total female population while the male population group for the same age amounted to 11.7% of the total male population. In 2011 the male working age population at 12.7% still exceeds that of the female population working age population at 12.4%.

POPULATION PYRAMID - INGQUZA HILL LOCAL MUNICIPALITY, 2011 VS. 2021 [PERCENTAGE]



Source: IHS Markit Regional eXplorer version 2257

When comparing the 2011 population pyramid with the 2021 pyramid for the Ingquza Hill Local Municipality, some interesting differences are visible:

- In 2011, there were a significant smaller share of young working age people - aged 20 to 34 (23.9%) - compared to 2021 (25.1%).
- Fertility in 2011 was significantly higher compared to that of 2021.
- The share of children between the ages of 0 to 14 years is significantly larger in 2011 (41.0%) compared to 2021 (40.0%).
- Life expectancy is increasing.

In 2021, the female population for the 20 to 34 years age group amounted to 12.3% of the total female population while the male population group for the same age amounted to 11.7% of the total male population. In 2011 the male working age population at 12.7% still exceeds that of the female population working age population at 12.4%.

2.5. NUMBER OF HOUSEHOLDS BY POPULATION GROUP

A household is either a group of people who live together and provide themselves jointly with

food and/or other essentials for living, or it is a single person living on his/her own.

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

If the number of households is growing at a faster rate than that of the population it means that the average household size is decreasing, and vice versa. In 2021, the Ingquza Hill Local Municipality comprised of 65 200 households. This equates to an average annual growth rate of 1.00% in the number of households from 2011 to 2021. With an average annual growth rate of 1.23% in the total population, the average household size in the Ingquza Hill Local Municipality is by implication increasing. This is confirmed by the data where the average household size in 2011 increased from approximately 4.8 individuals per household to 4.9 persons per household in 2021.

NUMBER OF HOUSEHOLDS - INGQUZA HILL, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2011-2021 [NUMBER 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	59,000	311,000	1,710,000	14,300,000	19.0%	3.5%	0.41%
2012	59,900	315,000	1,730,000	14,600,000	19.0%	3.5%	0.41%
2013	60,400	318,000	1,750,000	14,900,000	19.0%	3.5%	0.40%
2014	60,800	320,000	1,760,000	15,200,000	19.0%	3.5%	0.40%
2015	62,000	326,000	1,790,000	15,600,000	19.0%	3.5%	0.40%
2016	63,500	334,000	1,830,000	16,000,000	19.0%	3.5%	0.40%
2017	65,300	343,000	1,880,000	16,300,000	19.0%	3.5%	0.40%
2018	66,300	348,000	1,900,000	16,400,000	19.1%	3.5%	0.40%
2019	65,100	341,000	1,870,000	16,400,000	19.1%	3.5%	0.40%
2020	63,800	334,000	1,840,000	16,400,000	19.1%	3.5%	0.39%
2021	65,200	342,000	1,880,000	16,600,000	19.1%	3.5%	0.39%
Average Annual growth							
2011-2021	1.00%	0.96%	0.93%	1.51%			

Source: IHS Markit Regional eXplorer version 2257

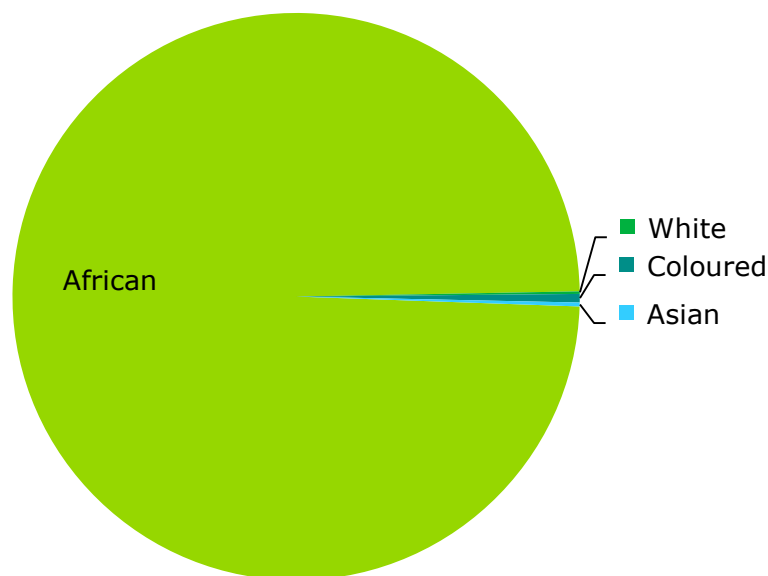
Relative to the OR District Municipality, the Ingquza Hill Local Municipality had a higher average annual growth rate of 1.00% from 2011 to 2021. In contrast, the province had an average annual growth rate of 0.93% in the same period. South Africa as a whole had a total of 16.6 million households, with a growth rate of 1.51%, thus growing at a higher rate than the Ingquza Hill Local Municipality.

The composition of the households by population group consists of 99.1%, which is ascribed to the African population group with the largest amount of households by population group.

The Coloured population group had a total composition of 0.5% (ranking second). The Asian population group had a total composition of 0.2% of the total households. The smallest population group by households is the White population group with only 0.1% in 2021.

NUMBER OF HOUSEHOLDS BY POPULATION GROUP - INGQUZA HILL LOCAL MUNICIPALITY, 2021 [PERCENTAGE]

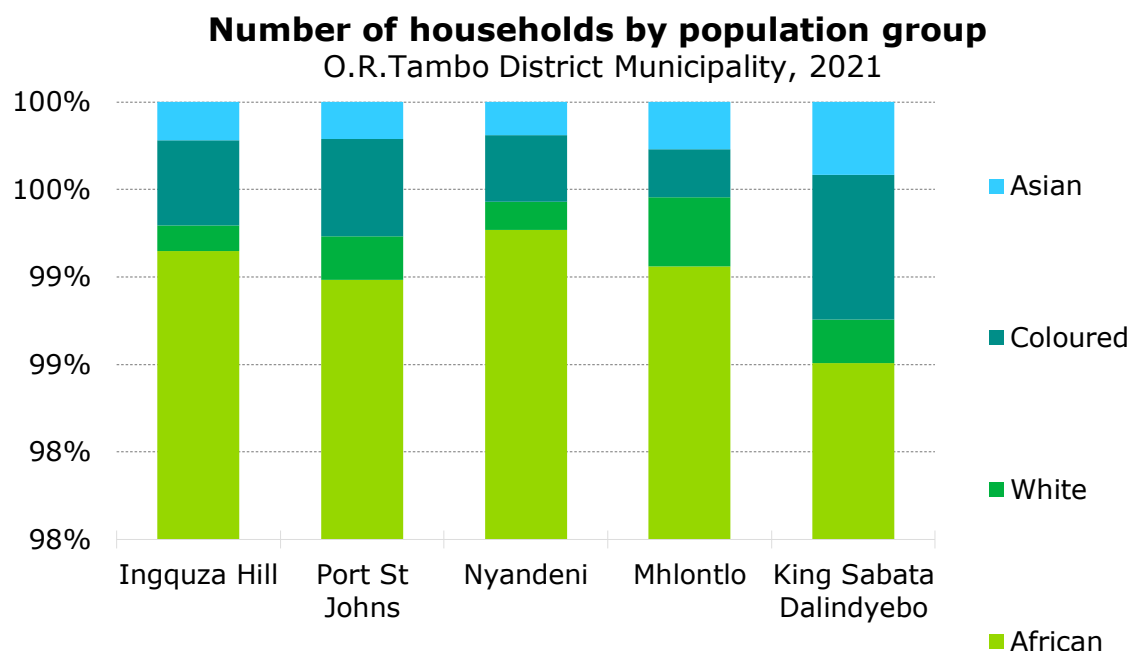
Number of Households by Population group Ingquza Hill, 2021



Source: IHS Markit Regional eXplorer version 2257

The growth in the number of African headed households was on average 1.00% per annum between 2011 and 2021, which translates in the number of households increasing by 6 120 in the period. Although the Asian population group is not the biggest in size, it was however the fastest growing population group between 2011 and 2021 at 2.33%. The average annual growth rate in the number of households for all the other population groups has increased with 1.00%.

NUMBER OF HOUSEHOLDS BY POPULATION GROUP - INGQUZA HILL LOCAL MUNICIPALITY AND THE REST OF O.R.TAMBO, 2021 [PERCENTAGE]



Source: IHS Markit Regional eXplorer version 2257

2.6. HIV+ and AIDS estimates

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

HIV+ and AIDS estimates are defined as follows:

The HIV+ estimates are calculated by using the prevalence rates from the HIV/AIDS model built by the Actuarial Society of Southern Africa (ASSA-2008). These rates are used as base rates on a provincial level. IHS slightly adjusted the provincial ASSA-2008 data to more accurately reflect the national HIV Prevalence rate per population group as used in the national demographic models. The ASSA model in turn uses the prevalence rates from various primary

data sets, in particular the HIV/AIDS surveys conducted by the Department of Health and the Antenatal clinic surveys. Their rates are further adjusted for over-reporting and then smoothed.

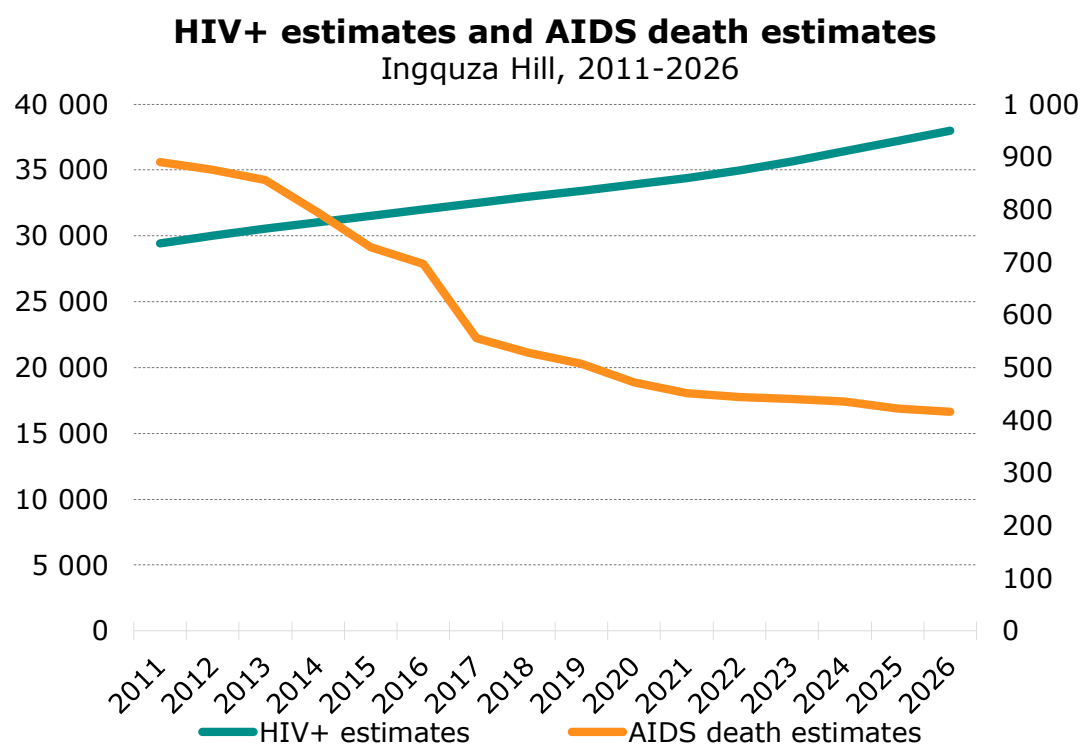
NUMBER OF HIV+ PEOPLE - INGQUZA HILL, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2011-2021 [NUMBER AND PERCENTAGE]

	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.



Source: IHS Markit Regional eXplorer version 2257

Presenting the number of HIV+ people against the number of people living with AIDS, the people with AIDS added up to 890 in 2011 and 452 for 2021. This number denotes an decrease from 2011 to 2021 with a high average annual rate of -6.56% (or -438 people). For the year 2021, they represented 0.14% of the total population of the entire local municipality.

2.7. 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, 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.

2.8. 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 measures the economy in actual Rand, and constant prices measures the economy by removing the effect of inflation, and therefore captures the real growth in volumes, as if prices were fixed in a given base year.

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 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). Its 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]

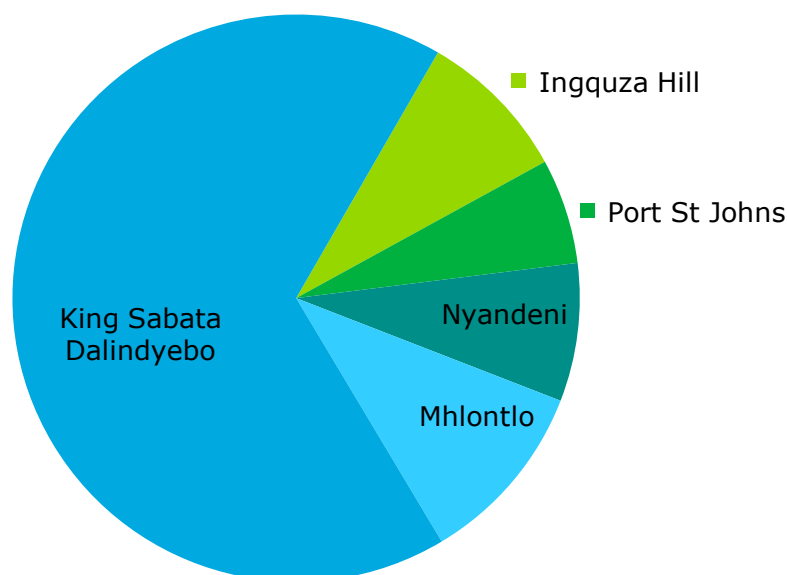
	Ingquza Hill	O.R.Tambo	Eastern Cape	National Total
2011	2.2%	1.9%	3.3%	3.2%
2012	-0.4%	0.8%	2.0%	2.4%
2013	-0.8%	1.0%	1.4%	2.5%
2014	0.4%	1.5%	0.7%	1.4%
2015	0.9%	2.4%	1.0%	1.3%
2016	0.3%	2.0%	0.8%	0.7%
2017	-0.3%	1.6%	0.5%	1.2%
2018	0.3%	2.3%	1.1%	1.5%
2019	-0.2%	1.7%	0.1%	0.3%
2020	-6.4%	-4.7%	-6.5%	-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%).

GROSS DOMESTIC PRODUCT (GDP) - INGQUZA HILL LOCAL MUNICIPALITY AND THE REST OF O.R.TAMBO, 2021 [PERCENTAGE]

Gross Domestic Product (GDP)
O.R.Tambo District Municipality, 2021



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%

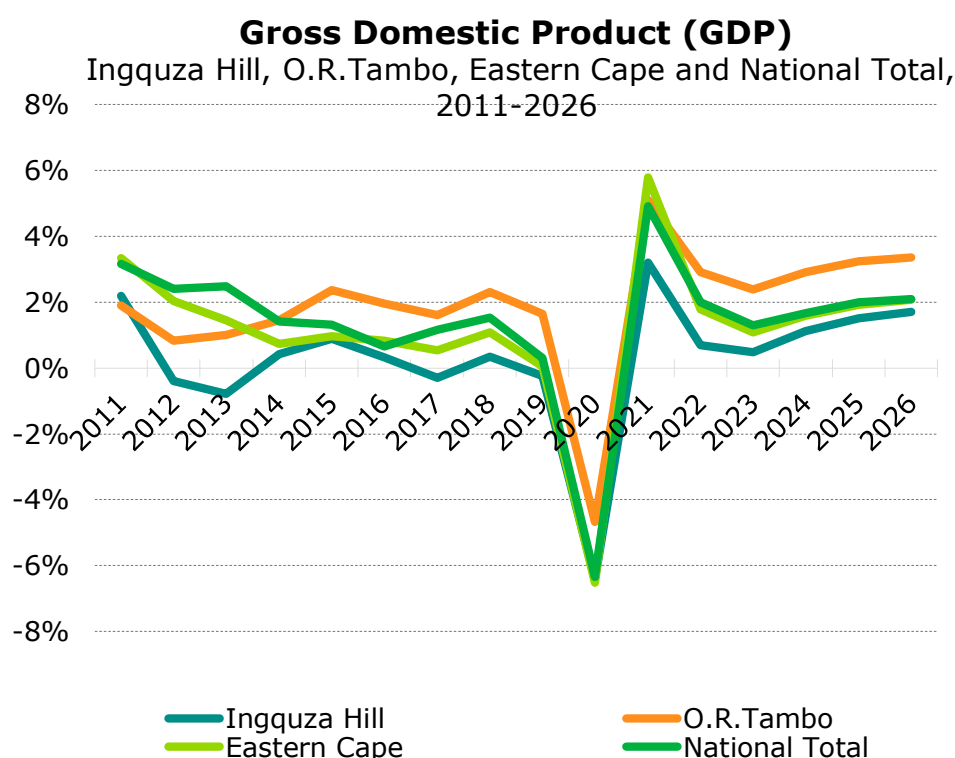
Source: IHS Markit Regional eXplorer version 2257

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.

2.9. 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]

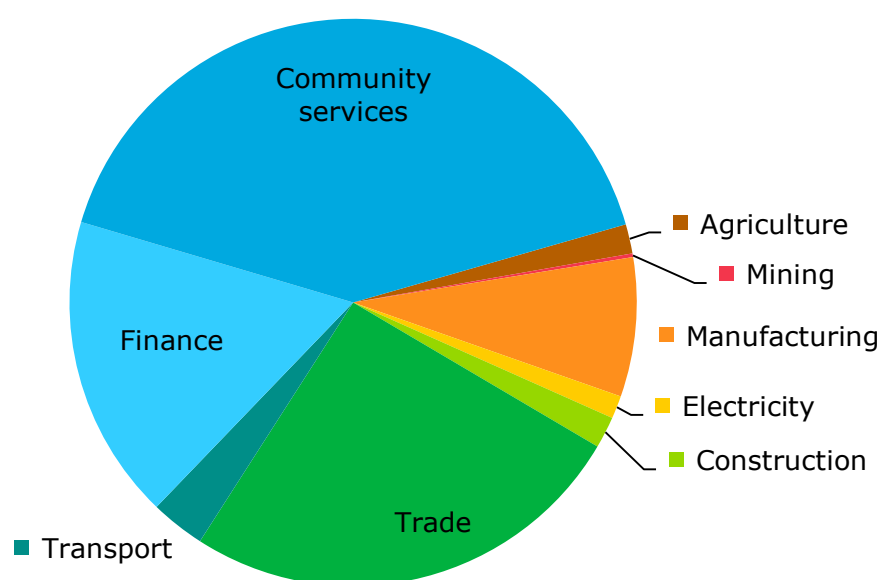
	Ingquza Hill	O.R.Tambo	Eastern Cape	National Total	Ingquza Hill as % of district municipality	Ingquza Hill as % of province	Ingquza Hill as % of national
Agriculture	0.1	0.6	8.2	152.8	12.2%	0.88%	0.05%
Mining	0.0	0.1	0.7	474.9	8.5%	1.30%	0.00%
Manufacturing	0.3	2.2	55.1	729.8	15.7%	0.62%	0.05%
Electricity	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]

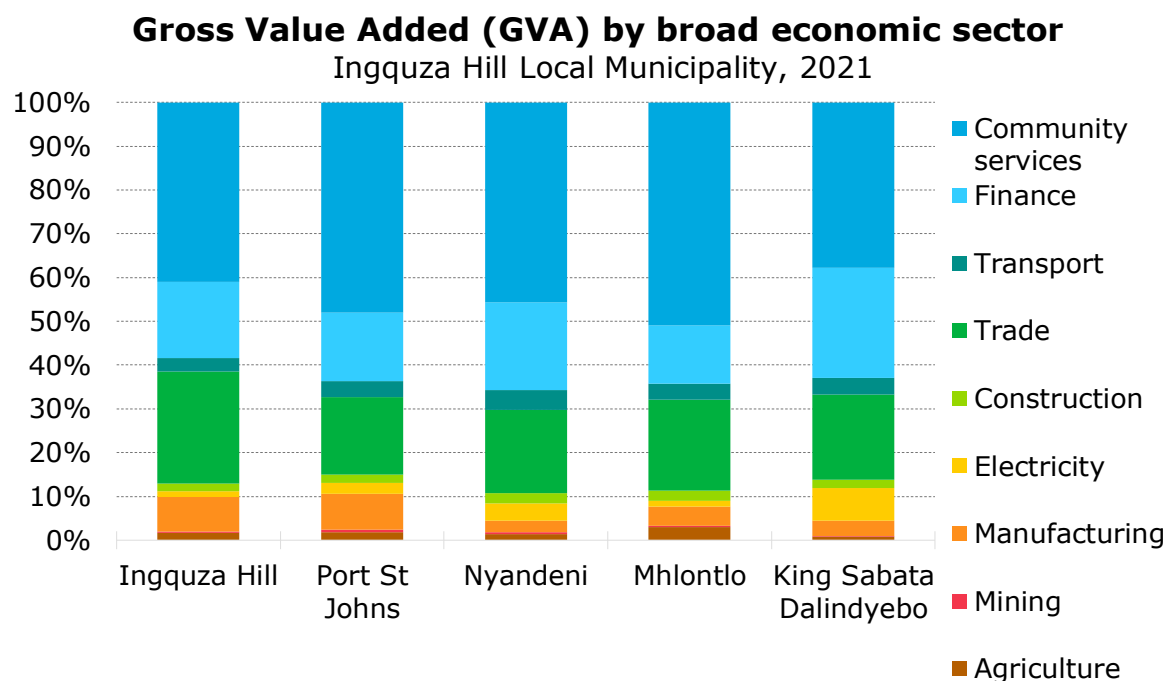
Gross Value Added (GVA) by broad economic sector
Ingquza Hill Local Municipality, 2021



Source: IHS Markit Regional eXplorer version 2257

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, it is clear that 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

2.10. 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]

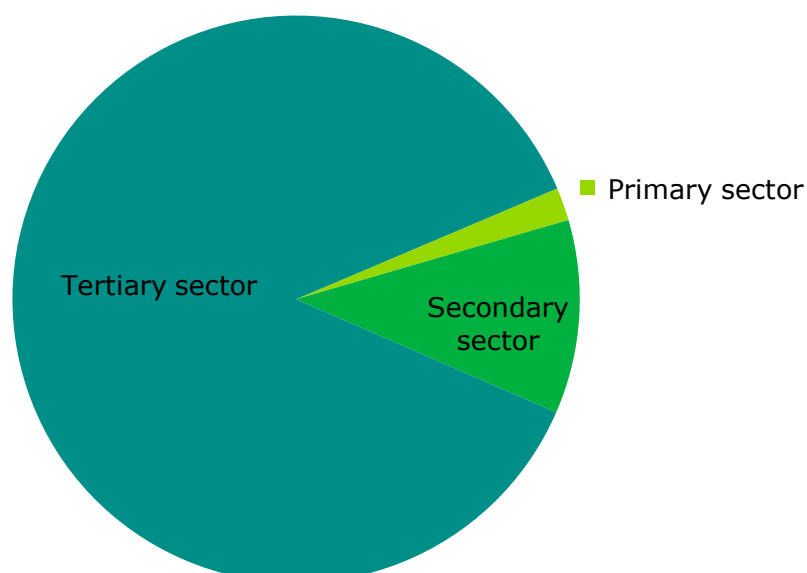
	2011	2016	2021	Average Annual growth
Agriculture	46.3	41.2	47.3	0.22%
Mining	10.2	9.6	8.7	-1.60%
Manufacturing	256.3	236.7	245.5	-0.43%
Electricity	28.1	24.2	23.5	-1.79%
Construction	88.1	88.6	61.1	-3.59%
Trade	817.3	841.5	730.6	-1.12%
Transport	129.1	129.0	111.0	-1.50%
Finance	454.7	551.0	567.6	2.24%
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%.

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

Gross Value Added (GVA) by aggregate sector
Ingquza Hill Local Municipality, 2021



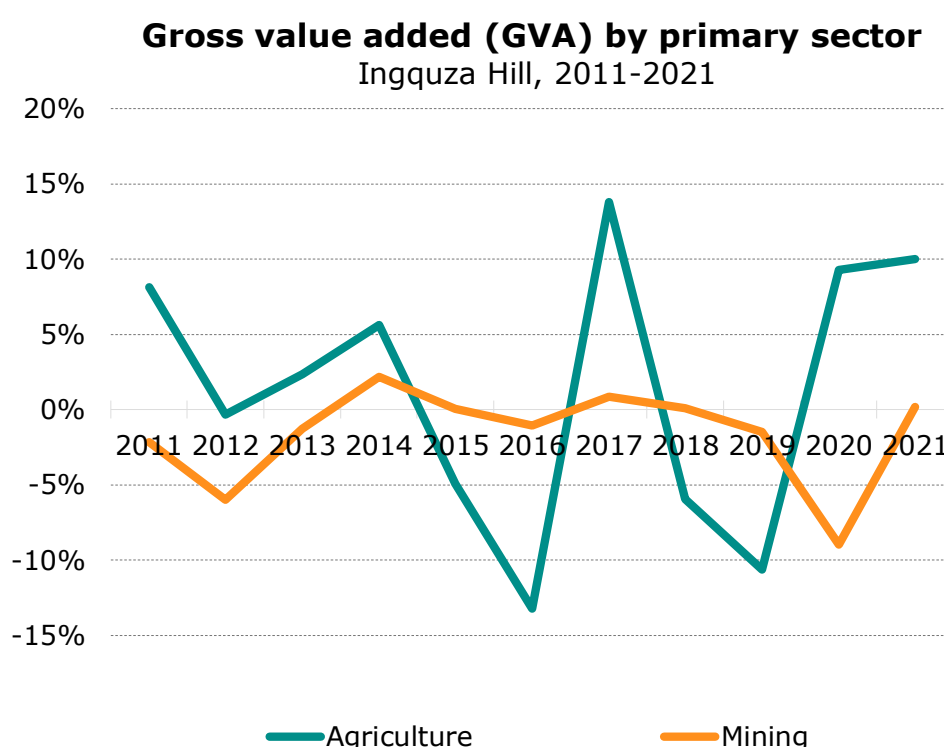
Source: IHS Markit Regional eXplorer version 2257

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

2.11. 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.

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



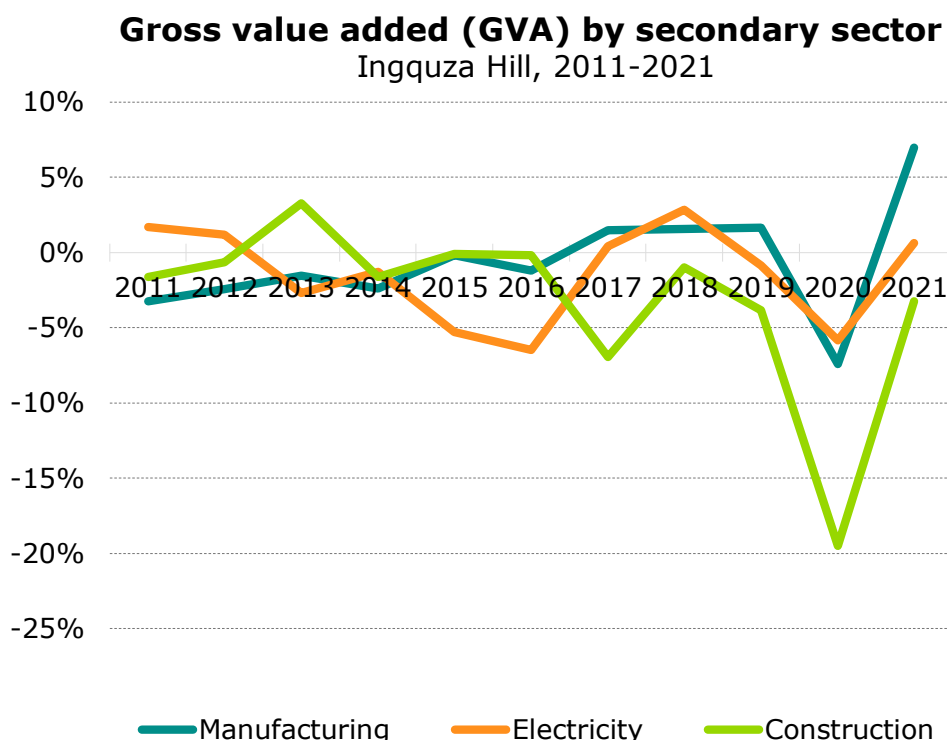
Source: IHS Markit Regional eXplorer version 2257

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.

2.12. 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]



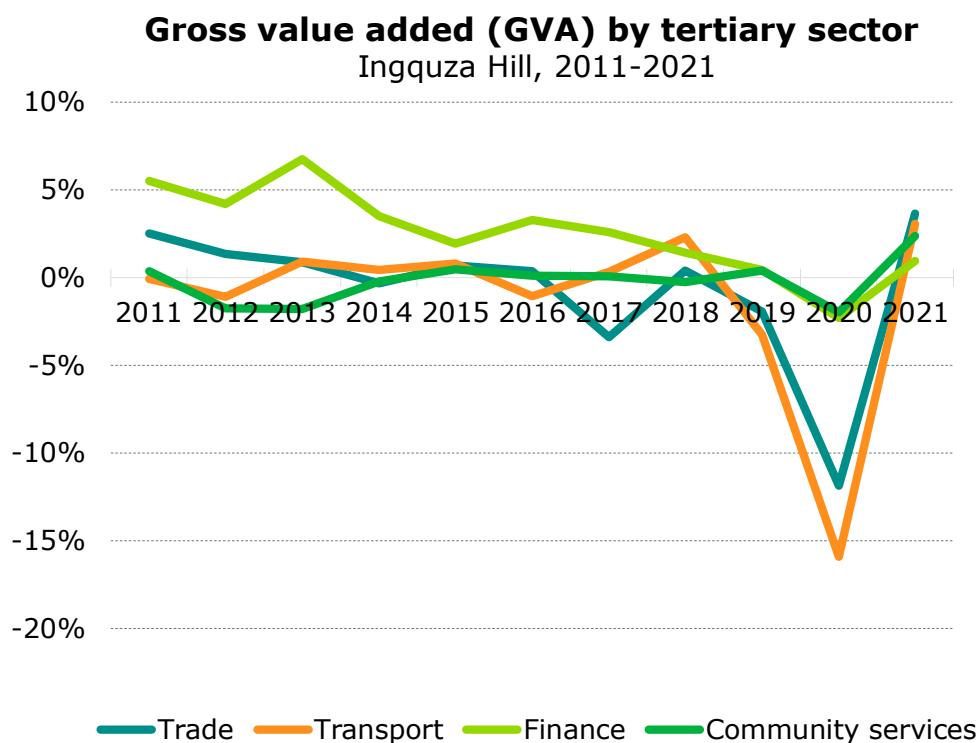
Source: IHS Markit Regional eXplorer version 2257

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.

2.13. 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%.

2.14. Population Density

In 2021, Ingquza Hill Local Municipality had a population density of 130 per square kilometre and it ranked highest amongst its peers. 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

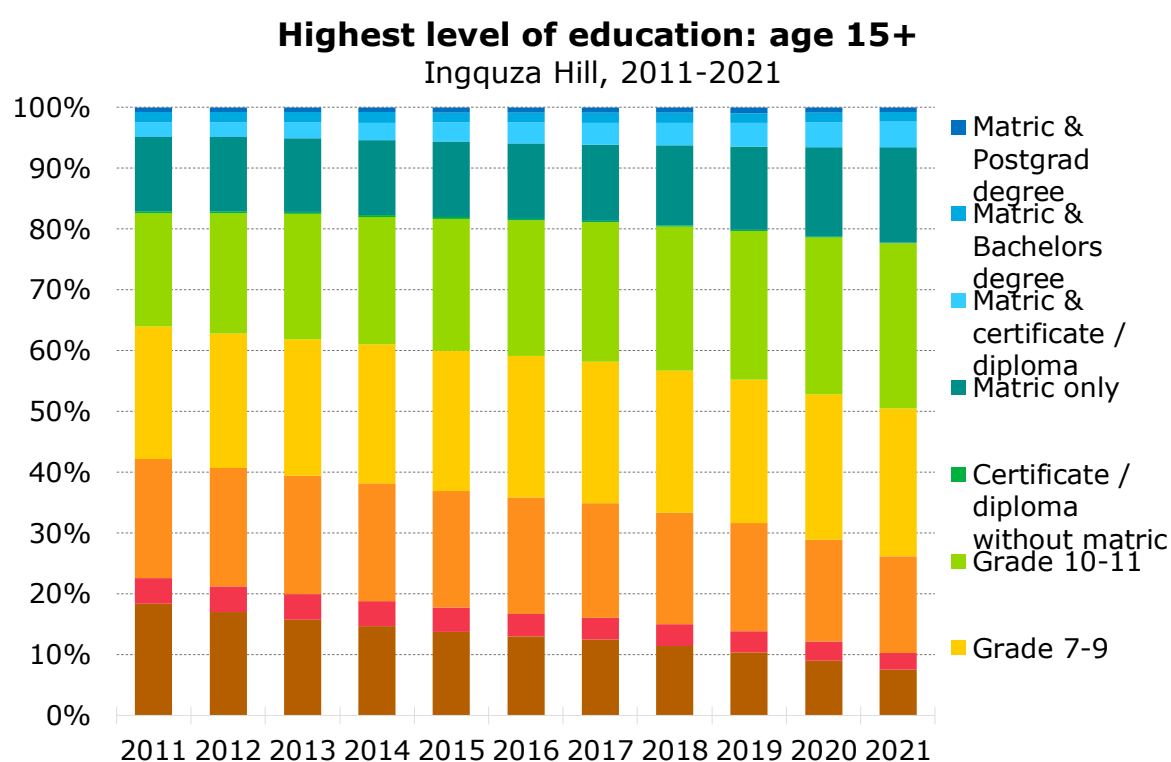
was Mhlontlo with 68.7 people per square kilometre, it was also the region with the lowest average annual growth rate of 0.15% people per square kilometre over the period under discussion.

2.15. 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.

2.16. 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 to 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	

2.17. 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.

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%.

2.17.1. HIV/AIDS

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

HIV+ and AIDS estimates are defined as follows:

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

NUMBER OF HIV+ PEOPLE - INGQUZA HILL, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2010-2020 [NUMBER AND PERCENTAGE]

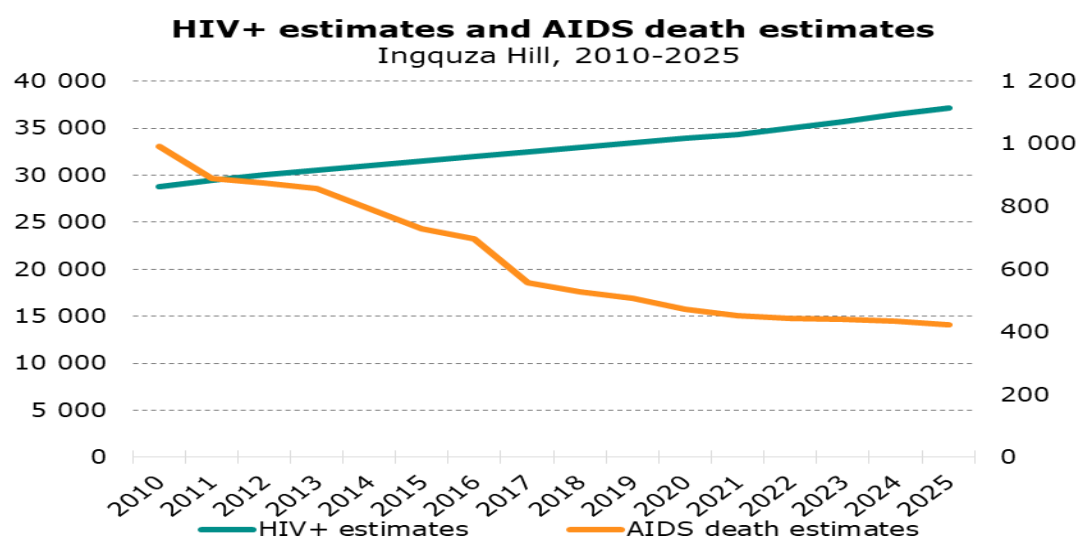
	Ingquza Hill	O.R.Tambo	Eastern Cape	National Total	Ingquza Hill as % of district municipality	Ingquza Hill as % of province	Ingquza Hill as % of national
2010	28,800	149,000	717,000	6,310,000	19.3%	4.0%	0.46%
2011	29,400	152,000	732,000	6,480,000	19.4%	4.0%	0.45%
2012	30,000	155,000	746,000	6,630,000	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%

Average Annual growth

2010-2020 **1.65%** **1.73%** **1.88%** **2.28%**

Source: IHS Markit Regional eXplorer version 2175

In 2020, 33 900 people in the Ingquza Hill Local Municipality were infected with HIV. This reflects an increase at an average annual rate of 1.65% since 2010, and in 2020 represented 10.60% of the local municipality's total population. The O.R.Tambo District Municipality had an average annual growth rate of 1.73% from 2010 to 2020 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 716,000 in 2010 to 863,000 in 2020. When looking at the South Africa as a whole it can be seen that the number of people that are infected increased from 2010 to 2020 with an average annual growth rate of 2.28%.



Presenting the number of HIV+ people against the number of people living with AIDS, the people with AIDS added up to 991 in 2010 and 472 for 2020. This number denotes a decrease from 2010 to 2020 with a high average annual rate of -7.14% (or -519 people). For the year 2020, they represented 0.15% of the total population of the entire local municipality.

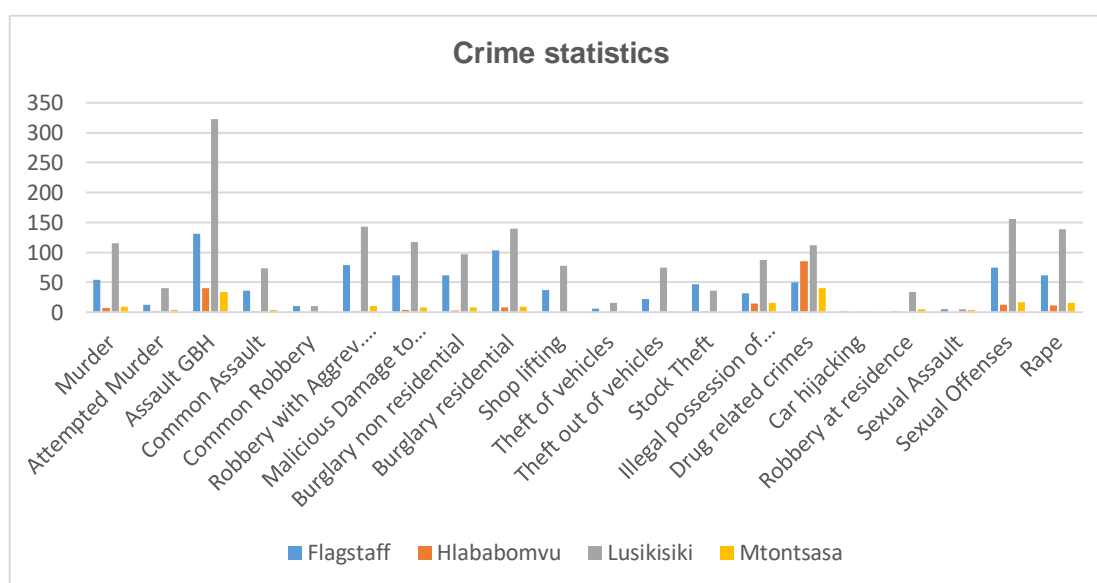
2.18. Safety and Security

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.

2.18.1. 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

1. 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.

1.1. 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.

1.1.1. Completed Projects

Ward No	Project Name		Financial Year
12	1.Didi Access Road	2.5km	2018/2019
24	2. Ntlawuzana Access Road	5.3km	2018/2019
14	3. Mcwabantsasa Access Road	5.5km	2018/2019
3	4. Lower Luqumbini Access Road	7km	2018/2019
	Total Kms	23,3	

Ward No	Project Name	Kms	Financial Year
16	Mdiya Access Road	7.5km	2019/2020
6	Mthwaku To Gabajana Access Road	9.8km	2019/2020
6	Ntsimbini Access Road	5.5km	2019/2020
13	Mrhotshozweni Access Road	6.1km	2019/2020
3	Mmangweni Access Road	5km	2019/2020
4	Mbilikati Phase 2	3km	2019/2020
15	Lusikisiki Surfacing Phase 2	1.5km	2019/2020
	Total Kms	57,6	

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 m²),	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

1.1.2. 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.

2. Service Delivery Backlogs

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

Category	Municipal Targets	Backlogs	Served	Annual (2023/24)	Target
Electricity(H/H)	56213h/h	5000h/h	51213h/h	185h/h	
Access Roads(km)	981,35km	390,35km	591km	37.2km	
Surfaced roads (km)	26km	13,5km	4,5km	3km	
Sports fields(No.)	32	27	4	2(ward 2 and ward 26	
Community Halls(No.)	34	2	32	2 community halls	
Refuse removal	56213h/h	53493h/h	2720h/h	2720h/h	

2.1. 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

2.2. 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

2.3. 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

2.4. 2023/2024 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 hand over to Eskom to energise from its own work.

Project Name	Project Type	Number of Standard Households
Mkhumeni Ext	Ext	82
Zadungeni Ext Phase 2	Ext	11
Mhlanga Ext	Ext	26
Mbodleni Ext	Ext	14
Madamini Ext	Ext	40
Cumngce Ext Phase 2	Ext	17
Total Number of Connections		187 H/H

2.5. 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.

2.6. 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 principle agreement at national level that those municipalities, which appoint RED's 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.

2.6.1. 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, Siphagani 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.

2021/2022 Financial Year: The indigent register of Ingquza Hill Local Municipality was sitting at 12 466

INFORMAL SETTLEMENTS: FBS House Hold benefitting and (Improvement)			
	Households	Percentage	Improvement
No of all h/h for Eskom and alternative energy	11200		
No of h/h that are supposed to benefitting from Eskom	6359	37% (2334)	-
No of h/h benefitting from alternative energy	4841	100%	100%

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

INFORMAL SETTLEMENTS: FBS House Hold 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 benefitting from Eskom	7 504	53% (3963)	16%
No of h/h benefitting from alternative energy	4100	100%	100%

2.6.2. 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.

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.

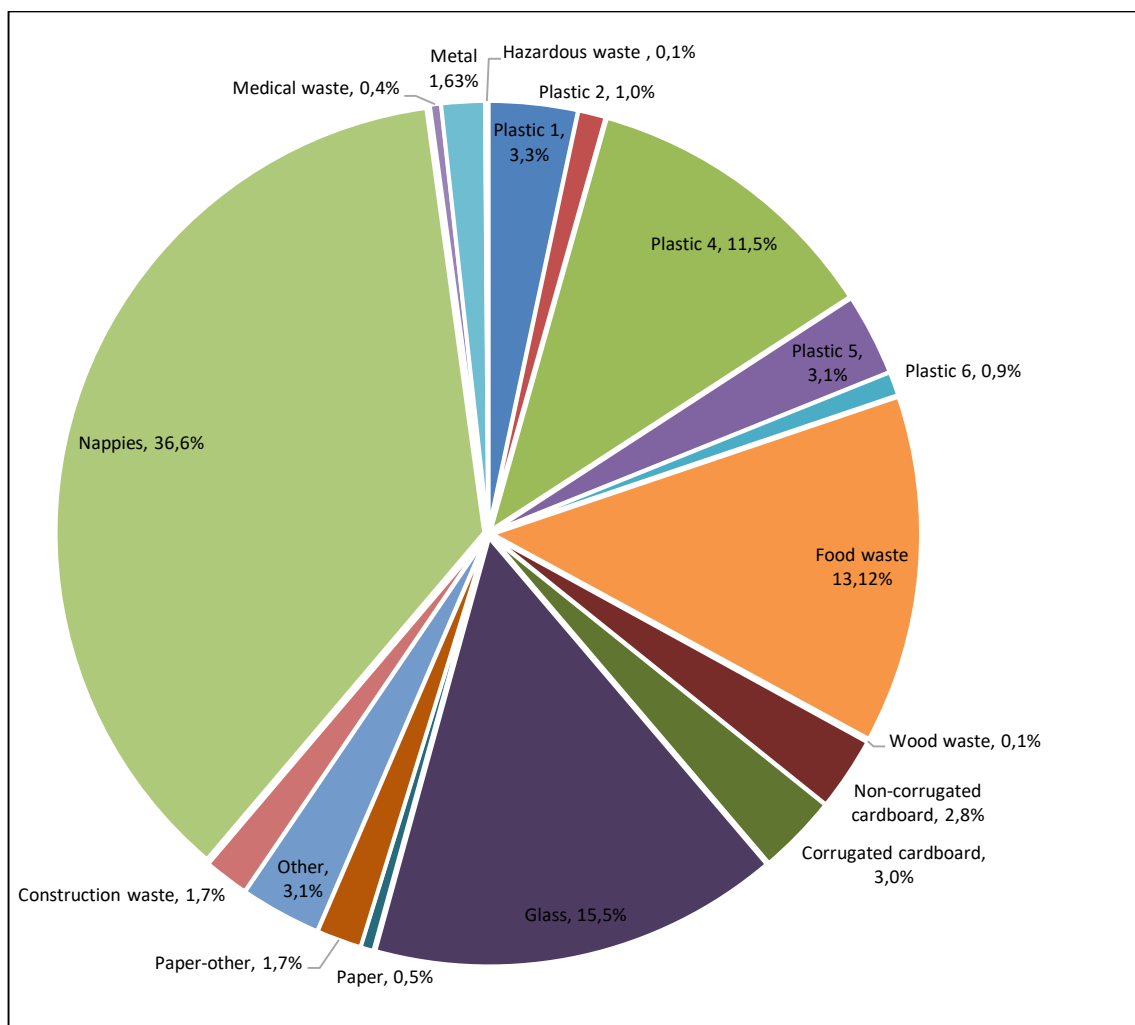
Public lighting

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 term 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.

2.7. 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.



2.7.1. 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 Of 2008 as amended to promote integrated waste management. SALGA has drafted good framework for the all municipalities, IHLM has used these bylaws to review its By-Laws that are in public participation phase.

2.7.2. 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).

The majority of households 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.

2.7.3. 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.

2.7.4. 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.

2.7.5. 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.

2.8 Crime Prevention status quo

There is no valid Community Safety Plan (CSP) 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. There are only four police stations under the vast jurisdiction of Ingquza Hill Local Municipality, namely Flagstaff, Hlababomvu, Lusikisiki and Mtontsasa.

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 municipality has responded by installing 75 high masts on the strategic areas in both towns (Flagstaff and Lusikisiki) to address the challenge of darkness. The municipality also maintains street lights, of which in the 2021/2022 100 street lights maintained by the municipality.

2.9. Beach Safety Status quo

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.

Challenges:

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

2.10. Health and Safety Status quo

Local Aids Council is functional and it reports to the District Aids Council on regular basis. The prevalence of HIV/ Aids is still high and the opportunistic diseases such as Tuberculosis are high.

The implementation of National Health Insurance which is being piloted in the OR Tambo District is showing remarkable success in the improvement of health through availability of doctors and availability of medicines for chronic and other diseases.

2.11. Library services status quo

There are 3 libraries: 1 in Lusikisiki and 2 in Flagstaff. Belmont library in Lusikisiki is approximately 3 kilometers from the CBD, Club House library in Flagstaff is approx. 500 meters from CBD. The Ndimakude modular library is approximately 17 kms from Flagstaff. None of the libraries are built by Department of Sports, Recreation, Arts and Culture.

The municipality is receiving library financial support grant of R800, 000 which is not sufficient to fund the operations of the 3 libraries. The municipality has to finance the shortfall of more than R300, 000 without adding the cost of provision of security.

Books and computers are provided by DSRAC. All three libraries are functional except for lack of proper library buildings, shortage of funds for optimum operations and updating of books and multimedia tools.

2.12. Sports status quo

Three sport fields are playable and one is under construction. Condition of other sport fields in 32 wards are not playable and has not resources such as goal posts.

Soccer is the main sporting activity followed by netball, athletics volley ball, body building, tennis, rugby, boxing and cricket.

Youth participation is good but due to the lack of proper facilities and lack of development, the athletes leave the area for greener pastures.

Challenges: Lack of sports facilities to promote multi sporting activities. Lack of sport development plans from DSRAC. Lack of funding or sponsorship from business community to promote sport as they do on national and provincial levels.

2.13. Culture

The area has been in the spot light for fatalities occurring due to circumcision custom. The intervention of municipality, traditional leaders, department of health, department of social development, SAPS and COGTA has yielded remarkable improvements. This can be attributed to endless monitoring programmes embarked upon by different stakeholders under the political and traditional leadership.

KPA 2:

INSTITUTIONAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT.

3. Location of the Offices

Ingquza Hill is made up of 32 wards with 66 Councilors 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
<ul style="list-style-type: none">▶ Office of the Mayor▶ Municipal Managers office▶ Technical Services▶ Budget and Treasury▶ Planning and Development▶ ICT and Records management	<ul style="list-style-type: none">▶ Office of the Speaker▶ Whips of the Council Office▶ Community Services▶ Corporate Services

3.1. Council structure

The municipality has 32 Ward Councilors each responsible of the 32 wards with 32 members who are proportional representatives and 02 councilors representing the traditional leadership. In total, there are 66 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 S.H Mtshazo , Cllr. N. Jam-jam, Cllr. B.N Nkani, Cllr. Z. Mhlongo Cllr. L. Ndziba, and Cllr. Z. Sigcu.

The Council adopted functional standing committees that sit at a minimum of 1 meeting per quarter for the six (6) key performance areas. Each quarter there is a standing committee meeting which reports to the EXCO for ratification and confirmation of decisions and taken to

Council meeting for accountability, oversight and decision making. Council meetings meet at least once per quarter to consider quarterly report with section 71 report, half-yearly report, 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 CoGTA.

3.2. 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 5 Directors including Chief Audit Executive responsible for internal audit and Risk Management. The Director Community Services is 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
	Chief Audit Executive	5 years
	Manager: Mayor's Office	Vacant
	Manager: IDP& PMS	5 years
	Manager: Council Support	5 years
	Manager Strategic Communications	5 years
	Executive Liaison Officer	5 years
	Executive PA to the Mayor	5 years
Political head: Honorable Cllr. N Gagai		
Corporate Services	Director: 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	Vacant
	Manager: Financial Planning & Reporting	5 years
	Manager: Supply Chain Management	Vacant
	Manager: Asset Management	5 years
Political Head: Honorable Cllr. Z. Mhlongo		
Community Services	Director: Community Services	Vacant
	Manager: Public Safety	5 years
	Manager: Waste Management	5 years
Political Head: Hon Cllr. S. Mtshazo		
Engineering & Infrastructure	Director: 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	Director: Planning & Development	Vacant
	Manager: Local Economic Development	5 years
	Manager : Planning and Development	5 years

3.3. 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
<ol style="list-style-type: none"> 1. Air pollution 2. Building regulations 3. Child care facilities 4. Electricity and gas reticulation 5. Local tourism 6. Municipal Planning 7. Municipal Health services 8. Municipal public transport 9. Storm water management 10. Trading regulation 11. Pontoons, fairs, settees, piers and harbors excluding the regulations of international and national shipping 	<ol style="list-style-type: none"> 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 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
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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. Child care 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. Child care 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

3.4. Organizational development

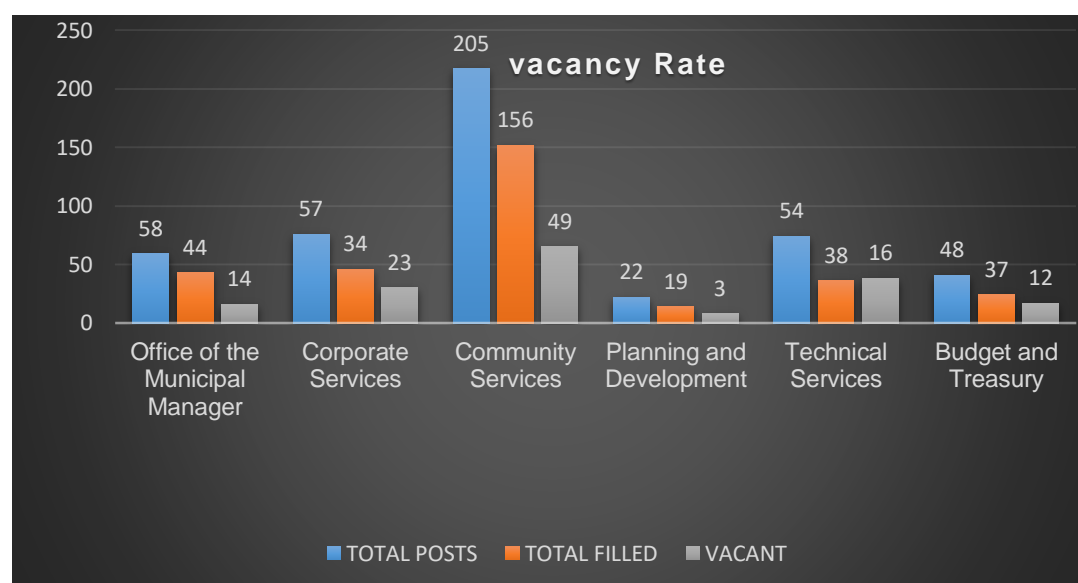
The process of reviewing the organisational structure has begun and is done concurrently with the review of the IDP to ensure that it responds to the strategic objectives of the Council. The consultation processes are still to follow and the adoption of the organisational structure will be adoptions together with the adoption of the IDP 2023/2024. The correct reflection of the state of the organisational structure will be reflected after the adoption of the document.

3.5. Current Staff Establishment

The filling of all budgeted posts for the year 2023/24 is outlined in the budget.

3.6. Current Vacancy Rate

The recruitment plan will be outlined upon adoption of the organizational structure having considered departmental priorities aligned with strategic goals of institution aligned with Departmental Strategic goals and budget per financial year.



3.7. Workplace Skills Plan

The Municipality does have a WSP in compliance with legislation adopted and this was submitted to the LGSETA by the 25 April 2023. 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:-

- 3 Regular Trainings / Workshops for all professional body registered employees are conducted to ensure that they always updated of the developments of respective Council requirements;
- 4 Training of Municipal Competency Levels to Directors, Managers and Finance Officials is ongoing;
- 5 Solid waste personnel will be trained in order to be able to operate new equipment acquired to improve cleanliness in both Flagstaff and Lusikisiki;
- 6 Training of people participating in cooperatives; LED projects *is ongoing*

- 7 Giving work experience to unemployed graduates through in-service/ *Learnership* / and internship programmes; and
- 8 Provision of Bursary/Financial study assistance to employees and youth community members;

3.8. Employment Equity Plan:

The employment Equity Plan was adopted by the Municipality is currently under review. The Plan has 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 representation of women at middle management level. However, there is still a challenge in attracting the applicants from the disabled group.

Report on IHLM occupational statistics report:

DEPARTMENT	TOTAL POSTS	FILLED POSTS	VACANT POSTS	VACANCY RATE %
Office of the Municipal Manager	58	44	14	24
Budget and Treasury	48	37	12	25
Corporate Services	57	34	23	40
Technical Services	54	38	16	30
Planning and Development	22	19	3	14
Community Services	205	156	49	24
overall total	444	328	116	26

3.9. 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.

3.10. Human Resource Management Plan

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 Organizational 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 programs.

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.

3.10.1. Human Plan policies and procedures to support the implementation of the HR Plan.

Admin & ICT	Human Resources Management	
▶ Records and Archives Policy	▶ Occupational Health and Safety	▶ HIV& AIDS (Review)
▶ ICT Policy	▶ Training and development	▶ Payroll Shared Service Plan (New)
▶ Cleaning and Hygiene Policy	▶ Leave Policy	▶ Integrated Wellness Strategy Policy(Review)
▶ Customer Care Policy Cellphone Use Policy	▶ Recruitment , Selection & Promotion	▶ Retention (Review)
▶ Dress Code Policy	▶ Standard code of conduct	▶ Recruitment a, Selection Appointment of Senior Managers
▶ ICT Disaster Recovery Plan Policy	▶ Grievance Procedure	▶ Resettlement(Review)
▶ ICT Strategy Implementation Plan Policy	▶ Employee Assistance Programme	▶ Employment Equity (Review)
▶ ICT Data Backup & Recovery	▶ Organisational Development Policy	▶ Overtime, Shift allowance and Standby allowance
▶ Patch Management Policy	▶ Placement Policy	▶ Recruitment and Selection Policy
▶ ICT Account & Password Management Policy	▶ Acting &Added Responsibility Policy	▶ TASK Job Evaluation policy
	▶ PMS Policy – Cascading of PMS (new)	▶ HR Plan: review
	▶ Bereavement (Review)	▶ Training and Development Policy
	▶ Municipal Bereavement Policy	

3.11. Information and Communications Technology

Ingquza Hill has an ICT section situated under the Corporate Services under Manager Admin and ICT Services, which assist in information technology which includes internet, software's, computers networking and all other technological matters. To ensure broader assistance in the municipality the following documents were developed and adopted:

3.11.1. IT Strategy and Framework

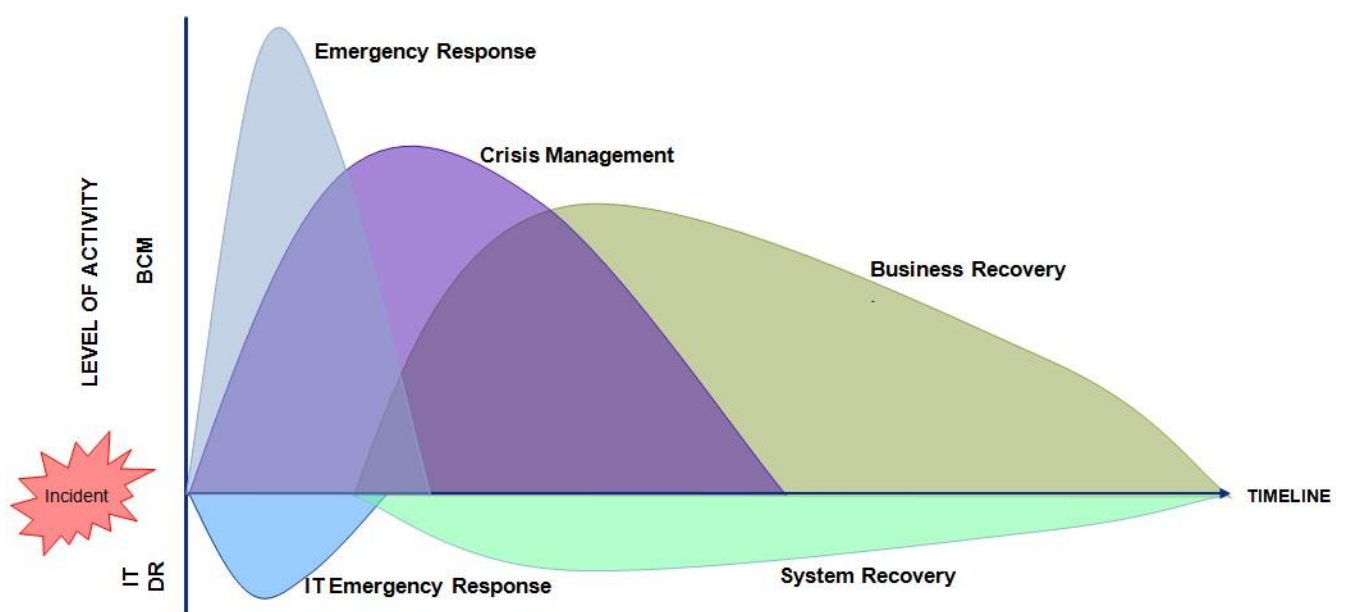
The municipality has to ensure that it has viable IT strategies conforms to COBIT framework to meet both goals and challenges faced by the municipality to conduct its business effectively, efficient and quickly. These strategies may be classified as short-term, medium-term and long term to ensure continuity of the municipality. This simple means the municipality has to list possible projects that will support the day-to-day activities of the municipality for the betterment of the municipal service delivery. It is essential that the IT strategies are directly linked to the Integrated Development Plan of the municipality and are reviewed after two years or annually if needed.

3.11.2. ICT Disaster Recovery and Business Continuity Plan Background and Scope.

The intention of an ICT policy is to provide guidelines for the use of the electronic media and where abuse occurs, sets out the punitive measures that can be taken against an employee. The ICT policy also specifies the security measures and safeguards that should be applied by the IT department and the employees alike.

Define guidelines, standards and procedures for Ingquza Hill Local Municipality divisions providing information or services on the Internet. An IT Disaster Recovery Plan is an important component of business continuity planning. Where organizations rely on IT systems for their operations it is critical that IT disaster and consequent recovery thereof is appropriately planned for, and considered within the context of the organization's wider business objectives.

Figure 1. The role of IT DRP in DRP



The activities outlined in the above diagram include:

3.11.2.1. Emergency Response

Activities IHLM as an institution engages in when a situation that poses an immediate risk to the health, life and property of IHLM and/or its employees. The activities include urgent intervention to prevent a worsening of the situation and the management of incident response procedures (i.e. evacuations, liaising with emergency services, damage assessments etc).

Note: This portion of the response is entailed in the intuitional Business Continuity Plan.

3.11.2.2. Crisis Management

Process by which IHLM deals with a major event that threatens to harm the municipality, its stakeholders, or the general public. These activities normally include stakeholder management (i.e. government, media, public etc.), collation of information and high-level instructions for business recovery activities.

3.11.2.3. Business Recovery

The activities that IHLM engages in to restore operations. Recovery of IT applications is addressed by the IT DRP to support the restoration of business activities. The recovery of other operational requirements like workspace, manual documentation and office equipment is covered in a Business Continuity Plan.

3.11.2.4. IT Emergency Response and System Recovery

Activities IHLM will follow to respond to emergency situations affecting IT systems and restoring IT systems to normal. This is covered in this IT DRP document.

3.12. Custodianship and Oversight of the ICT DRP

- ▶ The IHLM ICT DRP is to be managed by a committee of key personnel chaired by the Municipal Manager. It should be noted that each person in the committee is described herein by duty relevant to IT DRP and not by their daily job title. More than one function may be performed by one person.

The Committee will have the following functional responsibilities on an ongoing basis:

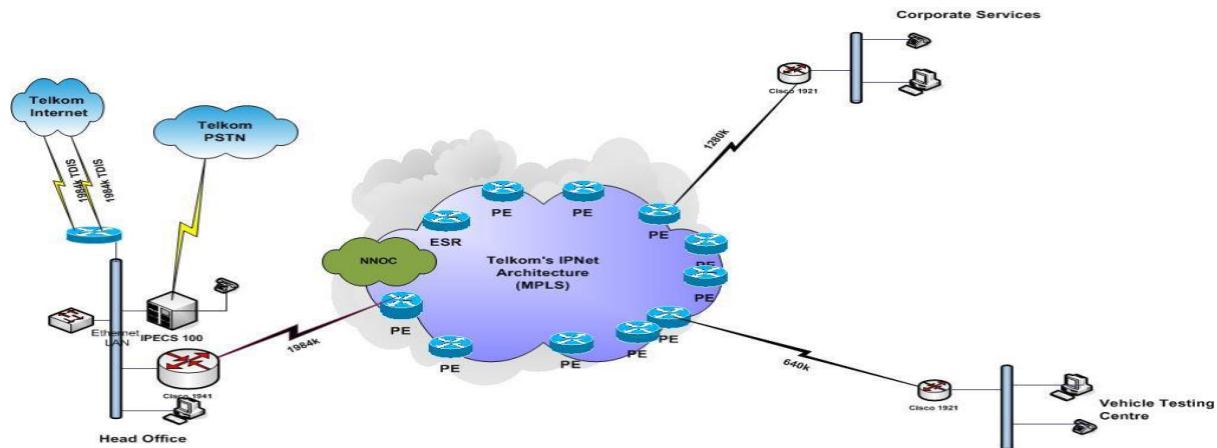
- ▶ Determine current position on systems and its growth;
- ▶ Provide documents and backup methodologies for off-site storage on an on-going basis;
- ▶ Maintain critical systems overview and status;
- ▶ Ensure that any new systems or changes in the IT network environment are included in the IT DRP;
- ▶ Take full responsibility for their areas of functionality in the event of a disaster; and

- Ensure that recovery procedures are developed and tested in their areas

Ingquza Hill Local Municipality ICT ENVIROMENT and GOVERNANCE

Network Diagram.

ICT Replication Diagram



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

FLAGSTAFF SITE	LUSIKISIKI SITE	PRETORIA SITE
<p>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.</p>	<p>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.</p>	<p>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.</p>

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	

ICT Challenges

Challenge	Risk Identified	Action Description	Due Date
Lack of onsite DR	1. Loss Of Institutional ICT Information	The IT Governance Framework and IT Strategic plan to be signed by the HON Mayor	30 June 2023
The list of all workstations with anti-virus installed and list of all workstations with patches applied could not be provided for audit purposes to provide assurance on the protection of the IS or data of the municipality	Inadequate implementation of ICT systems.	1. Update and review Service Level Agreements for all ICT Contracts. 2. Procurement of additional ICT equipment and software	30 June 2023
User account management controls were inadequately implemented as the systems in place were not adequately implemented.	Poor ICT Infrastructure standards/ Inadequate business continuity Process	1. Review ICT policy to include Consequence Management 2. Training on ICT systems 3. Improve firewall 4. Develop an ICT Master Systems Plan	30 June 2023
Management had not adequately designed program change management controls in the IT environment.	Inability to conclude on the design, implementations and operating effectiveness of controls within the municipality	1. Develop an ICT Master System Plan 2. Review ICT Governance Strategy	30 JUNE 2023

3.12 Performance Management System

The performance management has not been cascaded to other levels of employees. The Municipal Manager signs the performance agreements with the senior management. The 2022/23 performance agreements were signed and emailed to relevant offices.

KPA 3

GOOD GOVERNANCE AND PUBLIC PARTICIPATION

4. 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 implemented and the Batho Pele principles are adhered to.

4.1 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

4.2. Audit & Risk Management Committee

Council established the Audit and Risk Management 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 is made up of 5 members. The list of the audit meetings has been carried out and the municipality has responded to the audit planning phase. There is a minimum of one meeting per quarter and it may be improved. The audit committee reports directly to the Council. The role of the audit committee is to assist municipality on achieving its strategic goals and objectives by helping to maintain effective internal controls, risk management, accurate financial reporting and corporate governance. It provides mechanisms for the

rendering of 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.

The committee reviews significant accounting reporting issues and monitors the financial reporting process implemented by management reports. The committee also acts as a performance committee which is also responsible for performance reviews, this includes the report of performance reports where the findings are tabled to management and the report is tabled to Council. Review Annual Financial Statements before release to Auditor General's Office. Reviews the quality and effectiveness of Internal Audit Unit. Ensures that significant findings and recommendations made by the Internal and External Auditors are appropriately acted on. Review and approves Internal Audit Charter.

4.3. 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.

4.1.4 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

4.5. 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.

4.6. 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 councilors, by ensuring that they are provided with necessary support to fulfill their mandate. It also seeks to encourage councilors to abide by a Code of Conduct.

The committee works with the Speaker to ensure compliance with the Code of Conduct for councilors. Ensures development of policies to regulate implementation of the Code of Conduct for Councilors. Ensures that Councilors 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 Councilors and reports to the Council on findings. Recommends appropriate sanction for Councilors 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

4.7. 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 ensure 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. Legal Services

The municipality has a functional legal services unit with a Manager Legal Services which was appointed. The unit has legal office and clerk 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

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 Cemetery 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	

6. 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.

6.1 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.

6.2 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 clerk. The unit is responsible for managing IHLM Facebook, website and municipal profiling

6.3 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.

6.3.1 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.

6.3.2 Social Cohesion or nation building 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.

7. 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)

7.1 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.

7.2 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.

7.3. 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.

7.5. 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

8. 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** financial year the municipality received Qualified Audit opinion with findings and also **2021/2022**.

8.1 Action plan 2022/23.

PURPOSE

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:

- Organisational Excellence : Right People doing the Right Things

- Audit Readiness Process
- Audit Culture
- 2022-2023 Financial Preparation Plan
- 2021-2022 AGSA Findings
- 2020-2021 AGSA Findings

1. ORGANISATIONAL EXCELLENCE

1.1. LIST OF MANAGERS

#	DEPARTMENT	NAME	POSITION	TEL	EMAIL
1	MM's Office	Mr. V C Makedama	Municipal Manager	066 378 5421	vmakedama@gmail.com
2	MM's Office	Ms Mvovo A	IDP/PMS Manager	083 230 7946	mvovoazabenokanyo@gmail.com
3	MM's Office	Mr. Mosha A	Executive Council Secretary	073 012 6762	AMosha@IHLM.GOV.ZA
4	MM's Office	Mr. Zukulu M	Mgr.: Legal Services	073 344 6478	mandisizukulu@gmail.com
5	MM's Office	Ms B B Capa	Manager : Communications	082 496 7511	blazeena@gmail.com
6	MM's Office	Mr. N Jiki	Head of Internal Audit	073 344 7078	njiki@ihlm.gov.za
7	MM's Office	Vacant	Mgr. : Mayor's Office		
8	BTO	Vacant	CFO		
9	BTO	Mr. A M Ndabeni	Mgr. : Financial Planning & Reporting	083 230 7389	mngznd@gmail.com
10	BTO	Mr. Mzana S	Mgr. : Assets & Fleet	083 230 7057	cycomzana@gmail.com
11	BTO	Vacant	Manager : SCM		

#	DEPARTMENT	NAME	POSITION	TEL	EMAIL
12	Technical Services	Vacant	Technical Services Director		
13	Technical Services	Mr. B Tshitshi	PMU Manager	073 344 6621	tshitshib@gmail.com
14	Technical Services	Ms A Hlehliso	Mgr. : Technical Services	083 443 4849	ahlehliso@ihlm.gov.za
15	Corporate Services	Vacant	Corporate Services Director		
16	Corporate Services	Mr. F Msumza	HR Manager	083 579 8056	FMsumza@IHLM.GOV.ZA
17	Corporate Services	Mr. M Mfingwana	ICT & Admin Manager	081 521 9031	mmfingwana@yahoo.com
18	Community Services	Vacant	Community Services Director		
19	Community Services	Mr. S Dakwa	Mgr. : Solid Waste	073 344 8064	sbosh.dakwa@gmail.com
20	Community Services	Ms B Godo	Mgr. : Public Safety		BGodo@IHLM.GOV.ZA
21	Planning & Development	Vacant	Director : P & D		
22	Planning & Development	Mr. D Mjokovana	L.E.D Manager	078 098 9470	dmjokovana@gmail.com
23	Planning & Development	Mr. L Keto	Mgr. : Development Planning	083 489 0826	lungsketo@gmail.com

1.2. COUNCIL KEY CONTACTS

#	DEPARTMENT	NAME	POSITION	TEL	EMAIL
1	Executive	Hon Cllr N P Pepping	Mayor	073 172 2078	nonkosingomane71@gmail.com
2	Legislature	Hon Cllr S Vatsha	Speaker	071 865 3085	vatshasibongile@gmail.com
3	Legislature	Hon Cllr Z Noncokwana	MPAC Chairperson	071 007 9041	ZNoncokwana@IHL.M.GOV.ZA

1.3. AUDIT COMMITTEE

#	DEPARTMENT	NAME	POSITION	EXPERTISE	TEL	EMAIL
1	Audit Committee	Mr. S Nyenyiso	Chairperson	ICT, Internal Audit & Risk Management	082 499 0021	snyenyiso@yahoo.com
2	Audit Committee	Adv. T C Maake	Member	Law	083 498 2841	mashaole98@gmail.com
3	Audit Committee	Mr. M Litile	Member	ICT Governance	083 491 6840	mcebisi.litile@gmail.com
4	Audit Committee	Ms Y Mabona	Member	Auditing	072 332 9446	y.mafiyana@gmail.com
5	Audit Committee	Ms Y Rini	Member	Financial Management	083 599 8420	yamkela.rini@gmail.com

1.4. MUNICIPAL DISCIPLINARY BOARD

#	DEPARTMEN T	NAME	POSITION	EXPERTISE	TEL	EMAIL
1	Municipal Disciplinary Board	Mr. T Nkele	Chairperso n	Arbitration	082 82 8 8940	nkele.convey@mweb.co.za
2	Municipal Disciplinary Board	Mr. S Bavu	Member	Labour & Trade Unions	060 34 4 7085	siyabbavu@gmail.com
3	Municipal Disciplinary Board	Mr. S Gwexa	Member	Prosecutors	074 37 6 2770	siyabongagwexa@gmail.co m
4	Municipal Disciplinary Board	Mr. Y Madol o	Member	Finance, Internal Audit & Risk Managemen t	083 35 2 3713	yongamam@khulagro.co.za

1.5. KEY VACANCIES

The following vacancies will need to be filled before 30 June 2023:

#	Department	Position	Vacancy Date	Impact	Area
1	BTO	SCM Manager	December 2021	Critical	Irregular Expenditure, SCM Deviations, Procurement, Expenditure
2	BTO	CFO	April 2023	Critical	Financial Management
2	Community Services	Director	March 2022	Critical	Expenditure: Overtime
3	Planning & Development	Director	January 2023	Critical	Investment Properties
4	MM's Office	Manager : Mayor's Office	January 2023	Critical	EXCO Meetings
5	Technical Services	Director	April 2023	Critical	Infrastructure D
6	Corporate Services	Director	April 2023	Critical	Human Resources and ICT
8	MM's Office	Head of Internal Audit	1 June 2023	Critical	Governance, Risk Management & Internal Audit

2. AUDIT READINESS PROCESS

2.1. CENTRALISED AUDIT COORDINATION & CONTROL

#	NAME & JOB TITLE	CACC FUNCTION	DEPARTMENT	TEL	EMAIL
1	Mr. M Mhlifili, CFO	Chief Controller Audit	BTO	073 344 7866	mzukisimhlifili@gmail.com
2	Ms N Ntloko, Technical Services Director	Deputy Controller Audit	Technical Services	073 344 7020	nomahlubintloko6@gmail.com

#	NAME & JOB TITLE	CACC FUNCTION	DEPARTMENT	TEL	EMAIL
3	Ms M B Matubatuba, Corporate Services Director	Deputy Audit Controller	Corporate Services	073 344 7996	bmmatubatuba@gmail.com
4	Mr. S Dakwa, Acting Director, Community Services	Deputy Audit Controller	Community Services	073 344 8064	sbosh.dakwa@gmail.com
5	Vacant, P&D Director	Deputy Audit Controller	Planning & Development		
6	Ms A Mvovo	Deputy Audit Controller	MM's Office	083 230 7946	mvovoazabenokanyo@gmail.com

2.2. OPERATING PROCEDURE

CFO will chair the Central Audit Controller's meeting

AGSA will delegate staff to join the meetings

Central Audit Controller's meeting take place on Wednesdays at 09:00 for 1 hour weekly from 1 September 2023 to 30 November 2023

RFIs and COAFs are reconciled during the meeting and decisions taken regarding expected submission times

Extensions are to be communicated to the AGSA by the Chief Audit Controller usually on the first day the RFI or COAF is issued

Internal Audit will not join Central Audit Meetings, IDP/ PMS Manager will facilitate flow of audit queries for the MM's Office.

2.3. GETTING READY : MM'S OFFICE

#	KEY ISSUE	UNIT	RESPONSIBLE	COMMENT
1	All Council Meeting Minutes	Council Support	Mr. A Mosha	All Council meeting minutes from 1 July 2022 to 30 June 2023
2	All Council Resolutions	Council Support	Mr. A Mosha	From 1 July 2022 to 30 June 2023
3	MPAC Meeting Minutes	Council Support	Mr. A Mosha	1 July 2022 to 30 June 2023

#	KEY ISSUE	UNIT	RESPONSIBLE	COMMENT
4	Audit Committee Minutes	Internal Audit Unit	Ms N Ruba	1 July 2022 to 30 June 2023
5	Municipal Disciplinary Board Minutes	Risk Management Unit	Ms Z Nkabi	1 November 2022 to 30 June 2023
6	Risk Management Committee Minutes	Risk Management Unit	Mr. S Magenu	1 July 2022 to 30 June 2023
7	IDP/PMS System Description	IDP/PMS Unit	Ms A Mvovo	
8	IDP Advert Placement Copy	IDP/PMS	Ms A Mvovo	
9	Profiles & Qualifications - New Audit Committee	Internal Audit Unit	Ms N Ruba	1 July 2022 to 31 October 2022 (Old Audit Committee members) 1 November 2022 to 30 June 2023 (New Audit Committee members)
10	Profiles & Qualifications, MDB	Internal Audit Unit	Ms N Ruba	1 November 2022 to 30 June 2023
11	IDP/PMS POEs	MM's Office	Mr. A Mosha, Mr. M Zukulu, Ms B B Capa, Ms A Ruba	Ensure that all POEs for each Quarterly performance are provided in line with submission timeframes provided by IDP/PMS Unit
12	Meetings of Good Governance Standing Committee meeting	Council Support	Mr. A Mosha	Provide all minutes of Good Governance Standing Committee meetings
13	Delegation of Authority / Framework	Council Support	Mr. A Mosha	Provide a copy of the updated delegation of authority framework used by the municipality

2.4. GETTING READY : CORPORATE SERVICES

#	KEY ISSUE	UNIT	RESPONSIBLE	COMMENT
1	List of all Terminations : 1 July 2022 to 30 June 2023 (Resignations, Death, Retirements, Vacancies by virtue of promotion)	Human Resources	Mr. F Msumza	termination letter, withdrawal from pension or provident fund, employee file full record of employment
2	All new appointments or engagements : 1 July 2022 to 30 June 2023	Human Resources	Mr. F Msumza	Employee file with employment letter, employment contract, employee profile, qualifications etc.
3	List of training offered to employees from 1 July 2022 to 30 June 2023	HRD	Mr. M Ntotho	List of training sessions, Attendance Register, Details of Service Provider, Invoices Received, Proof of payment per each training offered and evidence of qualification obtained by participants.
4	Generate a report of overtime paid from 1 July 2022 to 30 June 2023.	Human Resources	Mr. F Msumza	Provide evidence of pre-authorization for each hour of overtime worked. Provide evidence of overtime monitoring done during the years by section heads. Prepare reasonability test for overtime paid vs time worked. MM to approve Overtime reasonability check
5	Generate Payroll Report For all Councillors from 1 July 2022 to 30 June 2023	Human Resources	Mr. F Msumza	The report must show all Councillors who were in office from 1 July 2022 to 30 June 2023 include their beneficiaries. The report is extracted electronically and emailed to the auditors.

#	KEY ISSUE	UNIT	RESPONSIBLE	COMMENT
6	Generate Payroll Report for all Employees from 1 July 2022 to 30 June 2023	Human Resources	Mr. F Msumza	The report must show all employees who received a salary from 1 July 2022 to 30 June 2023 including their beneficiaries
7	Completeness check : all employees	Human Resources	Mr. F Msumza	HR to check that each employee who received a salary from 1 July 2022 to 30 June 2023 has an employee file supported by adequate payroll records expected to be on the file. Employee number must appear on the employee file
8	Employees with more than 1 employee number	Human Resources	Mr. F Msumza	HR to identify all employees with more than 1 employee number and consolidate the employee records into 1 file.
9	IDP/PMS POEs	Corporate Services	Mr. Mfingwana M.	Ensure that all POEs for each Quarterly performance are provided in line with submission timeframes provided by IDP/PMS Unit
10	Transformation Standing Committee Meeting	Corporate Services	Mr. Mfingwana M.	Provide minutes of all Standing Committee Meetings held from 1 July 2022 to 30 June 2023
11	Policies	Corporate Services	Mr. Mfingwana M.	Provide copies of all policies which were approved by Council for use during the financial year ended 30 June 2023. I.e. These policies would have been approved during the policy review workshop held between May 2022 and June 2022. Critical among these policies are :

#	KEY ISSUE	UNIT	RESPONSIBLE	COMMENT
				<p>Budget related policies which were presented by the CFO.</p> <p>Attach Council resolution which formally adopted the policies.</p>
12	Performance Appraisal for Senior Managers, Managers and junior staff	Corporate Services	Ms M B Matubatuba	<p>Provide performance agreements signed by Senior Managers and Managers from 1 July 2022 to 30 June 2023.</p> <p>For managers which joined the municipality on 1 November 2022, ensure performance agreements were signed by them.</p> <p>Provide supporting evidence for performance appraisals done for each quarter from 1 July 2022 to 20 June 2023 specifically for Senior Managers</p> <p>Provide evidence of Council approval of the methodology utilised in appraising the performance of senior managers and the approach to be followed in resolving disputes on performance appraisal outcomes.</p>

2.5. GETTING READY : BTO

#	KEY ISSUE	UNIT	RESPONSIBLE	COMMENT
1	System Description: Expenditure	Expenditure : Operating and Capital Expenditure	Ms N Mgilane	Auditor to be assigned to Expenditure , sit with relevant BTO staff to update system description for expenditure (1 on 1 approach)
2	System Description : Assets	Asset Management	Mr. S Mzana	Asset Management Process system description to be updated with the auditor (1 on 1 approach)
3	System Description : Budgeting	Budgeting & Reporting	Mr. A Ndabeni	Use 1 on 1 approach to update system description with the auditor

#	KEY ISSUE	UNIT	RESPONSIBLE	COMMENT
4	System Description: Fleet Management	Fleet Management	Mr. S Mzana	Use 1 on 1 approach to update system description with the auditor
5	System Description: Grant and Conditional Grants	Budget Reporting &	Mr. A Ndabeni	Use 1 on 1 approach to update system description with the auditor
6	System Description: Billing	Revenue Debtors &	Mr. A Ndabeni	Use 1 on 1 approach to update system description with the auditor
7	System Description	Investments Bank / Cash /	Mr. A Ndabeni	Use 1 on 1 approach to update system description with the auditor
8	Asset Verification	Asset Management Unit	Mr. S Mzana	Organize verification of all classes of assets not later than 30 June 2023. Classes of assets include : <ul style="list-style-type: none"> - Roads (complex) - Buildings including Halls - Land Parcels (ERFs) - Fleet - Plant Units - Inventory & Consumables - Sports Fields - Spaza Shops (Retail project)
9	Fixed Asset Register	Asset Management Unit		Completeness, Casting, Accuracy of the Fixed Asset Register (F.A.R Must add up)
10	Transfers Into F.A.R			All F.A.R transfers must be supported by payment vouchers, SCM tender award documents.
11	W.I.P Transfer out			W.I.P Transfers out must agree to F.A.R Transfer for each project. Each transfer must be supported by a payment voucher.
12	Retentions			Retentions register that was reviewed. Payment vouchers for items released from retentions.
13	In year project monitoring			SCM to monitor all projects that took place during the year, identify poor performing or non performing service providers and propose to the MM the way forward for each evaluated project. SCM to evaluate each service provider at the conclusion of the project in terms of good, very good, poor, excellent using value for money principles of economy, efficiency and effectiveness or delivery in line original intent.
14	SCM Deviations			SCM Deviations to be approved by MM and tabled to Council for condonation not later than 30 June 2023

#	KEY ISSUE	UNIT	RESPONSIBLE	COMMENT
15	Asset Disposals			Disposals from 1 July 2022 to 30 June 2023 to be approved by Council prior to the disposal date and the Council resolution to include specific items which are to be disposed supported by reasons for disposal.
16	Asset Disposals			Items disposed from 1 July 2022 to 30 June 2023 to be accounted for as asset disposals in the AFS not as write-offs.
17	Asset Additions - Purchases			All items acquired to be supported by SCM Procurement documents, Council resolution, Payment vouchers
18	Asset Additions through construction			See W.I.P Transfers Out
19	Recons preparation , review and sign-off			<p>Recons for all account balances to be prepared monthly, reviewed by the line manager, signed-off by the CFO and approved by the MM for 12 months for each account balance.</p> <p>Affected Sections :</p> <p>Assets, Expenditure and Accounts Payable, Revenue & Debtors, Budget & Reporting, Investments, Investment Properties, Cash & Bank , Employee Costs / Payroll etc.</p>
20	IDP/PMS POEs		Acting CFO	Ensure that all POEs for each Quarterly performance are provided in line with submission timeframes provided by IDP/PMS Unit
21	Fuel Expenditure		Mr. S Mzana	Provide Payment vouchers and all supporting documents for fuel spending
22	Impairment : Debtors		Mr. A Ndabeni	<p>Provide workings behind the impairment calculation.</p> <p>Provide a detailed write-up explain</p> <ul style="list-style-type: none"> - the assumptions made, - rationale behind the assumptions made, - reasonability checks performed to justify the final number - And principles taken from the accounting standard applicable which have been applied to the calculation.
23	Impairment : other assets		Mr. S Mzana	<p>Provide workings behind the impairment calculation.</p> <p>Provide a detailed write-up explain</p> <ul style="list-style-type: none"> - the assumptions made,

#	KEY ISSUE	UNIT	RESPONSIBLE	COMMENT
				<ul style="list-style-type: none"> - rationale behind the assumptions made, - reasonability checks performed to justify the final number
24	Provision for doubtful debts calculation		Mr. A Ndabeni	Provide workings and assumptions used
25	Depreciation calculation		Mr. S Mzana	<p>Provide extract from the system to show how depreciation was calculated for each asset class.</p> <p>Do a recalculation of depreciation in a spreadsheet and check against numbers provided by the system.</p> <p>Refer irreconcilable differences to Munsoft for investigation and solution.</p>
26	Prior year unresolved differences / Opening balances		CFO	<p>All issues raised by the AGSA for the 30 June 2020, 30 June 2021, 30 June 2022 which have not been resolved must be addressed before 30 June 2023.</p> <p>CFO must work out a solution to all prior year issues that will affect opening balances for the year ending 30 June 2023.</p> <p>CFO must invite the AGSA before 30 June 2023 to present the solution to issues affecting opening balances.</p> <p>The proposed solution must :</p> <ol style="list-style-type: none"> 1) Have detailed workings at account balance level 2) Proposed journal entry for each unresolved error 3) Impact on Balance Sheet and Income Statement for the year 30 June 2022 i.e. comparative figures for the year ending 30 June 2023 <p>If AGSA has reviewed the proposed corrections and agreed, then the CFO and team must effect changes to the general ledger and make sure it affects 30 June 2022 financial year.</p> <p>Identify notes that will be added to the financial statements for the year ended 30 June 2023 to disclose the changes.</p> <p>Include all workings as part of 30 June 2023 Accounting file.</p>

#	KEY ISSUE	UNIT	RESPONSIBLE	COMMENT
				Appraise the MM of proposed changes as well as final changes to the general ledger. Keep minutes of meeting held with the AGSA where changes were proposed and agreed.
27	BTO Standing Committee Minutes			Provide minutes of BTO Standing Committee meetings held from 1 July 2022 to 30 June 2023

2.6. GETTING READY : PLANNING & DEVELOPMENT

#	KEY ISSUE	UNIT	RESPONSIBLE	COMMENT
1	System Description: Retail Project (Spaza Shops)	L.E.D	Mr. D Mjokovana	1 on 1 approach describing the process followed in the rollout of Spaza shops project from original Council resolution to actual infrastructure rollout and sources of funds.
2	Asset Verification : Spaza Shops	L.E.D / Asset Management Unit	Mr. D Mjokovana	Liaise with Asset Management regarding verification of assets. Include verification of asset exercise to visit Spaza shops and confirm installation of applicable infrastructure.
3	IDP/PMS POEs	L.E.D / Development Planning	Mr. L Keto / Mr. D Mjokovana	Ensure that all POEs for each Quarterly performance are provided in line with submission timeframes provided by IDP/PMS Unit
4	L.E.D Standing Committee	L.E.D	Mr. D Mjokovana	Provide minutes of Standing Committee meetings held from 1 July 2022 to 30 June 2023
5	Human Settlement Standing Committee	Development Planning	Mr. L Keto	Provide minutes of Standing Committee meetings held from 1 July 2022 to 30 June 2023
6	Monthly monitoring of projects	Planning & Development	Mr. L Keto / Mr. D Mjokovana	Provide monthly project monitoring reports for each construction / Infrastructure project that was funded during the financial year from 1 July 2022 to 30 June 2023

2.7. GETTING READY : TECHNICAL SERVICES

#	KEY ISSUE	UNIT	RESPONSIBLE	COMMENT
1	System Description : Technical Services	PMU	Mr. B.Tshitshi	1 on 1 approach describing the process followed in the rollout of infrastructure. Read the previous process and make the update sitting with the auditor.
2	Retentions	PMU	Mr.B. Tshitshi	Provide Retentions register for the period 1 July 2022 to 30 June 2023
3	Rollovers	PMU	Mr. B. Tshitshi	Provide details of rollover application and outcome
4	IDP/PMS POEs	Technical Services	Mr. B.Tshitshi	Ensure that all POEs for each Quarterly performance are provided in line with submission timeframes provided by IDP/PMS Unit
5	Infrastructure Standing Committee	Technical Services	Mr. B. Tshitshi	Provide minutes of the standing committee meetings held from 1 July 2022 to 30 June 2023
6	Monthly monitoring of projects	PMU	Mr. B. Tshitshi	Provide monthly project monitoring reports for each construction / infrastructure project that was funded during the financial year from 1 July 2022 to 30 June 2023

1.1. GETTING READY : COMMUNITY SERVICES

#	KEY ISSUE	UNIT	RESPONSIBLE	COMMENT
1	Overtime	Solid Waste / Public Safety	Mr. S Dakwa	<p>Obtain a report of Overtime paid from 1 July 2022 to 30 June 2023.</p> <p>Check that each overtime paid is supported by overtime approval documents.</p> <p>Perform reasonability test on overtime hours paid per employee vs time approved for the each employee to work per month.</p> <p>MM to review the Overtime reasonability test and sign it if it is deemed reasonable.</p>

#	KEY ISSUE	UNIT	RESPONSIBLE	COMMENT
2	Traffic Fines	Public Safety	Mr. B Godo	<p>Prepare a Traffic fines Report from 1 July 2022 to 30 June 2023.</p> <p>Get Traffic Fines Report from Revenue Unit in BTO and compare the 2 reports.</p> <p>Resolve differences with BTO.</p> <p>Community Services HOD to approve the Traffic Fines Report for the financial year that balances to the report kept by Revenue Unit for Traffic Fines.</p>
3	IDP/PMS POEs	Community Services	Mr. S Dakwa	Ensure that all POEs for each Quarterly performance are provided in line with submission timeframes provided by IDP/PMS Unit
4	Social Services Standing Committee	Community Services	Mr. S Dakwa	Provide minutes of standing meetings held from 1 July 2022 to 30 June 2023
5	Monthly monitoring of projects	Community Services	Ms N Ntloko	Provide monthly project monitoring reports for each construction / Infrastructure project that was funded during the financial year from 1 July 2022 to 30 June 2023

3. AUDIT CULTURE

The following arrangements have been agreed in preparation for the audit in respect of the year ending 30 June 2023:

3.1. COMMUNICATION WITH AUDITORS

The following is the list of people who are authorized to respond to the auditors and provide information whether in response to a formal RFI or verbal request for information:

3.2. AUDIT KICK-OFF MEETING

MM is required to organize an audit kick-off meeting which will achieve the following:

- Enable the AGSA to introduce key audit staff to the municipality
- Agree on timeframes for the audit and common etiquette
- Agree the engagement letter
- Agree on office space to be allocated to the auditors and how to build efficiencies in the audit

- For example, we may agree to allocate space for Auditors at Lusikisiki and allocate another office space at Flagstaff to limit flow of data between 2 units and prevent unanticipated loss of files.
- Kick-off meeting may start before 30 June 2023 even though financial statements are due for submission on 31 August 2023
- Kick-off may address unresolved audit issues from the most recent audit, i.e. 30 June 2022 year end.
- Audit kick-off meeting may be attended by the Mayor, Audit Committee, MPAC Chairperson and may agree on structures to which audit matters can be escalated should the Audit Controller, Senior Managers and MM fail to address AGSA concerns.
- Audit kick-off meeting must introduce Chief Audit Controller and his or her deputies which represent each department out of 6 and agree timing of Audit Controller's meetings, Audit Steering Committee meetings and the audience to each meeting.

3.3. INTRODUCING AUDITORS TO DEPARTMENTS

Auditors are structured based on components to be audited.

Components refer to classes of transactions (e.g. Revenue) or Account Balances (e.g. Debtors) or a combination which is to be audited for the financial year under review.

Components may be based at a certain department e.g. Capital Expenditure budgeted under Technical Services or may be across more than 1 departments, e.g. Revenue which may include Traffic Fines or Operating Expenditure which may include Employee Costs (salaries).

The municipality must consult the AGSA Audit Manager and establish who are audit team leaders for various components and accordingly proceed as follows:

#	AUDIT SECTION	DEPARTMENT	ACTION
1	Employee Cost / Payroll	Corporate Services	Audit Controller to organize a meeting for AGSA staff responsible to meet the HR team in Lusikisiki
2	General Expenditure	BTO	Audit Controller to organize a meeting for AGSA staff responsible to meet BTO: Expenditure and SCM teams in Flagstaff
3	Revenue	BTO	Audit Controller to organize a meeting for AGSA staff responsible to meet BTO: Revenue team in Flagstaff. PS: Invite staff from Community Services who are responsible for Traffic Fines records to attend.
4	Investments, Cash, Bank	BTO	Audit Controller to organize a meeting for AGSA staff responsible to meet BTO: Revenue team in Flagstaff.
5	Grants / Budget	BTO	Audit Controller to organize a meeting for AGSA staff responsible to meet BTO: Budget & Reporting team

6	Audit of Performance Information	IDP/PMS	Audit Controller to organize a meeting for AGSA staff responsible to meet IDP/PMS Unit
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1.1. DEALING WITH CHRONIC REQUESTS FOR EXTENSIONS

Delays are added to the audit budget as extras or overruns and invoiced as part of audit inefficiencies over and above the total audit fee budgeted and agreed with the municipality.

Requests for extensions and failure to meet agreed submission deadlines are part of delays which are added to overruns or audit inefficiencies.

Some delays more often than not eventually force the auditors to reject future requests for correction of audit differences which ultimately result in the municipality receiving an unfavorable audit opinion.

MM must guard against chronic requests from extensions which tend to be persistent from some departments and result in excessive waste of time especially when delay allowed fails to yield a successful submission of the outstanding item.

It is the prerogative of the MM to take a stand against chronic time wastage that manifest itself through endless request for extension of time before information is given to the auditors.

It is advisable that statistics be kept of all requests for extensions so that abuse of this privilege can be managed for each department.

False evidence given to the auditors must be tracked, its source be checked and recurrence be prevented. False evidence is an integral part of time wastage. Evidence is false if auditors asked for a specific document but are given something completely different which does not explain away the original query. E.g. providing a letter when the query required an invoice. Or providing an invoice when the query required a payment voucher.

Telling a lie is also an example of false evidence e.g. asking for extension of time when the truth is that the documents requested by the auditors were removed from the municipality and are missing and unlikely to be found.

Persistent requests for extension of time also creates the impression that the municipal manager and senior managers are operating in a culture of mediocrity where information is not organized and where controls are non-existent and eventually the ultimate verdict is that management is not 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 auditors.

2022-2023 ANNUAL FINANCIAL STATEMENTS PREPARATION PLAN

#	ITEM	DETAILS	TARGET	LEAD	HOD	STATUS
1	Unresolved Audit Matters	BTO to organize a meeting with the MM, CFO , BTO Managers, IDP PMS Manager and AGSA to agree a way forward for unresolved audit matters from FY 2020/21, 2021/2022	31 January 2023	A M Ndabeni	CFO	
2	Opening Balances and roll-forward	All issues affective opening balances in preparation of FY 2022/23 to be resolved	31 May 2023	A M Ndabeni	CFO	
3	Recons	All Recons to be prepared under supervision, reviewed by the manager , CFO and MM	31 May 2023	A M Ndabeni / S Mzana	CFO	
4	SCM Deviations Half 1	From 1 July 2022 to 31 December 2022 Table SCM Deviations to Council	31 January 2023	CFO	MM	
5	SCM Deviations Half 2	From 1 January 2023 to 30 June 2023 Table SCM Deviations to Council	30 June 2023	CFO	MM	
6	Cut-Off	Agree cut-off procedures and communication for Debtors and Creditors. i.e. Cut-off must indicate last day for submission of Requisitions and Expense Claims and sequence range for invoice numbers to be captured in FY 2022/2023 financial year and process to be followed in recording accruals for commitments as at year end.	20 June 2023	BTO Managers	CFO	

#	ITEM	DETAILS	TARGET	LEAD	HOD	STATUS
7	Rollover Application	Technical Services and BTO to work out the amount of grants to be included in the application for rollovers	15 July 2023	Director Technical Services and CFO	MM	
8	Preparation of Annual Financial Statements	Agree on the team to be setup for preparation of Annual Financial Statements, the reviewers and quality assurers and the lead AFS drafter as well role of Munsoft in generating reports.	31 May 2023	CFO	MM	
9	AFS Quality	Agree on information to be included with the AFS For submission to Internal Audit and Provincial Treasury and Audit Committee	15 July 2023	CFO	MM	
10	AFS Submission to Reviewers	Agree on dates AFS are to be submitted to Internal Audit, Provincial Treasury and Audit Committee for detailed review	15 July 2023	CFO	MM	
11	AFS Credibility and Integrity	Agree on the approach to be followed in ensuring AFS draft has integrity and is credible before and after review	15 July 2023	CFO	MM	
12	Pre-AFS Submission to AGSA	Agree on final procedure before AFS and supporting information is submitted to the AGSA	15 July 2023	CFO	MM	
13	AFS Submission to AGSA	Agree on the date AFS shall be submitted to the AGSA	15 July 2023	CFO	MM	

2. RESPONSE TO AGSA FINDINGS: 30 JUNE 2022

#	ITEM	DETAILS	REF	ISSUE	DEPT	RESPONSE	COMPLETION DATE	STATUS	RESPONSIBLE
1	Compliance	Errors on submitted AFS per MFMA Sec 122(1)	MR 20	Other Matters	BTO	Establish credible Annual Financial Statements Preparation, Review and Quality Assurance Process Plan	31 May 2023		CFO
2	AFS	Prior year errors & opening balances	MR 21	Errors / GRAP	BTO	Account for prior errors and disclosures in line with GRAP. Include workings and representation letters explaining the process followed.	31 May 2023		CFO
3	AFS	Impairment of assets	MR 21	GRAP	BTO	Include detailed working papers and representation letters explaining the process followed in calculating impairment and assumptions used. CFO to sign-off the written representations and approve workings.	31 May 2023		CFO
4	AFS	Investment Properties prior year error R4m	MR 21	Errors in FY 2020/2021 AFS	BTO	Correct the error in the opening balance	31 May 2023		CFO
5	AFS	Property Plant & Equipment	MR 21	Non Submission	BTO	Provide evidence for AGSA to audit R13.3m	31 May 2023		CFO

#	ITEM	DETAILS	REF	ISSUE	DEPT	RESPONSE	COMPLETION DATE	STATUS	RESPONSIBLE
						in PPE for FY 2021/2022			
6	AFS	Accounts Receivables - Fines, R4.9m error	MR 21	Unresolved error in 2021/2022	BTO	Correct the error in 2021/2022 AFS	31 May 2023		CFO
7	AFS	Unaudited overtime expenditure in FY 2021/2022, R6.3m. Unresolved overtime audit finding in FY 2020/2021, R13m.	MR 21	Non submission	BTO	Provide evidence to the AGSA to resolve R6.3m and R13m overtime issues previously reported.	31 May 2023		CFO
8	AFS	Contracted services wrong classification and reporting. R3m – FY 2021/2022. R5.8m – FY 2020/2021	MR 21	Cut-off	BTO	Resolve cut-off issues for 2 financial years Namely FY 2021/2022 and FY 2020/2021.	31 May 2023		CFO
9	AFS	General expenditure wrong classification and reporting. FY 2021/22 R9.3m FY 2020/21 R4.7m	MR 21	Cut-off	BTO	Resolve cut-off issues on general expenditure	31 May 2023		CFO
10	AFS	Impairment of debtors FY 2021/22 R2.9m FY 2020/21 R4m	MR 21	GRAP	BTO	Provide AGSA with supporting documentation to support figures recognized in the AFS for impairment of debtors in FY 2021/22 and FY 2020/21	31 May 2023		CFO
11	AFS	Fuel Expenditure R6.6m	MR 21	GRAP	BTO	Provide AGSA supporting schedules and purchase vouchers to enable them to audit	31 May 2023		CFO

#	ITEM	DETAILS	REF	ISSUE	DEPT	RESPONSE	COMPLETION DATE	STATUS	RESPONSIBLE
						FY 2021/22 fuel expenditure of R6.6m			
12	AFS	Casting errors in Statement of Changes in Net Assets, R19.5m	MR 21	GRAP	BTO	Resolve casting errors in Statement of Changes in Net Assets for FY 2021/22	31 May 2023		CFO
13	Compliance	Irregular expenditure items. FY 2021/22 R38m FY 2020/21 R1.9m	MR 21	MFMA	BTO	Resolve reported irregular items in FY 2021/22 and FY 2020/21 AFS as reported by the AGSA	31 May 2023		CFO
14	AFS	Prior year adjustment note in the AFS not correct	MR 21	GRAP	BTO	Correct prior year adjustments disclosure notes in FY 2020/21 and FY 2021/22.	31 May 2023		CFO
15	AFS	Subsequent event : Not evidence given for assets written off In the FY 2021/22 R26.3m	MR 21	GRAP	BTO	Provide AGSA with evidence on assets written off for R26.3m in FY 2021/22.	31 May 2023		CFO
16	AFS	Investment Properties differences between AFS and Supporting Schedule, R48m in FY 2021/22	MR 21	GRAP	BTO	Provide AGSA with credible Schedule to support Investment Properties disclosed in the AFS.	31 May 2023		CFO
17	AFS	Property Plant & Equipment differences between Fixed Asset Register, Depreciation and Supporting Schedules in FY 2021/22, R140m 2020/21 R47.4m	MR 21	GRAP / Non Submission	BTO	Provide AGSA with credible Schedule to support PPE figures in the Fixed Asset Register.	31 May 2023		CFO

#	ITEM	DETAILS	REF	ISSUE	DEPT	RESPONSE	COMPLETION DATE	STATUS	RESPONSIBLE
						Provide workings for calculation of depreciation. FY 2021/22			
18	AFS	VAT Receivable was not in the AFS submitted on 31 August 2022. The amount in the AFS was VAT Payable. FY 2021/22, R13.5m FY 2020/21 , R17.3m	MR 21	GRAP	BTO	Provide AGSA with evidence to support VAT payable of R13.5m in FY 2021/22.	31 May 2023		CFO
19	AFS	VAT Payable initially disclosed in the FY 2021/22 AFS was adjusted to VAT Payable	MR 21	GRAP	BTO	Provide AGSA with evidence to support VAT Receivable of R4m in FY 2021/22	31 May 2023		CFO
20	AFS	Differences between Grant Register, Supporting Schedules for Unspent Conditional Grants and AFS, R5.5m	MR 21	GRAP	BTO	Provide AGSA with credible evidence to enable the auditors to finalize audit of Unspent Conditional Grants in FY 2021/22	31 May 2023		CFO
21	AFS	Differences between Registers, Supporting Schedules and AFS on Payables from exchange transactions FY 2021/22 : R14.3m FY 2020/21 :R12.9m	MR 21	GRAP	BTO	Provide AGSA with credible evidence to resolve differences in FY 2021/22 and FY 2020/21 on Payables from Exchange Transactions	31 May 2023		CFO
22	AFS	Fair value adjustment from Investment Property revaluation not recorded. Impact : R52m	MR 21	GRAP	BTO	Provide AGSA with evidence of fair value adjustments to Investment Properties and make necessary	31 May 2023		CFO

#	ITEM	DETAILS	REF	ISSUE	DEPT	RESPONSE	COMPLETION DATE	STATUS	RESPONSIBLE
						disclosure in the AFS for FY 2021/22			
23	AFS	Unresolved issues on presentation / disclosure of Government Grants in note 25. Affects M.I.G disclosure in the AFS for FY 2021/22 R359.9m FY 2020/21 R413.8m	MR 21	GRAP	BTO	Engage with AGSA and understand what the issue is with Government Grants Presentation and Disclosure in FY 2021/22 and FY 2020/21. Resolve those issues	31 May 2023		CFO
24	AFS	Differences observed between Depreciation per Supporting Schedule vs Difference per the AFS and General Ledger FY 2021/22 R2.6m FY 2020/21 R24.4	MR 21	GRAP	BTO	Provide AGSA with credible supporting schedule that agrees to the audited AFS for FY 2021/22 and FY 2020/21	31 May 2023		CFO
25	AFS	Differences observed on Impairment of Assets between Supporting Schedule vs General Ledger and Annual Financial Statements. FY 2021/22 R163.8m	MR 21	GRAP	BTO	Provide AGSA with credible supporting schedule that agrees to the audited AFS for FY 2021/22	31 May 2023		CFO
26	AFS	Inaccurate disclosure on financial instruments FY 2021/22 R17.8m	MR 21	GRAP	BTO	Correct the financial instruments disclosure in FY 2021/22 on the final AFS set and the matter resolved with AGSA.	31 May 2023		CFO

#	ITEM	DETAILS	REF	ISSUE	DEPT	RESPONSE	COMPLETION DATE	STATUS	RESPONSIBLE
27	AFS	Inaccurate disclosure on Contingencies FY 2021/22 R4.7m	MR 21	GRAP	BTO	Correct the Contingencies disclosures in FY 2021/22 and get the issue resolved with AGSA	31 May 2023		CFO
28	MFMA	Additional MFMA disclosure not done to deal with differences and errors in the AFS FY 2021/22 R11.1m FY 2020/21 R10.2	MR 21	GRAP	BTO	Update relevant MFMA disclosures in the AFS in FY 2021/22 and FY 2020/21	31 May 2023		CFO
29	AFS	Irregular expenditure reported in the AFS incomplete. FY 2021/22 R8.3m	MR 21	GRAP	BTO	Consult AGSA and update irregular expenditure reported in FY 2021/22 with the correct amount. Resolve irregular expenditure issue with Council	31 May 2023		CFO
30	AFS	Segment Reporting incomplete and inaccurate. Differences observed. FY 2021/22 R24.4m	MR 21	GRAP	BTO	Discuss the Segment Reporting finding with AGSA and make necessary corrections to FY 2021/22 AFS.	31 May 2023		CFO
31	MFMA	Underspending of Conditional Grants FY 2021/22 R5.9m FY 2020/21 R9.5m	MR 23	Compliance	Technical Services	Do a comprehensive Infrastructure Project Planning and MIG Commitment for outer years to cover the Council term of office.	31 May 2023		CFO

#	ITEM	DETAILS	REF	ISSUE	DEPT	RESPONSE	COMPLETION DATE	STATUS	RESPONSIBLE
32	MFMA	Underspending of Conditional Grants FY 2021/22 R5.9m FY 2020/21 R9.5m	MR 23	Compliance	BTO / Corporate Services	Appointment of SCM Manager	30 April 2023		CFO / Director Corporate Services
33	MFMA	Underspending of Conditional Grants FY 2021/22 R5.9m FY 2020/21 R9.5m	MR 23	Service Delivery	BTO	Appoint service providers for 50% of projects in the FY 2023/2024 M.I.G / P.I.P by 30 June 2023	30 June 2023		MM / CFO
34	MFMA	Accounts Receivable : Interest No interest was charged. FY 2021/22 FY 2020/21 FY 2019/20 FY 2018/19 etc.	MR 41	Compliance	BTO	Calculate interest that should be charged on outstanding debtors balances from FY 2018/19 to FY 2021/22. Discuss with AGSA and agree on the value to be adjusted. Present the proposed adjustment to Council for approval	31 May 2023		CFO
35	MFMA	Accounts Receivable : Interest	MR 41	Compliance	BTO	Present a proposal to Council regarding a solution to long outstanding balances on debtors. e.g. Discount for indigents or discount for customers who sign a settlement agreement on 80% of their outstanding balances.	31 May 2023		CFO

#	ITEM	DETAILS	REF	ISSUE	DEPT	RESPONSE	COMPLETION DATE	STATUS	RESPONSIBLE
36	MFMA	Majority of Irregular expenditure incurred was due to non-compliance with SCM Laws and regulations	MR 43	Compliance	BTO	Review and restructure SCM Bid Committees to make it easier to monitor compliance with SCM laws and regulations and also pre-empt delays in the procurement system which often results in grants being forfeited.	31 May 2023		CFO
37	MFMA	No effective system of internal control over Assets. Disposal of assets took place without Council approval. Disclosure of disposals in the AFS was inaccurate.	MR 45	Compliance	BTO	Establish adequate internal controls over assets include accurate and complete Fixed Asset Register, Transfers, Retention of records (Payment Vouchers)	31 May 2023		CFO
38	MFMA	Individual Performance Management System or process not in place.' No performance appraisal done for MM, Senior Managers and Managers	MR 46	Compliance	Corporate Services	Establish individual performance management system	31 May 2023		CFO
39	MFMA	Inadequate controls over preparation, supervision, review and approval of monthly recons for cash & bank as well as VAT, Fixed Asset Register, Grant Register	MR 58	Compliance	BTO	Establish a culture of excellence within BTO where recons are prepared under supervision of experienced staff, reviewed by managers	31 May 2023		CFO

#	ITEM	DETAILS	REF	ISSUE	DEPT	RESPONSE	COMPLETION DATE	STATUS	RESPONSIBLE
						and CFO and approved by the MM monthly.			
40	MFMA	<p>Material errors were identified on submitted AFS and supporting schedules were reviewed by auditors and found to be incredible and unreliable.</p> <p>Errors on AFS revealed a significant deficiency within BTO team in their understanding and application of GRAP applicable to local government as approved by ASB.</p>			Compliance	<p>Develop in-house capacity to prepare Annual Financial Statements</p> <p>Introduce quarterly technical updates for preparers of AFS within BTO.</p>	31 May 2023		CFO
41	MFMA	<p>ICT Steering Committee set once for the FY 2021/22</p> <p>ICT Manager Job description was not prepared</p> <p>ICT Manager post has not been filled.</p> <p>ICT Service Level Agreement and Software license agreements were not maintained</p>	MR 67	Compliance	Corporate Services	<p>Update ICT Steering Committee terms of reference and annual meeting planner.</p> <p>Finalize ICT Manager Job Description</p> <p>Update ICT Service Level Agreements and Software license agreements.</p>	31 May 2023		Director : Corporate Services
42	MFMA	IT Security, Backup , Continuity , Program	MR 75	Compliance	Corporate		31 May 2023		Director Corporate Services

#	ITEM	DETAILS	REF	ISSUE	DEPT	RESPONSE	COMPLETION DATE	STATUS	RESPONSIBLE
		Change Management, Antivirus Updates, Security Patch applications, User account management in Munsoft and Payday remain a concern			Servic es				
43	MFMA	Fixed Asset Register was not reconciled to the General Ledger on a monthly basis	MR 70	Compliance	BTO	Monthly F.A.R Reconciliation to the General Ledger, including supervision by manager , review by CFO and approval by the MM.	31 May 2023		CFO
44	MFMA	Internal Audit Charter was last approved in FY 2020/21.	MR 78	Compliance	MMO	Present all existing charters namely Audit Committee Charter, Risk Management Committee Charter, Internal Audit Charter to the Audit Committee for review and update.	19 January 2023		CAE
45	MFMA	Audit Committee did not function effectively in FY 2021/22. - Less than 4 meetings were held. - Quarterly reporting to Council was not done	MR 81	Compliance	MMO	Audit Committee reporting to Council will be rectified and support will be provided to the committee members to ensure they are able to discharge their responsibilities effectively.	31 May 2023		CAE

#	ITEM	DETAILS	REF	ISSUE	DEPT	RESPONSE	COMPLETION DATE	STATUS	RESPONSIBLE
46	MFMA	Disciplinary Board was not established in FY 2021/22	MR 118	Compliance	MMO	Disciplinary Board was appointed on 1 November 2022	1 November 2022		CAE
47	MFMA	Irregular Expenditure and Fruitless and Wasteful Expenditure disclosed in notes 47 and 48 in FY 2021/22 AFS must be investigated and staff liable for the losses incurred be taken through corrective process , where applicable, losses be recovered.	MR 120	Compliance	BTO	Present a report to the MM with regard to reported Irregular and Fruitless and Wasteful expenditure sighting circumstances surrounding the costs incurred and the people who caused the losses and recommendation on how to resolve the issue	28 February 2023		CFO
49	MFMA	Access controls / Security Guards - Vehicle Controls	MR 60	Compliance	Community Services	Heavy vehicles to be granted access using the gate behind the municipal building in order to prevent the damage to the parking area around the office at Flagstaff.	31 May 2023		Director Community Services :
50	MFMA	Access controls / Security Guards Vehicle Controls	MR 60	Compliance	Community Services	Demarcated parking bay lines to be painted and parking area clearly marked at Flagstaff. Forbidden parking areas to be clearly marked.	31 May 2023		Director Community Services :

#	ITEM	DETAILS	REF	ISSUE	DEPT	RESPONSE	COMPLETION DATE	STATUS	RESPONSIBLE
						Reserved parking bays to be marked for the Mayor, Speaker, MM.			
50	MFMA	Access controls / Security Guards - Staff Vehicle Controls	MR 60	Compliance	Community Services	All staff members who park their vehicles at municipal premises must be issued with a parking disk/ permit. All vehicles bearing a parking disk or permit should be allowed to enter the municipal premises at Flagstaff without completing a visitor's register.	31 May 2023		Director Community Services :
51	MFMA	Access Controls - Visitors	MR 60	Compliance	Community Services	Visitors driving into the municipal premises should sign visitor's register and declare valuables like laptops. Security guards should search the vehicle on entry and on exit.	31 May 2023		Director Community Services :
52	MFMA	Access Controls -Safety	MR 60	Compliance	Community	All visitors entering municipal premises whether with a car or as a pedestrian should be subject to a metal detector scan.	31 May 2023		Director Community Services

#	ITEM	DETAILS	REF	ISSUE	DEPT	RESPONSE	COMPLETION DATE	STATUS	RESPONSIBLE
						No Guns or Knives should be allowed into municipal premises except for Law Enforcement Officials or Police Officers who are on duty.			
53	MFMA	<p>Management Vacancies There has been vacancies in key management positions Including SCM Manager, Director Community Services, Director Planning & Development.</p> <p>Further, CFO employment contract came to an end in December 2022 including Director of Corporate Services (both were extended on short term basis by Council) while Manager in Mayor's Office became vacant in January 2023.</p> <p>Solid Waste Manager position became vacant in August 2022 (incumbent's contract was extended)</p>				<p>Filling of the following positions should be prioritized and be finalized before 30 June 2023:</p> <ul style="list-style-type: none"> -CFO, -Director Corporate Services, -Director Planning & Development -Director , Community Services -Manager : Solid Waste -Manager, Mayor's Office -Head of Internal Audit 	30 June 2023		Municipal Manager
54	MFMA	Internal Audit did not include SCM Audit in the	MR 79	Compliance	MMO	SCM Review was included in the FY	31 December 2022	Achieved	Internal Audit Director

#	ITEM	DETAILS	REF	ISSUE	DEPT	RESPONSE	COMPLETION DATE	STATUS	RESPONSIBLE
		Annual Plan in FY 2021/2022 and FY 2020/2021.				2022/2023. Work on SCM review has been performed for Quarters 1 and 2.			
55	MFMA	There is no ICT Manager at the municipality				MM to decide whether to create the position of ICT Manager and fill it or continue with utilizing Admin and Customer Care Manager as a stand in for all ICT Matters.	30 June 2023		Municipal Manager

3. RESPONSE TO AGSA FINDINGS: 30 JUNE 2021

#	ITEM	DETAILS	REF	ISSUE	DEPT	PLAN	COMPLETION DATE	STATUS	RESPONSIBLE
1	Compliance	Errors on submitted AFS per MFMA Sec 122(1)	AR 35	Other Matters	MMO	Develop Compliance Register to track and resolve non-compliance	31 July 2023	Not achieve	Risk Officer
2	Compliance	Late submission of AFS Section 126(1) a	AR 36	Other Matter	MMO	Develop Compliance Register to track and resolve non-compliance Develop Annual Statutory Calendar	31 July 2023	Achieved	Risk officer

#	ITEM	DETAILS	REF	ISSUE	DEPT	PLAN	COMPLETION DATE	STATUS	RESPONSIBLE
3	Compliance	SDBIP incomplete without monthly revenue projection by source, monthly operational and capital expenditure by vote Sec 63(2) (a).	AR 37	Other Matter	MMO	SDBIP Projects for revenue and expenditure were done	31 July 2023	Achieved	Risk officer
4	Compliance	Irregular Expenditure not investigated and register not maintained Section 32(2)(b) R1.9m / R1.4m	AR 49	Other Matter	MMO	Develop UIFW Expenditure Register, Present to EXCO, Council for resolution	31 July 2023	Not achieved	Risk officer
5	Compliance	Audit Committee and Risk Management Committee / Internal Audit Effectiveness	AR 57	Other Matter	MMO	Move Audit Committee Secretarial Function back to the Internal Audit Unit.	31 July 2023	Achieved	Head of Internal Audit
6	General	Delays in information submission to the AGSA	MR 67	Delay Submission	MMO	Central Audit Team established. CAE to facilitate Audit Readiness	31 July 2023	Not achieved	Head of Internal Audit
7	Compliance Monitoring	Compliance Monitoring	MR 70	Performance	MMO	Develop Compliance Register to track and resolve non-compliance. Develop Annual Statutory Calendar	31 July 2023	Achieved	Risk Officer
8	Compliance	Consequence Management / Financial Misconduct	MR 94	Irregular Expenditure	MMO	Re-establishment Municipal Disciplinary Board	31 July 2023	Achieved	Risk Officer
9	Compliance	Missing information/ Inadequate audit evidence / late submission	MR67	Other Matters	Planning & Development	Appoint departmental Audit Controller	30 August 2022	Not achieved	HOD

#	ITEM	DETAILS	REF	ISSUE	DEPT	PLAN	COMPLETION DATE	STATUS	RESPONSIBLE
10	Compliance	Archiving / Contract Management / Record Management	MR 67	Records	All Departments	Filing Schedule per month per department. Report to Management monthly.	30 June 2023	Not Achieved	Customer Care / Admin / HOD
11	Compliance	Monthly Project Monitoring Reports	MR 88	Capital Projects	All Departments	Each department to make it a requirement for contractors to provide monthly Project Status Reports.	30 June 2023	Not Achieved	HOD
12	Internal Control	Property Valuation/ Reconciliation/ Ownership PSC	MR 19	Property Plant and Equipment	Planning & Development / BTO	Sit quarterly as a committee made up of BTO / Planning & Development. Officers and Managers (Officers, Clerks, Managers, Legal)	30 June 2023	Not Achieved	HOD / CFO
13	Internal Controls	Retentions Accuracy & Completeness	AR 5	Accounts Payables	Technical Services	Establish a Retentions Review Committee with BTO and PMU Staff, sit weekly.	30 June 2023	Not Achieved	HOD / CFO
14	Service Delivery	Material Underspending of MIG, R9.5m	AR 20	Expenditure / Conditional Grants	Technical Services	Underspending corrected in 2021/2022	30 June 2022	Not Achieved	HOD
15	Project Monitoring	Projects monitoring was not done during the year	AR 47	Contract Management	Technical Services	Created a Template on Technical Services Monthly Report to track Service Provider Site Progress.	30 June 2022	Not Achieved	HOD
16	Internal Control	Record keeping : loss of information / late	MR 66	Other Matters	Technical	For all Council resolutions initiated by Technical Services,	30 June 2023	Not Achieved	HOD

#	ITEM	DETAILS	REF	ISSUE	DEPT	PLAN	COMPLETION DATE	STATUS	RESPONSIBLE
		submission / delayed submission			Servic es	keep copies in the office of the PA to the Technical Services Director			
17	Internal Control	Overtime R14m	AR 8	Compliance	CMS	Tuesdays set aside for review of overtime need for weeks ahead and decision to authorize. Do a Benchmark on security / cleansing services from Mzimvumbu and Mhlontlo LMs. Workforce Analysis to determine staff needed per site vs staff available.	30 June 2023	Not Achieved	HOD
18	Internal Control	Monthly Project Monitoring	AR 47	Compliance	CMS	Include Project Progress Status as part of Departmental Monthly Report.	30 June 2023	Not Achieved	HOD
19	Internal Control	Record keeping / Delay in submission / Non submission (record lost).	AR 67	Compliance	CMS	Copies of Council Resolutions initiated by the department to be to be kept within that department including BTO related documents which require payment.	30 June 2023	Not Achieved	HOD
20	Best Practice	Combined Assurance Plan not in place	MR 80	Assurance Providers	MMO	Combined Assurance Model prepared	31 March 2022	Achieved	CAE

#	ITEM	DETAILS	REF	ISSUE	DEPT	PLAN	COMPLETION DATE	STATUS	RESPONSIBLE
21	AFS	Misstatements, Disclosures, Late Submission, Review and Preparation issues	AR 35, 36, MR 19,	Qualification Matters	BTO	AFS Preparation Plan to be drafted and tabled to Council	31 July 2022	Not Achieved	CFO
22	Compliance	No action taken against the irregular expenditure amounts of R1.9m and R1.3m (prior year figure)	MR 94, AR 49, MR 19, MR 46	Qualification Matters	BTO	Re-table to Council a Report on Irregular Expenditure	31 July 2022	Not Achieved	CFO
23	Internal Control	Missing records / Information / Zeze Khula	AR 67	Other Matters	BTO / Corporate Services	Archiving to be reviewed for the whole institution	30 June 2023	Not Achieved	HOD / CFO
24	AFS	Cash from operating activities overstated / Misstatements on the Cash flow Statement	AR 9	Limitation of Scope	BTO	Develop and balance cash flow workings, perform restatement of cash flow statement	31 July 2022	Achieved	Financial Reporting Mgr.
25	Contingent Liabilities	Difference was noted between the litigations register and the annual financial statements	AR 11	GRAP Compliance	BTO	Re-perform and balance Contingent liabilities register to the source document,	31 July 2022	Not Achieved	Financial Reporting Mgr.
26	AFS	Annual financial statements - Differences between the Schedules, GL and AFS	MR 19	GRAP Compliance	BTO	Reconcile TB, GL and AFS prior submission. Minimize caseware journals by importing TB or Caseware extract from the system	31 July 2022	Not Achieved	Financial Reporting Mgr.
27	Internal Controls	Property Plant and Equipment Misstatements : - Projects written off not approved by council	AR 3, 4	Qualification Matters	BTO	Investigate all the Projects to be written off and compile a report to council for a write off approval.	31 July 2022	Not Achieved	Asset Manager

#	ITEM	DETAILS	REF	ISSUE	DEPT	PLAN	COMPLETION DATE	STATUS	RESPONSIBLE
		<ul style="list-style-type: none"> - Assets not correctly valued - opening balances - Additions and transfers from WIP incorrectly valued - Additions: Incorrect valuation of assets - Differences on: Financial statements- TB/GL/FAR - transfers from WIP – Differences - WIP additional expenditure limitations/disagreements(2020/21) - Additional WIP expenditure: Payment vouchers not signed and duly approved for payment - 				<p>Review and correct the Depreciation formula for all classes of Assets and recalculate depreciation for all Asset Classes.</p> <p>Ensure that all documentation relating to WIP additions and transfers is kept in a sequential order and review the depreciation formula for depreciation calculation accuracy</p> <p>Fixed Asset Register to be updated on a monthly basis and ensure proper documentation is in place for all the updates</p> <p>Ensure annual review of AFS and FAR for accuracy prior the submission to the Auditor General</p>			

#	ITEM	DETAILS	REF	ISSUE	DEPT	PLAN	COMPLETION DATE	STATUS	RESPONSIBLE
						<p>Maintain the projects files for all WIP project expenditure and update the register on a monthly basis</p> <p>Review all the payment vouchers accuracy starting from 01 July 2021 to 30 June 2022</p>			
28	Internal Controls	Payables from Non-Exchange Transactions not accounted for in line with GRAP1. Retentions balance not accurate and other balances wrongly classified as Retentions.	AR 5	Qualification Matters	BTO	To maintain and update the retention register on a monthly basis with correct amount.	31 July 2022	Achieved	Asset Manager
29	Internal Controls	VAT- Limitation on reported figures	AR 13	Qualification Matters	BTO	Reperform Vat balance and reconcile to the Vat extract per month as well as Amount on the TB. Restatement of Vat disclosure amount as per working	31 July 2022	Not achieved	Financial Reporting Mgr.
30	Internal Controls	Receivables: Interest not charged on long outstanding debtors	AR 14, AR 44	Qualification Matters	BTO	Calculate interest on outstanding Debtors as at June 2022 at an agreed % by Management and Council	31 July 2022	Not Achieved	Financial Reporting Mgr.

#	ITEM	DETAILS	REF	ISSUE	DEPT	PLAN	COMPLETION DATE	STATUS	RESPONSIBLE
31	Internal Controls	Disclosure: Statement of changes in net assets	AR 9	Qualification Matters	BTO	Update Net changes in assets as per the restatement and prior calculations and as well supporting journals	31 July 2022	Not Achieved	Financial Reporting Mgr.
32	Internal Controls	Employee Benefits: Supporting Schedule for Allowances Accrued does not agree to AFS			BTO	Ensure that all supporting schedule for Employee benefits are reviewed on time prior the submission of the AFS.	31 July 2022	Not Achieved	Asset Manager
33	Internal Controls	Expenditure cut-off issues	AR 6	Qualification Matters	BTO	Ensure invoices / accruals are booked in the correct reporting period.	31 July 2022	Not Achieved	Asset Manager
34	Internal Controls	Contracted Services Cut-off Recording in correct account and correct values	AR 7	Qualification Matters	BTO	Ensure invoices / accruals for consultants are booked in the vote and classified correctly.	31 July 2022	Not Achieved	Asset Manager
35	Internal Controls	Misstatements in cash and cash equivalents	AR 9	Other Matters	BTO	Perform monthly bank reconciliation and produce supporting documents	31 July 2022	Not Achieved	Financial Reporting Mgr.
36	Compliance	Grants received not transferred to a separate account	AR 41	MFMA	BTO	Align existing call accounts to conditional grants and where necessary open grant related call accounts	31 July 2022	Not Achieved	Financial Reporting Mgr.

#	ITEM	DETAILS	REF	ISSUE	DEPT	PLAN	COMPLETION DATE	STATUS	RESPONSIBLE
37	AFS	Segment Reporting - Segment Information is not accurate		Disclosure	BTO	Re-perform segment reporting as per GRAP 18 requirements and municipal directorates		Not Achieved	Financial Reporting Mgr.
38	Compliance	No monitoring of service providers performance monthly per section 116(2) of the MFMA. 4 projects to the value of R23 233 124 to 4 contractors were not monitored during the year (no evidence of monitoring was provided)	MR 46, 47, MR 88	Other Matters	BTO	National Treasury Template on Project Monitoring issued to department. SCM will consolidate departmental submissions on project monitoring on a monthly basis.	31 July 2022	Not Achieved	Senior SCM Officer
39	Compliance	Irregular expenditure incurred worth R1.9m due to contravention of MFMA SCM Regulations	MR 85	Other Matters	BTO	TBS Mathenjwa issue was brought to Council during 2020/21 financial year, MPAC was tasked to investigate.	30 June 2022	Not Achieved	CFO / MM
40	Compliance	2 Projects awarded to the value of R497 526 without inviting bidders through a RFQ process	MR 88	Other Matters	BTO	Included in the SCM policy the procedure with regard to repairs of vehicle.	31 March 2022	Not Achieved	Senior SCM Officer
41	Compliance	1 Project to the value of R208 812 awarded to a service provider not registered with CIDB for the correct class of construction work	MR 88	Other Matters	BTO	SCM will put more focus on CIDB grading verifications to prevent a similar incident going forward.	30 June 2022	Not Achieved	Senior SCM Officer
42	Compliance	SCM Deviations not tabled to Council and new SCM	MR 89	Other Matters	BTO	Arrangements have been for the 2021/2022	31 May 2022	Not Achieved	Senior SCM Officer

#	ITEM	DETAILS	REF	ISSUE	DEPT	PLAN	COMPLETION DATE	STATUS	RESPONSIBLE
		Prescripts not checked for validity or effective date of application prior to adoption e.g. use of draft SCM Gazettes				financial year for Deviations to be declared to Council			
43	Compliance	Register of Irregular, Unauthorized, Fruitless and Wasteful Expenditure not maintained.	MR 46	Other Matters	BTO	Incorporate UIFW Items to the Deviations register and monitor progress on previously reported items.	30 June 2022	Not Achieved	Senior SCM Officer
44	Internal Controls	Overtime Pre-Authorization, R14m	AR 8	Qualification Items	CPS	<p>a) To improve this, we plan to engage line departments regarding the required standard re pre-authorization and the importance of accuracy in completing of the applicable forms. Half -yearly.</p> <p>b) We have also resolved to return incomplete documentation and not process such until HR is satisfied that the information is accurate and is of the required standards- Monthly.</p> <p>c) On a quarterly basis, the HR Manager to undertake a pre-audits of the payroll files being processed in the past</p>	30 June 2023	Not Achieved	HR Manager

#	ITEM	DETAILS	REF	ISSUE	DEPT	PLAN	COMPLETION DATE	STATUS	RESPONSIBLE
						quarter to ascertain accuracy, identify an errors and perform corrections where required.			
45	Internal Controls	<p>Long Service Awards</p> <p>The issue was that we included employees that felt outside of the applicable financial year and this resulted in an overstated of the current liabilities relating to LSA.</p>			CPS	The HRA Officer will therefore on an annual basis only consider employees that are due for the LSA for the periods of June 2022 to July 2023. The HR Manager to verify submissions to the actuaries.	30 June 2023	Not Achieved	HR Manager
46	Internal Controls	<p>Performance Management System</p> <p>The issue with the PMS is both the cascading of the process to lower levels and assessment thereof</p>			CPS	<p>a) In the effort to address this issue, Performance Agreements were signed by the HODs and Middle Managers.</p> <p>b) A performance assessment schedule which was going to be done on Jan- Feb and Aug-Sep of each year was adopted by Management.</p> <p>However, we could not honour this in Jan - Feb due to activities overtaking each other. We are in the process</p>	30 June 2023	Not Achieved	HR Manager

#	ITEM	DETAILS	REF	ISSUE	DEPT	PLAN	COMPLETION DATE	STATUS	RESPONSIBLE
						<p>of having these assessments end of April 2022.</p> <p>c) We also want to have in each HODs Performance Agreement a performance assessment objective for their respective Managers bi-annually as per the policy and performance schedule.</p> <p>d) We plan to procure a PMS system to automate the process and a module is available within MUNISOFT and it is available at a cost which we hope we can source funding in 2022/23 FY.</p>			
47	ICT General Controls	All ICT Findings	MR 71	Other Matters	CPS	<p>ICT Steering committee is functional, Terms of reference are documented and there are appointment letters for the members of the committee</p>	31 May 2022	Not Achieved	ICT and Admin Manager

#	ITEM	DETAILS	REF	ISSUE	DEPT	PLAN	COMPLETION DATE	STATUS	RESPONSIBLE
						<p>ICT policies will be reviewed as per the gaps identified by AG</p> <p>ICT Framework is being developed</p>			

9. 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 23 - 27 August 2022. OR TAMBO DM and its LM's were assessed on the 27th August 2022 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. MEC recommendations on the assessment 2022/23 document were taken into consideration on review of 2023/24 IDP document.

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 2020/21	HIGH	MEDIUM	HIGH	HIGH	HIGH	MEDIUM	HIGH
Ratings 2021/2022	HIGH	Medium	HIGH	HIGH	HIGH	HIGH	HIGH
Ratings 2022/2023	HIGH	MEDIUM	HIGH	HIGH	HIGH	HIGH	HIGH

9. 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 simply 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	
<i>Electrification</i>	<i>A number of 51 213 households are connected to electricity Challenge is the rapid growth of infill's, whilst households not connected to electricity 5000h/h</i>
<i>Infrastructure</i>	<i>Construction of new access roads, construction of bridges maintenance of access roads. Maintenance of existing infrastructure including community halls. Close monitoring of all projects</i>
<i>Water and sanitation</i>	<i>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</i>
<i>Human Development</i>	<i>Skills development program, Learnship programs and Jo opportunities</i>
<i>Tourism</i>	<i>Capacity building and marketing on tourist attraction, Development of heritage sites. Access roads to heritage sites and all tourism attraction areas.</i>
<i>Agriculture</i>	<i>102 functioning agric projects, provision of support to 29 not functioning projects. Training of SMME's on project management. Provision of Irrigation schemes</i>
<i>Forest</i>	<i>Protection of forests against fire, workshops on importance of forests</i>
<i>SMME Development</i>	<i>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</i>
<i>Designated groups</i>	<i>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.</i>
<i>Town Planning</i>	<i>Parking bays, Taxi ranks, road markings, paving , potholes in town</i>
<i>Housing</i>	<i>Incomplete housing projects, close monitoring of housing projects. Some words do not have low cost housed</i>

<i>Finance</i>	<i>Non-payment of rates</i>
<i>Good governance</i>	<i>Appointment of CDW's are done in all wards, including the appointment of Ward committees in all 32 wards.</i>
<i>Waste management</i>	<i>Waste collected only from Urban Areas and along R61. Lack of properly constructed landfill site</i>
<i>Early Childhood development</i>	<i>Support to preschools</i>
<i>Education</i>	<i>Eradication of mud schools</i>

9.1. IDP and Budget Road Shows community Inputs

Chapter 4 of the Municipal Systems Act, Act no. 32 of 2000 encourages the involvement of the local communities to consult the local community about the level, quality, range and impact of municipal services. It is the duty of the municipality to provide the communities with information about the available options for basic service delivery. Therefore; Ingquza Hill Local Municipality conducted the IDP, PMS and Budget Road Shows on the 18-24 of April 2023 to present the IDP and Budget in all 32 wards. The communities raised/ added the following inputs.

<p>Ward 01 :</p> <ul style="list-style-type: none"> • Electrification of extensions and solar system to resolve the issue of load-shedding • Mayor's Cup was completed • Water problem in all villages. • TSHEZI VILLAGE: Access road and electricity are a problems. • TEMBUKAZI VILLAGE: Mbidi AR Concrete slab is very bad. Pre-School was never done, Re-routing of Mbudu AR to Umzimvubu for easy sand access, social grant Pay points are scarce eg. Church halls are not available. • Maginxi – Nyasa AR- when is in bad condition • Community hall where we attended the IDP is in a bad state • RDP Houses in all Villages. • Magungululu Access Road needs a Slab. • Electrification at Magungululu Village. • Mathulu and Makhwaleni: Electricity is very weak and needs an upgrade. • Tyiza and Ezimpohlweni –Need Access Road and electricity. Solar was received but it is not working, new solar system is requested • Mpendulo and Tyilwa Village – no electricity and road. Paraffin is requested. • Electrification in some villages was not completed. • Mathombela – MANGCWANGULENI VILLAGE- Requested RDP house in 2002 	<p>Ward 02:</p> <ul style="list-style-type: none"> • RDP Houses for all villages of the ward. • Renovations of Ntontela community hall, there are no windows and doors and also, a request of access roads, toilets, water taps. • Road Maintenance in all villages. • Access to water in all villages. • Ngqubingwini requests access roads. • Makhwaleni community requests access road, and electricity. • Cikolo community requested access roads. • Mdumazulu community request water tanks because the ones built from Ngcengce are far from them, and also toilets. • Gcuda community requests water taps • Clinic project to be finalized. • Requests of a small town to be built, as the town is very far from them. • Qhasa community requests a day care school to be built for their children. • Ntontela community requests RDP houses for old age as their grant is not enough for them to build their own houses. • Gcuda community requests access road to the chieftaincy offices; electricity; a day care; and water taps. • Mavaleleni community requests water taps, RDP houses and electricity • Luthuthu community requests electricity for Bhomela house as it was said it does not appear on the map, and also access road from Hedeni to Gaqaleni. 	<p>Ward 03:</p> <ul style="list-style-type: none"> • There is a serious shortage of water in our communities and there are no close local rivers that can assist. • Construction of Dikidikini road to Skhulu, and Mzintlava bridge • Construction of the clinic in Noratshaza Community as the one in Mantlaneni is very far • Noratshaza and Bantini road Construction • Slab needed for the road to Mbayi • Servicing of the current boreholes as they are no longer functioning properly • There is a need for small water bridges to control water along the roads • Construction of a soccer field at Noratshaza village • Need for agricultural assistance, particularly at Noratshaza • There is a need for toilets in the areas where new homes are built as the community develops • Request for high mast lights to assist in crime dominated areas • Need for creation of space for grade twelve repeaters in the current school • Construction of a soccer field In ward 03 next to Ngwekazi Church 	<p>Ward 04</p> <ul style="list-style-type: none"> • Request for High-mast at Magwambu village, • There is a request for Access Road at Thafabanzi village, • Mathunzini Access Road is incomplete • All Access Roads in the Ward needs maintenance, in particular at Nozayi • The Ward has the following damaged Bridges: Mbhayi Bridge; Ngebheni Bridge; and Mahlekeza Bridge, • Contractor left electricity project at KwaZulu • The Ward has Extensions and Infills that require electricity. • The Mfinizweni water scheme is not providing water since August 2022, • There is a request for Clinic.
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<p>by her mother, RDP was built but it has no electricity</p> <ul style="list-style-type: none">• MXHOKO VILLAGE – No roads, electricity, toilets• Proposed: MDONTSELA VILLAGE Access Road and funeral services to vulnerable households.• MBIDI-Concrete slab.• Road Maintenance at Ximba Village.	<ul style="list-style-type: none">• Ntlengeni community requests electricity and roads to be maintained, as well as toilets.• Ngqanduwana community requests access road and electricity for the newly built houses.• Mqolombeni community requests a school to be built for children.• Project being done by Mr. Ngqamba requests funding assistance. He has previously applied for funding but there has never been a positive response. Mr. Ngqamba does farming and would love to employ youth in the community of Ngcengce, (this was said to be referred to LED department and his contact numbers are 078 301 3897)			<ul style="list-style-type: none">• Need for a temporal shelter to assist old people when collecting their payments, as they are currently paid in an open space• Water drainage in all roads constructed• Construction of streets in Sirhetshe• Need for shelters in all pickup points in the community• Slab in the road from Skhulu to Mzintlava• Request for Soccer Jersey omitted during mayor's cup• Need for road construction in kwa Nene• Clinic extension as measure to help the close hospital in the area• Construction of Mathithiyeni sport field• Need for electric pole boxes in Ngozi• Building of a library• Need for skills development in agriculture• Request for computer lab• Need for career exhibition• Need for network poles in Noratshaza	
<p>Ward 05:</p> <ul style="list-style-type: none">• Sports Field (Community asked to be assisted with levelling of soccer playing fields and fencing).• Mayoral Cup (The Community asked that the Mayoral Cup outstanding winner's	<p>Ward 06:</p> <ul style="list-style-type: none">• Vandalized sports field at Mthwaku.• Town Hall in Town	<p>Ward 07:</p> <ul style="list-style-type: none">• The Makukhanye Pre-school that is being supported by Social Development is much appreciated	<p>Ward 08:</p> <ul style="list-style-type: none">• Requested prices of the Mayoral cup which was played in 2021/2022• Sport field for the ward	<p>Ward 09:</p> <ul style="list-style-type: none">• Community request water• Sugubudwini to Dlibone Access road	

<p>awards or trophies be resolved). Mayoral Cup must also be extended to other codes like Netball.</p> <ul style="list-style-type: none"> • Load-shedding (How can the municipality assist the community in limiting the impact of load-shedding?) • What project can Council identify and rollout that deal directly with the impact of load-shedding in the region? • DRDAR Agricultural Support Vouchers: An issue was raised that vouchers issued by DRDAR to assist subsistence farmers to purchase seeds were targeted by unscrupulous dealers as follows : When a community members approaches an outlet to buy seeds using the voucher, the prices were increased but if the same item was bought for cash, the price paid was normal or standard. The Municipality was asked to investigate the matter and resolve it with the outlets that sell seeds e.g. T.W.K Stores or Nkantolo Outlet and others. • Slab to Mneketshe a Hazard to the Road Users • (The community reported that the slab on the road to Mneketshe Village was obliterated and no longer useful and as such has become a health hazard to road users and is prone to causing major accidents in the area) so the municipality requested to resolve the matter. • Network Signal Loss in the Low Lying Areas (The Community asked the Municipality to engage with mobile phone operators regarding loss of network signal in the low 	<ul style="list-style-type: none"> • Access road Gabajana location • Recreation Centre in Flagstaff • Establishment middle class houses at the identified sites next to Gabajana. • Request for Gabajana bridge • Water challenges • Vandalisation of community hall at Gabajana • Mngeni access road • Surfacing of Mbeki Township streets. • Sanitation projects 	<ul style="list-style-type: none"> • The EPWP need to be transparent in its implementation, especial to those communities above Youth. • Scholar transport remains a challenge • The unemployment rate is very high • The Spaza Shop is leaking • Slab to Emission is damaged and dangerous for usage of vehicles. • The municipality must deliver the mayoral kits which were played for in the year 2021/2022 financial year. • Construction for Access Road to the clinic • Sport Field for the ward be constructed. <p>Sphezini Village:</p> <ul style="list-style-type: none"> • Communities request Water and Tanks • Access Road • High Mast 	<ul style="list-style-type: none"> • Lack of monitoring for municipal projects • There must transparency on the employment of the EPWP • High crime rate in the Area • Youth request Agricultural Support • Water challenges • RDP Houses • Electricity • 2nd community hall • Clinics in ward 08 	<ul style="list-style-type: none"> • Nqandulo bridge need to be finalised and slab be added on completion of the bridge • All villages request for rural Housing Projects • Maintenance of existing roads • Youth request assistance with agricultural programs • There are villages that do not have electricity since 2006.
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<div>lying areas which make it difficult to call for help in case of emergency)</div> <div><ul style="list-style-type: none">Access to Water (Water was raised as a problem across the ward).Some community members asked to be assisted with water tanks.</div>		<div><ul style="list-style-type: none">Sport GroundToilets</div> <div>DUMISI VILLAGE</div> <div><ul style="list-style-type: none">Request for WaterAccess Road</div>		
<div>Ward 10:</div> <div><ul style="list-style-type: none">Mayor's Cup (Mayor's Cup tournament took place during 2022 calendar year but prizes were not awarded to the winners)Municipality was requested to resolve the matter before the 2023 Mayor's Cup tournament commences.Access Road to Zulu VillageThe road was washed away during the recent floodsThe community is prepared to fix the roads but require assistance from the municipality through supply of gravel material (tipping).Lukhahlambeni / Mzenge Villages (Housing projects were approved by Human Settlements Department but have not been implemented for years).Local Clinic(Issue of teenage pregnancies in the Ward 10 area was raised and the community asked for the Municipality to refer a proposal on Construction of Mangquzu Clinic to help curb the spiral issue of teenage pregnancies and frequent</div>	<div>Ward 11</div> <div><ul style="list-style-type: none">Access road (A/R) from Ngonyameni to MxokozweniA/R from Qhamangweni to Mbadango via NdzakaNdzaka BridgeThe outstanding Mayoral Cup KitForestry DevelopmentSupport with Agricultural ProjectsA/R from Hlwahlwazi to Diphini and NontshiSanitation projectsSupport for Piggery projectsWater remain as challengeTwo High masts (At Hlwahlwazi and Mxhokozweni.</div>	<div>Ward 12</div> <div><ul style="list-style-type: none">Update on Qhamangwe Bridge.Sphezini Access Road (A/R)Lubalo A/RPlamngeni and Marhatshazeni A/RKhurhazana road was not completedRDP Houses process be transparentMaintenance of A/R remains challengeWater challengesRDP HousesCommunity built by social development is not properly constructed</div>	<div>Ward 13</div> <div><ul style="list-style-type: none">Galatyeni: Water, access road which connects Ngaphezulu (Extensions and Galatyeni to Mbilikati, bridge, High mast light next to Langeni.Lumayeni: Mbilikati to Xurana surfacing road/ maintenance.Mfica: Road Maintenance, Access to Water, and ToiletsNdunyeni: Provision of Water, RDP Houses, the old age grant increment is needed but there are challenges of very old people, we ask SSASSA to come to them, streets, house numbers, street lightsHigh Mast light next to Flagstaff 30.Access to WaterBeautification of both townsSgubudwuni stadium needs to be revivedParmaton Methodist Church, Holly Cross and June 06 as</div>	

<p>emergencies at nearby high school (Tabazi Senior Secondary School).</p> <ul style="list-style-type: none"> • A request was made that the municipality assist with erection of a High Mast in the JB/Mzenge area to curb crime incidents). • Sports field (The Community proposed that the municipality should work towards building a sports-field in every ward as part of programs designed to reduce crime in the region). • Beneficiaries approved at Lukhahlambeni but not awarded. • Refurbishment of Mangquzu clinic. • Electrification Makukhanye Pre - school at Tabazi. • RDP houses the entire ward. • Tertiary institution and sport field support • Fencing of arable lands • Vusisizwe Health Center Infrastructure provision • Heleni access road and bridge to diphini. • KWAZULU LOCATION: Access road maintenance. • MANGQUZU: Water pipes vandalised due to Road Construction. • LUKHAHLAMBENI: Electrification, Water. • J.B LOCATION: Dry water pipes and No Access Road. 			<p>these are heritage sites must be budgeted for.</p> <ul style="list-style-type: none"> • There is challenge of foreigners who occupies every land • Monitoring of old government houses where thieves hide. • Mayors' Cup last year was not completed. • Zulu: Gqwarhu slab is redirecting water to preschool and damages the toilets. • Mrhotshwezini sport ground • Bridge which directly connects to tarred road, and high mast light next to Mhatu. • Xurana: Access road in the area next to graveyard, and water • Job opportunities. • Ndimbaneni: high mast light • RDP houses for the old aged people • Slab on the road from Parmalton to Sitshayelo. Maintenance of road next the school. • Mfica: RDP house, bridge that connects Mfica and Gqwaru • Ndimabneni: Sport fields. • Gqwaru: Bridge that crosses to Jola, it was flooded with children and government promised to rebuild it. • Mrhotshozweni: RDP houses • Maintenance of R61 • Bridge. • Robots in both towns
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			<ul style="list-style-type: none"> Hillside school: There is a challenge of water, bridge that connects Vabesho and Mrhotshozo, maintenance of roads. There must be a monitoring of Hawker Stalls in town,
Ward 14 <ul style="list-style-type: none"> High school must between Lingelethu and Ngobozana S. S. S. Water for Ezinkumbini Village Gubevu Access Road Nxwarhu toilets Cleaning of pipes during maintenance of roads Access Road to eMatolweni sport field Enquiry about the kit for mayoral cup Shelter for 3 homeless households in eZinkumbini Infills for Phindela Village Assistance for farmers Toilets and electricity in EZinkumbini 	Ward 15 <p>Joe Slovo area is in need of the following</p> <ul style="list-style-type: none"> Flushing Toilets Gravel Road Maintenance. Streetlights due to high rate of crime. The area does not have access to water OR Tambo District Municipality should be presented during the roadshow as most of the comments are always directed to them. Slovo is divided into 3 sections (Ward 15,17 and 19) - demarcation board to resolve the issue High mast lights to be installed next to schools at Malizole and Mdikane area Road Streets. Routine maintenance of the existing high mast lights is needed IHLM to allocate more funds towards capital projects Road maintenance is needed. Job creation 	Ward 16 <ul style="list-style-type: none"> Community request Electricity Water challenges RDP Houses Access Roads Mayoral Cup prices for 2020/2021. The contractor appointed to do road maintenance of 5km did not complete the project. Road maintenance for the existing roads is requested Youth request support with agricultural programs 	Ward 17: <ul style="list-style-type: none"> Access to Water in all villages. Manzamyama RDP houses in bad conditions, the bridge too is small, as results people are dying yearly because of floods. Request for the provision of an access road. KwaGqathula: Request for two additional High Masts, Community Hall, Bridge linking KwaGqathula and Plaza. SMME development. Phola Park/Tshandatsha Extension (Provision of sanitation facilities, Request CWP for removal of overgrown vegetation, Sanitation facilities in bad conditions at Tshanadatsha). Diki (Ventilated Pit Latrines posing health hazard due to their conditions, There are no streets/passages in that extension, Sewing project struggling need to be fenced,

	<ul style="list-style-type: none"> • Closely monitoring of projects • Maintenance of Joe Slovo concrete walkway • Construction of public toilets within the CBD. <p>Mdikane Extension is in need of the following:</p> <ul style="list-style-type: none"> • Electrification of households • Access roads leading to schools • High mast lights • Foot Path Bridge to be constructed to accommodate school kids. <p>The Municipality must focus on the following</p> <ul style="list-style-type: none"> • Budgeting for IDP roadshows to make provision for transport, food and water • Construction of a walkway from St Elizabeth hospital to Town • Construction of blacktop road (Tarred) behind the municipality to Arthur homes • Implementation of Bylaws • Installation of billboards • Land invasion within the CBD • Removal of container and construction of a taxi rank • Construction of a pre-school at Joe Slovo. • Maintenance of road from St Elizabeth to Mdikane • Construction of a bypass to avoid congestion • Advertisement of vacant land by the Municipality • Construction of parking bays within the CBD 		<p>Construction of Makukhanye, Grading and Grass cutting of soccer grounds that are at center as sport is used to curb crime</p> <ul style="list-style-type: none"> • Erection of Multipurpose Sport Center, Community hall, fully fledged Library, School construction, Access Road, Sanitation facilities, and electricity. • Sitshayelo Extension (Access road, Human settlements, Energy in a form of solar system). • Sitshayelo (Access road, Cannabis must be administered here, Access road to the newly placed school is urgently needed, Laphumilanga access road to cemeteries). • Ntsimbini (Sanitation facilities, Maintenance of road to Mission).
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	<ul style="list-style-type: none"> • Town Planning Department must focus on demolishing the illegal houses that are being constructed within the CBD. • Construction of RDP houses • Electrification of households, • Municipality to consider construction of boreholes as there is always no water from the installed standpipes (Tap) • Remove of illegal car washes 		
Ward 18	<p>Ward 19:</p> <ul style="list-style-type: none"> • Robert village request toilets to be built for them • Kwa Khonjwayo requests tap water and RDP houses, construction of access road (Slab) from Ngobozana School. • Unity Park requests IDP roadshows to be done per village not only for the whole ward, projects to be done and employ youth of the ward, time frames for the projects be stipulated and also handing over to be done after each project. • Arthur homes requests access road (Slab) from the Village school to Arthur homes. Requests university for hand work • Police community forum to be given incentive to motivate them as they risk their lives for the community, Lusikisiki police station does not have back up system when there's loadshedding it is hard to get hold of them. Time frame be given for construction of roads as the stones for construction block the road for almost a month sometimes which makes it hard to drive at night and during the day to work or schools for the kids. 	<p>Ward 20:</p> <ul style="list-style-type: none"> • Water challenges • Fencing of the dam at Hombe • Request for access road (A/R) to Hombe Dam (maintenance) • Dlibone A/R • Request for ward 20 sports field to accommodate villages in the ward • Request for support for their netball team as it assist in fighting use of illegal substance by women • A cannabis plough farmer request assistance from the municipality 	<p>Ward 21:</p> <ul style="list-style-type: none"> • Water for all villages • Mavela bridge not safe as it is breaking • Alien invasive plants at Ward 15 risking school children • High Crime Rate at Mavela requesting High mast • High unemployment • Requests for streets as some household are not reachable when it is raining and muddy • Dams posing health hazard to community must be closed • Mavela Extension no access road. • Mbudu Village (Road seriously damaged need major maintenance) • Nqabeni (Request for streets as some household are not reachable)

	<ul style="list-style-type: none"> • Mqumbana village requests access road and bridge be done near Tshaka resident, toilets, High mast and RDP houses • Unity park village thanked the municipality for assisting in the family where four people were brutally murdered • Dust bin at Unity park near Excel garage not enough for the village • Low water bridge near Mhlongo residence be built, Bridge from Unity park to Khonjwayo village, • Lusikisiki park not accessible, • Requests for netball and soccer kit that was won at the mayoral cup but not yet delivered. • New rest requests sewing project for the community • France community requests RDP houses and electricity and also bridge to be built for Mzintlava School, Access Road, community library, and sports ground. • Masibini community requests access road. • Mgeni community requests clarity on the garden equipment given to the ward, RDP houses to be built for them, Tap water the ones given to them are no longer working • Requests wiring for their gardens, requests bridge to be built for them, Sanral promised to assist but asked to be numbered by the municipality (Ngocwini bridge) • Kolonini village requests water taps not working to be maintained and Street light • Marhwaqa village requests RDP houses which were built before but for only less than 20 beneficiaries, water taps not working at Ginyindlovu, there is high rate of crime due to 		<ul style="list-style-type: none"> • Mangcwanguleni Bridge seriously damaged. • Mhlakazi (Streets needed even loads of gravel would assist temporary. Access road ended in the middle of the village, request for the extension of it • Age restriction on recruitment must be removed as people are not young enough to be youth, and not old enough to get government grant
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	<p>youth unemployment and that the age limits them from participating on community development programmes. They also requests sewing school to be built for the community.</p> <ul style="list-style-type: none"> • Masimini village requests school that was promised to be built for them. • Jana village requests sport ground and water taps. • Majeni village requests street light and the survey to be done by Eskom for households that does not have electricity • Lumphondo village requests clinic, RDP houses, wiring gardens and electricity, • Kwa-Khanyayo requests network pole • Mqhabavini village requests electricity and also small town to be built for ward 25. 		
<p>Ward 22:</p> <ul style="list-style-type: none"> • Access to Water in all Villages. (They requested that the ORT and IHLM leadership should meet as to clarify and resolve this issues as they have raised it in the previous years). • High mast light between the school and clinic was raised. • Clarity on recruitment on EPWP. • Maintenance of access road in all villages. • Construction on of the following access roads; Mike access road, Cwecwe Access Road and Cabekwana to Diphini via Siwali Access Road. 	<p>Ward 23</p> <ul style="list-style-type: none"> • The entire Ward is facing water crisis as no scheme is currently providing as yet. • The issue of network connectivity and is affecting the entire Ward, • When there is no electricity, the Ward has no network coverage, • All Access Roads in the Ward were damaged during recent heavy rains, • The issue of non-delivery of Mayoral Cup material for 2022 is a problem, • The issue of unemployment is affecting young people in majority, • There is a number of new in-fills and extension which requires electricity. 	<p>Ward 24:</p> <ul style="list-style-type: none"> • Ntlavukazi (High unemployment rate, Village area with no electricity). • Access to Water in all villages. • Faku (Matyeni no electricity for too long, Paraffin not delivered). • Njombela Rhamzi (Sanitation facilities for new household, Housing has been asked for too long, Access road not maintained since 2016, Transparency in municipal recruitment. • Matheko/Thanduxolo: Access Road to Msikaba to access resources, LED to assist unveiling talent of small constructors for houses. • Nyekiso/KwaNtanzi (Police Station 	<p>Ward 25:</p> <ul style="list-style-type: none"> • Marhaqwa community requested a clinic as the one that they have at the ward is far from their village, Tap water and access road • Masibini community requests access road • Mgeni community requests clarity on the garden equipment given to the ward, RDP houses to be built for them, Tap water the ones given to them are no longer working, requests wiring for their gardens, requests bridge to be built for them, Sanral promised to assist but asked to be numbered

		<ul style="list-style-type: none"> • Ventilated Pit Latrines now full, Provision of water tanks, Tanzi Bridge, Clinic provision, Electricity on newly erected households). 	<p>by the municipality (Ngocwini bridge)</p> <ul style="list-style-type: none"> • Kolonini village requests water taps not working to be maintained and Street light • Marhwaqa village requests RDP houses which were built before but for only less than 20 beneficiaries, water taps not working at Ginyindlovu, there's high rate of crime due to youth unemployment and that the age limits them from participating on community development programmes. They also requests sewing school to be built for the community. • Masimini village requests school that was promised to be built for them. • Jana village requests sport ground and water taps. • Majeni village requests street light and the survey to be done by eskom for households that do not have electricity • Lumphondo village requests clinic, RDP houses, wiring/fencing of gardens and electricity • Kwa Khanyayo requests network pole • Mqhabavini village requests electricity and also small town to be built for ward 25.
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<p>Ward 26:</p> <ul style="list-style-type: none"> • MHLANGA LOCATION: Access road, Sports ground, RDP houses. • BABANE AND NTAKANE LOCATION: Access road, Electrification, Sanitation, Water, RDP houses. • MATHAMBO VILLAGE: Water, Network, Ambulance services not available, Sport ground • Construction of RDP houses for all. • DOLOPHINI VILLAGE: Fencing of existing youth project, Water, Sanitation, RDP houses, Access road, • Construction of sport grounds. • High mast for all villages. • Road maintenance, Water, Sanitation, Sport field, RDP houses 	<p>Ward 27:</p> <ul style="list-style-type: none"> • Housing project by Mahiri Projects was not completed. • Learnership programs budget allocated in all wards. • High Mast is not working and it has not been attended by the municipality. • Water pump at Hlwahlwazi was damaged during 2021 floods. • Sanitation project that was done in 2018 only one village benefited under ward 27. • Access roads that were damaged due to heavy rains have not be fixed. • Mqhume access road is one of them. • Free basic and electrification of the extensions have not been provided for Mqhume location. • They requested a support for all ward 27 LED projects as to improve employment and eradicate poverty (They specifically indicated Production inputs support for farming projects and recycling projects). 	<p>Ward 28</p>	<p>Ward 29:</p> <ul style="list-style-type: none"> • Water is a challenge from all villages. • Readiness of fire fighters. • Nxarabe (Request for voting station • Asks for electricity • Request for fencing of Mthombolwazi projects. • Luqhoqhweni: Requests for streets construction, houses for all those deserving • Complained of Poor road quality). • Manqilo: Construction of streets, Maintenance of access road, Construction of access road linking Manqilo and Bodweni, Construction of access road linking Manqilo and Kimbili, Provision of street lights , Provision of RDP houses. • Ndzondeni: Mayor's cup dissatisfaction as winners are yet to get their prizes • Poor road infrastructure, High unemployment, recruitment of people from other towns for permanent jobs while • IHLM people are released after completing their internship. • Joji/Lower Qhoqho (Slab needed next to the home of the
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			<p>Headman, Request for road to Nxarhabe from Joji, Request for street provision , Lower Qhoqho</p> <ul style="list-style-type: none"> • Tawuka : Ask to remain in one ward, as they are always changed during demarcation reviews. • Request for boreholes , No toilets provided , Provision of streets • Lack of RDP housing, No electricity, Involvement in Cabban projects, Request for network improvement. • Ndimakude (Request for provision of toilets, Access Road.
<p>Ward 30:</p> <p>Requested the following:</p> <ul style="list-style-type: none"> • Twazi Multi-purpose centre. • Katazweni Access Road. • Luphandlasi Access Road. • Mbangweni Access Road. • Njimbinxeni Access Road. • Tembeni to Debese Access Road. • Katazweni Heritage Site. • Electrification of Extensions. • Support of Katazweni Cooperative. • Support of Bakhusele Disability Centre. • Skills Development for people living with disability. • Skills Development for in response of High rate of unemployment. • Support of Cannabis Cooperatives. 	<p>Ward 31</p> <ul style="list-style-type: none"> • All Wards Access Roads need maintenance, • Mathe to Gqina 15 km needs inspection; construction of Sizindeni, Cumngce to Chibini Access Road approximately 7, 5 km; • Extensions in electricity, • Ingquza Hill 301 Destitutes and Xhophozo 500 not completed, • Request of Dip tank for Cattle and Sheep in Mathe Village, Sizindeni and animal mobile clinic, • Pre-School assistance request for villages especially Cumngce, Mbabeni and Mwelo, • Request for afforestation of Mathe, Bhala and Luphandlasi/Jaca project, 	<p>Ward 32</p> <ul style="list-style-type: none"> • Request Mayors visit to introduce herself • IDP to be ward based • The document to be translated to xhosa • Amacele request to participate in cultural festival • municipal bulletins to be spread across wards • High Mast to be installed Ehlabathi • The High Mast for ward 26 to be fast track • Mgwedleni to Changi Brige. • Request a community hall at Ntabezwe 	

<ul style="list-style-type: none"> • Gobhana Bridge. • RDP Houses. • Support of Twazi poultry and piggery project 	<ul style="list-style-type: none"> • The Ward is experiencing water and sanitation crisis. Even Cumngce, Mathe and Gqina water supply is not working. all of them, • Request for construction of Umbhiyo Multi-Purpose Center, • The Ward is experiencing poor network coverage since the start of loadshedding, • Request for assistance of poultry projects in the Ward. 	<ul style="list-style-type: none"> • High Mast Entabezwe as it an area of crime • Requested mobile clinic because they have one clinic • Update on the Singembeni project • A/R Roma to Mphutheni Acces road • A/R Ntabezwe to Qedu Acces road • Water remain as challenge 	
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10. SPATIAL DEVELOPMENT FRAMEWORK (still under review)

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 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.

11. 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.

11.1. 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.

11.2. 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.

11.2.1. 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 (peri 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. A number of 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.

11.2.2. 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.)

12. 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

13. Environment

Background

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.

a) Climate Change Strategy

The municipality is in partnership with the DM and the provincial 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.*

b) 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

c) 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.

d) Waste Management

The municipality in partnership with the DM and the District office of DEDEA are working on the waste disposal sites regulation and there is an agreement to assist the municipality with the capacity of environmental matters. The municipality has two landfill sites, one in Flagstaff with operating license and the one in Lusikisiki is pending approval of application. The waste section is under community services but waste affects environmental management directly and indirectly. Illegal dumping is a challenge and expensive to remove. The management of waste plays a crucial role in ensuring that communities are able to live in an environment that is conducive to their health and wellbeing. Municipalities have an obligation to protect the environment for present and future generations; it must take positive steps to minimize factors that impact negatively on the environment and the community living within the environment.

Pollution is one of the factors that can lead to environmental degradation and detrimental living conditions. The previous dispensation did little to manage and regulate the dumping of waste which led to the indiscriminate dumping of waste in close proximity to residential areas. This had dire consequences for the health and living conditions of these communities. The Ingquza Hill Local Municipality is responsible for performing the cleansing, refuse removal and solid waste disposal function. Cleansing in this context includes waste in public places, such as streets etc. The treatment and storage of waste is a bigger challenge, as suitable land has yet to be set aside and licensed for this purpose. The proliferation of settlements is also posing a serious challenge to the municipal planning process.

e) 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 BOR 1.1.3.2 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).

14. 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).

PRACTICALLY ACHIEVED INFRASTRUCTURAL 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.	200500005	Botha Sigcawu SSS	NECT
24.	200500161	Ebuhlanyanga JSS	NECT

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 AS WELL AS PROJECTS IDENTIFICATION

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.

3.1 Key Government Priorities 2023

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

3.2 Provincial Priorities



3.3 PESTEL FACTORS

The macro-economic climate within which the 2022/2023 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
	Local 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 for 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 centers
	Alien species control	Depletion of water resources	Identification, mapping and eradication
Legal	New legislation		

Disruption in systems	Financial and HR Implication		<ul style="list-style-type: none"> • Training of stakeholders • Budgeting • Employ required personnel
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3.4 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
<ul style="list-style-type: none"> • Good working relations • Effective oversight and capacity • Audit Committee • Municipal Disciplinary Board • Risk Committee • Natural environment • Political stability • Unqualified Audit Opinion on Audit of Performance Information • Credible IDP • Fully functioning council 	<ul style="list-style-type: none"> • Delegation of authority • Capacity building • Gap at Senior Management for MM's Office • Sitting of departmental meetings • Channels of communication
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Multi sectorial departmental programs 	<ul style="list-style-type: none"> • Community protests

<ul style="list-style-type: none"> • PPPs – opportunity to channel BEE for procurement in the SCM policy e.g women, youth, SMMEs, L.E.D, People with disability • Cannabis exploration (value chain) • Tourism (N2 wild Coast Opportunities) 	<ul style="list-style-type: none"> • Inflation • Adverse weather patterns • Crime • Gender Based Violence
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3.5 Strategies and Objectives of Infrastructure and Engineering Services

Objective: To provide basic service delivery through infrastructural development in an environmentally friendly manner

Basic Service Delivery

FOCUS AREA	KEY ISSUES/CHALLENGES	STRATEGY	BASELINE	PROJECT IDENTIFIED	BUDGET	PERFORMANCE INDICATOR	Annual Target	Financial Year (2023/2024)
Expansion of roads infrastructure	Some communal areas do not have road facilities ranging from provincial road needs to access road	Construction of new roads	817.8 km existing gravel roads	Construction of new access roads in ward 10, 1, 4, 7, 9, 20, 17, 28, and 8	R26 398 430	1.1.1.km of access road constructed	37.2km	2023/2024
Expansion of roads infrastructure	Majority of streets in the urban area are not surfaced	Surfacing of streets	4.5km of surfaced roads existing in both towns	Surfacing of Flagstaff and Lusikisiki streets	R33 049 469	1.1.3.km of surfaced streets	10km	2023/2024
Expansion of roads infrastructure	Majority of streets in the urban area are not surfaced	Surfacing of streets	1.9km completed in Flagstaff	Construction of R61surfacing Phase 2	R 9 000 000	1.1.3 km of surfaced road	0.6km	2023/2024
Maintain usefulness of roads	As roads are used and exposed to rainy weather they require rehabilitation	Rehabilitation of existing roads	817.8 km existing gravel roads	Rehabilitation of access roads in various wards	R13 000 000	1.1.4.km of rehabilitated access road	50km	2023/2024
Maintain usefulness of roads	As roads are used and exposed to rainy weather they require rehabilitation	Rehabilitation of existing roads	3 3281m ²	Pothole patching in ward15 and19	R1 200 000	1.1.4 m2 rehabilitated surfaced street	1000m2	2023/2024
Provision of sport facilities	There are constructed sport centres at villages which would promote participation in sport	Provision of sport facilities	5 sports field existing	Construction of multi-purpose facility in Ward 2	R3 000 000	1.1.5. No of multi-purpose facility constructed	1	2023/2024

Provision of water supply	There is a need for provision of water to the facilities	Maintenance of boreholes Construction of boreholes						
Maintain usefulness of sports facilities	Some sports facilities require renovations	Renovation of sports facilities	5 sport fields existing	Renovation of sports field in ward 6	R 3 500 000	1.1.7.No. of sports fields renovated	1	2023/2024
Expansion of building infrastructure	Some wards do not have community halls	Construction of community halls	32 community halls existing	Construction of community halls in ward 19 and 31	R 9 500 000	1.1.8.No of constructed community halls	2	2023/2024
Expansion of building infrastructure	Flagstaff Municipal offices requires renovation	Renovations of Flagstaff Municipal Offices	Flagstaff new offices are practically completed	Renovation of Flagstaff Municipal Offices	R 15 000 000	1.1.9. Renovated offices	1	2023/2024
Expansion of building infrastructure	Municipality requires new office buildings	Construction of new offices	Lusikisiki existing offices are dilapidated	Construction of new offices in Lusikisiki	R 60 000 000	1.1.9. Constructed offices	1	2023/2024
Provision of public lighting	There is a backlog in provision of public lighting around the whole municipal area where people resides	Provision of public lighting	335 streetlights existing in Lusikisiki and Flagstaff	Construction of streetlights in Lusikisiki and Flagstaff	R8 400 000	1.1.11 No of streetlights constructed	38	2023/2024
Maintain usefulness of public lighting	Some streetlights require maintenance	Maintenance of streetlights	335 streetlights existing	Maintenance of streetlights in Lusikisiki	R 1 700 000	1.1.12 No of streetlights maintained	50	2023/2024

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	Electrification of h/h in various wards	R 3 000 000	1.1.13 No of households electrified	187	2023/2024
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3.6 Institutional Transformation and Organizational Development

Objective: To promote Institutional Transformation and Organizational Development

KEY ISSUES/CHALLENGES	STRATEGY	BASELINE	PROJECT IDENTIFIED	BUDGET	PERFORMANCE INDICATOR	ANNUAL TARGET
Non-compliance with the BCEA & SALGBC Collective Agreement	Leave Administration	Employee Self Service in place , Leave policy adopted	Leave Reconciliation of attendance register and ESS		Number of ESS reports reconciled	4 Payday reports produced
Non-compliance with the BCEA & SALGBC Collective Agreement	Policy Development	Policies adopted	Policy review		% of Policies developed /reviewed based on departmental reports	100 % policies adopted by Council
Poor implementation of Retention and Recruitment policies	Staff provisioning	4 bulletin issued	Recruitment and Selection policy		Number of issued bulletins	4
Migration to task – job description challenges	JoB Evaluation	112 posts evaluated	Task Job Evaluation – Maintenance phase		Number of posts re-evaluated/evaluated and graded	100%

In-ability to implement and measure institutional performance	Individual Performance Management System	PMS Policy Adopted	IPMS Cascading		Percentage on signed performance and accountability agreements	100%
Improved labour Relations	Fully Functional LLF	LLF resolutions	LLF sitting		Number of LLF of meetings held	4
Proper Implementation of the workplace skills plan effectively	Community Development Empowerment	Policy by Council.	Provision of bursaries to tertiary deserving students		Number of exceptional deserving recipients	5 top achievers
Integration of EAP, OHS, HIV&TB, Safety Health Quality Risk Management services.	Integrated Wellness Programme	EAP unit is fully functional. Policy and procedures in place.	Support and Care provision to Councillors and Employees		Percentage of referrals / EAP consultations of Councilor's & Employees to be made.	20
Integration of EAP, OHS, HIV&TB, Safety Health Quality Risk Management services.	Integrated Wellness Program.	EAP unit is fully functional. Policy and procedures in place.	Implementation of the EAP education and training programs.		2 Number of EAP workshops and wellness Events conducted	4
Slow implementation of Workplace Skills Plan	Implementation of Training and Development for Employees	Adopted Policy. Adopted WSP	Implementation of Training interventions - Workplace Place Skills		Number of trainings conducted	25
Integration of EAP, OHS, HIV&TB, Safety Health Quality Risk	Integrated Wellness Program.	EAP unit is fully functional.	Implementation of physical wellness programs		No of sport activities to be done	2

		Policy and procedures in place.				
Integration of EAP, OHS, HIV&TB, Safety Health Quality Risk Management services.	Integrated Wellness Program	EAP unit is fully functional. Policy and procedures in place.	Fully functional Wellness Committee		Number of Wellness Committee Meetings	4
Integration of EAP, OHS, HIV&TB, Safety Health Quality Risk Management services	Compliance with Safety regulations	OHS unit is fully functional. Policy and procedures in place.	Promotion of routine Safe Healthy Environment.		Number of safety equipment to be maintained and Serviced	4
ICT governance and Infrastructure	Compromised ICT environment	Provision of comprehensive ICT solution.	Policies and procedures in place.		Maintenance of ICT Hardware	% of ICT Hardware maintained (Servers; workstations) per month quarter
ICT governance and Infrastructure	Compromised ICT environment	Provision and upgrade of ICT SOFTWARES	Policies and procedures in place. All ICT software licenses are up to date and monitored as per signed Service Level Agreements.		Maintenance of ICT Software licenses and upgrades	% of ICT Software licenses maintained

ICT governance and Infrastructure	Unstable Network in the IHLM area of jurisdiction	Provision of comprehensive ICT solution.	Policies and procedures in place. All Servers are monitored and maintained		Maintenance of ICT networking	Percentage of network access to 100 employees
			Website operational		Website support and maintenance	Number of Website developed and maintained
ICT Governance and Infrastructure		Facilitate sitting of ICT Steering committee	ICT Governance Committee not fully functional		Fully Functional ICT Governance Committee	Number of ICT Governance Steering Committee meetings facilitated
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		Complaints management	% of complaints managed and resolved.

Customer Relations	Low level of participation and response from complaints register and suggestion boxes by Stake holders	Customer Care Automation	Customer care Policy in place		Installation of digital sign boards	Number of digital signs installed by set date
Customer Relations	Inadequate reception facilities	Operation Frontline Office	Reception fully operational		Implementation of integrated customer care solution	% provision of uninterrupted reception services
Records and document management system	- Registry not fully functional.	Provision of records Management services.	Registry infrastructure in place.		Enhance and maintain sound	% of records transferred to the registry and archives

3.7 Planning and Development

Objective: To promote local economic development

FOCUS AREA	KEY ISSUES/CHALLENGES	OBJECTIVE	STRATEGY	BASELINE	PROJECT IDENTIFIED	BUDGET	PERFORMANCE INDICATOR	ANNUAL TARGET
Spatial Planning and Land Use Management	Encroachments and Land Invasion	To ensure integrated spatial planning and Land	Formalization as required to establish proper	2022/2027 IDP and 2019 Land Audit	Subdivision and Rezoning of Municipal Properties	R1500000	Motivational report with Layout plan	Prepared Layout Plan

		Use management in line with SPLUMA BY June 2027	structure and facilitate land release within the precinct.					
	Imbalanced spatial development and controls	To ensure integrated spatial planning and Land Use management in line with SPLUMA BY June 2027	Review Lusikisiki Precinct Plan	2018 SDF	Review Lusikisiki Precinct Plan	R300,000	Reviewed Lusikisiki Precinct Plan	Reviewed Lusikisiki precinct Plan
Spatial Planning and Land Use Management .	Compliance with SPLUMA	To ensure integrated spatial planning and Land Use management in line with	Review of 2018 SDF	Spatial Planning and Land Use Management Act 2013	Review of 2018 SDF	200 000	Council Adopted SDF	Reviewed SDF

		SPLUMA BY June 2027						
	Compliance with SPLUMA	To ensure integrated spatial planning and Land Use managem ent in line with SPLUMA BY June 2027	Joining District Planning Tribunal	Spatial Planning and Land Use Managem ent Act 2013, Municipal PLUMA by laws	Sitting of the Joint Municipal planning tribunal	90,000	Number of JMPT meetings to be held	To have 2 sittings of JMPT
Spatial Planning and Land Use Management	Encroachments and Land Invasion	To ensure integrated spatial planning and Land Use managem ent in line with SPLUMA BY June 2027	Pegging and registration of subdivisions of Municipal properties	2019 Land Audit	Pegging and registration of approved layout Plans	R550,00 0	Surveyor General Diagrams	Pegging and registration of approved layout Plans

Spatial Planning and Land Use Management	Imbalanced spatial development and controls	To ensure integrated spatial planning and Land Use management in line with SPLUMA BY June 2027	Develop Port Grovner Precinct Plan	2018 SDF	Development Port Grovnsner Precinct Plan	R450 000	Council adopted Precinct Plan	Develop Port Grovnsner Precinct Plan
		To ensure integrated spatial planning and Land Use management in line with SPLUMA BY June 2027	Installation of Spatial Intel	SPLUMA AND 2018 SDF	Spatial Intell	R750 000		
Environmental	Limited Stakeholder engagement platform	To ensure sustainable development	Facilitate the sitting of Environmental	Number of EMF to sit per year	Sitting of Environmental management Forums	R40 000.00	Total number of EMF Sitzings	Facilitate the 2 sitting of EMF

Management		ent by June 2027	Managem nt Plan					
	Lack of knowledge on environmental issues	To ensure effective compliance to NEMA	Conduct awareness campaigns on environmental education	Number of environmental awareness's to be conducted	Arbor day, Marine day, and Wetlands day	R120 000.00	Number of environmental awareness's to be conducted	Conduction of awareness campaigns on environmental education
	Funding for EIAs	To ensure sustainable development by 2027	Conducting of Environmental Impact assessment on 16 forests	NEMA Regulations	Licensing of forestry development	R1000 000.00	EIA Conduct	EIA report
	Environmental Management bylaw in place	To ensure effective Compliance with Environmental legislation	Gazetting the environmental management bylaw	NEMA & SEMAs	Gazetting of the Environmental Management bylaw	R300 000,00	Gazetted Environmental Management bylaw	Gazetting of the Environmental Management bylaw
	No environmental management policy in place	To ensure sustainable	Develop environmental	Environmental management	Development of Environmental	R 300 000,00	Environmental management Policy.	Develop environmental

		development by 2027	management policy	ent bylaw in place	management Policy			management policy
	No EMP in place	To ensure sustainable development by 2027	Develop environmental management Plan	NEMA regulations	Development of EMP	R900 000,00	Developed Environmental Management Plan	Developed Environmental Management Plan
Building Controls	Illegal building construction	To ensure a full compliance with Building regulation by-laws and SPLUMA By-Laws	Develop building plan register	Building regulation by-laws and SPLUMA By-laws	Building plan register	Revenue	Updated building plan register	1 Building plan register
			Conduction of Building inspection	Building regulation by-laws and SPLUMA By-Laws	Building inspection	n/a	Total number of contravention letters issued and inspection report	One inspection report
	Outdoor advertisement		Formalisation of illegal bill board	Building regulation by-laws and Ingquza Hill	Survey and relocation of bill boards	R300 000	Lease agreement	Lease agreements

				SPLUMA By-Laws				
Wayleaves	Installation of Wayleave with out	Ensure complianc e with SPLUMA By-Laws	Facilitate approval wayleave application	Ingquza Hill SPLUMA By-laws	Approval of way leaves	Revenue	Number of received wayleaves application	Progress report on received wayleaves applications
Human Settlement	Housing Backlogs	To Ensure the provision of sustainabl e human Settlement by 2027	Review of housing sector plan	There is existing 2012 Housing sector plan	Review of Housing sector plan	R450 000	Completed of reviewed housing sector	1 housing sector plan
			Monitor the construction of houses	There is existing 2021 Housing sector plan	Monitor the construction of houses		Progress report on constructed houses	Progress report on housing construction.
Tourism Development	Minimal Tourist attractions	To ensure IHLM as primary tourist	To host tourism event	Tourism Strategy	Annual Event/Pondoland Culture Festival, Tourism	R1 300 000.00	Hosted Event	1 hosted Tourism event

		destination by June 2027	Facilitate designs for construction of Information tourism centre for two towns	Tourism Strategy	Design for tourism information centres for both towns	R2 000 000	Completed designs	Designs for both town
			Installation of tourism sites signage	Tourism Strategy	Installation of tourism sites signage	R1 000 000	Installed signage	Tourism sites signage
	Inactiveness of Local Tourism Organization	To ensure IHLM as primary tourist destination by June 2027	Resuscitate the LTO	The is existing none functional LTO	Resuscitation of LTO	R80 000.00	Resuscitate and fully functioning LTO	Facilitate 4 LTO Meeting
Tourism Development	Poor marketing and branding of tourism products	To ensure the positioning and branding of Ingquza Hill Municipality	Develop tourism marketing plan and Branding	Tourism strategy	Tourism Marketing Plan and Branding	R1 500 000.00	Developed Marketing plan and branding	1 Tourism Marketing plan and Branding

		y by June 2027.						
	Shortage of qualified and registered Guides	To ensure tourist guides are capacitated by June 2027	Facilitate trainings	20 Previous guides trained by ECPTA	Kayaking Guides Training	R300 000.00	Number of tourist guides trained	10 tourist guides to be trained

	KEY ISSUES/CHALLENGES	OBJECTIVES	STRATEGY	BASELINE	PROJECT IDENTIFIED	BUDGET	PERFORMANCE INDICATOR	ANNUAL TARGET
FORESTRY DEVELOPMENT	Community conflicts Land Ownership	The ensure sustainable forest sector	Strategic Stakeholder mobilization	19 existing forestry plantations	Stakeholder consultation	R50,000	Number of engagement held	4 Consultative engagement
	Lack of Capacity to deal with forest sectoral issues	The ensure sustainable forest sector	Capacity building of forestry enterprises	19 existing community forests	Capacity building sessions	R50,000	Number of capacity building held	4 Capacity building sessions
	Lack of compliance with legislation	The ensure sustainable forest sector	Institutional support for policy and legislative compliance	16 community forests with EIA underway	Facilitation of license for new project	R100,000	Progress report on the application process	Progress report on the applications
	Lack of compliance with legislation	The ensure sustainable forest sector	Institutional support for policy and legislative compliance	16 community forests with EIA underway	Facilitate the development of EIA	R200 000	Progress report on the application process	Progress report on the applications
	The forest development strategy has gaps	The ensure sustainable forest sector	Review of forest and fisheries	Existing forestry strategy	Review of forestry and fisheries strategy	R350 000	Reviewed forestry and fisheries strategy	Completed Forestry and Fisheries strategy
FISHERIES SUPPORT	Inadequate support for fishing cooperatives	To ensure sustainable and viable fishing industry	To build capacity of small scale fisheries	There are 4 existing fishing cooperative	Support of fishing cooperatives with infrastructure	R500, 000	Number of fishing cooperatives supported	Provide Support to 1 fishing cooperative
SMME Development	High unemployment Rate , poverty Lack of funding	To ensure the profile	SMME Capacity building	SMME Strategy	Capacity building	R1 000 000	Number of SMME capacitated	4 Capacity building sessions

	Lack of business support.	of SMME is raised						
	Inadequate business regulations	To ensure the profile of SMME is raised	Development of Integrated Business regulations Strategy	SMME STAREGY	Development of Integrated Business regulations Strategy	R450 000	Completed Integrated Business regulations Strategy	1 Integrated Business regulations Strategy
	Inadequate business infrastructure	To ensure the profile of SMME is raised	Development of informal Trading Strategy	SMME Strategy	Development of informal Trading Strategy	R450 000	Completed informal Trading strategy	1 Integrated Formal Trading Strategy
	Inadequate infrastructure for informal Trading	To ensure the profile of SMME is raised	Provision of informal Trading infrastructure	SMME Strategy	Provision of Hawker Stalls	R300 000 00	Number of stalls provided	Planning and design of Trading space
	Lack of business skills.	To ensure cooperatives are capacitated	Capacitate local cooperatives	SMME Strategy	Capacitate local cooperatives	R400 000	Number of cooperatives capacitated	4 Capacity building sessions to be held
		To ensure cooperatives are capacitated	Training of clothing producers and	SMME Strategy	Training of clothing producers and provision of equipment	R1,500 000	Number of enterprises supported	Training of 5 clothing producers

			provision of equipment					
			Training concrete products manufacturers	Contactor Development Plan	Training concrete products manufacturers	R40 000 000	Number of concrete products manufactures	Progress report of support
Agricultural Development	Inadequate fencing of green fields and grazing	To ensure the protection and demarcation of green fields	Demarcation and Fencing of green	2 projects have already fenced	Fencing of two agricultural project	R900 000	Total number of hectares fenced	Fencing 2 projects
			Provision of inputs crop producers	There are inputs that are already provided	Provision of inputs crop producers	R1 000 000	Number of crop producers supported	To support 10 farmers
			Provide support to livestock farmers	Already livestock farmers are supported	Provision of Animal feeds Medicine, Vaccines, Chicks	R1 000 000	Number of livestock supported	To 10 livestock farmers
	Cannabis growers are noncompliant	To ensure cannabis producers are compliant	Facilitation of licenses for cannabis growers	There are existing indigenous cannabis growers	Facilitation of license application		Progress report of licensing application	Progress report of licensing application

3.8. Financial Viability and Management

Objective: To promote and enhance financial viability

FOCUS AREA	KEY ISSUES/CHALLENGES	STRATEGY	BASELINE	PROJECT IDENTIFIED	BUDGET	PERFORMANCE INDICATOR	ANNUAL TARGET
Budget planning	Budget approval	Budget planning	Approved budget with the required supporting documents by 31 May 2021.	Preparation and submission of annual budget by 31 May 2023.	N/A	Number of adopted annual budgets prepared and submitted in compliance with budget circular	1
Budget planning	Budget approval	Budget planning	Approved adjustment budget with the required supporting documents by 28 February 2023.	Preparation and submission of adjustment budget by 28 February 2023	N/A	Number of adopted adjustment budgets by 28 February 2024	1
Budget planning	Compliance with MFMA	Budget planning	Complied with the Budget Circular 2022/23	Compliance with the Budget Circular issued for 2022/23	N/A	Number of S71 reports submitted to the Mayor and Treasury with 10 working days	1
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	Preparation and submission of section 71 financial monthly reports	N/A	Number of S71 reports submitted to the Mayor and Treasury with 10 working days	12
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	Preparation and submission of Section 52 (d) quarterly reports	N/A	Number of S52 (d) reports submitted to the Mayor and Treasury within 30 days after the end of the quarter	4

FOCUS AREA	KEY ISSUES/CHALLENGES	STRATEGY	BASELINE	PROJECT IDENTIFIED	BUDGET	PERFORMANCE INDICATOR	ANNUAL TARGET
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	Preparation and submission of section 72 (mid-term) report	N/A	Number of S72 reports submitted to Mayor and Treasury by 25 January 2024	1
Budget implementation and reporting process	Preparation and submission of annual financial statements	Budget implementation and reporting process	AFS for 2021/22 were submitted on 31 August 2022	Preparations and submission of the AFS for 2022/23 by 31 August 2023	N/A	Number times the annual financial statements are submitted to Auditor General, National Treasury and Provincial Treasury by 31 August	1
Budget implementation and reporting process	Bank and grants reconciliation	Budget implementation and reporting process	Bank and grants reconciliations were prepared and submitted monthly for 2021/22 Financial year	Preparation of bank reconciliations on a Monthly basis by 2022/23.	N/A	Number of bank reconciliations prepared.	12
Expenditure management	Compliance with MFMA	Expenditure management	All invoices that were received and confirmed were paid within 30 days in 2021/22	Payment of creditors within 30 days after receipt and confirmation of invoices on a monthly basis by 2022/23	N/A	Percentage of invoices paid within 30 days after receipt and confirmation	100%

FOCUS AREA	KEY ISSUES/CHALLENGES	STRATEGY	BASELINE	PROJECT IDENTIFIED	BUDGET	PERFORMANCE INDICATOR	ANNUAL TARGET
Expenditure management	Reconciliation of accounts	Expenditure management	Creditors reconciliations were prepared and submitted monthly in 2022/23	Preparation and submission of Creditors reconciliations on a Monthly basis by 2023/24	N/A	Number of creditors' reconciliations prepared.	12
Expenditure management	Reconciliation of accounts	Expenditure management	Payroll reconciliations were prepared and submitted monthly in 2022/23	Preparation and submission of Payroll reconciliation on a monthly basis for 2023/24	N/A	Number of payroll reconciliation prepared and submitted.	12
Expenditure management	Reconciliation of accounts	Expenditure management	VAT reconciliations were prepared and submitted monthly in 2022/23	Preparation and submission of VAT reconciliation on a monthly basis in 2023/24 financial year.	N/A	Number of VAT reconciliations prepared and submitted	12
Revenue management	Low revenue base and/or collection	Revenue management	Revenue enhancement strategy has been reviewed in 2022/23 Financial year	Review of Revenue Enhancement Strategy by 30 June 23	N/A	Review of Revenue Enhancement Strategy annually in 2023/24 financial year.	1
Revenue management	Low revenue base and/or collection	Revenue management	Report on Revenue Enhancement Strategy	Preparation of report on the	N/A	Number of reports on the implementation of	12

FOCUS AREA	KEY ISSUES/CHALLENGES	STRATEGY	BASELINE	PROJECT IDENTIFIED	BUDGET	PERFORMANCE INDICATOR	ANNUAL TARGET
			was prepared in the 2020/21 FY	implementation of Revenue Enhancement Strategy		the Revenue Enhancement Strategy.	
Revenue management	Interaction with key stakeholders	Revenue management	Revenue committee meetings were held on a quarterly basis in 2020/21 FY	Sitting of Municipal Revenue Committee meetings	R 100,000.00	Number of revenue committee meetings to be held	4
Revenue management	Revenue Collection	Revenue management	Collection level is at 53%	85% Revenue Collection from all revenue sources by 2024	N/A	Percentage of Revenue collected	85% Collection
Revenue management	80% Reduction of debtors book	Revenue management	Total debtors book is R115 million	80% Reduction of debtors book	N/A	Percentage of Reduction of debtors book	80% Reduction
Free basic services	Indigent review	Free basic services	Free Basic Services indigent register review	Review of Free Basic Services indigent register by 30 June 2024	R	Review of Free Basic Services indigent register annually	1
Free basic services	Free basic services implementation plan	Free basic services	Free basic Services implementation policy in place	Report on the implementation of Free Basic Services Strategy	R 9,000,000.00	Percentage expenditure on free basic services allocation	1

FOCUS AREA	KEY ISSUES/CHALLENGES	STRATEGY	BASELINE	PROJECT IDENTIFIED	BUDGET	PERFORMANCE INDICATOR	ANNUAL TARGET
Fleet management	Fleet management implementation plan	Fleet management	Fleet Management Policy in place	Preparation of report on the implementation of the Fleet Management Plan	R 5,000,000.00	Number of reports on implementation of the Fleet Management Plan	6
Asset management	Compliance with MFMA section 63	Asset management	Fixed Asset Register is updated monthly and submitted with the AFS to AG	Updating and submission of GRAP compliant Fixed Asset Register	R 1,000,000.00	Number of GRAP compliant Fixed Asset Register prepared and submitted to National Treasury and Auditor General by 31 August 2023	12
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	Preparation of monthly reports on insurance of all municipal assets	R 2,500,000.00	Number of reports prepared on the insurance of municipal assets	12
Supply chain management	Compliance with MFMA	Supply chain management	The report is prepared in compliance with MFMA regulation 6. Reports are prepared monthly	Preparation and submission of quarterly report on SCM processes	N/A	Number of quarterly reports submitted to the Mayor and Treasury	12

FOCUS AREA	KEY ISSUES/CHALLENGES	STRATEGY	BASELINE	PROJECT IDENTIFIED	BUDGET	PERFORMANCE INDICATOR	ANNUAL TARGET
Supply chain management	Procurement plan	Supply chain management	Procurement plan was implemented on a monthly basis in 2020/21 financial year	Preparation and submission of the progress report on the implementation of procurement plan	N/A	Number of reports prepared on implementation of procurement plan	12
Supply chain management	Contract management	Supply chain management	Contractor performance assessment report was prepared in 2020/21 financial year	Preparation and submission of a report on the assessment of contractor performance	N/A	Number of reports on the assessment of contractor performance prepared	12
Supply chain management	Contract management	Supply chain management	Contract register is in place and has been updated for 2021/22 financial year	Preparation and submission of report on updating of contract management register	N/A	Number of reports on updating of contract management register to be prepared	12

3.9 Municipal Manager's office

Objectives: To promote good governance and public participation

FOCUS AREA	KEY ISSUES/CHALLENGES	STRATEGY	BASELINE	PROJECT IDENTIFIED	BUDGET	PERFORMANCE INDICATOR	ANNUAL TARGET
Monitoring and evaluation	Deficiencies in MFMA compliance and internal controls on PMS	Monitoring and evaluation of projects	Adopted IDP,PMS Policy	Review of PMS policy to include monitoring and evaluation	R0.00	PMS Monthly, Quarterly and Annual Reports	1
Integrated Development Planning and Intergovernmental relations(IDP & IGR)	Integration and collaboration with stakeholders Adherence to the IDP, PMS & Budget process plan.	Review of the IDP document 2023-2024	Adopted IDP	Annual IDP Review	R0. 00	Number of documents to be adopted	1
		IDP Representative Forum Meetings	Adopted IDP	Annual Review	R0. 00	Number of IDP Rep Forum to be held	8
	Poor participation and involvement in integration of plans and implementation of programs	Strengthen the IGR forum	IGR framework and District IGR Policy	IGR Policy Review and IGR terms of reference	R0.00	Number of IGR policies and terms of reference to be reviewed	1

FOCUS AREA	KEY ISSUES/CHALLENGES	STRATEGY	BASELINE	PROJECT IDENTIFIED	BUDGET	PERFORMANCE INDICATOR	ANNUAL TARGET
		Strengthen the IGR forum	IGR framework and District IGR Policy	Conduct work shop on the IGR policy	R0. 00	Number of workshops on IGR policy and terms of reference to be conducted	1
		Sitting of IGR Forum	IGR framework and District IGR Policy	Implementation of IGR policy	R0.00	Number of IGR fora	4
Communications	Poor communication	Crisis Communication Plan, Social Media Policy & Branding Policy	Reviewed Communication Strategy , adopted communication policy	Enforcement of communication policy	0	Internal Communicators Forum	1
Communications	None availability of Communication equipment	Minimised outsourced services, have full control of municipal material and publications	1 motor vehicle, digital camera, video camera and branding material	Procure modern technology equipment	R1 500.000	New Communication Equipment	1

FOCUS AREA	KEY ISSUES/CHALLENGES	STRATEGY	BASELINE	PROJECT IDENTIFIED	BUDGET	PERFORMANCE INDICATOR	ANNUAL TARGET
Communications	Lack of communication Technical Skills	Personnel skills enhancement /augmentation	Trained / Skilled Personnel	Train Communication personnel on Graphic Designing , protocol, Social Media marketing	0	Training Attendance Register	1
Communications	Lack of cohesive corporate branding-	Corporate colours and logo designs	Logo and Corporate colours	Review corporate image and corporate colours	R200 000	Report to the MM on review of Corporate Image	1
Internal Audit	Weaknesses in system of internal controls	Implementation of internal Audit plan	Internal Audit Charter	Implementation of Internal Audit Plan	n/a	Monthly Internal Audit Report	12
Risk Management	Weaknesses in system of internal controls	Integrated Risk Management.	Risk Management Policy	Change current Risk Management Committee into Risk Management & Compliance Committee	R200 000	Risk Management and Compliance Committee	1
Risk Management	Weaknesses in system of internal controls	Integrated Risk	Risk Management Policy	Establish Whistle Blowing Hotline service	R300 000	Active Whistle blowing hotline	1

FOCUS AREA	KEY ISSUES/CHALLENGES	STRATEGY	BASELINE	PROJECT IDENTIFIED	BUDGET	PERFORMANCE INDICATOR	ANNUAL TARGET
		Management					
Youth coordination	Lack of integrated youth programs	Review Youth development strategy and policy	Youth coordinator and youth council	Develop Annual Youth Program of Action and get approval from youth Council		Number of Youth Development programmes to be held	4
Special programs	No SPU policy in place Non-integration of programs Lack of staff	Mainstreaming of SPU across all municipal functions Populating the organogram for SPU	District SPU framework	Development of SPU Policy and mainstreaming of programs according to designated groups	R2 427 960	Adopted SPU Policy	1
Translation of municipal documents	Domination of usage of Western Languages	Review of Language Policy	Adopted Language Policy	1) Promote isiXhosa Language, 2) Promote Language Awareness	R0,00	Number of translated documents	1

FOCUS AREA	KEY ISSUES/CHALLENGES	STRATEGY	BASELINE	PROJECT IDENTIFIED	BUDGET	PERFORMANCE INDICATOR	ANNUAL TARGET
				Campaign for the Deaf and blind, and 3) Training of frontline staff on Sign Language			
Legal services	Non -involvement of legal services on contract negotiations	Inclusive Contract Management	Contract register	Perusal and review of Contracts	0,00	Number of reviewed and new contracts	1
Legal Services	Litigations Management	Legal Management Policy Development	Case Register	Escalation of legal matters to Legal Services Office	000	Legal Policy development and adoption by Council	1
Council support	Lack of oversight in the Council structures	Capacity building of all oversight structures (to ensure its efficiency and	Adopted standing rules and order	Conduct on going workshop on municipal legislation and standing rules and orders	R,00	Number of legislation workshops to be held	1

FOCUS AREA	KEY ISSUES/CHALLENGES	STRATEGY	BASELINE	PROJECT IDENTIFIED	BUDGET	PERFORMANCE INDICATOR	ANNUAL TARGET
		effectiveness)					
Council support	Non adherence to council calendar	Review of standing rules and orders	Council calendar	Execution of standing orders	R,00	Number of meetings and reports presented to the council as per council calendar	12
Public participation	Ineffective participation by community members	Ensure effective public participation and communications	Public participation policy	Development of public participation strategy	R,00	Number of documents developed	1
Public participation	Ineffective participation by community members	Enhancing community/ public involvement in government and Municipal programmes	Public participation policy	Conduct Civil education and awareness campaigns on public participation	R0,00	Number of civil and education campaigns conducted	1

FOCUS AREA	KEY ISSUES/CHALLENGES	STRATEGY	BASELINE	PROJECT IDENTIFIED	BUDGET	PERFORMANCE INDICATOR	ANNUAL TARGET
Public Participation	Ineffective participation by community members	Enhancing community/ public involvement in government and Municipal programmes	Public participation policy	Development of Stakeholder Engagement Strategy	R0, 00	Number of Stakeholder Engagement to be conducted	1

3.10 SOCIAL SERVICES

Objective: To provide effective, efficient and sustainable community support services.

FOCUS AREA	KEY ISSUES/CHALLENGES	STRATEGY	BASELINE	PROJECT IDENTIFIED	BUDGET	PERFORMANCE INDICATOR	ANNUAL TARGET
Crime Prevention	Lack of Community Participation	Community Mobilization	Passive citizens participation in crime prevention	Integrated Community Safety Plan	R400 000	Credible Integrated Community Safety Plan	4
				Community Safety Forum	R80 000	Number of times Community Safety Plan is conducted	1
				Crime prevention awareness	R500 000	Number of awareness campaigns	4
	Unoccupied government and private buildings	Occupants and Demolitions	Criminals occupied these buildings	Facilitate usage of municipal and public works structures	Nil	Number of buildings leased out	3
				Facilitate demolition of unoccupied buildings	Nil	Number of unoccupied buildings demolition	1
				Random law enforcement operations	20 000	Number of operations	4
	Poor Law enforcement	Improve Law	Lack of plan in bylaw	Facilitate bylaw reviews and workshops on enforcement	100 000	Number of times bylaws are reviewed	1

		enforcement	enforcement				
		Empowerment of peace officers	Only traffic officers appointed as peace officers	Training and appointment of peace officers	200 000	Number of personnel trained and appointed as peace officers	10
				Facilitate formation of law enforcement committee	300 000	Number of committee meetings	4
		Empowerment of citizen based policing	Community Policing Forums required support with working tools	Strengthening of Community Policing Forums	R100 000	Number of CPF structure supported	2
Asset protection	Theft of municipal assets	Proactive policing and vigilance	Common incidents of theft with the municipality	Guarding of municipal premises	R0.00	Number of premises guarded	6
				Facilitate proper fencing of municipal premise		Number of times fencing is maintained	

				Installation of Closed Circuit Television	R900 000	Number of premises provided with cameras	3
				Provision of safe for firearms		Number of safe for firearms secured	2
Strengthening of safety and security	Capacity building	Provision of working tools, equipment and skills.	Incapacitated building of entire security personnel (Skilling	Provision of refresher causes and training	R200 000	Number of times personnel trained for advance driving, firearm training	1
Beach Safety Management	Lifesaving	Provision of manpower	Lifeguards are available everyday	Contracting lifeguards	R1 000 000	Number of lifeguards and coastal patrollers deployed	30
				Facilitate training of lifeguards	250 000	Number of training conducted	1
		Provision of tools of trade	Insufficient tools of trade	Provision of life guards equipment	R1 000 000	Number of times lifeguards equipment provided	1
Traffic Services	Traffic Safety	Traffic law enforcement	The compliance with traffic regulation is low	Issuing of traffic fines	R900 000	Number of traffic fines issued	2000
				Installation of parking billing system	200 000	Number of park billings installed	40
				Facilitate installation of traffic lights and circles		Number of Circles	4

				Facilitate establishment of transport forum	80 000	Number of times forum sits	4
				Breakdown for the Department	2 000 000	Number of Breakdowns	1
				Road block equipment	10 000	Number of times equipment is secured	1
				Identify and facilitate bypasses		Number of by-passes identified	1
				Provision and maintenance of road signs and road markings	300 000	Number of times road signs and markings are maintained	2
Registration and licensing of drivers and motor vehicles	Vehicle Licensing and registration & driver licensing	Constant services provision	Registering authority in place	Renewal of motor vehicle licenses	R1 500 000	Number of motor vehicles licensed	5 000
		Fully fledged service center	The upgraded DLTC is under construction	Examination of driving licenses applicants	R1 000 000	Number of driving license applicants examined.	2 000
				Examination of learners licence applicants	R1 500 000	Number of learners licence applicants examined.	2 000
	Vehicle Roadworthy Examination	Promotion of vehicle roadworthiness	VTS is under construction	Examination of vehicles	R1 500 000	Number of vehicle examined.	3 000

Disaster Management	Disaster awareness	Provision of disaster risk awareness	The area is prone to both natural disasters such as tornados, lightning and floods; and to man-made disasters such as veld fires	Awareness campaigns	R500 000	Number of awareness campaigns conducted	4
	Disaster meetings	Provision of disaster risk pre-cautions	The area is prone to natural and man-made disasters	Disaster Management plan review	R300 000	Number of times Disaster Management Plan is reviewed	1
	Disaster relief	Provision of speedy response	Relief material is being provided to the victims	Provision of coordinated relief	R1 500 000	Number of times material is procured	1
Library Services	Libraries accessibility	Marketing	Literary rate is low	Library usage promotion	R0.00	Number of patrons utilizing libraries	12 000
				Library advocacy in schools	R0.00	Number of schools visited 16 Wards	18

				Honouring LIASA Calendar of events	R100 000	Number of LIASA Calendar events held	3
				Procurement of computers			12
			No periodicals section in Libraries	Subscription on newspapers	R10 000		
				Facilitate provision of a furniture for all libraries			1
	Insufficient libraries	Construction of fully fledged library	Lack of fully fledged library	Construction of a fully-fledged library	R3 000 000	Construction of fully fledged library	1
Waste management	Effective waste information management and reporting	Review of Integrated waste management plan	There is credible IWMP covering period of 2021-2025	Review of an IWMP	R500 000	Credible IWMP	1
		Data of waste generated	Waste characterisation was done once in the municipality	Waste characterisation	R20 000	Number of times waste characterisation is done	1
	Illegal dumping of waste	Curbing of illegal	High prevalence	provision of skip bins,	R300 000	Provision of skip bins,	10

		dumping sites	of Illegal dumping	Street bins review by laws and be enforced	R800 000 R100 000	Street litter bins, Review of Waste by-laws.	100 1
				Waste management awareness	R500 000	Number of Awareness Campaigns conducted.	4
			There is no adequate waste management equipment	Provision of waste management equipment (Skip Loader, TLB, Tipper truck	R20 000 000	Procurement of Excavator, TLB, Tipper Truck, Compactor truck.	1
	waste infrastructure master plan.	Construction and maintenance of waste management infrastructure	Lack of waste infrastructure master plan.	Develop a waste infrastructure master plan.	R400 000	Credible waste management infrastructure master plan.	1
	Limited recycling initiatives	Increase recycling initiatives	Two Buy Back Centers for the whole area	Support BBCs	R1 000 000	Construction of Buy Back Centres	1
				Provide Waste Drop-Off Centers	R600 000	Provision of 6 Waste Drop off Centres,	1

				Composting	R300 000	Number of composting done in the municipality	2
				Purchase 2 bakkies for waste collection	R1, 200 000	Number of times vehicles procured	2
				Wheelie bins	1 000 000	Number of wheelie bins are procured	100
	Equipping of waste management personnel	Protection of employees	Shortage of working tools, safety equipment and skills.	Provision of protective clothing and uniform	R2 000 000	Number of times personnel provided with protective clothing and uniform	1
Parks	Old dry foreign invasive trees	Removal of old and dangerous trees	The long and old trees are posing danger to the community properties	Tree felling	R3 500 000	Number of trees removed	30
	Unbeautified town surroundings and overgrown vegetation	Face lifting of both towns	No clear town entrance greening and landscaping	Town Beautification, Grass Cutting. Purchase of Grass cutting machines and tractor mounted lawn mower	12 000 000 R500 000	Number of entrances beautified Purchase of Grass cutting machines mounted lawn mower	1 6

				Facilitate removal of alien species on			
Cemetery Management	Unprotected Cemeteries	Fencing of cemeteries	Unprotected cemeteries	Yard fencing with guard rooms and ablution facilities	4 000 000	Number of cemeteries fenced	2
	Identification of graves	SmartMun cemetery management programme	Poor grave identification	Procurement and maintenance of cemetery layout	R1 300 000	Provision of Cemetery layout	1
Pound	Stolen and forceful taking of impounded animals by owners	Increase security measures and professionalise the services	Impounded animals are stolen by owners and forcefully taken away from ranger by owners	Erection of guardrooms and security patrols and fencing	500 000	Number of erected guardrooms	2
			Ineffective pounding of animals	Procurement of pound management services	R600 000	Procurement of pound management services	2
			Pound medicine and feed				
			Land acquisition				

			for Lusikisiki pound				
Community Halls	Shortage of hall chairs	Provide chairs for community halls	Certain community halls without chairs	Procurement of chairs	R2 500 000	Number of chairs are procured	1 000

3.11. SECTOR DEPARTMENTS PROGRAMS

3.11.1. 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	<ul style="list-style-type: none"> ○ 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 has been submitted for our comments.
2. EC Mkhambathi Nature Reserve Precinct Development Project	R 17 000 000.00	Ingquza Hill LM	<ul style="list-style-type: none"> ○ Project implementer not yet appointed
PLANNED PROJECT ENVIRONMENTAL OUTPUTS AND DELIVERABLES	<ul style="list-style-type: none"> ○ Development of Infrastructure in and around the Mkhambathi Nature Reserve ○ Upgrading of access Road ○ Construction of Admin Block 		

3.11.2 Department of Rural Development and Agrarian Reforms

Programme	Project Name	Ward	Activity	Budget (R)	Remarks
CASP	Ingquza Hill Productive Areas	10; 11; 16; 21; 29; 26	<ul style="list-style-type: none"> Supply and delivery of material for fencing of arable lands at Qhamangweni (2 Blocks) –Bodweni (4 Blocks), Mangquzu, Lubala, KwaNyuswa, Mgxekwa & Nkunzimbini. The total perimeter = 40.40km Procurement of labour 	1 337 291-00	<u>Lubala Fencing</u> <ul style="list-style-type: none"> Completed <u>Qhamangweni Fencing</u> <ul style="list-style-type: none"> Still continuing <u>Bodweni Fencing</u> <ul style="list-style-type: none"> Still continuing <u>Mangquzu Fencing</u> <ul style="list-style-type: none"> Still continuing <u>Mgxekwa Fencing</u> <ul style="list-style-type: none"> Completed <u>Nkunzimbini Fencing</u> <ul style="list-style-type: none"> Completed <u>KwaNyuswa Fencing</u> <ul style="list-style-type: none"> Completed
CASP	Xhurha Red Meat Shearing Shed & Xhurha Red Meat Dip Tank	17	<ul style="list-style-type: none"> Renovation of a shearing shed & provision of shearing equipment Construction of a smallstock dip tank Renovation of a cattle spray race 	1 001 377-00	Completed
CASP	Mketengeni Dip Tank	28	<ul style="list-style-type: none"> Supply of material & labour for the renovation of a cattle dip tank Procurement of labour 	198 189-00	Completed
Food Security	Cropping Programme	All	<ul style="list-style-type: none"> Planting of grain in the arable lands on 1 544ha 	4 940 800-00	Planted = 1524ha

Food Security	Households	All	<ul style="list-style-type: none"> Procurement Of Vegetable Inputs For 900 Subsistence Producers For Home Consumption 	1 800 000-00	Vegetable inputs were delivered
Food Security	Livestock Feed	11; 21	<ul style="list-style-type: none"> Support Mxhokozweni Youth Primary Co-operative & Ngebhe Poultry Project with poultry feed 	140 000-00	Feed was delivered
Food Security	Livestock Feed	22; 31	<ul style="list-style-type: none"> Support Esihle Piggery & Tabalaza Piggery with pig feed 	180 000-00	Feed was delivered
Food Security	Ingquza Hill Vegetable	1; 8; 9; 11; 13; 15; 16; 18; 20; 22; 25; 30	<ul style="list-style-type: none"> Supporting local vegetable producers with seedlings 	500 000-00	Seedlings were delivered

Department of Rural Development and Agrarian Reforms - 2023/2024 Implementation Plan

Programme	Project Name	Ward	Budget (R)	Activity
Food Security	Cropping Programme	All	3 753 000-00	<ul style="list-style-type: none"> Food Security Programme to assist with planting of crops in arable lands The Department supplies a grant for purchasing of production inputs at R4 500-00 per hectare The plan for the 2023/2024 FY = 834ha Targets Smallholder Farmers
Food Security	Households	All	1 800 000-00	<ul style="list-style-type: none"> Food Security Programme to assist with provision of vegetable inputs for household gardens Targets Subsistence Farmers

				<ul style="list-style-type: none"> The plan for 2023/2024 FY = 900 Households
CASP	AmaJabangqa Agricultural Primary Co-op	18	1 010 000-00	<ul style="list-style-type: none"> Fencing of a small irrigation project Construction of an irrigation system for a small irrigation project
CASP	Ingquza Hill Productive Areas (Continuation)	10; 11	246 000-00	<ul style="list-style-type: none"> Completion of Bodweni, Qhamangweni And Mangquzu Fences for 12km (2022/2023) Payment of casual labourers Delivery of protective clothing in Ingquza Hill Local Municipality
CASP	Mangquzu Dip Tank	10	96 000-00	<ul style="list-style-type: none"> Renovation of a cattle dip tank
CASP	Mkhamela Dip Tank	25	96 000-00	<ul style="list-style-type: none"> Renovation of a cattle dip tank
CASP	Puffadder Dip Tank	30	96 000-00	<ul style="list-style-type: none"> Renovation of a cattle dip tank
CASP	DIambula Dip Tank	32	96 000-00	<ul style="list-style-type: none"> Renovation of a cattle dip tank

3.11.3. Eskom

Ingquza Hill 2022/2023 Current Rolling Plan

Project Name	Project Type	DMRE TOTAL Planned CAPEX Incl 15% VAT 2022/2023 as at February 2023	Capex YTD Actual -incl VAT 15% as at February 2023	TOTAL Planned Connections 2023/2024	Conn YTD Actual
Ingquza Hill Extensions	Household	R23 134 238.00	R 4 009 357.00	500	20

Ingquza Hill Type 1 Infills	Infills	R 1 577 143.00	R 862 962.00	200	185
Ingquza Hill Pre-engineering (2023/24 Plan)	Pre-engineering	R 1 040 476.00	R 672 750.00		These fees are used to do survey and designs for 2023/2024 beneficiaries
TOTAL		R25 751 857.00	R 5 545 070.00	700	205

Ingquza Hill 2023/ 2024 Draft Plan

Project Name	Project Type	DMRE TOTAL Planned CAPEX Excl 15% VAT 2023/2024	DMRE TOTAL Planned CAPEX Incl 15% VAT INC ADMIN 2023/2024	TOTAL Planned Connections 2023/2024	Beneficiaries
Ingquza Hill Extensions	Household	R25 152 000.00	R28 924 800.00	875	Thwasi, Ndimakude, Bhalasi, Ndakeni, JB, Mphumaze, Bumasi, Eqhoghweni, Mzondeni, Ngquza, Manqilo, Kwa-Bhala, Patari, Mthentu, Mhlezwini, Ngxambani, Gorha, Lower Hlabathi, Kwa Cele, Buhlanyanga, Esikhulu, Diki, Etyeni, Mkhamela, Tshonya, Kroshasi, Mkhamela, Kwa -Thahle, Nobadula, Thakanelo, Didi, Ntongwana, Nyembezini, Phumlo, Qawukeni Great Place, Xhorana & Mvimvana
Ingquza Hill Type 1 Infills	Infills	R 588 000.00	R 676 200.00	84	

Ingquza Hill Pre-engineering (2024/2025)	Pre-engineering	R 585 000.00	R 672 750.00		
Ingquza Hill Pre-engineering Schedule 5B (2024/2025)	Pre-engineering	R 190 000.00	R 218 500.00		
TOTAL		R26 515 000.00	R30 492 270.00	959	

Ingquza Hill 2024/2025 Draft Plan

Project Name	Project Type	DMRE TOTAL Planned CAPEX Excl 15% VAT 2024/2025	DMRE TOTAL Planned CAPEX Incl 15% VAT INC ADMIN 2024/2025	TOTAL Planned Connections 2024/2025	Comments
Ingquza Hill Extensions	Household	R18 600 000.00	R21 390 000.00	600	Villages have been GPSED already
Ingquza Hill Pre-engineering (2025/26 Plan)	Pre-engineering	R 400 000.00	R 460 000.00		These fees are used to design for 2025/2026 beneficiaries
Ingquza Hill Schedule 5B Pre-Engineering	Pre-engineering	R 200 000.00	R 230 000.00		Funds are planning for energizing Ingquza Hill Schedule 5B project
Ingquza Hill Type 1 Infills	Infills	R 1 700 000.00	R 9 55 000.00	100	

TOTAL		R20 900 000.00	R24 035 000.00	700	
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3.11.4. Department of Public Works- EPWP

EPWP MUNICIPAL ANNUAL TARGETS 2023/24

PUBLIC BODY	INFRASTRUCTURE SECTOR		ENVIRONMENTAL AND CULTURE SECTOR		SOCIAL SECTOR		WO TARGETS	FTE TARGETS
	WO	FTE	WO	FTE	WO	FTE		
OR Tambo	3 414	1 128	449	201	134	51	3,997	1,380
Ingquza Hill	292	97	159	56	-	-	451	153
KSD LM	464	153	549	251	46	18	1,059	422
Mhlontlo LM	237	78	177	65	-	-	414	143
Nyandeni	327	108	186	70	50	19	563	197

PSJ LM	184	61	211	82	-	-	395	143
Totals	4,918	1,625	1,731	725	230	88	6879	2438

MUNICIPAL PERFORMANCE REPORT - EPWP PHASE IV

Financial Year	WO Target	FTE Target	PROJ Reported	W/O Reported	FTE Reported	YOUTH Reported	WOMEN Reported	DISABILITY Reported	% W/O Reported	% FTE Reported
2019-2020	4522	15353	4	140	53	42%	58%	0	31%	53%
2020-2021	450	143	6	256	79	44%	69%	0	57%	55%
2021-2022	452	152	10	193	69	49%	50%	0,52%	43%	45%
2022-2023	451	153	5	197	6	59%	36%	0	47%	4%
2023-2024	451	153								

- Municipality has never achieved the set targets both work opportunities and full time equivalent.
- This is one of the municipalities that is in red in the province, the challenge is that few work opportunities are created in the infrastructure sector.
- FTEs are affected by late implementation of the projects and late reporting. We need to allocate budget in all departments for the implementation of the EPWP projects to improve our performance and implement projects that are labour intensive.
- Establish the EPWP municipal steering committee that will assist in the implementation of the programme.

2021/22 IG ALLOCATION vs -2022/23 AND 2023/24 ALLOCATIONS

Public Body Name	2021/22	2022/23		2023/24	
O.R.TAMBO REGION	Amount (R'000)	Amount (R'000)	FTE Target	Amount (R'000)	Variance
O.R.TAMBO DM	R 9 245	R 11 542	1380	R6 809	R4 733
INGQUZA HILL LM	R 1 385	R 1 616	153	R1 184	R432 000
KING SABATA DALINDYEBO LM	R 3 764	R 4 191	422	R4 238	R4700
MHLONTLO LM	R 2 321	R 2 300	143	R 1 754	R546 000
NYANDENI LM	R 1 716	R 1 859	197	R 1 707	R152 000
PORT ST JOHNS LM	R 1 593	R 1 582	143	R 1 555	R27 000
TOTAL	R20 024 000	R 23 090	2438	R 17 247	R5 809, 000.00

PLANNED DPWI EPWP PROJECTS FOR 2023/2024 FINANCIAL YEAR

PROJECT/ PROGRAMME	DURATION	TARGET GROUPS	W/O CREATED	PLACEMENT	BUDGET
Accelerated Professional Artisan Competency Development Programme (APTCOD) (250)	3 Year contract	<ul style="list-style-type: none"> Youth (18 – 43yrs) TVET college students with minimum qualification of N2 for Brick laying, Carpentry , plumbing, N3 for electrical and mechanical Grade 9 in painting and welding. 	41	Depot	R1 476 000.00

National Youth Service (NYS) (18)	18 Months Contract	Unemployed Community: * Women – 60% * Youth – 55% * Disabled – 2%	6	Depot	172 800.00
Building Maintenance	12 Months	• Youth (18 – 35yrs)	20	Lusikisiki College Health Centre Flagstaff Depot	349 056.00
Security	1 Years	Employed: • Dikha Solution • Meyiwa Security & Silver Solutions	12	Depot	849 600.00
TOTAL			• 79		2 847 456.00

Challenges and Recommendations

CHALLENGE	PROPOSED SOLUTION	INTERVENTION REQUIRED / COMMENTS
• Infrastructure projects are not labour intensive designed	- To design labour intensive Projects	- Technical support is available for Labour intensive project designs
• Late implementation of Projects	▪ Implement in the first quarter all EPWP projects	- To provide technical support from NDPWI when need

<ul style="list-style-type: none"> • Lack of EPWP coordination 	<ul style="list-style-type: none"> ▪ Establishment of the Municipal steering committee 	<ul style="list-style-type: none"> - DPWI to conduct induction and provide support to the committee
<ul style="list-style-type: none"> • EPWP Policy not adopted 	<ul style="list-style-type: none"> ▪ Adoption of the EPWP policy by council 	<ul style="list-style-type: none"> - Policy has been aligned with phase IV, monitor policy implementation
<ul style="list-style-type: none"> • No dedicated capacity for the reporting or EPWP projects 	<ul style="list-style-type: none"> ▪ Appoint/allocate data capturers for the data capturing and collection 	<ul style="list-style-type: none"> - Provide data capturing support when needed

3.11.5. SANRAL

Msikaba Bridge: Targets versus Progress

	Targets	Actual to Date
Construction Value	R 1,719 billion (Excl. VAT, excl. CPA)	<ul style="list-style-type: none"> • R R 1,199,575,147.09 (69,7.0% by value) • Jan 2023, certificate 47 <ul style="list-style-type: none"> • Excl. VAT, excl. CPA
Construction Start Date	January 2019	
Construction End Date	May 2023	<ul style="list-style-type: none"> • November 2024 (18 months behind schedule).
Targeted Labour	5% R 86,0 million	<p>At the end of January 2023</p> <ul style="list-style-type: none"> • 91.2% of 5% CPG target achieved. • R 78,4 million (excl. VAT) in wages. • Staff = 80,3% local employed persons • 411 Local persons employed (of 515 total) • 137 By main contractor • 274 by Sub-Contractors • 255/156 Unskilled/Skilled
	30% Youth	<ul style="list-style-type: none"> • 155,2% of target achieved.

	30% Women	<ul style="list-style-type: none"> • 64,9% of target achieved.
Targeted Enterprises (TEs)	30% R 515,8 million	<ul style="list-style-type: none"> • R 461,0 million (89,4 % of target). • 114 SMME Targeted Enterprises: • 28 suppliers. • 52 service providers. • 34 sub-contractors.
TA 1: Ingquza Hill	20% Women owned	70,3%
TA 2: OR Tambo, Alfred Nzo	20% Youth owned	19,1%
	50% TA 1 and 2	161,2%
	4% CIDB 1 and 2, TA1	130,5%
	6% CIDB 3, 4 and 5, TA 2	17,2%
	10% CIDB 6 and 7, TA 2	89,6%
	50% CIDB 1 to 7, any area	101.6%
	30% of TE Suppliers, TA 1	89.75%
	50% of TE Suppliers, TA 1 and 2	100.0%

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 4 million
35-38		Trees smaller than 300mm to road reserve	4 x Grade 2 & Gr 1	R 3 million
19,20,21	Bush Clearing West of Mzimvubu river	Trees above 300mm girth to stockpile	3 x Grade 3	R 7,5 million
29-34		Trees smaller than 300mm to road reserve	6 x Grade 2 & Gr 1	R 4 million
22	Ndwalane / Ntafufu	19 km	5	R 7 ,4 million
23	Lusikisiki bypass	5 km	6	R 13 ,3 million
24	Lusikisiki / Zalu	14 km	6	R 14 ,1 million
25	Bukazi / Flagstaff	14 km	6	R 14 ,5 million
26	Flagstaff town bypass / Holy Cross	32 km	5	R 8 million
				R76 million

Actions currently being undertaken by SANRAL

- Provincial road R61, also known as District Road DR08004 and DR08005, from Tombo outside of Port St Johns to the town of Port St Johns and to Mzamba at the Umtamvuna River on the KZN border.

- Under the Msikaba Bridge Contract SMMEs are working on various sections of the R61 to effect repairs as shown below

Package	Brief Description	Scope	CIDB Grade	Approx. Budget
22	R61 - Ndwalane to Ntafufu	19 km	5	R 7 ,4 million
23	R61 - Lusikisiki bypass	5 km	6	R 13 ,3 million
24	R61 – Lusikisiki to Zalu	14 km	6	R 14 ,1 million
25	R61 - Bukazi to Flagstaff	14 km	6	R 14 ,5 million
26	R61 - Flagstaff town bypass / Holy Cross	32 km	5	R 8.0 million
				R57.3 million

- Contractor appointed on Thursday, 3 November 2022 to maintain the remaining sections using Urgent procurement. Limited scope and limited budget (R 44 million)

FUTURE r61 Projects PLANNED by SANRAL

Type	Project Number	Description	Status	Financial Year start
Routine Maintenance	X.003-071-2024/1	RRM R61 Ndwalane to Mtamvuna River for 36 months	Procurement	2023/24 (C)
Strengthening	R.061-080-2024/1	R61 section 8 from Tombo (km0) to Port St Johns (11.74km)	Pre-Design	2024/25 (D) 2026/27 (C)

Strengthening	R.061-080-2024/2	R61 section 8X from Mzimvubu River (km0) to Ndwalane (17.25km)	Pre-Design	2025/26 (D) 2027/28 (C)
Strengthening	R.061-090-2024/1	R61 section 9 from Lusikisiki (km0) to R394 Junction (Magusheni) (73.99km)	Pre-Design	2026/27 (D) 2028/29 (C)
Improvements	R.061-100-2024/1	R61 section 10 from R394 Junction (km0) to Mtamvuna River (80.54km)	Pre-Design	2023/24 (D) 2025/26 (C)

N2WC Road – Procurement Progress

Group	WBS Element	Description	Status	Consultant	Contractor
Community Dev.	C.003-029-2013/1	R61/9 Gozo Forest Clinic	Procurement	MBSA	(APP22/23)
Community Dev.	C.003-033-2016/1	R61/9 Mbotyi to Mazizi and Ped. Walkways (km1.6 - km20.2)	Procurement	GG&G	(APP22/23)
Community Dev.	C.003-060-2019/1	Mtentu Community Program	Included under Mtentu Bridge	HVA JV	CCCC-MECSA JV
Community Dev.	C.003-073-2022/1	Ntafufu Service Road, N2/19 (km0 - km8.5) - 8.5km	Procurement	LA Engineers	(APP22/23)
New Facilities	N.002-190-2016/1	N2WCR - Ndwalane I/c to Ntafufu, N2/19 (km75.6 to km92.3)	Design	V3	(APP24/25)
New Facilities	N.002-190-2016/1AR	N2WCR - Ndwalane I/c to Ntafufu - Access Roads	Design	V3	(APP23/24)
New Facilities	N.002-190-2016/1M	N2WCR - Ndwalane I/c to Ntafufu - Material Sources	Tender cancelled	V3	Re-tender
Ad Hoc Maint.	N.002-191-2019/1	N2WCR - Biodiversity Offset Program	Implimentation	EC Parks and Tourism	n.a.

New Facilities	N.002-200-2016/1	N2WCR - Lingeni to Msikaba Bridge, N2/20 (km7.5 to km21.6)	Tender Constr. Awarded	Zutari SA	WBHO-Edwin JV
New Facilities	N.002-200-2016/1-AR1	N2WCR - Lingeni l/c (km15.40) to Msikaba Bridge (km 33.02) - Access Roads 1	Tender cancelled2 nd tier under package 4	Zutari SA	23/24
New Facilities	N.002-200-2016/2	N2WCR - Msikaba Bridge, N2/20 (km21.6 to km38.2)	Construction	HVA JV	Concor MECSA JV
New Facilities	N.002-200-2016/3	N2WCR - Msikaba to Mtentu Bridge, N2/20 (km38.2 to km45.7)	Construction	Knight Piesold	WBHO-H&I JV
New Facilities	N.002-200-2016/3-AR1	N2WCR - Ingquza Hill Access Road - Access Roads 1	Tender Cancelled.	Knight Piesold	Re-tender
New Facilities	N.002-200-2017/1	N2WCR - Bambisana to Lingeni, N2/20 (km4.9 to km15.4)	Design	Naidu Consulting	(APP23/24)
New Facilities	N.002-200-2017/1M	N2WCR - Bambisana to Lingeni - Material Sources 1	Tender Cancelled	Naidu Consulting	Re-tender
New Facilities	N.002-200-2017/AR1	N2WCR - Bambisana to Lingeni - Access Roads 1	Design	Naidu Consulting	(APP23/24)
New Facilities	N.002-200-2017/AR2	N2WCR - Bambisana to Lingeni - Access Roads 2	Design	Naidu Consulting	(APP23/24)

3.11.6. DEDEAT PROJECTS

Projects	Budget	Funding	Program/Project Description	Location
EMBO	R2 949 296.86	Overland truck, office equipment& operating expenses	Hiking & tourism adventure	No161, Manzolwandle Drive, Lusikisiki
14 Informal Business Support Programme	R420 000.00	Material, Machinery& equipment	IBSP	Flagstaff/Lusikisiki
Continuation of the Lambasi Wetlands Rehabilitation Project	R3 500 000.00	DEDEAT EPWP funding	Construction of a track to the viewing deck for the protection of wetland, installation of Msikaba camping site gate and construction of a viewing deck.	Ward 23
Climate Change Programme: OR Tambo: Disaster Risk Reduction; Ecosystem Based Adaptation	R6 000 000.00	DEDEAT	The Project intends to focus on all five Local Municipalities within O.R. Tambo, looking at activities with co-benefits for Climate Change mitigation, reliance and ecosystem based adaptation (EBA), as well as the overall environmental function. They will prioritize: • Greenhouse gas (GHG) Mitigation with a focus on	Mhlontlo LM Ingquza Hill LM King Sabata Dalindyebo LM Nyandeni LM Port St. John's LM

			<p>Waste and Air Quality Management.</p> <ul style="list-style-type: none"> • The water sector with a focus on ecosystem-based adaptation. • Ecosystem based adaptation in order to ensure Disaster Risk Reduction • Environmental Education in support of community empowerment and raising awareness on Climate Change impacts and opportunities. • Building community resilience with a core principle to co-create projects with communities 	
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3.11.7.DEPARTMENT OF SOCIAL DEVELOPMENT

Department of Social Development (INTERVENTIONS & SERVICES)

CATEGORY,	NATURE OF PROJECTS	INTERVENTIONS	BUDGET ALLOCATION
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Services to Older Persons	<ul style="list-style-type: none"> • Cebolethu Old Age Project- Mantlaneni A/A Ward 2 • Dubana Old Age Project- Dubana A/A, Ward 20 • Hlalanathi Service Centre- Ngcweleni A/A Ward 8 • Lindumsa Service Centre- Mhlanga A/A Ward 8 • Mbizayolwazi Service Centre- Hlwahlwazi A/A Ward 29 • Masimanyane Service Centre- Qhamangweni Ward 12 • Sakhisizwe Service Centre- Bhungeni Ward 31 • Siqalo Service Centre-Gqwarhu A/A Ward 31 • Sesikhona Service Centre- Ngqwabeni A/A Ward 7 • Vukuzenzele Service Centre- Sihlehlani A/A Ward 31 • Lukholweni Old Age Project- Hombe A/A Ward 20 	<p>Handwork and active ageing is practiced and older persons participate in Golden Games locally, provincially and nationally</p> <p>Awareness on the rights of older persons are conducted.</p> <p>Older Persons Forum is operational which comprises of members from NGQUZA HILL to discuss and advocate for issues that affect older persons.</p>	R2 833 939,20
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	<ul style="list-style-type: none"> • Mgxekwa Service Centre-Ngquza Ward 26 • Makukhanye Old Age Project-Dukuza A/A Ward 8 • Zanoluhle Old Age Project- Gorha A/A Ward12 • Masinedane Service Centre-Luthulini A/A Ward 8 • Siyazama Bhala Group-Mathe A/A Ward 31 • Snawe Service Centre-Mthwaku A/A Ward 6 • Masibumbane Service Centre-Ngqayimbana Ward 9 • Sikhonanathi Service Centre-,Sigubudwini A/A Ward 9 • Makukhanye Service Centre-,Xhurha A/A Ward 17 • Vukahlale –Fama A/A Ward 10 • Masikhanye – Mxokozweni A/A Ward 11 		
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Services to People with Disabilities	<ul style="list-style-type: none"> • Masibuyele Isidima Sethu- Ward 29 • .Nompumelelo Disability Centre- Xurana A/A Ward 13 • Eluphilisweni Care Centre- Mantlaneni A/A Ward 3 	<p>Provision of Psycho-social to persons with disabilities and their families.</p> <p>Prevention and promotion Programmes</p> <p>Skills Development Programmes</p>	R1 418 670
HIV/AIDS	<ul style="list-style-type: none"> • Khanyayo HCB – Khanyayo Location - Ward 25 • Vusisizwe HCBC – Bhukazi Location – Ward 12 	<ul style="list-style-type: none"> • 20 Caregivers recruited from the community receive stipend • Provision of material support clothing/school uniform to OVC's and food parcels • Establishment of focus groups and support groups facilitated by caregivers and Social Workers provide necessary support. • Counselling and support is provided to OVC and individuals and families affected and infected by HIV and AIDS • Caregivers conduct door to doors and provide community-based care to people infected by HIV and AIDS. • Community conversations are conducted to educate communities about HIV and 	R581 106.00

Social Relief of Distress	Families in distress	Provision of psychosocial support services in the form of food parcels, School Uniform, other material needs and sanitary items.	R92 389. 62
Care and Support to Families	<ul style="list-style-type: none"> • Cele Family Resource Centre– Cele Location ward 26 • Lubala FRC – Lubala A/AWard 12 • Lusikisiki FRC – Mtshayelo Location – Ward 27 	<ul style="list-style-type: none"> • After School Services to OVC's where they assist them with schoolwork • According to the teachers the programme has contributed to the improvement of the pass rate of children. • Opharns and Vulnerable Children are provided with school uniform • Social Workers provide Training on Parenting skills and Marriage preparation and Enrichment programmes • Holiday programmes 	R411 123.00 (R137 123. 00 each)

<p>Child Protection Organizations</p>	<ul style="list-style-type: none"> • Cluster Foster Care Scheme • AFM Executive Council – Cabekwana Location - Ward 22 • Khanya-Nkwenkwezi Drop In Centre – Hombe Location - Ward 20 • Siyakhana DIC – Malangeni Location – Ward 16 • Isibindi Mbotyi Catholic Dev Centre – Mbotyi Location - Ward 21 	<ul style="list-style-type: none"> • Cluster Foster Care Scheme for children in need of Care and Protection. Provision of educational and health services including Early Childhood Development services. Provision social support • Developmental, life skills, psychological, rehabilitation and therapeutic programmes for children with such needs. • 114 children are provided with basic services that are aimed at meeting the emotional, physical and social development needs of vulnerable children such as Nutrition, laundry services and school assistance and personal care. Provision of families to receive psychosocial support. Provision to families with information to enable them to access services . There are 4 Child and Youth Care Workers employed in the programme. • 48 children with 02 Child and Youth Care Workers • Provision of community based care services. This programme is geared at providing holistic Child Care and Support at community level. It created job opportunities to community members that is 31 Child and Youth Care Worker. 	<p>R2 175 660</p>
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Crime Prevention	Children in conflict with the law	<ul style="list-style-type: none"> • Assessment of young children in conflict with the law • Rendering diversion programmes • Prevention programmes to youth in and out of school • Assessment of adult offenders and rendering of therapeutic programmes to youth at risk and in conflict with the law 	R300 000.00
Victim Empowerment Programme	Ingquza Hill-5 Victim Support Centres with 19 EPWP opportunities <ul style="list-style-type: none"> • Ncedolwethu White Door Centre of Hope – Mantlaneni Location, Ward 3 • Masikhuselane White Door Centre of Hope – Mthwaku Location – Ward 6 • Mtontsasa Rise Up and Shine White Door Centre of Hope – Mthontsasa Location – Ward 26 • Ikamva White Door Centre of Hope – Mkhumeni - Ward 7 	<ul style="list-style-type: none"> • VEP Centres provide lay counselling to the victims of crime and violence. • Assess the clients and refer them to relevant stake holders for further intervention. • Emphasis is on prevention and early intervention level • To provide stimulation emotional and practical support to the victims of crime and violence. • Conduct door to door campaigns t the neighbourhood communities. • To conduct community dialogues and focus groups in communities. 	R691 042.0

	<ul style="list-style-type: none"> Hombe White Door Centre of Hope – Hombe Location – Ward 20 	<ul style="list-style-type: none"> Safe Homes provide overnight shelter and mentorship programmes to victims of crime and violence. They also render referral services for psychosocial support Every day heroes R30 000 	
Substance Abuse	Teenage Against Drug Abuse	<p>Establishment and strengthening of TADA groups,</p> <p>Counselling and After care services.</p> <p>6 TADA Coordinators in Ingquza Hill funded for implementation of Prevention programmes to children and youth in and out of school.</p>	R170 000

3.11.8. SASSA: Operational Plan

Performance Indicator	Annual Performance Target 2023/24					
		1 st Quarter Target	2 nd Quarter Target	3 rd Quarter Target	4 th Quarter Target	RISKS
Number of social grant applications processed	12332 of social grant applications processed.	2835 of social grant applications processed.	2959 of social grant applications processed.	3082 of social grant applications processed.	3453 of social grant applications processed.	Unplanned System down time as a result of network failure or power failure. Unrest or protest action. Decrease in demand.
Number of grants in payment including Grant-in-Aid.	180634 grants in payment including Grant-in-Aid.	179913 grants in payment including Grant-in-Aid	180404 grants in payment including Grant-in-Aid	19928 grants in payment including Grant-in-Aid.	180634 grants in payment including Grant-in-Aid.	Exclusion errors resulting in some clients not able to access social grants .Natural attrition,
Number of applications for CSG Top Up in	1082 of applications for CSG Top Up in payment.	758 of applications for CSG Top	867 of applications for CSG Top Up in payment. :	974 of applications for CSG Top Up in payment:	1082 of applications for CSG Top Up in payment:	Clients not meeting application requirements. Unplanned System down time as a result of network

Performance Indicator	Annual Performance Target 2023/24					
		1 st Quarter Target	2 nd Quarter Target	3 rd Quarter Target	4 th Quarter Target	RISKS
payment (Ops)		Up in payment.				failure or power failure. Transitioning to FCG.
Percentage of eligible children below the age of 1 in receipt of the children's grants, (APP).	70%, (6257) of eligible children below the age of 1 in receipt of children's grants.	70%, (6257) of eligible children below the age of 1 in receipt of children's grants.	70%, (6257) of eligible children below the age of 1 in receipt of children's grants.	70%, (6257) of eligible children below the age of 1 in receipt of children's grants.	70%, (6257) of eligible children below the age of 1 in receipt of children's grants.	Exclusion errors resulting in some clients not able to access social grants .Natural attrition,
Number of Social Relief of Distress Awarded (all SRD categories) (Ops)	2600 Number of Social Relief of Distress Awarded (all SRD categories):	498 Number of Social Relief of Distress Awarded (all SRD	714 Number of Social Relief of Distress Awarded (all SRD categories):	758 Number of Social Relief of Distress Awarded (all SRD categories) :	630 Number of Social Relief of Distress Awarded (all SRD categories):	Unplanned System down time as a result of network failure or power failure

Performance Indicator	Annual Performance Target 2023/24					
		1 st Quarter Target	2 nd Quarter Target	3 rd Quarter Target	4 th Quarter Target	RISKS
		categories):				
Number of SRD in a form of School Uniform awarded through SMME/Cooperatives (Ops)	458 SRD school uniform awarded through SMME/Cooperatives)	69 SRD school uniform awarded through SMME/Cooperatives:	114 SRD school uniform awarded through SMME/Cooperatives:	137 SRD school uniform awarded through SMME/Cooperatives:	138 SRD school uniform awarded through SMME/Cooperatives:	Targeted SMME/Cooperatives not meeting procurement requirements Unplanned System down time as a result of network failure or power failure.
Percentage of new grant applications processed within stipulated timeframes (APP)	90% of new grant applications processed within 10 days	90% of new grant applications processed within 10 days	90% of new grant applications processed within 10 days	90% of new grant applications processed within 10 days	90% of new grant applications processed within 10 days	Interface with HANIS. System down Time.

Performance Indicator	Annual Performance Target 2023/24					
		1 st Quarter Target	2 nd Quarter Target	3 rd Quarter Target	4 th Quarter Target	RISKS
Percentage of reported disasters responded to within 48 hours (Ops)	95% of reported disasters responded within 48 hours	95% of reported disasters responded within 48 hours	95% of reported disasters responded within 48 hours	95% of reported disasters responded within 48 hours	95% of reported disasters responded within 48 hours	Inaccessible infrastructure
Percentage of medical assessments conducted within 30 days of booking for disability related grants (Ops)	90% of medical assessments conducted within 30 days of booking for disability related grants	90% of medical assessments conducted within 30 days of booking for disability related grants	90% of medical assessments conducted within 30 days of booking for disability related grants	90% of medical assessments conducted within 30 days of booking for disability related grants	90% of medical assessments conducted within 30 days of booking for disability related grants	Failure by clients to arrive for an assessment on the set dates

Performance Indicator	Annual Performance Target 2023/24					
		1 st Quarter Target	2 nd Quarter Target	3 rd Quarter Target	4 th Quarter Target	RISKS
Percentage of medical assessments culminating in a grant application within (10 days) of assessment being completed	80% of medical assessments completed culminating in a grant application.	80% of medical assessments completed culminating in a grant application.	80% of medical assessments completed culminating in a grant application.	80% of medical assessments completed culminating in a grant application.	80% of medical assessments completed culminating in a grant application.	System down Time.
Number of events conducted to access social assistance through outreach programme (Ops)	One (1) events conducted to access social assistance through outreach programme	No Target	One (1) events conducted to access social assistance through outreach programme	No Target	No target	Non-cooperation by stakeholders

3.11.9. Department of Education

FENCING OR TAMBO COASTAL DISTRICT)

No.	PROJECT STATUS	EMIS NO.	SCHOOL NAME	IMPLEMENTING AGENT
1.	0% -99%	200500664	Mgezwa SSS	CDC
2.	0% -99%	200500334	Jikindaba SSS	CDC
3.	0% -99%	200500854	Ndaliso SSS	DOE
4.	0% -99%	200501005	Palmerton JSS	DOE
5.	0% -99%	200500776	Mqikela SSS	CDC
6.	0% -99%	200501342	Zwelibongile SSS	DOE

DISASTER SCHOOLS

No.	EMIS NO	NAME OF SCHOOL	PROGRESS	IMPLEMENTING AGENT
1.	200501017	Phambili SSS	Under Construction	DPW
2.	200500594	Mateko JSS	Under Construction	DPW
3.	200500690	Mkamela JSS	Under Construction	DOE

4.	200500248	Gcuma SPS	Under Construction	DOE
5.	200500877	Ngcungeni JSS	Under Construction	DOE

MINOR REPAIRS / BEAUTIFICATION OF SCHOOLS

No.	EMIS NO	NAME OF SCHOOL	IMPLEMENTING AGENT	STATUS
1.	200500854	Ndaliso SSS	DoE	Material still to be delivered
2.	200500933	Nomzamo SPS	DoE	Material to be delivered
3.	200500482	Sangoni SSS	Doe	Waiting for material delivery

OTHER PROJECTS (ECD Centre – Repairs and Renovations at Zwelitsha ECD Centre at Kwa-Gqathula Lusikisiki – Project progressing well)

Challenges

NO	CHALLENGE	PROPOSED SOLUTION
1.	Projects abandoned by contractors between 2019/20 not attended to e.g. Mampelazwe Grade R Class	Head Office to roll out the projects
2.	Schools with asbestos roofs not attended to	To consider the project in the 2024/25 plan
3.	Schools built during the Matanzima era in need of major renovations	To consider the project in the Provincial Office plans

4.	Plans to build new schools not implemented but on paper	
5.	No plans for construction of hostels in the district	
6.	Shortage of toilets in most schools in the district despite the projects that are running.	The Department to add more schools in the SAFE project
7.	Disaster schools as far back as 2020 not attended to e.g. Diliza SPS	All disaster schools to be attended to with immediate effect.

CHALLENGES – SAFE ABLUTION FACILITIES

No.	CLUSTER	NAME OF SCHOOLS	CHALLENGE	IMPLEMENTING AGENT	SOLUTIONS
8.	Lusikisiki Cluster	Vellem, Mateko, Vulindlela SSS	Contractor terminated because of poor performance	NECT	No appointment as yet.

3.11.10. PROJECTS FOR DEPARTMENT OF TRANSPORT for 2023/2024

Number	Road Number	Road description	Ward using road
1	DR08147	Mxhume to Lumphathana beach	Ward 23
2	DR08139`	Qaukeni to Bukazi	Ward 12 and 7
3	DR08153	Tshandatsha to Tembukazi	Ward 14,3,2 &1

4	DR08019	Ludiwana location to Mzintlava river	Ward 5,7
5	DR08451	Xurana location to Betshula location	Ward 13
6	DR08185	Nkonzo to Mcelu	Ward 5
7	DR08144	DR08024 Port Grover	Ward 23
8	DR080149	Jovuza to Magwa Falls	Ward 22

3.11.11 OR Tambo District Municipality Water and Sanitation Project Under Planning

ORTDM: Service Delivery Programs and Projects for 2023-2024 (MIG Projects)

Local Municipality	Project Tittle	Ward and Villages	Project Type	Project Status	2023-2024
Inquza Hill Local Municipality	Msikaba Regional Water Supply-Feasibility Study	Ward 22, 23, 24, 25, 28	Water	Presented to ECTAC	R 0

Inquza Hill Local Municipality & PSJ LM	Kwanyathi Regional Water	Ward 01, 13, 17, 18, 19, 21, 20, 03	Water	Presented to ECTAC	R 0
Inquza Hill Local Municipality	Lusikisiki Water Supply	Lusikisiki Town	Water	Design	R 3 000 000
Inquza Hill Local Municipality	Flagstaff Regional Water Supply	Flagstaff Town, Ludiwana	Water	98% Construction	R 2 000 000
Inquza Hill Local Municipality	Ingquza Hill Ward 20 Sanitation	Ingquza Hill ward 20	Sanitation	Awarded	R 1 200 000
Inquza Hill Local Municipality	Ingquza Hill Ward 30 Sanitation Phase 2	Ingquza Hill ward 30	Sanitation	Tender closed	R 3 513 573
Inquza Hill Local Municipality	Ingquza Hill Ward 5 Sanitation	Ingquza Hill ward 5	Sanitation	Tender closed	R 5, 000, 000
Inquza Hill Local Municipality	Ingquza Hill Ward 26 Sanitation phase 2	Ingquza Hill Ward 26	Sanitation	Tender closed	R 5, 000, 000
Inquza Hill Local Municipality	Ingquza Hill Ward 7 Sanitation	Ingquza Hill Ward 7	Sanitation	Tender closed	R 4, 500, 000

Inquza Hill Local Municipality	Extension of Flagstaff Eradication of Bucket System Phase 2	Greater Flagstaff	Water Sanitation	Borne	90 % Construction	R 14, 100, 000
Inquza Hill Local Municipality	Lusikisiki Sewers and Waste Water Treatment Works Phase 2	Ward 15	Water Sanitation	Borne	50 % Construction	R 28, 970, 741
Inquza Hill Local Municipality	Flagstaff Sewers and Sewage Facility	Flagstaff Town	Water Sanitation	Borne	Detailed design	R 29, 600, 000

WSIG Projects

Local Municipality	Project Name	Project Type (Water, Sanitation)	Budgeted Project Cost
Ingquza Hill Local Municipality	Gwexintaba/ Mzizangwa Phase 2 Water Supply	Water	R 6 000 000
Ingquza Hill Local Municipality	Flagstaff WTW Refurbishment-Jadu Water Supply	Water	R 1 200 000

CHAPTER 5: BUDGET AND TARIFFS 2023/2024

5.1 Financial management and reporting

(a) Annual financial statements

The municipality has co-sourced a consultant for the preparation of annual financial statements. The objectives of the co-sourced arrangement is to transfer skills to the municipal officials to ensure that the municipality can prepare its own annual financial statements and not rely on consultants.

Annually the municipality prepare annual financial statements preparation plan which guides the AFS preparation process and allocates tasks to the preparers of the annual financial statements.

The municipality maintains a GRAP compliant fixed asset register with the assistance of the co-sourced consultants who are also doing annual financial statements.

(b) Expenditure management

- The municipality maintains separate bank accounts for each conditional grant that the municipality receives
- The municipality reports on all conditional grants as per the requirements of DoRA and there has not been non-compliance letters received by the municipality for not reporting on any conditional grant.
- On an annual basis the municipality updates the maintenance and repairs plan of the municipality and ensures that the plan is sufficiently budgeted for in terms of Circular 51.
- The municipality could not be able to spent all of the capital expenditure budget and the delays were caused by the halt of procurement that is above R30 000 as a result of a National Treasury Court judgment.
- The municipality did not spend all of the MIG allocation, an amount of R10, 3 million was unspent as at 2021/2022 financial year end and have been reprioritized to fund disaster projects which have already been appointed and are under way.

- The municipality's employee related costs and remuneration of Councilors ratio against total operational expenditure for 2022/2023 is 39, 7% which is slightly below the allowable maximum ratio which is 40%.
- The budgeting assumptions for both employee related costs and remuneration of councilors is as per the collective agreement and the upper limits respectively.
- The municipality settles all payments within 30 days after the service/goods have been received in good condition

(c) Revenue management

- The municipality provides refuse removal service to the residents and also bills consumers for property rates.
- The municipality uses Munsoft financial system for billing which provides accurate billing solution
- The billing process is conducted on a monthly basis to consumers and the revenue is calculated monthly.
- The municipality is currently collected 45% of the amounts billed in the financial year.
- The municipality has a revenue enhancement strategy that is being implemented and reviewed annually.

(d) Property valuation

- The municipality conducts the general valuation of property every 5 years in terms of Municipal Property Rates Act.
- The next valuation date is 1 July 2024 and the municipality has completed the project plan and will be tabled in the Council meeting.
- The procurement process will commence during the 3rd quarter of the financial year for the valuer and there is a separate budget specifically for the general valuation roll.

- The current valuation roll was effective from 1 July 2019 up to 30 June 2024 and on an annual basis it is updated through supplementary valuation roll.
- The municipal valuation roll is published in the municipal website.

(e) Supply chain management

- The municipality has a functional supply chain management unit
- The municipality has an approved supply chain management policy that is in line with the relevant legislation
- The SCM policy provides the requirements for the establishment of Bid committee and their functionality as well as contract management.

(f) Budgeting and reporting

- The municipality is transacting fully on MSCOA since 1 July 2017.
- All governance structures and governance supporting documents have been created/developed through the process of implementing MSCOA
- There have been challenges at the early stages of implementation however, as time goes the officials have acquired skills through training on the implementation of MSCOA.
- All in-year reporting as per Section 71, 72, 52(d) and 122 of MFMA are done using the fully MSCOA compliant financial system

(g) Fee basic services

- The municipality has an indigent register that is maintained and updated annually

- The municipality provides free basic services to the indigent households in the form of electricity coupons and alternative energy to those who do not have electricity.
- Annually the municipality put aside a budget for the free basic services.
- There is a fully fledged free basic services unit within the municipality that is made up of free basic services clerk x2, free basic services officer.
- The municipality has established the Indigent steering committee which is chaired by the BTO Portfolio head.'

DRAFT BUDGET 2023/2024

REVENUE:

Grant	Prior year (2022/2023)	Budget (2023/2024)	year Variance	Outer year 1 (2024/2025)	Outer year 2 (2025/2026)
Equitable share	(310 566 996,00)	(329 235 000,00)	18 668 004,00	(349 417 000,00)	(336 657 000,00)
Finance Management Grant	(1 650 000,00)	(1 700 000,00)	50 000,00	(3 118 000,00)	(3 118 000,00)
EPWP	(1 616 004,00)	(1 184 000,00)	(432 004,00)		
MIG	(62 127 000,00)	(64 854 000,00)	2 727 000,00	(67 757 000,00)	(70 782 000,00)
INEP	(8 064 000,00)	(2 618 000,00)	(5 446 000,00)	(8 500 000,00)	(10 000 000,00)
LG SETA	(1 301 067,00)	(1 500 000,00)	198 933,00	(1 500 000,00)	(1 500 000,00)
Library grant	(800 000,00)	(800 000,00)	-	(800 000,00)	(800 000,00)
Total Grants	(386 125 067,00)	(401 891 000,00)	15 765 933,00	(431 092 000,00)	(422 857 000,00)

Item	Prior year (2022/2023)	Budget (2023/2024)	year Variance	Outer year 1 (2024/2025)	Outer year 2 (2025/2026)
Agency services	(4 999 992,00)	(7 000 000,00)	(2 000 008,00)	(7 245 000,00)	(7 607 250,00)
Interest from investments	(14 300 004,00)	(14 314 100,00)	(14 096,00)	(14 815 093,50)	(15 555 848,18)
Licences or permits	(99 996,00)	(150 000,00)	(50 004,00)	(155 250,00)	(163 012,50)
Other revenue	(2 088 000,00)	(945 636,00)	1 142 364,00	(1 799 780,13)	(1 889 769,14)
Rental of facilities	(820 008,00)	(1 858 548,00)	(1 038 540,00)	(1 923 597,18)	(2 019 777,04)
Service charges	(1 503 156,00)	(1 600 000,00)	(96 844,00)	(1 656 000,00)	(1 738 800,00)
Fines penalties and forfeits	(240 000,00)	(1 251 280,00)	(1 011 280,00)	(1 295 074,80)	(1 359 828,54)
Interest from outstanding debtors	(3 900 000,00)	(4 083 300,00)	(183 300,00)	(4 226 215,50)	(4 437 526,28)
Property rates	(39 000 000,00)	(41 482 776,00)	(2 482 776)	(43 390 984,00)	(45 386 970,00)
Total own revenue	(66 951 156,00)	(72 685 640,00)	(5 734 484)	(76 029 184,00)	(79 526 526,00)

Total revenue	(453 076 223,00)	(474 576 676,00)	(21 500 453,00)	(507 226 980,00)	(502 599 990,00)
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OPERATIONAL EXPENDITURE:

Expenditure Class	2022/23	2023/24
Employee Cost	168 941 960	181 196 417
Remuneration of councillors	29 720 868	29 738 628
Debt impairment	53 000 000	55 437 996
Depreciation	70 000 000	73 220 004
Inventory	14 769 996	14 298 840
Contracted Services	63 345 452	70 743 663
Transfer and subsidies	2 110 008	2 207 052
Other expenditure	114 476 488	119 877 283
TOTAL	516 364 784	546 719 883

CAPITAL EXPENDITURE

Technical services	town halls 6	Own funding	3 000 000
Technical services	town halls 19	Own funding	4 500 000
Technical services	Municipal offices Lusikisiki	Own funding	30 000 000
Technical services	Refurbishment of Flagstaff offices	Own funding	5 000 000
Technical services	R61 road	Own funding	1 500 000
Technical services	Lv Network Ward 19	Own funding	1 500 000
Technical services	Information center	Own funding	950 000
Technical services	Electrification Of Ngcungeni Ext At Ward 8	INEP	654 500
Technical services	Lv Network Ward 20	INEP	654 500
Technical services	Lv Network Ward 31	INEP	654 500

Technical services	Llv Network Ward 3	INEP	654 500
Technical services	MBILIKATI PHASE 2	MIG	3 905 040
Technical services	MKETENGENI ACCESS ROAD AT WARD 28	MIG	1 548 428
Technical services	Road construction ward 17	MIG	1 858 428
Technical services	DESIGNS AT WARD 14	MIG	542 772
Technical services	Road Construction Ward 9	MIG	390 036
Technical services	Community Hall Ward 31	MIG	2 663 300
Technical services	Ncozana Bridge	MIG	5 773 816
Technical services	Ward 19 Community Hall	MIG	2 385 300
Technical services	Ward 12 Access Road	MIG	6 626 258
Technical services	Mbidi & Thembukazi Access Roads At Ward 1	MIG	2 053 368
Technical services	Mtshekeleni Access Road At Ward 8	MIG	500 000
Technical services	Road Construction Ward 15	MIG	6 093 050
Technical services	Sun City Access Road At Ward 10	MIG	500 000
Technical services	Road Construction Ward 6	MIG	5 721 468
Technical services	Ngqwabeni Access Road At Ward 7	MIG	500 000
Technical services	Moyeni Access Road At Ward 20	MIG	975 444

Technical services	Road Construction Ward 14	MIG	14 013 480
Technical services	Ward 19 Mbudu Access Road	MIG	651 996
Corporate services	ICT computer software	Own funding	1 200 000
Corporate services	EDMS	Own funding	950 000
Corporate services	ICT Computer equipment	Own funding	2 150 000
Corporate services	Office furniture and office equipment	Own funding	1 500 000
Corporate services	Network Cables DLTC	Own funding	350 000
Budget and treasury	Furniture Finance	Own funding	100 000
Budget and treasury	FMG Laptops	FMG	175 000
Budget and treasury	Acquisitions '15FEB20	Own funding	7 000 000
Municipal Manager's office	Machinery and Equipment: Sound and components	Own funding	300 000
Community services	Software for Cemetery layout	Own funding	1 000 000
Community services	Recycling centre	Own funding	900 000
Community services	STREET LITTER BINS	Own funding	800 000
Community services	Purchase of Digital Camera '15FEB20	Own funding	1 179 000
Community services	Plotter Machine	Own funding	500 000

Community services	machinery and equipment for landfill site	Own funding	3 900 000
Total			132 684 324

Budget summary:

Item	Amount
Operational expenditure	-516 364 784
Capital expenditure	-132 684 324
Total expenditure	-649 049 108
Revenue	474 576 676
Deficit	-174 472 432

Funding status:

- The 2023/2024 budget has a deficit of R174 million which is caused by the non-cash items which are depreciation and provision for debt impairment as well as the construction of offices.
- The deficit is funded by the municipal reserves.
- The realistic assumptions were utilised in determining the forecasts for this budget therefore the budget is funded.
- Confirmation of funding assessment from Treasury is still pending for final budget, the Draft budget was funded for current year and not funded in the outer years.

CHAPTER 6: PERFORMANCE MANAGEMENT SYSTEM

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 Purposes

- ▶ Strategic purpose - strategy –competency alignment; strategy programmes; evaluation of strategic outcomes;
- ▶ Administrative purpose -transparent reporting (products/services; costing; performance/effects; rewarding;
- ▶ Developmental purpose – skills gap identification; meaningful conversation; learning management; culture change.

6.2. Definition of Performance Management

Performance Management is an ongoing communication process that involves both the Manager/Supervisor and the Supervisee in:

- ▶ Identifying and describing essential job functions and relating them to the strategy (IDP) and Budget of the Municipality;
- ▶ Developing realistic and appropriate performance standards;
- ▶ Giving and receiving feedback about performance;
- ▶ Undertaking constructive and objective performance appraisals ; and
- ▶ Identifying and planning education and development opportunities; to ssustain, improve or build on employee work performance.

6.3. 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.

6.4. 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.

6.5. 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.

Batho Pele

Eleven Batho Pele principles were adopted by Ingquza Hill LM to serve as acceptable policy and legislative framework regarding service delivery in the Municipal service. These principles are aligned with the Constitutional ideals of:

- ▶ Promoting and maintaining high standards of professional ethics;
- ▶ Providing service impartially, fairly, equitably and without bias;
- ▶ Utilising resources efficiently and effectively;
- ▶ Responding to people's needs; the citizens are encouraged to participate in policy-making; and
- ▶ Rendering an accountable, transparent, and development-oriented Municipal Administration

6.6. The Performance Management Cycle

6.6.1. 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.

6.6.2. 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.

6.6.3. 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.

6.6.4. 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.

6.6.5. 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.

6.6.6. 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.

6.7. 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.

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

INTRODUCTION

This section deals with all the municipal sectors plans. It must be highlighted that the overview of the sector plans is outlined. The detailed documents are available for perusal and cannot be enclosed with this document given the volume of such documents. It must be noted that these sector plans are reviewed and approved annually on approval of the IDP. Whether they were developed in previous years, the council assesses the relevance of the plans.

7.1 Spatial Development Framework (SDF)

Section 26 (e) of the Local Government: Municipal Systems Act, No. 32 of 2000 requires all municipalities to compile Spatial Development Frameworks as a core component of Integrated Development Plans. The DRDLR commissioned the development of Comprehensive SDF Guidelines to be used in the preparation of municipal SDFs. These guidelines form part of the Spatial Planning and Land Use Management Act Regulations in as far as the development of municipal SDFs is concerned.

The SDF 2017/2022 is aligned to the new legislation and address all the imbalances of the past. The demarcation board has increased the number of wards from 31 to 32 in total after the municipal demarcation of 2016. It has taken consideration of cross boarder planning, in terms of aligning the municipal SDF with neighboring municipalities. It is also crucial that the local sdf is aligned to the District SDF to ensure integration of plans and resources. The municipality plans to hold engagement meeting with the traditional authorities to acquire more land for future developments.

The majority of the land in these wards is communal and the traditional leaders are the custodians of such land. The SDF is also aligned to Section 25 of the Municipal Systems Act, Act 32 of 2000 that seeks to ensure that the municipality has to formally adopt its IDP of which the SDF is the key component of the IDP. The intention is to locate all the issues identified in the IDP spatially and this will also assist in guiding the leadership to with regards to planning, management and decision making in land development matters.

The SDF reflects the future growth of the towns being Flagstaff and Lusikisiki. The towns are historical former homeland towns with the following challenges being prevalent:

- ▶ Lack of the capacity of infrastructure, poor land use management systems, non-compliance with the town planning legislations and other statutory commitments, the use of outdated policies and legislation create burden in the current development agenda, the land ownership remains a challenge as the majority of the land is communal and therefore there are restrictions in terms of how the land can be utilized, and Lastly, land invasions on lands that are under land claim.

The required Spatial Development Framework for a credible Municipal Integrated Development Plan must, amongst others, identify short comings between the IDP and SDF, address outstanding issues relating to or impacting on inequality and social injustices, take cognizance of National and Provincial legislative and policy perspectives that are not contained in the existing document.

The SDF for 2018-2022 term depicts the spatial dimension of IDP proposals as follows;

- ▶ Spatial analysis on climatic conditions, 49 km ocean stretch, growth trends and factors, households' income, employment and income levels.
- ▶ Identifies broad development limitations /opportunity in terms of;
 - i) critical bio-diversity
 - ii) disaster prone areas
 - iii) Land ownership
 - iv) Housing spatial equity
 - v) Water spatial equity

The SDF identifies primary nodes being Flagstaff Town, Lusikisiki Town. The secondary nodes are Mbotyi, Msikaba and Mkhambathi. In addition there are central places in each ward as rural service nodes and corridors that connect each node to the other.

The SDF will be implemented in conjunction with all the municipal plans. However it will remain being the key plan that will guide future land use.

7.2. LED Strategy

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.

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

Preamble

This HSP has been reviewed and 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 that agreed on 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. The situation analysis report was work shopped with key Municipal officials and in some Municipalities, Councilors in order to seek confirmation and agreement with the resultant conclusions. Thereafter the HSP's were produced and presented to the ECDHS for approval.

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.

Spatial Analysis

Ingquza Hill Local Municipality has two main urban nodes; Flagstaff and Lusikisiki which serves the rural communities. The municipality is one of 5 local (Category B) Municipalities situated within the O R Tambo District Municipality. After King Sabata Dalindyebo Municipality and Nyandeni Municipality, Ngquza Hill Municipality has the third largest population within the OR Tambo District Municipal area. The majority of the Ngquza Hill Municipality is predominantly rural with large tracts of underdeveloped arable land and varying residential

densities. The municipal area is furthermore characterized by large forest areas in close proximity to the coast line, with a number of rivers following through it. The Mkambati Nature Reserve is situated within the coastal zone.

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.

Infrastructure analysis

Access to water

Only 11 176 of households have access to piped water. As a summary, a total of 49 797 households at Ingquza Hill municipality do not have access to piped water. Most of the water supply is received from the river and the streams. Water supply has generally improved from the challenges experienced previously

Level of sanitation

The exact level of sanitation provision in this municipality is unclear. It is, however, mentioned that the provision of sanitation is below RDP standards. 953 (1.6%) h/h has access to flush toilets, whilst the community that have access to Pit Toilets is totaling to 48 512 (79.6%). The total number of communities that do not have access is 2 387 (3.9%).

Access to electricity

Total number of households in Ingquza local municipality is 56213, of that the total number of households connected to electricity is 51213. The backlog is sitting at 5000h/h. It is difficult to achieve 100% connection of all households as there are new houses in already connected villages. However, there is a programme to connect infills conducted by the municipality and Eskom to mitigate the number of households that are not connected to electricity.

Municipal Capacity and Housing Delivery

Information from the previous Housing Sector Plan indicates that there is 1 Admin Clerk at the municipality dealing with housing issues. The SDF states that the municipality has no land use planning policy and the municipality does not have dedicated and committed staff members to deal with these development issues and control.

The municipality therefore, limited in its capacity, is reliant on partnerships both internal and external to the municipality and it is through these relationships that it is able to deliver on its housing delivery mandate. Operational policies and procedures are non-existent, a huge risk in this regard relates to the turnover of staff, where new staff does not have operational processes to follow. There is therefore no continuity in the level of service offered by staff. There are also no business information systems to support the efficiency required in the housing development value chain.

Housing delivery

Delivered Housing Projects

No information is available on the number of projects and units within on-going projects that have successfully been completed to date. It is therefore not possible to comment on the performance of the Municipality and Department to date.

Current Housing Projects:

The table below illustrates the department's overall project list for the Ingquza Municipality.

HUMAN SETTLEMENT

INGQUZA HILL BLOCKED PROJECTS

PROJECT	COMPLETED UNITS	STATUS
XOPOZO 500 WARD 8 & 31	22	Project went on tender in October 2021 but tenders were non-responsive. The project went on tender again and the tender briefing was held 02 November 2022.
FLAGSTAFF 14 WARD 10 & 30	7	The project will be closed off and the outstanding units will be included in Ingquza 500 Destitute
INGQUZA 14 WARD 10 , 23 & 30	0	The project will be closed off and the outstanding units will be included in Ingquza 500 Destitute
INGQUZA 15 (10 BIZANA & 5 INGQUZA) WARD 7, 8 ,9 ,10 & 30	0	The project will be closed off and the outstanding units will be included in Ingquza 500 Destitute

PROGRESS REPORT ON RUNNING PROJECTS

Project Name	Current progress	Expenditure	Comments
HOLY CROSS 500 (Ward 27) Mahiri Construction Completion by 31 January 2022	Not started -155 Various stages- 0 Completed - 345	Budget = R72 294 262,20 Expenditure = R 45 123 231.00	Contractor is on site
INGQUZA 347 (Ward 26) Mahiri Construction Completion by 31 January 2022	Not started -87 Various stages -0 Completed - 260	Budget = R48 203 516,28 Expenditure = R29 619 878.00	Contractor is on site

Mpoza 530 (238 units) Express Builders Completion by 31 December 2022	Various stages 50 Completed- 188	Budget = R86 683 649,78 Expenditure = R65 400 205.00	Contractor is on site
O.R. TAMBO 850 (192) INGQUZA HILL 111 Mwendane Skills Provider Start date : June 2021 End date : June 2024	Not started - 96 Various stages -15 Completed – 0	Budget = R19 425 000.00 Expenditure = R150 000.00	Contractor is on site
INGQUZA HILL 76 OR TAMBO MUNICIPALITY Start date : June 2022 End date : June 2023	18 Various stages -8 Completed - 40	Budget = R13 599 177.00 Expenditure = R4 200 000.00	Contractor is on site

BACKGROUND EXPOSITION, FACTS & PROPOSAL

The municipality got an allocation of 801 housing units for rural housing development.

The table below it's the project that are currently executed by OR Tambo District Municipality.

PROJECT DESCRIPTION	NAME OF THE AWARDED BIDDER	PROGRESS TO DATE	OUTSTANDING WORK	CONTRACT AMOUNT	EXPENDITURE
Inguza Hill 76 (40) IHLM- Various wards (Construction of 40 houses)	Docrine Development & Construction	<ul style="list-style-type: none"> • 38 Foundations • 22 Wallplates • 22 Roofs • 22 Completions 	<ul style="list-style-type: none"> • 02 Foundations • 18 Wallplates • 18 Roofs • 18 Completions 	R 6 777 683,60	R 6 777 683,60

Inguza Hill 76 (36) IHLM- Various wards (Construction of 36 houses)	Docraine Development & Construction	<ul style="list-style-type: none"> • 24 Foundations • 13 Wallplates • 7 Roofs 	<ul style="list-style-type: none"> • 12 Foundations • 23 Wallplates • 29 Roofs 	R 6 593 229,72	R 710 951, 00
Ingquza 158 IHLM-all wards (Construction of 158 houses)	Not yet awarded	<ul style="list-style-type: none"> • Lead contract or to be appointed • Tender for SMMEs briefing was held on the 12 October and tender will close on the ...October 2022 	<ul style="list-style-type: none"> • Appointment of a leader contractor and commence with Inception phase and project management • Appointment of SMMEs to undertake construction of the 158 houses 	No contract have been signed	Zero Expenditure
TOTALS				R 76 370 913.3	R 7 488 634.60

PROJECT DESCRIPTION	NAME OF THE AWARDED BIDDER	PROGRESS TO DATE	OUTSTANDING WORK	CONTRACT AMOUNT	EXPENDITURE
Inguza 500 (390) (Construction of 390 houses)	Docraine Development & Construction	Project is still at Enrolment Phase with NHBRC &	390 Units outstanding	R 74 100 000,00	Nil

		awaiting approval			
Inguza 500 Destitute (Construction of 500 houses)	Docrine Development & Construction	Project is still at Enrolment Phase with NHBRC	500 Units outstanding	R 208 990 600,14	Nil
Lubala 91 (58) (Construction of 65 houses)	Governor Group	Project is still at Enrolment Phase with NHBRC & awaiting approval	65 Units outstanding	R 12 359 976,75	Nil
TOTALS				R 390 450 177	NIL

Outcome: Priority projects

The prioritised projects respond to the Outcome 8 targets as far as Rural Housing is concerned. There is however no mention of Social or Rental Housing or Informal settlement Upgrade in the Municipality's priority planned projects.

Strategic Framework Review

Strategies and Proposed Programmes

The rationale of the Housing Sector Plan is to guide the Local municipality to deliver housing in a planned and coordinated manner. In addition, this plan will enable the municipality to correct the spatial disparities of the apartheid era and ensure the integration of housing with other service provisions to maximise the use of limited resources. In the case of Ingquza Hill municipality the overwhelming majority of the population (95.9%) resides in rural areas. The bulk of the housing demand is therefore vested in the so-called rural areas. These areas are

typically characterised by tenure issues *viz.* private ownership *versus* communal ownership. It is therefore critical to gain an understanding of the nature of the housing need in these areas including tenure, infrastructure and services provision and dwelling types. The report is unclear on any linkage with the government's land reform programme. If the housing programme is to reach a large proportion of the population in the municipality, and probably those households with the lowest incomes, it is important that there is specific rural analysis and rural housing strategy.

The main report indicates that at present, the housing demand in the rural areas is handled on a reactive basis. The previous Housing Sector Plan indicated that the municipal housing waiting list has over 2 000 applications for housing units in the urban areas. The exact housing need in rural areas is, however, unclear. It is presumed that a large proportion of rural communities still require housing units. It is therefore suggested that a housing waiting list system need to be set up whereby a database of potential beneficiaries and residents of informal settlements is established and kept up to date. These databases are important management tools for managing housing development and the eradication of backlogs.

Another issue that hampers the development process is the current ownership pattern. It is mentioned that the bulk of land identified for housing is communal land and subject to land claims. This problematic due to the fact that municipality planned for future housing developments on portions of this land. Ingquza Hill Municipality is clearly under capacitated with regards to housing delivery in its area of jurisdiction. The municipality therefore relies on the Province to carry out a significant part of the responsibilities related to housing development. It is important that there is clarity on the respective roles and responsibilities between the province and the municipality. This will require a clearer joint plan of action and linkage to a possible MOU. To the extent that it is considered important for the municipality to have a role in parts of the housing process, it is critical that a plan is put in place to build the necessary capacity in the municipality and through the District Council to effectively undertake these responsibilities.

Given the very limited capacity in the municipality for planning and implementing housing it is crucial that the municipality engages in partnerships with other relevant agents who can assist it in its planning and delivery. Of particular priority is the strengthening of the relationship between the internal sections within the municipality and with the ECDoHS, the regional Department of Land Affairs as well as agencies and NGOs working in the rural parts of the municipality. The Ngquza municipality has no clear housing vision or set objectives with

regards to housing delivery. In order to harness all stakeholders towards a common goal, it is imperative that the vision and objectives are clearly defined. It is therefore suggested that an action plan be drafted that clearly defines the vision and objectives of the municipality. The main report does not provide clear details on the alignment of the housing delivery process with other departments. There is a clearly cross-sectoral alignment issue that needs to be addressed. It is therefore critical that the housing sector plan should be aligned with the IDP for the municipal area. The present planning is badly inhibited by the lack of properly developed and maintained database on the demand and the projects that are planned and or implemented to tackle this. Often the information is sparse, or it is held in different formats in different locations both within the municipality and outside of it. A more integrated system is required. Arising from the above, a number of projects are proposed. These will be discussed in the subsequent section.

Review of Housing Vision

The housing vision as stated in the INGQUZA HILL HSP 2008 reads as follows:

“A municipality that provides adequate and quality houses ensuring viable and sustainable communities through the delivery of basic infrastructure and access to economic opportunities as well as social amenities”

Strategic Housing Goals

The vision of this HSP is to create integrated and sustainable communities. To make this vision a reality, the Municipality has to support the notion of productivity, inclusivity, good governance and sustainability. Given the demand profile, the provision of a suitable Rural Housing programme is core to this plan.

The strategic priorities are:

- ▶ To determine expressed demand and to declare such demand
- ▶ To undertake housing consumer education / awareness and the housing voice
 - (i) To implement the housing needs register and to ensure on-going management thereof
 - (ii) To engage the social welfare department and Special Programs Unit (SPU) in order to cater for the child headed households and orphans.

- ▶ Scale up of the delivery of subsidised housing to meet the demand
 - (iii) Strategic planning for housing delivery
 - (iv) Conduct an annual environment analysis in order to review and revise annual housing sector plan
 - (v) To develop localised policies to create a more enabling environment and to manage the mushrooming of inadequate housing
- ▶ Project pipeline
 - (vi) To integrate the existing information on delivered, planned, in implementation and blocked projects into a single project pipeline database with system for regular updating.
 - (vii) To plan projects that are aligned with the provincial housing sustainability criteria
 - (viii) To submit new projects to the Province for funding approval and technical support
- ▶ Land and land packaging
 - (ix) To undertake a land identification and land packaging programme
 - (x) To understand the land reform programme and to create a linkage with such a programme
 - (xi) To undertake feasibility studies on the identified state land on offer from the Department of Public Works, to prepare a business plan for each parcel of land required in order to affect the transfer of such land.
- ▶ Infrastructure
 - (i) To engage with the infrastructure officials and plans to seek prioritisation and alignment with housing programme
- ▶ Integrated Sustainable Rural Housing Delivery Programme
 - Define a specific ISRHDP strategy that contains an analysis of the rural demand (including farm worker housing demand) and status quo and links it to a strategy that defines the needs and demands in terms of basic infrastructure, top structure and tenure and further links these to the mechanisms available to tackle the priority needs.
- ▶ Project development and management

- To package projects in terms of top structure, undertake procurement of contractors and to initiate project construction
- To undertake project management of all current running projects in order to ensure good quality and timely completion
- Continue to roll out existing projects and ensure that financing and systems are in place to initiate new priority projects including those within the ISRHDP strategy.
- To have a dedicated programme to close out blocked projects.
 - (a) To programme the rectification needs of the current projects

Informal settlements

The following are informal settlements in Ingquza Hill:

- ▶ Unity Park,
- ▶ Nkululekweni in Flagstaff,
- ▶ Malizole,
- ▶ Gqathule,
- ▶ Katilumla,
- ▶ New rest,
- ▶ Nyuswa,

Integration

Cross-sector alignment issues

The main report merely mentioned that the existing Ngquza Hill Spatial Development Framework identifies future development potential and residential expansion areas for Lusikisiki and Flagstaff. There is no further information in the main report on the proposed plans for social and physical infrastructure e.g. bulk. This information should be available within the municipal IDP but also the provincial government MTEF and budget allocations.

7.5. Environmental Management Plan

TABLE NO.2 ENVIRONMENTAL MANAGEMENT PLAN

Summary of institutional and organizational issues identified by ORTDM Departments			
Legal	Institutional	Environmental issues	Needs
<ul style="list-style-type: none"> ▶ No formal register of environmental laws, regulations, by-laws etc. ▶ Aware of the laws generally, but not knowledgeable of the details. ▶ Do not keep copies of relevant legislation, but rely on electronic versions on the various Government internet sites. ▶ By-laws are not in place and those in place are out dated (at LM level) 	<ul style="list-style-type: none"> ▶ Under-staffed, shortage of skilled technical people ▶ Not enough budget for effective operations ▶ Lack of communication and coordination 	<ul style="list-style-type: none"> ▶ Environmental awareness limited ▶ Environmental issues not prioritised ▶ No guidelines or monitoring of sub-contractors ▶ No environmental guidelines/awareness for contractors ▶ No formal process for responding to non-compliances. ▶ Lack of communication on pollution events 	<ul style="list-style-type: none"> ▶ Environmental awareness training ▶ Better enforcement. ▶ Environmental guidelines ▶ Job specific training (e.g. identification of hazardous waste) ▶ Legal updates on environmental legislation ▶ More staff ▶ Funding for projects to include in the IDP

7.5.1. O.R. Tambo Environmental management section

The section is responsible for the following activities:

- ▶ Environmental planning through policy development
- ▶ Supporting and coordinating environmental activities in local municipalities
- ▶ Ensuring environmental compliance pertaining developmental activities in the district
- ▶ Responsible for Air quality, Waste, Coastal and Biodiversity management in the district through preservation, protection and best environmental practices (BEP).
- ▶ Ensuring community upliftment through environmental education awareness programs (internal & external).
- ▶ Coordinate all environmental programs in the district

- ▶ Promote sustainable development initiatives

7.5.2. ORTDM state of the environment report

The ORTDM State of the Environment Report (SoER) form part of the overall EMP and provides an essential baseline assessment of the main priority environmental issues and challenges facing the DM that is critical for the development of the EMP. The SoER is a working document that will evolve as information becomes available and will require continuous updating. The ORTDM SoER identifies specific key environmental concerns that will be used to design appropriate action plans in the EMP. The main areas of focus were covered in the SoER section of this EMP:

- ▶ Atmospheric environment
- ▶ Freshwater resources
- ▶ Coastline
- ▶ Agriculture and forestry
- ▶ Geology and mining
- ▶ Biodiversity
- ▶ Spatial planning, land use and land administration
- ▶ Urban environment
- ▶ Infrastructure
- ▶ Sanitation and waste

A State of Environment Report (SoER) has traditionally been used to describe and highlight the condition of the biophysical environment, but more recently have included analysis of trends or changes in the environment, analysis of the causes of these changes, assessment and interpretation of the implications and impacts of these trends, and assessment of the actual and potential societal response to environmental problems. The SoER has also come to identify the key driving forces that influence environmental changes, and policies that influence environmental trends. The ORTDM SoER has been structured to reflect the core environmental issues in the DM. These are summarised as follows:

Atmospheric environment	
Impacts	Causes
<ul style="list-style-type: none"> ▶ Air quality and pollution ▶ Human health hazard: chronic or acute cases of respiratory irritation and damage. 	<ul style="list-style-type: none"> ▶ Exhaust fumes from transport sector (taxis, trucking, aeroplanes, buses) ▶ Industrial processing facilities ▶ Burning of waste in municipal waste sites ▶ Uncontrolled, extensive and unnecessary burning of grasslands. ▶ Non-road worthy vehicle emissions ▶ Burning of fuel wood for heat generation in rural and un-serviced settlements. ▶ Problematic sewage treatment facilities producing undesirable odours
<ul style="list-style-type: none"> ▶ Climate change and Greenhouse Gas (GHG) emissions ▶ Unpredictable rainfall patterns ▶ Increased temperatures and more heat waves ▶ Sea-level rise and tidal surges ▶ Increased and more severe storm events ▶ Impact on water resources and service provision ▶ Changes in habitat patterns of indigenous species. ▶ Impacts of climate change on productivity of land for agricultural purposes. ▶ Impacts associated with settlement and food security linked to livelihoods 	<ul style="list-style-type: none"> ▶ Burning of fossil fuels ▶ Deforestation ▶ Agriculture (enteric fermentation and manure management, fertilisers) ▶ Changes to land use and wetlands ▶ Landfills and anaerobic sewage ponds
<ul style="list-style-type: none"> ▶ Noise pollution ▶ Harmful effect of noise to human health. ▶ Vibrations can be harmful and disruptive to faunal populations (insect and birds). 	<ul style="list-style-type: none"> ▶ Urbanisation ▶ Increased traffic ▶ Increased industrial activity (including mining) ▶ Increased air traffic ▶ Increased construction activities associated with stimulated economic development

Atmospheric environment	
Impacts	Causes
	► Load music
► Air pollution caused by burning of waste and veld fires	

Freshwater resources	
Impacts	Causes
<ul style="list-style-type: none"> ► Contaminated rivers and streams throughout ORTDM may lead to the loss of biodiversity and impact on human health ► The Mthatha River is under high pollution pressure ► Loss of aquatic biodiversity ► Health and environmental risks associated with poor water quality ► Eutrophication of water bodies/ water courses (e.g. algal blooms). ► Quality of ground water (Little if any data is available on groundwater quality). ► Potential loss of recreational use of fresh water resources due to poor water quality. ► Loss of key wetland systems. 	<ul style="list-style-type: none"> ► Increased urbanisation in river catchments ► Industrial development ► Inadequate, overloaded or defective sewage treatment infrastructure ► Limited storm water management ► Pathogenic contamination of inland waters due to poor sewage treatment and disposal ► Inadequate sanitation and leaching of human waste from informal settlements into water catchment areas. ► Leaching of pollutants from landfills ► Increased sediment load and increased nutrient levels due to erosion from over-grazing, poor agricultural practices and vegetation clearing. ► Cemeteries and burials located close to water resources ► Lack of environmental awareness

7.5.3. Multi-sectoral outputs

Spatial planning and land-use management (urban and rural)	
Impacts	Causes

<ul style="list-style-type: none"> ▶ Spatial planning ▶ Encroachment of development into sensitive environments in urban and rural areas (e.g. indigenous forests, rivers, estuaries, etc.) ▶ Loss of prime agricultural land ▶ Land degradation and soil erosion ▶ Non-compliance with relevant environmental legislation and policy ▶ Encroachment of tourism and residential sectors into key biodiversity areas ▶ Sensitive environments have not been prioritised ▶ Limited resources and land allocated for conservation purposes 	<ul style="list-style-type: none"> ▶ Urbanisation ▶ Rural or low-density settlement sprawl ▶ Population increase and demand for housing ▶ No delineated urban edges for major towns or cities. ▶ No delineation of sensitive environments incorporated into spatial development frameworks. ▶ Sensitive environments have not been prioritised ▶ Ignorance of relevant environmental legislation and policy
<ul style="list-style-type: none"> ▶ Cemeteries ▶ Environmental and health risks associated with un-planned cemeteries ▶ Point and non-point surface and ground water pollution due to inappropriate location of burial sites. 	<ul style="list-style-type: none"> ▶ Urbanization and population growth ▶ Inadequate cemeteries and ad hoc burials

Infrastructure	
Impacts	Causes
Water services and resources <ul style="list-style-type: none"> ▶ Increased abstraction from surface water bodies can result in significant ecological damage ▶ Significant water losses due to insufficient maintenance of infrastructure ▶ Limited if any water conservation or recycling ▶ Backlogs in water provision lead to poor health and hygiene of citizens. 	<ul style="list-style-type: none"> ▶ Urbanization and population growth ▶ Lack of water conservation ▶ Lack of awareness concerning need to conserve water ▶ Lack of staff and financial capacity for maintenance. ▶ No grey water and effluent recycling
Roads and Storm-water management	<ul style="list-style-type: none"> ▶ Limited if any storm water quality management interventions

Infrastructure	
Impacts	Causes
<ul style="list-style-type: none"> ▶ Storm water is a significant cause of fresh and sea water pollution in ORTDM ▶ No storm water monitoring ▶ Possible health risks associated with polluted storm water run-off 	<ul style="list-style-type: none"> ▶ Limited maintenance of storm water infrastructure ▶ No storm water management policy or programme with respect to controlling pollution and litter dispersion
Transport <ul style="list-style-type: none"> ▶ Possible conflict between transportation routes and conservation of sensitive areas. ▶ Environmental management of bus depot limited ▶ No environmental guidelines for sub-contractors and operators ▶ Habitat fragmentation of sensitive areas due to road and other transport infrastructure construction. ▶ Consumption of energy and contribution to climate change ▶ Air pollution due to increasing vehicles on the road. ▶ Waste oils and other hydrocarbons disposed of incorrectly resulting in pollution of ground-and surface water 	<ul style="list-style-type: none"> ▶ Urbanization and increased mobility of people ▶ Environmental aspects generally not considered in transportation planning
Electricity <ul style="list-style-type: none"> ▶ Increased demand for electricity ▶ Limited energy conservation initiatives ▶ Poor electricity infrastructure results in disrupted electricity supply affecting economic growth ▶ Electricity consumption contributes to Greenhouse Gas emissions and Global Warming ▶ Old and inefficient infrastructure has environmental and safety hazards 	<ul style="list-style-type: none"> ▶ Making up electrification backlogs ▶ Servicing new housing developments ▶ Increase in industrial demand for electricity ▶ No monitoring of energy consumption and no district energy strategy.

Infrastructure	
Impacts	Causes
<p>Sanitation services</p> <ul style="list-style-type: none"> ▶ Non-compliant effluent discharges ▶ Pollution of water resources ▶ Inappropriate on-site sludge disposal ▶ Inappropriate on-site disposal of screened material ▶ Raw sewage obtained from blocked sewers is disposed of in landfill. ▶ Massive problem is storm water ingress into sewers ▶ No formal process for recording or responding to non-compliances. ▶ Water borne diseases ▶ Eutrophication of water system that may lead to loss of biodiversity and death of faunal and floral species ▶ Environmental and health risk due to inadequate sanitation services 	<ul style="list-style-type: none"> ▶ Increased demand for water borne sewage capacity due to urbanization and expectations of communities ▶ Aging and underperforming infrastructure ▶ Poor condition and limited operational capacity of existing WWTWs ▶ Capacity stretched and a shortage of skilled technical people ▶ Not enough financial resources for effective treatment and for chemicals to meet permit requirements.
<ul style="list-style-type: none"> ▶ Waste management ▶ There are no operating sites for hazardous waste. Apart from the sites at Tsolo, Qumbu, Mqanduli and Port St. Johns (which is in the process of being permitted), none of the remaining sites are permitted in terms of the DWAF Minimum Requirements for Landfills ▶ Pollution of land and water, and health risks associated with poor waste management practices. ▶ Need to expand waste collection services ▶ Limited recycling ▶ Illegal dumping 	<ul style="list-style-type: none"> ▶ Limited capacity and prioritization of waste management ▶ Un-permitted/illegal waste sites due to budgetary constraints. ▶ Lack of effective waste by-laws and law enforcement officers. ▶ Poverty and unemployment hinders revenue base for waste services. ▶ Lack of recycling facilities and cooperatives ▶ Lack of public awareness ▶ Limited screening for hazardous waste entering domestic waste sites(no monitoring of medical waste)

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 coast 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 councilors 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.

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 awareness 20% 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

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

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 through 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).

7.13. Integrated Transport Plan

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.

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.

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;

Integrated Transport Plan versus Integrated Development Plan 2023-2024

- 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

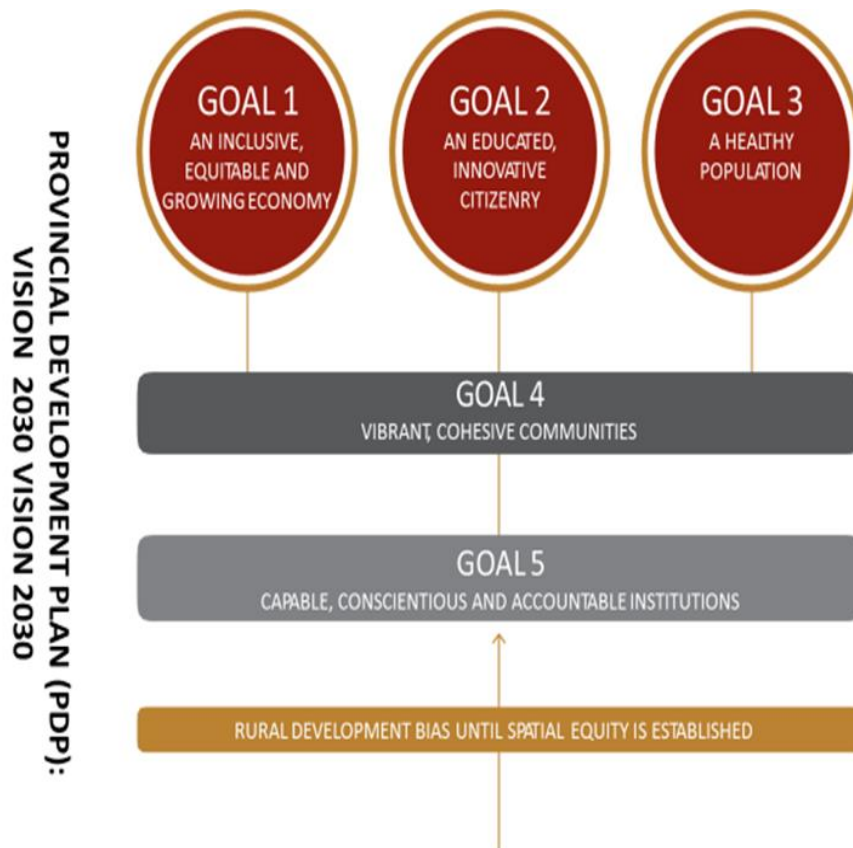
The overall purpose of the draft Ingquza Hill Vision 2035 Municipality Development Plan (MDP) is to articulate the key long-term development priorities and how they are to be achieved in the District between 2020 and 2035 and beyond however the former president of the Republic of South Africa launched 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 Dairy 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 degradationⁱ 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