



# **WINNIE MADIKIZELA - MANDELA LOCAL MUNICIPALITY**

## **INTEGRATED DEVELOPMENT PLAN 2021-2022 REVIEW**

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## 1.MAYOR'S FOREWARD

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The Integrated Development Plan (IDP) as developed for the 2017 - 2022 Municipal Council's term of office has been reviewed during the 2020/2021 financial year. This review process (2021/2022) took into consideration the comments of the MEC for Co-operative Governance & Traditional Affairs, the service delivery performance status and the changing needs and circumstances of the communities we serve. The reviewed and thereafter revised IDP is hereby presented as a product of robust consultative engagements and interactions with the communities in all our 31 Wards, development role-players in the public & private sectors, and civil society stakeholders. This review consolidates the development plans to be implemented in various wards constituting Winnie Madikizela - Mandela local municipality.

The communities through the consultative processes made it clear that ensuring increased access to water supply, roads maintenance, electricity provision and housing are still the top basic service needs our government must focus on. These mentioned top community priorities are raised in full awareness of the need to reduce the general basic services and infrastructure backlogs for economic growth. There was also a sharp focus on the need to ensure improved monitoring during projects implementation and improved operations and maintenance on existing projects. The key to achieving service delivery needs presented by communities require improved cooperation and collective response by government spheres in partnership with the private sector. The Declaration of the National State of Disaster by the President of the Republic on the 15<sup>th</sup> March 2020 together with the lockdown strategy to fight against the spread of Covid-19 which has put social and economic distress across the world has negatively affected our original plans and threatened our future plans. We are continuously reviewing our infrastructure strategies and plans in alignment with the Economic reconstruction and recovery plan as announced by the President Ramaphosa. We call on every member of our communities to adhere to all precautionary measures in our fight against this enemy. We are certain that we will ultimately defeat Covid-19, only when we work together.

It is further acknowledged that a sustainable solution to the high levels of poverty, inequality and unemployment is to build a flourishing local economy that ensures inclusive ownership and employment. We have realised that the building of sustainable communities does require partnerships with the local and international stakeholders. To realise the above objective, our municipality through the assistance of the South African Local Government Association (SALGA) entered into a partnership with the City of Strathroy-Caradoc in Canada. This partnership is under a programme called Building Inclusive Green Municipalities (BIGM) with a special focus on building local economic development in order to fight unemployment and poverty. This project (BIGM) is now firmly part of our reviewed IDP and has led to the revision of our LED organisational structure, ongoing Business incubator and the replication of the Rural Economic Development Hub (RED Hub) sub-projects are being implemented. The agriculture and tourism sectors still continue to occupy our attention in order to fight hunger and poverty whilst we grow our local economy. We are mindful of the threats caused by climate change to the agricultural sector and the community well-being, we are implementing a comprehensive climate change strategy in order to mitigate its negative effects whilst we improve adaptation to the changes.

This IDP continues to advance radical social and economic transformation era as espoused in the National Development Plan, the Eastern Cape's Provincial Development Plan, and the District Development Plan. Mbizana guided by the 2016 Local government's electoral mandate vision: *"Together advancing people's power in every community, Local government is in your hands"*.

Our reviewed and revised Integrated Development Plan puts more focus and emphasis on the following priorities: -

- Progressively extending the provision of basic services to all the communities served;
- Together with the development players we shall enhance the growth of our local economy in order to produce the much needed jobs;
- Together we shall continue to improve public participation and accountability;
- To continuously improve and enhance institutional capacity;
- To improve our roads maintenance works especially after heavy rains of April 2019, this is done in order to improve people mobility for social and economic development.
- Enhancing our fight against the spread of communicable diseases, mainly Covid-19 and HIV & Aids pandemics.

The above will be done within the scope of the prescribed five (5) Local Government Key Performance Areas. The municipality continues to enhance the implementation of Back to Basics programme. The additional pillars of focus during the 2<sup>nd</sup> phase of B2B are the following: Addressing spatial injustice and spatial dislocation which continue to impact on the lives of our people; Building resilient communities; and implementing ways in which social and economic transformation can best be achieved at a local level. We have included an improved focus on revenue enhancement measures which includes electricity metering assessment for improved revenue collection as stated in our revenue enhancement strategy. This we do in order to secure the much needed financial resources for continued service delivery. On the one hand, we have agreed on cost containment measures in order to reduce our expenditure on non-core services. These measures are being implemented as a response to the slow economic growth our country and world faces against the heightened negative growth effects worsened by Covid-19 pandemic.

Therefore, the implementation of this integrated development plan enjoys the support of all community stakeholders, the organs of State and traditional authorities. This IDP puts more emphasis on putting people needs first, improved public accountability and effective & efficient provision of services. Allow me to say *“Let us grow Mbizana” together*, indeed *“Umanyano ngamandla”*.

Yours truly,



**CLLR T. D. MAFUMBATHA**  
**MAYOR**

## 2.THE EXECUTIVE SUMMARY

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### Pre-Planning

In accordance with Section 28 of the Municipal Systems Act, a process plan was developed, agreed and adopted by Municipality council to guide the planning and drafting of this review IDP. This document takes into consideration the five year IDP (2012 – 2017) and focuses on 4 key areas viz, response to MEC & AG comments, Updating of information and restricting of the report to make it more accessible. It is based on a process plan which was adopted by council on August 2019.

### Municipal Overview

Mbizana covers an area of 2806 km<sup>2</sup> with 31 wards. Winnie Madikizela - Mandela Local Municipality falls under the Alfred District Municipality in the Eastern Cape Province. This is a very rural Municipality with a population that is 319943 (StatsSA: CS: 2016). The Municipality is characterized by youthfulness of its population with 47% of the total population less than 35 years of age and 48% of the population economically active. Consistent with the national trends 55% of the population is women. The statistics tell us that we have to develop policies and programmes that will address the plight of the young people and women in the main. Mbizana is 98% rural.

### Local Economic Development

The preplanning phase of this IDP formulation involved a gap analysis. Key indicators show that:-

- Unemployment is at about 44%, poverty widely spread with dependency ratio of 99% for children to economically active,
- Government services and domestic (55%) as well as retail account for the majority of jobs in the market (19%) followed by finances (11%)
- An HDI of 0.35 indicates very poor lifestyles across the municipality

The key economic drivers as prioritised in the LED strategy are agriculture, tourism and mining and are said to be underdeveloped. The municipality supports SMME development and has invested in establishing the LED forum, Local Tourism Organisation and Contractor development programme for information sharing, capacity development and marketing. The Municipality in collaboration with other key stakeholders have supported SMMES in almost all sectors on various aspects which amongst them include training, funding, marketing, and creating access to markets and information. The Municipality has also developed and adopted Agricultural development plan to ensure the development of the sector is appropriately guided and to transform subsistence agricultural practise to commercial practise. The tourism plan was adopted and is currently under implementation and the mining potential assessment was done for the local investors to tap into available opportunities. These plans also seek to attract investors to invest in Mbizana for sustainable job creation and further develop the area as an economically viable region. There are compounding environmental challenges coupled with lack of internal capacity to undertake key responsibilities in terms of our powers and functions; The municipality has also signed an MOU with Ray Nkonyeni municipality which is the municipality in the Kwazulu Natal border nearer to Winnie Madikizela – Mandela Municipality the MOU is on LED initiatives which includes business licencing and incubation SMME development this partnership has proven to be effective as most business ventures have been established mainly by Winnie Madikizela – Mandela municipality business sector.

## **Institutional Development & Transformation**

The municipality operates within a Collective Executive System combined with a ward participatory system. It has 31 wards and 62 Councillors with an Executive Committee consisting of 10 members. There are 12 Traditional Leaders participating in the council. Ward Councillors are chairpersons of ward committees which are responsible for discussing local development issues and concerns. The Council meets once a quarter to consider recommendations from the Executive Committee and/or the Standing Committees through a report from the Honourable Mayor. The Executive Committee meets on a monthly basis to consider matters tabled to it by the Municipal Manager with the management team.

The organisational structure was designed to achieve the strategic objectives of Council and was reviewed and adopted by council on the 28<sup>th</sup> of May 2020 with a total of 282 positions and 243 positions filled and 39 vacant positions. The administration is clustered into six areas of service delivery or departments. There are 5 Section 56 Managers and the Municipal Manager all were appointed on a fixed term performance based contract to lead the Municipal Administration as indicated below:-

- Office of the Municipal Manager;
- Budget & Treasury Office;
- Engineering Services;
- Development Planning;
- Community Services; and
- Corporate Services

The municipality has developed, adopted and is implementing a skills plan and an equity plan to guide our capacity building and training interventions. All the necessary policies to guide the functioning of the municipality and its employees were developed and adopted by council.

## **Financial Viability**

The demographics of the Winnie Madikizela - Mandela Local Municipality make it clear that it is a rural municipality, with only a small urban area comprising its town and surrounding settlements. This means that the municipality has a limited revenue generating base where it can levy rates and other taxes. The reliance on grant funding then becomes unavoidable. The point about a limited revenue base is then demonstrated by the fact that of the funding, only 20.4% of this was own funding and the remaining 79.6% was grant funding.

The municipality has reliable accounting systems that are able to produce reports as and when they are needed. These systems are yet to translate into positive audit outcomes as improvements are done consistently. The improvements are both on accounting systems as well as the operational systems within the Budget and Treasury Office. The department is well established and satisfactory staffed, and efforts are made to ensure that the finance personnel are trained on a regular basis to ensure that they are always informed of the changes that are happening within the accounting framework. Our audit outcomes have been improving from 2014/15 financial year which was a qualified into unqualified consistently.



## **Basic Service Delivery**

Backlogs for services are generally high and efforts to provide such needed services are in place. The District municipality as a water services Authority has revised most of the water schemes in rural areas and plans are in place to reticulate water from the big dam. Though Water backlog is at 73.6% while that of sanitation improved to 73% with only 27% unserved households.

Only 3% households and 100% businesses including rural business hubs receive refuse collection from the municipality. Others use their own means while an estimated 21% does not have any means. Electricity back lock is currently sitting at 9701 (13%) households pending completion of the current running projects, however municipality is estimating 16000 growth of households still in need of electricity this is due to new developing households and new locations. About 28% of households have no access to telephones. Those who have access are largely assisted by cell phone connectivity which is often hampered by poor network and signal coverage's in especially rural areas. Approximately 385.6km of road has been created using MIG funding by end June 2019 from 2013/2014 and 23.6km is targeted for the current financial year 2019/20 with a budget of 27 Million. In road maintenance the municipality due to its terrain has a recurring need for road maintenance to the extent that sets of yellow machine has been purchased to withstand the need. The municipality has managed to maintain 125km of roads from 2016/2017 to date.

Social amenities, community services, education, health, road network, transport, social development services have drastically improved where in most of the wards community halls and others have under construction and the municipality has planned to implement the ISDM to utilise all the services and resources available in its area of jurisdiction. The municipality does involve all sector departments on the IDP REP Forum so that they can submit their infrastructure plans this has proven to be a challenge as not all of them attend the IDP REP Forum. The current situation is that the municipality does not have a Comprehensive Infrastructure Plan as not all sector departments are included only the municipality has got its own detailed plans. However the office of the Mayor has been mandated to improve IGR relations with sector departments so as to provide the municipality with sector departments infrastructure plans. The Alfred Nzo District Municipality is both the WSA and WSP, there is also no SLA that has been entered into between District & LM.

## **Spatial Development Framework**

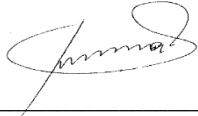
The council reviewed and adopted its SDF during 2015/16 financial year. It identifies rural service centres that will be used to reach-out to rural communities as we expand service delivery. We embrace the call of the 3<sup>rd</sup> Presidential Local Government Summit theme: "Transforming Municipal Spaces for radical social and economic development" as a programme towards the realisation of the objectives of the Second Phase of Back to Basics programme.

## **Planning for the future**

The vision, mission and values have been amended in the 2017/2022 review reading as a vibrant socio economic growing municipality that creates sustainable communities with equal opportunities for all.

## Conclusion

This document represents the fourth review of 2017 – 2022 five year IDP, it will be implemented from 01 July 2021 as adopted by council and will be monitored in terms of our annual PMS and SDBIP.



**MR. L. MAHLAKA**  
**MUNICIPAL MANAGER**

### 3. INTRODUCTION – BACKGROUND & PURPOSE

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Section 34 of the Local Government: Municipal Systems Act provides for the annual review of the IDP in accordance with an assessment of its performance measurements and to the extent that changing circumstances so demands. As such, this document represents the fourth comprehensive Integrated Development Plan (IDP) for the Winnie Madikizela – Mandela Local Municipality since the establishment of the municipality. The IDP document aims to:-

- Link, integrate and co-ordinate all development plans within the municipality
- Align the resources and capacity of the municipality with the implementation plan.
- Form policy frameworks which constitute the general basis on which the annual budget must be based
- well-match the National and Provincial development plans and with the municipal plans

The strategic objectives and targets contained in this document were reached subsequent to extensive systematic and structured internal and external consultation through various public participation mechanisms with the community and stakeholders within the Municipal area of jurisdiction.

Section 35 of the MSA clearly states that an Integrated Development Plan adopted by the Council of a municipality 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. It 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. Section 36 furthermore stipulates that a municipality must give effect to its integrated development plan and conduct its affairs in a manner that is consistent with its integrated development plan.

#### 3.1 Integrated Development Planning Objectives

Integrated development planning is a process whereby municipalities prepare strategic development plans for a five-year period. These plans should inform planning, decision making, budgeting, land management, promotion of local economic development, and institutional transformation in a consultative systematic and strategic manner. The main objective of developing an IDP is the promotion of developmental local government, through the following:-

- Institutionalizing performance management in order to ensure meaningful, effective and efficient delivery (monitoring, evaluation and review) -Speed up service delivery through making more effective use of scarce resources.
- Enabling the alignment and direction of financial and institutional resources towards agreed policy objectives and programs.
- Ensure alignment of local government activities with other spheres of development planning through the promotion of intergovernmental co-ordination.
- Assist the municipality to focus on environmentally sustainable development strategies and delivery
- Assist in the development of a holistic strategy for local economic development and job creation in the context of a strong poverty alleviation focus.
- Strengthen democracy and institutional transformation.

- Attracting additional funds from private investors and sector departments as the IDP indicates a developmental direction.

A critical concept in the development of an IDP is ensuring that integration takes place. The IDP process and development of plans amounts to an advantage to ensure alignment of all the plans with the IDP. This will ensure that consolidated and integrated sectoral programmes will be developed and that aspects, both horizontally and vertically, ranging from spatial, economic, environmental and social impacts are completely connected. This IDP also aims to:-

Create a higher level of focus and thereby improve the strategic nature of the document;

Align this strategic document with the limited financial and human resources

Align the IDP with the activities of the municipality's departments and other social partners in other spheres of government

Align the IDP with the various sector and management plans of the municipality.

### **3.2 Legislative Framework**

The following legislation defines the nature of the Integrated Development Planning:-

- a) Constitution of the Republic of South Africa Act 108 of 1996

Sections 152 and 153 of the Constitution stipulate that a municipality must give priority to the basic needs of its communities and promote their social and economic development to achieve a democratic, safe and healthy environment.

- b) Local Government: Municipal Systems Act 32 of 2000

Sections 28 and 34 of the Act stipulate the need for each and every municipality to develop and adopt an IDP, which should be reviewed annually. In addition, it outlines the IDP process and components.

- c) Local Government: Municipal Finance Management Act 56 of 2003

Section 21 of the Act makes provision for alignment between the IDP and the municipal budget. The Service Delivery and Budget Implementation Plan is an annual contract between the Municipality's administration, Council and the community, which ensures that the IDP and the Budget are aligned.

- d) Local Government: Municipal Planning and Performance Management Regulations (2001).

These Regulations make provision for the inclusion in the IDP of the following:-

- The institutional framework for the implementation of the IDP;
- Investment and development initiatives in the Municipality;
- Key performance indicators and other important statistical information;
- A financial plan of a municipality; and
- A spatial development framework.

e) Local Government: Municipal Structures Amended Act 117 of 1998

This Act provides for the establishment of municipalities and defines the various types and category of municipality. It also regulates the internal systems, structures and office-bearers of municipalities and provides for appropriate.

f) Municipal Property Rates Act 6 of 2004

The objective of this Act is to regulate the power of a municipality to levy rates on property. Rates represent a critical source of own-revenue for municipalities in order to achieve their constitutional development objectives.

g) The Strategic Agenda of the Municipality

The people-driven IDP and Budget of the Municipality takes place within the context of the Intergovernmental Relations Framework and therefore takes into account global, national and provincial perspectives. The IDP is therefore a government-wide expression of developmental commitments. Within the multitude of government policy frameworks, legislation, guidelines and regulations that seek to advocate for the path, pace and direction for the country's socio-economic development agenda, the section below focuses on National Development Plan Vision 2030; Popular Mandate across Spheres of Government; Government Outcomes; Medium Term Strategic Framework (MTSF); the National Spatial Development Perspective (NSDP); Millennium Development Goals.

h) National Development Plan, Vision 2030

The National Development Plan (NDP) offers a long-term perspective. It defines a desired destination and identifies the role different sectors of society need to play in reaching that goal. The NDP aims to eliminate poverty and reduce inequality by 2030. According to the plan, South Africa can realize these goals by drawing on the energies of its people, growing an inclusive economy, building capabilities, enhancing the capacity of the state, and promoting leadership and partnerships throughout society. The Diagnostic Report of the National Planning Commission, released in June 2011, sets out South Africa's achievements and its shortcomings since 1994. The Vision Statement of the NDP is a step in the process of charting a new path for our country. The NDP has the following objectives:-

- Seeks to eliminate poverty and reduce inequality;
- Seeks a country wherein all citizens have the capabilities to grasp the ever-broadening opportunities available;
- Plans to change the life chances of millions of our people, especially the youth; life chances that remain stunted by the apartheid history.
- Sustainable Development Goals

On September 25th 2015 countries adopted a set of goals to end poverty, protect the planet and to ensure prosperity for all as part of a new sustainable development agenda. Each of these goals has its own targets that are to be achieved over the next 15 years. For the goals to be reached everyone needs to do their part government, private sector civil society. This therefore means even this municipality has the role to play in realizing these development goals.

These seventeen (17) goals mainly focus on human and social development, infrastructure investment and economic development as well as environment management and sustainability for the benefit of the continent. Each of these goals consists of quantified measurable targets that are meant to address these areas of focus. The identified sustainable development goals include the following:-

- Ending poverty in all its forms and everywhere.
- End hunger, achieve food security and improved nutrition and promote sustainable agriculture.
- Ensure healthy lives and promote well-being for all at all ages.
- Quality education: Ensure inclusive and quality education for all and promote lifelong learning.
- Achieve gender equality and empower all women and girls
- Ensure access to water and sanitation for all
- Affordable and clean energy: ensure access to affordable reliable sustainable and modern energy for all
- Promote inclusive and sustainable economic growth, employment and decent work for all
- Build resilient infrastructure, promote sustainable industrialization and foster innovation.
- Reduce inequality within and among countries
- Make cities inclusive , safe , resilient and sustainable
- Ensure sustainable consumption and production patterns
- Take urgent action to combat climate change and its impacts.
- Conserve and sustainably use oceans, seas and marine resources
- Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss.
- Promote just, peaceful and inclusive societies
- Revitalize the global partnership for sustainable development.

This therefore suggests that all development plans should be settled around these goals so as to ensure that the aspirations of the united nations of saving the world are fulfilled.

#### i) Delivery Agreement: Outcome 9

The aim of Delivery Agreement: Outcome 9 is to ensure a responsive, accountable, effective and efficient local government system so as to restore the confidence of citizens in the local government sphere. As such municipalities need to ensure that the basic needs of communities are met; build clean, effective, efficient, responsive and accountable local government; improve performance and professionalism and strengthen partnerships between local government, communities and civil society. The Outcome consists of seven outputs which need to be achieved, viz.:

- Implement a differentiated approach to municipal financing, planning and support;
- Improve access to basic services;
- Implementation of the Community Work Programme;
- Actions supportive of the human settlement outcome;
- Deepen democracy through a refined Ward Committee Model;
- Improve administrative and financial capability;

- A single window of coordination.

The outputs consist of targets, indicators and key activities which need to be achieved. The achievement of these outputs will go a long way in improving the lives of residents whilst at the same time improving the processes within government so they are able to operate more effectively and efficiently.

j) National Spatial Development Perspective (NSDP)

The NSDP's objective is to promote informed economic investment profiling to guide regional growth and development planning within a socio-economic framework. The National Spatial Development Perspective also informs the Spatial Development Framework of the Municipality.

k) Back to Basics – COGTA Programme for change

The programme is a national initiative aimed at ensuring that municipalities perform their core mandate of delivering basic services to local communities, as enshrined in Chapter seven (7) of the Constitution of South Africa. The Back to Basics approach is based on five principles which are:-

- Putting people first and engaging with the community;
- Delivering basic services;
- Good governance ;
- Sound financial management; and
- Building capabilities.

l) Provincial Development Plan, 2030 Vision for the Eastern Cape

The National Development Plan as explained above sets out a vision for South Africa – a prosperous country with no poverty or inequality. The Eastern Cape's Provincial Development Plan (PDP) plan aims to provide creative responses to the province's challenges. A sustainable future for the Eastern Cape rests on people-centred development to achieve five related goals:

- An inclusive, equitable and growing economy for the province
- An educated, innovative and empowered citizenry
- A healthy population
- Vibrant, equitably enabled communities
- Capable agents across government and other institutional partners committed to the development of the province.

These goals will be pursued with a focus on rural development to address serious inherited structural deficiencies – the legacy of apartheid has left the rural regions of the Eastern Cape underdeveloped, with an urban economy that is unduly stressed and experiencing slow growth. Addressing this spatial unevenness in endowment and development will take time and hard work, but it can be done. The PDP's design and implementation planned to shift discriminatory attitudes towards women and other vulnerable sectors of society.



### 3.3 Powers and Functions

The municipality's mandate stems from the section 152 and 156 of the constitutions (Act 108 of 1996) coupled with the assigned powers and functions drawing from the schedules 4b & 5b. The Constitution indicates that the objects of local government are:-

- To promote 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.

Within this Constitutional role, powers and functions have been defined in terms of the Local Government: Municipal Structures Act as amended. The Municipality should be undertaking all powers and functions listed under column three; however, the main challenge is that the municipality does not have sufficient capacity to undertake all the assigned powers and functions.

Function	ANDM	WMM LM	Implementation Status	Challenges
<b>Schedule 4 Part B</b>				
Air pollution	X	N/A	N/A	N/A
Building regulations		X	By law under review as there were gaps identified during implementation	Illegal buildings due to non-compliance with approved building plans
Child care facilities		X	Progressing fairly	Keeping up with demand from communities
Electricity reticulation	X	X	Progressing well	Limited funds to
Firefighting Services	X	X	Vehicles and staff deployed by the DM	Vastness of wards and roads conditions in some areas
Local tourism	X	X	Progressing well	N/A
Municipal airports	X		N/A	N/A
Municipal planning	X	X	Progressing well	N/A
Municipal Health Services	X		N/A	N/A
Municipal Public Transport		X	Not implemented	Limited funding
Pontoons and Ferries	X		N/A	N/A
Storm water		X	Progressing	Limited resources
Trading regulations		X	By law gazetted and implemented	Rapid growth of traders within limited space
Water (potable)	X		N/A	N/A
Sanitation	X		N/A	N/A
<b>Schedule 5 Part B</b>				
Beaches and amusement facilities		X	Progressing	Seasonal operation and access due to roads leading to these facilities
Billboards and the display of adverts in public places		X	By law gazetted	Illegal billboards
Cemeteries, Crematoria and funeral parlours		X	One operating cemetery	Limited space
Cleansing		X	Progressing well	Currently utilising unlicensed dumping site
Control of public nuisances		X	By law gazetted and implemented	N/A
Control of undertakings that sell liquor to the public		X	Bylaw in process of promulgation	No by law in place which has resulted in illegal liquor trading especial in rural areas

Function	ANDM	WMM LM	Implementation Status	Challenges
Schedule 4 Part B				
Facilities for the accommodation, care and burial of animals		X	By law gazetted and service provider appointed to undertake removal and burial of animals	Removal of fencing along the main roads resulting to stray animals gett
Fencing and fences	X		N/A	N/A
Licensing of dogs		X	Bylaw gazetted	Illegal keeping of dogs
Licensing and control of undertakings that sell food to the public		X	By law gazetted	Non-compliance by traders with by law provisions
Local amenities		X	Progressing well	N/A
Local sport facilities		X	Progressing at slow pace due to limited resources	Maintenance of facilities and lack of ownership by communities
Markets		X	Temporal market place operational	Unavailability of space/land
Municipal abattoirs		X	Currently performed by DM	N/A
Municipal parks and recreation		X	1 park in town	Unavailability of space/land
Municipal roads		X	Progressing with back log	Maintenance of constructed roads
Noise pollution		X	By law gazetted and	Difficulty in implementing the bylaw due to cultural practices
Pounds		X	Animal pound operational	N/A
Public places		X	Non available	N/A
Refuse removal, refuse dumps and solid waste disposal		X	In progress	Operating unlicensed dumping site
Street trading		X	Issuing of trading licencing progressing	Number of traffic wardens to keep up with the number of street vendors
Street lighting		X	Progressing	N/A
Traffic and parking		X	In progress	Increasing volume of motor vehicles in town
Disaster Management	X	X (Devolv ed Function )	Disaster management plan developed and adopted	Community understanding of disaster terms

### 3.4 The Integrated Development Planning Focus Areas

#### 3.4.1 Updating the planning data

As the municipality, we have collected better information to update our planning baseline. The information changes relate to inputs by desktop statistical research, ward consultations and sector departmental engagements. Local government operates in an ever-changing environment. The dynamic nature of local, national and global environments constantly presents local government with new challenges and demands. Similarly, the needs of the communities of Mbizana continuously change.

This IDP is not only a good corporate governance requirement only; it is also a Legislative requirement in terms of the Local Government: Municipal Systems Act 32 of 2000. The focus of this IDP has therefore been on aligning municipal programmes, projects, strategies and budgets with:-

- Community needs and priorities;
- Updated statistical information;
- Expanding and improving the situational analysis;
- More outcomes orientated targets, to make them realistic and measurable;
- The revised Spatial Development Framework and related sector plans;
- Outcome 9 outputs;
- Integrated and sustainable human settlements, as envisaged in Outcome 8;
- More integrated funding streams;
- The prioritization of job creation and poverty eradication.

#### 3.4.2 Previous IDP Assessments by the MEC

The municipality's IDP for 2020 - 2021 was assessed by MEC for Local government as mandated by S32 of the Municipal Systems Act (Act No 32 of 2000) as amended. The municipality managed to obtain and overall high ratings with one KPA (Service Delivery & Infrastructure Planning) rated medium. The details of the assessment are as follows: -

KPA	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
Spatial Planning Framework	High	High	High	High	High
Service Delivery & Infrastructure Planning	High	High	High	High	Medium
Financial Planning & Budgeting	High	High	High	High	High
Local Economic Development	High	High	High	High	High
Good Governance & Public Participation	High	High	High	High	High
Institutional Arrangements	High	High	High	High	High

KPA	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
Overall Rating	High	High	High	High	High

### 3.4.3 Previous IDP Assessment Findings Corrective Action Plan

There were no major findings with regard to non-compliance with the core components of the IDP as prescribe in Section 26 of Local Government Municipal Systems Act, however, the municipality has developed a assessment findings corrective action plan to address the MEC comments during this review.

Focus Area	MEC'S Recommendations	Improvement Measure	TIMEFRAME	Responsible Directorate
<b>KPA NO. 1: SPATIAL CONSIDERATIONS</b>				
<b>Spatial Development</b>	The municipality must develop an SDF that is compliant with the 2017 SDF Guidelines	The municipality has an existing SDF and it was reviewed in 2019/20 FY	N/A	SM: DP
	The municipality must fast track the development and finalisation of a Planning Tribunal.	The municipality is in the process of recruiting the Tribunal through the process of Head-hunting	June 2021	SM: DP
<b>Environmental Services</b>	The municipality must reflect in the IDP the presence of an Air Quality Management plan (AQMP) as contemplated in Section 15(2) of the NEMA: Air Quality Act 39 of 2004.	The municipality has started a process of adopting an Air Quality Management Plan developed by the district municipality. The plan had been presented to EXCO and will be presented to Council before the end of financial year.	30 June 2021	
	The municipality must develop and reflect in the IDP the existence of environmental by-laws and how they are enforced in the IDP.	The municipality has developed and gazetted Cemetery & Crematoria by-laws. Identified the beach by-laws and Public space by-laws to be developed, enforced and reflected in the IDP.	30 June 2022	
	The Municipality must develop and reflect in the IDP the presence of an air quality management plan (AQMP) as contemplated in Section 15(2) of the NEMA: Air Quality Act 39 of 2004.			
	the Municipality must fast track the consultative processes with the District to develop the Trade Effluent Policy.	Consultation with district municipality has started proposed further consultations with municipalities with existing policy. The district municipality is championing the process.	30 June 2022	
<b>KPA NO. 2: SERVICE DELIVERY AND INFRASTRUCTURE PLANNING</b>				
<b>Roads Storm Water Management</b>	The municipality is urged to develop and approve roads and storm water management plan	The municipality has developed and gazetted Cemetery & Crematoria by-laws. Identified the beach by-laws and Public space by-laws to be developed, enforced and reflected in the IDP.	30 June 2022	
	The municipality must address storm-water related challenges.			
	The municipality must prioritise the management of storm-water.	Project to address storm water challenges planned for 2021/2022 FY	May 2022	Engineering Services
<b>Road Maintenance</b>	The municipality must ensure that budget for Operations and maintenance is being ring-fenced	Budget for O&M ring-fenced	Annually	BTO & Engineering Services
<b>Disaster Management</b>	The municipality must review and adopt a Disaster Management Framework	The municipality has included the review of Disaster Management Plan in the current SDBIP and adoption will be done in the first quarter of the next financial year.	30 September 2021	Community Services
	The municipality must develop, adopt, implement and periodically review fire services tariffs	The fire service is currently done by the district municipality and district fire service tariffs do exist.		Community Services

	The municipality must develop and reflect in the IDP document the existence and adoption of disaster management by-laws.	Consultations with the district municipality started and disaster by-laws will be developed and reflected in the IDP.	31 December 2021	Community Services
<b>KPA NO. 3: FINANCIAL PLANNING AND BUDGETTING</b>				
No gaps identified				
<b>KPA 4: LOCAL ECONOMIC DEVELOPMENT</b>				
<b>Local Economic Development</b>	The municipality must source Information on GDP from ECSECC either using Global Insight or Quantec Research to analyse sectors in terms of GVA and Employment	The Municipality has started to source information on GDP from ECSECC to analyse sectors in terms of GVA and Employment		DP
	The municipality must reflect information socio economic analysis that capture income distribution in the economy. The information can be sourced from ECSECC using either Global Insight or Quantec Research information	The Municipality has updated situational analysis to ensure that socio economic analysis capture income distribution in the Economy using ECSECC		DP
	Situational Analysis must reflect on the available economic infrastructure. Economic infrastructure can be listed follows: - i. <b>Transport infrastructure (Roads, bridges, highways, rail, airport &amp; Ports);</b> ii. <b>Communication &amp; ICT (Internet connectivity network &amp; telephones);</b> iii. <b>Educational Institutions; Physical Building (sports facility like stadium, SEZ, Market Stalls);</b> iv. <b>Water infrastructure for economic benefit (Management of bulk water sources);</b> v. <b>Services &amp; Facilities (tourism facilities, scenic views, parks, beaches, nature reserves &amp; environment.</b>	Situational Analysis has been updated in order to talk to the economic infrastructure		DP

	The municipality must provide information in the IDP on mechanisms for attracting investment into township economies.	The Municipality in 2017 developed and adopted Mbizana small town's regeneration strategy in order to promote investment into township and the situational analysis has been updated in order to include such information		DP
<b>KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION</b>				
<b>PMS</b>	The municipality must develop clear systems to intensify Monitoring & Evaluation	The municipality will conduct Formal Assessments during the 3 <sup>rd</sup> Quarter of 2020-2021 Financial year as normal processes were delayed due to the Audit Opinion that is not yet issued due to amended legislation.	March 2021	MM's Office
<b>Customer Care</b>	The municipality must develop a complaints management system.	The municipality is currently using the following platforms in managing public complaints: - Presidential Hotline Complaints is running smoothly, and the municipality is at 100 % in terms of resolving the cases. IT Section is very supportive; Incident Management System (IMS) known as Reasebetsa Monitoring and Evaluation System where all complaints within Bizana jurisdiction will be handed internally was installed and is working.	Continuously	MM's Office
<b>Public Participation</b>	The municipality need to develop measures to ensure that issues discussed in the wards find expression in Council.			
	The municipality must take drastic measures to ensure functionality of War rooms.			



### 3.4.4 The IDP Review Process

This is the fourth review of the 2017 – 2022 five-year IDP that was adopted by council in May 2017. The IDP has been reviewed annually, so that the Municipality can always be confident that it addresses the real and relevant needs and concerns of local communities and stakeholders. Annually, an Integrated IDP Process Plan is formulated to guide the review processes. These processes enhance integration and alignment between the IDP and Budget, thereby ensuring the development of an IDP-Based Budget. The 2021 /2022 IDP process was developed as expected with scheduled activities and time frames and was adopted by council on the 31<sup>st</sup> August 2020. It is worth mentioning though that adherence to the plan still needs improvement as some of the activities had to be rescheduled due to non-availability of role players, reference can be made mostly to the IDP technical meetings. IGR has greatly assisted in trying to change this situation as commitment in these meetings has been pledged by most role players in participating in all IDP processes.




#### Extract from the minutes of the Special Virtual Council Meeting

**Date** 31<sup>st</sup> August 2020  
**Time** 09Hrs  
**Through** Skype

#### 5. 1 IDP, BUDGET AND PMS PROCESS PLAN 2021-2022 REVIEW

On the motion of Councillor N. Giyama-Bongwana seconded by Councillor N. Bewu it was resolved that: -

- Council adopts the IDP, PMS & Budget Process Plan for 2021/2022 IDP review
- Mayoral Imbizo be attended by ward war room members and one ward representative from each ward stakeholder in order to observe Covid 19 regulations on gatherings.
- ward councillor be left with the responsibility of visit each village to table all the programmes/ reports/ projects as presented by the Her worship the Mayor on the ward war rooms, but must observe Covid 19 regulation on gatherings

  
Cllr S Magini  
Speaker of the Council

**MBIZANA LOCAL MUNICIPALITY**  
P.O. BOX 12 BIZANA, 4800  
DATE .....  
**OFFICE OF SPEAKER**  
TEL: 039 2510519 / 039 2510230

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### 3.4.5 Schedule of Activities, Time Frames and Responsible Persons

Phase	Process	Activities	Legislative Requirement	Timeframes	Responsible Person	
July – September 2021						
PLANNING PHASE	IDP	Preparation of the Draft IDP / Budget and PMS Process Plan.	Section 27, 28 & 29 of MSA No.32 of 2000 and Section 21 of MFMA No.56 of 2003	July 2020	IDP Coordinator	
		Special Exco - consideration of draft IDP, PMS & Budget Process Plan.	Section 17 & 18 of MSA NO. 32 of 2000	05 August 2020	OM & AO	
		Tabling of the IDP, PMS & Budget Process to Council for adoption.	Section 28 of MSA No.32 of 2000	30 August 2020	The Mayor	
		Submission of IDP, PMS and Budget Process Plan to the District Municipality and COGTA.	Section 27 of MSA N. 32 of 2000	6 September 2020	IDP Coordinator	
		Advertise IDP, PMS and Budget Process Plan in Municipal Website and in local newspapers	Section 28 of MSA No.32 of 2000	6 September 2020	IDP Coordinator	
		Consolidation of Situational Analysis Reports		September 2020	All Senior Managers & Sector Departments	
		IDP Steering Committee- Presentation of IDP Process Plan and MEC's Comments on the Previous IDP	Section 17 & 18 of MSA NO. 32 of 2000	12 September 2020	Municipal Manager	
		IDP Representative Forum – Presentation of IDP Process Plan and MEC's Comments on the Previous IDP		19 September 2020	The Mayor	
	PMS					
		Signing of new performance contracts for Section 57 Managers and submission to EXCO.	Section 69 of the MFMA and Section 57 of the MSA	31 July 2020	AO	
		Submission of Q4 SDBIP Reports (for last quarter of 18 /19) .		31 July 2020	OM & AO	
		Submission of the Annual Performance Reports to Council for Adoption	Section 46 of MSA 2000 to Council			
		Submission of Annual Performance Report to Auditor General				
	BUDGET					
		Submission of Section 71 Report to Provincial & National Treasuries The accounting officer of a municipality must by no more than10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget.	MFMA Section 71(1)	12 July 2020	CFO and Manager: Budgeting & Reporting	

		Develop process and timetable for the 2021/2022 Budget At least 10 months before the start of the budget year the mayor of the Municipality must table in the municipal council a time schedule outlining key deadlines for the preparation , tabling and approval of the annual budget ; annual review of the integrated development plan in terms of section 34 of the Municipal Systems Act and the budget related policies ; the tabling and adoption of any amendments to the integrated development plan and the budget related policies and any consultative processes forming part f the processes	MFMA Section 21(1)(b -)	31 July 2020	CFO and Manager: Budgeting & Reporting
		Submission of Section 71 Report to Provincial & National Treasuries The accounting officer of a municipality must by no more than10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget.	MFMA Section 71(1)	14 August 2020	CFO and Manager: Budgeting & Reporting
		2019/20 Financial Statements submitted to Auditor-General		30 August 2020	MM & CFO
		Establish Budget Steering Committee for 2021 / 2022 budget year		30 August 2020	MM & CFO
		Submission of Section 71 Report to Provincial & National Treasuries. The accounting officer of a municipality must by no more than10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget.	MFMA Section 71(1) –	13 September 2020	CFO and Manager: Budgeting & Reporting
OCTOBER - DECEMBER 2019					
ANALYSIS PHASE	IDP	Mayoral Imbizos - Feedback on IDP Implementation, Data Collection & Analysis continues	Section 16 & 17 of MSA NO. 32 of 2000	01-04 October 2020	The Mayor, Exco, MM & All Senior Managers
		Consolidation of situational analysis report		01-31 October 2020	IDP Unit & All Senior Managers
STRATEGIES PHASE					
	IDP	Reviewal of, objectives, strategies, programs, KPI's, targets (operational plans)	Section 21 of MFMA No.56 of 2003 and Section 29 of MSA No. 32 of 2000	01 – 31 November 2020	All Internal Depts. & Sector Depts.
		IDP Steering Committee Meeting to present consolidated situational analysis report	Section 17 & 18 of MSA NO. 32 of 2000	28 November 2020	MM, All Senior Managers & Sector Departments

		IDP Rep Forum Meeting to present consolidated situational analysis report		5 December 2020	The Mayor
	PMS	Compilation of First Quarter Performance Report		18 October 2020	MM Office
		Finalize the draft 2018/2019 annual report incorporating financial and Non financial on performance, audit reports and annual financial statements.		11 December 2020	Senior Managers & Operations Manager
	BUDGET	Submission of Section 71 Report to Provincial & National Treasuries. The accounting officer of a municipality must by no more than10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget	Section 71(1) of MFMA No. 56.20003	14 October 2020	CFO and Manager: Budgeting & Reporting
		Submission of D-Form to NERSA Applicability of Tax and Tariff capping on Municipalities	Section 43 of the MFMA No. 56 of 20003	30 October 2020	CFO, Manager: Revenue & Expenditure and Electrical Superintendent Engineer
		Check with National, Provincial Governments and District Municipalities for any information in relation to budget and adjustment budget to projected allocations for the next three years.		05-30 November 2020	Manager: Budgeting & Reporting /CFO
		Submission of Section 71 Report to Provincial & National Treasuries Section 71(1) –The accounting officer of a municipality must by no more than10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget.	Section 71(1) of MFMA No. 56.20003	14 November 2020	CFO & Manager: Budgeting & Reporting
		Submission of Section 71 Report to Provincial & National Treasuries Section 71(1) –The accounting officer of a municipality must by no more than10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget.	Section 71(1) of MFMA No. 56.20003	13 December 2020	CFO & Manager: Budgeting & Reporting
JANUARY- MARCH 2020					
	IDP	Prioritization of IDP projects		January 2021	The Mayor & EXCO

<b>PROJECTS PHASE</b>		Integration & alignment of projects and programmes of LM, DM, sector departments and parastatals.		February 2021	IDP Coordinator & OM
		IDP Steering Committee sit to discuss prioritized projects for 2020 / 2021 period		27 February 2021	AO & OM
		Consolidation of draft IDP Document		02– 13 March 2021	IDP Coordinator
		EXCO - presentation of draft IDP 2020/2021		24 March 2021	Municipal Manager
		Draft IDP& Budget adopted by Council		31 March 2021	The Mayor
	<b>PMS</b>	Senior Managers to submit Mid - year Assessment Report (Q2 reports)		08 January 2021	Senior Managers & Operations Manager
		Strategic Planning Session for Mid – year assessment report. Refining objectives and strategies		January 2021	Municipal Manager
		Municipal Manager submits Midterm/Midyear Report to the Mayor			Municipal Manager
		Revise SDBIP in accordance with adjusted budget		February 2021	
		Submit report to AG, Provincial Treasury and DLGTA.		February 2021	
		2018/2019 Oversight report on the Annual Report		February 2021	MO
		Council adopts the 2018/19 Annual report with the comments of the Oversight Committee.		27 March 2021	
	<b>BUDGET</b>	Obtain any projected adjustment allocations from National, Provincial Governments & District Municipality for the next three years. Section 21 of the MFMA 56 of 2003: Budget Preparation Process		13-17 Jan 2021	Manager: Budgeting & Reporting /CFO
		Submission of Section 71 Reports to Provincial & National Treasuries Submission of Mid-year assessment report to council Section 71(1) –The accounting officer of a municipality must by no more than 10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget.		15 January 2021	CFO and Manager: Budgeting & Reporting
		Budget adjustment Consultation Process begins Section 28 of the MFMA the Municipality May revise an approved annual budget through an adjustment budget		29 -07 February 2021	Manager: Budgeting & Reporting/CFO
		Mid – year budget engagements with Provincial Treasury		18 February 2021	MM & CFO

	Submission of 71 Report to Provincial & National Treasuries Section 71(1) –The accounting officer of a municipality must by no more than 10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget.		14 February 2021	CFO and Manager: Budgeting & Reporting
	Budget Steering Committee - To discuss the and Finalize the Draft MTREF Budget and Adjustment Budget Section 21 of the MFMA 56 of 2003: Budget Preparation Process		14 February 2021	Executive Mayor and Municipal Manager
	Council to approve Adjustment Budget Section 28 of the MFMA the Municipality May revise an approved annual budget through an adjustment budget and read together with Section 72(3) The Accounting Officer must as part of the review make recommendations as to whether an adjustment budget is necessary and recommend revised projection of revenue and expenditure to the extent that this may be necessary		28 February 2021	Executive Mayor and Municipal Manager
	Consultation with departments for submission of 2020/2021 First Draft Budget Section 16(2) Annual Budget: The Mayor of a Municipality must table the annual budget at a council meeting 90 days before the start of the budget year Section 43 of the MFMA		17-28 February 2021	CFO, all Heads of departments and Manager: Budgeting & Reporting
	2020 / 2021 First Draft Budget to Budget Steering Committee Section 16(2) Annual Budget: The Mayor of a Municipality must table the annual budget at a council meeting 90 days before the start of the budget year Section 43 of the MFMA		11 March 2021	Portfolio Head: Finance
	Approval of Electricity Tariffs by NERSA Section 16(2) Annual Budget: The Mayor of a Municipality must table the annual budget at a council meeting 90 days before the start of the budget year Section 43 of the MFMA		02-27 March 2021	Manager: Revenue & Expenditure, CFO and Electrical Superintendent Engineer
	Council adopts First Draft Budget for 2020/2023 Section 16(2) Annual Budget: The Mayor of a Municipality must table the annual budget at a council meeting 90 days before the start of the budget year Section 43 of the MFMA		31 March 2021	Executive Mayor

		Submission of Section 71 Report to Provincial & National Treasuries Section 71(1) – The accounting officer of a municipality must by no more than 10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget.		13 March 2021	CFO and Manager: Budgeting & Reporting
<b>APRIL – JUNE 2020</b>					
<b>APPROVAL PHASE</b>	<b>IDP</b>	Publicize / advertise the IDP & Budget Road - show schedule.		10 April 2021	IDP Coordinator
		Draft IDP advertised for public reviewing & comments		01-20 April 2021	
		Submission of Draft IDP documents, Provincial Treasury and the MEC for Local Government and Traditional Affairs		14 April 2021	IDP Coordinator
		IDP & Budget Road-shows		13-17 April 2021	Local & DM Mayors
		EXCO – consideration and incorporation of public comments in the IDP & Budget		19 May 2021	The Mayor & Municipal Manager
		Mayor tables 2020/2021 IDP and Budget to Council for final adoption.		29 May 2021	The Mayor & Municipal Manager
		Final IDP Presented to the IDP Representative forum		04 June 2021	The Mayor & Municipal Manager
		Public notices on approval of the final IDP 2020/2021		05 June 2021	IDP Coordinator
		Uploading the adopted IDP and Budget to the Municipal Website		05 June 2021	
		Submission of the final IDP to COGTA		12 June 2021	
	<b>PMS</b>	Submit Annual report to AG, Provincial Treasury, Legislature and DLGTA.		April 2021	MO
		Compilation of Third Quarter Performance Reports		15 April 2021	
		Drafting of new scorecards by s56 managers		19 June 2021	All Senior Managers
		Draft SDBIP & Performance Agreements to the Mayor 14 days after adoption of IDP & Budget		19 June 2021	MM, All Senior Managers & All Managers
		The Mayor approves Institutional SDBIP within 28 days of Budget approval		June 2021	Operations Manager
		Submit Approved SDBIP to National & Provincial Treasury		June 2021	Operations Manager



		Budget advertised for public comments, Public Meetings & Consultation Section 22(a) after an annual budget is tabled in the municipal Council ,the Accounting Officer must make public the annual budget and documents referred to in section 17(3) and invite the local Community to submit representation in connection with the budget		14 April 2021	Municipal Manager /CFO
		Submission of Section71 Report to Provincial &National Treasuries Section 71(1) –The accounting officer of a municipality must by no more than10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget.		14 April 2021	CFO and Manager: Budgeting & Reporting
		Draft budget engagements with Provincial Treasury		23 April 2021	Municipal Manager and CFO
		Section 71(1) –The accounting officer of a municipality must by no more than10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget the start of the budget year considers approval of the annual budget Submission of Section 71 Report to Provincial & National Treasuries		15 May 2021	CFO & GM : Budget & Accounting
		2020/2023 Final Draft Budget to IDP, Budget and PMS Steering Committee Section 24(1) the Municipal Council must at least 30 days before the start of the budget year consider approval of the annual budget		15 May 2021	Portfolio Head Finance
		Council consider adoption of Final Draft Budget for 2020/2023 Section 24(1)-The municipal council must at least 30 days before the start of the budget year consider approval of the annual budget		31 May 2021	Executive Mayor and Municipal Manager
		MTREF Budget, Budget related policies, annual report published on Council website. Section 75(1)(a,b)The Accounting Officer of a Municipality must place on the website referred to in section 21Aof the systems Act the following documents: Annual and Adjustment budget and all related policies		12 June 2021	Manager: Budgeting & Reporting and Manager: ICT
		Annual Budget Reports to National & Provincial Treasury.		12 June 2021	CFO and Manager: Budgeting & Reporting

		Regulation 20(1) The Municipal Manager must comply with section 24(3) of the Act within 10 working days after the council has approved the annual budget ,The Municipal Manager must submit to National Treasury and relevant provincial Treasury in both electronic and printed form			
		Submission of Section 71 Report to Provincial & National Treasuries Section 71(1) –The accounting officer of a municipality must by no more than10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget.		12 June 2021	CFO and Manager: Budgeting & Reporting

### 3.4.6 The roles and Responsibilities in the IDP Processes

Stakeholder	Composition and Responsibility
Local Council	<p>The Municipal Council is the ultimate political decision-making body of the municipality and the Council has the responsibility to:</p> <p>consider and adopt the IDP Process Plan &amp; time schedule for the preparation, tabling &amp; approval of the annual budget;</p> <p>consider and adopt the IDP and annual Budget;</p> <p>ensure the municipal budget is coordinated with and based on the IDP;</p> <p>adopt a Performance Management System (PMS)</p> <p>Monitor progress and IDP implementation</p>
The Executive Committee of Local Municipality	<p>The Executive Committee of Winnie Madikizela – Mandela Local Municipality have the ultimate responsibility for the preparation and implementation of the IDP, Budget &amp; Performance Management. The EXCO is responsible for:-</p> <p>for the overall oversight, development and monitoring of the process or delegate IDP &amp; PMS responsibilities to the Municipal Manager;</p> <p>ensure that the budget, IDP &amp; budget related policies are mutually consistent &amp; credible;</p> <p>Submit the revised IDP &amp; the Annual Budget to the municipal Council for adoption.</p>
Ward Councilors, Traditional & Ward Committees	<p>Ward Councillors are the major link between the municipal government and the residents. As such, their role is to:</p> <p>link the planning process to their constituencies and/or wards;</p> <p>ensure communities understand the purpose and the key mechanisms of the IDP, Budget process, Performance Management and are motivated to actively participate;</p> <p>facilitate public consultation and participation within their wards.</p> <p>provide feedback to their communities on the adopted IDP and Budget.</p>
The IDP, PMS & Budget Steering Committee	<p>The IDP/PMS Steering Committee will be established to provide technical guidance over the IDP/Budget &amp; PMS review</p> <p>An IDP Steering Committee that would function, as a technical working team shall be composed of the following members:</p> <p>Municipal Manager (Chairperson)</p> <p>Municipal Management Team</p> <p>Senior Managers from Sector Departments</p> <p>Secretariat from IDP &amp; PMS Unit</p>
The Municipal Manager	<p>The Municipal Manager has the responsibility to provide guidance and ensure that the administration actively participates and supports the development and review of the IDP and Budget and works towards its implementation.</p>

Stakeholder	Composition and Responsibility
Directorates & Departments	<p>Directorates and Departments are responsible for sector planning and for the implementation of the IDP. The participation of all Departments is thus critical and they :</p> <ul style="list-style-type: none"> <li>• provide technical / sector expertise and information, throughout the IDP Budget process;</li> <li>• ensure that the review process is participatory, integrated, strategic, implementation-oriented, budget linked and aligned with and satisfies sector planning requirements;</li> </ul>
Representative Forum and Community Stakeholders	<p>The IDP/ PMS/ Budget Representative Forum constitutes the structure that institutionalizes sectoral participation in the IDP Process. The members of the IDP Representative Forum include Business, Traditional leaders Government&amp; NGO sectors (as well as political and technical leaders of the IDP Clusters)</p> <p>The Mayor or her nominee chairs the Forum. The Forum has the following functions and duties:</p> <p>represents the interests of their constituents in the IDP</p>
<p>Budget Steering Committee:</p> <p>Shall be constituted as follows:</p> <p>The Mayor</p> <p>The Chairperson – Finance Standing Committee</p> <p>The Municipal Manager</p> <p>All Senior managers</p> <p>Managers IDP &amp; PMS</p>	<p>The primary aim of the Budget Steering Committee is to ensure:</p> <p>that the process followed to compile the budget complies with legislation and good budget practices;</p> <p>that there is proper alignment between the policy and the service delivery priorities set out in the municipality's IDP and the budget, taking into account the need to protect the financial sustainability of the municipality;</p> <p>that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and</p> <p>that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.</p>

### 3.4.7 Public Participation Mechanisms and Procedures and Mechanisms for this IDP

As a required by the Municipal Systems Act No. 32 of 2000, one of the main features about integrated development planning and budget process is the involvement of community and stakeholder organizations in the IDP processes. Community involvement is to ensure that the IDP addresses the real issues that are experienced by the citizens. The Constitution stipulates that one of the objectives of municipalities is “to encourage the involvement of communities and community organizations in the matters of local government”. The White Paper on Local Government also put emphasis on public participation. Through the Municipal Systems Act participation in the decision making processes of the municipality is determined to be a right of communities, residents and ratepayers. Integrated development planning is emphasized as a special field of public participation.

The main feature of the IDP process is the involvement of communities and all interested parties / stakeholders to ensure that the IDP addresses the real issues that are experienced by the citizens within the jurisdiction of the municipality. Public Participation will then occur in the following manner as outlined below: -

- IDP Representative Forum;
- Mayor's conversations with different stakeholders;
- Ward Community & Ward Committee meetings convened by Councillors;
- Published annual reports on municipal progress;
- Newspaper advertisements and notices;
- Making the IDP document available to all members of the public;
- Outreaches by Municipality to communities and Stakeholders;
- Information dissemination through the WMM LM quarterly newsletter;
- Sector specific for a, namely, LED Forums, Local Communicators Forum.

### 3.4.8 Community Participation and Community Issues

Community Based Planning (CBP) is a tool that is used to enhance participation of communities in developmental programs and process. It was introduced to encourage ownership of government developmental initiatives by communities. With the introduction of the Masiphathisane campaign by the Premier (War rooms) the municipality will be in the position of fully implementing the community based planning approach. The executive committee as mandated by council uses the ward priorities to prioritise projects to be funded and implemented through the IDP and SDBIP in each financial year.

Below is the consolidated list of needs/priorities as raised by communities during the Mayor's IDP outreach held in November 2020 and are consistent with those of community based planning priorities conducted in 2016 in all the 31 wards with the assistance of external service provider due to the vastness of the wards of Mbizana. The funding assistance received from the district municipality during the 2016/17 financial year was also used to top up the municipal budget availed for the development of ward based planning. The municipality has also planned to undertake the process of reviewing this ward based plans annually, war rooms will be the centre of the whole process.

### 3.4.9 Public Comments from Mayoral Imbizo – October -November 2020

Ward	Service Delivery Needs / Priorities	General Service Delivery Complaints
1	<ul style="list-style-type: none"> <li>• Pot holes in town be prioritised</li> </ul>	<ul style="list-style-type: none"> <li>• Documents should be delivered on time so that they should have enough time to go through the document.</li> <li>• 2020/2021 projects on the document does not state how much that have been spent so far and how much is left</li> <li>• Poor Electricity in town</li> </ul>

		<ul style="list-style-type: none"> <li>There is no communication when there is a load shedding</li> </ul>
2	<ul style="list-style-type: none"> <li>Request for an Access Road in Ntamonde Village.</li> <li>Request for Access road from Mangqwetheni to Mfundambini.</li> <li>No water at Mkhahlwini Village</li> <li>Access road from Mdikisweni to Fort Donald needs re gravelling</li> <li>Maintenance of Mkhambathi to Gudlintaba Access Road.</li> <li>Maintenance of Nokhatshile to Mbuthweni Access road.</li> </ul>	
03	<ul style="list-style-type: none"> <li>Bridge collapsed at Nombani Location, request for maintain ance</li> <li>Mwilini Access Road was requested at ward 3</li> </ul>	<ul style="list-style-type: none"> <li>Asking for speed humps</li> </ul>
4	<ul style="list-style-type: none"> <li>Issue of a Ward 4 hall(halt) that was demolished due t to cracks, Community is requesting a new on e urgently hall is needed as a matter of urgency</li> </ul>	<ul style="list-style-type: none"> <li>Request for the intervention of the Hon Mayor in relation to the service delivery issues in ward 4 clinic, like shortage of medicine etc.</li> <li>Covid 19 regulations that are not being adhered to in Mdikisweni Village.</li> <li>The Municipality is being requested to assist the District Municipality in the issue of employment of casuals in Ludeke Dam.</li> <li>Issue of broken taps in the ward by children is worrying.</li> <li>Premier should refrain from these constant visits to the ward with no new developments in relation to the reticulation of water.</li> </ul>
05	<ul style="list-style-type: none"> <li>Caretaker and a security guard must be employed for the Nonqulana Community Hall.</li> <li>Power failure in the whole ward must be considered, maintenance must be done.</li> <li>Memela to Lucingweni Access Road must be constructed.</li> <li>Lower Gwala to Nzala access Road must be constructed.</li> <li>Ntombazana to Qwelela Access Road must be constructed.</li> <li>The ward must be provided with RDP Houses.</li> <li>Network pole is requested at Mthamvuna as there is no network in the area.</li> <li>Mthamvuna via Mabheleni to Ndayingana Access Road must be maintained.</li> <li>From Tshezi to Mbobeni Tar Road must be maintained as there are potholes.</li> <li>At Mbobeni there were community members that were relocated during the construction of the dam but now they have no electricity and graves were dug but there is no progress.</li> <li>An access Road to the Mthamvuna grave yard must be constructed.</li> <li>Youth must be provided with sport facilities during the Covid 19 period so as to avoid them moving up and down the streets.</li> </ul>	<ul style="list-style-type: none"> <li>Unemployment of youth in our area.</li> <li>In future Councillors must be elected by community members.</li> </ul>

06	<ul style="list-style-type: none"> <li>• Msongelwa to Tshamathe needs maintenance.</li> <li>• Pot holes on the road from town Umhlanga village needs maintenance</li> </ul>	<ul style="list-style-type: none"> <li>• Follow ups should be done on projects</li> <li>• People of ward 06 are not employed as EPWP workers.</li> </ul>
7	<ul style="list-style-type: none"> <li>• No RDP Houses</li> <li>• Mzamba Access road needs to be graded</li> <li>• Fencing of the Mzamba Community hall was requested, and toilets needs to be maintained.</li> </ul>	<ul style="list-style-type: none"> <li>• Speed humps were request at Skotoyi stop</li> </ul>
08	<ul style="list-style-type: none"> <li>• Reservoir should be prioritized</li> <li>• RDP houses should be prioritized</li> <li>• Bukuveni and Matyeni are in a very bad condition</li> </ul>	<ul style="list-style-type: none"> <li>• Small businesses should be assisted</li> </ul>
9	<ul style="list-style-type: none"> <li>• Request for speed humps in Envis and Mpetshwa Villages.</li> <li>• Request for a new ward 9 hall gate as the old one was stolen</li> <li>• Request for stronger chairs inside the hall</li> <li>• Mpetshwa to Mfundambini road has been severely damaged, an urgent intervention is needed.</li> <li>• What is the estimated project time for the construction of Tshuze road?</li> <li>• No toilets in Masebeni Village</li> <li>• Request for a new road from Mavundela stop to the Clinic</li> </ul>	<ul style="list-style-type: none"> <li>• Status of Municipal games versus Covid 19 was questioned by community members</li> <li>• Update was required on the RDP houses that were to be built in Tshuze Village many years ago ?</li> <li>• Clarity was also needed on Lima projects</li> <li>• The municipality was requested to assist by providing overalls/reflector jacket to the man who is helping kids to cross the road to school.</li> <li>• Very slow pace of service delivery in ward 9, No ablution facilities, No RDP houses,</li> <li>• The Municipality was requested to assist the unemployed people in the ward especially the youth.</li> <li>• Meeting appreciated the feedback that was given by the ward Councillor in relation to the pending speed humps.</li> </ul>
10	<ul style="list-style-type: none"> <li>• No water access in the whole ward</li> <li>• Street lights are requested in Ntlenzi to avoid crime</li> <li>• Maintenance of Ntlenzi to Mcetheni Access road, it is badly damaged and construction of a Bridge next to Mtshezi.</li> </ul>	<ul style="list-style-type: none"> <li>• Members of Inkciyo feel they are neglected, they are requesting the municipality to support them.</li> </ul>
11	<ul style="list-style-type: none"> <li>• Request for the electrification of Manjoba Village Hall</li> <li>• Request for the electrification of Siphanqeni village and Pelepele village.</li> <li>• No electricity in Diphini village.</li> </ul>	<ul style="list-style-type: none"> <li>• Mandlobe School needs a security guard.</li> <li>• There was a request for a cleaner at Ngqindilili Community Hall.</li> </ul>
12	<ul style="list-style-type: none"> <li>• RDP houses should be prioritized for all residents of ward 12</li> <li>• Road maintenance should be done seasonal</li> <li>• Toilets should be prioritized for Ntlanezwe to Mfundambili</li> <li>• Mbumbazi to Mapheleni road should be done</li> <li>• No water at some parts of Dayimani village</li> <li>• Sizabonke to Ndinomntu Access Road to be prioritized</li> </ul>	
13	<ul style="list-style-type: none"> <li>• Ngcingo Community Hall must be maintained.</li> <li>• The whole ward to be provided with toilets.</li> <li>• Thwangu Pre-school to be renovated.</li> <li>• Matwebu to be provided with water.</li> <li>• Street lights at Didi Village must be installed.</li> <li>• Access Road from Didi School to R61 must be maintained</li> </ul>	<ul style="list-style-type: none"> <li>• DEDEA to visit Ward 13 about their presentation</li> </ul>

14	<ul style="list-style-type: none"> <li>Magino access road to Mtheshwana should be prioritized</li> <li>Magedeni AR needs re-gravelling.</li> </ul>	
15	<ul style="list-style-type: none"> <li>Water Crisis</li> <li>Maintenance of Goxe Access road</li> <li>RDP Houses</li> <li>Construction of a slab for Mbhekuteni A/R next to kwa Mehlo</li> </ul>	<ul style="list-style-type: none"> <li>Community Confirmed the projects on the document, they also appreciated the construction of Mabhekuteni Access road, Siwisa Access road.</li> <li>They also requested to be considered as Local Contractors.</li> </ul>
16	<ul style="list-style-type: none"> <li>Request for Mbhekwa access road.</li> <li>Request for the electricity Infills in Manzamnyama village.</li> <li>Ntlaka access road was requested.</li> <li>Request for the maintenance of Daweda to Mthayise.</li> <li>Request for a road to Cangci high.</li> <li>Mthayise access road needs water pipes.</li> <li>There is no water at Amajuba village</li> <li>Amajuba no access road.</li> <li>Request for water in Entlalo village.</li> </ul>	<ul style="list-style-type: none"> <li>Amajuba village requested a mobile clinic.</li> <li>Request for an old age home in Dlangezwa.</li> </ul>
17	<ul style="list-style-type: none"> <li>Londobezi bridge is collapsing children do not go to school when raining.</li> <li>Local sports ground in need of maintenance.</li> <li>Ngwengwe Pre-school asking for toys and educational tools for pre-school children. Also flushing toilets.</li> <li>Access Road at Ntlakhwe location has no drain pipes</li> </ul>	<ul style="list-style-type: none"> <li>Some of the spaza shops are selling expired food.</li> <li>Asking for speed humps and road rangers.</li> <li>No network coverage asking for network poles.</li> </ul>
18	<ul style="list-style-type: none"> <li>Plangweni to Ntangeni provincial road must be tarred.</li> <li>Sports grounds must be maintained.</li> <li>Provision of houses and water for the disabled people.</li> <li>Requested the road from Mqutsalala to Londobezi AR</li> </ul>	<ul style="list-style-type: none"> <li>Drastic measures must be taken equally on the issue of stray animals in town.</li> <li>Community members must benefit on feeding schools programme.</li> <li>Employment in town projects must be transparent.</li> </ul>
19	<ul style="list-style-type: none"> <li>Requested to have Monti access road maintained as it was done in 2003.</li> <li>Requested for the Electrification of Ntabezulu Community Hall</li> <li>The maintenance of the road going to the project (Madikizela) from white city to Thokozani kwa Tshazi.</li> <li>Requested for maintenance of Monti to Maswazini access road.</li> <li>Request for the RDP Houses that were promised ward 19</li> <li>Request of a new road from kwa Nyandeni, Lubala Village to Nxila</li> <li>Request for the following new roads , Lubala Access road .</li> <li>Tshukuma Village road .</li> <li>Smakadeni Access road</li> <li>Jerico emaswazini to Ntsimbini</li> <li>Mxinga next to kwa Daza a slab is requested there.</li> <li>Re gravelling of the main road T116 was requested.</li> </ul>	<ul style="list-style-type: none"> <li>Does the Municipality have any kind of supervision plan for the work that is being done in wards with the internal plant?</li> <li>How is the prioritisation of wards done in terms of roads to be maintained?</li> <li>There's a general shortage of water in ward 19.</li> <li>The report says Mngomazi road has been completed which isn't true, clarity is needed in this regard.</li> <li>Community maintains they still do not want Cllr Dekede as their ward Councillor.</li> <li>EPWP Contracts how are they rotated to ensure maximum beneficiation.</li> <li>Update was needed on the proposed construction of Thokozani road.</li> <li>None monitoring of appointed contractors was worrying the residents of ward 19.</li> <li>Mayor promised to visit Thokozani school and that has never happened.</li> </ul>



	<ul style="list-style-type: none"> <li>Request for water in Nonja Village.</li> <li>No water in Vuyisile Village anymore, supervisors came for the inspection and they never returned.</li> </ul>	
20	<ul style="list-style-type: none"> <li>Road not in a good condition</li> <li>Electrification of infills</li> <li>Bridge to Stanford School be prioritized</li> </ul>	<ul style="list-style-type: none"> <li>All citizens of ward 20 should receive RDP houses</li> <li>Youth at ward 20 was trained as artisan for skills development and are doing nothing with that skill</li> <li>Mobile police station should be located at post office</li> <li>Workshop should be done with department of health to educate community on COVID 19</li> <li>Municipality should prioritize to employ people from 36 years to 56</li> </ul>
21	<ul style="list-style-type: none"> <li>Request for the maintenance of Greenville access road.</li> <li>Request for the construction of Langaletu to Mobeni access road.</li> <li>Request to have Cwaka, Mobeni to Langaletu roads maintained.</li> <li>In Greenville 1, there is a request for a bridge to assist learners go to school when its raining.</li> <li>A request to do maintenance on Nobamba access road.</li> <li>There is a request to maintain Langaletu 2 access road .</li> <li>Request for water in Langaletu Village .</li> <li>A request for the maintenance of Hlolweni bridge.</li> <li>Request for water in Ntika 1 village.</li> </ul>	<ul style="list-style-type: none"> <li>Greenville 1 Pre-school needs funding from Social development</li> <li>High rate of Unemployment in ward 21 .</li> <li>RDP houses needed in ward 21 for the whole ward.</li> <li>A need for speed humps has been noted in Greenville Junior and they also do not have scholar transport.</li> <li>Greenville two village need mobile clinic</li> </ul>
22	<ul style="list-style-type: none"> <li>Requested for Lukholo to Marazula access road.</li> <li>Requested for maintenance of Dinizulu to Jayiva access road.</li> <li>Requested for maintenance of Gwexe to Mthonjeni access road.</li> <li>Mjaji to Mjikankatha need electricity and access road.</li> </ul>	<ul style="list-style-type: none"> <li>There is only one outlet in Lugwijini village that sells electricity for the new metre boxes ( Nyamezela)</li> </ul>
23	<ul style="list-style-type: none"> <li>Road to Vulindlela Comprehensive should be done and tar road be removed and replaced with gravel road.</li> <li>Dumping site for pampers should be prioritized</li> <li>Sport field at ward level should be prioritized</li> <li>Gender based violence victim empowerment centre at Garhane be considered.</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>
24	<ul style="list-style-type: none"> <li>Provision running water in ward 24</li> </ul>	<ul style="list-style-type: none"> <li>Victim centre is not in seaview as per the report but in Garane Village.</li> <li>There's a lot of flooding in Srasheni road</li> <li>Community wants clarity on how LED Projects are funded by the Municipality.</li> </ul>
25	<ul style="list-style-type: none"> <li>Mosco Access Road be constructed.</li> <li>Access road from Gobodweni to Vumani must be constructed.</li> <li>Part of Matshezi to Makhwantini Access Road to be provided with slab and grading.</li> <li>Maintenance of Jama Access Road is required by the community members.</li> </ul>	<ul style="list-style-type: none"> <li>Community of Dumasi Village are complaining about lack of medication at Baleni Clinic as there are a number of community members who some of them die because of snake bite as there are dangerous snakes in that area</li> <li>Shortage of nurses be considered.</li> </ul>

	<ul style="list-style-type: none"> <li>• Jama must be provided with toilets.</li> <li>• Maintenance of Dumasi Access Road</li> </ul>	<ul style="list-style-type: none"> <li>• Provision of Scholar transport for learners from Mgwede and Matshezi to Maqongwane School</li> </ul>
26	<ul style="list-style-type: none"> <li>• The rank next to Multi-Purpose Youth Centre must be constructed.</li> <li>• Construction of Pre-school and fencing.</li> <li>• Community library must be constructed</li> <li>• Extension the whole ward must fast tracked.</li> <li>• Isikelo clinic must be provided with an ambulance.</li> </ul>	<ul style="list-style-type: none"> <li>• Pre-schools must be removed from Social Dev to Department of Education.</li> <li>• Mr Tshezi of Sunnyside Village be assisted with a temporal structure as he is disabled.</li> <li>• Measures must be taken to doctors who steal medication from public hospitals for their surgeries.</li> </ul>
27	<ul style="list-style-type: none"> <li>• Tarring from Nkantolo to Qobo Clinic is required urgently. Or gravelling</li> <li>• Thalen Bridge to be constructed.</li> <li>• There must a Slab at Sizinden Access Road.</li> <li>• A bridge to Ludeke Dam crossing to ward 5 must be constructed.</li> <li>• Cabane to Crestu Access Road must be constructed.</li> <li>• Dam and pipes are there but there is no water supplied to communities at Clarkville and Qungebe.</li> <li>• Provincial road from ward 27 joining Fort Donald be maintained.</li> </ul>	<ul style="list-style-type: none"> <li>• Employment of Youth must be considered in the ward projects.</li> </ul>
28	<ul style="list-style-type: none"> <li>• Sigidi village prioritized electrification.</li> <li>• Request for a mobile clinic in the ward.</li> <li>• No running water for the whole ward.</li> <li>• Hlalanathi village has no electricity.</li> <li>• No RDP houses in Hlalanathi village.</li> <li>• No water in Lundini village</li> </ul>	<ul style="list-style-type: none"> <li>• No Scholar transport for kids in both Mdatya and Gumzana Villages.</li> </ul>
29	<ul style="list-style-type: none"> <li>• No Access to water in the ward</li> <li>• Little Eden access road needs to be maintained.</li> <li>• Removal of Alien plant</li> <li>• &amp; Grass cutting from Bulala onwards</li> <li>• Houses for Destitute to be prioritised</li> <li>• Loads of Quarry outside Community hall to avoid mud</li> <li>• Toilets are very bad</li> <li>• Construction of a Bridge to Mfolozi next to Mr Njoyini</li> </ul>	<ul style="list-style-type: none"> <li>• Local businesses be considered for work opportunities.</li> <li>• Request for Speed humps at Zikhuba Village.</li> <li>• Students be provided with training by the Municipality</li> </ul>
30	<ul style="list-style-type: none"> <li>• Gudlucingo, Machi Mvubini to Luchizweni Access Roads must be constructed.</li> <li>• Luchizweni must be electrified.</li> <li>• Mxinga and Nyanisweni Access Roads must be maintained.</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>
31	<ul style="list-style-type: none"> <li>• Request for the provision of water tanks due to the shortage of water.</li> <li>• Request for RDP houses.</li> <li>• All access roads in the ward must be maintained.</li> <li>• Smakadeni to Sixaxeni AR to be maintained</li> </ul>	<ul style="list-style-type: none"> <li>• No Scholar transport in Nqabeni Village.</li> <li>• Noticeable improvement in Tambo and Adelaide Regional Hospital.</li> <li>• No work opportunities for youth.</li> </ul>

## 4.SITUATIONAL ANALYSIS

Situational Analysis provides an overview of the composite development challenge facing Winnie Mandela - Mandela Municipality based on its own self-assessment and analysis. It gives a brief overview of Mbizana demographic profile and illustrates the composition of Mbizana population considering key 1indicators such as: population numbers; racial make-up, house hold income, employment and education. In the end a number of pertinent issues shall be drawn from the demographic profile, and it is these issues that shall inform the strategies which shall be presented in later chapters.

The statistics information included in this section comes from the 2011 census and Community Survey 2016. It also highlights key issues and challenges relating to municipal demographics profile, Institutional Transformation and Development, Financial Viability, Local Economic Development, Service Delivery profiles and Spatial Development Framework.

### 4.1 The Municipal Context and Demographic Profile

Winnie Local Municipality (EC443) was established in terms of Section 155 (1) (b) of the Constitution of the Republic of South Africa. Our Municipality is one of the four category B municipalities falls within the Alfred Nzo District Municipality (DC44). It is located within the Wild Coast Region of the Eastern Cape Province along R61 connecting kwaZulu Natal South coastal boundary to the N2 highway. To the west and south the municipality shares common boundaries with the Umzimvubu, Ntabankulu and Ngquza Hill local municipalities. The Mtamvuna and Mtentu rivers form the northern and southern boundaries of the municipality. Dominant land users within Winnie Madikizela - Mandela Municipality are mostly rural with a large emphasis on subsistence agriculture in the interior and some tourism development along the coast. The natural environment in the coastal belt of the area is in an unspoiled condition and has exceptionally high conservation value. The conservation value of the inland areas is significantly lower than the coastal areas due to human activities.

#### 4.1.1 Population Trends and Concerns

The total population of our municipality has increased from 281 905 in 2011 to 319 948, living in 61, 383 households which represent an estimated household's average of 5.2 persons per household (CS: 2016). . WMWMM LM accounts above 35% of the total district population which makes it the largest in population size within ANDM:-

Population by Households Census 2011 – CS 2016			
2011		2016	
Total Households	48, 447	Total Households	61, 383

Average Household size	5,8	Average Household size	5,2
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There are also factors such as migration of people into the municipality particularly in the urban area of Bizana for better employment opportunities and services this exerts pressure to the municipality as it has to increase its budget for service provision in town and mainly for indigent households. As the municipality is a boarder municipality there has been also a great noticeable migration of young people to Kwazulu Natal for employment some drop out of school this also affects education levels of the municipality. The municipality also experiences high HIV/AIDS prevalence rate due to migration of teenagers from Kwazulu Natal. Interventions have been developed by the municipality and NGOs to overcome this strategy.

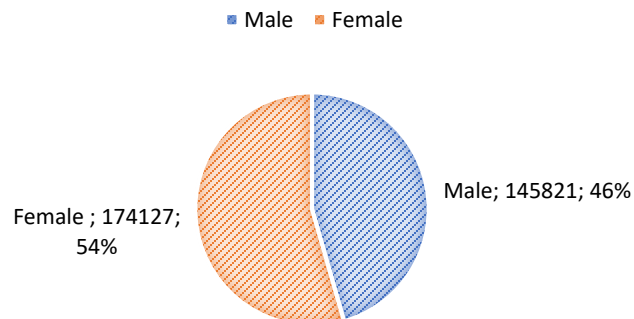
The table below illustrates population growth between 2011 Census and 2016 Community survey:-

Population Trends Census 2011 – CS 2016													
Census 2011						Community Survey 2016							
Total Population		Total (15-34years)		Youth Proportion	Persons aged 20 years completed	Total Population		Youth (15-34years)		Youth Proportion	Sex ratio	Total Population intercensal growth rate (2011 - 2016)	Persons aged 20 years completed
Male	128332	Male	43053	32,9	21278	Male	145821	Male	57176	38,6	83,7	0,029	28996
Femal e	153573	Femal e	49789			Femal e	174127	Femal e	66390				
Total Popul ation	281905	Total Youth	92842			Total Popu lation	319948	Total You th	123567				

#### 4.1.2 Gender Distribution

The *Census* 2011 and 2016 Community survey by Stats SA simultaneously indicates the population of Mbizana is dominated by females at about 54% of the total population compared to 46% of males. The table below shows that about 174 127 (54%) of the total population of Mbizana is women against 145 821 (46%) which are males: CS 2016.

## POPULATION DISTRIBUTION BY GENDER: CS 2016

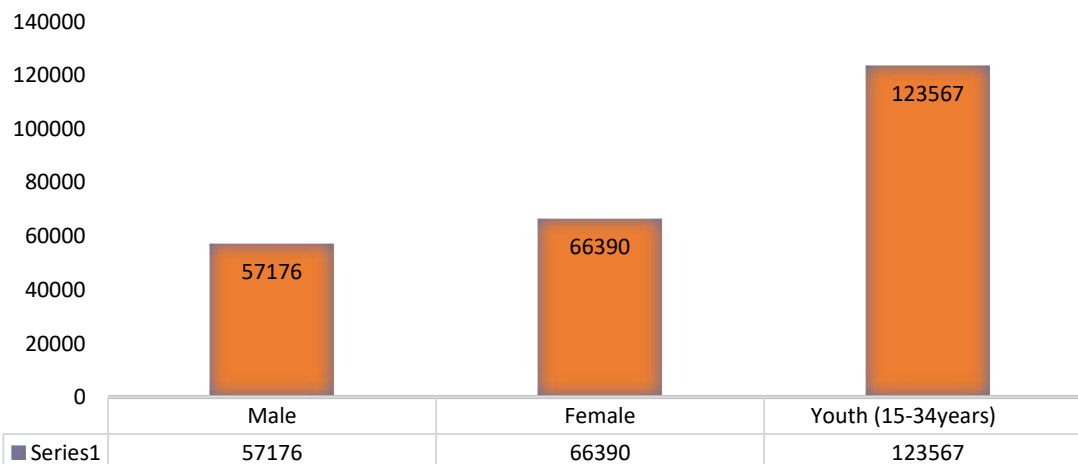


This indicates that there should be dedicated programs of integration and incorporation of women in key planning and decision making roles of the municipality. Moreover there is need for consideration of the following:-

- Promoting participation of women in policy making and development.
- Ensure involvement of women in economic development activities.
- Improving women's earning power and reducing vulnerability of women to poverty.

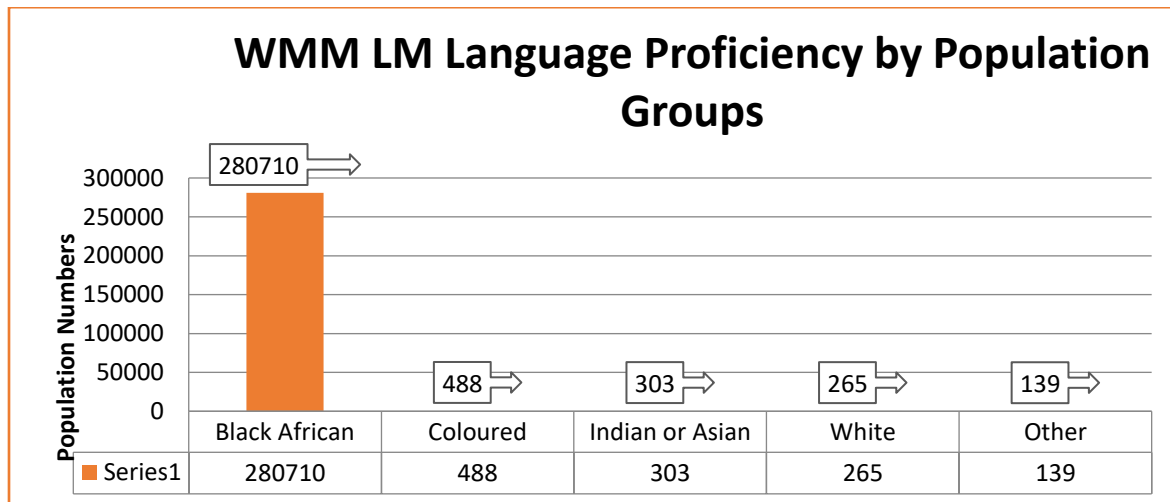
The following table indicates that the according to Community Survey of 2016 by Stats SA about 123 567 of the total population is the youth ages between 15 to 34 years, of which 66 390 are women against 57 176 which are male.

## YOUTH PROPORTION



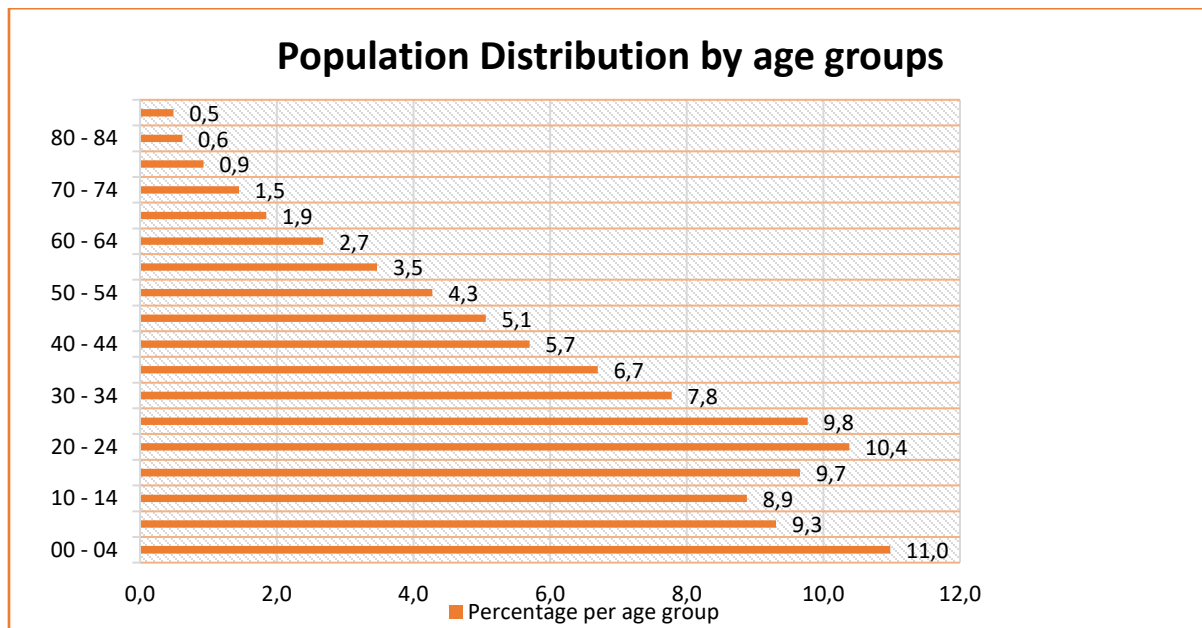
#### 4.1.3 Population Distribution by Race

The largest population group in Mbizana is Black Africans at 99, 58% of the total population followed by Coloureds at 0, 17%, Indians / Asians at 0, 11%, Whites at 0, 09% and others at 0, 04% as demonstrated in the chart below:-



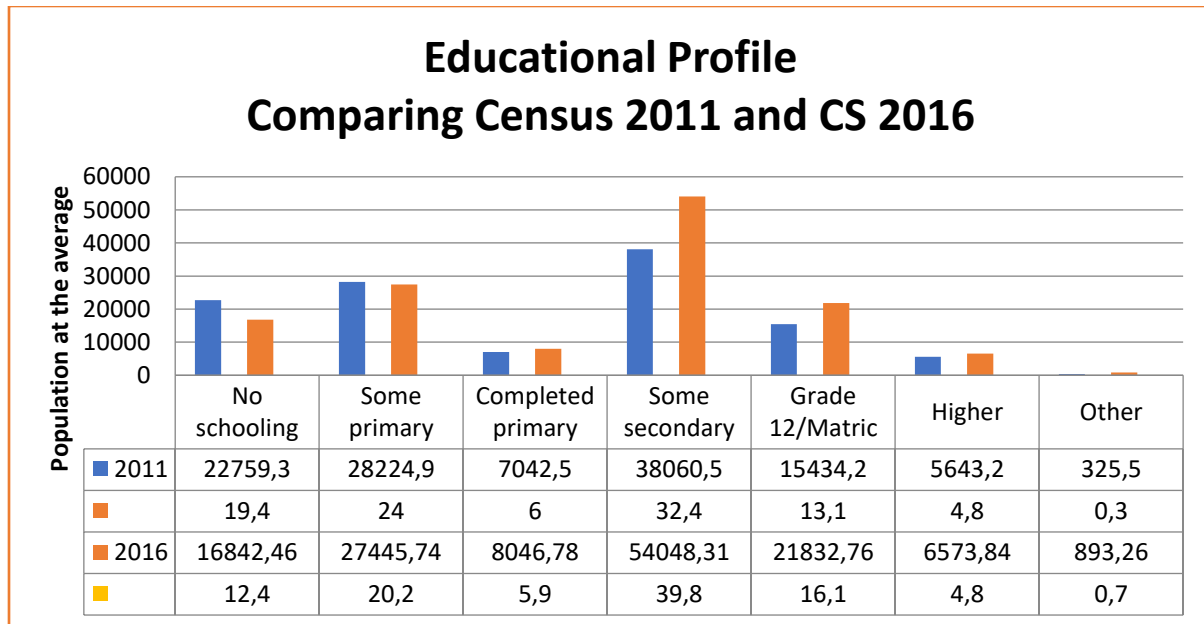
#### 4.1.4 Population Distribution by age groups

The age profile below shows that approximately 66% of Mbizana population is young people between 0 to 34 years old. These population trends oblige government in all levels to ensure that a large percentage of the budget is allocated to youth development and learner support programmes in order to deal with the needs of this majority section of our populations. The elderly people age group 60 and over accounts for 8% of the total population.



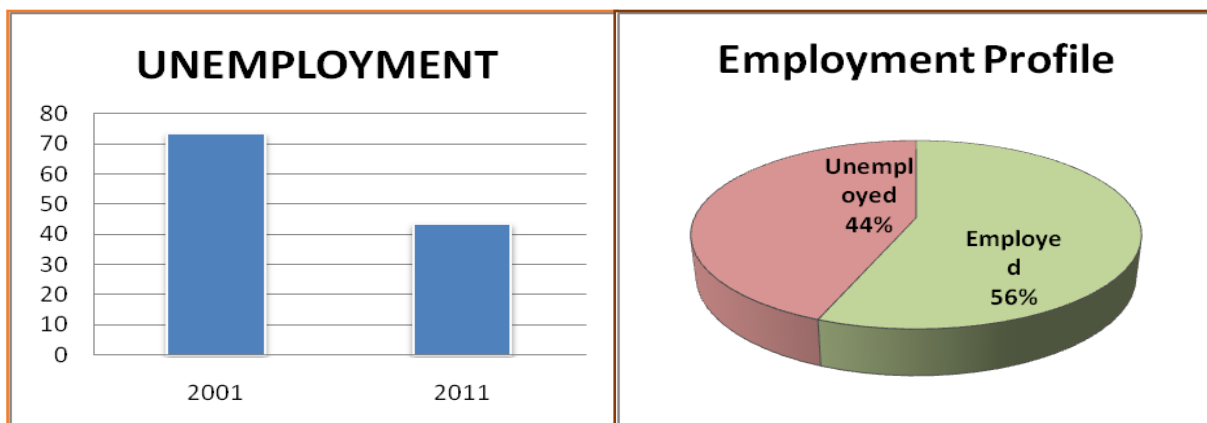
#### 4.1.5 Educational Profile and Literacy Levels

Education plays a fundamental role in community development as it provides a set of basic skills for development, creativity and innovative abilities within individuals. The South African Constitution states that everyone has a right to education. Educational levels for Mbizana are low with less than 50% of people attending at pre-school, primary schools and secondary school level. Only a few people attend post matric studies and that calls for the government to have enough resources allocated for education as a primary factor.



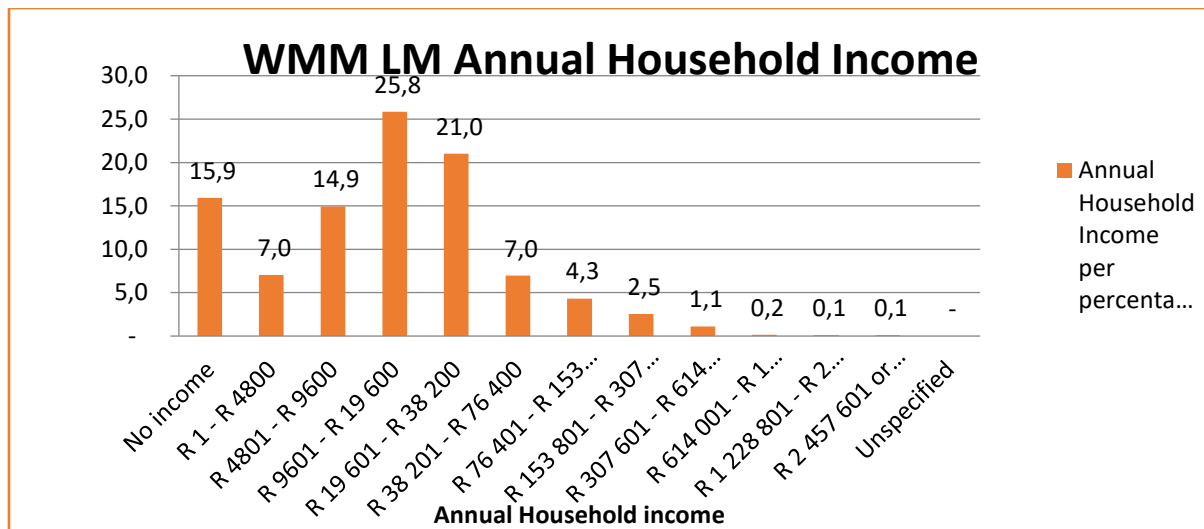
#### 4.1.6 Employment Profile

The employment profile of WMM Local Municipality shows that the unemployment rate declined between 2001 and 2011. In 2001, unemployment was 73.5% which dropped to 44% in 2011. Likewise, the figure shows that people who were employed in 2011 were 56% compared to 44% of unemployed. This indicates that Mbizana has made significant strides in creating new job opportunities.



#### 4.1.7 Household Distribution by Annual Income

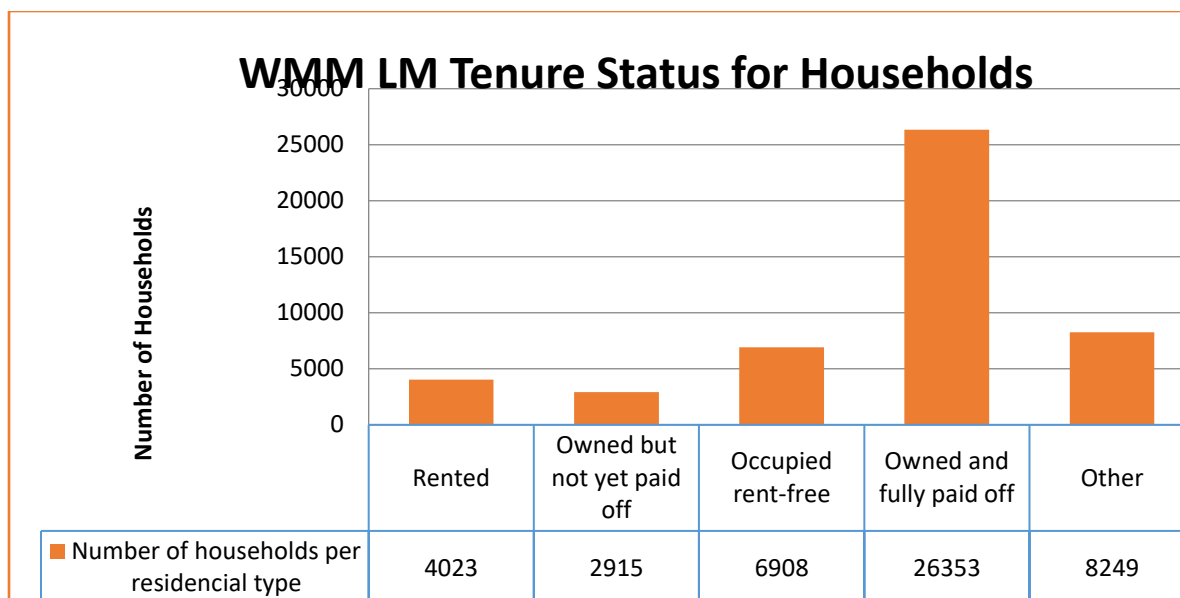
According to Census 2011 by Statistics South Africa, approximately only 15,9% of people have no income and that shows another improvement as compared to 2007 community survey where 76% of the total population had no income. As shown in chart below the highest number of population which is at 25,8 is earning between R9 601 – R19 600 and the lowest number of population which is 0,1% is earning R2 457 601 or more .



#### 4.1.8 Tenure Status

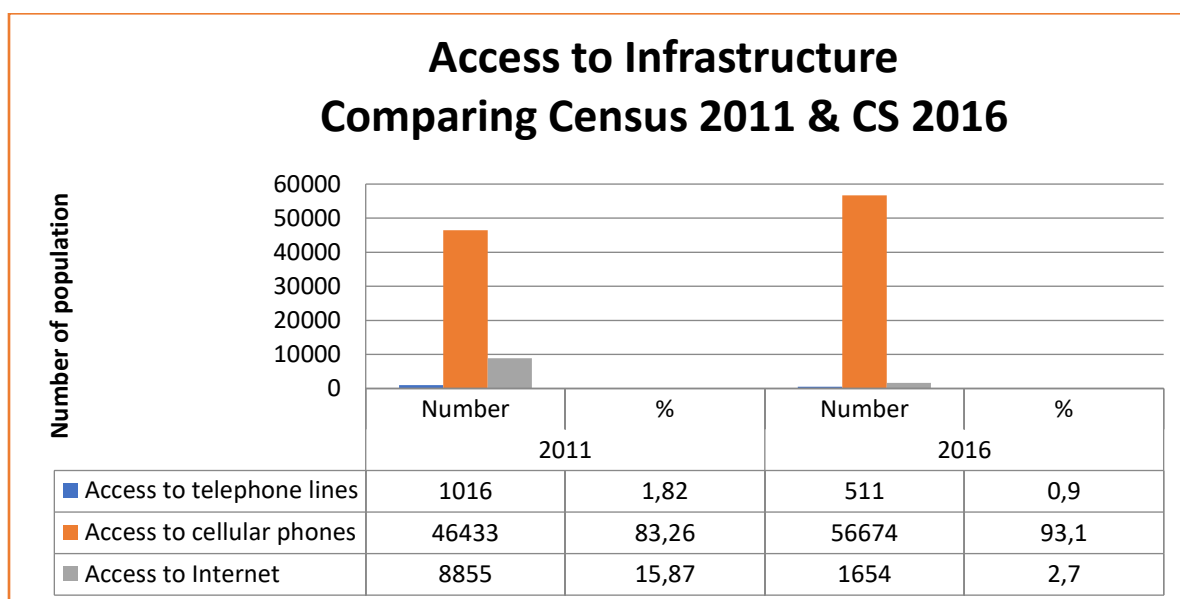
There are different tenures within the municipality. However it is encouraging that the majority of households either own or have paid off their houses. By 2011, the number of households that owned and fully paid off their houses were 54, 4%. This is encouraging houses are regarded as an asset for households.





#### 4.1.9 Household Access to infrastructure services

According to 2016 CS, the majority of the total population of Mbizana depends on cellular phones for tele – communication and internet access as only 0,9% of the population have access to telephone lines and only 2,7% have access to internet services. The graph below illustrates the comparison between 2011 Census and 2016 CS.



## 4.2 ENGINEERING SERVICES

The primary objective of establishing an Engineering Services Department within the municipality was to enable effective service delivery to the constituencies serviced by Winnie Madikizela - Mandela Local Municipality. The department has three sections namely **Electricity, PMU and Operations & Maintenance**. Service delivery is therefore an integral provision and main objective of Winnie Mandela – Mandela Local Municipality and this can be only achieved through properly planned facilitation and collaborations with governmental and non-governmental agencies.

Currently the municipality receives infrastructure funding from MIG, INEP, EPWP & the Equitable Share, however source of funding for infrastructure development needs to be diversified through funding applications to all public & private agencies who might be willing to support infrastructure investment so as not to heavily rely on grants such as MIG, INEP, EPWP, OTP, DBSA & the Equitable Share as mentioned above. The department has managed to get the infrastructure plans from other sector departments within its area of Jurisdiction. The Municipality is currently in the process of consolidating all the sector plans so as to have one infrastructure master plan. Previously the municipality used to prioritize projects for both MIG and Maintenance on a yearly basis but that has since changed now as projects are now prioritized for a period of three years.

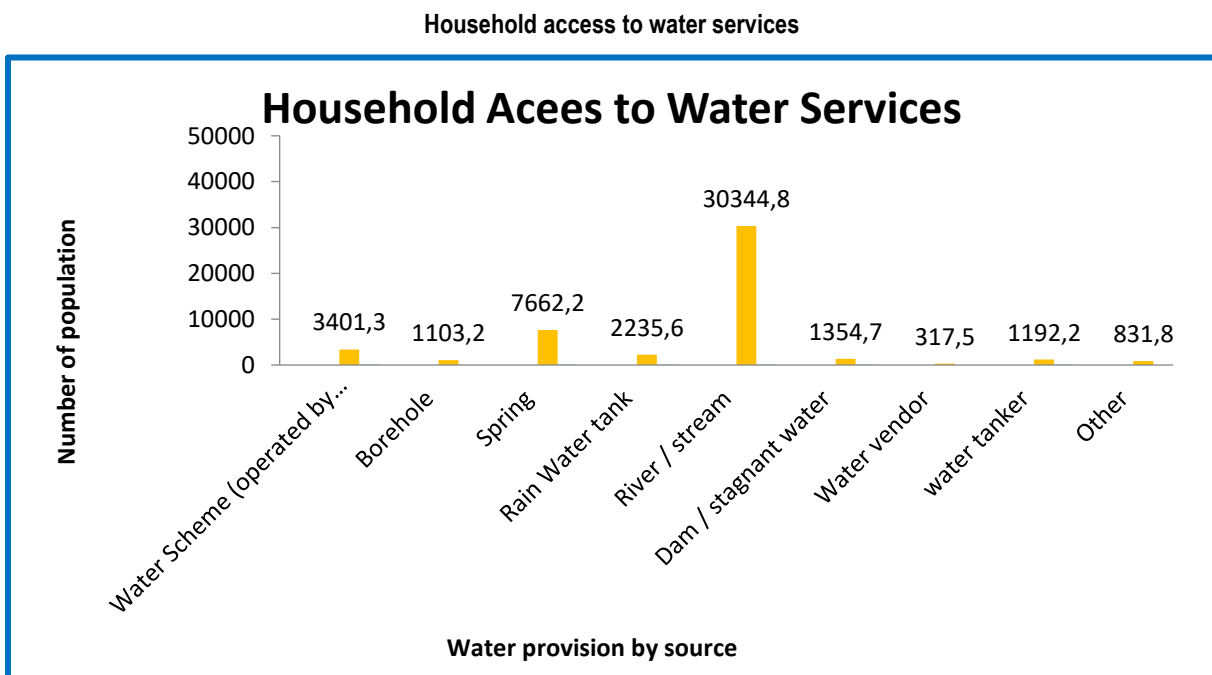
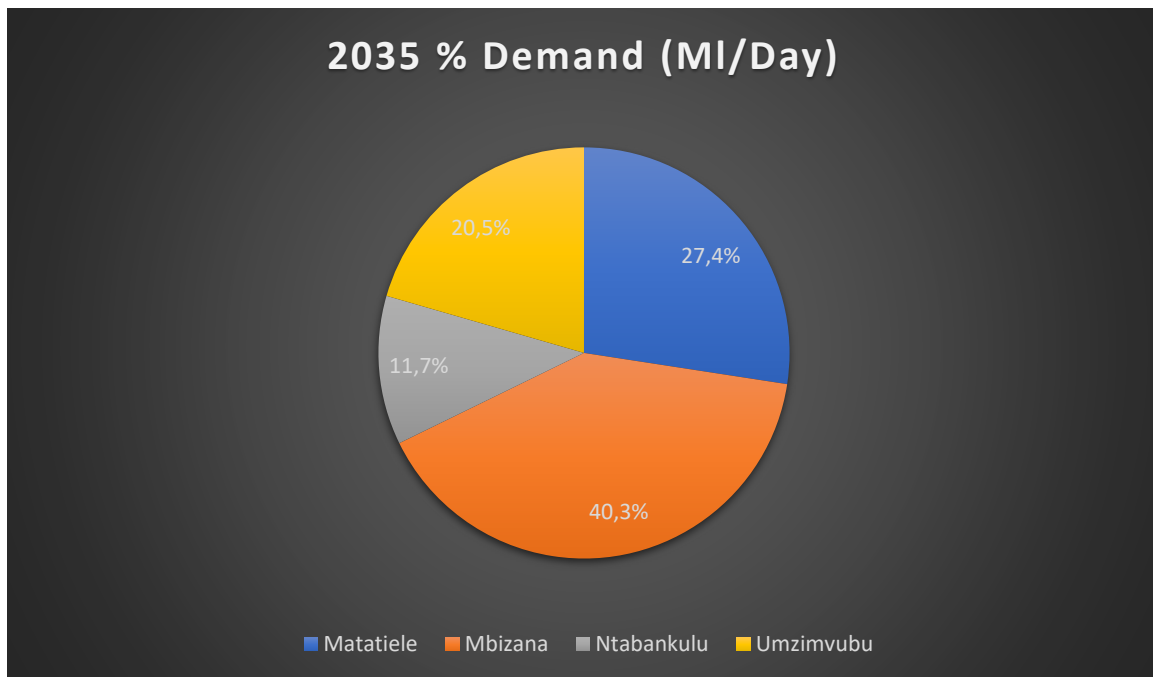
The municipality has adopted a method of incorporating projects implemented by other departments within the plans of the municipality so as to ensure that local contractors are aware of any job opportunities that may be available through these projects. The primary mandate of the Engineering Services is to ensure that the population within Mbizana jurisdiction has access to basic services such as electricity and roads and is the vision of the municipality to have all its citizens provided with such necessities, but due to our country's historical socioeconomic discrimination amongst population groups, backlogs remains relatively high especially in rural towns such as Bizana.

### 4.2.1 Water and Sanitation

Water Service delivery is one of the primary functions of the District Municipality (Alfred Nzo District Municipality). Currently there is no service level agreement between the MLM and the DM about the provisioning of water. Primary discussions have started about this matter of the SLA through the District Wide Engineering Forums and should be sorted before the end of the financial year. With regard to provision of water services in Mbizana community, our analysis indicates that backlogs for water services remain high. The estimated backlog for water service delivery out of total household population of 48 408 is 44 479 (91.9%) households with no access to tap water, and 5% have access to tap water below RDP standard while 3.1% households have access to water on RDP standard and above (*Source: Stats SA Community Survey 2016*). The District Municipality (Alfred Nzo DM) is in a process of developing the following plans:-

- ⇒ Water services Master plan: - this will be in line with the Regional bulk Water Implementation readiness study that is currently being conducted by the DM.
- ⇒ Ground water management plan.

In Mbizana, the current implementation of the Greater Mbizana Regional scheme will take care of at least 85% backlogs after completion and connection to the existing infrastructure. According to the ANDM's water service levels and water requirements in 2015 it needed 70MI/day and by 2035 it will need 128MI/day. Mbizana LM is said to be the largest water consumer in the ANDM, requiring 40.3% of the ANDM's water supply.



#### 4.2.1.1 Background on the Greater Mbizana Bulk Water Supply Scheme essential

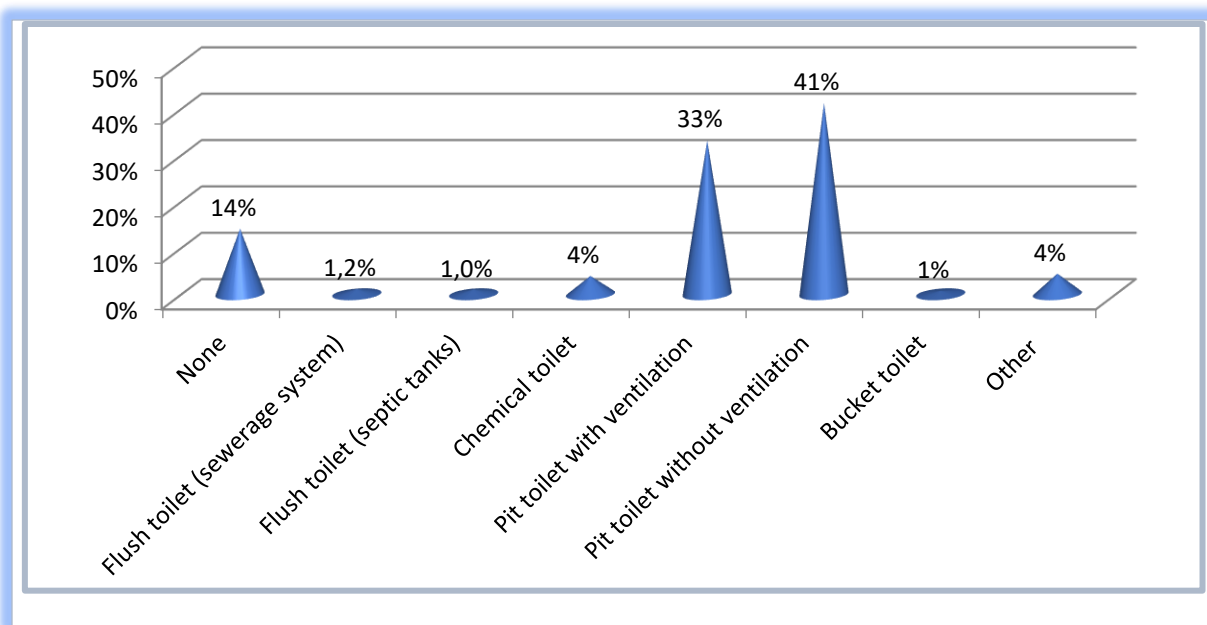
The 14.5MI/day at Ludeke Dam, 10MI/Day at Nomlacu WTW, 12km rising main, 4 command reservoirs has been completed. The dam capacity can serve 100% of the Mbizana population upon augmentation, possibly from Umtamvuna River. The Nomlacu WTW is designed and build at 10MI/Day upgradable to 20MI/Day to cover 100% of Mbizana LM. The current 10MI/Day can supply 48% of Mbizana i.e. the whole of Phase-1 (A &B). Phase-1 reticulation will cover 48% of the entire Mbizana LM population. However, bulk pipeline and secondary bulk has to be provided first. The following projects are planned by the Alfred Nzo District Municipality for implementation in 2021/2022 financial year.

CONTRACT / PHASE	BUDGET	SCOPE OF WORKS / VILLAGES COVERED
Greater Mbizana WS Phase 1A	R35 521 654.00	Mazweni, Ludeke, Mlambondala, Sizinden
Mbizana Town Sewer- WWTW	R32 741 833	Mbizana Town
WSIG Mbizana	R24 000 000	Matwebu, Dudumeni, Nyaka, Ntika 1& 2 and Phathekile
Refurbishment of Mbizana Water Scheme	R2 000 000.00	
Refurbishment of Mbizana Water Services	R3 000 000.00	

#### 4.2.1.2 Sanitation Infrastructure

Sanitation service delivery is the competence of the District Municipality (Alfred Nzo DM, the local municipality is mainly the beneficiary of the services. The estimated backlog for RDP sanitation service delivery out of total household population of 48 408 is 17 423 (35.99 %) households with no access RDP Sanitation, and 31 146 (64.34%) have access to RDP Sanitation (Ventilated Improved Pit-latrines (VIP Toilets)) (Source: Stats SA Community Survey 2016). Out of 31 wards only 8 wards with no sanitation services. Even though the MLM is neither a WSA nor a WSP we still keep in contact with the DM about all the sanitation projects so that we can be able to update our communities about the sanitation projects.

However, there is also another major role to be played the District Municipality in ensuring that at least every household have access to VIP toilet. The District Municipality (Alfred Nzo DM) is in a process of developing the Sanitation Master Plan. The municipality also engages the district municipality through the district wide infrastructure forum to get information about the infrastructure projects.



#### 4.2.2 Project Management Unit

The powers and function of transport planning in the municipalities is the function of the Department of Transport. The municipality is working on the programme to provide access roads and transport network plan from the District Municipality. Roads in the municipality are classified as Provincial, District & Access roads. Provincial & District roads are managed & maintained by the province while access roads are the responsibility of the municipality. The municipality developed an Asset register during the 2014/15 financial year and is reviewed annually and this allows for the municipality to have detailed records of all its assets.

This asset register together with the maintenance plan will go a long way in ensuring the maintenance of gravel access roads is done systematically with readily available information such as baselines. The Department of Development Planning within the municipality finalised the Geotechnical Information System (GIS) implementation project. GIS is being used to locate and assess roads utilising the latest methods.

The Alfred Nzo District Municipality and the Department of Transport recently completed Roads Asset Management System, (RAMS) which covers all the roads that are within the municipal area with details about the status of each road. RAMS indicates the backlog studies of all the roads and storm water drainage as well as the current status of all the roads within our municipality including the access roads. RAMS will also be included on the consolidated infrastructure master plan which will also include all the information from other sector departments. The information in the asset register will be incorporated into the master plan to have a comprehensive master plan that talks to the existing roads and storm water drainages as well as the roads and storm water drainages that still need to be done. The Municipality has also started the ward-based backlog studies which will also confirm the roads and storm water backlogs per ward.

This information will also be aligned to the GIS information that the municipality is currently in the process of compiling. In the long run it is the plan of the Municipality to have a Comprehensive Investment Infrastructure Master plan which will talk to the infrastructure that will attract more investors to invest within our local municipality. This investment infrastructure plan will take place once the backlog studies have been completed and it will be more a phase 2 project.

The municipality has established local transport forum which will inform district and provincial fora which will streamline the realization of an integrated transport plan and its subsequent implementation. This forum has so been able to have a sitting where it discussed and drafted the Terms of Reference. WMM Municipality is responsible for the construction, maintenance and upgrading of access roads within the municipality. The Municipality also plays an active role in the coordination of infrastructure delivery and maintenance between the communities and the departments of roads, transport and public works. The Roads forum is active within our municipality and sits quarterly.

As a strategy to cater for non-motorized transport the municipality has recently adopted a policy on Walkways. Our studies indicate that non-motorized transport in our municipality is close to none-existent but these studies will be reviewed annually so that this type of transport can be catered for if there is a demand for it. Approximately 125,8km of road has been created using MIG funding by end June 2020 from 2016/2017 and 28km is targeted for the current financial year 2020/21 with a budget of R 27 474 996,00.

The following are the municipal MIG allocations for the municipality since the 2016/17 financial year to the 2021/22 financial year. The allocations also indicate the amounts that the municipality has set aside for the road construction which also include the storm water drainage.

#### **Municipal Financial Years (July – June)**

- 2016/17: R 46 159 000.00 about 64% R 29 551 800.00 was meant for roads equivalent to  $\pm 39.4$ km.
- 2017/18: R 59 678 000.00 about 45% R 27 146 634.66 was meant for roads equivalent to  $\pm 34.9$ km.
- 2018/19: R 47 416 000.00 about 50.59% R 23 988 414.50 was meant for roads equivalent to  $\pm 27.9$ km.
- 2019/20: R 48 362 000,00 about 56 % R27 000 000,00 was meant for roads equivalent to  $\pm 23.6$ km.
- 2020/21: R 48 049 000,00 about 57% R27 474 996,00 is meant for roads equivalent to  $\pm 28$ km.
- 2021/22: R52 084 000,00 about 83% R43 464 622.45 is meant for completion of the two major multi-year projects, i.e. Mbizana Civic Centre and Mphuthumi Mafumbatha Sports field.

The intention is to strive for a manageable balance between the need to create new infrastructure and maintain existing ones. In addition, we aim to mobilize more resources to expand coverage through working closely with EPWP and other relevant agencies responsible for road infrastructure development.

Special attention will be given to maintenance and improvement of urban storm water infrastructure which has been badly affected by spillage, clogged culverts and excessive intrusion by flood-transported debris & irresponsible people dumping foreign objects

into our system. The municipality has embarked on an on-going programme to ensure that the storm water drainage in town is upgraded as the current one can no longer service the town.

Special attention will be given to needs that advance the goal of achieving the following IDP intentions: -

- Creative provision of road infrastructure that support socio-economic objectives such as improving linkages and accessibility of amenities, schools, clinics, community halls etc.
- Effective rehabilitation and revitalization of urban economic hubs through road and storm water drainage infrastructure delivery in our core urban centre of Bizana.
- Continuous engagement of other delivery agencies to take note of the need to ensure adequate provision for functional storm water drainage when designing and developing road networks in all our areas.

The CBP demonstrates that approximately 133 (54.5%) villages have no access to roads whereas 111 (45.5%) have access roads. About 448.9kms of gravel roads have been maintained from the 2013/14 financial year to end June 2020. Roads are provided with storm water drainage pipes and culverts to allow for surface run off flow without affecting road surfaces. Eleven river crossings have been constructed since 2016/2017 to end June 2020.

Major challenges with regard to road maintenance services

- ⇒ Poor conditions of infrastructure; especially roads
- ⇒ Lack of sufficient funds to construct and maintain roads.
- ⇒ Most of access roads are not tarred.
- ⇒ Availability of borrow pits

High backlog of construction of bridges, as detailed by the Ward Based Plan

- ⇒ Ward 3 from Dumsi road to Yange S.P.S
- ⇒ Ward 6 Mhlanga to Sontsele
- ⇒ Ward 10 Rockville bridge
- ⇒ Ward 8 Dudumeni bridge
- ⇒ Ward 17 from Mbenya to Ntsingizi
- ⇒ Ward 29 Mntuwenzeni bridge (Cwaka and Phathekile and Mfolozi J.S.S.)

#### 4.2.2.1 Infrastructure Projects for Financial Year 2019/2020

WARD	PROJECT NAME	SCOPE	PROJECT VALUE	STATUS
1	Mphuthumi Mafumbatha Stadium	29 702m <sup>2</sup>	R 61 862 554,68	Under Construction
1	Mbizana Civic Centre or Town Hall with Offices	2 455.24m <sup>2</sup>	R 83 412 759,95	Under Construction
4	R61 to Mazweni Primary School access road	4.2km, storm water facilities, concrete slab for steep sections and associated headwalls	R 2 735 632,08	Completed
10	Mgodini to Mpondo Village access road	5,5km, storm water facilities and associated headwalls	R 3 889 796,91	Completed
25	Bazana Access Road	3km, 2.4mx2.4m culvert bridge and associated headwalls	R 4 250 231,23	Completed
30	Mpenkulu to Tulufa Village Access road	7.0km, concrete slab for steep sections, storm water and associated headwalls.	R 8 209 038,49	Completed
12	Mntomkhulu to Gxeni Access Road Phase-2	Alignment of 2,54km with the new bridge height, 100mm Concrete Multi Cell Geofabric on steep sections and 14m long (2,4m x 2,4m) 6 cell structure	R 6 112 184,38	Completed
29	Mkhungo to Nkunzi Access Road Phase-2	Concrete Slab, guardrails and extension of the low-level bridge	R 2 253 279,72	Completed
05	Community Hall	Construction of Community Hall	R 2 300 000,00	Completed
30	Community Hall	Construction of Community Hall	R 2 300 000,00	Completed

#### 4.2.2.2 Infrastructure Projects for Financial Year 2020/2021

WARD	PROJECT NAME	SCOPE	PROJECT VALUE	STATUS
1	Mphuthumi Mafumbatha Stadium	29 702m <sup>2</sup>	R61 862 554,68	Under Construction
1	Mbizana Civic Centre or Town Hall with Offices	2 455.24m <sup>2</sup>	R83 412 759,95	Under Construction
5	Sijingi to Mangunga Access Road via Methodist Church Voting Station (Ward-5)	Construction of 5,2km gravel road with related storm water pipes along the length of the road. 1km virgin and 4.2km to be rehabilitated	R4 532 114,73	Under Liability
9	Ebumnandini to Nqabeni S.S.S Access Road (Ward-9)	Construction of 2,5km gravel road, 3 low level crossings with related storm water pipes along the length of the road.	R8 347 447.59	Under Construction
15	Gabisa via Makhosonke Access Road (Ward15)	Construction of 5.2km gravel road, 3 low level crossings with related storm water pipes along the length of the road.	R 3 805 039,12	Under Liability
18	Mqonjwana to Greenville Access Road (Ward-18)	Construction of 4km gravel road, 1 low level crossing with related storm water pipes along the length of the road.	R9 681 001.48	Under Construction



WARD	PROJECT NAME	SCOPE	PROJECT VALUE	STATUS
25	Lubekelele Access Road (Ward-28 & 25)	Construction of 10,8km gravel road, 1 low level crossing with related storm water pipes along the length of the road.	R10 583 240.88	Under Construction
23	Ward 23 Pedestrian bridge	Construction of ward 23 Pedestrian bridge	External Funding by SASOL	Planning
01	Extension 04 – Ward 1 Bridge	Construction of a 24m long bridge and approaches	R4 072 190.07	Under construction
01	Upgrade of Taxi Rank (Phase 1)	Refurbishment of the roof, hawkers stores, ablution facilities, inroads, taxi bays, electrical conduits, fencing.	R18 704 779.72	Under Construction Committees

#### 4.2.2.3 Infrastructure Projects for Financial Year 2021/2022

WARD	PROJECT NAME	SCOPE	PROJECT VALUE	STATUS
01	Mphuthumi Mafumbatha Stadium	29 702 m <sup>2</sup>	R4 500 000.00	Under Construction
01	Mbizana Civic Centre	2 455.24m <sup>2</sup>	R28 402 021.59	Under Construction
19	Simakadeni Access Road	Construction of 5.5km Access Road	R3 025 926.00	Planning
12	Mapheleni Access Road	Construction of 5.8km Access Road	R3 225 926.00	Planning
13	VAV Memorial College Access Road	Construction of VAV Memorial College 1.2km Access Road	R2 025 926.00	Planning
04	Ward 04 Community Hall	Construction of Ward 4 Community Hall	R 3 500 000.00	Planning
20	Ward 20 Community Hall	Construction of Community Hall	R 3 500 000.00	Planning
01	Ward 01 ECDC	Construction of Early Childhood Development Centre (ECDC)	R 3 500 000.00	Planning

#### 4.2.2.4 MIG Projects Prioritized for 2022/2023

WARD	PROJECT NAME	ALLOCATED BUDGET	FUNDING	STATUS
28	Construction of Sidanga AR & Bridge	R 650 000.00	MIG	Planning
23	Construction of Sidingqi to Marina AR with Bridge	R 250 000.00	MIG	Planning
16	Construction of Tshongweni AR	R 250 000.00	MIG	Planning
31	Construction of Sixhanxeni AR	R 250 000.00	MIG	Planning
09	Construction of Tshuze to Luphilisweni AR	R 250 000.00	MIG	Planning

### 4.2.3 Operations and Maintenance section

Over the past three years, the municipality decided to improve its internal capacity to maintain access roads. We have improved our road works machinery in order to continuously improve the state of our roads. The general state of our access roads is poor and hence the municipality has budgeted an amount of R 16 700 000.00 during 2021/22 financial year to rehabilitate some of the gravel access roads. The allocated budget is far less than the required funding in order to meaningfully eradicate roads maintenance backlogs. The municipality already has two (2) fully-fledged sets of construction plant (2 x Grader, 2 x Roller, 2 x water cart, 1 x Excavator, 1 x TLB, 1 x Diesel Tanker Truck, 1 x Lowbed Truck and 3 x tipper trucks), however these are not enough to rapidly deal with the current backlog as it is too high.

We also utilize the EPWP contract labourers to maintain the storm water drainage and also to fix the small to medium potholes within our CBD roads. The municipality has allocated R3 570 000.00 to create 400 new EPWP jobs by June 2022. An amount of R2 797 654.00 has been budgeted for a total of 200m<sup>2</sup> of pothole patching in the CBD for 2021/2022 financial year. The long-term strategy the municipality is developing is that of developing a comprehensive Roads Master Plan that incorporates the road maintenance plan for a period of three to five years. The mentioned plan shall enable the municipality to enjoy an informed roads maintenance programme. The Roads Master Plan shall further explore and introduce contemporary roads maintenance technologies as our competitive edge. The section is also responsible for the maintenance of municipal buildings.

#### 4.2.3.1 Prioritized Maintenance Projects for Financial Year 2019/2020

WARD	PROJECT NAME	LENGTH (km)	STATUS
4	Mdeni Access Road	2	Not done due to budget limitations
23	Manteku Access Road	4.0	Completed
7	Mzamba Access Road	3.4	Not done due to budget limitations
8	Matyeni-Bukuveni Access Road	4.8	Not done due to budget limitations
10	Mabhokweni-Diphini Access Road	1.6	Not done due to budget limitations
22	Lukholo-Marazula Access Road	6.5	Completed
26	R61-Malola Access Road	13	Blading done
31	Majavu-Siwisa Access Road	3.6	Completed
24	Sirhasheni Access Road	10	Completed

#### 4.2.3.2 Intervention Projects by Own Plant for 2019/2020

WARD	PROJECT NAME	LENGTH (km)	PROGRESS TO DATE
2	Nokhatshile Virgin Access Road 5.0km	5	Completed
12	Ntlanezwe Access Road	4.5	Completed
29	Mgomanzi Access Road	1.5	Completed

WARD	PROJECT NAME	LENGTH (km)	PROGRESS TO DATE
13	Ngcingo to Gagashe via Soweto Access Road	2.4	Roadbed formation of 1.0 km completed. 1.4 km Outstanding is tipping and processing.
22	R61-Mfolozi School Access Road	1.5	Completed blading
22	R61- Kananda Access Road	1.5	Completed blading
24	R61- Vulindlela School Access Road	1.5	Completed
29	Little Eden Access Road	2.0	Completed
27	Mlambondaba to Tholeni Access Road	14.2	Completed
9	Mfundambini Access Road	8.0	Completed
30	Mxinga Access Road	4.5	Tipping in progress
12	Mapheleni Access Road	800M	Processing in progress

#### 4.2.3.3 Prioritized Wards for Maintenance 2020/2021

WARD	PROJECT NAME	LENGTH	STATUS
6	Matewu Access Road	5.6	Contractor Appointed
7	Mzamba Access Road	1.2	Under Construction
8	Matyeni to Bukuveni	5.6	Under Construction
10	Mabhokhweni to Dipini Access Road	1.7	Contractor Appointed
9	Tshuze Access Road	1.6	Contractor Appointed
20	Madadana Access Road	5.9	Under Construction
25	Dumasi Access Road	6.5	Contractor Appointed
01	CBD Road Maintenance	200m2	Contractor Appointed
01	Rehabilitation of Tshayingca Access Road	0.5	Contractor Appointed

#### 4.2.3.4 Municipal Buildings Maintenance 2020/2021

WARD	PROJECT NAME	PROJECT SCOPE	BUDGET	STATUS
1	Maintenance of municipal building and MPYC	Periodic repairs and maintenance	R 787 500.00	Construction
1	Maintenance of municipal building	Periodic repairs and maintenance	R 1 575 000.00	Construction
1	Maintenance of municipal building and DLTC	Periodic repairs and maintenance	R 861 997.50	Planning
1	Maintenance of municipal building and Cultural Village	Periodic repairs and maintenance	R 787 500.00	Construction

#### 4.2.4 Electricity section

The Winnie Madikizela – Mandela Local Municipality has a NERSA approved electricity distribution licence (NER/D/EC 132/2016/17) and is responsible for the provision and maintenance of electricity to the residents of the town which is the seat of the local municipality and Eskom provides the service of electricity to the rest of the municipal area starting from the outskirts of the town to the municipal boundary. The municipality also receives funds from the department of Energy through schedule 5b to do electrification on the rural areas. The municipality and Eskom did a 5-year electrification master plan which when completed

the municipality would have reached a universal access within its area of jurisdiction. This electrification master plan has been adopted by council though the numbers per village are reviewed before the implementation of the project.

There is a general increase of electricity demand in Mbizana as new households are constructed. In conjunction with Eskom the Municipality has managed to reduce electricity backlogs from 19000 (39 %) households in 2011 to 1 836 (4%) in 2019 based on STATS 2011. This backlog will further reduce once the on-going projects are completed. In the current financial year 20/21 WMM municipality received INEP funding allocation of R 26 200 000.00 which will be utilised for the connection of 787 households in Ward 28, 25 and 15. The new statistics as per the recent population survey shows an increase in households because of the new extensions that are created in the already electrified area.

WMM Local Municipality is working closely with the Department of Energy in the installation of Solar backed electricity in villages where grid electricity will take more than three years to be installed and where the terrain makes it difficult for grid electricity. The backlog has decreased to 1836 with the completion of 2019/20 electrification projects which consisted of 1 667 households on both Schedule 5 and 5B. This backlog figure will further decrease to 679 on completion of the 2020/21 5A & 5B project schedules. In areas where the electricity will not be provided soon the municipality is currently providing solar system for these areas through assistance from Department of energy

The following tables indicate the Electrification Projects that were implemented since 2019/20 financial year.

#### 4.2.4.1 2019/20 Electrification Projects

Name of the Project	Ward	No of connections	Status
Matwebu Village	13	99	Completed and Energised
Ludeke Village	04	412	Completed and energised
Madada Phase 2	11	239	Completed and backbone energised. Contractor is busy energising households.
Pelepele Phase 2	11	97	Completed and energised.
8 Mva backbone line	1	13,5 km	Completed and awaiting to be energised
<b>TOTAL</b>		<b>847</b>	

#### 4.2.4.2 2019/20 Electricity Infrastructure Maintenance projects

Name of the Project	Project cost	Project details
Material and Stores	R 1 589 712.00	Ongoing maintenance on the system.
Streetlight Maintenance	R 200 000.00	Procurement and replacement of streetlight fittings and accessories.
<b>TOTAL</b>	<b>R 1 789 712.00</b>	

#### 4.2.4.3 Electrification Projects Implemented by Eskom for 2019/20

Name Of Project	Ward No.	No of Connections	Project Status
Lukhanyisweni (Egxezi Village)	12	42	Completed
Lukhanyisweni	14 & 15	141	Under Construction
Khanyayo Village	15	520	202 households energised
Mgungu Village	28	223	Under Construction
Makhwantini Village	25	390	350 household energised
<b>TOTAL</b>		<b>1 316</b>	

#### 4.2.4.4 Planned Eskom Electrification projects for 2021/22

Name of Project	Ward No.	Number of Connections
Khumbuza and Xholobeni	25	450
Sigidi	28	250
<b>TOTAL</b>		<b>700</b>

#### 4.2.4.5 2020/21 Electrification projects

Name Of Project	Ward No.	Number of Connections	Status
Mdatya & Bekela	25 & 28	317	Under Construction
Mabhenguteni	15	414	Under Construction
Sidanga	28	56	Under Construction
<b>TOTAL</b>		<b>787</b>	

#### 4.2.4.6 In House Projects 2020/21

Project Name	Ward	Status
Installation of High Mast Lights	01	Under Construction
MV & LV Maintenance	01	Tender

#### 4.2.4.7 2021/22 Planned Electrification projects

Project Name	Ward	Budget	Status
Electrification of Mabhenguteni village	15	R8 145 237.00	Under Construction
Electrification of Mdatya and Bekela villages	25 & 28	R2 200 495.00	Under Construction
Electrification of Xholobeni, uMgungundlovu and Mtolana Villages	25	R7 550 000.00	Planning
Electrification of Lower Etheridge	20	R4 625 000.00	Planning
Msarhweni Village	22	R4 625 000.00	Planning
Zizityaneni Village	31	R1 307 268.00	Planning
Installation of 2 High Masts	01	R2 400 000.00	Planning

### 4.3 BASIC SERVICE DELIVERY - COMMUNITY AND SOCIAL SERVICES

#### 4.3.1 Environmental Management

The municipality has improved its functional capacity for undertaking environmental planning and management ever since the establishment of the environmental management unit. The municipality has made a tremendous improvement in performing impact assessments for its projects and general performing environmental tasks associated with our principal responsibilities as per the Constitution.

The situational analysis provides a review and interpretation of existing information on the biophysical and socio-economic characteristics and management context of the Mbizana coastal area in order to identify and describe emergent and recurrent coastal issues, constraints and opportunities. The intention of this component of the CMP is not to re-sample the social, economic or ecological situation of the area but rather to synthesise the numerous existing documents, reports and publications that have done so previously.

##### 4.3.1.1 Biophysical Environment

The natural area and vegetation is 65 %, with 12 vegetation dominant types, wetlands that exist are 523 ha, out of 33066 ha. There is a marine protected area and the Greening project has improved protection of natural areas. The Biodiversity patterns across this region have been categorized as per the EC Biodiversity Plan into 3 levels of priority; these 3 Critical Biodiversity Areas are CBA's 1, 2 and 3. These CBA's are both Terrestrial and Aquatic Critical Biodiversity Areas.

The ECBP included an assessment of the importance of various aquatic ecosystems and the catchments required to sustain them. Catchments were classified into CBAs reflecting their importance. The coastal strip of Bizana is categorized under CBA 1 which

includes critically important sub-catchments, wetlands and estuaries. The other assessments which categorize the Aquatic CBA's of Bizana prove that the area stands out as being classified as CBA 1 as these rivers and their catchments support estuaries that are considered national and provincial priorities (ANDM EMF, 2012). Clearing of IAP's and general cleansing along catchments has been included in the activities of the Working for the Coast Project.

Biophysically, the WMM Local Municipality coastline is characterised by a subtropical climate and oceanic conditions associated with the warm Agulhas Current, specifically warm air and ocean temperatures, and relatively high rainfall falling mostly during the summer months. The coastal area is dominated by natural areas, with scattered arable lands and rural settlement. Isolated pockets of jungle wattle are also present, while linear tracts of forest are to be found along the Mtentu and Mzamba river valleys, as well as along portions of WMM Local Municipality's shoreline. Much of the coastal area appears to be in a natural state (51%) with interspersed areas of arable land (31%). Of the 12 vegetation types found throughout the broader WMWMM LM, eight occur within the coastal area, which highlights the high biodiversity value of the coast. However, the Pondoland-Ugu Sandstone Coastal Sourveld vegetation type, which covers the vast majority of the coastal area, is classified from a conservation perspective as both Vulnerable and Poorly Protected, thus warranting specific conservation importance to this vegetation type.

The shoreline morphology is diverse, and comprises a mixture of estuarine areas, fine grained sandy beaches, coarse grain sandy beaches, pebble/shingle beaches as well as wave cut rocky platforms. There are 11 estuarine systems found within the WMM Local Municipality DM, including those on the municipal borders. Two systems, the Mzamba and the Mtentu, function as permanently open estuaries and the remaining nine are intermittently closed off from the sea for much of the year. Overall, they are considered to be in excellent to good ecological condition, with five systems occurring in their natural and pristine state, four considered largely natural with few modifications, and only one, the Mtentwana, has been moderately modified. The Mnyameni and the Mtamvuna estuaries are categorised as Endangered, having experienced a significant loss in natural habitat, specifically the destruction of mangrove forest habitat. In terms of conservation importance, the Mnyameni, Mtentu, and Mtamvuna estuaries are among the 120 priority estuarine systems required to meet the national estuarine biodiversity conservation target.

Together with the Mzamba, these systems are critically important for the biodiversity of Wild Coast and the country as a whole. However, only the Mtentu Estuary is well-protected since it falls within the provincial Mkambati Nature Reserve. While there are no formal terrestrial protected areas within the Alfred Zone Coastal Zone, approximately 90% of its coastline and nearshore area falls under the protection of the Pondoland Marine Protected Area. Furthermore, the entire coastal region and much of the incised river valleys within the WMM Local Municipality DM are categorised as Critical Biodiversity Areas, that is, areas containing critically endangered and priority conservation habitats and ecosystems, which further emphasises the vulnerability and conservation importance of the coastal area and the rivers that link it to the hinterland.





#### 4.3.1.2 Biodiversity Management

This area is rich in medicinal plants and as such exploitation is also high, the medicinal plants like *Helichrysum petiolare* (Impepho) have been identified as the most exploited medicinal plant as they harvest this plant in tons for commercial use in KZN. The municipality further established the Planting of Indigenous trees to schools program as a response strategy towards climate change. The program is normally linked with celebrations of the Arbor Week and serves as one of the municipal strategies towards climate change resilience.

Fencing of the proposed Mthamvuna Nature Reserve Project, a project funded by DEA was completed. The process is meant to assist the community in creating a tourist attraction/leisure spot, thereby creating job opportunities to the locals of the area. The aim of establishing the nature reserve is also meant to preserve the natural state of the area as it is rich in biodiversity hence the fencing of the area and establishment of a medicinal nursery which will avoid the overharvesting of a medicinal plants in the area. The nursery is intended to be operated in partnership with the community trust and local traditional healers (Amagqirha) will advise on which plants need to be planted. The municipality is also advised by ECPTA in this project as it has a tourism and conservation component. Proclamation process has not been done yet. DEFF and ECPTA has initiated the People and Parks Youth Conservation Programme which is an overarching youth development programme aimed at ensuring broad-based mobilization of the youth around biodiversity conservation issues whilst ensuring enterprise development, job creation and



participation in the biodiversity economy. The programme plans to recruit 5 champions for the proposed Mthamvuna Nature Reserve. Currently there are about 17 applicants.

#### **4.3.1.3 Alien Plants Encroachment**

Alien invasive plants pose one of the biggest and most problematic threats to the environment of Mbizana. Not only may their effects be latent and sometimes difficult to detect and assess in extent, but they may just as easily be explosive and overwhelming. Similarly, new areas have been invaded that were previously considered “clean” and safe from immediate threat. Within the Mbizana coastal terrain there is a high invasion currently at a tough and challenging pivot point as alien species are arriving and reproducing at an alarming and increased rate, the invasion of alien grasses has dramatically increased the frequency and intensity of fires in dry forests, a combination of natural and man-made factors (such as floods and inappropriate land use practices). The municipality received funding from DEDEAT for Removal of IAP projects in 2015 and 2019 respectively.

The municipality has thus prioritized alien species removal for addressing present and future problems of alien plant control in Mbizana inland and coastal areas, through sourcing of funding from various potential funders i.e. DEDEAT, DEA etc. The program has always been intended for protection, preservation, management, or restoration of natural environments and the ecological communities that inhabit them.

- Increased water security with enhanced stream flow and improved water quality.
- More productive wetlands, estuaries and water tables.
- Rehabilitation of degraded land with a strong emphasis on Land Care to secure the sustainable productivity of land.
- Conservation of biodiversity and catchment integrity and the reduction in the frequency and intensity of fires and floods.
- Inappropriate farming methods on commercial farms have given rise to severe land degradation and soil erosion. Environmental management policies and practices remain sectoral and fragmented.
- Inadequate resources that can assist in fostering sustainable and integrated environmental management practices to improve the life of Mbizana citizens.
- Poor skill development in the aspect of environmental management, hence there is less development.
- Inappropriate development due to shortage of lands in area/lands that need to be protected, e.g. Wetlands.
- Initiate projects which aim to achieve the green economy accord which binds the government, communities, businesses and labour sectors to attaining low carbon-based economic developments growth through renewable energy, such as recycling, electrification of poor communities, youth employment and cooperative support.

#### **4.3.1.4 Climate Change Response**

The Winnie Madikizela – Mandela Local Municipality adopted a climate change strategy in 2015 and it is due for review, processes for advertisement for appointing a consultant to review the strategy have started. The strategy was developed and the responses outlined are aligned with the ANDM Vulnerability Assessment which states that our region is increasingly recognized as one of the areas in South Africa that will be hardest hit by climate change & represents significant opportunities for adaptation and building

local community resilience against extreme hazards and adverse climate change impacts due to its natural biodiversity and ecosystems resource base. The climate change response strategy aimed to: -

- Ensure that the municipality is consistent with national priorities, including poverty alleviation, access to basic amenities including infrastructure development, job creation, rural development, foreign investment, human resource development and improved health, leading to sustainable economic growth;
- Ensure alignment with the need to consistently use locally available resources;
- Ensure compliance with international obligations;
- Recognize that climate change is a cross cutting issue that demands integration across the work programmes of other departments and stakeholders, and across many sectors of industry, business and the community;
- Focus on those areas that promote sustainable development;
- Promote programmes that will build capacity, raise awareness and improve education in climate change issues;
- Encourage programmes that will harness existing national technological competencies;
- Review the strategy constantly in the light of national priorities and international trends;
- Recognize that South Africa's emissions, Provincial and Local emissions will continue to increase as development is realized.
- Ensure that WMM Local municipality IDP prioritizes building climate resilience through planning human settlements and urban development; provision of municipal infrastructure and services; water and energy demand management; and local disaster response, amongst others.

#### **4.3.1.5 Coastal Management**

According to Winnie Madikela – Mandela LM Integrated Coastal Management Programme, the coastal belt stretches approximately 25 kms and forms part of the areas of high conservation value and is regarded as the second coast with the most species rich floristic region in South Africa. Therefore, it is important to ensure that this area is protected and conserved for the present and future generations. The municipality as a coastal municipality has a responsibility to develop an Integrated Coastal Management Program (ICMP) which has currently been developed adopted by the councils, both WMWMM LM and ANDM.

The municipality in trying to implement the programme has partnerships with WESSA and the National Department of Tourism to assist in achieving full status for our 2 Pilot Blue Flag Beaches. The Pilot Blue flag status prioritizes critical areas in which the municipality needs to improve: -

- Improved road infrastructure to the beaches.
- Signage leading to all tourism attractions spots needs to be clearly indicated
- Improved beach management in terms of life guards in all beaches, especially those which host a number of people during holiday seasons.
- Alien removal and creation of walking paths and boardwalks in sensitive areas programme along the 1 km zone.

- An informative mapping of the area which is inclusive of topographic, biodiversity, land-use and all other critical aspects.
- Ablution facilities in all the 5 beaches including parking space, clearly demarcated and camping spots which are clearly demarcated.

It is thus worth mentioning that most of our beaches lack basic facilities. The National Department of Tourism (NDT) and the municipality conducted a project scoping exercise aimed at identifying possible projects for Mzamba and Mtentu beach. The visit was as a result of Mbizana Beach Infrastructure Development, a project by NDT in its initial stage. The following were identified and proposed for possible funding by NDT for the two beaches:

#### **Mzamba Beach**

- Access road (Mzamba mouth)
- Flat board walk
- Life guard tower/structure (Both Sites)
- Life guard training
- Parking area (Mzamba mouth)
- Bins (Mzamba main, mouth)
- Braai stands (ten more could be added each site)
- Ablution facilities including showers (one has been designed and paid for by the Coast care project, but ablution facilities are needed in Mzamba mouth as well).

#### **Mtentu Beach (Skiet bay)**

- Road regravelling
- Bridge upgrade
- Ablution facilities including showers
- Braai facilities
- Concrete chairs & tables
- Bins

#### **4.3.1.6 Integrated Coastal Management Programme**

Winnie Madikizela Mandela Local Municipality is known for its beautiful and diverse coastline, which is part of the captivating Wild Coast of the Eastern Cape. In the past, South Africa's coastline has not always been utilized and managed in an appropriate manner, resulting in the degradation of significant portions of this valuable national asset. In response, the Integrated Coastal Management Act No. 24 of 2009 as amended by Act No. 36 of 2014 (ICM Act) was developed to promote ecologically, socially and economically sustainable coastal development and resource use, as well as to control inappropriate development

along our coast. In respect to coastal management tools, Chapter 6 of the ICM Act mandates all three spheres of Government to prepare Coastal Management Programs (CMPs). A CMP, in general terms, is a policy or strategy document that contains vital coastal management objectives – which serve as a system of principles to guide decisions and achieve rational outcomes relating to the coastal environment.

The situational analysis provides a review and interpretation of existing information on the biophysical and socio-economic characteristics and management context of the Mbizana coastal area in order to identify and describe emergent and recurrent coastal issues, constraints and opportunities. The intention of this component of the CMP is not to re-sample the social, economic or ecological situation of the area but rather to synthesise the numerous existing documents, reports and publications that have done so previously.

The primary objective of the situational analysis is therefore to integrate the findings of the relevant Spatial Development Frameworks (SDFs), Environmental Management Framework, numerous documents and plans for the Wild Coast and other information that is relevant to coastal management within the region. In so doing, this CMP component highlights issues of priority or concern that require specific attention. Emergent and recurring environmental and socio-economic issues of the Mbizana coastal area are summarized in the document.

The inventory analysis on the entire Mbizana coastal belt is as follows: -

- Land use is dominated by natural areas, scattered agriculture / plantations, rural settlements and limited tourism development.
- Shoreline is very diverse with estuaries, sandy beaches, pebble/shingle beaches and wave cut platforms.
- Vegetation Types comprises of coastal sourveld (grass land) & dune forest
- Estuaries – critical and need a proper management plan.

Winnie Madikizela – Mandela Local Municipality established the Coastal Working Committee in 2015 which is a provision made by the Integrated Coastal Management Act (Act No. 24 of 2008) with the intention of broad stakeholder engagement in the management of the coastline. Amongst the objectives of formulating the committee is promoting cooperative governance and provide a conducive environment for all stakeholders to participate in managing our beautiful coast; creating a platform to discuss coastal management issues with a purpose of creating a well-coordinated service delivery to the more vulnerable communities.

#### **4.3.1.7 Working for the Coast Project**

A prominent program (Working for the coast Project) has pioneered Coastal management in our coast for many years, through dune rehabilitation, alien plant removal, cleaning of 5 beaches, construction & installation of beach facilities. The Department of Environmental Affairs funded the WfC project for 2018/19 - 2022/23 financial year with an amount of R9 1000 000.00. The deliverables of the project include mass employment of which MBSA Consulting has been appointed for that purpose. The deliverables include cleaning of 5 beaches which include Mzamba, Mnyameni, Khwanyana, Mdatya and Mtentu-Skiet bay beach.

The project will also include appointment of an implementer for infrastructure project which include construction of braai stands, provision of bins and receptacle bins as well as provision of Park benches and bins however the implementer for this project has not yet been appointed by DEFF.

#### **4.3.1.8 Marine Resource Management**

In the management of the Marine resources, there are two governmental departments operating in the Mbizana coast: -

- DAFF (Fisheries) - operates from a high-water mark towards the sea. Its function is to ensure compliance from all fishers.
- DEDEAT- Responsible for monitoring activities within the 1 km zone from the high water mark towards inland, enforcement and compliance.
- DEA – Assist in management of the Coast through The Working for the Coast Project, which mainly focuses on cleaning of the beaches and maintenance/installation of beach facilities.
- DAFF (Forestry)- manages the indigenous forests in the coastal dunes, development of a policy regarding small scale fisheries is soon to be adopted, which will assist small scale fishers.

Fishing activities are mainly happening in the estuaries. Estuaries serve as a nursery home for marine species; however agricultural practices seem to play a role in interfering with this habitat. Due to inappropriate agricultural practices close to the estuaries siltation causes blockage hence a habitat for marine species is disrupted. ECPTA extended the conservation area and hired rangers to oversee the area. The programme is funded by the Wild Coast Project. The WMM Local Municipality plans to establish a public launch in Mzamba.

This launch site will primarily be used for Small Scale Fisheries and members of the community who hold permits for small scale fisheries in order to access the off-shore fishing grounds. Furthermore, having a launch site within the area of the municipality will boost the economic potential of the Municipality as a coastal tourism destination. The Municipality therefore is in the process of appointing a service provider to undertake an Environmental Impact Assessment process and develop an operational environmental management plan (OEMP) for a Public Launch Site to be established within the coastal zone of the WMM Local Municipality.

#### **4.3.1.9 Mbizana Estuaries and their Challenges**

<b>Estuary</b>	<b>Features</b>	<b>Challenges</b>	<b>Opportunities</b>
Mtentu Estuary	It is a protected area Fishing is prohibited Boats with engines are prohibited It is a nursery for marine species It is a perennial river	Illegal fishing by nearby communities Jet skis enter the estuary illegally	Fly fishing can be successfully done Influx of seasonal king fish hence fishing is possible Canoeing

Estuary	Features	Challenges	Opportunities
	Considered to be one of the two biggest and longest protected estuaries in the Eastern Cape.		Beautiful cliffs that can be viewed by tourists Indigenous forests, hence it falls on the Wild Coast strip Campsite next to the estuary for accommodating tourists It forms division from the Mkhambathi nature reserve
Skhombe	No activities are done in this estuary Non-perennial	Agricultural practice on the river banks causes degradation then the sand is eroded to the estuary hence a build-up of silt in the estuary Sand dunes not covered by vegetation Illegal cottages that are in a very close proximity to the estuary which somehow interferes with the marine habitat.	Canoeing
Khwanyana Estuary	The Khwanyana camp is no longer in existence, hence there are no more activities done such as horse hiking trails	There is a lot of sand build-up that has almost clogged the river hence there is agricultural practice next to the estuary. It is surrounded by bare sand dunes (without vegetation)	
Mnyameni Estuary	Perennial rivers Fishing is good Campsite next to the estuary is currently operated by DEA, however it is supposed to be operated by the Municipality and the community	Agricultural practice next to the river which may affect the estuary	There is a proposed accommodation development
Mzamba	Fishing is good		

Estuary	Features	Challenges	Opportunities
	Proposed boat launching site Used as a film production area due to it's extraordinary natural features Perennial river It is supposed to have a management plan The Wild Coast Sun uses the river as their main water supply Registered launching site ( not functional)		
Mtamvuna	Boats are permitted Host for boat competitions and jet ski's Fishing is not that good hence there are a lot of activities in the river.		

#### 4.3.1.10 Carbon Capture Project

The municipality has improved its functional capacity for undertaking environmental planning and management ever since the establishment of the environmental management unit. The municipality has made a tremendous improvement in performing impact assessments for its projects and general performing environmental tasks associated with our principal responsibilities as per the Constitution. SACCCS (South African Centre Carbon Capture Storage) has been mandated by the South African Department of Energy (DoE) to explore the technical potential for CCS (Centre for Carbon Storage) in South Africa. SACCCS is a division of the South African National Energy Development Institute (SANEDI). South African Centre for Carbon Capture & Storage (SACCCS) has embarked on a Pilot CO<sub>2</sub> Monitoring Capacity Building Project at a natural CO<sub>2</sub> release to inform the development of a detailed monitoring plan for the Pilot CO<sub>2</sub> Storage Project (PCSP).

The monitoring study is conducted along the 80km geological fault line between the areas of Alfred Nzo and Ugu District Municipalities. As a result of the project, the local municipalities within the areas of the fault line studies will benefit greatly through monitoring skills transfer, capacity building programmes and knowledge sharing activities that will include participation in workshops, programmes to be undertaken by research units from South African Universities, South African Government entities and organisation partaking in the monitoring programme. Several meeting with community leadership and entire community sat and the monitoring process has been completed and findings available.

#### 4.3.1.11 Boat Launching Site

Department of Economic Development, Environmental Affairs & Tourism granted the authorization subsequent to the final BAR which was submitted in May 2019. The project now is in the process of implementation.

#### **4.3.1.12 Environmental Management Framework**

The Winnie Madikizela - Mandela Local Municipality appointed Ikamva Consulting on 10 February 2016 to develop an Environmental Management Framework for the municipal/geographical area under its jurisdiction as per Sections 2, 23 & 24 of the National Environmental Management Act (Act 107 of 1998) and the EMF Regulation promulgated under the same Act. The initial project timeframe was six (6) months.

The EM-Phase 1 process has three (3) deliverables, namely the Environmental Status Quo Report, The Desired State of the Environment and Environmental Management Zones Reports. The Final Draft of Desired State of the Environment, Environmental Management Zones and the consolidated EMF-Phase 1 Report was adopted during 2019/20 financial year. The Air Quality Management Plan drafted & adopted by ANDM will be adopted by Winnie Madikizela – Mandela Local municipality as well and MOU will be signed between the two municipalities to clearly outline roles and responsibilities of the local municipality and district municipality.

#### **4.3.1.13 N2 Wild Coast Biodiversity Offset Project**

The focus of the N2 Wild Coast Biodiversity Offset Project is on engaging affected communities along the Wild Coast area where N2 Toll Road construction is underway. Affected communities are those within the proposed polygons (Chaguba Corridor, Mbotyi, Lambasi, Ntentule Falls, Mkambati [often referred to as TRACORLANDS], and Mthentu Gorge). Upon consultation and widespread interest from the affected communities and from those adjacent to the initially proposed polygons, it is worth noting that some additional land parcels have been identified for consideration. These include KwaThahle, KwaCele and Mngazana Mangroves and outreach facilitation underway at KwaThahle and KwaCele.

The approach seeks to find ways to entering into agreements with private and communal landowners to protect and manage land in biodiversity priority areas. This is based on voluntary commitments from landowners with a range of different types of biodiversity stewardship agreements available to support conservation and sustainable resource use. The proposed areas for offsetting are in Port St Johns, Ingquza Hill and WMM Local Municipalities which all form part of AmaMpondo Kingdom which has been actively and wholeheartedly supportive of the efforts to achieve and realize goals of the project.

Outreach facilitation which revolves around engagement with the affected communities along the Wild Coast proposed offset areas in order to reach agreements with the landowners on the protection of the proposed land parcels is underway. Community facilitation derives its credibility and anchored on the three spheres; (i) Traditional Leadership, (ii) Local Municipal Leadership and Local Based Communities. Within the N2 WCBOP itself, for continuous monitoring and evaluation, dissemination of information, strategic support of the project planning and implementation, promotion of the project and community engagement support, four structures were formed; (i) Project Steering Committee (PSC), Biodiversity Technical Committee (BTC), Stakeholder Forum (SHF) and Community Conservation Committees (CCCs).

Planning Phase



The project is planned for a period of ten years with the first two years set for planning and the remaining eight years set for implementation. The planning phase has been completed.

#### Outreach Facilitation

Outreach facilitation has managed to secure preliminary agreements with the traditional leaders – communities with regards to land acquisition. This achievement has been realised throughout the entire proposed offset areas from Port St Johns Local Municipality to WMM Local Municipality. However, it is worth noting that WMM Local Municipality – Mthentu Gorge lagged due to a marathon of negotiations that took place before the realisation of preliminary agreements which basically give opportunity for the two parties to begin the process of ultimate declaration.

The final milestone in the Mthentu Gorge negotiations was the inclusion of Nyavini village/community which had not formed part of the initially agreed area. However due to persistent negotiations and unwavering support from the WMM Local Municipality and the Traditional Leadership this became successful and giving a good complete picture of the initially planned Mthentu Gorge offset site. Site visits were facilitated to all the offset site where in traditional leadership and in some even local government leadership partook in the site visits. Notwithstanding, out of all the offset sites from Port St Johns Local Municipality to Winnie Madikizela - Mandela Local Municipality, Mthentu Gorge site is the only offset site ahead of the rest with regards to site demarcation which is a very significant activity whereby all relevant stakeholders witness the process of actual demarcation of the desired/ proposed protected area by the local community representative from different aspects of the community on the 16<sup>th</sup> and 17<sup>th</sup> of November 2020.

According to the planned activities for the 17th, Mnyameni Gorge was part of the list of places to be visited. Unfortunately, due to the (very critical) meeting with Nyavini Village Community members which took longer than anticipated, the Mnyameni Gorge visit was postponed and is still going to take place as soon as activities resume. After the president pronounced on the Adjusted Alert Level 3 lockdown, Mr Mboyi informed the Community Conservation Committee members about the immediate suspension of activities. This remains until further advise (hopefully a relaxation of the AAL3 lockdown regulations or even the level itself) from the president. This means that ECPTA cannot have any interaction with communities as previously planned until a positive pronouncement is given in this regard.

#### Challenges

- Facilitation of Community Resolutions has been delayed because it's not solely driven from our process has been delayed due to COVID-19 pandemic.
- Inconsistent support from the local municipality structures
- Dwindling support from the traditional leadership
- COVID-19 Pandemic with subsequent lockdown regulations has made it impossible to work directly with the CCCs and communities.

#### Management Plans

The service provider (Sigwela & Associates) appointed by ECPTA to put together management plans on the different aspects of the project delivered the task submitted the plans and exited in September 2020. These pertain to:

- Alien Invasive plant management,
- Ecosystems and Rehabilitation and
- Skills transfer plans. To execute this, additional staffing will be required to enhance the existing capacity.
- Much more specific, the project implementation plans will assist to manage execution phase that consists of:
- Ecosystem and rehabilitation
- Invasive Alien Plants Monitoring, Control and Eradication Plan Project
- Management Unit Implementation Plan: Staffing
- Stakeholder Engagement Implementation Plan
- Tourism Implementation Plan
- Monitoring and Evaluation Implementation Plan
- Training Needs Assessment Implementation Plan
- Occupational Health & Safety Framework for Rehabilitation Activities
- Occupational Health & Safety Framework (COVID-19)

### **Implementation Phase**

The project is currently at a transitional stage from phase One to phase Two. There is not much to share on this now. However, as soon as the PAE, Scientific Services and Stakeholder Engagement units have been given direction by the Executive, there will be sharing of the outcomes through PSC, SHF and CCCs. The appointment of the Project Manager (PM) was approved and will be advertised very soon. This person will put together a team (appointing relevant people) to advance Phase Two of the project.

#### **4.3.1.14 Oceans Economy Project**

The Ocean Economy Project is a project funded by the Department of Environmental Affairs (DEA), with ECSECC providing secretarial and institutional support, and Nelson Mandela University as the Implementing Agency. The Eastern Cape Operation Phakisa: Ocean Economy aims to achieve, among others: -

- Solicit all-round support and escalate the championing of the Ocean Economy Agenda for socio-economic development in the Eastern Cape Province.
- Generate ideas on how the terrestrial and ocean economies can be linked for the benefit of the working class, small and emerging businesses
- Develop funding and resource leveraging strategy to drive the Ocean Economy Strategic Road Map for the next 20 years;
- Profile the potential and competitiveness of the province in the Ocean Economy.
- Canvass support for the implementation of the Strategic Road Map and BID Book.

The municipality has been included in the project as one of the municipalities in which monitoring will be done.

#### **4.3.1.15 Water Quality Monitoring Project**

Human induced activities such as spillages have posed threat to the coastal users and marine biodiversity. Water Quality Monitoring Programme aims to assess the state or condition of the South African oceans & coasts. Monitoring of the coast assists in the identification point and non-point pollution. Water Quality Data enables effective planning and decision making providing tangible facts. Monitoring Directorate has an MOA/ MOU with the Walter Sisulu University for water quality analysis at the National Pollution Laboratory. The NPL further has mobile lab that is currently assisting at the BCC analyzing Physical Properties, Heavy metals and Microbial activity. Department and NPL prior conducted a stakeholder engagement in identifying pilot sampling sites.

The department has increased its capacity by employing Coastal Monitors around the South African coast. Increase in Capacity has opened an opportunity to expand/increase sampling sites. There are currently 5 pilot sites sampled at the Eastern Cape Province which include Qolora; Mzimvubu; Kowie; Buffalo and Swartkops sampling the estuaries and beaches. The Alfred Nzo District, specifically has been included in the project. Location of samples are influenced by human induced activities around the area.

#### **4.3.1.16 YES (YOUTH EMPLOYMENT PROGRAMM)**

This program is done in partnership with Alfred Nzo District Municipality and Conservation South Africa. Winnie Madikizela - Mandela Local Municipality has been granted an opportunity to participate in the Youth Development Program which collaboratively building rural youth capacity for improved catchment management. The program will appoint 40 participants which will work in Mzamba River wetlands and Mnyameni River Catchment & Wetland i.e. 20 participants per site.

The Mzamba river wetlands covers the following Wards: 7, 30, 14 and 19, while the Mnyameni river catchment covers Ward 16 ( Mthayise and Manzamnyama villages).

### **4.3.2 WASTE MANAGEMENT**

Integrated Waste Management Plan was completed and adopted by Council and has been sent for MEC's approval. The municipality gazetted refuse Removal & sanitary by-laws which are currently being reviewed as per the NEMWA. The number of noticeable waste hotspot in town and surroundings has decreased as there is a project funded by DEFF, the Thuma mina green deeds project which focuses on management of illegal spots and environmental education. The project has covered most wards of Mbizana where continuous awareness's are done and cleaning of illegal spots. The Municipality has initiated projects which aims at extending service to unserved areas, waste collection service to 5 villages which are in 3 wards, (ward13, 23 & 24). The municipality aims at servicing those wards through a system called Communal Collection Point System, where by in each village there will be three collection points placed for the community to dispose their waste, and be collected by the appointed constructor

during collection days/rounds. Under ward 13, the project is piloted at Mathwebu village, Didi Village and Ngcingo Village, in Ward 24, we have Garhane Village, Ebenezer Village, and Mzamba Mouth Village and in Ward 23 we have Zikhuba Village, Plangweni village and Sea View Village. The municipality has as well purchased 30 skip bins which will be serviced around town.

Non-implementation of By-laws to deal with waste hotspots is hindering progress in limiting the number of hotspots in Mbizana. Waste management service is being provided in businesses at an interval of 3 days a week, and a total number of 310 businesses, and 1255 households receive our refuse collection services as per the collection database. The services have also been extended outside the CBD i.e. in Governmental institutions and businesses like Greenville hospital, Mzamba Police Station, Ku-bha Service Station, Wild Coast taxi rank, Zamokuhle Special school, Ntlenzi business area, R61 etc. The waste tariffs have been reviewed and currently working on the tariff policy which will give guidance on how best the municipality can bill for the service.

There is 1 legally compliant landfill site which is currently under construction; a temporal dumping site is operated by the municipality. The operational dumping site is currently running out of airspace, and we are anticipating that this is the last year before the site reaches its equilibrium stage, and may no longer take any waste. The municipality has compiled a rehabilitation plan with financial projections in preparation for closure of the EXT 3 dumping site. The plan aims at minimizing the environmental and social impacts caused by the illegal dumping site and to follow legal processes to closing down the site. The municipality is currently in negotiations with Department of Environment, Forestry and Fisheries to finalize construction of the Majazi landfill site.

#### **4.3.2.1 Recycling initiatives, Training and Awareness**

There are informal recycling initiatives in Bizana town (Re-claimers), they sell their waste to impact recyclers. This company is based in Durban and comes twice a week for collection of papers, cardboards and plastics. Metal and cans are sold in Durban, Port Shepstone or Kokstad. Glass recycling is done by Laphuma Ikhwezi recyclers; this cooperative was established by the municipality. The municipality is responsible for assisting the recycling cooperatives in growing their businesses and finding best buyers for their waste. 2 cooperatives are based in the dumping site the Kwakhanya recyclers responsible for cardboards recycling and Siyazama recyclers for plastic recycling. The municipality deals with general lack of awareness by public and waste management awareness are conducted continuously through the green deeds project. This awareness's have played a major role in minimizing waste around town and surroundings there has been an increase in number of recyclers around town.

#### **4.3.2.2 Waste Management Committee**

Waste Management Committee was established in 2017. The main purpose of this committee is to implement the IWMP so as to promote the reduction, reuse and recycling of solid waste, together with plans and programs of community empowerment. The stakeholders are as follows: ANDM (Municipal Health Services, Water & sanitation and Disaster Management), Government Department like DEFF, DEDEAT, DEPT. HEALTH, Transport, Education etc, and NGO's (Hawkers Association, Bus & Association, NAFCOC, Business Chamber). The committee sits quarterly to discuss waste related issues.

## External Support

DEPARTMENT	ACTIVITY
DEFF	Construction of Majazi landfill site
DEFF	Thuma mina green deeds-In progress
DEFF	Cleaning & Greening Stimulus Package Project+

### 4.3.2.3 Continuity of the waste services during Covid-19 Pandemic

Waste Management is one of the most important sanitary barriers to prevent dissemination of illnesses and diseases. It is important to recall that the continuity of the waste services is not only for municipal waste but also for hazardous and healthcare waste. The continuity and continued functionality of recycling are also important during and after the Corona virus crisis passes, but with extra care and adherence to the protocols when this waste is handled and temporary stored.

This is possible by ensuring health and safety measures for waste workers. There is a dire need to ensure the health and safety precautions of waste workers as they are one of the most important sanitary barriers to keep our areas and people safe from several diseases, including COVID-19. Waste workers are everyday on the streets despite isolation and quarantine measures that are taken for the whole population, additional measures considered are as follows:-

- Strict adherence to enhanced hygiene norms, including frequent disinfecting and cleaning of equipment and changing of clothing; replacing protective gloves in the event of breakage or any incident of potential contamination; sanitizing regularly facilities, vehicle cabins and other equipment.
- Ensure safe collection, disposal and treatment after disposal.
- Prepare contingency plans that are tailor made for various situations.

#### Overall Environmental Management Challenges:

- Over exploitation of natural resources due to extraction and changes in land use which result in loss of bio diversity through sand mining, unmanaged harvesting of species and unmanaged harvesting of mangrove forest and other forest stands.
- Soil erosion leading to siltation of rivers and estuaries, and loss of valuable agricultural land.
- The spread of invasive alien species which in turn has the potential to disrupt natural ecosystem functioning. Removal of aliens is being currently carried out by our EPWP employees.
- Poor reporting rate of environmental damage such as degradation due to illegal sand mining which usually occurs in wards 16,22, 25, 28, 29; borrow pits that are used without permits and have been left thereafter without being rehabilitated and natural causes like sinkholes in areas like ward sixteen (16) and ward three (3).
- Inadequate, overloaded or defective sewage treatment infrastructure which leads to environmental and health risks.
- Limited storm water management

- Pathogenic contamination of inland waters due to poor sewage treatment and disposal.
- Habitat degradation. Restoration of plants in their habitats by replanting them.
- Loss of arable land to housing developments
- Lack of awareness of environmental principles and relevant environmental and planning legislation and policy.
- Environmental non-compliances, lack of prioritization of environmental issues.
- No management of wild animals/ problematic animals, causing risks to human lives more especially in rural areas
- No legal operational dumpsite/ landfill. Majazi land fill site still under construction.
- No slipway/launching site for boats to fish offshore.
- A growing number of illegal cottages seem to be a challenge along the coast. These cottages are established by tourists in rural homesteads along the coast.
- Limited land for extension of cemetery.
- Few wards have demarcated land for cemetery.
- Limited space for urban green space in Mbizana.
- Littering in green spaces such as wetland.
- Effluent not properly managed in town, no Effluent Policy.

#### Current and Planned Interventions to overcome Environmental backlogs:

- Adoption of Environmental Management Framework.
- Scheduled Local Coastal Committee meetings to address all coastal issues and create good working relations amongst all governmental departments and parastatals / organizations
- Ward based Environmental and Waste Management awareness's.
- Removal of Alien Plants in various areas.
- Greening of open spaces in town and surrounding areas.
- Adopt a river program by Department of Water Affairs.
- Planting of Indigenous Trees in various schools and other public places.
- Working for the Coast Project
- Proclamation of Mthamvuna Nature Reserve
- Construction of Majazi Landfill site (on hold)
- Establishment and support of recycling initiatives
- Environment and Culture sector – EPWP
- By-law for the control of the seashore and the sea
- Review Cemeteries and crematoria by-laws
- Review of Refuse and Sanitary by-laws.
- Adoption of ANDM Air Quality Management Plan.
- Review of Climate Change Strategy
- N2 Wild Coast Biodiversity Offset Project

#### **4.3.2.4 Disaster Management**

In terms of the Disaster Management Act, 2002 (Act 57 of 2002), municipalities are required to compile municipal disaster management plans. The municipality developed and adopted a Disaster Risk Management Plan (Level 1) in 2015; this document is due for review. The Municipality has currently advertised for the review of Disaster Risk Management Plan.

The function is done by both the ANDM and local municipality, there a satellite office with 1 Disaster Official with no proper equipment. ANDM had conducted a Vulnerability and Risk Assessment in 2016/17. The municipality is in the process of developing Disaster Management By-laws.

##### **Vision for disaster risk management**

To co-ordinate and align the implementation of its plan with those of other organs of state and institutional role-players; and regularly review and update its plan

##### **Mission statement for disaster risk management**

The key intended outcomes of this plan are the integration of Disaster Risk Management into the strategic and operational planning and project implementation of all line functions and role players within the municipality, the creation and maintenance of resilient communities within the area and an integrated, fast and efficient response to emergencies and disasters by all role-players. The municipality has thus developed and adopted a level 1 disaster risk management plan with the following objectives:

##### **Summary of Disaster Management Plan Objectives**

The overall objective of this document is to define and describe the essential elements and procedures for preventing and mitigating major incidents or disasters, but also to ensure rapid preparedness and effective response and aspect specific contingency planning in case of a major incident or disaster that will:-

- Save lives; Reduce risk exposure; Reduce suffering; Protect property; Protect the environment; Reduce economic and social losses; and Provide for the safety and health of all responders.
- Establish integrated institutional capacity within the municipality to enable the effective implementation of disaster risk management policy and legislation i.e. a series of workshops and awareness campaigns was conducted.
- Establish a uniform approach to assessing and monitoring disaster risks that will inform disaster risk management planning and disaster risk reduction undertaken by the municipality and other role-players.
- Develop and implement integrated disaster management plans and risk reduction programmes in accordance with approved frameworks.

- Ensure effective and appropriate disaster response and recovery.
- Prevention and reduction of disaster risks;
- Mitigation of impacts; preparedness for effective response to disasters;
- Minimize loss and property damage; and quick recovery from the impacts.
- To establish Disaster Local Advisory Forum.
- Reduce the risk of disasters caused by human error, deliberate destruction, and building or equipment failures
- Be better prepared to recover from a major natural catastrophe
- Ensure the organization's ability to continue operating after a disaster
- Recover lost or damaged records or information after a disaster

### **Local Disaster Advisory Forum**

The Local Disaster Management Advisory Forum is collaboration between a range of stakeholders from key sectors – government, business, academia, labour and civil society. Its main objective is to enhance the municipality's efforts to reduce risk where possible; assist people to better understand the roles that they could play in reducing the impact of disasters; to assist in the development of clear actions to address all aspects of disasters risk reduction

Winnie Madikizela – Mandela Local Municipality established Local Disaster Management Advisory Forum. The objectives of the forum are as follows;

- Give advice and make recommendations on disaster-related issues and disaster management;
- Contribute to disaster risk management planning and coordination;
- Establish joint standards of practice;
- Implement incident management systems;
- Gather critical information about the municipality's capacity to assist in disasters and to access resources;
- Assist with public awareness, training and capacity building;

The forum sits quarterly, minutes and attendance registers are indicators for this target.

ANDM is working together with Local municipality and also Provincial Disaster Management Centre.

#### **4.3.2.5 Fire and Rescue**

This service is done by ANDM, operating a Satellite centre and we are in the process of signing a memorandum of understanding where in jointly Fire tariffs will be determined and implemented. Municipality Conducts Veld Fire awareness in various wards of Mbizana in partnership with Alfred Nzo District Municipality Fire and Rescue. ANDM Fire and Rescue services conducted training for fire fighters in ward 07- 30 volunteers, ward 29 - 90 volunteers and ward 30- 30 volunteers. Winnie Madikizela – Mandela Local Municipality is planning to engage Working on fire and ANDM so as to establish a fully fledged Fire and Rescue Services in future. The municipality is planning to develop Fire management plan. The ANDM is currently assisting with resources whilst we are awaiting for development of a plan.



### **Objectives of working on fire**

- Is intended for protection of natural vegetation;
- To create a community upliftment programme that will employ people especially the disadvantaged groups e.g. Women and Youth.
- To secure livelihoods and sustainable environment;
- To promote environmental strategies in minimizing veld fires through fire and life safety awareness and education campaigns;
- To provide trainings in different skills.
- The forum sits quarterly, minutes and attendance registers are indicators for this target.

### **External Support**

Department of Environmental Affairs  
Alfred Nzo District Municipality Disaster Management  
Alfred Nzo District Municipality Fire and Rescue  
Provincial Disaster Management Centre.

#### **4.3.2.6 Community Facilities**

##### **Cemeteries**

The municipality is currently operating 1 cemetery in Ward 1 using the cemeteries and crematoria by-laws. The by-laws are currently being reviewed and amended. A plan to fence rural existing cemeteries is also in place and conduct cemetery awareness campaigns.

##### **Park & Heritage sites**

The municipality received funding from Department of Environmental Affairs for the development of a community park of Mbizana in ward 1, close to extension 3. The municipality maintains 4 heritage sites within the municipality's jurisdiction which include, Khananda, O.R. Tambo monument, Winnie Madikizela and Ndlovu heritage site. The purpose of having the community park is for recreational benefit, aesthetic benefit as well as ecological benefits. The municipality is also currently reviewing a policy relating to Parks and Municipal Facilities.

##### **Community Halls**

There are 34 functional community halls. The operation of the halls is done through the adopted policy: The Municipality has recently fenced Dudumeni Community Hall in Ward 8, now we are currently advertising for fencing of Mzamba Community Hall in Ward 7. There are caretakers employed under the EPWP that are safeguarding all community halls. The Hire of Recreational facilities policy which is reviewed and adopted by council, the municipality continues to maintain and operate all recreational

facilities and this is possible with cooperative assistance from established Hall Management Committees. All community halls are Covid 19 compliant as there are social distancing stickers on the floor, Posters and sanitising stands.

- Hall Management Responsibilities
- To ensure proper management of the halls.
- Receiving and consider requests from community and stakeholders for the use of Municipal Facilities; responding and/or recommending requests.
- To ensure general routine maintenance of halls.

### **Social Programmes:**

Social Relief of Distress Policy has been reviewed & adopted by the council,  
Qualifying households are assisted during disaster incidences.

#### **4.3.2.7 Free Basic Energy (FBE)**

Winnie Madikizela – Mandela municipality is subsidizing free basic energy to the indigent households both in urban and rural people. In urban we are providing about **270** indigent beneficiaries and in rural villages there are **1319** indigent households receiving free tokens on a monthly basis through Eskom.

#### **4.3.2.8 Free Basic Alternative Energy (FBAE)**

The municipality has been implementing the solar energy project funded by the Department of Energy since 2011; this solar energy project is mainly used as our alternative energy source. The municipality is currently providing assistance to about **4150** installed customers in the following wards: 11, 14, 15, 16, 25 & 28. The municipality has been granted more solar panels by the Department of Energy, about 1000 and is in a process of installations in the following Wards: 1, 4, 6, 7, 13, 17 and 31. The Municipality is also working on removing solar systems panels from households that have been connected with grid electricity in the following Wards: 11, 14, 25.

#### **4.3.2.9 Indigent Register**

The municipality has developed and adopted an indigent register for **2020/2021**. The review process is a yearly program. The municipality has an adopted indigent policy and it will be reviewed in April 2021. This policy is a guiding document which determines how the institution can provide the Free Basic Services. It is taken from the National Indigent Policy framework and also some of the legislative frameworks like:-

- The constitution of the RSA (Act. 108 1996)
- The Municipal Systems Act. 2000 (Act 32 of 2000)
- The Municipal Finance Management Act 2003 (Act 56 of 2003)

- The promotion of Administrative Act; 2000 (Act 3 of 2000)
- The promotion of access to information Act 2000 (Act 2 of 2000)
- The municipal Property Rates Act; 2004 (Act 6 of 2004)
- The municipality has established an Indigent Steering committee which constitutes of all Ward Councilors, CDW's, Traditional Leaders, Service Providers for free basic services and ANDM.

#### **4.3.2.10 Library Services**

Winnie Madkizela – Mandela Local Municipality through the assistance of DSRAC has three libraries: Mbizana Public Library situated in town (Ward 01), Nkantolo Modular Library placed at Oliver Reginald Tambo Technical School (ward27) now located at Nkantolo JSS and Dudumeni Modular Library now known as Monwabisi Mfingwana Public Library (Ward 08) placed at Dudumeni Community Hall. DSRAC has managed to assist the community of Ward 24 with Classroom library at Ebenezer J.S.S. to be used by all schools and members of the community. DSRAC has provided furniture, telephone and books for the library and the municipality with support staff. All our libraries have been given telephone connection by DSRAC.

Schools with active libraries are as follows: -

Plangeni J.S.S., Lingeletu J.S.S, Mfolozi J.S.S, Intsingizi J.S.S, Qandashe J.S.S, Ngcingo J.S.S, Sontsele S.P.S, Zamokuhle J.S.S, Ezizityaneni J.S.S, Baleni S.S.S, Ntlalontsha J.S.S, Didi S.P.S, Stanford S.P.S, Ebenezer J.S.S, Nonkqubela J.S.S, Ncura J.S.S, Dudumeni CHS, Mdatya SPS, Ethridge JSS, Qadu JSS, Critchlow JSS, Lindokuhle JSS, Ndunge JSS, Mzamba CHS.

Taking libraries to people through outreach/awareness programs which are conducted throughout Mbizana communities: -

- South African Library week,
- World Book & Copyright Day,
- International Literacy Day,
- Holiday programs,
- Formation of Book Clubs,
- National Book Week.

South African Library for the Blind has managed to place a Minilib section for the visually impaired individuals through funding from DSRAC and we are working closely with Zamokuhle Special School as our targeted school and Mbizana communities. SALB has provided the library with new furniture for the Minilib users. Statistics of the number of people using the library has increased and also the membership. Libraries functions with Library Committee. Library committee is responsible for the promotion of readership, supporting literacy projects, effectiveness & efficiency of library services, provision of support and establishment of other libraries, mobilization of resources for libraries, represent community library related matters, library advocacy, organizing the events for library promotion. The municipality has developed and adopted a Library policy addressing the following:-

- Legislative Mandates which governs the library
- Appropriate library behavior
- Library materials and building

- Noise
- Children facilities
- Food and drinks
- Computer usage policy
- Patron comments and suggestion policy
- Library program policy
- Library membership

DSRAC is in a process of doing Library and Information Services Draft Collection Development Policy. DSRAC and the Municipality have signed the memorandum of agreement which is to ensure the provision of an effective and efficient library and information services for the benefit of the communities of WMM Local Municipality. We also receive yearly funding from DSRAC which is R350 000 to assist in all our library needs, as we have done general maintenance to Mbizana Public Library and also signage.

DSRAC responsible for capacity building programs, co-ordination and support establishment of library structures, provision of security services and Monitoring and evaluation. Build new libraries and provide modular library structures to rural areas and hand them to Municipality. Purchase library furniture. Purchase and process library materials. Provide security of library materials- detection systems and CCTV cameras. Municipality is responsible for maintaining existing library facilities, assist in supervision and administration of staff in public libraries, and establish library structures: Friends; committees, support awareness programs.

- Library and Community Development
- Educational support
- Reading for leisure
- Personal development
- Community development initiatives support

Library and Information Services are valuable collaborators in providing and promoting access to information holistically, compelling customer service, lifelong learning, assistance with research and data collection, access to infrastructure, publicity and other expertise, places and spaces for community programmes and community involvement, and innovation and critical thinking.

#### **4.3.2.11 Protection Services**

Protection Services is subdivided into five units viz; Traffic law enforcement, Security & VIP unit, driving license Testing Centre, Vehicle licensing and Pound. The Entity is guided by the following regulations: National Road Traffic Act 93/96, Administration Adjudication Road Traffic Offences, National Land Transitional Transportation Act, Private Security Industrial Regulation Act, Municipal Bylaws, Municipal Policies, Pound Act, and Animal Act (SPCA).

Fundamental functions of traffic section is: -

- To ensure free traffic flow
- Provide law & order and ensure safety for all road users
- To reduce road accidents and carnages
- To create awareness campaigns addressing traffic safety issues
- To project a professional image of the enforcement practitioners
- To assist in crime prevention activities and proactive policing initiatives
- To enforce Municipal Bylaws

Winnie Madikizela – Mandela Local Municipality had 6 traffic officers to cover the area of Mbizana and seven traffic wardens to enforce the law around town. Traffic section has managed to issue 2655 traffic fines and conducted 20 road blocks to ensure the safety of road users and maintaining law and order in the year 2019/2020.

#### **4.3.2.12 Security Services**

WMM Local Municipality have 12 twelve sites that are guarded by the in-house and private security. The Municipality have twenty Security personnel to safeguard the Institution (WMM Municipality) with all the resources which is human and assets working from Monday to Friday, covering mornings, and afternoons. Weekends and public holidays as well as night duties are covered by private security services (Pro secure JV Alunga Trading) contracted for three years starting from 1<sup>st</sup> February 2018 ending in January 2021. (Contract for Private Security Company has been extended with a period of a month from 01<sup>st</sup> February 2021 to 28<sup>th</sup> February 2021 whilst we await the appointment of new company). Fundamental functions of security is to ensure safety and security of the Municipal properties, assets and staff in the work place

#### **4.3.2.13 Driving Licence Testing Centre**

Winnie Madikizela – Madikizela Local Municipality Driving License Testing Centre has been operational since 2009 where credible learner's license; Professional driving licenses and renewal of driving license cards are produced. Mbizana Driving License testing Centre was graded by the Department of Transport as Grade B Testing Station. The DLTC has been operational in its full capacity all these years until the Country was faced by Corona Virus Pandemic where the State President announced the National Lockdown from the 27 March 2020. The Station was closed until the 31<sup>st</sup> May and resumption of duties came to force on the 1<sup>st</sup> of June 2020 with permanent Examiners employed, it has helped with smooth running of the station and two traffic officers seconded to the DLTC have also addressed the challenge of back lock that we had experienced due to Covid-19 pandemic.

This infrastructure benefits the community of Mbizana and South Africa at large. The system used in the DLTC belongs to Department of Transport and the total collected amount goes to Municipality as per Service Level Agreement. That will promote service delivery which is the mission and the vision of WMM local municipality. In 2020/2021 financial year the Driving License Testing Centre manage to produce 2793 driving license, 433 Professional Driving License and 1123 learner's license. The section

has also managed to buy cash detectors and money counter machines to make things easier for cashiers and the construction of the ramp for physically disabled has been constructed.

### **Fundamental functions of Driving License Testing Centre**

The core functions that are presently being conducted at Mbizana testing center are as follows:

- Monday, Wednesday and Friday the learner's license bookings are done and in between driver's license renewals are conducted concurrently.
- DLTC also runs learner's license classes twice a week which is Tuesday and Thursday, two classes a day and each class consist of 12 applicants the total is 48 applicants per week due to the fact that the Country was placed to Alert Level 3 Lockdown.
- Our Centre is currently testing 8 applicants per day for driving license test.

### **Registering Authority**

This is registration and licensing of motor vehicles. During 2020/21 financial year the station managed to register 4955 vehicles. Out of the total amount collected from Registration and Licensing 81% goes to Department of Transport and 19% goes to WMM Local Municipality as according to service level agreement in place.

Fundamental functions of Vehicle registration and licensing are as follows: -

- Registration of all types of motor vehicles
- Licensing of motor vehicles
- Notices of change of ownerships
- Handling all motor vehicles queries
- Issuing of temporal and special permits
- Issuing of motor trade numbers
- Attending to deregistration's reasons whether it's because of theft or any other reasons
- Applications for documentations
- Filing and any other issues related to motors vehicles
- Issuing of forms for all transactions

#### **4.3.2.14 Community Safety and Security Services**

Winnie Madikizela - Mandela Local Municipality have five police stations situated within the Municipal Jurisdiction, Bizana, Mzamba, Mpisi, Ndengane and Qhasa. The above is contrary to the policy provision which states that a new police station may be required when there is a new settlement, drastic increase in population density, increase in crime rate as well as travelling distance and per capital costs to access police stations. This in effect means that on average, 1 Police Station is serving an area

of 701.5 km<sup>2</sup> and 58 831 people. The establishment of new additional police station at Qhasa Location in ward 11 now assist reduction in crime and also workload from other Police Stations. Qhasa is now under Mbizana in terms of demarcation and policing, as such reporting becomes easy.

Due to distance between Police station and most communities, SAPS has organised a mobile SAPS truck with all the equipment which is used as a contact point roving all the wards in order to bring services closer to the communities. Furthermore, it is used as point centre for all the Departments including the Municipal Desk for Proof of Residence. The department has identified Gender Based Violence, Murder and Stock theft as leading crimes in Mbizana also not forgetting housebreaking, assault, rape and armed robbery as prevailing crimes in all the police stations due to increased number of cases reported.

The department has established a maximum of 61 Community Policing Forums in all the stations i.e. 28 structures under Mbizana police station, 21 structures under Mzamba police station, 8 structures under Mpisi, 4 structure under Ndengane satellite station and Qhasa has formulated 3 structures, however the department is experiencing a number of challenges viz:-

- Bad conditions of access roads
- Poor street lightening in town
- Poor conditions of access bridges
- Lack of personnel, transport and non-maintenance of police stations.

Despite the shortage of human resources and mobile resources, the department has undertaken cluster operations and station operations conducted to reduce crime and as result there is a general decrease in crime levels in terms of contact crimes and property. The department has planned some intervention to further reduction of crime levels which include: -

- Motivation of communities to cooperate with Community Policing Forum and police in reporting crime and identifying offender
- Encouraging communities to register as police informers.
- Conducting operations and increase police visibility.

Some of the locations from ward 2 are poled by Mt Ayliff although in terms of demarcation they fall under Mbizana and that also needs to be addressed. The proposal of Satellite station in ward 2 (Ntamonde Village) is underway and that will cover the distance between Bizana SAPS and Mount Ayliff. As according to the statement released by the President declaring a national state of disaster due to Covid-19 pandemic, Protection services had to work with SAPS to enforce disaster management regulations due to shortage of staff within SAPS.

### **Mbizana Community Safety Forum**

District Community Safety Forum was launched in 2013 and was last revised in 13 November 2018. Mbizana Community safety forum was approved by the council and it reports quarterly in a bigger Forum at a district level - ALFRED NZO. It has a focal point on Awareness campaigns after it had been established that people in Mbizana are most vulnerable due to ignorance. Identified critical areas in terms of crime rate receive serious attention from the Forum and the plan for the forum is to conduct awareness

campaigns to all identified hotspots. Law enforcement operations are also on progress to focus mainly on those that are transgressing the laws of Country.

### **Mbizana Transport Forum**

The forum was also established in 2012 with intentions to specifically deal with issues of public transportation in Mbizana and is soon to be revised this 2020/2021 financial year. Mbizana Transport Forum reports quarterly at local level but due to Covid-19 pandemic it never sat.

District Safety and Liaison had allocated a budget to deal with issues of intervention where required and Alfred Nzo District Municipality had confirmed availability of an amount of R73 000.00 which was never exhausted due to Covid 19 Pandemic. Winnie Madikizela - Mandela Municipality budgeted R345 492.00 for the projects in relation to the Program of Mbizana Community Safety forum.

#### **4.3.2.15 Enforcement of Municipal Bylaws**

WMM Local Municipality had 45 gazetted By-laws in total and these bylaws are actively served by Protection Services – law enforcement unit trained as Peace Officers ( Peace Officers are designated to enforce any piece of Legislation whether Traffic bylaw, Building regulations, Waste management bylaws, Municipal Policies etc.).WMM Local Municipality has an operating landing- strip, an accredited infrastructure by the South African Aviation Board. The infrastructure had been operating for some ages situated in an open space with loitering stray animals as it currently coincidentally serve as an unauthorized grazing land.

#### **4.3.2.16 Municipal Pound**

WMM Local Municipality Pound is operational with effective By-laws. The revenue collected from stray animals impounded with effect from 1<sup>st</sup> July 2020-30<sup>th</sup> June 2021 was **R10 131, 43**. Now that the Pound has a backup generator whenever load shedding is affected by Eskom safety is guaranteed. The core function is mainly to foster the culture of responsibility amongst our communities to take care of their livestock, keeping them away from the roads thus limiting the number of accidents and also eradication of stock theft.



## 4.4 KPA 2: LOCAL ECONOMIC DEVELOPMENT & SPATIAL PLANNING

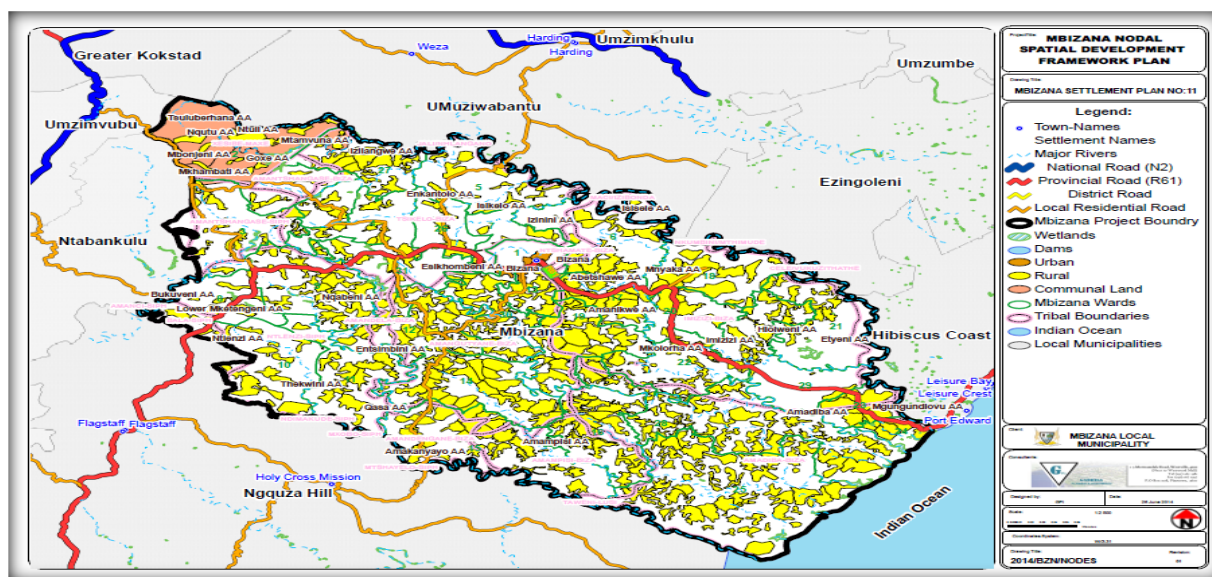
### 4.4.1 SPATIAL PLANNING AND LAND USE

#### 4.4.1.1 Land Issues - Settlement Patterns

Winnie Madikizela – Mandela local municipality is predominantly rural and consists of scattered low-density rural settlements which are surrounded by communal grazing and arable land. Settlement densities appear to be directly correlated with accessibility. Over recent years a considerable number of people have crowded settlements along the R61 and other arterial commuter routes and in close proximity to urban centres in search of better services and economic/employment opportunities. This has resulted in uncontrolled occupation of valuable agricultural land, which is contributing to eroding the remaining resources available for people to sustain their rural livelihood. These areas of higher settlement density, being situated on the main route through the area (R61) and in close proximity to the urban centres of Bizana Town and Port Edward, can be classified as peri-urban. Peri-Urban Settlements of Sirhasheni and Ebenezer (at Mzamba near Port Edward), Ngcingo and Didi (near Bizana Town).

Settlement patterns in Mbizana still reflect, to a large extent, spatial planning of the Apartheid past. The current structure and spread of rural settlements and households therein makes it difficult for the municipality to provide services in an effective and efficient manner. Furthermore, sprawling settlements are also located along steep sloping terrain on the crests of hills which further puts more strain on the limited resources the municipality has in terms of providing services to its communities. However, the municipality has made strides in redressing the imbalances of Apartheid spatial planning in identifying and providing basic services in those areas that were ignored in the past.

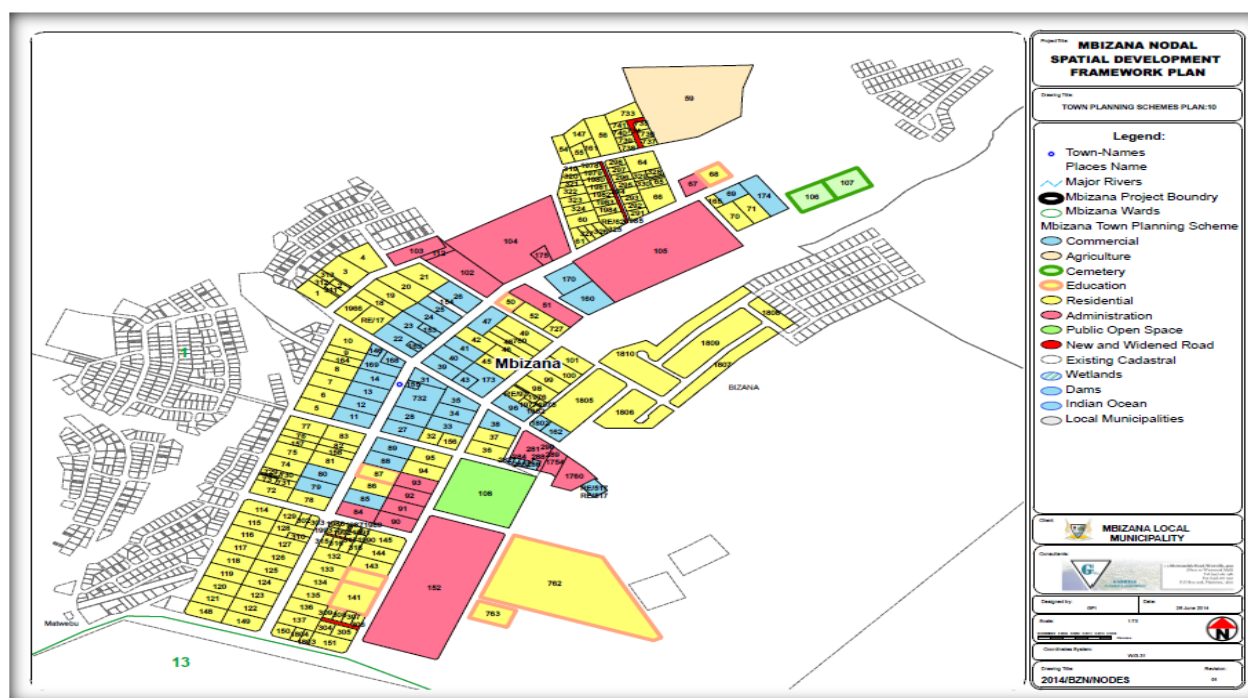
Map: Illustrating Settlement Pattern within Mbizana



#### 4.4.1.2 Settlement Pattern - Urban Centre (Bizana Town)

The main urban centre in WMM local municipality is Mbizana Town. According to the Mbizana Nodal Development Framework (2013) the town serves as an administrative centre for the municipality with several other land uses such as residential, retail, commercial, and service industry, civic facilities and limited light industrial. Generally, residential activity in the town is scattered and isolated. The main residential suburb is located east of the town. It is characterized by low density units with a height of 2 storeys. To the north of Bizana town is a mix of informal settlements and low-cost housing. To the east is also low-cost housing and to the south of the town are low density rural settlements.

**Map: Illustrating –Urban Centre Settlement Pattern**



#### 4.4.1.3 Available Land for Development

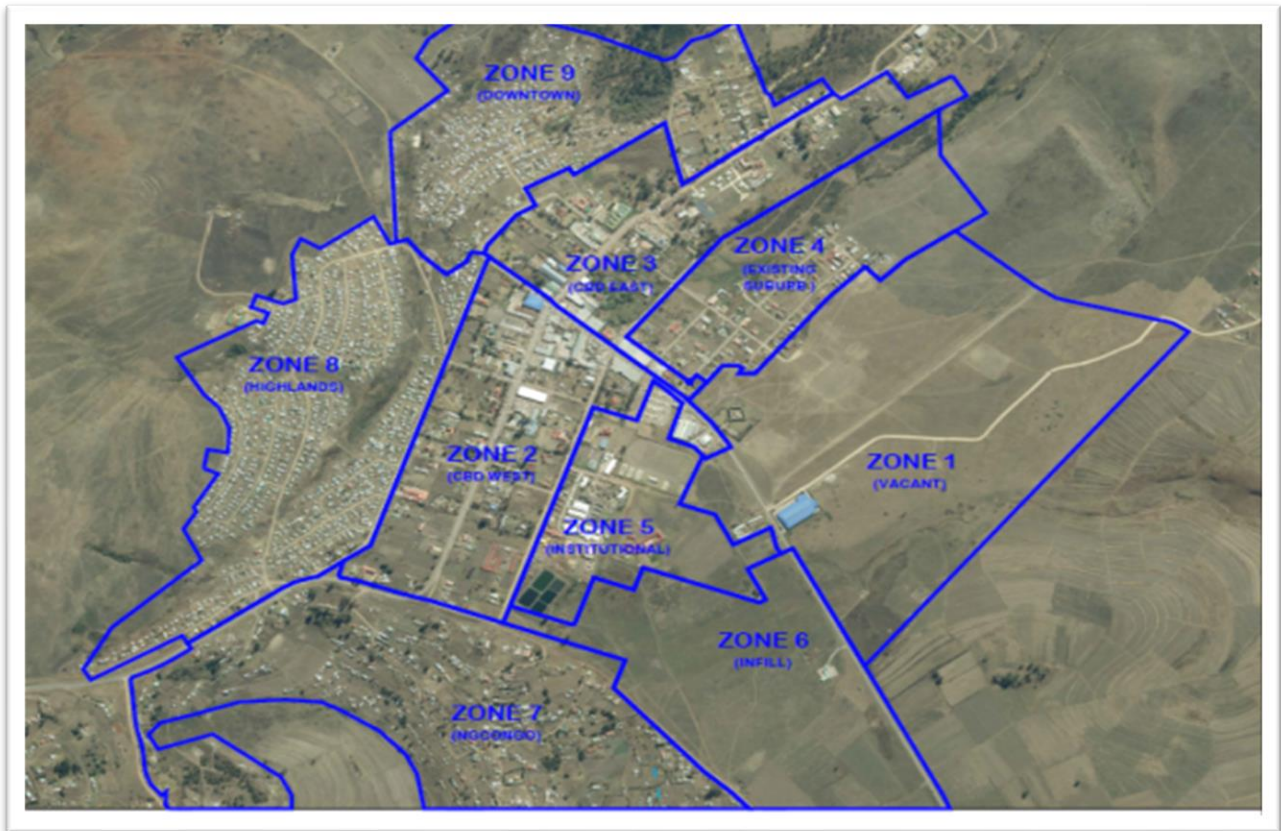
The proposed district zones divide the CBD into portions of distinct character and use which presents unique opportunities for intensification and diversification of land uses. The district zones indicate where higher density development, business areas and the like are permitted. The CBD is divided into 9 zones:

**Zone 1:** The area is currently vacant but future development would include light industries, commercial, business, mixed use, educational and residential development.

**Zone 6:** Proposed site for Infill development such as commercial, business offices and mixed uses.

Mixed use development will be associated with shops and offices on the ground floor of high-density residential development. Commercial, business and retail uses are to be located outside the existing commercial, business and retail core in Zone 1, and 6.

**Map illustrates the available land for development**



#### **4.4.1.4 Mbizana Land Claims**

Number of erven in the town are subject to land claims. In terms of Section 11 (7) (A) of the Restitution of Land Rights Act (Act 22 of 1994 – as amended) – no person may sell, lease, donate, subdivide or develop land that is the subject of a land claim. This, as a result, is preventing much needed development of land within the town. It is therefore of extreme importance that unresolved land claims be attended, or where land is required for essential facilities and services, the commissioner grant permission for such development applications to proceed. The Municipality and Ntshamathe have developed agreement that is signed by one party and is hindering the desired development. The Community Property Association (CPA), is not signing giving various reasons that are not helping both parties to grow the economy of Mbizana. There are number of land claims lodged in WMM LM during the past years.

Various individuals, groups and communities lodged restitution claims for various portions of land around within the municipal area. The nature of these claims vary from one claim to another, most of them are community claims which involve large portions of land. Some of these land claims fall within the Sustainable Rural Development Program (ISDRP) nodal point. They are as follows:

- Betterment claims
- Commonage claims
- Forestry claims
- Conservation claims
- Sugar cane claims

The table below shows 25 rural and urban restitution claims that were lodged and registered with the Land Claims Commission within WMM LM:

Project Name	Reference	Status	Location
Mhlanga Community/ Chief Mandlenkosi Sontsele	6/2/2/D/967/0/0/12	Research	Mhlanga Section A locality no. 13 at Ntshamathe A/A in Bizana
Ndabakhe Mnisi/Ncura Community	6/2/2/D/974/0/0/7	S 42D	Ncura, Bukweni AA
Vuyani Mabude	6/2/2/D/967/0/0/22	Research	Esikhumbeni A/A
Nkosiphendule Wiseman Mqhaka/Nomlacu Community	6/2/2/D/967/0/0/23	Research	Nomlacu Section A
Makhaola Bolofo	6/2/2/D/967/0/0/1		Lot 161
Peter Pretorius	6/2/2/D/967/0/0/2	Research	Mngungu Trading store
Mgungundlovu Community	6/2/2/D/967/0/0/3	Court Referral	Farm 1 - D.T.
Mfolozi Community	6/2/2/D/967/0/0/4	Settled	Mfolozi Location No.16
Hloweni Community/Mfolozi Community	6/2/2/D/967/0/0/5	Settled	Hloweni Lot 18
Izinini Community	6/2/2/D/967/0/0/6	Settled	Part of erf 110
Zebon Mhlongo	6/2/2/D/967/0/0/14		Mgungundlovu No. 24
Gretta Pholo	6/2/2/D/967/0/0/16	Research	Ntshangese A/A Dumsi locality.
Pieter Johannes Christian Pretorius	6/2/3/D/967/2108/195/2		Erf 93; Erf 94 and Mngungu Trading site in Madiba AA
Belina Gasa	6/2/2/D/967/0/0/21	Research	Trust land - Mfolozi Area
Etyeni Community	6/2/2/D/967/0/0/20		Etyeni Location 19
Muziwandile Tobo	6/2/2/D/967/0/0/19	Research	Mzamba Sikelweni A/A
Willie Smith	6/2/2/D/967/0/0/18	Court referral	Umngungundlovu A/A Fram D Location 24
Herbert Tshutsha	6/2/2/D/967/0/0/17	Research	Lorolweni 124 Amadiba A/A
Nomlacu Community	6/2/2/D/967/0/0/15	Research	Nomlacu Section A
Mahlubandile Msalela	6/2/2/D/967/0/0/13	Verification	Unspecified Land
Esikhumbeni Community	6/2/2/D/967/0/0/7	S 42D	Unspecified Land
Mhlanga Community	6/2/2/D/967/0/0/8	Research	Ntshamate Loc 13
Mzamba Community	6/2/2/D/967/0/0/10	S 42D	Sikhumbeni Admin



Project Name	Reference	Status	Location
Winfred Sogoni	6/2/2/D/967/0/0/9	S (6) (2) B	Amantshangase Location No. 25
Zolile H Sikotoyi	6/2/2/D/967/0/0/11	Verification	Unspecified Land

### Unresolved Land Claims

There have been difficulties in mapping all areas subject to land claims within Mbizana. The Department of Rural Development and Land Reform in the Eastern Cape is in the process of issuing and finalising title deeds. Mapping of these areas have been completed and we are busy with valuation. These fall within the following communities: -

- Izinini
- Mgungundlovu (Wild Coast Sun) which forms part of a successful land claim.
- Ntshamathe
- North Pondoland Community Claim (Sugar Estate)

### Pockets of Land Still in other Spheres of Government Possession

The majority of land in Mbizana is mainly state land held in trust by the Minister of Land Affairs. Some state land (former commercial farms) has been surveyed and registered, however much, particularly communal land, has only recently been surveyed and is still unregistered in the Deeds Registry.

The municipality is restricted in terms of identifying land for development since most of the land in the municipal area is subject to land claims. However there are small pockets of land that is privately owned in the urban centre and around Mzamba (Wild Coast Sun) which forms part of a successful land claim. The following table represents land earmarked for development that is owned by the Department of Public Works within Bizana town: -

### Land Owned by Government

kh	Property Type	Property use	Extent	Description of property	Intended land use
76	Residential	Vacant	0.2231	R61 Bizana main road	
86	Residential	Institutional	0.4561	R61 Bizana main road	Business
87	Educational	Educational	0.4561	R61 Bizana main road	Business
102	Government	Government	1.2059	R61 Bizana main road	
103	Government	Government	0.5968	R61 Bizana main road	
104	Government	Old buildings	4.6156	R61 Bizana main road	Offices & Housing
105	Government	Government	6.6841	R61 Bizana main road	Subdivide and do housing development

kh	Property Type	Property use	Extent	Description of property	Intended land use
111	forestry	forestry	2.7269	R61 Bizana main road	
112	Prison	Government	0.1674	R61 Bizana main road	
152	Government	Government	10.5091	R61 Bizana main road	
169	Commercial	Commercial	0.4292	R61 Bizana main road	
170	Commercial	Bottle store	0.6703	R61 Bizana main road	Bus Rank
173	Commercial	Post Office	0.5799	R61 Bizana main road	
175	Government	Government	0.1877	R61 Bizana main road	

#### 4.4.1.5 Dwelling Types

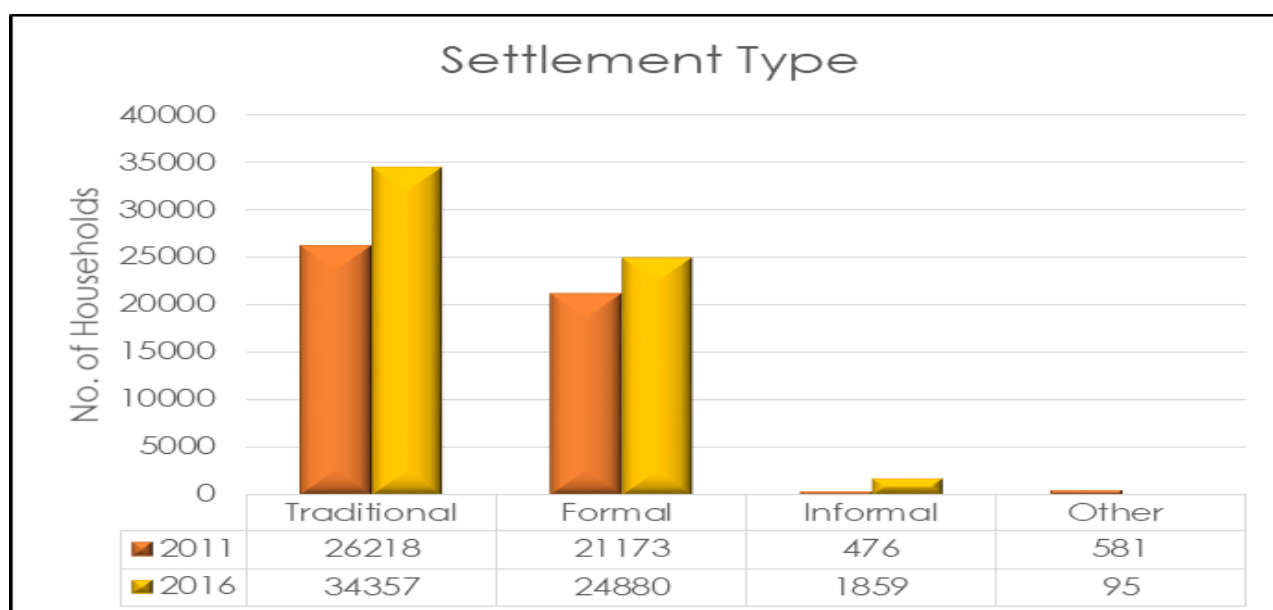
According to Stats SA, the majority of households in WMM local municipality reside in traditional dwellings. It is evident that much of the housing projects will be rural in nature given traditional character of the dwelling houses in the municipality. However, the biggest challenge with rural areas is the lack of amenities and facilities which are essential for sustainable human settlements. Facilities therefore, are to be provided as part of the human settlement projects. The settlement types are classified as: -

**Formal:** formal dwelling house or brick/ concrete block structure on a separate stand or yard or on a farm, flat apartment in a block of flats, cluster house in complex, townhouse (semi-detached house, formal dwelling house/flat/room in backyard, room/flatlet on a property or larger dwelling /servants quarter/grant flat/cottage.

**Traditional:** Traditional dwelling/hut/structure made of traditional materials.

**Informal:** Informal dwelling/shack in backyard dwelling/shack not in backyard (e.g. in an informal/settlement or on farm).

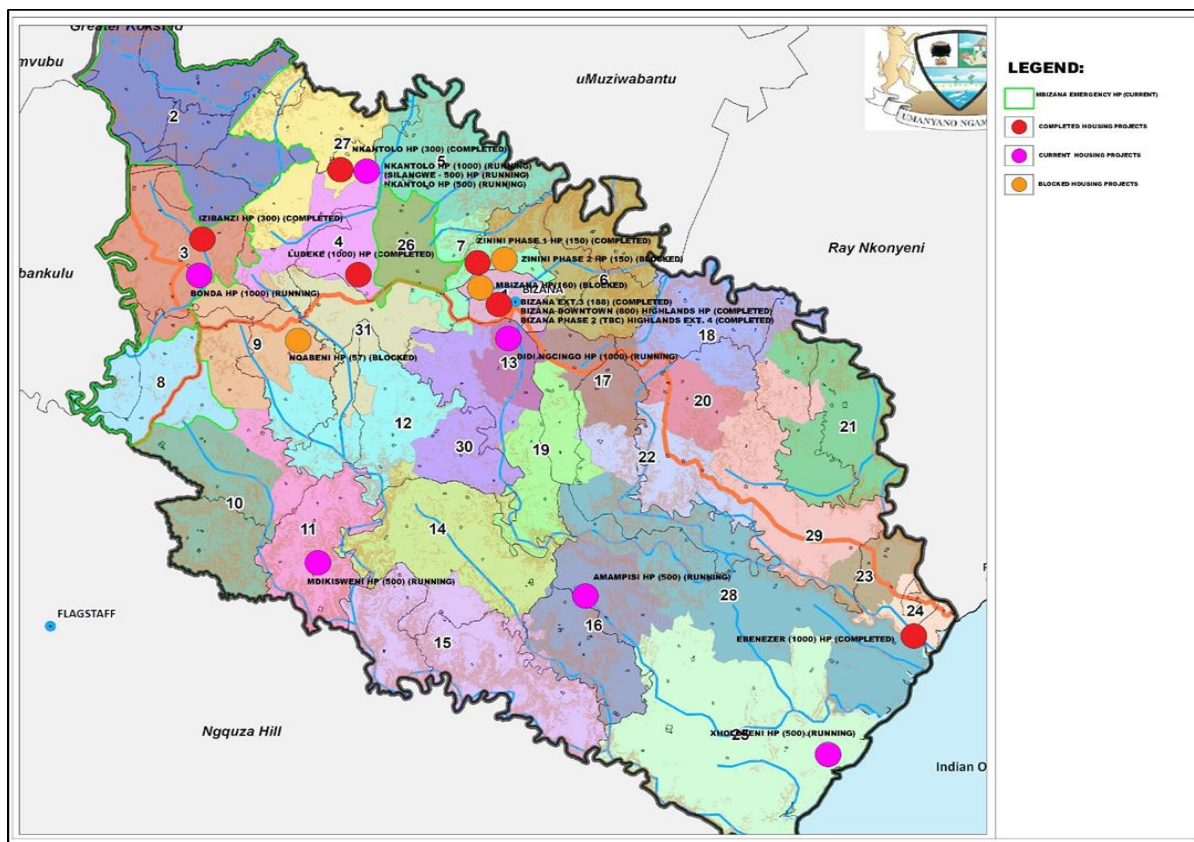
**Other:** Caravan or tent



#### 4.4.1.6 Human Settlement Project

The municipality has developed a housing sector plan in 2017/18 financial year. This is our guiding document in facilitation and implementation of sustainable Human Settlement development. Part of this IDP's project list, a sector plan has been developed in the 2017/18 financial year for guiding our role in facilitating the implementation of sustainable housing and settlement development. Alfred Nzo Region has planned to develop Projects in Winnie Madikizela – Mandela Local Municipality. The Department plays the role of a Developer in all the above-mentioned projects' under WMM Local Municipality, the backlog is just above 376 99 beneficiaries waiting for the housing subsidy. This is informed by the number of units on Running Projects, Projects at Pre-Planning, Blocked projects and Projects at Feasibility Study Stages.

**Map; illustrating completed, current and blocked housing projects**

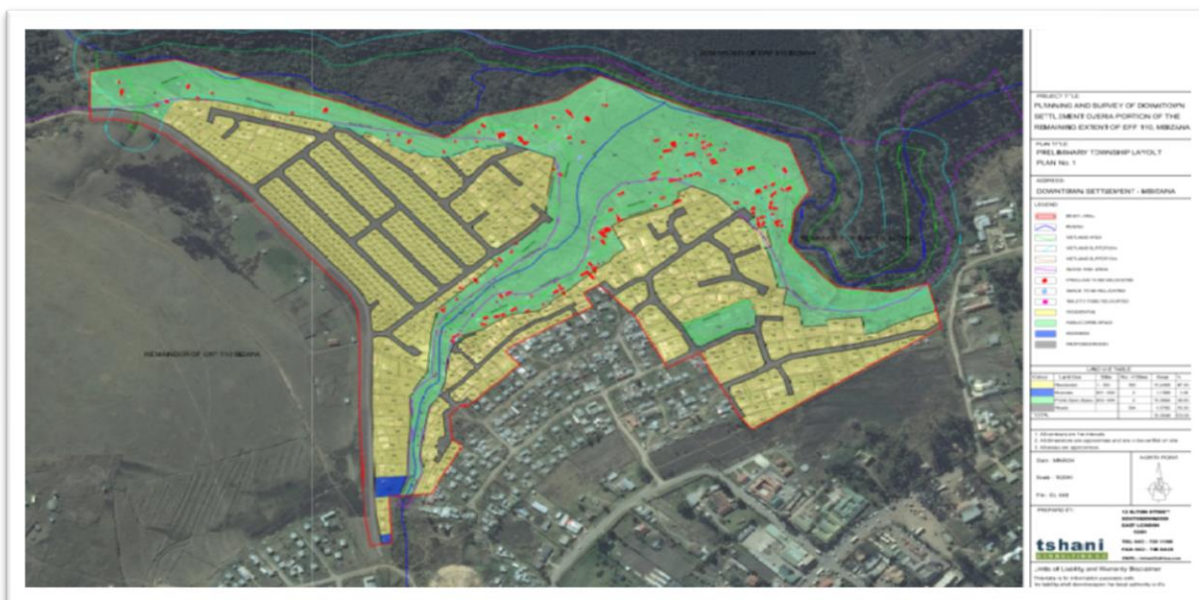


**Map; illustrating informal Settlement planned for insitu upgrading**



The municipality has undertaken the formalisation of the down town informal settlement upgrading through the in situ upgrading consist of 500 units. The scope of work entailed pre-planning and the layout plan was adopted by the council. The surveying (pegging) is also completed, awaiting for the approval of the general plan by the office of the surveyor general. Environmental Impact Assessment (EIA) also completed and the department of economic development and environmental affairs granted approval. The project will be handed over to the department of human settlements for the construction of top structures soon as the general plan have been approved.

**Map; illustrating Downtown Informal Settlement**





#### **4.4.1.7 Housing Needs Register**

The Department of Human Settlements has approved funding for 93 field workers, the municipality has employed more than two fieldworkers from vast wards within its area of jurisdiction. The field workers were locally based and each fieldworker be collecting data from the ward based for establishment of housing register. The main purpose of the housing needs register is to scientifically determine the housing need within Mbizana and ensure the improvement of current housing waiting list of WMM Local Municipality. This will place a moratorium on the use of housing waiting list and fast track the establishment of the Housing Needs Register in WMM Local Municipality. Door-to-door data collection process has been done and capturing is up and running. The municipality employed two data captures under the extended public works programme (EPWP) responsible for the capturing of the applications in the system

#### **4.4.1.8 Land audits**

The municipality adopted the land audits for urban area that was completed in 2015 and for rural in 2016, is in the process of implementing both land audits respectively. The main purpose of the urban land audit was to have an up to date information on all properties, to enable an efficient billing system which will benefit the municipality and residents as well as initiate land use management system that will ensure that the municipality effectively perform its land use function. To also enable the municipality to avail accurate information to property owners in order to ensure efficient development of the said properties and the ownership status of land within the urban edge and rural properties.

The main purpose of the rural land audit was to obtain the information on the surveyed and surveyed properties, registered, unregistered properties in all rural wards through a ward-based approach. The municipality obtained the cadastral information that will assist in influencing planning and decision making within these rural spaces and is aligned with the rural zoning.

#### **4.4.1.9 Implementation of by-laws**

The section is experiencing slow implementation of bylaws due to the nature of the statutory policies require consultations, serving of notices and council resolutions, court orders prior implementation. The bylaws has been adopted by the council and gazetted.

#### **4.4.1.10 Pockets of Land under Communal Possession**

Mainly, rural settlements in WMM LM fall within the jurisdiction of Traditional Councils. In terms of the Guidelines issued by the MEC for Local Government and Traditional Affairs in 2011, there are currently 12 Traditional Councils which are operational. Due to the rural nature of WMM Municipality, the participation of and cooperation with Traditional Leaders is critical for the success of the municipality's development programs. Communal land is held in trust by the Minister of Rural Development and Land Reform.

**Map: Illustrating the areas under the Traditional Authorities**



Formerly registered in the name of the state, it is occupied by individuals members of the respective communities under Permission to occupy (PTO) and/or customary tenure commonly referred to as beneficial occupation rights. Individual's rights on the land are protected in terms of the Interim Protection of Informal Land Rights Act, ActNo.31of1996 also known as IPILRA.

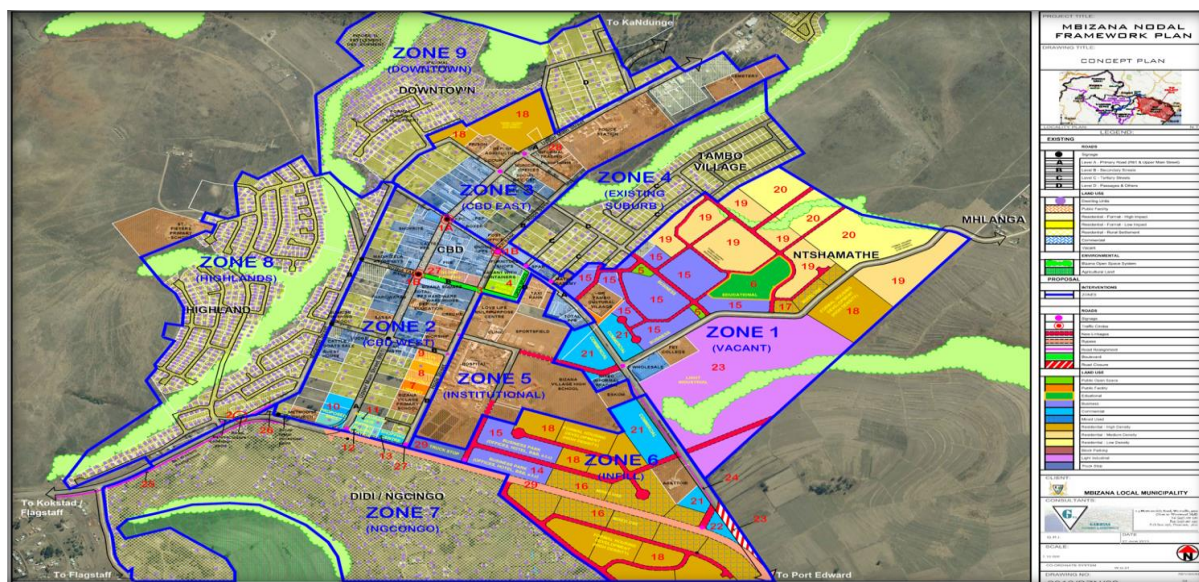
Through the municipal ward demarcation prior the 2011 municipal election resulted in re -demarcation included lot of wards that were demarcated and the *re-changing* of the municipality to other district municipality. Surveyed/ demarcated boundaries of municipal wards of all traditional authority areas within the municipal jurisdiction, except urban centre ward one. Although most of the boundaries follow natural features such as rivers, valleys and hills, all of them symbolize a set of values, customs and habits that are common among the members, and serve to create a sense of belonging.

In addition to traditional leadership functions, traditional authorities are also responsible for land use management within their areas of jurisdiction. They allocate sites and regulate the relationship between the neighbours WMM Local Municipality has 31 municipal wards with the majority being resident within traditional authorities and one ward out of 31 is urban. The traditional leaders are still responsible for the land use in rational land and development approvals granted in land use development practices.

#### 4.4.1.11 Percentage of land available for development

Currently there are few informal manufacturing uses within the CBD. It has already been established in this report that light industry should be identified within the CBD. It is proposed that light industry be promoted within Zone 1. This zone is located along the main corridor should integrate with the proposed uses. As depicted in the below plan, indicated desired spatial development within the commonage land, characterised as zones. Refer to the plan showing land available for development in the below precinct.

**Map: Illustrating percentage of land available for development**



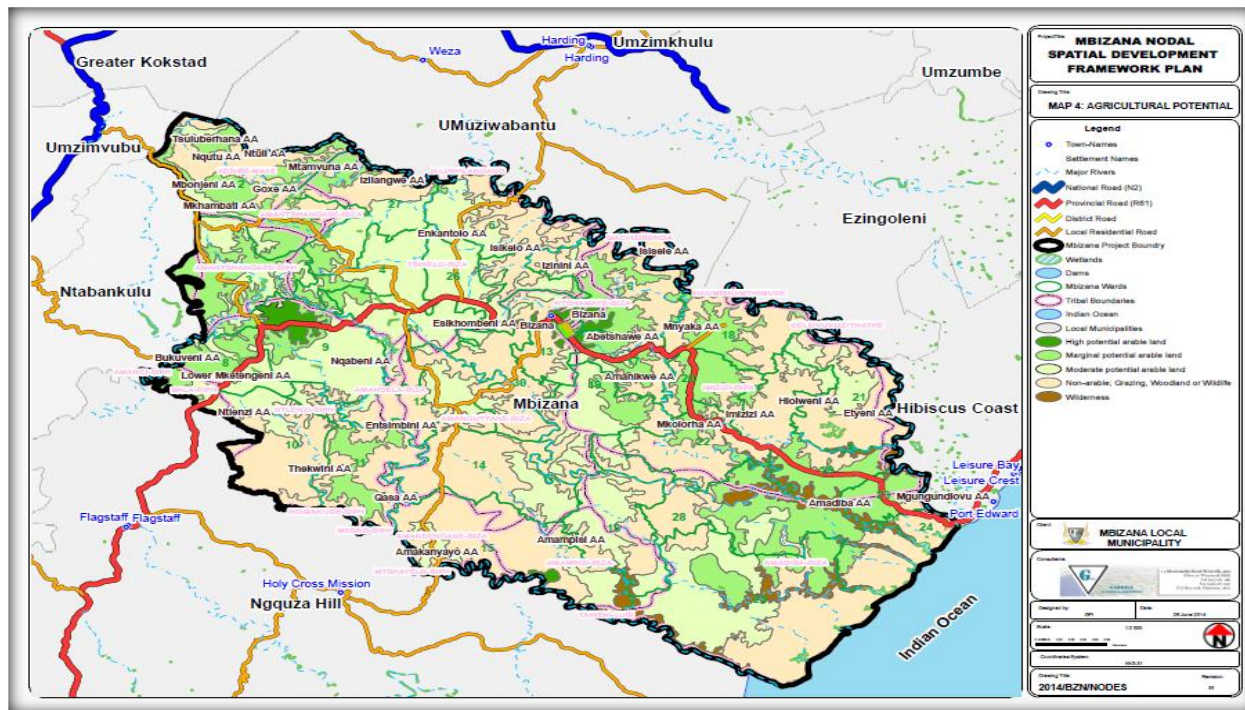
Percentage of land available and classified for farming

Agriculture is regarded as the primary sector of opportunity in Mbizana. Presently, it is however poorly developed and consists mainly of subsistence activities. Issues raised in the analysis so far, which are regarded as having an impact on the potential of this sector include: -

- The present land tenure system is regarded as hampering investment in agricultural production.
- Sprawl of low-density rural settlements is regarded as one of the leading factors in the loss of high potential productive agricultural land.

Agricultural potential for any given land area is generally classified into eight potential ratings as: very high, high, good, moderate, restricted, very restricted, low, and very low potential. Agricultural potential within the WMM Local Municipality falls within 4 of the eight potential ratings namely: High potential, Marginal potential, moderate potential and non-arable (very low potential) areas. Winnie Madikizela - Mandela Municipality occupies large areas of land of relatively poor agricultural productivity. As can be seen in the map below, only two small areas have high has only moderate to marginal agriculturally productive land or is not productive at all.

**Map: Illustrating Agricultural Potential Land**



#### 4.4.1.12 State of Availability of Land for Residential Against Commercial

Generally, residential activity in the town is scattered and isolated. The main residential suburb is located east of the town. It is characterized by low density units with a height of 2 storeys. To the north of Bizana town is the mix of informal settlements and low-cost housing which is low density. To the east is also low-cost housing and to the south of the town are low density rural settlements. There are various accommodation activities in the town such as the guest house along Matwebu road. The spatial development framework classifies settlement areas according to their intensity of development that could be undertaken in such areas e.g.

- Existing townships
- High density areas
- Medium density
- Low density – rural areas

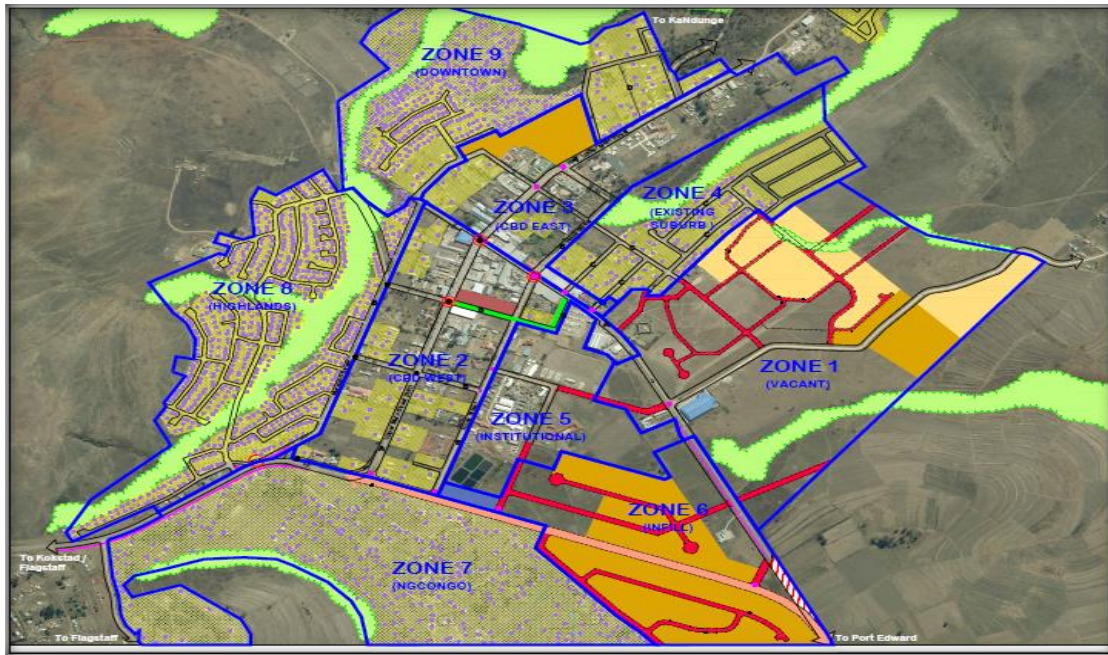
The following map illustrates the existing residential settlements within the CBD.

Zone 7 is Ngcingo / Didi rural settlements which is approximately 6du/ha.

Zone 8 is Highlands Township which is approximately 10-15du/ha.

**Map: Illustrating availability of land for Residential against commercial**



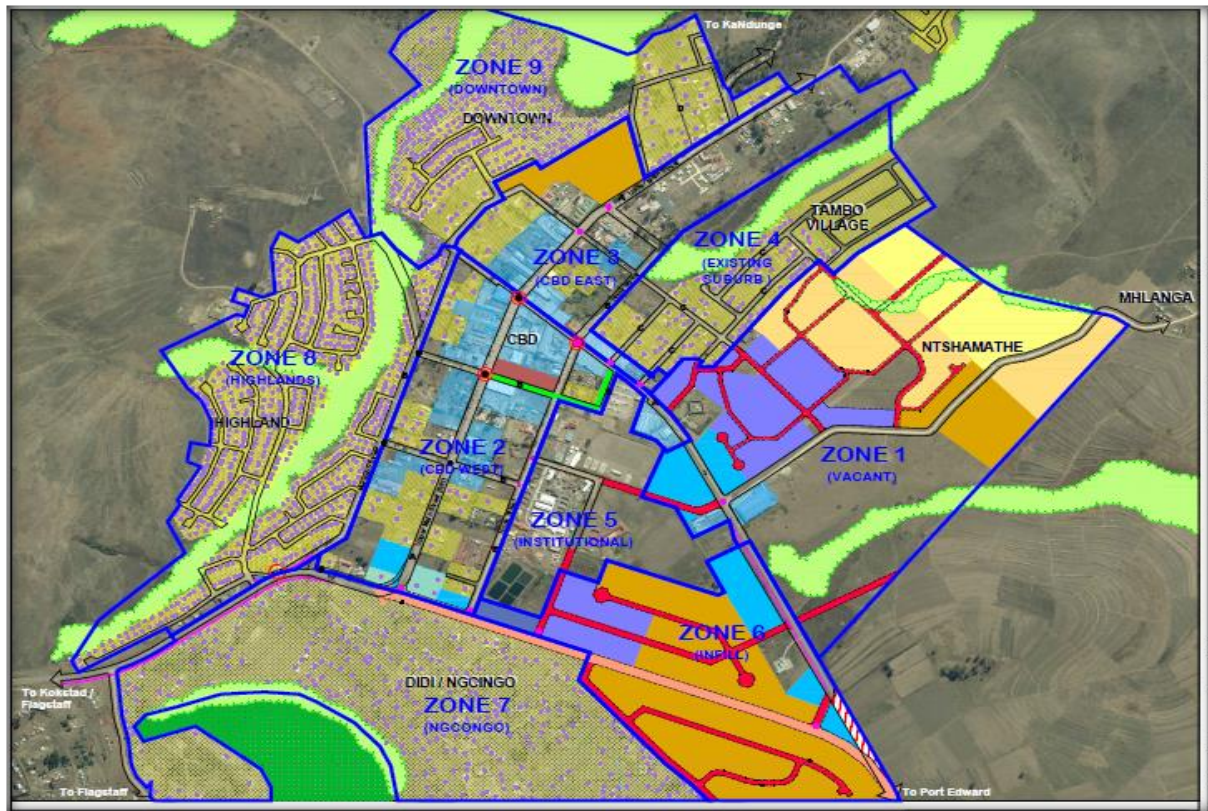


#### 4.4.1.13 Commercial, Business and Retail Uses

Most commercial and retail activities in Bizana town are developed along R61/Upper Main Street. This development spine caters for both vehicular and pedestrian movement. The land use arrangement in Bizana CBD is predominantly mixed use comprising of retail, commercial, and service industry, civic facilities and limited light industrial. These uses are distributed as follows: -

- The core of Bizana Town comprises of retail and commercial uses which are located mainly along R61.
- Mixed uses, offices and service uses are concentrated north easterly. These include municipal offices, magistrate court, bed and breakfast and retail. This area can also be regarded as an administrative precinct.
- Commercial, business and retail uses are to be located outside the existing commercial, business and retail core in Zone 1, 2 and 6.
- The current CBD structure suggests that the space to allocate commercial, business and retail services will be limited. It is important to allocate land for such activities.
- Commercial, business and retail activities are to be located along corridors.
- The proposed bypass might have economic implications in that vehicles will no longer be passing through the town and utilizing existing retail and commercial.

#### Map: Illustrating Commercial, Business and Retail Uses



#### 4.4.1.14 Implementation of SPLUMA (Spatial Planning and Land Use Management Act No.16 of 2013)

The municipality developed the wall to wall scheme that was adopted by the municipal council. The scheme is in operation as from 1 July 2017. The Spatial Planning and Land Use Management Bylaw was also developed and adopted by council with the scheme. The municipal council took resolutions for the implementation of SPLUMA (Spatial Planning and Land Use Management Act), below is the status of the municipality on the implementation of the said act.

#### 4.4.1.15 SPLUMA Implementation Readiness

Item	Status
By-law gazetted	Gazetted as per the council resolution
Authorised Official Appointed	Appointed as per the council resolution
MPT members appointed?	No
MPT member's appointment gazetted?	No
Appeal Authority established?	Appointed as per the council resolution
Delegations in place	Yes, adopted as per the council resolutions

Item	Status
SPLUMA tariffs approved by Council?	Tariffs approved and reviewed by council prior existence of SPLUMA but aligned with SPLUMA Tariffs

#### **4.4.1.16 Human Capacity Audit**

Personnel	No of posts
Registered Planner	3
Non Registered Planner	0
Planning Interns?	0
GIS professional	1
Non Professional GIS	0
Administrative Staff	1

After the municipality advertised numerous times for the appointment of planning tribunal members, the municipal council in November took a resolution to form part of the District Planning Tribunal.

#### **4.4.1.17 VALUATION ROLL (Local Government Municipal Property Rates Act, No 6 of 2004 as amended and Regulations**

The municipality has developed and adopted the valuation Roll for the third cycle that was implemented as from first of July 2019 for purposes of billing Municipal properties in terms of MPRA as amended in 2014. The Municipality uses the services of appointed Sizanane Consulting (professional Valuer's) for the completion GV'S and the related supplementary that will be implemented for the period of five years. The Council has adopted 2020-2024 general valuation roll in terms of the Municipal Property Rates Act (MPRA) as amended. The company will act as Municipal valuar's for the period of the Valuation Roll.

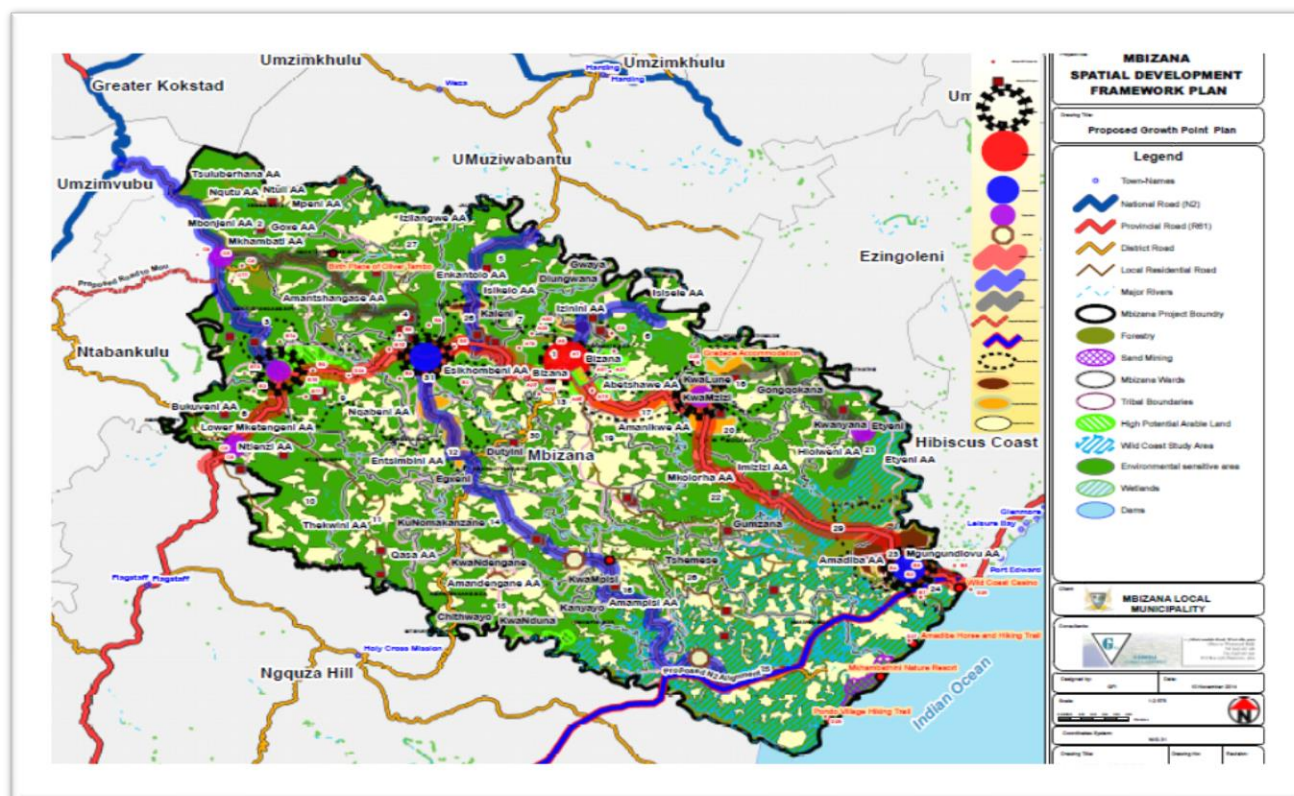
The council allocated the budget of conducting the third cycle valuation roll that will be implemented as from 1 July 2019 and appointed the service provider thereof. The council also reviewed the municipal rates policy as it is done on annual basis with the bylaws inclusive of tariffs that are advertised and gazetted by law. The rates policy was adopted by the council and the bylaws that give effect to rates policy along with the resolutions to levy rates and are in the process of being gazette for this financial year as required in terms of the property rates act.

#### **4.4.1.18 Spatial Development Framework (SDF)**

The Municipality is in a process of reviewing its Spatial Development Framework in alignment with SPLUMA for the period of Five years. The Council has adopted the Local Spatial Development Framework of Mzamba nodal area. This is to guide the development in the fast growing Mzamba node and the incorporation of N2 construction that is underway. The Municipality intends



to develop the N2 corridor development plan with the intension of promulgating a town along the coast. The Final LSDF is in place for inspection in all Municipal offices and has been seculated to sector Departments its due for gazetting.



## 4.4.2 LOCAL ECONOMIC DEVELOPMENT

### 4.4.2.1 Sectoral Economic Performance

This section will look at the local economy in terms of its different constituent economic sectors. The purpose is to observe the performance of the economy from a sectoral perspective. They are categorised into the *primary*, *secondary* and *tertiary* sectors, and the classification of economic activity shall be based on the South African Standard Classification of all Economic Activities (SIC) approach. The table below shows the detailed breakdown of the various economic sectors and activities between 2011 and 2013.



Sector	Economic Activity		2013	2012	2011
		%	%	%	%
Primary	Agriculture, Hunting, Forestry, Fishing	8,7	8.7	8,5	8.8
	Mining and Quarrying	0	27,9	28,5	28,8
Secondary	Utilities	12,2			
	Construction	5,5			
	Manufacturing	10,2			
Tertiary	Wholesale and Retail Trade	16.6	63.4	63	62,4
	Transport, Storage and Communication	9,5			
	Financial, Real Estate and Business Services	2,9			
	Community, Social Services and Personal Services	13,7			
	General Government	20,7			
Total		100	100	100	100

Table: Major Economic Activities (Source: ECSECC, 2013)

It has been analysed that WMM LM has the lowest contribution toward the Gross Geographic Product (GGP) in ANDM (9.3%), and from *Table 3* above, it also emerges that the tertiary activities dominate economic activity in the region, throughout the three (3 years), contributing the highest to the GVA at 63,4% in 2013, with general government and community services contributing the highest within these categories, followed by the wholesale activities. Another significant contributor is the Secondary sector, contributing 27, 9%, in the economic landscape. Natural based primary sectors in a rural based area like WMM LM, namely *agriculture and mining*, made a very small contribution to the formal economy, in term of GVA contribution, with agriculture contributing 8, 7%. This also shows a slight increase from 2012 (8,5%), even though in 2013 the contribution of this sector was higher (8,8%).

A small resource-intensive agricultural and mining base has implications on the size and scope of manufacturing activity in any area. As a result of a small amount of raw unprocessed primary inputs being produced, there is limited range for value adding activity through agro-processing and beneficiation activities. The strong presence of the tertiary sector indicates reliance on trade and services, especially from the government sector. Implications of the dominance of the government sector in the municipal economy, is that government services form the basis of the economy in the municipality, and focus has to shift to develop other sectors with potential.

It is evident therefore from the above analysis that WMM LM has a limited and almost non-existent industrial economy. Like most rural municipalities in the EC, development is limited, which could be due to acute backlogs in social and economic infrastructure.

#### 4.4.2.2 Sectoral Employment

This section provides an indication on how sectoral economic performance has contributed to the sectoral employment profile in the study area. The figure below shows how each of the performing sectors has contributed to employment

Sectors	Percentage %
Primary Sector	19%
Secondary Sector	17%
Tertiary Sector	64%

Employment by sector (Source: ECSECC, 2013)

The dominance and importance of the Tertiary Sector that has been brought out throughout this chapter is emphasised once more, as the largest employer at 64 %, showing that it employed the most people, with most jobs believed to be associated with state-owned employment, which belies this dominance, followed by the primary sector at 19%, indicating the use of labour-intensive methods in primary production

It is evident that the primary sector, which is the direct use of raw materials from natural resources, does not make much GVA contribution towards the growth of the local economy. Improvements in this sector would have a resultant positive effect to the secondary and the tertiary sectors, and therefore improvements in the primary sector should become a strategic priority focus for this rural based area.

#### 4.4.2.3 SMME, Cooperatives and Informal Trade Overview

This is a sizable sector even though it is largely undocumented. The informal component is visible in the form of informal traders or hawkers on pavements, markets and taxi ranks in Mbizana, Mzamba and Magusheni. In the more isolated rural parts of the municipality, the sector takes the form of spaza shops that provide for the daily needs of the communities. General products traded in include basic foodstuffs, clothing, hair products, fruit, vegetables, paraffin, airtime and toys. The municipality has an informal trader policy which seeks to regulate the sector. The sector in town seems to be fairly organized, but there is however limited availability of trading facilities for the informal sector.

As it could be noted from above, there is still a huge untapped development potential within the key growth sectors of the municipality, which through dedicated and well-planned sector development, could promote social development, and thus stimulate sustainable economic growth.

<b>Opportunities</b>	<b>Constraints</b>
Government Legislative framework and support programmes targeted towards SMMEs, cooperatives and the informal Trade Sector Development	Lack of an SMME, cooperatives and Informal Trade Development Strategy
Current Collaborations with other organs of state to support the sectors, e.g. SEDA	Poor governance within the co-operatives sector (e.g. energy co-operative)
Business Support Centre	Red tapes, Procurement or supply chain policies
Informal trading Policy	Limited informal trade facilities

#### **4.4.2.4 Infrastructure profile**

Economic development is dependent on the socio-economic traits of an area and its economic characteristics. However, a pre-requisite for the unlocking of economic potential from these elements is the presence of economic infrastructure, which is often a trigger for any potential investment within any local area. This chapter will assess the status quo of available LED related infrastructure in WMM LM in terms of:

- Water services;
- Sanitation;
- Electricity;
- Telecommunication;
- Waste Management;
- Road and Transport.

The Economic Infrastructure is the basic facilities which directly benefit the process of production and distribution in an economy. The provision and availability of economic related infrastructure such as Irrigation, Roads, water, Sanitation and Sewerage, housing, hospital and industrial park and township development is a determining factor in the implementation of economic development programmes, as it provides an enabling environment for development, and without a proper enabling environment, economic development cannot be fully realised.

From the above analysis, it is evident that there is a general lack of basic service provision, coupled with economic development infrastructure in WMM LM, and this need to addressed, as an enabler for local development, as well as the attraction of private sector investment, which is necessary for broad economic development

#### **4.4.2.5 Local Economic Development Forum**

WMM LM has got an LED Forum that was established in 2010, and later re-launched in the year 2015, with a capacity development provided to the Forum members, as well as reviewed Terms of Reference (TORs). The forum acts as *“a Platform (institutional arrangement) where residents (individuals, private organizations, government, NGO’s, CBO’s, traditional authorities) within a particular locality gather, with an aim to share information and experiences, pool resources and solve problems.”* The LED Forum is represented by the following institutions, with each institution represented by an individual/s who are expected to consult, and also report back to the nominating institution: -

- Government departments (*National, Provincial and Local*);

- 
- Government Entities and Municipal Entities;
  - Non-Governmental Organisations (NGOs)/Civil Society Organisations (CSOs);
  - Chamber of Business;
  - Youth Council;
  - Academic Institutions.

**The LED Forum has got the following roles and responsibilities: -**

- Promote and facilitate partnerships between government, private sector, civil society and organized labour for overall economic growth;
- Disseminate and share information on LED related issues;
- Improve Integrated Economic Planning (through broad participation and coordination of key economic role players (government, business, labour, NGO's, CBO's, etc);
- Assist to identify and capitalize on local competitive advantage for territorial economic and social development;
- Develop the LED vision and strategic focus for the municipal area;
- Improve the economic performance of the municipality with respect to all its key sectoral aspects (Tourism, Agriculture etc) of LED;
- Assist in the establishment of Sector specific Working Groups/ Sub-Sector Forums (LTOs, CDF etc);
- Enhance Enterprise Development and Support;
- Identify and eradicate overlaps, duplication and misaligned strategies (for effective and efficient use of resources);
- Coordinate access to finance and other non - financial resources (capacity development etc) for LED initiatives, and the creation of multi-sourced funding streams;
- Assist the municipality in the monitoring & evaluation of LED activities.

#### **4.4.2.6 Business Retention and Expansion.**

Business Retention and Expansion is the foundation of effective economic development that seek to invest time and resources to recruit new business while losing other businesses due to changing needs or emerging obstacles. An effective retention and expansion program is based on accurate knowledge of the business community and constant communication, the municipality has conducted a business data base collection where we wanted to know businesses in our area and challenges they are confronted with. Winnie Madikizela – Mandela Local Municipality currently does not have Business Retention and Expansion strategy but however we use a manual that gives guide lines and recommendation for the institution, in order for the municipality to encourage and motivate local businesses to fully comply with the developed Business Licensing System, businesses need to see and experience value added services and benefits from the municipality, and the implementation of the developed BR&E Manual could be one of the measures that could assist in ensuring that local businesses continue to prosper and thrive, even though tough economic situations also to stimulate local economic development and create employment opportunities by retaining and expanding existing businesses.

#### **4.4.2.7 Rural Economic Development (RED) HUB**

The Municipality has been supported by Eastern Cape Rural Development Agency and Alfred Nzo District Municipality in implementing Rural Economic Development Hub (RED- Hub) which is a simple concept linking the three market elements of *production, processing and marketing* in order to boost competitiveness for the targeted communities. The RED Hub is focusing on agricultural transformation and commercialization of agriculture to enable and to create markets and employment opportunities. The concept envisaged on a 10km radius collection hub zones with RED Hub main mill in the centre. ECRDA & DRDAR has conducted crop yield estimate.

WMWMM LM, ECRDA and other Stakeholders are in a process of mobilizing funds that will assist the RED HUB to be an Aggregation Centre (Production, Aggregation, Processing and Distribution). Aggregation model will include stakeholders such as:

- Government to inject funding for economic infrastructure and facilitates commercial agreements, Farmers to bring land and produce and Private sector or technical partner which will bring business and technical expertise, access to finance and access to market. RED HUB cooperative have increased from 15 cooperative to 21 cooperative, joining fee to new cooperative is R1500 once off payment/annual, the farmers have a choice about where to sell their produce or they sell to the RED HUB willingly. Benefits to cooperatives under RED HUB are: - Growth, receiving seeds, fertilizer and other chemicals and they have assured market.

#### **4.4.2.8 Storage Silos & Milling Plant**

The installation of two new 1000-ton silos and conveying equipment is complete but still to be sealed. The weighbridge has been installed and calibrated and the construction of milling shed was completed and toilet block with septic tank. The milling plant with 1-ton capacity has been installed, the new generator was installed and connected to the trading shed, mechanization shed & mill shed. AGES has been appointed to drill borehole and has completed the work.

#### **4.4.2.9 Community Works Program (CWP)**

The CWP programme is implemented in 19 wards with 1630 participants and the funding allocated for this programme was R16 518 296.00. The following wards (04,05,06,07,08,12,13,15,17,18,19,20,22,23,26,27,29,30 and 31) have agriculture, construction and social sectors. Approximately 1476 permanent jobs created in informal trading and 200 permanent jobs created by other sectors (Agriculture, Mari culture, Manufacturing &Entrepreneur development).

#### **4.4.2.10 Agriculture**

The Municipality developed and adopted the Agricultural plan in July 2016 and its implementation has commenced and currently the plan is due for reviewal. As part of executing the Agricultural plan, the Municipality continue to support agricultural project both financial and non- financial through Farmers development programme.

#### **4.4.2.11 Tourism**

The National Department of Tourism has funded Mzamba and Mtentu beach for development of feasibility study on beach infrastructure development such as Showers, Toilets, life guard tower and braai areas. Eastern Cape Parks and Tourism Agency will be an implementing agency for this project. Mtentu beach has been left out on the feasibility study due to Mtentu community who refused access for service provider to conduct survey.

The municipality has budgeted for reviewal of Tourism plan to bridge the gaps on not updated information on new developments on new developments occurred since the development of the current plan, that will serve to generate contemporary information and data, applicable strategies, learned lessons, for diverse tourism system in anticipation of future changes and technologies applied in tourism.

The municipality was funded by DEDEAT for the construction of tented camps (8 accommodation facilities with carrying capacity of two people per tent, a conference facility which can accommodate over 50 delegates. The municipality was also funded by DEA for the fencing of the Nature Reserve which now has been completed. The municipality plans to source an investor to operator the lodge and nature reserve who will enter into concession with the community trust as the lodge was handed over to community trust. The Department of Arts and Culture has completed O.R.Tambo Legacy projects which includes Khananda Hill Memorial site and the O. R. Tambo Garden of Remembrance. These projects have created job opportunities for the Ntunjani and Nkantolo community and has a potential for sustainable cultural tourism, rural infrastructure development and socio-economic development. These projects will also create a significant contribution to the transformation of the O. R. Tambo heritage Route and the South African Heritage Landscape at large.

#### **Tourism Marketing**

Winnie Madikizela – Mandela Local Municipality in collaboration with the National Department of Tourism has developed tourism Visitor Information Screen that has been a solution towards the provision of Tourism related information across the municipal jurisdiction and beyond. Although the touch screen has been placed at the Wild Coast Sun Visitor Information Office as per the partnership made between the municipality and the Wild Coast Sun, however it is expected that the touch screen contains Information on all tourism products and services being rendered across the municipal jurisdiction. The wild Coast Sun, due to its popularity and high number of visitors, shall spread tourists across the municipal area through the information provided from the touch screen.

#### 4.4.2.12 SMME DEVELOPMENT

##### N2 Wild Coast Development

The South African National Road Agency (SANRAL) constructing the N2 toll road from Durban to East London via Wild Coast area (Greenfields). The road will have the distance saving of 85Km and time saving of approximately 3 hours. The project is one of the Anchor projects with ripple effects within the Wild Coast region as it will provide enhanced access to basic facilities such as health care and education. It will provide mobility, access to economic activities, job creation and SMME development within the Wild Coast region as well as Mbizana.

The new regional multiplier effect of the project is estimated at 13 575 million with job creation of 6800 direct jobs and 28 100 indirect jobs. During operation phase 900 direct and 1800 indirect opportunities will be created. Accelerated Business income is estimated at R15 829 Million and the net regional Economic developmental benefits estimated at 29 404 million. It is against the above-mentioned background that the Municipalities within the Mpondoland region (WMM Local Municipality, Port St John's, Ingquza hill Municipality) committed to facilitate the project as it has economic spin offs for the region. The academy for construction skills (ACS) has also capacitated emerging local contractors. This has been a strategy of developing contractors and equipping them with relevant construction skills that will benefit them on N2 toll road development.

The contractor for the Mtentu Bridge has left the project and SANRAL is in the process of recruiting another contractor. The new contractor Concor Engil Joint Venture has been awarded the contract for the construction of the Msikaba River Bridge Project. Sigidi and Makhwantini community development project have been completed. 20 SMMEs were trained on the projects and 300 community members employed. Hand-over of the project has been done.

##### Agricultural Infrastructure

The municipality together with the department of Agriculture have identified wards and projects that would be assisted with Dip tank and fencing. Dutyini at ward 30 for example has been assisted with dip tanks. Below are the Agricultural projects supported by the Municipality: -

Project Name	Ward	Activities	Village	Type of Support
Ndisile	16	Vegetable Production	Mpisi	Irrigation material
Slimdo Poultry	18	Poultry project	Mfuneli	Fencing and Agricultural inputs
Fula's elect and welding	22	Sweet & Potato Production	Dutch village	Fencing and Agricultural inputs
Njilo Ka Balisa Agric	8	Vegetable production	Ntlenzi	Storage room
Masiqhubekeni project	23	Poultry	Plangweni	Poultry inputs
Sweetmathathi	07	Poultry	Ndunge	Feed
Sigidi Developmnet	7	Vegetable production	Ndunge location	Fencing and Tunnel material
Mzamba pig & poultry co-op	24	Piggery & Poultry Production	Mzamba Mouth	Building structure material

Project Name	Ward	Activities	Village	Type of Support
Slalingwenya Farming & Projects	24	Poultry and Piggery	Ebenezer	Feed and tanks
Mandlenkosi	09	Vegetable Production	Enqabeni	Irrigation materila
Green Queen	19	Vegetable Production	Monti	Fencing

#### 4.4.2.13 Building Inclusive Green Municipality Programme (BIGM)

The Federation of Canadian Municipalities (FCM), in partnership with the South African Local Government Association (SALGA) received a contribution from Global Affairs to implement “The Building Inclusive Green Municipalities (BIGM)” program for 51 months (4.3 years). The aim is to improve the capacity of South African municipal governments to support effective service delivery, inclusive local green economic growth and enhanced climate change mitigation and adaptation measures. The program will pilot local economic development initiatives to promote job creation, poverty reduction, and enhanced well-being, while empowering women, youth and vulnerable groups, and ensuring their inclusion as decision makers and beneficiaries. The BIGM program will also improve municipal-level plans and policies targeting climate change adaptation and mitigation, including asset management policies and practices.

#### Strategic Context and Rationale for SALGA & FCM Involvement

Canada and Canadian municipalities are partnering to support South African communities to build more inclusive and greener communities and vulnerable groups are targeted as beneficiaries’ such as woman, youth etc. It is to establish sustainable livelihood by developing the awareness of LED and develop the necessary leadership and entrepreneurship skills for local government and business leaders and stakeholders. Develop policy frameworks like Gender, Youth and Vulnerable strategy

Mbizana was fortunately selected as a beneficiary in this great opportunity of bringing together diverse institutions and organizations that work to improve the capacity of South African municipal governments. The core focus being to support effective service delivery and council has adopted Component 1000: which deals with inclusive local green economic. The Municipality faces significant economic development challenges. The initiative has been focusing on capacity building within the Municipality through Local Economic Development initiatives outlined in the project description.

The municipality was partnered with the City of Strathroy-Carodoc Municipality and an agreement was signed in December 2017 with the following scope to deliver on: -

- LED Organisational Review for WMM Local Municipality
- Business Incubator (Framework in place)
- Review, enhance and replicate the Red Hub concept (Framework in place and under implementation)



A number of learning missions have been done by both municipalities. The organizational review has been done, the Business incubator framework has been done and 20 SMMEs in manufacturing, recycling, branding and ICT have been recruited and capacity building is in progress. The framework for the replication of the red hub has been done and implementation is in progress.

#### **4.4.2.14      Manufacturing HUB**

Through having quality audit outcomes, the municipality was one of 30 municipalities invited for the ring-fenced general budget support fund by the National Treasury. The fund required municipalities to submit innovative proposals for funding. The Municipality submitted a proposal for the development of 3 manufacturing hubs. The proposal by the municipality was approved by National Treasury's General Budget Support Grant for the planning and implementation of the Manufacturing Hubs Programme for R59 657 842.00.

The council has identified ward 04, 08 and 16 for implementation of the project. The tribal authorities of the mentioned wards have been approached by the council and site permissions have been granted to the municipality for implementation of the project. The main focus of the manufacturing hub will be to produce high quality building material through technology driven machinery. This will be achieved through the undertaking of a feasibility study with a geotechnical and land survey study, an environmental impact assessment and architectural designs.

When all the above are in place and all approvals have been received, implementation will commence, where the manufacturing plant will be built and all necessary equipment installed. Production will commence, where SABS approved building material such as building blocks, concrete, slabs and paving blocks will be produced. The programme is planned to have an intensified capacity building programme that will empower the SMMEs running operations at the hub, as well as communities within the Mbizana locality.

## **4.5 KPA NO. 3 INSTITUTIONAL TRANSFORMATION AND HUMAN RESOURCE DEVELOPMENT**

This section deals with analysis of our state of readiness to deliver on our assigned constitutional as well as powers and functions mandate. It analyses the extent to which we have put in relevant systems, processes and tools to ensure smooth operations and development of the municipal organization. In order to give effect to the implementation and operations of the above mandate it is both necessary and imperative to put in place a relevant institutional structure and administration.

### **4.5.1 Political Structure**

Political Structure is led by the Honourable Mayor as the political head of the institution. The structure is composed of six directorates and each directorate is led by political head and is illustrated below: -

- Good Governance : Part time Councillor
- Corporate Services : Full time Councillor
- Budget and Treasury : Full time Councillor
- Community Services : Part time Councillor
- Development Planning : Full time Councillor
- Engineering Services : Full time Councillor

### **4.5.2 Administration Structure**

Administration is led by the Municipal Manager as the principal accounting administrative officer. The Municipality is composed of six directorates and each directorate is managed by a section 56 manager illustrated below as reflected in the Organizational Structure: -

- Office of the Municipal Manager
- Corporate Services
- Budget and Treasury
- Community Services
- Development Planning
- Engineering Services
- Municipal Offices

The Winne Madikizela - Mandela Local Municipality has the main office, one satellite office (DLTC) and two sites utilised for Municipal activities. Offices for Political office bearers are situated in the main office. The main office is the nerve centre of all operations in the municipality. The following departments are allocated space in the main offices: -

- Municipal Office

- Budget and Treasury office
- Corporate Services
- Engineering Services
- Community Services
- Development Planning

Multi-Purpose Youth Centre: The concept of a Multi-Purpose Youth Centre has been broadly accepted as an effective means of drawing together youth specific service in a local community setting. Library services are offered in this satellite office and information for job seekers is also available in the form of newspapers. The office is in the process of being renovated as part of the broader Municipal plan to establish a multi-million-rand civic centre facility. The latter facility is designed to also accommodate offices for political office bearers and Council Chambers.

Traffic Offices (DLTC): All services related to licensing, car registration and protection services are rendered at this site. Learners' license, driver's licence testing and renewal is also rendered at this site.

Management of sites: All sites are maintained by engineering services and managed by community services. Cleaning services are entrusted with corporate services. The sites have security guards and security cameras which are under community services.

### 4.5.3 Organizational Structure

The municipality has reviewed its organisation structure and was adopted by Council on the 28<sup>th</sup> of May 2020. The total number of approved positions in the Organizational Structure is 282 with 243 filled positions and 39 vacant positions.

# MBIZANA LOCAL MUNICIPALITY

## REVIEWED ORGANISATIONAL STRUCTURE

2019/2020 FINANCIAL YEAR

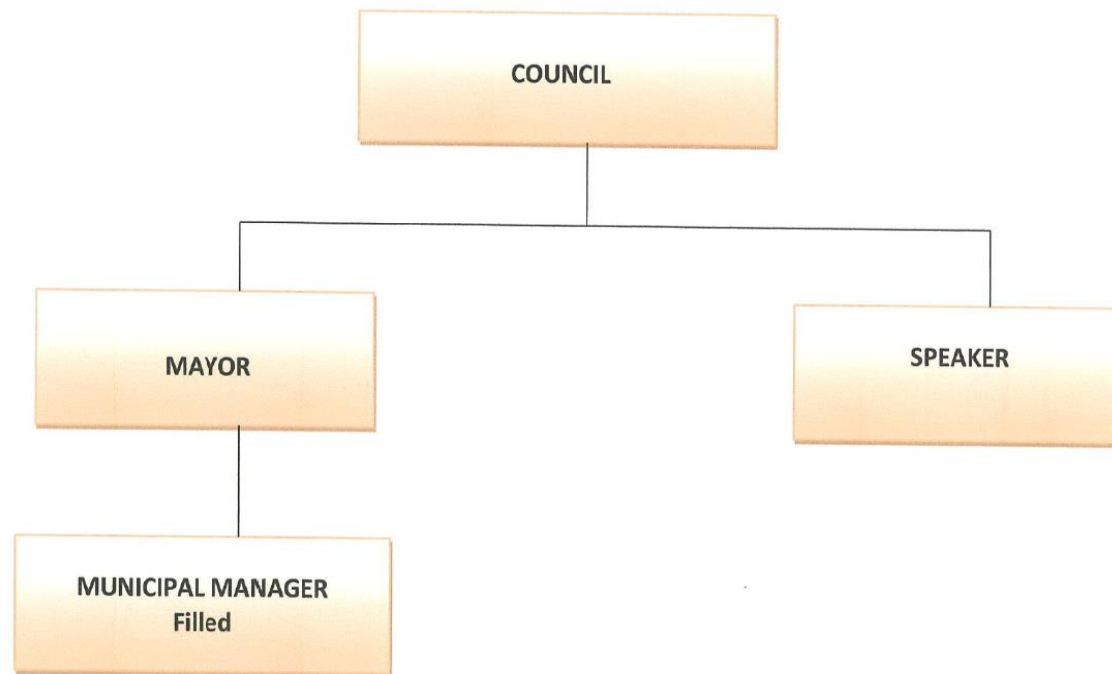
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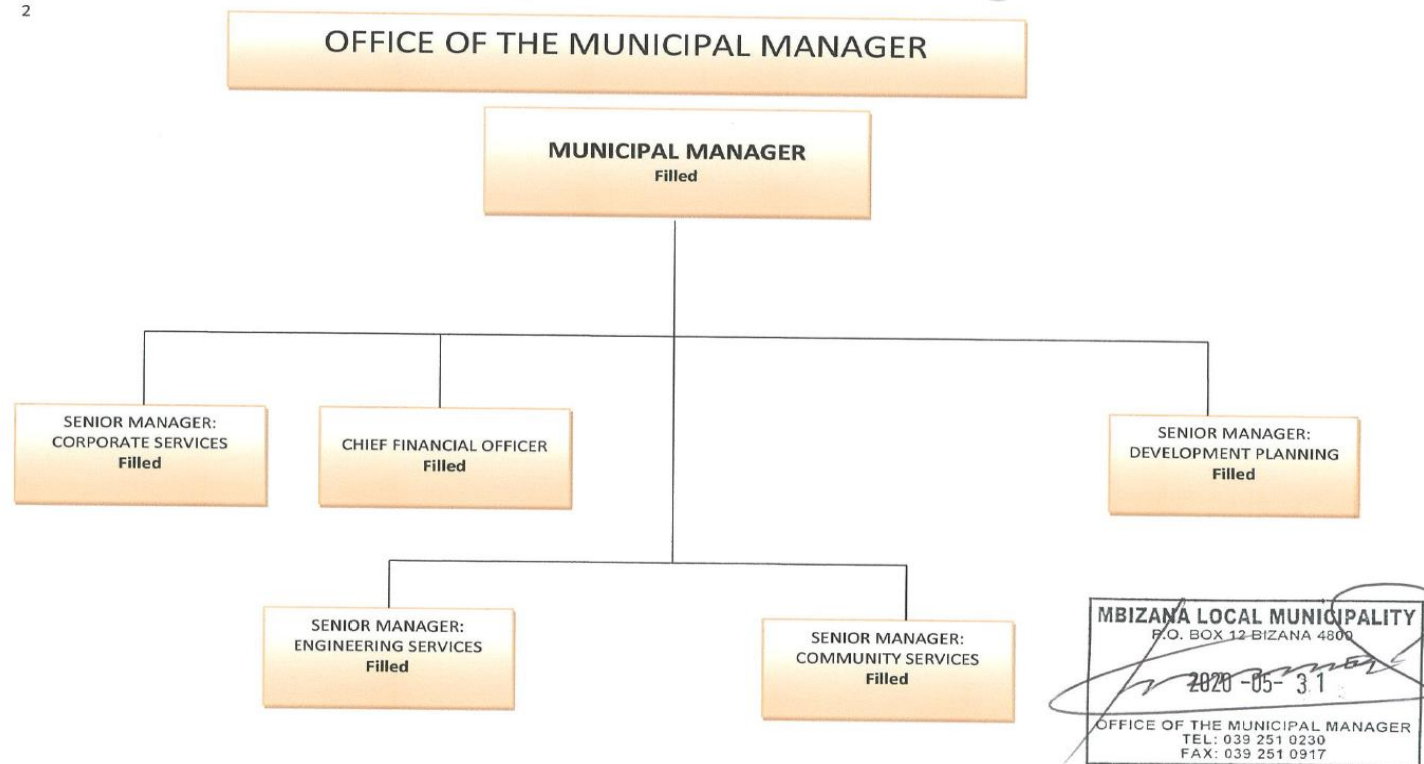
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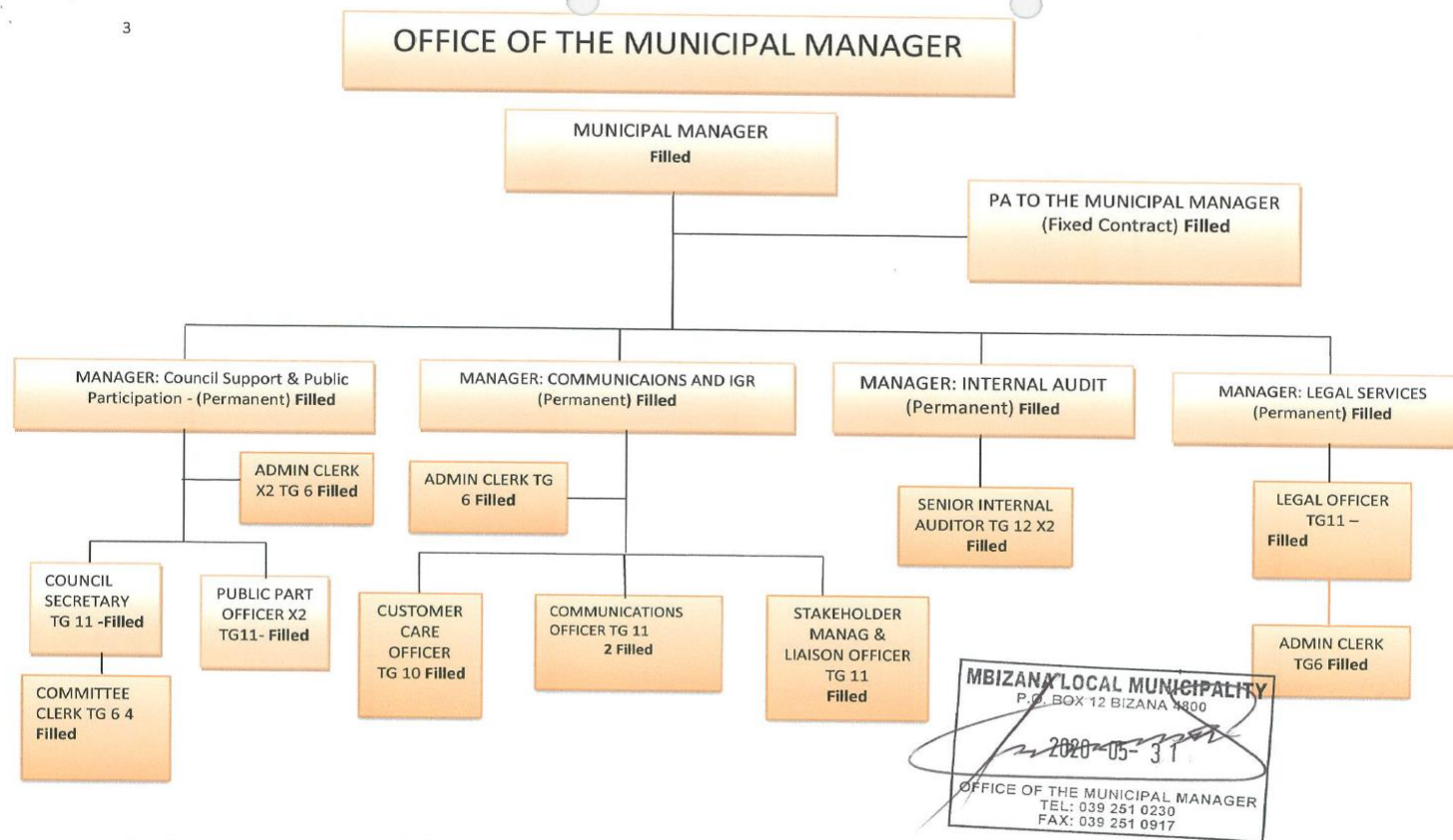
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Mbizana Local Municipality





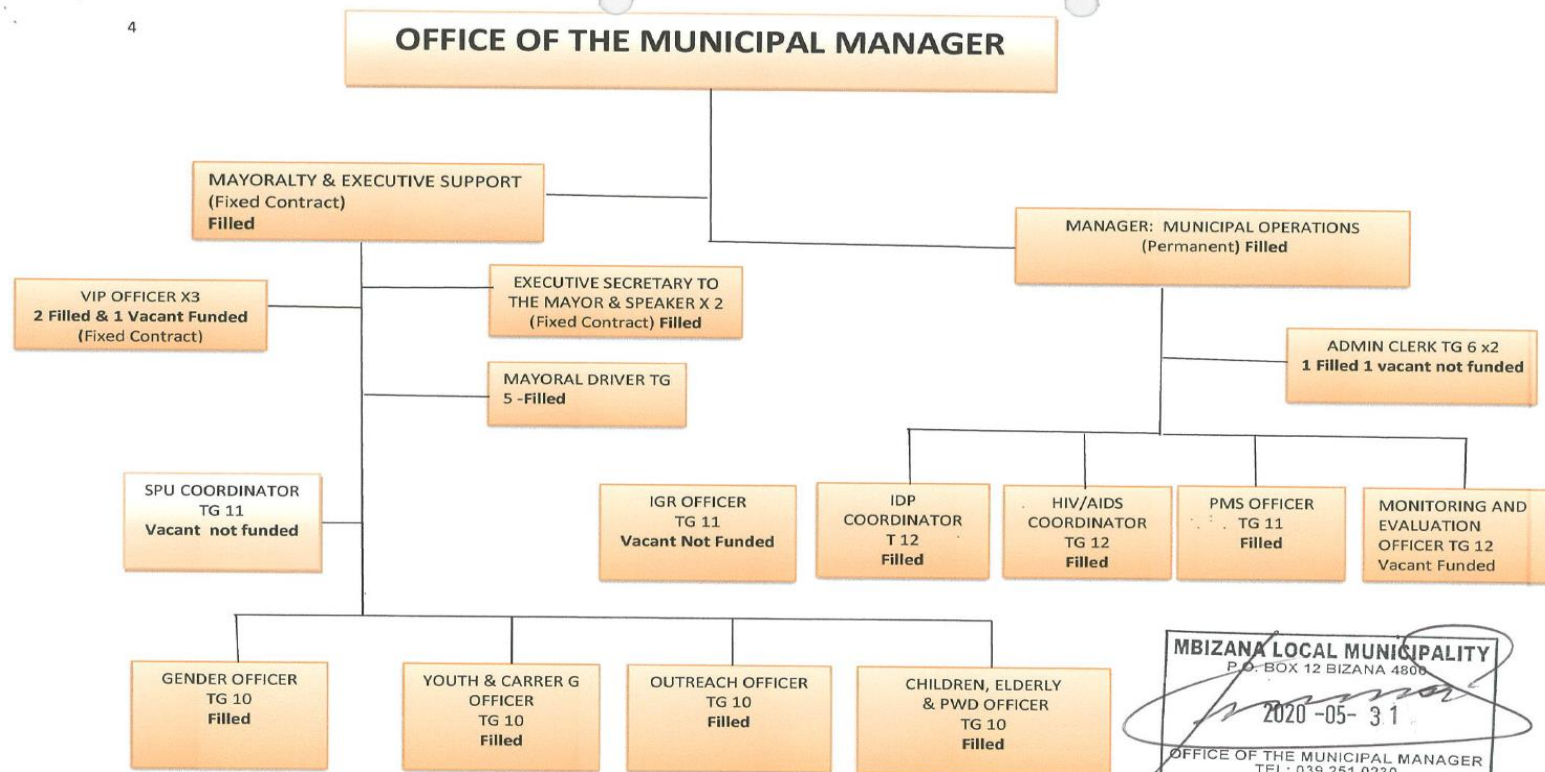




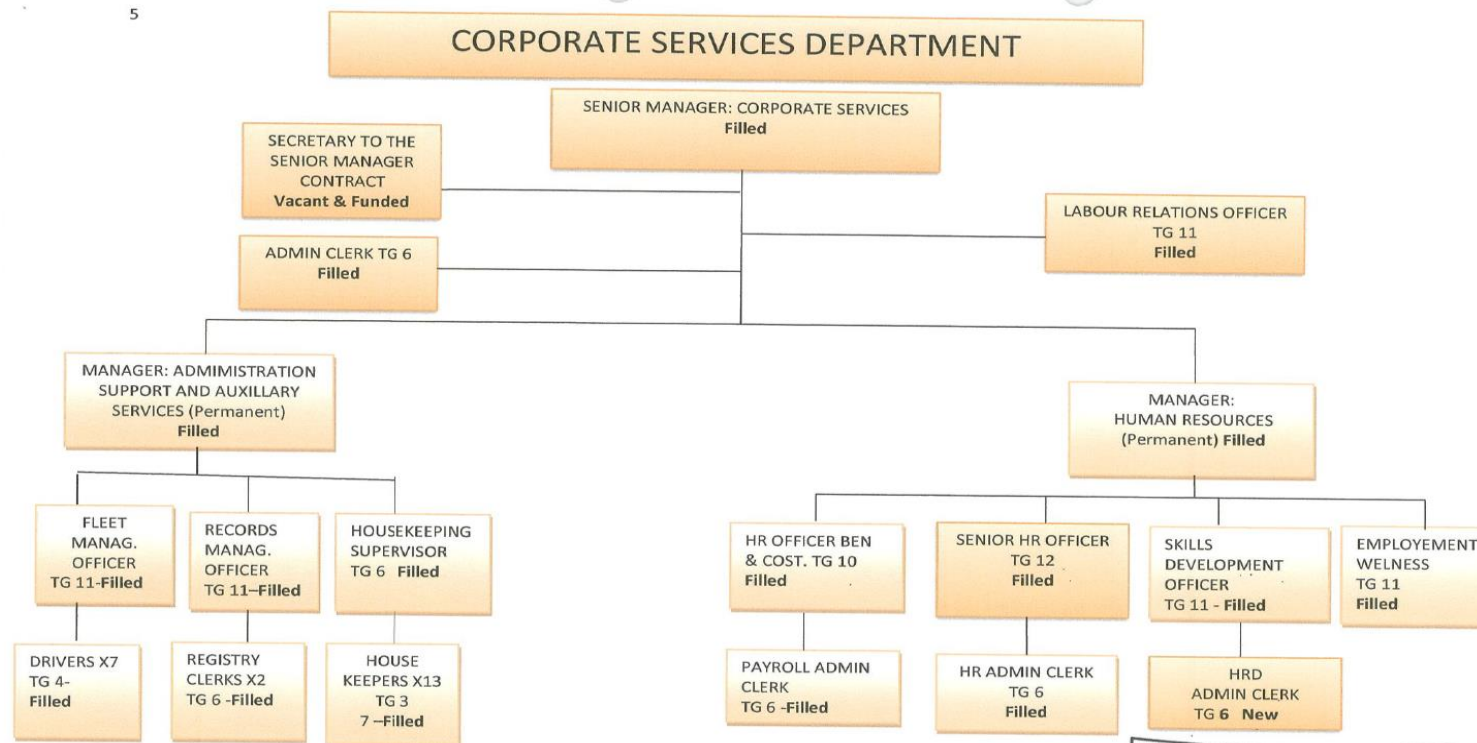
Organisational Structure reviewed in 2019/2020 Financial Year

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Mbizana Local Municipality





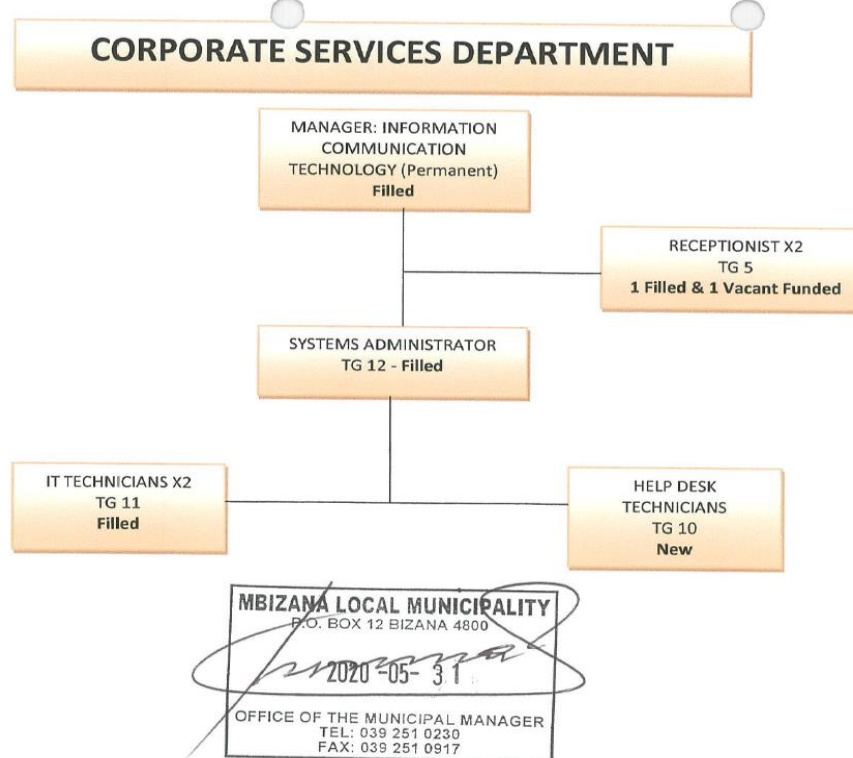


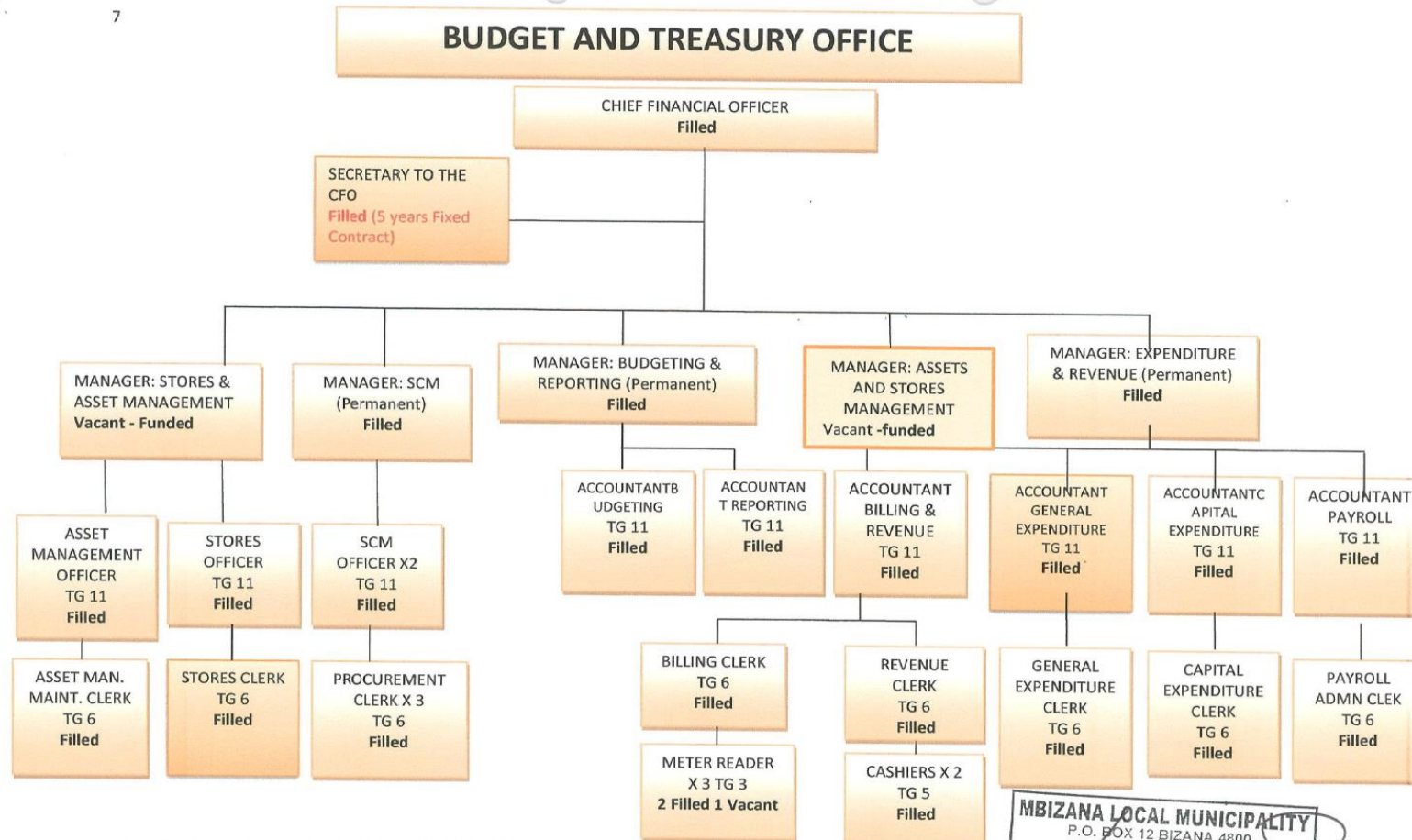
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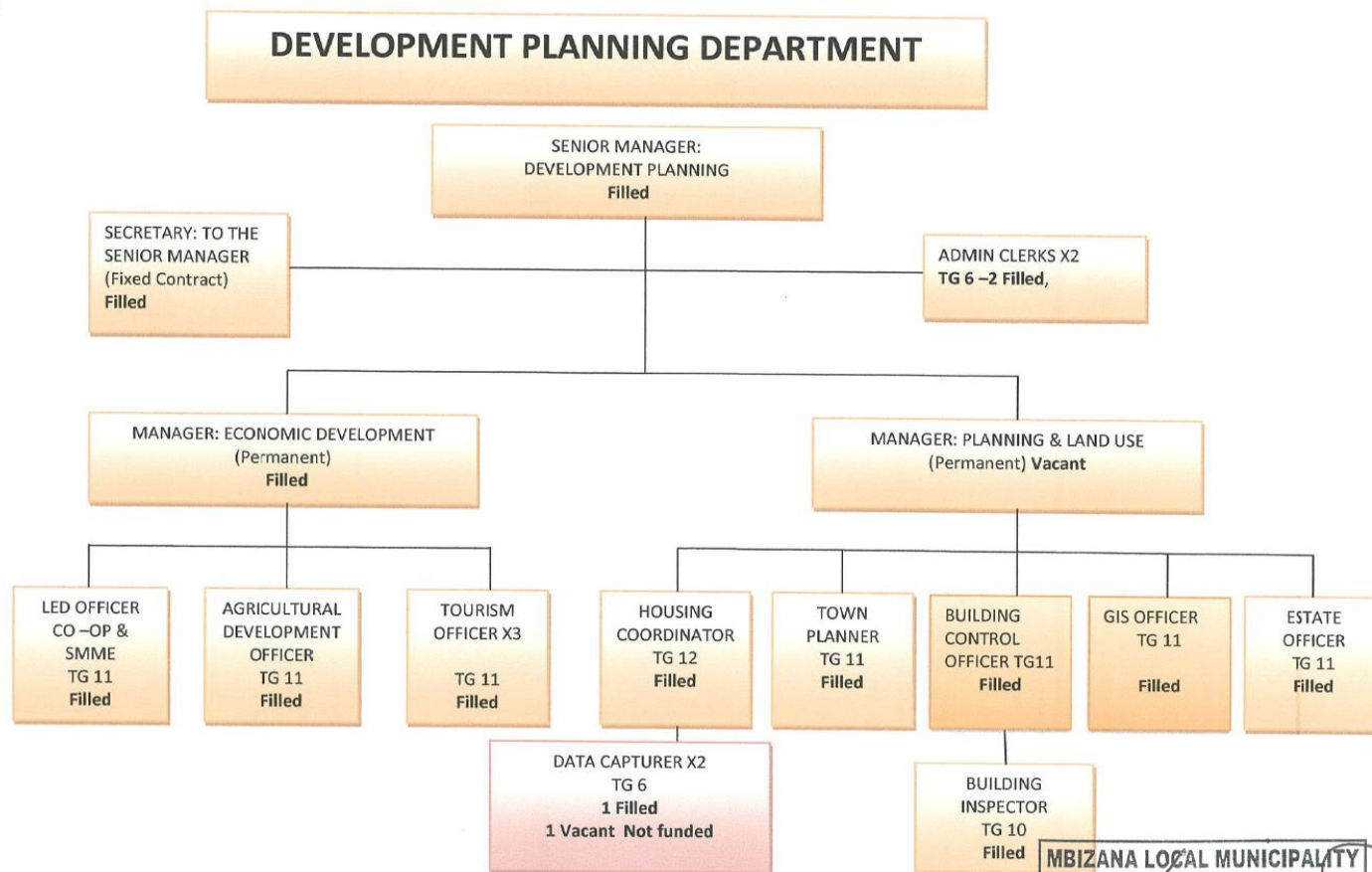


Organisational Structure reviewed in 2019/2020 Financial Year

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Mbizana Local Municipality





Organisational Structure reviewed in 2019/2020 Financial Year

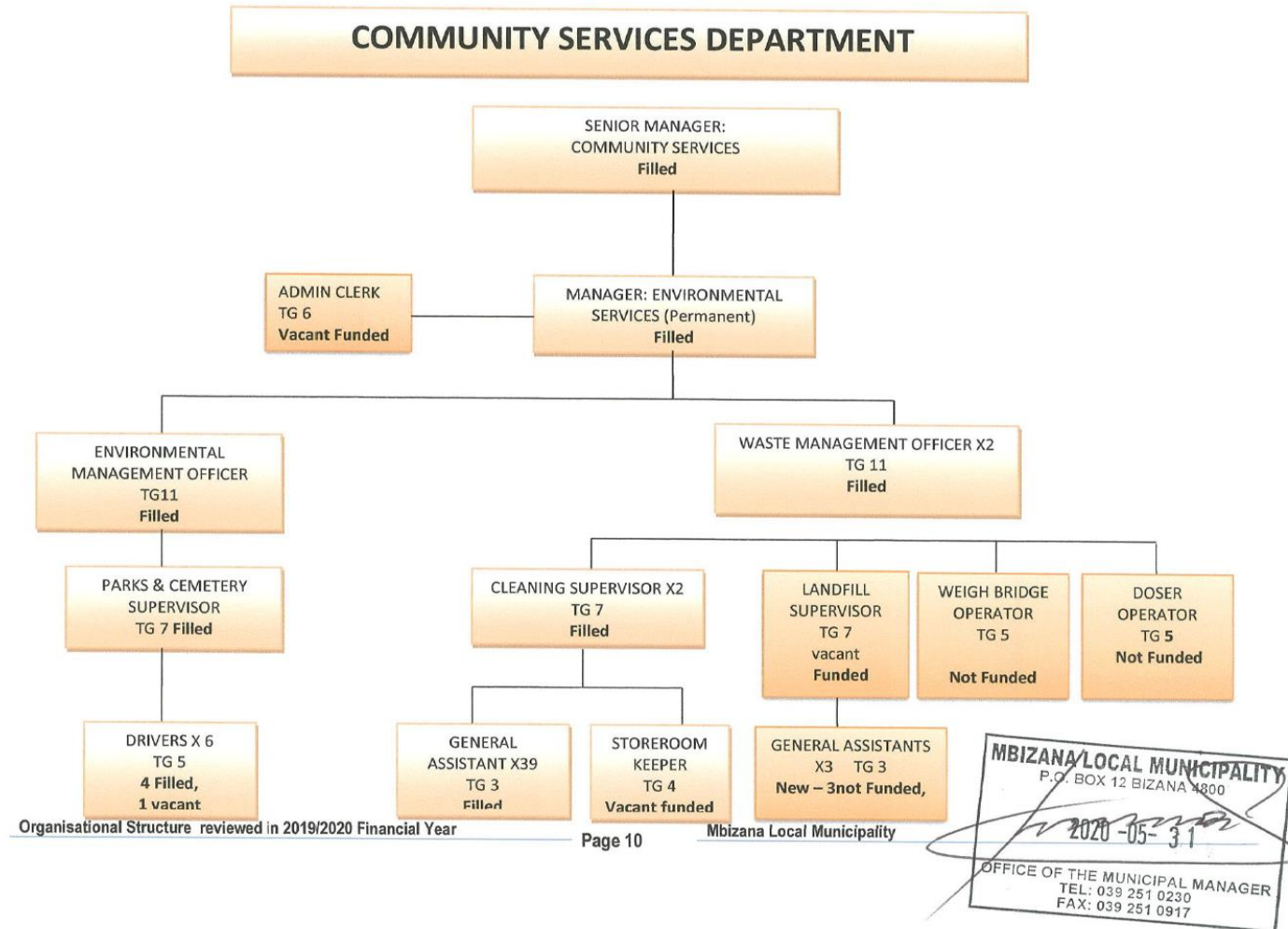
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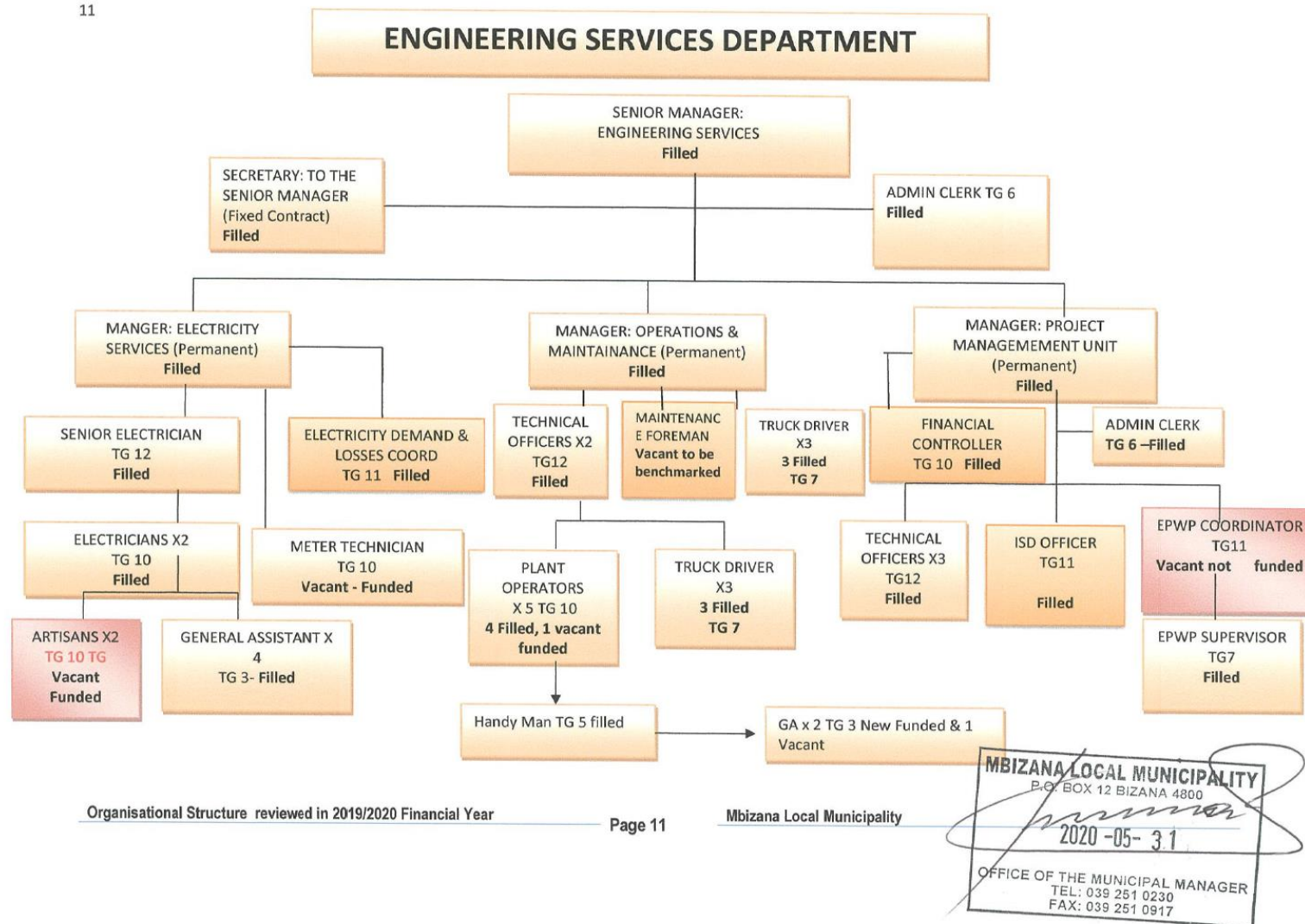
Mbizana Local Municipality

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2020-05-31  
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## SUMMARY OF AMENDMENTS MADE BY DEPARTMENTS

DEPARTMENT	POST DESCRIPTION	AMENDMENT
MUNICIPAL MANAGER	Monitoring and Evaluation Officer TG12	New funded and approved by the council
BUDGET & TREASURY OFFICE (BTO)	Manager assets and Stores TG16	New funded and approved by the council
ENGINEERING SERVICES	<ul style="list-style-type: none"> <li>Meter Technician TG10</li> <li>Road Maintenance Foreman TG</li> </ul>	New funded and approved by the council To be benchmarked





## Populated Staff Establishment

Departments	Number of budgeted posts	Filled posts	Vacant posts
Municipal Manager	42	36	06
Corporate Service	45	40	05
Budget & Treasury	32	24	08
Community Services	104	96	08
Engineering Services	40	29	11
Development Planning	19	18	01
Total	282	243	39

### Municipal Manager S56 Managers and Line Managers

The Municipality has employed six (6) of the six (06) section 56 Managers including Municipal Manager and CFO.

Post Description	Date of Appointment	Nature of Employment	Duration of Contract
Municipal Manager	10 September 2017	Contract	5 years
Chief Financial Officer	01 October 2017	Contract	5 years
Sen. Manager Corporate Service	12 March 2018	Contract	5 years
Sen. Manager Engineering Services	03 June 2019	Contract	4 years
Senior Manager Development Planning	01 March 2018	Contract	5 years
Senior Manager Community Services	01 March 2018	Contract	4 years

#### 4.5.4 Skills Development, Training and Capacity Building

In terms of Government Gazette No. 27801 every Municipality is obligated to submit the Work place Skills Plan and its annual Training Report to the LGSETA in April of every year. Employees are nominated for training according to Work place Skills Plan (WSP) which is informed by skill gaps in the Municipality. There are no challenges on Critical skills as all Critical positions are filled. The following is the progress report for the reporting period under review.

- 19 employees have been granted study assistance.
- 10 Councillors and employees are undergoing adhoc training.
- 01 intern is registered and studying CPMD.
- 1 senior manager and 1 manager are registered and studying CPMD

#### 4.5.5 Labour Relations

The Local Labour Forum is fully functional and has been convening meetings quarterly and/or as and when the need arises to discuss matters of mutual interest between employer and employees. The Local Labour Forum (LLF) operates through sub-committees in terms of the main collective agreement (SALGBC) as follows: -

- Training & Development Committee;
- Restructuring Committee;
- Occupational Health & Safety Committee

The Labour Relations section has also identified the need to equip all line management and supervisors with the ability to institute and preside over disciplinary processes. In pursuit of this goal the Labour Relations Officer has drafted and submitted a training specification to Supply Chain Management for procurement of services in the third quarter. Due to the pandemic and the restrictions that have been placed to protect employees in the workplace the department took a decision to postpone this target to the fourth quarter.

#### 4.5.6 Employment Equity Plan

The Municipality has adopted its Employment Equity Plan and policy drawn in line with the provisions of Employment Equity Act (EEA) and reports are timeously submitted to the department of Labour as per the stipulated timelines. In terms of staff establishment, there is one (1) female Senior Manager employed as per the section 56 managerial positions out of six (06) managers and none of them is disabled. The required 2% employment of people living with disabilities has been achieved. The intention of the Council is to utilise the HR recruitment vehicle to ensure that the transformation of the current employment demographics are in line with its targets.

The following Status reflects Employment Equity in WMM Local Municipality.

Departments	Number of Posts Filled	E.D. Males	E.D. Females	E.D Disabled	Total
Municipal Manager	36	16	20	01	
Corporate Service	40	15	25	02	
Budget & Treasury	24	10	14	01	
Community Services	96	52	44	04	
Engineering Services	29	21	08	02	
Development Planning	18	09	09	01	
Total	243	123	120	09	

#### Key objectives of the Employment Equity Plan

These are based on the implementation of the affirmative action measures, elimination of unfair discrimination in employment policies, practices and working environment.

- Improve the gender representation at senior management down to lower levels from 25% to 50%;
- Improve the over/under-representation of people from different designated groups in all occupational levels within WMM LM;
- Eliminate barriers identified in employment policies and the working environment;
- Compliance with the requirements of the Employment Equity Act.

#### **4.5.7 Performance Management System**

Performance management is implemented at the level of section 56 managers and middle managers. It has been cascaded down to the level of officers with a plan to reach every employee by June 2021. Templates that are understandable and relatable mostly to lower levels in terms of the performance plan and reporting have been developed and started using it in this financial year (2020/2021). We were unable to conduct annual assessments for the financial year (2019/2020) due to COVID-19. The mid-year assessments for 2020/2021 are scheduled for quarter 3 and annual assessment for 2019/2020 are scheduled for the first quarter of 2021/2022.

#### **4.5.8 Employee Health and Well – being**

The municipality is committed to promoting equal opportunities and fair treatment in for all its employees, through the elimination of unfair discrimination and integrated wellness programmes and policies. The municipality has adopted a holistic approach to address social and work-related problems through awareness programmes for its employees on the of HIV and AIDS, Chronic illness, Disability, Occupational Health and Safety for its employees. The Wellness section has had to drastically change its focus from its usual and planned programmes in order to accommodate the unforeseen hit of COVID-19. As an on-going concern, COVID-19 has been included onto Corporate Services' annual plan (SDBIP) for the year 2020/2021.

#### **4.5.9 Payroll Management and Administration**

Employee Self Service (ESS) is functioning and is being utilised by employees. Employees who do not have access to ESS are assisted by departmental user impersonators and the Payroll Office. Employee attendance is monitored on a weekly basis and reconciled with leave applications quarterly. A huge number of employees have 48 leave days balance which results in them forfeiting any leaves accrued.

#### **4.5.10 Auxiliary Services**

Auxiliary Services Section is composed of fleet Management unit; housekeeping unit and Records Management unit. The following is the status of the aforementioned units under Administrative Support and Auxiliary Services Section:

#### **4.5.11 Fleet Management Unit**

The Municipality has 44 vehicles on site and are allocated to departments/ sections but managed by Fleet Management section. The forty-four (44) vehicles mentioned above are inclusive of a total of plant (utilised by Engineering Services), 12-Seater Toyota Quantum and 23-Seater Mini bus. Each vehicle has fuel card that enables them to function daily. Those fuel cards are also used for toll-gates and minor repairs.

The above vehicles are used for transporting Councillors and officials to their respective areas of council businesses. Quantum and Mini-bus are usually utilised for transporting large number of people when attending council businesses or sport activities. Municipal vehicles are permitted to leave the municipal site only if there is a signed trip authority and only the authorised people who are permitted to use the municipal vehicles. All employees who receive travelling allowance are not permitted to use municipal vehicles. All Municipal vehicles are installed with tracking devices in order to track movement of vehicle and eliminate abuse of Municipal Vehicles.

#### **4.5.12 House Keeping Unit**

The House Keeping unit is responsible for ensuring that Municipal building and offices are clean at all times. The unit manages the orderly storage and movement of materials from point of entry to exit. The unit program identifies and assigns responsibilities for the following:

- clean up during working hours
- day-to-day clean-up
- waste disposal from offices/ building
- removal of unused materials and placed in a suitable area
- inspection to ensure clean-up is complete

The unit is operating with thirteen (13) Housekeepers who are employed permanent, five (5) Housekeepers employed temporary and one Supervisor.

#### **4.5.13 Records Management**

The Constitution of the Republic of South Africa in Sections 141 and 195(1)(f) of the Constitution, 1996 it determine that governance should be accountable and transparent. Accountability and transparency can only happen if -

- The public, to which governmental bodies are accountable, has ready access to all information that underpins the decision-making processes of governmental bodies.
- The Office of the Auditor General has ready access to information on the financial transactions entered into by governmental bodies to enable it to report to the public on the spending of their tax monies

The establishment of a records management unit is envisaged in Eastern Cape Provincial Archives and Records Services Act no. 7 of 2003. Upon the setting up of the unit a records management system has to be developed whose objective is to centralise documents in order to manage the inflow and outflow of information. To create a unilateral information management system that operates within the bounds of a centralized source of information management. Staffing composition is a Records Management Officer and two (2) Registry Clerks. The following has been achieved during the reporting year:-

- The file plan was developed, approved by Provincial Archivist in Mthatha and adopted by the Municipal Council;
- The Records Management Policy adopted, approved by Provincial Archiving in Mthatha and adopted by Municipal Council;
- Procedure Manual was drafted approved and adopted by Municipal Council;
- Records File Plan drafted approved and adopted by Municipal Council;

- The Registry space identified and in the process of renovation;
- Container next to corporate services entrance used for extra storage as well as pack home at the back of municipal offices
- Records from Development Planning, Budget and Treasury, Corporate services and Engineering services Office were taken and placed at Registry Office;
- Records ready for archiving were identified and reported to Provincial Archives in Mthatha;
- General Disposal authorities issued by Provincial Archivist for Pre-TLC AND TLC records for 2018/19 financial year
- Ephemeral records from departments in which centralization has occurred were disposed according to legislation
- Training of staff and awareness on documented techniques about centralized records management programme are taking place.
- Records qualifying for disposal were identified and reported;
- Disposal Committee is appointed and functional
- Draft schedule for records other than correspondence files, audio-visual material has been developed

Inspection or feasibility study was conducted by Department of Sport, Arts and Recreation in order to determine a need to centralise records in a Registry, appoint Records Manager and the report indicated that there is an urgent need to centralise documents in the Municipality in a well-structured Registry. The first phase project started by retrieving documents such as maps, contracts, SCM documents etc, and centralised in the Registry unit. Workshops were conducted to Councillors, Employees and Management of the Municipality to educate them about the Policy, Procedure Manual and File Plan as classification systems for a successful records management programme.

#### **4.5.14 Staff Retention**

The WMM LM Employee Retention Policy is developed and adopted by Municipal Council to provide guidance and information to Council, Management and Labour in order to effectively implement all approved employee retention strategies so as to promote the retention of staff. The following are the key policy highlights which influence the successful implementation of this strategy. Currently the Municipality has retained six (6) people by means of promoting the employee to the higher position.

#### **4.5.15 Succession Plan**

The plan is in place and implemented. It is implemented on regular basis in collaboration with departmental heads and Human Resource officials by:

- Examining the Organizational Structure to establish posts that are likely to become vacant over the next five years owing retirement;
- Provision should also be made for cases of possible termination due to the resignations, deaths, dismissals etc.
- To earmark employees that are ready for promotion and prepare them to contest for promotional positions;
- Encourage potential employee who are not in possession of formal academic qualification to register to Universities and Technikons;
- Nominate employees for trainings considering the skills gaps and the plan.

#### 4.5.16 Leave Management

The Municipality has started the process to identify and correcting discrepancies pertaining to employee's leaves. The process will incorporate the upgrading of VIP system. The following are the issues that require correction: -

- The system to make a provision to carry over leave credits;
- To correct date of engagement;
- To find measure in communicating leave credits or compulsory leaves to employees and Managers of department, by making sure that Managers are encouraged to allow employees to take their compulsory leaves before the end of the cycle;
- To concientise employees about the Municipal leave policy.

The Municipality was utilizing VIP Premier System has been upgraded to People Management system. The advantage about the system is that the Municipality will be able to retrieve number of reports for example: -

- Skill Development Reports;
- Employment Equity Reports;
- It will assist Job description for employees;
- It will assist with SALGA reports;
- Tables to calculate medical aid, long service bonus, pension fund, annual salary increment etc.
- Date of engagements for employees.

#### 4.5.17 Information and Communication Technology

The Information and Communication Technology (ICT) section is responsible for the architecture, hardware, software and networking of computers. As ICT unit, a number of duties are performed to ensure that employees have full access to the computer systems. Information technology (IT) has become a vital and integral part in all government spheres in introducing efficiencies and ensuring data integrity. ICT supports a server room with 15 servers, a UPS for the entire server room with a backup generator and a staff complement of about 266 employees excluding 72 Councillors and Traditional leaders that are supported on an ADHOC Bases. The ICT section is anchored by 3 basic pillars

- **Demand** - for information, processes and technology (*Why ICT services are required and what functions they'll be performing*)
- **Supply** - of services by the ICT function (*How to deliver the services and where from*).
- **Governance** - If and when investments in services should be made. Governance must be a shared activity between demand and supply to ensure the right investments are made and delivered, and the expected benefits are realized.

#### 4.5.18 ICT Governance Framework

The municipality had several policies that were consolidated to policy manuals. The two policy manuals are IT Policy Manual and ICT Security Manual. The ICT Security Policy Manual has 21 policy statements and the ICT Policy Manual has 20 Policy Statements. The Municipality further adopted a Business Continuity Plan (BCP), Disaster Recovery Plan (DRP), ICT

Governance Policy Framework, ICT Charter and ICT Strategy as part of the documentation that will assist with the governance of ICT.

#### **4.5.19 ICT Infrastructure Projects**

2020/21 financial year the municipality upgraded the server room, installing completely new servers, fire suppression as well as a biometric system. The Municipality is installing a records management system for managing records keeping at finance as a first phase. Upgrade project of adding rack mounted Uninterruptible Power Supply (UPS) on all our cabinets that are distribution points was done in the 2019/20 financial year. At the core (Server room), rack mounted UPSs were installed with a capacity to power up a 42u cabinet with servers and distribution switches including internet links. To improve internet and email traffic, the municipality upgraded its 2Mb Diginet to a 20mb fibre (Metro-E). The Municipality has both physical and wireless Access points (Wi-LAN). The Municipality upgraded the hybrid telephony solution to a full end to end IP Telephony solution with extended functionality of being installed on mobile devices for teleworking.

#### **4.5.20 Municipal Website**

Winnie Madikizela – Mandela Local Municipality website is up and running, URL: <http://www.mbizana.gov.za>. ICT is responsible for compliance on the website in terms legislations and laws applicable to municipal websites. The role of the Municipality's website, as platform for information dissemination, participation and disclosure has been significantly catered for in various pieces of legislation, including:

- The Local Government Municipal Systems Act No 32 of 2000 ("the Systems Act");
- The Local Government Municipal Financial Management Act No 56 of 2003 ("the MFMA"); and
- The Municipal Property Rates Act, no 6 of 2004 ("the MPRA").

#### **4.5.21 Web Content Management**

ICT is responsible for uploading compliance documents in terms of s75 of the Municipal Finance Management Act No. 56 of 2003 and all applicable laws of the republic of South Africa. With the collaboration with Municipal directorates ICT is able to maintain fresh content on the website including social media platforms.

#### **4.5.22 Disaster Recovery**

The Municipality has an adopted Disaster recovery Plan to be implemented with the adopted Business Continuity Plan. This is to ensure smooth recovery with minimal negative impact when a disaster occurs. The municipality has two hosts with several Virtualised servers and a dedicated server housing VEEAM with HYPER-V for back-up and replication. For offsite back up, the municipality has a service level agreement in a data centre in Centurion, Gauteng province providing a cloud solution.



## **4.6 KPA NO. 4 FINANCIAL PLANNING AND REPORTING**

### **4.6.1 Municipal Financial Management**

Winnie Madikizela – Mandela Local Municipality has an established Budget and Treasury Office in terms of section 80 of the Municipal Finance Management Act No. 56 of 2003. The department is tasked with overseeing the financial administration of the municipality and is focused on the following four areas: - revenue management, expenditure management, financial planning, reporting, asset management, stores management and supply chain management. The municipality has continuously stayed financially viable over the past years which has helped to fulfil all its obligations as they fall due. As a result of this there has not been a need for a financial bailout from any sphere of government as the municipality has been able to settle its commitments as they fall due, paid for service delivery initiatives like roads construction, electrification of villages and provision of community facilities, and has been able to pay for all operational requirements ranging from remuneration of its workforce to repairs and maintenance of municipal assets and others. The municipality has in the past in the past four years been able to avail its own funds in the form of reserves to speed up service delivery which is still expected to continue in the near future considering the level of cash backed reserves the municipality has.

### **4.6.2 Financial Viability Overview**

Winnie Madikizela – Mandela Local Municipality is a predominantly rural municipality, and currently only derives revenue from the very small, town area for service charges, rental of facilities and property rates. There are government properties in the rural areas though that the municipality charges and collects property rates in line with the Municipal Property Rates Act. These are properties owned by government and other qualifying properties like, in our case, the Wild Coast Sun Hotel and Casino.

To counter this, the municipality has reviewed its Revenue Enhancement and Debt Collection Strategy that was approved by council in 2014. Management has during the 2020 to 2021 financial year embarked on an exercise to review and update that revenue enhancement strategy. The review and update were completed during the 2021 year with an action or implementation plan to avoid similar challenges faced with the old strategy implementation. The emphasis of the strategy is on providing quality services to the communities served and providing information early whilst it is still relevant. Whilst identifying new revenue streams, the strategy also emphasizes maximizing on the already existing streams which has also been assisted by the renegotiated lease agreements. Management has also identified that it needs to work closely with businesses as they are the ones who have more capability to settle their debts, all that needs to be improved is the willingness to settle.

Apart from the strategy, the municipality has already made some inroads in ensuring that the revenue generating capacity is improved. An analysis of the revenue generated from refuse removal against the cost of providing such a service for the municipality was made and it was discovered that not all customers benefiting are billed. A data collection process was initiated to identify all customers who should be billed for the service. These accounts were then updated to ensure that they are billed and the billing for customers who are not owners of the properties was consolidated into that of the owner to mitigate the risk of the municipality being unable to trace its debtors should those leave the premises without fully settling all accounts. A

Drivers' License Testing Center has been operating for a number of years now. This has ensured that Mbizana communities have easier access to the service whilst improving the revenue generation capacity of the municipality.

A significant part of the municipality's revenue is from the grants received from the National fiscus for various programmes and service delivery objectives. The table below gives a list of the grants that the municipality receives and is expected to receive in the medium term: -

Description	2020/21 Actuals	2021/22 Budget	2022/23 Forecast	2023/24 Forecast
Equitable Shares	R 332 422 000	R 289 620 000	R 304 052 000	R 296 623 000
Financial Management Grant	R 2 000 000	R 2000 000	R 2100 000	R 2100 000
Municipal Infrastructure Grant	R 48 049 000	R 51 023 000	R 55 038 000	R 57 433 000
Integrated National Electrification Grant	R 32 507 589	R 28 453 000	R 35 000 000	R 28 000 000
EPWP Greenest municipality	R 401 905			
EPWP Grant	R 2 389 000	R 3 570 000		
DSRAC Library Subsidy	R 702 533			
Government Support Grant	R 17 018 842			
Municipal Disaster Management Grant	R 5 474			
Total	R 435 496 343	R 374 666 000	R 396 190 000	R 384 156 000

The municipality always makes an effort to ensure that a bigger share of the total budget is always directed at funding capital programmes as the municipality has a responsibility of delivering services to the people in the form of Infrastructure assets like roads, community halls, sport fields, electrification and social and economic infrastructure. As mentioned earlier, Winnie Madikizela - Mandela Local Municipality also generates its own revenue from the following sources:-

- Municipal Property Rates:- for ratable properties both in town and rural areas, including government properties
- Refuse Collection: for the town area and some parts outside of town including some schools
- Electricity Distribution for the town area
- Rental of facilities

Although these streams produce revenue for the municipality, it is not nearly enough as to cover all responsibilities that the municipality is required to undertake. The municipality also receives other income that is not in the main functioning of the municipality. These include interest on investments, Advertising, Traffic fines, funeral fees, tender fees, agency fees and a few other revenue streams. New initiatives have been embarked on to ensure that cash that is not immediately required is invested in short term portfolios that have high returns whilst the initial capital amounts are guaranteed.

The collection rate for the municipality is currently just above 63% which is the same for 2019/20 analysis down from 96% in the prior year. This is below the revenue collection norms by the National Treasury and needs to be improved to ensure sustainability. The situation is however, expected to remain the same if not worsening as a result of the economic challenges posed by the National lockdowns due to Covid-19. The municipality continues to explore means to encourage consumers to priorities municipal accounts. As mentioned earlier, the revenue enhancement and debt collection strategy are key to ensuring that this is realized which we hope and expect that the review and update will bring the much-needed assistance.

Electricity sales still pose a challenge due to illegal connections, meter tempering, distribution losses and ageing electricity infrastructure. The WMM Local Municipality has implemented projects that are meant to turn the situation around. These include the changing of meters to split meters to reduce the tempering of meters, meter audits, to determine the status of the meters as currently used by consumers. There has also been a targeted effort at the large users of electricity like businesses and other institutions. The meters in these businesses have been replaced with modern ones that can be monitored and irregularities can be identified early. These initiatives have started to yield results, but need to be given time to ensure that the desired outcomes are realized.

In an attempt to reap full benefits of the investment made into the municipality's metering system, there are plans to install an automated meter reading and monitoring system during the current year. The electricity department is currently sourcing services of a professional service provider to replace old Low and Medium voltage lines, which is expected to be completed by 30 June 2021.

#### 4.6.3 Funding Streams

The municipal operations and capital programs are funded largely from grants and to a lesser extent from own revenue. The grant funding, is to a larger extent, conditional, and this means the grants can only be utilized for the purpose for which they have been allocated and within the stipulated terms and conditions. The grant funds are utilized as follows: -

- **Equitable Share:** is utilized mainly for funding operations and efforts are also made to ensure that this is used for capital programs to boost the service delivery funding.
- **Municipal Infrastructure Grant:** is a conditional grant for the funding of municipal infrastructure developments.
- **Financial Management Grant:** is aimed at building and maintaining financial management capacity as well as for the procurement and maintenance of financial systems used to management financial data and reporting. This includes ensuring that mSCOA, as introduced by the National Treasury is appropriately implemented.
- **District Municipality Transfers:** is funding received from the District Municipality for planning and implementation of functions that we undertake on their behalf and for the compilation of the Integrated Development Plan of the local municipality.
- **Other grants:** these are received at various intervals for Library subsidies, for the EPWP and for other specific adhoc purposes.

#### 4.6.4 Auditor General's Concerns

The Auditor General of South Africa is currently auditing the 2019/20 Annual Financial Statements and an audit opinion has been issued. The table below indicates the outcomes that the municipality received in the past financial periods. The audited results of the municipality were as follows for the past four years: -

	2016/17	2017/18	2018/19	2019/20
Audit Outcomes	Unqualified	Unqualified	Unqualified	Unqualified

An audit action plan has been developed for the 2019/20 financial year's findings. The action plan addresses all the findings by the Auditor General and all the findings will be addressed as we progressed with the 2020/21 financial year. Some of the findings can only be addressed when the 2020/21 annual financial statements are prepared and finalised for audit. The major issues the municipality has been struggling with is historical non-compliance with laws that still affects current audits, however, there are plans the municipality has started to implement to ensure that these are addressed fully.

#### **4.6.5 Filing System and the Audit File**

One of the requirements of the audit by the Auditor General is that a municipality should be able to produce supporting documentation for the transactions that have occurred. Central to this, is the safe keeping of the documents for the audit and for future reference. The municipality currently experiences a challenge with this because we do not have central and functional archives that can accommodate all municipal documents. Above that, there is limited space on which files are kept and this result sometimes in documents being misplaced.

The municipality is currently considering alternative means that it can do to avoid the loss of documents and thereby limiting the scope of auditing and lacking reference documents in future. The alternative means include purchasing and installation of a electronic filing system that will assist in reducing the need for keeping documents in hard files for longer. This is whilst the Corporate Services and Engineering Services departments finalize on long term plans to address the issue of lack of filing and office space.

#### **4.6.6 Financial Plans**

The municipality prepares a budget that takes into consideration operational and capital programs over a period of 3 years. A budget process plan was adopted that would guide the compilation of the 2020/21 adjustments budget as well as the compilation of the 2021/22 annual budgets and the MTERF. These budgets or financial plans form part of this IDP document. It is important to note that a significant change happened in the preparation of the budget from 2017/18 as it was required to be mSCOA compliant.

Municipal Standard Chart of Accounts (mSCOA) is a business reform that all municipalities were required to comply with and transact on from July 01, 2017. This reform has brought about uniformity amongst all municipalities in terms of reporting as the chart of accounts is the same for all. Municipal manager through a council resolution delegated the function of championing the whole process to the Chief Finance Officer. Significant work including setting up committees made up of senior managers and managers was carried out in terms of ensuring that the set target date is achieved and our municipality is also able to transact on mSCOA compliant platform.

The municipality prepared annual financial statement for the second time since the implementation of mSCOA, this introduced a number on new classifications that have not been catered for in terms of GRAP. The municipality had to find a balance between the requirements of mSCOA and GRAP to ensure compliance with both while the audit was mainly going to be on GRAP compliance. The municipality does not foresee any compliance challenges with GRAP interpretation and application as a result of the reform.

#### 4.6.7 Grant Usage

The municipality receives a number of national and provincial grants as stated earlier. Conditional grants are utilized only for the purposes for which they were intended in line with their conditions. These funds are ring-fenced for the specific conditions for which they are meant. The funds are both ring-fenced within the accounting system such that they have specific ledger accounts assigned to them, but at the same time, specific banking call accounts have been opened for each conditional grant as required by the funders. This makes it easy in the event of unspent grants to prove to the National Treasury that these funds are actually available and set aside in the bank accounts of the municipality.

As indicated in the table below, the Municipal Infrastructure Grant, Integrated National Electrification grant, Financial Management grant, and Greenest Municipality grant had a unspent balances of which a roll-over was applied and awaiting finalisation of approval processes. The Integrated National Electrification Programme was fully spent and no roll over was applied for in the 2018/19 financial year which is unfortunately not the case in the current year. The plan is that all these grants are spent in the 2020/21 financial year.

Grant Description	2019/20 Budget	Adjusted	2019/20 Expenditure	2019/20 Unspent Grant	2020/21 Adjusted Budget
Equitable Shares	R 260 384 000		R 260 384 000	R 0	R 332 422 000
Financial Management Grant	R 2 215 000		R 2 167 495	R 47 505	R 2 000 000
Municipal Infrastructure Grant	R 54 488 580		R 53 946 982	R 541 598	R 48 049 000
Electrification Grant	R 31 240 000		R 24 934 411	R 6 305 589	R 32 507 589
EPWP Grant	R 2 452 000		R 2 452 000	R 0	R 401 905
DSRAC – Library Grant	R 948 423		R 245 890	R 702 533	R 2 389 000
EPWP Greenest municipality Grant	R 3 297 610		R 2 884 095	R 413 515	R 702 533
Government Support Grant					R 17 018 842
Disaster Relief Grant	R 715 000		R 709 526	R 5 474	R 5 474
Total	R 355 740 613		R 347 724 399	R 8 016 214	R 435 496 343

#### 4.6.8 Debtors' and Creditors turnover rate

Our municipality bills consumers for property rates, solid waste removal and electricity. Consumers are then expected to settle their debts by the 7<sup>th</sup> of each month after they have been billed. The debtors' turnover rate, which is basically the number of days it takes our consumers to settle their debts is more than 30 days. This is more than the expected norm and could have a negative effect on the municipality's cash flow. The efforts directed towards the improvement of the collection rate need to be intensified and this should start to yield results in the 2019/20 financial year and subsequent years. The municipality has reviewed its credit control and debt collection policy. This policy has been promulgated into a by-law to ensure that all debt collection measures to be taken are well protected to avoid legal challenges.

Suppliers and creditors, by law, should be paid within 30 days after the receipt of a valid invoice. The municipality's creditors turnover rate, which is the number of days it takes the municipality to pay its creditors, has improved in the year to within 30 days. Efforts have been made to change this around. The SCM processes have been centralized to ensure that all processes and documents are dealt with and followed up at one place. This has shown some improvements in the turnaround times but there is still a lot to improve to ensure that service delivery reaches the communities.

The implementation of new tax verification laws by SARS and the introduction of the central supplier database by National Treasury have become one of the measures that the municipality uses to verify creditor information to minimize time of going through different documents to perform any form of verification including banking details. These reforms require that every time payments are processed; the municipality verifies the creditors' tax matters with either SARS or on the central supplier database.

#### 4.6.9 Internal Controls

In the 2014/15 financial year, a training initiative was undertaken for all Budget and Treasury Officials to ensure that the level of understanding of financial procedures and controls is enhanced. This was also done with the intention of increasing the level of understanding of internal controls and what the implications of GRAP standards application are. There has been an increased understanding of the internal controls, but management of budget and treasury office continues to emphasize on the importance of internal controls. These processes and procedures are then reviewed annually to check as to whether they still achieve the intended outcomes.

Due to drastic changes in the municipal supply chain management environment and the new financial reforms we have identified a need to review these processes and possibly redesign them to ensure that they assist the municipality in correctly applying and interpreting the laws and regulations as well as avoiding irregular expenditure.

The Budget and Treasury has policies in place from which procedures are derived for the daily running of the department. These policies are reviewed annually to consider their relevance and to ensure that they comply with updates that take place in legislation and National Treasury regulations and other developments. The latest review happened at the end of 2019/20 financial year and these were ultimately approved by Council on 28 May 2020. The review ensured that policies are updated and new ones were introduced. Some of these policies however require an annual review as they form part of the budgeting process and usually there are changes that need to be affected in each one of them. The Local Municipality has the following financial policies that have been adopted but have not as yet been promulgated into by-laws but process of promulgation has been started by our legal section-;

- **Cash Management and Investment Policy:** - deals with investment of monies that are not immediately required. This is in accordance with the framework prescribed by the minister in concurrence with the cabinet member responsible for local government and consistent with Municipal Cash Management and Investments. This policy also takes into consideration the handling of borrowing by the municipality, how it is approved and items that can be funded using borrowed funding. It also takes into consideration the borrowing of funds from finance institutions, how these are approved and who decides to enter into a borrowing arrangement.
- **Supply Chain Management Policy:-** seeks to comply with the constitutional requirements that the procurement of goods and services is conducted through a system that is fair, equitable, transparent, competitive, and cost effective. Amendments have been affected to the policy but it has emerged from the audit by the Auditor General that there are still some gaps that need to be closed in terms of having this policy complying to all the legislations of the country on contract management to be specific.

- **Asset Management Policy:-** deals with the way in which the municipality manages its fixed as well as moveable assets. The policy deals with the accounting treatment of all infrastructure assets, categorization, depreciation, useful lives of assets in line with the provisions of GRAP.

The following are the policies that the municipality currently has and are being reviewed regularly:-

- **Tariff Policy:** this policy deals with processes and guidelines that need to be followed in adjusting tariffs, taking into consideration the changes in the Consumer Price Index and inflation. This also takes into consideration the Valuation roll, that is the values of properties that determine the Property Rates which consumers will be expected to pay. This policy is reviewed annually and forms part of the budgeting process.
- **Rates Policy:** guides the municipality on how Property Rates will be charged and who will be charged and is informed by the Municipal Property Rates Act. It determines the minimum value of properties that are subject to property rates. The policy also determines the properties that will be exempt from the levying of property rates.
- **Supply Chain Management Policy:** This outlines the processes and procedures that need to be followed in the acquisition and disposals by the municipality.
- **Supply Chain Management Policy for Infrastructure Procurement and Delivery:** The National Treasury has introduced a guide for the development of this policy, whose intention is to ensure effective and efficient procurement and delivery of infrastructure assets. The policy introduces controls that ensure accountability various levels of the procurement process.
- **Credit Control and Debt Management Policy:** This policy guides the municipality on how debtors to the municipality should be dealt with, how long outstanding debts should be collected.
- **Budget Policy:** This guides the municipality on how and when municipal annual budgets and adjustments budgets should be compiled. It gives guidance on how to do virements and transfers and who has the authority to do those.
- **Petty Cash Policy:** This policy gives guidance on how transactions that are within the Petty Cash threshold are handled. It outlines the documents that need to be attached as supporting evidence as well as authorization of such transactions.
- **Accounts Payables Policy:** This is a new policy to the municipality and it deals with procedures that need to be followed to ensure that creditors and all service providers are paid within the stipulated time periods and the documents that need to be attached as source documents.
- **Irregular, Unauthorized, Fruitless and Wasteful Expenditure Policy:** This also is a new policy to the Municipality and it outlines processes that need to be followed to prevent the instances of such expenditure. Where these expenditures have occurred, the policy gives guidance on how they can be recovered, and the disciplinary action that should follow these instances.



- **Debtors impairment policy:** This is a new policy to address the specific issues relating to management of debtors and also setting parameters for the impairment of debtors whose behavior indicates a possible non-collectability. This is also in response to the new dynamic added by the recognition of revenue from traffic fines and the general behavior of those debtors to settle these debts.
- **Indigent policy:** This is a policy that deals with processes to identify those who qualify to be classified as indigent and therefore qualifying for free basic services as well as defining benefits and setting levels that the municipality can afford from time to time.

#### 4.6.10 Municipal Asset Register

The municipality maintains a GRAP Compliant asset register. This enables us to keep track and have a record of what assets we have, both moveable and immovable, the value of the assets, the depreciation thereof as well as any additions that may have taken place during a financial period. The register is maintained through the course of the year with all the additions and disposals as they occur. This register was presented to the Auditor General for the 2019/20 financial year where concerns relating to incorrect valuation of investment properties were raised and corrected and subsequently the municipal accounting records updated. The 2020/21 asset register will be submitted to the Auditor general for audit at the end of August 2021 in compliance with the MFMA.

It is the plan of the management team that an asset register is compiled and updated regularly to meet the requirements of GRAP and is able to be used as a monitoring and accounting tool for all the financial years.

#### 4.6.11 Revenue Enhancement and Collection Strategy

As indicated on the overview of the financial viability, our municipality is largely rural and as such has a limited base from which to derive revenue. This implies that the municipality comes up with innovative and robust strategies to ensure that the revenue is enhanced. A revenue enhancement strategy has been implemented as was developed and approved by Council has been reviewed and updated. The management of the municipality is currently implementing the recommendations of the strategy which are categorised into short, medium and long term goals. These strategies need to be implemented swiftly so as to realise better revenue generating capacity.

The strategy encompasses some revenue sources that the municipality already has like the Vehicle and license testing station which has just been completed. Other alternatives include enhancing revenue related to natural and heritage resources that the municipality is endowed with. The municipality is seeing a lot of development of businesses and residences around town. This has a positive impact on the revenue that the municipality is able to generate. Efforts are also placed at making sure that the electricity department, which has a potential to provide profits to the municipality, is run efficiently and optimally. Due to the age of this strategy the municipality has identified the need to update the strategy to provide the most relevant information and analysis to ensure that current revenue streams are identified and explored while an analysis of what has changed since the implementation of this strategy is made.

Apart from the strategy, the municipality has already made some inroads in ensuring that the revenue generating capacity is improved. An analysis of the revenue generated from refuse removal against the cost of providing such a service for the municipality was made and it was discovered that not all customers benefiting are billed. A data collection process was initiated to identify all customers who should be billed for the service. These accounts were then updated to ensure that they are billed and the billing for customers who are not owners of the properties was consolidated into that of the owner to mitigate the risk of the municipality being unable to trace its debtors should those leave the premises without fully settling all accounts.

#### **4.6.12 Financial Recovery Plan to address cash flow problems**

The municipality has not put together a financial recovery plan. This is mainly due to the fact that it has not experienced any problems with cash flow as it currently has a healthy liquidity that is it is able to meet its obligations as they fall due. Assessments are carried out on a regular basis to consider whether the financial recovery plan would be required. Having said this, the municipality is actively engaged with efforts to ensure that this status is maintained. This includes, as mentioned earlier, active investment of cash not immediately needed, soliciting funding for infrastructure projects and ensuring prudent budgeting and spending practices.

It is important to note as well that the municipality has committed itself on electrification projects, which in turn are handed over to ESKOM. This means that the cash reserves of the municipality have been seriously tapped into, and from the 2016/17 financial year, and going forward, there has been a need to implement serious cut back on non-essential spending assisted by the implementation of the cost containment regulations, what is normally referred to as 'nice to haves'. There is no need to panic yet and the municipality has continued to grow its cash reserves year on year, but emphasis is made on the fact that the municipality needs to be vigilant in terms of taking decisions that could be far reaching and over committing available financial resources.

#### **4.6.13 Valuation Roll**

The municipality developed and adopted the valuation implementation plan for the first cycle valuation roll in terms of the Municipal Property Rates Act (MPRA) as amended. The valuation roll was adopted by municipal council on the council meeting of the 31 May 2019 and informed the office of the Member of the Executive (M.E.C) as required.

The council has since closed the last (fifth) cycle in implementing the 2014 valuation roll on 30 June 2019. This has since started the process of implement a new valuation roll for 2019 till 2024 for five years. The council then advertised the 2019 valuation roll that was implemented on the 01 July 2019 for the period of five years ending in 2024. The valuation roll was gazetted in the provincial gazette of 04 March 2019 No 4200. The advert was for the call of the inspection of the general valuation roll by the rates payers as required in terms of the act as amended

The council allocated the budget of conducting the first cycle valuation roll that has been implemented as from 1 July 2019. The council also reviewed the municipal rates policy as it is done on annual basis with the bylaws inclusive of tariffs that are advertised and gazetted by law. The rates policy was adopted by the council and the by-laws that give effect to rates policy along with the resolutions to levy rates on 14 August 2019, No 4289.

The municipality is in the process of implementing the 1st supplementary valuation roll an update in the general valuation of 2020, which is updated annually in the form of supplementary valuation rolls as contained in the IDP. The valuation roll is further.

#### 4.6.14 Supply Chain Management

The Municipal Finance Management Act No 56, of 2003, section 80, deals with the establishment of a Budget and Treasury Office by all municipalities. The established Budget and Treasury Office must then be headed by the Chief Financial Officer with several responsibilities assigned to him/her. One of the responsibilities assigned to the Chief Financial Officer also include supply chain management. WMM Local Municipality has established the Budget and Treasury Office, within which a Supply Chain Management Unit has further been established. This unit is responsible for all demand management, procurement, logistics and disposals within the municipality.

The unit is headed by a Supply Chain Management Manager, who reports directly to the Chief Financial Officer. In turn, there are two Supply Chain Management Officers who report to the manager. Further to this, there are two SCM Clerks who report to the officers, and this total to a unit with five personnel. These personnel are further enhanced by financial management interns who rotate and therefore, as part of rotation form part of the SCM Unit team. All the SCM officials meet the minimum competency levels required for SCM officials.

As part of the section 71 reports that are tabled to committees and then to council, SCM issues are also reported. This means that there are twelve (12) reports that are tabled to council on an annual basis. The supply chain management policy is reviewed on a yearly basis and forms part of the budget related policies. This review therefore also happened for the 2019/20 financial period. The following thresholds are outlined in that policy:-

<b>STRUCTURE OF APPROVAL</b>		
<b>Goods/Service Value</b>	<b>Procurement Method Minimum</b>	<b>Approval Authority</b>
R0 – R2 000	Petty Cash: One Quote	Head of Department
R2 001 – R10 000	Three Quotations	Head of Department
R10 001 – R30 000	Three Quotations	Head of Department
R30 001 – R200 000	7 days advert Notice Board via Website; Three Quotations	Accounting Officer or delegated
R200 001 – R2 Million	Competitive Bidding Process	Accounting Officer
R2 Million – R10 Million	Competitive Bidding Process	Accounting Officer
Above R10 Million	Competitive Bidding Process	Accounting Officer

The bid committees are appointed for specific projects with the following principle applied at all times: -

- The Bid Evaluation Committee is composed of managers reporting to senior manager, and each committee always has a SCM practitioner.
- The Bid Adjudication Committee is composed of Senior Managers and is chaired by the Chief Financial Officer

The committees have performed at acceptable levels although and improvement would be welcome to ensure that there are no delays experienced.

#### 4.6.15 Preparation of Annual Financial Statements Plan

The municipality has from the 2015/16 financial year started to compile its financial statements using the internally employed officials. This has meant that there is a significant saving on the amounts that are spent on consultants to prepare the same. In doing this, the municipality prepares an annual financial statements preparation plan that looks into all the components of the financial statements, due dates, as well as responsible officials. This plan also looks into more immediate and regular timelines for tasks to be performed daily, monthly and quarterly. The plan then looks into the year-end processes with key deadlines which are usually set as follows for all financial years:

Draft AFS and Submit to the CFO	16 July
Draft AFS and submit(with the audit file) to Internal Audit for review and external reviewer if available	23 July
Draft AFS and submit to Audit Committee	23 July
Draft AFS submit to Executive Committee	23 July
Compile the final audit file	16 August
Finalise AFS and Submit to MM for Approval	27 August
Submit AFS to AG	31 August

#### 4.6.16 The impact of COVID-19 to the municipality

The President of South Africa declared a nationwide lockdown, where all citizens, except those that form part of essential services, were ordered to stay home for a period of 21 days. Those working in essential services, as defined in the latter announcement, were exempted from the nationwide lockdown declaration. The nationwide lockdown commenced at midnight on Thursday, 26 March 2020. This was eventually extended to the end of April 2020. The president then announced that the country will continue being on a risk adjusted lockdown with level 4 alert expected to take until the end of May 2020. This announcement will broadly affect how municipalities and municipal entities undertake their financial management responsibilities for the remainder of the 2019/20 financial year in terms of the MFMA and more imminently the 2020/21 MTREF budget preparations process.

As a result, the Minister of Finance issued a conditional Exemption Notice in terms of section 177(1)(b) of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA) on 30 March 2020 to facilitate and enable the performance of legislative responsibilities by municipalities and municipal entities during the national state of disaster. Below are some of the areas that have been greatly affected and will continue to be affected as long COVID-19 is still within our shores.

##### Financial Performance

The municipality generates its revenues from a number of sources including provision of services. With the lockdown in full force, it meant that the municipality will not be generating any revenues from some services. The most affected areas are as follows:

#### **4.6.16.1 Refuse removal**

Due to the number of businesses that were closed during the lockdown, it meant the municipality was not providing any service to those as they did not generate any refuse. This required the municipality to exempt those from paying during the period of the lockdown.

#### **4.6.16.2 Electricity distribution**

The municipality provides electricity in the town area with businesses forming the bigger part of the municipality's revenue generation capacity. With most of these businesses closed during the hard lockdown, it meant less electricity was consumed and therefore less revenue generated.

#### **4.6.16.3 Licences and permits**

The municipality as indicated earlier in the report runs a drivers license testing center which was unfortunately not operating during the lockdown and sometimes continues not operating for the duration required should any positive case be detected. This means loss of income to the municipality that has continued to show its effects in the current financial year.

#### **4.6.16.4 Spending on conditional grants**

The municipality receives a number of conditional grants that must be fully spent by the end of the financial year. The COVID-19 enforced national lockdown could not have come at a worse period for the municipality in this respect. The following grants were affected by the lockdown and therefore a rollover application was submitted to National Treasury to request approval to spend these funds in the current year:

<b>Grant</b>	<b>Original Allocation</b>	<b>Additional allocation/Roll Over</b>	<b>Expenditure to date</b>	<b>% Spent</b>	<b>Roll-over Amount</b>
Integrated National Electrification Program Grant	R31 240 000	R0	R24 934 411	80%	R 6 305 589
Municipal Infrastructure Grant	R48 362 000	R 6 126 580	R53 946 982	99%	R 541 598
Financial Management Grant	R 2 215 000	R0	R 2 167 495	98%	R 47 505
Municipal Disaster Management Grant	R0	R 715 000	R 709 526	99%	R 5 474

A response on the outcome of the application was received as expected by the end of October 2020 for inclusion in the municipal budget through an adjustment budget which must be approved within 30 days from the approval of the rollovers or pay the amounts not approved to the National Revenue Fund within 30 days.

## **4.7 KPA NO.5 GOOD GOVERNANCE AND PUBLIC PARTICIPATION**

Good Governance and Public Participation is a key priority for the municipality. On good governance and public participation, the emphasis of the municipality will be on following: -

- Implementing democracy through investment in public participation and ward capacity building programmes.
- Fighting tendencies of corruption in our system
- Increasing trust and support from our communities and also ensuring the maintenance of a good image and profile for the municipality
- Implementing community outreach initiatives such as those activities undertaken in the special programmes unit (focusing on youth, women and disabled)
- Attainment of a clean audit outcome within two prior to installation of the next council
- Putting in place effective systems and processes for improving council oversight and administrative accountability through implementation of functional PMS and SDBIP regular reporting.
- Intensive capacity building of ward committees.
- Ensuring functionality of the audit committee

### **4.7.1 Council Structures**

The Council has been fully functional with 62 councillors and 12 traditional leaders and has an Executive Committee comprised of 10 members where there are eight (8) full time councillors with four fulltime councillors heading the following departments: Engineering Services, Corporate Services, Budget and Treasury as well as Development Planning. Currently there are six (6) committees, namely: -

- Budget and Treasury;
- Corporate Services;
- Good Governance, IGR, PP & SPU
- LED & Spatial Planning;
- Engineering Services;
- Community Services.

The council has established two Section 79 committees which are MPAC and Public Participation and Petitions Committee. The Executive Committee and the Mayor are responsible for overall management, coordination, monitoring of performance of administration and drafting of policies and by-laws. Some members of executive committee are heading standing committees which then reports to the Executive Committee.

- The following is the Council Mandate: -
- The passing of by-laws and formulation of policies;
- The oversight of the executive and administration;
- The approval and amendment of budgets;
- The imposition and amendment of rates and other taxes, levies and duties;

- The approval or amendment of the Municipality's Integrated Development Plan;
- The setting of tariff charges;
- The entering into Municipal Service Partnerships; and the appointment of the Municipal Manager and Sec 56 Senior Managers.

#### **4.7.2 Municipal Public Accounts Committee (MPAC)**

The council has formally established a Municipal Public Accounts Committee (MPAC) in order to meaningfully play the oversight & progress monitoring role over municipal performance in the implementation of the IDP. Upon the oversight of the council reports, findings with remedial recommendations are tabled to council on quarterly basis. The committee comprises of seven members and the Department of CoGTA, National Treasury have embarked on MPAC strengthening program aimed at improving the performance of MPAC and one member has been enrolled on Essentials of MPAC Oversight Short Certificate Course offered by Rhodes University in collaboration with DIZ (Deutsche Gesellschaft für Internationale Zusammenarbeit).

#### **4.7.3 Public Participation and Petitions Committee**

The Committee comprises of six members being responsible for receiving and analysing of service delivery petitions, complaints from communities and hold meetings with petitioners before and after the march. It performs its duties under the assistance of customer care office and office of the municipal manager in coordinating responses on the issues with other spheres of government.

#### **4.7.4 Public Participation**

Public Participation is enhanced through Imbizo's, Road - shows and other consultative meetings with the assistance of ward committees (310), Councillor Support Assistants (33) and 21 CDW. Mayoral Imbizos, IDP & Budget and Annual Report road shows are held to report on the Municipality's progress in terms of service delivery and also the progress in attending to the issues that were raised by communities in the previous IDP sessions. Suggestions on how to improve service delivery and some complaints regarding the current services were put forward. Community education have conducted in three wards with the purpose of educating communities about municipal services and other spheres of government and number of social issues affecting the respective communities. As part of strengthening public participation the Municipality signed a Memorandum of Cooperation with Good Governance Africa to ensure that two entities can pull resources together for maximum impact on development initiatives of mutual interest and building of a sustainable public participation framework.

#### **4.7.5 Functioning of Ward Committees**

In terms of Section 72 – 78 of the Municipal Structures Act, the Council has established ward committees in each of the 31 wards which are chaired by their respective Ward Councillors. Ward committee meeting sits on a monthly basis. The ward committees are consultative community structures without any formal powers accorded to them. Capacity building program



on ward based primary healthcare targeting Ward Committee Secretaries for 5 days in partnership with the Department of Health. This training aimed at training of ward committees on how to help improve the health of individuals and communities by bringing crucial services to people in their communities and their homes. Furthermore, they will serve as linkage between facilities and communities.

#### **4.7.6 Community Development Workers (CDW's)**

Mbizana has 21 Community Development Workers and the Department of CoGTA has started the process of further recruitment filling the vacant 10 wards. They have also been quite active in the Municipal programs like Mayoral Imbizos, IDP road shows, Annual Report road shows and serves as secretaries of ward war rooms. They have attended a 5 days training on Ward Based Primary Healthcare on how to help improve the health of individuals and communities by bringing crucial services to people in their communities and their homes.

#### **4.7.7 Integrated Service Delivery Model: Operation Masiphathisane.**

The programme of Operation Masiphathisane" was received and started operating in 31 wards of Winnie Madikizela - Mandela local municipality and so far we have established and launched the following ward war rooms; Ward 01,02,03,04, 05, 06, 07, 08, 09, 10, 11,12,13,14,15, 16,17,18, 19, 21, 23,24, 25,26, 27,30 and 31. Ready to be launched war rooms are ward:,22, 28 and 29. Office of the Premier and Department of Cogta is in process of revising the ISDM in the Province. The Municipality in partnership with CoGTA and ANDM rolled out the program of institutionalisation strategy of Covid-19 Teams in the Wards in a form of a multi-sectoral IGR approach that includes civil society, faith-based organisations, government social compact programmes and non-profit organisations as well as public health experts. The program was a coherent and collaborative design to tackle Covid-19 at Ward level. All ward war rooms were revived and capacitated on COVID 19 and behavioural change in order to further conduct awareness to communities.

#### **4.7.8 Traditional Leadership Partnerships**

Office of the MEC for Corporate Government and Traditional Affairs issued a gazette with list of (12) appointed traditional leaders to serve in the new term of 2016- 2021. A vacancy which was created due to a deceased traditional leader was filled by the Provincial House of Traditional Leaders and Cogta in August 2019. Traditional Leaders sits in the Municipal Council and its Committees as they form part of the critical stakeholder of the municipality. Due to the rural nature of the WMM Municipality, the participation of and cooperation with Traditional Leaders is critical for the success of the municipality's development programs. They play a fundamental role in the IDP and Budget processes, Public Consultative Meetings on IDP, Budget, Annual Report and SPLUMA. Training of traditional leaders on their participation during IDP processes was done by Cogta.

Traditional leaders working with relevant stakeholder's champion the programs of moral regeneration in all wards to ensure that there is a coordinated and sustainable way of reviving morals, promote respect for human dignity, enhance sound family

and community values as well as promote a circumcision death free communities within the municipality jurisdiction. Local Initiation Forum led by traditional leaders participated fully during the summer initiation season (December 2020) to ensure that customary male circumcision is safe and is done in a way to achieve zero death rate through out Mbizana. Out of 2070 initiates registered, 99 were tested for Covid 19, one was tested positive and had 1 death during this season. Also they have championed programs on No to Women and Children Abuse in number of wards in partnership with the District MRM.

#### **4.7.9 Risk Management**

The risk management of municipality is under the internal audit unit. Risk management policy was adopted by the Council. Internal Audit Unit facilitates the risk assessment on regular basis together with the management. The internal audit unit has conducted the municipal wide risk assessment during the year. Risk registers are developed for all departments within the municipality detailing the risks identified on all the strategic objectives as per Integrated Development Plan, root causes and by rating the effectiveness of the existing controls for the risks identified. This strengthens the risk management within the organisation and mechanisms to mitigate those risks are contained to an acceptable level. The top ten (10) risks faced by the municipality were identified.

Failure to comply with COVID-19 occupational health and safety measures in workplaces as envisaged in the directive issued by the Minister of Employment and Labour leading to:-

- business closure;
- COVID 19 Infections;
- Poor performance of contractors;
- Inability to collect revenue owed to the Municipality;
- Misuse of municipal vehicles;
- Ageing infrastructure;
- Delayed implementation of electricity infrastructure plan due to COVID-19;
- Inability to create sustainable employment;
- Inability to attract investment; and
- Climate Change.

#### **4.7.10 Fraud and Corruption**

Winnie Madikizela – Mandela Local Municipality has the Anti-Corruption Policy and implementation plan which encompasses the whole range of activities. The objective of this policy is to ensure that all fraudulent activities are discouraged, mitigated and attended to in a coherent and integrated manner, and promoting ethical conduct or behaviour. An approved fraud & anti-corruption strategy is in place.

The municipality has got Fraud & anti-corruption burners that displayed in all municipal events, ranging from Council meeting, awareness events, imbizo, and etc. Poster with theme of fraud & anti-corruption in senior managers offices are on display. Fraud & anticorruption awareness campaign will be done during the month of March 2021 in Mbizana.

WMM Local Municipality is committed to fighting fraudulent behaviour at all levels within the organisation for the promotion of ethical conduct and early warnings of fraud and corruption. All fraud and corruption will be investigated and followed up by the application of all remedies available within the full extent of the mighty law and the implementation of appropriate prevention and detection controls.

The scope of the Anti-Corruption policy applies to all fraud, corruption, theft, maladministration or suspected irregularities involving the following persons or entities: -

- All employees of the municipality;
- Consultants, suppliers, contractors and other providers of goods or services to the Municipality; and Any other parties receiving benefits from the Municipality.

The Winnie Madikizela Mandela Municipality Fraud Prevention Plan comprises of five pillars, namely;

- Prevention of Fraud and Corruption;
- Detection of Fraud and Corruption;
- Investigation of Fraud and Corruption;
- Resolution of Fraud and Corruption; and
- Maintenance and evaluation of the Fraud Prevention Plan.

#### **4.7.11 Internal Audit / Audit committee and Compliance.**

The audit committee; an independent advisory committee is required in terms of s166 of the Municipality Finance Management Act; MFMA s56 of 2003 to among others perform functions required by the Act in line with the terms of reference; the audit Committee Charter. As provided for in terms of section 166(2) of the MFMA, the municipality had an audit committee established to address matters relating to the municipality. These matters include amongst others the following: -

- Risk Management Governance; Ethics; and policies and procedures
- Assessment of the effectiveness of Internal Controls;
- Performance management
- Effectiveness of Internal and External Auditors

The Council appointed five independent members. Audit Committee is functional with 5 independent members selected from different areas of expertise to enhance the audit committee's overall knowledge of the municipality or entity and the ability to discharge its obligations and provide appropriate recommendations to the council. However, one member resigned during the 2019 financial year and another member was sadly passed away during 2021 financial year. At the moment the Municipality has got three members and their term of office ends in June 2021. WMM local municipality Audit Committee members acquired the following skills:

- Financial Management
- Legal
- Admin and Governance (i.e. Internal Audit, Risk Management, IT, Human Resources, Planning, etc.

- Performance Management
- Medical practitioner,

Audit Committee terms of reference was adopted by Council and Audit committee is executing their responsibilities as set in the approved Audit Committee Charter. The Audit opinion over the last two years was unqualified opinion in 2017/18 and 2018/19 financial year. After the final audit report received from the Office of the Auditor General, follow up procedures were implemented by internal audit to ensure the implementation of action plans prepared to address issues raised by Auditor General and the audit committee played a major role in this regard.

Municipality is required to have an internal audit function in terms of section 165 (1) of the Municipal Finance Management Act no 56 of 2003 ("MFMA"). This requirement is re-enforced by the recommendations of the King IV Report on Corporate Governance. Winnie Madikizela – Mandela Local Municipality has functional Internal Audit unit. Internal Audit Risk based Audit coverage plan was approved together with Internal Audit charter. The Internal Audit structure has three warm bodies being the Manager and two Senior Internal Auditors.

Audit report showed positive results in these areas, performance information, compliance with laws and regulations as well as improved operations within the municipality. It is further noted that there is a significant decrease in Auditor General's findings compared to previous years. The unit is short-staffed due to sadly passing away of one member. However, the Municipality has appointed the service provider on a co-sourced arrangement to boost the capacity of the Internal Audit Unit. The service provider has been appointed for a period of 18 months starting from February 2021.

#### **4.7.12 Audit Corrective Action Plan**

**MBIZANA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2019/20**

No	Issues identified	CoAF No	Component	Department within the Municipality	Impact of the finding	Adjusted (Yes/No)	Risk Level	INTERNAL AUDIT REVIEW	IA Comment
<b>Cash flow statements</b>									
	Cash flow calculation included non-cash items	<b>CoAF 04</b>	Disclosures	Budgeting and Reporting	Misstatement in financial statements	Yes	Low	A review to be performed on the first draft of AFS	A subsequent review of the AFS will be performed on submission of the first draft
<b>Commitments</b>									
		<b>CoAF 09</b>	Disclosures	Expenditure	Misstatement in financial statements	Yes	High	The municipality is maintaining a commitments register on a monthly basis that gets reviewed by the Manager Revenue & Expenditure and eventually by the CFO	Satisfactory the June register will be subsequently reviewed in Q4
		<b>CoAF 12</b>	Disclosures	Expenditure	Misstatement in financial statements	Yes	High	The municipality is maintaining a commitments register on a monthly basis that gets reviewed by the Manager Revenue & Expenditure and eventually by the CFO	Satisfactory the June register will be subsequently reviewed in Q4
<b>Contingencies</b>									
	Contingent liability of R600 000 not included in the comparative figure	<b>CoAF 10</b>	Disclosures	Legal Services	Misstatement in financial statements	Yes	High	The Legal Register for the institution was reviewed Legal Cases were updated , external confirmations from the legal office has been sent to lawyers	Satisfactory a subsequent review will be done in Q4
<b>Employee Costs</b>									
	Amount disclosed in the Statement of Financial Performance does not agree to the amount disclosed in the note	<b>CoAF 02</b>	Disclosures	Budgeting and Reporting	Misstatement in financial statements	Yes	Medium	Payroll reconciliations were reviewed during the PMS Q3 audit review no discrepancies were noted.	Satisfactory a subsequent review will be done in Q4
<b>Budget vs Actual</b>									
	Appropriation statement included in the Annual Financial Statements instead of supporting information	<b>CoAF 08</b>	Disclosures	Budgeting and Reporting	Misstatement in financial statements	Yes	Low	A review to be performed on the first draft of AFS	A subsequent review of the AFS will be performed on submission of the first draft
<b>Performance Information</b>									

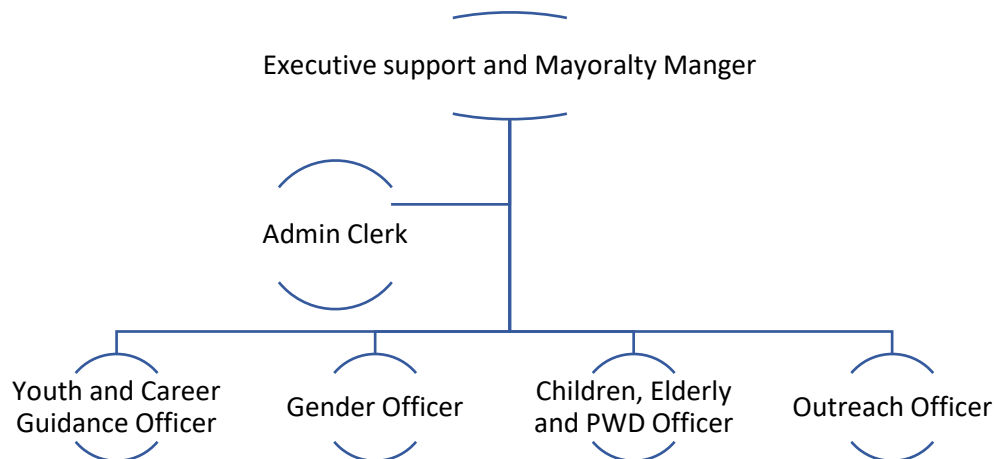
**MBIZANA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2019/20**

No	Issues identified	CoAF No	Component	Department within the Municipality	Impact of the finding	Adjusted (Yes/No)	Risk Level	INTERNAL AUDIT REVIEW	IA Comment
	Reported Expenditure amount not equal to the amount on the completion certificate	<b>CoAF 08</b>	Performance Management	Project Management Unit	Misstatement in annual performance report	Yes	Medium	Performance reports were included as part of the performance reporting that portfolio of evidence reviewed during Q2 and Q3	A subsequent review of the APR will be performed
<b>Prior Period Error</b>									
	Presentaion of the Financial Statement	<b>CoAF 14</b>	Disclosures	Budgeting and Reporting	Misstatement in financial statements	No	High	Review of Disclosure as per GRAP 1 to be performed during the first draft AFS Review	A subsequent review of the AFS will be performed on submission of the first draft
<b>Investment Properties</b>									
	Investment property	<b>CoAF 05</b>	Investment Properties	Asset Management and Stores	Misstatement in financial statements	Yes	High	Review of Disclosure as per GRAP 1 to be performed during the first draft AFS Review	A subsequent review of the AFS will be performed on submission of the first draft
<b>Procurement and Contract Management</b>									
	Local Content: Municipality did not provide DTI with successful bid information	<b>CoAF 15</b>	Compliance	Supply Chain Management	Non-compliance with legislation	No	High	100% on Q2 and Q2 tender and quotation and local content was reviewed. No local conted issues were identified during the audits	Subsequent reviews being done in Q4
<b>Operating expenditure</b>									
	Misclassification of Irregular expenditure as fruitless and wasteful expenditure	<b>CoAF 16</b>	Disclosures	Supply Chain Management	Misstatement in financial statements	Yes	Medium	Review of Disclosure as per GRAP 1 to be performed during the first draft AFS Review. All SCM related reviews done were availed to management	A subsequent review of the AFS will be performed on submission of the first draft
	Irregular expenditure incurred in the current year	<b>CoAF 07</b>	Compliance	Supply Chain Management	Non-compliance with legislation	No	High	SCM reviews done during the year were availed to management	Subsequent reviews being done in Q4
<b>Revenue</b>									
	Fair Value adjustments included in revenue	<b>CoAF 03</b>	Financial Performance	Asset Management and Stores	Misstatement in financial statements	Yes	Medium	Review of Disclosure as per GRAP 1 to be performed during the first draft AFS Review	A subsequent review of the AFS will be performed on submission of the first draft

#### 4.7.13 Focus on Special Groups

Special groups refer to the previously marginalise and discriminated members of our society. During the apartheid regime, they were infringed from accessing their basic need and rights. They were suppressed into feeling of inferiority, regret and shame. South African prides itself on having one of the most progressive Constitutions in the world and it is this Constitution along with various legislative frameworks which protect the rights of vulnerable groups and provides for community participation in decision making at municipal level.

As part of the South African legislation, The Municipal Systems Act (Act no 32 of 2000), Section (2) states that “a municipality must establish appropriate mechanisms, processes and procedures to enable the local community to participate in the affairs of the municipality”; Section (3) of the same Act states that, when establishing mechanism, processes and procedures in terms of Section (2) the municipality must take into account the special needs of People with disability, Children, Women, Elderly and Youth. Winnie Madikizela - Mandela Local Municipality has Special Programmes Unit which is dedicated to lobby and advocate for the mainstreaming of special group into all government processes. The unit is structured as follows. There is:



#### Children

WMM Local Municipality has to ensure the wellbeing and protects the rights of children as provided by the bill of rights. Today's Mbizana children are exposed to so many social ill and difficult circumstances (drug and substance abuse, HIV and AIDS sexual harassment and rape, teenage pregnancy, parent negligence etc). Hence Winnie Madikizela – Mandela Local Municipality has adopted three strategic interventions in securing the future of children: -

#### Inkciyo Programme

Over the years, The Inkciyo programme has grown from 500 participants in 2011 to 3560 in 2017. This number gives a positive indication that the war against the spread of sexually transmitted diseases and teenage pregnancy in Mbizana is gradually decline. It sends a signal that if we work tirelessly in advancing and promoting this programme we will have a municipality with healthy children and secured future.

### **Support of early childhood development centre.**

Winnie Madikizela – Mandela Local Municipality support ECDC with educational tools to ensure that children have a foundation required for their development.

### **Support of Child headed households**

Winnie Madikizela – Mandela Local Municipality also profiles the child headed families to make sure that their developmental needs are prioritised and institutionalised within all government departments.

### **Back to school Campaign**

WMM Local Municipality has developed back to school campaign where of children would receive full school uniform. This initiative is developed to protect image and self-confidence of children from disadvantaged back ground and child-headed households. It promotes dignity and also motivates, boost their self-esteem and self confidence amongst other children at school.

### **People with disability**

WMM Local Municipality has made remarkable progress in developing Policies, transforming the institution and forming PWD Structures to be representative and responsive to the developmental needs of the People with Disabilities. However, People with Disabilities still face extreme social, economic and political levels of inequality and discrimination in our society. In the Alfred Nzo District the disability prevalence rate is at 8.66 % on male and 11.6 % on female according to census 2011. Currently, WMM Local Municipality has gone this far in mainstreaming people with disability through: -

- Launched PWD Forum
- Allocated office with office furniture for PWD Forum
- Developed and adopted Policy for people with disability and action plan
- Initiated and conducted campaigns to promote the rights

### **Women**

Women are influenced by the historical conditions that have shaped the country, and its democratic goals. In addressing the impact of historical conditions, our municipality is dedicated in promoting principles of social injustice and economic justice, human rights, active participation of women, the promotion of women benefit and liberal values. In Mbizana the population of gender is 54.5% towards females and 45.5 towards males with a shocking 64 % of females headed households according to census 2011. The Municipality has managed to: -

- Launch functional Women's Forum to represent the interest and developmental agenda of women.
- Adopted Gender Policy
- Launched Women's Caucus



- Conduct awareness campaigns and dialogue in promoting the rights of women

## **Elderly**

Elderly person remains one of our crucial social strata in this democracy society. Their experience and knowledge of the world are the basic founding ideas of today world. Their role in society in shaping the society we live in has a meaningful contribution to the future we want to see. Currently, the municipality has managed to: -

- Launch Older Persons Forum
- Establish and support 14 service centres where older persons are taken care. The major objectives of these centres is to provide affordable and comprehensive community-based care and support to promote independent living as well as the physical, social and emotional wellbeing of older person who are still active, As the local sphere of local government.
- Conduct awareness campaigns and dialogue in promoting the rights of older persons

## **Youth**

Mbizana Youth Development is influenced by the historical conditions that have shaped the country, and its democratic goals. In addressing the impact of historical conditions, our municipality is dedicated in promoting principles of social injustice and economic justice, human rights, active participation of youth, the promotion of women benefit and liberal values. Young people in WMM Local Municipality has the population majority of 75% of which 81.5% of them are unemployed, 42.6% of them are school dropout, 6.3% are attending high school and only 3.1 % possess a university degree according to census 2011.

The Municipality has put aside resource and develop strategies for youth development. These strategic interventions were: -

- To Establish and support functioning of South Africa Youth Council to voices out the needs and want of young people in Mbizana. SAYC aims at creating a platform for youth from diverse social and cultural backgrounds to engage in discussions, dialogue and debate; promote volunteerism among the youth; instil a sense of civic ownership in the youth; and provide a platform for youth to see themselves as part of a process that can influence law, government and the way things are done.
- Develop and adopted Youth Policy that will give direction and purpose of what we want to achieve and how to achieve it.
- Conduct awareness with the objective to develop education and training, safe male traditional circumcision, job hunting skills and entrepreneurial skills and also initiatives to reduce the consumption of substance and drug abuse, and sexually transmitted diseases.

## Youth Programmatic Intervention

Programme	Purpose of the programme	Stakeholders /partners
Career Exhibition	This program is intended to assist a young person to develop his own self-awareness, opportunity awareness and career management skills.	Universities, TVET, SETA's, Government Departments, Private Sector, SAYC
Support Functioning of Youth Council and Induction	Mandate to create platforms for youth from diverse social and cultural backgrounds to engage in discussions, dialogue and debate; promote volunteerism among the youth; instil a sense of civic ownership in the youth; and provide a platform for youth to see themselves as part of a process that can influence law, government and the way things are done.	COGTA, OTP, NYDA, TRUST, Gov Dept, SAYC
Mayors Schools Achievement Awards	This program motivates learners, parents and teacher to keep on doing the best as they could in promoting culture of learning in Mbizana.	Universities, TVET, SETA's, Government Departments, Private Sector, SAYC
Updating Unemployed Youth Data Base	The Database of Unemployed Youth will be used as a targeting mechanism to link unemployed youth with employment opportunities, government initiatives, learnerships and institutions that will assist them in starting their own business or gain employment.	Gov Dept, Private Sector, Entities
Initiation support	To promote safe male traditional circumcision in Mbizana	Traditional leader, Gov Dept, NGO's
Business Seminar	Create platform for young business people to engage with potential funders and also be advised by experienced business man.	NYDA, SEFA, SAYC
Job hunting and Unemployed Graduate Seminar	Make young people understand and engaged with the new resolution from recent job summit and also get trained on job hunting skills	Harambee, OTP, Gov Dept, SAYC
Youth Month Celebration	To revitalise and induce the feeling of patriotism amongst young people in Mbizana	SAYC, OTP, Gov Dept

### 4.7.14 Sport Development

Sport is an essential and important aspect of Mbizana society. It attempts to define the morals and ethics attributed not only to athletes, but the totality of society. It brings together people of different ages, sex, religion and politics affiliation, it promotes social cohesion, stability and peace. As Mbizana we believe sport is what binds us together in unity in diversity.

### 4.7.15 O.R. Tambo Commemoration

As means of preserving OR Tambo legacy WWM municipality council resolved to annually commemorate the life and the legacy of our own legend. This is done to ensure that generations to come will benefit in this rich history. The year 2017 has been nationally declared as the centenary year in honour of OR Tambo as he will be 100 years this year if he was still alive. The celebrations are not only event driven but departments are pledging and committing service delivery projects in honour of this legend and improving lives of people of Mbizana. The Council of Mbizana has also committed funds to honour his life.

#### **4.7.16 HIV Infection Risk Factors**

Mbizana has a mainly rural population, secondly this population is mainly a youthful population. The levels of education within the communities of Mbizana is not that high. WMM Municipal area borders KwaZulu Natal which is a province with the highest infection rate in South Africa. Migrant labour system is still very ripe in Mbizana with most of the able-bodied young people finding employment in KwaZulu Natal. There is a high number of children headed families within Mbizana. Drug and substance abuse are on the rise within this municipal area. There has been a reported increase on teenage pregnancy which also poses risk. All these factors contribute enormously on the increased rate of HIV infection within Mbizana.

In an effort to fight the plight of communicable diseases, these include HIV/Aids, TB and also COVID 19 the municipality will amongst other things embark on massive awareness campaigns that seek to continuously sensitize our communities about the plight of these diseases. The municipality had also put risk mitigating measures to ensure safe environment for its employees including councillors. The municipality will also be fostering international partnerships to ensure best practices are learnt from other countries and the necessary support will be given to CBO's, NGO's and support groups.

Local AIDS Council was revived and launched in 2018 and subsequently strategy and plan were reviewed and adopted. Mbizana has twenty-two clinics and two hospitals all clinics are accredited VCT and ARV distribution sites. There are two accredited Non-medical Voluntary Counselling and Testing Centre i.e. Mahlangu Foundation in Nomlacu Ward 26 and Ixabisolomntu in Ndakeni Ward 8. Also, there are five health posts three of which are fully functional and two are mobile clinic points of thirty-two mobile points manned by two teams only.

There are five Clinics of excellence now known as IDEAL CLINICS with specialised services. These are Gateway clinic in town ward 1, Hlamandana clinic in ward 5, Imizizi clinic in ward 20, Ndela clinic in ward 12 and Isikelo clinic in ward 26. There also have a health centre under construction at Meje which is in ward 14. There are HIV and AIDS support groups in all the clinics and a number of other Non-Governmental Organisations working on Home Based Care and Support for People Living with HIV and AIDS.

#### **4.7.17 Performance Management System**

Performance Management Systems is a system of setting and measuring desired outcomes and activities of a municipality - its individual components as well as its staff who contribute to the achievement of the strategic vision of the municipality. It is a multilevel process that starts with an overall strategy and cascades to individual performance management and appraisal. Performance Management systems enables the municipality to track and monitor the performance of individual employees, departments, and the overall municipality. Performance management systems is a key tool that provides assurance on the use of municipal resources to achieve certain objectives. Performance management systems can also contribute to the identification of value for money opportunities. The municipality developed and adopted its performance management policy in 2007 and a recent review was in 2018 and further adopted by council with its procedure manual.

#### **Legislative Rationale**

Section 45 of the Municipal Systems Act No. 32 of 2000 read in conjunction with Section 121(3) (d) of the Municipal Finance Management Act No. 56 of 2003 state that each municipality must have a performance management system, which sets out appropriate key performance indicators. Municipalities are required to also monitor their performance against the key performance indicators and importantly measure and review performance at least once per year. The Act requires that a municipality must prepare for each year a performance report reflecting the performance of the municipality and of each external service provider during that financial year, a comparison with the targets set and measures taken to improve performance. This performance report must be included in the municipality's annual report. The performance of the municipality must be audited as part of the municipality's internal auditing processes.

The performance management Unit managed to craft the Service Delivery and Budget Implementation Plan for the 2020/21 Financial Year that was adopted and signed by the Honourable Mayor just before the start of the financial year. Further to that and as legislated, Performance Agreements of Senior Managers were crafted, signed and submitted to relevant government departments. The Unit also managed to deliver in its objective of mandated reporting as it managed to produce all four projected quarterly reports and their submission to Council.

The Unit further compiled the Annual Performance Report for 2019/20 FY and had it submitted to the Office of the Auditor-General for auditing purposes as legislated. These deliverables were realised through the on-going support from Internal Audit & IDP Units and their relentless endeavours in ensuring that alignment and compliance are not compromised at all material times. Further co-operation was further solicited from user departments from within the municipality as they went out of their way to ensure that they provide whatever performance information requested by the Unit. Monitoring and Evaluation Sessions for 2020-2021 have been conducted to ensure that Performance is monitored on a continuous basis. The Monitoring & Evaluation Sessions are conducted on a monthly basis from 2020-2021 financial year.

#### **4.7.18 Back to Basics**

The office has also been tasked with the responsibility of B2B reporting, implementation and monitoring. Monthly reports are prepared by all relevant KPA and sent to the department of Local government. These reports are also on quarterly basis submitted to the executive committee and subsequently to council. In term of the action plan adopted by council a lot of identified ills have been treated there has been enormous change in turnaround time in responding to service delivery queries and related matters.

#### **4.7.19 Communications**

The communications unit is responsible amongst other things for branding, marketing, providing sound effective communication and capturing the moments where the municipality/ government changes people's lives through service delivery. Communications provides media platforms for political principals through radio slots and media statements. This makes it easier for the municipality to have an input on topics and debates made by the community through media platforms.

Communications Unit created social media platforms (Facebook and Twitter) as a way of making sure that all communication channels are available and effective. Relationship with other stakeholders is strengthened through the sitting of Local Communicators Forum which is a forum for government communicators to share events and exchange ideas on improving the communications system and also sit in District Communicators Forum. There is also local government communicators forum which is platform for all local government communicators to sit and share practices and experience. The department sits there and participate on quarterly basis. Communication strategy was developed and adopted by council with the assistance of GCIS and District municipality. This strategy outlines processes and means that the municipality will be utilising in engaging its communities and stakeholders and more means of advertising government services and programmes

#### **4.7.20 Customer Care**

Comments book is in place and customers are using it effectively. Presidential Hotline Complaints is running smoothly, and the municipality is at 100 % in terms of resolving the cases. IT Section is very supportive; Incident Management System (IMS) known as Reasebetsa Monitoring and Evaluation System where all complaints within Bizana jurisdiction will be handed internally was installed and is working. External and internal signage was done. Written petitions are channelled through the office of the Mayor and subsequently to the petitions committee which is section 79 committee appointed by council to deal with all petitions submitted to the municipality.

Council approved for the department to conduct Customer/ Citizen Satisfaction Survey in all wards of Mbizana. This was done to rate the services rendered by the Municipality and to further ascertain and assist the council to ensure that services are rendered where they are needed. Customer satisfaction survey was conducted and final report was tabled to the EXCO Lekgotla. Customer Care line was launched by council and has proven to be very effective judging by the number of calls received from citizens.

#### **4.7.21 Petitions Management**

The council also established petitions committee in terms of section 79. The Speaker or Delegatee is responsible for receipt of the petition and thereafter distribute the petition to the office of the Mayor for responses through the affected municipal department. Customer Care Officer, Public Participation Manager are responsible for the administration process related of all petitions including registration of petition, issuing of all correspondence to the petitioner, validation of petition, referral of the petition for translation and legal consideration to the relevant section and report to the Chairperson of Petitions and Public Participation Committee. Petitions Committee becomes responsible for consideration of all petitions received by the municipality with a view to settle the matter and satisfy the petitioner and where applicable advise the petitioner of other appropriate remedies available. Members of Petitions Committee and relevant officials will be responsible for an investigation into the petition including site visits where necessary and provides input into the final validation of a petition.

#### **4.7.22 Intergovernmental Relations**

There are terms of reference which guide the implementation of IGR work. These terms of reference are operational, and they have the approval of the council. The meeting of IGR is setting quarterly and the agenda items relevant to the business of

serves delivery co-ordination across spheres of government although poor attendance by the key stakeholders appears to be a major hindrance in the IGR effectiveness, but this situation is getting the attention of Senior principals within the institution.

The Mayor of Winnie Madikizela – Madikizela Local Municipality and the Municipal Manager sit at the DIMAFO and make input on what issues in Mbizana need the attention of the District Mayors Forum. Issues discussed in the Mbizana IGR forum find expression in the DIMAFO agenda. Both the Mayor of WWM Local Municipality and municipal manager attend MUNIMEC meetings in which issues of relations across spheres of government are discussed.

Except participation in Mbizana IGR forum relations of Mbizana Local municipality with other social partners takes place through Operation Masipathisane at local war rooms. Here local sector departments and the municipality work together in facilitation of service delivery through joint problem solving. Some of the issues that face our Communities which are critical are in Education, Health and Human Settlement.

## **5.FORWARD PLANNING**

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This chapter outlines the desired future for the development of WMMLM through determination of a strategic developmental Vision, Mission and Values of the municipality. It also sets clear developmental objectives, strategies as well as approved projects to be implemented in 2021 / 2022.

### **5.1 Municipal Vision**

Winnie Madikizela-Mandela Municipality aims to be a vibrant socio-economic growing municipality that creates sustainable communities with equal opportunities for all.

### **5.2 Municipal Mission Statement**

The mission for Winnie Madikizela – Madikizela Local Municipality is to be a well governed municipality committed to discharging its legislative and constitutional mandate through: -

- Investing in its people to fight poverty
- Providing affordable, equitable and sustainable services
- Facilitating a people-driven economy
- Building sustainable communities
- Protecting and preserving its environment to the benefit of its people
- Strengthening a culture of performance excellence, public participation and clean administration.

### **5.3 Municipal Values**

In addition to the Batho Pele principles, our municipality commits itself to upholding the following set of values: -

- Good governance
- Accountability
- Public participation
- People Development
- People driven
- Integrity
- Tolerance
- Responsibility

### **5.4 Institutional Score Card and Broad Development Priorities and Targets for 2017/ 2022**

The Council of Winnie Madikizela - Mandela Local Municipality have committed themselves to working towards the realization of the following priorities which have been aligned to the Vision, Mission and Key Performance Areas of the Municipality: -

Development Priorities	Development Targets
<b>Service Delivery 40%</b>	
Water and Sanitation Roads, Storm water & Transport Infrastructure Electrification Housing and land use management Educational Facilities Community services and related matters (refuse, waste, disaster management, pounding, cemeteries, libraries, firefighting, traffic & safety etc) Recreational facilities	To construct and maintain roads and related storm water; To ensure that all households have access to a reliable electricity network; To ensure that all waste sites operate according to license conditions; To ensure that all urban households have access to refuse removal services according to predetermined schedule; To ensure that all citizens in WMM LM have access to well-maintained public amenities; To provide a safe and secure environment for all citizens; To facilitate provision of housing for all qualifying beneficiaries
<b>Local Economic Development &amp; Spatial Planning</b>	
<b>25%</b>	
Agriculture & Farming Forestry Tourism Development SMME Support Business, Trade & Manufacturing	To grow and strengthen the agricultural sector to contribute 10% in the local economy by 2022 To promote sustainable use of marine resources for the benefit of the local community and meaningful contribution in the local economy To promote enterprise development to contribute 3% to the local economy by 2022.
<b>Financial Viability 15%</b>	
Revenue Management Budget & Expenditure Management Financial reporting Supply Chain Management Asset Management Financial policies and management	To obtain a clean audit by 2022 To improve financial management and financial viability linked to the Local Government financial bench-mark standard by 2022; To improve the revenue collection rate to 80% by 2022 To have a complete asset management unit To have a GRAP Compliant asset register To compile credible Annual Financial Statements
<b>Good Governance and Public Participation</b>	
<b>10%</b>	
IDP & Performance Management Internal audit Communication & IGR Public participation and ward planning Special Programmes Customer care relations Legal Services By-laws and policies Council support	To promote participation and effective communication with communities and stakeholders; To promote efficiency and compliance within the municipality; To promote equity and inclusiveness of vulnerable focus groups such as youth, women, people with HIV& AIDS and people with disabilities; To obtain a clean audit by 2022 To address all matters as per the audit action plan; and To mitigate risk to an acceptable level based on the risk model adopted.
<b>Municipal Transformation &amp; Institutional Development</b>	
<b>10%</b>	
Organizational Administration & Development (Organogram + EEP) HR development Training and capacity building ICT infrastructure	To ensure a competent workforce to achieve organizational objectives; To contribute towards the improvement of skills and education levels in WMM LM To create a safe and healthy working environment. To ensure compliance with relevant legislation and to promote high standards of professionalism, and efficient use of resources as well as accountability. To provide a secure ICT infrastructure which delivers appropriate levels of data confidentiality, integrity and availability



## **5.5 Municipal Partnerships**

The situational analysis has demonstrated that most of the development initiatives that the municipality would like to see being implemented in its municipal are a competency of other role – players and in particular the District Municipality and Provincial Government. In some cases, the resources for implementation are in the hands of Parastatals, such as ESKOM and private sector. There is also an issue of working in partnership with Traditional Leaders especially about issue of rural development planning such as allocation of land for residential and agricultural purpose.

## 5.6 Municipal Objectives, Strategies and Project Implementation Plans for 2021 / 2022

KPA N0: 01 BASIC SERVICE DELIVERY (ENGINEERING SERVICES)														
Outcome 9 Objective														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Roads	Improved access to Basic Services	To reduce access roads backlog by constructing ....kms by end June 2022		By constructing ....kms of gravel access roads by end June 2022	Constructed 5.5km Simakadeni Access Road end by June 2022	724.1kms in place	Construction of Leonard to Simakadeni Access Road	Number of kms constructed from Simakadeni Access Road	R 3 025 926.00	R 1 999 341,31	N/A	N/A	MIG	WMMLM
					Constructed 5.8km Mapheleni Access Road end by June 2022	724.1kms in place	Construction of Mapheleni via Mbumbazi to Dutyini Access Road	Number of kms constructed from Mapheleni Access Road	R 3 225 926.00	R 4 891 377,12	N/A	N/A	MIG	WMMLM
					Constructed 1.2km VAV Memorial College Access Road end by June 2022	724.1kms in place	Construction of VAV Memorial College AR	Number of kms constructed from VAV Memorial College Access Road	R 2 025 926.00	R 150 000,00	N/A	N/A	MIG	WMMLM
					5 Projects Designed and registered on MIG MIS by June 2022	724.1kms in place	Desing approval and Project registration on MIG MIS for Sidanga Bridge, Sigiqini ot Marina AR, Tshongweni AR, Sixhaseni AR and Tshuze to Philisweni AR	5 Approved Desing with MIG MIS registration	R1 600 000.00	N/A	N/A	Equitable Share	N/A	WMMLM
Sport Fields	Improved access to Basic Services	To provide sporting facilities for the community by June 2022		By constructing Phase 3 of Mphuthumi Mafumbatha Sportfield by using services of Consultants	Constructed Phase 3 of Mphuthumi Mafumbatha Sportfield by June 2022	One underdeveloped sportsfield in the CBD	Phase 3 Construction of Mphuthumi Mafumbatha Sportsfield	Constructed Phase 3 of Mphuthumi Mafumbatha Sportfield	R 4 500 000,00	N/A	N/A	N/A	MIG	WMMLM

KPA N0: 01 BASIC SERVICE DELIVERY (ENGINEERING SERVICES)														
Outcome 9 Objective														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
				& Contractors										
Buildings	Improved access to Basic Services	To construct one Civic Centre/Town Hall in Bizana by end June 2022		By constructing Phase 3 of the Civic Centre through the services of service providers	Constructed Phase 3 of the Civic Centre by June 2022	MPYC Hall	Phase 3 construction of the Civic Centre in town	Constructed Phase 3 of the Civic Centre	R28 402 021,59	N/A	N/A	N/A	MIG	WMMLM
Buildings	Improved access to Basic Services	To construct two community halls in Bizana by end June 2022		By constructing two community halls by using services of service providers	2 community halls constructed at Ward 4 and Ward 20 by June 2022	34 community halls	Construction of Ward 4 Community Hall	Number of community halls constructed	R 3 500 000,00	R -	N/A	N/A	MIG	WMMLM
							Construction of Ward 20 Community Hall	Number of community halls constructed	R 3 500 000,00	R -	N/A	N/A	MIG	WMMLM
Buildings	Refurbishment of the dilapidated infrastructure to acceptable standards	To maintain rehabilitate and repair building structures and related infrastructure by end June 2022		By employing services of service providers for maintaining, rehabilitating and repairing municipal buildings and related infrastructure	Taxi Rank Upgraded by end June 2022	One underdeveloped Taxi Rank in the CBD	Upgrading of Taxi Rank	Upgraded Taxi Rank by end June 2022	R11 000 000,00	N/A	N/A	Equitable Share	N/A	WMMLM
Buildings	Improved access to Basic Services	To construct 1 Early Childhood Development Centre (ECDC) in the villages of Bizana by end June 2022		To construct 1 Early Childhood Development Centre (ECDC) by using services of service providers	Construction and Completion of 1 Early Childhood Development Centre (ECDC) by end June 2022	5 Early Childhood Development Centres	Construction of 1 Early Childhood Development Centre (ECDC) in Ward 1	Number of Early Childhood Development Centres constructed	R 3 500 000,00	N/A	N/A	Equitable Share	N/A	WMMLM
EPWP	High unemployment rate	To provide 400 EPWP jobs to reduce unemployment by June 2022		By facilitating recruitment of EPWP workers in all Mbizana LM Wards	400 EPWP Jobs created by June 2022	450 EPWP Jobs created by end June 2022	Creating of 400 EPWP Jobs	Number of EPWP Jobs created	R 3 570 000,00	N/A	N/A	N/A	EPWP	WMMLM

KPA N0: 01 BASIC SERVICE DELIVERY (ENGINEERING SERVICES)														
Outcome 9 Objective														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Roads Maintances	Poor road network and drainage	To routinely maintain a better standard of our CBD Roads by June 2022		By appointing service providers to maintain CBD Roads	200 square metres potholes patched	950 square metres potholes patched	CBD Road Maintenance	Numbers of square metres potholes patched	R 2 797 654,00	R 3 000 000,00	R 3 300 000,00	Equitable share	N/A	WMMLM
Roads Maintances	Road rehabilitation	To routinely rehabilitate 20km gravel access roads by June 2022		By utilising the services of service providers and internal plant to maintain gravel access roads.	50 kms of gravel access roads maintained by June 2020	346 kms maintained	Maintenance of gravel access roads	Number of kilometers of gravel access roads maintained	R16 700 000,00	R 18 370 000,00	R20 207 000,00	Equitable share	N/A	WMMLM
Buildings	Building infrastructure not into accepted standards	To maintain rehabilitate and repair buildings structures and related infrastructure by June 2022		By employing services of service providers to mainaining, rehabilitating and repairing municipal bulidings and related infrastructure	1 building infrastructure (MYPC) periodically repaired and maintained by June 2022	Maintanance of municipal building and MPYC	Periodic repairs and maintainance of MPYC	Number of building infrastructure periodically repaired and maintained.	R 787 500,00	R 826 875,00	R 868 218,75	Equitable share	N/A	WMMLM
Buildings	Building infrastructure not into accepted standards	To maintain rehabilitate and repair buildings structures and related infrastructure by June 2022		By employing servicives of service providers to mainaining, rehabilitating and repairing municipal bulidings and related infrastructure	1 building infrastructure (Main municipal building) periodically repaired and maintained by June 2022	Maintanance of municipal building	Periodic repairs and maintainance of Main Municipal bulidings	Number of building infrastructure periodically repaired and maintained.	R 1 575 000,00	R 1 653 750,00	R 1 736 437,50	Equitable share	N/A	WMMLM
Buildings	Building infrastructure not into accepted standards	To maintain rehabilitate and repair buildings structures and related infrastructure by June 2022		By employing services of service providers to mainaining, rehabilitating and repairing municipal bulidinas and	1 building infrastructure (DLTC) periodically repaired and maintained by June 2022	Maintanance of municipal building and DLTC	Periodic repairs and maintainance of DLTC	Number of building infrastructure periodically repaired and maintained.	R 861 997,50	R 905 097,38	R 950 352,24	Equitable share	N/A	WMMLM

KPA N0: 01 BASIC SERVICE DELIVERY (ENGINEERING SERVICES)														
Outcome 9 Objective														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
				related infrastructure										
Buildings	Building infrastructure not into accepted standards	To maintain rehabilitate and repair bulidings structures and related infrastructure by June 2022		By employing servivices of service providers to mainaining, rehabilitating and repairing municipal bulidings and related infrastructure	1 building infrastructure (Cultural Village) periodically repaired and maintained by June 2022	Maintanance of municipal building and Cultural Village	Periodic repairs and maintainance of Cultural village	Number of building infrastructure periodically repaired and maintained.	R 787 500,00	R 826 875,00	R 868 218,75	Equitable share	N/A	WMMLM
Electricity	Electrification of rural households	Ensure reliable provision of electricity to households		Connect electricity to formal households within the municipal jurisdiction	414 households connected with electricity by June 2022	42 103 households with electricity	Electrification of Mabhenguteni village	Reduced electricity backlog	R 8 145 237,00	R -	R -	N/A	INEP	WMMLM
Electricity	Electrification of rural households	Ensure reliable provision of electricity to households		Connect electricity to formal households within the municipal jurisdiction	317 households connected with electricity by June 2022	42 103 households with electricity	Electrification of Mdatya and Bekela villages	Reduced electricity backlog	R 2 200 495,00	R -	R -	N/A	INEP	WMMLM
Electricity	Electrification of rural households	Ensure reliable provision of electricity to households		Connect electricity to formal households within the municipal jurisdiction	All poles planted and backfilled with MV and LV Lines stringed by June 2021	42 103 households with electricity	Electrification of Xholobeni, Mgungundlovu and Mtolana Villages	Reduced electricity backlog	R 7 550 000,00	R 5 962 000,00	R -	N/A	INEP	WMMLM
Electricity	Electrification of rural households	Ensure reliable provision of electricity to households		Connect electricity to formal households within the municipal jurisdiction	All poles planted and backfilled with MV and LV Lines stringed by June 2021	42 103 households with electricity	Electrification of Lower Etheridge Village	Reduced electricity backlog	R 4 625 000,00	R 5 888 000,00	R -	N/A	INEP	WMMLM
Electricity	Electrification of rural households	Ensure reliable provision of electricity to households		Connect electricity to formal households within the	All poles planted and backfilled with MV and LV Lines	43 103 households with electricity	Electrification of Msarhweni Village	Reduced electricity backlog	R 4 625 000,00	R 7 575 000,00	R -	N/A	INEP	WMMLM

KPA N0: 01 BASIC SERVICE DELIVERY (ENGINEERING SERVICES)														
Outcome 9 Objective														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
				municipal jurisdiction	stringed by June 2021									
Electricity	Electrification of rural households	Ensure reliable provision of electricity to households		Connect electricity to formal households within the municipal jurisdiction	Full Desing Package approved by Eskom by end of June 2022	42 103 households with electricity	Electrification of Zizityaneni Villages	Reduced electricity backlog	R 1 307 268,00	R 15 575 000,00	R -	N/A	INEP	WMMLM
Electricity	Installation of High Mast Lights	Have safer streets by June 2022		Facilitatting the installation and energising of High Mast lights.	2 high mast lights installed by June 2022	2 High Mast Lights Installed	Installation of two High Mast Lights	Number of High mast lights installed	R 2 400 000,00	R 2 620 000,00	R 2 840 000,00	Equitable Share	N/A	WMMLM
KPA N0. 01 BASIC SERVICE DELIVERY (COMMUNITY SERVICES)														
Outcome 9 Objective														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Free basic services	High number of indigent households	To ensure subsidization of poor households in order to receive basic services by June 2022		By providing 2000 beneficiaries with free grid electricity & 4150 FBAE by June 2022	Subsidize 4000 qualifying beneficiaries with grid electricity and 5150 with FBAE by June 2022	Subsidize 1739 beneficiaries with free grid electricity & 5150 beneficiaries with FBAE	Subsidizes qualifying beneficiaries with 4000 grid electricity and 5150 with FBAE	Number of beneficiaries receiving free grid subsidy & receiving FBAE	R4 461 360,00	R 4 729 041,06	5 012 783,52	Yes	n/a	WMM LM
Free basic services	Inconsistent indigent register	To ensure subsidization of poor households in order to receive basic services by June 2022		By facilitating process of applications for reviewal of indigent register by June 2022	Reviewed and adopted 1credible indigent register by June 2022	Adopted credible indigent register	Reviewal and adoption of indigent register. Procurement of one Storage Container	Reviewed and adopted credible indigent register and one storage container	R832 132,00	782 132,00	829 059,92	Yes	n/a	WMM LM

KPA N0: 01 BASIC SERVICE DELIVERY (ENGINEERING SERVICES)														
Outcome 9 Objective														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Free basic services	Inconsistent indigent register	To ensure subsidization of poor households in order to receive basic services by June 2022		By conducting awareness campaigns to assist process of applications for reviewal of indigent register by June 2022	Conducted 4 indigent awareness campaigns by June 2022	Conducted 4 indigent awareness campaigns	Conduct 4 Indigent awareness campaign	Number of indigent awareness campaigns conducted	R336 096,00	536 096,00	568 261,76	Yes	n/a	WMM LM
Disaster Management	Lack of systematic approach in responding to disasters	To establish a uniform approach in monitoring disaster risks by 2022	1.15	By implementing council approved disaster management plan by June 2022.	Assessed & respond to reported & recorded disaster incidences within 72 hours, conduct 4 disaster awareness campaigns, purchase 1 storage container and purchase of 1 disaster Bakkie by June 2022	Council approved disaster management plan, responded to all reported disaster incidences & conducted 4 disaster awareness campaigns	Record, assess all reported disaster management incidences & respond within 72 hours, purchase 1 storage container, purchase 1 Disaster Bakkie and conduct 4 disaster awareness campaigns	Assessed & responded to reported & recorded disaster incidences within 72 hours, purchased 1 storage container, purchased 1 Disaster Bakkie and number of disaster awareness campaigns conducted	R2 785 540,00	3 085 540,00	3 270 672,04	Yes	n/a	WMM LM
Disaster Management	Lack of systematic approach in responding to disasters	To establish a uniform approach in monitoring disaster risks by June 2022		By reviewing the council approved disaster management plan by June 2022.	Reviewed and adopted Disaster Risk Management Plan by June 2022	1 adopted Disaster Risk Management Plan	Review of Disaster Risk Management Plan	Number of Council adopted documents	R200 004.00	R209 196.00	R218 820.00	Yes	n/a	WMM LM
Parks, Cemetery & Municipal facilities	Irregular use of Parks, Cemetery & other Municipal facilities.	To provide sustainable services of municipal facilities to the communities by June 2022	1.16	By maintaining proper functioning of cemetery and municipal facilities by June 2022	Operated, maintained and equip 50 Municipal facilities by June 2022	Operated & maintained 1 Cemetery & 49 municipal facilities.	Operate, Maintain & equip 50 municipal facilities, Purchase 1 Septic Tank & grave numbering,	Number of municipal facilities operated, maintained & equipped, Number of Septic tank & grave	R5 070 000.00	R5 100 420.00	R5 131 022.52	Yes	n/a	WMM LM

KPA N0: 01 BASIC SERVICE DELIVERY (ENGINEERING SERVICES)														
Outcome 9 Objective														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
							Purchase PPE for 270 Employee Maintenance of nurseries and Installation of solar lights and panels in Mthamvuna nursery.	numbers purchased, Number of employees provided with PPE, Number of nurseries maintained and Number of facilities provided solar lights and panels						
	Unsecured recreational facilities	To provide sustainable services of municipal facilities to the communities by June 2022		By facilitating fencing of recreational facility by June 2022	2 recreational facilities fenced by June 2022	37 fenced municipal sites	Fencing of 2 recreational facilities	Number of recreational facilities fenced	R1 200 000.00	2 000 000,00	201 200,00	Yes	n/a	WMM LM
Library Services	High rate of illiteracy	To facilitate provision of library services to Mbizana Community by June 2022	1.17	By instilling a culture of reading and lifelong learning and upgrading the existing libraries by June 2021	Conduct 4 library awareness campaigns, Maintain & equip 4 Libraries, Purchase 1 mobile library and Supply 4488 periodicals by June 2022	Conducted 4 library awareness campaigns. Maintained 3 Mbizana Libraries, Provided Library signage for 2 libraries.	Conduct 4 library awareness campaigns, Maintain & equip 4 Libraries, Purchase 1 mobile library and Supply 4488 periodicals	Number of library Awareness campaigns conducted, Mobile Libraries purchased, libraries maintained and equipped	R2 997 452.00	845,299.12	896,017.20	Yes	n/a	WMM LM



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Outcome 9 Objective														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Environmental Management	Inadequate legal environmental tools. Required continuous maintenance of beaches	To ensure conservation and management of natural resources for sustainable use by June 2022	1.18	By reviewing environmental management tools and conduct awareness campaigns by June 2022	Reviewed & adopted Climate Change Strategy and conduct 4 awareness campaigns by June 2022	Adopted Climate Change Strategy, Environmental Management Framework, IWMP and conduct 4 environmental awareness campaigns.	Review of Climate Change Strategy & conduct 4 environmental awareness campaigns.	Number of Council adopted documents	R414 480.00	439 348,08	465 709,01	Yes	n/a	WMM LM
Environmental Management	Inadequate legal environmental tools. Required continuous maintenance of beaches	To ensure conservation and management of natural resources for sustainable use by June 2022		By facilitating application for blue flag beaches and provision of signage by June 2022	Application & signage for 1 blue flag beaches by June 2022	Application & signage for 2 blue flag beaches	Application & signage for 1 blue flag beach.	Number of blue flag beaches attained & number of installed signage	R68 220.00	R100 000.00	106 000,00	Yes	n/a	WMM LM
Waste Management	Poor provision of measures to remediate contaminated land	To collect manage and dispose waste in an acceptable manner by June 2022	1.19	By remediating land where contamination presents a significant risk of harm to health and the environment by June 2022	12 routine rehabilitation of extension 3 dumping site, 1 financial projection report compiled by June 2022	12 routine rehabilitation of EXT3 dumping site done and Reviewed EXT 3 financial projections & rehabilitation plan	12 routine rehabilitation of extension 3 dumping site, compilation of extension 3 dumping site financial projection report.	12 routines rehabilitation of EXT3 dumping site. 1 Financial projection reports complied	R1 941 048.00	2 057 510,88	2 180 961,53	Yes	n/a	WMM LM
	Poor provision of measures to remediate contaminated land	To collect manage and dispose waste in an acceptable manner by June 2022		By remediating land where contamination presents a significant risk of harm to health and the environment by June 2022	Attend to 200 reported and recorded environmental threatening obstacles by June 2022	160 environmental threatening obstacles attended	Attend to 200 reported and recorded environmental threatening obstacles	Number of environmental threatening obstacles attended to	R177 984.00	300 000,00	318 000,00	Yes	n/a	WMM LM

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Outcome 9 Objective														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Waste Management	Lack of knowledge to communities about the importance healthy environment	To collect manage and dispose waste in an acceptable manner by June 2022	1.19	By conducting waste education programmes, supporting waste minimization programs and providing resources to employee and beneficiaries by June 2022	3 waste awareness campaigns conducted, supported 2 waste minimisation projects and provision of cleaning resources to employees & beneficiaries by June 2022	Conducted 3 waste management awareness campaigns and provided resources to 304 employees	Conduct 3 waste management awareness campaigns, 2 waste minimization initiatives supported and provide resources to employees & beneficiaries	Number of campaigns conducted, number of waste minimization initiative supported and number of employees and beneficiaries receiving resources	R2 598 552.00	3 598 552,00	3 814 465,12	Yes	n/a	WMM LM
Waste Management	Poor provision of measures to remediate contaminated land	To collect manage and dispose waste in an acceptable manner by June 2022		By increasing waste collection fleet & equipment for service delivery by June 2022	Purchase of 1 refuse truck & 11 grass cutting machines with accessories by June 2022	Purchased 1 refuse Bakkie, 1 refuse truck, 1 tractor with accessories & 6 grass cutting machines,	Purchase of 1 refuse truck ,1 Bakkie & 11 grass cutting machines with accessories and Purchase of 2 storage containers	Number of refuse removal trucks, Bakkie & grass cutting machines with accessories purchased Number of storage containers purchased	R2 310 008.00	2 010 008,00	222 608,48	Yes	n/a	WMM LM
Waste Management	Inadequate delivery of waste service	To collect manage and dispose waste in an acceptable manner by June 2022		By extending waste collection service to unserved areas and manage illegal dumping by June 2022	Extension of waste management service to 6 rural areas and illegal dumping in R61 by June 2022	Service provided to CBD and 5 rural villages	Extension of waste management service to 6 rural areas and illegal dumping in R61	Number of areas where service is extended to	R1 500 000.00	R 1 590 000,00	R 1 685 400,00	Yes	n/a	WMM LM

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Outcome 9 Objective														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Waste Management	Inadequate delivery of waste service	To collect manage and dispose waste in an acceptable manner by June 2022		By providing bulk waste receptacles for communal collection points by June 2022	Provide and service 30 skip bins by June 2022	Provision of 9 cages and 30 skip bins	Provide and service 30 skip bins	Number of skip bins provided	R999 996,00	R 1 059 995,76	R 1 123 595,51	Yes	n/a	WMM LM
Security Services	Vulnerability of Municipal properties due to vandalism	To all Municipal keys points assets and resources are safe by June 2022	1	Visibility of Security personnel, installation of access	Acquisition of private security service provider for safeguarding of 15 Municipal sites and 65 CCTV installed at Youth Centre Council Chamber and provision of equipment	44 private security personnel, main building, DLTC and Municipal Library installed with CCTV camera	Provision of security services to 15 Municipal Sites, 65 CCTV cameras to be installed youth Centre Council Chamber and provision of equipment	Number of Security personnel & number of CCTV cameras at Youth Centre Council Chamber and equipment provided	R 9 957 634,70	R 10 555 092,78	R 11 188 398,35	Yes		Community Services
Traffic Services	Road users disobey rules of the road that contribute to road damages	To ensure consistent safety of road users and improved by-law enforcement by June 2022	1	By-ensuring general law enforcement, provision of equipment &resources and improve road signage	2100 traffic fines, conduct 20 road blocks, erection of 08 traffic sign and renewal of 22 kilometres road markings and provision of equipment and resources	2049 traffic fines issued 19 road blocks conducted and 61 cases of by - law enforcement opened	Issuing of 2100 traffic fines and 20 road blocks conducted, road signage installed, renewed road markings and acquisition of motor vehicles, equipment and recourses	No. of traffic fines issued. Roads blocks conducted, road signage installed and renewed road markings and number motor vehicles purchased &equipment& recourses purchased	R 2 300 870,98	R 2 438 923,23	R2 585 258 62	Yes		Community Services

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Outcome 9 Objective														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
				By facilitating registration & licencing of motor vehicles, application of learner's licence, driving licence and PrDP's	Registration and licencing 1200 vehicles, 2000 learners' licence, 2000 driving licence and 50 PrDP's	540 Registration and licencing of motor vehicles, 1500 learners' licence, 480 driving licence and 25 PrDP's	Registration and licencing of 6000 Vehicles, 10 000 learners 10 000 driving licence and 200 PrDP's	Number of registration and licencing, number of learners' licence, driving licence and PrDP's	N/A	N/A	N/A			Community Services
				By facilitating community education programs and monitoring pay parking metres	4 awareness campaign and monitoring of pay parking metres	4 community safety awareness campaigns conducted and pay parking signs	4 community safety awareness campaigns	Number of community safety awareness campaigns conducted, monitoring of parking metres	R 832 410,15	R 882 354,70	R 935 295,98	Yes		Community Services
Pound	Uncontrolled stray animals	To control stray animals both in the CBD and public roads by June 2022	1	By upgrading the pound to comply with required standards.	Upgrade of Municipal pound and provision of motor vehicle and equipment	4 camps without shelters	Upgrade of Municipal pound and provision of motor vehicle and equipment	Completed construction and operation of pound	R 1 966 300	R 2 084 278	R 2 091 356,68	Yes		Community Services

PA N0:2: SPATIAL PLANNING AND LOCAL ECONOMIC DEVELOPMENT														
Outcome 9 Objective														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Spatial Development Framework	Redressing past spatial imbalances	To Implement municipal SDF that will guide developmental programmes and projects by June 2022	2,1	By implementing municipal SDF adopted by the council	Council Adopted Redoubt Precinct Plan	Council Adopted SDF	Redoubt Precinct Plan	Approved reports and layout plans	R 286 650,00	R 299 262,60	R 313 109,79	Yes	No	N/A

PA N0:2: SPATIAL PLANNING AND LOCAL ECONOMIC DEVELOPMENT														
Outcome 9 Objective														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
<b>Integrated Land Use Scheme</b>	No zoning Scheme Regulations in areas outside the urban edge	To regulate the use of land in an integrated manner within the municipal jurisdiction by June 2022	2.2	By implementing the council adopted integrate land use scheme	Council Adopted Land Use Scheme	Council Adopted Integrated Land Use Scheme	Land Use Scheme, Mapping of Agricultural Land and Environmental Sensitive Areas	Approved Integrated Land Use Scheme	R 312 000,00	R 325 728,00	R 340 385,76	Yes	No	N/A
<b>Land Use Management System</b>	Non-Conforming land uses, encroachments and land invasions	To ensure controlled land use management, development control and enforcement by June 2022	2.3	By implementing the council adopted enforce land use	Updated Land Use register	Land Use Management System	Enforcement of Land Use Management System	Land Use Register	Nil	Nil	Nil	Yes	No	N/A
<b>Land Audit</b>	Unsurveyed and, unregistered municipal land and properties	By ensuring that properties are registered and survey of, and to maintain and update the register of properties within municipal jurisdiction by June 2022	2.4	By implementing municipal land audit	Approved Layout and Sub divisional Plans	Land Audit Report	Regular alignment of the municipal cadastral information with the zoning and valuation	Layout and Subdivision Plans	R 401 310,00	R 418 967,64	R 437 821,18	Yes	No	N/A
<b>Valuation Roll</b>	Outdated property values to enable billing for property rates	To develop a credible valuation, roll by June 2022	2.5	By formulating valuation, supplementary valuation roll to improve revenue collection	Supplementary valuation roll	Valuation roll	Compilation of Supplementary valuation roll	One compliant and implemented Valuation, Supplementary valuation	R 985 530,00	R 1 028 893,32	R 1 075 193,52	Yes	No	N/A

PA N0:2: SPATIAL PLANNING AND LOCAL ECONOMIC DEVELOPMENT														
Outcome 9 Objective														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Provision of human settlements	Housing backlog	To guide human settlements in ensuring access to housing is achieved by June 2022	2,6	By providing land, beneficiary administration and applications for funding	Maintaining and updating of the housing needs register, signing of happy letters and handing over of houses	Housing sector plan	Provision of Human settlement	Signed happy letters from beneficiaries, Updated Housing needs register	R 422 579,43	R 441 172,93	R 461 025,71	Yes	Yes	N/A
Building control	Illegal building construction	To ensure compliance with National Building Regulations by June 2022	2,7	By updating building plan register and conducting inspections on submitted building plans	Updated Building plan Register, Routine Inspection Register and Contravention Notices	Building Plans submitted for Approval	Update building plan register and conducting routine inspection	1 Updated Building Plan Register, Routine Inspection Registers and Contravention Notices	R 202 214,37	R 211 111,80	R 220 611,83	Yes	No	N/A
Geographic Information Systems	Outdated geospatial information	To ensure management and update of municipal geospatial information by June 2022	2,8	By implementation of GIS system as a tool to enhance service delivery through spatial information	Implementation of GIS Strategy and Policy	GIS strategy and policy	Update municipal Geodatabase	Implemented strategy and policy	R 199 336,41	R 208 107,21	R 217 472,04	Yes	No	N/A
Implementation of SPLUMA	Past Spatial Imbalances	To ensure compliance with SPLUMA by June 2022	2,9	By Facilitate the implementation of the SPLUMA	Land Use/ Town Planning Applications Register	Spatial Planning, Land Use Management Act and SPLUMA Regulations	Approve Land Use/ Town Planning Applications	Approved Land Use/Town Planning Applications	R 458 720,26	R 478 903,95	R 500 454,63	Yes	No	N/A

PA N0:2: SPATIAL PLANNING AND LOCAL ECONOMIC DEVELOPMENT														
Outcome 9 Objective														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Land acquisition and disposal	Unutilised, undeveloped land	To facilitate acquisition of well-located state land and disposal of council land by June 2022	2.10	By ensuring maximum utilisation of prime land	Disposal of available municipal land	Land Audit Report	Disposal of available municipal land	Signed Deed of Sale/ Sale Agreement				Yes	No	N/A
Township Establishment	Inadequate land parcels for development	To facilitate the creation of land parcels through township establishment for purpose of development by June 2022	2.11	By employing the services of service provider to design the layout plan	Approved Township Establishment Application	Spatial Development Framework	Land Use Applications	Approved Township	R 401 310,00	R 418 967,64	R 437 821,18	Yes	No	N/A
Economic Development Plan	LED plan not aligned with the National LED framework and all applicable legislations	To grow the local economy to 20 % by 2032	2.12	Facilitate integrated implementation of the LED strategy with other key stakeholders and Wild Coast Development plan	Host Business Conference and Monitoring of N2 beneficiation	LED Policy, Approved GBS Fund	Host Business Conference and Monitoring of N2 beneficiation	Strengthening of partnerships with external stakeholders and N2 beneficiation monitored	R 1 629 864,60	R 1 701 578,64	R 1 778 149,68	Yes	No	N/A
					Facilitation of GBS annual workplan		Implementation of Workplans	Implementation of GBS Workplan	R 19 819 500,00	R 22 819 500,00	R 0,00	Yes	Yes	N/A
					Hawker's Development program		Construction of Market Place	Implementation of Hawker's Development Program				Yes	No	N/A
Tourism	Tourists statistics is not	To grow the tourism industry & increase the	2.13	Involvement of the private sector and	Council Adopted Tourism Plan	Outdated Tourism Plan	Tourism Plan Reviewal	Reviewed Tourism Plan	R 1 613 845,12	R 1 684 854,31	R 1 760 672,75	Yes	No	N/A

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									Yr 1	Yr 2	Yr 3	Internal	External	
	prepared monthly	number of tourists by 10% in 2032		other key stakeholders for integrated implementation of the Tourism plan	Conduct tourism awareness, Support product owners and maintenance of Visitors Information Centre (VIC)		Conduct tourism awareness, Support product owners and maintenance of Visitors Information Centre (VIC)	Conducted tourism awareness, supported product owners, VIC Maintained				Yes	No	N/A
				Branding and marketing material. attend exhibitions and investment attraction. Support arts and crafters			Branding and marketing material. attend exhibitions and investment attraction. Support arts and crafters.	Branding and marketing material for product owners developed. Arts and crafters supported				Yes	No	N/A
				Contract 15 life guards			Contract 15 life guards	15 life guards Contracted				Yes	No	N/A
				Monitoring and Evaluation on Mthamvuna Lodge and Nature Reserve			Monitoring and Evaluation on Mthamvuna Lodge and Nature Reserve	Mthamvuna Lodge and Nature Reserve				Yes	No	N/A
Agriculture	Employment in agriculture not recorded	To grow and strengthen the agricultural sector by supporting local farmers by June 2022	2.14	Integrated Farmer support. Integrated support with access to markets for farmers.	Council Adopted Agricultural development plan.	Outdated Agricultural Development Plan	Reviewal and Implementation of Agricultural Development Plan	Reviewed Agricultural Development	R 1 850 498,88	R 1 931 920,83	R 2 018 857,27	Yes	No	N/A
					Support Local Farmers through Agri-Parks Programme and Farmer Developme		Facilitation of Agri-parks program and Implementation of Farmers support	Local Farmers support				Yes	No	N/A
												Yes	No	N/A



PA N0:2: SPATIAL PLANNING AND LOCAL ECONOMIC DEVELOPMENT														
Outcome 9 Objective														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
					nt Programme									
Mari - culture	Unavailability of boat launching site	To promote sustainable use of marine resources to contribute in the local economy by June 2022	2.15	Ensure support of small-scale fishers with licenses and markets	Support Commercial and Small-Scale Fisheries	Underutilized Coastal Belt	Implementation of Mari-culture Programme	Supported Commercial and Small-Scale fisheries	R 636 830,81	R 664 851,36	R 694 769,68	Yes	No	N/A
												Yes	No	N/A
Enterprise Development	Lack of mentoring and evaluation of SMMEs.	To promote enterprise development to contribute 10% to the local economy by June 2022	2.16	Execute Entrepreneur Development programs and capacity development	Capacitate and Support 20 SMME's	SMME and Co-Operative Plan	Conduct capacity building and Support 20 SMME's	Capacitated and Supported 20 SMME's	R 1 952 038,34	R 2 037 928,03	R 2 129 634,79	Yes	No	N/A
					Implementation of BIGM Annual workplan	BIGM Annual Workplan	Business Incubator	BIGM Annual Workplan implemented				Yes	No	N/A
Stakeholder Consultative	Lack of stakeholder integration	To revive structures to contribute to local economic development initiatives by June 2022	2.17	Capacitate and Work in collaboration with Structures in all sectors	Continuous capacitation and stakeholder engagement	There are a number of local formations and structure that are not fully operational and too much contestations in formations	Conduct workshops, meetings and trainings	Conducted workshops, meeting and trainings	R 138 738,60	R 144 843,09	R 151 361,03	Yes	No	N/A
Mining	Mining not fully supported	To Coordinate Mining activities by June 2022	2.18	Integration of key industry players for mining activities	Support mining activities in Mbizana in implementing SLP	Uncoordinated mining services	Conduct meeting and workshops	Supported mining activities in Mbizana in implementing SLP				Yes	No	N/A

KPA N0:INSTITUTION TRANSFORMATION AND HUMAN RESOURCES DEVELOPMENT														
Outcome 9 Objective														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Employee Wellness	promotion of employee wellbeing	To ensure that Employee Wellness is effective by 30 June 2022	3.1	By developing and implementing Employee Wellness Programmes.	medical check-ups for 100 employees; 1 inspection on municipal buildings conducted by June 2021.	One wellness campaign conducted, medical check-ups conducted on 120 employees, site inspections conducted on 3 municipal sites, training of OHS Committee and OHS, awareness conducted to employees, all municipal buildings fumigated and sanitiser stands installed.	To conduct 2 wellness campaigns, Medical check-ups for 150 employees, site inspections conducted on 2 municipal building and 25 municipal vehicles, training of 15 first aiders and maintenance of 36 fire extinguishers, co-ordinating the disinfecting of municipal buildings and procurement of PPE.	Number of awareness campaigns conducted. Number of employees referred for medical check-ups, Number of municipal sites and vehicles inspected. Number of first aiders trained and extinguishers maintained. Number of buildings disinfected and number of employees provided with PPE.	R532 400	R560 421,05	R589 916,89	Yes		Corporate Services
Performance Management System	Instil a culture of higher performance management and accountability	To implement and sustain a functional and effective Performance Management System (PMS) by June 2022	3.2	Evaluating employee performance through midyear and annual assessments by June 2022	Assessments conducted to 45 employees by June 2022.	55 employees contracted.	Assessment of 45 employees.	Number of employees assessed.	R189 000	R197 316,00	R208 168,38	Yes		Corporate Services

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									Yr 1	Yr 2	Yr 3	Internal	External	
Human Capital Development	training and development of Human capital	Providing comprehensive education, training and human resource development by June 2022.	3.3	By Capacitating Councillors and Employees through Skills Development by June 2022	Training conducted for 62 councillors; 20 officials trained; Study assistance provided to 10 internal staff by June 2022.	WSP submitted to LGSETA in the 2019-20 Financial Year. 05 councillors trained, 19 students provided with experiential learning. 25 employees offered study assistance.	Training for councillors. Provide study assistance to internal staff. To provide in-house experiential learners and internships.	Number of employees and councillors trained. Number of study assistance provided to internal staff and number of internships and experiential learning learners.	1 430 816	R1 493 771,90	R1 575 929,36	Yes		Corporate Services
Labour relations	To instil a culture of discipline in the workplace	To ensure sound labour relations in the Municipality by June 2022.	3.4	By co-ordinating trainings and sittings of organised labour.	Co-ordinated 4 LLF Meetings and capacitate line functionaries on Disciplinary Procedures.	4 LLF meetings convened in the 2020/2021 and training of managers on disciplinary procedures.	Quarterly LLF meetings and 26 supervisors trained on disciplinary procedures.	Number of LLF meeting convened and number of employees trained.	R181 315	R189 292,86	R199 703,97	Yes		
Fleet Management	Ageing Municipal Fleet.	To ensure that there is sufficient and roadworthy municipal fleet by June 2022.	3.5	By procuring and Maintaining Municipal vehicles	Reviewal of fleet policy by June 2022	Three pool vehicles procured in the 2020/21 financial year. Adopted Fleet management policy.	Reviewal of fleet policy.	Reviewed fleet policy, conducted	R0	R0,00	R0,00	Yes		Corporate Service
					Awareness to drivers and operators by June 2022		Awareness to drivers and operators.	Awareness to drivers and operators	R200 000,00	R208 800,00	R220 284,00			
					Procured two (2) vehicles by June 2022		Procurement of two (2) vehicles	Number of vehicles procured	R1 500 000,00	R1 566 000,00	R1 652 130,00			
					Vehicle licence renewal		Vehicle licence renewal.	Vehicle licence renewed	R0,00	R0,00	R0,00			
Records Management	Incoherent and inappropriate records keeping	To centralize and archive municipal records by June 2022.	3.6	By sourcing the services of a service provider towards centralisation &	Reviewal of Records management policy and file plan. Develop Records	Centralisation and archiving of Municipal Managers Office and Community	Reviewal of Records management policy and file plan.	Reviewed Records management policy and file plan.	R2 000 000	R2 088 000,00	R2 202 840,00	Yes		Corporate Services

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Outcome 9 Objective														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
				archiving of municipal records	management strategy. Records management awareness for all users by June 2022	Services Records. Approved Records management Policy and file plan	Develop Records management strategy.	Records management strategy developed.	R200 000	R208 800,00	R220 284,00			
							Records management awareness for all users	Records management awareness conducted for all users.	R200 000	R208 800,00	R220 284,00			
Municipal ICT Systems and Infrastructure	Ineffective systems to support municipal objectives	To ensure maximum availability of efficient ICT Services and Infrastructure by June 2022.	3.7	By Improving Standard Operational Processes and procedures	1 renewed and maintained service level agreements and 4 licences renewed. By June 2022	1 renewed and maintained service level agreement for telephone service and 3 licences renewed	by June 2022	Number of signed SLAs and renewed Licences	R2 051 574	R2 141 843,26	R2 259 644,64	Yes		Corporate Service
				By providing tools of trade for council and staff members	Procurement of laptops for councillors, traditional leaders and staff members	10 Laptops and 10 desktops procured	Procurement of laptops for councillors, traditional leaders and staff members	Number of laptops procured	R1 050 000	R1 096 200,00	R1 156 491,00			
				By Improving access to the Municipal ICT infrastructure	Installation of backbone fibre linking civic centre to main building. Re-cabling of main building with cat 6	Server Room infrastructure installed in the main Server Room	Installation of backbone fibre linking civic centre to main building. Re-cabling of main building with cat 6	Installed backbone fibre and new building re-cabled	R1 000 000	R1 044 000,00	R1 101 420,00	Yes		Corporate Service
Municipal Corporate Governance of ICT	Compliance with ICT Governance and MFMA (regular update of information in the municipal website)	To ensure that Corporate Governance of ICT is implemented by June 2022,	3.10	By maintaining the Municipal website through regular updates of the website content	Updated Municipal Website Content	New Website theme installed	Quarterly updates of municipal compliance documents on the website. Uploading of fresh content and publications on the website	Number of uploaded municipal compliance documents on the website	R99 509	R103 887,40	R109 601,20	Yes		Corporate Service
				By implementation of Municipal ICT Governance framework.	Implementation of ICT risk and control framework	Reviewed and adopted ICT charter and ICT strategy by June 2022	Develop ICT risk and control framework	Council approved ICT risk and control framework	R451 596	R471 466,22	R497 396,87	Yes		Corporate Service

KPA N0:INSTITUTION TRANSFORMATION AND HUMAN RESOURCES DEVELOPMENT														
Outcome 9 Objective														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Institutional Policies	Outdated policies	Review of institutional policies	3.11	By reviewing institutional policies by June 2022	25 institutional policies reviewed	Institutional policies reviewed in 2018/2019 FY	Review of existing policies and presenting to relevant stakeholders	Number of policies reviewed	0	0	0	Yes		Corporate Services

KPA N0 4: BUDGET & TREASURY														
Outcome 9 Objective														
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be Implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Revenue Management	Revenue collection trends are decreasing posing a threat to the municipality's going concern	To achieve 100% billing for all services that are to be billed by June 2022	4,1	Metering of all electricity consumption	Reading of 78 electricity meters utilizing the Automated system	Electricity meters are read, recorded, and captured manually	Reading of electricity meters	Accurate billing of electricity consumption	R700 000,00	R735 000,00	R717 750,00	Yes		Chief Financial Officer
				Training of meter reader	R100 000,00	R0,00	R0,00		Yes					
				Monthly billing of all consumers for all services	Billing of 2 252 consumer accounts for Property rates, refuse and electricity by June 2022	90% billing on property rates, 80% on electricity and 90% on refuse	Maintain an accurate and complete consumer master database for refuse, electricity and property rates	Reduced Customer queries - 100% of consumers billed as per consumer master database	R0,00	R0,00	R0,00			Chief Financial Officer
					Billing completed by the 3rd day of each month following the billing month	Billing completed beyond the 3rd day of the following month	Completion of billing processes by the 3rd day of each following month		R0,00	R0,00	R0,00			Chief Financial Officer
					Distribution of electronical monthly consumer statements	Manual distribution of consumer statements	Sending of monthly statement using emails and SMS's		R7 000,00	R7 308,00	R7 637,00	Yes		Chief Financial Officer

KPA N0 4: BUDGET & TREASURY														
Outcome 9 Objective														
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be Implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
				Implementation of the Revenue enhancement Strategy	Implementation of the Revenue enhancement Strategy Action Plan by June 2022	Revenue Enhancement Strategy reviewed in 2019/20	Monitoring of the Revenue enhancement Strategy Action Plan	Increase in Revenue collection	R0,00	R0,00	R0,00			Chief Financial Officer
		To achieve at least 95% collection of all debt by June 2022	4,2	Implementation of credit control measures	Consumer Data analyses and cleansing to ensure readiness for handing over of all accounts beyond 90 days by June 2021	Long outstanding debtors, which are more than 365 days	Outsourcing of collection services	Debtors age analysis reflecting debtors within 90 days	R500 000,00	R525 000,00	R55 125 000,00	Yes		Chief Financial Officer
	Accounts with errors taking longer to identify and resolve	To achieve a clean audit as at 30 June 2022	4,3	Performance of monthly debtors, rates and investment reconciliations	12 monthly reviewed creditors, retention and vat reconciliation	Monthly reconciliations not performed by the 7th day of each month	Monthly review of debtors, rates and investment reconciliation by the 7th working day of each month	Accurate and complete reconciliations	R0,00	R0,00	R0,00			Chief Financial Officer
Expenditure Management	Invoices not submitted within 30 days of receipt for payment	To pay creditors within 30 days in compliance with the MFMA by June 2022	4,4	Enforcement of system descriptions and processes as per the Account payable policy	Payment of all presented acceptable invoices within 30 days from receipt of invoice by June 2022	Invoices still taking longer to reach BTO for payment	Centralisation of submission of invoices per department	Age analysis reflecting creditors within 30 days	R0,00	R0,00	R0,00			Chief Financial Officer
	Data strings that are submitted with incomplete information and month end procedures that are not performed on time	To achieve a clean audit	4,5	Develop sound, strict and effective procedures for reporting	Submitting monthly data strings and Reports not later than 10 working days after month end of each month	Non-implementation of all monthly procedures	Implementing of month end procedures for 8 modules (cashiers, stores creditors, cashbook, sundries, consumer debtors, GL and Asset)	Submission of monthly reports	R0,00	R0,00	R0,00			Chief Financial Officer

KPA N0 4: BUDGET & TREASURY														
Outcome 9 Objective														
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be Implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
	Inaccurate and incomplete commitment register				12 monthly reviewed commitment register	Commitment register with material misstatements	Monthly review of commitment register by the 7th working day of each month	Accurate and complete commitment register	R0,00	R0,00	R0,00			Chief Financial Officer
	Creditors and grants with errors taking longer to identify and resolve	To achieve a clean audit as at 30 June 2022	4,6	Performance of monthly creditors, retention and vat reconciliation	12 monthly reviewed creditors, retention and vat reconciliation	Monthly reconciliations of not performed by the 7th day of each month	Monthly review of creditors, retention and vat reconciliation by the 7th working day of each month	Accurate and complete reconciliations	R0,00	R0,00	R0,00			Chief Financial Officer
	Payroll accounts with errors taking longer to identify and resolve			Performance of monthly payroll reconciliation	12 monthly reviewed payroll reconciliation	Monthly reconciliations not performed by the 7th day of each month	Monthly review of payroll reconciliation by the 7th working day of each month	Accurate and complete reconciliations	R0,00	R0,00	R0,00			Chief Financial Officer
Supply Chain Management	Inadequate filing space and system for the volume of documents in the Budget and Treasury office	To have an effective and reliable filing system for SCM and all awarded tender documents and payment vouchers	4,7	Conversion of Supply Chain Management filing to electronic for old documents already audited	Electronic filing system setup and loading of Budget and Treasury Office Documents by June 2022	Paper based and physical filing	Conversion of information into electronic documents	Electronic filing for Budget and Treasury documents	R2 000 000,00	R0,00	R0,00			Chief Financial Officer
	The municipality needs to comply with all statutory training requirement	To have fully capacitated Supply Chain Management Personnel	4,8	Training of Supply Chain Management Personnel	Training of 1 Manager and 1 SCM officer on CIPS	Officials operating with outdated information relevant to their sections	Training of SCM Officials 30 June 2022	Capacitated SCM Officials with relevant knowledge	R 200 000,00	R208 800,00	R218 196,00	Yes		Chief Financial Officer

KPA N0 4: BUDGET & TREASURY														
Outcome 9 Objective														
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be Implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Asset and Stores Management	All assets of the municipality to be accounted for in terms of their value, status and location	To accurately account for the value and location of all municipal assets by 30 June 2022	4,90	Quarterly update of the fixed asset register	4 Quarterly verification Reports	Movement of assets without Asset Management office being notified	Performing quarterly asset verification within 30 days of the end of each quarter	Accounting for all municipal assets	R0,00	R0,00	R0,00			Chief Financial Officer
				Annual review of the asset management policy and update of the fixed asset register	GRAP compliant Asset register as at 30 June 2021 by June 2022	GRAP compliant Asset register as at 30 June 2021	Review of the GRAP compliant asset register	Signed GRAP compliant asset register	R1 300 000,00	R1 378 000,00	R1 460 680,00	Yes		Chief Financial Officer
	Stores function that is not fully structured and properly managed	To correctly and effectively manage the stores function of the municipality	4,10	Quarterly update of the stock items to ensure adequate levels are kept at all times	4 quarterly stock counts by June 2022	Only one stock count performed at the end of the year	Stock updates at least once each quarter	4 stock count reports	R0,00	R0,00	R0,00	Yes		Chief Financial Officer
Financial Reporting	Financial statements with non-compliance with laws	To compile Annual Financial Statements that comply with all requirements as at 30 June 2022	4,11	Develop sound, strict and effective procedures for the compilation of AFS	Credible and fully compliant Annual Financial Statements as at 30 June 2021 submitted by 31 August 2021	Audited Annual Financial Statements for 2019/20 with compliance findings	Development and approval of processes and procedures for compilation of Compliant annual financial statements by 30 May 2021	Credible Annual Financial Statements submitted by 31 August 2021	R200 000,00	R200 000,00	R200 000,00	Yes		Chief Financial Officer
		To achieve a clean audit as at 30 June 2022	4,12	Manage audit and ensure audit readiness	Manage the external audit and ensure audit readiness to achieve clean audit opinion as at 30 June 2022	Audited Annual Financial Statements for 2019/20 with compliance findings	Manage the external audit by the office of the Auditor General to ensure smooth running	Signed Audit report	R5 295 993,00	R5 560 792,00	R5 838 832,00	Yes		Chief Financial Officer



KPA N0 4: BUDGET & TREASURY														
Outcome 9 Objective														
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be Implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
				Performance of Monthly bank reconciliations	12 Reviewed bank reconciliations by June 2022	Reconciliations not always completed within times	Performance of monthly reconciliations by the 7th working day of each month	Signed monthly reconciliations	R0,00	R0,00	R0,00			Chief Financial Officer
	Non-compliance with statutory requirements	Adhere to compliance in terms of management and reporting	4,13	Preparation and submission of all in-year statutory reports	Submission of all statutory reports as required	Reports not submitted on time	Submission of s71 Report not later than 10 working day of each month	Signed monthly reports	R0,00	R0,00	R0,00			Chief Financial Officer
							Submission of s52d reports within 30 days of the end of each quarter	Signed quarterly reports	R0,00	R0,00	R0,00			Chief Financial Officer
							Submission of the s72 report by the 25th of January 2022	Signed mid-year assessment report	R0,00	R0,00	R0,00			Chief Financial Officer
Budgeting	The municipality needs to comply with all statutory budgeting and reporting requirements	Adhere to compliance to Municipal budget and reporting requirements	4,14	Preparation and submission of all in-year statutory reports	Training of 3 financial management interns and 1 finance staff to meet minimum competency requirements by June 2022	Appointed interns and new accountants	Training of 3 financial management interns and 1 finance staff to meet minimum competency requirements by June 2022	Trained interns and finance officials to meet minimum competency	R300 000,00	R300 000,00	R300 000,00	Yes		Chief Financial Officer
		To timely produce budgets in line with the National Treasury guidelines and regulations	4,15	Develop and monitor processes to ensure timely preparation, adoption and	3 Approved budgets by June 2022	Adjustments budget approved by 28 February 2022 and draft budget approved by 31 March 2022	Compile three budgets to be approved by council	Council resolutions adopting the budgets	R0,00	R0,00	R0,00			Chief Financial Officer

KPA N0 4: BUDGET & TREASURY														
Outcome 9 Objective														
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be Implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
				publication of credible municipal budgets	Publication of at least three approved budgets June 2022	of each year; final budget approved 31 May 2022	Publication of approved budgets	Advertisement of approved budgets and tariffs	R60 257,00	R62 629,00	R65 739,00	Yes		Chief Financial Officer

KPA N0:05: GOOD GOVERNANCE AND PUBLIC PARTICIPATION														
Outcome 9 Objective														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Integrated Development Planning	To comply with Section 32 of the Municipal Systems Act	To ensure development of a credible IDP - aligned with PMS & Budget by May 2022	5.1	By developing an IDP process plan. By conducting public participation. processes By ensuring alignment of budget to the IDP	Council Approved five-year IDP for council term 2022/27 by May 2022	Assessed credible IDP document adopted by council May 2020.	Development of a five-year IDP for council term 2022/27 which must be adopted by the council by May 2022.	Council resolution on adoption of a five-year IDP for council term 2022 - 2027.	1 265 228.00	2 013 648,45		Yes	n/a	WMM LM
					Socio economic infrastructure study report incorporated as part of the situational analysis report of the IDP			socio – economic infrastructure study report.	768 000.00	0	0	Yes	n/a	WMMLM

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Outcome 9 Objective														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Performance Management Systems	To comply with Performance planning, implementation, monitoring and reporting regulations	To ensure compliance with laws and regulations and ensure a culture of accountability, performance excellence & monitoring by June 2022	5.3	By Facilitating and monitoring periodic reporting	4 Quarterly Performance Reports tabled to Council and its structures for consideration for the 2021/22 Financial Year by June 2022	4 Quarterly Performance Reports tabled to council and its structures for consideration	4 Quarterly performance reports tabled to council and its structures for consideration for the 2021/22 Financial Year	Number of Quarterly performance reports tabled to council and its structures for consideration for the 2021/22 Financial Year	R1 202 421,12	R1 262 542,18	R1 325 669,28	WMM LM	N/A	WMM LM
				By facilitating formal performance assessments	Bi-annual Performance Assessments conducted for the 2020/2021 Financial Year by June 2022	2 performance assessments	Bi-annual performance assessments conducted for the 2020/2021 Financial Year	Number of performance assessments conducted for the 2020/2021 Financial Year	Nil	Nil	Nil	WMM LM	N/A	WMM LM
				By Facilitating compilation of the 2020/21 annual report	2020/2021 annual report adopted by council by May 2022	2019/2020 annual report adopted by council by May 2021	Compilation of 2020/2021 annual report	2020/2021 annual report adopted by council by May 2022	R357 953,88	R375 851,57	R394 644,15	WMM LM	N/A	WMM LM
Internal Audit				By reviewing adequacy and effectiveness of internal control and compliance with laws and regulations.	15 Internal Audit Reports & Internal Audit (IA) Charter and Audit Committee (AC) Charter & Internal Audit Coverage plan	18 Internal Audit Reports and Audit Committee charter & Internal Audit Charter and Internal Audit Coverage Plan	Execution of Internal Audit coverage plan, Reviewal of Audit Committee Charter & Internal Audit Charter	Number of Internal Audit Reports, AC & IA Charters & IA coverage plan	R2 301 000	R2 416 050	R2 536 853	Yes	N/A	Manager Internal Audit
Risk Management				By conducting municipal risk management workshops.	Risk Assessment Workshop and Risk Management Report	Risk Assessment workshop done in December 2020 & Risk Management Report as well as risk registers	Risk assessment	Risk Assessment Workshop & Risk Register as well as risk management report	R200 000	R210 000	R220 800	Yes	N/A	Manager Internal Audit

KPA N0:05: GOOD GOVERNANCE AND PUBLIC PARTICIPATION														
Outcome 9 Objective														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Fraud and Corruption				By conducting awareness campaigns with all relevant stakeholders and Reviewal of Anti-Corruption Policy.	Reviewed Anti-Corruption Policy and Fraud awareness workshop	Anti-corruption policy reviewed	Implementatio n of Ant-Corruption Policy and Fraud & Corruption awareness campaigns	Number of fraud cases Fraud & Corruption awareness campaigns	R400 000	R420 000	R441 000	Yes	N/A	Manager Internal Audit
Ethics				By conducting the ethics workshops with employees and Municipal stakeholders	Ethics workshop	One workshop conducted	Conducting ethics awareness campaigns and workshops	Ethics workshop	R200 000	R210 000	R220 500	Yes	N/A	Manager Internal Audit
Audit Committee				By reporting on risks, financial, internal controls matter and Annual Financial Statements as well as policies	4 Audit Committee meetings	5 Audit Committee meeting held	Setting up of Audit Committee meetings	Audit Committee meeting	R 776 052.00	R814 855.00	R855 597	Yes	N/A	Manager Internal Audit
Special Programs Unit	To improve participatory democracy and inclusiveness	To coordinate mainstreaming of special groups and support by 2022		By coordinating special groups forums, internal and sector department to contribute towards mainstreaming of young people in all government programmes	Implementation of eight approved youth programmes by June 2022	8 Council approved programmes targeting and in support of young people	Youth Summit, Career Exhibition, Initiation Support (December season 2020 and June season 2021), Unemployed Graduate Development Program, Business Seminar, Mayors Schools Achievement Award and Youth Awards	Number of youth programme s approved by council to be implemente d	R2136 281.51	R2 232 414,18	R2 332 872,81	Yes	N/A	Executive Support and Mayoralty Manager

KPA N0:05: GOOD GOVERNANCE AND PUBLIC PARTICIPATION														
Outcome 9 Objective														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
				By coordinating special groups forums, internal and sector department to contribute towards mainstreaming of people with disability in all government programmes	5 Council Approved People with Disability programs implemented by June 2022	5 Council approved programmes targeting and in support of People with Disability	Support functioning of PWD Forum and Disability Month Awareness	Number of PWD programmes approved by council to be implemented	R 189 402.00	R 197 925.17	R 206 831.80	Yes	N/A	Executive Support and Mayoralty Manager
				By coordinating special groups forums, internal and sector department to contribute towards mainstreaming of gender in all government programmes	4 Council Approved Gender programs implemented by June 2022	4 Council approved programmes targeting and in support of gender programs	Women Month Celebration, 16 days of Activism against women, Men's Forum Awareness Campaign and support functioning of Women Forum	Number of gender programmes approved by council to be implemented	R379 664,59	R 394 851.17	R 410 645.22	Yes	N/A	Executive Support and Mayoralty Manager
				By coordinating special groups forums, internal and sector department to contribute towards mainstreaming of children in all government programmes	9 Council Approved children's programmes implemented by June 2022	9 Council approved programmes targeting and in support of children	Pondo reed dance, Support of Child headed Households, back to school campaign, Four Inkciyo support Programme, Early Childhood Development support and 16 days of activism against children abuse	Number of children programmes approved by council to be implemented	R1 144 382,72	R1 195 879,94	R1 249 694,54	Yes	N/A	Executive Support and Mayoralty Manager

KPA N0:05: GOOD GOVERNANCE AND PUBLIC PARTICIPATION														
Outcome 9 Objective														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
				By coordinating special groups forums, internal and sector department to contribute towards mainstreaming of elderly in all government programmes	3 Council Approved elderly programmes implemented by June 2022	3 Council approved programmes targeting and in support of elderly	Wellness campaign, Support of Elderly Centres and Elderly awareness campaign	Number of Elderly programmes approved by council to be implemented	R 521 346, 65	R544 806,31	R569 322,60	Yes	N/A	Executive Support and Mayoralty Manager
Legacy Projects	Preserve the legacy of prominent figures and important historical events	To commemorate prominent figures, significant historical event and their legacy by June 2022.		By implementing six council approved legacy projects and activities	6 Council approved legacy programmes:	Projects implemented	Implementation of 6 council approved legacy programmes, (Nelson Mandela 67 minutes, Winnie Madikizela-Mandela Commemoration, Oliver Reginald Tambo Commemoration, Pondo Revolt: (Nonkulwana beginnings & Ingquza hill Massacre Commemoration, Traditional horse racing, Mphuthumi Mafumbatha Commemoration)	Number of Council approved programme conducted	R1 015 000.00	696 717,00	731 552,85	Yes	N/A	Executive Support and Mayoralty Manager

KPA N0:05: GOOD GOVERNANCE AND PUBLIC PARTICIPATION														
Outcome 9 Objective														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
Customer Care	Lack of awareness and commitment on customer care relations	To minimize customer care related complaints and create a customer friendly environment by June 2022		By enhancing capacity within customer care function.	8 customer care programmes to be conducted (2 customer care Outreach, 4 municipal service awareness, 2 customer day and 4 customer care line report) by June 2022	Customer Care register, Complaints book and Customer Care Policy and a Customer Care Satisfaction Survey.	Implementation of Customer care policy	Number of Customer care programmes conducted	313 725.00	R457 111,75	R479 967,37	Yes	N/A	Manager Communications
Communications	Ineffective communication	To improve sound communication and public liaison by June 2022		By implementing various mechanisms of communication within the council approved communication strategy	1 reviewed communication strategy and implemented by June 2022	Reviewed Communication strategy	Communication Strategy reviewal and implementation	Number of reviewed communication strategy	663 540,00	696 717,00	731 552,85	Yes	N/A	Manager Communications
					2 newsletters produced by June 2022	2 newsletters	Compilation of the newsletter	Number of newsletters produced	301 164,00	316 222,00	332 033,10	Yes	N/A	Manager Communications
				By implementing communication strategy	4 Quarterly LCF meetings coordinated by June 2022	4 quarterly LCF meetings	Functional LCF in place	Number of LCF meetings conducted	21 964,00	23 062,20	24 215,31	Yes	N/A	Manager Communications
Inter-Governmental Relations	Fragmented co-ordination of government services	To improve coordination of service delivery amongst spheres of government by June 2022		By implementing IGR Terms of reference	Adopted IGR terms of reference and four IGR meetings	Quarterly IGR meetings	Facilitation of Four IGR Meetings	Number of IGR meetings	Nil	Nil	Nil	yes	N/A	Manager Communications
Management of Communicable Diseases	Increasing rate of prevalence in number communicable diseases	To reduce the rate of prevalence of all communicable diseases prevalence by June 2022		By roll out awareness on preventative measures of communicable diseases	1 Adopted Local Communicable Diseases Management Plan	1 Reviewed HIV/AIDS reviewed plan	Consultations and adoption of local communicable diseases management plan	Extract and Attendance registers				yes	N/A	
					12 programs conducted in schools on reduced teenage pregnancy and communicable diseases by June 2021	12 programmes implemented	Conduct teenage pregnancy awareness campaigns and Provide support to support groups, support	number of teenage pregnancy awareness campaigns conducted in schools and number of programs	699 679,66	729 066,21	759 686,99	yes		

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Outcome 9 Objective														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
							support to functional NGO's, CBO's and organised group	and support provided						
Litigations	Centralisation of Legal matters	To ensure proper management of municipal legal matters by end June 2022		By implementing council adopted legal risk management and litigation policy	4 Progress reports on cases attended to and resolved by June 2021	Cases on court roll	Attending to municipal cases on the court roll	Number of cases attended to and resolved	5 019 780,48	5 230 611,26	5 450 296,93			
	Centralisation of Legal matters	To ensure proper management of municipal legal matters by end June 2022		By implementing council adopted legal risk management and litigation policy	2 workshops conducted on legislation, cases and policies etc. by June 2021	2 Workshops	Awareness workshops on legislation, cases and policies etc. conducted	2 workshops conducted on legislation, cases and policies etc. by June 2021						
Public Participation	To improve performance of public participation structures	To strengthen and enhance public participation mechanism and strategies by June 2022		By establishing ward structures and capacity building to public participation structures	Election and induction of new ward committee structures	62 Trained ward committee members	Establishment of ward committee structures and Induction program	Number of ward committee structures established and capacitated	278 438,59	290 132, 99	302 318,58			
	To comply with Section 73 of the Municipal Systems Act	To ensure coordinated public participation on municipal programmes by June 2022		By creating engagement platform for communities and community structures.	Conduct community education programs to 10 wards, monitor 8 ward committee sittings and functionality	Community Education conducted to 6 wards, adopted schedule of ward Committee structures and monitoring report	Community education to 10 wards, monitor 8 ward Committee sittings and functionality	Attendance registers for community education and a report on monitored ward committee sittings.	491 230,14	511 861,80	533 360.00			
		To ensure coordinated public participation on municipal programmes by June 2022		By supporting CDW's programmes and initiatives	CDW Awareness Campaign, round table meetings and Monitoring of ward war room functionality	CDW Awareness campaign and two round table meetings	CDW Awareness Campaigns, ward war room monitoring and two round table meetings	Attendance registers	176 134,45	183 532,10	191 240,45			



KPA N0:05: GOOD GOVERNANCE AND PUBLIC PARTICIPATION														
Outcome 9 Objective														
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Annual Target	Baseline Information	Project to be implemented	Output - KPI	Budget: MTREF			Budget Source		Responsible Agency/s
									Yr 1	Yr 2	Yr 3	Internal	External	
		To ensure coordinated public participation on municipal programmes by June 2022		By Facilitating consultative sessions with communities to ensure public involvement in all municipal programmes	1 Mayoral Imbizo, 1 IDP & Budget Roadshows, Annual Report public meetings and community Comments	Mayoral Imbizo, Budget & IDP Roadshow, Annual report consultation meetings held	To facilitate three consultative meetings with communities	Mayoral Imbizo, IDP & Budget Roadshows, Annual report Public Comments	1 072 899,20	1 117 960,77	1 164 915,12			
Council Support	Comply with Sec 18(1) and (2) of Municipal Structures Act	To ensure proper sitting of Council and Council Committees by June 2022		By adhering to Council adopted schedule of meetings	Adoption of Schedule of council and its committee meetings, four council meetings convened and thirty-six council committees by June 2021	Adopted schedule of council meetings and its committees for 2020/2021FY	Adoption of schedule of meetings, coordinate sittings of four ordinary council meetings and thirty-six council Committees meetings by June 2021	Four council meetings convened and thirty-six council committees	792 772,00	826 068,42	860 763,29			
Bylaws	Compliance with laws and regulations	To ensure proper regulation of the municipal powers and functions		By facilitating reviewal and/or developed Municipal by Laws	2 Gazetted by Laws by June 2022 and 2 Reviewed/developed Bylaws submitted to Council for inputs by June 2022	42 reviewed and gazetted by laws	Gazetting 2 By Laws and reviewing/developing 2 By Laws	Number of bylaws gazetted and reviewed and/or developed	343 686,72	358 121,56	373 162,67			

## 6. DISTRICT DEVELOPMENT MODEL AND COMMITMENTS BY SECTOR DEPARTMENT

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The President in the 2019 Presidency Budget Speech (2019) identified the “pattern of operating in silos” as a challenge which led to lack of coherence in planning and implementation and has made monitoring and oversight of government’s programme difficult. The consequence has been non-optimal delivery of services and diminished impact on the triple challenges of poverty, inequality and employment. The President further called for the rolling out of “a new integrated district-based approach” to addressing our service delivery challenges and localised procurement and job creation, that promotes and supports local businesses, and that involves communities.

The district-driven development model is directed at turning plans into action and ensuring proper project management and tracking. District Development Model will be pursued through single and integrated plans per district which will be further synchronised with Integrated Development Plans in municipalities.

The intervention is also in line with the National Development Plan, which outlines the importance of building a capable state in partnership with the citizens of this country. This requires well-run and effectively coordinated state institutions staffed by skilled public servants who are committed to the public good and capable of delivering consistently high-quality services for all South Africans. The new District Development Model is anchored in the current government legislations and policies

- The new District Development Model brings to action the *Khawuleza* approach which is a call for accelerated service delivery.
- Under this model, district municipalities will be properly supported and adequately resourced to speed up service delivery.
- The Model takes forward key government plans and reinforces the existing policies geared to ensuring service delivery.
- The new model contributes to the achievements of the seven Apex Priorities announced by the President in the SONA.
- The model signals a shift from using more 139 (1) to section 154 of the constitution emphasizing closer support to Local Government by both National and Provincial spheres.

## 6.1 COMMITMENTS BY SECTOR DEPARTMENTS

Department	Project Name	Project Nature	Budget	Ward	Village	Implementing Agent
DRDAR	Sirhasheni	Livestock water supply system Borehole	In house, to be done by National department personnel	24	Sirhasheni	DRDAR
	Licolin Green vegetable project	Water supply system Borehole	"	04	Ludeke	
	Lukholo Livestock	Livestock water supply system Borehole	"	22	Lukholo	
	Nkundla Livestock project	Livestock water supply system Borehole	"	12	Nkundla	
	Nyaka	Construction of multipurpose sheds	R100 000-00	18	Nyaka	
	Ndakeni Livestock and maize project	Construction of a multipurpose shed	R900 000-00	08	Ndakeni	
	Mxinga Maize project	Fencing of arable land	R80 000	30	Mxinga	
	Dutyini	Dip tank construction	R100 000-00	31	Dutyini	
	Mthamvuna Livestock project	Dip tank construction	R900 000-00	05	Mthamvuna	
	Izambane Labantu	Construction of Potato Shed and Borehole	CASP conditional grant	31	Dyifane	
	Abathwali Bentuthuko	Tunnels (vegetable production)	CASP conditional grant	17	Nikhwe	
	Food security Grain production	Provision of assistance for planting of maize under the communal cluster and RED HUB. 2220 hectares	R7 104 000-00	From ward 2 to ward 31( excludes ward 1 and 23)	Successful applicants	
	House hold food security	Provision of vegetable seedling, potato seed, fertilizer, pig feed and poultry feed to households(600 beneficiaries)	R1 500 000-00	Ward 1 to 31 Including poorest wards	Identified indigent households and projects	
	Livestock Development and improvement	Animal health: dipping, vaccination, clinics and campaigns	Centralized	ALL	ALL	
	"	Provision of bulls, ram's bucks for improvement of wool quality, and carcass. Assistance with transport of wool to collection points to be taken to BKB for export	Centralized	Applicants and producers	Applicants and producers	
	Farmer Training	Formal and informal training for all commodities e.g. grain. Vegetables, potatoes,	Centralized	Applicants and producers	Applicants and producers	
	Livestock Development and improvement	Animal health: dipping, vaccination, clinics and campaigns	Centralized	Applicants and producers	Applicants and producers	
DPW&I	Completion of Themba Mzizi JPS	(Infrastructure) Construction of school	R 11 988 381.00		Readout	DPW&I

Department	Project Name	Project Nature	Budget	Ward	Village	Implementing Agent
	APTCoD	(EPWP) Artisan Development Program Number of beneficiaries - 30	R1, 440, 000.00	All	Throughout the LM	
		Building Maintenance Program 40	R800,000.00	All	Throughout the LM	
<b>DOE</b>	AD Tshayingca Secondary School	CDC Fencing II (Pending budget approval and land acquisition).		01	Bizana	CDC
	AD Tshayingca Secondary School	Provision of 4x additional classrooms (Pending budget approval and land acquisition).	1,800,000.00	01	Bizana	DBSA
	Dudumeni Junior Secondary School	Provision of 4x additional classrooms (Pending budget approval)	1,768,015.28	08	Dudumeni	DBSA
	Dumile Senior Primary School	Proposed: Double Grade R Facility, Fittings, Jungle Jim, Sand Pit, Under Cover Play Area etc Future Plans: Demolitions: Admin block, 3 x CB, Renovations: 7 x Toilets, New: Admin Block, 11 x CB, 20 x Toilets, 1 x DNC, 1 x Multimedia Centre, 1 x Science lab, 1 x Multi-purpose, Double Grade R and external works. (Pending budget approval)	7,520,933.12	12	Kwa-Ndela	IDT
	Enyanisweni Senior Secondary School	Fencing and Gates (2x Pedestrian, 2x double swing, 1 x double slide)	1,505,391.76	30	Enyanisweni	CDC
	Kantolo Junior Secondary School	Provision of new prefabs, rainwater tanks, electricity, external works. (Pending budget approval)	8,145,056.00	27	Nkantolo	DBSA
	Khotsho Junior Secondary School	Provision of 4x additional classrooms. (Pending budget approval)	1,350,000.00	13	Khosho	DBSA
	Kwa Nikwe JS School	PSP Services for the Upgrades and Additions of Existing Infrastructure (Pending budget approval).	1,000,000.00	17	Nikwe	DPW
	Lindokuhle Junior Secondary School (replaced Goxe JSS).	11 X 5000L Polyethylene RWT with associated fittings and materials; AW construction unit, hours and Kilometers (Pending budget approval).	71453.13	20	Esikhulu	AW

Department	Project Name	Project Nature	Budget	Ward	Village	Implementing Agent
	Marelane Senior Secondary School	Provision of 4x additional classrooms (Pending budget approval)	1,350,000.00	04	Ludeke	DBSA Meslani
	Mdatya Senior Secondary School	Fencing and Gates (2x Pedestrian, 2x double swing, 1 x double slide)	1,194,025.89	28	Kwa-Madiba	CDC
	Mdikiso Senior Primary School	Provision of new prefabs, rainwater tanks, electricity, external works (Pending budget approval).	10,883,245.93	04	Nkantolo	DBSA
	Mgomanzi Primary School	Admin, 1x Grade R, Science Lab, Media Centre, DNC, MPC, Ablution Blocks and External Works (Pending budget approval).	62,017,203.15	16	Embhongweni	IDT
	Mpondombini Senior Secondary School	Fencing and Gates (2x Pedestrian, 2x double swing, 1 x double slide)	2,328,042.82	18	Libunde	CDC
	Mpondombini Senior Secondary School	Supply and installation of prefab classrooms and ablution facilities (Pending budget approval).	27,473,544.42	18	Libunde	DBSA
	Ndunge JS School	PSP Services for the Upgrades and Additions of Existing Infrastructure (Pending budget approval).	1,000,000.00	07	Ndunge	DPW
	Nongeke Senior Secondary School	Provision of 4x additional classrooms (Pending budget approval).	1,800,000.00	20	Kwa-Mzizi	DBSA
	Ntukayi Senior Secondary School	34 x classrooms, 1 x Multipurpose, 1 x Computer Room, 1 x library, 1 x Science Lab, 1 x Admin Block, 1 x Nutrition, 1035m Fencing (Pending budget approval).	85,660,312.78	07	Ndunge	IDT
	Silangwe Senior Primary School	Double Grade R Facility, Fittings, Jungle Jim, Sand Pit, Under Cover Play Area etc	13,728,070.59	27	Silangwe	IDT
	Stanford Junior Primary School	11 x Classroom Blocks, 1 x Double Grade R, 5 x Prefab Classrooms, Food Store, 1 x Admin Block, 1 x lab, 1 x library, 1x Soup kitchen, 11 x Ablutions	55,212,845.18	20	Mangqofoza	IDT
	Vukayibambe Senior Secondary School	Provision of prefabricated classrooms and ablutions	17,445,788.99	11	Qhasa	IDT
	Xolobeni Junior Secondary School	Ablutions (Pending budget approval).	3,949,314.57	25	Xolobeni	DOE

Department	Project Name	Project Nature	Budget	Ward	Village	Implementing Agent
	Zamilizwe Sp School	PSP Services for the Upgrades and Additions of Existing Infrastructure (Pending budget approval).	1,000,000.00	17	Kwa-Nikwe	DPW
	Nompumalanga Special School	Fencing and Gates (2x Pedestrian, 2x double swing, 1 x double slide)	2,792,214.57	07	Nomlacu	CDC
	Mqhokweni Junior Primary School	Double Grade R, 1 x Multipurpose Centre, 1 x Media Centre Lab, 1 x Nutrition Centre, 2 x Ablutions	43,031,175.19	02	Mpeni	IDT
	Nomagqwathekana Comprehensive Technical School	Fencing and Gates (2x Pedestrian, 2x double swing, 1 x double slide)	2,338,428.87	22	Lugwijini	CDC
	Themba Mzizi Junior Primary School	Demolition of mud structures, 15 new classrooms, ablution facilities, science and computer lab, administrative block, Fencing, electrical Installation.	40,000,000.00	18	Madongazana	DPW
	Mbizana District	Prefabricated structures for the Bizana District Offices	28,155,720.00	01	Bizana	DBSA
<b>Human Settlement</b>	Silangwe 500	Rural Housing	R 20 469 823.60	27		
	Bonda 1000	Rural Housing	R 61 090 361.00	03		
	MBIZANA 160 Destitute	Rural Housing	R5 000 000	Various Wards	Various villages	
	Zinini 150 Phase 2	Rural Housing	R 4 000 000	07		
	Downtown 553 Informal Settlement Upgrading	Urban Housing		01		
	Nkantolo MPCC	Rural Housing	R 2,110,787	27		
	Ebenezer 1000 Phase 2	Rural Housing		15, 19, 20, 21, 29, 18, 26, and 25		
<b>DSD</b>						
	Khananda Service Centre	Services to Older Persons	R 74 930,00	22	Makewini Location	DSD
	Lukhanyo Society for The Aged	Services to Older Persons	R 74 930,00	17	Kwa Nikwe Location	DSD
	Ikhethelo Serv. Centre	Services to Older Persons	R 74 930,00	08	Maggabasini Location	DSD
	Abadala Nkantolo	Services to Older Persons	R 74 930,00	27	Nkantolo Location	DSD
	Ncedisizwe Service Centre	Services to Older Persons	R 74 930,00	22	Lukholo Location	DSD
	Ncedo service center	Services to Older Persons	R 74 930,00	20	Redoubt Location	DSD
	Mthayise Old Age group	Services to Older Persons	R 74 930,00	16	Mthayise Location	DSD

Department	Project Name	Project Nature	Budget	Ward	Village	Implementing Agent
	Sakhubomi service center	Services to Older Persons	R 74 930,00	26	Nomlacu Location	DSD
	Mgcinephila Service Centre	Services to Older Persons	R 74 930,00	24	Lurolweni Location	DSD
	Sophumelela Service Centre	Services to Older Persons	R 74 930,00	31	Ezityaneni Location	DSD
	11.Ncedisa Service Centre	Services to Older Persons	R 74 930,00	10	Mcetsheni Location	DSD
	12.Simanyene Service Centre	Services to Older Persons	R 74 930,00	29	Bulala Location	DSD
	13.. Khanyisa Service Centre	Services to Older Persons	R 74 930,00	19	Amangutyana Location	DSD
	14.Suthu Service Centre	Services to Older Persons	R 74 930,00	03	Kwa Ntshangase Location	DSD
	15.Mhlabeni Service Centre	Services to Older Persons	R 74 930,00	22	Mhlabeni Location	DSD
	16.Nikolo old age project	Services to Older Persons	R 74 930,00	28	Topozo Location	DSD
	17.Siwisa service center	Services to Older Persons	R 74 930,00	31	Siwisa Location	DSD
	18.Senzokwethu service center	Services to Older Persons	R 74 930,00	25	Khumbuza Location	DSD
	19.Luhle service center	Services to Older Persons	R 74 930,00	15	Mabekuteni Location	DSD
	20.Ilinge old age project	Services to Older Persons	R 74 930,00	31	Esikhumbeni Location	DSD
	21.Ntola support service center	Services to Older Persons	R 74 930,00	03	Amantshangase Location	DSD
	22. Zamukukulngisa Service Centre	Services to Older Persons	R 74 930,00	20	Mamcakweni Location	DSD
	23. Zwelitsha Old Age Project	Services to Older Persons	R 74 930,00	04	Ludeke Location	DSD
	24. Winnie Madikizela Mandela Old Age Project	Services to Older Persons	R 74 930,00	14	Mbhongweni Location	DSD
<b>DSD (PWD Programs)</b>	Masakhane Project	Services to Persons with Disabilities	R135 187.00	12	Mt Zion Location	DSD
<b>DSD – HIV&amp;AIDS</b>	1.Sinosizo support group	Home Community Based Care	R290 444	9	Envis Location	DSD
	2.Ixabiso Lomntu	Home Community Based Care	R290 444	18	Nyaka Location	DSD
	3. Sizophila Community and Child Health Forum	Home Community Based Care	R290 444	8	Maggasini Location	DSD
<b>DSD (Care &amp; Support to Families)</b>	1. Mbizana Masincedane Family Preservation	Family Preservation Program	R113 000,00	14	Luthulini Location	DSD
<b>DSD (ECD Centres &amp; Partial Care)</b>	1.Critchlow Preschool	Early Childhood Development	R179 520,00	15	Kanyayo Location	DSD
	2. Dlangezwa Preschool	Early Childhood Development	R179 520,00	16	Madiba Location	DSD
	3.Ekuzameni ECDC	Early Childhood Development	R179 520,00	5	Gwala Location	DSD
	4. Hambanathi Preschool	Early Childhood Development	R179 520,00	5	Dlungwana Location	DSD
	5.Ilitha Preschool	Early Childhood Development	R179 520,00	13	Emathwebu Location	DSD
	6.Jakuja Preschool	Early Childhood Development	R179 520,00	13	Majazi Location	DSD

Department	Project Name	Project Nature	Budget	Ward	Village	Implementing Agent
	7.Lukholo Preschool	Early Childhood Development	R215 424,00	22	Lukholo Location	DSD
	8.Mabhula Preschool	Early Childhood Development	R179 520,00	5	Imizizi Location	DSD
	9.Mbobeni Preschool	Early Childhood Development	R179 520,00	5	Isikelo Location	DSD
	10.Mretshi Preschool	Early Childhood Development	R269 280,00	6	Ntshamathe Location	DSD
	11. Mtenjwa Preschool	Early Childhood Development	R269 280,00	17	Nomlacu Location	DSD
	12. Niniva Preschool	Early Childhood Development	R179 520,00	5	Amangutyana Location	DSD
	13.Nkantolo Pre school	Early Childhood Development	R269 280,00	27	Nkantolo Location	DSD
	14.Nokhanyo Preschool	Early Childhood Development	R269 280,00	21	Hlolweni Location	DSD
	15.Ntlenzi Pre-school	Early Childhood Development	R179 520,00	8	Ntlenzi Rockville Location	DSD
	16.Rockstar Pre-school	Early Childhood Development	R179 520,00	8	Ntlenzi Location	DSD
	17.Siyabulela Preschool	Early Childhood Development	R179 520,00	7	Ludeke Location	DSD
	18.Siyakhula Preschool	Early Childhood Development	R179 520,00	31	Ndela Location	DSD
	19.Thokozani Preschool	Early Childhood Development	R179 520,00	3	KwaNikwe Location	DSD
	20.Xholobeni Pre-school	Early Childhood Development	R215 424,00	25	Amadiba Location	DSD
	21.Zamukwenyuka pre-school	Early Childhood Development	R269 280,00	8	Ntlenzi Location	DSD
	22. Zamokuhle2 Preschool	Early Childhood Development	R179 520,00	26	Nomlacu Location	DSD
	23. Lusindisweni Preschool	Early Childhood Development	R179 520,00	15	Ndengane Location	DSD
	24. Khotsho Preschool	Early Childhood Development	R224 400,00	6	Khotsho Location	DSD
	25. Sicelimfundo Preschool	Early Childhood Development	R179 520,00	19	Nikwe Location	DSD
	26. Gwabeni Pre-school	Early Childhood Development	R179 520,00	09	Gwabeni Location	DSD
	27. Ngcingo pre-school	Early Childhood Development	R188 496,00	8	Ngcingo Location	DSD
	28. Nceduluntu pre-school	Early Childhood Development	R224 400,00	8	Bukuveni Location	DSD
	29. Zamani Preschool	Early Childhood Development	R179 520,00	15	Luthulini Location	DSD
	30. Mtamvuna Pre-school	Early Childhood Development	R224 400,00	5	Mthamvuna Location	DSD
	1.Nomzamo Preschool	Early Childhood Development	R134,640	8	Ndakeni Location	DSD
	2. Ntlakwe Preschool	Early Childhood Development	R125,664	17	Ntlakwe Location	DSD
	3. Ngwegwe Preschool	Early Childhood Development	R179,520	17	Qandashe Location	DSD
	4. Wonder and Joy Preschool	Early Childhood Development	R134,640	23	Seaview Location	DSD
	5. Msebenzi Preschool	Early Childhood Development	R134,640	15	Khanyayo Location	DSD
	6. Monti Preschool	Early Childhood Development	R179,520	19	Monti Location	DSD
	7. Stanford Preschool	Early Childhood Development	R134,640	20	Redoubt Location	DSD
	8. Mgomanzi Preschool	Early Childhood Development	R134,640	14	Mbongweni Location	DSD
	9. Sisonke Preschool	Early Childhood Development	R107,712	1	Highland Location	DSD
	10. Little Angels Preschool	Early Childhood Development	R134,640	23	Izikhuba Location	DSD
	11. Maquthu Preschool	Early Childhood Development	R116,688	6	KwaJali Location	DSD



Department	Project Name	Project Nature	Budget	Ward	Village	Implementing Agent
	12. Itshikixo Preschool	Early Childhood Development	R179,520	4	Ludeke Location	DSD
	13. Bhekameva Preschool	Early Childhood Development	R179,520	5	Ndayingana Location	DSD
	14. Mamcakweni Preschool	Early Childhood Development	R134,640	20	Mamcakweni Location	DSD
	15. Sakhisizwe Preschool	Early Childhood Development	R134,640	17	Qandashe Location	DSD
	16. Inkanyezi Preschool	Early Childhood Development	R179,520	18	Mfuneli Location	DSD
	17. Liyabuya Preschool	Early Childhood Development	R179,520	27	Clarkville Location	DSD
	18. Siyavuma Preschool	Early Childhood Development	R134,640	2	Mkhandlweni Location	DSD
	19. Mabhodweni Preschool	Early Childhood Development	R134,640	16	Mpisi Location	DSD
	20. Magusheni Preschool	Early Childhood Development	R134,640	3	Amantshangase Location	DSD
	21. Pelepele Preschool	Early Childhood Development	R134,640	11	Qhasa Location	DSD
	22. Chief Mthenjwa Preschool	Early Childhood Development	R134,640	31	Sizityaneni Location	DSD
	23. Mthombowlwazi Preschool	Early Childhood Development	R134,640	3	Ndela Location	DSD
	24. Lalenj Preschool	Early Childhood Development	R112,200	2	Mbutweni Location	DSD
	25. Lubala Preschool	Early Childhood Development	R134,640	19	Monti Location	DSD
	26. Mbabazo Preschool	Early Childhood Development	R89,760	19	Mbabazo Location	DSD
	27. September Preschool	Early Childhood Development	R134,640	19	Mkolora Location	DSD
	28. Hloveni Preschool	Early Childhood Development	R134,640	21	Dotye Location	DSD
	29. Khwanyana Preschool	Early Childhood Development	R121,176	29	Pele - pele Location	DSD
	30. Amadiba Preschool	Early Childhood Development	R134,640	24	uMgungundlovu Location	DSD
	31. Bagcine Preschool	Early Childhood Development	R134,640	28	Gumzana Location	DSD
	32. Bizana Village Preschool	Early Childhood Development	R134,640	1	Bizana	DSD
	33. Horen Preschool	Early Childhood Development	R134,640	26	Nomlacu Location	DSD
	34. Manundu Preschool	Early Childhood Development	R134,640	26	Mt Zion Location	DSD
	35. Zamokuhle Preschool	Early Childhood Development	R134,640	26	Nkonqo Location	DSD
	36. Happy Hearts Preschool	Early Childhood Development	R134,640	6	Mhlanga Location	DSD
	37. Itshikixo Preschool	Early Childhood Development	R179,520	4	Ludele Location	DSD
	38. Bagcine Preschool	Early Childhood Development	R134,640	22	Gumzana Location	DSD
	38. Masikhule Preschool	Early Childhood Development	R134,640	15	Gogo Location	DSD
	Khwezilomso Preschool	Early Childhood Development	R125,664	6	Dindini Location	DSD
	Siyaphambili Preschool	Early Childhood Development	R89,760	7	Nyanisweni Location	DSD
	Boyce Preschool	Early Childhood Development	R179,520	6	Mhlanga Location	DSD
	Mthayise Preschool	Early Childhood Development	R179,520	25	Amadiba Location	DSD
	Malihambe Preschool	Early Childhood Development	R179,520	5	Mbobeni Location	DSD
	Ntsingizi Preschool	Early Childhood Development	R179,520	17	Kwa-Nikhwe Location	DSD

Department	Project Name	Project Nature	Budget	Ward	Village	Implementing Agent
DSD Community Based Care Services for Children (Drop in Centres)	Sinosizo Isikelo Drop in Centre	Care and Services to children in need of care and protection	R204 744.00	6	Nomlacu Location	DSD
	Siphumelele Isikelo	Care and Services to children in need of care and protection	R204 744.00	03	Mt Zion Location	DSD
<b>DSD Victim Empowerment Program</b>	Mzamba Victim support Centre	Victim Empowerment Program	R150,000.00	24	Sea View Location	DSD
	Bhekizizwe white door center of hope	Victim Empowerment Program	R150 000,00	25	Mthayise Location	DSD
	3.Khuseleka white door center of hope	Victim Empowerment Program	R155 530,00	20	Siwisa Location	DSD
<b>DSD (Substance Abuse Prevention and Rehabilitation Program)</b>	Imizizi Youth Advocate	Substance Abuse	R125 617,00	20	Imizizi Location	DSD
	Youth beyond Expectations	Substance Abuse	R128 850,00	01	Bizana	DSD
<b>Poverty Alleviation and Sustainable Livelihoods</b>	Mavenu Community Nutrition and Development Centre	Poverty Alleviation and Sustainable	R 333'600.00	14	Luthulini location	DSD
	Licebo Pre School	Poverty Alleviation and Sustainable	R 25'000'00	10	Galatyeni Location	DSD
	Engonyameni Agric Co-operative	Poverty Alleviation and Sustainable	R 25'000'00	6	Ntshamathe Location	DSD
<b>Youth &amp; Women Empowerment</b>	Mzamba Skills Development	Youth Development	R50.000.00	24	Mzamba Mouth	DSD
	Ekuphileni Clothing Primary Co-operative Limited	Women Development	R96.000.00	17	KwaNikhwe	DSD
<b>DOT</b>	DR08112	Gravelling of 5km	R2 000 000.00	2 & 27	Fort Donald	DOT
	DR08121	Gravelling of 2,5km	R1 000 000.00	16	Mpisi	
	DR08123	Gravelling of 5 km	R2 000 000.00	11	Qhasa	
	R61 Magusheni to Mzamba Phase 3	Construction of Magusheni to Mzamba Phase 3 section 2	R350 000 000.00	R61	Bizana to Mzamba	SANRAL
	DR08005	Reseal of R14		8, 9,10	Magusheni to Flagstaff	DOT

Department	Project Name	Project Nature	Budget	Ward	Village	Implementing Agent
	Road Rangers (27)	Road Satefy	EPWP	R61		
	HHC	Road Maintenance	EPWP	10, 8, 11, 2, 25	Various Villages	
	EPWP Supervisors	Supervise HHC	EPWP			
	Scholar Transport Monitors (28)		EPWP	8, 1, 3, 4, 25,18, 10	All villages participating in learner transport	
	Safe animal crossing (2)		EPWP			
	Public Transport AB350	Various Subsidised routes				

## **7. INTEGRATION AND ALIGNMENT OF THIS IDP WITH NATIONAL, PROVINCIAL AND DISTRICT PLANS / STRATEGIES**

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The strategic approach to the development of the Municipality's integrated development plan is underpinned by policies and strategies of the national and the provincial government and as well as District Plans. The development objectives of these policies have influenced the development of the strategic direction that the Municipality has identified. This phase aims to ensure internal strategic consistency with regards to the municipality's identified strategic vision and objectives, financial and institutional resource contexts as well as compliance with policy and legal requirements.

The relevant government strategies and policies which this IDP has been aligned to are National strategic Infrastructure Projects, Millennium Development Goals, Service Delivery Agreement Outcome 9, National Government Programme of Action 2009 – 2014, the Provincial Government Development priorities and district policies & strategies. The section will also list the sector strategies that led the strategic direction of the municipality

### **7.1 National Development Plan, Vision 2013**

The National Development Plan (NDP) offers a long-term perspective. It defines a desired destination and identifies the role different sectors of society need to play in reaching that goal. The NDP aims to eliminate poverty and reduce inequality by 2030. According to the plan, South Africa can realize these goals by drawing on the energies of its people, growing an inclusive economy, building capabilities, enhancing the capacity of the state, and promoting leadership and partnerships throughout society

The Diagnostic Report of the National Planning Commission, released in June 2011, sets out South Africa's achievements and its shortcomings since 1994. The Vision Statement of the NDP is a step in the process of charting a new path for our country. The NDP has the following objectives: -

- Seeks to eliminate poverty and reduce inequality;
- Seeks a country wherein all citizens have the capabilities to grasp the ever-broadening opportunities available;
- Plans to change the life chances of millions of our people, especially the youth; life chances that remain stunted by the apartheid history.

### **7.2 Delivery Agreement: Outcome 9**

The aim of Delivery Agreement: Outcome 9 is to ensure a responsive, accountable, effective and efficient local government system so as to restore the confidence of citizens in the local government sphere. As such municipalities need to ensure that the basic needs of communities are met; build clean, effective, efficient, responsive and accountable local government; improve performance and professionalism and strengthen partnerships between local government, communities and civil society. The Outcome consists of seven outputs which need to be achieved, viz.:

- Implement a differentiated approach to municipal financing, planning and support;
- Improve access to basic services;

- Implementation of the Community Work Programme;
- Actions supportive of the human settlement outcome;
- Deepen democracy through a refined Ward Committee Model;
- Improve administrative and financial capability;
- A single window of coordination.

The outputs consist of targets, indicators and key activities which need to be achieved. The achievement of these outputs will go a long way in improving the lives of residents whilst at the same time improving the processes within government, so they are able to operate more effectively and efficiently.

### **7.3 National Spatial Development Perspective (NSDP)**

The NSDP's objective is to promote informed economic investment profiling to guide regional growth and development planning within a socio-economic framework. The National Spatial Development Perspective also informs the Spatial Development Framework of the Municipality.

### **7.4 Back to Basics – COGTA Programme for Change**

The programme is a national initiative aimed at ensuring that municipalities perform their core mandate of delivering basic services to local communities, as enshrined in Chapter seven (7) of the Constitution of South Africa. The Back to Basics approach is based on five principles which are: -

- Putting people first and engaging with the community;
- Delivering basic services;
- Good governance;
- Sound financial management; and
- Building capabilities.

### **7.5 Local Government: Municipal Planning and Performance Management Regulations, 2001**

To develop further guidelines and clarity in the issues of IDP, regulations were issued in 2001. The Municipal Planning and Performance Management Regulations set out in detail the requirements for IDPs and Performance Management System.

### **7.6 Disaster Management Act, No 57 of 2002**

The Disaster Management Act, aimed to provide integrated and coordinated disaster management policy, in which the main features of disaster management are described as preventing or reducing the risk of disasters, mitigation the severity of disasters, emergency preparedness, rapid and effective response to disasters and post disaster recovery and rehabilitation. The Disaster Management Act provides for the declaration of disasters through national, provincial and local government

spheres. In the case where Provincial and Local authorities have determined that a disastrous drought occurred or threatens to occur, the disaster management centres of both the province and municipality must immediately:

- Initiate efforts to assess the magnitude and severity or potential magnitude and severity of the disaster;
- Inform the national centres of the disaster and its initial assessment of the magnitude and severity or potential magnitude and severity of the disaster;
- alert disaster management role-players in the province that may be of assistance in the circumstances and;
- Initiate the implementation of any contingency plans and emergency procedures that may be applicable in all circumstances.

## **7.7 Municipal Finance Management Act (MFMA), No 56 OF 2003**

Section 21 of the MFMA stipulates that the mayor of a municipality must coordinate the processes for the annual budget and for reviewing the municipality's IDP and budget – related policies to ensure that the tabled budget and any revisions of the IDP and budget related policies are mutually consistent and credible. At least 10 months before the start of the budget year, table in the municipal council a time schedule outlining key deadlines for:-

- The preparation, tabling and approval of the annual budget;
- The annual review of –
  - The IDP in terms of section 34 of the Municipal Systems Act (MSA) and
  - The budget related policies.
- The tabling and adoption of any amendments to the IDP and budget related policies and
- Any consultative process forming part of the processes referred to in subparagraph (i), (ii) and (iii) above.

## **7.8 Provincial Development Plan, 2030 Vision for the Eastern Cape**

The National Development Plan as explained above sets out a vision for South Africa – a prosperous country with no poverty or inequality. The Eastern Cape's Provincial Development Plan (PDP) plan aims to provide creative responses to the province's challenges. A sustainable future for the Eastern Cape rests on people-centred development to achieve five related goals:

- An inclusive, equitable and growing economy for the province
- An educated, innovative and empowered citizenry
- A healthy population
- Vibrant, equitably enabled communities
- Capable agents across government and other institutional partners committed to the development of the province.

These goals will be pursued with a focus on rural development to address serious inherited structural deficiencies – the legacy of apartheid has left the rural regions of the Eastern Cape underdeveloped, with an urban economy that is unduly stressed and experiencing slow growth. Addressing this spatial unevenness in endowment and development will take time and hard work, but it can be done. The PDP's design and implementation planned to shift discriminatory attitudes towards women and other vulnerable sectors of society.

## 7.9 Municipal Systems Act, No 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 Chapter 5 of this Act;
- is compatible with national and provincial development plans and planning requirements binding the municipality in terms of the legislation.

As far as the status of an IDP is concerned Section 35 states that an IDP adopted by the council of a municipality is the principal strategic planning instrument which guides and informs all planning and development as well as all decisions with regard to planning, management and development in the municipality; 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 binds all other persons to the extent that those parts of the IDP that impose duties or affect the rights of those persons have been passed as a "by-law".

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### LOCAL STRATEGIES AND PLANS

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Winnie Madikizela – Mandela Local Municipality has all necessary strategies and plans in place that are essential in determining the economic edges that are ready to exploitation in order for the LM to seize competitive and comparative advantage. The strategies and plans are briefly discussed hereunder.

## 7.10 Executive Summary of Communication Strategy

Winnie Madikizela – Mandela Municipality developed and adopted communications this Communication strategy seeks to address the communication issues within WMM Local Municipality and it is based on the communication development approach which stands on the following;

- Access to information, open dialogue, openness and accountability and media freedom are all fundamental tenets of a thriving democracy.
- To achieve these, government should maintain continued interaction with all stakeholders and require that political principals to take on the role of chief communicators within their portfolios.

This is particularly relevant within the context of developmental communication, which focuses on meeting the communication needs of the people in a manner that is accessible to them and which will result in a qualitative difference to their lives. The development-communication approach is aimed at making public programmes and policies real, meaningful and sustainable. Information should be applied as part of community development efforts and should address information needs identified by communities, including various structures and groups within communities. Most importantly, the information should take into consideration the diversity of culture and language and different literacy levels. The intended outcome is to make a difference in the quality of life of individuals and communities.

#### Strategies and communication and objectives

- A thousand voices speaking without a common message and single purpose will in the end just make an indistinct noise that few will hear
- We communicate in a noisy world, competing for attention with voices that have objectives that are different and often opposing
- And we do so in a world made up of a vast array of interests and concerns, and a world in which everyday concerns weigh heavily on most people
- Government considers communication to be a strategic element of service delivery.
- To communicate government priorities in partnership with the sector departments in the context of the IDP.
- To enhance participatory democracy through capacitating of communities in Community Based Plans (CBP) and IDP processes
- To ensure strengthened internal and external communication.
- To disseminate information to the public in all languages spoken in the municipality.

### **7.11 Public Participation Policy**

The Winnie Madikizela – Mandela Local Municipality has developed the policy in compliance with the provisions of the Municipal Structures Act and the Municipal Systems Act to provide for the establishment of appropriate mechanisms, processes and procedures to create conditions for the local community to participate in the affairs of the municipality. The policy aims at promoting the culture of municipal governance that complements formal representative government with a system of participatory governance as well as to give effect to the requirements of the legislation in terms of establishing mechanisms and processes for community participation.

In making effective public participation the policy gives details of key policy guidelines and general principles as well as structures that assist in ensuring community participation in the affairs of the municipality and other stakeholders and culture of creating conducive environment, openness, accountability and transparent system of governance.

### **7.12 Intergovernmental Relations Terms of Reference**

The terms of reference for Winnie Madikizela - Mandela Local Municipality IGR serve as a basis for the provision of platform to engage important stakeholders on service delivery. They outline fundamental objectives of Mbizana IGR Forum and provide



internal procedures to ensure compliance with Intergovernmental Relations Framework Act No 13 of 2005. Envisaged key role players in these terms of reference are sector departments across spheres of government and they serve to promote co-operation between spheres of government and enhancement of good and harmonious relations for the sake of efficient and effective service delivery.

### **7.13 HIV/AIDS Strategy**

This pandemic is depleting the limited skills base that is available to our society and thus impacting negatively to the economic development of our communities which have a history of neglect by the previous regimes. The local economic development of our municipalities is being compromised by the redirections of resources to provide more social wage to families and communities that cannot sustain themselves as well as the decline in the skills base due to death associated with HIV and AIDS sicknesses. The political impact of the disease has a potential of denying our society of leaders in government, labour and business and thus resulting in political social instability. Government and the private sector is under serious strain as they have to alter their programmes to meet the new demands as set by the HIV and AIDS pandemic.

Response to HIV and AIDS is a task that is bigger than the individuals or single sector; it requires a well-coordinated and well-resourced collective effort. Our response should ensure mobilization of support and participation of all sectors of our society from all walks of life. Success of all our initiatives is dependent on the strong partnership between government, civil society, private sector and the broader society.

Mbizana HIV/AIDS strategy is based on the National Strategic Plan (NSP) which is a Multi-Sectoral Plan (MSP) that serves as guide to all those who are involved in the fight against the pandemic. The NSP is a broad consensus position that outlines the intervention and targets including agencies and institutions that should lead such interventions.

### **7.14 Risk Management Policy**

The Accounting Officer / Authority has committed WMM Local Municipality to a process of risk management that is aligned to the principles of good corporate governance, as supported by the Public Finance Management Act (PFMA), Act 1 of 1999 as amended by Act 29 of 1999 / Municipal Finance Management Act (MFMA), Act no 56 of 2003. Risk refers to an unwanted outcome, actual or potential, to the Municipality's service delivery and other performance objectives, caused by the presence of risk factor(s). Some risk factor(s) also present upside potential, which Management must be aware of and be prepared to exploit. Such opportunities are encompassed in this definition of risk. Risk management is a systematic and formalised process instituted by the department to identify, assess, manage and monitor risks. The Municipality implements and maintains effective, efficient and transparent systems of risk management and internal control. The risk management will assist the Municipality to achieve, among other things, the following outcomes needed to underpin and enhance performance:

### **7.15 Legal Risk Management and Litigation Policy**

Winnie Madikizela – Mandela Local Municipality has recognised an increase in litigation cases and that the costs associated with such cases are unacceptably high. The Municipality has also recognised that there appears to be poor legal risk

management strategies currently in place needed to assist in reducing the number of litigation cases. In those instances, wherein, litigation is unavoidable and necessary, there appears to be weak management protocols in place to ensure that such cases are disposed of in the most efficient and cost-effective manner. This Policy aims to ameliorate such deficiencies by providing certain risk management and litigation management principles and operating protocols. This Policy must be recognised as a living document in need of regular review. The purpose of this Policy is two-fold: The Legal Risk Management component is intended to identify, respond to and avoid legal risks, thereby avoiding unnecessary litigation; the Litigation Component is intended to manage unavoidable and necessary litigation in a most efficient and cost-effective manner.

## **7.16 Spatial Development Framework**

The municipality reviewed and adopted the spatial development framework in the 2014/15 for the period of five years. The approved spatial development framework will be due for another review in the 2019/2020 financial year. As part of implementing the approved spatial development framework, the municipality is in the process of developing the local spatial development framework of the identified nodes. In this current financial year, the municipality has developed and adopted (26<sup>th</sup> March 2020) the coastal spatial development framework to guide the development in the fast growing Mzamba node and the incorporation of N2 construction that is underway. The municipality intend to develop the N2 corridor development plan with the intention of promulgating a town along the coast.

## **7.17 Local Economic Development Strategy**

Winnie Local Municipality has identified Local economic development (LED) Strategy as one of the most important ways of decreasing poverty in the Mbizana juristic area. The WMM LEDS aims to create jobs by making the local economy grow, increase investor confidence and bring together LED stakeholders. This means that more businesses and factories should and can be started in the municipal area. The LED forum was established in 2010, currently not operating well and it needs to be strengthened. The LED forum is a platform for all the stakeholders that have a role to play in economic development to engage each other in programmes of Local Economic Development.

The National government policies, funds, research and other support for local economic development has been considered in the development on the WMM LM LED Strategy and a specific reference to the DTI Enterprise development programme and COGTA support that the strategy aims to consolidate and align programmes to these department's initiatives. Winnie Madikizela – Mandela Local Municipality has decided on LED strategies and the process of arriving at a LED strategy that has become part of the Integrated Development Planning (IDP) process (WMMLEDS has been incorporated into the IDP). The WMM LEDS is based on the overall vision outlined in the LED Strategy and IDP and has considered the result of the analysis done to identify problems and prioritize development projects. WMM LMLEDs has also considered integrating building development corridors between areas and supporting the economy with public infrastructure. The following are some key strategies that the Winnie Madikizela – Mandela Local Municipality put in place to meet its goals: -

- Developing the infrastructure of the municipality to make it easier for businesses to operate. This is mainly addressed in the IDP of the municipality.
- Providing better living conditions, it also creates an environment that promotes economic growth.

- Promoting tourism, which currently is one of the biggest growth industries in South Africa. This includes developing local tourist sites and facilities, improving security and ensuring that all residents are welcoming of tourists.

### **7.18 Housing Sector Plan**

The plan was adopted in the 2010/2011 financial year and it has been reviewed and adopted for the five-year horizon in the 2017/18 financial year. The purpose of the review is to develop a strategic document to inform and guide the Winnie Madikizela – Mandela Local Municipality in the allocation of resources with regards to housing, access to services, administration, and socio-economic realities. The plan will incorporate the municipal housing need register, determine the backlogs, projects, infrastructure and Spatial Illustration of projects, demand and backlogs in ward-based approach, Housing needs register, informal settlement, migration bulk services etc.

### **7.19 Tourism Master Plan**

Winnie Madikizela – Madikizela Local Municipality has identified tourism as one of the pillars for local economic development hence embarking on a tourism development framework to address the poverty and unemployment challenges. The Tourism Development Framework will address the unemployment challenges that face the region. The development plan also seeks to exploit the intrinsically underdeveloped tourism sector. The development of the tourism framework is aligned with millennium development goals (MDG), LED framework and other legislative frameworks that aim at reducing poverty and creating job opportunities.

### **7.20 Existing tourism opportunities**

Mbizana is a developing rural tourism region with unique cultural attributes, natural attractions and layers of heritage. Dominant land uses in Mbizana are mostly rural with a large emphasis on tourism along the coast and a bit in the interior. Winnie Madikizela – Mandela Local Municipality covers approximately 40km stretch of the Wild Coast including the Wild Coast Sun Hotel (WCSH).

It prides itself as the home to the legend Oliver Reginald Tambo. It is known as the internationally acclaimed biodiversity hotspot hence it was named “Pondoland centre of endemism” It is endowed with pristine beaches, petrified forests, ancient archaeological sites, rugged coastline and scenic estuaries. Mbizana’s locality on the boarder of the Eastern Cape and KwaZulu Natal Province, whose tourism sector is vibrant, gives it an advantage as a tourist destination

#### **Challenges Facing Mbizana Tourism**

As part of the situational analysis for the Tourism Framework, the following challenges hindering the development and growth of the tourism industry in WMM LM were identified. These challenges, if addressed, will pave a foundation for the development of tourism and attract investment in the municipal area. The challenges are as follows:

- Illegal cottages – Although the numbers of illegal cottages were not physically counted, many were identified throughout the coast. These are stand-alone illegal cottages. The other cottages could be difficult to term “illegal” because they have been built in the existing footprint of families that are living on the coast.
- Planning the plans - there are several concepts which date back to 2003. Other examples are projects which were presented to investors in the OR Tambo Investment Conference in 2009. Three years later, no action has been taken. This indicates that the municipality is constantly planning but not implementing.
- Land claim processes- A few investors were eager to invest in the Wild Coast, but due to the issue of land claims, it was difficult. This is an indication that the environment is not conducive for investment.
- Internal fighting- there are community structures such as the crisis management that are interested only in mining versus the community trust that is interested in tourism. These structures are fighting about two different sectors and there is no solution as to which sector can be prioritized and how to strike a balance on both sectors.
- “We chew more than we can swallow”- there are many projects that were proposed, and it is assumed that the approach of attempting to implement all project at the same time could be the reason for failure of most projects.
- Plan against each other- planning internally has to be integrated amongst all departments within the municipality. The same should apply to local, provincial and national government. Projects that are planned by national and provincial government departments should be integrated to the framework of WMM LM.

Proposed projects: -

- Mtamvuna Nature Reserve: Section B – Proposed tented camp at Mtamvuna
- Mtentu tented camp – Proposed expansion of Mtentu tented camp
- Skhombe Campsite- proposed camp site at Skhombe
- Hiking trail development
- OR Tambo Heritage Route
- Wild Coast Timeshare Resort
- Ingeli tourism development
- Wild Coast Fishing Village
- Skhombe Tourist Chalets
- Mnyameni Tourism Development

## **7.21 Integrated Waste Management Plan**

An Integrated Waste Management Plan has been adopted by council. The main objective of an IWMP is to integrate waste management within, and where possible, with services of adjacent municipalities, in order to: -

- To identify and plan future waste management needs and requirements;
- Minimize waste management costs by optimizing the efficiency of the waste management system, in terms of usage of infrastructure, labour and equipment; and
- Minimize adverse social and environmental impacts related to waste management and thereby improve the quality of life for all citizens.

## **7.22 Climate Change Strategy**

Sections 152 and 156, and schedule 4b and 5b of the Constitution (Act No. 108 of 1996) mandate all local government amenities, inclusive of Winnie Madikizela – Mandela Local Municipality, to promote socio-economic development, and establish a safe and healthy environment for communities. As means of aligning to this obligation for sustainable development, WMM Local Municipality appropriated an initiative to develop a climate change adaptation strategy. Through the process of developing this strategy, secondary data was utilized as provided by WMM Local Municipality, relevant policy documents and other researched information sources, and most importantly site visits and interviews in order to assess the status quo for areas of vulnerability.

Key performance areas identified to impact on the area's climate change for this strategy were economic, natural and social drivers, and through them thirteen elements were acknowledged, of which seven came out as overarching. These drivers were assessed using vulnerability matrixes in order to bring forth strategies of adaptation to climate change in the seven prominent indicators.

## **7.23 Integrated Coastal Management Programme (ICMP)**

Winnie Madikizela – Mandela Local Municipality is known for its beautiful and diverse coastline, which is part of the captivating Wild Coast of the Eastern Cape. In the past, South Africa's coastline has not always been utilised and managed in an appropriate manner, resulting in the degradation of significant portions of this valuable national asset. In response, the Integrated Coastal Management Act No. 24 of 2009 as amended by Act No. 36 of 2014 (ICM Act) was developed to promote ecologically, socially and economically sustainable coastal development and resource use, as well as to control inappropriate development along our coast. In respect to coastal management tools, Chapter 6 of the ICM Act mandates all three spheres of Government to prepare Coastal Management Programmes (CMPs).

A CMP, in general terms, is a policy or strategy document that contains vital coastal management objectives, which serve as a system of principles to guide decisions and achieve rational outcomes relating to the coastal environment. A CMP must include a public participation process and is to be reviewed every 5 years. Alfred Nzo Municipality embarked on this process in March 2014 by appointing coastal management consultants at Royal Haskoning DHV to prepare the inaugural WMM Local Municipality CMP. The WMM Local Municipality CMP consists of three core components, these being a status quo assessment, vision and objectives (which includes public consultation), as well as a programme of implementation.

The situational analysis of the WMM Local Municipality CMP provides a review and interpretation of existing information on the biophysical and socio-economic characteristics and management context of the Winnie Madikizela – Mandela Local Municipality coastal area in order to identify and describe emergent and recurrent coastal issues, constraints and opportunities. The intention of this component of the CMP is not to re-sample the social, economic or ecological situation of the Winnie Madikizela Local Municipality area but rather to synthesise the numerous existing documents, reports and publications that have done so previously.

The primary objective of the situational analysis is therefore to integrate the findings of the relevant Integrated Development Plans (IDPs), Spatial Development Frameworks (SDFs), Environmental Management Framework, numerous documents and plans for the Wild Coast and other information that is relevant to coastal management within the district municipality. In so doing, this CMP component highlights issues of priority or concern that require specific attention. Emergent and recurring environmental and socio-economic issues of the WMM Local Municipality coastal area are summarized in the image overleaf.

## **7.24 Disaster Risk Management Plan**

Winnie Madikizela – Mandela Local Municipality developed and adopted a Disaster Risk Management Plan in 30<sup>th</sup> May 2016 and its due for review in 2021. The local authority is committed to ensuring the safety of its inhabitants and the sustainability of its communities, economy and environment and therefore intends to effectively manage disaster risks. In terms of the Disaster Management Act, 2002 (Act 57 of 2002), municipalities are required to compile municipal disaster management plans.

The key intended outcomes of this plan are the integration of Disaster Risk Management into the strategic and operational planning and project implementation of all line functions and role players within the municipality, the creation and maintenance of resilient communities within the area and an integrated, fast and efficient response to emergencies and disasters by all role-players. This level 1 Disaster Risk Management Plan must enable WMM Local Municipality to adhere to the requirements of a level 1 Plan as per section 3.1.1.2 of the National Disaster Management Framework. Disaster is defined as progressive or sudden, widespread or localized, natural or human caused occurrence which causes or threatens to cause death, injury or disease, damage to property, infrastructure or the environment, disruption of the life of a community. The municipality has established mechanisms to ensure integration and joint standards of practice in the execution of disaster risk management policy throughout its jurisdiction.

According to the risk prioritization results conducted during November 2015, which indicated the following hazards as being rated as the highest 'total risk' hazards range: Severe storms (strong winds, tornadoes), Motor vehicle accidents, Veld fires, Human diseases, Rough Sea/Tides and Deforestation. The action needed for the above-mentioned risks is risk reduction and preparedness planning. During a stakeholder consultation session, stakeholders were required to identify hazards perceived to be a concern in the Winnie Madikizela – Mandela Local Municipality. This was part of obtaining indigenous and specialist knowledge from stakeholders and verifying/updating current identified disaster risk assessment results.

A number of risk reduction measures are identified related to the highest rated identified risks. These measures were decided upon in consultation with the relevant responsible departments. There are certain responsibilities that the municipal departments must partake on, in disaster management. Each stakeholder has identified its own role in disaster risk management and in its own plans and provide for such information. Whilst the Disaster Management Functions are cutting across all departments, Integration and Co-ordination will be done by Community Services Department, the municipal department will be assisting with prevention/mitigation, response and recovery actions. The communities will also assist with disaster risk reduction and co-operation as community leaders e.g. Ward Councillors, Traditional leaders assist with community liaison.

Mitigation activities have been considered to include components such as Preparedness, Recovery and Reconstruction. Mitigation activities generally grouped into two levels, namely structural and non-structural. Structural measures refer to any physical construction to reduce or avoid possible impacts of hazards, which include engineering measures and construction of hazard-resistant and protective structures and infrastructure. Non-structural measures refer to policies, awareness, knowledge development, public commitment, and methods and operating practices, including participatory mechanisms and the provision of information, which can reduce risk and related impacts. In terms of logistical systems in support of mitigation activities, and in line with the above-mentioned definition, the aim of mitigation logistics will be to ensure appropriate mitigation related supplies or goods, in good condition, in the quantities required, are available at the place and time they are needed in order to implement preparedness, recovery and reconstruction activities. This plan is due for review during the 2021/2022 financial year.

## **7.25 Human Resources Development Plan / Strategy**

Winnie Madikizela – Mandela Local Municipality has developed its Human Resource Development Strategy for the period 2010 – 2014 and was adopted by council in 2010, the HRD strategy has been reviewed and awaiting adopting by council before end December 2015. The strategy is based on this background that WMM Local Municipality has considered it necessary to re-look at its work processes. It is further necessary to take stock of what has been achieved and how council would want to impact on service delivery using its strategic trajectories. This strategy sets out the results of a situational analysis, performance and municipal capacity assessment conducted by the Municipal Manager and Senior Managers.

The Service Delivery strategies had undertaken a quick overall scan identifying critical areas of focus. In conducting this scan, a diagnostic approach was adopted (service delivery and budget implementation plan) focusing on all the areas as indicated in this report. This was coupled with sessions held with both the administration and political structures of the municipality on various occasions.

## **7.26 Employment Equity Plan**

The Winnie Madikizela – Mandela Municipality is operating with Employment Equity Policy and Employment Equity Plan which expired in 2014. The plan and policy had been reviewed and submitted to the Department of Labour for compliance. The Employment Equity Plan and Policy were both accepted and acknowledged by the department of Labour. The plan and policy were presented to almost all stakeholders it only awaits adoption by the Council. The main purpose of the Employment Equity Act, No. 55 of 1998, is to promote equal opportunities in the workplace by eliminating unfair discrimination in employment policies and practices.

## **7.27 Staff Retention Policy**

The WMM LM Employee Retention Policy has been developed and adopted by council on the 30 June 2014 to provide guidance and information to Council, Management and Labour in order to effectively implement all approved employee retention strategies so as to promote the retention of staff. The following are the key policy highlights which influence the successful implementation of this strategy: -

- The policy purpose puts emphasis on comprehensively addressing all the soft and hard staff issues which include the environmental, technical and social staff needs for effective employee retention.
- The policy applies to all Council employees irrespective of occupational level, grades, categories and demographics.
- The policy highlights a variety of tools and techniques to be implemented in order to effectively achieve and maintain long-term employee retention.
- The policy briefly outlines specific roles and responsibilities assigned to the Municipal Management and Leadership.

The policy specifies key methods for monitoring and evaluating the retention process.

## **7.28 Revenue Enhancement Strategy**

In many developing countries, including South Africa, the capacity of local government to give effect to its fiscal power is a serious limitation. In South Africa this problem is compounded by the integration of previously disadvantaged communities into municipal boundaries, a culture of non-payment, and poor administrative systems, all of which it has manifested itself as staggeringly high levels of debt. On paper the solutions are easy: increase revenue; reduce expenditure; or do a combination of both. However, in reality the challenge is more complex and multi-faceted – there are political and socio-economic facets as well as institutional aspects, including shortages of skills, performance-orientation of staff and adequate physical resources. Implementing revenue enhancement strategies can only be achieved by critically reviewing the current revenue management processes, policies and procedures being applied by the municipality.

To effectively deal with the current challenges, the municipality must plan and implement effective and integrated revenue enhancement strategies. The need for an integrated approach should not be taken lightly. The Winnie Madikizela – Mandela Local Municipality (WMM LM) sustainability should be based on the following critical elements: -

- Development and implementation of an effective communication strategy;
- Strengthening of the provision of metered services;
- Strengthening of accurate billing process; and
- Improving Debt and Credit Management.

The WMM LM revenue business model needs to focus on maximizing revenue collection, reducing inefficiency and costs, and reducing uncollectible debt. A holistic approach to local government sustainability is crucial to ensuring that all the above-mentioned critical elements are simultaneously addressed, which encompasses the following elements: -

### **Effective Communication Strategy**

A sound communication strategy is a critical element to building local government long term sustainability. Therefore, a sound communication strategy should be one of the cornerstones upon which WMM LM sustainability should be built upon. It is only through a sound communication that customer and municipal expectations are being clearly articulated and understood by all relevant parties. Communication is a two-way process and involves community participation, which is enshrined in our constitution and Municipal Systems Act 32 of 2000. The communication process should facilitate alignment between municipal goals and community expectations. Furthermore, it is also only through this communication that the relationship between the municipality and its customer can be enhanced.



## **Provision of Metered Services**

Accurate consumption information is the key to reducing service delivery losses. The technical component is predominantly focused on the efficient delivery of services to customers and meeting customer expectations. The benefits of managing this aspect of service delivery are the reduction of losses of electricity. This element involves the meter management which addresses the supply losses incurred through the service meter and includes illegal connections and faulty meters.

## **Strengthening the Accurate Billing Process**

Accurate billing for services is a critical element of the WMM LM Revenue Management Business Model. Due to poor billing and revenue collection, WMM LM is becoming increasingly dependent on intergovernmental funding to balance its budget. This component specifically focuses on billing integrity as the basis of municipal revenue. If the customer information and billing information is incorrect the municipality has no basis to effectively collect revenue. The key elements to emphasis accuracy include:

- Billing – Immediately and regularly billing the customer for the services provided;
- Customer Information Auditing – processes and activities of ensuring that customer information is valid, accurate and complete; and
- Data Cleansing – processes and activities of ensuring the credibility of customer data maintained by the municipality.
- Revenue Collection (Debt and Credit Management)

Revenue collection is based on the integrity of the Metered Service Management and Accurate Billing process. This is a critical element which includes collection of revenue, customer service management, debt & credit management and indigent management. A large portion of WMM LM customers are indigent and therefore cannot afford to pay for services provided by the municipality and this has to be factored into financial planning and strategy development. It is critical for the municipality to understand its customer profile and to differentiate between those customers who can pay and who cannot afford. It is based on this customer profile that one can start planning strategies for free basic services implementation, indigent subsidization, LED, indigent management, service delivery and services rollout, billing and revenue collection strategies and debt collection. All these aspects will affect the municipal budget and the budgeting process.

## **Revenue Enhancement Framework**

The revenue enhancement framework for the revenue enhancement strategy, considering the unique requirement of the WMM LM will comprise a phased approach. The timeframe for the implementation of the strategy intervention has been divided between:

- Quick wins strategic interventions that can be implemented within 6 months.
- Medium –term strategic interventions which focus on strategic intervention to be implemented between 6 to 18 months.
- Long term interventions, which focuses on strategic interventions that will take longer than 18 months to be implemented.

## 8.ASSESSMENT MATRIX

CORPORATE SERVICES		
SECTOR PLAN/POLICY	SECTOR PLAN/POLICY	SECTOR PLAN/POLICY
Organisational Structure	Reviewed and Adopted	28 November 2018
Human Resource Plan	Reviewed and Adopted	28 November 2018
Employment Equity Plan	Reviewed and Adopted	28 November 2018
Workplace Skills Plan	Reviewed and Adopted	28 November 2018
Acting Policy	Reviewed and Adopted	28 November 2018
Attendance & Punctuality Policy	Reviewed and Adopted	28 November 2018
Chronic Illness Policy	Reviewed and Adopted	28 November 2018
Disciplinary Code & Procedure	Reviewed and Adopted	28 November 2018
Employee Wellness Policy	Reviewed and Adopted	28 November 2018
Employment Benefits & Conditions Policy	Reviewed and Adopted	28 November 2018
Fleet Management Policy	Reviewed and Adopted	28 November 2018
Grievance Policy & Procedure	Reviewed and Adopted	28 November 2018
IPMS Policy	Reviewed and Adopted	28 November 2018
Job Evaluation Policy	Reviewed and Adopted	28 November 2018
Leave Policy	Reviewed and Adopted	28 November 2018
Migration & Placement Policy	Reviewed and Adopted	28 November 2018
Occupational Health & Safety Policy	Reviewed and Adopted	28 November 2018
Organisational Design Policy	Reviewed and Adopted	28 November 2018
Overtime Policy	Reviewed and Adopted	28 November 2018
Records Management Policy	Reviewed and Adopted	28 November 2018
Recruitment & Selection Policy	Reviewed and Adopted	28 November 2018
Remuneration Policy	Reviewed and Adopted	28 November 2018
Skills Retention Policy	Reviewed and Adopted	28 November 2018
Termination of Services Policy	Reviewed and Adopted	28 November 2018
Training & Development Policy	Reviewed and Adopted	28 November 2018
ICT Governance Framework	Reviewed	March 2019
ICT Governance Policy	Reviewed	March 2019
ICT Security Policy	Reviewed	March 2019
ICT Policy	Reviewed	March 2019
MUNICIPAL MANAGER'S OFFICE		
SECTOR PLAN/POLICY	PLAN/POLICY STATUS	DATE OF ADOPTION BY COUNCIL
Fraud Prevention Strategy	Reviewed and Adopted	04 August 2017
Risk Management Policy	Reviewed and Adopted	28 November 2018
Performance Management Policy	Reviewed and Adopted	04 August 2017
Public Participation Policy	Reviewed and Adopted	04 August 2017
Communication Strategy	Reviewed and Adopted	28 November 2018
Stakeholder Mobilisation Strategy		
Legal Risk Management and Litigation Policy	Reviewed and Adopted	28 November 2018
Audit Charter	Reviewed and Adopted	04 August 2017
System of Delegations	Reviewed and Adopted	04 August 2017
Standing Rules / Orders for Council	Reviewed and Adopted	04 August 2017
Anti – Corruption Strategy	Reviewed and Adopted	04 August 2017
Audit Action Plan	Reviewed and Adopted	04 August 2017
HIV/Aids Strategy	Reviewed and Adopted	04 August 2017
Elderly Policy	Reviewed and Adopted	04 August 2017
Gender Policy	Reviewed and Adopted	04 August 2017
Children Policy	Reviewed and Adopted	04 August 2017

Youth Policy	Reviewed and Adopted	04 August 2017
Customer Care Policy	Reviewed and Adopted	04 August 2017
IGR Terms of Reference	Reviewed and Adopted	04 August 2017
Councillors Special Risk Insurance Policy	Reviewed and Adopted	28 November 2018
<b>COMMUNITY SERVICES</b>		
<b>SECTOR PLAN/POLICY</b>	<b>PLAN/POLICY STATUS</b>	<b>DATE OF ADOPTION BY COUNCIL</b>
Integrated Waste Management Plan	Reviewed and Adopted	04 August 2017
Disaster Management Plan	Reviewed and Adopted	04 August 2017
Indigent Register	Reviewed and Adopted	04 August 2017
FBS Policy	Reviewed and Adopted	04 August 2017
Social Relief Policy	Reviewed and adopted	28 November 2018
Climate Change Response Strategy	Reviewed and Adopted	
Pound Policy	Reviewed and adopted	28 November 2018
Public Library Policy	Reviewed and Adopted	04 August 2017
Indigent Policy	Reviewed and Adopted	04 August 2017
Recreational Facilities Policy	Reviewed and Adopted	04 August 2017
Coastal Management Policy	Reviewed and Adopted	04 August 2017
Waste Tarrif Policy	Adopted	04 August 2017
Ranking Space Allowance Policy	Adopted	04 August 2017
Security Operating Standards Policy	Adopted	04 August 2017
<b>ENGINEERING SERVICES</b>		
<b>SECTOR PLAN/POLICY</b>	<b>PLAN/POLICY STATUS</b>	<b>DATE OF ADOPTION BY COUNCIL</b>
Road Master Plan	Reviewed and Adopted	04 August 2017
Storm Water Management Plan	Reviewed and Adopted	04 August 2017
Comprehensive Infrastructure Plan	Reviewed and Adopted	04 August 2017
Integrated Transport Plan	Reviewed and Adopted	04 August 2017
Operations & Maintenance	Reviewed and Adopted	04 August 2017
Foot Ways Policy	Reviewed and Adopted	04 August 2017
EPWP Policy	Reviewed and Adopted	04 August 2017
ISD Policy	Reviewed and Adopted	04 August 2017
SIPDM Policy	Reviewed and Adopted	04 August 2017
<b>BUDGET &amp; TREASURY</b>		
<b>SECTOR PLAN/POLICY</b>	<b>PLAN/POLICY STATUS</b>	<b>DATE OF ADOPTION BY COUNCIL</b>
Revenue Enhancement Strategy	Reviewed and Adopted	04 August 2017
Asset Management & Disposal Policy	Reviewed and Adopted	30 May 2019
Supply Chain Management Policy	Reviewed and adopted	
Municipal Annual Budget 2018/2019	Reviewed and adopted	30 May 2019
Irregular, Unauthorised, Fruitless and Wasteful Expenditure	Reviewed and Adopted	30 May 2019
Cash Management and Investment Policy	Reviewed and Adopted	30 May 2019
Accounts Payables Policy	Reviewed and adopted	30 May 2019
Budget and IDP Policy	Reviewed and adopted	30 May 2019
Petty Cash Policy	Reviewed and adopted	30 May 2019
Credit Control & Debt Management Collection Policy	Reviewed and adopted	30 May 2019
Tariffs Policy	Reviewed and adopted	30 May 2019
Property Rates	Reviewed and adopted	30 May 2019
<b>DEVELOPMENT PLANNING</b>		
<b>SECTOR PLAN/POLICY</b>	<b>PLAN/POLICY STATUS</b>	<b>DATE OF ADOPTION BY COUNCIL</b>
Spatial Development Framework	Reviewed and adopted	04 August 2017

LED Strategy	Reviewed and adopted	04 August 2017
Housing Sector Plan	Reviewed and adopted	04 August 2017
Tourism Sector Plan	Reviewed and adopted	04 August 2017
Contractor Development Policy	Reviewed and adopted	04 August 2017
Funding Policy	Reviewed and adopted	28 November 2018
Housing Policy	Reviewed and adopted	28 November 2018
Land Disposal Policy	Reviewed and adopted	28 November 2018
Geographic Information System Strategy	Reviewed and adopted	04 August 2017
Integrated Land Use Scheme	Reviewed and adopted	04 August 2017
Land Use Management System	Reviewed and adopted	04 August 2017
Outdoor Advertising Policy	Adopted	28 November 2018
SMME Plan	Reviewed and adopted	04 August 2017
Agricultural Plan	Reviewed and adopted	04 August 2017

## 9. MUNICIPAL ANNUAL BUDGET FOR 2021-2024

### Part 1 – Annual Budget

#### 9.1 Mayor's Report

The council of Winnie Madikizela-Mandela Local Municipality, as elected during the 2016 Local Government Elections, has a responsibility of ensuring that basic service delivery is provided for all within its jurisdiction. This is the provision of the Constitution of the Republic of South Africa which is the supreme law of the land. The Municipal Finance Management Act No. 56 of 2003, section 16, provides that a municipality must compile an annual budget before the start of the financial year. A draft budget must be tabled 90 days before the start of the budget year was duly adhered to by the municipality for the 2021/22 Annual Budget, the draft budget was tabled to council on March 30<sup>th</sup>, 2021. That draft budget was in response and compliance to the afore-mentioned prescripts. This budget was then taken to communities for consultation where comments were solicited and incorporated when this final budget was being prepared for council to approve at least 30 days before the start of the budget year.

The municipality's development priorities are basic service delivery (Roads, storm water management, electrification, housing, land use management, educational facilities, community services, recreational facilities and related matters) and Local Economic Development (agriculture, farming, forestry, tourism development, SMME support, Business, trade and manufacturing).

##### (a) Water and sanitation backlogs

The estimated backlog for water service delivery is 44 479 households with no access to tap water, and 5% have access to tap water below RDP standard while 3.1% households have access to water on RDP standard and above.

The Alfred Nzo District Municipality as reported in the previous budgets has taken proactive action to develop a strategy and plan for water and sanitation backlog eradication. The success of this strategy relies largely on active participation of all stakeholders to achieve its intended objectives. The Alfred Nzo District Municipality is currently implementing a number of projects to eradicate water and sanitation backlog within the District which also affects Winnie Madikizela-Mandela Local Municipality.

The following tables illustrate the projects that are currently on feasibility and implementation stage in order to eradicate water and sanitation backlogs.

Funding	Project Name	Status	Comments
MIG	Mbizana Town Sewer	Implementation Phase	
MIG	Mbizana Wards 13	Project Approved but not funded (funding constraints)	Detailed Designs Completed
MIG	Mbizana Ward 27	Implementation Phase	
MIG	Mbizana Wards 21,23 & 24	Planning stage	Technical Reports submitted to DWS
MIG	Mbizana Wards 11,14 & 16	Planning stage	Technical Reports submitted to DWS
MIG	Mbizana Wards 29 & 30	Planning stage	Technical Reports submitted to DWS

The Greater Mbizana Water Supply project is divided into 17 supply zones. The estimated cost for the bulk water supply (including secondary bulk) for the entire Mbizana is R 3.5 billion. The estimated Phase 1 reticulation cost is R 848 million, broken down into Phase 1 A at R 353 Million and Phase 1 B at R 495 Million. Phase 1 reticulation will cover 9 supply zones out of 17 supply zones.

#### **(b) Road Maintenance backlogs**

Due the bad conditions of access roads in the entire municipal area, the municipality moved towards insourcing the maintenance of these roads by acquiring two sets of own plant. This was an attempt to maximize the available resources to ensure we maintain as much roads as possible while creating enough capacity within the municipality. Over the past two years the municipality has received substantial amounts of rains which have also caused more damage on our gravel access roads. This has increased the demand whole lowering community's tolerance levels. The municipality has allocated over R18.8 million within the next year to support the municipal plant in the maintenance of road infrastructure.

EPWP contract labourers to maintain the storm water drainage and also to fix the small to medium potholes within our CBD roads are being utilized with the municipality supplying the necessary equipment and material. It is planned that a total of 200m<sup>2</sup> of pothole patching will be completed by the end of the current financial year as the service provider was appointed earlier in the month. In 2021/22 financial year, 100m<sup>2</sup> is planned to be maintained using both service providers and internal plant.

#### **(c) Electrification backlogs and planning**

In conjunction with Eskom the Municipality has managed to reduce electricity backlogs from 19000 (39 %) households in 2011 to 8947 (20%) in 2018. The backlog has decreased to 1836 with the completion of 2019/20 electrification projects which consisted of 1 667 households on both Schedule 5 and 5B. This backlog figure will further decrease to 679 on completion of the 2020/21 5A & 5B project schedules. The municipality and Eskom did a 5-year electrification master plan which when completed the municipality would have reached universal access within its area of Jurisdiction.

The municipality and Eskom did a 5-year electrification master plan which when completed the municipality would have reached universal access within its area of Jurisdiction.

There is a general increase of electricity demand in Mbizana as new households are constructed at a rapid pace than would have been anticipated. It is against this that the INEP Allocation for 2021/22 will be utilized to complete two projects that are currently being implemented by the municipality (Mabhenguteni and Bhekela to Mdatya villages electrification) where additional households are anticipated to popup as experience over the years has taught us, together with electrification of Xolobeni, Mgungundlovu and Dumasi village, Lower Ethridge and Msarhweni Villages, Electrification of ward 22 and ward 31 pre-engineering, and Upgrade of low voltage lines. The municipality's electrical capacity has also been under pressure in the past financial years hence the construction or upgrade of our MVA line during the 2019/20 and 21 financial year to 8MVA. The project initially did not move as anticipated due to some challenges in getting some approvals from Eskom. It is however, a pleasure to report that the project been completed in the current year.

#### **(d) Environmental, coastal and waste management**

The municipality as a coastal municipality has a responsibility to develop an Integrated Coastal Management Program (ICMP) which has been developed and adopted by the councils, both Mbizana Local Municipality and Alfred Nzo District Municipality. Integrated Waste Management Plan was completed and adopted by Council and has been sent to MEC for approval. The municipality gazetted refuse Removal & sanitary by-laws which are currently being reviewed as per the NEMWA.

The Winnie Madikizela - Mandela Local Municipality has adopted a climate change strategy which has been included in the IDP. Waste management service is being provided in businesses at an interval of 4 days a week utilising 3 compactor trucks, two 1Ton trucks, 1 Skip truck, permanent employees and EPWP and a total 557 billed businesses and households as well as 989 households receiving our free refuse collection services. The municipality provides refuse removal service to 1546 households in town, 204 small businesses and 52 big businesses including government departments. The services has also been extended outside the CBD i.e in Governmental institutions and businesses such as Greenville hospital, Mzamba Police Station, Ku bha Service Station, Wild Coast taxi rank, Red Hub Business Emagusheni centre, Zamokuhle Special school, Nompumalanga Special School, Vukuzenzela Special School, Siteto TVET, Seaview business hub Some of the institutions like clinics have hired private service providers for collection but they are obliged to use a municipal dumping site for disposal Planned projects programmes. There is 1 licensed landfill site (GSB type) which is still under construction.

One (1) Dumping site which will be rehabilitated for closure as soon as the Majazi landfill site is operational which is still under construction after some delays due to contractual disagreements between the implementing agent and the service provider appointed. That process has since been finalized and a new service provider was appointed and introduced to the municipality, however the construction has not commenced due to social issues within the area that are still being attended to. The municipality supports recycling initiatives in town while the refuse and sanitary by-laws are under review in preparation for the 2021/22 budget year.

#### **(e) Local economic development**

The following plans were developed, adopted by council and are being implemented:

- LED strategy
- Tourism Plan
- Agricultural Plan
- Spatial Development Framework.

The municipality initiated and implemented a Contractor Development programme in the previous years which proved to be fruitful and helpful to the emerging contractors even though the project was discontinued due to a number of teething challenges identified. There is however a plan to revive the programme or similar, while addressing the issues that lead to it being discontinued. A total of 16 enrolled contractors were provided with job opportunities, 12 contractors graduated from Grade 1 to different grades up to Grade 6, 40 contractors were trained on Project Management, Tendering Processes, Quality Management Systems, Occupational Health and Safety, and Contracts Management

#### **LED Successes**

- O. R. Tambo Garden of Remembrance Construction Project Completed
- Khananda Hill Grave Site completed
- Received General Budget Support Grant from National Treasury for Manufacturing Hub
- Agric -park programme about 28 projects benefited
- 30 New cooperatives registered
- Boat launching site approved
- 35 cooperatives assisted with production inputs
- 50 Cooperative and SMMEs have been trained on basic financial management and cooperative governance by SANAMI
- 20 Enterprises benefited in the Business Incubation Programme
- Dept. of Sport, Recreation Arts & Culture (DSRAC) sponsored Artist with a Complete set of Music system

Fifteen (15) crafters benefited from Resident Fashion Designer Program facilitated by Alfred Nzo District Municipality (ANDM) working with Alfred Nzo Development Agency (ANDA).

#### **LED CHALLENGES HINDERING ECONOMIC DEVELOPMENT**

- Infrastructure
- Access to market opportunities

- Land tenure
- Financial Constrains

#### **Rural Economic Development HUB:**

This was funded by ECRDA and Facilitated by Winnie Madikizela-Mandela Local Municipality and Alfred Nzo District Municipality. The RED HUB has planted 638ha on the 2020/2021 planting season and each farmer contributed R1500 per hectares. This is an Agro-processing business that has 14 primary Cooperatives and one secondary with 759 Beneficiaries and has employed 54 people in various Departments. The CWP programme is implemented in 19 wards with 1564 participants and the funding allocated for this programme was R16 518 296.00. The following wards (04,05,06,07,08,12,13,15,17,18,19,20,22,23,26,27,29,30 and 31) have Agriculture, construction and social sectors.

#### **(f) Tourism and Agriculture**

The tourism plan was developed, executed and is currently being reviewed to ensure relevance with the current tourism trends and opportunities. Winnie Madikizela – Mandela Municipality in partnership with ECPTA, Wild Coast Sun and South Coast Tourism have signed a MOU for the promotion and marketing of tourism. The Municipality purchased paddle boats and mountain bikes for Mzamba Ndikini tours which is operating in Mzamba area as part of tourism development.

On an annual basis the municipality identifies a number of projects in the area with the potential to grow the local economy and create employment. These are assessed to identify the support that the municipality may be able to provide to ensure they are sustainable. Below is the list of projects and activities identified and are currently being assisted by the municipality.

#### **AGRICULTURAL MUNICIPAL FUNDED PROJECTS**

No.	Project Name	Ward	Activities
01	Ndunge Soycoop Cooperative	7	Soya milk
02	Moonlight Glass & Alluminium	01	Aluminium products
03	Blatter's Panel beaters	20	Mechanic
04	Mcmiya (Pty) LTD	24	Mechanic
05	Njilo Kabalisa Agric Co-op	08	Vegetable & Maize Production
06	Lecolin Green	04	Potatoes & Vegetable production
07	Slimdo Pty Ltd	18	Poultry
08	Fula's elect and welding	22	Vegetable Production
09	Masiqhubekeni Project	23	Poultry
10	Amahomba Co-op	05	Vegetable production
11	Mzamba Pig & Poultry co-op	24	Piggery and Poultry
12	Sigidi Development	28	Vegetable production & Small stock
13	Mbizana Wool Growers association	all wards	Sheep and Wool Production
14	Mbizana Fruit & Veg Secondary Co-op (association)	all wards	Potatoes, Maize & Vegetable production
15	Mbizana Poultry farmers (association)	all wards	Poultry Production



	TOTAL EXPENDITURE		R1 935 295.00
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#### (g) Land use and spatial planning

Settlement patterns in Mbizana still reflect, to a large extent, spatial planning of the Apartheid past. The current structure and spread of rural settlements and households therein makes it difficult for the municipality to provide services in an effective and efficient manner. The municipality has made strides in redressing the imbalances of Apartheid spatial planning in identifying and providing basic services in those areas that were ignored in the past. Land claims still poses a challenge in development of some areas in town but municipality is in talks with CPAs to resolve those issues.

#### (h) Electrification of villages

The Winnie Madikizela-Mandela Local Municipality has in the recent past strived to ensure that electricity is rolled out to a number of villages. This has seen the electrification of the following villages in the 2019/20 financial period which were completed: -

Project Name	Allocated amount	Funding Source
Matwebu Village	R 2 800 000.00	INEP
Ludeke Village	R 8 787 906.00	INEP
Mdikisweni , Ukhalo , Pelepele	R 3 200 000.00	INEP
Sigodlwani , Mandlobe . Madada , Diphini	R 3 700 000.00	INEP
8 MVa Backbone line	R 7 984 802.00	INEP
2020/21 Pre-Engineering Planning	R 1 752 094.00	INEP
<b>TOTAL</b>	<b>R 31 240 000.00</b>	

This was still however less that the amounts required to complete projects with the municipality topping up with its own resources to ensure these are completed within stipulated times. This resulted in the electrification of 1250 households when the projects were completed.

In the current financial year (2020/21) Mbizana municipality received R 26 020 000 INEP funding allocation to implement three (3) projects as per the table below.

Project Name	Allocated Amount	Funding Source
Mabhengutani Electrification	R 11 639 008.82	INEP
Bhekela/Mdatya Electrification	R 13 257 000.00	INEP
Sidanga Electrification	R 4 752 405.27	INEP
<b>TOTAL</b>	<b>R 29 648 414.09</b>	

For the next three years the municipality will continue to depend on the INEP electrification grant to implement the projects prioritized to strive towards universal access within the municipality. The allocations for the next budget year have been prioritized according to the following projects which are all anticipated to be completed by the end of 2021/22:

Project Name	Allocated amount	Funding Source
Completing of Mabhekutani Village	R 7 145 237.00	INEP
Completion of Bhekela to Mdatya Villages	R 4 400 495.00	INEP
Xolobeni, Mgungundlovu and Mtolana village	R 9 907 268.00	INEP
Lower Ethridge and Msarhweni Villages	R 5 500 000.00	INEP

Project Name	Allocated amount	Funding Source
Electrification of ward 22 and ward 31 pre-engineering	R 1 500 000.00	INEP
<b>TOTAL</b>	<b>R 28 453 000</b>	

The implementation of these projects in conjunction with Eskom projects is expected to reduce the backlogs drastically bringing the municipality very close to universal access which is anticipated to be achieved by 2022/23.

**(i) Infrastructure development**

The municipality also receives a Municipal Infrastructure Grant for the construction of infrastructure assets that enhance service delivery to all communities. The total amount to be received of just above R 51 million has been allocated as follows:

NAME OF PROJECT	BUDGETED AMOUNT	
Construction of Mqonjwana to Greenville AR(MIG)	R 900 000.00	MIG
Mbizana Civic Center	R 28 402 021.00	MIG
Construction of VAV Memorial College AR	R 2 025 926.00	MIG
Construction of Simakade AR	R 3 025 926.00	MIG
Construction of Mapheleni Access Road	R 3 225 926.00	MIG
Construction of Sidanga Bridge	R 650 000.00	MIG
Construction of Sigingqi to Marina AR with Bridge	R 250 000.00	MIG
Construction of Tshongweni AR	R 250 000.00	MIG
Construction of Sixhaseni AR	R 250 000.00	MIG
Construction of Tshuze to Philisweni AR	R 250 000.00	MIG
Construction of WARD 4 Community Hall	R 3 500 000.00	MIG
Construction of WARD 20 Community Hall	R 3 500 000.00	MIG
Construction of Lubekela AR (MIG)	R 742 050.00	MIG
Construction of Ebunandini to Ngabeni S.S.S AR(MIG)	R 1 500 000.00	MIG
<b>R 48 471 849.00</b>		

The compilation of the 2021/22 annual budget has also taken into consideration the following key considerations that impact directly to our communities: -

**Repairs and Maintenance of Infrastructure and other municipal assets:** The municipality has the understanding that at least 8% of its budget must be set aside for the repairs and maintenance of the existing infrastructure. As part of its drive to ensure that road infrastructure assets are maintained adequately, earthmoving plant has been acquired over the past three years so that the municipality would be able to carry out its own repairs and maintenance. Planned maintenance of rural roads and CBD roads has also been planned to be done internally using labor intensive methods while budgeting for procurement of materials and tools to carry out this task. There is however an additional allocation to supplement the internal mechanisms to fast track rural and CBD road maintenance of up to R20.2 million. A further R4 million has been set aside for the maintenance of municipal buildings and another R3.4 million for the maintenance of municipal vehicles and plant.

**Legacy programmes:** The municipality prides itself of being the home of the legendary struggle icons for the freedom of the people of South Africa, Oliver Reginald Tambo and Winnie Madikizela-Mandela. It is a live conviction of this council to ensure that their legacy lives for the generations to come. It is not the wish of this council to only celebrate through events but tangible legacy projects that will ensure that our claim and ownership of these international icons is validated. A budget allocation of R1 million has been provided for these important activities.

**Public participation:** Municipality will continue to embark on community education programs in all wards in order to capacitate our communities on their role during public participation/ hearings on municipal documents. Capacitation of ward committees will also continue getting attention in an attempt to ensure coordinated servicing of our communities as structures closer to people. Program of revival and support of ward war rooms will continue this financial year as part of strengthening community and stakeholder involvement on government programs. An amount of R6.3 million has been set aside for this.

**IDP and performance management:** Council will continue to ensure that our IDP maintains its high credibility status through enhancing maximum public participation of all role players. We will continue to ensure that our mission of promoting and ensuring a culture of performance excellence is achieved at all costs. Although resources are very limited, these important planning and monitoring tools have been budgeted for at R1.1 million.

**Special Programs and Sport Development:** Council will always contribute in changing lives of our special groups, our focus will be towards improving education in our region through supporting educational improving initiatives, we will also be strengthening capacity to community-based structures that assist particularly in fighting violence and crimes targeting our elderly, children and women. We will continue to ensure that our council educates our communities on rights of people with disabilities and support initiatives that combats discrimination against them. An amount of just above R3.8 million has been set aside for these special groups.

**Implementation of SPLUMA:** Implementation of the act and running of the municipal tribunal and payment of the members to sit in the tribunal. The municipal council taken a decision to continue utilizing the district tribunal. The tribunal will consider development applications that will in turn increase the revenue base. We trust that the R146 thousand set aside as well for this purpose will be sufficient.

**Geographic Information System (GIS):** Acquisition tool to assist to improve the immovable asset. It is the compliance issue for spatial analysis. This will also assist in the identification of municipal assets and their locations. An amount of just above R280 thousand has been set aside for this.

The Annual Budget as compiled by the municipality seeks to address the imperatives as set out in the Integrated Development Plan and the indicated Delivery Agreement – outcome 9, which is to ensure a responsive, accountable, effective and efficient local government system so as to restore the confidence of citizens in the local government sphere. As such municipalities need to ensure that the basic needs of communities are met; build clean, effective, efficient, responsive and accountable local government; improve performance and professionalism and strengthen partnerships between local government, communities and civil society. The Outcome consists of seven outputs which need to be achieved, viz.

- Implement a differentiated approach to municipal financing, planning and support;
- Improve access to basic services;
- Implementation of the Community Work Programme;
- Actions supportive of the human settlement outcome;
- Deepen democracy through a refined Ward Committee Model;
- Improve administrative and financial capability;
- A single window of coordination.

The Winnie Madikizela-Mandela Local Municipality's annual budget and the Integrated Development Plan therefore seeks to ensure that the service delivery priorities as mandated by the constitution like electricity, roads, solid waste removal are provided to the communities. This is done at the same time whilst ensuring co-ordination of other organs of state like the District Municipality for the provision of water and sanitation and other provincial departments for respective services to the communities.

#### **(j) Council Resolutions**

The Council of Winnie Madikizela-Mandela Local Municipality met on the 30<sup>th</sup> of March 2021 to consider the annual budget tabled by the Mayor at least 90 days before the start of the financial year 2021/22 and the Medium-Term Revenue and Expenditure Framework. The council then considers the following resolutions which will become final when the budget is approved.

The council of Winnie Madikizela-Mandela Local Municipality, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts:

**(a) The annual budget of the municipality for the financial year 2021/22 and the multi-year and single-year capital appropriations as set out in the following tables:**

- Budgeted Financial Performance (revenue and expenditure by functional classification);
- Budgeted Financial Performance (revenue and expenditure by municipal vote);
- Budgeted Financial Performance (revenue by source and expenditure by type); and
- Multi-year and single-year capital appropriations by municipal vote and functional classification and associated funding by source.

**(b) The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:**

- Budgeted Financial Position;
- Budgeted Cash Flows;
- Cash backed reserves and accumulated surplus reconciliation;
- Asset management; and
- Basic service delivery measurement.

**(c) The Council of Winnie Madikizela-Mandela Local Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves the following proposed tariffs with effect from 1 July 2021:**

- the tariffs for property rates
- the tariffs for electricity
- the tariffs for solid waste services
- Other municipal charges

**(d) The Council of Winnie Madikizela-Mandela Local Municipality, acting in terms of 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves the proposed tariffs with effect from 1 July 2021 the tariffs for other services, as set out in the paragraphs on tariffs;**

**(e) To give proper effect to the municipality's annual budget, the Council of Winnie Madikizela-Mandela Local Municipality approves:**

- That cash backing is implemented through the utilisation of a portion of the revenue generated from property rates to ensure that all capital reserves and provisions, unspent long-term loans and unspent conditional grants are cash backed.

**(f) To enable the proper implementation of the municipality's budget, the council of Winnie Madikizela-Mandela Local Municipality approves the following budget related policies;**

- The IDP and Budget Policy
- Credit control and debt collection policy
- Property Rates Policy
- Supply Chain Management Policy
- Tariff Policy
- Asset Management Policy
- Supply Chain Policy for Infrastructure Procurement and Delivery Management
- Cash Management and Investment Policy
- Contract Management policy
- Debtors write-off policy
- Indigent policy
- Contract Management policy
- Retention policy
- Cost Containment Management policy

## 9.2 Executive Summary

The municipality continues to find itself highly dependent on grants from the national fiscus which makes it impossible to contribute to the development and service delivery needs as these allocations do not depend on the municipality. Despite the municipality having implemented a number of incentives for property rates within the past four years where property rates tariffs remained unchanged, collection levels on household and business debt have not improved putting a strain on the limited resources required to deliver services. Monthly reports continue to show growth in the amounts owed to the municipality while resources are required to deliver services in the town area to keep it attractive for business investments. This unfortunately means that the municipality continues to utilise the grants allocated to assist the poor to deliver services in areas that are expected to be able to fund their own development. The report shows over R42 million decrease in the equitable share allocation to the municipality in the next year. This coupled with difficulties in collecting debt owed to the municipality may result in well over R50 million shortfall in funding to fund the municipal programmes. This then requires a serious balancing act that is coupled with realistic analysis of affordability.

### 9.2.1 Previous years audit outcomes

The municipality has, in the recent years, ensured that there are improved audit outcomes. This has been a concerted effort between the municipality's council and the management in ensuring that there are improved internal controls, historical issues and disparities in the reported information are dealt with and cleared, and that accounting records and procedures are carried out at appropriate intervals. This has seen the municipality receiving unqualified audit opinions since 2015/16 to 2019/20 financial years. The municipality seeks to improve on these achievements and avoid regression at all costs including the formation of a clean audit committee that is tasked with monitoring the implementation of the audit action plan as proposed by management and adopted by council.

### 9.2.2 mSCOA Implementation

The National Treasury issued a government gazette in 2014, directing that a Municipal Standard Chart of Accounts – mSCOA – would be used by all municipalities from July 01, 2017. This meant that all municipalities will have a common set of accounts from which to choose from, instead of each municipality having its own chart of accounts. This will result in a seamless reporting regime where information from all municipalities can be compared. The introduction of the business reform has meant that management needed to acquaint itself with the requirements and legislations that were meant to ensure implementation of mSCOA by July 01,

2017. The municipality complied with this requirement and the migration from the old system to the new system was done seamlessly with the assistance of the municipality's system vendors.

It is important to note that this did not represent a new system, but rather an introduction of a more detailed and streamlined way of doing business, starting from planning, where it guides you to do proper planning, informed by adequate costing. mSCOA also encourages revenue and expenditure items to be identified for what they really are and not grouped together with no detailed planning and calculation behind. We will now be able to identify the true cost of the projects that the municipality engages on, and be able to identify, from early on, the communities that stand to benefit from those projects.

Winnie Madikizela-Mandela Local Municipality is no different and has ensured that measures are put in place to ensure compliance. It is therefore important to note that we have made all efforts to ensure that the budget that will be approved is mSCOA compliant.

### **9.2.3 The impact of mSCOA on the virement policy**

Earlier treasury circulars highlighted the principles that must be incorporated into municipal virement policies. Those principles are still applicable and relevant. The only difference is that a transaction in mSCOA relates to six regulated segments, therefore all segments must be considered when making a virement. As a result of this we have had to review and update our reference to "vote" to align to the function segment and indicate the funding applicable to the item being transferred in relation to the funding segment. This therefore means that with the implementation of mSCOA, virements can only take place within a function or sub-function and the same source of funding. The creation of new projects and savings across functions can only take place through an adjustment budget. Virements are not permitted from the repairs and maintenance project in the project segment.

### **9.2.4 Clarification of core and non-core functions**

Core functions provides for the matters in terms of section 156 (1) of the Constitution. These are functions performed by local government and constitutionally assigned to local government in terms of Part B of Schedule 4 and Part B of Schedule 5. Non-core functions performed by local government that are constitutionally assigned to provincial government in terms of section 156(4) of the Constitution. Local government are compensated for delivering these functions on behalf of provincial government and typically receive a management fee from the provincial department.

#### **Version changes**

Version 6.5 is released with this circular, will be effective from 2021/22 and must be used to compile the 2021/22 MTREF and is available on the NT website;

By now, all municipalities should:

- Have acquired, upgraded and maintain the hardware, software and licences required to be and remain mSCOA compliant;
- Budget, transact and report on all six (6) legislated mSCOA segments and directly on the core financial system and submit the required data strings directly from this system to the LG Portal;
- Lock down the budget adopted by Council on the core municipal financial system before submitting the budget (ORGB) data string to the LG portal;
- Closed the core financial system at month-end as required in terms of the MFMA before submitting the monthly data string to the LGportal; and
- Generate regulated Schedules (A, B, C) directly from the core municipal financial systems.
- Municipality that have not achieved the above level of implementation as yet, should do the following:
- A road map must be provided to the National and respective provincial treasury to indicate how the municipality will become mSCOA compliant;

- The municipality's mSCOA Project Steering Committee (chaired by the Accounting Officer) must meet at least monthly (if not more often) to track the progress against the road map and take corrective action where required;
- Provincial treasury should be invited to the mSCOA Project Steering Committee meeting; and
- Progress against the road map should be presented at the Mid-Year Budget and Performance and Budget Benchmark engagements.

Municipalities are reminded to follow the required due diligence processes in terms of MFMA Circulars No. 80 and 93 and mSCOA Circulars No. 5 and 6 when they procure a core financial system. If the procured system will impose financial obligations on the municipality beyond the three years covered in the MTREF budget, then the provisions of Section 33 of the MFMA should be adhered to.

### **SLAs with system vendors must also be managed properly.**

The NT will conduct independent audits on all municipal core financial systems in 2020 to determine to what extent these systems comply with the functionality requirements and 15 business processes required in terms of mSCOA. These results will also inform the new transversal tender for the procurement of municipal financial and internal control systems.

### **Balance sheet and Cashflow budgeting**

A budgeted balance sheet is a report that management uses to predict the levels of assets, liabilities and equity based on the planned revenue and expenditure the current accounting period. The budgeted balance sheet shows where all of the accounts would be at the end of the period if actual performance matched the budgeted estimates. All revenue and expenditure impacts on the Financial Position of the municipality. Accurate cash flow information will assist the municipality to calculate the cash available using the historical trends.

The following should be considered when preparing estimations for balance sheet budgeting:

- The estimated revenue billings per month. Importantly, assumptions must be based on historical performance, projected growth, cost drivers and economic factors;
- Information on outstanding debtors, debt impairment and actual debt write offs;
- The roll forward movement accounts to establish opening balances; and
- Historical trends the sale of bulk electricity and water inform the estimation for bulk purchases.

Municipalities must not spend what they do not have available in the bank. It is important to link all revenue and expenditure to a funding source through the Fund segment when budgeting and transacting. The Fund segment must be used correctly for cash receipts and payments (i.e. FD001 and FD002). This will enable budgeting, transacting and reporting on the same data string and the identification of the actual cash available per funding source that can be utilised for service delivery. Non-funding should not be used.

Furthermore, budgeting, transacting and reporting must be done directly in and from the integrated ERP system solution on the relevant posting levels to sure that the built-in controls are triggered to prevent unauthorised expenditure. The high levels of unauthorized expenditure reported by the Auditor-General is evident that a number of municipalities are still working outside of their ERP systems and bypassing budget control functionality. Municipalities are required to implement balance sheet budgeting and movement accounting to ensure that the cash flow for the 2021/2022 MTREF is populated correctly. If the cash flow is not budget for correctly, transactions will be a challenge.

Municipalities should also ensure that the cash flow linkages to the regulated schedules and the Local Government Database and the municipal financial systems are aligned for the 2021/22 MTREF. The changes to mSCOA chart version 6.5 must be utilised

when preparing the 2021/22 MTREF. The changes to mSCOA chart version 6.5 was communicated in MFMA Circular 107 on 04 December 2020.

### 9.2.5 The South African Economy and Inflation Targets

The South African economy contracted by an estimated 7.2 per cent in 2020 compared with the 7.8 per cent contraction projected in the 2020 Medium Term Budget Policy Statement (MTBPS). The revised estimate results from easing lockdown restrictions in the third quarter and a faster-than-expected resumption of global growth, especially in China. The National Treasury projects real economic growth of 3.3 per cent in 2021, following an estimated contraction of 7.2 per cent in 2020. Real GDP growth is expected to moderate to 1.9 per cent in 2022 and 2023.

The outlook remains highly uncertain, and the economic effects of the pandemic are far-reaching. There were 1.7 million fewer jobs by the third quarter of 2020 compared to the same period in 2019. Rising unemployment and income losses have entrenched existing inequalities. GDP is only expected to recover to pre-pandemic levels in late 2023. High-frequency data for the third quarter, such as the volume of electricity distributed, mining and manufacturing output, business confidence and the ABSA Purchasing Managers' Index (PMI) shows evidence of a limited economic rebound.

Although growth rates are likely to improve quickly as restrictions are removed, based on current projections, the output is only expected to return to pre-pandemic levels in 2024. Given South Africa's structural constraints, its recovery will be slower than many of its developing-country peers. Industrial sectors (which include mining, manufacturing, construction and utilities) lagged substantially, undermined by structural constraints including unreliable electricity supply and weak public investment that preceded the pandemic. Over the next several years, the country requires the implementation of long-standing structural reforms to sustainably move to a higher growth path. These economic challenges will continue to exert pressure on municipal revenue generation and collection levels; hence a conservative approach is advised for revenue projections.

Over the next three years, municipalities will have to adjust to significant changes in expenditure plans while improving accountability. The 2021 Budget protects transfers that focus on infrastructure, service delivery and COVID-19 spending while reducing those spent less effectively. The 2021 Budget includes funding for initiatives to improve municipal revenue collection and support financially distressed municipalities.

Transfers to local government over the medium-term account for 9.4 per cent of nationally raised funds after providing for debt-service costs, the contingency reserve and provisional allocations. Local government's share of revenue has risen in relative terms because reductions to the public-service wage bill affect only national and provincial government. Local government transfers grow by an annual average of 5.2 per cent over the MTEF; the equitable share declines by 4.4 per cent and conditional grants grow by 7.3 per cent. As part of government's fiscal consolidation policies over the medium term, transfers to local government are reduced by R19.4 billion, including R14.7 billion from the local government equitable share, R2.7 billion from the general fuel levy and R2 billion in direct conditional grants. Conditional grants to be utilized for the intended purpose, within timeframes specified in the annual Division of Revenue Bill. Unspent funds to be returned to the fiscus and requests for rollovers will only be considered in extenuating circumstances.

The reduction to direct conditional grants includes R329 million from the municipal infrastructure grant and R21 million from the integrated urban development grant. These amounts have been reprioritised from underspending grants to fund a once-off councillor gratuity for non-returning councillors. The largest proportional reduction of R1.3 billion to local government grants has been made in the public transport network grant, because only six of the 13 cities receiving the grant have successfully launched public transport systems. Indirect conditional grants are reduced by R286 million over the period.

Government continues to reform the system of conditional grant transfers to local government based on the principles set out in the 2019 Budget Review. In 2021, government will expand the scope of the municipal infrastructure grant to allow municipalities to use up to 5 per cent of their allocation to develop infrastructure asset management plans. This change addresses poor asset management in municipalities.



In 2020, the integrated city development grant was repurposed to assist cities to build internal capacity or obtain technical support to prepare and package key infrastructure projects. This will continue in 2021 and private sector participation will be encouraged in these projects.

Two standalone informal settlement upgrading grants for provinces and municipalities will be introduced from 2021/22. These grants are made up of components previously within the human settlement's development grant and the urban settlements development grant for provinces and municipalities respectively. In addition, the Municipal Systems Improvement Grant scope is extended to fund comprehensive institutional diagnostic assessments of the 21 district areas where the district municipality is a water service authority and the development of institutional improvement/ support plans that will inform all future capacity development programmes and municipal support initiatives to enhance the continued rollout of the rollout of the District Development Model (DDM).

Government is also working with municipalities to increase their revenue raising potential. The Municipal Fiscal Powers and Functions Amendment Bill, which will be tabled shortly, will standardise the regulation of development charges.

DoE will complete an electrification master plan to guide the future allocation of funds between the Eskom, municipal, and non-grid components of the INEP. The Department of Transport will establish a national database for all road traffic and condition data to inform the prioritisation and monitoring of road maintenance across all roads.

The main risks to the economic outlook are continued policy uncertainties and deterioration in the finances of state-owned entities. These factors, alongside continued high unemployment and slow growth will continue to exert pressure on municipal revenue generation and collection levels hence a conservative approach is advised for municipal revenue projections. Municipalities affected by the drought should also consider its impact on revenue generation. In this context, municipalities will have to improve their efforts to limit non-priority spending and to implement stringent cost-containment measures.

### 9.3 Budget Assumptions

As the municipality provides services to the communities, a significant amount of costs are incurred and these must be recovered somehow from the consumers. This is where the issue of tariff setting comes in, and we have in this regard been guided by the municipality's performance in the previous financial years, and the guidelines set by the National Treasury in numerous circulars, last of which was MFMA Treasury Circular No. 107 and 108. According to this circular, municipalities must consider the following consumer price index or inflationary indications:

Fiscal year	2021 Estimate	2021/22 Forecast	2022/23 Forecast	2023/24 Forecast
Consumer Price Inflation - CPI	3.3%	3.9%	4.2%	4.4%

Local government also confronts tough fiscal choices in the face of financial and institutional problems that result in service-delivery breakdowns and unpaid bills. Municipalities can offset these trends by improving its own revenue collection, working more efficiently and implementing cost-containment measures.

The municipality's final budget has not anticipated any new revenue streams for the budget year and the medium term. This means the municipality will continue its dependency on the national fiscus. This is also impacted by the municipality's topography which is unfortunately rural with very little revenue base.

The NERSA guiding letter on the electricity tariffs has been assumed to be final for the purposes of this budget finalisation and the approval of tariffs will be based on that.

The impact of Covid-19 is expected to be felt for the whole of 2021/22 and beyond with expenditures being incurred by the municipality for the period and beyond. The following are the key budget assumptions used to prepare the draft budget with the guidance of National Treasury, NERSA, and SALGBC –

- 14.59% increase on electricity tariffs
- 17.8% increase on Electricity Bulk purchases
- 0% increase on property rates
- 6% provision for employee costs in the absence of a formal wage agreement that is currently being negotiated.
- 4% increase on the remuneration of councilors
- 3.9% for all other expenses, and
- 6.9% for other revenue municipal Tariffs

### 9.3.1 Revenue budgeting

There is a need for municipalities to focus on collecting revenues owed to them, and eliminate wasteful and non-core spending. Municipal budgets will be scrutinised to ensure that municipalities that expenditure is limited to the maximum revenue collected and not spend on money that they do not have. National Treasury encourages municipalities to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring the municipality's financial sustainability. The Consumer Price Index (CPI) is forecasted to be within the lower limit of the 3 to 6 per cent target band; therefore, municipalities are required to justify all increases in excess of the projected inflation target for 2021/22 MTREF in their budget narratives and pay careful attention to the differential incidence of tariff increases across all consumer groups. It is noted that the tariff increases by Eskom and Water Boards are above inflation and should be considered as such while determining cost-reflective tariffs. In addition, municipalities should include a detail of their revenue growth assumptions for the different service charges in the budget narrative.

Municipalities are cautioned against assuming collection rates that are unrealistic and unattainable as this has been identified as a fundamental reason for municipalities not attaining their desired collection rates. It is essential that municipalities pay attention to reconciling the valuation roll data to that of the billing system to ensure that revenue anticipated from property rates are accurate.

### 9.3.2 Setting Cost reflective Tariffs

Cost reflective tariff setting is a requirement of Section 74(2) of the Municipal Systems Act, 2000 (Act No.32 of 2000) which states that tariffs must "reflect the costs reasonably associated with rendering the service". An exercise was undertaken by NT to bring certainty when setting tariffs - tool and guide has been developed and it caters for all categories of municipalities. The emphasis is on setting tariffs for the four trading services namely water, sanitation, electricity and solid waste.

The National Treasury Municipal Costing Guide is available on the link below on the National Treasury website. Setting cost reflective tariffs is the start to improved budgeting and financial sustainability. Many municipalities have very high levels of Non-Revenue Water (NRW), and some also have high levels of Non-Revenue Electricity (NRE). NRW and NRE can be broken down into 'technical' and 'non-technical' losses\*. Reducing technical losses can reduce the tariffs required because the cost of supplying the service will be reduced

### 9.3.3 Eskom Bulk tariff Increases

The National Energy Regulator of South Africa (NERSA) is responsible for price determination of the bulk costs for electricity. In March, NERSA approved a municipal tariff increase of 6.9 per cent effective 1 July 2020 (1.2 per cent lower than the tariff increase in Multi-Year Price Determination (MYPD) 4 period due to differences in municipal and national financial years).

The equitable share formula uses the 9.9 per cent bulk tariff increase used when National Treasury calculated the baseline for this year in the 2020 MTEF period. Other (non-bulk) electricity costs are updated based on the National Treasury's inflation projections in the 2020 MTBPS. This is due to fiscal constraints and the fact that the court had not pronounced on the Eskom matter at the time that the budget was finalised.

The additional R10 billion that the courts have allowed Eskom to recover in the 2021/22 national financial year translates to a 15.6 per cent bulk increase over the national financial year. However, given that the increase only comes into effect in July for municipalities, NERSA typically allows a higher percentage increase so that Eskom can recover the additional allowable revenue from municipalities over 9 months before the national financial year ends. Therefore, the increase should be expected to be between 16 to 20 per cent. Municipalities can mitigate the negative impact of this increase by improving efficiencies on both the revenue collections and the spending side.

The outer two years of the 2021 MTEF use 8.9 per cent, which is an average annual tariff increase used for the NERSA's multi-year price determination period of 1 April 2019 to 31 March 2022. Moreover, the outer year is anticipated to be the first year of the MYPD 5 period, yet to be published

#### **9.3.4 The Public Consultations**

As detailed in the earlier paragraphs, the municipality has consulted the communities in relation to this budget and their inputs were incorporated before finalization and final approval by council. The annual budget as compiled for the 2021/22 financial year and the MTREF therefore addresses priorities as per the IDP consultation processes, bearing in mind the limited resources that the municipality has at its disposal. As indicated in earlier paragraphs, the leading need by the communities is electrification and access roads, the budget is biased towards these. The budget also endeavors to allocate resources for construction and maintenance of access roads that ensure communities have access to schools, clinics and other basic necessities. Sport development is crucial for social cohesion, and central to this is the construction of infrastructure that would ensure that youths in the communities have access to sporting facilities. The budget therefore allocates resources to such, as prioritized by communities.

#### **9.3.5 Policy Review**

The municipal council has reviewed a number of policies, proposing amendments to these policies and these are detailed in the later paragraphs in more detail. Most of the adjustments that have been proposed are necessitated by developments and changes in the requirements of key regulatory institutions like the National Treasury and the South African Revenue Services.

The preparation of the budget has relied mainly on the statistics as provided in the Community Survey of 2016 and the recent release. Although this has been the basis, we have kept in mind the growth of communities we serve within the municipality through recent community surveys. The assumptions utilized in the compilation of this budget have also been based on the guidance provided by the National Treasury on the inflationary indicators to be utilized. The guidance has also touched on the requirements and expectations from the National Energy Regulator of South Africa (NERSA) on the percentage increase that can be affected on electricity tariffs.

#### **9.3.6 Measurable Performance Objectives and Indicators**

As part of the IDP and budget compilation process, management has identified the strategic objectives and performance indicators that would enable the municipality to achieve on the mandated powers and functions. These have been set out in the IDP with measureable performance indicators, and the budgeted amounts for the 2021/22 financial year and the two outer years. This information has further been detailed more in the draft Service Delivery Budget Implementation Plan for the 2021/22 financial year which must be approved by the Mayor at least 28 days after the adoption of the budget. The objectives have further been provided with projects that will be implemented to achieve the set targets and these projects have been supported by project implementation plans for each of the projects. In view of the aforementioned, the following table is a consolidated overview of the proposed 2021/22 Medium-term Revenue and Expenditure Framework:

Table 1 Consolidated Overview of the 2021/22 MTREF

EC443 Winnie Madikizela Mandela - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>R thousand</b>	<b>1</b>									
<b>Revenue By Source</b>										
Property rates	2	19 597	18 967	21 251	25 189	25 189	25 189	26 171	27 271	28 470
Service charges - electricity revenue	2	29 507	31 229	33 884	32 578	32 578	32 578	38 809	41 763	44 980
Service charges - water revenue	2	—	—	—	—	—	—	—	—	—
Service charges - sanitation revenue	2	—	—	—	—	—	—	—	—	—
Service charges - refuse revenue	2	1 324	4 456	4 490	4 437	4 566	4 566	4 665	4 861	5 075
Rental of facilities and equipment		656	2 224	5 097	2 851	2 851	2 851	3 093	3 314	3 389
Interest earned - external investments		7 435	8 772	9 660	10 364	10 364	10 364	10 047	10 469	10 929
Interest earned - outstanding debtors		3 707	4 047	4 912	4 404	4 404	4 404	5 133	5 348	5 584
Dividends received		—	—	—	—	—	—	—	—	—
Fines, penalties and forfeits		1 646	1 038	2 066	948	850	850	938	971	1 007
Licences and permits		2 296	2 257	2 237	2 756	2 756	2 756	2 756	2 756	2 756
Agency services		1 150	1 271	1 021	1 218	1 218	1 218	1 265	1 319	1 377
Transfers and subsidies		205 435	235 250	269 065	282 528	355 440	355 440	295 690	306 697	299 293
Other revenue	2	8 165	1 362	738	1 470	1 398	1 398	1 466	1 485	1 506
Gains		338	19 024	7 526	—	—	—	—	—	—
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>281 258</b>	<b>329 895</b>	<b>361 946</b>	<b>368 742</b>	<b>441 612</b>	<b>441 612</b>	<b>390 032</b>	<b>406 252</b>	<b>404 365</b>
<b>Expenditure By Type</b>										
Employee related costs	2	85 788	107 255	104 852	119 133	119 194	119 194	126 854	132 216	137 964
Remuneration of councillors		22 485	23 223	23 970	25 036	25 036	25 036	26 007	27 099	28 292
Debt impairment	3	1 456	4 266	8 570	4 500	8 600	8 600	9 600	9 600	9 600
Depreciation & asset impairment	2	38 841	41 890	39 437	52 581	52 681	52 681	52 682	54 894	57 310
Finance charges		834	66	11	150	150	150	150	156	163
Bulk purchases - electricity	2	27 761	30 025	33 255	31 896	34 616	34 616	40 777	42 490	44 274
Inventory consumed	8	5 932	5 250	8 162	7 677	7 699	7 699	7 663	7 985	8 336
Contracted services		63 541	49 149	50 929	110 404	93 388	93 388	98 848	86 461	90 192
Transfers and subsidies		738	702	1 418	1 835	7 018	7 018	5 907	6 155	6 426
Other expenditure	4, 5	48 266	52 805	44 470	69 979	64 146	64 146	65 042	67 985	71 478
Losses		41 798	7 462	55 402	—	36 277	36 277	—	—	—
<b>Total Expenditure</b>		<b>337 440</b>	<b>322 093</b>	<b>370 477</b>	<b>423 190</b>	<b>448 803</b>	<b>448 803</b>	<b>433 529</b>	<b>435 041</b>	<b>454 035</b>
<b>Surplus/(Deficit)</b>		<b>(56 182)</b>	<b>7 802</b>	<b>(8 531)</b>	<b>(54 449)</b>	<b>(7 191)</b>	<b>(7 191)</b>	<b>(43 497)</b>	<b>(28 789)</b>	<b>(49 669)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		108 381	85 899	78 881	77 335	77 967	77 967	99 296	112 858	92 433
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	6									
Transfers and subsidies - capital (in-kind - all)										
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>52 199</b>	<b>93 702</b>	<b>70 350</b>	<b>22 886</b>	<b>70 776</b>	<b>70 776</b>	<b>55 799</b>	<b>84 068</b>	<b>42 764</b>
Taxation										
<b>Surplus/(Deficit) after taxation</b>		<b>52 199</b>	<b>93 702</b>	<b>70 350</b>	<b>22 886</b>	<b>70 776</b>	<b>70 776</b>	<b>55 799</b>	<b>84 068</b>	<b>42 764</b>
Attributable to minorities										
<b>Surplus/(Deficit) attributable to municipality</b>		<b>52 199</b>	<b>93 702</b>	<b>70 350</b>	<b>22 886</b>	<b>70 776</b>	<b>70 776</b>	<b>55 799</b>	<b>84 068</b>	<b>42 764</b>
Share of surplus/ (deficit) of associate	7									
<b>Surplus/(Deficit) for the year</b>		<b>52 199</b>	<b>93 702</b>	<b>70 350</b>	<b>22 886</b>	<b>70 776</b>	<b>70 776</b>	<b>55 799</b>	<b>84 068</b>	<b>42 764</b>

The table above shows the summary of the draft budget for the 2021/22 financial period with the outer years. The table shows that the expected revenue for the 2021/22 financial year adds up to just above R489 million.

### **9.3.7 Revenue**

The above table continues to show greater dependency of the municipality on the national fiscus through grants as these make up 80.72% of the municipality's anticipated revenues which is a decrease from 80.85% in the prior year with other sources anticipated to generate only 19.28% which means the municipality has very little resources to spend without prescribed conditions. This has a potential to limit the municipality in terms of the programmes it would like to implement to improve the lives of the people of Mbizana. The overall decrease in revenue is more than 6.15% taking the tune from the national performance as well where the country has seen no growth and negative in some sectors. This will unfortunately continue as the world at large continues to experience situations that have a potential of collapsing economies due to the outbreak of Covid-19 and its continued surge.

## **9.4 Operating expenditure**

### **9.4.1 Non-cash items**

These are expenditure items where no cash will be required to flow as these relate to the accounting for wear and tear of the municipal assets and impairment of portions of debtors considered to be irrecoverable based on the behaviour of individual debtors and their credit profile. These make up 14.37% of the municipality's operating expenditure.

### **9.4.2 Employee Related Cost**

Below are vacant positions that are included in the calculations of these draft budget amounts that have been agreed on with Corporate Services to ensure these are on the municipality's current organisational structure. In line with the national government's call to manage the public sector wage bill the municipality's employee costs budget plus remuneration of councillors makes up 35.26% of the operating budget excluding non-cash items which is very close to reaching the maximum limit permitted of 40%. Below are the details of vacant positions included in the final budget.

#### **Municipal Manager**

- IDP Co-Ordinator
- Monitoring and Evaluation Officer
- Senior Internal Auditor
- VIP Protector

#### **Budget and Treasury**

- Manager: Assets and Stores
- Accountant: Reporting

#### **Corporate Services**

- IT Technician
- Labour Relations Officer
- Fleet Management Officer
- Senior Human Resource Officer
- Receptionist

#### **Community Services**

- Manager: Social and Indigent Support Services

- Environmental Officer
- 2 X Examiners
- 2 X Wardens
- 2 X Security Guards
- Store Keeper
- 8 X General Assistants
- 2 X Drivers
- Administrative Clerk
- Cleansing Supervisor

### **Development Planning**

- Housing Co-Ordinator
- Town Planner

### **Engineering Services**

- Plant Operator
- Truck Driver
- Metering Technician
- Artisan

The above positions include those where recruitment processes have already commenced or concluded but the successful incumbents have not resumed duties yet. This is to ensure that all these are catered for in the municipal budget.

### **Remuneration of councillors**

An increase of 4% was used to accommodate any adjustments that might need to be implemented during the year once a new gazette on the remuneration of office bearers has been issued and also ensuring that we have catered for the grade 4 position of the municipality. The formula for the allocation of the Equitable share includes an allocation to support councillor remuneration and ward committees. This allocation for the budget year is R13.7 million requiring the municipality to also fund the remuneration of councillors from revenues internally generated.

### **Contracted Services**

This item relates to services and goods that can only be provided through the use of external service providers such as catering, hiring of transport, consultants, prepaid electricity vendors, professional services etc. This draft budget includes but not limited to the following allocations: -

- R8 million for outsourced security services
- R8.1 million for completion of Mabhekuteni electrification
- R5.5 million for legal services
- R2.2 million for completion of Bhekela to Mdatya electrification
- R4 million for maintenance of municipal buildings

- R4 million for casual labour for refuse removal
- R2.2 million for security casual labour
- R20.2 million for maintenance of roads and CBD
- R3.5 million for EPWP implementation
- R4.1 million for maintenance of electrical infrastructure
- R3.6 million on catering which is a reduction from R4.1 million in the current year
- R3.4 million on repairs of municipal vehicles

There are other municipal programmes included as review of asset register, survey of municipal land, maintenance of dumping site, servicing of Skip bins, internal audit co-sourcing and all other programmes.

### **Other Expenditure**

These are all other operational expenses of the municipality such as advertising, travel and subsidies, seminar and workshops etc. The following are some of the items that may require special mention when it comes to these expenditures even though the list does not mean these are the only allocated expenditures:

- R5.5 million for free basic services and indigent support
- R6.9 million for maintenance of IT systems and rentals thereof
- R3.9 million for communication in the form of telephone, fax and cellphones
- R5.2 million for external audit fees
- R4.9 million for accommodation of Municipal Officials and Councillors which is a decrease from R5.2 million in the current year
- R4.1 million for Accident liability and Workman's compensation
- R3.3 million for SALGA levies and tuitions fees for training and development
- R3.8 fuel for municipal vehicles and plant

There are other smaller items budgeted for that are not included on the explanations above due to their values being small individually.

### **Inventory**

These are operational items that are distributed in the administration of the municipality. Included are the following major categories of these expenses: -

- Covid-19 PPE
- Stationary
- Refuse bags
- Electrical material
- Cleaning material

**EC443 Winnie Madikizela Mandela - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)**

Vote Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Revenue by Vote	1									
Vote 1 - Executive and Council		–	150	–	–	–	–	–	–	–
Vote 2 - Corporate Services		249	288	352	280	280	280	293	309	326
Vote 3 - Budget Treasury Office		239 291	286 287	311 534	296 215	350 379	350 379	309 070	324 413	317 703
Vote 4 - Community Services		9 130	11 387	15 605	11 811	13 432	13 432	13 743	10 501	10 835
Vote 5 - Development Planning		62	316	110	25 621	42 680	42 680	46 467	50 569	28 954
Vote 6 - Engineering Services		140 907	117 367	113 226	112 149	112 806	112 806	119 755	133 317	138 981
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	389 639	415 795	440 828	446 077	519 579	519 579	489 328	519 110	496 798
Expenditure by Vote to be appropriated	1									
Vote 1 - Executive and Council		67 542	75 333	69 498	83 121	81 598	81 598	83 323	86 642	90 890
Vote 2 - Corporate Services		40 227	44 200	48 181	57 123	56 612	56 612	59 154	61 634	64 342
Vote 3 - Budget Treasury Office		65 675	25 305	26 759	30 707	34 797	34 797	37 982	39 398	40 682
Vote 4 - Community Services		43 703	54 695	62 453	74 211	74 925	74 925	78 225	76 388	79 731
Vote 5 - Development Planning		42 173	17 546	16 060	25 425	31 488	31 488	29 061	30 282	31 614
Vote 6 - Engineering Services		78 119	105 014	147 526	152 604	169 383	169 383	145 783	140 697	146 775
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	337 440	322 093	370 477	423 190	448 803	448 803	433 529	435 041	454 035
Surplus/(Deficit) for the year	2	52 199	93 702	70 350	22 886	70 776	70 776	55 799	84 068	42 764

## 9.5 REVENUE

Anticipated revenues have drastically decreased compared to the 2020/21 budget and this is due to mainly a decrease in grants as may be seen on the table above indicating the grants that have been confirmed for the municipality especially the Equitable share.

This is a worrying picture though considering that the municipality's demands have grown more than the anticipated resources. This is probably one of the most challenging budgets that the municipality will ever produce in the current economic climate.

## 9.6 EXPENDITURE

### MM's Office and Council expense

This has taken into account submissions made during the budget sessions and these have been taken into account using the set limits for the overall expenditures and then using those to reprioritise.

### Budget and Treasury

The major contributors are depreciation, external audit fees. Significant projects in the department are those of the review of the infrastructure fixed assets register, implementation of the contract management findings and action plan thereof.



### Corporate Services

The major expenditures relate to repairs of municipal vehicles, fuel and oil, ICT licenses, SALGA levies, website maintenance, insurance for municipal assets and employees including councillors, telephone and fax as well as other operational expenses.

### Development Planning

The department has made provisions for valuation services, Spluma, Tourism, agricultural events and development of SMME's including any support that is provided by the municipality to those. There are also provisions for surveying of municipal properties including the legal fees involved in the process.

### Community and Social Services

The department has made provision for the rehabilitation of the landfill site, provision of security services, public safety awareness campaigns, the operation and maintenance of the municipal pound, provision of free basic energy, protective clothing and other uniforms. The department on top of the EPWP grant funded casuals has made a provision for more casual labour to assist in the refuse removal services of the municipality. They have also requested overtime to be allocated more funds to cater for public holidays and other special events.

### Road Engineering

The allocations made relate to the day to day operations of the department. There are also allocations for fuel and oil for the municipal plant which will be used to maintain some of the roads within the municipality. A provision of R18.8 million has been made to cater for external road maintenance and CBD maintenance, and R4 million for maintenance of municipal buildings.

### Electricity

The department's biggest allocation has gone to the electricity purchases which is paid to Eskom for the supply of electricity. There are also allocations of over R3.6 million that are made for purchase of electrical material and maintenance of electrical infrastructure. In addition to these there is an allocation of over R11.5 million for electrification in the two wards indicated earlier when dealing with contracted services.

### Operating Revenue Framework

Winnie Madikizela-Mandela Local Municipality strives to provide its communities with the required services and for it to succeed in doing that, it has to ensure that it has an operating revenue framework that ensures that it is able to fund its operations. This talks to the fact that there must be strategies in place to maximize the collection of revenue from the streams that already exist, but as well identify new revenue streams to augment the existing ones. A revenue enhancement strategy that was approved by the council in 2014 has been reviewed and is accompanied by a proposed implementation plan to ensure implementability which was a big miss on the initial strategy.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Growth in the Municipal area and continued economic development;
- Efficient revenue management;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Achievement of full cost recovery of specific user charges especially in relation to trading services;
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;

- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA) as amended;
- Increase ability to extend new services and recover costs;
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the Municipality.

In preparing the budgets, realistically anticipated revenues have been considered, and as has been indicated several times earlier, the tough economic conditions reflect on the reduces anticipated revenues. Electricity and refuse removal show a slight increase and the main consideration has been the declining trend over the past few years, coupled with the weak performance of the said items in terms of revenue collection.

#### Reconciliation of grants allocations

<b>Reconciliaton of Winnie Madikizela-Mandela Local Municipality allocations for 21/22 MTREF</b>					
	<b>Revised 2020/21</b>	<b>Change</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>
<b>National Allocations</b>					
<b>Operational</b>	<b>353 835 316</b>	<b>-38 825 816</b>	<b>315 009 500</b>	<b>306 152 000</b>	<b>298 723 000</b>
Equitable Share	332 422 000	-42 802 000	289 620 000	304 052 000	296 623 000
Financial Management Grant	2 000 000	-	2 000 000	2 100 000	2 100 000
Municipal Disaster Management Grant	5 474	-5 474	-	-	-
Expanded Public Works Programme	2 389 000	1 181 000	3 570 000	-	-
Municipal Infrastructure Grant	-	-	-	-	-
Government Support Grant	17 018 842	2 800 658	19 819 500		
<b>Capital</b>	<b>80 556 589</b>	<b>-1 080 589</b>	<b>79 476 000</b>	<b>90 038 000</b>	<b>85 433 000</b>
Municipal Infrastructure Grant	48 049 000	2 974 000	51 023 000	55 038 000	57 433 000
Integrated National Electrification	32 507 589	-4 054 589	28 453 000	35 000 000	28 000 000
		-			
<b>Provincial Allocations</b>					
<b>Operational</b>	<b>1 104 438</b>	<b>-604 438</b>	<b>500 000</b>	<b>545 000</b>	<b>570 000</b>
Green Municipality Grant	401 905	-401 905	-	-	-
Library Grant	702 533	-202 533	500 000	545 000	570 000
		-	-	-	-
		-	-	-	-
<b>TOTAL ALLOCATIONS</b>	<b>435 496 343</b>	<b>-40 510 843</b>	<b>394 985 500</b>	<b>396 735 000</b>	<b>384 726 000</b>

Table 2 Summary of revenue classified by main revenue source

EC443 Winnie Madikizela Mandela - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>R thousand</b>	<b>1</b>									
<b>Revenue By Source</b>										
Property rates	2	19 597	18 967	21 251	25 189	25 189	25 189	26 171	27 271	28 470
Service charges - electricity revenue	2	29 507	31 229	33 884	32 578	32 578	32 578	38 809	41 763	44 980
Service charges - water revenue	2	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	2	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	2	1 324	4 456	4 490	4 437	4 566	4 566	4 665	4 861	5 075
Rental of facilities and equipment		656	2 224	5 097	2 851	2 851	2 851	3 093	3 314	3 389
Interest earned - external investments		7 435	8 772	9 660	10 364	10 364	10 364	10 047	10 469	10 929
Interest earned - outstanding debtors		3 707	4 047	4 912	4 404	4 404	4 404	5 133	5 348	5 584
Dividends received		–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		1 646	1 038	2 066	948	850	850	938	971	1 007
Licences and permits		2 296	2 257	2 237	2 756	2 756	2 756	2 756	2 756	2 756
Agency services		1 150	1 271	1 021	1 218	1 218	1 218	1 265	1 319	1 377
Transfers and subsidies		205 435	235 250	269 065	282 528	355 440	355 440	295 690	306 697	299 293
Other revenue	2	8 165	1 362	738	1 470	1 398	1 398	1 466	1 485	1 506
Gains		338	19 024	7 526	–	–	–	–	–	–
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>281 258</b>	<b>329 895</b>	<b>361 946</b>	<b>368 742</b>	<b>441 612</b>	<b>441 612</b>	<b>390 032</b>	<b>406 252</b>	<b>404 365</b>

Table 3 Percentage growth in revenue by main revenue source

EC443 Winnie Madikizela Mandela - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	% Change	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>R thousand</b>	<b>1</b>										
<b>Revenue By Source</b>											
Property rates	2	19 597	18 967	21 251	25 189	25 189	25 189	4%	26 171	27 271	28 470
Service charges - electricity revenue	2	29 507	31 229	33 884	32 578	32 578	32 578	19%	38 809	41 763	44 980
Service charges - water revenue	2	–	–	–	–	–	–		–	–	–
Service charges - sanitation revenue	2	–	–	–	–	–	–		–	–	–
Service charges - refuse revenue	2	1 324	4 456	4 490	4 437	4 566	4 566	2%	4 665	4 861	5 075
Rental of facilities and equipment		656	2 224	5 097	2 851	2 851	2 851	8%	3 093	3 314	3 389
Interest earned - external investments		7 435	8 772	9 660	10 364	10 364	10 364	-3%	10 047	10 469	10 929
Interest earned - outstanding debtors		3 707	4 047	4 912	4 404	4 404	4 404	17%	5 133	5 348	5 584
Dividends received		–	–	–	–	–	–		–	–	–
Fines, penalties and forfeits		1 646	1 038	2 066	948	850	850	10%	938	971	1 007
Licences and permits		2 296	2 257	2 237	2 756	2 756	2 756	0%	2 756	2 756	2 756
Agency services		1 150	1 271	1 021	1 218	1 218	1 218	4%	1 265	1 319	1 377
Transfers and subsidies		205 435	235 250	269 065	282 528	355 440	355 440	-17%	295 690	306 697	299 293
Other revenue	2	8 165	1 362	738	1 470	1 398	1 398	5%	1 466	1 485	1 506
Gains		338	19 024	7 526	–	–	–		–	–	–
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>281 258</b>	<b>329 895</b>	<b>361 946</b>	<b>368 742</b>	<b>441 612</b>	<b>441 612</b>	<b>49%</b>	<b>390 032</b>	<b>406 252</b>	<b>404 365</b>

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

The own revenue generation of the municipality is pillared mainly by electricity distribution and levying of property rates. Although the municipality to a larger extent relies on grants, these own revenue sources remain very important and all efforts need to be made to ensure that maximum returns are realized on them. Property Rates depend on the availability of the updated valuation roll to be levied. A valuation roll that has been finalized is coming to an end of its validity although it is under constant challenge from the rate payers. The availability of the valuation roll has meant that a detailed and involved process is followed to determine the tariff to be levied instead of using unreliable methods of calculations. The latest valuation roll, updated with the supplementary valuations was utilized in arriving at the possible amounts that can be raised out of property rates.

Electricity distribution forms a significant part of the own funding by the municipality. The performance of this stream of revenue has been under considerable strain over the past few years, and it has become difficult to expect an immediate change out of it, however measures implemented over the past financial year and during the year have begun to show some positive results which still need to be monitored closely.

**Table 4 Operating Transfers and Grant Receipts**

**EC443 Winnie Madikizela Mandela - Supporting Table SA18 Transfers and grant receipts**

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>RECEIPTS:</b>	1, 2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		235 531	267 685	290 700	311 814	369 324	369 324	323 643	341 152	333 723
Local Government Equitable Share		197 681	230 525	260 384	278 139	332 422	332 422	289 620	304 052	296 623
Finance Management		2 145	2 215	2 215	2 000	2 000	2 000	2 000	2 100	2 100
EPWP Incentive		1 704	2 335	2 452	2 389	2 389	2 389	3 570	–	–
Integrated National Electrification Programme		34 001	32 610	24 934	29 286	32 508	32 508	28 453	35 000	35 000
		–	–	–	–	–	–	–	–	–
Disaster Grant		–	–	715	–	5	5	–	–	–
<b>Provincial Government:</b>		850	448	3 130	–	1 604	1 604	500	545	570
Sport and Recreation		350	448	246	–	1 203	1 203	500	545	570
		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
Greenest Municipality		500	–	2 884	–	402	402	–	–	–
<b>District Municipality:</b>		–	–	–	–	–	–	–	–	–
[insert description]		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
<b>Other grant providers:</b>		–	–	–	–	–	–	–	–	–
[insert description]		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
<b>Total Operating Transfers and Grants</b>	5	236 381	268 133	293 830	311 814	370 929	370 929	324 143	341 697	334 293
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		59 678	59 416	48 362	48 049	62 478	62 478	70 843	77 858	57 433
Municipal Infrastructure Grant (MIG)		59 678	59 416	48 362	48 049	45 459	45 459	51 023	55 038	57 433
Neighbourhood Development Partnership		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
General Budget Support Grant		–	–	–	–	17 019	17 019	19 820	22 820	–
<b>Provincial Government:</b>		21 277	–	–	–	–	–	–	–	–
Provincial Electrification Grant		21 277	–	–	–	–	–	–	–	–
<b>District Municipality:</b>		–	–	–	–	–	–	–	–	–
[insert description]		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
<b>Other grant providers:</b>		–	–	–	–	–	–	–	–	–
[insert description]		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
<b>Total Capital Transfers and Grants</b>	5	80 955	59 416	48 362	48 049	62 478	62 478	70 843	77 858	57 433
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		317 336	327 549	342 192	359 863	433 406	433 406	394 986	419 555	391 726

Table 4 shows the operating grants that the municipality has been allocated for the 2021/22 financial period and the MTREF. The Equitable Share has decreased to R289 million and the municipality revenue has grant funding in the excess of R394million. It is important to note though that the INEP allocation has also decreased putting more pressure on the municipal resources when it comes to funding of the capital budget.

**Financial Management Grant (FMG):** This grant is meant to assist in ensuring that financial management systems of the municipality are functioning and that the staff complement at the Budget and Treasury Office is adequately capacitated in terms of skill and understanding of accounting and municipal finance.

**Municipal Infrastructure Grant (MIG) (Operational):** The MIG is meant for the development of infrastructure within the municipality, but then 5% of that is utilized for project management, payment of salaries of specific staff members and planning for those infrastructure projects.

**Department of Sport and Culture – Library:** The grant is meant to assist in the running of the library, including ensuring that the library is appropriately stocked with books.

**Expanded Public Works Program Grants:** This is meant to assist municipalities and the government to create labour intensive employment opportunities for the previously disadvantaged communities.

**Integrated National Electrification Program Grant:** This is meant to assist in the eradication of electricity infrastructure backlogs in the rural communities.

## **9.7 Tariff Setting for the 2021/22 and MTREF Period**

As part of generating own revenue, the municipality needs to set tariffs for the revenue streams for which it has been made responsible in terms of various legislations. For example, the Municipal Property Rates Act empowers the municipality to levy rates on all rateable properties. A number of considerations have been taken into consideration in setting up the tariffs to be utilized from July 01, 2021 as indicated in earlier paragraphs. The municipality has not been immune to the adverse economic conditions that are currently experienced throughout the country and more so as a result of Covid-19 economic disruptions. These conditions have been taken into consideration as the tariffs were being set and all the input costs that go into providing the specific services.

### **9.7.1 Property Rates**

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process. In determining the tariff, the municipality has considered the values of properties on which the municipality will levy rates, the amounts desirable from rates for budget purposes, and the historic tariffs of the previous financial years. The Property Rates policy is one of the most important documents that we utilise in the determination of property rates. It should be kept in mind though that the Municipal Property Rates Act remains the reference point for this policy.

The following stipulations in the Property Rates Policy are highlighted:

- The first R15 000 of the market value of a property used for residential purposes is excluded from the rate-able value (Section 17(h) of the MPRA). In addition to this rebate, a further R40 000 reduction on the market value of a property will be granted in terms of the municipality's own Property Rates Policy. This is maintained from the previous financial year as there has not been any significant changes to the values of the properties;
- Details of further rebates and reductions are provided in the municipality's Property Rates Policy and the Indigent Policy.

The tariff structure has basically changed for residential and agricultural properties as shown in the table below. However, it was brought into our attention by the National CoGTA that we had in the previous financial years unfairly charged government departments a higher rate than all other properties whilst these are not in the business of making profits. The vacant land has been raised higher to discourage hoarding of pieces of land that have not been developed. We have therefore taken these into consideration in arriving at the tariff as shown below

Table 5 Comparison of proposed rates to be levied for the 2021/22 financial year

PROPERTY RATES	2020/2021	2021/2022	2022/2023	2023/2024
	R/c	R/c	R/c	R/c
Agriculture Properties	0.0067	0.0067	0.0072	0.0075
Residential	0.0067	0.0067	0.0072	0.0075
Business	0.0133	0.0133	0.0144	0.0151
Government	0.0120	0.0120	0.0130	0.0136
Vacant Land	0.0100	0.0100	0.0108	0.0113

### 9.7.2 Sale of Electricity and Impact of Tariff Increases

The municipality distributes electricity in the town area of Mbizana and to do this, a service charge must be levied in order to recover the costs incurred. There has been a noticeable increase in the revenue generated from electricity as a result of projects undertaken that has seen losses reduced. However, there is still a lot of work to be done to ensure that this service is at least able to sustain itself, and at some point, be able to provide enough revenue for other service delivery imperatives.

As guided by the NERSA approved guide for municipalities, we have therefore applied a 14.59% maximum increase. We have however made a provision of a higher increase of 17.8% increase on electricity purchases budget. This is what has been factored in and the tariffs are as follows: -

**Registered indigents will again be granted 50 kWh per 30-day period free of charge.**

DOMESTIC PREPAID					
TARIFF BLOCK	APPROVED 2020/2021 c/kwh	TARIFF @6.22%	TARIFF 2021/2022 @14.59% c/kwh	FORECASTED TARIFF 2022/2023 @4.4% c/kwh	FORECASTED TARIFF 2023/2024 @4.5% c/kwh
Block 1 (0-50 KWh)	1.0982		1.2583	1.3137	1.3728
Block 2 (51-350 KWh)	1.4120		1.6178	1.6890	1.7650
Block 3 (351-600 KWh)	1.9873		2.2769	2.3771	2.4841
Block 4 (>600 KWh)	2.3402		2.6814	2.7994	2.9254
DOMESTIC CONVENTIONAL (c/KWh)					
TARIFF BLOCK	APPROVED 2020/2021 c/kwh	TARIFF @6.22%	TARIFF 2021/2022 @14.59% c/kwh	FORECASTED TARIFF 2022/2023 @4.4% c/kwh	FORECASTED TARIFF 2023/2024 @4.5% c/kwh
Block 1 (0-50 KWh)	1.0982		1.2583	1.3137	1.3728
Block 2 (51-350 KWh)	1.4120		1.6178	1.6890	1.7650
Block 3 (351-600 KWh)	1.9873		2.2769	2.3771	2.4841
Block 4 (>600 KWh)	2.3402		2.6814	2.7994	2.9254

Basic Charge (R/Month)	224.35	R257.09	R268.40	280.47
COMMERCIAL TARIFFS				
COMMERCIAL SINGLE PHASE - CONVENTIONAL				
TARIFF DETAIL	APPROVED TARIFF 2020/2021 @6.22% c/kwh	TARIFF 2021/2022 @14.59% c/kwh	FORECASTED TARIFF 2022/2023 @4.4% c/kwh	FORECASTED TARIFF 2023/2024 @4.5% c/kwh
Basic Charge (R/ Month)	473.74	R542.86	R566.74	592.25
Energy Charge (c/KWh)	2.0782	2.3814	2.4862	2.5981
COMMERCIAL SINGLE PHASE - PRE-PAID				
TARIFF DETAIL	APPROVED TARIFF 2020/2021 @6.22% c/kwh	TARIFF 2021/2022 @14.59% c/kwh	FORECASTED TARIFF 2022/2023 @4.4% c/kwh	FORECASTED TARIFF 2023/2024 @4.5% c/kwh
Basic Charge (R/ Month)	473.74	R542.86	R566.74	592.25
Energy Charge (c/KWh)	2.0782	2.3814	2.4862	2.5981
COMMERCIAL THREE PHASE - CONVENTIONAL				
TARIFF DETAIL	APPROVED TARIFF 2020/2021 @6.22% c/kwh	TARIFF 2021/2022 @14.59% c/kwh	FORECASTED TARIFF 2022/2023 @4.4% c/kwh	FORECASTED TARIFF 2023/2024 @4.5% c/kwh
Basic Charge (R/ Month)	880.56	R1 009.03	R1 053.43	1100.84
Energy Charge (c/KWh)	1.9810	2.2700	2.3699	2.4765
COMMERCIAL THREE PHASE - PRE-PAID				
TARIFF DETAIL	APPROVED TARIFF 2020/2021 @6.22% c/kwh	TARIFF 2021/2022 @14.59% c/kwh	FORECASTED TARIFF 2022/2023 @4.4% c/kwh	FORECASTED TARIFF 2023/2024 @4.5% c/kwh
Basic Charge (R/ Month)	886.94	R1 016.34	R1 061.06	1108.81
Energy Charge (c/KWh)	1.9810	2.2700	2.3699	2.4765
INDUSTRIAL TARIFFS				
LARGE POWER USER (More than 100KVA Maximum Demand)				

TARIFF DETAIL	APPROVED 2020/2021 c/kwh	TARIFF @6.22%	TARIFF 2021/2022 @14.59% c/kwh	FORECASTED TARIFF 2022/2023 @4.4% c/kwh	FORECASTED TARIFF 2023/2024 @4.5% c/kwh
Basic Charge (R/ Month)	1474.01		R1 689.07	R1 763.39	1 842.75
Demand Charge (R/KVA)	254.93		R292.12	R304.98	318.70
Energy Charge (c/KWh)	0.9625		1.1029	1.1515	1.2033
<b>**EXCLUDING VAT (15%)</b>					
<b>Security deposit:-</b>	1 500		1 500	1 500	1 500
Every applicant for the supply of electricity within the Municipality shall pay a deposit sufficient to cover the estimated cost of three months supply of electricity to the premises concerned with a minimum deposit of :-					

### 9.7.3 Other Electricity Related Tariffs

<b>ELECTRICITY SERVICES - PRE-PAID AND CONVENTIONAL</b>				
<b>NEW CONNECTION FEES</b>	2020/2021	2021/2022	2022/2023	2023/2024
20 Amps ( Single Phase)	2 292	2 381	2 481	2 591
60 Amps ( Single Phase)	4 506	4 682	4 878	5 093
100 Amps ( 3 Phase)	5 989	6 223	6 484	6 769
Per Kva	6 529	6 784	7 069	7 380
<b>Inspection and testing of installation:- (new)</b>				
To inspect and/or test consumer's installation for the first test	0	316	329	344
Thereafter				
To inspect and/or test consumer's installation per inspection, per visit.	0	316	329	344
Testing of meters:-				
For the testing of a meter at the consumer's request, per meter, and a refund should the meter prove to be faulty				
<b>Connection fee:-</b>				
The connection fee in respect of any temporary supply, per connection	473	491	512	535
The connection fee / Administration fee in respect of any disconnection and reconnection of services cutt-offs	473	491	512	535
Meter movement fee in respect of meter relocation and redirecting the cable from 1 point to the other	488	507	528	552
<b>Hardware costs</b>				
Meter keypad replacement	612	636	663	692



<b>ELECTRICITY SERVICES - PRE-PAID AND CONVENTIONAL</b>				
Meter replacement :20 Amps ( Single Phase)	737	766	798	833
Meter replacement :60 Amps ( Single Phase)	866	900	938	979
Meter replacement :100 Amps ( 3 phase)	2006	2084	2172	2267
<b>Tampering fine (Illegal connection) (no VAT)</b>				
First temper	15 000	17 500	18 500	20 000
Second temper	20 000	22 500	25 000	27 500
Third temper(permanent disconnection )	25 000	27 500	30 000	32 500
Plus Cost of New meter - Cost + 10% Admin Fee + vat				
Any additional offence will constitute the removal of the supply to the premises concerned inclusive of cable and meters to be replaced at cost + 10% + vat payable in advance provided that any reconnection fee or penalty has to be paid prior to the supply being reconnected. The offences mentioned above will be deemed to be from date of application to date of termination of the electrical supply to the premises in question				
Any additional offence will constitute the removal of the supply to the premises concerned inclusive of cable and meters to be replaced at cost + 10% + vat payable in advance provided that any reconnection fee or penalty has to be paid prior to the supply being reconnected.				

#### 9.7.4 Waste Removal and Impact of Tariff Increases

Currently solid waste removal is operating at a deficit. It is widely accepted that the rendering of this service should at least break even, which is currently not the case. The Municipality will have to implement a solid waste strategy to ensure that this service can be rendered in a sustainable manner over the medium to long-term. The main contributors to this deficit are repairs and maintenance on vehicles, increases in general expenditure such as petrol and diesel and the cost of remuneration. Considering the deficit, it is recommended that a comprehensive investigation into the cost structure of solid waste function be undertaken, and that this include investigating alternative service delivery models. The outcomes of this investigation will be incorporated into the next planning cycle.

The following table compares current and proposed amounts payable from 1 July 2021:

Table 6 Comparison between current waste removal fees and increases

<b>REFUSE - RESIDENTIAL</b>	<b>2020/2021</b>	<b>2021/2022</b>	<b>2022/2023</b>	<b>2023/2024</b>
	R	R	R	R
Category 1	163	170	177	185
Category 2	328	341	356	372
Category 3	410	427	445	466
Category 4	657	683	714	746
Category 5	738	768	802	838
Category 6	492	512	535	559
Category 7	163	170	177	185
Category 8	309	322	336	351
Category 9	77	80	83	87
Category 10	451	469	490	512
Category 11	632	658	687	718
Category 12	629	655	683	714
*EXCLUDING VAT ( 5%)				
***ALL TARIFFS ARE INCLUSIVE OF 30% BASIC CHARGE PER CATEGORY				

REFUSE - COMMERCIAL	2020/2021	2021/2022	2022/2023	2023/2024
	R	R	R	R
Category 1	162	169	177	184
Category 2	440	458	478	500
Category 3	1 320	1 375	1 435	1 500
Category 4	1 651	1 718	1 794	1 875
Category 5.1	3 851	4 009	4 186	4 374
Category 5.2	2 751	2 864	2 990	3 124
Category 5.3	1 258	1 309	1 367	1 428
Category 5.4	629	655	683	714
Category 6	650	677	704	733
**EXCLUDING VAT (15%)				
***ALL TARIFFS ARE INCLUSIVE OF 30% BASIC CHARGE PER CATEGORY				

DUMPING SITE TARRIFS	2020/2021	2021/2022	2022/2023	2023/2024
	R	R	R	R
Disposal				
Bakki per load	79	82	86	90
Truck per load(4 ton)	136	143	150	156
Truck per load(8 ton and above)	240	240	251	261
Clean Rubble (clean Rubble)	0	0	0	0
RENT A SKIP SERVICE				
Daily	200	208	217	226
Weekly	650	677	704	733
Monthly	2 600	2 707	2 815	2 930

## Hiring of municipal facilities

	2020/2021	2021/2022	2022/2023	2023/2024
<b>HALL HIRE: URBAN AREA</b>	R	R	R	R
Daily rate	869	910	952	994
Hourly rate	145	152	159	166
Monthly rate	21 741	22 757	23 804	24 851
IEC Tarrifs Daily	527	553	578	603
IEC Tarrifs Monthly	13 194	13 761	14 353	14 970
Security	1 261	1 321	1 382	1 443
<b>HALL HIRE: RURAL AREA</b>				
Daily rate	650	678	707	738
Hourly rate	145	152	159	166
Monthly rate	10 271	10 276	10 281	10 734
IEC Tarrifs Daily	250	250	250	261
IEC Tarrifs Monthly	6 500	6 503	6 507	6 793
Security	614	644	674	704
<b>COMMUNITY PARKS AND OPEN SPACE</b>				
Group Entertainment	0	1 500	1 501	1 567

## Pound fees

POUND FEES	2020/2021	2021/2022	2022/2023	2023/2024
	R	R	R	R
Cattle, Horses, Donkeys and any other animal of similar size per day	67	67	67	67
Goats, sheep and other animals of the same size per day	40	40	40	40
If captured by SAPS(e.g. recovered stolen animals)	40	40	40	40
Motor vehicles	282	282	282	282
Other goods	48	48	48	48
Admission of guilt/Animal (large stock)	265	265	265	265
Admission of guilt/Animal (small stock)	106	106	106	106
Where there are more than five animals impounded, from the sixth animal, 50% of the daily rate will be charged. This charge will apply for animals belonging to one owner.				

## Library Services

<b>LIBRARY SERVICES</b>	<b>2020/2021</b>	<b>2021/2022</b>	<b>2022/2023</b>	<b>2023/2024</b>
Library membership	R	R	R	R
Adult	74	free	free	free
Children (12 years & older) per annum	44	free	free	free
Photocopy(B&W per page)	0	1	1	1
Color (per page)	0	3	3	3
Photocopying A3 page: Black and White	0	3	3	3
Photocopying A3 page: Colour	0	4	4	4
Printing A4: Black and White	0	5	5	6
Printing A4: Colour	0	7	7	8
Lost book (market value of the book and admin. Fees)	0	200	209	218
Overdue book returns	0	81	84	88
Book Tempered with	0	40	42	44

## Cemeteries

<b>CEMETERY FEES</b>	<b>2020/2021</b>	<b>2021/2022</b>	<b>2022/2023</b>	<b>2023/2024</b>
	R	R	R	R
Burial site - Adult	712	741	772	803
Burial site - Children	358	373	388	404
Burial site - Stillborn	140	146	152	158
Burial of ashes in existing grave	200	208	217	226
Exhumation fee (admin. Fees)	200	208	217	226
Burial site - Non- resident burial	1 000	1 041	1 084	1 128
Burial on reserved grave	356	371	386	402
Pernalty on extending grave	1 600	1 666	1 734	1 805

## 9.7.5 Other Municipal Tariffs

The municipality has other tariffs that are proposed to increase as follows:

### ***Vending and Hawking***

<b>BUSINESS LICENSING FEES - FORMAL BUSINESS TARIFF: VENDING AND HAWKING TARRIFS</b>	2020/2021	2021/2022	2022/2023	2023/2024
	R	R	R	R
Registration for permit	163	160	167	175
Hawker with stall renewal	313	310	324	338
Hawker without stall renewal	125	125	131	136
Registration of permit for bakkies	389	390	407	425
Renewal of permit for bakkies	639	650	679	709
Hawkers outside of town without stall (once off)	63	65	68	71
Registration for hawkers with stalls outside town	125	130	136	142
Renewal for hawkers with stalls outside town	125	130	136	142
<b>BUSINESS LICENSING FEES - FORMAL BUSINESS TARIFF</b>	2020/2021	2021/2022	2022/2023	2023/2024
	R	R	R	R
Registration fee: Sale and supply of meals	28	150	157	164
Registration fee: Health and entertainment	28	150	157	164
Registration fee: Mechanical electrical apparatus or devices (games) 3 or more	28	150	157	164
<i>NOTE: These fees are once off and only for registration fee.</i>				
Annual License fees (One year fee): Sale and supply of meals	252.81	380	397	415
Annual License fees (One year fee): Health and entertainment	252.81	380	397	415
Annual License fees (One year fee): Mechanical electrical apparatus or devices (games) 3 or more	252.81	380	397	415
<b>TARIFF OF CHARGES: ADVERTISING SIGNS AND HOARDINGS</b>				
(a) Signs approved by council In terms of advertising signs and Hoardings Policy category 1 the approval fee is R50.00 per square metre of advertising display or part thereof, with a minimum fee of R500.00 per application.				
(b) Signs approved by council In terms of advertising signs and Hoardings Policy category 2 (i.e. advertisements on banners or similar items) an application fee of R200.00 is required.				
(c) Signs approved by council In terms of advertising signs and Hoardings Policy category 3 (i.e. posters) –				
(i) an application fee of R1.00 per poster be paid to permit the display of posters of non-profit bodies only. These posters have to display the fundraising numbers of the bodies or a formal constitution has to be submitted to Council. No commercial advertising and logos of sponsors will appear on posters;				
(ii) an application fee of R5.00 per poster with a minimum fee of R200.00 be paid to permit the display of posters for religious, sporting, social and cultural events, with commercial advertising and logos of sponsors. The commercial advertising shall not exceed 20% of the area of the poster, not is any lettering to be larger than any other lettering;				
(iii) an application fee of R500.00 per candidate (fully refundable on removal) for a National, Provincial or Municipal election;				
(iv) an application fee of R5 000.00 per registered political party. (fully refundable on removal) for a Parliamentary, Provincial or Municipal referendum; and Page 40 of 40. ADVERTISING SIGNS AND HOARDING BY-LAW				
(d) Signs approved by council In terms of advertising signs and Hoardings Policy category 4 (Billboards, Spectaculars or any sign in excess of 24sq.m) an application fee of R500.00 is required for consideration of approval with a further amount of R100.00 per square metre of advertising display payable for a five year approval by council irrespective of whether the sign is erected on private or Council land.				

## Town Planning and Building Enforcement

**EXCLUDING VAT (5%)	2020/2021	2021/2022	2022/2023	2023/2024
Rezoning Application per m2	R	R	R	R
Erven 0 – 2500m2	2 465	2 268	2 368	2 474
Erven 2501 – 5000m2	4 587	4 220	4 406	4 604
Erven 5001 0 – 1 Ha	9 030	8 308	8 673	9 063
Erven 1, 0001Ha – 5Ha	11 877	10 927	11 408	11 921
Erven over 5Ha	16 252	14 952	15 610	16 312
Special Consent / Temporary Departure Application m2				
Erven 0 – 2500m2	2 002	1 842	1 923	2 009
Erven 2501 – 5000m2	4 123	3 793	3 956	4 138
Erven 5001 0 – 1 Ha	8 630	7 940	8 289	8 662
Erven 1, 0001Ha – 5Ha	11 679	10 744	11 217	11 722
Erven over 5Ha	15 390	14 159	14 782	15 447
Subdivision Application				
Erven 1-2	2 583	2 376	2 481	2 593
Erven 1-3	3 445	3 169	3 309	3 458
Erven 1-4	4 306	3 962	4 136	4 323
Erven 1-5	4 871	4 481	4 678	4 889
Erven 1-6	6 027	5 545	5 789	6 049
Erven 1-7	6 890	6 339	6 343	6 629
Erven 1-8	7 752	7 131	7 445	7 780
Erven 1-9	8 613	7 924	8 273	8 645
Erven 1-10	9 474	8 716	9 010	9 509
Erven more than 10	17 225	15 847	16 544	17 289
Departure Application from the scheme ( Building Lines, height, coverage etc)				
Erven 0 – 530m2	1 622	1 492	1 558	1 628
Erven 531– more	2 868	2 639	2 755	2 879
Application for the Removal of Restrictions	12 262	11 281	11 777	11 782
Zoning Certificate	159	146	153	160
Town Planning Scheme	398	366	382	399
Spatial Development Framework	663	610	637	665
Application for Consolidation of Erven	2 651	2 439	2 546	2 661
SG Diagram	1 326	1 219	1 273	1 330
Amendment of the Subdivisional Plan	3 419	3 146	3 284	3 432
Extension of Validity	5 842	5 375	5 611	5 864
Sale or Lease of Land( Application fees)	5 894	5 422	5 661	5 915
Contravention Fines and Penalties				
Newspaper(s) and government gazette Advertising Daily dispatch or Gov Gazette Tariff to be borne by the applicant				

**EXCLUDING VAT (6%)	2020/2021	2021/2022	2022/2023	2023/2024
Offences for contravention of Zoning: Uses not under Primary Use in terms of section 3 of the Mbizana Municipality Land Use Scheme Regulations and Uses not in column 2 of the Mbizana Land Use Scheme Regulations				
Special Residential	2 500	2 300	2 401	2 509
General Residential	3 000	2 760	2 881	3 011
General Business	2 500	2 760	2 881	3 011
Special Business	3 000	2 760	2 881	3 011
Commercial	3 000	2 760	2 881	3 011
Industrial'	3 000	2 760	2 881	3 011
Institutional	3 500	3 220	3 362	3 513
Educational	3 000	2 760	2 881	3 011
Municipal	3 000	2 760	2 881	3 011
Government	3 500	3 220	3 362	3 513
Public Garage	3 000	2 760	2 881	3 011
Open Space	2 500	2 300	2 401	2 509
Agricultural	2 500	2 300	2 401	2 509
Special	2 500	2 300	2 401	2 509
Undetermined	2 500	2 300	2 401	2 509
Proposed New Road and	5 000	4 600	4 802	5 019
Offences for contravention of Coverage: of the Transkei Standard Town Planning Scheme				
Contravention of section 25	4 000	3 680	3 842	4 015
Offences for contravention of Height: of the Transkei Standard Town Planning Scheme				
Contravention of section 26	4 000	3 680	3 842	4 015
Offences for contravention of Parking: Contravention of section 4 of the Mbizana Municipality Land Use Scheme read with section 4.12 of the Mbizana Spatial Planning Bylaw				
Special and General Residential	2 500	2 300	2 401	2 509
Business and Commercial Zones	4 000	3 680	3 842	4 015
Other zones	4 000	3 680	3 842	4 015
Offences for contravention of Building Lines: of the Transkei Standard Town Planning Scheme Offences for contravention:				
Contravention of s(10)& s(11)	3 500	3 220	3 362	3 513
Contravention of s(17); (18); (19); (20); (21); (22); (23); (24); (28); (29); (30); (31) and (32)	5 000	4 600	4 802	5 019

## 9.7.6 Operating Expenditure Framework

The Municipality's expenditure framework for the 2021/22 budget and MTREF is informed by the following:

- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- The capital programme is aligned to the asset renewal strategy and backlog eradication plan;
- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and
- Strict adherence to the principle of *no project plan no budget*. If there is no business plan no funding allocation can be made.

The following table is a high-level summary of the 2021/22 budget and MTREF (classified per main type of operating expenditure):

EC443 Winnie Madikizela Mandela - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	% Change	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand	1										
Revenue By Source											
Property rates	2	19 597	18 967	21 251	25 189	25 189	25 189	4%	26 171	27 271	28 470
Service charges - electricity revenue	2	29 507	31 229	33 884	32 578	32 578	32 578	19%	38 809	41 763	44 980
Service charges - water revenue	2	–	–	–	–	–	–		–	–	–
Service charges - sanitation revenue	2	–	–	–	–	–	–		–	–	–
Service charges - refuse revenue	2	1 324	4 456	4 490	4 437	4 566	4 566	2%	4 665	4 861	5 075
Rental of facilities and equipment		656	2 224	5 097	2 851	2 851	2 851	8%	3 093	3 314	3 389
Interest earned - external investments		7 435	8 772	9 660	10 364	10 364	10 364	-3%	10 047	10 469	10 929
Interest earned - outstanding debtors		3 707	4 047	4 912	4 404	4 404	4 404	17%	5 133	5 348	5 584
Dividends received		–	–	–	–	–	–		–	–	–
Fines, penalties and forfeits		1 646	1 038	2 066	948	850	850	10%	938	971	1 007
Licences and permits		2 296	2 257	2 237	2 756	2 756	2 756	0%	2 756	2 756	2 756
Agency services		1 150	1 271	1 021	1 218	1 218	1 218	4%	1 265	1 319	1 377
Transfers and subsidies		205 435	235 250	269 065	282 528	355 440	355 440	-17%	295 690	306 697	299 293
Other revenue	2	8 165	1 362	738	1 470	1 398	1 398	5%	1 466	1 485	1 506
Gains		338	19 024	7 526	–	–	–		–	–	–
Total Revenue (excluding capital transfers and contributions)		281 258	329 895	361 946	368 742	441 612	441 612	49%	390 032	406 252	404 365

The Salary and Wage Collective Agreement for the period 01 July 2018 to 31 June 2020 has come to an end and a new agreement is under consultation, which we hope will take into account the current fiscal constraints faced by government. Therefore, in the absence of any information in this regard from the South African Local Government Bargaining Council (SALGBC), municipalities are advised to take into account their financial sustainability when considering salary increases. It has been observed over the previous years that salary increases were above inflation. In addition, municipalities that could not afford such increases did not apply for exemption as provided by SALGBC.

Given the current economic condition exacerbated by the COVID-19 pandemic, municipalities are urged to consider projecting increases to wage that would reflect their affordability. Some municipalities are already not able to afford the current wage cost and would indeed have to apply no more than a zero per cent increase in the 2021/22 MTREF and exercise the option for exemption for any negotiated increase above the level of their affordability.

Therefore, should accounting officers fail to consider salary increases within the ambit of the municipality's available resources and financial position, such failure will constitute an act of financial misconduct as defined in section 171 of the MFMA read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings

Below are vacant positions that are included in the calculations of these draft budget amounts that have been agreed on with Corporate Services to ensure these are on the municipality's current organisational structure. In line with the national government's call to manage the public sector wage bill the municipality's employee costs budget plus remuneration of councillors makes up 35.26% of the operating budget excluding non-cash items which is very close to reaching the maximum limit permitted of 40%. Below are the details of vacant positions included in the draft budget.

#### Municipal Manager

- IDP Co-Ordinator
- Monitoring and Evaluation Officer
- Senior Internal Auditor
- VIP Protector

#### Budget and Treasury

- Manager: Assets and Stores
- Accountant: Reporting

#### **Corporate Services**

- IT Technician
- Labour Relations Officer
- Fleet Management Officer
- Senior Human Resource Officer
- Receptionist

#### **Community Services**

- Environmental Officer
- 2 X Examiners
- 2 X Wardens
- 2 X Security Guards
- Store Keeper
- 8 X General Assistants
- 2 X Drivers
- Administrative Clerk
- Cleansing Supervisor

#### **Development Planning**

- Manager: Planning and Land use
- Town Planner

#### **Engineering Services**

- Plant Operator
- Truck Driver
- Metering Technician
- Artisan

The above positions include those where recruitment processes have already commenced or concluded but the successful incumbents have not resumed duties yet. This is to ensure that all these are catered for in the municipal budget. No new positions are proposed to be added on the municipality's organisational structure for the next three financial years.

- **Free Basic Services: Basic Social Services Package**

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the Municipality's Indigent Policy. The cost of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act.



Table 9 Summary of operating expenditure by functional classification item

## EC443 Winnie Madikizela Mandela - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description		Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand		1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>Revenue - Functional</b>											
<b>Governance and administration</b>			239 540	286 725	311 887	321 684	375 849	375 849	335 535	351 993	346 500
Executive and council			—	—	—	—	—	—	—	—	—
Finance and administration			239 540	286 725	311 887	321 684	375 849	375 849	335 535	351 993	346 500
Internal audit			—	—	—	—	—	—	—	—	—
<b>Community and public safety</b>			5 616	4 597	5 779	4 942	6 046	6 046	5 479	5 610	5 728
Community and social services			525	135	328	181	1 383	1 383	680	725	750
Sport and recreation			—	—	—	—	—	—	—	—	—
Public safety			5 091	4 463	5 451	4 761	4 663	4 663	4 798	4 884	4 978
Housing			—	—	—	—	—	—	—	—	—
Health			—	—	—	—	—	—	—	—	—
<b>Economic and environmental services</b>			59 861	53 646	54 440	48 612	63 107	63 107	71 475	78 494	58 073
Planning and development			160	357	307	563	17 648	17 648	20 452	23 456	640
Road transport			59 701	53 289	54 133	48 049	45 459	45 459	51 023	55 038	57 433
Environmental protection			—	—	—	—	—	—	—	—	—
<b>Trading services</b>			84 621	70 825	68 722	70 839	74 577	74 577	76 840	83 014	86 497
Energy sources			81 107	64 036	58 896	63 969	67 191	67 191	68 576	78 123	81 391
Water management			—	—	—	—	—	—	—	—	—
Waste water management			—	—	—	—	—	—	—	—	—
Waste management			3 514	6 789	9 826	6 870	7 386	7 386	8 264	4 891	5 106
<b>Other</b>		4	—	—	—	—	—	—	—	—	—
<b>Total Revenue - Functional</b>		2	<b>389 639</b>	<b>415 795</b>	<b>440 828</b>	<b>446 077</b>	<b>519 579</b>	<b>519 579</b>	<b>489 328</b>	<b>519 110</b>	<b>496 798</b>
<b>Expenditure - Functional</b>											
<b>Governance and administration</b>			174 748	151 698	154 836	184 624	186 635	186 635	195 801	203 654	212 591
Executive and council			52 972	56 846	54 296	63 018	60 829	60 829	62 138	64 703	68 052
Finance and administration			119 154	91 957	97 700	116 150	119 884	119 884	127 983	133 165	138 559
Internal audit			2 622	2 894	2 841	5 457	5 921	5 921	5 679	5 787	5 979
<b>Community and public safety</b>			21 997	25 959	29 327	30 879	30 735	30 735	31 625	32 471	33 891
Community and social services			6 333	6 825	8 044	12 117	11 494	11 494	11 967	11 993	12 518
Sport and recreation			6 812	7 723	7 497	2 769	3 039	3 039	2 853	2 972	3 103
Public safety			8 536	11 295	13 777	15 014	15 222	15 222	15 769	16 425	17 142
Housing			315	116	9	980	980	980	1 037	1 080	1 128
Health			—	—	—	—	—	—	—	—	—
<b>Economic and environmental services</b>			60 876	75 511	68 983	100 216	108 211	108 211	105 923	110 462	115 295
Planning and development			45 391	21 194	19 309	28 221	34 695	34 695	31 356	32 729	34 125
Road transport			13 222	50 453	47 085	69 641	71 202	71 202	72 029	75 087	78 408
Environmental protection			2 263	3 863	2 589	2 353	2 315	2 315	2 539	2 645	2 762
<b>Trading services</b>			77 875	65 992	115 111	103 891	119 886	119 886	96 328	84 440	88 066
Energy sources			67 277	51 464	96 839	77 927	93 174	93 174	68 375	59 947	62 498
Water management			—	—	—	—	—	—	—	—	—
Waste water management			—	—	—	—	—	—	—	—	—
Waste management			10 598	14 528	18 271	25 964	26 712	26 712	27 952	24 493	25 568
<b>Other</b>		4	1 945	2 934	2 220	3 580	3 336	3 336	3 853	4 015	4 192
<b>Total Expenditure - Functional</b>		3	<b>337 440</b>	<b>322 093</b>	<b>370 477</b>	<b>423 190</b>	<b>448 803</b>	<b>448 803</b>	<b>433 529</b>	<b>435 041</b>	<b>454 035</b>
<b>Surplus/(Deficit) for the year</b>			<b>52 199</b>	<b>93 702</b>	<b>70 350</b>	<b>22 886</b>	<b>70 776</b>	<b>70 776</b>	<b>55 799</b>	<b>84 068</b>	<b>42 764</b>

The table above gives an overview of the operational expenditure per functional classification or by functional areas within the municipality.

- **Priority given to repairs and maintenance**

Aligned to the priority being given to preserving and maintaining the Municipality's current infrastructure, the 2021/22 budget and MTREF provide for extensive growth in the area of asset maintenance. In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services. Considering these cost drivers, the following table is a consolidation of all the expenditures associated with repairs and maintenance:

Table 10 Operational repairs and maintenance

<b>Repairs and Maintenance</b>	8									
Employee related costs		–	–	–	–	–	–	–	–	–
Inventory Consumed (Project Maintenance)		4 069	12	377	57	57	57	63	66	69
Contracted Services		6	5 796	12 422	30 986	33 442	33 442	34 208	35 158	36 722
Other Expenditure		–	–	–	12	–	–	–	–	–
<b>Total Repairs and Maintenance Expenditure</b>	9	4 075	5 809	12 799	31 055	33 499	33 499	34 271	35 224	36 791

An amount of R34.2 million has been set aside in the 2021/22 financial period for the maintenance of municipal assets. The amount is lower than the recommended treasury percentages, the municipality has taken a decision to rather purchase municipal plant and machinery which will be used to repair road infrastructure. This will ensure that there is improved access to all the wards in the municipality. There is also an increased need to repair other infrastructure assets like the municipal offices, community halls and the municipal vehicles.

Table 11 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

EC443 Winnie Madikizela Mandela - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>Cash and investments available</b>										
Cash/cash equivalents at the year end	1	94 528	123 463	173 644	210 467	198 890	198 890	191 598	197 422	188 706
Other current investments > 90 days		0	–	–	–	(0)	(0)	0	0	–
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–
<b>Cash and investments available:</b>		<b>94 528</b>	<b>123 463</b>	<b>173 644</b>	<b>210 467</b>	<b>198 890</b>	<b>198 890</b>	<b>191 598</b>	<b>197 422</b>	<b>188 706</b>
<b>Application of cash and investments</b>										
Unspent conditional transfers		–	6 687	8 116	–	–	–	0	0	–
Unspent borrowing		–	–	–	–	–	–	–	–	–
Statutory requirements	2	–	–	–	–	–	–	–	–	–
Other working capital requirements	3	(19 989)	(61 399)	(16 434)	(57 596)	(32 355)	(32 355)	(65 830)	(61 066)	(66 164)
Other provisions		–	–	–	–	–	–	–	–	–
Long term investments committed	4	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5	–	–	–	–	–	–	–	–	–
<b>Total Application of cash and investments:</b>		<b>(19 989)</b>	<b>(54 712)</b>	<b>(8 318)</b>	<b>(57 596)</b>	<b>(32 355)</b>	<b>(32 355)</b>	<b>(65 830)</b>	<b>(61 066)</b>	<b>(66 164)</b>
<b>Surplus(shortfall)</b>		<b>114 517</b>	<b>178 175</b>	<b>181 962</b>	<b>268 062</b>	<b>231 244</b>	<b>231 244</b>	<b>257 428</b>	<b>258 488</b>	<b>254 870</b>

The table above shows the budgeted cash reserves and these are based on the current cash reserves in the municipality. As indicated by the table, there is a need to ensure that these reserves are preserved and built up again. This is after these reserves have been made available for infrastructure development within the municipality.

## Capital expenditure

The following table provides a breakdown of budgeted capital expenditure by vote:

Vote Description R thousand	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>Capital expenditure - Vote</b>										
<b>Multi-year expenditure to be appropriated</b>	2									
Vote 3 - Budget Treasury Office		–	–	2 304	2 100	2 000	2 000	–	–	–
Vote 6 - Engineering Services		–	23 458	22 483	18 172	48 581	48 581	40 902	15 000	–
<b>Capital multi-year expenditure sub-total</b>	7	–	23 458	24 787	20 272	50 581	50 581	40 902	15 000	–
<b>Single-year expenditure to be appropriated</b>	2									
Vote 1 - Executive and Council		–	–	–	50	110	110	–	–	–
Vote 2 - Corporate Services		5 481	4 295	2 630	10 210	10 768	10 768	7 028	5 116	6 886
Vote 3 - Budget Treasury Office		96	–	–	–	200	200	–	–	–
Vote 4 - Community Services		2 027	926	5 164	5 401	5 970	5 970	3 150	1 900	3 300
Vote 5 - Development Planning		–	–	–	1 100	1 600	1 600	21 420	24 320	1 800
Vote 6 - Engineering Services		68 204	70 178	55 009	38 775	90 160	90 160	45 227	92 870	89 721
<b>Capital single-year expenditure sub-total</b>		<b>75 808</b>	<b>75 399</b>	<b>62 803</b>	<b>55 537</b>	<b>108 809</b>	<b>108 809</b>	<b>76 825</b>	<b>124 205</b>	<b>101 708</b>
<b>Total Capital Expenditure - Vote</b>		<b>75 808</b>	<b>98 857</b>	<b>87 590</b>	<b>75 808</b>	<b>159 390</b>	<b>159 390</b>	<b>117 727</b>	<b>139 205</b>	<b>101 708</b>

### Corporate services

The department has budgeted for the purchase of IT equipment, IT infrastructure and office furniture for the Civic Center.

### Development Planning

The department has budgeted for the construction of manufacturing hubs, a market place to assist with the cleaning and regulation of trading in the town area.

### Community & Social Services

The department has budgeted for fencing of recreational facilities, and pound equipment.

### Refuse Removal

The department has budgeted for the purchase of grass cutting machines.

### Road works and Engineering

The following are the projects budgeted for implementation based on the available resources:

- Mphuthumi Mafumbatha Stadium R 1 500 000
- Mbizana Civic Center R 28 402 021
- Upgrade of taxi rank R 11 000 000
- Lubekhele Access Road R 742 050
- Ebumnandini to Nqabeni Access Road R 1 500 000
- Mqonjwana to Greenville Access Road R 900 000
- VAV Memorial Access Road R 2 025 926
- Simakade Access Road R 3 025 926
- Mapheleni Access Road R 3 225 926
- Sidanga Bridge R 650 000
- Siginqi to Marina Access Road with Bridge R 250 000
- Construction of Tshongweni Access Road R 250 000
- Sixhaseni Access Road R 250 000

- Tshuze to Philisweni Access Road R 250 000
- Ward 4 community hall R 3 500 000
- Ward 20 community hall R3 500 000
- Ward 1 ECDC R 3 500 000

## Electricity

Included in the electricity budget are the following projects as per the available resources for the next financial year:

- Xolobeni, Mgungundlovu and Dumasi village electrification R 7 550 000.00
- Lower Ethridge and Msarhweni Villages R 4 625 000.00
- Electrification of Msarhweni Village R 4 625 000.00
- Electrification of Zizityaneni Village R 1 307 268.00
- Supply and installation of High Mast lights R 2 400 000.00
- Fencing of high mast lights R 150 000.00

Table 12 2021/22 Medium-term capital budget by vote, functional classification and funding

Vote Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>R thousand</b>	<b>1</b>									
<b>Capital expenditure - Vote</b>										
<b>Multi-year expenditure to be appropriated</b>	2									
Vote 3 - Budget Treasury Office		—	—	2 304	2 100	2 000	2 000	—	—	—
Vote 6 - Engineering Services		—	23 458	22 483	18 172	48 581	48 581	40 902	15 000	—
<b>Capital multi-year expenditure sub-total</b>	7	—	23 458	24 787	20 272	50 581	50 581	40 902	15 000	—
<b>Single-year expenditure to be appropriated</b>	2									
Vote 1 - Executive and Council		—	—	—	50	110	110	—	—	—
Vote 2 - Corporate Services		5 481	4 295	2 630	10 210	10 768	10 768	7 028	5 116	6 886
Vote 3 - Budget Treasury Office		96	—	—	—	200	200	—	—	—
Vote 4 - Community Services		2 027	926	5 164	5 401	5 970	5 970	3 150	1 900	3 300
Vote 5 - Development Planning		—	—	—	1 100	1 600	1 600	21 420	24 320	1 800
Vote 6 - Engineering Services		68 204	70 178	55 009	38 775	90 160	90 160	45 227	92 870	89 721
<b>Capital single-year expenditure sub-total</b>		75 808	75 399	62 803	55 537	108 809	108 809	76 825	124 205	101 708
<b>Total Capital Expenditure - Vote</b>		75 808	98 857	87 590	75 808	159 390	159 390	117 727	139 205	101 708
<b>Capital Expenditure - Functional</b>										
<b>Governance and administration</b>		13 070	9 277	5 265	12 760	13 478	13 478	7 028	5 316	7 086
Executive and council		—	—	—	50	110	110	—	—	—
Finance and administration		13 070	9 277	5 265	12 710	13 368	13 368	7 028	5 316	7 086
<b>Community and public safety</b>		7 048	2 408	1 902	3 191	3 660	3 660	2 450	1 500	2 200
Community and social services		7 048	2 408	160	1 300	1 900	1 900	1 650	1 400	2 000
Public safety		—	—	1 742	1 891	1 760	1 760	800	100	200
<b>Economic and environmental services</b>		22 170	22 397	57 899	55 747	110 319	110 319	85 891	91 604	56 361
Planning and development		—	—	26 486	25 272	59 579	59 579	72 822	39 320	1 800
Road transport		22 170	22 397	31 413	30 475	50 740	50 740	13 070	52 284	54 561
<b>Trading services</b>		33 520	64 775	22 524	4 110	31 933	31 933	22 357	40 786	36 060
Energy sources		33 520	64 775	19 592	2 300	30 023	30 023	21 657	40 586	35 160
Waste management		—	—	2 932	1 810	1 910	1 910	700	200	900
<b>Total Capital Expenditure - Functional</b>	3	75 808	98 857	87 590	75 808	159 390	159 390	117 727	139 205	101 708
<b>Funded by:</b>										
National Government		59 628	69 652	64 682	45 647	70 136	70 136	86 399	110 104	89 561
Provincial Government		—	—	—	—	200	200	—	—	—
<b>Transfers recognised - capital</b>	4	59 628	69 652	64 682	45 647	70 336	70 336	86 399	110 104	89 561
<b>Borrowing</b>	6	—	—	—	—	—	—	—	—	—
<b>Internally generated funds</b>		16 180	29 205	22 908	30 162	89 054	89 054	31 328	29 102	12 146
<b>Total Capital Funding</b>	7	75 808	98 857	87 590	75 808	159 390	159 390	117 727	139 205	101 708

The above table shows that the municipality's anticipated total capital budget is R117 million for the 2021/22 financial year which increases in the following year as a result of the increases in the grants allocation for infrastructure development. A summary of proposed allocations is as follows only highlighting the major line items allocated:

• Road infrastructure	R 13 million
• Electricity infrastructure	R 20 million
• Community Facilities	R 74 million
• Mbizana Civic Center	R28.4 million
• Mphuthumi Mafumbatha Stadium	R1.5 million
• Mbizana Taxi Rank	R11 million
• Community Halls (Ward 4 & 20)	R7 million
• Transport Assets	R 700 thousand
• Furniture and Office Equipment	R6.2 million
• Machinery and Equipment	R 300 thousand
• Computer Equipment	R 1.2 million

These are funded from conditional grants and internal funds which shows the municipality's commitment into delivering services.

### **Annual Budget Tables**

The following pages present the main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2021/22 budget and MTREF as approved by the Council. Each table is accompanied by *explanatory adopts* on the facing page.

Table 13 MBRR Table A1 - Budget Summary

## EC443 Winnie Madikizela Mandela - Table A1 Budget Summary

Description	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>R thousands</b>										
<b>Financial Performance</b>										
Property rates	19 597	18 967	21 251	25 189	25 189	25 189	21 918	26 171	27 271	28 470
Service charges	30 831	35 685	38 374	37 015	37 144	37 144	22 916	43 474	46 623	50 055
Investment revenue	7 435	8 772	9 660	10 364	10 364	10 364	4 783	10 047	10 469	10 929
Transfers recognised - operational	205 435	235 250	269 065	282 528	355 440	355 440	265 704	295 690	306 697	299 293
Other own revenue	17 959	31 222	23 596	13 646	13 476	13 476	8 212	14 651	15 193	15 618
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>281 258</b>	<b>329 895</b>	<b>361 946</b>	<b>368 742</b>	<b>441 612</b>	<b>441 612</b>	<b>323 533</b>	<b>390 032</b>	<b>406 252</b>	<b>404 365</b>
Employee costs	85 788	107 255	104 852	119 133	119 194	119 194	70 594	126 854	132 216	137 964
Remuneration of councillors	22 485	23 223	23 970	25 036	25 036	25 036	15 968	26 007	27 099	28 292
Depreciation & asset impairment	38 841	41 890	39 437	52 581	52 681	52 681	35 215	52 682	54 894	57 310
Finance charges	834	66	11	150	150	150	1	150	156	163
Inventory consumed and bulk purchases	33 693	35 276	41 417	39 573	42 314	42 314	21 105	48 440	50 474	52 610
Transfers and grants	738	702	1 418	1 835	7 018	7 018	1 139	5 907	6 155	6 426
Other expenditure	155 061	113 681	159 372	184 883	202 410	202 410	58 293	173 490	164 046	171 270
<b>Total Expenditure</b>	<b>337 440</b>	<b>322 093</b>	<b>370 477</b>	<b>423 190</b>	<b>448 803</b>	<b>448 803</b>	<b>202 315</b>	<b>433 529</b>	<b>435 041</b>	<b>454 035</b>
<b>Surplus/(Deficit)</b>	<b>(56 182)</b>	<b>7 802</b>	<b>(8 531)</b>	<b>(54 449)</b>	<b>(7 191)</b>	<b>(7 191)</b>	<b>121 218</b>	<b>(43 497)</b>	<b>(28 789)</b>	<b>(49 669)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	108 381	85 899	78 881	77 335	77 967	77 967	43 801	99 296	112 858	92 433
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>52 199</b>	<b>93 702</b>		<b>22 886</b>	<b>70 776</b>	<b>70 776</b>	<b>165 019</b>	<b>55 799</b>	<b>84 068</b>	<b>42 764</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>52 199</b>	<b>93 702</b>	<b>-</b>	<b>22 886</b>	<b>70 776</b>	<b>70 776</b>	<b>165 019</b>	<b>55 799</b>	<b>84 068</b>	<b>42 764</b>
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>	<b>75 808</b>	<b>98 857</b>	<b>87 590</b>	<b>75 808</b>	<b>159 390</b>	<b>159 390</b>	<b>40 561</b>	<b>117 727</b>	<b>139 205</b>	<b>101 708</b>
Transfers recognised - capital	59 628	69 652	64 682	45 647	70 336	70 336	25 796	86 399	110 104	89 561
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	16 180	29 205	22 908	30 162	89 054	89 054	14 765	31 328	29 102	12 146
<b>Total sources of capital funds</b>	<b>75 808</b>	<b>98 857</b>	<b>87 590</b>	<b>75 808</b>	<b>159 390</b>	<b>159 390</b>	<b>40 561</b>	<b>117 727</b>	<b>139 205</b>	<b>101 708</b>
<b>Financial position</b>										
Total current assets	178 180	204 603	279 015	288 379	301 674	301 674	465 211	277 032	300 062	298 016
Total non current assets	606 659	675 090	679 499	708 556	749 931	749 931	705 291	789 359	808 604	768 670
Total current liabilities	49 851	51 366	58 261	36 636	80 577	80 577	89 033	49 384	53 220	46 988
Total non current liabilities	4 319	3 920	5 495	3 920	5 495	5 495	7 071	5 495	5 495	5 495
Community wealth/Equity	730 669	824 407	894 758	956 378	965 533	965 533	1 049 534	1 011 512	1 049 951	1 014 204
<b>Cash flows</b>										
Net cash from (used) operating	118 799	121 501	136 178	65 440	146 046	146 046	-	129 537	142 465	96 757
Net cash from (used) investing	(75 023)	(92 567)	(85 996)	(70 114)	(120 843)	(120 843)	-	(119 176)	(136 641)	(105 474)
Net cash from (used) financing	(16 274)	-	-	-	43	43	-	-	-	-
<b>Cash/cash equivalents at the year end</b>	<b>94 528</b>	<b>123 463</b>	<b>173 644</b>	<b>210 467</b>	<b>198 890</b>	<b>198 890</b>	<b>-</b>	<b>191 598</b>	<b>197 422</b>	<b>188 706</b>
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available	94 528	123 463	173 644	210 467	198 890	198 890	323 455	191 598	197 422	188 706
Application of cash and investments	(19 989)	(54 712)	(8 318)	(57 596)	(32 355)	(32 355)	49 194	(65 830)	(61 066)	(66 164)
<b>Balance - surplus (shortfall)</b>	<b>114 517</b>	<b>178 175</b>	<b>181 962</b>	<b>268 062</b>	<b>231 244</b>	<b>231 244</b>	<b>274 261</b>	<b>257 428</b>	<b>258 488</b>	<b>254 870</b>
<b>Asset management</b>										
Asset register summary (WDV)	606 659	675 090	679 499	653 909	614 062	614 062	614 062	682 761	676 514	676 949
Depreciation	38 841	39 506	39 437	52 581	52 681	52 681	52 681	52 682	54 894	57 310
Renewal and Upgrading of Existing Assets	-	23 458	22 731	28 172	63 995	63 995	63 995	40 902	18 016	-
Repairs and Maintenance	4 075	5 809	12 799	31 055	33 499	33 499	33 499	34 271	35 224	36 791
<b>Free services</b>										
Cost of Free Basic Services provided	1 475	1 561	1 819	1 901	1 901	1 901	1 156	1 156	1 207	1 260
Revenue cost of free services provided	302	292	-	393	393	393	408	408	425	444
<b>Households below minimum service level</b>										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sew erage:	-	-	-	-	-	-	-	-	-	-
Energy:	6	6	6	6	6	6	5	5	4	3
Refuse:	48	48	48	48	48	48	49	49	49	51

### **Explanatory adopts to MBRR Table A1 - Budget Summary**

- (a) Table A1 is a budget summary and provides a concise overview of the municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
- (b) The table provides an overview of the amounts for possible approval by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
- (c) Financial management reforms emphasizes the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
  - The operating surplus/deficit (after Total Expenditure) is positive over the MTREF
  - Capital expenditure is balanced by capital funding sources, of which
    - (i) Transfers recognized is reflected on the Financial Performance Budget;
    - (ii) Borrowing is incorporated in the net cash from financing on the Cash Flow Budget
    - (iii) Internally generated funds is financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains positive, and is improving indicates that the necessary cash resources are available to fund the Capital Budget.
- (d) Efforts have been made in compiling the budget to ensure that the budget is cash backed. This is reflected by the positive cash flows that the municipality has. This requires the municipality to maintain its prudence to ensure that positive cash flows are maintained over the long term whilst ensuring that there is spending on projects that make a difference to people's livelihoods.
- (e) Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this is not being done at the expense of services to the poor. The section of Free Services shows that the amount spent on Free Basic Services and the revenue cost of free services provided by the municipality continues to increase. In addition, the municipality continues to make progress in addressing service delivery backlogs.

Table 14 MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by functional classification)

EC443 Winnie Madikizela Mandela - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>R thousand</b>	<b>1</b>									
<b>Revenue - Functional</b>										
<i><b>Governance and administration</b></i>		239 540	286 725	311 887	321 684	375 849	375 849	335 535	351 993	346 500
Executive and council		—	—	—	—	—	—	—	—	—
Finance and administration		239 540	286 725	311 887	321 684	375 849	375 849	335 535	351 993	346 500
Internal audit		—	—	—	—	—	—	—	—	—
<i><b>Community and public safety</b></i>		5 616	4 597	5 779	4 942	6 046	6 046	5 479	5 610	5 728
Community and social services		525	135	328	181	1 383	1 383	680	725	750
Sport and recreation		—	—	—	—	—	—	—	—	—
Public safety		5 091	4 463	5 451	4 761	4 663	4 663	4 798	4 884	4 978
Housing		—	—	—	—	—	—	—	—	—
Health		—	—	—	—	—	—	—	—	—
<i><b>Economic and environmental services</b></i>		59 861	53 646	54 440	48 612	63 107	63 107	71 475	78 494	58 073
Planning and development		160	357	307	563	17 648	17 648	20 452	23 456	640
Road transport		59 701	53 289	54 133	48 049	45 459	45 459	51 023	55 038	57 433
Environmental protection		—	—	—	—	—	—	—	—	—
<i><b>Trading services</b></i>		84 621	70 825	68 722	70 839	74 577	74 577	76 840	83 014	86 497
Energy sources		81 107	64 036	58 896	63 969	67 191	67 191	68 576	78 123	81 391
Water management		—	—	—	—	—	—	—	—	—
Waste water management		—	—	—	—	—	—	—	—	—
Waste management		3 514	6 789	9 826	6 870	7 386	7 386	8 264	4 891	5 106
<i><b>Other</b></i>	4	—	—	—	—	—	—	—	—	—
<b>Total Revenue - Functional</b>	2	389 639	415 795	440 828	446 077	519 579	519 579	489 328	519 110	496 798
<b>Expenditure - Functional</b>										
<i><b>Governance and administration</b></i>		174 748	151 698	154 836	184 624	186 635	186 635	195 801	203 654	212 591
Executive and council		52 972	56 846	54 296	63 018	60 829	60 829	62 138	64 703	68 052
Finance and administration		119 154	91 957	97 700	116 150	119 884	119 884	127 983	133 165	138 559
Internal audit		2 622	2 894	2 841	5 457	5 921	5 921	5 679	5 787	5 979
<i><b>Community and public safety</b></i>		21 997	25 959	29 327	30 879	30 735	30 735	31 625	32 471	33 891
Community and social services		6 333	6 825	8 044	12 117	11 494	11 494	11 967	11 993	12 518
Sport and recreation		6 812	7 723	7 497	2 769	3 039	3 039	2 853	2 972	3 103
Public safety		8 536	11 295	13 777	15 014	15 222	15 222	15 769	16 425	17 142
Housing		315	116	9	980	980	980	1 037	1 080	1 128
Health		—	—	—	—	—	—	—	—	—
<i><b>Economic and environmental services</b></i>		60 876	75 511	68 983	100 216	108 211	108 211	105 923	110 462	115 295
Planning and development		45 391	21 194	19 309	28 221	34 695	34 695	31 356	32 729	34 125
Road transport		13 222	50 453	47 085	69 641	71 202	71 202	72 029	75 087	78 408
Environmental protection		2 263	3 863	2 589	2 353	2 315	2 315	2 539	2 645	2 762
<i><b>Trading services</b></i>		77 875	65 992	115 111	103 891	119 886	119 886	96 328	84 440	88 066
Energy sources		67 277	51 464	96 839	77 927	93 174	93 174	68 375	59 947	62 498
Water management		—	—	—	—	—	—	—	—	—
Waste water management		—	—	—	—	—	—	—	—	—
Waste management		10 598	14 528	18 271	25 964	26 712	26 712	27 952	24 493	25 568
<i><b>Other</b></i>	4	1 945	2 934	2 220	3 580	3 336	3 336	3 853	4 015	4 192
<b>Total Expenditure - Functional</b>	3	337 440	322 093	370 477	423 190	448 803	448 803	433 529	435 041	454 035
<b>Surplus/(Deficit) for the year</b>		52 199	93 702	70 350	22 886	70 776	70 776	55 799	84 068	42 764

### Explanatory adopts to MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by functional classification)

The above table shows the allocations made by the municipality to the different classes or functions within the municipality and the contributions that will be made per standard class. It is pleasing to note that the table shows that the municipality's bigger share is allocated to service deliver functions as well as governance and administration. These are complementary in nature hence the allocations.



Table 15 MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

**EC443 Winnie Madikizela Mandela - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)**

Vote Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>R thousand</b>										
<b>Revenue by Vote</b>	1									
Vote 1 - Executive and Council		—	150	—	—	—	—	—	—	—
Vote 2 - Corporate Services		249	288	352	280	280	280	293	309	326
Vote 3 - Budget Treasury Office		239 291	286 287	311 534	296 215	350 379	350 379	309 070	324 413	317 703
Vote 4 - Community Services		9 130	11 387	15 605	11 811	13 432	13 432	13 743	10 501	10 835
Vote 5 - Development Planning		62	316	110	25 621	42 680	42 680	46 467	50 569	28 954
Vote 6 - Engineering Services		140 907	117 367	113 226	112 149	112 806	112 806	119 755	133 317	138 981
Vote 7 - [NAME OF VOTE 7]		—	—	—	—	—	—	—	—	—
Vote 8 - [NAME OF VOTE 8]		—	—	—	—	—	—	—	—	—
Vote 9 - [NAME OF VOTE 9]		—	—	—	—	—	—	—	—	—
Vote 10 - [NAME OF VOTE 10]		—	—	—	—	—	—	—	—	—
Vote 11 - [NAME OF VOTE 11]		—	—	—	—	—	—	—	—	—
Vote 12 - [NAME OF VOTE 12]		—	—	—	—	—	—	—	—	—
Vote 13 - [NAME OF VOTE 13]		—	—	—	—	—	—	—	—	—
Vote 14 - [NAME OF VOTE 14]		—	—	—	—	—	—	—	—	—
Vote 15 - [NAME OF VOTE 15]		—	—	—	—	—	—	—	—	—
<b>Total Revenue by Vote</b>	2	<b>389 639</b>	<b>415 795</b>	<b>440 828</b>	<b>446 077</b>	<b>519 579</b>	<b>519 579</b>	<b>489 328</b>	<b>519 110</b>	<b>496 798</b>
<b>Expenditure by Vote to be appropriated</b>	1									
Vote 1 - Executive and Council		67 542	75 333	69 498	83 121	81 598	81 598	83 323	86 642	90 890
Vote 2 - Corporate Services		40 227	44 200	48 181	57 123	56 612	56 612	59 154	61 634	64 342
Vote 3 - Budget Treasury Office		65 675	25 305	26 759	30 707	34 797	34 797	37 982	39 398	40 682
Vote 4 - Community Services		43 703	54 695	62 453	74 211	74 925	74 925	78 225	76 388	79 731
Vote 5 - Development Planning		42 173	17 546	16 060	25 425	31 488	31 488	29 061	30 282	31 614
Vote 6 - Engineering Services		78 119	105 014	147 526	152 604	169 383	169 383	145 783	140 697	146 775
Vote 7 - [NAME OF VOTE 7]		—	—	—	—	—	—	—	—	—
Vote 8 - [NAME OF VOTE 8]		—	—	—	—	—	—	—	—	—
Vote 9 - [NAME OF VOTE 9]		—	—	—	—	—	—	—	—	—
Vote 10 - [NAME OF VOTE 10]		—	—	—	—	—	—	—	—	—
Vote 11 - [NAME OF VOTE 11]		—	—	—	—	—	—	—	—	—
Vote 12 - [NAME OF VOTE 12]		—	—	—	—	—	—	—	—	—
Vote 13 - [NAME OF VOTE 13]		—	—	—	—	—	—	—	—	—
Vote 14 - [NAME OF VOTE 14]		—	—	—	—	—	—	—	—	—
Vote 15 - [NAME OF VOTE 15]		—	—	—	—	—	—	—	—	—
<b>Total Expenditure by Vote</b>	2	<b>337 440</b>	<b>322 093</b>	<b>370 477</b>	<b>423 190</b>	<b>448 803</b>	<b>448 803</b>	<b>433 529</b>	<b>435 041</b>	<b>454 035</b>
<b>Surplus/(Deficit) for the year</b>	2	<b>52 199</b>	<b>93 702</b>	<b>70 350</b>	<b>22 886</b>	<b>70 776</b>	<b>70 776</b>	<b>55 799</b>	<b>84 068</b>	<b>42 764</b>

Listed in the table above are the revenue and expenditure classifications for all the departments within the municipality.

Explanatory adopts to MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organizational structure of the Municipality. This means it is possible to present the operating surplus or deficit of a vote.

Table 16 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)

## EC443 Winnie Madikizela Mandela - Table A4 Budgeted Financial Performance (revenue and expenditure)

L443 Winthe maukizeia mandela - Table A4 Budgeted Financial Performance (Revenue and expenditure)										
Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand	1									
<b>Revenue By Source</b>										
Property rates	2	19 597	18 967	21 251	25 189	25 189	25 189	26 171	27 271	28 470
Service charges - electricity revenue	2	29 507	31 229	33 884	32 578	32 578	32 578	38 809	41 763	44 980
Service charges - water revenue	2	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	2	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	2	1 324	4 456	4 490	4 437	4 566	4 566	4 665	4 861	5 075
Rental of facilities and equipment		656	2 224	5 097	2 851	2 851	2 851	3 093	3 314	3 389
Interest earned - external investments		7 435	8 772	9 660	10 364	10 364	10 364	10 047	10 469	10 929
Interest earned - outstanding debtors		3 707	4 047	4 912	4 404	4 404	4 404	5 133	5 348	5 584
Dividends received		–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		1 646	1 038	2 066	948	850	850	938	971	1 007
Licences and permits		2 296	2 257	2 237	2 756	2 756	2 756	2 756	2 756	2 756
Agency services		1 150	1 271	1 021	1 218	1 218	1 218	1 265	1 319	1 377
Transfers and subsidies		205 435	235 250	269 065	282 528	355 440	355 440	295 690	306 697	299 293
Other revenue	2	8 165	1 362	738	1 470	1 398	1 398	1 466	1 485	1 506
Gains		338	19 024	7 526	–	–	–	–	–	–
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>281 258</b>	<b>329 895</b>	<b>361 946</b>	<b>368 742</b>	<b>441 612</b>	<b>441 612</b>	<b>390 032</b>	<b>406 252</b>	<b>404 365</b>
<b>Expenditure By Type</b>										
Employee related costs	2	85 788	107 255	104 852	119 133	119 194	119 194	126 854	132 216	137 964
Remuneration of councillors		22 485	23 223	23 970	25 036	25 036	25 036	26 007	27 099	28 292
Debt impairment	3	1 456	4 266	8 570	4 500	8 600	8 600	9 600	9 600	9 600
Depreciation & asset impairment	2	38 841	41 890	39 437	52 581	52 681	52 681	52 682	54 894	57 310
Finance charges		834	66	11	150	150	150	150	156	163
Bulk purchases - electricity	2	27 761	30 025	33 255	31 896	34 616	34 616	40 777	42 490	44 274
Inventory consumed	8	5 932	5 250	8 162	7 677	7 699	7 699	7 663	7 985	8 336
Contracted services		63 541	49 149	50 929	110 404	93 388	93 388	98 848	86 461	90 192
Transfers and subsidies		738	702	1 418	1 835	7 018	7 018	5 907	6 155	6 426
Other expenditure	4, 5	48 266	52 805	44 470	69 979	64 146	64 146	65 042	67 985	71 478
Losses		41 798	7 462	55 402	–	36 277	36 277	–	–	–
<b>Total Expenditure</b>		<b>337 440</b>	<b>322 093</b>	<b>370 477</b>	<b>423 190</b>	<b>448 803</b>	<b>448 803</b>	<b>433 529</b>	<b>435 041</b>	<b>454 035</b>
<b>Surplus/(Deficit)</b>		<b>(56 182)</b>	<b>7 802</b>	<b>(8 531)</b>	<b>(54 449)</b>	<b>(7 191)</b>	<b>(7 191)</b>	<b>(43 497)</b>	<b>(28 789)</b>	<b>(49 669)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		108 381	85 899	78 881	77 335	77 967	77 967	99 296	112 858	92 433
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)	6									
Transfers and subsidies - capital (in-kind - all)										
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>52 199</b>	<b>93 702</b>	<b>70 350</b>	<b>22 886</b>	<b>70 776</b>	<b>70 776</b>	<b>55 799</b>	<b>84 068</b>	<b>42 764</b>
Taxation										
<b>Surplus/(Deficit) after taxation</b>		<b>52 199</b>	<b>93 702</b>	<b>70 350</b>	<b>22 886</b>	<b>70 776</b>	<b>70 776</b>	<b>55 799</b>	<b>84 068</b>	<b>42 764</b>
Attributable to minorities										
<b>Surplus/(Deficit) attributable to municipality</b>		<b>52 199</b>	<b>93 702</b>	<b>70 350</b>	<b>22 886</b>	<b>70 776</b>	<b>70 776</b>	<b>55 799</b>	<b>84 068</b>	<b>42 764</b>
Share of surplus/ (deficit) of associate	7									
<b>Surplus/(Deficit) for the year</b>		<b>52 199</b>	<b>93 702</b>	<b>70 350</b>	<b>22 886</b>	<b>70 776</b>	<b>70 776</b>	<b>55 799</b>	<b>84 068</b>	<b>42 764</b>

Table 17 MBRR Table A5 - Budgeted Capital Expenditure by vote, functional classification and funding source

Vote Description R thousand	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>Capital expenditure - Vote</b>										
<b>Multi-year expenditure to be appropriated</b>	2									
Vote 3 - Budget Treasury Office		–	–	2 304	2 100	2 000	2 000	–	–	–
Vote 6 - Engineering Services		–	23 458	22 483	18 172	48 581	48 581	40 902	15 000	–
<b>Capital multi-year expenditure sub-total</b>	7	–	23 458	24 787	20 272	50 581	50 581	40 902	15 000	–
<b>Single-year expenditure to be appropriated</b>	2									
Vote 1 - Executive and Council		–	–	–	50	110	110	–	–	–
Vote 2 - Corporate Services		5 481	4 295	2 630	10 210	10 768	10 768	7 028	5 116	6 886
Vote 3 - Budget Treasury Office		96	–	–	–	200	200	–	–	–
Vote 4 - Community Services		2 027	926	5 164	5 401	5 970	5 970	3 150	1 900	3 300
Vote 5 - Development Planning		–	–	–	1 100	1 600	1 600	21 420	24 320	1 800
Vote 6 - Engineering Services		68 204	70 178	55 009	38 775	90 160	90 160	45 227	92 870	89 721
<b>Capital single-year expenditure sub-total</b>		75 808	75 399	62 803	55 537	108 809	108 809	76 825	124 205	101 708
<b>Total Capital Expenditure - Vote</b>		75 808	98 857	87 590	75 808	159 390	159 390	117 727	139 205	101 708
<b>Capital Expenditure - Functional</b>										
<b>Governance and administration</b>		13 070	9 277	5 265	12 760	13 478	13 478	7 028	5 316	7 086
Executive and council		–	–	–	50	110	110	–	–	–
Finance and administration		13 070	9 277	5 265	12 710	13 368	13 368	7 028	5 316	7 086
<b>Community and public safety</b>		7 048	2 408	1 902	3 191	3 660	3 660	2 450	1 500	2 200
Community and social services		7 048	2 408	160	1 300	1 900	1 900	1 650	1 400	2 000
Public safety		–	–	1 742	1 891	1 760	1 760	800	100	200
<b>Economic and environmental services</b>		22 170	22 397	57 899	55 747	110 319	110 319	85 891	91 604	56 361
Planning and development		–	–	26 486	25 272	59 579	59 579	72 822	39 320	1 800
Road transport		22 170	22 397	31 413	30 475	50 740	50 740	13 070	52 284	54 561
<b>Trading services</b>		33 520	64 775	22 524	4 110	31 933	31 933	22 357	40 786	36 060
Energy sources		33 520	64 775	19 592	2 300	30 023	30 023	21 657	40 586	35 160
Waste management		–	–	2 932	1 810	1 910	1 910	700	200	900
<b>Total Capital Expenditure - Functional</b>	3	75 808	98 857	87 590	75 808	159 390	159 390	117 727	139 205	101 708
<b>Funded by:</b>										
National Government		59 628	69 652	64 682	45 647	70 136	70 136	86 399	110 104	89 561
Provincial Government		–	–	–	–	200	200	–	–	–
<b>Transfers recognised - capital</b>	4	59 628	69 652	64 682	45 647	70 336	70 336	86 399	110 104	89 561
<b>Borrowing</b>	6	–	–	–	–	–	–	–	–	–
<b>Internally generated funds</b>		16 180	29 205	22 908	30 162	89 054	89 054	31 328	29 102	12 146
<b>Total Capital Funding</b>	7	75 808	98 857	87 590	75 808	159 390	159 390	117 727	139 205	101 708

**Explanatory adopts to Table A5 - Budgeted Capital Expenditure by vote, functional classification and funding source**

The table above shows capital expenditure by vote and functional classification as well as funding for the expenditure forecasted.

This shows how the municipality's capital budget funding is highly dependent on grant funding.

Table 18 MBRR Table A6 - Budgeted Financial Position

## EC443 Winnie Madikizela Mandela - Table A6 Budgeted Financial Position

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>R thousand</b>										
<b>ASSETS</b>										
<b>Current assets</b>										
Cash		2	3 962	3 611	3 476	28 856	28 856	12 892	3 485	522
Call investment deposits	1	94 526	119 501	170 033	206 991	170 033	170 033	178 706	193 937	188 184
Consumer debtors	1	39 178	35 907	35 526	32 970	33 517	33 517	46 512	64 321	71 140
Other debtors		44 025	43 963	67 802	43 763	67 886	67 886	37 398	37 394	37 438
Current portion of long-term receivables		-	-	-	-	-	-	-	-	-
Inventory	2	449	1 271	2 042	1 179	1 381	1 381	1 524	924	732
<b>Total current assets</b>		<b>178 180</b>	<b>204 603</b>	<b>279 015</b>	<b>288 379</b>	<b>301 674</b>	<b>301 674</b>	<b>277 032</b>	<b>300 062</b>	<b>298 016</b>
<b>Non current assets</b>										
Long-term receivables		-	-	-	-	-	-	-	-	-
Investments		-	-	-	-	-	-	-	-	-
Investment property		6 132	25 097	32 436	25 097	32 436	32 436	32 436	32 436	32 436
Investment in Associate		-	-	-	-	-	-	-	-	-
Property, plant and equipment	3	598 522	648 433	645 633	682 178	716 056	716 056	755 509	774 779	734 871
Biological		-	-	-	-	-	-	-	-	-
Intangible		774	329	198	-	98	98	73	48	22
Other non-current assets		1 231	1 231	1 231	1 281	1 341	1 341	1 341	1 341	1 341
<b>Total non current assets</b>		<b>606 659</b>	<b>675 090</b>	<b>679 499</b>	<b>708 556</b>	<b>749 931</b>	<b>749 931</b>	<b>789 359</b>	<b>808 604</b>	<b>768 670</b>
<b>TOTAL ASSETS</b>		<b>784 838</b>	<b>879 693</b>	<b>958 514</b>	<b>996 934</b>	<b>1 051 605</b>	<b>1 051 605</b>	<b>1 066 391</b>	<b>1 108 666</b>	<b>1 066 686</b>
<b>LIABILITIES</b>										
<b>Current liabilities</b>										
Bank overdraft	1	-	-	-	-	-	-	-	-	-
Borrowing	4	-	-	-	-	-	-	-	-	-
Consumer deposits		610	529	503	460	503	503	503	503	503
Trade and other payables	4	39 319	32 366	37 805	17 705	60 120	60 120	28 928	32 763	26 532
Provisions		9 922	18 471	19 953	18 471	19 953	19 953	19 953	19 953	19 953
<b>Total current liabilities</b>		<b>49 851</b>	<b>51 366</b>	<b>58 261</b>	<b>36 636</b>	<b>80 577</b>	<b>80 577</b>	<b>49 384</b>	<b>53 220</b>	<b>46 988</b>
<b>Non current liabilities</b>										
Borrowing		-	-	-	-	-	-	-	-	-
Provisions		4 319	3 920	5 495	3 920	5 495	5 495	5 495	5 495	5 495
<b>Total non current liabilities</b>		<b>4 319</b>	<b>3 920</b>	<b>5 495</b>	<b>3 920</b>	<b>5 495</b>	<b>5 495</b>	<b>5 495</b>	<b>5 495</b>	<b>5 495</b>
<b>TOTAL LIABILITIES</b>		<b>54 170</b>	<b>55 286</b>	<b>63 756</b>	<b>40 556</b>	<b>86 072</b>	<b>86 072</b>	<b>54 879</b>	<b>58 715</b>	<b>52 483</b>
<b>NET ASSETS</b>	5	<b>730 669</b>	<b>824 407</b>	<b>894 758</b>	<b>956 378</b>	<b>965 533</b>	<b>965 533</b>	<b>1 011 512</b>	<b>1 049 951</b>	<b>1 014 204</b>
<b>COMMUNITY WEALTH/EQUITY</b>										
Accumulated Surplus/(Deficit)		730 669	824 407	894 758	956 378	965 533	965 533	1 011 512	1 049 951	1 014 204
Reserves	4	-	-	-	-	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	5	<b>730 669</b>	<b>824 407</b>	<b>894 758</b>	<b>956 378</b>	<b>965 533</b>	<b>965 533</b>	<b>1 011 512</b>	<b>1 049 951</b>	<b>1 014 204</b>

## Explanatory adopts to Table A6 - Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as "accounting" Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
3. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
4. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition, the funding compliance assessment is informed directly by forecasting the statement of financial position.

Table 19 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

EC443 Winnie Madikizela Mandela - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>Cash and investments available</b>										
Cash/cash equivalents at the year end	1	94 528	123 463	173 644	210 467	198 890	198 890	191 598	197 422	188 706
Other current investments > 90 days		0	-	-	-	(0)	(0)	0	0	-
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-
<b>Cash and investments available:</b>		<b>94 528</b>	<b>123 463</b>	<b>173 644</b>	<b>210 467</b>	<b>198 890</b>	<b>198 890</b>	<b>191 598</b>	<b>197 422</b>	<b>188 706</b>
<b>Application of cash and investments</b>										
Unspent conditional transfers		-	6 687	8 116	-	-	-	0	0	-
Unspent borrowing		-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	(19 989)	(61 399)	(16 434)	(57 596)	(32 355)	(32 355)	(65 830)	(61 066)	(66 164)
Other provisions		-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-
<b>Total Application of cash and investments:</b>		<b>(19 989)</b>	<b>(54 712)</b>	<b>(8 318)</b>	<b>(57 596)</b>	<b>(32 355)</b>	<b>(32 355)</b>	<b>(65 830)</b>	<b>(61 066)</b>	<b>(66 164)</b>
<b>Surplus(shortfall)</b>		<b>114 517</b>	<b>178 175</b>	<b>181 962</b>	<b>268 062</b>	<b>231 244</b>	<b>231 244</b>	<b>257 428</b>	<b>258 488</b>	<b>254 870</b>

## Explanatory adopts to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

The above table shows how the municipality's funding will be applied and the targets set for cash backed reserves over the medium. This is informed by anticipated year end targets as well as the plans to be implemented over the medium-term, especially on the revenue management, debt collection as well as expenditure management.

**Table 19 MBRR Table A7 – Budgeted Cash Flows**

**EC443 Winnie Madikizela Mandela - Table A7 Budgeted Cash Flows**

Description		Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates			10 903	13 841	12 522	26 341	22 853	22 853	56 951	40 839	36 120
Service charges			30 831	35 685	19 124	36 579	34 838	34 838	29 346	32 114	34 880
Other revenue			6 773	23 357	2 142	11 515	11 443	11 443	8 896	9 226	9 372
Transfers and Subsidies - Operational		1	202 583	237 464	270 716	282 528	355 038	355 038	295 690	306 697	299 293
Transfers and Subsidies - Capital		1	111 138	83 685	78 660	77 335	77 967	77 967	99 296	112 858	92 433
Interest			11 143	12 820	14 572	10 364	10 364	10 364	10 047	10 469	10 929
Dividends			-	-	-	-	-	-	-	-	-
Payments											
Suppliers and employees			(252 999)	(284 583)	(261 547)	(379 171)	(366 406)	(366 406)	(370 638)	(369 685)	(386 216)
Finance charges			(834)	(66)	(11)	(50)	(50)	(50)	(50)	(52)	(54)
Transfers and Grants		1	(738)	(702)	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES			118 799	121 501	136 178	65 440	146 046	146 046	129 537	142 465	96 757
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE			785	96	196	-	-	-	-	-	-
Decrease (increase) in non-current receivables			-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments			-	-	-	-	-	-	-	-	-
Payments											
Capital assets			(75 808)	(92 663)	(86 192)	(70 114)	(120 843)	(120 843)	(119 176)	(136 641)	(105 474)
NET CASH FROM/(USED) INVESTING ACTIVITIES			(75 023)	(92 567)	(85 996)	(70 114)	(120 843)	(120 843)	(119 176)	(136 641)	(105 474)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans			-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing			-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits			-	-	-	-	43	43	-	-	-
Payments											
Repayment of borrowing			(16 274)	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES			(16 274)	-	-	-	43	43	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD			27 502	28 935	50 182	(4 674)	25 245	25 245	10 361	5 824	(8 716)
Cash/cash equivalents at the year begin:		2	67 026	94 528	123 463	215 140	173 644	173 644	181 236	191 598	197 422
Cash/cash equivalents at the year end:		2	94 528	123 463	173 644	210 467	198 890	198 890	191 598	197 422	188 706

Table 20 MBRR Table A10 – Basic Service Delivery Measurement

## EC443 Winnie Madikizela Mandela - Table A10 Basic service delivery measurement

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>Household service targets</b>	1									
<b>Energy:</b>										
Electricity (at least min.service level)		200	200	200	287	287	287	290	325	330
Electricity - prepaid (min.service level)		22 346	22 346	22 346	22 346	22 346	22 346	23 886	25 531	27 290
<i>Minimum Service Level and Above sub-total</i>		22 546	22 546	22 546	22 633	22 633	22 633	24 176	25 856	27 620
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		6 000	6 000	6 000	6 000	6 000	6 000	5 000	4 200	3 150
<i>Below Minimum Service Level sub-total</i>		6 000	6 000	6 000	6 000	6 000	6 000	5 000	4 200	3 150
<b>Total number of households</b>	5	<b>28 546</b>	<b>28 546</b>	<b>28 546</b>	<b>28 633</b>	<b>28 633</b>	<b>28 633</b>	<b>29 176</b>	<b>30 056</b>	<b>30 770</b>
<b>Refuse:</b>										
Removed at least once a week		800	800	800	800	800	800	850	880	900
<i>Minimum Service Level and Above sub-total</i>		800	800	800	800	800	800	850	880	900
Removed less frequently than once a week		157	157	157	157	157	157	169	172	180
Using communal refuse dump		250	250	250	250	250	250	260	280	290
Using own refuse dump		-	-	-	-	-	-	-	-	-
Other rubbish disposal		3	3	3	3	3	3	3	3	3
No rubbish disposal		47 480	47 480	47 480	47 480	47 480	47 480	48 480	48 499	50 123
<i>Below Minimum Service Level sub-total</i>		47 890	47 890	47 890	47 890	47 890	47 890	48 912	48 954	50 596
<b>Total number of households</b>	5	<b>48 690</b>	<b>48 690</b>	<b>48 690</b>	<b>48 690</b>	<b>48 690</b>	<b>48 690</b>	<b>49 762</b>	<b>49 834</b>	<b>51 496</b>
<b>Cost of Free Basic Services provided - Formal Settlements (R'000)</b>	8									
Water (6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per indigent household per month)		1 475	1 561	1 819	1 901	1 901	1 901	1 156	1 207	1 260
Refuse (removed once a week for indigent households)		-	-	-	-	-	-	-	-	-
<b>Cost of Free Basic Services provided - Informal Formal Settlements (R'000)</b>		-	-	-	-	-	-	-	-	-
<b>Total cost of FBS provided</b>		<b>1 475</b>	<b>1 561</b>	<b>1 819</b>	<b>1 901</b>	<b>1 901</b>	<b>1 901</b>	<b>1 156</b>	<b>1 207</b>	<b>1 260</b>
<b>Revenue cost of subsidised services provided (R'000)</b>	9									
Property rates (tariff adjustment) ( impermissable values per section 17 of MPRA)										
Property rates exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)		302	292	-	393	393	393	408	425	444
Water (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)		-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates										
Housing - top structure subsidies										
Other										
<b>Total revenue cost of subsidised services provided</b>	6	<b>302</b>	<b>292</b>	<b>-</b>	<b>393</b>	<b>393</b>	<b>393</b>	<b>408</b>	<b>425</b>	<b>444</b>

## **Part 2 – Supporting Documentation**

### **9.8 Overview of the annual budget process**

A budget and IDP process plan was tabled to the municipal council 10 months before the start of the 2021/22 financial year as required by the Municipal Finance Management Act. The process plan sets out a road map with timeframes and tasks clearly set with responsible officials or institutions. The process plan in part of the IDP document and efforts have been made to ensure that these timelines are adhered to the latter. The process involves the consultation with the communities which was done during November and December 2020. These consultations inform the inputs into the IDP and the Budget.

A draft budget was tabled to council on 30 March 2021. Inputs were then sought from all stakeholders within the communities and therefore community consultations were carried out in April and May 2021. The final budget adoption has taken into consideration these inputs. Other inputs were received from the Provincial Treasury after having received the draft, and an engagement between the Provincial Treasury and the Municipality took place. A review document was produced by the Provincial Treasury and concerns raised in this document and the engagement have been, as far as possible, taken into consideration in the final compilation.

#### **9.8.1 Overview of budget related-policies**

The budget preparation process cannot be separated from the review of related policies that enable the implementation of the budget. The following is a brief look at the budget related policies and where applicable, changes that have been proposed during the budget review: -

#### **9.8.2 Review of credit control and debt collection policy**

It is vital to the long-term financial viability of the Mbizana Local Municipality that it collects the revenues (such as service charges, rates and taxes) due to it for services rendered. In terms of s96 of the Systems Act, a municipality:

must collect all money that is due and payable to it subject to this Act and any other applicable legislation; and

For this purpose, must adopt, maintain and implement a credit control and debt collection policy, which is consistent with rates and tariff policies and complies with the provisions of this Act. This means that appropriate credit control and debtors' mechanisms must be maintained. The services provided by the Mbizana Local Municipality include electricity, refuse removal and other municipal services.

#### **9.8.3 Supply Chain Management Policy**

The policy seeks to ensure compliance with the MFMA and SCM regulations at all times and guiding the municipality's procurement processes and procures. There has been a number of changes in terms of procurement strategies when it comes to service delivery programs that must be incorporated into the policy to ensure alignment without procurement mechanisms.

There are a number of procurement recommendations relating to emergency procurement in areas where the municipality struggled to respond over the past years in emergency situations. This has also taken into account measures to respond to national disasters

#### **9.8.4 Budget Policy**

The objective of the budget policy is to set out:

- The principles which the municipality will follow in preparing each medium term revenue and expenditure framework budget,
- The responsibilities of the mayor, the accounting officer, the chief financial officer and other senior managers in compiling the budget, and
- To establish and maintain procedures to ensure adherence to Mbizana's IDP review and budget processes.



This policy also needs to see a number of changes which are necessitated by the introduction of mSCOA. The various segments introduced with mSCOA have meant that the levels of authority cannot be left unchanged as some transfers and virements require a higher level of authorization, up to a level where council must take a decision.

#### **9.8.5 Cash Management and Investment Policy**

An Accounting Officer has an obligation to ensure that cash resources are managed as effectively, efficiently and economically as possible. Effective cash management and competitive investment ensures both short-term and long-term viability and sustainability of the municipality. Hence, it is critical for the Mbizana Local Municipality to have its own Cash Management and Investment Policy located within the local government legislative framework.

The primary and ultimate goal of the investment of funds is to secure the safety, integrity and wholeness of the invested capital, managing liquidity requirements and ensuring the earning of the highest possible return on invested capital at minimum risk (i.e. whilst not risking the partial or total loss of invested capital), within the parameters of authorised instruments as per the MFMA.

#### **9.8.6 Tariff Policies**

In terms of section 62 (1) of the Local Government: Municipal Finance Management Act (MFMA), Act no 56 of 2003, 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 that, inter alia, the municipality has and implements a tariff policy referred to in section 74 of the Local Government: Municipal Systems Act (MSA), Act no 32 of 2000 as amended.

In terms of section 74 of the Municipal Systems Act the municipal council hereby adopts a tariff policy on the levying of fees for municipal services provided by the municipality itself or by way of service delivery agreements.

#### **9.8.7 Property rates policy**

This policy guides the annual setting (or revision) of property rates tariffs. It does not necessarily make specific property rates tariff proposals. Details pertaining to the applications of the various property rates tariffs are annually published in the Provincial Gazette and the municipality's schedule of tariffs, which must be read in conjunction with this policy.

In imposing the rate in the rand for each annual operating budget component, the municipality shall grant exemptions, rebates and reductions to the categories of properties and categories of owners as allowed for in this policy document.

#### **9.8.8 Asset management policy**

The objective of this Asset Management Policy is to ensure that the municipality:

- has consistent application of asset management principles;
- implements accrual accounting;
- complies with the MFMA and other related legislation;
- correctly accounts for Assets under the GRAP accounting framework;
- safeguards and controls the assets of the municipality; and
- Optimizes asset usage.

During the review it was identified that the Asset Management committee did not include the councilors responsible for asset management and this was the proposed change to the policy.

#### **9.8.9 SCM Policy for Infrastructure Procurement and Delivery Management**

The National Treasury issued a circular in October 2015 in relation to the introduction of this policy. The intention of the circular was to a policy that would enable a municipality to separate the supply chain management requirements for general goods and services from those for infrastructure delivery. The infrastructure delivery encompasses a whole range of competencies including

planning, technical, administrative and managerial actions associated with the construction, supply, renovation, rehabilitation, alteration, maintenance, operation or disposal of infrastructure.

#### 9.8.10 Indigent policy

The municipality being a rural municipality has a big number of people living below the poverty line which means that there is a number of people requiring free basic services and this policy governs that part.

#### 9.8.11 Debt impairment policy

The policy seeks to give guidelines on how to treat long outstanding debtors including making provisions for impairment of those debtors when it is not probable that the municipality will recover.

### 9.9 Overview of budget assumptions

The budget compilation has been driven by a few assumptions based on the information available to the municipality. As indicated in the earlier paragraphs, the MFMA Treasury Budget Circulars have been used as a basis for the assumptions made. The inflationary outlook as per the circulars is as follows:

Fiscal year	2021 Estimate	2021/22 Forecast	2022/23 Forecast	2023/24 Forecast
Consumer Price Inflation - CPI	3.3%	3.9%	4.2%	4.4%

The municipality's final budget has not anticipated any new revenue streams for the budget year and the medium term. This means the municipality will continue its dependency on the national fiscus. This is also impacted by the municipality's topography which is unfortunately rural with very little revenue base.

The NERSA guiding letter on the electricity tariffs has been assumed to be final for the purposes of this budget finalisation and the approval of tariffs will be based on that. The impact of Covid-19 is expected to be felt for the whole of 2021/22 and beyond with expenditures being incurred by the municipality for the period and beyond.

The following are the key budget assumptions used to prepare the draft budget with the guidance of National Treasury, NERSA, and SALGBC –

- 14.59% increase on electricity tariffs
- 17.8% increase on Electricity Bulk purchases
- 0% increase on property rates
- 6% provision for employee costs in the absence of a formal wage agreement that is currently being negotiated.
- 4% increase on the remuneration of councilors
- 3.9% for all other expenses, and
- 6.9% for other revenue municipal Tariffs

## 9.9.1 Councilor and employee benefits

Table 21 MBRR SA22 - Summary of councillor and staff benefits

### EC443 Winnie Madikizela Mandela - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
		A	B	C	D	E	F	G	H	I
<b>Councillors (Political Office Bearers plus Other)</b>	1									
Basic Salaries and Wages		13 812	12 290	12 740	13 318	13 318	13 318	13 837	14 418	15 052
Pension and UIF Contributions		—	1 024	1 062	1 110	1 110	1 110	1 153	1 202	1 254
Medical Aid Contributions		—	1 025	1 062	1 110	1 110	1 110	1 153	1 202	1 254
Motor Vehicle Allowance		4 933	5 121	5 309	5 549	5 549	5 549	5 765	6 008	6 272
Cellphone Allowance		2 753	3 764	3 798	3 950	3 950	3 950	4 098	4 271	4 459
Housing Allowances		—	—	—	—	—	—	—	—	—
Other benefits and allowances		987	—	—	—	—	—	—	—	—
<b>Sub Total - Councillors</b>		<b>22 485</b>	<b>23 223</b>	<b>23 970</b>	<b>25 036</b>	<b>25 036</b>	<b>25 036</b>	<b>26 007</b>	<b>27 099</b>	<b>28 292</b>
<b>% increase</b>	4		<b>3.3%</b>	<b>3.2%</b>	<b>4.4%</b>	—	—	<b>3.9%</b>	<b>4.2%</b>	<b>4.4%</b>
<b>Senior Managers of the Municipality</b>	2									
Basic Salaries and Wages		4 718	4 030	4 908	5 273	5 273	5 273	5 261	5 481	5 723
Pension and UIF Contributions		—	—	85	91	91	91	91	94	99
Medical Aid Contributions		—	—	416	442	442	442	441	459	479
Overtime		—	—	—	—	—	—	—	—	—
Performance Bonus		—	—	—	—	—	—	—	—	—
Motor Vehicle Allowance	3	1 301	1 365	1 517	1 733	1 733	1 733	1 608	1 676	1 750
Cellphone Allowance	3	—	—	124	261	261	261	131	137	143
Housing Allowances	3	—	—	430	592	592	592	456	475	496
Other benefits and allowances	3	1 482	1 226	—	—	—	—	—	—	—
Payments in lieu of leave		—	—	—	—	—	—	—	—	—
Long service awards		—	—	—	—	—	—	—	—	—
Post-retirement benefit obligations	6	—	—	—	—	—	—	—	—	—
<b>Sub Total - Senior Managers of Municipality</b>		<b>7 501</b>	<b>6 621</b>	<b>7 481</b>	<b>8 392</b>	<b>8 392</b>	<b>8 392</b>	<b>7 987</b>	<b>8 323</b>	<b>8 689</b>
<b>% increase</b>	4		<b>(11.7%)</b>	<b>13.0%</b>	<b>12.2%</b>	—	—	<b>(4.8%)</b>	<b>4.2%</b>	<b>4.4%</b>
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		54 468	62 091	63 982	71 455	71 200	71 200	77 216	80 535	84 053
Pension and UIF Contributions		5 462	6 969	8 624	10 079	10 079	10 079	11 108	11 574	12 084
Medical Aid Contributions		3 465	4 427	4 368	5 552	5 552	5 552	5 685	5 924	6 185
Overtime		937	1 833	2 488	3 001	3 251	3 251	3 048	3 170	3 302
Performance Bonus		4 621	4 633	4 648	5 212	5 212	5 212	5 653	5 890	6 150
Motor Vehicle Allowance	3	5 262	5 932	5 958	6 961	6 994	6 994	7 469	7 782	8 125
Cellphone Allowance	3	398	399	612	898	898	898	958	964	971
Housing Allowances	3	3 014	3 099	3 232	3 814	3 814	3 814	4 118	4 291	4 480
Other benefits and allowances	3	281	2 308	4 799	3 770	3 805	3 805	3 611	3 762	3 926
Payments in lieu of leave		—	8 305	—	—	—	—	—	—	—
Long service awards		378	638	—	—	—	—	—	—	—
Post-retirement benefit obligations	6	—	—	—	—	—	—	—	—	—
<b>Sub Total - Other Municipal Staff</b>		<b>78 287</b>	<b>100 634</b>	<b>98 711</b>	<b>110 740</b>	<b>110 802</b>	<b>110 802</b>	<b>118 867</b>	<b>123 893</b>	<b>129 275</b>
<b>% increase</b>	4		<b>28.5%</b>	<b>(1.9%)</b>	<b>12.2%</b>	<b>0.1%</b>	—	<b>7.3%</b>	<b>4.2%</b>	<b>4.3%</b>
<b>Total Parent Municipality</b>		<b>108 273</b>	<b>130 479</b>	<b>130 161</b>	<b>144 168</b>	<b>144 230</b>	<b>144 230</b>	<b>152 861</b>	<b>159 315</b>	<b>166 256</b>
			<b>20.5%</b>	<b>(0.2%)</b>	<b>10.8%</b>	<b>0.0%</b>	—	<b>6.0%</b>	<b>4.2%</b>	<b>4.4%</b>

## Employee costs

Below are vacant positions that are included in the calculations of these draft budget amounts that have been agreed on with Corporate Services to ensure these are on the municipality's current organisational structure. In line with the national government's call to manage the public sector wage bill the municipality's employee costs budget plus remuneration of councillors makes up 35.26% of the operating budget excluding non-cash items which is very close to reaching the maximum limit permitted of 40%. Below are the details of vacant positions included in the draft budget.

## Municipal Manager

- IDP Co-Ordinator
- Monitoring and Evaluation Officer
- Senior Internal Auditor
- VIP Protector

### **Budget and Treasury**

- Manager: Assets and Stores
- Accountant: Reporting

### **Corporate Services**

- IT Technician
- Labour Relations Officer
- Fleet Management Officer
- Senior Human Resource Officer
- Receptionist

### **Community Services**

- Manager: Social and Indigent Support
- Environmental Officer
- 2 X Examiners
- 2 X Wardens
- 2 X Security Guards
- Store Keeper
- 8 X General Assistants
- 2 X Drivers
- Administrative Clerk
- Cleansing Supervisor

### **Development Planning**

- Manager: Planning and Land use
- Town Planner

### **Engineering Services**

- Plant Operator
- Truck Driver
- Metering Technician
- Artisan

The above positions include those where recruitment processes have already commenced or concluded but the successful incumbents have not resumed duties yet. This is to ensure that all these are catered for in the municipal budget.

## **9.9.2 Remuneration of councilors and Senior Managers**

An increase of 4% was used to accommodate any adjustments that might need to be implemented during the year once a new gazette on the remuneration of office bearers has been issued and also ensuring that we have catered for the grade 4 position of the municipality. The formula for the allocation of the Equitable share includes an allocation to support councillor remuneration and ward committees. This allocation for the budget year is R13.7 million requiring the municipality to also fund the remuneration of councillors from revenues internally generated

EC443 Winnie Madikizela Mandela - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
<b>Councillors</b>	3							
Speaker	4		463 610	77 276	276 205			817 091
Chief Whip			434 634	72 440	261 718			768 792
Executive Mayor			579 513	96 578	334 157			1 010 248
Deputy Executive Mayor			–	–	–			–
Executive Committee			3 372 781	562 132	2 147 713			6 082 626
Total for all other councillors			8 986 348	1 497 732	6 844 047			17 328 127
<b>Total Councillors</b>	8	–	13 836 886	2 306 158	9 863 840			26 006 884
<b>Senior Managers of the Municipality</b>	5							
Municipal Manager (MM)			955 949	111 700	502 472	–		1 570 121
Chief Finance Officer			768 229	1 784	513 415	–		1 283 428
Senior Manager - Engineering			768 230	117 303	397 895	–		1 283 428
Senior Manager - Corporate Services			768 230	108 703	406 495	–		1 283 428
Senior Manager - Community Services			768 230	95 868	419 332	–		1 283 430
Senior Manager - Development Planning			768 230	95 868	419 332	–		1 283 430
<b>Total Senior Managers of the Municipality</b>	8,10	–	4 797 098	531 226	2 658 941	–		7 987 265
<b>TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION</b>	10	–	18 633 984	2 837 384	12 522 781	–		33 994 149

## Expenditure on grants and reconciliations of unspent funds

Table 22 MBRR SA19 – Expenditure on transfers and grant programmes

EC443 Winnie Madikizela Mandela - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>R thousand</b>										
<b>EXPENDITURE:</b>	1									
<b>Operating expenditure of Transfers and Grants</b>										
<b>National Government:</b>		236 176	267 860	290 870	311 814	369 324	369 324	323 643	341 152	333 723
Local Government Equitable Share		198 326	230 700	260 606	278 139	332 422	332 422	289 620	304 052	296 623
Finance Management		2 145	2 215	2 167	2 000	2 000	2 000	2 000	2 100	2 100
EPWP Incentive		1 704	2 335	2 452	2 389	2 389	2 389	3 570	–	–
Integrated National Electrification Programme		34 001	32 610	24 934	29 286	32 508	32 508	28 453	35 000	35 000
<b>Disaster Grant</b>				710		5	5			
<b>Provincial Government:</b>		489	–	3 130	–	1 604	1 604	500	545	570
Sport and Recreation		489	–	246	–	1 203	1 203	500	545	570
		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
<b>Greenest Municipality</b>				2 884		402	402	–	–	–
<b>District Municipality:</b>		–	–	–	–	–	–	–	–	–
<i>[insert description]</i>		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
<b>Other grant providers:</b>		–	–	–	–	–	–	–	–	–
<i>[insert description]</i>		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
<b>Total operating expenditure of Transfers and Grants</b>		236 665	267 860	294 000	311 814	370 929	370 929	324 143	341 697	334 293
<b>Capital expenditure of Transfers and Grants</b>										
<b>National Government:</b>		59 701	53 289	53 947	48 049	62 478	62 478	70 843	77 858	57 433
Municipal Infrastructure Grant (MIG)		59 701	53 289	53 947	48 049	45 459	45 459	51 023	55 038	57 433
Neighbourhood Development Partnership		–	–	–	–	17 019	17 019	19 820	22 820	–
<b>General Budget Support Grant</b>										
<b>Provincial Government:</b>		17 460	–	–	–	–	–	–	–	–
Provincial Electrification Grant		17 460	–	–	–	–	–	–	–	–
<b>District Municipality:</b>		–	–	–	–	–	–	–	–	–
<i>[insert description]</i>		–	–	–	–	–	–	–	–	–
<b>Other grant providers:</b>		–	–	–	–	–	–	–	–	–
<i>[insert description]</i>		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
<b>Total capital expenditure of Transfers and Grants</b>		77 161	53 289	53 947	48 049	62 478	62 478	70 843	77 858	57 433
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		313 826	321 149	347 947	359 863	433 406	433 406	394 986	419 555	391 726

Table 23 MBRR SA20 – Reconciliation of transfers, grant receipts and unspent funds

## EC443 Winnie Madikizela Mandela - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description		Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>Operating transfers and grants:</b>		1,3									
<b>National Government:</b>											
Balance unspent at beginning of the year			–	–	–	–	5	5	–	–	–
Current year receipts			204 585	235 250	265 988	282 528	354 232	354 232	295 190	306 152	298 723
<b>Conditions met - transferred to revenue</b>			204 585	235 250	265 935	282 528	354 237	354 237	295 190	306 152	298 723
Conditions still to be met - transferred to liabilities				–	53	–	–	–	–	–	–
<b>Provincial Government:</b>											
Balance unspent at beginning of the year			–	112	560	–	703	703	–	–	–
Current year receipts			850	448	3 786	–	500	500	500	545	570
<b>Conditions met - transferred to revenue</b>			850	–	3 130	–	1 203	1 203	500	545	570
Conditions still to be met - transferred to liabilities				560	1 216	–	–	–	–	–	–
<b>District Municipality:</b>											
Balance unspent at beginning of the year			–	–	–	–	–	–	–	–	–
Current year receipts			–	–	–	–	–	–	–	–	–
<b>Conditions met - transferred to revenue</b>			–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities			–	–	–	–	–	–	–	–	–
<b>Other grant providers:</b>											
Balance unspent at beginning of the year			–	–	–	–	–	–	–	–	–
Current year receipts			–	–	–	–	–	–	–	–	–
<b>Conditions met - transferred to revenue</b>			–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities			–	–	–	–	–	–	–	–	–
<b>Total operating transfers and grants revenue</b>			205 435	235 250	269 065	282 528	355 440	355 440	295 690	306 697	299 293
<b>Total operating transfers and grants - CTBM</b>		2	–	560	1 269	–	–	–	–	–	–
<b>Capital transfers and grants:</b>		1,3									
<b>National Government:</b>											
Balance unspent at beginning of the year			–	–	6 127	–	6 306	6 306	–	–	–
Current year receipts			59 628	75 779	65 403	45 647	64 031	64 031	86 399	110 104	89 561
<b>Conditions met - transferred to revenue</b>			59 628	69 652	64 682	45 647	70 336	70 336	86 399	110 104	89 561
Conditions still to be met - transferred to liabilities			–	6 127	6 847	–	–	–	–	–	–
<b>Provincial Government:</b>											
Balance unspent at beginning of the year			–	–	–	–	–	–	–	–	–
Current year receipts			–	–	–	–	–	–	–	–	–
<b>Conditions met - transferred to revenue</b>			–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities			–	–	–	–	–	–	–	–	–
<b>District Municipality:</b>											
Balance unspent at beginning of the year			–	–	–	–	–	–	–	–	–
Current year receipts			–	–	–	–	–	–	–	–	–
<b>Conditions met - transferred to revenue</b>			–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities			–	–	–	–	–	–	–	–	–
<b>Other grant providers:</b>											
Balance unspent at beginning of the year			–	–	–	–	–	–	–	–	–
Current year receipts			–	–	–	–	–	–	–	–	–
<b>Conditions met - transferred to revenue</b>			–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities			–	–	–	–	–	–	–	–	–
<b>Total capital transfers and grants revenue</b>			59 628	69 652	64 682	45 647	70 336	70 336	86 399	110 104	89 561
<b>Total capital transfers and grants - CTBM</b>		2	–	6 127	6 847	–	–	–	–	–	–
<b>TOTAL TRANSFERS AND GRANTS REVENUE</b>			265 063	304 902	333 748	328 175	425 776	425 776	382 089	416 801	388 854
<b>TOTAL TRANSFERS AND GRANTS - CTBM</b>			–	6 687	8 116	–	–	–	–	–	–

Table 24 MBRR SA24 – Summary of personnel numbers

## EC443 Winnie Madikizela Mandela - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers		Ref	2019/20			Current Year 2020/21			Budget Year 2021/22		
Number		1,2	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
<b>Municipal Council and Boards of Municipal Entities</b>											
Councillors (Political Office Bearers plus Other Councillors)			62	–	62	62	–	62	62	–	62
Board Members of municipal entities	4										
<b>Municipal employees</b>											
Municipal Manager and Senior Managers	5										
Other Managers	3		6	6	–	6	6	–	6	6	–
Professionals	7		19	19	–	20	20	–	19	19	–
Finance			8	8	–	8	8	–	8	8	–
Spatial/town planning			3	3	–	3	3	–	3	3	–
Information Technology			1	1	–	1	1	–	1	1	–
Roads			2	2	–	2	2	–	2	2	–
Electricity			1	1	–	1	1	–	1	1	–
Water			–	–	–	–	–	–	–	–	–
Sanitation			–	–	–	–	–	–	–	–	–
Refuse			1	1	–	1	1	–	1	1	–
Other			–	–	–	–	–	–	–	–	–
Technicians			18	18	–	18	18	–	18	18	–
Finance			7	7	–	7	7	–	7	7	–
Spatial/town planning			–	–	–	–	–	–	–	–	–
Information Technology			2	2	–	2	2	–	2	2	–
Roads			5	5	–	5	5	–	5	5	–
Electricity			2	2	–	2	2	–	2	2	–
Water			–	–	–	–	–	–	–	–	–
Sanitation			–	–	–	–	–	–	–	–	–
Refuse			2	2	–	2	2	–	2	2	–
Other			–	–	–	–	–	–	–	–	–
Clerks (Clerical and administrative)			104	99	–	104	99	–	104	104	–
Service and sales workers			–	–	–	–	–	–	–	–	–
Skilled agricultural and fishery workers			–	–	–	–	–	–	–	–	–
Craft and related trades			–	–	–	–	–	–	–	–	–
Plant and Machine Operators			–	9	4	–	9	4	5	5	–
Elementary Occupations			118	112	–	118	112	–	118	118	–
<b>TOTAL PERSONNEL NUMBERS</b>	9		335	271	66	336	272	66	340	278	62
<b>% increase</b>						0.3%	0.4%	–	1.2%	2.2%	(6.1%)
<b>Total municipal employees headcount</b>	6, 10										
Finance personnel headcount	8, 10		29	29	29	28	28	28	30	30	30
Human Resources personnel headcount	8, 10		35	35	35	38	38	38	38	38	38



EC443 Winnie Madikizela Mandela - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
		A	B	C	D	E	F	G	H	I
<b>Councillors (Political Office Bearers plus Other)</b>	1									
Basic Salaries and Wages		13 812	12 290	12 740	13 318	13 318	13 318	13 837	14 418	15 052
Pension and UIF Contributions		—	1 024	1 062	1 110	1 110	1 110	1 153	1 202	1 254
Medical Aid Contributions		—	1 025	1 062	1 110	1 110	1 110	1 153	1 202	1 254
Motor Vehicle Allowance		4 933	5 121	5 309	5 549	5 549	5 549	5 765	6 008	6 272
Cellphone Allowance		2 753	3 764	3 798	3 950	3 950	3 950	4 098	4 271	4 459
Housing Allowances		—	—	—	—	—	—	—	—	—
Other benefits and allowances		987	—	—	—	—	—	—	—	—
<b>Sub Total - Councillors</b>		<b>22 485</b>	<b>23 223</b>	<b>23 970</b>	<b>25 036</b>	<b>25 036</b>	<b>25 036</b>	<b>26 007</b>	<b>27 099</b>	<b>28 292</b>
<b>% increase</b>	4		3.3%	3.2%	4.4%	—	—	3.9%	4.2%	4.4%
<b>Senior Managers of the Municipality</b>	2									
Basic Salaries and Wages		4 718	4 030	4 908	5 273	5 273	5 273	5 261	5 481	5 723
Pension and UIF Contributions		—	—	85	91	91	91	91	94	99
Medical Aid Contributions		—	—	416	442	442	442	441	459	479
Overtime		—	—	—	—	—	—	—	—	—
Performance Bonus		—	—	—	—	—	—	—	—	—
Motor Vehicle Allowance	3	1 301	1 365	1 517	1 733	1 733	1 733	1 608	1 676	1 750
Cellphone Allowance	3	—	—	124	261	261	261	131	137	143
Housing Allowances	3	—	—	430	592	592	592	456	475	496
Other benefits and allowances	3	1 482	1 226	—	—	—	—	—	—	—
Payments in lieu of leave		—	—	—	—	—	—	—	—	—
Long service awards		—	—	—	—	—	—	—	—	—
Post-retirement benefit obligations	6	—	—	—	—	—	—	—	—	—
<b>Sub Total - Senior Managers of Municipality</b>		<b>7 501</b>	<b>6 621</b>	<b>7 481</b>	<b>8 392</b>	<b>8 392</b>	<b>8 392</b>	<b>7 987</b>	<b>8 323</b>	<b>8 689</b>
<b>% increase</b>	4		(11.7%)	13.0%	12.2%	—	—	(4.8%)	4.2%	4.4%
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		54 468	62 091	63 982	71 455	71 200	71 200	77 216	80 535	84 053
Pension and UIF Contributions		5 462	6 969	8 624	10 079	10 079	10 079	11 108	11 574	12 084
Medical Aid Contributions		3 465	4 427	4 368	5 552	5 552	5 552	5 685	5 924	6 185
Overtime		937	1 833	2 488	3 001	3 251	3 251	3 048	3 170	3 302
Performance Bonus		4 621	4 633	4 648	5 212	5 212	5 212	5 653	5 890	6 150
Motor Vehicle Allowance	3	5 262	5 932	5 958	6 961	6 994	6 994	7 469	7 782	8 125
Cellphone Allowance	3	398	399	612	898	898	898	958	964	971
Housing Allowances	3	3 014	3 099	3 232	3 814	3 814	3 814	4 118	4 291	4 480
Other benefits and allowances	3	281	2 308	4 799	3 770	3 805	3 805	3 611	3 762	3 926
Payments in lieu of leave		—	8 305	—	—	—	—	—	—	—
Long service awards		378	638	—	—	—	—	—	—	—
Post-retirement benefit obligations	6	—	—	—	—	—	—	—	—	—
<b>Sub Total - Other Municipal Staff</b>		<b>78 287</b>	<b>100 634</b>	<b>98 711</b>	<b>110 740</b>	<b>110 802</b>	<b>110 802</b>	<b>118 867</b>	<b>123 893</b>	<b>129 275</b>
<b>% increase</b>	4		28.5%	(1.9%)	12.2%	0.1%	—	7.3%	4.2%	4.3%
<b>Total Parent Municipality</b>		<b>108 273</b>	<b>130 479</b>	<b>130 161</b>	<b>144 168</b>	<b>144 230</b>	<b>144 230</b>	<b>152 861</b>	<b>159 315</b>	<b>166 256</b>
			20.5%	(0.2%)	10.8%	0.0%	—	6.0%	4.2%	4.4%

# Monthly targets for revenue, expenditure and cash flow

EC443 Winnie Madikizela Mandela - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>R thousand</b>															
<b>Cash Receipts By Source</b>													1		
Property rates	14 982	3 815	3 815	3 815	3 815	3 815	3 815	3 815	3 815	3 815	3 815	3 815	56 951	40 839	36 120
Service charges - electricity revenue	1 692	1 692	1 692	1 692	1 692	1 692	1 692	1 692	1 692	1 692	1 692	1 692	20 308	25 771	29 341
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	753	753	753	753	753	753	753	753	753	753	753	753	9 038	6 343	5 540
Rental of facilities and equipment	258	258	258	258	258	258	258	258	258	258	258	258	3 093	3 314	3 389
Interest earned - external investments	837	837	837	837	837	837	837	837	837	837	837	837	10 047	10 469	10 929
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	30	30	30	30	30	30	30	30	30	30	30	30	363	399	391
Licences and permits	230	230	230	230	230	230	230	230	230	230	230	230	2 756	2 756	2 756
Agency services	105	105	105	105	105	105	105	105	105	105	105	105	1 265	1 319	1 377
Transfers and Subsidies - Operational	130 329	3 394	-	-	1 606	86 885	-	1 070	72 405	-	-	0	295 690	306 697	299 293
Other revenue	118	118	118	118	118	118	118	118	118	118	118	118	1 438	1 438	1 459
<b>Cash Receipts by Source</b>	<b>149 335</b>	<b>11 233</b>	<b>7 839</b>	<b>7 839</b>	<b>9 446</b>	<b>94 725</b>	<b>7 839</b>	<b>8 909</b>	<b>80 245</b>	<b>7 839</b>	<b>7 839</b>	<b>7 840</b>	<b>400 930</b>	<b>399 345</b>	<b>390 595</b>
<b>Other Cash Flows by Source</b>															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	16 847	5 946	11 097	-	13 547	13 736	-	14 336	23 787	-	-	-	99 296	112 858	92 433
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on Disposal of Fixed and Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Receipts by Source</b>	<b>166 181</b>	<b>17 179</b>	<b>18 936</b>	<b>7 839</b>	<b>22 993</b>	<b>108 460</b>	<b>7 839</b>	<b>23 246</b>	<b>104 032</b>	<b>7 839</b>	<b>7 839</b>	<b>7 840</b>	<b>500 226</b>	<b>512 202</b>	<b>483 028</b>
<b>Cash Payments by Type</b>															
Employee related costs	12 738	12 738	12 738	12 738	12 738	12 738	12 738	12 738	12 738	12 738	12 738	12 738	152 861	159 315	166 256
Remuneration of councillors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance charges	-	5	-	-	18	-	-	-	-	12	-	16	50	52	54
Bulk purchases - electricity	3 335	3 335	3 335	3 335	3 335	3 335	3 335	3 335	3 335	3 335	3 335	4 096	40 777	42 490	44 274
Acquisitions - water & other inventory	639	639	639	639	639	639	639	639	639	639	639	639	7 663	7 985	8 336
Contracted services	8 249	8 249	8 249	8 249	8 249	8 249	8 249	8 249	8 249	8 249	8 249	8 279	99 022	86 843	90 581
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	5 394	5 394	5 394	5 394	5 394	5 394	5 394	5 394	5 394	5 394	5 394	10 981	70 316	73 053	76 769
<b>Cash Payments by Type</b>	<b>30 355</b>	<b>30 359</b>	<b>30 355</b>	<b>30 355</b>	<b>30 373</b>	<b>30 355</b>	<b>30 355</b>	<b>30 355</b>	<b>30 355</b>	<b>30 367</b>	<b>30 355</b>	<b>36 749</b>	<b>370 688</b>	<b>369 737</b>	<b>386 270</b>
<b>Other Cash Flows/Payments by Type</b>															
Capital assets	4 443	4 437	7 451	3 265	8 945	7 387	8 669	13 275	13 275	16 396	13 275	18 358	119 176	136 641	105 474
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Payments by Type</b>	<b>34 798</b>	<b>34 796</b>	<b>37 806</b>	<b>33 620</b>	<b>39 317</b>	<b>37 742</b>	<b>39 024</b>	<b>43 630</b>	<b>43 630</b>	<b>46 763</b>	<b>43 630</b>	<b>55 107</b>	<b>489 864</b>	<b>506 378</b>	<b>491 744</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>131 383</b>	<b>(17 617)</b>	<b>(18 869)</b>	<b>(25 780)</b>	<b>(16 324)</b>	<b>70 718</b>	<b>(31 185)</b>	<b>(20 385)</b>	<b>60 402</b>	<b>(38 923)</b>	<b>(35 791)</b>	<b>(47 267)</b>	<b>10 361</b>	<b>5 824</b>	<b>(8 716)</b>
Cash/cash equivalents at the month/year begin:	181 236	312 620	295 003	276 133	250 353	234 028	304 747	273 562	253 177	313 579	274 655	238 865	181 236	191 598	197 422
Cash/cash equivalents at the month/year end:	312 620	295 003	276 133	250 353	234 028	304 747	273 562	253 177	313 579	274 655	238 865	191 598	191 598	197 422	188 706

Table 25 MBRR SA25 – Budgeted monthly revenue and expenditure

## EC443 Winnie Madikizela Mandela - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>R thousand</b>																
<b>Revenue By Source</b>																
Property rates		2 181	2 181	2 181	2 181	2 181	2 181	2 181	2 181	2 181	2 181	2 181	2 181	26 171	27 271	28 470
Service charges - electricity revenue		2 995	2 995	2 995	2 995	2 995	2 995	2 995	2 995	2 995	2 995	2 995	5 862	38 809	41 763	44 980
Service charges - water revenue		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Service charges - sanitation revenue		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Service charges - refuse revenue		389	389	389	389	389	389	389	389	389	389	389	389	4 665	4 861	5 075
Rental of facilities and equipment		258	258	258	258	258	258	258	258	258	258	258	258	3 093	3 314	3 389
Interest earned - external investments		837	837	837	837	837	837	837	837	837	837	837	837	10 047	10 469	10 929
Interest earned - outstanding debtors		428	428	428	428	428	428	428	428	428	428	428	428	5 133	5 348	5 584
Dividends received		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Fines, penalties and forfeits		78	78	78	78	78	78	78	78	78	78	78	78	938	971	1 007
Licences and permits		230	230	230	230	230	230	230	230	230	230	230	230	2 756	2 756	2 756
Agency services		105	105	105	105	105	105	105	105	105	105	105	105	1 265	1 319	1 377
Transfers and subsidies		24 599	24 599	24 599	24 599	24 599	24 599	24 599	24 599	24 599	24 599	24 599	25 099	295 690	306 697	299 293
Other revenue		122	122	122	122	122	122	122	122	122	122	122	122	1 466	1 485	1 506
Gains		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>32 222</b>	<b>32 222</b>	<b>32 222</b>	<b>32 222</b>	<b>32 222</b>	<b>32 222</b>	<b>32 222</b>	<b>32 222</b>	<b>32 222</b>	<b>32 222</b>	<b>32 222</b>	<b>35 589</b>	<b>390 032</b>	<b>406 252</b>	<b>404 365</b>
<b>Expenditure By Type</b>																
Employee related costs		10 571	10 571	10 571	10 571	10 571	10 571	10 571	10 571	10 571	10 571	10 571	10 571	126 854	132 216	137 964
Remuneration of councillors		2 167	2 167	2 167	2 167	2 167	2 167	2 167	2 167	2 167	2 167	2 167	2 167	26 007	27 099	28 292
Debt impairment		800	800	800	800	800	800	800	800	800	800	800	800	9 600	9 600	9 600
Depreciation & asset impairment		4 390	4 390	4 390	4 390	4 390	4 390	4 390	4 390	4 390	4 390	4 390	4 390	52 682	54 894	57 310
Finance charges		13	13	13	13	13	13	13	13	13	13	13	12	150	156	163
Bulk purchases - electricity		3 335	3 335	3 335	3 335	3 335	3 335	3 335	3 335	3 335	3 335	3 335	4 096	40 777	42 490	44 274
Inventory consumed		639	639	639	639	639	639	639	639	639	639	639	639	7 663	7 985	8 336
Contracted services		8 249	8 249	8 249	8 249	8 249	8 249	8 249	8 249	8 249	8 249	8 249	8 105	98 848	86 461	90 192
Transfers and subsidies		492	492	492	492	492	492	492	492	492	492	492	492	5 907	6 155	6 426
Other expenditure		5 467	5 467	5 467	5 467	5 467	5 467	5 467	5 467	5 467	5 467	5 467	4 910	65 042	67 985	71 478
Losses		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>Total Expenditure</b>		<b>36 122</b>	<b>36 122</b>	<b>36 122</b>	<b>36 122</b>	<b>36 122</b>	<b>36 122</b>	<b>36 122</b>	<b>36 122</b>	<b>36 122</b>	<b>36 122</b>	<b>36 122</b>	<b>36 184</b>	<b>433 529</b>	<b>435 041</b>	<b>454 035</b>
<b>Surplus/(Deficit)</b>		<b>(3 900)</b>	<b>(3 900)</b>	<b>(3 900)</b>	<b>(3 900)</b>	<b>(3 900)</b>	<b>(3 900)</b>	<b>(3 900)</b>	<b>(3 900)</b>	<b>(3 900)</b>	<b>(3 900)</b>	<b>(3 900)</b>	<b>(595)</b>	<b>(43 497)</b>	<b>(28 789)</b>	<b>(49 669)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		8 275	8 275	8 275	8 275	8 275	8 275	8 275	8 275	8 275	8 275	8 275	8 275	99 296	112 858	92 433
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Transfers and subsidies - capital (in-kind - all)		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>4 374</b>	<b>4 374</b>	<b>4 374</b>	<b>4 374</b>	<b>4 374</b>	<b>4 374</b>	<b>4 374</b>	<b>4 374</b>	<b>4 374</b>	<b>4 374</b>	<b>4 374</b>	<b>7 680</b>	<b>55 799</b>	<b>84 068</b>	<b>42 764</b>
Taxation		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Attributable to minorities		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Share of surplus/ (deficit) of associate		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>4 374</b>	<b>4 374</b>	<b>4 374</b>	<b>4 374</b>	<b>4 374</b>	<b>4 374</b>	<b>4 374</b>	<b>4 374</b>	<b>4 374</b>	<b>4 374</b>	<b>4 374</b>	<b>7 680</b>	<b>55 799</b>	<b>84 068</b>	<b>42 764</b>

Table 26 MBRR SA26 – Budgeted monthly revenue and expenditure (municipal vote)

## EC443 Winnie Madikizela Mandela - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>R thousand</b>																
<b>Revenue by Vote</b>																
Vote 1 - Executive and Council		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Vote 2 - Corporate Services		24	24	24	24	24	24	24	24	24	24	24	24	293	309	326
Vote 3 - Budget Treasury Office		25 756	25 756	25 756	25 756	25 756	25 756	25 756	25 756	25 756	25 756	25 756	25 756	309 070	324 413	317 703
Vote 4 - Community Services		1 104	1 104	1 104	1 104	1 104	1 104	1 104	1 104	1 104	1 104	1 104	1 603	13 743	10 501	10 835
Vote 5 - Development Planning		3 872	3 872	3 872	3 872	3 872	3 872	3 872	3 872	3 872	3 872	3 872	3 872	46 467	50 569	28 954
Vote 6 - Engineering Services		9 741	9 741	9 741	9 741	9 741	9 741	9 741	9 741	9 741	9 741	9 741	12 607	119 755	133 317	138 981
Vote 7 - [NAME OF VOTE 7]		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Vote 8 - [NAME OF VOTE 8]		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Vote 9 - [NAME OF VOTE 9]		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Vote 10 - [NAME OF VOTE 10]		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Vote 11 - [NAME OF VOTE 11]		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Vote 12 - [NAME OF VOTE 12]		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Vote 13 - [NAME OF VOTE 13]		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Vote 14 - [NAME OF VOTE 14]		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Vote 15 - [NAME OF VOTE 15]		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>Total Revenue by Vote</b>		<b>40 497</b>	<b>40 497</b>	<b>40 497</b>	<b>40 497</b>	<b>40 497</b>	<b>40 497</b>	<b>40 497</b>	<b>40 497</b>	<b>40 497</b>	<b>40 497</b>	<b>40 497</b>	<b>43 863</b>	<b>489 328</b>	<b>519 110</b>	<b>496 798</b>
<b>Expenditure by Vote to be appropriated</b>																
Vote 1 - Executive and Council		6 899	6 899	6 899	6 899	6 899	6 899	6 899	6 899	6 899	6 899	6 899	7 434	83 323	86 642	90 890
Vote 2 - Corporate Services		4 929	4 929	4 929	4 929	4 929	4 929	4 929	4 929	4 929	4 929	4 929	4 929	59 154	61 634	64 342
Vote 3 - Budget Treasury Office		3 210	3 210	3 210	3 210	3 210	3 210	3 210	3 210	3 210	3 210	3 210	2 675	37 982	39 398	40 682
Vote 4 - Community Services		6 519	6 519	6 519	6 519	6 519	6 519	6 519	6 519	6 519	6 519	6 519	6 519	78 225	76 388	79 731
Vote 5 - Development Planning		2 422	2 422	2 422	2 422	2 422	2 422	2 422	2 422	2 422	2 422	2 422	2 422	29 061	30 282	31 614
Vote 6 - Engineering Services		12 143	12 143	12 143	12 143	12 143	12 143	12 143	12 143	12 143	12 143	12 143	12 205	145 783	140 697	146 775
Vote 7 - [NAME OF VOTE 7]		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Vote 8 - [NAME OF VOTE 8]		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Vote 9 - [NAME OF VOTE 9]		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Vote 10 - [NAME OF VOTE 10]		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Vote 11 - [NAME OF VOTE 11]		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Vote 12 - [NAME OF VOTE 12]		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Vote 13 - [NAME OF VOTE 13]		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Vote 14 - [NAME OF VOTE 14]		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Vote 15 - [NAME OF VOTE 15]		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>Total Expenditure by Vote</b>		<b>36 122</b>	<b>36 122</b>	<b>36 122</b>	<b>36 122</b>	<b>36 122</b>	<b>36 122</b>	<b>36 122</b>	<b>36 122</b>	<b>36 122</b>	<b>36 122</b>	<b>36 122</b>	<b>36 184</b>	<b>433 529</b>	<b>435 041</b>	<b>454 035</b>
<b>Surplus/(Deficit) before assoc.</b>		<b>4 374</b>	<b>4 374</b>	<b>4 374</b>	<b>4 374</b>	<b>4 374</b>	<b>4 374</b>	<b>4 374</b>	<b>4 374</b>	<b>4 374</b>	<b>4 374</b>	<b>4 374</b>	<b>7 680</b>	<b>55 799</b>	<b>84 068</b>	<b>42 764</b>
Taxation		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Attributable to minorities		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Share of surplus/ (deficit) of associate		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>4 374</b>	<b>4 374</b>	<b>4 374</b>	<b>4 374</b>	<b>4 374</b>	<b>4 374</b>	<b>4 374</b>	<b>4 374</b>	<b>4 374</b>	<b>4 374</b>	<b>4 374</b>	<b>7 680</b>	<b>55 799</b>	<b>84 068</b>	<b>42 764</b>

Table 27 MBRR SA27 – Budgeted monthly revenue and expenditure (standard classification)

## EC443 Winnie Madikizela Mandela - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>R thousand</b>																
<b>Revenue - Functional</b>																
<b>Governance and administration</b>		27 961	27 961	27 961	27 961	27 961	27 961	27 961	27 961	27 961	27 961	27 961	27 962	335 535	351 993	346 500
Executive and council		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Finance and administration		27 961	27 961	27 961	27 961	27 961	27 961	27 961	27 961	27 961	27 961	27 961	27 962	335 535	351 993	346 500
Internal audit		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>Community and public safety</b>		415	415	415	415	415	415	415	415	415	415	415	915	5 479	5 610	5 728
Community and social services		15	15	15	15	15	15	15	15	15	15	15	515	680	725	750
Sport and recreation		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Public safety		400	400	400	400	400	400	400	400	400	400	400	400	4 798	4 884	4 978
Housing		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Health		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>Economic and environmental services</b>		5 956	5 956	5 956	5 956	5 956	5 956	5 956	5 956	5 956	5 956	5 956	5 956	71 475	78 494	58 073
Planning and development		1 704	1 704	1 704	1 704	1 704	1 704	1 704	1 704	1 704	1 704	1 704	1 704	20 452	23 456	640
Road transport		4 252	4 252	4 252	4 252	4 252	4 252	4 252	4 252	4 252	4 252	4 252	4 252	51 023	55 038	57 433
Environmental protection		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>Trading services</b>		6 164	6 164	6 164	6 164	6 164	6 164	6 164	6 164	6 164	6 164	6 164	9 031	76 840	83 014	86 497
Energy sources		5 476	5 476	5 476	5 476	5 476	5 476	5 476	5 476	5 476	5 476	5 476	8 342	68 576	78 123	81 391
Water management		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Waste water management		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Waste management		689	689	689	689	689	689	689	689	689	689	689	689	8 264	4 891	5 106
<b>Other</b>		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>Total Revenue - Functional</b>		40 497	40 497	40 497	40 497	40 497	40 497	40 497	40 497	40 497	40 497	40 497	43 863	489 328	519 110	496 798
<b>Expenditure - Functional</b>																
<b>Governance and administration</b>		16 317	16 317	16 317	16 317	16 317	16 317	16 317	16 317	16 317	16 317	16 317	16 317	195 801	203 654	212 591
Executive and council		5 178	5 178	5 178	5 178	5 178	5 178	5 178	5 178	5 178	5 178	5 178	5 178	62 138	64 703	68 052
Finance and administration		10 710	10 710	10 710	10 710	10 710	10 710	10 710	10 710	10 710	10 710	10 710	10 175	127 983	133 165	138 559
Internal audit		429	429	429	429	429	429	429	429	429	429	429	964	5 679	5 787	5 979
<b>Community and public safety</b>		2 635	2 635	2 635	2 635	2 635	2 635	2 635	2 635	2 635	2 635	2 635	2 635	31 625	32 471	33 891
Community and social services		997	997	997	997	997	997	997	997	997	997	997	997	11 967	11 993	12 518
Sport and recreation		238	238	238	238	238	238	238	238	238	238	238	238	2 853	2 972	3 103
Public safety		1 314	1 314	1 314	1 314	1 314	1 314	1 314	1 314	1 314	1 314	1 314	1 314	15 769	16 425	17 142
Housing		86	86	86	86	86	86	86	86	86	86	86	86	1 037	1 080	1 128
Health		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>Economic and environmental services</b>		8 827	8 827	8 827	8 827	8 827	8 827	8 827	8 827	8 827	8 827	8 827	8 827	105 923	110 462	115 295
Planning and development		2 613	2 613	2 613	2 613	2 613	2 613	2 613	2 613	2 613	2 613	2 613	2 613	31 356	32 729	34 125
Road transport		6 002	6 002	6 002	6 002	6 002	6 002	6 002	6 002	6 002	6 002	6 002	6 002	72 029	75 087	78 408
Environmental protection		212	212	212	212	212	212	212	212	212	212	212	212	2 539	2 645	2 762
<b>Trading services</b>		8 022	8 022	8 022	8 022	8 022	8 022	8 022	8 022	8 022	8 022	8 022	8 084	96 328	84 440	88 066
Energy sources		5 693	5 693	5 693	5 693	5 693	5 693	5 693	5 693	5 693	5 693	5 693	5 754	68 375	59 947	62 498
Water management		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Waste water management		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Waste management		2 329	2 329	2 329	2 329	2 329	2 329	2 329	2 329	2 329	2 329	2 329	2 329	27 952	24 493	25 568
<b>Other</b>		321	321	321	321	321	321	321	321	321	321	321	321	3 853	4 015	4 192
<b>Total Expenditure - Functional</b>		36 122	36 122	36 122	36 122	36 122	36 122	36 122	36 122	36 122	36 122	36 122	36 184	433 529	435 041	454 035
<b>Surplus/(Deficit) before assoc.</b>		4 374	4 374	4 374	4 374	4 374	4 374	4 374	4 374	4 374	4 374	4 374	7 680	55 799	84 068	42 764
Share of surplus/ (deficit) of associate		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>Surplus/(Deficit)</b>	1	4 374	4 374	4 374	4 374	4 374	4 374	4 374	4 374	4 374	4 374	4 374	7 680	55 799	84 068	42 764

Table 28 MBRR SA28 – Budgeted monthly capital expenditure (municipal vote)

**EC443 Winnie Madikizela Mandela - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)**

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>Multi-year expenditure to be appropriated</b>	1															
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Corporate Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Budget Treasury Office		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Community Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Development Planning		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Engineering Services		2 658	2 152	4 618	-	1 639	-	-	6 106	2 894	13 635	7 200	-	40 902	15 000	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	2	2 658	2 152	4 618	-	1 639	-	-	6 106	2 894	13 635	7 200	-	40 902	15 000	-
<b>Single-year expenditure to be appropriated</b>																
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Corporate Services		-	-	-	1 248	-	2 000	780	-	2 000	-	1 000	-	7 028	5 116	6 886
Vote 3 - Budget Treasury Office		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Community Services		-	500	1 499	950	-	-	100	101	-	-	-	-	3 150	1 900	3 300
Vote 5 - Development Planning		1 785	1 785	286	-	1 785	1 785	1 785	1 785	1 785	1 785	1 785	5 069	21 420	24 320	1 800
Vote 6 - Engineering Services		-	-	1 048	1 067	5 521	3 602	6 004	5 263	1 953	976	3 290	16 503	45 227	92 870	89 721
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>	2	1 785	2 285	2 833	3 265	7 306	7 387	8 669	7 149	5 738	2 761	6 075	21 572	76 825	124 205	101 708
<b>Total Capital Expenditure</b>	2	4 443	4 437	7 451	3 265	8 945	7 387	8 669	13 255	8 632	16 396	13 275	21 572	117 727	139 205	101 708

Table 29 MBRR SA29 – Budgeted monthly capital expenditure (functional classification)

## EC443 Winnie Madikizela Mandela - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>Capital Expenditure - Functional</b>	1															
<b>Governance and administration</b>		–	–	–	1 248	–	2 000	780	–	2 000	–	1 000	–	7 028	5 316	7 086
Executive and council		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Finance and administration		–	–	–	1 248	–	2 000	780	–	2 000	–	1 000	–	7 028	5 316	7 086
Internal audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Community and public safety</b>		–	–	1 400	950	–	–	100	–	–	–	–	–	2 450	1 500	2 200
Community and social services		–	–	1 400	250	–	–	–	–	–	–	–	–	1 650	1 400	2 000
Sport and recreation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Public safety		–	–	–	700	–	–	100	–	–	–	–	–	800	100	200
Housing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Economic and environmental services</b>		4 443	3 937	4 904	1 067	7 300	3 240	1 028	9 954	5 555	16 396	8 985	19 083	85 891	91 604	56 361
Planning and development		4 443	3 937	4 904	–	3 424	1 208	–	8 754	4 679	15 420	8 985	17 067	72 822	39 320	1 800
Road transport		–	–	–	1 067	3 876	2 031	1 028	1 200	876	976	–	2 016	13 070	52 284	54 561
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Trading services</b>		–	500	1 147	–	1 645	2 147	6 762	3 301	1 077	–	3 290	2 489	22 357	40 786	36 060
Energy sources		–	–	1 048	–	1 645	2 147	6 762	3 200	1 077	–	3 290	2 489	21 657	40 586	35 160
Water management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste management		–	500	99	–	–	–	–	101	–	–	–	–	700	200	900
<b>Other</b>		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Total Capital Expenditure - Functional</b>	2	4 443	4 437	7 451	3 265	8 945	7 387	8 669	13 255	8 632	16 396	13 275	21 572	117 727	139 205	101 708
<b>Funded by:</b>																
National Government		1 832	1 826	4 840	654	6 334	4 776	6 059	10 645	6 021	13 785	10 665	18 961	86 399	110 104	89 561
Provincial Government		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
District Municipality		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (National / Provincial)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Transfers recognised - capital</b>		1 832	1 826	4 840	654	6 334	4 776	6 059	10 645	6 021	13 785	10 665	18 961	86 399	110 104	89 561
<b>Borrowing</b>		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Internally generated funds</b>		2 611	2 611	2 611	2 611	2 611	2 611	2 611	2 611	2 611	2 611	2 611	2 611	31 328	29 102	12 146
<b>Total Capital Funding</b>		4 443	4 437	7 451	3 265	8 945	7 387	8 669	13 255	8 632	16 396	13 275	21 572	117 727	139 205	101 708

Table 30 MBRR SA30 – Budgeted monthly cash flow

## EC443 Winnie Madikizela Mandela - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>Cash Receipts By Source</b>													1		
Property rates	14 982	3 815	3 815	3 815	3 815	3 815	3 815	3 815	3 815	3 815	3 815	3 815	56 951	40 839	36 120
Service charges - electricity revenue	1 692	1 692	1 692	1 692	1 692	1 692	1 692	1 692	1 692	1 692	1 692	1 692	20 308	25 771	29 341
Service charges - water revenue	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Service charges - sanitation revenue	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Service charges - refuse revenue	753	753	753	753	753	753	753	753	753	753	753	753	9 038	6 343	5 540
Rental of facilities and equipment	258	258	258	258	258	258	258	258	258	258	258	258	3 093	3 314	3 389
Interest earned - external investments	837	837	837	837	837	837	837	837	837	837	837	837	10 047	10 469	10 929
Interest earned - outstanding debtors	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Dividends received	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Fines, penalties and forfeits	30	30	30	30	30	30	30	30	30	30	30	30	363	399	391
Licences and permits	230	230	230	230	230	230	230	230	230	230	230	230	2 756	2 756	2 756
Agency services	105	105	105	105	105	105	105	105	105	105	105	105	1 265	1 319	1 377
Transfers and Subsidies - Operational	130 329	3 394	—	—	1 606	86 885	—	1 070	72 405	—	—	0	295 690	306 697	299 293
Other revenue	118	118	118	118	118	118	118	118	118	118	118	118	1 419	1 438	1 459
<b>Cash Receipts by Source</b>	<b>149 335</b>	<b>11 233</b>	<b>7 839</b>	<b>7 839</b>	<b>9 446</b>	<b>94 725</b>	<b>7 839</b>	<b>8 909</b>	<b>80 245</b>	<b>7 839</b>	<b>7 839</b>	<b>7 840</b>	<b>400 930</b>	<b>399 345</b>	<b>390 595</b>
<b>Other Cash Flows by Source</b>															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	16 847	5 946	11 097	—	13 547	13 736	—	14 336	23 787	—	—	—	99 296	112 858	92 433
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Proceeds on Disposal of Fixed and Intangible Assets	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Short term loans	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Borrowing long term/refinancing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Increase (decrease) in consumer deposits	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Decrease (increase) in non-current receivables	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Decrease (increase) in non-current investments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>Total Cash Receipts by Source</b>	<b>166 181</b>	<b>17 179</b>	<b>18 936</b>	<b>7 839</b>	<b>22 993</b>	<b>108 460</b>	<b>7 839</b>	<b>23 246</b>	<b>104 032</b>	<b>7 839</b>	<b>7 839</b>	<b>7 840</b>	<b>500 226</b>	<b>512 202</b>	<b>483 028</b>
<b>Cash Payments by Type</b>															
Employee related costs	12 738	12 738	12 738	12 738	12 738	12 738	12 738	12 738	12 738	12 738	12 738	12 738	152 861	159 315	166 256
Remuneration of councillors	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Finance charges	—	5	—	—	18	—	—	—	—	12	—	16	50	52	54
Bulk purchases - electricity	3 335	3 335	3 335	3 335	3 335	3 335	3 335	3 335	3 335	3 335	3 335	4 096	40 777	42 490	44 274
Acquisitions - water & other inventory	639	639	639	639	639	639	639	639	639	639	639	639	7 663	7 985	8 336
Contracted services	8 249	8 249	8 249	8 249	8 249	8 249	8 249	8 249	8 249	8 249	8 249	8 279	99 022	86 843	90 581
Transfers and grants - other municipalities	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Transfers and grants - other	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Other expenditure	5 394	5 394	5 394	5 394	5 394	5 394	5 394	5 394	5 394	5 394	5 394	10 981	70 316	73 053	76 769
<b>Cash Payments by Type</b>	<b>30 355</b>	<b>30 359</b>	<b>30 355</b>	<b>30 355</b>	<b>30 373</b>	<b>30 355</b>	<b>30 355</b>	<b>30 355</b>	<b>30 355</b>	<b>30 367</b>	<b>30 355</b>	<b>36 749</b>	<b>370 688</b>	<b>369 737</b>	<b>386 270</b>
<b>Other Cash Flows/Payments by Type</b>															
Capital assets	4 443	4 437	7 451	3 265	8 945	7 387	8 669	13 275	13 275	16 396	13 275	18 358	119 176	136 641	105 474
Repayment of borrowing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Other Cash Flows/Payments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>Total Cash Payments by Type</b>	<b>34 798</b>	<b>34 796</b>	<b>37 806</b>	<b>33 620</b>	<b>39 317</b>	<b>37 742</b>	<b>39 024</b>	<b>43 630</b>	<b>43 630</b>	<b>46 763</b>	<b>43 630</b>	<b>55 107</b>	<b>489 864</b>	<b>506 378</b>	<b>491 744</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>131 383</b>	<b>(17 617)</b>	<b>(18 869)</b>	<b>(25 780)</b>	<b>(16 324)</b>	<b>70 718</b>	<b>(31 185)</b>	<b>(20 385)</b>	<b>60 402</b>	<b>(38 923)</b>	<b>(35 791)</b>	<b>(47 267)</b>	<b>10 361</b>	<b>5 824</b>	<b>(8 716)</b>
Cash/cash equivalents at the month/year begin:	181 236	312 620	295 003	276 133	250 353	234 028	304 747	273 562	253 177	313 579	274 655	238 865	181 236	191 598	197 422
Cash/cash equivalents at the month/year end:	312 620	295 003	276 133	250 353	234 028	304 747	273 562	253 177	313 579	274 655	238 865	191 598	191 598	197 422	188 706



Contracts having future budgetary implications

**EC443 Winnie Madikizela Mandela - Supporting Table SA35 Future financial implications of the capital budget**

Vote Description R thousand	Ref	2021/22 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Present value
<b>Capital expenditure</b>	1							
Vote 1 - Executive and Council		-	-	-				
Vote 2 - Corporate Services		7 028	5 116	6 886				
Vote 3 - Budget Treasury Office		-	-	-				
Vote 4 - Community Services		3 150	1 900	3 300				
Vote 5 - Development Planning		21 420	24 320	1 800				
Vote 6 - Engineering Services		86 129	107 870	89 721				
Vote 7 - [NAME OF VOTE 7]		-	-	-				
Vote 8 - [NAME OF VOTE 8]		-	-	-				
Vote 9 - [NAME OF VOTE 9]		-	-	-				
Vote 10 - [NAME OF VOTE 10]		-	-	-				
Vote 11 - [NAME OF VOTE 11]		-	-	-				
Vote 12 - [NAME OF VOTE 12]		-	-	-				
Vote 13 - [NAME OF VOTE 13]		-	-	-				
Vote 14 - [NAME OF VOTE 14]		-	-	-				
Vote 15 - [NAME OF VOTE 15]		-	-	-				
<i>List entity summary if applicable</i>								
<b>Total Capital Expenditure</b>		<b>117 727</b>	<b>139 205</b>	<b>101 708</b>	-	-	-	-
<b>Future operational costs by vote</b>	2							
Vote 1 - Executive and Council								
Vote 2 - Corporate Services								
Vote 3 - Budget Treasury Office								
Vote 4 - Community Services								
Vote 5 - Development Planning								
Vote 6 - Engineering Services								
Vote 7 - [NAME OF VOTE 7]								
Vote 8 - [NAME OF VOTE 8]								
Vote 9 - [NAME OF VOTE 9]								
Vote 10 - [NAME OF VOTE 10]								
Vote 11 - [NAME OF VOTE 11]								
Vote 12 - [NAME OF VOTE 12]								
Vote 13 - [NAME OF VOTE 13]								
Vote 14 - [NAME OF VOTE 14]								
Vote 15 - [NAME OF VOTE 15]								
<i>List entity summary if applicable</i>								
<b>Total future operational costs</b>		-	-	-	-	-	-	-
<b>Future revenue by source</b>	3							
Property rates								
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse revenue								
Rental of facilities and equipment								
<i>List other revenues sources if applicable</i>								
<i>List entity summary if applicable</i>								
<b>Total future revenue</b>		-	-	-	-	-	-	-
<b>Net Financial Implications</b>		<b>117 727</b>	<b>139 205</b>	<b>101 708</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

In terms of the municipality's Supply Chain Management policy, no contracts are awarded beyond the medium-term revenue and expenditure framework (three years). In ensuring adherence to this contractual time frame limitation, all reports submitted to either the Bid Evaluation and Adjudication Committees must obtain formal financial management comments and budget confirmation from the Budget and Treasury office.

Capital Expenditure details

Table 31 MBRR SA34a – Capital expenditure on new assets by asset class

**EC443 Winnie Madikizela Mandela - Supporting Table SA34a Capital expenditure on new assets by asset class**

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>R thousand</b>	<b>1</b>									
<b><u>Capital expenditure on new assets by Asset Class/Sub-class</u></b>		<b>55 690</b>	<b>63 714</b>	<b>50 758</b>	<b>30 775</b>	<b>74 891</b>	<b>74 891</b>	<b>34 277</b>	<b>89 854</b>	<b>89 721</b>
<b><u>Infrastructure</u></b>										
Roads Infrastructure		22 170	22 397	31 165	28 475	45 940	45 940	13 070	52 284	54 561
<i>Roads</i>		22 170	22 397	31 165	28 475	45 940	45 940	13 070	52 284	54 561
Electrical Infrastructure		33 520	41 317	19 592	2 300	28 950	28 950	20 957	37 570	35 160
<i>Power Plants</i>		–	–	–	–	–	–	–	–	–
<i>HV Substations</i>		–	–	–	–	–	–	–	–	35 000
<i>MV Networks</i>		33 520	41 317	19 592	–	26 950	26 950	18 107	35 000	–
<i>LV Networks</i>		–	–	–	2 300	2 000	2 000	2 850	2 570	160
<i>Capital Spares</i>		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	250	–	–
<i>Waste Drop-off Points</i>		–	–	–	–	–	–	250	–	–
<b><u>Community Assets</u></b>		<b>7 048</b>	<b>2 408</b>	<b>4 003</b>	<b>1 100</b>	<b>2 383</b>	<b>2 383</b>	<b>13 500</b>	<b>2 900</b>	<b>3 800</b>
Community Facilities		4 657	2 408	4 003	1 100	2 383	2 383	13 500	2 900	3 800
<i>Halls</i>		4 657	–	4 003	–	783	783	8 400	1 400	2 000
<i>Centres</i>		–	–	–	–	–	–	–	–	–
<i>Crèches</i>		–	2 408	–	–	–	–	3 500	–	–
<i>Markets</i>		–	–	–	1 100	1 600	1 600	1 600	1 500	1 800
Sport and Recreation Facilities		2 391	–	–	–	–	–	–	–	–
<i>Outdoor Facilities</i>		2 391	–	–	–	–	–	–	–	–
<b><u>Heritage assets</u></b>		<b>–</b>	<b>–</b>	<b>–</b>	<b>50</b>	<b>110</b>	<b>110</b>	<b>–</b>	<b>–</b>	<b>–</b>
Other Heritage		–	–	–	50	110	110	–	–	–
<b><u>Other assets</u></b>		<b>169</b>	<b>–</b>	<b>1 289</b>	<b>2 500</b>	<b>3 000</b>	<b>3 000</b>	<b>19 820</b>	<b>22 820</b>	<b>–</b>
Operational Buildings		169	–	1 289	2 500	3 000	3 000	19 820	22 820	–
<i>Municipal Offices</i>		169	–	–	–	–	–	–	–	–
<i>Yards</i>		–	–	1 289	2 500	3 000	3 000	–	–	–
<i>Manufacturing Plant</i>		–	–	–	–	–	–	19 820	22 820	–
<b><u>Computer Equipment</u></b>		<b>1 221</b>	<b>1 762</b>	<b>3 400</b>	<b>6 800</b>	<b>8 400</b>	<b>8 400</b>	<b>1 248</b>	<b>1 303</b>	<b>1 362</b>
Computer Equipment		1 221	1 762	3 400	6 800	8 400	8 400	1 248	1 303	1 362
<b><u>Furniture and Office Equipment</u></b>		<b>1 768</b>	<b>785</b>	<b>1 170</b>	<b>1 650</b>	<b>1 910</b>	<b>1 910</b>	<b>6 280</b>	<b>4 013</b>	<b>3 047</b>
Furniture and Office Equipment		1 768	785	1 170	1 650	1 910	1 910	6 280	4 013	3 047
<b><u>Machinery and Equipment</u></b>		<b>6 524</b>	<b>3 933</b>	<b>2 625</b>	<b>2 101</b>	<b>2 482</b>	<b>2 482</b>	<b>300</b>	<b>300</b>	<b>600</b>
Machinery and Equipment		6 524	3 933	2 625	2 101	2 482	2 482	300	300	600
<b><u>Transport Assets</u></b>		<b>3 388</b>	<b>2 796</b>	<b>1 614</b>	<b>2 660</b>	<b>2 218</b>	<b>2 218</b>	<b>1 400</b>	<b>–</b>	<b>3 178</b>
Transport Assets		3 388	2 796	1 614	2 660	2 218	2 218	1 400	–	3 178
<b>Total Capital Expenditure on new assets</b>	<b>1</b>	<b>75 808</b>	<b>75 399</b>	<b>64 860</b>	<b>47 637</b>	<b>95 395</b>	<b>95 395</b>	<b>76 825</b>	<b>121 189</b>	<b>101 708</b>

Table 32 MBRR SA34b – Capital Expenditure on upgrading of Existing Assets by asset class

## EC443 Winnie Madikizela Mandela - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand	1									
<b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b>										
<b>Community Assets</b>		-	-	541	6 000	8 614	8 614	11 000	15 000	-
Community Facilities		-	-	541	6 000	8 614	8 614	11 000	15 000	-
Taxi Ranks/Bus Terminals		-	-	541	6 000	8 614	8 614	11 000	15 000	-
<b>Total Capital Expenditure on renewal of existing assets</b>	1	-	-	541	6 000	8 614	8 614	11 000	15 000	-
<i>Renewal of Existing Assets as % of total capex</i>		0.0%	0.0%	0.6%	7.9%	5.4%	5.4%	9.3%	10.8%	0.0%
<i>Renewal of Existing Assets as % of deprecn"</i>		0.0%	0.0%	1.4%	11.4%	16.4%	16.4%	20.9%	27.3%	0.0%

Table 33 MBRR SA34c – Repairs and maintenance by asset class

## EC443 Winnie Madikizela Mandela - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand	1									
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		961	3 530	7 707	21 908	23 544	23 544	24 763	25 316	26 447
Roads Infrastructure		937	3 378	6 196	18 408	20 044	20 044	20 663	21 564	22 531
Roads		31	271	259	596	596	596	616	641	670
Road Structures		724	2 879	5 877	17 400	18 836	18 836	19 548	20 402	21 317
Road Furniture		183	228	59	413	613	613	500	521	544
Electrical Infrastructure		24	152	1 511	3 500	3 500	3 500	4 100	3 751	3 916
MV Networks		24	152	1 511	3 500	3 500	3 500	4 100	3 751	3 916
<b>Community Assets</b>		156	383	20	523	1 193	1 193	903	941	983
Community Facilities		156	383	20	523	1 193	1 193	903	941	983
Halls		156	383	20	223	223	223	300	313	326
Libraries		-	-	-	-	350	350	183	191	199
Parks		-	-	-	300	620	620	420	438	457
		1	1	1	1	1	1	1	1	1
<b>Other assets</b>		2 482	1 330	3 963	4 427	4 377	4 377	4 439	4 626	4 829
Operational Buildings		2 482	1 330	3 963	4 427	4 377	4 377	4 439	4 626	4 829
Municipal Offices		2 482	1 330	3 963	4 219	4 169	4 169	4 231	4 409	4 603
Yards		-	-	-	208	208	208	208	217	226
<b>Computer Equipment</b>		0	102	27	112	62	62	100	104	109
Computer Equipment		0	102	27	112	62	62	100	104	109
<b>Furniture and Office Equipment</b>		-	-	-	12	-	-	-	-	-
Furniture and Office Equipment		-	-	-	12	-	-	-	-	-
<b>Machinery and Equipment</b>		476	464	1 082	709	959	959	570	594	620
Machinery and Equipment		476	464	1 082	709	959	959	570	594	620
<b>Transport Assets</b>		-	-	-	3 363	3 363	3 363	3 496	3 643	3 803
Transport Assets		-	-	-	3 363	3 363	3 363	3 496	3 643	3 803
<b>Total Repairs and Maintenance Expenditure</b>	1	4 075	5 809	12 799	31 055	33 499	33 499	34 271	35 224	36 791
<i>R&amp;M as a % of PPE</i>		0.7%	0.9%	2.0%	4.6%	4.7%	4.7%	5.2%	4.7%	4.7%
<i>R&amp;M as % Operating Expenditure</i>		1.2%	1.8%	3.5%	7.3%	7.5%	7.5%	16.9%	8.1%	8.5%

Table 34 MBRR SA34d – Depreciation by asset class

## EC443 Winnie Madikizela Mandela - Supporting Table SA34d Depreciation by asset class

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>R thousand</b>	<b>1</b>									
<b><u>Depreciation by Asset Class/Sub-class</u></b>										
<b><u>Infrastructure</u></b>		<b>30 814</b>	<b>31 106</b>	<b>29 533</b>	<b>39 751</b>	<b>39 751</b>	<b>39 751</b>	<b>39 754</b>	<b>41 424</b>	<b>43 247</b>
Roads Infrastructure		30 237	30 449	28 729	38 934	38 934	38 934	38 934	40 569	42 354
Roads		30 237	30 449	28 729	38 934	38 934	38 934	38 934	40 569	42 354
Storm water Infrastructure		85	97	93	121	121	121	121	126	131
Drainage Collection		85	97	93	121	121	121	121	126	131
Electrical Infrastructure		342	390	545	485	485	485	488	508	530
HV Transmission Conductors		–	189	181	235	235	235	235	245	256
MV Substations		–	19	18	24	24	24	24	25	26
MV Switching Stations		–	32	31	40	40	40	43	45	47
MV Networks		313	82	251	102	102	102	102	106	111
LV Networks		28	68	65	84	84	84	84	88	92
Solid Waste Infrastructure		150	171	167	212	212	212	212	221	231
Landfill Sites		150	171	167	212	212	212	212	221	231
<b><u>Community Assets</u></b>		<b>2 051</b>	<b>2 108</b>	<b>2 233</b>	<b>3 018</b>	<b>2 740</b>	<b>2 740</b>	<b>2 755</b>	<b>2 871</b>	<b>2 997</b>
Community Facilities		826	2 108	2 233	3 018	2 740	2 740	2 755	2 871	2 997
Halls		812	1 117	1 092	1 343	1 343	1 343	1 358	1 415	1 478
Centres		–	977	1 128	1 657	1 379	1 379	1 379	1 437	1 500
Cemeteries/Crematoria		13	14	13	17	17	17	17	18	19
Sport and Recreation Facilities		1 226	–	–	–	–	–	–	–	–
Outdoor Facilities		1 226	–	–	–	–	–	–	–	–
<b><u>Other assets</u></b>		<b>839</b>	<b>862</b>	<b>727</b>	<b>1 128</b>	<b>1 128</b>	<b>1 128</b>	<b>1 128</b>	<b>1 175</b>	<b>1 227</b>
Operational Buildings		839	862	727	1 128	1 128	1 128	1 128	1 175	1 227
Municipal Offices		839	862	727	1 128	1 128	1 128	1 128	1 175	1 227
<b><u>Intangible Assets</u></b>		<b>593</b>	<b>445</b>	<b>131</b>	<b>–</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>104</b>	<b>109</b>
Licences and Rights		593	445	131	–	100	100	100	104	109
Computer Software and Applications		593	445	131	–	100	100	100	104	109
<b><u>Computer Equipment</u></b>		<b>201</b>	<b>335</b>	<b>315</b>	<b>400</b>	<b>400</b>	<b>400</b>	<b>400</b>	<b>417</b>	<b>436</b>
Computer Equipment		201	335	315	400	400	400	400	417	436
<b><u>Furniture and Office Equipment</u></b>		<b>1 941</b>	<b>2 359</b>	<b>2 636</b>	<b>3 141</b>	<b>3 141</b>	<b>3 141</b>	<b>3 174</b>	<b>3 308</b>	<b>3 453</b>
Furniture and Office Equipment		1 941	2 359	2 636	3 141	3 141	3 141	3 174	3 308	3 453
<b><u>Machinery and Equipment</u></b>		<b>1 565</b>	<b>846</b>	<b>2 497</b>	<b>2 951</b>	<b>3 229</b>	<b>3 229</b>	<b>3 179</b>	<b>3 312</b>	<b>3 458</b>
Machinery and Equipment		1 565	846	2 497	2 951	3 229	3 229	3 179	3 312	3 458
<b><u>Transport Assets</u></b>		<b>837</b>	<b>1 444</b>	<b>1 365</b>	<b>2 191</b>	<b>2 191</b>	<b>2 191</b>	<b>2 191</b>	<b>2 283</b>	<b>2 384</b>
Transport Assets		837	1 444	1 365	2 191	2 191	2 191	2 191	2 283	2 384
<b>Total Depreciation</b>	<b>1</b>	<b>38 841</b>	<b>39 506</b>	<b>39 437</b>	<b>52 581</b>	<b>52 681</b>	<b>52 681</b>	<b>52 682</b>	<b>54 894</b>	<b>57 310</b>

Table 34 MBRR SA34d – Capital Expenditure on upgrading of Existing Assets by asset class

EC443 Winnie Madikizela Mandela - Supporting Table SA34e Capital expenditure on the upgrading of existing assets by asset class

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>R thousand</b>	<b>1</b>									
<b>Capital expenditure on upgrading of existing assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		–	–	248	2 000	4 800	4 800	–	3 016	–
Roads Infrastructure		–	–	248	2 000	4 800	4 800	–	–	–
Roads		–	–	248	2 000	4 800	4 800	–	–	–
Electrical Infrastructure		–	–	–	–	–	–	–	3 016	–
LV Networks		–	–	–	–	–	–	–	3 016	–
<b>Community Assets</b>		–	23 458	21 941	20 172	50 581	50 581	29 902	–	–
Community Facilities		–	10 901	16 058	11 251	25 557	25 557	28 402	–	–
Halls		–	10 901	16 058	11 251	25 557	25 557	28 402	–	–
Sport and Recreation Facilities		–	12 557	5 884	8 921	25 024	25 024	1 500	–	–
Outdoor Facilities		–	12 557	5 884	8 921	25 024	25 024	1 500	–	–
<b>Total Capital Expenditure on upgrading of existing assets</b>	<b>1</b>	–	23 458	22 189	22 172	55 381	55 381	29 902	3 016	–
<b>Upgrading of Existing Assets as % of total capex</b>		0.0%	23.7%	25.3%	29.2%	34.7%	34.7%	25.4%	2.2%	0.0%
<b>Upgrading of Existing Assets as % of deprecn"</b>		0.0%	59.4%	56.3%	42.2%	105.1%	105.1%	56.8%	5.5%	0.0%

## 9.10 Legislation compliance status

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

### 9.10.1 In year reporting

Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) is improving.

### 9.10.2 Internship programme

The Municipality is participating in the Municipal Financial Management Internship programme and has employed five interns undergoing training in various divisions of the Financial Services Department. Of the interns trained over the years 11 were absorbed within the municipality's budget and treasury office while 3 have found employment in other municipality's and are now at managerial level. Since the introduction of the Internship programme the Municipality has successfully employed and trained 24 interns through this programme.

### 9.10.3 Budget and Treasury Office

The Budget and Treasury Office has been established in accordance with the MFMA headed by the Chief Financial Officer.

The department has the following sections, each with its own head:

- Supply Chain Management
- Revenue and Expenditure
- Budgeting and Reporting
- Asset Management

### 9.10.4 Audit Committee

An Audit Committee has been established and is fully functional. This is despite resignation that has happened during the financial year, the council is yet to appoint a replacement member at the moment. Efforts are however being made to ensure that this completed before the end the financial year.

#### **9.10.5 Service Delivery and Implementation Plan**

The detail SDBIP document is at a draft stage and will be finalized after approval of the 2021/22 MTREF in May 2021 directly aligned and informed by the 2021/22 MTREF.

#### **9.10.6 Annual Report**

Annual report is compiled in terms of the MFMA and National Treasury requirements and taking into account the Covid-19 enforced extensions.

#### **9.10.7 mSCOA**

The municipality has been implementing mSCOA like all municipalities in the country as a business reform since its introduction from 1 July 2017. This was introduced to address among other things ensuring standardisation of treatment of transactions and reporting across all municipalities, to encourage proper planning and put controls in terms of revenue and expenditure management. Introduction of new and improved versions of the mSCOA chart has proven to present problems that sometimes make it impossible to operate normally requiring some extra effort to be put into the operations of the municipality to fulfil its service delivery mandate.

## 10. APPROVAL

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This final IDP for 2021/2022 review has been tabled to council for adoption on the council meeting held on **the 31<sup>st</sup> May 2021**. Copies of its draft document were made available in key strategic accessible points such as Municipal offices, municipal website and Bizana Public Library for all interested stakeholders to read, make inputs and comments on this draft.

Inputs were received from communities, sector departments, internal municipal departments and other relevant stakeholders of the municipality. All received inputs have been considered and consolidated into this final document.

The Mbizana Municipal council is satisfied that all necessary planning activities as envisaged in the IDP review process plan were carried out accordingly and therefore **RESOLVED** to adopt this document as its final reviewed IDP for 2021/2022 financial year.

### DECLARATION OF ADOPTION

#### SIGNATURES



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**MR L. MAHLAKA**  
**MUNICIPAL MANAGER**

**31 May 2021**

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**DATE**



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**HON. CLLR T. D. MAFUMBATHA**  
**THE MAYOR**

**31 May 2021**

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**DATE**

## COUNCIL EXTRACT ON IDP APPROVAL

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### Winnie Madikizela-Mandela Local Municipality

Physical Address  
51 Winnie Madikizela  
Mandela Street  
Postal Address  
P O Box 12  
Bizana



Office of the Speaker  
Tel: 039 251 0230  
Fax: 039 251 0917  
speaker@mbizana.gov.za

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#### EXTRACT FROM THE MINUTES OF THE ORDINARY COUNCIL MEETING

Venue : Council Chamber  
Date : 31 May 2021  
Time : 08Hrs

#### 7.1 Revised Draft IDP 2021/22 FY

On the motion of Councillor Msindo seconded by Councillor Dlamini it was resolved that:-

- Council adopted the Final Integrated Development Plan review for the 2021/2022 FY

  
Cllr S. Magini  
Hon. Speaker

WINNIE MADIKIZELA-MANDELA  
LOCAL MUNICIPALITY  
PO BOX 12 BIZANA 4800  
2021-05-31  
OFFICE OF THE SPEAKER  
TEL: 039 251 0230  
FAX: 039 251 0917

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*Vision: A vibrant socio economic growing municipality that creates sustainable communities with equal opportunity for all.*

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## 11. ANNEXTURE B COGTA PLANING INDICATORS ACCORDING TO CIRCULAR 88 OF THE MFMA

MUNICIPAL NAME:		WINNIE MADIKIZELA - MANDELA LOCAL MUNICIPALITY (EC443)					
Output Planning Template: 2021-22					Only when an indicator or data element is not reported during the pilot		
Performance indicator		Ref No.	Data element	Baseline (Annual Performance of 2020/21 estimated)	Reasons for no data, if not provided	Steps undertaken, or to be undertaken, to provide data in the future	Estimated date when data will be available
OUTPUT INDICATORS FOR QUARTERLY REPORTING							
EE1.11	Number of dwellings provided with connections to mains electricity supply by the municipality						
		EE1.11(1)	(1) Number of residential supply points energised and commissioned by the municipality	12			
EE3.11	Percentage of unplanned outages that are restored to supply within industry standard timeframes						
		EE3.11(1)	(1) Number of unplanned outages restored within x hours	118			
		EE3.11(2)	(2) Total number of unplanned outages	118			
EE3.21	Percentage of planned maintenance performance						
		EE3.21(1)	(1) Actual number of maintenance 'jobs' for planned or preventative maintenance	6			
		EE3.21(2)	(2) Budgeted number of maintenance 'jobs' for planned or preventative maintenance	6			
WS1.11	Number of new sewer connections meeting minimum standards						

<b>MUNICIPAL NAME:</b>		<b>WINNIE MADIKIZELA - MANDELA LOCAL MUNICIPALITY (EC443)</b>					
<b>Output Planning Template: 2021-22</b>					<i>Only when an indicator or data element is not reported during the pilot</i>		
Performance indicator	Ref No.	Data element	Baseline (Annual Performance of 2020/21 estimated)	Reasons for no data, if not provided	Steps undertaken, or to be undertaken, to provide data in the future	Estimated date when data will be available	
	WS1.11(1)	(1) Number of new sewer connection to consumer units	0	ANDM Function			
	WS1.11(2)	(2) Number of new sewer connections to communal toilet facilities	0	ANDM Function			
WS2.11	Number of new water connections meeting minimum standards						
	WS2.11(1)	(1) Number of new water connections to piped (tap) water	0	ANDM Function			
	WS2.11(2)	(2) Number of new water connections to public/communal facilities	0	ANDM Function			
WS3.11	Percentage of callouts responded to within 24 hours (sanitation/wastewater)						
	WS3.11(1)	(1) Number of callouts responded to within 24 hours (sanitation/wastewater)	0	ANDM Function			
	WS3.11(2)	(2) Total number of callouts (sanitation/wastewater)	0	ANDM Function			
WS3.21	Percentage of callouts responded to within 24 hours (water)						
	WS3.21(1)	(1) Number of callouts responded to within 24 hours (water)	0	ANDM Function			
	WS3.21(2)	(2) Total water service callouts received	0	ANDM Function			

MUNICIPAL NAME:		WINNIE MADIKIZELA - MANDELA LOCAL MUNICIPALITY (EC443)					
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Performance indicator		Ref No.	Data element	Baseline (Annual Performance of 2020/21 estimated)	Reasons for no data, if not provided	Steps undertaken, or to be undertaken, to provide data in the future	Estimated date when data will be available
TR6.12	Percentage of surfaced municipal road lanes which has been resurfaced and resealed						
		TR6.12(1)	(1) Kilometres of municipal road lanes resurfaced and resealed	0	Not planned		
		TR6.12(2)	(2) Kilometres of surfaced municipal road lanes	0	Not planned		
TR6.13	KMs of new municipal road lanes built						
		TR6.13(1)	(1) Number of kilometres of resurfaced road lanes built	1			
		TR6.13(2)	(2) Number of kilometres of unsurfaced road lanes built	755			
TR6.21	Percentage of reported pothole complaints resolved within standard municipal response time			1			
		TR6.21(1)	(1) Number of pothole complaints resolved within the standard time after being reported	750m²			
		TR6.21(2)	(2) Number of potholes reported	220m²			
FD1.11	Percentage of compliance with the required attendance time for structural firefighting incidents						
		FD1.11(1)	(1) Number of structural fire incidents where the attendance time was less than 14 minutes	0	ANDM Function		

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Performance indicator	Ref No.	Data element	Baseline (Annual Performance of 2020/21 estimated)	Reasons for no data, if not provided	Steps undertaken, or to be undertaken, to provide data in the future	Estimated date when data will be available	
		FD1.11(2)	(2) Total number of distress calls for structural fire incidents received	0	ANDM Function		
LED1.11	Percentage of total municipal operating expenditure spent on contracted services physically residing within the municipal area						
		LED1.11(1)	(1) R-value of operating expenditure on contracted services within the municipal area	65 462 278,00			
		LED1.11(2)	(2) Total municipal operating expenditure on contracted services	93 517 540,00			
LED1.21	Number of work opportunities created through Public Employment Programmes (incl. EPWP, CWP and other related employment programmes)						
		LED1.21(1)	(1) Number of work opportunities provided by the municipality through the Expanded Public Works Programme	256			
		LED1.21(2)	(2) Number of work opportunities provided through the Community Works Programme and other related infrastructure initiatives	200			
LED2.12	Percentage of the municipality's operating budget spent on indigent relief for free basic services						
		GG6.11(1)	(1) R-value of operating budget expenditure spent on free basic services	6 342 508,00			

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Performance indicator	Ref No.	Data element		Baseline (Annual Performance of 2020/21 estimated)	Reasons for no data, if not provided	Steps undertaken, or to be undertaken, to provide data in the future	Estimated date when data will be available
		GG6.11(2)	(2) Total operating budgets for the municipality	403 926 326,00			
LED3.11	Average time taken to finalise business licence applications						
		LED3.11(1)	(1) Sum of the total working days per business application finalised	10 days			
		LED3.11(2)	(2) Number of business applications finalised	7			
LED3.31	Average number of days from the point of advertising to the letter of award per 80/20 procurement process						
		LED3.31(1)	(1) Sum of the number of days from the point of advertising a tender in terms of the 80/20 procurement process to the issuing of the letter of award	109 days			
		LED3.31(2)	(2) Total number of 80/20 tenders awarded as per the procurement process	42			
LED3.32	Percentage of municipal payments made to service providers who submitted complete forms within 30-days of invoice submission						
		LED3.32(1)	(1) Number of municipal payments within 30-days of complete invoice receipt made to service providers				
		LED3.32(2)	(2) Total number of complete invoices received (30 days or older)				

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GG1.21	Staff vacancy rate						
		GG1.21(1)	(1) The number of employees on the approved organisational structure	282			
		GG1.21(2)	(2) The number of permanent employees in the municipality	266			
GG1.22	Percentage of vacant posts filled within 3 months						
		GG1.22(1)	(1) Number of vacant posts filled within 3 months since the date (dd/mm/yyyy) of authority to proceed with filling the vacancy	0			
		GG1.21(2)	(2) Number of vacant posts that have been filled	17			
GG2.11	Percentage of ward committees with 6 or more ward committee members (excluding the ward councillor)						
		GG2.11(1)	(1) Total number of ward committees with 6 or more members	31			
		GG2.11(2)	(2) Total number of wards	31			
GG2.12	Percentage of wards that have heald at least once councillor-convened community meeting						

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Performance indicator	Ref No.	Data element		Baseline (Annual Performance of 2020/21 estimated)	Reasons for no data, if not provided	Steps undertaken, or to be undertaken, to provide data in the future	Estimated date when data will be available
		GG2.12(1)	(1) Total number of councillors convened ward community meetings	31			
		GG2.12(2)	(2) Total number of wards	31			
GG2.31	Percentage of official complaints responded to through the municipal complaint management system						
		GG2.31(1)	(1) Number of official complaints responded to according to municipal norms and standards	15			
		GG2.31(2)	(2) Number of official complaints received	20			
GG4.11	Number of agenda items deferred to the next council meeting						
		GG4.11(1)	(1) Sum total number of all council agenda items deferred to the next meeting	3			
GG5.11	Number of active suspensions longer than three months						
		GG5.11(1)	(1) Simple count of the number of active suspensions in the municipality lasting more than three months	1			
GG5.12	Quarterly salary bill of suspended officials						

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<b>Performance indicator</b>	<b>Ref No.</b>	<b>Data element</b>		<b>Baseline (Annual Performance of 2020/21 estimated)</b>	<b>Reasons for no data, if not provided</b>	<b>Steps undertaken, or to be undertaken, to provide data in the future</b>	<b>Estimated date when data will be available</b>
		GG5.12(1)	(1) Sum of the salary bill for all suspended officials for the reporting period	145 847,25			
<b>OUTPUT INDICATORS FOR ANNUAL REPORTING</b>							
WS5.31	Percentage of total water connections metered						
		WS5.31(1)	(1) Number of water connections metered	0	ANDM Function		
		WS5.31(2)	(2) Number of connections unmetered	0	ANDM Function		
ENV4.11	Percentage of biodiversity priority area within the municipality						
		ENV4.11(1)	(1) Total land area in hectares classified as "biodiversity priority areas"	100km2			
		ENV4.11(2)	(2) Total municipal area in hectares				
ENV4.21	Percentage of biodiversity priority areas protected						
		ENV4.21(1)	(1) Area of priority biodiversity area in hectares which is protected	5km2			
		ENV4.21(2)	(2) Total area identified as a priority biodiversity area in hectares	50km2			
TR6.11	Percentage of unsurfaced road graded			1			



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		TR6.11(1)	(1) Kilometres of municipal road graded	286 km			
		TR6.11(2)	(2) Kilometres of unsurfaced road network	865km			
GG3.12	Percentage of councillors who have declared their financial interests						
		GG3.12(1)	(1) Number of councillors that have declared their financial interests	62			
		GG3.12(2)	(2) Total number of municipal councillors	62			
QUARTERLY COMPLIANCE INDICATORS							
C1.	Number of signed performance agreements by the MM and section 56 managers			6			
C2.	Number of ExCo or Mayoral Executive meetings held			8			
C3.	Number of Council portfolio committee meetings held			42			
C4.	Number of MPAC meetings held			3			
C6.	Number of formal (minuted) meetings between the Mayor, Speaker and MM were held to deal with municipal matters			0			
C7.	Number of formal (minuted) meetings - to which all senior managers were invited- held			0			
C8.	Number of councillors completed training			4			
C9.	Number of municipal officials completed training			0			

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Performance indicator	Ref No.	Data element	Baseline (Annual Performance of 2020/21 estimated)	Reasons for no data, if not provided	Steps undertaken, or to be undertaken, to provide data in the future	Estimated date when data will be available
C10.	Number of work stoppages occurring		4			
C11.	Number of litigation cases instituted by the municipality		4	Unable to predict the number of litigation cases to be instituted on quarterly basis. Litigation cannot be planned. As Legal Services we mitigate litigation, ideally litigation should not be encouraged.		
C12.	Number of litigation cases instituted against the municipality		15	Unable to predict the number of litigation cases to be instituted on quarterly basis. Litigation cannot be planned. As Legal Services we mitigate litigation, ideally litigation should not be encouraged.		
C13.	Number of forensic investigations instituted		0			
C14.	Number of forensic investigations conducted		0			
C15.	Number of days of sick leave taken by employees		374			
C16.	Number of permanent employees employed		224			
C17.	Number of temporary employees employed		0			
C18.	Number of approved demonstrations in the municipal area		0			

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Performance indicator	Ref No.	Data element	Baseline (Annual Performance of 2020/21 estimated)	Reasons for no data, if not provided	Steps undertaken, or to be undertaken, to provide data in the future	Estimated date when data will be available
C19.		Number of recognised traditional and Khoi-San leaders in attendance (sum of) at all council meetings	12			
C20.		Number of permanent environmental health practitioners employed by the municipality	0	Alfred Nzo District Municipality Function		
C22.		Number of Council meetings held	9			
C23.		Number of disciplinary cases for misconduct relating to fraud and corruption	3			
C24.		Number of council meetings disrupted	0			
C25.		Number of protests reported	0			
C26.		R-value of all tenders awarded	113 150 433,00			
C27.		Number of all awards made in terms of Section 36 of the MFMA Municipal Supply Chain Management Regulations	0			
C28.		R-value of all awards made in terms of Section 36 of the MFMA Municipal Supply Chain Management Regulations	334 900,00			
C29.		Number of approved applications for rezoning a property for commercial purposes	3			
C30.		Number of business licenses approved				
C32.		Number of positions filled with regard to municipal infrastructure				
C33.		Number of tenders over R200 000 awarded	48			

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Performance indicator	Ref No.	Data element	Baseline (Annual Performance of 2020/21 estimated)	Reasons for no data, if not provided	Steps undertaken, or to be undertaken, to provide data in the future	Estimated date when data will be available
C34.		Number of months the Municipal Managers' position has been filled (not Acting)	47			
C35.		Number of months the Chief Financial Officers' position has been filled (not Acting)	45			
C36.		Number of vacant posts of senior managers	0			
C38.		Number of filled posts in the treasury and budget office	44			
C40.		Number of filled posts in the development and planning department	40			
C42.		Number of registered engineers employed in approved posts	0			
C43.		Number of engineers employed in approved posts	0			
C44.		Number of disciplinary cases in the municipality	3			
C45.		Number of finalised disciplinary cases	0			
C47.		Number of waste management posts filled	39			
C49.		Number of electricians employed in approved posts	3			
C51.		Number of filled water and wastewater management posts	0			
C56.		Number of customers provided with an alternative energy supply (e.g. LPG or paraffin or biogel according to supply level standards)	5600			

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Performance indicator	Ref No.	Data element	Baseline (Annual Performance of 2020/21 estimated)	Reasons for no data, if not provided	Steps undertaken, or to be undertaken, to provide data in the future	Estimated date when data will be available	
C57.	Number of registered electricity consumers with a mini grid-based system in the municipal service area		4208				
C58.	Total non-technical electricity losses in MWh (estimate)		155039.57 Kwh				
C59.	Number of municipal buildings that consume renewable energy						
C61.	Total number of chemical toilets in operation		0	ANDM Function			
C63.	Total volume of water delivered by water trucks		0	ANDM Function			
C67.	Number of paid full-time firefighters employed by the municipality		0	ANDM Function			
C68.	Number of part-time and firefighter reservists in the service of the municipality		0	ANDM Function			
C69.	Number of 'displaced persons' to whom the municipality delivered assistance						
C71.	Number of procurement processes where disputes were raised		0				
C73.	Number of structural fires occurring in informal settlements		1				
C74.	Number of dwellings in informal settlements affected by structural fires (estimate)		3				
C76.	Number of SMMEs and informal businesses benefitting from municipal digitisation support programmes rolled out directly or in partnership with other stakeholders						

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Performance indicator	Ref No.	Data element	Baseline (Annual Performance of 2020/21 estimated)	Reasons for no data, if not provided	Steps undertaken, or to be undertaken, to provide data in the future	Estimated date when data will be available	
C77.		B-BBEE Procurement Spend on Empowering Suppliers that are at least 51% black owned based	248 279 971,00				
C78.		B-BBEE Procurement Spend on Empowering Suppliers that are at least 30% black women owned	198 983 977,00				
C79.		B-BBEE Procurement Spend from all Empowering Suppliers based on the B-BBEE Procurement	298 475 965,00				
C86.		Number of households in the municipal area registered as indigent	11908				
C89.		Number of meetings of the Executive or Mayoral Committee postponed due to lack of quorum	0				
<b>ANNUAL COMPLIANCE INDICATORS</b>							
C5.		Number of recognised traditional leaders within your municipal boundary	12				
C21.		Number of approved environmental health practitioner posts in the municipality	0				
C31.		Number of approved posts in the municipality with regard to municipal infrastructure					
C37.		Number of approved posts in the treasury and budget office					

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Performance indicator	Ref No.	Data element	Baseline (Annual Performance of 2020/21 estimated)	Reasons for no data, if not provided	Steps undertaken, or to be undertaken, to provide data in the future	Estimated date when data will be available	
C39.	Number of approved posts in the development and planning department						
C41.	Number of approved engineer posts in the municipality			0			
C46.	Number of approved waste management posts in the municipality			46			
C48.	Number of approved electrician posts in the municipality			4			
C50.	Number of approved water and wastewater management posts in the municipality			0	ANDM Function		
C52.	Number of maintained sports fields and facilities			5			
C53.	Square meters of maintained public outdoor recreation space			30000			
C54.	Number of municipality-owned community halls			33			
C60.	Total number of sewer connections			0	ANDM Function		

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<b>Performance indicator</b>	<b>Ref No.</b>	<b>Data element</b>	<b>Baseline (Annual Performance of 2020/21 estimated)</b>	<b>Reasons for no data, if not provided</b>	<b>Steps undertaken, or to be undertaken, to provide data in the future</b>	<b>Estimated date when data will be available</b>	
C62.	Total number of Ventilation Improved Pit Toilets (VIPs)		0	ANDM Function			
<b>COMPLIANCE QUESTIONS</b>							
Q1.	Does the municipality have an approved Performance Management Framework?		Yes				
Q2.	Has the IDP been adopted by Council by the target date?		Yes				
Q3.	Does the municipality have an approved LED Strategy?		yes				
Q4.	What are the main causes of work stoppage in the past quarter by type of stoppage?		None				
Q5.	How many public meetings were held in the last quarter at which the Mayor or members of the Mayoral/Executive		35				



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		committee provided a report back to the public?					
Q6.		When was the last scientifically representative community feedback survey undertaken in the municipality?	2015				
Q7.		What are the biggest causes of complaints or dissatisfaction from the community feedback survey? Indicate the top four issues in order of priority.	Road construction and maintenance, water shortage, provision of RDP Houses, health care facilities.				
Q8.		Please list the locality, date and cause of each incident of protest within the municipal area during the reporting period:	0				
Q9.		Does the municipality have an Internal Audit Unit?	Yes				

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Q10.		Is there a dedicated position responsible for internal audits?	Yes				
Q11.		Is the internal audit position filled or vacant?	2				
Q12.		Has an Audit Committee been established? If so, is it functional?	Yes, its functional				
Q13.		Has the internal audit plan been approved by the Audit Committee?	Yes				
Q14.		Has an Internal Audit Charter and Audit Committee charter been approved and adopted?	Yes				
Q15.		Does the internal audit plan set monthly targets?	Yes				
Q16.		How many monthly targets in the internal audit plan were not achieved?	0				
Q17.		Does the Municipality have a dedicated SMME support unit or facility in place either directly or in	yes				

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		partnership with a relevant roleplayer?					
Q18.		What economic incentive policies adopted by Council does the municipality have by date of adoption?	No				
Q19.		Is the municipal supplier database aligned with the Central Supplier Database?	Yes				
Q20.		What is the number of steps a business must comply with when applying for a construction permit before final document is received?					
Q22		Please list the name of the structure and date of every meeting of an official IGR structure that the municipality participated in this quarter:	15 September 2020 8 December 2020 19 March 2021				

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<b>Performance indicator</b>	<b>Ref No.</b>	<b>Data element</b>	<b>Baseline (Annual Performance of 2020/21 estimated)</b>	<b>Reasons for no data, if not provided</b>	<b>Steps undertaken, or to be undertaken, to provide data in the future</b>	<b>Estimated date when data will be available</b>	
Q23.	Where is the organisational responsibility for the IGR support function located within the municipality (inclusive of the reporting line)?		Municipal Managers Office - Communications Section				
Q24.	Is the MPAC functional? List the reasons why if the answer is not 'Yes'.		Yes				
Q25.	Has a report by the Executive Committee on all decisions it has taken been submitted to Council this financial year?		Yes				

