

FINAL IDP

INTERGRATED DEVELOPMENT PLAN

2017/18 - 2021/22

VISION

“To be a centre of excellence and innovation.”



eMalahleni the energy heartbeat of Southern Africa and economic hub of Mpumalanga.

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PERSPECTIVE FROM THE EXECUTIVE MAYOR



I am not doubtful that it is our wish all of us to live in the Municipality that we have remade, a municipality that is a home where everyone feels free but yet bounded to others. A Municipality where everyone embraces their full potential and stays proud of being part of the community that cares. Knowing what we do and how we do it, will result to our achievement that we will fore-ever stay proud of, as the Municipality. To me this IDP means 'working together in development and growth'. Only through effective partnership across, can a virtuous cycle of rising optimism, investment, job opportunities; income and productivity can be generated through this tool. It means we need a vibrant private sector that will be able to invest, employ people and penetrate our local markets and surely we will be saying our IDP fulfils the aims of:

- *Creating an environment to inform decision making*
- *Creating an environment for economic growth and*
- *Building an environment conducive for social cohesion*

Whilst we have limited resources and supported by industry around us, we are sure that through this IDP we will be able to:

- *Generate and facilitate stakeholder participation*
- *Pursue economic growth opportunities that will present before our communities descent work*
- *Ensure a concrete and strong integrated development routine within our safe environment*
- *Establish a responsible environmental health services that are welcome by our communities*
- *Ensure good governance*
- *Improve and maintain our roads*

I therefore urge every role player to work together with us for the achievement of our goals through this plan.

Cllr L L Ntshalintshali

EXECUTIVE MAYOR

PERSPECTIVE OF THE SPEAKER



Emalahleni Local Municipality understands and fully commits to continuously engage the public in the IDP processes. The Executive Mayor has been delegated the functions of developing and implementing the IDP. Through increase public participation engagements in our wards, the IDP holds our constituencies prioritized needs and our aim is to fulfil the mandate entrusted upon us by the people to improve their lives.

Service delivery is our priority and council through its committees will provide leadership and oversight to ensure that the IDP vision is a reality for our communities. All stakeholders are encouraged to participate in the development, Implementation, monitoring and evaluation of the IDP to ensure that the council direction is not deterred and we are accountable and redress where required to do so.

Community satisfaction is what we are striving for and through increased transparent and openness of our business processes, we hope for productive engagements that will ensure that we remain the business hub of Mpumalanga and the quality of life of our citizens should reflect so.

Cllr M.B. Hlumbane
SPEAKER



PERSPECTIVE FROM THE MUNICIPAL MANAGER

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 the 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 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. In addition with the Spatial Development Framework, priorities will manifest spatially 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 limited resources. We hope that by the end of the five year term we would have made a significant stride towards attaining that which we have set out to do.

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. Resource availability will dictate the pace of implementation. All communities must be assured that their priority needs will be attended to within this IDP.

T. Van Vuuren
Municipal Manager

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 BACKGROUND

1.1 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, N12 starts at eMalahleni and then the N4 proceeds 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. 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.

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.

Map of eMalahleni



1.2 GUIDING PARAMETERS

1.1.1 Legislative background

Planning and development in the Emalahleni Local Municipality (ELM) occurs within the international, 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 International, National and Provincial Government while also responding directly to the development challenges and opportunities that characterises the Emalahleni Local Municipality.

1.1.1.1 *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.

1.1.1.2 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.

1.1.1.3 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.

1.1.1.4 National Development Plan

The municipal IDP is developed and aligned in accordance with national development vision, which is outlined in various national policy documents, and consolidated in the National Development Plan (NDP). The National

Development 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.

1.1.1.5 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

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

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.

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.

1.1.1.6 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. Outcome 9, which is “A responsive, accountable, effective and efficient Local Government system” 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 as outlined in box 3:

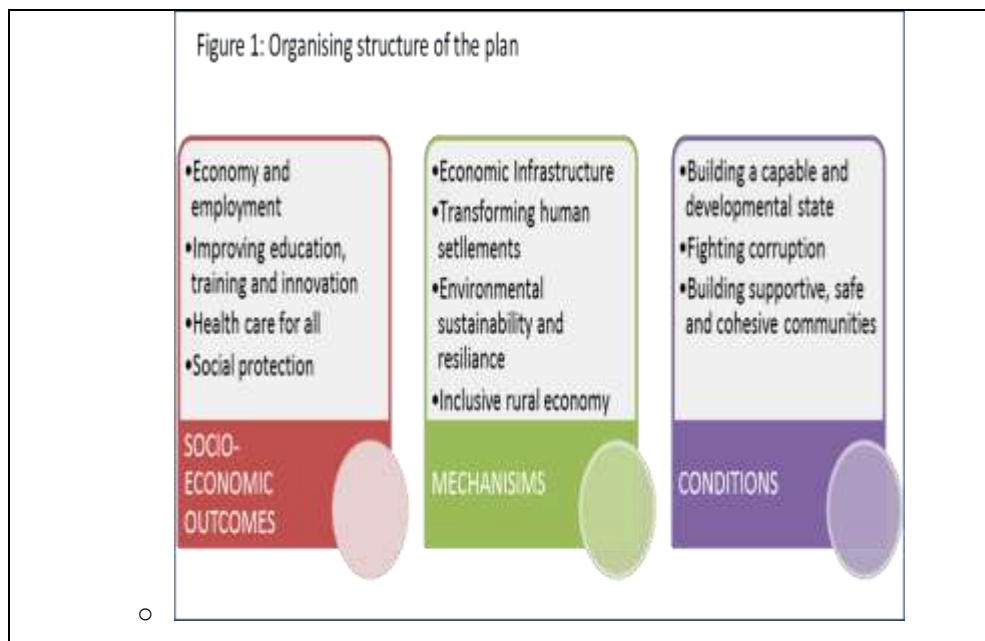
Box 3: Outputs for Outcome 9

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.

1.1.1.7 Mpumalanga Vision 2030

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.

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

1.1.1.8 State of the National and Province Address

The 2017/18 State of the Nation and Province Address made emphasis on issues that affects municipalities. The State of the Nation, amongst other things talked to housing issues where President mentioned that government will this year also address the increasing delays and backlogs in registration and issuing of title deeds to beneficiaries of housing projects funded by the capital subsidy; Agriculture and Land Reforms which Government will continue to implement other programmes such as the Strengthening the Relative Rights of People Working the Land programme, also known as the 50-50 programme; Higher Education, Government has initiated processes to look into the issue of NSFAS students who study at some universities that charge fees that are higher than the

subsidy that NSFAS provides, and thus end up accumulating debt. The State of the Province address mentioned that ESKOM has seen a number of initiatives that have contributed to enterprise development and job creation in the Province. The construction of Kusile Power Plant over the last few years has catalysed economic activities around Nkangala District, thereby impacting positively on job creation. As the province moves forward, it should be cognisant that the Kusile Power Plant presents downstream opportunities from their Fly-ash and Synthetic Gypsum which are major applications in construction and agriculture. Government will collaborate with Eskom and other role players and come up with concrete multi-year action plans on how to beneficiate these products.

It is also appreciated that the contribution of Eskom has made in supporting enterprise development around each of their power stations. Last year (2016) they committed R30m for Cooperative Development that benefits three (3) cooperatives for each power station. These cooperatives will create a total of 145 direct jobs and 415 indirect jobs.

In Nkangala region, R2, 47 billion invested to build 11 450 units in Siyanqoba, 1500 units at Duvha Park, 3 300 units in Siyathuthuka and 2200 units in Rockdale Ext. Furthermore, 39 water and sanitation projects implemented to the value of R301 million. In 2017/18 Eskom will work with the Nkangala District Municipality to contribute R36 million towards the Siyasebenza Job Creation Initiative which is predicted to create 900 jobs. Government have reached 72 851 of our children through drug prevention programmes and our rehabilitation and treatment centres in Nkangala and Swartfontein will strengthen our efforts in this regard.

The project that are municipal competency and that can be supported by provincial and national government are included in this IDP, for example housing plans and registration and issuing of title deeds to beneficiaries of housing.

2 PROCESS PLAN

Council adopted the process plan in order for eMalahleni to develop a new 5 year credible IDP. The following engagements will be followed as the municipality develops the 2017/2018 IDP. The IDP process aligns with performance and budget processes.

Legal Ref.	STAGES IN THE IDP/BUDGET/PMS PROCESS	PROCESS	RESPONSIBILITY	TIME FRAME
1	PLANNING & ANALYSIS PHASE	IDP PROCESS		
		▪ Adoption of draft IDP / Budget and performance process plan	IDP Manager	July 2016
		▪ Consulting on IDP / Budget and performance process plan	IDP Manager	August 2016
		▪ Adoption of the final IDP / Budget and performance process plan	IDP Manager	August 2016
		▪ Assessment of the previous IDP performance, level of development & backlogs (IDP Steering Committee)	Municipal Manager	August 2016
		▪ Public participation meetings	Executive Mayor/ Speaker/IDP Manager	September 2016
		BUDGET PROCESS		
		▪ Review previous year's processes, what worked well,	Executive Mayor	July - August 2016

		<p>what didn't, where to improve and issues to address for legislative compliance and completion of the Budget Evaluation Checklist (BEC)</p> <ul style="list-style-type: none"> ▪ Tabled an IDP and budget process plan to council for approval. ▪ Tabled to council an adjustment budget for Roll over capital projects in terms of section 28(2)(e) ▪ Ongoing Implementation of mSCOA on the financial system. To enable preparation of a budget that is mSCOA compliant. ▪ Reviewing of past financial year and performance as at 30 June 2016. ▪ Prepare and commencing with the budget process and engaging departments on 		
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		<p>budget related issues.</p> <ul style="list-style-type: none"> Conducting workshops with departments and budget steering committee on budgeting on mSCOA. 		
		PERFORMANCE MANAGEMENT PROCESS		
		<ul style="list-style-type: none"> Finalisation of performance agreements for section 57 	Executive Mayor/ Municipal Manager	July 2016
		<ul style="list-style-type: none"> Publication of Performance Agreement on municipal web-site 	PMS Manager	July 2016
		<ul style="list-style-type: none"> Publication of 2016/17 SDBIP on Municipal web-site 	PMS Manager	July 2016
		<ul style="list-style-type: none"> Table 2015/2016 draft Annual Performance Report before Council 	Executive Mayor	August 2016
		<ul style="list-style-type: none"> Submit the 2015/2016 Annual Performance Report to office of the Auditor General 	Municipal Manager/PMS Manager	August 2016
2.	STRATEGY/ STRATEGISING	IDP PROCESS		
		<ul style="list-style-type: none"> IDP Steering Committee 	Municipal Manager	August 2016

		<ul style="list-style-type: none"> IDP Representative Forum 	Executive Mayor	November 2016
		PERFORMANCE MANAGEMENT PROCESS		
		<ul style="list-style-type: none"> 1st 2016/17 quarterly reports 	Municipal Manager	November 2016
		<ul style="list-style-type: none"> Verbal Assessment of section 57 	Municipal Manager/Executive Mayor	November 2016
		<ul style="list-style-type: none"> Table 2015/2016 final Annual Report before Council 	Executive Mayor/PMS Manager	December 2016
		BUDGET PROCESS		
		<ul style="list-style-type: none"> Consolidate inputs from departments to ensure alignment with IDP 		December 2016
3	PROJECTS & INTEGRATION	IDP PROCESS		
		<ul style="list-style-type: none"> IDP steering committee 	Municipal Manager	February 2017
		<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. 	All Sector Departments	February / March 2017
		<ul style="list-style-type: none"> Designs of project proposals, setting of project objectives, targets and indicators. 	All Departments	January - March 2017
		BUDGET PROCESS		

		<ul style="list-style-type: none"> Finalisation of the draft 2017/2018 annual budget and MTREF that is mSCOA compliant. Tabling the inputs of draft budget to the budget steering committee. 	CFO	January 2017
		<ul style="list-style-type: none"> Prepare draft budget for the ensuing year 2017/18 and the projections for the two outer years (MTREF). Submit draft budget to council for approval. Submitting to National and Other provincial related organs. 	All Departments	February – March 2017
		ADJUSTMENTS BUDGET PROCESS		
		<ul style="list-style-type: none"> Finalization of the Mid-year assessment report for 2016/2017 for adoption by council 	Municipal Manager	25 January 2017
		<ul style="list-style-type: none"> Finalisation of the 2016/2017 adjustments budget informed by the mid-year assessment report 	CFO	28 February 2017
		<ul style="list-style-type: none"> Consolidation, integration and prioritisation of projects submitted in accordance with 	CFO	February 2017

		the IDP priorities.		
		PERFORMANCE MANAGEMENT PROCESS		
		▪ Annual report consultation	Municipal Manager/PMS Manager	January 2017
		▪ Report on current year's budget implementation Mid-year performance assessment sec 72 of the MFMA.	Municipal Manager/PMS Manager	January 2017
		▪ Mid-year written assessment for section 57 managers	Municipal Manager/PMS Manager	January 2017
		• Submit the 2015/2016 Annual Performance Report to MEC for Local Government	Municipal Manager/PMS Manager	January 2017
5	APPROVAL/TABLING	IDP PROCESS		
		▪ Tabling of the draft IDP to Mayoral committee	Municipal Manager/Administrator	March 2017
		▪ Tabling of the draft IDP to Council	Municipal Manager/Administrator	March 2017
		▪ Advertise the draft IDP for Comments	IDP Manager	March/ April 2017
		▪ IDP/Budget Indaba	Municipal Manager/Executive Mayor	April 2017
		▪ Table the Final IDP before Council	Executive mayor	April 2017
		▪ Submit the approved IDP to the MEC of Local Government within	Municipal Manager	April/May 2017

		10 days, after approval		
		▪ Advertise the approved IDP	IDP Manager	May 2017
		BUDGET PROCESS		
		▪ Tabling of 2016/2017 adjustments budget before Mayoral Committee.	Municipal Manager	February 2017
		▪ Tabling of 2016/2017 adjustment budget before Council	Executive Mayor	February 2017
		▪ Presentation of the departmental strategic planning outcomes to the IDP and Budget Steering Committee	Departmental Heads	February 2017
		▪ Tabling of the draft 2017/18 Budget to Mayoral committee	Municipal Manager	March 2017
		▪ Tabling of the draft Budget to IDP and Budget Steering Committee	Municipal Manager	April 2017
		▪ Table the draft 2017/2018 annual budget & MTREF before council for consideration	Executive Mayor	April 2017

		<ul style="list-style-type: none"> Make public the draft budget in local newspapers, libraries, municipal offices and invite public representations. 	Municipal Manager	April 2017
		<ul style="list-style-type: none"> Community consultation on the tabled draft IDP/budget 	Speaker/Executive Mayor	April 2017
		<ul style="list-style-type: none"> Review tabled budget to incorporate community consultation inputs 	CFO	April 2017
		<ul style="list-style-type: none"> Table 2017/2018 annual budget & MTREF that is mSCOA complaint for council adoption 	Executive Mayor	May 2017
		PERFORMANCE MANAGEMENT PROCESS		
		<ul style="list-style-type: none"> Prepare an oversight report on 2015/2016 Annual Report. 	MPAC	March 2017
		<ul style="list-style-type: none"> Table oversight report to Council after consideration of the 2015/16 Annual Report. 	MPAC	March 2017
		<ul style="list-style-type: none"> Make public the oversight report within seven (7) days of the adoption of the annual report. 	Municipal Manager	March 2017

		<ul style="list-style-type: none"> Submit the annual report and oversight report to MEC Local Government 	Municipal Manager	March 2017
		<ul style="list-style-type: none"> Verbal assessment of section 57 managers 	Municipal Manager	April 2017
		<ul style="list-style-type: none"> 3rd Quarterly Performance report for 2016/17 	Municipal Manager	April 2017
6	PREPARATORY PHASE	BUDGET PROCESS		
		<ul style="list-style-type: none"> Submit the approved operating and capital to National and Provincial Treasuries in both printed and electronic copies and publish the documents in the website of the municipality. 	Municipal Manager	June 2017
		<ul style="list-style-type: none"> Finalising of all plans and budget working paper files to implement the approved budget. 	CFO / MM	June 2017
		PERFORMANCE MANAGEMENT PROCESS		
		<ul style="list-style-type: none"> Municipal Manager to submit the 2017/18 draft SDBIP to the Executive Mayor. 	Municipal Manager/PMS Manager	16 June 2017
		<ul style="list-style-type: none"> Executive Mayor approves the 2017/18 SDBIP 	Executive Mayor/PMS Manager	June 2017

		<ul style="list-style-type: none"> ▪ Municipal Manager to submit the draft 2017/18 performance agreements to the Executive Mayor 	Municipal Manager /PMS Manager	June 2017
		<ul style="list-style-type: none"> ▪ Approval & signing of 2017/18 performance agreements 	Executive Mayor and Municipal Manager	June 2017
		<ul style="list-style-type: none"> ▪ Employee & Councillor PMS Workshop 	Municipal Manager and PMS Manager	June 2017
		<ul style="list-style-type: none"> ▪ Approve 2017/18 Reviewed PMS Framework Policy 	Municipal Manager/PMS Manager	July 2017
		<ul style="list-style-type: none"> ▪ Publish 2017/18 performance agreements and plans within 14 days on website 	Executive Mayor/PMS Manager	July 2017
		<ul style="list-style-type: none"> ▪ Submit 2017/18 performance agreements to MEC co-operative governance and traditional affairs. 	Executive Mayor	July 2017
		<ul style="list-style-type: none"> ▪ Conduct Performance Appraisals for Senior Management 	Municipal Manager/Mayor	July 2017
		<ul style="list-style-type: none"> ▪ PAC Meeting to review 2016/17 Performance Report 	Chairman PAC and Municipal Manager	July 2017
		<ul style="list-style-type: none"> ▪ Finalize Annual Performance Report 	Municipal Manager/PMS Manager	July 2017

		▪ PAC Report to Audit committee & Council on Year end	Chairman PAC and Municipal Manager	July 2017
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2.1.1 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 IDP activities are communicated to the community and the community ask questions. For 2017/18 IDP, community participation meetings are planned as followed:

Phase 1 of the meeting will be reporting the 2016/17 IDP approved project and collection of community needs. Also, report on feedback on the 2015/16 Service Delivery and Budget Implementation Plan (SDBIP). The meetings will take place in September/ October every year until 2022.

2017/18 IDP/Budget and performance izimbizo

WARDS	PROPOSED DATE	VENUE	TIME
1,2 & 4,5,6,7,8,9 & 3,23 & 29	8 October 2016	Ext11 community hall	09h00

10,11,12,13 ,14,15,16,17	8 October 2016	Lynnville Hall	14h00
28,30,31	9 October 2016	Phola Community Hall	09h00
19,25,26,27 & 32	9 October 2016	Rietspruit Hall	14h00
17,18,20,21,22,24,33 & 34/12 & 15	10 October 2016	eMalahleni City Hall	17h00

Phase 2 of meeting will be IDP/Budget consultation for the purpose of presenting the 2017/18 draft IDP and budget and Medium Term Revenue and Expenditure Framework (MTREF). The meetings will take place in April every year until 2022.

2017/18 IDP/Budget and performance izimbizo

WARDS	DATE	VENUE	TIME
1,2 & 4,5,6,7,8,9 & 3,23 & 29	8 April 2017	Sinqobile Hall	09h00
10,11,12,13 ,14,15,16,17	8 April 2017	Lynnville Hall	14h00
28,30,31	9 April 2017	Phola Community Hall	09h00
19,25,26,27 & 32	9 April 2017	Thubelihle Hall	14h00
17,18,20,21,22,24,33 & 34/12 & 15	10 April 2017	eMalahleni City Hall	17h00

Issues raised by the community in October 2016 participation meetings are as follows:

- Unemployment
- Water: need for water tanks, water interruptions, leaking pipes
- Sanitation: VIP toilets not taken care off (emptied)
- Sewer challenges
- Storm-water drainage system

- Electricity
- Ageing infrastructure
- Maintenance of infrastructure
- Clarity of ward boundaries
- Title deeds
- Formalisation and survey of settlements
- Roads: Fixing & patching of roads, speeds humps and stop signs
- Waste removal
- Human Settlement: RDP houses, cracked houses due to mine blasting, land for building houses, processes of allocating houses
- Finance: Proposal of flat rate, high bills
- Clarity on role of mines in communities and employment strategy of mines
- Electricity: High mast and street lights not working, need for electricity
- Environment: air pollution due to mines
- Learnerships and bursaries
- Moral of municipal workers outside work environment
- Drug abuse
- Parks
- Ward Councillors not undertaking ward meetings
- Clinic and mobile clinic requests
- Sports facilities

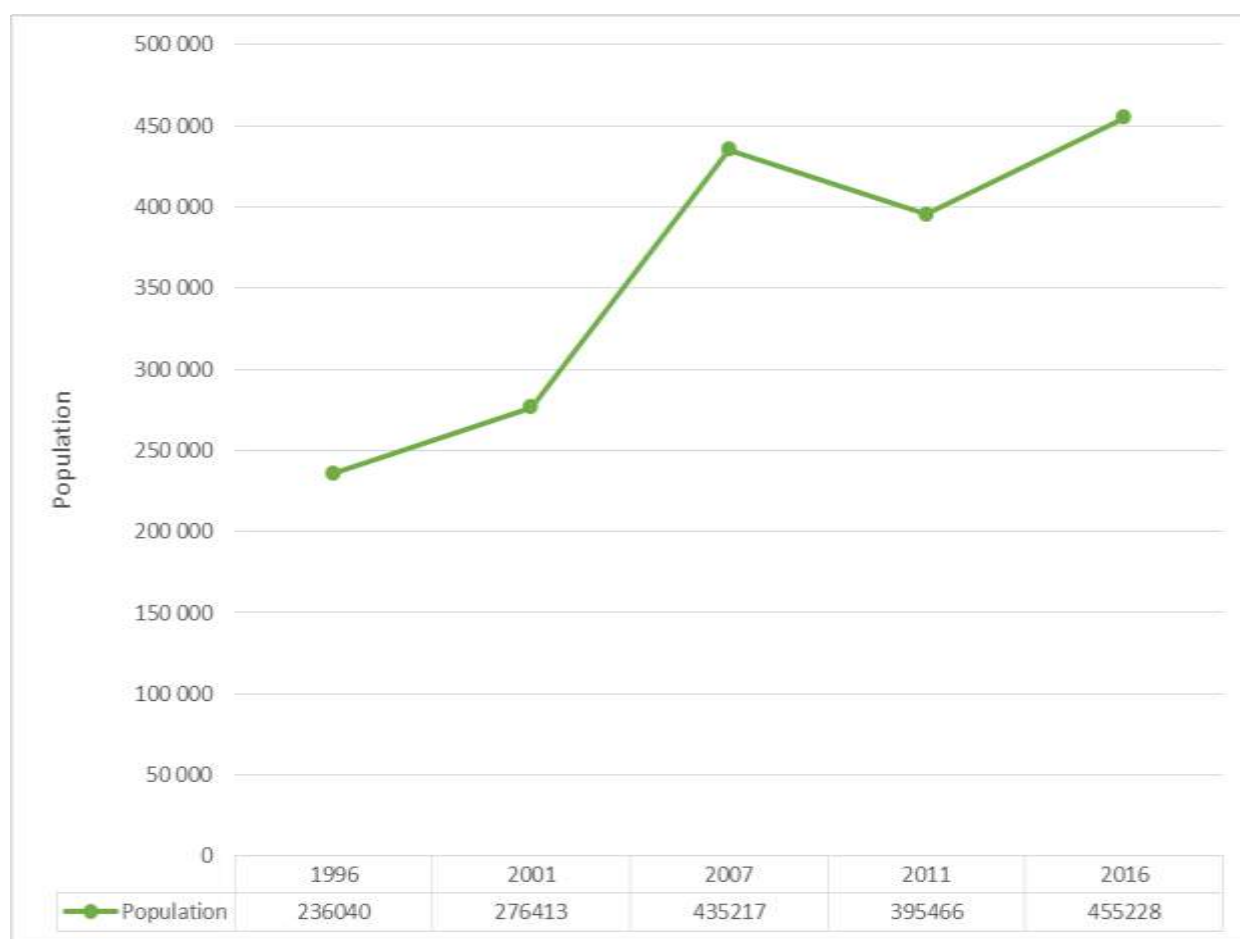
3 SITUATIONAL ANALYSIS

3.1 INTRODUCTION

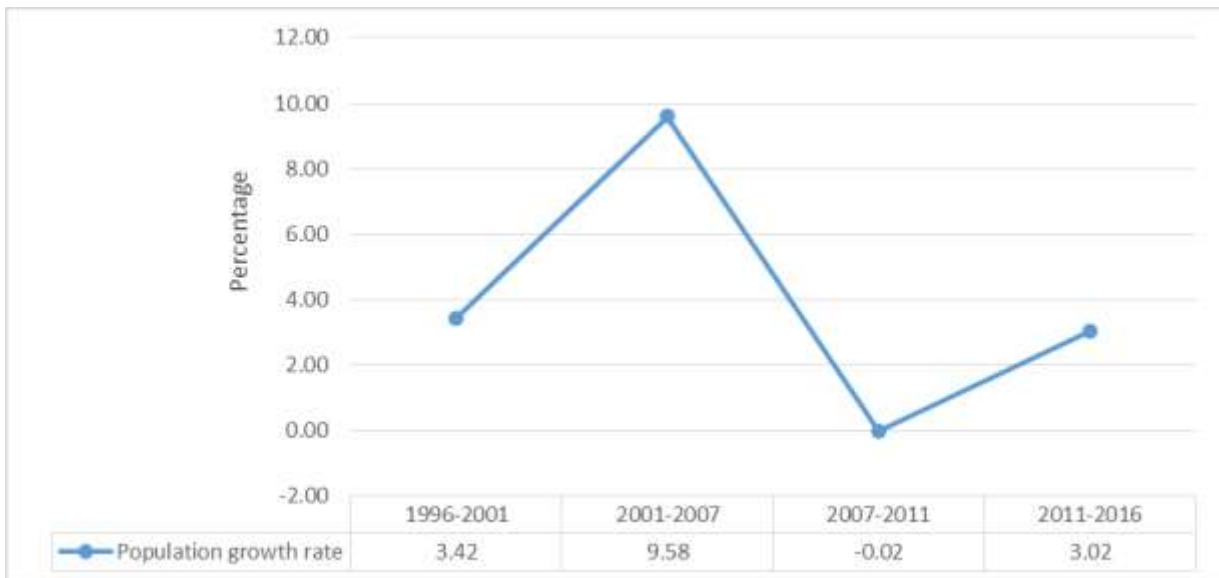
This chapter provides a status quo of the existing trends and conditions in the Emalahleni Municipality.

3.2 DEMOGRAPHIC TRENDS

3.2.1 Population size



Source: Statistics South Africa



Source: Statistics South Africa

According to StatsSA (Community Survey 2016 – CS2016), Emalahleni's population has increased from 395 466 in 2011 to 455 228 people in 2016. It is the 3rd largest population in the province and 31.5% of total population of Nkangala in 2016. Population grew by 59 762 in the relevant period and recorded a population growth rate of 3.2% per annum between 2011 & 2016

The population number for 2030 is estimated at more or less 707 530 people given the historic population growth per annum. This will put pressure on infrastructure development, service delivery & eventually sustainable job creation.

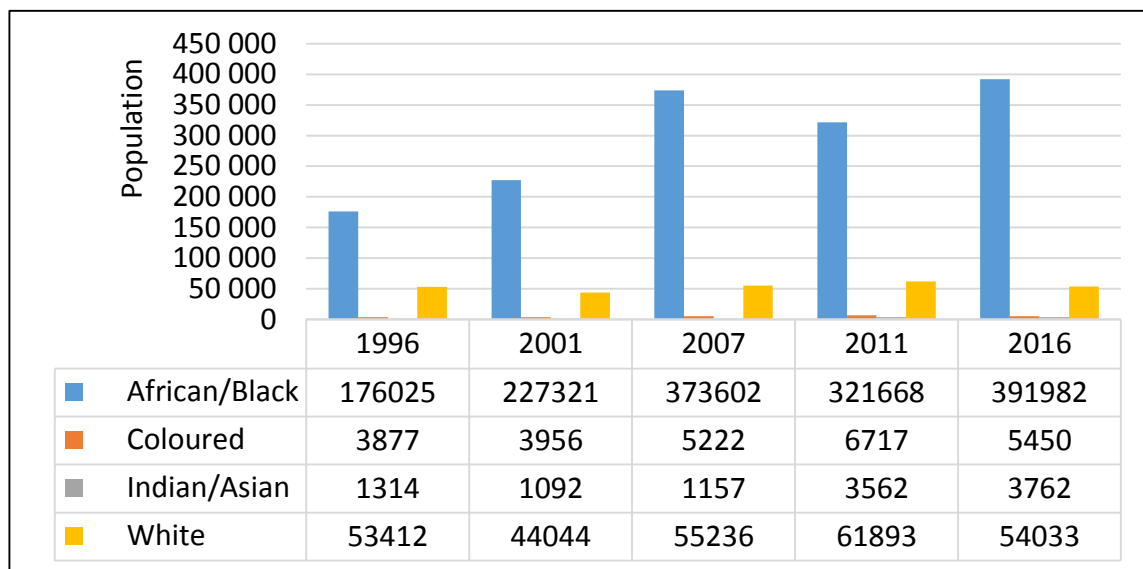
Increase in population might be due to mining industries and businesses around, which result in:

- 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 which might impact on issues of crime, prostitution, drug abuse.

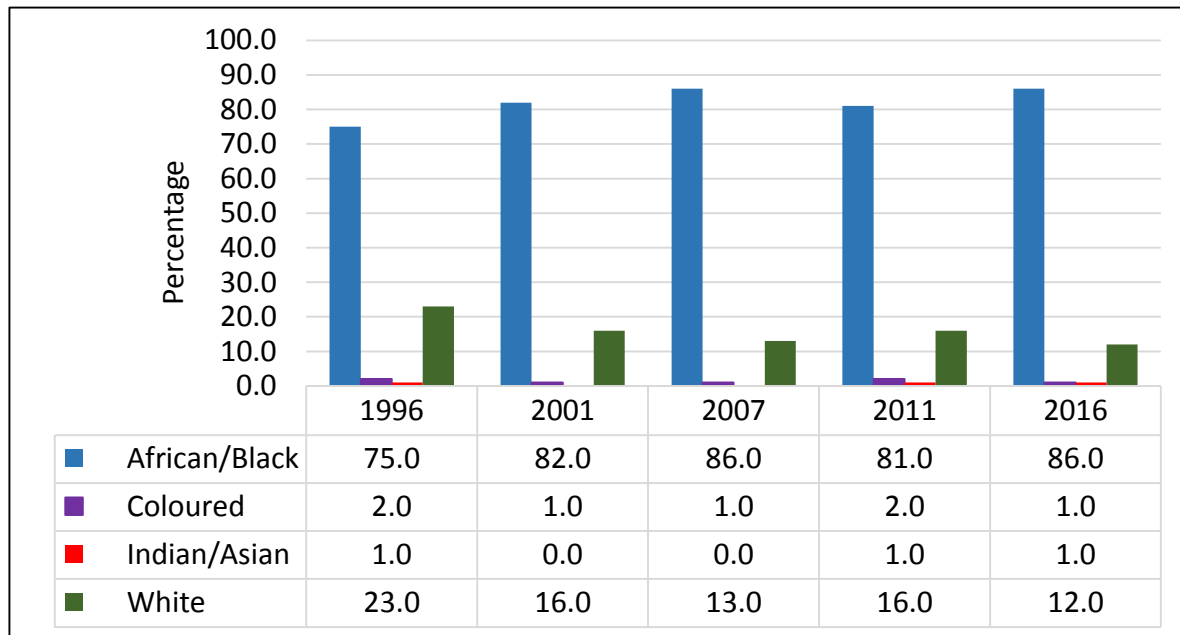
3.2.2 Population distribution

3.2.2.1 Population group for Emalahleni



Source: Statistics South Africa

3.2.2.2 Population group for Emalahleni (%)



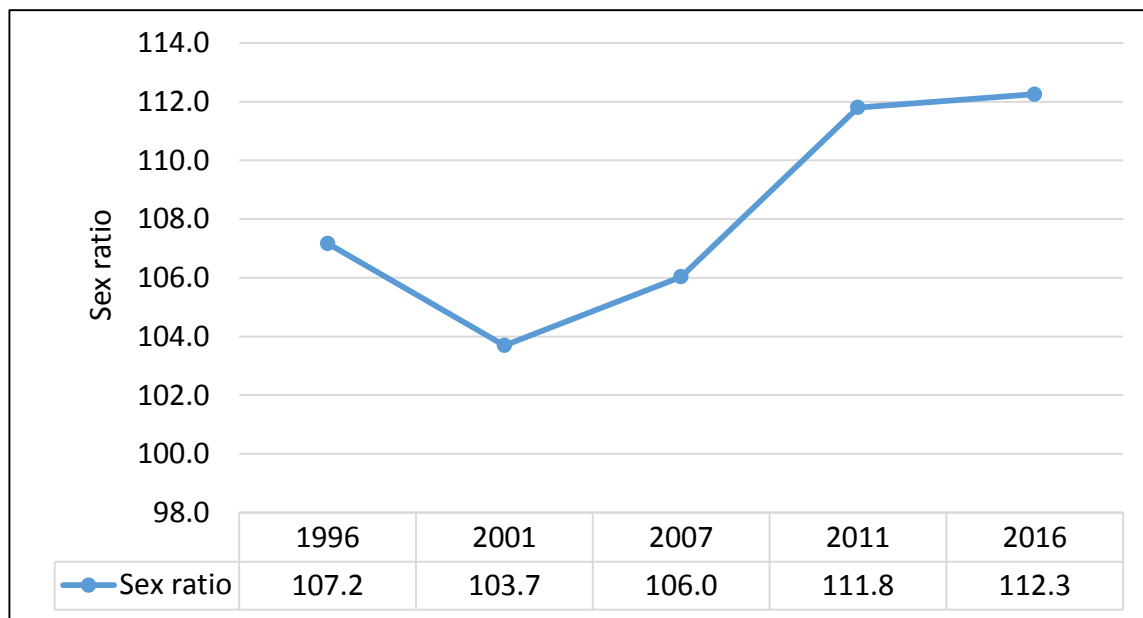
Source: Statistics South Africa

eMalahleni is composed of all racial groups with 391,982 Black African, which shows an increase since 2011; Coloured 5 450; Indian or Asian 3 762 and White 54 033. The tables above show an increase in both African/Black and Indian/Asian and decrease in both Coloured and White population since 2011.

3.2.2.3 Gender Distribution/ Sex Ratio

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.

Sex ratio



Source: Statistics South Africa

3.2.3 Disability

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 graph. This is an important disaggregation to note for knowledge of what types of resources are needed by disabled persons within eMalahleni.



Source: Statistics South Africa

3.3 SOCIO ECONOMIC TRENDS

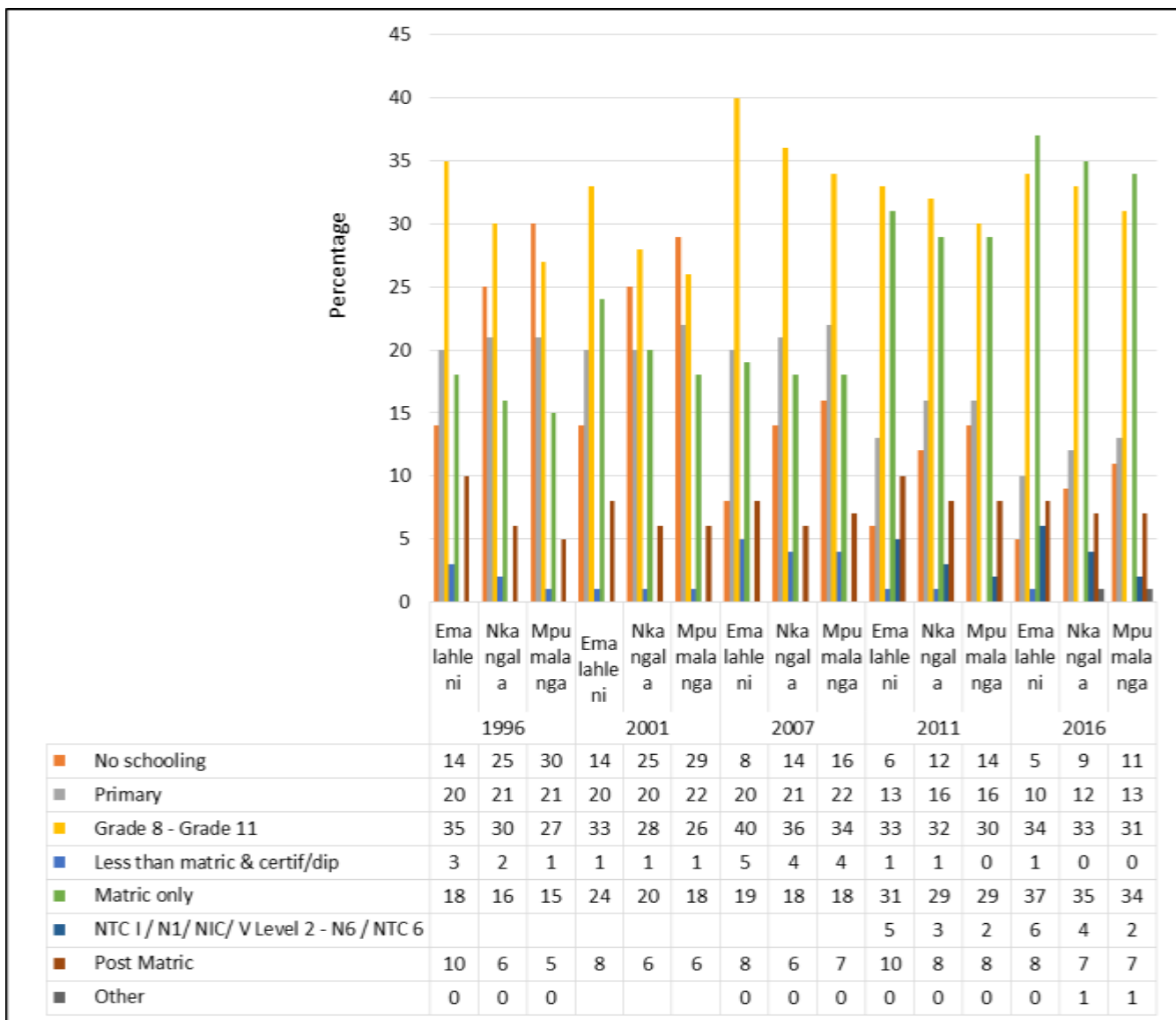
3.3.1 Education Attainment

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. 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. According to the 2016 CS of StatsSA, the population in Emalahleni aged 20+ completed grade 12, increased from 117 021 in 2011 to 146 952 (increase of 29 931) in 2016, an increase of 25.6% in the relevant period.

Emalahleni's grade 12 pass rate improved from 75.8% in 2011 to 84.6% in 2015, which was the 6th highest of the municipal areas of the Province. The municipality achieved an admission rate to university/degree studies of 27.7% in 2015.

The challenge is to accommodate and integrate the educated young people in the area into the labour market, especially those with Grade 12 certificates, the unemployment rate of these people are more or less 30%.



Source: Statistics South Africa

3.3.2 Poverty and Inequality

The share of population in eMalahleni is below the so-called lower-bound poverty line (of StatsSA) declined/improved the last couple of years to 21% in 2015. The lower-bound poverty line = R575 per capita per month.

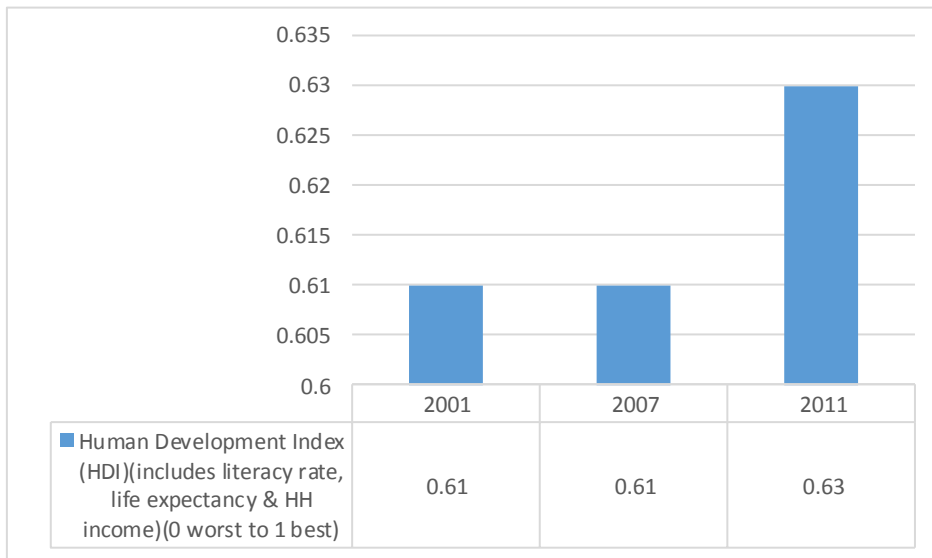
In 2015, eMalahleni's share of population was below the lower-bound poverty line was the lowest (favourable) among the municipal areas. The number of people below the lower bound poverty line was however relatively high at more than 90 000 people in 2015.

According to the 2016 Community Survey of StatSA, the so-called poverty headcount (multi-dimensionally) of Emalahleni deteriorated from 8.0% in 2011 to 10.9% in 2016 and second highest in the Province and the so-called poverty intensity also increased from 43.6% to 45.4% in the same period..

The best way to improve and fight inequality & poverty is to improve people's levels of education and skills and eventually their employability in the labour market. Creation of jobs will impact positively on the reduction of poverty and inequality.

3.3.3 Human development index

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.



Source: Statistics South Africa

3.3.4 Household income

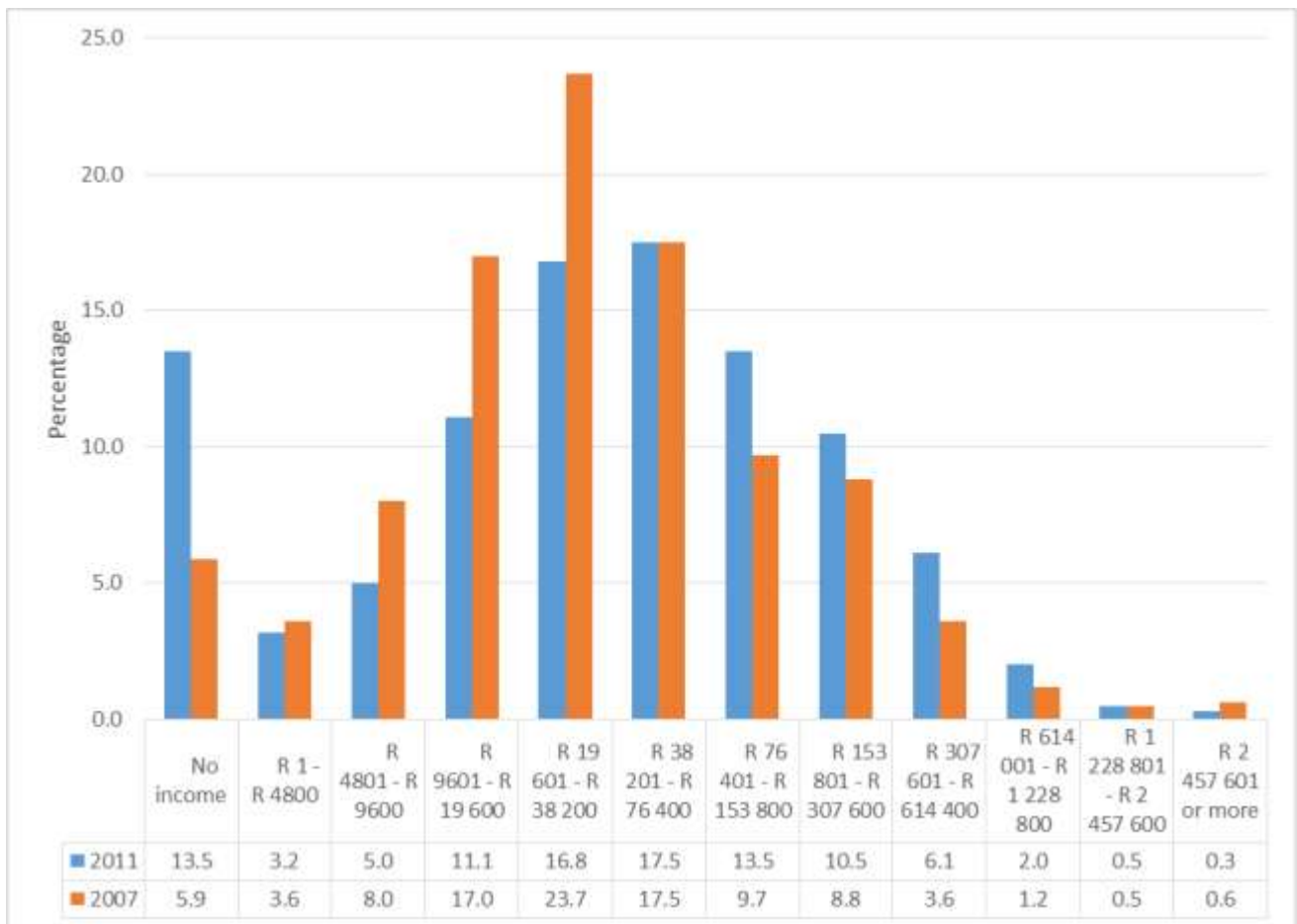
According to Mpumalanga Department of Finance, the average annual household income in eMalahleni was R12 492 in 2012 from R51 130 in 2001. It is number 3rd in the Province below Steve Tshwete (R134 026) and Govern Mbeki (R125 480) which are number one and two respectively. However, the economy of eMalahleni 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. The below tables show the Individual monthly Income between ages 15-64 and household income.

Individual monthly Income (AGE 15-64)



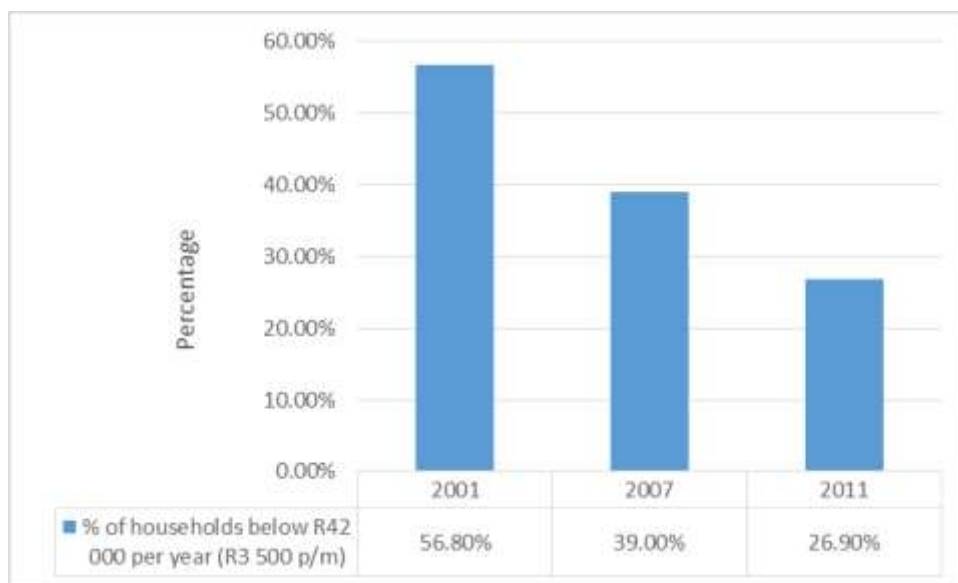
Source: Statistics South Africa

Household Income



Source: Statistics South Africa

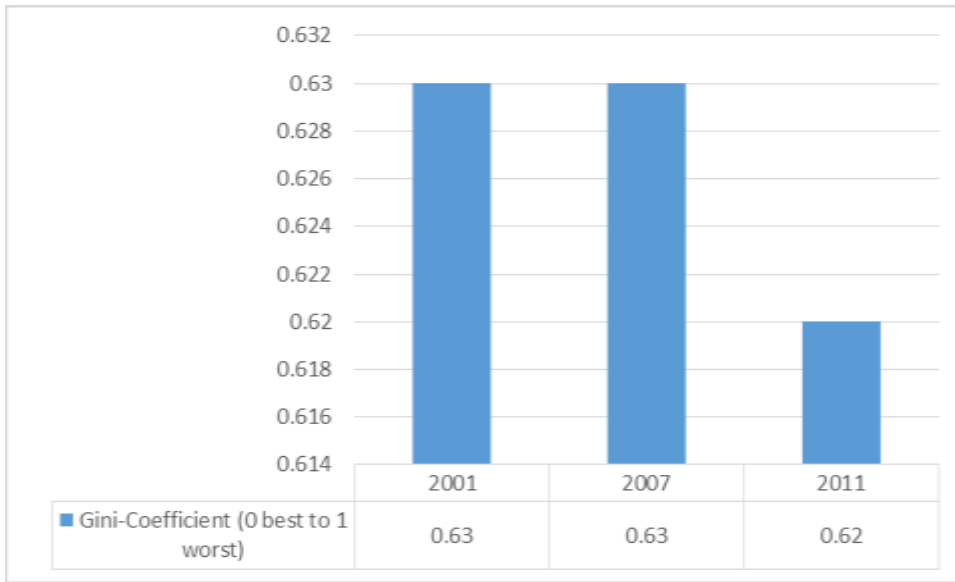
The below graph indicates the percentage of population that are below R42 000 per year. The figures are decreasing since 2007 which indicate an improvement



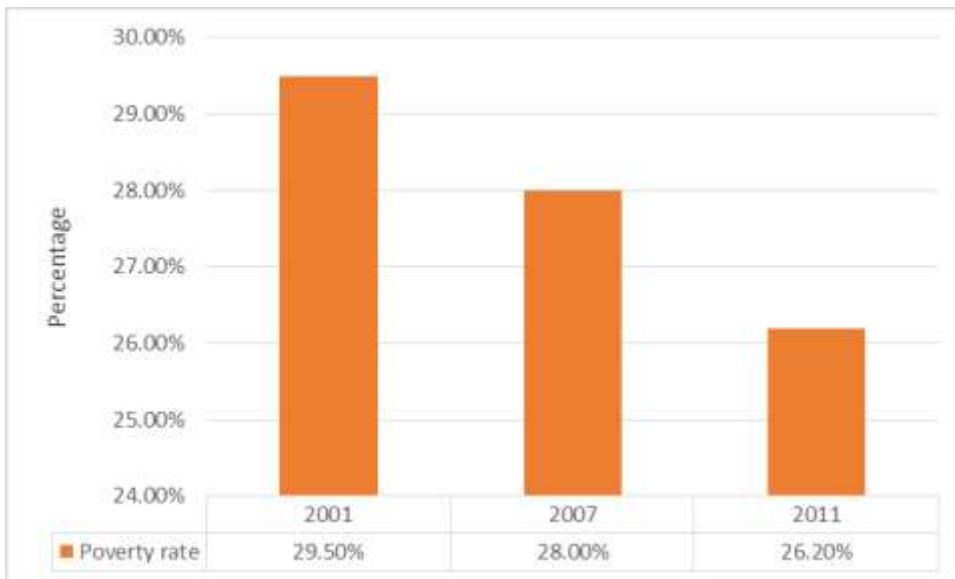
Source: Statistics South Africa

3.3.5 Gini-coefficient

The 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.



Source: Statistics South Africa



Source:

Statistics

South

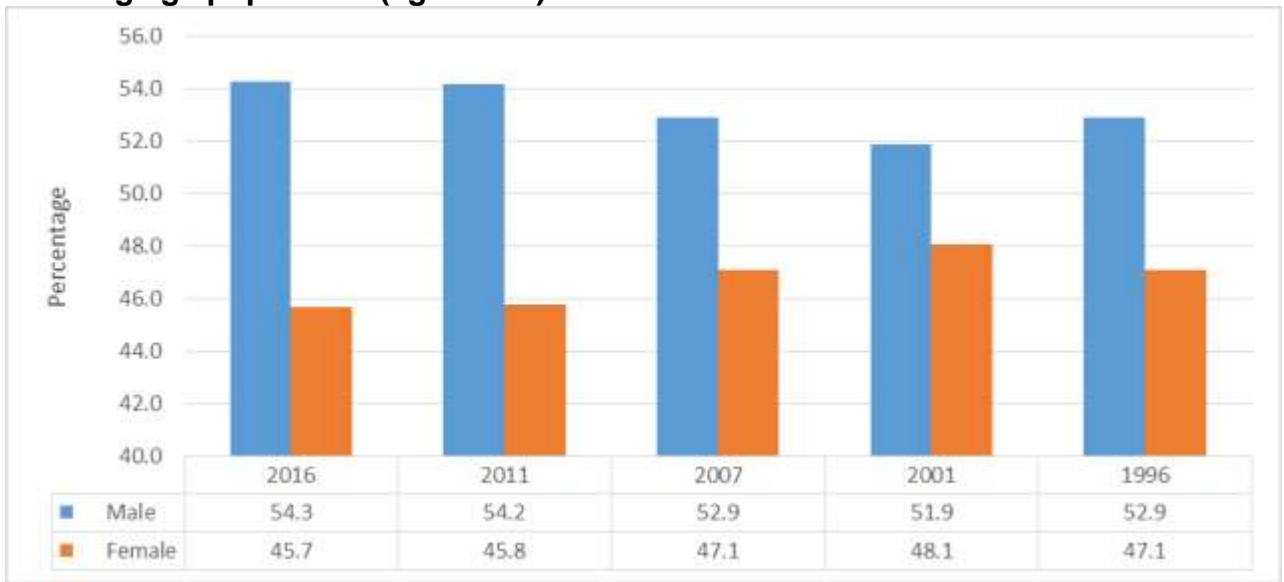
Africa

Unemployment

The unemployment rate of eMalahleni decreased from 27.3% in 2011 to 23.2% in 2015 to 21.3% in 2016. eMalahleni's unemployment rate was the 5th lowest among all the municipal areas of Mpumalanga.

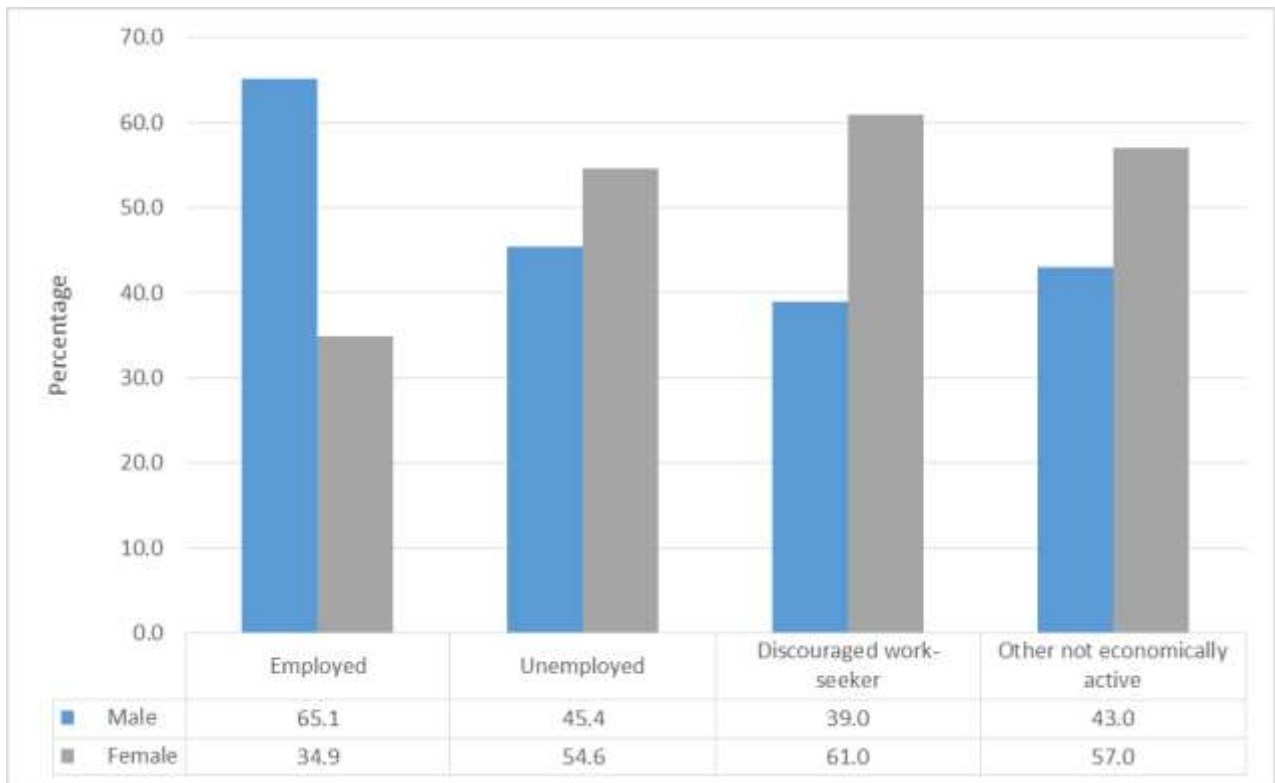
Unemployment rate for females 29.8% and that of males 19.2%. Youth unemployment rate according to the Census figure 36.0%. Unemployment within females is a challenge, which needs to be planned for. The largest employing industries in eMalahleni are trade and community/government services. The investment climate of the municipality needs to improve and be conducive so it can accommodate the new job seekers. The municipality also need to increase the levels of education and skills to improve the employability of young people. Projects of high labour absorption and intensity as well as viable and sustainable SMMEs and Cooperatives will play a significant. The below graphs indicate the information on working age population, official employment status for working age and official employment status for youth of the area.

Working age population (age 15-64)



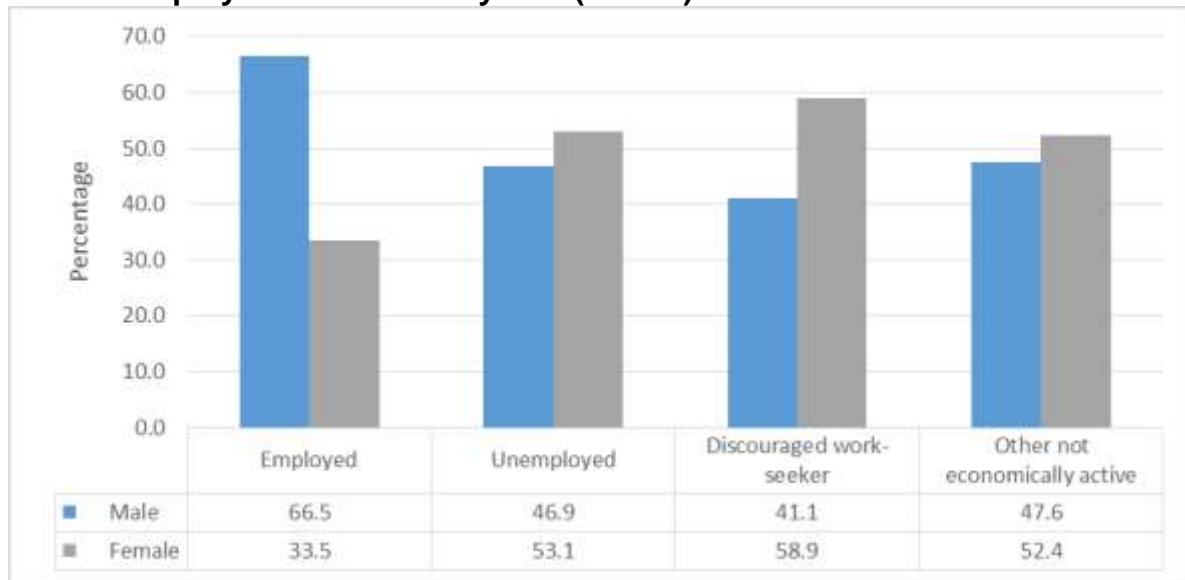
Source: bureau of Market Research

Official employment status for working age (15 – 64)



Statistics South Africa

Official employment status for youth (15 –34)



Statistics South Africa

3.3.6 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 people that depends on grants have increased from 34,849 to 89 585 people between 2012 to 2017. The grant with the largest recipients is the child support grant followed by old age grant.

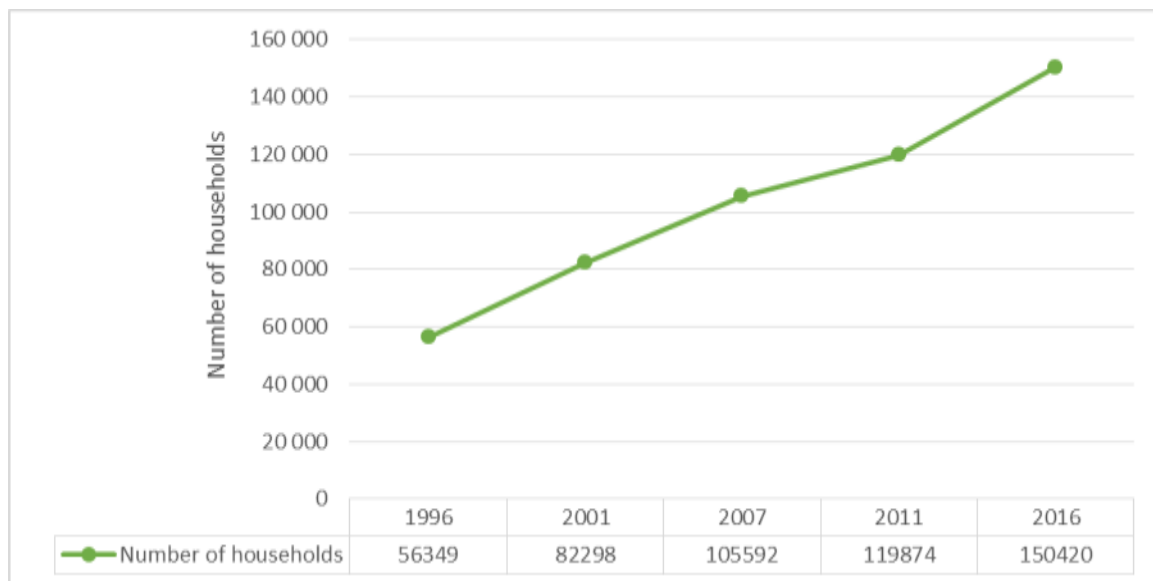
Social grant beneficiaries in absolute numbers

Grant type	Number receiving grant (Sept 2012)	Number receiving grant (Sept 2017)
Old Age	7 887	15 276
War Veteran	2	0
Disability	3 686	5 928
Foster Care	1 226	2 606
Care Dependency	418	912
Child Support	21 547	64 606

Grant-in-Aid	83	530
TOTAL	34 849	89 858

Source: SASSA

Household trends



Statistics South Africa

The above diagram show the number of households have increased from 119 874 in 2011 to 150 420 in 2016, which is an increase of more than 30 000 households – household size declining from 3.3 to 3.0 in the same period.

Number of informal dwellings increased from 23 138 in 2011 to 34 845 in 2016, which is an increase of more than 11 000 households. Almost a quarter of the households are living in informal dwellings.

3.3.6.1 Household profile and services

Accelerated service delivery is the key. Strong collaboration between the municipality, relevant national, provincial departments and Public Entities in prioritising building of houses should be considered.

	Number of households without access		Share of total households	
	2011	2016	2011	2016
Informal dwellings	23 138	34 845	19.3%	23.2%
Water backlog HH	13 656	13 792	5.2%	9.2%
Electricity backlog HH	31 527	40 721	26.3%	27.1%
Sanitation backlog HH		41 544		
Waste backlog HH		55 306		
Roads backlog km Total		557		
No toilets	2 987	2 186	2.5%	1.5%

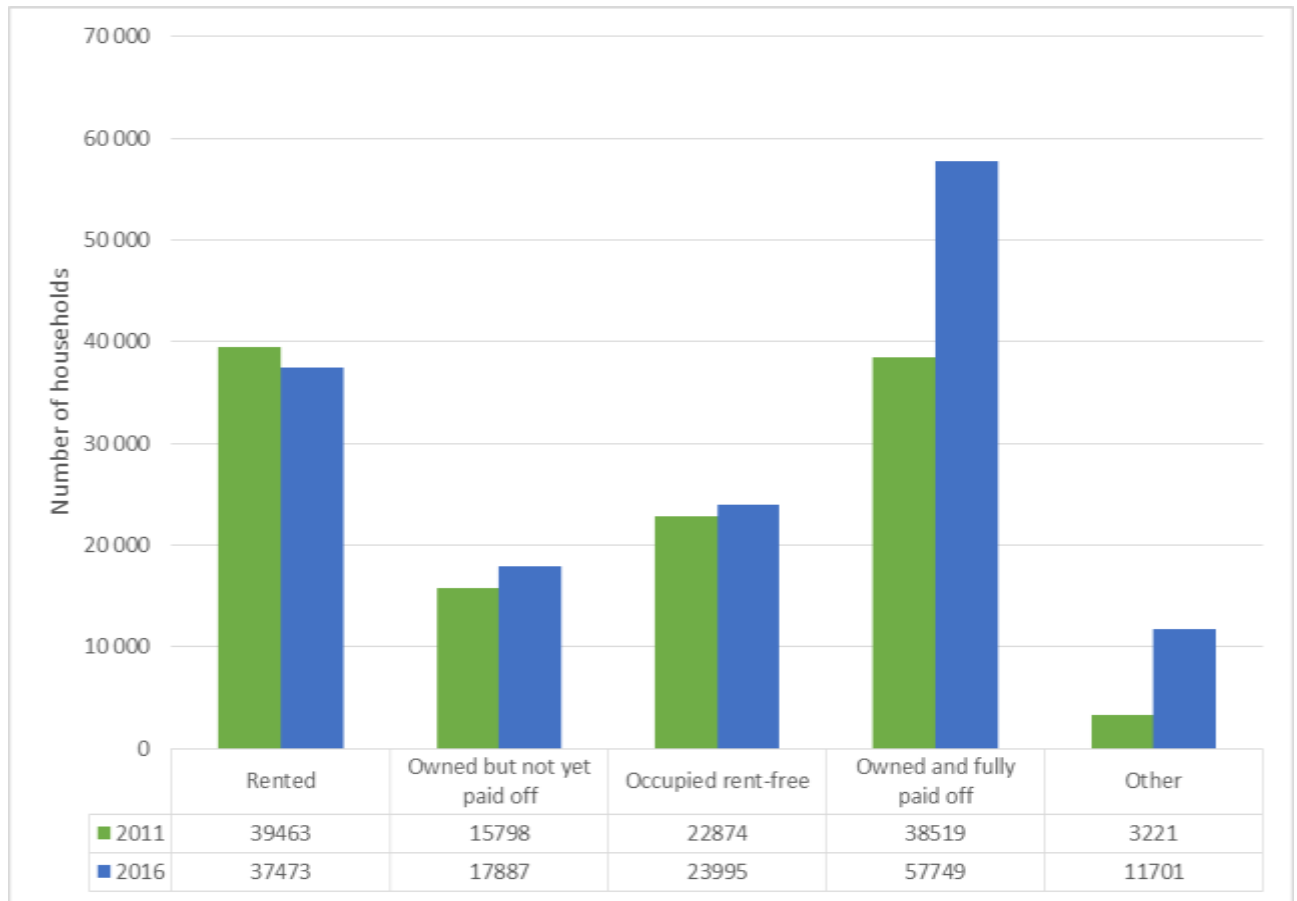
The number of households with access to piped water is 136 628 households with a share of 90.8% of households having access to piped water. As per the above table, there is however, 13 792 or 9.2% of households without access to piped water in 2016.

Number of households with access to flush/chemical toilets improved in the relevant period is 108 868 households or a percentage access of 72.4% of households however, 2 186 households are without any toilet facilities (no toilets).

Households with connection to electricity 106 306 in 2016 which is 70.7% in 2016. 40 721 households are not connected to electricity at all (none) which is more than a quarter of the households.

3.3.7 Ownership

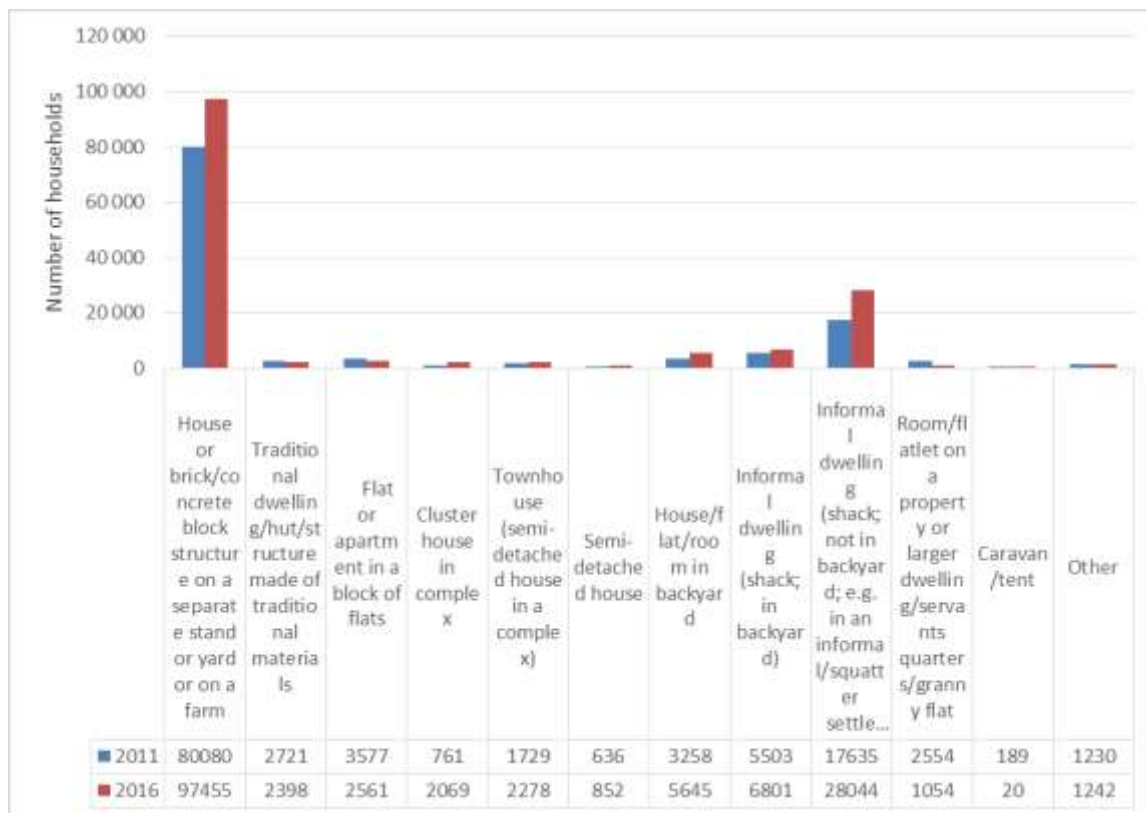
3.3.7.1 Tenure status



Statistics South Africa

The above graph show that most people in eMalahleni have fully paid up and own the houses, followed renting tenants. Between 2011 and 2016 these figures of owned and fully paid off houses have increased, while renting tenants are going. This is an indication that people prefer ownership than merely renting.

Type of Dwelling



Statistics South Africa

For the purpose of accommodation, the municipality has different types of dwellings ranging from brick/concrete, traditional, flat, cluster, townhouses, informal and caravan. The most available type of structure in the municipality is brick/concrete and the least type is caravan/tent.

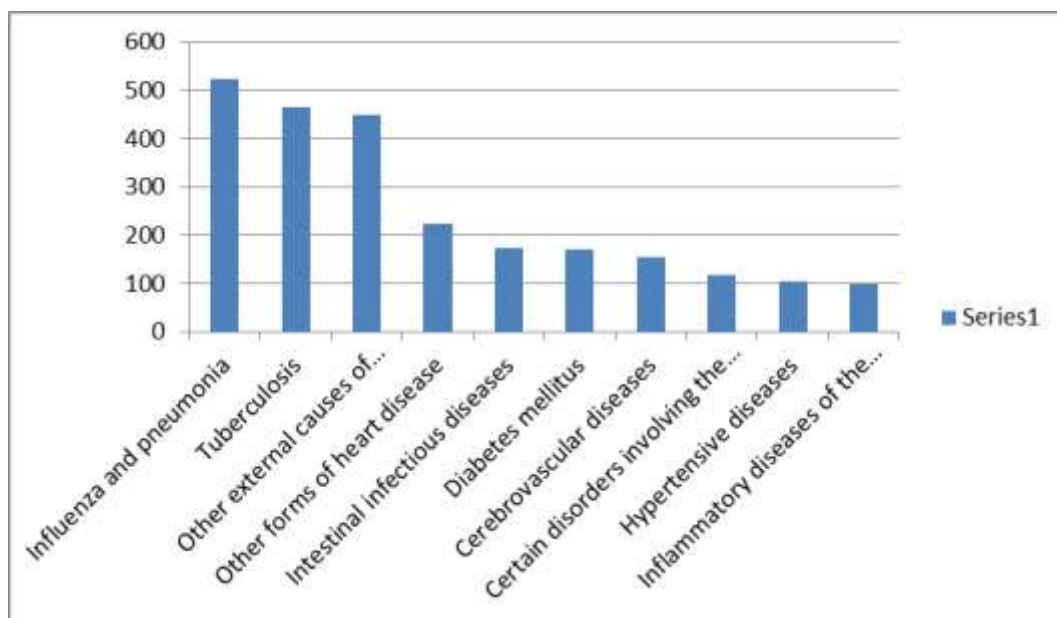
3.3.8 Health

3.3.8.1 HIV Prevalence Rate

According to Mpumalanga Department of Health, the HIV prevalence rate of eMalahleni was measured at 40.7% in 2013 (latest available figure). It is the 9th highest of all the municipal areas in the Province. The HIV prevalence rate remained more or less at the same level between 2012 and 2013.

3.3.8.2 Causes of death

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: Department of Health

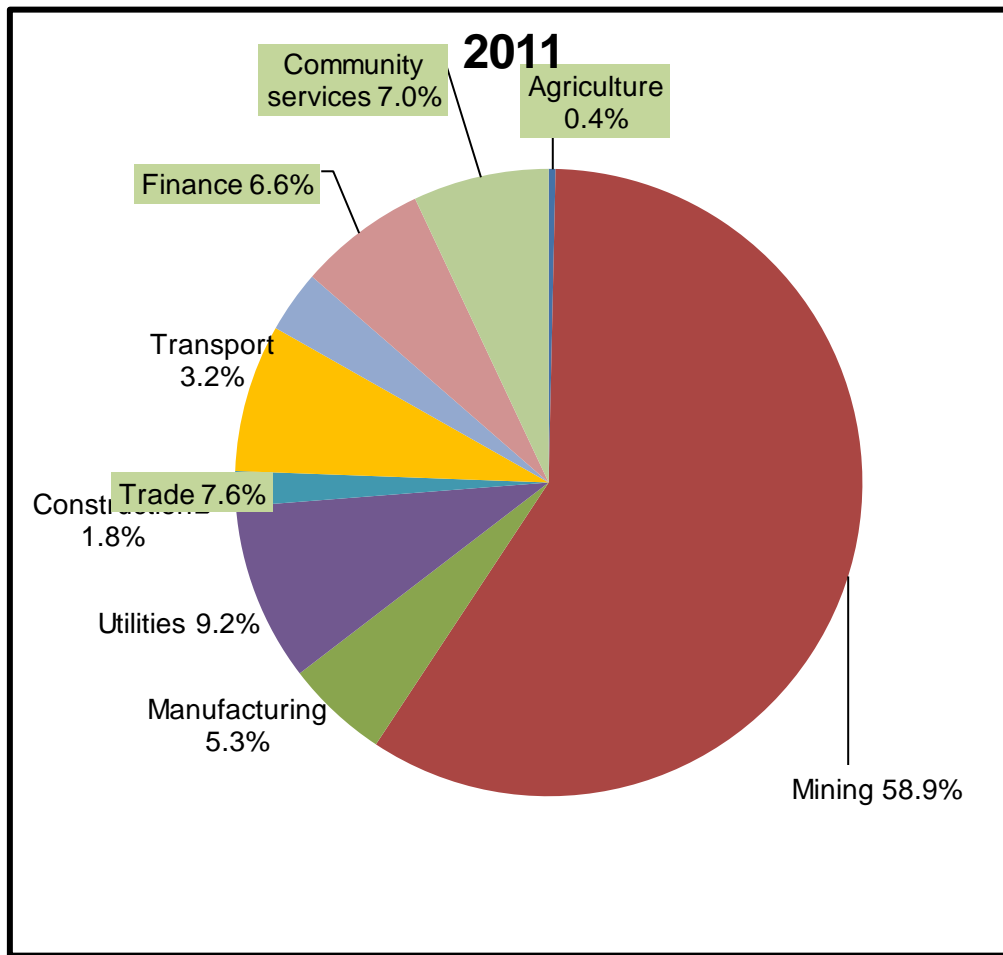
3.3.9 Economic Indicators

Emalahleni is one of the municipalities which experienced population growth rates higher than their economic growth rates, which is not positive at all. This has implications from a GDP per capita and an infrastructure, service delivery, job creation point of view

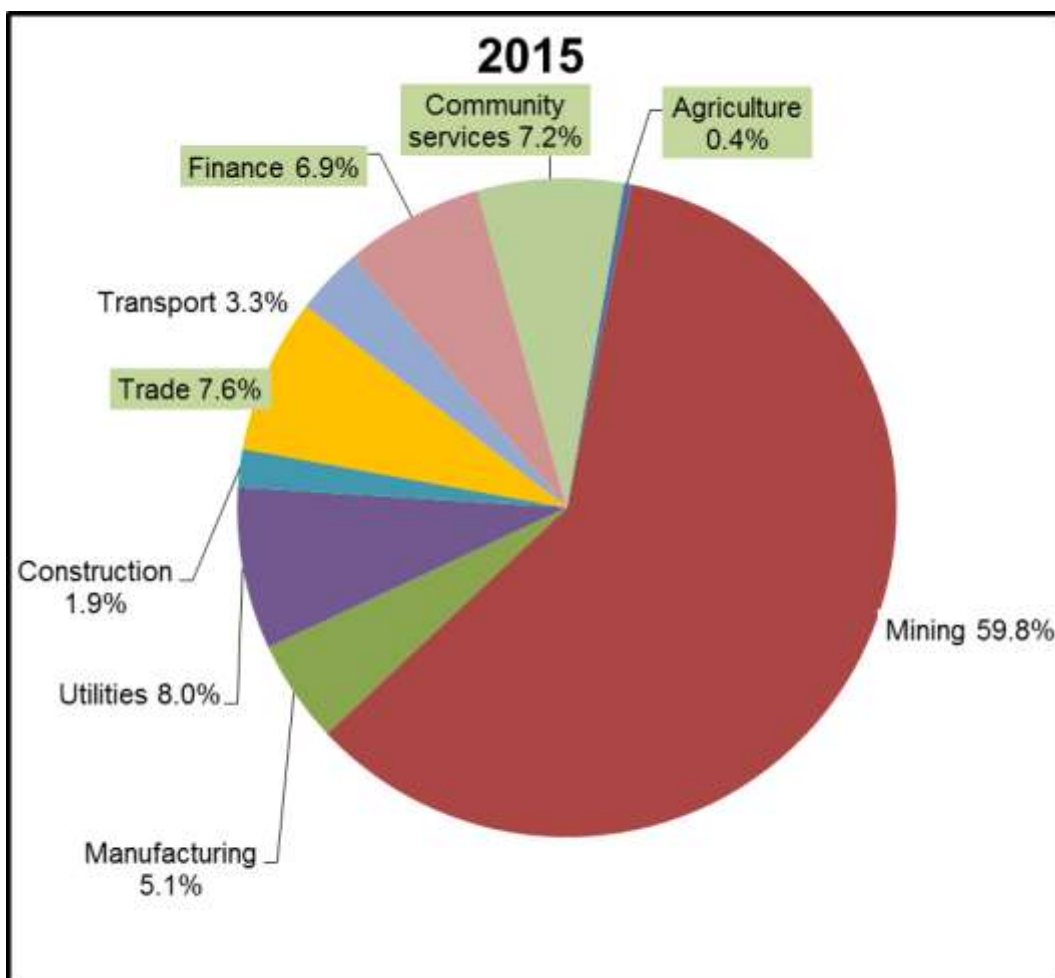
Average annual economic growth rate for Emalahleni at 2.4% over the period 1996 to 2015, the forecasted average annual GDP growth for Emalahleni for 2015-2020 more or less 2% per annum in line with national and provincial growth expectations.

The below diagrams show that the municipal economy is dominated by mining and therefore a high dependence on the mining industry. Other industries in the area are making contribution to the local economy; these include trade and community services.

Emalahleni contribution to the Mpumalanga economy is the highest in the province at more than 20% and as largest economy in the province should be protected as far as possible as our economic champion. The size of the economy in 2015 was estimated at more or less R60 billion in current prices. Tourism expenditure in the area as a percentage of the local GDP low at 1.9% and tourism spending only R1.1 billion pa.



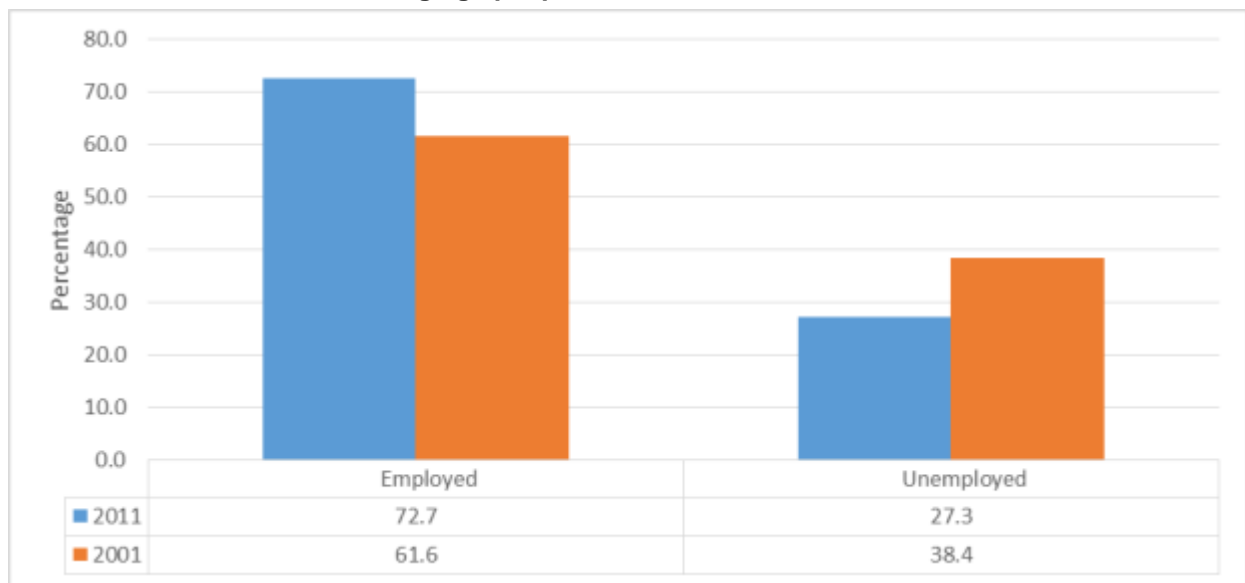
Source: SERO report



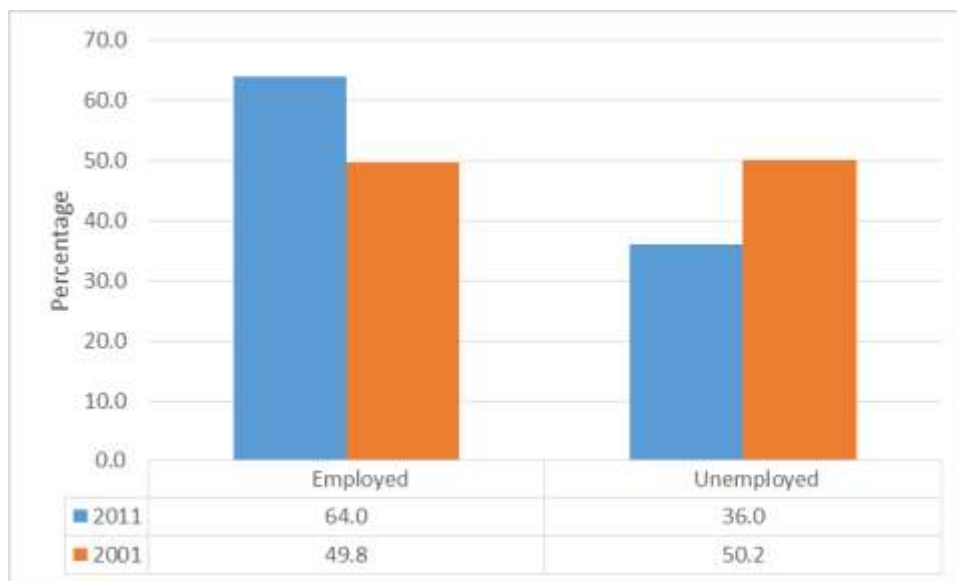
Source: SERO report

3.3.9.1 Labour Indicators

Labour indicators for the working age people: 15 - 64



Labour indicators for the youth: 15 - 34



The above graphs indicate the an decreasing unemployment rate in eMalahleni which was 38.4% in 2001 and 2011 was 27.3%. In terms of youth labour i.e.

between ages 15-34, the rate is also decreasing from 50.2% in 2001 to 36.0% in 2011. This is a promising indicating which still need to be taken care of. The municipality has to develop strategies and plans of curbing the unemployment challenges. The municipality has a well-established Local Economic Development unit which also focuses at creating job within the municipality for the purpose of creating an attractive and conducive environment for sustainable economic development and tourism.

3.4 SWOT ANALYSIS

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Cordial relationship between the employer and labour • Skilled workforce 	<ul style="list-style-type: none"> • Low staff morale • Working in silos • Misplacement of skills • Corruption and fraud • Poor Work ethics • Non adherence to internal systems, procedures and policies • Lack of PMS at lower level positions • Ineffective ICT system and outdated technology • Low collection rate • Weak SCM processes Poor spending on grant fund • Unconducive environment • Poor cost recovery due to distribution losses
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Proper and complete Valuation Roll • Strengthening stakeholder relations and cooperative governance. • Optimal use of revenue generating facilities • Raw material processing facilities Economic hub – Mpumalanga • Lobby for University of Mpumalanga engineering faculty to be located in eMalahleni 	<ul style="list-style-type: none"> • Civil unrest • Land invasion • Service backlog Dilapidated networks and roads • Depletion of mineral resources • High unemployment rate (closure of industries) • Housing backlog • Lack of land for development • Crime/High rate of drugs and substance abuse • Rapid Urbanisation • Impact of climate change

<ul style="list-style-type: none"> • Strategic Geographical location of municipality – Maputo corridor • Availability of tertiary institutions • Industrial and mining developments potential for increased revenue base • Diversification of the economy • Training and development 	<ul style="list-style-type: none"> • Financial instability •
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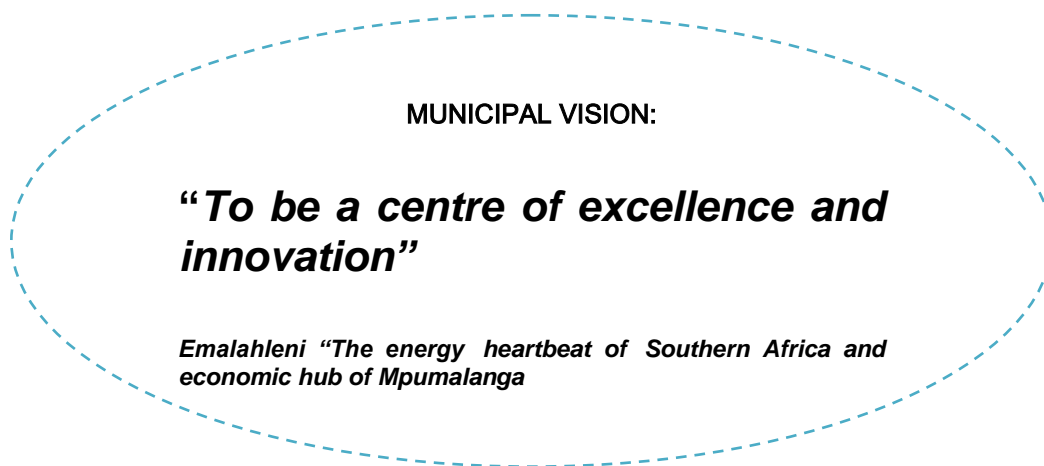
3.5 TOP CHALLENGES

CHALLENGES	REMEDIAL ACTIONS
Dilapidated Infrastructure for provision of all basic service (water, sanitation, refuse removal, roads and electricity)	<p>Allocate Source funding for the rehabilitation and upgrading of infrastructure</p> <p>Develop a life cycle strategy for all basic services infrastructure</p>
Cash Flow And Weak Balance Sheet and incorrect billing	Fully implement an effective Revenue Enhancement Programme and financial related policies
High Distribution losses on water and electricity	<p>Installation of individual electricity and water meters, Protective Structures,</p> <p>Energy Efficiency Programme</p> <p>Develop a life cycle strategy for all basic service infrastructure</p>
Eskom Account In Arrears	<p>Alignment of the Eskom and Municipal payment cycle</p> <p>Implementing the signed payment plan between Eskom and the municipality</p> <p>Negotiating on the interest charge plan as set by Eskom</p> <p>Review of the tariff structure</p> <p>Keep the current account up to date</p>
Unethical and unprofessional conduct	<p>Training</p> <p>Introduction of service standard</p>

	<p>enforcement of consequence management</p> <p>Introduce an electronic time and attendance system –</p> <p>Installation of CCTV, scanners, access control devices</p>
persistent land invasions	Enforce informal settlement by-laws
Culture of non-compliance and payments for municipal services	<p>Communication programme, law enforcement roll out, land use rectification</p> <p>Improve service standards</p>
Lack of public confidence in the municipality	<p>Feed -back mechanisms</p> <p>Various communication tools.</p> <p>Create platform for engagements with interest groups</p> <p>improved turn around on issues raised by staff reorganisation</p>
Malfunctioning internal systems , procedures and ICT	<p>implement ICT Strategy</p> <p>Develop operation manual and service standards.</p>
Inadequate control of investment properties	Compliance to GRAP 16
Poor fleet management and machinery	<p>Institute disciplinary actions to curtail misuse of council property</p> <p>Vehicle recovery programme and replacement programme</p>
Lack of effective communication	<p>Ensure that all information that effect the community and employees is discriminated to the communication department for distribution</p> <p>Implement communication strategy</p>
Poor monitoring of service providers	Effective contract management
Lack of visibility of law enforcement officers	Develop and implement effective work plan
Lack of disaster recovery site and business continuity plan	Develop the organisation business continuity plans and establish the disaster recovery site

4 EMALAHLENI DEVELOPMENT STRATEGY

4.1 DEVELOPMENT VISION



4.2 MISSION STATEMENT

Empowerment of our communities and providing innovative and excellent service that is conducive for sustainable economic development and social transformation”

4.3 CORE VALUES

To realize the organizational Vision and Mission Emalahleni adopts the following values:

- Accountability
- Transparency
- Excellence
- Integrity
- Responsiveness
- Innovative

4.4 TOP 5 MUNICIPAL GOALS

- Spatial transformation and social cohesion
- Sustainable and affordable services
- Clean administration and good governance
- Financial viability
- Socio-economic growth and a safe environment

4.5 IDP PRIORITIES 2017 -2022

1. Service Delivery
 - Roads
 - Water
 - Sanitation
 - Electricity
 - Waste and environment
 - Integrated human settlements
2. Financial viability
3. LED
4. Community Services
 - Arts and Culture
 - Sport
 - Disaster Management
 - Traffic and Safety
 - Social transformation
5. Corporate
 - Audit
 - Risk
 - Communication
 - Policy framework
 - Public Participation

4.6 STRATEGIC OBJECTIVES AND STRATEGIC RISKS

Strategic Objective	Strategic Risk
To provide support, advice and facilitate through alignment of the institutional arrangements	Inadequate Institutional arrangement and transformation
To provide access to habitable, sustainable and affordable intergraded human settlements	Insufficient provision of access to sustainable and integrated human settlement.
To increase access to efficient and sustainable basic services	Unsustainable and inefficient provision of basic services
To provide an enabling environment for social and recreational development	Unconducive environment for social and recreational development
To create a clean, healthy and safe sustainable environment	Inability to create a clean, healthy and safe sustainable environment
To create an attractive and conducive environment for sustainable economic development and tourism	Unconducive environment to attract sustainable economic development and growth
To promote Spatial concentration and facilitate, manage and control integrated land use and spatial planning	Uncontrolled development
To strengthen good governance and public participation	Inadequate adherence to regulations, systems, procedures and policies
	Fraud and Corruption
	Inability to recover provision of services in case of disaster and disruptions
To ensure sound financial and asset management	Poor financial and Assets Management
To ensure sustainable provision of suitable transport	
	Possibility of the municipality not achieving full compliance to MSCOA requirements by 1 July 2017

4.7 ALIGNMENT OF KPAS, BACK TO BASICS, KPIs, STRATEGIC OBJECTIVES AND RISKS

KEY PERFORMANCE AREAS	BACK TO BASICS	KEY FOCUS AREA	STRATEGIC OBJECTIVE(S)	Strategic Risk(s)
Public Participation and Good Governance	Put people and their concerns first – listen & communicate	Administration and Auxiliary	To strengthen good governance and public participation	Inadequate adherence to regulations, systems, procedures and policies
		IDP		
		Audit		
		Risk management		
	Good governance and sound	Compliance Management		Fraud and corruption Inability to recover

	administration	Public Participation		provision of services in case of disaster and disruption
		Youth Development		
		Communication		
		Transversal Management		
		Fire and rescue	To create a clean, healthy and safe sustainable environment	Inability to create clean, healthy and safe sustainable environmental
		Disaster Management		
		Licensing Services		
		Safety and Security		
		Environmental Management and compliance		
Service Delivery and Infrastructure Development	Deliver municipal services to the right quality and standard	Integrated Sustainable Human settlement	To provide access to habitable, sustainable and affordable intergraded human settlements	Insufficient provision of access to sustainable and integrated human settlement.
		Energy Services and Infrastructure	To increase access to efficient and sustainable basic services	Unsustainable and efficient provision of basic services
		Water Services and Infrastructure		
		Sanitation Services and Infrastructure		
		Roads and storm water		
		Transport services and Infrastructure		
		Municipal Building and maintenance		
		Waste management and Infrastructure		
		Parks, facilities and open space management		
		Sport, arts culture and heritage recreation	To provide an enabling environment for	Unconducive environment for social and recreational development

		Library Service	social and recreational development	
Local Economic Development		Job creation	To create an attractive and conducive environment for sustainable economic development and tourism	Unconducive environment to attract sustainable economic development and growth
		Economic Growth and Development		
		Tourism and Marketing		
Municipal Transformation and Organisational Development	Building institution and administrative capabilities	Organisational structure	To provide support, advice and facilitate through alignment of the institutional arrangements	Inadequate Institutional arrangement and transformation
		Corporate Governance (Ethics, Culture, Behaviour, HR Management)		
		Performance Management		
		ICT		
		Legal services		
		Policies and by-laws		
		Document and Information Management		
				Poor document Management
Municipal Financial viability and Management	Sound financial management and accounting	Financial reporting	To ensure sound financial and asset management	Poor financial and Assets Management Possibility of the municipality not achieving full compliance to MSCOA requirements by 1 July 2017
		Supply Chain Management		
		Revenue Management		
		Asset Management		
		Expenditure Management		
		Budget and cost Management		
		Indigent support management		
		Fleet Management	To ensure sustainable provision of suitable transport	

Spatial or Cross cutting issues	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	Uncontrolled development
		Urban renewal		
		Land Use Management		
		Building control		

5 KEY PERFORMANCE AREAS

Department of Cooperative Governance and Traditional Affairs (CoGTA) assess the progress made by municipalities against six Key Performance Areas (KPA's).

The 6 KPA's that form the basis of the assessments are:

- KPA1: Public Participation and Good Governance;
- KPA2: Service Delivery and infrastructure Development;
- KPA3: Local Economic Development (LED);
- KPA4: Municipal Transformation and Organisational Development;
- KPA5: Municipal Financial Viability and Management and;
- KPA6: Spatial or cross cutting issues.

5.1 KPA1: PUBLIC PARTICATION AND GOOD GOVERNANCE

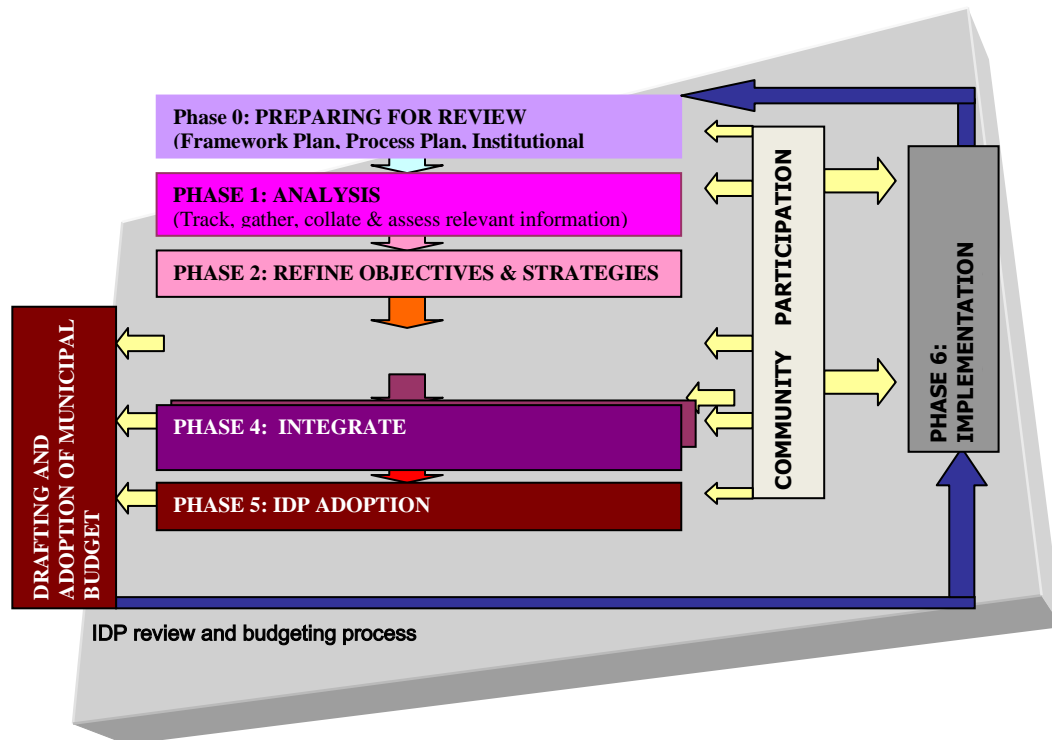
5.1.1 IDP

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.

The IDP preparation process requires an intensive consultation and participation of communities, all role-players, and key stakeholders in order to achieve shared understanding of the municipal development trajectory and alignment. Although municipalities are expected to establish participation structures, it will however be critical to consider utilizing existing arrangements, adapt them if necessary, and avoid duplication of mechanisms. The following consultative structures are recommended:

- IDP Advisory Committee (Through Mayoral Committee)
- IDP Representative Forum

- IDP Steering Committee
- IDP Technical Groups



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.

The community priorities needs are as follows

WARD	PRIORITY
WARD 1	<ul style="list-style-type: none"> • Sand, grading, paving and repair paved roads • Stormwater drainage in Matthew Phosa road (from new engine garage to phase 4) • Pave Masiliia street for Power mall to Mawag (Lindokuhle)

	<ul style="list-style-type: none"> • Grade and sand Mawag streets (all) • Pave Phase 1, 2, 3, 4, extension 2, Kananda road and Mawag • Inconsistence supply of water in phase 1, 2, 4 • Repair High Mast lights in phase 1,2, 4, extension 2 and Mawag • Install electricity meter boxes • Illegal connections • Grass cut • Collection of waste in phase 4 outline, phase 2 line next to Mawag, outline next to taxi rank • High illegal dumping spots • Sport ground (next to ZCC church in phase 4) • Crèche • Library • Satellite police station • Clinic • Post office • Hlalanikahle multi- purpose centre – need chairs, stage , security and cleaners • Speed humps in main roads • Toilets at extension 2 next to taxi rank, households in phase 1 and 2 • High rate of drug abuse • Youth empowerment projects
WARD 2	<ul style="list-style-type: none"> • Street lights from extension 4 to extension 3 road • Repair 8 high must lights • Formalisation of ERF 1478 extension 2 Hlalanikahle • Formalisation ERF 327 extension 3 and C section • Water • Sewer • VIP toilets • RDP houses • Electricity for formalized F section at extension 3, ERF 324 and ERF 325 • Relocate 55 families to alternative place –area is wet land • Roads in extension 4 • Storm water drainage at extension 3 and extension 2 Hlalanikahle • Tar road opposite 209 extension and 1102 extension 3 • Stormwater drainage at 341 extension 3, 1102 extension 2 and 162 extension 3 • Cleaning next to ERF 324 and 325 (water goes inside houses) • Speed humps in main roads • Request for alternative ground (the current ground is earmarked for township establishment) • Church site

	<ul style="list-style-type: none"> • Old age home • Library • Multi - sport centre • Income generating projects (food gardening) • VIP toilets at E.F.C and B informal settlements
WARD 3	<ul style="list-style-type: none"> • Supply of water for whole ext 11 there are pipes and meters but there is no supply of water. • replacement of water meter in ward 3 • installation of water pipes with water meters at GETFUNKY, D SECTION and EXT 4 & 5 SECTION • Installation of sewer line at GETFUNKY, D SECTION and EXT 4 & 5. • Cleaning of Manholes at EXT 11 • Replacement of pre- paid meters and circuit breakers to reduce electricity loses at ext 11. • Installation of electricity at D SECTION, GETFUNKY to reduce illegal connections. • Add transformers at Block 1, 2, 3, 5 and 6 at Ext 11 because in this blocks transformers are over loaded. • Installation of High Mast Light at D SECTION, GETFUNKY, 2 X 2 and EXT 4 & 5. • Let 2 X 2 SECTION supply by Empumelelweni • Storm water drain at EXT 11 and D SECTION. • Paving of streets. • Speed Humps. • RDP houses at D SECTION, GETFUNKY and EXT 11 • Allocation of houses/ stands for backrooms dwellers in SIYANQOBA • Cleaning of dumping sports at D SECTION under ESKOM POWER LINE and EXT 11. • Supply of waste bins in Ward 3 • Sports facilities • Youth desk must help us with youth programmes. • Transversal/ social department must help us with awareness programmes. • Disaster management must help us with campaigns • CR STANDS to be allocated in D SECTION. • GETFUNKY to be packed • Library. • Municipality Satellite Offices. • Post Office. • Chairs and tables at EXT 11 COMMUNITY HALL. • Shelter at taxi rank
WARD 4	<ul style="list-style-type: none"> • Pavement of 2 streets • Speed humps at Sour general Dealer four ways, Ezinsimbini, Ext 1 entrance • Gravelling of streets
WARD 7	<ul style="list-style-type: none"> • Street lights at extension 18 and 2

	<ul style="list-style-type: none"> • Redirect taxi route to go in the ward • Sport facility at extension 18 and 14 • Community multi-purpose centre • Recreational park • Speed humps • Tarring of roads in extension 14 and 18 • Patching potholes at extension 2 • Speed hump at Machibini outline street • Construction of side -walks and street by tar/paving at extension a8 • High mast lights between Mhabela school and Siphendulo school • Water at extension 14 • Drainage system at extension 18
WARD 9	<ul style="list-style-type: none"> • Pave roads at Thabo Mbeki, Robertson street at Clewer, Dula Ouma at Singqobile, Station street at KwaMthunzi • Sewer at Thabo Mbeki • Library at extension 9 • Electricity meter boxes at KwaMthunzi and Singqobile • Water meters at KwaMthunzi and Singqobile • Stormwater at KwaMthunzi, Singqobile and Mdaka school • RDP for informal settlements • Playground at KwaMthunzi and Singqobile • Sewer at the plots • Clinic at Clewer and Vosman • High Mast lights at Eland street at Clewer • Service street lights at Clewer
WARD 10	<ul style="list-style-type: none"> • Formalization of land • RDP • Repairing Mgababa, Ackerville flats and toilets • Plantation of trees in Ackerville flats • Repair Klein Kopies park and tools • Potholes in Solomon Nkabinde, Godfrey Motla, Jubindaba, Jocker, Jiyane, Magebo Malaza and Louise Dlamini (Four way) and Skosana. • Street names in all ward • Speed humps in Willie Ackerman drive extension 3, Magebo Malaza, Louise Dlamini, Van Dalen extension 2, Skosana, Tshabalala extension 2 • Street lights in all ward • Street light maintenance at Jubindaba, Jocker, Phumula, Van Dalen, Skosana • Street marking and sign at Magebo Malaza and Msinga (stop sign), Louise Dlamini (stop sign), Van Dalen, Skosana • Storm drainage system in all ward, Kaoli, Jiyane, Jubindaba, Godfrey Matla, Botha extension, Willie Ackermans Drive, Magebo Malaza and Van Dalen, Tshabalala and corner Mbethe and Botha

	<ul style="list-style-type: none"> • Street side walk at Van Dalen, Botha, Willie Ackermans Drive, Magebo Malaza, Kunene, Skosana • Sewer maintenance at Magebo Malaza, Mbeki, Tsietsi and behind stadium • Paving all streets in Ackerville flats and Mgababa hostels, Tshabalala street between house 2511 and 2531, Mathebula street between House 2543 – 2559 and house 2564 – 2579, Mbethe • Waste bins • Grass cut • Removal and maintenance of waste (Informal settlements) • Sewer • Water taps • Water reticulation • Proper water installation in informal settlements • Water meter • Electricity in informal settlements- Tsietsi and Mbeki • Pre-paid electrical meters in all ward • Protection of sub-stations (Gorrilah) in all ward • High mast lights in Ackerville flats, Mbeki, Tsietsi • High mast lights in Ackerville flats
WARD 11	<ul style="list-style-type: none"> • Houses • Stormwater drainage • Install High Mast Lights • Fix high mast lights • Rehabilitation centre • Water meters • Kalkspruit sewer • Library • Hall • Job opportunities (EPWP) • Billing system • Bridge • Speed humps • Gravel 2 streets
WARD 13	<ul style="list-style-type: none"> • Repair stormwater drainage pipe and damage ribloc pipe • Solar light in entrances and passages • Allocation of stands who do not qualify for RDP houses • CRUs in hostel • RDP houses • Parks • Library • Food gardening • Fixing taps at Highveld hostel • Repair water meters leakages • Install water meter at all sections • Repair water meters that are damaged or removed • Grass cutting at Highveld hostel

	<ul style="list-style-type: none"> • Tree cutting in all streets • Skip bins at Mpondozankomo and Scotch Khoza entrance • Waste collection at Highveld hostel • Pave passages • Illegal dumping site • Control use of drugs • Police visibility at night • Speed humps on main roads • Patch potholes • Repair paved roads that are damaged by rain • Pave Mpondozankomo roads • Pave Highveld hostel • Repair stormwater drainage • Pave Mashiye, Mahlalela, Mgibe • Clinic • Sport facility
WARD 14	<ul style="list-style-type: none"> • Water system in Likazi and Thala and Sizanani (water tank) • Sewer at Thala • Maintenance of high mast lights (x2) • Installation of high mast lights (x3) at Sizanani wheels ground • Prepaid meters at Thala, Hostel 1 and Buffor zone • Solar gyser at Thala, Buffor zone and Hostel 1 • Street lights at Hostel block 3 and 4 • Maintenance of church • Street lights
WARD 15	<ul style="list-style-type: none"> • Roads • Street names • Housing for backyards • Electricity meters • Bridge between Extension 3 and Extension 4 (High school) • Upgrade bridge between extension 5 and extension 6 • Space for community services and pay office • Police station • Flat rate for old age
WARD 19	<ul style="list-style-type: none"> • Reliable, continuous water supply and fixing/digging of boreholes • Construction of water tower to supply Duvha1, 2, 7, 8 • Drainage of toilets • Electricity supply largely in farms • Street lights at Duvha Park • RDP houses • Updating list of those qualifying for RDP houses to include residents of EL Paso and Benicon informal settlements • Educational facilities • Establish fully functional library • Scholar transport especially for kids at three informal settlements

	<ul style="list-style-type: none"> • Gravel roads paving/grading of roads for transport accessibility in informal sections • Fixing Potholes at Duvha Park • A Taxi Rank for the community as it is non-existent • Build shelter taxi rank in Masakhane • Building shelter taxi stop at Benicon and EL Paso settlements • Construction of fully functional parks and sport facilities at Duvha parl 1, 2, 7, 8 • Maintenance of existing park facilities at Duvha Park 1 • Clinic • Provision of mobile clinic at El Paso and Duvha Park Sections • Provision of land for agriculture and residential activities • Request for provincial land next to Masakhane foe residential or agricultural activities
WARD 21	<ul style="list-style-type: none"> • Speed hump at 46 trombone street • Bridge from Uthingo Park to Tasbet park extension 1 • Community Hall • Internet café with Wi-Fi • RDP houses • Clinic • Police station • Stands for churches • Maintenance for street light • Clean streets and grass cut on main roads • Mark street and install stop signs • Training centre for skills training • Take care of Sub-station in Duvha 9 and extension 12 • Fence at Duvha 9 and extension 12 • Solar systems for pensioners
Ward 25	<ul style="list-style-type: none"> • Residential Development Stands • RDP Houses • Road And Storm Water Ext 5 • Combined School At Ex 4 • Highmast Lights • Township Establishment Ext 6 •
WARD 26	<ul style="list-style-type: none"> • Streetlights and poles need to be fixed. • In whole ward / poles rust off and live wire lying on the ground dangerous for people walking on the pavements. • Storm water drains are blocked need to be cleaned and fixed. • Potholes in whole ward • Parks and open spaces need maintenance; park next to municipality needs public toilets. • Fire station, to be constructed, roof needs to be fixed and they in need of office furniture. Traffic department need the IT people to check their computers, they most off the time offline that cause frustration and conflict between officials and

	<p>public.</p> <ul style="list-style-type: none"> • Clinic at municipality need to be constructed, it is small and cramped, short of staff and medicine availability low, and I believe from Sister Ellen Pasha that there is open space in Kingfisher Street that was set aside for building a new clinic. • Refurbishment of Ga-Nala Water Purification Plant, can you please hurry up the contractors the smell is terrible, and not good for the health of residents living close to it. • Community Hall • Youth centre • Sport grounds to be constructed • Play park at ext. 16 • RDP Houses for resettlement
WARD 28	<ul style="list-style-type: none"> • Unfinished pavement at Oyco to Hostel road • Re-allocation of Emaqandeni, Hostel and Enkanini • School Patrol in school at Thuthukani and Sukumani • Installation of robot at Welcome to Phola and Engine garage and municipality office roads • Church stands • Extend water supply in Kendal Farms • Fix electricity meter boxes
WARD 29	<ul style="list-style-type: none"> • Survey and packing • Tar road (connect to N4) • Infrastructure and Water taps • Sanitation (sewage) • Stormwater drainage and V-drainage • Jojo tanks (plots) • Community hall • Need Secondary school • Library
WARD 30	<p>Bufferzone, Tycoon, Siyabonga and extension buffer</p> <ul style="list-style-type: none"> • Street lights not working • Paving streets • Centre for kids • Extension buffer electricity • RDP houses and electricity at Siyabonga • Gravelling of roads • VIP toilets <p>Kendal Farms</p> <ul style="list-style-type: none"> • Water supply -Plot 45, Heevelfontein, Spoornet • Electricity • Church • Bursary – Nomawele Magxaba <p>Veelebeesfontein –Makause</p> <ul style="list-style-type: none"> • Electricity • Speed humps

	<ul style="list-style-type: none"> • Waste bins <p>Bhodli-Mthimunye to Siyathokoza School</p> <ul style="list-style-type: none"> • Pavements • Graveling of roads • High mast light • Bill statements are high • Stormwater system • Fix the bridge between Tycoon • Blasting affects cracks houses windows <p>Ogies Farms</p> <ul style="list-style-type: none"> • Electricity at Cologne • Water supply • RDP • Blasting affects houses • Bus for school kids • Water • electricity
WARD 32	<ul style="list-style-type: none"> • Police satellite • Upgrade post office • Pay point • VIP toilets in informal settlement • Upgrade sewer and pump station in Rietspruit • Grade gravel roads around farm str • Patch potholes around Rietspruit • High-mast lights in Rietspruit • Electricity supply in informal settlements • RDP houses • Grass cut • Illegal dumping • Provision of sport field • Cemetery • Township establishment • Land provision for residential purposes • Renovation of hall at Reedstream

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	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	34
SPEED HUMPS	✓	✓					✓	✓	✓	✓	✓	✓									✓	✓	✓					✓		✓		✓	✓	15	
HUMAN SETTLEMENTS	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓		✓		✓		✓		✓	✓	✓	✓	✓	✓			27
WASTE / ENVIRONMENTAL MANAGEMENT	✓	✓	✓	✓					✓	✓		✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓			✓	✓		✓	✓	✓	24
CEMETERY																			✓												✓			2	

- 10. Clinics (11 of 34 wards)
- 11. Creches (3 of 34 wards)

5.1.2 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 Enterprise Risk Management (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. Emalahleni Local Municipality identified the following TOP 10 risks:

- Inadequate adherence to regulations, systems, procedures and policies
- Fraud and corruption
- Inability to recover provision of services in case of disaster and disruption
- Inability to create clean, healthy and safe sustainable environmental
- Insufficient provision of access to sustainable and integrated human settlement
- Unsustainable and efficient provision of basic services
- Unconducive environment for social and recreational development
- Inadequate Institutional arrangement and transformation

- Poor financial and Assets Management
- Possibility of the municipality not achieving full compliance to MSCOA requirements by 1 July 2017
- Uncontrolled development

5.1.3 Communication

The communication is a strategic function. The unit deals with Internal & External Communication, Conducting Imbizo Programmes, Media and stakeholder liaison, media production, marketing and branding. The municipality has adopted the communication strategy. 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).
- Manages the overall communications unit.
- Assist the municipality with protocol and related issues.
- Advise management on Municipality Policies and Public perception

5.1.4 Public Participation

5.1.4.1 Legal requirements

The cornerstone of the democratic government is to encourage effective public participation processes of community engagement between government and citizens. The need for meaningful participation requires that established systems and processes must be known by communities as they improve government transparency in its business conduct. Ward Committees are established mainly for facilitating community participation and enhancing 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 following:

- 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

Public Participation is located in the Office of the Speaker and is practiced through the implementation of the Community Participation Policy. Ward Committees operate within the guidance of the Ward Governance Policy to facilitate the process of community engagement as the most common way in which municipalities get communities to participate in decision-making. The responsibility Public Participation Unit amongst others includes:

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

The Integrated Development Plan processes require stakeholder engagements during the different stages of planning and public participation engages in the following way:

Planning phase	Levels of Engagement
Analysis	Community Meetings inviting civic society to interact with determining community needs and reflection on the past IDP performance outcomes
Stakeholder Engagement	IDP Stakeholder Representative Forum Public Debates on what can work best in solving a problem

Projects	Meetings with affected communities and stakeholders
Integration	IDP Representative Forum
Approval	Public Discussion and consultation with communities and stakeholders on the Key Focus Areas and projects
Monitoring and Implementation	IDP Representative Forum; Ward Committees; War Rooms

5.1.4.2 Ward Committees

The objectives 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 recognized 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 Local Municipality has established Ward Committees in all 34 wards. All members of Ward Committees receive a monthly stipend of R1000 subject to performance assessment.

5.1.4.3 Ward Operational Plans

The newly Established Ward Committees have undergone Orientation and Induction as part of capacity building. The development of Ward Operational Plans are expected to be developed and reviewed Annually

To improve accountability of ward committees, Ward Operational Plans provide a platform to plan local based programmes and activities to address specific challenges affecting the ward integrating their activities with that of municipal

directorates and other sector departments .The main objective 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.

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;
- 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;
- 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;

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.

5.1.5 Transversal Management

Emalahleni Local Municipality transversal services is a coordination structure that coordinate transversal issues on Early Childhood Development, gender issues, HIV/AIDS issues, disability, elderly, children.

Its objective is to ensure proper coordination and facilitation of sustainable human settlement and social facilities for the betterment of our communities.

5.1.6 Youth Development

Youth Development activities are currently coordinated in partnership with Internal and External Stakeholders. Establishment with the local groups and gaining grass-root partnership and support is the focus of the office. However primarily, the office's main objective is to basically research and develop programs that benefit young people in eMalahleni. Operationally, the Youth Development Manager administers these programs from planning to the implementation phase.

The office deal with assessment of programs required by the youth in the community, communicates with the youth in order to determine their needs and interests in terms of empowerment and further ensures proper development of these youth structures. It also evaluate the effectiveness of youth programs to avoid redundancy and inefficient of these programs.

Youth Development Office serves to ensure a variety of developmental programs e.g. Sports, Cultural activities, performing arts and skills development.

Challenges include:

- Limited resources restrain thorough practice of Youth Work and Development.
- Malfunctioning Youth Civic Structures limit the co-ordination and monitoring of youth development practice
- Magnitude of the Municipality results in wide geographic area to be covered

The Municipality shall, on an annual basis, conduct Youth Dialogue Outreach throughout Emalahleni Local Municipality in the form of a Summit where developmental programs and projects that are beneficial to young people will be planned. These programs will be documented in the form of resolutions that will pave a way forward for Youth Development Practice and inclusive planning in youth development activities all around the Municipality. Skills Development Programs such as;

- Technical Skills Training (Plumber, Electrician, Welder, Fitter etc)
- Basic Computer Skills (Computer Literacy Outreach)
- Bursaries (Full Bursary to study in an institution of the students choice)
- Internship Program

Annual Outreach Programs such as;

- Emalahleni Local Municipality Youth Summit (Youth Dialogue Outreach)
- Annual South African Youth Council (SAYC) Emalahleni Branch Assembly
- Education Indaba
- Career Expo (Grd 8-11)
- Sports Development Tournament (Executive Mayor's High School Cup)
- Male Circumcision/ Sanitary Towel Drive
- Substance Abuse Awareness Campaign

All of these programs, through the office of the Executive Mayor, have one similar objective, to keep the Youth well-informed, give guidance and to combat socio-economic ills that are prevalent within the city of eMalahleni.

5.1.7 Community services

The municipality does not have municipal police but it does have a Community Services Department. The department does participate in community programmes together with the South African Police Service (SAPS) and Department of Community Safety and liaison. Directorate Community Services is engaged in realising the provision of community services as enshrined in the Constitution of the Republic of South Africa, 1996, with specific reference section 152 of chapter 7. The Directorate is also ensuring the protection of environment and animals. The Directorate Community Services is responsible for the provision of the following services:

- Emergency and disaster management services
- Registration and licensing services
- Traffic and security services
- Arts and culture
- Social services

The objectives are:-

- To provide licensing services
- To promote traffic , safety and security services and enforcement of council by-laws
- To Provide Emergency and Disaster management services
- To Provide social services
- Promotion of Arts, Culture and Sports

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.

5.1.7.1 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.

5.1.8 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.

5.1.9 Safety and Security

5.1.9.1 Emergency services

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

5.1.9.2 Law enforcement

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

5.1.10 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 Strategy	Yes	Adopted	27 June 2015	2015	Reviewed for 2016/17, adoption in September
Risk Management Strategy	Yes	Adopted	27 June 2015	2015	Reviewed for 2016/17, adoption in September
Public Participation Strategy	Yes	Draft	Feb 2016	Review in progress	To be adopted in October 2016
Communication Strategy	Yes	Adopted	Feb 2016	2016	Reviewed for 2016/17, adoption in Feb 2017
The Community Safety Plan (Municipal Safety Plan)	Yes	Adopted	March 2012	Will be reviewed in 2015	Reviewed for 2016/17, adoption in Feb 2017
Emalahleni Youth development Strategy	Yes	Adopted	2008	-	To be reviewed 2017/18

5.2 KPA2: SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

5.2.1 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.

5.2.2 Technical services

The technical services provide are potable water, sanitation, electricity, roads and storm-water, transport infrastructure, street lighting and maintain all municipal buildings.

These services directly affect the quality of the lives of the people in the community. The non-provision of water, sanitation and electricity 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:

EMALAHLENI LM - PROJECTIONS FOR SERVICE DELIVERY							
	2016	2017	2018	2019	2020	2021	TOTAL 2021
Population	455 228	469 795	484 829	500 343	516 354	532 878	532 878
House holds	150 420	156 598	161 610	166 781	172 118	177 626	177 626

<i>additional population</i>		14 567	15 033	15 515	16 011	16 523	77 650
additional house holds		4 856	5 011	5 172	5 337	5 508	25 883
Services backlog including new growth							
Water backlog HH	13 792	18 648	23 659	28 830	34 167	39 675	39 675
Requirement housing HH	34 845	39 701	44 712	49 883	55 220	60 728	60 728
Electricity backlog HH	44 114	48 970	53 981	59 152	64 489	69 997	69 997
Sanitation backlog HH	41 544	46 400	51 411	56 582	61 919	67 427	67 427
Waste backlog HH	55 306	60 162	65 173	70 344	75 681	81 189	81 189
Roads backlog km Total	557	581	606	632	659	686	686
<i>new required @ 200 hh /km</i>		24	25	26	27	28	129
Serviced stand provision currently planned							
<i>Remaining shortfall HH</i>	30 545	30 631	25 030	26 803	31 701	36 726	36 726
Total plans at 1-9-2016	4 300	4 770	10 612	3 399	439	483	24 003
<i>Estimated average by private sector</i>	300	330	363	399	439	483	2 314
<i>Duvha</i>		500	1 000				1 500
<i>Siyangoba</i>	4 000	2 000	2 950				8 950
<i>Klarinet</i>			3 299				3 299
<i>infill development</i>		940	1 000				1 940
<i>Empumuluweni</i>		1 000	2 000	3 000			6 000

5.2.2.1 Water & Sanitation Services

The municipality functions as Water Service Authority (WSA) and Water Service Provider (WSP). The department is responsible for the provision of portable water and also supply raw water to all industrial areas within the municipality. The municipality is operating with three Water Treatment Works (WTW) schemes.

Water Treatment Works (WTW)	Design Capacity of the WTW (ML/day)	Storage Capacity: Reservoirs (ML)
Witbank WTW	110 ML/Day	188 ML
Ga-Nala WTW	6.5 ML/Day	36 ML
Rietspruit WTW	3 ML/Day	5 ML

The water network has 950km of pipelines and still some large components are of Asbestos Pipes. There is a very limited use of ground water resources available within the area of the municipality mainly due to the seeping of acid mine water into sub-surface aquifers. The majority of existing boreholes are privately owned and mainly located in the agricultural small holdings.

Blue Drop Status (BDS) rating assessment

Year	2010	2011	2012	2013	2014	2015
Score (%)	29.7%	46,9%	37.5%	-	-	-

The department is responsible for the provision of waste water and sanitation services to all customers in the municipality. The Municipality operate with seven (7) Waste Water Treatment Works (WWTW).

Water Treatment Works (WTW)	Design Capacity of the WTW (ML/day)	Plant Classification	System Technology used	Discharge Stream/River
Nauupoort WWTW	10 ML/Day	Class C	Activated Sludge System	
Riverview WWTW	11 ML/Day	Class C	Activated Sludge System	Oliphant River
Klipspruit WWTW	10 ML/Day	Class B	Activated Sludge System	Brugspruit
Ferrobank WWTW	15.5 ML/Day	Class C	Biological Filters	Brugspruit
Phola WWTW	10 ML/Day	Class D	Pond System	Saalboomspruit
Ga-Nala WWTW	5 ML/Day	Class D	Floating Aerators	Steenkoolspruit
Thubelihle WWTW	6 ML/Day	Under Construction	Under Construction	Under Construction
Rietspruit WWTW	1.5 ML/Day	Class D	Activated Sludge System	Rietspruit

Sewer Network:

The sewer network has 1700km of pipelines with 27 pump stations within the network. Some components of old townships establishment are of Clay Pipes.

Septic Tanks:

There are areas which are still using septic tanks within the municipality averaging number of 630 units.

Pit Toilets:

All the rural areas and informal settlement use pitlatrines estimates at 30000 units.

Green Drop Status (GDS) rating assessment

Year	2010	2011	2012	2013	2014	2015
Score (%)	-	45,6%	-	-	-	-

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)

5.2.2.2 Electrical Services

The Municipality is a licensed distributor of electricity with exception to the mines as issued by National Energy Regulator of South Africa (NERSA). The electrical department is responsible for provision of electricity also ensuring public lighting and other energy services that satisfy our customers and community whilst maintaining sound business principles. Plan, construct and maintain an integrated network system which supplies electricity to the consumers. The municipal electrical network taps from Eskom grid with the following intake points:

Large Intakes Points

Intake Point	Nominal Maximum Demand (NMD)	Utilised Capacity
Witbank Municipal	45,000.00	46,000.00
Churchhill	60,000.00	48,000.00
Doornpoort	48,000.00	65,000.00
Clewer	2,250.00	2,229.36
Kwa-Guqa	40,000.00	50,448.46
Klarinet Sewerage	200.00	200.00
Ogies	125.00	125.00
Ogies Town	2,500.00	2,500.00
Phola	6,000.00	6,000.00
Thubelihle Town	2,500.00	2,500.00
Kriel Town	20,000.00	20,000.00
Haartebeespruit (Klipspruit Sewer)	1,000.00	1,000.00
Rietspruit Village	4,000.00	4,481.90

Small Intakes Points

Intake Point	Nominal Maximum Demand (NMD)	Utilised Capacity
Rietkuil 57 IS	32.00	32.00
Rietkuil 57 PTN3 Extended	100.00	100.00
18 Leeuwpoort 283 JS	32.00	32.00
Riool Pompstasie Witbank	64.00	64.00
President Laan, Witbank	25.00	25.00
Plot 90 Kromdraai	50.00	50.00

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.

5.2.2.3 Roads & Storm water

The department has responsibility to construct and maintain the road and stormwater infrastructure network. The municipality has total of 1400.08 km of road network.

Area	Surfaced Roads (km)	Gravel Roads (km)	Block Paved Roads (km)	Concrete Paved Roads (km)	Total (km)
eMalahleni	483.08	80.32	4.61	0.6	568.60
Clewer	8.24	29.01	2.48	0	39.73
Kriel	82.72	5.45	0.1	0	88.27
KwaQuga	62.81	243.06	5.13	0	311
Lynnville	68.51	67.19	19.68	0	155.38
Ogies	4.23	0	0	0	4.32
Paxton	12.07	5.64	0	0	17.72
Pine Ridge	9.54	29.19	4.08	0	42.81
Rietspruit	25.01	2.71	0	0	27.72
Thubelihle	22.39	3.77	0	0	26.16
Wilge	8.03	0.25	0	0	8.28
Wolwekrans	13	90.25	6.83	0	110.09
TOTAL	799.72 KM	556.84 km	42.91 km	0.6 km	1400.08 km

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.

Currently the section is functioning with Integrated Transport Plan, Pavement Management System and Traffic Impact model. The Road & Storm Water Master Plan is being developed.

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. About 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.

5.2.2.4 Public Transport Infrastructure Service

The municipality owns 15km railway siding which service the Ferrobank industrial area. The railway line needs to be rehabilitated and ensure continuous maintenance thereof.

The municipality also owns an airfield (Aerodrome) which provides service to most of the private aircraft around the 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.

5.2.2.5 Maintenance of Municipal Buildings

The department is also responsibility for maintenance of all the municipal buildings and must ensure that the municipal buildings are in compliance with requisite legislative prescripts.

5.2.3 Environment and Waste management

5.2.3.1 Introduction

The Environmental & Waste Management Directorate is a core service delivery orientated department geared at delivering services to over 100 000 households within the Emalahleni community. It comprises of these 3 core functional departments:

- Waste Management
- Environmental and Compliance Management
- Parks, Cemeteries, and Open Space Management

The department's Objectives is to:

- Create an environment that is safe and not harmful to health of the community;
- Enhance environmental awareness education and encourage public involvement;
- Create a sustainable culture in the handling, collection, transportation, disposal and management of waste;
- Reduce impact on climate change through developing and implementing a climate change strategy for the municipality, aligned to the national strategy;
- Create a sustainable recycling and reuse culture within the municipality;
- Ensure compliance to all statutory requirements;
- Increase visibility and the enforcement of the Environmental By-Laws;
- Improve on the human dignity within the burial system through managing effectively the cemeteries, burial processes and the cemetery registry; and to
- To be good stewards over environmental infrastructure

5.2.3.2 Waste Management

The waste management unit is currently servicing 95 114 formal households and also over 100 businesses with skip collection. For informal areas, there is placement of skips. The unit conducts monthly cleaning campaigns and programmes for illegal dumping. There is backlog of over 50 000 informal households. It also manages 3 licensed landfill sites.

5.2.3.3 Environmental and Compliance Management

The unit is processing over 100 environmental applications, investigate environmental related complaints, conducts quarterly education and awareness programmes and investigate and control of air quality management

5.2.3.4 Cemeteries, Parks and Open Space Management

The municipality is responsible for providing cemetery services in terms of burial space, cemetery management and maintenance. Currently, there are 7 non-active cemeteries with a total size of 36.7ha and 6 active cemeteries with a total size of 81.1ha, and assist with burial of over 150 pauper per year.

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 more land for development of new cemeteries to meet the demand on burial space

The municipality is also maintaining operating 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.

The Witbank dam and Klipfontein dams are facilities that are regularly frequented by the public.

Council is in the process of adopting the Emalahleni Local Municipality Adopt- a-Spot policy which seeks to provide sustainable solutions to the problem of illegal dumping and littering on public open spaces. There is also open space by-law and policy.

5.2.3.5 CHALLENGES

CHALLENGES	SOLUTIONS
<p>Lack of resources</p> <p>(There is challenge of insufficient fleet currently there is 8 refuse trucks instead of 26 needed; 1 load luger instead of 3 needed; 3 LDVs instead of 7 needed, There is lack of monitoring equipment for noise meters, air monitoring stations, There is insufficient fleet such as Tractors, LDVs, ride on mowers, lack of GIS for planning and lack of security at cemeteries)</p>	<ul style="list-style-type: none"> • request for funding from external stakeholders (engagements with Anglo, Rand Water Foundation, Glencore continue) • Ring fencing of funds to purchase equipment (revenue collection) • Fleet renewal programme and strategy • Fleet management plan (operations – checklists, key management, tracker)
Old waste management methods	<ul style="list-style-type: none"> • Conduct and finalise the section 78 study
Formalising recycling of waste	<ul style="list-style-type: none"> • Continue with stakeholder engagement • Invite proposals on renewable energy projects • Enhance the use of the buy-back centre in Kwa-Guqa

5.2.4 Human Settlement

The unit is responsible for providing houses in mixed developments which is BNG. It also, transfers properties owned by the Municipality that is Exchange Extended Benefit Scheme. Facilitation of the formalisation and upgrading of informal settlements. Further responsible for the housing Subsidy Scheme/beneficiary administration/compilation of the National Housing Needs Register (NHNR). Provision and Management of rental accommodation for low income earners in Emalahleni (CRU's).

Emalahleni Municipality is both an urban and rural area which consist of:

- large farms,
- dispersed urban settlements,
- coal mines and
- power stations.

The development pattern of the Municipality can be described as fragmented due to the previous dispensation of separate development based on race which separated disadvantaged communities of Lynnville, Kwa-Guqa and Pine Ridge from the eMalahleni City to the east. This situation is also exaggerated by the fact that large areas within the municipal jurisdiction are undermined or having mining rights which resulted in the further physical separation of these areas. Natural features like floodplains and marshlands restrict the opportunities for the physical integration of these communities even further. Emalahleni Municipality has a huge housing backlog (estimated at 55 390) as a result of continuous influx of people (job seekers) into the area.

5.2.4.1 Housing backlog

HOUSING TYPE	NUMBER OF FAMILIES
Informal Settlements	30 714
Backyard Dwellings and multiple Family Accommodation	22 000
Other	2 676
Total	55 390

According to informal settlement survey conducted, municipality has 69 Informal settlements with 30 714 households. The municipality has adopted an Informal Settlement Upgrading Policy; the policy guides the process of upgrading informal

settlements. 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	BACKLOGS
Total number 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

5.2.4.2 Challenges

- Emalahleni has the largest number of spatially distributed informal settlements in the Province, totalling, 9 spatially distributed informal settlements.
- Continuous illegal land invasions.
- Slow pace in the delivery of houses and the incompetence of contractors appointed year on year.
- Inadequate allocation of houses: not having an 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 process of being formalised like Empumelelweni).
- Incomplete township establishment processes in areas earmarked for housing development.
- Lack of Provincial support in funding the Upgrading of Informal Settlements Programme (NUSP).
- Information Technology challenges.

- Challenges in relation to the management of CRU's.
- Resistance from certain communities earmarked for relocation.
- Level 2 Accreditation not achieved as anticipated due to institutional challenges.

5.2.4.3 Strategies

- Continue with implementation of the Integrated residential Development Programme (IRDP) (Klarinet, Siyanqoba, & Duvha Park Ext. 1).
- South 32 (IRDP Housing Project) (PPP) – explore more opportunities
- Upgrading of Informal Settlements Programme – RDP houses (Empumelelweni)
- Community Residential Units Programme (CRU's) (Kwa-Guqa Hostels).
- Upgrading of Informal Settlements Program – Implementation of the 14 Plans developed.
- Relocation of informal settlements in line with resettlement plans developed with assistance of HDA
- Continuous profiling/enumeration of informal settlements
- Establishment of Squatter Control/ Anti invasion unit with the necessary resources
- 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.

5.2.5 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 was completed during 2015/16 financial year, Lynville stadium, Mpumelelweni, Thubelihle, Rietspruit 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
- Maintenance of all sports facilities
- Termination of lease contract between ELM and Puma rugby union
- Upgrading and refurbishment of Witbank Tennis court
- Upgrading of boxing club
- Upgrading Lynville tennis court

5.2.6 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 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

5.2.7 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
Hlalanikahle	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

5.3 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 (CIP)	No				<ul style="list-style-type: none"> Consultant is appointed. Awaited the Water Services Development Plan (WSDP) and Water and Sanitation Master Plan. To be completed in December 2017
The Water Services Development Plan	Yes	Adopted	2015	2015/16	DWA has reviewed and standardized the format of WSDP which makes the recently adopted WSDP invalid. Currently aligning the existing WSDP with the DWAS web-based WSDP. To be completed December 2017
Bulk Water Master Plan	Yes	Adopted	2007	2015/16	Due for review. To be completed September 2017

Bulk Sanitation Master Plan	Yes	Adopted	2007	2015/16	Due for review. To be completed September 2017
Water Infrastructure Maintenance Plan	No				Awaiting for the Water Master Plan.
The Energy Master Plan	No				Budget constraints
High Voltage Master Plan	Yes	Yes	October 2013		to be reviewed in 2017/18
Electrification Master Plan	No				To be developed 2017/18
Electrical Maintenance Plan	Yes	Yes	October 2013		to be update in 2017/18
The Integrated Transport Plan	Yes	Adopted	2014		Adopted in 2016
Non-Motorized Network Plan	No				To be developed 2018/19
Traffic Impact Study	Yes	Adopted	2016		Adopted September 2016
Pavement Management System	Yes	Adopted	2011		To be reviewed in 2018/19
Roads Master Plan	No				To be completed by June 2018
Stormwater Master Plan	No				To be developed 2017/18. Draft in June 2018
Integrated Waste management plan	Yes	Adopted	2008	Will be reviewed in 2015	Completed to be adopted November 2016
Air quality Management Plan	No				Busy developing it with the assistance from National DEA. To be adopted in June 2016
Biodiversity Plan					To be developed in 2017
Climate Change adaptation and response strategy					To be developed in 2017

The Housing Sector Plan	Yes	Adopted	2008	To be reviewed in 2015/2016	To be adopted May 2017
The Community Safety Plan (Municipal Safety Plan)	Yes	Adopted	March 2012	Will be reviewed in 2015	

5.4 LOCAL ECONOMIC DEVELOPMENT (LED)

5.4.1 Introduction

The Economic Development and Tourism Unit coordinates all key LED stakeholders and role players to unlock economic opportunities and encourages private sector driven investment with the aim to create decent employment opportunities for local residents. The stakeholder's engagement platform is encouraged through the Local Economic Development forum where ideas on socio-economic development are shared. ELM has adopted a 5 year Local Economic Development strategic framework in 2011/12 which was developed through stakeholder consultation workshops. The purpose of Local Economic Development (LED) is to build up the economic capacity of a local area to improve its economic future and the quality of life for all. It is a process by which public, business and non-governmental sector partners work collectively to create better conditions for economic growth, employment generation and advocating for poverty alleviation.

The practice of Local Economic Development can be undertaken at different geographic scales. A local government pursues LED strategies for the benefit of its jurisdiction, and individual communities and areas within a local government's jurisdiction can also pursue LED strategies to improve their economic competitiveness. Such approaches are most successful if pursued in partnership with local government strategies. LED is about communities, continually improving their investment climate and business enabling environment to enhance their competitiveness, retain jobs and improve incomes.

5.4.2 Objectives of Economic Development and Tourism Unit

- Assess the local economy in the context of sectoral growth and challenges
- Identification of LED opportunities and development initiatives to be implemented by key stakeholders and role players.
- Identification of LED programmes and projects to uplift local communities.
- Implementation of the LED strategy
- Promotion of SMMEs and cooperatives development
- Promote Tourism growth and development

5.4.3 Functional areas/s within the directorate

- SMME, Rural Development, Investment & Project Management
- Tourism, Recreation & CBD

5.4.4 Status of SMME, Rural Development, investments & Project Management

- 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
- Lack of manufacturing incubation hubs, training as well as coaching and mentoring programmes
- Lack of manufacturing activities for small businesses within Emalahleni
- 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.
- Requirements for huge capital outlay for major rural agriculture development projects.

5.4.5 Status of the Tourism, Recreation & CBD

- Businesses in the tourism sector indicated that some of the SMMEs do not offer quality service; some of the establishments are not graded and upgraded to meet the required standard within the industry.
- Emalahleni is not properly marketed to attract domestic and international visitors
- Failure to access credit facilities especially by small bed & breakfast facilities and the need to build their capacity through incubation, skills training and mentorship programmes.
- 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.
- Road infrastructure, particularly within the business centre is potholed and generally dirty (little cleaning is done).

5.4.6 Challenges of LED

- Lack of land availability for agricultural purposes which will benefit Cooperatives
- Lack of funds to train SMMEs and Cooperatives by Municipality
- No funding for upgrading Tourism facilities belonging to the municipality such as Emalahleni Resort and Nature Reserve, Klipfontein Dam and planning of annual events around at the Resort (Witbank Dam) to boost traveller tourists into Emalahleni.
- Lack of knowledge and skills which prevent people from venturing into business to explore various economic opportunities across sectors.
- Reluctance by the youth to venture into agriculture and lack of proper youth development programmes
- The influx of people from other parts of the district, province and countries; compound the unemployment challenge within the locality.
- Training, incubation, coaching and mentoring of SMMEs
- Equipment and machinery for establishing and running businesses across different sectors
- Development of bankable business plans that are capable of getting finance.
- Tourism not fully exploited.
- Inadequate support of SMMEs leading to ineffective growth and sustainability

- Insufficient support or emerging farmers leading to underutilization of available agricultural land
- Poor business relationship and lack of common vision amongst business and other institutions
- LED Forum is not convened as per schedule

5.4.7 Solutions

- Promoting economic transformation in order to enable meaningful participation of SMMEs
- Promoting investment programmes that lead to broad based economic empowerment.
- SMMEs and Cooperatives Capacity and skills Development.
- SMMEs Development and support
- Engagement of Private Sector and Government for the support of SMMEs
- To Re-launch the LED Forum

5.4.8 Projects/ strategies/sector plans to address the situation

- The following were identified as key solutions to address challenges affecting the LED Unit.
- Ensuring that the local investment climate is functional for local businesses,(mainly SMMEs);
- Supporting small and medium sized enterprises;
- Encouraging the formation of new enterprises and Cooperatives;
- Attracting external investment (nationally and internationally);
- Investing in physical (hard) infrastructure;
- Investing in soft infrastructure (educational and workforce development, institutional support systems and regulatory issues);
- Supporting the growth of particular clusters of businesses;
- Targeting particular parts of the city for regeneration or growth (areas based initiatives);
- Supporting informal and newly emerging businesses;

- Targeting certain disadvantaged groups.
- Provision of budget for upgrading of Tourism facilities owned by the municipality and for training of SMMEs and Cooperatives
- Filling of vacant positions in the LED Unit, which will enable comprehensive workforce to reach Economic Development goals and objectives
- Availing land for agricultural purposes.
- Establishment of Emalahleni Development commission for the implementation of the summit resolutions
- Establishment of Economic Development Agency and that section 84 (1) (a) and (b) of the Municipal Finance Management Act be considered.
- Development of a Strategic Plan for Tourism Development in Emalahleni Local Municipality.
- Develop clear Communication Strategy between municipality, mining houses and other stakeholders to tap into all their projects.
- Conduct LED Summits or Conferences biannually to promote or market Investment opportunities and packaged initiatives.

5.4.9 Municipal Profile

The statistics used in the LED Strategy is 2001 census which is outdated however, the municipality is planning to review the LED strategy to incorporate the current needs and challenges as per the current statistics.

The below statistics are derived from 2016 community survey report in order for the economic statistics to be relevant to the current situation in Emalahleni Local Municipality

Figure/Description	Implication
Population	
<ul style="list-style-type: none"> • 455 228people • 150 420 households • 3.2%average annual population growth rate 	Emalahleni LM has the largest population in the District with a high population growth rate as well. This is due to the large economy which offers many economic opportunities resulting in migration to Emalahleni LM. The large, fast growing population increases the demand for services, housing and infrastructure from the municipality.

Figure/Description	Implication
Unemployment	
<ul style="list-style-type: none"> 23.2% 	The unemployment rate is similar to that of the District. With such a large local economy, a lower unemployment rate is expected. Many people migrate to Emalahleni LM in search of employment, but might not have the right skills to work in the local economy and thus put more strain on LED issues of the city
Average Annual Household Income	
<ul style="list-style-type: none"> R120,492 14% receive no income 	The average annual household income is higher than the District average household income. The high average income and education levels should reflect a lower unemployment rate which means that there are more opportunities for employment for highly skilled workers, which again, highlights the importance of high levels of education.
Average Annual GDP Growth	
<ul style="list-style-type: none"> 2.9% 	<p>The Municipality contributes 20.92% to the GDP of Mpumalanga Province and 1.64% the GDP of South Africa. To the Nkangala District Municipality, the contribution is 48.26% GDP of R120 billion in 2013 increasing in the share of the Nkangala from 43.76% in 2003.</p> <p>It is expected that growth will decrease to 2.4% which is a result of slower growth in the construction and mining sectors. New innovation and investment is needed to stimulate growth in Emalahleni LM.</p>
Highest Level of Education (Age 20+)	
<ul style="list-style-type: none"> 6% have no schooling 31% have Grade 12 14% have higher education 	EMalahleni LM has very good levels of education compared to the other local municipalities in the District. There is still a large amount of people who have only some secondary education. Vocational skills training for local industries and motivating individuals to obtain a Grade 12 (or equivalent) qualification is still necessary.
Tress Index	
<ul style="list-style-type: none"> 57.9 	The local economy is not diversified; this is due to the mining industry which contributes the most to the local economy

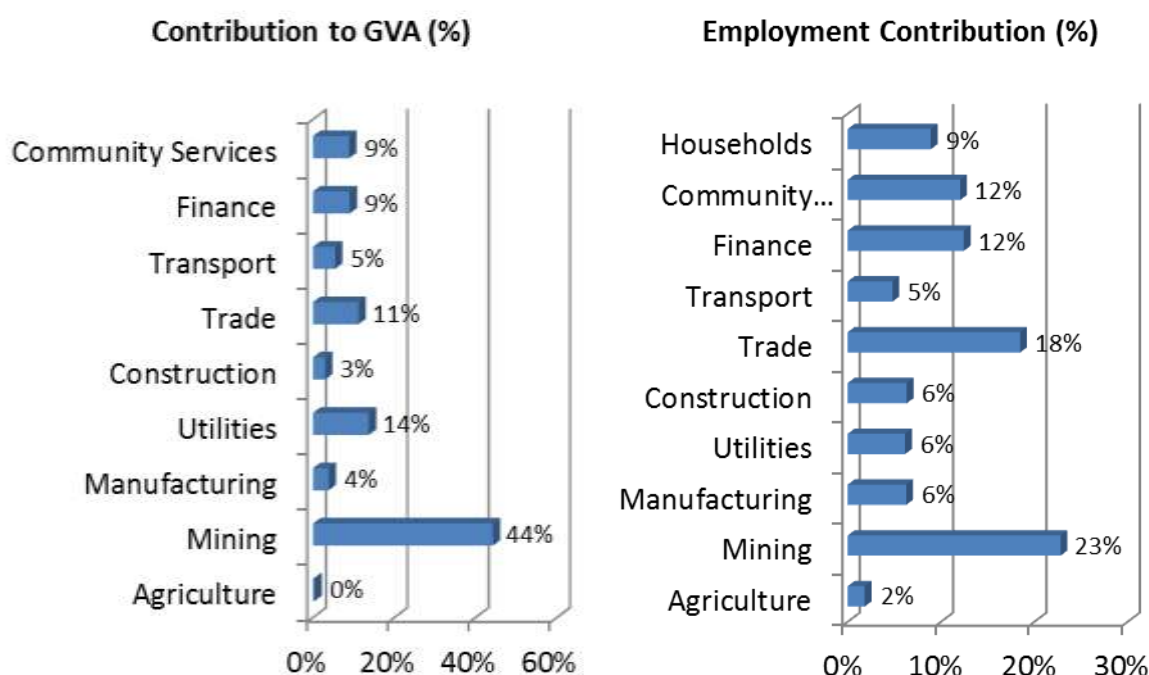
The municipality has a comparative advantage in the following sector

- Mining
- Manufacturing
- Utilities

More focus to development in terms of projects and skills development should be given to the above mentioned.

5.4.10 Contribution by sectors

The diagrams below shows Gross value added contribution and Employment Contribution per sector Emalahleni LM, 2013. It is evident that the mining sector is the most prominent sector in terms of employment and GVA contribution.



(Source: IHS Global Insight Regional Explorer, 2013)

5.4.11 Investment opportunities

5.4.11.1 SMMEs and Cooperatives

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
- 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

5.4.12 Tourism sector

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

5.4.13 BUSINESS AND FINANCE SERVICES

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

5.4.14 GROSS DOMESTIC PRODUCT BY REGION (GDP-R)

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

Definition: Gross Domestic Product by Region (GDP-R) represents the value of all goods and services produced within a region, over a period of one year, plus taxes and minus subsidies.

GDP-R can be measured using either current or constant prices, where the current prices measures the economy in actual Rand, and constant prices

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

GROSS DOMESTIC PRODUCT (GDP) - EMALAHLENI, NKANGALA, MPUMALANGA AND NATIONAL TOTAL, 2003-2013 [R BILLIONS, CURRENT PRICES]

	Emalahleni	Nkangala	Mpumalanga	National Total	Emalahleni as % of district municipality	Emalahleni as % of province	Emalahleni as % of national
2003	15.9	36.3	93.5	1,325.8	43.8%	17.0%	1.20%
2004	17.2	39.2	101.6	1,476.6	43.9%	16.9%	1.16%
2005	19.4	43.7	111.6	1,639.3	44.4%	17.4%	1.18%
2006	21.9	49.5	126.9	1,839.4	44.2%	17.2%	1.19%
2007	25.7	58.3	151.3	2,109.5	44.1%	17.0%	1.22%
2008	31.4	70.4	174.5	2,369.1	44.6%	18.0%	1.33%
2009	35.0	76.5	188.2	2,507.7	45.7%	18.6%	1.40%
2010	40.6	87.5	209.9	2,748.0	46.4%	19.3%	1.48%
2011	48.0	101.0	233.9	3,025.0	47.5%	20.5%	1.59%
2012	56.0	116.9	266.1	3,262.5	47.9%	21.0%	1.71%
2013	58.1	120.3	277.5	3,534.3	48.3%	20.9%	1.64%

Source: IHS Global Insight Regional eXplorer version 766

With a GDP of R 58.1 billion in 2013 (up from R 15.9 billion in 2003), the Emalahleni Local Municipality contributed 48.26% to the Nkangala District Municipality GDP of R 120 billion in 2013 increasing in the share of the Nkangala from 43.76% in 2003. The Emalahleni Local Municipality contributes 20.92% to the GDP of Mpumalanga Province and 1.64% the GDP of South Africa which had a total GDP of R 3.53 trillion in 2013 (as measured in nominal or current prices). It's contribution to the national economy stayed similar in importance from 2003 when it contributed 1.20% to South Africa, but it is lower than the peak of 1.71% in 2012.

GROSS DOMESTIC PRODUCT (GDP) - EMALAHLENI, NKANGALA, MPUMALANGA AND NATIONAL TOTAL, 2003-2013 [ANNUAL PERCENTAGE CHANGE, CONSTANT 2010 PRICES]

	Emalahleni	Nkangala	Mpumalanga	National Total
2003	3.6%	3.7%	3.0%	3.0%
2004	3.4%	3.1%	4.0%	4.5%
2005	7.9%	7.2%	4.6%	5.3%
2006	1.0%	2.8%	4.3%	5.6%
2007	3.5%	3.9%	4.0%	5.4%
2008	0.0%	1.3%	1.2%	3.2%
2009	-0.4%	-1.7%	-1.3%	-1.5%
2010	3.4%	3.7%	3.0%	3.0%
2011	3.8%	3.0%	2.2%	3.2%
2012	2.6%	2.7%	1.9%	2.2%
2013	3.7%	2.6%	1.4%	2.2%
Average Annual growth 2003-2013+	2.85%	2.83%	2.48%	3.29%

Source: IHS Global Insight Regional eXplorer version 766

In 2013, the Emalahleni Local Municipality achieved an annual growth rate of 3.73% which is a significantly higher GDP growth than the Mpumalanga Province's 1.40%, but is higher than that of South Africa, where the 2013 GDP growth rate was 2.21%. Contrary to the short-term growth rate of 2013, the longer-term average growth rate for Emalahleni (2.85%) is slightly lower than that of South Africa (3.29%). The economic growth in Emalahleni peaked in 2005 at 7.87%.

5.4.15 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 Strategy	Yes	Adopted	3 May 2012	2012	Will be reviewed in 2017/18

5.5 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

5.5.1 Introduction

The Directorate Corporate Services renders support services to all directorates within the municipality. The municipality has adopted Workplace Skills Plan and a Draft Employment Equity Plan for 2016 – 2021. The objectives of the directorate is to

- To render a comprehensive, integrated human resource and administration function
Promote sound employee relations and labour stability
- To encourage a culture of excellence and high work ethic
- To enhance the welfare of all employees
- To promote a safe and healthy working environment for all employees
- To provide support on Information and Communication Technology

5.5.1.1 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 41 Councillors, the official opposition is the Democratic Alliance with 17 Councillors followed by Economic Freedom Fighters (EFF) with

8 Councillors, ACDP with 1 Councillor and the Freedom Front plus with only single representative.

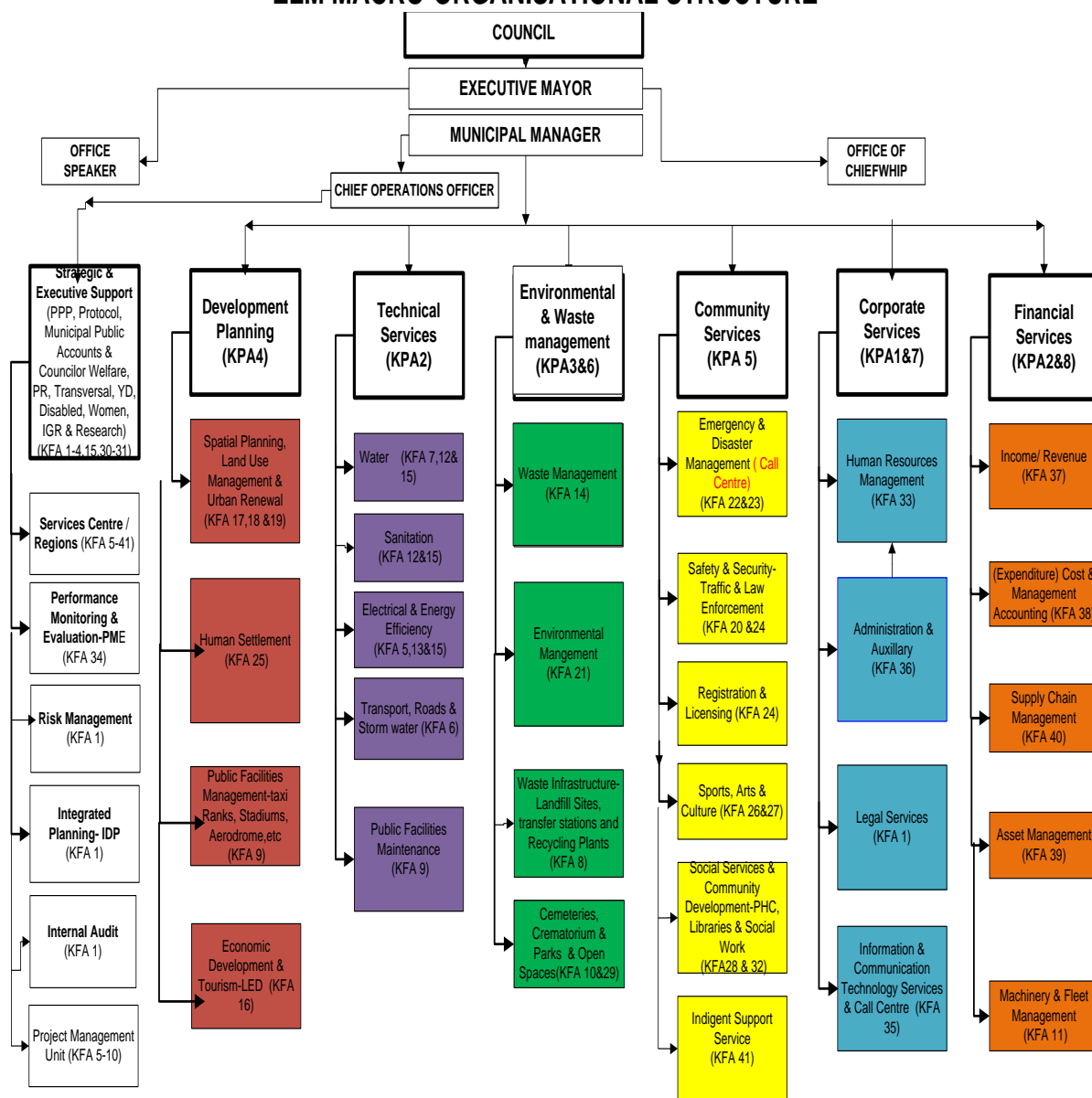
The governance structure of the municipality on the political side is headed by Council which elects the Executive Mayor. The Executive Mayor in turn appoints six full-time councillors who are the Members of the Mayoral Committee (MMC). The MMCs assist the Executive Mayor and the Executive Mayor may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

Municipality develops rapidly, the demand for municipal services also grows, which poses a challenges with the available Human Resources. This necessitates the annual 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) directorates which are, Development Planning, Technical Services, Environmental and Waste Management, Corporate Services, Financial Services and Community Services, as per the below structure.

ELM MACRO-ORGANISATIONAL STRUCTURE



In terms of the current Organogram the Municipality have 3343 positions of which 1564 are budgeted for. Number of employees as at end of October 2016 is as follows:

DIRECTORATE	NUMBER OF POSITIONS	ACTUAL FILLED
Office of the Municipal Manager	93	40
Corporate Services	87	57
Development Planning	174	99
Environmental & Waste Management	645	269
Community services	762	307
Finance	395	208
Technical Services	1187	491
TOTAL	3343	1471

There are six (6) directorates in the municipality. The gender is as follows

DIRECTORATE	FEMALE	MALE	TOTAL
Office of the Municipal Manager	20	20	40
Corporate Services	34	23	57
Development Planning	48	51	99
Environmental & Waste Management	44	225	269
Community services	142	165	307
Finance	96	112	208
Technical Services	135	356	491
TOTAL	519	952	1471

There are 77 employees in management positions and the gender distribution is as the table below

DIRECTORATE	MALE	FEMALE
Municipal Manager	1	0
Executive Directors	3	3
Deputy Directors/Directors	3	0
Managers	16	7
Assistant Managers	33	11
TOTAL	56	21

In terms of Job Evaluation 511 positions have been coded and uploaded on the system. All job descriptions will be signed and uploaded by 31 March 2017. Employees living with disability as at end of January 2017 is 19 (1.3%). The municipality has the Workplace Skills Plan and a Draft Employment Equity Plan for 2016 – 2021.

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.

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.

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.

5.5.1.2 WORKFORCE PROFILE

The report the total number of **employees** (including employees with disabilities) in each of the following **occupational levels** as at **31 July 2015**: 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	3	0	0	0	1	0	0	0	0	0	4
Senior management	16	1	0	6	7	0	1	0	0	0	31
Professionally qualified and experienced specialists and mid-management	23	0	0	3	11	0	0	3	0	0	40
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	169	2	1	36	121	7	1	19	1	0	357
Semi-skilled and discretionary decision making	204	1	0	2	135	4	0	6	0	0	352
Unskilled and defined decision making	490	0	0	4	189	1	0	0	0	0	684
TOTAL PERMANENT	905	4	1	51	464	12	2	28	1	0	1468
Temporary employees	14	0	0	0	9	0	0	4	0	0	27
GRAND TOTAL	919	4	1	51	473	12	2	32	1	0	1495

Report on 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	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	2	0	0	0	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	3	0	0	0	1	0	0	1	0	0	5
Unskilled and defined decision making	9	0	0	0	3	0	0	0	0	0	12
TOTAL PERMANENT	15	0	0	0	4	0	0	1	0	0	20
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTAL	15	0	0	0	4	0	0	1	0	0	20

	BASELINE(1219 Employees) as in July 2012	STATUS QUO(1476 employees) as in June 2015
DISABILITY	0.57% (7 disabled employees)	1.62% (24 disabled employees)
FEMALES	30% (362 female employees)	34% (507 female employees)
BLACK	91% (1115 black employees)	93% (1377 black employees)

Listed below is the Senior Managers profile and minimum competency levels in terms of the national treasury regulations

MUNICIPALITY	POSITION	NAME AND SURNAME	QUALIFICATIONS	YEARS OF EXPERIENCE REQUIRED	YEARS OF EXPERIENCE OF EMPLOYEE	MFMP/CPMD CERTIFICATE
Emalahleni Local Municipality	Municipal Manager	Jansen van Vuuren, T.	- Std 10/ Grade 12 - ND: Marketing Management - BD: Town Regional Planning	5 years experience at a Senior Management level	30 Years	No
	Chief Financial Officer	Hlatshwayo, JP	<ul style="list-style-type: none"> • MBA • ND: Cost & Mgmt Accounting • Cert: SCM for Municipal Snr Managers 	7 years of which at least 2 years must be at senior management level and the rest at middle management	16 years	Currently attending (from 19 June 2016)
	Executive Director Technical	Mashile, K.L.	- Std 10/ Grade 12 - National Diploma in Civil Engineering - B-Tech Engineering: Civil: Construction Management - B Tech Engineering Civil Transporting	3 to 5 years practical experience gained at strategic management level	13 years	Currently attending (from 19 June 2016)
	Executive Director Corporate Services	Vilane, J.M.	-Std 10/ Grade 12 - ND: Public Management &	5 years experience at middle management level	22 Years	Yes

			- B.Tech Public Management & Administration			
	Executive Director Community Services	Matlebojoane, .S	- Std 10/ Grade 12 - B.Degree (Public Management) Current studying (Last Semester December 2016)	7 years at senior and middle management level, of which 2 years must be at a senior management level	28 Years	Yes
	Executive Director Development Planning and Economic Development	Fani, N.N.	- Std 10/ Grade 12 - Cert. Public Management - BD: Town Regional Planning	At least 3 - 5 years practical experience gained at strategic management level	16 Years	Yes
	Executive Director: Environment & Waste Management	Vilakazi, S.E.	- Std 10/ Grade 12 - Bsc: Environment & Water Science	5 years' experience at Middle Management level	7 Years	Currently attending (from 19 June 2016)

5.5.1.3 Labour Relations

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.

5.5.2 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

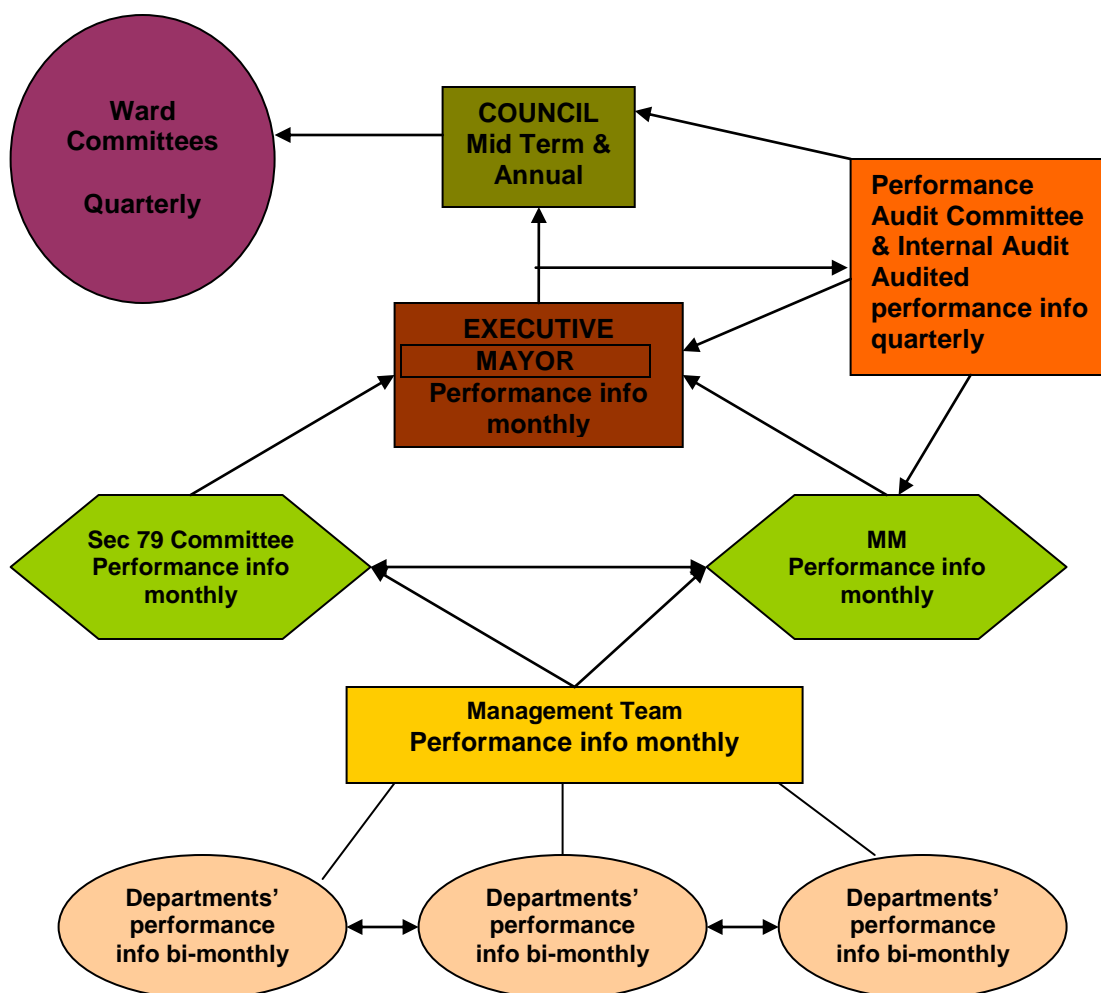
The objectives are also for the performance management system to serve as a primary mechanism to monitor, review and improve the implementation of the Emalahleni Local Municipality's IDP. Performance management is viewed as a tool that improves the overall performance of the municipality.

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 identifies in the IDP. The Service Delivery and Budget Implementation Plan (SDBIP) ensure that the municipality implements programme 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 areas (KPA'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:



5.5.2.1 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 as its uniform reporting template at all levels of reporting. 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

MALAHLENI 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)
	<p style="text-align: center;">1st ALIGNMENT ASPECT</p> <p>It is recommended that the Municipal Manager report in terms of the MFMA and MSA to the Mayor on a <i>monthly</i> basis.</p> <p>As a second suggestion, but probably not essential, is for the Internal Auditors (IA) to audit on a <i>monthly</i> 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</p>			
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)
	<p style="text-align: center;">2nd ALIGNMENT ASPECT</p> <p>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)</p>			

BI-ANNUAL REPORTING	The Municipal Manager must do a <u>mid-year assessment</u> 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 <u>at least twice per year</u> to audit the PMS and reports of the municipality. The Performance Audit Committee must submit at least <u>twice during the year</u> a report to Council. The Municipality must report to Council <u>at least twice a year</u> .	Regulation 14(4)(a) Regulation 13(2)(a)
	<p style="text-align: center;">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 to 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>			

5.5.2.2 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.

5.5.3 ICT

The objective of ICT is to ensure that the ICT services are delivered timeously through technology mediums and ensuring that service delivery objectives of each department and the Council are met. The continuous system evaluation will be done to recommend usage of new technology innovations, implementation of less costly technology and ensuring the optimal usage of ICT resources. Invest in the development and training of staff to provide a workforce capable of obtaining the best results from the technological investment. Currently, not all satellite offices are linked to the Network. The unit is faced with challenges of Aging ICT infrastructure (computers and switches)

The unit is planning to Implement IT strategy by cconstructing the disaster recover site, Upgrade IT infrastructure (network and computers) and Continuously develop in-house application and increase the use of latest technology in the municipal offices to improve the efficiency and effectiveness of the business process using technology such as biometric systems, electronic document management and VOIP

5.5.4 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				Is developed and will be consulted internally. Will be adopted Feb 2018
Work Place Skills Plan	Yes	Noted	April 2016	2016	Has been submitted to council for noting
Recruitment Policy	Yes	Adopted	2012	2012	Will be reviewed for approval in be 2017
Education, Training and Development Policy	Yes	Adopted	Jan 2016	2016	Implementing the policy.

Incentivized and retirement Policy and procedure	Yes	Adopted	27 October 2016		Adopted in October 2016
Succession Planning and career path Policy	Yes	Adopted	27 October 2016		Adopted in October 2016
IT Master Plan	Yes	Adopted 2006			Developed 2017/18
Occupation Health and Safety master plan	No	Draft			To be adopted in March 2017
PMS	Yes	Adopted	March 2014	2017	Adopted Feb 2016

5.6 MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

5.6.1 Introduction

The municipality has a Finance Directorate which provides financial management advice and support to all directorates and political offices within the municipality. This support and advice is done through monthly reports in relation to the financial status of the municipality, preparation of the Annual Financial Statements and Annual Budget

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 organizational 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 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.

5.6.2 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

5.6.2.1 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 on equitable share from National Government that will be received for the 2017/2018 (288.802m) and two outer financial years 2018/2019 (R326.821m) and 2019/2020 (R362.607m).

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

5.6.2.2 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. As at June 2014 the current ratio was at 0.35:1 and at June 2015 the ratio was at 0.36:1. The results are seen as unfavourable in the medium to short-term and must be drastically improved. 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 2014 took on average 387 days to recover its outstanding debts. It slightly decreased to 366 days as at 30 June 2015 and then slightly increased to 387 days as at 30 June 2016. The municipality will attempt to reduce the debtors turnover ratio in (2017/2018 financial year) through employing debt reducing strategies (e.g. encouraging consumers to pay their consumer's accounts, appointing a private company that will do debtor collection, debt factoring and etc.). The municipality will ensure that there is decrease in the ratio over the medium and long-term the municipality will attempt to decrease it further in 2016/2017 and 2017/2018 financial to an acceptable norm of 45 days.

The Collection Rate for the 2016/2017 budget was 80% and for 2017/2018 budget 80% has been anticipated. The municipality will enforce revenue enhancement strategies and achieve a 100% collection rate.

5.6.2.3 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 2017/18 budget is R38,1 million. The monthly Indigent Subsidy as from 1 July 2017 is budgeted at R210,10 per Indigent customer. The equitable share allocation is mainly used to provide free basic services to approximately 10,500 registered Indigents households. Indigent support provided to protect the poor households is as follows:

Per Household	(R210.10)	Amount
---------------	-----------	--------

Free Basic Electricity per Month	50kwh	R49,16
Free Basic Water per Month	6kl	R46,18
Free Refuse per Month	Free	R62,64
Free Sewer per Month	Free	R26,37
(Average Property Valuation R50, 000.00)		R210.10

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

5.6.2.4 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 both zero and incremental approach depending on the type of services and votes.

5.6.2.5 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

5.6.2.6 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

5.6.2.7 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.

5.6.2.8 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

5.6.2.9 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.

5.6.3 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.

5.6.4 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 2016/2017.
- 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.
- Charges of a flat rate tariff on dwelling where the municipality is not billing.

5.6.5 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 the policy.

5.6.6 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. Preparing 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

5.6.7 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.

5.6.8 Financial Policies

5.6.8.1 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.

5.6.8.2 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 an Adjustment budget. These principles are embedded in the **Budget 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

5.6.8.3 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.

5.6.8.4 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. The municipality will set fees and user charges that fully support 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.

Municipality 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**.

5.6.8.5 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.

The municipality 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 an assessment will have to be done to determine debt still recoverable. 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.

5.6.8.6 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 2017/2018 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 a procurement plan will be developed to ensure that the 2017/2018 budget is implemented as per the plan.

5.6.8.7 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. Municipality 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.

5.6.8.8 Debt Management Policies

Municipality 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.

5.6.8.9 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 the municipality, and, computer software which are intangible assets. These principles and policy statements will be embedded in the Asset Management Policy of Council.

5.6.8.10 Accounting Policies

The principles on which the municipality 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.

5.6.9 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:

- Current Inflation is at 6,4% (2016/2017-2017/2018);
- Unemployment rate at is 21.3%(Emalahleni);
- Employee related cost increased by 7.36%;
- Electricity tariff increase is 1.88% for 2017/18;
- The current budget projected tariffs increases are between 1.88% to 13.8% over the medium term.
- The draft budget has been prepared on collection rate of 80%;
- Annual growth of households is at a 5% rate, which will have a direct impact on municipal revenue;
- Increase in billing base by 13755 consumer's account. The increase is attributed to new accounts and consumers that were previously not billed;

- Both incremental and zero base budgeting method were used; and
- Revenue enhancement strategies

5.6.9.1 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.

5.6.10 Operating Revenue

5.6.10.1 Operating Revenue by source

Table 10.1 below depicts the operating revenue per source for the last three audited financial years 2014 – 2016, the current year 2016/17 and the outer years 2018 – 2020 of the long term financial framework. All amounts reflected in the below Table below is per thousand rand.

Description	Ref	2013/14	2014/15	2015/16	Budget Year 2016/17		2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Revenue By Source									
Property rates	2	277 679 236	334 165 001	371 266 611	385 451 024	385 451 024	392 225 941	360 071 453	342 419 969
Property rates - penalties & collection charges				-		-			
Service charges - electricity revenue	2	651 449 182	696 897 018	749 017 184	1 175 293 734	1 175 293 734	1 210 552 546	1 246 869 122	1 284 275 196
Service charges - water revenue	2	280 477 216	285 193 624	319 803 190	387 560 615	387 560 615	428 254 480	473 221 200	522 909 426
Service charges - sanitation revenue	2	107 202 531	113 613 542	124 044 870	148 725 446	148 725 446	278 852 014	302 629 467	308 301 057
Service charges - refuse revenue	2	63 808 624	72 242 327	82 875 617	102 514 611	102 514 611	126 090 054	134 730 759	141 274 070
Service charges – other		359 105	508 122	-	533 693	533 693	566 248	600 789	637 438
Rental of facilities and equipment		10 362 865	11 078 943	12 795 311	11 607 728	11 607 728	12 326 076	13 066 123	13 831 482
Interest earned - external investments		2 196 121	1 647 854	483 581	566 800	566 800	601 375	638 059	676 980
Interest earned - outstanding debtors		51 237 234	78 990 748	101 008 617	86 912 635	86 912 635	92 815 681	98 291 806	103 992 730
Dividends received				-	-	-			
Fines		10 481 043	14 232 299	18 462 469	4 063 212	4 063 212	6 597 943	6 987 222	7 392 481
Licences and permits		2 424 131	2 504 424	2 536 819	2 242 820	2 242 820	2 333 605	2 473 214	2 617 793
Agency services		19 482 136	23 392 522	31 331 456	24 796 073	24 796 073	26 308 633	27 913 460	29 616 181
Transfers recognized – operational		194 765 009	234 560 014	302 357 582	292 686 150	292 686 150	292 664 000	329 221 000	365 267 000
Other revenue	2	31 188 985	53 108 709	91 159 476	22 913 734	22 913 734	82 364 219	85 603 363	102 239 704
Gains on disposal of PPE		-	-	-		-	-	-	-
Transfers recognized – capital		162 295 671	180 287 184	131 315 990	236 617 850	258 617 850	192 139 000	204 400 000	202 843 000
Total Revenue (excluding capital transfers and contributions)		1 865 409 090	2 102 422 330	2 338 458 773	2 882 486 125	2 904 486 125	3 144 691 815	3 286 717 038	3 428 294 507

Table 10.1 Operating Revenue by Source

5.6.10.2 Analysis of Projected Operating Revenue

Revenue budget for 2017/2018 financial year amounts to R3 144 176 390 and this reflects an increase of R261 690 265 when compared to revenue budget for 2016/2017 financial year amounting to R2 882 486 125. The increase is due to a hike in service charges tariffs, implementation of revenue enhancement strategies, increase in government grants allocation and public contributions and donations.

Assessment rates cover the cost of provision of general services. Assessment rates is the third largest revenue source of revenue totalling to R450 427 595 (14.1% of revenue). It reflects an increase of 16.86% when compared to 2016/2017 budget amounting to R385 451 23. The increase can be attributed to tariff increase.

Electricity remains the largest source of revenue with an amount of R1 225 133 759 budgeted for in 2017/2018. It constitutes 39% of the revenue of the municipality. There is an increase of 4.2% when compared to 2016/2017 budget of R1 175 297 288. The increase is due to the tariff increase and anticipated payments from debtors.

Revenue from water budgeted for 2017/2018 amounts to R456 419 097 (14.3% of the revenue) and reflects an increase of 17.7% when compared with the 2016/2017 budget of R387 560 615. Revenue enhancement is one of the budget assumptions that this budget is based on.

An amount of R192 035 080 (6.1% of the revenue) has been budgeted for sanitation and has increased with an amount of R43 859 834 when compared with a budget of R148 175 246 for the 2016/2017 financial year. Refuse budget will increased from R102 514 612 to R125 224 063 (4% of the revenue) in 2017/2018 financial year.

Other revenue budget for 2017/2018 financial year amounts to R163 627 697 (5.2% of the revenue) and reflects an increase of 6.13% when compared with 2016/217 budget of R154 183 341. This revenue includes revenue from licensing fees, finance charges, revenue from rental of municipal properties and sale of stands.

Section 18 of the MFMA requires that an Annual Budget must be funded. National Treasury advises municipalities to keep increase in rates and tariffs and other charges at levels that will reflect an appropriate balance between the interest of the poor households and ensuring the financial sustainability of the Municipality.

The payment rate anticipated for the 2017/2018 financial year will be 80% resulting in a provision for bad debts for non-cash flow items of 20% (bad debts). The table below reflects the actual payment rate for 2014/2015, 2015/2016 and 2016/2017 financial year. The measures and controls identified to enhance revenue will have to be enforced to ensure that the 80% or above payment rate is attained.

5.6.11 Operating Expenditure

Operating expenditure budgeting has been done on an incremental 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

Table 10.2 depicts the main types of operating expenditure

Expenditure By Type											
Employee related costs	2	441 328 829	493 874 277	585 033 151	649 004 731	697 121 091	697 121 091	697 121 091	749 152 832	793 352 849	839 367 314
Remuneration of councillors		18 987 974	20 086 033	23 857 041	25 735 151	27 150 968	27 150 968	27 150 968	29 675 293	31 426 135	33 248 851
Debt impairment	3	115 843 379	227 681 432	508 037 424	426 150 303	252 580 580	252 580 580	252 580 580	480 964 484	509 341 389	538 883 189
Depreciation & asset impairment	2	151 402 677	140 811 073	261 956 986	167 500 000	205 744 964	205 744 964	205 744 964	263 000 001	278 517 001	294 670 987
Finance charges		75 177 453	135 694 040	94 977 865	72 718 205	95 854 605	95 854 605	95 854 605	82 528 753	87 397 949	92 467 030
Bulk purchases	2	1 246 321 865	789 645 332	875 772 938	949 450 138	947 950 138	947 950 138	947 950 138	968 817 368	1 025 977 593	1 085 484 293
Other materials	8	99 619 281	100 468 695	92 022 309	125 517 653	122 992 004	122 992 004	122 992 004	129 544 004	137 187 100	145 143 952
Contracted services		42 274 570	103 385 508	15 899 776	42 056 984	57 209 984	57 209 984	57 209 984	53 312 658	56 458 102	59 732 673
Transfers and subsidies		16 145 061	22 582 944	15 438 120	35 929 454	35 929 454	35 929 454	35 929 454	37 283 654	39 483 390	41 773 426
Other expenditure	4, 5	189 456 904	188 918 818	146 476 674	202 445 721	251 927 975	251 927 975	251 927 975	282 755 678	295 886 236	312 653 488
Loss on disposal of PPE		1 019 583									
Total Expenditure		2 397 577 576	2 223 148 152	2 619 472 284	2 696 508 340	2 694 461 763	2 694 461 763	2 694 461 763	3 077 034 725	3 255 027 743	3 443 425 203

5.6.11.1 Analysis of operating Expenditure

The above table reflects the budgeted operational budget for 2017/2018 financial and two financial outer years. The budget provides for the total operating expenditure for 2017/2018 financial year for R3 077 034 724, in 2018/2019 financial year for R3 255 027 744 and 2019/2020 financial year for R3 443 425 202.

There is an increase of R380 526 384 when taking the budget for 2016/2017 financial year of R2 696 508 340 into consideration and compare it to the proposed budget of R3 077 034 724.

The main reasons for significant increases and decreases in 2017/2018 operational expenditure budget is the following

5.6.11.1.1 Remuneration

The employee element of the personnel budget amounts to 25.3% of the total expenditure budget and on the cash flow budget of 34%, which falls below the norm of between 25% - 35%.

Remuneration cost increased with 7.3% from R726 996 105 to R778 828 124 (Adjustment budget for 2016/2017) and an increase of 15% when compared with an amount of R677 588 178 for 2016/2017 budget. The remuneration constitutes 25% of the Operational Expenditure Budget.

An annual increase of 7.3% has been budgeted for in the 2017/2018 increase.

The budgeted remuneration increase is as per the three year Salary and Wage Collective Agreement by the South African Local Government Bargaining Council. The effective date for the agreement was 01 July 2015 to 30 June 2018.

5.6.11.1.2 Bulk purchase of electricity

Bulk purchases of electricity will increase with 2.05% from R876 981 394 to R895 000 500 and constitute 29% of the Operational Expenditure Budget and that makes it the largest component.

NERSA approved a tariff increase of 0.31% on bulk purchase of electricity. The municipality has made an extra provision for additional cost that might result in penalties.

5.6.11.1.3 Bulk purchase of water

The Budget for bulk water purchase in 2017/2018 budget has increased from R72 468 744 to R73 816 868 (2.4% of the expenditure) and it reflects an increase of 1.9%. Budget for bulk purchases in 2017/2018 was prepared on accrued invoices for previous years.

Water demand for the municipality is 150 000 kilolitres a day. Anglo American provides 7000 kilolitres a day at R6,70 per kilolitre, Eskom provides 333 kilolitres at R18,00 per kilo litre and the rest is provided by the Department of Water and Sanitation.

5.6.11.1.4 External interest

External interest consists primarily of interest on Eskom account and interest on loans. The increase in finance charges from R72 718 205 to R82 528 753 is due to Eskom account that is in arrears. The external interest expenditure constitutes 2.7% of the expenditure budget.

5.6.11.1.5 Non cash flow items

These items are made of departmental charges on service charges and subsidies to indigents. Consumption of services charges by the department have increased in the current finance year, hence the estimated budget for 2017/2018 has been increased

from R81 408 300 to R82 420 522 (2.7% of the expenditure) and reflects an increase of 1.2%.

5.6.11.1.6 Provision for bad debts

The provision for bad debts budgeted for 2016/2017 financial year was R420 050 303, but reduced to R246,5 million during the Adjustment Budget for 2016/2017.

For 2017/2018 financial year an amount of R480 964 484 is provided for provision of bad debts. This amount is based on a payment rate of 80% and provision of 20%.

5.6.11.1.7 Repairs and maintenance

The municipality remains committed to maintain infrastructure and an amount of R136 244 004 (4.4% of the expenditure) is provided for 2017/2018 financial year with an increase of R10 726 351 or 8.5% from R125 517 653 for 2016/2017 financial year.

5.6.11.1.8 Depreciation

Provision for depreciation has been informed by the asset register. The value of the asset register of the municipality is over R7 billion. The Budget appropriation on depreciation for 2017/2018 financial year amounts to R263 million.

5.6.11.1.9 Sundry/General expenditure

Sundry expenditure increases from R196 175 563 (original budget for 2016/2017) to R277 271 469 (9.1% of the expenditure) and reflects an increase of 41%. During the Adjustment Budget for 2016/2017 financial year the original budget was revised to R261 038 842. Included in sundry expenditure are legal cost fees for R14,4 million, security services for R16,8 million, materials and provision (water chemicals) for R21,4 million and rural transport for R12,5 million.

5.6.11.1.10 Contribution to sundry

Contribution to sundry increased from R6 100 000 to R6 960 000. This expenditure included a provision bursary fund for R1 500 000 and provision for leave for R5 300 000.

5.6.12 Capital Expenditure

The proposed capital budget for the 2017/2018 financial year amounts to R245,2 million, R243,1 million for 2018/2019 financial year and an amount of R227,7 million for 2019/2020 financial year.

This constitutes a total capital expenditure framework of R715,5 million over a period of three years of which R20,4 million will be funded from internal funds and R694,9 million will be funded from government grants and donations. Funding of capital projects from internal funds will be increase as the financial condition of the municipality improves.

The capital expenditure for 2017/2018 financial year will be funded as follow:

CAPITAL PROGRAM AS PER IDP	AMOUNTS
Nkangala District Municipality (NDM)	20 237 761
Municipal Infrastructure Grant (MIG)	116 032 050
Integrated National Electrification Program	45 000 000
Regional Bulk Infrastructure Grant (Indirect grant)	10 238 000
Neighbourhood Development Program Grant	25 000 000
Financial Management Grant	1 145 000
Donations	7 250 000
Internal Funds	17 600 000
TOTAL CAPITAL PROGRAM	245 502 811

The capital expenditure budget for 2017/2018 is as follows:

- R35,8 million for roads and storm water infrastructure development
- R54,8 million for water infrastructure development
- R80,3 million for sewer purification and reticulation
- R45,0 million for electricity infrastructure development
- R14,4 million for replacing and adding of vehicle transport
- R4,3 million for office furniture and equipment, IT equipment
- R0,6 million for security measures
- R3,8 million for establishment of cemeteries
- R0,5million for Blue and green drop and
- R3,0 million plant and equipment

5.6.13 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 the municipality 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.

5.6.14 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
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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 2017/18
Supply Chain Management Policy	Yes	Adopted	2005/09/29	2011/12	Will be reviewed 2016/17
Capital Prioritization Model	No				Will be developed 2017/18

5.7 SPATIAL OR CROSS CUTTING ISSUES

The planning department known as the Town Planning Department is responsible for the management of land use, processing all development applications, guide and advice developers who want to invest in the municipality. The Department has developed the Spatial Development Framework which is used in the municipality.

The planning department engages with various stakeholders who are interested in housing development, commercial development and industrial development. It is a 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 finalized the Spatial Development Framework with which the municipality is using to identify and stimulate development and managing of land use in the municipality. Land Use Management scheme due for review as it has some short comings. The unit has drafted CBD revitalization plan, which is currently out for comments. It has started with the implementation of SPLUMA, by-law is developed and gazetted and Planning Tribunal has been established and gazetted. The Section consists of the following sub-sections:

- Land Administration
- Property Administration
- Land Use; and
- Building Control Section

5.7.1.1 OBJECTIVES OF SPATIAL PLANNING SECTION

The objectives of the Spatial Planning Section in the municipality is

- To identify and stimulate development opportunities through spatial frame work planning
- To monitor and initiate erf creation processes,
- To monitor and regulate building activities within the area of jurisdiction
- To monitor and regulate land uses through land use schemes,
- To monitor and regulate building activities within the area of jurisdiction

- To administer the alienation (temporary) and disposal (permanent) of municipal land
- To ensure integrated human settlement in line with the spatial development framework and the integrated development plan.

5.7.1.2 CHALLENGES OF THE SECTION

- Slow process of approving development proposals.
- No GIS unit
- Unprepared for migration
- Decline in potential growth points
- Land invasion
- Insufficient land for future development
- Illegal land uses and buildings
- Poor communication between spheres of government

5.7.1.3 SOLUTIONS

- Purchase land as identified in the SDF
- Partner with public & private sector
- Infill planning
- Advocacy and awareness around proper land use
- Review of the LUS of 2010
- Develop a communication plan to address the gaps
- Create awareness
- Law enforcement

5.7.1.4 PROPOSED PROGRAMMES: 2017-2022

- Renewal of the CBD – Implementation of the Precinct plan.
- Identification of nodes and corridors to guide investment.
- Purchase land as identified in the Spatial Development Framework – in partnership with external stakeholders
- Partner with public & private sector

- Infill planning – formalisation of informal settlements
- Advocacy and awareness around proper land use and illegal buildings – law enforcement where there is non-compliance
- Review of the Land Use Management Scheme of 2010
- Review of the Disposal and Acquisition of Immovable Property policy

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.

5.7.2 EMALAHLENI MUNICIPAL SDF

5.7.2.1 Introduction

The Emalahleni municipal population is expected to increase from 395 418 people in 2011 to 516 399 in 2020 and 646 708 in 2030. This implies an increment of 120 980 people (13 442 per annum) up to 2020, and an additional 130 309 people (13 031 per annum) from 2020 to 2030.

The incremental population will be able to sustain an additional 254 058m² of retail space, 25 406m² of office space, and approximately 379,3 hectares of industrial land. Note that the incremental capacity for retail in ELM represents just under 50% of the District incremental retail potential, and 62.5% of the District's incremental industrial potential.

In total, the urban footprint in Emalahleni Municipality will have to expand by about 3133 hectares of land to accommodate all the land uses associated with the increased population up to 2020.

The incremental population of 130 309 people for the period 2020 to 2030 will require an additional 40 721 residential units, and the urban footprint will expand by

an additional 3721 hectares of land by the year 2030. In total, the urban footprint of the Emalahleni Local Municipality will thus increase by approximately 6854 hectares of land until the year 2030.

Figure 1 depicts the Spatial Development Framework for the Emalahleni Local Municipality. It is intended to provide a strategic regional perspective for the Emalahleni Local Municipality area as a functional entity, and is supplemented with more detailed proposals for the respective higher order towns within the municipal area. (Refer to sections 2, 3 and 4 below).

The Emalahleni municipal SDF is based on the following four strategic objectives:

Strategic Objective 1: To enhance the sustainability of the area by way of protection, management and enhancement of the natural environmental resources of the Municipality.

The management and maintenance of the natural environment is a key element towards the future sustainable development of the Emalahleni Local Municipality. The priority open space network comprises the Olifants River drainage system and the Wilge Spruit drainage system supplemented by the Ezemvelo Game Reserve, Witbank Nature Reserve and Witbank Dam.

Strategic Objective 2: To improve spatial efficiency, justice and sustainability by consolidating urbanisation around existing nodes and corridors and within an urban development boundary.

i) Nodal Hierarchy and Corridor Development

The Emalahleni SDF seeks to focus the bulk of capital investment within and along a limited number of activity nodes and -corridors in the municipal area.

The proposed nodal hierarchy thus serves to inform spatial priority areas for Council and government investment within the ELM, and also enhances private sector investment due to the strategic direction provided by the nodal and corridor structure

defined. In this manner, the ELM is able to derive the maximum value/ achieve the greatest impact with its limited resources.

eMalahleni CBD is proposed as the Primary Activity Node in the ELM. The prominence of this node should be protected and enhanced to benefit the broader community in the municipal area.

Two second order activity nodes exist at the CBD of Ga Nala and Ogies respectively.

Thubelihle and Phola as well as the KG Mall, Klipfontein, Safeways, Highveld and Klarinet nodes are classified as third order activity nodes in the municipal area while the existing/proposed nodes around Lynville, Hlahlanikahle, eMpumelweni, Klarinet, Ben Fleur, Rietspruit, Wilge and Van Dyksdrift are all classified as fourth order nodes.

From a strategic point of view, approximately 95% of the LM's population resides in the vicinity of these nodal points and will therefore benefit from this approach.

Corridor development is supported along the N4 and N12 freeways to optimise the development potential of especially the sections within and close to eMalahleni City. Furthermore, there is potential for corridor development along the railway line and route R555 to Middelburg which run parallel to the N4 freeway – known as the Midleni Corridor.

ii) Community Facilities

It is proposed that a full range of social services be provided at all identified activity nodes in the municipal area, in line with the Thusong Centre concept.

This approach necessitates cooperation from various government departments, including the Departments of Health and Education.

iii) Residential

In line with the National Development Plan, the integration of dispersed settlements (e.g. integration of Ga-Nala and Thubelihle) and the consolidation of fragmented urban structure (e.g. eMalahleni City) is favoured, as opposed to expansion of settlements onto pristine agricultural land.

In general, the SDF supports densification of brownfields sites, including mixed use development in and around identified activity nodes and along corridors.

The MSDF furthermore poses that the housing of mining and power station personnel be consolidated in existing nearby towns with a diversified economic base, e.g. Phola, Wilge, and eMalahleni.

Emalahleni is one of five focus areas in the Province for future housing provision according to the Mpumalanga Human Settlement Master Plan. As such, the Municipality should offer a wide range of housing programmes catering for urban and rural settlement, and for full tenure as well as rental stock.

Following from the above, a number of Strategic Development Areas (SDAs) were delineated which represent the priority sites for residential development in the Emalahleni area in the short to medium term. The SDAs are illustrated in the respective LSDFs discussed in the sections that follow. Feasibility studies should be conducted for each of the delineated SDAs to determine the extent of developable land/ undermining. Furthermore, land claims that affect the identified SDAs should be resolved as a priority.

iv) Engineering Services

In line with the Mpumalanga Infrastructure Master Plan (MIMP), the overarching approach with regards to investment in engineering infrastructure is proposed to be:

The maintenance and preservation of existing infrastructure as assets (part of a broader infrastructure life-cycle approach).

Investment in engineering infrastructure should be proactive, directing land development/unlocking the development potential of Strategic Development Areas identified.

Priority investment areas are namely activity nodes and strategic development areas (SDAs).

Strategic Objective 3: To maintain/enhance connectivity between the identified activity nodes, and with surrounding regional towns and activity areas.

Priority roads for maintenance include the N4 and N12 freeways, together with all regional routes through the ELM including R104, R544, R545, R547, R555, R575, and R580 (**see Figure 1**). Most of these routes serve as freight routes for the transport of coal from mines to the power stations in the municipal area.

Strategic Objective 4: To build a diverse, efficient and resilient local economy and to optimise the spatial distribution of conflicting economic sectors

i) Mining, Energy and Agriculture

The area to the south of the N12 freeway hosts a combination of mining activity, power stations and extensive agricultural use (mostly crop farming). These southern parts of the municipality form part of the Energy Mecca of South Africa, due to its rich deposits of coal reserves and power stations such as Kendal, Matla, Duvha and Kriel. The mining belt also extends northward towards eMalahleni City. This area is thus characterised by conflicting demand between mining, electricity generation and agriculture.

The primary objective should be to prevent mining activity from encroaching onto high potential agricultural land and areas of high biodiversity; and to ensure that the areas of mining activity are properly rehabilitated and that the agricultural value of the land be restored once the mineral resources are depleted.

ii) Business Activities

The bulk of business and commercial activity should be consolidated around the identified activity nodes. As far as retail is concerned the eMalahleni CBD represents the highest order node in the municipal area (and one of five Primary Activity Nodes in Mpumalanga Province). The prominence of the eMalahleni CBD as regional node should be protected and enhanced, and urban decay counteracted.

Furthermore, additional business activities in the form of shopping centres/ spazas shops are supported in Ga Nala and Ogies but should be consolidated with the existing activity cores.

iii) Industrial Development, Manufacturing

The existing industrial and manufacturing activities within the ELM should be strongly supported. This includes nine major industrial areas, most of which are situated within or around eMalahleni City.

Spatially, it is recommended that the bulk of new industrial development be consolidated along the N4 and N12 Development Corridors. Similar to the recommendations for mining activity in the ELM, industrial development should not be allowed to negatively affect high potential agricultural land or identified environmentally sensitive and/or tourism precincts.

iv) Tourism

The ELM has limited opportunities for tourism development. For this reason, the limited resources have to be optimally developed. Firstly, the area around the Witbank Dam was identified as one of the Tourism Product Development Nodes in Mpumalanga Province, for the development of a Theme/ Amusement Park (Mpumalanga Tourism Growth Strategy). The SDF supports this initiative, together with general maintenance and promotion of the Witbank Nature Reserve. The

Ezemvelo Nature Reserve should also be actively supported by Council to ensure it remains a weekend tourist attraction to especially nearby Gauteng residents.

Sections 2, 3 and 4 below provides a summary of the most salient LSDF proposals for eMalahleni City, Ga Nala-Thubelihle and Ogies-Phola.

5.7.2.2 EMALAHLENI CITY LSDF

- **Figure 2** reflects the proposed Local Spatial Development Framework (LSDF) for eMalahleni City and surrounds.
- eMalahleni City is the highest order node in the municipal area. It is intended to serve the high order needs of the entire town its associated communities, and the surrounding rural areas.
- It is proposed that the eMalahleni CBD, as first order node, be supported by a network of 3rd and 4th order activity nodes distributed throughout the City as illustrated on Figure 2 (note that Ga Nala and Ogies are the two second order nodes in the ELM).
- In line with the nodal development philosophy for the MSDF, it is proposed that the bulk of economic activities (retail, office, commercial) and community facilities be consolidated at the identified activity nodes, in line with the proposed local nodal hierarchy.
- Visual exposure to the regional road network should be optimally utilised at a local level. In this regards, it is proposed that corridor development be supported parallel to the south of the N4 freeway and route R104, from the Rondebult area at the D432-N4 interchange adjacent to Highveld Steel, right up to Schoongezicht to the east as illustrated on Figure 2. Land uses along the proposed development corridor could be accessed from the existing and proposed secondary road network around the N4 freeway.
- Route R555 from the Rand Carbide industrial area towards Middelburg (at least one row of erven on both sides of the road) is earmarked to accommodate mixed land uses (residential, commercial, light industrial and business) in future.
- Furthermore, seven local activity spines are also proposed, including:
 - Watermeyer Street linking the N4 and N12 freeways to one another;
 - Mandela Drive between the CBD, past the Safeways Shopping Centre and up to Highveld Mall and the casino;
 - O.R. Tambo Road which links route R555 with Mandela Drive and R544/ Watermeyer;
 - Beatty and Jellico Streets in and around the CBD;
 - Willy Ackerman Drive in the Lynnville-Ackerville area;

- Route D328 (Matthews Phosa Drive) from the KG Mall interchange, through Hlahlanikahle and right up to the future outer ring road.
- It is proposed that industrial development be consolidated as far as possible around the N4 freeway (Maputo Corridor) with specific focus on the western section from Ferrobank up to Highveld Steel which is closer to the disadvantaged communities); and also route R514 to Vandyksdrift in the vicinity of Naauwpoort.
- The area between the eastern extensions of eMalahleni City and the Olifants River/ Witbank Dam system to the east should be reserved for conservation and eco-focused type of developments. Land uses should be of low intensity, should be sensitive to the environment, and should contribute to the local tourism/ recreation product.
- It is proposed that the Seekoeiwater Agricultural Holdings and the portions of the Jackaroo Agricultural Holdings which are removed from the Middelburg-eMalahleni Road be retained as rural residential areas. Hospitality uses may be allowed in these precincts, but no industrial or commercial uses.
- The Riverview Agricultural Holdings should be utilised for residential purposes, though densification and infill development to the existing could be allowed.
- It is also proposed that Council allow mixed use redevelopment in KwaMthunzi Vilakazi precinct.
- All infill residential development in the short to medium term should be consolidated within the delineated Strategic Development Areas (SDAs) in order to enhance the density of the urban fabric and to protect surrounding agricultural land from encroaching urban development
- Typologies could range from bonded housing to subsidised housing, including making provision for the relocation of identified informal settlements.
- Based on the growth projections the delineated SDAs should be sufficient to satisfy the demand for well-located, developable land in eMalahleni City while simultaneously leading to a more consolidated urban footprint.
- An Urban Development Boundary (UDB) is proposed for eMalahleni City as a growth management tool to promote the vision of a compact City around all the nodal areas identified in the municipal area.

5.7.3 GA NALA, THUBELIHLE LSDF

The long term vision for Ga Nala and Thubelihle as depicted on **Figure 3** is to consolidate the urban fabric of the two towns along route R547.

It is proposed that retail and office development be consolidated on vacant erven in the existing Ga Nala CBD (Ext 00) and Thubelihle activity node respectively.

Light industrial uses and service industries should be consolidated on vacant erven in the industrial area (Ga Nala Ext 04).

Non-residential land uses (home industries, spaza shops, home offices etc.) may be established along the proposed activity spine serving Thubelihle as illustrated on Figure 3).

Professional services and selected businesses may be allowed to establish along Springbok Crescent in Ext 1 (between Road P120-2 and Mooi Avenue) to strengthen the emerging activity strip.

A new industrial township, Ga-Nala Extension 17, is planned south of Thubelihle adjacent to Road 547.

Due to the shortage of developable land it is suggested that the portion of X17 fronting onto the main road be earmarked for mixed use (light industrial/ commercial) while the remainder of the area can be developed for residential purposes over time.

In line with the Ga-Nala CBD Revitalisation Strategy, it is proposed that additional community facilities in Ga Nala be consolidated on the vacant land near the CBD entrance.

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

It is proposed that the future residential expansion of the town be accommodated both to the south towards road R545 (SDA's 1 and 2), and to the north towards Thubelihle (SDA's 3 and 4).

Although there is currently limited pressure for expansion of Thubelihle, the town can also expand both the north and south. Thubelihle Ext 5 to the south will hold about 630 stands, and Ext 4 (SDA 5) to the north will comprise about 650 stands.

5.7.3.1 OGIES AND PHOLA LSDF

In Ogies the main objective is to maintain and enhance the existing business core, and to consolidate infill development on developable land along route R555 to the east (Refer to **Figure 4**).

It is proposed that retail, office and commercial uses be promoted on vacant erven along the town's east-west spine (route R555/ eMalahleni Road).

When the precinct closest to the intersection with route R545 has been fully developed, additional land for business activities is reserved in the new township to the east of Ogies Ext 00 (Council-owned land).

Service industries should preferably be consolidated in the existing Ogies activity node along the north-south spine (route R545/ Bethal Road).

Although pressure for expansion is low, it is proposed that the vacant precinct in the south-western quadrant of the intersection between routes R555 and R545 be earmarked for mixed uses including commercial, business and residential uses, in order to consolidate the town's urban fabric.

Future residential expansion in Ogies will be accommodated in SDA1, SDA2 and SDA3.

The main objective in Phola is to capitalize on regional traffic along the N12 freeway and to earmark suitable land for residential expansion.

It is therefore proposed that the land adjacent to route R545 from the N12 freeway to Phola be earmarked for commercial, industrial and mixed use development to capitalize on visual exposure to, and physical access from the regional road network

There is also potential to strengthen the two localised activity nodes in Phola, situated along the main collector road in Phola Proper and Phola Ext 1 respectively.

Future mining is planned to the east of the town, leaving no alternative but for Phola to expand to the west and north and south-east in future. (Refer to SDA 1, SDA 2 and SDA 3 on Figure 4). Re-planning is required of Phola Extensions 3 and 5 due to the planned future mining activity.

Council is in the process of buying and formalising Portions 5, 6, and 7 of Wildebeesfontein to the north of Phola.

5.7.4 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	October 2015	December 2015	Adopted by Council
The Land Use Management Scheme	Yes	Adopted	July 2010		June 2018

5.8 INTERGOVERNMENTAL PROJECTS BOTH PUBLIC AND PRIVATE

Various external stakeholders both public and private support the municipality in delivering basic services to the community.

5.8.1 Public Sector

5.8.1.1 Department of Water and Sanitation

PROJECT NAME	2017/18	2018/19	2019/20
Emalahleni Bulk Water Supply	10 237 731	20 000 000	15 000 000

Upgrade			
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5.8.1.2 Department of Economic Development and Tourism

Steve Tshwete/Emalahleni	Develop feasibility study for the establishment of a mining and metals technology park in Emalahleni and Steve Tshwete Local Municipalities <ul style="list-style-type: none"> - Finalise Feasibility Study and develop Business Plan. - Conclude Land Availability Agreement. - Commence with statutory compliance processes. 	-Procurement process -Land Availability Agreement will be concluded in the fourth quarter.
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5.8.1.3 Department of Health

PROJECT NAME & SCOPE	START DATE	END DATE	BUDGET 2017/18	PROGRESS/PROJECT STATUS
Nkangala District Office Renovation, rehabilitation and refurbishment of existing office building	01 Apr 2015	31 Mar 2017	R 1 697 000	<ul style="list-style-type: none"> • Suspended ceiling is completed • Partitioning of the area is completed • Plastering and painting is completed • Electrical work in progress • Tiling of the area in progress • Overall progress at 68%
Witbank Hospital Renovation of Doctors' Residence (NOT INCLUDED IN THE LATEST PRESENTATION)	1 Sep 2016	28 Feb 2017	6 200 000	<ul style="list-style-type: none"> • Three blocks are completed and occupied • One block remaining. • Project at 80%

5.8.1.4 Department of Human Settlement

Project Names as listed in the 2017/18 Business Plan	Key Priority Programme	Servicing of sites	Units	Other	Funding required/ approved 2017/2018
TSSN Carriers/Empumelweni Ex 1,3,4,5,6,7 and 11	Upgrading of Informal Settlements Programme	0	409	0	45,377,323.00
Siyanqoba Integrated Human Settlements (Multi Year Project)	Military Veterans	0	16	0	1 775 152.00
Various Areas	FLISP	0	20	0	1 740 000.00
Siyanqoba Integrated Human Settlements (Multi Year Project)	IRPD Phase 1: Planning (Informal Settlements)	1500	0	0	65 439 000.00
Siyanqoba Integrated Human Settlements (Multi Year Project)	IRDP - Phase 2 (Informal Settlements)	0	300	0	33 284 100.00
Dhuvha Park	IRDP - Phase 2: Informal Settlements	0	150	0	16,642,050
Purchasing of Land - Ogies Phola (Iraq)	Land Acquisition	0		1	18 000 000.00
Klarinet Phase 2 (Housing Dev.Agency.))	IRDP - Phase 2 (Catalytic Project)	0	0	0	13 817 950.00
Phola Iraq	Upgrading of Informal Settlements Programme	0	0	1	2 448,566.55
Naawpoort	Upgrading of Informal Settlements Programme	0	0	1	1 570,500.00
Hlalanikahle Informal Settlement Cluster	IRPD Phase 1: Planning & Services: (Informal Settlements)	0	1	0	696,673.50
KwaGuqa Informal Settlements	IRPD Phase 1: Planning & Services: (Informal Settlements)		1	0	238,716.00
Phola Informal Cluster	IRPD Phase 1: Planning & Services: (Informal Settlements)		1	0	243,427.50
Nooitgedacht Informal Cluster	IRPD Phase 1: Planning & Services: (Informal Settlements)		1	0	1,009,046.25

5.8.1.5 Department of Community Safety, Security and Liaison

Name of Project	Municipality/Location benefiting from the project	2017/18 Target	2017/18 Budget Allocation (Annual) R
Civilian Oversight			
Monitoring of Police Stations	Witbank	07 Police Stations monitored policy compliance	Operational
	Kriel		
	Vosman		
	Ogies		
	Blinkpan		
	Verena		
	Phola		
Audits on the implementation of Domestic Violence Act (DVA)	Witbank	07 Police Stations audited on implementation of Domestic Violence Act (DVA)	Operational
	Vosman		
	Ogies		
	Kriel		
	Blinkpan		
	Verena		
	Phola		
Promotion of Safety			
Educational awareness campaigns			
(01) Gender Based Violence campaign	Vosman	07 Educational awareness campaigns conducted	R200 000
(01) Gender based Violence campaign	Ezinambeni		
(01) Sports against crime awareness	MNS Location		
(01) Tourism safety campaign	Witbank dam (eMalahleni)		
(01) Liquor traders workshop	Ogies (eMalahleni)		
(01) Gender Based Violence campaign	Duvha informal settlement,		
(01) Human trafficking awareness campaign	Clewer Mines		
Community outreach (Imbizo)	Dr.JS Moroka (Koedoespoort)	Community outreach (Imbizo) conducted	R850 000
Crime Prevention initiatives			
Contact Crime initiative <ul style="list-style-type: none">Anti-rape and assault GBH	Coronation	Contact Crime initiative implemented	None
	<ul style="list-style-type: none">Anti -rape and assault GBH		

Vulnerable Groups initiative <ul style="list-style-type: none"> • Handling of school uniform to vulnerable learners 	Farms (Emalahleni Municipality)	Vulnerable Groups initiative implemented	R250 000
<ul style="list-style-type: none"> • Handling of blankets to destitute families 	Emalahleni Local Municipality		
School Safety initiative <ul style="list-style-type: none"> • Revival and support of school safety committee • Prison tour, regional debates 	Ilanga & Leornand Ntshuntsha sec schools) Identified schools in Emalahleni Municipality	School Safety initiative implemented	R100 0000
<ul style="list-style-type: none"> • Revival and support of school safety committee 	Wilge boarding		
Rural Safety Initiative <ul style="list-style-type: none"> • Paralegal workshop 	Emalahleni Municipality Farms		None
Community Police Relations			
Support functional Community Safety Forums	Witbank	01 functional Community Safety Forum Supported	Operational
Support functional Community Police forums	Ogies Kriel Witbank Phola	04 functional Community Police forums Supported	Operational
Transport Regulation			
<ul style="list-style-type: none"> • Safety Engineering 	Emalahleni Local Municipality	05 traffic law enforcement programmes implemented	Operational
<ul style="list-style-type: none"> • Traffic Law Enforcement 			
<ul style="list-style-type: none"> • Road Safety Education 			
<ul style="list-style-type: none"> • Transport Administration and Licensing 			
<ul style="list-style-type: none"> • Overload control 			

5.8.1.6 Department of public works, Roads and Transport

Project/programme name/description	Project beneficiary/ward/location	2017/18 target	2017/18 budget allocation	Total project cost
Design: Heavy Rehab of P141/1 from km 8 at D2769 to km 22.42 at D1651 (14.5km) – 2017-18			6 000 000	
Heavy Rehab of P141/1 from km 8 at D2769 to km 22.42 at D1651 (14.5km) – 2019-2020			0	193 200 000
Heavy Rehab: D2770 from P29/1 (R555) at km 0 to P141/1 (km 8.6) (8.6 km) – 2019-2020			0	115 000 000
Light Rehabilitation of D2769P from km 10 at D2257 to km 12.66 at N12/19 (over bridge) (4 km) – 2019-2019			0	12 555 000
Design-rehabilitation: Coal haul road P141/1 from km12.8 (D455) South of Clewer to km22.42 at D1651 (North of Kriel) (9.6km)	Kriel	Design stage	6 000 000.00	6 000 000.00

5.8.1.7 Department of Culture, Sport and Recreation

Project/Programme name/description	Project beneficiaries/ward/ location	2017/18 target	2017/18 budget allocation	Total project cost
Thubelihle Public Library	Learners, educators and the community in Thubelihle	80% completion	R8 308 000	R14 581 000

5.8.1.8 DARDLEA

Project/Programme name/description	Project beneficiaries/ ward/ location	2017/18 target	2017/18 budget allocation	Total project cost
Air quality monitoring stations	Witbank	Maintenance	R400 000	Ongoing

5.8.1.9 Department of Energy

Project/Programme name/description	Project beneficiaries/ ward/ location	2017/18 target	2017/18 budget allocation
Klarinet reimbursement (Households)	12	1140	R13 121 000.00
Empumelweni ext 6 (Households)	29	63	R917 130.00
Phola Bulk infrastructure (14km,22kV) line and 5MVA transformer phase 1	28	0	R25 916 870.00
Siyangoba and Klarinet bulk infrastructure	12	0	R5 000 000.00
TOTAL		1203	R45 000 000.00

5.8.2 Private Sector

5.8.2.1 Mbali Mine (2014-2018)

PROJECT NAME	LOCATION	BUDGET	Year of Implementation
Early Childhood Development (ECD) Project	<ul style="list-style-type: none"> • Mafarani farm; • Steyn Farm; • Tevland Farm; • Klippoortjie 1 Farm; • Klippoortjie 2 Farm; • Ogies; • Phola; • Thubelihle; and • Rietspruit. 	R1 520 000	This project was started in 2014. The current ECD Practitioners and gardeners being trained will complete their training in December 2017. The 2018 group of ECD Practitioners and gardeners will start their training in January 2018.
Skills Development Project	<ul style="list-style-type: none"> • Mafarani farm; • Steyn Farm; • Tevland Farm; • Klippoortjie 1 Farm; • Klippoortjie 2 Farm; • Ogies; • Phola; • Thubelihle; and • Rietspruit. 	R600 000	2017/2018. We are currently engaging the Councilors and the EMalahleni Local Municipality (LED Department) to get the necessary skills required in the area. Thereafter we will be engaging in the procurement process for the service provider and recruitment process for the trainees.
Bursary Project	<ul style="list-style-type: none"> • Mafarani farm; • Steyn Farm; • Tevland Farm; • Klippoortjie 1 Farm; • Klippoortjie 2 Farm; • Ogies; • Phola; • Thubelihle; • Rietspruit; and • Emalahleni 	R1m	2014 to 2018
Water Tanks Project	<ul style="list-style-type: none"> • Mafarani farm; • Steyn Farm x 2; • Klippoortjie 1 Farm; • Klippoortjie 2 Farm; • Ward 29 Wilge farm; and • Ward 31 informal Settlement. 	R 175 125.78	2016/2017
Infrastructure Project	<ul style="list-style-type: none"> • Mafarani farm; • Steyn Farm; • Tevland Farm; • Klippoortjie 1 Farm; and • Klippoortjie 2 Farm. 	To be advised	2017/2018. We are currently engaging the Councilors and the EMalahleni Local Municipality (LED Department) to get the necessary identify the infrastructure project that is in line with the needs of the local community as per the Emalahleni Local Municipality IDP.

5.8.2.2 Anglo American

COLLIERY	PROJECT NAME	BUDGET FOR 5 YEARS	SLP VALIDITY	YEAR OF IMPLEMENTATION	2017	2018	2019	2020
Greenside	Enterprise development	R 5 mil	2014-2018	2017/2018	R2 500 000,00	R2 500 000,00		
Greenside	Community Bursary scheme	R 2.5 mil	2014-2018	2017/2018	R 500,000	R 500,000		
Greenside	Municipal capacity Building	R10mil	2014-2018	2015/2016 (completed)	NA	NA		
Greenside	Infrastructure Health Care	R5mil	2014-2018	2017/2018	R 1 500 000	R3 500 000		
Kleinkopje	Youth Skills development	R4,5mil	2014-2018	2017/2018	R 1 500 000	R3 000 000		
Kleinkopje	Infrastructure Health Care	R5 mil	2014-2018	2017/2018	R 1 500 000	R3 500 000		
Kleinkopje	Community Bursary scheme	R2,5mil	2014-2018	2017/2018	R 500,000	R 500,000		
Kleinkopje	Waste management	R3 mil	2014-2018	2017/2018	R 1 500 000	R 1 500 000		
Kleinkopje	Infrastructure upgrade: Vosman	R5 mil	2014-2018	2017/2018	R1 250 000	R3 750 000		
Landau	Community Bursary scheme	R2,5mil	2014-2018	2017/2018	R 500,000	R 500,000		
Landau	Youth Skills development	R4mil	2014-2018	2017/2018	R 1 500 000	R 2 500 000		
Landau	Kopanang Teacher's development	R1mil	2014-2018	2017/2018	R 500,000	R 500,000		
Landau	Infrastructure upgrade: Schoongezicht pump	R 5 mil	2014-2018	2017/2018	R 2 500 000	R 2 500 000		
Landau	Teachers and learners development	R3mil	2014-2018	2017/2018	R 1 000 000	R 2 000 000		
Landau	Waste management	R4 mil	2014-2018	2017/2018	R 2 000 000	R 2 000 000		
Landau	Infrastructure Health Care	R 5 mil	2014-2018	2017/2018	R 1 500 000	R3 500 000		
Kriel	Waste management	R 4 mil	2014-2018	2017/2018	R 2 000 000	R 2 000 000		
Kriel	Construction of the Bonginhlahla school	R 10 mil	2014-2018	2017/2018	R 3 500 000	R 6 500 000		
Kriel	Community Bursary scheme	R2,5mil	2014-2018	2017/2018	R 500,000	R 500,000		
Kriel	Math and Science - Learner development Programme	R 7 mil	2014-2018	2014-2018	R 2 033 662	R 2 282 580		
Kriel	Youth Skills Development	R4mil	2014-2018	2017/2018	R 2 000 000	R 2 000 000		
Zibulo	Upgrade of the Phola Fire Station	R 5 mil	2016-2020	2016/2020		R 500 000	R 2 000 000	R 1 500 000

Zibulo	Economic development	R 1,5 mil	2016-2020	2016/2020		R 500,000	R 500,000	R 500,000
Zibulo	Education Training and capacity building:	R8.5 mil	2016-2020	2016/2020				
Zibulo	Construction of Ogies taxi rank	R 1,5 mil	2016-2020	2016/2020		R 500,000	R 1 000,000	
Zibulo	Green city project	R 7 mil	2016-2020	2016/2020 R 3 500,000 spent in 2016	R 1 000 000	R 1 000 000	R 1 000 000	

5.8.2.3 Exxaro – Matla

Project	Location	Budget	Year of Implementation
Ganala Refuse Removal Truck	Ganala	R 2 500 000	Completed in 2015
Underground Pole Reflector Manufacturing	Ganala	R 1 600 000	Completed in 2016
Ganala Landfill Site	Ganala	R 1 000 000	2016-2019
Ganala Sportfield Upgrade	Ganala	R 1 950 000	2015-2019
Educational Programme	Ganala	R 7 650 000	2015-2020
Business Incubator	Ganala	R 6 880 000	2017-2019
SMME Workshop	Ganala	R 3 050 000	2017-2019
TOTAL	Ganala	R 24,630 000.00	

5.8.2.4 Exxaro Coal Central

LOCAL ECONOMIC DEVELOPEMT		
No.	Project Description	Amount
1.	Construction of community facility – community hall	R5 000 000.00
2.	Maths and Science School Programme	R1 600 000.00 (over 4 years)
SUB TOTAL		R6 600 000.00
HUMAN RESOURCE DEVELOPMENT:COMMUNITY		
1.	Community Bursary Programme – Tertiary Education	R2 500 000.00
2.	Bursaries and Internships	R8 253 963.00
3.	Skills Programme	R4 002 860.00
4.	Plant Learnership	R4 000 000.00
5.	Coal Preparation	R900 000.00
SUB-TOTAL		R19 656 823.00
The total budget for SLP period 2017 – 2022		R26 256 823.00

5.8.2.5 Inyanda Mining Holdings

Project Name	Location	Budget	Year of Implementation
1. Education Intervention Programme <ul style="list-style-type: none"> Classroom renovations (paint, ceiling, doors, roof beam filling) Replacement of furniture (desks and office furniture) Building of offices and sick room Upgrade of school grounds Upgrade of security (Alarm system, safe guarding of power feeds) Training of SGB, LRC and SMT 	Klarinet – Pine Ridge High School	R3 485 930.20	2017/18 - 2022
2. Community Based Artisan Development <ul style="list-style-type: none"> 44 selected candidates graduated after completing phase 1 and now to enter phase 2 Portable Skills Training (including plumbing and Welding training) 	Karinet	R2 511 069.07	2017/18 - 2022
3. Construction of the Library <ul style="list-style-type: none"> Finanlisation of the designs. Appointment of the construction company and construction 	Klarinet Extension 3 (Multipurpose centre)	R4 970 870.00	2017/18 - 2022
4. Business Incubator <ul style="list-style-type: none"> To identify 10-15 SMME's to recommend for the programme Enter into contract with 	Klarinet	R6 000 000.00	2017/18 - 2022

service provider to be identifies			
<ul style="list-style-type: none"> Assessment and training of SMME's 			
TOTAL		R16 967 869.27	2017/18 - 2022

5.8.2.6 Wescoal - Khanyisa Colliery SLP Projects

LED PROJECT NAME	PROJECT DESCRIPTION	LOCATION	FINACIAL YEAR PROVISION					TOTAL
			Y2017	Y2018	Y2019	Y2020	Y2021	
Training, education and capacity building	Training members of the community to become machinery operators, ABET & other training interventions	1-34	R160 000	R160 000	R160 000	R160 000	R160 000	R800 000
Economic Development & Enterprise Development projects	Fencing crushing & screening coal transport Assisting Emerging Entrepreneurs	1-34	R5 000 000	R5 000 000	R5 000 000	R5 000 000	R5 000 000	R20 000 000
LED Projects	Refurbishment of Phola Community Hall	Phola	R1 500 000	0	0	0	0	R1 500 000
	Farming Projects	1-34	R500 000	R500 000	R200 000	R200 000	0	R1 400 000
	Housing Project (building of 24 top structures on stands allocated by Vlaktefontein Mine)	Phola	R2 500 000	0	0	0	0	R2 500 000
CSI Projects	Transporting of children from Khanyisa and Phola areas to school in Phola	Phola	R250 000	R250 000	R250 000	R250 000	R250 000	R1 200 000
TOTAL			R9 900 000	R5 700 000	R5 700 000	R5 700 000	R5 500 000	R27 400 000

5.8.2.7 Sasol Mining

PROJECT NAME	PROJECT DESCRIPTION	LOCATION	BIDGET	YEAR OF IMPLEMENTATION
upgrading of roads	Upgrading of Mashaba and Vulindlela Streets	Phola	R3 000 000	Pending the approval of mining right by Department of Mineral Resources
TOTAL			R3 000 000	

6 PERFORMANCE MANAGEMENT

For the purpose of performance management, the municipality has council meeting, Mayoral Committee, section 80 Committees, section 79, MPAC, Audit Committee and Risk Management, Anti-Fraud and Anti- Corruption Ccommittee.

6.1.1 Section 80 Committees

The Portfolio Committees (Section 80) are chaired by the Members of Mayoral Committee's (MMSCs). It makes recommendations to the Mayoral Committee and report back on resolutions taken in terms of its delegated powers. It further accounts to their respective oversight committees. It is composed of a chairperson who is a Mayoral Committee member with other Councillors.

6.1.2 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 does 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.

6.1.3 Municipal Public Accounts Committee (MPAC)

The municipality established MPAC's in terms of the Provisions of Local Government Municipal Structures Act, Act 117 Of 1998, specifically section 79 and the MFMA.

The MPAC's primary purpose is:

- To serve as an oversight to determine the effective institutional functionality of the Municipal Council and Municipality;
- To monitor good governance where there is optimal utilisation of the municipalities resources to enhance and sustain service delivery and functional management;
- To ensure that the outcomes of its oversight function enable the Municipal council and municipality to implement and manage remedial measures so as to realign the good governance requirements;
- To undertake its work in an independent and non- partisan manner over the executive of the municipal council.

The MPAC's will assist council to hold the executive and municipal entities to account, and to ensure the efficient use of municipal resources.

6.1.4 Audit Committee

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

The Audit Committee, which is an external committee, report to the Council 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.

6.1.5 Risk Management committee

Risk Management, Anti-Fraud and Anti- Corruption Committee was established in terms of the Local Government: Municipal Finance Management Act 56 of 2003. The committee has developed the Charter which was approved for 216/2017 which talks about the composition, meetings, roles and responsibilities of the committee. The Risk Management, Anti-Fraud and Anti- Corruption Ccommittee reports to Audit Committee and to the Accounting Officer.

6.1.6 ORGANISATIONAL SCORE CARD

KPA 1: PUBLIC PARTICIPATION AND GOOD GOVERNANCE									
BACK TO BASICS					<div>➤ Put people and their concerns first – listen & communicate</div> <div>➤ Good governance and sound administration</div>				
Strategic Objective(s)			<div>➤ To strengthen good governance and public participation</div> <div>➤ To create a clean, healthy and safe sustainable environment</div>		Strategic Risk(s)	<div>➤ Inadequate adherence to regulations, systems, procedures and policies</div> <div>➤ Fraud and corruption</div> <div>➤ Inability to recover provision of services in case of disaster and disruption</div> <div>➤ Inability to create clean, healthy and safe sustainable environmental</div>			
Municipal Goal			Clean administration and good governance						
IDP Reference Number	Key Focus Area (KFA)	Departmental Objective	Strategy	Key Performance Indicators (KPI's)	Backlog/ status quo	Performance Targets (5 year Plan)	2017/2018	Required funding	Responsible Department
AA-1	Administration and Auxiliary	To render a comprehensive, integrated human resource and administration function	Improve management, compliance and accountability	Number of Council meetings held	11 Council Meetings held per annum	Hold 11 Council meetings annually	Hold 11 Council meetings	OPEX	Corporate Services
AA-2	Administration and Auxiliary	To promote a safe and healthy working environment for all employees	Improve management, compliance and accountability	Number of Occupational Health and Safety (OHS) inspections per	OHS Inspection	Conduct 10 OHS inspections per annum	Conduct 2 OHS inspections	Operational Budget	Corporate Services

				annum					
IDP-1	Integrated Development Plan (IDP)	To develop and review IDP	Improve public participation and accountability	Adopted IDP	2017/18 IDP adopted	Compile and review IDP annually	Compile and review IDP-2018/19	OPEX	Office of the MM
IDP-2	Integrated Development Plan (IDP)	To develop and review Process Plan		Adopted Process Plan	2017/18 process plan adopted	Develop and review Process Plan annually	Developed Process Plan-2018/19	None	Office of the MM
IDP-3	Integrated Development Plan (IDP)	To Promote good governance and public participation, through IDP processes		Compiled reports	Annually compile reports	Compile IDP reports for Mayoral Imbizos	Compile IDP reports for Mayoral Imbizos	None	Office of the MM
A-1	Audit	To ensure good governance and sound administration.	Ensure good governance	Number of audit committee meetings held	Audit Committee is taking place	Coordinate 20 audit committee meetings	4 audit committee meetings to be held per annum	OPEX	Office of the MM
A-2				Percentage of projects on the approved internal audit plan achieved	Internal Audit plan is execute	Execute 100% of the Approved internal audit plan	Execute 100% of the Approved internal audit plan each year	OPEX	Office of the MM
A-3				Percentage of adhoc audits performed	Audits are performed	100% Ad-hoc Audits performed;	100% Ad-hoc Audits performed	OPEX	Office of the MM
A-4	Audit	To implement and monitor internal controls	Ensure good governance	Percentage of follow up audits	23% of recommendati	100% of internal Audit	100% of internal Audit	None	Office of the

				conducted	ons implemented and 70% not implemented	Recommendations followed up	Recommendations followed up		MM
A-5	Audit	To ensure sound control environment, risk evaluation, compliance to regulations, analysis of operations and confirming information relating to the operations	Ensure good governance	Facilitated the percentage of AG recommendations implemented.	55% is implemented, 45% not implemented	Facilitate 100% of the implementation of the Auditor General recommendations	Facilitate 100% of the implementation of the Auditor General recommendations	None	Office of the MM
RM-1	Risk Management	Promote good governance	Ensure effective and efficient Systems of Risk Management	Reviewed and implemented Risk Management Framework.	Reviewed Risk Management Policy, Strategy, Charter and Plan.	Review and Implement: Risk Management Policy, Strategy, Charter and Plan. Develop Risk Appetite and tolerance Framework	Review and Implement: Risk Management Policy, Strategy, Charter and Plan.	None	Office of the MM
RM-2	Risk Management	To ensure that the Municipality has and maintain effective, efficient and transparent system of Risk Management and internal controls.	Ensure effective and efficient Systems of Risk Management	Number of Mitigation measures established and implemented	Strategic, Operational, ICT, OHS, Fraud and Project risk assessments conducted	Conduct Risk Assessment and monitor the Implementation of 120 risk mitigation measures	Conduct Risk Assessment and Monitor the Implementation of 24 risk mitigation measures	None	Office of the MM
RM-3	Risk Management	To intensify the fight against fraud and corruption in the municipality	Promote Anti-Fraud and Anti-corruption environment	Approved & Monitored the implementation of the reviewed	Approved fraud prevention and anti-	Review and implementation of fraud prevention and anti-	Review and implementation of fraud prevention &	None	Office of the MM

				fraud prevention and anti-Corruption plan and Policies.	Corruption: Policy, Strategy, Plan and Whistle Blowing Policy in place.	Corruption: Policy, Strategy, Plan and Whistle Blowing Policy monitored.	anti-Corruption: Policy, Strategy, Plan & Whistle Blowing Policy monitored.		
CM-1	Compliance Management	Promote good governance	Ensure compliance Management	Reviewed and monitor of Compliance Register	Incomplete Compliance Register and no monitoring of the register	Develop, review and monitor Compliance register	Reviewed Compliance register monitored	None	Office of the MM
PP-1	Public Participation	To enhance Public Participation through creating platforms for community engagements and evaluating service delivery programs	Improve public participation and accountability	Number of Ward Committee Meetings and Community Meetings held per ward in the financial year	Ward committee meetings are taking place	12x5 years Ward Committee Meetings and 6 Community Meetings held per ward until 2022	12x34 Ward Committee Meetings and 12x6 Community Meetings annually in all wards	OPEX	Office of the Speaker
PP-2	Public Participation	To enhance Public Participation through creating platforms for community engagements and evaluating service delivery programs	Improve public participation and accountability	Number of functional War Rooms	22 War rooms are established	12 x 5 years Monitoring and Evaluation the functionality of War Rooms and reporting to the Local Council of Stakeholders Monthly	12 x monthly Monitoring and Evaluating Reports on the functionality of Ward Rooms and reporting to the Local Council of Stakeholders	None	Office of the Speaker and Office of the Executive Mayor

PP-3	Public Participation	To enhance Public Participation through creating platforms for community engagements and evaluating service delivery programs	Improve public participation and accountability	Annual Ward Committee/CDW Summit	Done in 2014/15	Annually hold the Ward Committee/CDW Summit	Annually hold the Ward Committee/CDW Summit	OPEX	Office of the Speaker
PP-4			Improve public participation and accountability	Number of Development of Ward Operational Plans	Draft Ward operational plans are developed	34x5 Developed Ward Operational Plans	34 x12 Developed Ward Operational Plans	None	Office of the Speaker
PP-5			Improve ward governance and accountability	1 x Community Satisfaction survey annually	2014/16 Annual Community Satisfaction Survey reports done	5xAnnual Community Satisfaction Survey reports	Annual Community Satisfaction Survey reports	OPEX	Office of the Speaker
YD-1	Youth Development	Promote education amongst the youth	promote education in local communities	Number of students supported	Ten students allocated bursaries in the 2017 academic year. In 2016 14 were allocated bursaries.	Support 75 students academically	Allocate bursaries to 10 students	R1,5m	Office of the MM
YD-2	Youth Development	Promote skills development amongst the youth	promote education in local communities	Number of youth trained in various skills	Forty five (45) young people are currently being trained	Facilitate training of 225 young people in various fields of trade	facilitate training of 45 young people annually in	None	Office of the MM

					in various construction trades.		various fields		
YD-3	Youth Development	Promote skills development amongst the youth	Develop local economies and create jobs	Number of functional satellite information centres established in all regions	No information centre to assist the youth with information	Establish 4 information hubs.	Two information hubs established at Thubelihle and Phola	None	Office of the MM
YD-4	Youth Development	Promote skills development amongst the youth	Develop local economies and create jobs	A single youth structure that coordinates youth issues	No Summit conducted for 2015/16 financial year	Hold Five Annual Summits	One (1) Youth Development Summit	OPEX	Office of the MM
YD-5	Youth Development	Promote skills development amongst the youth	Develop local economies and create jobs	Number of youth plans/strategies develop, updated and reviewed	Outdated plans/strategies	Update Emalahleni Youth development Strategy	Update Emalahleni Youth development Strategy	OPEX	Office of the MM
COM-1	Communication	To enhance communication in the Municipality, both internal and external.	Improve communication	Number of newsletters developed	No newsletters	Develop 20 newsletters until 2022	Develop 4 newsletters annually	OPEX	Office of the MM
COM-2	Communication	To enhance communication in the Municipality, both internal and external.	Improve communication	Reviewed and implemented strategy	Communication strategy in place	Review and implement communication strategy	Review communication strategy	OPEX	Office of the MM
COM-3				Number of engagements	No engagements	Introduce 55 media houses engagements	11 engagements with media houses	OPEX	Office of the MM
COM-4	Communication	To develop, promote and maintain the good image of	Improve the image of the	Branded and marketed	New project	Branding & Marketing the	Launch Branding &	OPEX	Office of the

		Emalahleni Municipality	municipality	municipality		municipality	Marketing of the municipality		MM
COM-5	Communication	To widely communicate Emalahleni strategic objectives, service delivery programmes, achievements and corporate values to the public (internally and externally)	Improve communication	Communicated plans	public community awareness campaigns are conducted	Communicating public community awareness campaigns	Communicating public community awareness campaigns	OPEX	Office of the MM
TM-1	Transversal Management	To ensure proper coordination and facilitation of sustainable human settlement and social facilities for the betterment of our communities.	Poverty alleviation programmes to benefit child-headed households, aged and people living with disabilities (differently able)	Number of mayoral special projects implemented	None	Establish 25 food gardens	Establish five (5) food gardens at Phola and Ga-Nala	OPEX	Office of the Executive Mayor
TM-2				Number of coordinated transversal programmes	Coordinating transversal programmes	Undertake thirteen (13) gender programmes	Host One Round-table Summit on Gender-based violence.	OPEX	Office of the MM
TM3				Number of HIV Awareness campaigns	Functional Local Aids Council	Twelve HIV Awareness campaign.	Establish Ward AIDS Council and Review Strategy on HIV, TB and STI	OPEX	Office of the MM

TM-4	Transversal Management	To ensure proper coordination and facilitation of sustainable human settlement and social facilities for the betterment of our communities.	Poverty alleviation programmes to benefit child-headed households, aged and people living with disabilities (differently able)	Number of programmes for the aged and people living with disabilities	Functional Forums for the Aged and People living with disability	Twenty programmes for people living with disabilities and the aged.	4 Wellness programmes for the aged and people living with disabilities.	OPEX	Office of the MM
TM5					No training		Facilitate Training employees on sign language	OPEX	Office of the MM
FR-1	Fire and rescue	To promote traffic, safety and security services and enforcement of	Promotion of safety and security	Number of new fire stations constructed	Shortage of fire stations - 2 available	Construction of 4 new fire station	Construct 1 new fire station in Phola/Ogies	5 000 000	Community services
DM-1	Disaster Management	To Provide Emergency and Disaster management services	Ensure provision of emergency services	Number of fire hose to be purchased	Insufficient fire hose	Purchase relief material (1000 x fire hose and fire rope)	200 x fire hose to be purchased	600 000 (NDM and internal)	Community services
DM-2	Disaster Management	To Provide Emergency and Disaster management services	Ensure provision of emergency services	Number of blankets, tents and salvage sheets purchases	Insufficient relief material	Facilitate the Purchasing of 1000 blankets, 100 tents and 100 salvage sheets	Facilitate the purchasing of 20 tents, 250 blankets, 20 salvage sheets	R500 000	Community services
LS-2	Licensing Services	To provide licensing services	Bring services to the people	Established satellite licensing	No licensing office	Establish satellite licensing office at	Establish satellite	R3 000 000	Community

				service		Ogies Phola	licensing office at Ogies Phola-phase 1		Services
SS-1	Safety and Security	To promote traffic, safety and security services and enforcement of council by-laws	Promote safety and security in the municipality	Number of road marking machines purchased	Insufficient equipment and machinery	Purchase 5 road marking machines	Purchase 2 road marking machine	OPEX	Community services
SS-2	Safety and Security	To promote traffic, safety and security services and enforcement of council by-laws	Promote safety and security in the municipality	Number of machines purchased for counting vehicle	No machine	Purchase 2 machines for counting vehicles	Purchase 1 machines for counting vehicles	OPEX	Community services
SS-3	Safety and Security	To promote traffic, safety and security services and enforcement of council by-laws	Promote safety and security in the municipality	Developed by-law	No By-law	Develop By-law for pounding of vehicles	Develop By-law for pounding of vehicles	OPEX	Community services
SS-4	Safety and Security	To promote traffic, safety and security services and enforcement of council by-laws	Promote safety and security in the municipality	Established vehicle pound area	No vehicle pound area	Establish one vehicle pound	Establish one vehicle pound area	OPEX	Community services
SS-5	Safety and Security	To Provide social services	Ensure legitimacy of traditional health practitioners	Developed and implemented traditional Healers by-law	No by-law	Develop and implement 1traditional Healers by Law	Develop and implement 1traditional Healers by-law	OPEX	Community Services
SS-6	Safety and Security	To Provide social services	Promote education in local communities	Developed and implemented Early Childhood Development centres (ECD) by-law	No by-law	Develop and implement ECD centres by-law	Develop and implement ECD by-law	OPEX	Community Services
SS-7	Safety and Security	To Provide social services	fight crime in communities	Developed and implemented	No by-law	Develop and implement liquor	Develop and implement	OPEX	Community

				liquor outlets by-law		outlets by-law	liquor outlets By-law		Services
SS-8	Safety and Security	To promote traffic , safety and security services and enforcement of council by-laws	Protect municipal property	Number of safety systems installed	Inactive alarm system	Install alarm systems in 15 x identified municipal buildings and infrastructure	Install Alarm systems	R1,2m	Community Services
SS-9	Safety and Security	To promote traffic , safety and security services and enforcement of council by-laws	Protect municipal property	Number of access control systems installed	None	Install access control system in 3 municipal buildings	Installation of access control at civic centre		Community Services
SS-10	Safety and Security	To promote traffic , safety and security services and enforcement of council by-laws	Eliminate and reduce theft in the buildings	Number of CCTV installed	Inactive system	Install CCTV in municipal key points areas and facilities	Install CCTV at eMalahleni-phase 1	R600 000	Community Services
EMC-1	Environmental Management and Compliance	Reduce impact on climate change through developing and implementing a climate change strategy for the municipality	To create a clean, healthy and safe sustainable environment	Developed and implemented climate change strategy for ELM	No climate change strategy	Develop and Implement the climate change strategy	Adopt the NDM climate change strategy Develop a programme of works for the ELM climate change strategy	OPEX	Environmental and Waste Management
EMC-2	Environmental Management and Compliance	Increase visibility and the enforcement of the Environmental By-Laws	To create a clean, healthy and safe sustainable environment	Developed ELM air quality management plan (AQMP) for ELM	No AQMP in place for ELM	Develop and implement AQMP for ELM	Submit business plan to request for funding Develop the first draft of the	None R500 000	Environmental and Waste Management

							AQMP		
EMC-3	Environmental Management and Compliance	Increase visibility and the enforcement of the Environmental By-Laws	To create a clean, healthy and safe sustainable environment	Upgraded and operational air quality station	The current air quality station is outdated	Upgrade and operationalize an air quality station	Submit business plan with terms of reference for air quality station		
S-CS	Financial reporting	To ensure sound financial management	Ensure compliance	Paid salaries	Annual budgeted	Remuneration	147 866 215		Community Services and finance
INT-CS	Financial reporting	To ensure sound financial management	Ensure compliance	Budgeted interest	Annual budgeted	External Interest	797 881		Community Services and finance
NC-CS	Financial reporting	To ensure sound financial management	Ensure compliance	Budgeted cash flow	Annual budgeted	Non Cash Flow	1 951 895		Community Services and finance
RP-CS	Community services	To ensure provision of services	Ensure necessary maintenance	Repairs and maintenance made	Annual budgeted	Repair and Maintenance	2 604 374		Community Services and finance
DP-CS	Financial reporting	To ensure sound financial management	Ensure compliance	Budgeted loans	Annual budgeted	Depreciation – Redemption & Loans	27 025 522		Community Services and finance

S-MM	Financial reporting	To ensure sound financial management	Ensure compliance	Paid salaries	Annual budgeted	Remuneration	78 924 687		MM's office and finance
RP-ECG	Executive and Council General	To ensure provision of services	Ensure necessary maintenance	Repairs and maintenance made	Annual budgeted	Repair and Maintenance	31 075		MM's office and finance
DP-ECG	Financial reporting	To ensure sound financial management	Ensure compliance	Budgeted loans	Annual budgeted	Depreciation – Redemption & Loans	234 779		MM's office and finance
CS-ECG	Financial reporting	To ensure sound financial management	Ensure compliance	Budgeted Sundry	Annual budgeted	Contribution: Sundry	6 960 000		MM's office and finance
BD-ECG	Financial reporting	To ensure sound financial management	Ensure compliance	Budgeted bad debt	Annual budgeted	Bad Debt	32 725 539		MM's office and finance

KPA2: SERVICE DELIVERY AND INFRASTRUCRURE DEVELOPMENT									
BACK TO BASICSS						Deliver municipal services to the right quality and standard			
Strategic Objective(s)			<ul style="list-style-type: none">➤ To provide access to habitable, sustainable and affordable intergraded human settlements➤ To increase access to efficient and sustainable basic services➤ To provide an enabling environment for social and recreational development			Strategic Risk(s)		<ul style="list-style-type: none">➤ Insufficient provision of access to sustainable and integrated human settlement➤ Unsustainable and efficient provision of basic services➤ Unconducive environment for social and recreational development	
Municipal Goal			Sustainable and affordable services						
IDP Refere nce Numb er	Key Focus Area (KFA)	Departmental Objective	Strategy	Key Performanc e Indicators (KPI's)	Backlog/ status quo	Performance Targets (5 year Plan)	2017/2018	Required funding	Responsi ble Departm ent
ESI-1	Energy Services and Infrastructur e	To Improve the delivery of basic services on energy supply	Increase connection of houses to electricity	Number of households connected	48970 backlog	10000 households connections	63 households connections at Empumelelweni extensions	R 917 129.98 (DOE)	Technical services & DOE
ESI-2	Energy Services and Infrastructur e	To Improve the delivery of basic services on energy supply	Improve the bulk supply network	Number of Upgraded Substations (Doornpoort; Phola, Siyanqoba & Kwa-	Substations are operating above the NMD	Three Substations upgraded	Payment of fees to Eskom for upgrading substations	R40m	Technical services & Eskom

				Guqa) below NMD					
ESI-3	Energy Services and Infrastructure	To Improve the delivery of basic services on energy supply	Improve the bulk supply network	Upgraded electrical supply	Not enough capacity to connect houses	Upgrade electrical bulk supply	Upgrade Phola Bulk Phase 1	R25m (DOE)	Technical services & DOE
ESI-4							Upgrade Klarinet/Siyanqoba- phase 1	R14 082 870. 02	Technical services & DOE
ESI-5	Energy Services and Infrastructure	To Improve the delivery of basic services on energy supply	Improve the reliability of the network	Number of ring feeds re-instated	500 Out - of service ring feed supply lines	Re- instated 50 ring feeds	Re-instated 10 ring feeds	R2m	ELM
ESI-7	Energy Services and Infrastructure	To Improve the delivery of basic services on energy supply	Improve revenue collection	Number of installed smart metering	New connection and replacement	70 000 installed smart meters	Install 20 000 Smart Meters	R20m	Technical
WSI-1	Water Services and Infrastructure	To Improve the delivery of basic services on water supply	To increase source of bulk water supply	Kilometres of bulk water pipelines constructed and number of new connections	Current supply is 82MI/d (incl 35% losses) versus a demand of 148MI/d	Augment water supply by 51MI	Augment water supply by 26MI (Package plant and Anglo)	R104m	Technical Services
WSI-2	Water Services and Infrastructure	To Improve the delivery of basic services on water	Improve bulk water infrastructure	Constructe d 5km bulk water	Shortage of 25km bulk water supply services for new	Construction of bulk water supply services and 10000	Construct 5km bulk water pipelines and 2000 new	R11m (MIG)	Technical Services

	e	supply		pipelines and 2000 new connections	developments and lack water services for 55000 households	new water connections	connections-at Empumelweni, and Rietspruit		
WSI-3	Water Services and Infrastructure	To Improve the delivery of basic services on water supply	Improve bulk water infrastructure	Facilitated project	Dilapidated water infrastructure	Facilitate regional bulk water infrastructure	Facilitate regional bulk water infrastructure	R10 238 000 (RBIG)	Technical Services
WSI-4	Water Services and Infrastructure	To Improve the delivery of basic services on water supply	Improve sustainability of water supply	Develop and implements water safety plans improve blue drop status	Currently developing and implementing water safety plans improve blue drop status No backup electricity supply in the water Treatment Plants	Develop and implements water safety plans improve blue drop status	Implement water safety plans to improve blue drop status Purchase 1 generator for water supply	R250 000 R600 000 (Internal)	Technical Services
WSI-6	Water Services and Infrastructure	To Improve the delivery of basic services on water supply	Improve revenue collection	Installed water meters	20 000 unmetered households and ineffective accountability of water consumption	Install 16 000 water meters (bulk, zonal and domestic)	Install 3200 water meters	OPEX	Technical Services
SSI-1	Sanitation Services and Infrastructure	To Improve the delivery of basic services on sanitation	Improve compliance and optimal functionality	Upgrade wastewater treatment plants by 60MI	Waste water plants are operating above design capacity	Upgrade wastewater treatment plants by 60MI	Upgrade WWTW by 20MI – Klipspruit, Ferrobank	R46 632.050 million (MIG)	Technical Services
						Upgrade wastewater	Submit business plans for	No budget requirements	Technical Services

SSI-2						treatment plants by 20MI	Naaupoort and River view WWTW		
SSI-3	Sanitation Services and Infrastructure	To Improve the delivery of basic services on sanitation	Improve compliance and optimal functionality	Constructed bulk outfall sewer	No bulk services	Construction of bulk outfall sewer- Empumelelweni, Klarinet	Construct bulk outfall sewer and pump station- Empumelelweni, Klarinet	R10m MIG	Technical Services
SSI-3	Sanitation Services and Infrastructure	To Improve the delivery of basic services on sanitation	Improve compliance and optimal functionality	Constructed bulk outfall sewer	No bulk services	Construction of bulk outfall sewer- Empumelelweni, Klarinet	Construct bulk outfall sewer and pump station- Empumelelweni, Klarinet	11m MIG	Technical Services
SSI-4	Sanitation Services and Infrastructure	To Improve the delivery of basic services on sanitation	Improve sustainability of sewer networks	Constructed internal sewer	No internal reticulation	Construction of internal sewer – at Empumelelweni	Construct internal sewer – at Empumelelweni	R5, 001, 390 m (NDM)	Technical Services
SSI-5	Sanitation Services and Infrastructure	To Improve the delivery of basic services on sanitation	Improve compliance and optimal functionality	Facilitated project	Overloaded sewer network	Facilitation of upgrading of Klarinet and Pine Ridge Sewer	Facilitate of upgrading of Klarinet and Pine Ridge Sewer	R2.7m NDM	Technical Services
SSI-9	Sanitation Services and Infrastructure	To Improve the delivery of basic services on sanitation	Improve compliance and optimal functionality	Developed and implemented risk abatement plan to improve green drop status	Currently developing and implementing risk abatement plan	Develop and implements risk abatement plan to improve green drop status	Implement risk abatement plan to improve green drop status	R250 000	Technical Services
RS-3	Roads and	To Improve	Improve	Re-	The municipality has	Re-gravel 500km	Re-gravel 100km	R2,5m	Technical

	Storm-water	reliability of roads infrastructure network	drivability and maintain accessibility	graveled and graveled roads	556km of gravel roads and 91% is in very poor condition	and eradicate 25km of gravel roads	and eradicate 5km of roads	(Internal and external)	Services
RS-4	Roads and Storm-water	To Improve reliability of roads infrastructure network	Improve drivability and maintain accessibility	Upgraded stormwater drainage systems	450km of stormwater network required upgrading	Upgrade 250km of stormwater drainage systems	Upgrade 50km of stormwater drainage and Rehabilitation Kwa Guqa storm water drainage	R25m (NDPG)	Technical Services
RS-5	Roads and Storm-water	To Improve reliability of roads infrastructure network	Improve drivability and maintain accessibility	Facilitated project	Dilapidated road infrastructure	Facilitate reconstruction of damaged roads	Facilitate reconstruction of 50km damaged roads	R25m External R10,8m (MIG) R1,6m (MIG)	Technical Services
TS-1	Technical Services	To Improve the delivery of basic services	Ensure effective and efficient supply of services	Number of sector plans developed	Outdated and non-availability of sector plans	Develop new and review outdated sector plans	Develop Comprehensive Integrated Infrastructure Plan (CIP), Review Water Services Development Plan, review Bulk Water Master Plan, review, Bulk Sanitation Master Plan, Roads master plan, stormwater master plan	R4,5m	Technical Services

MM-1	Municipal Building Maintenance	To Improve the delivery of basic services	Improve the delivery of basic services	Upgraded and maintained municipal buildings	Dilapidation of 25 municipal buildings	Upgrade and maintain 10 municipal buildings	Upgrade and maintain 2 municipal buildings	OPEX	Technical Services
MM-2	Municipal Building and Maintenance	To Provide social services	Ensure construction and maintenance of facilities	Number of community Halls constructed and refurbished Number of chairs procured for community halls Number of community halls equipped with chairs	Dilapidated community halls	Construct, Refurbish and equip 3 community halls	Refurbish Phola community hall (R800 000 and Procure chairs for all community halls (R4M)	R5m	Community services
MM-3	Municipal Building and Maintenance	To Provide social services	To promote healthy and clean environment	Purchased equipment	No machine	Procure a ride on cleaning machine	Procure a ride on cleaning machine	OPEX	Community services
ISHS-1	Integrated Sustainable Human Settlement	To create Sustainable Human Settlements through creating a	Provision of housing opportunities	Number of subsidized units constructed	Backlog of 55 390 units	Facilitate 6 000 units built	Facilitate building of 1 500 subsidized units	R618m	Development Planning

		range of housing opportunities							
ISHS-2	Integrated Sustainable Human Settlement	To create Sustainable Human Settlements through creating a range of housing opportunities	Facilitating provision of Subsidized units, Rental units	Number of rental units built	Backlog of 55 390 units	400 rental units built	Facilitate construction of 100 rental units	R100m	Development Planning
ISHS-4	Integrated Sustainable Human Settlement	To create Sustainable Human Settlements through creating a range of housing opportunities		Upgraded informal settlements	Number of informal settlements Enumerated	5 informal settlements enumerated	1 informal settlement enumerated	R19 500 000	Development Planning
ISHS-5	Integrated Sustainable Human Settlement	To improve the security of tenure	Improving security of tenure through issuing of title deeds	Number of title deeds issued		Facilitate issuing of 15000 title deeds	Facilitate issuing of 3000 title deeds	DHS	Development Planning
WMI-1	Waste Management and Infrastructure	To Create a sustainable culture in the handling, collection, transportation, disposal and management of waste	To increase access to efficient and sustainable basic services	Section 78 study implemented recommended new waste management practices conducted	Outdated waste collection method Inadequate recycling practices Lack of transfer stations Number of available refuse trucks do not	Conduct section 78 study , Implement and monitor New operations as per best practice results of the study	Conduct study (multi-year)	R650 000 (Opex) Implementation (internal and external	Environmental and Waste Management

					meet demand Increase number of households				
WMI-2	Waste Management and Infrastructure	To Create a sustainable culture in the handling, collection, transportation, disposal and management of waste	To increase access to efficient and sustainable basic services	Developed and implemented Integrated Waste Management Plan	Draft ELM Integrated Waste Management Plan (IWMP)	Develop and Implement the integrated waste management plan	Review the draft ELM IWMP	R500 000 OPEX	Environmental and Waste Management
WMI-3	Waste Management and Infrastructure	To Create a sustainable culture in the handling, collection, transportation, disposal and management of waste	To increase access to efficient and sustainable basic services	Increased Number of households to receive refuse removal services	54 643 houses not receiving a refuse removal service	15 000 Additional households to receive refuse removal service	2000 households to be serviced	R4,1m (Opex) R5m (External)	Finance Department Environmental and waste management
WMI-4	Waste Management and Infrastructure	Create a sustainable recycling and reuse culture within the municipality	To create a clean, healthy and safe sustainable environment	Constructed and operational material recovery plant	no recover plant and transfer stations	Develop and Operate recovery plant and transfer stations	Develop the ELM recycling plan Submit business plan for funding of the recovery plant	R5m External)	Environmental and waste management
WMI-6	Waste	Create a sustainable	To create a clean,	Developed	No recycling plant	Construction and	Conduct feasibility	R4 m	Environm

	Management and Infrastructure	recycling and reuse culture within the municipality	healthy and safe sustainable environment	garden waste compost plant	for organic waste	operation of the garden waste compost plant	studies and initiate phase one of construction of the facility	(External)	ental and waste management
WMI-7	Waste Management and Infrastructure	Reduce impact on climate change through developing and implementing a climate change strategy for the municipality	To create a clean, healthy and safe sustainable environment	Conducted and implemented new alternative energy generating methods	No alternative energy generation method and limited number of energy saving mechanisms	Conduct a feasibility study and Implement new alternative method for energy generation	Request for proposals for alternative energy generation methods	No budget required	Environmental and waste management
							Feasibility Study - Investigate best practice suitable for ELM –phase1	No budget required	Technical Department
WMI-8	Waste Management and Infrastructure	Ensure compliance to all statutory requirements	To create a clean, healthy and safe sustainable environment	Upgraded and operational landfill sites to meet legal requirements	All 3 Landfill sites are not meeting legal requirements	Upgrade and operate 3 landfill sites to meet legal requirements	Upgrade Leeuwpoot and Ga-nala landfill sites – phase1	R5 000 000	Environmental and waste management
WMI-9							Submit business plan for remaining phases of Leeuwpoot and Ga-nala	No budget required	Environmental and waste management
PFO-1	Parks, Facilities and	To Improve human dignity within the	To increase access to efficient and	Upgraded and	Kromdraai Cemetery has a 7	Upgrade and construct the	construct the Bleesboklaagte	R3,8m (MIG)	Environmental and

	Open Space Management	burial system	sustainable basic services	constructed cemetery	year life span Annual population growth of 3% Increase in the number of households	cemetery	cemetery-phase 2 Upgrade 3 cemeteries	OPEX	Waste Management
PFO-2	Parks, Facilities and Open Space Management	To Improve human dignity within the burial system	To increase access to efficient and sustainable basic services	New developed cemetery	Kromdraai Cemetery has a 7 year life span Annual population growth of 3% Increase in the number of households	Conduct feasibility study and Develop a new alternative method	Feasibility study on alternative burial methods	OPEX	Environmental and Waste Management
PFO-3	Parks, Facilities and Open Space Management	Reduce impact on climate change through developing and implementing a climate change strategy for the municipality	To create a clean, healthy and safe sustainable environment	20 000 indigenous trees planted	New and planned township developments will require tree planting	Develop a plan for the planting and branding of trees.	Plant 4000 trees	OPEX	Environmental and Waste Management
PFO-4	Parks, Facilities and Open Space Management	To Improve human dignity within the burial system	To create a clean, healthy and safe sustainable environment	investigated and implemented cemetery data	No system in place	Investigate and implement cemetery data management system	Develop a scope of work and investigate programmes and systems for cemetery data	OPEX R300 000	Environmental and Waste Management

							management		
PFO-5	Parks, Facilities and Open Space Management	To be good stewards over environmental infrastructure	To create a clean, healthy and safe sustainable environment	Enhanced and landscaped of 10 main entrances and internal roads	No defined entrances	Enhance 10 main entrance and landscape internal roads	Develop design plan for all 10 entrances and internal roads Upgrade 2 entrances and 2 internal roads	R100 000 OPEX R300 000 R200 000	Environmental and Waste Management Technical Services Department
PFO-6	Parks, Facilities and Open Space Management	To be good stewards over environmental infrastructure	To create a clean, healthy and safe sustainable environment	Developed integrated parks and open spaces management system and upgraded parks	No parks management system in place	Develop and Upgrade 4 operational parks	Invite proposals and develop an open spaces management system Upgrade klipfontein – phase 1	R250 OPEX	Environmental and Waste Management
SAC-1	Sport, Arts, Culture and recreation	Promotion of Arts, Culture and Sports	Attract and promote arts and culture and social cohesion	Refurbished Civic Centre	Dilapidated Civic Centre	Refurbish civic centre	Refurbish civic Centre	R3m (external) Dept. of arts and culture	Community services
SAC-2	Sport, Arts, Culture and recreation	Promotion of Arts, Culture and Sports	Attract and promote arts and culture and social cohesion	Hosted and facilitated arts and culture events	Hosting and Facilitating the events	Host and facilitate 5 Arts and Culture events	Host and facilitate Arts and Culture events	OPEX	Community services

SAC-3	Sport, Arts, Culture and recreation	Promotion of Arts, Culture and Sports	Attract and promote arts and culture and social cohesion	Number of developed community members in Arts and Culture	Currently facilitating	Facilitate 250 the development of community members in Arts and Culture	Facilitate 50 the development of community members in Arts and Culture	Capex R2.5m (Internal & external)	Community services
SAC-4	Sport, Arts, Culture and recreation	To promotion of Arts, Culture and Sports	Provision of leisure and entertainment facilities and social cohesion	Number of sports fields Refurbished , upgraded and renovated	Sports facilities not meeting required	Refurbish, upgrade and renovate 7 sports grounds/facilities	Renovations of Puma Rugby stadium(R5m) Phase 1	R5 000 000	Community services
SAC-5	Sport, Arts, Culture and recreation	To promotion of Arts, Culture and Sports					Refurbishment and renovation of Sy Mthimunye Stadium	R15m	Community services
SAC-6	Sport, Arts, Culture and recreation	To promotion of Arts, Culture and Sports	Promote sport development amongst the youth of Emalahleni	Number of Sports tournament held	Mayoral games are facilitated annually	Facilitate 5 ELM mayoral game (Soccer, Netball, Chess, Volley ball, Rugby, cricket, tennis, Kgati, Morabaraba, diketo)	Facilitate 1 ELM mayoral game Facilitate participation in NDM mayoral games	OPEX	Office of MM
SAC-7				Organised and facilitated Emusonel	No kit	Organise and participate in Emusonel (Soccer, netball, volleyball, tuck of war, pool0	Procurement of sport kit and participate in Emusonel	OPEX	Community services

SAC-8	Sport, Arts, Culture and recreation	To promotion of Arts, Culture and Sports	Promote history and social cohesion in the municipality	Number of streets, building and facilities named and renamed	Backlog in naming and renaming of streets, buildings and facilities	Name and rename 30 streets, buildings and facilities	Name and rename 6 streets, buildings and facilities	OPEX	Communi ty services
LIB-1	Library Services	To Provide social services	Promote education in local communities	Number of construction of libraries	No library in Thubelihle	Facilitate the construction of Thubelihle Library	Facilitate process to construction of Thubelihle Library	R5 000 000	Communi ty Services
S-DP	Financial reporting	To ensure sound financial management	Ensure compliance	Paid salaries	Annual budgeted	Remuneration	58 606 231		Develop ment Planning and finance
INT-DP	Financial reporting	To ensure sound financial management	Ensure compliance	Budgeted interest	Annual budgeted	External Interest	323 860		Develop ment Planning and finance
OE-DP	Financial reporting	To ensure sound financial management	Ensure compliance	Budgeted other expenditure	Annual budgeted	Other Expenditure	14 554 959		Develop ment Planning and finance
NC-DP	Financial reporting	To ensure sound financial management	Ensure compliance	Budgeted cash flow	Annual budgeted	Non Cash Flow	544 053		Develop ment Planning and

									finance
RP-DP	Development Planning	To ensure provision of services	Ensure necessary maintenance	Repairs and maintenance made	Annual budgeted	Repair and Maintenance	1 368 688		Development Planning and finance
DP-DP	Financial reporting	To ensure sound financial management	Ensure compliance	Financial reporting	Annual budgeted	Depreciation – Redemption & Loans	3 420 862		Development Planning and finance
S-WM	Financial reporting	To ensure sound financial management	Ensure compliance	Paid salaries	Annual budgeted	Remuneration	83 742 693		Environment Waste and Management and finance
INT-WM	Financial reporting	To ensure sound financial management	Ensure compliance	Budgeted interest	Annual budgeted	External Interest	993 273		Environment Waste and Management and finance
OE-WM	Financial reporting	To ensure sound financial management	Ensure compliance	Budgeted other expenditure	Annual budgeted	Other Expenditure	21 301 913		Environment Waste and Management and

									finance
NC-WM	Financial reporting	To ensure sound financial management	Ensure compliance	Budgeted cash flow	Annual budgeted	Non Cash Flow	454 104		Environment Waste and Management and finance
RP-WM	Environment Waste and Management	To ensure provision of services	Ensure necessary maintenance	Repairs and maintenance made	Annual budgeted	Repair and Maintenance	8 614 839		Environment Waste and Management and finance
DP-WM	Financial reporting	To ensure sound financial management	Ensure compliance	Financial reporting	Annual budgeted	Depreciation – Redemption & Loans	280 148 ⁷		Environment Waste and Management and finance
BD-WM	Financial reporting	To ensure sound financial management	Ensure compliance	Budgeted bad debt	Annual budgeted	Bad Debt	24 880 152		Technical services and finance
S- TEC	Financial reporting	To ensure sound financial management	Ensure compliance	Paid salaries	Annual budgeted	Remuneration	252 496 492		Technical services and finance

BE-TEC	Energy Services and Infrastructure	To Improve the delivery of basic services on energy supply	Ensure necessary maintenance	Budgeted Eskom – Bulk purchases	Annual budgeted	Eskom – Bulk purchases	895 000 500		Technical services and finance
BW-TEC	Water Services and Infrastructure	To Improve the delivery of basic services on water supply	Ensure necessary maintenance	Budgeted Water – Bulk purchases	Annual budgeted	Water – Bulk purchases	73 816 868		Technical services and finance
INT-TEC	Financial reporting	To ensure sound financial management	Ensure compliance	Budgeted interest	Annual budgeted	External Interest	78 646 066		Technical services and finance
OE-TEC	Financial reporting	To ensure sound financial management	Ensure compliance	Budgeted other expenditure	Annual budgeted	Other Expenditure	69 727 553		Technical services and finance
NC-TEC	Financial reporting	To ensure sound financial management	Ensure compliance	Budgeted cash flow	Annual budgeted	Non Cash Flow	41 375 654		Technical services and finance
RP-TEC	Technical services	To ensure provision of services	Ensure necessary maintenance	Repairs and maintenance made	Annual budgeted	Repair and Maintenance	136 354 432		Technical services and finance
DP-TEC	Financial reporting	To ensure sound financial management	Ensure compliance	Financial reporting	Annual budgeted	Depreciation – Redemption & Loans	207 915 347		Technical services and finance

KPA 3: LOCAL ECONOMIC DEVELOPMENT									
BACK TO BASICS					None				
Strategic Objective(s)			To create an attractive and conducive environment for sustainable economic development and tourism		Strategic Risk(s)	Unconducive environment to attract sustainable economic development and growth			
Municipal Goal			Socio-economic growth and a safe environment						
IDP Reference Number	Key Focus Areas (KFA)	Departmental Objective	Strategy	Key Performance Indicators (KPI's)	Backlog/ status quo	Performance Targets (5 year Plan)	2017/2018	Required funding	Responsible Department
JC-1 JC2	Job Creation	To administer and stimulate economic development within the area of jurisdiction of the municipality,	Job Creation	Number of job opportunities created through internal and external	High unemployment rate	Facilitate creation of 2 500 job opportunities	Facilitate 500 job opportunities	Capital budget and external funding	All Departments
				Council resolution on donation of land for the project and Supported initiative	Currently land is needed for the implementation of the project	Provide land and monitor Fly Ash project	Provide land and monitor Fly Ash project	None	Development planning

EGD-2	Economic growth and development	To Ensure Economic growth and development	Ensure Local Economic transformation and Development	Developed investment strategy	No strategy in place	Develop Investment strategy	Development of Investment strategy	R350 000 (internal and external)	Development Planning
EGD-3				Constructed Material production hub	No material production hub in place	Construct Production material hub	Identification and donation of land for the construction of material hub	None	Development Planning
EGD-4	Economic growth and development	To administer and stimulate economic development within the area of jurisdiction of the municipality,	Enterprise development	Number of SMMEs and Cooperatives supported	SMMEs and Cooperatives are not fully supported due to budget constraints.	Support 100 SMME's 20 Cooperatives	Support 20 SMME's 4 Cooperatives	R350.000 (External stakeholders)	Development Planning

KPA 4: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT									
BACK TO BASICS					Building institution and administrative capabilities				
Strategic objective(s)			To provide support, advice and facilitate through alignment of the institutional arrangements		Strategic Risk		➤ Inadequate Institutional arrangement and transformation		
Municipal Goal			Clean administration and good governance						
IDP Reference Number	Key Focus Areas (KFA)	Departmental Objective	Strategy	Key Performance Indicators (KPI's)	Backlog/ status quo	Performance Targets (5 year Plan)	2017/2018	Required funding	Responsible Department
OS-1	Organisational Structure	To render a comprehensive, integrated human resource and administration function	Improve capacity of the municipality	Approved and implemented of OS	OS was last reviewed in 2014	Review, approve and implement Organisational Structure (OS)	Reveiwal, approval and implementing of OS	OPEX	Corporate Services
OS-2	Organisational Structure	To render a comprehensive, integrated human resource and administration function	Improve capacity of the municipality	80% of budgeted vacancies filled	1471 of 1564 budgeted positions are filled	Fill 80% of the budgeted vacancies	As planned and budgeted by departments	OPEX and Remuneration Budget	Corporate Services

CG-1	Corporate Governance	To render a comprehensive, integrated human resource and administration function	Improve capacity of the municipality	Number of Councillors and officials trained in terms of WSP	2499 trained Councillors and officials	Train 1500 Councillors and officials	Train 300 Councillors and officials	OPEX	Corporate Services
CG-2	Corporate Governance	Promote sound employee relations and labour stability	Enhance relationship with employees	number of Local Labour Forum meetings conducted	11 Local Labour Forum meetings per annum	Conduct 55 Local Labour forum meeting annually	Conduct 11 LLF meetings	OPEX	Corporate Services
CG-4	Corporate Governance	To enhance the welfare of all employees.	Improve well-being of employees	Number of awareness programmes conducted	Awareness campaigns are conducted	Facilitate ten (10) awareness campaign through Employee Assistant Programme (EAP)	Facilitate 2 awareness programmes through Employee Assistant Programme (EAP)	(OPEX)	Corporate Services
CG-5	Corporate Governance	To render a comprehensive, integrated human resource and administration function	Improve the capacity of the municipality	Reviewed and implemented recruitment and selection policy	Recruitment and selection policy is in place	Review and implement Recruitment and selection policy annually	Review and implement Recruitment and selection policy	OPEX	Corporate Services
CG-6	Corporate Governance	To render a comprehensive, integrated human resource and administration function	Improve the capacity of the municipality	Reviewed and implemented retention policy	Retention policy is in place	Review and implement Retention policy	Review and implement Retention policy	OPEX	Corporate Services
DIM-1	Document and Information	To render a comprehensive, integrated human resource and administration function	Improve management of contracts	Number of contracts managed and updated on the contract register	Decentralized contract management	Manage contract register	Manage contract register	None	Corporate Services

	Manage ment								
PM-1	Performa nce Manage ment	To encourage a culture of excellence and high work ethic	Improve performance and accountability	Number of performance agreements signed	Only executive directors have signed performance agreements	Develop Individual Performance Management Policy and Cascade performance management to lower levels	Develop Individual Performance Policy	OPEX	Corporate Services
PM-2				100% of Technical Indicators in the SDBIP described	New indicator	100% of Technical Indicators contained in the SDBIP described annually.	100% of Technical Indicators contained in the SDBIP described annually.	None	All Departme nts
PM-3				Number of departmental performance reports per annum	Monthly departmental report done	12 Monthly departmental reports per annum	12 monthly departmental reports	None	All Departme nts
S-COR	Financial reporting	To ensure sound financial management	Ensure compliance	Paid salaries	Annual budgeted	Remuneration	38 907 292		Corporate Services and finance

OE-COR	Financial reporting	To ensure sound financial management	Ensure compliance	Budgeted other expenditure	Annual budgeted	Other Expenditure	16 870 777		Corporate Services and finance
NC-COR	Financial reporting	To ensure sound financial management	Ensure compliance	Budgeted cash flow	Annual budgeted	Non Cash Flow	96 936		Corporate Services and finance
RP-COR	Corporate Governance	To render a comprehensive, integrated human resource and administration function	Ensure necessary maintenance	Repairs and maintenance made	Annual budgeted	Repair and Maintenance	7 743 938		Corporate Services and finance
DP-COR	Financial reporting	To ensure sound financial management	Financial reporting	Paid loans	Annual budgeted	Depreciation – Redemption & Loans	1 526 818		Corporate Services and finance

KPA 5: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT									
BACK TO BASICS					Sound financial management and accounting				
Strategic Objective(s)			<div>➤ To ensure sound financial and asset management</div> <div>➤ To ensure sustainable provision of suitable transport</div>		Strategic Risk(s)		<div>➤ Poor financial and Assets Management</div> <div>➤ Possibility of the municipality not achieving full compliance to MSCOA requirements by 1 July 2017</div>		
Municipal Goal			Financial viability						
IDP Reference Number	Key Focus Areas (KFA)	Departmental Objective	Strategy	Key Performance Indicators (KPI’s)	Backlog/ status quo	Performance Targets (5 year Plan)	2017/2018	Required funding	Responsible Department
FR-1	Financial reporting	To ensure sound financial management	Improve Audit outcome	Clean Audit	Disclaimer	Clean audit outcome	Qualified outcome	OPEX	Finance
FR-2			Comply with National Treasury reporting requirements	Complaint IDP and Budget to MSCOA	Not MSCOA compliant	MSCOA compliant: Budget & IDP	Statutory Compliance to MSCOA	R27m	Finance
SC-1	Supply Chain	To ensure sound financial management	Supply chain management	Reviewed and implemented SCM policy	Review standard operating procedures	Review and implement SCM	Review and implement SCM	None	Finance

RM-1	Revenue Management	To ensure sound financial management	Improve revenue management	100 %Minimized distribution loses	Unbilled municipal accounts	Bill all our customers	80 % billing	None	Finance
RM-2	Revenue Management	To ensure sound financial management	Improve collection rate from the municipal revenue streams	80% collection rate	20% backlog in revenue collection	100% revenue collection from all revenue sources	80% revenue collection from the revenue source of the municipality	None	Finance
BCM-1	Budgeting and cost management	To ensure sound financial management	Preparing a credible budget	Adopted Medium Term Revenue and Expenditure Framework (MTREF) and mid-year budget assessment report	None	Tabling draft and final budget on time	Tabling draft and final budget on time	None	Finance
AM-1	Assets Management	To ensure sound financial management	Compliance with Grap 17	Conduct 100% assets verification	Incomplete assets register	100% assets verification	100% assets verification	R10 m	finance
FM-1	Fleet and Equipment Management	To ensure sustainable provision of suitable transport and equipment	Improve provision of fleet and equipment	% of vehicles replaced and number equipment purchased	73,31 % of vehicles are older than 5 year	Replace 63 % of vehicles older than 5 year as per the policy	Replace13 % of vehicles older than 5 year as per the policy	R13,8m	Finance
				Number of equipment bought a	Old and Shortage of equipment	Purchase equipment	Purchase furniture and equipment, IT equipment	R4,3m	Finance
FM-2	Fleet and Equipment Management	To Create a sustainable culture in the handling,	Improve provision of fleet and	Number of equipment and fleet purchased	Shortage of equipment and Fleet for cleaning	Facilitate Purchase waste fleet, equipment and	Facilitate purchase of (3) Waste Compaction trucks, (1) tipper trucks,	R3,1m	Finance and Environ

	t	collection, transportation and disposal of waste and the management of public open spaces	equipment		and maintenance	machinery	(1) street sweeping trucks; (3) LDVs, (1) Falcon tractor slashes, (1) power pruners, (1) ride on mowers, (1) 4 ton truck, (10) brush cutters, (6) 6 M3 mass containers		mental and Waste Management
FM-8	Fleet Management	To Improve the delivery of basic services	Improve sustainability and efficiency of services	Number of vehicles purchased	Shortage of vehicles	Facilitate purchase of vehicles	Facilitate purchase of 5 Bakkies; 1 Cherry picker; 1 Crane truck; 1 honey sucker, 1 Water tanker, 1 sewer jet, 1 Pothole jetting machine; 1 mobile treating plant	R14m	
S-FN	Financial reporting	To ensure sound financial management	To ensure compliance	Paid salaries	Annual budgeted	Remuneration	114 336 515		Finance
INT-FN	Financial reporting	To ensure sound financial management	To ensure compliance	Budgeted interest	Annual budgeted	External Interest	1 767 673		Finance
OE-FN	Financial reporting	To ensure sound financial management	To ensure compliance	Budgeted other expenditure	Annual budgeted	Other Expenditure	60 636 809		Finance

NC-FN	Financial reporting	To ensure sound financial management	Ensure compliance	Budgeted cash flow	Annual budgeted	Non Cash Flow	37 997 880		Finance
RP-FN	Financial reporting	To ensure sound financial management	Ensure necessary maintenance	Repairs made	Annual budgeted	Repair and Maintenance	3 139 084		
DP-FN	Financial reporting	To ensure sound financial management	Ensure compliance	Paid loans	Annual budgeted	Depreciation – Redemption & Loans	15 596 525		Finance
BD-FN	Financial reporting	To ensure sound financial management	Ensure compliance	Paid loans	Annual budgeted	Bad Debt	89 768 600		Finance

KPA 6: SPATIAL OR CROSS CUTTING ISSUES									
BACK TO BASICS					Deliver municipal services to the right quality and standard				
Strategic Objective(s)			To promote Spatial concentration and facilitate, manage and control integrated land use and spatial planning		Strategic Risk(s)	Uncontrolled development			
Municipal Goal			Spatial transformation and social cohesion						
IDP Reference Number	Key Focus Areas (KFA)	Departmental Objective	Strategy	Key Performance Indicators (KPI's)	Backlog/ status quo	Performance Targets (5 year Plan)	Annual targets 2017/2018	Required funding	Responsible Department
LUM-1	Land Use Management	To monitor and regulate land uses through land use schemes	Build spatially integrated communities	Approved spatial planning related policies	Alignment with current legislations	Adopt 1 Land Use Management Scheme	Approved Land Use Scheme	R2 000 000	Development Planning
SP-1	Spatial Planning	To identify and stimulate development opportunities through spatial frame work planning				Review and implement SDF	Implement SDF	R1.5m	Development Planning
SP-2	Spatial Planning	To administer the alienation and disposal of	Build spatially integrated	Reviewed Disposal and acquisition policy	ELM Disposal and Acquisition of Immovable Property	Adopt 1 ELM Disposal and Acquisition of Immovable Property	Approve ELM Disposal and Acquisition of	R 1 500 000	Development Planning

		municipal land	communities		Policy last approved in 2003	Policy	Immovable Property Policy		
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1.2.1.1 Audit Outcome and Action Plan

The audit outcome for 2015/16 is a disclaimer with the following action plan (summarised version)

SUMMARY OF 2015/16 AUDITOR-GENERAL AUDIT REPORT

N O.	BASIS FOR DISCLAIMER OPINION	DETAILS OF THE PARAGRAPH	REMEDIAL ACTION
1	Property, plant and equipment	Adjustment without supporting document R 5 581 927 002.	1. Management will perform a detailed exercise to ensure that opening balances per the Fixed Assets Register, for both current and comparative figures agree to the trial balance and to the Annual Financial Statements. 2. All differences should be supported by a valid listing, and investigated, where they amount to prior period error, these will be disclosed accordingly in the notes to the Annual Financial Statements. 3. This process will be performed at interim and year-end.
		Valuation of land R 2 556 467 910 (No supporting documents to the values in the valuation roll)	1. Appoint professional appraiser to value all the investment properties held by the municipality annually. 2. Prepare the monthly Supplementary valuations. 3. Management will perform quarterly assessments of whether the cost of the land reflected in the AFS is accurate by obtaining the latest selling prices from a willing buyer will seller transaction. Where the differences are significant (+/- 5%) management will consider revaluation of the land to reflect the current fair values.
		Separation of work in progress (WIP) from Property, Plant, and Equipment (Disclosure) R 240 088 164.	1. Management will ensure that the WIP is classified separately in the Fixed Assets Register. This will be reviewed by the Chief Financial Officer on a quarterly basis. 2. The Work In Progress (WIP) per asset category will be traced to the Quarterly and final Annual Financial

N O.	BASIS FOR DISCLAIMER OPINION	DETAILS OF THE PARAGRAPH	REMEDIAL ACTION
			Statements.
2	Investment property	Adjustment without supporting documents R 752 019 788	Management will ensure that all assets categories have supporting documentation and are included in the fixed assets register. A schedule breaking down the line items making up the total of the investment property without appropriate evidence will be made available at year-end.
3	Consumer receivables	No supporting documents for the excess impairment R 217 983 384	1. Management will ensure that information provided for audit is accurate correct and agrees to the general ledger, trial balance and annual financial statements. 2. Management will implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting. This will ensure that a proper filing system is in place. The documents and records such as journals and reconciliations of consumer receivables are properly filed and easily retrievable and are available for audit purposes.
4	Receivables from exchange transactions	No supporting documents for other receivables R 31 148 949	Management will ensure that other receivables are supported by valid evidence. Balances shown in the annual financial statements agree to the trial balance and general ledger. There is a proper schedule supporting the amounts disclosed with relevant supporting documentation.
5	Cash and cash equivalents	No supporting documents for adjustments made in the Cashbook (Journals) R 36 602 272.	All Journals relating to cash and bank have been supported by all the necessary documents to effect a Journal.

N O.	BASIS FOR DISCLAIMER OPINION	DETAILS OF THE PARAGRAPH	REMEDIAL ACTION
6	Payables from exchange transactions	No supporting documents for adjustments made in the Payables from exchange transactions R 87 780 153	1. Management will ensure that a proper record keeping system is implemented which tracks documents flow within the municipality, so that it is easier to locate documents within the municipality. 2. Management will ensure that all disclosed payables are supported by documentations. 3. Old invoices/vouchers will be archived. 4. All invoices will now be scanned onto financial reporting system and assigned a unique electronic number/voucher number.
7	Consumer deposits	No supporting documents for the journal entries processed. R 116 492 112	1. Management will ensure that information provided for audit is accurate and agrees to the general ledger, trial balance and annual financial statements. 2. Reconciliations between the consumer deposits forms and the consumer deposits listing will be performed on a monthly basis. 3. Furthermore management will implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting by ensuring that a proper filing system is in place. The documents and records such as schedules and reconciliations of consumer deposit are properly filed and easily retrievable and are available for audit purposes.
8	Revenue from exchange transactions	No supporting documents for an amount included in other income. (Department of Health) R 55 480 000.	Management will ensure that a donation listing is generated for all donations received by the municipality A donation list will be accompanied by donation letters and contracts The donations will be agreed to the AFS and signed off prior to submissions to the auditors.

N O.	BASIS FOR DISCLAIMER OPINION	DETAILS OF THE PARAGRAPH	REMEDIAL ACTION
		Understatement of revenue and receivables (Municipality did not charge some customers) R 1 281 025 711.	Detailed review of the consumer accounts will be conducted A zero billing or no billing report will be drawn for all accounts that are not billed Management will then initiate a billing run for all unbilled accounts A detailed investigation with an investigation report will be done on these accounts
9	Revenue from non-exchange transactions	No evidence supporting the valuation performed. (Property rates) R 371 266 005.	Management will ensure that all input data used for property valuations is clearly defined The Information will be documented and be made ready available for the auditors for perusal.
10	Bulk purchases	Municipality did not record all expenses incurred in the correct accounting period. R 37 523 282	1. All invoices received from Eskom will be accrued against sundry accruals before they are paid. 1.1 A list of bulk purchases will be prepared and signed off by the expenditure manager. 1.2 The list will be then reconciled to the GL on a monthly basis. 2. The entire population will be reviewed and submitted on the 13/11/2016.
11	Statement of changes in net assets	No sufficient appropriate evidence supporting the amount presented as appropriation R 798 682 761.	Management will include a listing of all adjustments that are made against the appropriation account The listing of adjustments will be supported by originating documentation that initiated the adjustments.
		No supporting evidence for the difference identified between accumulated surplus and the general ledger R 258 992 691.	An ailed comparison between the AFS and the Ledger will be conducted prior to the AFS being sent to the auditors These reconciliations will be reviewed and signed off by the CFO.
12	Cash flow statement	Due to the numerous items contributing to the disclaimer of opinion, the auditors could not satisfy themselves on the completeness and accuracy of the cash flow statement.	Cash flow has been prepared in accordance with GRAP, management has ensured that the cash flow is in balance.

N O.	BASIS FOR DISCLAIMER OPINION	DETAILS OF THE PARAGRAPH	REMEDIAL ACTION
13	Commitments	Not all capital commitments were disclosed R 184 405 401. Misstatements in the corresponding figures due to duplications R 44 513 385.	A new commitment register has been completed which encompasses both capital and operational commitments.
14	Irregular expenditure	Internal controls were not effective to identify all the irregular expenditure; therefore the auditors could not determine whether the amounts disclosed as irregular expenditure were fairly stated. R 102 883 122	Management has an irregular expenditure register, which is used to records all the irregular expenditure as defined in the municipal finance management act.

7 ANNEXURES

7.1 5 YEAR PLAN

7.2 FIGURE 1 (SDF MAP)

7.3 FIGURE 2 (SDF MAP)

7.4 FIGURE3 (SDF MAP)

7.5 FIGURE 4 (SDF MAP)

7.6 SDF (AS PER REQUEST)

7.7 INFORMAL SETTLEMENT UPGRADING POLICY (AS PER REQUEST)

7.8 DISASTER MANAGEMENT PLAN (AS PER REQUEST)

7.9 DRAFT HOUSING PLAN (AS PER REQUEST)