

EMALAHLENI LOCAL MUNICIPALITY



2015/16 INTEGRATED DEVELOPMENT PLAN

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PERSPECTIVE FROM THE EXECUTIVE MAYOR

The IDP is the only strategic document that has been a widely consulted with our communities and social partners, as a result it constitute the primary social contract with our communities for the next term of council. It is through this strategic planning process that together with our communities we will be able to focus our spending on key critical areas that need intervention. During this term the municipality will focus on developing a long term Growth and Development Strategy that span over a period of ten to twenty years, to allow the municipality to have a long-term development vision of growing its economy and addressing the spatial disparities that continue to haunt our people and of eradicating poverty.

Key to the Long-term Growth and Development Strategy will be to focus our resources on addressing the infrastructure challenges that continue to befall us, so as to enable us to accommodate the ever-growing demands of our city. Difficult choices need to be made, our municipal infrastructures is in dire need of maintenance and upgrades and thus have to focus our efforts in maintaining the infrastructure that we have and make sure that we extend the level of services to the previously disadvantaged areas. Our Integrated Development Plan (IDP) will in the next two years focus on strengthening its institutional capacity to deliver on basic service, developing and implementing a maintenance plan for our current infrastructure and extend new infrastructure in all priority areas.

Finally, I am pleading for all our social partners support in this journey, as we seek to turn around the municipality to be a world-class institution of excellence. I strongly believe that working together; we can grow the economy of this city and create the much-needed jobs for our people. I would therefore like to request your comments on how best we can build a better society. The difference between where we are (current status) and where we want to be (vision and goals) is what we do all of us working together (target objectives and action plans).

Cllr S.F. Sithole
EXECUTIVE MAYOR

PERSPECTIVE OF THE SPEAKER

In understanding our constitutional and legal framework, the Council of Emalahleni Local Municipality commits to the processes of public engagements during the compilation of the IDP Document. The Executive Mayor has been delegated the functions of developing and implementing the IDP. Council will in these processes exercise its oversight role, ensuring that all the programmes that have been developed and agreed upon with our communities in the IDP will be implemented accordingly.

Council will not shy away from its responsibilities as all of us have been entrusted with changing the lives our people to be better. We have restructured the committee system of council with an aim of strengthening our ability to perform our monitoring of the executive. The committee system will also allow our communities to participate in the monitoring of the performance of our municipality through the petition and public participation committee. I would like to plead with all the parties represented and those that are not represented in council to work together so that we can make our city the place that we would like our grandchildren to live in. Let us strive together in service delivery and development.

Council promises to conduct its business in a more open and transparent manner that will ensure confidence from the citizens and would like to request every member of our community to make suggestions on how best they can contribute in building our municipality.

Cllr A.D. Mkhwanazi
SPEAKER

PERSPECTIVE FROM THE ADMINISTRATOR

The Municipality has undertaken extensive consultative sessions soliciting the views of the communities and stakeholder's needs that the Integrated Development Plan is a true reflection of Emalahleni Community's brought challenges and priorities. This is a strategic development plan which will inform and guide developmental priorities and needs for the next five year term of Council. The Municipal Council will be guided by the Integrated Development Plan in its endeavors to meet strategic objectives identified by the strategic plan. A comprehensive 5 year plan, will be develop from the strategic development plan to ensure that we move in unison towards realizing the Council's Vision and ensuring that the wishes of the people of Emalahleni are not forgotten in the process.

The national challenge has been to ensure that the IDP become a reality and is compatible with National Development Plan. It is important that it does not become a wish list that is separate from the budget. Much attention has been given to ensuring that this IDP is streamlined and focuses on tangibles activities, that a proper implementation plan exists and that there is a proper monitoring and evaluation plan in place. In this plan we set a performance standard which will enable the communities to keep abreast of whether the municipality does indeed perform in accordance to the expected standards. The introduction of the amended IDP Evaluation Framework will also ensure that the IDP focuses on the Five Key Performance of Local Government. The Municipality reviewed Spatial Development Framework; priorities will manifest spatial according to needs and development requirements

We aim to have a progressive monitoring and reporting system whereby we would be able to see perpetual achievement of Municipal targets and where we are unable to meet certain targets be in a position to detect this early and undertake corrective measures. This Municipality has streamlined its focus areas to just five compared to the previous eighteen because of the realization that while the community's needs are numerous we cannot focus on everything at once due to the limited resources. We hope that by the end of the five year term we would have moved strides towards attaining that which has set out to do, not matter how little, we hope to excel in the few areas that we have targeted and then move on to others.

We are hopeful that all units and directorates within this organization, as well as our different communities will embrace this five-year plan as a guide to any activity undertaken in the municipality although resource availability will dictate the pace of implementation, all communities must be assured that their priority needs will be attended to

T. Van Vuuren
ADMINISTRATOR

LIST OF ABBREVIATIONS

AG	Auditor General
AIDS	Acquired Immune Deficiency Syndrome
ANC	African National Congress
AR&M	Administration and Resource Management
CBD	Central Business Development
CBO	Community Based Organisation
CDW	Community Development Workers
CHC	Community Health Centres
CIP	Comprehensive Integrated Infrastructure Plan
CRDP	Comprehensive Rural Development Programme
CoGTA	Department of Cooperative Governance and Traditional Affairs
DCF	District Communicators Forum
DCSR	Department of Culture Sport and Recreation
DDP	Department of Development Planning
DPS	Department of Public Safety
Dept.	Department
DoE	Department of Energy
EAP-	Employees Assistance Programme
EFT	Electronic Funds Transfer
EIA	Environmental Impact Assessment
ELM	Emalahleni Local Municipality
EXCO	Executive Committee
Ext.	Extension
FNB	First National Bank
GCIS	Government Communication Information System
GDP	Gross Domestic Product
GVA	Gross Value Add
HDI	Human Development Index
HIV	Human Immunodeficiency Virus
HMV	Heavy Motor Vehicles
HOD	Head of Department
IBS	Infrastructure & Basic Service Delivery
ICT	Information and Communication Technology
IDP	Integrated Development Plan
IGR	Intergovernmental Relations
ISO	International Organization for Standardization
ITC	Information Trust Centre
ITP	Integrated Transport Plan

KFA	Key Focus Area
KM	Kilometer
KPA	Key Performance Area
KPI	Key Performance Indicator
LAR	Land Audit Report
LED	Local Economic Development
LEDF	Local Economic Development Forum
LLF	Local Labour Forum
LG-SETA	Local Government Sector Education Training Authority
LUMS	Land Use Management System
MEC	Member of Executive Committee
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
MM	Municipal Manager
MMC	Member of Mayoral Committee
MP	Mpumalanga
MPAC	Municipal Public Accounts Committee
MPRA	Municipal Poverty Rates Act
MSA	Municipal Systems Act
MTEF	Medium Term Expenditure Framework
NDP	National Development Plan vision 2030
NDM	Nkangala District Municipality
NDS	National Skills Development Strategy
NGO	Non-governmental Organisation
NMD	Normal Maximum Demand
NSDA	Negotiated Service Delivery Agreements
OHS	Occupational Health Safety
OHSA	Occupational Health and Safety Act
O&M	Operation and Maintenance
PCF	Provincial Communicators Forum
PMS	Performance Management System
PMU	Project Management Unit
RD	Road
RDP	Reconstruction and Development Plan
RMC	Risk Management Committee
SA	South Africa
SALGA	South African Local Government Association
SDBIP	Service Delivery and Budget Implementation Plan
SANCO	South Africa National Civic Organization
SAPS	South African Police Service

SCM	Supply Chain Management
SDF	Spatial Development Framework
SLA	Service Level Agreement
SMART	Specific - Measurable - Accurate - Realistic - Time-Based
SMME	Small Medium and Micro Enterprises
Str.	Street
SSP	Sector Skills Plan
SWOT	Strength, Weaknesses. Opportunities and Threats Analysis
TB	Tuberculosis
UNISA	University of South Africa
VIP	Ventilated Improved Pit Latrine
WSP	Work Place Skills
WWTW	Waste Water Treatment Works

1. INTRODUCTION

1.1 BACKGROUND

Since 1996, Integrated Development Planning (IDP) has become a tool for municipal planning and budgeting to enable municipalities to deliberate on developmental issues identified by communities. The introduction of IDP has not only affected municipal management, but also improved services in communities without access to basic infrastructure. The implementation of IDP as a subsequent phase of planning serves to unite the total efforts of the municipality behind a strategy to link the operational activities to successful execution of strategy. This would necessitate senior officials to assume responsibility; cohesion among councillors, officials and communities; integrating planning efforts; communicating with all stakeholders; aligning operational activities of the departments with the IDP as an overarching municipal plan; linking the IDP to budgetary processes; and prioritising projects and programmes. The IDP has a lifespan of 5 years that is linked directly to the term of office for local councillors. After every local government elections, the new council has to decide on the future of the IDP. The council can adopt the existing IDP or develop a new IDP that takes into consideration existing plans. And every year the IDP has to be reviewed to accommodate new priorities or to maintain existing ones.

Emalahleni Local Municipality as with all other municipalities in the country continues to be with the deep spatial challenges of the past where communities continue to live separately from each other, although strides have been made to bring the poor communities closer to the centres of economic activities, land availability continues to hamstrung the programme,

1.2 LEGAL FRAMEWORK

1.2.1 The Constitution

The Constitution of the Republic of South Africa of 1996 outlines the objectives and developmental duties of municipalities (S152 and S153). Section 155 further outlines categories of municipalities. As far as the developmental duties of municipalities are concerned, a municipality must structure and manage its administration, and budgeting and planning processes to give priority to the basic needs of the community, and to

promote the social and economic development of the community; and participate in national and provincial development programmes. The objects of local government are:

- To provide democratic and accountable government for local communities;
- to ensure the provision of services to communities in a sustainable manner;
- to promote social and economic development;
- to promote a safe and healthy environment; and
- to encourage the involvement of communities and community organizations in the matters of local government.

Emalahleni Local Municipalities derives its powers and function from schedule five and six of the constitution

- A municipality has Executive Authority in respect of, and has the right to Administer:
 - the local government matters listed in Part B of Schedule 4 and Part B of Schedule 5; and
 - Any other matter assigned to it by National or Provincial Legislation.
- A municipality may make and administer by-laws for the effective administration of the matters which it has the right to administer.
- Subject to section 151(4), a by-law that conflicts with National or Provincial legislation is invalid. If there is a conflict between a by-law and national or provincial legislation that is inoperative because of a conflict referred to in section 149, the by-law must be regarded as valid for as long as that legislation is inoperative.
- The National Government and Provincial Governments must assign to a Municipality, by agreement and subject to any conditions, the administration of a matter listed in Part A of Schedule 4 or Part A of Schedule 5 which necessarily relates to Local Government, if:
 - that matter would most effectively be administered locally; and
 - The municipality has the capacity to administer it.
- A Municipality has the right to exercise any power concerning a matter reasonably necessary for, or incidental to, the effective performance of its functions.

1.2.2 The Municipal Systems Act

The Emalahleni IDP was compiled in terms of the requirements of chapter 5 of the Municipal Systems Act (Act 32 of 2000).

Section 25 of the Municipal Systems Act (Act 32 of 2000) stipulates that-

“Each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality which,

- Links, integrates and co-ordinates plans and takes into account proposals for the development of the municipality;
- aligns the resources and capacity of the municipality with the implementation of the plan;
- forms the policy framework and general basis on which annual budgets must be based;
- complies with the provisions of this Chapter; and
- 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 integrated development plan is concerned Section 35 states that an integrated development plan adopted by the council of a municipality,

“(a) is the principal strategic planning instrument which guides and informs all planning and development, and all decisions with regard to planning, management and development, in the municipality;

(b) binds the municipality in the exercise of its executive authority, except to the extent of any inconsistency between a municipality’s integrated development plan and national or provincial legislation, in which case such legislation prevails; and

(c) Binds all other persons to the extent that those parts of the integrated development plan that impose duties or affect the rights of those persons have been passed as a by-law.”

Section 36 furthermore stipulates that-

“A municipality must give effect to its integrated development plan and conduct its affairs in a manner which is consistent with its integrated development plan.”

Furthermore, Chapter 6 of the Municipal Systems Act (2000) provides briefly that a municipality must

- Develop a performance management system (PMS);
- Promote a performance culture;
- Administer its affairs in an economical, effective, efficient and accountable manner;
- Set Key Performance Indicators (KPI's) as a yardstick for measuring performance;
- Set targets to monitor and review the performance of the municipality based on indicators linked to their IDP;
- Monitor and review performance at least once per year;
- Take steps to improve performance;
- Report on performance to relevant stakeholders;
- Publish an annual performance report on performance of the municipality forming part of its annual report as per the provisions of the Municipal Finance Management Act of 2003;
- Incorporate and report on a set of general (sometimes also referred to as national) indicators prescribed by the national Minister of Provincial and Local Government;
- Conduct an internal audit of all performance measures on a continuous basis;
- Have their annual performance report audited by the Auditor-General; and
- Involve the community in setting indicators and targets and in reviewing municipal performance.

Sections 55 to 58 of the Municipal Systems Act further outline the provisions on the employment and functions of the Municipal Manager and Managers directly accountable to the Municipal Manager.

1.2.3 The Municipal Planning and Performance Management Regulations of 2001

In summary the Regulations provide that a municipality's Performance Management System must:

- Entail a framework that describes and represents how the municipality's cycle and process of performance management, including measurement, review, reporting and improvement, will be conducted;
- Comply with the requirements of the Municipal Systems Act;
- Relate to the municipality's employee performance management processes and be linked to the municipality's IDP; and that:
- A municipality must:

Set key performance indicators (KPI's) including input, output and outcome indicators in consultation with communities;

- Annually review its Key Performance Indicators;
- Set performance targets for each financial year;
- Measure and report on the nine nationally prescribed KPI's;
- Report on performance to Council at least twice a year;
- As part of its internal audit process audit the results of performance measurement;
- Appoint a performance audit committee; and
- Provide secretarial support to the said audit committee.

1.2.4 The Municipal Finance Management Act, 56 of 2003 (MFMA)

The Municipal Finance Management Act also contains various important provisions relating to performance management. In terms of the Act all municipalities must:

- Annually adopt a service delivery and budget implementation plan with service delivery targets and performance indicators;
- When considering and approving the annual budget, set measurable performance targets for revenue from each source and for each vote in the budget;

- Empower the Executive Mayor or Executive Committee to approve the Service Delivery and Budget Implementation Plan and the Performance Agreements of the Municipal Managers and the Managers directly accountable to the Municipal Manager; and
- Compile an annual report, which must, amongst others things, include the municipality's performance report compiled in terms of the Municipal Systems Act.

A number of policies and strategies have been developed in eMalahleni Municipality in line with the prescriptions of legislation to ensure that all government activities are aimed at meeting the developmental needs expressed at local government level.

1.2.5 MUNICIPAL POWERS AND FUNCTIONS

Emalahleni Local Municipalities derives its powers and function from schedule five and six of the constitution

A municipality has executive authority in respect of, and has the right to administer:

- a) the local government matters listed in Part B of Schedule 4 and Part B of Schedule 5; and
- b) any other matter assigned to it by national or provincial legislation.

A municipality may make and administer by-laws for the effective administration of the matters which it has the right to administer.

Subject to section 151(4), a by-law that conflicts with national or provincial legislation is invalid. If there is a conflict between a by-law and national or provincial legislation that is inoperative because of a conflict referred to in section 149, the by-law must be regarded as valid for as long as that legislation is inoperative.

The national government and provincial governments must assign to a municipality, by agreement and subject to any conditions, the administration of a matter listed in Part A of Schedule 4 or Part A of Schedule 5 which necessarily relates to local government,

- If: a) that matter would most effectively be administered locally; and
- b) The municipality has the capacity to administer it.

1.3 MANDATE

Planning and development in the eMalahleni Local Municipality (ELM) occurs within the national and provincial policy framework, and provides for the implementation of the priorities as outlined in these documents. This section presents a long term development strategy for the Municipality and gives effect to the development strategies and priorities of both the National and Provincial Government while also responding directly to the development challenges and opportunities that characterises the eMalahleni Local Municipality.

1.4 NATIONAL DEVELOPMENT PLAN

The national development vision is outlined in various national policy documents, and consolidated in the National Development Plan (NDP). The national plan is presented in 15 chapters, addresses the major thematic areas in detail, and provides clear recommendations and clear implementation frameworks.

The plan focuses on the critical capabilities needed to transform the economy and society. Achieving these capabilities is not automatic, nor will they emerge if the country continues on its present trajectory. Rising levels of frustration and impatience suggest that time is of the essence: failure to act will threaten democratic gains. In particular, South Africa must find ways to urgently reduce alarming levels of youth unemployment and to provide young people with broader opportunities.

The National Development Plan requires the local government to play a meaningful and active role in ensuring the implementation of the vision 2030. The plan compels the local government to be service delivery oriented in ensuring that the following is achieved:

- A comprehensive management strategy including an investment programme for water resource development, bulk water supply and wastewater management for major centres by 2012, with reviews every five years.
- Create regional water and wastewater utilities, and expand mandates of the existing water boards (between 2012 and 2017).

- An additional 643 000 direct jobs and 326 000 indirect jobs in the agriculture, agro-processing and related sectors by 2030.
- Increased investment in new agricultural technologies, research and the development of adaptation strategies for the protection of rural livelihoods and expansion of commercial agriculture.
- Rural economies will be activated through improved infrastructure and service delivery, a review of land tenure, service to small and micro farmers, a review of mining industry commitments to social investment, and tourism investments
- Strong and efficient spatial planning system, well integrated across the spheres of government.
- Upgrade all informal settlements on suitable, well located land by 2030.
- More people living closer to their places of work and Better quality public transport.
- More jobs in or close to dense, urban townships
- Develop a strategy for densification of cities and resource allocation to promote better located housing and settlements.

In 2030 people living in South Africa feel safe and have no fear of crime. They feel safe at home, at school and at work, and they enjoy an active community life free of fear. Women can walk freely in the street and the children can play safely outside.

1.5 NATIONAL OUTCOMES

The IDP adopts an outcome based approach in line with the national government priorities and the associated 12 outcomes (refer to Box 2). Early in the National Cabinet adopted twelve outcome areas that collectively address the main strategic priorities of government. The strategic objective of the outcome based approach is to improve service delivery across all spheres of government and to introduce a systematic planning, monitoring and evaluation process.

Box 2: 12 National Outcomes

- a) an improved quality of basic education
- b) a long and healthy life for all South Africans
- c) all South Africans should be safe and feel safe
- d) decent employment through inclusive growth
- e) a skilled and capable workforce to support an inclusive growth path
- f) an efficient, competitive and responsive economic infrastructure network
- g) vibrant, equitable, sustainable rural communities with food security for all
- h) sustainable human settlements and an improved quality of household life
- i) a responsive, accountable, effective and efficient local government system
- j) environmental assets and natural resources that are well protected and enhanced
- k) a better Africa and a better world as a result of South Africa's contributions to global relations
- l) an efficient and development-oriented public service and an

High level Negotiated Service Delivery Agreements (NSDA) based on these outcomes has been concluded between the President and national ministers. The Government outcome nine commits the Minister of Cooperative Governance and Traditional Affairs to develop a local government system which is efficient, effective, responsive and accountable. In line with Outcome 9 (refer to Box 3), EMalahleni Municipality IDP responds directly to issues facing the area and its communities, render local government services efficiently and effectively.

However, the municipality will also contribute directly and indirectly to the attainment of other outcomes, particularly those dealing with economic development, infrastructure development, rural development and environmental management. Therefore alignment with the relevant sector frameworks and programmes across the spheres of government is critical.

1.6 LOCAL GOVERNMENT OUTCOME 9

The national government has adopted an Outcomes Based Approach to development as a means to focus government initiatives and manage public expectations. Based on the Medium Term Expenditure Framework (MTEF), 12 outcomes have been identified (refer to Box 3). Outcome 9 deals with local government and affects eMalahleni Municipality directly. It moves from a premise that local government is a key part of the reconstruction and development effort in South Africa, and that aims of democratizing society and growing the economy inclusively can only be realized through a responsive, accountable, effective and efficient local government system that is part of a developmental state. The government has identified the following outputs for Outcome 9:

Box 3: Outputs for Outcome 9

1. Output 1: Implement a differentiated approach to municipal financing, planning and support
2. Output 2: Improving access to basic services
3. Output 3: Implementation of the Community Work Programme
4. Output 4: Actions supportive of the human settlement outcome
5. Output 5: Deepen democracy through a refined Ward Committee Model
6. Output 6: Administrative and financial capability
7. Output 7: Single window of coordination.

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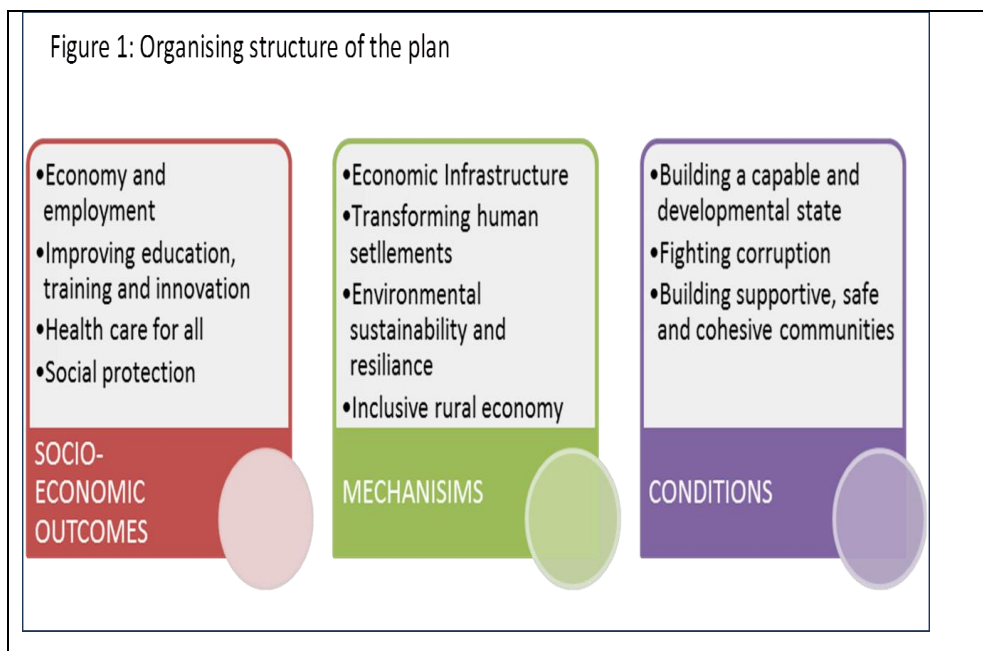
1.7 MPUMALANGA VISION 2030

1.7.1 Background

The Mpumalanga Vision 2030 is the direct implementation response to the National Development Plan (Vision 2030). It is the Province's approach to realising the objectives of the NDP in the provincial context. It builds on and informs past & existing sectorial and related planning interventions in Mpumalanga (MP). It further set high level provincial targets, facilitate decision making and prioritisation and Inform choices and trade-offs. Process for developing Mpumalanga V2030 drew on:

- 2009 Green Paper: National Strategic Planning (foundations for longer term planning in SA)
- Draft National Development Plan (November 2011)
- Mpumalanga District Consultations (Feb – March 2012)
- Vision 2030 (Our Future, Make it Work)
 - The objectives of the vision are:
 - Structured as an implementation plan
 - Framework for decision making and action at the macro policy level
 - Guide for all governance levels in the Province
 - Balance between detail and clear and constant strategies to shape action within and outside of government
 - Incorporates focused spatial representation of content and intention
 - Approach to change that links capabilities to opportunities and employment
 - Incorporates the establishment of focused & interlinked priorities
 - Three inter – related impact areas corresponding to NDP call for focus on “a few strategic priorities”

- For socio economic outcomes to be achieved, key mechanisms must be in place to facilitate the achievement of objectives.
- Mechanisms must build on the strong foundations of a safe and cohesive society and an honest and capable public service.



The MP V2030 summarises the priority areas of the NDP to provide a framework for the localisation of V2030 and its translation into province specific actions as shown in the above figure

1.7.2 Change Drivers

Climate Change:

- Changing energy consumption patterns to manage environmental impact.
- Mpumalanga provides for energy needs of the country – consider the costs of rehabilitation and managing the consequences of pollution in the Province

Globalization and the Rise of the East:

- Province needs strategies relevant for new markets and changing global relationships

Global Poverty & Inequality:

- Stakeholder partnerships to reduce inequity and establish commitment to fairness in the distribution of resources
- Deepening access to economic opportunity and the wealth generated from the Province's use of its natural resources

- Ensuring local communities benefit from large scale economic projects such as mining

Technology & Interconnectivity:

- Develop technical capacities within terrain of competitive advantage i.e. Areas that are relevant to the economy of the Province e.g. Tourism, agriculture and mining.

Responding to Global & Regional Change Drivers:

- Develop linkages with Mozambique and work with Mozambique and Swaziland to expand north into the east coast of Africa, thereby developing province and towns as primary trade points for some parts of the continent.

Another layer to the implementation frame work includes the following:

- Population and Development Context
- Infrastructure and Services
- The Economy of the Province
- Employment, Labour and Skills
- Health, Education and Community Safety
- Environment and Natural Resources

1.8 EMALAHLENI DEVELOPMENT STRATEGY

1.8.1 Development Vision

MUNICIPAL VISION:

“Striving together to be an excellent Centre for service delivery and development”

The vision clearly highlights the importance of creating partnerships with our social partners, with an aim of establishing a highly effective and efficient public service institution that excels in providing basic services to its communities and creating a centre for future growth and knowledge management. Council has an understanding of our existing challenges, economic & cultural diversity and yet is determined to become the hub of efficient and effective service delivery. With an understanding of the challenges, potentials and capabilities that are existing in eMalahleni to enhance and where possible to turn around the architectural designs, planning and socio-economical limitations that were engineered and imposed on our society through the systems of the past.

1.8.2 Mission Statement

“Providing affordable, accessible and sustainable quality service, enhancing community participation and creating a climate for social and economic development”

1.8.3 Core Values

To realize the organizational Vision and Mission eMalahleni adopted the following values:

- Accountability

- Transparency
- Excellence
- Accessibility
- Integrity
- Responsiveness

1.8.4 Strategic Objectives

- To promote proper governance and public participation.
- To ensure efficient infrastructure and energy supply that will contribute to the improvement of quality of life for all citizens within eMalahleni
- To improve our public relations thereby pledging that our customers are serviced with dignity and care
- To create an attractive and conducive environment for sustainable economic growth and empowerment for the business and broader communities within ELM
- To contribute to the health and safety of communities in eMalahleni through the pro-active identification, mitigation and management of health including environmental health, fire and disaster risks.
- To ensure proper facilitation of sustainable human settlement and social facilities for the betterment of our communities.
- To provide effective and efficient workforce by aligning our institutional arrangements to our overall policies, processes, procedures and strategies in order to deliver quality services.
- To ensure the financial sustainability of the municipality in order to fulfil the statutory requirement

1.8.5 IDP priorities

Projects identification and implementation is informed by 2011 statistics SA information, community needs and the realities on the ground. The statistics SA revealed Population Growth in the Municipal area of jurisdiction, which will require:

- Upgrading and refurbishment of Infrastructure
- Land Development and Human Settlement needs
- LED
- Institutional Development and Transformation

Currently the municipality is experiencing huge challenges in respects to governance, institution and financial capacity and this has impacted severely on service delivery and sustainability. Contributing factors and challenges in this respect are:

- In addition rapid urbanisation and the economic growth of the mining and industry sectors have place pressure on the bulk infrastructure and over utilisation of the networks, accelerating the rapid deterioration of service infrastructure, resulting in amongst others in Water losses of 55%, electricity losses of 23%.
- A culture of non-compliance has developed amongst staff and this led to the encroaching of labour unions in their activities into managerial activities and decision making, also affecting work discipline especially at senior levels together with entitlement culture amongst staff.
- This culture is also dominant amongst vast groups in the community, with non-payment for services, illegal activities and a high crime rate dominant. Revenue stream under threat and more than R40 million per month losses due to large scale fraudulent activities.
- Dysfunctional service delivery and a lack of equipment and tools of the trade, especially vehicles.
- Continued dysfunctional operations and non-compliance leading to successive disclaimer audit findings.

This prioritization adopted a multi-faceted approach focusing on the key performance areas in line with the Constitutional objectives of Local Government and outcome 9, NDP, state of Nation and Province Address. Priority focus areas for long term sustainable service delivery for 2015/16 is as follows:

- Financial position to be improved
- Institutional capacity to deliver services in an efficient way to be enhanced
- Governance and community involvement to be expanded
- Infrastructure base to provide services and enable economic development be rehabilitated and expanded.
- Human settlement development to be expanded.

1.8.6 State of the national and province address

Several issues were listed as key commitments for 2015/16 in the State of the Nation and Province Address and Emalahleni Municipality considered the commitments in the process of the review of the IDP.

1.8.7 GOVERNMENT 5 KPAS

Department of Cooperative Governance and Traditional Affairs (CoGTA) assess the progress made by municipalities against six Key Performance Areas (KPAs). The 6 KPAs that form the basis of the assessments are:

- Public Participation and Good Governance;
- Service Delivery and infrastructure Development;
- Local Economic Development (LED);
- Municipal Transformation and Organisational Development;
- Municipal Financial Viability and Management and;
- Spatial or cross cutting issues.

KEY PERFORMANCE AREAS	BACK TO BASICS	KEY FOCUS AREA	STRATEGIC OBJECTIVES
Good Governance and	Put people and their concerns first – listen &	Human Resource	To promote proper governance and public participation.

Public Participation	communicate Good governance and sound administration	Administration and Auxiliary	To contribute to the health and safety of communities in eMalahleni through the pro-active identification, mitigation and management of health including environmental health, fire and disaster risks. To improve our public relations thereby pledging that our customers are serviced with dignity and care
		IDP	
		Risk management	
		Auditing	
		Legislation compliance	
		Communication	
		Public Participation	
		Transversal Management	
		Youth Development and Management	
		Fire and rescue	
		Disaster Management	
		Licensing Services	
		Safety and Security	
Service Delivery and Infrastructure Development	Deliver municipal services to the right quality and standard	Sustainable Human settlement	To ensure facilitation for the construction of facilities for the betterment of the community.
		Libraries	To ensure efficient infrastructure and energy supply that will contribute to the improvement of quality of life for all citizens within eMalahleni
		Environmental Management	
		Energy Services and Infrastructure	To ensure proper facilitation of sustainable human settlement and social facilities for the betterment of our communities.
		Sanitation Services and Infrastructure	
		Water Services and Infrastructure	
		Roads and storm water	
		Municipal Building maintenance	
		Transport services and Infrastructure	
		Waste management	

		and Infrastructure	
		Sport and recreation	
		Art, Culture and Heritage	
		Customer care	
Institutional Development and Organisational Transformation	Building institution and administrative capabilities	Organisational structure	To provide effective and efficient workforce by aligning our institutional arrangements to our overall policies, processes, procedures and strategies in order to deliver quality services.
		Human Resource Management	
		Performance Management	
		Policies, Processes, Procedure and by-laws	
		Document and Information Management	
		ICT	
Spatial Planning	Deliver municipal services to the right quality and standard	Spatial planning	To promote Spatial concentration and facilitate, manage and control integrated land use and spatial planning
		Land development	
		Urban renewal	
		Land use management	
		Building control	
Financial viability	Sound financial management and accounting	Revenue Management	To ensure the financial sustainability of the municipality in order to fulfil the statutory requirement.
		Cost Management	
		Asset Management	
		Supply Chain Management	
		Budget Management	
		Equipment and fleet	
		Indigent support management	
Local Economic Development		LED	To create an attractive and conducive environment for sustainable economic growth and empowerment for the business and broader communities
		Beautification of city	

			within ELM
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1.9 PROCESS PLAN

Council adopted the process plan in order for eMalahleni to prepare a credible IDP. The following engagements were followed during the review of the 2015/16 IDP as in the table below.

Legal Ref.	STAGES IN THE IDP/BUDGET/PMS PROCESS	PROCESS	TIME FRAME
1	ANALYSIS/PLANNING	IDP PROCESS	
		<ul style="list-style-type: none"> ▪ Advertisement of the approved process plan 	June -July 2015
		<ul style="list-style-type: none"> ▪ Establish organisational structures (IDP/Budget Steering Committee, Technical Committee & IDP Rep Forum) 	August 2015
		<ul style="list-style-type: none"> ▪ Tabling of the process plan before Council 	June 2015
		<ul style="list-style-type: none"> ▪ Assessment of the previous IDP performance, level of development, backlogs & disaster etc. 	August - September 2015
		<ul style="list-style-type: none"> ▪ Public participation meetings meeting with municipalities, provincial and national departments 	September 2015
2.	STRATEGY/ STRATEGISING	IDP PROCESS	
		<ul style="list-style-type: none"> ▪ Departmental strategic Sessions for consideration of the public participation process 	October - December 2015
		<ul style="list-style-type: none"> ▪ Preparatory meeting for the strategic session. 	October - November 2015
		<ul style="list-style-type: none"> ▪ Municipal Strategic Planning 	December 2015
3	PROJECTS &	IDP PROCESS	

	INTEGRATION/ PREPARATION	<ul style="list-style-type: none"> Presenting the strategic focus areas 	January 2016
		<ul style="list-style-type: none"> Designs of project proposals, setting of project objectives, targets and indicators. 	November 2015 – February 2016
		<ul style="list-style-type: none"> Integration of sector plans into the IDP to address community basic service needs e.g. water, roads, electricity etc. 	November 2015 – February 2016
		<ul style="list-style-type: none"> Presentation of integrated programmes and projects by departments to the IDP and Budget Steering Committee 	February 2016
		<ul style="list-style-type: none"> Alignment of IDP with National and Provincial Plans 	March 2016
		<ul style="list-style-type: none"> IDP Indaba 	March 2016
5	APPROVAL/TABLING	IDP PROCESS	
		<ul style="list-style-type: none"> Advertise the schedule for community participation meetings per zone, venues, time and allocate resources. 	February 2016
		<ul style="list-style-type: none"> 2nd community participation meetings with municipalities, provincial and national departments 	February 2016
		<ul style="list-style-type: none"> Tabling of the draft IDP to Mayoral committee 	January 2016
		<ul style="list-style-type: none"> Tabling of the draft IDP to Council 	January 2016
		<ul style="list-style-type: none"> Advertise the draft IDP for Comments 	February – March 2016
		<ul style="list-style-type: none"> Table the Final IDP before Council 	March 2016
		<ul style="list-style-type: none"> Submit the approved IDP to the MEC of Local Government within 10 days, after approval 	April 2016
		<ul style="list-style-type: none"> Submit the final IDP to National Treasury 	April 2016

		and MEC	
		<ul style="list-style-type: none"> ▪ Advertise the approved IDP 	June 2016
6	APPROVAL/PREPARATORY PHASE	IDP PROCESS	
		<ul style="list-style-type: none"> ▪ Presentation of final IDP and development of 2015/16 SDBIP 	March - June 2016
		<ul style="list-style-type: none"> ▪ Presentation of final 2015/16 SDBIP to stakeholders 	June 2016
		<ul style="list-style-type: none"> ▪ Signing off of the SDBIP by Executive mayor 	June 2016
		<ul style="list-style-type: none"> ▪ Tabling of 2016/17 draft IDP process Plan to Mayoral Committee 	May 2016
		<ul style="list-style-type: none"> ▪ Advertise the approved 2016/17 draft IDP process Plan for public comments 	May - June 2016
		<ul style="list-style-type: none"> ▪ Table the final IDP 2015/16 process Plan before Council for approval 	June 2016

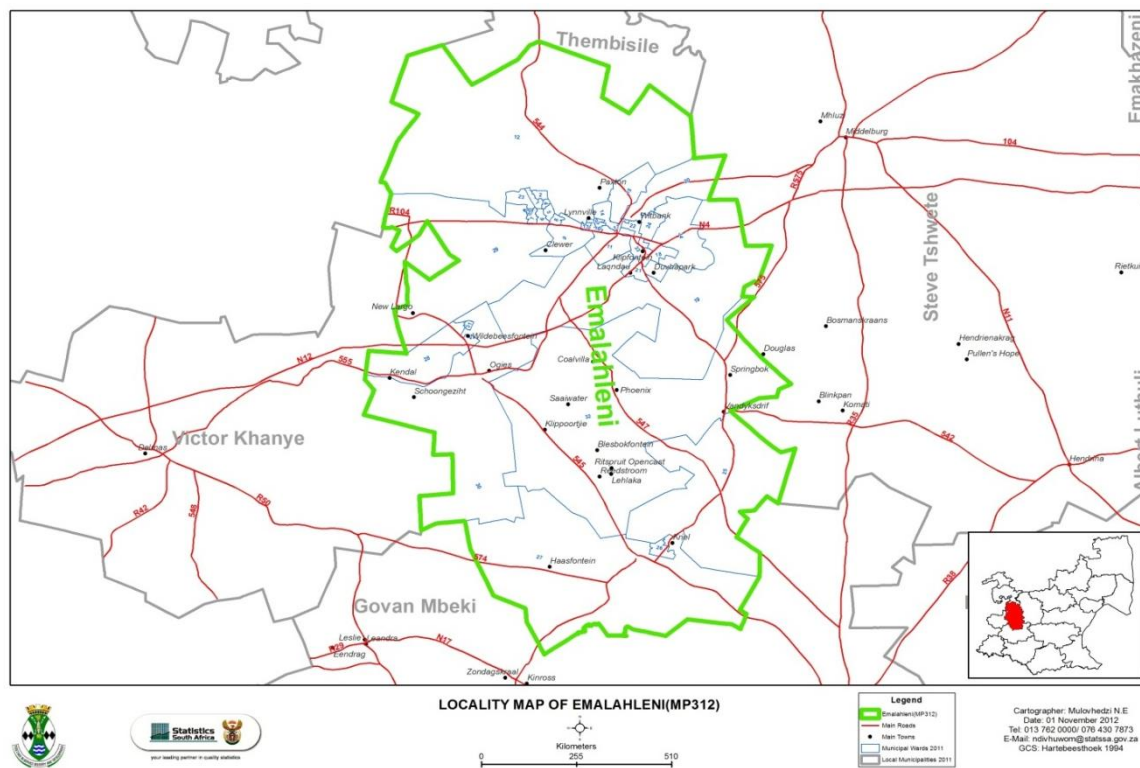
2. SITUATIONAL ANALYSIS

2.1 INTRODUCTION

This chapter provides a status quo of the existing trends and conditions in the eMalahleni Municipality.

2.2 DESCRIPTION OF THE MUNICIPALITY

Map of eMalahleni



2.2.1 Geographical Location

The Emalahleni Municipal area, which means the “place of coal”, consists inter alia of the towns of eMalahleni, Kwa-Guqa, Ga-Nala and Ogies. The town of eMalahleni was established in 1903. It was named after a ridge of white rock located near the present railway station. In the early years, this ridge was a halting place for transport wagons and a trading post. eMalahleni has a large collection of heritage assets, which is currently under threat from rapid development. Emalahleni is probably the most industrialised municipal area in Nkangala and its landscape features mainly underground and opencast coalmines. This area has the largest concentration of power stations in the country. Its mining and industrial history is reflected in the area’s heritage places. This includes elements of industrial history, military history, architectural/engineering and graves which should be protected and conserved.

Emalahleni Local Municipality is located within the Mpumalanga Province and is situated in the jurisdictional area of the Nkangala District Municipality. The district is located to the North-West of the province and is the smallest district in land mass (21%) and has the second largest population concentration (35%) in the province. It covers an area of about 2677.67 km² in extent. The Nkangala District Municipality is made up of six local municipalities, namely:

- Emakhazeni Local Municipality,
- Steve Tshwete Local Municipality,
- Thembisile Hani Local Municipality,
- Dr JS Moroka Local Municipality,
- Emalahleni Local Municipality, and
- Victor Khanye Local Municipality.

Emalahleni Local Municipality is strategically located within the Mpumalanga provincial context as it serves the function of a gateway municipality and town into the province for eight of the nine provinces of South Africa. Its proximity to the Johannesburg, Ekurhuleni and the Tshwane Metropolitan Municipalities, which jointly constituted the largest economy in the country serve the municipality favourably.

The road infrastructure connecting Emalahleni to the rest of the country is also very well maintained and serviced by logistics freight activities to such that the significance of the municipality in the Industrial Development and Transportation strategies of the country are recognised. Connecting the municipality to the rest of the country as mentioned above is the significant road infrastructure consisting of the N4 and N12 freeways. The N4 and the N12 converge at Emalahleni town and then the N4 proceeds from there to Nelspruit and Maputo.

Running parallel to the N4 is a rail line that connects Gauteng through Emalahleni to Maputo. This significant rail and road infrastructure has been identified as part a Southern African initiative to connect Walvis Bay (on the west coast of Africa) and Maputo (on the east coast of Africa) called the Maputo Corridor.

These significant transportation and freight linkages are critical to ensure improved trade between Namibia, Botswana, South Africa and Mozambique. The roads to the south of the municipality and rail connections connect Emalahleni to Richards bay and Maputo Harbour; this provides significant logistic opportunities for the coal that need to be exported through the harbours.

The southern areas of the Emalahleni Municipality form part of the region referred to as the Energy Mecca of South Africa, due to its rich deposits of coal reserves and power stations such as Kendal, Matla, Duvha and Ga-Nala, while the new Kusile power station is located a few kilometres to the east of Phola in the Victor Khanye municipal area. The Southward road and rail network connect the Emalahleni area to the Richards Bay and Maputo harbours, offering export opportunities for the coal reserves.

The Emalahleni Municipality area of jurisdiction consists of the main following towns/settlements, ranked according to population:

- eMalahleni complex;
- Ogies and Phola;
- Ga-Nala and Thubelihle;
- Rietspruit;
- Van Dyksdrift; and

- Wilge.

2.2.2 Municipal wards

Emalahleni has 34 wards which has a mixture of all races. It constitute 81.3% Africans, 15.7% Whites, 1.7% Coloured, 0.9% Asians and other 0.3%. The following table shows the population distribution per race per ward.

	Black African	Coloured	Indian Asian	or	White	Other
Emalahleni	321668	6717		3562	61893	1626
Ward 1	15386	87		44	10	76
Ward 2	9234	49		23	2	41
Ward 3	4120	16		18	2	16
Ward 4	10023	49		10	7	25
Ward 5	10182	66		21	79	16
Ward 6	14292	87		20	3	54
Ward 7	8169	69		20	7	23
Ward 8	12817	48		30	5	56
Ward 9	9962	146		34	381	21
Ward 10	7402	13		11	3	3
Ward 11	4497	2734		30	28	29
Ward 12	12977	235		963	1041	38
Ward 13	6211	49		7	2	26
Ward 14	12757	43		39	10	71
Ward 15	16522	146		20	15	41
Ward 16	8277	34		5	2	46
Ward 17	9852	68		121	154	59
Ward 18	3438	225		212	8682	26
Ward 19	9335	155		66	2556	40
Ward 20	2905	161		220	6894	61
Ward 21	14716	416		152	3828	92
Ward 22	3052	137		167	2069	97
Ward 23	12294	92		34	33	31
Ward 24	2569	160		355	7645	36
Ward 25	14682	49		23	118	66
Ward 26	5634	177		94	3263	18
Ward 27	5155	140		81	3543	6
Ward 28	14952	73		64	510	58
Ward 29	19098	92		37	463	88
Ward 30	10317	118		41	327	46
Ward 31	10354	102		18	2	20

	Black African	Coloured	Indian Asian	or	White	Other
Ward 32	10896	37		30	544	62
Ward 33	3986	370		130	9691	64
Ward 34	5604	272		424	9977	172

Source: Statistics South Africa, Census 2011

2.3 DEMOGRAPHIC TRENDS

2.3.1 Population size

DEMOGRAPHIC INDICATORS	Stats SA Census 1996	Stats SA Census 2001	Stats SA Census 2011	Share of Nkangala's figure 2011	Share of Mpumalanga's figure 2011	Ranking: highest (1) - lowest (18)
Population number	236 040	276 413	395 466	30.2%	9.8%	3
Annual Growth rate		1.58	3.58			
Area size (km ²)			2 677.67	16.0%	3.5%	13
Population per km ²			148			

Source: Statistics South Africa, Census 2011

According to Stats SA (2011 Census) 395 466 people were recorded in 2011 which is 30.2% of Nkangala's population and 9.8% of Mpumalanga Province. Emalahleni is ranked number 3 in the whole province in terms of population

Population grew by 43.1% between 2001 & 2011 while annualised population growth rate was measured at 3.6%.

Increase in population is due to mining industries and businesses around, which result in:

- Informal settlements and back rooms– estimated 10 000 people residing in these areas.
- Water supply to informal settlements costing about R800 000.00 per monthly and the residents are not contributing to the cost of these services.

- Strain on water, sanitation , electricity and roads resulting in quality and capacity problems
- Increase in unemployment particularly amongst youth and unskilled (check stats SA figures) (impact on issues of crime, prostitution, drug abuse (check stats SA figures))

2.4 COMPOSITION

2.4.1 Gender Distribution

The age and gender structure of the population is a key determinant of population change and dynamics. The shape of the age distribution is an indication of both current and future needs regarding educational provision for younger children, health care for the whole population and vulnerable groups such as the elderly and children, employment opportunities for those in the economic age groups, and provision of social security services such as pension and assistance to those in need. The age and sex structure of smaller geographic areas are even more important to understand given the sensitivity of small areas to patterns of population dynamics such as migration and fertility.

Gender	1996	2001	2011
Males	51.73%	50.91%	52.79%
Females	48.27%	49.09%	47.21%

Source: Statistics South Africa, Census 2011

The above table indicates an increase of males and decrease of females between 2001 and 2011. This is largely due to the nature of industries around the municipality area which tend to be more male oriented. The table also shows that there are more males than female, where the sex ratio is 111 males per 100 females in the municipality i.e. 52.8% males and 47.2% females. The number of females has gone down slightly which means the area attracts males compared to females.

The increase of males can have an impact on issues of crime, prostitution and drug abuse and currently the Emalahleni has become stressed with drug lords.

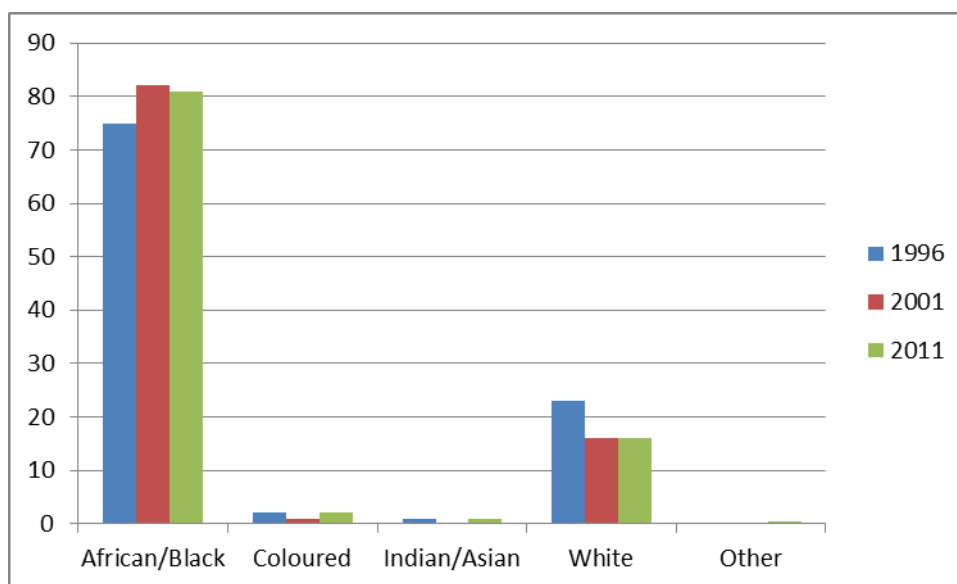
Population group

Pop group	1996	2001	2011
% population(0-14 years)	29	28	25
% population(15-64 years)	67	69	71
% population(65+ years)	4	3	4
% population(14-35 years) Youth	43	42	43
% persons with disability	5		5

Source: Statistics South Africa, Census 2011

The above table reveal the economical active populations (15-64 years) as represent the highest percentage of 71%; from the 71%, 43% is youth and 5% is people living with disability. 65% of the population is youth. This gives more pressure on facilities such as housing, sport and recreation, job creation and education and these facilities should be the on the planning of the municipality. As a result, the issue of unemployment amongst our youth is becoming more important.

Population group



Source: Statistics South Africa, Census 2011

Emalahleni is composed of all racial groups with 321,668 Black African, Coloured 6 717, Indian or Asian 3562, White and Other 1, 626. The table above shows that in 2001 and 2011 there was slight decrease of Africans and a slight increase of Coloureds, with the white population group remaining the same. African/Blacks are 81, 3%, 0, 9% Asians, 1, 7% Coloured, 15, 7% Whites and 0, 4% Others.

2.5 SOCIO ECONOMIC TRENDS

Development & Income Indicators: The municipality recorded HDI of 0.63 as per 2011 statistics which is best in the province but deteriorating. Per capita personal income, it is higher than district and is second highest in the province. The HDI is measured using indicators like literacy levels, infant mortality rate, annual household income and life expectancy.

INDICATORS	Census		Census	Better (+) or worse (-) than Nkangala	Better (+) or worse (-) than province	Ranking: best (1) – worst (18)
	2001	2007	2011			
Human Development Index (HDI)(includes literacy rate, life expectancy & HH income)(0 worst to 1 best)	0.61	0.61	0.63	(+) (0.57)	(+) (0.53)	1
Per capita personal income per year (current prices)	R23 794	R38 276	R48 436	(+) (R36 897)	(+) (R29 259)	2
% of households below R42 000 per year (R3 500 p/m)	56.8%	39.0%	26.9%	(+) (34.4%)	(+) (42.2%)	1

Source: Statistics South Africa, Census 2011

Poverty & Inequality: Gini-coefficient of 0.62 was recorded in 2011 which shows slight improvement between 2001 and 2011 & slightly lower (better) than the district but equal to provincial level. The below table show an improvement in term of poverty rate which might be due to contribution by the surrounding mines which contribute to employment and general economy of the eMalahleni. The poverty gap was R168 million in 2011

which is an increasing trend. The municipality is ranked 7th in the Multiple Deprivation Index of Oxford University.

INDICATORS	Census		Census	Better (+) or worse (-) than Nkangala	Better (+) or worse (-) than province	Ranking: best (1) – worst (18)
	2001	2007	2011			
Gini-coefficient (0 best to 1 worst)	0.63	0.63	0.62	(+) (0.63)	(=) (0.62)	11
Poverty rate	29.5%	28.0%	26.2%	(+) (33.5%)	(+) (41.6%)	1
Number of people in poverty	86 201	96 621	97 228			12
Poverty gap (R million)	R94	R139	R168			10
Multiple Deprivation Index (100 most deprived to 1 least deprived)		11.9				7

Source: Statistics South Africa, Census 2011

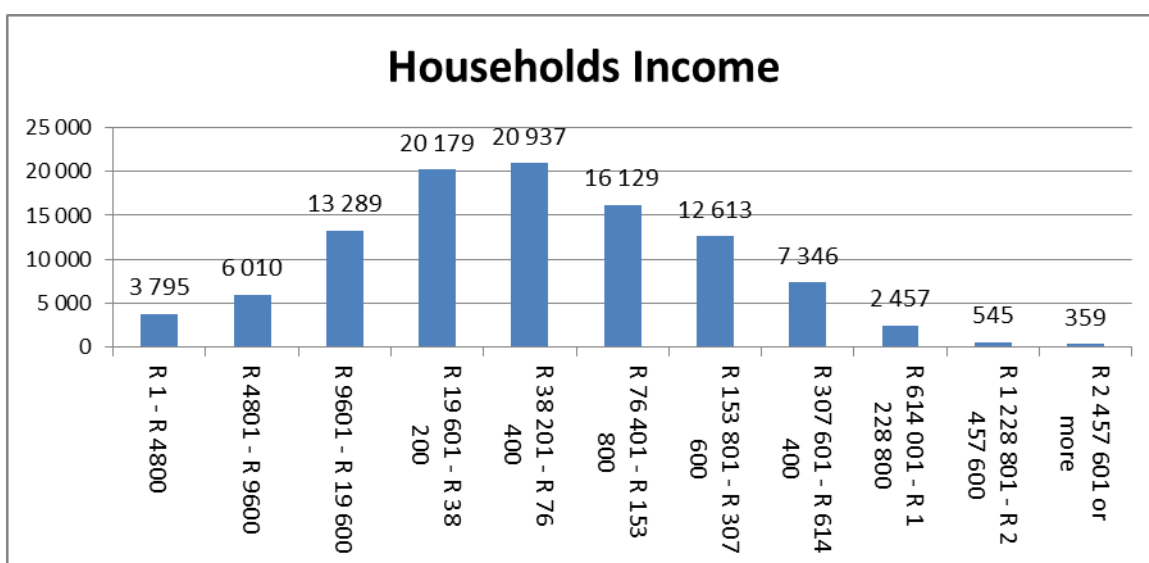
Disability: is one measure used to evaluate the health of a population. It is defined as a health condition that limits functioning. Emalahleni has people with difficulties of walking or climbing stairs as shown in the below table. This is an important disaggregation to note for knowledge of what types of resources are needed by disabled persons within the Municipality.

Level of disability	Walking and climbing	Communication	Hearing	Seeing
No difficulty	351,054	352,845	349,286	322,244
Some difficulty	7,706	4,131	9,608	34,736
A lot of difficulty	1,874	1,097	1,640	4,298
Cannot do at all	1,690	1,702	570	551

Source: Statistics South Africa, Census 2011

Household income:

According to Mpumalanga Department of Finance, the average annual household income in eMalahleni was R12 492 in 2012 from R51 130 in 2001. It is number 3rd in the Province below Steve Tshwete (R134 026) and Govern Mbeki (R125 480) which are number one and two respectively. However, the economy of eMalahleni is bigger than that of Steve Tshwete. This might imply that high income earners working in eMalahleni resides in Steve Tshwete. Most household's annual income is between R9 601 to R153 800 per annum and with the majority earning between R38 201 – R76 400.



Source: bureau of Market Research

Social Grants: One of the services that the South African government provides for the population is in the form of income grants. These grants are designed to alleviate poverty among vulnerable persons for which the grant is intended for. Each grant has its own eligibility criteria that can be accessed from the Department of Social Development.

The Emalahleni Municipality has 34,849 people who depend on grants. The grant with the largest recipients is the child support grant followed by old age grant and the lowest recipients are war veterans.

Social grant beneficiaries in absolute numbers (Sept 2012)

Grant type	Number receiving grant
Old Age	7 887
War Veteran	2
Disability	3 686
Foster Care	1 226
Care Dependency	418
Child Support	21 547
Grant-in-Aid	83

Source: Statistics South Africa, Census 2011

Economic Indicators:

The municipality is expected to record a GDP growth of 3.3% per annum over the period 2011-2016. The historic growth rate is 2.8% per annum for the period 1996-2011. Emalahleni contributed 17.9% to the provincial economy in 2011. GVA in 2011 was R40.5 billion at current prices and R19.9 billion at constant 2005 prices, which is third largest economy in the province.

ECONOMIC INDICATORS	Census 1996-2011	Census 2011-2016	Better (+) or worse (-) than Nkangala	Better (+) or worse (-) than province	Ranking: best (1) - worst (18)
GDP growth (%)	2.8%	3.3%	(-) (3.4%)	(-) (3.5%)	10
	Trend		Latest figure		Ranking: best (1) - worst (18)
	2001	2007	2011		
Contribution to Mpumalanga GVA (%)	18.0%	18.0%	17.9%		3

Source: Statistics South Africa, Census 2011

Labour Indicators: Unemployment rate in Emalahleni decreased since 2001¹. The below table show the unemployment rate of 27.3% (strict definition) in 2011 – 52 114

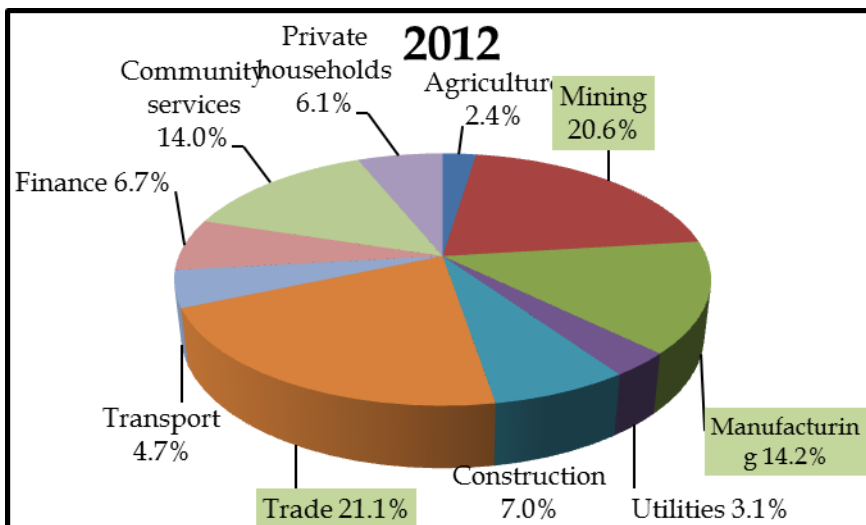
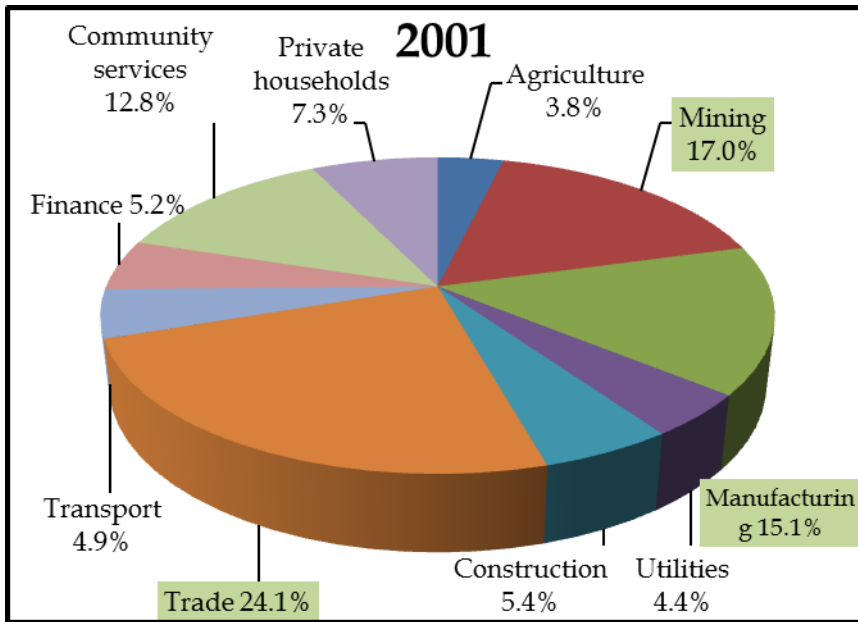
¹ Unemployment means a person who in the last 4 weeks took active steps to look for employment and is available

unemployed as a percentage of the EAP of 190 662 – decreasing trend. (IHS Global Insights' unemployment rate estimated at 22.7% in 2011).

LABOUR INDICATORS	Census	Census	Share of Nkangala's figure	Ranking: best (1) – worst (18)
	2001	2011		
Working group	190 882	238 768		
Economically Active Population (EAP)/Labour Force	124 371	190 662		
Number of employed	76 668	138 548	39.0%	
Number of unemployed	47 703	52 114	34.2%	
Unemployment rate (%)	38.4%	27.3%		8

Source: Statistics South Africa, Census 2011

- Unemployment rate for females 37.1% and males 20.8% - youth unemployment rate of 36.0% in 2011.
- Highest unemployment in Ward 28 (43.3%) & lowest unemployment in Ward 24 (7.6%).
- Employment number 39.0% of Nkangala's employed.
- Employment increased by 61 879 between 2001 & 2011 according to the Census.
- Formal employment 77.0% & informal employment 10.6%.



The leading industry in terms of employment is trade with 21.1%, followed by mining 20.6% and manufacturing 14.2%. Since 2001 there has been an increasing role/share of mining, construction, community services & finance as employer and a decrease in the role/share of trade, manufacturing, transport, agriculture, private households and utility.

2.5.1 Education Indicators

Educational attainment is a key indicator of development in a population. To evaluate long term provision of education, it is important to disaggregate educational attainment for persons older than 20 years. This is an ideal group since they would have completed attending educational institutions indicating that the level of education they have is the final one. Statistics South Africa generated a measure of educational attainment for persons over age 20. This group is expected to have completed educational enrolment and therefore giving a good measure for completed level of education.

The table below indicates:

- Best ranking of 20+ with no schooling, 5.8% - 14 993 people (16.3% of Nkangala's number).
- Population 20+ with matric & higher 45.3% - third best of the 18 municipal areas.
- Functional literacy rate (15+ with grade 7+) - improving and highest in province.
- Matric pass rate in 2012 at 72.0% - 7th highest in province – declined the last year and university/degree admission rate low at only 19.0% in 2012.
- In general good education indicators

EDUCATION INDICATORS	Census 2001	Census 2011	Better (+) or worse (-) than Nkangala	Better (+) or worse (-) than province	Ranking: best (1) – worst (18)
Number of people 20+ with no schooling	24 908	14 993			11
Population 20+ with no schooling (%)	14.5%	5.8%	(+) (11.5%)	(+) (14.1%)	1
Population 20+ with matric & higher (%)	31.9%	45.3%	(+) (39.7%)	(+) (38.7%)	3
Functional literacy rate (%)	73.9%	86.0%	(+) (79.0%)	(+) (76.9%)	1

Source: Statistics South Africa, Census 2011

2.5.2 Health Profile

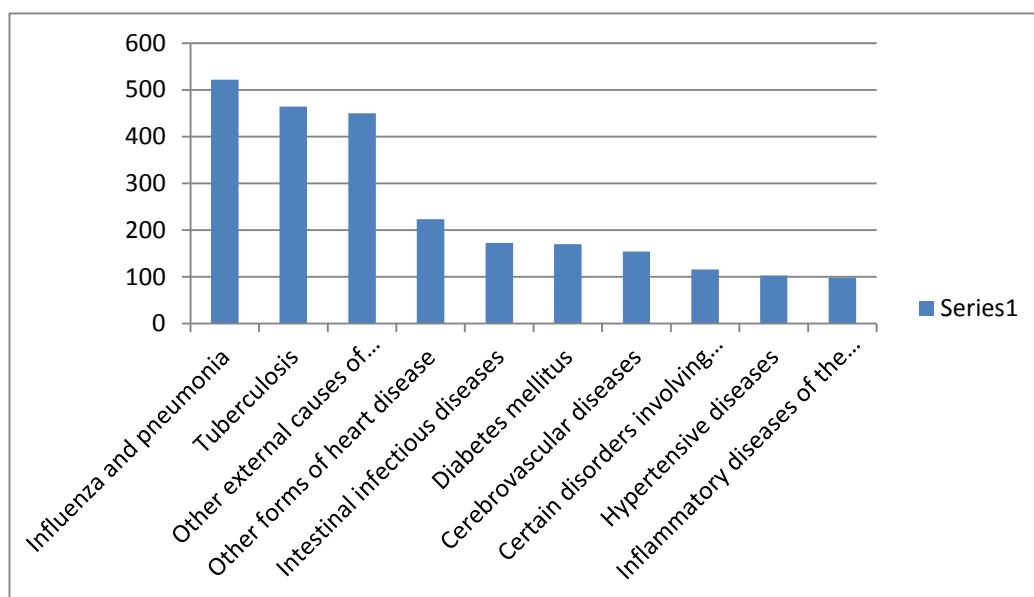
HIV prevalence rate of pregnant women was 36.1% in 2011, which is increasing trend. The HIV prevalence rate excluding pregnant women was 22.5% in 2011, which has

decreased between 2009 and 2011. TB cases have decreased between 2009 and 2011 but one of the highest.

HEALTH INDICATORS	2009	2010	2011	Ranking: best (1) – worst (18)
HIV prevalence rate - survey (pregnant women attending antenatal clinic 15-49 years old)	30.0%	34.4%	36.1%	6
HIV prevalence rate – DHIS (excluding pregnant women)	35.6%	17.4%	22.5%	9
TB cases	2 079	2 169	1 671	14
PUBLIC HEALTH FACILITIES			2011	
Number of clinics			20	
Number of community health centres (CHC)			4	
Number of hospitals			3	

Source: Finance Department

The table below indicates the top ten leading causes of death at Emalahleni. The influenza and pneumonia top leading causes of death and the Inflammatory Diseases of the Central Nervous System is the lowest.



Source: Statistics South Africa, Census 2011

2.6 HOUSEHOLD PROFILE AND SERVICES

2.6.1 Household trends

	1996	2001	2011
No. of households	56 349	82 298	119 874
Annual Growth Rate of HHs(%)		3.79	3.76
Average HH size	4.01	3.22	3.25
% ownership (Houses)	75	55	45

Table above indicates an increase in the number of households in Emalahleni since 1996 and 2011. The ownership on houses is decreasing since 1996. The decrease in % of ownership implies that the eMalahleni people prefer buying houses in other areas. In terms of 2011 statistics there are 38 519 owned and fully paid houses, 15 798 owned but not yet paid off, 22 874 occupied rent-free and rented is 39 463. The implications also are that the municipality will experience rise in number of informal settlements, declining revenue and increase in indigents.

BASIC SERVICE INFRASTRUCTURE INDICATORS	Census 2001	Census 2011	Better (+) or worse (-) than Nkangala	Better (+) or worse (-) than province	Ranking: best (1) – worst (18)
% of households in informal dwellings	26.0%	19.3%	(-) (13.8%)	(-) (10.9%)	14
% of households with no toilets	8.0%	3.1%	(+) (3.8%)	(+) (7.2%)	3
% of households with connection to piped (tap) water: on site & off site	93.8%	94.8%	(+) (92.7%)	(+) (87.4%)	8
% of households with electricity for lighting	70.3%	73.4%	(-) (85.7%)	(-) (86.4%)	17
% of households with weekly municipal refuse removal	64.2%	67.2%	(+) (48.3%)	(+) (42.4%)	7

Source: Statistics South Africa, Census 2011

Households in informal dwellings decreasing but one of the highest in the Province. eMalahleni is the Second lowest (worst) percentage of households with electricity connections for lighting in the province, which is worse than district and provincial averages. Better indicators than district and province in households with no toilets,

connections to piped water on site or off site & weekly municipal refuse removal. Emalahleni is ranked 11th in Blue Drop Report, which requires attention. Waste water services ranked 13th in Green Drop Report, which is high risk. Number of households without piped water in Emalahleni in 2011 was 6 273

2.7 SWOT ANALYSIS

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Staff adequacy (numbers) • IT system • An effective employee wellness programme • Improved electronic stakeholder relations • Improved MIG expenditure • Political leadership • Skilled staff 	<ul style="list-style-type: none"> • Low staff morale • Working in silos • Consistent negative reports • Lack of administrative leadership hence s139 • Staff placement • Corruption practices • Lack of technical skills • Lack of commitment and cooperation • Inadequate job descriptions • Work ethics and productivity • Internal systems and procedures • Volatile staffing environment
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Population growth • Geographical location of municipality – Maputo corridor • High education levels • Tourism growth potential around the dam and the resort industrial (plus the mines and power stations) <p>Economic hub – Mpumalanga</p> <ul style="list-style-type: none"> • Industrial and mining developments potential for increased revenue base 	<ul style="list-style-type: none"> • Environmental degradation • Dilapidated networks and roads • High level of social ills (HIV/AIDS, violent crimes, drug use, etc) • Mushrooming of informal settlements • Illegal connections – water and electricity • Water and electricity non-revenue • Lack of state and municipal land • Poor investor attraction • Cash flow and weak balance sheet • Lack of investor attraction strategy • Operational equipment, especially fleet

2.8 TOP CHALLENGES

CHALLENGES	REMEDIAL ACTIONS
Dilapidated Networks And Roads	Rand Water Programme On Water And Sanitation
Cash Flow And Weak Balance Sheet	Revenue Enhancement Programme.
Water And Electricity Non Revenue	Audit And Billing Programme.
Eskom Account In Arrears	Revenue Enhancement Programme And Smart Metering, Protective Structures, Energy Efficiency Programme
Culture of non-compliance and payments	Communication programme, law enforcement roll out, land use rectification.
Impact of informal areas	Formalisation and human settlement programme.
Social profile labour force	Improved cooperation SAPS and Law enforcement.
Distrust of community of government	Communication programme and improved turn around on issues raised by staff reorganisation.
Work ethics and productivity	Change management
Internal systems and procedures	IT, data cleansing, professionalism initiative
Operational equipment, especially fleet	Vehicle recovery programme and replacement programme.
Volatile staffing environment	LLF, MOU with labour, productivity plan, new organisational structure approved and placement taking place

3. PUBLIC PARTICATION AND GOOD GOVERNANCE

3.1 GOVERNANCE STRUCTURES

The Governance structure of eMalahleni Municipality is informed by the Municipal Structures Act (Act 117 of 1998). This Act stipulates different roles and responsibilities that each structure within the municipality should perform.

All Municipalities are made up of two structures namely the Political Structure and Administration Structure. The Political Structure is responsible for Governance, Public Participation & Ensuring that the Communities' needs and priorities are realized. Emalahleni is governed by a Council that is constituted by elected Councilors. There are 34 Ward Councilors and 34 Proportional Representative Councillors. The ruling party is the African National Congress (ANC) with a majority of 49 Councillors, the official opposition is the Democratic Alliance with 18 Councillors and then there is also the Freedom Front plus with only single representative.

The governance structure of the municipality on the political side is headed by Council which elects the Executive Mayor. The Executive Mayor in turn appoints six full-time councillors who are the Members of the Mayoral Committee (MMC). The MMCs assists the Executive Mayor and the Executive Mayor may delegate certain of her function to the MMCs.

Council also elects the Speaker of Council who presides at meetings of Council. Council also elects the Whip of Council who plays the role of ensuring good behaviour amongst councillors.

There are Section 79 Committees for each of the directorates of the municipality and the Local Economic Development Unit and these committees are chaired by non-fulltime councillors elected by council.

However the municipality was placed under administration in April 2013. The Administrator assumed the executive powers of the Municipal Manager and that of the

Executive Mayor. Subsequently, Advisory Committee to the Administrator was established which the functions entails to advise the administrator.

3.1.1 Section 79 Committees

Section 79(2)(a) and (b) of the Municipal Structures Act provide that the Municipal Council must determine the functions of a section 79 committee and that it may delegate powers to such committee. The Business Plan envisages political oversight committees, to be established in terms of section 79 of the Municipal Structures Act, viz. Municipal Public Accounts Committee, Rules Committee, etc.

Members of the Mayoral Committee will have to report back to the Municipal Council. Importantly, the Business Plan makes it clear that the Municipal Public Accounts Committee do not have any decision making powers. This means that their task is to exercise oversight over the Mayoral and Portfolio Committees. They may thus interrogate the submissions made by these committees and demand explanations. This does not mean that the oversight committees possess any authority over the Municipal Council or the Mayoral Committee (or its members) other than the authority to demand information. The Municipal Public Accounts Committee does not, for example, have the power to instruct the Mayoral Committee (or a member of the Mayoral Committee) to do something or refrain from doing something. It also does not have the power to dismiss a member of the Mayoral Committee or dissolve any committee. The only sanction, at the disposal of the oversight committee, is a recommendation to the Municipal Council to use its authority to do any of the above.

The extent to which they may demand ad hoc information and submissions from Mayoral Committee will be detailed in more dedicated governance instruments (such as the Terms of Reference in terms of section 53 of the Municipal Systems Act, Rules and Orders in terms of s 160(8) of the Constitution etc.). Similarly, the extent to which they have to rely on ordinary municipal reporting cycles (i.e. budget updates, the Service Delivery and Budget Implementation Plan, annual reports etc.) will also be detailed in those dedicated governance instruments. The same applies to how, and the extent to

which, oversight committees may demand members of the Mayoral Committee to appear before them.

3.1.2 Accounting to the Oversight Committee (MPAC)

The first layer of committees is that of political oversight committees (Section 79), consisting of Political Councillors, whereby the Mayor and Portfolio Chairpersons account back to MPAC on issues related to their portfolios. The MPAC do not have any decision making powers.

The second layer of committees is the Mayoral Committee who will report back to the Municipal Council on decisions made in terms of its delegated powers as well as recommendations made on those issues the municipal council did not delegate to the Mayor.

This committee consists of the Mayor and Portfolio Committee Chairpersons (MMC's). The Municipal Manager and the Strategic Directors forms the official representatives of the administration. The Mayor is the Chairperson of the meeting.

The third layer of committees is the Portfolio Committees (Section 80), which makes recommendations to the Mayoral Committee and report back on resolutions taken in terms of its delegated powers. They further account to their respective oversight committees. Composition

The section 79 committee will consist of Mayoral Committee members and ordinary council members.

3.1.3 Audit

The municipality has a fully functional Internal Audit Unit and the Chief Internal Auditor is appointed. The independent external Audit Committee is appointed and it provides opinions and recommendations on financial processes and performance. Audit committee meetings are held bi-monthly

The Audit Committee, which is an external committee, recommends to the EXCO on issues pertaining to, amongst others, the external audit, internal audit, compliance, etc. Its members are appointed by the Municipal Council and consists at least of 5 (five)

external members. No Councillor serves on the Audit Committee, Financial Issues, Performance Management and Risk Management.

The Local Government: Municipal Planning and Performance Management Regulations, 2001, GN 796, Government Gazette 22605, 24 August 2001, contain rules with regard to a municipality's compulsory performance audit committee. The MFMA contains rules with regard to the compulsory financial audit committee. The Audit Committee is also responsible for risk and performance management.

3.1.3.1 Audit opinion

The audit outcome for 2013/14 was a disclaimer. Findings were on assets management, supply chain and contract management, misstatements and non-compliance with legislations were the basis of the disclaimer opinion.

The challenges include the:

- Limitation of scope
- Misstatements in financial statements
- Non-compliance with laws and regulations
- Lack of internal capacity to prepare financial statements

The municipality is planning to training of internal staff on the preparation of Interim Financial Statements to detect any misstatements early and submission of accurate information in time. Also, Audit action plan is in place which, is updated monthly on compliance issues.

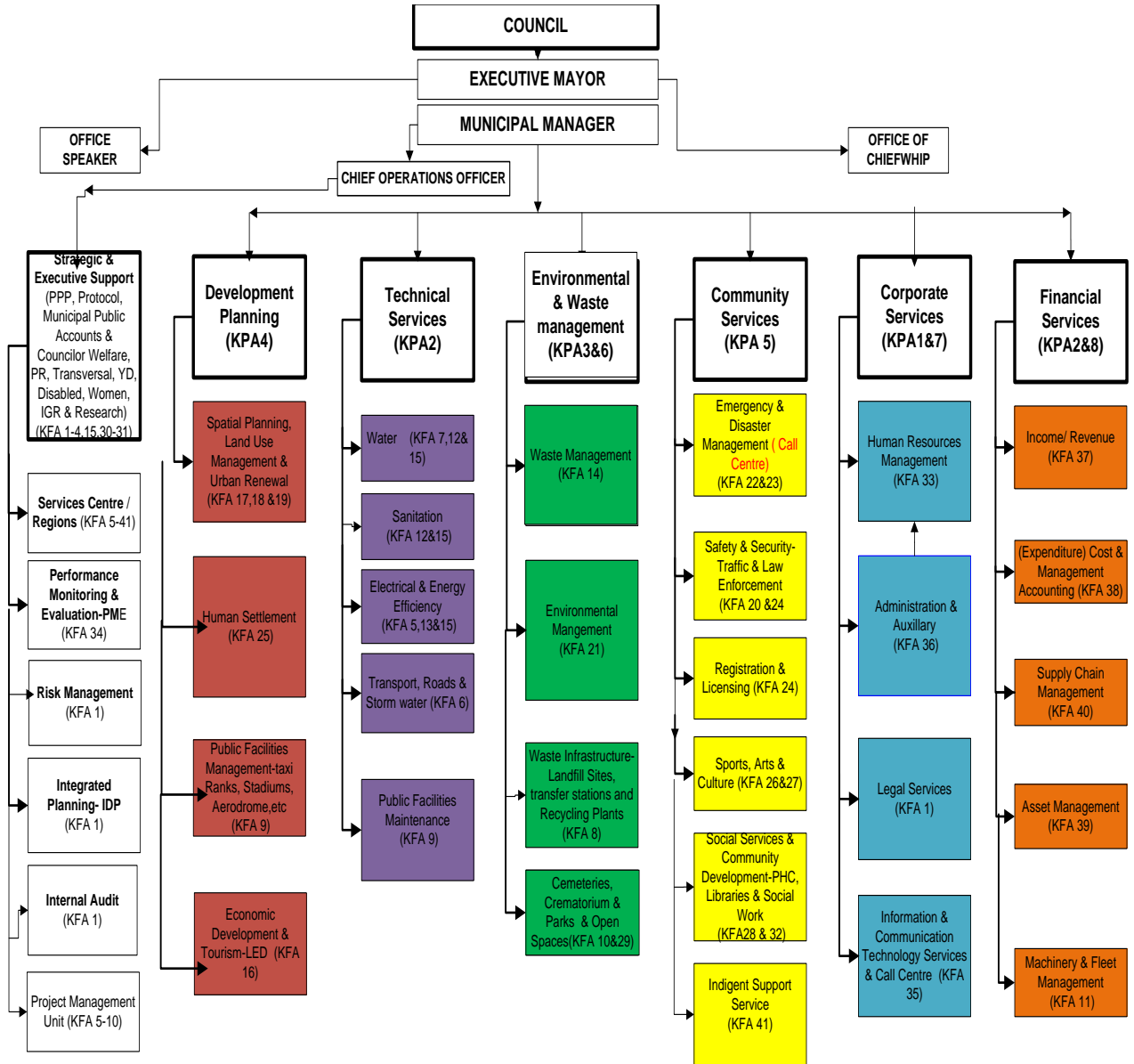
3.1.4 Municipal Administration

Municipality develops rapidly, the demand for municipal services also grows, which poses a challenges with the available Human Resources. This has necessitated the review of the Municipal Organogram to ensure that it is aligned to the Municipal Key priorities.

The Macro-structure indicates how the KPAs and KFA has been clustered together to bring about better focus. The KPAs and KFAs are aligned to National Priorities and Outcomes 9. They address the local challenges which the municipality is facing. The

structure has six (6) departments which are, Development Planning, Technical Services, Environmental and Waste Management, Corporate Services and Financial Services.

ELM MACRO-ORGANISATIONAL STRUCTURE



3.1.5 Public Participation & Governance

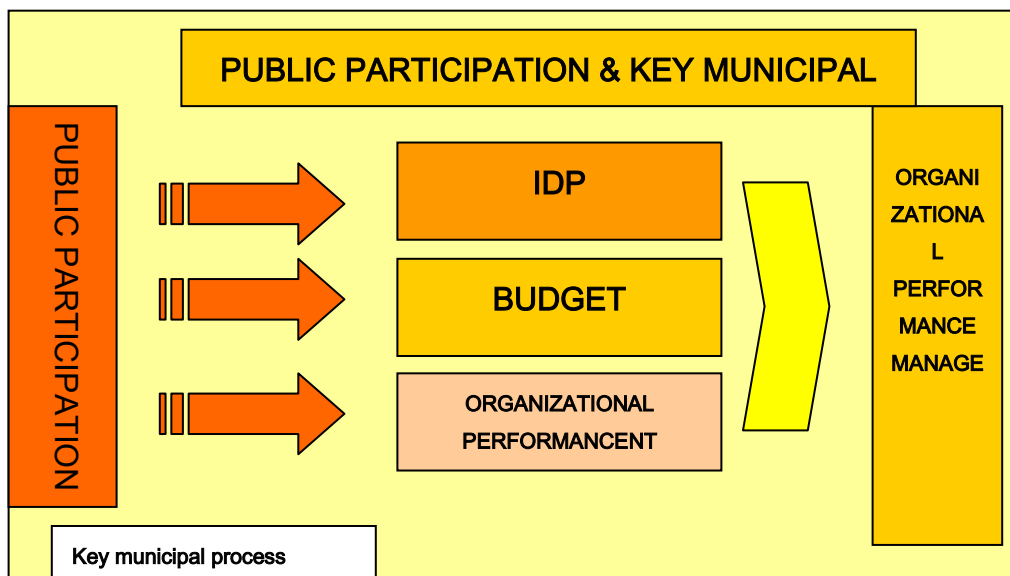
Legal requirements

The cornerstone of the democratic government is to encourage maximum effective public participation as a process of community engagement between government and citizens. The need for meaningful participation allows for a process where systems and processes are to be made known by the municipalities and serve as a transparent link between participatory process and actual decision-making. Ward committees are the main agents for facilitating community participation as a structure that serves to enhance participatory democracy in local government.

Section 17 of the Municipal Systems Act requires municipalities to put in place systems for communities to participate in the decision making process. These include

- The process of receiving, processing and considering petitions
- Procedures for notifying the public of issues being considered by the council and a process that allows for public comment
- Procedures for public meetings and hearings by councillors and officials
- Regular sharing of information on the state of affairs of the Municipality through consultation with Community Organisations and Traditional Leaders

Municipalities must ensure the participation of people who cannot read or write; people with disabilities, women, and other disadvantaged groups. Section 16 of the Act considers the following as key areas requiring community participation:



Council has a draft strategy for public participation. This outlines, amongst other things, public participation mechanisms in the different stages of the IDP. During the different stages of planning participation is encouraged in these ways:

Planning phase	Methods for Participation in Emalaheni
Analysis	Community Meetings organized by the ward councilor Stakeholder Meetings
Strategies	IDP Representative Forum Public Debates on what can work best in solving a problem Meetings with affected communities and stakeholders
Projects	Representation of stakeholders on project subcommittees
Integration	IDP Representative Forum
Approval	Public Discussion and consultation with communities and stakeholders
Monitoring and Implementation	IDP Representative Forum

3.1.6 IDP

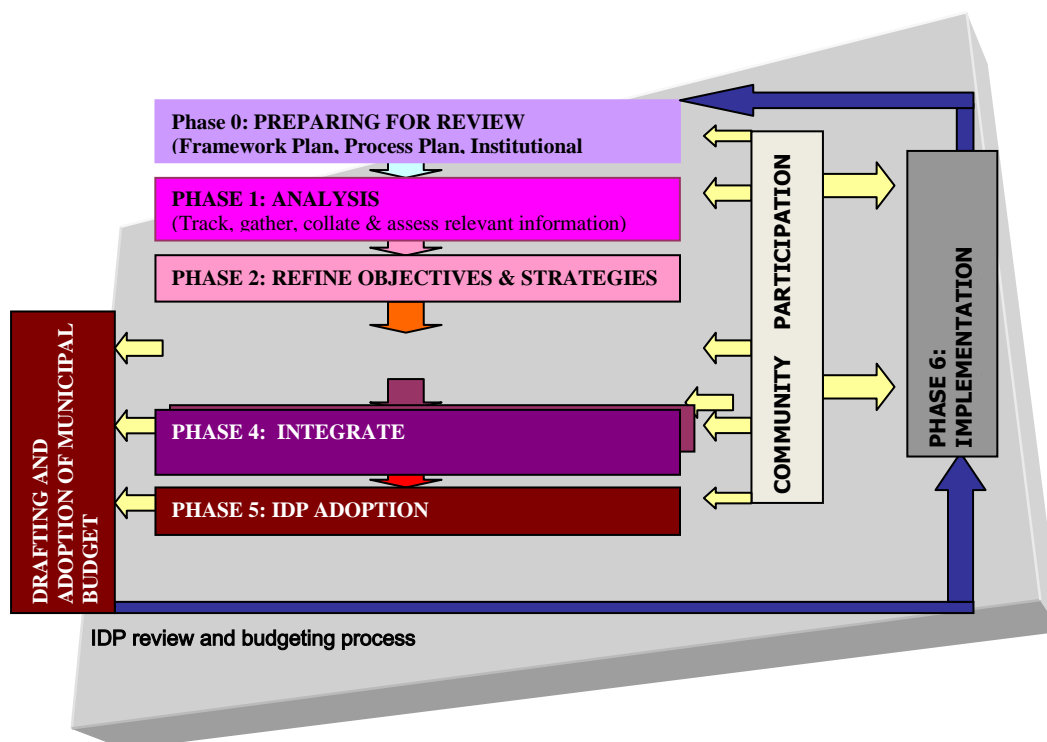
The IDP Representative Forum was established to encourage the participation of communities and other stakeholders. The Emalahleni IDP forum includes:

- Members of the Mayoral committee of the council
- Councillors
- Mining Houses & Large Industries
- Ward committee representatives
- Senior officials from Municipal and Government Department
- Representatives from Organised Stakeholder Groups
- People who fight for the rights of Unorganised Groups – e.g. A gender activist
- Resource people or advisors
- Community Representatives e.g. Chairpersons of Enviro. Groups.

The purpose of this forum is to:

- Provide an opportunity for stakeholders to represent the interests of their constituencies.
- Provide a structure for discussion, negotiations and joint decision making
- Ensure proper communication between all stakeholders and the municipality
- Monitor the planning and implementation process

The structure below details the IDP processes.



Emalahleni Local Municipality planned community meetings to ensure that the Priorities for Development are informed by Ward Priorities and that the community is consulted on all the key processes that have been aligned above.

3.1.7 COMMUNITY PARTICIPATION MEETINGS

The Municipal Public Participation Meetings are organized for the following purposes:

- Introduce the Municipal Councillors and Office Bearers to the community;
- Report on progress in the implementation of the Capital Projects;
- Obtain the Community's needs;
- Report on focus areas for the term of Council;
- Confirm that Communities' Priorities are captured correctly for the IDP;
- Report on the prioritized projects for the coming years.

In terms of accountability, the municipality conducts community meetings whereby the municipal activities are communicated to the community and the community ask questions. IDP Izimbizo was held in September 2014 for reporting on the 2013/14 SDBIP, confirming 2015/16 projects and obtaining Community Needs for 2015/16 IDP.

The second round was held in January – February 2015 for reporting on the municipal 2015/16 draft plans as per the community needs and performance on 2014/15 SDBIP. The below table show the Izimbizo schedules:

First round

WARDS	DATE	VENUE	TIME
17,18,20,21,22,24,33 & 34/12 & 15	16 September 2014	eMalahleni City Hall	17h00
1,2 & 4,5,6,7,8,9 & 3,23 & 29	20 September 2014	Mpumelweni Ground	09h00
10,11,12,13 ,14,15,16,17	20 September 2014	Lynnville Hall	14h00
28,30,31	21 September 2014	Phola Community Hall	09h00
19,25,26,27 & 32	21 September 2014	Rietspruit Hall	14h00

Second phase of the meetings will be for re-prioritization on community needs and new priorities

WARDS	DATE	VENUE	TIME
1,2 & 4,5,6,7,8,9 & 3,23 & 29	31 January 2015	Hlalanikahle Hall	09h00
10,11,12,13 ,14,15,16,17	31 January 2015	Wells ground	14h00
28,30,31	01 February 2015	Phola Community Hall	09h00
19,25,26,27 & 32	01 February 2015	Thubelihle Hall	14h00
17,18,20,21,22,24,33 & 34/12 & 15	03 February 2015	eMalahleni City Hall	17h00

Third phase of meeting will be Budget consultation for the purpose of presenting the 2015/16 budget and Medium Term Revenue and Expenditure Framework (MTREF)

WARDS	DATE	VENUE	TIME
1,2 & 4,5,6,7,8,9 & 3,23 & 29	09 May 2015	Ext. 11 Community Hall	09h00
10,11,12,13 ,14,15,16,17	09 May 2015	Bonginsimbi Ground	14h00
28,30,31	10 May 2015	Phola Community Hall	09h00
19,25,26,27 & 32	10 May 2015	Masakhane Ground	14h00
17,18,20,21,22,24,33 & 34/12 & 15	12 May 2015	eMalahleni City Hall	17h00

The analysis of priority needs of the community in participation meetings are as follows:

- Road infrastructure (Pothole),
- Housing needs,
- Formalisation of informal settlements,
- Regular supply of water and quality,
- Regular supply of electricity and
- General complaints

The community priorities per their level of importance are as follows

WARD	PRIORITY
WARD 1	<ul style="list-style-type: none"> • Paving of roads and stormwater drainage next to Masilela Street) ema 'wagg', and the road next to Madadeni Street. Phase 1 and Phase 2, all roads need paving and stormwater drainage. Grade all roads of Phase 1 and Phase 2 incl "wagg". Reconstruct all tar roads (main). Paving at J.Kananda Road School. • 150 Toilets (outline) at Ext 2 next to taxi rank and 1 176 toilets at phase 1 and 2 • Ext 2.Phase 1 & Phase 2. 1 786 stands with Electrical box not working. Blasting of transformers. Ext 2, Phase 4, ema "Wagg", high illegal connection in the ward. Streetlights need to be repaired • 1 786 RDP at phase 1 and 2 • Sports ground, clinic, post office, crèche and a library in the ward.

WARD 2	<ul style="list-style-type: none"> • Paving all internal roads • Highmast lights in ward 2 • Phase 4 roads • Formalization of C section and F section
WARD 3	<ul style="list-style-type: none"> • Maintenance of electrical infrastructure • Tarring/ paving of road and stormwater • Youth Centre and library • Job opportunities (EPWP) • Land for residential
WARD 4	<ul style="list-style-type: none"> • Patching of potholes on all main streets and gravelling of gravel roads • Upgrading of electricity supply • RDP housing allocation • Street lights in all ward • Recreation facilities and extension of the clinic operation time to 24 hours
WARD 5	<ul style="list-style-type: none"> • Rehabilitation of roads • Water quality • Street lights and high mast lights for security and police visibility • Community multi - purpose Centre • Housing allocation or land for building houses for evicted and back yard dwellers
WARD 7	<ul style="list-style-type: none"> • Construction of sidewalks and streets by tar/paving at ext 18 • Packing of Getfunky • Patching of potholes at ext 2 • Provision of units ext 18 • Speed humps for controlling speed in ext 18
WARD 9	<ul style="list-style-type: none"> • Install meter boxes. Highmast lights at the plots • Tar roads and patching of potholes, stormwater drainage system at Kwa Mthunzville and Sinqobile • Clinic for ward 9 • RDP houses • Toilets at Sinqobile
WARD 10	<ul style="list-style-type: none"> • Paving of Owen Mlisa, Sonny Ndala and Kunene streets • Patching of potholes at Godfrey Motla street • Streetlights and highmast lights at Willie Ackerman, Godfrey Motla, van Dallen and ackerville flats • RDP houses allocation • Ublocking of stormwater drainage system for the whole ward and new stormwater drainage system for Willie Ackerman, Ackerville flats block 1,2 and 3
WARD 11	<ul style="list-style-type: none"> • Construction of community hall in Schoongesicht • Patching of potholes in the area of Schoongesicht in Maartstraar, Heynslaan, Oortman str, Overmeyer Str, Jagger Str, Kaldine Str and in Ackerville: Mahlalela Str • Speed humps in Maart Str, Heynsslaan, Corner Heynslaan and Demas Str • paving of Short Street A,218 near Demas Street

	<ul style="list-style-type: none"> • High mast lights at Mpondazankomo park no 5972/29 • Street lights in Kaldinelaan and Mahlalela Str
WARD 12	<ul style="list-style-type: none"> • Repair of Sewer line at hostel Ferrometal Hostel, Bootsing hostel and Highveld hostel • Installation and monitoring of jojo tanks at Santa Village, Farm area and MNS area • Repairs of electricity on residents in Ferrometal Hostel, Bootsing hostel and Highveld hostel • Grading of roads at Ferrometal Hostel, Bootsing hostel, Highveld hostel, Farm area and Ext 5 and Speed humps at Pine Ridge Ext 5 and ext 6 • Patching of potholes and road tarring at Barb Ackerville, Santa Village, Ferrometal Hostel, Bootsing hostel, Highveld hostel and Pine Ridge (Sweetpea str)
WARD 13	<ul style="list-style-type: none"> • Construction of streets Mgibe, Mahlalela and Mashia streets • Remove house 3628 and 3710 Riba street • Repairing and upgrading of Owen Mlisa, Phasa, Sonny Ndala, Narvis, Moela, Scoth Khoza, Skosana, Nyembezi, Radebe, Zimu, Johason Drive and Godfrey Motla Streets and paving and lights at passages Phosa, Owen Mlisa, Sonny Ndala to Ndlovu street, Nhlapho to Ngobeni street, Skosana to Vilakazi street, Riba to P Ngobe street • Stormwater drains (all streets with stormwater drains) and construction of stormwater drains in Nyabela, Ngobeni, Johnson drive and Godfrey Motla streets • Proclamation of Mpondozankomo.
WARD 14	<ul style="list-style-type: none"> • Sewer at Thala • Land for Likazi and Sizanani settlement relocation • Paving and tarring of hostel roads • Maintenance of highmast light and street light • Potholes at Herchelle and Mokoena Street
WARD 15	<ul style="list-style-type: none"> • Tar and paving main roads at extension 3 and 4 and patching of potholes • Installing storm drainages at ext 3 and 4 • Building pedestrians bridges between ext 4 and 3, ext 8 and Coronation school • Speed hump at R544 road next to township • Fixing of electrical meter boxes at ext 3 and 4
WARD 16	<ul style="list-style-type: none"> • Roads and potholes • Waste removal • Stormwater drain • Housing • Sewer problem
WARD 19	<ul style="list-style-type: none"> • Regraveling at Masakhane and Mgewana • Drainage of toilets at Benella and Masakhane • Potholes at Duvha Park • Fixing of street lights at Duvha Park • Land for Masakhane
WARD 21	<ul style="list-style-type: none"> • Patching of potholes in Tempo.

	<ul style="list-style-type: none"> • Maintenance of street lights. Marydale street lights are broken • Community hall • Sport facilities • Mobile clinic • Pedestrian bridge in Tasbet Park 1 at the robot • Water supply in Tasbet Park ext 12 and 1 • RDP houses for backyard dwellers • Fixing highmast light in Klipfontein Dam
WARD 24	<ul style="list-style-type: none"> • Closing of Diana Str in Del Judor Proper • Fixing of potholes in whole ward 24. Model Park, Die Heuwel, Del Judor Proper and Del Judor 1 • Street lights in Model Park in Del Judor 1 • Cutting of grass in all the parks in wards 24 • Street lights between Del Judor proper and Del Judor 4
WARD 25	<ul style="list-style-type: none"> • Land for residential and business • Upgrading of Bonginhlanhla Primary School • Library • Roads and stormwater ext. 5 • Upgrading of electrical substation
WARD 27	<ul style="list-style-type: none"> • Supply of water • Sanitation • Land for human settlement • Grading of roads • Recreation and sports facilities
WARD 28	<ul style="list-style-type: none"> • Nkanini and Extended Oyco, electrical connections and highmast lights • Paving of the streets for the whole ward • Patching of potholes • Taxi Rank for the ward • Speed humps at Dlomo, Vulindlela, Masango and Oyco streets
WARD 29	<ul style="list-style-type: none"> • Electricity supply in ward 29 ext 1,3,4,5, and 6
WARD 30	<ul style="list-style-type: none"> • Electrical supply for areas at Extended Bufferzones and Siyabonga • Sewer supply and water meters at bufferzone and sewer supply at Siyabonga • Paving of streets and stormwater at Mondonsela, Mohlomuza, Mabethe, Mandela and Lukhele • Speed humps in Phola and Ogies town • Potholes at Tycoon and Ogies
WARD 31	<ul style="list-style-type: none"> • Provision of water standpipes in the area of Iraq informal settlement • Regraveling of Bhodli Street • Paving of all streets in the ward • Healthcare facilities • Stormwater drainage
WARD 32	<ul style="list-style-type: none"> • Highmast lights in Rietspruit • Stormwater drainage and patching of streets on Vilakazi,

	<p>Relly Drive, Willow Mzamo and Madiba streets</p> <ul style="list-style-type: none">• Grass cutting and illegal dumping throughout the ward• Land for church• Cemetery
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Matrix on 5 year summarized community Inputs

EMALAHLENI LOCAL MUNICIPALITY NEEDS																																				
PRIORITY ISSUE	WARD																																			
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	Total	
WATER	✓	✓	✓	✓	✓	✓					✓	✓	✓	✓	✓		✓	✓	✓	✓			✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	25
SANITATION	✓	✓	✓	✓					✓	✓	✓			✓		✓	✓						✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	21
ELECTRICITY	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓			✓	✓	✓	✓	✓	✓	✓	31
ROADS AND STORMWATER	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	33
SPEED HUMPS	✓	✓					✓	✓	✓	✓	✓	✓										✓	✓	✓					✓					✓	✓	15
HUMAN SETTLEMENTS	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓			✓		✓		✓		✓	✓	✓	✓	✓	✓	✓	✓	27
WASTE / ENVIRONMENTAL MANAGEMENT	✓	✓	✓	✓					✓	✓		✓	✓	✓	✓	✓	✓	✓			✓	✓	✓	✓	✓	✓	✓			✓	✓	✓	✓	✓	✓	24
CEMETERY																																	✓		✓	2
RECREATION AND	✓	✓	✓		✓	✓		✓				✓		✓			✓							✓				✓			✓	✓	✓	✓	✓	13

3.1.8 Risk management

The accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure, amongst other things that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control.

The Risk Management Unit was established in Emalahleni Local Municipality. The department service is to provide specialist expertise in providing a comprehensive support service to ensure systematic, uniform and effective enterprise risk management. The risk management unit plays a vital communication link between operational level management, senior management, risk management committee and other relevant committees. The risk management unit is thus the custodian of the ERM framework, the co-ordinator of the risk management throughout the municipality and the institutional advisor on all risk management matters.

The Municipality has adopted Risk Management Policy and strategy for the operation of Risk Management functions. The Risk Management Committee (RMC) was established in terms of the Local Government: Municipal Finance Management Act 56 of 2003. The RMC is guided by the Committee Charter in conjunction with the Public Sector

Risk Management Framework from the National Treasury Department. The RMC has developed the Charter which was approved for 2013/2014 which talks about the composition, meetings, roles and responsibilities of the committee. The RMC reports to Audit Committee and to the Accounting Officer.

During 2014/15 Emalahleni Local Municipality identified the following TOP five risks:

- Inadequate Financial Management and Governance
- Unsustainable services Delivery
- Non -compliance with legislative
- Ineffective communication (Internally and external)
- Poor performance

3.2 STAKEHOLDER PARTICIPATION

Public Participation at Emalahleni Municipality is based in the office of the Speaker, which its purpose is to oversee the Public Participation function of the Council. It includes working with Ward Committees. Municipalities are required to have routes that promote Public Participation. Ward Committees are the most common way in which municipalities get communities to participate in decision-making. Legislation makes participation in municipal activity an important part of municipal processes i.e. IDP & Budget processes.

The functions of the division include:

- Management and monitoring of Ward Committees functionality
- To organize , promote and encourage community participation in the municipal processes
- To co-ordinate community outreach programmes
- To co-ordinate with sector departments all community participation programmes

The municipality has a public participation policy which guides on how the issues of public participation will be addressed in Emalahleni for the purpose of good governance.

3.3 INTER - GOVERNMENTAL RELATIONS (IGR)

3.3.1 NATIONAL INTERGOVERNMENTAL STRUCTURES

The municipality is a member of South African Local Government Association (SALGA) which is organized government structure in terms of the Republic's Constitution. Therefore the municipality participation in National Inter Governmental Structures is through SALGA.

The benefit to the municipality is that issues affecting municipalities are submitted to SALGA which then discusses them with relevant structure at national level. Expert advice is provided to the municipality because of its membership of SALGA.

3.3.2 PROVINCIAL INTERGOVERNMENTAL STRUCTURE

The municipality attends meetings organized by Nkangala District Municipality (NDM), which meetings include the other five municipalities in the district. The District Municipality is the mandated convener of these meetings.

The meetings in NDM discuss issues from the Integrated Development Plan (IDP), Performance Management, Finance, Service Delivery, Spatial Planning, Organisational Development and Local Economic Development.

At the Provincial level the municipality participates at the various structures and includes the Premier's Coordinating Forum and meetings of Members of the Executive Council (MECs) with MMCs and officials.

3.4 COMMUNICATIONS (INTERNAL AND EXTERNAL)

The communication is a strategic function. The municipality has a unit that deals with Internal & External Communication, Conducting Imbizo Programmes, Media and stakeholder liaison, media production, marketing and branding. The unit:

- Oversee the implementation of the overall communication strategy.
- Develop communication policies of the municipality.
- Promote integrated communications with spheres of all government. (IGR).
- Convene and Chairs all communication/ coordinating forums.
- Attend and participate in Provincial Communicators Forum (PCF)
- Attend and participate in Cooperative Governance and Traditional Affairs (COGTA)'s forum.
- Manages the overall communications unit.
- Assist the municipality with protocol and related issues.
- Attend and participate in Government Communication and Information Systems (GCIS) Provincial and National.
- Leadership management to District communicators' forum. (DCF).
- Advise management on Municipality Policies and Public perception

The municipal has adopted the communication strategy.

3.4.1 WARD COMMITTEES

The key purposes of Ward Committees are as follows:

- To encourage the community to pay for services rendered to them by the municipality;
- To create formal unbiased communication channels and co-operative partnerships between the municipality and community within a ward;
- To facilitate public participation in the process of review and development;
- To serve in officially recognised participatory structures in the municipality;
- To monitor the implementation of approved municipal projects;
- To make recommendations on matters affecting the Ward to the Ward Councillor, Member of the Mayoral Committee or the Executive Mayor.

Emalahleni Ward Committees discusses the issue of revenue collection, the financial viability of the municipality and the payment of stipends to the Ward Committee members.

A report on Ward Operational Plans-Emalahleni Local Municipality

In 2013, the Mpumalanga Department of Co-operative Governance and Traditional Affairs in collaboration with the National Department of Co-operative Governance held a workshop on development of operational plans for ward committees. This led to ward operational plan development workshops in all municipalities with the Ward Committees, Community Development Workers and Public Participation Officers.

To improve accountability of ward committees, Ward Operational plans provide for an opportunity to plan based on the community needs reflected in the IDP and those collected from ward based community meetings on local based programmes and activities to address specific challenges .The main focus of the Operational Plans in Emalahleni are to :

- Facilitate Communication between council and community in wards: All Emalahleni Ward Operational plans have community meetings and or meetings with organised groups within the ward to communicate council decisions, programmes and feedback on service delivery concerns.

- **Ward Committee Management:** Ward Committees have portfolios aligned to the municipal directorates for reporting and receiving regular feedback from portfolios in ward committee meetings
- **Monitoring and reporting on service delivery within the ward:** Ward Committees undertake various data collection processes with sector departments and assist the council with identification of community members to participate in relevant programmes such as RDP housing, subsidies and indigents .They further monitor all projects implemented in their wards and provide feedback to the communities they serve on the progress thereof.
- **Service Delivery Campaigns:** The operational plans outlines various campaigns to be undertaken especially issues of illegal connections, Free Basic Services, payment of services and door to door service delivery challenges
- **Mobilising agents:** Ward Committees are always available to mobilise communities for various programmes such as IDP/Budget Izimbizo, community meetings and other public gatherings through the acknowledgement of the respective ward councillor.

The operational plans are aimed at ensuring that operations by ward committees are structured and provide an enabling platform for them to take part in planning, implementation and monitoring of service delivery. Emalahleni Local Municipality has developed all 34 Ward Operational Plans for the financial year 2014/15.

Successes from Implementing Ward Operational Plans

- The Ward Operational Plans have provided clarity and direction for collected effort of ward committees in attending to community issues emanating from the community;
- The Ward Operational Plans through their portfolios have increased the credibility of ward committees within the municipal directorates as constant communication with municipal officials allows relevant feedback more efficient on reported service delivery matters;
- The Ward Operational Plans provide proper evaluation of the monthly and quarterly activities of ward committees in assisting sector departments, private sector and the municipality in addressing community needs. Through their advisory nature of operation, they represent communities in various committees and structures established to improve service delivery in communities and;
- The out-of-pocket remuneration ward committees receive is based on the meetings held per month engaging with community issues and programmes that

aim to solve them. The amount they receive covers transport costs, catering and communication for improved efficient operation within the ward.

Challenges from Implementing Ward Operational Plans

- Most Ward Committee members are mature adults. There is some difficulty in reading and understanding certain municipal processes and new concepts learned from workshops they attend. These include the development of ward operational plans and the assessment thereof. Time over the years is required to fully exploit the potential impact of the ward operational plans in the community and;
- The municipality is currently under administration and service delivery has been impacted negatively. Some community issues require medium to long term planning hence they appear in the IDP and cannot be addressed by the ward operational plan. This limits the impact the operational plans have as they are not budgeted for and rely on municipal sector programme funding, skills and resources.
- Group infightings and disagreements limits the full impact of implementing the ward operational plan. There are disagreements that hamper the progress of activities and time taken to attend to such is a waste and an opportunity lost for community action and development

Plans to address the challenges

- All group conflicts that arise, the councillor attends to them immediately. In an event whereby he/she cannot resolve, they are attended by the municipal speaker for swift response and stabilising relationships in the ward committee;
- (b) The workshops on reviewing municipal processes, information and programmes will be continuously be done so as to update ward committee members for dissemination of relevant information to the communities they represent and serve;
- (c) Increased communication with the municipal directorates will be encouraged and supported so that in their programme planning and budgeting, ward operational plans can receive assistance in knowledge, resources and skills in implementing their operational plans through the directorate support. Alignment of annual programmes and operational plans will be encouraged to increase the relevance and the impact thereof.

3.5 SAFETY AND ENVIRONMENT

3.5.1 Safety and security

The municipality does not have municipal police but it does have a public safety department. The department does participate in community public safety programmes together with the South African Police Service (SAPS) and Department of Community Safety and liaising. The department has several units which include Traffic Control, Law Enforcement, Licensing, Security and Disaster Management.

The Traffic Section is mainly focusing to promote road safety, public education and traffic laws enforcement. Points men were appointed for the purpose of reducing the traffic congestion in eMalahleni

The objectives are:-

- To ensure maximum protection of Council properties.
- To enforce Council by-laws.
- To ensure proper access management and protection of staff.
- Is to provide visible patrol within Emalahleni Local Municipality.
- Proper control of hawkers and street vendors
- To render 24 hours – 7 day service delivery to be community.
- To have proper management system of parking in the CBD
- To promote safe environment;

The municipality is faced with uncontrollable street vendors on main routes and the CBD, non-compliance to Municipal by-laws, illegal land uses and illegal occupation of land, traffic congestions.

Strategy to improve on the challenges faced:-

- Implement sufficient and effective security management system.
- Purchasing additional patrol and respond vehicles.
- Enforced Council by-laws and policies.

3.5.2 Environmental management

There is high level of air pollution in Emalahleni due to high number of industries that emits priority pollutants. There is also, lack of Air Quality Management Programs, However, there's a plan to develop a local Air Quality Management Plan including monitoring and law enforcement. Environmental management compliance can only be achieved by establishment of an Environmental management compliance unit which is currently non-existent.

1.1.1 Disaster Management

South Africa faces a wide range of increased threats and disastrous risks, exposed to a wide range of weather hazards including; drought, cyclones and severe storms that can trigger widespread hardships and devastation. As a result of these, Municipalities find themselves burdened with budgets constraints that result in humanitarian assistance obligations in times of emergency.

In addition to these natural and human- induced disasters, and despite the on-going progress and efforts of the government to extend poverty alleviation grants to the needy people to alleviate mal-nutrition and starvation, which cause these people to be most vulnerable, a large number of these people still live in conditions of chronic disastrous vulnerabilities in residential structures that pose not only a threat of repeated informal settlement fires and collapsing structures, but a threat to the neighbouring environment as well.

The Act recognizes the wide-ranging opportunities in South Africa to avoid and reduce disaster losses through concerted efforts of all spheres of government, civil society and the private sector. However, it also acknowledges the crucial need for uniformity in the approach taken by such a diversity of role players and partners.

3.5.3 Disaster management Plan

Emalahleni Local Municipality does provide the disaster management service and has fire and rescue services to prevent, protect loss of life and property. The municipality has Disaster Management plan which was adopted in 2012.

The priorities of Disaster Management Services are:

- Identification of disaster risk areas;
- Management of accident scenes especially where there has been spillages; and
- Development of Disaster Management Plan and the establishment of Disaster Management Coordinating Forum.
- Development of contingency plans

Emalahleni local municipality has identified the following hazards

- Road accidents caused by mist, poor infrastructure (faulty traffic lights and
- Potholes, lawlessness and unlawful motor racing)
- Air pollution,
- Sinkholes,
- Strong winds,
- Floods,
- Epidemics caused by poor sanitation and unlawful refuse removals or illegal
- Dumping,
- Water pollution and consumption/ ingestion of contaminated food / water
- Rail accidents,
- Spillages or flammable gas leaks,
- Underground fires as a result of old mines which are not rehabilitated,
- Shack fires,
- Crime,
- Civil unrest,
- Strikes and taxi violence,
- Electrocutions due to illegal connections,
- Electric power blackouts,
- Building or structural collapse,
- Uncontrollable veldt fires,
- Mine collapse,

- Breakdown of essential services/ supplies,
- Xenophobic attacks etc.

Disaster risk reduction plans

The Municipality has furthermore identified the following hazards as our priority hazard:

- Underground fires
- Sink holes
- Shack fires
- Veldt fires
- Water contamination
- Illegal refuse disposal
- Road accidents

Prevention and mitigation strategies

- The Municipality has budgeted R1m for Disaster management temporary relief items to provide temporary accommodation and to provide other relief items to displaced people affected either by sinkholes, shack fires or other disastrous incidents.
- Furthermore, the Municipality has also budgeted for grass unit, fire engine, support vehicle, rescue vehicle, fire tanker and hazmat to deal with veldt fires and road accidents.
- The Municipality also do awareness campaigns to address water contamination, shack fires and unlawful refuse disposal

Preparedness plan (early warnings)

The municipality has a disaster management plan and will in case of any disaster activate, release the necessary resources and will through media, sms, internal and external structures inform the community about the possible occurrence of the disaster.

3.5.4 Emergency services

The emergency section is responsible for fire prevention and emergency services which are rescue services, fire incidents and public education.

3.5.5 Law enforcement

The municipality established Security Section with the intention to protect and save guard Municipal assets and property

3.6 GOVERNANCE AND PUBLIC PARTICIPATION STRATEGIES AND SECTOR PLAN STATUS

Sector Plan	Existing Yes/No	Draft / Adopted	Date of adoption	Last, Reviewed when?	Comments on the current status
Fraud Prevention Plan	Yes	Adopted	27 June 2013	To be reviewed again for 2015	Due to lack of funds for implementation of fraud prevention plan, ineffectively implementing this plan due to lack of funds for implementation.
Risk Management Strategy	Yes	Adopted	27 June 2013	To be reviewed again for 2014/ 2015	Implemented
Public Participation Strategy	Yes	Draft	Review in progress for adoption Feb 2015	Review in progress	The strategy is envisaged to serve in Council in Feb 2015
Communication Strategy	Yes	Draft	Review in progress for adoption Feb 2015	Review in progress	The strategy is envisaged to serve in Council in Feb 2015
The Community Safety Plan (Municipal Safety Plan)	Yes	Adopted	March 2012	Will be reviewed in 2015	
The Environmental Management Plan	Yes	Yes	2008/9	To be reviewed in 2014/15	To be budgeted for in the financial year. NDM currently compiling District EMP.
The Disaster Management Plan	Yes	Adopted	February 2012	To be reviewed Feb 2014	Finalizing the review

4. SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

4.1 INTRODUCTION

Municipalities must ensure that basic services are provided to their communities as stated in the Constitution of the country. Emalahleni is no exception to this constitutional obligation. There is a pressing need for the municipality to provide quality services to the community so as to avoid public unrests.

The basic services that have to be provided are potable water, sanitation, refuse removal, electricity, roads and storm-water, street lighting and environmental health.

These services directly affect the quality of the lives of the people in the community. The non-provision of water and non-collection of refuse can easily lead to unhealthy and unsafe living environments. Poor services can also make it difficult to attract investments to an area thus limiting economic growth and job creation.

In terms of key service achievements the municipality was able to deliver services to its community and the status quo in respect of access to services is as follows:

- 73,4% of households have access to electricity;
- 93,8% have access to water;
- 92% of households with access to sanitation.
- 67, 2% have access to refuse removal.

4.2 ELECTRICITY INFRASTRUCTURE AND ENERGY EFFICIENCY

The function of the Electrical division within the municipality includes the provision and distribution of electricity to consumer and the upgrading and maintenance of the existing infrastructure. The Department is responsible for the purchase of bulk electricity from Eskom and distribution thereof to the community.

Access to energy

Census 2011 indicates the use of different sources of energy for lighting in Emalahleni households. The figures reveal electricity as the leading source of energy for all users followed by candles and gas as the lowest source of energy. The table shows the access and backlog to electricity per wards.

Ward	Total Number of Households	STATS SA (2011)	
		Households with Electricity	Households with No Electricity
1	4443	4335	108
2	2607	2190	417
3	1347	1161	186
4	2877	2436	441
5	2745	2721	24
6	3531	3333	198
7	2253	1944	309
8	3990	3321	669
9	3321	2952	369
10	2103	1155	948
11	1599	1482	117
12	4986	2988	1998
13	1650	1398	252
14	5862	1068	4794
15	6330	2736	3594
16	2076	2058	18
17	2775	2721	54
18	3402	3348	54
19	4512	2580	1932
20	2766	2688	78
21	5970	4989	981
22	2085	2061	24
23	3870	1950	1920
24	2751	2736	15
25	4854	4245	609
26	2775	2748	27
27	2637	2475	162
28	4782	3375	1407
29	6228	1041	5187

30	2952	1362	1590
31	2577	2400	177
32	4482	2787	1695
33	3642	3615	27
34	5088	3633	1455
Total	119874	88032	31842

Source: Statistics South Africa 2011

The municipality is able to provide electricity to at least 96% of its formal households. However the challenges are the old infrastructure, increased demand as results of expansions and illegal connections which causes the electricity infrastructure to be overloaded and explode. Illegal connections also contribute to the high electricity losses suffered by the municipality.

4.3 TRANSPORT SERVICES AND INFRASTRUCTURE

The roads network of Emalahleni Local Municipality is found in the following areas: eMalahleni the city and its urban areas and extensions, KwaGuqa Extensions, Ga-Nala and Thubelihle, Ogies and Phola, Rietspruit, Van Dyksdrift, and Wilge. The network comprises of surfaced roads, gravel roads, paved and concrete with a total of 1400.08km.

The municipality is surrounded by both mining and industrial activities resulting in a contingent of heavy duty motor vehicles using the towns as passages to their destination. There is also a continuous urban development that leads to increased traffic volumes that put more pressure on the aged and dilapidated roads infrastructure which needs upgrading, rehabilitation and maintenance. The municipality has 15km railway line siding which serves the Ferrobank industrial area. The railway line needs to be rehabilitated and ensure continuous maintenance thereof.

The council also has Airfield (Aerodrome) which is mostly in use by the mining company executives and few local businessmen to fly in and out of the Witbank area. To keep up with compliance with the aviation authority the municipality must ensure proper routine maintenance is carried out and the facility promote safety operations.

4.4 ROADS AND STORMWATER

The Road and Storm Water function of the municipality includes the construction, upgrading, and maintenance of roads and storm water system.

The objective of the division is to ensure that the road and storm water infrastructure is adequately maintained to ensure access and mobility of both motorized and non-motorized traffic.

1 400km is the total number of km of municipal roads; 600km of 1 400 are gravel roads and 800 km need rehabilitation & patching

- 60% Reconstruction
- 30% Rehabilitation
- 10% Resealing

Currently the division is functioning without sector plans (e.g. Road & Storm Water Master Plan) which should be serving as guide for the new development of the towns of Emalahleni Local Municipality and guide both new constructions and maintenance of existing roads infrastructure network. Work that is done in an annual basis in maintenance is directed by the internal need, and no quantifiable maintenance work was done in roads (surfaced)

Furthermore, 90% of the streets are damaged and required reconstruction and rehabilitation. The contributing factor to most street damages is due to the heavy vehicles (mining trucks) and poor storm water drainage. Also, there is increased traffic volume due to rapid growth and development.

4.5 WATER SERVICES AND INFRASTRUCTURE

The municipality is serving as a Water Services Authority (WSA) and also Water Services Provider (WSP). The municipality is operating with three water schemes:

- Witbank Water Treatment Works
- Ga-Nala Water Treatment Works
- Rietspruit Water Treatment Works

The infrastructure is approximately fifty years old and has reached the end of its designed life. The infrastructure is composed of different technologies, as technology changed in the past fifty years so has the materials and equipment installed is outdated. The current challenges and problems with water and sanitation for the municipality it is triggered by factors such as:

- Imbalance between the demand and supply (Increased in water demand),
- Overloading of systems,
- Distribution losses (about 42%),
- Ageing and outdated technology.
- Lack of proper maintenance teams (incl. equipment & tools)

The overall Blue Drop score rating:

Year	2012	2011	2010
Score	37,5 %	46,9 %	29,7%

The eMalahleni/Witbank Dam is subject to high levels of pollution in the catchment area and a Water Quality Management Plan was developed for the catchment area by the Department of Water Affairs. The water challenges are as follows:

- Aging and deteriorating infrastructure
- insufficient funding for continuous operation and maintenance, repair and upgrade,
- Inadequate human resources capacity and distribution system not performing to design capacity.
- Water supply disruptions
- High water losses
- Visible poor quality of water
- Low rating of the Blue Drop Status (37% against provincial average of 60%)
- Unmetered water network system
- Reliance on transporting portable water with water tankers

The Municipality is planning to improve on the reliability of network system; refurbish its water treatment plant in eMalahleni, reduce the water losses; improve on the quality of

water supplied; improve on the Blue Drop status targets and scheduled deliveries of portable water through water tankers.

The Top Priorities for water provision are:

- Good water quality that is complaint.
- Provision of household water supply connections.
- Zone the areas to improve on pressure of the network to ensure access to sustainable water supply
- Refurbish the dysfunctional water infrastructure components
- Establish partnerships with communities for installation of metered water supply (cost recovery)
- Establish zones by installing valves and meters (tariffs establishment)
- Increase number of water tankers

The access to water is as the below table. STATS SA census base line figure indicate a total of 119 874 households in which 13 565 are below RDP standard and 106 315 are above standard.

STATS SA (2011)										
Ward	Total Number of Households	Piped (tap) water inside dwelling/institution	Piped (tap) water inside yard	Piped (tap) water on community stand: distance less than 200m from dwelling/institution	Piped (tap) water on community stand: distance between 200m and 500m from dwelling/institution	Piped (tap) water on community stand: distance between 500m and 1000m (1km) from dwelling/institution	Piped (tap) water on community stand: distance greater than 1000m (1km) from dwelling/institution	No. of HH with NO access to piped (tap) water	Below RDP Standard	Above RDP Standard
1	4442	2034	2345	5	8	0	2	49	59	4384
2	2607	841	1302	154	25	102	106	76	309	2297
3	1347	395	866	13	6	4	0	63	73	1274
4	2878	981	1517	312	17	11	2	38	68	2810
5	2743	2552	166	9	1	0	1	14	16	2727
6	3529	2350	1022	28	2	0	0	127	129	3400
7	2250	1646	361	110	5	0	0	128	133	2117
8	3992	1344	1811	563	94	60	0	121	275	3718
9	3322	1174	1783	286	41	7	0	31	79	3243
10	2106	1050	636	318	20	3	3	76	102	2004
11	1599	1234	202	30	18	42	17	57	134	1466
12	4987	2429	1314	785	339	11	6	103	459	4528
13	1648	1150	301	154	26	14	0	2	42	1605
14	5861	695	1261	1826	1130	601	147	201	2079	3782
15	6331	2566	1406	1348	378	212	7	414	1011	5320
16	2079	1662	407	5	0	0	2	4	6	2074
17	2776	2289	467	2	4	2	3	8	17	2758
18	3404	3222	139	2	7	7	0	28	42	3363
19	4509	1913	654	626	452	180	87	596	1315	3193

20	2763	2523	171	23	3	1	1	41	46	2717
21	5969	4776	216	281	154	58	2	484	698	5273
22	2086	1961	102	4	3	1	1	13	18	2067
23	3870	1130	1723	567	121	108	11	212	452	3420
24	2748	2671	44	9	1	1	0	22	24	2724
25	4858	2174	2314	47	6	12	11	294	323	4535
26	2778	2275	475	5	1	1	1	20	23	2755
27	2638	2200	280	105	13	10	16	14	53	2585
28	4784	1870	1847	417	122	47	120	361	650	4134
29	6229	1007	2772	932	552	253	62	652	1519	4711
30	2954	1185	284	379	201	286	173	445	1105	1848
31	2574	1161	1295	82	9	7	0	20	36	2538
32	4480	2345	673	588	169	153	42	510	874	3606
33	3644	3462	156	3	5	1	0	18	24	3621
34	5089	3545	117	56	174	156	10	1032	1372	3718
Total	1198 74	65812	30429	10074	4107	2351	833	6274	1356 5	1063 15

Source: Statistics South Africa 2011

4.6 SANITATION SERVICES AND INFRASTRUCTURE

Emalahleni Local Municipality operates with seven (7) Waste Water Treatment Works (WWTW) namely:

- Ferrobank WWTW,
- Riverview WWTW
- Naauwpoort WWTW,
- Klipspruit WWTW,
- Phola-Ogies WWTW,
- Rietspruit WWTW,
- Ga-Nala WWTW (Thubelihle WWTW to replace Ga-Nala)

The overall Green Drop score performance:

Year	2013	2012	2011
Score	15%	46.2%	0%

Access to sanitation

The distribution of Emalahleni Municipality households by access to sanitation facilities is indicated in the below table. In 2011, 116,888 of households in the Municipality have access to toilet facilities, with highest number of households have access to flush toilet connected to sewerage system. There is huge increase on households connected to Pit Toilets with and without ventilation. According to the municipal statistics, all the households have sanitation services; the information from census 2011 will be investigated

Toilet facility in actual numbers		
Description	2001	2011
Flush toilet (connected to sewerage system)	52,153	82,482
Flush toilet (with septic tank)	789	2,389
Pit toilet with ventilation (VIP)	839	3,812
Pit toilet without ventilation	14,097	24,223
Chemical toilet	653	844
Other	-	2,412
None	5,215	2,987

Source: Census South Africa 2011

The challenges faced include

- Aged infrastructure,
- Sewer spillages due to blocked pipes and manholes,
- Pollution to the streams (Poor quality effluent discharged to the environment),
- Inefficient sewer treatment plant and overflowing;
- Majority of houses without proper sanitation in the municipal area;
- Most rural sanitation (VIP toilet pits) are full
- Low rating of Green Drop Status rating (78% against provincial of 69%).
- The current infrastructure is inadequate to accommodate the new development.

The municipality is planning to optimise the efficiency of the Sewer Treatment Works and respond on time to sewer spillages. Reduce/Treat the sludge content in the VIP toilets and improve on the Blue Drop Status.

Plans are to:

- Refurbish and upgrade the Waste Water Treatment Works.
- Provide water borne sewerage system as adequate bulk water becomes available
- Zone areas and build teams to improve on response time to sewer spillages
- Provide routine maintenance to the rural sanitation schemes

The access to sanitation is as the below table. According to census 2011, Emalahleni has 119 874 households, 34 998 households are below RDP standards and 84 869 households are above RDP standards

Ward	STATS SA (2011)										
	Total Number of Households	Flush toilet (connected to sewerage system)	Flush toilet (with septic tank)	Chemical toilet	Pit toilet with ventilation (VIP)	Pit toilet without ventilation	Bucket toilet	Other	None	Below RDP Standard	Above RDP Standard
1	4 442	3 313	36	2	220	678	2	111	80	1 093	3 349
2	2 607	2 093	10	8	4	262	5	64	161	504	2 103
3	1 347	1 147	15	0	4	127	4	6	44	185	1 162
4	2 878	2 218	31	4	33	472	4	41	77	631	2 249
5	2 743	2 697	12	0	2	12	5	6	9	34	2 709
6	3 529	2 805	57	1	35	438	12	83	98	667	2 862
7	2 250	1 919	7	0	3	295	2	2	23	325	1 926
8	3 992	2 743	15	4	170	842	32	78	109	1 235	2 758
9	3 322	1 606	572	31	344	598	22	63	85	1 143	2 178
10	2 106	1 136	5	2	8	923	8	7	16	964	1 141
11	1 599	1 358	5	2	26	179	1	10	17	235	1 363

12	4 987	3 352	172	8	59	1 264	27	41	64	1 463	3 524
13	1 648	1 413	6	0	4	215	0	4	6	229	1 419
14	5 861	869	43	25	290	4 146	18	109	361	4 949	912
15	6 331	2 732	10	18	344	1 967	54	889	317	3 589	2 742
16	2 079	2 043	10	1	2	5	1	7	8	24	2 053
17	2 776	2 739	7	2	4	3	4	7	9	29	2 746
18	3 404	3 338	16	1	0	15	2	7	25	50	3 354
19	4 509	2 300	156	81	640	1 080	77	103	72	2 053	2 456
20	2 763	2 395	289	1	9	34	9	15	11	79	2 684
21	5 969	4 997	18	2	4	624	65	150	108	953	5 015
22	2 086	2 072	5	0	0	1	0	5	2	8	2 077
23	3 870	1 835	121	25	131	1 663	2	37	55	1 913	1 956
24	2 748	2 702	17	1	2	2	3	7	14	29	2 719
25	4 858	4 330	28	10	186	184	9	23	88	500	4 358
26	2 778	2 709	20	9	24	0	0	14	3	50	2 729
27	2 638	2 230	131	3	42	158	3	34	36	276	2 361
28	4 784	3 145	169	147	518	309	217	87	192	1 470	3 314
29	6 229	916	155	134	260	4 449	22	46	247	5 158	1 071
30	2 954	1 226	52	231	156	804	21	142	322	1 676	1 278
31	2 574	2 387	29	67	25	21	8	6	30	157	2 416
32	4 480	2 610	64	13	204	1 258	56	69	206	1 806	2 674
33	3 644	3 606	9	2	2	2	6	10	6	28	3 615
34	5 089	3 498	98	8	58	1 190	26	128	83	1 493	3 596
TOTALS	119 874	82 479	2 390	843	3 813	24 220	727	2 411	2 984	34 998	84 869

Source: Census South Africa 2011

4.7 WASTE MANAGEMENT AND INFRASTRUCTURE

The municipality has 3 licensed landfill sites, which are Leeuwpoort, Ga-Nala waste disposal sites and the Phola landfall site and no unlicensed landfill sites. The operation and maintenance of the Leeuwpoort and Ga-Nala waste disposal sites are being done by private service providers. The Phola landfall site is 90% complete. Sufficient air space is still available on all landfill sites for the disposal of refuse.

4.7.1 Refuse removal

The municipality provides the refuse removal services to its households. The 2011 statistics reveal that about 80,586 of households had their refuse removed by local / private company at least once a week in 2011. However, there is still about 8,154 household with no rubbish disposal

Removed by local authority/private company at least once a week	80,586
Removed by local authority/private company less often	1,701
Communal refuse dump	3,534
Own refuse dump	24,959
No rubbish disposal	8,154
Other	941

Source: Census South Africa 2011

About 94 861 households receive refuse removal services once a week in residential areas, in the business areas is done 5 times a week and 3 times a week in the smaller business areas.

The IWMP refuse generation shows a growth of 3.5% p.a. this includes households and businesses. Council is unable to keep up with the growth in terms of providing waste collection.

Refuse removal at the Informal settlements is still a challenge. The poor road infrastructure in these settlements makes it difficult for the current waste collection system to be implemented; however, a program for cleaning of illegal dumping

spot/areas in these settlements is being implemented and monitored. There are difficulties in removing waste from privately owned farms due to the lack of access to farms where some of the homes remain under-serviced. There is also lack of permitted communal disposal sites.

An integrated approach to waste management is crucial in addressing waste management problems in Emalahleni, this includes the provision of transfer stations in areas which are underserviced (Vosman, Hlalanikahle, Empumelelweni, Iraq and Siyabonga in Phola and Masakhane village), establishment of a MRTF (Material Recovery and Transfer Station in the Eastern side of eMalahleni, Rynoridge. Two business plans have been developed internally for the establishment of a MRTF and transfer stations respectively, for which require funding. Formalization of recycling activities in Emalahleni is underway; this includes the establishment of a recycling committee and operation of the Hlalanikahle Buy-back centre. Funding is necessary for the establishment of at least 10 drop-off centres across the municipality. Acquisition of additional trucks is still necessary.

The below table indicate how the waste collection has been progressing in Emalahleni.

Households with access to refuse removal (Baseline)	Households with access to refuse removal.	Household with access to removal as a %	Households below basic level of service/backlogs	Households below basic level of service/backlogs as %	Progress @ end of Jan. 2014	Households below basic level of service/backlogs end of Jan. 2014	% of Backlogs end of Jan. 2014
80.586	91.485	76.3	28.389	23.7	8.7%	28.389	23.7

4.7.1.1 Street cleansing and illegal dumping

The municipality also conduct street cleansing and illegal dumping. Priority attention is given to the CBD only; main entrances are not done because of shortage of staff. Shortage of vehicles for cleaning of illegal dumping spots also increases illegal dumping spots.

4.7.2 Equipment and fleet

The municipal fleet and equipment is managed by the municipality. Equipment and fleet consist of refuse trucks, tipper trucks, bakkies, graders, front end loaders, lowbed, tools and equipment

The equipment and fleet challenges are:

- Fleet and Equipment too old
- No Tracking Devices Installed
- No Planned Maintenance in Place
- No Pre-Shift Checks Done

The municipality is planning to introduce a Fleet Management System, develop a Planned Maintenance System, procure a Service Provider for Fleet Management System and install a Costing System

4.8 SUSTAINABLE HUMAN SETTLEMENTS (HOUSING)

The municipal human settlement department is responsible for creation of sustainable human settlements in which, a range of housing opportunities are created. The municipality has full level 1 accreditation and is working towards obtaining level 2 accreditation. Currently, the Human Settlement Department offers the following housing opportunities

- Subsidized/ grant
- Affordable/ rental
- Middle market/bonded

Emalahleni Municipality has an estimated housing backlog of 44 734, which is drawn up from the following sources:

Households in Informal Settlements	30 279
Backyard Dwellers	6 779
Multiple Family Accommodation	5 000
Hostel units	562
Families on Farms	2 114

According to informal settlement survey conducted, municipality has 69 Informal settlements with 28 519 households. Planning for upgrading informal settlements is done jointly with the Department of Human Settlements.

Below are the plans of informal settlement backlog per category

INFORMAL SETTLEMENTS	BACK-LOGS
Total No. of Households	28 519
No of informal Settlements to be Formalized	28
No of Informal settlements to be Relocated	29
No of Informal Settlements on Farms	12
No of Informal Settlements with Water & Sanitation	52
No of Informal Settlements with no Water / Sanitation	16

4.8.1 KEY CHALLENGES

- The municipality population has grown tremendously due to the mines and expansion of the electricity generation facilities. These people do not invest in building houses and are mainly looking for temporary and cheap accommodation, resulting in an influx in the informal areas
- The non-existence of a scientifically based socio-economic project for communities residing in the informal settlements.
- Inadequate allocation of houses coupled with slow pace in the delivery of houses resulting in an ineffective impact in addressing the housing backlog.
- Unavailability of adequate services like water and sewage in areas earmarked for housing development (e.g. informal settlements in the process of being formalized).
- Incomplete township establishment processes in areas earmarked for housing development.
- Unavailability of land for housing development.
- Continuous land invasions.
- Subsidy allocations are minimal per year and cannot match the demand

4.8.2 STRATEGIES

- Formalize all informal settlements.
- Formalize existing backyard in-situ in order to cater for the high demand for backyard rental facilities so as to enhance the long term sustainability of backyard dwellings.
- Provision for multiple family accommodation through new subsidized housing projects or institutionalized housing.
- The conversion of hostels into family units / Community Residential Units.
- The incorporation of families evicted from farms into formal residential areas.
- To promote medium to high density in-fill development (“Gap Market”).
- Promotion of Social Housing within the context of urban renewal programme in the CBD.
- Land development for integrated residential development programme.
- Establishment of a reception area in support of the Informal Settlement Upgrade Programme.
- Identify suitable Land for housing development.

4.9 SPORT AND RECREATION

The municipality is responsible for the provision for sport and recreation in terms of the South African Sport and Recreation Act 118 of 1998 and the by-laws by providing the following:

- Creation of new sport facilities
- Promotion and development of sport and recreation
- Maintenance of sport and recreation facilities

The municipality has various sports and recreation facilities that include, Sy Mthimunye Stadium which is vandalised and the municipality is sourcing funds for the refurbishment of the stadium. The Pineridge stadium which has pavilion stand but lacking spectator chairs, Lynville stadium, Mpumelweni, Thubelihle, Rietspriut sporting field, Phola combo courts, Puma rugby stadium, cricket stadium, Witbank tennis stadium, Netball

court, Springbok field and boxing club which require maintenance, upgrading and refurbishment.

Future plans include:

- Refurbishment of Rietspruit sporting field
- Refurbishment of Sy Mthimunye
- Finalising construction of Pineridge stadium
- Upgrading and refurbishment of Witbank Tennis court
- Upgrading of boxing club
- Upgrading Lynnville tennis court

4.10 ARTS AND CULTURE

The municipality has a Civic Theatre which is not in good state. The building is old with old material and assets that are very scarce and need to be replaced (Pulleys, Wooden Doors etc.).

There are also eight Community Facilities and two Thusong Centres. Their states are not conducive for use by Community members.

The plan is to:

- Refurbish the whole Civic Theatre
- The whole current system must be replaced.
- The machinery must be replaced and/or repaired
- Palisade Fencing around the building
- Maintenance of halls
- Effective utilisation of cultural centres
- Hosting/facilitating Arts & cultural events
- Develop members of the community in arts and culture
- Heritage awareness

4.11 LIBRARIES

The municipality is responsible for the provision for information services in terms of the South African Arts, Culture, Sport and Recreation Act 118 of 1998 and the by-laws. The function is to enhance education through provision of library facilities and information. The municipality provides budget for maintenance and rehabilitation of the libraries.

In summary Emalahleni have the following facilities

AREA	HOSPITALS	CLINICS	LIBRARIES
Emalahleni	6	3	2
Lynnville	None	2	1
Kwa-Thomas Mahlanguville	None	1	none
Hlalanlakahle	None	1	none
Kwa-Guqa Exts	None	2	1
PholA	NONE	1	1
Ga-NalA	NONE	2	1
Rietspruit	None	Mobile	none
Klarinet	None	1	1
Ogies	None	1	1
Wilge	None	Mobile	None
Van dyks drift	None	Mobile	none
TOTAL	6	15 CLINICS + 3 MOBILE CLINICS	8

4.12 CEMETERIES

The municipality is responsible for providing cemetery services in terms of burial space, cemetery management and maintenance. Currently, there 7 non- active cemeteries with a total size of 36.7ha and 6 active cemeteries with a total size of 81.1ha

There is a challenge of shortage of burial space. Currently the process of establishing a new cemetery at Blesboklaagte in Emalahleni is underway. The municipality will need to acquire land for development of new cemeteries to meet the demand of burial space.

4.13 TRANSVERSAL SERVICES

Emalahleni Local Municipality transversal services is a coordination structure that has not developed into a fully fledged unit to cover the transversal issues, which are gender equality and women empowerment, HIV and AIDS, disability, elderly, children. It is imperative that a proper structural arrangement is developed and adopted, with

adequate staff complement to ensure the effective and efficient implementation of the services.

4.14 YOUTH AND DEVELOPMENT

Youth Development activities are currently done in partnership with NYDA, NYS, Department of Social Development and civic organisations. Establishment with the local groups and gaining grassroots partnership and support is the focus of the office currently.

Challenges include:

- Limited funding restrains the thorough practise of Youth Work and Development.
- Malfunctioning Youth Civic Structures limit the co-ordination and monitoring of youth development practice

The municipality conducted Youth Dialogue Outreach throughout Emalahleni Local Municipality and Youth Development Summit to have resolutions that will pave a way forward for Youth Development Practice and inclusive planning in youth development activities

4.15 SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT STRATEGIES AND SECTOR PLAN STATUS

Sector Plan	Existing Yes/No	Draft / Adopted	Date of adoption	Last, Reviewed when?	Comments on the current status
Comprehensive Integrated Infrastructure Plan	No				Consultant appointed.
The Water Services Development Plan	Yes	Draft			District is assisting
Bulk Water Master Plan	Yes	Adopted	2007		Due for review. In the process of being adopted.
Bulk Sanitation Master Plan	Yes	Adopted	2007		Due for review. In the process of being adopted.
Water Infrastructure Maintenance Plan	No				Budget constraints
Water Asset Management Plan	No				Budget constraints
The Energy Master Plan	No				Budget constraints
High Voltage Master Plan	Yes	Yes	October 2013		
Electrification Plan	No				Budget constraints

Sector Plan	Existing Yes/No	Draft / Adopted	Date of adoption	Last, Reviewed when?	Comments on the current status
Electrical Maintenance Plan	Yes	Yes	October 2013		
Electrical Asset Management Plan	No				Budget constraints
Roads and Stormwater Plan	No				Budget constraints
The Integrated Transport Plan	No				NDM is busy with it. To be adopted by March 2015
Public Transport Plan	No				The provincial mandate because MEC must give authority to do this
Major Roads Plan	No				Budget constraints
Non-Motorized Network Plan	No				Budget constraints
Demand Traffic model	No				NDM Busy with it
Road Safety plan	No				Budget constraints
Integrated Waste management plan	Yes	Adopted	2008	Will be reviewed in 2014	Budget constraints
Complaints Management System Plan	No				
The Housing Plan (Integrated Human Settlement Plan)	Yes	Draft Adopted	May 2013	To be reviewed in 2014/2015	The draft plan will be finalized in 2014/2015 – delay due to lack of budget

5. ECONOMIC GROWTH AND DEVELOPMENT

5.1 LED

The Local Economic Development Unit (LED) of the municipality work hand in hand with all directorates in the municipality. The LED Unit provides a platform for all the entrepreneurs within the municipality to come together and share information on economic opportunities. The role of the LED Unit is to have a functional LED Forum where ideas on socio-economic development are shared. The LED Unit plays a co-ordinating role by bringing different stakeholders together.

The municipality adopted its Local Economic Development in 2011/2012 financial year. The Emalahleni Local Economic Development Strategic Framework was developed through stakeholder consultation workshops, upon presentation of perspective and business survey reports.

The Emalahleni LED vision is conceptualized as follows:

“To Create an Industrial Hub of the Mpumalanga Province through Sustainable, Efficient and Effective Economic Growth & Development; and Empowerment of the Community”

The realization of the Emalahleni LED vision and strategic goals & objectives is best achieved through the adoption of a Resource Based Industrialization Strategy Model; based on natural comparative advantages of abundant coal reserves.

Size and Structure of the Local Economy

At district level Emalahleni contributes 46% of the GDP of the region. This clearly indicates the nature of concentration of economic activities in the area followed by Steve Tshwete (at 37%). However, what is absent from the statistics is the breakdown of the sector concentration within the local spaces to clearly show the locational quotient of these sectors within the Nkangala region. Emakhazeni, Dr JS Moroka, Thembisile Hani and Victor Khanye (Delmas) have the least contributions. The economic dominance of Emalahleni within Nkangala has the potential of influencing population migration from nearby localities thereby putting a strain on the provision of job opportunities and basic

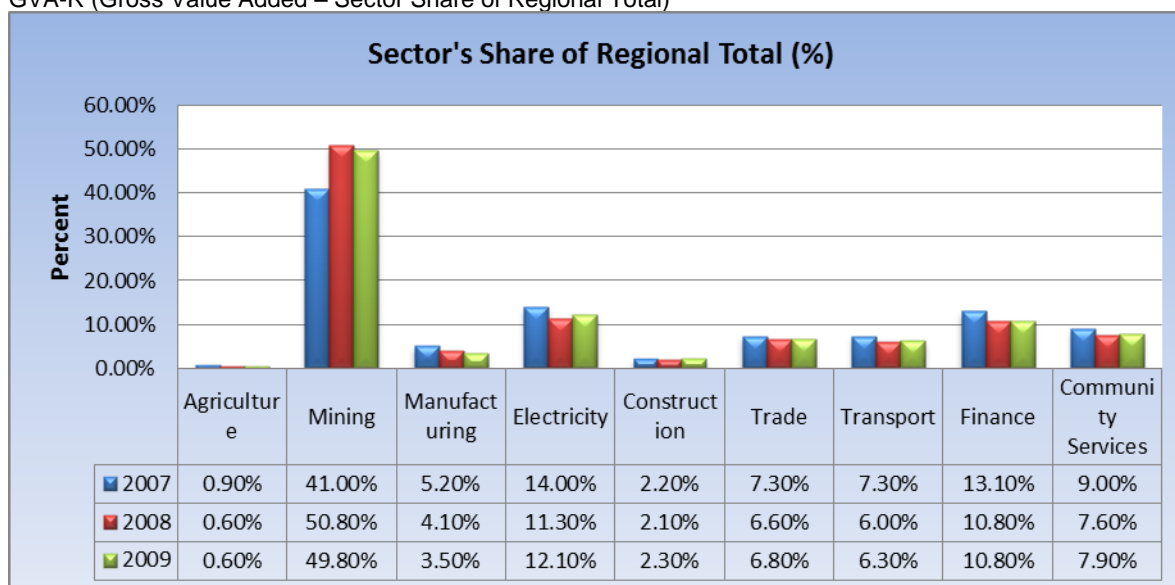
services. Growth and development within neighboring municipalities is therefore a key priority at the district level.

GDP-R Constant 2005 prices (R 1000)

Nkangala District	Delmas	Emalahleni	Steve Tshwete	Emakhazeni	Thembisile	Dr. JS Moroka
45,577,718	2,092,714	20,954,468	16,927,816	1,433,894	2,481,361	1,687,466
100%	5%	46%	37%	3%	5%	4%

Source: IHS Global Insight ReX July 2009

GVA-R (Gross Value Added – Sector Share of Regional Total)



Source: IHS Global Insight ReX July 2009

The Economy of the municipality is driven by the Mining sector which contributed more than 50% in 2009 followed by Electricity at 12.1% and Finance at 10.8%. Over the three year period, mining has had a steady increased contribution to the economy of Emalahleni; from 41% in 2007, 50.8% in 2008, with a slight decline to 49.8% in 2009. Electricity has also had significant contribution as well, although marginal decline was experienced. However, Agriculture's contribution to the economy of Emalahleni is relatively low compared to the other sectors of the economy. It is critical to investigate and establish the current state of the primary agricultural activities and the value chain activities associated with the sector. The other sectors with potential include Finance,

Trade and the green economy (given the dominance of mining and electricity and their environmental degradation potential).

From the socio-economic analysis, it is evident that Emalahleni faces a number of challenges that should be addressed by growing certain sectors of the economy that are capable of generating employment opportunities, reduce poverty as well as the poverty gap in line with the terms of the New Growth Path. This is the challenge that must be addressed through the development of the Emalahleni LED plan.

MINING SECTOR DEVELOPMENT

Mining in Emalahleni is the highest contributor to both economic growth and job creation. Given the abundance of coal reserves in Mpumalanga (and being the key mineral within Emalahleni); the local space is likely to benefit from the resources abundantly found within the locality; at the expense of agriculture. However, coal mining and electricity generation within Emalahleni pose serious challenges around environmental degradation and pollution from greenhouse gas emissions; which calls for special focus being given on the green economy and related projects.

Coal produced within Emalahleni is for both the local and export markets. For the local market, Eskom is the major buyer while China is the major export buyer. Mining houses contend that production levels and order books tend to fluctuate. However, demand for coal is generally very high for both market segments. The state of the rail freight transportation system is one of the biggest challenges faced by mining houses within Emalahleni for transporting coal to power stations within Mpumalanga and Richards Bay; and this has put a strain on the road infrastructure which requires regular repairs. Selling prices are generally regarded as stable both currently and in the foreseeable future.

Development Potential and Constraints

There is limited upstream and downstream beneficiation from coal. However, clay and quarry dust are among the by-products of the coal mining processes. In this context, the following products or possible development potentials are part of the side stream beneficiation:

- Cement production
- Production of concrete used in manufacturing and construction industries
- Manufacturing of paving bricks
- Manufacturing of clay bricks, especially for RDP houses
- Rehabilitation of abandoned mines and land for agriculture purposes
- Projects around the greening of the local environment

The following were identified as factors limiting or capable of limiting mining companies' ability to increase production and improving their operational efficiency:

- Unreliable rail freight transportation system and the state of the roads used for transporting coal to power stations (particularly in the absence of intermodal freight transportation system);
- Shortage of skilled labour, particularly skilled artisans and technicians among the previously disadvantaged population groupings;
- Lack of appropriate (heavy machinery) mining equipment, which is mainly imported at very exorbitant costs. This challenge is prevalent among small scale and new mining ventures who cannot easily afford.
- Shortage of energy due to Eskom electricity outages that tend to cause machine breakdowns and work stoppages;
- Unclear economic laws and an anti-investment climate situation propagated by some sections of the South African society. Since mining is a capital intensive business, certainty in relation to economic laws, policies and mining regulation is required.

Investment Opportunities are

- Road reconstruction and repairs using labour intensive methods
- Civil Engineering related contracts
- Engineering contracts
- Cleaning and catering services
- Supply of protective clothing
- Manufacturing of and or supply of mining equipment

MANUFACTURING SECTOR DEVELOPMENT

The manufacturing sector's performance within Emalahleni over the past couple of years is a serious cause for concern. Given the location of some of the major steel manufacturing companies such as Highveld Steel within the locality, the sector contribution to GVA-R and growth rates are expected to out-perform sectors such as finance and trade. However, the lack of diversification of the sector and its concentration on metal products is identified as a key factor contributing to the present performance state of the sector.

Development Potential and Constraints

Generally, manufacturing is one of the key sectors with huge potential for beneficiation and longer value chains, with resultant impacts on job creation, economic growth and SMME development. Given the proxy relationship between manufacturing and other sectors such as mining, agriculture and construction; the manufacturing sector potential within Emalahleni needs special exploration and exploitation. In the context of the sector performance relative to other sectors, suffice is to say that Emalahleni needs to develop an **Industrial Development Plan** in which extensive and intensive research is undertaken to unlock the manufacturing potential that is linked to both mining and agriculture as well as other support services sectors. Manufacturing is capable of providing upstream, downstream as well as side stream linkages capable of massifying job creation and economic growth.

The more critical constraints to the manufacturing sector within Emalahleni include the following:

- Huge capital outlay requirements;
- Competition from other established companies within the country (given its proximity to Gauteng, South Africa's industrial hub);
- Lack of manufacturing incubation hubs, training as well as coaching and mentoring programmes;
- Lack of manufacturing activities for small businesses within Emalahleni.

Investment Opportunities

In the absence of conducting focused research on manufacturing and its beneficiation potential within Emalahleni, specifying investment opportunities across the manufacturing sector sub-categories is rather speculative. However, the following are some the investment opportunities and initiatives recommended for exploration in the next 3-5 years:

- Manufacturing of bricks from clay (by-product of mining)
- Livestock and poultry processing
- Establishment of manufacturing skills Training and Advice Centre
- Establishment of manufacturing SMME Incubation Centre
- Green manufacturing around organic foods and bio-degradable packaging materials
- Furniture manufacturing

AGRICULTURE AND RURAL DEVELOPMENT

Agricultural land around the settlements in the Emalahleni area is increasingly under threat due to the need for urban expansion, mining development and electricity generation. The constraints posed by undermined land further decreases the attractiveness of agricultural land for development. The agricultural land in Emalahleni is however considered to have high production value and potential, and should be protected as a scarce resource. These agricultural activities are capable of supporting rural development; particularly through emerging farmer support programmes.

Development Potential and Constraints

As is the case with the manufacturing sector, the agricultural potential within Emalahleni needs to be fully explored and exploited; particularly on rehabilitated mining land; through the development of an **Agricultural Development and Farmer Support Plan**. Research should be conducted to establish the following key issues:

- Land available for agricultural purposes within Emalahleni, to include ownership and utilization;
- Soil types and their suitability for crop and animal production;

- Potential for value chains and related linkages through agro-processing and supply to the other sectors of the local and regional economy;
- Existence of economic clusters within the agricultural sector and potential for diversification.

As is the case with the other sectors within Emalahleni, the agricultural sector faces a number of development constraints key of which include the following:

- Shortage of land for agricultural purposes due to the 'mining rush' preferred by most businesses;
- Unresolved land claims and uncertainty due to a clamour for 'land take-overs without compensation';
- Extreme climatic conditions which sometimes hamper productivity and price fluctuations;
- Requirements for huge capital outlay for major rural agriculture development projects ;
- Inadequate research and veterinary services and farmer support in capital intensive agricultural programmes and projects.

Investment Opportunities

The following are some of the best practice models for exploiting opportunities within the agricultural sector as it relates to rural development:

- Building the physical and biological agricultural assets in remote areas such as roads, grain bins and wells;
- Circulating the local products and services by localizing exchange of goods and services within rural communities;
- Promoting the value of self-employment and entrepreneurship ;
- Bequeathing life and survival skills to the youth and promotion of traditional principles of agriculture for self-sustenance in rural areas and ultimately;
- Improvements on technology to transforming traditional agriculture;
- Agro-processing promotion.

An interesting development in South Africa is the generation of electricity on farms through the use of alternative or green technologies (such as bio-mass, solar and wind

energy). Green energy can be considered a priority to reduce the environmental impact of coal generated energy in and around Emalahleni.

TOURISM AND HOSPITALITY SERVICES

Business tourism is identified as the key contributor to the performance of the hospitality services sector within Emalahleni. Key clients were identified and categorised as government employees from both national and provincial, mine employees and executives visiting the various mining houses and other businesses across the municipal area, friends and relatives visiting and tourists and travellers in transit either to the Lowveld or Maputo as well as those to Gauteng. Key product offerings include bed and breakfast services, full hotel accommodation services; and meals and entertainment during the day and evenings.

Businesses within the sector contend that since late 2008, business has been fluctuating due to the recession. To survive in the market, businesses resort to cutting prices in order to attract clients or offer massive discounts. This phenomenon cuts across different hotel and bed & breakfast sizes and is likely to continue in the foreseeable future if the overall business environment does not improve dramatically.

Development Potential and Constraints

Businesses in the hospitality sector indicated that some of the SMMEs do not offer quality services, hence the need to build their capacity through incubation, skills training and mentorship programmes. Key factors identified as limiting business performance currently and in the future include the following:

- Competition within the sector among hotels, lodges and bed & breakfast facilities;
- Cost of labour and its over-unionization; in which most companies cannot afford to pay minimum regulated salaries;
- Stringent economic conditions due to the economic crisis and cutting on travels and accommodation by most companies and families;
- Failure to access credit facilities especially by small bed & breakfast facilities;
- Electricity cuts, erratic water supplies and inefficient waste removal were also identified as some of the key challenges faced by businesses in the hospitality services sector.

Infrastructure was identified as largely inadequate within Emalahleni and requiring serious attention from the municipality. Keys among the infrastructural challenges are the following:

- Water supplies are not adequate and reliable;
- Electricity outages that normally come unannounced cause damage to business reputation and loss of confidence by clients;
- Road infrastructure, particularly within the business center is potholed and generally dirty (little cleaning is done);
- Garbage collection needs improvement (must be regular and timeous);
- Management of water pressure and waste water need attention to avoid the overflowing of sewerage and water leakage.

Two critical recommendations submitted for future consideration are:

- Availing land (bigger space) with adequate and safe parking space for the establishment of hospitality businesses;
- Establishment of a cultural resort or centre around the Witbank Dam; which must take into account business viability and environmental considerations as well as economic empowerment of the locals.

Investment Opportunities

Businesses within the hospitality industry regard the presence of SMMEs as critical for their operations especially around the various supplies that the businesses require and the activities are part of the up and down stream value chain and include the following:

- Construction of main structures and other needed facilities
- Air conditioning services
- Electrical and plumbing services
- Furniture repairs and refrigeration maintenances
- Housekeeping and laundry
- Various supplies, to include food, stationery and other consumables
- Security services and
- Travel and entertainment services

BUSINESS AND FINANCE SERVICES

The financial services sector in South Africa, dominated by the four major banks (Standard Bank, FNB, ABSA, and Ned Bank) is one of the highly regulated economic sectors like mining and energy development. Key products from the banking sector include investments, transactional accounts (cheque, smart accounts and savings), unsecured and secured loans (business, home and personal loans), traditional banking services and financial advisory services.

Demand for the various financial services tends to be fluctuating within Emalahleni and such trends are expected to remain in the next 3-5 years. However most of these institutions feel that with the opening up of new businesses within the local space (particularly mining houses, energy generation and manufacturing firms), business upswing is expected. The international financial crisis that has hit most of the world economies and is still ravaging a number of European countries is viewed as a major threat to the financial services sector and other sectors within Emalahleni.

Development Potential and Constraints

The current general business situation is viewed as satisfactory and the future as entirely dependent on the overall economic outlook, performance and policy direction taken by the government (particularly on the nationalization policy). All institutions regard their current financial situations and access to credit as satisfactory. To deal with stabilization of the job environment, banks are planning to increase or improve on their staff retention policies. The other opportunities lie within the new banking technologies that are capable of creating jobs as well as allowing the participation of SMMEs within the ITC sector.

The following key factors were identified as limiting the sector's ability to improve business:

- Competition especially among the four major banks present an oligopoly market form in which actions by one bank is easily known to the other banks.
- Stringent economic conditions, especially with regards to regulation within the financial services sector. Borrowing by individuals and small businesses tends to be difficult due to regulations (particularly FICA) that disqualify most potential borrowers. This regulation generally affects most of the products offered.

- Cost of finance in the form of the interest (lending) rate is also regarded as too high for most business and individual market segments. Since this is determined by the Reserve Bank of South Africa, all other financial institutions have limited role in the determination of the repo rate which then influences the lending rate.
- The performance of the financial services sector tends to reflect the performance within other economic sectors (derived demand). With the advent of the economic crisis and its effects across sectors; as well as job losses and the economy's inability to create new job opportunities, the financial services sector faces the challenge of insufficient demand for the various product offerings.

Financial services institutions within Emalahleni are largely located either within the CBD centres or within shopping malls. Their infrastructure challenges are therefore associated within these centres and are more pronounced for the CBD located institutions than the others (located in spacious and more modern complexes). Key among the infrastructure challenges identified includes the following:

- Street pavements require revamping using labour intensive methods;
- There is serious water shortages and this requires immediate attention from the municipality;
- Businesses tend to experience electricity outages without prior notice and this proving very costly to the businesses;
- Waste removal for businesses is a major problem and needs attention from the Emalahleni Local Municipality;
- Parking space for banking customers' needs to be increased so that they are not inconvenienced by having to travel long distances to access banking halls.

Investment Opportunities

One of the key recommendations from the banking sector, particularly CBD located, is the need for an **urban renewal programme** particularly for Witbank CBD; of the old and sometimes dilapidated buildings. The following were identified as key benefits of the programme:

- The programme is capable of massifying job opportunities across various construction related businesses;
- The new or revamped buildings will have plenty of parking space thereby alleviating parking challenges associated with most clients, shoppers and employees of various companies;

- The urban renewal programme will create office space that could accommodate, among others SMMEs and businesses located at home or in other inappropriate locations;
- Finally, the programme will boost different sectors within Emalahleni, from manufacturing, trade, construction, and transport; to the SMME sector.

SMME AND COOPERATIVES DEVELOPMENT

The SMME (and Cooperatives) sector the world over is regarded as the engine of economic growth and development. Besides SMME contribution to growth, SMME growth in South Africa has the potential of creating job opportunities, closing the income and wealth gap as well as dealing with the poverty challenge particularly among the previously disadvantaged population groupings.

Business support for SMMEs across sectors is viewed as a serious challenge within Emalahleni; with most people preferring looking for employment. In this line, survey participants indicated that local companies should give preference to local people when it comes to job opportunities. The influx of people from other parts of the district, province and country; compound the unemployment challenge within the locality. There is inadequate financial and business planning support to finance working capital and start-up costs by private sector and government agencies.

Development Potential and Constraints

Key challenges that were identified include the following:

- Lack of knowledge and skills which prevent people from venturing into business to explore various economic opportunities across sectors;
- Reluctance among the people to venture into the entrepreneurial jungle in preference for paid employment as well as the tendency to want to rely on government tenders which are not sustainable;
- Inexistent and sometimes inadequate training and capacity development around marketing, management, technology, financial management, technical related training, waste management and other related matters;
- Reluctance by the youth to venture into agriculture and lack of proper youth development programmes.

With regards to municipal support services, SMMEs identified the following as key challenges small businesses and communities face:

- Payment of service providers takes too long and this impacts negatively on cash-flows of most small businesses;
- Electricity shedding (outages) and water cuts make business very difficult, particularly among SMMEs within the hospitality industry;
- Lack of training on tendering, pricing of documents and other finance matters as well as perceived corrupt practices discourage some SMMEs from tendering;
- There is no access to land and industrial space for business development; and where it is available, private developers sell the land at very exorbitant prices unaffordable to small businesses;
- Water provision, sewer management, garbage collection and state of most roads need very serious attention if conducive environment for business development is to be created.

LED stakeholder engagement within Emalahleni is viewed as very weak and at the centre of most of the other challenges identified. If platforms exist and parties meet regularly, matters can be easily and quickly addressed. The following issues were identified as being at the core of the problem:

- The LED Forum (LEDF) is active and highly effective, meetings take place on a quarterly basis with all the key contributing stakeholders present and effectively participating in the stakeholder dialogue.
- When such meetings are held, the discussions are more focused planning especially towards the implementation of the key projects and envisaged programs.
- Constituents of the LEDF went from comprising of the Mining Sector to comprising of Financial Institutions e.g. Banks etc; Manufacturing Companies, Academic institutions, specifically those from the Higher Education and Training wing, concerned groups from the community and businesses that could contribute towards combatting the triple socio-economic challenges that are currently prevalent in the city.
- Ultimately, the goal is to revitalise the fragmented chambers and associations representing the same sector for cross-pollination of ideas, allowing effective engagement through strategic inputs deliberated during the LED Fora.

The specific challenges/problems that were identified across sector respondents include the following:

- Training, incubation, coaching and mentoring of small businesses across sectors, sizes and geographical locations within Emalahleni
- Equipment and machinery for establishing and running businesses across different sectors; to include brick making, laundry, industrial cleaning, wheel balancing & alignment, brush cutters, tipper truck etc.
- Development of bankable business plans that are capable of getting finance from various finance houses; for capital and other business requirements.
- Land ownership and registration of cooperatives; as well as the structuring and running of these businesses particularly within the agriculture sector.
- There is also a problem around getting financing for carrying out mining prospecting and then buying own land to do the actual mining.

Investment Opportunities

As part of the survey, SMME participants were requested to indicate some of the programmes and projects for consideration into the LED strategy and therefore municipal IDP. These include the following:

- Upgrading of the Witbank Dam and trying the triple Ps in the implementation of the various projects within that programme.
- Planning annual events around the Witbank Dam to boost traveller tourists into the Emalahleni space.
- Upgrading of the Kipfontein Dam which has been neglected for a long time.
- Revival of the Cultural heartland concept to revive arts and culture within the local space.
- Development of the N4-N12 Junction into a nodal point and therefore business hub of the whole municipal area.
- Encouraging and organising mining tours to both current and disused mines to curb the flight or passing of tourists from Gauteng to the Lowveld and Mozambique.

The other recommendations around the creation of an enabling environment include the following:

- Use of LED to improve stakeholder and public confidence in the local municipality.
- Intensification of enterprise development and support as well business infrastructure in areas of the local space.
- Introducing sustainable community economic development programmes/investments through partnerships, development trusts and cooperatives; and promote support for cooperatives
- Improve infrastructure investments through Municipal Infrastructure Grants (MIG funding) and other intergovernmental projects.
- Develop SMME development and support strategy which will address the challenges of skills, mentorship, access to finance and markets and a host of other challenges previously identified.

5.2 PARKS AND OPEN SPACES

The municipality is responsible to development and maintenance of parks and open spaces. Currently there are 69 developed municipal parks with a total size of 1598.9 and 72 number of undeveloped Municipal Park with a total size of 982.9ha. In term of open spaces the municipality has 860 total hectares of public open spaces to be maintained

There is a vast area of open land and municipal public amenities that needs to be maintained in terms of grass cutting. However, shortage of resources limits the covering of all areas.

5.3 LOCAL ECONOMIC GROWTH AND DEVELOPMENT STRATEGIES AND SECTOR PLANS STATUS

Sector Plan	Existing Yes/No	Draft / Adopted	Date of adoption	Last, Reviewed when?	Comments on the current status
The LED Plan	Yes	Adopted	3 May 2012	Will be reviewed in 2014/15	

6. SPATIAL AND DEVELOPMENT PLANNING

The planning department known as the Town Planning Department is responsible for the management of land use in the municipality. It has developed the Spatial Development Framework which is used to identify and stimulate development in the municipality.

The planning department engages with various stakeholders who are interested in housing development, commercial development and industrial development. It is function of the department to identify suitable land for the various uses and to ensure also that integrated human settlement happens. The department has developed and finalised the Spatial Development Framework with which the municipality is using in managing land use.

The objectives of the planning department in the municipality is

- To identify and stimulate development opportunities through spatial frame work planning
- To monitor and regulate land uses
- To ensure integrated human settlement in line with the spatial development framework and the integrated development plan.

The Spatial Development Framework for the Emalahleni Local Municipality forms part of the Emalahleni Integrated Development Plan. The SDF as one of the operational strategies of the IDP, is closely linked and is intended to function with the other operational strategies, i.e. Housing plans, Technical Services Plans, LED Plans, Environmental Programme etc.

6.1 SPATIAL ANALYSIS

The section below provides a more detailed description of each of the major towns in the Emalahleni area. Spatial Development Challenges are poor control of the development of Informal settlements, fragmented settlement patterns and unauthorized Development

Structuring Elements

A dominating feature in terms of the spatial structure is the transport network; specifically the N4 freeway and adjacent railway line which transverse the area from east to west and constitute the Maputo Corridor. The point of convergence of the N4 and N12 freeways and the railway lines that run parallel to these roads is a focal point in the spatial structure. EMalahleni town and its extensions have developed in a linear pattern along these freeways and railway lines, with the Central Business District located north of the convergence point. There are various secondary roads in the area which provide strong north-south linkages.

The dam and rivers in the area are also significant form giving elements in the spatial structure. The rich coal deposits and coal mines throughout the area pose physical constraints to settlement development and expansion.

The development pattern of the municipal area can be described as fragmented, due to the following attributes:

- The previous dispensation of separate development based on race;
- Large areas within the municipal area are undermined or have mining rights. A good example of this is the area between the eMalahleni CBD and Kwa-Guqa, which resulted in the physical separation of these areas;
- The Eskom power lines on the boundaries and within Kwa-Guqa hamper urban development within Kwa-Guqa;
- Creeks and swamps in the area between the eMalahleni CBD and Kwa-Guqa which pose a constraint to development in this area;
- The eMalahleni Dams and Olifants River east of eMalahleni pose natural barriers for development in an easterly direction; and
- The two freeways (N4 and N12) divide the eMalahleni urban areas in three separate parts and hamper traffic flow between these areas.

6.2 SETTLEMENT PATTERN

The Emalahleni Municipality area of jurisdiction consists of the main following towns/settlements, ranked according to population:

- eMalahleni complex;

- Ogies and Phola;
- Ga-Nala and Thubelihle;
- Rietspruit;
- Van Dyksdrift; and
- Wilge.

There is a clear hierarchy of settlements evident in the Emalahleni area. The eMalahleni complex is the highest order town, in terms of land use diversity, function and population. The majority of the people in the Emalahleni reside within the eMalahleni complex. It consists of a number of settlements which are physically separated, due to the previous political dispensation and physical constraints. These settlements are:

- eMalahleni town, consisting of the Central Business District, various decentralised nodes in the suburbs, and large residential (middle and high income) areas to the east;
- Lynnville, Ackerville and Thusanang situated approximately 2 kilometres west of eMalahleni CBD;
- Pine Ridge and Klarinet residential areas, situated approximately 4 kilometres north of eMalahleni;
- Hlalanikahle and Kwa-Guqa, situated approximately 10 kilometres west of eMalahleni; and
- Clewer, situated approximately 10 kilometres southwest of eMalahleni;

Ga-Nala is the second highest order town in Emalahleni, based on land use diversity and function. Although Ogies and Phola collectively are more populous than Ga-Nala, the town lacks the land use diversity and functions of Ga-Nala.

There are various other formal towns (fourth order) in the area, which were mostly established as part of the mining and electricity operations. Most of these towns lack an economic base. These are:

- Rietspruit: Mining village, formal townships with $\pm 1\ 000$ erven. The mine has closed down.
- Wolwekrans: Private mining town. In process of being demolished.

- Wilge: Formal town developed around the Wilge power station. The power station has been demolished. The residential town is now privately owned by individuals.
- Coalville: Private mining town.
- Phoenix: Mining town has been demolished.
- Van Dyksdrift: Former Transnet Township has been demolished. There is a large informal settlement at this town.
- Saaiwater: Former Transnet Township has been demolished.
- TNC, Clydesdale, Douglas, and Springbok: Mining towns.

EMalahleni City/Witbank

EMalahleni was established as a result of coal mining in the Emalahleni area. The railway line between Pretoria and Delagoa Bay was opened in 1895, making the exploitation of coal in the eMalahleni area economically feasible. The farm where the town is now located was called eMalahleni, after an outcrop of white sandstone.

Although eMalahleni was traditionally known for coal mining and electricity production, other industries have also developed in the town, making eMalahleni a prominent industrial node. This includes metallurgical enterprises such as the production of steel, chrome and vanadium. Heavy industries are located at Ferrobank and service industries at Klarinet. There is currently a shortage for suitably located serviced industrial land, with undermining hampering the extension of Ferrobank. Only Klarinet Extension 1 has developed, Extensions 2 and 3 remain undeveloped.

The CBD originally started near the old railway station and gradually evolved eastwards, leaving a dilapidated zone in the north-western corner of the CBD. The historical residential growth pattern of the town is in a radial-sectoral pattern extending from the CBD in an eastern direction. The main roads extended from the CBD in an eastern direction, like the spokes of a wheel. The mining operations west of the CBD hampered growth of the town in a western direction. Industrial uses developed in sectors on land not affected by mining.

During the 1980's the growth of the town was based on a ring road concept with the Western Ring Road and Eastern Boulevard being the two main components. During the

1990's it was however decided that development should rather take place in the form of linear development, based on the establishment and growth of Kwa-Guqa to the west of the eMalahleni CBD. The ring road system has therefore now been replaced by a grid pattern, with development occurring along the N4 and N12 freeways.

Shortly after the establishment of eMalahleni, the townships Lynnville, Ackerville, Thushanang and Schoongezicht were established approximately 2 kilometres west of the eMalahleni CBD, to accommodate Black and Coloured people. Pine Ridge was later established approximately 5 kilometres north west of the CBD, to accommodate the Indian community. The former areas have very limited expansion capabilities, due to undermining. The Pine Ridge and Klarinet areas are however not affected that extensively by undermining, but have poor linkages to the rest of the eMalahleni urban area. Residential expansions of approximately 7 000 erven around Klarinet are currently being planned, with an average erf size of approximately 300 m². The planning is done by way of a framework plan for the Klarinet, Pine Ridge and Blesboklaagte area.

During the late 1980s rapid urbanisation placed pressure on these townships, which could not accommodate expansion due to the surrounding mining constraints, hence Kwa-Guqa and Hlalanikahle were established approximately 10 km west of the CBD. This area has grown considerably, also due to land invasion and informal settlements. There is a large informal settlement situated on the western boundary of Kwa-Guqa Extensions 10 and 11⁽¹⁵⁾, but due to a watershed major bulk services improvements will be required to enable the formalisation and upgrading of this settlement.

These townships however remain dormitory residential areas and are reliant on eMalahleni for employment, goods and services. There are small nodes developing in Lynnville and Pine Ridge, mostly comprising community facilities. Kwa-Guqu Extension 15 was set aside for a shopping complex at the main entrance point to the township. There are community facilities concentrated in this area (magistrate's court, police office).

Although eMalahleni was originally established north of the N4 freeway, today almost half of the population lives south of the freeway. The residential areas of eMalahleni to the east of the CBD are divided into three segments, namely the area north of the N4,

the area between the N4 and N12 and the area south of the N12. Residential expansion is only possible in an eastern direction, due to the geophysical constraints to the west of the town. There is currently a high demand for single residential stands in eMalahleni and densification is also occurring. A new upmarket residential development is taking off at the eMalahleni Dam. There are a number of townships in the east of eMalahleni which are in various stages of planning, but which have not been proclaimed or serviced. These include eMalahleni Extension 24, Jackaroo Park Extension 1, Die Heuvel Extension 6 and Highveldpark.

Apart from the traditional residential expansion, the main development trends in eMalahleni are nodal and linear in nature, the latter occurring along a number of major roads.

Nodal Development: The primary node is the CBD with about 100 000 m² retail area, but the CBD is experiencing decline. There is a prominent emerging node situated at the intersection of OR Tambo Road and Mandela Drive, consisting of the Safeways Shopping Centre (19 000 m²) and Edupark (a multi-organisational project comprising the University of Pretoria, Tshwane University of Technology, UNISA and COLISA). The CBD is bordered by Main Street in the west, Elizabeth to the north, Rhodes Avenue to the east, and the golf course to the south. The core component of the CBD as highlighted above is supplemented by two areas that fall outside the CBD, but which are functionally extensions of the CBD:

- the portions of eMalahleni Ext42 and part of Ext19 to the southwest, and
- The area between Rhodes Avenue and Jellicoe Street to the east of the CBD.
- The CBD and the two supplementary areas referred to above is managed in terms of the following development concept:
- The areas to the west of Eadie Street (Ext7, Ext13, Ext19 and Ext42) are earmarked for light industrial and commercial purposes;
- The area between Eadie Street and Kruger Street is earmarked for predominantly retail use;
- The area between Kruger Street and Rhodes Avenue is earmarked for formal office use; and

Linear Development: There is linear development occurring along Mandela Drive from the CBD up to the N12 interchange where The Ridge Casino and Entertainment Complex are located. There are still large tracts of vacant land along this road – especially the eastern portion.

The second major occurrence of linear development is along Watermeyer Street between the N12 and N4 freeways. The Klipfontein Shopping Centre (25 000 m²) and business node are located along this road. The third major occurrence of linear development in Emalahleni is along the eMalahleni-Middelburg Road (N4 Y3) in the vicinity of Jackaroo Park AH, where light industries, service industries and transport businesses are capitalising on the large properties (agricultural holdings) and rural character.

The eMalahleni Nature Reserve and Bankenveld Conservancy are important open spaces situated around the eMalahleni Dam. The development of residential estates is currently occurring on the banks of the Dam in the Conservancy.

Land use management within the eMalahleni area is undertaken in terms of the eMalahleni Town Planning Scheme (LUMS), 2010 that covers the eMalahleni Municipal Area.

The municipality adopted a policy in May 2000, namely “Bringing the Home Office Policy and Saveways Business Node Policy in line with the LDO Principles.” This policy indicates the activity spines, their characteristics and permissible uses and is used as policy framework to guide the development of home offices and other non-residential uses along specific major roads. The recently approved LUMS 2010 makes provision for an Activity Spine Zoning (Business 2).

Ga-Nala and Thubelihle

Ga-Nala was established on the banks of the Steenkoolspruit. There are a number of smaller settlements and staff villages linked to collieries and power stations. When the Ga-Nala Power Station was completed in 1979 it was the largest coal-fired power station in the Southern Hemisphere. It was also one of the first stations to be supplied with coal from a fully mechanised coal mine. Ga-Nala is unique in that each turbine generator set

is separate, whereas in Eskom's other stations, all the turbines are housed in a single turbine hall, all placed along the same axis (Formalisation of Cultural and Historic Sites in the Nkangala District, BKS Engineers, 2004).

Eskom established Ga-Nala in 1973 as a residential area for the workers at the Ga-Nala Power Station, which was constructed in 1975. The town experienced rapid growth during 1982 to 1989 and was declared as a municipality in 1990. Most of the residents in Ga-Nala and Thubelihle are employed at the power stations and the mines in the area, although the local businesses and farms also provide employment.

Ga-Nala has a fairly large business component comprising several banks, insurance companies and retail outlets, which include four modern business complexes and a medical centre, provide for the needs of the inhabitants. There is however a high vacancy rate in the CBD. Some prefab structures along the main road have been demolished and the site remains undeveloped.

Springbok Crescent was earmarked as Activity Street (between Road P120-2 and Mooi Avenue) with the intention to accommodate offices for professional disciplines in the existing residential structures. Mixed land use development has however occurred along this road, including retail, video stores, coffee shops and other uses. There are vacant, fully serviced business stands in Ga-Nala, but the demand for these is low.

The current growth trend for Ga-Nala is in a northern direction, due to geological constraints. Limited residential expansion to the south and south-west is also currently encouraged, in an attempt to consolidate the southern areas and make optimal use of existing infrastructure. Development in this area will also minimise the need to construct bridges across the Steenkoolspruit. A further drawback is the fact that the waste water works are located close to the town, which limits expansion potential. An affordable housing development was recently constructed in the south of Ga-Nala (Ga-Nala extensions 9 and 10). There are large tracts of council-owned land and open space in Ga-Nala which are being considered for alienation, to limit the maintenance burden on the local authority.

Ga-Nala has lately experienced decline, due to the decline in the mining industry, which is evident from the poor maintenance of private properties and public infrastructure.

Thubelihle is situated north of Ga-Nala and the two settlements are linked by route R547. The primary direction of expansion for Thubelihle is in a westerly direction towards Steenkoolspruit and in a southerly direction towards Ga-Nala.

A new industrial township, Ga-Nala Extension 17 is planned south of Thubelihle adjacent to Road 547. Ga-Nala and Thubelihle receive water from the Department of Water Affairs and from the Ga-Nala Power Station from time to time. The mining towns and Eskom towns have private services, while the non-urban areas are self-reliant.

6.2.1 Ogies and Phola

The town of Ogies was established as Oogjes on the farm Oogjesfontein in 1885. The Oogjes-Tweefontein Mine was opened in 1903 on the farm Klein Zuikerbosplaat and the Ogies Navigation Colliery in 1936. The original mining villages Tweefontein and Waterpan still exist.

The sections of the railway track between Ogies and Delmas, and at the stations of Argent and Abor are still manually changed. A steel cross on the Ogies station marks the grave of a British soldier who was killed in the Anglo Boer War. The Ogies cemetery was identified as a heritage site.

Ogies is the town with the highest maize production in the Maize Triangle, and hosts the AFGRI Co-operation. The Ogies station handles a substantial portion of the country's freight. The township of Phola (meaning desert) is located at Ogies.

Kendal Power station was completed between 1971 and 1982 and is currently the largest coal-fired power station in the world. The power station makes a significant contribution to the economy of Ogies and Phola and receives its coal from the adjacent Khuthala mine. Most of the residents of Ogies and Phola are employed at the power station and the mine. Undermining however poses constraints to the development of these settlements.

Ogies has developed in a linear pattern along two main roads, namely the P29-1 and adjacent railway line as well as the R545. The town also functions as a service centre to farmers, with a number of service industries and the co-operative focusing specifically on the agricultural sector. An old school building currently houses the local authority offices

in Ogies. There is a large taxi rank adjacent to Road 545, with informal trade occurring at this rank. The general maintenance of the public spaces (road reserves, open spaces, roads etc.) in the town is very poor and requires attention.

Phola has developed north of Ogies and there is a vast distance between these two settlements. A watercourse divides Phola into two segments and forms a natural boundary on the western side of the settlement. An application for the in situ upgrading of Oyko Vezi in Phola is currently underway, but the process has been very slow due to problems with the sub-divisional application and survey. There is an informal settlement on the southern boundary of Phola (Moller Land) and a settlement in the centre of the settlement. A new waste disposal site and cemetery are being planned adjacent to Phola.

KwaMthunzi Vilakazi

This settlement is actually older than eMalahleni and comprises a township and agricultural holdings, with an open space forming a division between these two areas. Piped water is available to the township and water borne sewer has recently been installed. Council has approved densification of the residential erven in the area, but limited service capacity poses a constraint. This is an isolated village landlocked by the mines and Highveld Steel. There is a light industrial area north of the railway line in Clewer, with vacant stands.

Land use management is becoming a problem in the agricultural holdings with a tendency towards the development of service industries, but rezoning are difficult, due to the status as agricultural holdings and excision requirements. Residential densities in the agricultural holdings are also increasing, especially among labourer families.

6.3 VILLAGES WITH BASIC STRUCTURES

Rietspruit

This settlement comprises two residential areas, constructed to house workers at the adjacent mine. The mine has however closed down, implying that most of the residents in the area became unemployed or had to seek employment elsewhere. The houses and

environment were of high quality, but are deteriorating. There is a derelict community facility in the north eastern edge of Rietspruit, which is suitable for the development of a Multi-Purpose Community Centre. The settlement is situated in an isolated location in the wider context of Emalahleni and its sustainability is questionable. A project is being investigated by Sustainable Villages Africa to address this problem.

Wilge

This settlement developed around the Wilge Power Station. It consists of a residential area with supportive land uses, such as open space and recreational facilities. The power station has however closed down and has been completely demolished. The people remaining in Wilge are either unemployed or employed elsewhere in the district and the negative impact of these factors are clear on the village, which has a derelict character. The village is situated in an isolated location.

TNC/New Clydesdale/ Van Dyksdrift/ Springbok/ Douglas/ Wolwekrans/Duvha Complex

These settlements are located along route R544 between Ga-Nala in the south to eMalahleni town in the north. The settlements developed in the mining belt and are mostly associated with the mining operations, power stations or railway lines. The settlements are in an isolated location with limited engineering service capacity.

6.4 KEY DEVELOPMENT PROJECTS PER NODE

Emalahleni CBD

Apart from the CBD, the Spatial Development Framework makes provision for twelve additional secondary activity nodes distributed throughout eMalahleni town. The first two are situated along Mandela Drive with the first secondary activity node being at the intersection between Mandela Drive and Swartbos Avenue, and the second one at Del Judor near the access interchange between Mandela Drive and the N4 freeway.

The next two second order activity nodes are located adjacent to Watermeyer Street. The first is at the Klipfontein business node which is situated midway between the N4 and the N12 freeways along Watermeyer Street, and the second one is situated immediately to the south of the N12 freeway along Watermeyer Street in Tasbet Park.

The other seven secondary (local) activity nodes are located in the disadvantaged communities of Lynnville, Kwa-Guqa, Hlalanikahle, Empumelelweni and Klarinet. The first is the node as indicated in the central part of Lynnville and the second represents the area in Kwa-Guqa where Matthews Phosa Avenue enters the town. The second two activity nodes are proposed where the east-west lines intersects with Matthews Phosa Avenue. Another is proposed in the western extensions of Empumelelweni. As far as the Klarinet/Pine Ridge development to the north is concerned, apart from the existing latent rights at the intersection of R544 and Carnation Way, the proposed future secondary (local) activity node is located in the area midway between Klarinet Extension 5 and Pine Ridge along the main road towards Verena. These three activity nodes are primarily intended to serve the local communities with the basic services required in the respective residential areas.

At the moment no secondary activity node exists in the north-eastern quadrant of Emalahleni. It is proposed that a secondary activity node could in future be established in the vicinity of Highveld Park Proper.

These are thus the thirteen major business activity nodes (existing and proposed) in the eMalahleni town area and as far as possible Council should try to contain and concentrate office and retail functions in these thirteen nodes. Regeneration of the eMalahleni CBD should be given priority, as this would benefit the Emalahleni area as a whole. The nodes in the eastern, established areas of eMalahleni should be contained to prevent further depletion of the eMalahleni CBD. The development of nodes in the northern and western (marginalised) areas of eMalahleni should be promoted through dedicated interventions.

As far as future development is concerned it is proposed that Council strictly manage land uses in line with the following policy, adopted in terms of the Emalahleni Integrated Development Plan.

- Permissible uses: offices and professional suites in the existing dwelling house. The activities should be limited to professional offices for attorneys, engineers, accountants and similar professions which do not place an unnecessary demand for parking on the site itself and to make the necessary allowance for landscaping. Any alterations to the dwelling house must be done in accordance

with an approved Site Development Plan and should retain the residential character. These uses will only be permitted along Springbok Crescent, between the R547 road and Mooi Avenue.

With regard to a Multi-Purpose Service Delivery Centre it is proposed that the possibility of utilising the former Council Chambers premises for such purposes, be investigated.

The town has two main directions in which it can expand in future – southwards towards road R545 on both sides of road R547 (areas A and B), and northwards towards Thubelihle on both sides of road R547 (Area C and D). It should however be kept in mind that large parts of areas A and B are earmarked for future mining purposes. In terms of the Land Development Principles as contained in the Development Facilitation Act (Act 67 of 1995), the option to expand northwards towards Thubelihle is the most feasible as it will consolidate the urban structure. There are, however, some environmental constraints which limit the potential to achieve this – especially to the west of road R547 (Area C). This includes areas of geological instability, the floodplain of the Steenkoolspruit, and the mine dump (with 500m radius) to the north of the spruit.

Council recently acquired area E on Figure 43 and apparently the intention is to develop an industrial area on this land (Ga-Nala ext 17). Due to the shortage in developable land it is suggested that the portion of ext 17 fronting onto the main road be earmarked for mixed land uses (light industrial/commercial) while the remainder part of the area can be developed for residential purposes.

As far as Thubelihle is concerned there are two potential expansion areas – Extension 5 to the south which will hold about 630 stands, and Extension 4 to the north which will comprise about 650 stands.

The optimal area for the establishment of a Multi-Purpose Service Delivery Centre will be to the north of the main access road to Thubelihle.

The cemetery is situated to the east of road R547.

Ogies

The town has a fairly small residential component which is concentrated towards the east and to the south of route P29-1 which is eMalahleni Road. Central to this residential

area is Church Street which is a local collector route serving the residential area and running parallel to eMalahleni Road (P29-1).

The area to the north of eMalahleni Road between the road and the railway line has developed as a predominantly business area serving commercial and retail functions to the local community, but also making use of the presence of the road and railway line to serve a broader region.

The business uses also extend southwards on both sides parallel to the Bethal Road (R545) which forms a T-junction with eMalahleni Road in Ogies. This strip of land (along the Bethal Road) currently holds the Ogies hotel, the main taxi rank and informal market of the town, and a range of other business uses. There are also some business activities at the western end of Ogies town adjacent to eMalahleni Road in the vicinity of the eMalahleni Road – R545 North T-junction.

As far as development policy is concerned it is proposed that Council facilitate, promote and manage business uses in Ogies along both eMalahleni Road (R29-1) and the southern part of route R545 (Bethal Road). In order to achieve this, it is imperative that proper upgrading and maintenance of the existing infrastructure, especially roads, road reserves, signage, open spaces, parks and transport facilities be undertaken, to improve the aesthetic quality of the area.

Ogies exists as a central place to the surrounding area and the strategic significance of the town is related to the fact that the town is located at the point of convergence of:

- route P29-1 towards eMalahleni and route R545 to Bethal; the Johannesburg-Maputo railway line and the Johannesburg-Richards Bay railway line (coal export line).

The transportation infrastructure plays a very important role in the functioning of the town and therefore it is important to optimally utilise the economic benefits to be derived from this.

With the necessary Road Access Management Requirements pertaining to access spacing along routes P29-1 and R545 as a main form giving element (development guideline), Council should actively promote economic development in the vicinity of

these two roads. The development potential of Ogies is fairly limited and therefore the opportunities that do exist should be utilised to the full.

There is no significant pressure for the residential expansion of Ogies and therefore no spatial proposals are being made in this regard. Strategically, however, should such pressure develop in future, Council should consider the southward expansion of the town.

Priority Actions/Projects:

- Detailed planning of activity/business areas along R29-1 and R545 with Road Access Management requirements.
- Investigate the potential of the former Ogies Primary School premises to be developed to serve as a future Multi-Purpose Service Delivery Centre to Ogies and surrounds.
- Manage/structure the taxi rank and informal market in order to function optimally and to prevent negative impact and safety hazards along the Bethal Road (R545).

Phola

The town is situated adjacent to road R545 and the floodplain of one of the tributaries of the Saalklapspruit limits the expansion potential of the town to the west.

The town is served by a prominent collector road stretching from an intersection with route R545 in the south northwards through the town. It indirectly links back to route R545 to the north of the sewerage disposal plant. Along this road two potential activity nodes can develop in future, the first being in Phola Proper (west of the road) and the second in the vicinity of the school in Phola ext 1. These nodes can accommodate both economic and social facilities and services. In terms of land use management Council should thus try to strengthen these two nodes with a specific focus towards establishing the Multi-Purpose Service Delivery Centre concept in either one of these.

Should the need arise in the local market, Council could also allow (and promote) non-residential uses along the main collector road in the town in the form of an activity strip in order to optimise economic activity and job creation.

All the expansion potential of Phola lies in a south-easterly direction. Strategically, this is positive as it will be more beneficial for the town in the long run to expand towards the N12 freeway where it can gain more visual exposure, and eventually this also represents growth towards Ogies with which it could be consolidated in future. This would also protect valuable agricultural land and mining land to the north.

However, since the drafting of the previous plan, it came to our attention that new mining activities are due to take place to the east of the town, leaving no other alternative as to expand to the west and north of Phola.

- Priority Actions/Projects:
- Detailed planning of the two activity nodes and the activity spine/strip in Phola with special emphasis also on facilitating taxi movement, parking, and on-off load facilities.
- Planning of new extensions to the west and north of Phola instead of Phola ext 2 and 3.
- Upgrading of informal settlements:
- Oyko Vesi
- Phola ext4 (Moller Land)
- Siyabanga
- Development of the cemetery.
- Development of the waste disposal site.

Kendel Forest Holdings

Kendel Forest Holdings is situated to the west of Ogies and to the north of Kendal power station, adjacent to Road 989 linking Kendal to Balmoral in the north.

Increased traffic on Kendal road has led to land use changes in, at least, the first row of holdings directly west of Road 989. Further development pressure is expected in future as the new Kusile power station becomes operational.

As far as new development is concerned, it is proposed that the first row of holdings adjacent to the road be used for Industrial 1 or Commercial purposes. Application procedures should be followed as described by the Local Authority.

KwaMthunzi Vilakazi

In essence it comprises three components – residential development in the eastern part, agricultural holdings in the western part, and the industrial area along the northern part of the town (north of the railway line) and the Highveld Steel industrial area.

The residential and industrial portions of KwaMthunzi Vilakazi are fairly stable in terms of land use, but there is pressure for non-residential and non-agricultural use, as well as densification on the agricultural holdings and the residential area.

As far as the agricultural holdings and residential areas are concerned, it is proposed that Council make provision for allowing peripheral uses to develop on this land, as a consent use in terms of the current zoning. Peripheral uses normally create job opportunities, and it is important that the potential be optimised. Care should however be taken that no land use be allowed (even if it complies with the definition of a peripheral use) if it will have a negative impact on the environment (noise/air/water pollution) or if it would overburden the current capacity of engineering services or the road network in the area.

The following land uses are deemed to be consistent with the policy directive regarding peripheral uses:

- Non-urban residential uses and residential estates

This could include gentleman's estates (manor developments), country estates, equestrian estates and similar developments with minimum individual erf sizes of 1 hectare. As far as densification of the area is concerned, this should be permitted within the existing infrastructure capacity constraints. Where services are available, township establishment could be permitted on the agricultural holdings. Land invasion and shack farming on the agricultural holdings should however not be tolerated.

- Hospitality uses

This includes, but is not limited to the following types of uses:

- Wedding venues, hotels, guesthouses, tea gardens, restaurants, arts and craft markets, art galleries, conference facilities, health or beauty spa.

- Commercial or light service industries (Industrial 1 and Commercial according to the Emalaheni Land Use Management Scheme, 2010)

This includes, but is not limited to the following types of uses:

- Transport businesses, small-scale service industries (non-polluting), builder's yards, veterinary services including kennels and catteries, nurseries, garden centres and equipment, etc. No wholesale or retail trade, panel beating, spray painting, scrapyards or noxious industries will be permitted.

The discretion remains with the municipality in terms of where it would be appropriate to permit the above mentioned uses.

Priority Actions/Projects

None

Rietspruit

This settlement served as residential area to mine workers in the mining belt which is situated to the north of the town. Since the scaling-down of mining activities in the area the properties have been sold and transferred to private individuals. The town has thus retained its residential character but the economic activity and job opportunities in the area have scaled down significantly. In the current context the retail activity in the business node of the town has also declined dramatically. There are some initiatives to promote urban agriculture in the vicinity of the old golf course to enhance the sustainability of the settlements.

The other major development opportunity in the area is the Rietspruit Dam which is situated a few kilometres to the east of the town on the opposite side of the main road, and which could hold some tourism potential.

One of the prominent features in the town is the fact that it has two recreational clubs that are underutilised at present, and which could be used to establish Multi-Purpose Service Delivery Centres. The recreational club in Lehlaka also has some training facilities that can be utilised for ABET programmes, skill development programmes and other projects focused on promoting local economic development.

Priority Projects/Actions

Investigate possibilities to create substitute job opportunities in the town, specifically focusing on:

- tourism
- urban agriculture.
- Investigate the potential of the two recreational clubs in the area to be developed into Multi-Purpose Service Delivery Centres.

Wilge

The properties are privately owned and with the Wilge Power Station being demolished the settlement serves as a satellite residential town. It has sufficient infrastructure to serve the local community and the old recreational club has potential to serve as a Multi-Purpose Service Delivery Centre (Clinic, Pension Pay Point, and Municipal Pay Point etc.

It is not believed that the area will come under pressure for land use changes, nor has the town any potential to expand in future. The area should thus be managed in such a way that it maintains its current residential character and aesthetic quality.

Priority Actions/Projects

- Investigate ways to establish a MPSDC in part of the old recreational club of Wilge.

TNC/ New Clydesdale/ Van Dyksdrift/ Springbok/ Douglas/ Wolvekrans/ Duvha Complex

These settlements are located along route R544 between Ga-Nala in the south and eMalahleni town in the north. This corresponds with the mining belt. All the properties are under ownership of the mining houses and/or the rail authorities.

Van Dyksdrift is located centrally in this belt and therefore it is also proposed that the Multi-Purpose Service Delivery Centre for this sub-region be located at Van Dyksdrift.

There are two prominent retail facilities at Van Dyksdrift which have sufficient vacant

floor area to accommodate community facilities and services. Both these retail facilities are also highly accessible from the main road.

There are two incidences of informal settlement in this belt – the one in the vicinity of Van Dyksdrift, and the other near the Duvha power station. Van Dyksdrift has historically served a residential function, but there are currently no services available and indications are that the settlement is located in a flood line. Considering the remote nature of the settlement and lack of services Council could consider the relocation of the settlement and consolidation with an existing settlement.

As far as the Duvha informal settlement is concerned (about 2000 families), the situation is complex. With the development of Duvha the philosophy was not to develop a residential township at Duvha itself, but to rather functionally incorporate and consolidate its residential component with eMalahleni Town. This principle worked well since the establishment of Duvha during the late 1970s. The question is now whether this principle should be revised by allowing the in-situ upgrading and formalisation of the informal settlement at Duvha. The basic problem with this approach would be that it would fragment the urban structure of eMalahleni even further. Apart from the power station there is no economic base for the settlement. This poses serious doubts regarding the long term sustainability of the development. Unless a strategy can be designed to create long term job opportunities in this area, Council should be very cautious in formalising the settlement in its current location. Relocation and consolidation with an existing settlement in eMalahleni town could rather be considered.

eMalahleni CBD: Regeneration

The first strategic intervention area is the eMalahleni CBD, which serves as a regional node. The CBD has experienced significant decline in the past ten years, mainly due to the exodus of the retail component to decentralised nodes. The development of home offices around the CBD has also depleted the office component of the CBD. Dedicated investment is required to enable the regeneration of the CBD. The main objective of the regeneration programme should be to restore the confidence of the private sector (both as producer and consumer) through the creation of a sustainable property market and to

restructure/diversify the local economy. The following aspects could be considered as part of a regeneration strategy for the CBD:

- Flagship and prestige projects – these aims to highlight the unique facilities of a city. These projects seek to promote new urban images and boost civic pride, thereby restoring investor’s confidence. The Blue IQ projects in Gauteng (e.g. Nelson Mandela Bridge in Johannesburg) are good examples of this.
- Support for key economic sectors – this typically entails the identification and support of these sectors to kick-start or support the development of economic agglomerations. These could include cultural districts, high tech areas, fashion districts etc., as is currently being applied in the Inner City of Johannesburg.
- Supply side land interventions – this includes land acquisition, land assembly, land rehabilitation and release, development of planning frameworks and installation of services, subsidisation of development costs, tax incentives and reduced service contributions.
- Visible policing, installation of CCTV, policing partnerships, by-law enforcement and establishment of municipal courts, which all contribute to reduced crime levels and increasing investor’s confidence.
- Enhanced urban management through aspects such as Business Improvement Districts, partnerships, enhanced cleansing and detailed precinct plans lead to the overall improvement of conditions, with positive effects on the market.
- Slums clearance and law enforcement targeting “no-go areas” send out strong messages to investors and crime syndicates.
- Focus on improvement of public infrastructure, specifically public transport and inter-modal transportation hubs have positive spin-offs, but need to address all modes of transport.
- Public Trading markets are a closely associated activity in view of the synergies which exist between public transport and informal trade.
- Enterprise zones – these are focused on regenerating industrial and manufacturing areas (e.g. IDZ areas).
- Place marketing – a dedicated marketing programme is the key to the success of many of the other interventions.

Ga-Nala and Ogies CBD: Maintenance and Upgrading

Ga-Nala and Ogies serve as rural service delivery centres to the Emalahleni area. The CBDs of these towns are however experiencing decay and require intervention to protect the existing public and private investment. The most pertinent issues to be addressed

include general improvements and maintenance to roads, road reserves, parks, open spaces, taxi ranks and signage.

Development of Local Activity Nodes in Lynnville, Kwa-Guqa, Pine Ridge and Phola

These areas currently serve as dormitory residential areas and are completely reliant on eMalahleni for the purchase of goods and services. This necessitates high levels of commuting. The development of nodes in these areas should be actively promoted and encouraged, by means of the following incentives:

- Detailed design, including aspects such as taxi ranks, informal trade, public space, public conveniences, street lights etc.;
- Rezoning of land, if required and advertising land by means of a tender process for alienation / lease agreement;
- Offering incentives such as low rates and taxes, long term leases at low rent to attract developments; and
- Promoting the development of MPSDCs to attract private investment through pro-active public investment.

Implementation of Pilot Projects: Multi-Purpose Service Delivery Centres

The development of Multi-Purpose Service Delivery Centres throughout the Emalahleni area should enjoy high priority in terms of investment in the Emalahleni area. Due to limited resources it would not be possible to develop all of the proposed centres simultaneously. It is therefore necessary that the municipalities prioritise the proposed MPSDCs and identify some pilot projects to initiate the process.

In order to initiate the development of these centres, it is necessary to undertake detailed planning and compile business plans for each of the proposed MPSDCs. The business plans should place the municipalities in the position to initiate the detailed planning and design of such a centre. The business plans should therefore address the following:

- Detailed land use investigation, to confirm the existing community facilities and retail facilities in the area. Vacant land/properties suitable for the development of

a MPSDC should be identified and the zoning of these properties should be established;

- Determine the availability of public transport and current movement patterns, also for bicycle and pedestrian transport;
- Determine the availability of engineering services – water, electricity, sanitation, waste removal and stormwater drainage. The availability of natural resources (such as underground water for boreholes) should also be determined;
- Determine the broad geological conditions (coal, undermining, clay etc.) in the area;
- Determine the economic catalysts and the areas of employment;
- Determine the land ownership of vacant land/properties potentially suitable for the development of a MPSDC;
- Determine the property values of vacant land/properties potentially suitable for the development of a MPSDC;
- Recommendation: Provide a recommendation on the best location (site/property) and associated implementation strategy for the development of the MPSDC. This should be based on an evaluation of opportunities and constraints associated with the development of each site (from the findings of the investigation), and/or the possibility of establishing partnerships/joint ventures with other service providers in the area, e.g. other government departments; and
- Cost estimate: Provide a broad estimate of the cost for the development of the site/property for budgeting purposes.

Once the business plan has been completed and a decision has been made to proceed with the development, detailed planning and design will be undertaken.

6.5 SPATIAL PLANNING STRATEGIES AND SECTOR PLANS STATUS

Sector Plan	Existing Yes/No	Draft / Adopted	Date of adoption	Last, Reviewed when?	Comments on the current status
The Spatial Development Framework	Yes	Adopted	30 Sept 2011	December 2013	To be adopted with IDP 2015
The Land Use Management Plan	Yes	Adopted	July 2010	To be reviewed in 2014/2015	Gap analysis exercise completed in 2013

7. INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

7.1 HUMAN CAPITAL AND SKILLS DEVELOPMENT

Emalahleni Local Municipality recognises the value of investing in its workforce through the implementation of a carefully planned training and development initiative and activities. A Workplace Skills Plan (WSP) has been compiled based on the departmental needs as identified by the relevant directorates and implemented. The Work Place Skills Plan describes the skills needs and the range of skills development interventions that an organization will use to address these needs. A WSP is developed annually – May to April and is submitted to Local Government Sector Education Training Authority (LGSETA) on the 30 April every year. The WSP facilitates access to the LGSETA mandatory grant for skills training. The municipality is required to provide Annually Training Report (ATR) as to how needs are addressed as defined in the WSP. The WSP also provides sector information to the LGSETA specifically. This information in turn informs the development of the LGSETA sector skills plan (SSP). The SSPs then further make contribution to the national skills development agenda defined in National Skills Development Strategy, now in third generation (NDS III).

Priorities are considered to determine the most critical skills development needs before training can be arranged within the limits of budgetary provisions. The training needs are received from all directorate and incorporated to the WSP, it has to be indicated that needs are aligned to the strategic plan of the municipality, IDP and SDBIP. The training intervention outcome is to enhance employee's performance in their respective work.

In order to recruit, develop and retain critical and scarce skills, the municipality has developed the following policies: Recruitment Policy, Training and Development Policy.

Listed below is the Senior Managers profile:

SURNAME & INITIALS	DESIGNATION	APPOINTMENT DATE	QUALIFICATIONS	MUNICIPAL FINANCE MANAGEMENT PROGRAMME
Mashile KL	Executive Director : Technical Services	2013-02-01	- B-Tech Engineering: Civil: Construction Management - B Tech Engineering Civil Transporting - National Diploma in Civil Engineering - Std 10/ Grade 12	Official has been enrolled for Municipal Finance Management with SAICA & Deloitte, as from 02 May 2012. Registered for 15 units standards. Programme completed official busy with POE.
Fani NN	Executive Director: Development Planning	2015-01-02	<ul style="list-style-type: none"> • Gr. 12 • Cert: Pubic Mgmt. • BA: Town & Regional Planning 	
Vilane MJ	Executive Director: Corporate Services	2014-11-03	<ul style="list-style-type: none"> • Btech: Public Admin • Master of Public Admin (current) • ND: Public Mgmt. & Admin • Dip: Personnel & Training mgmt. 	<ul style="list-style-type: none"> • Cert: MFMA
Matleboane s	Executive Director: Community Services	2014-11-03	<ul style="list-style-type: none"> • B.Admin (Public Management) Not completed 	<ul style="list-style-type: none"> • Cert in Municipal in Finance Management

The purpose of Employment Equity is to achieve equity in the workplace by:

- Promoting equal opportunity and fair treatment in employment through the elimination of unfair discrimination, and
- Implementing affirmative action measures to redress the disadvantages in employment experience by designated groups, in order to ensure their equitable representation in all occupational categories and levels in the workforce.

Emalahleni Local Municipality is committed to a conscious and deliberate effort to correct the imbalances of the past within Emalahleni Local Municipality by building the capacity of black persons (this includes: African, Coloured, Indian), women and people with disabilities (PWD's). This requires the commitment, dedicated effort and support of everybody in the company to ensure success.

Emalahleni Local Municipality management is committed in improving the representation of employees from historically disadvantaged groups in all areas of skill and responsibility. This will be in pursuance of Municipality's policies and labour agreements as a socially responsible employer and in compliance with the Employment Equity Act and Emalahleni Local Municipality Equity Plan.

1 WORKFORCE PROFILE

Workforce profile of Emalahleni as at 31 July 2014

- 1.1 Please report the total number of **employees** (including employees with disabilities) in each of the following **occupational levels**: Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	1	0	0	1	0	0	0	0	0	0	2
Senior management	38	1	0	10	18	0	1	1	0	0	69
Professionally qualified and experienced specialists and mid-management	65	1	1	23	81	3	1	12	1	0	188
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	111	0	1	12	73	2	0	6	0	0	205
Semi-skilled and discretionary decision making	241	0	1	3	119	5	0	8	0	0	377
Unskilled and defined decision making	447	0	0	4	188	1	0	0	0	0	640
TOTAL PERMANENT	903	4	1	53	479	11	2	27	1	0	1481
Temporary employees	11	1	0	5	19	1	0	1	0	0	38
GRAND TOTAL	914	5	1	58	498	12	2	28	1	0	1519

1.2 Please report the total number of **employees with disabilities only** in each of the following occupational levels: Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	0	0	0	0	0	0	0	0	0	0	0
Senior management	0	0	0	1	0	0	0	0	0	0	1
Professionally qualified and experienced specialists and mid-management	0	0	0	2	0	0	0	0	0	0	2
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	1	0	0	0	0	0	0	0	0	0	1
Semi-skilled and discretionary decision making	5	0	0	0	0	0	0	1	0	0	6
Unskilled and defined decision making	7	0	0	0	3	0	0	0	0	0	10
TOTAL PERMANENT	13	0	0	3	3	0	0	1	0	0	20
Temporary employees	1	0	0	0	0	0	0	0	0	0	1
GRAND TOTAL	14	0	0	3	3	0	0	1	0	0	21

Labour Relations is handling disciplinary cases in terms of the SALGBC Disciplinary Procedure and Code Collective Agreement.

The success of the municipal strategies depends on the effectiveness of governance structure and processes. This is also realised through the existing cordial and productive relationship between the administration, political structures and political office bearers of Council.

Improved communication and increase in the level of inter-departmental and inter-municipal communication and cooperation is a critical success factor.

7.2 PERFORMANCE MANAGEMENT

Legislative enactments which govern performance management in municipalities are found in the Batho Pele Principles; the White Paper on Local Government; Municipal Systems Act, 2000; Municipal Planning and Performance Management Regulations, 2001; Municipal Finance Management Act 2003; Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006; the Framework on Managing Performance Information and lastly the Directive on Performance Information of the Public Audit Act, 2004 published under Notice 646 of 2007.

Summaries of the provisions relating to organisational performance management are therefore set out hereunder.

The Municipal Systems Act and the Municipal Finance Management Act require that the PMS be reviewed annually in order to align itself with the reviewed Integrated Development Plan (IDP). In consequence of the reviewed organisational performance management system it then becomes necessary to also amend the scorecards of the Municipal Manager and Section 57 Managers in line with the cascading effect of performance management from the organisational to the departmental and eventually to employee levels.

Objectives of Performance Management

The objectives of institutionalizing performance management are beyond the legislative compliance requirements. The general objectives of managing performance are to:

- facilitate increased accountability;
- facilitate learning and improvement;
- provide early warning signals; and
- facilitate decision-making processes

The objectives are also for the performance management system to serve as a primary mechanism to monitor, review and improve the implementation of the Emalahleni Local

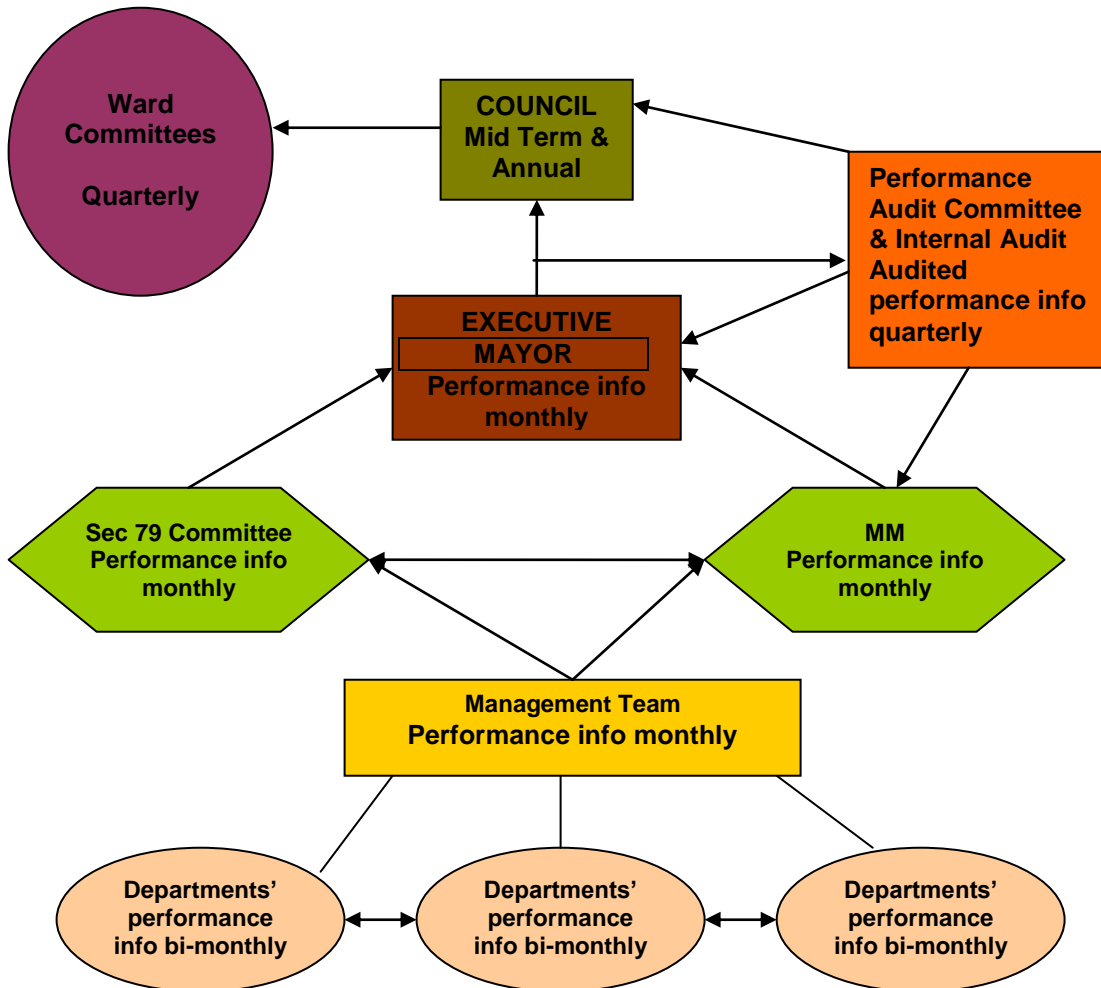
Municipality's IDP. Performance management is viewed as a tool that improves the overall performance of the municipality.

Developing the Organizational Scorecard and Outlining the Scorecard Concepts

An IDP drives the strategic development of eMalahleni Municipality. The municipality's budget is influenced by the strategic objectives identified in the IDP. The Service Delivery and Budget Implementation Plan (SDBIP) ensure that the municipality implements programmes and projects based on the indicators and associated budget.

During the IDP process a corporate vision and mission were formulated for the Emalahleni Local Municipality, together with broad key performance areas (KPA's), development objectives and key performance indicators (KPI's) which feed into the vision and mission. It is now necessary to take this process further into the performance management system, by developing an organizational or strategic scorecard that will encompass all the relevant areas or concepts that will allow measurement of the performance of the organization using this scorecard. This will be done by using relevant concepts to populate the organizational and service scorecards of the Emalahleni Local Municipality. This process of developing the organizational and service/departmental scorecards will be followed every year after adoption of the IDP and the budget and after evaluation of the previous year's scorecard or municipal performance. The organisational structure is attached as an annexure to the document.

Performance monitoring flow chart is illustrated as follows:



Reporting on Performance

Reporting requires that the municipality take its key performance areas, its performance objectives, indicators, targets, measurements and analysis, and present this information in a simple and accessible format, relevant and useful to the different stakeholders for review. The Emalahleni Local Municipality adopted the reporting format shown in the below figure as its uniform reporting template at all levels of reporting. All stakeholders

who are expected to report on performance will use this one reporting format. The reporting format will remain simple and accessible to all users.

Critical Timelines

PHASE	ORGANIZATIONAL ACTIVITIES	INDIVIDUAL ACTIVITIES	TIME FRAME	RESPONSIBILITY	
PLANNING	Development and approval of the SDBIP and organizational scorecard		March – May	Council	
		Signing performance Contracts/Plans with rest of staff	31 July	Executive Mayor Section 57 Managers	
		Signing performance Contracts/Plans with rest of staff	March – June	Municipal Manager All staff	
MONITOR, MEASURE & REVIEW	Monthly Monitoring	Monthly Monitoring	Monthly	Municipal Manager Senior Managers Section managers/ Supervisors	
	Quarterly Review/s	Quarterly Reviews	September December March	Municipal Manager Senior Managers Managers/ Supervisors	
		Annual Performance Appraisal	June	Executive Mayor Municipal Manager Senior Managers Managers Supervisors	
		Reward and Recognition	June and February	Executive Mayor Municipal Manager Senior Managers	
REPORTING	Quarterly and Mid-Term Reports	Quarterly Reports	September January March July Jan- Mid Term review Reports	Management Team Council	
	Financial Statements		31 August (2 months after the end of the financial year)	Municipal Manager	
	Audit Financial Reports	Audit Report	30 Nov (3 months after receiving financial statements)	Auditor-General	
	Annual report	Annual Employee Performance Reports		31 August (2 months after the end of the financial year)	Executive Mayor Municipal Manager
		Departmental and Section Heads Reports		Monthly	Management Team Section managers
			Draft annual Report to be	31 December (6	Municipal Manager

PHASE	ORGANIZATIONAL ACTIVITIES	INDIVIDUAL ACTIVITIES	TIME FRAME	RESPONSIBILITY
REPORTING	Annual report	prepared	months after the end of the financial year)	
		Tabling of municipal annual report to council	31 Jan (7 months after the end of the financial year)	Mayor
		Make annual report public and invite the local community to make representations.	After Tabling and Adoption in Council	Accounting Officer
		Submit annual report to Provincial Treasury and MEC for Local Government.	After Tabling and Adoption in Council	Mayor
		Adopt an oversight report containing the council's comments.	By no later than 31 March (Within 2 months after the tabling) submit to the Provincial Legislature	Council
		Copies of minutes of the council meeting which the quarterly and annual reports were adopted	Within 7 days after the meeting during which the oversight report was adopted by Council.	Accounting Officer of the Municipality
		Oversight report must be submitted to the Auditor-General, Provincial Treasury and MEC for Local Government	Within 7 days after the meeting during which the oversight report was adopted by Council.	Accounting Officer of the Municipality
		Submit oversight report and annual report to the Provincial Legislature	Within 7 days after the meeting during which the oversight report was adopted by Council.	
		Submit the annual report to the MEC for Local Government	Immediately after tabling the annual report before the municipal council Proposed 1 to 28 February	Municipal Council

EMALAHLENI REPORTING PROCESS

TIME-FRAME	MFMA REPORTING ON SDBIP	SECTION MFMA	MSA REPORTING ON PMS	SECTION IN MSA and MPPMRegs
MONTHLY REPORTING	The Municipal Manager reports monthly to the Mayor 10 days <i>after the month</i> end (on the prescribed Treasury format) The Internal Auditors (IA) of the municipality must advise the Accounting Officer (AO) of the performance of the municipality	Section 71(c) Section 165 (b)	The Municipality must report <i>regularly</i> to Council The Internal Auditors (IA) of the municipality must on a <i>continuous basis</i> audit the performance of the municipality	Section 41(c)(2) Regulation 14(1)(c)
	1st ALIGNMENT ASPECT It is recommended that the Municipal Manager report in terms of the MFMA and MSA to the Mayor on a <u>monthly</u> basis. As a second suggestion, but probably not essential, is for the Internal Auditors (IA) to audit on a monthly basis the performance so to make the MM's monthly reports authentic and that the IA need to report quarterly to the Performance Audit Committee			
QUARTERLY REPORTING	The Mayor must report <i>quarterly</i> to the Council (30 days after the close of the quarter) Audit Committee must meet <i>at least quarterly</i> per year to advise the Council and MM on PMS	Section 52 Section 166(4)(b)	The Internal Auditors (IA) of the municipality must submit <i>quarterly</i> reports to the Municipal Manager and to the Performance Audit Committee	Regulation 14(1)(c)
	2nd ALIGNMENT ASPECT It is recommended that the Mayor's report to the Council be the quarterly audited report done by the Audit Committee of the municipality and submitted to the Municipal Manager (and such other necessary information required by the MFMA)			
BI-ANNUAL REPORTING	The Municipal Manager must do a <i>mid-year assessment</i> of budget performance to SDBIP by 25 January and report to the Mayor who reports to Council	Section 72(1)	The Performance Audit Committee must meet <i>at least twice per year</i> to audit the PMS and reports of the municipality The Performance Audit Committee must submit at least <i>twice during the year</i> a report to Council The Municipality must report to Council <i>at least twice a year</i>	Regulation 14(4)(a) Regulation 13(2)(a)

	<p>3rd ALIGNMENT ASPECT</p> <p>The Audit/ Performance Audit Committee's report in January will inform the MM's mid-year assessment of budget performance and report to the Mayor (due to report to Council its MFMA). It will also be in compliance with the MSA requirement of a bi-annual audit of PMS. The Audit/ Performance Audit Committee's report in July will inform the Annual report to be submitted in terms of Section 121 of the MFMA and 46 of the MSA (as amended) .</p>
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7.2.1 Key Performance Indicators (KPIs)

Section 38 (a) of the Systems Act requires Municipalities to set appropriate key performance indicators as a yardstick for measuring performance, including outcomes and impact, with regard to the community's development priorities and objectives set out in its Integrated Development Plan. Section 9 (1) of the Regulations to this Act maintains in this regard, that a Municipality must set key performance indicators, including input indicators, output indicators and outcome indicators in respect of each of the development priorities and objectives. Every year, as required by Section 12 (1) of the Regulations to the Systems Act, the Municipality also set performance targets for each of the key performance indicators. The Emalahleni indicators are set out in the Municipal IDP 5 year plan which forms part of the document.

7.3 SYSTEMS AND TECHNOLOGY

The objective of ICT is to ensure that the service delivery of the municipality is met through the optimum use of ICT in an information stage and also to ensure that service delivery objectives of each department and the Council are met. The continuous system evaluation will be done to recommend the corrective actions and also ensuring the optimal usage of ICT resources. It is also to ensure full connectivity of all Municipal satellite offices to enhance communication and technology usage. The section works very closely with Finance Directorate.

Current Status quo

- Not all satellite offices are linked to the Network

- No maintenance contracts in place
- Loss of data and frequent interruptions due inadequate air-conditioning.

7.3.1 Challenges

- Inadequate budget to fulfil the needs
- ICT inadequate and experienced personnel to handle switchboard
- Poor turn-around time to attend calls
- Inappropriate equipment for switchboard.

7.4 INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION STRATEGIES AND SECTOR PLANS STATUS

Sector Plan	Existing Yes/No	Draft / Adopted	Date of adoption	Last, Reviewed when?	Comments on the current status
The Human Resources Strategy	No				Develop the strategy in 2015/16
Work Place Skills Plan	Yes	Adopted	April 2014	2014	The implementation of WSP is in progress
Recruitment Policy	Yes	Adopted	2012	2014/15	To be adopted Feb 2015
Education, Training and Development Policy	Yes	Adopted	June 2014	2014	Implementing the policy
Retention Policy	Yes	Draft adopted	2012		Develop the strategy in 2015/16
Succession Planning Policy	No				Develop the strategy in 2015/16
IT Master Plan	Yes	Adopted 2006			Budget constraints
PMS	Yes	Adopted	March 2014	2014	Has been reviewed and adopted

8. FINANCIAL VIABILITY AND MANAGEMENT

8.1 FINANCIAL PLAN

8.1.1 Introduction

The municipality aims to fully comply with prevailing municipal financial legislation to ensure sound financial management and governance to achieve a Clean Audit Status. This will be achieved by aligning the service delivery performance processes (IDP and SDBIP) to the budget and organisational structure.

It is important that the financial affairs of the municipality are managed in an efficient and effective manner in order to attain a sound financial position towards sustainable service delivery.

The Financial Services Department is managed by the Director Financial Services, who is also the Chief Financial Officer.

The purpose of this chapter is to outline a comprehensive multi-year financial plan that will ensure sustainability for eMalahleni Local Municipality. The financial plan is essential to ensure that the municipality continues to implement its mandate effectively without impairing its capital base and to move towards self-sufficiency in meeting the growing demands of service delivery.

The multi-year financial plan is prepared for a planning period of five years paying particular attention to infrastructure investment which is an important developmental component of the IDP. Through this plan eMalahleni will focus on greater financial health and sustainability making collaboration of capital investment projects with other levels of government and private sector investment much easier. It is of utmost importance that eMalahleni stimulate the macro-economic environment to attract the private sector to invest in eMalahleni. Through this approach eMalahleni will enhance its ability to have access to much needed financial resources to invest in new as well as to maintain its current infrastructure assets.

This plan will also focus on the expansion of eMalahleni's revenue resources in relation to its costs to ensure that the municipality stays a financial viable and a sustainable going concern. eMalahleni must use its financial resources in an effective, efficient and economical way to ensure that outputs have desired outcomes.

Organisational Structure was reviewed to keep up with the latest developments and most importantly to align it with the prescripts of the Municipal Finance Management Act on the Prescribed Key Focus Areas (Sections: 63, 64, 65 and 68) in order to function optimally and comply with legislation as stated above.

It is important to note that this multi-year financial plan will cover key focus areas over the next five years and even longer. However, due to the fact that budgets in terms of the National Treasury's Municipal Budget and Reporting Regulations only covers a planning period of the next financial year and two outer financial years thereafter; budget information supplied in this plan might only cover the next three financial years.

8.2 FINANCIAL FRAMEWORK

It must be noted that not all municipalities are the same and this should be kept in mind when assessing the financial health of and the setting of benchmarks for a municipality. A municipality can be categorised into a developed or a developing municipality. eMalahleni can be categorised as a developing or growing municipality simply because it is the economic hub of Mpumalanga.

Developing municipalities will require significant additional resources and funding to conduct the growth that is expected of them. The demand for growth comes with risks that need to be managed. The priority from the financial perspective is the viability and sustainability of the municipality. This financial plan and related strategies will need to address a number of key areas in order to achieve this goal.

The areas which have been identified are detailed as follows

8.2.1 Revenue Adequacy and Certainty

It is essential that eMalahleni has access to adequate sources of revenue from its own operations and inter-governmental transfers to enable it to carry out its functions. It is furthermore necessary that there is a reasonable degree of certainty with regard to source, amount and timing of revenue. The latest DORA has laid out the level of funding from National Government that will be received for the 2015/2016 and two outer financial years (R229 575m) 2016/2017 (R256 739m) and 2017/2018 (R288 276m).

It is important to track the respective sources of revenue received by the municipality as they can be quite different and can vary substantially depending upon the phase that the municipality is in. Knowledge of the sources of funds will illustrate the municipality's position more accurately, its ability to secure loans relative to its income and its borrowing capacity

8.2.2 Cash/Liquidity Position

Cash and cash management is vital for the short and long-term survival and good management of any organisation. The appropriate benchmarks which can assist in assessing the financial health of the municipality are:

The **Current Ratio**, which expresses the current assets as a proportion to current liabilities, A current ratio in excess of two to one (2:1) is considered to be healthy. eMalahleni as at June 2011 stood at the ratio 3.56:1 as at June 2012 at a ratio of 3.16:1 and, as at June 2013 at a ratio of 2.90:1 and 2.91 .1 as at June 2014 The results are seen as highly favourable in the medium to short-term and must be improved further. The operating budget needs to produce yearly operating surpluses to improve our cash back reserves position and all collectable revenue needs to be collected.

Debtors Turnover Ratio, which have a great impact on the liquidity of the municipality. The municipality as at 30 June 2011 took on average 263 days to recover its outstanding debts. It slightly increased to 304 days as at 30 June 2012 and then slightly increased to 366 days as at 30 June 2013 and for June 2014 was 387 eMalahleni will attempt to

reduce the debtors turnover ratio (without provision for bad debt) to less than 100 days, 90 days and 80 days in the short term (2014/2015 financial year). Over the medium and long-term the municipality will attempt to decrease it to 90 days 2014/2015, 80 days 2015/2016 70 days 2016/2017 and 60 days 2017/2018 respectively. The acceptable norm is 45 days.

The Collection Rate for the 2014/2015 was 87% and eMalahleni will endeavour over the short to medium and long-term to increase to 92% and even higher.

8.2.3 Sustainability

eMalahleni needs to ensure that its budget is balanced and cash-funded (realistically anticipated revenue to received/collected that covers expenditure). As there are limits to revenue, it is necessary to ensure that services provided are affordable, and, that the full costs of service delivery are recovered. However, to ensure that households which are too poor to pay for even a portion of their basic services at least have access to these basic services; there is, therefore a need for the subsidisation of these households through an indigent support subsidy.

The proposed allocation in respect of Indigent Subsidy in 2015/16 budget is R35 929 million. The monthly Indigent Subsidy as from 1 July 2015 is budgeted at R179.49 per Indigent customer. The equitable share allocation is mainly used to provide free basic services to approximately 16 681 registered Indigents households. Indigent support provided to protect the poor households is as follows:

Per Household	R179.49	Amount	
Free Basic Electricity per Month		50kwh	R43.55
Free Basic Water per Month		6kl	R39.20
Free Refuse per Month		Free	R52.00
Free Sewer per Month		Free	<u>R22.70</u>
(Average Property Valuation R50, 000.00)			<u>R170.89</u>

In addition, it is essential that the municipality plays a critical role in creating an enabling environment for investments and other activities that will lead to job creation to relieve the pressure on unemployment.

The municipality needs to focus on maximising job creation through labour intensive methods, LED projects and participation in the Extended Public Works Programme.

8.2.4 Effective and Efficient use of Resources

In an environment of limited resources, it is essential that the municipality make maximum use of the resources at its disposal by using them in an efficient and effective manner. Efficiency in operations and investment will increase poor people's access to basic services. It is, therefore, imperative for the operating budget to be compiled on a zero base budget approach to eliminate any fat usually built in a budget with an incremental approach.

8.2.5 Accountability, Transparency and Good Governance

The municipality is accountable to the people who provide the resources, for what they do with these resources. The budgeting process and other financial decisions should be open to public scrutiny and participation. In addition, the accounting and financial reporting procedures must minimise opportunities for corruption. It is also essential that accurate financial information is produced within acceptable time-frames. Therefore, this raises a need for a **Cost and Management Accounting System**

8.2.6 Equity and Redistribution

The municipality must treat people fairly and justly when it comes to the provision of services. In the way, the municipality should be treated equitably by national and provincial government when it comes to inter-governmental transfers. The "equitable share" from national government will be used primarily for targeted subsidies to poorer households. In addition, the municipality will continue to cross-subsidise between high and low-income consumers within a specific service or between services

8.2.7 Development and Investment

In order to deal effectively with backlogs in service delivery, there is a need for the municipality to maximise its investment in municipal infrastructure. Due to our financial constraints the underlying policies should encourage the maximum degree of private sector investment.

8.2.8 Macro-Economic Investment

As the municipality plays a significant role in the Mpumalanga Province, it is essential that it operates efficiently within the national and provincial macro-economic framework. eMalahleni's financial and development activities should, therefore, support national and provincial fiscal policy.

8.2.9 Borrowing

The strong capital market in South Africa (commercial banks and other lending institutions the DBSA, INCA, etc.) provides additional instrument to access financial resources. However, the municipality may not borrow to balance its operating budget and to finance any operating overspending. Safeguards should be put in place to ensure that the municipality borrows in a responsible way. In order to have access to this market, the municipality will need to have accurate and appropriate financial accounting and reporting systems. We will have to ensure that we generate enough cash to honour repayments commitments.

The manner in which the municipality manages debt or takes on new debt to finance investment activities will have a significant impact on the solvency and long-term viability of the municipality.

8.3 FINANCIAL STRATEGIES

With the above framework as background, strategies and programmes have been identified and forms part of the financial plan to achieve desired objectives and that is the financial viability and sustainability of the municipality.

Financial planning and effective management of municipal cash resources will ensure the municipality meets their service delivery mandate.

These strategies are as follows:

- Ensure the integrity of the Billing System
- Eliminate spending on non-priority items
- Ensure 100% spending on government conditional grants to prevent withholding of equitable share
- Standardise Chart of Accounts (implementation of Scoa)
- Effective cash flow management to ensure a continuous sufficient and sustainable cash position
- Enhance budgetary controls and financial reporting
- Direct available financial resources towards meeting the projects as identified in the IDP
- Improve supply chain management processes in line with regulations.

8.3.1 Revenue Raising Strategies

The following are some of the more significant programmes that have been identified:

- The review and implementation of a customer care, credit control and debt collection policy. This policy and the relevant procedures detail all areas of customer care, credit control and debt collection of amounts billed to customers, including procedures for non-payment etc.
- The review and implementation of a uniform tariff policy. This policy will ensure that fair tariffs are charged in a uniform manner throughout the municipal area.
- The review and implementation of an indigent policy. This policy defines the qualification criteria for an indigent household and level of free basic services enjoyed by indigent households. This policy is not a policy on its own, but, forms part of the policies mentioned in sub-paragraph (a) and (b) above.
- The review and implementation of a property rates policy. This will ensure that a fair rates policy and an updated valuation roll are applied to the entire municipal area and will aim ensure that all properties are included in the municipality's

records. Furthermore, the policy will ensure that valuations are systematically carried out on a regular basis for all properties.

- The development and implementation of writing off of irrecoverable debt policy with an incentive scheme to encourage outstanding debtors to pay a certain percentage of their outstanding debt and for the municipality to write off a certain percentage of outstanding debt. This will be done in the 1st Quarter of 2015/2016.
- The review and implementation of an improved payment strategy. This strategy aims at implementing innovative cost effective processes to encourage consumers to pay their accounts in full and on time each month, including increasing methods of payment and implementing online pre- payment systems. It will include a Revenue Protection Unit that implements and see to it that credit control actions in terms of Council's policies are enforced vigorously to improve payment percentage levels.
- The tightening of credit control measures and increased debt collection targets.

8.3.2 Asset Management Strategies and Programmes

The following are some of the more significant programmes that have been identified;

- The implementation of an integrated asset management system. This programme will involve the investigation, identification and implementation of a suitable integrated asset management system. It will also include the capture of all assets into a system, the maintenance of this system and the production of a complete asset register in terms of GRAP 17, GRAP 102 and any other accounting Standards requirements.
- The review and update of asset and risk insurance procedures and the renewal of the insurance portfolio. This programme will involve the identification of risk in conjunction with insurers and heads of departments. It will also include the review of the existing insurance portfolio and the renewal of the insurance policy as per the renewal terms.
- Allocations to repairs and maintenance and the renewal of existing infrastructure assets must be prioritised since an uncontrolled increase in renewal infrastructure backlogs will negatively impact on the financial sustainability and the reliability and quality of municipal services. The following must be addressed:
 - Adequate budget provision for asset maintenance over its useful life
 - Maintenance of assets according to an infrastructural asset maintenance plan
 - Maintain a system of internal control of assets to safeguard them

- Replacement/Renewal of aging assets according to replacement programme to ensure the on-going health and municipal infrastructure and,
- Ensure all assets owned/controlled are insured except where specifically excluded by policy.

8.3.3 Financial Management Strategies and Programmes

The following are some of the more significant programmes that have been identified.

- The on-going review of the computerised financial system.
- Integration of all computerised systems and the acquisition of hardware and software required. The integration of the computerised systems and the acquisition of the required hardware and software within the municipality to ensure that the information is accurate, relevant and prompt which in turn will facilitate the smooth running and effective management of the municipality. The upgrade of Venus to Solar will greatly improve the operating systems.
- Development of a GRAP compliant MTREF budget.
- Develop and implement budget and community consultation process.
- Develop and implement a uniform budget reporting framework compliant with National Treasury's Municipal Budget and Reporting Regulations.
- Review and update asset, budget and accounting policies and procedures.
- Training and development of financial and other staff. The aim of this project will be to constantly ensure that the financial and other staff members receive the training they require to ensure a cost effective and efficient service to the municipality and its customers.
- Enhance budgetary controls and timeline of financial data. Building capacity of the budget and treasury office to ensure that financial information for reporting purposes is generated timeously. It will also include the monitoring and reporting on budget variances

8.3.4 Capital Financing Strategies and Programmes

One of the greatest challenges facing municipalities is the decline in public trust in service delivery. Investment in municipal infrastructure is critical to sustaining growth, rehabilitating aging infrastructure and eradication service delivery backlogs

The following are some of the more significant programmes that have been identified.

- The development and implementation of a debt capacity policy. This policy will ensure that any borrowings taken by the municipality will be done in responsible manner and that the repayment and servicing of such debt will be affordable.
- The development and implementation of a policy for accessing finance (including donor finance),
- The development of a capital prioritisation model to identify capital projects to be implemented with scarce available financial resources that will have the biggest impact in improving the quality of life of eMalahleni customer base. The model criteria will have four focus areas, i.e. IDP strategic objectives, services master plan objectives, projects dynamics and project consequences. To each of these criteria and elements per criteria will be allocated weights still to be determined by Council. In the meantime a subjective approach is followed to determine the capital investment programme. It needs to be noted at this stage that national and provincial government programmes and grant funding often influences the capital investment programme of eMalahleni. This is something the municipality has little control over.
- Improving credit worthiness
- Ensuring capital replacement reserve is cash backed
- Expediting spending on capital budget especially projects that are funded from conditional grants
- Exploring new ways of to fund capital expenditure from own revenue contribution
- Analysing the feasibility and impact of operating budget before capital projects are approved and,
- Maximisation of infrastructure development through the utilisation of all available resources.

8.4 FINANCIAL POLICIES

8.4.1 General Financial Philosophy

The financial philosophy of eMalahleni is to provide a sound financial base and the resources necessary to sustain a satisfactory level of municipal services for the citizens of eMalahleni.

It is the goal of eMalahleni to achieve a strong financial position with the ability to withstand local and regional economic impacts; to adjust efficiently to the community's changing service requirements; to effectively maintain, improve and expand the municipality's infrastructure; to manage the municipality's budget and cash flow to the maximum benefit of the community; to prudently plan, coordinate and implement responsible and sustainable community development and growth; and to provide a high level of fire and other protective services to assure public health and safety.

Based on the financial framework, financial strategies and the general financial philosophy statement, the municipality have to develop financial policies that support the above.

- To keep the municipality in a fiscally sound position in both the long short-term.
- To maintain sufficient financial liquidity through regular reviews and adjustments to meet normal operating and contingent obligations.
- To apply credit control policies which maximise collection while providing relief to the indigent
- To implement credit control policies that recognise the basic policy of customer care and convenience
- To operate utilities in a responsive and fiscally sound manner
- To maintain and protect existing infrastructure and capital assets
- To provide a framework for the prudent use of debt finance and,
- To direct the municipality's financial resources toward meeting the goals of the municipality's Integrated Development Plan.

8.4.2 Budget Related Policies

The annual budget is the central financial planning document, directed by the IDP that embodies all revenue and expenditure decisions. It establishes the level of services to be provided by each department. The budget will be subject to monthly control and be reported to Council with recommendations of actions to be taken to achieve the budget goals. The budget will be subject to a mid-term review, which will result in a Revised

Budget. These principles are embedded in the Budget **and Management Oversight Policy**.

The **Budget Virement Policy** allows the Municipal Manager and his administration to transfer funds from one vote to another vote within policy directives to improve effective service delivery.

Adequate maintenance and replacement of the municipality's assets will be provided for in the annual budget. It will be informed by **Council's Asset Management Policy**

The budget shall balance recurring operating expenditure to recurring operating revenues. The budget will have revenue plans based on realistically expected revenue to be collected and expenditure figures. Plans will be included to achieve maximum revenue collection percentages.

8.4.3 Capital Infrastructure Investment Policies

The municipality will establish and implement a comprehensive five-year capital investment plan (CIP). This plan will be updated annually and could be extended to even twenty years to ensure that bulk infrastructure services and internal infrastructure service together with unforeseen funding sources are planned in an integrated and coordinated manner.

An annual capital investment budget will be developed and adopted by eMalahleni as part of the annual budget. The municipality will make all capital improvements in accordance with the CIP and IDP.

Unexpended capital projects budgets shall not be carried forward to future fiscal years unless project expenditure is committed or funded from grant funding and approved external loans.

8.4.4 Revenue Policies

The municipality will estimate annual revenue targets through a conservative, objective and analytical process based on realistically expected revenue to be collected. The municipality will consider market rates and charges levied by other public and private

organisations for similar services in establishing rates, fees and charges. eMalahleni will set fees and user charges that fully supports the total direct and indirect cost of operations. Tariffs will be set to reflect the developmental and social policies of Council. These principles will be embedded in a **Tariff Policy** that needs to be developed.

eMalahleni will implement and maintain a new valuation system based on market values of all properties within its boundaries as well as periodically review the cost of activities supported by user fees to determine the impact of inflation and other costs increases. Fees will be adjusted where appropriate to reflect these increases. These principles and the raising of property rates will be contained in the **Property Rates Policy**.

8.4.5 Credit Control Policies and Procedures

A revenue protection unit has been established in the 2015/2016 financial year as part of our revenue enhancement strategy. Not only will this unit ensure that Council's revenue collection policies are enforced but will also ensure that all justified revenue is correctly raised through the financial accounting system.

eMalahleni will follow an aggressive policy of collecting revenues from those who can afford to pay for their services. For this purpose, an **Indigent and Provision of Free Basic Services Policy** will be developed and the **Credit Control and Debt Collection Policy** is in place. Currently households owe 80% of all outstanding debt and it is highly unlikely that it will be recovered from them. Therefore, a **Writing-Off of Irrecoverable Debt Policy** will be developed with incentives to reduce the outstanding debt with the aim to get the households and other consumers out of their spiral debt.

8.4.6 Supply Chain Management

The Supply Chain Management Policy will ensure that goods and services are procured compliant with legislation requirements in a fair, equitable, transparent, competitive and cost effective manner. It includes the disposal of or assets not needed anymore for basic service delivery and it must be read with the in conjunction with Council's **Disposal of Assets Policy**.

Contract management will be a focus area in 2015/2016 and an establishment of a contract management unit as part of the functional organisational review currently underway; to ensure that contracts awarded to service providers are managed and monitored appropriately as will be imbedded in the **Supplier Performance and Monitoring Policy**.

8.4.7 Investment Policies

In terms of Section 13(2) of MFMA each municipality must establish an appropriate and effective cash management and investment policy. Investments of the municipality shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The portfolio shall remain sufficiently liquid to enable the municipality to meet daily cash flow demands and conform to all state and local requirements governing the investment of public funds. The preservation of capital is the foremost objective of the investment program. eMalahleni will continue the current cash management and investment practices, which are designed to emphasise safety of capital first, sufficient liquidity to obligations second, and the highest possible yield third. These principles are embedded in the Cash and Investment Policy of Council.

8.4.8 Debt Management Policies

eMalahleni shall issue debt only when necessary to meet public need and when funding for such projects is not available from current revenues, reserves or other sources. Long-term borrowing will be used to finance capital improvements as approved in the municipality's IDP. Capital projects financed through issuance of debt shall be financed for a period not exceeding the expected useful life of the project. The municipality will not incur debt to finance current operations. Lease-purchase obligations, capital outlay notes and other instruments may be used as a medium-term method of borrowing for the financing of vehicles, computers, other specialised types of equipment, or other capital improvements. All these principles will be embedded in the **Borrowing Policy** of Council.

Borrowing should be limited to 40% of the total operating budget rand value. If not, the municipality will become over-borrowed and a risk to banking institutions and this will

result in loans over shorter terms and at higher interest rates. This would not be fair to the current customer base.

8.4.9 Asset Management

The objective of the asset management policy is to prescribe the accounting and administrative policies and procedures relating to Property, Plant and Equipment (PPE), which are immovable and movable assets of eMalahleni, and, computer software which are intangible assets of eMalahleni. These principles and policy statements will be embedded in the Asset Management Policy of Council.

8.4.10 Accounting Policies

The principles on which eMalahleni operate and with regard to the presentation, treatment and disclosure of the financial information forms part of the Accounting Policy adopted and compiled annual financial statements.

8.5 BUDGET ASSUMPTIONS

Based on the financial framework, financial strategies and financial policies, the MTREF budget was compiled. Key assumptions relating to the MTREF budget also included in the following:

- National Government grants for the 3 years are as per the DORA. For year four and five estimated increases in terms of the CPI were used.
- Electricity increased with 12.24% for the 2015/16 financial year. The same rate has been used for the next four indicative years?
- Water increased by 8% for the 2015/16 financial year and the same rate has been used for next two indicative years.
- Refuse Removal increases by 8% for the 2015/16 financial year and the same rate has been used for next two indicative years.
- Assessment Rates increase by 8% for the 2015/16 financial year and the same rate has been used for the next two indicative years

8.6 OPERATING INCOME

In order to serve the community and to render the services needed, revenue generation is fundamental to financial sustainability. The reality is that we are faced with developmental backlogs and poverty challenging our revenue generation capacity. These needs (capital and operational) always exceed the available resources. This becomes more obvious when compiling the annual budget and marrying it with the community needs as recorded in the IDP. This is worldwide problem and therefore available resources should be utilised where it derives the biggest impact on outcomes that will improve the quality of life of our local communities.

8.7 OPERATING REVENUE

8.7.1 Operating Revenue by source

Table 10.1 below depicts the operating revenue per source for the last three audited financial years 2011 – 2013, the current year 2013/14 and the outer years 2015 – 2019 of the long term financial framework. All amounts reflected in the below Table below is per thousand rand.

Description	2011/12	2012/13		2013/14		2014/15				2015/16 Medium Term Revenue & Expenditure Framework					
	Audited Outcome	Audited Outcome	% Increase Decrease	Audited Outcome	% Increase Decrease	Original Budget	Adjusted Budget	Full Year Forecast	% Increase Decrease	Budget Year 2015/16	% Increase Decrease	Budget Year +1 2016/17	% Increase Decrease	Budget Year +2 2017/18	% Increase Decrease
Property Rates	198963	231681	16.44	273564	18.08	293555	293555	293555	0.00	363170	23.71	392223	7.99	423601	8
Electricity	567886	609847	7.39	648801	6.39	773548	773548	773548	0.00	1295392	67.46	1459777	12.69	1645023	12.69
Water	162956	208471	27.93	280460	34.53	319797	319797	319797	0.00	363179	13.57	392232	7.99	423612	8
Sewerage	67125	77356	15.24	107256	38.65	117121	117121	117121	0.00	133009	13.57	143650	8	155142	8
Refuse	55665	62941	13.07	63832	1.42	69796	69796	69796	0.00	79264	13.57	85605	7.99	92453	8
Other	191	231	20.94	359	55.41	390	390	390	0.00	474	21.54	512	8.02	553	8
Rental of Facilities	9973	9667	-3.07	10364	7.21	10865	10865	10865	0.00	11735	8	12673	7.99	13687	8
Interest-Debtors	31131	36882	18.47	51237	38.92	48815	48815	48815	0.00	69463	42.30	75146	8.18	81025	7.82
Interest – Investment	1547	3746	142.15	2196	-41.38	1542	1542	1542	0.00	1001	-35.08	1081	7.99	1167	7.96
Fines revenue	2150	1356	-36.93	3151	132.37	5045	5045	5045	0.00	2689	-46.70	2904	7.99	3136	7.99
License & Permits	2020	2488	23.16	2424	-2.57	2418	2418	2418	0.00	2611	7.98	2820	8	3046	8.01
Agency Fees	16671	15962	-4.25	19482	22.05	22481	22481	22481	0.00	24279	7.99	26222	8	28319	8
Grants, Donations	168341	189231	12.41	194765	2.92	219579	219579	219579	0.00	239448	9.05	267335	11.65	298441	11.64
Other revenue	46192	21757	-52.90	36549	67.99	36591	36591	36591	0.00	40898	11.77	45218	10.56	50020	10.62
Total	1330809	1471616	10.58	1694441	15.14	1921542	1921542	1921542	0.00	2626610	10.69	2907398	10.69	3219225	10.73

Table 10.1 Operating Revenue by Source

8.7.2 Analysis of Projected Operating Revenue

Forecast operating revenue for Rates reflects an increase for the financial years 2013/14 of 16.91% to an amount of R255 million compared with the projected revenue of R299 million for 2014/15 financial year and a forecast of 11.89%, 18.28%, 9.19% and 7.74 in year five forecast to an amount of R564 million.

Electricity revenue has decreased from 20.01% to -1.28 in the 2014/15 forecast as a result of over-budgeting for the year 2013/14. However, the trend increases from year 2015/16 by 11.89% recovering to R888 million in 2015/16 and R1.235 billion in 2018/19. Water revenue has increased from 13.73% in 2010/11 to 32.62% in 2014/15 and reflects an increase of 7.74% amounting to 498 million in 2018/19. Sewer revenue has increased to 23.86% R117 million in 2014/15 from 18.42% (67 million) in 2010/11. Refuse increased to R75 million in 2014/15 from R55 million in 2010/11, and increases to R109 million in 2018/19.

Government Grants revenue of R267 million in 2010/11 are and R214 million in 2014/15 represent the fourth highest source of revenue.

Electricity is the highest source of total operating revenue (28%) followed by property rates (22%). Grant revenue represents 16.92% and water 15%.

Other revenue i.e. Rentals, Interest Earned, Agency Fees, Fines and Licences and Permits and gains on sales of PPE represent the remaining revenue sources. Even combined in a cluster they contribute the least to eMalahleni operating revenue base.

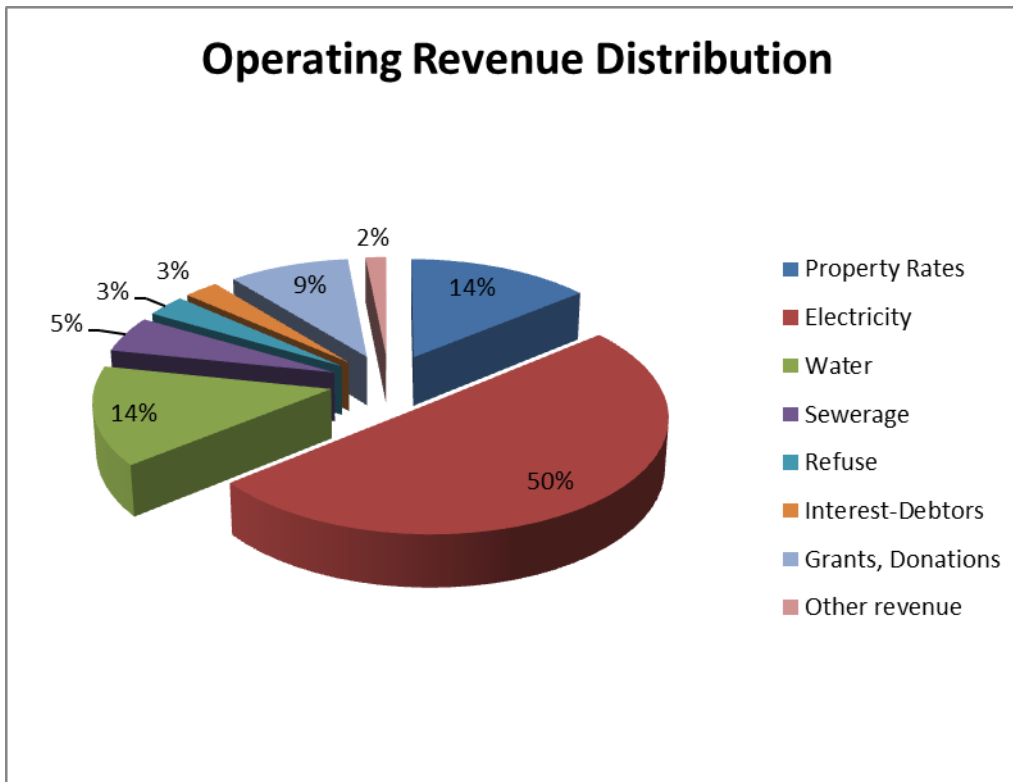


Fig 10.1: Operating Revenue Distribution 2015/16

Electricity is the highest source of total operating revenue (50%) followed by revenue generated from property rates and water (14%). Operating Grant revenue represents 9%.

Other revenue i.e. Rentals, Interest Earned, Agency Fees, Fines and Licences and Permits, represent the remaining revenue sources. Even combined in a cluster they contribute the least to eMalahleni operating revenue base.

8.8 OPERATING EXPENDITURE

Operating expenditure budgeting has been done on a zero base budget approach. Budgeted expenditure should be funded by realistically anticipated cash backed revenues, and, operational gains and efficiencies to result in operating surpluses to fund capital expenditure from own cash backed funds.

Description	2011/12	2012/13		2013/14		2014/15				2015/16 Medium Term Revenue & Expenditure Framework					
	Audited Outcome	Audited Outcome	% Increase Decrease	Audited Outcome	% Increase Decrease	Original Budget	Adjusted Budget	Full Year Forecast	% Increase Decrease	Budget Year 2015/16	% Increase Decrease	Budget Year +1 2016/17	% Increase Decrease	Budget Year +2 2017/18	% Increase Decrease
Employee Related Costs	325887	338542	3.88	408723	20.73	482786	474299	474299	0.00	571167	20.42	611149	7	653930	7
Remuneration of Councilors	16107	17625	9.42	18988	7.73	19144	19381	19381	0.00	20940	8.04	22406	7	23974	7
Debt Impairment	119307	197986	65.95	115843	-41.49	213520	86845	86845	0.00	267631	208.17	250670	-6.34	253387	1.08
Depreciation and Asset Impairment	167063	164806	-1.35	128652	-21.94	165000	165000	165000	0.00	165000	0.00	165000	0.00	165000	0.00
Finance Charges	28404	24602	-13.39	75184	205.60	16130	16130	16130	0.00	81497	405.25	32215	-60.47	25308	-21.44
Bulk Purchases	588968	608320	3.29	637825	4.85	738297	724289	724289	0.00	894997	23.57	980213	9.52	1114486	13.70
Repairs and Maintenance	60468	73839	22.11	99860	35.24	92110	121556	121556	0.00	131869	8.48	123678	-6.21	128625	4
Contracted Services	12293	24893	102.50	41631	67.24	17649	82441	82441	0.00	32274	-60.85	20978	-35.00	21651	3.21
Transfers and Grants	24733	24290	-1.79	16147	-33.52	34548	21858	21858	0.00	35929	64.37	37367	4	38861	4
Other expenditure	134770	136482	1.27	213082	56.12	142360	209710	209710	0.00	180485	-13.94	178403	-1.15	188437	5.62
Total Expenditure	1478001	1611384	9.02	1755935	8.97	1921543	1921509	1921509	0.00	2381789	23.95	2422078	1.69	2613660	7.91

Table 10.2 depicts the main types of operating expenditure

8.8.1 Analysis of operating Expenditure

Employee related expenditure forecast for 2014/15 reflects an increase of 7.08% R504 million from R411 million in 2013/14. Five year forecast reflects an increase of R785 million in 2018/19

Bulk purchases forms part of one of biggest expenditure items of total expenditure. Bulk purchases rose from R738 million to R826 million reflecting an increase of 11.6% year on year. The end result at 2018/19 will result in a total expenditure for bulk expenditure of R1.114 billion. General expenditure forms the third highest expenditure item by a 9.94% increase in 2014/15 from a decrease of 1.17% R194 million in 2013/14.

The highest expenditure item is bulk purchases by 35% followed by employee related costs at 24%. Bad Debt and General Expenditure contribute 10% each and Repairs and Maintenance only 4%.

8.9 CAPITAL EXPENDITURE

Capital Expenditure should be done on capital prioritisation model. Such a model is not yet operational and will be developed for future allocation of scarce resources.

8.9.1 Capital Expenditure by Standard Classification

Total capital Expenditure forecast for 2014/15 is R214 million. Total forecast capital expenditure forecast for 2016/17 decreases by 51.94% compared to the increase of 16.89% forecast in 2015/16. Forecast capital expenditure increases from 13% to 12.5% R253 million in 2018/19.

8.10 CAPITAL EXPENDITURE BY SOURCE ANALYSIS

Sanitation has received R13 million and Electrical R20.7 million. Water R49 million. Roads and other services under MIG received R110. Electrical has received R20.75 million for the electrification of houses from DOE. Sanitation received a big chunk of R70

million while Water received R31 million. Electrical and Spatial planning received R2 million and R5 million respectively.

8.11 CONCLUSION

The continued improvement and development of an effective financial planning process aid the actualisation of fulfilling its facilitating role to capacitate the community to build a prosperous future for all. This Financial Plan with its financial framework, financial strategies and financial policy framework contribute to ensuring that eMalahleni remains financially viable and sustainable and that quality municipal services are provided economically to all communities within its area of jurisdiction.

The multi-year Financial Plan contains realistic and credible revenue and expenditure forecasts which should provide a sound basis for improved financial management and institutional development as well as service delivery improvements and implementation. Strategy towards cash backing and cash funded budgets will certainly ensure the sustainability of the municipality over short-term, medium-term and long-term.

8.12 FINANCIAL VIABILITY AND MANAGEMENT STRATEGIES AND SECTOR PLANS STATUS

Sector Plan	Existing Yes/No	Draft / Adopted	Date of adoption	Last, Reviewed when?	Comments on the current status
The Capital Financing Strategy	No				Will be developed 2015/16
Supply Chain Management Policy	Yes	Adopted	2005/09/29	2011/12	Will be reviewed 2014/15
Capital Prioritization Model	No				Will be developed 2015/16

9. ELM IDP 5 YEAR PLAN

NKPA: Governance and Public Participation													
<i>BACK TO BASICS: Put people and their concerns first – listen & communicate</i>													
<i>Good governance and sound administration</i>													
Strategic Objective	To promote proper governance and public participation. To contribute to the health and safety of communities in eMalahleni through the proactive identification, mitigation and management of health including environmental health, fire and disaster risks. To improve our public relations thereby pledging that our customers are serviced with dignity and care			Policies:		Risk Management Policy, Community Participation Strategy, Communication Strategy						Deliver Int./Ext	Funding Source
				Bylaws:									
				Targets									
Number	Key Focus Area (KFA)	KPI	Backlog/baseline	Wards	Budget	2014/15	2015/16	2016/17	2017/18	2018/19			
1	Human Resource Administration and Auxiliary	Number Council meetings facilitated and resolutions facilitated	11 meetings done in 2014/15 and 77 Section 79 Committees	None	N/A	100%	100%	100%	100%	100%	Int	N/A	
2		% of Council resolutions implemented	100% Council Resolutions are	None	N/A	100%	100%	100%	100%	100%	Int	N/A	

			currently implemented									
3	Risk Management	Reviewed Risk registers (Strategic, operational and IT register)	Strategic , Operational And IT Risk Registers in place	None	N/A	Adopted Risk registers	Adopted Risk registers	Adopted Risk registers	Adopted Risk registers	Adopted Risk registers	Internal	N/A
4		% of strategic risks reduce	8 strategic risks are identified	None	N/A	% of the strategic risks are reduce	% of the strategic risks are reduce	% of the strategic risks are reduce	% of the strategic risks are reduce	% of the strategic risks are reduce	Internal	N/A
5		Number of Risk Management Committee Meetings held	2 Risk Management Committee Meetings Took Place	None	N/A	Number (4 a year) of Risk Management Committee Meetings held	Number (4 a year) of Risk Management Committee Meetings held	Number (4 a year) of Risk Management Committee Meetings held	Number (4 a year) of Risk Management Committee Meetings held	Number (4 a year) of Risk Management Committee Meetings held	Internal	N/A
6	Risk Management	Approved Anti-Fraud And Corruption Strategy action plan	Approved Strategy in place	None	N/A	Approved Anti-Fraud And Corruption Strategy action plan	Approved Anti-Fraud And Corruption Strategy action plan	Approved Anti-Fraud And Corruption Strategy action plan	Approved Anti-Fraud And Corruption Strategy action plan	Approved Anti-Fraud And Corruption Strategy action plan	Internal	N/A

7	Auditing	Number of Audit Committee Meetings held	100% compliance	None	N/A	Number (4 a year)of Audit Committee Meetings held	Number (4 a year)of Audit Committee Meetings held	Number (4 a year)of Audit Committee Meetings held	Number (4 a year)of Audit Committee Meetings held	plan Number (4 a year)of Audit Committee Meetings held	Internal	N/A
8		Approved strategic and Operational Internal Audit Plan and Number of internal Audit recommendations implemented	Approved and implemented internal Audit Plan	None	N/A	Approved strategic and Operational Internal Audit Plan and Number of internal Audit recommendations implemented	Approved strategic and Operational Internal Audit Plan and Number of internal Audit recommendations implemented	Approved strategic and Operational Internal Audit Plan and Number of internal Audit recommendations implemented	Approved strategic and Operational Internal Audit Plan and Number of internal Audit recommendations implemented	Approved strategic and Operational Internal Audit Plan and Number of internal Audit recommendations implemented	Internal	N/A
9		% of issues from AG Action Plan reduced	Auditor General action plan in place	None	N/A	% of issues from AG Action Plan reduced	% of issues from AG Action Plan reduced	% of issues from AG Action Plan reduced	% of issues from AG Action Plan reduced	% of issues from AG Action Plan reduced	Internal	N/A
10	Legislation	Adopted	2014/15	None	N/A	Adoptio	Adoptio	Adoptio	Adoptio	Adoptio	Internal	N/A

	compliance	Annual Reports	Annual Report in place			n Of Annual Reports	n Of Annual Reports	n Of Annual Reports	n Of Annual Reports	n Of Annual Reports		
11		Number of Over-sight meetings	Over sight meetings are in place	None	N/A	Number of Over-sight meeting s	Number of Over-sight meeting s	Number of Over-sight meeting s	Number of Over-sight meeting s	Numbe r of Over-sight meetin gs	Interna l	N/A
12	IDP	Adopted IDP process plan	2014/15 IDP adopted	All	Operati onal cost	1 x 2014/1 5 process plan per annum	1 x 2015/16 process plan per annum	1 x 2016/17 process plan per annum	1 x 2017/18 process plan per annum	1 x 2018/1 9proce ss plan per annum	Interna l	ELM
		Developed IDP	2014/15 IDP process plan adopted	All	Operati onal cost	1x 2014/1 5 Adopte d IDP	1x 2015/16 Adopte d IDP	1x 2016/17 Adopte d IDP	1x 2017/18 Adopte d IDP	1x 2018/1 9Adopte d IDP	Interna l	ELM
13	Public participation	34 Ward operational plans in place	34 Ward operation al plans in place	All	Operati onal cost	34 Ward operati onal plans in place	34 Ward operatio nal plans in place	34 Ward operatio nal plans in place	34 Ward operatio nal plans in place	34 Ward operati onal plans in place	Interna l	ELM
14	Communication	Number of Mayoral Imbizo convened	3 Mayoral IDP and Budget Cluster Imbizos held in 2014/15	All	Operati onal cost	No of Mayoral Imbizo conven ed	No of Mayoral Imbizo conven ed	No of Mayoral Imbizo conven ed	No of Mayoral Imbizo conven ed	No of Mayora l Imbizo conven ed	Interna l	ELM

15		Developed communication strategy and action plan	Adopted communication strategy	All	Operational cost	Developed communication strategy and action plan	Review communication strategy and implement action plan	Review communication strategy and implement action plan	Review communication strategy and implement action plan	Review communication strategy and implement action plan	Internal	ELM
16		Updated website	New Website is live and operational	All	Operational cost	Update website	Update website	Update website	Update website	Update website	Internal	ELM
17		Number of Speakers Forum meetings held	Number of forum convened	All	Operational cost	Number of meetings held	Number of meetings held	Number of meetings held	Number of meetings held	Number of meetings held	Internal	ELM
18	Transversal Management	Number of HIV/AIDS programmes developed	8 HIV/AIDS programmes conducted	All	Operational cost	Number of HIV/AIDS programmes developed	Number of HIV/AIDS programmes developed	Number of HIV/AIDS programmes developed	Number of HIV/AIDS programmes developed	Number of HIV/AIDS programmes developed	Internal	ELM
19		Number of special programmes on children, elderly, people with disability and gender	Programmes on different specialities are being developed	All	Operational cost	Number of special programmes on children	Number of special programmes on children	Number of special programmes on children	Number of special programmes on children	Number of special programmes on children	Internal	ELM

		issues developed				elderly, people with disability and gender issues developed	elderly, people with disability and gender issues developed	elderly, people with disability and gender issues developed	elderly, people with disability and gender issues developed	elderly, people with disability and gender issues developed		
20	Youth Development and Management	Facilitated school tournament games	1 tournament conducted in 2014/15	All	Operational cost	Facilitated school tournament games	Facilitated school tournament games	Facilitated school tournament games	Facilitated school tournament games	Facilitated school tournament games	Internal	ELM
21		Registered youth (5 SMME and 20 cooperatives) on CIPRO and the municipal database for youth	No youth cooperatives and SMME	All	Operational cost	Proof of registration from CIPRO and the municipal database for youth	Proof of registration from CIPRO and the municipal database for youth	Proof of registration from CIPRO and the municipal database for youth	Proof of registration from CIPRO and the municipal database for youth	Proof of registration from CIPRO and the municipal database for youth	Internal	ELM
22		Facilitated Youth Summit	Youth summit conducted in 2014/15	All	Operational cost	Summit action plans	Summit action plans	Facilitated Youth Summit	Summit action plans	Summit action plans	Internal	ELM
23		Youth Development and Management	number of students on bursary programme	10 students assisted in 2014/15	All	Operational cost	number of students on bursary	number of students on bursary	number of students on bursary	number of students on bursary	number of students on bursary	Internal

						programme	programme	programme	programme	programme		
24		Number of youth trained and benefited in internships, Learnership, EPWP and CWP	No monitoring of National youth growth path programmes	All	Operational cost	Number of youth trained and benefited in internships, Learnership, EPWP and CWP	Number of youth trained and benefited in internships, Learnership, EPWP and CWP	Number of youth trained and benefited in internships, Learnership, EPWP and CWP	Number of youth trained and benefited in internships, Learnership, EPWP and CWP	Number of youth trained and benefited in internships, Learnership, EPWP and CWP	Internal	ELM
25	Fire and rescue	Number of fire and rescue services developed and provided	Fire station in Phola/Ogies is completed	All	Operational cost	Number of fire and rescue services developed and provided	Number of fire and rescue services developed and provided	Number of fire and rescue services developed and provided	Number of fire and rescue services developed and provided	Number of fire and rescue services developed and provided	Internal	ELM
26		Number of Written agreements concluded with other fire brigade services or entities	No SLA signed	All	Operational cost	Written agreements concluded with other fire brigade services or	Written agreements concluded with other fire brigade services or	Written agreements concluded with other fire brigade services or	Written agreements concluded with other fire brigade services or	Written agreements concluded with other fire brigade services or	Internal	ELM

						entities	entities	entities	entities	s or entities		
27	Disaster Management	Number of facilitated Disaster services plan and Awareness Campaigns conducted	Municipal Disaster Management Plan in place	All	Operational cost	Facilitate Disaster services plan and Awareness Campaigns conducted	Facilitate Disaster services plan and Awareness Campaigns conducted	Facilitate Disaster services plan and Awareness Campaigns conducted	Facilitate Disaster services plan and Awareness Campaigns conducted	Facilitate Disaster services plan and Awareness Campaigns conducted	Internal	ELM
28	Licensing Services	Licence services provided	the current RA is insufficient and Satellite renewal centre not operational	All	Operational cost	Provide licence services	Complete New Registration Authority and commission renewal centre	Provide licence services	Provide licence services	Provide licence services	Internal	ELM
29	Safety and Security	Number of bylaws implemented	4 safety and security aware conducted in 2014/15 financial year	All	Operational cost	Number of bylaws implemented	Number of bylaws implemented	Number of bylaws implemented	Number of bylaws implemented	Number of bylaws implemented	Internal	ELM
		Number of	4 safety	All	Operational	Implem	Implem	Implem	Implem	Implem	Internal	ELM

30		safety and security programmes	and security aware conducted in 2014/15 financial year		onal cost	ent safety and security programmes	ent safety and security programmes	ent safety and security programmes	ent safety and security programmes	ent safety and security programmes	l	
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NKPA: SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

Back to Basics: Municipal Services to the right quality and standard

Strategic Objectives	To ensure facilitation for the construction of facilities for the betterment of the community.			Policies:	Removal of waste on public holidays, Removal of domestic waste together with garden waste in black plastic bags.							
	To ensure efficient infrastructure and energy supply that will contribute to the improvement of quality of life for all citizens within eMalahleni			Bylaws:	Cemeteries by-laws, Public open spaces by-laws, Waste management by-laws, Waste Act & Regulations, Air Quality Management by-laws, Noise Abatement by-laws							
To ensure proper facilitation of sustainable human settlement and social facilities for the betterment of our communities.					Targets					Delivery Int.	Funding	
Numb	Key	KPI	Backlog/b	Wards	Budget	2014/15	2015/1	2016/17	2017/18	2018/1		

er	Focus Area (KFA)		aseline				6			9	/Ext	Sourc e
1	Sustainable Human Settlements	Number of Beneficiary applications forms completed for Housing Projects	15 000 applications completed to date. Housing backlog is 44 734	All	Grant	Number of applications forms completed	Number of applications forms completed	Number of applications forms completed	Number of applications forms completed	Number of applications forms completed	Internal	ELM
2		Number of indigents registered	11625 people indigents registered	All	Grant	Number of indigents registered	Number of indigents registered	Number of indigents registered	Number of indigents registered	Number of indigents registered	Internal	ELM
3		Number of government subsidized houses completed	44 734 housing backlog	All	Grant	Housing Development	Housing Development	Housing Development	Housing Development	Housing Development	External	Provincial Department of human Settlements
4	Energy Services and Infrastructure	Number of reviewed Energy related master/sector plans	Outdated plans	All	Operational budget and grants	Review Energy related master/ Sector plans	Review Energy related master/ Sector plans	Review Energy related master/ Sector plans	Review Energy related master/ Sector plans	Review Energy related master/ Sector plans	Internal and external	ELM, NDM and Provincial Departments
5		Number of substations Upgraded and refurbished	Aged and outdated infrastructure and technology	All	Operational budget and grants	Provide a stable and sustainable	Provide a stable and sustain	Provide a stable and sustainable	Provide a stable and sustainable	Provide a stable and sustainable	Internal and external	ELM, NDM and Provincial

						electricity supply to communities	able electricity supply to communities	electricity supply to communities	electricity supply to communities	electricity supply to communities		Departments
6	Energy Services and Infrastructure	Number of substations Upgraded and refurbished for maintenance purposes	Aged and outdated infrastructure and technology	All	Operational budget and grants	Provide a stable and sustainable electricity supply to communities	Provide a stable and sustainable electricity supply to communities	Provide a stable and sustainable electricity supply to communities	Provide a stable and sustainable electricity supply to communities	Provide a stable and sustainable electricity supply to communities	Internal and external	ELM, NDM and Provincial Departments
7		Number of meters installed	120 000 consumers	All	Operational budget and grants	Installation of electrical meters for consumers	Installation of electrical meters for consumers	Installation of electrical meters for consumers	Installation of electrical meters for consumers	Installation of electrical meters for consumers	Internal and external	ELM, NDM and Provincial Departments
8		Number of household with access to basic electricity	44 734 housing backlog	All	Operational budget and grants	Connect new customers to the electrical grid	Connect new customers to the electrical grid	Connect new customers to the electrical grid	Connect new customers to the electrical grid	Connect new customers to the electrical grid	Internal and external	ELM, NDM and Provincial Departments
9		Number of households with access	An aged and outdated	All	Operational budget and	Install and maintain	Install and maintain	Install and maintain	Install and maintain	Install and maintain	Internal and external	ELM, NDM and

		to community lighting and maintenance	public lighting network as well as outdated equipment		grants	public lighting	n public lighting	n public lighting	n public lighting	n public lighting	al	Provincial Departments
10	Water Services and Infrastructure	Approved water master, sector plan and strategic plans	Outdated Plans	All	Operational budget and grants	Review Water master and sector plan	Review Water master and sector plan	Review Water master and sector plan	Review Water master and sector plan	Review Water master and sector plan		
11		Bulk water infrastructure developed, upgraded, refurbished and maintained to secure access to basic water supply	Dilapidated infrastructure and technology	All	Operational budget and grants	Develop, upgrade, refurbish and maintain bulk water infrastructure	Develop, upgrade, refurbish and maintain bulk water infrastructure	Develop, upgrade, refurbish and maintain bulk water infrastructure	Develop, upgrade, refurbish and maintain bulk water infrastructure	Develop, upgrade, refurbish and maintain bulk water infrastructure	Internal and external	ELM, NDM and Provincial Departments
12		Number of settlements provided with water connection above RDP level	135 972 water backlog	All	Operational budget and grants	Settlements provided with water connection above RDP level	Settlements provided with water connection above RDP level	Settlements provided with water connection above RDP level	Settlements provided with water connection above RDP level	Settlements provided with water connection above RDP level	Internal and external	ELM, NDM and Provincial Departments
13		Number of water service points installed for	People travelling more than 200m	All	Operational budget and grants	Water service points installed	Water service points installed	Water service points installed	Water service points installed	Water service points installed	Internal and external	ELM, NDM and Provincial

		informal settlement dwellers within and above 200m radius	radius for collecting portable water in all informal settlements			for informal settlement dwellers within and above 200m radius	d for informal settlement dwellers within and above 200m radius	d for informal settlement dwellers within and above 200m radius	d for informal settlement dwellers within and above 200m radius	d for informal settlement dwellers within and above 200m radius		cial Departments
14		% improvement on blue drop status	Blue Drop No Drop Status is 37%	All	Operational budget and grants	Improvement on blue drop status (drinking water quality)	Improvement on blue drop status (drinking water quality)	Improvement on blue drop status (drinking water quality)	Improvement on blue drop status (drinking water quality)	Improvement on blue drop status (drinking water quality)	Internal and external	ELM, NDM and Provincial Departments
15	Sanitation Services and Infrastructure	Approved sanitation master, sector plan and strategic plans	Outdated plans	All	Operational budget and grants	Review Sanitation master and sector plan	Review Sanitation master and sector plan	Review Sanitation master and sector plan	Review Sanitation master and sector plan	Review Sanitation master and sector plan	Internal and external	ELM, NDM and Provincial Departments
16		Bulk sanitation infrastructure developed, upgraded, refurbished and maintained to secure access to basic	Dilapidated infrastructure and technology	All	Operational budget and grants	Develop, upgrade, refurbish and maintain bulk sanitation infrastru	Develop, upgrade, refurbish and maintain bulk sanitation infrastru	Develop, upgrade, refurbish and maintain bulk sanitation infrastru	Develop, upgrade, refurbish and maintain bulk sanitation infrastru	Develop, upgrade, refurbish and maintain bulk sanitation infrastru	Internal and external	ELM, NDM and Provincial Departments

17		sanitation Number of settlements provided with sewerage services	135 972 sanitation backlog	All	Operational budget and grants	Settlements provided with sewerage services	Settlements provided with sewerage services	Settlements provided with sewerage services	Settlements provided with sewerage services	Settlements provided with sewerage services	Internal and external	ELM, NDM and Provincial Departments
18		% improvement on green drop status	Green Drop Status is 15%	All	Operational budget and grants	Improvement on green drop status	Improvement on green drop status	Improvement on green drop status	Improvement on green drop status	Improvement on green drop status	Internal and external	ELM, NDM and Provincial Departments
19	Roads and stormwater	Number of road master and sector plan Developed and reviewed	No and outdated plans	All	Operational budget and grants	Develop and review road master and sector plan	Develop and review road master and sector plan	Develop and review road master and sector plan	Develop and review road master and sector plan	Develop and review road master and sector plan	Internal and external	ELM, NDM and Provincial Departments
20		KMs of municipal roads constructed (new roads)	7km of new roads constructed in 2014/15	All	Operational budget and grants	Construction of new roads	Construction of new roads	Construction of new roads	Construction of new roads	Construction of new roads	Internal and external	ELM, NDM and Provincial Departments
21		KMs of damaged roads (Rehabilitated)	800 km need rehabilitation & patching	All	Operational budget and grants	Rehabilitation of damaged roads in EMalahl	Rehabilitation of damaged roads	Rehabilitation of damaged roads in EMalahl	Rehabilitation of damaged roads in EMalahl	Rehabilitation of damaged roads	Internal and external	ELM, NDM and Provincial Depart

						eni	in EMalah leni	eni	eni	in EMalah leni		ments
22		KMs of pedestrian walkways constructed	Lack of pedestrian walkways	All	Operational budget and grants	Construction of a new pedestrian walkways	Construction of a new pedestrian walkways	Construction of a new pedestrian walkways	Construction of a new pedestrian walkways	Construction of a new pedestrian walkways	Internal and external	ELM, NDM and Provincial Departments
23		KMs of storm water drainage provided and maintained	Non-existence of storm-water drains that results in major roads damages	All	Operational budget and grants	Provide and maintain Storm Water drainage system	Provide and maintain Storm Water drainage system	Provide and maintain Storm Water drainage system	Provide and maintain Storm Water drainage system	Provide and maintain Storm Water drainage system	Internal and external	ELM, NDM and Provincial Departments
24		KMs of railway siding Maintained to comply with Rail Safety Regulator	15km has been maintained on an on-going in previous financial year	All	Operational budget	Maintenance of railway siding to comply with Rail Safety Regulator	Maintenance of railway siding to comply with Rail Safety Regulator	Maintenance of railway siding to comply with Rail Safety Regulator	Maintenance of railway siding to comply with Rail Safety Regulator	Maintenance of railway siding to comply with Rail Safety Regulator	Internal	ELM
25		Maintained Witbank Aerodrome air field to comply with	No maintenance done on the air field in the	All	Operational budget	Maintenance of Witbank Aerodrome air	Maintenance of Witbank Aerodrome air	Maintenance of Witbank Aerodrome air	Maintenance of Witbank Aerodrome air	Maintenance of Witbank Aerodrome air	Internal	ELM

		Aviation Authority	previous financial year			field to comply with Aviation Authority	Aerodrome air field to comply with Aviation Authority	field to comply with Aviation Authority	field to comply with Aviation Authority	Aerodrome air field to comply with Aviation Authority		
26		Constructed Weighbridge	1 Ineffective weighbridge situated at the license department.	All	Operational budget and grants			Construction of a new Weighbridge			Internal and external	ELM, NDM and Provincial Departments
27		Traffic calming devices installed and maintained	Lack of traffic calming devices	All	Operational budget	Installation, construction and maintenance of traffic calming devices	Installation, construction and maintenance of traffic calming devices	Installation, construction and maintenance of traffic calming devices	Installation, construction and maintenance of traffic calming devices	Installation, construction and maintenance of traffic calming devices	Internal	ELM
28	Transport, Services and infrastructure	Number of transport plans/strategies developed	No plans	All	Operational budget and grants			Develop transport plans/strategies	Review transport plans/strategies	Review transport plans/strategies	External	External
29		Number of bus terminals	Lack of bus	All	Operational budget	Construct and	Construct and	Construct and	Construct and	Construct and	Internal and	ELM, NDM

		or taxi ranks and stops constructed	terminals or taxi ranks and stops		and grants	maintain bus terminals or taxi ranks and stops	maintain bus terminals or taxi ranks and stops	maintain bus terminals or taxi ranks and stops	maintain bus terminals or taxi ranks and stops	maintain bus terminals or taxi ranks and stops	external	and Provincial Departments
30	Municipal Building maintenance	Number of municipal buildings Renovated, repaired and maintained	Inadequate renovations and maintenance on municipal building	All	Operational budget	Renovate, repair and maintain municipal buildings	Renovate, repair and maintain municipal buildings	Renovate, repair and maintain municipal buildings	Renovate, repair and maintain municipal buildings	Renovate, repair and maintain municipal buildings	Internal	ELM
31		Number of Regular inspections to ensure compliance with OH&S Act	Expired compliance certificates and poor maintenance	All	Operational budget	100%	100%	100%	100%	100%	Internal	ELM
32	Art, Culture and Heritage	Established cultural and entertainment centre	No cultural and entertainment Centre around Witbank	All	Operational budget and grants			Establishment of cultural and entertainment centre			Internal and external	ELM, NDM and Provincial Departments
33		Upgraded refurbished and maintained	Cultural Centre is dilapidated	All	Operational budget	Upgrading, refurbishment	Upgrading, refurbishment	Upgrading, refurbishment	Upgrading, refurbishment	Upgrading, refurbishment	Internal	ELM

		Cultural Centre				and maintaining Cultural Centre	and maintaining Cultural Centre	and maintaining Cultural Centre	and maintaining Cultural Centre	and maintaining Cultural Centre		
34	Environmental Management	Number of environmental health services provided	Provide health services	All	Operational budget and grants	Provide environmental health services	Provide environmental health services	Provide environmental health services	Provide environmental health services	Provide environmental health services	Internal and external	ELM, NDM and Provincial Departments
35	Waste management and infrastructure	Number of Waste management and infrastructure sector plan, strategic plans Developed and reviewed	Outdated plans	All	Operational budget and grants	Review and develop Waste management and infrastructure sector plan, strategic plans	Review and develop Waste management and infrastructure sector plan, strategic plans	Review and develop Waste management and infrastructure sector plan, strategic plans	Review and develop Waste management and infrastructure sector plan, strategic plans	Review and develop Waste management and infrastructure sector plan, strategic plans	Internal and external	ELM, NDM and Provincial Departments
36		Number of Waste management and refuse removal services provided	94 861 households once a week, business areas 5 times a week and 3 times a week in	All	Operational budget and grants	Provide Waste management and refuse removal services	Provide Waste management and refuse removal services	Provide Waste management and refuse removal services	Provide Waste management and refuse removal services	Provide Waste management and refuse removal services	Internal and external	ELM, NDM and Provincial Departments

			the smaller business areas.										
37	Libraries	Number of libraries constructed and maintained	Currently maintaining libraries	All	Operational budget and grants	Construction and maintenance of libraries	Construction and maintenance of libraries	Construction and maintenance of libraries	Construction and maintenance of libraries	Construction and maintenance of libraries	Internal and external	ELM, NDM and Provincial Departments	
38	Sport and recreation	Number of Sport and recreation facilities Constructed and maintained	Currently maintaining Sport and recreation facilities	All	Operational budget and grants	Construction and maintenance of Sport and recreation facilities	Construction and maintenance of Sport and recreation facilities	Construction and maintenance of Sport and recreation facilities	Construction and maintenance of Sport and recreation facilities	Construction and maintenance of Sport and recreation facilities	Internal and external	ELM, NDM and Provincial Departments	
39	Customer care	Number of customer care services rendered and established	Decentralised customer care point of contact	All	Operational budget and grants	Establish and Render customer care unit	Establish and Render customer care unit	Render customer care services	Render customer care services	Render customer care services	Internal and external	Internal and external	

NKPA: SPATIAL PLANNING

Back to Basics: Deliver municipal services to the right quality and standard

Strategic	To promote Spatial concentration and facilitate, manage and control integrated	Policies:	Spatial Development Framework of 2013/2014, Land Use Scheme of 2010, National Building Regulations, Town planning and Townships Ordinance 15 of
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Objective	land use and spatial planning			1986, Outdoor Advertisement Policy									
				Bylaws:	Outdoor Advertisement By-law								
Number	Key Focus Area (KFA)	KPI	Backlog /baseline	Wards	Budget	Targets					Delivery Int./Ext	Funding Source	
						2014/15	2015/16	2016/17	2017/18	2018/19			
1	Land use management	Amendment and adopted Spatial Planning related plans	ELM LUMS of 2010	All	Operational budget	Amendment of the Emahlani Land Use Management Scheme of 2010						Internal	ELM
2			Spatial Development Framework of 2015	All	Operational budget	Review Spatial Development Framework						Internal	ELM
3	Land Development	Number of informal settlements formalised	2 of 69 Informal settlements are formalised	All	Operational budget and grants	Number of informal settlements formalised	Number of informal settlements formalised	Number of informal settlements formalised	Number of informal settlements formalised	Number of informal settlements formalised		Internal and external	ELM and DHS
4		Number of townships established	44 734 backlog	All	Operational budget	Planning and survey of	Approve 2 township	Establish township	Establish township/s	Establish township/s		Internal	ELM

						Erven 7638 And 7898 , 7612 And 7613 Kwaguq a Extensi on 11, 324- 327 Hlalanik ahle Extensi on 3, Erven 5509,55 10,5142 ,5143,5 144,665 0 And 6651 Kwaguq a Extensi on 10, Erven 1022/10 57 , 2499, 2596- 2599, 2985 Phola	establis hment applicat ions, viz. 1. Spring Valley Portion and 2. Nooige dacht						
5		Hectares (ha)	No land	All	Operation	265Hec	265Hec	Hectare	Hectare	Hectar	ELM	ELM	

		of land purchased	purchased and there is insufficient land for human settlements		al budget and grants	tares (ha) of land purchased	tares (ha) of land purchased	s (ha) of land purchased	s (ha) of land purchased	es (ha) of land purchased	and DHS	and DHS
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NKPA: LOCAL ECONOMIC DEVELOPMENT												
Strategic Objective	To create an attractive and conducive environment for sustainable economic growth and empowerment for the business and broader communities within ELM				Policies:		LED Strategy					
					Bylaws:							
Number	Key Focus Area (KFA)	KPI	Backlog /baseline	Wards	Budget	Targets					Delivery Int./Ext	Funding Source
						2014/15	2015/16	2016/17	2017/18	2018/19		
1	LED	Review and implement LED Strategy aligned to the Provincial and National LED Strategy/Framework	2012/13 LED strategy in place	All	Operational budget	Implement the LED Strategy	Review LED Strategy aligned to the Provincial and National LED Strategy/Framework	Implement the LED Strategy	Implement the LED Strategy	Implement the LED Strategy	Internal	ELM

2		Number of municipal LED intergovernmental forums convened	2014/15 Municipal LED intergovernmental forums were convened	All	Operational budget	convene Municipal LED intergovernmental forums	convene Municipal LED intergovernmental forums	convene Municipal LED intergovernmental forums	convene Municipal LED intergovernmental forums	convene Municipal LED intergovernmental forums	Internal	ELM
3		Number of work opportunities created and Trainings conducted through CWP, EPWP, SMME, cooperatives and other initiatives (both internal and external)	1000 CWP, 300 EPWP, 3 SMME in 2014/15 5 SMMEs and 3 cooperatives trained in 2014/15 No Cooperative registered	All	Operational and external budget	Work opportunities created through CWP, EPWP, SMME and other municipal initiatives	Work opportunities created through CWP, EPWP, SMME and other municipal initiatives	Work opportunities created through CWP, EPWP, SMME and other municipal initiatives	Work opportunities created through CWP, EPWP, SMME and other municipal initiatives	Work opportunities created through CWP, EPWP, SMME and other municipal initiatives	Internal	ELM
4	LED	Red –tape reduction programme implemented	No strategy in place	All	Operational and external budget			Develop Strategy on Business	Implement developed programme	Implement developed programme	Internal	ELM

								s Enablin g Environ ment	m mes	m mes		
5		5-year Investment Retention and Attraction Strategy/plan	No strategy in place	All	Operati onal and external budget			Develo p Investm ent Retenti on and Attracti on Strateg y/plan	Implem ent Investm ent Retenti on and Attracti on Strateg y/plan	Implem ent Invest ment Retenti on and Attracti on Strateg y/plan	Interna l	ELM
6	Beautificat ion of city	Number of programmes on beautifying the City	Plans to beautify the city are in place	All	Operati onal and external budget	Progra mmes on Upgradi ng, i refurbis hing, cleanin g and marketi ng the City	Progra mmes on Upgradi ng, refurbis hing, cleanin g and marketi ng the City	Progra mmes on Upgradi ng, refurbis hing, cleanin g and marketi ng the City	Progra mmes on Upgradi ng, refurbis hing, cleanin g and marketi ng the City	Progra mmes on Upgrad ing, refurbis hing, cleanin g and marketi ng the City	Interna l	ELM

NKPA : INSTITUTIONAL DEVELOPMENT & TRANSFORMATION												
BACK TO BASICS: Put people and their concerns first – listen & communicate												
Good governance and sound administration												
Strategic Objective	To provide effective and efficient workforce by aligning our institutional arrangements to our overall policies, processes, procedures and strategies in order to deliver quality services.			Policies:	PMS Framework, PMS Policy							
	Bylaws:											
Number	Key Focus Area (KFA)	KPI	Backlog/baseline	Wards	Budget	Targets					Delivery Int./Ext	Funding Source
						2014/15	2015/16	2016/17	2017/18	2018/19		
1	Organisational Structure (OS)	Approval and implementation of Organizational structure (OS)	2014 approve structure in place	None	Operational Budget	Approval and implementation of OS	Implementation of OS	60% of positions filled	70% of positions filled	80% of positions filled	Internal	ELM
2		Number of critical posts filled (section 54 and 56)	4 of 6 Section 56 positions in the current approved Organizational Structure are filled	None	Operational Budget	Number of critical vacant posts filled (section 54 and 56)	Number of critical vacant posts filled (section 54 and 56)	Number of critical vacant posts filled (section 54 and 56)	Number of critical vacant posts filled (section 54 and 56)	Number of critical vacant posts filled (section 54 and 56)	Internal	ELM
3	Human Resource	Number of officials	362 employee	None	Operational	Number of	Number of	Number of	Number of	Number of	Internal	ELM

	Management	capacitated in terms of the workplace Skills Plan	s in year: 2014/15		Budget	officials capacitated in terms of the workplace Skills Plan	officials capacitated in terms of the workplace Skills Plan	officials capacitated in terms of the workplace Skills Plan	officials capacitated in terms of the workplace Skills Plan	officials capacitated in terms of the workplace Skills Plan		
4		Report on the workplace skills plan submitted to LGSETA annually	2014/15 WSP submitted promptly	None	Operational Budget	Report on the workplace skills plan submitted to LGSETA annually	Report on the workplace skills plan submitted to LGSETA annually	Report on the workplace skills plan submitted to LGSETA annually	Report on the workplace skills plan submitted to LGSETA annually	Report on the workplace skills plan submitted to LGSETA annually	Internal	ELM
5	Human Resource Management	Report on Employment Equity to Department of Labour	2013/14 EE Report submitted to Department of Labour in October 2014	None	Operational Budget	Report on Employment Equity to Department of Labour	Report on Employment Equity to Department of Labour	Report on Employment Equity to Department of Labour	Report on Employment Equity to Department of Labour	Report on Employment Equity to Department of Labour	Internal	ELM
6		Number of Local Labour	4 Labour relations	None	Operational	Convened	Convened	Convened	Convened	Convened	Internal	ELM

		Forum consultative meetings held and report made	Meetings held		Budget	reports on Local Labour Forum consultative meetings held	reports on Local Labour Forum consultative meetings held	and reports on Local Labour Forum consultative meetings held	reports on Local Labour Forum consultative meetings held	reports on Local Labour Forum consultative meetings held		
7	Performance Management	approved Performance Management framework	Policy approved in 2014/15	None	Operational Budget	approved Performance Management framework	approved Performance Management framework	approved Performance Management framework	approved Performance Management framework	approved Performance Management framework	Internal	ELM
8		Number of quarterly performance reviews conducted	4 performance reviews undertaken annually	None	Operational Budget	Number of quarterly performance reviews conducted	Number of quarterly performance reviews conducted	Number of quarterly performance reviews conducted	Number of quarterly performance reviews conducted	Number of quarterly performance reviews conducted	Internal	ELM
9	Performance Management	Number of Signed performance	7 Section 56 and 54 Performan	None	Operational Budget	Number of Signed	Number of Signed	Number of Signed	Number of Signed	Number of Signed	Internal	ELM

		agreements	ce Agreements were signed			performance agreements	performance agreements	d performance agreements	performance agreements	performance agreements		
10		Number of individual(section 54/56 managers) performance reviews conducted both written and verbal assessments	2 written and 2 verbal individual performance assessments undertaken on 7 Section 54/ 56 employees	None	Operational Budget	Number of individual(section 54/56 managers) performance reviews conducted both written and verbal assessments	Number of individual (section 54/56 managers) performance reviews conducted both written and verbal assessments	Number of individual(section 54/56 managers) performance reviews conducted both written and verbal assessments	Number of individual (section 54/56 managers) performance reviews conducted both written and verbal assessments	Number of individual(section 54/56 managers) performance reviews conducted both written and verbal assessments	Internal	ELM
11	Performance Management	Approved SDBIP aligned to IDPs and budget	2014/15 SDBIP submitted and approved	None	Operational Budget	Approved SDBIP aligned to IDPs and budget	Approved SDBIP aligned to IDPs and budget	Approved SDBIP aligned to IDPs and budget	Approved SDBIP aligned to IDPs and budget	Approved SDBIP aligned to IDPs and budget	Internal	ELM

12	Performance Management	Individual Performance Management to all employees	Individual Performance in 2014/15 at Section 56 employees only	None	Operational Budget	Individual Performance Management to all employees	Individual Performance Management to all employees	Individual Performance Management to all employees	Individual Performance Management to all employees	Individual Performance Management to all employees	Internal	ELM
13	Policies, Processes, Procedure and by-laws	By-laws published annually in the provincial gazette and policies reviewed and adopted	8 municipal by-law reviewed and promulgated 11 Policies revised	All	Operational Budget	By-laws published annually in the provincial gazette and policies reviewed and adopted	By-laws published annually in the provincial gazette and policies reviewed and adopted	By-laws published annually in the provincial gazette and policies reviewed and adopted	By-laws published annually in the provincial gazette and policies reviewed and adopted	By-laws published annually in the provincial gazette and policies reviewed and adopted	Internal	ELM
14	Document and information Management	Compliant to the National Archives & Records Management	Non-compliance of the National Archives	None	Operational Budget	Compliant to the National Archives &	Compliant to the National Archives & Records Management	Compliant to the National Archives &	Compliant to the National Archives & Records Management	Compliant to the National Archives &	Internal	ELM

						Records Management	Records Management	Records Management				
15		Number of contracts managed	120 contract scanned and captured	None	Operational Budget	Management of all municipal contracts	Management of all municipal contracts	Management of all municipal contracts	Management of all municipal contracts	Management of all municipal contracts	Internal	ELM
16	ICT	Number of IT systems established and upgraded	IT systems not fully upgraded	None	Operational Budget	Fully functional IT Systems	Fully functional IT Systems	Fully functional IT Systems	Fully functional IT Systems	Fully functional IT Systems	Internal	ELM

NKPA: FINANCIAL SUSTAINABILITY												
<i>Back to Basics: Sound financial management and accounting</i>												
Strategic Objective	To ensure the financial sustainability of the municipality in order to fulfil the statutory requirement.			Policies:	Revenue Enhancement strategy, SCM policy, Property Rates Policy, Indigent and Provision of Free Basic Services Policy, Credit Control and Debt Collection Policy, Tariff Policy, Disposal of Assets Policy							
				Bylaws:								
IDP/Ref no	Key Focus Area (KFA)	KPI	Backlog/baseline	Wards	Budget	Targets					Delivery Int./Ext	Funding Source
						2014/15	2015/16	2016/17	2017/18	2018/19		
1	Revenue management	Number of policies, strategies reviewed and approved	Approved revenue enhancement strategy	All	Operational budget	Reviewed, approved and implemented policies	Reviewed, approved and implemented policies	Reviewed, approved and implemented policies	Reviewed, approved and implemented policies	Reviewed, approved and implemented policies	Internal	ELM
2	Revenue management	Number of revenue enhancement programmes/measures developed and implemented	25% of data cleansed and corrected Outstanding debtors are R1.6 billion	All	Operational Budget	Revenue enhancement generation measures	Enhancement of revenue generation measures	Enhancement of revenue generation measures	Enhancement of revenue generation measures	Enhancement of revenue generation measures	Internal	ELM
3	Revenue management	Implementation of the	100% of supplement	All	Operational	Maintenance of	Maintenance of	Maintenance of	Maintenance of	Maintenance of	Internal	ELM

		MPRA	entary valuation roll has been uploaded into the system within 30days		Budget	valuation roll	valuation roll	valuation roll	valuation roll	valuation roll		
4	Cost Management	Developed cost and management model	No cost and Management accounting model	All	Operational Budget		Developed cost and management model	Implementation of cost and management model	Implementation of cost and management model	Implementation of cost and management model	Internal	ELM
5		100% compliance with GRAB 17	Incomplete and inaccurate asset register	All	Operational Budget	100% compliance with GRAB 17	100% compliance with GRAB 17	100% compliance with GRAB 17	100% compliance with GRAB 17	100% compliance with GRAB 17	Internal	ELM
6	Asset Management	Number of management plans for fleet and equipment	No claims flow guidelines 4 Fleet currently 12.7 years old outdated cost	All	Operational Budget	Management plans for fleet and equipment	Management plans for fleet and equipment	Management plans for fleet and equipment	Management plans for fleet and equipment	Management plans for fleet and equipment	Internal	ELM

			benefit analysis									
7	Supply Chain Management	Reviewed and implemented SCM policy	Last reviewed 2013/2014	All	Operational Budget	Review and implemented SCM policy	Review and implemented SCM policy	Review and implemented SCM policy	Review and implemented SCM policy	Review and implemented SCM policy	Internal	ELM
8	Budget Management	Improved liquidity position	Current ratio of 0.36:1 for assets and liabilities	All	Operational Budget	Maintaining ratio	Maintaining ratio	Maintaining ratio	Maintaining ratio	Maintaining ratio		
9		Adopted Medium Term Revenue and Expenditure Framework (MTREF) and mid-year budget assessment report	Approved MTREF and mid-year budget assessment report	All	Operational Budget	Medium Term Revenue and Expenditure Framework (MTREF) and mid-year budget assessment report	Medium Term Revenue and Expenditure Framework (MTREF) and mid-year budget assessment report	Medium Term Revenue and Expenditure Framework (MTREF) and mid-year budget assessment report	Medium Term Revenue and Expenditure Framework (MTREF) and mid-year budget assessment report	Medium Term Revenue and Expenditure Framework (MTREF) and mid-year budget assessment report	Internal	ELM
10	Indigent Support and management	Number of Indigents provided with budget from the equitable I	11 618 indigents were provided budget in	All	Grant budget	Budget provision for indigents	Budget provision for indigents	Budget provision for indigents	Budget provision for indigents	Budget provision for indigents	Internal and external	ELM

		register	2014/15									
11		Compiled register for indigents	2015/16 indigent register was compiled	All	Operational Budget	Compilation of indigent register	Compilation of indigent register	Compilation of indigent register	Compilation of indigent register	Compilation of indigent register	Internal	ELM

10.2015/16 FUNDED PROJECTS

DIRECTORATE	PROJECT NAME	ALLOCATED BUDGET	SOURCES OF FUNDING					
			NDM	MIG	DOE	NDPG	RBIG	OWN REVENUE
DIRECTORATE TECHNICAL SERVICES								
ROADS AND STORMWATER								
1065/10	Reconstruction of damaged roads	10 000 000	10 000 000					
TOTAL		10 000 000	10 000 000	0	0	0	0	
WATER SERVICES								
1070/15	Regional bulk water infrastructure	49 050 000					49 050 000	
1070/15	Engineering master plans	4 014 172	4 014 172					
TOTAL		53 064 172	4 014 172	0	0	0	49 050 000	0
SANITATION								
1060/10	Upgrading and refurbishment of wwtp klipspruit – 15MI – 30MI	30 000 000		30 000 000				

1060/15	Empumelelweni bulk outfall sewerline and pump station	17 000 000		17 000 000				
1060/10	Refurbishment of Ferrobank WWTP	20 000 000		20 000 000				
1060/10	Refurbishment and upgrading Naaupoort WWTP	11 000 000		11 000 000				
1060/10	Refurbishment of Riverview WWTP	6 097 750						
TOTAL		84 097 750	0	84 097 750	0			0
ELECTRICAL								
1080/05	Electrification by Department of ENERGY	20 772 000		0	20 772 000			
TOTAL		20 772 000	0	0	20 772 000	0	0	0
TOTAL: TECHNICAL SERVICES		167 842 372	14 014 172	84 097 750	20 772 000	0	49 050 000	0
DIRECTORATE: CORPORATE SERVICES								
INFORMATION COMMUNICATION TECHNOLOGY (ICT)								

1035/25	New Servers	2 200 000						2 200 000
1035/25	Solar Financial System	2 000 000						2 000 000
TOTAL		4 200 000	0	0	0	0	0	4 200 000
DIRECTORATE: DDP								
SPATIAL PLANNING								
1040/10	Non motorised transport spatial planning	5 000 000				5 000 000		
HOUSING								
1040/30	Klarinet Development	26 000 000		26 000 000				
TOTAL		31 000 000	0	26 000 000		5 000 000		
GRAND TOTAL: EMALAHLENI MUNICIPALITY		203 042 372	14 014 172	110 006 200	20 772 000	5 000 000	49 050 000	4 200 000

11. EXTERNALLY FUNDED PROJECTS BY OTHER SECTORS

11.1 DEPARTMENT OF HEALTH

Project name	Total budget R'000	2015/16 budget R'000	Progress
IMPUNGWE HOSPITAL: Bulk sewer, water and electricity	R27 390 000.00	R15 654 000.00	Construction in progress
OGIES CLINIC: Renovations., rehabilitations and refurbishment	R3 000 000.00	R2 000 000.00	Project Identified
Exten. 8 Clinic: Repairs, rehabilitation and refurbishment of the clinic	R2 000 000.00	R2 000 000.00	Project Identified
Polly Clinic: Repairs, rehabilitation and refurbishment of the clinic	R2 000 000.00	R2 000 000.00	Project Identified
Nkangala District Office: Repairs, rehabilitation and refurbishment of the district office	R5 000 000.00	R5 000 000.00	Project Identified

11.2 DEPARTMENT OF WATER AND SANITATION

Project name	Period	Budget Allocation (Annual) R'000
RBIG construction (Number of bulk infrastructure schemes under construction)	01/07/2015 to 31/04/2016	R29 000

11.3 DEPARTMENT OF RURAL DEVELOPMENT AND REFORMS

List of land reform farms to be recapitalized - 2015/2016

Project name	Total budget R'000	2015/16 budget R'000
KHETHILE PRIMARY COOPERATIVE (Portion 5, 6, 9 & 36 of Haartebeestelaagte 325 JS)	R 7 304 000.00	R 5 504 000.00
Eensaamheid (Portion 4 (R/E) of the farm Eensamheid 534 JR)	R 6 673 615.20	R 6 673 615.20
Bakhululeni Agricultural cc (Leeuwpoort 283 JS)	R12,000,000.00	R12,000,000.00

Haartebeestspruit 281 JS (Portion 3, 14 & 23 of Portion 7 of the farm Hartebeestpruit 281 JS)	R6,102,016.47	R6,102,016.47
Waschbank (Portion 8 (Portion of Portion 4) of the farm Waschbank 497 JR)	N/A	N/A
Doornrug (Portion 4, 8, & Remaining Extent of Portion 12 of the farm Doornrug 302 JS)	N/A	N/A
Klippoort (Remaining Extent of the farm Klippoort 277 JS)	N/A	N/A
Kalbasfontein (Portion 20 of the farm Kabalsfontein 284 JS)	N/A	N/A

11.4 DEPARTMENT OF HUMAN SETTLEMENTS

Project name	Target	2015/16 budget R'000
Empumelelweni settlements upgrade	4 units	R444
Ogies informal settlements upgrade	250 units	R27 737
Empumelelweni informal settlements upgrade	80 units	R8 876
Hlalanikahle	200 units	R22 189
Siyanqoba informal Settlements upgrading	70 units	R7 766
Klarinet phase 2 rental housing project	50	R11 000
Ogies, Phola community residential Units	Planning	R10 000
Empumelelweni Integrated Residential Development	50 units	R5 547
Klarinet Integrated Residential Development phase 1:sites	1 500 sites	R65 439
Siyanqoba Integrated Residential Development phase 1:sites	1 500 sites	R65 439
Ackerville rectification pre 1994	Technical evaluation & assessment report	R500
Klarinet military veterans	21 units	R3 966

11.5 DEPARTMENT OF EDUCATION

Project name	Total budget	2015/16 budget	2016/17 budget	2017/18 budget
New Coronation (Klarinet)	R46 644	-	R379 220	-
Leonard Ntshutshe	R788 424	R788 424	-	-
Bonginsimbi Comprehensive School	R300	R300	-	-
New Klarinet Primary School (Mokgalithwa)	R44 500 000	R2 091 500	R 3 660 125	R40 317 000

12. MINING HOUSES PROJECTS & PROGRAMMES

12.1.1 Anglo-Coal

2015 – 2019

PROJECT	LOCALITY	INVESTMENT
Learner and teacher support programmes	Emalahleni, Ogies, Ga-Nala	R15 million
Community Scholarship Scheme	Emalahleni Local Municipality	R16 million
Technical and potable skills programmes	Emalahleni, Ogies Ga-Nala	R10 million
Integrated Waste Management	Emalahleni, Ogies, Ga-Nala	R15 million
Community Infrastructure	Kwa-Mthunzi Vilakazi, Klarinet	R25 million
Bulk services	Thubelihle	R10 million
Pump Stations	Schoonie, Vosman	
Institutional Capacity Building	ELM	R12 million
ELM Service Delivery Package	ELM	R16 million

12.1.2 EXXARO PROJECTS

2013-2017

EXXARO FOCUS AREA	PROPOSED PROJECTS
Infrastructure	Construction of Library in Klarinet
	Klarinet Sports field
Education	Whole school Development school project in Emalahleni circuit 1
Community Based Artisan Project	Community based training project
Enterprise Development	Incubator Programme
	Establishment of SMME for the Maintenance of Klarinet Sports field
	Women of Hope Laundry

12.1.3 GLENCORE

2015 PROJECTS

LED PROJECTS	PROJECT DESCRIPTION	2015 BUDGET
Educational Mentorship Programme – Infinite Family	Educational development programme for HDSA learners	1,500,000
Ogies Town Upliftment Project	Urban Renewal Project	150,000
Housing project	Construction of 46 houses in Phola	22,000,000
Water treatment	Infrastructure upgrade	8,400,000
CSI projects	Women and Environment	50, 000
	White Rose Hospice	200, 000
	Rotary Greatest Train Race	600,000
	Mpumalanga Education Development Programme	300,000
	Early childhood development Training	250,000
	Izithethe Recording Studio for Sound Engineering	300, 000
	E-Learning	250,000
	Thuthukani ECD	50,000
	Mobile Science Labs	130,000
	Drivers licence	150,000
	Pre-school project	75,000
	Stimulation Centre	100,000
	Skills training	3,000,000

12.1.4 BHP Billiton

Name of Identified Project	Project Description	Total (2012 to 2016)
Dreamfields	Construction of a sports field in Phola	R3 000 000
Bambanani Bomama	Establishment of a farming project to be run solely by women	R 400 000
Tholulwazi Centre for Disabled	construction of a centre for development and training for people with disabilities	R 1 500 000
Building of low cost housing Phola Ext 4	Construction of 250 Low Cost Houses to be handed over to the municipality for allocation as per Housing Policy	R 30 000 000 000
Phola Operator Training	To train 30 young people per year from the local community to access employment and business opportunities	R 7 500 000
Rietspruit Agricultural Project	Establishment of a farming project to address challenges of unemployment, poverty, inequality and contribute towards food security and commercial farming	R 3 000 000
Supplier Development Project	To support and develop 20 SMMEs and suppliers with the possibility of some entering our Supply Chain and others accessing business opportunities from other Mining Houses and Industry in general with the view of enhancing their viability and contribution to their sustainability	R 7 500 000
Community Health Centre	To construct a 24 hour Community Health Centre to provide the community with needed services and facilities	R 15 000 000.00
Technical skills Training	To train 100 young people per year from the local community to access employment and business opportunities	R 9 500 000.00
Phola waste Recycling project	To provide employment opportunities through the establishment of a Waste Recycling Project to address health hazards and negative environmental impacts	R1 700 000.00
Mpuma Waste Buy Back Centre: Phase 2	Establishment of a Waste Buy Back Centre for collection and recycling of waste	R 3 500 000
Phola Brick Making Factory	Establishment of a brickmaking factory to provide employment opportunities to local people	R2 000 000. 00

Mathematics, Science and Technology Centre	Establishment of a MSTA and lead the Improvement of Maths, Science and Technology in Mpumalanga by targeting educators of these subjects	R 60 000 000.00
BECSA Business Support Centre	BECSA incubation centre located in Witbank has been operational since 2010 and successfully developed and assisted 20 small businesses.	R23 000 000.00
Allendale Saturday Classes	Allendale Saturday Classes that are offered by BECSA to learners from Grade 10 – 12 in Maths, Science, Accounting, English and Economics. The classes have assisted a lot of learners from surrounding schools to improve their skills in the subjects offered.	

12.1.5 Total Coal SA

SUBMITTED <u>UNFUNDED</u> PROJECTS FROM GA-NALA UNIT			PROPOSED FOR DCM COMPLEX 2013-2016		
PROJECT DESCRIPTION	WARD	AMOUNT	FOCUS AREA	SOURCE OF FUNDING	POSSIBLE PARTNERSHIP
Upgrading of Thubelihle entrance	25	R300 000	Environmental Management, Infrastructure Development and Enterprise Development	CSR	Consider for Enterprise Development Waste management : Enviro initiative SMME's – SLP:LED
Housing drainage system for EXT.1.2.&3	25	R3.5M	Unless we partner - NO		
Construction of community hall	27	R13M	NO		
Upgrading of Kriel stadium	27	R7M	?		
Construction of community facility (pay point)	25	R4M			
Development of ext.5 with internal infrastructure and bulk services for housing	25	R4M	To consider for 2014-2015	SLP: Infrastructure and contribution to housing commitments	Strategic projects (relocation of 5 families from ward 25)
Construction of library	25	7M	For consideration		Collaboration with other mining houses

Waste Compactor Truck	All	R1.8m	?	SLP	
4 X LDVS (Bakkies)	All	400 000	?	CSR	

Total coal CSR Focus Areas and resources allocation

Intervention	Category	Beneficiaries	Investment Value	Seeking Partnerships	Status
CSI Bursaries	Education	ELM: Ga-Nala Unit Bursars GMLM Bursars STLM	R290k R290K R92K	Yes, but welcome to increase	Ongoing
Career Guidance Initiative	Education	Sbongamandla and Mzinoni High School Learners X 420	R450K	For year 2014	Completed
TBC	Social Welfare	Various CBO's, NGO's and PBO's	R320k		
National events	Preferably Health(Cancer and or HIV and AIDS)	BBBEE beneficiaries	R150k		
Environmental Project	Sustainability	BBBEE beneficiaries	R150k		
Ad hoc donations	Community Development	Special focus on children with special needs and People living with Disabilities	R100k (from R2k to 40k each)		
Emergency Relief fund	Emergency Relief	BBBEE beneficiaries	R80k		
TOTAL COMMITTED			R1 922 000	This is not a final budget, companies are welcome to increase as per their CSR priorities	

13. ANNEXURES

13.1 ANNEXURE 1: COMMUNITY NEEDS

13.2 ANNEXURE 2: ORGANISATIONAL SCORE CARD

13.3 ANNEXURE 3: UNFUNDED PROJECTS