

# IDP

## INTEGRATED DEVELOPMENT PLAN 2018 - 2019

### VISION

“To be a center of excellence and innovation.”



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## PERSPECTIVE FROM THE EXECUTIVE MAYOR



As we present the 2018/19 Integrated Development Plan (IDP), On behalf of the collective leadership of Emalahleni Local Municipality, we wish to express our profound gratitude and deep sense of appreciation to all our communities and social partners for your valuable comments and inputs during the IDP and Budget consultation processes in line with Chapter 4of the Local Government: Municipal Systems Act, Act 32 of 2000.

This IDP takes us to the Mid-Term of our 2016 local government electoral cycle, and inevitably it directs us to do an honest reflection and to move an extra mile in conducting the municipal performance assessment in respect of our core Legislative mandate underpinned by the National Development Plan and the election manifesto detailing the service delivery promises we have made to our communities.

In this context, the 2018/19 IDP seeks to re-affirm our resolute commitment to build a strong, accountable, transparent and resilient developmental municipality capable of fulfilling the electoral promises and more importantly building better communities and attaining the ideals of a better life for all.

As we navigate towards the end of the 2017/18 Financial year, notwithstanding challenges in a number of key performance areas, the municipality has made significant strides in laying the ground work for a responsive service delivery turn-around strategy.

To this end, the 2017/18 milestones include but not limited to:

Slight movement in the positive direction in respect of the 2016/17 Audit outcomes, we hope and we have worked very hard to attain even better audit outcomes for 2017/18 financial year.

- Improved public participation and accountability by putting people first at the centre of all development initiatives.
- Delivered more houses and serviced stands biased to the poor.
- Ensured that more indigent households are registered within the municipality.
- Expanded Community Public Works Programme to provide work opportunities for the poor and the unemployed people.
- Albeit the challenges of the municipal aging infrastructure more households had access to water, sanitation, electricity and refuse removal.

The 2018/19 IDP priorities demonstrate our re-doubled effort to do even better on the latter, and it must unite us to confront in all fronts challenges of poverty, unemployment and sluggish economic growth and development facing the country in general and our municipality is no exception.

The 2018 has ushered in a new dawn, hope and unity in our diversity to build on the foundation we have laid, we know and understand that there are still many more service delivery hills to climb including the mammoth task of radical economic transformation.

Working together victory in certain, we shall continue with our journey to defend, preserve and promote the only asset we have for the next generation, namely Emalahleni Local Municipality by intensifying implementation of the back to basic programme.

- Putting people first and engaging with communities anchored in IDP and Budget consultation process.
- Delivering basic services better and faster.
- Strengthening and improving on good governance and accountability underscored by sound financial management free from any form of corruption.
- And finally, building institutional capabilities by attracting skilled and professional personnel in key performance areas across directorates.

The community has spoken through the IDP processes; the municipality has listened and is ready and willing to.

I want to be the first to be counted with those who want to lend the hand. I raise my hand, raise yours as well and together lets volunteer in words and in action to say “THUMA MINA”.

Thank you.

.....

***Cllr L Malatjie***

***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 increased 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. The IDP is a result of co-ordinated planning informed by community needs whilst reflecting on our weaknesses and capitalizing on our strengths. It is a tool we measure ourselves as an organization.*

*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. We embrace diversity and believe that all community members, sectors and structures have a key role in the IDP and we depend on your commitment and dedication into realizing the needs of the community. in a sustainable manner.*

*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.*

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**Cllr M.B. Hlumbane**  
**SPEAKER**

## PERSPECTIVE FROM THE MUNICIPAL MANAGER



*The Local Government: Municipal Systems Act No. 32 of 2000 direct that a municipality must undertake developmentally-oriented planning so as to ensure that it, inter alia, strives to achieve the objects of local government set out in Section 152 of the Constitution of the Republic of South Africa .This planning is done through the Integrated Development Planning (IDP) which involves the entire municipality, its residents, other spheres of government, state entities and the private sector in finding the best solutions to achieve good long-term development.*

*The municipality, therefore, through the IDP aims to co-ordinate the work of other spheres of government and private sector in a coherent plan to improve the quality of life for all the people living in an area.*

*This reviewed IDP covers a five year period from 2017 to 2022. Its timing is opportune as both the public and private sector are likely to continue to experience considerable change over the life of this IDP.*

*The environment in which the municipality is operating is very dynamic with ever increasing demands and the changing expectations of its community. The municipality operates under the backdrop of significant challenges in relation to payment of services by the community.*

*The preparation of this reviewed IDP thus required a significant level of reflection and consultation, both on the challenges faced by the municipality and the focus on its Top Five Municipal Goals and priorities.*

*This IDP forms the basis for all activities of the municipality. It will inform Council decisions, municipal planning and performance management. The achievement of the ten strategic objectives described in this IDP will transform the municipality, its performance and reputation. Critically, this reviewed IDP will allow Council to prioritize resources to meet the challenges. There is a huge amount of work to be done and this IDP serves as a reference guide to provide the community with better services.*

*To achieve our vision, we have to improve all aspects of municipal services; and for that this strategic plan maps out a comprehensive overhaul of our performance within a realistic time frame. Building on the work that has already been done through the previous IDPs, management wants to see an overhaul of municipal equipment, processes and culture. For us to achieve success, our community must notice the difference in the quality and consistency of services. Only then will our reputation be transformed in the eyes of our community and stakeholders.*

*With the support of Council, other spheres of government, the private sector and the diligence of our workforce, I am confident that the implementation of this IDP will transform our municipality.*

**H.S Mayisela**  
**ACTING 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 km<sup>2</sup> in extent. The Nkangala District Municipality is made up of six local municipalities, namely:

- Emalahleni Local Municipality
- Emakhazeni Local Municipality,
- Steve Tshwete Local Municipality,
- Thembisile Hani Local Municipality,
- Dr JS Moroka 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

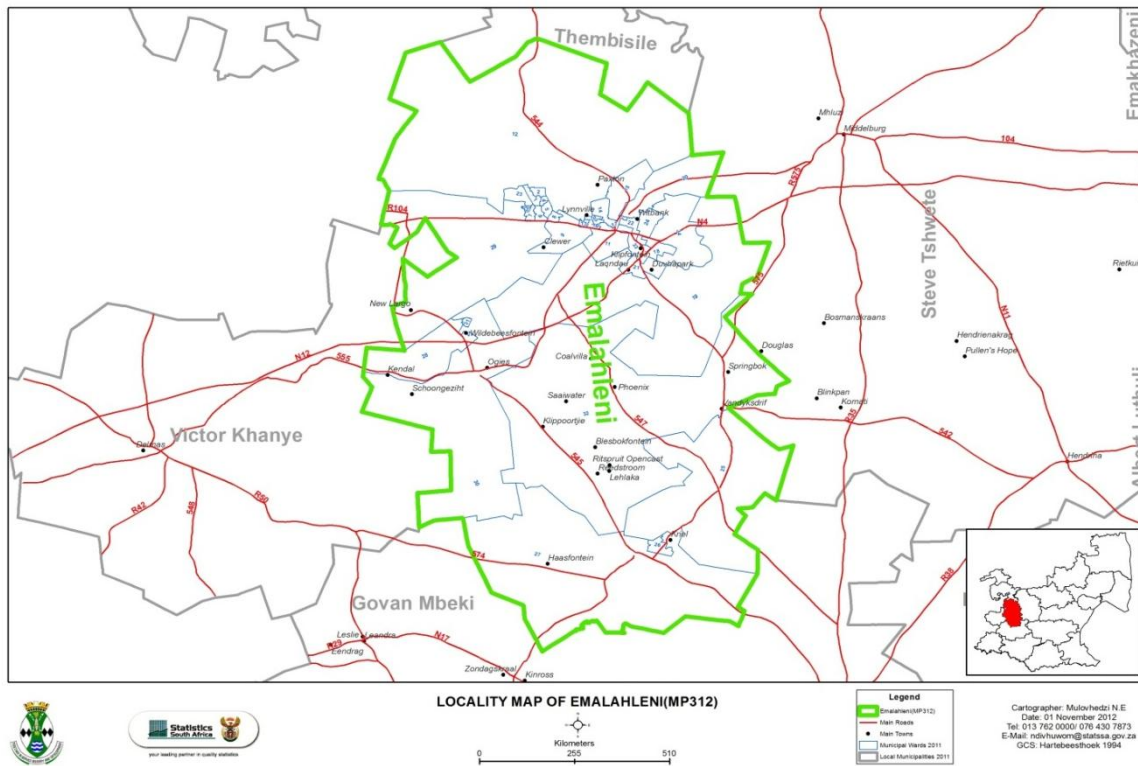
Southward road and rail network connect the eMalahleni area to the Richards Bay and Maputo harbours, offering export opportunities for the coal reserves.

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 (ELM) 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 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 is 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 (IDP) adopted by the council of a municipality,

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

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

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

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

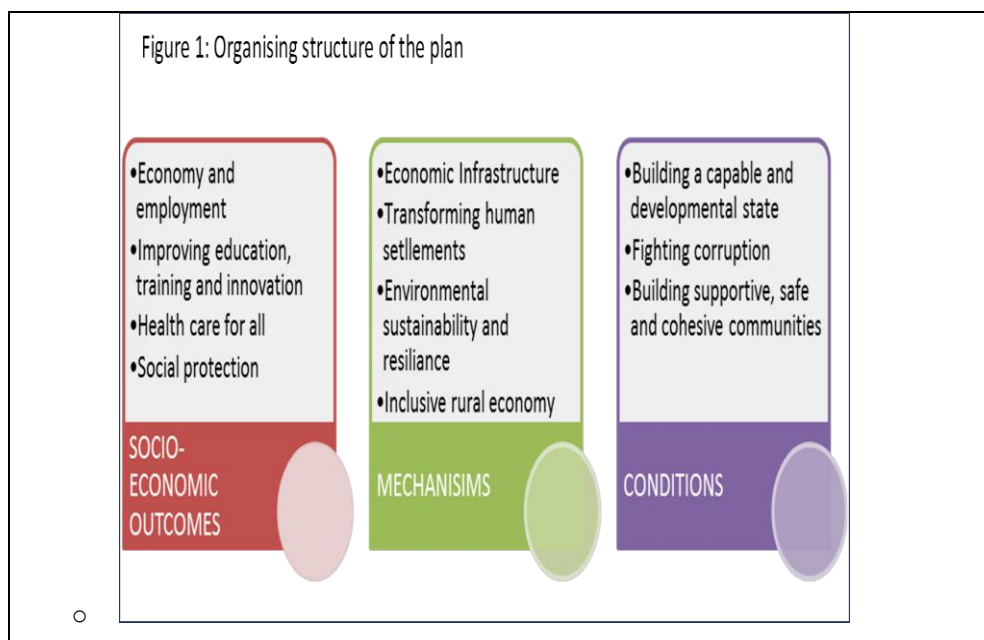
1. Output 1: Implement a differentiated approach to municipal financing, planning and support
2. Output 2: Improving access to basic services
3. Output 3: Implementation of the Community Work Programme
4. Output 4: Actions supportive of the human settlement outcome
5. Output 5: Deepen democracy through 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:

The municipality has adopted the Nkangala District Municipality climate change strategy, which will assist on how to avert the climate change issues and is planning to develop ELM climate change strategy and the climate change champion has been appointed.

#### 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 municipal IDP is aligned to 2018/19 State of the Nation and Province Address and both address made emphasis on issues that affect the municipality. The State of the Nation, amongst other things talked to Economic policy issues; Job, especially for youth and suggested job summit; re-industrialise/stimulate manufacturing where emphasise was made on localisation programme for products designated for local manufacturing such as clothing, furniture, water meter; transformation, which talks to development of township and rural enterprises; infrastructure i.e. speeding up projects particularly water projects, health facilities and road maintenance; mining; small business co-ops, township enterprises i.e. honouring 30% of procurement allocated to these enterprises; land and agriculture; fourth industrial revolution; national minimum wage; health and NHI by scaling up testing and treating campaign by initiating an additional two million people on antiretroviral treatment; education; social grants; social sector/civil society by convening a Social Sector Summit to recognise the critical role they play in society; state/governance and corruption/state capture.

The State of the Province address covered the following; prioritise skills development as a pillar of development. Support youth in mining to access

prospecting and mining rights, and ensure that this sector makes a meaningful contribution. Unlock the potential of SMMEs, Co-operatives, as well as township and rural enterprises through supporting all emerging farmers to be ready to supply the Mpumalanga International Fresh Produce Market that is under construction. Diversity of arts, culture and heritage be exploited to its full capacity. Invest significantly in the delivery of socio-economic infrastructure as a key enabler of access to opportunities and a better quality of life for all the citizens of the Province, irrespective of their socio-economic status. Quality socio-economic infrastructure! Building a healthy nation must be equally supported with adequate investment in health infrastructure. The provision for physical health and wellbeing of people is just one aspect of the role that needs to be played by a caring and enabling government. Economic infrastructure is connecting communities and is also facilitating ease of doing business. Infrastructure development is not only about construction, buildings and roads, but it is a programme for economic empowerment. All people shall have the right to live where they choose, be decently housed, and to bring up their families in comfort and security. Prioritise key projects that will address sewer spillages and respond to bulk water infrastructure and sanitation needs. Improve the capacity of our municipalities to ensure that they are focused on addressing service delivery needs. The quality of life in our human settlements must also be measured with levels of safety and security for the most vulnerable sectors of our society such as women, children, the elderly and people with disabilities. Improve infrastructure planning to ensure that project implementation does not delay due to poor planning. Reduce the time for the payment of contractors from 30 to 10 days

## 2 PROCESS PLAN

Council adopted the process plan in order for eMalahleni to review 2018/19 IDP. The following engagements will be followed as the municipality develops the 2018/2019 IDP. The IDP process aligns with performance and budget processes.

STAGE	STAGES IN THE IDP/BUDGET/PMS PROCESS	PROCESS	RESPONSIBILITY	TIME FRAME
1	PREPARATORY PHASE	<b>BUDGET PROCESS</b>		
		<ul style="list-style-type: none"> <li>▪ 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.</li> </ul>	Municipal Manager	June 2017
		<ul style="list-style-type: none"> <li>• Finalising of all plans and budget working paper files to implement the approved budget.</li> </ul>	CFO / MM	June 2017
		<b>PERFORMANCE MANAGEMENT PROCESS</b>		
		<ul style="list-style-type: none"> <li>▪ Municipal Manager to submit the <b>2018/19</b> draft SDBIP to the Executive Mayor.</li> </ul>	Municipal Manager/PMS Manager	June 2018
		<ul style="list-style-type: none"> <li>▪ Executive Mayor approves the <b>2018/19</b> SDBIP</li> </ul>	Executive Mayor/PMS Manager	June 2018

		<ul style="list-style-type: none"> <li>Municipal Manager to submit the draft <b>2018/19</b> performance agreements to the Executive Mayor</li> </ul>	Municipal Manager /PMS Manager	June 2018
		<ul style="list-style-type: none"> <li>Approval &amp; signing of <b>2018/19</b> performance agreements</li> </ul>	Executive Mayor and Municipal Manager	June 2018
<b>2</b>	<b>PLANNING &amp; ANALYSIS PHASE</b>	<b>IDP PROCESS</b>		
		<ul style="list-style-type: none"> <li>Adoption of draft IDP / Budget and performance process plan</li> </ul>	IDP Manager	July 2017
		<ul style="list-style-type: none"> <li>Consulting on IDP / Budget and performance process plan</li> </ul>	IDP Manager	August 2017
		<ul style="list-style-type: none"> <li>Adoption of the final IDP / Budget and performance process plan</li> </ul>	IDP Manager	August 2017
		<ul style="list-style-type: none"> <li>Assessment of the previous IDP performance, level of development &amp; backlogs (IDP Steering Committee)</li> </ul>	Municipal Manager	September 2017
		<ul style="list-style-type: none"> <li>Public participation meetings</li> </ul>	Executive Mayor/ Speaker/IDP Manager	October 2017
		<b>BUDGET PROCESS</b>		
		<ul style="list-style-type: none"> <li>Review previous</li> </ul>	Executive Mayor	July -

		<p>year's processes, what worked well, 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"> <li>▪ Tabled an IDP and budget process plan to council for approval.</li> <li>▪ Tabled to council an adjustment budget for Roll over capital projects in terms of section 28(2)(e)</li> <li>▪ To enable preparation of a budget that is mSCOA compliant.</li> <li>▪ Reviewing of past financial year and</li> </ul>		August 2017
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		<p>performance as at 30 June 2017.</p> <ul style="list-style-type: none"> <li>▪ Prepare and commencing with the budget process and engaging departments on budget related issues.</li> <li>▪ Conducting workshops with departments and budget steering committee on budgeting on mSCOA.</li> </ul>		
		<b>PERFORMANCE MANAGEMENT PROCESS</b>		
		<ul style="list-style-type: none"> <li>▪ Approve <b>2018/19</b> Reviewed PMS Framework Policy</li> </ul>	Municipal Manager/PMS Manager	July 2018
		<ul style="list-style-type: none"> <li>▪ Publish <b>2018/19</b> performance agreements and plans within 14 days on website</li> </ul>	Executive Mayor/PMS Manager	July 2018

		<ul style="list-style-type: none"> <li>▪ Submit <b>2018/19</b> performance agreements to MEC co-operative governance and traditional affairs.</li> </ul>	Executive Mayor	July 2018
		<ul style="list-style-type: none"> <li>▪ Conduct Performance Appraisals for Senior Management</li> </ul>	Municipal Manager/Mayor	July 2018
		<ul style="list-style-type: none"> <li>▪ PAC Meeting to review <b>2018/19</b> Performance Report</li> </ul>	Chairman PAC and Municipal Manager	July 2018
		<ul style="list-style-type: none"> <li>▪ Finalize Annual Performance Report</li> </ul>	Municipal Manager/PMS Manager	August 2018
		<ul style="list-style-type: none"> <li>▪ PAC Report to Audit committee &amp; Council on Year end</li> </ul>	Chairman PAC and Municipal Manager	July 2018
		<ul style="list-style-type: none"> <li>▪ Finalisation of performance agreements for section 57</li> </ul>	Executive Mayor/Municipal Manager	July 2018
		<ul style="list-style-type: none"> <li>▪ Publication of Performance Agreement on municipal web-site</li> </ul>	PMS Manager	August 2018
		<ul style="list-style-type: none"> <li>▪ Publication of 2018/19 SDBIP on Municipal web-site</li> </ul>	PMS Manager	August 2018
		<ul style="list-style-type: none"> <li>• Table <b>2017/2018</b> draft Annual Performance Report before</li> </ul>	Executive Mayor	August 2018

		Council		
		<ul style="list-style-type: none"> <li>Submit the <b>2017/18</b> Annual Performance Report to office of the Auditor General</li> </ul>	Municipal Manager/PMS Manager	August 2018
<b>3</b>	<b>STRATEGY</b>	<b>IDP PROCESS</b>		
		<ul style="list-style-type: none"> <li>IDP Steering Committee</li> </ul>	Municipal Manager	August 2017
		<ul style="list-style-type: none"> <li>IDP Representative Forum</li> </ul>	Executive Mayor	November 2017
		<b>PERFORMANCE MANAGEMENT PROCESS</b>		
		<ul style="list-style-type: none"> <li>1<sup>st</sup> <b>2018/19</b> quarterly reports</li> </ul>	Municipal Manager	November 2018
		<ul style="list-style-type: none"> <li>Verbal Assessment of section 56</li> </ul>	Municipal Manager/Executive Mayor	November 2018
<b>4</b>	<b>PROJECTS &amp; INTEGRATION</b>	<b>IDP PROCESS</b>		
		<ul style="list-style-type: none"> <li>Integration of sector plans into the IDP to address community basic service needs e.g. water, roads, electricity etc</li> </ul>	All Sector Departments	February / March 2018
		<ul style="list-style-type: none"> <li>Designs of project proposals, setting</li> </ul>	All Departments	January - March



		of project objectives, targets and indicators.		2018
<b>BUDGET PROCESS</b>				
		<ul style="list-style-type: none"> <li>▪ Finalisation of the draft <b>2018/2019</b> annual budget and MTREF that is mSCOA compliant.</li> <li>▪ Tabling the inputs of draft budget to the budget steering committee.</li> </ul>	CFO	March 2018
		<ul style="list-style-type: none"> <li>▪ Prepare draft budget for the ensuing year 2017/18 and the projections for the two outer years (MTREF).</li> </ul>	All Departments	February – March 2018
<b>ADJUSTMENTS BUDGET PROCESS</b>				
		<ul style="list-style-type: none"> <li>▪ Finalization of the Mid-year assessment report for <b>2017/2018</b> for adoption by council</li> </ul>	Municipal Manager	25 January 2017
		<ul style="list-style-type: none"> <li>▪ Finalisation of the <b>2017/2018</b> adjustments budget informed by the mid-year assessment report</li> <li>▪ Submit to provincial and</li> </ul>	CFO	28 February 2017

		National treasury		
		<ul style="list-style-type: none"> <li>Place the Adjustment budget on municipal website</li> </ul>		
		<ul style="list-style-type: none"> <li>Consolidation, integration and prioritisation of projects submitted in accordance with the IDP priorities.</li> </ul>	CFO	February 2018
<b>PERFORMANCE MANAGEMENT PROCESS</b>				
		<ul style="list-style-type: none"> <li>Table <b>2018/2019</b> final Annual Report before Council</li> </ul>	Executive Mayor/PMS Manager	January 2019
		<ul style="list-style-type: none"> <li>Annual report consultation</li> </ul>	Municipal Manager/PMS Manager	January 2019
		<ul style="list-style-type: none"> <li>Report on current year's budget implementation Mid-year performance assessment sec 72 of the MFMA.</li> </ul>	Municipal Manager/PMS Manager	January 2019
		<ul style="list-style-type: none"> <li>Mid-year written assessment for section 56 managers</li> </ul>	Municipal Manager/PMS Manager	January 2019
		<ul style="list-style-type: none"> <li>Submit the <b>2018/19</b> Annual Performance Report to MEC for</li> </ul>	Municipal Manager/PMS Manager	January 2019

		Local Government		
5	APPROVAL/TABLING/ADOPTION	<b>IDP PROCESS</b>		
		▪ Tabling of the draft IDP to Mayoral committee	Municipal Manager	March 2018
		▪ Tabling of the draft IDP to Council	Municipal Manager	March 2018
		▪ Advertise the draft IDP for Comments	IDP Manager	March/ April 2018
		▪ Public participation meetings	Executive Mayor/ Speaker/ IDP Manager	April 2018
		▪ IDP/Budget Indaba	Municipal Manager/ Executive Mayor	May 2018
		▪ Table the Final IDP before Council	Executive mayor	May 2018
		▪ Submit the approved IDP to the MEC of Local Government within 10 days, after approval	Municipal Manager	May/June 2018
		▪ Advertise the approved IDP	IDP Manager	June 2018
		<b>BUDGET PROCESS</b>		
▪ Tabling of 2017/2018 adjustments budget before Mayoral Committee.	Municipal Manager	February 2018		

		<ul style="list-style-type: none"> <li>▪ Tabling of <b>2017/2018</b> adjustment budget before Council</li> </ul>	Executive Mayor	February 2018
		<ul style="list-style-type: none"> <li>▪ Presentation of the departmental strategic planning outcomes to the IDP and Budget Steering Committee</li> </ul>	Departmental Heads	February 2018
		<ul style="list-style-type: none"> <li>▪ Tabling of the draft 2018/19 Budget to Mayoral committee</li> </ul>	Municipal Manager	March 2018
		<ul style="list-style-type: none"> <li>▪ Tabling of the draft Budget to IDP and Budget Steering Committee</li> </ul>	Municipal Manager	April 2018
		<ul style="list-style-type: none"> <li>▪ Table the draft 2018/2019 annual budget &amp; MTREF before council for consideration</li> </ul>	Executive Mayor	April 2018
		<ul style="list-style-type: none"> <li>▪ Make public the draft budget in local newspapers, libraries, municipal offices and invite public representations.</li> </ul>	Municipal Manager	April 2018
		<ul style="list-style-type: none"> <li>▪ Community consultation on the tabled draft IDP/budget</li> </ul>	Speaker/Executive Mayor	April 2018

		<ul style="list-style-type: none"> <li>Review tabled budget to incorporate community consultation inputs</li> </ul>	CFO	April 2018
		<ul style="list-style-type: none"> <li>Table <b>2018/2019 final</b> annual budget &amp; MTREF that is mSCOA complaint for council adoption</li> <li>Submit to Provincial and National treasury</li> <li>Place the final budget on the municipal website</li> </ul>	Executive Mayor	May 2018
<b>PERFORMANCE MANAGEMENT PROCESS</b>				
		<ul style="list-style-type: none"> <li>Prepare an oversight report on <b>2018/2019</b> Annual Report.</li> </ul>	MPAC	March 2019
		<ul style="list-style-type: none"> <li>Table oversight report to Council after consideration of the <b>2018/19</b> Annual Report.</li> </ul>	MPAC	March 2019
		<ul style="list-style-type: none"> <li>Make public the oversight report within seven (7) days of the adoption of the annual report.</li> </ul>	Municipal Manager	March 2019
		<ul style="list-style-type: none"> <li>Submit the annual report and oversight report to</li> </ul>	Municipal Manager	March 2019

		MEC Local Government		
		▪ Verbal assessment of section 56 managers	Municipal Manager	April 2019
		▪ 3 <sup>rd</sup> Quarterly Performance report for 2018/19	Municipal Manager	April 2019

### 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 2018/19 IDP, community participation meetings are planned as followed:

**Phase 1** of the meeting will be reporting the 2017/18 IDP approved project and collection of community needs for 2018/19 IDP. Also, report on feedback on the

2016/17 Service Delivery and Budget Implementation Plan (SDBIP). The meetings will take place in October 2017.

**2018/19 IDP/Budget and performance izimbizo**

WARDS	PROPOSED DATE	VENUE	TIME
1,2 & 4,5,6,7,8,9 & 3,23 & 29	7 October 2017	Hlalanikahle Multi-purpose centre	09h00
10,11,12,13 ,14,15,16,17	7 October 2017	Lynnville Hall	14h00
28,30,31	8 October 2017	Phola Community Hall	09h00
19,25,26,27 & 32	8 October 2017	Kriel Hoerskool	14h00
17,18,20,21,22,24,33 & 34/12 & 15	10 October 2017	Klarinet Hall ext6	14h00

**Phase 2** of meeting will be IDP/Budget consultation for the purpose of presenting the 2018/19 draft IDP and budget and Medium Term Revenue and Expenditure Framework (MTREF). The meetings will take place in April 2018.

### **2018/19 IDP/Budget and performance izimbizo**

<b>WARDS</b>	<b>DATE</b>	<b>VENUE</b>	<b>TIME</b>
<b>1,2 &amp; 4,5,6,7,8,9 &amp; 3,23 &amp; 29</b>	<b>21 April 2018</b>	<b>Ext 11 community hall</b>	<b>09h00</b>
<b>10,11,12,13 ,14,15,16,17</b>	<b>21 April 2018</b>	<b>Lynnville Hall</b>	<b>14h00</b>
<b>28,30,31</b>	<b>22 April 2018</b>	<b>Phola Community Hall</b>	<b>09h00</b>
<b>19,25,26,27 &amp; 32</b>	<b>22 April 2018</b>	<b>Thubelihle Hall</b>	<b>14h00</b>
<b>17,18,20,21,22,24,33 &amp; 34/12 &amp; 15</b>	<b>124 April 2018</b>	<b>eMalahleni City Hall</b>	<b>17h00</b>

Issues raised by the community in these meetings cover the follows:

- Patching of potholes
- RDP houses needs
- Serviced stands (land) for people to build on their own.
- Unemployment problems
- Skills Development
- Youth Development Strategy
- Irregular supply of water
- Irregular electricity supply
- Road and storm-water needs
- Irregular collection of waste and illegal dumpings
- Exorbitant bills/municipal billing challenges
- Illegal water and electricity connections
- High rate of crime
- Installation of electricity/water meters
- Fixing of high mast lights and street lights



- Inadequate health services( at clinics and hospitals)
- Faulty electricity and water meters
- Sanitation problems and sewer spillages
- Cleaning and maintenance of cemetery

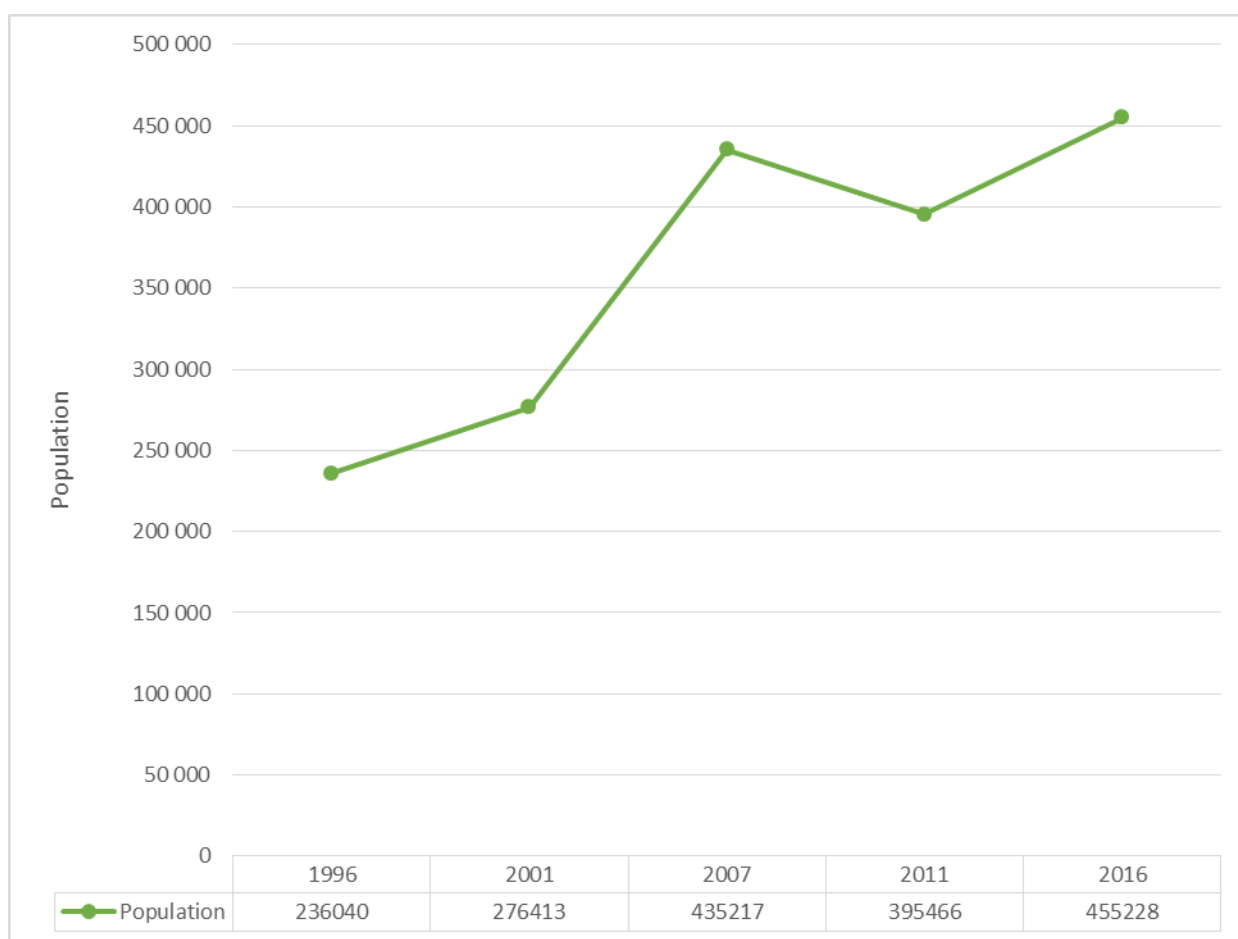
### 3 SITUATIONAL ANALYSIS

#### 3.1 INTRODUCTION

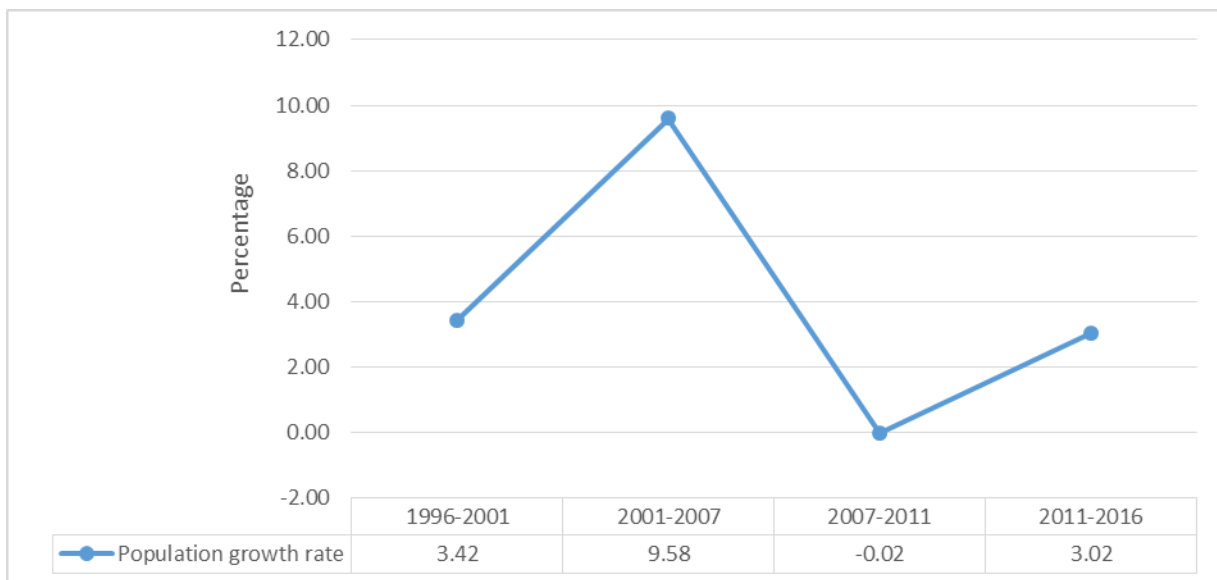
This chapter provides a status quo of the existing trends and conditions in the Emalahleni Municipality.

#### 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.

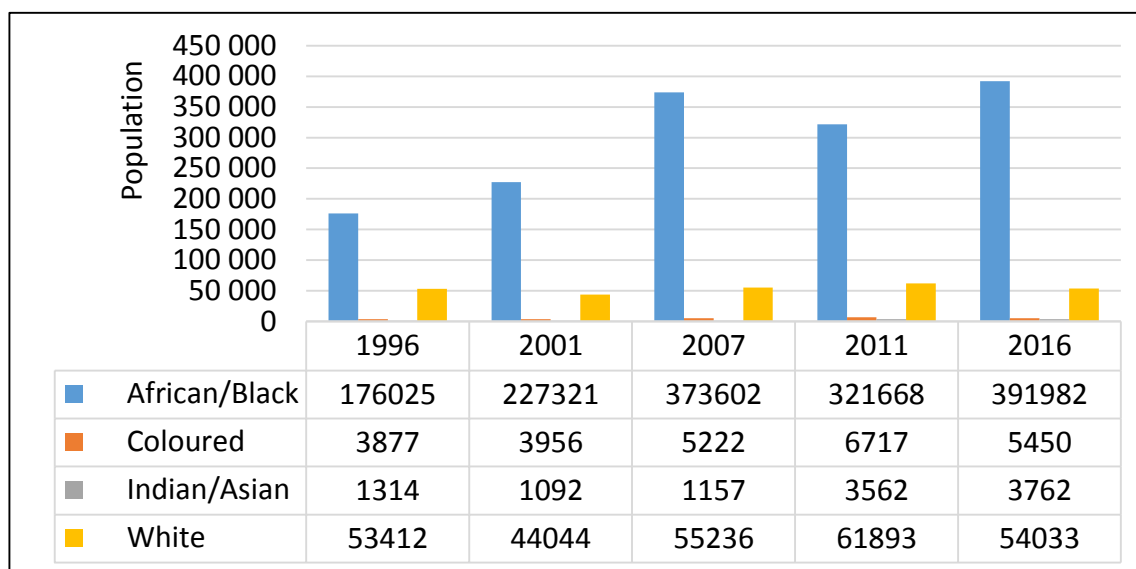
Increase in population might be due to mining industries and businesses around, which result in:

- 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.

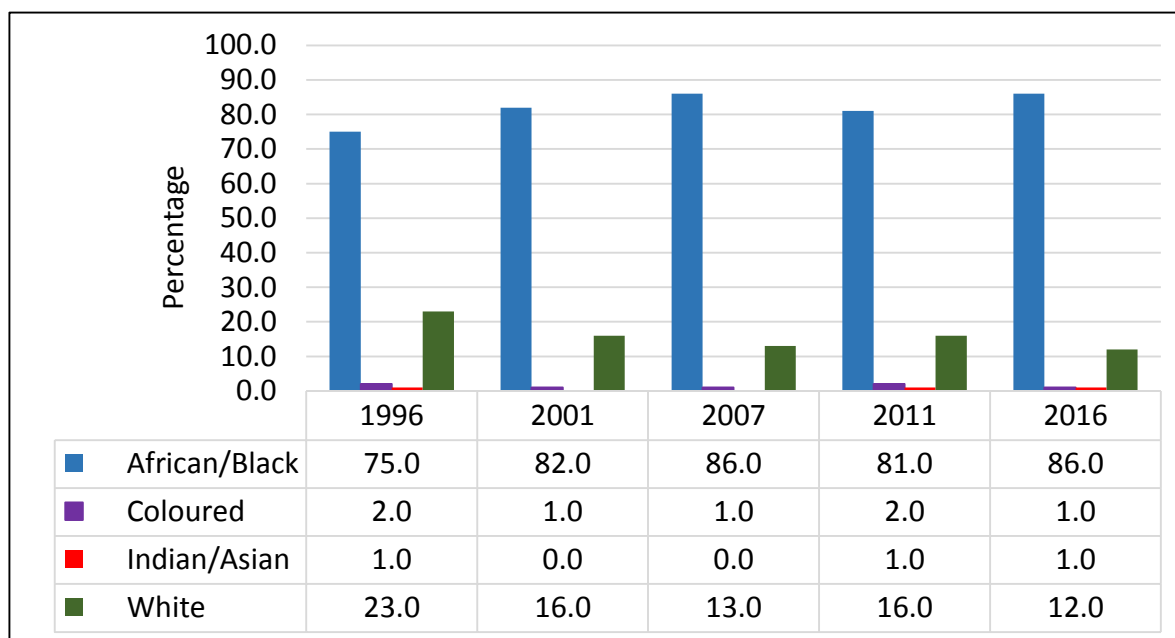
### 3.2.2 Population distribution

#### 3.2.2.1 Population group for Emalahleni



Source: Statistics South Africa

### 3.2.2.2 Population group for Emalahleni (%)



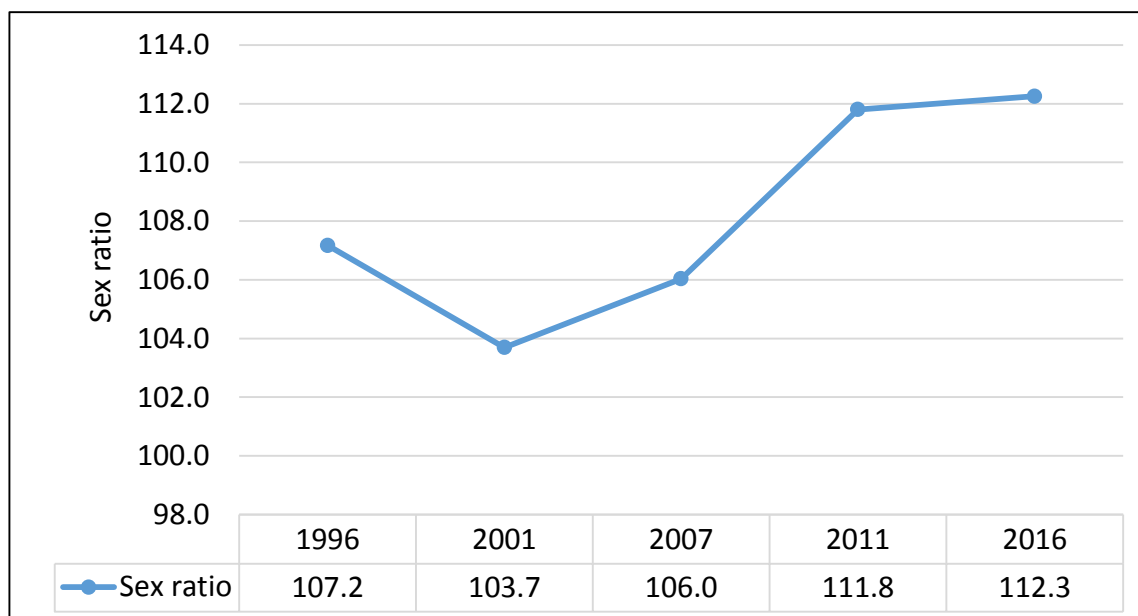
Source: Statistics South Africa

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.

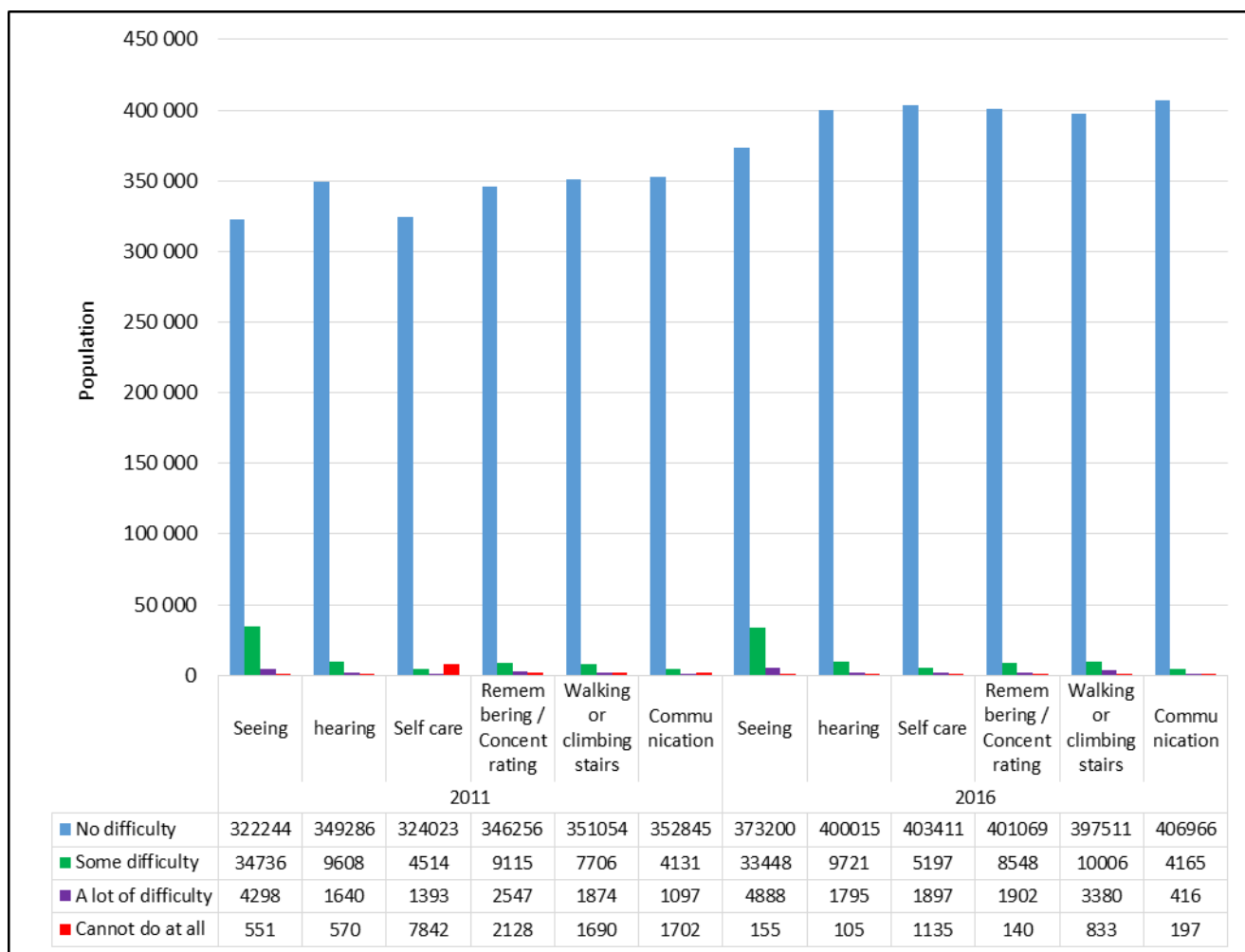
## Sex ratio



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

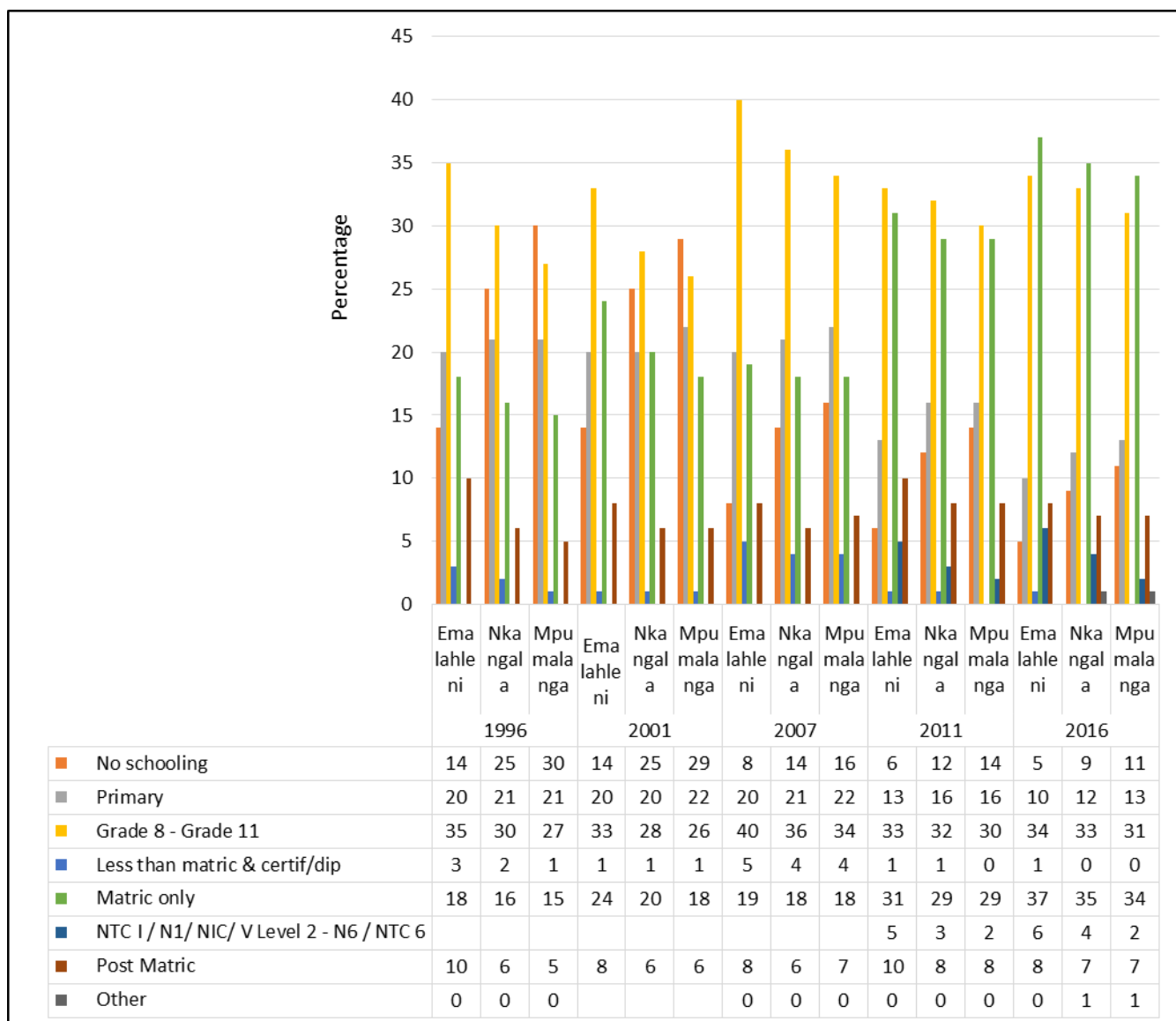
Educational attainment is a key indicator of development in a population. To evaluate long term provision of education, it is important to disaggregate educational attainment for persons older than 20 years. This is an ideal group since they would have completed attending educational institutions. Statistics 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 has been improving since 2013, which was 83.2% until 2016 at 88,0% and in 2017 there was a decrease from 88,0% (in 2016) to 80,9%.

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

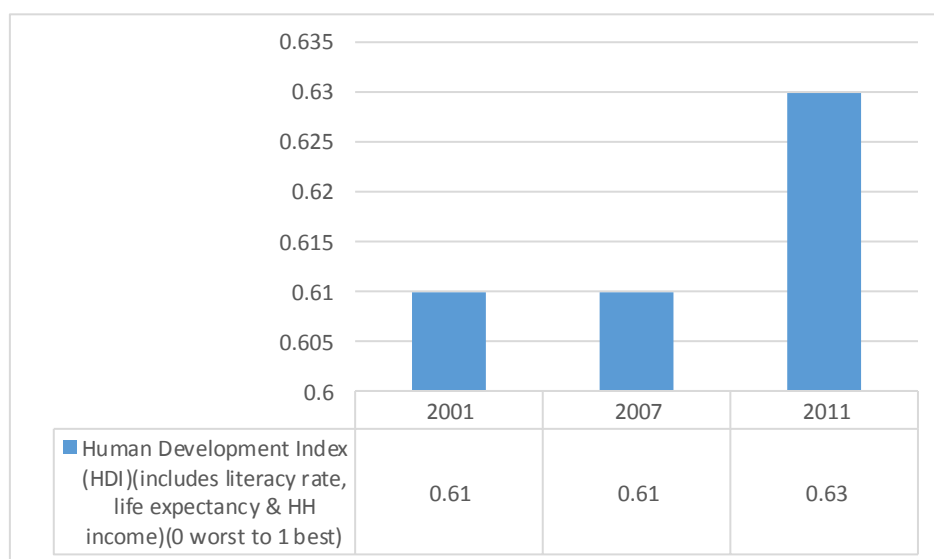
below the lower bound poverty line was however relatively high at more than 90 000 people in 2015.

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

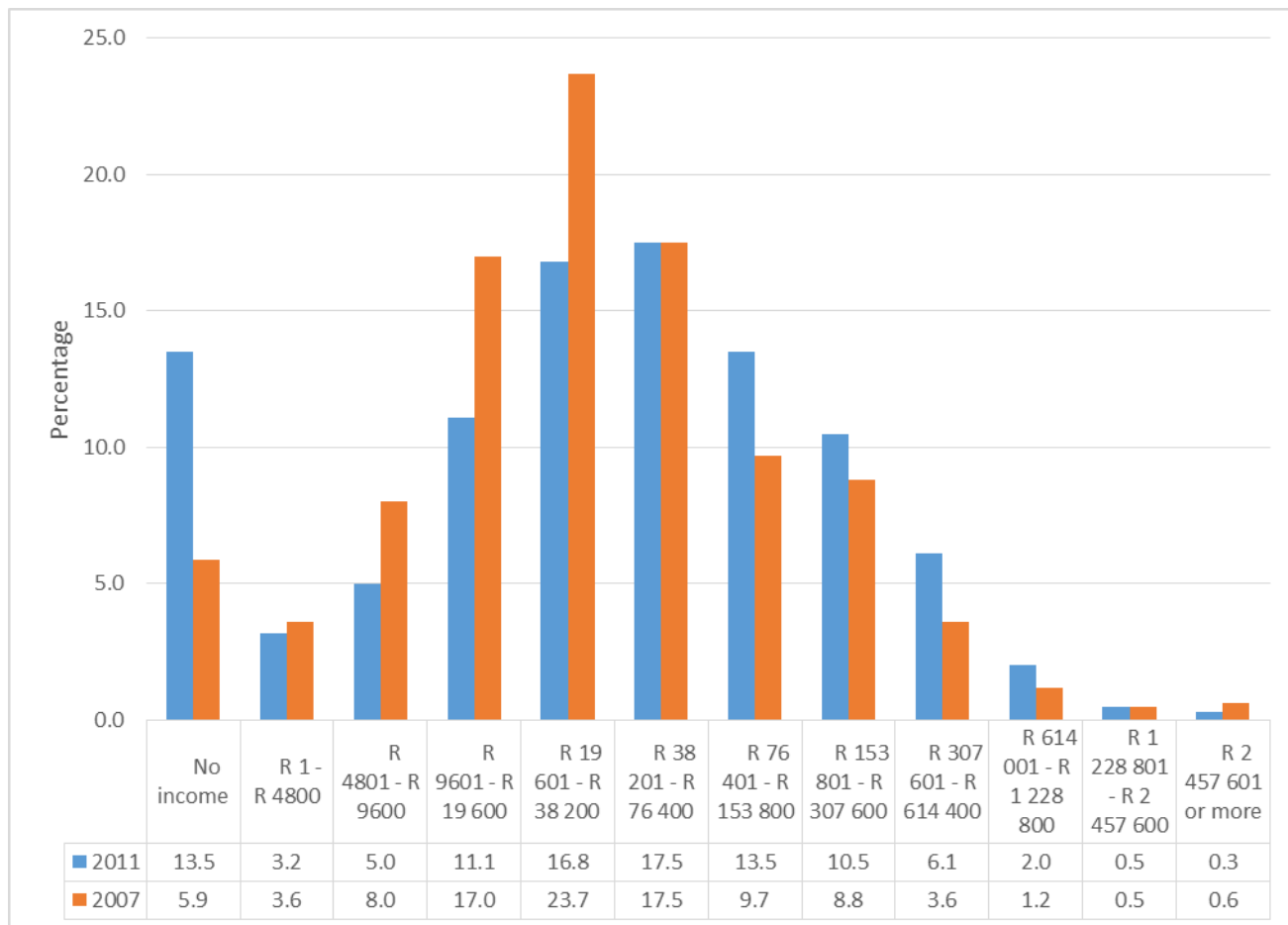
According to Mpumalanga Department of Finance, the average annual household income in eMalahleni was R12 492 in 2012 from R51 130 in 2001. It is number 3<sup>rd</sup> in the Province below Steve Tshwete (R134 026) and Govern Mbeki (R125 480) which are number one and two respectively. However, the economy 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)



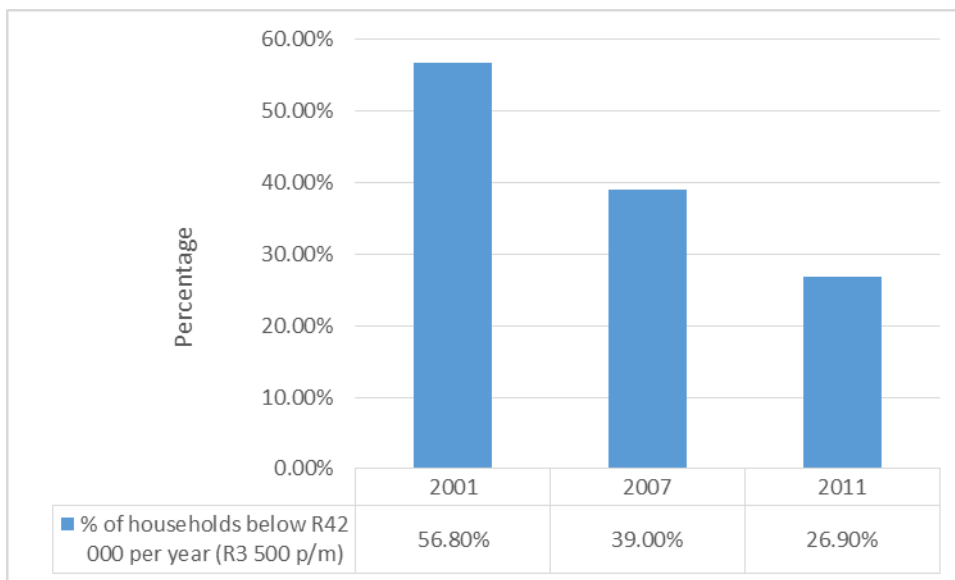
Source: Statistics South Africa

## Household Income



Source: Statistics South Africa

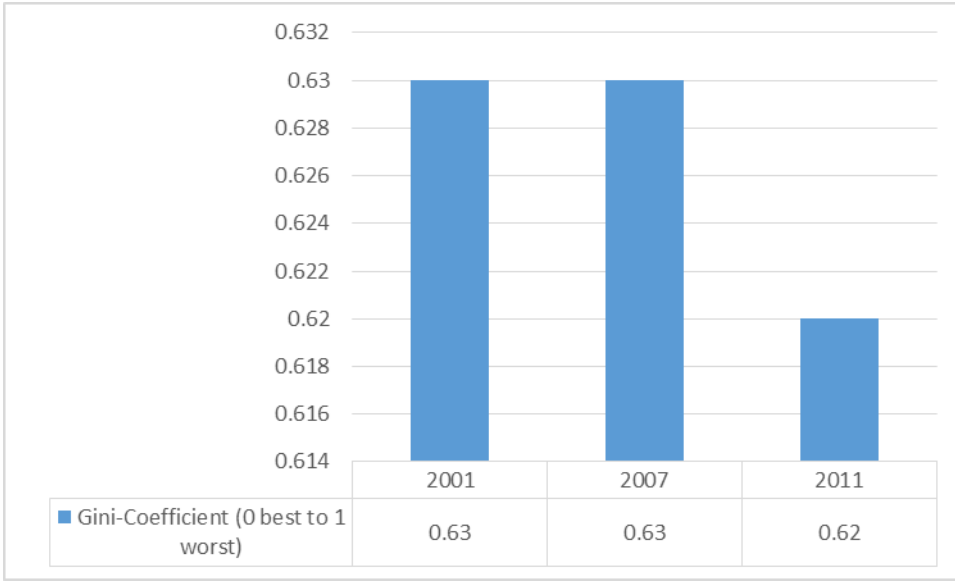
The below graph indicates the percentage of population that are below R42 000 per year. The figures are decreasing since 2007 which indicate an improvement



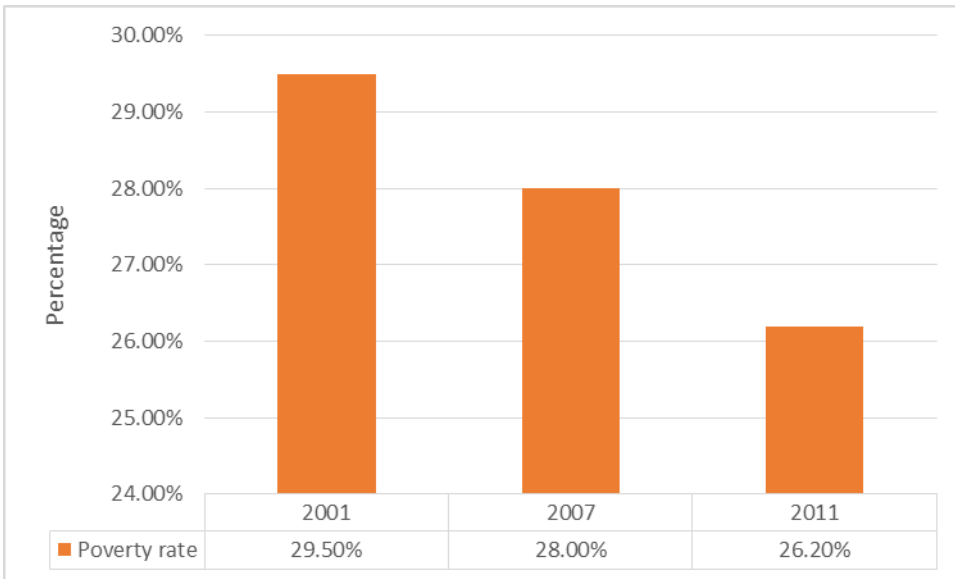
Source: Statistics South Africa

### 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



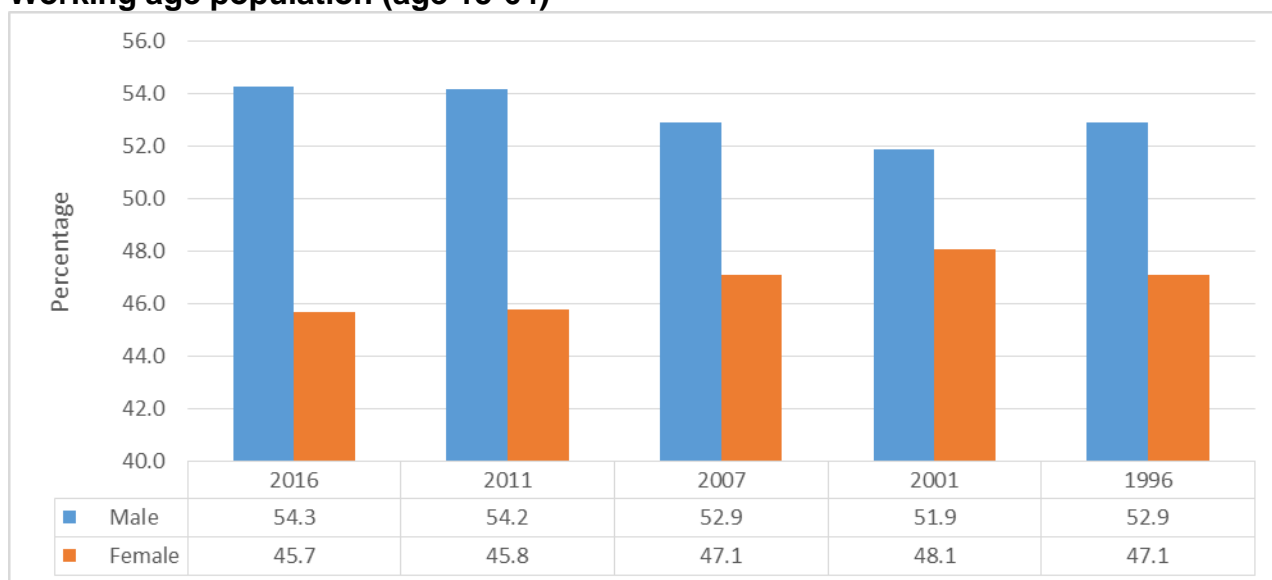
Source: Statistics South Africa

## Unemployment

The unemployment rate of eMalahleni decreased from 27.3% in 2011, 25,4% in 2015 and 26.6% 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.

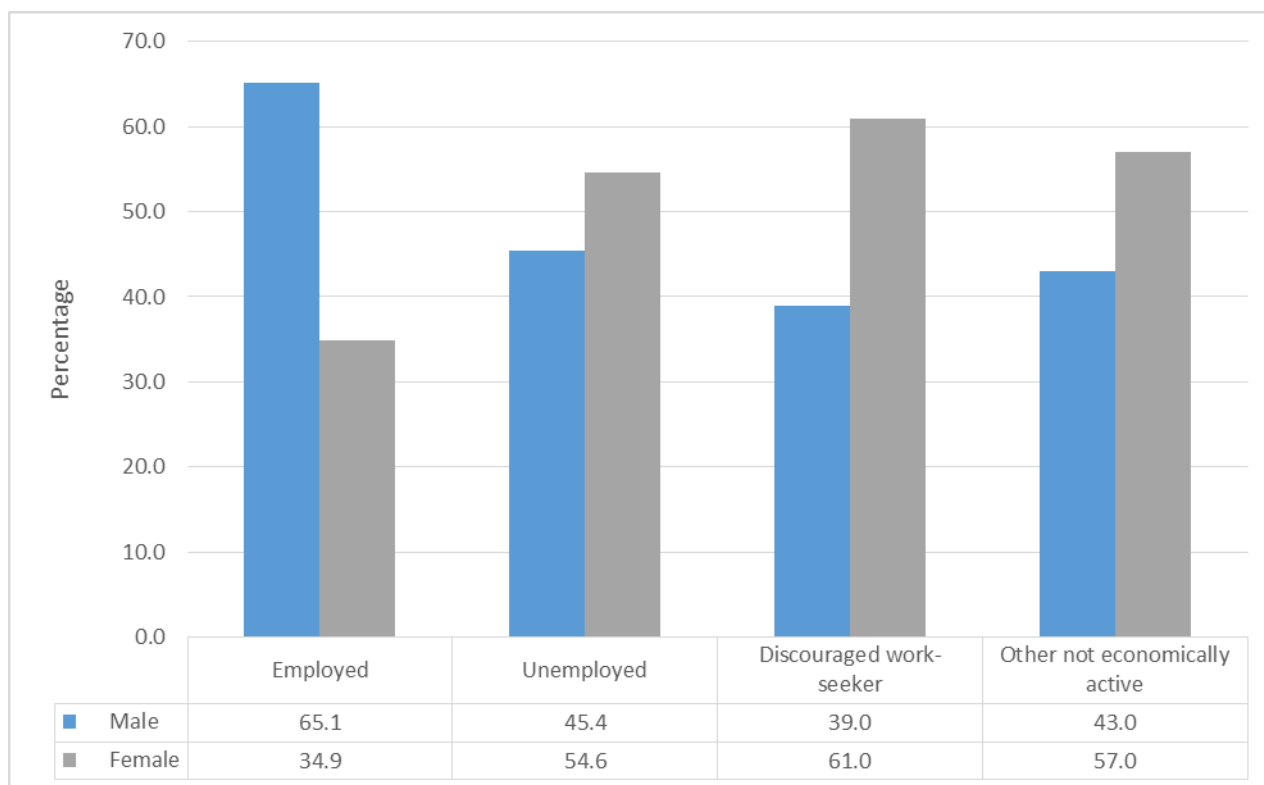
### Working age population (age 15-64)



Source: bureau of Market Research

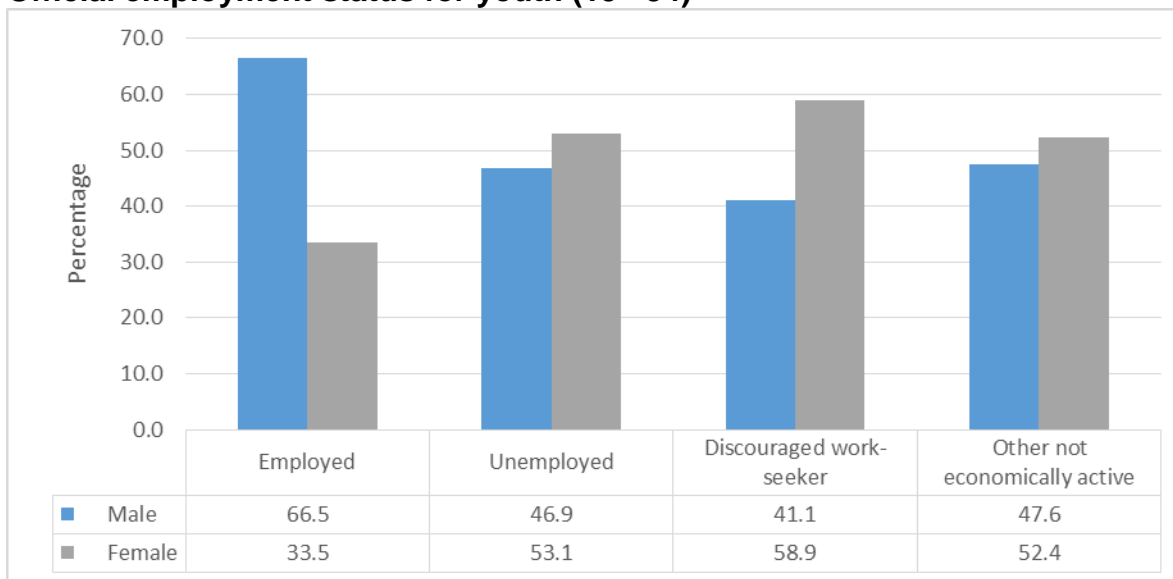


### Official employment status for working age (15 – 64)



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.

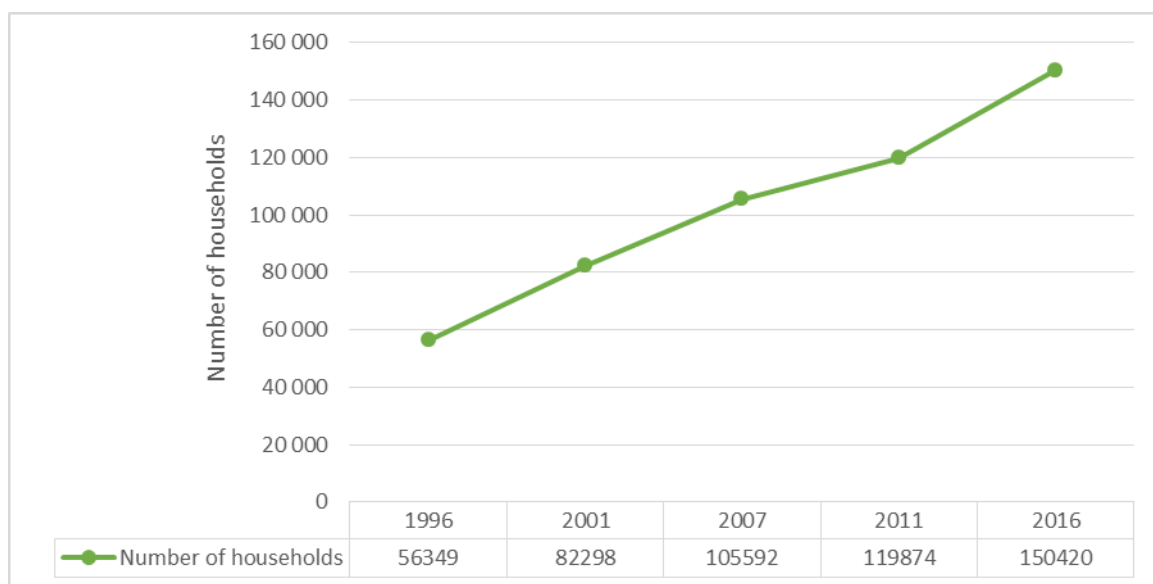
The people that depends on grants have increased from 34,849 to 89 585 people between 2012 to 2017. The grant with the largest recipients is the child support grant followed by old age grant.

#### 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
<b>TOTAL</b>	<b>34 849</b>	<b>89 858</b>

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%

**Statistics South Africa**

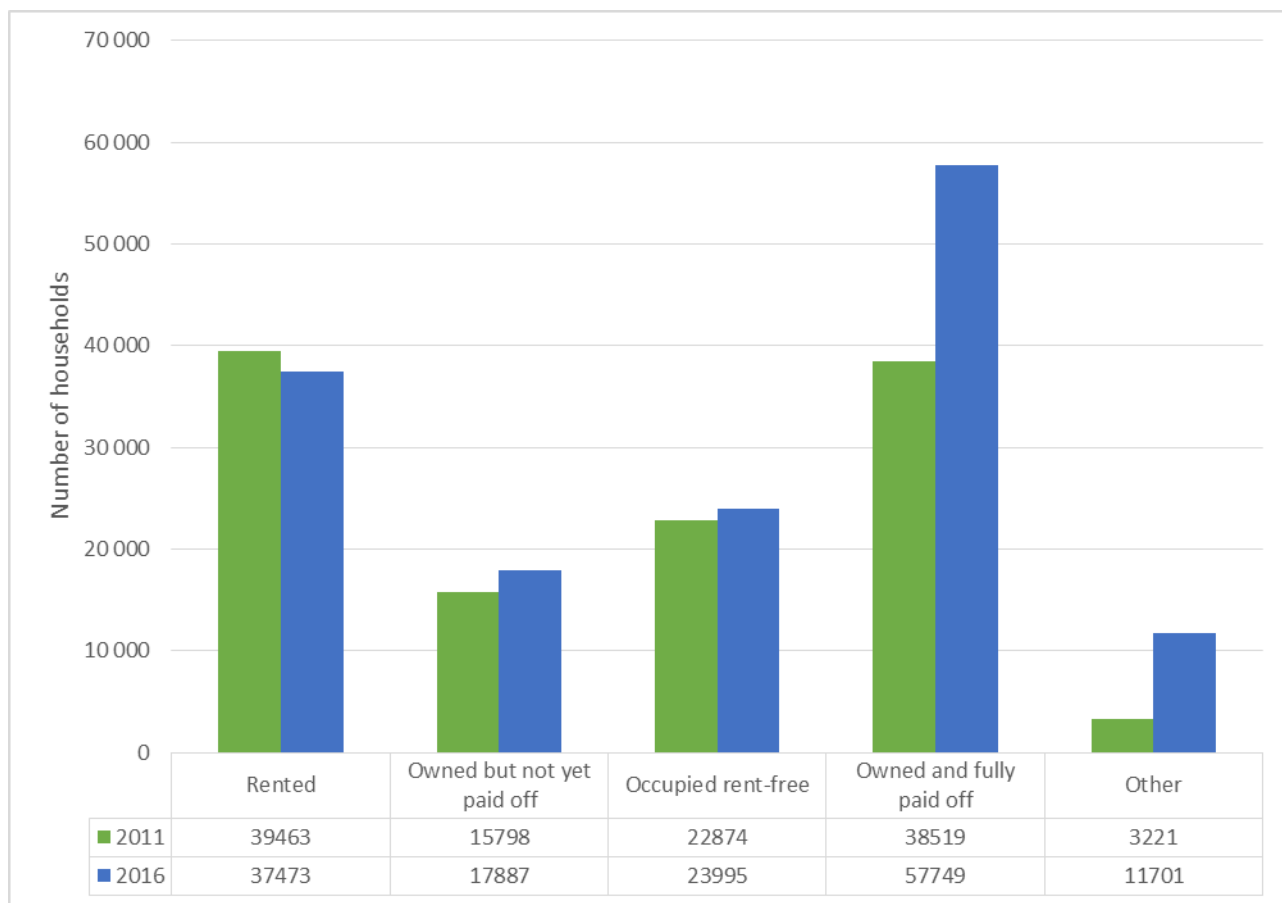
The number of households with access to piped water is 136 628 households with a share of 90.8% of households having access to piped water. As per the above table, there is however, 13 792 or 9.2% of households without access to piped water in 2016.

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

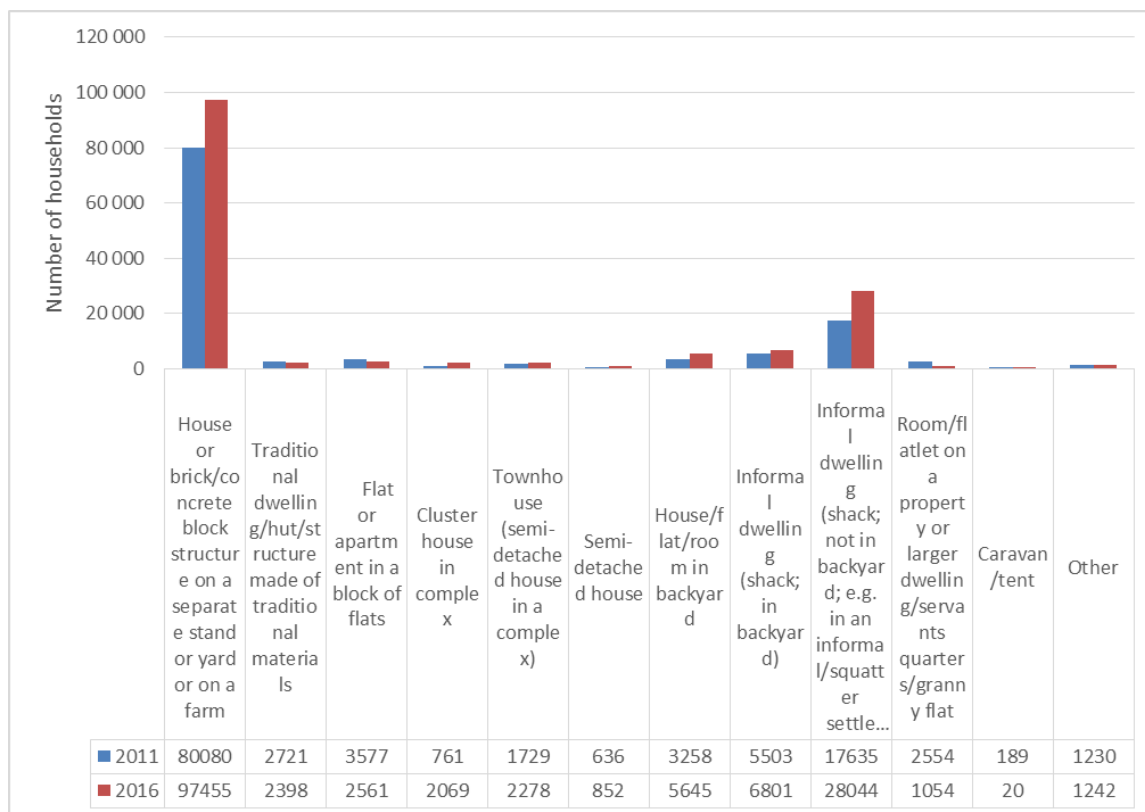
#### 3.3.7.1 Tenure status



Statistics South Africa

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

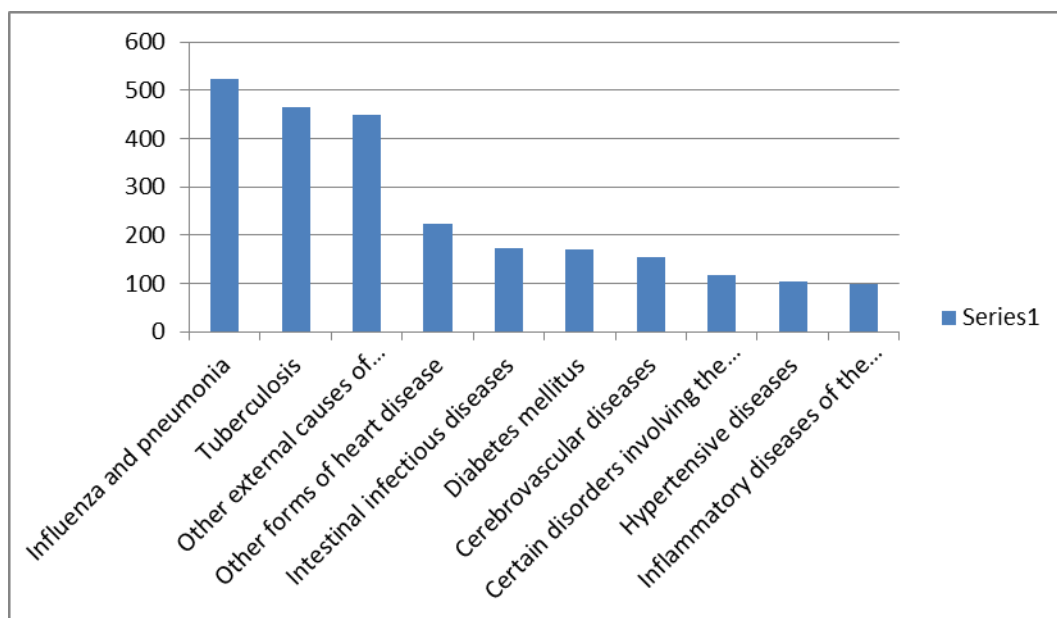
### 3.3.8 Health

#### 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

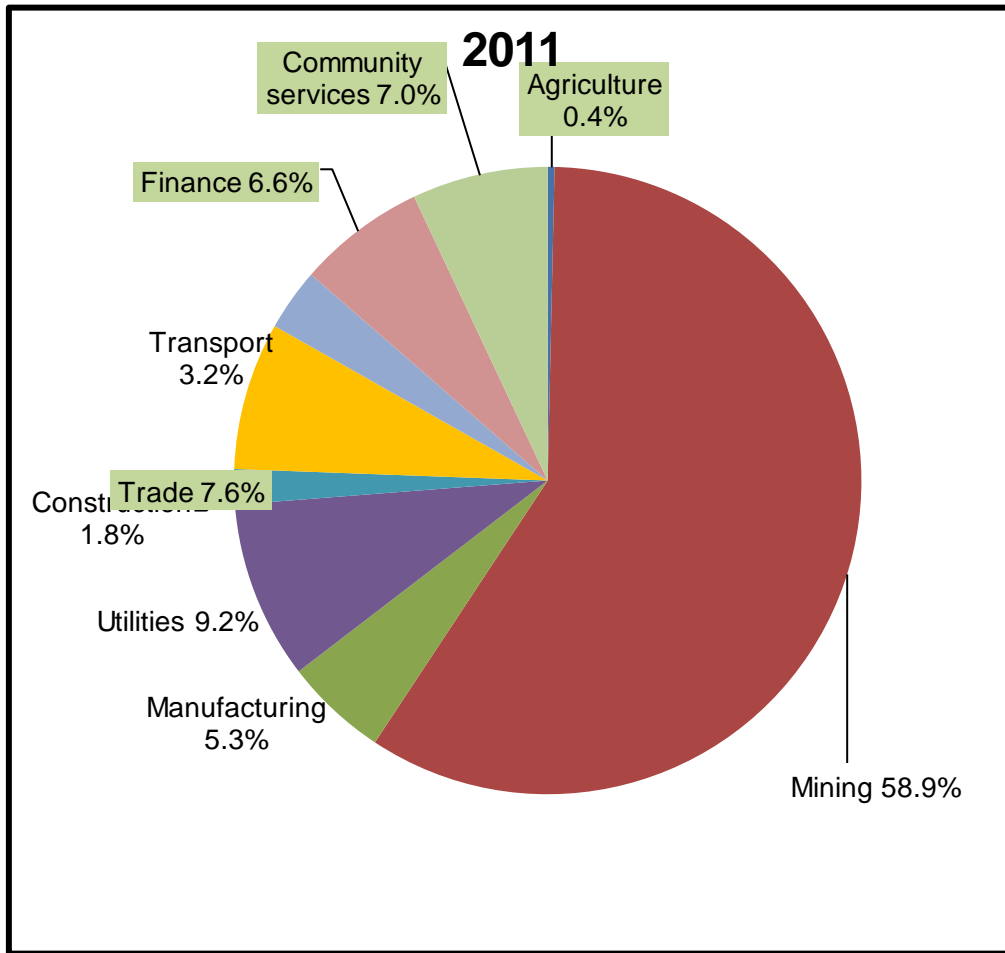
eMalahlani is one of the municipalities which experienced population growth rates higher than their economic growth rates, which is not positive at all. This has implications from a GDP per capita and an infrastructure, service delivery, job creation point of view

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

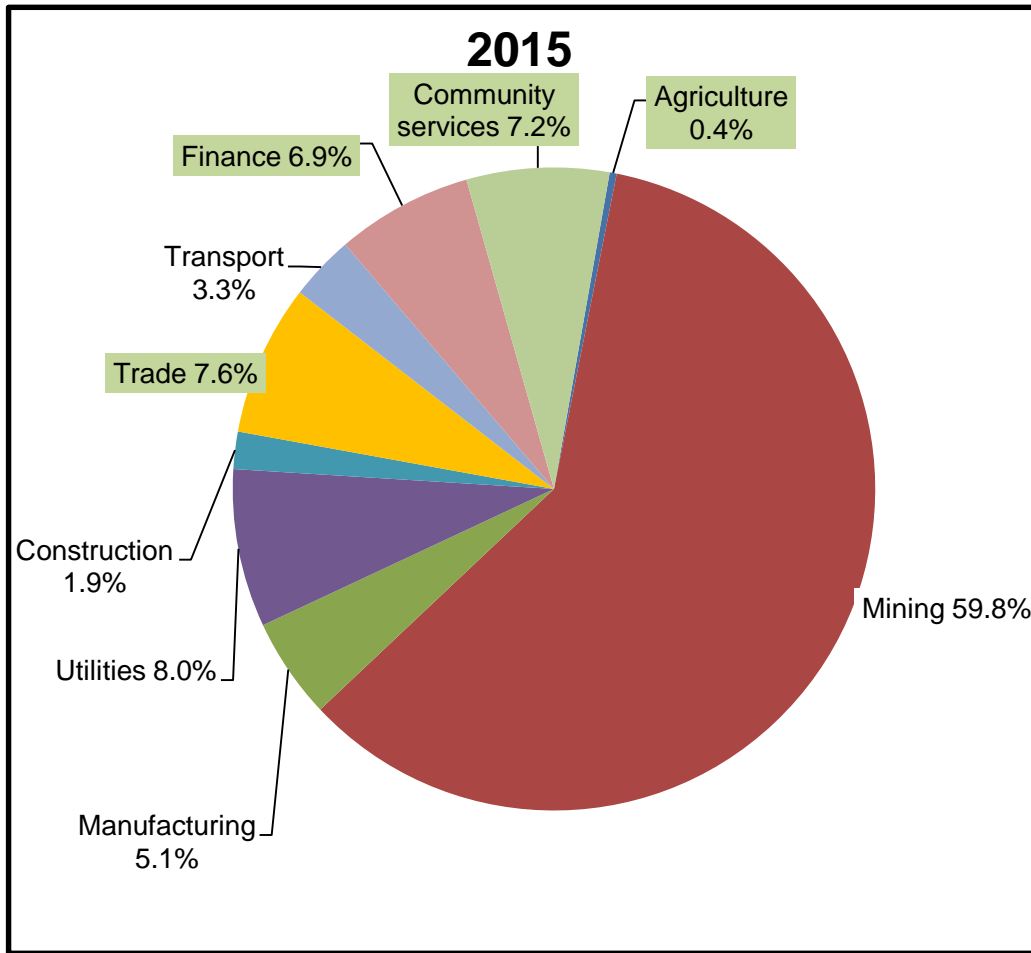
The below diagrams show that the municipal economy is dominated by mining and therefore a high dependence on the mining industry. Other industries in the area are making contribution to the local economy; these include trade and community services.

eMalahlani 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.





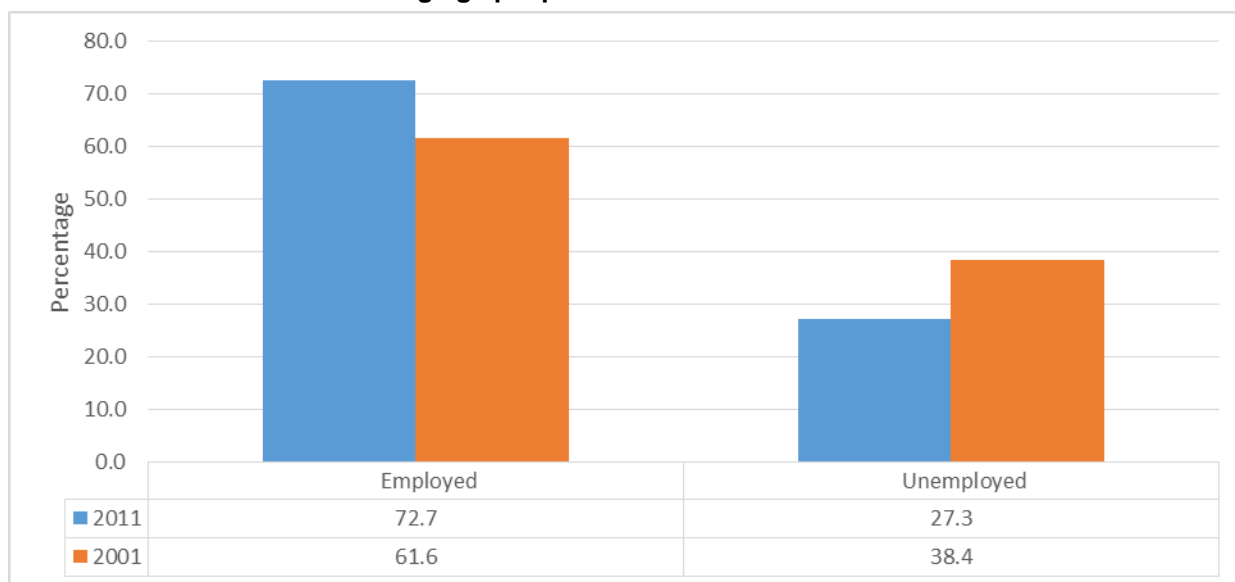
Source: SERO report



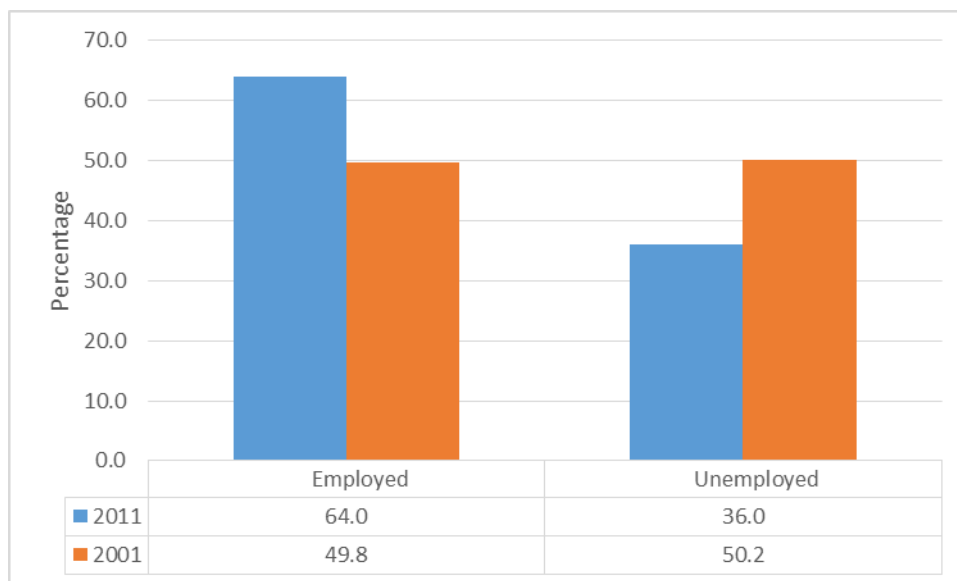
Source: SERO report

### 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 decreasing unemployment rate 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 indicator which still needs 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 jobs within the eMalahleni for the purpose of creating an attractive and conducive environment for sustainable economic development and tourism.

### 3.4 SWOT ANALYSIS

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

<ul style="list-style-type: none"> <li>• Availability of tertiary institutions</li> <li>• Industrial and mining developments potential for increased revenue base</li> <li>• Diversification of the economy</li> <li>• Training and development</li> </ul>	
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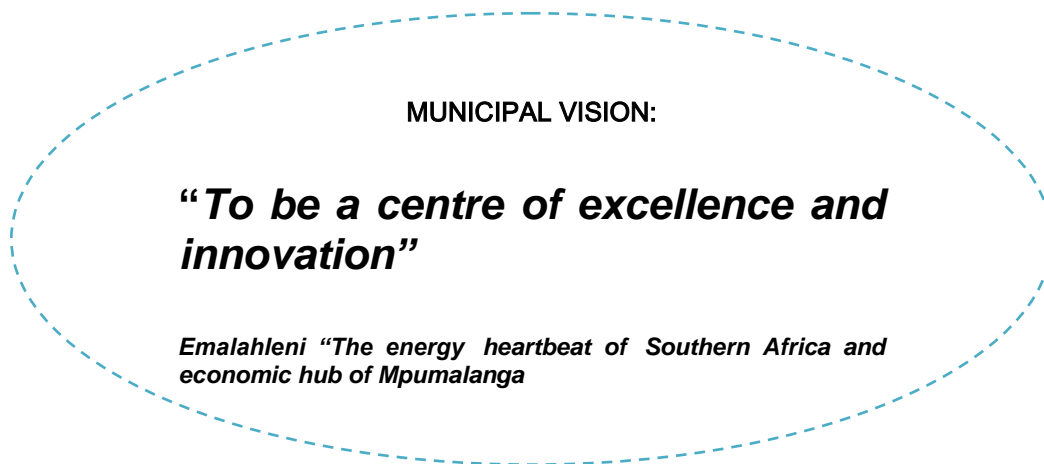
### 3.5 TOP CHALLENGES

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	Communication programme, law enforcement roll out, land use rectification  Improve service standards
Lack of public confidence in the municipality	Feed -back mechanisms  Various communication tools.  Create platform for engagements with interest groups  improved turn around on issues raised by staff reorganisation
Malfunctioning internal systems , procedures and ICT	implement ICT Strategy  Develop operation manual and service standards.
Inadequate control of investment properties	Compliance to GRAP 16
Poor fleet management and machinery	Institute disciplinary actions to curtail misuse of council property  Vehicle recovery programme and replacement programme
Lack of effective communication	Ensure that all information that effect the community and employees is disseminated to the communication department for distribution  Implement communication strategy
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 an 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)
<b>Public Participation and Good Governance</b>	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		
	Good governance and sound administration	Risk management		Fraud and corruption
		Compliance Management		Inability to recover provision of services in
		Public		

		Participation		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		
<b>Service Delivery and Infrastructure Development</b>	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		

		Library Service	social and recreational development	
<b>Local Economic Development</b>		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		
<b>Municipal Transformation and Organisational Development</b>	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
<b>Municipal Financial viability and Management</b>	Sound financial management and accounting	Financial reporting	To ensure sound financial and asset management	Poor financial and Assets Management
		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	Possibility of the municipality not achieving full compliance to MSCOA requirements by 1 July 2017

<b>Spatial or Cross cutting issues</b>	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		
		Property management		

## 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 municipal plans are aligned to 6 KPA's (as per the above table) that form the basis of the assessments and which 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

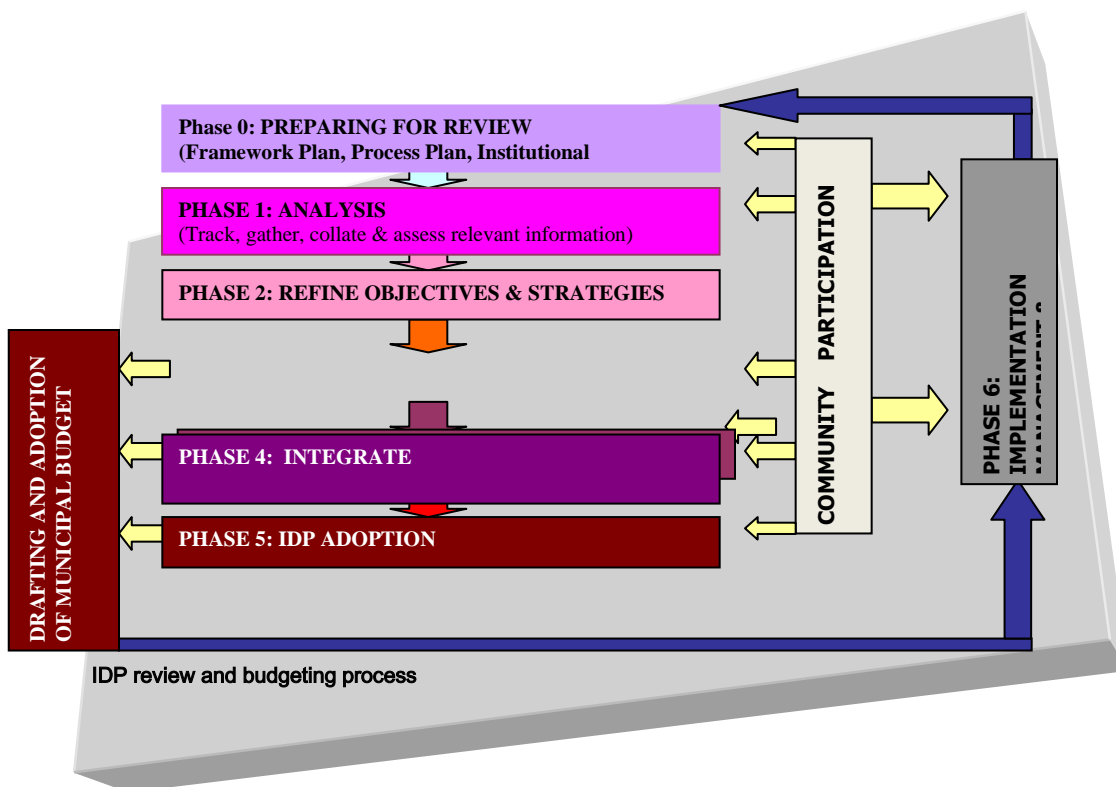
Since 1996, Integrated Development Planning (IDP) has become a tool for municipal planning and budgeting to enable municipalities to deliberate on developmental issues identified by communities. The introduction of IDP has not only affected municipal management, but also improved services in communities 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

To ensure that the IDP document is truly integrated and aligned to the various multi-sectoral plans it needs to go through various stages. These stages ultimately yield the core components of the IDP as set below.



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
<b>WARD 1</b>	<ul style="list-style-type: none"> <li>• Sand, grading, paving and repair paved roads</li> <li>• Stormwater drainage in Matthew Phosa road (from new engine garage to phase 4</li> <li>• Pave Masilila street for Power mall to Mawag (Lindokuhle)</li> <li>• Grade and sand Mawag streets (all)</li> <li>• Pave Phase 1, 2, 3, 4, extension 2, Kananda road and Mawag</li> <li>• Inconsistence supply of water in phase 1, 2, 4</li> <li>• Repair High Mast lights in phase 1,2, 4, extension 2 and Mawag</li> <li>• Install electricity meter boxes</li> <li>• Illegal connections</li> <li>• Grass cut</li> <li>• Collection of waste in phase 4 outline, phase 2 line next to Mawag, outline next to taxi rank</li> <li>• High illegal dumping spots</li> <li>• Sport ground (next to ZCC church in phase 4)</li> <li>• Crèche</li> <li>• Library</li> <li>• Satellite police station</li> <li>• Clinic</li> <li>• Post office</li> <li>• Hlalanikalhle multi- purpose centre – need chairs, stage , security and cleaners</li> <li>• Speed humps in main roads</li> <li>• Toilets at extension 2 next to taxi rank, households in phase 1 and 2</li> <li>• High rate of drug abuse</li> <li>• Youth empowerment projects</li> </ul>
<b>WARD 2</b>	<ul style="list-style-type: none"> <li>• Street lights from phase 4 stand 4980 passing Santon road stand 162 Ext 3 Hlalanikahle</li> <li>• Repair 8 high must lights</li> <li>• Formalisation of ERF 1478 extension 2 Hlalanikahle</li> <li>• Formalisation ERF 327 extension 3 and C section</li> <li>• Water</li> <li>• Sewer</li> <li>• VIP toilets</li> <li>• RDP houses (300)</li> </ul>

	<ul style="list-style-type: none"> <li>• Electricity for formalized F section at extension 3, ERF 324 and ERF 325</li> <li>• Relocate 55 families to alternative place –area is wet land</li> <li>• Roads in extension 4</li> <li>• Storm water drainage at extension 3 and extension 2 Hlalanikahle</li> <li>• Tar road opposite 209 extension and 1102 extension 3</li> <li>• Stormwater drainage at 341 extension 3, 1102 extension 2 and 162 extension 3</li> <li>• Cleaning next to ERF 324 and 325 (water goes inside houses)</li> <li>• Speed humps at 1477, 1471 ext 2 and 811, 525 and 520 ext 3 and phase 4 4989 Kasindiswa and 5200, 5061, 5277 and 4900</li> <li>• Request for alternative ground (the current ground is earmarked for township establishment)</li> <li>• Church site</li> <li>• Old age home</li> <li>• Library</li> <li>• Multi - sport centre</li> <li>• Income generating projects (food gardening)</li> <li>• VIP toilets at E.F.C and B informal settlements</li> <li>• Pave roads at phase 4 from 5251 to 4797 and 5250 to 4829</li> <li>• Secondary school at ERF 6</li> <li>• Pave Newtown Road from stand no 33 to 47</li> <li>• Clean dumping sites (back 1477 to 1471 and near 5127 to 4980 Ekharavaneni)</li> <li>•</li> </ul>
<b>WARD 3</b>	<ul style="list-style-type: none"> <li>• Supply of water for whole ext 11 there are pipes and meters but there is no supply of water.</li> <li>• replacement of water meter in ward 3</li> <li>• installation of water pipes with water meters at GETFUNKY, D SECTION and EXT 4 &amp; 5 SECTION</li> <li>• Installation of sewer line at GETFUNKY, D SECTION and EXT 4 &amp; 5.</li> <li>• Cleaning of Manholes at EXT 11</li> <li>• Replacement of pre- paid meters and circuit breakers to reduce electricity loses at ext 11.</li> <li>• Installation of electricity at D SECTION, GETFUNKY to reduce illegal connections.</li> <li>• Add transformers at Block 1, 2, 3, 5 and 6 at Ext 11 because in this blocks transformers are over loaded.</li> <li>• Installation of High Mast Light at D SECTION, GETFUNKY, 2 X 2 and EXT 4 &amp; 5.</li> <li>• Let 2 X 2 SECTION supply by Empumelweni</li> <li>• Storm water drain at EXT 11 and D SECTION.</li> <li>• Paving of streets.</li> <li>• Speed Humps.</li> <li>• RDP houses at D SECTION, GETFUNKY and EXT 11</li> </ul>



	<ul style="list-style-type: none"> <li>• Allocation of houses/ stands for backrooms dwellers in SIYANQOBA</li> <li>• Cleaning of dumping sports at D SECTION under ESKOM POWER LINE and EXT 11.</li> <li>• Supply of waste bins in Ward 3</li> <li>• Sports facilities</li> <li>• Youth desk must help us with youth programmes.</li> <li>• Transversal/ social department must help us with awareness programmes.</li> <li>• Disaster management must help us with campaigns</li> <li>• CR STANDS to be allocated in D SECTION.</li> <li>• GETFUNKY to be packed</li> <li>• Library.</li> <li>• Municipality Satellite Offices.</li> <li>• Post Office.</li> <li>• Chairs and tables at EXT 11COMMUNITY HALL.</li> <li>• Shelter at taxi rank</li> <li>• Electricity reticulation at 2x2 no.6955</li> </ul>
<b>WARD 4</b>	<ul style="list-style-type: none"> <li>• Pavement of 2 streets</li> <li>• Speed humps at Sour general Dealer four ways, Ezinsimbini, Ext 1 entrance</li> <li>• Gravelling of streets</li> </ul>
<b>WARD 7</b>	<ul style="list-style-type: none"> <li>• Street lights at extension 18 and 2</li> <li>• Redirect taxi route to go in the ward</li> <li>• Sport facility at extension 18 and 14</li> <li>• Community multi-purpose centre</li> <li>• Recreational park</li> <li>• Speed humps</li> <li>• Tarring of roads in extension 14 and 18</li> <li>• Patching potholes at extension 2, fixing streets and pave streets</li> <li>• Speed hump at Machibini outline street</li> <li>• Construction of side -walks and street by tar/paving at extension a8</li> <li>• High mast lights between Mkhabela school and Siphendulo school</li> <li>• Water at extension 14 and water pipe under power line between ext.18 and 11</li> <li>• Drainage system at extension 18</li> <li>• Clinic next to Mapule Sidane primary</li> </ul>
<b>WARD 9</b>	<ul style="list-style-type: none"> <li>• Pave roads at Thabo Mbeki, Robertson street at Clewer, Dula Ouma at Sinqobile, Station street at KwaMthunzi</li> <li>• Sewer at Thabo Mbeki</li> <li>• Library at extension 9</li> <li>• Electricity meter boxes at KwaMthunzi and Sinqobile</li> <li>• Water meters at KwaMthunzi and Sinqobile</li> <li>• Stormwater at KwaMthunzi, Sinqobile and Mdaka school</li> <li>• RDP for informal settlements</li> <li>• Playground at KwaMthunzi and Sinqobile</li> </ul>

	<ul style="list-style-type: none"> <li>• Sewer at the plots</li> <li>• Clinic at Clewer and Vosman</li> <li>• High Mast lights at Eland street at Clewer</li> <li>• Service street lights at Clewer</li> </ul>
<b>WARD 10</b>	<ul style="list-style-type: none"> <li>• Formalization of land</li> <li>• RDP</li> <li>• Repairing Mgababa, Ackerville flats and toilets</li> <li>• Plantation of trees in Ackerville flats</li> <li>• Repair Klein Kopies park and tools</li> <li>• Potholes in Solomon Nkabinde, Godfrey Motla, Jubindaba, Jocker, Jiyane, Magebo Malaza and Louise Dlamini (Four way) and Skosana.</li> <li>• Street names in all ward</li> <li>• Speed humps in Willie Ackerman drive extension 3, Magebo Malaza, Louise Dlamini, Van Dalen extension 2, Skosana, Tshabalala extension 2</li> <li>• Street lights in all ward</li> <li>• Street light maintenance at Jubindaba, Jocker, Phumula, Van Dalen, Skosana</li> <li>• Street marking and sign at Magebo Malaza and Masinga (stop sign), Louise Dlamini (stop sign), Van Dalen, Skosana</li> <li>• Storm drainage system in all ward, Kaoli, Jiyane, Jubindaba, Godfrey Matla, Botha extension, Willie Ackermans Drive, Mageba Malaza and Van Dalen, Tshabalala and corner Mbethe and Botha</li> <li>• Street side walk at Van Dalen, Botha, Willie Ackermans Drive, Mageba Malaza, Kunene, Skosana</li> <li>• Sewer maintenance at Mageba Malaza, Mbeki, Tsietsi and behind stadium</li> <li>• 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</li> <li>• Waste bins</li> <li>• Grass cut</li> <li>• Removal and maintenance of waste (Informal settlements)</li> <li>• Sewer</li> <li>• Water taps</li> <li>• Water reticulation In Santa Village</li> <li>• Water meter</li> <li>• Electricity in informal settlements- Tsietsi and Mbeki</li> <li>• Pre-paid electrical meters in all ward in Mgababa section</li> <li>• Protection of sub-stations in all ward</li> <li>• High mast lights in Ackerville flatsi</li> <li>•</li> </ul>
<b>WARD 11</b>	<ul style="list-style-type: none"> <li>• Houses</li> <li>• Stormwater drainage</li> <li>• Install High Mast Lights</li> <li>• Fix high mast lights</li> </ul>

	<ul style="list-style-type: none"> <li>• Rehabilitation centre</li> <li>• Water meters</li> <li>• Kalkspruit sewer</li> <li>• Library</li> <li>• Hall</li> <li>• Job opportunities (EPWP)</li> <li>• Billing system</li> <li>• Bridge</li> <li>• Speed humps</li> <li>• Gravel 2 streets</li> </ul>
<b>WARD 13</b>	<ul style="list-style-type: none"> <li>• Repair stormwater drainage pipe and damage ribloc pipe</li> <li>• Solar light in entrances and passages</li> <li>• Allocation of stands who do not qualify for RDP houses</li> <li>• CRUs in hostel</li> <li>• RDP houses to back yard dwellers</li> <li>• Parks</li> <li>• Library</li> <li>• Food gardening</li> <li>• Fixing taps at Highveld hostel</li> <li>• Install water meter at all sections</li> <li>• Repair water meters that are damaged or removed and leakages</li> <li>• Grass cutting at Highveld hostel</li> <li>• Refurbishment of toilets in Highveld hostel</li> <li>• Tree cutting in all streets</li> <li>• Skip bins at Mpondozankomo and Scotch Khoza entrance</li> <li>• Waste collection at Highveld hostel</li> <li>• Pave passages</li> <li>• Illegal dumping site</li> <li>• Control use of drugs</li> <li>• Police visibility at night</li> <li>• Speed humps on main roads, Phasha street, Sotloko, Ndala, Owen Mlisa</li> <li>• Patch potholes</li> <li>• Repair paved roads that are damaged by rain</li> <li>• Pave Mpondozankomo roads, Highveld hostel, Mashiye, Mahlalela, Mgibe</li> <li>• Construction of roads at Mcise street</li> <li>• Repair stormwater drainage</li> <li>• Clinic</li> <li>• Sport facility</li> <li>• Street lights at Johnson drive, Willie Ackerman, Scotch Khoza, Moses Kotane road, Godfrey Motla</li> <li>• Install water and electrical meters</li> <li>• Recreational facilities</li> <li>• Highmast lightd</li> <li>• Side walk at Godfrey Motla and Johnson Drive</li> <li>• Paving passages</li> <li>• Mobile library</li> </ul>

<b>WARD 14</b>	<ul style="list-style-type: none"> <li>• Water system in Likazi and Thala and Sizanani (water tank)</li> <li>• Sewer at Thala</li> <li>• Maintenance of high mast lights (x2)</li> <li>• Installation of high mast lights (x3) at Sizanani wheels ground</li> <li>• Prepaid meters at Thala, Hostel 1 and Buffor zone</li> <li>• Solar gyser at Thala, Buffor zone and Hostel 1</li> <li>• Street lights at Hostel block 3 and 4</li> <li>• Maintenance of church</li> <li>• Street lights</li> </ul>
<b>WARD 15</b>	<ul style="list-style-type: none"> <li>• Roads</li> <li>• Street names</li> <li>• Housing for backyards</li> <li>• Electricity meters</li> <li>• Bridge between Extension 3 and Extension 4 (High school)</li> <li>• Upgrade bridge between extension 5 and extension 6</li> <li>• Space for community services and pay office</li> <li>• Police station</li> <li>• Flat rate for old age</li> </ul>
<b>WARD 19</b>	<ul style="list-style-type: none"> <li>• Reliable, continuous water supply and fixing/digging of boreholes</li> <li>• Construction of water tower to supply Duvha1, 2, 7, 8</li> <li>• Drainage of toilets</li> <li>• Electricity supply largely in farms</li> <li>• Street lights at Duvha Park</li> <li>• RDP houses</li> <li>• Updating list of those qualifying for RDP houses to include residents of EL Paso and Benicon informal settlements</li> <li>• Educational facilities</li> <li>• Establish fully functional library</li> <li>• Scholar transport especially for kids at three informal settlements</li> <li>• Gravel roads paving/grading of roads for transport accessibility in informal sections</li> <li>• Fixing Potholes at Duvha Park</li> <li>• A Taxi Rank for the community as it is non-existent</li> <li>• Build shelter taxi rank in Masakhane</li> <li>• Building shelter taxi stop at Benicon and EL Paso settlements</li> <li>• Construction of fully functional parks and sport facilities at Duvha parl 1, 2, 7, 8</li> <li>• Maintenance of existing park facilities at Duvha Park 1</li> <li>• Clinic</li> <li>• Provision of mobile clinic at El Paso and Duvha Park Sections</li> <li>• Provision of land for agriculture and residential activities</li> <li>• Request for provincial land next to Masakhane foe residential or agricultural activities</li> </ul>
<b>WARD 21</b>	<ul style="list-style-type: none"> <li>• Speed hump at 46 trombone street</li> <li>• Bridge from Uthingo Park to Tasbet park extension 1</li> </ul>

	<ul style="list-style-type: none"> <li>• Community Hall</li> <li>• Internet café with Wi-Fi</li> <li>• RDP houses</li> <li>• Clinic</li> <li>• Police station</li> <li>• Stands for churches</li> <li>• Maintenance for street light</li> <li>• Clean streets and grass cut on main roads</li> <li>• Mark street and install stop signs</li> <li>• Training centre for skills training</li> <li>• Take care of Sub-station in Duvha 9 and extension 12</li> <li>• Fence at Duvha 9 and extension 12</li> <li>• Solar systems for pensioners</li> </ul>
<b>Ward 23</b>	<ul style="list-style-type: none"> <li>• Formalisation of existing informal settlements in the ward and Empumelelweni Ext 9 (Section C, D, E and F)</li> <li>• Temporary electricity bulk in informal settlements</li> <li>• Stormwater drainage for Ext 7, 8 and 9 in Empumelelweni</li> <li>• Gravel gravel roads in Empumelelweni</li> <li>• Clean illegal dumping in Empumelelweni Ext 7, 8 and 9</li> </ul>
<b>Ward 25</b>	<ul style="list-style-type: none"> <li>• Residential Development Stands</li> <li>• RDP Houses</li> <li>• Road And Storm Water Ext 5</li> <li>• Combined School At Ex 4</li> <li>• Highmast Lights</li> <li>• Township Establishment Ext 6</li> <li>•</li> </ul>
<b>WARD 26</b>	<ul style="list-style-type: none"> <li>• Streetlights and poles need to be fixed.</li> <li>• In whole ward / poles rust off and live wire lying on the ground dangerous for people walking on the pavements.</li> <li>• Storm water drains are blocked need to be cleaned and fixed.</li> <li>• Potholes in whole ward</li> <li>• Parks and open spaces need maintenance; park next to municipality needs public toilets.</li> <li>• 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 public.</li> <li>• 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.</li> <li>• 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.</li> <li>• Community Hall</li> <li>• Youth centre</li> <li>• Sport grounds to be constructed</li> <li>• Play park at ext. 16</li> </ul>

<p><b>WARD 28</b></p>	<ul style="list-style-type: none"> <li>• RDP Houses for resettlement</li> <li>• Unfinished pavement at Oyco to Hostel road</li> <li>• Re-allocation of Emaqandeni, Hostel and Enkanini</li> <li>• School Patrol in school at Thuthukani and Sukumani</li> <li>• Installation of robot at Welcome to Phola and Engine garage and municipality office roads</li> <li>• Church stands</li> <li>• Extend water supply in Kendal Farms</li> <li>• Fix electricity meter boxes</li> </ul>
<p><b>WARD 29</b></p>	<ul style="list-style-type: none"> <li>• Survey and packing</li> <li>• Tar road (connect to N4)</li> <li>• Infrastructure and Water taps</li> <li>• Sanitation (sewage)</li> <li>• Stormwater drainage and V-drainage</li> <li>• Jojo tanks (plots)</li> <li>• Community hall</li> <li>• Need Secondary school</li> <li>• Library</li> </ul>
<p><b>WARD 30</b></p>	<ul style="list-style-type: none"> <li>• <b>Bufferzone, Tycoon, Siyabonga and extension buffer</b> <ul style="list-style-type: none"> <li>• Street lights not working</li> <li>• Paving streets</li> <li>• Centre for kids</li> <li>• Extension buffer electricity</li> <li>• RDP houses and electricity at Siyabonga</li> <li>• Gravelling of roads</li> <li>• VIP toilets</li> </ul> </li> <li>• <b>Kendal Farms</b> <ul style="list-style-type: none"> <li>• Water supply -Plot 45, Heevelfontein, Spoornet</li> <li>• Electricity</li> <li>• Church</li> <li>• Bursary – Nomawele Magxaba</li> </ul> </li> <li>• <b>Veelebeesfontein –Makause</b> <ul style="list-style-type: none"> <li>• Electricity</li> <li>• Speed humps</li> <li>• Waste bins</li> </ul> </li> <li>• <b>Bhodli-Mthimunye to Siyathokoza School</b> <ul style="list-style-type: none"> <li>• Pavements</li> <li>• Gravelling of roads</li> <li>• High mast light</li> <li>• Bill statements are high</li> <li>• Stormwater system</li> <li>• Fix the bridge between Tycoon</li> <li>• Blasting affects cracks houses windows</li> </ul> </li> <li>• <b>Ogies Farms</b> <ul style="list-style-type: none"> <li>• Electricity at Cologne</li> <li>• Water supply</li> <li>• RDP</li> <li>• Blasting affects houses</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>• Bus for school kids</li> <li>• Water</li> <li>• Electricity</li> </ul>
<b>WARD 32</b>	<ul style="list-style-type: none"> <li>• Police satellite</li> <li>• Upgrade post office</li> <li>• Pay point</li> <li>• VIP toilets in informal settlement</li> <li>• Upgrade sewer and pump station in Rietspruit</li> <li>• Grade gravel roads around farm str</li> <li>• Patch potholes around Rietspruit</li> <li>• High-mast lights in Rietspruit</li> <li>• Electricity supply in informal settlements</li> <li>• RDP houses</li> <li>• Grass cut</li> <li>• Illegal dumping</li> <li>• Provision of sport field</li> <li>• Cemetery</li> <li>• Township establishment</li> <li>• Land provision for residential purposes</li> <li>• Renovation of hall at Reedstream</li> </ul>

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
RECREATION AND	✓	✓	✓		✓	✓		✓				✓		✓									✓					✓			✓	✓	✓	✓	✓	13





<b>LED</b>	✓							✓													✓			✓				✓	✓					7
<b>MULTI PURPOS E CENTRE</b>					✓	✓	✓				✓																						4	

**SUMMARY OF THE COMMUNITY PRIORITIES**

Below is the summary of issues on basic needs and services that communities require to flourish or that need to be improved in order to increase the quality of life for eMalahleni Citizens. A more comprehensive report on the actual needs is attached as an annexure to the document. According to the table above the top ten priorities of all communities of Emalahleni combined are as follows:

- Roads Infra-structure (all 34 wards raised issues around roads)
- Electricity Supply (31 of 34 wards raised issues around interruptions, billing and access)
- Housing (27 of 34 wards needs housing)
- Water Supply (25 of 34 wards raised issues on access and quality of water supplied)
- Waste/environment (24 of 34 wards raised issues around refuse removal and waste management)
- Sanitation (21 of 24 wards raised issues around bulk infra-structure, VIPs and environmental management on sanitation)
- Public facilities (20 of 34 raised public facilities related issues)
- Town Planning (18 of 34 wards need access to land/ affordable land for development and proper zoning)
- Access to Recreational Facilities (13 of 34 wards requires facilities for sports & recreation)
- Clinics (11 of 34 wards)
- 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 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 strategic risks:

- Inadequate Institutional arrangement and transformation
- Insufficient provision of access to sustainable and integrated human settlement
- Unsustainable and inefficient provision of basic services
- Unconducive environment for social and recreational development
- Inability to create a clean, healthy and safe sustainable environment
- Unconducive environment to attract sustainable economic development and growth
- Uncontrolled development
- Inadequate adherence to regulations, systems, procedures and policies

- Fraud and Corruption
- Inability to recover provision of services in case of disaster and disruptions
- Poor financial and Assets Management
- Possibility of the municipality not achieving full compliance to MSCOA requirements by 1 July 2017

### 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:

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

<b>Integration</b>	IDP Representative Forum
<b>Approval</b>	Public Discussion and consultation with communities and stakeholders on the Key Focus Areas and projects
<b>Monitoring and Implementation</b>	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 in-fightings 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)
- 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 and enforcement of municipal by-laws

#### 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	August 2017	2017	Reviewed for 2017/18
Risk Management Strategy	Yes	Adopted	August 2017	2017	Reviewed for 2017/18
Public Participation Policy	Yes	Adopted	September 2016		To be reviewed in June 2018, adoption in March 2019
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 2018	Reviewed for 2019/2020, adoption to be in November 2018
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
<b>additional house holds</b>		<b>4 856</b>	<b>5 011</b>	<b>5 172</b>	<b>5 337</b>	<b>5 508</b>	<b>25 883</b>
<b>Services backlog including new growth</b>							
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
<b>Serviced stand provision currently planned</b>							
<i>Remaining shortfall HH</i>	<b>30 545</b>	<b>30 631</b>	<b>25 030</b>	<b>26 803</b>	<b>31 701</b>	<b>36 726</b>	<b>36 726</b>
<b>Total plans at 1-9-2016</b>	<b>4 300</b>	<b>4 770</b>	<b>10 612</b>	<b>3 399</b>	<b>439</b>	<b>483</b>	<b>24 003</b>
<i>Estimated average by private sector</i>	300	330	363	399	439	483	2 314
<i>Duvha</i>		500	1 000				1 500
<i>Siyanoqoba</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%	-	43%	-

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	14 ML/Day	Class C	Biological Filters	Brugspruit
Phola WWTW	8 ML/Day	Class D	Pond System	Saalboomspruit
Ga-Nala WWTW	4.5 ML/Day	Class D	Floating Aerators	Steenkoolspruit
Thubelihle WWTW	6 ML/Day	Under Construction	Under Construction	Under Construction
Rietspruit WWTW	2 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 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

<b>Intake Point</b>	<b>Nominal Maximum Demand (NMD)</b>	<b>Utilised Capacity</b>
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

<b>Intake Point</b>	<b>Nominal Maximum Demand (NMD)</b>	<b>Utilised Capacity</b>
Rietkuil 57 IS	32.00	32.00
Rietkuil 57 PTN3 Extended	100.00	100.00
18 Leeuwpoot 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
<b>TOTAL</b>	<b>799.72 KM</b>	<b>556.84 km</b>	<b>42.91 km</b>	<b>0.6 km</b>	<b>1400.08 km</b>

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 36.7hacters 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.

The municipality has 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
<ul style="list-style-type: none"> <li>Lack of resources</li> <li>(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)</li> </ul>	<ul style="list-style-type: none"> <li>request for funding from external stakeholders (engagements with Anglo, Rand Water Foundation, Glencore continue)</li> <li>Ring fencing of funds to purchase equipment (revenue collection)</li> <li>Fleet renewal programme and strategy</li> <li>Fleet management plan (operations – checklists, key management, tracker)</li> </ul>
Old waste management methods	<ul style="list-style-type: none"> <li>Conduct and finalise the section 78 study</li> </ul>
Formalising recycling of waste	<ul style="list-style-type: none"> <li>Continue with stakeholder engagement</li> <li>Invite proposals on renewable energy projects</li> <li>Enhance the use of the buy-back centre in Kwa-Guqa</li> </ul>

### 5.2.4 Human Settlement

The unit is responsible for providing houses in mixed developments which is Breaking New Grounds. 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

<b>HOUSING TYPE</b>	<b>NUMBER OF FAMILIES</b>
<b>Informal Settlements</b>	30 714
<b>Backyard Dwellings and multiple Family Accommodation</b>	22 000
<b>Other</b>	2 676
<b>Total</b>	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 / 30714
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, Mpumelweni, 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 Lynnville 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
<b>TOTAL</b>	<b>6</b>	<b>15 CLINICS + 3 MOBILE CLINICS</b>	<b>8</b>

### 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"> <li>• Consultant is appointed.</li> <li>• Awaited the Water Services Development Plan (WSDP) and Water and Sanitation Master Plan. <ul style="list-style-type: none"> <li>• To be completed in December 2017</li> </ul> </li> </ul>
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	2008 was the first generation	Draft is under review and circulating for comments
Air quality Management Plan	No				NDM AQMP has been adopted Appointment of service provider in Q3 of this financial year to develop



					Emalahleni AQMP
Climate Change adaptation and response strategy	No				The NMD CCRAS has been adopted in the 3 <sup>rd</sup> quarter of this financial year Function lies within MM Office. Function and emalahleni CCRAS to be developed from the MM Office
Alien Invasive Species Control Plan	No				To be developed in 2019/20 financial year
The Housing Sector Plan	Yes	Adopted	2017	2012	Plan is still valid
The crime prevention plan	No				In the process of developing the plan and will be adopted in January 2019
Disaster Management plan	Yes	Adopted	February 2012	First adopted in 2012	The plan has been reviewed and will be taken to council in June 2018

## **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

#### **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

#### **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 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
<b>Population</b>	
<ul style="list-style-type: none"> <li>• 455 228people</li> <li>• 150 420 households</li> <li>• 3.2%average annual population growth rate</li> </ul>	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
<b>Unemployment</b>	
<ul style="list-style-type: none"> <li>23.2%</li> </ul>	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
<b>Average Annual Household Income</b>	
<ul style="list-style-type: none"> <li>R120,492</li> <li>14% receive no income</li> </ul>	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.
<b>Average Annual GDP Growth</b>	
<ul style="list-style-type: none"> <li>2.9%</li> </ul>	<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>
<b>Highest Level of Education (Age 20+)</b>	
<ul style="list-style-type: none"> <li>6% have no schooling</li> <li>31% have Grade 12</li> <li>14% have higher education</li> </ul>	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.
<b>Tress Index</b>	
<ul style="list-style-type: none"> <li>57.9</li> </ul>	The local economy is not diversified; this is due to the mining industry which contributes the most to the local economy

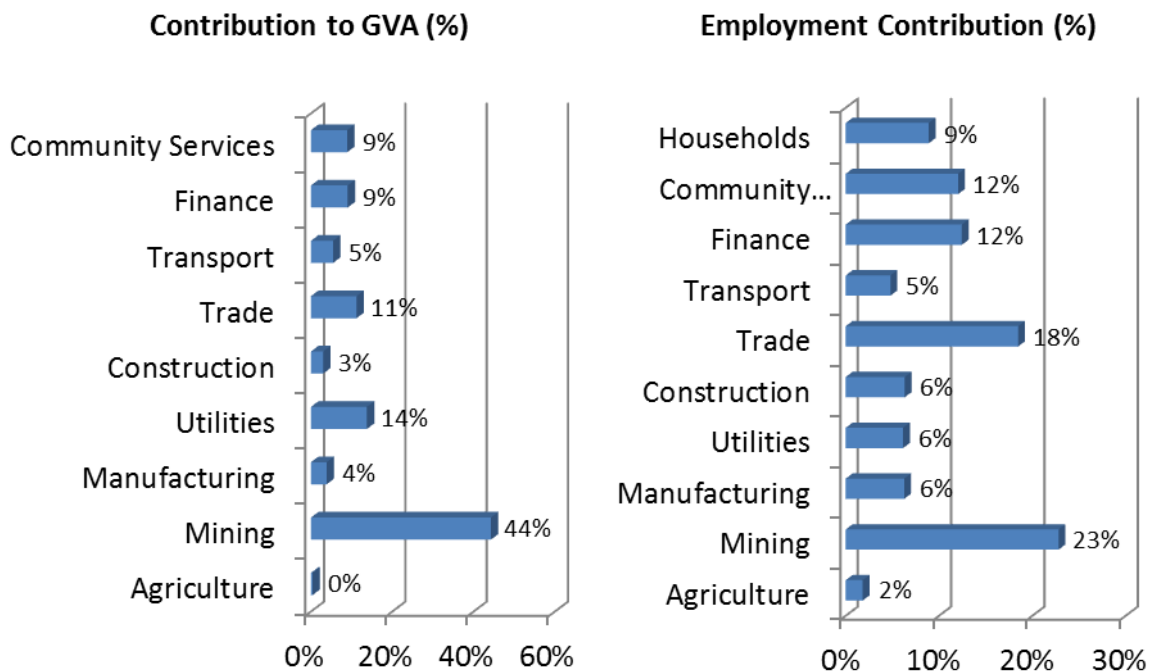
The municipality has a comparative advantage in the following sector

- 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, 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). Its 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	New strategy	In the process of being reviewed and will be adopted in June 2018

## **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 (DA) with 17 Councillors followed by Economic Freedom Fighters (EFF)

with 8 Councillors, African Christian Democratic Party (ACDP) with 1 Councillor and the Freedom Front plus with only single representative.

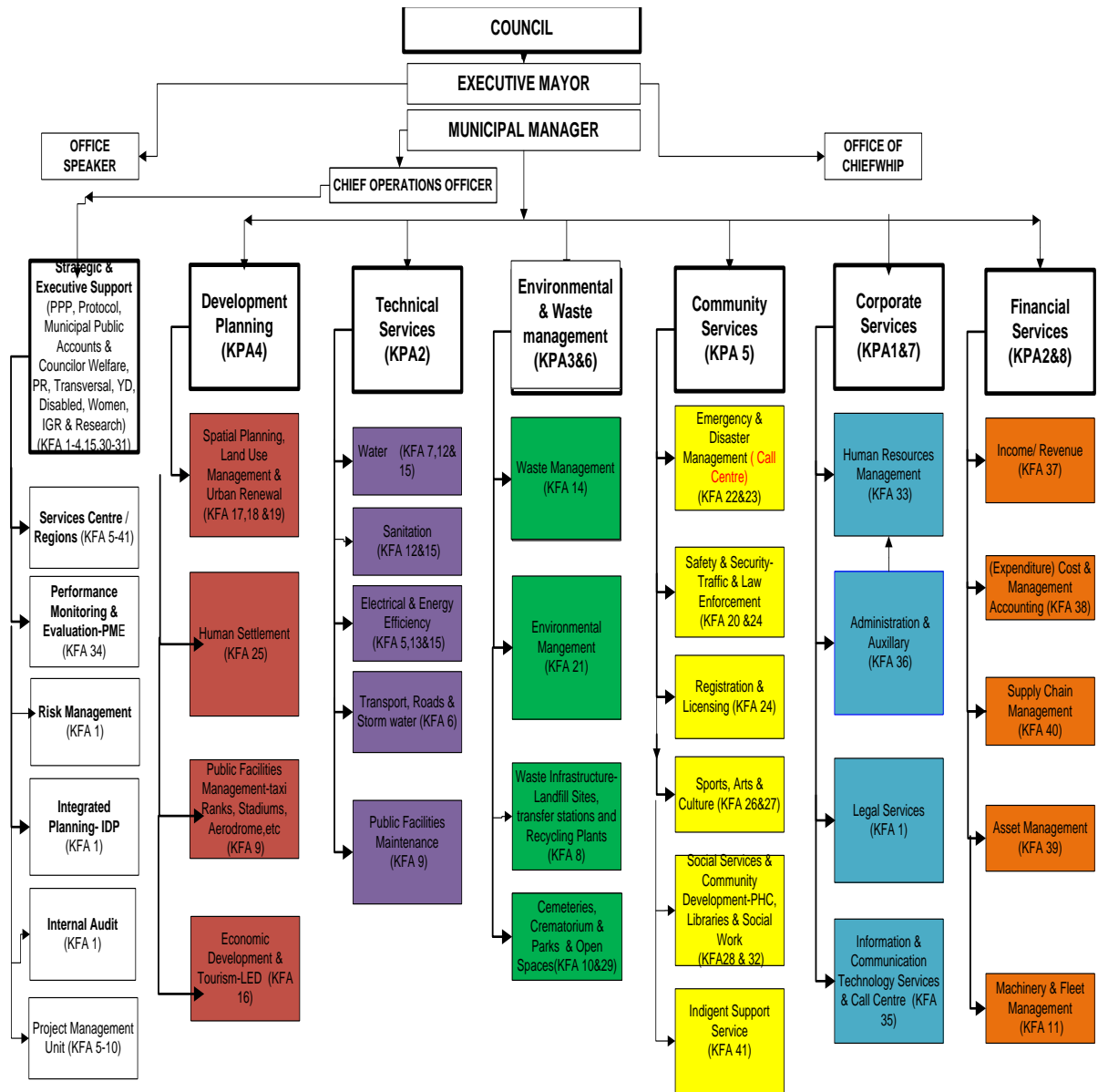
The governance structure of the municipality on the political side is headed by Council which elects the Executive Mayor. The Executive Mayor in turn appoints six full-time councillors who are the Members of the Mayoral Committee (MMC). The MMCs assist the Executive Mayor and the Executive Mayor may 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 1644 are budgeted for in. Number of employees as at end of November 2017 is as follows:

DIRECTORATE	NUMBER OF POSITIONS	ACTUAL FILLED
Office of the Municipal Manager	93	41
Corporate Services	87	54
Development Planning	174	92
Environmental & Waste Management	645	274
Community services	762	305
Financial services	395	206
Technical Services	1187	505
<b>TOTAL</b>	<b>3343</b>	<b>1477</b>

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

DIRECTORATE	FEMALE	MALE	TOTAL
Office of the Municipal Manager	23	18	41
Corporate Services	33	21	54
Development Planning	44	48	92
Environmental & Waste Management	42	232	274
Community services	141	164	305
Financial services	97	109	206
Technical Services	144	361	505
<b>TOTAL</b>	<b>524</b>	<b>953</b>	<b>1477</b>



There are 80 employees in management positions and the gender distribution as per directorate is as the table below

DIRECTORATE	MALE	FEMALE	TOTAL
Office of the Municipal Manager	7	5	12
Corporate Services	6	3	9
Development Planning	4	5	9
Environmental & Waste Management	4	1	5
Community services	11	1	12
Financial services	15	3	18
Technical Services	10	5	15
<b>TOTAL</b>	<b>57</b>	<b>23</b>	<b>80</b>

The below table is the breakdown as per designation

DIRECTORATE	MALE	FEMALE	TOTAL
Municipal Manager	0	0	0
Executive Directors	2	2	4
Deputy Directors/Directors	4	0	4
Managers	16	7	23
Assistant Managers	35	14	49
<b>TOTAL</b>	<b>57</b>	<b>23</b>	<b>80</b>

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.

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 the 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 is the total number of **employees** (including employees with disabilities) in each of the following **occupational levels as at 30 September 2017**: 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	3	0	0	0	0	0	6
Senior management	44	1	0	9	18	0	0	2	0	0	74
Professionally qualified and experienced specialists and mid-management	36	0	1	7	82	3	1	15	0	0	145
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	392	3	0	23	236	7	0	12	0	0	673
Semi-skilled and discretionary decision making	214	0	0	4	47	0	0	0	0	0	265
Unskilled and defined decision making	220	0	0	4	88	0	0	0	0	0	308
<b>TOTAL PERMANENT</b>	909	4	1	43	474	10	1	29	1	0	1471
Temporary employees	37	0	0	0	20	0	0	3	0	0	60
<b>GRAND TOTAL</b>	946	4	1	43	494	10	1	32	0	0	1531

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	2	0	0	0	0	0	0	2

Professionally qualified and experienced specialists and mid-management	0	0	0	1	1	0	0	0	0	0	2
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	9	0	0	0	1	0	0	0	0	0	10
Semi-skilled and discretionary decision making	1	0	0	0	0	0	0	0	0	0	1
Unskilled and defined decision making	8	0	0	0	3	0	0	0	0	0	11
<b>TOTAL PERMANENT</b>	18	0	0	3	5	0	0	0	0	0	26
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
<b>GRAND TOTAL</b>	18	0	0	3	5	0	0	0	0	0	26

### The municipal employment equity is summarized as follows

	<b>BASELINE(1219 Employees) as in July 2012</b>	<b>STATUS QUO (1476 employees) as in June 2015</b>	<b>STATUS QUO (1471 employees) as in September 2017</b>
<b>DISABILITY</b>	0.57% (7 disabled employees)	1.62% (24 disabled employees)	1.77% (26 disabled employees)
<b>WOMEN</b>	30% (362 women employees)	34% (507 female employees)	35% (514 women employees)
<b>AFRICAN MALES</b>	66% (800 black employees)	62% (912 black employees)	62% (909 African employees)
<b>OTHER MALES</b>	4% (57 Coloured, White and Indians)	4% (57 Coloured, White and Indians)	3% (48 Coloured, White and Indians)

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	this position - first began .	to end - if permanent, please state
Emalahleni Local Municipality	Municipal Manager	Vacant						
	Chief Financial Officer	Hlatshwayo, JP	<ul style="list-style-type: none"> <li>MBA</li> <li>ND: Cost &amp; Mgmt Accounting</li> <li>Cert: SCM for Municipal Snr Managers</li> </ul>	7 years of which at least 2 years must be at senior management level and the rest at middle management	12 years	Currently attending (from 18 July 2016)	01/07/2016	30/06/2021
	Executive Director Technical	Vacant						
	Executive Director Corporate Services	Vilane, J.M.	<ul style="list-style-type: none"> <li>-Std 10/ Grade 12</li> <li>- ND: Public Management &amp;</li> <li>- B.Tech Public Management &amp; Administration</li> </ul>	5 years experience at middle management level	22 Years	Yes	01/02/2016	31/01/2021
	Executive Director Community Services	Matlebojane, S	<ul style="list-style-type: none"> <li>- Std 10/ Grade 12</li> <li>- B.Degree (Public Management)</li> </ul>	7 years at senior and middle management level, of which 2 years must be at a senior management level	28 Years	Yes	01/02/2016	31/01/2021

Executive Director Development Planning and Economic Development	Vacant							
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)	04/01/2016	31/01/2021	

### 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.

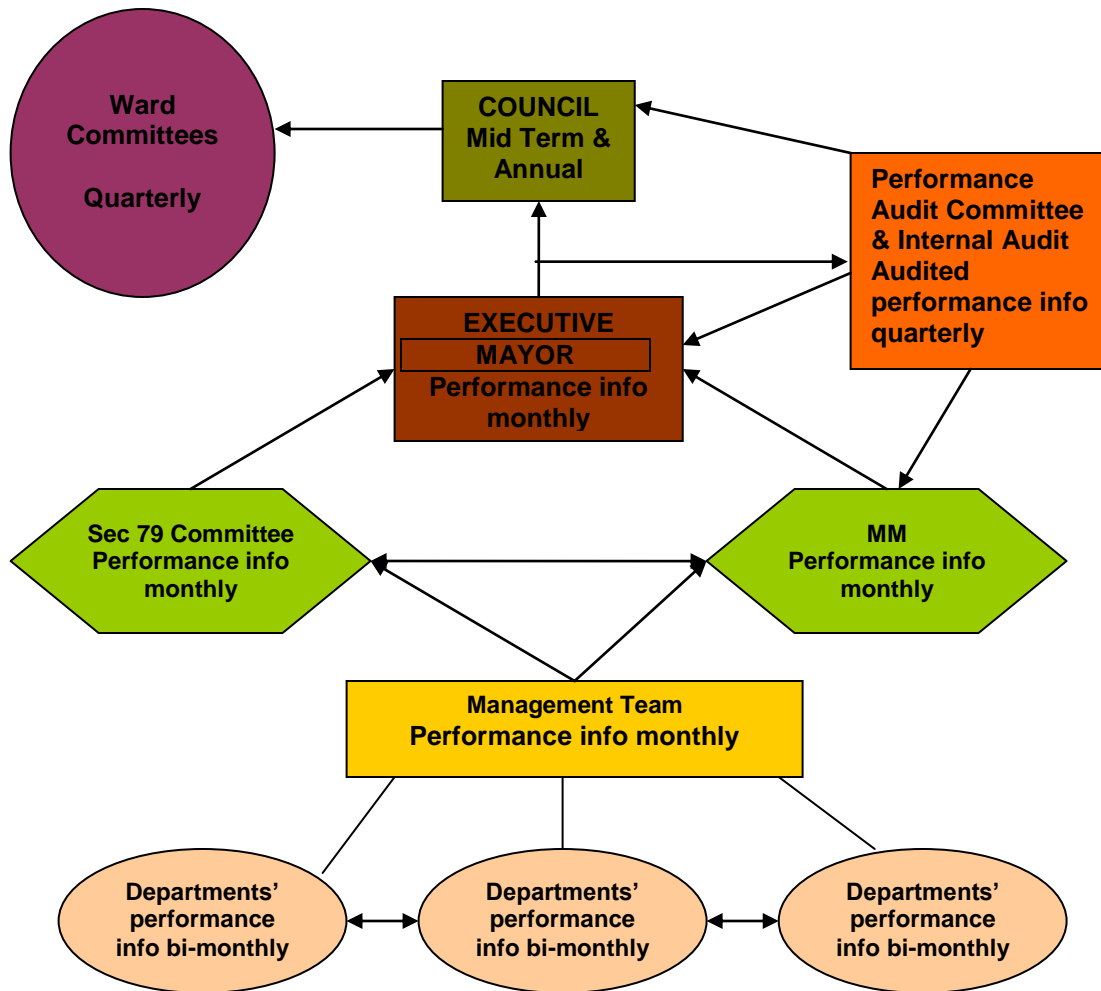


### **Developing the Organizational Scorecard and Outlining the Scorecard Concepts**

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

During the IDP process a corporate vision and mission were formulated for the Emalahleni Local Municipality, together with broad key performance areas (KPA's), development objectives and key performance 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	
<b>PLANNING</b>	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	
<b>MONITOR, MEASURE &amp; REVIEW</b>	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	
<b>REPORTING</b>	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
<b>MONTHLY REPORTING</b>	<p>The Municipal Manager reports monthly to the Mayor 10 days <i>after the month</i> end (on the prescribed Treasury format)</p> <p>The Internal Auditors (IA) of the municipality must advise the Accounting Officer (AO) of the performance of the municipality</p>	<p>Section 71(c) Section 165 (b)</p>	<p>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</p>	<p>Section 41(c)(2) Regulation 14(1)(c)</p>
	<p style="text-align: center;"><b>1<sup>st</sup> ALIGNMENT ASPECT</b></p> <p style="text-align: center;"><b>It is recommended that the Municipal Manager report in terms of the MFMA and MSA to the Mayor on a <u>monthly</u> basis.</b></p> <p style="text-align: center;"><b>As a second suggestion, but probably not essential, is for the Internal Auditors (IA) to audit on a monthly basis the performance so to make the MM's monthly reports authentic and that the IA need to report quarterly to the Performance Audit Committee</b></p>			
<b>QUARTERLY REPORTING</b>	<p>The Mayor must report <i>quarterly</i> to the Council (30 days after the close of the quarter)</p> <p>Audit Committee must meet <i>at least quarterly</i> per year to advise the Council and MM on PMS</p>	<p>Section 52 Section 166(4)(b)</p>	<p>The Internal Auditors (IA) of the municipality must submit <i>quarterly</i> reports to the Municipal Manager and to the Performance Audit Committee</p>	<p>Regulation 14(1)(c)</p>
	<p style="text-align: center;"><b>2<sup>nd</sup> ALIGNMENT ASPECT</b></p> <p style="text-align: center;"><b>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)</b></p>			

<p><b>BI-ANNUAL REPORTING</b></p>	<p>The Municipal Manager must do a <i>mid-year assessment</i> of budget performance to SDBIP by 25 January and report to the Mayor who reports to Council</p>	<p>Section 72(1)</p>	<p>The Performance Audit Committee must meet <i>at least twice per year</i> to audit the PMS and reports of the municipality The Performance Audit Committee must submit at least <i>twice during the year</i> a report to Council The Municipality must report to Council <i>at least twice a year</i></p>	<p>Regulation 14(4)(a) Regulation 13(2)(a)</p>
	<p style="text-align: center;"><b>3<sup>rd</sup> ALIGNMENT ASPECT</b></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 May 2018
Work Place Skills Plan	Yes	Adopted	April 2017	2016	Has been submitted to council for adoption
Recruitment Policy	Yes	Adopted	2012	2003	Will be submitted for adoption in 2018/19

Education, Training and Development Policy	Yes	Adopted	Jan 2016	2016	Implementing the policy.
Incentivized and retirement Policy and procedure	Yes	Adopted	27 October 2016	New policy	Implementing the policy.
Succession Planning and career path Policy	Yes	Adopted	27 October 2016	New policy	Implementing the policy.
IT Master Plan	Yes	Adopted	2006	2006	Implementing the policy. Will be reviewed in 2018/19
IT Strategy	Yes	Adopted	2016	2014	Implementing the policy. Will be reviewed in 2018/19
Occupation Health and Safety master plan	Yes	Adopted	2017	New plan	Implementing the plan
Staff retention policy	No			New policy	Will be submitted for adoption in March 2018
Promotion of Access to Information	Yes	Adopted	2012	2007	Implementing the policy. Will be reviewed in 2018/19



## **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. 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 2018/2019 (325.7m) and two outer financial years 2019/20 (R360.1m) and 2020/2021 (R402.9m).

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 2015 stood at the ratio 0.32:1 As at June 2016 the current ratio was at 0.31:1 and at June 2017 the ratio was at 0.31:1. 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 2015 took on average 366 days to recover its outstanding debts. It slightly increased to 387 days as at 30 June 2016 and then significantly decreased to 160 days as at 30 June 2017. 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 2017/2018 budget was 80% and for 2018/2019 budget 75% has been anticipated. The municipality will enforce revenue enhancement strategies and achieve a 75 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 2018/19 budget is R30, 2 million. The monthly Indigent Subsidy as from 1 July 2018 is budgeted at R224,55 per Indigent customer. The equitable share allocation is mainly used to provide free basic services to approximately 10,094 registered Indigents households. Indigent support provided to protect the poor households is as follows:

Per Household	(R224,55)	Amount
Free Basic Electricity per Month	50kwh	R52,52
Free Basic Water per Month	6kl	R48,96
Free Refuse per Month	Free	R65,97

Free Sewer per Month	Free	R27,80
(Average Property Valuation R50, 000.00) Vat inclusive)		R224, 55(15%

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.
- 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 integration of the computerised systems (e.g. phoenix and pay day system) 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.
- Continuous training and development of finance 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. 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. The following issues are imperative for the municipality to improve:

- 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** has been developed and implemented and the **Credit Control and Debt Collection Policy** is in place. Currently households owe R2,5bn 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 in an fair, equitable, transparent, competitive and cost effective manner. It also includes the disposal of obsolete assets or inventory. Supply Chain Management must also comply with the legislative requirement as per Constitutional mandate and Municipal Finance Management Act.

Supply Chain Management will focus on contract management, training of Service Providers and compliance with Central Supplier Database and prompt reporting to improve the audit outcome.

#### **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. Due to the financial position of the municipality, not borrowings will be undertaken in the MTREF.

#### **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 5,3% (2018/2019);
- Unemployment rate at is 26,6%(Emalahleni);
- Employee related cost increased by 7%;
- Electricity tariff increase is 6,84% for 2018/19;
- The current budget projected tariffs increases are between 5,3% to 6,8% over the medium term.
- The draft budget has been prepared on collection rate of 75%;
- Annual growth of population is at a 3,2% rate, which will have a direct impact on municipal revenue;
- Reduction of the distribution losses in electricity and water;
- 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 2015 – 2017, the current year 2017/18 and the outer years 2019 – 2021 of the long term financial framework. All amounts reflected in the below Table below is per thousand rand.

Table 10.1 Operating Revenue by Source

Description R thousand	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget 000	Adjusted Budget 000	Budget Year 2018/19 000	Budget Year 2019/20 000	Budget Year 2020/21 000
<b>Revenue By Source</b>					
Property rates	450 428	451 975	426 740	429 445	453 065
Service charges - electricity revenue	1 225 130	1 177 918	1 265 744	1 334 094	1 407 469
Service charges - water revenue	456 419	458 618	484 876	511 060	539 168
Service charges - sanitation revenue	192 035	172 710	181 862	191 683	202 225
Service charges - refuse revenue	125 224	117 314	124 940	131 687	138 930
Rental of facilities and equipment	12 326	22 045	6 785	7 151	7 545
Interest earned - external investments	601	46	192	203	214
Interest earned - outstanding debtors	92 214	173 925	193 869	204 338	215 577
Fines, penalties and forfeits	6 598	4 814	7 589	7 999	8 439
Licences and permits	206	190	194	205	216
Agency services	11 893	11 270	1 585	1 670	1 762
Transfers and subsidies	304 301	301 860	339 217	370 449	414 387
Transfers and subsidies - capital	186 032	172 974	190 199	175 083	197 590
Transfers and subsidies - capital (in-kind - all)	40 976	40 976	23 104	13 701	21 500
Other revenue	39 793	16 594	30 681	32 338	34 116
<b>Total Revenue</b>	<b>3 144 176</b>	<b>3 123 229</b>	<b>3 277 577</b>	<b>3 411 106</b>	<b>3 642 203</b>

### **5.6.10.2 Analysis of Projected Operating Revenue**

Revenue budget for 2018/2019 financial year amounts to R3 277,2 million and this reflects an increase of R153,9 million when compared to revenue adjustment budget for 2017/2018 financial year amounting to R3 123,2 million. The increase is due to a hike in services charges tariffs, implementation of revenue enhancement strategies and increase in government grants allocation. Revenue budget for outers years amounts to R3 407,8 million for 2019/2020 and R3 619,8 million for 2020/2021 financial years

Property rate budget for 2018/2019 financial year amounts to R426.7 million and reflects a decrease of R25.2 million when compared with the adjusted budget revenue of R451.9 million. The decrease can be attributed to the rebates budgeted amount which was increased based on the actual billing pattern. The rebates on properties reduce the revenue of property rates.

Electricity remains the largest source of revenue with an amount of R1 265,7 million budgeted for 2018/2019. It constitutes 39% of the revenue of the municipality. Budgeted revenue for electricity has increased by 6.9% when compared to the adjusted budget electricity revenue. The increase can be attributed to a tariff increase and an anticipated improvement on revenue enhancement.

Revenue from water budgeted for 2018/2019 amounts to R484,9 million and reflects an increase of 5.4% when compared with 2017/2018 adjusted budget of R458,6 million.

An amount of R181,9 million has been budgeted for sanitation and has increased with an amount of R9,2 million when compared with an adjusted budget of R172,7 million for 2017/2018. Refuse budget will increased from R117,3 million to R124,9 million in 2018/2019 financial year.

Revenue of rental of facilities and equipment has decreased from R22 million to R6,8 million in 2018/2019 financial year. The reduction is due to reclassification of some of the revenue line items that were moved to other expenditure and fines, penalties and forfeits line items. Interest earned on outstanding debts has increased with an amount of R19,9 million, and the increase can be attributed to an increase in properties billed.

Revenue on agency services has decreased from R11,3 million to R1,6 million. The decrease was due to correction of a line item that was wrongly classified as agency fees.

Government operational grants (transfers) increased with R36,9 million from R301,9 million to R338,8 million and it constitute 10,3% on the total revenue. National transfers (grants) are distributed to municipalities through Division of Revenue Act.

The Equitable Share Grant is an unconditional grant assisting Municipalities to supplement their operating revenue for their operational requirements and to provide relief to indigent household. Equitable share has increased from R288,8 million to R325,7 million in the 2018/2019 financial year, which is an increase of 13%.

An estimated number of 10094 consumers will be subsidized in the 2018/2019 financial year. The monthly Indigent subsidy as from 1 July 2018 is proposed to be R224.55 per indigent customer. The following table reflects a subsidy per service.

<b>Indigent subsidy broken down as follows:</b>	<b>2017/2018</b>	<b>2018/2019</b>
	<b>R</b>	<b>R</b>
Electricity (50 units)	49.16	52.52
Refuse	62.64	65.97
Basic Sewer and additional sewer	26.37	27.80
Water Consumption (6 Kilolitre)	46.18	48.96
<b>Subtotal</b>	<b>184.34</b>	<b>195.26</b>
Plus 15% VAT	25.8	29.29
<b>TOTAL</b>	<b>210.15</b>	<b>224.55</b>

Other operational grants includes Financial Management Grant for R2,2 million(2017/2018: R2,1 million), Extended Public Works Program for R4,2 million(2017/2018: R1,7 million) and Municipal Infrastructure Grant for R5,8 million(2017/2018: R6,1 million).

Government capital grants for 2017/2018 financial year amounts to R217,6 million. Included in this grants are conditional grants (Municipal infrastructure grant, Integrated National Electrification Programme and Neighbourhood Development Partnership Grant) and in-kind grants (Nkangala District Municipality Grant, Regional Bulk Infrastructure Grant and Neighbourhood development Partnership Grant).

Municipal Infrastructure Grant has increased from R114,2 million to R122,1million and the Integrated National Electrification Programme has increased from R44 million to R45 million.

Government capital grants increased with an amount of R17,2 million when compared with capital grants for 2017/2018. The increase is due to a new grant named Water Service Infrastructure Grants funding amounting to R25 million. Municipal Infrastructure Grant funding was reduced from R122,1 million to R117,5 million, and also there was a reduction of R3 million on Department Of Energy Grant.

Grant funding of Nkangala District Municipality are preliminary figures and subject to change after Nkangala District Municipality tabled the draft budget.

All transfers from capital conditional grants are directed to implementation of capital project.

Other revenue budget for 2018/2019 financial year amounts to R30,7 million and it shows an increase of R14,1 million. The increase is due to increase in advertisement, printing of plans, entrance revenue and also revenue line items reclassified from other revenue line items.

## 5.6.11 Operating Expenditure

Description R thousand	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year 2019/20	Budget Year 2020/21
	000	000	000	000	000
<b>Expenditure By Type</b>					
Employee related costs	749 153	749 153	868 354	895 951	945 228
Remuneration of councillors	29 675	29 675	30 027	31 591	33 298
Debt impairment	480 964	449 464	388 001	408 953	431 446
Depreciation & asset impairment	263 000	263 000	306 435	323 301	341 082
Finance charges	82 529	82 529	84 041	86 365	88 990
Bulk purchases	968 817	968 817	1 038 553	1 075 663	1 134 825
Other materials	136 244	149 238	61 683	60 304	63 621
Contracted services	53 313	59 187	266 130	292 723	308 814
Transfers and subsidies	37 284	37 284	30 163	31 792	33 540
Other expenditure	276 056	274 707	192 809	196 260	207 054
Loss on disposal of PPE					
<b>Total Expenditure</b>	<b>3 077 035</b>	<b>3 063 055</b>	<b>3 266 197</b>	<b>3 402 903</b>	<b>3 587 898</b>
<b>Surplus/(Deficit) for the year</b>	<b>67 142</b>	<b>60 174</b>	<b>11 380</b>	<b>8 204</b>	<b>54 305</b>

The expenditure framework for 2018/2019 MTREF is informed by:

- Balance budget constraints where the operating budget expenditure must not exceed operating budget revenue.
- Funding of the budget over the medium term which is informed by section 18 of the MFMA.
- Repairs and maintenance
- Capital programme
- High petrol prices
- Bulk purchases costs for electricity and water
- The expenditure framework for 2018/2019 MTREF is informed by:
- Balance budget constraints where the operating budget expenditure must not exceed operating budget revenue.
- Funding of the budget over the medium term which is informed by section 18 of the MFMA.
- Repairs and maintenance
- Capital programme
- High petrol prices

- Bulk purchases costs for electricity and water

The operational budget provides for the total operating expenditure for 2018/2019 financial year for R3 226,1 million, in 2019/2020 financial year for R3 402,9 million and 2020/2021 financial year for R3 587,8 million.

There is an increase of R163,8 million when taking the adjustment budget for 2017/2018 financial year of R3 063,1 million into consideration and compare to the proposed budget of R3 226,1 million. This constitute an increase of 5.1% on budget baseline.

Main reasons for significant increases and decreases in 2018/2019 operational expenditure budget are the following:

- **Remuneration.** The employee element of the personnel budget amounts to 27% of the total expenditure budget and on the cash flow budget 34%, which falls below the norm of between 25% - 35%.

Remuneration for employee related cost increased by 12% from R749,1 million to R868,3 million and the remuneration constitute 26% of the operational expenditure budget. Increase can be attributed to budgeted 7% increase and provision for vacant position that were previously not cater for on the budget.

The Salary and Wage Collective Agreement for the period 01 July 2015 to 31 June 2018 has ended. The process is under consultation for a new increase.

Remuneration of councilors has increased by 1.1 % when the budgeted councilors remuneration expenditure for 2018/2019 of R30,0million is compared to the adjusted budget for 2017/2018 of R29,7 million. The increase was due to an over budgeting on councilors remuneration in 2017/2018 financial year.

- **Bulk purchase.** Bulk purchases(Electricity and Water) will increase with 5.1% from R968,8 million to R1 020,5 million and constitute 29% of the operational expenditure budget and that makes it the largest component.

A provision of R960,5 million was made for bulk purchases for electricity. NERSA has proposed an increase of 7.32% on bulk purchase of electricity. The municipality has made an extra provision for additional cost that might result in penalties.

Budget for bulk water purchase in 2018/2019 budget has increased from R57 million to R78 million. Budget for bulk purchases in 2018/2019 was prepared on accrued invoices for previous years.

- **External interest.** External interest consists primarily of interest on Eskom account and interest on loans. The increase in finance charges from R82,5 million to R84 million is due to interest on Eskom account. No new loans have been taken. The interest on loans decreases as the capital debt reduces.
- **Provision for bad debts.** For 2017/2018 financial year an amount of R388 million is provided for provision of bad debts. This amount is based on the actual provision for doubtful debts for the financial performance period and an incremental percentage which takes into account an increase in debtors book which was factored in.
- **Repairs and maintenance.** The municipality remains committed to maintain infrastructure. Due to mSCOA reforms repairs and maintenance items have been reclassified into contracted services, other materials and other expenditure line items.
  - Other materials – An amount of R61,7 million has been provided for 2018/2019 budget. There was a decrease of R87,5 million when compared with the adjustment budget amount of R149,2 million. The decrease can be attributed to reclassification of some line items that were moved from other materials to contracted services and other expenditure.
  - Contracted services – For 2018/2019 financial year a budget of R266,1 million has been provided. On 2017/2018 financial year a budget of R59,2 million was budgeted. The increase of R206,9 million when comparing the proposed budget and adjustment budget is due to mSCOA reclassification and also the additional budget for contracted services.
- **Depreciation.** Provision for depreciation has been informed by the asset register. The value of the asset register of the municipality is over R7 billion and new budget of capital asset. Budget appropriation on depreciation for 2018/2019 financial year amounts to R306,4 million.
- **Other expenditure**

Sundry expenditure decreases from R274,7 million to R192,7 million and it constitutes 6% of total operational expenditure budget. Included in sundry expenditure are professional bodies fees for R7,6 million, commission on prepaid electricity for R10,6 million, software licenses for R8,7 million and rural transport for R16,3 million.



### 5.6.12 Capital Expenditure

One of the greatest challenges facing municipalities is the public perception on service delivery.

Hence capital investment is critical important to sustain growth, rehabilitate ageing infrastructure and eradicate service delivery backlog. Therefore capital financing has taken into consideration the following:

- Ensure that capital programme is based on the IDP
- Expedite spending on capital projects especially on projects that are funded from conditional grants
- Explore new ways to funds capital projects from municipal own fund
- Maximizing of infrastructural development through utilization of all available source.

The proposed capital budget for the 2018/2019 financial year amounts to R241,8million, R188,8 million for 2019/2020 financial year and an amount of R219,1 million for 2020/2021 financial year. Attached as Annexure “E” is the schedule for capital budget.

This constitutes a total capital expenditure framework of R649,7 million over a period of three years of which R28,5 million will be funded from internal funds, R56,3 million from NDM and R562,9 million will be funded from government grants. Funding of capital projects from internal funds will be increase as the financial condition of the municipality improves.

Capital donations from mines and private companies have not been included on the capital and operational budget as the municipality is waiting for memorandum of understanding or written confirmation on donations. Capital projects from Nkangala District Municipality are preliminary figures and subject to change after Nkangala District Municipality tabled the draft budget.

The capital expenditure for 2018/2019 financial year will be funded as follow:

<b>CAPITAL PROGRAM AS PER IDP</b>	<b>AMOUNTS</b>
Nkangala District Municipality (NDM)	23 103 689
Municipal Infrastructure Grant (MIG)	111 593 650
Integrated National Electrification Program	42 000 000
Water Service Infrastructure	25 000 000
Neighbourhood Development Program Grant	10 605 000
Financial Management Grant	1 000 000
Internal Funds	28 510 000
<b>TOTAL CAPITAL PROGRAM</b>	<b>241 812 339</b>

The capital expenditure budget for 2018/2019 is as follows:

- R28,1 million for roads and storm water infrastructure development
- R50,9 million for water infrastructure development
- R80,5 million for sewer purification and reticulation
- R42 million for electricity infrastructure development
- R5,9 million for replacing and adding of vehicle transport
- R0,8 million for office furniture and equipment, IT equipment
- R3 million for Landfill site and establishment of cemetery
- R4,4 million for machinery and equipment

#### 5.6.13 Cash Flow Budget

Cash flow management and forecasting is an important step in determining whether the budget is funded over the medium term.

The projected net cash from operating activities for 2018/2019 financial year amounts to R232,8 million, the projected cash used on investing activities amounts to R218,7 million and budgeted cash used in financing activities amounts to R16,9 million . For 2018/2019 financial year the municipality is expected to realise a surplus of R2 million.

Table A8 assess whether the municipal budget is funded. A positive balance is for a funded budget and a negative balance is for an unfunded budget. Table A8 shows a positive balance of R0,2 million for 2018/2019 budget year meaning that the budget is funded.

The following assumptions were adopted to attain funded budget:

- Reduction of creditors balance
- Improvement and re-enforcement of revenue enhancement plan
- Provision for doubtful debts to be calculated on consumers payment rate, and these will reduce the provision for doubtful debt.
- Expenditure to be aligned with collection rate. The municipality will not spent not than it collects.
- Aligning financial system with valuation roll. This will positive effect on billing and debtors book

#### 5.6.14 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.

**5.6.15 Financial viability and management strategies and sector plans status**

<b>Sector Plan</b>	<b>Existing Yes/No</b>	<b>Draft / Adopted</b>	<b>Date of adoption</b>	<b>Last, Reviewed when?</b>	<b>Comments on the current status</b>
Supply Chain Management Policy	Yes	Adopted	May 2017	2017	Has been reviewed in 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 draft CBD revitalization plan, which will be tabled to Council for adoption. 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 058m<sup>2</sup> of retail space, 25 406m<sup>2</sup> 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 eMalahleni, 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 3<sup>rd</sup> and 4<sup>th</sup> 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.
- o 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.
- o 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.
- o 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.
- o The Riverview Agricultural Holdings should be utilised for residential purposes, though densification and infill development to the existing could be allowed.
- o It is also proposed that Council allow mixed use redevelopment in KwaMthunzi Vilakazi precinct.
- o 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
- o Typologies could range from bonded housing to subsidised housing, including making provision for the relocation of identified informal settlements.
- o 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.
- o 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	2013	The SDF is still valid and in line with the Spluma
The Land Use Management Scheme	Yes	Adopted	July 2010		Service provider appointed June 2017. Will be adopted in January 2019

## 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 Human Settlement

PROJECT NAMES AS LISTED IN THE 2017/18 BUSINESS PLAN	HOUSING PROGRAMME	TARGET	ACTUAL	NO OF BENEFICIARIES	BUDGET
Empumelelweni Ex 1,3,4,5,6,7 and 11	Upgrading of Informal Settlements Programme	552	437 completed, 100 roofs,, 88 wallplates & 18 slabs	970	45,377,323
Siyanoqoba Integrated Human Settlements (Multi Year Project)	Military Veterans	16	16 completed	16	1,775,152
Various Areas	FLISP	20	0	0	1,740,000
Siyanoqoba Integrated Human Settlements (Multi Year Project)	IRPD Phase 1: Planning & Services: (Informal Settlements)	1 500	1867	1 867	65,439,000
Siyanoqoba Integrated Human Settlements (Multi Year Project)	IRDP - Phase 2 ( Informal Settlements)	1500	244 completed, 100 roofs, 100 wallplates and 100 slabs	1013	33,284,100
Duvha Park	IRDP - Phase 2: Informal Settlements	500	Construction has commenced on site.	400	16,642,050
Hlalanikahle	Upgrading of Informal Settlements Programme	200	47 completions, 22 roofed, 48 Wallplates and 10 slabs	0	45,377,323
Siyanoqoba Integrated Human Settlements (Multi Year Project)	IRDP - Phase 2 ( Informal Settlements)	500	50 roofs and 18 slabs	0	54,963,500
Siyanoqoba Integrated Human Settlements (Multi Year Project)	IRDP - Phase 2 ( Informal Settlements)	1000	201 roofs, 50 wallplates and 49 slabs	0	109,927,000
Siyanoqoba Integrated Human Settlements (Multi Year Project)	IRPD Phase 1: Planning & Services: (Informal	500	68 roofs, 14 wallplates	0	54,963,500

	Settlements)				
Siyanoqoba Integrated Human Settlements (Multi Year Project)	IRDP - Phase 2 ( Informal Settlements)	500	100 roofs	0	54,963,500
Siyanoqoba Integrated Human Settlements (Multi Year Project)	IRDP - Phase 2: Informal Settlements	1000	100 roofs	0	109,927,000
Geotech Allowance	Geotech Allowance	2500			34,568,311.53

PROJECT NAMES AS LISTED IN THE 2018/19 BUSINESS PLAN	HOUSING PROGRAMME	TARGET	BUDGET
KwaGuqa Informal Settlements	IRPD Phase 1: Planning & Services: (Informal Settlements)	1	238,716.00
Phola Informal Cluster	IRPD Phase 1: Planning & Services: (Informal Settlements)	1	243,427.50
Nooitgedacht Informal Cluster	IRPD Phase 1: Planning & Services: (Informal Settlements)	1	1,009,046.25
Hlalanikahle Informal Settlement Cluster	IRPD Phase 1: Planning & Services: (Informal Settlements)	1	
Phola Iraq	IRPD Phase 1: Planning & Services: (Informal Settlements)	1	2,448,566.55
Naawpoort	IRPD Phase 1: Planning & Services: (Informal Settlements)	1	1,570,500
Purchasing of Land - Ogies Phola (Iraq)	Land Acquisition	1	18,000,000
Klarinet Phase 2	IRDP - Phase 1 ( Catalytic Project)	1	13,817,950

#### 5.8.1.2 Department of Culture, Sport and Recreation

Project/Programme Name/Description	Project Beneficiaries/ Ward/ Location	Target 2018/19	Budget 2018/19 R'000	Total project cost R'000
Thubelihle (new library)	Learners, educators and the community	100% completion	R8 325	R18 962
Emalahleni main (Upgrading)	Emalahleni	Planning phase completed	R1 000	R7 783

Klarinet	12, 15	100% maintenance completion	R1 000	R1 000
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### 5.8.1.3 Department of Community Safety Security Liaison

Project/Programme Name/Description	Project Beneficiary/ Ward/Location	2018/19 Target	2018/19 Budget Allocation (Annual) R'000	Total project cost R'000
Civilian Oversight				
Monitoring of Police Stations	Witbank Kriel Vosman Ogies Verena Phola	06 Police Stations monitored on policy compliance	Operational	Operational
Audits on the implementation of Domestic Violence Act (DVA)	Witbank Kriel Vosman Ogies Verena Phola	06 Police Stations audited on the implementation of Domestic Violence Act (DVA)	Operational	Operational
(02) Gender based violence	Dunbar & Ogies	06 Educational Awareness campaigns conducted	R200 000	R200 000
(01) Liquor traders workshop	Vosman			
(01) Human Trafficking awareness campaign	Witbank Mines			
(01) Tourism Safety Awareness campaign	Witbank Dam			
(01) Sports against crime	Iraq			
Assess Community Safety Forum	Witbank	01 Community Safety Forum assessed	R50 000	R50 000
Assess Community Police Forum	Witbank Phola Ogies Vosman Kriel	06 Community Police Forum assessed	R250 000	R250 000

	Verena			
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#### 5.8.1.4 Department of Energy

Project/Programme name/description	Project beneficiaries/ ward/ location	2017/18 target	2017/18 budget allocation	Progress
Siyanqoba bulk phase 1	15	0	R15 014 500.00	
Siyanqoba Electrification	15	1100	R17 050 000.00	
Empumelweni Extension 8 electrification	29	441	R6 835 500.00	
Phola Electrification	28, 30, 31	200	R3 100 000.00	
<b>TOTAL</b>		<b>1741</b>	<b>R42 000 000.00</b>	

#### 5.8.1.5 Department Of Health

PROJECT/PROGRAMME NAME/DESCRIPTION	2018/19 TARGET	2018/19 BUDGET ALLOCATION (ANNUAL) R`000	2019/20 TARGET	2020/21 TARGET	TOTAL PROJECT COST R`000
Ogies Clinic: (Repair of storm damages)	100% construction		-	-	320
Witbank Hospital: (Renovation of Huise Nurses residence)	100% construction	1 479	-	-	5 215
Thubelihle Clinic: (Repairs of storm damages)	Final account	77	-	-	3 068

**5.8.1.6 Public works, roads and transport**

<b>PROJECT DESCRIPTION</b>	<b>2018/19 Budget</b>
Design: Rehabilitation of P29/1 (R555) from km 50 at D2669 to km 62.55 at D2821 (near D686 & Kendal) (12.55 km)	5 067
Rehabilitation: Coal Haul road P29/1 (R555) from km 50 at D2669 to km 62.55 at D2821 (near D686 & Kendal) (12.55 km)	34 091
Rehabilitation: Coal Haul road P141/1 from km 12.8 (D455) South of Clewer to km 22.42 at D1651 (North of Kriel) (9.6 km)	94 889 (19/20) 63 259 (20/21)

**5.8.1.7 Department of Education**

<b>Project Name</b>	<b>Project Description</b>	<b>Status for the 2018/19</b>	<b>MTEF 2018/ 2019</b>
New Klarinet Primary School (Mokgalithwa) (Phase 2)	Construct 28 Classrooms, Administration block, laboratory, library, computer centre, School Hall, 40 Toilets, Fence, Electricity, Water, Kitchen, ramps + rails, 3 Sports Grounds and Car Park.	Construction & Final Account	R 8 139 000.00
Siyathokoza Primary School	Construction of 20 additional waterborne toilets.	Construction & Final Account	R2 , 437.044
Sukumani Combined School	Construction of 15 waterborne toilets.	Construction & Final Account	R2 ,057 ,006
Witbank High School	Rehabilitation of existing 34 waterborne toilets	Construction & Final Account	R 1 ,435 , 739, 48
Kwanala Primary School	Overall maintenance for the school	Construction & Final Account	R 1 , 293 , 000
Sifundise Primary School	Overall maintenance for the school	Construction & Final Account	R 1 , 293 , 001

### 5.8.1.8 Nkangala District Municipality

Project Description	Targeted area	Budget		
		2018/19	2019/20	2020/21
Bulk water Supply	Wilge	5 500 000	3000 000	-
Sewer Upgrading	Klarinet ext. 2 & 3 and Pine ridge	6 303 689	4 701 390	8000 000
Reticulation sewer line	Hlalanikahle ext. 3	6000 000	6000 000	8 500 000
Upgrading WWTW	Thubelihle	1 300 000	-	-
Grader	Emalahleni	4000 000	-	5000 000
Environmental Health Education and awareness campaign	Emalahleni	40 000	45 000	60 000
Emergency open day	Emalahleni	450 000	-	-
Moral generation movement	Emalahleni	70 000	75 000	80 000
AIDS Day : HCT and VMMC Campaign	Emalahleni	111 300	117 977	120 000
CO-source internal Audit support	Emalahleni	780 000	800 000	840 000
Soft ware and application support:debtors verification	Emalahleni	508 800	539 328	566 295
Disaster management awareness campaign	Emalahleni	-	60 000	80 000

## 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"> <li>• Mafarani farm;</li> <li>• Steyn Farm;</li> <li>• Tevland Farm;</li> <li>• Klippoortjie 1 Farm;</li> <li>• Klippoortjie 2 Farm;</li> <li>• Ogies;</li> <li>• Phola;</li> <li>• Thubelihle; and</li> <li>• Rietspruit.</li> </ul>	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"> <li>• Mafarani farm;</li> <li>• Steyn Farm;</li> <li>• Tevland Farm;</li> <li>• Klippoortjie 1 Farm;</li> <li>• Klippoortjie 2 Farm;</li> <li>• Ogies;</li> <li>• Phola;</li> <li>• Thubelihle; and</li> <li>• Rietspruit.</li> </ul>	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"> <li>• Mafarani farm;</li> <li>• Steyn Farm;</li> <li>• Tevland Farm;</li> <li>• Klippoortjie 1 Farm;</li> <li>• Klippoortjie 2 Farm;</li> <li>• Ogies;</li> <li>• Phola;</li> <li>• Thubelihle;</li> <li>• Rietspruit; and</li> <li>• Emalahleni</li> </ul>	R1m	2014 to 2018
Water Tanks Project	<ul style="list-style-type: none"> <li>• Mafarani farm;</li> <li>• Steyn Farm x 2;</li> <li>• Klippoortjie 1 Farm;</li> <li>• Klippoortjie 2 Farm;</li> <li>• Ward 29 Wilge farm; and</li> <li>• Ward 31informal Settlement.</li> </ul>	R 175 125.78	2016/2017
Infrastructure Project	<ul style="list-style-type: none"> <li>• Mafarani farm;</li> <li>• Steyn Farm;</li> <li>• Tevland Farm;</li> <li>• Klippoortjie 1 Farm;</li> </ul>	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



	<ul style="list-style-type: none"> <li>and Klippoortjie 2 Farm.</li> </ul>		project that is in line with the needs of the local community as per the Emalahleni Local Municipality IDP.
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### 5.8.2.2 Anglo American

Colliery	Project Name	Location	SLP Budget	Year of Implementation
Greenside	Procurement of a waste collection truck	Duvha	R 5 mil	2018
Greenside	-	Surrounding communities	R 2.5 mil	Ongoing since 2015
Greenside	Infrastructure Health Care – (Impungwe)	ELM	R5mil	2018
Greenside	Procured vehicles	ELM	R10m	Completed
Kleinkopje		Surrounding communities	R4,5mil	2018
Kleinkopje	Infrastructure Health Care – TB hospital (Impungwe)	Duvha	R5 mil	2018
Kleinkopje	-	Surrounding communities	R2,5mil	Ongoing since 2015
Kleinkopje	Procurement of trucks and other equipment	ELM	R3 mil	2018
Kleinkopje	Procurement of a waste truck	ELM	R5 mil	2018
Landau	-	Surrounding communities	R2,5mil	Ongoing since 2015
Landau	-	Surrounding communities	R4mil	2018
Landau	-	Kopanang school	R1mil	2018
Landau	-	ELM Schoongezicht pump station	R 5 mil	2018
Landau	-	School to be identified	R3mil	2018
Landau	Building of 3 mini transfer stations	ELM	R4 mil	2018
Landau	Infrastructure Health Care – (Impungwe)	Duvha	R 5 mil	2018
Zibulo	Leandra Investment	Leandra	R1,5m	2018
Zibulo	-	Phola	R 5 mil	2018-2019
Zibulo	Refurbishment of Mabande school, computer skills, ABET, etc...	Phola	R 8.5 mil	2018-2019
	Skills development: Portable skills & driver's licence: TBC with ELM	Phola	Incl above	2017-2020
	Community Bursary scheme	Phola	Incl above	Ongoing since 2015
Zibulo	3 Green houses for Schools and 1 for SMME	Phola	R 1,5 mil	2017-2019

Zibulo	Upgrade to Ogies Taxi Rank	Phola	R 1,5 mil	2017-2020
Zibulo	Purchase of trucks, bins, and CBO clean-up crew	Phola/Ogies	R 7 mil	2016-2020- Project completed and is over allocated budget

### 5.8.2.3 Exxaro – Matla

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

### 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)
<b>SUB TOTAL</b>		<b>R6 600 000.00</b>
HUMAN RESOURCE DEVELOPMENT:COMMUNITY		
3	Community Bursary Programme – Tertiary Education	R2 500 000.00
4.	Bursaries and Internships	R8 253 963.00
5.	Skills Programme	R4 002 860.00
6.	Plant Learnership	R4 000 000.00
7.	Coal Preparation	R900 000.00
<b>SUB-TOTAL</b>		<b>R19 656 823.00</b>
<b>The total budget for SLP period 2017 – 2022</b>		<b>R26 256 823.00</b>

### 5.8.2.5 Inyanda Mining Holdings

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

programme			
<ul style="list-style-type: none"> <li>• Enter into contract with service provider to be identifies</li> <li>• Assessment and training of SMME's</li> </ul>			
<b>TOTAL</b>		<b>R16 967 869.27</b>	<b>2017/18 – 2022</b>

### 5.8.2.6 Wescoal - Khanyisa Colliery SLP Projects

LED PROJECT NAME	PROJECT DESCRIPTION	LOCATION	FINANCIAL 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	<b>1-34</b>	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	<b>1-34</b>	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	<b>Phola</b>	R1 500 000	0	0	0	0	R1 500 000
	Farming Projects	<b>1-34</b>	R500 000	R500 000	R200 000	R200 000	0	R1 400 000
	Housing Project (building of 24 top structures on stands allocated by Vlakfontein Mine)	<b>Phola</b>	R2 500 000	0	0	0	0	R2 500 000
CSI Projects	Transporting of children from Khanyisa and Phola areas to school in Phola	<b>Phola</b>	R250 000	R250 000	R250 000	R250 000	R250 000	R1 200 000
<b>TOTAL</b>			<b>R9 900 000</b>	<b>R5 700 000</b>	<b>R5 700 000</b>	<b>R5 700 000</b>	<b>R5 500 000</b>	<b>R27 400 000</b>

**5.8.2.7 Sasol Mining**

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

## 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									
<b>BACK TO BASICS</b>					<ul style="list-style-type: none"> <li>➤ Put people and their concerns first – listen &amp; communicate</li> <li>➤ Good governance and sound administration</li> </ul>				
<b>Strategic Objective(s)</b>			<ul style="list-style-type: none"> <li>➤ To strengthen good governance and public participation</li> <li>➤ To create a clean, healthy and safe sustainable environment</li> </ul>		<b>Strategic Risk(s)</b>		<ul style="list-style-type: none"> <li>➤ Inadequate adherence to regulations, systems, procedures and policies</li> <li>➤ Fraud and corruption</li> <li>➤ Inability to recover provision of services in case of disaster and disruption</li> <li>➤ Inability to create clean, healthy and safe sustainable environmental</li> </ul>		
<b>Municipal Goal</b>			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)	2018/2019	Budget	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 annum	OHS Inspection	Conduct 10 OHS inspections per annum	Conduct 2 OHS inspections	Operational Budget	Corporate Services

IDP-1	<b>Integrated Development Plan (IDP)</b>	<b>To develop and review IDP</b>	<b>Improve public participation and accountability</b>	Adopted IDP	2017/18 IDP adopted	Compile and review IDP annually	Compile and review IDP-2019/20	OPEX	Office of the MM
IDP-2	<b>Integrated Development Plan (IDP)</b>	<b>To develop and review Process Plan</b>		Adopted Process Plan	2017/18 process plan adopted	Develop and review Process Plan annually	Developed Process Plan-2019/20	None	Office of the MM
IDP-3	<b>Integrated Development Plan (IDP)</b>	<b>To Promote good governance and public participation, through IDP processes</b>		Compiled reports	Annually compile reports	Compile IDP reports for Mayoral Imbizos	Compile IDP reports for Mayoral Imbizos	None	Office of the MM
A-1	<b>Audit</b>	<b>To ensure good governance and sound administration.</b>	<b>Ensure good governance</b>	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	<b>Audit</b>	<b>To implement and monitor internal controls</b>	<b>Ensure good governance</b>	Percentage of follow up audits conducted	23% of recommendations implemented and 70% not implemented	100% of internal Audit Recommendations followed up	100% of internal Audit Recommendations followed up	None	Office of the MM
A-5	<b>Audit</b>	<b>To ensure sound control environment, risk evaluation, compliance to regulations,</b>	<b>Ensure good governance</b>	Facilitated the percentage of AG	55% is implemented, 45% not	Facilitate 100% of the implementation of	Facilitate 100% of the implementation	None	Office of the MM

		<b>analysis of operations and confirming information relating to the operations</b>		recommendations implemented.	implemented	the Auditor General recommendations	of the Auditor General recommendations		
RM-1	<b>Risk Management</b>	<b>Promote good governance</b>	<b>Ensure effective and efficient Systems of Risk Management</b>	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	100% of internal Audit Recommendations followed up	None	Office of the MM
RM-2	<b>Risk Management</b>	<b>To ensure that the Municipality has and maintain effective, efficient and transparent system of Risk Management and internal controls.</b>	<b>Ensure effective and efficient Systems of Risk Management</b>	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	Facilitate 100% of the implementation of the Auditor General recommendations	None	Office of the MM
RM-3	<b>Risk Management</b>	<b>To intensify the fight against fraud and corruption in the municipality</b>	<b>Promote Anti-Fraud and Anti-corruption environment</b>	Approved & Monitored the implementation of the reviewed fraud prevention and anti-Corruption plan and Policies.	Approved fraud prevention and anti-Corruption: Policy, Strategy, Plan and Whistle Blowing Policy in place.	Review and implementation of fraud prevention and anti-Corruption: Policy, Strategy, Plan and Whistle Blowing Policy monitored.	100% of internal Audit Recommendations followed up	None	Office of the MM
CM-1	<b>Compliance</b>	<b>Promote good governance</b>	<b>Ensure</b>	Reviewed and	Incomplete	Develop, review	Review and	None	Office

	Management		compliance Management	monitor of Compliance Register	Compliance Register and no monitoring of the register	and monitor Compliance register	monitor Compliance register		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	4 X Quarterly Assessment Reports done on Ward Committee Functionality	OPEX	Office of the MM
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 War Rooms and reporting to the Local Council of Stakeholders	None	Office of the MM
				Revived Local Council of Stakeholders	Lack of co-ordination of OVS particularly the Local Council of Stakeholders	Revive Local Council of Stakeholders	Revive Local Council of Stakeholders	None	Office of the MM
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 MM

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 MM
				Reviewed public participation policy	Outdated public participation policy	Review and implement public participation policy	Review public participation policy	None	Office of the MM
PP-5			Improve ward governance and accountability	1 x Community Satisfaction survey annually	2014/16Annual Community Satisfaction Survey reports done	5xAnnual Community Satisfaction Survey reports	Annual Community Satisfaction Survey reports	OPEX	Office of the MM
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 in various construction trades.	Facilitate training of 225 young people in various fields of trade	facilitate training of 45 young people annually in various fields	None	Office of the MM
YD-3	Youth Development	Promote skills development amongst the youth	Develop local economies and create jobs	Number of functional satellite	No information centre to assist	Establish 4 information hubs.	Appoint 2 coordinators to assist the youth	None	Office of the MM

				information centres established in all regions	the youth with information		with information at KwaGuqa Extension and eMalahleni		
				Number of Learners identifies	0	Identification of 50 Learners for training	Identification of 5 Learners	None	MM and Corporate Services
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
					High levels of unskilled job seekers amongst the youth members in Emalahleni	Launch the Youth Employment Services (YES) Presidential program and mobilize all key stakeholders to participate	Launch the Youth Employment Services (YES) Presidential program and mobilize all key stakeholders to participate	OPEX	Office of the MM
					Lack of stakeholder management of youth groups and organisations through non functionality of SAYC	Coordinate and facilitate the establishment of SAYC in Emalahleni	Coordinate and facilitate the establishment of SAYC in Emalahleni	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	No Emalahleni Youth development Strategy	Develop 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	4 engagements with media houses	OPEX	Office of the MM
COM-4	Communication	To develop, promote and maintain the good image of Emalahleni Municipality	Improve the image of the municipality	Branded and marketed municipality	New project	Branding & Marketing the municipality	Continue Branding & Marketing the municipality	OPEX	Office of the 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	Number of mayoral special projects implemented	0	Establish 25 food gardens	Establish five (5) food gardens in Kwa-Guqa Extensions	OPEX	Office of the MM
TM-2									

TM3			<b>with disabilities (differently able)</b>	Number of coordinated transversal programmes	Coordinating transversal programmes	Undertake thirteen (13) gender programmes	Implement five gender programmes	OPEX	Office of the MM
				Number of HIV Awareness campaigns	Functional Local Aids Council	Twelve HIV Awareness campaign.	Conduct 4 Capacity Building of AIDS Councils	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.	Undertake 4 outreach programmes to create awareness among the aged on social issues (Health, Social grants)	OPEX	Office of the MM
TM5					No training		Facilitate Training employees on sign language		
LS-2	Licensing Services	To provide licensing services	Bring services to the people	Established satellite licensing service	No licensing office	Establish satellite licensing office at Ogies Phola	Establish satellite licensing office at Ogies Phola-phase 2	R4M External	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 R25 000	Community services
SS-5	Safety and Security	To Provide social services	Ensure legitimacy of traditional	Developed and implemented	No by-law	Develop and implement	Develop and implement	OPEX R25 000	Community



			<b>health practitioners</b>	traditional Healers by-law		1traditional Healers by Law	1traditional Healers by-law		Services
<b>SS-6</b>	<b>Safety and Security</b>	<b>To Provide social services</b>	<b>Promote education in local communities</b>	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 R25 000	Community Services
<b>SS-7</b>	<b>Safety and Security</b>	<b>To Provide social services</b>	<b>fight crime in communities</b>	Developed and implemented liquor outlets by-law	No by-law	Develop and implement liquor outlets by-law	Develop and implement liquor outlets By-law	OPEX R25 000	Community Services
				Profiled crime areas	0	Profiling all identified crime areas	Profiling all identified crime areas	OPEX	Community Services
<b>EMC-1</b>	<b>Environmental Management and Compliance</b>	<b>Reduce impact on climate change through developing and implementing a climate change strategy for the municipality</b>	<b>To create a clean, healthy and safe sustainable environment</b>	Developed and implemented climate change strategy for ELM	No climate change strategy	Develop and Implement the climate change strategy	Develop the ELM climate change adaptation and response strategy	OPEX (R500 000)	Environmental and Waste Management
<b>EMC-2</b>	<b>Environmental Management and Compliance</b>	<b>Increase visibility and the enforcement of the Environmental By-Laws</b>	<b>To create a clean, healthy and safe sustainable environment</b>	Developed ELM air quality management plan (AQMP) for ELM	No AQMP in place for ELM	Develop and implement AQMP for ELM	Develop second draft of the AQMP	OPEX (R600 000)	Environmental and Waste Management
				Developed land and water quality pollution	No water discharge by law and	Develop water discharge by law and standards	Develop water discharge by law and standards	OPEX	Environmental and Waste

					standards				Management and technical Services
				Developed mining & industrial activities by-law	No mining & industrial activities by-law	Develop mining & industrial activities by-law	Develop mining & industrial activities by-law	OPEX	Environmental and Waste Management
<b>EMC-3</b>	<b>Environmental Management and Compliance</b>	<b>Increase visibility and the enforcement of the Environmental By-Laws</b>	<b>To create a clean, healthy and safe sustainable environment</b>	Upgraded and operational air quality station	The current air quality station is outdated	Upgrade and operationalize an air quality station	Upgrade and operate air quality station	R2m	Environmental and Waste Management

<b>KPA2: SERVICE DELIVERY AND INFRASTRUCRURE DEVELOPMENT</b>			
<b>BACK TO BASICSS</b>		Deliver municipal services to the right quality and standard	
<b>Strategic Objective(s)</b>	<ul style="list-style-type: none"> <li>➤ To provide access to habitable, sustainable and affordable intergraded human settlements</li> <li>➤ To increase access to efficient and sustainable basic services</li> <li>➤ To provide an enabling environment for</li> </ul>	<b>Strategic Risk(s)</b>	<ul style="list-style-type: none"> <li>➤ Insufficient provision of access to sustainable and integrated human settlement</li> <li>➤ Unsustainable and efficient provision of basic services</li> <li>➤ Unconducive environment for social and recreational development</li> </ul>

			social and recreational development						
<b>Municipal Goal</b>			Sustainable and affordable services						
IDP Reference Number	Key Focus Area (KFA)	Departmental Objective	Strategy	Key Performance Indicators (KPI's)	Backlog/ status quo	Performance Targets (5 year Plan)	2018/2019	Budget	Responsible Department
ESI-1	Energy Services and Infrastructure	To Improve the delivery of basic services on energy supply	Increase connection of houses to electricity	Number of households connected	48970 backlog	10 000 households connections	Empumelweni Extension 8 Electrification	R6 836m (DOE)	Technical services & DOE
							Siyanoqoba Electrification	R17 050m (DOE)	Technical services & DOE
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	Construct and Upgrade electrical bulk supply	Upgrade Phola Bulk Phase 1	R3 115m (DOE)	Technical services & DOE
							Siyanoqoba Bulk Phase(Installation of 132kv - phase 1	R15m (DOE)	Technical services & DOE
WSI-2	Water Services and Infrastructure	To Improve the delivery of basic services on water supply	Improve bulk water infrastructure	Constructed 5km bulk water pipelines and 2000 new connections	Shortage of 25km bulk water supply services for new developments and lack water services for 55000 households	Construction of bulk water supply services and 10000 new water connections	Empumelweni and KwaGuqa Ext10 water Distribution	R13m (MIG)	Technical Services
							Refurbishment and upgrading of Rietspruit Water Supply System	R12 993 458 108 (MIG)	Technical Services

							Filter Sand Replacement for Manganese Treatment	R20m (WSI)	Technical Services
							Installation of a SCADA system	R5m (WSI)	Technical Services
WSI-4	Water Services and Infrastructure	To Improve the delivery of basic services on water supply	Improve sustainability of water supply	Improve water and Effluent quality monitoring plan	Old and dilapidated water laboratory	Constructed a municipal water laboratory	Implement water safety plans to improve blue drop status	OPEX R250 000	Technical Services
				Number of generators purchased and installed for backup purposes	No backup electricity supply in the water Treatment Plants	11 generators purchased and installed	Purchase 1 generator for water supply	R600 000 (external)	Technical Services
WSI-5	Water Services and Infrastructure	To Improve the delivery of basic services on water supply	Improve sustainability of water supply	Replaced water pipes	40% of 950km network is old and made of asbestos	Replace 50km of old pipes	Replacement of AC pipes (Asbestos cement pipes) Highveld park proper	R4m	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 4 000 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	Upgrading of Ferrobank Sewerage Treatment Works	R5m (MIG)	Technical Services
							Upgrading of Naauwpoort Sewerage Treatment works	R2m (MIG)	Technical Services
							Upgrading of Klipspruit WWTW and New Ferrobank Outfall Sewer Pipeline	R23 134 345 (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 and inadequate bulk services	Construction of bulk outfall sewer	Empumelelweni bulk outfall sewerline and pump station	R7m (MIG)	Technical Services
							Klarinet: Construction of Engineering Services – phase 2 link and bulk sanitation	R6 472 069 (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, Thala, Mondoankomo, Hlalanikahle and Phola	Empumelelweni extensions internal sewer	R18 565 023 (MIG)	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	OPEX R250 000	Technical 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	KwaGuqa stormwater drainage rehabilitation	R10 605 000 (NDPG)	Technical Services
RS-5	Roads and Storm-water	To Improve reliability of roads infrastructure network	Improve drivability and maintain accessibility	Facilitated project	Facilitate reconstruction of roads	Facilitate reconstruction of 50km damaged roads and construct new roads	Construction of paved roads and stormwater in KwaGuqa ext 10 and 11, Hlalanikahle and Klarinet	R13m (MIG)	Technical Services
							Construction of internal roads in Empumelelweni phase 1	R6 928 755 (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	Review Bulk stormwater master plan	OPEX	Technical Services
							Develop service level standards	OPEX	Technical Services
							Review transport policy	OPEX	Technical Services

MM-1	<b>Municipal Building Maintenance</b>	<b>To Improve the delivery of basic services</b>	<b>Improve the delivery of basic services</b>	Upgraded and maintained municipal buildings	Dilapidation of 25 municipal buildings	Upgrade and maintain 10 municipal buildings	Assessment of all municipal buildings	OPEX	Technical Services
ISHS-1	<b>Integrated Sustainable Human Settlement</b>	<b>To create Sustainable Human Settlements through creating a range of housing opportunities</b>	<b>Provision of housing opportunities</b>	Number of subsidized units constructed	Backlog of 55 390 units	Facilitate 6 000 units built	Facilitate building of 2 064 subsidized units	R618m	Development Planning
ISHS-2	<b>Integrated Sustainable Human Settlement</b>	<b>To create Sustainable Human Settlements through creating a range of housing opportunities</b>	<b>Facilitating provision of Subsidized units, Rental units</b>	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	<b>Integrated Sustainable Human Settlement</b>	<b>To create Sustainable Human Settlements through creating a range of housing opportunities</b>		Upgraded informal settlements	Number of informal settlements Enumerated	5 informal settlements enumerated	2 Informal settlements enumerated	R80 000	Development Planning
WMI-1	<b>Waste Management and Infrastructure</b>	<b>To Create a sustainable culture in the handling, collection, transportation, disposal and management of waste</b>	<b>To increase access to efficient and sustainable basic services</b>	Section 78 study implemented recommended new waste management	Outdated waste collection method Inadequate recycling practices Lack of transfer stations	Conduct section 78 study, Implement and monitor New operations as per best practice results of the study	Conduct section 78 study (multi-year) and source funding	R1 200 000 (Opex) Implementation (internal and external)	Environmental and Waste Management

				nt practices conducted	Number of available refuse trucks do not meet demand				
					Increase number of households				
				Reviewed Solid waste management by-law	Outdated Solid waste management by-law	Review and implement Solid waste management by-law	Review Solid waste management by-law	Opex	Environmental and Waste Management
				Developed policy on Refuse Bins/Receptacles	No policy on Refuse Bins/Receptacles	Policy on Refuse Bins/Receptacles	Policy on Refuse Bins/Receptacles	Opex	Environmental and Waste Management
<b>WMI-2</b>	<b>Waste Management and Infrastructure</b>	<b>To Create a sustainable culture in the handling, collection, transportation, disposal and management of waste</b>	<b>To increase access to efficient and sustainable basic services</b>	Developed and implemented Integrated Waste Management Plan	Draft ELM Integrated Waste Management Plan (IWMP)	Develop and Implement the integrated waste management plan	Develop and adopt the IWMP	R300 000 OPEX	Environmental and Waste Management
<b>WMI-3</b>	<b>Waste Management and Infrastructure</b>	<b>To Create a sustainable culture in the handling, collection, transportation, disposal and management of waste</b>	<b>To increase access to efficient and sustainable basic services</b>	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	3000 households to be serviced	R10m	Finance Department  Environmental and waste management



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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	Construction of 3 recovery plant and Developing transfer stations- Phase	R5m External	Environmental and waste management
WMI-6	Waste Management and Infrastructure	Create a sustainable recycling and reuse culture within the municipality	To create a clean, healthy and safe sustainable environment	Developed garden waste compost plant	No recycling plant for organic waste	Construction and operation of the garden waste compost plant	Conduct feasibility studies for compost plant	OPEX R400 000	Environmental and waste management
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 – phase2	R3m (MIG) R1.9m (external)	Environmental and waste management
WMI-9							Submit business plan for remaining phases for Phola landfill site	No budget required	Environmental and waste management

PFO-1	Parks, Facilities and Open Space Management	To Improve human dignity within the burial system	To increase access to efficient and sustainable basic services	Upgraded and constructed cemetery	Kromdraai Cemetery has a 7 year life span  Annual population growth of 3%  Increase in the number of households	Upgrade and construct the cemetery	construct the Bleebsoklaagte cemetery-phase 2	R1,7m (MIG)	Environmental and Waste Management
							Upgrade cemeteries	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 1 500 trees	OPEX R400 000	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	Investigate and implement cemetery data management system	OPEX R120 000	Environmental and Waste 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	Enhancement/landscaping of 2 main entrances	R400 000 OPEX	Environmental and Waste Management  Technical Services Department

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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	Upgrade 3 parks	External	Environmental and Waste Management
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 R2.5m (Internal & external)	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-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 R2.5m (internal)	Office of MM

<b>SAC-7</b>				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 R4m Internal	Community services
<b>SAC-8</b>	<b>Sport, Arts, Culture and recreation</b>	<b>To promotion of Arts, Culture and Sports</b>	<b>Promote history and social cohesion in the municipality</b>	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 R1m	Community services
<b>LIB-1</b>	<b>Library Services</b>	<b>To Provide social services</b>	<b>Promote education in local communities</b>	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 External	Community Services

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)	2018/2019	Budget	Responsible Department
JC-1	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	None	All Departments
JC2				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	Monitor Fly Ash project	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
TM-2	Tourism and Marketing	Stimulate and facilitate sustainable tourism and marketing of Emalahleni	Tourism development and Marketing	Refurbished Witbank Dam	Facility in a state of disrepair	Refurbish Witbank Dam	Explore a PPP for future management and operation of Witbank dam	No budget	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)	2018/2019	Budget	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	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

	ce	resource and administration function					Workshop Councillors and officials on professionalism and ethical related trainings	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-3	Corporate Governance	To encourage a culture of excellence and high work ethic	Improve performance and accountability	Number of activities assisting in improve performance and accountability	Lack of activities assisting in improving performance and accountability	Number of activities assisting in improve performance and accountability	Installing electronic time & attendance system (is it corporate or community services...CS planned for install access control... SS9	R1.2m	Corporate Services
							Verify qualifications for level 0 to 4	OPEX R50 00	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	(OPEX)	Corporate Services

							(EAP)		
CG-5	Corporate Governance	To render a comprehensive, integrated human resource and administration function	Improve the capacity of the municipality	Reviewed and implemented policies	Policies in place	Review and implement 10 outdated policies	Review and implement HR Strategy	OPEX	Corporate Services
							Review and implement Promotion, Transfer & Demotion Policy	OPEX	Corporate Services
							Review Standby and Overtime Policy	OPEX	Corporate Services
							Review Study Scheme Policy and Procedure	OPEX	Corporate Services
							Facility Management Policy, Service Standards	OPEX	Corporate Services
							Review and implement Staff Retention Policy	OPEX	Corporate Services
							Review and implement Recruitment & Selection Policy & Procedure	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



	<b>Management</b>								
<b>PM-1</b>	<b>Performance Management</b>	<b>To encourage a culture of excellence and high work ethic</b>	<b>Improve performance and accountability</b>	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
<b>PM-2</b>	100% of Technical Indicators in the SDBIP described			0	100% of Technical Indicators contained in the SDBIP described annually.	100% of Technical Indicators contained in the SDBIP described annually.	None	All Departments	
<b>PM-3</b>	Number of departmental performance reports per annum			Monthly departmental report done	12 Monthly departmental reports per annum	12 monthly departmental reports	None	All Departments	

KPA 5: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT									
BACK TO BASICS					Sound financial management and accounting				
Strategic Objective(s)			<ul style="list-style-type: none"> <li>➤ To ensure sound financial and asset management</li> <li>➤ To ensure sustainable provision of suitable transport</li> </ul>		Strategic Risk(s)		<ul style="list-style-type: none"> <li>➤ Poor financial and Assets Management</li> <li>➤ Possibility of the municipality not achieving full compliance to MSCOA requirements by 1 July 2017</li> </ul>		
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)	2018/2019	Budget	Responsible Department
FR-1	Financial reporting	To ensure sound financial management	Improve Audit outcome	Clean Audit	Qualified audit opinion	Clean audit outcome	Unqualified audit opinion	OPEX	All directorates
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 policy	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	95% correct 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 Credible and funded budget 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	GRAP complaint assets register	100% assets verification	100% assets verification	OPEX	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 purchased and number equipment purchased	73,31 % of vehicles are older than 5 year and there is shortage of vehicles and equipment	Replace 63 % of vehicles older than 5 year as per the policy and facilitate purchase of vehicles and equipment	4 Sedan (3 CS,1 IT), 10 LDV's(6 EWM,4 TS), 1 Double Cab, 1 Load Lugger, 2 Combi's, 3 4t trucks/ Half canopy(2 EWM, 1 CS), 3 5t Double cab trucks, 2 Refuse compactors, 1 TLB,	R20 110m (internal and external)	Finance, Environmental and Waste Management
							Purchase furniture and equipment ( IT, ride on mowers, brush cutters, chain saws, Pole pruners, (8000) wheelie bins, 10 Mobile toilets	R8 600m (Internal And external)	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 2018/2019	Budget	Responsible Department
SP-1	Spatial Planning	To identify and stimulate development opportunities through spatial frame work planning	Build spatially integrated communities	Approved spatial planning related policies	Alignment with current legislations	Review and implement SDF	Reviewed SDF	R200 000	Development Planning
SP-2	Property management	To administer the alienation and disposal of municipal land	Build spatially integrated communities	Reviewed Disposal and acquisition policy	ELM Disposal and Acquisition of Immovable Property Policy last approved in 2003	Adopt 1 ELM Disposal and Acquisition of Immovable Property Policy	Approved ELM Disposal and Acquisition of Immovable Property Policy	R20 000	Development Planning

### 1.2.1.1 Audit Outcome and Action Plan

The audit outcome for 2016/17 is a qualified opinion with the following action plan (summarised version)

#### SUMMARY OF 2016/17 AUDITOR-GENERAL AUDIT REPORT

NO	BASIS FOR QUALIFIED OPINION	DETAILS OF THE PARAGRAPH	REMEDIAL ACTION
1	<b>Payables from exchange transactions</b>	Adjustment without supporting document R2 426 104 574 (2015-16:R1 940 892 901).	All creditor accounts should be aged per supplier.  Monthly reconciliations of the supplier balance per the financial reporting system to supplier statements.  Management to clear the Sundry accrual account, by match all prior year accruals to payments.
2	<b>Receivables from exchange transactions</b>	Adjustment without supporting documents R1 803 920 360 (2015:16:R1 498 646 665) and the debt impairment expenditure of R455 592 437.	Management to reconcile the GL and the financial statement system prior finalization of annual financial statement.  The Nkangala District Municipality, has appointed an ITC company to assist the municipality in data collection, analysis consumer tracing, consumer data update Verification of indigent status Collectability study of consumer debtor's book to assist the municipality in formulating a collection ratio that will form the basis of the new allowance for impairment.
3	<b>Commitments</b>	Not all capital commitments were disclosed R272 899 695 (2015-16: R184 405 401).	A new commitments register will be completed which would encompasses both capital and operational commitments.
4	<b>Distribution losses</b>	Adjustment without supporting document R353 239 135(Electricity) and R50 111 108 (Water).	Management must calculate distribution losses on a Monthly basis and the quantities for both water and electricity must be submitted.

NO .	BASIS FOR QUALIFIED OPINION	DETAILS OF THE PARAGRAPH	REMEDIAL ACTION
5	<b>Cash flow statement</b>	Due to the numerous items contributing to the qualified 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.
6	<b>Irregular expenditure</b>	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. R188 332 982 (2015-16: 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. The municipality will ensure that there is compliance with SCM regulations and the SCM Policy.

## **7 ANNEXURES**

**7.1 2018/19 UNFUNDED PROJECTS**

**7.2 5 YEAR PLAN**

**7.3 FIGURE 1 (SDF MAP)**

**7.4 FIGURE 2 (SDF MAP)**

**7.5 FIGURE3 (SDF MAP)**

**7.6 FIGURE 4 (SDF MAP)**

**7.7 SDF (AS PER REQUEST)**

**7.8 DISASTER MANAGEMENT PLAN (AS PER REQUEST)**